



Human Services Commission Agenda

Refer to the bottom of the agenda for meeting information.

Thursday, June 4, 2026

5:30 PM

Council Chambers and Online

1. Call to Order

2. Roll Call

3. Land Acknowledgement

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

4. Approval of Agenda, Previous Meeting Minutes, and Consent Items

- A. Approval of Agenda
- B. Approval of May 7, 2026, meeting minutes

5. Public Comment

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

6. Business Items

A. Public Hearing: Community Development Block Grant 2026 Annual Action Plan

Hearing 1 of 2

Michelle Chavez, Human Services Coordinator

B. Director's Report

Michelle Chavez, Human Services Coordinator

7. Adjourn

Attendance and Public Comment

Attend Remotely or in Person

There are several ways to attend the Human Services Commission Meeting:

In Person: Council Chambers at Lacey City Hall
420 College Street SE, Lacey, WA 98503

Zoom: https://us02web.zoom.us/webinar/register/WN_EG8PPsOGT--1RAkrdxo0tA

City Website: <https://cityoflacey.org/government/public-meetings/>

YouTube: <https://www.youtube.com/watch?v=lxZXFzrFss8>

Phone: (888) 788-0099 or (877) 853-5247 (Webinar ID 856 2601 2225)

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

The opportunity for verbal public comment is available in person or by Zoom:

In Person: Use the sign-up sheet located in the meeting room.

Zoom: Preregister using the following Zoom link no later than two hours prior to the meeting:
https://us02web.zoom.us/webinar/register/WN_EG8PPsOGT--1RAkrdxo0tA

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

Written Public Comment

Please email written public comments to HumanServices@cityoflacey.org. The commenting period will close two hours before the meeting time. Members will receive all written public comments provided by this deadline. Comments may not be addressed during the meeting. All comments are part of the official record.



Human Services Commission Minutes

Thursday, May 7, 2026

Council Chambers and Online

1. Call to Order

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

2. Roll Call

COMMISSIONERS PRESENT: Angelina Goldwell, Vice Chair; Commissioners Tiffany Walker (remote), Lester Dickson, and John Grausam

COMMISSIONERS EXCUSED: Chair Brandon Stephens, Commissioner Nancy Dihle, and Youth Council Representative Jennifer Zheng

COMMISSIONERS ABSENT: Commissioner Dalia Martinez

STAFF PRESENT: Shannon Kelley-Fong, Assistant City Manager; Michelle Chavez, Human Services Coordinator; and Paul J. White, Deputy City Clerk

3. Land Acknowledgement

Vice Chair Goldwell presented the abbreviated Land Acknowledgement.

4. Approval of Agenda, Previous Meeting Minutes, and Consent Items

- A. Approval of Agenda
- B. Approval of March 5, 2026, meeting minutes

Vice Chair Goldwell moved to approve the agenda, previous meeting minutes, and consent items. Commissioner Dickson seconded. The motion carried.

5. Public Comment

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

6. Business Items

- A. **Welcome Commissioner John Grausam**

Commissioners introduced themselves and welcomed new Human Services Commissioner John Grausam, who offered brief remarks.

B. Human Services Draft Strategic Plan

Michelle Chavez, Human Services Coordinator

Chavez presented the Strategic Plan update, including an overview of Lacey's human services needs assessment. Findings from the needs assessment contributed to setting preliminary human services priorities in Lacey. Preliminary priorities proposed for 2027-2031 include affordable housing, homelessness prevention, behavioral health services, services for youth, seniors, and veterans, and accessibility. Six goals with related strategies were discussed.

C. Human Services Grant Program Update

Michelle Chavez, Human Services Coordinator

Chavez provided an update on the Human Services Grant Program. The preferred recommendation for policy and rubric changes (Option 3) was summarized. Option 3 would include no percentage cap on use of awarded funds for administrative needs, a maximum award of \$30,000 for service projects and \$50,000 for capital projects, and no minimum funding request. In the scoring rubric, points would be added for number of Lacey residents served and for priority areas of focus. Commissioners discussed considerations for transparency of administrative costs in the application and contract award process. Next steps were summarized. It is expected that applicant presentations will be spread over more than one meeting in July.

Commissioner Dickson moved to recommend that the City Council approve Option 3: no admin cap, maximum award \$30,000 for service projects and \$50,000 for capital projects, no minimum ask, add points for number of Lacey residents served, and add points for priority areas. Vice Chair Goldwell seconded. The motion carried.

7. Adjourn

Vice Chair Goldwell adjourned the meeting at 6:38 p.m.



STAFF REPORT

Human Services Commission
June 4, 2026

Subject: Draft CDBG 2026 Annual Action Plan and Public Hearing #1

To: Human Services Commission

Prepared by: Michelle Chavez, Human Services Coordinator

Department Director: Shannon Kelley-Fong, Assistant City Manager

Reviewed By:

Final Review: Same as Department Director

mjc
SKF

Purpose: Briefing

Recommendation: Review only.

Brief: The City is required to submit a CDBG Annual Action Plan (AAP) to the US Department of Housing and Urban Development (HUD) as part of its three-year (2025-2027) CDBG Consolidated Plan. The 2026 AAP is a planning framework that describes expected resources, annual goals and objectives, projects, geographic distribution, other actions and program specific requirements.

Two public hearings are required for the AAP and a 30-day public review and comment period is also required.

Alternatives:

1. N/A

Prior Review:

Human Services Commission - January 8, 2026 [LINK](#)

City Council March 10, 2026 [LINK](#)

Advisory Board Recommendation(s):

N/A

Fiscal Impact:

Budgeted Item: Yes

Amount: \$337,498

Project Code: N/A

Funding Source: 120-0000-333-14-20

Attachments:

1. DRAFT 2026 CDBG AAP

Policy or Legal Alignment:

1. [2025-2027 CDBG Consolidated Plan](#)

Background: The Community Development Block Grant (CDBG) Program provides annual grants on a formula basis to states, cities, and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

CDBG funded programs or projects must fall under one of the three national objectives:

1. Benefit low- and moderate-income persons
2. Prevention or elimination of slums or blight
3. Address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

General information on the City of Lacey's (City) Community Development Block Grant Program (CDBG) can be accessed on the [CDBG webpage](#).

The City Council approved the 2025-2027 CDBG Consolidated Plan and 2025 Annual Action Plan, which recommended allocating CDBG funds for City capital projects in the first few years, e.g., ADA improvements, sidewalks, etc. This approach complements existing Human Service Grant Program (HSGP) funds, which predominantly focus on services. This use also aligns with administrative resource limitations and is the most flexible if federal requirements change.

2026 Annual Action Plan

The City recommends dedicating Program Year 2026 (PY26) CDBG for the same purposes as identified in PY25 CDBG, with 90% of the CDBG dollars proposed to be spent on capital improvements in Lacey that benefit a majority (51%) of community members who are low to moderate-income; the remaining 10% would be used for administrative costs (the maximum administrative costs allowed under CDBG is 20%), see **Attachment 1**.

Table A displays the updated HUD CDBG Income limits for Lacey, which became effective June 1, 2026.



Table A			
Effective June 1, 2026			
Income Limits Summary			
HUD Definitions - FY 2025			
Household Size	Extremely Low Income (30%)	Very Low Income (50%)	Low (80%)
1 (Person)	\$ 25,800	\$ 43,000	\$ 68,800
2 (Person)	\$ 29,500	\$ 49,150	\$ 78,600
3 (Person)	\$ 33,200	\$ 55,300	\$ 88,450
4 (Person)	\$ 36,850	\$ 61,400	\$ 98,250
5 (Person)	\$ 39,800	\$ 66,350	\$ 106,150
6 (Person)	\$ 42,750	\$ 71,250	\$ 114,000
7 (Person)	\$ 45,700	\$ 76,150	\$ 121,850
8 (Person)	\$ 48,650	\$ 81,050	\$ 129,700

Total estimated 2026 Lacey CDBG allocation: \$337,498.

- Proposed 2026 Capital Project Dollars (Public Facilities and Infrastructure): \$303,749
- Proposed 2026 Administration and Planning dollars: \$33,749

Like the 2025-2027 Consolidated Plan and 2025 AAP, City staff recommend that the 2026 AAP include the same list of potential capital projects for potential CDBG use, see **Table B**.



Table B**Sample Potential CDBG Eligible City Capital Projects**

#	Project	Eligibility	Timeline	Brief	Est. Cost
1.	Huntamer Park Improvements	Qualified Census Track	Near-term 2026 - 2028	Updates to park, including sidewalks	\$1.8M
2.	ADA sidewalk updates	Qualified Census Track	Near-term 2026+	Update sidewalks throughout areas	Scalable
3.	Senior Center Expansion	Potential LMI Qualifier	Near-term 2027+	Expand approx. 3,000 sq. ft. to meet the needs of the growing senior community	\$4.3M
4.	Brooks Park Enhancements	Qualified Census Track	Near-term 2027+	Add new amenities, e.g., playground	\$615K
5.	Other public infrastructure improvements (lighting, septic, etc.)	Qualified Census Track	Near-term 2026 - 2028	Varies	Scalable
6.	Rainier Vista Park Improvements	Qualified Census Track	Long-term 2028+	Add new amenities, e.g., playgrounds, courts, etc.	\$1M
7.	Lacey Museum & Cultural Center	Qualified Census Track	Long-term 2028+	Construct a new museum and cultural center	\$14+M
8.	College St. Sidewalk and Pedestrian Crossing Improvements	Qualified Census Track	Long-term 2028+	Improve crossing infrastructure	\$1M+

To date, the City has not allocated CDGB funding to any specific project, however, Project #1 below, Huntamer Park Improvements, is close to commencing with funding from CDBG, potential other federal sources, and potential local sources, including state and City funding.

Project #1 – Huntamer Park Improvements

For decades, the City has actively engaged in planning and public projects to transform the Midtown District into a vibrant, community-centered urban core. The “heart” of this area, Huntamer Park, a 1.5-acre civic space, desperately needs updates to meet the growing community's needs. The last significant improvements at Huntamer Park occurred in 2005. Since then, the surrounding Midtown District has grown significantly with new mixed-use and residential (re)developments. This project would strengthen civic engagement, improve equity by increasing park access and amenities in Community Development Block Grant-qualified census tracts, increase environmental resiliency, improve public health and wellness, and expand economic growth and development. The overall project includes adding plaza spaces, a water feature, new landscaping, pathways, pedestrian lighting, and recreational enhancements and furniture designed for daily use while maintaining civic

spaces for important community-wide events. The total project cost is estimated at approximately \$1.6 million, with the CDBG portion used to improve sidewalks and accessibility. City staff recommends allocating \$303,749 of PY26 CDBG dollars to this project.

Contingency Project: Accessibility Improvements to the Virgil S. Clarkson Senior Center parking lot

City staff recommends a contingency project for PY26 CDBG dollars to expand the existing parking lot at the Virgil S. Clarkson Senior Center (Senior Center) and improve ADA accessibility. The expansion is necessary to accommodate increased use and attendance at the Senior Center, improve accessibility for older adults, and enhance overall safety during peak hours and special events. The existing lot is often at capacity during regular programming, forcing older adults to park a considerable distance away or to forgo attendance. The expanded parking lot will include approximately 50 additional spaces and improve ADA-accessible parking. The preliminary estimated cost of the project is \$1,000,000 to 2,000,000.

This includes environmental review, engineering, demolition, construction, and contingencies. The City has used CDBG funds through the Washington State competitive CDBG Program for both the construction of the Senior Center in 2000 and the Senior Center Expansion Project in 2011.

Administration

City staff also recommends allocating 10% of PY26 CDBG funds to project administration (\$33,749) which is half of the total amount eligible for this purpose (20% maximum). This reduces impact to the City's general fund and partially supports staff CDBG resources, including planning for future CDBG allocations, new 5-year Con Plans, AAPs, and CAPERS; creating program guides and monitoring handbooks; potential future sub-recipient monitoring; submitting financial reports; completing environmental reviews for programs and projects; and continuing program improvements and reporting on outcomes.

Program Year Reports

CDBG Program Year 26 (PY26) funds must be reported on via the Consolidated Annual Performance and Evaluation Report (CAPER) within 90 days of the PY26 end date. The U.S. Treasury Department recaptures CDBG funds if they are not spent within 6 years.

The 2026 Program Year (PY26) runs from September 1, 2026, to August 31, 2027.

Table C provides a draft 2026 CDBG Program Timeline.



Table C
2026 CDBG Program Timeline
Dates Subject to Change

Dates	Activity	Who	Notes
January 8, 2026	CDBG Update to Human Services Commission (HSC)	City of Lacey	Update and get recommendations on 2025 capital projects
March 10, 2026	CDBG Update to City Council	City of Lacey	Update and get recommendations/direction on 2025 capital projects
May 27, 2026	Public Notice of Public Hearing #1 and 30- day public review and comment period for 2026 Annual Action Plan (AAP) June 2 to July 1	City of Lacey	Olympian, City website – Public Comment Period 30 days
June 4, 2026	HSC Holds First Public Hearing	City of Lacey	Review draft 2026 Annual Action Plan (AAP) and Timeline for Submittal
June 24, 2026	Public Notice of Public Hearing #2 for 2026 Annual Action Plan (AAP)	City of Lacey	Olympian, City website
July 2, 2026	HSC Holds Second Public Hearing	City of Lacey	Review draft 2026 Annual Action Plan and Timeline for Submittal
July 14, 2026	City Council Reviews Draft AAP	City of Lacey	Reviews public comment, Human Services Commission recommendation
July 21, 2026	City Council takes final action	City of Lacey	Reviews public comment and HSC recommendation, and approves version for submittal to HUD.
Late July	Staff Submits Final Draft of AAP to HUD	City of Lacey	Online
August 2026	HUD Review and Comment Period	HUD	45 days maximum
September 1, 2026 to August 31, 2027	Year two of Lacey CDBG Entitlement Program	City of Lacey / HUD	
September 3, 2026	HSC Reviews Draft 2025 CAPER	City of Lacey	15-day public comment period
November 2026	Submit 2025 Consolidated Annual Performance Evaluation Report (CAPER) to HUD	City of Lacey	Report on activity



Executive Summary

AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

In 2024, the City of Lacey (City) took the necessary steps to begin the process of becoming a Community Development Block Grant (CDBG) entitlement community and to receive CDBG funding directly from the U.S. Department of Housing and Urban Development (HUD). Previously, the City received a CDBG allocation through a consortium with Thurston County. A requirement to receive these funds is to prepare a Annual Action Plan covering a three-year period, 2026-2027. The Annual Action Plan aims to identify how funds will be targeted to develop viable urban communities by providing decent housing, suitable living environments, and expanding economic opportunities, principally for low- and moderate-income persons.

The City remains in a HOME Investment Partnership (HOME) Consortium with Thurston County and Olympia to receive and manage HOME funding.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The City is providing this action plan to include priority needs identified in the Thurston County 2023-2027 Consolidated Plan. They are as follows:

- Community and Economic Development, including: Improvements to public facilities and infrastructure which support housing for low- or moderate-income households, improvements to public facilities and infrastructure to support low- or moderate-income neighborhoods, improvements to low-income neighborhoods to reduce the concentration of poverty.
- Services, including: Supportive services for unhoused community members or those experiencing a mental health crisis, services to support older adults, children, and families, including food insecurity and child care, services to improve economic opportunities for low- or moderate-income persons.
- Affordable Housing including: Increase the affordable housing supply and preserve or improve existing affordable housing. The following goals address the priority needs:

- 1) Provide Public Facilities and Infrastructure Improvements to support low-or-moderate income households and neighborhoods and reduce the concentration of poverty.
- 2) Provide Services and Assistance to Improve Housing and Economic Outcomes
- 3) Increase affordable housing supply in Lacey and preserve existing affordable housing that will provide permanent housing for formerly unhoused community members, LMI renters and improve quality of affordable housing stock including LMI home-owners.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City previously received direct CDBG dollars through the competitive State of Washington CDBG program in 2000 and 2011. This funding was successfully used for the construction and expansion of the Lacey Senior Center. That project was completed with no corrective action taken.

More recently, the City received CDBG funding through a Consortium with Thurston County since 2014. The attached CDBG Project List (Table 1) include all of Lacey’s CDBG-funded programs and projects as part of the Consortium from 2014 through 2023.

In 2024, Thurston County and the City were monitored by HUD for the 2020 Veterans Hub Expansion project. Thurston County received a finding from this HUD monitoring. As a result, they were required to update and extend the CDBG contract with the City and also perform additional monitoring of the Lacey Veterans Services Hub (LVSH) to ensure compliance with CDBG requirements. This served as corrective actions to the finding.

From January through March 2025, Thurston County monitored the City and the LVSH. After reviewing income verification documents provided by the City, it was determined that there were no findings or concerns regarding compliance with CDBG income documentation requirements for the LVSH.

Each quarter in 2025 the City provided client income verification data to Thurston County to ensure that the City remained in compliance with CDBG regulations. The LVSH remains well above the 51% low to moderate income beneficiary ratio. 77% of LVSH clients were LMI in 2025. The City will continue collecting CDBG client income data for the duration of the CDBG contract with Thurston County which ends 8/31/2030.

In 2025 the City approved its first Annual Action Plan and 3-year Consolidated Plan. The dollars for the initial few years of CDBG entitlement funds will be used 10% for administration and planning and 90% for capital improvements to infrastructure and facilities that support low-to-moderate income community members in Lacey.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

Public and stakeholder engagement took place prior to and throughout the preparation of this Annual Action Plan. The following are highlights of the outreach efforts:

- One-on-one interviews with City and nonprofit leaders
- Lacey Human Services Commission –June 4, 2026 (Public Hearing 1), July 2, 2026 (Public Hearing 2)
- Lacey City Council – _____ and _____
- Focus group discussions with constituent groups
- Online community survey
- Interviews with partner jurisdictions
- Interviews with various governing boards
- The City's 30-day public comment period was held from June 2, 2026 to July 1, 2026.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

The City received public comments from the Human Services Commission on _____, 2026 which are included in the attached minutes. The City also received comments from the City Council on _____ 2026 and _____ 2026. Comments from those meetings are also attached.

The City received _____ comments from the community and that is also attached.

6. Summary of comments or views not accepted and the reasons for not accepting them

- TBD

7. Summary

The Annual Action Plan was developed to be consistent with and support the HUD goals identified in Title 1 of the Housing and Community Development Act of 1974, as amended. All program activities and strategies discussed in the Annual Action Plan are designed to further these goals and address the most critical affordable housing, homeless, and community development needs in Lacey. Recipients of CDBG, HOME, and other federal funding must adopt one or more federal performance objectives and outcome categories. To meet one of the national objectives for CDBG funding, an activity must:

- Low/Moderate Income: Benefit low- or moderate-income persons;

- Slum/Blight: Prevent or elimination of slums or blight; or
- Urgent Need: Meet a particularly urgent community development need.

Outcome categories improve:

- Availability or accessibility of housing units or services;
- Affordability not just for housing but also of other services; and
- Sustainability by promoting viable communities.

The CDBG program provides funding to state and local governments for projects and activities that principally benefit low- to moderate-income people. This HUD program helps local governments develop viable urban communities by providing adequate supplies of affordable housing, a healthy living environment, and economic opportunities.

Communities can use CDBG funds for a wide range of activities such as rehabilitating single-family homes and apartment buildings, improving community centers and public facilities, constructing water and sewer lines, supporting economic development, and providing vital social services. The fundamental philosophy of CDBG is the belief that local elected officials are best positioned to identify and prioritize local needs and to effectively allocate funding to address those needs.

HOME provides formula grants to build, buy, and/or rehabilitate affordable rental or owner-occupied housing, or provide direct rental assistance to low-income people. Communities can use HOME funds for new construction, rental assistance, and homeowner assistance.

The City created the Annual Action Plan for the City's CDBG program. HOME programs will be planned in collaboration with the Thurston County HOME Consortium.

The required elements of the Action Plan include:

1. Expected Resources;
2. Annual Goals and Objectives;
3. Projects
4. Geographic Distribution
5. Other Actions
6. Program Specific Requirements

The 2026 program year will begin on September 1, 2026.

PR-05 Lead & Responsible Agencies - 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	LACEY	City Manager

Table 1 – Responsible Agencies

Narrative

The City of Lacey is the lead entity responsible for overseeing the development and administration of the Annual Action Plan. This task is delegated to the staff in the City Manager’s Office. The City Manager oversees the effective and efficient delivery of all city services, including public safety, emergency preparedness, street maintenance and construction, traffic management, public works construction, planning, building inspection, code enforcement, parks and recreation, economic development, policy development, public information and neighborhood communications, water, wastewater, reclaimed water, and stormwater services, special events, and intergovernmental relations.

The City Manager and City staff work closely with the Lacey City Council to develop policy initiatives and ensure the implementation of the Lacey City Council’s goals and priorities. The City Manager prepares and presents the annual city budget to the Lacey City Council and is responsible for the proper expenditure and monitoring of all City funds.

The City is eligible to receive CDBG Entitlement Funds directly from HUD. HOME funding is included automatically for the Thurston Urban County region. The City has entered into an interlocal agreement with the City of Olympia and Thurston County as a HOME Consortium, to allow HOME funds to be used countywide in all jurisdictions. Thurston County is considered the Participating Jurisdiction under HOME program rules.

Consolidated Plan Public Contact Information

For questions about the CDBG program please contact:

Michelle Chavez, Human Services Coordinator
City of Lacey
360-486-8746
michelle.chavez@cityoflacey.org

AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

The consultation process for creating the Annual Action Plan included: 1) An online survey to assess community needs; 2) stakeholder review and comments on preliminary needs assessment and market analysis; 3) consultation with other jurisdictions, housing providers and nonprofit organizations; 4) public hearings on the needs assessment, market analysis, and development of proposed activities; 5) consultation with the Thurston County Housing Authority; 6) 11 focus groups with various stakeholders and 7). review and comments on the draft Annual Action Plan.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

To enhance coordination between public and assisted housing providers and mental health and service agencies, interviews were conducted with:

- Thurston County Public Health and Social Services
- Housing Authority of Thurston County
- HUD / VASH

The interviews were conducted to gain perspectives about how we can enhance coordination between the City and these agencies.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City connected with the WA Department of Commerce, which oversees the Statewide Continuum of Care (COC), to determine how to stay up-to-date on their activities and initiatives. The City has been attending these meetings as needed and sharing program materials, program updates, etc.

The City operates a local grant program that offers \$300,000 in direct allocations to local non-profit agencies that serve vulnerable community members, including chronically unhoused individuals and families, families with children, veterans, and unaccompanied youth, and persons at risk of becoming unhoused.

The City funds and manages the Lacey Veterans Services Hub (LVSH) which provides direct services to vulnerable community members, including unhoused residents, veterans and families with children. Every Thursday, LVSH provides coordinated entry for unhoused veterans. There are also four HUD/VASH

caseworkers located at the LVSH who help with housing vouchers and case management for unhoused veterans Monday through Friday, 8 a.m. to 4 p.m.

The Thurston County Veterans Assistance fund also operates out of the LVSH Monday through Friday, 8am – 4pm to provide emergency assistance to veterans at risk of becoming unhoused.

The LVSH also serves as a satellite location for the Thurston County Food Bank Monday through Friday, 8am to 4pm, by providing access to food, socks, personal hygiene kits, and basic items to persons and families in need.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction’s area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City does not currently receive ESG funds. The City does not oversee the coordinated entry program or the administration of HMIS. The City does oversee the Lacey Veterans Services Hub (LVSH) which provides direct services to unhoused residents including veterans and families with children. Every Thursday, LVSH facilitates a meeting with Coordinated Entry providers and unhoused veterans and non-veterans. This weekly meeting is called the Veterans Housing Options Group (VHOG).

VHOG Providers:

Veterans Affairs-Community Housing and Outreach Services
VA Employment Specialist
VA Justice Outreach Coordinator
Thurston County Veterans Assistance Funds Program
Supportive Services for Veterans Families
Family Support Center-Coordinated Entry
Thurston County Food Bank
Worksource
MedAdvise (Medicare)
Vocational Rehabilitation Specialists (VRSI-Homeless Veteran Reintegration Program)
Olympic Health and Recovery Services-Forensic Projects for Assistance in Transition from Homelessness
Joint Animal Services
AJAC-Advanced Manufacturing Apprenticeships
Heavy Equipment Colleges of America

2. Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Thurston Regional Planning Council
	Agency/Group/Organization Type	Other government - County Regional organization Planning organization Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Thurston Regional Planning Council (TRPC) was consulted online and via regular meetings to provide data on housing needs, public housing needs, unhoused person's needs, and market analysis to help identify the priority needs and goals for the Consolidated Plan, Annual Action Plan, and Human Services Strategic Plan. This data helps Lacey set priorities for funding.
2	Agency/Group/Organization	Lacey Parks, Culture and Recreation
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Health Services-Education Other government - Local
	What section of the Plan was addressed by Consultation?	Infrastructure needs in LMI neighborhoods

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	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Lacey Parks, Culture and Recreation Department was consulted via email and in person to determine capital project improvements needed in LMI Census Tract Areas in Lacey. Lacey Parks, Culture and Recreation also participated in a focus group on human service needs in Lacey.
3	Agency/Group/Organization	Lacey Community and Economic Development Department
	Agency/Group/Organization Type	Housing Other government - Local Planning organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Lacey Community and Economic Development Department was consulted in person and on-line regarding housing needs, homeless needs, affordable housing strategy, homelessness strategy, market analysis, economic development needs and strategy, and climate hazard mitigation strategy. The agency also leads infrastructure improvements to parks in LMI neighborhoods.
4	Agency/Group/Organization	Lacey Human Services Commission
	Agency/Group/Organization Type	Other government - Local Civic Leaders Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy

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	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The Lacey Human Services Commission was consulted at their regular meeting(s) regarding the CDBG Community Participation Plan, Consolidated Plan and Annual Action Plan. This included human services needs, unhoused needs, needs for unaccompanied youth, anti-poverty strategy and overall participation in strategic planning for human services.</p>
5	<p>Agency/Group/Organization</p> <p>Agency/Group/Organization Type</p> <p>What section of the Plan was addressed by Consultation?</p> <p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Thurston County Public Health and Social Services</p> <p>Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Health Agency Child Welfare Agency Other government - County</p> <p>Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis</p> <p>Thurston County Public Health and Social Services was consulted regarding the Five-Year Consolidated Plan, Homelessness Strategy, Needs of unhoused Veterans, public Housing Needs, and Homeless data sets (PIT Count) and general human services provided. Thurston County also participated in a focus group on human service needs in Lacey.</p>

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6	Agency/Group/Organization	Thurston County Veterans Advisory Board
	Agency/Group/Organization Type	Other government - County Civic Leaders
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homelessness Needs - Veterans Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Thurston County Veterans Advisory Board (VAB) was consulted at their regular meeting and via a Veterans Community Forum to determine the services, housing, and needs of veterans who are unhoused and veterans who are housed.
7	Agency/Group/Organization	Lacey Youth Council
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Lacey Youth Council was consulted at their regular meeting to discuss the needs of youth, including youth who are unhoused.
8	Agency/Group/Organization	Lacey Commission on Equity
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Lacey Commission on Equity was consulted at their regular meeting regarding outreach to communities regarding human service needs, unhoused person needs, needs for unaccompanied youth, anti-poverty strategy, and overall participation in strategic planning for human services which informs annual action plan.

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9	Agency/Group/Organization	Lacey Public Works Department
	Agency/Group/Organization Type	Agency - Managing Flood Prone Areas Agency - Management of Public Land or Water Resources Other government - Local
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Anti-poverty Strategy Infrastructure needs in LMI Area
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Lacey Public Works Department was consulted via email regarding capital project needs in LMI Census Tract Areas and overall human services needs including helping people unhoused. Lacey Public Works also participated in a focus group on human service needs in Lacey.
10	Agency/Group/Organization	North Thurston Public Schools
	Agency/Group/Organization Type	Services-Children Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services-Education Other government - Local
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	North Thurston Public Schools was consulted via focus group to discuss human services needs in Lacey. In particular the needs of youth who are unhoused.

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11	Agency/Group/Organization	Lacey Police Department
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Victims of Domestic Violence Services-homeless Services - Victims Agency - Emergency Management Other government - Local
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Lacey Police Department was consulted via focus group to assess the needs of people unhoused in Lacey, and general human services needs.
12	Agency/Group/Organization	Intercity Transit
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-homeless Other government - County Regional organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs

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	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Intercity transit was consulted via focus group regarding human services needs in Lacey. In particular around public infrastructure, people who are unhoused and low-income resident's needs.
13	Agency/Group/Organization	CIELO -
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CIELO was consulted via a focus group with immigrant and cultural organizations regarding immigrant human service needs.
14	Agency/Group/Organization	City of Olympia Housing and Homeless Response
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services - Victims Other government - Local

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	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	City of Olympia was consulted via focus group regarding human services needs. Specifically, needs for people unhoused in Lacey.
15	Agency/Group/Organization	City of Tumwater
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Persons with Disabilities Services-homeless Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	City of Tumwater was consulted via focus group regarding human services needs in Lacey and surrounding areas. Specifically, the needs of people unhoused.
16	Agency/Group/Organization	Lacey South Sound Chamber of Commerce
	Agency/Group/Organization Type	Business and Civic Leaders Major Employer Private Sector Banking / Financing

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<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy</p>
<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The Lacey South Sound Chamber was consulted via focus group to assess human services needs in Lacey.</p>

Identify any Agency Types not consulted and provide rationale for not consulting

There were no agency types not consulted during the formation of the Annual Action Plan.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	WA State Department of Commerce	Housing and Service Goals Overlap.
2025 City Council Work Plan	City of Lacey	Comprehensive Infrastructure System that Connects People and Places. Provide Excellent, people-centered services. Building a Community of Safety and Belonging.
Economic Development Strategic Plan 2026-2030	City of Lacey	Assisting LMI households with youth and childcare services
DEIB Strategic Plan 2024-2030	City of Lacey	Increasing the equity of human services in Lacey
Local Homeless Housing Plan 2025-2030	Thurston County	Housing Goals
Planning for and Accommodating Housing Needs	Thurston Regional Planning Council	Housing Goals

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Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Comprehensive Plan 2025-2045	City of Lacey	Housing Goals
Veterans Services Hub Strategic Plan 2027-2031	City of Lacey	Veterans Housing and Services goals
Veterans Service Needs and Awareness 2024	Thurston County	Veterans Housing and Services goals
Coordinated Human Services Transportation Plan 2023	Thurston Regional Planning Council	Transportation and Infrastructure Needs for LMI Community Members
Rent Assistance Survey 2023	Thurston County	Homelessness prevention
Human Services Commission Workplan	City of Lacey	Review CDBG projects and hold public hearings
ALICE in Thurston County 2023	United Way of Thurston County	Anti-Poverty Strategy

Table 3 - Other local / regional / federal planning efforts

Narrative

AP-12 Participation - 91.401, 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The City began its engagement and participation efforts in 2024 as part of the Community Participation Plan for the Human Services Strategic Plan. The City established a Human Services Work group of community members to oversee the creation of the Community Participation Plan, Human Services Strategic Plan, allocations of Human Services Grant Program dollars, and eventually Community Development Block Grant (CDBG) funds. The Workgroup consisted of seven general members and one youth member. General membership must include at least two professionals with experience in human services e.g., direct service management or volunteer work. This work group received its first update on CDBG in November of 2024. At their December 2024 meeting, the work group approved the CDBG / HOME Community Participation Plan 2026-2027 and opened up a 30-day review and comment which was open from December 5, 2024 to January 5, 2026.

On December 5, 2024, the Lacey City Council established a permanent Human Services Commission (HSC) via ordinance, which would continue the work and oversight begun by the work group. The Commission's makeup is essentially the same as the workgroup's, with similar rules of procedure and three—and four-year terms.

The Human Services Commission receives monthly updates on human services programming and projects including the CDBG Annual Action Plan. They will provide initial review and feedback before the City Council reviews the plan. These are public meetings open to all and are streamed live as well as recorded.

In addition to the HSC and City Council, the City has continued community engagement and outreach for priority setting and developing the Human Services Strategic plan (2027-2031). Staff has conducted 9 additional focus groups with various stakeholders /community members.

As of May 2026, over 300 community members have participated in the formation of Human Services goals.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	11 Human Services Focus Groups	Minorities Persons with disabilities Various Stakeholders	Attached in Appendix	Attached in Appendix	None	
2	Newspaper Ad	Non-targeted/broad community	TBD	TBD	none	
3	Newspaper Ad	Non-targeted/broad community	TBD	TBD	TBD	
4	Public Hearing	Non-targeted/broad community	TBD	TBD	TBD	
5	Public Hearing	Non-targeted/broad community	TBD	TBD	TBD	
6	Public Meeting	Non-targeted/broad community	TBD	TBD	TBD	
7	Public Meeting	Non-targeted / community	TBD	TBD	TBD	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

The amount expected in Year 1 is based on the annual allocation to Lacey from HUD CDBG Entitlement grants

The amount expected to be available in the remaining two years of the Consolidated Plan is based on the 2025 allocation estimate.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	337,498.00	0.00	348,393.00	685,891.00	342,945.00	

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City of Lacey (City) will leverage its CDBG funds with local, private, and state funds.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City owns and operates the public infrastructure and public parks within the City boundaries. These facilities and infrastructure include but are not limited to: Huntamer Park, City Senior Center, City ADA

Sidewalk and Pedestrian Crossings, Brooks Park, City Streetlights, Rainier Vista Park and the City Museum and Cultural Center.

Discussion

DRAFT

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Provide Public Facilities and Infrastructure	2025	2027	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development		Public Facilities and Infrastructure Improvements	CDBG: \$303,749.00	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 5400 Persons Assisted

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Provide Public Facilities and Infrastructure
	Goal Description	<p>This goal includes the following priority needs:</p> <ul style="list-style-type: none"> • Improvements to public facilities and infrastructure that support housing for low-income households • Improvements to public facilities and infrastructure to support low-income neighborhoods • Improvements to low-income neighborhoods to reduce the concentration of poverty • Modifications to provide accessibility

AP-35 Projects - 91.420, 91.220(d)

Introduction

The City has a number of planned facility expansions, park improvements, and infrastructure improvements located in LMI census tract neighborhoods. Growing demand for parks exceeds our capacity at the current levels. The Lacey Senior Center is at maximum capacity and lacks adequate parking and programming space. For more detailed information, see the complete City Parks, Culture and Recreation (LPCR) Strategic Plan is at PARKSLPCR_Sections_01-09-ToC_LS.pdf. This plan includes extensive community outreach that was done to prioritize future needs.

The City has emphasized and continues to emphasize a multimodal transportation system. Many of the City’s streets include sidewalks and bicycle lanes as well as new standards for pedestrian improvements, making non-motorized travel a viable alternative to cars. Current standards require non-motorized elements on all new or redeveloped portions of roadways, in order to close any gaps in the existing system and expand its network further. Additionally, Transportation Demand Management (TDM) strategies include provisions for bicycle and pedestrian facilities, as well as long-term efforts to promote multimodal transportation options and implement transit-oriented development. Improvements located in the LMI census track neighborhoods could help meet Consolidated Plan goals and priorities. For more detailed information, see the complete [City's Long Range Transportation Plan](#).

#	Project Name
1	City Facility or Infrastructure Project
2	Planning and Administration

Table 7 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The City has a number of projects planned in LMI Census tract areas. In year-one and two of entitlement status, the City plans to focus leveraging CDBG dollars for capital projects. Due to administrative availability and reporting timelines, the City feels this is the most reasonable path toward utilizing CDBG funds in PY26.

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AP-38 Project Summary Information					
No.	Project	Goals Supported	Geographic Areas	Needs Addressed	Funding
1	City Facility or Infrastructure Project	Provide Public Facilities and Infrastructure		Public Facilities and Infrastructure Improvements	CDBG: \$303,749.00
	Description				
	Target Date for Completion	08/31/2027			
	Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	Huntamer Park is located in Lacey Midtown. The community uses the park for events almost every weekend. The park serves thousands of families from Lacey and beyond. It is difficult to estimate the amount.			

<p>Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)</p>	<p>For decades, the City has actively engaged in planning and public projects to transform the Midtown District into a vibrant, community-centered urban core. The “heart” of this area, Huntamer Park, a 1.5-acre civic space, desperately needs updates to meet the growing community's needs. The last significant improvements at Huntamer Park occurred in 2005. Since then, the surrounding Midtown District has grown significantly with new mixed-use and residential (re)developments. This project would strengthen civic engagement, improve equity by increasing park access and amenities in Community Development Block Grant-qualified census tracts, increase environmental resiliency, improve public health and wellness, and expand economic growth and development. The overall project includes adding plaza spaces, a water feature, new landscaping, pathways, pedestrian lighting, and recreational enhancements and furniture designed for daily use while maintaining civic spaces for important community-wide events. The total project cost is estimated at approximately \$1.6 million, with the CDBG portion used to improve sidewalks and accessibility. Similar to PY 2025, City staff recommends allocating \$303,749 of PY26 CDBG dollars to this project.</p> <p>Contingency Project: Accessibility Improvements to the Virgil S. Clarkson Senior Center parking lot</p> <p>City staff recommends a contingency project for PY26 CDBG dollars to expand the existing parking lot at the Virgil S. Clarkson Senior Center (Senior Center) and improve ADA accessibility. The expansion is necessary to accommodate increased use and attendance at the Senior Center, improve accessibility for older adults, and enhance overall safety during peak hours and special events. The existing lot is often at capacity during regular programming, forcing older adults to park a considerable distance away or to forgo attendance. The expanded parking lot will include approximately 50 additional spaces and improve ADA-accessible parking. The preliminary estimated cost of the project is \$1,000,000 to 2,000,000.</p> <p>This includes environmental review, engineering, demolition, construction, and contingencies. The City has used CDBG funds through the Washington State competitive CDBG Program for both the construction of the Senior Center in 2000 and the Senior Center Expansion Project in 2011.</p>
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<p>Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)</p>				
<p>2 Planning and Administration</p>	<p>Provide Public Facilities and Infrastructure</p>		<p>Public Facilities and Infrastructure Improvements Public Services Housing: Increase and Improve Affordable Housing</p>	<p>CDBG: \$33,749.00</p>
<p>Description</p>				
<p>Target Date for Completion</p>	<p>08/31/2027</p>			
<p>Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)</p>	<p>The Planning and Administration of the CDBG Program will support the Public Facilities and Infrastructure improvements that will serve thousands of Lacey families.</p>			

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<p>Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)</p>	<p>Lacey City Hall 420 College St. SE Lacey WA 98503</p>
<p>Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)</p>	<p>Oversee the environmental review, project oversight, HUD reporting, planning for future CDBG Consolidated Plans and Annual Action Plans.</p>

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AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Census Tract 112 Thurston County, WA and Census Tract 116.25 Thurston County, WA

Geographic Distribution

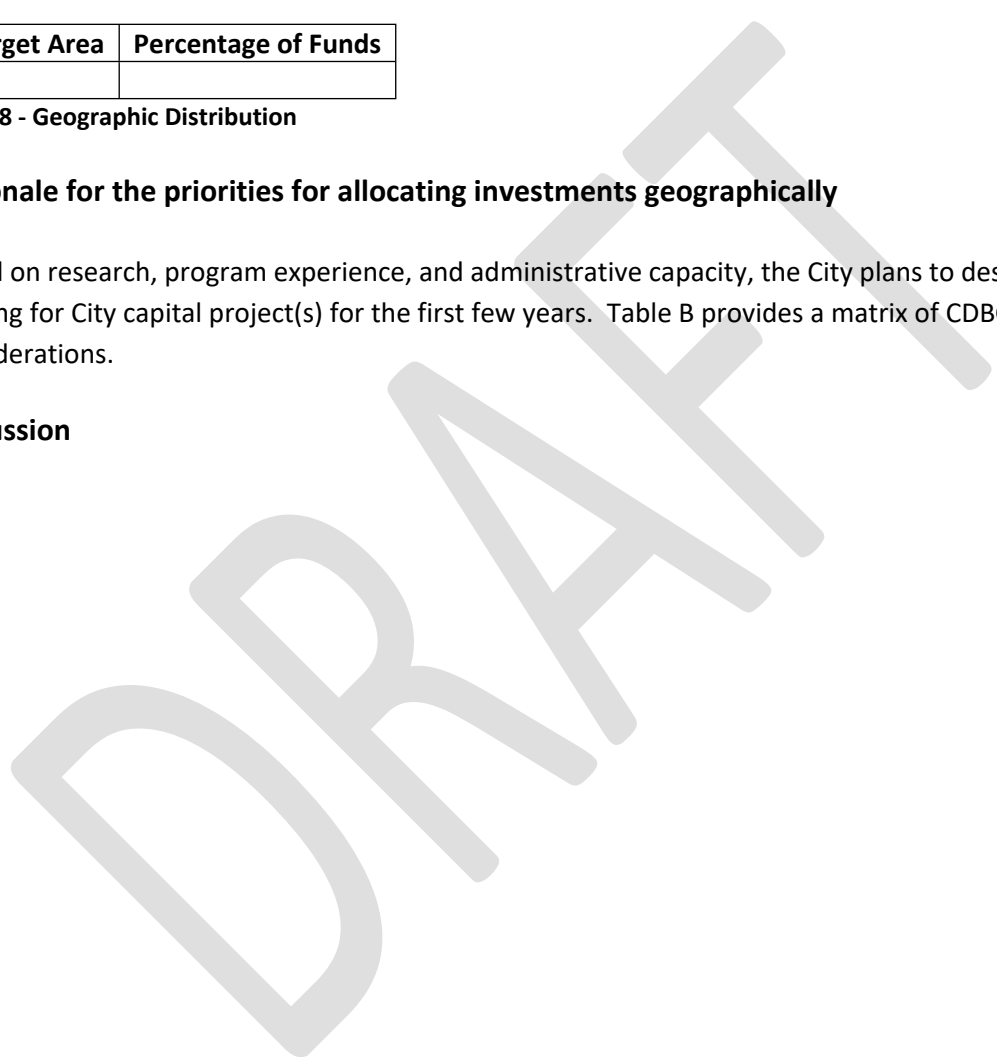
Target Area	Percentage of Funds

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

Based on research, program experience, and administrative capacity, the City plans to designate CDBG funding for City capital project(s) for the first few years. Table B provides a matrix of CDBG funding considerations.

Discussion



AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Discussion

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

The City has prioritized human services by investing in programs and staffing to address community needs. The City provides and supports a broad range of efforts. Services include, but are not limited to, direct outreach to our unhoused community members, direct funding to non-profits that provide human services funding, managing the City Veterans Services Hub, and supporting and Enhanced Shelter in City, Maple Court. To learn more about our human services efforts, please visit our Human Services Web Page <https://cityoflacey.org/human-services/>

Actions planned to address obstacles to meeting underserved needs

The City is in the process of developing a Human Services Strategic Plan (2027-2031) and expects to have this plan finalized and approved by the Lacey City Council in Fall of 2026. The initial draft priorities are:

1. Affordable Housing and Preventing Homelessness
2. Behavioral Health Services (mental health and substance use disorder)
3. Youth Services (including daycare)
4. Senior Services
5. Veteran Services
6. Enhancing Accessibility

The City continues its annual \$300,000 allocation to the Human Services Grant Program which is available to non-profits in the community who provide direct service and reduce obstacles to meeting underserved needs. Since beginning in 2024 there have been 22 grants awarded at an average rate of \$26,000 per grant.

Actions planned to foster and maintain affordable housing

The City aims to build on the strategic directions outlined in its Affordable Housing Strategy [in the updated Comprehensive Plan](#) to continue investing in local and regional plans to create more affordable new rental housing and homeownership opportunities, and to establish broader anti-displacement

measures. The City remains committed to all goals outlined in the plan(s) and will pursue those goals through investment in projects through the Human Services Grant Program, Regional Housing Council, HOME Consortium, and other opportunities as they arise.

Actions planned to reduce lead-based paint hazards

Any infrastructure or facility rehabilitation project that falls under EPA and Washington State rules for Lead-Based Paint Risk Assessments will ensure that any hazards are remediated or abated by certified contractors using safe work practices to prevent lead contamination. If lead-based paint hazards are discovered before and during remediation, the community will be educated further.

Actions planned to reduce the number of poverty-level families

The City's strategy for reducing the number of poverty-level families is through direct service, government and public-sector partnerships, and funding community-based organizations that provide critical social services. Examples of these are:

- Direct outreach to unhoused individuals, including individuals in encampments, living in vehicles, or living on the street
- Funding to non-profit agencies who provide emergency financial assistance, job training and placement, youth programs, emergency home repairs, emergency supplies for school, rapid re-housing, homegrown food supplies and gardening classes, home sharing programs, and more.
- Funding and managing the City Veterans Services Hub, which provides emergency financial assistance, rapid rehousing, direct housing vouchers, food and hygiene supplies, job training and placement, education counseling and placement, access to Veterans benefits, wrap-around intensive case management, and more.

Actions planned to develop institutional structure

There is a strong commitment in the community to work on issues affecting low-and moderate-income persons. Housing affordability and human services are a high priority and the institutional delivery system has been modified in recent years to help address these issues.

The changes include:

- Additional local funding to create and preserve affordable housing and mental health
- Coordination and help getting additional state and federal funds for affordable housing and mental health
- Adopting the Affordable Housing Strategy
- Coordination with other local governments and nonprofits
- Participating in the Regional Housing Council
- Convening and working with the Homelessness Work Group

- Convening and working with Human Services Work Group
- Convening and working with Human Services Commission

Actions planned to enhance coordination between public and private housing and social service agencies

The City will continue to partner with social service agencies, and public and private housing initiatives through:

- Funding and maintaining its Human Services Grant Program, which fosters collaboration with non-profits that provide direct services, including housing services
- Participation in the Regional Housing Council
- Remaining in the Thurston County HOME Consortium
- Managing the City Veterans Services Hub and acting as a primary site for weekly coordinated entry
- Helping the Maple Court Enhanced shelter transition to Permanent Supportive Housing with State, County, and other partners.
- Continued work with the Housing Authority of Thurston County and other local non-profits
- Providing local tax incentives for new affordable housing

Discussion

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

Introduction

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100%

Discussion