



City Council Regular Meeting Agenda

Refer to the bottom of the agenda for meeting information.

Tuesday, December 2, 2025

6:00 PM

Council Chambers and Online

1. Call to Order

2. Roll Call

3. Pledge of Allegiance

4. 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.

5. Approval of Agenda and Consent Agenda Items

- A. Approval of the Minutes of November 18, 2025
- B. Payment of claims, wages, and transfers for October 26 through November 21, 2025
- C. 2026 State Legislative Agenda and Manual

6. Public Comment

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

7. Public Hearing

- A. **2026 Final Budget Hearing**
Troy Woo, Finance Director
- B. **Utility Local Improvement District (ULID) No. 25--Tolmie Park Estates Sewer**
Vince McGowan, Water Resources Manager

8. Ordinances

- A. **Ordinance 1687: ULID No. 25 Assessment Roll--Tolmie Park Estates Sewer**
Vince McGowan, Water Resources Manager

B. **Ordinance 1688: Development Procedures Ordinance**

Shannon Vincent, Senior Planner

Sarah Schelling, Current Planning and Economic Development Manager

9. **Mayor's Report**

10. **City Manager's Report**

A. **Poet Laureate Policy**

Shannon Kelley-Fong, Assistant City Manager

B. **Thurston Climate Mitigation Collaborative Interlocal Agreement Amendments**

Linsey Fields, Climate and Sustainability Coordinator

C. **Special Tax Exemption: Bowker House, 915 Bowker Street SE**

Erin Quinn Valcho, Museum Curator

D. **Cable Utility Tax Discussion**

Shannon Kelley-Fong, Assistant City Manager

11. **Council Reports**

A. Mayor Andy Ryder:

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

B. Deputy Mayor Malcolm Miller:

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

C. Councilmember Lenny Greenstein:

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

D. Councilmember Michael Steadman:

1. Nisqually River Council
2. Thurston County Law & Justice Council

E. Councilmember Carolyn Cox:

1. LOTT Clean Water Alliance
2. Regional Housing Council
3. Intercity Transit Authority

F. Councilmember Robin Vazquez:

1. Thurston Climate Mitigation Collaborative
2. Thurston Regional Planning Council (TRPC)
- G. Councilmember Nicolas Dunning:
 1. Thurston Thrives
 2. Solid Waste Advisory Committee (SWAC)
 3. Olympia-Lacey-Tumwater Visitor & Convention Bureau (VCB)
 4. Olympic Region Clean Air Agency (ORCAA)
 5. Law Enforcement Officers and Fire Fighters Plan 1 Disability Board (LEOFF-1)

12. Adjourn

Attendance and Public Comment

Attend Remote or In-Person

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

In-Person	Council Chambers at Lacey City Hall 420 College Street SE, Lacey, WA 98503
Zoom:	https://us02web.zoom.us/webinar/register/WN_HI98RS7XTUSINgplqLo_ng
Website:	https://cityoflacey.org/government/public-meetings/
Facebook:	https://www.facebook.com/cityoflacey
YouTube:	https://www.youtube.com/watch?v=Be2TzfFTP9w
Cable:	Channel 77 with your local cable provider
Phone:	(888) 788-0099 or (877) 853-5247 (Webinar ID 835 8384 3289)

Verbal Public Comment

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

Prior to starting your comments, please provide your:

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

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

In-Person:	Use the sign-up sheet located in the Council Chambers.
Zoom:	Preregister using the following Zoom link no later than two hours prior to the meeting: https://us02web.zoom.us/webinar/register/WN_HI98RS7XTUSINgplqLo_ng

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

Written Public Comment

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



City Council Regular Meeting Minutes

Tuesday, November 18, 2025

Council Chambers and Online

1. Call to Order

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

Mayor Ryder moved to appoint Councilmember Greenstein to preside over the meeting as Chair. Councilmember Vazquez seconded. The motion carried.

2. Roll Call

Council Present

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

Council Excused

Councilmember Michael Steadman

Staff Present

Rick Walk, City Manager
Shannon Kelley-Fong, Assistant City Manager
Dave Schneider, City Attorney
Scott Egger, Public Works Director
Troy Woo, Finance Director
Scott Devlin, Operations Manager
Vince McGowan, Water Resources Manager
Chelsea Yarwood, Acting Financial Services Manager
Gagan Brar, Utilities Civil Engineer
Sadie Siglin, Management Analyst
Elissa Fontaine, City Clerk

3. Pledge of Allegiance

Councilmember Greenstein led the flag salute.

4. Land Acknowledgement

Councilmember Greenstein presented the abbreviated Land Acknowledgement.

5. Approval of Agenda and Consent Agenda Items

- A. Approval of the Minutes of October 28, 2025
- B. Approval of the Minutes of November 3, 2025
- C. Payment of claims, wages, and transfers for October 27 through November 7, 2025

Councilmember Vazquez moved to approve the agenda and consent agenda. Councilmember Dunning seconded. The motion carried.

6. Public Recognitions and Presentations

A. Lacey Youth Council Report

The following representatives presented reports:

Makayla Pennington, River Ridge High School
Jennifer Zheng, North Thurston High School
Shalom Mutua, Timberline High School
Luka Froehlich, Home School Representative
Aryan Kumar, Youth Council Update

7. Proclamations

A. Veterans Appreciation Month

Command Sergeant Major (Retired) Frank Handoe, Sergeants Major Association
Command Sergeant Major Tresha Jeter, Sergeants Major Association

Mayor Ryder and Council proclaimed November 2025 Veterans Appreciation Month. Handoe and Jeter were present to accept the proclamation.

B. Small Business Saturday

Michael Cade, Executive Director, Thurston Economic Development Council

Mayor Ryder and Council proclaimed November 29, 2025, Small Business Saturday. The proclamation will be delivered to the Thurston Economic Development Council.

8. Public Comment

Verbal Public Comment

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

Mark Kitabayashi, Thurston County Realtors Representative, thanked the City of Lacey for their partnership during the Thurston County Homebuying Expo.

Lee Meier, property owner, signed up to speak for the public hearing, but chose to provide public comment. Meier spoke about ongoing frustrations with the utility billing process.

No one registered to speak remotely and no written public comments were received.

9. Public Hearing

A. 2026 Budget Hearing

Troy Woo, Finance Director

Chelsea Yarwood, Acting Financial Services Manager

Councilmember Greenstein opened the first public hearing on the 2026 Proposed Budget at 6:21 p.m.

Woo and Yarwood presented the proposed 2026 budget in detail and highlighted variances from the October 21, 2025, budget presentation. This presentation detailed general fund expenditures and revenues, budget initiatives, and line-by-line analyses. Recommendations to proposed budget revenues and expenditures were provided. Discussion ensued.

No written or verbal testimony was provided.

Councilmember Greenstein closed the first public hearing on the 2026 Proposed Budget at 7:14 p.m.

A second and final public hearing on the 2026 Proposed Budget is scheduled for December 2, 2025. Budget adoption is scheduled for December 16, 2025.

10. Resolutions

A. Resolution 1177: Authorizing 2026 Property Tax

Chelsea Yarwood, Acting Financial Services Manager

Yarwood presented draft Resolution 1177, authorizing an increase to the 2026 ad valorem tax levy by one percent over the tax levy of 2025. The proposed resolution allows the County Assessor's Office to assess the City's 2025 property tax as authorized and authorizes a one-percent increase, equal to \$92,729.

Councilmember Dunning moved to adopt Resolution 1177 authorizing the increase of the 2026 Ad Valorem tax levy by one percent over the tax levy of 2025. Councilmember Vazquez seconded. The motion carried.

11. Ordinances

A. Ordinance 1685: 2026 Property Tax

Chelsea Yarwood, Acting Financial Services Manager

Yarwood presented draft Ordinance 1685, establishing the 2026 Ad Valorem Tax. The proposed ordinance sets the 2026 general property tax and sets the voter-approved general obligation (GO) Bond redemption property tax levies.

Councilmember Dunning moved to adopt Ad Valorem Tax Ordinance 1685, as presented. Councilmember Vazquez seconded. The motion carried.

B. Ordinance 1686: 2026 Stormwater Utility Rates

Troy Woo, Finance Director

Woo presented draft Ordinance 1686, relating to 2026 stormwater utility rates. The proposed ordinance amends Lacey Municipal Code 13.70.030, establishing stormwater rates for 2026.

Councilmember Vazquez moved to adopt Ordinance 1686, amending LMC 13.70.030 establishing stormwater rates for 2026. Councilmember Dunning seconded. The motion carried.

12. Mayor's Report

A. Youth Council Appointment (Heeyoung Kim)

Ryder briefed the Council on a recent vacancy on the Lacey Youth Council.

Mayor Ryder moved to appoint youth councilmember alternate Heeyoung Kim to the Lacey Youth Council. Councilmember Greenstein seconded. The motion carried.

13. City Manager's Report

A. Award S-06 Water Rights Grays Production Well Project

Gagan Brar, P.E., Public Works Water Resources

Brar presented the S-06 Water Rights Grays Production Well Project. The City advertised the project to drill a potable well along with land clearing. One bid was received. The engineer's estimate was \$864,929.65. Discussion ensued.

Councilmember Dunning moved to award Lacey Contract Number PW 2024-01 to the low bidder, Holt Services Inc., in the amount of \$1,001,122.20. Councilmember Vazquez seconded. The motion carried.

14. Council Reports

A. Mayor Andy Ryder:

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

Mayor Ryder did not provide any reports.

B. Deputy Mayor Malcolm Miller:

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

Deputy Mayor Miller provided a report from JASCOM.

Recessed and Reconvened

At 7:45 p.m. a quorum was lost due to technical issues with remote participation. At 7:46 p.m. remote participation was restored and the meeting resumed.

C. Councilmember Lenny Greenstein:

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

Councilmember Greenstein provided a report from TCOMM911.

D. Councilmember Michael Steadman:

1. Nisqually River Council
2. Thurston County Law & Justice Council

Councilmember Steadman was excused and no reports were provided.

E. Councilmember Carolyn Cox:

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

Councilmember Cox provided a report from the Regional Housing Council and update from the Intercity Transit Authority.

F. Councilmember Robin Vazquez:

1. Thurston Climate Mitigation Collaborative (TCMC)
2. Thurston Regional Planning Council (TRPC)

Councilmember Vazquez provided a report from the TRPC.

G. Councilmember Nicolas Dunning:

1. Thurston Thrives
2. Solid Waste Advisory Committee (SWAC)
3. Olympia-Lacey-Tumwater Visitor & Convention Bureau (VCB)
4. Olympic Region Clean Air Agency (ORCAA)
5. Law Enforcement Officers and Fire Fighters Plan 1 Disability Board (LEOFF-1)

Councilmember Dunning provided a report from the VCB.

Recessed and Reconvened

At 7:55 p.m., Council recessed for a 10-minute break. Councilmember Greenstein reconvened the meeting at 8:05 p.m.

15. Worksession

A. Water Meter Replacement Project

Scott Egger, Public Works Director
Scott Devlin, Operations Manager
Vince McGowan, Water Resources Manager

Egger, Devlin, and McGowan presented the water meter replacement project. This project will replace approximately 10,000 meters that are at the end of their service life. The new meters will give the City real-time water consumption data, improve billing accuracy, and reduce staff time needed for meter reading. Staff reviewed three options for replacing the meters and moving forward with the in-house option. This approach would require hiring temporary staff to install the new meters and meter transmission units (MTUs). The costs for buying the new meters and MTUs were not included in any of the options. Discussion ensued.

B. 2026 Lodging Tax Funding Recommendations

Shannon Kelley-Fong, Assistant City Manager
Sadie Siglin, Management Analyst

Kelley-Fong and Siglin presented Council with the Lodging Tax Advisory Committee's (LTAC) 2026 funding recommendation. This presentation detailed the LTAC's task of allocating lodging taxes and their selection process. The LTAC recommendation would allocate a total of \$685,329 in lodging tax funding, comprising \$577,239 from proposed 2026 revenues and \$108,000 from reserves, leaving a remaining available reserve balance of \$159,420. Discussion ensued. The 2026 LTAC funding recommendations will be presented to Council for action at a future date.

16. Adjourn

Councilmember Greenstein adjourned the meeting at 9:25 p.m.

DRAFT



LACEY CITY COUNCIL MEETING

December 2, 2025

SUBJECT: Disbursement Approval

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

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

ORIGINATED BY: Finance Department

BACKGROUND:

The action requested of the City Council is by motion to approve payment of claims, wages and transfers for 10/26/2025 through 11/21/2025. The disbursements consist of the following:

Checks:	<u>Week of</u>	<u>Beg. Check No.</u>	<u>End. Check No.</u>	<u>Amount</u>
	11/14/2025	282031	282094	493,929.86
	11/21/2025	282095	282228	1,378,520.44

Electronic Transfers:	<u>Week of</u>	<u>Amount</u>
	10/26/2025	69,121.68
	11/10/2025	36.24
	11/10/2025	41.71
	11/10/2025	30.00
	11/14/2025	866,309.66
	11/18/2025	8,525.08
	11/18/2025	495.24
	11/18/2025	1,497.00
	11/21/2025	1,342,677.68

Significant Disbursements:

<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
US Bank	\$ 69,121.68	October 2025 P-card charges
ANC Facility Services	\$ 79,645.81	Lakeview Meadows util. imprv.
Bud Clary Ford/Hyundai	\$ 79,702.18	New truck for Cuoio Park
Evergreen Heights, LLC	\$ 124,824.78	LCA 2006-01
KCDA Purchasing Cooperative	\$ 107,110.86	Tennis court resurface-Rainier Vista
Midway Underground, LLC	\$ 506,474.75	Greg Cuoio Park Phase 1A
Nisqually Indian Tribe	\$ 70,245.98	October 2025 inmate support
Thurston County District Court	\$ 105,102.00	March/April 2025 violations
Active Construction, Inc.	\$ 879,369.09	College St. NE Extension
Barcott Construction, LLC	\$ 213,233.73	Lift Station 11 improvements
CDW Government, Inc.	\$ 60,499.55	Crowdstrike renewal
KMB Architects, Inc.	\$ 123,827.13	New Police Department facility
Lakeside Industries, Inc.	\$ 97,201.00	Ridgeview Dr. pavement
LOTT Wastewater Alliance	\$ 50,000.00	Interlocal agreement
Prospect Construction, Inc.	\$ 347,403.04	Lift Station 3 replacement
Puget Sound Energy, Inc.	\$ 158,514.40	Utility bills
Softwareone, Inc.	\$ 180,520.19	Microsoft EA
Thurston County District Court	\$ 93,337.00	June/July 2025 violations



LACEY CITY COUNCIL MEETING

December 2, 2025

SUBJECT: 2026 State Legislative Agenda and Manual

RECOMMENDATION: Option 1: Motion to approve “2026 State Legislative Agenda and Manual.”

STAFF CONTACT: Rick Walk, City Manager *RW*
Shannon Kelley-Fong, Assistant City Manager *SKF*

ORIGINATED BY: City Manager's Department

ATTACHMENTS:
1. 2026 State Legislative Agenda
2. 2026 State Legislative Agenda – Accessible Copy
3. 2026 State Legislative Manual

FISCAL NOTE: Not applicable

PRIOR REVIEW: November 25, 2025

BACKGROUND: Annually, the City of Lacey establishes priorities for the upcoming Washington state legislative session.

The 2026 State Legislative Agenda and the 2026 State Legislative Manual are intended to reflect the City's current priorities at the state level. These documents help the City achieve its legislative priorities in 2026 and beyond. **Table A** identifies the draft 2026 legislative priorities.

The Lacey City Council reviewed the draft 2026 State Legislative Agenda and 2026 State Legislative Manual at their November 25, 2025, Worksession meeting.

Table A	
Draft 2026 State Legislative Agenda Priorities	
Priorities	Budget / Policy
1. Thurston County Regional Basic Law Enforcement Academies at the Lacey Regional Training Center	Operating
2. Annexation Sales and Use Tax Credit Extension	Policy

3. Authorize Sustainable Animal Control and Sheltering Funding Mechanism	Policy
4. Develop Long-term Funding Solutions for Right-of-Way Initiative-funded Programs	Operating / Policy
5. Local Law Enforcement Grant Program Update	Operating / Policy
6. Transportation Benefit District – Removal of Ongoing Voter Approval Requirement	Policy
7. Public Defense Standards Impact	Operating / Policy

Policy Manual: In the policy Manual, the following entries were added:

- 8. Protection of Local Funding for State-Mandated Responsibilities
- 9. Unsustainable, unfunded Mandates: Focus on Community-based Decision Making
- 10. Modernizing Public Notice and Ordinance Publishing Requirements
- 11. Support for Permanent Public Facility District (PFD) Funding
- 12. Landlord Tenant Act Update
- 13. Youth Recreational Facilities Grant Program – Eligibility Clarification
- 14. Additional Public Facilities District (PFD) Extension

The following entries were removed:

- 1. Wildland Urban Interface
- 2. Increasing Housing Density
- 3. Parks Rx programs

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

Option 1: Staff Recommendation: Adopt the 2026 State Legislative Agenda and the 2026 State Legislative Manual.

Option 2: Take no action; Do not adopt the 2026 State Legislative Agenda and the 2026 State Legislative Manual.

Option 3: Provide direction to City staff on other elements to consider.
After further diligence on these elements, City Staff would then return to the Lacey City Council to review additional materials for consideration.

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



2026 State Legislative Priorities

LACEY CITY COUNCIL

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

Adopted by Lacey City Council on December 2, 2025

1 THURSTON COUNTY REGIONAL BASIC LAW ENFORCEMENT ACADEMIES (BLEA) AT THE LACEY REGIONAL TRAINING CENTER



Police departments across Washington state continue to face significant staffing shortages. As communities grow and more law enforcement personnel retire, the state's Basic Law Enforcement Academy (BLEA) must receive adequate funding to provide training opportunities for new hires. Regional academies help reduce academy wait times and officer vacancy rates, and enhance local officer recruitment efforts. They also improve equity in training by enabling greater participation from local community members, eliminating the need for extended time away from home. In addition, establishing a regional BLEA in Lacey would be an effective use of limited public dollars, as we will have a new, purpose-built training center in early 2026. This would expedite an academy start date. Lacey is ideally located to serve five contiguous counties throughout the South Sound region. **We request an annual allocation of \$1,000,000 for the**

Criminal Justice Training Center (CJTC) to operate a regional BLEA academy at the Lacey Training Facility for five years. After five years, CJTC could reevaluate the impact of regional facilities and the status of potential upgrades to the main CTJC campus.

2 AUTHORIZE SUSTAINABLE ANIMAL CONTROL AND SHELTERING FUNDING MECHANISM

We request the creation of a dedicated funding mechanism to support animal control and sheltering. This funding would help support the ongoing operations and capital planning for Joint Animal Services (JAS). JAS established in 1977, is operated by the cities of Lacey, Olympia, Tumwater, and Thurston County. JAS has an 8,000 sq. ft. facility that serves as the community's primary shelter for animal rescues and homeless pets. The agency serves almost 304,000 residents in 774 square miles of urban and rural terrain.



3 ANNEXATION SALES AND USE TAX CREDIT EXTENSION

We appreciate the inclusion of the sales and use tax credit in HB 1425 (2024), which provides critical support for cities undertaking annexations. To ensure cities and counties have sufficient time to thoughtfully and collaboratively evaluate and implement these complex processes, **we respectfully request extending the sunset date from July 1, 2028, to July 1, 2038.** Based on the 2023-2024 state annexation data, no jurisdictions have met the threshold to use this tax credit, demonstrating the need for additional time to support implementation.



View Online:

FOR MORE INFORMATION

CITY OF LACEY

Shannon Kelley-Fong, Assistant City Manager
Shannon.Kelley-Fong@CityofLacey.org | 360-412-2891

GOVERNMENT AFFAIRS

Brian Enslow, Arbutus LLC
Brian@arbutusllc.com | 360-489-8121



City of Lacey 2025 State Legislative Priorities

4 DEVELOP LONG-TERM FUNDING SOLUTIONS FOR RIGHT OF WAY INITIATIVE-FUNDED PROGRAMS

We appreciate the state's continued leadership in responding to the homeless crisis, including funding for Maple Court. **We strongly urge the establishment of a sustainable, long-term funding mechanism for existing Right-of-Way Initiative-funded programs, rather than relying on the instability of short-term funding.**



5 LOCAL LAW ENFORCEMENT GRANT PROGRAM UPDATE

We urge amending the Local Law Enforcement Grant Program to prioritize funding for WASPC-accredited agencies. Accreditation requires departments to meet established best practices in policing — covering everything from use-of-force policies to officer training, improving operational efficiencies, reducing risk and liability, and increasing community engagement. It also affirms that a department operates with transparency, accountability, and commitment to continuous improvement. Providing prioritization for accredited agencies would incentivize accreditation, improving public safety in the state. **We also recommend the grant funding period extend 36 months from the date an entity receives grant funding to maximize the benefits of increased public safety impacts.**

6 TRANSPORTATION BENEFIT DISTRICT – REMOVAL OF ONGOING VOTER APPROVAL REQUIREMENT



We, like other local jurisdictions across Washington, rely on Transportation Benefit Districts (TBDs) to fund critical transportation infrastructure and maintenance. TBDs enable cities to address aging infrastructure and growing transportation demands with dedicated, locally controlled funding sources. **We respectfully request the TBD statutes be amended to remove recurring voter approval requirements and to make extensions council-manic.** This change would bring TBD revenue tools into better alignment with other local sales tax authorities, such as those for public safety, which do not require repeated voter reauthorization. It would also reduce administrative

burdens, election costs, and the risk of service disruption caused by funding uncertainty. Transportation improvements are long-term investments that demand stable, predictable funding streams. Gas tax revenue — the only dedicated funding source for transportation — has steadily declined for years, highlighting the urgent need to identify more stable and sustainable funding alternatives.

7 PUBLIC DEFENSE STANDARDS IMPACT

We are highly concerned about the impacts of the caseload limits adopted by the Washington State Supreme Court, which will reduce the number of unweighted misdemeanor cases from 400 to 120 over the next 10 years. We recognize and support the intent behind the new public defense caseload standards — to ensure quality legal representation and uphold constitutional rights. However, implementing these standards will have significant financial impacts at the local level. For the City, we estimate the changes will result in an increased annual cost of approximately \$100,000, adding up to over \$1 million in new yearly expenses by 2036. Over the ten-year implementation, the City estimates an increase of over \$4 million in total new expenses. These added costs stem primarily from the need to hire additional public defenders and support staff to comply with the lower caseload limits, as well as potential infrastructure and administrative adjustments. **We urge the Legislature and relevant agencies to recognize the funding gap created at the local level and to partner with cities to ensure this mandate is adequately and sustainably funded.** Without meaningful financial support, local jurisdictions will struggle to maintain current service levels across other essential programs while meeting the new public defense requirements. In addition, as implementation of these standards progress, we urge the state to re-evaluate its funding formula to ensure that cities receive a fair and adequate share of public defense resources.

WE ALSO SUPPORT THE TOP LEGISLATIVE PRIORITIES OF:

Association of Washington Cities | LOTT Clean Water Alliance
Regional Housing Council | South Sound Military & Communities Partnership
Thurston County Shared Legislative Agenda | Thurston Regional Planning Council
Washington Recreation & Park Association





City of Lacey

2026 State Legislative Priorities

LACEY CITY COUNCIL

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

Approved December 2, 2025

CITY OF LACEY | 420 COLLEGE STREET SE | LACEY, WA 98503 | 360.491.3214 |
www.CityofLacey.org

LAND ACKNOWLEDGEMENT

We 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.

1. **Thurston County Regional Basic Law Enforcement Academies at the Lacey Regional Training Center**

Police departments across Washington state continue to face significant staffing shortages. As communities grow and more law enforcement personnel retire, the state's Basic Law Enforcement Academy (BLEA) must receive adequate funding to provide training opportunities for new hires. Regional academies help reduce academy wait times and officer vacancy rates, and enhance local officer recruitment efforts. They also improve equity in training by enabling greater participation from local community members, eliminating the need for extended time away from home. In addition, establishing a regional BLEA in Lacey would be an effective use of limited public dollars, as we will have a new, purpose-built training center in early 2026. This would expedite an academy start date. Lacey is ideally located to serve five contiguous counties throughout the South Sound region. **We request an annual allocation of \$1,000,000 for the Criminal Justice Training Center (CJTC) to operate a regional BLEA academy at the Lacey Training Facility for five years.** After five years, CJTC could reevaluate the impact of regional facilities and the status of potential upgrades to the main CTJC campus.

2. **Annexation Sales and Use Tax Credit Extension**

We appreciate the inclusion of the sales and use tax credit in HB 1425 (2024), which provides critical support for cities undertaking annexations. To ensure cities and counties have sufficient time to thoughtfully and collaboratively evaluate and implement these complex processes, **we respectfully request extending the sunset date from July 1, 2028, to July 1, 2038.** Based on the 2023-2024 state annexation data, no jurisdictions have met the threshold to use this tax credit, demonstrating the need for additional time to support implementation.

3. **Authorize Sustainable Animal Control and Sheltering Funding Mechanism**

We request the creation of a dedicated funding mechanism to support animal control and sheltering. This funding would help support the ongoing operations and capital planning for Joint Animal Services (JAS). JAS established in 1977, is operated by the cities of Lacey, Olympia, Tumwater, and Thurston County. JAS has an 8,000 sq. ft. facility that serves as the community's primary shelter for animal rescues and homeless pets. The agency serves almost 304,000 residents in 774 square miles of urban and rural terrain.

4. **Develop Long-term Funding Solutions for Right of Way Initiative-funded Programs**

We appreciate the state's continued leadership in responding to the homeless crisis, including funding for Maple Court. **We strongly urge the establishment of a sustainable, long-term funding mechanism for existing Right-of-Way Initiative-funded programs, rather than relying on the instability of short-term funding.**

5. Local Law Enforcement Grant Program Update

We urge amending the Local Law Enforcement Grant Program to prioritize funding for WASPC-accredited agencies. Accreditation requires departments to meet established best practices in policing — covering everything from use-of-force policies to officer training, improving operational efficiencies, reducing risk and liability, and increasing community engagement. It also affirms that a department operates with transparency, accountability, and commitment to continuous improvement. Providing prioritization for accredited agencies would incentivize accreditation, improving public safety in the state. **We also recommend the grant funding period extend 36 months from the date an entity receives grant funding to maximize the benefits of increased public safety impacts.**

6. Transportation Benefit District – Removal of Ongoing Voter Approval Requirement

We, like other local jurisdictions across Washington, rely on Transportation Benefit Districts (TBDs) to fund critical transportation infrastructure and maintenance. TBDs enable cities to address aging infrastructure and growing transportation demands with dedicated, locally controlled funding sources. **We respectfully request that the TBD statutes be amended to remove recurring voter approval requirements and to make extensions councilmanic.** This change would bring TBD revenue tools into better alignment with other local sales tax authorities, such as those for public safety, which do not require repeated voter reauthorization. It would also reduce administrative burdens, election costs, and the risk of service disruption caused by funding uncertainty. Transportation improvements are long-term investments that demand stable, predictable funding streams. Gas tax revenue — the only dedicated funding source for transportation — has steadily declined for years, highlighting the urgent need to identify more stable and sustainable funding alternatives.

7. Public Defense Standards Impact

We are highly concerned about the impacts of the caseload limits adopted by the Washington State Supreme Court, which will reduce the number of unweighted misdemeanor cases from 400 to 120 over the next 10 years. We recognize and support the intent behind the new public defense caseload standards — to ensure quality legal representation and uphold constitutional rights. However, implementing these standards will have significant financial impacts at the local level. For the City, we estimate the changes will result in an increased annual cost of approximately \$100,000, adding up to over \$1 million in new yearly expenses by 2036. Over the ten-year implementation, the City estimates an increase of over \$4 million in total new expenses. These added costs stem primarily from the need to hire additional public defenders and support staff to comply with the lower caseload limits, as well as potential infrastructure and administrative adjustments. **We urge the Legislature and relevant agencies to recognize the funding gap created at the local level and to partner with cities to ensure this mandate is adequately and sustainably funded.** Without meaningful financial support, local jurisdictions will struggle to maintain current service levels across other essential programs while meeting the new public defense requirements. In addition, as implementation of

these standards progresses, we urge the state to re-evaluate its funding formula to ensure that **cities receive a fair and adequate share** of public defense resources.

CITY OF LACEY ALSO SUPPORTS THE TOP LEGISLATIVE PRIORITIES OF:

- Association of Washington Cities
- South Sound Military & Communities Partnership
- Thurston County Shared Legislative Agenda
- Regional Housing Council
- Washington Recreation & Park Association
- Thurston Regional Planning Council (TRPC)
- LOTT Clean Water Alliance

FOR MORE INFORMATION

CITY OF LACEY

Shannon Kelley-Fong, Assistant City Manager
Shannon.Kelley-Fong@CityofLacey.org | 360.412.2890

GOVERNMENT AFFAIRS

Brian Enslow, Arbutus LLC
Brian@arbutusllc.com | 360.489.8121



CITY OF LACEY

2026 LEGISLATIVE POLICY MANUAL



Approved December 2, 2025



CITY OF LACEY

LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

Page intentionally left blank



CITY OF LACEY LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

LAND ACKNOWLEDGEMENT

We acknowledge the ancestral land we are on today as the traditional territory of the Tribal People of the Treaty of Medicine Creek, signed in 1854, including the Nisqually Indian Tribe and Squaxin Island Tribe.

We acknowledge, remember, and must not forget those Tribal People that are named but not recognized today, and who were absorbed or relocated into other tribes for survival. We recognize the ancestors and their descendants who are still here.

We acknowledge, Indigenous People who called the land home before the arrival of settlers and have been here Since Time Immemorial.

We recognize the relationship that exists between Indigenous People and their traditional territories, which include the religious significance, self-determination, identity, and economic factors. The relationship helps all people heal from the past and learn how not to inflict new wounds today.

We recognize and respect Indigenous People as traditional stewards of this land, and acknowledge the Tribal Governments and their role today in taking care of these lands.

We recognize that this land acknowledgement, and the Nisqually-Lacey Accord of 2011, are small steps toward true allyship. We commit to partnering with the Tribal People of the Treaty of Medicine Creek to continue to uplift the voices, experience, and histories of indigenous people of this land and beyond.

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.

Visit www.CityofLacey.org/LandAcknowledgement for more information.



CITY OF LACEY LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

Contents

LAND ACKNOWLEDGEMENT	2
GENERAL GOVERNMENT	5
<i>Local Authority</i>	<i>5</i>
<i>Protection of Local Funding for State-Mandated Responsibilities</i>	<i>5</i>
<i>Public Records and Open Meetings</i>	<i>5</i>
<i>Modernizing Public Notice and Ordinance Publishing Requirements</i>	<i>5</i>
<i>Prevent Liability Expansion, pursue crucial liability reforms.....</i>	<i>5</i>
<i>Continue funding for the Defense Community Compatibility Account (DCCA)</i>	<i>6</i>
<i>LEED Building Standard</i>	<i>6</i>
<i>Public Defense Standards</i>	<i>7</i>
<i>Increase the availability of affordable and accessible childcare</i>	<i>7</i>
<i>PERS 1 Cost of Living Adjustment.....</i>	<i>7</i>
<i>Unsustainable, unfunded Mandates: Focus on Community-based Decision Making.....</i>	<i>8</i>
<i>Support for Permanent Public Facility District (PFD) Funding</i>	<i>8</i>
AFFORDABLE HOUSING HOUSING SERVICES.....	8
<i>Develop Long-term Funding Solutions for Right of Way Initiative-funded Programs</i>	<i>8</i>
<i>Other Support for Homelessness Services</i>	<i>9</i>
<i>Unfunded Social Service Mandates</i>	<i>9</i>
<i>Quality Affordable Housing.....</i>	<i>9</i>
<i>Landlord Tenant Act Update.....</i>	<i>9</i>
COMMUNITY AND ECONOMIC DEVELOPMENT.....	9
<i>Annexation Sales and Use Tax Credit Extension.....</i>	<i>9</i>
<i>Economic Development Tools.....</i>	<i>9</i>
<i>Climate Resources and Tools.....</i>	<i>10</i>
<i>Airport Siting Concerns</i>	<i>10</i>
<i>Lacey MakerSpace</i>	<i>11</i>
<i>Project Timeline Review.....</i>	<i>11</i>
<i>Emergency and Transitional Housing Regulation Authority</i>	<i>11</i>
PARKS, CULTURE AND RECREATION COMMUNITY SERVICES	12
<i>Park and Recreation Funding.....</i>	<i>12</i>
<i>Youth Recreational Facilities Grant Program – Eligibility Clarification.....</i>	<i>12</i>
<i>Active Transportation Funding.....</i>	<i>12</i>
<i>Additional Public Facilities District (PFD) Extension</i>	<i>12</i>
TRANSPORTATION AND INFRASTRUCTURE	13



CITY OF LACEY LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

<i>15 Corridor: Mounts Road to Tumwater and the Nisqually River Delta</i>	13
<i>Transportation Benefit District – Removal of Ongoing Voter Approval Requirement</i>	13
<i>Stormwater and Culvert Funding</i>	13
<i>Public Property and Rights of Way Control</i>	13
<i>Definition of Public Works</i>	13
<i>Vehicle miles traveled (VMT) Model</i>	14
FINANCE	14
<i>Business Tax Simplification</i>	14
<i>State-Shared Revenues</i>	14
<i>General Fund Revenue</i>	14
PUBLIC SAFETY	15
<i>OPERATING REQUEST: Thurston County Regional Basic Law Enforcement Academies and Training Center</i>	15
<i>Local Law Enforcement Grant Program Update</i>	15
<i>Authorize Sustainable Animal Control and Sheltering Funding Mechanism</i>	15
<i>Expand Behavioral health access and funding</i>	16
<i>Address Law Enforcement Vehicle Pursuits</i>	16
<i>Non-moving Violation Traffic Stops</i>	16
<i>Auto-theft prevention and enforcement programs</i>	16
<i>School Resource Officers</i>	16
<i>Binding Interest Arbitration</i>	16
<i>Officer recruitment and retention</i>	17
<i>Jail and Court Costs</i>	17
<i>Office of Independent Investigation (OII)</i>	17



CITY OF LACEY LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

GENERAL GOVERNMENT

Local Authority

The City supports preserving the authority of local governments regarding local taxation, land use planning, zoning and regulation consistent with the GMA (RCW 36.70A) and SEPA (RCW 43.21C.)

Protection of Local Funding for State-Mandated Responsibilities

The City opposes any state actions that redirect or repurpose historically allocated local funding—such as formula-based grants—toward state agency operations or new competitive processes that diminish predictable support for local governments (examples: Department of Ecology Formula Grants and HEAR Program Funding Shift). When the state reallocates or reappropriates these funds, local jurisdictions are left to carry out state-mandated responsibilities without the resources previously allocated for this purpose. This practice threatens local compliance with statutory and comprehensive plan requirements, including climate and environmental mandates, by reducing reliable access to the funding necessary for implementation. The City supports preserving dedicated, formula-based funding for local governments to ensure consistent, equitable, and effective delivery of state-mandated programs.

Public Records and Open Meetings

The City respects the right of the public to have access to legitimate public records and documents. The City believes its ability to recover the costs of searching for, gathering and reviewing requested documents is also in the public's interest. The City supports reasonable reforms to the Public Records Act. The City opposes requiring the recording of executive sessions or other restrictions on legitimate uses of executive sessions.

Modernizing Public Notice and Ordinance Publishing Requirements

The City supports legislation that removes the requirement for the City to publish notices and ordinances in a designated “paper of record” and instead allows official notices to be posted on the City’s website. This change increases transparency, removes paywall barriers for the public, and reflects modern, accessible communication practices.

Prevent Liability Expansion, pursue crucial liability reforms

The City is staunchly opposed to legislation that would modify the accrual date for interest on tort judgments to the date the cause of action, such as 2023’s SB5059.

The City is a member of Washington Cities Insurance Authority (WCIA), a risk pool made up of 165 municipal entities across the state. The civil litigation environment is bad and getting worse for public entities in the State of Washington. Multimillion-dollar verdicts, also known as nuclear verdicts, were not common against public entities and were often awarded



CITY OF LACEY LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

against large for-profit private corporations. Over the last several years public entities have now been hit with nuclear verdicts. Risk pools are shouldering millions of dollars of exposure that are being passed down to their members in terms of additional assessments. The additional costs mean that our community is diverting money from community priorities to fund WCIA's assessment. Our pool relies on partnering with traditional insurance to provide further coverage above their self-funded \$4 million per loss. Those traditional insurance carriers are either refusing to write any coverage or doing so at significant costs. The future outlook is that our communities will have less coverage and will need to redirect money to cover losses rather than providing valuable services, programs, and much-needed maintenance.

The City requests opposing any efforts to expand tort law liability and/or the remedies available under tort law. If expansions are approved by the legislature, then the State should consider creating a fund to cover those costs. Cities and their risk pools cannot be expected to shoulder the staggering costs imposed by legislative changes. At a minimum that State should provide a reinsurance fund that risk pools and individual entities could utilize. Tort reform for all public entities needs to be addressed and the balance restored between protecting harmed individuals with reasonable verdicts and appropriate defenses. Tort reform could include:

- Caps on the amount of damages that can be collected against public entities (which is law in 33 States)
- Reinstating immunities that have been eroded by the courts and amending the law on joint and several liability which incentivizes claims against public entities as deep pockets.

Continue funding for the Defense Community Compatibility Account (DCCA)

The 2023-25 Capital Budget invests \$35.8 million in defense community compatibility projects throughout the state. This investment leverages over \$126 million in local and federal funds, including the Defense Community Infrastructure Program (DCIP). The City requests the State legislature prioritize ongoing investment in this grant program that supports civilian communities near military installations. In the future, the DCCA and DCIP could serve as important funding opportunities for the Lacey Education and Family Center (LEAF).

LEED Building Standard

Since 2005, the State has required LEED Silver certification for all new state agencies, state colleges and universities, and K-12 school construction and major renovation projects over 5,000 square feet. While the City recognizes the need for making buildings more efficient to reduce costs and lower pollution from fossil fuels, we believe that there are other meaningful



CITY OF LACEY LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

and more cost-effective metrics and standards that could be used in lieu of the expensive and cumbersome LEED rating system.

Public Defense Standards

We are highly concerned about the impacts of the caseload limits adopted by the Washington State Supreme Court, which will reduce the number of unweighted misdemeanor cases from 400 to 120 over the next 10 years. We recognize and support the intent behind the new public defense caseload standards — to ensure quality legal representation and uphold constitutional rights. However, implementing these standards will have significant financial impacts at the local level. For the City, we estimate the changes will result in an increased annual cost of approximately \$100,000, adding up to over \$1 million in new yearly expenses by 2036. Over the ten-year implementation, the City estimates an increase of over \$4 million in total new expenses. These added costs stem primarily from the need to hire additional public defenders and support staff to comply with the lower caseload limits, as well as potential infrastructure and administrative adjustments. We urge the Legislature and relevant agencies to recognize the funding gap created at the local level and to partner with cities to ensure this mandate is adequately and sustainably funded. Without meaningful financial support, local jurisdictions will struggle to maintain current service levels across other essential programs while meeting the new public defense requirements. In addition, as implementation of these standards progresses, we urge the state to re-evaluate its funding formula to ensure that cities receive a fair and adequate share of public defense resources.

Increase the availability of affordable and accessible childcare

We support efforts to increase affordable childcare access statewide. This includes providing state funding to construct new facilities, supporting programs that prioritize access for working families and low- to moderate-income community members, incentives to enable private and public partnerships, and increasing access to state-subsidized childcare slots. In Thurston County, data shows that 15.32% of the necessary infant care supply is available, 19.78% of the required toddler care supply is accessible, 29.99% of the needed preschool care is provided, and 10.28% of the requisite school-age care is available.

PERS 1 Cost of Living Adjustment

The City supports COLAs for PERS 1 retirees to lessen the impact of inflation on their benefits; however, with AWC, the City opposes PERS 1 COLA plans funded by the Unfunded Actuarial Accrued Liability (UAAL) surcharge. The UAAL surcharge impacts current local government budgets, including the City's, to pay for unplanned benefit increases. Recent legislation was expected to mostly phase out UAAL surcharges. According to past fiscal analysis, a permanent PERS 1 COLA funded by the UAAL surcharge would cost local governments an additional \$1.27 billion over the next 15 years.



CITY OF LACEY LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

Unsustainable, unfunded Mandates: Focus on Community-based Decision Making

We are committed to providing high-quality services to our community members. However, state-imposed unfunded mandates continue to strain our limited resources, diverting critical funds from community-led priorities. These mandates require us to implement new programs or comply with regulations—often without any accompanying funding. This puts pressure on our local budget and forces us to make difficult decisions, such as cutting services or delaying infrastructure projects. While we recognize the intent behind many of these mandates, we believe that state policies should be accompanied by the necessary funding to implement them effectively. Local governments need flexibility and support—not one-size-fits-all requirements that don't account for our fiscal realities.

We are seriously concerned about:

- State Right-of-Way maintenance and other programming responsibility
- Long-term sustainability of Encampment Resolution Program
- Continued changes to land use and the Growth Management Act
- Vague Homeless Response laws
- Prohibitions on the use of Artificial Intelligence

Support for Permanent Public Facility District (PFD) Funding

Public Facility Districts (PFDs) are vital tools that allow local jurisdictions to finance and operate regional venues such as convention centers, stadiums, performing arts centers, and other community assets. The Capital Facilities District (CAR-PFD) helps fund the Regional Athletic Complex in Lacey. These facilities generate significant economic, cultural, and tourism benefits, supporting local jobs and driving regional growth. PFDs rely primarily on a state-authorized local sales tax rebate to fund capital construction and ongoing maintenance. However, the current statutory authority is subject to eventual expiration, creating long-term uncertainty. We request that the PFD funding authority be permanent. Stable, long-term funding is essential for responsible planning, debt repayment, and the continued viability of these community-serving facilities.

AFFORDABLE HOUSING | HOUSING SERVICES

Develop Long-term Funding Solutions for Right of Way Initiative-funded Programs

We appreciate the state's continued leadership in responding to the homeless crisis, including funding for Maple Court. We strongly urge the establishment of a sustainable, long-term funding mechanism for existing Right-of-Way Initiative-funded programs, rather than relying on the instability of short-term funding.



CITY OF LACEY LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

Other Support for Homelessness Services

The City allocates approximately 2% of its general fund to support social services in the community that benefit low-income and vulnerable community members. The City requests the state's partnership in supporting programs and services that help prevent temporary and recurrent homelessness.

Unfunded Social Service Mandates

While recognizing that there is a significant need for enhanced social services throughout Washington, the City strongly opposes any unfunded state mandates regarding behavioral health, crisis relief, housing and shelter, co-responder programs, and employment services. The City supports working with the State Legislature to create state-led, sustainable tools and resources.

Quality Affordable Housing

The City supports legislation that incentivizes developers to build affordable housing, such as the multifamily housing tax exemption, and funding allocated for public and nonprofit affordable housing, including the Housing Trust Fund.

Landlord Tenant Act Update

We respectfully request that the state legislature amend the Landlord-Tenant Act to explicitly exempt emergency and transitional shelters from its provisions. These facilities provide critical, temporary housing and services to individuals and families experiencing homelessness, and are fundamentally different from traditional landlord-tenant arrangements. Clarifying this exemption will help ensure shelters can operate effectively, maintain safety standards, and focus on providing supportive services without being constrained by regulations intended for long-term residential leases.

COMMUNITY AND ECONOMIC DEVELOPMENT

Annexation Sales and Use Tax Credit Extension

We appreciate the inclusion of the sales and use tax credit in HB 1425 (2024), which provides critical support for cities undertaking annexations. To ensure cities and counties have sufficient time to thoughtfully and collaboratively evaluate and implement these complex processes, we respectfully request extending the sunset date from July 1, 2028, to July 1, 2038. Based on the 2023-2024 state annexation data, no jurisdictions have met the threshold to use this tax credit, demonstrating the need for additional time to support implementation.

Economic Development Tools

The City supports robust and sustainable funding for the Economic Development Strategic Reserve Fund, Tax Increment Financing, Community Economic Revitalization Board, Public



CITY OF LACEY LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

Works Assistance Account, Public Facility Districts, and other programs that assist local governments in neighborhood residential and commercial area rehabilitation. The City also supports legislation that provides optional economic development tools for cities, such as the multi-family housing tax incentive, lodging tax, the Main Street Act, complete streets grant program, community facility financing, shared state revenue for construction of convention and special event centers, additional shared state revenue for public facility improvements, etc. In addition, the City partners with entities such as the Thurston Economic Development Council and other regional organizations — that work directly with micro-enterprises, small businesses, and entrepreneurs and encourages state investment in these organizations to help strengthen the broader economic development ecosystem in Thurston County.

Climate Resources and Tools

Climate change is already affecting our communities. Impacts like hotter summers, wildfire smoke, and flooding endanger our homes and affect public health and local businesses. Lacey, Thurston County, Olympia, and Tumwater partnered to create the Thurston Climate Action Plan to reduce climate-polluting greenhouse gases while maintaining—and even improving—the quality of life. The Thurston Climate Action Plan includes mitigation and action strategies that are ready for implementation. However, some of the most impactful greenhouse gas-reduction projects and programs are not feasible due to funding limitations. The City supports the creation of a sustainable state program using unallocated Climate Commitment Act funds, or other state resources, to fund local climate capital projects that enhance community resiliency. The City also supports the state working with local governments for future climate initiatives in the transition to green energy alternatives to ensure solutions are feasible for all parties.

The City supports building electrification programs that complement the funding in the federal Inflation Reduction Act and help residents and building owners transition to all-electric buildings, with an emphasis on ensuring low- and moderate-income residents, multifamily housing, and small businesses are prioritized.

The City also supports Medium and Heavy-Duty Vehicle electrification incentive programs that would provide vouchers that purchasers can use at participating dealers.

Airport Siting Concerns

The City, along with Thurston County and the cities of Olympia, Tumwater, Rainier, Yelm, Tenino, and the town of Bucoda, opposed the former Commercial Aviation Coordination Commission's (CACC) Thurston County two-runway airport expansion site. An airport in Thurston County would endanger environmentally sensitive areas (e.g., wetlands, prairies, and endangered species), further reduce rapidly dwindling agricultural lands, worsen environmental health challenges, exacerbate existing health disparities, and irrevocably



CITY OF LACEY LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

damage the quality of life for Thurston County community members. In addition, the City will oppose any recommendations that are incompatible with the operations of a military installation, including Joint Base Lewis-McChord.

Lacey MakerSpace

Lacey MakerSpace, currently serving members in Pierce, Thurston, Lewis, and Mason Counties, is a collaborative “innovator’s workshop” designed to support small businesses, entrepreneurs, artists, product developers, and manufacturers. Lacey MakerSpace endeavors to 1) reduce barriers for community members by offering instruction and access to state-of-the-art fabrication and prototyping equipment, 2) develop new workforce training and apprenticeship programs aimed at growing advanced manufacturing businesses in the region, 3) foster collaboration and outreach as a hub of a larger ecosystem of business and networking services. Since opening its doors in 2019, every year Lacey MakerSpace has grown and increased its impact on our region’s economic development and workforce readiness. To enhance operations over the next few years to meet future growth and workforce needs, Thurston County partners have diligently worked to obtain funding to expand the footprint of the MakerSpace to over 9500 square feet and obtain additional advanced manufacturing technologies. The Thurston County partners are requesting the creation of a grant program that would allow innovation spaces, like Lacey MakerSpace, to continue to provide and enhance workforce training and development opportunities throughout the state.

Project Timeline Review

The City prides itself on being responsive to all forms of public service, including land-use project reviews. Now that Cities have implemented the time requirements established in SB5290. Developing a statewide system that could collect the local data electronically and consistently would reduce the burden of the manual process created by the Department of Commerce for reporting.

Emergency and Transitional Housing Regulation Authority

The City opposes any legislation that would diminish local authority over the siting of emergency and transitional housing. We also oppose any provisions that allow such facilities to be permitted by right in all locations or at any scale.



CITY OF LACEY LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

PARKS, CULTURE AND RECREATION | COMMUNITY SERVICES

The City has worked to create more equitable access to parks for all community members. The City's investments in local parks and requested state partnership reflect work toward this goal.

Park and Recreation Funding

The City supports ongoing funding for the Washington Wildlife and Recreation Program (WWRP), Aquatic Land Enhancement Account (ALEA), Land and Water Conservation Fund (LWCF), and the Youth Athletic Facilities (YAF) grant programs. The City supports ongoing funding for:

- Washington Wildlife and Recreation Program (WWRP)
- Aquatic Land Enhancement Fund (ALEA)
- Land and Water Conservation Fund (LWCF)
- Youth Athletic Fund (YAF):
- Community Outdoor Athletic Facilities program (COAF)
- No Child Left Inside (NCLI)
- Recreation Access Grant

Youth Recreational Facilities Grant Program – Eligibility Clarification

The City supports a legislative fix to resolve inconsistencies in RCW 43.63A.135 that have led the Department of Commerce to narrow eligibility for the Youth Recreational Facilities Grant Program. While the program is intended to prioritize nonprofit youth organizations, the current interpretation excludes other eligible entities, including local governments. The City supports clarifying that public agencies may apply for these grants, which cover up to 25% of project costs.

Active Transportation Funding

The City supports the inclusion of parks in future funding allocations of “Active Transportation” components of the Move Ahead Washington package to support local trails and projects that extend out of the road right of way for safe routes to schools, parks and other business and community centers that can reduce local travel.

Additional Public Facilities District (PFD) Extension

E2SSB 5001 (2023–2024) amended Chapter 35 RCW to allow jurisdictions with an existing PFD to create a second district before July 1, 2026, specifically to support regional aquatics and sports facilities. Because multi-jurisdictional planning and interlocal agreements take substantial time to develop, very few—if any—agencies have been able to utilize this new authority within the short window provided. Extending the deadline to July 1, 2028, or



CITY OF LACEY LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

beyond, would preserve the Legislature's intent and allow agencies the opportunity to appropriately consider and develop projects.

TRANSPORTATION AND INFRASTRUCTURE

I5 Corridor: Mounts Road to Tumwater and the Nisqually River Delta

Interstate 5 (I-5) is the lifeline of commerce, transportation, and JBLM's mission readiness in the Puget Sound Region. Maintaining existing funding for this project is vital. Additionally, completing the three planned roundabouts on SR 507 is crucial for enhancing safety and improving traffic flow between Pierce and Thurston counties. This corridor serves as a critical alternate route during I-5 congestion or closure, providing vital secondary access to Joint Base Lewis-McChord. For the project to progress, \$33.7M is needed in the 2027-29 biennium.

Transportation Benefit District – Removal of Ongoing Voter Approval Requirement

We, like other local jurisdictions across Washington, rely on Transportation Benefit Districts (TBDs) to fund critical transportation infrastructure and maintenance. TBDs enable cities to address aging infrastructure and growing transportation demands with dedicated, locally controlled funding sources. We respectfully request that the TBD statutes be amended to remove recurring voter approval requirements and to make extensions councilmanic. This change would bring TBD revenue tools into better alignment with other local sales tax authorities, such as those for public safety, which do not require repeated voter reauthorization. It would also reduce administrative burdens, election costs, and the risk of service disruption caused by funding uncertainty. Transportation improvements are long-term investments that demand stable, predictable funding streams. Gas tax revenue — the only dedicated funding source for transportation — has steadily declined for years, highlighting the urgent need to identify more stable and sustainable funding alternatives.

Stormwater and Culvert Funding

Cities have significant stormwater and culvert funding needs. The City joins AWC in requesting secure, ongoing and sufficient funding for city culvert repair and replacement. The City supports funding for current and new grant programs for local stormwater and culvert projects.

Public Property and Rights of Way Control

The City opposes any efforts that would diminish the City's control of public property and rights of way.

Definition of Public Works

The City opposes expanding public works projects to include work supported in whole or in part by grants or loans of public dollars, or by tax deferral or reimbursement. This would cause significant increased costs for local governments without adding any substantial public



CITY OF LACEY LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

benefit. Additionally, the proposed changes would be a disincentive to non-profits and developers seeking to use property tax exemptions and other financial tools designed to specifically incentivize the construction of multi-family housing and other affordable housing options.

Vehicle miles traveled (VMT) Model

As the State Legislature considers VMT, the City requests that City perspectives be included in future stakeholder discussions.

FINANCE

Business Tax Simplification

The City supports business tax simplification across the state, provided that changes are, at a minimum, revenue-neutral for the City.

State-Shared Revenues

Cities have relied on state-shared revenues to provide critical funding for essential public services. Recognizing that the state is facing a budget shortfall, it is critical that commitments to sharing revenues with local governments be honored. During the last recession, the state reduced state-shared revenues when many local governments were already struggling to maintain basic services. The City joins AWC in supporting restoration and continued appropriation of committed state shared funds, such as Liquor Excise Taxes and Profits, City-County Assistance Account, Municipal Criminal Justice Account, Annexation Sales Tax Credit, and public health funding. State-shared revenues are used to support city activities, including police, infrastructure development, public defenders, and municipal court.

General Fund Revenue

The City supports legislation that will increase, expand, or favorably restructure its revenue-raising ability. In consideration of 1) the continued growth in demand for services that exceed revenue growth and inflation, and 2) intimate knowledge of individual community needs, the City supports unrestricted uses of all general government tax revenue.



CITY OF LACEY

LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

PUBLIC SAFETY

OPERATING REQUEST: Thurston County Regional Basic Law Enforcement Academies and Training Center

Police departments across Washington state continue to face significant staffing shortages. As communities grow and more law enforcement personnel retire, the state's Basic Law Enforcement Academy (BLEA) must receive adequate funding to provide training opportunities for new hires. Regional academies help reduce academy wait times and officer vacancy rates, and enhance local officer recruitment efforts. They also improve equity in training by enabling greater participation from local community members, eliminating the need for extended time away from home. In addition, establishing a regional BLEA in Lacey would be an effective use of limited public dollars, as we will have a new, purpose-built training center in early 2026. This would expedite an academy start date. Lacey is ideally located to serve five contiguous counties throughout the South Sound region. We request an annual allocation of \$1,000,000 for the Criminal Justice Training Center (CJTC) to operate a regional BLEA academy at the Lacey Training Facility for five years. After five years, CJTC could reevaluate the impact of regional facilities and the status of potential upgrades to the main CTJC campus.

Local Law Enforcement Grant Program Update

We urge amending the Local Law Enforcement Grant Program to prioritize funding for WASPC-accredited agencies. Accreditation requires departments to meet established best practices in policing — covering everything from use-of-force policies to officer training, improving operational efficiencies, reducing risk and liability, and increasing community engagement. It also affirms that a department operates with transparency, accountability, and commitment to continuous improvement. Providing prioritization for accredited agencies would incentivize accreditation, improving public safety in the state. We also recommend the grant funding period extend 36 months from the date an entity receives grant funding to maximize the benefits of increased public safety impacts.

Authorize Sustainable Animal Control and Sheltering Funding Mechanism

We request the creation of a dedicated funding mechanism to support animal control and sheltering. This funding would help support the ongoing operations and capital planning for Joint Animal Services (JAS). JAS established in 1977, is operated by the cities of Lacey, Olympia, Tumwater, and Thurston County. JAS has an 8,000 sq. ft. facility that serves as the community's primary shelter for animal rescues and homeless pets. The agency serves almost 304,000 residents in 774 square miles of urban and rural terrain.



CITY OF LACEY

LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

Expand Behavioral health access and funding

With AWC, the City supports greater access to the entire continuum of behavioral health services and substance use disorder (SUD) treatment for adults and juveniles, including crisis treatment, inpatient, intensive outpatient, and ongoing behavioral and mental health treatment and SUD treatment. This includes, but is not limited to, support to improve workforce and staffing issues at community treatment centers, and additional state funding for the establishment and expansion of treatment facilities.

Address Law Enforcement Vehicle Pursuits

The City supports recent revisions to state law empowering law enforcement to engage in vehicle pursuits under proper supervision and using risk/benefit analysis to continue an active pursuit. Cities will continue to support safety standards and training for officers who engage in vehicle pursuits.

Non-moving Violation Traffic Stops

The City opposes any effort to restrict or eliminate the ability of local law enforcement to conduct traffic enforcement for non-moving violations. This would remove the ability of the City to ensure that all vehicles operating on our public roadways are mechanically safe, as well as being properly registered and licensed. Further, the City has a public safety interest to reduce injuries from traffic collisions by confirming that drivers are wearing their seatbelts and are not operating vehicles while distracted. The City is committed to protecting the environment and has a vested interest in ensuring that vehicles operating upon its public roadways are not producing excessive audible or climate-altering exhaust pollution due to vehicle operators bypassing manufacturer-installed pollution control systems.

Auto-theft prevention and enforcement programs

The City supports additional tools to address auto theft and property crime, including additional investment in auto-theft prevention and enforcement programs, regional property crimes task forces, and prosecution, public defense, and judicial resources.

School Resource Officers

While the City participates in a highly effective program with North Thurston Public Schools to offer School Resource Officers (SROs) at each of the high schools, the City opposes any legislation mandating SROs that add an unfunded mandate and exacerbate the existing officer shortage across Washington state.

Binding Interest Arbitration

The City recognizes the importance of having a tool to help resolve potentially devastating strikes by essential service personnel, such as police and firefighters. The City opposes expanding binding arbitration and supports revising the current arbitration system,



CITY OF LACEY LEGISLATIVE POLICY MANUAL

Adopted by the Lacey City Council on December 2, 2025

including creating a system to review the qualifications, standards, and performance of appointed arbitrators to reduce bias, enhance equity, and achieve objective decision-making.

Officer recruitment and retention

The City supports additional funding tools and resources to support officer recruitment and retention.

Jail and Court Costs

The City supports legislative proposals that reduce jail and court costs, and maintain its flexibility in providing jail and court services. The City also supports maintaining the flexibility to select the most appropriate way to provide jail services.

Office of Independent Investigation (OII)

The City supports independent and transparent investigations into the use of deadly force by law enforcement. The City holds that it is unreasonable to expect local jurisdictions to assist OII with their investigations of other jurisdictions' law enforcement without compensation. Further, the City believes it is unreasonable not to provide the assisting jurisdiction with the same level of liability granted to OII and its personnel.



LACEY CITY COUNCIL MEETING

December 2, 2025

SUBJECT: Final 2026 Budget Hearing

RECOMMENDATION: Conduct Budget Hearing, accept public comment, and discuss potential changes to the proposed budget.

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

ORIGINATED BY: Finance Department

ATTACHMENTS:

FISCAL NOTE: Total Proposed 2026 Budget - \$224,954,147
Total Proposed 2026 General Fund Budget - \$74,396,916

**WORK PLAN GOAL
AND STRATEGY:** None

PRIOR REVIEW:

BACKGROUND:

The City's 2026 budget process is nearing completion, thanks to the dedicated work of both the City Council and city staff. Throughout the summer and concluding in September, staff developed the proposed 2026 budget. Preliminary revenue and expenditure forecasts, along with major budget considerations, were shared with the City Council during the annual budget workshop on September 16, 2025.

On October 21, 2025, City Manager Walk formally presented a balanced 2026 Budget to the City Council. Public input was solicited and City Council direction was received through the revenue hearing on November 3, 2025, and the first budget hearing on November 18, 2025. The proposed 2026 Budget reflects the Council's policy direction and feedback provided throughout the development process.

The final public hearing on the 2026 Budget is scheduled for December 2, 2025.

The total Proposed 2026 Budget is \$224,954,147. This is a decrease of \$91,815,418 compared to the amended 2025 Budget. Lower capital expenditures and the exclusion of one-time capital transfers compared to 2025 are helping to offset rising labor costs.

The total proposed General Fund Budget is \$74,396,916. This is a decrease of \$14,492,754 or 16.3 percent compared to the amended 2025 General Fund Budget. The decrease in General Fund Budget expenditures is primarily due to the reduction in one-time capital transfers associated with the construction of Greg Cuoio Park Phase 1A. However, this is partially offset by increases driven by inflationary growth in labor costs.

The current proposed budget contains the following changes, which were a result of new information recently received. The total increase to the proposed 2026 Budget is \$331,566.

- On November 20, the Thurston County Assessor's Office released the 2026 certified assessed values used for property tax calculations. Lacey's new construction credit decreased from \$73,279,975 to \$68,479,975, resulting in a \$3,371 reduction in projected property tax revenue. This shortfall will require an increased reliance on the General Fund's \$3.0 million Budget Policy Implementation committed reserve.
- The Police Department is currently renewing and updating its agreement with Olympic Health and Recovery Services for Mobile Outreach Team (MOT) and Designated Crisis Responder (DCR) services. The proposed agreement expands the team from four to five positions. For 2026, the budgeted cost of these services is expected to increase by \$95,808, which will be funded through the \$3.0 million Budget Policy Implementation committed reserve. The total net budget impact is \$191,616, as the adjustment also increases transfers between the Current Expense Fund and the Public Safety Fund due to sales tax revenues no longer fully covering the original expenditures anticipated during the planning for Proposition One sales tax.
- The final repayment schedule Water Fund Public Works Board loan was recently calculated. The 2026 loan payment was calculated to be \$69,975 higher than staff's calculation. The net increase of this change is \$139,950 because this adjustment also increases transfers between the Water Capital Fund and the Water Debt Fund.

The adjusted use of \$3.0 million Budget Policy Implementation reserve is \$2,991,304, which represent the 2026 General Fund budget gap.

The purpose of the Final 2026 Budget Hearing is to accept public testimony and for City staff to receive final direction for any budget changes. The 2026 Budget is scheduled for adoption on Tuesday, December 16, 2025.



LACEY CITY COUNCIL MEETING

December 2, 2025

SUBJECT: Public Hearing for Utility Local Improvement District (ULID) 25 (Tolmie Park Estates)

RECOMMENDATION: Conduct a public hearing to consider comments from property owners on the final assessment roll for ULID 25 (Tolmie Park Estates).

STAFF CONTACT: Rick Walk, City Manager *RW*
Troy Woo, Director of Finance *TW*
Scott Egger, Director of Public Works *SE*
Vince McGowan, Water Resources Manager *VM*

ORIGINATED BY: Public Works

ATTACHMENT: 1. Final Assessment Roll

FISCAL NOTE: The final cost of the project was \$2,291,970. The Lacey City Council pledged \$2,000,000 because the failing large onsite septic system was contaminating local waters. After credits and rebates were applied, the remaining total assessed cost came to \$291,970 or \$6,083 per ERU. Internal funds were utilized to pay the cost of the project, which will be reimbursed by bond proceeds. To retire the bond indebtedness, lien payments from benefiting property owners will be collected over a period of 15 years together with an interest rate established by the City Council as part of the Utility Local Improvement District process.

WORK PLAN GOAL AND STRATEGY: Environmental Stewardship

PRIOR REVIEW: Council Worksession – July 8, 2021
Utilities Committee Meeting – November 1, 2021
City Council Meeting – January 6, 2022
City Council Meeting – February 3, 2022 – Ordinance #1613
City Council Meeting – January 21, 2025 - Ordinance #1162
City Council Meeting – November 3, 2025 - Resolution #1176

BACKGROUND:

Tolmie Park Estates is a neighborhood in the Lacey Urban Growth Area comprised of 47 parcels and, prior to this project, was served by a failing Large Onsite Septic System (LOSS). This failing LOSS polluted shallow groundwater, which in turn flowed to Eagle Creek, Woodland Creek, and Henderson Inlet.

A representative from the Tolmie Park Estates neighborhood approached the City regarding the feasibility of connecting Tolmie Park Estates properties to City sewer. Staff briefed the full Council on this subject at the July 8, 2021, Council Worksession. At that meeting the Council agreed to contribute \$2 million towards the estimated \$3 million project cost to mitigate the public health risk posed by the failing LOSS, provided the HOA completed the project and connected to Lacey sewer.

City Council held a formation hearing on February 3, 2022, and adopted Ordinance #1613 establishing ULID #25. On January 21, 2025, Council adopted Resolution #1162 setting a hearing date in March. However, additional work was necessary to correct unanticipated settling of utility trench backfill. The project is now fully constructed and on November 3, 2025, Council adopted Resolution #1176 to set a hearing date of December 2, 2025.

Prior to this final hearing date, official notices of the hearing were published in the newspaper on November 6 and 13 and notices of the individual assessments were mailed to each of the property owners. In that manner, each of the property owners will have the information they need to speak for or against the final assessment roll. Prior to the hearing the City Attorney will brief the council on the type of testimony that can be considered. At the hearing, the Council will consider objections made and may correct, revise, raise, lower, change, or modify the roll or any part thereof or set aside the roll and order a new assessment to be made.

NEXT STEPS:

Option 1: Conduct a Public Hearing on the Final Assessment Roll for ULID 25 (Tolmie Park Estates).

Option 2: Do not conduct the public hearing.

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



LACEY CITY COUNCIL MEETING

December 2, 2025

SUBJECT: Ordinance for Utility Local Improvement District (ULID) 25 (Tolmie Park Estates)

RECOMMENDATION: Adopt Ordinance 1687 approving and confirming the final assessment roll for ULID 25 (Tolmie Park Estates).

STAFF CONTACT: Rick Walk, Interim City Manager *RW*
Troy Woo, Director of Finance
Scott Egger, Director of Public Works *SE*
Dave Schneider, City Attorney
Vince McGowan, Water Resources Manager *VM*

ORIGINATED BY: Public Works and Legal Department

ATTACHMENTS: 1. Proposed Ordinance with Exhibit A (Final Assessment Roll)

FISCAL NOTE: The final cost of the project was \$2,291,970. The Lacey City Council pledged \$2,000,000 because the failing large onsite septic system was contaminating local waters. After credits and rebates were applied, the remaining total assessed cost came to \$291,970 or \$6,083 per ERU. Internal funds were utilized to pay the cost of the project, which will be reimbursed by bond proceeds. To retire the bond indebtedness, lien payments from benefiting property owners will be collected over a period of 15 years together with an interest rate established by the City Council as part of the Utility Local Improvement District process.

WORK PLAN GOAL AND STRATEGY: Environmental Stewardship

PRIOR REVIEW: Council Worksession – July 8, 2021
Utilities Committee Meeting – November 1, 2021
City Council Meeting – January 6, 2022
City Council Meeting – February 3, 2022 – Ordinance #1613
City Council Meeting – January 21, 2025 - Ordinance #1162
City Council Meeting – November 3, 2025 - Resolution #1176

BACKGROUND:

Tolmie Park Estates is a neighborhood in the Lacey Urban Growth Area comprised of 47 parcels and, prior to this project, was served by a failing Large Onsite Septic System (LOSS). This failing LOSS polluted shallow groundwater, which in turn flowed to Eagle Creek, Woodland Creek, and Henderson Inlet.

A representative from the Tolmie Park Estates neighborhood approached the City regarding the feasibility of connecting Tolmie Park Estates properties to City sewer. Staff briefed the full Council on this subject at the July 8, 2021, Council Worksession. At that meeting the Council agreed to contribute \$2 million towards the estimated \$3 million project cost to mitigate the public health risk posed by the failing LOSS, provided the HOA completed the project and connected to Lacey sewer.

City Council held a formation hearing on February 3, 2022, and adopted Ordinance #1613 establishing ULID #25. On January 21, 2025, Council adopted Resolution #1162 setting a hearing date in March. However, additional work was necessary to correct unanticipated settling of utility trench backfill. The project is now fully constructed and on November 3, 2025, Council adopted Resolution #1176 to set a hearing date of December 2, 2025.

The attached Ordinance would adopt the final assessment roll. Prior to the final hearing date, official notices of the hearing were published in the newspaper on November 6 and 13 and notices of the individual assessments were mailed to each of the property owners. In that manner, each of the property owners will have the information they need to speak for or against the final assessment roll. At the hearing, the Council will consider objections made and may correct, revise, raise, lower, change, or modify the roll or any part thereof or set aside the roll and order a new assessment to be made.

NEXT STEPS:

Option 1: Adopt Ordinance on the Final Assessment Roll for ULID 25 (Tolmie Park Estates).

Option 2: Do not adopt ordinance.

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

ORDINANCE NO. 1687

CITY OF LACEY

AN ORDINANCE OF THE CITY OF LACEY, WASHINGTON, APPROVING AND CONFIRMING THE ASSESSMENTS AND ASSESSMENT ROLL IN UTILITY LOCAL IMPROVEMENT DISTRICT NO. 25 AND LEVYING AND ASSESSING THE AMOUNTS THEREOF AGAINST CERTAIN PROPERTY AS SHOWN ON THE ASSESSMENT ROLL AND APPROVING A SUMMARY FOR PUBLICATION.

WHEREAS, notice of the time and place of hearing on the assessment roll for Utility Local Improvement District No. 25 (ULID 25) of the City of Lacey, Washington, was duly and regularly given to all property owners within ULID 25 by publication thereof and by mailing to all property owners in the manner provided by law; and

WHEREAS, at the time and place fixed for the hearing, the City Council met and duly considered the assessment roll and any and all protests filed by owners of property within ULID 25 against the roll and after consideration thereof, determined to order the roll confirmed as set forth herein;

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

Section 1. The assessments and assessment roll of ULID 25 as presented to the Council at a public hearing thereof, held on December 2, 2025, attached hereto as *Exhibit A* and incorporated herein as though set out in full, is hereby approved and confirmed.

The assessment roll for said ULID 25 is in the aggregate sum of \$2,291,970.26.

Section 2: Each of the lots, tracts, parcels of land and other property included within ULID 25 and listed upon the assessment roll is hereby declared to be specially benefitted by the

improvements therein in at least the amount of the assessment levied against the same, and the several assessments are hereby found to be in proportion to the benefits received by the various lots, tracts, parcels and other property assessed. The amount finally charged against each such lot, tract, parcel of land and other property appearing upon the assessment roll is hereby levied and assessed against the same.

Section 3: Each assessment or any portion thereof may be paid at any time within thirty (30) days after the date of the first publication of notice that the assessment roll has been placed in the City Finance Director's hands for collection without penalty, interest or costs. Thereafter, the sum remaining unpaid, if any, shall be payable in ten or fifteen (15) equal annual installments, depending on market conditions, with interest and financing costs applied on the whole unpaid sum at the rate of up to 3% per annum higher than the interest rate determined by the open market at the time of the financing. One (1) year from the expiration of such thirty (30) day prepayment period, and annually thereafter, one of the installments, together with interest on the unpaid installments, shall become due and shall be collected as provided by law. All assessments levied within ULID 25 shall be paid into such fund as may be designated by the City pursuant to its ordinances for payment of construction and installation costs, general facilities charges, latecomer's obligations or bonds issued to defray the cost of the improvement.

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

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY,
WASHINGTON, at a regularly-called meeting thereof, held this December 2, 2025.

CITY COUNCIL

By: _____
Andy Ryder, Mayor

Approved as to form:

Dave Schneider, City Attorney

Attest:

Elissa Fontaine, City Clerk

SUMMARY FOR PUBLICATION

ORDINANCE 1687

CITY OF LACEY

The City Council of the City of Lacey, Washington, passed on December 2, 2025, Ordinance No. 1687, entitled “AN ORDINANCE OF THE CITY OF LACEY, WASHINGTON, APPROVING AND CONFIRMING THE ASSESSMENTS AND ASSESSMENT ROLL IN UTILITY LOCAL IMPROVEMENT DISTRICT NO. 25 AND LEVYING AND ASSESSING THE AMOUNTS THEREOF AGAINST CERTAIN PROPERTY AS SHOWN ON THE ASSESSMENT ROLL AND APPROVING A SUMMARY FOR PUBLICATION.”

The main points of the Ordinance are described as follows:

1. The Ordinance approves and confirms the assessments and assessment roll of ULID 25 as presented to the Council at a public hearing thereof, held on December 2, 2025.
2. The Ordinance approves this Summary for publication.

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

Published: December 5, 2025.

TOLMIE PARK ESTATES
Final Assessment Roll
January 24, 2025

[illegible]

Eligible Cost of ULID 25 Tolmie Park Estates Sewer ULID	
Construction Cost	\$1,575,222.84
Preliminary Engineering	\$167,083.17
Construction Engineering	\$126,292.87
Connection Fees (100% Lacey Sewer GFC & 50% LOTT CDC for 48 connections)	\$375,060.00
Subtotal	\$2,243,658.88
Admin Fee per 1992 Policy (\$37,500 + .333% of amount over \$2M)	\$38,311.38
Legal Fees	\$ 5,000.00
Underwriting/Finance Fee	\$ 5,000.00
Subtotal	\$2,291,970.26
Minus City of Lacey Contribution	\$2,000,000.00
Net (Cost to ULID Parcel owners)	\$291,970.26
Cost per ERU (47 Parcels / 48 ERUs - one duplex)	\$6,082.71
<i>Estimated Cost per Parcel Presented at Formation Hearing</i>	<i>\$23,102.00</i>

CONNECTION FEES (2023)	
Lacey	4,393.00
LOTT	6,841.49
LOTT Rebate (50%)	3,420.75
Total Unit Cost	7,813.75
Connections/ERU's	48
Total Fees	375,060.00



LACEY CITY COUNCIL MEETING

December 2, 2025

SUBJECT: Development Review and Permitting Procedures Ordinance - City of Lacey Code Amendment

RECOMMENDATION: Motion: Move to adopt Ordinance 1688 adopting amendments to the Lacey Municipal Code and the Development Guidelines and Public Works Standards Chapter One related to permit processing and development code procedures.

STAFF CONTACT: Rick Walk, City Manager *RW*
Vanessa Dolbee, Community and Economic Development Director *VD*
Sarah Schelling, Current Planning and Economic Development Manager *SS*
Shannon Vincent, Senior Project Planner *SV*

ORIGINATED BY: Community and Economic Development Department

ATTACHMENTS: 1. Ordinance 1688
2. Proposed Development Procedures Title
3. October 28, 2025 [Worksession Staff Report](#)

FISCAL NOTE: None

PRIOR REVIEW: A Public Hearing was held at the October 8, 2025, Planning Commission meeting. Following the public hearing, the Planning Commission recommended approval to the City Council. City Council was briefed on the proposed amendments as a part of the October 28, 2025, Worksession.

BACKGROUND:

The City is currently consolidating and updating several sections of the Lacey Municipal Code (LMC) and Chapter 1 of the Development Guidelines and Public Works Standards manual into a comprehensive Development Procedures title. Once adopted as part of the LMC, the title will centralize codes related to the review, processing, and decision-making procedures for development applications.

Staff has drafted this new title as Title 11 of the LMC, a currently reserved title. A majority of the existing provisions proposed to be relocated will remain the same; however, several key revisions aim to improve the efficiency and clarity of the land use review process.

The City Council last amended Chapter 1 of the Development Guidelines and Public Works Standards manual through Ordinance No. 1669 on December 17, 2024, to comply with the SB 5290 deadline of January 1, 2025. At that time, staff informed both the Planning Commission and Council that this chapter would eventually be removed from the manual and codified in the LMC. Staff anticipated making this change in 2025 to allow for broader procedural updates.

Public Hearing and Planning Commission Review:

Staff provided an initial briefing on the project to Planning Commission on June 25, 2025. The briefing contained an initial draft of the proposed changes. After further internal review and revisions by staff, the Planning Commission attended a work session to provide feedback on the second draft on August 27, 2025.

A public hearing was held on Wednesday, October 8, 2025, at 6 p.m. in the Lacey Council Chambers to collect additional feedback from the community and hear directly from individuals interested in this update process. No public comments were received. At the conclusion of the in-person portion of the public hearing, the Planning Commission unanimously moved to recommend approval of the proposed amendments to the City Council.

Following the closure of the public hearing, public comments were received regarding the proposed "Vesting" section, LMC 11.03.070. To accommodate comments received, staff propose minor text amendments to the draft recommended by Planning Commission to ensure that the section is consistent with current procedures and information presented at the public hearing. The City Council was briefed on these proposed amendments at the October 28, 2025, Worksession.

Worksession Review:

At the October 28, 2025, Worksession, the City Council provided feedback on LMC 11.07.010(C) and 11.07.050 regarding site plan review applicability and amendments. The language in these sections has been revised to ensure that the site plan review threshold, defined as a 10% change in measurable standards (such as square footage, parking stalls, or PM peak-hour trips), can be applied with flexibility. Additional language has been included to preserve staff authority to require review when appropriate, even when a proposal falls outside the listed thresholds.

Proposed Changes:

Under the proposed amendments, the new Development Procedures title will include all chapters related to land use review procedures. In addition to incorporating Chapter 1 from

the Development Guidelines and Public Works Standards, staff proposes relocating the following six chapters from LMC Title 16:

- Chapter 16.60 – Planned Residential Development
- Chapter 16.66 – Conditional Uses and Permits
- Chapter 16.82 – Development Agreements
- Chapter 16.84 – Site Plan Review
- Chapter 16.90 – Variances
- Chapter 16.96 – Amendments and Rezones

Staff also propose adding two new chapters:

- Interpretations and Amendments; and
- Temporary Use Permits

Consolidating the listed chapters under one title is intended to improve consistency during internal review and to make the code easier to navigate for both applicants and staff. Once adopted, this title will provide a clearer and more efficient permitting framework that benefits applicants, staff, and the public.

Proposed Text Revisions:

Beyond chapter consolidation, the proposed Development Procedures title introduces strategic text revisions designed to close procedural gaps, streamline review timelines, and modernize the City's development review framework. Through detailed analysis and coordination, staff identified areas where the existing code lacks clarity, consistency, or sufficient administrative tools to ensure predictable and timely application processing. These changes reflect lessons learned from day-to-day implementation and respond directly to evolving regulatory requirements, applicant feedback, and internal process improvement goals. Key text changes intend to:

- **Clarify application and vesting requirements** to establish clear expectations for submittal materials and procedures, improving predictability in the permitting and development process.
- **Align and refine definitions** to match proposed procedures, remove redundancy, and enhance clarity across related chapters.
- **Implement resubmittal deadlines** when staff request additional information. Applications that fail to meet deadlines will expire, reducing inactive or stalled permits.

Applicants may request extensions when needed. Staff may also require a new presubmission conference if more than one year has passed since the original meeting, unless regulations remain unchanged.

- **Modernize noticing requirements** to allow staff to provide public notice through the City website and email when appropriate.
- **Extend approval durations** for most land use applications by six months to reduce extension requests and better align with typical project timelines, while maintaining the option for additional extensions when warranted.
- **Establish a reconsideration process** for administrative decisions, allowing parties of record to request staff review specific decision elements such as conditions before filing an appeal with the Hearing Examiner.
- **Create a new chapter for code interpretations** to establish clear procedures for issuing, documenting, and codifying formal interpretations, improving transparency and consistency.
- **Create a new chapter for temporary use permits** to define a review process for limited duration activities such as temporary on-site portables that previously lacked a clear approval pathway.
- **Adopt express review criteria** for conditional use permits and site plan applications to support consistent decision-making and fill existing gaps in the code.
- **Clarify and streamline variance criteria** by adjusting thresholds to allow more proposals to be processed administratively. Administrative variances will apply to low-impact requests up to 25 percent of a standard, such as reducing a yard setback from 12 to 9 feet or alleviating the need for a wetland development permit.
- **Update planned residential development (PRD) standards** to explicitly require design superiority over baseline zoning, ensuring PRD projects deliver meaningful community benefits.
- **Clarify development agreement requirements** to improve efficiency for both applicants and staff.
- **Differentiate rezone review processes** based on whether a Comprehensive Plan amendment is required, ensuring applications are reviewed by the appropriate authority.
- **Align site plan review standards** with state legislation, including compliance with SB 5290 requirements.

NEXT STEPS:

Option 1: Approve Ordinance 1688 to adopt proposed amendments to Lacey Municipal Code and the Development Guidelines and Public Works Standards Chapter One related to permit processing and development code procedures.

Option 2: Provide direction to City staff on potential further modifications to the Planning Commission's recommended draft for inclusion in the final ordinance. After further diligence on these elements, City Staff would then return to the Lacey City Council for review and final action.

Option 3: Maintain existing code as currently adopted.

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

ORDINANCE NO. 1688

CITY OF LACEY

AN ORDINANCE OF THE CITY OF LACEY RELATED TO DEVELOPMENT REVIEW AND PERMITTING PROCEDURES, ADOPTING A NEW TITLE 11 ENTITLED “DEVELOPMENT PROCEDURES”; AMENDING CHAPTERS 2.30, 3.64, 5.12, 5.40, 5.42, 12.20, 12.30, 14.04, 14.21, 14.23 – 14.30, 14.32, 14.33, 14.34, 14.36, 14.37, 15.01, 15.04, 15.06, 15.07, 15.08, 15.10, 15.20, AND 15.22; REPEALING CHAPTERS 16.60, 16.66, 16.82, 16.84, 16.90, AND 16.96; ALL OF THE LACEY MUNICIPAL CODE; REPEALING CHAPTER 1 OF THE CITY OF LACEY DEVELOPMENT GUIDELINES AND PUBLIC WORKS STANDARDS; AND APPROVING A SUMMARY FOR PUBLICATION.

WHEREAS, the City of Lacey’s Title 11 of the Lacey Municipal Code is currently reserved for future use; and

WHEREAS, the City Council desires to consolidate and modernize all development review and permitting procedures into a single title of the Municipal Code to improve clarity, efficiency, and accessibility; and

WHEREAS, the City Council last amended Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards (“DGPWS”) through Ordinance No. 1669 on December 17, 2024, to comply with SB 5290, with the understanding that Chapter 1 would later be removed from the manual and codified within the Lacey Municipal Code; and

WHEREAS, the Planning Commission held briefings on June 25 and August 27, 2025, and conducted a duly noticed public hearing on October 8, 2025, to receive public comment regarding the proposed Development Procedures Title, and subsequently voted unanimously to recommend approval to the City Council; and

WHEREAS, the proposed amendments relocate, update, and expand existing procedural provisions from Lacey Municipal Code Title 16 and the Development Guidelines and Public Works Standards to establish clear, efficient, and predictable processes for land-use and development review; and

WHEREAS, the City Council finds and determines adoption of this ordinance to be in the public interest and in the best interest of the City and its residents.

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

Section 1. Title 11 of the Lacey Municipal Code, previously reserved, is hereby adopted and shall be titled “Development Procedures.” The full text of Title 11 shall read as set forth in **Exhibit A**, attached hereto and incorporated herein by reference.

Section 2. Chapter 16.60 of the Lacey Municipal Code titled Planned Residential Development, is hereby repealed in its entirety. The provisions formerly contained in Chapter 16.60 will be implemented in new Chapter 11.10 of the Lacey Municipal Code.

Section 3. Chapter 16.66 of the Lacey Municipal Code titled Planned Residential Development, is hereby repealed in its entirety. The provisions formerly contained in Chapter 16.60 will be implemented in new Chapter 11.09 of the Lacey Municipal Code.

Section 4. Chapter 16.82 of the Lacey Municipal Code titled Planned Residential Development, is hereby repealed in its entirety. The provisions formerly contained in Chapter 16.60 will be implemented in new Chapter 11.12 of the Lacey Municipal Code.

Section 5. Chapter 16.84 of the Lacey Municipal Code titled Planned Residential Development, is hereby repealed in its entirety. The provisions formerly contained in Chapter 16.60 will be implemented in new Chapter 11.07 of the Lacey Municipal Code.

Section 6. Chapter 16.90 of the Lacey Municipal Code titled Planned Residential Development, is hereby repealed in its entirety. The provisions formerly contained in Chapter 16.60 will be implemented in new Chapter 11.08 of the Lacey Municipal Code.

Section 7. Chapter 16.96 of the Lacey Municipal Code titled Planned Residential Development, is hereby repealed in its entirety. The provisions formerly contained in Chapter 16.60 will be implemented in new Chapter 11.13 of the Lacey Municipal Code.

Section 8. Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards titled Development Permit Procedures and Administration, is hereby repealed in its entirety. The provisions formerly contained in Chapter 1 will be implemented in new Chapters 11.01 through 11.05 of the Lacey Municipal Code.

Section 9. Lacey Municipal Code 2.30.100 is hereby amended to read as follows:

2.30.100 Applications for permits or approvals.

Applications for permits or approvals within the jurisdiction of the hearings examiner shall be presented to the community and economic development department for review as set forth in ~~Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards~~ Title 11 LMC.

Section 10. Lacey Municipal Code 2.30.160 is hereby amended to read as follows:

2.30.160 Appeal from examiner’s decision.

The decision of the examiner shall be final and conclusive unless a land use petition is timely filed with the Thurston County superior court in accordance with ~~Chapter 1D of the~~

~~City of Lacey Development Guidelines and Public Works Standards Chapter 11.05 LMC~~
and applicable state laws. Provided:

A. Appeals from the examiner's decision on shoreline permits shall be governed by the provisions of Chapter 90.58 RCW; and

B. Appeals from the examiner's decision on any matters relating to potentially dangerous or dangerous dogs pursuant to LMC 7.04.070, the duties described in LMC 14.18.030 for the building construction and life safety codes and related to civil violations and abatement under Chapter 14.40 LMC shall be to Thurston County superior court. Such appeals must be filed with Thurston County superior court within twenty calendar days from the date the hearings examiner decision was mailed to the person to whom the notice of civil penalty was directed.

Section 11. Lacey Municipal Code 3.64.070 is hereby amended to read as follows:

3.64.070 Application review and conditional certification.

A. *Approval.* The administrator may approve an application if he or she finds that:

1. The owner has complied with all of the requirements of this section, including but not limited to the project eligibility requirements contained in this chapter and the applicable requirements contained within the Lacey Municipal Code; and
2. The proposed project is, or will be at the time of completion, in conformance with all approved plans, and all applicable requirements of the Lacey Municipal Code or other applicable requirements or regulations in effect at the time the application is approved.

B. *Contract Required.* If the application is approved, the owner shall enter into a contract with the city, approved by the city council, regarding the terms and conditions of the project under this section.

C. *Issuance of Conditional Certificate.* Following council approval of the contract, the administrator shall issue a conditional certificate of acceptance of tax exemption. The conditional certificate shall expire three years from the date of council approval of the contract unless an extension is granted as provided in LMC 3.64.080.

D. *Application Denial.*

1. *Denial.* The administrator shall deny an application if the criteria in this chapter are not met. The administrator shall state in writing the reasons for the denial and send notice of denial to the owner's last known address within ten days of the denial.
2. *Appeal.* The owner may appeal the administrator's decision to the hearing examiner in accordance with ~~Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards~~ Chapter 11.05 LMC.

E. *Contract Amendment.* An owner may request an amendment(s) to the contract by submitting a request in writing to the administrator, together with the required fee, any time within three years of the date of the approval of the contract as provided for in LMC 3.64.080. The date for expiration of the conditional certificate shall not be extended by contract amendment unless all the conditions for extension are met.

Section 12. Lacey Municipal Code 3.64.080 is hereby amended to read as follows:

3.64.080 Extension of conditional certificate.

A. *Application.* The conditional certificate may be extended by the administrator for a period not to exceed twenty-four consecutive months. The owner shall submit a written request stating the grounds for the extension together with the required application fee.

B. *Approval.* The administrator may grant an extension if he/she finds that:

1. The anticipated failure to complete construction within the required time period is due to circumstances beyond the control of the owner; and
2. The owner has been acting, and could reasonably be expected to continue to act, in good faith and with due diligence; and
3. All the conditions of the original contract between the owner and the city will be satisfied upon completion of the project.

C. *Denial--Appeal.* The owner may appeal the administrator's decision to the hearing examiner in accordance with ~~Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards~~ Chapter 11.05 LMC.

Section 13. Lacey Municipal Code 3.64.090 is hereby amended to read as follows:

3.64.090 Final certificate.

A. *Application.* Upon completion of the construction as provided in the contract between the owner and the city, the owner may request a final certificate of tax exemption. The owner shall pay all required fees and file with the administrator such information as the administrator may deem necessary or useful to evaluate eligibility for the final certificate, which shall at a minimum include:

1. A statement of expenditures made with respect to each multifamily housing unit and the total expenditures made with respect to the entire property;
2. A description of the completed work and a statement of qualification for the exemption;
3. The total monthly rent or total sale amount of each multifamily housing unit rented or sold to date;

4. The income of each renter household to date at the time of initial occupancy and the income of each initial purchaser of owner-occupied multifamily housing units to date at the time of purchase;

5. If applicable, a statement that the project meets the affordable housing requirements of this section, along with the number, type, and specific multifamily housing units rented or sold to date, as applicable, to meet the affordable housing requirements;

6. Any additional information requested by the city pursuant to meeting any reporting requirements under Chapter 84.14 RCW; and

7. A statement that the work was completed within the required three-year period or any approved extension.

B. *Determination.* Within thirty days of receipt of all materials required for a final certificate, the administrator shall determine whether the completed work is consistent with the contract between the city and owner, whether all or a portion of the completed work is qualified for exemption under this section and, if so, which specific improvements satisfy the requirements of this section.

C. *Filing with County Assessor.* For projects that comply with the requirements of this chapter, the city shall file a final certificate of tax exemption with the county assessor within ten days of the expiration of the thirty-day period provided in subsection B of this section.

D. *Denial.* The administrator shall notify the owner in writing that the city will not file a final certificate if: (1) the administrator determines that the project was not completed within the required three-year period or any approved extension, or was not completed in accordance with the contract between the owner and the city and the requirements of this section, or the owner's property is otherwise not qualified for the limited exemption under this section; or (2) the owner and administrator cannot come to an agreement on the allocation of the value of the improvements allocated to the exempt portion of the project.

E. *Appeal.* The owner may appeal the administrator's decision to the hearing examiner in accordance with ~~Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards Chapter 11.05 LMC.~~

Section 14. Lacey Municipal Code 3.64.110 is hereby amended to read as follows:

3.64.110 Cancellation of tax exemption.

A. *Cancellation.* If at any time the administrator determines that: (1) the property no longer complies with the terms of the contract or with the requirements of this chapter; (2) the use of the property is changed or will be changed to a use that is other than residential; (3) the project violates applicable zoning requirements, land use regulations or building code requirements; or (4) the property for any reason no longer qualifies for the tax exemption, the tax exemption shall be canceled and additional taxes, interest and penalties

imposed pursuant to state law. Upon determining that a tax exemption shall be canceled, the administrator shall notify the property owner by certified mail, return receipt requested.

B. *Appeal.* The property owner may appeal the determination in accordance with ~~Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards~~ Chapter 11.05 LMC.

C. *Change of Use.* If the owner intends to convert the multifamily housing to another use, the owner must notify the administrator and the county assessor within sixty days of the change in use. Upon such change in use, the tax exemption shall be canceled and additional taxes, interest and penalties imposed pursuant to state law.

Section 15. Lacey Municipal Code 5.12.010 is hereby amended to read as follows:

5.12.010 Definitions--Application--Registration fee.

A. *Definitions.*

1. *Business.*

a. Whenever the word “business” is used herein, it applies to any person, firm or corporation which engages in business within the corporate limits of the city, on a temporary or permanent basis. Each such store or place shall be considered a separate business even though more than one such store or place is owned by the same person, firm or corporation.

b. “Business,” as used solely in this chapter, shall not apply to the temporary sale activities of nonprofit, religious, educational or charitable organizations where such activities are incidental or customary to the charitable, educational or religious purpose of the organization and such organization has notified the city in writing of the dates upon which the activities will be conducted, nor shall “business,” as used solely in this chapter, apply to the temporary sale activities of other persons, firms or corporations conducted on premises or in facilities furnished by a person, firm or corporation holding a master business registration certificate for temporary sales pursuant to LMC 5.12.015 nor to the sales activities of persons, firms or corporations conducted on premises or in facilities furnished by a person, firm or corporation holding a business registration certificate for a “farmers’ market.”

2. *Engaging in Business.*

a. The term “engaging in business” means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.

b. This section sets forth examples of activities that constitute engaging in business in the city, and establishes safe harbors for certain of those activities so

that a person who meets the criteria may engage in de minimis business activities in the city without having to pay a business license fee. The activities listed in this section are illustrative only and are not intended to narrow the definition of “engaging in business” in subsection (A)(2)(a) of this section. If an activity is not listed, whether it constitutes engaging in business in the city shall be determined by considering all the facts and circumstances and applicable law.

c. Without being all inclusive, any one of the following activities conducted within the city by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf, constitutes engaging in business and requires a person to register and obtain a business license:

- (1) Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the city.
- (2) Owning, renting, leasing, using, or maintaining an office, place of business, or other establishment in the city.
- (3) Soliciting sales.
- (4) Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.
- (5) Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf.
- (6) Installing, constructing, or supervising installation or construction of real or tangible personal property.
- (7) Soliciting, negotiating, or approving franchise, license, or other similar agreements.
- (8) Collecting current or delinquent accounts.
- (9) Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials.
- (10) Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape architectural services, security system services, and real estate services including the listing of homes and managing real property.

(11) Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, veterinarians.

(12) Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings.

(13) Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operating on a job in the city, acting on its behalf, or for customers or potential customers.

(14) Investigating, resolving, or otherwise assisting in resolving customer complaints.

(15) In-store stocking or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place.

(16) Delivering goods in vehicles owned, rented, leased, used, or maintained by the person or another acting on its behalf.

d. If a person, or its employee, agent, representative, independent contractor, broker or another acting on the person's behalf, engages in no other activities in or with the city but the following, it need not register and obtain a business license:

(1) Meeting with suppliers of goods and services as a customer.

(2) Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.

(3) Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of directors member or attendee engaging in business such as a member of a board of directors who attends a board meeting.

(4) Renting tangible or intangible property as a customer when the property is not used in the city.

(5) Attending but not participating in a "trade show" or "multiple vendor events." Persons participating at a trade show shall review the city's trade show or multiple vendor event ordinances.

(6) Conducting advertising through the mail.

(7) Soliciting sales by phone from a location outside the city.

e. A seller located outside the city merely delivering goods into the city by means of a common carrier is not required to register and obtain a business license; provided, that it engages in no other business activities in the city. Such activities do not include those in subsection (A)(2)(d) of this section.

f. The city expressly intends that “engaging in business” includes any activity sufficient to establish nexus for the purposes of applying the license fee under the law and the constitutions of the United States and the state of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus generating contact or subsequent contacts.

3. “Temporary,” as used solely in this chapter, shall be any business operated for thirty consecutive days or less within the corporate limits of the city or which may be located in a mobile unit; provided, however, that the term “temporary” shall not apply to the direct sales of agricultural products grown in Thurston County by the grower or the grower’s employees.

4. “Farmers’ market,” as used solely in this chapter, means an organization of local growers and handcrafters formed for the purpose of selling goods grown or made by said members where the normal requirement for participation is that those members selling have either grown or crafted seventy-five percent of their product.

B. Any proposed new business, and any business which changes its state tax number or moves its location, shall make application for registration to the city. Such application shall be accompanied by the fee established by resolution of the city council; provided, however, that until such time as the council passes a resolution establishing the fee for a “farmers’ market,” the annual application fee for such organization shall be \$60.00; provided further, that until the city council passes a resolution establishing the fee for the direct sales of agricultural products grown in Thurston County by a grower or a grower’s employee, the fee shall be \$50.00 for each location for a period of ninety days and an additional fee of \$10.00 for each thirty days thereafter to a maximum of an additional sixty days. The application shall be reviewed by the building official, who shall review the application for compliance with the building codes adopted in LMC Title 14; the planner, who shall review the application for compliance with the zoning codes as adopted in LMC Title 16; and the fire marshal, who shall review the application for compliance with the requirements of the fire code as adopted in Chapter 14.07 LMC. In addition, the police department shall review the type of business proposed and the products to be sold in order to prevent the potential sale of stolen goods or the practice of fraud upon the public, in addition to reviewing the location of the business for the prevention of a safety hazard to the public. In addition, all applicants for businesses dealing in food services shall provide

a copy of the certificate issued by the county health department prior to the business registration certificate being issued. The city shall notify the applicant of the results of such review within ten working days after the application is submitted. If the proposed business location is in compliance with the city's zoning and building code requirements as detailed in LMC Titles [14](#) and [16](#), if the health certificate, when appropriate, has been furnished, and if the police department finds that a public safety hazard will not be created by the business and there shall not be a likelihood of stolen property being sold by the business or fraud upon the public being perpetrated, or if the city fails to notify the applicant of the results of the investigation and inspection within ten working days after the application is submitted, a business registration certificate shall be issued to the applicant. Provided, however, if subsequent investigation and inspection by the city determines that the information provided in the application is either inaccurate or misleading, the registration certificate issued shall be considered temporary in nature and may be revoked by the city based upon the results of such further investigation or inspection.

C. *Threshold Exemption.* To the extent set forth in this section, the following persons and businesses shall be exempt from the registration, license and/or license fee requirements as outlined in this chapter:

1. Any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000.00 and who does not maintain a place of business within the city shall be exempt from the general business license requirements of this chapter. The exemption does not apply to regulatory license requirements or activities that require a specialized permit. Beginning January 1, 2026, the threshold amount is \$10,000.00. The threshold amount will be adjusted every forty-eight months on January 1st, by an amount equal to the increase in the Consumer Price Index ("CPI") for "West Urban, All Urban Consumers" (CPI-U) for each twelve-month period ending on June 30th as published by the United States Department of Labor Bureau of Labor Statistics or successor agency. To calculate this adjustment, the current rate will be multiplied by one plus the cumulative four-year (forty-eight-month) CPI increase using each twelve-month period ending on June 30th of each prior year, and rounded to the nearest \$100.00. However, if any of the annual CPI increases are more than five percent, a five percent increase will be used in computing the annual basis and if any of the annual CPI decreased during the forty-eight-month period, a zero percent increase will be used in computing the annual basis.

D. No business registration application shall be approved or registration certificate issued for any business to occupy space in a building requiring a certificate of occupancy as required in Chapter [14.03](#) LMC, until such certificate of occupancy has been issued.

E. Subject to the provisions of subsection [B](#) of this section, a registration certificate will be valid for the period of time for which the fee is paid pursuant to this section and resolution of the city council.

F. All appeals from actions or decisions of the city pursuant to this section shall be to the city's hearing examiner pursuant to ~~Section 1D of the city's Development Guidelines and Public Works Standards Chapter 11.05 LMC.~~

Section 16. Lacey Municipal Code 5.40.060 is hereby amended to read as follows:

5.40.060 Revocation of license.

The director of Finance shall revoke a license issued pursuant to this chapter if the Director finds any of the following conditions to exist:

- A. The licensee has made a false statement or given false information in connection with the application for the applicable license.
- B. The licensee has violated or permitted violation of any provisions of this chapter.
- C. The licensee has been convicted of or forfeited bail to any of the crimes which would have caused the director to refuse to issue the license upon the initial or renewal application.

Appeal from either the denial of a license or the revocation of a license shall be made to the Hearings Examiner in accordance with ~~Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards Chapter 11.05 LMC.~~

Section 17. Lacey Municipal Code 5.42.060 is hereby amended to read as follows:

5.42.060 Revocation of license.

The director of finance shall revoke an adult live entertainment center license or an entertainer's license issued pursuant to this chapter if the director finds any of the following conditions to exist:

- A. The licensee has made a false statement or given false information in connection with the application for the applicable license.
- B. The licensee has violated or permitted violation of any provisions of this chapter.
- C. The licensee has been convicted of or forfeited bail to any of the crimes which would have caused the director to refuse to issue the license upon the initial or renewal application.

Appeal from either the denial of a license or the revocation of a license shall be made to the Hearings Examiner in accordance with ~~Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards Chapter 11.05 LMC.~~

Section 18. Lacey Municipal Code 12.20.050 is hereby amended to read as follows:

12.20.050 Nuisances.

A. *Public Nuisances.* The following are hereby declared public nuisances under this chapter:

1. Any tree or part thereof (public or private) which, by reason of location or condition, constitutes a hazard to public safety as determined by the city forester or authorized city representative;
2. Any tree or part thereof (on public or private property) which obstructs the free passage of pedestrian or vehicular traffic or which obstructs public street lighting;
3. Any tree or alternate host plant or part thereof (on public or private property) which harbors pests which reasonably may be expected to injure or harm public trees.

B. *Abatement of Public Nuisances.* The following are the prescribed means of abating public nuisances under this chapter:

1. Any tree or alternate host plant or part thereof (public or private) declared to be a public nuisance by the city shall be pruned, removed or otherwise treated as directed by the city. All costs for nuisance abatement are the responsibility of the property owner or adjacent property owner;
2. The city may cause a written notice to be personally served or sent by mail to the owner of the particular property;
3. In the event the nuisance is not abated by the date specified in the notice, the city is authorized to cause the abatement of said nuisance. The reasonable cost of such abatement may be charged to the subject property owner. Monies which have not been recovered through the city bill-collection procedures may result in a lien against the property or assessed on taxes. In addition, the owner of the property upon which the nuisance is located may be subject to prosecution by the city. Nothing in this provision shall be construed to exempt any person from the requirement of obtaining permits;
4. The city is empowered to cause the immediate abatement of any nuisance if it is determined by the city to be an emergency or immediate hazard to public safety;
5. If the city forester determines that disposal of the wood, branches and soil from removal or pruning of a nuisance tree is required to complete abatement, such disposal shall be done as required by the city. All costs associated with the disposal of material from private trees shall be the responsibility of the property owner.

C. *Appeals of Nuisances.* Any appeals of a nuisance determination by the city shall be processed by the city's hearings examiner pursuant to the provisions of Chapter [2.30](#) LMC and ~~Section 1D, "Appeals," of the Development Guidelines and Public Works Standards Chapter 11.05 LMC.~~ Any appeals shall be filed within fourteen days of the nuisance determination. Nuisance determinations in cases of immediate abatement related to an emergency or immediate hazard to public safety are not appealable.

Section 19. Lacey Municipal Code 12.30.050 is hereby amended to read as follows:

12.30.005 Street projects as prerequisite to property development.

Chapters [12.24](#), [12.28](#), [14.21](#), [14.24](#), [15.01](#), [15.06](#), [15.08](#), [15.10](#), and ~~16.84~~[11.07](#) LMC constitute ordinances of the city requiring certain street projects as a prerequisite to further property development. Owners of real estate constructing or improving streets pursuant to such authority may enter into reimbursement contracts with the city, consistent with Chapter [35.72](#) RCW and this chapter.

Section 20. Lacey Municipal Code 14.04.015 is hereby amended to read as follows:

14.04.015 Amendments--Addition.

The following sections of the International Building Code as adopted in LMC [14.04.010](#) are amended to read as follows:

Section 101.1 These regulations shall be known as the Building Code of the City of Lacey, Washington, hereinafter referred to as "this code."

Section 101.4.3 Plumbing.

The provisions of the City of Lacey Plumbing Code as adopted by Lacey Municipal Code Chapter [14.06](#) shall apply to the installation, alteration, repair and replacement of plumbing systems, including equipment, appliances, fixtures, fittings and appurtenances, and where connected to a water or sewage system and all aspects of a medical gas system. The provisions of the State of Washington requirements for private sewage disposal shall apply to private sewage disposal systems.

Section 101.4.4 Property Maintenance.

The provisions of the City of Lacey Property Maintenance Code adopted by Lacey Municipal Code Chapter [14.16](#) shall apply to existing structures and premises; equipment and facilities; light, ventilation, space heating, sanitation, life and fire safety hazards, responsibilities of owners, operators and occupants; and occupancy of existing premises and structures.

Section 101.4.6 Energy.

The provisions of the State of Washington Energy Code adopted by Lacey Municipal Code Chapter [14.09](#) shall apply to all matters governing the design and construction of buildings for energy efficiency.

Section 101.4.7 Electrical.

The provisions of the City of Lacey Electrical Code as adopted in Lacey Municipal Code Chapter [14.13](#) shall apply to the installation of electrical systems, including alterations, repairs, replacement, equipment, appliances, fixtures, fittings and appurtenances thereto.

Section 104.1 General, is amended to read:

The building official is hereby authorized and directed to enforce the provisions of this code, including any requirements or regulations imposed on a project as a condition of a land use approval process, as those conditions relate to permit issuance as required in Section 105.3 and issuance of a certificate of occupancy as required in Section 111.2. The building official shall have the authority to render interpretations of this code and to adopt policies and procedures in order to clarify the application of its provisions. Such interpretations, policies and procedures shall be in compliance with the intent and purpose of this code. Such policies and procedures shall not have the effect of waiving requirements specifically provided for in this code.

Enforcement.

Recognizing the authority and responsibility vested in the building official under the codes adopted by this title, the building official is authorized to promulgate such rules, policies and/or procedures as deemed necessary to carry out the intent of this title and provide for the efficient operation of the permit process as it may be administered by the building official and staff. The building official is also authorized to enforce the provisions of this title. As part of such enforcement activities, the building official may, from time to time, record with the county auditor's office notices of building permit for land use violations or notices and orders as specified within the city's dangerous buildings code where said site has not been brought into compliance despite reasonable efforts included by the city.

Section 105.2, item 2 is amended to read:

Fences not over 7 feet (2134 mm) high, except fencing regulated by Section 419, subsection 3, Fencing.

Section 105.2, item 4 is amended to read:

Retaining walls which are not over 4 feet (1219 mm) in height measured from the bottom of the footing to the top of the wall, provided the wall is set back from any adjacent property lines or structures a distance at least equal to the height of the wall and the material retained

slopes 1 vertical to 2 horizontal (or less) up and away from the wall unless supporting a surcharge or impounding Class I, II or IIIA liquids.

Section 105.2, item 11 is amended to read:

Swings and other playground equipment (accessory to detached one and two-family dwellings).

105.3.1 Action on application, is amended to read:

The building official shall examine or cause to be examined applications for permits and amendments thereto within a reasonable time after filing.

If the application or the construction documents do not conform to the requirements of pertinent laws, the building official shall reject such application in writing, stating the reasons therefor. If the building official is satisfied that the proposed work conforms to the requirements of this code and laws and ordinances applicable thereto as required in Section 105.3.1.1 and that the fees specified have been paid, the building official shall issue a permit therefor as soon as practicable.

105.3.1.1 Prerequisites for issuance of permit:

The building official shall determine whether the following requirements have been met prior to issuance of a permit:

1. Any requirements or regulations imposed on a project as a condition of a land use approval process;
2. The Site Plan Review Committee has approved the site plan;
3. The landscaping plans have been approved;
4. The required fire apparatus access roads are installed and approved;
5. Water supplies for fire protection are installed and made serviceable;
6. Address(es) are assigned in accordance with LMC [12.04](#);
7. Plans for the construction of sidewalks; or sidewalks, curbs and gutters have been submitted to the department of public works;
8. Public works construction improvements are completed, or a performance bond is posted with the city;
9. If direct traffic mitigation is required, approved financial security is posted with the city;
10. Any transportation mitigation fees are paid;

11. Approval of design review as required by Lacey Municipal Code Chapter [14.23](#);
12. Compliance with the state environmental policy act, as adopted by Lacey Municipal Code Chapter [14.24](#);
13. Compliance with the flood management requirements as adopted by Lacey Municipal Code Chapter [14.34](#);
14. Compliance with the geologically sensitive areas protection requirements as required by Lacey Municipal Code Chapter [14.37](#);
15. Compliance with all requirements for final plat as required by Lacey Municipal Code Chapters [15.16.010](#), and [15.20.050](#);
16. In Planned Residential Developments, construction of at least 50% of the residences in the PRD have been built before any permits can be issued for any commercial uses;
17. For wireless communication facilities (towers), approval of a lease agreement that (a) allows the landholder to enter into leases with other providers and, (b) specifies that if the provider fails to remove the facility upon eighteen months of its discontinued use, the responsibility for removal falls with the landholder;

Section 107.1 shall have a new sentence added to the end of the paragraph as follows:

All plans for construction, erection, enlargement, alteration or repairs of building or structures 4,000 square feet or over shall be designed, prepared and stamped by an architect licensed by the state of Washington. Plans that are not designed to prescriptive structural methods shall require a design, prepared and stamped by an engineer licensed by the State of Washington.

Section 109.3 shall have a new sentence added to the end of the paragraph as follows:

The value for commonly built structures shall be determined by using the valuation table adopted by the building official by policy.

Section 111.2 Certificate issued, is amended to read as follows:

When the building and project site are completed as required in Sections 110.3.6 and 111, the permittee or authorized agent shall request a final inspection and issuance of the certificate of occupancy. This request shall be on a form provided by the building official. The form shall state that the building owner, building contractor, and where applicable, the building developer certify that “for the benefit of all users and occupants of this building, the building or portion for which this certificate of occupancy request applies meets all applicable codes and regulations of the City of Lacey. Such inspection request form, when submitted to the city, shall include the signatures of both the building owner and building

contractor. After the building official inspects the building or structure and project site and finds no violations of the provisions of this code or other laws which are enforced by the code enforcement agency, including any other development regulation adopted by and contained within the Lacey Municipal Code either in whole or by reference, the building official shall issue a certificate of occupancy which shall contain the following:

1. The building permit number.
2. The address of the structure.
3. The name and address of the owner.
4. A description of that portion of the structure for which the certificate is issued.
5. A statement that the described portion of the structure has been inspected for compliance with the requirements of this code for the occupancy and division of occupancy and the use for which the proposed occupancy is classified.
6. The name of the building official.
7. The edition of the code under which the permit was issued.
8. The use and occupancy, in accordance with the provisions of Chapter 3.
9. The type of construction as defined in Chapter 6.
10. The design occupant load.
11. If an automatic sprinkler system is provided, whether the sprinkler system is required.
12. Any special stipulations and conditions of the building permit.

Add new Section 111.2, Prerequisites for issuance of certificate of occupancy.

The building official shall determine whether the following requirements have been met, as verified by the appropriate department director or designee, prior to issuance of a certificate of occupancy:

1. All provisions of the codes as noted in Section 111.2;
2. In multifamily developments, all street signs for all interior streets, whether public or private, complying with city standards, have been installed;
3. All improvements required in Lacey Municipal Code Sections [12.24.010](#) and [12.24.020](#), for sidewalk, curb and gutter construction are completed or an instrument of financial security acceptable to the City has been posted with the City;

4. If a property containing five or more dwelling units within the same complex, the property is registered in the Residential Building Rental Registration Program as detailed in Lacey Municipal Code Chapter [14.02](#);
5. All public works improvements are completed and approved, unless otherwise allowed by the director of public works;
6. All required landscaping improvements are completed or an acceptable instrument of financial security has been posted with the city;
7. If the permitted work is a townhouse development regulated by Lacey Municipal Code Chapter [16.61](#), final plat or final short plat approval has been completed;
8. All specific project conditions have been completed in accordance with the land use approval.

New Section 111.2.1.1 Financial Security.

Financial Security means a method of providing surety of financial performance and may include provision of a bond, assignment of savings, letter of credit or other financial guarantee acceptable to the City. The financial security shall be in the amount equal to 150 percent of the estimated costs for completion of the work covered by the security. All such secured work shall be completed within six months of the date of the issuance of the certificate of occupancy. One six-month extension may be granted by the enforcing officer if necessary to complete the work.

111.6 Violation of requirements for certificate of occupancy.

The City Council affirms that the issuance of any certificate of occupancy is of vital importance in the safeguarding of life safety, property safety and health of occupants of any structure; and further, that the enforcement of all city development regulations is of vital importance to the city's economic vitality and the public good. Any person allowing a building to be occupied without a certificate of occupancy first being issued as required by this Chapter shall be subject to the civil penalty provisions of Section 111.6 and is subject to be ordered abated in accordance with the abatement procedures specified in Lacey Municipal Code Chapter [14](#), including posting to prevent occupancy.

111.6.1 Notice of civil penalty--certificate of occupancy violation.

111.6.1.1. Issuance.

1. When the building official determines that a violation of the certificate of occupancy requirements specified in Chapter [14.03](#), LMC has occurred or is occurring, the building official shall issue a Notice of Civil Violation to the person responsible for the violation. The "person responsible" can be the property owner, project developer, project

superintendent, business owner, corporate owner, an agent of any of those persons, or any other person responsible for the control of the building or structure. Any one or combination of those persons may be cited, either separately or jointly.

111.6.1.2. Content.

The Notice of Civil Violation shall include the following information:

1. The name and address of the person responsible for the violation; and
2. The street address or a description sufficient for identification of the building, structure, premises, or land upon or within which the violation has occurred or is occurring; and
3. A description of the violation and a reference to Section 111 as amended herein; and
4. The required date and time by which the conditions preventing the issuance of a certificate of occupancy must be completed after which the city may order the building or structure vacated in accordance with the abatement procedure specified in Chapter [14.16](#), Lacey Municipal Code; and
5. A statement that the costs and expenses of abatement incurred by the city pursuant to Section [14.40.060\(D\)](#) and a monetary penalty in an amount per day for each violation as specified in Section 111.6.1.5 may be assessed against the person to whom the Notice of Civil Violation is directed as specified and ordered by the building official.

111.6.1.3. Service of Notice.

The building official shall serve the Notice of Civil Violation upon the person to whom it is directed, either personally or by mailing a copy of the Notice of Civil Violation to such person at their last known address. If the person to whom it is directed cannot after due diligence be personally served within Thurston County and if an address for mailed service cannot after due diligence be ascertained, notice shall be served by posting a copy of the Notice of Civil Violation conspicuously on the affected property or structure. Proof of service shall be made by a written declaration under penalty of perjury executed by the person effecting the service, declaring the time and date of service, the manner by which the service was made, and if by posting the facts showing that due diligence was used in attempting to serve the person personally or by mail.

111.6.1.4. Extension.

No extension of the time specified in the Notice of Civil Violation for correction of the violation may be granted, except by order of the hearings examiner.

111.6.1.5. Monetary Penalty.

The monetary penalty for each separate violation shall be 1% of the permit value of the building or structure, with a minimum of \$500.00.

111.6.1.6. Continued Duty to Correct.

Payment of the monetary penalty does not relieve the person to whom the Notice of Civil Violation was issued of the duty to correct the violation.

111.6.1.7. Collection of Monetary Penalty.

1. The monetary penalty constitutes a personal obligation of the person to whom the Notice of Civil Violation is directed. Any monetary penalty assessed must be paid to the city of Lacey at the department of community and economic development within ten calendar days from the date of notice from the city that penalties are due.

2. The city shall contract with a collection agency in order to collect monetary penalties from individuals who do not pay within ten calendar days as specified above, or within ten days of the appeal hearing, if such hearing is held.

111.6.1.8. Civil penalties imposed under this chapter shall be paid to the city for deposit in the abatement fund established by LMC Chapter [14.16](#).

111.6.1.9. The notice of the civil penalty shall be a final order of the city unless, within five days after the notice is received, the person incurring the penalty appeals the penalty by filing a notice of appeal with the department of community and economic development. If a notice of appeal is filed in a timely manner, a hearing shall be conducted by the hearings examiner. Such hearing shall be conducted in accordance with chapters [34.05](#) and [34.12](#) RCW, and ~~Section 1D.010 of the Development Guidelines and Public Works Standards Chapter 11.05 LMC~~. At the conclusion of the hearing, the Hearings Examiner shall determine whether the penalty should be affirmed, reduced, or not imposed and shall issue a final order setting forth the civil penalty assessed, if any. The order issued by the Hearings Examiner may be appealed to superior court.

111.6.1.10. Failure to Appear.

If the person to whom the Notice of Civil Penalty was issued fails to appear at the scheduled hearing, the examiner will enter an order finding that the violation occurred and assessing the appropriate monetary penalty. The city will carry out the hearings examiner's order and recover all related expenses, plus the cost of the hearing and any monetary penalty from that person.

111.6.1.11. Appeal to Superior Court.

An appeal of the hearings examiner's decision must be filed with the Thurston County Superior Court within twenty calendar days from the date the final appeal decision was

mailed to the person to whom the Notice of Civil Penalty was directed, or is thereafter barred.

Section 425. In all rental unit complexes consisting of five or more dwelling units, each unit shall be provided with the following crime prevention devices and design considerations:

1. Security locking devices:

- a. Single-cylinder deadbolt locks on all exterior hinged doors;
- b. A reinforced 4-inch strike-plate attached to the wood framing by not less than two No. 8 by 3-inch screws;
- c. A door viewer having a field of vision of not less than 180 degrees;
- d. Secondary security locking device on all sliding doors in addition to the factory-provided door locking device;
- e. Secondary security locking device on all sliding windows in addition to the factory-installed sash-type lock;
- f. Secondary security locking device on all crank-type or jalousie windows separate from the factory-installed crank device.

All secondary security locks must meet the requirements of Section 310.4, to be openable without keys, any special knowledge or effort.

2. Lighting:

- a. All walkways, hallways, stairwells and entry areas shall be provided with lighting that provides a minimum illumination at floor/ground level of one foot-candle.
- b. All entrance foyers and entryway areas shall be provided with lighting that provides a minimum illumination of three foot-candles at the floor level.
- c. All parking lot lighting shall be provided with timers or photo-electric switching that turns the lighting on automatically at dusk.

3. Fences:

All fences constructed must be constructed to provide through-visibility. Sight-obscuring fencing is not permitted. Fences in Group R, Division 2 Occupancies are not exempt from building permit requirements.

4. Signs:

- a. Address numbers shall be provided for all buildings in such a position as to be plainly visible and legible from the street or road fronting the property.
- b. One sign, located at an approved location at the entrance to the property shall be provided for a map of the entire complex. This site map shall include the roadway layout, building locations, building addresses.
- c. Warning Signs: Each complex shall install a sign, located at an approved location at the entrance to the property containing the words: “No Trespassing On This Property. LMC [9.28.080](#) - .090.”

Section 705.5. Exterior walls shall be fire-resistance rated in accordance with Tables 601 and 602 and this section. Nothing in this section shall be construed as eliminating or reducing the fire-resistance of exterior walls based on Type of Construction requirements.

The required fire-resistance rating of exterior walls with a fire separation distance of greater than 10 feet shall be rated for exposure to fire from the inside only, if both sides are not required due to type of construction classification. The required fire-resistance rating of exterior walls with a fire separation distance of less than or equal to 10 feet shall be rated for exposure to fire from both sides.

Section 1009.2.1. Elevators Required.

In buildings where a required accessible floor is four or more stories above grade plane, at least one required accessible means of egress shall be an elevator complying with Section 1007.4. (Exceptions remain as published.)

Section 1009.8.1 is amended as follows:

Two-way communication.

A telephone with controlled access to the fire alarm control system for two-way communications shall be provided between each area of refuge and the fire alarm monitoring center. The telephone or other two-way communication system shall be located with the reach ranges as specified in the Washington State Building Code requirements for accessibility by persons with disabilities. The emergency communication system must be visible when the telephone is activated. This non-verbal means must enable the fire alarm monitoring center to determine the area or areas of refuge.

Section 21. Lacey Municipal Code 14.21.010 is hereby amended to read as follows:

14.21.010 Definitions.

For purposes of this chapter, the terms contained herein shall be defined as follows:

A. Affected Transportation Improvement Project. “Affected Transportation Improvement Project” means a Transportation Improvement Project identified in the manner set forth in

LMC 14.21.026 to which the proposed development is projected to add at least one PM Peak Hour Trip. Distribution of PM Peak Hour Trips shall be made in accordance with the latest adopted revision of the Thurston Regional Planning Council's Traffic Distribution Model or such other method as is specifically approved by the city.

B. Background Traffic. "Background Traffic" means that volume of traffic that is projected to occur on the street system or through an intersection as of the anticipated date of completion of a development but not including the traffic generated from such development. "Background Traffic" shall include anticipated traffic from all other approved developments located inside or outside of the city except those developments where governmental approval has lapsed.

C. Capacity. "Capacity" means the maximum number of vehicles that can be accommodated in the area of a transportation improvement project at a specified level of service. "Capacity" shall be calculated according to the most recent Highway Capacity Manual, a signal warrant analysis, or alternative method approved by the city.

D. Completion of Development. "Completion of Development" is achieved:

1. In residential developments other than multifamily residential and planned community development, upon final plat approval.
2. In planned community developments and village centers upon final city approval of the phase of the development which caused the traffic mitigation measures to be required.
3. In all other developments, when a certificate of occupancy has been issued by the city.

E. Comprehensive Plan. "Comprehensive Plan" means the city of Lacey Comprehensive Plan, including any joint comprehensive plan adopted by the city and Thurston County.

F. Development. "Development" means preliminary plat, short plat, proposal to substantially intensify the type of use of existing land or structures, additions to existing structures other than one or two family residential structures and any proposed project requiring site plan review pursuant to LMC ~~16.84.010~~ 11.07.010. Except for those residential lots within plats described in LMC 14.21.050, the term shall not include individual one or two family residential lots.

G. Financial Commitment. "Financial Commitment" means funds known or reasonably forecasted to be available and designated for transportation facilities or strategies and/or funds that are deposited or assured by an applicant in a form approved by the city.

H. Level of Service (LOS). "Level of Service" means the capacity standard for traffic flow through a specified area defined in the latest edition of the Highway Capacity Manual.

Subject to the provisions for Strategy Corridors set forth in Subsection M of this Section, the adopted levels of service for the city of Lacey are as follows:

1. Lacey Core Area = Level E. The Lacey Core Area is defined as that area bounded by the northerly right-of-way line of Martin Way on the north, the southerly right-of-way line of Lacey Boulevard on the south, the westerly city limit line on the west and the easterly right-of-way line of Carpenter Road on the east.
2. All areas other than the Lacey Core Area = Level D.

I. Mitigation. “Mitigation” shall mean facility improvements constructed or financed either directly by a developer or in conjunction with the construction or financing of such improvements by other developers and/or the city.

J. PM Peak Hour. “PM Peak Hour” shall mean the sixty-minute period between 4:00 p.m. and 6:00 p.m. with the greatest sum of traffic volumes on a roadway segment or passing through the area of a transportation improvement project.

K. PM Peak Hour Trips. “PM Peak Hour Trips” means total vehicular trips entering and leaving a development during the p.m. peak hour of the adjacent streets. The trip generation rate is as defined in the most recent ITE Trip Generation Manual, published by the Institute of Transportation Engineers. Other trip generation rate sources approved by the city may be used where ITE data are based on a limited survey base or where there may be special trip generating characteristics of the proposal.

L. Plan Area. “Plan Area” means that geographic area described in LMC 14.21.022 as generally benefited by the transportation improvements identified in the manner specified in LMC 14.21.026 and within which transportation mitigation fees may be imposed.

M. Strategy Corridors. “Strategy Corridors” are those streets or intersections which typically have been constructed or improved to 4 or 5 lanes in width between intersections, or are streets or intersections bounded by existing land use or environmental features that preclude further widening. Such Strategy Corridors are in areas where, pursuant to other policies of the City, growth is encouraged and typically coincides with the designation of a High Density Corridor, City Centers, Core Areas or Activity Centers where a concentration of commercial and other uses is desired, especially when that growth increases densities and proximity of different types of land use. Peak hour vehicular congestion in these corridors is likely to exceed levels of service which would otherwise be acceptable within the transportation system. Such corridors should be identified in the City’s Transportation Plan. Such Strategy Corridors shall be exempt from the level of service standards set forth in Subsection H of this Section. However, strategies tailored to each of such corridors may be required in accordance with the procedures and authority set forth in LMC 14.21.030. Such strategies should include an appropriate mix of:

1. High quality and fully integrated bike, pedestrian, carpool, vanpool, and transit facilities and services.
2. Complete and connected street grids.
3. Transportation technology measures that improve overall system operating efficiency and safety.
4. Access management.
5. Parking management.
6. Aggressive travel demand management strategies; and/or
7. Land use intensification.

N. Transportation Improvement Project. “Transportation Improvement Project” means any and all transportation improvement projects identified as specified in LMC 14.21.026 to be designed and constructed in accordance with the city’s Development Guidelines and Public Works Standards or by the requirements of the state of Washington for transportation improvement projects controlled and regulated by the state of Washington.

O. Transportation Mitigation Fee. “Transportation Mitigation Fee” means the monetary charge imposed on a development within the plan area for the purpose of providing that portion of the funding for identified transportation improvement projects which is reasonable and necessary to mitigate the cumulative impacts of growth and development upon such identified transportation improvement projects.

Section 22. Lacey Municipal Code 14.21.030 is hereby amended to read as follows:

14.21.030 Review of development proposals.

A. *Traffic Impacts.* Subject to the provisions of subsection B of this section, approval of a proposed development will be conditioned upon the mitigation of the traffic impacts of such development, pursuant to LMC [14.21.040](#).

B. *Concurrency Requirement.* A proposed development will not be approved under this chapter if traffic generated by such development, when added to the background traffic volumes, causes the level of service on a transportation facility to decline below the level of service standard set forth in LMC [14.21.010\(H\)](#), unless transportation improvements or strategies to cure such decline are made concurrent with the development. The city may require the submittal of supplementary information and studies by a developer for any development which may reasonably cause a transportation facility to decline below such level of service standard. Further, for identified Strategy Corridors, the City may require a combination of those strategies set forth in LMC [14.21.010\(M\)](#) to be constructed or

instituted. Such transportation improvements or strategies may be provided by the following method or combination of methods:

1. Public transportation projects which are initially funded and in support of which the proponent has paid or agreed to pay a mitigation fee pursuant to LMC [14.21.040\(B\)\(2\)](#);
2. Transportation improvements which are under contract as part of the completion of other approved developments and in support of which the proponent has paid or agreed to pay a mitigation fee pursuant to LMC [14.21.040\(B\)\(2\)](#);
3. Transportation improvements constructed by the proponent or to the costs of which the proponent has paid a dollar amount or dedicated land of a fair market value equal to or in excess of the mitigation fee which would otherwise have been paid by such proponent pursuant to LMC [14.21.040\(B\)\(2\)](#). The proponent shall be given credit against the development's total obligation for transportation mitigation fees to the extent that such construction, contribution or dedication to a particular transportation improvement project exceeds the transportation mitigation fee which would otherwise have been due for that transportation project. If the value of such construction, contribution, or dedication exceeds the total of the transportation impact fee obligation for the proponent's development, the proponent shall be entitled to reimbursement from transportation mitigation fees attributable to that particular transportation improvement project and paid by subsequent developers within the plan area. Such reimbursement shall be made to the proponent in the same proportion as the proponent's construction, payment or dedication bears to the total of the new development portion of the costs of such project;
4. Planned transportation improvements or strategies for which there is in place a financial commitment to assure completion within six years after completion of the development and in support of which the proponent has paid or agreed to pay a mitigation fee pursuant to LMC [14.21.040\(B\)\(2\)](#).

C. Decision and Appeal Process.

1. The Site Plan Review Committee shall determine if concurrency required under this chapter is met.
2. If concurrency is met but mitigation is required, the committee shall require mitigation in accordance with the requirements of LMC [14.21.040](#). Notice of the committee's decision and the mitigation required shall be provided in written form to the proponent.

3. Any decision of the city of Lacey in the administration of this chapter may be appealed in accordance with ~~Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards Chapter 11.05 LMC.~~

D. *Review of Developments Outside City Limits.* The city shall review developments which are within the plan area but located outside of the city limits in the same manner as it reviews developments located within the city limits. The city shall further cooperate with Thurston County and other cities within the county to expeditiously review the transportation impacts of developments located within such jurisdiction. Such cooperation shall include the exercise of all powers under existing contractual agreements, the promotion of future contractual agreements, and the adoption by the county of common development standards. All cooperative efforts shall be directed towards evaluating and mitigating the actual impacts of development projects upon the transportation improvement projects located within the respective jurisdictions. If the projected transportation impacts on Lacey transportation improvement projects of those developments located outside the city but within the plan area are not required to be mitigated by the jurisdiction in which such development is located or voluntarily mitigated by the developer in a manner equal to the requirements of this ordinance, the city shall not extend utility services to such development unless required to do so by prior agreement or force of law.

Section 23. Lacey Municipal Code 14.23.050 is hereby amended to read as follows:

14.23.050 Length Of Approval.

Applications for design review approval shall be submitted to the department of community and economic development. Design review approval shall be valid for ~~eighteen- twenty-four~~ months from the date of approval, in accordance with LMC 11.03.110. All required items in LMC 14.23.070 shall be submitted to the department of community and economic development prior to the ~~eighteen-month~~ twenty-four month expiration. However, if design review approval is connected with PRD/subdivision approval, then the longest approval shall apply.

Section 24. Lacey Municipal Code 14.23.090 is hereby amended to read as follows:

14.23.090 Appeals.

Any decision of the city of Lacey in the administration of this chapter may be appealed in accordance with ~~Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards Chapter 11.05 LMC.~~

Section 25. Lacey Municipal Code 14.24.035 is hereby amended to read as follows:

14.24.035 Compliance with Chapter 36.70B RCW.

It is the intent of Lacey to comply with permit consolidation, timing and notification requirements of ~~Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards Title 11 LMC~~, Chapter 36.70B RCW and other sections of Chapter 36.70B RCW that have application to local environmental policy.

Section 26. Lacey Municipal Code 14.24.130 is hereby amended to read as follows:

A. Whenever the city issues a Determination of Nonsignificance under WAC [197-11-340\(2\)](#) or a Determination of Significance under WAC [197-11-360\(3\)](#), the city shall give public notice as follows:

1. If public notice is required for a nonexempt license, and the public notice will be issued prior to the expiration of the comment deadline for a Determination of Significance or Determination of Nonsignificance, the notice shall state whether a Determination of Significance or Determination of Nonsignificance has been issued and when comments are due.

2. If no public notice is required for the permit or approval, or if the notice otherwise required for a nonexempt license will not be issued prior to the expiration of the comment deadline for a Determination of Significance or Determination of Nonsignificance, the city shall give notice of the Determination of Nonsignificance or Determination of Significance by:

- a. Posting the property, for site-specific proposals;
- b. Notifying public or private groups which have expressed interest in a certain proposal or in the type of proposal being considered and are listed on agency mailing lists;
- c. Notifying the news media;
- d. Publish a legal notice in the city paper of record.

3. Whenever the city issues a Determination of Significance under WAC [197-11-360\(3\)](#), the city shall state the scoping procedure for the proposal in the Determination of Significance as required in WAC [197-11-408](#).

B. Whenever the city issues a draft Environmental Impact Statement under WAC [197-11-455\(5\)](#) or a supplemental Environmental Impact Statement under WAC [197-11-620](#), notice of the availability of those documents shall be given by indicating the availability of the Draft Environmental Impact Statement in any public notice required for a nonexempt license.

C. Whenever possible, the city shall integrate the public notice required under this section with existing notice procedures for city's nonexempt permit(s) or approval(s) required for the proposal as outlined in ~~Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards Title 11 LMC.~~

D. The city may require an applicant to complete the public notice requirements for the applicant's proposal at his or her expense.

Section 27. Lacey Municipal Code 14.24.160 is hereby amended to read as follows:

14.24.160 Substantive authority.

A. The policies and goals set forth in this chapter are supplementary to those in the existing authorization of the city.

B. The city may attach conditions to a permit or approval for a proposal so long as:

1. Such conditions are necessary to mitigate specific probably significant adverse environmental impacts identified in environmental documents prepared pursuant to this chapter;
2. Such conditions are in writing;
3. The mitigation measures included in such conditions are reasonable and capable of being accomplished;
4. The city has considered whether other local, state or federal mitigation measures applied to the proposal are sufficient to mitigate the identified impacts;
5. Such conditions are based on one or more policies in subsection D of this section and cited in the license or other decision document.

C. The city may deny a permit or approval for a proposal on the basis of SEPA so long as:

1. A finding is made that approving the proposal would result in probably significant adverse environmental impacts that are identified in a final EIS or final supplemental EIS prepared pursuant to this chapter;
2. A finding is made that there are no reasonable mitigation measures capable of being accomplished that are sufficient to mitigate the identified impact;
3. The denial is based on one or more policies identified in subsection D of this section and identified in writing in the decision document.

D. The city designates and adopts by reference the following policies as the basis for the city's exercise of authority pursuant to this section:

1. The city shall use all practicable means, consistent with other essential considerations of state policy, to improve and coordinate plans, functions, programs, and resources to the end that the state and its citizens may:

a. Fulfill the responsibilities of each generation as trustee of the environment for succeeding generations;

b. Assure for all people of Washington safe, healthful, productive, and aesthetically and culturally pleasing surroundings;

c. Attain the widest range of beneficial uses of the environment without degradation, risk to health or safety, or other undesirable and unintended consequences;

d. Preserve important historic, cultural, and natural aspects of our national heritage;

e. Maintain, wherever possible, an environment which supports diversity and variety of individual choice;

f. Achieve a balance between population and resource use which will permit high standards of living and a wide sharing of life's amenities;

g. Enhance the quality of renewable resources and approach the maximum attainable recycling of depletable resources.

2. The city recognizes that each person has a fundamental and inalienable right to a healthful environment and that each person has a responsibility to contribute to the preservation and enhancement of the environment.

3. The city adopts by reference the policies in the following codes, ordinances and plans:

a. Lacey zoning ordinance;

b. Lacey Comprehensive Plan;

- c. Lacey platting and subdivision ordinance;
- d. Lacey development guidelines ordinance;
- ed. Lacey six-year street plan;
- fe. Lacey Shoreline Master Program;
- gf. Thurston Regional Transportation Plan;
- hg. The city of Lacey buildings and construction code as set forth in Chapters 14.02 through 14.20 LMC;
- ih. Lacey bikeway plan;
- ji. The city's traffic mitigation and concurrency regulations as set forth in Chapter 14.21 LMC;
- kj. The city of Lacey's environmental regulations as set forth in Chapters 14.26 (Shoreline Master Program), 14.28 (Wetlands Protection), 14.30 (Removal of Top Soil), 14.32 (Tree and Vegetation Protection and Preservation), 14.33 (Habitat Conservation Areas Protection), 14.34 (Flood Hazard Prevention), 14.36 (Critical Aquifer Recharge Areas Protection), and 14.37 LMC (Geologically Sensitive Areas Protection);
- lk. City of Lacey development guidelines and public works standards as adopted by Chapter 12.28 LMC;
- ml. The Capital Improvement Plan of the North Thurston Public Schools and means for mitigating impacts upon such plan;
- nm. The transportation plans of Thurston County, the city of Olympia and the city of Tumwater, and allowed means of mitigating impacts of development upon such plans;
- on. The city's requirements for the undergrounding of communication facilities as set forth in Chapter 12.22 LMC;

pe. The City of Lacey Stormwater Design Manual.

4. The city establishes the following additional policies: The city may apply any mitigation conditions necessary to properly mitigate identified adverse environmental impacts associated with license or permit applications. In implementation of this policy for each individual license application the city shall review all of the elements of the environment listed in WAC [197-11-444](#) and shall attempt to apply conditions as appropriate to mitigate identified adverse environmental impacts under all elements of the environment. Mitigation conditions may include but shall not be limited to: timing and scheduling of construction and operation, modification of site design, project design or location, modification of the physical environment, installation of physical and vegetative improvements, mitigation of pollution sources, installation of pollution abatement equipment or safety equipment or improvements, providing of or upgrading of on- and off-site infrastructure improvements, preservation or protection of specified habitat and species of flora and fauna, provision for buffers and open spaces, layout and design of open space including centralization and consolidation, provision of safe and attractive pedestrian improvements, provision of bus stop improvements to Intercity Transit and North Thurston School District standards, site restoration and improvements after surface mining or mineral extraction or other activity, provision for lot owners or homeowners maintenance associations, and requiring of conditions identified in a wetlands mitigation plan or report for protection of wetlands or wetland buffers.

E. The legislative appeals authorized by RCW [43.21C.060](#) are eliminated from this chapter.

Section 28. Lacey Municipal Code 14.24.170 is hereby amended to read as follows:

14.24.170 Appeals.

A. The city establishes the following administrative appeal procedures under RCW [43.21C.075](#), WAC [197-11-680](#) and Chapter [36.70B](#) RCW:

1. Any agency or person who may be aggrieved by an action may appeal the city's procedural compliance with Chapter [197-11](#) WAC for conditioning or denial of an action. All such appeals shall be consolidated with and held at the same time as the hearing required for the underlying governmental action.

2. For any appeal under this subsection, the city shall provide a record of the appeal proceeding which consists of:

- a. Findings and conclusions;
- b. Testimony under oath;
- c. A taped or written transcript.

3. The procedural determination by the city's responsible official shall carry substantial weight in any appeal proceeding.

4. Appeals shall follow the procedures found within ~~Section 1D.050 of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.05.080.

B. The city shall give official notice under WAC 197-11-680(5) whenever it issues a permit or approval for which a statute or ordinance established a time limit for commencing judicial appeal.

Section 29. Lacey Municipal Code 14.25.110 is hereby amended to read as follows:

14.25.110 Appeals.

A. Determinations of the director with respect to the applicability of the impact fees imposed by this title to a given development activity, the availability or value of a credit, or the director's decision concerning the independent fee calculation, or exemptions, or any other determination which the director is authorized to make pursuant to this title, can be appealed to the hearing examiner subject to the procedures set forth in Chapter 2.30 LMC and ~~Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards~~ Chapter 11.05 LMC within fourteen days of the written determination.

B. Any feepayer may pay the impact fees imposed by this title under protest in order to obtain a building permit or certificate of occupancy permit. No appeal submitted under protest shall be permitted unless and until the impact fees have been paid. Alternatively, any feepayer may appeal the impact fees determined by the director without first paying the fees, providing the applicant is willing to postpone issuance of the building permit until after the exhaustion of the appeal process when the final fee is known.

C. Appeals regarding the impact fees imposed on any development shall only be filed by the feepayer of the property where such development activity will occur.

Section 30. Lacey Municipal Code 14.25.180 is hereby amended to read as follows:

14.25.180 Administrative fees.

A. For each request for the deferral of payment of residential impact fees requested per the provisions contained in LMC [14.25.140](#), administrative fees will be imposed per the city's fee schedule, as amended. Fees shall be paid in conjunction with the submission of the deferral request.

B. Any feepayer filing an appeal of impact fees per LMC [14.25.110](#) shall pay the fee set forth by the city for appeals of administrative decisions set forth in Chapter [2.30](#) LMC and ~~Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards~~ [Chapter 11.05 LMC](#). The appeal fee shall be paid at the time of filing an appeal.

C. Administration fees shall be deposited into a separate administrative fee account that is established by the city separate from any impact fees paid by the feepayer. Administrative fees shall be used to defray the actual costs associated with reviewing the permit/request.

D. Administrative fees shall not be refundable, shall not be waived, and shall not be credited against the impact fees.

Section 31. Lacey Municipal Code 14.26.040 is hereby amended to read as follows:

14.26.040 Applications for permits.

Applications for shoreline substantial development permits, conditional use permits and variance permits are subject to and shall be processed pursuant to Chapter [173-14](#) WAC as now or hereafter amended, ~~the City of Lacey Development Guidelines and Public Works Standards~~ [Title 11 LMC](#) -and pursuant to the requirements of this section, which are set forth as follows.

Section 32. Lacey Municipal Code 14.26.050 is hereby amended to read as follows:

14.26.050 Amendments.

Amendments to the Shoreline Master Program, including changes in mapped environmental designations, shall be processed pursuant to Chapter [173-19](#) WAC as now or hereafter amended and in accordance with the Legislative Review Process described in ~~Section 1C.060 of the City of Lacey Development Guidelines and Public Works Standards~~ [LMC 11.04.060](#).

Section 33. Lacey Municipal Code 14.26.060 is hereby amended to read as follows:

Any decision of the city of Lacey in the administration of this chapter may be appealed in accordance with the appeal procedures outlined in ~~Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards~~ [Chapter 11.05 LMC](#).

Section 34. Lacey Municipal Code 14.27.040 is hereby amended to read as follows:

14.27.040 Administration and authority.

A. The city shall administer, implement, and enforce the provisions of this chapter.

B. The city shall have the authority to develop, implement, and enforce policies and procedures to administer and enforce this chapter.

C. Application, Submittals, and Review.

1. The city of Lacey shall review and approve all plans and all other submittals required for compliance with this chapter when:

a. An application for a city permit is required under all other chapters of LMC; or

b. Stormwater management is required and shall comply with the current City of Lacey Stormwater Design Manual; or

c. In all other situations when actions under LMC [14.27.020](#) apply to a project site, review shall be under a city stormwater permit. The stormwater permit shall follow the procedure for limited administrative review described in ~~Chapter 1 of the Development Guidelines and Public Works Standards~~ [LMC 11.04030](#).

2. All stormwater review submittals shall contain, in addition to the information required under any other applicable city code, a Stormwater Site Plan as described in the Stormwater Design Manual and any other information required by the city of Lacey.

D. Inspections.

1. The city shall inspect projects at various stages of the work to determine if they comply with the requirements of this chapter, and enforcement actions shall be taken as necessary. These inspections will include, but not be limited to, the following:

a. Prior to site clearing and construction to assess site erosion potential; and

b. During construction to verify proper installation and maintenance of required erosion and sediment controls and other approved plan components; and

c. All permanent stormwater treatment and flow control BMPs/facilities and catch basins in new residential developments every six months until ninety percent of the lots are constructed (or when construction is stopped and the site is fully stabilized)

to identify maintenance needs and enforce compliance with maintenance standards as needed; and

d. Upon completion of construction and prior to final approval to ensure proper installation of permanent stormwater control facilities and verify that a maintenance plan is completed and responsibility for maintenance is assigned for stormwater treatment and flow control BMPs/facilities; and

2. When reasonably required by the city to accomplish the purpose of this chapter or to comply with local, state or federal law or regulation on stormwater, special inspection or testing shall be performed by the applicant.

E. *Fees.* Application, review and inspection fees shall be paid as required, in accordance with the schedule as established by the city.

Section 35. Lacey Municipal Code 14.27.040 is hereby amended to read as follows:

14.27.090 Appeals.

Any decision of the city of Lacey in the administration of this chapter may be appealed in accordance with ~~Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards~~ Chapter 11.05 LMC.

Section 36. Lacey Municipal Code 14.28.110 is hereby amended to read as follows:

14.28.110 Regulated activities.

A wetland development permit shall be obtained from the city of Lacey pursuant to the quasi-judicial review procedures contained in ~~Section 1C.050 of the city of Lacey Development Guidelines and Public Works Standards~~ LMC 11.04.050 prior to undertaking the following activities in a regulated wetland or its buffer.

A. The removal, excavation, grading, or dredging of soil, sand, gravel, minerals, organic matter, or material of any kind;

B. The dumping, discharging, or filling with any material;

C. The draining, flooding, or disturbing of the water level or water table;

D. The driving of pilings;

E. The placing of obstructions;

- F. The construction, reconstruction, demolition, or expansion of any structure;
- G. The destruction or alteration of wetlands vegetation through clearing, harvesting, shading, intentional burning, or planting of vegetation that would alter the character of a regulated wetland;
- H. Activities that result in a significant change of water temperature, a significant change of physical or chemical characteristics of wetlands water sources, including quantity, or the introduction of pollutants.

Section 37. Lacey Municipal Code 14.28.130 is hereby amended to read as follows:

14.28.130 Special uses.

Any activity other than those specified in LMC 14.28.120 may not be conducted in wetlands or wetland buffers except upon wetland development approval from the city of Lacey pursuant to the quasi-judicial review procedures contained in ~~Section 1C.050 of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.04.050.

Section 38. Lacey Municipal Code 14.28.160 is hereby amended to read as follows:

14.28.160 Wetland development permit extensions.

A. Approvals of a wetland development permit shall normally be valid for a period of ~~eighteen~~ twenty four months from the date of issue and shall expire at the end of that time pursuant to requirements of Chapter ~~16.84~~ 11.07 LMC unless an underlying action such as subdivision approval has a longer approval period, in which case the longer approval period shall apply in accordance with LMC 11.03.110.

B. An extension of an original approval may be granted upon written request submitted to the city of Lacey at least thirty days prior to the permit expiration date, in accordance with LMC 11.03.110, by the original permit holder or the successor in title. Prior to the granting of an extension, the city of Lacey shall require updated studies and/or additional hearings if, in its judgment, the original intent of the permit is altered or enlarged by the renewal, if the circumstances relevant to the review and issuance of the original permit have changed substantially, or if the applicant failed to abide by the terms of the original permit.

Section 39. Lacey Municipal Code 14.28.190 is hereby amended to read as follows:

14.28.190 Application information requirements.

A. An application for wetland development shall be determined complete only when it contains all the information described in ~~Section 1B.050(2) of the City of Lacey Development Guidelines and Public Works Standards~~ 11.03.050 LMC, unless otherwise waived by the enforcing officer, and the following information and materials:

1. A description and maps overlaid on an aerial photograph at a scale no smaller than 1"=400' showing the entire parcel of land owned by the applicant and the exact boundary pursuant to LMC [14.28.090](#) of the wetland on the parcel;
2. A description of the vegetative cover of the wetland and adjacent area including dominant species;
3. A site plan for the proposed activity overlaid on an aerial photograph at a scale no smaller than 1"=400' showing the location, width, depth and length of all existing and proposed structures, roads, sewage treatment, and installations within the wetland and its buffer;
4. The exact sites and specifications for all regulated activities including the amounts and methods;
5. Elevations of the site and adjacent lands within the wetland and its buffer at contour intervals of no greater than five feet;
6. Top view and typical cross section views of the wetland and its buffer to scale;
7. The purposes of the project and an explanation why the proposed activity cannot be located at other sites including an explanation of how the proposed activity is dependent upon wetlands or water-related resources as described in LMC [14.28.350](#); and
8. Specific means to mitigate any potential adverse environmental impacts of the applicant's proposal.

B. The city of Lacey may require additional information, including, but not limited to, a wetland report that contains an assessment of wetland functional characteristics, including a discussion of the methodology used; documentation of the ecological, aesthetic, economic, or other values of a wetland; a study of flood, erosion, or other hazards at the site and the effect of any protective measures that might be taken to reduce such hazards; and any other information deemed necessary to verify compliance with the provisions of this chapter or to evaluate the proposed use in terms of the purposes of this chapter. The city of Lacey shall maintain and make available to the public all information applicable to any wetland and its buffer.

Section 40. Lacey Municipal Code 14.28.230 is hereby amended to read as follows:

14.28.230 Consolidated application process.

When more than one application for a proposed development is required, the applicant ~~may elect to have~~ **shall submit** all applications ~~submitted~~ for review at one time in conformance with ~~Section 1B.030 of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.03.030.

Section 41. Lacey Municipal Code 14.28.420 is hereby amended to read as follows:

14.28.420 Notice of final decision.

The city of Lacey shall provide notice of its actions pursuant to the requirements of ~~Section 1C.070 of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.03.100.

Section 42. Lacey Municipal Code 14.28.520 is hereby amended to read as follows:

14.28.520 Appeals.

Any decision of the city of Lacey in the administration of this chapter may be appealed in accordance with ~~Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards~~ Chapter 11.05 LMC.

Section 43. Lacey Municipal Code 14.28.530 is hereby amended to read as follows:

14.28.530 Modification of wetland approvals.

An applicant may request modification of a previously issued wetland approval by applying and going through the appropriate review process as described in ~~Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards~~ Title 11 LMC.

Section 44. Lacey Municipal Code 14.29.090 is hereby amended to read as follows:

14.29.090 Appeals.

Any decision of the city of Lacey in the administration of this chapter may be appealed in accordance with Chapter ~~1D of the City of Lacey Development Guidelines and Public Works Standards~~ 11.05 LMC.

Section 45. Lacey Municipal Code 14.30.020 is hereby amended to read as follows:

14.30.020 Permit required.

No person, firm, or corporation shall engage in topsoil removal from land within the city for purposes other than the construction of structures, landscaping and other developmental additions to said land pursuant to an existing building permit when the topsoil removal is under 100 cubic yards without first being issued site plan review approval in accordance with this chapter and the full administrative review provisions of ~~Section 1C.040 of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.04.040. Provided, however, that this chapter shall not apply for a period of two years from the date of the passage of the ordinance codified in this chapter to those parcels of land where topsoil was being actively removed on April 1, 1986, or within six months prior to April 1, 1986,

unless said topsoil removal operations cease for a period of more than six months. Upon expiration of said two years, or upon topsoil removal operations ceasing for more than six months within said two-year time period, topsoil removal operations from said land shall conform to this chapter in the same manner as topsoil removal from all other lands within the city.

Section 46. Lacey Municipal Code 14.30.030 is hereby amended to read as follows:

14.30.030 Permit application.

An application for site plan review shall be accompanied by the information described in ~~Section 1B.050(2) of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.03.050, unless otherwise waived by the enforcing officer, and the following:

- A. An engineering study showing the grade of the topsoil both prior to and after the proposed removal, and engineering documentation and explanation of the effect of said topsoil removal upon the future installation of sewerage or septic tank facilities, the effect upon future drainage and the effect upon the water table located under said property;
- B. Drawings illustrating the areas of said property where topsoil is proposed to be removed and the soil berm, fence or landscape screening to be used to screen the soil removal operation from adjoining properties or public facilities;
- C. Drawings and descriptive narrative showing the removal sequence and the means proposed to be taken to ensure the continuity of natural site drainage flow without undue or uncontrolled ponding in retention areas;
- D. Proposed actions to control dust and noise during the removal operation;
- E. A proposed plan, including the time sequence, for restoration of the land area after the removal of topsoil;
- F. A listing of the name, address, and telephone number of the applicant and owner of the property, a legal description of the subject property and the names and addresses of all adjoining landowners.

Section 47. Lacey Municipal Code 14.30.060 is hereby amended to read as follows:

14.30.060 Appeals.

Any decision of the city of Lacey in the administration of this chapter may be appealed in accordance with ~~Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards~~ Chapter 11.05 LMC.

Section 48. Lacey Municipal Code 14.32.045 is hereby amended to read as follows:

14.32.045 Class IV forest practice applications.

A. *Urban Growth Area.* Properties within the urban growth area are anticipated to be available for development with urban uses within the next twenty-year period. Pursuant to RCW [76.09.070](#) lands within the urban growth area are not considered appropriate for long-term timber production and harvesting which takes a full forty-year cycle. Forest management activities shall be consistent with the city's Comprehensive Land Use Plan and implementing regulations for the urban growth area. Forest management activities shall promote the goals and policies of the Lacey Urban Forest Management Plan. Forest practice applications shall meet the requirements specified in subsections [B](#), [C](#), [D](#) and [E](#) of this section.

B. *Conversions and Timing.* Because conversion of properties within the urban growth area can reasonably be expected, significant land clearing of such properties shall only take place at the time of a valid land use application. Tree tracts, open spaces and buffers can then be properly coordinated with the actual development plans.

To further the purposes, goals, and policies of the Urban Forest Management Plan, timber harvesting and conversion of forested lands within the urban growth area shall not be permitted until such time as a valid land use application for development is made; provided, however, requests may be made for maintenance and thinning of existing timber stands to promote the overall health and growth of the stand until said stand is converted and harvested pursuant to plans provided within a valid land use permit.

C. *Maintenance and Thinning.* Class IV forest practice applications and applications for maintenance and thinning shall be reviewed by the city's tree protection professional who shall make recommendations on the request to the site plan review committee. Recommendations shall ensure that action shall improve the health and growth of the stand and preserve long-term tree protection alternatives to meet the goals of this chapter.

D. *Selective Thinning Limited.* Thinning activities shall be strictly limited to less than thirty-five percent of the volume every ten years. High grading or top-down thinning shall not be permitted. The remaining stand of trees should be healthy, long-term trees from the dominant and co-dominant crown classes. The stand shall be marked prior to the selective thinning operation, indicating which trees will be removed and saved.

E. *Processing of Applications.* Class IV forest practice applications shall be processed concurrently with, and using the same process as, the underlying land use application.

Should there be no underlying land use application, the Class IV forest practice application shall be processed as a land clearing permit under this chapter in accordance with the full administrative review procedures in ~~Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.04.040 LMC.

Section 49. Lacey Municipal Code 14.32.050 is hereby amended to read as follows:

14.32.050 Exemptions.

The following shall be exempt from land clearing permit requirements of this chapter but shall satisfy all standards and requirements of LMC 14.32.065 and other sections as noted below:

A. *Coordination With Land Use Applications.* Projects requiring approval of the city of Lacey site plan review committee under Chapter 16.8411.07 LMC, or projects requiring review by the hearings examiner or city council; provided, that land clearing on such projects shall take place only after approval and shall be in accordance with such approval and the standards of this chapter including the information requirements and standards of LMC 14.32.060.

B. *Hazard Trees.* Removal of hazard trees in emergency situations involving immediate danger to life or property as determined by the city's tree protection professional.

C. *Unhealthy Trees and Groundcovers.* Removal of obviously dead or diseased trees or ground cover which may be a fire hazard as determined by the city's tree protection professional.

D. *Individual Lot Exemption.* Removal of no more than three trees in any sixty consecutive months or ground cover for the purposes of solar access, general property and utility maintenance, landscaping or gardening, provided a minimum tree threshold is maintained pursuant to LMC 14.32.066, and provided further this exemption does not apply to historical trees or trees and ground cover in an area designated as environmentally sensitive. An exemption must be issued by the city of Lacey prior to the removal of trees under this exemption provision.

E. *Building Footprint.* Removal of trees and ground cover within a maximum of ten feet (when required for construction) of the perimeter of the building line and any area proposed to be cleared for driveway, septic, sewer and water purposes, of a single-family or duplex dwelling to be constructed as indicated on the plot plan submitted to the building official with an application for a building permit; provided, however, the director may require minor modifications in siting and placement of driveways, utilities and septic tank drain

field systems and sewer and water lines where such modifications will promote the goals of the chapter and still satisfy the need and function of improvements.

F. *Clear Vision*. Removal of obstructions required by the vision clearance at intersections regulations of Chapter 4 of the Development Guidelines and Public Works Standards.

G. *City-Owned Property*. Tree assessment, removal and replacement of trees on city owned property.

Section 50. Lacey Municipal Code 14.32.060 is hereby amended to read as follows:

14.32.060 Application for permits.

A. *Pre-Submission Conference*. Prior to application for land use permits and actions such as a land division, commercial site plan review (SPR), or a conditional use permit (CUP), a pre-submission conference shall be required consistent with the requirements of ~~Chapter 1 of the Development Guidelines and Public Works Standards~~ Title 11 LMC. The pre-submission conference is designed to review the proposed action and identify permit requirements and issues an applicant may incur if the project is implemented. As part of this review it should be made clear that the city of Lacey has an Urban Forest Management Plan and tree protection regulations that require early consideration of tree protection options, and that urban forest concepts and strategies shall be part of the early design considerations for new projects. Location and design of major infrastructure, buildings, and planned uses must consider the tree protection opportunities to further the purposes of the Urban Forest Management Plan.

B. *Applicable Requirements*. An application for a land clearing permit or information required by this chapter shall be accompanied by such of the following documents and information as are determined to be necessary by the director:

1. *Site Plan*. Copies of the site plan, pursuant to requirements of ~~Chapter 1 of the Development Guidelines and Public Works Standards~~ LMC 11.03.050, which shall include the following information:

- a. Name, address, and telephone number of the applicant and owner of property;
- b. Legal description of property;
- c. Date, north arrow, and adequate scale, as determined by the director, on the map or plot plan;
- d. Topography map showing contours at not greater than ten-foot intervals of proposed clearing projects within areas of steep slopes, creeks and shorelines;

e. Location of proposed improvements, including, but not limited to, structures, roads, driveways, utilities, and storm drainage facilities. Said improvement locations shall also be staked on site to enable the city's tree protection professional and other city staff to review improvement locations and their relationship to the site and existing vegetation;

f. Approximate and general location, type, size and condition of trees and ground cover and a general identification of trees and ground cover which are to be removed.

2. *Tree Protection Professional Report.* On forested property greater in size than one acre or commercial property with one or more trees, or other sites the city deems it necessary because of special circumstances or complexity, the city's tree protection professional shall review the site and provide a report analyzing the site for tree protection consistent with the requirements of this chapter. The report should provide information important to urban forest management and options for consideration when developing preliminary designs. The report should suggest options for design to best achieve the purposes of the Urban Forest Management Plan and this chapter. The report shall include but shall not be limited to:

- a. Information required under subsections (B)(1) through (7) of this section;
- b. An analysis of technical information requested by the review body related to trees and forest practices;
- c. Analysis of what portion of the site is best for designation of the tree tract if required, considering the intent of this chapter, soil type, topography, tree species, health of trees and reasonable project design limitations;
- d. Recommendations for saving of individual tree specimens based upon the intent of this chapter, soil type, topography, tree species, health of trees, and reasonable project design limitations;
- e. A plan for protection of trees to be saved during construction including placement of construction fences, monitoring of construction activity and other measures necessary to ensure adequate tree protection;

f. Consideration of the location of roads, other infrastructure, and buildings and potential options for alternative locations, if applicable, to best satisfy the purposes of the Urban Forest Management Plan;

g. A timeline for tree protection activity;

h. The final tree protection plan should be prepared on the site grading plan. All tree protection fences, trees to be saved, and trees to be removed should also be shown on the site demolition plan. Necessary save-tree pruning and selective thinning within tree tracts shall be detailed and trees marked as such. The tree protection plan and demolition plan should be part of the submittal to the city of Lacey and shall be approved by the tree protection professional. The tree protection plan shall be part of the contractor bid package and a copy of the tree protection plan shall be available to the contractors on site at all times during logging, clearing, and construction.

3. *Schedule*. A proposed time schedule for land clearing, land restoration, implementation of erosion control and any excavation or construction of improvements.

4. *Strategy for Control*. A statement indicating the method to be followed in erosion control and restoration of land during and immediately following land clearing.

5. *Landscape Plan*. Proposed landscape plan or written or graphic description of proposed action.

6. *Areas of Saved Trees*. Location of tree tracts, proposed buffers, open space, and other areas of the site where stands of trees are to be saved.

7. *Revegetation*. If the option for revegetation of the site or a portion of the site is proposed under LMC [14.32.069](#), information requirements described under LMC [14.32.069](#) shall be required at the time of application.

C. *Review*. Review shall take place as part of the underlying permit review process. Should there be no underlying land use application, the land clearing permit application shall be processed in accordance with the full administrative review procedures in ~~Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards~~ [LMC 11.04.040](#). The review body (site plan review committee, hearing examiner, or city council) shall review the application and make a decision in accordance with review requirements of the underlying permit.

D. *Expiration.* Any permit granted hereunder shall run with the underlying permit or shall expire ~~eighteen-twenty-four~~ months from the date of issuance. Upon a showing of good cause, a permit may be extended by the director for one six-month period in accordance with LMC 11.03.110. The permit may be suspended or revoked by the director because of incorrect information supplied or any violation of the provisions of this chapter. Minor amendments of a permit may be granted by the director. Major amendments may be accomplished only by making a new application and proceeding through the requirements of this chapter and ~~Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards Title 11 LMC~~. Major alterations are changes that alter the intent of the original decision. What constitutes a minor or major amendment shall be left up to the discretion of the director who may consult the review body for guidance.

E. *Permit Notice Posted.* No work shall commence until a permit notice has been posted on the subject site in a conspicuous location. The notice shall remain posted until the project has been completed.

F. *Preconstruction Conference.* Prior to the start of logging and land clearing activity, a preconstruction conference shall be held with the city tree protection professional to insure the contractors understand the necessary tree protection measures prescribed in the tree protection plan and that all required tree protection fences and other required tree protection activity is completed prior to the start of site work.

Section 51. Lacey Municipal Code 14.32.070 is hereby amended to read as follows:

14.32.070 Additional considerations for commercial developments.

Commercial projects generally have different demands than residential areas. Commercial sites have parking lots to serve the traveling public, they have larger buildings, and they may have need of significant utility infrastructure to service commercial uses. While Lacey has the same goals to maintain our tree canopy and to save significant stands of trees, urban forestry requirements for commercial areas need to be crafted to acknowledge and plan for differences in site design and construction requirements. In addition to other requirements of this chapter, commercial sites shall have emphasis on the following considerations and requirements:

A. Early planning prior to project design shall consider the stands of trees on the site. For a land use application to be considered complete a tree inventory with consideration of urban forestry issues shall be required to be submitted with the land use application. The tree inventory and evaluation shall be utilized in the design layout of the site. Existing trees and protection opportunities shall play an important role in site design;

B. The major strategy for tree protection on commercial sites will be designation of a tree tract(s) pursuant to the requirements of LMC [14.32.068](#). Analysis and recommendations of the tree protection professional will determine if certain individual trees should have special emphasis based upon their health and significance, individual site conditions, and retention opportunities. A review of these recommendations shall be provided in the tree protection professional's report;

C. The selection of the location of the tree tract(s) and individual trees shall be chosen early on at the pre-submission stage, before design of the site, and it shall consider the best location of the site to address urban forestry issues. The design of the commercial site layout shall work within the framework of tree protection opportunities for designation of the tree tract and individual trees;

D. Deciduous trees are generally encouraged for parking areas because of advantages for solar access considerations (shading in summer and solar access in winter), temperature and climate control factors (reducing temperature in parking lots in summer), pollution control advantages (broad leaves' absorption of gases and removal filtering of particulate matter), and options for providing tree canopy coverage over parking sites and drive lanes. Select deciduous trees can also be chosen for root character that will not damage asphalt and parking lot overlays. For these advantages, planting of select deciduous trees will generally be a good choice to provide canopy coverage in parking lots for commercial sites over the long term. It is also important to restore some native conifers to the project site. This can occur in larger planter islands or as a backdrop to buildings or as foundation plantings to break up concrete facades. The tree protection professional's report shall reflect these considerations, shall indicate the best areas for removal of trees to accommodate parking needs (based upon indigenous tree areas with the least protection value) and shall recommend replacement of trees;

E. In some cases commercial sites may require extensive grading because of the nature of the topography and other development requirements. For this reason, and the emphasis on provision of a designated tree tract to achieve canopy goals, some flexibility may be permitted for grading to provide for intensive infrastructure needs of the project design; provided, the design takes advantage of tree protection opportunities to provide an attractive, functional and unique shopping experience. This flexibility is not intended to limit creative development with the site. Where possible, commercial developments should seek to use variations in terrain to create an interesting development scheme.

F. Trees planted in planter strips, medians, and tree wells with grates shall follow City of Lacey Development Guidelines and Public Works Standards in Chapter 4B.125,

Landscape/Planter Areas, for specific site preparation requirements and Drawings 4-29 and 4-30.

G. Trees located in an existing tree tract or landscaping of a commercial development may not be removed, unless approved through the following procedures:

1. *Permit Required.* No tree on existing commercial development shall be removed without first applying for and receiving a permit. The applicant for the permit shall be the property owner. An application for a tree removal permit shall be submitted on a form provided by the city. The applicant must state the justification for removal on the tree removal application.

2. *Review.* The director or her/his designee shall review the application for tree removal, the tree protection professional's report and any applicable information. In the review, the following factors will be considered:

- a. Documented history of property damage caused by the tree(s).
- b. The size and location of the tree(s) causes typical maintenance, pruning and dead branch removal infeasible due to cost or is physically not practicable by tree care professionals.
- c. The tree does not meet criteria for a specimen tree.

3. *Replanting.* Any tree permitted to be removed under this subsection shall be mitigated by planting replacement trees at a ratio required by Table 14-T70.

Table 14-T70.

Size of Tree to Be Removed (Inches at DBH)	Minimum Number of Trees to Be Replanted
Less than 6	1
6 and up to 12	2
More than 12 and up to 20	3
More than 20 and up to 25	5
More than 25	7

Replacement trees will be a minimum of one and one-half inch caliper for deciduous species and six to seven feet tall for conifers unless otherwise recommended by the city tree protection professional. Conifers will be native to the Pacific Northwest. Deciduous tree species will be compatible with the other trees in the open space, and will provide wildlife, aesthetic, and other amenities to the open space. If the site cannot accommodate the amount of replanting required, the city's tree account may be used pursuant to LMC [14.32.066\(B\)](#).

4. *Tree Protection Professional Report.* The city's tree protection professional shall review the site and provide a report analyzing the site for tree replacement consistent with the requirements of this chapter. The report should provide information important to urban forest management and options for consideration when developing replanting plans. The report should suggest options for design to best achieve the purposes of the Urban Forest Management Plan and this chapter. The report shall include but shall not be limited to:

- a. Analysis of what portion of the open space is best for replanting, considering the intent of this chapter, soil type, topography, tree species, health of trees and reasonable project design limitations;
- b. Recommendations for replacement tree species based upon the intent of this chapter, soil type, topography, tree species, health of trees, and reasonable project design limitations;
- c. Consideration of the location of roads, other infrastructure, and buildings and potential options for alternative locations, if applicable, to best satisfy the purposes of the Urban Forest Management Plan;
- d. A timeline for tree replacement;
- e. An irrigation and watering plan to maintain replacement tree health and survival.

5. *Decision.* The director or her/his designee shall issue their decision in writing to include rationale supporting the decision pursuant to procedures and requirements of ~~Section 1E.030 (Limited Administrative Review of Applications) of the Development Guidelines and Public Works Standards for limited administrative review, LMC 11.04.030.~~

Section 52. Lacey Municipal Code 14.32.071 is hereby amended to read as follows:

14.32.071 Additional considerations for homeowners association (HOA) open spaces.

A. Open space tracts may have different demands and issues than individual residential parcels or designated tree tracts. While open space tracts are recognized by the Plan as key areas for preserving, maintaining or planting trees to meet the community's tree canopy goal, there are instances when otherwise healthy trees may need to be removed for reasons such as tree species suitability, maintenance, or liability. In cases where otherwise healthy trees are removed, replanting shall occur to maintain the community's tree canopy goal.

B. Trees located in open space tracts shall not be removed, unless approved through the following procedures:

1. *Permit Required.* No open space tree shall be removed without first applying for and receiving a permit. The applicant for the permit shall be the property owner. An application for a tree removal permit shall be submitted on a form provided by the city. The applicant must state the justification for removal on the tree removal application.

2. *Review.* The director or her/his designee shall review the application for tree removal, the tree protection professional's report and any applicable information. In the review, the following factors will be considered:

- a. Documented history of property damage caused by the tree(s).
- b. The size and location of the tree(s) causes typical maintenance, pruning and dead branch removal infeasible due to cost or is physically not practicable by tree care professionals.
- c. The tree does not meet criteria for a specimen tree.

3. *Replanting.* Any tree permitted to be removed under this subsection shall be mitigated by planting replacement trees at a ratio required by Table 14-T70.

Table 14-T70.

Size of Tree to Be Removed (Inches at DBH)	Minimum Number of Trees to Be Replanted
Less than 6	1
6 and up to 12	2

Size of Tree to Be Removed (Inches at DBH)	Minimum Number of Trees to Be Replanted
More than 12 and up to 20	3
More than 20 and up to 25	5
More than 25	7

Replacement trees will be a minimum of one and one-half inch caliper for deciduous species and six to seven feet tall for conifers unless otherwise recommended by the city tree protection professional. Conifers will be native to the Pacific Northwest. Deciduous tree species will be compatible with the other trees in the open space, and will provide wildlife, aesthetic, and other amenities to the open space. If the site cannot accommodate the amount of replanting required, the city's tree account may be used pursuant to LMC [14.32.066\(B\)](#).

4. *Tree Protection Professional Report.* The city's tree protection professional shall review the site and provide a report analyzing the site for tree replacement consistent with the requirements of this chapter. The report should provide information important to urban forest management and options for consideration when developing replanting plans. The report should suggest options for design to best achieve the purposes of the Urban Forest Management Plan and this chapter. The report shall include but shall not be limited to:

- a. Analysis of what portion of the open space is best for replanting, considering the intent of this chapter, soil type, topography, tree species, health of trees and reasonable project design limitations;
- b. Recommendations for replacement tree species based upon the intent of this chapter, soil type, topography, tree species, health of trees, and reasonable project design limitations;
- c. Consideration of the location of roads, other infrastructure, and buildings and potential options for alternative locations, if applicable, to best satisfy the purposes of the Urban Forest Management Plan;
- d. A timeline for tree replacement;
- e. An irrigation and watering plan to maintain replacement tree health and survival.

5. *Decision.* The director or her/his designee shall issue their decision in writing to include rationale supporting the decision pursuant to procedures and requirements of ~~Section 1E.030 (Limited Administrative Review of Applications) of the Development Guidelines and Public Works Standards~~ for limited administrative review, LMC 11.04.030.

Section 53. Lacey Municipal Code 14.32.072 is hereby amended to read as follows:

14.32.072 Historical tree(s).

A. **Purpose.** The purpose of the historical tree designation is to protect trees with a historical significance and to establish a register of these trees. Historical trees require protection due to their special value in that they are irreplaceable. They may be associated with historic figures, events, or properties; or be rare or unusual species; or they may have aesthetic value worthy of protection for the health and general welfare of the residents of this city.

Therefore, the purpose of this section is:

1. **Protection and maintenance.** To provide for the protection and proper maintenance of historical trees, to minimize disturbance to the trees, and to prevent other environmental damage from erosion or destruction of wildlife habitat;
2. **Health, safety, welfare.** To protect the health, safety and general welfare of the public;
3. **Goals and objectives.** To implement the goals and objectives of the city's Urban Forest Management Plan.

B. **Historical Tree Registration.** The city shall prepare and thereafter maintain a list of historical trees within the city limits. The inventory may include a map identifying the location of the trees and a brief narrative description of each historical tree. The historical tree inventory shall be prepared and amended at any time following the procedures established below.

1. **Nomination.** A tree may be nominated for historical tree status by the property owner, a neighborhood organization, or any person by submitting a map, a photograph, and a narrative description including the location, species, approximate age, and the characteristics on which the nomination is based;
2. **Review.** The director, upon receipt of a nomination, shall review the nomination and confer with the city tree protection professional and other city staff as may be

appropriate. Notice of the nomination shall be mailed to the property owner and shall be posted by the city on the subject site for a period of ten days. The director shall inspect the tree, consider public comments, and decide in each case whether or not the tree is to be designated a historical tree. The city shall place each designated historical tree on the historical tree register. In the event the owner of the tree does not approve of its designation as a historical tree, the nomination will be disapproved;

3. **Notification of the director's decision.** Notice of the director's decision shall be mailed to the property owner and shall be posted by the city on the subject site for a period of ten days;

4. **Appeal.** Any person may appeal the director's decision to the hearings examiner pursuant to section ~~1D of the City of Lacey Development Guidelines and Public Works Standards~~ Chapter 11.05 LMC;

5. **Notification of registration.** Each property owner who has one or more registered historical trees shall be notified by first class mail of the designation within thirty days of designation;

6. **Recording of historical tree covenant.** Each property owner who has one or more registered historical trees shall execute a historical tree covenant in a form agreeable to the city. The historical tree covenant shall require that the tree be maintained in a manner which is consistent with the provisions of this chapter. The historical tree covenant shall be recorded by the county auditor. Recording fees shall be paid by the applicant;

7. **Duration of covenant.** The historical tree covenant shall be effective from the date of recording until such a time that a tree removal permit has been issued by the director pursuant to this section;

8. **Education benefits.** From time to time the city may prepare public information programs on historical trees and provide qualified professional tree care advice to owners of the historical trees;

C. **Limitation on removal.** Subject to the exceptions enumerated in subsection D of this section, no person shall remove, or cause to be removed, any historical tree.

D. **Removal Procedures.** Historical trees shall not be removed except through the procedures established in this section.

1. **Permit Required.** No historical tree shall be removed without first applying for and receiving a land clearing permit. The applicant for the permit shall be the property owner or the city. An application for a tree removal permit shall be submitted on a form provided by the city. The applicant must state the justification for removal on the tree removal application;

2. **Review.** If justification for removal is based upon health of the tree, and a visual inspection by the director cannot establish that the tree is dead, diseased, or hazardous, the applicant shall pay for the city tree protection professional to make a determination. If it is determined by the tree protection professional that the tree is dead, diseased, or otherwise hazardous and cannot be saved, the director may approve the removal. If the tree is determined to be healthy, or with treatable infestation or infection, the director may deny the permit.

If justification is due to reasons other than health of the tree, the director shall confer with other city personnel as may be appropriate in evaluating the justification and make a decision pursuant to the procedures and requirements ~~of section 1E.030 (Limited Administrative Review of Applications) of the Development Guidelines and Public Works Standards~~ for limited administrative review, LMC 11.04.030;

3. **Notification.** If the director decides that a permit is justified, notice of the director's decision shall be mailed to the applicant, all parties of record, and posted by the city on the subject site for a period of ten days, during which no work shall commence. No work shall commence during the notice periods or when appeals are pending disposition;

4. **Appeal.** The property owner or any person residing or owning property within three hundred feet of the tree may appeal the director's decision to the hearings examiner pursuant to ~~section 1D of the City of Lacey Development Guidelines and Public Works Standards~~ Chapter 11.05 LMC;

5. **Permit for tree removal timing.** Any tree removal permit granted under this chapter shall be valid for one year. In addition to the permit, the property owner will execute a revocation of covenant in a form agreeable to the city. The revocation of covenant shall be recorded by the county auditor. Recording fees shall be paid by the property owner.

Section 54. Lacey Municipal Code 14.32.080 is hereby amended to read as follows:

14.32.080 Appeals.

Any decision of the city of Lacey in the administration of this chapter may be appealed in accordance with ~~Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards~~ Chapter 11.05 LMC.

Section 55. Lacey Municipal Code 14.33.110 is hereby amended to read as follows:

14.33.110 Application information requirements.

A. An application for site plan review within a habitat conservation area or its buffer shall be determined complete only when it contains all of the information described ~~in Section 1B.050 of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.03.050, unless otherwise waived.

B. The application shall also have the following information and materials:

1. A description and maps overlaid on an aerial photograph at a scale no smaller than 1" = 400' showing the entire parcel of land owned by the applicant and the exact boundary of the habitat conservation area pursuant to guidelines established in this chapter;
2. A description of the vegetative cover of the site and adjacent area including dominant species;
3. A site plan for the proposed activity overlaid on an aerial photograph at a scale no smaller than 1" = 400' showing the location, width, depth and length of all existing and proposed structures, roads, sewage treatment, and installations within the site;
4. The exact sites and specifications for all proposed activities including the amounts and methods;
5. Elevations of the site and adjacent lands within the habitat conservation area at contour intervals of no greater than five feet;
6. Top view and typical cross section views of the habitat conservation area to scale;
7. Specific means to mitigate any potential adverse environmental impacts of the applicant's proposal;
8. A critical area report containing information required in LMC 14.33.115;
9. A priority habitat and priority species management plan prepared by a qualified habitat biologist based upon best available science information provided in the critical area report. The plan shall detail how the designated fish and wildlife habitat conservation area and any priority species found within said area shall be protected.

The plan shall follow all recommendations provided by the Department of Fish and Wildlife in its priority habitat and priority species program according to its publication “Management Recommendations of Washington Priority Habitats and Species” or based on site specific recommendations made by the Department of Fish and Wildlife based on review of the project site.

Section 56. Lacey Municipal Code 14.33.120 is hereby amended to read as follows:

14.33.120 Site plan review approval and extensions.

A. Activities proposed within a habitat conservation area or its buffer shall be reviewed and approved in accordance with the full administrative review process enumerated in ~~Section 1C.040 of the City of Lacey Development Guidelines and Public Works Standards and Chapter 16.84 LMC~~ LMC 11.04.040 and Chapter 11.07 LMC.

B. An extension of an original approval may be granted upon written request submitted to the city of Lacey by the original approval holder or the successor in title at thirty days prior to the expiration date, in accordance with LMC 11.03.110.

Section 57. Lacey Municipal Code 14.33.240 is hereby amended to read as follows:

14.33.240 Notice of final decision.

The city of Lacey shall provide notice of its final decision pursuant to the requirements of ~~Section 1C.070 of the City of Lacey Development Guidelines and Public Works Standards~~ 11.03.100.

Section 58. Lacey Municipal Code 14.33.250 is hereby amended to read as follows:

14.33.250 Appeals.

Any decision of the city of Lacey in the administration of this chapter may be appealed in accordance with Chapter ~~1D of the City of Lacey Development Guidelines and Public Works Standards~~ 11.05 LMC.

Section 59. Lacey Municipal Code 14.34.100 is hereby amended to read as follows:

14.34.100 Duties and responsibilities of the building official.

Duties of the building official shall include, but not be limited to:

A. *Permit Review.*

1. Review all development permits to determine that the permit requirements of this chapter have been satisfied;
2. Review all development permits to determine that all necessary permits have been obtained from those federal, state or local governmental agencies from which prior approval is required;

3. Review all development permits to determine if the proposed development is located in the area of special flood hazard or floodway. If located in the area of special flood hazard or floodway, assure that permits are denied or meet exemption requirements according to the provisions of this chapter. If located in a floodway, assure that the encroachment provisions of LMC [14.34.140](#) are met;

4. The site is reasonably safe from flooding;

5. Notify FEMA when annexations occur in the special flood hazard area.

B. *Use of Other Base Flood Data.* When base flood elevation data has not been provided in accordance with LMC [14.34.030](#), the building official shall obtain, review, and reasonably utilize any base flood elevation and floodway data available from a federal, state or other source, in order to administer LMC [14.34.130](#) and [14.34.140](#).

C. *Information to Be Obtained and Maintained.*

1. Where base flood elevation data is provided through the flood insurance study, FIRM or is required under subsection [B](#) of this section, obtain and record the actual (as-built) elevation in relation to mean sea level of the lowest floor (including basement) of all new and substantially improved structures and whether or not the structure has a basement. The information shall be recorded on a current elevation certificate with Section B completed by the local official.

2. For all new or substantially improved floodproofed nonresidential structures where base flood elevation data is provided through the FIRM, flood insurance study, or as required in subsection [B](#) of this section:

a. Verify and record the actual elevation (in relation to mean sea level) to which the structure was floodproofed.

b. Maintain the floodproofing certification required in LMC [14.34.130\(B\)](#).

3. Maintain for public inspection all records pertaining to the provisions of this chapter.

4. Certification required by LMC [14.34.140\(A\)](#) (floodway encroachments).

5. Records of all variance actions, including justification for their issuance.
6. Improvement and damage calculations.
7. Documentation of the elevation of the bottom of the lowest horizontal structural member in V or VE zones.

D. *Alteration of Watercourses.*

1. Except in cases where the city, state, or federal government undertakes public works projects for the benefit of the general public, alteration or relocation of any watercourses is prohibited;
2. In cases where a city, state, or federal government entity undertakes such a project all appropriate city, state, and federal permits and approvals shall be required. All identified impacts shall be fully mitigated;
3. In cases of city, state, or federal government projects the building official shall notify adjacent communities and the Department of Ecology prior to any alteration or relocation of a watercourse, and submit evidence of such notification to the Federal Insurance and Mitigation Administration;
4. In the case of a city, state, or federal government project the building official shall require that maintenance is provided within the altered or relocated portion of said watercourse so that the flood carrying capacity is not diminished and all habitat functions maintained.

E. *Interpretation of FIRM Boundaries.* Make interpretations where needed, as to exact location of the boundaries of the areas of special flood hazards (for example, where there appears to be a conflict between a mapped boundary and actual field conditions). The person contesting the location of the boundary shall be given a reasonable opportunity to appeal the interpretation in accordance with ~~Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards~~ Chapter 11.05 LMC.

F. *Review of Building Permits.* Where elevation data is not available, either through the FIS, FIRM, or from another authoritative source (as required by LMC 14.34.100(B)), applications for floodplain development shall be reviewed to assure that proposed construction will be reasonably safe from flooding. The test of reasonableness is a local

judgment and includes use of historical data, high water marks, photographs of past flooding, etc., where available.

(Failure to elevate habitable buildings at least two feet above the highest adjacent grade in these zones may result in higher insurance rates.)

G. *Changes to Special Flood Hazard Area.* If a project will alter the base flood elevation or boundaries of the special flood hazard area, then the project proponent shall provide the community with engineering documentation and analysis regarding the proposed change. If the change to the base flood elevation or boundaries of the special flood hazard area would normally require a letter of map change, then the project approval shall be conditioned accordingly.

Section 60. Lacey Municipal Code 14.34.110 is hereby amended to read as follows:

14.34.110 Variance procedures.

Variations from the terms of this chapter will be issued only in accordance with 44 Code of Federal Regulations Section 60.6 of the Rules and Regulations and the variance procedures and requirements of ~~LMC 16.90.005~~ Chapter 11.08 LMC as well as the additional variance provisions:

A. Generally, the only condition under which a variance from the elevation standard may be issued is for substantial improvements to be erected on a small or irregularly shaped lot contiguous to and surrounded by lots with existing structures constructed below the base flood level. As the lot size increases the technical justification required for issuing the variance increases.

B. Variances shall not be issued within a designated floodway if any increase in flood levels during the base flood discharge would result.

C. Variances shall only be issued upon a determination that the variance is the minimum necessary, considering the flood hazard, to afford relief.

D. Variances shall only be issued upon:

1. A showing of good and sufficient cause;
2. A determination that failure to grant the variance would result in exceptional hardship to the applicant;

3. A determination that the granting of a variance will not result in increased flood heights, additional threats to public safety, extraordinary public expense, create nuisances, cause fraud on or victimization of the public, or conflict with existing local laws or ordinances.

E. Variances as interpreted in the National Flood Insurance Program are based on the general zoning law principle that they pertain to a physical piece of property; they are not personal in nature and do not pertain to the structure, its inhabitants, economic or financial circumstances. They primarily address small lots in densely populated residential neighborhoods. As such, variances from flood elevations should be quite rare.

F. Variances may be issued for nonresidential buildings in very limited circumstances to allow a lesser degree of floodproofing than watertight or dry-floodproofing, where it can be determined that such action will have low damage potential, complies with all other variance criteria except subsection A of this section, and otherwise complies with LMC [14.34.120\(A\)](#), [\(C\)](#), and [\(D\)](#) (general standards).

G. Any applicant to whom a variance is granted shall be given written notice that the (substantially improved structure) permitted structure will be built with its lowest floor below the base flood elevation and that the cost of flood insurance will be commensurate with the increased risk.

H. The provisions of this chapter which are for the protection of the safety, health and welfare of the general public are demonstrated to not be applicable to the subject property and therefore should not be applied.

Section 61. Lacey Municipal Code 14.36.030 is hereby amended to read as follows:

14.36.030 Wellhead protection and critical aquifer recharge areas--Definitions.

A. “AKART” means all known, available, and reasonable methods of prevention, control, and treatment and is one component of pollution prevention plan development and implementation. AKART refers to technology-based treatments of pollutant sources that are implemented along with BMPs to treat, prevent and control the release of contaminants to surface water and groundwater. See also the State Water Pollution Control Act, RCW [90.48.010](#) and [90.48.520](#).

B. “Applicant” means a person who files an application for approval under this chapter and who is either the owner of the land on which that proposed activity would be located, a contract vendee, a lessee of the land, the person who would actually control and direct the proposed activity, or the authorized agent of such a person.

C. “Application” means as defined ~~in Section 1.030(A) of the city of Lacey Development Guidelines and Public Works Standards~~ LMC 11.02.080.

D. “Aquifer” means a geologic stratum containing groundwater that can be withdrawn and used for human purposes.

E. “Best management practices (BMPs)” means schedules of activities, prohibitions of practices, maintenance procedures, and structural and/or managerial practices approved by the Department of Ecology that, when used singularly or in combination, prevent or reduce the release of pollutants and other adverse impacts to waters of Washington State. See WAC 173-200-020.

F. “Category I critical aquifer recharge areas” means those areas with extreme aquifer sensitivity due to the presence of soils that provide very rapid recharge with little natural water quality treatment. Category I areas contain coarse soil textures and soil materials, and are derived from glacial outwash materials. The predominant soil series in Category I CARAs are listed in LMC 14.36.070(B).

G. “Category II critical aquifer recharge areas” are those areas with high aquifer sensitivity due to soils which provide slightly lower recharge than Category I, but provide little protection and natural water quality treatment. Category II soils are derived from materials of glacial deposit. The predominant soil series in Category II CARAs are listed in LMC 14.36.070(B).

H. “Category III critical aquifer recharge areas” are those areas with aquifers present but have moderate aquifer sensitivity due to surface soil material that encourages run-off and slows water entry into the ground. The predominant soil series in Category III CARAs are listed in LMC 14.36.070(B).

I. “Category IV low aquifer sensitivity areas” are those areas of low ground water availability and whose soils series are derived from basaltic or andesitic rock or ancient glacial till (more consolidated, more clay at surface), and which have not formed geological strata that provide abundant ground water.

J. “Critical aquifer recharge areas (CARA)” means those areas that overlay aquifers that are used for potable water supply, and have soils and geologic characteristics that allow precipitation and runoff to infiltrate and replenish natural groundwater systems and aquifers. CARAs are further designated into Categories I, II, and III based on soil type,

texture, and origin as listed in LMC [14.36.070\(B\)](#), with these categories determining the stringency of land use management controls needed to be protective of underlying aquifers.

K. “Hazardous materials” means substances that may create a public nuisance or constitute a hazard to humans, animals, fish or fowl, or any solid, dangerous, or extremely hazardous waste, as defined by Chapter [173-303](#) or [173-304](#) WAC. Harmful materials also include substances that, when released into the environment, may cause non-compliance with the following chapters of the WAC: [173-200](#), [173-201](#), [173-204](#), [173-340](#), and/or [246-290](#).

L. “Health expert” means a person employed or contracted by the city of Lacey and licensed by the state as a registered sanitarian and with the necessary expertise and experience to provide information required by this chapter relating to health issues and concerns.

M. “Health officer” means the Thurston County health officer as defined in Chapter [70.05](#) RCW or his or her authorized representative.

N. “Hydrogeology” means the study of the interrelationships of geologic materials and processes with water, especially groundwater. Hydrogeology is a science that involves the study of the waters of the Earth, and the collection of data concerning waters and their interaction with other materials in the atmosphere, on the Earth’s surface, or in the interior of the Earth.

O. “MPCs” means reasonable methods of prevention and control. Examples of MPCs include but are not limited to pollution prevention plan development and implementation, routine maintenance, secondary containment, and measures to eliminate contaminant pathways to the source water.

P. “Pollution prevention plan” means a site-specific plan that addresses the avoidance of unplanned chemical release in the air, water, or land. It is based upon deliberate waste management planning, site design, and operational practices.

Q. “Sanitary control area” means the one-hundred-foot radius around any potable water supply well that shall be established and protected from all potential sources of contamination as required under WAC [246-290-135](#).

R. “Stormwater BMP/facility” means a constructed component of a stormwater drainage system, designed or constructed to perform a particular function, or multiple functions.

Stormwater BMPs/facilities include, but are not limited to, pipes, swales, ditches, culverts, street gutters, detention ponds, retention ponds, constructed wetlands, infiltration devices, catch basins, oil-water separators, bioretention, permeable pavement, and biofiltration swales. Stormwater BMPs/facilities are described in the Stormwater Design Manual. “Stormwater BMP/facility” includes both public and privately owned facilities.

S. “Underground injection control well (UIC well)” means a structure built to discharge fluids from the ground surface into the subsurface; a bored, drilled, or driven shaft whose depth is greater than the largest surface dimension; or an improved sinkhole, which is a natural crevice that has been modified; or a subsurface fluid distribution system that includes an assemblage of perforated pipes, drain tiles, or other similar mechanisms intended to distribute fluids below the surface of the ground. Examples of UIC wells or subsurface infiltration systems include drywells, drain fields, infiltration trenches with perforated pipe, storm chamber systems with the intent to infiltrate, French drains, bioretention systems intended to distribute water to the subsurface by means of perforated pipe installed below the treatment soil, and other similar devices that discharge to the ground.

T. “Wellhead protection area (WHPA)” means protective areas associated with public drinking water sources established by water systems and approved or assigned by the State Department of Health and or as adopted in the City of Lacey Water System Comprehensive Plan.

Section 62. Lacey Municipal Code 14.36.040 is hereby amended to read as follows:

14.36.040 Applicability.

A. The provisions of this chapter apply to non-exempt proposals for development of new uses, and the alteration or expansion of existing uses located in wellhead protection areas or critical aquifer recharge areas within the city of Lacey as defined by this chapter.

B. When any provision of any other chapter of the city of Lacey Municipal Code conflicts with this chapter, the most restrictive will prevail. These provisions shall apply to any project or portion of a project which is partially or wholly located within a wellhead protection area.

C. The city of Lacey is authorized to adopt written administrative procedures for the purposes of carrying out the provisions of this chapter.

D. The city of Lacey shall not grant any approval or permission to conduct a nonexempt activity in an area classified as a wellhead protection area or Category I or II critical aquifer recharge area until the requirements of this chapter have been fulfilled including but not

limited to action on the following: limited administrative review, full administrative review, quasi-judicial review, legislative review pursuant to ~~Chapter 1.010C of the City of Lacey Development Guidelines and Public Works Standards Chapter 11.04 LMC~~, or any subsequently adopted permit or required approval not expressly exempted by this chapter.

Section 63. Lacey Municipal Code 14.36.090 is hereby amended to read as follows:

14.36.090 Consolidated application process.

When more than one application for a proposed development is required, the applicant ~~may elect to have~~ shall submit all applications submitted for review at one time in conformance with ~~Section 1B.030 of the City of Lacey Development Guidelines and Public Works Standards LMC 11.03.030, unless otherwise determined by the enforcing officer;~~ applications for proposed development and planned actions subject to the provisions of the State Environmental Policy Act (SEPA) shall be reviewed concurrently and in accordance with state and local laws, regulations and ordinances.

Section 64. Lacey Municipal Code 14.36.230 is hereby amended to read as follows:

14.36.230 Appeals.

Any decision of the city of Lacey in the administration of this chapter may be appealed in accordance with ~~Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards Chapter 11.05 LMC.~~

Section 65. Lacey Municipal Code 14.36.240 is hereby amended to read as follows:

14.36.240 Enforcement.

A. The city of Lacey shall have authority to enforce this chapter, any rule or regulation adopted and any permit or order issued pursuant to this chapter, against any violation or threatened violation thereof. The city of Lacey is authorized to issue violation notices and administrative orders, levy fines, and/or institute legal actions in court. Recourse to any single remedy shall not preclude recourse to any of the other remedies. Each violation of this chapter, or any rule or regulation adopted, or any permit, permit condition, or order issued pursuant to this chapter, shall be a separate offense, and, in the case of a continuing violation, each day's continuance shall be deemed to be a separate and distinct offense. All costs, fees, and expenses in connection with enforcement actions may be recovered as damages against the violator.

B. Enforcement actions shall include civil penalties, administrative orders and actions for damages and restoration.

1. The city of Lacey may bring appropriate actions at law or equity, including actions for injunctive relief, to ensure that no uses are made of a critical aquifer recharge area

or wellhead protection area which are inconsistent with this chapter or an applicable habitat or species protection program.

2. The city of Lacey may serve upon a person a cease and desist order if an activity being undertaken on sites with a geologically sensitive feature or required buffers is in violation of this chapter. Whenever any person violates this chapter or any permit issued to implement this chapter, the city of Lacey may issue an order reasonably appropriate to cease such violation and to mitigate any environmental damage resulting therefrom.

a. *Content of Order.* The order shall set forth and contain:

(1) A description of the specific nature, extent, and time of violation and the damage or potential damage;

(2) A notice that the violation or the potential violation cease and desist or, in appropriate cases, the specific corrective action to be taken within a given time. A civil penalty may be issued with the order;

(3) *Effective Date.* The cease and desist order issued under this section shall become effective immediately upon receipt by the person to whom the order is directed; and

(4) *Compliance.* Failure to comply with the terms of a cease and desist order can result in enforcement actions including, but not limited to, the issuance of a civil penalty.

3. Any person who undertakes nonexempt activity within a critical aquifer recharge area or wellhead protection area without first obtaining an approval required by this chapter, or any person who violates one or more conditions of any approval required by this chapter or of any order issued pursuant to subsection B of this section shall incur a penalty allowed per violation. In the case of a continuing violation, each violation and each day of activity without a required approval shall be a separate and distinct violation. The penalty amount shall be set in consideration of the previous history of the violator and the severity of the environmental impact of the violation. The penalty provided in this subsection shall be appealable to the hearings examiner in conformance with ~~Section 1D.030 of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.05.030.

4. *Aiding or Abetting.* Any person who, through an act of commission or omission procures, aids or abets in the violation shall be considered to have committed a violation for the purposes of the penalty.

5. *Notice of Penalty.* Civil penalties imposed under this section shall be imposed by a notice to the person incurring the same from the city of Lacey. The notice shall describe the violation, approximate the date(s) of violation, and shall order the acts constituting the violation to cease and desist, or, in appropriate cases, require necessary corrective action within a specific time.

6. *Application for Remission or Mitigation.* Any person incurring a penalty may apply in writing within thirty days of receipt of the penalty to the city of Lacey for remission or mitigation of such penalty. Upon receipt of the application, the city of Lacey by action of the city hearings examiner under the provision of Chapter [2.30 LMC](#) may remit or mitigate the penalty only upon a demonstration of extraordinary circumstances, such as the presence of information or factors not considered in setting the original penalty.

7. Orders and penalties issued pursuant to this subsection may be appealed as provided for in ~~Section 1D.030 of the City of Lacey Development Guidelines and Public Works Standards~~ [LMC 11.05.030](#).

8. Criminal penalties shall be imposed on any person who willfully or negligently violates this chapter or who knowingly makes a false statement, representation, or certification in any application, record or other document filed or required to be maintained under this chapter or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device, record or methodology required to be maintained pursuant to this chapter or pursuant to an approval.

Section 66. Lacey Municipal Code 14.37.080 is hereby amended to read as follows:

14.37.080 Exempt activities.

The following activities shall be exempt from the review requirements of this chapter and Chapter ~~1C of the City of Lacey Development Guidelines and Public Works Standards~~ [11.04 LMC](#) provided such activities are undertaken using best management practices in a manner that does not adversely impact the geologically sensitive area:

A. Nonpublic outdoor recreation activities such as bird watching or hiking, when undertaken by a property owner on his or her property for his or her personal noncommercial purposes;

B. The harvesting of wild crops in a manner that is not injurious to natural reproduction of such crops and provided the harvesting does not require tilling of soil, planting of crops, or alteration of the geologically sensitive area by changing existing topography, water conditions or other natural parameters important to the geological sensitivity;

C. Boundary markers;

D. Site investigative work necessary for land use application submittals such as surveys, soil logs, percolation tests and other related activities. In every case, impacts shall be minimized and disturbed areas shall be restored immediately after investigative work has been completed;

E. Educational activities and scientific research;

F. Normal and routine maintenance or repair of existing utility structures or right-of-way;

G. Installation, replacement, alteration or construction and operation of all electric facilities, lines, equipment or appurtenances, not including substations, with an associated voltage of fifty-five thousand volts or less in improved city road right-of-way; and

H. Installation, replacement, alteration or construction and operation of all natural gas, cable communications and telephone facilities, lines, pipes, mains, equipment or appurtenances in improved city road right-of-way.

Section 67. Lacey Municipal Code 14.37.090 is hereby amended to read as follows:

14.37.090 Geologically sensitive areas--Presubmission consultation.

Any person intending to undertake nonexempt activities in a geologically sensitive area is required to meet with the city of Lacey at a presubmission conference during the earliest possible stages of project planning in order to discuss impact avoidance and minimization in accordance with the process outlined in ~~Section 1B.020 of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.03.020.

Section 68. Lacey Municipal Code 14.37.100 is hereby amended to read as follows:

14.37.100 Geologically sensitive area applications.

No nonexempt use shall occur or be permitted to occur within a geologically sensitive area without full administrative review or quasi-judicial review of the application pursuant to ~~Chapter 1C of the City of Lacey Development Guidelines and Public Works Standards~~ Chapter 11.04 LMC, whichever is applicable.

Section 69. Lacey Municipal Code 14.37.120 is hereby amended to read as follows:

14.37.120 Geologically sensitive areas--Approval and extensions.

A. Approvals shall normally be valid for a period of ~~eighteen~~ twenty four months from the date of issue and shall expire at the end of that time pursuant to requirements of Chapter ~~16.84~~ 11.07 LMC unless an underlying action has a longer approval period, in which case the longer approval period shall apply.

B. One extension of an original approval may be granted upon written request to the city of Lacey by the original approval holder or the successor in title at least thirty days prior to the expiration for a six-month time period. Prior to the granting of an extension, the city of Lacey shall require updated studies if, in its judgment, the original intent of the approval is altered or enlarged by the renewal, or if the circumstances relevant to the review and issuance of the original approval have changed substantially.

Section 70. Lacey Municipal Code 14.37.140 is hereby amended to read as follows:

14.37.140 Consolidated application process.

When more than one application for a proposed development is required, the applicant shall submit ~~may elect to have~~ all applications ~~submitted~~ for review at one time in conformance with ~~Section 1B.030 of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.03.030, unless otherwise determined by the enforcing officer.

Section 71. Lacey Municipal Code 14.37.230 is hereby amended to read as follows:

14.37.230 Notice of final decision.

The city of Lacey shall provide notice of its actions pursuant to the requirements of ~~Section 1C.070 of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.03.100.

Section 72. Lacey Municipal Code 14.37.240 is hereby amended to read as follows:

14.37.240 Appeals.

Any decision of the city of Lacey in the administration of this chapter may be appealed in accordance with ~~Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards~~ Chapter 11.05 LMC.

Section 73. Lacey Municipal Code 15.01.040 is hereby amended to read as follows:

15.01.040 Specific exemptions.

The subdivision and short subdivision provisions of this title shall not apply to the following:

A. Cemeteries and other burial plots while used for that purpose;

B. Divisions of land into lots or tracts each of which is forty acres or larger provided each lot created has legal access, and connectivity is provided to adjacent land pursuant to road grid requirements, or provision has otherwise been satisfied for future development and surrounding connectivity; provided further, that division of any amount of land zoned for nonresidential use shall either be accomplished through a plat, a short plat, or the binding site plan regulations pursuant to subsection F of this section and Chapter [15.06](#) LMC;

C. *Divisions made by testamentary provisions or the laws of descent.* In order to be buildable, lots formed in this fashion must meet the requirements of all other ordinances including access, lot size, etc., in effect at the time of probate;

D. A division for the purpose of lease when no residential structure other than manufactured homes (mobile homes) or travel trailers are permitted to be placed on the land and the land is to be developed as a manufactured or mobile home park or a recreational vehicle park; provided the city has approved a binding site plan pursuant to Chapter [15.06](#) LMC and approved pursuant to Chapter ~~[16.8411.07](#)~~ LMC;

E. *Contiguous Lots.* The transfer of ownership of contiguous platted or unplatted lots if:

1. The lots were legally created after June 9, 1937, or
2. The lots transferred and remaining lots are developed; provided, that transfers pursuant to this subsection shall not be effective until the proponent is issued a certificate of compliance from the community and economic development department. A certificate shall be issued when the owner or applicant shows that the lot conforms to the criteria of this subsection;

F. Divisions of land into lots or tracts classified for industrial or commercial use, provided the city has approved a binding site plan for such division pursuant to Chapter [15.06](#) LMC;

G. Divisions of land into lots or tracts pursuant to RCW [57.17.040\(7\)](#); condominiums when a binding site plan has been approved pursuant to Chapter [15.06](#) LMC and other provisions of this title;

H. *Boundary Line Adjustments.* An adjustment of boundary line(s) which does not create any additional lot, tract, parcel, site or division, nor create any lot, tract, parcel, site or division which contains insufficient area and dimension to meet minimum requirements for width and area for a building site, and is approved pursuant to Chapter [15.04](#) LMC;

I. A division for the purpose of leasing land for facilities providing personal wireless services pursuant to RCW [58.17.040\(8\)](#);

J. A division of land into lots or tracts of less than three acres for the purpose of providing sites for public and private electric utility facilities. This subsection does not exempt a division of land from the zoning and permitting laws and regulations of the city. This subsection only applies to electric utility facilities that will be placed into service to meet the electrical needs of a utility's existing and new customers. New customers are defined as electric service locations not already in existence as of the date that electric facilities subject to the provisions of this subsection are planned and constructed; provided, any remaining lot or lots are consistent with applicable zoning and land use plans; provided further, the division shall be surveyed and recorded and a record of survey filed in accordance with Chapter [58.09](#) RCW;

K. Divisions of land due to condemnation or sale under threat thereof, by any agency or division of government vested with the power of condemnation.

Section 74. Lacey Municipal Code 15.04.050 is hereby amended to read as follows:

15.04.050 Review and approval.

A. Upon submittal and acceptance of a complete application, the assigned planner shall review the boundary line adjustment and determine if it contains sufficient information to furnish a basis for a decision in conformance with application and processing requirements of ~~Chapter 1 of the Development Guidelines and Public Works Standards~~ Title 11 LMC. The planner may refer the request to other departments that, in his/her judgment, may have information or comments that bear directly on the application. Referral agencies and departments, if any, shall have fourteen days to comment on the application. Their failure to respond within the referral period will be considered as having no comment on the application as submitted.

Section 75. Lacey Municipal Code 15.06.020 is hereby amended to read as follows:

15.06.020 Administration.

The administration of this chapter is set forth within the provisions of this chapter and ~~the Development Guidelines and Public Works Standards in Section 1C.040 (full administrative review)~~ LMC 11.04.040. The director is vested with the duty of administering and interpreting the provisions of this title and with the authority to summarily approve, approve with conditions, disapprove, or return for modification all proposed binding site plans. Prior to the submission of a binding site plan application, the applicant shall arrange for a pre-application meeting as required and outlined in ~~the Development Guidelines and Public Works Standards Section 1B.020~~ LMC 11.03.020.

Section 76. Lacey Municipal Code 15.06.030 is hereby amended to read as follows:

15.06.030 Application.

An applicant shall submit a complete binding site plan application to the department of community and economic development. A complete application for the purposes of this chapter shall consist of the following:

A. Binding site plan application and supporting materials.

B. Environmental checklist.

C. *Preliminary Binding Site Plan.*

1. The preliminary binding site plan shall show specifically and clearly all of the requested information in the application information on one or more maps, drawings or application forms. Specific items may be waived if it is the opinion of both the planner and city engineer they are not necessary.

2. Accuracy for all data and information submitted on or with a binding site plan shall be the responsibility of the applicant. Any proposed binding site plan found to be inaccurate or misleading shall not be considered a complete application and shall be returned to the applicant with a letter stating the application is incomplete, pursuant to the requirements of ~~the Development Guidelines and Public Works Standards Sections 1B.040 and 1B.050~~ LMC 11.03.060.

D. *Scale and Size.* The preliminary binding site plan shall be at a scale of not less than fifty feet to the inch, nor more than two hundred feet to the inch.

E. *General Information Required.*

1. *Proposed name of the binding site plan.* This name shall not duplicate nor resemble the name of another land division in Thurston County and shall be approved by the Thurston County auditor.

2. The names and addresses of all landowners within the proposed binding site plan, the developer if other than the owners, the land surveyor and/or the professional registered engineer responsible for laying out the land division.

3. The legal description of all lands included in the proposed binding site plan.

4. The site plan scale, datum, north arrow and date.

5. The boundary lines of the tract to be divided.

6. Proposed and existing access and cross easements on site, adjacent to, and across the street.

F. *Existing Conditions.*

1. A vicinity sketch indicating the boundary lines and names of adjacent subdivisions, streets and boundary lines of adjacent parcels, and the relationship of the proposed binding site plan to major highways, schools, parks, shopping centers and similar facilities.

2. The location and direction of all watercourses, lakes and streams and the location of all areas subject to flooding. Watercourses and drainage ways shall be located within an

easement which reserves to the city the right to enter such properties for the purpose of flood control or maintenance.

3. Natural features such as rock outcroppings, marshes, wooded areas and trees and those natural features to be preserved in the land division.
4. Existing uses on the property, including location of all existing structures to remain on the property after the binding site plan is developed.
5. Existing zoning on the land to be divided and also on the surrounding land for a distance of three hundred feet.
6. The location and size of all pertinent existing sewers, septic tank systems, water mains, wells, culverts, and other public or private underground installations within the subdivision and immediately adjacent thereto and elevations of sewers at points of probable connections.
7. The location, widths and names of both unopened and open streets, easements and other access points including pedestrian, within or adjacent to the proposed development. The location of other important features such as the general outline of permanent buildings, water sources, power lines, telephone lines, railroads, city boundaries, section lines and section corners.
8. All parcels of land intended to be dedicated or temporarily reserved for public use, or to be reserved in the deeds for common use of the property owners in the land division with the purpose, conditions, or limitations of such dedications or reservations clearly indicated.

G. Proposed Plan of Partitioning.

1. The location, width, name and approximate grade and radii of curves of streets. The relationship of streets to any projected streets as shown in the Comprehensive Plan and the Transportation Plan.
2. Approximate centerline profiles with extensions for a reasonable distance beyond the limits of the proposed land division showing the finished grade of streets and the nature and extent of street construction.
3. A proposal for domestic water supply stating the source and preliminary distribution system layout.
4. Proposals for sewage disposal, stormwater drainage and flood control.
5. If lot areas are to be substantially graded, a plan showing the nature of cuts and fills and information on the character of the soil.
6. Proposals for other improvements such as electric utilities and boat docks, pathways, recreation facilities, etc.
7. The layout of proposed street rights-of-way, alleys, street easements, utility easements, lots and blocks, and the approximate dimensions of each.
8. All parcels of land intended to be dedicated or temporarily reserved for public use, or to be reserved in the deeds for common use of the property owners in the binding site plan

with the purpose, conditions, or limitation of such dedications or reservations clearly indicated.

H. *Partial Development.* If the proposed binding site plan pertains to only part of the tract owned or controlled by the applicant, a sketch showing the tentative layout for streets and contemplated land use in the undivided portion shall be submitted.

I. *Additional Information.* The applicant shall supply any additional information as may be required by the department of community development.

J. *Wetland, Habitat and Other Sensitive Area Information.* A binding site plan application that involves wetlands, wetland buffer areas, habitat area or other critical areas pursuant to Chapter [14.28](#), [14.33](#), [14.34](#), [14.36](#), or [14.37](#) LMC shall include all information required by these chapters for proper consideration of wetlands, habitat and other sensitive area issues during binding site plan review.

Section 77. Lacey Municipal Code 15.06.040 is hereby amended to read as follows:

15.06.040 Preliminary binding site plan review.

Binding site plans shall be subject to the full administrative review procedures established in ~~the Development Guidelines and Public Works Standards, application process, Section 1C.040, full administrative review~~ LMC 11.04.040. A preliminary and final review and approval process will be utilized that is similar to the subdivision process, except that it will be handled in an administrative capacity.

Section 78. Lacey Municipal Code 15.07.025 is hereby amended to read as follows:

15.07.025 Pre-submission conference required.

Before making an application for a condominium development or conversion, the applicant shall attend a pre-submission conference in accordance with ~~Section 1B.020 of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.03.020.

Section 79. Lacey Municipal Code 15.08.020 is hereby amended to read as follows:

15.08.020 Presubmission conferences.

Before making an application for short subdivision approval, the applicant shall attend a presubmission conference in accordance with ~~Section 1B.020 of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.03.020.

Section.80. Lacey Municipal Code 15.08.080 is hereby amended to read as follows:

15.08.080 Time for preliminary action.

Preliminary short subdivisions shall be reviewed according to the full administrative review process and timelines outlined in ~~Section 1C.040 of the City of Lacey Development Guidelines and Public Works Standards~~ LMC 11.04.040.

Section 81. Lacey Municipal Code 15.08.160 is hereby amended to read as follows:

15.08.160 Appeals.

Any decision of the community development department may be appealed in accordance with Chapter ~~1D of the City of Lacey Development Guidelines and Public Works Standards 11.05 LMC.~~

Section 82. Lacey Municipal Code 15.10.010 is hereby amended to read as follows:

15.10.010 Preliminary plat presubmission conference.

Prior to the submission of an application for a preliminary plat, the applicant shall attend a presubmission meeting in accordance with ~~Section 1B.020 of the City of Lacey Development Guidelines and Public Works Standards LMC 11.03.020.~~

Section 83. Lacey Municipal Code 15.10.020 is hereby amended to read as follows:

15.10.020 Preliminary plat review process and time limit for action.

Preliminary plats of any proposed subdivision shall be reviewed according to the quasi-judicial process and timelines outlined in ~~Section 1C.050 of the City of Lacey Development Guidelines and Public Works Standards LMC 11.04.050.~~

Section 84. Lacey Municipal Code 15.10.040 is hereby amended to read as follows:

15.10.040 Preliminary plat specific submission requirements.

An applicant shall submit a complete subdivision application through the department of community and economic development. A complete application for the purposes of this chapter shall consist of the following:

- A. Preliminary plat application and supporting materials.
- B. Environmental checklist.
- C. *Preliminary Plats.*
 - 1. The preliminary plat shall show specifically and clearly all of the following features and information on one or more maps, drawings or application forms. Specific items may be waived if in the opinion of both the assigned planner and city engineer they are not necessary.
 - 2. Accuracy for all data and information submitted on or with a preliminary plat shall be the responsibility of the applicant. Any proposed plat found to be inaccurate or misleading shall not be considered a complete application and shall be returned to the applicant with a letter stating the application is incomplete pursuant to the requirements of the ~~Development Guidelines and Public Works Standards Sections 1B.040 and 1B.050 LMC 11.03.060.~~
- D. *Scale and Size.* The preliminary plat shall be at a scale of not more than fifty feet to the inch, nor less than two hundred feet to the inch.
- E. *General Information Required.*

1. Proposed name of the subdivision: This name shall not duplicate nor resemble the name of another subdivision in Thurston County and shall be approved by the hearings examiner;
2. The names and addresses of all landowners within the proposed subdivision, the developer if other than the owners, the land surveyor and/or the professional registered engineer responsible for laying out the plat;
3. The legal description of all lands included in the proposed subdivision;
4. The plat scale, datum, north arrow and date;
5. The boundary lines of the tract to be divided.

F. *Existing Conditions.*

1. A vicinity sketch indicating the boundary lines and names of adjacent subdivisions, streets and boundary lines of adjacent parcels, and the relationship of the proposed subdivision to major highways, schools, parks, shopping centers and similar facilities;
2. Replats: If the plat constitutes a replat, the lots, blocks, streets, etc., of the original plat shall be shown with dotted lines in their proper positions in relation to the new arrangement of the plat; the new plat being so clearly shown in solid lines so as to avoid ambiguity, all as required by Chapter [58.12](#) RCW;
3. The location and direction of all watercourses, lakes and streams and the location of all areas subject to flooding. Watercourses and drainage ways shall be located within an easement which reserves to the city the right to enter such properties for the purpose of flood control or maintenance;
4. Natural features such as rock outcroppings, marshes, wooded areas;
5. Existing uses on the property, including location of all existing structures to remain on the property after platting;
6. Existing zoning on the land to be platted and also on the surrounding land for a distance of three hundred feet;
7. The location and size of all pertinent existing sewers, water mains, culverts, and other public or private underground installations within the subdivision and immediately adjacent thereto and elevations of sewers at points of probable connections;
8. The location, widths and names of both unopened and open streets, access points on both sides of the street, site distance information at proposed intersections, easements and other ways within or adjacent to the proposed development. The location of other important features such as the general outline of permanent buildings, water sources, power lines, telephone lines, railroads, city boundaries, section lines and section corners;
9. All parcels of land intended to be dedicated or temporarily reserved for public use, or to be reserved in the deeds for common use of the property owners in the subdivision with the purpose, conditions, or limitations of such dedications or reservations clearly indicated;
10. Trees and natural features which are to be preserved in the subdivision.

G. *Proposed Plan of Partitioning.*

1. The location, width, name and approximate grade and radii of curves of streets. The relationship of streets to any projected streets as shown on the Comprehensive Plan and the Transportation Plan.
2. Sites, if any, allocated for purposes other than single-family dwellings.
3. Approximate centerline profiles with extensions for a reasonable distance beyond the limits of the proposed subdivision showing the finished grade of streets and the nature and extent of street construction.
4. A proposal for domestic water supply stating the source and preliminary distribution system layout.
5. Proposals for sewage disposal, storm water drainage and flood control.
6. If lot areas are to be substantially graded, a plan showing the nature of cuts and fills and information on the character of the soil.
7. Proposals for other improvements such as electric utilities and boat docks, pathways, recreation facilities, etc.
8. The layout of proposed street rights-of-way, alleys, easements, lots and blocks, and the approximate dimensions of each.
9. All parcels of land intended to be dedicated or temporarily reserved for public use, or to be reserved in the deeds for common use of the property owners in the subdivision with the purpose, conditions, or limitation of such dedications or reservations clearly indicated.
10. Trees and natural features which are to be preserved in the subdivision.

H. *Partial Development.* If the proposed plat pertains to only part of the tract owned or controlled by the subdivider, a sketch showing the tentative layout for streets and contemplated land use in the unsubdivided portion shall be submitted.

I. *Additional Information.* The subdivider shall supply any additional information as may be required by the staff.

J. *Wetland, Habitat and Other Sensitive Area Information.* A preliminary plat application that involves wetlands, wetland buffer areas, habitat area or other sensitive areas pursuant to Chapter [14.28](#), [14.33](#), [14.34](#), [14.36](#), or [14.37](#) LMC, shall include all information required by those chapters for proper consideration of wetlands, habitat, and other sensitive area issues during preliminary plat review.

Section 85. Lacey Municipal Code 15.10.070 is hereby amended to read as follows:

15.10.070 Preliminary plat hearing - notice procedure.

Upon receipt of a preliminary plat and all required data, the planner shall set a date for public hearing before the hearings examiner. Notice of the date, time and place of the public hearing before the hearings examiner shall follow the guidelines for quasi-judicial review in ~~Section 1C.050 of the City of Lacey Development Guidelines and Public Works Standards~~ [LMC 11.04.050](#), in addition to the following notifications:

- A. Notice to any town, city or county whose boundaries are adjacent to or within one mile of the proposed subdivision;
- B. Notice to the state Department of Transportation on every proposed subdivision located within three hundred feet of the right-of-way of a state highway;
- C. Notice to the state Department of Ecology, Division of Water Resources, if the land is situated in a floodplain or flood control zone as provided in Chapter [86.16](#) RCW;
- D. Notice to any city or town whose utilities are contemplated to be used by the proposed subdivision;
- E. Notice to other federal, state or local agencies as may be relevant to determine if the public use and interest may be served by the proposed subdivision.

Section 86. Lacey Municipal Code 15.10.130 is hereby amended to read as follows:

15.10.130 Preliminary plat notice of final decision.

Upon approval, disapproval or modification of the preliminary plat by the hearings examiner, the assigned planner shall so notify the applicant pursuant to the notice requirements of ~~Development Guidelines and Public Works Standards Section 1C.070 LMC 11.03.100~~ within ten days of said action. The action of the hearings examiner shall be noted on two copies of the preliminary plat, including reference to any attached documents describing conditions imposed. The planner shall return one copy to the subdivider and retain one copy for the permanent file.

Section 87. Lacey Municipal Code 15.20.020 is hereby amended to read as follows:

15.20.020 Variance--Determination.

A. The hearings examiner ~~or enforcing officer~~ may grant variances to the requirements of this title, ~~as determined by LMC 11.08.020~~. Application for a variance to this title shall be made by petition by the subdivider, stating fully the necessity of the variance based on ~~LMC 16.90.005 Chapter 11.08.050 LMC~~ and the specific requirements for which the variance is requested;

B. If a variance is in conjunction with a preliminary plat, binding site plan, or short subdivision it shall proceed in accordance with ~~Chapter 1B of the City of Lacey Development Guidelines and Public Works Standards LMC 11.04.040 or 11.04.050, as determined by LMC 11.08.020~~. A separate hearing shall be held for all other requests for quasi-judicial variances.

Section 88. Lacey Municipal Code 15.20.030 is hereby amended to read as follows:

15.20.030 Variance--Land use hearings examiner action.

The quasi-judicial review of a variance by the hearings examiner shall proceed in conformance with the requirements contained in Chapter ~~16.9011.08 LMC and Section 1C.050 of the City of Lacey Development Guidelines and Public Works Standards LMC 11.04.050~~.

Section 89. Lacey Municipal Code 15.22.010 is hereby amended to read as follows:

15.22.010 Definitions.

The following words and phrases, when used in this chapter, have the meaning as set out in this section:

- A. "Community facility" or "community facilities" means stormwater control facilities or open space, park and recreation facilities, wetlands and wetland buffers, or any combination thereof;
- B. "Open space, park and recreation facilities" means any public facility, improvement, development, property or right or interest therein for public park, recreational, greenbelt, wetlands and wetland buffers, arboretum, athletic, historic, scenic viewpoint, aesthetic, ornamental or natural resource preservation purposes and shall include the surface land over interim common sewerage facilities;
- C. "Planned unit development" includes planned residential developments in accordance with Chapter ~~16.60~~ 11.10 LMC and similar developments of a nonresidential nature;
- D. "Stormwater control facilities" means a constructed component of a stormwater drainage system designed or constructed to perform a particular function, or multiple functions. Stormwater control facilities include, but are not limited to, pipes, swales, ditches, culverts, street gutters, detention ponds, retention ponds, constructed wetlands, infiltration devices, catch basins, oil/water separators, bioretention, permeable pavement, and biofiltration swales.

Section 90. Lacey Municipal Code 15.22.030 is hereby amended to read as follows:

15.22.030 Site plan review committee.

As established in LMC ~~16.84.010(C)~~ 11.07.020, the site plan review committee shall serve the following functions related to community facilities:

- A. The committee shall review the preliminary plat, short plat or binding site plan of each proposed land division and advise the hearings examiner or appropriate approval authority as to whether the community facilities proposed in said land division are acceptable for inclusion within a community facilities district; what changes, if any, will be necessary to make the proposed facilities acceptable for inclusion; and any additional facilities which should be constructed or reserved within the subdivision for inclusion in a community facilities district;
- B. The site plan review committee shall solicit comments from the appropriate city department with expertise regarding the proposed community facility during their review;
- C. The committee shall review all applications from homeowners' associations or a majority of the lot owners in subdivisions which existed prior to July 8, 1979, for the inclusion of community facilities within said subdivisions in a community facilities district and recommend to the city council whether or not such facilities should be accepted by the city for inclusion in a community facilities district;
- D. The committee shall, subject to the legislative policy of the city council and the administrative policy of the city manager, make all necessary decisions regarding existing community facilities districts, including, but not limited to, the frequency and amount of

maintenance required for said facilities, the improvement or expansion of said facilities, and the recommended rates and charges to be paid by the property owners within said districts for the costs of such maintenance, operation and improvement.

Section 91. SEVERABILITY. If any section, sentence, clause or phrase of this ordinance should be held to be invalid by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 92. CORRECTIONS. The City Clerk and the codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 93. The Summary attached hereto is hereby approved for publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, at a regularly called meeting thereof, held this ____ day of December, 2025.

CITY COUNCIL

By: _____
Mayor

Approved as to form:

City Attorney

Attest:

City Clerk

SUMMARY FOR PUBLICATION
ORDINANCE NO 1688
CITY OF LACEY

The City Council of the City of Lacey, Washington, passed on December 2nd, 2025, Ordinance No. 1688, entitled “AN ORDINANCE OF THE CITY OF LACEY RELATED TO DEVELOPMENT REVIEW AND PERMITTING PROCEDURES, ADOPTING A NEW TITLE 11 ENTITLED “DEVELOPMENT PROCEDURES”; AMENDING CHAPTERS 2.30, 3.64, 5.12, 5.40, 5.42, 12.20, 12.30, 14.04, 14.21, 14.23 – 14.30, 14.32, 14.33, 14.34, 14.36, 14.37, 15.01, 15.04, 15.06, 15.07, 15.08, 15.10, 15.20, AND 15.22; REPEALING CHAPTERS 16.60, 16.66, 16.82, 16.84, 16.90, AND 16.96; ALL OF THE LACEY MUNICIPAL CODE; REPEALING CHAPTER 1 OF THE CITY OF LACEY DEVELOPMENT GUIDELINES AND PUBLIC WORKS STANDARDS; AND APPROVING A SUMMARY FOR PUBLICATION.”

The main points of the Ordinance are described as follows:

1. The Ordinance adopts a new Title 11 “Development Procedures” which consolidates all permit processing and land use review procedures into one title of the Lacey Municipal Code.
2. The Ordinance repeals and amends related chapters from several titles of the LMC and Chapter 1 of the Development Guidelines and Public Works Standards (Ord. 1669, Dec. 17, 2024), relocating and updating them within the new Title 11.
3. The Ordinance approves this Summary for Publication.

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

Published: _____, 2025.

Title 11 Development Procedures

Chapters:

- 11.01 Chapter General provisions
- 11.02 Chapter Definitions
- 11.03 Chapter Application process
- 11.04 Chapter Application review
- 11.05 Chapter Appeals
- 11.06 Chapter Interpretations and Amendments
- 11.07 Chapter Site plan review
- 11.08 Chapter Variances
- 11.09 Chapter Conditional uses and permits
- 11.10 Chapter Planned residential development
- 11.11 Chapter Temporary use permits
- 11.12 Chapter Development agreements
- 11.13 Chapter Rezones

Chapter 11.01 GENERAL PROVISIONS

Sections:

- 11.01.010 Applicability
- 11.01.020 Right to enter

11.01.010 Applicability

A. The purpose of this title is to enact the processes and timelines for local land development permitting. The objectives of this title are to encourage the preparation of appropriate information and/or materials early in the permitting process, to process permit applications in a timely manner, to provide the general public with an adequate opportunity for review and comment, and to provide the development community with a standardized process and predictability.

B. This title shall apply to permit applications for land development under the following titles of the Lacey Municipal Code:

1. Title 14 Buildings and Construction
2. Title 15 Subdivisions
3. Title 16 Zoning

C. Other laws, ordinances, regulations and plans have a direct impact on the development of land. These include, but are not limited to, the City of Lacey Development Guidelines and Public Works Standards, City of Lacey Environmental Protection and Resource Conservation Plan, City of Lacey Transportation Plan, Shoreline Master Program for the City of Lacey, City of Lacey Comprehensive Plan, and the laws, ordinances, regulations and plans of federal, state and local agencies.

11.01.020 Right to enter

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

Chapter 11.02 DEFINITIONS

Sections:

11.02.010	Applicability
11.02.020	Abutting
11.02.030	Accessory Dwelling
11.02.040	Accessory Use
11.02.050	Adjacent
11.02.060	Alley
11.02.070	Amendment
11.02.080	Buffer
11.02.090	Building
11.02.100	Building coverage
11.02.110	Building height
11.02.120	City
11.02.130	Conditional uses
11.02.140	County
11.02.150	Closed record appeal
11.02.160	Day
11.02.170	Department
11.02.180	Development agreement
11.02.190	Development capacity
11.02.200	Duplex
11.02.210	Dwelling
11.02.220	Dwelling unit
11.02.230	Easement
11.02.240	Emergency medical center
11.02.250	Enforcing officer
11.02.260	Federal
11.02.270	Floor area
11.02.280	Floor area, gross
11.02.290	Full administrative review
11.02.300	Gross area
11.02.310	Hearings Examiner
11.02.320	Home occupation
11.02.330	Hospital
11.02.340	Limited administrative review
11.02.350	Lot
11.02.360	Legislative review
11.02.370	Lot area
11.02.380	Lot, corner
11.02.390	Lot depth
11.02.400	Lot line, front
11.02.410	Lot or parcel, undeveloped
11.02.420	Lot line, rear
11.02.430	Lot width
11.02.440	Mall

11.02.450	Multifamily
11.02.460	Native vegetation
11.02.470	Open record hearing
11.02.480	Open space
11.02.490	Open space, common
11.02.500	Open space, usable
11.02.510	Parcel
11.02.520	Parking area
11.02.530	Parking, off-street
11.02.540	Parking space
11.02.550	Party of record
11.02.560	Permit assistance staff
11.02.570	Person
11.02.580	Planned residential developments
11.02.590	Planning Commission
11.02.600	Premises
11.02.610	Project permit application
11.02.620	Property line
11.02.630	Public meeting
11.02.640	Quasi-judicial review
11.02.650	Shoreline
11.02.660	State
11.02.670	Structure
11.02.680	Storage Trailer
11.02.690	Temporary Use
11.02.700	Use district
11.02.710	Variance
11.02.720	Yard
11.02.730	Yard, front
11.02.740	Yard, rear
11.02.750	Yard, shoreline
11.02.760	Yard, side

11.02.010 Applicability

Unless the context clearly requires otherwise, the definitions in this section apply throughout this title. Listed terms not defined within this chapter shall be defined in accordance with Chapter 16.06 LMC.

11.02.020 Abutting

See definition of “Abutting”.

11.02.030 Accessory Dwelling

See definition of “Accessory dwelling”.

11.02.040 Accessory Use

See definition of “Accessory use”.

11.02.050 Adjacent

See definition of “Adjacent”.

11.02.060 Alley

See definition of “Alley”.

11.02.070 Amendment

See definition of “Amendment”.

11.02.080 Buffer

See definition of “Buffer”.

11.02.090 Building

See definition of “Building”.

11.02.100 Building coverage

See definition of “Building coverage”.

11.02.110 Building height

See definition of “Building height”.

11.02.120 City

See definition of “City”.

11.02.130 Conditional uses

See definition of “Conditional uses”.

11.02.140 County

“County” means Thurston County.

11.02.150 Closed record appeal

“Closed record appeal” means an appeal on the record with no new evidence or information allowed to be submitted and only appeal argument allowed.

11.02.160 Day

“Day” refers to calendar day including weekends and City-recognized holidays; “working day” refers to a day that the City of Lacey conducts official business from Monday through Friday excluding City-recognized holidays. Should a statutory deadline end on a weekend or City-recognized holiday, the deadline shall be extended to 5:00 p.m. the next working day.

11.02.170 Department

“Department” means City of Lacey Community and Economic Development Department.

11.02.180 Development agreement

"Development Agreement" means those agreements provided under RCW 26.70B.170

11.02.190 Development capacity

"Development capacity" means the maximum development potential allowed under the zoning code, factoring in permitted uses, density limits, and development standards.

11.02.200 Duplex

See definition of "Duplex".

11.02.210 Dwelling

See definition of "Dwelling".

11.02.220 Dwelling unit

See definition of "Dwelling unit".

11.02.230 Easement

See definition of "Easement".

11.02.240 Emergency medical center

See definition of "Emergency medical center".

11.02.250 Enforcing officer

See definition of "Enforcing officer".

11.02.260 Federal

See definition of "Federal".

11.02.270 Floor area

See definition of "Floor area".

11.02.280 Floor area, gross

See definition of "Gross floor area".

11.02.290 Full administrative review

"Full administrative review" is used when the proposed development is subject to objective and subjective standards requiring the exercise of limited discretion about non-technical issues and about which there may be limited public interest. The proposed development may or may not be subject to SEPA review. Included under this type of review are binding site plans, short subdivisions, site plan review applications, certain wetland development permits, as prescribed in LMC 14.28.120, land clearing permits and other similar applications.

11.02.300 Gross area

See definition of "Gross area"

11.02.310 Hearings Examiner

See definition of "Hearings Examiner".

11.02.320 Home occupation

See definition of "home occupation".

11.02.330 Hospital

See definition of "Hospital".

11.02.340 Limited administrative review

"Limited administrative review" is used when the proposed development is subject to clear, objective and non-discretionary standards requiring the exercise of professional judgment about technical issues and the proposed development is exempt from the State Environmental Policy Act (SEPA). Included under this type of review are interpretation of codes and ordinances, single family building permits, design review, exempt tree removal requests, accessory dwelling units and other similar applications.

11.02.350 Lot

See definition of "Lot".

11.02.360 Legislative review

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

11.02.370 Lot area

See definition of “Lot area”.

11.02.380 Lot, corner

See definition of “Corner lot”.

11.02.390 Lot depth

See definition of “Lot depth”.

11.02.400 Lot line, front

See definition of “Front lot line”.

11.02.410 Lot or parcel, undeveloped

See definition of "Lot of parcel, undeveloped"

11.02.420 Lot line, rear

See definition of “Rear lot line”.

11.02.430 Lot width

See definition of “Lot width”.

11.02.440 Mall

See definition of “Mall”.

11.02.450 Multifamily

See definition of “Multifamily”.

11.02.460 Native vegetation

See definition of “Native vegetation”.

11.02.470 Open record hearing

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

11.02.480 Open space

See definition of “Open space”.

11.02.490 Open space, common

See definition of “Common open space”.

11.02.500 Open space, usable

See definition of “Usable open space”.

11.02.510 Parcel

See definition of “Parcel”.

11.02.520 Parking area

See definition of “Parking area”.

11.02.530 Parking, off-street

See definition of “Off-street parking”.

11.02.540 Parking space

See definition of “Parking space”.

11.02.550 Party of record

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

11.02.560 Permit assistance staff

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

11.02.570 Person

See definition of “Person”.

11.02.580 Planned residential developments

“Planned residential developments” means any development of land approved and developed in accordance with the terms of this title, including a plat or subdivision of such land.

11.02.590 Planning Commission

See definition of “Planning Commission”.

11.02.600 Premises

See definition of “Premises”.

11.02.610 Project permit application

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

11.02.620 Property line

See definition of “Property line”.

11.02.630 Public meeting

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

11.02.640 Quasi-judicial review

"Quasi-judicial review" is used when the development or use proposed under the application requires a public hearing before a hearings examiner. Included within this type of review shall be subdivisions, conditional use permits, planned residential developments, variances, certain wetland development permits, as prescribed in LMC14.28.110, shoreline substantial development permits administrative appeals, master plans and other similar applications.

11.02.650 Shoreline

See definition of “Shoreline”.

11.02.660 State

See definition of “State”.

11.02.670 Structure

See definition of “Structure”.

11.02.680 Storage Trailer

"Storage Trailer" means a unit originally or specifically used or designed to store goods during shipping or hauling by a vehicle, such as truck trailers or shipping containers.

11.02.690 Temporary Use

"Temporary Use" means a use established for a specified period of time with the intent to discontinue the use at the end of the designated time period, excluding uses defined as street merchant activities per LMC 16.72.

11.02.700 Use district

See definition of “Use district”.

11.02.710 Variance

See definition of “Variance”.

11.02.720 Yard

See definition of “Yard”.

11.02.730 Yard, front

See definition of “Front yard”.

11.02.740 Yard, rear

See definition of “Rear yard”.

11.02.750 Yard, shoreline

See definition of “Shoreline yard”.

11.02.760 Yard, side

See definition of “Side yard”.

Chapter 11.03 APPLICATION PROCESS

Sections:

11.03.010	Application forms
11.03.020	Presubmission meetings
11.03.030	Consolidated application process
11.03.040	Application submittal review appointment
11.03.050	Contents of application
11.03.060	Determination of completeness
11.03.070	Application vesting
11.03.080	Time limits
11.03.090	Notice of Application
11.03.100	Notice of Final Decision
11.03.110	Duration of approval

11.03.010 Application forms

A. An application shall be made using the appropriate form adopted by the department.

B. Each application form shall, at a minimum, include the following information:

1. The name, mailing address, electronic mail address, and telephone number of each applicant.
2. The name, mailing address, electronic mail address, and telephone number of the applicant's representative, if any.
3. The name, mailing address, electronic mail address, and telephone number of each owner of the subject property, if different than the applicant(s).
4. The name, mailing address, electronic mail address, telephone number and contractor registration number of the applicant's prime contractor and City of Lacey business registration number, if applicable.
5. The parcel number, legal description and assessor's parcel map for each parcel which is the subject of the proposed development.
6. The signature of each applicant or the applicant's authorized representative and each property owner if different than the applicant(s).
7. Any other information, documents or materials as determined by the department, which may be required in the body of the form or by an attachment to the form.
8. Mailing addresses for parcels within a minimum of 300-feet for projects requiring a public hearing. Village Center projects require addresses for parcels within a minimum of 1,000-feet of the subject property. The mailing list shall be prepared by a Title Company

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

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

D. Applications shall be submitted electronically in legible PDF format, or other file format as determined by the department.

11.03.020 Presubmission meetings

A. All prospective applicants shall participate in a presubmission meeting. The department may waive the requirement of a presubmission meeting where proposed development is subject to Limited Administrative Review.

B. The presubmission meeting shall take place virtually via electronic platform, or in person at the department’s office, unless the department and the applicant agree upon another location. The length of the presubmission meeting shall be determined by the complexity of the development proposed by the applicant.

C. An applicant may request additional presubmission meetings if the proposed development changes based on information received at the previous meeting. The additional meetings shall be subject to the same procedures as the initial presubmission meeting.

D. If one calendar year or more has passed since a presubmission meeting was held for a proposal and the required applications have not been submitted to the department, a new presubmission meeting shall be required. The department shall have the authority to waive this requirement or require a new presubmission meeting in advance of the one-year period upon determining whether the proposal or pertinent regulations have changed.

11.03.030 Consolidated application process

A. When more than one application for a proposed development is required, the applicant shall submit all applications for review at one time, unless otherwise determined by the department.

B. Applications for proposed development and planned actions subject to the provisions of the State Environmental Policy Act (SEPA) shall be reviewed concurrently and in accordance with state and local laws, regulations and ordinances.

C. When more than one application is submitted under a consolidated review and the applications are subject to different types of review procedures, all of the applications for the proposed development shall be subject to the most stringent level of review procedure which applies to any of the applications.

D. Under a consolidated application process, the Determination of Completeness, the Notice of Application, and the Notice of Final Decision must include all applications being reviewed.

11.03.040 Application submittal review appointment

A. Department staff shall determine whether an application submittal review appointment is necessary to review the completeness of a submitted land use application. The application submittal review shall determine if adequate information is provided in or with the application in order to begin processing the application and begin review.

B. All information and materials required by LMC 11.03.050 and from the Presubmission Meeting must be submitted at the application submittal review appointment.

C. Department staff will coordinate the involvement of agencies responsible for the review of setbacks, landscaping, parking, drainage, access, roads, traffic, signage, utilities and any other applicable requirements.

11.03.050 Contents of application

For an application to be deemed complete for purposes of beginning the formal project review and starting the review clock, the following basic submittal information shall be provided. During project review, additional information or studies may be requested in writing by the department if needed to address particular aspects of the project or site.

A. Applications shall be submitted using the forms provided by the department.

B. An application that is procedurally complete shall consist of all materials required by the permit application checklist, which are prepared pursuant to subsection C of this section, as supplemented in writing by the development review committee pursuant to the presubmission meeting process in LMC 11.03.020.

C. The enforcing officer may waive submittal items required by subsection D of this section depending on the permit application type.

D. Each application at a minimum shall include the following information:

1. A complete application form containing:

a. The title and location of the proposed project;

b. The names, addresses, telephone numbers, and electronic mail addresses of the record owner or owners of the land and of the applicant, and, if applicable, the names, addresses, telephone numbers, and electronic mail addresses of any architect, planner, designer, engineer, or other consultants responsible for the preparation of the land use permit application, and of any authorized representative of the applicant; and

- c. The designation of a single person or entity by the applicant to receive permit application determinations and notices required by this title;
2. A verified statement by the applicant that the property affected by the permit application is in the exclusive ownership of the applicant, or that the applicant has submitted the application with the consent of all the owners of the affected property;
3. A legal description of the site;
4. A title report or plat certificate issued by a title company which shows property ownership, and any easements or other encumbrances shall be submitted with the permit application package. Such title report or plat certificate shall be dated no more than thirty days prior to submittal;
5. The applicable permit application fee;
6. Complete plans, studies, and/or reports identified in the permit application checklist and presubmission meeting;
7. A complete description of each proposed use of the land and buildings, including the size of each use, and if it is a residential use, the number, size, and number of bedrooms of each dwelling unit;
8. All materials required by Title 14 LMC shall be included in the land use permit application, including a SEPA environmental checklist if required;
9. For land use actions proposing land division pursuant to Title 15 LMC, all materials required by that title shall be included in the land use permit application;
10. A site plan drawing or drawings at a scale of not less than one inch for each twenty feet which shall show:
 - a. General information:
 - i. Project name;
 - ii. Street address of property;
 - iii. Title block containing the drawing title, scale, revision number, if applicable, north arrow, and date;
 - iv. Vicinity map including streets and surrounding landmarks within five hundred feet of the property or enough information to easily locate the site on a large city map;

- v. Legal description of the property as provided by the Thurston County assessor's office;
- vi. Parcel numbers as provided by the Thurston County assessor's office;
- vii. Parcel map as provided by the Thurston County assessor's office showing all adjacent parcels;
- viii. Existing zoning;
- ix. Lot size;
- x. Square footage of floor area in each structure;
- xi. Parking spaces and parking lot dimensions;
- xii. Type of construction proposed;
- xiii. The proposed number of square feet in paved or covered surfaces, whether covered by buildings, driveways, parking lots, or any other structure covering land; and the total amount of square feet in the entire proposed project site;
- xiv. The proposed number of dwelling units and project density, including the number of dwelling units for each existing or proposed structure on the site and number of units per gross acre, if applicable;
- xv. The proposed number of square feet in gross floor area for each commercial, industrial, and institutional use, if applicable; and
- xvi. If the project will be developed in phases, the number of phases, the size of each phase, and the number of units or buildings for each phase;

b. Site information:

- i. Location of property lines, indicating exterior lines with bold solid lines and interior lines with long dashed lines;
- ii. If the property is to be divided pursuant to Title 15 LMC, the boundaries of each proposed lot and tract within the property;
- iii. Survey maps which delineate topographic contour lines showing both existing and proposed elevations, at two-foot intervals, extending a minimum of ten feet beyond the property line. The interval should be such that the existing and proposed slopes of the property can be determined on

the drawing. Proposed contours shall show ties to existing contours and show spot elevations as needed;

iv. All existing and proposed public and private easements;

v. The number and size of all phases in the proposed project, if applicable;

vi. Proposed building(s), including dimensions;

vii. Front, rear, and side building setbacks with clear dimensions;

viii. Distance to adjacent structures on site, if applicable;

ix. Locations and dimensions of off-street and on-street parking, including accessible parking, parking designated per unit if applicable, lot striping, wheel stops and curbing, including turning radii in the circulation pattern;

x. Locations and dimensions of existing and proposed driveways, traffic flow, emergency vehicle access, and parking lot circulation and maneuvering areas;

xi. Locations and dimensions of existing and proposed rights-of-way, streets, curbs, gutters, and street centerlines, including pavement edges;

xii. Dimensions and locations of walkways, trails, sidewalks, and curb cuts;

xiii. Sizes and locations of solid waste containers showing details of any site screening fences or structures and screening of dumpsters;

xiv. Location of existing and proposed signs including elevation, size, material, color, design, and method of illumination;

xv. Dimensions, types, and locations of fencing;

xvi. Locations, dimensions, and types of critical areas and buffers;

xvii. Information required by LMC 14.32 addressing trees and vegetation;

xviii. Locations, dimensions, and types of open space;

xix. Information required by the shoreline master program, if the property the project is located on is within shoreline jurisdiction;

xx. The existing zone district of the proposed project site and any other zone district within three hundred feet of the site; and

xxi. All special districts, including, but not limited to, school or water districts, in which the proposed project shall be located and all such districts within three hundred feet of the proposed project;

c. Building information:

i. Graphic renderings of existing and proposed buildings, unless architectural elevation drawings including height and number of stories, along with any mechanical roof-mounted equipment are required; and

ii. Generalized floor plans, planned uses for each area of building (including occupancy type, if known), finished floor elevations, and exiting and accessibility accommodations;

d. Infrastructure improvements:

i. Location of existing and proposed storm sewers, catch basins, utility holes, parking lot storm drains, detention structures, etc.;

ii. Locations and dimensions of stormwater treatment, flow control, and low impact development facilities;

iii. Location and size of existing and proposed water mains, valves, service lines, size of water meters, sprinkler systems, fire hydrants, and backflow devices;

iv. Location and size of existing and proposed sanitary sewer collectors, utility holes, pumping stations, force main and side services, including cleanouts; and

v. Location of other existing and proposed utilities, including, but not limited to, gas, power, telephone, streetlights.

11. A landscape plan prepared pursuant to Chapter 16.80 LMC, that is consistent with the proposed site plan; and

12. For properties containing wetlands or wetland buffers pursuant to Chapter 14.28 LMC, all informational requirements specified in Chapter 14.28 LMC.

11.03.060 Determination of completeness

A. Within twenty-eight (28) days after receiving an application, the department shall complete the Application Submittal Review and provide the applicant a written determination that the application is complete or incomplete. The number of days shall be calculated by counting every calendar day.

B. An application shall be determined complete only when it contains all procedural submission requirements of the department in accordance with LMC 11.03.050, unless otherwise waived by the enforcing officer. Additional information or studies may be required or project modifications may be undertaken subsequent to the procedural review of the application. At a minimum all of the of the following information and materials shall be included:

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

C. For applications determined to be incomplete, the department shall notify the applicant in writing that the procedural submission requirements have not been met and shall outline what is necessary to make the application procedurally complete. Within fourteen (14) days after its receipt of the requested requirements, information or materials, the department shall issue a Determination of Completeness or identify the additional requirements, information, or materials still necessary for completeness.

D. A Determination of Completeness shall not preclude the department from requesting additional information or studies, if additional information is required or a change in the proposed development occurs.

E. An application shall be deemed procedurally complete on the 29th day after receiving a project permit application if a determination is not provided in writing that the application is procedurally incomplete. When the department does not provide a written determination they may still seek additional information or studies to enable review of the application

F. The Notice of Application shall be provided within 14 days after the Determination of Completeness pursuant to RCW 36.70B.110

11.03.070 Application vesting

A. Vesting of applications is governed by the rules of RCW 19.27.095 and RCW 58.17.033. The vested rights doctrine shall not be applied more broadly than its intended scope.

B. Vesting occurs with the filing of a complete application of the following:

1. Building permits;
2. Project permit applications;
3. Division of land applications, as regulated by Title 15 LMC; and
4. Any other project permit application that is specifically identified by the Washington State legislature as being covered by the vested rights doctrine.

C. Vesting does not apply to any of the following:

1. Incomplete, invalid, inaccurate or defective applications;
2. Fees or taxes, including, but not limited to, impact fees;
3. Municipal stormwater regulations adopted under the federal and state National Pollutant Discharge Elimination System (NPDES) program;
4. Pre-submission conferences;
5. Processes and procedures;
6. Any other application or permit not specifically identified in subsection B of this section;
7. Uses not specifically disclosed in the application; or
8. Any application or permit that may reasonably result in a threat to the public health, safety, or welfare of the community. The city's exercise of police power to protect the public health and safety, and/or general welfare immediately extinguishes any "vested right."

D. Modifications proposed by the applicant which meet or exceed any of the criteria for a major revision and/or amendment, as specified by each application chapter, shall require a new application. The new application shall conform to the development regulations which are in effect at the time the new complete application is submitted.

E. Modifications proposed by the applicant which do not exceed any of the criteria for a major revision and/or amendment, as specified by each application chapter, shall be reviewed for the development regulations in effect on the date of the original complete application.

F. The following applies to applications described in subsection B of this section:

1. Applications shall be reviewed for consistency with the zoning or other land use control ordinances in effect on the date the application is deemed complete.
2. An application shall be subject to all applicable development regulations in effect on the vesting date.
3. Supplemental information required after an application is deemed complete shall not affect the validity of the vesting for the application.
4. Applications submitted that are not listed in subsection B of this section shall be governed by the standards applicable to the specific application type. These applications shall not vest for any additional development regulations.

G. Vesting may be waived as follows:

1. A property owner may voluntarily waive vested rights at any time during the processing of an application by delivering a written and signed waiver to the approval authority stating that the property owner agrees to comply with all development regulations in effect on the date of delivery of the waiver.
2. Major plat amendments shall constitute a voluntary waiver of vested rights at the time of the submittal of the major plat amendment, unless otherwise approved by the approval authority.

11.03.080 Time limits

A. The number of days an application is in review with the city shall be calculated from the day completeness is determined, to the date the final decision is issued. The number of days shall be calculated by counting every calendar day.

B. In determining the number of days that have elapsed after the enforcing officer has established that an application is complete, the following time periods shall be excluded:

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

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

C. An additional 30 days may be added to the time periods for action to issue a final decision for each type of project permit if:

1. The applicant informs the department, in writing, that they would like to temporarily suspend the review of the project for more than 60 days; or

2. The applicant is not responsive for more than 60 consecutive days after the department has notified the applicant that additional information is required to further process the application. Upon request for additional information the city shall provide a notice that nonresponsiveness for 60 consecutive days may result in 30 days being added to the time for review.

3. For the purposes of this subsection, "nonresponsiveness" means that an applicant is not making demonstrable progress on providing additional requested information, or that there is no ongoing communication from the applicant to the department on the applicant's ability or willingness to provide the additional information.

D. Once the department has notified the applicant in writing that additional information is required to further process the application, the applicant shall have one hundred eighty days to submit the responsive information to the department, or the application shall expire.

1. Prior to the expiration noted above, the applicant may request an extension of time in writing to submit the responsive information to the department. The department may grant an extension if the required studies or information warrant additional time.

2. Knowledge of and compliance with all time limits shall be the responsibility of the applicant.

E. For applications subject to limited administrative review and full administrative review where the department has determined that additional information is required to further process the application, and the department has requested such information on two occasions without resolution:

1. The department shall meet with the applicant during the review process to attempt to resolve outstanding issues. Within fourteen (14) days of a second request for corrections, the department shall contact the applicant to arrange a meeting to discuss outstanding issues at a date and time agreed upon by both parties.

2. If the meeting does not resolve the issues related to the permit, and the department makes a third request for corrections or additional information, the department shall approve or deny the application upon receiving the materials unless the department and the applicant

agree, in writing, to continue the review process beyond the third submittal if the project cannot be approved at that time.

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

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

11.03.090 Notice of application

A. Within fourteen days after issuing a Determination of Completeness, the department shall issue a Notice of Application. However, a Notice of Application shall not be required for project permits that are categorically exempt under Chapter 43.21 RCW, unless an open record public hearing is required or an open record appeal hearing is allowed on the project permit decision. The notice shall include, but not be limited to the following:

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

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

B. Informing the public

1. No notice shall be required for limited administrative review.

2. Notice shall be provided for land use applications subject to the full administrative review procedures outlined in LMC 11.04.040 in the following manner, except for short subdivision applications, which shall be subject to the notification requirements of subsection 3 below:

a. The Notice of Application shall be published on the official website of the City of Lacey and include at a minimum the following information: the project location, description, type of permit required, comment period dates and location where the complete application may be reviewed.

3. Notice shall be provided for land use applications subject to the quasi-judicial or legislative review procedures outlined in LMC 11.04.050 and 11.04.060 and short subdivisions in the following manner:

a. The Notice of Application shall be posted on the subject property for the duration of the public comment period and at a minimum include the following information: the project location, description, type of permit required, comment period dates and location where the complete application may be reviewed. The Notice of Application shall be posted in a manner that is highly visible to the general public from the public right-of-way adjacent to the site.

b. The Notice of Application shall be published on the official website of the City of Lacey, and include at a minimum the following information: the project location, description, type of permit required, comment period dates and location where the complete application may be reviewed.

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

11.03.100 Notice of Final Decision

A. A Notice of Final Decision on an application shall be issued by the department in the following time periods based on notice requirements of the application:

1. For project permits that do not require public notice, those projects subject to limited administrative review, a final decision shall be issued within 65 days of the Determination of Completeness.

2. For project permits requiring a public notice, those projects subject to full administrative review, a final decision shall be issued within 100 days of the Determination of Completeness.

3. For project permits requiring public notice and a public hearing, those projects subject to quasi-judicial review, a final decision shall be issued within 170 days of the Determination of Completeness

B. The number of days in which a final decision must be issued shall be calculated in accordance with LMC 11.03.080.

C. Annual amendments to the Comprehensive Plan are not subject to the timeline requirements of this section.

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

E. A Notice of Final Decision does not apply to projects subject to legislative review.

11.03.110 Duration of approval

A. The applicant is responsible for knowing the expiration date of any permit approval. The city shall not be responsible for notifying an applicant of expirations.

B. Land use permit approvals:

1. Except as noted elsewhere in this section, the following land use permit approvals shall be valid for a period of twenty-four months.

a. Site plan review

b. Conditional use permit

c. Variance

d. Design review

e. Wetland development permit

f. Planned residential development (not involving a division of land)

g. Land clearing permits subject to full administrative review, in accordance with LMC 11.04.040.

2. Except as noted elsewhere in this section, the following land use permit approvals shall be valid for a period of twelve months:

a. Temporary use permits, unless the enforcing officer establishes a shorter time frame.

3. Durations of land use permit approval shall begin on the date a Notice of Final Decision is issued.

4. Approval shall expire according to the timeframes established by this section, unless complete applications for necessary building and construction permits have been submitted. Land use permit approvals shall expire simultaneously with expiration of any associated land use, building, or other construction permit or approval.

5. Approval of land use permits listed in subsection (B)(1) of this section may be extended an additional six months by the enforcing officer pursuant to a written request submitted prior to the expiration of land use permit approval.

a. The enforcing officer may grant, limit, or deny the extension and may impose conditions of extension to ensure compliance with any subsequently revised standards.

b. If such a written request for extension is not received by the department prior to expiration, the director shall deny such extension.

c. Prior to granting an extension, the applicant must demonstrate to the satisfaction of the approval authority that events beyond the control of the applicant prevented commencement of use, development, or construction.

6. Approval of land use permits listed in subsection (B)(2) of this section may be extended an additional twelve months by the enforcing officer pursuant to a written request submitted prior to the expiration of land use permit approval.

a. Such extensions may be granted up to four times.

b. A maximum of one extension may be requested during each twelve-month period that the permit is valid.

c. The enforcing officer may grant, limit, or deny the extension and may impose conditions of extension to ensure compliance with any subsequently revised standards.

d. If such a written request for extension is not received by the department prior to expiration, the director shall deny such extension.

7. If there are multiple land use permit approvals for a project with conflicting approval periods, the longest approval period shall be followed.

C. Land division approvals:

1. The durations of approval for preliminary land division and the time limits for filing an approved final land division are found in Title 15 LMC.

2. Time periods related to expiration of land division approvals are found in Title 15 LMC.

Chapter 11.04 APPLICATION REVIEW

Sections:

11.04.010	Application review standards
11.04.020	Application review classification
11.04.030	Limited administrative review
11.04.040	Full administrative review
11.04.050	Quasi-judicial review
11.04.060	Legislative review

11.04.010 Application review standards

A. Review of an application and proposed development shall be governed by and be consistent with the fundamental land use planning policies and decisions which have been made in adopted comprehensive plans and development regulations.

B. The review process shall consider the type of land use permitted at the proposed site, the density and intensity of the proposed development, the infrastructure available and needed to serve the development, the character of the development and its consistency with development regulations.

C. In the absence of applicable development regulations, the applicable development criteria in the comprehensive plan or sub-area plan adopted under RCW 36.70A shall be determinative.

11.04.020 Application review classification

A. An application shall be reviewed at one of four levels: Limited Administrative Review, Full Administrative Review, Quasi-Judicial Review, or Legislative Review.

B. If any chapter or the Lacey Municipal Code provides that a proposed development is subject to a specific type of review, or a different review procedure is required by law, then the application for such development shall be processed and reviewed accordingly.

C. If this title does not provide for a specific type of review and/or if a different review procedure is not required by law, then the department shall determine the type of review to be used for the type and intensity of the proposed development.

D. Any public meeting or required open hearing may be combined by the department with any public meeting or open record hearing that may be held on the proposed development by another local, state, federal or other agency. Hearings shall be combined if requested by the applicant. However, joint hearings must be held within the City of Lacey and within the time limits of this title and RCW Chapter 36.70B.

11.04.030 Limited administrative review

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

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

B. A final decision on the application shall be issued within 65 days of Determination of Completeness, in accordance with LMC 11.03.060.

11.04.040 Full administrative review

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

A. If the proposed development is subject to the State Environmental Policy Act (SEPA), the threshold determination shall be made after the closing of the public comment period associated with the Notice of Application.

B. The department shall distribute copies of the complete application to agencies and departments affected by the proposal or with review authority. The community development department shall set a date for return of findings and recommendations from each commenting agency or department.

C. Upon the completion of the application comment period and the issuance of an environmental determination, if applicable, the department may approve, approve with conditions, or deny the application. The department shall electronically mail the Notice of Decision to the applicant and all parties of record, unless another method of notification is requested by any party. The decision shall include:

1. A statement of the applicable criteria and standards in the development codes and other applicable law.
2. A statement of the findings of the review authority, stating the application's compliance or non-compliance with applicable criteria, and assurance of compliance with applicable standards;
3. The decision to approve or deny the application and, if approved, conditions of approval necessary to ensure the proposed development will comply with all applicable law;
4. A statement that the decision is final unless appealed as provided in Chapter 11.05 LMC to the City of Lacey within fourteen (14) calendar days after the date the Notice of Decision is mailed. The statement shall describe how a party may appeal the decision, including applicable fees and the elements of a notice of appeal; and
5. A statement that the complete case file, including findings, conclusions and conditions of approval, if any, is available for review. The notice shall list the name, electronic mailing address, and telephone number of the department's representative to contact to request application material.

D. A final decision on the application shall be issued within 100 days of Determination of Completeness, in accordance with LMC 11.03.060.

11.04.050 Quasi-judicial review

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

A. If the proposed development is subject to the State Environmental Policy Act (SEPA), the threshold determination shall be made after the closing of the public comment period associated with the Notice of Application.

B. The community and economic development department shall distribute copies of the complete application to agencies and departments affected by the proposal or with review authority. The community and economic development department shall set a date for return of findings and recommendations from each commenting agency or department.

C. Upon the completion of the application comment period, the issuance of an environmental determination and of the environmental appeal period, the department shall schedule a hearing with the City of Laceyhearings examiner, when applicable.

D. At least ten (10) days before the date of a public hearing public notice shall be issued containing the date, time, location and purpose of the hearing by posting the subject site and the nearest intersection, posting at City Hall, publishing notice in the official City newspaper and mailing notice to property owners of record located within a minimum of 300 feet of the subject property. If the applicant owns adjoining land, the distance of notification shall be measured from outside of the applicant's ownership. Failure to receive a public hearing notice shall not invalidate the hearing.

E. At least ten (10) days before the date of the public hearing, the department shall issue a written staff report, integrating the SEPA review and threshold determination and recommendation regarding the application(s), shall make available to the public a copy of the staff report for review and inspection, and shall provide a copy of the staff report and recommendation to the applicant or the applicant's designated representative. The department shall make available a copy of the staff report, subject to payment of a reasonable charge, to other parties who request it.

F. Public hearings shall be conducted in accordance with the rules of procedure adopted by the hearings examiner. A public hearing shall be recorded on either audio or audio-visual tape. If for any reason the hearing cannot be completed on the date set in the public notice, it may be continued during the public hearing to a specified date, time and location without further public notice required.

G. The hearings examiner may approve, approve with conditions or deny the application and shall provide written notice of its decision to the department, applicant, the applicant's designated representative, the property owner(s), and any other parties of record within fourteen (14) days of the close of the public hearing. The final decision of the Hearings Examiner shall include:

1. A statement of the applicable criteria, standards and law;

2. A statement of the findings the hearings examiner made showing the proposal does or does not comply with applicable approval criteria and assurance of compliance with applicable standards;
3. A statement that the decision is final unless appealed, pursuant to Chapter 11.05 LMC, to Superior Court within twenty-one days of the issuance of the decision; and
4. A statement that the complete case file, including findings, conclusions and conditions of approval, if any, is available for review. The notice shall state the name, electronic mail address, and telephone number of the department's representative to contact to request application material.

H. A final decision shall be issued within 170 days of the Determination of Completeness, in accordance with LMC 11.03.060.

11.04.060 Legislative review

Legislative Review requires at least one public hearing before the City of Lacey planning commission and one public meeting before the Lacey city council. Legislative Review shall be conducted as follows:

- A. If the proposed development is subject to the State Environmental Policy Act (SEPA), the threshold determination shall be made after the closing of the public comment period.
- B. Upon the completion of the comment period required by SEPA and the issuance of an environmental determination if applicable, the department shall schedule an open record hearing with the City of Lacey planning commission.
- C. At least ten (10) days before the date of the planning commission open record hearing the department shall issue public notice of the date, time, location and purpose of the hearing by posting at City Hall and publishing notice in the official city newspaper. The notice shall include notice of the SEPA threshold determination issued by the department. If the project is site specific, in addition to the abovementioned notifications, the subject site shall be posted and notice shall be mailed to property owners of record located within a minimum of 300-feet of the subject site.
- D. At least ten (10) days prior to the open record hearing, the department shall issue a written staff report regarding the application(s), shall make available to the public a copy of the staff report for review and shall provide a copy of the staff report and recommendation by electronic mail to the applicant or the applicant's designated representative, and planning commission members, unless another method of notification is requested by the parties. The department shall make available a copy of the staff report, subject to payment of a reasonable charge, to other parties who request it.
- E. Following the public hearing, in accordance with RCW 36.70A.035, the recommendation of the planning commission shall be forwarded to the city council. Upon receiving the recommendation from the planning commission, the city council shall set a public meeting to consider the proposal, at which the council may accept, modify or reject the recommendation.

F. The city council may accept, modify, deny or remand the proposal back to the planning commission for further review. The approval of comprehensive plan amendments and zoning changes by the city council shall be adopted by ordinance.

G. The final decision of the city council shall be in writing and include:

1. A statement of the applicable criteria and law;
2. A statement of the findings indicating the application's or proposed development's compliance or non-compliance with each applicable approval criterion;
3. If denied, a statement that the decision is final unless appealed, pursuant to Chapter 11.05 LMC, to Superior Court within twenty-one (21) days of the issuance of the decision, as determined pursuant to RCW 36.70A.280; and
4. A statement that the complete case file, including findings, conclusions and conditions of approval, if any, is available for inspection. The notice shall state the place, days and times when the case file is available for inspection and the name and telephone number of the department representative to contact to arrange inspection.

Chapter 11.05 APPEALS

Sections:

11.05.010	Appeals
11.05.020	Stays
11.05.030	Appeals to hearings examiner
11.05.040	Reconsideration of an administrative decision
11.05.050	Reconsideration of hearings examiner decision
11.05.060	Clarification of hearings examiner decision
11.05.070	Judicial appeals of final decisions
11.05.080	SEPA appeals

11.05.010 Appeals

A. An administrative appeal of a decision of the department after Limited and Full Administrative Review shall be filed with the department by the applicant or any party of record pursuant to LMC 11.05.030. The hearings examiner at a public hearing shall hear the administrative appeal as an open record appeal.

B. An appeal of a final decision by the hearings examiner shall be timely filed as a judicial appeal pursuant to LMC 11.05.070

C. An appeal of a final decision of the city council shall be timely filed as a judicial appeal pursuant to LMC 11.05.070.

D. The City shall have no obligation to the applicant or to any party to defend an appeal of a decision of the department, hearings examiner or the city council.

E. An aggrieved person, agency or department with standing may appeal a decision made by the City of Lacey. A person, agency or department with standing is one who is a party of record.

11.05.020 Stays

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

11.05.030 Appeals to hearings examiner

A. Appeals may be taken to the hearings examiner only by a party of record or by any officer, department, board, council or commission of the City affected by any order, requirement, permit, decision or determination made by an administrative official in the administration or enforcement of this title or any amendment thereto. Such appeals shall be filed in writing with the department

on forms provided by the department within fourteen (14) days after the date of decision and shall be accompanied by the required fee. The department shall promptly forward a copy of such appeal to the examiner.

B. Every appeal shall state in writing:

1. The decision being appealed.
2. The name and address of the appellant and his/her interest(s) in the application or proposed development.
3. The specific reasons why the appellant believes the decision to be erroneous, including identification of each finding of fact, each conclusion, and each condition or action ordered which the appellant alleges is erroneous. The appellant shall have the burden of proving the decision is erroneous.
4. The specific relief sought by the appellant.

C. Failure to state specific grounds of the appeal and relief sought may result in dismissal of such appeal. The City staff or any party may request dismissal of an appeal at any time with notice to all parties. Upon finding that the appeal fails to state cause to reverse or modify the decision or that the examiner lacks jurisdiction to grant relief, the examiner may dismiss such appeal without hearing. The examiner shall state in writing whether such dismissal is with or without prejudice.

D. Upon the finding that an appeal has sufficient merit the hearings examiner shall set the time and place at which the matter will be heard. At least a ten day notice of the time and place of such open record appeal hearing shall be given to the parties of record and to the official whose decision is being appealed. The department shall transmit to the hearings examiner a copy of all of the records pertaining to the decision being appealed, together with written reports as the hearings examiner deems pertinent.

E. By agreement of all parties thereto, the appeal hearing may be waived. Such appeal may be decided by the examiner on the basis of written briefs or memoranda.

F. The examiner shall only grant the relief requested by an appellant upon finding that the appellant has established that:

1. The staff failed to follow a prescribed administrative procedure related to the underlying action;
2. The staff's decision was an erroneous interpretation of the law;
3. The decision is not supported by substantial evidence within the context of the whole record;
4. The decision is a clearly erroneous application of the law to the facts;

5. The decision is outside the authority or jurisdiction of the decision-maker;
6. The decision violates the constitutional rights of the party seeking relief, or
7. The decision is clearly in conflict with the City's adopted plans, policies or ordinances.

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

H. All appeals filed in accordance with LMC 14.18.030 shall be heard by the hearings examiner. Such appeals shall follow the procedures contained herein.

11.05.040 Reconsideration of an administrative decision

A. A party of record may make a written application requesting reconsideration of an administrative decision if the appellant asserts the decision of the enforcing officer is based upon any of the following factors:

1. Erroneous procedure;
2. Error of law or fact; or
3. Error in judgment.

B. The application shall be made within the ten days following issuance of a written decision.

C. The period to appeal the decision shall be held in abeyance from the date of filing the written request for reconsideration to the date of the decision on reconsideration.

D. The request shall set forth the specific errors and any arguments for reconsideration, limited to the evidence in the administrative record, relied upon by such appellant. The enforcing officer may, after review of the record, take further action as deemed proper.

E. The department shall transmit the written request for reconsideration to all parties of record not later than the day following the filing of the request. The request shall be transmitted by electronic mail, unless another method of notification is requested by any party.

F. Parties of record shall have seven days following the date of transmittal to file a written response.

G. The enforcing officer may request further information. Such information shall be provided within ten days of the request for additional information, or the request for reconsideration shall be considered null and void. Upon voiding the request for reconsideration, the original appeal period shall recommence for the remaining number of days.

H. The written decision on the request for reconsideration shall be transmitted to all parties of record within fourteen days of either the close of the written response period, as described in subsection F of this section, or receipt of the additional information requested, whichever is later.

I. A new fourteen-day appeal period shall commence upon the issuance of a reconsideration, in accordance with LMC 11.05.030.

K. Each party of record to a decision shall be limited to applying for one request for reconsideration. Requests for reconsideration shall not be accepted after issuance of reconsideration.

11.05.050 Reconsideration of hearings examiner decision

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

B. After issuance of a final decision or recommendation any party, including the community and economic development department, may file a motion for reconsideration on an appeal to the hearing examiner in accordance with subsection (B) of this section. Such motion must be filed within fourteen days of service of the final decision or recommendation. The original of the motion for reconsideration shall be filed at the community and economic development department with a copy to the city attorney's office. At the same time, copies shall be served on all parties of record. Within five days of filing the motion for reconsideration, a party may file an answer to the motion for reconsideration. The hearing examiner may require other parties to supply an answer. All answers to motions for reconsideration shall be served on all parties of record.

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

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

D. In response to a motion for reconsideration, the hearings examiner may deny the motion, modify its decision or recommendation, or reopen the hearing. A motion is deemed denied unless the hearings examiner takes action within 20 days of the filing of the motion for reconsideration. A hearings examiner order on a motion for reconsideration is not subject to a motion for reconsideration.

E. A decision in response to the petition for reconsideration shall constitute a final decision and order for purposes of judicial review. Copies of the final decision and order shall be served on each party or the party's attorney or other authorized representative of record, unless the decision is deemed denied following the 20-day time frame set forth in subsection (C) of this section.

F. The time for an appeal does not commence until disposition of the motion for reconsideration. If the hearings examiner takes no action under subsection (3) of this section, the motion for reconsideration is deemed disposed at the end of the 20-day period. The filing of a motion for reconsideration is not a prerequisite for seeking judicial review.

11.05.060 Clarification of hearings examiner decision

A. Any interested party believing that a decision or recommendation of the hearings examiner is ambiguous, vague, or internally inconsistent may request clarification of the decision by the examiner. Such a request shall be submitted to the department with the applicable fee and shall set forth the specific provision requiring additional clarity. The department shall forward such request to the examiner. Upon receipt of such a request, the hearings examiner may take action as the examiner deems appropriate to the circumstances.

B. A request for clarification shall not provide an opportunity for reconsideration of a decision nor for introduction of new evidence. Except as ordered by the examiner, the filing of a request for clarification shall not alter any appeal period or delay issuance of any permit.

C. When the examiner determines that a clarification is in order, the examiner may issue a supplemental or clarified decision or recommendation. As deemed appropriate by the examiner, the examiner may order that the supplemental or clarified decision or recommendation be subject to appropriate notice and an opportunity for appeal.

11.05.070 Judicial appeals of final decisions

A. Appeals of an action of the City, with respect to an application for which all administrative appeals specifically authorized have been timely exhausted, shall be filed in the Thurston County Superior Court and served on all necessary parties within twenty-one (21) days after the date of issuance of the Notice of Final Decision, as determined pursuant to RCW 36.70C.040.

B. Notice of the appeal and any other pleadings required to be filed with the Superior Court shall be served on the city manager, the city attorney, and the director of community and economic development within the twenty-one (21) day time period.

C. The appellant may arrange for transcription of any hearings held on the application and copies from the file. All costs of transcribing the record, copying the file, and preparing the record on appeal shall be paid by the appellant. The appellant shall, prior to the department's preparation of the record, pay an advance deposit to the department in an amount determined by the department's fee schedule for copying materials. The fee schedule shall represent the department's reasonable costs of duplicating the record. Any excess advance deposit shall be promptly refunded to the appellant.

D. The action of the city council approving Comprehensive Plan amendments shall be final and conclusive, unless appealed to the Growth Management Hearings Board as provided under the

Revised Code of Washington. The cost of preparing and certifying the transcript of records ordered by the Board shall be borne by appellant.

E. Appeals of a decision to grant, deny or rescind a shoreline permit shall be governed by the provisions of Chapter 90.58 of the Revised Code of Washington.

11.05.080 SEPA appeals

A. Any appeal brought under the State Environmental Policy Act (SEPA) shall be linked to a specific governmental action. SEPA provides a basis for challenging whether governmental action is in compliance with the substantive and procedural provisions of RCW Chapter 43.21C, WAC Chapter 197-11 and Title 14 of the Lacey Municipal Code. It is not intended to create an independent cause of action unrelated to a specific governmental action.

B. Appeals of environmental determinations made (or lacking) under SEPA shall be commenced within fourteen calendar days from the date the environmental determination is made. The environmental appeal hearing shall be consolidated into the public hearing for the underlying permit application for applications subject to quasi-judicial review. Appeals of an environmental determination associated with an application subject to full administrative review or legislative review defined as a non-project action under SEPA shall be scheduled for a public hearing before the City of Lacey .

C. Any SEPA appeal hearing associated with full administrative review shall not occur until after the underlying administrative decision has been issued.

D. Quasi-judicial hearings shall not occur sooner than 10 days from expiration of a SEPA appeal deadline.

E. A person aggrieved by a City action or failure to act has the right to a judicial appeal pursuant to RCW Chapter 43.21C, RCW Chapter 36.70C and WAC Chapter 197-11.

Chapter 11.06 INTERPRETATIONS AND AMENDMENTS

Sections:

11.06.010	Applicability
11.06.020	Authority
11.06.030	Review process for amendments
11.06.040	Review criteria for amendments
11.06.050	Review process for interpretations

11.06.010 Applicability

A. Proposed amendments may be requested by:

1. The city manager, city council, or planning commission by submitting the request in writing to the community and economic development director.
2. The community and economic development director, including issued code interpretations.
3. Private parties by submitting an application to the community and economic development department.

B. Any person may submit a written request for code interpretation to the community and economic development director, regarding any applicable title as listed in LMC 11.06.020 or any subsequent amendment thereto.

11.06.020 Authority

In accordance with RCW 36.70A.470, a summary containing written comments on requested development regulation amendments shall be coordinated by the community and economic development department. The text revision process is the means to either request a change, identify needed corrections, or both. The community and economic development director has the authority to issue code interpretations of provisions within the following titles of the LMC:

- A. Title 11 Development Procedures;
- B. Title 14 Building and Construction;
- C. Title 15 Land Division; and
- D. Title 16 Zoning.

11.06.030 Review process for amendments

A. Applications for amendments may be submitted at any time and placed on the docket. Amendments as designated by the city manager or their designee may undergo review and processing outside the annual processing cycle as identified within this chapter.

B. The community and economic development department will maintain a docket of suggested amendments that include the following:

1. Name and address of the person or agency requesting the amendment;
2. Description of the amendment;
3. Date of the request; and
4. Map of the affected area, if appropriate.

C. The council will review the docket to determine which applications to include in the planning commission's annual work program.

D. The community and economic development department may conduct its review of the proposed amendment concurrently with planning commission review. However, all departmental reporting and evaluation, including necessary environmental review, shall be completed prior to the planning commission making recommendations on the amendments.

E. Public noticing and comment periods shall follow the process for legislative review of applications in accordance with LMC 11.04.060.

F. The planning commission shall forward a recommendation to the city council following subsequent review and public hearing.

G. Following review by city council, amendments under this chapter shall be adopted by ordinance of the city council.

11.06.040 Review criteria for amendments

All amendments will be evaluated upon the following:

A. Consistency and compliance with the Comprehensive Plan; and

B. All revisions must meet one or more of the following criteria:

1. The revision eliminates conflicts within the code or between the code and the Comprehensive Plan; or
2. The revision changes code language to provide clarity, consistency, or ease of administration; or
3. The revision directly implements or strengthens policies of the Comprehensive Plan; or
4. The revision accommodates new policy directives of the city council or administration.

11.06.050 Review process for interpretations

A. Requests for code interpretations shall include:

1. The subject matter or nature of the request; and
2. The section of the code that is allegedly ambiguous or needing clarification;
3. Any facts relevant to the request; and
4. Elements listed in 11.03.010 and 11.03.050 LMC, unless otherwise waived by the enforcing officer.

B. The community and economic development director or designee may deny or reject the request if there is no ambiguity or need for clarification demonstrated by the requestor.

C. Accepted requests for code interpretations shall be reviewed in accordance with the limited administrative review process and timelines outlined in 11.04.030 LMC.

D. Requests shall be reviewed for consistency with the criteria identified within LMC 11.06.40.

E. The community and economic development director or designee shall publish issued interpretations to the City website for public viewing.

F. Once an interpretation is issued, the community and economic development director or designee may consider the issue resolved and reject future requests to render additional interpretation on the matter.

G. Issued interpretations shall follow the process of amendments in accordance with LMC 11.06.030 and be amended annually.

Chapter 11.07 SITE PLAN REVIEW

Sections:

11.07.010	Applicability
11.07.020	Authority
11.07.030	Application requirements
11.07.040	Review criteria
11.07.050	Amendment of site plan
11.07.060	Appeals
11.07.070	Duration of approval
11.07.080	Penalty for noncompliance

11.07.010 Applicability

Site plan review and approval shall be required for any of the following activities:

A. The use of land for the location of any commercial, industrial or public building or activity.

B. The location of any building containing more than two dwelling units or lot with more than one residential structure other than a permitted accessory dwelling.

C. A change of land use at an existing site or structure when the new activity:

1. Requires either a change of occupancy according to the Building Code or is a change of land use according to the Standard Industrial Classification code; and

2. Results in an intensification of land use; and

3. Requires new development conditions to comply with existing regulations.

4. For the purposes of this subsection, "intensification" shall be considered any modification that results in a ten percent or greater increase of any measurable standard associated with the development, unless otherwise determined by the Site Plan Review Committee. Measurable standards include, but are not limited to, gross square footage, number of parking stalls, PM Peak Hour Trips, total amount of impervious surface, and building height

5. This provision may not apply to malls (buildings with ten or more tenants sharing common parking) where original conditions to establish the mall complex anticipated a range of tenants and existing facilities and where it can be shown existing infrastructure can accommodate the new intensified use.

D. Expansion of an existing commercial, industrial, public or multifamily structure or use. Provided residential duplexes are exempt.

E. A remodel of an existing structure where the remodel is fifty percent or more of the assessed valuation of existing structures.

1. The remodel value shall be calculated according to methodology described in Chapter 14.04 LMC adopting the Building Code.
2. The value of existing structures shall be the most recent value assigned by the county assessor.
3. The fifty percent threshold shall be cumulative over the most recent five years, including calculations of all previously exempt remodels, but shall not include life/safety improvements or normal maintenance not requiring a building permit.
4. Remodels of residential duplex, triplex, and quadraplex shall be exempt from site plan review.
5. Interior alterations shall be exempt from site plan review, provided that interior alterations do not result in any of the following:
 - a. Additional sleeping quarters or bedrooms; or
 - b. Nonconformity with federal emergency management agency 10 substantial improvement thresholds; or
 - c. Increase the total square footage or valuation of the structure thereby requiring upgraded fire access or fire suppression systems.
 - d. For purposes of this subsection, interior alterations include construction activities that do not modify the existing site layout or its current use and involve no exterior work.

F. Uses and activities within designated environmentally sensitive areas or their buffers pursuant to the requirements of LMC Title 14.

G. As deemed necessary by Lacey review staff to effectively evaluate an application and project proposal.

11.07.020 Authority

A. The Site Plan Review Committee (SPRC) shall consist of the following members:

1. Community and economic development director, or their designees, who shall serve as chair;
2. City manager, or their designees; and
3. Director of public works, or their designees.

B. The SPRC shall review a site plan in accordance with the full administrative review process and timelines outlined in LMC 11.04.040.

C. The SPRC shall have the prerogative of refusing to rule on a site plan review if in the opinion of the SPRC the site plan is sufficiently complex that it should be reviewed by the hearings examiner according to the quasi-judicial process in LMC 11.04.050. The SPRC shall decide to transfer review authority to the hearings examiner within fourteen days of the Determination of Completeness, according to LMC 11.03.060.

11.07.030 Application requirements

A. Site plan review applications shall include the information required by LMC 11.03.050, unless otherwise waived by the enforcing officer.

B. The SPRC, hearings examiner or city council may require the applicant to submit any additional information or material which is found to be necessary for the proper review and hearing of the application.

11.07.040 Review criteria

The approval authority may approve, deny, modify, or condition a site plan review application, based on consideration of the following factors:

A. Mitigation of impacts to the site. This may include:

1. Designing for privacy and noise reduction;
2. Considering the scale of proposed structures in relation to natural characteristics and site amenities;
3. Designing parking areas to minimize impervious surfaces; and
4. Using landscaping enhancement or protection to enhance the appearance of the project.

B. Mitigation of impacts to surrounding uses. This may include:

1. Restricting overscale structures and overconcentration of development;
2. Providing desirable transitions and linkages between uses, streets, walkways and adjacent properties;
3. Locating, designing and screening storage areas, utilities, rooftop equipment, loading areas, and refuse and recyclables. to minimize views from surrounding properties;
4. Recognizing the public benefit of maintaining visual accessibility to natural features;
5. Using landscaping to provide transitions between development and surrounding properties; and

6. Designing and/or placing exterior lighting avoid excessive brightness or glare to adjacent properties and streets.

C. Safe and efficient access and circulation for all users. This may include:

1. Consolidating ingress and egress points on and off site when feasible;
2. Promoting safety and efficiency of the internal circulation system;
3. Providing transit, carpools and bicycle facilities and access; and
4. Providing safe and attractive pedestrian connections.

D. Arrangement of project elements to protect existing natural systems where applicable.

E. Evidence that necessary infrastructure is available, including public facilities and services needed to serve the development.

F. Building design and site design comply with the following provisions:

1. Comprehensive Plan;
2. Applicable development regulations;
3. Applicable design regulations; and
4. The Washington State Environmental Policy Act (SEPA), if not otherwise satisfied.

11.07.050 Amendment of site plan

An approved site plan may be amended as follows:

A. Minor modifications to an approved site plan shall result in less than a ten percent increase in any measurable standard associated with the development, unless otherwise determined by the SPRC. No additional review process shall be required for minor modifications.

B. Major modifications shall result in a ten percent or greater increase in any measurable standard associated with the development, unless otherwise determined by the SPRC. Major modifications shall be subject to a new site plan review application reviewed in accordance with LMC 11.07.020.

11.07.060 Appeals

Any decision of the City of Lacey in the administration of Chapter 11.07 LMC may be appealed in accordance with Chapter 11.05 LMC.

11.07.070 Duration of approval

A. The approval of a site plan shall be valid for a period of twenty-four months unless otherwise granted by LMC 11.03.110.

B. If a complete application for a building permit is not submitted or an extension is not granted within this time frame, such approval shall be considered null and void.

11.07.080 Penalty for noncompliance

A. If the enforcing officer determines that there has been continuing noncompliance with the conditions of site plan review approval previously granted by the SPRC, such officer may schedule a meeting before such committee for purposes of determining whether such approval shall be revoked, suspended or modified.

B. Notice of such meeting shall be provided to the current land owner and the applicant whose project has been approved.

C. At the conclusion of such meeting, the SPRC may revoke, suspend or modify a site plan review approval previously granted for the project or uses listed, if such committee determines that there has been continuing noncompliance with the conditions of such permit or other regulations governing such use.

Chapter 11.08 VARIANCES

Sections:

11.08.010	Applicability
11.08.020	Authority
11.08.030	Limitation on authority
11.08.040	Application requirements
11.08.050	Review criteria
11.08.060	Additional conditions of approval
11.08.070	Duration of approval
11.08.080	Appeals

11.08.010 Applicability

Where difficulties exist rendering compliance with development regulations impractical and such compliance would create unnecessary hardship to the owners or users of land or buildings, a variance may be granted.

11.08.020 Authority

A. The enforcing officer may grant a variance in accordance with the full administrative review process and timelines outlined in LMC 11.04.040 if:

1. The variance does not exceed 25 percent of any measurable standard; or
2. The variance would alleviate the need for a Wetland Development Permit.

B. The hearings examiner may grant a variance in accordance with the quasi-judicial review process and timelines outlined in LMC 11.04.050 for circumstances not listed in subsection A of this section.

11.08.030 Limitation on authority

A variance may not be granted to any of the following provisions of Lacey Municipal Code:

- A. Any development standards or requirements relating to residential density minimums or maximums, units per structure or units per lot;
- B. Any provision establishing the uses that are permitted to locate or that may continue to operate in any zone;
- C. Any procedural or administrative provision;
- D. Any provision of this chapter; or
- E. Any provision from which a variance is expressly prohibited.

11.08.040 Application requirements

- A. Variance applications shall include the information listed in LMC 11.03.050, unless waived by the enforcing officer.
- B. The enforcing officer or hearings examiner may require the applicant to submit any additional information or material which is found to be necessary for the proper review of the application.

11.08.050 Review criteria

A variance may be granted if all of the following findings are made:

- A. The variance will not constitute a grant of special privilege inconsistent with the limitations upon other properties in the vicinity and zone that the subject property is located;
- B. That such variance is necessary, because of special circumstances relating to the size, shape, topography, location, or surroundings of the subject property;
- C. That the special conditions and circumstances that exist on the subject property are not a result of the applicant;
- D. That the strict application of the code is found to deprive the subject property owner of rights and privileges enjoyed by other property owners in the vicinity and in the zone in which the subject property is located; and
- E. That the granting of such variance will not be materially detrimental to the public welfare or injurious to the property or improvements in the vicinity and zone in which the subject property is located.

11.08.060 Additional conditions of approval

Before granting a variance, the hearings examiner or enforcing officer, as determined by LMC 11.08.020, may prescribe appropriate conditions and safeguards that will ensure that the provisions of any title or chapter of the Lacey Municipal Code are not violated.

11.08.070 Duration of approval

- A. The approval of a variance shall be valid for a period of twenty-four months unless otherwise granted by LMC 11.03.110.
- B. If a complete application for a building permit is not submitted or an extension is not granted within this time frame, such approval shall be considered null and void.

11.08.080 Appeals

Any decision of the City of Lacey in the administration of Chapter 11.08 LMC may be appealed in accordance with Chapter 11.05 LMC.

Chapter 11.09 CONDITIONAL USES AND PERMITS

Sections:

11.09.010	Permitted uses
11.09.020	Authority
11.09.030	Application requirements
11.09.040	Review criteria
11.09.050	Environmental performance standards
11.09.060	Design standards
11.09.070	Standards for sexual offender secure community transition facilities
11.09.080	Essential public facilities
11.09.090	Duration of approval
11.09.100	Penalty for noncompliance

11.09.010 Permitted uses

Specific uses permitted in accordance with the intent of this chapter, and subject to reasonable conditions imposed by the City, are categorized and identified as follows:

A. Personal or community service facilities such as:

1. Nursery schools and preschools,
2. Child day care centers when proposed in those districts specified in Chapter 16.65 LMC,
3. Funeral parlors, mortuaries and crematoria, provided these are permitted uses in the cemetery zone,
4. Senior citizen centers,
5. Nursing homes, convalescent care facilities, and
6. Cemeteries; provided once a cemetery is approved the property shall be designated as cemetery on the City's zoning map.

B. Places of public assembly, including:

1. Churches (or other places of worship),
2. Sports arenas or stadia,
3. Fraternal organizations and lodges, and
4. Private clubs;

C. Public utilities and their appurtenances, such as:

1. Electrical substations,
2. Pumping, lift stations or similar regulatory appurtenances for the transmission or distribution of electricity, natural gas, water and sewage, oil or steam, and storage tanks for any of the above, including water towers,
3. Solid waste disposal facilities, including transfer stations, incinerators and sanitary landfills, and
4. Radio, television or telephone stations; commercial wireless communication facilities are subject to the requirements as specified in Chapter 16.68 LMC.

D. Public safety and emergency response facilities, including:

1. Police stations,
2. Fire stations,
3. Emergency medical centers, and
4. Hospitals;

E. Public and private transport/ maintenance facilities, including:

1. Airports, landing strips, heliports or helipads, including waterborne craft,
2. Marinas, docks, piers, or breakwater devices, regardless of size or purpose,
3. Railroad terminals, switching facilities, maintenance or repair shops, and spurs,
4. Bus terminals, storage or maintenance facilities,
5. Automobile parking facilities or structures other than those specifically required in Chapter 16.72 LMC in connection with permitted uses,
6. Corporation yards;

F. Sexual offender secure community transition facilities as defined in RCW 71.09.020, which facilities are mandated by the state of Washington pursuant to Chapter 71.09 RCW. The siting of such facilities shall be subject to the conditions identified in Chapter 11.09 LMC.

G. Uses which are similar or related to those uses described in subsections A through F of this section.

11.09.020 Authority

A. Conditional use permit applications shall be reviewed in accordance with the quasi-judicial process and timelines outlined in LMC 11.04.050.

B. In reviewing a conditional use permit application, the hearings examiner shall impose all requirements for such use, as prescribed in this chapter, and other conditions and safeguards as are necessary to secure adequate protection for the locality in which the use is to be permitted.

11.09.030 Application requirements

A. Conditional use permit applications shall include the information listed in LMC 11.03.050, unless otherwise waived by the enforcing officer.

B. The enforcing officer or hearings examiner may require the applicant to submit any additional information or material which is found to be necessary for the proper review of the application.

11.09.040 Review criteria

The hearings examiner may approve, or approve with conditions, an application for a conditional use permit if all the following findings are made:

A. The proposed use is consistent with the Comprehensive Plan;

B. The proposed use at the proposed location will not result in substantial or undue adverse effects on the adjacent properties;

C. The design is compatible with and responds to the existing or intended character, appearance, quality of development, and physical characteristics of the subject property and the immediate vicinity;

D. The use at the proposed location will not result in a detrimental overconcentration of a particular use within the City or within the immediate area of the proposed use;

E. Adequate parking will be available for the proposed use;

F. Potential noise, light, and glare impacts from the proposed use have been, or will be, evaluated and mitigated;

G. Landscaping will be provided in all areas not occupied by buildings, paving, or critical areas. Additional landscaping may be required to buffer adjacent properties from potentially adverse effects of the proposed use;

H. The proposed use will be served by adequate public facilities including streets, fire protection, and utilities; and

I. The proposed use complies with all applicable standards and requirements of this code.

11.09.050 Environmental performance standards

A. Conditional uses shall comply with the environmental performance standards as described in Chapter 16.57 LMC, and may be required to comply with stricter standards upon a finding by the City that stricter standards are necessary and reasonable to protect adjacent properties or the health or general welfare of the community.

B. Specific requirements are established in this chapter for certain conditional uses. In the event that the specific requirements are found to be in conflict with the requirements of the use district in which the conditional use is to be located, the requirements of Chapter 11.09 LMC shall govern.

11.09.060 Design standards

A. The design standards for permitted uses in a given district shall be the initial base of reference in determining the design standards for conditional uses in the same district.

B. The enforcing officer is authorized to alter or vary the design of the district for a conditional use when such alteration or variation is found to be reasonable to protect adjacent properties or the health or general welfare of the community.

C. Design standards which may be altered or varied for conditional uses include but are not necessarily limited to the following:

1. Size and shape of lots (i.e., minimum area, width, depth, setbacks and building heights);
2. Maximum building coverage;
3. Maximum development coverage;
4. Off-street parking and loading;
5. Landscaping, buffering and screening.

D. All development requirements established for a conditional use in a given district shall be documented in appropriate written and/or graphic form so as to provide a permanent public record to assure compliance prior to, during and after construction of the conditional use.

11.09.070 Standards for sexual offender secure community transition facilities

A. In addition to standards identified in LMC 11.09.050 and 11.09.060 sexual offender secure community transition facility system shall meet such additional standards as are designed to mitigate the unique concerns of this use and are consistent with the requirements of state law.

B. No sexual offender secure community transition facility shall have more than three beds to be utilized by sexual offenders. No such facility shall, at any time, have a population of sexual offenders exceeding three.

C. This use can be considered for location only in the Light Industrial Zone, provided a site meets all other location requirements of Chapter 11.09 LMC.

D. No sexual offender secure community transition facility shall be located within one quarter of a mile of another such secure community transition facility and a proposal for siting shall be in compliance with the requirements of state law regarding equitable distribution of such facilities.

E. The location of a sexual offender secure community transition facility shall not be adjacent to, immediately across a street or parking lot from, or within the line of sight of any risk potential activity or facility. "Risk Potential Activity" or "Risk Potential Facility" means an activity or facility that provides a higher incidence of risk to the public from persons conditionally released from the special commitment center for sexual offenders. Risk potential activities and facilities shall include but not be limited to:

1. Existing public and private schools and existing sites designated as Open Space Institutional by the City specifically for school sites, and designated by the North Thurston Public School District as a school site by the District's Comprehensive Plan;
2. School bus stops;
3. Licensed day care and licensed preschool activities;
4. Public parks, publicly dedicated trails, sports fields and playgrounds;
5. Recreation and community centers;
6. Churches, synagogues, temples, and mosques;
7. Public libraries;
8. Any other risk potential activity or risk potential facility identified by subsequent amendment to state statute, by the Washington State Department of Social and Health Services pursuant to its hearing process mandated by RCW 71.09.315 or in the decision of the hearings examiner or city council granting or denying a special use permit for the siting of a sexual offenders secure community transition facility.

F. Unless otherwise ordered by a court of competent jurisdiction, all residents of a sexual offender secure community transition facility shall wear electronic monitoring devices at all times. To the extent that electronic monitoring devices that employ global positioning system technology are technically available, such devices shall be used. Such devices shall be part of a secure GPS system approved by the Department of Social and Health Services that cannot be

removed by resident. The GPS system shall be capable of locating the resident wherever the resident goes. Such system shall be the best technology available and equipment to monitor the GPS devices shall be provided to the Lacey police department or its designee for monitoring purposes.

G. If such a facility is sited within the City of Lacey, the Department of Social and Health Services shall provide for training, information, coordination and capital costs of the Lacey police department and shall further fund the need for increased police protection, monitoring and incident response to the facility, all as provided or allowed by state law.

H. Landscaping of the facility shall provide an aesthetically attractive presentation for the zone in which it is located. The landscaping plan shall pay particular attention to mitigation of lighting impacts to adjacent properties. Landscaping shall comply with the crime prevention through environmental design technique requirements. Additionally, the requirements of Chapter 16.80 LMC shall apply to any facility in the same manner as applied to other developments located within the Light Industrial Zone.

I. Design of the structure and site shall create an aesthetically attractive building and site which is compatible with and enhances the character of the zone in which it is located. Such design shall be subject to the design review process and principles set forth in Chapter 14.23 LMC.

J. An on-premises exterior lighting plan shall be presented to and approved by the department of public works and the Lacey police department as part of the design review process and prior to the operation of the facility. The plan shall utilize the principles of the crime prevention through environmental design technique requirements to provide easy visibility of the site from the street and shall avoid spillage of light onto adjacent properties. All parking areas and premise entries shall be illuminated from dusk till dawn with a lighting system which provides an average maintained horizontal illumination of one foot candle of light, or such lesser amount as shall be approved by such reviewing departments.

11.09.080 Essential public facilities

A. Essential public facilities identified. Essential public facilities, for purposes of this chapter are public or privately owned or operated facilities while, although serving a public purpose, are typically difficult to site. They include but are not limited to, airports, state educational facilities, state or regional transportation facilities, prisons, jails and other correctional facilities, secure community transition facilities, solid waste handling facilities, inpatient facilities such as group homes and mental health facilities, sewage treatment facilities, and communication towers and antennas.

B. Special regional review process and minimum standards for essential public facilities. Essential public facilities shall be processed as a conditional use pursuant to the requirements of this chapter. Essential public facilities shall be subject, at a minimum, to the policies provided in adopted county wide planning policies and the City Comprehensive Land Use Plan, and all applicable standards and requirements of the zoning code and other applicable codes and regulations.

C. Essential public facilities classified. Essential public facilities are classified, for purposes of this section as follows:

1. Type One: Multi-county facilities. Major facilities serving or potentially affecting more than one county. These facilities include, but are not limited to, regional transportation facilities, such as: regional airports, state correction facilities, and state educational facilities.
2. Type Two: Local or Interlocal facilities serving or potentially affecting residents or property in more than one jurisdiction. They could include, but are not limited to, county jails, county landfills, community colleges, sewage treatment facilities, communication towers, and inpatient facilities, such as: substance abuse facilities, mental health facilities, and group homes.
3. Type Three: Facilities serving or potentially affecting only the City of Lacey and its residents.

D. Essential public facilities determination of classification. The City of Lacey shall determine the type of classification of a proposed essential public facility. In order to enable the City to determine the project's classification, the applicant shall identify the approximate area within which the proposed project could potentially have adverse impacts, such as: increased traffic, public safety risks, noise, glare, emissions, or other environmental impacts.

E. Essential public facilities early notification. Early notification and involvement of affected citizens and jurisdictions for Type One and Type Two facilities is required as follows:

1. At least ninety days before submitting an application for a Type One or Type Two essential public facility, the prospective applicant shall notify the affected public and jurisdictions of the general type and nature of the proposal, identify sites under consideration for accommodating the proposed facility, and identify opportunities to comment on the proposal. Applications for specific projects shall not be considered complete in the absence of proof of a published notice regarding the proposed project in a newspaper of general circulation in the affected area. This notice shall include the information described above and shall be published at least ninety days prior to the submission of the application.
2. Affected citizens, jurisdictions and the Thurston Regional Planning Council may provide this project sponsor and the City of Lacey with their comments or recommendations regarding alternative project locations during this ninety day period. The purpose of this provision is to enable potentially affected jurisdictions and the public to collectively review and comment on alternative sites for major facilities before the project sponsor has made its siting decision.

F. Essential public facilities consideration of impact on sensitive areas. Essential public facilities shall not have any probably significant adverse impact on critical areas or resource lands, except for lineal facilities, such as highways, where no feasible alternative exists.

G. Essential public facilities analysis. Applicants for Type One and Type Two essential public facilities shall provide an analysis of the alternative sites considered for the proposed facility. This analysis shall include the following:

1. An evaluation of the site's capability to meet basic siting criteria for the proposed facility, such as: size, physical characteristics, access, and availability of necessary utilities and support services;
2. An explanation of the need for the proposed facility in the proposed location;
3. The site's relationship to the service area and the distribution of other similar public facilities within the service area or jurisdiction, whichever is larger; and
4. A general description of the relative environmental, traffic, and social impacts associated with locating the proposed facility at the alternative sites which meet the applicant's basic siting criteria. The applicant shall also identify proposed mitigation measures to alleviate or minimize significant potential impacts.
5. A brief description of the process used to identify and evaluate the alternative sites.

11.09.090 Duration of approval

A. The approval of a conditional use permit shall be valid for a period of twenty-four months unless otherwise granted by LMC 11.03.110

B. If a complete application for a building permit is not submitted or an extension is not granted within this time frame, such approval shall be considered null and void.

11.09.100 Penalty for noncompliance

If the enforcing officer determines that there has been continuing noncompliance with the conditions of a conditional use permit previously granted by the city council, such officer shall schedule a public hearing before the city's land use hearings examiner for purpose of hearing and making recommendation to the city council regarding the revocation, suspension or modification of such conditional use permit. Refusal by the enforcing officer to so schedule a hearing shall be deemed to be an administrative decision, subject to appeal by an aggrieved party pursuant to the provisions of this code. The procedures to be followed in providing for the public hearing, notice thereof recommendation by the hearings examiner to the city council and action by the city council shall be the same as that action directed to be taken upon application for such a conditional use permit pursuant to the terms of this chapter.

The city council, after receipt of recommendation from the hearings examiner as provided in this chapter, may revoke, suspend or modify a conditional use permit previously granted for those uses listed herein when it determines there has been continuing noncompliance with the conditions of such permit or other regulations governing such use. The options for decision before the city council and the final nature of such decision shall be the same as action on an original application.

Chapter 11.10 PLANNED RESIDENTIAL DEVELOPMENT

Sections:

11.10.010	Where permitted
11.10.020	Types of uses permitted
11.10.030	Relationship to other ordinance provisions
11.10.040	Development standards
11.10.050	Design criteria
11.10.060	Site acreage
11.10.070	Access to public right-of-way
11.10.080	Lot size
11.10.090	Setback and side yard requirements
11.10.100	Off-street parking
11.10.110	Secondary use limitations
11.10.120	Design standards
11.10.130	Environmental and recreational amenities
11.10.140	Review procedure
11.10.150	Required documentation
11.10.160	Filing time limitation for applications not involving plats
11.10.170	Partial planned residential development area
11.10.180	Final planned residential development plan
11.10.190	Permit issuance
11.10.210	Adjustments
11.10.220	Duration of control
11.10.230	Parties bound
11.10.240	Commencement of construction

11.10.010 Where permitted

Planned residential development may be permitted in the following land use districts consistent with the development standards in LMC 11.10.050 through 11.10.140:

- A. Low density residential district;
- B. Moderate density residential district;
- C. High density residential district.

11.10.020 Types of uses permitted

A. In a planned residential development, the following uses are permitted, provided that they meet the standards and criteria established in this title:

1. Those uses permitted as a matter of right in the underlying zone;
2. Residential developments of all types as defined in this chapter;

3. As a secondary use, the following neighborhood commercial uses may be permitted in a planned residential development subject to the limitations set forth in LMC 11.10.120 and shall be located within the interior:

- a. Grocery store;
- b. Drug store;
- c. Barber/beauty shop;
- d. Laundromat; and
- e. Other, unlisted, similar or related uses, provided the enforcing officer and/or the site plan review committee makes the determination that:
 - (1) The particular unlisted use does not conflict with the intent of this chapter or the policies of the Comprehensive Land Use Plan;
 - (2) The use is appropriate in the development; and
 - (3) The development is served by the proposed use.

B. Other or related uses permitted include:

- 1. Accessory uses specifically geared to the needs of the residents of the planned residential development such as motor vehicle or boat storage structures, or structures related to open space use, subject to the building and development coverage limitations of the underlying zone;
- 2. Conditional uses as provided in Chapter 11.09 LMC; and
- 3. Home occupations as provided in Chapter 16.69 LMC.

11.10.030 Relationship to other ordinance provisions

A. The provisions of the zoning ordinance pertaining to land use of the underlying zoning district shall govern the use of land in a planned residential development. The specific setback, lot size, height limits and other dimensional requirements are waived, and provided the City may waive other normal design standards if it finds a proposed design provides a better approach to achieving quality and functional neighborhoods as promoted in Lacey's land use plan.

B. A planned residential development shall be exempt from the specific design requirements of the subdivision ordinance, except that when any parcel of land in a planned residential development is intended for individual ownership, sale or public dedication, the platting and procedural requirements of the subdivision ordinance and applicable state laws pertaining to the subdivision and conveyancing of land and the preparation of maps shall be followed.

C. Applications for planned residential developments shall be reviewed in accordance with the quasi-judicial review process and timelines contained in LMC 11.04.050.

11.10.040 Development standards

The criteria and standards in LMC 11.10.050 through 11.20.130 shall govern the interpretation and administration of this chapter.

11.10.050 Design criteria

A. Applicants must demonstrate that the design of the proposed development will be superior to that which would result without a planned residential development. Such a design may include enhanced open space, recreational facilities, landscaping, circulation, building or site design beyond standard code requirements.

B. Applicants must demonstrate that the proposed development will provide specifically identified public benefits that clearly outweigh any adverse impacts or undesirable effects of the proposed planned residential development, particularly those adverse and undesirable impacts to surrounding properties. Public benefits resulting from the planned residential development may include, but are not limited to:

1. Protection of critical areas that would not be protected otherwise to the same degree as without a planned residential development;
2. Preservation, enhancement, or rehabilitation of natural features of the subject property, such as significant woodlands, native vegetation, topography, or noncritical area wildlife habitats, not otherwise required by other City regulations; or
3. Provision of public facilities that could not be required by the City for development of the subject property without a planned residential development.
4. Designation of a substantial proportion of the total units within the development as affordable housing.

C. The design of a planned residential development shall take into account the relationship of the site to the surrounding areas. The perimeter of the planned residential development shall be so designed as to minimize undesirable impact of the planned residential development on adjacent properties and, conversely, to minimize undesirable impact of adjacent land use and development characteristics on the planned residential development. (Ord. 583 §2.16(F)(1), 1980).

11.10.060 Site acreage

The minimum site for a planned residential development shall be a full block or a portion of a block if it was a numbered block in the original plat of the City, or a numbered block of a subdivision recorded prior to the adoption of the ordinance codified in this title. For all previously

unplatted areas, the minimum site shall be two acres. (Ord. 691 §23, 1984; Ord. 583 §2.16(F)(2), 1980).

11.10.070 Access to public right-of-way

The major internal street serving the planned residential development shall be connected to at least one major arterial, secondary arterial or collector street. (Ord. 583 §2.16(F)(3), 1980).

11.10.080 Lot size

The minimum lot size provisions of other chapters of the zoning title are waived in a planned residential development. (Ord. 583 §2.16(F)(4), 1980).

11.10.090 Setback and side yard requirements

A. Setbacks from the exterior boundary line of the planned residential development area shall be comparable to or compatible with those of the existing development of adjacent properties, or, if adjacent properties are undeveloped, the type of development which may reasonably be expected on such properties given the existing zoning of such properties or the projections of the Comprehensive Plan. In no event shall such setback be less than twenty feet.

B. Setbacks or side yards between buildings: The standard setbacks and yard requirements between buildings may be waived in a planned residential development. Buildings may have common walls and, therefore, built to the property line as in townhouse construction.

Wherever buildings are separated, a minimum distance of ten feet shall be maintained between such buildings. (Ord. 583 §2.16(F)(5), 1980).

11.10.100 Off-street parking

Off-street parking shall be provided in a planned residential development in the same ratios for types of buildings and uses as required for the underlying zoning district, and as described in Chapter 16.72 LMC. (Ord. 583 §2.16(F)(6), 1980).

11.10.110 Secondary use limitations

A. Commercial uses are subject to full administrative review procedures contained in LMC 11.04.040 and shall be provided for in the original, finally approved version of the planned residential development application for the development within which the commercial use is to be integrated. "Original," as is used in this subsection, refers to the planned residential development application as it existed at the time of its final approval by the city council.

B. The gross floor area of the commercial use shall not exceed the product of thirty square feet multiplied by the number of dwelling units within the development.

The purpose of restricting commercial development is to prevent the planned residential development process from being used as a vehicle for rezoning to commercial use which may not be at all related to the commercial needs of the area. Once a relatively large number of dwelling units have been completed or occupied, the need for such commercial development may be justified. (Ord. 1208 §67, 2003; Ord. 1192 §160, 2002; Ord. 583 §2.16(F)(7), 1980).

11.10.120 Design standards

A. Open space requirements shall be as follows:

1. Each planned residential development shall provide not less than thirty percent of the gross land area for common open space, which shall be either:
 - a. Held in single ownership where such ownership assumes full responsibility for maintenance and operation; or
 - b. Held in common ownership by all of the owners in the development area; or
 - c. Dedicated for public use, if acceptable to the City.
2. Common open space may contain such complementary structures and improvements as are necessary and appropriate for the benefit and enjoyment of residents of the planned residential development, provided that the building coverage of such building or structure combined with the building coverage of the residential structures shall not exceed the maximum permitted by the underlying zone.
3. Areas containing critical area habitat and associated buffers that would otherwise be required to be protected shall not be counted toward the gross land area for common open space.
4. Common open space must meet the following design criteria:
 - a. Must be useable and accessible. All common open spaces intended for public use shall be physically and visually accessible from the adjacent street or major internal pedestrian route. Open spaces shall be in locations accessible to intended users--rather than simply left-over or undevelopable space in locations where very little pedestrian traffic is anticipated. Locations integrated with transit stops, for instance, would be encouraged, as there is likely to be pedestrian traffic in the area.
 - b. Must be inviting. Inviting open spaces feature amenities and activities that encourage pedestrians to use and explore the space. On a large scale, it could be a combination of active and passive recreational uses. It could include a fountain, sculpture, children's play area, special landscaping element, or even a comfortable place to sit and watch the world go by. In order for people to linger in an open space, it must be comfortable. For instance, a plaza space should receive ample sunlight, particularly at noon, and have design elements that lend the space a

“human scale,” including landscaping elements, benches and other seating areas, and pedestrian-scaled lighting. No use shall be allowed within the open space that adversely affects the aesthetic appeal or usability of the open space. (See *Table 16T-83*.)

c. Must be safe. Safe open spaces incorporate Crime Prevention through Environmental Design (CPTED) principles:

- (1) Natural surveillance--which occurs when parks or plazas are open to view by the public and neighbors. For example, a plaza that features residential units with windows looking down on space means that the space has good “eyes” on the park or plaza.
- (2) Lighting that reflects the intended hours of operation.
- (3) Landscaping and fencing. Avoid configurations that create dangerous hiding spaces and minimize views.
- (4) Entrances should be prominent, well lit, and highly visible from inside and outside of the space.
- (5) Maintenance. Open spaces shall utilize commercial grade materials that will last and require minimal maintenance costs. Walls, where necessary, shall be designed and treated to deter graffiti. Use and maintain landscape materials that reduce maintenance cost and maintain visibility, where desired.

d. Provides for uses/activities that appropriately serve the anticipated residents and users of the development. For example, common open space that serves a variety of functions will attract greater usage. When designing open spaces, project applicants should consider a broad range of age groups, from small children to teens, parents, and seniors.

e. Must be designed and placed in consideration of existing and potential open space on adjacent parcels to provide consolidation or opportunities for future consolidation of neighborhood open space areas.

f. Additional criteria:

- (1) Consolidation of open space is encouraged to provide maximum access, visibility, usability, minimization of impacts to residential uses, and ease of maintenance.
- (2) Existing trees and significant vegetation shall be retained in open space unless an alternative park/landscaping plan consistent with the criteria herein is approved by the site plan review committee.

5. Cash or like value of land area and improvements may be donated to the City for open space purposes to fulfill up to fifty percent of open space requirements within that specific parks planning area. Acceptance will be at the discretion of the City.

6. Developments are encouraged to conform to usable open space provisions of the applicable zone. However, at a minimum, three hundred square feet of private, usable open space having a minimum of fifteen feet in depth and width shall be provided for each ground level dwelling unit planned residential development. Such private open space should be visible and accessible from the dwelling unit. When adjacent to common open space, such private open space is to serve as a buffer between dwelling units and common open space.

B. Open space, street area, etc., are computed as follows:

1. Streets in a planned residential development shall be computed at twenty percent of the gross land area, regardless of the amount of land actually used for streets in the final design.

2. The density of the underlying zone governs unless a density increase is granted as provided in this chapter.

3. The City may approve an increase in the dwelling unit density up to:

a. In the low density district, fifteen percent.

b. In the moderate density district, twenty percent.

c. In the high density district, twenty-five percent; rounded to the nearest whole number; provided, that the environmental and recreational amenities sought by this title are met.

4. The computation of the number of dwelling units permitted, and other space requirements, shall be as follows:

$$\frac{DU}{=} = \frac{N}{M} \times 1.2 \text{ (1.2 is the incentive factor).}$$

G Is gross land area in square feet.

S Is street area (i.e., 20% of G) in square feet.

DU Is number of dwelling units.

M Is minimum land area per dwelling unit.

N Is net buildable site (G-S) in square feet.

EXAMPLE: In a hypothetical five acre site in the moderate density residential district, thirty-two dwelling units are permitted under conventional development procedures, assuming a minimum lot area of five thousand four hundred forty-five square feet, no dedication for other public use, and twenty percent of the land area dedicated for public right-of-way. The calculations are as follows:

$$G = 5 \text{ acres} = 217,800 \text{ sq. ft., gross land area.}$$

$$S = 20\% \text{ of } G = 43,560 \text{ sq. ft. of public R.O.W.}$$

$$G-S = 174,240 \text{ sq. ft.}$$

$$DU = 174,240/5,445 = 31.6 = 32 \text{ dwelling units.}$$

On the same five acre site, under planned residential development procedure, thirty-eight dwellings are permitted using the formula shown below:

$$DU = N/M \times 1.2.$$

$$N = G-S = 217,800 - 43,560 = 174,240 \text{ sq. ft.}$$

$$M = 5,445 \text{ sq. ft. minimum lot area.}$$

$$DU = 174,240/5,445 \times 1.2 = 38.4 = 38 \text{ dwelling units.}$$

C. All landscaping requirements of Chapter 16.80 LMC shall be satisfied.

11.10.130 Environmental and recreational amenities

Four of the following five amenities must be provided as part of the planned residential development in order to receive the density bonus as provided in LMC 11.10.120:

A. Develop and equip significant recreational areas within the common open space with such features as, but not limited to, swimming pools, tennis courts, bike or pedestrian path systems, children's play areas;

B. Substantial retention of natural ground cover, bushes and trees;

C. Vegetated LID facilities are included in the design and serve as a visual amenity;

D. Provide significant access to a lake, river, stream or other natural water body;

E. Provide substantial and exceptional landscaping treatment either as an adjunct to or in lieu of natural landscaping beyond the minimum required.

11.10.140 Review procedure

All planned residential development applications shall be reviewed pursuant to the quasi-judicial procedures contained in LMC 11.04.050.

11.10.150 Required documentation

In addition to the information required by LMC 11.03.050, an application for planned residential development shall include the following:

A. Vicinity sketch showing the location of the site and its relationship to surrounding areas, including existing streets, driveways, major physiographic features such as railroads, lakes, streams, shorelines, schools, parks, and other prominent features.

B. A map or maps of the site at a scale not smaller than one hundred feet to the inch, showing all the information required for a preliminary plat plus the following:

1. Site boundaries;
2. Streets bounding or abutting the site;
3. Proposed building including dimensions, setbacks, identification of types and the number of dwelling units in each residential type;
4. Location and dimensions of open spaces;
5. Existing and proposed contours including natural features;
6. Parking facilities, their design, size and capacity;
7. Circulation plan--vehicular and pedestrian, and points of ingress and egress from the site, and their relationship to ingress and egress of neighborhood properties;
8. Existing buildings and indication of future use or disposition;
9. Landscaping plan;
10. Typical front and side elevations and exterior architectural treatments of the proposed units; and
11. Conceptual utility plan, including water, sewer, storm drainage and lighting.

C. In addition to the graphic materials, the developer shall submit a written statement providing the following information:

1. Program for development including estimated staging or timing of development, including build-out data to be submitted to the City and to the North Thurston School District for each year during the construction period;
2. Proposed ownership pattern upon completion of development;
3. Basic content of restrictive covenants;
4. Provisions to assure permanence and maintenance of common open space through homeowners association formation, condominium development or other means acceptable to the City;
5. Statement or tabulation of dwelling unit densities proposed; and
6. Statement describing the relationship of the proposed planned residential development to the Lacey development plan.

11.10.160 Filing time limitation for applications not involving plats

- A. An application for final review and approval shall be filed by the applicant within twenty-four months of the date on which preliminary approval was given by the hearings examiner.
- B. If an application includes a plat the timing requirements of LMC Title 15 shall apply. An extension not exceeding six months may be granted by the enforcing officer.
- C. If application for final approval is not made within twenty-four months or within the time for which an extension has been granted, the plan shall be considered abandoned, and the development of the property shall be subject to the normal requirements and limitations of the underlying zone.

11.10.170 Partial planned residential development area

- A. An application for final review and approval may be filed for part of a planned residential development area for which preliminary approval has been granted by the hearings examiner. A final plan for a part of a planned residential development shall provide the same proportion of open space and the same overall dwelling unit density as the overall preliminary plan.
- B. If that portion of the planned residential development for which final approval is requested does not provide such open space, the developer shall file in escrow a quit-claim deed in favor of the city for such additional land area adjacent and accessible to the site, and of sufficient size to provide the open space required to meet the standards of this title. In the event that the developer abandons the remaining portions of the planned residential development, the escrow agent shall deliver the quit-claim deed to the city or to such other public or private entity as the City may direct.

C. Final approval of a planned residential development plan shall not be construed to be final plat approval. Plat approval is a separate action and shall be in compliance with state and local subdivision and platting regulations.

11.10.180 Final planned residential development plan

A. The applicant shall submit the final development plan of the proposed development to the planning department for its review. The final development plan shall comply with the conditions imposed on the preliminary development plan. In addition, if the development is being subdivided, the data required of regular plats as required by the subdivision ordinance must be submitted. The plan shall include the following:

1. Final elevation and perspective drawings of project structures;
2. Final landscaping plan;
3. Final plans of and including profiles of the drainage, water, sewer, lighting, streets, and sidewalks or pathways; and
4. Such other documentation, information and data not lending itself to graphic presentation such as restrictive covenants, incorporation papers and bylaws of Homeowners' Associations, dedications of easements, rights-of-way, and other conditions specifically required by the hearings examiner for the particular planned residential development.

B. No final development plan shall be deemed acceptable for filing unless all of the above information is submitted in accurate and complete form sufficient for the purposes of planning department review. After receiving the final development plan, the planning department shall route the same to all appropriate City departments, and each department shall again submit to the planning department comments and recommendations.

C. If the City departments determine that the final development plan conforms fully with all applicable regulations and standards, the enforcing officer shall issue approval of the final development plan

11.10.190 Permit issuance

Building permits and other permits required for the construction or development of property under the provisions of this chapter shall be issued only when in the opinion of the enforcing officer, the work to be performed meets the requirements of the final plan and program elements of the planned residential development.

11.10.210 Adjustments

A. Minor adjustments may be made and approved by the enforcing officer when a building permit is issued. Minor adjustments are those which may affect the precise dimensions or siting of

buildings, but which do not affect the basic character or arrangement of buildings approved in the final plan, nor the density of the development or the open space requirements. Such dimensional adjustments shall not vary more than ten percent from the original.

B. Major adjustments are those which, in the opinion of the enforcing officer, substantially change the basic design, density, open space or other requirements of the planned residential development. When, in the opinion of the enforcing officer, a change constitutes a major adjustment, no building or other permit shall be issued without prior review and approval by the hearings examiner of such adjustment.

11.10.220 Duration of control

The regulations and controls of the planned residential development ordinance in effect at the time of authorization of a planned residential development project shall remain in full force and effect for the life of the project.

11.10.230 Parties bound

Once the preliminary development plan is approved, all persons and parties, their successors, heirs, or assigns, who own, have, or will have by virtue of purchase, inheritance or assignment, any interest in the real property within the proposed planned residential development, shall be bound by the conditions attending the approval of the development and the provisions of this title.

11.10.240 Commencement of construction

A. Construction of the planned residential development project not involving a plat shall begin within two years from the date of the final approval of the plan.

B. An extension of time for beginning construction may be requested in writing by the applicant, and such extension not exceeding six months may be granted by the enforcing officer. If construction is not begun within the approval period or within the time for which an extension has been granted, the plan shall be considered abandoned, and the development of the property shall be subject to the normal requirements and limitations of the underlying zone. If the final approval was a plat no timing requirements for construction shall apply.

Chapter 11.11 TEMPORARY USE PERMITS

Sections:

11.11.010	Applicability
11.11.020	Exemptions
11.11.030	Authority
11.11.040	Application requirements
11.11.050	Review types
11.11.060	Criteria for determining review type
11.11.070	Decision criteria
11.11.080	Other required permits
11.11.090	Duration of approval
11.11.100	Removal of temporary use
11.11.110	Security
11.11.120	Permit revocation
11.11.130	Appeals

11.11.010 Applicability

For the purposes of review under this chapter, the following uses or structures shall be considered temporary uses:

- A. Temporary uses allowed in the underlying zoning district;
- B. Model homes equaling up to four homes when located within the subdivision or residential development to which they pertain;
- C. Storage trailers;
- D. Temporary uses not otherwise allowed in the underlying zoning district, reviewed in accordance with LMC 11.11.050 (B); and
- E. Proposed activities not listed in this section that are found to meet the definition of temporary use, as determined by the enforcing officer, where review type shall be determined in accordance with LMC 11.11.060.

11.11.020 Exemptions

A. The following construction related activities and structures shall be exempted from requiring temporary use permit, provided they are associated with an approved land use application and/or an active building or construction permit;

1. Contractor's office, storage yard, and equipment parking and servicing on or near the site or in the vicinity of an active construction project.
2. Sales and marketing trailers used for the purpose of real estate sales and/or rental information, located within the subdivision or development to which they pertain.

B. City-sponsored community fairs, festivals, or events, subject to the approval of the City Manager's office, shall be exempted from requiring a temporary use permit.

C. If determined by the enforcing officer to be of limited duration with minimal impact on neighboring properties, special sales and ancillary events promoting and located on the site of an existing permanent business and not requiring a separate business license shall be exempted from requiring a temporary use permit. Such sales and events may require a permit from the fire department and/or Thurston County health department.

11.11.030 Authority

A. The enforcing officer shall, in consultation with appropriate city departments, review and decide upon each application for a temporary use permit in accordance with the appropriate review type as determined by LMC 11.11.050. The enforcing officer may approve, deny, modify, or condition an application for a temporary use permit.

B. The enforcing officer may establish conditions as deemed necessary to ensure land use compatibility and to minimize potential impacts on nearby uses. These include, but are not limited to, requiring that notice be given to adjacent/abutting property owners prior to approval, time and frequency of operation, temporary arrangements for parking and traffic circulation, requirement for screening or enclosure, and guarantees for site restoration and cleanup following temporary uses.

11.11.040 Application requirements

A. Temporary use permit applications shall include the information required by LMC 11.03.050, unless waived by the enforcing officer.

B. The enforcing officer may require the applicant to submit any additional information or material which is found to be necessary for the proper review of the application.

11.11.050 Review types

A. Applications for temporary use permits shall be reviewed in accordance with limited administrative review process and timelines outlined in LMC 11.04.030, unless otherwise required by subsection B of this section.

B. Applications for temporary use permits where the proposed use is not permitted in the underlying zoning district, or where the use is determined to have significant impacts per LMC 11.11.060, shall be reviewed in accordance with the full administrative review process and timelines outlined in LMC 11.04.040.

11.11.060 Criteria for determining review type

For temporary use activities not listed in LMC 11.11.010, the enforcing officer shall consider the following factors in determining the appropriate review type:

A. Consistency with the underlying zone;

- B. Impact on surrounding zones;
- C. Length of period of time for duration of activity; and
- D. Hours of operation.

11.11.070 Decision criteria

The enforcing officer may approve, deny, modify, or condition an application for a temporary use permit based on consideration of the following factors:

- A. The temporary use will not be materially detrimental to the public health, safety, or welfare, nor injurious to property or improvements in the vicinity of the temporary use;
- B. Adequate parking facilities and vehicle ingress and egress are provided to serve the temporary use and any existing uses on the site;
- C. Hours of operation of the temporary use are specified, and would not adversely impact surrounding uses;
- D. The temporary use will not cause nuisance factors such as noise, light, or glare which adversely impact surrounding uses;
- E. The temporary use is compliant with all applicable requirements of Title 14 Buildings and Construction; and;
- F. The applicant has obtained any other required permits for the temporary use.

11.11.080 Other required permits

The temporary use may also require permits and inspections from both the fire department and/or community and economic development department to ensure that the temporary use is in compliance with applicable Fire and Building Codes.

11.11.090 Duration of approval

A temporary use permit is valid for a period of twelve months, unless the enforcing officer establishes a shorter time frame or an extension is otherwise granted by LMC 11.03.110

11.11.100 Removal of temporary use

Each site occupied by a temporary use shall be left free of debris, litter, or other evidence of the temporary use upon completion of removal of the use. Any impacts to the subject site caused by the temporary use shall be fully restored to the greatest extent feasible.

11.11.110 Security

The enforcing officer may require a performance bond or financial security to assure compliance with the provisions of the temporary use permit as approved if required. Such requirement shall be determined upon whether the proposed activity has a significant level of duration or impact.

The amount of the performance bond or financial security will be determined by the enforcing officer, but in no case shall it be less than one thousand dollars (\$1,000.00). The security may be used by the City to abate the use and/or facilities.

11.11.120 Permit revocation

Should the enforcing officer determine that information has been provided to the City which was false, incomplete, or has changed, such that the decision criteria in LMC 11.11.070 are incorrect, false, or have not been met, or the temporary use actually being used is different than or greater than that applied for, or if the use itself is a nuisance, unhealthy, unsafe or poses a substantial risk of harm to persons or property, then the enforcing officer may revoke the temporary use permit upon ten (10) days' written notice, unless an emergency exists, in which case the enforcing officer may declare such an emergency and immediately revoke the temporary use permit.

11.11.130 Appeals

Any decision of the City of Lacey in the administration of Chapter 11.11 LMC may be appealed in accordance with Chapter 11.05 LMC.

Chapter 11.12 DEVELOPMENT AGREEMENTS

Sections:

11.12.010	Authority
11.12.020	Code modifications allowed by development agreement
11.12.030	Incentives
11.12.040	Application requirements
11.12.050	Decision criteria
11.12.060	Procedure
11.12.070	City council action
11.12.080	Terms of agreement

11.12.010 Authority

A. This chapter applies to development agreements authorized pursuant to RCW 36.70B.170 through 36.70B.210, as a legislative action, between the City of Lacey and a person having ownership or control of real property within its jurisdiction. The execution of a development agreement is a proper exercise of City police power and contract authority.

B. The City may enter into a development agreement for real property outside its City limits as part of a proposed annexation, or a service agreement.

C. The provisions of this chapter do not apply to or affect the validity of any contract rezone, concomitant agreement, annexation agreement or other agreement in existence on or before the effective date of this chapter, or adopted under separate authority, even though such agreements may also relate to development standards, mitigation, and other regulatory requirements.

D. The City may enter into development agreements pursuant to this chapter. The decision whether to enter into a development agreement is discretionary with the city council. The development agreement shall provide for the scope and timing of the project, applicable regulations and requirements, mitigation requirements and other matters relating to the development process.

11.12.020 Code modifications allowed by development agreement

A development agreement may allow modifications to the City's development code, as provided below:

A. The traffic impact fees established by Chapter 14.25 LMC may be credited based on the value of developer-funded infrastructure improvements for transportation.

B. In order to encourage innovative land use management and provide flexibility to achieve public benefits, a development agreement adopted pursuant to this chapter may impose development standards that differ from the development regulations adopted in the development code; provided, that:

1. Any development standards imposed by the development agreement are consistent with the strategic objectives, goals, and policies of the comprehensive plan; and

2. The development standards do not:

a. Allow for use types or densities currently not permitted within the existing zoning category for the properties subject to the agreement;

b. Modify or alter the requirements of the City's building code;

c. Modify or alter the requirements of the City's stormwater management regulations; or

d. Modify or alter any federally required American with Disabilities Act (ADA) standards.

11.12.030 Incentives

A. A development agreement may reserve capacity in the transportation system for the proposed development's trip generation. The proposed development shall be deemed to have achieved transportation concurrency under the concurrency rules and regulations in effect on the effective date of the development agreement. The term for the concurrency determination shall be set forth in the development agreement.

B. A development agreement may reserve capacity in the city's sewer system for the proposed development. The amount of capacity reserved shall be set forth in the development agreement.

C. A development agreement may establish vesting standards subject to the following limitations:

1. Vesting for regulations adopted pursuant to the State Building Code shall not be altered.

2. The vesting period cannot be longer than 20 years from the effective date of the development agreement.

3. If the agreement provides a vesting period that is longer than five years, the agreement shall include milestones for development of the project, which shall be met in order to maintain the extended vesting period.

4. Negotiated vesting provisions cannot defeat the city's ability to require a developer to comply with latter-adopted state or federal mandates not subject to vesting, or prevent the city from taking action to prevent a public safety, welfare, or health emergency.

D. Water, sewer, and stormwater system development charges may be credited against the value of developer-funded infrastructure for the same utility. Credits shall be calculated in a manner acceptable to both parties. Prior to negotiation of a credit, the city shall obtain an opinion from its financial consultant.

11.12.040 Application requirements

Development agreements shall include the following:

A. A site plan depicting boundaries and project elements, such as:

1. Location and acreage of active and passive recreational areas, if any;
2. Location, acreage and range of densities for residential development, if applicable;
3. Location and range of types of uses of nonresidential development, if applicable;
4. Location and size of critical areas and buffers, if any;
5. Perimeter buffers, if any; and
6. Motorized and nonmotorized circulation routes, including route connections to streets and pedestrian routes servicing and/or abutting the site.

B. The development standards and other provisions that shall apply to and govern the use and development of the real property;

C. Identification of the variations from development standards approved under LMC 11.12.020;

D. The expected build-out period and, if applicable, the phasing of development;

E. Provisions for the termination of the development agreement;

F. If environmental review is required under the State Environmental Policy Act, measures to mitigate significant adverse impacts including any impacts to public services and facilities;

G. A title report indicating proof of ownership; and

H. Other application contents as listed in LMC 11.03.050, unless waived by the enforcing officer.

11.12.050 Decision criteria

The city council may approve and enter into a development agreement if the council finds at its sole discretion that the development proposal:

- A. Significantly benefits the City by contributing unique or needed amenities;
- B. Stimulates development in an articulable fashion;
- C. Significantly improves the local economy by adding employment opportunities and contributing to the tax base;
- D. Advances the strategic objectives, goals, and policies of the City's Comprehensive Plan;
- E. Is consistent with the City's development regulations, except as modified pursuant to LMC 11.12.020; and
- F. Is in the City's best interests.

11.12.060 Procedure

- A. Development agreements shall be drafted and negotiated by City staff in conjunction with developer representatives.
- B. If necessary to determine the interests of the city council prior to expending significant time on negotiations, staff may introduce the proposal for council discussion at a council workshop.
- C. If a development agreement is not proposed in conjunction with an action requiring quasi-judicial review or legislative review under Chapter 11.04 LMC, the development agreement shall be presented to city council at a public hearing for approval by ordinance or resolution.
- D. If the development agreement is proposed in conjunction with an action requiring quasi-judicial review, the development agreement shall be presented to the city council for final approval by ordinance or resolution, after a public hearing with the hearings examiner. The hearings examiner shall make a recommendation of approval or denial on the applications and the development agreement to the city council.
- E. If the development agreement is proposed in conjunction with an action requiring legislative review, the development agreement shall be presented to the city council for final approval by ordinance or resolution, after a public hearing with the planning commission. The planning commission shall make a recommendation of approval or denial on the applications and the development agreement to the city council.
- F. Prior to any required public hearing, the enforcing officer shall issue a public hearing notice in accordance with Chapter 11.04 LMC.

11.12.070 City council action

- A. The city council shall consider the proposed development at and following the public hearing. The city council may approve and enter into a proposed development agreement if the council finds, in its sole discretion, that a proposed agreement is consistent with the decision criteria listed in LMC 11.12.050. The decision of the city council on a development agreement is the final decision of the City.
- B. Notice of the Final Decision by the city council shall be mailed to the applicant, to any person who submitted public comments, and to any other person who has specifically requested it.
- C. The development agreement shall be recorded with the Thurston County auditor prior to the effective date of any development proposal that was submitted and reviewed concurrently with the development agreement.
- D. The appeal of a final decision of the city council shall be timely filed as a judicial appeal pursuant to LMC 11.05.070.

11.12.080 Terms of agreement

- A. A development agreement pursuant to Chapter 36.70B RCW and this chapter shall be binding on the parties and their successors during the term of the development agreement and enforceable during its term by a party to the agreement, unless the agreement is amended or terminated.
- B. The City reserves the right to modify or terminate the development agreement upon the failure or refusal to comply with the terms of the agreement by the developer in accordance with the dispute resolution process contained in the agreement.
- C. Amendments to the terms of the development agreement shall be done only by a written instrument executed by all parties pursuant to the procedures of this chapter, or as may be amended. The City will process and decide upon application of an amendment in accordance with the thresholds and procedures for amendments contained in the project specific agreement.

Chapter 11.13 REZONES

Sections:

11.13.010	Applicability
11.13.020	Authority for rezones requiring a plan amendment
11.13.030	Authority for rezones not requiring a plan amendment
11.13.040	Submittal requirements
11.13.050	Decision criteria
11.13.060	Time limitations for submission

11.13.010 Applicability

An application for a rezone of property may be made by the following:

- A. Property owner, or somebody authorized on the owner's behalf; or
- B. City council; or
- C. Planning commission.

11.13.020 Authority for rezones requiring a plan amendment

A. In accordance with RCW 35.63.110 the planning commission has the authority to recommend zoning to the legislative body requiring a Comprehensive Plan amendment after conducting a public hearing thereon. Notice shall be provided in accordance with LMC 11.03.090.

B. Upon completion of the hearing(s) on the Comprehensive Plan, or successive parts thereof, the planning commission, after making such changes as it deems necessary, shall forward its recommendation to the city council for their final action.

C. The final form and content of the Comprehensive Plan shall be determined by the city council after consideration of the planning commission's recommendation at a public meeting.

11.13.030 Authority for rezones not requiring a plan amendment

A. Rezone requests not requiring a Comprehensive Plan amendment and submitted in conjunction with a primary project permit application shall be reviewed in an open public hearing held before the hearings examiner under the procedures and rules of the hearings examiner, as authorized by RCW 35.63.130.

1. The applicant will have the burden and duty of applying for and pursuing the rezone.
2. Upon completion of the hearing, or successive parts thereof, the hearings examiner shall forward their recommendation to the city council for their final action.
3. The final decision shall be made by the city council after consideration of the hearings examiner's recommendation at a public meeting.

B. Rezone requests not requiring a Comprehensive Plan amendment and not submitted in conjunction with a primary project permit application shall be reviewed in accordance with the legislative review procedures described in LMC 11.04.060.

11.13.040 Submittal requirements

A. Rezone applications shall include the information required by LMC 11.03.050, unless otherwise waived by the enforcing officer.

B. The enforcing officer, hearings examiner or city council may require the applicant to submit any additional information or material which is found to be necessary for the proper review of the application.

11.13.050 Decision criteria

A. Criteria for rezones not requiring a Comprehensive Plan amendment. The City may deny a rezone if the all the following criteria are not met. The City may approve or approve with conditions an application for a rezone if:

1. The rezone has merit and value for the community, and will not adversely affect public health, safety, and welfare;
2. The rezone will not be materially detrimental to the uses or properties located in the immediate vicinity thereof;
3. Since the original zoning or most recent rezone of the subject property, conditions affecting the subject property have substantially changed as a result of, but not limited to, public improvements or permitted private development; and
4. The characteristics of development upon the land subject to the rezone application are compatible with the purpose and or intent of the proposed zone as well as the zone-specific policy of the proposed zone, as provided by the Comprehensive Plan.

B. Criteria for rezones not requiring a Comprehensive Plan amendment. The City may deny a rezone if the all the following criteria are not met. The City may approve or approve with conditions an application for a rezone if:

1. The rezone has merit and value for the community, and will not adversely affect public health, safety, and welfare;
2. The rezone will not be materially detrimental to the uses or properties located in the immediate vicinity thereof;
3. Since the original zoning or most recent rezone of the subject property, conditions affecting the subject property have substantially changed as a result of, but not limited to, public improvements or permitted private development;

4. The characteristics of development upon the land subject to the rezone application are compatible with the purpose and or intent of the proposed zone, the zone-specific policy of the proposed zone, and the future land use map as provided by the Comprehensive Plan; and
5. The property subject to rezone was not specifically considered for a rezone at the time of the last area land use analysis and area zoning;
6. The rezone will not constitute a reduction in the development capacity of the site.

11.13.060 Time limitations for submission

- A. Applications for rezones requiring a comprehensive plan amendment and for rezones not requiring a comprehensive plan amendment and not submitted in conjunction with a primary project permit application shall submit a docket application no later than the first Monday in December each year.
- B. Applications for rezones not requiring a comprehensive plan amendment submitted in conjunction with a primary project permit application may be submitted at any time.
- C. A petition for a change of zoning classification, seeking the same or substantially same relief as a prior petition, cannot be re-filed or resubmitted within a period of twelve (12) months from the date of final disapproval or rejection of such prior petition.

Chapter 11.01 GENERAL PROVISIONS ~~1.000 Development Permit Procedures and Administration~~

Sections:

11.01.010 Applicability

11.01.020 Right to enter

11.01.010 ~~1.010 Purpose and~~ Applicability

A. The purpose of this ~~title chapter of the City of Lacey Development Guidelines and Public Works Standards~~ is to enact the processes and timelines for local land development permitting. The objectives of this ~~title chapter~~ are to encourage the preparation of appropriate information and/or materials early in the permitting process, to process permit applications in a timely manner, to provide the general public with an adequate opportunity for review and comment, and to provide the development community with a standardized process and predictability.

B. This ~~title Chapter~~ shall apply to permit applications for land development under the following ~~T~~titles of the Lacey Municipal Code:

1. Title 14 – Buildings and Construction

2. Title 15 – Subdivisions

3. Title 16 – Zoning

C. Other laws, ordinances, regulations and plans have a direct impact on the development of land. These include, but are not limited to, the City of Lacey Development Guidelines and Public Works Standards, City of Lacey Environmental Protection and Resource Conservation Plan, City of Lacey Transportation Plan, Shoreline Master Program for the City of Lacey, City of Lacey Comprehensive Plan, and the laws, ordinances, regulations and plans of federal, state and local agencies.

11.01.020 ~~1.020~~ Right to ~~E~~enter

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

Chapter 11.02 DEFINITIONS ~~1.030 Definitions~~

11.02.010 **Applicability**

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

11.02.020 **Abutting**

See definition of “Abutting”.

11.02.030 **Accessory Dwelling**

See definition of “Accessory dwelling”.

11.02.040 **Accessory Use**

See definition of “Accessory use”.

11.02.050 **Adjacent**

See definition of “Adjacent”.

11.02.060 **Alley**

See definition of “Alley”.

11.02.070 **Amendment**

See definition of “Amendment”.

11.02.080 **Buffer**

See definition of “Buffer”.

11.02.090 **Building**

See definition of “Building”.

11.02.100 **Building coverage**

See definition of “Building coverage”.

11.02.110 **Building height**

See definition of “Building height”.

11.02.120 **City**

See definition of “City”.

11.02.130 Conditional uses

“Conditional uses” means certain uses which, because of special requirements, unusual character, size or shape, infrequent occurrence or possible detrimental effects on surrounding property and for other similar reasons, ~~may be allowed in certain use districts only by the granting of a conditional use permit by the city council.~~

11.02.140 County

“County” means Thurston County.

11.02.150 Closed record appeal

~~A.~~ “Closed record appeal” means an appeal on the record with no new evidence or information allowed to be submitted and only appeal argument allowed.

11.02.160 Day

~~B.~~ “Day” refers to calendar day including weekends and City-recognized holidays; “working day” refers to a day that the City of Lacey conducts official business from Monday through Friday excluding City-recognized holidays. Should a statutory deadline end on a weekend or City-recognized holiday, the deadline shall be extended to 5:00 p.m. the next working day.

11.02.170 Department

~~C.~~ “Department” means City of Lacey Community and Economic Development Department.

11.02.180 Development agreement

"Development Agreement" means those agreements provided under RCW 26.70B.170

11.02.190 Development capacity

"Development capacity" means the maximum development potential allowed under the zoning code, factoring in permitted uses, density limits, and development standards.

11.02.110 Duplex

See definition of “Duplex”.

11.02.210 Dwelling

See definition of “Dwelling”.

11.02.220 Dwelling unit

See definition of “Dwelling unit”.

11.02.230 Easement

See definition of “Easement”.

11.02.240 Emergency medical center

See definition of “Emergency medical center”.

11.02.250 Enforcing officer

See definition of “Enforcing officer”.

11.02.260 Federal

See definition of “Federal”.

11.02.270 Floor area

See definition of “Floor area”.

11.02.280 Floor area, gross

See definition of “Gross floor area”.

11.02.290 Full administrative review

~~D.~~ "Full administrative review" is used when the proposed development is subject to objective and subjective standards requiring the exercise of limited discretion about non-technical issues and about which there may be limited public interest. The proposed development may or may not be subject to SEPA review. Included under this type of review are binding site plans, short subdivisions, site plan review applications, certain wetland development permits, as prescribed in LMC 14.28.120, land clearing permits and other similar applications.

11.02.300 Gross area

See definition of “Gross area”

11.02.310 Hearings Examiner

See definition of “Hearings Examiner”.

11.02.320 Home occupation

See definition of “home occupation”.

11.02.330 Hospital

See definition of “Hospital”.

11.02.340 Limited administrative review

~~E.~~—"Limited administrative review" is used when the proposed development is subject to clear, objective and non-discretionary standards requiring the exercise of professional judgment about technical issues and the proposed development is exempt from the State Environmental Policy Act (SEPA). Included under this type of review are interpretation of codes and ordinances, single family building permits, design review, exempt tree removal requests, accessory dwelling units and other similar applications.

11.02.350 Lot

See definition of “Lot”.

11.02.360 Legislative review

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

11.02.370 Lot area

See definition of “Lot area”.

11.02.380 Lot, corner

See definition of “Corner lot”.

11.02.390 Lot depth

See definition of “Lot depth”.

11.02.400 Lot line, front

See definition of “Front lot line”.

11.02.410 Lot or parcel, undeveloped

See definition of "Lot of parcel, undeveloped"

11.02.420 Lot line, rear

See definition of “Rear lot line”.

11.02.430 Lot width

See definition of “Lot width”.

11.02.440 Mall

See definition of “Mall”.

11.02.450 Multifamily

See definition of “Multifamily”.

11.02.460 Native vegetation

See definition of “Native vegetation”.

11.02.470 Open record hearing

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

11.02.480 Open space

See definition of “Open space”.

11.02.490 Open space, common

See definition of “Common open space”.

11.02.500 Open space, usable

See definition of “Usable open space”.

11.02.510 Parcel

See definition of “Parcel”.

11.02.520 Parking area

See definition of “Parking area”.

11.02.530 Parking, off-street

See definition of “Off-street parking”.

11.02.540 Parking space

See definition of “Parking space”.

11.02.550 Party of record

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

11.02.560 Permit assistance staff

~~I.~~ “Permit ~~A~~assistance ~~S~~staff” means the staff designated by the City to handle all permit assistance questions and duties. The City has designated the Permit Technician, the Planners within the Community ~~and Economic~~ Development Department and the Public Works Development Review Staff as the permit assistance staff.

11.02.570 Person

See definition of “Person”.

11.02.580 Planned residential developments

“Planned residential developments” means any development of land approved and developed in accordance with the terms of this title, including a plat or subdivision of such land.

11.02.590 Planning Commission

See definition of “Planning Commission”.

11.02.600 Premises

See definition of “Premises”.

11.02.610 Project permit application

~~J.~~ “Project permit application”² means any land use or environmental permit or license required by the department for a project action, including but not limited to subdivisions, binding site plans, planned unit developments, conditional uses, shoreline substantial development permits, site plan review, permits or approvals required by critical area ordinances, site-specific rezones which do not require a comprehensive plan amendment, but excluding the adoption or amendment of a comprehensive plan, subarea plan, or development regulations.

11.02.620 Property line

See definition of “Property line”.

11.02.630 Public meeting

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

11.02.640 Quasi-judicial review

~~L.~~ “Quasi-judicial review” is used when the development or use proposed under the application requires a public hearing before a hearings examiner. Included within this type of review shall be subdivisions, conditional use permits, planned residential developments, variances, certain wetland development permits, as prescribed in LMC14.28.110, shoreline substantial development permits administrative appeals, master plans and other similar applications.

11.02.650 Shoreline

See definition of “Shoreline”.

11.02.660 State

See definition of “State”.

11.02.670 Structure

See definition of “Structure”.

11.02.680 Storage Trailer

“Storage Trailer” means a unit originally or specifically used or designed to store goods during shipping or hauling by a vehicle, such as truck trailers or shipping containers.

11.02.690 Temporary Use

“Temporary Use” means a use established for a specified period of time with the intent to discontinue the use at the end of the designated time period, excluding uses defined as street merchant activities per LMC 16.72.

11.02.700 Use district

See definition of “Use district”.

11.02.710 Variance

See definition of “Variance”.

11.02.720 Yard

See definition of “Yard”.

11.02.730 Yard, front

See definition of “Front yard”.

11.02.740 Yard, rear

See definition of “Rear yard”.

11.02.750 Yard, shoreline

See definition of “Shoreline yard”.

11.02.760 Yard, side

See definition of “Side yard”.

Chapter 11.03 APPLICATION PROCESS ~~1A APPLICATION FORMS~~

Sections:

<u>11.03.010</u>	<u>Application forms</u>
<u>11.03.020</u>	<u>Presubmission meetings</u>
<u>11.03.030</u>	<u>Consolidated application process</u>
<u>11.03.040</u>	<u>Application submittal review appointment</u>
<u>11.03.050</u>	<u>Contents of application</u>
<u>11.03.060</u>	<u>Determination of completeness</u>
<u>11.03.070</u>	<u>Application vesting</u>
<u>11.03.080</u>	<u>Time limits</u>
<u>11.03.090</u>	<u>Notice of Application</u>
<u>11.03.100</u>	<u>Notice of Final Decision</u>
<u>11.03.110</u>	<u>Duration of approval</u>

11.03.010~~1A.010~~ Application ~~F~~forms

A. An application shall be made using the appropriate form adopted by the department.

B. Each ~~adopted~~ application form shall, at a minimum, include the following information:

~~1. The application form be filled out legibly, in blue or black ink, either hand printed or typewritten.~~

12. The name, mailing address, electronic mail address, and telephone number of each applicant.

23. The name, mailing address, electronic mail address, and telephone number of the applicant's representative, if any.

34. The name, mailing address, electronic mail address, and telephone number of each owner of the subject property, if different than the applicant(s).

45. The name, mailing address, electronic mail address, telephone number and contractor registration number of the applicant's prime contractor and City of Lacey business registration number, if applicable.

56. The parcel number, legal description and assessor's parcel map for each parcel which is the subject of the proposed development.

67. The signature of each applicant or the applicant's authorized representative and each property owner if different than the applicant(s).

78. Any other information, documents or materials as determined by the department, which may be required in the body of the form or by an attachment to the form.

89. Mailing addresses for parcels within a minimum of 300-feet for projects requiring a public hearing. Village Center projects require addresses for parcels within a minimum of 1,000-feet of the subject property. The mailing list shall be prepared by a Title Company and in the form of labels and a paper copy. The addresses shall be the actual mailing address for the parcel.

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

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

1B Application Process

1B.010 Application Process

~~The application process shall consist of the following components:~~

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

11.03.0201B.020 Pre-submission mMeetings

A. All prospective applicants shall participate in a pPre-submission mMeeting. The department may waive the requirement of a pPre-submission mMeeting where proposed development is subject to Limited Administrative Review.

~~B. The purpose of the Pre-submission Meeting is to provide the applicant with the best available information regarding the development proposal and application processing requirements, and to assure the availability of complete and accurate information necessary for review prior to the applicant's expenditure of application fees and the scheduling of the application review process.~~

~~C. The Pre-submission Meeting provides an opportunity for the applicant, staff and other agencies to informally discuss and review the proposed development, the application and permit requirements, fees, the review process and schedule, and applicable development standards, plans, policies, and laws.~~

~~B.D.~~ The ~~p~~Pre-submission ~~m~~Meeting shall take place virtually via electronic platform, or in person at the department's office, unless the department and the applicant agree upon another location. The length of the ~~p~~Pre-submission ~~m~~Meeting shall be determined by the complexity of the development proposed by the applicant.

~~C.E.~~ An applicant may request additional ~~p~~Pre-submission ~~m~~Meetings if the proposed development changes based on information received at the previous meeting. The additional meetings shall be subject to the same procedures as the initial ~~p~~Pre-submission ~~m~~Meeting.

~~F. Application forms shall be made available to the applicant following a Pre-submission Meeting.~~

~~D. If one calendar year or more has passed since a presubmission meeting was held for a proposal and the required applications have not been submitted to the department, a new presubmission meeting shall be required. The department shall have the authority to waive this requirement or require a new presubmission meeting in advance of the one-year period upon determining whether the proposal or pertinent regulations have changed.~~

11.03.0301B.030 Consolidated ~~A~~application ~~P~~process

~~A.~~ When more than one application for a proposed development is required, the applicant shall ~~may elect to have~~ submit all applications ~~submitted~~ for review at one time, unless otherwise determined by the department.

~~B.A.~~ Applications for proposed development and planned actions subject to the provisions of the State Environmental Policy Act (SEPA) shall be reviewed concurrently and in accordance with state and local laws, regulations and ordinances.

~~C.B.~~ When more than one application is submitted under a consolidated review and the applications are subject to different types of review procedures, all of the applications for the proposed development shall be subject to the most stringent level of review procedure which applies to any of the applications.

~~D.C.~~ ~~If an applicant elects~~ Under a consolidated application process, the Determination of Completeness, the Notice of Application, and the Notice of Final Decision must include all applications being reviewed.

11.03.040 ~~1B.040~~ Application ~~S~~ubmittal ~~R~~evision ~~A~~ppointment

~~A. Department staff shall determine whether an application submittal review appointment is necessary to A-review of the completeness of a submitted land use application shall be conducted at a scheduled pre-application submittal meeting with department staff to determine if the application is complete. The application submittal review shall determine if adequate information is provided in or with the application in order to begin processing the application and begin review. and all required information and materials have been supplied in sufficient detail to begin the application review process.~~

~~B. All information and materials required by the application form LMC 11.03.050 and from the Pre-submission Meeting must be submitted at the application submittal review appointment. All studies supporting the application or addressing projected impacts of the proposed development must be submitted.~~

~~B. The purpose of the Application Submittal Review is to ensure adequate information is contained in the application materials to demonstrate consistency with applicable comprehensive plans, development regulations and other applicable city codes.~~

~~C. Department staff will coordinate the involvement of agencies responsible for the review of setbacks, landscaping, parking, drainage, access, roads, traffic, signage, utilities and any other applicable requirements.~~

11.03.050 Contents of application

~~For an application to be deemed complete for purposes of beginning the formal project review and starting the review clock, the following basic submittal information shall be provided. During project review, additional information or studies may be requested in writing by the department if needed to address particular aspects of the project or site.~~

~~A. Applications shall be submitted using the forms provided by the department.~~

~~B. An application that is procedurally complete shall consist of all materials required by the permit application checklist, which are prepared pursuant to subsection C of this section, as supplemented in writing by the development review committee pursuant to the presubmission meeting process in LMC 11.03.020.~~

~~C. The enforcing officer may waive submittal items required by subsection D of this section depending on the permit application type.~~

~~D. Each application at a minimum shall include the following information:~~

~~1. A complete application form containing:~~

~~a. The title and location of the proposed project;~~

b. The names, addresses, telephone numbers, and electronic mail addresses of the record owner or owners of the land and of the applicant, and, if applicable, the names, addresses, telephone numbers, and electronic mail addresses of any architect, planner, designer, engineer, or other consultants responsible for the preparation of the permit application, and of any authorized representative of the applicant; and

c. The designation of a single person or entity by the applicant to receive land use permit application determinations and notices required by this title;

2. A verified statement by the applicant that the property affected by the permit application is in the exclusive ownership of the applicant, or that the applicant has submitted the application with the consent of all the owners of the affected property;

3. A legal description of the site;

4. A title report or plat certificate issued by a title company which shows property ownership, and any easements or other encumbrances shall be submitted with the permit application package. Such title report or plat certificate shall be dated no more than thirty days prior to submittal;

5. The applicable permit application fee;

6. Complete plans, studies, and/or reports identified in the permit application checklist and presubmission meeting;

7. A complete description of each proposed use of the land and buildings, including the size of each use, and if it is a residential use, the number, size, and number of bedrooms of each dwelling unit;

8. All materials required by Title 14 LMC shall be included in the land use permit application, including a SEPA environmental checklist if required;

9. For land use actions proposing land division pursuant to Title 15 LMC, all materials required by that title shall be included in the land use permit application.

10. A site plan drawing or drawings at a scale of not less than one inch for each twenty feet which shall show:

a. General information:

i. Project name;

ii. Street address of property;

iii. Title block containing the drawing title, scale, revision number, if applicable, north arrow, and date;

iv. Vicinity map including streets and surrounding landmarks within five hundred feet of the property or enough information to easily locate the site on a large city map;

v. Legal description of the property as provided by the Thurston County assessor's office;

vi. Parcel numbers as provided by the Thurston County assessor's office;

vii. Parcel map as provided by the Thurston County assessor's office showing all adjacent parcels;

viii. Existing zoning;

ix. Lot size;

x. Square footage of floor area in each structure;

xi. Parking spaces and parking lot dimensions;

xii. Type of construction proposed;

xiii. The proposed number of square feet in paved or covered surfaces, whether covered by buildings, driveways, parking lots, or any other structure covering land; and the total amount of square feet in the entire proposed project site;

xiv. The proposed number of dwelling units and project density, including the number of dwelling units for each existing or proposed structure on the site and number of units per gross acre, if applicable;

xv. The proposed number of square feet in gross floor area for each commercial, industrial, and institutional use, if applicable; and

xvi. If the project will be developed in phases, the number of phases, the size of each phase, and the number of units or buildings for each phase;

b. Site information:

i. Location of property lines, indicating exterior lines with bold solid lines and interior lines with long dashed lines;

ii. If the property is to be divided pursuant to Title 15 LMC, the boundaries of each proposed lot and tract within the property;

iii. Survey maps which delineate topographic contour lines showing both existing and proposed elevations, at two-foot intervals, extending a minimum of ten feet beyond the property line. The interval should be such that the existing and proposed slopes of the property can be determined on the drawing. Proposed contours shall show ties to existing contours and show spot elevations as needed;

iv. All existing and proposed public and private easements;

v. The number and size of all phases in the proposed project, if applicable;

vi. Proposed building(s), including dimensions;

vii. Front, rear, and side building setbacks with clear dimensions;

viii. Distance to adjacent structures on site, if applicable;

ix. Locations and dimensions of off-street and on-street parking, including accessible parking, parking designated per unit if applicable, lot striping, wheel stops and curbing, including turning radii in the circulation pattern;

x. Locations and dimensions of existing and proposed driveways, traffic flow, emergency vehicle access, and parking lot circulation and maneuvering areas;

xi. Locations and dimensions of existing and proposed rights-of-way, streets, curbs, gutters, and street centerlines, including pavement edges;

xii. Dimensions and locations of walkways, trails, sidewalks, and curb cuts;

xiii. Sizes and locations of solid waste containers showing details of any site screening fences or structures and screening of dumpsters;

xiv. Location of existing and proposed signs including elevation, size, material, color, design, and method of illumination;

xv. Dimensions, types, and locations of fencing;

xvi. Locations, dimensions, and types of critical areas and buffers;

xvii. Information required by LMC 14.32 addressing trees and vegetation;

xviii. Locations, dimensions, and types of open space;

xix. Information required by the shoreline master program, if the property the project is located on is within shoreline jurisdiction;

xx. The existing zone district of the proposed project site and any other zone district within three hundred feet of the site; and

xxi. All special districts, including, but not limited to, school or water districts, in which the proposed project shall be located and all such districts within three hundred feet of the proposed project;

c. Building information:

i. Graphic renderings of existing and proposed buildings, unless architectural elevation drawings including height and number of stories, along with any mechanical roof-mounted equipment are required; and

ii. Generalized floor plans, planned uses for each area of building (including occupancy type, if known), finished floor elevations, and exiting and accessibility accommodations;

d. Infrastructure improvements:

i. Location of existing and proposed storm sewers, catch basins, utility holes, parking lot storm drains, detention structures, etc.;

ii. Locations and dimensions of stormwater treatment, flow control, and low impact development facilities;

iii. Location and size of existing and proposed water mains, valves, service lines, size of water meters, sprinkler systems, fire hydrants, and backflow devices;

iv. Location and size of existing and proposed sanitary sewer collectors, utility holes, pumping stations, force main and side services, including cleanouts; and

v. Location of other existing and proposed utilities, including, but not limited to, gas, power, telephone, streetlights.

11. A landscape plan prepared pursuant to Chapter 16.80 LMC, that is consistent with the proposed site plan; and

12. For properties containing wetlands or wetland buffers pursuant to Chapter 14.28 LMC, all informational requirements specified in Chapter 14.28 LMC.

11.03.0601B.050 Determination of ~~C~~completeness

A. Within twenty-eight (28) days after receiving an application, the department shall complete the Application Submittal Review and provide the applicant a written determination that the application is complete or incomplete. The number of days shall be calculated by counting every calendar day.

B. An application shall be determined complete only when it contains all procedural submission requirements of the department, ~~as outlined on the project permit application in accordance with LMC 11.03.050, unless otherwise waived by the enforcing officer.~~ Additional information or studies may be required or project modifications may be undertaken subsequent to the procedural review of the application. At a minimum all of the of the following information and materials shall be included:

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

C. For applications determined to be incomplete, the department shall notify the applicant in writing that the procedural submission requirements have not been met and shall outline what is necessary to make the application procedurally complete. Within fourteen (14) days after its receipt of the requested requirements, information or materials, the department shall issue a Determination of Completeness or identify the additional requirements, information, or materials still necessary for completeness.

~~D. A Determination of Completeness shall identify, to the extent known, other local, state or federal agencies that may have jurisdiction over some aspect of the application.~~

DE. A Determination of Completeness shall not preclude the department from requesting additional information or studies, if additional information is required or a change in the proposed development occurs.

~~EF~~. An application shall be deemed procedurally complete on the 29th day after receiving a project permit application if a determination is not provided in writing that the application is procedurally incomplete. When the department does not provide a written determination they may still seek additional information or studies to enable review of the application

~~FG~~. The ~~N~~notice of ~~A~~application shall be provided within 14 days after the ~~D~~determination of ~~C~~completeness pursuant to RCW 36.70B.110

11.03.0701B.060- Application Vesting

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

A. Vesting of applications is governed by the rules of RCW 19.27.095 and RCW 58.17.033. The vested rights doctrine shall not be applied more broadly than its intended scope.

B. Vesting occurs with the filing of a complete application of the following:

1. Building permits;
2. Project permit applications;
3. Division of land applications, as regulated by Title 15 LMC; and
4. Any other project permit application that is specifically identified by the Washington State legislature as being covered by the vested rights doctrine.

C. Vesting does not apply to any of the following:

1. Incomplete, invalid, inaccurate or defective applications;
2. Fees or taxes, including, but not limited to, impact fees;
3. Municipal stormwater regulations adopted under the federal and state National Pollutant Discharge Elimination System (NPDES) program;
4. Pre-submission conferences;
5. Processes and procedures;
6. Any other application or permit not specifically identified in subsection B of this section;
7. Uses not specifically disclosed in the application; or
8. Any application or permit that may reasonably result in a threat to the public health, safety, or welfare of the community. The city's exercise of police power to protect the

public health and safety, and/or general welfare immediately extinguishes any “vested right.”

D. Modifications proposed by the applicant which meet or exceed any of the criteria for a major revision and/or amendment, as specified by each application chapter, shall require a new application. The new application shall conform to the development regulations which are in effect at the time the new complete application is submitted.

E. Modifications proposed by the applicant which do not exceed any of the criteria for a major revision and/or amendment, as specified by each application chapter, shall be reviewed for the development regulations in effect on the date of the original complete application.

F. The following applies to applications described in subsection B of this section:

1. Applications shall be reviewed for consistency with the zoning or other land use control ordinances in effect on the date the application is deemed complete.

2. An application shall be subject to all applicable development regulations in effect on the vesting date.

3. Supplemental information required after an application is deemed complete shall not affect the validity of the vesting for the application.

4. Applications submitted that are not listed in subsection B of this section shall be governed by the standards applicable to the specific application type. These applications shall not vest for any additional development regulations.

G. Vesting may be waived as follows:

1. A property owner may voluntarily waive vested rights at any time during the processing of an application by delivering a written and signed waiver to the approval authority stating that the property owner agrees to comply with all development regulations in effect on the date of delivery of the waiver.

2. Major plat amendments shall constitute a voluntary waiver of vested rights at the time of the submittal of the major plat amendment, unless otherwise approved by the approval authority.

11.03.080 Time limits

A. The number of days an application is in review with the city shall be calculated from the day completeness is determined, to the date the final decision is issued. The number of days shall be calculated by counting every calendar day.

B. In determining the number of days that have elapsed after the enforcing officer has established that an application is complete, the following time periods shall be excluded:

1. Any period following the day the city has notified the applicant, in writing, that additional information is required to further process the application and the day when the responsive information is resubmitted by the applicant;
2. Any period after the applicant has informed the city, in writing, that they would like to temporarily suspend review of the application until the time the applicant notifies the department, in writing, that they would like to resume the application;
3. Any time period after an administrative appeal or reconsideration is filed until the administrative appeal is resolved and any additional time period provided by the administrative appeal has expired;
4. The time periods to process a permit shall start over if an applicant proposes a change in use that adds or removes commercial or residential elements from the original application that would make the application fail to meet the determination of procedural completeness for the new use, as required under RCW 36.70B.070.

C. An additional 30 days may be added to the time periods for action to issue a final decision for each type of project permit if:

1. The applicant informs the department, in writing, that they would like to temporarily suspend the review of the project for more than 60 days; or
2. The applicant is not responsive for more than 60 consecutive days after the department has notified the applicant that additional information is required to further process the application. Upon request for additional information the city shall provide a notice that nonresponsiveness for 60 consecutive days may result in 30 days being added to the time for review.
3. For the purposes of this subsection, "nonresponsiveness" means that an applicant is not making demonstrable progress on providing additional requested information, or that there is no ongoing communication from the applicant to the department on the applicant's ability or willingness to provide the additional information.

D. Once the department has notified the applicant in writing that additional information is required to further process the application, the applicant shall have one hundred eighty days to submit the responsive information to the department, or the application shall expire.

1. Prior to the expiration noted above, the applicant may request an extension of time in writing to submit the responsive information to the department. The department may grant an extension if the required studies or information warrant additional time.

2. Knowledge of and compliance with all time limits shall be the responsibility of the applicant.

E. For applications subject to limited administrative review and full administrative review where the department has determined that additional information is required to further process the application, and the department has requested such information on two occasions without resolution:

1. The department shall meet with the applicant during the review process to attempt to resolve outstanding issues. Within fourteen (14) days of a second request for corrections, the department shall contact the applicant to arrange a meeting to discuss outstanding issues at a date and time agreed upon by both parties.

2. If the meeting does not resolve the issues related to the permit, and the department makes a third request for corrections or additional information, the department shall approve or deny the application upon receiving the materials unless the department and the applicant agree, in writing, to continue the review process beyond the third submittal if the project cannot be approved at that time.

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

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

11.03.0901B.070 Notice of ~~A~~pplication

A. Within fourteen days after issuing a ~~D~~etermination of ~~C~~ompleteness, the department shall issue a ~~N~~otice of ~~A~~pplication. However, a ~~N~~otice of ~~A~~pplication shall not be required for project permits that are categorically exempt under ~~C~~hapter 43.21 RCW, unless an open record public hearing is required or an open record appeal hearing is allowed on the project permit decision. The notice shall include, but not be limited to the following:

1. The date of application, the date of the Determination of Completeness, and the date of the Notice of Application.
2. A description of the proposed project action, a list of permits required for the application, and if applicable a list of any studies requested.
3. The identification of other required permits not included in the application, to the extent known by the department.
4. The identification of existing environmental documents which evaluate the proposed development and the location where the application and any studies can be reviewed.

5. A statement of the public comment period, which shall be fourteen days following the date of the Notice of Application, and a statement of the right of any person to comment on the application, receive notice of and participate in any hearings, request a copy of the decision once made, and receive a statement of any appeal rights. The notice shall state the date which the comment period begins and the date and time on which the comment period ends.
6. When applicable, the date, time, location and type of hearing, if scheduled at the date of the Notice of Application.
7. A statement of the preliminary determination, if one has been made at the time of Notice of Application, of those development regulations that will be used for project mitigation and of consistency with the type of land use of the proposed site, the density and intensity of proposed development, infrastructure necessary to serve the development, and the character of the development.
8. Any other information determined by the department to be appropriate.

B. Informing the ~~p~~Public

1. No notice shall be required for limited administrative review.
2. Notice shall be provided for land use applications subject to the full administrative review procedures outlined in ~~Section 1C.030~~ LMC 11.04.040 in the following manner, except for short subdivision applications, which shall be subject to the notification requirements of subsection ~~(3)~~ below:
 - a. ~~Publishing the Notice of Application.~~ The ~~N~~notice of ~~A~~application shall be published ~~in on~~ the official ~~newspaper website~~ of the City of Lacey and include at a minimum the following information: the project location, description, type of permit required, comment period dates and location where the complete application may be reviewed.
3. Notice shall be provided for land use applications subject to the quasi-judicial or legislative review procedures outlined in ~~Sections 1C.050 and 1C.060~~ LMC 11.04.050 and 11.04.060 and short subdivisions in the following manner:
 - a. ~~Posting the Notice of Application.~~ The Notice of Application shall be posted on the subject property for the duration of the public comment period and at a minimum include the following information: the project location, description, type of permit required, comment period dates and location where the complete application may be reviewed. The Notice of Application shall be posted in a manner that is highly visible to the general public from the public right-of-way adjacent to the site.

b. ~~Publishing a Notice of Application.~~ The ~~N~~notice of ~~A~~application shall be published ~~in on~~ the official ~~newspaper website~~ of the City of Lacey, and include at a minimum the following information: the project location, description, type of permit required, comment period dates and location where the complete application may be reviewed.

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

11.03.100 Notice of Final Decision

A. A Notice of Final Decision on an application shall be issued by the department in the following time periods based on notice requirements of the application:

1. For project permits that do not require public notice, those projects subject to limited administrative review, a final decision shall be issued within 65 days of the Determination of Completeness.

2. For project permits requiring a public notice, those projects subject to full administrative review, a final decision shall be issued within 100 days of the Determination of Completeness.

3. For project permits requiring public notice and a public hearing, those projects subject to quasi-judicial review, a final decision shall be issued within 170 days of the Determination of Completeness

B. The number of days in which a final decision must be issued shall be calculated in accordance with LMC 11.03.080.

C. Annual amendments to the Comprehensive Plan are not subject to the timeline requirements of this section.

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

E. A Notice of Final Decision does not apply to projects subject to legislative review.

11.03.110 Duration of approval

A. The applicant is responsible for knowing the expiration date of any permit approval. The city shall not be responsible for notifying an applicant of expirations.

B. Land use permit approvals:

1. Except as noted elsewhere in this section, the following land use permit approvals shall be valid for a period of twenty-four months.

a. Site plan review

b. Conditional use permit

c. Variance

d. Design review

e. Wetland development permit

f. Planned residential development (not involving a division of land)

g. Land clearing permits subject to full administrative review, in accordance with LMC 11.04.040.

2. Except as noted elsewhere in this section, the following land use permit approvals shall be valid for a period of twelve months:

a. Temporary use permits, unless the enforcing officer establishes a shorter time frame.

3. Durations of land use permit approval shall begin on the date a Notice of Final Decision is issued.

4. Approval shall expire according to the timeframes established by this section, unless complete applications for necessary building and construction permits have been submitted. Land use permit approvals shall expire simultaneously with expiration of any associated land use, building, or other construction permit or approval.

5. Approval of land use permits listed in subsection (B)(1) of this section may be extended an additional six months by the enforcing officer pursuant to a written request submitted prior to the expiration of land use permit approval.

a. The enforcing officer may grant, limit, or deny the extension and may impose conditions of extension to ensure compliance with any subsequently revised standards.

b. If such a written request for extension is not received by the department prior to expiration, the director shall deny such extension.

c. Prior to granting an extension, the applicant must demonstrate to the satisfaction of the approval authority that events beyond the control of the applicant prevented commencement of use, development, or construction.

6. Approval of land use permits listed in subsection (B)(2) of this section may be extended an additional twelve months by the enforcing officer pursuant to a written request submitted prior to the expiration of land use permit approval.

a. Such extensions may be granted up to four times.

b. A maximum of one extension may be requested during each twelve-month period that the permit is valid.

c. The enforcing officer may grant, limit, or deny the extension and may impose conditions of extension to ensure compliance with any subsequently revised standards.

d. If such a written request for extension is not received by the department prior to expiration, the director shall deny such extension.

7. If there are multiple land use permit approvals for a project with conflicting approval periods, the longest approval period shall be followed.

C. Land division approvals:

1. The durations of approval for preliminary land division and the time limits for filing an approved final land division are found in Title 15 LMC.

2. Time periods related to expiration of land division approvals are found in Title 15 LMC.

Chapter 11.041C Application Review

11.04.0101C.010 Application Review Criteria standards

A. Review of an application and proposed development shall be governed by and be consistent with the fundamental land use planning policies and decisions which have been made in adopted comprehensive plans and development regulations.

B. The review process shall consider the type of land use permitted at the proposed site, the density and intensity of the proposed development, the infrastructure available and needed to serve the development, the character of the development and its consistency with development regulations.

C. In the absence of applicable development regulations, the applicable development criteria in the comprehensive plan or sub-area plan adopted under RCW 36.70A shall be determinative.

11.04.0201C.020 Application Review Classification

A. An application shall be reviewed at one of four levels: Limited Administrative Review, Full Administrative Review, Quasi-Judicial Review, or Legislative Review.

B. If ~~anythis~~ **C**Chapter or the Lacey Municipal Code provides that a proposed development is subject to a specific type of review, or a different review procedure is required by law, then the application for such development shall be processed and reviewed accordingly.

C. If this ~~T~~title does not provide for a specific type of review and/or if a different review procedure is not required by law, then the department shall determine the type of review to be used for the type and intensity of the proposed development.

D. Any public meeting or required open hearing may be combined by the department with any public meeting or open record hearing that may be held on the proposed development by another local, state, federal or other agency. Hearings shall be combined if requested by the applicant. However, joint hearings must be held within the City of Lacey and within the time limits of this title and RCW Chapter 36.70B.

11.04.0301C.030 Limited Administrative Review of Applications

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

A. The department may approve, approve with conditions, or deny applications subject to administrative review after the date the application is accepted as complete, without public notice. ~~A final decision on the application shall be issued within 65 days of determination of completeness.~~

B. ~~Should the department determine that modifications are required to the permit materials prior to issuance of a decision and the department has requested modifications on two occasions without resolution, the department shall meet with the applicant during the review process to attempt to resolve outstanding issues. Within fourteen (14) days of a second request for corrections, the department shall contact the applicant to arrange a meeting to discuss outstanding issues at a date~~

~~and time agreed upon by both parties. If the meeting does not resolve the issues related to the permit, and the department makes a third request for corrections or additional information, the department shall approved or deny the application upon receiving the materials unless the department and the applicant agree, in writing, to continue the review process beyond the third submittal if the project cannot be approved at that time. A final decision on the application shall be issued within 65 days of Determination of Completeness, in accordance with LMC 11.03.060.~~

11.04.0401C.040 Full aAdministrative rReview of Applications

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

A. If the proposed development is subject to the State Environmental Policy Act (SEPA), the threshold determination shall be made after the closing of the public comment period associated with the Notice of Application.

B. The ~~community development~~ department shall distribute copies of the complete application to agencies and departments affected by the proposal or with review authority. The community development department shall set a date for return of findings and recommendations from each commenting agency or department.

C. Upon the completion of the application comment period and the issuance of an environmental determination, if applicable, the department may approve, approve with conditions, or deny the application. The department shall electronically mail the ~~N~~notice of ~~D~~decision to the applicant and all parties of record, unless another method of notification is requested by any party. The decision shall include:

1. A statement of the applicable criteria and standards in the development codes and other applicable law.
2. A statement of the findings of the review authority, stating the application's compliance or non-compliance with applicable criteria, and assurance of compliance with applicable standards~~;~~
3. The decision to approve or deny the application and, if approved, conditions of approval necessary to ensure the proposed development will comply with all applicable law~~;~~
4. A statement that the decision is final unless appealed as provided in ~~Section 1D "Appeals"~~Chapter 11.05 LMC to the City of Lacey within fourteen (14) calendar days after the date the ~~N~~notice of ~~D~~decision is mailed. ~~The appeal closing date shall be listed.~~ The statement shall describe how a party may appeal the decision, including applicable fees and the elements of a notice of appeal~~;~~ and
5. A statement that the complete case file, including findings, conclusions and conditions of approval, if any, is available for review. The notice shall list the ~~place, days and times when the case file is available for review and the name, electronic mailing address, and~~

telephone number of the department's representative to contact to request application material arrange for a review.

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

D. A final decision on the application shall be issued within 100 days of Determination of Completeness, in accordance with LMC 11.03.060.

11.04.0501C.050 Quasi-Judicial Review of Applications

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

A. If the proposed development is subject to the State Environmental Policy Act (SEPA), the threshold determination shall be made after the closing of the public comment period associated with the Notice of Application.

B. The community and economic development department shall distribute copies of the complete application to agencies and departments affected by the proposal or with review authority. The community and economic development department shall set a date for return of findings and recommendations from each commenting agency or department.

C. Upon the completion of the application comment period, the issuance of an environmental determination and of the environmental appeal period, the department shall schedule a hearing with the City of Lacey ~~H~~hearings ~~E~~examiner, when applicable.

D. At least ten (10) days before the date of a public hearing ~~the department shall issue~~ public notice ~~of shall be issued containing~~ the date, time, location and purpose of the hearing by posting the subject site and the nearest intersection, posting at ~~C~~city ~~H~~hall, publishing notice in the official ~~C~~city newspaper and mailing notice to property owners of record located within a minimum of 300 feet of the subject property¹. If the applicant owns adjoining land, the distance of notification shall be measured from outside of the applicant's ownership. Failure to receive a public hearing notice shall not invalidate the hearing.

E. At least ten (10) days before the date of the public hearing, the department shall issue a written staff report, integrating the SEPA review and threshold determination and recommendation regarding the application(s), shall make available to the public a copy of the staff report for review and inspection, and shall provide a copy of the staff report and recommendation to the applicant

or the applicant's designated representative. The department shall make available a copy of the staff report, subject to payment of a reasonable charge, to other parties who request it.

F. Public hearings shall be conducted in accordance with the rules of procedure adopted by the hearings examiner. A public hearing shall be recorded on either audio or audio-visual tape. If for any reason the hearing cannot be completed on the date set in the public notice, it may be continued during the public hearing to a specified date, time and location without further public notice required.

G. The hearings examiner may approve, approve with conditions or deny the application and shall provide written notice of its decision to the ~~council~~, department, applicant, the applicant's designated representative, the property owner(s), and any other parties of record within fourteen (14) days of the close of the public hearing. The final decision of the ~~H~~hearings ~~E~~examiner shall include:

1. A statement of the applicable criteria, standards and law;

2. A statement of the findings the hearings examiner made showing the proposal does or does not comply with applicable approval criteria and assurance of compliance with applicable standards;

~~3. A statement that the complete case file, including findings, conclusions and conditions of approval, if any, is available for review. The notice shall list the place, days and times when the case file is available for review and the name and telephone number of the department representative to contact to arrange for a review.~~

~~34. A statement that the decision is final unless appealed, pursuant to -Chapter 11.05 LMC Section 1D "Appeals", to Superior Court within twenty-one days of the issuance of the decision. The appeal closing date shall be listed; and.~~

~~45. A statement that the complete case file, including findings, conclusions and conditions of approval, if any, is available for inspection review. The notice shall state the place, days and times when the case file is available for inspection and the name, electronic mail address, and telephone number of the department's representative to contact to- request application materialarrange inspection.~~

H. A final decision shall be issued within 170 days of the Determination of Completeness, in accordance with LMC 11.03.060.

11.04.060~~1C.060~~ Legislative rReview ~~of~~ Applications

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

A. If the proposed development is subject to the State Environmental Policy Act (SEPA), the threshold determination shall be made after the closing of the public comment period.

B. Upon the completion of the comment period required by SEPA and the issuance of an environmental determination if applicable, the department shall schedule an open record hearing with the City of Lacey ~~p~~Planning ~~c~~Commission.

C. At least ten (10) days before the date of the ~~p~~Planning ~~c~~Commission open record hearing the department shall issue public notice of the date, time, location and purpose of the hearing by posting at ~~C~~city ~~H~~hall and publishing notice in the official city newspaper. The notice shall include notice of the SEPA threshold determination issued by the department. If the project is site specific, in addition to the abovementioned notifications, the subject site shall be posted and notice shall be mailed to property owners of record located within a minimum of 300-feet of the subject site.

D. At least ten (10) days prior to the open record hearing, the department shall issue a written staff report regarding the application(s), shall make available to the public a copy of the staff report for review and shall ~~provide mail~~ a copy of the staff report and recommendation by electronic mail to the applicant or the applicant's designated representative, and ~~p~~Planning ~~c~~Commission members, unless another method of notification is requested by the parties. The department shall make available a copy of the staff report, subject to payment of a reasonable charge, to other parties who request it.

E. Following the public hearing, in accordance with RCW 36.70A.035, the recommendation of the ~~p~~Planning ~~c~~Commission shall be forwarded to the ~~c~~City ~~c~~Council. Upon receiving the recommendation from the ~~p~~Planning ~~c~~Commission, the ~~c~~City ~~c~~Council shall set a public meeting to consider the proposal, at which the ~~c~~Council may accept, modify or reject the recommendation.

F. The ~~c~~City ~~c~~Council may accept, modify, deny or remand the proposal back to the ~~p~~Planning ~~c~~Commission for further review. The approval of comprehensive plan amendments and zoning changes by the ~~c~~City ~~c~~Council shall be adopted by ordinance.

G. The final decision of the ~~c~~City ~~c~~Council shall be in writing and include:

1. A statement of the applicable criteria and law;
2. A statement of the findings indicating the application's or proposed development's compliance or non-compliance with each applicable approval criterion;
3. If denied, a statement that the decision is final unless appealed, pursuant to ~~Section 1D "Appeals"~~ Chapter 11.05 LMC, to Superior Court within twenty-one (21) days of the issuance of the decision, as determined pursuant to RCW 36.70A.280. ~~The appeal closing date shall be listed; and~~
4. A statement that the complete case file, including findings, conclusions and conditions of approval, if any, is available for inspection. The notice shall state the place, days and

times when the case file is available for inspection and the name and telephone number of the department representative to contact to arrange inspection.

~~1C.070 Notice of Final Decision*~~

~~A. A Notice of Final Decision on an application shall be issued by the Department in the following time periods based on notice requirements of the application:————~~

~~1. For project permits that do not require public notice, those projects subject to limited administrative review, a final decision shall be issued within 65 days of the determination of completeness.~~

~~2. For project permits requiring a public notice, those projects subject to full administrative review, a final decision shall be issued within 100 days of the determination of completeness.~~

~~3. For project permits requiring public notice AND a public hearing, quasi-judicial projects, a final decision shall be issued within 170 days of the determination of completeness~~

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

~~1. Any period following the day the City has notified the applicant, in writing, that additional information is required to further process the application and the day when the responsive information is resubmitted by the applicant;~~

~~2. Any period after the applicant has informed the City, in writing, that they would like to temporarily suspend review of the application until the time the applicant notifies the department, in writing, that they would like to resume the application;~~

~~3. Any time period after an administrative appeal is filed until the administrative appeal is resolved and any additional time period provided by the administrative appeal has expired;~~

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

~~5. If, at any time, the applicant informs the department, in writing, that they would like to temporarily suspend the review of the project for more than 60 days, or if the applicant is not responsive for more than 60 consecutive days after the City has notified the applicant that additional information is required to further process the application, an additional 30 days may be added to the time periods for action to issue a final decision for each type of project permit. Written notice to the applicant that additional information is required to process the application must include a notice that nonresponsiveness for 60 consecutive days may result in 30 days being added~~

~~to the time for review. “nonresponsiveness” means that an applicant is not making demonstrable progress on providing additional requested information, or that there is no ongoing communication from the applicant on the applicants ability or willingness to provide the additional information.~~

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

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

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

Chapter 11.05 ~~1D~~-Appeals

11.05.01~~1D.010~~-Appeals

A. An administrative appeal of a decision of the department after Limited and Full Administrative Review shall be filed with the department by the applicant or any party of record pursuant to ~~Section 1D.030~~ LMC 11.05.030. The ~~H~~hearings ~~E~~xaminer at a public hearing shall hear the administrative appeal as an open record appeal.

B. An appeal of a final decision by the ~~H~~hearings ~~E~~xaminer shall be timely filed as a judicial appeal pursuant to ~~Section 1D.070~~ LMC 11.05.070.

C. An appeal of a final decision of the ~~c~~City ~~c~~Council shall be timely filed as a judicial appeal pursuant to ~~Section 1D.070~~ LMC 11.05.070.

D. The City shall have no obligation to the applicant or to any party to defend an appeal of a decision of the department, ~~H~~hearings ~~E~~xaminer or the ~~c~~City ~~c~~Council.

E. An aggrieved person, agency or department with standing may appeal a decision made by the City of Lacey. A person, agency or department with standing is one who is a party of record, ~~as defined in Section 1D.030~~.

11.05.02~~1D.020~~-Stays

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

11.05.03~~1D.030~~-Appeals to hearings examiner

A. ~~Appellant~~-Appeals may be taken to the ~~H~~hearings ~~E~~xaminer only by a party of record or by any officer, department, board, council or commission of the City affected by any order, requirement, permit, decision or determination made by an administrative official in the administration or enforcement of this title or any amendment thereto. Such appeals shall be filed in writing with the ~~d~~Department on forms provided by the ~~d~~Department within fourteen (14) days after the date of decision and shall be accompanied by the required fee. The ~~d~~Department shall promptly forward a copy of such appeal to the ~~E~~xaminer.

B. ~~Basis of Appeal and Relief Sought~~-Every appeal shall state in writing:

1. The decision being appealed.

2. The name and address of the appellant and his/her interest(s) in the application or proposed development.

3. The specific reasons why the appellant believes the decision to be erroneous, including identification of each finding of fact, each conclusion, and each condition or action ordered which the appellant alleges is erroneous. The appellant shall have the burden of proving the decision is erroneous.

4. The specific relief sought by the appellant.

C. ~~Dismissal.~~ Failure to state specific grounds of the appeal and relief sought may result in dismissal of such appeal. The ~~C~~city staff or any party may request dismissal of an appeal at any time with notice to all parties. Upon finding that the appeal fails to state cause to reverse or modify the decision or that the ~~E~~examiner lacks jurisdiction to grant relief, the ~~E~~examiner may dismiss such appeal without hearing. The ~~E~~examiner shall state in writing whether such dismissal is with or without prejudice.

D. ~~Notice and Record.~~ Upon the finding that an appeal has sufficient merit the ~~H~~hearings ~~E~~examiner shall set the time and place at which the matter will be heard. At least a ten ~~(10)~~ day notice of the time and place of such open record appeal hearing shall be given to the parties of record and to the official whose decision is being appealed. The ~~d~~Department shall transmit to the ~~H~~hearings ~~E~~examiner a copy of all of the records pertaining to the decision being appealed, together with written reports as the ~~H~~hearings ~~E~~examiner deems pertinent.

E. ~~Waiver of Hearing.~~ By agreement of all parties thereto, the appeal hearing may be waived. Such appeal may be decided by the ~~E~~examiner on the basis of written briefs or memoranda.

F. ~~Standard of Review.~~ The ~~E~~examiner shall only grant the relief requested by an appellant upon finding that the appellant has established that:

1. The staff failed to follow a prescribed administrative procedure related to the underlying action;
2. The staff's decision was an erroneous interpretation of the law;
3. The decision is not supported by substantial evidence within the context of the whole record;
4. The decision is a clearly erroneous application of the law to the facts;
5. The decision is outside the authority or jurisdiction of the decision-maker;
6. The decision violates the constitutional rights of the party seeking relief, or
7. The decision is clearly in conflict with the City's adopted plans, policies or ordinances.

G. ~~Decision.~~ The decision of the ~~e~~Examiner shall be limited to those issues timely raised on appeal. The ~~E~~examiner may not reconsider or modify aspects of a project previously considered and settled

by another final decision of the City. In exercising the powers granted herein, the ~~H~~hearing ~~E~~xaminer may, in conformity with this title, reverse or affirm, wholly or in part, or may modify the order, requirements, decision or determination appealed.

H. ~~Building Code Appeals.~~—All appeals filed in accordance with LMC 14.18.030 shall be heard by the ~~H~~hearings ~~E~~xaminer. Such appeals shall follow the procedures contained herein.

11.05.040 Reconsideration of an administrative decision

A. A party of record may make a written application requesting reconsideration of an administrative decision if the appellant asserts the decision of the enforcing officer is based upon any of the following factors:

1. Erroneous procedure;
2. Error of law or fact; or
3. Error in judgment.

B. The application shall be made within the ten days following issuance of a written decision.

C. The period to appeal the decision shall be held in abeyance from the date of filing the written request for reconsideration to the date of the decision on reconsideration.

D. The request shall set forth the specific errors and any arguments for reconsideration, limited to the evidence in the administrative record, relied upon by such appellant. The enforcing officer may, after review of the record, take further action as deemed proper.

E. The department shall transmit the written request for reconsideration to all parties of record not later than the day following the filing of the request. The request shall be transmitted by electronic mail, unless another method of notification is requested by any party.

F. Parties of record shall have seven days following the date of transmittal to file a written response.

G. The enforcing officer may request further information. Such information shall be provided within ten days of the request for additional information, or the request for reconsideration shall be considered null and void. Upon voiding the request for reconsideration, the original appeal period shall recommence for the remaining number of days.

H. The written decision on the request for reconsideration shall be transmitted to all parties of record within fourteen days of either the close of the written response period, as described in subsection F of this section, or receipt of the additional information requested, whichever is later.

I. A new fourteen-day appeal period shall commence upon the issuance of a reconsideration, in accordance with LMC 11.05.030.

K. Each party of record to a decision shall be limited to applying for one request for reconsideration. Requests for reconsideration shall not be accepted after issuance of reconsideration.

11.05.0501D.040-_____ Reconsideration of hearings examiner decision

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

A. After issuance of a final decision or recommendation any party, including the ~~Department of Community Development~~ community and economic development department, may file a motion for reconsideration on an appeal to the ~~H~~hearings Examiner in accordance with subsection (B) of this ~~S~~section. Such motion must be filed within fourteen days of service of the final decision or recommendation. The original of the motion for reconsideration shall be filed at the ~~C~~community and economic ~~D~~development ~~D~~department with a copy to the ~~C~~city ~~A~~attorney's ~~O~~office. At the same time, copies shall be served on all parties of record. Within five days of filing the motion for reconsideration, a party may file an answer to the motion for reconsideration. The ~~H~~hearings Examiner may require other parties to supply an answer. All answers to motions for reconsideration shall be served on all parties of record.

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

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

C. In response to a motion for reconsideration, the ~~H~~hearings Examiner may deny the motion, modify its decision or recommendation, or reopen the hearing. A motion is deemed denied unless the ~~H~~hearings Examiner takes action within 20 days of the filing of the motion for reconsideration. A ~~H~~hearings Examiner order on a motion for reconsideration is not subject to a motion for reconsideration.

D. A decision in response to the petition for reconsideration shall constitute a final decision and order for purposes of judicial review. Copies of the final decision and order shall be served on each party or the party's attorney or other authorized representative of record, unless the decision is deemed denied following the 20-day time frame set forth in ~~S~~subsection ~~(C)~~ of this ~~S~~section.

E. The time for an appeal does not commence until disposition of the motion for reconsideration. If the ~~H~~hearings Examiner takes no action under subsection (3) of this ~~S~~section, the motion for reconsideration is deemed disposed at the end of the 20-day period. The filing of a motion for reconsideration is not a prerequisite for seeking judicial review.

11.05.0601D.050 Clarification of hearings examiner decision

A. Any interested party believing that a decision or recommendation of the ~~H~~hearings ~~E~~examiner is ambiguous, vague, or internally inconsistent may request clarification of the decision by the ~~E~~examiner. Such a request shall be submitted to the ~~d~~Department with the applicable fee and shall set forth the specific provision requiring additional clarity. The ~~d~~Department shall forward such request to the ~~E~~examiner. Upon receipt of such a request, the ~~H~~hearings ~~E~~examiner may take action as the ~~e~~Examiner deems appropriate to the circumstances.

B. A request for clarification shall not provide an opportunity for reconsideration of a decision nor for introduction of new evidence. Except as ordered by the ~~e~~Examiner, the filing of a request for clarification shall not alter any appeal period or delay issuance of any permit.

C. When the ~~E~~examiner determines that a clarification is in order, the ~~e~~Examiner may issue a supplemental or clarified decision or recommendation. As deemed appropriate by the ~~e~~Examiner, the ~~e~~Examiner may order that the supplemental or clarified decision or recommendation be subject to appropriate notice and an opportunity for appeal.

11.05.0701D.070 Judicial ~~a~~ppeals of ~~f~~Final ~~d~~Decisions

A. Appeals of an action of the City, with respect to an application for which all administrative appeals specifically authorized have been timely exhausted, shall be filed in the Thurston County Superior Court and served on all necessary parties within twenty-one (21) days after the date of issuance of the Notice of Final Decision, as determined pursuant to RCW 36.70C.040.

B. Notice of the appeal and any other pleadings required to be filed with the Superior Court shall be served on the ~~c~~City ~~m~~anager, the ~~c~~City ~~a~~ttorney, and the ~~d~~irector of ~~c~~ommunity and economic ~~d~~evelopment within the twenty-one (21) day time period.

C. The appellant may arrange for transcription of any hearings held on the application and copies from the file. All costs of transcribing the record, copying the file, and preparing the record on appeal shall be paid by the appellant. The appellant shall, prior to the department's preparation of the record, pay an advance deposit to the department in an amount determined by the department's fee schedule for copying materials. The fee schedule shall represent the department's reasonable costs of duplicating the record. Any excess advance deposit shall be promptly refunded to the appellant.

D. The action of the ~~c~~ity ~~c~~ouncil approving Comprehensive Plan amendments shall be final and conclusive, unless appealed to the Growth Management Hearings Board as provided under the Revised Code of Washington. The cost of preparing and certifying the transcript of records ordered by the Board shall be borne by appellant.

E. Appeals of a decision to grant, deny or rescind a shoreline permit shall be governed by the provisions of Chapter 90.58 of the Revised Code of Washington.

11.05.0801D.080 SEPA ~~a~~ppeals

A. Any appeal brought under the State Environmental Policy Act (SEPA) shall be linked to a specific governmental action. SEPA provides a basis for challenging whether governmental action is in compliance with the substantive and procedural provisions of RCW Chapter 43.21C, WAC Chapter 197-11 and Title 14 of the Lacey Municipal Code. It is not intended to create an independent cause of action unrelated to a specific governmental action.

B. Appeals of environmental determinations made (or lacking) under SEPA shall be commenced within fourteen calendar days from the date the environmental determination is made. The environmental appeal hearing shall be consolidated into the public hearing for the underlying permit application for applications subject to quasi-judicial review. Appeals of an environmental determination associated with an application subject to full administrative review or legislative review defined as a non-project action under SEPA shall be scheduled for a public hearing before the City of Lacey .

C. Any SEPA appeal hearing associated with full administrative review shall not occur until after the underlying administrative decision has been issued.

D. Quasi-judicial hearings shall not occur sooner than 10 days from expiration of a SEPA appeal deadline.

E. A person aggrieved by a City action or failure to act has the right to a judicial appeal pursuant to RCW Chapter 43.21C, RCW Chapter 36.70C and WAC Chapter 197-11.

Chapter 11.06 Interpretations and Amendments

11.06.010 Applicability

A. Proposed amendments may be requested by:

1. The city manager, city council, or planning commission by submitting the request in writing to the community and economic development director.
2. The community and economic development director, including issued code interpretations.
3. Private parties by submitting an application to the community and economic development department.

B. Any person may submit a written request for code interpretation to the community and economic development director, regarding any applicable title as listed in LMC 11.06.020 or any subsequent amendment thereto.

11.06.020 Authority

In accordance with RCW 36.70A.470, a summary containing written comments on requested development regulation amendments shall be coordinated by the community and economic development department. The text revision process is the means to either request a change, identify needed corrections, or both. The community and economic development director has the authority to issue code interpretations of provisions within the following titles of the LMC:

A. Title 11 Development Procedures;

B. Title 14 Building and Construction;

C. Title 15 Land Division; and

D. Title 16 Zoning.

11.06.030 Review process for amendments

A. Applications for amendments may be submitted at any time and placed on the docket. Amendments as designated by the city manager or their designee may undergo review and processing outside the annual processing cycle as identified within this chapter.

B. The community and economic development department will maintain a docket of suggested amendments that include the following:

1. Name and address of the person or agency requesting the amendment;

2. Description of the amendment;

3. Date of the request; and

4. Map of the affected area, if appropriate.

C. The council will review the docket to determine which applications to include in the planning commission's annual work program.

D. The community and economic development department may conduct its review of the proposed amendment concurrently with planning commission review. However, all departmental reporting and evaluation, including necessary environmental review, shall be completed prior to the planning commission making recommendations on the amendments.

E. Public noticing and comment periods shall follow the process for legislative review of applications in accordance with LMC 11.04.060.

F. The planning commission shall forward a recommendation to the city council following subsequent review and public hearing.

G. City council shall have the authority to adopt amendments under this chapter by ordinance.

11.06.040 Review criteria for amendments

All amendments will be evaluated upon the following:

A. Consistency and compliance with the Comprehensive Plan; and

B. All revisions must meet one or more of the following criteria:

1. The revision eliminates conflicts within the code or between the code and the Comprehensive Plan; or

2. The revision changes code language to provide clarity, consistency, or ease of administration; or

3. The revision directly implements or strengthens policies of the Comprehensive Plan; or

4. The revision accommodates new policy directives of the city council or administration.

11.06.050 Review process for interpretations

A. Requests for code interpretations shall include:

1. The subject matter or nature of the request; and

2. The section of the code that is allegedly ambiguous or needing clarification;

3. Any facts relevant to the request; and

4. Elements listed in 11.03.010 and 11.03.050 LMC, unless otherwise waived by the enforcing officer.

B. The community and economic development director or designee may deny or reject the request if there is no ambiguity or need for clarification demonstrated by the requestor.

C. Accepted requests for code interpretations shall be reviewed in accordance with the limited administrative review process and timelines outlined in 11.04.030 LMC.

D. Requests shall be reviewed for consistency with the criteria identified within LMC 11.06.40.

E. The community and economic development director or designee shall publish issued interpretations to the City website for public viewing.

F. Once an interpretation is issued, the community and economic development director or designee may consider the issue resolved and reject future requests to render additional interpretation on the matter.

G. Issued interpretations shall follow the process of amendments in accordance with LMC 11.06.030 and be amended annually.

Chapter ~~11.07~~16.84 Site Plan Review

~~11.07.01~~16.84.010 ~~Applicability~~ ~~Site plan review required, application and committee membership.~~

~~A.~~ Site plan review and approval shall be required for any of the following activities:

~~1.A.~~ The use of land for the location of any commercial, industrial or public building or activity ~~and for~~

~~B.~~ ~~1~~ The location of any building containing more than two dwelling units or lot with more than one residential structure other than a permitted accessory dwelling.

~~2.C.~~ A change of land use at an existing site or structure when the new activity:

~~1.~~ ~~1~~ Requires either a change of occupancy according to the Building Code or is a change of land use according to the Standard Industrial Classification code; ~~and~~

~~2.~~ ~~in the opinion of the community and economic development director,~~ ~~1~~ Results in an intensification of land use; ~~and will~~

~~3.~~ ~~1~~ Requires new development conditions to comply with existing regulations.

~~4.~~ For the purposes of this subsection, "intensification" shall be considered any modification that results in a ten percent or greater increase of any measurable standard associated with the development, unless otherwise determined by the Site Plan Review Committee. Measurable standards include, but are not limited to, gross square footage, number of parking stalls, PM Peak Hour Trips, total amount of impervious surface, and building height

~~5.~~ This provision may not apply to malls (buildings with ten or more tenants sharing common parking) where original conditions to establish the mall complex anticipated a range of tenants and existing facilities and where it can be shown existing infrastructure can accommodate the new intensified use.

~~3.D.~~ Expansion of an existing commercial, industrial, public or multifamily structure or use. Provided residential duplexes are exempt.

~~4.E.~~ A remodel of an existing structure where the remodel is fifty percent or more of the assessed valuation of existing structures.

~~1.~~ The remodel value shall be calculated according to methodology described in Chapter 14.04 LMC adopting the Building Code.

~~2.~~ The value of existing structures shall be the most recent value assigned by the county assessor.

3. The fifty percent threshold shall be cumulative over the most recent five years, including calculations of all previously exempt remodels, but shall not include life/safety improvements or normal maintenance not requiring a building permit.

4. Remodels of residential duplex, triplex, and quadraplex shall be exempt from site plan review.

5. Interior alterations shall be exempt from site plan review, provided that interior alterations do not result in any of the following:

a. Additional sleeping quarters or bedrooms; or

b. Nonconformity with federal emergency management agency 10 substantial improvement thresholds; or

c. Increase the total square footage or valuation of the structure thereby requiring upgraded fire access or fire suppression systems.

d. For purposes of this subsection, "interior alterations" include construction activities that do not modify the existing site layout or its current use and involve no exterior work.

5.F. Uses and activities within designated environmentally sensitive areas or their buffers pursuant to the requirements of LMC Title 14.

G. As deemed necessary by Lacey review staff to effectively evaluate an application and project proposal.

~~B.— An application, in completed form, shall be filed for site plan review and approval with the department of community and economic development. An application shall not be in completed form under this section if it fails to contain any of the information and material required under LMC 16.84.060.~~

~~C.— The site plan review committee shall consist of the following members: Lacey staff planner, who shall serve as chairman; city manager; and the city director of public works, or their designees in their temporary absence. (Ord. 1539 §132, 2019; Ord. 1220 §55, 2004; Ord. 1208 §74, 2003; Ord. 1192 §187, 2002; Ord. 1154 §18, 2001; Ord. 1098 §19(C), 1999; Ord. 1080 §16, 1998; Ord. 1044 §28, 1996; Ord. 912 §14, 1991; Ord. 583 §2.03(A) (part), 1980).~~

~~16.84.015 — Presubmission conference.~~

~~Prior to the submission of a site plan review application, the applicant shall attend a presubmission conference in accordance with Section 1B.020 of the City of Lacey Development Guidelines and Public Works Standards. (Ord. 1192 §188, 2002).~~

~~11.07.02016.84.020 Authority Review by the site plan review committee (SPRC).~~

A. The Site Plan Review Committee (SPRC) shall consist of the following members:

1. Community and economic development director, or their designees, who shall serve as chair;
2. City manager, or their designees; and
3. Director of public works, or their designees.

~~A.B.~~ The SPRC shall review a site plan in accordance with the full administrative review process and timelines outlined in ~~Section 1C.040 of the City of Lacey Development Guidelines and Public Works Standards LMC 11.04.040~~. ~~The site plan shall be approved or approved with conditions to conform to the standards, provisions and policies of the city as expressed in its various adopted plans and ordinances. Whenever the SPRC disapproves a site plan, it shall set forth in writing its findings, which shall specify the particular standards, provisions and policies to which the site plan fails to conform and the reasons why it fails to conform.~~

~~B.C.~~ The ~~site plan review committee (SPRC)~~ shall have the prerogative of refusing to rule on a site plan review if in the opinion of the SPRC the site plan is sufficiently complex that it should be reviewed by the hearings examiner according to the quasi-judicial process in ~~Section 1C.050 of the City of Lacey Development Guidelines and Public Works Standards LMC 11.04.050~~. The SPRC shall decide to transfer review authority to the hearings examiner within fourteen days of the Determination of Completeness, according to ~~Section 1B.070 of the City of Lacey Development Guidelines and Public Works Standards LMC 11.03.060~~. (Ord. 1192 §189, 2002; Ord. 1035 §25, 1996; Ord. 583 §2.03(A)(1), 1980).

~~16.84.025 — Appeals.~~

~~Any decision of the city of Lacey in the administration of Chapter 16.84 LMC may be appealed in accordance with Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards. (Ord. 1192 §190, 2002).~~

11.07.030 Application requirements

A. Site plan review applications shall include the information required by LMC 11.03.050, unless otherwise waived by the enforcing officer.

B. The SPRC, hearings examiner or city council may require the applicant to submit any additional information or material which is found to be necessary for the proper review and hearing of the application.

11.07.040 Review criteria

The approval authority may approve, deny, modify, or condition a site plan review application, based on consideration of the following factors:

A. Mitigation of impacts to the site. This may include:

1. Designing for privacy and noise reduction;
2. Considering the scale of proposed structures in relation to natural characteristics and site amenities;
3. Designing parking areas to minimize impervious surfaces; and
4. Using landscaping enhancement or protection to enhance the appearance of the project.

B. Mitigation of impacts to surrounding uses. This may include:

1. Restricting overscale structures and overconcentration of development;
2. Providing desirable transitions and linkages between uses, streets, walkways and adjacent properties;
3. Locating, designing and screening storage areas, utilities, rooftop equipment, loading areas, and refuse and recyclables. to minimize views from surrounding properties;
4. Recognizing the public benefit of maintaining visual accessibility to natural features;
5. Using landscaping to provide transitions between development and surrounding properties; and
6. Designing and/or placing exterior lighting avoid excessive brightness or glare to adjacent properties and streets.

C. Safe and efficient access and circulation for all users. This may include:

1. Consolidating ingress and egress points on and off site when feasible;
2. Promoting safety and efficiency of the internal circulation system;
3. Providing transit, carpools and bicycle facilities and access; and
4. Providing safe and attractive pedestrian connections.

D. Arrangement of project elements to protect existing natural systems where applicable.

E. Evidence that necessary infrastructure is available, including public facilities and services needed to serve the development.

F. Building design and site design comply with the following provisions:

1. Comprehensive Plan;
2. Applicable development regulations;

3. Applicable design regulations; and

4. The Washington State Environmental Policy Act (SEPA), if not otherwise satisfied.

~~16.84.030~~ — ~~Repealed~~

~~Repealed by Ord. 1192.~~

~~16.84.040~~ — ~~Repealed~~

~~Repealed by Ord. 1192.~~

~~16.84.050~~ — ~~Repealed~~

~~Repealed by Ord. 1192.~~

~~16.84.060~~ ~~Contents of application.~~

~~Each application for site plan review shall contain the following information in clear and intelligible form:~~

~~A. The title and location of the proposed development, together with the names, addresses and telephone numbers of the record owner or owners of the land and of the applicant, and, if applicable, the names, addresses and telephone numbers of any architect, planner, designer or engineer responsible for the preparation of the plan, and of any authorized representative of the applicant;~~

~~B. The proposed use or uses of the land and buildings;~~

~~C. A site plan drawing or drawings at a scale of not less than one inch for each fifty feet which shall include or show:~~

~~1. The location of all existing and proposed structures, including, but not limited to, buildings, fences, culverts, bridges, roads and streets on the subject property;~~

~~2. The boundaries of the property proposed to be developed and, if the property is to be divided pursuant to a final binding site plan, the boundaries of each proposed lot within the property;~~

~~3. All proposed and existing buildings and setback lines;~~

~~4. All areas, if any, to be preserved as buffers or to be dedicated to a public, private or community use or for open space under the provisions of this or any other city ordinance; information regarding percentage of area covered, locations and general types of landscaping;~~

- ~~5. All existing and proposed easements;~~
 - ~~6. The locations of all existing and proposed utility structures and lines;~~
 - ~~7. The stormwater drainage systems for existing and proposed structures;~~
 - ~~8. All means of vehicular and pedestrian ingress and egress at the site and the size and location of driveways, streets and roads;~~
 - ~~9. The location and design of off-street parking areas showing their size and locations of internal circulation and parking spaces;~~
 - ~~10. The location of all loading spaces, including, but not limited to, truck loading platforms and loading docks;~~
 - ~~11. Location and area, in square feet, of all signs;~~
- ~~D. Topographic map or maps which delineate contours, both existing and proposed, at intervals of two feet, and which locate existing lakes, streams and forested areas;~~
- ~~E. The existing zoning district of the proposed development site and any other zoning district within three hundred feet of the site;~~
- ~~F. All special districts, including, but not limited to, fire, school and water districts, in which the proposed development shall be located and all such districts within three hundred feet of the proposed development;~~
- ~~G. The proposed number of square feet in paved or covered surfaces, whether covered by buildings, driveways, parking lots, or any other structure covering land; and the total amount of square feet in the entire proposed development site;~~
- ~~H. The proposed number of dwelling units and number of bedrooms in the development;~~
- ~~I. The proposed number of square feet in gross floor area for each commercial and industrial use;~~
- ~~J. A description of each proposed commercial and industrial use;~~
- ~~K. The written recommendations of the health department, the building department, engineering department and fire department as to any portion of the site plan application covering areas within their respective jurisdictions.~~
- ~~L. For properties containing wetlands or wetland buffers pursuant to Chapter 14.28 LMC, all informational requirements specified in Chapter 14.28 LMC shall be included in the applications. (Ord. 1058 §2, 1997; Ord. 912 §16, 1991; Ord. 583 §2.03(D), 1980).~~

~~16.84.070~~ Additional information for review.

~~The SPRC, hearings examiner or city council may require the applicant to submit any additional information or material which it finds is necessary for the proper review and hearing of the application. (Ord. 583 §2.03(E), 1980).~~

11.07.050~~16.84.080~~ Amendment of site plan.

~~An approved site plan granted approval by the SPRC, hearings examiner or by the city council may be amended as follows: If, in the opinion of the director of community and economic development, the modifications are considered minor, no additional review process shall be required. If the modifications are considered significant by the director of community and economic development, then the site plan shall be modified by the same procedures provided under LMC 16.84.020 (A). (Ord. 1539 §133, 2019; Ord. 1220 §56, 2004; Ord. 1192 §194, 2002; Ord. 583 §2.03(F), 1980).~~

A. Minor modifications to an approved site plan shall result in less than a ten percent increase in any measurable standard associated with the development, unless otherwise determined by the SPRC. No additional review process shall be required for minor modifications.

B. Major modifications shall result in a ten percent or greater increase in any measurable standard associated with the development, unless otherwise determined by the SPRC. Major modifications shall be subject to a new site plan review application reviewed in accordance with LMC 11.07.020.

~~16.84.090~~ ——— Repealed

Repealed by Ord. 1192

11.07.060 Appeals

Any decision of the City of Lacey in the administration of Chapter 11.07 LMC may be appealed in accordance with Chapter 11.05 LMC.

11.07.070~~16.84.100~~ Duration of approval.

~~A. Approval of the site plan shall be effective for eighteen months from the date of approval by the site plan review committee. During this time, the terms and conditions upon which approval was given will not change. Within eighteen months of the date of approval a grading and/or building permit must be issued and work (site preparation) started, or the approval shall automatically terminate. In addition, if the approved site plan calls for a division of land pursuant to a final binding site plan, such final binding site plan must be submitted for final approval within such eighteen month period.~~

~~B. However, upon the application of the owner or representative, the site plan review committee shall extend the approval period for one six month time period unless since the initial approval~~

~~substantive change has been made in the regulations, ordinances, requirements, policies or standards which impact the site.~~

~~C. Knowledge of expiration date and initiation of a request for extension of approval time is the responsibility of the applicant. The city shall not be held responsible for notification of expirations, although it may notify the applicant of date of expiration. All requests for additional time must be submitted to the community development department prior to expiration of site plan approval. (Ord. 1427 §1, 2013; Ord. 1192 §196, 2002; Ord. 1058 §3, 1997; Ord. 691 §42, 1984).~~

A. The approval of a site plan shall be valid for a period of twenty-four months unless otherwise granted by LMC 11.03.110.

B. If a complete application for a building permit is not submitted or an extension is not granted within this time frame, such approval shall be considered null and void.

11.07.08016.84.105 Penalty for Noncompliance –Penalty.

A. If the enforcing officer determines that there has been continuing noncompliance with the conditions of site plan review approval previously granted by the ~~Site Plan Review Committee~~ **SPRC**, such officer may schedule a meeting before such committee for purposes of determining whether such approval shall be revoked, suspended or modified.

B. Notice of such meeting shall be provided to the current land owner and the applicant whose project has been approved.

C. At the conclusion of such meeting, the ~~Site Plan Review committee~~ **SPRC** may revoke, suspend or modify a site plan review approval previously granted for the project or uses listed, if such committee determines that there has been continuing noncompliance with the conditions of such permit or other regulations governing such use. ~~(Ord. 1220 §57, 2004).~~

16.84.110 ——— Repealed

Chapter ~~16.90~~ 11.08 Variances

11.08.010 Applicability

Where difficulties exist rendering compliance with development regulations impractical and such compliance would create unnecessary hardship to the owners or users of land or buildings, a variance may be granted.

11.08.020 Authority

A. The enforcing officer may grant a variance in accordance with the full administrative review process and timelines outlined in LMC 11.04.040 if:

1. The variance does not exceed 25 percent of any measurable standard; or
2. The variance would alleviate the need for a Wetland Development Permit.

B. The hearings examiner may grant a variance in accordance with the quasi-judicial review process and timelines outlined in LMC 11.04.050 for circumstances not listed in subsection A of this section.

11.08.030 Limitation on authority

A variance may not be granted to any of the following provisions of Lacey Municipal Code:

A. Any development standards or requirements relating to residential density minimums or maximums, units per structure or units per lot;

B. Any provision establishing the uses that are permitted to locate or that may continue to operate in any zone;

C. Any procedural or administrative provision;

D. Any provision of this chapter; or

E. Any provision from which a variance is expressly prohibited.

11.08.040 Application requirements

A. Variance applications shall include the information listed in LMC 11.03.050, unless waived by the enforcing officer.

B. The enforcing officer or hearings examiner may require the applicant to submit any additional information or material which is found to be necessary for the proper review of the application.

11.08.050~~16.90.005~~ Review criteria~~Granted upon certain findings.~~

~~A land use hearings examiner shall not grant a variance unless the examiner makes~~ may be granted if all of the following findings are made:

A. The variance will not constitute a grant of special privilege inconsistent with the limitations upon ~~uses of~~ other properties in the vicinity and zone that the subject property, ~~on behalf of which the application was filed,~~ is located;

B. That such variance is necessary, because of special circumstances relating to the size, shape, topography, location, or surroundings of the subject property, ~~to provide it with use rights and privileges permitted to other properties in the vicinity and in the zone in which the subject property is located;~~

C. That the special conditions and circumstances that exist on the subject property are not a result of the applicant;

D. That the strict application of the code is found to deprive the subject property owner of rights and privileges enjoyed by other property owners in the vicinity and in the zone in which the subject property is located; and

~~E.~~ E. That the granting of such variance will not be materially detrimental to the public welfare or injurious to the property or improvements in the vicinity and zone in which the subject property is ~~situated; and located.~~

~~D. That the special conditions and circumstances do not result from the actions of the applicant. (Ord. 1192 §199, 2002).~~

~~16.90.010 — When granted.~~

~~If all the criteria in LMC 16.90.005 can be met, the hearings examiner may grant a variance according to the quasi-judicial process and timelines outlined in Section 1C.050 of the City of Lacey Development Guidelines and Public Works Standards. (Ord. 1192 §200, 2002; Ord. 583 §2.07(A), 1980).~~

~~16.90.020 — Front and rear yard setback variance.~~

~~The enforcing officer may grant a modification of up to ten percent from the front and rear setback requirements in residential zones provided the findings can be made as listed in LMC 16.90.005. This does not preclude other variances from being considered as provided in LMC 16.90.010. (Ord. 1192 §201, 2002; Ord. 691 §43, 1984).~~

11.08.060 Additional conditions of approval

Before granting a variance, the hearings examiner or enforcing officer, as determined by LMC 11.08.020, may prescribe appropriate conditions and safeguards that will ensure that the provisions of any title or chapter of the Lacey Municipal Code are not violated.

11.08.070 Duration of approval

A. The approval of a variance shall be valid for a period of twenty-four months unless otherwise granted by LMC 11.03.110.

B. If a complete application for a building permit is not submitted or an extension is not granted within this time frame, such approval shall be considered null and void.

11.08.080 Appeals

Any decision of the City of Lacey in the administration of Chapter 11.08 LMC may be appealed in accordance with Chapter 11.05 LMC.

Chapter ~~16.66~~ 11.09 Conditional Uses and Permits

~~16.66.010~~ Intent.

It is the intent of this chapter to:

A. ~~Provide for the location of certain types of uses, services and facilities which, because of their unique characteristics, cannot (or should not) be limited to or automatically included in specific land use classification districts;~~

B. ~~Permit essential services and facilities which are needed or may be needed by or in the community, but the exact nature, scale, or location of which cannot be foreseen or predicted;~~

C. ~~Provide a classification system for essential public facilities as defined in RCW 36.70A.200 to determine those essential public facilities requiring regional review;~~

D. ~~Provide a review opportunity to surrounding jurisdictions that may be impacted by the siting of essential public facilities as defined in RCW 36.70A.200;~~

E. ~~Establish development standards for such uses and facilities in order that properties adjacent to such uses, especially properties which are of clearly different character from the use or uses identified in this chapter, are reasonably protected from adverse effects or impact of these conditional uses;~~

F. ~~Authorize the city to impose reasonable conditions, restrictions and development requirements on conditional uses as may be deemed appropriate for a conditional use in any given land use district;~~

G. ~~Provide for a review process which will enable city officials, the general public and proponents of conditional uses to evaluate the need, location, scale and development characteristics of said uses and their impact on adjacent properties and the community as a whole, to the end that such uses may be approved, modified, or disapproved fairly and objectively;~~

H. ~~It relieves the ordinance codified in this title and its enforcement officials from the burden of trying to identify every district in which a specific and unique use should be included as a conditional use;~~

I. ~~Just as other chapters of this title try to achieve flexibility by describing rather than listing permitted uses in each district, this chapter should contribute to the desired flexibility by recognizing the limits of predictability;~~

J. ~~It further enhances flexibility since the development standards for a particular use may vary depending upon the specific location for which it is proposed. (Ord. 1236 §1, 2005; Ord. 1192 §169, 2002; Ord. 691 §38, 1984; Ord. 583 §2.27(A), 1980).~~

11.09.01016.66.020 Permitted uses:

Specific ~~types~~uses permitted in accordance with the intent of this chapter, and subject to reasonable conditions imposed by the eCity, are categorized and identified as follows:

A. Personal or community service facilities such as:

1. Nursery schools and preschools,
2. Child day care centers when proposed in those districts specified in Chapter 16.65 LMC,
3. Funeral parlors, mortuaries and crematoria, provided these are permitted uses in the cemetery zone,
4. Senior citizen centers,
5. Nursing homes, convalescent care facilities, and
6. Cemeteries; provided once a cemetery is approved the property shall be designated as cemetery on the eCity's zoning map.

B. Places of public assembly, including:

1. Churches (or other places of worship),
2. Sports arenas or stadia,
3. Fraternal organizations and lodges, and
4. Private clubs;

C. Public utilities and their appurtenances, such as:

1. Electrical substations,
2. Pumping, lift stations or similar regulatory appurtenances for the transmission or distribution of electricity, natural gas, water and sewage, oil or steam, and storage tanks for any of the above, including water towers,
3. Solid waste disposal facilities, including transfer stations, incinerators and sanitary landfills, and
4. Radio, television or telephone stations; commercial wireless communication facilities are subject to the requirements as specified in Chapter 16.68 LMC.

D. Public safety and emergency response facilities, including:

1. Police stations,
2. Fire stations,
3. Emergency medical centers, and
4. Hospitals;

E. Public and private transport/ maintenance facilities, including:

1. Airports, landing strips, heliports or helipads, including waterborne craft,
2. Marinas, docks, piers, or breakwater devices, regardless of size or purpose,
3. Railroad terminals, switching facilities, maintenance or repair shops, and spurs,
4. Bus terminals, storage or maintenance facilities,
5. Automobile parking facilities or structures other than those specifically required in Chapter 16.72 LMC in connection with permitted uses,
6. Corporation yards;

F. Sexual offender secure community transition facilities as defined in RCW 71.09.020, which facilities are mandated by the state of Washington pursuant to Chapter 71.09 RCW. The siting of such facilities shall be subject to the conditions identified in Chapter 16.6611.09 LMC.

G. Uses which are similar or related to those uses described in subsections A through E of this section. (~~Ord. 1186 §1, 2002; Ord. 1080 §14, 1998; Ord. 931 §11, 1992; Ord. 927 §17, 1992; Ord. 691 §39, 1984; Ord. 583 §2.27(B)(1,2), 1980~~).

11.09.02016.66.030 AuthorityControl of uses.

A. Conditional uses permit applications shall be subject to the review process as provided for in accordance with the quasi-judicial process and timelines outlined in LMC 11.04.050Section 1C.050 of the City of Lacey Development Guidelines and Public Works Standards or as otherwise noted in this chapter. (Ord. 1192 §170, 2002; Ord. 691 §40, 1984; Ord. 583 §2.27(B)(3), 1980).

B. In reviewing a conditional use permit application, the hearings examiner shall impose all requirements for such use, as prescribed in this chapter, and other conditions and safeguards as are necessary to secure adequate protection for the locality in which the use is to be permitted.

11.09.030 Application requirements

A. Conditional use permit applications shall include the information listed in LMC 11.03.050, unless otherwise waived by the enforcing officer.

B. The enforcing officer or hearings examiner may require the applicant to submit any additional information or material which is found to be necessary for the proper review of the application.

11.09.040 Review criteria

The hearings examiner may approve, or approve with conditions, an application for a conditional use permit if all the following findings are made:

A. The proposed use is consistent with the Comprehensive Plan;

B. The proposed use at the proposed location will not result in substantial or undue adverse effects on the adjacent properties;

C. The design is compatible with and responds to the existing or intended character, appearance, quality of development, and physical characteristics of the subject property and the immediate vicinity;

D. The use at the proposed location will not result in a detrimental overconcentration of a particular use within the City or within the immediate area of the proposed use;

E. Adequate parking will be available for the proposed use;

F. Potential noise, light, and glare impacts from the proposed use have been, or will be, evaluated and mitigated;

G. Landscaping will be provided in all areas not occupied by buildings, paving, or critical areas. Additional landscaping may be required to buffer adjacent properties from potentially adverse effects of the proposed use;

H. The proposed use will be served by adequate public facilities including streets, fire protection, and utilities; and

I. The proposed use complies with all applicable standards and requirements of this code.

11.09.050~~16.66.040~~ Environmental performance standards.

A. Conditional uses shall comply with the environmental performance standards as described in Chapter 16.57 LMC, and may be required to comply with stricter standards upon a finding by the ~~e~~City that stricter standards are necessary and reasonable to protect adjacent properties or the health or general welfare of the community.

B. Specific requirements are established in this chapter for certain conditional uses. In the event that the specific requirements are found to be in conflict with the requirements of the use district

in which the conditional use is to be located, the requirements of Chapter ~~11.09~~16.66 LMC shall govern. (~~Ord. 1192 §171, 2002; Ord. 583 §2.27(C)(1), 1980~~).

11.09.060~~16.66.050~~ Design standards.

- A. The design standards for permitted uses in a given district shall be the initial base of reference in determining the design standards for conditional uses in the same district.
- B. The enforcing officer is authorized to alter or vary the design of the district for a conditional use when such alteration or variation is found to be reasonable to protect adjacent properties or the health or general welfare of the community.
- C. Design standards which may be altered or varied for conditional uses include but are not necessarily limited to the following:
 - 1. Size and shape of lots (i.e., minimum area, width, depth, setbacks and building heights);
 - 2. Maximum building coverage;
 - 3. Maximum development coverage;
 - 4. Off-street parking and loading;
 - 5. Landscaping, buffering and screening.

D. All development requirements established for a conditional use in a given district shall be documented in appropriate written and/or graphic form so as to provide a permanent public record to assure compliance prior to, during and after construction of the conditional use. (~~Ord. 1192 §172, 2002; Ord. 583 §2.27(C)(2), 1980~~).

11.09.070~~16.66.055~~ Standards for ~~S~~exual ~~O~~ffender ~~S~~ecure ~~C~~ommunity ~~T~~ransition ~~F~~acilities.

- A. In addition to standards identified in LMC ~~16.66.040~~11.09.050 and ~~16.66.050~~11.09.060 sexual offender secure community transition facility system shall meet such additional standards as are designed to mitigate the unique concerns of this use and are consistent with the requirements of state law.
- B. No sexual offender secure community transition facility shall have more than three beds to be utilized by sexual offenders. No such facility shall, at any time, have a population of sexual offenders exceeding three.
- C. This use can be considered for location only in the Light Industrial Zone, provided a site meets all other location requirements of Chapter ~~16.66~~11.09 LMC.

D. No sexual offender secure community transition facility shall be located within one quarter of a mile of another such secure community transition facility and a proposal for siting shall be in compliance with the requirements of state law regarding equitable distribution of such facilities.

E. The location of a sexual offender secure community transition facility shall not be adjacent to, immediately across a street or parking lot from, or within the line of sight of any risk potential activity or facility. “Risk Potential Activity” or “Risk Potential Facility” means an activity or facility that provides a higher incidence of risk to the public from persons conditionally released from the special commitment center for sexual offenders. Risk potential activities and facilities shall include but not be limited to:

1. Existing public and private schools and existing sites designated as Open Space Institutional by the eCity specifically for school sites, and designated by the North Thurston Public School District as a school site by the District’s Comprehensive Plan;
2. School bus stops;
3. Licensed day care and licensed preschool activities;
4. Public parks, publicly dedicated trails, sports fields and playgrounds;
5. Recreation and community centers;
6. Churches, synagogues, temples, and mosques;
7. Public libraries;
8. Any other risk potential activity or risk potential facility identified by subsequent amendment to state statute, by the Washington State Department of Social and Health Services pursuant to its hearing process mandated by RCW 71.09.315 or in the decision of the hearings examiner or city council granting or denying a special use permit for the siting of a sexual offenders secure community transition facility.

F. Unless otherwise ordered by a court of competent jurisdiction, all residents of a sexual offender secure community transition facility shall wear electronic monitoring devices at all times. To the extent that electronic monitoring devices that employ global positioning system technology are technically available, such devices shall be used. Such devices shall be part of a secure GPS system approved by the Department of Social and Health Services that cannot be removed by resident. The GPS system shall be capable of locating the resident wherever the resident goes. Such system shall be the best technology available and equipment to monitor the GPS devices shall be provided to the Lacey pPolice dDepartment or its designee for monitoring purposes.

G. If such a facility is sited within the eCity of Lacey, the Department of Social and Health Services shall provide for training, information, coordination and capital costs of the Lacey

~~p~~Police ~~d~~Department and shall further fund the need for increased police protection, monitoring and incident response to the facility, all as provided or allowed by state law.

H. Landscaping of the facility shall provide an aesthetically attractive presentation for the zone in which it is located. The landscaping plan shall pay particular attention to mitigation of lighting impacts to adjacent properties ~~as a result of requirements of LMC 16.66.050(K)~~. Landscaping shall comply with the crime prevention through environmental design technique requirements. Additionally, the requirements of Chapter 16.80 LMC shall apply to any facility in the same manner as applied to other developments located within the Light Industrial Zone.

I. Design of the structure and site shall create an aesthetically attractive building and site which is compatible with and enhances the character of the zone in which it is located. Such design shall be subject to the design review process and principles set forth in Chapter 14.23 LMC.

J. An on-premises exterior lighting plan shall be presented to and approved by the department of public works and the Lacey police department ~~of the city~~ as part of the design review process and prior to the operation of the facility. The plan shall utilize the principles of the crime prevention through environmental design technique requirements to provide easy visibility of the site from the street and shall avoid spillage of light onto adjacent properties. All parking areas and premise entries shall be illuminated from dusk till dawn with a lighting system which provides an average maintained horizontal illumination of one foot candle of light, or such lessor amount as shall be approved by such reviewing departments. ~~(Ord. 1186 §2, 2002)~~.

11.09.080~~16.66.060~~ Essential public facilities.

A. *Essential public facilities identified.* Essential public facilities, for purposes of this chapter are public or privately owned or operated facilities while, although serving a public purpose, are typically difficult to site. They include but are not limited to, airports, state educational facilities, state or regional transportation facilities, prisons, jails and other correctional facilities, secure community transition facilities, solid waste handling facilities, inpatient facilities such as group homes and mental health facilities, sewage treatment facilities, and communication towers and antennas.

B. *Special regional review process and minimum standards for essential public facilities.* Essential public facilities shall be processed as a conditional use pursuant to the requirements of this chapter. Essential public facilities shall be subject, at a minimum, to the policies provided in adopted county wide planning policies and the City Comprehensive Land Use Plan, and all applicable standards and requirements of the zoning code and other applicable codes and regulations.

C. *Essential public facilities classified.* Essential public facilities are classified, for purposes of this section as follows:

1. Type One: Multi-county facilities. Major facilities serving or potentially affecting more than one county. These facilities include, but are not limited to, regional

transportation facilities, such as: regional airports, state correction facilities, and state educational facilities.

2. Type Two: Local or Interlocal facilities serving or potentially affecting residents or property in more than one jurisdiction. They could include, but are not limited to, county jails, county landfills, community colleges, sewage treatment facilities, communication towers, and inpatient facilities, such as: substance abuse facilities, mental health facilities, and group homes.

3. Type Three: Facilities serving or potentially affecting only the eCity of Lacey and its residents.

D. *Essential public facilities determination of classification.* The eCity of Lacey shall determine the type of classification of a proposed essential public facility. In order to enable the eCity to determine the project's classification, the applicant shall identify the approximate area within which the proposed project could potentially have adverse impacts, such as: increased traffic, public safety risks, noise, glare, emissions, or other environmental impacts.

E. *Essential public facilities early notification.* Early notification and involvement of affected citizens and jurisdictions for Type One and Type Two facilities is required as follows:

1. At least ninety days before submitting an application for a Type One or Type Two essential public facility, the prospective applicant shall notify the affected public and jurisdictions of the general type and nature of the proposal, identify sites under consideration for accommodating the proposed facility, and identify opportunities to comment on the proposal. Applications for specific projects shall not be considered complete in the absence of proof of a published notice regarding the proposed project in a newspaper of general circulation in the affected area. This notice shall include the information described above and shall be published at least ninety days prior to the submission of the application.

2. Affected citizens, jurisdictions and the Thurston Regional Planning Council may provide this project sponsor and the eCity of Lacey with their comments or recommendations regarding alternative project locations during this ninety day period. The purpose of this provision is to enable potentially affected jurisdictions and the public to collectively review and comment on alternative sites for major facilities before the project sponsor has made its siting decision.

F. *Essential public facilities consideration of impact on sensitive areas.* Essential public facilities shall not have any probably significant adverse impact on critical areas or resource lands, except for lineal facilities, such as highways, where no feasible alternative exists.

G. *Essential public facilities analysis.* Applicants for Type One and Type Two essential public facilities shall provide an analysis of the alternative sites considered for the proposed facility. This analysis shall include the following:

1. An evaluation of the site's capability to meet basic siting criteria for the proposed facility, such as: size, physical characteristics, access, and availability of necessary utilities and support services;
2. An explanation of the need for the proposed facility in the proposed location;
3. The site's relationship to the service area and the distribution of other similar public facilities within the service area or jurisdiction, whichever is larger; and
4. A general description of the relative environmental, traffic, and social impacts associated with locating the proposed facility at the alternative sites which meet the applicant's basic siting criteria. The applicant shall also identify proposed mitigation measures to alleviate or minimize significant potential impacts.
5. A brief description of the process used to identify and evaluate the alternative sites.
(Ord. 1236 §2, 2005).

~~16.66.070 — When granted.~~

~~A conditional use permit may be granted by the hearings examiner, after public hearing and review, for those uses requiring such permits as provided for in this title. (Ord. 1650 §27, 2023; Ord. 1192 §174, 2002).~~

~~16.66.080 — Application form.~~

~~A written application for a conditional use permit shall be submitted to the community and economic development department on forms as prescribed by the community and economic development department, and shall include such information as requested thereon. No application shall be accepted unless it complies with such requirements. (Ord. 1539 §112, 2019; Ord. 1192 §175, 2002).~~

~~16.66.090 — Public hearing.~~

~~One public hearing on any proposed conditional use permit shall be held by the hearings examiner according to the quasi-judicial process and timelines according to the standards in Section 1C.050 of the City of Lacey Development Guidelines and Public Works Standards. (Ord. 1192 §176, 2002).~~

~~16.66.100 — Action by hearings examiner.~~

~~In reviewing a conditional use permit, the hearings examiner shall impose all requirements for such use, as prescribed in this title and other conditions and safeguards as are necessary to secure adequate protection for the locality in which the use is to be permitted. The hearings examiner shall establish a time limit, within which action for which the conditional use is required shall be begun, completed, or both. (Ord. 1650 §28, 2023; Ord. 1192 §177, 2002).~~

11.09.090 Duration of approval

A. The approval of a conditional use permit shall be valid for a period of twenty-four months unless otherwise granted by LMC 11.03.110

B. If a complete application for a building permit is not submitted or an extension is not granted within this time frame, such approval shall be considered null and void.

11.09.10016.66.110 Penalty for Nnoncompliance-Penalty.

If the enforcing officer determines that there has been continuing noncompliance with the conditions of a conditional use permit previously granted by the city council, such officer shall schedule a public hearing before the city's land use hearings examiner for purpose of hearing and making recommendation to the city council regarding the revocation, suspension or modification of such conditional use permit. Refusal by the enforcing officer to so schedule a hearing shall be deemed to be an administrative decision, subject to appeal by an aggrieved party pursuant to the provisions of this code. The procedures to be followed in providing for the public hearing, notice thereof recommendation by the hearings examiner to the city council and action by the city council shall be the same as that action directed to be taken upon application for such a conditional use permit pursuant to the terms of this chapter.

The city council, after receipt of recommendation from the hearings examiner as provided in this chapter, may revoke, suspend or modify a conditional use permit previously granted for those uses listed herein when it determines there has been continuing noncompliance with the conditions of such permit or other regulations governing such use. The options for decision before the city council and the final nature of such decision shall be the same as action on an original application. (Ord. 1192 §178, 2002).

Chapter ~~16.60~~11.10- Planned Residential Development

~~16.60.010~~ Intent.

It is the intent of this chapter to:

- ~~A. Encourage imaginative design and the creation of permanent open space by permitting greater flexibility in zoning requirements than is generally permitted by other chapters of this title;~~
- ~~B. Preserve or create environmental amenities superior to those generally found in conventional developments;~~
- ~~C. Create or preserve usable open space for the enjoyment of the occupants;~~
- ~~D. Preserve to the greatest possible extent the natural characteristics of the land, including topography, natural vegetation, waterways, views, etc.;~~
- ~~E. Encourage development of a variety of housing types;~~
- ~~F. Provide for maximum efficiency in the layout of streets, utility networks, and other public improvements;~~
- ~~G. Provide a guide for developers and city officials in meeting the purpose and provisions of this chapter. (Ord. 583 §2.16(A), 1980).~~

~~16.60.020~~ — Definitions.

~~Certain words and phrases as defined in this section shall govern the interpretation of this chapter.~~

- ~~A. “Common open space” means a parcel or parcels of land or a combination of land and water, within the site designed and intended for the use or enjoyment of residents of a planned residential development. Common open space does not include land occupied by buildings, roads, driveways, required parking areas, or the required yards for buildings or structures.~~
- ~~B. “Home owners association” means an incorporated, nonprofit organization operating under recorded land agreements through which (a) each lot owner is automatically a member; (b) each lot is automatically subject to a charge for a proportionate share of the expenses for the organization’s activities, such as maintaining common property; and (c) a charge, if unpaid, becomes a lien against the property.~~
- ~~C. “Planned residential developments” means any development of land approved and developed in accordance with the terms of this title, including a plat or subdivision of such land.~~
- ~~D. “Residential development” means any development designed and intended for residential use regardless of the type of building in which such residence is located, i.e., conventional single-~~

~~family dwellings, townhouses, duplexes, fourplexes, or apartment houses. (Ord. 583 §2.16(B), 1980).~~

11.10.01~~16.60.030~~ Where permitted.

Planned residential development ~~may be permitted in the following land use districts consistent with the development standards in LMC 16.60.06011.10.050 through 16.60.14011.10.140:~~

- A. Low density residential district;
- B. Moderate density residential district;
- C. High density residential district.

~~(Ord. 1539 §100, 2019; Ord. 583 §2.16(C), 1980).~~

11.10.02~~16.60.040~~ Types of uses permitted.

A. ~~*Specific Types Permitted.*~~ In a planned residential development, the following uses are permitted, provided that they meet the standards and criteria established in this title:

1. Those uses permitted as a matter of right in the underlying zone;
2. Residential developments of all types as defined in this chapter;
3. As a secondary use, the following neighborhood commercial uses may be permitted in a ~~PRD~~planned residential development subject to the limitations set forth in LMC 11.10.120~~16.60.130~~ and shall be located within the interior:
 - a. Grocery store;~~;~~
 - b. Drug store;~~;~~
 - c. Barber/beauty shop;~~;~~
 - d. Laundromat; and
 - e. Other, unlisted, similar or related uses, provided the enforcing officer and/or the site plan review committee makes the determination that:
 - (1) The particular unlisted use does not conflict with the intent of this chapter or the policies of the Comprehensive Land Use Plan;
 - (2) The use is appropriate in the development; and
 - (3) The development is served by the proposed use.

B. ~~Other or Related Uses Permitted.~~ Other or related uses permitted include:

1. Accessory uses specifically geared to the needs of the residents of the PRDplanned residential development such as motor vehicle or boat storage structures, or structures related to open space use, subject to the building and development coverage limitations of the underlying zone;
2. Conditional uses as provided in Chapter 16.6611.09 LMC; and
3. Home occupations as provided in Chapter 16.69 LMC. (~~Ord. 1220 §50, 2004; Ord. 1192 §158, 2002; Ord. 691 §21, 1984; Ord. 583 §2.16(D), 1980.~~)

11.10.03016.60.050 Relationship to other ordinance provisions.

A. ~~Zoning Requirements.~~ The provisions of the zoning ordinance pertaining to land use of the underlying zoning district shall govern the use of land in a planned residential development. The specific setback, lot size, height limits and other dimensional requirements are waived, and provided the City may waive other normal design standards if it finds a proposed design provides a better approach to achieving quality and functional neighborhoods as promoted in Lacey's land use plan. ~~Regulations for PRDs shall be those indicated in LMC 16.60.140.~~

B. ~~Platting Requirements.~~ A PRD-planned residential development shall be exempt from the specific design requirements of the subdivision ordinance, except that when any parcel of land in a PRD-planned residential development is intended for individual ownership, sale or public dedication, the platting and procedural requirements of the subdivision ordinance and applicable state laws pertaining to the subdivision and conveyancing of land and the preparation of maps shall be followed.

C. ~~Review Process.~~ Applications for PRDs planned residential developments shall be reviewed ~~pursuant to in accordance with~~ the quasi-judicial ~~procedures~~ review process and timelines contained in ~~Section 1C.050 of the City of Lacey Development Guidelines and Public Works Standards LMC 11.04.050.~~ (~~Ord. 1192 §159, 2002; Ord. 1098 §18(A), 1999; Ord. 691 §22, 1984; Ord. 583 §2.16(E), 1980.~~)

11.10.04016.60.060 Development standards—Generally.

The criteria and standards in LMC 16.60.07011.10.050 through 16.60.140 11.20.130 shall govern the interpretation and administration of this chapter. (~~Ord. 583 §2.16(F) (part), 1980.~~)

11.10.05016.60.070 Relationship of PRD site to adjacent areas. Design criteria

A. Applicants must demonstrate that the design of the proposed development will be superior to that which would result without a planned residential development. Such a design may include enhanced open space, recreational facilities, landscaping, circulation, building or site design beyond standard code requirements.

B. Applicants must demonstrate that the proposed development will provide specifically identified public benefits that clearly outweigh any adverse impacts or undesirable effects of the proposed planned residential development, particularly those adverse and undesirable impacts to surrounding properties. Public benefits resulting from the planned residential development may include, but are not limited to:

1. Protection of critical areas that would not be protected otherwise to the same degree as without a planned residential development;

2. Preservation, enhancement, or rehabilitation of natural features of the subject property, such as significant woodlands, native vegetation, topography, or noncritical area wildlife habitats, not otherwise required by other City regulations; or

3. Provision of public facilities that could not be required by the City for development of the subject property without a planned residential development.

4. Designation of a substantial proportion of the total units within the development as affordable housing.

C. The design of a planned residential development shall take into account the relationship of the site to the surrounding areas. The perimeter of the ~~PRD~~ planned residential development shall be so designed as to minimize undesirable impact of the ~~PRD~~ planned residential development on adjacent properties and, conversely, to minimize undesirable impact of adjacent land use and development characteristics on the ~~PRD~~ planned residential development. (Ord. 583 §2.16(F)(1), 1980).

11.10.06016.60.080 Site acreage:

The minimum site for a planned residential development shall be a full block or a portion of a block if it was a numbered block in the original plat of the ~~e~~City, or a numbered block of a subdivision recorded prior to the adoption of the ordinance codified in this title. For all previously unplatted areas, the minimum site shall be two acres. (Ord. 691 §23, 1984; Ord. 583 §2.16(F)(2), 1980).

11.10.07016.60.090 Access to public right-of-way:

The major internal street serving the ~~PRD~~ planned residential development shall be connected to at least one major arterial, secondary arterial or collector street. (Ord. 583 §2.16(F)(3), 1980).

11.10.08016.60.100 Lot size:

The minimum lot size provisions of other chapters of the zoning title are waived in a planned residential development. (Ord. 583 §2.16(F)(4), 1980).

11.10.09016.60.110 Setback and side yard requirements:

A. Setbacks from the exterior boundary line of the PRD-planned residential development area shall be comparable to or compatible with those of the existing development of adjacent properties, or, if adjacent properties are undeveloped, the type of development which may reasonably be expected on such properties given the existing zoning of such properties or the projections of the Comprehensive Plan. In no event shall such setback be less than twenty feet.

B. Setbacks or side yards between buildings: The standard setbacks and yard requirements between buildings may be waived in a PRD-planned residential development. Buildings may have common walls and, therefore, built to the property line as in townhouse construction.

Wherever buildings are separated, a minimum distance of ten feet shall be maintained between such buildings. (Ord. 583 §2.16(F)(5), 1980).

11.10.10016.60.120 Off-street parking:

Off-street parking shall be provided in a PRD-planned residential development in the same ratios for types of buildings and uses as required for the underlying zoning district, and as described in Chapter 16.72 LMC. (Ord. 583 §2.16(F)(6), 1980).

11.10.11016.60.130 Secondary use limitations:

A. Commercial uses are subject to full administrative review procedures contained in Section 1C.040 of the City of Lacey Development Guidelines and Public Works Standards LMC 11.04.040 and shall be provided for in the original, finally approved version of the PRD-planned residential development application for the development within which the commercial use is to be integrated. "Original," as is used in this subsection, refers to the PRD-planned residential development application as it existed at the time of its final approval by the city council.

B. The gross floor area of the commercial use shall not exceed the product of thirty square feet multiplied by the number of dwelling units within the development.

The purpose of restricting commercial development is to prevent the PRD-planned residential development process from being used as a vehicle for rezoning to commercial use which may not be at all related to the commercial needs of the area. Once a relatively large number of dwelling units have been completed or occupied, the need for such commercial development may be justified. (Ord. 1208 §67, 2003; Ord. 1192 §160, 2002; Ord. 583 §2.16(F)(7), 1980).

11.10.12016.60.140 Design standards:

A. Open space requirements shall be as follows:

1. ~~Common Open Space~~. Each planned residential development shall provide not less than thirty percent of the gross land area for common open space, which shall be either:

a. Held in single ownership where such ownership assumes full responsibility for maintenance and operation; or

- b. Held in common ownership by all of the owners in the development area; or
 - c. Dedicated for public use, if acceptable to the eCity.
- 2. Common open space may contain such complementary structures and improvements as are necessary and appropriate for the benefit and enjoyment of residents of the ~~PRD~~ planned residential development, provided, that the building coverage of such building or structure combined with the building coverage of the residential structures shall not exceed the maximum permitted by the underlying zone.
- 3. ~~Up to fifty percent of the common open space requirement may be satisfied by the preservation of tall stands of trees and/or wetlands and/or critical area habitat and required critical area buffers in consideration of the significant passive recreation opportunities provided by said lands. Development shall be configured to take advantage of these areas as a significant site amenity. These areas should be visually accessible to the public rather than walled off from view. To the extent possible, trail networks should be integrated with these areas. For example, a trail along the wetland buffer is a desirable option. The remaining fifty percent of the common open space area must meet the criteria in subsection (A)(4) of this section. Areas containing critical area habitat and associated buffers that would otherwise be required to be protected shall not be counted toward the gross land area for common open space.~~
- 4. Common open space must meet the following design criteria:
 - a. Must be useable and accessible. All common open spaces intended for public use shall be physically and visually accessible from the adjacent street or major internal pedestrian route. Open spaces shall be in locations accessible to intended users--rather than simply left-over or undevelopable space in locations where very little pedestrian traffic is anticipated. Locations integrated with transit stops, for instance, would be encouraged, as there is likely to be pedestrian traffic in the area.
 - b. Must be inviting. Inviting open spaces feature amenities and activities that encourage pedestrians to use and explore the space. On a large scale, it could be a combination of active and passive recreational uses. It could include a fountain, sculpture, children's play area, special landscaping element, or even a comfortable place to sit and watch the world go by. In order for people to linger in an open space, it must be comfortable. For instance, a plaza space should receive ample sunlight, particularly at noon, and have design elements that lend the space a "human scale," including landscaping elements, benches and other seating areas, and pedestrian-scaled lighting. No use shall be allowed within the open space that adversely affects the aesthetic appeal or usability of the open space. (See *Table 16T-83*.)
 - c. Must be safe. Safe open spaces incorporate Crime Prevention through Environmental Design (CPTED) principles:

(1) Natural surveillance--which occurs when parks or plazas are open to view by the public and neighbors. For example, a plaza that features residential units with windows looking down on space means that the space has good “eyes” on the park or plaza.

(2) Lighting that reflects the intended hours of operation.

(3) Landscaping and fencing. Avoid configurations that create dangerous hiding spaces and minimize views.

(4) Entrances should be prominent, well lit, and highly visible from inside and outside of the space.

(5) Maintenance. Open spaces shall utilize commercial grade materials that will last and require minimal maintenance costs. Walls, where necessary, shall be designed and treated to deter graffiti. Use and maintain landscape materials that reduce maintenance cost and maintain visibility, where desired.

d. Provides for uses/activities that appropriately serve the anticipated residents and users of the development. For example, common open space that serves a variety of functions will attract greater usage. When designing open spaces, project applicants should consider a broad range of age groups, from small children to teens, parents, and seniors.

e. Must be designed and placed in consideration of existing and potential open space on adjacent parcels to provide consolidation or opportunities for future consolidation of neighborhood open space areas.

f. ~~Additional Criteria.~~ Additional criteria:

(1) Consolidation of open space is encouraged to provide maximum access, visibility, usability, minimization of impacts to residential uses, and ease of maintenance.

(2) Existing trees and significant vegetation shall be retained in open space unless an alternative park/landscaping plan consistent with the criteria herein is approved by the site plan review committee.

5. Cash or like value of land area and improvements may be donated to the eCity for open space purposes to fulfill up to fifty percent of open space requirements within that specific parks planning area. Acceptance will be at the discretion of the eCity.

6. ~~Private Open Space.~~ Developments are encouraged to conform to usable open space provisions of the applicable zone. However, at a minimum, three hundred square feet of private, usable open space having a minimum of fifteen feet in depth and width shall be

provided for each ground level dwelling unit ~~PRD~~ planned residential development. Such private open space should be visible and accessible from the dwelling unit. When adjacent to common open space, such private open space is to serve as a buffer between dwelling units and common open space.

B. ~~Land Area and Dwelling Unit Computations.~~ Open space, street area, etc., are computed as follows:

1. ~~Street Right of Way.~~ Streets in a ~~PRD~~ planned residential development shall be computed at twenty percent of the gross land area, regardless of the amount of land actually used for streets in the final design.

2. ~~Density.~~ The density of the underlying zone governs unless a density increase is granted as provided in this chapter.

3. ~~Density Increase.~~ The ~~e~~City may approve an increase in the dwelling unit density up to:

a. In the low density district, fifteen percent.

b. In the moderate density district, twenty percent.

c. In the high density district, twenty-five percent; rounded to the nearest whole number; provided, that the environmental and recreational amenities sought by this title are met.

4. ~~Development Formula.~~ The computation of the number of dwelling units permitted, and other space requirements, shall be as follows:

DU N/M X 1.2 (1.2 is the incentive factor).
=

G Is gross land area in square feet.

S Is street area (i.e., 20% of G) in square feet.

DU Is number of dwelling units.

M Is minimum land area per dwelling unit.

N Is net buildable site (G-S) in square feet.

EXAMPLE: In a hypothetical five acre site in the moderate density residential district, thirty-two dwelling units are permitted under conventional development procedures, assuming a minimum lot area of five thousand four hundred forty-five square feet, no dedication for other public use, and twenty percent of the land area dedicated for public right-of-way. The calculations are as follows:

$$\begin{aligned}
 G &= 5 \text{ acres} = 217,800 \text{ sq. ft., gross land area.} \\
 S &= 20\% \text{ of } G = 43,560 \text{ sq. ft. of public R.O.W.} \\
 G-S &= 174,240 \text{ sq. ft.} \\
 DU &= 174,240/5,445 = 31.6 = 32 \text{ dwelling units.}
 \end{aligned}$$

On the same five acre site, under PRDplanned residential development procedure, thirty-eight dwellings are permitted using the formula shown below:

$$\begin{aligned}
 DU &= N/M \times 1.2. \\
 N &= G-S = 217,800 - 43,560 = 174,240 \text{ sq. ft.} \\
 M &= 5,445 \text{ sq. ft. minimum lot area.} \\
 DU &= 174,240/5,445 \times 1.2 = 38.4 = 38 \text{ dwelling units.}
 \end{aligned}$$

C. ~~Landscaping~~ All landscaping requirements of Chapter 16.80 LMC shall be satisfied. (~~Ord. 1496 §94, 2016; Ord. 1310 §43, 2008~~).

11.10.13016.60.145 Environmental and recreational amenities:

Four of the following five amenities must be provided as part of the PRDplanned residential development in order to receive the density bonus as provided in LMC 16.60.14011.10.120:

- A. Develop and equip significant recreational areas within the common open space with such features as, but not limited to, swimming pools, tennis courts, bike or pedestrian path systems, children's play areas;
- B. Substantial retention of natural ground cover, bushes and trees;
- C. Vegetated LID facilities are included in the design and serve as a visual amenity;
- D. Provide significant access to a lake, river, stream or other natural water body;
- E. Provide substantial and exceptional landscaping treatment either as an adjunct to or in lieu of natural landscaping beyond the minimum required. (~~Ord. 1496 §95, 2016; Ord. 1310 §44, 2008; Ord. 691 §25, 1984~~).

11.10.14016.60.150 Eligibility and p Review procedure:

~~A. Who May Apply. Any owner or group of owners of property acting jointly, or a developer authorized to act as agent for an owner or group of owners, may submit an application for PRD development.~~

~~B. *Review Procedure.* All PRD planned residential development applications shall be reviewed and approved or disapproved pursuant to the quasi-judicial procedures contained in Section 1C.050 of the City of Lacey Development Guidelines and Public Works Standards LMC 11.04.050. (Ord. 1192 §161, 2002; Ord. 583 §2.16(G)(1), 1980).~~

11.10.15016.60.160 Required documentation.

In addition to the information required by LMC 11.03.050, Aan application for PRD-planned residential development shall include the following:

A. Vicinity sketch showing the location of the site and its relationship to surrounding areas, including existing streets, driveways, major physiographic features such as railroads, lakes, streams, shorelines, schools, parks, and other prominent features₁₅

B. A map or maps of the site at a scale not smaller than one hundred feet to the inch, showing all the information required for a preliminary plat plus the following:

1. Site boundaries₁₅
2. Streets bounding or abutting the site₁₅
3. Proposed building including dimensions, setbacks, identification of types and the number of dwelling units in each residential type₁₅
4. Location and dimensions of open spaces₁₅
5. Existing and proposed contours including natural features₁₅
6. Parking facilities, their design, size and capacity₁₅
7. Circulation plan--vehicular and pedestrian, and points of ingress and egress from the site, and their relationship to ingress and egress of neighborhood properties₁₅
8. Existing buildings and indication of future use or disposition₁₅
9. Landscaping plan₁₅
10. Typical front and side elevations and exterior architectural treatments of the proposed units₁₅ and
11. Conceptual utility plan, including water, sewer, storm drainage and lighting₁₅

C. In addition to the graphic materials, the developer shall submit a written statement providing the following information:

1. Program for development including estimated staging or timing of development, including build-out data to be submitted to the ~~e~~City and to the North Thurston School District for each year during the construction period~~;~~⁵
2. Proposed ownership pattern upon completion of development~~;~~⁵
3. Basic content of restrictive covenants~~;~~⁵
4. Provisions to assure permanence and maintenance of common open space through homeowners association formation, condominium development or other means acceptable to the ~~e~~City~~;~~⁵
5. Statement or tabulation of dwelling unit densities proposed~~;~~⁵ and
6. Statement describing the relationship of the proposed ~~PRD~~planned residential development to the Lacey development plan. (~~Ord. 1192 §162, 2002; Ord. 691 §26, 1984; Ord. 583 §2.16(G)(2), 1980~~).

11.10.16016.60.170 Filing time limitation for applications not involving plats.

A. An application for final review and approval shall be filed by the applicant within ~~eighteen~~twenty-four months of the date on which preliminary approval was given by the ~~city council~~hearings examiner.

B. If an application includes a plat the timing requirements of LMC Title 15 shall apply. An extension not exceeding six months may be granted by the ~~hearings examiner~~enforcing officer.

C. If application for final approval is not made within ~~eighteen~~twenty-four months or within the time for which an extension has been granted, the plan shall be considered abandoned, and the development of the property shall be subject to the normal requirements and limitations of the underlying zone. (~~Ord. 1192 §163, 2002; Ord. 1098 §18(B), 1999; Ord. 691 §27, 1984; Ord. 583 §2.16(H)(1), 1980~~).

11.10.17016.60.180 Partial ~~PRD~~planned residential development area.

A. An application for final review and approval may be filed for part of a ~~PRD~~planned residential development area for which preliminary approval has been granted by the ~~city council~~hearings examiner. A final plan for a part of a ~~PRD~~planned residential development shall provide the same proportion of open space and the same overall dwelling unit density as the overall preliminary plan.

B. If that portion of the ~~PRD~~planned residential development for which final approval is requested does not provide such open space, the developer shall file in escrow a quit-claim deed in favor of the city for such additional land area adjacent and accessible to the site, and of sufficient size to provide the open space required to meet the standards of this title. In the event that the developer abandons the remaining portions of the ~~PRD~~planned residential development, the escrow agent

shall deliver the quit-claim deed to the city or to such other public or private entity as the city may direct.

~~C. Note:~~ Final approval of a PRD-planned residential development plan shall not be construed to be final plat approval. Plat approval is a separate action and shall be in compliance with state and local subdivision and platting regulations. (~~§164, 2002; Ord. 691 §28, 1984; Ord. 583 §2As stated in 16.60.050(B).~~) (~~Ord. 1192, 2002~~).

11.10.18016.60.190Required documentation. Final planned residential development plan

A. The applicant shall submit ~~at least seven copies of~~ the final development plan of the proposed development to the planning department for its review. The final development plan shall comply with the conditions imposed on the preliminary development plan. In addition, if the development is being subdivided, the data required of regular plats as required by the subdivision ordinance must be submitted. The plan shall include the following:

~~A.—1.~~ Final elevation and perspective drawings of project structures;

~~B.—2.~~ Final landscaping plan;

~~C.—3.~~ Final plans of and including profiles of the drainage, water, sewer, lighting, streets, and sidewalks or pathways; and

~~D.—4.~~ Such other documentation, information and data not lending itself to graphic presentation such as restrictive covenants, incorporation papers and bylaws of Homeowners' Associations, dedications of easements, rights-of-way, and other conditions specifically required by the hearings examiner for the particular PRD-planned residential development.

B. No final development plan shall be deemed acceptable for filing unless all of the above information is submitted in accurate and complete form sufficient for the purposes of planning department review. After receiving the final development plan, the planning department shall route the same to all appropriate ~~e~~City departments, and each department shall again submit to the planning department comments and recommendations.

C. If the ~~e~~City departments determine that the final mapdevelopment plan conforms fully with all applicable regulations and standards, the enforcing officer shall issue approval of the final map ~~shall be presented to the city council for final approval development plan.~~ (~~Ord. 1192 §165, 2002; Ord. 691 §30, 1984~~).

11.10.19016.60.200 Permit issuance.

Building permits and other permits required for the construction or development of property under the provisions of this chapter shall be issued only when in the opinion of the enforcing ~~official~~ officer, the work to be performed meets the requirements of the final plan and program elements of the PRD-planned residential development. (~~Ord. 583 §2.16(I)(1), 1980~~).

11.10.21~~16.60.210~~ Adjustments.

A. Minor adjustments may be made and approved by the enforcing ~~official~~officer when a building permit is issued. Minor adjustments are those which may affect the precise dimensions or siting of buildings, but which do not affect the basic character or arrangement of buildings approved in the final plan, nor the density of the development or the open space requirements. Such dimensional adjustments shall not vary more than ten percent from the original.

B. Major adjustments are those which, in the opinion of the enforcing officer, substantially change the basic design, density, open space or other requirements of the planned residential development. When, in the opinion of the enforcing officer, a change constitutes a major adjustment, no building or other permit shall be issued without prior review and approval by the hearings examiner of such adjustment. (~~Ord. 583 §2.16(I)(2), 1980~~).

11.10.22~~16.60.230~~ Duration of control.

The regulations and controls of the planned residential development ordinance in effect at the time of authorization of a ~~PRD~~ planned residential development project shall remain in full force and effect for the life of the project. (~~Ord. 583 §2.16(I)(4), 1980~~).

11.10.23~~16.60.240~~ Parties bound.

Once the preliminary development plan is approved, all persons and parties, their successors, heirs, or assigns, who own, have, or will have by virtue of purchase, inheritance or assignment, any interest in the real property within the proposed ~~PRD~~ planned residential development, shall be bound by the conditions attending the approval of the development and the provisions of this title. (~~Ord. 583 §2.16(I)(5), 1980~~).

11.10.240 ~~16.60.250~~ Commencement of construction.

A. Construction of the ~~PRD~~ planned residential development project not involving a plat shall begin within two ~~one~~ years from the date of the final approval of the plan.

B. An extension of time for beginning construction may be requested in writing by the applicant, and such extension not exceeding six months may be granted by the ~~council~~ enforcing officer. If construction is not begun within the approval period ~~one year~~ or within the time for which an extension has been granted, the plan shall be considered abandoned, and the development of the property shall be subject to the normal requirements and limitations of the underlying zone. If the final approval was a plat no timing requirements for construction shall apply. (~~Ord. 1098 §18(C), 1999; Ord. 583 §2.16(I)(6), 1980~~).

Chapter 11.11 Temporary Use Permits

11.11.010 Applicability

For the purposes of review under this chapter, the following uses or structures shall be considered temporary uses:

A. Temporary uses allowed in the underlying zoning district;

B. Model homes equaling up to four homes when located within the subdivision or residential development to which they pertain;

C. Storage trailers;

D. Temporary uses not otherwise allowed in the underlying zoning district, reviewed in accordance with LMC 11.11.050 (B); and

E. Proposed activities not listed in this section that are found to meet the definition of temporary use, as determined by the enforcing officer, where review type shall be determined in accordance with LMC 11.11.060.

11.11.020 Exemptions

A. The following construction related activities and structures shall be exempted from requiring temporary use permit, provided they are associated with an approved land use application and/or an active building or construction permit;

1. Contractor's office, storage yard, and equipment parking and servicing on or near the site or in the vicinity of an active construction project.

2. Sales and marketing trailers used for the purpose of real estate sales and/or rental information, located within the subdivision or development to which they pertain.

B. City-sponsored community fairs, festivals, or events, subject to the approval of the City Manager's office, shall be exempted from requiring a temporary use permit. .

C. If determined by the enforcing officer to be of limited duration with minimal impact on neighboring properties, special sales and ancillary events promoting and located on the site of an existing permanent business and not requiring a separate business license shall be exempted from requiring a temporary use permit. Such sales and events may require a permit from the fire department and/or Thurston County health department.

11.11.30 Authority

A. The enforcing officer shall, in consultation with appropriate city departments, review and decide upon each application for a temporary use permit in accordance with the appropriate review

type as determined by LMC 11.11.050. The enforcing officer may approve, deny, modify, or condition an application for a temporary use permit.

B. The enforcing officer may establish conditions as deemed necessary to ensure land use compatibility and to minimize potential impacts on nearby uses. These include, but are not limited to, requiring that notice be given to adjacent/abutting property owners prior to approval, time and frequency of operation, temporary arrangements for parking and traffic circulation, requirement for screening or enclosure, and guarantees for site restoration and cleanup following temporary uses.

11.11.040 Application requirements

A. Temporary use permit applications shall include the information required by LMC 11.03.050, unless waived by the enforcing officer.

B. The enforcing officer may require the applicant to submit any additional information or material which is found to be necessary for the proper review of the application.

11.11.050 Review types

A. Applications for temporary use permits shall be reviewed in accordance with limited administrative review process and timelines outlined in LMC 11.04.030, unless otherwise required by subsection B of this section.

B. Applications for temporary use permits where the proposed use is not permitted in the underlying zoning district, or where the use is determined to have significant impacts per LMC 11.11.060, shall be reviewed in accordance with the full administrative review process and timelines outlined in LMC 11.04.040.

11.11.060 Criteria for determining review type

For temporary use activities not listed in LMC 11.11.010, the enforcing officer shall consider the following factors in determining the appropriate review type:

A. Consistency with the underlying zone;

B. Impact on surrounding zones;

C. Length of period of time for duration of activity; and

D. Hours of operation.

11.11.070 Decision criteria

The enforcing officer may approve, deny, modify, or condition an application for a temporary use permit based on consideration of the following factors:

A. The temporary use will not be materially detrimental to the public health, safety, or welfare, nor injurious to property or improvements in the vicinity of the temporary use;

B. Adequate parking facilities and vehicle ingress and egress are provided to serve the temporary use and any existing uses on the site;

C. Hours of operation of the temporary use are specified, and would not adversely impact surrounding uses;

D. The temporary use will not cause nuisance factors such as noise, light, or glare which adversely impact surrounding uses;

E. The temporary use is compliant with all applicable requirements of Title 14 Buildings and Construction; and;

F. The applicant has obtained any other required permits for the temporary use.

11.11.080 Other required permits

The temporary use may also require permits and inspections from both the fire department and/or community and economic development department to ensure that the temporary use is in compliance with applicable Fire and Building Codes.

11.11.090 Duration of approval

A temporary use permit is valid for a period of twelve months, unless the enforcing officer establishes a shorter time frame or an extension is otherwise granted by LMC 11.03.110

11.11.100 Removal of temporary use

Each site occupied by a temporary use shall be left free of debris, litter, or other evidence of the temporary use upon completion of removal of the use. Any impacts to the subject site caused by the temporary use shall be fully restored to the greatest extent feasible.

11.11.110 Security

The enforcing officer may require a performance bond or financial security to assure compliance with the provisions of the temporary use permit as approved if required. Such requirement shall be determined upon whether the proposed activity has a significant level of duration or impact. The amount of the performance bond or financial security will be determined by the enforcing officer, but in no case shall it be less than one thousand dollars (\$1,000.00). The security may be used by the City to abate the use and/or facilities.

11.11.120 Permit revocation

Should the enforcing officer determine that information has been provided to the City which was false, incomplete, or has changed, such that the decision criteria in LMC 11.11.070 are incorrect, false, or have not been met, or the temporary use actually being used is different than or greater

than that applied for, or if the use itself is a nuisance, unhealthy, unsafe or poses a substantial risk of harm to persons or property, then the enforcing officer may revoke the temporary use permit upon ten (10) days' written notice, unless an emergency exists, in which case the enforcing officer may declare such an emergency and immediately revoke the temporary use permit.

11.11.130 Appeals

Any decision of the City of Lacey in the administration of Chapter 11.11 LMC may be appealed in accordance with Chapter 11.05 LMC.

Chapter ~~11.12~~16.82 Development Agreements

~~11.12.01~~16.82.005 Authority:

- A. This chapter applies to development agreements authorized pursuant to RCW 36.70B.170 through 36.70B.210, as a legislative action, between the ~~e~~City of Lacey and a person having ownership or control of real property within its jurisdiction. The execution of a development agreement is a proper exercise of ~~e~~City police power and contract authority.
- B. The ~~e~~City may enter into a development agreement for real property outside its ~~e~~City limits as part of a proposed annexation, or a service agreement.
- C. The provisions of this chapter do not apply to or affect the validity of any contract rezone, concomitant agreement, annexation agreement or other agreement in existence on or before the effective date of this chapter, or adopted under separate authority, even though such agreements may also relate to development standards, mitigation, and other regulatory requirements.
- D. The ~~e~~City may enter into development agreements pursuant to this chapter. The decision whether to enter into a development agreement is discretionary with the city council. The development agreement shall provide for the scope and timing of the project, applicable regulations and requirements, mitigation requirements and other matters relating to the development process. (~~Ord. 1471 §1 (part), 2015~~).

~~16.82.010~~ ——— Purpose.

~~The purposes of development agreements are as follows:~~

- ~~A. The lack of certainty in the approval of development projects can result in a waste of public and private resources, escalate housing costs for consumers, and discourage the commitment to comprehensive planning which maximizes efficient use of resources at the least economic cost to the public.~~
- ~~B. Assurance in the development review process can significantly encourage development or redevelopment of real property. This certainty is especially important for large-scale or multiphase developments that take years to complete and that require substantial financial commitments at an early stage.~~
- ~~C. A development agreement promotes the general welfare by balancing the public and private interests, providing reasonable certainty for a development project, and addressing other matters, including funding or providing services, infrastructure, or other facilities. (Ord. 1471 §1 (part), 2015).~~

~~16.82.020~~ ——— Development standards.

~~A.— Any person intending to propose a development agreement shall first meet with the director of community and economic development or their designee for purposes of understanding the parameters of the proposal and applicable procedures.~~

~~B.— In order to encourage innovative land use techniques and to further achieve public benefits, a development agreement adopted pursuant to this chapter may impose development standards that differ from the standards of the Lacey Municipal Code and the Lacey Development Guidelines and Public Works Standards which would otherwise be applicable to a proposed development. Examples of development standards that may differ include infrastructure requirements, street standards, performance standards, and duration of approvals. All development standards imposed must achieve public benefits, respond to changing community needs, and require modifications which provide the functional equivalent or adequately achieve the purposes of otherwise applicable city standards. Any development standard imposed by the development agreement must be consistent with and further the stated intent of the Comprehensive Plan.~~

~~C.— The development standards as approved through a development agreement shall apply to and govern the development and implementation of the subject site in lieu of any conflicting or different standards or requirements elsewhere in the Lacey Municipal Code. A development agreement shall reserve authority to impose new or different regulations to the extent required by serious threat to public health and safety.~~

~~D.— Notwithstanding the foregoing, the International Building Code, International Fire Code, and other construction codes in effect in the state of Washington, and as adopted by the city of Lacey, on the date of filing a fully complete building permit application or other construction application for a building on the subject site shall apply; except that no changes to such codes taking effect after the date of the development agreement shall require redesign or modification of then-existing project utilities, facilities, or other infrastructure that was installed in accordance with the development agreement. (Ord. 1539 §131, 2019; Ord. 1471 §1 (part), 2015).~~

11.12.020 Code modifications allowed by development agreement

A development agreement may allow modifications to the City's development code, as provided below:

A. The traffic impact fees established by Chapter 14.25 LMC may be credited based on the value of developer-funded infrastructure improvements for transportation.

B. The park impact fees may be credited based on the value of developer-funded infrastructure improvements for parks.

C. In order to encourage innovative land use management and provide flexibility to achieve public benefits, a development agreement adopted pursuant to this chapter may impose development standards that differ from the development regulations adopted in the development code; provided, that:

1. Any development standards imposed by the development agreement are consistent with the strategic objectives, goals, and policies of the comprehensive plan; and

2. The development standards do not:

a. Allow for use types or densities currently not permitted within the existing zoning category for the properties subject to the agreement;

b. Modify or alter the requirements of the City's building code;

c. Modify or alter the requirements of the City's stormwater management regulations; or

d. Modify or alter any federally required American with Disabilities Act (ADA) standards.

11.12.030 Incentives

A. A development agreement may reserve capacity in the transportation system for the proposed development's trip generation. The proposed development shall be deemed to have achieved transportation concurrency under the concurrency rules and regulations in effect on the effective date of the development agreement. The term for the concurrency determination shall be set forth in the development agreement.

B. A development agreement may reserve capacity in the city's sewer system for the proposed development. The amount of capacity reserved shall be set forth in the development agreement.

C. A development agreement may establish vesting standards subject to the following limitations:

1. Vesting for regulations adopted pursuant to the State Building Code shall not be altered.

2. The vesting period cannot be longer than 20 years from the effective date of the development agreement.

3. If the agreement provides a vesting period that is longer than five years, the agreement shall include milestones for development of the project, which shall be met in order to maintain the extended vesting period.

4. Negotiated vesting provisions cannot defeat the city's ability to require a developer to comply with latter-adopted state or federal mandates not subject to vesting, or prevent the city from taking action to prevent a public safety, welfare, or health emergency.

D. Water, sewer, and stormwater system development charges may be credited against the value of developer-funded infrastructure for the same utility. Credits shall be calculated in a manner acceptable to both parties. Prior to negotiation of a credit, the city shall obtain an opinion from its financial consultant.

11.12.04016.82.030 Application requirements~~Contents of a development agreement.~~

~~A. A development agreement must set forth the development standards and other provisions that shall apply to, govern, and vest the development, use, and mitigation of the development of the real property for the duration specified in the agreement.~~

~~B. For purposes of this chapter, the term “development standards” means and includes, but is not limited to, the following items. In approving a development agreement, conditions of approval shall at a minimum establish:~~

~~1. A site plan for the entire project, showing locations of sensitive areas and buffers, required open spaces, perimeter buffers, location of residential development, and location of nonresidential development;~~

~~2. Project elements such as permitted uses, residential densities and nonresidential densities; range of uses authorized for any nonresidential development; intensities; and building sizes;~~

~~3. The amount and payment of impact fees imposed or agreed to in accordance with any applicable provisions of state law, any reimbursement provisions, other financial contributions by the property owner, or dedications;~~

~~4. Mitigation measures, development conditions, and other requirements under Chapter 14.24 LMC, Environmental Policy, and Chapter 43.21C RCW;~~

~~5. Design standards such as maximum heights, setbacks, streets, drainage and water quality requirements, landscaping, and other development features;~~

~~6. Sewer, water, stormwater and other utility plans;~~

~~7. Parks and open space preservation;~~

~~8. Phasing plan, if applicable;~~

~~9. Review procedures and standards for implementing decisions;~~

~~10. Thresholds and procedures for amendments to the agreement;~~

~~11. A dispute resolution process for the failure or refusal to comply with the terms of the agreement;~~

~~12. A build-out or vesting period for applicable standards; and~~

~~13. Any other development requirement or procedure deemed appropriate by the city council.~~

~~C. Nothing in this chapter is intended to authorize the city to impose impact fees, inspection fees, or dedications or to require any other financial contributions or mitigation measures except as expressly authorized by other applicable provisions of law. (Ord. 1471 §1 (part), 2015).~~

Development agreements shall include the following:

A. A site plan depicting boundaries and project elements, such as:

1. Location and acreage of active and passive recreational areas, if any;

2. Location, acreage and range of densities for residential development, if applicable;

3. Location and range of types of uses of nonresidential development, if applicable;

4. Location and size of critical areas and buffers, if any;

5. Perimeter buffers, if any; and

6. Motorized and nonmotorized circulation routes, including route connections to streets and

pedestrian routes servicing and/or abutting the site.

B. The development standards and other provisions that shall apply to and govern the use and development of the real property;

C. Identification of the variations from development standards approved under LMC 11.12.020;

D. The expected build-out period and, if applicable, the phasing of development;

E. Provisions for the termination of the development agreement;

F. If environmental review is required under the State Environmental Policy Act, measures to mitigate significant adverse impacts including any impacts to public services and facilities;

G. A title report indicating proof of ownership; and

H. Other application contents as listed in 11.03.050, unless waived by the enforcing officer.

~~16.82.040 — Effect and vesting.~~

~~A. Unless amended or terminated, a development agreement is enforceable during its term by a party to the agreement. A development agreement and the development standards in the agreement govern during the term of the agreement, or for all or that part of the build-out period~~

~~of the project specified in the agreement, and the project may not be subject to an amendment to a zoning ordinance, or development standard, or regulation adopted after the effective date of the agreement. A permit or approval issued by the city after the execution of the development agreement must be consistent with the development agreement.~~

~~B. Under subsection A of this section, a development agreement provides an alternative to vesting rights provided in Section 1B.060 of the Lacey Development Guidelines and Public Works Standards.~~

~~C. The term of the approval of a development agreement shall be determined on a project specific basis. The city council may consider modifying the term of an agreement at the request of the property owner. In order to modify the term of the agreement, the city council shall find that the agreement is consistent with the city's Comprehensive Plan and modifying the term of the agreement is in the best interest of the city.~~

~~D. A development agreement may reserve capacity in the transportation system for the proposed development's trip generation and, in such case, the proposed development shall be deemed to have achieved transportation concurrency under the concurrency rules and regulations in effect on the effective date of the development agreement. The term for the concurrency determination shall be set forth in the development agreement. (Ord. 1471 §1 (part), 2015).~~

11.12.050 Decision criteria

The city council may approve and enter into a development agreement if the council finds at its sole discretion that the development proposal:

A. Significantly benefits the City by contributing unique or needed amenities;

B. Stimulates development in an articulable fashion;

C. Significantly improves the local economy by adding employment opportunities and contributing to the tax base;

D. Advances the strategic objectives, goals, and policies of the City's Comprehensive Plan;

E. Is consistent with the City's development regulations, except as modified pursuant to LMC 11.12.020; and

F. Is in the City's best interests.

11.12.06016.82.050 Procedure.

A. Development agreements shall be drafted and negotiated by City staff in conjunction with developer representatives.

B. If necessary to determine the interests of the city council prior to expending significant time on negotiations, staff may introduce the proposal for council discussion at a council workshop.

CA. If a development agreement is not proposed in conjunction with an action requiring “quasi-judicial review” or “legislative review” under Chapter 11.04 LMC~~Chapter 1C of the City of Lacey Development Guidelines and Public Works Standards~~, the development agreement shall be presented to city council at a public hearing for approval by ordinance or resolution.

DB. If the development agreement is proposed in conjunction with an action requiring “quasi-judicial review,” the development agreement shall be presented to the city council for final approval by ordinance or resolution, after a public hearing with the hearings examiner. The hearings examiner shall make a recommendation of approval or denial on the applications and the development agreement to the city council.

EC. If the development agreement is proposed in conjunction with an action requiring “legislative review,” the development agreement shall be presented to the city council for final approval by ordinance or resolution, after a public hearing with the planning commission. The planning commission shall make a recommendation of approval or denial on the applications and the development agreement to the city council.

FD. Prior to any required public hearing, the ~~director or their designee enforcing officer~~ shall issue a public hearing notice in accordance with Chapter 11.04 LMC~~the provisions for providing such notice under Section 1C of the City of Lacey Development Guidelines and Public Works Standards~~. (Ord. 1471 §1 (part), 2015).

11.12.07016.82.060 City council action:

A. The city council shall consider the proposed development at and following the public hearing. The city council may approve and enter into a proposed development agreement if the council finds, in its sole discretion, that a proposed agreement is consistent with the Comprehensive Plan and the purposes of this chapter decision criteria listed in LMC 11.12.050. The decision of the city council on a development agreement is the final decision of the ~~e~~City.

B. Notice of the ~~F~~final ~~D~~decision by the city council shall be mailed to the applicant, to any person who submitted public comments, and to any other person who has specifically requested it.

C. The development agreement shall be recorded with the Thurston County auditor prior to the effective date of any development proposal that was submitted and reviewed concurrently with the development agreement.

D. The appeal of a final decision of the city council shall be timely filed as a judicial appeal pursuant to LMC 11.05.070~~Section 1D.040 of the City of Lacey Development Guidelines and Public Works Standards~~. (Ord. 1471 §1 (part), 2015).

11.12.08016.82.070 Terms of agreement:

A. A development agreement pursuant to Chapter 36.70B RCW and this chapter shall be binding on the parties and their successors during the term of the development agreement and enforceable during its term by a party to the agreement, unless the agreement is amended or terminated.

| B. The eCity reserves the right to modify or terminate the development agreement upon the failure or refusal to comply with the terms of the agreement by the developer in accordance with the dispute resolution process contained in the agreement.

| C. Amendments to the terms of the development agreement shall be done only by a written instrument executed by all parties pursuant to the procedures of this chapter, or as may be amended. The eCity will process and decide upon application of an amendment in accordance with the thresholds and procedures for amendments contained in the project specific agreement. (Ord. 1471 §1 (part), 2015).

Chapter ~~11.13~~ **16.96 Amendments and Rezones**

~~16.96.010~~ **Amendments in land use cases.**

~~Whenever public necessity, convenience or general welfare requires, the provisions of this title or the zoning map may be amended in conjunction with individual land use applications in accordance with the following procedures:~~

~~A. *Amendments Initiation.* Amendments of the text of this title or the zoning map may be initiated in such cases by:~~

- ~~1. A verified application of one or more owners of property which is proposed to be reclassified, filed with the community and economic development department;~~
- ~~2. The adoption of a motion by the city council requesting the hearings examiner or planning commission to set the matter for hearing and recommendation;~~
- ~~3. A recommendation by the planning commission to the city council; or~~
- ~~4. Initiation of an amendment through the joint planning process between the city of Lacey and Thurston County.~~

~~B. *Amendments or Rezones Process.* All amendments or rezones shall be processed in accordance with Section 1C.060 of the City of Lacey Development Guidelines and Public Works Standards.~~

~~C. *Amendments Reference to City Council.* The hearings examiner or planning commission's recommendation shall be presented for city council consideration in accordance with Section 1C.060 of the City of Lacey Development Guidelines and Public Works Standards. (Ord. 1539 §135, 2019; Ord. 1192 §202, 2002; Ord. 1035 §29, 1996; Ord. 1024 §51, 1995; Ord. 618 §12, 1981; Ord. 583, 1980).~~

~~16.96.020~~ **Amendments of general application.**

~~Whenever public necessity, convenience or general welfare requires, the provisions of this title or the zoning map may be amended in those instances not involving individual land use applications after recommendation by the planning commission to the city council according to the process in Section 1C.060 of the City of Lacey Development Guidelines and Public Works Standards. (Ord. 1192 §203, 2002; Ord. 618 §13, 1981; Ord. 583, 1980).~~

~~16.96.030~~ **Joint action by Lacey City Council and Board of Thurston County Commissioners.**

~~Any proposed amendment or rezone affecting the unincorporated area shall be subject to the joint planning process approval by both the City of Lacey and Thurston County. (Ord. 1024 §52, 1995).~~

11.13.010 Applicability

An application for a rezone of property may be made by the following:

A. Property owner, or somebody authorized on the owner's behalf; or

B. City council; or

C. Planning commission.

11.13.020 Authority for rezones requiring a plan amendment

A. In accordance with RCW 35.63.110 the planning commission has the authority to recommend zoning to the legislative body requiring a Comprehensive Plan amendment after conducting a public hearing thereon. Notice shall be provided in accordance with LMC 11.03.090.

B. Upon completion of the hearing(s) on the Comprehensive Plan, or successive parts thereof, the planning commission, after making such changes as it deems necessary, shall forward its recommendation to the city council for their final action.

C. The final form and content of the Comprehensive Plan shall be determined by the city council after consideration of the planning commission's recommendation at a public meeting.

11.13.030 Authority for rezones not requiring a plan amendment

A. Rezone requests not requiring a Comprehensive Plan amendment and submitted in conjunction with a primary project permit application shall be reviewed in an open public hearing held before the hearings examiner under the procedures and rules of the hearings examiner, as authorized by RCW 35.63.130.

1. The applicant will have the burden and duty of applying for and pursuing the rezone.

2. Upon completion of the hearing, or successive parts thereof, the hearings examiner shall forward their recommendation to the city council for their final action.

3. The final decision shall be made by the city council after consideration of the hearings examiner's recommendation at a public meeting.

B. Rezone requests not requiring a Comprehensive Plan amendment and not submitted in conjunction with a primary project permit application shall be reviewed in accordance with the legislative review procedures described in LMC 11.04.060.

11.13.040 Submittal requirements

A. Rezone applications shall include the information required by LMC 11.03.050, unless otherwise waived by the enforcing officer.

B. The enforcing officer, hearings examiner or city council may require the applicant to submit any additional information or material which is found to be necessary for the proper review of the application.

11.13.050 Decision criteria

A. Criteria for rezones not requiring a Comprehensive Plan amendment. The City may deny a rezone if the all the following criteria are not met. The City may approve or approve with conditions an application for a rezone if:

1. The rezone has merit and value for the community, and will not adversely affect public health, safety, and welfare;
2. The rezone will not be materially detrimental to the uses or properties located in the immediate vicinity thereof;
3. Since the original zoning or most recent rezone of the subject property, conditions affecting the subject property have substantially changed as a result of, but not limited to, public improvements or permitted private development; and
4. The characteristics of development upon the land subject to the rezone application are compatible with the purpose and or intent of the proposed zone as well as the zone-specific policy of the proposed zone, as provided by the Comprehensive Plan.

B. Criteria for rezones not requiring a Comprehensive Plan amendment. The City may deny a rezone if the all the following criteria are not met. The City may approve or approve with conditions an application for a rezone if:

1. The rezone has merit and value for the community, and will not adversely affect public health, safety, and welfare;
2. The rezone will not be materially detrimental to the uses or properties located in the immediate vicinity thereof;
3. Since the original zoning or most recent rezone of the subject property, conditions affecting the subject property have substantially changed as a result of, but not limited to, public improvements or permitted private development;
4. The characteristics of development upon the land subject to the rezone application are compatible with the purpose and or intent of the proposed zone, the zone-specific policy of the proposed zone, and the future land use map as provided by the Comprehensive Plan; and
5. The property subject to rezone was not specifically considered for a rezone at the time of the last area land use analysis and area zoning;

6. The rezone will not constitute a reduction in the development capacity of the site.

11.13.060 Time limitations for submission

A. Applications for rezones requiring a comprehensive plan amendment and for rezones not requiring a comprehensive plan amendment and not submitted in conjunction with a primary project permit application shall submit a docket application no later than the first Monday in December each year.

B. Applications for rezones not requiring a comprehensive plan amendment submitted in conjunction with a primary project permit application may be submitted at any time.

C. A petition for a change of zoning classification, seeking the same or substantially same relief as a prior petition, cannot be re-filed or resubmitted within a period of twelve (12) months from the date of final disapproval or rejection of such prior petition.



CITY COUNCIL MEETING

December 2, 2025

SUBJECT: Poet Laureate Program Policy Review

RECOMMENDATION: Review and discuss. Provide direction and feedback to staff.

STAFF CONTACT: Rick Walk, City Manager *RW*
Shannon Kelley-Fong, Assistant City Manager *SKF*

ORIGINATED BY: City Manager's Department

ATTACHMENTS: 1. Draft Poet Laureate Program Policy

FISCAL NOTE: Potentially up to \$5,500 annually from the designated public art fund.

PRIOR REVIEW: [Commission on Equity Meeting – November 24, 2025](#)
Lacey Youth Council – November 18, 2025

DEIB STRAT. PLAN: Community Access and Engagement
C. Enhance relationships and opportunities in the community for continued dialogue and knowledge sharing among the City, partner entities, and community members through events, programs, forums, art, etc.

BACKGROUND: On January 20, 2022, the Lacey City Council formally named Cynthia Pratt as its inaugural Poet Laureate through [an official Proclamation](#). This proclamation honors her lifelong dedication to poetry, education, and community engagement. To learn more, please visit the [City's webpage](#).

Looking to the future, the City and Cynthia Pratt worked to create a Poet Laureate Program Policy to continue and expand the program, including new artists. The draft policy includes the following elements:

1. Purpose
2. Objectives
 - 3.1 Appointment Term: a two-year term; may serve two consecutive terms.
 - 3.2 Funding: Through the Art Fund, up to \$5,000 per year for City-approved Poet Laureate activities and a \$500 annual volunteer stipend for incurred costs.

3.3 Eligibility

4. Roles & Responsibilities

5.1 Call for Applications

5.2 Selection

6. Program Oversight

The Lacey Youth Council reviewed the draft policy on November 18, 2025, and their feedback was integrated into the draft. The Commission on Equity (COE) reviewed the draft policy on November 24, 2025, and recommended moving the draft policy to the City Council for consideration.

NEXT STEPS: Option 1 is recommended.

Option 1: Direct staff to implement the Poet Laureate Program Policy in 2026.

Option 2: Direct staff not to implement the draft Poet Laureate Program Policy in 2026.

Option 3: Direct staff on other elements to consider before additional review and consideration by the City Council.

City of Lacey Poet Laureate Program Policy

1. Purpose

The City recognizes the value of the literary arts in shaping a vibrant, inclusive, and creative community, and is committed to uplifting diverse poetic voices across neighborhoods and generations.

The Poet Laureate Program recognizes and supports an outstanding local poet who serves as a volunteer ambassador for poetry, literature, and the arts. The program aims to inspire community engagement, promote the literary arts, and celebrate the city's cultural richness through the spoken and written word.

2. Objectives

- A. Promote poetry as an expressive and educational art form.
- B. Expanding access to the literary arts.
- C. Using poetry to promote Lacey.
- D. Engage diverse audiences in literary activities throughout the City.
- E. Encourage the writing and appreciation of poetry in the community, e.g., community centers, public events, etc.

3.1 Appointment Term

- A. The Poet Laureate shall serve a **two-year** term. Community members may serve **no more than two full terms**, provided, however, if there are no applicants for the poet laureate, the incumbent may be appointed for an additional two-year term. Terms do not need to be served consecutively.

3.2 Funding

- A. Through the Art Fund, the City will provide up to **\$5,000 per year**, subject to annual budget approval, for City-approved Poet Laureate activities. City staff will support the Poet Laureate in identifying and pursuing feasible projects.
- B. Through the Art Fund, Poet Laureates can opt in to receive a **\$500** annual volunteer stipend for incurred costs.

3.3 Eligibility

Applicants must:

- A. Be a resident of City for at least **one year** before application and must continue to live in the City throughout the appointment.
- B. Be at least **18 years of age**.
- C. Demonstrated history of published or performed poetry.

- D. Demonstrated a commitment to community engagement, education, and equity in the arts.
- E. Demonstrate a few instances that highlight their passion for poetry and the arts.

4. Roles & Responsibilities

The Poet Laureate is expected to:

- A. Create and present original poems appropriate for all audiences for a minimum of **six (6) City publications or events each** year, as determined by the City (e.g., City publications, Poetry month events, dedications, celebrations). One of the six events will include reading a Poem at a City Council meeting in April in celebration of Poetry Month.
- B. Develop and lead a **community-based poetry program** each year (e.g., Poetry summit, workshops, public art collaborations, or apprentices).
- C. Collaborate with local schools, libraries, cultural institutions, or nonprofits to promote poetry and literacy.
- D. Submit a brief **annual report** summarizing activities and impact, including but not limited to the number of people engaged at events or programming.

5.1 Call for Applications

- A. The City's City Manager's Department issues a call for applications every two years, or as necessary due to vacancies.
- B. Application materials will include:
 - i. Resume or Curriculum vitae, including information on any published poems
 - ii. Sample of original poetry (3 to 5 poems)
 - iii. Documentation that they meet the program eligibility criteria
 - iv. Statement of interest, including:
 - a. Why are they passionate about poetry
 - b. How they would promote poetry and the City
 - c. How they would engage the community
 - d. How they would track the impact of their programming (e.g., metrics, such as demographics, attendees, number of poems, online engagement, etc.)
 - e. Proposal for two community-based poetry programs
 - f. Proposed budget for all Poet Laureate activities. If selected, City staff will work with the Poet Laureate to identify and pursue feasible projects and associated costs

5.2 Selection

- A. If an art committee is not in place, an Advisory Board determined by the City will review the applications. The following community participants may join this Advisory Board for the purpose of recommending a Poet Laureate:
 - a. The current Poet Laureate, if one is serving. A past Poet Laureate may fill this position if the current Poet Laureate is unable.
 - b. A representative from North Thurston Public Schools, South Puget Sound Community College, or Saint Martin's University with experience in poetry or literature.
 - c. Up to two members of local poetry organizations.

All community participants are eligible to cast a vote in the recommendation of the next Poet Laureate. The Advisory Board and community participants will make a recommendation to the City Council based on a simple majority vote. Applicants will be evaluated based on artistic merit, community engagement experience, proposed community-based poetry programs, budget, and other relevant factors.

- B. The City Council may appoint a Poet Laureate at its discretion.

6. Program Oversight

- A. The City Manager's Department will provide administrative support and oversee compliance with program goals.
- B. The City reserves the right to remove the Poet Laureate in the event of misconduct, failure to fulfill duties, or other cause.



LACEY CITY COUNCIL MEETING

December 2, 2025

SUBJECT: Amended Interlocal Agreement for the Thurston Climate Mitigation Collaborative

RECOMMENDATION: Motion: Authorize the City Manager to sign the Thurston Climate Mitigation Collaborative interlocal agreement as amended.

STAFF CONTACT: Rick Walk, City Manager *RW*
Vanessa Dolbee, Community and Economic Development Director *VD*
Ryan Andrews, Community Planning Manager *RA*
Linsey Fields, Climate and Sustainability Coordinator *LF*

ORIGINATED BY: Community and Economic Development Department

ATTACHMENTS:

1. TCMC Interlocal Agreement Amendment
2. Regional Guidance Document

FISCAL NOTE: TCMC Administrative Support is funded through the Climate Implementation Budget; the city's cost share for 2026 is not to exceed \$95,000.

PRIOR REVIEW: Thurston Climate Mitigation Collaborative Executive Committee (October 20, 2025)

BACKGROUND:

In 2023, Thurston County and the cities of Lacey, Olympia, and Tumwater executed an Interlocal Agreement (ILA) to create the Thurston Climate Mitigation Collaborative (TCMC) and the implementation of the Thurston Climate Mitigation Plan (TCMP). Since then, the TCMC has evolved into an effective collaborative structure, however, the staff team has proposed updates to the existing ILA to streamline the process of collaboration on regional initiatives.

On July 28, 2025, the TCMC Executive Committee received an initial briefing on proposed updates to the ILA. The Community Advisory Workgroup (CAW) also reviewed the proposed ILA revisions at their August 19, 2025 meeting. Prior to finalizing the ILA amendments, the staff team determined that the topic merited more in-depth discussion among the entire

collaborative.

At the September 19, 2025, annual retreat, the TCMC reviewed progress made towards TCMP goals and considered the costs associated with administration. Specifically, the group identified TCMC administrative tasks that are critical for implementation and those that could be reduced or eliminated to free up staff time and funding for implementation.

Following the feedback provided at the retreat, the staff team finalized the proposed amendments to the ILA and associated Regional Implementation Guidance document, which are summarized below.

- Regional Initiatives:
 - Adds explicit reference to Regional Initiatives.
 - Specifies conditions under which Regional Initiatives can be advanced without needing a separate ILA.
- Base Funding:
 - Allows the staff team to provide a biennial work plan and budget, including all planned collaborative activities and costs.
 - The Parties' approval and adoption of their respective budgets serves as commitment to fund their share of the Agreement.
 - Allows flexibility for any Party to contract for services and invoice the other Parties.
- New section: Reallocation of Funds due to Budget Reduction:
 - Enables flexibility in case a Party is unable to fund any activities in the TCMC work plan, or opts out of specific activities/initiatives.
- TCMP Updates
 - Eliminates the 2026 administrative update, and states that minor administrative updates may occur at any time.
 - Gives Executive Committee authority to delay or cancel a TCMP update if they determine it is not needed at that time.
- Greenhouse Gas Inventory (GHGI)
 - Adds flexibility to allow TCMC to utilize future countywide GHGI's that are conducted by another entity (e.g., WA Department of Commerce).
 - Revises the GHGI frequency to three to five years.
- Frequency of meetings and progress reports
 - Reduces Community Advisory Workgroup (CAW) meetings to quarterly (with option to add up to two more per year).
 - Allows annual retreats to be optional.
 - Revises the TCMP Progress Report to approximately every three years.

The changes to the TCMC 2030 Interlocal Agreement are minor and supported by our partner jurisdictions. The TCMC staff team have worked to reduce the overall administrative tasks so we can focus on implementation of programs/policies and reduce staff time to those tasks.

NEXT STEPS:

Option 1: Authorize the City Manager to sign the ILA.

Option 2: Authorize the City manager to sign the ILA with amendments.

Option 3: Another option not considered here.

**Interlocal Agreement between Thurston County, City of Lacey, City of Olympia,
and City of Tumwater to Support Regionally Coordinated Implementation of the
Thurston Climate Mitigation Plan**

THIS AGREEMENT ("Agreement") is made and entered into by and between the City of Lacey, a Washington municipal corporation ("Lacey"); the City of Olympia, a Washington municipal corporation ("Olympia"); the City of Tumwater, a Washington municipal corporation ("Tumwater"); and, Thurston County, a Washington municipal corporation ("County"), collectively referred to herein as "the Parties" and individually as "Party."

WHEREAS, RCW 39.34.010 permits local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities in a manner pursuant to forms of governmental organization that will accord best with geographic, economic, populations, and other factors influencing the needs and development of local communities; and

WHEREAS, pursuant to RCW 39.34.080, each Party is authorized to contract with any one or more other public agencies to perform any governmental service, activity, or undertaking which each public agency entering into the contract is authorized by law to perform; provided, that such contract is authorized by the governing body of each Party to the contract and sets forth its purposes, powers, rights, objectives, and responsibilities of the contracting parties; and

WHEREAS, the Parties understand that human activities, especially combustion of fossil fuels, are leading to increased levels of carbon dioxide and other greenhouse gases in the atmosphere that are altering the climate, resulting in such impacts as reduced snowpack, ocean acidification, sea level rise, increased flooding, summer droughts, loss of habitat, and increased wildfires; and

WHEREAS, these environmental impacts of climate change create economic and public health impacts, and disproportionately impact the most vulnerable and marginalized populations, and the Parties are greatly concerned over all these impacts on the Thurston County region and their respective communities; and

WHEREAS, the Parties have each adopted a resolution with a common emissions baseline and targets to reduce communitywide emissions 45% below 2015 levels by 2030 and 85% below 2015 levels by 2050; and

WHEREAS, in 2021, the Parties each adopted a resolution accepting the Thurston Climate Mitigation Plan (2020) as a framework to guide future action addressing local sources of greenhouse gas emissions that contribute to global climate change; and

WHEREAS, the Parties believe that regionally coordinated implementation of the Thurston Climate Mitigation Plan is essential to the most efficient and effective deployment of the plan's actions; and

WHEREAS, this Interlocal Agreement, upon execution, replaces and terminates the previous Interlocal Agreement between Thurston County, City of Lacey, City of Olympia, City of Tumwater for the regionally coordinated implementation of the Thurston Climate Mitigation Plan.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

I. Purpose

The purpose of this Agreement is to establish a framework for ongoing, regionally coordinated implementation of the Thurston Climate Mitigation Plan (“TCMP”) and achieve the following goals:

- Maintain momentum for local climate action.
- Develop efficient regional solutions for reducing sources of greenhouse gases in ways that support all partner jurisdictions.
- Provide accountability on progress toward achieving regional climate targets.
- Build public awareness of climate mitigation activities across the region.

The Agreement defines a collaborative framework for implementing the TCMP that is led by individual jurisdictions (the Parties) and supported by an Executive Committee of elected officials, a multi-jurisdictional Staff Team, and a Community Advisory Workgroup. The Agreement also outlines processes for ongoing implementation of the TCMP.

II. Thurston Climate Mitigation Collaborative

The Thurston Climate Mitigation Collaborative (TCMC) is a consortium of local government partners working together to significantly reduce regional greenhouse gas emissions and achieve mutually adopted communitywide emissions reduction goals. The TCMC provides a mechanism through which the Parties can learn, explore, collaborate, incubate, coordinate, and communicate policies and best practices that the Parties can decide to advance collectively or singularly. The TCMC is made up of Jurisdiction Parties, an Executive Committee, a Staff Team, and a Community Advisory Workgroup.

III. Roles

- i. **Jurisdiction Parties.** Implementation of all actions included in the TCMP is led by individual Jurisdiction Parties. Each Party has the authority to act on any actions in the TCMP, and decides individually what strategies and actions to implement, including actions in the TCMP and/or other climate-related actions. The Parties allocate appropriate staff and resources according to their own priorities and on their own timelines.
- ii. **Executive Committee.** The Executive Committee consists of an appointed elected official and alternate from each of the Parties. The Executive Committee meets to share information on local climate mitigation activities, review progress toward achieving emissions targets, and build partnerships to support the regional implementation of the TCMP.
- iii. **Staff Team.** The Staff Team consists of staff representatives from each of the Parties. The Staff Team meets to share information on the climate mitigation activities of individual jurisdictions and actively facilitate cross-jurisdictional coordination on TCMP implementation.
- iv. **Community Advisory Workgroup (“CAW”).** The CAW consists of up to 15 interested community members, appointed by the Staff Team, representing a variety of perspectives on climate mitigation actions. The CAW meets to provide community perspectives and

feedback on implementation topics decided by the Staff Team and CAW.

Details on roles and responsibilities are outlined in the TCMP Regional Implementation Guidance document included as Exhibit A.

IV. Scope of Agreement

- i. **Regional Initiatives.** The Parties may work together through the Staff Team to jointly implement projects (“Regional Initiatives”) to advance implementation of TCMP strategies and/or actions. Any requests for funding to implement Regional Initiatives will require approval of the Parties’ respective governing bodies.

Implementation of Regional Initiatives funded by two or more Parties will not require a separate interlocal agreement, provided that:

- a. The project is developed and implemented through the TCMC Staff Team;
 - b. The project is included in the biennial TCMC work plan and estimated budget (see Section V below); and
 - c. Project funding is allocated by the Parties through the approval and adoption of their respective budgets.
- ii. **Annual Climate Mitigation Retreat.** The Staff Team, CAW, and Executive Committee may come together in an Annual Retreat that will serve as a strategic planning session to have deep and meaningful discussions on climate mitigation progress and needs, with an emphasis on strategies that would most benefit from regional coordination. The Retreat will be planned by the Staff Team and hosted by individual Jurisdiction Parties, rotating on an annual basis in the following order: Lacey, Olympia, Tumwater, and Thurston County. The jurisdiction hosting the Retreat will be responsible for planning and coordinating the Retreat with the third-party TCMC administrator (see Section IV below).
 - iii. **Thurston Climate Mitigation Plan Updates.** The TCMP will be re-evaluated and updated, as needed, based on the best available science, monitoring data, and new or evolving conditions. The TCMC may conduct a full plan update every six years beginning in 2028. Plan updates may be delayed or canceled if the Executive Committee determines that a plan update is not needed at that time. Full plan updates will be adopted or accepted by the Parties.

Minor administrative updates may occur at any time. Administrative updates will be recommended by the Staff Team and approved by the Executive Committee.

Greenhouse Gas Inventory. The TCMC will conduct or obtain a countywide Greenhouse Gas Inventory at least every three to five years to quantify emissions and track progress toward meeting TCMP emission targets. Thurston County will be responsible for administrative tasks associated with the development of the Greenhouse Gas Inventory, including maintaining software subscriptions, procuring and managing third-party contractors, and coordinating data collection and analysis.

- iv. **Administrative Support.** The Parties will cooperatively fund a third-party partner to provide

annual Administrative Support services for the TCMC, which may include, but not be limited to, the following:

- a. Coordinating and facilitating the Executive Committee and Community Advisory Workgroup.
- b. Producing TCMC Progress Reports.
- c. Hosting and maintaining a website for the TCMC.

The responsibility for procuring and managing third-party contractors to provide Administrative Support services will rotate among the individual parties.

V. Funding and In-kind Commitment

- i. **Base Funding.** In even-numbered years, the Staff Team will provide a proposed biennial work plan and estimated budget for review by the Parties, by no later than June 1, for the subsequent two calendar years. For the purposes of this Agreement, the approval and adoption of the respective annual budgets by the Parties will serve as the commitment to fund each Party's share of the Agreement.

Each Party shall contribute an equal share of funds sufficient for the execution of Regional Initiatives, TCMP Updates, Greenhouse Gas Inventories, and Administrative Support as specified in the TCMC work plan. This equal share will be based on the approved budget.

Any Party that contracts for services under this Agreement shall issue invoices to the other Parties at least biannually, specifying each Party's share of actual expenses. Invoices must be paid within thirty (30) days.

- ii. **In-kind Commitment.** Each Jurisdiction Party shall allocate in-kind staff time to implement this Agreement. In-kind staff support includes, but is not limited to:
 - a. Staff participation in the Staff Team.
 - b. Elected official participation in the Executive Committee.
 - c. Producing TCMC Progress Reports in coordination with the third-party TCMC administrator.
 - d. Support from jurisdictional staff with specific expertise (i.e., planning, transportation, water resources, etc.).
 - e. Coordination and implementation of Regional Initiatives.
- iii. **Future Appropriations.** The Parties represent that funds for service provision under this Agreement have been appropriated and are available. To the extent that such service provision requires future appropriations beyond current appropriation authority, the obligations of each Party are contingent upon the appropriation of funds by that Party's legislative authority to complete the activities described herein. If no such appropriation is made, the Agreement shall terminate as to that Party, and the Party shall provide notice of termination per Section IX within thirty (30) calendar days of its budget adoption.
- iv. **Reallocation of Funds Due to Budget Reduction.** Should a Party fail to secure adequate funding for any or all elements outlined in the biennial TCMC work plan, the Party shall:
 - a. Provide written notice to the Parties within thirty (30) calendar days of its budget

adoption. The Staff Team will meet within fourteen (14) calendar days thereafter to discuss impacts of such a budget reduction. As participation for each Party is contingent upon final budget approval and adoption, the Parties may elect to redistribute costs to eliminate specific work plan elements as needed.

- b. In the event that a Party decides to opt out of one or more TCMC Regional Initiatives or other items in the biennial work plan, they must provide notice in writing including the reason why, prior to the work on that item beginning. Upon receipt of that written notice, that Party forfeits input, inclusion, attribution, and the responsibility to share in the cost of that item as described in Section V. The remaining costs of that item will be split equally among the remaining Parties, or the item will be removed from the work plan at the remaining Parties' discretion.

VI. Indemnification and Insurance

Each Party shall defend, indemnify, and hold the other parties, their officers, officials, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits, including reasonable attorney fees, arising out of or in connection with the indemnifying Party's performance of this Agreement, including injuries and damages caused by the negligence of the indemnifying Party's officers, officials, and employees.

Each Party shall maintain liability insurance; this may be fulfilled by a Party's membership and coverage in Washington Cities Insurance Authority (WCIA), a self-insured municipal insurance pool, and Washington Counties Risk Pool (WCRP), a self-insured county insurance pool.

VII. No Separate Legal Entity Created; No Real or Personal Property to be Acquired or Held

This Agreement creates no separate legal entity. No real or personal property will be acquired or held as part of carrying out this Agreement. To the extent any Party furnishes property for purposes of carrying out this Agreement, such property must be returned to that Party upon termination of this Agreement, or upon that Party's withdrawal from this Agreement.

VIII. Duration of Agreement

This Agreement is effective on the date of the last authorized signature, and terminates on December 31, 2030, unless earlier terminated as provided in Section IX, below. The Parties may choose to renew this Agreement for additional periods.

This Interlocal Agreement, once fully executed, replaces and terminates the previous Interlocal Agreement between Thurston County, City of Lacey, City of Olympia, City of Tumwater, and the Thurston Regional Planning Council for the implementation of the Thurston Climate Mitigation Plan.

IX. Amendment or Termination of Agreement

This Agreement may be amended or terminated upon mutual agreement of the Parties. The Parties may amend this Agreement to allow other entities to participate in Thurston Climate Mitigation Plan implementation. As a prerequisite for joining the Agreement, new parties must adopt the Collaborative's common emissions-reduction targets and prepare a climate mitigation implementation strategy for that entity that is consistent with the Thurston Climate Mitigation Plan. Each new jurisdiction joining this Agreement is responsible for an equal share of the costs of this Agreement, beginning from the date of that jurisdiction's joining.

A Party may withdraw from this Agreement upon 60 days written notice to the remaining Parties, and there is no reimbursement to the withdrawing Party upon withdrawal. This Agreement automatically terminates when only one Party remains.

X. Interpretation and Venue

This Agreement is governed by the laws of the State of Washington as to interpretation and performance. Venue for enforcement of any provision of this Agreement, or for any lawsuit arising out of or relating to this Agreement, is the Superior Court of Thurston County or, if brought by or against the County, the superior court of either of the two nearest judicial districts (RCW 36.01.050).

XI. Entire Agreement

This Agreement sets forth all terms and conditions agreed upon by the Parties and supersedes any and all prior agreements oral or otherwise with respect to the specific subject matter addressed herein.

XII. Recording

Prior to its entry into force, Thurston County shall file this Agreement with the Thurston County Auditor's Office.

XIII. Counterparts

This Agreement may be executed in counterparts, and all such counterparts once so executed together must be deemed to constitute one final agreement, as if one document had been signed by all Parties, and each such counterpart, upon execution and delivery, must be deemed a complete original, binding on the parties. A faxed or email copy of an original signature must be deemed to have the same force and effect as the original signature.

XIV. Rights

This Agreement is between the signatory Parties only and does not create any third-party rights.

XV. Notice

Any notice required under this Agreement shall be in writing and may be delivered via postal mail or email to the email addresses designated by the receiving Parties.

THURSTON COUNTY

Attn: Climate Mitigation Senior Program Manager
Re: Thurston Climate Mitigation Collaborative
3000 Pacific Avenue SE
Olympia, WA 98501

CITY OF OLYMPIA

Attn: Director of Climate Programs
Re: Thurston Climate Mitigation Collaborative
P.O. Box 1967
Olympia, WA 98507-1967

CITY OF LACEY

Attn: Community and Economic Development Director
Re: Thurston Climate Mitigation Collaborative
420 College Street SE
Lacey, WA 98503

CITY OF TUMWATER

Attn: Water Resources & Sustainability Director
Re: Thurston Climate Mitigation Collaborative
555 Israel Road SW
Tumwater, WA 98501

Remainder of this page left intentionally blank.

Signatures are affixed to next page.

This Agreement is hereby entered into between the Parties and is effective as of the date of the last authorized signature affixed hereto.

GOVERNMENT AGENCY EXECUTIVE

APPROVED AS TO FORM

CITY OF LACEY 420 College Street SE Lacey, WA 98503 _____ Rick Walk, City Manager Date	CITY OF LACEY 420 College Street SE Lacey, WA 98503 _____ David Schneider, City Attorney Date
CITY OF OLYMPIA 601 4th Ave East Olympia, WA 98501 _____ Steven J. Burney, City Manager Date	CITY OF OLYMPIA 601 4th Ave East Olympia, WA 98501 _____ Jake Stillwell, Deputy City Attorney Date
CITY OF TUMWATER 555 Israel Road SW Tumwater, WA 98501 _____ Debbie Sullivan, Mayor Date	CITY OF TUMWATER 555 Israel Road SW Tumwater, WA 98501 _____ Karen Kirkpatrick, City Attorney Date
THURSTON COUNTY 3000 Pacific Avenue SE Olympia, WA 98501 _____ Leonard Hernandez, County Manager Date	THURSTON COUNTY 3000 Pacific Avenue SE Olympia, WA 98501 _____ Scott Cushing, Deputy Prosecuting Attorney Date



Thurston Climate Mitigation Collaborative

Regional Implementation Guidance

Last Updated: September 30, 2025

Contents

1. Purpose	3
2. Background	3
3. Acronyms	3
4. How Implementation of the TCMP Works	4
5. Roles and Responsibilities	6
Jurisdiction Parties (Jurisdictions)	6
Staff Team	6
Community Advisory Workgroup (CAW)	7
Executive Committee	8
6. Activities	9
Annual Climate Mitigation Retreat	9
Regional Initiatives	9
Thurston Climate Mitigation Plan Updates	10
Greenhouse Gas Inventory	10
Administrative Support Tasks	11

1. Purpose

The purpose of this document is to outline expectations for regionally coordinated implementation of the Thurston Climate Mitigation Plan.

2. Background

Thurston County and the cities of Lacey, Olympia, and Tumwater (the Parties) worked with Thurston Regional Planning Council (TRPC) to develop the Thurston Climate Mitigation Plan (TCMP) with actions to reduce regional greenhouse gas emissions that contribute to global climate change. As part of the first phase of this project, the Parties adopted a mutual emissions reduction goal, which is to:

Reduce net communitywide greenhouse gas emissions 45% below 2015 levels by 2030 and 85% below 2015 levels by 2050 to ensure that our community does its part to keep the global average temperature from rising more than 2° Celsius (3.6° F) above historic levels.

Along with the emissions targets, the TCMP includes a set of 12 regional goals that emphasize the co-benefits of climate action in supporting the strength and resilience of the broader community. The TCMP set a regional framework to achieve those goals and describes:

- A shared vision for the alignment of climate action with community goals
- Data on greenhouse gas contributions from various sources
- Strategies and actions to reduce emissions
- Emissions reduction estimates based on the strategies and actions
- A strategy for implementing climate mitigation actions

The four Parties agreed that regionally coordinated implementation of the TCMP is essential to the most efficient and effective deployment of the plan's actions. This document supplements the Interlocal Agreement (ILA) that defines a collaborative framework for implementing the TCMP. The ILA establishes the **Thurston Climate Mitigation Collaborative** (TCMC), a consortium of local government partners working together to significantly reduce regional greenhouse gas emissions and achieve mutually adopted communitywide emissions reduction goals. The TCMC provides a mechanism through which the Parties can learn, explore, collaborate, incubate, coordinate, and communicate policies and best practices that the Parties can decide to advance collectively or singularly. The TCMC is made up of Jurisdiction Parties, an Executive Committee, a Staff Team, and a Community Advisory Workgroup.

3. Acronyms

- CAW – Community Advisory Workgroup
- ILA – Interlocal Agreement among Thurston County, City of Lacey, City of Olympia, and City of Tumwater to support regionally coordinated implementation of the Thurston Climate Mitigation Plan, approved in 2023 and amended in 2025.
- TCMP – Thurston Climate Mitigation Plan
- TCMC – Thurston Climate Mitigation Collaborative

4. How Implementation of the TCMP Works

Implementation of all actions included in the TCMP is led by individual Jurisdiction Parties. Although the initial (2020) version of the TCMP identifies different approaches (Legislative Agenda, Regionally Coordinated, Individual Jurisdictions, Supporting Partner), these categories do not limit whether or how individual jurisdictions choose to implement actions in the TCMP.

The Parties believe that regionally coordinated implementation of the Thurston Climate Mitigation Plan is essential to the most efficient and effective deployment of the plan's actions. This document outlines expectations and mechanisms for regionally coordinated implementation.

- The **Interlocal Agreement (ILA)** among Thurston County, City of Lacey, City of Olympia, and City of Tumwater establishes a framework for ongoing, regionally coordinated implementation of the TCMP.

The ILA is not comprehensive of all climate mitigation activities being conducted in the region. It only identifies a limited set of activities that are coordinated among the jurisdictions on a regional level. Individual jurisdictions lead implementation of most climate mitigation actions through their own local programs, including other regional activities not included in the ILA.

- Each jurisdiction has the authority to act on any actions in the TCMP, and decides individually what strategies and actions to implement, including actions in the TCMP and/or other climate-related actions. **Jurisdiction Parties** allocate appropriate staff and resources according to their own priorities and on their own timelines.

Jurisdiction plans may be shared through the **Jurisdiction Work Program** – an optional document describing annual activities that will be undertaken by an individual jurisdiction in that year to advance implementation of the Thurston Climate Mitigation Plan.

- **Staff Team** meets monthly, or as needed, to share information and facilitate coordination across jurisdictions.
- **Community Advisory Workgroup (CAW)** meets quarterly to provide community perspectives and feedback on climate mitigation progress and priorities to the Jurisdiction Parties, Staff Team, and Executive Committee. The CAW may be convened for up to two additional meetings per year, as needed.
- **Executive Committee** champions implementation of climate mitigation actions and meets quarterly (public meetings) to review progress and build partnerships to support implementation of the TCMP. The Executive Committee may be convened for additional meetings as needed.
- An **Annual Retreat** serves as an optional strategic planning session for the Staff Team, CAW, and Executive Committee to discuss climate mitigation progress and needs, with an emphasis on regional coordination and development of the biennial TCMC work plan.
- The Staff Team will lead a process to develop a biennial **TCMC Work Plan** and estimated budget, including **Regional Initiatives** to advance in a coordinated way in the coming years. The proposed TCMC work plan and budget will be considered by all jurisdictions for potential inclusion in their respective work plans and budgets.
- The TCMC will conduct or obtain a regular **Greenhouse Gas Inventory** to quantify emissions by sector and track progress toward meeting TCMP emission targets.

- The TCMC will engage a third-party partner for **Administrative Support Tasks** including committee and workgroup facilitation, TCMP Progress Reports, and website hosting.
- The TCMC may conduct a **comprehensive update to the TCMP** in 2028 and at six-year intervals thereafter. Minor administrative updates may occur at any time.
- The TCMC will produce and share **TCMP Progress Reports** approximately every three years to communicate highlights of climate mitigation activities and outcomes.
- Some climate mitigation actions identified in the TCMP require or are best addressed by state action. The Staff Team or Executive Committee may recommend **Legislative Priorities** that would support implementation of the TCMP. Any recommendation will be provided to each jurisdiction to include in their list of legislative priorities for the session. Advocacy for these priorities is only done by individual Jurisdiction Parties if they so choose, and not by the Executive Committee.

Thurston Climate Mitigation Collaborative Structure



Jurisdictions: Each jurisdiction's policymaking body decides which strategies and actions to implement and what resources to dedicate toward TCMP implementation.

Staff Team: Comprised of staff from each Jurisdiction Party. Coordinates at a staff level on behalf of their jurisdictions.

Community Advisory Workgroup: Comprised of community members appointed by the Staff Team. Provides community perspectives to the Jurisdictions Parties, Staff Team, and Executive Committee.

Executive Committee: Comprised of elected officials of the jurisdiction parties. Identifies regional initiatives for consideration by jurisdictions and champions implementation by staff and partners.

5. Roles and Responsibilities

Jurisdiction Parties (Jurisdictions)

Members: Signatories to the ILA. As of 2025, the Jurisdiction Parties include the legislative bodies of:

- Thurston County
- Lacey
- Olympia
- Tumwater

Role: Jurisdictions have ultimate decision-making authority over the implementation of climate mitigation activities, including, but not limited to, work conducted under the ILA. Each City Council and the Board of County Commissioners will make independent decisions on which strategies and actions to implement and how to resource and tailor implementation to work best for their jurisdiction. Parties may undertake climate mitigation activities beyond those strategies and actions identified in the TCMP.

Responsibilities:

- Approves ILA and any amendments;
- Approves budgets to support work identified in the ILA and TCMC work plan;
- Assigns staff members to the Staff Team;
- Appoints primary and alternate representatives to the Executive Committee;
- Determines budgets, staffing, and work programs for implementing climate mitigation actions, including:
 - Strategies and actions identified in the TCMP
 - Other climate-related actions not identified in the TCMP
- Receives and considers recommendations from the Staff Team and Executive Committee, including, but not limited to, priority implementation actions, updates to the TCMP, and legislative priorities; and
- Advocates for legislative priorities, which may include climate priorities identified through regional collaboration.

Meeting Frequency:

- Jurisdiction Parties do not meet collectively on a regular basis. Their designees may meet informally to discuss ILA updates and other TCMP actions.

How to Contact:

- Members of the public can direct comments to each of the jurisdiction's legislative bodies (Board of County Commissioners or City Council).

Staff Team

Members: Staff representatives from each of the Jurisdiction Parties

Role: The Staff Team meets on a regular basis to share information on the climate mitigation activities of individual jurisdictions and actively facilitate cross-jurisdictional coordination on TCMP implementation. Staff members bring information and recommendations from and to the decision-making bodies in their individual Jurisdiction Parties. The Staff Team does not make any independent policy decisions, as those decisions are made by the Jurisdiction Parties and subject to public process.

Responsibilities:**Executive Committee and CAW Meetings**

- Approves meeting frequency and agendas, in collaboration with the Executive Committee and CAW;
- Identifies items that require discussion or review by the Executive Committee and CAW;
- Prepares presentation and discussion materials and coordinates external presenters, as needed, for Executive Committee and CAW meetings; and
- Appoints members of the CAW.

Collaborative Activities

- Develops contracts and scopes of work to support work identified in the ILA and TCMC work plan;
- Plans and develops agendas and materials for Annual Retreats;
- Facilitates the identification, selection, and approval of Regional Initiatives,
- Identifies and recommends amendments to TCMP, based on emerging information;
- Assists in development of TCMP Progress Reports;
- Shares information on jurisdiction-led climate mitigation implementation activities;
- Coordinates on opportunities for regional collaboration, including funding; and
- Identifies and recommends legislative priorities.

Meeting Frequency:

- Monthly or as needed

How to Contact:

- Contact information for TCMC staff is posted on the TCMC website.

Community Advisory Workgroup (CAW)

Members: Up to 15 interested community members representing a variety of perspectives on climate mitigation actions. Members are appointed by the Staff Team for three-year terms or on a rolling basis to fill vacancies. When there is sufficient interest from youth applicants, the Staff Team may appoint an additional youth alternate, to serve in a non-voting capacity.

Role: The Community Advisory Workgroup (CAW) meets quarterly to provide community perspectives and input on climate mitigation progress and priorities to the Jurisdiction Parties, Staff Team, and Executive Committee.

Responsibilities:

- Reviews and provides feedback on climate mitigation actions led by Jurisdiction Parties;
- A rotating representative attends Executive Committee meetings;
- Identifies comments or perspectives for the group facilitator to report to the Executive Committee and Staff Team;
- Requests agenda items for consideration at future CAW and Executive Committee meetings;
- Reviews TCMP Progress Reports; and
- Other tasks as requested by the Executive Committee or Staff Team.

Meeting Frequency:

- Quarterly
- May be convened for up to two additional meetings per year as needed.

How to Contact:

- CAW meetings are not open to the public, but meeting summaries are posted to the TCMC website.
- Written comments sent to the group facilitator will be circulated to the full workgroup.

Executive Committee

Members: Appointed policymaker representative and alternate from each of the Jurisdiction Parties

Role: The Executive Committee champions implementation of climate mitigation actions by the Staff Team, Jurisdiction Parties, and other community partners. The Executive Committee meets quarterly to share information on local climate mitigation activity, review progress toward achieving emissions targets, and build partnerships to support implementation of the TCMP. The Executive Committee cannot make requests of the Staff Team outside of activities specified in the ILA or TCMC work plan. The Jurisdictions do not delegate jurisdictional decision authority to the Executive Committee.

Responsibilities:

- Reviews progress toward implementing TCMP strategies/actions and achieving emissions targets;
- Approves proposed TCMC work plan and budget, for consideration by the Jurisdictions, including any regional initiatives or items for potential regional focus;
- Receives updates on regional initiatives or other items of regional interest; and
- Reviews and recommends proposed amendments to TCMP, based on emerging information.

Meeting Frequency:

- Quarterly
- May be convened more frequently to review proposed amendments to the TCMP or take other action, as needed.
- May be convened less frequently than four times a year, if the Staff Team determines there is not sufficient content for a regional discussion.

How to Contact:

- Executive Committee meetings are open to the public, and meeting summaries are posted to the TCMC website.
- An opportunity for public comment is provided at each Executive Committee meeting. Written comments sent to the committee facilitator will be circulated to the full committee.

6. Activities

Annual Climate Mitigation Retreat

Purpose: An optional Annual Retreat may serve as a strategic planning session that brings together members of the Staff Team, CAW, and Executive Committee to have deep and meaningful discussions on climate mitigation progress and needs, with an emphasis on strategies that would most benefit from regional coordination. The Annual Retreat will be planned by the Staff Team and hosted by individual Jurisdiction Parties, rotating on an annual basis.

How to Learn More:

- The Annual Retreat is open to public attendance, but does not include an opportunity for public comment or active participation. Members of the public may provide written comments to retreat attendees through the means noted for each group.

Regional Initiatives

Purpose: A process to identify regional initiatives that would benefit from regional coordination, and propose as a focus of regional work. **Note:** The identification and selection of a regional initiative does not guarantee that it will be implemented by the Staff Team. Jurisdictions must approve the necessary staff, resources, and budget for this work to occur.

Recommended Process:

Step 1

The Staff Team prepares options for regional initiatives.

- The Staff Team, CAW members, and Executive Committee members submit proposals for regionally coordinated initiatives.
- The Staff Team evaluates proposals and identifies a short list for discussion at an Annual Retreat.

Step 2

The Staff Team, CAW, and Executive Committee discuss options.

- Staff Team presents options for regional initiatives at an Annual Retreat.
- Staff Team, CAW, and Executive Committee discuss proposals.
- Based on the discussion outcomes, Staff Team identifies regional initiatives for inclusion in the biennial TCMC work plan and budget.

STEP 3

The Staff Team develops biennial TCMC work plan and budget.

- Staff Team prepares biennial TCMC work plan and budget, including any regional initiatives.
- Executive Committee approves proposed work plan and budget, for consideration by the Jurisdictions.
- Jurisdictions propose regional initiative for inclusion in respective work plans and budgets.

STEP 4

Jurisdictions allocate resources.

- Executive Committee members advocate for allocation of staff and budget resources.

- If jurisdiction partners allocate necessary staff and resources, Staff Team proceeds with work on regional initiative.
- Work may proceed immediately or be delayed to accommodate staff and budget resources.

STEP 5

The Staff Team develops work product.

- Staff Team begins work on regional initiative.
- Staff Team provides updates on project progress at regular Executive Committee meetings.
- Executive Committee champions completed work product.

How to Learn More:

- The regional initiative selection process will be documented in notes from the Annual Retreat and meetings of the CAW and Executive Committee. Meeting summaries will be posted to the TCMC website.

Thurston Climate Mitigation Plan Updates

Purpose: Periodic evaluations and updates to the Thurston Climate Mitigation Plan.

Content: The TCMP will be re-evaluated and updated, as needed, based on the best available science, monitoring data, and new or evolving conditions. The Staff Team may recommend minor administrative updates at any time. The TCMC may conduct a full plan update every six years, beginning in 2028. Plan updates may be delayed or canceled if the Executive Committee determines that a plan update is not needed at that time. Plan updates will be recommended by the Staff Team and approved by the Executive Committee. Full plan updates will be adopted or accepted by the Parties. Each Party will contribute equally to the costs of updating the plan.

How to Learn More:

- The CAW and Executive Committee will all engage in TCMP updates, with meeting summaries posted to the TCMC website.
- The full plan update process will include opportunities for public comment.

Greenhouse Gas Inventory

Purpose: An inventory of greenhouse gas emissions in Thurston County over the course of a year, used to quantify emissions by sector and track progress toward meeting TCMP emission targets.

Content: A countywide Greenhouse Gas Inventory was conducted for the calendar year 2022 along with a review of prior inventories for accuracy, completeness, and methodological consistency. After the 2022 inventory, the TCMC decided to conduct future inventories every three years, and to conduct a “dash inventory” each year between full inventories. A dash inventory only includes emissions from the two largest sectors of local emissions: energy use in buildings and on-road transportation.

If future greenhouse gas inventories for Thurston County are conducted by another entity (e.g., the Washington Department of Commerce), the TCMC may decide to utilize that entity’s existing data rather than conducting its own inventory. Any such determination, which may alter the cadence and/or



methods of the greenhouse gas inventory, will be recommended by the Staff Team and approved by the Executive Committee.

When costs are incurred for a greenhouse gas inventory, each Party will contribute equally to the costs. Thurston County will be responsible for administrative tasks including maintaining software subscriptions, coordinating data collection and analysis, and procuring and managing third-party contractors to support the completion of the inventory when needed.

How to Learn More:

- Greenhouse Gas Inventory reports will be posted on the TCMC website and presented at Executive Committee meetings, which are open to the public.

Administrative Support Tasks

Purpose: The TCMC will engage a third-party entity to provide Administrative Support services for the TCMC.

Content: Administrative Support Tasks may include, but are not limited to, the following:

- Coordinating and facilitating the Executive Committee and Community Advisory Workgroup
- Producing TCMC Progress Reports
- Hosting and maintaining a website for the Thurston Climate Mitigation Collaborative

Each Party will contribute equally to the costs of the Administrative Support services. The responsibility for procuring and managing third-party contractors to provide Administrative Support services will rotate among the individual Jurisdiction Parties.



LACEY CITY COUNCIL MEETING

December 2, 2025

SUBJECT: Special Valuation Application for 915 Lacey Street SE (Bowker House)

RECOMMENDATION: Option 1 – Approve the application for Special Tax Valuation for the Bowker House rehabilitation and Authorize the City Manager to execute the Agreement for Special Tax Valuation.

STAFF CONTACT: Rick Walk, City Manager *RW*
Jen Burbidge, Director of Parks, Culture & Recreation *JB*
Erin Quinn Valcho, Museum Curator *uqv*

ORIGINATED BY: Parks, Culture & Recreation Department

ATTACHMENTS:

1. Application for Special Valuation
2. Itemized List of Expenditures
3. Federal Qualified Rehabilitation Expenditures
4. Photographs before and after rehabilitation
5. Special Valuation Agreement

FISCAL NOTE: No funding is required

PRIOR REVIEW: Lacey Historical Commission Meeting, December 18, 2019
(Bowker House Design Review)
[Lacey Historical Commission Meeting, October 15, 2025](#)
[Lacey Historical Commission Meeting, November 19, 2025](#)

BACKGROUND:

History

The Bowker House, located at 915 Lacey Street SE, was built in the early 1890s and is the oldest house in Lacey's Historic Neighborhood. It was built by George and Lucinda (Hayes) Bowker who arrived from Maine and were married in 1883. They bought the land for \$200. George was a logger and Lucinda was a Lacey Postmaster in 1898. The house remained in the Bowker family until 1995, when it was purchased by Daniel Stuckey. The current owners, Christa Harvey and Destiny Furbush, purchased it in 2019, with the intention of rehabilitating it to preserve and honor its history.

The Vernacular style house has a steeply gabled roof and is known as an “I House” which was popular in the Midwest and is typified by being one-room deep and having the entrance on the long end. The property encompasses a large lot, indicative of the lots of the Adams Acre plat.

Historic Register

The Bowker House is on Lacey’s Register of Historic Places. It was added to the register in 1991 and was the first property listed.

Before undergoing any remodel project requiring a permit, properties on the historic register must have their project reviewed and approved by the Historical Commission. The Bowker House rehabilitation was reviewed and a Certificate of Appropriateness issued on December 18, 2019. The bulk of the project was completed in 2023, although work is still continuing.

A benefit to being on the local register is a property tax incentive if the property owner completes a substantial rehabilitation project and applies for a special tax valuation. If eligible, rehabilitation costs are subtracted from the assessed property value (of the building only) for 10 years.

Special Tax Valuation Review

The Thurston County Assessor’s Office received the application for the Bowker House on May 20, 2025 (Attachment 1). The date is important because it identifies the time period of eligible expenses. For this application, we may only consider expenses incurred from May 20, 2023 – May 19, 2025. Eligible expenses are identified in [WAC 254-20-030\(1\)](#). Attachment 3 provides detail on what are considered “qualified rehabilitation expenditures.”

Staff and the Historical Commission have carefully reviewed the application to ensure it meets the eligibility requirements. The City’s Finance department provided guidance to ensure supporting documentation is sufficient. On November 19, 2025, the Historical Commission reviewed the application. Their recommendation is that Council approve the application contingent upon receipt of requested documents from the property owner by December 1, 2025. The itemized list of expenses is found in Attachment 2. Photographs are included for reference. (Attachment 4).

As outlined in Lacey Municipal Code (LMC [16.53.050](#)), City Council is responsible for denying or approving applications for special property tax valuation. If the application is approved, the City must certify the results and notify the Thurston County Assessor’s office by December 31, 2025 and within 10 days of Council’s decision.

If the application is approved, the City will be required to enter into an agreement with the property owner as the final step of the certification process (Attachment 5).

Once certified, the Historical Commission will be responsible for monitoring the property for its continued qualification for the term of the agreement (through 2036) and reviewing any alterations as specified in the agreement.

NEXT STEPS:

Option 1: Approve the application for Special Tax Valuation for the Bowker House rehabilitation and Authorize the City Manager to execute the Agreement for Special Tax Valuation.

Option 2: Deny the application for Special Tax Valuation for the Bowker House.

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



Application and Certification of Special Valuation on Improvements to Historic Property

Chapter 84.26 RCW

File With Assessor by October 1

File No: _____

I. Application

County: Thurston

Property Owner: Christa Harvey

Parcel No./Account No: 31000001601

Mailing Address: 915 Bowker St SE Lacey WA 98503

Legal Description: ADAMS ACRE TR 16 S 191 F

Property Address (Location): 915 Bowker St SE Lacey WA 98503

Describe Rehabilitation:

I completed a full rehabilitation on every inch of the original 1890 Bowker House after it was abandoned for 25+ years. It was inhabited by squirrels and did not have a kitchen or bathroom...no plumbing, electrical and was missing an exterior wall when I purchased the home. I presented my plans to the city and historic council for vote in December of 2019. I worked with both entities for years on the approval including custom ordering siding to match the original etc. Wade Duffy oversaw the project.

Property is on: (check appropriate box) ☐ National Historic Register ☒ Local Register of Historic Places

Building Permit No: 2021-0309-RAA

Date: _____

Jurisdiction: City of Lacey

County/City

Rehabilitation Started: 2020-shut down for pandemic

Date Completed: _____

9-9-2022

Actual Cost of Rehabilitation: \$ In excess of \$130,000.00

Affirmation

As owner(s) of the improvements described in this application, I/we hereby indicate by my signature that I/we am/are aware of the potential liability (see reverse) involved when my/our improvements cease to be eligible for special valuation under provisions of Chapter 84.26 RCW.

I/We hereby certify that the foregoing information is true and complete.

Signature(s) of All Owner(s):

Christa Harvey

Rebekah Jackson

II. Assessor

The undersigned does hereby certify that the ownership, legal description and the assessed value prior to rehabilitation reflected below has been verified from the records of this office as being correct.

Assessed value exclusive of land prior to rehabilitation: \$ 57,100 (2022 Tax Year)

Date: 05/20/2025

Assessor/Deputy

Cyndi Ross

To ask about the availability of this publication in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users, please call (360) 705-6718. For tax assistance, call (360) 534-1400.

Who can file this application?

The owner of record may file an application with the county assessor in which the property is located.

When should I file my application?

The application must be filed by October 1 of the calendar year proceeding the first assessment year for which the classification is requested.

Example: The application is filed by October 1, 2004. If approved, the special valuation is placed on the property for the 2005 assessment year. Taxes due and payable for 2006 will reflect the reduction.

Is there a fee to file this application?

The county assessor may charge such fees that are necessary for the processing and/or recording of documents.

What happens after I file the application?

Within 10 days, the county assessor will forward the application to the local review board. The local review board will approve or deny the application before December 31 of the year in which the application is made. The local review board will notify the assessor and the applicant of the approval or denial of the application.

What does “historic property” mean?

Historic property means land together with improvements thereon, which is:

- (a) Listed in a local register of historic places created by comprehensive ordinance, certified by the Secretary of the Interior as provided in P.L. 98-515; or
- (b) Listed in the national register of historic places.

Historic property **does not** include property listed in a register primarily for objects buried below ground.

What does “actual cost” mean?

Actual cost means the cost of rehabilitation, which cost shall be at least twenty-five percent of the assessed valuation of the historic property (exclusive of the assessed value attributable to the land) prior to rehabilitation.

What does “rehabilitation” mean?

Rehabilitation is the process of returning a property to a state of utility through repair or alteration, which makes possible an efficient contemporary use while preserving those portions and features of the property which are significant to its architectural and cultural values.

What does “special valuation” mean?

Special valuation means the determination of the assessed value of the historic property, subtracting for up to ten years such cost as is approved by the local review board.

What is a “local review board”?

Local review board means a local body designated by the legislative authority of the incorporated or unincorporated area.

What are the requirements that property must meet to be considered for special valuation as historic property?

Property must meet the following criteria for special valuation on historic property:

- Be a historic property;
- Fall within a class of historic property determined eligible for special valuation by the local legislative authority;
- Be rehabilitated at a cost which meets the definition set forth in RCW 84.26.020(2) within twenty-four months prior to the application for special valuation; and
- Be protected by an agreement between the owner and the local review board as described in RCW 84.26.050.

Statement Of Additional Tax, Interest, and Penalty Due Upon Removal or Disqualification from Special Valuation Under Chapter 84.26 RCW

1. Whenever property that is classified and valued as eligible historic property under Chapter 84.26 RCW is removed or disqualifies for the valuation, there shall become due and payable an additional tax equal to:
 - (a) The actual cost of rehabilitation multiplied by the levy rate in each year the property was subject to special valuation; plus
 - (b) Interest on the amounts of the additional tax at the statutory rate charged on delinquent property taxes from the dates on which the additional tax could have been paid without penalty if the property had not been valued as historic property; plus
 - (c) A penalty equal to twelve percent of the amount determined in (a) and (b).
2. The additional tax, interest, and penalty **shall not be imposed** if the disqualifications resulted solely from:
 - (a) Sale or transfer of the property to an ownership making it exempt from taxation;
 - (b) Alteration or destruction through no fault of the owner; or
 - (c) A taking through the exercise of power of eminent domain.

Appeals

1. Any decision by a local review board on an application for classification as historical property may be appealed to Superior Court under RCW 34.05.570 in addition to any other remedy at law.
2. Any decision on disqualification of historic property for special valuation exemption or any other dispute may be appealed to the current year Board of Equalization by July 1 or 30 days after the disqualification, whichever is the later, except the denial on the original application.

DEC 26 '19 542176

When recorded return to:

CHRISTA ROSE HARVEY
915 BOWKER ST SE
LACEY, WA 98503

Thurston County Treasurer
Real Estate Excise Tax Paid \$3827.00
By Natalie Chambers Deputy

STATUTORY WARRANTY DEED

TH22710



THURSTON COUNTY TITLE CO

The Grantor, **MARK STUCKEY**, as Personal Representative of THE ESTATE OF DANIEL STUCKEY, deceased

for and in consideration of **Ten Dollars and other valuable consideration**

in hand paid, conveys, and warrants to **CHRISTA ROSE HARVEY, an unmarried person, and DESTINY REBEKAH ROSE FURBUSH, an unmarried person**

the following described real estate, situated in the County of Thurston, State of Washington:

THE SOUTH 191 FEET OF TRACT 16 OF J.M. ADAM'S ACRE TRACTS, AS RECORDED IN VOLUME 5 OF PLATS, PAGE 57.

Abbreviated Legal: **PTN TR 16 J.M. ADAM'S ACRE TRACTS**

Tax Parcel Numbers(s): **3100-00-01601**

SUBJECT TO covenants, conditions, restrictions, reservations, easements and agreement of record, if any.

Dated: **December 24, 2019**

THE ESTATE OF DANIEL STUCKEY

By **MARK STUCKEY, PERSONAL REPRESENTATIVE**

Page 1 of 2
LPB 10-05(r)

4727774
12/26/2019 03:46 PM Deed
Thurston County Washington
THURSTON COUNTY TITLE

Pages: 2



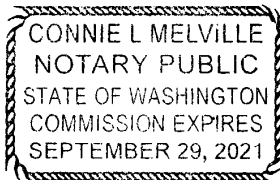
STATE OF **Washington**

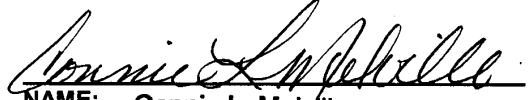
} ss.

COUNTY OF **Thurston**

I certify that I know or have satisfactory evidence that **MARK STUCKEY** ~~(is)~~ are the person(s) who appeared before me, and said person(s) acknowledged that he signed this instrument, on oath stated that he is authorized to execute the instrument and acknowledge it as the **PERSONAL REPRESENTATIVE** of **THE ESTATE OF DANIEL STUCKEY** to be the free and voluntary act of such party(ies) for the uses and purposes mentioned in this instrument.

Dated: 12-26-19




NAME: **Connie L. Melville**
Notary Public in and for the State of Washington
Residing at *McCleary*
My appointment expires: *9-29-21*

Description of rehabilitation work on the 1890 historic Bowker house

When I bought the Bowker house December 26, 2019, it was abandoned and unlivable for nearly 25-30 years. It had no electricity, plumbing, no lights on the property, no definable kitchen space and there were missing exterior walls, windows and doors to the property. It was not heated or insulated and had squirrels and bats living inside. You could see through the interior floor to the ground. The tax valuation of the building structure alone was \$6,700.

My rehabilitation of the Bowker home began in 2020 after a presentation to the city council and historic committee that was unanimously approved. The work continues to this day while I constantly strive to make improvements to the home as I can afford to. My original renovation budget primarily came from an FHA Rehab loan with Cross Country Mortgage who allowed contractor-draws out of my approved rehab loan budget of approximately \$78,000. As the pandemic hit and shut down my construction site, the city officials called out the contractor I was using as “unfit” to do the project and it cost me a large portion of my budget (nearly \$24k) when I fired him. The prices of construction materials continued to escalate very high during the pandemic and I was without a contractor for over a year, so my home did not get worked on. No one would take the job for the small budget I had left (approximately 54k).

In addition to the remaining funds of the renovation loan, I had to slowly earn money to add to the budget causing the job to take much longer than it should have. My children and I were displaced for 3 years with our belongings in storage as we stayed with family due to my home being unlivable.

Over the years, I renovated every square foot of the interior and exterior of the Bowker house keeping its historic integrity (and I’m not done). Completed work to date includes:

- New exterior siding on $\frac{3}{4}$ of home--custom milled to match the original from 1890 (approved by the historic committee and city fire Marshall)
- Added framing and corrected damaged framing throughout the entire home to meet building codes and safety
- All new rough and finish electrical throughout home including new panel and moving the outside main electrical line from the exterior side of the home to underground
- All new plumbing installed throughout home
- Custom milled exterior doors to match the 1890’s era
- Custom Pella wood windows were installed in every room to match historic value
- Added all new interior walls with smooth finish on sheetrock to reflect the 1890s era

- Carpeting and padding were professionally installed on stairs. A handrail for safety was installed for stairs.
- Hardwood bamboo flooring was installed in the entire home. Historic mosaic tile was installed on bathroom floor
- Added exterior lanterns to the grounds to provide adequate lighting for safety
- Removed 2/3 of a run down shed and commercial bins of garbage and material debris from the property
- The restoration of the remainder of the historic shed is still in progress
- Added a new shed to the grounds
- Removed door and converted the walkway to the former garage into a new interior hallway with new laundry room adding washer, dryer and hot water heater and all plumbing/electrical hook ups.
- Removed the wall between living room and dining room and replaced it with a support beam with proper engineering plans approved by the city.
- The carriage house (or garage) was converted into the primary bedroom with removal of garage door, replaced with new wall and subfloor to include 2 Pella wood windows and a closet
- Original clawfoot tub was restored by a professional
- All new lighting fixtures and ceiling fans were installed throughout home
- Exterior porch lighting added to the front and back doors.
- All safety features were met with Co2 and smoke detectors installed
- Cadet heaters were installed in every room
- Custom kitchen cabinetry, wooden hood range, kitchen appliances and butcher block counter were installed to create a new full kitchen that did not exist prior.
- Exterior and interior painting of the home
- Restoration of an original wood ceiling and wood walls-- sanded and stained to keep part of the original home.
- Closets were built in four bedrooms
- A Shower room was added between two bedrooms upstairs
- All new toilets, vanity's, sinks and exhaust fans were installed
- Added exterior front and back porches for safe ingress/egress and a full patio running along the backside of the home. This included the demolition of broken concrete pad that used to go into the garage door that was removed.
- Pest control service was paid to remove rodents, bats and screen off beneath the home to prevent access.
- Vapor barrier was added in crawl space beneath home along with all new insulation beneath and throughout the entire home and attic.

- Roof patches were made; a tree branch was trimmed that posed a threat to the roof
- Roof was cleaned professionally to remove years of moss build up
- Leafguard gutters were purchased and installed
- All new interior trim installed in home
- All new interior doors and handles were installed
- Custom wall was added to the living room for fireplace, tv and mantle installation
- Curved archway in sheetrock was created in hallway to match the 1890 era
- Driveway was re-done with crushed rock, and 9 trees were planted on the property along with a front walkway to the main entrance.
- Added pantry storage beneath the stairs and created interior access door to crawl space

Much of the work continued after the certificate of occupancy was issued. When I received the C/O from the Fire Marshall, I still had no functioning ½ bath upstairs, a missing vanity, the shower room was not tiled and had no running water in the two upstairs bath areas. None of my interior window trims were installed until 2024 so I had insulation sticking out on the inside of every window.

To this day, I am missing tile flooring in some areas of the home and continue to have sheetrock areas that have no mud/tape or paint on it. I'm missing trim in a few areas. I'm missing a covering over the two exterior doors, a proper door to one of my bathrooms. My interior doors and trim were never painted. I have no backsplash in the kitchen or bathroom.

My mortgage company would not even release the final renovation draw of \$8,733.82 to the contractor until December 4, 2023, because the home was not completed to their satisfaction for FHA guidelines until an FHA inspector passed it on November 20, 2023.

My appraisal that I've included was done **prior to work being finished** when I only had one working bathroom (after the Certificate of Occupancy was issued) in October 2022 and it showed the home value to be \$520,000 back then. I needed this appraisal so that I could get a home equity line of credit to continue the renovation. Many of my receipts reflect materials and labor done on the home in 2023, 2024 and 2025 which have improved the home as well.

Thank you,

Christa Harvey, Owner of the historic Bowker House (Since December 26,2019)

915 Bowker St SE Lacey WA 98503

Itemized List of Expenses
Bowker House Special Valuation Application

Line Item	Date Incurred	Cost Vendor	Description	Supporting Document	Ineligibility Notes	Eligible Expenses	Possibly Eligible	Non-Eligible Expenses	Total	Email#	Doc#	City Staff Notes	Owner's Notes		
1	5/20/2023	Home Depot	Purple primer, pvc piping fittings	Itemized receipt		\$68.99	\$300.00	\$850.00	\$68.99	8B	1		Used on walls in bathroom to prevent drywall from molding in moist areas; pvc for preparation of tub & shower & vanity connections		
2	6/3/2023	Tom Stratton	Electric line to pond	Check # 0910	Electrical work for use outside the building envelope				\$850.00	\$850.00	Five	9			
3	7/6/2023	Pacific Disposal	credit card payment	Email acknowledged	Waste disposal possibly eligible				\$300.00	\$300.00	11	3	Need owner to obtain documentation showing what the charge was for and a description of how it relates to rehabilitation of the building.		
4	7/7/2023	Westside Landscaping	roof cleaning	Check # 0912					\$1,400.00	\$1,400.00	Five	6	Need owner to obtain something from the vendor that says it was for roof cleaning, like an invoice or memo.		
5	7/9/2023	George Furbush	tree limb removal	Check # 0913	Landscaping ineligible				\$200.00	\$200.00	Five	7			
6	7/10/2023	Diamond Touch Landscaping	Patio and back door steps	Check # 0914	Patio not part of the building envelope nor is it original to the house	\$2,309.50			\$5,690.50	\$8,000.00	Five	8	See contract. Stairs are eligible -used contract information for eligible amount.	The patio \$15,783 should be eligible as it replaced broken concrete along the home that used to be a garage driveway entrance into home. The patio touches the home and stopped pests from entering beneath the home into the crawl space. WAC 254-20-030 Section B	
7	7/14/2023	Diamond Touch Landscaping	Patio	Check # 0915	Patio not part of original building ineligible				\$7,873.00	\$7,873.00	Five	3	See contract. Stairs are eligible -used contract information for eligible amount.	Same as above note for patio	
8	9/10/2023	Home Depot	2 x 4s, hardibacker	Itemized receipt		\$28.06				\$28.06	8B	1		Interior bedroom closet framing	
9	9/28/2023	Lowes	plants & edging, raised bedding	Itemized receipt	Landscaping ineligible				\$217.73	\$217.73	12	2			
10	10/2/2023	Diamond Touch Landscaping	Edging, walkway to front door	Check # 0917	Landscaping ineligible				\$478.00	\$478.00	Five	4			
11	10/2/2023	Home Depot	stakes, landscape edging, timber ties	Itemized receipt	Landscaping ineligible				\$498.26	\$498.26	8B	1			
12	10/19/2023	Mallory Paint Store	paint & supplies	Itemized receipt		146.32				\$146.32	7A	2		Interior paint for unfinished drywall in home	
13	10/19/2023	Sherwin Williams	paint & supplies	Itemized receipt	Unable to determine	\$88.88				\$88.88	15	5		Interior paint for unfinished drywall in home	
14	10/22/2023	Home Depot	wall paneling, shelf supplies, framing lumber	Itemized receipt	Shelving & associated supplies not eligible	157.88			\$75.20	\$233.08	8B	1			
15	10/31/2023	Home Depot	impregnator sealer, tile caulk	Itemized receipt	Unable to determine	50.99				\$50.99	8B	1		For upstairs shower tile flooring	
16	12/4/2023	Pristine Construction	last payment to contractor	Loan draw history	Unable to determine; costs were incurred when?				\$8,733.82		\$8,733.82	One	5	Need owner to obtain documentation from vendor to define miscellaneous items and state when the work was completed.	The \$8,733.82 is the final contractor labor payment for the original bid of work not finished until 2023. This portion covered the installation cost of building a tile shower upstairs, installing all interior doors, building a closet that was required for a bedroom and punchlist from the city of Lacey final inspection.
17	1/31/2024	Barbo's Plumbing LLC	Service call for dishwasher leak	Invoice	Maintenance ineligible				\$109.50	\$109.50	Six	10			
18	2/19/2024	Mallory Paint Store	paint	Itemized receipt		\$36.58				\$36.58	7A	3		Interior paint for unfinished drywall in home	
19	10/18/2024	Angels Rodriguez	wrap interior windows	Check #0921	Unable to determine				\$2,565.00	\$2,565.00	Five	11	Need owner to obtain documentation from vendor describing the work completed and the date it was done.	I have dated photos showing that insulation and tyvek paper were exposed at all interior windows requiring this work. This was unfinished and unsafe without the trim added.	
						\$2,887.20	\$12,998.82	\$15,992.19	\$31,878.21						
			Assessed Value of the Property in Tax Year 2022	\$57,100.00											
			25% of the value (target)	\$14,275.00											
			Potentially eligible and eligible expenses	\$15,886.02											
			Eligible expenses	\$2,887.20											

Rehabilitation Credit - Qualified Rehabilitation Expenditures (QREs)

In general, only an amount that is properly capitalized in connection with the rehabilitation of a qualified rehabilitated building (QRB) that is certified by the National Park Service as consistent with the historic character of the building or the district in which the property is located will be a qualified rehabilitation expenditure (QRE). See 26 USC 47(c)(1) (defining QRB) and 47(c)(2)(A) (defining QREs). However, not every amount associated with a rehabilitation will be a QRE that is included in the calculation of the rehabilitation credit. See 26 USC 47(c)(2)(B) (describing certain expenditures not included).

The following are important aspects to remember:

1. Rehabilitation includes **renovation, restoration, or reconstruction** of a building, but does not include an enlargement or new construction. IRC § 47(c)(2) and Treas. Reg. § 1.48-12(b)(2)(iv).
2. A QRE must be (i) an amount properly chargeable to capital account (generally meaning used in computing the basis) of depreciable property that is nonresidential real property, residential rental property, real property with a class life of more than 12.5 years, or an addition or improvement to the preceding three types of property, and (ii) incurred in connection with the rehabilitation of a QRB (including its structural components). IRC § 47(c)(2) and Treas. Reg. § 1.48-12(c).
3. Amounts must be for a building and its structural components. Generally, structural components of a building are those components relating to the operation or maintenance of a building. See Treas. Reg. § 1.48-1(e)(1) and (2) for a definition of a building and structural components of a building, respectively.

Expenditures associated with these items are generally eligible if properly includible in computing the basis of the building

- A. Section 47(c)(1)(A) defines a QRB to include the building and its structural components if – (i) the building has been substantially rehabilitated, (ii) the building was placed in service before the beginning of the rehabilitation, (iii) the building is a certified historic structure, and (iv) depreciation (or amortization in lieu of depreciation) is allowable with respect to the building.

Treasury Regulation § 1.48-1(e)(1) generally defines a building to mean any structure or edifice enclosing a space within its walls, and usually covered by a roof, the purposes of which is, for example, to provide shelter or housing, or to provide working, office, parking, display or sales space.

The costs of these structural components may be QREs if the amounts are properly included in the basis of depreciable property that is nonresidential real property, residential rental property, real property which has a class life of more than 12.5 years, or an addition or improvement to the preceding three types of property. Treas. Reg. § 1.48-1(e)(2) defines structural components and includes the following list of examples of structural components:

- Walls
- Partitions
- Floors
- Ceilings
- Permanent coverings of walls, partitions, floors and ceilings, such as paneling or tiles
- Windows and doors
- Components of central air conditioning or heating systems
- Plumbing and plumbing fixtures
- Electrical wiring and lighting fixtures
- Chimneys
- Stairs
- Escalators
- Elevators
- Sprinkler systems
- Fire escapes
- Other components (that is, other parts of the building) relating to the operation or maintenance of the building

B. Treas. Reg. § 1.48-12(c)(2) describes costs that may be QREs if the amounts are properly included in the basis of depreciable property that is nonresidential real property, residential rental property, real property which has a class life of more than 12.5 years, or an addition or improvement to the preceding three types of property, including the following:

- Construction period interest and taxes
- Architect fees
- Engineering fees
- Construction management costs
- Reasonable arm's length developer fees (value added services)
- Other fees paid that would normally be charged to a capital account

C. The following costs are not specifically listed in the Treasury Regulations, but may be QREs if the amounts are properly included in the basis of depreciable property that is nonresidential real property, residential rental property, real property which has a class life of more than 12.5 years, or an addition or improvement to the preceding three types of property:

- Permanently installed operable floodgates
- Permanently attached fastening devices to hold floodgates or to attach flood wrapping systems
- A retaining wall that is part of or connected to the structure of the building
- A seawall that is part of or connected to the structure of the building
- The portion of landscaping designed only to protect the building (i.e., drains and regrading for drainage)
- Elevated structure built to protect utilities (such as a freestanding air conditioning unit on a raised platform adjacent the building)
- Structural reinforcing and improvements to foundation (to withstand hydrostatic and hydrodynamic pressure)
- Applying waterproof coating to the exterior of the foundation walls, whether above or below grade
- Costs associated with excavation and/or sitework necessary to access an exterior foundation or basement walls in order to undertake structural improvements or to apply waterproof coatings
- Permanently installed vents or drains (inside or outside)
- Sump pumps (only if permanently installed and/or if connected to drainage system)
- Materials to fill in the basement (sand, gravel, etc.) and the installation/compacting of the material
- Basement drains
- Moving utilities inside the building
- In a documented floodplain, lifting/elevating at the same site (lifting the building onto a new, taller foundation) with no additional square footage underneath the building (open space (such as a building on posts/pilings) or crawl space below)
- Lifting/elevating a building on an enclosed foundation with occupiable space below the first floor that is used for parking, storage, or other limited uses allowed by a flood ordinance
- New foundation construction including break-away walls, louvers, lattice, or other architectural screenings
- Where a current site is threatened or destroyed moving the Historic Building including
 - Lifting the building on the original site and transporting it to the new site
 - New site preparation
 - New foundation
 - Permits for and relating to (e.g., utility fees for moving traffic light out of the way, etc.) the move
 - Utility connections at the new location.

Expenditures that do not qualify for the rehabilitation tax credit

Not every amount associated with a rehabilitation project will qualify as a QRE to be included in the calculation of the rehabilitation credit. See 26 USC 47(c)(2)(B) (describing certain expenditures not included). In general, only those amounts that are capitalized in connection with the rehabilitation of structural and architectural features of a building that is a certified historic structure will qualify as QREs. See 26 USC 47(c)(2)(A) (defining QREs).

However, the following costs associated with these items are not generally eligible:

- Acquisition costs
- Appliances not either real or residential rental property
- Office Equipment
- Cabinets (unless inherently permanent structure and part of the building)
- Carpeting (if tacked in place and not glued) - Rev. Rul. 67-349; Hospital Corp of America v. Commissioner, 109 T.C. 21 (1997).
- Decks, Porches and Porticos (that were not part of original building)
- Demolition and removal costs (of an existing building on property site)
- Fencing
- Feasibility studies
- Financing fees (such as mortgage related financing not during the construction period)
- Furniture
- Landscaping
- Leasing Expenses
- New construction costs or enlargement costs (increase in total volume from original building)
- Outdoor lighting (remote from building)
- Parking lot
- Paving
- Planters/Pots
- Retaining walls that are not part of a building and its structural components
- Sidewalks
- Signage
- Storm sewer construction costs
- Window treatments
- Display racks and shelves
- Production machinery
- Grocery counters
- Temporary protective measures like sandbags, inflatable dams, etc.
- Levy
- Retaining wall that is not part of or connected to the structure of the building
- Temporary floodgates/flood shields
- Lifting/elevating a building on an enclosed foundation with occupiable space below the first floor that is used as additional living areas (expansion of the building)
- Attachments for pulley or other system to relocate furnishings above flood level

Are solar panels, wind turbines or geothermal systems eligible expenses?

Solar panels, wind turbines, and geothermal systems generally are 5-year property under section 168. See section 168(e)(3)(B)(vi)(I). The costs of solar panels, wind turbines, and geothermal systems described in section 168(e)(3)(B)(vi)(I) are not included in the basis of the building and, therefore, should not qualify for the rehabilitation credit. Additionally, the same property that is used to claim a rehabilitation credit cannot also be used to claim an energy credit under section 48(a)(2)(B).







NORTHWEST
MULTIPLE LISTING SERVICE



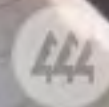


NORTHWEST
MULTIPLE LISTING SERVICE.





NORTHWEST
MULTIPLE LISTING SERVICE



NORTHWEST
MULTIPLE LISTING SERVICE.









PEMAQUID POINT
Maine















Document Title: Agreement for Special Tax Valuation

Grantor: City of Lacey

Grantees: Christa Harvey and Destiny Furbush

Legal Description: The south 191 feet of Tract 15 of J. M. Adam's Acre Tracts, as recorded in Volume 5 of Plats, page 57

Parcel: 31000001601

AGREEMENT FOR SPECIAL TAX VALUATION

THIS AGREEMENT for Special Tax Valuation (The "Agreement") is entered into on this day of December 2025, by and between Christa Harvey and Destiny Furbush, (The "APPLICANTS") and the City of Lacey (hereinafter "CITY"), jointly referred to as "Parties."

WHEREAS APPLICANTS are the owners of record of the historic property commonly known as the Bowker House, 915 Bowker Street SE, Lacey, State of Washington, as legally described above, hereinafter referred to as "PROPERTY"; and

WHEREAS APPLICANTS have requested special valuation of the PROPERTY pursuant to Chapter 84.26 RCW; and

WHEREAS the CITY has determined that the PROPERTY has been substantially rehabilitated within the two year period preceding the date of application and the actual cost of said rehabilitation equals or exceeds twenty-five percent of the assessed valuation of the PROPERTY prior to the improvements; and

WHEREAS the CITY has verified that the PROPERTY is a historic property that falls within a class of properties determined eligible for special valuation pursuant to Lacey Municipal Code (LMC 16.53.050); and

WHEREAS the CITY finds that the rehabilitation work has not altered the PROPERTY in any way which adversely affects those elements which qualify it as historically significant;

NOW THEREFORE, in recognition of the foregoing, the APPLICANTS enter into this Agreement with the CITY and agree to adhere to the following terms and conditions for the ten-year period of the special valuation classification:

1. APPLICANTS agree to comply with the Washington State Advisory Council's Standards for the Maintenance and Rehabilitation of Historic Properties, as set forth in Washington Administrative Code 254-20-100.
2. APPLICANTS agree the property shall not be altered without the prior written consent of the Lacey Historical Commission ("COMMISSION"), an advisory board of the CITY, signed by a duly authorized representative thereof. No construction, alteration or remodeling or any other action shall be undertaken or permitted to be undertaken which would affect the historic character of the PROPERTY which classifies it as eligible for special valuation, or which would affect the appearance of the PROPERTY as depicted in photographs included in the public record, or which would adversely affect the structural soundness of the PROPERTY. However, the reconstruction, repair, repainting, or refinishing of presently existing parts or elements of the PROPERTY subject to this Agreement that are damaged as a result of casualty loss, deterioration or wear and tear, shall be permitted without the prior approval of the COMMISSION, provided that such reconstruction, repair, repainting, or refinishing is performed in a manner which will not alter the appearance of those elements of the PROPERTY subject to this Agreement as they are as of this date. Exterior changes which shall require the consent of the COMMISSION shall include, but not be limited to, any substantial structural change or any change in design, color, or materials.
3. APPLICANTS agree the PROPERTY shall not be demolished without the prior written consent of the COMMISSION.
4. APPLICANTS agree to make historic aspects of the PROPERTY accessible to the public one day each year if the PROPERTY is not visible from a public right of way.
5. APPLICANTS agree to monitor the PROPERTY for its continued qualification for special valuation and notify the appropriate County Assessor within 30 days if the PROPERTY becomes disqualified because of:
 - a. a loss of historic integrity,
 - b. sale or transfer to new ownership exempt from taxation, or
 - c. sale or transfer to new ownership which does not intend to agree to the terms of this Agreement nor file a notice of compliance form with the County Assessor.
6. The Parties agree that there shall be no changes in standards of maintenance, public access, alteration, or report requirements, or any other provisions of this Agreement, during the period of the classification without the approval of all parties to this Agreement.
7. **Term of the Agreement.** This Agreement shall take effect immediately upon signature and remain in effect until the property is no longer eligible for special valuation either through disqualification under RCW 84.20.080 or upon expiration

of the ten-year period of special valuation commencing January 1, 2027, and ending December 31, 2036.

8. **Hold Harmless.** The APPLICANTS and their successors or assigns shall hold the State, the CITY, and the COMMISSION harmless from any and all liability and claims which may be asserted against the State, the CITY, and/or COMMISSION as a result of this Agreement or the participation by the APPLICANTS in the Special Valuation Program.
9. **Governing Law.** The terms of this Agreement shall be construed in accordance with the laws of the State of Washington.

The Parties have executed this Agreement **this day of December,** 2025.

CITY OF LACEY

APPLICANTS:

By: _____

Rick Walk
City Manager

By: _____

Christa Harvey
Applicant

By: _____

Destiny Furbush
Applicant

Approved as to form:

David Schneider
City Attorney



LACEY CITY COUNCIL MEETING

December 2, 2025

SUBJECT: Imposing a Utility Tax on Cable Services

RECOMMENDATION: Discussion and direction requested.

Option 1: Provide direction to staff to bring back an ordinance for consideration imposing a 6% utility tax rate on cable services.

Pending discussion and direction, future action is tentatively scheduled for December 16, 2025.

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
2. Draft Utility Business Tax Municipal Code Language Updates Imposing a Utility Business Tax on Cable Services

FISCAL NOTE: Estimated \$720,000 increase in revenue in the general fund

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

PRIOR REVIEW: [City Council Worksession Meeting – October 14, 2025](#)
[City Council Regular Meeting – September 16, 2025](#)
[City Council Worksession – September 9, 2025](#)
[City Council Regular Meeting - August 19, 2025](#)

BACKGROUND: At the City Council Worksession on October 14, 2025, the Lacey City Council reviewed additional information on a potential utility tax on cable services. At this discussion, the City Council reviewed:

1. The statutory framework for assessing a utility tax on cable services, see **Attachment 1** for more details.

2. The City's current utility tax rates, see **Table A**, including comparisons to the cities of Olympia and Tumwater.
3. An analysis of comparable cities statewide, see **Table B**.

After receiving this information, the City Council primarily focused its discussion on imposing a 6% utility tax on cable services.

Before providing final direction to staff on preparing a draft ordinance for City Council consideration, the City Council requested information on lower utility tax rates. **Table C** provides three utility tax rate options for cable services.

Attachment 2 provides draft Lacey Municipal Code language updates that would impose a 6% utility tax on cable services and make minor technical revisions to the section.

Utility Tax on Cable Services

Cities are authorized to levy a business and occupation tax (RCW 35.22.280(32)) on 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 their own utilities, such as stormwater, water, and sewer. Revenues are unrestricted and may be used for any governmental purpose. This staff report will focus on the cable utility tax.

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.

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 utility tax rates at 6%, the utility tax 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. 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) For more information on all utility taxes, see **Attachment 1**.

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

Table A			
Lacey Utility Tax Rates, State Requirements, Options			
Activity	City rate	Max Rate	Local Examples
Electric	6%	6%*	Olympia – 9%*
Phone	6%	6%*	Olympia – 9%*
Natural Gas	6%	6%*	Olympia – 9%*
Water	6%	No limit	Tumwater – 12%* Olympia – 12.5%*
Sewer	6%	No limit	Tumwater – 12%* Olympia – 12.5%*
Solid Waste	6%	No limit	Tumwater – 6% Olympia - 12.5%*
Stormwater	6%	No limit	Tumwater – 12%* Olympia - 12.5%*
Cable	0%	Can't be unduly discriminatory	Tumwater – 6% 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.

Table B (following page) provides a comparison of gas, electric, telephone, and cable utility rates for other comparable-sized cities in Washington state. The average for each utility rate is above 6%. The average utility rate for cable services was just below 6%.

Table B					
Comparison of Gas, Electric, Telephone, and Cable Utility Tax Rates					
Organization	Population	Natural gas*	Electric*	Telephone*	Cable
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%	5.8%

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.

The City Council could establish a utility tax on cable services. For each 0.5%, a utility tax on cable services would bring in around \$60,000 in new revenue. **Table C** provides three utility tax rate options for cable services.

Table C		
Cable TV Utility Taxes – Projected Revenues		
Rate	Est. Revenue	Difference
0.00% (current)	\$ -	\$ -
2.00%	\$ 240,000	\$240,000
4.00%	\$ 480,000	\$480,000
6.00%	\$ 720,000	\$720,000

Proposed LMC Revisions

Attachment 2 provides draft Lacey Municipal Code language updates that would impose a 6% utility tax on cable services and make minor technical revisions to the section.

Revisions include:

1. Adding a definition of “Cable Service.”

2. Removing references to “Public” in “Utility Business” to broaden the category, since the cable business is a private utility. This is similar to the approach taken by many other cities, see [Kirkland](#) and [Lakewood](#).
3. Adding Cable Services to “Utility business.”

NEXT STEPS: This item is intended for discussion purposes only. Pending discussion, future action is tentatively scheduled for December 16, 2025.

City staff recommends adopting an ordinance imposing a 6% utility tax on cable service, supported by comparisons to local jurisdictions, alignment with existing taxes on private utility businesses, the City’s short and long-term fiscal needs, and the discretionary nature of cable service

Staff is seeking final City Council direction to proceed with preparing a draft ordinance for Council consideration. Options the City Council could consider:

- Option 1:** Staff Recommendation: Provide direction to staff to bring back an ordinance for consideration imposing a 6% utility tax rate on cable services.
- Option 2:** Provide direction to staff to bring back an ordinance for consideration imposing a different utility tax rate on cable services.
- Option 3:** Take no action. Provide direction to staff not to bring back an ordinance for consideration imposing a different utility tax rate on cable services.
- Option 4:** Provide direction to City staff on other elements to consider. After further diligence on these elements, City Staff would then return to the Lacey City Council to review additional materials for consideration.
- Option 5:** Some other option not contemplated in the above options.

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.



Page intentionally left blank.

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

Executive Summary	6
Technology Fees	27
Public Record Request Fees	36
Franchise Fees	42
Gambling Tax	48
Utility Tax	59
B&O Tax	73
Lodging Tax	82
Appendix 1: Other Revenues	97
Appendix 2: Revenue Tool	104

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 • Metropolitan Park District
QUARTER 2, 2025	• Economic Development Strategy
QUARTER 3, 2025	• Technology Fees • Public Records Fees
QUARTER 4, 2025	• B&O Taxes • Gambling Taxes • Franchise Fees • Determine action for potential revenue sources
Quarter 1, 2026	• Implement revenue strategies • 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

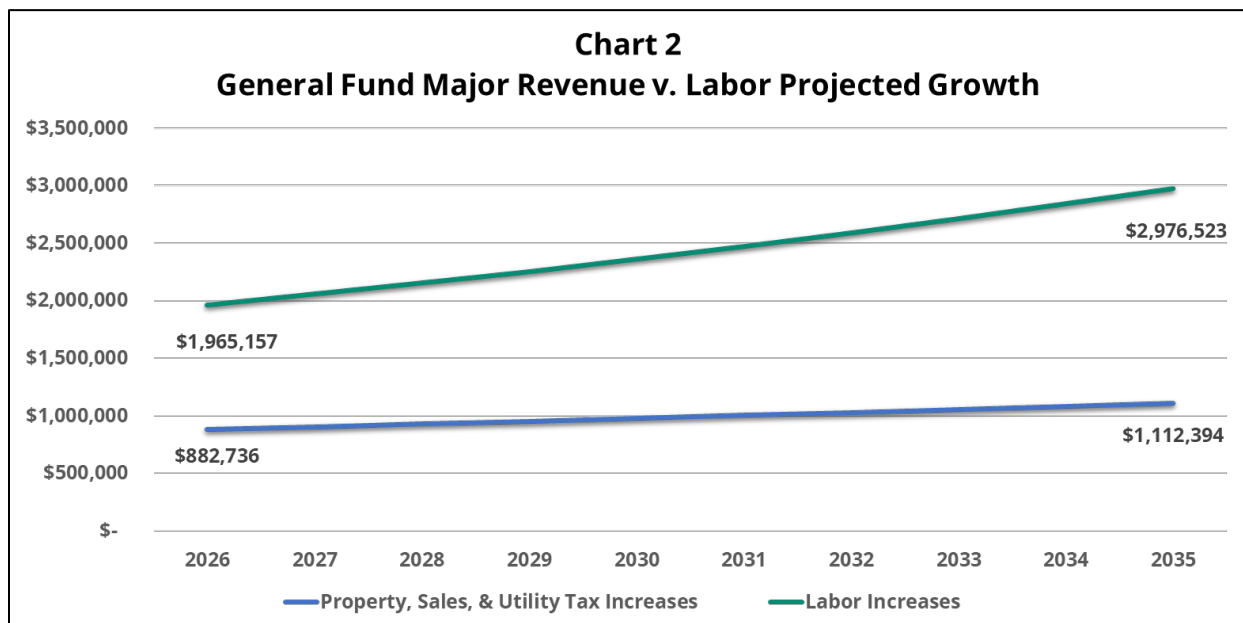
General Revenue & Expenditure Projections

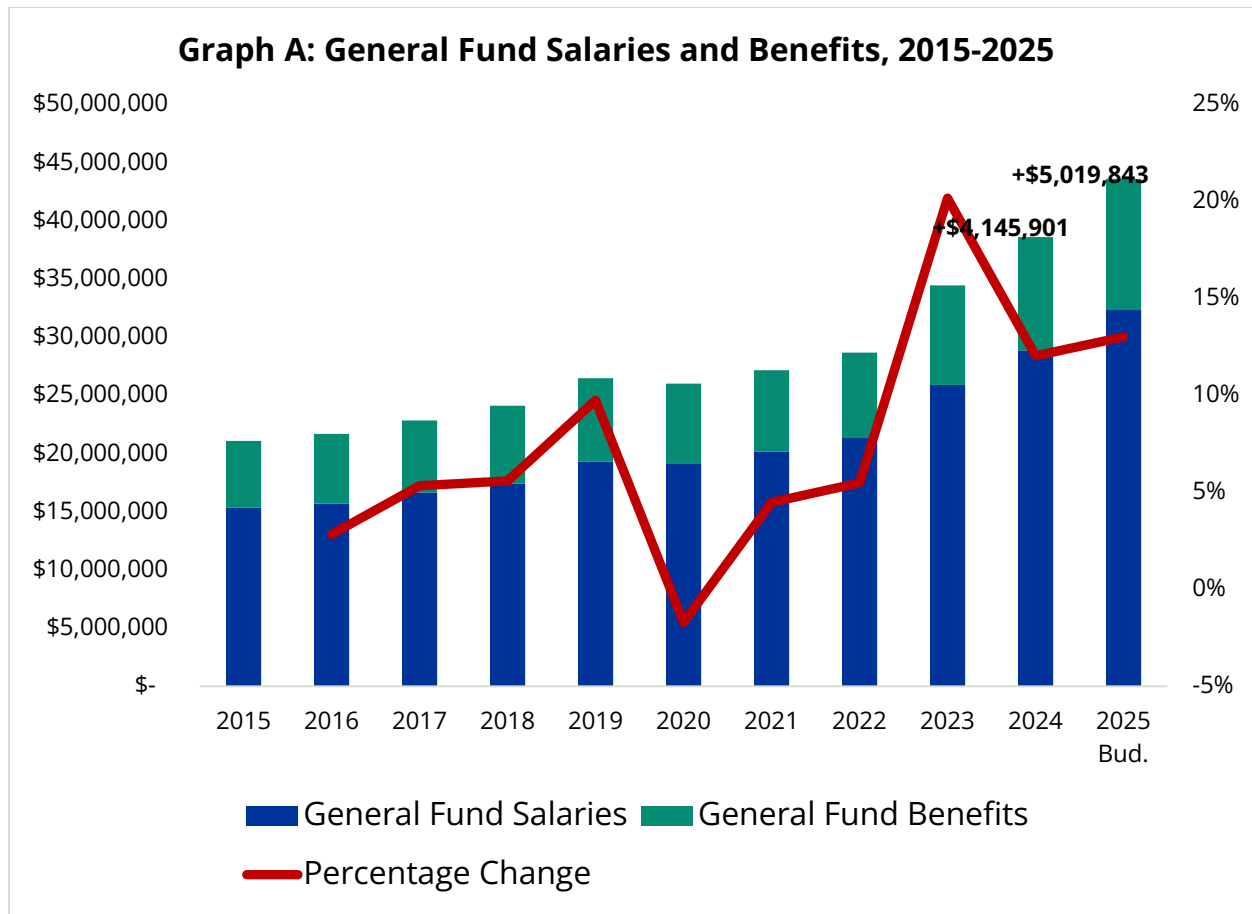
At the City Council retreat and subsequent City Council meetings, the City Council reviewed revenue and expenditure projections for 2025. While revenues have shown steady year-over-year growth, even without significant expansion to retail brick-and-mortar, expenditure increases have remained consistent.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



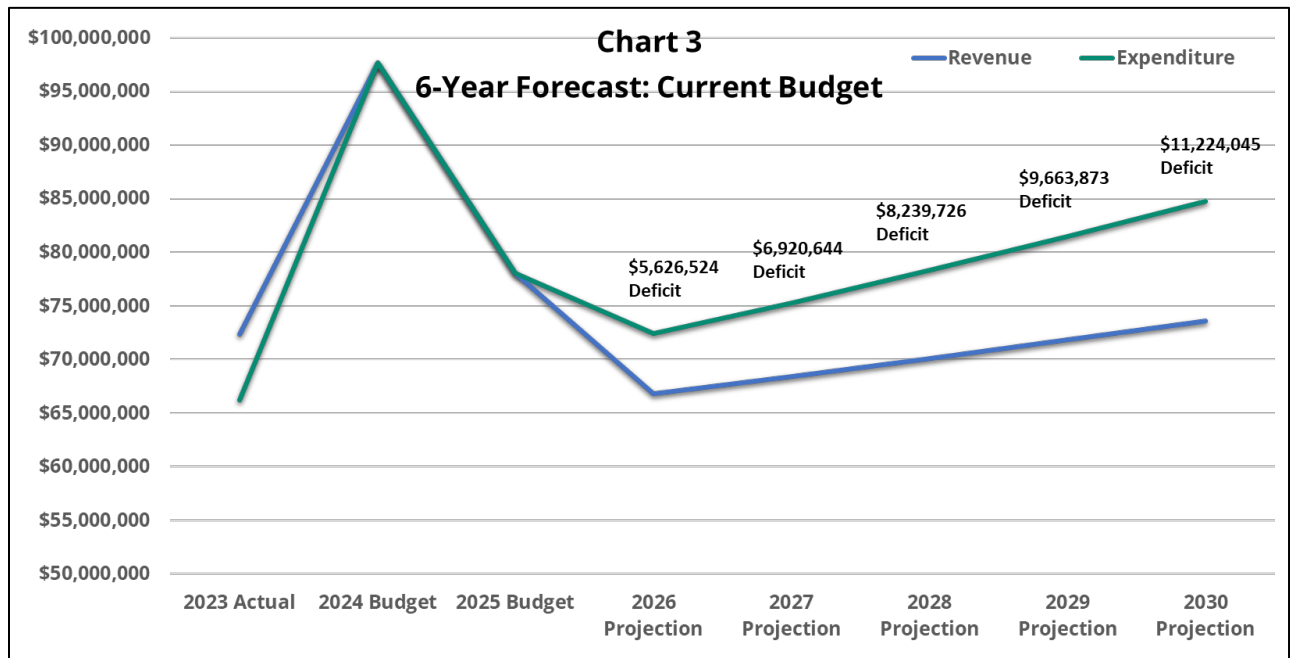


At the retreat, the City Council reviewed six-year financial forecasts for four separate potential outcomes, see **Chart 3** to **Chart 6**, below. All four models did not include consideration of new public defense standards, or maintenance and operation of the new police station and training facility,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

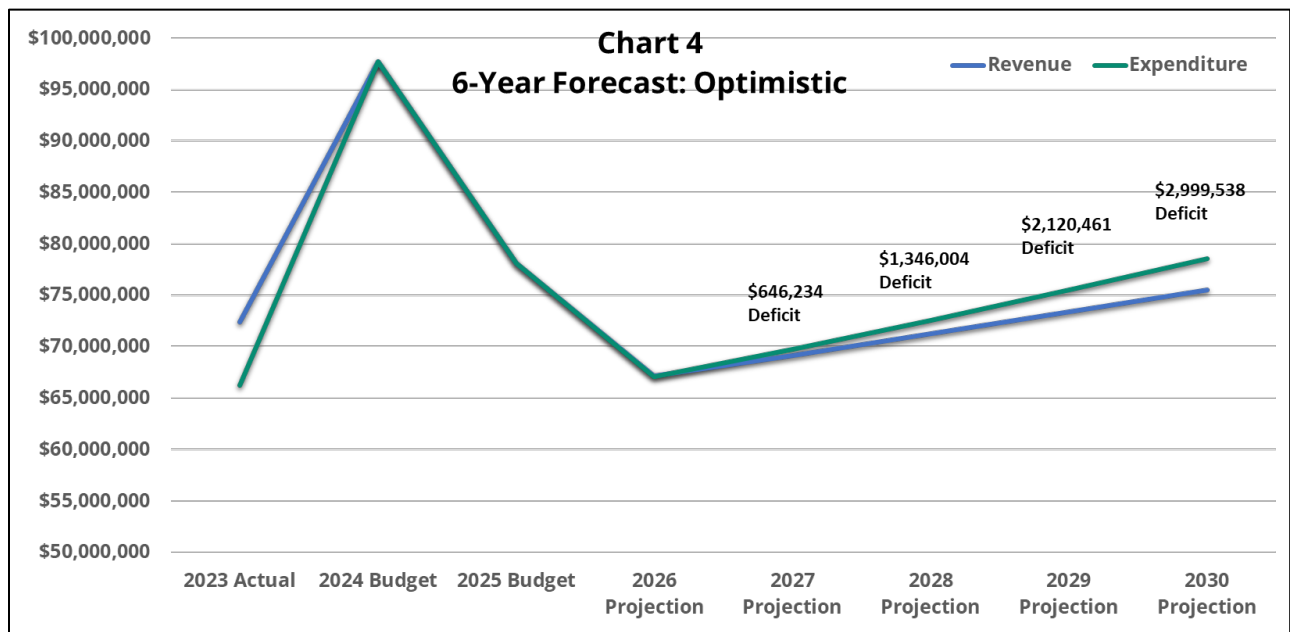
FUTURE BUDGET OBLIGATIONS

- 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

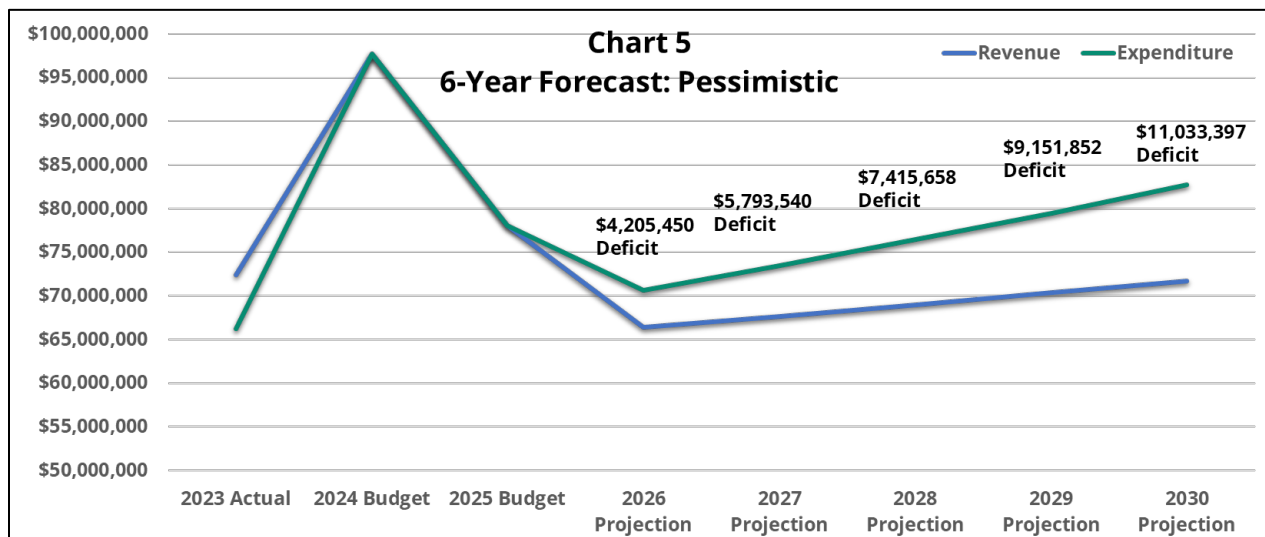
Current Budget Forecast: This model assumes 100% of the expenditure budget is spent and 2% revenue growth. The six-year forecast is displayed in **Chart 3**.



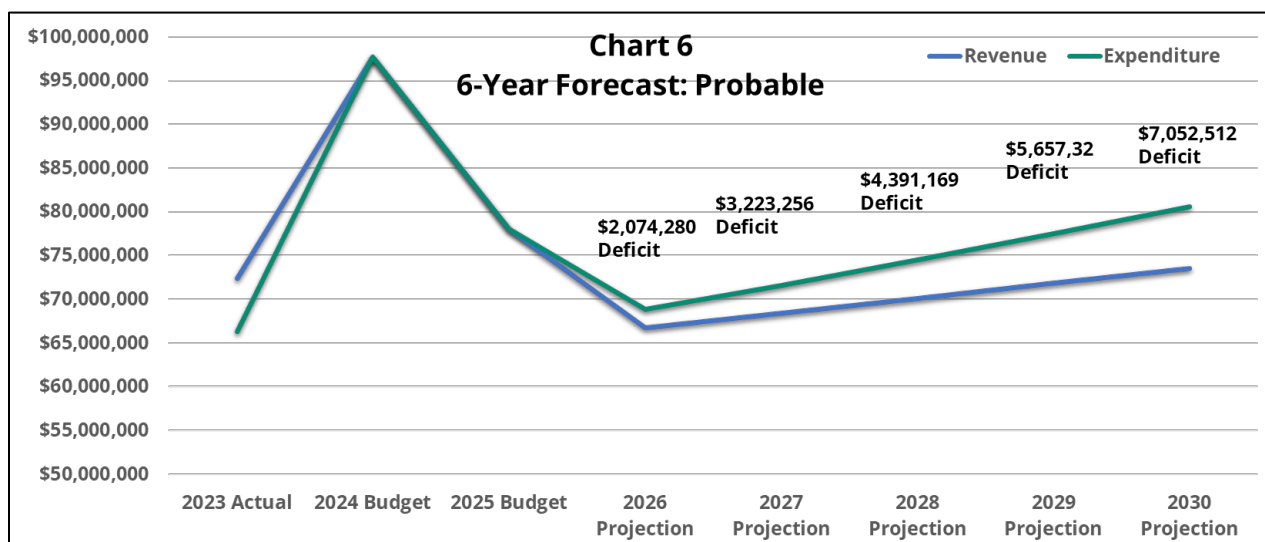
Optimistic Budget Forecast: This model assumes 92.5% of the expenditure budget is spent and a higher revenue growth of 3%. The six-year forecast is displayed in **Chart 4**.



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.

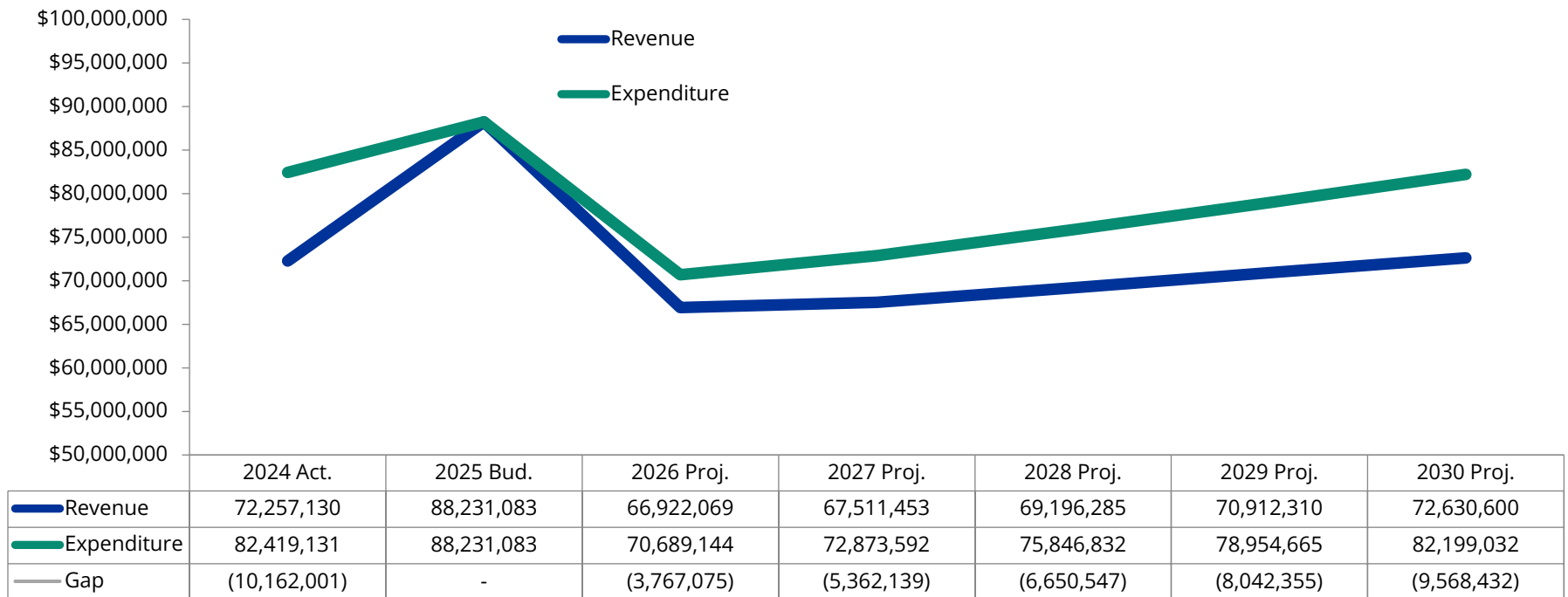
By 2030...

forecasts indicate the gap
between expenditures
and revenues will be
between

\$9.5M – 12+M

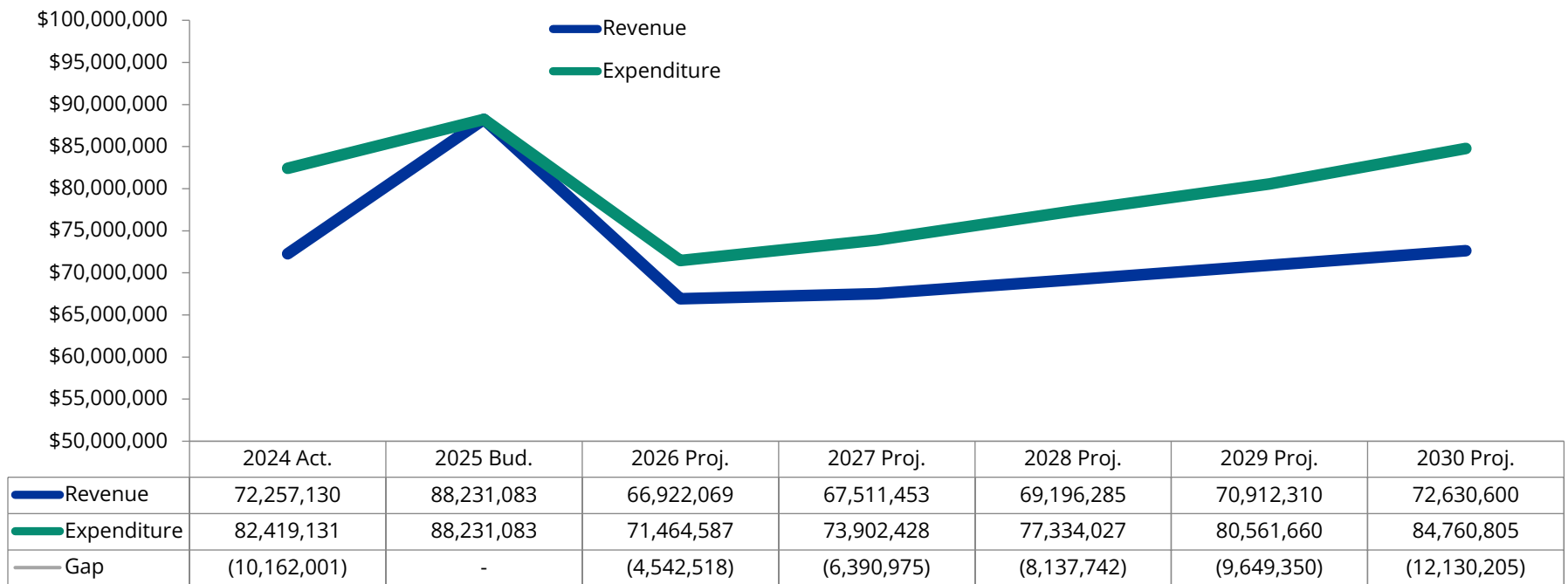
At the Regular Council Meeting on August 12, 2025, the City Council received an updated 6-Year Financial Model without new obligations based on current spending and revenues, see **Graph B**. Similar to the previous models, the deficit remains significant. In 2026, the projected gap between expenditures 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)



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)



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

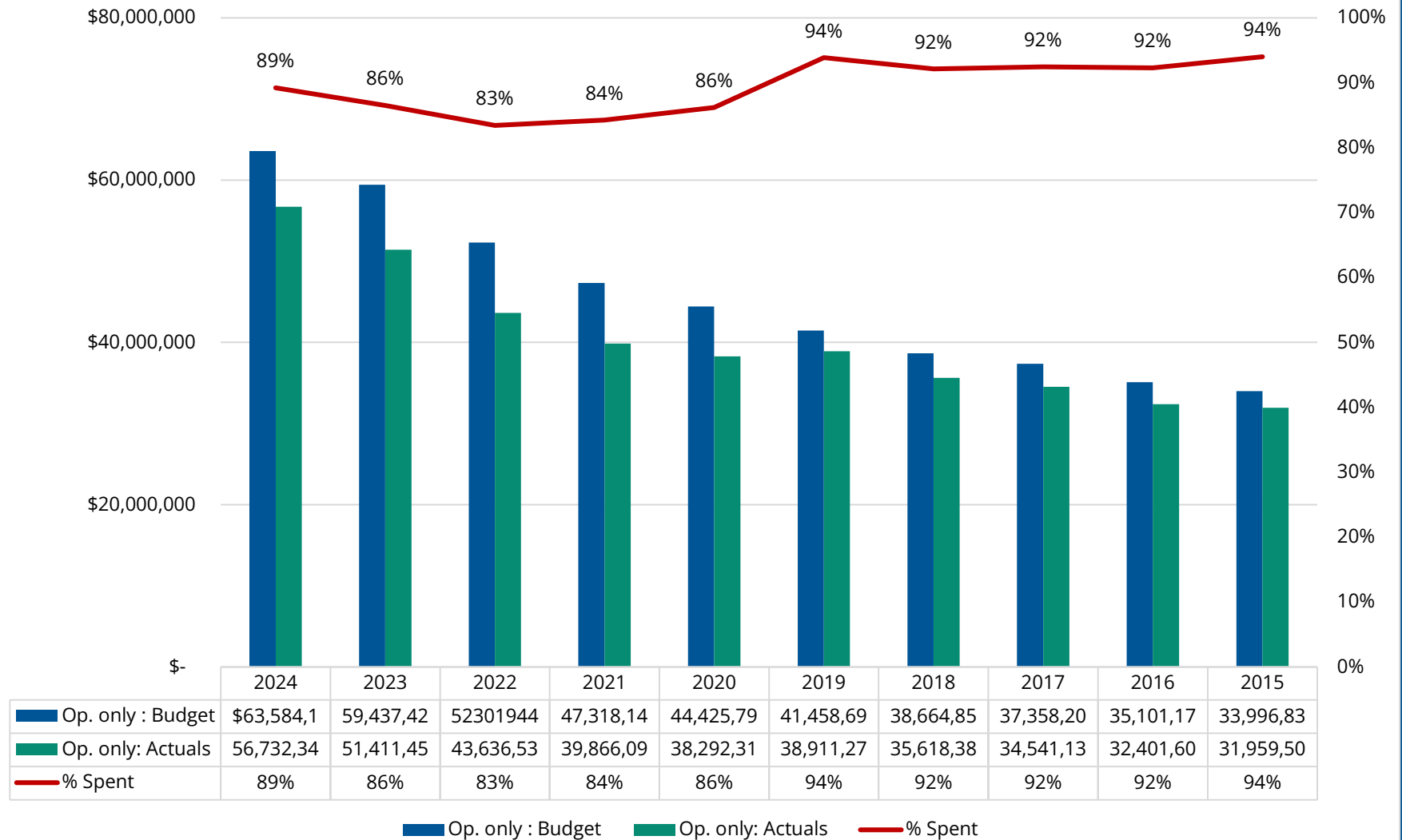
As part of this process, staff performed a 10-year analysis of past budgets versus expenditures to get an understanding of long-term trends regarding budget use.

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.

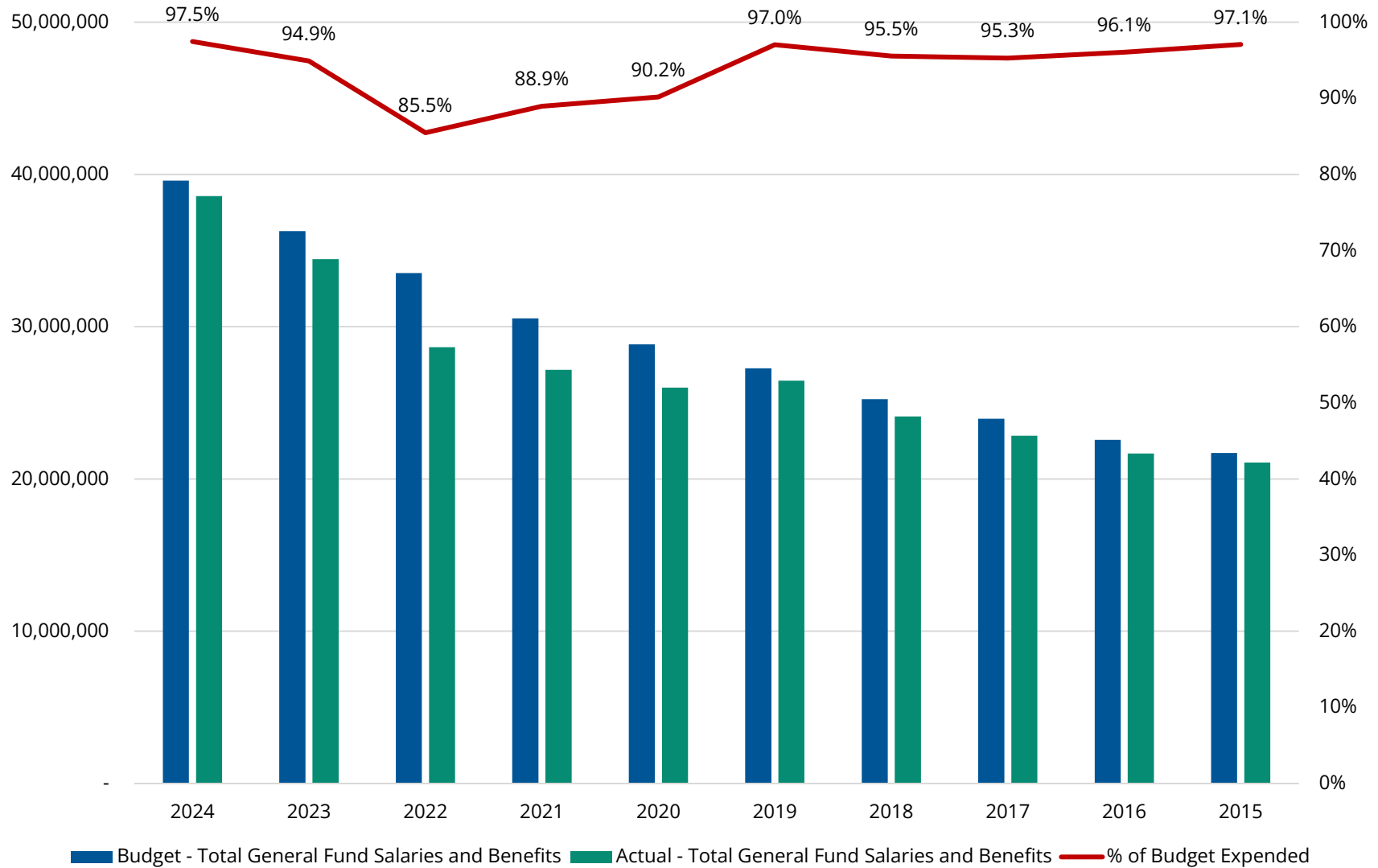
The City expended an average of 94% of all budgeted General Fund Labor between 2014 and 2024. If you take out the pandemic years of 2020-2022, this average increases to 96%

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



Graph E: Budgeted General Fund Labor Expenses and Actual General Fund Labor Expenses, 2014-2024



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.

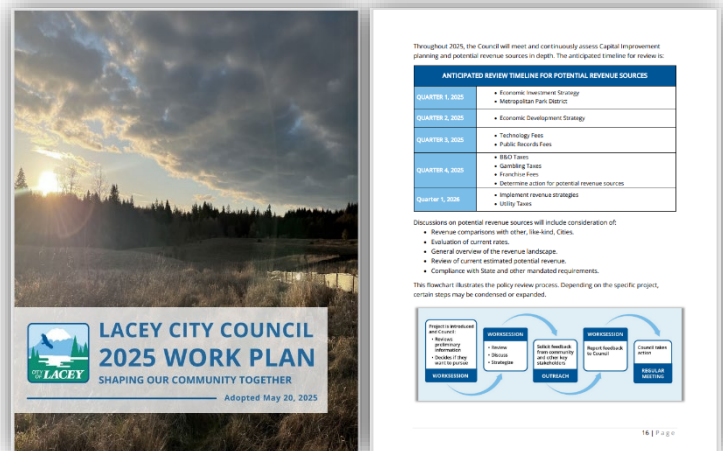
- **Economic Development Strategy:** Develop a 5-Year strategy to attract private development.
- **Business and Occupation Taxes (B&O):** Review existing rates and explore the addition of Warehousing and Manufacturing collection.
- **Franchise Fees:** Examine solid waste and other franchise agreements.
- **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.**

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).

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.

FACTORS CONTRIBUTING TO RISING COSTS

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

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	Implementat ion Authority	Administ rative 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]”.

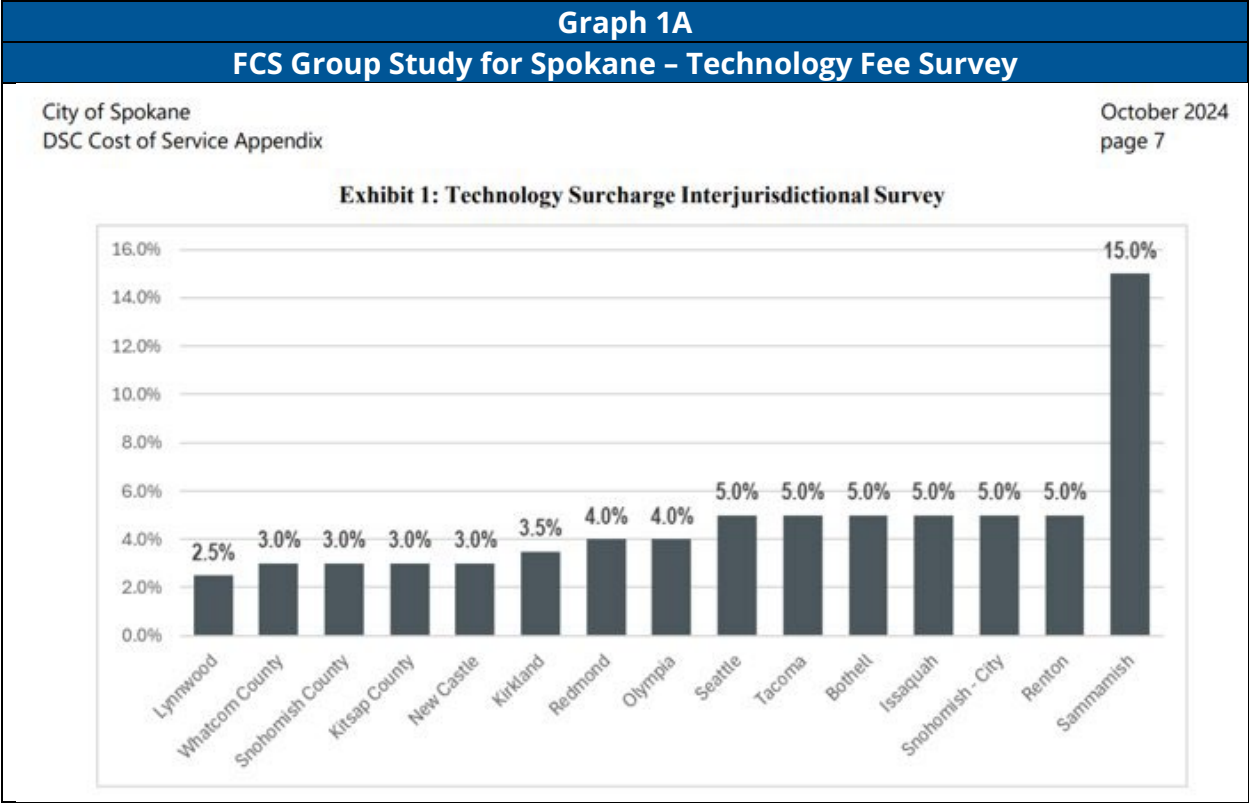
Cities may collect a technology fee (also known as a technology surcharge) as a percentage of a permit fee. The purpose of this surcharge is to provide the necessary funds to maintain the technology-dependent service levels used by departments directly connected with development services, in the case 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.



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. 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. \$12,000 to \$150,000+ depending on rate.
Time to Implement	Short-term, 6-12 months
Offsetting Expenditures	None

Control and Implementation Requirements	Councilmanic: • 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: • Amend necessary fee schedules or documents by ordinance. • Provide notice to community members.
Peer Usage	See Graph 1A for a more extensive list. Technology fees of comparable cities: • Kirkland: 3.5% • Bothell: 5% • Olympia: 4% • Lynnwood: 2.5% • 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. 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		
CED and PW		
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: • PDF solution tailored for architecture and construction • Helps standardize communication and improve review quality with customizable tools • 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 • Convenient submission • Track permit applications • More efficient workflows • Improves record keeping • 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	
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 9% LPD
* Estimates based on best available data. These are general estimates.	
** 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**.

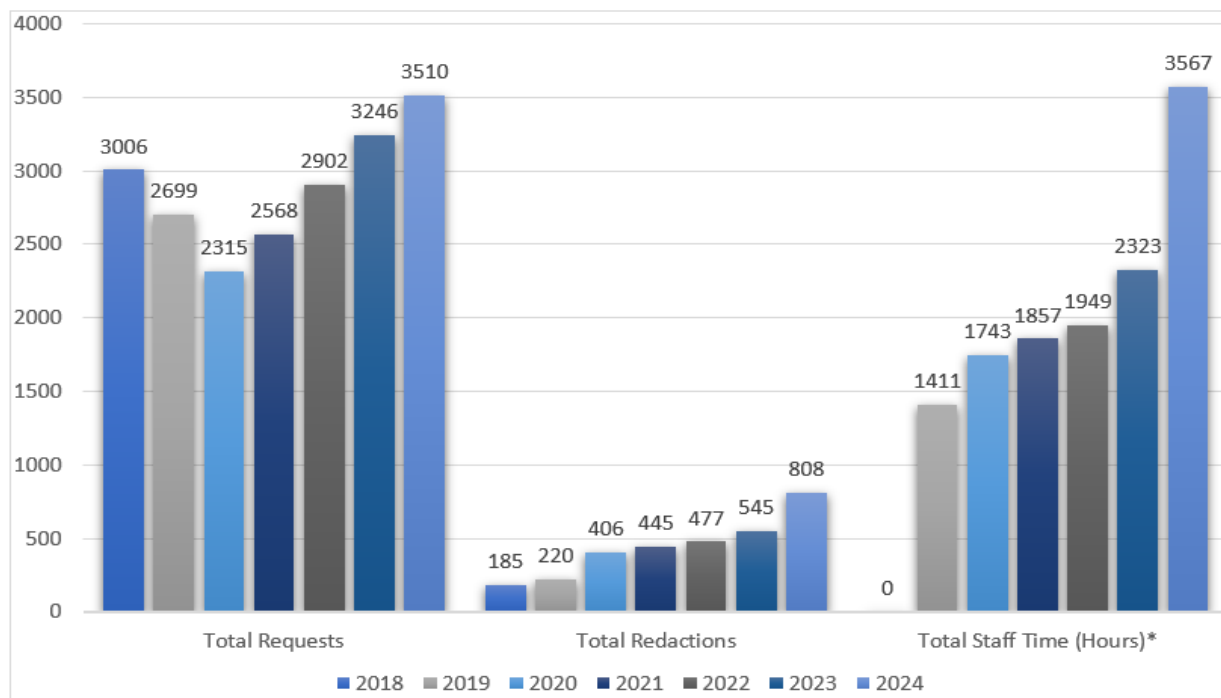
Table 2A	
Statutory Default Charges	
Inspection of records:	No charge
Photocopy of paper records, or printed copies of electronic records, or use of City's equipment to photocopy public records:	15 cents per page
Records scanned into an electronic format, or use of City's equipment to scan records:	10 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		
BWC Redaction Costs		
City	Costs per minute	Expenses Recovered
Seattle	\$0.82	N/A
Kent	\$0.91	\$750 (2018, all) \$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: 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: • Amend appropriate code and fee schedules, ordinance/resolution • Create a charge with Finance
Peer Usage	See Table 2B for a more extensive list. BWC Charges of comparable cities: • Olympia: \$0.81 • Kent: \$0.91 • 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			
Franchise Fee Rates, State Requirements, Options			
Activity	City rate	Max Rate	Examples
Cable	5%	5%	Olympia – 5% Tumwater – 5%
Solid Waste	-	Reasonable	Lakewood – 4% 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 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: ○ Amend LMC, Title 3, to include Collection of Franchise Fees ○ Create a request for proposal/qualifications ○ Select a private solid waste provider ○ Negotiate and execute a contract with a private solid waste provider
Administrative Effort	Perform any necessary outreach to the community. The City will need to complete the following tasks to implement the new tax rate: • Amend LMC, Title 3, to include Collection of Franchise Fees • Create a request for proposal/qualifications • Select a private solid waste provider • 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. 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		
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. 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: • Amend the tax rate in LMC 3.08.030 • Follow the regulations outlined in RCW 9.46.110 • 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: • Amend LMC 3.06.010 • Update the Gambling tax return form and public guidance • 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: • Lakewood: 11% • Shoreline: 10% • SeaTac: 11-20% • Tukwila: 11-20% • Renton: 10% • Kent: 11% • 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. 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. 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		
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. 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: • Amend the tax rate in LMC 3.06.010 • 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: • Amend LMC 3.06.010 • Update the Gambling tax return form and public guidance • Provide timely advanced notice.
Peer Usage	See Table 4G for a more extensive list. Current Gambling tax card room rates of comparable cities: • Pasco: 10% • Shoreline: 5% • SeaTac: 5% • Yakima: 10% • Kent: 10% • 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		
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%* Olympia – 12.5%*
Sewer	6%	No limit	Tumwater – 12%* Olympia – 12.5%*
Solid Waste	6%	No limit	Tumwater – 6% Olympia – 12.5%*
Stormwater	6%	No limit	Tumwater – 12%* Olympia – 12.5%*
Cable	0%	Can't be unduly discriminatory	Tumwater – 6% 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 For each 0.5% increase: • Solid Waste: \$40,500 • Water: \$108,000 • Sewer: \$125,000 • Stormwater: \$25,000 • Cable: \$60,000 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*: • Amend the LMC 3.01.040 • Update the utility tax return form and public guidance • Send timely advanced notice to impacted taxpayers *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. The City will need to complete the following tasks to implement the new tax rate: • Amend LMC 3.01.040 • 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.

Organizat ion	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.

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		
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		
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		
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		
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		
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		
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						
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			
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. 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 • Amend LMC Chapters 3.02 • Adopt new Business License Fee Resolution. • Coordinate the Business License fee changes with the WA Department of Revenue (DOR) *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: • Perform outreach to businesses that would potentially be impacted • Amend LMC Chapters 3.02 • Coordinate changes with the DOR • Update public guidance and tax forms on the City's website • Provide timely advanced notice to businesses • 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. • Shoreline: 0.001 • Olympia: 0.001 • Burien: 0.001 • Issaquah: 0.0012 • Des Moines: 0.002 • 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	Whole sale	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 receipts 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.

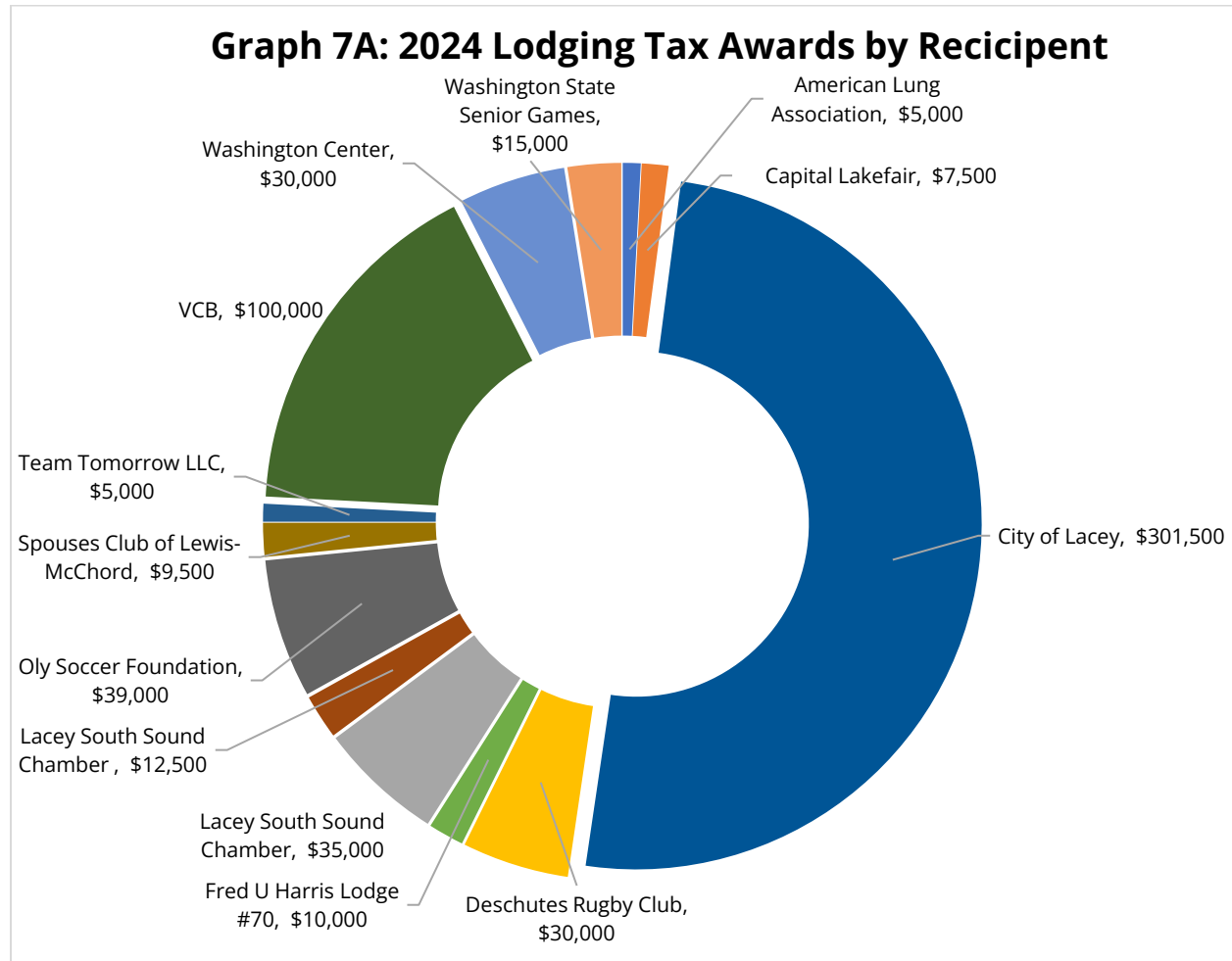
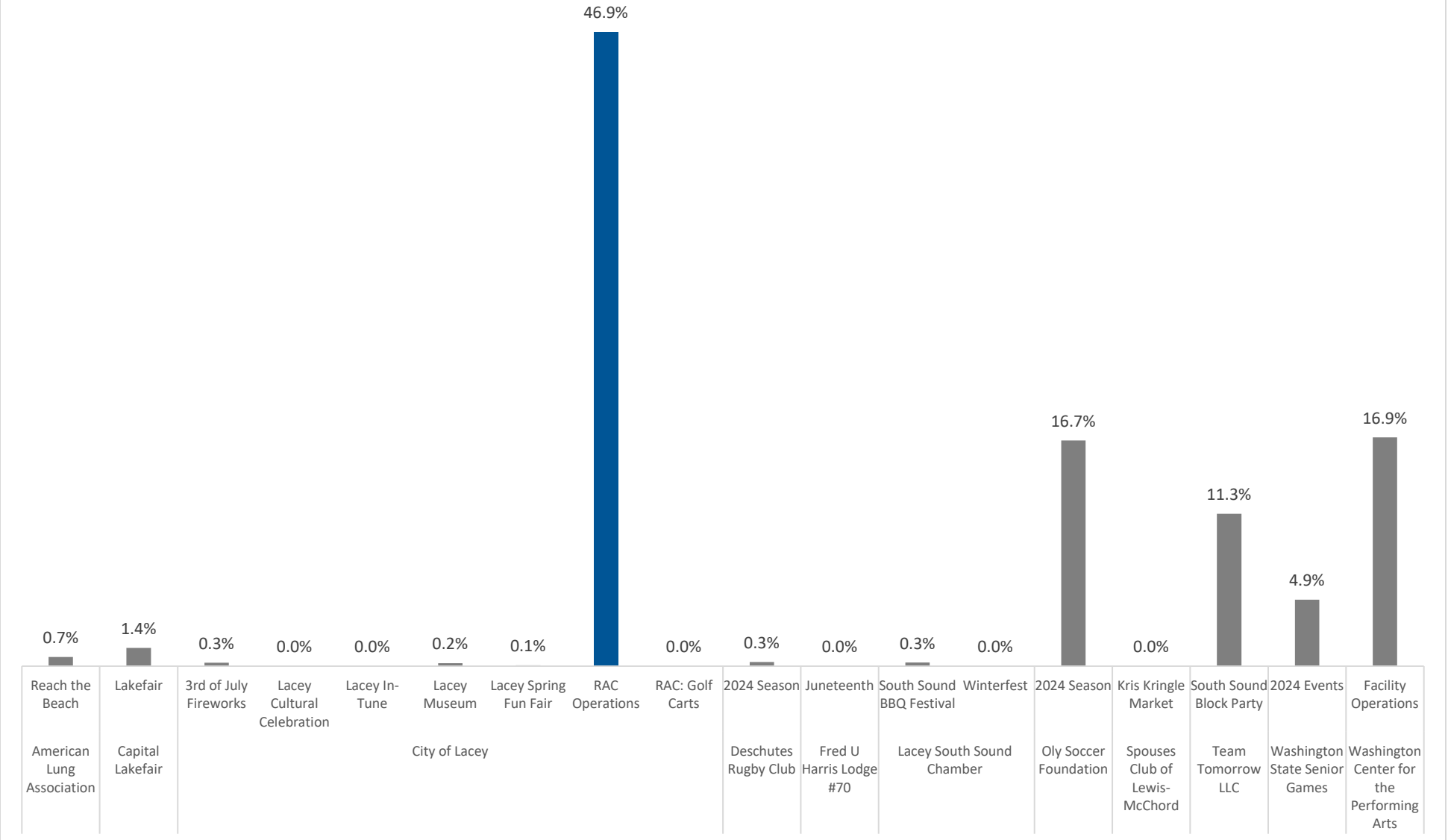


Table 7B							
2024 Lodging Tax Award Recipients, Activity Type, Frequency, Award Amount, and Reported Data							
Recipient	Activities	Tourism Activity Type	Activity Frequency	Amount Awarded	Reported Overall Attendance	Reported Visitors Out of State	Reported Paid Overnight Stays
VCB	Experience Oly & 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. 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. 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. 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 Council Policy Recommendation: • Create clear direction or policies for allocating lodging tax funds • Review with LTAC • Consider LTAC recommendations • 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: • Create clear direction or policies for allocating lodging tax funds • Review with LTAC

	• Consider LTAC recommendations • Determine if any changes to LTAC funding recommendations or policies are necessary for the current cycle 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. In 2024, peer jurisdictions used the following allocations for large facility expenditures: • Olympia: around 50% to the Washington Center for the Performing Arts • Bellevue: 100% to the Meydenbauer Center • Kennewick: 72.5% to the Toyota Center & Arena • 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) • Tacoma: 100% to the Tacoma Convention Center 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. 50% of the tax is paid by lodging customers and taken as a credit against the state sales tax rate 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. 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		
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			
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 *** 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

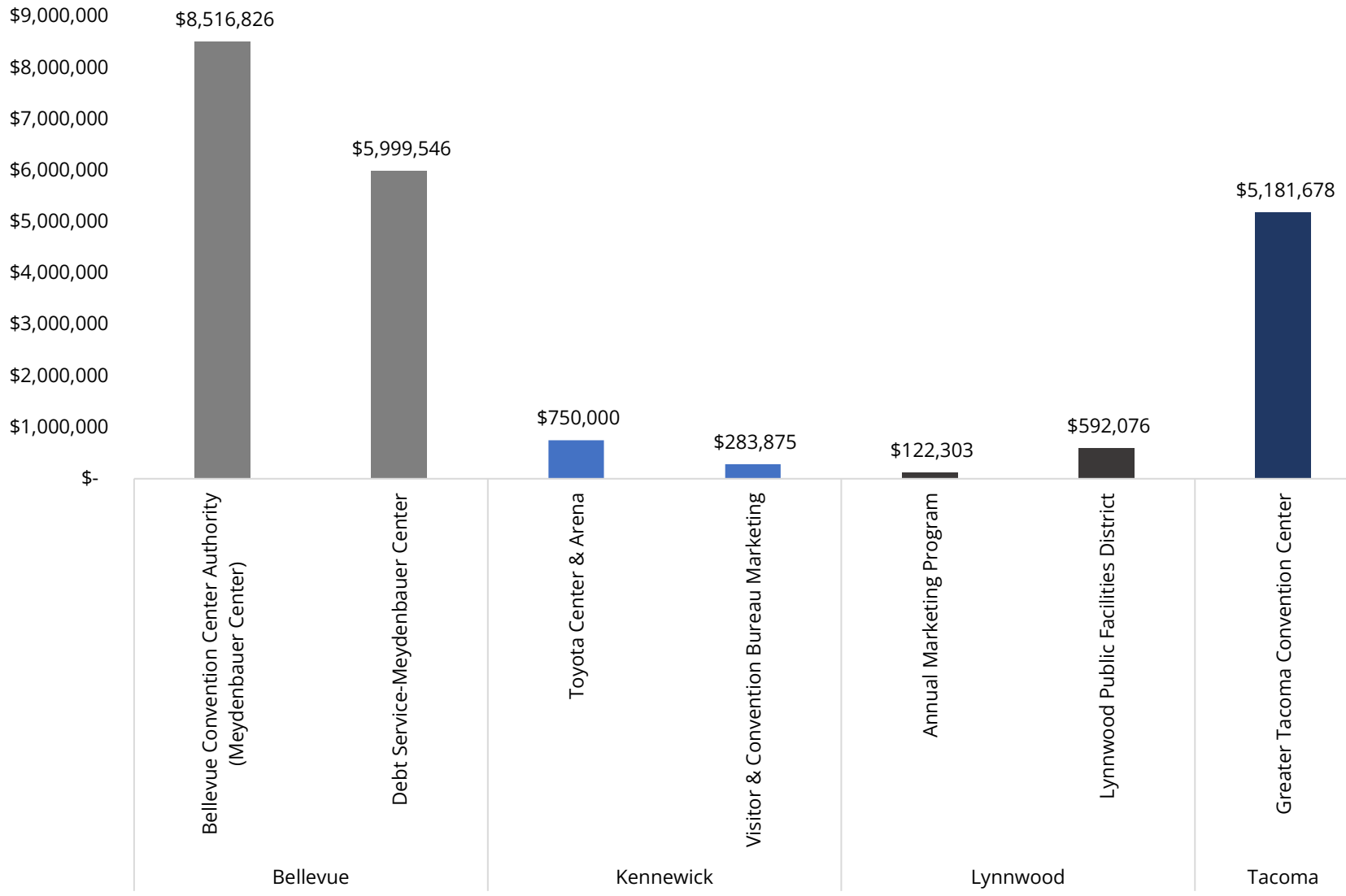


Table 7H provides a list of the City's 2024 lodging tax recipients, including: activity type, activity frequency, award amount, reported attendance, and reported paid overnight stays.

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) 35.23.440 (8) 35A.82.020 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. Revenues are restricted to capital purposes. 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. The maximum rate of tax any city may impose under this section is: • .1% (.001) for each annexed area in which the population is greater than 2,000 and less than 10,000; and • 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

Updated Revenue Tool - 9.09.2025						
#	Revenue Concept	Potential Rate	Current Rate	Current Revenue	Estimated Revenue	Estimated Additional Revenue
1	Technology Fees	0.0%	0.0%	\$ -	\$ -	\$ -
2	Body Worn Camera	\$0.90	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
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

*Gradual Increase to 10.5%

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

ATTACHMENT 2

Draft Utility Business Tax Municipal Code Updates Imposing a Utility Business Tax on Cable Services

Chapter 3.01

~~PUBLIC~~ UTILITY BUSINESS TAX

3.01.010 Power of city.

The provisions of this chapter shall be deemed an exercise of the power of the city of Lacey to license for revenue.

3.01.020 Definitions.

In construing the provisions of this chapter, except when otherwise declared or clearly apparent from the context, the following definitions shall be applied:

A. “Cable service” means the one-way transmission to Subscribers of video programming or other programming service, and Subscriber interaction, if any, which is required for the selection or use of such video programming or other programming service.~~tab2~~

B. “Cellular telephone service” is a two-way voice and data telephone/telecommunications system based in whole or substantially in part on wireless radio communications and which is not subject to regulation by the Washington Utilities and Transportation Commission (WUTC). This includes cellular mobile service. The definition of cellular mobile service includes other wireless radio communications services such as specialized mobile radio (SMR), personal communications services (PCS), and any other evolving wireless radio communications technology which accomplishes a purpose similar to cellular mobile service.

“Competitive telephone service” means the providing by any person of telephone equipment or apparatus or service related to that equipment or apparatus such as repair or maintenance service, if the equipment or apparatus is of a type which may be provided by persons that are not subject to regulation as telephone companies under RCW Title 80 and for which a separate charge is made. Transmission of communication through cellular telephones is classified as “telephone business” under subsection I. of this section rather than “competitive telephone service”.

CB. “Garbage collection and disposal business” means the business of operating a system for the collection and/or disposal of garbage or refuse.

DE. “Gas distribution business” means the business of operating a plant or system for the

production or distribution for hire or sale of gas, whether manufactured or natural.

~~E~~D. “Gross income” means the value proceeding or accruing from the performance of the particular ~~public~~ utility service involved within the city, including operations incidental thereto, but without any deduction on account of the cost of the commodity furnished or sold, the cost of materials used, labor costs, interest, discount, delivery costs, taxes, or any other expense whatsoever, paid or accrued and without any deduction on account of losses; provided, that gross income of a light and power business means those amounts or value accruing to a taxpayer from the last distribution of electrical energy which is a taxable event within this state and, provided further, that gross income of a cellular telephone service shall mean gross subscriber revenues.

~~F~~E. “Light and power business” means the business of operating a plant or system for the generation, production or distribution of electrical energy for hire or sale.

~~G~~F. “Person” or “company”, herein used interchangeably, means any individual, firm, partnership, corporation, trust, association, governmental unit, or municipal corporation.

~~H~~G. “~~Public-u~~Utility business” means any garbage collection and disposal business, gas distribution business, light and power business, sewerage business, cable service business, telephone business or water distribution business as defined in this section operated by any person, private or public.

~~I~~H. “Sewerage business” means the collection, transportation and/or treatment of sanitary sewage. “Storm and surface water business” means the furnishing of services in the management and control of stormwater and the construction or furnishing of stormwater facilities.

~~J~~I. “Telephone business” means the business of providing access to a local telephone network, local telephone network switching service, toll service, cellular telephone service, coin telephone services, telephonic, video, data, or similar communication or transmission for hire, via a local telephone network, toll line or channel, cable, microwave, or similar communication or transmission system. It includes cooperative or farmer line telephone companies or associations operating an exchange. Telephone business does not include the providing of competitive telephone service, the providing of cable ~~television~~ service nor the providing of broadcast services by radio or television stations.

~~K~~J. “Value proceeding or accruing” means the consideration, whether money, credits, rights, or other property expressed in terms of money, actually received or accrued. The term shall be applied in each case, on a cash receipts or accrual basis according to which method of accounting is regularly employed in keeping the books of the taxpayer.

LK. “Water distribution business” means the business of operating a plant or system for the distribution of water for hire or sale.

3.01.030 Levied.

There is levied and there shall be collected from every person a tax for the act or privilege of engaging within the city of Lacey in any one or more of the ~~public~~ utility businesses defined in LMC 3.01.020. The tax shall be equal to the gross income of the business multiplied by the rates set out in LMC 3.01.040.

3.01.040 Rate.

The rate of tax levied pursuant to LMC 3.01.030 on all ~~public~~-utility businesses shall be six percent.

3.01.050 Monthly payment of tax.

The taxes imposed hereunder shall be due and payable to the city in monthly installments and remittance therefore shall be made on or before the fifteenth day of the month next succeeding the end of the monthly period in which the tax accrued. The ~~public~~ utility business shall, on or before the fifteenth day of such month, make out a return upon such forms and setting forth such information as the city may require, showing the amount of the tax for which it is liable for the preceding monthly period, sign, and transmit the same to the city, together with a remittance for such amount; provided, that any ~~public~~-utility business may elect to remit each month on such forms as the city shall, in its discretion, prescribe, an estimate of the tax to be due for each month on or before the fifteenth day of the month next succeeding the end of the monthly period in which the tax accrued and a quarterly return to the city on or before the fifteenth day of the month next succeeding the end of each quarter of every year and shall remit therewith the balance of the actual tax due for the period of the report; provided further, that every ~~public~~ utility business which shall elect to remit a monthly estimate shall remit each month at least one-third of the tax paid during the previous quarter or, at least, ninety percent of the tax actually collected or owing during the month.

3.01.060 Income excepted from tax.

There shall be excepted and deducted from the total gross income upon which the tax levied herein is computed so much thereof as is derived from transactions in interstate or foreign commerce, any payment collected by a ~~public~~-utility business which directly represents a tax levied by the United States, the state of Washington, or the city of Lacey pursuant to this chapter, and amounts derived from business which the city is prohibited from taxing under the constitution of this state or the Constitution or laws of the United States.

3.01.065 Accrual basis cellular telephone service companies.

A deduction from gross income shall be allowed to those cellular telephone service companies which keep their regular books of account on an accrual basis, for credit losses, actually

sustained by such a taxpayer as a result of its cellular telephone service business. Twenty percent of such credit losses shall be allowed as a deduction during the calendar year 1995; forty percent of such credit losses shall be allowed as a deduction during calendar year 1996; sixty percent of such credit losses shall be allowed as a deduction during calendar year 1997; eighty percent of such credit losses shall be allowed as a deduction during calendar year 1998 and all such credit losses shall be allowed as a deduction for calendar years 1999 and thereafter.

3.01.070 Records.

It shall be the duty of every person engaging in a ~~public~~ utility business as defined in this chapter to keep and preserve books or records which accurately reflect the amount of gross income received from business done in the city of Lacey and copies of reports furnished to the State Department of Revenue as part of the accounting required for state utility tax reporting and said books and records shall be open to the inspection of the city for the purpose of verifying the returns filed by such person and the sums paid pursuant to this chapter. Said records shall not, by virtue of the requirements of this action, be deemed public records for purpose of disclosure other than to the duly authorized agents of the city for the purposes set forth herein.

3.01.075 Allocation of income - cellular telephone service.

A. The tax levied herein shall apply to subscriber revenues from customers whose principal service address is within the city of Lacey, Washington, for that telephone service from telephones without a fixed location.

B. It shall be presumed that the service address a customer supplies to the taxpayer is current and accurate, unless the taxpayer has actual knowledge to the contrary.

C. When the service is provided while a subscriber is outside the subscribers normal cellular network area, the gross income shall be assigned consistent with the taxpayer's accounting system to the location of the originating cell site of call, or to the location of the main cellular switching office that switched the call.

D. The city shall negotiate with other cities any disputes involving which city's utility tax applies to cellular telephone services and if such disputes cannot be resolved by negotiation, the city will submit the issue causing the dispute to the Association of Washington Cities for resolution. If a cellular telephone service company has paid the disputed tax revenue to another contesting city, such company will have no further liability with respect to additional taxes, penalties or interest on the disputed tax revenue so long as such company promptly changes its billing records for future revenues to be consistent with the settlement decision rendered or facilitated by the Association of Washington Cities.

3.01.080 Failure to pay tax.

A. If payment of any fee or tax due under this chapter is not received by the city on or before the day it becomes due under this chapter, there shall be added a penalty in interest as follows:

1. One to forty days' delinquency, ten percent with a minimum penalty of \$5.00;

2. Forty-one to seventy days delinquency, fifteen percent with a minimum penalty of \$10.00;

3. Seventy or more days delinquency, twenty percent with a minimum penalty of \$15.00.

B. Any tax due and unpaid, and all penalties thereon, shall constitute a debt to the city and may be collected by court proceedings, which remedy shall be in addition to all other remedies.

3.01.090 Overpayment--Credit.

Any money paid to the city through error or otherwise and not in payment of the tax imposed by this chapter or in excess of such tax shall, upon request of the ~~public~~-utility business, be credited against any tax due or to become due hereunder, or upon said business ceasing to do business in the city, be refunded.

3.01.100 Violation--Penalty.

Any person, firm or corporation subject to this chapter who shall fail or refuse to make the tax return or to pay the tax when due, or who shall make any false statement or representation in or in connection with such tax return, or shall otherwise violate or refuse or fail to comply with this chapter, shall be guilty of a misdemeanor.

3.01.110 Use of funds.

The city shall use the utility tax derived from a tax rate of one percent for the purposes of operations and maintenance of developed parks and acquisition and development of parks and open spaces.