



**JOINT WORKSESSION
LACEY CITY COUNCIL AND PLANNING COMMISSION
THURSDAY, FEBRUARY 4, 2016
7:00 – 9:00 P.M.
LACEY CITY HALL – 420 COLLEGE STREET SE**

AGENDA

- 7:00** **2016 DOCKET**
RYAN ANDREWS, PLANNING MANAGER
(STAFF REPORT ATTACHED)
- 7:30** **2016 COMPREHENSIVE PLAN UPDATE**
RICK WALK, COMMUNITY DEVELOPMENT DIRECTOR
(STAFF REPORT ATTACHED)
- 9:00** **ADJOURN**



LACEY CITY COUNCIL WORKSESSION February 4, 2016

SUBJECT: 2016 Comprehensive Plan Amendment Docket Application

RECOMMENDATION: Move to add the private application to the work program to be considered with the annual package of Comprehensive Plan amendments.

STAFF CONTACT: Scott Spence, City Manager *SS*
Rick Walk, Community Development Director *RW*
Ryan Andrews, Planning Manager *RA*

ORIGINATED BY: Community Development Department

ATTACHMENTS:

1. [Docketing Application submitted by Econet, Inc.](#)
2. [Current Zoning Map](#)
3. [Aerial Photo](#)

FISCAL NOTE: None.

PRIOR REVIEW: January 4, 2016, Land Use Committee

BACKGROUND:

The Growth Management Act requires that the City's Comprehensive Plan be amended only once per year. As part of the annual cycle of comprehensive plan amendments, the City compiles all privately-initiated requests received in the previous year for processing in the following year. The process, commonly known as docketing, allows the City Council discretion in determining which of those applications have merit to move forward for full consideration and which applications should be removed from the docket.

For 2016, the City received one application from Econet, Inc. for property located at 7250 Britton Parkway NE. The property (which is two parcels totaling 37.08 acres) was to be developed for the corporate headquarters of Univera but the company has located in King County and would like to market the property for development and possible sale. The application is for a rezone request from Business Park to Hawks Prairie Business District—Business Commercial.

The surrounding properties have a mixture of zoning types. To the south across Britton Parkway is Hawks Prairie Business District—Business Commercial, and is slated for future development as part of the Gateway Town Center project. To the north is property zoned Light Industrial-Commercial, and is part of the Hill-Betti Business Park that was recently annexed into Lacey. This property contains a single-family residence but is otherwise undeveloped. To the west, is property zoned High Density Residential and is part of the Gateway single-family residential development. To the east is property owned and operated by Callison’s, Inc. for mint oil extraction and refining purposes. This property is zoned Business Park. In addition, Gateway Blvd will be extended north along the property’s west boundary becoming a primary north-south corridor connecting residential properties to the north to Britton Parkway.

The purpose of the docketing request is to consider rezoning the property to HPBD-BC to make the property more marketable for sale primarily because the HPBD zoning and development standards allow for more flexibility for uses. The current Business Park zone reflects the suburban-style office park market of the mid-1980’s and hasn’t kept pace with the flexibility needed in current development and has led to a variety of zoning changes in northeast Lacey over the past few years.

As part of the 2016 update to the Land Use Element of the Comprehensive Plan, staff is recommending (as part of a future work program item) to add an examination of the development standards of the Business Park zone. As part of this process, staff will examine the rezone and also conduct an update to the Business Park zone to reflect current uses and design needs as an alternative to the continual rezone requests.

The anticipated impact by adding this application to the Planning Commission work program would be low to moderate. Review of the application would require coordination with other property owners to ensure that any changes to that district would meet current and future needs as well as associated staff time to conduct necessary public outreach. Staff time associated with the request is estimated to take 40-80 hours.

Staff recommends adding the request for Comprehensive Plan amendment and rezone to the docket of annual comprehensive plan amendments.

ADVANTAGES:

1. Adding the private amendment to the Comprehensive Plan Amendment docket will allow the application to move forward through the review process and be considered for re-designation.

DISADVANTAGES:

1. None identified.



CITY OF LACEY
 Community Development Department
 420 College Street SE
 Lacey, WA 98503
 (360) 491-5642

OFFICIAL USE ONLY

Case Number: 15-291

Date Received: _____

By: _____

Related Case Numbers:

address?
no fee

**Docketing Application for
 Comprehensive Land Use Plan
 Map Amendments**

SECTION I

12/19/2015

APPLICANT NAME: ECONET, Inc

MAILING ADDRESS: 3005 1st Ave

CITY, STATE, ZIP: Seattle, WA 98121

TELEPHONE: 360-486-8300

REPRESENTATIVE NAME: * Kent M Gossman, Facilities Mngr, by dir.

MAILING ADDRESS: Same as Above

CITY, STATE, ZIP: _____

TELEPHONE: _____

* The representative is the person whom staff will contact regarding the application, and to whom all notices, and reports shall be sent, unless otherwise stipulated by the applicant.

SECTION II

A. GENERAL DESCRIPTION OF PROPOSAL; PLEASE DESCRIBE WHAT MAP DESIGNATION CHANGE YOU ARE REQUESTING, AND THE INTENT AND REASON FOR THE PROPOSED CHANGE. PLEASE ALSO PROVIDE A LEGIBLE MAP SHOWING THE LOCATION OF THE SUBJECT SITE AND EXISTING AND SURROUNDING LAND USES.

My company wants to rezone our two tax parcels from Business Park to
HPBD. Our present zoning does not offer as much flexibility on use, is
somewhat restrictive and slightly devalues the parcels.

11803 440100 + 400000

B. CONSIDER WHAT FUNCTION AND PURPOSE THE EXISTING PLAN DESIGNATION SERVES AND HOW THAT FUNCTION OR PURPOSE MIGHT BE IMPACTED BY THE PROPOSED CHANGE. HOW IS THE PROPOSED DESIGNATION BETTER, CONSIDERING COMMUNITY NEEDS AND COMPREHENSIVE LAND USE PLAN GOALS AND POLICIES?

It was originally intended to house our office and labs in a manufacturing type application. During our July 2015 meeting with Planning and

Development, they felt HPBD would be more relevant and offer more

versatile zoning that would better suit any future developer as well as enhance its potential by better matching up to supplement the surrounding zoning that now surround these parcels.

SECTION III

INITIATED BY:

I (We) understand and agree with the above explained need for the map change and are current owners of the property within the City of Lacey.


Signature
ADDRESS: 3005 1st Ave, Seattle, WA 98121

Sang Shin, VP, ECONET, Inc
Printed Name

Signature
ADDRESS: _____

Printed Name

NOTE TO APPLICANT - EXPLANATION OF THE PROCESS:

Under the State Growth Management Act jurisdictions need to establish a docketing process for Comprehensive Land Use Plan Amendments initiated by the public. The process provides the opportunity for the public to ask for consideration of a Plan change and the opportunity for Lacey to consider the merits of the proposal. In considering its merits the Lacey Council will briefly review how the request might further the public's best interest and Comprehensive Land Use Plan goals and policies. It must also consider planning priorities and the priority of the proposal.

Early consideration and docketing is important to identify planning priorities for the current year and to determine how city resources including staff and Planning Commission time will be spent. It is important to make sure Lacey's staff resources are used wisely, and that the request makes sense considering planning priorities for the current year.

If the Council determines the application does not merit further consideration the applicant will not be permitted to make a full application, and the proposal will not be scheduled for consideration by the Planning Commission.

If the Council determines a proposed amendment merits consideration, based upon Comprehensive Land Use Plan goals and policies and planning priorities, the change will be processed and considered as part of Lacey's annual Planning Commission work program. If the proposal is given the go ahead to make a full application for consideration of the change, the applicant will be asked to submit a full application within two weeks of the date of the decision.

Once a complete application is submitted it will be placed on the Planning Commission work program for formal review and discussion including a public hearing. After full review and consideration the Planning Commission will make a recommendation on the request for Council action. Depending upon the Planning Commission's conclusions and findings, a recommendation may be for approval or denial, or approval with conditions or changes.

The recommendation will be bundled together with all of the other proposed amendments for the year and submitted to Council for review and action. Council action on amendments usually takes place in July.

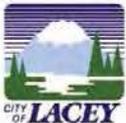
Econet--Existing Zoning



The City of Lacey uses the most current and complete data available. However, GIS data and product accuracy may vary. GIS data and products may be developed from sources of differing accuracy, accurate only at certain scales, based on modeling or interpretation, incomplete while being created or revised, etc. The City of Lacey reserves the right to correct, update, modify, or replace, GIS products without notification. The City of Lacey cannot assure the accuracy, completeness, reliability, or suitability of this information for any particular purpose. Using GIS data for purposes other than those for which they were created may yield inaccurate or misleading results. The recipient may neither assert any proprietary rights to this information nor represent it to anyone as other than City Government-produced information. The City of Lacey shall not be liable for any activity involving this information with respect to lost profits, lost savings or any other consequential damages.



Econet--Aerial Photograph



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LACEY CITY COUNCIL WORKSESSION February 4, 2016

SUBJECT: Draft 2016 Comprehensive Plan Update

RECOMMENDATION: Brief the City Council and Planning Commission on the 2016 update to the Comprehensive Plan

STAFF CONTACT: Scott Spence, City Manager *SS*
Rick Walk, Community Development Director *RW*
Ryan Andrews, Planning Manager *RA*
Christy Osborn, Associate Planner *CO*

ORIGINATED BY: Community Development Department

ATTACHMENTS:

1. [Draft Land Use Element](#)
2. [Draft Economic Development Element](#)
3. [Draft Environmental Element](#)
4. [Draft Utilities Element](#)
5. [Draft Housing Element](#)

FISCAL NOTE: None.

PRIOR REVIEW: The proposed changes to the Land Use Element began in early 2013 and have been reviewed by the City Council and Planning Commission at several points throughout the process.

BACKGROUND:

RCW 36.70A, the Growth Management Act (GMA) requires every city and county in the state to conduct a mandatory review and update of its comprehensive plan and development regulations at least once every eight years. This review is intended to address relevant changes in the GMA and respond to changes in land use and population growth. The city is required to be in compliance with the requirements of the GMA, including the periodic update requirements, to be eligible for grants and loans for certain state infrastructure programs. Lacey is required to update our Comprehensive Plan by June 30, 2016.

Starting in 2010, the City has been in the process of drafting an update to the Comprehensive Plan to comply with the 2016 statutory deadline. The overall challenge for the community is to implement specific land use strategies to accommodate over 30,000 more people in the next twenty years while maintaining our quality of life. The initial review process by the Planning Commission involved community outreach conducted under the **Envision Lacey** public participation plan and review of the land use element. After this initial review, the process was restructured to take a more holistic look at the Plan. This process has included reorganizing the Plan to improve clarity, readability, and structure by including core topics and issues; and implementation measures to help define and implement the City's vision for the next twenty years. Over the past year, the Planning Commission has reviewed various elements including the Land Use, Environmental, Economic Development, Utilities, and Housing Element.

Phase II of **Envision Lacey** began this summer with public outreach efforts conducted at various community events. This outreach included asking residents what community-wide measures should be taken to meet the carbon emissions reduction target outlined in the CR₂ Plan. The target is a 15% reduction of 2005 emissions by the year 2020. Public outreach efforts have been conducted with presentations to various community organizations such as the Kiwanis, Rotary, Lions, Panorama City Club, Lacey Chamber, and the Olympia Master Builders. These presentations have also coincided with meetings scheduled to take the Planning Commission "On the Road" to hold meetings in specific planning areas, as well as review by the Land Use Committee.

Following the meetings in specific planning areas, the draft Plan will be finalized and presented for final review by the Planning Commission prior to review and adoption by the City Council in the spring. The completion of the Plan will also include a draft and final Environmental Impact Statement (EIS) as required by the State Environmental Policy Act.

RECOMMENDATION

The City Council and Planning Commission will be briefed on the draft chapters of the Comprehensive Plan. No action is necessary at this time.

ADVANTAGES:

1. The periodic review of the Comprehensive Plan and development regulations provides the City an opportunity to help define, refine and implement the community's vision for the next twenty year planning period.
2. The periodic review of the Comprehensive Plan and development regulations provides the community an opportunity to respond to changes in land use and population growth.

3. The periodic review of the Comprehensive Plan allows the City to be in compliance with the requirements of the GMA and thus enables the City to be eligible for certain state grants and loans.

DISADVANTAGES:

1. None identified.

**CITY OF LACEY
LAND USE ELEMENT OF THE
COMPREHENSIVE PLAN
2016 Update**

**CHAPTER I
INTRODUCTION**

DRAFT

I. INTRODUCTION

A. Growth Management Act

Thurston County and its cities were already involved in growth management and comprehensive planning prior to the enactment of the Growth Management Act. During the 1980's Lacey and Thurston County were in the forefront of many growth management-related initiatives including an inter-local agreement in 1983 which established urban growth areas and urban densities, delineated annexation areas, and specified that zoning in the Urban Growth Areas (UGAs) would not be changed when they were annexed. A second phase of inter-local planning was completed in 1988 with another Urban Growth Agreement which identified short and long-term growth boundaries and also established where the cities of Lacey, Olympia, and Tumwater could annex in the county. Additionally, the agreement only allowed cities to extend sewer service into the area within the short term urban growth boundary. Some of these principles were later incorporated into the State's Growth Management Act.

The Growth Management Act (GMA) is a comprehensive land use law in the state of Washington designed to manage growth. It was passed by the Legislature in 1990 (with an amendment in 1991) in a period of explosive growth in Washington, and the growing concern of its citizens that the state was losing its precious natural landscape to traffic congestion and sprawl. Between 1960 and 1990, the state experienced a 41% population increase and much of it occurred in the unincorporated areas outside of cities. In that same period, Lacey's population more than doubled from 8,860 at the time of its incorporation to 19,279 residents in 1990. With the passage of the Growth Management Act, all urban counties and their cities were required to plan comprehensively and for the future.

GMA has fourteen specific planning goals covering the broad spectrum of components that growth management must address in order to be effective. Lacey adopted its first GMA Plan in 1994, and has subsequently updated and revised the Plan, ensuring that the City complies with these concepts for management of growth under the GMA.

The GMA provides the following goal statements to define its growth management strategy (RCW 36.70A.020):

- **Urban Growth:** Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.
- **Reduce Sprawl:** Reduce the inappropriate conversion of undeveloped land into sprawling low density development.
- **Transportation:** Encourage efficient multi-modal transportation systems that are based on Regional priorities and coordinated with County and City Comprehensive Plans.
- **Housing:** Encourage the availability of affordable housing to all economic segments of the populations of this state. Promote variety of residential densities and housing types, and encourage preservation of existing housing stock.
- **Economic Development:** Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of the state, especially for unemployed and for disadvantaged persons, promote retention and expansion of existing businesses, recognize regional differences impacting development opportunities, and encourage growth in areas experiencing insufficient

economic growth; all within the capacities of the state's natural resources, public services, and public facilities.

- **Property Rights:** Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.
- **Permits:** Applications for both state and local governmental permits should be processed in a timely and fair manner to ensure predictability.
- **Natural Resource Industries:** Maintain and enhance resource based industries, including productive timber, agricultural lands, and discourage incompatible uses.
- **Open Space and Recreation:** Encourage the retention of open space and development of recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks.
- **Environment:** Protect the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.
- **Citizen Participation and Coordination:** Encourage the involvement of citizens in the planning process and ensure coordination between communities and jurisdictions to reconcile conflicts.
- **Public Facilities and Services:** Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.
- **Historic Preservation:** Identify and encourage the preservation of lands, sites, and structures that have historical and archaeological significance.
- **Shoreline Management:** Per RCW 36.70A.480 Shorelines of the state, the goals and policies of the Shoreline Management Act, as set forth in RCW 90.58.020, are added as one of the goals of the Growth Management Act.

B. County-Wide Planning Policies

Because growth impacts are not localized between one jurisdiction and the next, an effective growth management effort must cross jurisdictional boundaries and require coordination between multiple governmental and quasi-governmental agencies and departments. In addition, urban growth areas include unincorporated lands and joint planning is required between the County and City. To provide direction on this coordination, GMA has a section that provides the framework for counties and cities to work together through "joint planning" which is to be provided for under "County-Wide Planning Policies" which seek to "establish a county-wide framework from which county and city comprehensive plans are developed..." (RCW 36.70A.210).

County-wide planning policies are intended to provide a process for establishment of joint planning and related policies and basic policy guidance on the range of planning issues jurisdictions face. State law provides a number of provisions detailing the intent and requirements of county-wide planning policies in section 36.70A210 RCW. Some excerpts from this section that reflect the intent and focus are:

"...a "county-wide planning policy" is a written policy statement or statements used solely for establishing a county-wide framework from which county and city comprehensive plans are developed and adopted pursuant to this chapter."

“The legislative authority of a county that plans under RCW 36.70A.040 shall adopt a county-wide planning policy in cooperation with the cities located in whole or part within the county....”

RCW 36.70A 210, the section outlining requirements for county-wide planning policies and minimum requirements for those policies, lists the following minimum requirements:

A county-wide planning policy shall at a minimum address the following:

- 1) Policies to implement RCW 36.70A.110
- 2) Policies for promotion of contiguous and orderly development and provision of urban services to such development
- 3) Policies for citing public capital facilities of a county-wide or state-wide nature
- 4) Policies for county-wide transportation facilities and strategies
- 5) Policies that consider the need for affordable housing
- 6) Policies for joint County and City planning within urban growth areas
- 7) Policies for county-wide economic development and employment
- 8) An analysis of fiscal impact

County-wide planning policies were agreed to by local jurisdictions and signed September 8, 1992. The agreed upon county-wide planning policies mirror requirements of the GMA and were to provide a blue print for crafting GMA plans. All of the items listed as mandatory elements are covered in Thurston County’s county-wide planning policies. In addition, Thurston County has two sections not listed under minimum requirements; Environmental Quality and Process. Under the Process section, the policies outline the procedure to develop population projections and procedures for updating and amending the county-wide planning policies when appropriate.

In 2015, the County-wide planning policies were amended to reflect the vision and principles adopted through a robust regional planning process titled “Sustainable Thurston”—better known as the *Regional Sustainability* plan. The goals and policies from *Sustainable Thurston* were integrated directly into corresponding sections within the County-wide planning policies to memorialize and recognize sustainability principles across all jurisdictions.

C. Urban Growth Areas

GMA requires each county and local jurisdiction planning under the Act to designate a specific UGA. As urban growth is confined to a designated UGA, planning for utility, transportation, capital facilities, and other services becomes easier and the cost of providing related infrastructure is more efficient and manageable. Additionally, confining urban growth to a UGA helps conserve rural areas for other purposes, such as resource conservation, agriculture, or timber production.

The urban growth boundaries have been utilized by Thurston Regional Planning Council (TRPC) and the City of Lacey, along with other data, to accomplish the vacant lands study and population estimates and projections for growth. The urban growth boundaries are the foundation for implementation of the requirements for GMA planning. Lacey’s Urban Growth Area outside of the City limits represents 10,503 acres or 16.4 square miles. The UGA was sized with enough capacity to accommodate growth for the next twenty years and encompass areas already characterized by urban growth. Areas characterized by urban growth include land use types developed prior to 1990 such as strip highway commercial and residential areas developed at a

suburban density on septic systems. A majority of this land use type is represented at the edges of the UGA within the Seasons and Meadows planning areas. The size of the UGA also responds to the need to protect groundwater in the southeast portion of the Urban Growth Area within the McAllister Springs Geologically Sensitive Area. Allowing future growth in this area to be served by sewer ensures that City wells in the area are protected from impacts that could occur from an over proliferation of septic systems.

D. Local and Joint Plans

City of Lacey and Thurston County Land Use Plan for the Lacey Urban Growth Area

Lacey adopted its first Land Use Element under the Growth Management Act in 1994. The 1994 Plan focused on establishing the desirable character, quality, and pattern of physical development of the City and its urban growth area. It specified an appropriate amount and location of various land uses, appropriate densities and intensities, and the timing of land uses in various locations. It also coordinated how Lacey and its urban growth area developed and how necessary infrastructure and capital improvements would be accomplished to serve the growth. The focus of the 1994 Plan also included:

- Establishment of joint planning with Thurston County and designation of the Lacey Urban Growth Area. The Plan recognized the importance of joint planning and establishment of implementation standards that are consistent in both the City limits and UGA.
- Establishment of Neighborhood Commercial zones throughout the City and UGA to provide day-to-day commercial opportunities within walking distance of all homes.
- Designation of mixed-use corridors to provide walkable, transit friendly areas for higher density residential uses with commercial services.
- The requirement for a range of residential zones within each planning area to provide housing opportunities for all demographic needs. It also required a mix of development types to avoid concentrated areas of high density housing that might focus low income demographics into one area and lead to neighborhoods with low diversity.

In 2003, the Land Use Element was reviewed and updated at the ten year mark to verify that the growth projections and land capacity analysis developed in 1994 remained valid and on track with development trends. The 2003 plan also focused on:

- Maintaining the variety of residential zoning districts to accommodate higher densities while providing a solid mix of housing choice and affordability.
- Affirming commercial and residential design policies. Residential design regulations have been subsequently updated to create walkable neighborhoods with varying rooflines and interesting streetscapes that are less dominated with garages. For commercial buildings, ensuring that buildings are being located closer to streets with elevations that are pedestrian friendly and help define the street.
- Clarification of policies related to economic development. This included an analysis of the Community Commercial Districts and a focus on a diversification of employment opportunities.
- Promoting the provisions for active and passive recreational opportunities through a network of parks and open spaces.

Sustainable Thurston

In 2011 Thurston Regional Planning Council (TRPC) successfully competed for a Sustainable Communities Program Grant from the Federal Department of Housing and Urban Development (HUD), enabling a multiyear process to develop a regional plan for sustainability - *Sustainable Thurston*. In the spring of 2011, the City of Lacey together with 29 other jurisdictional, agency and nonprofit partners within Thurston County signed a memorandum of understanding committing to actively participating in the regional planning effort. A task force comprised of representatives of the inter-jurisdictional partners was formed to act as an advisory body to TRPC, oversee the Sustainable Thurston process and present a draft plan to TRPC for adoption.

The task force created a number of subcommittees and panels made up of elected officials, representatives from local jurisdictions, commercial groups, and stakeholders. It has also involved significant public participation in the form of community meetings and workshops.

Special committees of the task force were organized by subtopics that fall under the larger scope of “sustainability” such as Economic Development, Housing, Water Infrastructure, Schools and Transportation, Local Food Systems, Land Use, Transportation and Climate Change, Energy, and a number of others. Sustainability goals and policies and the background information, analysis and data developed by the task force, are available to local jurisdictions to consider for implementation according to the need and individual circumstances of local governments and stakeholder organizations. While not expected to be mandatory for local jurisdictions, the goals, policies, technical information and strategies identified or developed by the Task Force generally have applicability to Lacey and will be incorporated in Lacey’s Comprehensive Plan, as appropriate.

On December 6, 2013, the Thurston Regional Planning Council officially adopted *Creating Places - Preserving Spaces: A Sustainable Development Plan for the Thurston Region* and on February 27, 2014, the Lacey City Council passed Resolution 1007 which stated that the recommendations of the Plan will be integrated into City plans, regulations, and programs.

Urban Corridors Task Force

A focus on the urban corridors is not a new idea. As far back as 1994, Lacey made provision for development along our urban corridors to take advantage of potential higher density and mixed-use. Moderate Density and High Density zones were also located in consideration of arterial corridors and new zones were developed to encourage mixed-use.

The Mixed Use High Density Corridor was developed for Martin Way and a Mixed Use Moderate Density zone was developed and applied to part of Pacific Avenue and Sleater Kinney Road. Much of this early effort followed a study by the Thurston Regional Planning Council (TRPC) and Olympia called “Evolution of a Corridor”.

The Urban Corridors Task Force was a joint subcommittee of TRPC and the TRPC Transportation Policy Board. Between November 2009 and July 2012, the Task Force worked to establish an objective understanding of background conditions along the region's key urban corridors, identify and understand barriers to achieving adopted land use visions, and identify potential opportunities for addressing those barriers. Task Force members looked at the relationship between transportation and land use in these corridors, and worked to understand the market factors that influence the viability of infill and redevelopment projects in this region. The Task Force recommend a suite of measures to help jurisdictions transform this region’s premier

transit corridor, and to shape its form and location in priority districts. Much of the work related to urban corridors in Lacey will be to analyze the Moderate and High Density Corridor zones and adjust zoning standards and other implementation measures to ensure that the vision for the corridor is being achieved. This analysis will also need to be done in close coordination and partnership with Thurston County as much of the Martin Way corridor lies within county jurisdiction.

E. Land Use Regulations

A comprehensive plan means little if it is not implemented. To be successful, the plan must be implemented by the combined efforts of all stakeholders including private developers, residents, civic groups and local government through capital improvements. Many of the plan's goals and policies reflect and recognize this shared responsibility.

The City has created and will continue to develop regulations to ensure that growth and development occurs consistent with the community's values and goals as expressed in the Comprehensive Plan. These regulations include zoning, subdivision, building and environmental codes, and design review guidelines and standards.

F. Capital Facilities and Budgets

As communities grow, new schools, parks, libraries, streets, and additional police and fire services are needed to serve the increasing population. The Capital Facilities Element of the Comprehensive Plan lists the facilities that will be needed over the next twenty years to serve the population which is combined with a Capital Improvement Plan that details when the project will be constructed and financed. The City Council updates this list every year as part of the budget process. In addition to ongoing needs for repair and maintenance, the list of capital facility improvements includes the projects that will be needed to support growth in conformance with the Comprehensive Plan.

G. The Comprehensive Plan

The Comprehensive Plan establishes the desirable character, quality, and pattern of physical development of the City and its Urban Growth Area. It will specify an appropriate amount and location of various land uses, appropriate densities and intensities, and the timing of land uses in various locations. By reviewing the use of land and timing for development, it will coordinate how Lacey and its UGA develop and how necessary infrastructure such as roads, utilities, and capital improvements are coordinated to serve and support the expected growth.

If we do not make conscious decisions about our limited land resources, decisions will be made for us. If we are to use our limited resources wisely, we must do more than react to land use issues, we must take positive action to direct our community's future land use and character. The Comprehensive Plan provides direction for achieving the community's goals and common vision by designating the location, timing, and types of uses, while coordinating the elements of the Plan responsible for the provision of necessary infrastructure and services.

This Land Use Element, as well as the Housing, Transportation, Capital Facilities and Utilities Elements, are continually updated through a joint planning process between the City of Lacey and Thurston County pursuant to requirements of the County-wide planning policies and the

knowledge that inter-jurisdictional cooperation is necessary to further the joint land use interests of Thurston County and Lacey citizens. These Comprehensive Plan Elements include background information, goals, policies, maps, and other information to guide and inform the City of Lacey and Thurston County governmental actions within the Lacey UGA for the next twenty years.

There are some goals and policies that apply only to the incorporated City of Lacey. Goals or policies applying only to incorporated areas are clearly stated as such by having clear reference to the City of Lacey. These goals and policies do not apply to areas under county jurisdiction, and therefore, the Lacey City Council would not be required to participate in the unincorporated county implementation phases of the Plan.

The list in Appendix II identifies the goals and policies of the Plan that do not rely on an annexation/urban development standards agreement for implementation by the County. Both jurisdictions will strive to implement all portions of the Comprehensive Plan. Future amendments will be coordinated similar to original adoptions.

All other discussions, identified issues, goals or policies are assumed to apply both to the City and the unincorporated UGA. However, many of the policies provide specific guidance for development standards necessary to implement goals identified in the Plan. The City will prepare specific implementing regulations in its zoning code and other development regulations to implement these policies; the County does not intend to prepare implementing legislation for development standards, but instead shall rely on an annexation/urban development standards agreement between the City and the County to adopt the City's implementing legislation, as specified in the joint policies.

H. Elements of the Comprehensive Plan, How They Relate and What They are Designed To Do

The City of Lacey Comprehensive Plan

The Comprehensive Plan is a coordinated development strategy for the City of Lacey. As a whole, the plan establishes the City's vision to proactively guide the growth of the community. Because many factors influence growth, a comprehensive approach is necessary in order to develop a plan that considers topics ranging from land use, transportation, utilities, parks, natural environment and economics. In accordance with the Growth Management Act adopted by the State of Washington, the City of Lacey has developed a Comprehensive Plan consisting of several "elements" as required by the Act, and elements considered optional by the Act. These elements are:

- Land Use Element
- Housing Element
- Transportation Element
- Environmental Element
- Comprehensive Plan for Outdoor Recreation
- Water Comprehensive Plan
- Wastewater Comprehensive Plan
- Stormwater Comprehensive Plan
- Capital Facilities Plan
- Economic Development Element

- Utilities Element
- Public Participation Plan

As a holistic document establishing the community's vision and how it will grow and evolve, it is paramount that the elements that make up the Comprehensive Plan be balanced, coordinated and consistent. For example, the Land Use Element establishes the land use pattern, density, and intensity that the transportation and utility systems must support. However, the Land Use Element should not create a plan that cannot be physically or financially supported by transportation, utility services, or private investment. Each element must be progressive, proactive, and mutually support the other elements in order for the Comprehensive Plan to guide the community for the twenty year planning horizon in a concurrent and predictable manner. This chapter provides an overview of each Comprehensive Plan element, the key issues, and the consistency and relationship of each element with the other elements.

The Land Use Element

The Land Use Element contains the community vision for the kind of city it aspires to be with the goals and policies that support the community vision. Through the Land Use Element and associated maps, land is designated for use that the City will need to accommodate growth forecasts. This includes the full range of land use activity necessary to make Lacey a great place to live, work, learn, shop, and play.

The Land Use Element must achieve and maintain desirable land use balances over the twenty-year planning horizon. Balance within this Element must be struck: the balance between people's use of the land and lands left in a natural state; the balance between urban, rural, and resource types of uses; and the balance among different types of uses in the urban and rural areas relative to the demand for such land uses. As such, the Land Use Element acts as a community guide for decisions about when, where, and how future development takes place and where public facilities are located or should be located in the future.

Planning in Lacey has come with challenging constraints. Unlike a new town that can be planned from the start to create the most efficient distribution and form, Lacey incorporated in 1966 as a residential community consisting primarily of single family detached structures on suburban-style lots. At the time of incorporation in 1966, Lacey had a population of only 7,650. Significant population increase over the last several decades has resulted in a population of 42,830 in 2011. The annual population growth rate from 2000 to 2011 was 3.38 percent, well above both the national and state average. This significant rate of growth is projected to continue, with an estimated population of 53,087 by 2035. This does not consider potential annexations of areas of the Urban Growth Area surrounding Lacey, which could significantly increase this number.

Lacey started out as a city with little commercial retail tax base, limited employment base, very little diversity of land use, and was auto dependent. Traditional town planning with street grids was challenging because of Lacey's large lakes that limited regular connections both north to south or east to west. While parts of the older areas have isolated street grids, most of Lacey is composed of suburban designed arterials that serve collectors that generally connect local access streets to residential subdivisions.

Prior to the adoption of the Growth Management Act in 1990, Lacey's land use form and distribution had taken on the classic model of suburban sprawl. The low density residential pattern that had developed in Lacey was not conducive to multi-modal transportation. The

pedestrian in Lacey had become mostly obsolete, replaced by the automobile as homes were isolated from commercial services and other destination sites. As with many other suburban cities largely developed after World War II in Washington State and across the nation, Lacey's road infrastructure and utilities were stretched to serve the sprawling land form. The wider Lacey's streets became to provide capacity for automobiles, the more automobiles utilized the roads. Suburban development in Lacey had resulted in expensive infrastructure to provide, as well as maintain, over the long term.

With this as an inherited land use form, Lacey began planning under GMA and adopted its first GMA plan in 1994. Land use strategies under GMA were designed to reverse the land use trend that represented most of Lacey's growth pattern. The basic strategy of GMA is to contain sprawl by requiring urban growth boundaries. Within the UGA, a more efficient, affordable and sustainable land use would evolve through more compact and mixed-use development.

Early local work in Lacey's GMA plan provided opportunities for the vision of a new urban form. Strategies included mixed-use and high density along urban corridors; high density and mixed-use within large tracts of land designated for development such as Village Centers; new subdivision standards that allowed smaller lots throughout the City; designations allowing higher densities; and locating a series of new Neighborhood Commercial and Community Commercial zones located at strategic nodes throughout the area to provide commercial services within close proximity of every neighborhood.

After two decades of experience under the Growth Management Act, Lacey's residential zones within the City limits are nearly built out, necessitating strategies to target appropriate areas and parcels for infill and mixed-use. Residential land resources within the Urban Growth Area still exist but many are limited in their development potential because of utility and infrastructure needs, critical areas, and are a distance from the existing city limits making annexation difficult.

Commercial development in Lacey continues at a steady pace, however, economic development policies and activities need to continue to ensure Lacey stays competitive in the regional marketplace. Additionally, opportunities need to be expanded to make certain Lacey residents can work here, ensuring that Lacey continues to move away from its bedroom community past.

In continuing the evolution to a more urban form, the plan recognizes opportunities for compact, mixed-use development and existing and future sub-area planning efforts within Lacey's Woodland District, within the Lacey Gateway, along Lacey's defined mixed-use corridors, and other nodes with potential to serve as high density, mixed-use, or urban centers. In addition, strategies are introduced to provide commercial services and a greater range of transportation options for existing low density areas to reduce reliance on the automobile. These strategies are expected to provide more functionality in accommodating day-to-day activity, and are expected to achieve a higher measure of sustainability.

To achieve the vision set out in the Land Use Element, updating of development standards will be a priority. This includes development of form-based zoning concepts (see Chapter VI, Innovative Techniques) and updated land use standards. Outstanding design and innovation for successful place-making and designated priority sites and zones with incentives for development will also help ensure that the goals and policies of the Land Use Element are achieved. These strategies should be evaluated for their effectiveness to ensure that the City's vision is being implemented and adjusted accordingly should these strategies fall short of their goals.

The Housing Element

The Housing Element addresses a primary need for any city: shelter. Lacey's vision provides the opportunity for every citizen to have a range of affordable housing choices in whatever neighborhood they want to live.

Housing should ideally be easily accessible to a person's destination site, with a range of transportation options to make the cost of living more affordable. These ideal qualities bring up a range of challenges, including providing an inventory of housing to meet population increases and the form of housing to provide choice to ensure Lacey's neighborhoods are walkable and easily accessible to destination sites. The Plan provides strategies to address these challenges.

The City is expected to increase from a 2011 population of 42,830 to 53,087 by 2035, representing an additional 10,257 people. This will require an estimated 4,273 residential units, assuming a ratio of 2.4 persons per household. Combining Lacey and the UGA, a growth from 76,210 to 107,720 is projected, requiring 13,129 additional units for the anticipated increase of 31,510 residents.

Demographics of Lacey are expected to change over the coming decades and this will impact housing demand. Today's population over 65 represents about 14.1% of Lacey's population, which is slightly higher than the national average of 12%. This is expected to change to 19% by 2035. Changing demographics bring lifestyle influences. As aging baby boomers retire, many will want to down size and live in areas that are close to services.

The Millennial generation, children born from the late 1970's to the early 2000's, bring a new profile with a priority for smaller, more affordable housing close to services and social activity. There is an expected demand for housing similar to traditional neighborhood development (TND) which provides access to services and transportation options, and are walkable.

A difficult challenge for Lacey to overcome will be locating housing within close proximity to places of employment. Lacey's history and development included a number of local employment activities, such as logging and a local plywood plant and State government has always represented a major portion of local employment. The local military base also represents a main demographic for the community, with approximately 5000 active duty personnel living in Lacey. Most employment locations have been within Lacey's downtown area; the Woodland and Central Business Districts. This area currently has few housing opportunities and is separated from residential areas.

A main strategy of the Land Use Element and the Housing Element is to target the Woodland District, the Urban Corridors, and the Hawks Prairie Business Districts with housing as well as employment opportunities. New strategies in the plan look to locate housing and work areas in close proximity, while encouraging mixed-use development. As part of targeting these areas for additional development, incentives will be used to make it more beneficial to the development community to build within these particular zones through financial incentives and administrative and code advantages. Incentives should target all demographics to provide housing to a range of citizens, including those within lower income groups.

Another issue is choice of housing location within any neighborhood. Past planning efforts have focused on promoting opportunities within any planning area for a range of demographic income

profiles. Early plans had residential designations providing for a range of housing styles and density within each planning area. The current update takes this a step further, providing for a range of housing styles and home ownership and rental opportunities within each neighborhood area. Incentives have been developed to provide more housing at a higher density in targeted areas.

The Plan also addresses the issue of cost of housing in concert with the Land Use Element by providing opportunities for compact and small lot housing and a range of techniques to accommodate a higher density that can make it easier for the development community to build more housing for less cost. Land costs have always been the biggest expense in housing development. Being able to get more use on less land can lower land costs per unit substantially.

The Housing Element also looks at providing housing for the homeless, a demographic group that has often been overlooked. The Thurston County Homeless Census documents the number of Lacey citizens without homes. North Thurston Public Schools has documented many homeless children. The new update dedicates an entire section to identifying issues of homelessness, with a range of tools to bring to the table to combat homelessness. Temporary shelter opportunities are identified, as well as addressing the root causes of homelessness and providing alternatives for transition into a permanent housing situation.

The Transportation Element

The Transportation Element links together transportation and land use planning in Lacey. Lacey began transportation planning in concert with land use planning under the State Growth Management Act (GMA) in 1994. The basic vision in 1994, and still today, is to achieve and maintain an outstanding quality of life by growing smart as we accommodate projected population growth. This will require Lacey to continue to evolve to a more urbanized environment. As this transition occurs, it is the intent of the Transportation Element to provide the basis for a comprehensive transportation network that serves the transportation needs of the suburban Lacey of today while planning for the needs of an urbanized Lacey of tomorrow. To meet this task, the Transportation Element supports the policies of the City's Land Use Element, with a street system that continues to emphasize a multimodal transportation system supporting all transportation types.

Making the transportation network operate as efficiently as possible has been, and will continue to be, a key goal for the City. As the urban arterial network matures, the City will balance mobility and access with access management techniques and improved connectivity throughout the network. Development of a street grid providing drivers alternative routes throughout the City and an interconnected pedestrian network tying together neighborhood destination sites is a priority.

The City has been successful developing and implementing street standards designed to make pedestrian activity and use of bus services more convenient. Requirements for sidewalks, planter strips, and street trees, and pedestrian scaled lighting have improved the pedestrian realm considerably. These efforts will be continued through neighborhood planning activity where residents can identify routes to schools, bus stops, and neighborhood destination sites and suggest pedestrian improvements to make walking safer and more comfortable throughout their neighborhood. Additionally, a future non-motorized transportation plan has been identified as a priority to ensure that the City maintains existing, and plans for future, safe and convenient pedestrian and bicycle facilities including sidewalks, trails, and street crossings.

Complete streets concepts will be refined and combined with transportation efficient land use policies, coordinated regional Commute Trip Reduction programs, and other demand management strategies. Close coordination with North Thurston Public Schools, Intercity Transit, and other government agencies will continue to reduce the drive alone rate and encourage other modes of transportation.

Lacey will continue to improve transportation options and efficiency of the transportation network through emerging technology. Intelligent Transportation System (ITS) technologies are improving mobility for transit, pedestrians, and vehicles. Signal technology identified in the 2012 Smart Corridor project will provide additional time for buses that are behind schedule, adjust signal operations by time of day, provide pedestrians a head start in crossing the street at the beginning of signal phases, and identify alternate routes to relieve heavy congestion.

Sustainability is another emphasis in the Comprehensive Plan and is reflected in the Transportation Element. To help reduce transportation impacts on the environment, street designs incorporate low impact development techniques and Greenroads® style performance metrics. The Plan has provided for charging infrastructure needed to keep pace with emerging technologies like electric vehicles. Charging and alternative fueling stations are incorporated into the roadway design and in major commercial developments. This plan is adaptive and policies will provide the opportunity to respond to innovative approaches in meeting transportation needs and creating a more sustainable position.

The Transportation Element supports refined land use goals and policies and builds on the successes of the last decade in moving the City to a position that is less automobile dependent and is expected to increase the use and efficiency of other transportation options. This has been an emphasis since 1994 but has been problematic as Lacey has a suburban land use pattern that is predominantly single family, detached housing segregated from commercial services. This results in suburban travel patterns dependent upon automobile use.

With over twenty years of implementation of GMA strategies designed to reverse dependence on automobile use and suburban land use patterns, automobiles are still the dominate mode of transportation and suburban development the dominant land use form. Lacey has not had much success in promoting compact development and mixed-use with density necessary to support transportation alternatives. This Plan accommodates the need of existing land use, but supports new policies in the Land Use Element designed to reverse this trend.

The vision for tomorrow is to have a balanced multi-modal transportation network that offers convenient transportation options to support Lacey's existing land use and the expected transition under GMA to a more urbanized environment. This Plan reflects complete streets objectives that have an emphasis on use, safety, and efficiency for all travelers. Given current domination of automobile use over other transportation alternatives, the complete streets of the future will necessarily have an emphasis on walkability and development of an urban environment and street network that is more functional and inviting for pedestrians, as well as cyclists and bus ridership. Complete streets will evolve to include mass transit options as the urban landscape and density matures to support its use.

Environmental Protection and Resource Conservation Plan (Environmental Element)

Since before GMA, Lacey has been a leader in environmental stewardship. Lacey has continued this legacy with cutting edge environmental legislation, including protection of wetlands and critical habitat, and development of urban forest management goals and policies implemented with a tree and vegetation protection and preservation ordinance. Environmental legislation covers all required areas under GMA, including resource protection and protection of critical areas, as well as introducing innovative legislation in areas not required by GMA but necessary to achieve the goals of the Comprehensive Plan. The Plan includes a number of new programs including:

- **Shorelines:** The update of the Shoreline Master Program (SMP), providing an incentive strategy for dedication of shoreline access to the public and preserving additional sensitive shoreline areas for public stewardship in exchange for additional development rights or credits.
- **Urban Forest Resources:** Refined urban forest and tree protection goals and policies with new options for preserving the urban forest canopy and an improved street tree program.
- **Agricultural Resources:** Comprehensive urban agriculture goals and policies added into the Environmental Protection and Resources Conservation Plan, implemented by retooling the zoning ordinance to provide for a range of urban agriculture opportunities. This gives Lacey residents better access to fresh food and a more resilient local food system and promotes sustainability.
- **Water Resources and Aquifer Protection:** Significant work for water resources conservation and protection, including mitigation planning for water rights, a new reclaimed water utility, and development of comprehensive stormwater standards designed to enable low impact development and protect aquifer areas.
- **Carbon Reduction and Resiliency (CR²):** The Carbon Reduction and Resiliency Plan provides a road map for Lacey's energy policy and is another cutting edge program that will be applied in work towards sustainability. This Plan sets benchmarks for carbon reduction and looks at sustainability issues.

Overall, Lacey's Environmental Protection and Resource Conservation Plan, its implementing legislation and environmental policy, continues to be one of the most progressive and effective in the state. See map of sensitive areas designated as Open Space Institutional (OS-I) on the following page.

Comprehensive Plan for Outdoor Recreation

The City of Lacey has demonstrated a dedication to parks and recreation activities since its incorporation in 1966. Our parks, open spaces, and facilities have made an important contribution to the quality of life experienced by those who live and work in Lacey and the region. Parks help focus the community, provide gathering places, create visual relief, and expand opportunities to interact with one another. Without the benefit of a comprehensive park system, Lacey would be a far less desirable place to live, work, and play.

Lacey is surrounded by exceptional natural beauty. Our lakes, forests and views of Mount Rainier and Puget Sound help create an inviting community identity. Our challenge for the future is to continue to provide adequate access to these community resources by developing a wide range of park facilities. As our community grows and recreational needs increase, we have an obligation to keep pace by providing adequate facilities for our residents. The Comprehensive

Plan for Outdoor Recreation provides the City with direction to ensure that adequate facilities are available now and in the future.

The Comprehensive Plan for Outdoor Recreation describes the long-term plan to address the challenges of providing high quality parks and leisure services in a rapidly growing area. It addresses land acquisition, facility development expansion and renovation, and recreation services required to meet Lacey's current and future needs. The Plan is intended to be a working vision and blueprint to help the City plan for park and recreation improvements.

The scope of the Comprehensive Plan for Outdoor Recreation is not limited to the area within the present city limits of Lacey. The planning area for the purpose of this document is the Urban Growth Area (UGA) for Lacey as adopted in the Land Use Element of the Comprehensive Plan. The UGA has been divided into ten planning areas. These areas are slightly different from those used in the Land Use Element of the Comprehensive Plan. This has been done deliberately in an attempt to draw park boundaries that effectively represent the area in which residents may make casual or frequent park visits. Where the boundaries of the parks planning area correspond to those in the Land Use Element, the same name has been used. Additionally, the Comprehensive Plan for Outdoor Recreation supports the open space requirements of the Land Use Element, identifies goals of private open spaces, and establishes dedication policies.

As of 2010, the City of Lacey holds approximately 655.8 acres of property for parks and open space purposes. The map on the next page shows parks in Lacey and the UGA and identifies the ten parks planning areas.

Water System Comprehensive Plan (Water Utility Element)

Water is a precious resource that is an essential requirement of life on this planet and, as such, it is a priority for all living things. In a hierarchy of human priorities, water will be above both food and shelter, as water is more critical to sustaining our life than anything other than breathing.

Because of its importance to the community and growth, it is a component critical to planning under GMA. The purpose of the City's Water Comprehensive Plan is to provide a long term planning strategy for provision of water to accommodate the long term needs of Lacey and Lacey's UGA. The Water Plan is based upon, and coordinated with, the land use strategies identified in the Land Use Element to provide a coordinated effort to manage growth. Lacey's Water System falls under the GMA definition for a utility. As provided under WAC 365-195-800, regulations that impact development must be consistent with the Land Use Element. In this case, the Comprehensive Water Plan must help implement GMA strategies and expectations identified in the Land Use Element.

Across the state, water plans have not always been coordinated with land use plans. In the past, provision of water or other infrastructure to certain areas would often act as a catalyst for growth without comprehensive planning for how other utilities or services might be provided, or what distribution or land form it might result in. Because of this, GMA provides for comprehensive planning of all utilities in concert with a Land Use Element and limits extension of water outside of the UGA except in very limited circumstances.

Expected demand on Lacey's water system is based upon forecasted population growth Lacey is obligated to service under the GMA. The Water Plan uses information developed in the Land Use Element, considering population growth within particular planning areas and transportation

analysis zones (TAZ's), to provide a plan that supports and will help implement land use planning objectives. The City's water planning is therefore based upon, and is consistent with, the Land Use Element.

Any discussion about water planning also needs to recognize that water plans must satisfy specific law designed for protecting public health. Specifically, Lacey's Water Plan must satisfy Department of Health (DOH) regulations, in accordance with Chapter 246-290 of the Washington Administrative Code (WAC), as presented in the Washington DOH regulations for "Group A" Public Water Systems. Regulations under this law deal with issues important to public health, such as water quality. Development of Lacey's Water Plan therefore needs to meet two sets of legislative mandates; smart growth under GMA and health aspects under DOH regulations.

The water system includes a complex system of infrastructure related to appropriation, transmission, distribution and storage of water. The system includes:

- Ten different pressure zones
- Nineteen groundwater wells
- Approximately three hundred and fifty seven miles of pipe
- Seven reservoirs
- Six booster stations
- Thirteen reducing stations

The plan addresses GMA considerations and health concerns. Management of the system includes:

- Water demand analysis
- Supply analysis
- Conservation issues and efficiency
- Protection of ground water sources
- Treating and testing for water quality
- General operations and maintenance
- Financial planning for long term stability
- Administrative functions of customer service to water customers and billing operations.

The Water Plan is updated every six years, when the Plan evaluates the existing system and its ability to meet the anticipated requirements for water source, quality, transmission, storage, and distribution over a twenty-year planning period.

Water system improvement projects have been developed to meet the changing demands of regulatory impacts and population growth, as well as infrastructure repair and replacement. The Plan also identifies planning level costs of the improvement projects and provides a financial plan for funding the projects. See Lacey's water system map on adjacent page.

Wastewater Comprehensive Plan (Sewer Utility Element)

Like water coming out of the faucet, we may not always think about or appreciate the complex infrastructure and system of pipes, pump stations and sophisticated treatment facilities required to carry our wastewater away to be safely treated and recycled into the ecosystem. Like the water system, the Wastewater Plan is subject to both GMA and public health statutes.

Also, like the Water Plan, wastewater treatment facilities can be a major catalyst to where growth occurs and needs to be coordinated with the Land Use Element. Also, like water, very limited extensions of the sewer utility are allowed beyond the limits of the Urban Growth Area. As such, it is very important wastewater treatment facilities are located and operated to support growth planned under GMA to support community objectives.

Lacey's Wastewater Plan is based upon forecasted population growth and the location and intensity of land use as identified in the Land Use Element. It is therefore consistent with Lacey's Land Use Element.

Lacey's wastewater utility consists of a collection of:

- Sewer pipelines
- Pump stations to provide pressure necessary to move effluent
- STEP (septic tank effluent pump) systems designed to bridge the gap between septic tank drain field systems and sewer

These systems collect and transport wastewater to LOTT (stands for Lacey, Olympia, Tumwater and Thurston County) treatment facilities. In addition to basic sewer infrastructure, Lacey recently began a reclaimed water utility. This water utility can be used for non-potable needs to reduce total water consumption. It therefore helps stretch our water resources as a conservation step and another water resource that can be applied to certain uses (such as irrigation for parks and water supplied to flush toilets).

Sewer is a utility designed to enhance public health by providing a means of disposing of sewage effluent as opposed to septic tanks and drain fields that are a concern for ground water contamination of ground water resources. Large areas in the unincorporated UGA currently do not have sewer and rely on septic tank drain fields. See Lacey wastewater map on adjacent page.

Stormwater Comprehensive Plan (Stormwater Utility Element)

Rainfall runoff was historically considered a nuisance, and runoff management consisted primarily of reducing the potential flood hazard. In recent decades, the focus expanded to include runoff water quality, and stormwater management shifted toward mitigation of water pollution as stormwater became recognized as the leading cause of pollution in Washington's urban waterways including Puget Sound. While the prevention of flooding and water pollution remains as primary goals, stormwater is now increasingly considered as a resource to be utilized. Currently, stormwater management is shifting away from the old approach of collecting runoff and piping it away to large ponds for disposal, and moving more toward providing for pollutant removal and recycling of rainwater via infiltration in small facilities near where it falls. In this way, stormwater is a water resource, replenishing groundwater while more closely preserving natural hydrology.

The City of Lacey Storm and Surface Water Utility has stayed on the leading edge of this trend. However, until recently, the utility has lacked the proactive guidance of a coordinated plan. In 2013, the City of Lacey's first Stormwater Comprehensive Plan (SCP) was completed. This plan will guide the programs and activities of the Storm and Surface Water Utility, ensure compliance with regulatory mandates, and provide accountability to utility ratepayers.

The plan will serve as a long term planning tool for Lacey's Storm and Surface Water Utility. The utility operates and maintains an extensive stormwater collection and conveyance system, including dozens of water quality treatment facilities and infiltration systems. Among our many other activities, the City sweeps streets, responds to hazardous spills, provides outreach and educational services related to water pollution prevention, and administers regulations to ensure that land development projects mitigate their potential flooding or water quality impacts.

The Stormwater Comprehensive Plan focuses on three primary elements: Stormwater Management Program, Capital Improvement Program (CIP) and a financial analysis for the Storm and Surface Water Utility.

Lacey's Stormwater Management Program (SWMP) encompasses virtually all of our activities and efforts related to rainfall runoff water, which are primarily dictated by the National Pollutant Discharge Elimination System (NPDES) Phase II Municipal Stormwater Permit. The permit, first issued in 2007, mandates compliance with increasingly rigorous requirements within specific program components including public education and outreach, public involvement and participation, illicit discharge detection and elimination, controlling runoff from construction and development sites, municipal operations & maintenance, stormwater monitoring, and annual reporting. To ensure Lacey's continued compliance with the permit, the Stormwater Comprehensive Plan summarizes policies and goals, identifies Stormwater Management Program's gaps and needs, and provides recommendations for improvements.

By the end of 2015, the City's NPDES Phase II permit will require mandatory integration of low impact development (LID) techniques into City regulations and design standards. Implementation of these standards will not only be important for NPDES compliance, but will ensure that techniques are used to protect ground and surface water resources.

The objective of the City's SWMP is to meet the following three goals: protect and enhance surface and groundwater resources to provide beneficial uses to humans, aquatic life, and wildlife; manage the storm drainage system to protect public safety and minimize property damage caused by flooding and erosion; and provide adequate funding for the SWMP through an equitable stormwater utility rate structure.

Capital Facilities Plan

Capital facilities planning is essential to consider financing improvements the Land Use Element has envisioned for the community. Without a means of financing capital improvements, implementation of the plan cannot happen. Lacey's Capital Facilities Plan (CFP) helps Lacey use its limited funds wisely and most efficiently to maximize funding opportunities. The CFP helps Lacey determine what our capital needs are, what priorities should be, and what financial opportunities exist to fund needed projects.

Lacey's CFP accomplishes the following objectives:

- Provides adequate public facilities to serve existing and new development.
- Reduces the cost of serving new development with public facilities.
- Ensures that these facilities will be in place when development occurs.

As required by GMA, the CFP contains the following elements:

- An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities.
- A forecast of the future needs for such capital facilities.
- The proposed locations and capacities of expanded or new capital facilities.
- A six-year plan that will finance such capital facilities within projected funding capacities with funding sources of public money for such purposes clearly identified.
- A requirement to reassess the Land Use Element if probable funding falls short of meeting existing needs and to ensure that the Comprehensive Plan Elements, including the Capital Facilities Plan Element, are coordinated and consistent.

To cover coordination between the elements of Lacey's Comprehensive Plan, Lacey's CFP includes the following sections:

- General Government
- Parks
- Transportation
- Sewer
- Storm Drainage
- Water
- Reclaimed Water Utility

The CFP describes the improvements needed in each of these elements, identifies the cost, funding mechanisms, and timing. It is a six-year plan of capital projects that is updated on a regular basis. Lacey plans to dovetail Capital Facility Plan updates with the annual budgeting process so capital improvement and financing questions are considered every year when budgeting decisions are being made.

The Washington State Growth Management Act requires jurisdictions fully planning under the GMA to include a Capital Facilities Plan Element in their Comprehensive Plan. The Capital Facilities Element is also required before a jurisdiction can impose GMA impact fees and before imposing certain taxes, such as the real estate excise tax, and to qualify for state funding for capital facilities.

Economic Development Element

Lacey is a great place to live and raise a family. Lacey has established amenities that are the envy of many communities; a wonderful parks system, a vibrant school district, a local community Library, a community center facility, a wide range of neighborhoods with housing choices and developing retail centers offering a wide range of shopping opportunities, to name a few. Still, there are serious concerns from an economic standpoint. While the City has always enjoyed strong growth for residential development because people want to live here, Lacey has always had a relatively weak economic base to support the services our community needs. With the current economic downturn, the vulnerability of the City, based on a lack of revenue generating diversity, becomes more apparent.

Most of the Lacey work force commutes out of town for employment. While local retail services have expanded significantly over the last couple of decades, resulting from economic development efforts of the city, improving our retail tax base is still of the highest priority. To put

this in perspective, a review of vital statistics shows Lacey is the 24th largest city in the state, yet ranks in the lowest when looking at its retail tax base. We have one of the lowest retail sales tax revenue per capita in the state. Contributing to this is retail sales leakage (essentially, money available in a community but spent outside), and this is a concern. Every effort to improve retail opportunities in Lacey are being made to reduce this leakage.

City leaders have been aware of Lacey's economic disadvantages and have faced significant economic challenges since the time of Lacey's incorporation. This has resulted in the development of a culture that is economically astute and has been able to survive with less economic resources. As an example, Lacey has one of the lowest ratios of city staff per capita in the state and it has weathered poor economic downturns several times during its history, while always maintaining a high level of public services. Economic development planning has been a key aspect of Lacey's success.

The GMA has always emphasized economic development planning and economic development is one of the elements of a Growth Management Comprehensive Plan. Under the original GMA, an Economic Development Element was an optional element. In development of GMA planning, Lacey recognized the value of planning for economic development and in 1994, under options provided by GMA, Lacey completed an Economic Development Plan and Business Source Book to help provide direction for our economic development efforts. Later, GMA was amended to require an Economic Development Element, but the requirement was conditioned on the availability of state funds which have not been provided to date.

Lacey's Economic Development Element and Business Source Book is a beginning framework for an economic development strategy to help Lacey overcome economic issues. As part of its economic development strategy, Lacey has taken bold steps in helping facilitate economic development.

Planning has been a major part of economic development strategy. These efforts included development of Master Plans for several key areas of the City to establish a vision and commitment. Early planning resulted in funding and building infrastructure to serve properties zoned for commercial and industrial use in the northeast area. These efforts have paid off by helping to facilitate development of commercial retail areas and employment zones that have now begun to expand our retail tax base and employment opportunities.

This planning continues today with activity in planning and development of the Lacey Gateway area. Here efforts to provide critical infrastructure and a commitment to provide a civic presence have helped lead the way as Lacey partners with the development community to make economic development happen.

Lacey's Economic Development Element plays an important role in its economic development strategy and the current update helps facilitate Lacey's continued economic progression.

**CITY OF LACEY
LAND USE ELEMENT OF THE
COMPREHENSIVE PLAN
2016 Update**

**CHAPTER II
PROFILE**

DRAFT

II. PROFILE

A. Historical Context

The early history of Lacey is similar in many ways to that of many undeveloped areas in Thurston County, with early dependence on a resource based economy such as farming and logging. Later, development of commerce and industry occurred, particularly after World War II.

The area now known as Lacey was first settled in 1848 by David and Elizabeth Chambers. Their donation land claim is now located in the modern-day retirement community of Panorama.¹ Isaac Wood settled soon after in 1852, in what is Old Lacey Historic area, and later established a brewery in Olympia.² In 1889, a logger named Isaac C. Ellis built a large racetrack and stables on 100 acres of land just west of what is now Homann Drive.³ The Northern Pacific Railroad, which had agreed to lay tracks into the area when the racetrack was finished, completed the tracks and a station in 1891.⁴ The Woodland Station, as it was named, was soon joined by a building originally built as a clubhouse that became the Woodland Hotel. These structures served the many visitors to the racetrack.

Citizens in the area petitioned for a post office.⁵ The name of Woodland could not be approved for the post office, as there was already a town named Woodland less than a hundred miles away. It is believed that O.C. Lacey, a local attorney may have suggested his own name for the post office. In 1903, the name of the railroad station was also changed to Lacey.

Farming and logging were the primary occupations in the community. The first mill at Long Lake was established in 1896. Later, the original Union Mill was erected on the northern tip of Long Lake. St. Martin's College, run by the order of the Benedictine Monks, opened its doors the same year.

The first school in Woodland (now Lacey) was built circa 1886 at the northwest corner of Carpenter Road and Pacific Avenue in a 14 x 20 foot building which held six to ten students. Since Woodland was primarily a farming area, the children had to be available to help with harvesting and attended school for only six months out of the year.

In 1892, David Fleetwood sold to the directors of School District #10 one acre of land across Carpenter Road from the original schoolhouse. A new slightly larger school was built on that acre. Like the first building, it had only one room. In 1901, an addition was added to accommodate the growing number of students. By 1912, the school's capacity was not large enough so the old building was torn down and a white one-room structure was built. Designed by Jack Griffin, it opened in the spring of 1928 and served as the Lacey School until 1967, when it became the administrative offices of the North Thurston School District. Until 1994, it stood at the corner of Carpenter Road and Pacific Avenue.

¹ Thurston County Pioneers Before 1870: Bibliography and historical data collected on 210 pioneers by the Washington State Library Historical Department

² Early History of Thurston County, WA

³ Deed Book #19, page 334

⁴ Morning Olympian, May 22, 1891

⁵ Documents in National Archives, copies at the Lacey Museum

Until World War II, the primary residential neighborhood of Lacey consisted of a small concentration of homes north of Pacific Avenue and west of Carpenter Road, currently known as the Lacey Historic Neighborhood. Individual residences were scattered throughout the rest of the community. After World War II, Lacey experienced a housing boom.

A major contributing factor to this growth was the community's proximity to Olympia and Fort Lewis, as well as a decline in jobs associated with natural resource based industries. The installation of the private Huntamer Water System, with its low water rates, and the availability of low cost land requiring little or no excavation and clearing, made Lacey a prime area for development. New industries were becoming attracted to the area, starting in 1950 with Lacey Plywood and Continental Can. By 1961, Lacey had its own Chamber of Commerce and in 1963, Panorama City was constructed on 50 acres. Other developments followed rapidly, including the opening of Lacey Village Shopping Center in 1966. By this time, Lacey had grown so tremendously that Pacific Northwest Bell Telephone Company installed a Lacey exchange.

By the mid 1960's, the pressures of urbanization became so great that a change in status of the Lacey area became inevitable. Problems associated with transportation, sewage disposal, utility service, police protection, and other urbanization issues made it clear that only a city could provide the services necessary to fill the needs of the Lacey area. Annexation by the City of Olympia and incorporation as the City of Lacey were seen as the only two viable alternatives in being able to provide these services.

Incorporation efforts of the Lacey area provided much debate and substantial turf issues were involved concerning the loss of a significant portion of the local fire district and the possible absorption or overlapping of the North Thurston School District with the Olympia School District. The local fire district and the local school district played a significant role in determining the direction of the community. In association with the Lacey Chamber, both entities shared the primary responsibility for influencing the community to vote for incorporation.

Review of the growth and development taking place in the Lacey area during the 1950's and 1960's paints a textbook picture of the development of a suburban community. Along with this development came the growing pains that can be expected of young communities experiencing rapid urbanization. Community residents became aware that problems associated with urbanization were arising, but residing in the unincorporated county made addressing these problems more difficult.

During this same time period, it became increasingly evident that the status of Lacey would change. While the sentiment in the Lacey community was primarily anti-city, it became a common belief that there were only two choices for Lacey's future: incorporate or be annexed by Olympia. Robert Cummings described the threat of annexation of the Lacey area to Olympia stating: "Lacey boosters...were catapulted into action sooner than they had expected by a new annexation move...Non-residents with substantial holdings in Lacey were circulating annexation petitions which would take the heart out of Lacey Market Square, the new rapidly expanding South Sound Shopping Center and most of Lacey's industry."⁶ In another article a few days later, Cummings reinforced the inevitability of incorporation or annexation, stating "...the proponents of incorporation say there is no middle ground...unless Lacey incorporates,

⁶ Cummings, October 12, 1966

annexation into the City of Olympia is inevitable...The truth of this argument was indicated on October 7, when a group organized and adopted the name “Lacey Citizens for the Greater Olympia Area”...this group’s avowed purpose is to seek annexation if incorporation fails...The arguments attain the highest temperatures over which is the better choice, incorporation or annexation.”⁷

The effort for incorporation of the City of Lacey had two powerful allies in the Fire District and the School District, but the alliance would not have been complete without the support of the Lacey business community. Forming a public/private alliance, the Lacey Chamber of Commerce supported the effort, thus becoming a third powerful ally.

The birth of the City of Lacey was due in part to intergovernmental challenges and turf struggles and the first two decades of its existence were a reflection of these relationships. Many had hoped that intergovernmental relationships would strengthen and the City of Lacey and the City of Olympia would work out their differences over time. The first couple of years were particularly trying as the young jurisdiction was immediately met with an annexation by Olympia of a significant portion of business along Martin Way and residential property to the west. Lacey was unsuccessful in stopping the annexation and Olympia still holds a long narrow finger of high revenue commercial property that extends into the heart of the Lacey business community.

The City of Lacey was born and shaped as much by the intergovernmental forces and politics of the time as it was by necessity due to the tide of urbanization and accompanying growth pains. Without the role played by the local Fire District, the North Thurston School District, or the support of the private sector via the Lacey Chamber, the City of Lacey might never have come to be. See Appendix I for reference cited.

B. Current Land Use Patterns

As discussed in the previous section, the City of Lacey has a heritage as a suburban community. Land use patterns in the City of Lacey reflect this land use form with a series of arterials that pass through the heart of Lacey’s downtown and extend through the length of the existing incorporated limits and Lacey’s Urban Growth Area (UGA). Since the 1950’s people have moved to the Lacey area and generally commuted to work, primarily to either the Olympia area or Joint Base Lewis McCord (JBLM). The construction of the interstate highway system in the 1950’s and 1960’s helped contribute to the ability to commute to other areas more efficiently. This resulted in a dispersed land use typical of suburban communities throughout the country, which have developed at somewhat lower urban densities - below four units per net acre, which is dependent upon the automobile as its primary mode of transportation.

The Lacey UGA has followed a leap frog development pattern along the major arterials, radiating out from the Olympia urban core. Lacey began developing in what is now identified as the Central Planning Area, with commercial development in the Woodland District and Central Business District area. Commercial development spread along the major arterials of Martin Way and Pacific Avenue. In the 50’s and 60’s, residential development spread south of Lacey Blvd. and over the next two decades began to move south along Ruddell and College in the same pattern.

⁷ Cummings, October 14, 1966

In the mid 1990's development was guided by the first Comprehensive Plan, adopted in 1994, completed under the frame work of the Growth Management Act (GMA) which designated an urban growth boundary for the City. The GMA requires that the County designate urban growth areas through a collaborative process with the city. The UGA includes the incorporated area of the City, and also includes unincorporated areas adjacent to the City that are large enough to accommodate the forecasted twenty-year population growth of the City. The urban growth boundary is a site-specific line separating an area where urban development densities and a full range of urban services are to be provided.

In 1995, a revised zoning code was adopted implementing the Plan for the Lacey incorporated area. The zoning code, with a few changes to address County issues, was adopted by the County in 1996. This code applied to Lacey's unincorporated growth area. These documents and the urban growth boundary paved the way for development of a number of new subdivisions meeting GMA goals. Subdivisions in the City generally began to be developed with smaller lots, higher densities, design review components, and narrower streets.

A prominent feature in Lacey's development pattern has been the number of lakes and associated wetlands in the urban area that include Chambers Lake, Lake Lois, Hicks Lake, Long Lake, Southwick Lake, and Pattison Lake. Woodland Creek also runs through the City of Lacey watershed area to the Sound. At the far east end of Lacey's growth area is the Nisqually Valley and the north boundary of the urban growth area is Puget Sound. Overall, most of the Lacey area is predominantly flat, adding to the desirability of development.

Railroads also helped to define Lacey's character and growth. The construction of the Northern Pacific Railroad was completed in our area in 1891. The right-of-way ran through the center of Lacey and Lacey's UGA from east to west and along its southern boundaries northeast to southwest. In 1915, Pacific Avenue was constructed to parallel the railroad tracks. A 2.2 mile stretch of railroad right-of-way through the center of Lacey was purchased by the City and is now the Lacey Woodland trail. The historic Chehalis Western Railroad operated until the mid 1980's. The right-of-way ran north to south, along the western boundary of the City. In the 1990's the former rail line was converted to the Chehalis Western Trail, a regional trail system.

C. Population Projections and Vacant Land Studies

Historical information shows that since 1900, Thurston County's population growth has steadily increased with more dramatic increases starting in the 1960's. Between 1960 and 1970 the average annual growth rate was 4 percent; and by the 1980's, it had reached 6.2 percent. The population continued to grow in the 1990's and 2000's at a relatively steady pace with annual growth rates of 2.9 percent and 2.2 percent respectively. (See Chart 2-1). According to the Washington State Office of Financial Management (OFM), this rapid growth is forecasted to continue. Estimates show a growth of population from 252,564 to 370,600 by the year 2035 for Thurston County (See Chart 2-2).

Data indicates that historically the population of the City of Lacey has been around 11 percent of the total Thurston County population. According to the 2010 census, Lacey's percentage of the County population has grown to 17 percent of the overall population. Lacey and its Urban Growth Area account for approximately 30 percent of the population in Thurston County; (See Chart 2-3). The percentage of population allocation for Lacey and the UGA are anticipated to remain constant for the twenty-year planning period.

To allocate future population, the City utilized reports prepared by the Thurston Regional Planning Council (TRPC). TRPC's analysis reviewed vacant land resources both in and out of the Urban Growth Area. Findings in the *2014 Buildable Lands Report for Thurston County* were used to chart potential growth areas over the next twenty-year planning period to allocate population increases for each area in five-year increments. The report was also used to determine whether the current adopted growth boundaries have adequate vacant land resources to accommodate anticipated growth over the next twenty-year period.

TRPC prepared an estimate of population growth for each UGA of the County. In addition, TRPC broke population estimates down by Lacey's individual planning areas. These planning areas are based loosely on transportation analysis zones, which derive information from census blocks. The City's UGA is divided into eight planning areas and population projections have been applied to each of these areas. A profile of these planning areas relating to population growth estimates is shown in Chart 2-4. Under this scenario, Lacey and its UGA are expected to grow from the 2010 population of 75,540 to a total of 107,720 by the year 2035. Residents in the City of Lacey would account for 53,090 people while the population in the growth area is anticipated to contain 54,630 people. These projections reflect an average annual growth rate of 1.72 percent (See Chart 2-5).

As can be seen in the comparison of planning area growth rates, the most significant growth is anticipated for Seasons, Meadows, Hawks Prairie, and Horizons planning areas. These areas have the most vacant buildable lands and potential for development given past housing trends. Pleasant Glade has ample available land resources, but development limitations such as wetlands, the Woodland Creek corridor, and the unavailability of sewer may require rethinking of much of the area's suitability for inclusion in the UGA. The Woodland and Central Business Districts have potential to accommodate significant growth through employment, redevelopment, and high density multifamily development forms. However, considering vacant land, infilling the Central Planning area may take more time based on market conditions favoring single-family residential development.

Based upon the availability of vacant land, only a small amount of growth was allocated to the Central Planning Area in TRPC's *Population and Employment Forecast* update (2012). Generally, growth was allocated to areas outside the City and within Lacey's UGA that hold the majority of Lacey's buildable land resources. This results in a different land use form and distribution than the alternative that would focus density into the urban core and along urban corridors in a compact, mixed-use development form. The allocations were developed to reflect expected outcomes and to reflect existing zoning and market conditions, as opposed to preferred outcomes or the vision that will be identified in the Plan.

The forecast for population allocation includes a number of considerations. Some of the most important factors include market forces, historical trends, and zoning designations on buildable land. Buildable land resources in Lacey's UGA are primarily zoned in two zoning districts, the Low Density 0-4 and Low Density 3-6. Areas are also included in the McAllister Geologically Sensitive Area (MGSA) zoning classification. These zoning classifications were designed for a suburban market by providing exclusively for single family, detached homes on individual lots. Other housing forms are prohibited in these Low Density zoning designations. See Property Development Status map on adjacent page.

In the last decade, over 75 percent of the growth in dwelling units was in the single family, detached form. This demonstrated a strong market demand for single family, detached housing in Lacey and the competitiveness of Lacey's buildable land resources and zoning classifications to support this development.

Given market demands and expected availability of water service to all of Lacey's buildable land resources within the UGA and the fact that the current zoning classifications in the UGA support a suburban development form, the trend for development of single family detached homes in a suburban development pattern would be expected to continue. Currently, there are several subdivision applications for the Lacey UGA that have been submitted to the county to vest plat applications under lower-density residential zoning.

Population allocation within the UGA, but outside its urban core and mixed-use corridors, has been supported in the allocation forecast given the minimal success of previous efforts to stimulate growth of compact, mixed-use development in these areas. From the time of its adoption in 1994, the Comprehensive Plan provided goals and policies to support urban density and mixed-use in the core and along the Martin Way Urban Corridor. However, market forces, supported by residential zoning designations that require segregated use in a single family land use pattern and the availability of relatively non-encumbered vacant land, continued to expand Lacey's suburban form. Although gross and net residential densities within the City and the UGA increased after the passage of the GMA and zoning was changed throughout the urban area, recent data shows reversing trends. Gross density is expected to decrease in the planning period due to projects being developed on lands that contain large amounts of critical areas considerations.

Overall, growth accommodated within the City and the UGA has satisfied the general goal of keeping new development in the UGA. To this extent, local GMA strategies have achieved a measure of success. However, development within the City and UGA has continued to be developed in a suburban fashion. Despite past efforts, benefits of development in an urban form that will conserve buildable land resources, support urban services, and provide a full range of housing choices and transportation options have yet to be realized.

Lacey's Central Business Districts, Woodland District, Lacey Gateway and the Martin Way Urban Corridor are thought to have significant development potential if the market and zoning strategies support the preferred alternative land use form. If Lacey is to achieve an urban form and move away from suburban style development, new strategies will be required. To provide additional emphasis on achieving a more sustainable development form, the Plan will bring new strategies to influence market development choices, including incentives that will target particular areas for preferred growth.

The Tanglewilde/Thompson Place area is also largely built out, with only limited area for growth. The Lakes area includes environmentally sensitive areas, which is expected to limit potential for density. However, the Lakes Planning Area is also the largest planning area, and one of the more desirable areas considering its lake amenities, which could contribute to significant population increases in this area.

Overall, the amount of vacant land resources identified within the UGA boundaries supports the earlier assumptions made in 1988, and again in 1994, 2003, and 2007, that the boundaries can accommodate growth for the next twenty-year period. Subsequent studies discussed below further support this finding.

It also needs to be noted that if efforts to stimulate development in Lacey's core and the urban corridors are successful, population allocations developed in TRPC's 2012 *Population and Employment Forecast* update will need to be adjusted to account for more development in these areas. This would require review of population modeling assumptions made in the Transportation Element and Lacey's Utility Elements, as these elements have been developed to provide services based upon the 2007 Population and Employment Forecast, which is fairly consistent with the 2012 update.

D. Land Use

Critical information required for preparation of a land use element includes existing land use and economic data. It is important to know how much property is currently devoted to various types of land uses and where such land uses are located.

The majority of Lacey's commercial land use is located in the Central area, with a large Community Commercial area in the Horizons Planning Area at the corner of College St. and Yelm Highway. There are presently two undeveloped Community Commercial areas in the Hawks Prairie Planning Area at Marvin and Hawks Prairie Roads and on Willamette Drive. There is a large General Commercial zone in the Tanglewilde/Thompson Place and Meadows Planning areas at the Martin Way and Marvin Road interchange. More recently, a significant amount of property has been designated and master planned for commercial development in the Hawks Prairie Planning Area in the Hawks Prairie Business District.

In order to identify existing land uses and future land use needs, the City is utilizing TRPC's 2012 *Population and Employment Forecast* and the 2014 *Buildable Lands Report*. Information from that update are being used to provide a profile of the City and UGA so land use assumptions can be made regarding future land use needs and resources.

To ascertain the forecasted need for different land use types, a jurisdiction should aim for comparable percentages of land to what is currently utilized unless significant shifts in the commercial and industrial bases are anticipated. Based upon this expectation, the vacant land available should be allocated to maintain existing percentages while also providing an adequate inventory of commercial and industrial land to support economic development goals.

E. Vacant Land Resources and Sizing of the Urban Growth Area (UGA)

While the UGA has adequate vacant land resources to accommodate anticipated growth for the next twenty-year period, existing incorporated land, when considered alone, does not. Given the GMA's emphasis on guiding urban development to urban growth areas, an important issue is to determine whether the existing incorporated area can accommodate expected growth and if it can't, how much bigger does the urban growth area boundary need to be? To properly review this issue, a discussion of purpose and intent for establishment of the growth boundary, as well as the background for development of the UGA in north Thurston County, is required.

The proposed urban growth areas were established in 1988. In 1988, the Urban Growth Management Subcommittee of the Thurston Regional Planning Council drew the boundaries based primarily on what areas were already urbanized, considering developed and vested development sites; current and proposed zoning and land use designations; and the regional sewer phasing plan.

The primary emphasis in establishing the growth boundaries was to protect rural resource lands from sprawling development, in particular, those areas with agricultural or forest land resources. In drafting the urban growth area boundaries, agricultural areas and forest areas were protected.

The other major emphasis in drafting the UGA was to consider those properties already developed out to urban densities that were on septic tank and drain field and those areas that had vested projects expected to develop that were going to be on septic tank and drain field. This was of particular concern as the Lacey area is very sensitive considering aquifer protection and is considered at high risk for contamination of groundwater resources that provide 100% of the area's potable water.

If urbanized areas or vested projects are within the UGA, those areas can be serviced with sewer, eliminating a primary cause of potential groundwater contamination. If they are outside the UGA, they will likely not be provided with sewer. An example of this is the McAllister Park development in the Seasons Planning Area which was vested through court action for development of several hundred units on septic tank and drain field. If the UGA was drafted to exclude this development, it could have legally been allowed to develop and build out at full densities on septic tank and drain field. It was to the County and City's benefit to provide sewer to this development to ensure that these units were connected to sewer, as opposed to utilizing septic tank and drain field. This issue was particularly significant since McAllister Park is adjacent to the McAllister Geologically Sensitive Area (MGSA).

After the initial establishment of the growth boundaries, a vacant land study was conducted by TRPC, with assistance by the City, to better identify vacant land resources in the UGA. Subsequent follow up studies were undertaken by Lacey with Thurston County staff. Graphic results of these vacant land studies were shown in the land use map provided in the 1994 Comprehensive Plan. This map also showed the current City limits for graphic representation of vacant lands within the City and the County growth area.

The most recent *Population and Employment Forecast* refines information provided in these earlier studies and identifies properties inside and outside the City proposed to be designated for residential, as well as other land uses. This report shows that approximately 115 vacant acres in the City were designated for High Density Residential, 203 acres for Moderate Density Residential, and 380 acres for Low Density Residential. Chart 2-7 shows the percentage of buildable acres in Lacey in general land use categories. Conversely, Chart 2-8 shows the percentage of developed and undevelopable acres in general land use categories.

In the UGA, there are an additional 90 acres of buildable land in High Density, 182 in Moderate Density, 1116 in Low Density, and 589 acres in the MGSA. Chart 2-9 displays all of the developed land in specific land use categories and the percentage of total buildable land reserves still available. Table 2-1 shows the number of buildable and developed acres by zoning district in Lacey. Table 2-2 shows buildable and developed land resources in both Lacey and the Lacey UGA by zoning district.

Population forecasts completed by TRPC in 2012 provided new numbers for local cities to use in determining growth needs and existing capacity of land resources. Review of these numbers has identified some possible concerns with available capacity given trends of the 2007 market and issues related to limitations of some UGA land resources that are expected to reduce its capacity; capacity of buildable land resources to meet forecast demands of population is probable, but not certain. To consider capacity, the City considered several growth scenarios.

Recent population figures forecast a population increase of 32,176 persons in the next twenty-year planning period. Based upon the current average household size for Lacey of 2.4 persons per household, Lacey would have the need to provide for 13,406 additional housing units by the year 2035. If development were to occur at the current lowest density options permitted in the code, Lacey would be short of capacity by several thousand units. However, as density increases under options provided within Lacey's zoning code, capacity increases significantly.

Recent data suggests strong demographic shifts that show a growing need for varied housing types and smaller housing. These demographic shifts are guided by the aging baby boomer generation and the Millennials. The Millennial generation is most commonly defined as people born between the early 1980's to the early 2000's. In 2013, 14.3 % of the population in Thurston County was 65 years of age and older. By 2035, this number is expected to rise to 20%. The growing elderly population is increasing the number of households with one or two people. The Millennial generation is continuing to finish schooling and entering the work force. This generation is increasingly delaying marriage, having children and home ownership. An increasing number are also delaying obtaining a driver's license and are seeking housing choices in walkable urban areas with easy access to jobs, education, goods and services, and recreational opportunities. Given existing demographic trends, land reserves are expected to be sufficient. If changes are made to the existing code to increase land conservation through such strategies as higher minimum density for certain zones, varied housing types, and more successful incentives to achieve compact development; capacity increases significantly to accommodate growth well into the next twenty-year growth period.

In evaluating land use and zoning options, it would be wise to think beyond the minimum twenty-year planning period GMA requires. Wise management of land resources could increase Lacey's available land resources significantly, helping to realize the goal to be a more sustainable community.

Lacey accommodated significant growth in the last planning period. Of all the local jurisdictions, Lacey's code was designed to be market friendly by providing options for density and housing choice. The intent of the Plan was to accommodate the needs of the market. In addition, by including a range of innovative and progressive techniques for increasing density for single family, detached development, Lacey provided new and less expensive ways of developing this form of housing.

The 1994 Plan and implementing legislation met objectives for single family, detached development in the last planning period and demonstrated a market resilient code. This strategy met the needs of the previous planning period. However, new goals and objectives need to be developed for conservation and use of land resources and long term sustainability. In addition to providing opportunities and being resilient to market conditions, Lacey needs to ensure

development regulations are meeting the current vision, goals, intent, and best practices outlined in the Plan.

It is projected that 60,000 new jobs will be created in Thurston County during the twenty-year planning period. Approximately 95 percent of these jobs will be located in urban areas; with 72 percent of these expected to locate in areas zoned for commercial uses (including mixed-use zoning districts). Eight percent of new jobs are expected in areas zoned for industrial uses, with the remaining 20 percent located in areas zoned for residential uses.

Employment forecasts prepared by TRPC indicate that by the end of the planning period, 18,180 new jobs will be added to the City of Lacey and its Urban Growth Area current job total of 28,940. In 2010, the jobs per capita rate for Lacey was 0.56 compared to Olympia's rate of 1.10 and Tumwater's rate of 1.22. Job projections indicate that the anticipated jobs per capita rate for Lacey will increase to 0.71 by 2035 but will still be below the rates of our neighboring urban cities. Thurston County, as a whole, has more people commuting out of the county to work than into the county. This trend results in a net outbound commute factor. A major factor for this trend is Joint Base Lewis McCord. JBLM is now the second largest employer in the state, with Boeing being the largest. Thurston County has 5,250 resident active duty military personnel living in the county, with the highest percentage residing in Lacey.

Forecasting the future need for industrial and commercial land is complex. An adequate land supply requires a full range of options to choose from including unimproved land, availability of infrastructure, and existing and vacant buildings. Commercial and industrial land supply is identified by comparing existing land use and zoning. Vacant or partially-used lands in commercial and industrial zones and a portion of land in mixed-use zones are included in the estimate of the land supply for industrial and commercial development. Redevelopable land is a small but growing part of the developable land base. Redevelopment occurs when old or outdated buildings are removed and replaced with new ones or when excess parking areas are removed to allow for additional buildings.

The 2014 *Buildable Lands Report* identified the minimum number of commercial and industrial land needs for the planning period based on dividing employee growth by the average number of employees per acre. It is projected that Lacey and its UGA will need 316 acres of commercial or mixed-use land and 206 acres of industrial lands. Currently, the planning area contains 752 acres of vacant or partially-used commercial or mixed-use zoned land and 253 acres available for redevelopment. The current industrial-zoned land supply that is vacant or partially-used is 436 acres with 76 acres of land available for redevelopment. The available commercial, mixed use, and industrial land supply exceeds the projected need based on current trends. A planned robust effort to focus on economic development and job growth could warrant the need for additional land.

The Plan is intended to identify ways to utilize available buildable lands to the community's best advantage. This will require strategic location of density, land uses, and employment opportunities. Innovative development will be necessary that will bring more than density alone into infill areas. As Lacey moves forward, it is the intent to conserve available land resources; provide for economic and job growth; consider which zones can accommodate changes to meet the stated goals and policies in the plan; and what changes can be made to facilitate a more compact, mixed-use form given the context of existing land use within our community.

**CITY OF LACEY
LAND USE ELEMENT OF THE
COMPREHENSIVE PLAN
2016 Update**

**CHAPTER III
COMMUNITY VISION**

DRAFT

III. COMMUNITY VISION

Community Vision – Provide a balance of land use activity that promotes the overall quality of life and protects environmentally sensitive areas to make Lacey a great place to live, work, learn, shop, and play.

A. Framework and Plan Coordination

Plan Context

The Land Use Element addresses the general pattern of land use within the City and provides a framework to guide the City's overall growth and development. It ensures that an appropriate mix of land uses are available to provide services to the community, provide an array of housing choices and areas to live, protect environmentally sensitive areas and support the City's economic goals. The land use chapter plays a central role in guiding urban land use patterns and decisions for the City. In keeping with various state laws, the City shapes land use patterns primarily by regulatory means, such as zoning, design standards, and critical areas ordinances. The Land Use Element contains goals and policies to serve the community and works to fulfill the overall vision of improving the quality of life for all residents.

Each element of the Plan is intended to support the other elements to guide the community in a comprehensive and predictable fashion. This chapter addresses the general location, densities, and distribution of land uses within the City. The Land Use Element provides the basis and context for the other elements to guide different aspects of land use and the built environment. This element helps guide the location and capital expenditures related to public services and facilities such as water, stormwater, sewer and roads.

This chapter's goals and policies provide a framework for the overall Plan by guiding the content of the other elements of the implementation of development and design standards. The objective of the land use goals and policies contained in this chapter is to achieve Lacey's vision by preparing for planned growth that will contribute to and enhance the character of Lacey.

The Growth Management Act (GMA) requires that all elements comprising the Comprehensive Plan be internally consistent with each other and consistent with the future land use map, including subarea plans. In order to maintain internal consistency between all elements of the Plan, the goals and policies contained in each element are intended to be mutually supportive and are to be read collectively with specific policies having more significance than more general policies.

Joint Planning

The City of Lacey works to provide leadership and participation in coordinated and consistent planning in the region. The GMA has established processes for local jurisdictions to coordinate land use planning because growth impacts cross jurisdictional boundaries and requires coordination between governmental and quasi-governmental agencies and departments.

Thurston County works in collaboration with local jurisdictions to establish and implement a joint planning process. Each year during Thurston County's annual comprehensive plan docketing process, joint planning activities from each jurisdiction are considered. Each

jurisdiction schedules its annual comprehensive land use plan amendments in the unincorporated portions of the Urban Growth Area (UGA) to be able to coordinate updates with the County's schedule. Memorandums of understanding have been adopted with an agreed framework for this process.

A joint land use plan with Thurston County guides land use in the unincorporated UGA between the city limits and the boundary of the growth area. The City assumes lead responsibility for preparing the joint plan. The plan is jointly adopted by both the City and Thurston County. This joint plan guides land use planning decision making within these areas. Thurston County and area jurisdictions strive to adopt and maintain a compatible level of service standards and facilities and development standards for these areas based on applicable City standards. Thurston County maintains jurisdiction within the unincorporated UGA and implements development regulations through the County land use permitting process.

The City and Thurston County amend and update the Joint Plan as necessary to ensure internal and inter-jurisdictional consistency, and consistency with other elements of the Plan.

County-wide Planning Policies

To achieve coordinated regional planning efforts, the GMA requires counties and the cities therein to jointly develop policy framework to guide the development of each jurisdiction's comprehensive plan. These policies are called County-wide Planning Policies (CWPP's). Each local plan is then required to demonstrate that the policies have been followed in the development of their plan. Policy statements for eight subject areas are required to be agreed upon, including:

- 1) The designation of urban growth areas
- 2) The promotion of contiguous and orderly development and the provision of urban services to such development
- 3) Joint county and city planning within urban growth areas
- 4) The siting of essential public facilities of county or state-wide significance
- 5) The need to develop county-wide transportation facilities and strategies
- 6) The need for affordable housing for all economic segments of the population
- 7) County-wide development and employment
- 8) Rural areas

Through an intensive technical review process, and the final adoption by the Thurston County Board of Commissioners, compliance with the CWPP's ensures that comprehensive plans are consistent, coordinated, and fit the regional vision of Thurston County. Thurston CWPP's and the Thurston Regional Planning Council (TRPC) play important roles in Thurston County and its cities' mandates under the GMA.

CWPP's were first agreed to by local jurisdictions in 1992. These policies included two additional non-required sections, Environmental Quality and Process. The Process section outlines the procedures for updating and amending the CWPP's and population projections. Minor modifications were also completed in 1994. The CWPP's were most recently amended in 2015 to reflect the vision and policies adopted as part of the regional "Sustainable Thurston" process. A copy of the CWPP's adopted in 2015 are included as Appendix ____ to this Plan.

Sustainable Development Plan

Creating Places - Preserving Spaces: A Sustainable Development Plan for the Thurston Region is a result of a two and a half year community conversation and analysis of quality of life issues in this region. A task force comprised of area jurisdictions and agency representatives drafted the plan based on input from residents representing jurisdictions, agencies, organizations, and community groups. The resulting plan is a regional vision of sustainable development that encompasses land use, housing, energy, transportation, food, health, and other interconnected issues. The vision and strategies contained in the plan are intended to guide efforts in the region through 2035. The plan also includes suggested actions and responsibilities to achieve a healthy economy, society, and environment. Goals and policies from the Sustainability Plan were incorporated into related sections within the CWPP's to recognize and integrate sustainability principles in a regional approach.

The City adopted the Plan by resolution in 2014 to use as a resource for providing information, informed actions, and a template for a coordinated approach to sustainable development. The City agreed to participate in continued coordinated partnership opportunities, and to move the plan forward for integration, as appropriate, of relevant actions into local plans, regulations, and programs.

The Buildable Lands Program

Understanding the amount of land available for development provides an indication on where projected growth can locate and how much land will be set aside for environmental protection, parks and recreational uses, and resource lands. The GMA requires cities and counties to develop plans on how they will accommodate growth. Lacey and the cities in Thurston County worked in conjunction with the County and TRPC to establish urban growth areas. The CWPP's are used as the guidelines for this process.

In 1997, the State legislature added a monitoring and evaluation provision to the GMA for six western Washington counties. This provision is referred to as the "Buildable Lands Program" which includes Thurston County and all the cities and towns within. TRPC develops the *Buildable Lands Report*, and updated the report in 2014 to inform the local comprehensive plan updates.

The Buildable Lands Program in Thurston County is required to answer three key growth related questions:

- Is residential development in urban growth areas occurring at densities envisioned in the local comprehensive plans?
- Is there an adequate land supply in the urban growth areas for anticipated future growth in population?
- Is there an adequate land supply in the urban growth areas for anticipated future growth in employment?

The report represents baseline conditions, or an analysis based on policies and regulations that are adopted by local jurisdictions. The 2014 update did not take into account the strategies and

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targets developed during the Sustainable Thurston project since they had yet to be implemented by local jurisdictions.

FRAMEWORK LAND USE POLICIES

Policy A: It is the City's overall goal to enrich the quality of life in Lacey for all our citizens by building an attractive, inviting, and secure community. The City will work in partnership with the community to foster community pride, to develop a vibrant and diversified economy, to plan for the future, and to preserve and enhance the natural beauty of our environment. All policies and proposed development code and zoning changes should be reviewed with this goal in mind.

Policy B: Lacey's land use pattern should accommodate carefully planned levels of development that promote efficient use of land, reduce sprawl, encourage alternative modes of transportation, safeguard the environment, promote healthy neighborhoods, protect existing neighborhood character, and maintain Lacey's sense of community.

Policy C: Support efforts for job creation, new livable wage jobs, and promote the diversification of the community's businesses and employment sector.

Policy D: Plan for and promote an economically healthy city center that is unique, attractive, and offers a variety of retail, office, service, residential, cultural, civic, and recreational opportunities.

Policy E: Diverse, affordable, attractive, and stable residential neighborhoods should be encouraged while providing for a variety of housing opportunities.

Policy F: Protect and enhance the quality of the natural environment by protecting and restoring important environmental areas such as shorelines, wetlands, drinking water supplies, urban forests, and the Woodland Creek basin by ensuring development projects meet or exceed established environmental protections, encouraging existing septic systems to connect to City sewer when services are available, and focusing on redevelopment of existing buildings and targeted infill sites.

Policy G: Plan to accommodate a 2035 City population of 53,090 and potential annexations of areas within the UGA.

Policy H: Ensure that street designs encourage all modes of transportation including transit, pedestrians, bicyclists, and automobiles.

Policy I: Emphasize Lacey's role as an environmental steward by conducting City business in a manner that: 1) increases community understanding of the natural environment and participation in protecting it through education and programs; 2) promotes sustainable land use patterns and low-impact development practices, and 3) leads by example in the conservation of natural resources such as energy, water and trees.

Policy J: Continue to support a culture of dialog and partnership among City officials, residents, property owners, the business community, Joint Base Lewis-McChord, and other governmental agencies.

Policy K: Encourage active participation by all Lacey residents in planning for the future of the community.

PLAN COORDINATION GOALS AND POLICIES

Goal 1: Ensure consistency and coordination between all elements of the Comprehensive Plan, as well as other plans and regulatory land use codes.

Policy A: Establish land use policies that are consistent with, and help implement, requirements of the Growth Management Act.

Policy B: Establish land use policies that are consistent with and implement county-wide planning policies.

Policy C: Integrate the provisions of the Sustainable Thurston efforts in local plans, regulations, and programs, as appropriate.

Policy D: Maintain a joint planning program with Thurston County to foster consistent land use designations and development standards in the incorporated and unincorporated portions of the Lacey UGA.

Policy E: Provide land use policies that are consistent with, and implement all elements of, the Comprehensive Plan, as well as plans and land use regulations referenced by those plans, including the Housing Element; Capital Facilities Plan; Utilities Element; Transportation Element; Environmental Element; Water Comprehensive Plan; Wastewater Comprehensive Plan, Economic Development Element; Comprehensive Plan for Outdoor Recreation; and the Public Participation Plan.

Policy F: Establish land use goals, policies and implementation strategies that give specific guidance on amendments and implementation of development regulations including the zoning code, land division regulations, and design review standards.

B. Residential

The South Sound is one of the fastest growing areas in the state. There are approximately 130,000 jobs in Thurston County and another 60,000 are expected by 2035. These jobs will draw workers and their families who will in turn need housing. An increasing number of people are also expected to move to our area and commute to jobs in the Central Puget Sound region and job centers such as Joint Base Lewis-McChord. The City will also attract retirees and students to area colleges and universities. The City is required to plan for providing housing for this expected population through the next planning period ending in 2035.

Population forecasts for the twenty-year planning period anticipate the need for the City to accommodate an increase of 33,160 persons within the UGA. Due to available land resources, it is projected that approximately two-thirds of this population will locate in the unincorporated portion of the UGA and one-third within the city limits of Lacey. Given the current average household size of 2.4 persons, an additional 13,820 housing units will be needed by the year 2035. If development were to continue to occur at the lowest densities currently permitted in the development code, the City would not be able to provide an adequate capacity of housing units. If permitted densities are increased or minimum densities required, capacity would significantly increase.

The most recent Population and Employment Forecast indicates that within the City limits there is currently more land designated for Low Density Residential development, 380 acres, than there is for Moderate and High Density Residential development combined. In the unincorporated areas of the UGA, 1116 acres are designated as Low Density Residential compared to 90 acres of buildable land designated as High Density and 182 acres designated as Moderate Density.

Evaluation of current land use designations, requiring provisions of public sewer to new development, and zoning standards could assist in prudent management of Lacey's remaining land resources and further the goal of becoming a more sustainable community. It is important to consider that there is a large number of vested subdivisions that have been submitted or preliminarily approved within the City limits and unincorporated UGA. A large majority of these are being developed for single family residential use. Changes to land use designations and zoning standards would not apply to these proposed developments as they would be allowed to proceed under current standards, as required by law.

In the City limits, the available primary form of residential development will need to be multifamily. Through the end of the first decade of the 2000's, the City received minimal applications for multifamily development. This means that most of the residential development has been single family residential on individual lots. At the current rate of construction, this means that development of all of the single family residential lots will be completed within the next planning horizon. However, currently in the UGA, significantly more capacity for single family lots still exists. Meaning that builders could shift to develop single family lots available in the UGA rather than building infill or redevelopment projects in the City. The inclusion of goals, policies and implementation measures that ensure the wise use of available land resources and meet the current vision and intent outlined in the Plan will be essential.

According to information contained in the *Buildable Lands Report*, the average density by building type for a single family residence is 7.09 units/acre while the average density for apartments/condominiums is 22.05 units/acre in Thurston County as a whole. Significant increases in densities can be achieved by providing additional opportunities for multifamily development.

Currently, the zoning code defines "multifamily" as two or more living units under the same ownership. Subdivision provisions require a percentage of the development be designated as multifamily development on property greater than 10 acres. However, these requirements do not specify the amount or type of multifamily development that is required. The current standards

have had little impact on providing the amount and diversity of housing types previously envisioned in the Plan. A refinement of code provisions will be necessary to better define “multifamily” and the mix of housing types required for a development proposal.

Infill Development

Since the adoption of the initial Growth Management Act Comprehensive Plan and zoning and development regulations in the early 1990’s, there has been a steady increase in residential densities within Lacey’s UGA. Gross densities (number of homes divided by total area) climbed to 4.74 units/acre in the unincorporated UGA and 5.23 units/acre within the City by the end of 2009. It is anticipated that this trend in increased densities will decrease in the future due to planned projects being located on lands that contain large amounts of critical areas. Anticipated trends in decreased densities and the lack of available greenfield areas highlight the importance of focusing on infill and redevelopment opportunities to meet future housing demands. Achieved residential densities have been slightly higher in infill areas and are approximately double along corridor areas.

Changing demographics are showing that the aging Baby Boomer (born between 1946 and 1964) population and the Millennial (born early 1980’s to 2000’s) population are increasingly seeking walkable, urban neighborhoods with smaller homes. Changing demographics will most likely lead to an increase in demand for housing in infill areas and in areas with access to convenient and frequent transit service found along the urban corridor areas. As shifts in demographics and housing preferences occur over the long term, providing a diverse mix of residential housing options will better serve the community as a whole.

The intensity and form of infill permitted in the growth area will have a significant impact on the way housing is provided, the cost and efficiency of utilities and services, as well as the overall character of our growth area. Attention will need to be given when integrating higher density and mixed-use development into existing suburban areas. Input and meaningful public participation will be required to successfully implement infill and redevelopment goals. The intent is to improve opportunities for residents while increasing the quality of life as new development and infill occurs.

Pre-dating the implementation of the GMA, the housing market and zoning emphasized a single family residential building product. Lacey’s history as a suburban community with available land made it very attractive for the construction of lower density single family developments. Given that the majority of the existing land use is built out in a suburban form, making a transition to more compact housing forms and mixed-use opportunities will need to consider where this could effectively occur.

Now that the City limits are nearing build out, new growth will be focused in our core areas including the Woodland District and possibly some of our older neighborhoods that have an aging housing stock such as the area between Lacey Boulevard and Panorama (commonly known as the Golf Club neighborhood). Additionally, growth will need to be focused in our nodes and urban corridors. Attached is a map showing various commercial centers and nodes. The nodes (within the City) and the urban corridor are well served by utilities and, with the exception of the nodes located north of I-5, are served by transit.

The City has provided incentives for multifamily development in the Woodland District by adopting a multifamily tax exemption for the area to improve the feasibility of developing multifamily units and stimulate the construction of new market-rate and affordable housing opportunities. Additional opportunities to incentivize increased densities should be explored.

RESIDENTIAL GOALS AND POLICIES

Residential

Goal 1: Ensure sustainable and wise use of land resources to provide an adequate amount and mix of housing types for the anticipated increase in population.

Policy A: Assign land use designations that will provide for adequate opportunity for increased densities and a diversity of housing types.

Goal 2: Ensure that development regulations meet the current vision outlined in the Comprehensive Plan.

Policy A: Review development code provisions to provide increased density opportunities and better define the stated intent of development standards to meet the goals of the Plan.

Policy B: Achieve a level of design with innovative, creative, and efficient concepts for integration of different land use types that will facilitate development of great places that provide increased opportunities to live, work, and play.

Infill

Goal 1: Adopt zoning strategies that will promote the intensification, densification, and evolution of Lacey's land use distribution and form into a sustainable pattern of high quality urban development.

Policy A: Identify areas to focus infill density and mixed-use concepts based upon potential capacity, built condition, and infrastructure.

Policy B: Development approval criteria should require availability of urban utilities, such as water and sewer.

Policy C: Where compatibility issues can be adequately addressed, allow for a range of densities and land use types within the same zone to provide opportunities to enhance the character, functionality, and desirability of areas and promote multi-modal transportation options.

IMPLEMENTATION STRATEGIES

1. Amend density standards in the Moderate Density and High Density Residential Districts to identify minimum density standards and distinguish development densities between the zones.

2. Refine the definition of “multifamily” and development requirements in the development standards.
3. Examine incentives and provisions in the development code and amend, where necessary, to increase incentives to achieve increased densities in desired areas.
4. Require sewer to new residential development in the unincorporated portions of the UGA to increase densities and further the wise use of the available land supply.
5. Review development standards for infill development to ensure compatibility between existing and new development.

C. Commercial & Industrial Lands

The goals and policies outlined in the Land Use Element of the Comprehensive Plan cannot be achieved absent a healthy economy. A healthy economy requires a supply of commercial and industrial sites sufficient to meet the community’s needs to provide economic opportunity over time. A healthy economy is one that is focused on job creation and providing adequate services while sustaining a high quality of life.

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Emphasis will be placed on targeting areas of focus for commercial and industrial uses, job creation, analysis of appropriate development standards, business park zone uses and standards, and discouraging the conversion of industrial lands to residential use. The City will encourage mixed-use buildings, commercial nodes in close proximity to neighborhoods, high density corridors, and mixed-use urban centers in appropriate locations.

History

Prior to World War II, Lacey primarily consisted of a small residential community containing some resource based industries and St. Martin’s College. After the war, Lacey experienced an escalation in residential growth due to its proximity to Olympia and Fort Lewis. During this time there was also a decline in resource based industries. The ensuing suburban development pattern during the 1950’s and 60’s left the City without a designated downtown core area. Commercial land uses were located along Sleater Kinney with the construction of Lacey Market Square and South Sound Shopping Center, Pacific Avenue, and Lacey Boulevard. Access to these commercial areas has been primarily dependent on the automobile.

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Since the 1960’s, commercial development patterns have tended to follow collector and arterial transportation corridors along Pacific Avenue, Lacey Boulevard, College Street, and Martin Way. As increased residential development has occurred in areas of the City and UGA, commercial development has followed along the Marvin Road corridor and Yelm Highway.

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Commercial

Commercial development in Lacey has continued at a steady pace but economic development policies and activities need to continue to evolve to ensure that Lacey remains competitive in the marketplace and to expand job opportunities for Lacey residents to live and work in the community. The current development standards contained in the Business Park District are an example of requirements that need to be reviewed and updated. The current business park standards provide for a 1980’s style suburban development pattern. Business park development

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no longer utilizes this style of design and instead is defined by allowances for a mix of uses and flexible space allowances.

Lacey residents possess moderate incomes with slightly more middle income households and fewer high-income earners than the state averages. Lacey's population is growing slightly faster than both the state and the region but has slowed to an annual rate of 2.1%. The growth of housing units continues to exceed the county, region, and state. Currently, there is over 240,000 square feet of vacant space that can be occupied by retail establishments.

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The most job growth that is expected to occur is forecasted to be concentrated in three sectors; personal and repair services, food services and accommodations, and retail trade. Nearly 40% of new jobs created during the planning period will be included in these sectors. Jobs associated with these industries often provide lower wages and fewer benefits to employees.

The Lacey Community Market study identified automobile sales and gasoline/convenience store sales as being the two largest sources of retail leakage in the City. Spending on new and used automobiles will account for approximately \$62.5 million dollars of retail sales leakage alone. Development standards and uses for commercial, industrial, and mixed-use zones should be re-examined to consider the findings contained in the market study, demographic characteristics, and economic trends.

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The City should take the necessary steps to ensure that existing commercial developments are appropriately located and retro-fitted to be more transit oriented and improve pedestrian circulation. As new commercial development is proposed, the City must continue to require well designed site plans that address efficient access, pedestrian circulation and a high quality design aesthetic.

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Industrial uses are provided for in the Light Industrial/Commercial (LI-C) and Light Industrial (LI) land use designations. The majority of these use designations are located north of I-5 in the Northeast Planning Area and surrounding properties. Additional Light Industrial/Commercial property is located adjacent to Pacific Avenue. There are two areas of designated industrial lands within the unincorporated UGA.

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To strengthen the industrial base in Lacey, a reasonable supply of land is necessary to provide for the envisioned demand and to meet the goals and policies of the Economic Development Element. Manufacturing jobs, which typically have the highest economic impact, are forecast to grow by only 90 jobs during the planning period. The 2% increase in the manufacturing job sector is well below the state average of 10%. Growth in the industrial sector is expected to occur in wholesale trade establishments, adding 1,300 new jobs by 2035.

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COMMERCIAL & INDUSTRIAL SUBAREA PLANNING AREAS

Northeast Planning Area

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The largest concentration of commercial and industrial development has occurred in the northeast area of the City. The commercial areas located on the south side of I-5 are referred to as the Hawk's Prairie area. The commercial area adjacent to and north of I-5 is referred to as the Gateway area. These commercial areas and some surrounding light industrial areas are the

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focus of the Northeast Area Planning Element. The development of the Northeast Planning area was anticipated by the City and subarea planning was completed in the early 1990's when City utilities were being extended through the area. This area is located in what is considered to be one of the most attractive locations available for development along the I-5 corridor due to its proximity to other urban centers, available land, utilities, freeway visibility, access, and projected growth.

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The vision for this area remains to develop the area as "...an aesthetically, attractive, high quality employment center with a moderate mixture of other uses to complement the development..." Building and site design guidelines have been put in place to help shape development patterns in the area. Design standards include buffering, landscaping, signage, height and bulk limitations, pedestrian and vehicular connectivity, and building appearance.

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Identified transportation corridors through the area have been largely constructed. The state legislature also approved \$72 million dollars of funding to rebuild the I-5 interchange at Marvin Road as part of the 2015 Washington State Transportation Bill. Improvements to this intersection will improve traffic mobility for existing and future development in the area. Included in the intent of planning and land use regulations for this area is to facilitate and encourage the use of mass transit and other forms of transportation alternatives to the single occupancy vehicle. Currently, Intercity Transit has a Park and Ride lot located on Hogum Bay Road and one bus route that services the lot. There are no other routes that serve this area. Accessibility to transit is severely lacking in this subarea and surrounding areas located north of I-5.

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Woodland District

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The Woodland District encompasses an area that is considered Lacey's business core. Since this area was largely developed after World War II when the area was developed in a suburban fashion, this area has lacked a true sense of identity and development style of most downtown urban areas. This area has served as a regional retail and employment area for the last fifty years. Planning for this subarea began in the 1990's. These efforts produced the first subarea plan for this area, the *Downtown 2000 Plan*. The plan sought the development of the area with a mix of uses with increased densities that was vibrant and supported transit and a diverse population. Many public and private projects were implemented that were envisioned in the plan for this area.

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At the conclusion of the 2000's, private development in this area was severely impacted by the national economic downturn and the downsizing and relocation of several state offices. Over 240,000 square feet of office space became vacant. In 2011, the City began efforts to re-examine the goals of the previous planning efforts. An action-based strategic plan has been developed for this area to guide revitalization and private investment. The plan identifies the need for public gathering spaces, multi-modal transportation infrastructure and form-based development regulations. Several key implementation actions are underway or have been completed, including the development of a form-based development code. The code is intended to serve as an incentive to realize the vision of the area as the "downtown" core of the community. Ongoing efforts by the public and private sectors will be critical to the successful transformation of this area.

Priority Nodes & Corridors

Lacey’s Central Business Districts and the Martin Way Urban Corridor are thought to also have significant commercial development potential if the market and zoning strategies support a more urbanized form. Development strategies must be implemented to help influence market development choices, including incentives to target preferred areas for commercial and industrial growth. A small amount of growth is anticipated in other areas of the City through natural redevelopment and infill that is provided for under the Comprehensive Plan and zoning. The City will be challenged for continued funding to provide excellent services, amenities, and infrastructure to meet future needs.

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The Martin Way Corridor from Carpenter Road to Galaxy Drive has been identified as a prime location for redevelopment by the TRPC Urban Corridor Task Force, based on the age of existing buildings, utility availability, and transit service. Planning for this area would need to be done in conjunction with Thurston County due to the shared jurisdiction of this area.

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The Depot District is the area around the future City owned train depot museum. This area includes the Pacific Avenue and Lacey Boulevard Corridors and surrounding areas. Once the construction of the new depot museum and other infrastructure improvements are completed, subarea planning efforts would greatly aid this area.

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Some older commercial and neighborhood shopping centers are experiencing high vacancies and are grappling to meet changing market conditions. Alterations in the retail market will require smaller shopping centers’ land use mix and urban form to be updated to keep them healthy and attractive to shoppers and private investment. In some areas, it may be appropriate to support a wider mix of land uses to facilitate overall development where there is less demand for traditional retail.

Joint Base Lewis-McChord

Joint Base Lewis-McChord (JBLM) plays a noteworthy economic role in Thurston County and particularly, the city of Lacey. Direct impacts from operations at the base are substantial, including the purchase of goods and services from local communities. It is estimated that approximately 5,000 active-duty military reside in Lacey with an equal share of veterans. The South Sound Military and Communities Partnership estimates JBLM personnel residing in Lacey collectively account for a payroll of \$216.6 million with approximately \$50 million in added economic activity.

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Separating service members represent a unique workforce development opportunity of skilled workers into the labor force that may create opportunities to expand regional industry clusters. The City is positioned to serve as the area for new business because it serves a high percentage of this workforce and also offers high quality commercial and industrial property in Hawks Prairie, Gateway, and other parts of the City.

Commercial & Industrial Land Supply and Demand

The analysis of commercial and industrial lands is important to support employment opportunities for the community. An adequate land supply is one of the core components of commercial and industrial development. Ninety-five percent of new jobs will locate in the urban

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areas of Thurston County. Within these urban areas, it is expected that over seventy percent of them will locate in areas zoned for commercial and mixed-use.

The 2014 *Thurston County Buildable Lands Report* projects that approximately 60,000 new jobs will be created in Thurston County within the next planning period. Of those new jobs, 14,087 will be located in Lacey and 4,093 will be located in Lacey's UGA. Forecasting future need for industrial and commercial land is complex. To determine the minimum amount of land new jobs will require, two factors are evaluated; the number of employees per building square feet, and the average building square foot floor to area ratio (FAR). Employees per building square feet are determined by the average number of employees based upon the use type of the building. The average FAR looks at how much total land area is required for commercial and industrial buildings, including parking, stormwater facilities, and landscaping.

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Commercial and industrial land use forecast for additional land needs for the planning period have been identified by the *Buildable Lands Report* for Lacey and its UGA. The minimum number of acres needed for commercial or mixed-use development is 316 acres and 206 acres for industrial development. These acreages do not take into account the need for special uses that may arise over the planning horizon.

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Future employment and land demand projects for the City have been refined in the *Lacey Community Market Study, 2015*, prepared by Wahlstrom and Associates. The study indicates that an additional 298 acres will be needed for commercial, office, and business park development and 185 additional acres will be needed for industrial land uses during the planning period. The land demand projections contained in the market analysis have been divided into specific land use categories and include institutional uses as a separate use.

Employment and land demand projections in the study predict that 13,700 new jobs will be added to the City's economy by 2035. Projections for land demand indicated that the greatest land use demands for employment will be for retail establishments, personal service providers and other like establishments that need ground-floor commercial space, followed by office and business park space, and warehouse and industrial flex space. Industrial space is needed for the wholesale trade sector which captures nearly thirty percent of Thurston County's jobs.

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A healthy land supply requires a full range of options for potential business use. These options include unimproved land, land with infrastructure already available, and existing and vacant buildings.

COMMERCIAL & INDUSTRIAL GOALS AND POLICIES

Goal 1: Designate an adequate supply of land for high quality commercial uses based on appropriate site characteristics, community needs, and adequacy of facilities and services.

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Policy A: Existing core commercial and mixed-use areas, including urban corridors and nodes, should be the primary focus for commercial development, redevelopment, and infill opportunities.

Policy B: Provide for a compatible mix of housing and commercial uses in appropriate locations that enables people to walk to employment and shopping.

Policy C: Provide neighborhood commercial zones near residential areas to provide opportunities for neighborhood shopping and services with pedestrian accessibility.

Policy D: Provide for a full range of uses to support the development of Lacey as a high quality, and attractive regional commercial center in designated core commercial areas.

Policy E: Review existing land use designations and standards and revise as necessary to provide for projected and desired job opportunities and uses.

Goal 2: Create vibrant, integrated and well-designed commercial districts in designated areas in the community.

Policy A: Utilize the City's design review standards to encourage clustered commercial and mixed-use development rather than strip commercial development in urban corridors and nodes.

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Policy B: Prioritize and develop subarea plans for commercial and mixed-use areas to promote redevelopment and infill efforts to define and strengthen sustainability, character and aesthetics in these areas.

Policy C: Urban design standards along Lacey's arterial entrance corridors should provide a sense of positive identity, visual interest, and high quality gateways to the City.

Goal 3: Encourage and promote the development of high quality industrial development.

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Policy A: Designate an adequate supply land for high quality industrial uses based on appropriate site characteristics, anticipated need, and adequacy of facilities and services.

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Policy B: Develop specific criteria for considering the conversion of industrial lands to residential lands to safeguard an adequate supply of industrial lands for future economic viability.

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Policy C: Review land use policies and standards to implement the goals, policies, and objectives contained in the Economic Element.

Policy D: Prioritize industrial development which adds to the tax base, provides family-wage jobs, and diversifies and strengthens our local economy.

Policy E: Utilize subarea planning to help guide the development and redevelopment of planned industrial areas.

Policy F: Industrial uses should be located, designed, built, landscaped, operated, and maintained to ensure compatibility with nearby land uses.

Policy G: Industrial areas should be located where they are adequately served by necessary utilities and transportation routes, and adverse impacts can be mitigated.

IMPLEMENTATION STRATEGIES

1. Evaluate existing commercial and industrial land use designations and provide additional areas to meet the land demand projections for the planning period.
2. Consider developing subarea plans and form-based code provisions for identified priority commercial and mixed-use high density corridor areas.
3. Review existing development standards, policies, and uses to address changing demographic and economic needs, including the Business Park District.
4. Adopt review criteria for proposed conversion of industrial land to residential land. Adopted review criteria shall include safeguards for an adequate supply of industrial land for future use.
5. Develop standards and programs complementary to economic development strategies identified in the Economic Element.

D. Subareas

Since incorporation, Lacey has been undertaking a unique transition from a suburban bedroom community to an urban community where residents can live and work in close proximity. Through this transition, the community's desire has been to enhance Lacey's character as derived from its unique physical location, important natural features, neighborhoods, and commercial nodes. As the City grows, development standards, as identified in the Comprehensive Plan and implemented by a variety of private and public development projects, improve the visual character of the built environment and assist in the City's transition.

The Comprehensive Plan establishes general patterns for future land use, transportation and other infrastructure needs. For more detailed planning on a geographic basis, subarea plans are used as plans for neighborhoods, corridors, special districts and joint planning areas. The adoption and incorporation of subarea plans into the Comprehensive Plan adds greater detail, guidance and predictability to future development. These subarea plans help guide the City's transition to ensure that high quality urban development is achieved. Two such subarea plans apply within Lacey; the Woodland District Strategic Plan and the Northeast Area Planning Element.

Woodland District Strategic Plan

The Woodland District Strategic Plan is an action-oriented subarea plan that seeks to enhance Lacey's business core as a place to live, shop, gather, learn and play. Largely developed after World War II, Lacey's core has lacked a sense of identity and is not a "downtown" in the traditional sense; however, the area has been a consistent regional retail and employment center for over fifty years. Planning for the Woodland District began in the mid 1990's as the City of Lacey grappled with the area's identity, culminating in adoption of the *Downtown 2000 Plan*, which established design guidelines and development standards for the area. The *Downtown*

2000 Plan envisioned the Woodland District as a vibrant and prosperous place that encouraged density and mix of uses, supported transit, and provided for a diverse population. The vision set forth in the *Downtown 2000 Plan* has been implemented in a variety of private development projects as well as various City projects.

In 2008, as a result of a downturn in the financial markets and a downsizing and relocation of State office complexes, private investment in the Woodland District ceased and 240,000 square feet of office space became vacant. With the assistance of an appointed steering committee, the City began the 2011 “Downtown Refresh” to re-examine the goals of the *Downtown 2000 Plan*. The committee validated the vision but understood that the area needed a jumpstart. Upon completion of the Downtown Refresh, the City, in partnership with the Thurston Regional Planning Council, received a grant through the federal Department of Housing and Urban Development (HUD) to develop the *Woodland District Strategic Plan*, an action-based strategic plan for the area to guide future revitalization and development of private investment, public places, and transportation infrastructure.

The *Woodland District Strategic Plan* offers an innovative solution for the area by combining an urban design framework and vision with an action-oriented strategy, all based on market realities. The urban design framework vision, goals and policies are detailed in graphic and written form which provides the policy basis for the subarea plan. Detailed urban design recommendations provide the regulatory background for a form-based code, which will guide future revitalization and development of streets, public places and private development. These recommendations help support the action plan which outlines twenty-five key actions designed to implement the Woodland District goals and policies. These actions are integrated to provide the necessary framework and incentives to catalyze investment and development, and were developed as an integrated set to be leveraged together so that each will result in multiple benefits in order to realize the District’s vision over a ten-year period. Finally, all of these are supported by a market analysis that details current and future conditions related to retail/commercial, housing, service, and hospitality markets. The market analysis also contains three pro forma which ensure a development’s rate of return and ensures that the City’s vision is in line with market realities.

The *Woodland District Strategic Plan* was adopted on July 25, 2013. Since adoption, as a result of community stakeholder buy-in, the strategic plan has been a living document with several key implementation actions completed or underway, including adoption of the multifamily tax exemption for the area to improve development feasibility and to stimulate the construction of new market-rate and affordable housing opportunities.

An additional implementation measure includes development of a form-based code for the district. The form-based code will create a “place-based” regulatory system that will clearly illustrate the District’s desired form and character for both the private and public realm. The code would serve as an incentive to attract new investments and produce a cohesive neighborhood characterized by great places.

Northeast Area Planning Element

The *Northeast Area Planning Element* was adopted in July of 1992 and was one of Lacey’s first subarea plans. The *Northeast Area Planning Element* applies to 970 acres in northeast Lacey

and was completed when City utilities were being extended through the area through a utilities local improvement district (ULID). Extension of utilities, combined with the area's proximity to Interstate 5, made the time right to develop a plan for the area that was expected to experience a high rate of growth.

The City desired to create a subarea plan for the area so that it could "...develop as an aesthetically attractive, high quality employment center with a moderate mixture of other uses to complement the development..." In fact, the term "gateway" that is now associated with this area was coined in the subarea plan which states, "The area serves as a "gateway" to the city of Lacey, the Capitol area, and to the Nisqually River Basin/Valley."

The subarea plan suggested transportation corridors and a mixture of land uses which helped guide future development of the area. Transportation corridors have now largely been constructed and include what are now Britton Parkway, Gateway Boulevard, and Galaxy Drive. The mixture of land uses lead to the development of the Hawks Prairie Business District. The *Northeast Area Planning Element* identified the need for design guidelines for the area including strong arterial and gateway design framework for development, site and building design guidelines. These guidelines apply today and are helping to shape development patterns in the area. Some of the first buildings around the intersection of Marvin Road and Britton Parkway have implemented these design requirements.

Future Subarea Plans

There are other strategic locations around the City where development of a subarea plan would be a useful tool in both placemaking and revitalization. Future subarea plans could include priority nodes and corridors that could benefit from the identification of strategies to help kick start private and public investment.

The first priority area for future subarea planning efforts would be the area known as the "Depot District" (insert Depot District Map here). The Depot District is the area around the future City owned train depot museum. The area includes the Pacific Avenue and Lacey Boulevard corridors and the area in and around these corridors. In the early 2000's, Pacific Avenue and Lacey Boulevard were converted to one-way streets. Since that time, private investment in the District has slowed. With the future construction of the depot museum and public investments made to the area, the area could benefit from subarea planning efforts to aid in revitalization. Any subarea plan would also need to consider accessibility to adjacent neighborhoods that are in close proximity to the district.

Another priority area that could be a potential future subarea plan would be along the Martin Way corridor from Carpenter Road to Galaxy Drive. This area shares jurisdiction with Thurston County, requiring that any future subarea planning for this area would need to be a joint project between jurisdictions. Regionally, this area is a prime location for redevelopment as identified by the Urban Corridor Task Force convened by TRPC, based on the age of buildings, utility availability, and transit service. This would be a prime area for a future form-based code and that could be completed under a re-examination of the Mixed Use High Density Corridor zoning district.

The area south of Lacey Boulevard near Golf Club Road would be a prime candidate for the City's first neighborhood-oriented subarea plan. This area contains much of the City's oldest housing stock built in the 1940's and 50's on large lots to serve mill workers associated with the nearby Union Mill. It is well served by utilities, transit, and is in close proximity to services; however, the area lacks pedestrian-oriented transportation options and a distinctive quality. These factors, also combined with High Density and Moderate Density Residential zoning, mean that it will be a priority area for future infill development and would make it a priority area for future subarea planning.

SUBAREA GOALS AND POLICIES

Goal 1: Use subarea plans to assist in Lacey's transition from a suburban to urban community.

Policy A: Subarea plans shall guide development that recognizes the identity and character of individual subareas while also effectively transitioning them to more urban uses.

Policy B: Use subarea plans to implement placemaking techniques to provide interest, identity, complementary character, compatibility, and sense of place for each subarea. Use of innovative techniques such as form-based codes or other methods shall be considered to achieve placemaking objectives.

Policy C: Subarea plans shall strive to provide for a broad range of uses including commercial, office, institutional, parks, and a diverse mix of housing types.

Policy D: Utilize subarea plans to identify and prioritize future public investments.

Policy E: Continue to support the existing subarea plans for the Woodland District and the Northeast Area Planning Element while also supporting future efforts to develop subarea plans for the Depot District, Martin Way corridor, and Golf Club Road neighborhood.

IMPLEMENTATION STRATEGIES

1. Complete the Depot District subarea plan.
2. As part of the review of the Mixed Use High Density Corridor zone jointly with Thurston County, consider developing a subarea plan and form-based code for the Martin Way area between Carpenter Road and Galaxy Drive.
3. Complete the Golf Club Road subarea plan as Lacey's first neighborhood plan.
4. Continue to support the implementation measures identified in existing subarea plans.

E. Urban Growth Area

The City's Urban Growth Area (UGA) was established in 1988—before the Growth Management Act. In 1988, the regional Urban Growth Management Subcommittee of the Thurston Regional Planning Council drew the boundaries based primarily on what areas were

already urbanized, considering developed and vested sites, current and proposed land use designations, and the *Regional Sewer Phasing Plan* (insert aerial photo from this time period to show the development pattern). In 1993, under GMA, the 1988 boundaries were used to establish the UGA. Because this boundary was used, Lacey adopted a growth boundary that was equally as large as the City limits and included property from the easterly City limits to the Nisqually Bluff and south to the McAllister Springs Geologically Sensitive Area. Property around Pleasant Glade Elementary was also included. The reasoning for such a large UGA is described in the City's 1994 Land Use Element which states:

“As best can be determined, the existing urban growth boundaries properly consider the full range of needs and resources in the planning area. UGA boundaries reflect consideration of existing urban and vested development currently outside the City on septic tank and drainfields. Boundaries also reflect the task of stopping sprawl to protect County resources of agricultural, timber and environmentally sensitive areas. And boundaries also provide room for a full range of housing options and some competition to help affordable housing goals and policies...At expected build out (at least required minimum densities), we should be able to comfortably accommodate the next 20 years of growth.”

The unincorporated UGA largely grew out of pre-existing development patterns of the 1950's and 60's. Neighborhoods such as Tanglewilde, Tanglewilde East, Thompson Place and the Seasons, which developed at suburban densities but with sub-standard utilities, were included in the UGA because they were at the boundary of Lacey's corporate limits. Other areas such as McAllister Park were included in the UGA because of vested development that allowed for larger lots at the periphery of the UGA. Other properties were included because of environmental sensitivity, including Woodland Creek and associated wetlands in the Pleasant Glade Planning Area, and the McAllister Springs Geologically Sensitive Area for the protection of groundwater. This is memorialized in the 1994 Land Use Element:

“The other major emphasis in drafting of the boundaries was to consider those properties already developed out to urban densities that were on septic tank and drainfield and those areas that had vested projects expected to develop that were going to be on septic tank and drainfield. This was of particular concern, as the Lacey area is very sensitive considering aquifer protection, and is considered at high risk for contamination of groundwater resources, resources that provide 100% of the area's potable water.”

In the twenty-plus years since the UGA was established under the Growth Management Act, several key issues have risen. A primary issue is that most of the larger greenfield development sites in the City have been developed. Maps (insert reference figure #'s here) show the developments that have been entitled (land use permitting approval granted) or are in the entitlement process. Most of the existing residential property within the City limits is either currently entitled or built on, meaning that development within the City in the next twenty years will move from greenfield development to redevelopment and infill. Although there are many entitled projects within the UGA, there is more capacity in the UGA to handle future greenfield development than within the City limits. This means that it may be easier to develop these greenfield sites in the UGA than doing redevelopment or infill in the City and ultimately pushes much more development to the UGA in the next planning horizon. Population estimates

prepared by the Thurston Regional Planning Council also suggest that the rate of residential growth in the UGA will outpace that of the City limits (insert population estimate statistics).

Another issue is annexation of the UGA into the City limits. The Growth Management Act distinguishes an urban growth area as the area that is planned for annexation and incorporation into the City limits in the next twenty years. However, for Lacey, this is a unique challenge because much of the development immediately adjacent to the City limits was developed in the 1960's and largely contains sub-standard infrastructure including septic systems. As part of a regionally convened septic summit, this issue has been investigated and found that the Lacey UGA contains proportionally the highest contamination risk for combined groundwater and surface water in all of Thurston County (insert combined septic risk maps). In order to remedy this, these older developments will need to be connected to municipal services at a high cost to those who connect. As newer developments occur, they will also need to connect to City sewer. If these older residential areas with sub-standard infrastructure were annexed into the City, the resources needed to bring these areas up to current infrastructure and health standards would be beyond the financial capacity of the City, despite property tax or other tax revenues associated with annexation.

The development that is occurring on the periphery of the UGA is connected to City services and is being developed at higher single family residential densities. In order for the City to annex the newly developed areas on the periphery, older sub-standard areas would have to be annexed as well. To minimize financial impacts and complexities of annexation, a strategic annexation plan should be developed that identifies a strategy to incrementally annex the unincorporated growth area in a manner that is cost effective for the City, the County, and the citizens. The annexation strategy would also look at potential methods to incentivize annexation, including annexation agreements and potential upzones to properties upon annexation and/or funding opportunities for septic conversions, and a full economic analysis to ensure that the cost of serving the area does not outstrip the tax revenue generated.

As the UGA continues to build out, two areas continue to see relatively little development, including the area north of Pleasant Glade Elementary and most of the McAllister Geologically Sensitive Area. These areas have seen little development in the last twenty years primarily because of the cost associated with extending sewer service. Unless sewer service can be reasonably accommodated in the next twenty years, the City should consider removing those areas not sewerred, or immediately adjacent to sewerred areas, from the UGA. Should they be removed from the UGA, they should be put in an "urban reserve" designation so that no further residential development can occur until such time that these areas are part of an urban growth area. Additionally, both the McAllister and Pleasant Glade areas contain the majority of existing "Agriculture" zoning districts. The City should consider re-designating these zoning districts to an "urban holding area" so that they are precluded from developing until rezoned and/or sewer is available.

In the UGA, much like within the City limits, the primary form of residential development within the last twenty years has been single family residential detached units. Within the UGA, approximately 1200 units are entitled for future development (insert res dev map and entitlement table), however, none of those units are multifamily. To meet the goals of the Housing Element and to provide a diversity of housing types for purposes of affordability and choice, the City

should examine ways to encourage higher density development, especially in priority areas around corridors and established nodes. Among the actions to consider would be raising minimum density requirements for Moderate and High Density Residential zoning districts to prevent the over proliferation of single family residential lots within these zones. Also, the City should examine programs that can provide financial incentives to achieve the desired development in priority locations.

The UGA is also generally considered residential in nature. Except for the Martin Way corridor, and some limited neighborhood commercial-scale opportunities, there are little or no job generating economic development opportunities in the UGA. Goals and policies should be put in place to ensure a diversification of employment opportunities in the UGA so residents can work, live, shop and play all within close proximity. For the Martin Way corridor, policies should build on those established by Thurston Regional Planning Council's Urban Corridors Task Force to facilitate high density, mixed-use development along the urban corridor and centers. The City should also focus on Joint Base Lewis-McChord and the influence the Base has on the UGA by providing the types and locations of amenities for those that live in the area and travel to the Base on a regular basis.

URBAN GROWTH AREA GOALS AND POLICIES

Goal 1: Use UGA boundaries under the Growth Management Act to guide growth, prevent sprawl into the rural areas, conserve land resources, and promote land use distribution for the efficient provision of urban services and utilities.

Policy A: Use UGA boundaries as focus for designation of urban densities, to avoid sprawl into rural areas and provide logical service and utility planning.

Policy B: Maintain designated growth area boundaries that meet the following criteria:

- 1) *Contain areas characterized by urban growth*
- 2) *Are served by, or planned to be served by, municipal utilities*
- 3) *Contain vacant land near existing urban areas capable of serving urban development*
- 4) *Are compatible with the use of designated resource lands and critical areas*
- 5) *Follow logical boundaries*
- 6) *Consider citizen preferences*
- 7) *Are of sufficient area and planned density to permit the growth that is projected to occur in succeeding twenty-year period*

Policy C: UGA boundaries shall only be amended in accordance with the Growth Management Act, county-wide planning policies and other applicable law.

Policy D: Develop and implement a range of strategies to facilitate urban densities within the City and UGA boundary.

Policy E: Explore designating "urban holding areas" specifically within the Pleasant Glade and McAllister Geologically Sensitive Area, which would not be developed until such time that sewer service is available. Should development in this area not be anticipated during the next twenty-

year planning horizon, the City should consider removing the property from the urban growth area as a future work program item in conjunction with a robust public outreach campaign.
Policy F: Re-designate the existing Agriculture zoning districts to an “urban holding area” so that they are precluded from developing until rezoned and/or sewer is available.

Goal 2: A full range of residential densities, employment, commercial, recreational and civic uses shall be located based upon the UGA boundaries and the availability of roads, utilities and services, and environmental limitations. Development within the Urban Growth Area shall provide a diversity of housing types and high quality development. Infill areas should be the primary areas where growth within the City limits and UGA areas are encouraged.

Policy A: Locations for the highest density development will generally be identified along major arterials and corridors to maximize transportation opportunities and provision of utilities and services.

Policy B: Infill and redevelopment should be prioritized around existing neighborhood centers, recognized nodes, and the urban corridor in areas served by City utilities and transit.

Policy C: Consider incentive programs to encourage development around existing neighborhood centers, recognized nodes, and the urban corridor in areas served by City utilities and transit.

Policy D: Zones designed to permit high and moderate residential density should accommodate a mix of housing types from small lot single family to multifamily uses. These zones should have provisions to ensure they are not dominated by any one type of housing style. To achieve this, the City should consider raising minimum density requirements and/or require a mix of housing types for large projects within these zones.

Policy E: All new development in the Urban Growth Area shall be served by sewer.

Policy F: Require septic systems that have failed to connect to City sewer within a specific distance of an existing sewer line.

Goal 3: Encourage a land use distribution that provides convenience for residents in accomplishing day-to-day tasks in close proximity to residential areas.

Policy A: Encourage residential densities high enough to support, and within walking distance of, basic retail, support services, and areas of employment.

Policy B: Provide a mix of uses in close proximity to neighborhoods to enhance their character, functionality, and desirability, and reduce the dependency on the automobile. Encourage, where feasible, mixed-use concepts that integrate commercial uses within the same building as residential uses, with commercial uses on the ground floor.

Policy C: Continue to use the village center concept, identified in previous Land Use Elements, as a strategy to achieve a mix of uses. Ensure that the commercial areas associated with the

village center are developed to provide basic retail services and employment opportunities in close proximity to residents.

Goal 4: Achieve a mix of uses along designated arterial corridors that are walkable and transit oriented.

Policy A: Continue to participate in the Urban Corridor Task Force and incorporate strategies applicable and appropriate to Lacey that facilitate high density mixed-use development along the urban corridor and centers.

Policy B: Apply different mixes of commercial and high density residential land uses along the Martin Way corridor based upon sensitivity to existing uses so they may be integrated into the long term vision.

Policy C: Maintain the health and vitality of existing business along Martin Way, by accommodating the continued operation of existing auto-dependent uses that do not meet the intent of the mixed-use high density corridor. Have requirements, as well as incentives, for gaining compliance over time as applications are made for expansion or improvements of non-compliant auto-dependent uses.

Policy D: Street frontage improvements are prioritized by the City and County with input from property owners and the public. Prioritization is to be based in part on available funding mechanisms that will include, as appropriate, City/County/community funds, grants, requirements for building permits, Local Improvement Districts, Business Improvement Districts, TDR/incentive program bonuses, or any other combination of funding.

Policy E: The City and County shall support coordination of a joint project to improve the Martin Way corridor especially related to pedestrian safety improvements.

Policy F: Provide for a mixed-use arterial corridor zone encouraging moderate density residential development and new commercial development opportunities along portions of Sleater Kinney Road and Pacific Avenue. Mixed moderate density corridors should take advantage of marketing opportunities provided by the surrounding planning area and adjacent neighborhoods. Commercial uses permitted should include a range of office, service, and retail activities. Selections should reflect the corridor's marketing opportunities and compatibility with the neighborhood in which the corridor is located.

Policy G: Use the 1993 study conducted by Thurston Regional Planning titled "Evolution of a Corridor – From Auto-Oriented Arterial to High Density Residential Corridor", and recommendations from the Urban Corridors Task Force, dated 2011, as guides to modify the mixed-use arterial zone and accompanying standards.

Policy H: Consider form-based codes, or other design tools if applicable, to further objectives of the corridor for integration with existing uses, mixed-use opportunities, compact development, higher density, social interaction, affordable housing and other desired characteristics.

Policy I: Mixed-use areas will benefit from buildings organized along the street to facilitate pedestrian use.

Goal 5: The City should strategically pursue annexations in accordance with the Annexation Policies of the Lacey City Council adopted June 9, 2011.

Policy A: The City should analyze future potential annexation areas and prioritize them accordingly. Any prioritization report should identify that any annexation the City pursues is optional and doesn't make the identified annexation a requirement.

Policy B: Annexation applications should include a full analysis of each area including a financial feasibility to ensure City services delivered to the area are reimbursed through either property or sales tax revenue.

Policy C: Annexations should be approved for properties on City sewer or, once developed, will be served by City sewer.

Policy D: Priority areas for annexation would be those that are contiguous to the existing City limits and are developed consistent with City standards and are connected to sewer.

Policy E: Consider incentivizing priority undeveloped properties in the UGA to annex into the City limits through upzoning or other measures.

Goal 6: Ensure a diversification of employment opportunities in the UGA so residents can work, live, shop and play all within close proximity.

Policy A: Develop and implement strategic goals and plans that support and promote diversity of employment opportunities.

Policy B: Work with the providers of higher education to ensure that education programs are matched with in-demand skills.

Policy C: Work with Joint Base Lewis-McChord to ensure that the housing, business, and recreation needs of those who are associated with the base are being met.

IMPLEMENTATION STRATEGIES

1. Consider raising minimum density requirements and/or require a mix of housing types for large projects within the Moderate and High Density Residential zoning districts to ensure they are not dominated by any one type of housing style.
2. Review the Mixed Use High Density Corridor zone along Martin Way. The City and County Planning Commissions should review and update the zoning code for the corridor, specifically focusing on facilitating a mix of uses on larger parcels, a mix of uses within the corridor and identifying strategic parcels for more intensive study.

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3. Consider re-designating the “Agriculture” zoning district to an “urban holding area” so that Agriculture zones are precluded from developing until rezoned and/or sewer is available.
 4. Explore designating “urban holding areas” specifically within the Pleasant Glade and McAllister Geologically Sensitive Area, which would not be developed until such time that sewer service should be available. Should development in this area not be anticipated during the next twenty-year planning horizon, the City should consider removing the property from the UGA in conjunction with a robust public participation campaign.

F. Transportation and Land Use

Transportation planning is intricately tied to land use and the pattern of development that evolves as an urban area grows. A transportation system includes various travel modes, such as pedestrian, bicycle, bus, automobile, freight truck, marine vessels, railroads, and airplanes. A multi-modal transportation network includes and connects all of these different travel modes in an effective and efficient manner, including connections within and between modes.

The City of Lacey strives to provide, manage, and maintain a safe, well-connected, and efficient multi-modal City-wide transportation network. The ability for people to travel safely and efficiently, using various means of transportation, contributes to the high quality of life that Lacey residents enjoy.

Two documents act as a blueprint for Lacey’s transportation system. The first, *The Regional Transportation Plan (RTP)*, provides an overall analysis of how transportation will work in the region over a twenty year time frame and supports coordination among jurisdictions. It also acts as an important tool in meeting state and federal transportation requirements, ensuring continued funding from these sources. The RTP identifies those projects and issues that change the way traffic flows throughout the region, complementing the local planning that makes the roadway network function within each jurisdiction. The second document, the *City of Lacey 2030 Transportation Plan*, is the City’s long-range plan for developing its transportation system in the future. The Plan defines a coordinated and innovative approach to various modes of transportation in a manner that efficiently maximizes the mobility of people and goods within Lacey.

Lacey’s status as a primarily residential community means that a well-connected pedestrian and bicycle network, combined with a convenient high frequency transit service, is vital to connect residents with jobs, shopping, schools and other day-to-day activities. For this reason, Lacey is striving to employ land use policies that support higher density residential areas located close to employment, shopping, and entertainment opportunities providing Lacey residents with more opportunities to walk, bicycle, or ride high frequency public transit. Lacey’s aim is not to eliminate private automobiles, but to encourage the use of other transportation modes, wherever and whenever possible, and ensure that land use policies support this.

Lacey’s residential community past is currently seen in our City’s transportation patterns. A majority of residents commute to job centers around our region, including state offices in Olympia and Tumwater, JBLM, and to Tacoma and points north. This commute pattern puts a

strain on City transportation infrastructure, particularly in the morning and evening peak commute times. In working with the City's regional partners, including Thurston County's regional transit agency, Intercity Transit, options for commuting are provided, including standard bus service, van share, ride share, and commuter bus services. Other technologies such as Intelligent Transportation System (ITS) technologies improve signal operations to improve efficiency. These are all important in connecting family-wage jobs with Lacey residents.

These conditions could be improved, however, by connecting Lacey residents with destination sites and jobs closer to home. The Land Use Element outlines a strategy that encourages mixed-use buildings, commercial nodes in close proximity to neighborhoods, high density corridors, and mixed use urban centers that will provide residents with more opportunities to walk, bike, or ride transit for short trips for employment and/or convenience.

Lacey is well-connected with pedestrian-oriented transportation options and as the City grows and develops these options will continue to improve. Current development standards and policies also require that multi-modal improvements be constructed upon property development. As identified in the *2030 Transportation Plan*, improvements to pedestrian facilities are vital to ensure that a mix of transportation modes are utilized, including the importance of safe crossings in accordance with the Lacey City Council's adopted policies on pedestrian crossings and the development of a future bicycle and pedestrian plan.

The City is committed to encourage alternative modes of transportation through adoption and implementation of private development standards that require bicycle racks, provide convenient and safe pedestrian facilities on private property, and ensure that parking is "right-sized" by not requiring more minimum parking than is necessary to support the use.

Intercity Transit serves the Lacey and UGA with standard transit service. Regular service includes 15 minute headway service along Martin Way, regular 30 or 60 minute service to Lacey area neighborhoods and regular service between the Olympia and Lacey Transit Center located at the intersection of Golf Club Road and 6th Avenue in the Woodland District. Intercity Transit also provides paratransit service (Dial-A-Lift) to residents who, because of disability, are not able to ride traditional transit service. Intercity Transit is also a partner in Lacey's efforts in promoting alternate methods of commuting to work in compliance with the State's Commute Trip Reduction Act.

Intercity Transit provides a vital service to Lacey residents; however, many Lacey residents are currently not served by transit. Over the last fifteen years, northeast Lacey (the area north of I-5 in the Hawks Prairie Planning Area) has seen a tremendous amount of commercial, industrial, and residential growth but transportation options are limited as transit does not yet serve this area. The City has been assisting Intercity Transit to develop options to connect employment providers in the area and residential neighborhoods with transit. As the City nears build-out in this area, it is a priority for Lacey that Intercity Transit serves this area with regular transit.

As Lacey transitions to a more urban community, a safe, well-connected, and efficient multi-modal transportation system will be vitally important to support a high quality of life.

TRANSPORTATION AND LAND USE GOALS AND POLICIES

Goal 1: Enhance the function, safety and appearance of Lacey's streets.

Policy A: Ensure coordination with the Transportation Element of the Comprehensive Plan and the Thurston Regional Transportation Plan.

Policy B: Implement a complete and interconnected transportation network through implementation of development guidelines and policies.

Policy C: Streets shall be a modified grid pattern that terminates in other streets, where feasible. Alleys shall be utilized in residential and mixed-use development.

Policy D: Discourage cul-de-sacs where topography allows and encourage well-connected streets in new and existing neighborhoods.

Policy E: Right-of-way and pavement width shall be the minimum necessary to provide for the safe use of vehicles, public transit, bicycles and pedestrians.

Goal 2: Support land use policies and plans to allow densities and a mix of uses that reduce the number and length of vehicle trips and increase the opportunity to use public transportation and non-motorized modes of travel.

Policy A: Provide incentives for new development located within ¼ mile of Intercity Transit served corridors. Development incentives could include, but are not limited to, density increases, increased square footage, transportation mitigation fee adjustments, and parking requirement incentives.

Policy B: Encourage land development proposals to utilize the full capacity of the existing multi-modal transportation system, especially transit and non-motorized modes.

Policy C: Ensure that destination sites, including job centers, commercial areas, office complexes and other economic development generators, are connected with multi-modal transportation options.

Policy D: Encourage land use policies that support destination sites where uses are close enough together that consumers, customers and other users can access each use without need of an automobile.

Goal 3: Prioritize and encourage bicycle and pedestrian trips by providing a safe, well-connected, and convenient bicycle and pedestrian circulation network throughout the City.

Policy A: Support the adopted 'Pedestrian Crossing Policy' and its requirements to consider the installation of marked crosswalks at uncontrolled intersections and mid-block locations as part of public project design, general roadway evaluation and/or review of land use applications.

Policy B: Develop a pedestrian and bicycle plan to inventory existing facilities, identify deficiencies, and identify capital improvements.

Goal 4: Ensure private development projects, including subdivision and commercial/retail project design, facilitates measures to improve multi-modal transportation.

Policy A: Support optional minimum on-site parking requirements to ensure that parking is “right sized” especially in areas where significant on-street parking exists or in areas well served by other transportation modes.

Policy B: Require pedestrian-friendly building design within commercial nodes and along corridors. Parking lots serving mixed-use and commercial developments should be located to the rear or sides of buildings.

Policy C: Private development projects shall provide bicycle parking and a site design that will accommodate transit.

Goal 5: Support Intercity Transit’s efforts to meet the transportation needs of all segments of the community by providing a high quality, safe, convenient, accessible, and cost effective transit service as an attractive alternative to the single occupancy vehicle.

Policy A: Continue to recognize transit’s economic development role in the Lacey community by connecting residents to jobs and other day-to-day activities.

Policy B: Encourage Intercity Transit to extend regular bus service to northeast Lacey to serve and connect growing residential, commercial, and industrial development. In the interim, support the development of innovative techniques and methods to provide service including shuttles, vanpools, and carpools through partnerships between the City, Intercity Transit, TRPC and the private sector.

IMPLEMENTATION STRATEGIES

1. Develop regulations and codify requirements for street connectivity (street connectivity ordinance).
2. Develop a pedestrian and bicycle plan to inventory existing facilities, identify deficiencies, and identify capital improvements.
3. Encourage Intercity Transit to extend regular bus service to northeast Lacey to serve and connect growing residential, commercial, and industrial development.

G. Parks and Open Spaces

The City of Lacey takes pride in the ability to provide residents and visitors with access to a wide range of public parks and open spaces. Parks, open spaces, and facilities are an important contribution to the quality of life experienced by those who live and work in Lacey. The community’s well maintained facilities include neighborhood parks within walking distance of

all residents, community parks distributed across the service area, linear parks, plazas, open spaces that support wildlife habitat and community facilities, and extensive trail systems.

As Lacey's population continues to grow, there is an increased need for additional park acreage, trail miles, and facilities. The Comprehensive Plan for Outdoor Recreation serves as the framework for providing park and recreational facilities to residents and visitors of Lacey and its surrounding UGA. This plan is updated every five years in order to assess the goals and objectives contained in the plan. The plan divides the entire Lacey UGA into ten planning sectors which encompass different geographic features. All of the planning areas have some form of important habitat that contains a variety of wildlife typically associated with wetlands, lakes, streams, and forest areas. The plan provides an inventory of all public and private parks and recreational facilities, as well as special features, conditions, and limitations that could affect future park land acquisition development.

The City's Comprehensive Plan for Outdoor Recreation established a level of service (LOS) standard of five development acres of park land per one thousand people. The LOS is considered the most accurate way to assess need for additional land and park development. Analysis results indicate a need for neighborhood and community parks, and special purpose facilities. These special purpose facilities include public access to fresh and saltwater and an off-leash dog area. Minimum guidelines have been identified for each type of park and amenities vary depending on the size of park, topography, service goals and community input.

The Comprehensive Plan for Outdoor Recreation contains an action program that identifies prioritized projects that reflect acquisition and development goals. Acquisition of sites is prioritized first by acquiring special sites or facilities where limited or rare opportunities exist for access to water, special use properties (historical, habitat, etc.) and athletic fields. Acquisition of community park lands and neighborhood parks are prioritized in descending order. The development of both community and neighborhood parks is identified as the second priority in the action program.

Since 1990, the City has been collecting a 1% utility tax for the acquisition and development of parks and open spaces. The City has acquired parks, trails, and open space through dedication, donation, partnership, state grants, and City funds.

The City currently has 1061.3 acres of public parks, trails, and open space. The most recent acquisition of park land was in 2011 when the City acquired 405.5 acres for the future development of Cuoio Park. The North Thurston Public School District provides an additional 659 acres of land for park and recreational facilities and activities.

There are currently 1,870 acres of open space land in private ownership in the City's UGA boundary. Developers of the residential areas within Lacey are currently required to dedicate ten percent of development as open space. The majority of these private lands are developed with pocket parks and trails which have been developed in association with residential subdivisions and are maintained by their respective home owners associations. These areas are intended to serve the recreational demand of the immediate residential development and are not open for public use.

As future population increases in the incorporated City and within the UGA, the demand for, and use of, existing parks and open space will occur. In order to meet that demand, the City will need to acquire and develop park and open space amenities. Due to the existing lack of parks in the unincorporated portions of the UGA, its residents use parks within the City limits. Currently, the only County park facility within Lacey's UGA is the Regional Athletic Complex, which is a joint City/County park.

The City has many sensitive areas within its current boundaries and growth area that play an important role in the health of our environment. These include Woodland Creek, six fresh water lakes (Pattison, Hicks, Long, Southwick, Chambers Lake, and Lake Lois), saltwater shoreline on Puget Sound, and many wetland areas.

The Woodland Creek system flows through three major lakes in Lacey and then on to Henderson Inlet. The wetlands associated with Woodland Creek and Lacey's lakes encompass hundreds of acres and provide critical habitat to local fish and wildlife populations. Acquisition of property along the Woodland Creek corridor and its associated wetlands and natural areas, as well as restoration and protection measures, has been identified as a priority by the City. The City recently completed a major regional stormwater retention and treatment facility to reduce stormwater runoff into the creek and is working with the regional Stream Team to eliminate invasive species, plant thousands of native trees and shrubs in the upland areas, mark storm drains, and install bag dispensers for pet waste pickup. City development regulations also require a buffer of 200 feet from the creek.

PARKS AND OPEN SPACES GOALS AND POLICIES

Goal 1: The land use policies should complement and help implement requirements of the City of Lacey Comprehensive Plan for Outdoor Recreation, Regional Trail Plan, and land use regulatory requirements for the provision of open space.

Policy A: Continue to require open space for residential and commercial development.

Policy B: Link pedestrian and bicycle pathways with greenbelts, priority habitat sites, wetlands, and open space between neighborhoods. Open space shall be designed into a project from the outset, with sizable and meaningful pieces set aside. It shall not be left to the end, using only those restricted and small spaces that are left over. It should be designed in conjunction with school and community sites whenever possible and should provide a focus for neighborhood activity.

Policy C: Coordinate land use policies with open space requirements contained in the critical areas provisions.

Policy D: Open space shall be designed to define our community, create outdoor spaces, protect wildlife habitat and the natural environment, and create public and civic spaces.

Policy E: Require means to ensure perpetual maintenance of wetlands and priority habitat sites for passive recreational opportunities.

H. Utilities and Capital Facilities

UTILITIES

Long term economic and environmental sustainability is influenced in large part by the ability to ensure adequate utility services and supply. The City endeavors to provide coordinated, cost effective utility services that consider economic, social and environmental implications.

The Utilities Element contains a summary of the major non-municipal utilities that are supplied by the private sector, including electric, natural gas, cable, and telecommunications services. The Utilities Element also provides a basic summary of the utility programs currently operated and managed by the City including, drinking water, wastewater, and stormwater. The City is planning on including a fourth public utility system for reclaimed water.

Electric & Natural Gas

Puget Sound Energy (PSE) currently provides electric and natural gas services for the City and its UGA. PSE plans for future facilities and infrastructure for a ten-year planning period based on anticipated future needs using forecast analysis zones. The zones are areas identified and analyzed on future population and employment predictions. This planning is coordinated with the Thurston Regional Planning Council and is based on information contained in *The Profile*. PSE serves the current and anticipated future demand for electric and natural gas services for the UGA.

Telecommunications

The telecommunication industry is very dynamic and continuously changing. Cellular telephone services are regulated as a utility of convenience; therefore, they are not required to provide service on demand. Zoning provisions regulate the co-location of facilities and require the demonstration of need for locating new cellular towers. Land line telephone service is still considered a necessity, therefore, providers must provide phone facilities on demand. During the next twenty-year planning period it is anticipated that wireline telephone service demands will continue to decrease.

Cable Services

The City maintains a non-exclusive franchise agreement with Comcast of Washington to provide cable and internet services to the residents of Lacey. Properties that lie within the unincorporated portions of the UGA are covered under Thurston County's franchise agreement.

CAPITAL FACILITIES

Capital facilities planning is an integral element of a comprehensive plan. Infrastructure investments support economic development and have long term impacts on a community. The GMA requires inclusion of capital facilities as a mandatory element of the comprehensive plan. The Capital Facilities Plan includes an inventory of existing public capital facilities, a forecast of future needs for such facilities, proposed locations and capacities of expanded or new capital facilities, a six-year plan to finance the needed facilities and funding, and an analysis of the City's financial capacity to utilize the funding sources identified. The GMA also requires concurrency in which jurisdictions are required to have capital facilities in place and readily

available when new development occurs or a service area population grows. If the facilities are not in place, a financial commitment must be made to provide the facilities within six years of the initial need.

Capital Facilities Plan

The *Capital Facilities Plan* is considered an element of the City's Comprehensive Plan and is a product of separate but coordinated comprehensive planning documents, each focusing on a specific type of facility such as sewer, water, stormwater, parks, and transportation. The twenty-year plan was updated in 2015 to address general government facilities in which the City is either the primary provider or a significant provider. Facilities must be planned years in advance to assure availability, determine location, costs, and how they will be paid for.

Facilities must be of sufficient capacity to serve the service area population or new development without decreasing service levels below locally established minimum standards, known as levels-of-service (LOS). The City of Lacey is projected to receive an increase of an additional 42,010 people within its growth area by 2030. The plan demonstrates how facilities have been planned to accommodate this growth. Priority projects for general government facilities and funding sources for the 2015 - 2020 funding period include the New Depot Museum Facility, Jacob Smith House Parking and Pavilion, Senior Center Expansion, Gateway Project, and Historic City Hall and Museum. Additional projects have been identified beyond the six-year financing period.

The City adopts comprehensive plans for the water system, wastewater, and stormwater and provisions for the future capital improvements for these systems which are included in the Capital Facilities Element of the plan. The GMA requires these plans to be consistent with the Land Use Element in order to implement the strategies and provisions contained in the Element.

Domestic Water

The City owns and operates a system for domestic water that provides for the transmission, distribution, and storage of domestic water. The Retail Water Service Area (RWSA) encompasses the majority of the City boundary and expands into the UGA. The RWSA does not currently include existing group "A" and "B" water systems. It is the intent of the City to serve the full RWSA and UGA in the future. The City also coordinates services and planning with the cities of Olympia, Tumwater and Thurston County PUD.

The expected demand on the water system is based upon forecasted population growth within planning areas and transportation analysis zones, and is updated every six years to evaluate the existing system and its ability to meet anticipated needs over a twenty-year planning period. The City secured new water rights that will allow the development of additional sources of supply that will be needed to meet future system demands. The City plans to work towards securing additional long term rights, utilize reclaimed water, and develop sources of supply to allow for the extension of the service boundary area to mirror the City's UGA.

Wastewater

The City's existing wastewater system service area is approximately 13,800 acres in size. The Budd Inlet Treatment Plant and the Martin Way Reclaimed Water Plant collection systems are owned and operated by the Lacey-Olympia-Tumwater-Thurston County Clean Water Alliance

(LOTT). Reclaimed water produced by LOTT is available for use by the City and may be used for irrigation, dual plumbed buildings, environmental enhancement projects, and other non-potable uses. The policies contained in the City's Wastewater Comprehensive Plan are intended to prepare for wastewater needs until 2032.

Stormwater

The first Stormwater Comprehensive Plan for the City was completed in 2013 and is intended to guide the City's stormwater utility programs and projects. A primary purpose of the plan is to maintain consistency with local, state, and federal regulations, charge equitable stormwater utility rates, and support the goals and policies in the Land Use Element. The City of Lacey became the first city in Washington to adopt a "zero effect drainage discharge" ordinance to allow for modified standards for projects with no increase in effective impervious surfaces and provided for the use of innovative low impact development (LID) methods. The City is currently working to incorporate mandatory LID best management practices, where feasible, by reviewing and revising its development related codes, rules, and standards.

The City is in the process of establishing a reclaimed water utility that will include a defined service area. A comprehensive reclaimed water plan will be prepared to guide the use of reclaimed water for non-potable uses, water rights mitigation, and irrigation demands. The utilization of reclaimed water will become increasingly important.

Public Schools

The North Thurston Public Schools (NTPS) is the largest district in the county and serves the Lacey UGA and additional students within their service boundary. The district educates over 14,000 students each year and enrollment is expected to increase to over 19,000 students by 2034. Each year the district adopts a six-year capital facilities plan which is included as an appendix to the *Capital Facilities Plan*. The district currently contains thirteen elementary schools, four middle schools, and four high schools. All NTPS facilities, including school buildings, playing fields, and swimming pools, are used by a wide range of community groups throughout the year.

The district coordinates planning for current and future school facilities with regional planning efforts and the City. State funding also has a significant impact on school capacity. In addition to state and local funding, the district negotiates Voluntary Mitigation Agreements with residential developers. The funds paid for under these agreements are used to pay for projects reasonably related to, and benefiting, the development, facilities to serve the development, or projects necessary to mitigate for potentially significant impacts of the development.

In 2014, a \$175 million dollar capital facilities bond measure was passed by citizens in the district. The district is in the process of designing and constructing an additional middle school, facility conversion for an additional elementary school, and making improvements to existing school facilities. The district is also focusing efforts on locating early childhood services at elementary school facilities. Based on projected and entitled residential development, the district is considering revisions to its school attendance boundaries.

Library

Public Libraries play an important role in the well-being of the community by affording everyone access to materials and services that enhance quality of life and support lifelong learning. The City has had library services and facilities available to the community since it was first incorporated. In 1976, citizens voted to unite five counties, including Thurston, into one library district, the Timberland Regional Library (TRL). The citizens of Lacey voted to be annexed into the district in 1982. The current library is located adjacent to City Hall and the City is responsible for providing and maintaining the library building and grounds.

Planning is necessary to ensure adequate library facilities are available to meet current needs as well as future needs in the years to come. Goals and policies for library facilities have been identified in coordination with the Lacey Library Board to guide efficient planning and provide for adequate library facilities.

UTILITIES AND CAPITAL FACILITIES GOALS AND POLICIES

Goal 1: Ensure that existing utility customers, and future customers, are adequately served by water, sewer, and stormwater utility services that consider both growth demand projections and asset management.

Policy A: Provision of utilities shall be consistent with policies of the Land Use Element, further the intent of GMA strategies, and be consistent with County-wide planning policies.

Policy B: All proposed development should be analyzed for anticipated impact on utilities and services, either as an element of the site plan review, subdivision review, or as a part of the environmental impact assessment.

Policy C: Preference should be given to providing adequate public facilities to the following:

- *Settled areas and existing customers, rather than extending new services to sparsely settled or undeveloped areas.*
- *Incorporated land before serving un-incorporated areas. Sewer extension shall be encouraged in areas needing ground water protection or surface water protection or in areas with existing residential, commercial, or industrial uses operating with failing systems.*
- *Extension of water utility service beyond the City's established water service area should only be done in cases of failing water service or water quality problems. Utility line extensions to directly serve new customers should be wholly funded by private parties though ULID's or as a development requirement.*

Policy D: The City plans to provide urban utility services within its UGA consistent with planning policies in the City's Water and Wastewater Comprehensive Plans. As such, the City will support local efforts and facilitate the connection of existing septic systems to City sewer where feasible.

Policy E: Residential and commercial development utilizing septic tanks for sewage disposal which have sanitary sewer laterals readily available should be required to hook up to sanitary

sewer when the system fails, needs replacement, or requires major repairs. The City will work co-operatively with the Health Department to maximize onsite sewage system design compatibility with the City's sewer system and minimize the problems associated with transition to sewer.

Policy F: The Reclaimed Water Utility Element shall define a reclaimed water service area where the City will make reclaimed water available for irrigation and other uses for the responsible use of reclaimed water.

Water Resources

Goal 1: Ensure the long term protection and preservation of both the quality and quantity of groundwater and surface waters for all uses.

Policy A: Ensure that policies, requirements, and standards promote compliance with the Federal Clean Water Act and source water protection provisions of the Safe Drinking Water Act.

Policy B: Regularly review and update City of Lacey requirements, standards, and Water, Wastewater and Stormwater Comprehensive Plans as needed to reflect best available science and applicable state and federal regulations.

Policy C: Participate in regional efforts to protect surface and ground waters, the development of reclaimed or other multi-jurisdictional water supplies, and in identifying groundwater and watershed protection areas.

Policy D: Promote the use of reclaimed water as a strategy and priority for the conservation of water resources given the water resource challenges facing Lacey and Lacey's goals for long term sustainability.

Library Facilities

Goal 1: Have adequate, high quality library facilities to support library services that meet the current and future needs of the Lacey Community.

Policy A: The City, based on recommendations from its Library Board, will plan in conjunction with the Timberland Regional Library to:

- *Evaluate the current library facility available to Lacey citizens for determining space needs*
- *Recommend a sustainable facility to meet current and future demand*
- *Evaluate the ability to build on existing infrastructure as an alternative to new construction for recommended service needs*
- *Encourage extension of library services to all members of the Lacey community*
- *Plan to be able to provide high quality, accessible library facilities to meet future needs*
- *Evaluate appropriate sites for future library facilities*
- *Evaluate the needs of the Lacey citizens for expanded facilities*

IMPLEMENTATION STRATEGIES

1. Incorporate stormwater LID best management practices by reviewing and revising development related codes, rules, and standards to comply with the Stormwater Management Manual and the National Pollutant Discharge Elimination (NPDES) Phase II permit requirements.
2. Prepare a comprehensive reclaimed water system plan to guide the future construction of a reclaimed water distribution system to serve Britton Parkway and future main street corridors and to secure additional water rights for the City.
3. Continue to coordinate planning with the Lacey Library Board and library district to determine appropriate facilities to meet future needs.

I. Essential Public Facilities

Essential public facilities are public or privately owned and operated facilities that are typically difficult to site. The major component in the identification of a public facility is whether it provides, or is necessary to provide, a public service and whether it is difficult to site. State law recognizes these facilities to include airports, state education facilities, state or regional transportation facilities, correctional facilities, solid waste handling and sewage facilities, substance abuse and mental health facilities, and secure community transition facilities. Essential public facilities that are being planned for by state agencies are required to be identified by the Office of Financial Management.

The *Thurston County-Wide Planning Policies* contains adopted criteria for the siting of essential public facilities that guides the local process for identifying and siting county-wide and state-wide facilities that have a potential for impact beyond jurisdictional boundaries. These criteria were used to guide the adoption of the City's standards.

The City's zoning standards provide for the siting of essential public facilities through the conditional use permitting process. The City's definition of essential public facilities mirrors the state definition and also includes the siting of communication towers and antennas. The permitting process classifies these facilities as a type one, type two, or type three facility, depending on the scale of the project. The zoning code contains a required review analysis for type one and two facilities and increased notification requirements to ensure early public notification and provide for timely public involvement. Additional standards have been identified for sexual offender secure community transition facilities to mitigate the unique concerns of this use.

Public & Institutional Uses

The City recognizes the value of providing adequate public facilities to serve the residents of Lacey. Public and Institutional use designations are identified on the land use map to protect and preserve areas that are devoted to existing and future use for civic, cultural, and educational facilities. These facilities provide for the social needs of the community and enhance the community as a desirable place for human growth and development. Recognized public and institutional uses include governmental buildings such as city halls, police stations, fire stations,

schools and colleges, hospitals, community and recreational facilities, churches, libraries and museums. Additional uses include areas for passive or active recreation such as parks, greenbelts, and open space.

The Lacey Parks and Recreation Department operates a number of facilities that provide venues for events, programs and classes. These facilities include the Lacey Community Center, Jacob Smith House, Lacey Senior Center, Lacey Museum, and the performance stage at Huntamer Park.

Development standards are in place to provide opportunities and facilities for the various activities and needs of a diverse community. These standards take into account both the environmental impact of a proposed use and appropriate design standards. Additional development standards include parking, landscaping and stormwater runoff.

The City works closely with many community partners to provide adequate facilities for the community including the North Thurston Public Schools, Saint Martin's University, South Puget Sound Community College, Fire District 3, and the Timberland Regional Library. Capital Facilities Planning efforts are also coordinated to assess existing facilities and plan for future facility needs.

ESSENTIAL PUBLIC FACILITIES GOALS AND POLICIES

Essential Public Facilities

Goal 1: Minimize impacts associated with the siting of essential public facilities and provide appropriate standards for facilities that will protect neighborhoods and the community.

Policy A: Maintain consistency with County-wide Planning Policies and state law for the siting requirements associated with essential public facilities.

Policy B: Continue to provide for essential public facilities through the conditional use permitting process to provide for meaningful review, early public input, impacts to critical areas, and mitigation of probable significant adverse impacts.

Policy C: Encourage planning and coordination between jurisdictions to site community transitional facilities to meet state requirements for bed ratios for Thurston County that meet state guidelines and address siting issues throughout Thurston County.

Public & Institutional Uses

Goal 1: Provide public and institutional land use to meet social needs of the community.

Policy A: Promote Lacey's Community Center and encourage supporting community activities to develop around it.

Policy B: Recognize the Saint Martin's University Campus Master Plan as the guideline document for campus development.

Policy C: Continue to work with Saint Martin's and South Puget Sound Community College as community partners to maximize academic and social opportunities that these resources make available to enhance the quality of life and higher educational achievement for Lacey citizens. Planning should take advantage of these educational and social resources and emphasize these opportunities as a focal point and destination site for the Lacey community.

Policy D: Coordinate planning efforts with Timberland Regional Library to provide adequate library facilities to serve the community and provide for life-long learning opportunities.

Policy E: Coordinate public and institutional land use needs with capital facilities planning.

Goal 2: Facilitate a close working relationship with North Thurston Public Schools and other educational organizations to provide the highest possible quality school service to Lacey and the UGA.

Policy A: Work with North Thurston Public Schools to facilitate school district planning, siting and design for elementary and middle schools to be a focal point for neighborhood activities. Design and site high schools that serve multiple neighborhoods to best accommodate and serve larger community areas.

Policy B: Review development projects for impact to schools and require mitigation of identified impacts. Mitigation may include dedication of property for school sites, development of school or school related improvements, payment of impact fees, other techniques necessary for mitigation, or a combination of the above.

Policy C: Ensure all developments within the sphere of influence of a school provide a design with features that support transportation options to traveling to the school site.

J. Health & Human Services

The built environment has an impact on the health of our community. Walkable and multi-modal communities are known to have healthier residents compared to communities that have land use patterns that require the use of an automobile. Neighborhoods with poor access to healthy food choices, such as fresh produce, display more obesity and chronic illness than those where access to fresh food is convenient. Understanding how the design of the built environment influences health concerns, and promoting design that is beneficial, will aid in a healthier and more livable community. Integration of health considerations into the Land Use Element will assist in coordinating efforts to implement approaches that promote physical activity.

The Growth Management Act encourages the consideration of planning approaches that increase physical activity. Many of the recommended approaches are integrated in the goals and policies that are located throughout the Comprehensive Plan. Goals and policies that will increase physical activity that are contained in the Plan include:

- Providing for higher intensity residential and mixed-use land use designations
- Higher intensity development along corridors served by transit services

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- Supporting linear parks and shared use paths
 - Interconnected street networks
 - Supporting bicycle, pedestrian and multimodal transportation systems

Provisions have been added to the zoning code to provide for urban agricultural uses providing for fresh food sources on single family residential lots for a family's personal use; urban vegetable gardens for community use; and, small commercial farm activity located in areas appropriately zoned for this type of use.

HEALTH AND HUMAN SERVICES GOALS AND POLICIES

Goal 1: Work to achieve a safe, active, and healthy lifestyle for Lacey citizens through community planning and design.

Policy A: Provide opportunity for a distribution of land use types located within planning areas and within walking distance to one another to encourage walking and minimize the need for automobile use.

Policy B: Design neighborhoods to promote bicycling and walking to encourage these active and healthy lifestyles choices.

Policy C: Prioritize safe routes for capital improvements such as sidewalks, planter strips, street trees, traffic calming, and other pedestrian improvements. Consider incentives for infill development to add off site traffic calming and other pedestrian amenities for designated safe routes.

Goal 2: Work to achieve a community where residents have convenient access to healthy food, clean water, and affordable shelter.

Policy A: Provide opportunities for development of housing to serve Lacey's full demographic spectrum, including a full range of housing choices designed to meet life stage needs of different demographics.

Policy B: Provide opportunities to integrate housing into core areas and arterial corridors where services and transportation options can be provided.

Policy C: Provide healthy food choice opportunities by design including opportunities for urban farming, and convenient access to grocery stores and farmers markets.

Policy D: Support environmental measures to protect critical/sensitive and resource areas and provisions for clean air, water, and soil for overall community health.

IMPLEMENTATION STRATEGIES

1. Review land use designations to provide for an adequate supply of mixed-use and higher density development patterns.

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2. Review street standards to require the connection of street and pedestrian systems, where feasible.

DRAFT

LAND USE TANGLEWILDE/THOMPSON PLACE PLANNING AREA

I. Profile of Tanglewilde/Thompson Place Planning Area

A. Location

The Tanglewilde/Thompson Place Planning Area is located just east of the Central Planning Area, bordered by I-5 on the north, Marvin Road on the east, Burlington Northern Railroad and Union Mills Road on the south and Carpenter Road generally on the west. It abuts the Hawks Prairie Planning Area on the north, the Meadows Planning Area on the east, the Lakes Planning Area on the south and the Central Planning Area on the west. Most of the Tanglewilde/Thompson Place Planning Area is located outside of the incorporated limits of the City of Lacey.

B. Character and Functional Relationship to City

The Tanglewilde/Thompson Place Planning Area is comprised principally of two older established neighborhoods dating from the late 50's and early 60's, the Tanglewilde Planned Unit Development and Thompson Place. These two developments built out at suburban densities, with average lot sizes of approximately 10,000 square feet. Both Tanglewilde and Thompson Place are served by Thurston PUD No. 1 water and individual septic systems. These neighborhoods provide an established, traditional, and affordable housing stock that serve a high number of active and retired military from JBLM.

The planning area also includes approximately 250 acres of commercial property both along Martin Way and west of Marvin Road. In the last 10 years, a majority of the General Commercial property located around the Martin Way/Marvin Road has been developed. Significant commercial capacity still exists along Martin Way in mostly redevelopment opportunities.

The Tanglewilde/Thompson Place Planning Area also contains Woodland Creek Community Park and the Lake Lois Habitat Reserve, two important recreational and cultural facilities.

C. Acreage

This planning area includes approximately 1,918 acres of property. Of this, approximately 400 acres are located in the Lacey city limits. Approximately 270 acres are undeveloped or categorized as underdeveloped (greater than 1 acre in size and not built to permitted density). Most of the undeveloped property is located near the intersections of Pacific, Steilacoom and Marvin Road and are designated for Moderate or High Density Residential. However, some of this property contains known occurrence of Mazama pocket gopher which may limit development potential.

D. Population

As of 2015, the estimated population of this planning area is 9,100. Population growth and

allocation projections anticipate the populations in the Tanglewilde/Thompson Place Planning Area by the year 2035 will be 11,900 persons with an anticipated 1,320 residential units added to this planning area in the next 20 years. The residential units are anticipated to be located in the unincorporated portion of the planning area.

E. Land Use - Current

In 2015, there are a total of 3,747 dwelling units in the Tanglewilde/Thompson Place Planning Area with approximately 71% of those being single family and 29% being multi-family. Over the next 20 years, it is anticipated that approximately 2/3 of the housing units added in the Tanglewilde/Thompson Place Planning Area will be multi-family located primarily along the Martin Way Corridor and in the Moderate and High Density zoning districts. The remainder will be single family added through infill within existing neighborhoods.

Over 1.4 million square feet of commercial buildings (1.440 million s.f.) have been constructed in the Tanglewilde/Thompson Place Planning Area. The commercial property in the Planning Area serves as a local hub for retail and other services including a Wal-Mart Superstore, Hawks Prairie Mall, the Landing at Hawks Prairie, and the Mixed Use High Density Corridor properties along Martin Way which contains a WinCo grocery store and many smaller retail establishments. Most commercial property has been developed in this planning area, therefore, it is expected that most development associated with commercial properties will be in the form of redevelopment to higher intensities over the next 20 years.

F. Sub-areas

Martin Way:

INSERT MARTIN WAY CORRIDOR MAP

A future sub-area plan for the Martin Way corridor is a priority for development in the short term. The plan would be centered on the area between Carpenter Road and Galaxy Drive and would also include the adjacent residential neighborhoods including Tanglewilde and Thompson Place. As part of Thurston Regional Planning Council’s report dated July 2012 from the Urban Corridor Task Force, the recommendation to further refine the corridor district (in this case the Mixed Use High Density Corridor district) to focus innovative development strategies to encourage private investment opportunities in corridors where transit, walking, and biking are viable alternatives to driving. Since much of this area of the Martin Way Corridor covered under a future subarea plan would be within Thurston County, this would need to be a project completed in a partnership between the County and the City of Lacey. The sub-area plan could also lead to a future form-based code which would help better define the desired character of the corridor as well as be a regulatory incentive for private investment.

G. Density Characteristics

The primary residential form in the Tanglewilde/ Thompson Place Planning Area is single-family residential on larger lots of approximately 1/4 acres much of which has been constructed for utilization of septic tank and drain fields, which has significantly limited the potential density. However, approximately 1/3 of the developed land area is also multi-family.

Additional new residential development will be limited to a small number of remaining greenfield sites and redevelopment along the Martin Way corridor including the projected addition of 1,310 units along the corridor.

H. Parks/Open Space

Recreational opportunities within the Tanglewilde/Thompson Place Planning Area include the Woodland Creek Community Park (which includes the Lacey Community Center and the Virgil S. Clarkson Senior Center), Lake Lois, and Bucknell Field. This planning area has three older private parks associated with the Tanglewilde/Thompson Place neighborhoods including a 5.2-acre park with a community recreation center, including swimming pool, tennis courts, and outdoor basketball court. The private parks are owned and maintained by private corporations that are comprised of neighborhood residents.

I. School Facilities

North Thurston Public Schools owns and operates three schools in this planning area including Lydia Hawk Elementary School within the Tanglewilde neighborhood, Olympic View Elementary School within the Thompson Place neighborhood and Nisqually Middle School at the corner of Marvin and Steilacoom Roads.

J. Streets, Trails, and Connections

Carpenter Road and Marvin Road are the primary north-south transportation corridors in the Tanglewilde/Thompson Place Planning Area. Most of Marvin Road within this planning area is part of the state highway system (Highway 510). Martin Way, Pacific Avenue and Steilacoom Road are the primary east-west corridors. Interstate 5 runs east/west through the northern portion of the planning area with full access provided at exit 111 off of Marvin Road.

A portion of the city's trail system connects to the Tanglewilde/Thompson Place Planning area. The Lacey Woodland trail runs along the southern edge of the planning area and connects to the Woodland Creek Community Park. This trail runs east from the park and eventually connects the Olympia Woodland Trail and terminates near the Capitol Campus.

K. Resource Designations

There are no agricultural or mineral extraction sites designated of long-term commercial significance within this planning area. However, there is one site slightly less than 40 acres located along Marvin between Pacific Avenue and the railroad right-of-way that is actively farmed and is currently designated with Agriculture zoning.

L. Environmentally Sensitive Area Designations

This planning area includes portions of Lake Lois and the Woodland Creek corridor and associated wetlands that run from Lake Lois to the northern tip of Long Lake. These areas are designated environmentally sensitive and have specific protection requirements as delineated in the City of Lacey Environmental Protection and Resource Conservation Plan.

There are some known occurrences of Mazama Pocket Gopher in this planning area including the undeveloped City of Lacey-owned property at the intersection of Marvin Road and Pacific Avenue.

II. Analysis

The residential portions of this planning area include areas in unincorporated Thurston County that were urbanized in the 1960's. The Tanglewilde and Thompson Place neighborhoods are extensively built out with single family residential units on lots of 1/4 acre, with little opportunity for additional development until sewer service is extended to the area. The majority of undeveloped residential property in this planning area is near the intersection of Pacific Avenue and Marvin Road which were designated for a higher density to promote the Transportation Plan's goal for densification along major arterials.

Martin Way has historically developed as a strip commercial area. Over the last twenty years, this area was designated with a Mixed Use High Density Corridor designation with the intent to provide an opportunity for high density redevelopment designed under the "Evolution of a Corridor" concept developed by Thurston Regional Planning (and re-affirmed by the Urban Corridors Task Force in 2012) for higher densities that support a mix of uses. The best alternatives for increasing density and providing commercial services within the planning area are along the Martin Way corridor; however, as the Mixed Use High Density Corridor designation is more than 20 years old, the zoning district needs to be re-examined to ensure that the vision is valid and that the implementation measures accurately reflect the vision.

Within the city limits, the General Commercial zone around the intersection of Martin Way and Marvin Road has fully developed within the last planning period for regionally-oriented commercial uses. Improvements to the Interstate 5 interchange including addition of a slip ramp in the early 2000's have made this a good area for automobile-oriented uses and regional access. Additional future improvements at Exit 111 will improve access to the area and improve the area's attractiveness as a regional retail draw.

As part of the regional Septic Summit, both Tanglewilde and Thompson Place have been identified as areas that have a high proportion of groundwater contamination potential due to a high number of septic systems within close proximity. These neighborhoods have some of the highest groundwater contamination risk in north Thurston County. Programs need to be put in place (including but not limited to financing programs, regulations and connection requirements) as well as private investment by property owners need to occur to ensure that these neighborhoods are converted to city sewer.

As this planning area is adjacent to the existing city limits on three sides, it is often part of community discussion about future potential annexation. While the commercial property associated with the unincorporated portion of Martin Way is attractive from a property tax and potential sales tax standpoint, it has not developed to the same standards as that portion within the city. Additionally, the adjoining neighborhoods of Tanglewilde and Thompson Place have substandard infrastructure and issues with existing septic systems. These factors make the Martin Way corridor in this area less than desirable to annex. A full annexation study of this area would be beneficial to identify and weigh the issues associated with future potential annexation.

III. Goals and Policies

A. Goal: Continue to promote the implementation of the evolution of Martin Way into an attractive, high-density, and mixed-use corridor.

1. Policy: Use the “Evolution of a Corridor” study and the recommendations of the Urban Corridor Task Force developed by the Thurston Regional Planning Council as a guide for redevelopment of Martin Way in this area.

2. Policy: Recognize that viable auto-related uses exist along Martin Way that should be allowed to mix with other uses to maintain a healthy business environment.

3. Policy: In development of the mixed use corridor, pay particular attention to ensuring compatibility with adjacent low density residential areas.

4. Policy: Ensure that pedestrian connections are provided connecting the corridor to surrounding residential neighborhoods.

B. Goal: Promote the Mixed Use Moderate Density zone along portions of Pacific Avenue with emphasis on office and professional services to support this planning area.

1. Policy: Support portions of Pacific Avenue that are undeveloped or with opportunities for re-development with a Mixed Use Moderate Density zone.

2. Policy: The use and design theme developed for the Mixed Use Moderate Density zone in this planning area should emphasize opportunities to provide the commercial service needs serving residents within this planning area.

C. Goal: Promote the extension of sewer service throughout the Planning Area.

1. Policy: Recognizing the importance of providing this urbanized area with sewer, encourage provision of sewer to residential neighborhoods in this area including Tanglewilde and Thompson Place.

2. Policy: Support the creation of a long term interjurisdictional strategy to facilitate conversion from septic to sewer.

IV. Implementation Measures

1. In conjunction with Thurston County, complete a sub-area plan for the Martin Way corridor area between Carpenter Road and Galaxy Drive.

2. In conjunction with Thurston County, re-examine the Mixed Use High Density Corridor designation to ensure that the vision is in line with the community’s vision and consistent with the recommendation of the Urban Corridor Task Force to ensure that the implementation measures accurately reflect the vision.

3. Complete an annexation study for the unincorporated portion of Martin Way between Carpenter Road and Galaxy Drive including the adjoining Tanglewilde and Thompson Place subdivisions.
4. Provide assistance in developing a septic conversion program for the Tanglewilde and Thompson Place subdivisions.

LAND USE - SEASONS PLANNING AREA

I. Profile of Seasons Planning Area

A. Location

Seasons Planning Area is bounded by Tacoma Rails Capital Line and the Meadows Planning Area on the north, Old Pacific Highway (510) and Meridian Road on the east, Yelm Highway on the south and Marvin Road and Lakes Planning Area to the west. All of the Seasons Planning Area is currently in the unincorporated Urban Growth Area.

B. Character and Functional Relationship to City

The Seasons Planning Area is primarily residential in nature with varying densities. Parcel sizes range from approximately 80 acres to residential lots in suburban style plats. There are many 5, 10 and 20 acre pieces remaining in this area, primarily in the area south of the Burlington Northern Santa Fe (BNSF) railroad right-of-way that crosses the planning area from east to west. The majority of the area south of the rail line is primarily located in the McAllister Springs Geologically Sensitive Area. Development has been minimized in this environmentally sensitive area due to the requirement of sewer for lot sizes less than five acres and increased water quality standards for the protection of aquifer sensitive areas. The character is thus described as ranging from rural to suburban.

Overall, while there are examples of affordable housing in the planning area, most of the housing in this area has middle to upper income values. These home values are due in part to the lack of diversity in the housing stock and larger parcel sizes. There are a small number of individual manufactured home sites and a very small amount of multifamily development.

Of all the planning areas, it is probably the least balanced, composed almost entirely of single family residential structures and limited agricultural use. There are no commercial or industrial uses in this planning area. There are four properties that are designated for Neighborhood Commercial use. Three of these properties are located at the intersection of Mullen and Marvin Roads, and one is located in the SE corner of the planning area. The properties located at Mullen and Marvin Roads have yet to be developed for commercial purposes. The area located on Yelm Highway provides a very small area of commercial use. Residents in this area rely on commercial services outside the planning area.

While measures to implement the joint planning of the Seasons Planning area, due to this area being located outside of the incorporated limits of the City, land use policies and decision making is within the jurisdiction of Thurston County.

C. Acreage

This planning area includes approximately 2,371 acres. Of this amount, it is calculated that approximately XXX acres are available for development. The areas available for future development are primarily located south of the BNSF rail line in the McAllister Springs Geologically Sensitive Area.

D. Population

The population of this planning area in 2015 is estimated at 3,800. Population growth and allocation projections anticipate the population in Seasons Planning area by the year 2035 will be 11,990 persons. Significant growth in this area has been projected based on past housing trends and the availability of vacant buildable land supply. According to Regional projections, there are projected to be approximately 4,650 housing units by the year 2035 in this area. All of these units are anticipated to be located in the unincorporated portions of the urban growth boundary.

See section on housing for discussion of housing forecasts and illustrations.

E. Land Use - Current

In 2015, there are a total of 1,339 dwelling units in the Seasons Planning Area with over 98% of those being single family residential units.

The majority of land in this planning area is zoned for residential use. Residential land use currently encompasses over 88% of the developed land use. Another category represented is resource production, accounting for 10%. The large percentage in resource production is due to the Department of Natural Resource's tree farm on the southeastern edge of the planning area and some landowners taking advantage of open space or open space forestry taxation laws.

The northwest portion of the planning area contains two areas adjacent to Marvin Road that are designated for Moderate Density development. This zone allows for densities ranging from six to twelve units an acre.

There are properties in the planning area that are designated as Open Space /Institutional. The majority of these is in the ownership of the North Thurston School District and is intended for possible future school sites. There is also property located adjacent to McAllister Creek that provides increased protection to this environmentally sensitive area and is intended for future community park area.

A substantial amount of residential subdivision proposals have been submitted or approved in the planning area over the previous planning period. The number of lots contained in these proposals has ranged from a relatively small amount to a substantial number, as was approved in the Oak Tree Preserve subdivision which includes 1,040 residential lots proposed to be built out in phases.

F. Density Characteristics

The land use in this planning area ranges from suburban 1/4 acre lot sizes to 80-acre undeveloped properties. The primary residential form in the Seasons Planning Area is suburban subdivision style lots. The lot size ranges from 1/4 of an acre to 2 acre lot sizes. There are a number of larger acreages that remain in the area either undeveloped or with one single family residence.

Previously, there was no sewer to this planning area which accounts for the larger suburban to rural lot sizes that are served by individual septic tank and drain fields. The majority of plats approved in this planning area have been developed with public water and on-site septic systems. The McAllister Park development was vested through court action to allow several hundred units to be developed on

septic tank and drainfields. This area was included in the UGA to ensure that these units were connected to sewer. The recent approval of the Oak Tree Preserve subdivision also requires sewer to serve this development. The provision of public sewer allows an average lot size of approximately 5,400 square feet for this development.

G. Parks/Open Space

This planning area has one undeveloped public park site under control of the City of Lacey, the proposed McAllister Community Park, a site of approximately 60 acres. The future park site identified in the City of Lacey Comprehensive Plan for Outdoor Recreation includes a portion of McAllister Creek and its associated wetland area that will be protected for passive recreational use. The park property is located next to a future school site. The park and school will share facilities for both community recreation and student needs. Several private open space areas have been developed as open space for subdivisions. The park plan also identifies the need for the acquisition of additional neighborhood park property as this area develops.

H. School District Facilities

There are no school district facilities within this planning area. However, the Evergreen Forest Elementary School borders the planning area just to the west of Marvin Road and Woodland Elementary School is approximately one mile to the west of the planning area.

The North Thurston School District currently owns three separate parcels that are proposed to be developed as future school sites when development warrants additional educational facilities.

I. Streets, Trails, and Connections

Marvin Road is the primary north-south transportation corridor in the Seasons Planning Area. Mullen Road and the Yelm Highway are the primary east-west corridors.

There are no regional trails within the planning area; however there are neighborhood trails and connections that have been developed in the planning area.

The Seasons Planning area includes two rail lines. The BNSF rail line slices from east to west through the planning area. This rail line continues to be used for freight and passenger services. A portion of the northeast planning area boundary includes a railway branch line that provides freight services for Union Mills to St. Clair. This line is operated by Tacoma Rails Capital Division.

J. Resource Designations

A resource designation site in this planning area is the Department of Natural Resources tree farm. This is a large 110-acre site at the southeast end of the planning area. During review of agricultural resources for long-term commercial significance, this site was not designated. However, the site was zoned as Agriculture to allow the continued resource use of the property. Discussion of areas currently designated as Agriculture has recommended the possible inclusion of these areas in a urban reserve area that precludes development until they are rezoned and/or sewer becomes available.

K. Environmentally Sensitive Area Designations

This planning area has several environmentally sensitive area designations. These are wetland areas by Pattison Lake, along the northern boundary of the planning area by the Burlington Northern Railroad right-of-way and in the northeast section of the planning area in close proximity to McAllister Springs.

In addition to the wetlands, there are eagle habitat sites along the southeast perimeter of Pattison Lake and identified White Oak habitat areas.

The McAllister Springs Geologically Sensitive Area also occurs in this planning area and includes approximately 500 acres of land. This designation has specific requirements for groundwater protection. Groundwater protection is a critical concern as this area is sensitive considering the protection of the aquifer and the high risk for contamination of groundwater resources that provide 100% of the area's potable water. The MSGA designation requires the density of 1 unit per 5 acres in much of the planning area without provisions for sewer.

II. Analysis

Current land use in the Seasons Planning Area is predominantly single family residential development. It is anticipated that single family use will continue to be the leading development type in the future. While there is existing capacity for additional development, the planning area, with the exception of some portions located in the northern section, is currently unsewered. The McAllister Springs Geologically Sensitive Area is of great concern and significantly inhibits potential growth of the area south of the BNSF rail line until sewer is available. The protection of the aquifer is critical in this area due to the high risk for contamination of groundwater resources that provide the north county UGA's with potable water. Continued protection of McAllister Creek and designated habitat areas should remain a priority in the planning area.

The area south of the BNSF located in the McAllister Springs Sensitive Area has seen little development over the last planning period. Development in this area has been limited due to the cost associated with providing urban sewer service. Unless sewer can be reasonably accommodated in the next planning period, this area should be included in an "urban reserve" or "urban holding area" designation so that no further residential development can occur until such time as sewer is available. The area designated as Agriculture should also be considered for an "urban holding area" so it is precluded from developing until it is rezoned and/or sewer is available.

An issue in the planning area has also been locating commercial services to serve neighboring areas. A Neighborhood Commercial designation was adopted for properties located at the intersection of Mullen and Marvin Roads and the southeast corner of the planning area adjacent to Yelm Highway. To date these areas have not been developed for commercial use, so the planning area is still without commercial services with the exception of a very small Neighborhood Commercial zone at the corner of Yelm Highway and Meridian. These areas should continue to be designated for future neighborhood commercial use which will be warranted once density increases to support additional commercial uses to serve this area. The planning area has limited economic development opportunities.

Development in this area is primarily low density and the zoning provides minimum opportunity for increased densities. As sewer is extended to serve more areas, opportunities for providing for higher

densities could be realized along Marvin, Mullen, 58th and Yelm Highway. These areas should be considered for greater density development to occur over the long term when provisions of adequate services and utilities can be made available.

Due to the distance of the planning area from the current Lacey city limits, it is unlikely that opportunities for annexation exist in this area. Planning areas to the north and west that are adjacent to existing incorporated areas should be prioritized for annexing into the City.

The vehicular transportation corridors serving the Seasons Planning area are within Thurston County's jurisdiction. These transportation corridors have had minimum improvements to them and are not sized to adequately serve the future development of this area. As the planning area continues to build out, issues with adequate transportation facilities will continue to be exacerbated. Joint capital planning with Thurston County and identified system improvements in capital planning are necessary to improve these corridors to the capacities needed to provide multimodal transportation opportunities and support identified future growth.

III. Goals and Policies – Seasons Planning Area

Goal 1: Provide appropriate provisions to allow the Seasons Planning Area to adequately provide for long term growth while protecting environmentally sensitive areas.

Policy A: Continue to provide development protections to the McAllister Geologically sensitive Area until such time as utilities are available to the area, road infrastructure is adequately developed and other criteria identified in the plan are satisfied.

Policy B: Study and analyze the cost benefit of designating “urban reserve areas” or “urban holding areas” in the McAllister Geologically Sensitive Area and designated Agriculture districts so they are precluded from developing until they are appropriately rezoned and adequate utilities and services are provided to protect groundwater resources and allow for urban densities.

Goal 2: Accomplish coordinated multi-modal transportation planning in this area with Thurston County and other area transportation partners.

Policy A: Support the improvement of transportation corridors that provide adequate multi-modal transportation opportunities.

Policy B: Coordinate street layout throughout the planning area to ensure adequate connections throughout the planning area. And require development taking place to conform to planned street connection requirements.

Policy C: Provide coordinated interconnection of residential and commercial development emphasizing pedestrian and multimodal opportunities.

Policy D: Require interconnections of streets, pedestrian trails and greenbelts with adjacent projects and properties. Pay particular attention to interconnections to wetland and habitat corridors, park sites, and school sites in the Seasons Planning Area.

Goal 3: Over the long term encourage development of a range of residential types, with emphasis on providing additional moderate and high density opportunities in this area.

Policy A: Maintain areas along Marvin road for moderate density development as sewer becomes available. Review areas along Mullen, Yelm Highway, and 58th for moderate density development as sewer becomes available. Moderate and high density zones should be planned to provide transitions to existing low density residential development.

Policy B: Encourage a full range of residential uses when adequate facilities and services are available to serve them.

Policy C: Pay careful attention to creating effective transitions between new developments of moderate density and existing low density development.

IV. Implementation Measures

1. Study and analyze the cost benefit of designating “urban reserve areas” or “urban holding areas” within the McAllister Geologically Sensitive Area and designated Agriculture areas, which would not be developed until such time that sewer service should be available.
2. Consider providing for increased development densities in areas along Marvin, Mullen, 58th, and the Yelm Highway once full public utilities and services can be provided.

LAND USE - MEADOWS PLANNING AREA

Profile of Meadows Planning Area

A. Location

Meadows Planning Area is delineated by I-5 on the north, the Nisqually Bluffs representing the growth boundary on the east, the Burlington Northern Santa Fe (BNSF) Railroad right-of-way on the south, and Marvin Road on the west. The Meadows Planning Area abuts the Tanglewilde/Thompson Place Planning Area to the west and the Seasons Planning Area to the south.

With the exception of a portion of commercial areas adjacent to and east of Marvin Road, a portion of the Martin Way Mixed Use Corridor, and River Ridge High School in the northwest portion of the planning area, all of the Meadows Planning Area is within unincorporated Thurston County.

B. Character and Functional Relationship to City

The Meadows Planning Area is characterized primarily as a residential area, with a suburban development pattern. Most of the residential development that has occurred in this area was sized to accommodate on-site septic tank and drainfield systems. There is an area of commercial uses at the intersection of I-5 and Marvin Road, spotted commercial uses along Martin Way and some neighborhood commercial uses along Pacific Avenue. The Hawks Prairie commercial area has developed into a major retail and service area that serves not only the planning area but the regional population.

The planning area provides a mix of residential housing, with a notable amount of mobile home parks, single family residential structures, and some duplex and multifamily development in Tanglewilde East in the northern part of this planning area. Considering the residential balance, more emphasis could be placed on multifamily and duplex opportunities in this planning area. Currently, there are very few designated areas for multi-family development.

C. Acreage

This planning area includes approximately 2,256 acres. Of this, approximately 365 acres are located in the Lacey city limits. Approximately XXX acres are currently available for development within the Meadows Planning Area.

D. Population

The 2015 population of this planning area is estimated at 11,610. Population growth and allocation projections anticipate the population in the Meadows Planning Area by the year 2035 will be 15,140 persons. According to Regional projections, there will be approximately 1,460 residential units added to this planning area by the year 2035. See section on Housing for housing forecasts and illustrations.

Increasing densities over existing zoning designations or actions encouraging high density in

this planning area would extend the vacant land resources and increase potential densities in the planning area.

E. Land Use - Current

The majority of land use in this planning area is residential, encompassing approximately 87% of the developed land use. Commercial land use accounts for approximately 6%.

A small portion of the planning area was included in the subarea plan for the Northeast Planning Area Element completed in 1992. This area included properties adjacent to and east of Marvin Road from I-5 to the north to the northern boundary of the Hawksridge subdivision. The plan identified this area as general commercial adjacent to Marvin Road with public facilities and moderate density residential to the east of these commercial areas. This area has developed as part of the Hawks Prairie commercial district with major retailers such as Costco and Home Depot and smaller retail and commercial uses. This commercial area was identified to serve the planned residential communities and additional residential growth in the surrounding urban growth area.

The Martin Way corridor contains a Mixed Use High Density designation and has seen increasing demand for development of properties. Many of the properties within the incorporated area of the City have been developed or are in the development process. There is some opportunity for further development along this corridor and redevelopment potential of some properties to higher intensities over the next planning period.

F. Density Characteristics

The primary form of development in the Meadows Planning Area is single family residential units on suburban lot sizes because of the necessity to accommodate septic tank drain field systems. Most of the lots in this planning area are therefore 1/4 acre or more in size, resulting in a density of developed acres of less than 4 units per net acre. Sewer has been extended into the planning area from the south as a result of development of projects in the Seasons Planning Area and the Madrona Subdivision. Sewer has also been extended into the area from the north as a result of development of River Ridge High School and to serve designated commercial areas in the north.

The historic absence of sewer along with market conditions, accounts for the absence of significant multifamily areas. There are two designated multi-family areas within this planning area. One is located in Tanglewilde East, where a large open space area serves as a community drain field area.

G. Parks/Open Space

Recreational opportunities within the planning area include two public schools and the Regional Athletic Complex (RAC). The RAC is a regional park with community park elements. The park is 97.4 acres in size and is a joint venture with Thurston County Parks and Recreation and the Public Facilities District. The park consists of soccer, softball and baseball fields, basketball courts, picnic areas, play areas and associated facilities. Twenty –six acres of undeveloped property lies west across Marvin Road and is located in the Tanglewilde/Thompson Place Planning Area. A 4.39 acre piece of property was purchased by

the city of the southeast corner of the Marvin Road and Steilacoom Road for possible uses that would complement the RAC.

There are no neighborhood parks in the planning area. The two schools sites of Meadows Elementary and River Ridge High School currently assist in serving these needs and together contain multi-purpose court, gymnasiums, playfields and playgrounds, and an indoor pool. The RAC also provides neighborhood park amenities and trail connections for convenient pedestrian and bicycle access from adjacent residential areas.

There are also numerous open space areas in common ownership in subdivisions. Most notably, there is a large area in Tanglewilde East, significant open space and green belts throughout the Meadows, a large park site in Madrona Park and a large open space area in Evergreen Terrace.

H. School District Facilities

The North Thurston School District owns and operates two schools within this planning area including Meadows Elementary located in the Meadows subdivision and River Ridge High School located off Martin Way. Middle School students in this area are served by Nisqually Middle School which is located in the adjacent Tanglewilde/Thompson Place Planning Area. The district currently owns a 10 acre piece of property in the Madrona Park area off of Wakeman Drive that can be utilized for a possible elementary school site.

I. Streets, Trails, and Connections

Marvin Road is the primary north-south transportation corridor in the Meadows Planning Area. Most of Marvin Road within the Planning area is part of the state highway system (Highway 510). Duttterow Road and Deerbrush Drive have been joined to provide a north-south corridor from Martin Way in the north to Marvin Road in the south of the planning area. Martin Way, Pacific Avenue, and Steilacoom Road are the primary east-west corridors. Interstate -5 forms the northern boundary of the planning area and provides access to Marvin Road via Exit 111.

J. Resource Designations

This planning area contains resource designations and a mushroom farm that is currently designated for residential use in anticipation of redevelopment in the future. The mushroom farm is located at the northeast corner of Marvin and Steilacoom Road. This farming activity has been in operation for a number of years, predating subdivision development around it. In recent years as residential development has occurred, the mushroom farm has been the target of complaints based on the significant odors generated as a result of composting at the site. The site is considered of local agricultural significance, but not state-wide significance.

Two parcels along Marvin Road have also been actively farmed for years. In the 1990's, the owners requested an agricultural designation so they could continue the agricultural activity. This property is currently surrounded by residential subdivisions to the north, east and west and a neighborhood commercial area to the south. In addition to the agricultural properties, the County also owns a gravel pit on Steilacoom Road. This pit is considered of long term significant use and has been designated as such until this area is ready to transition to another use.

K. Environmentally Sensitive Area Designations

This planning area has some significant wetland areas, most notably in the southern area along portions of the BNSF Railroad right-of-way. There is a small section of important White Oak habitat located in the southwestern portion of the planning area which provide significant habitat for various birds and small animals. There is also a stream and ravine drawing out of the southeast corner of the Meadows subdivision. Additionally, this area has some geologically sensitive areas regarding slopes along Nisqually Bluffs at the easternmost end of the planning area which provides important habitat for birds and animals living in the Nisqually Delta Wildlife Refuge area.

II. Analysis

The Meadows Planning Area is predominantly single family residential, but the commercial area in the Northwestern portion of the planning area has been expanded and has taken on a regional emphasis.

There are some remaining undeveloped resources designated Mixed Use High Density Corridor (MUHC) along Martin Way. This designation provides the opportunity for existing commercial properties to redevelop and new commercial activities to develop as mixed uses. This designation is a continuation of the MUHC from the Tanglewilde Planning Area. Land uses in the Meadows Planning Area of the Martin Way corridor were designated to transition away from strip commercial auto-oriented development into higher density and non-vehicle oriented uses. An exception was made to accommodate food and general merchandise stores where the design of site can be integrated to serve the local pedestrian traffic and be compatible with adjacent land uses. This zoning district should be re-examined to ensure that the vision is still valid for this corridor. Implementation measures should be reviewed in consideration of the recommendations by the Urban Corridors Task Force in 2012 and the desire to improve residential densities in a mixed use land form.

The area also has the potential to explore additional opportunities for commercial services considering the Martin Way corridor and proximity to the I-5 Marvin Road intersection. Improvements to the I-5 interchange at Exit 111 will improve access to the area and advance the area's appeal as a regional draw. Due to the long term need of providing for desired commercial uses at the intersection of Marvin Road and Steilacoom Road and increasing land use compatibility issues with the mushroom farm an annexation and land use study of this area would be beneficial to determine the highest and best uses for these properties while recognizing mushroom farm as a valued regional resource. Continue to support the existing Neighborhood Commercial area along Pacific where neighborhood commercial uses exist and the urban center at the Pacific and Marvin Road intersection.

Sewer has been a high priority in this planning area because areas have been identified as areas that have a high proportion of groundwater contamination potential due to soil characteristics and proximity to groundwater resources. Existing urbanized areas and projected development further the need to extend sewer into the remaining portions of this planning area.

III. Goals and Policies – Meadows Planning Area

Goal 1: Continue to pursue the evolution of the existing Martin Way commercial corridor into an attractive high density mixed use corridor.

Policy A: Use the “Evolution of a Corridor” and the recommendations of the Urban Corridor Task Force developed by the Thurston Regional Planning Council as a guide for redevelopment of Martin Way in this area.

Policy B: Evaluate the policies and implementation measures for the portion of the Martin Way corridor in the planning area to ensure that the vision remains valid and implementation measures reflect the vision.

Policy C: Work on pedestrian connections to the corridor for surrounding residential neighborhoods and the high school.

Goal 2: Accomplish coordinated multi-modal transportation planning in this area with Thurston County and other area transportation partners.

Policy A: Support the improvement of transportation corridors that provide adequate multi-modal transportation opportunities.

Policy B: Require interconnections of streets, pedestrian trails and greenbelts with adjacent projects and properties. Pay particular attention to interconnection of the Urban Center site and interconnections to wetland, habitat corridors, park sites and school sites.

Policy C: Require exceptional pedestrian linkage between residential and commercial areas.

Goal 3: Encourage development of the Urban Center at the corner of Marvin and Pacific.

Policy A: Continue to promote a range of mixed residential uses, the planned school site, and limited neighborhood commercial use in the Urban Centers designed to serve this planning area.

Policy B: Require proper integration of the Urban Center with surrounding developed and undeveloped properties. Integration should emphasize pedestrian connections, streetscape, trails, open space, the planned school site and logical transitions and blending of land uses of different intensities.

Goal 4: Encourage development of a range of residential types, with emphasis on providing additional medium and high density opportunities in area served by sewer.

Policy A: Continue to support the designation of areas along arterial and collector streets for medium and high density to support multi-modal transportation opportunities and efficient use of available land resources.

Policy B: Pay careful attention to creating effective transitions between new developments of higher density and existing low density development.

Policy C: Recognizing the importance of providing this urbanized area with sewer, encourage provision of sewer to built-out residential neighborhoods in this area.

Goal 5: Protect natural resources in this planning area.

Policy A: Continue to provide protections to environmentally sensitive areas including critical aquifer recharge areas.

Policy B: Consider designating “urban reserve areas” or “urban holding areas” for designated Agriculture districts until adequate utilities and services are provided to allow for urban densities.

IV. Implementation Measures

1. In conjunction with Thurston County, re-examine the Mixed Use High Density Corridor designation for the planning area to ensure that the vision is in line with the community’s vision and consistent with the Urban Corridor Task Force recommendations and that implementation measures reflect the vision.
2. To promote mixed use residential development along the Martin Way transit corridor, consider a range of incentives that fit the vision of the corridor, such as development bonuses, multi-family tax exemption programs, and planned action programs.
3. Study and analyze the cost benefit of designating “urban reserve areas” or “urban holding areas” for designated Agriculture districts until adequate utilities and services are provided to allow for urban densities.
4. Consider the preparation of an annexation and land use study to determine the highest and best uses for properties at the intersection of Marvin Road and Steilacoom Road to address long term land use compatibility issues and highest and best uses for these properties while recognizing the mushroom farm as a valued regional resource.

LAND USE LAKES PLANNING AREA

I. Profile of Lakes Planning Area

A. Location

The Lakes Planning Area includes those neighborhoods significantly influenced by Hicks Lake, Long Lake, Pattison Lake and Southwick Lake. It is delineated by the Burlington Northern Railroad right-of-way on the north, Marvin Road on the east, Alanna Drive and Ruddell Road on the west, Yelm Highway and Cate Farm on the south. Approximately half of the Lakes Planning Area is within the Lacey city limits.

B. Character and Functional Relationship to City

The Lakes Planning Area is characterized as Lacey's most environmentally sensitive area containing those immediate environs influenced by our major lakes. The primary function of the Lakes Planning Area is residential, with only a very small portion of developed land use allocated to commercial uses. Commercial uses are limited to a small Neighborhood Commercial zone at the corner of Carpenter and Mullen Roads, another at the corner of Ruddell Road and Yelm Highway, a number of light industrial commercial uses at the northwestern tip of the planning area on the north side of Carpenter Road, and the International Paper facility adjacent to and north of Long Lake.

Overall, the planning area provides a mix of residential housing with some of the highest value homes in Lacey located along the shorelines of area lakes as well as apartment complexes and mobile home parks serving affordable housing needs.

C. Acreage

The planning area includes approximately 4,317 acres with approximately 1950 acres within the city limits. Approximately XXX acres are still available for development primarily located along the eastern portion of the planning area and east of Long Lake. Most of this property, however, lacks sewer service.

D. Population

As of 2015, the estimated population of this planning area is 17,360. Population growth and allocation projections anticipate the populations in the Lakes Planning Area by the year 2035 will be 20,000 persons with an anticipated 1,170 residential units added to this planning area in the next 20 years. Approximately 2/3 of the residential units are anticipated to be located in the unincorporated portion of the planning area with the remainder to be located in the city limits.

E. Land Use - Current

In 2015, there are a total of 6,806 dwelling units in the Lakes Planning Area with approximately 80% of those being single family and 20% being multi-family. Over the next 20 years, it is anticipated that approximately 80% of the housing units added in the Lakes Planning

Area will be single family.

Approximately 300,000 square feet of commercial space is located in the Lakes Planning Area. This space is primarily located north of Carpenter Road in the Light Industrial/Commercial zoning district and associated with the International Paper facility on Union Mills Road. Two small neighborhood commercial areas—one at the intersection of Mullen and Carpenter Roads and the other at the intersection of Ruddell Road and Yelm Highway make up the areas only other commercial uses.

F. Density Characteristics

The primary residential form in the Lakes Planning Area is single-family residential on larger lots of approximately 1/4 acres much of which has been constructed for utilization of septic tank and drain fields, which has significantly limited the potential density and has also resulted in much of the planning area being zoned Low Density Residential 0-4 units per acre. Several newer subdivisions have been developed on smaller lots and are mostly served by STEP (Septic Tank Effluent Pump) or grinder systems. Higher density residential has occurred where areas of gravity sewer are available including along Ruddell Road, the northern portion of Carpenter Road, areas north and east of Long Lake, and within the Lakepointe subdivision.

G. Parks/Open Space

Recreational opportunities within the Lakes Planning Area include four designated public park sites owned by the City of Lacey, a number of private open space areas within subdivision developments, three public boat launch areas, and the County Fairgrounds.

Public park areas include Long Lake Park off of Carpenter Road, the Wanschers Park area west of Hicks Lake, and Thornbury and Lakepointe Parks both designated as neighborhood parks. The public boat launches are owned by the State and include sites adjacent to Wanschers and Long Lake Parks and a site on the east side of Pattison Lake.

The City has obtained several properties in this planning area as the result of property dedications through subdivision or other means for open space purposes and protection of area lakes and wetland complexes. The most recent dedications to the City were through dedication associated with the Southlake and Southwick Lake Estates subdivisions. The City should continue the policy of property dedication as a condition of development along lakes and wetland complexes in this planning area.

H. School Facilities

There are five public elementary schools within this planning area, including Lakes Elementary off of Mullen Road, Woodland Elementary on Carpenter Road, Evergreen Forest Elementary on Marvin Road, Seven Oaks Elementary off Mayes Road and Lacey Elementary School on Homann Drive. There is one magnet middle school in the area—Aspire Middle School for the Performing Arts on 54th Avenue SE. Timberline High School on Mullen Road is the one high school in this planning area.

I. Streets, Trails, and Connections

Ruddell Road, Carpenter Road and Marvin Road are the primary north-south transportation corridors in the Lakes Planning Area. Yelm Highway and Mullen Road are the primary east-west corridors.

There are no regional trails within the planning area; however, there are several walking paths and neighborhood connections throughout the Lakes Planning Area.

I. Resource Designations

There are no agricultural or mineral extraction sites designated within this planning area.

J. Environmentally Sensitive Area Designations

The planning area is centered on Hicks, Long, Pattison and Southwick Lakes and their associated wetlands. The uses along these lakes and their associated wetlands are regulated by the applicable Shoreline Master Program and critical area regulations. A major issue affecting the lakes is the proliferation of septic systems around them. As gravity sewer is spotty in the planning area (and are mostly STEP systems), most of the developed areas around the lakes are on individual septic systems. These septic systems and the associated leeching into adjacent water bodies have created water quality issues frequently resulting in warnings related to blue/green algae blooms. The city should make these areas a priority for sewer service to prevent septic-system related water quality issues.

Portions of this planning area are within the McAllister Springs Geologically Sensitive Area and have specific requirements for groundwater protection.

II. Analysis

The Lakes Planning Area has an extensive number of single-family residences and it is anticipated this will be the primary use that would continue through the next planning horizon. Sewer is a high priority in this planning area because of the environmentally sensitive properties. Presently, most sewer in this planning area is in the form of Septic Tank Effluent Pump (STEP) systems connected to single-family residences. The primary method of sewage treatment around the planning area's lakes is septic systems with drainfields. These systems have caused water quality issues in area lakes and often result in blue/green toxic algae warnings in the late summer. Consistent with the policies of the Shoreline Master Program, a priority for the area should be extension of sewer to lots around area lakes which would also provide the opportunity for smaller lot sizes and clustered developments removed from environmentally sensitive areas.

The emphasis in this planning area should be to protect and enhance the environmentally sensitive areas and try to utilize environmental amenities. This could be accomplished through the provision of waterfront park areas and interconnecting trails and pedestrian systems, designed to afford the public the opportunity of enjoyment of environmental amenities. Opportunity exists for extensive interconnection of pedestrian trails and sidewalk systems along existing undeveloped environmentally sensitive areas if standards are in place at the time of development to require proper interconnections.

The Environmental Protection and Resource Conservation Plan and regulations require proper buffering and dedication of environmentally sensitive properties to the City as development occurs on adjacent ownership. The opportunity exists to provide interconnecting habitat corridors with environmentally sensitive resources and to provide interpretive nature trails on the outer edge of such areas to provide the public the opportunity to enjoy these resources. Hicks and Southwick Lake provide the best opportunity for this, with an opportunity to provide a trail along the west side of Hicks Lake and along the entire perimeter of adjacent wetland areas south of Hicks Lake. Key dedications can also be obtained around Southwick Lake, which will provide an opportunity for a trail system along the south side of Southwick Lake as adjacent properties develop.

The area is weak on provision of commercial services. However, this is appropriate given the environmental restrictions and land use patterns which currently exist. The planning area does have two small neighborhood commercial areas, one at the northeast corner of the Ruddell and Yelm Highway intersection, and one at the corner of Carpenter and Mullen Road intersection. These two neighborhood commercial sites can serve the southern portion of the planning area. The intersection of Carpenter and Mullen Roads will be improved with a future planned roundabout which will also reduce the amount of Neighborhood Commercial zoning due to the right-of-way needs. Proximity to the Central Business District will provide services to the north end of the planning area. The area is limited for economic development opportunities; however, at the north end of Long Lake is the International Paper facility which is an important job provider in the Lacey area.

The McAllister Geologically Sensitive Area in the southeastern corner of the planning area has seen little development in the last 20 years primarily because of the cost associated with extending sewer service. Unless sewer service can be reasonably accommodated in the next 20 years, the City should consider removing those areas not sewered or immediately adjacent to sewered areas from the UGA. Should they be removed from the UGA, they should be put in an “urban reserve” designation so that no further subdivision of residential lots can occur until such time that these areas are part of an urban growth area.

Since much of the unincorporated area is directly adjacent to the Lacey city limits, opportunities do exist for future annexation. Priority areas for annexation would be around area lakes where higher assessed valuation would provide more property tax income associated with annexation and would help offset provisions of additional city services associated with serving the annexed area. Most of the properties around area lakes, however, are un-sewered and would be a potential liability should sewer service be extended to these areas.

Many of the primary corridors within the planning area are converted county roads—Carpenter, Mullen, Kagy and Marvin Roads. These corridors are old “farm to market” roads that were built to bring goods to commercial areas within the Lacey area nearly 100 years ago. Since that time, most of these corridors have had minimal improvements; lack sidewalks, bike lanes, and other pedestrian improvements; and are not sized to handle the ultimate build-out of the area. Most of these unimproved corridors are also within Thurston County’s jurisdiction. A priority for the planning area is for both the City of Lacey and Thurston County to upgrade the major transportation corridors to accommodate growth and multimodal transportation opportunities.

III. Goals and Policies

A. Goal: Protection of environmental resources in this planning area shall be a priority.

1. Policy: Require development to work around environmentally sensitive areas and take advantage of and promote environmental resources as an amenity.
2. Policy: All development shall be sensitive to protecting environmentally sensitive areas.
3. Policy: In balancing competing goals and interests, the City shall weigh in favor of strict application of environmental regulations and public access requirements in this planning area.

B. Goal: Interconnect all environmentally sensitive areas providing uninterrupted wildlife corridors and pedestrian interpretive trails.

1. Policy: Each development with wetlands and habitat sites shall be required to work towards providing interconnected environmentally sensitive areas with adjacent properties.
2. Policy: Where wetlands, habitat conservation areas, or other sensitive or resource lands exceed 5 acres in size or are contiguous with adjacent wetlands, the City may provide the option for dedication in conjunction with development of such sites to ease the burden and responsibility of maintenance of such sites for homeowners' associations and to actively maintain and provide for such sensitive lands for the benefit of the homeowners' of the development, as well as the community at large.
3. Policy: Habitat studies shall pay particular attention to interconnection of wildlife corridors and impact of development on adjacent environmentally sensitive areas.
4. Policy: Each development shall pay particular attention to providing public pedestrian opportunities around environmentally sensitive areas, providing an extensive interconnecting pedestrian trail system throughout the Lakes Planning Area.
5. Policy: Interpretive trails shall be designed to interconnect all residential areas, as well as environmentally sensitive areas.

C. Goal: Maintain existing moderate and high density housing opportunities along major arterials with convenient access to transit where no impact to environmentally sensitive areas will occur.

1. Policy: Maintain areas for medium density development opportunities along Ruddell Road.

D. Goal: Improve infrastructure in the planning area particularly related to sewer and transportation infrastructure.

1. Policy: Consistent with the policies of the Shoreline Master Program, extension of sewer service shall be prioritized around lakes to protect water quality.

2. Policy: Ensure consistency between the Land Use Element and both the City of Lacey Transportation Element and the Thurston County Transportation Element.
3. Policy: Ensure that the various transportation elements identify strategies to improve corridors to meet growth projections.
4. Policy: Support the improvement of transportation corridors particularly emphasizing multi-modal transportation opportunities.

IV. Implementation Measures

1. Study and analyze the cost benefit of designating “urban holding areas” within the McAllister Geologically Sensitive Area, which would not be developed until such time that sewer service should be available. Should development in this area not be anticipated during the next 20-year planning horizon, the city should consider removing the property from the urban growth area in conjunction with a robust public participation campaign.
2. Complete an annexation study for the unincorporated portion of the planning area around Long Lake and the northern portion of Pattison Lake.

LAND USE HORIZONS PLANNING AREA

I. Profile of Horizons Planning Area

A. Location

The Horizons Planning Area is located in the southwestern portion of the City of Lacey and its Urban Growth Area. It is bounded by the Chehalis Western Trail along its west boundaries and the Burlington Northern Railroad right-of-way along the south. It abuts the Central Planning Area to the north at 37th Avenue on the west side of College Street SE and at 31st Avenue on the east side of College, and along 34th Avenue immediately west of Ruddell Road. The Horizons Planning Area abuts the Lakes Planning Area along Ruddell Road from 34th Avenue south to the Yelm/Ruddell Road intersection where it shares Yelm Highway as a common boundary south to the Burlington Northern Railroad right- of-way (see Horizons Planning Area map).

B. Character and Functional Relationship to City

The Horizons Planning Area is characterized as a newer area of the City, with the majority of the development in this area having occurred since the City began planning under the GMA. The area has developed with a number of diverse projects including cluster housing, townhouses, and mixed use developments. A number of these projects were master planned under the provisions for village (urban) centers which allows mixed density neo-traditional residential development, commercial uses, common open spaces and community and public uses. The Horizon Pointe and Summerwalk developments both include a range of development densities and housing types with commercial development components. The Lacey Corporate Center was originally envisioned as a business park development with a high density residential component and accessory commercial uses. The southeastern portion of the property was redesignated for community commercial uses as part of the Crossroads development. This commercial area as well as the surrounding commercial development along Yelm Highway serves as the central commercial hub for the Horizons Planning area

All of the Horizons Planning Area with the exception of Capital Golf Club Estates and Chambers Estates are located within the incorporated limits of the City of Lacey. The exceptions noted above are located within Lacey's Urban Growth Area and are served by the City with water services. Capital Golf Club Estates and Chambers Estates were developed in the 1960's and are an unincorporated island area in the southern portion of the planning area. These developments are surrounded by the corporate limits of the City with the exception of the western boundary of Chamber Estates which directly borders Thurston County.

This planning area is intended to serve a number of functions for the City. Functions include affordable housing, low and medium density residential uses, community and public uses, business park development, and neighborhood commercial use. The community commercial zone located along Yelm Highway serves the Horizons Planning Area as well as adjacent planning areas and outlying communities that are served by the highway. There are also designated neighborhood commercial areas along College Avenue and adjacent to the Horizon Pointe development that is intended to serve adjacent neighboring areas.

C. Acreage

The planning area includes approximately 1,767 acres of property. There are some additional areas available for future development in this area for single family and multifamily development (INSERT DEVELOPED/UNDEVELOPED TABLE). There is also limited area for commercial and business park use. Much of the remaining single family development areas have vested subdivision applications or are in the process of completing phased development of the project.

D. Population

The 2015 population of this planning area is estimated at 14,510 persons. Population growth and allocation projections anticipate the population in the Horizons Planning Area by the year 2035 will be 15,460 persons, an increase of 950 persons during the 20-year planning period. An additional 930 housing units are expected during this period as well. The planning area experienced its greatest amount of growth after the City began planning under the GMA. There is limited potential for infill and redevelopment in the planning area.

E. Land Use – Current

There were a total of 6,103 dwelling units in the Horizons Planning Area in 2015. Approximately 60% of these dwellings are projected to be single-family units, and 40% are multi-family units. Over the next 20 years, it is anticipated that

Commercial land use in the Horizons Planning Area is limited to a large community commercial node located at the northwest, northeast and southwest corners of Yelm Highway and College. This commercial area extends down the north side of Yelm Highway in the front of the Summerwalk Village (Urban) Center property. The Community Commercial designation of the Summerwalk development has been recently developed with a neighborhood Walmart Center and adjacent retail establishments. These businesses are intended to provide services primarily for the surrounding neighborhoods. The Community Commercial zone includes approximately 79 acres and has a small number of sites remaining to be developed.

Horizons Planning Area also includes the Lacey Corporate Center. This development includes property designated for business park use. In 1999, the southeast corner of the park was re-designated to a Community Commercial designation consisting of 32 acres. This was done to encourage more development at the Corporate Center. There has been some development completed in the Business Park portion of the project including, multifamily development. However, the zoning provisions for business park development that call for a campus type development style that is no longer desired by the development community and is not particularly suited to this area.

Approximately 230 acres of property south of Capital Golf Club Estates has been developed as Horizon Pointe which was Lacey's first designated Village Center. This project is nearing completion with the development of the final 69 lots. The Horizon Pointe development is the single largest development in this area with over 1,300 lots. The portion of the project that is designated as Neighborhood Commercial has not been developed at this point. The property

north of Capital City Golf Course, across Yelm Highway, has an approved master plan called Summerwalk. Portions of this property have been developed for residential and commercial uses. The final phases of residential development have been approved and are moving toward completion.

The planning area includes the Capital Golf Club Estates and the Chamber Estates subdivision that are located outside the incorporated limits of the City. These projects began development in the 1960's and are supplied by City water services and on-site septic systems.

F. Density Characteristics

The character of the planning area has evolved over the last twenty years, and contains a significant variety in housing types and land use. This area has some remaining larger single family lots to small lot single family, with lots approaching 3,500 square feet. The area also has an ample supply of apartment complexes and several townhouse developments.

At one time, the majority of the Horizons Planning Area in the incorporated city limits was designated with a Moderate Density residential designation. In the late 1980's a rezone was accomplished for much of the area, designating the area north of 45th Ave. and east of College St. as Low Density for development of single family residential structures at four units per net acre. As a result of this rezone, multifamily development is basically limited to those areas designated as Moderate or High Density under the 1994 Plan. Those areas are primarily located along College Street which is intended to create a corridor to accommodate transit.

In the 1980's and early 1990's, single family development on lot sizes of 5,000 square feet or larger was the predominant land use pattern in the north portion of the planning area, with the exception of a sizeable area with several mobile home parks developed at higher densities west of College Street and just south of 37th Avenue. The adoption of the 1994 Comprehensive Plan promoted higher densities, smaller lot sizes, and re-designating of significant portions of the area as Moderate Density. Since that time, the area has developed at somewhat higher densities on average with lot sizes ranging from 3,700 to 5,000 square feet. More recent subdivision development in the Moderate Density areas have taken advantage of the active market for affordable single family homes and the development standards which have allowed single family homes on lots approaching 3,700 square feet.

G. Parks/Open Space

The Horizons Planning Area contains Rainier Vista Community Park, which is a 40+ acre multipurpose community park that serves as the central recreational focus for this portion of the City of Lacey. Park facilities in this planning area also include William A. Bush Park and Horizon Pointe Park. A portion of the Chehalis Western Trail runs parallel along the western boundary of the planning area and includes the 67th Avenue trailhead.

The City also owns the historic Jacob Smith House in the Lacey Corporate Center. The home was constructed prior to the Civil War and is the oldest home in Lacey. The structure and surrounding 3 acre grounds is now used as a community facility used for weddings, receptions, seminars and retreats. A number of other smaller open spaces developed during subdivision approvals are scattered throughout the zone and are reserved for park/open space purposes through subdivision conditions. Additionally, the Chehalis Western regional trail borders the west boundary of this planning area.

H. School District Facilities

There are two schools within the Horizons Planning Area. There is the Komachin middle school located along College Street and Horizons Elementary School south of Yelm Hwy and west of Rainier Road. A construction bond passed by the district in 2014 included facility upgrades to Komachin Middle School. Phase I of these improvements began in 2015. There are currently no other school improvements anticipated in this planning area as part of the *2015-2021 North Thurston Public Schools Capital Facilities Plan*. The district recently completed school boundary changes to balance enrollment increase capacity at most schools.

I. Streets

Yelm Highway SE and 37th Avenue SE are the primary east-west transportation corridors in the Horizons Planning Area. 37th Avenue comprises a portion of the northern border of the planning area. College Street SE is the primary north-south corridor serving the area. All of these roadways are designated as Arterials in the *City of Lacey 2030 Transportation Plan*. The portions of College Street and Yelm Highway have the highest projected traffic volumes in the planning area.

Future street widening and improvement projects are identified in the City's Transportation Improvement Plan and are completed based on need and funding. Widening and pedestrian improvement are anticipated for 37th Avenue from College Street west to the city limits and portions of Yelm Highway.

The planning area is connected to the regional trail system. The Chehalis Western Trail runs the length of the planning area along the western border. The trail runs north-south and on the far north connects Woodard Bay to its southern extent at the City of Rainier. The Chehalis Western Trail is a former rail corridor that was constructed as part of the rails-to-trails conversion program.

J. Resource Designations

There is no agricultural or mineral extraction sites designated of long-term commercial significance within this planning area. A number of sites still are forested or have significant trees that fall under the jurisdiction of Lacey's tree protection ordinance. There are also sites are designated as open space/agricultural for taxation purposes.

K. Environmentally Sensitive Area Designations

There is a site around Chambers Lake and a site adjacent to Southwick Lake that have been identified with wetland sensitive areas. A number of localized sites have been identified with geologically sensitive slopes within the planning area. Most of the planning area, as with most of the City of Lacey, is designated as sensitive for aquifer protection. The City also has some major well sites in the area with wellhead protection zones.

There has been some documentation of the presence of the Mazama Pocket Gopher on some sites in the southern portion of the planning area. Several species of the gopher have been listed as "threatened" by the U.S. Fish & Wildlife Service. Special measures have been put

in place by the service to assist in the protection on these species.

II. Analysis

The character of the planning area has been formed in part by development that has occurred after the adoption of the first Comprehensive Plan adopted under the provisions of the GMA. The area includes attractive single family residential neighborhoods, a number of multifamily projects, as well as affordable housing projects and zero lot line cluster housing projects. A number of mobile home parks also exist in this planning area, providing another affordable housing resource for the City. The primary function of this planning area has been to provide residential areas for a full range of housing options.

The intersection of Yelm Highway and College is the site of a large Community Commercial District and the Lacey Corporate Center that effectively serves a community and regional function for provision of commercial services. Commercial development in this area primarily began in the 1980's and has been incrementally added to over the ongoing years. The Community Commercial areas adjacent to College Street and Yelm Highway not only serve residents in the planning area but a large part of the southern portions of the City as well as area cities and rural areas. Neighborhood commercial areas along College Street and adjacent to the Horizons Point development have been slower to develop.

The recent economic recession had an impact on residential and commercial development in this area by slowing the pace of residential and commercial growth. Many of these projects that have been put on hold are now being completed. Continued development of the Business Park District of the Lacey Corporate Center has been slow. The development standards for this zoning district were adopted in the 1980's. Since that time, the construction of business park developments have dramatically changed from locating these uses outside of core areas in a campus like setting to the desire to be located in a more urban environment that is near amenities used by the employees such as restaurants, shopping, and recreational facilities. The Business Park District needs to be reviewed to determine if amending the provisions would provide for appropriate standards for business park use or if another land use designation is warranted.

Demographic and housing information for the planning period indicated that there is some potential for additional residential and commercial development in the planning area. Due to the age of the majority of housing stock in the area, there is limited potential for infill and redevelopment opportunities. Changes to the regional transportation plan in the late 90's for major transportation connections designated Yelm Highway as the major east/west connector in this area. Traffic through the crossroads intersection has continued to increase as the development of the planning area and surrounding communities have grown. Development in the planning area needs to continue to consider possible impacts to sensitive wellhead protection areas.

Annexation of the Capital City Golf Club Estates and Chamber Estates should be reviewed based on criteria established by the City Council for inclusion into the city limits. These properties are currently the only remaining areas in the planning area that are not part of the City of Lacey. The Chambers Estates development contains an airstrip that should continue to be considered and accommodated as a private small aircraft airport in this area. As new plats

have been approved in this area, stipulations have been required in covenants and on the face of plats alerting new buyers to the airport's presence.

Continued coordination of multi-modal and pedestrian facilities needs to occur throughout the planning area to serve this area and promote successful urban mixed-use development. Map XX shows proposed land use conforming to recommendations of this plan.

III. Goals and Policies-Horizons Planning Area

Goal 1: Continue to encourage the development of a range of residential types, providing opportunity for high density residential development along arterials with transitions to existing low density residential development.

Policy A: Retain undeveloped property along College, Yelm, Ruddell, and Rainier Road in the moderate density residential classification.

Policy B: Encourage a full range of higher density residential uses, including single family zero lot line developments, townhouse units, mixed residential use, planned residential developments and multifamily apartments.

Policy C: Pay careful attention to creating effective transitions between new developments of higher density and existing low density development.

Goal 2: Provide for coordinated interconnection of new residential and commercial development emphasizing pedestrian, bicycle and mass transit opportunities.

Policy A: Require interconnections of streets, pedestrian trails and greenbelts with adjacent projects and properties unless there are apparent safety issues.

Policy B: Require access easements through private streets and apartment complexes to ensure an interconnection between adjacent properties and local collectors and arterials.

Policy C: Require exceptional pedestrian linkage and pedestrian, bicycle and mass transit improvements throughout the residential and commercial areas.

Goal 3: Provide convenient access to neighborhood commercial zones throughout the planning area with emphasis on pedestrian opportunities.

Policy A: Retain strategic sites within the planning area for neighborhood commercial activities, providing neighborhood commercial activities within walking distance of all neighborhood areas.

Policy B: Pay particular attention to integration of neighborhood commercial sites to ensure the site is compatible with and complements and serves local neighborhood uses.

Policy C: Neighborhood commercial zones should be designed and sited to serve neighborhood needs as opposed to serving a larger community base or capturing the motoring public.

Goal 3: Maintain the local character of the Horizons Planning area by ensuring high quality aesthetic standards similar to the Lacey Corporate Center vision. Review the Business Park District to analyze development standards and the land use designation for its appropriateness in the planning area.

Policy A: Continue to require that retail development in the Lacey Corporate Center designated as Community Commercial adhere to special design and development conditions similar to those contained within the approved master plan and development agreement in place.

Policy B: If the area currently designated as Business Park District is approved for redesignation or development standards are amended, maintain design standards and development conditions that consider impacts to existing and adjacent developments.

IV. Implementation Measures

1. Review the Business Park District designation in the Lacey Corporate Center to determine if changes need to be made to the development standards or if another land use designation is more appropriate in this area.
2. Assess the viability of annexing Capital Golf Club Estates and Chamber Estates based on the annexation criteria adopted by the City Council.
3. Encourage the development of a citywide bike and trails plan that ensures linkages to commercial centers and transit opportunities.

LAND USE CENTRAL PLANNING AREA

I. Profile of Central Planning Area

A. Location

The Central Planning Area is located in the center of Lacey and generally encompasses the area of the city limits upon Lacey's incorporation in 1966. All of the Central Planning Area is located within the incorporated limits of the City of Lacey. It is bounded by Interstate 5 on the north, the Chehalis Western Trail and the Olympia City Limits on the west, 39th and 37th Avenue to the south, and Carpenter Road to Alanna Drive to Ruddell Road on the east. It abuts Pleasant Glade Planning Area to the north, Horizons Planning Area to the south, and the Tanglewilde/Thompson Place and Lakes Planning Areas to the east.

B. Character and Functional Relationship to the City

The Central Planning Area is characterized as the oldest area of the City. It has the majority of the City's developed commercial land base, contains the majority of the Central Business District including the Woodland District, has the oldest Lacey residential neighborhood in the Lacey Villas (better known as the Lacey Historic Neighborhood), and the oldest homestead area in the City which is now the Panorama community. Saint Martin's University is located in the Planning Area and was first established in 1895.

The Central Planning Area's primary function is serving as the central commercial core, however, the Planning Area also has an extensive residential base, which includes a significant amount of affordable housing opportunities in the form of older residential units, primarily of the 50's and 60's vintage. Additionally, it contains the City's primary special needs housing community at Panorama. The Central Planning Area also has the one of the City's largest developed parks in Wonderwood Park.

C. Acreage

The planning area includes approximately 2,530 acres. Of this amount, a large percentage of property is developed (INSERT DEVELOPED/UNDEVELOPED TABLE). Larger acreages do exist but are mostly contained in critical areas such as the Woodland Creek corridor and Chambers Lake or is property owned by Saint Martin's Abbey and associated with Saint Martin's University.

D. Population

As of 2015, the estimated population of this planning area is 11,640. Population growth and allocation projections anticipate the populations in the Central Planning Area by the year 2035 will be 12,770 persons with an anticipated 1,130 residential units added to this planning area in the next 20 years.

E. Land Use - Current

In 2015, there are a total of 5,422 dwelling units in the Central Planning Area with approximately half of those being single family and half being multi-family. Over the next 20 years, it is anticipated that over 75% of the housing units added in the Central Planning Area will be multi-

family located primarily in the Woodland District. The remainder will be single family added through infill within existing neighborhoods.

Over 4 million square feet of commercial buildings (4.047 million s.f.) have been constructed in the Central Planning Area. The commercial property in the Planning Area serves as a regional hub for retail and other services including South Sound Center, Lacey Market Square, Martin Village, and the Central Business District properties between Lacey Boulevard and Pacific Avenue and also those CBD parcels along Martin Way. Most commercial property has been developed in this planning area, therefore, it is expected that most development associated with commercial properties will be in the form of redevelopment to higher intensities over the next 20 years.

F. Sub-areas

Woodland District:

INSERT WD MAP/GRAPHIC

The Woodland District Strategic Plan was a year-long sub-area planning process that sought to enhance Lacey’s business core as a place to live, shop, gather, learn and play. Largely developed after World War II, Lacey’s core had lacked a sense of identity and was not a “downtown” in the traditional sense; however, the area has been a consistent regional retail and employment center for over 50 years. Planning for the Woodland District began in the mid-1990s as the City of Lacey grappled with the area’s identity, culminating in adoption of the Downtown 2000 Plan, which established design guidelines and development standards for the area. The Downtown 2000 Plan envisioned the Woodland District as a vibrant and prosperous place that encouraged density and mix of uses, supported transit, and provided for a diverse population. The vision set forth in the Downtown 2000 Plan has been implemented in a variety of private development projects as well as various city projects.

In 2008, as a result of a downturn in the financial markets and a downsizing and relocation of State office complexes, private investment in the Woodland District ceased and 240,000 square feet of office space became vacant. With the assistance of an appointed steering committee, the City began the 2011 “Downtown Refresh” to re-examine the goals of the Downtown 2000 plan. The committee validated the vision but understood that the area needed a jumpstart. Upon completion of the Downtown Refresh, the City received a grant through the federal department of Housing and Urban Development (HUD) to develop the Woodland District Strategic Plan, an action-based strategic plan for the area to guide future revitalization and development of private investment, public places, and transportation infrastructure.

The Woodland District Strategic Plan combines an urban design framework and vision with an action-oriented strategy all based on market realities. The urban design framework vision, goals and policies are detailed in graphic and written form which forms the policy basis for the subarea plan. Detailed urban design recommendations provide the regulatory background for a future form-based code, which will guide future revitalization and development of streets, public places and private development. These recommendations help support the action plan which outlines 25 key actions designed to implement the Woodland District goals and policies. These actions are integrated to provide the necessary framework and incentives to catalyze investment and development, and were developed as an integrated set to be leveraged together so that each will result in multiple benefits in order to realize the District’s vision over a 10-year period. Finally, all of these are supported by a market analysis that details current and future conditions related to

retail/commercial, housing, service, and hospitality markets. The market analysis also contains three pro forma which ensure a developments rate of return and ensures that the City’s vision is in line with market realities.

The Woodland District Strategic Plan was adopted on July 25, 2013. Since adoption, as a result of community stakeholder buy-in, the strategic plan has been a living document with several key implementation actions completed or underway.

Implementation measures identified in the plan that have been completed to date include the City Council’s adoption of the multi-family tax exemption for the area to improve development feasibility and to stimulate the construction of new market-rate and affordable housing opportunities.

South Puget Sound Community College has completed a \$7.5 million construction project to convert a former state-leased office complex into the new Lacey campus of South Puget Sound Community College. Located across 6th Avenue from the Intercity Transit center, the campus will serve as a destination for an estimated 10,000 people per year for use as both a community college and for contracted training programs.

Contained within the Action Plan is a strategy important to both the vitality of the District and the City of Lacey—establishment of a business and entrepreneurial center. South Puget Sound Community College, in partnership with the Thurston EDC and the City, will develop a business and entrepreneurial center in the District. This places the College’s business, technology and workforce training programs, and the business support services of the Thurston EDC in one location to help entrepreneurs launch and build successful companies and provide skilled labor to support business attraction, retention, and expansion programs. The center will help early stage entrepreneurs grow through a variety of support services and facilities in a professional working environment, with a focus on creating new family-wage jobs to help spark the region’s economic recovery and facilitate reinvestment in the Woodland District.

An additional implementation measure includes development of a form-based code for the district. This implementation measure is currently underway and will create a “place-based” regulatory system that will clearly illustrate the District’s desired form and character for both the private and public realm. The code would serve as an incentive to attract new investments and produce a cohesive neighborhood characterized by great places.

The Woodland District Strategic Plan has set the stage for infill, redevelopment and new development and has an innovative and action-oriented approach will ensure that this area will be a vital place to live, shop, gather, learn and play.

Depot District:

INSERT DEPOT DISTRICT MAP

A future sub-area plan for the area commonly known as the “Depot District” is a priority for development in the short term. The plan would be centered on the area between the Pacific Avenue and Lacey Boulevard roundabouts zoned Central Business District 5. The subarea would also include the adjacent residential neighborhoods including the Lacey Historic Neighborhood and the residential neighborhood between the Lacey Post Office and Lacey Elementary. The anchor of the “Depot District” is the future Train Depot Museum project under development. This public investment will include the future city museum, outdoor gathering spaces, interpretive

information, and trailhead to the Lacey Woodland Trail. The public investment in a historically-accurate structure will dovetail with a local neighborhood planning effort to provide an opportunity to define the character and encourage private investment into the surrounding area.

Golf Club Road Neighborhood Plan:

A need for a future neighborhood-oriented sub-area plan has been identified for the area designated as the “Golf Club Road” neighborhood. This is generally the area south of Lacey Boulevard between the westerly city limits and College Street, south to 22nd Avenue. This area contains some of Lacey’s oldest housing stock in larger-sized lots and the infrastructure serving the area has additional capacity to serve additional units while close proximity to services make it an attractive neighborhood for more intensive development. The area is served by transit; however, much of the area lacks sidewalks and pedestrian connections necessary to make transit convenient. A future sub-area plan would how additional density could be achieved while prioritizing infrastructure improvements related to sidewalks and pedestrian connections.

Golf Club Road is also an important north/south link connecting residential areas to nearby commercial areas and services. As projects have been developed along the Golf Club corridor over the past 20 years, frontage improvements have generally been deferred to a later date. The sub-area plan should analyze the completion of Golf Club Road by the City and those property owners who have deferred the requirement to improve pedestrian amenities and to potentially catalyze private investment in the area.

G. Density Characteristics

The planning area’s density is stabilized and not expected to change significantly over the next 20-year period with the projected addition of 1,130 new residential units. Most of the existing housing stock consists primarily of older homes being constructed in the 40’s, 50’s and 60’s. The overall density of the area is typical of an older suburban community, with typical lot sizes ranging from 5,000 square feet to 10,000 square feet, for an overall density including open space of between 4 and 8 units per net acre. The oldest residential area in Lacey, the Lacey Historical Neighborhood, has a significantly different character with large lot sizes, primarily one acre and larger.

Of the 1,130 new residential units projected for this planning area, most will be accommodated in the Woodland District. According to a market study completed by Property Counselors for the Woodland District Strategic Plan, by the year 2030 the projected number of additional multi-family units is anticipated at 740 to 1,056. At this level of development, it would be anticipated that the remaining 390 to 74 units will be accommodated in existing neighborhoods elsewhere within the planning area.

New residential development will consist of teardown and rebuilding of older housing stock, infilling older neighborhoods with larger lot sizes with the capacity to handle additional units, and redevelopment and infill within the Woodland District. In 2008, Sixth Avenue Place became Lacey’s first truly mixed-use building with 101 multi-family residential units with a retail frontage.

Within the Woodland District, the Woodland District Strategic Plan identifies the area for significant public and private investment to make the area more desirable from a residential standpoint. Additionally, the multi-family tax exemption program enacted by the City will incentivize multi-family development reducing property taxes associated with multi-family units between 8 and 12 years after project construction. The Woodland District Strategic Plan also identifies a future affordable housing strategy as a work program item to provide a variety of housing in the District for a range of household types and income levels such as seniors, students, local employees and low- and moderate-

wage workers. The strategy would also support the multi-family tax exemption program to oversee compliance with the affordability requirements of the program.

H. Parks/Open Space

Recreational opportunities within the Central Planning Areas include Huntamer Park, Wonderwood Park (a community park), Homann Park (community park), Chambers Lake Natural Area and Brooks Park, a neighborhood park. Pocket parks include the two Plaza Parks adjacent to the Lacey Market Square shopping center and the Lacey Civic Plaza adjacent to South Sound Center. The Central Planning Area has 3.86 acres of park land per 1000 residents. The parks in this area provide a variety of outdoor recreational opportunities that are both passive and active. There are baseball fields, soccer fields, tennis courts, basketball courts and playground equipment. Several of the parks include trails (paved and dirt).

I. School Facilities

There is one North Thurston Public Schools operated school within the Central Planning Area—Mountain View Elementary. For middle and high schools, students in this planning area are served by Chinook Middle and North Thurston High Schools located in the Pleasant Glade Planning Areas to the north.

As previously stated Saint Martin’s University is at the center of the planning area and is a private university established in Lacey in 1895. In 2010, Saint Martin’s Abbey developed a comprehensive master plan and development agreement to guide future campus development including guidelines for the construction of future buildings, roads, infrastructure, parking areas and landscape and open space areas. Both the master plan and development agreement were adopted by the Lacey City Council on February 25, 2010. The master plan and development agreement is an important tool to guide the future development of the St. Martin’s property.

In 2015, South Puget Sound Community College completed a \$7.5 million construction project to convert a former state-leased office complex into the new Lacey campus of South Puget Sound Community College. Located across 6th Avenue from the Intercity Transit center, the campus will serve as a destination for an estimated 10,000 people per year for use as both a community college and for contracted training programs.

J. Streets, Trails, and Connections

College Street SE, Sleater-Kinney Road, Carpenter Road, Ruddell Road, and Golf Club Road are the main north-south transportation corridors in the Central Planning Area. The Lacey Boulevard/Pacific Avenue one-way couplet and Martin Way are the primary east-west corridors. Interstate 5 runs east/west through the planning area with full access provided at exit 108 off of Marvin Road. Off-ramps from I-5 also connect to Sleater-Kinney Road.

In 2009, the College Street Improvements Final Report was developed to identify strategies to improve College Street from Lacey Boulevard south to 37th Avenue SE. College Street provides a primary north-south link for automobiles, transit, pedestrians, and bicyclists from South Thurston County to Interstate 5. The corridor contains a heavy number of vehicles per day (estimated at 32,000 per day by the year 2020). However, the corridor also provides local access to many homes fronting the street, an elementary school, and access to local streets and collectors. The College Street Improvements Final Report identifies a series of improvements to be developed to improve conditions for all modes of

transportation throughout the corridor. The first improvements identified in the report are slated for construction in the short term with the roundabout at 22nd Avenue.

The Central Planning Area is well-connected with the regional trail system. The Chehalis Western Trail runs the length of the planning area along the western border. The Chehalis Western runs north-south and connects as far north as Woodard Bay and as far south as Rainier. The Lacey Woodland trail runs east-west between Pacific Avenue and Lacey Boulevard. The trail connects to the Olympia Woodland Trail to the west which terminates near the Capitol Campus and terminates at the Woodland Creek Community Park on the east. Both the Chehalis Western and the Lacey Woodland Trails are former rail corridors that were part of the rails-to-trails conversion program. It is possible, however unlikely, that these corridors may be reverted back to rail lines in the future. The Interstate 5 trail runs parallel to I-5 east-west and connects between downtown Olympia and terminates at the Department of Ecology Headquarters building.

K. Resource Designations

There are no agricultural or mineral extraction sites designated of long term commercial significance within this planning area. However, there is currently an active mineral extraction site near depletion, which would be expected to convert to some other use in the near future. This site is located along Carpenter Road in the extreme northeast portion of the planning area, adjacent to the Thompson Place subdivision.

L. Environmentally Sensitive Area Designations

This planning area includes Chambers Lake and Lake Lois, as well as a good portion of the Woodland Creek Corridor and associated wetlands. These are designated as environmentally sensitive and have specific protection requirements as delineated in the City of Lacey Environmental Protection and Resource Conservation Plan. Most of the planning area, as with most of the City of Lacey, is also designated as a sensitive area for aquifer protection.

Note needs to be made of the property adjacent to and east of Woodland Creek and west of Carpenter Road between I-5 and Martin Way. This property has areas of environmental sensitivity because of Woodland Creek, its associated wetlands, and steep slopes. It is questionable whether portions of these properties are developable because of these environmental limitations. Because of noted sensitivities, the majority of the properties have been designated Open Space Institutional, based upon our most recent environmental inventories. In 2006, the Lacey City Council confirmed (as part of a private rezone and comprehensive plan amendment application) that the Open Space Institutional Designation was appropriate for this area given the environmental sensitivity.

II. Analysis

Given that this planning area is the oldest area of Lacey and is mostly developed, most of the development within the next two decades will be through redevelopment. Sub-area planning is an important aspect of redevelopment and implementation of the City's vision in the Central Planning Area. Sub-area plans provide more detailed planning, guidance, and predictability for residents, businesses, and for applicants of a development project. Sub-area planning also ensures that development is high-quality and well-integrated into existing built areas. Implementation of the Woodland District Strategic Plan and development of the future Depot District Plan and Golf Club Road Neighborhood Plan should be the highest priority in this Planning area.

In 2004 as the result of neighborhood concerns over the creation of infill lots where homes were being placed in what was once the backyard of an existing home, the city council enacted regulations to prohibit this type of development. Essentially, new lot size requirements were enacted for parcels less than one acre in size that prohibited redevelopment—specifically related to lot size width requirements along public streets. Since then, new lot creation in our older neighborhoods especially in the Golf Club Road neighborhood has stopped even though this area has land availability, utility capacity, is served by transit, and is in close proximity to services. The City should reexamine the de facto prohibitions on infill in this area given its strategic location and age of the neighborhood. Standards should remove focus on lot layouts and more on design requirements related to privacy and architectural design.

The uses within the Central Business District zones (CBD 4, 5, 6 and 7) are listed according to a table associated with the manual on Standard Industrial Classification (SIC code). These tables are oftentimes confusing and can be difficult to administer. The City should examine the tables associated with the CBD zones and simplify them. Also, uses should be analyzed to ensure that they still meet the City’s vision including but not limited to: more allowances for multi-family residential development, higher permitted residential densities, more flexibility of uses, and compatibility requirements between commercial and residential.

III. Goals and Policies

A. Goal: Provide for a healthy and vigorous core area as a destination commercial center and central urban hub for the City.

1. Policy: Implement the Downtown 2000 Plan and the Woodland District Strategic Plan.
2. Policy: Develop and implement a sub-area plan for the Depot District.
3. Policy: Review and update standards of the Central Business District on a regular basis to maintain a competitive place in regional retail economy while maintaining a quality level of development.
4. Policy: Continue to strive for proper transition of the Central Business District with surrounding residential zones with closer pedestrian ties to residential areas.
5. Policy: Consider the Central Planning Area as a focus for the location of cultural activities.

B. Goal: Maintain quality and function of existing residential areas in the Central Planning Area.

1. Policy: Acknowledge historical character and value of the Lacey Historic Neighborhood as a unique housing resource. Continue to require special development standards for Lacey Historic Neighborhood that recognize and preserve historical values and neighborhood character while allowing reasonable infill and development.
2. Policy: Acknowledge character and value of older residential neighborhoods adjacent to the Central Business District as an affordable housing resource.

3. Policy: Develop and implement a sub-area plan for the Golf Club Road Neighborhood.

C. Goal: Provide opportunities for infill in the Central Planning Area.

1. Policy: Maintain the liberal policy on accessory residential units while maintaining quality and character of neighborhood through performance standards and design review.

2. Policy: Provide opportunities for duplexes, triplexes and quadraplexes to locate in lower density neighborhoods as infill mechanisms which enhance neighborhood character by requiring exceptional and rigorous design requirements.

3. Policy: Provide opportunities for single family cluster housing on smaller lot sizes than underlying zone with exceptional and rigorous design requirements to maintain quality and character of neighborhood areas.

D. Goal: Provide an exceptional transportation network that interconnects all uses with the Central Business District including employers, retail establishments, parks, and neighborhoods.

1. Policy: Particular emphasis on interconnection of pedestrian corridors and development of pedestrian opportunities throughout the Central Business District and outlying residential areas should be encouraged. Specifically, the Golf Club Road corridor should be improved to full city standards to link pedestrians in residential areas with businesses and services.

2. Policy: Work towards interconnection of parks, pedestrian-oriented centers, and residential pedestrian systems.

3. Policy: Provide safe pedestrian crossings to encourage walking and pedestrian access.

4. Policy: Require pedestrian-friendly building design in areas where foot travel is likely and encouraged. Pedestrian-friendly building design may include buildings oriented towards adjacent regional trails.

5. Policy: Ensure that parking areas are “right sized” for the use they are intended to serve while supporting optional minimum requirements should less than the minimum number of parking stalls be desired by an applicant.

IV. Implementation Measures

1. Continue to support the implementation of the Woodland District Strategic Plan and the 25 prioritized action items.

2. Develop and implement the Depot District and Golf Club Road Neighborhood sub-area plans.

3. Identify target areas and strategies to accommodate projected residential development. Strategies shall include encouraging infill development on larger lots by establishing new standards related to minimum lot size, lot width, etc. while ensuring compatibility between existing and new development; supporting existing and future sub-area planning efforts; continuing a liberal policy on accessory dwelling units; and city-supported incentives such as the

multi-family tax exemption program.

4. Examine and simplify the Central Business District table in the Lacey Municipal Code to ensure that they meet the City's vision including but not limited to: more allowances for multi-family residential development, higher permitted residential densities, more flexibility of uses, and compatibility requirements between commercial and residential.

Economic Development Element

Community Vision – Lacey has a strong and healthy economy that provides economic opportunities for all citizens; generates sufficient revenues to ensure the provision of essential public services; and makes Lacey a great place to live, work, learn, shop, and play.

Element Context

The Economic Development Element (Element) is focused on ensuring community prosperity and a healthy economy: an economy that is characterized by quality job creation and retention, and the resources to provide adequate services. A healthy economy requires a supply of commercial and industrial sites, utilities, infrastructure, jobs, and services sufficient to meet the community's needs and to provide opportunity over time.

The Land Use Element of the Comprehensive Plan addresses the City's goal to enrich the quality of life in Lacey for all citizens by building an attractive, inviting, and secure community. Part of that is to develop a vibrant and diversified economy. The Economic Development Element supports that effort by providing guidance on the quantities and types of non-residential land uses that will be needed, at mileposts along the way, over the next 20 years.

The Economic Development Element is one of three documents that address economic development efforts in Lacey. The other two documents are the Economic Development Strategy (Strategy) and the Economic Development Program Work Plan (Work Plan). The Element communicates values, vision, and sets forth goals and policies. The Strategy lays out how the policies contained in the Element will be accomplished. The Work Plan explains the concrete steps that will be taken, and the tactics used, to carry out the Strategy. While none of the three documents is completely static, the Strategy will evolve more quickly than the Element, and the Work Plan will adjust more quickly than the Strategy.

Beginning from the state of Lacey's economy, analyzed in 2015, the Element helps to shape the City's economy over the next 20 years. Relating to other elements of the Comprehensive Plan, the Economic Development Element impacts the extent of land development; the composition of land uses; helps to determine utility needs; and influences the City's ability to generate sufficient revenues to provide essential public services and the amenities that citizens need, want, and expect.

Effective Collaboration

Lacey’s approach to working with citizens, businesses, business owners, and entrepreneurs—its “customers”—is to minimize obstacles to their success. This approach, sometimes referred to as “the Lacey way,” has served the City, and its stakeholders, well.

The City of Lacey coordinates its economic development efforts with a number of economic development community partners. These include public sector, private sector, and non-profit economic development organizations. Not all partners collaborate on all projects. Occasionally some partners may find themselves in competition with other partners in certain circumstances. This can happen when working with a business where two or more sites, in different Thurston County cities, might be under consideration. The more likely scenario for a competitive situation would be when a business that will generate large amounts of sales tax is seeking a site. Please refer to Exhibit 1—Organizations Providing Economic Development Services in Thurston County.

While there is County-wide collaboration, there is currently no Comprehensive Economic Development Strategy, also known as a CEDS. A CEDS is a strategy-driven plan for regional economic development, normally developed at a county or regional level. A CEDS is required by the Economic Development Administration (EDA) of the U.S. Department of Commerce for grants, or funding for the establishment of revolving loan funds. While the City and Thurston County are not considered economically distressed, and therefore not eligible for EDA funding, the development of a CEDS would help to formalize, on a county/regional level, which partners provide which services, protocols for working together, and where to most effectively focus scarce resources.

Lacey in 2015

Strengths

Lacey’s abundance of strengths fall into seven areas, and three thematic groups: collaboration, leadership, and stability; demographics and workforce; and location and value.

Collaboration, Leadership, and Stability

- Lacey’s elected officials, management, and staff collaborate effectively with citizens, one another, community partners, and with businesses.
- The extensive network of community partners also collaborate effectively with one another, which provides a number of essential economic development services.
- Lacey enjoys stability and strong leadership.

- The combination of collaborative approach, strong leadership, and stability lead to processes that are clear, predictable, fast, and inexpensive: all qualities sought and valued by businesses.
- Among the economic development services provided by the City's partners are the Federal Foreign Trade Zone, the Federal Historically Underutilized Business (HUB) Zone, the Center for Business and Innovation, and a variety of business financing programs.
- The Federal Foreign Trade Zone spurs economic output and job creation in the local area by delaying or eliminating the payment of tariffs on materials and goods brought in from abroad for further processing in the Zone.
- The HUB Zone attracts businesses and jobs into areas where businesses have been disadvantaged, and assists those existing disadvantaged businesses by helping them to qualify for bonus points when competing for federal contracts.
- The Center for Business and Innovation provides a full range of services to entrepreneurs and businesses.
- Business financing programs are essential to ensure that businesses have access to the capital they need to grow and create jobs. This is especially critical for early stage businesses that may not yet qualify for traditional bank financing.

Demographics and Workforce

- The demographics in the City of Lacey are favorable for economic development.
- Because many of its citizens work for the State of Washington, or at Joint Base Lewis McChord (JBLM), Lacey residents enjoy good earnings, benefits, and purchasing power.
- The nature of the work for the State, and at JBLM, requires a highly skilled and knowledge-based workforce, so education attainment is high.
- The type of work and the education required, at both the State and JBLM, attracts socially stable people, so that social stability helps ensure that Lacey is free of the social unrest that can cause business disruptions.
- Particularly with Lacey citizens who are in the military, Lacey has a large contingent of citizens in a younger demographic.
- Lacey has a large group of active retirees, particularly at the Panorama and Jubilee communities. Both groups are among the wealthiest citizens in Lacey, and in the upper income and wealth range on a nationwide basis. Both groups add to Lacey's social stability.
- Lacey's strategic location along the I-5 corridor between Seattle and Portland is a strength. This location provides good access to Amtrak, SeaTac Airport, Portland International Airport, and the Ports of Olympia and Tacoma.

- Another location advantage is Lacey’s mild climate, combined with relatively inexpensive electricity, which helps keep power costs manageable for businesses.
- Lacey’s mild climate means few storms or other weather events to disrupt economic activity.
- Appropriately-zoned and developable sites on which to locate businesses are still available in Lacey, due largely to forward thinking land planning in the 1990s.

Location and Value

- The value that Lacey represents to businesses and citizens, that helps to attract economic development activity, is a high quality of life with a low cost of living, and low barriers to entry.
- Besides the quality of life characteristics enjoyed by residents already discussed, Lacey’s location offers proximity to the urban centers of Seattle and Portland, but without the urban problems and high costs.
- Lacey offers businesses room to expand and grow.
- Lacey’s location attracts skilled workers by offering beautiful surroundings, access to mountains, Puget Sound, the Pacific Ocean, and Olympic National Park: the sixth most visited national park in the U.S.¹

Weaknesses

Lacey’s weaknesses fall into five broad categories: collaboration, location, transportation, legislation, and lack of financial resources. Just as Lacey’s strengths are interconnected, so are its weaknesses, with lack of financial resources connected to all of them.

Collaboration

- Despite the strengths of strong committed leadership, and effective collaboration among partners, lack of financial resources allows weaknesses to remain.
- As was discussed under the heading “Effective Collaboration,” there is no CEDS for the Lacey area, either at the county or regional level.
- There is no EDA-recognized Economic Development District encompassing Lacey.
- Neither the City, nor the Economic Development Council (EDC), have the financial resources to staff a dedicated formal full-time Business Retention and Expansion visitation program (BRE), nor a robust and sharable database/contact management program to maintain information on the businesses operating in the community. The reason this matters is that 98% of new jobs in a community result from expansion of

existing businesses, or start-up of new businesses, with only 2% of jobs resulting from attraction of businesses from other locations.² A formal BRE program would make it more likely that businesses would stay and grow here, rather than being lured away elsewhere.

- There is no local provider of the U.S. Small Business Administration (SBA) Microloan program. This directly impacts the job-creating newer, smaller businesses, because they often cannot yet qualify for bank financing.

Location

- Despite the many strengths afforded to Lacey by its location, its many beautiful lakes do lead to some of the lack of interconnectedness of its roads, slowing commerce.
- Proximity to Olympia and Tacoma preclude Lacey from attracting some retailers that generate large amounts of sales tax revenue, exacerbating lack of financial resources.
- More missed opportunity than weakness, Lacey lacks a commercial waterfront. Its lakefront land is privately owned residential property with limited land reserved for parks. Lacey's only waterfront on Puget Sound is restricted to private use.

Transportation

- While funding made available in 2015 for widening of I-5 through JBLM and improvements to the Marvin Road Interchange will improve traffic flow on I-5, it will take until 2023 for all of the proposed work on I-5 to be completed.
- Lack of public transportation to the employment centers in northeast Lacey is a problem for businesses in the area, and their employees. Intercity Transit attributes this lack of service to lack of financial resources.
- Traffic on surface streets could be improved with further enhancement to traffic signal synchronization, additional right turn lanes, and realignment of some intersections. These delays negatively impact commerce, quality of life, and the environment.
- More a missed opportunity than a weakness, Amtrak's station location and schedule precludes use of the train for intercity commuting between the core area of Lacey to Tacoma or Seattle.

Legislative

- Legislative weaknesses include federal; state; and local laws, rules, and regulations.
- Ongoing political conflicts at the national level have led to congress and the President being unable to agree on funding priorities. That led to sequestration, a series of

automatic spending cuts which have had severe negative impacts on JBLM, which impacts economic activity in Lacey.

- Until just recently, political conflicts at the state level, and lack of financial resources, delayed wage increases for state employees for several years. This impacted economic activities, sales tax, and contributed to lack of financial resources in Lacey.
- Until just recently, the legislature and the Governor were unable to agree on transportation funding. This delayed improvements to I-5, as well as the Marvin Road Interchange for several years, negatively impacting transportation in Lacey.
- At the local level, our current development rules, and lack of large undeveloped parcels with freeway frontage, discourage high sales tax generating businesses, such as recreational vehicle and boat dealerships, from locating on sites that would meet their needs in Lacey. This also contributes to lack of financial resources.
- At the local level, our current development rules preclude the development of large “travel center/truck stop” gas station/convenience stores that could generate substantial sales tax, and reduce retail leakage and sales tax leakage in this category.
- High water connection and traffic fees are an impediment to development of full-service sit down restaurants.
- The timing of the payment for water connection fees can make multifamily residential development too expensive, limiting workforce housing, weakening Lacey’s workforce availability strength, and further exacerbating lack of financial resources due to the loss of sales tax revenue on the construction materials.
- Legislative restriction at the state level, plus lack of financial resources at both the state and local level, has contributed to high vacancies, underutilized, and poorly maintained buildings in the Woodland District, particularly along Pacific Avenue.
- The departure of many state offices during the Great Recession worsened an already deteriorating office and retail market.
- The lack of financial resources to financially engage in public-private partnerships, and the legislative restriction from using tax increment financing (TIF) to provide a higher level of public services or amenities, is a serious weakness to the overall economic development of the City.

Opportunities

- Lacey’s opportunities derive from its strengths. Lacey’s demographics and highly skilled workforce have the potential to benefit new, new-to-the-area, and expanding businesses.

- As highly skilled members of the military exit the service, these individuals bring their skills with them, and many chose to remain in the area due to its high quality of life and relatively low cost of living.
- Some of these individuals are also entrepreneurial. Due to the effective collaboration between the partners, including the operation of the Center for Business and Innovation, assistance will help these budding entrepreneurs get their businesses launched successfully.
- An underutilized resource in Lacey is the HUB Zone, which can provide qualifying small businesses bonus points when bidding on federal contracts.
- Another opportunity, due to Lacey's good demographics, is the absence of some higher end retailers in Thurston County. As these retailers move into markets with smaller populations, our demographics begin to match their requirements. At this time, Thurston County does not have a true high quality lifestyle shopping center appropriate to house such businesses. The undeveloped land adjacent to Cabela's could—if developed soon enough, and in the right style—capture that missed market opportunity.
- Lacey's location, demographics, and available land may present an opportunity to attract luxury car dealerships that are not currently present in Thurston County. While the urbanized area of Thurston County is too small in size and in population to support two dealerships representing the same car company, there are still a number of luxury car companies not represented in the market. Many of these companies now sell aspirational models that compete on price with many of the car companies that already have dealerships in Thurston County.
- The combination of all of Lacey's strengths creates significant opportunities to cement relationships with Lacey's businesses and entrepreneurs to ensure that the businesses stay in the area, and take advantage of all the opportunities the area offers, to expand and create jobs. These relationships between the businesses; entrepreneurs; the City; and the partners; and the relationships these businesses have with their vendors, suppliers, strategic partners, and their customers, afford opportunities for retention, expansion, job creation, and business attraction to the area.

Threats

While not existing as current weaknesses, there are a number of threats that hold the potential to cause harm to the community, its citizens, its businesses, and its economic wellbeing. The threats to Lacey are external. None of the threats can be prevented. However, by preparing for them, we can lessen their consequences.

- While Lacey is largely spared major weather events that cause long term damage, destruction, or disruption to commerce, there are other natural disasters that can impact us, including earthquakes, or potentially volcanic eruption.
- Of similar potential consequence is terrorism. In addition to the human suffering, and damage, any of these could severely harm Lacey's economy and its businesses.
- A threat to Lacey's economic well-being would be a significant reduction in force at JBLM. Lacey is not a one-industry town, but JBLM's economic impact on Lacey, and its citizens, is significant.
- Other lesser threats are the potential for listing of other species prevalent in the area as being threatened under the Endangered Species Act, limiting or preventing development in that specie's habitat, as has been the case with Mazama Pocket Gophers.
- One other potential threat would be negative media attention to areas immediately outside of the City, such as violent protests in Seattle and Olympia, that might tarnish Lacey's image.

2015 Market Study

In early 2015, the City engaged a consultant to prepare a Market Study (Study) to be used to inform the Economic Development Element, the Land Use Element, the Economic Development Strategy, and the Economic Development Work Plan. The Study (Exhibit 2) was an in-depth look at Lacey's economy in 2015, and a look ahead over the next 20 years. The Study included an inventory of built space by type, including vacancies; job growth projections; projections of land use demand by type; and the creation of a complete inventory of businesses operating in the City. Also included was information on retail leakage, based on the City's 2015 City limits, that could be used in retail recruitment and to reduce sales tax leakage.

The typical method for measuring retail leakage is to compare 100% of the retail sales within a city to 100% of the purchasing power of that city's residents. While retail sales in Lacey were available, determining the purchasing power of City residents was a problem due to the City of Lacey's boundaries. The City is spread over three zip codes, and 16 census tracts, none of which is exclusively within the City limits. A larger issue is identifying the purchasing power of the residents within the total Lacey market area, rather than just those within the boundaries of the City limits. Depending on the type of goods being purchased, the market area might be as small as the immediate neighborhood, or as large as a multi-county region.

A cursory review of the Study shows that, using data approximating the Lacey City limits, the City enjoys a net *retail* capture, led by grocery stores, discount stores, warehouse stores, superstores, and home centers. This seems to contradict comparative sales tax information

from the State of Washington Department of Revenue that has historically shown that Lacey lags Olympia, Tumwater, and many other Washington cities in per-capita sales tax collection. This contradiction necessitated further analysis, in the form of the Supplement to the Market Study (Exhibit 3), to look at three factors: geographic, retail versus taxable sales, and retail mix.

Expanding the geographic area to reflect Lacey's retail catchment area, including 100% of the residents for all census tracts touching Lacey, plus DuPont, more closely matches the Lacey market. This includes areas where the closest stores selling goods routinely purchased by area residents are located in Lacey. Based on that larger area, some very large sales tax opportunities become obvious: automobiles and gas stations with convenience stores. Both of these potential sources of sales tax are discussed elsewhere under the "Strengths, Weaknesses, Opportunities, Threats Analysis" (SWOT). The potential for automobile sales is cited as an opportunity. The impediments to development of large-scale gas stations with convenience stores are cited as a weakness.

Not all retail sales in Washington are taxable. With few exceptions, groceries are not taxed. In Lacey, grocery stores account for nearly \$200 million in annual retail sales. More than half of the \$120 million annual sales at Lacey's warehouse clubs and superstores are groceries, trimming another \$60 to \$70 million of taxable sales from Lacey's retail sales.

As discussed under "Opportunities" in the SWOT analysis, looking at the retail mix we currently have in place, as well as the size and demographics of Lacey, Lacey's retail catchment area, and the Thurston County retail catchment area, the purchasing power exists to attract higher-end merchants than we have currently. However, the market lacks suitable sites for those stores that generally prefer open air malls and lifestyle centers with a high level of amenities.

Market Characteristics

In 2015, Lacey is a community of 80,230. Of that, 46,020 live within the City limits, with the rest in the Urban Growth Area (UGA.)³ Given Lacey's proximity to the State Capital and JBLM, it is not surprising that government is the number one industry cluster. Approximately 5,200 Lacey residents work in the public sector, which comprises 30% of the workforce in Lacey. The other major clusters are: retail trade 17%; accommodation & food service 11%; and healthcare, finance & insurance, and information technology at 5% each. Manufacturing, which has a high economic impact, represents 2%, which is below the 3% in Thurston County, and well below the 10% rate for the State.⁴

The unemployment rate is the percentage of people unemployed but looking for work, compared to the total number of both employed, plus the number unemployed, but looking for

work. Unemployment numbers are based on where the person lives, not where the jobs are located. A person living in Lacey, and working in Olympia would be counted among Lacey's employed. If their job was eliminated, they would count among Lacey's unemployed. A person living in Olympia but working in Lacey would not count in Lacey's numbers whether their job continued in Lacey, was eliminated, or moved to another city.

There is some seasonality to Lacey's unemployment rate, with the highest level of unemployment occurring in the first quarter of the calendar year, and bottoming out in the fourth quarter. This seasonality has been largely unchanged over the last 10 years. Please see Table 1, which follows. Due to this seasonality, useful comparisons over time must be made either same month to same month, or annual to annual.

Table 1--Seasonality of Unemployment in Lacey

Month	(Average 2005-2014)	
	Unemployment Rate	% Month/Year
January	7.4	105%
February	7.7	108%
March	7.4	104%
April	7.0	98%
May	7.2	101%
June	7.0	99%
July	6.9	97%
August	7.0	99%
September	6.9	97%
October	6.8	96%
November	6.8	96%
December	6.9	98%
Average for all months & all years	7.1	

Source: Bureau of Labor Statistics

During stable and expanding periods of the economic cycle, Lacey's unemployment rate tends to be higher than both the State of Washington and the national average. This tendency is reversed early in an economic contraction due to Lacey's high number of public sector employees. This tendency is shown very clearly in Table 2, which follows. When the full impact of the Great Recession hit the rest of the economy in 2008-2010, the impact on unemployment in Lacey was delayed due to the effect of Lacey's public sector-employed citizens. This same factor delays employment recovery in Lacey since expansion of public sector employment also tends to lag economic recovery.

Table 2—Comparison of Unemployment Rate in Lacey to Washington and U.S.

2005-2014 Average Unemployment Rate Compare				% Lacey Rate to:	
Year	Lacey	WA	US	WA	US
2005	5.5	5.5	5.1	100%	108%
2006	5.2	4.9	4.6	106%	113%
2007	5.1	4.5	4.6	113%	111%
2008	5.4	5.4	5.8	100%	93%
2009	7.6	9.2	9.3	83%	82%
2010	9.2	10	9.6	92%	96%
2011	8.9	9.2	8.9	97%	100%
2012	8.6	8.1	8.1	106%	106%
2013	8.2	7	7.4	117%	111%
2014	7.1	6.2	6.2	115%	115%

Source: Bureau of Labor Statistics

The high percentage of retail trade employment in Lacey matches the level of retail businesses in the City. Lacey has 21 retail stores that are considered “big box.” These include: Best Buy, Burlington, Cabela’s, Costco, Fred Myer, Home Depot, Kohl’s, Lowes, Marshalls, Michael’s, Office Depot, Office Max, Petco, PetSmart, Safeway (3,) Sears, Shopko, Target, and Wal-Mart Super Center.

Retail is a major component of Lacey’s built commercial space, comprising 2.2 million square feet of Lacey’s current inventory of commercial space. Another 240,000 square feet of retail space is currently vacant. While most of this space is comprised of small spaces in a variety of retail strip centers, there are concentrations in the South Sound Center, the Fred Meyer-anchored shopping center, and a large vacant grocery store. The remainder of Lacey’s built commercial space follows.

Table 3—Inventory of Built Commercial Space

271,000 square ft.	Lodging facilities
222,000 square ft.	Full service restaurants, pizza, take-out, and fast food
178,000 square ft.	Self-storage
128,000 square ft.	Arcades, cinemas, fitness clubs, and a small casino
125,000 square ft.	Professional services establishments

Source: City of Lacey Market Study 2015. These numbers do not include space exclusively used for offices, such as those occupied—or formerly occupied—by the State of Washington located in Woodland Square Loop.

Lacey from 2020-2035

By 2035, it is estimated that the Lacey community will have a population of 107,720. Of that, 53,090 will be within the City limits, with the remainder—more than half—in the UGA. Please see Table 4, which follows.

Table 4-- Population Forecast Cities & UGAs 2015-2035

Population Forecast Cities & UGAs 2015-2035						
Jurisdiction		2015	2020	2025	2030	2035
Lacey	City	46,020	49,360	50,850	52,170	53,090
	UGA	34,210	39,250	44,140	49,350	54,630
	Total	80,230	88,610	94,990	101,520	107,720
Olympia	City	51,020	55,160	60,750	65,630	68,410
	UGA	11,920	12,690	13,280	14,310	15,990
	Total	62,940	67,850	74,030	79,940	84,400
Tumwater	City	19,100	22,930	25,800	28,440	30,100
	UGA	6,550	7,910	9,820	11,710	12,790
	Total	25,650	30,840	35,620	40,150	42,890
Rest of County	Total	95,580	108,600	117,560	126,990	135,590
Grand Total	Total	267,400	295,900	322,200	348,600	370,600

Source: Thurston Regional Planning Council

The following section relied extensively on the Market Study. While the recent past is not necessarily an accurate predictor of the future, the Market Study attempted to use data from a variety of credible sources to develop projections of what could be expected over the next 20 years. Naturally, the farther into the future projections are made, the greater the number of possible variables can influence the actual outcomes. The Market Study, and the Economic Development Element, both acknowledge that extraordinary events, including wars, natural or man-made disasters, or dramatic technological changes, can invalidate the projections used.

SWOT Analysis (2020-2035)

Most of the strengths, weaknesses, opportunities, and threats discussed under “Lacey in 2015,” appear to remain valid. Demographically, Lacey—along with the rest of the nation—will grow a little older, and more ethnically diverse. Education attainment will likely remain a strength. Education achievement may actually improve as legislative actions in response to court cases, and voter initiatives to better fund public schools and reduce class sizes, are implemented.

Effective collaboration between the economic development partners, which is so much a part of the culture of the area, will likely continue, and may be enhanced further if a CEDS is developed to better define roles, responsibilities, and protocols. Effective collaboration between the partners can also help protect Lacey’s economic well-being from the natural and man-made disasters described in “Lacey in 2015” by providing disaster preparedness/business resiliency training to ensure businesses are better able to survive a disaster, and to develop plans, beforehand, to collaborate on recovery after any disaster.

Continued rapid population growth in the Seattle area, and their continuing rapid rise in the cost of living, and enhanced regulations, may create opportunities beyond just normal job growth for Lacey. As available land in the central Puget Sound area becomes scarcer, more expensive, more difficult to assemble into large parcels, and more expensive to develop, opportunities may come to Lacey to increase the percentage of high-economic-impact manufacturing jobs, to bring the percentage more in line with the rest of the State. These opportunities may be enhanced if the practice of “re-shoring” manufacturing jobs, that had once been moved overseas, continues to increase. Re-shoring can occur due to transportation costs, or concerns businesses have abroad with political or economic instability, protecting intellectual property, increased labor costs, or increased regulation.

Market Conditions (2020-2035)

Table 5--Job Growth by Industry Sector through 2035

Sector	Job Growth
Personal and Repair Services	2,100
Food Service & Accommodations	2,000
Government	1,600
Wholesale Trade	1,300
Retail Trade	1,200
Health Care	1,100
Broadcasting & Telecommunications	800
Professional & Business Services	800
Other	700
Construction	600
Finance & Insurance	500
Administrative Support	500
Education (private)	500
Total	13,700

Source: 2015 City of Lacey Market Study

Nearly 40% of the new jobs forecast to be created in Lacey are concentrated in three sectors that are often lower paying, and that offer few fringe benefits to employees. These include Personal and Repair Services, Food Service and Accommodations, and Retail Trade.

Manufacturing jobs, which typically have the highest economic impact, are forecast to grow by only 90 positions by 2035. Manufacturing jobs are included in the above table under “other.”

Commercial opportunities in the Hawks Prairie Business District could substantially increase City revenues in the form of new retail, property and B & O Tax. Depending on the type and composition of development, this could help to offset the nearly \$124 million annual retail leakage from automobile sales and gasoline/convenience store sales.

As part of the development of the 2015 Market Study, data on current employment by sector was used in conjunction with an inventory of all of the non-residential built space to determine the amount of floor space utilized per employee by sector. This was compared to industry averages available from a variety of sources. Using that information, and projected employment growth by sector, a projection of built space was created, and is presented here:

Table 6--Land Demand Projections in the City of Lacey Through 2035

Building Space (B) expressed in thousands of sf; Land (L) expressed in acres Numbers may not total due to rounding

Type of Space	2013 Baseline		Projected Demand 2013-2020		Projected Demand 2020-2025		Projected Demand 2025-2030		Projected Demand 2030-2035		Total Projected Demand 2013-2035	
	B	L	B	L	B	L	B	L	B	L	B	L
Ground Floor Commercial	2,890	265	885	81	580	53	625	57	625	57	2,715	249
Office or Business Park	1,371	79	261	15	189	11	201	12	201	12	852	49
R&D/Flex	64	4	24	2	16	1	16	1	16	1	72	5
Manufacturing/Industrial	1,496	137	512	47	280	26	304	28	304	28	1,400	129
Warehouse & Storage	351	54	108	17	54	8	54	8	54	8	270	41
Institutions	800	37	150	7	100	5	100	5	100	5	450	21
Total	6,972	576	1,940	168	1,219	104	1,300	111	1,300	111	5,759	493

Source: 2015 City of Lacey Market Study

Given Lacey’s significant growth in both land area, and population over the last 20 years, the continuing growth that the City will experience over the next 20 years will begin to be characterized by more redevelopment of existing, underutilized sites, and less new development of greenfield sites.

GOALS AND POLICES

Lacey’s approach to economic development, characterized by a culture of collaboration and partnership with citizens, property owners, developers, and entrepreneurs to minimize

obstacles to their success, has been referred to as “the Lacey way.” The following goals and policies have been developed to maintain this culture and realize the City’s vision.

Goal 1: Lacey Values a Thriving and Sustainable Business Environment—Lacey believes that land uses, environmental stewardship, job creation, and a thriving economy are inextricably linked. By maintaining a high quality of life for citizens, Lacey attracts a skilled workforce, which attracts the quality job-creating businesses needed for a thriving economy.

Policy A: Lacey recognizes the positive impact that businesses provide to citizens, to the economy, and the provision of financial resources necessary to provide essential public services.

Policy B: Ensure Lacey’s development process remains clear, predictable, timely, and efficient, by looking at ordinances, rules, permitting processes, and policies from the perspective of its business customers to avoid creating unnecessary obstacles.

Policy C: Ensure Lacey provides timely, adequate and accurate information so that landowners, developers, and businesses are able to make investment decisions.

Policy D: Ensure Lacey continues to improve and streamline necessary processes to provide excellent, efficient, and effective service to its customers.

Policy E: Balance the needs of businesses with the needs of its citizens.

Goal 2: Lacey is Business Ready—The economic needs of Lacey’s citizens are met because Lacey is prepared to meet the needs of all of its business customers.

Policy A: Ensure an adequate supply of developable, appropriately-zoned land is available to meet the various uses needed by Lacey businesses now and in the future.

Policy B: Ensure that Lacey has an appropriate level of professional, customer-oriented, trained, and empowered employees to meet the needs of its customers.

Policy C: Ensure Lacey has adequate, reliable, affordable, and user-friendly utilities and infrastructure to meet the needs of businesses in Lacey, now and in the future.

Policy D: Ensure that street designs encourage all modes of transportation, including transit, pedestrians, bicyclists, automobiles, and trucks/commercial vehicles.

Policy E: Work with partners to ensure that all areas of the City are appropriately served by public transit, based on where citizens live, work, learn, shop, and play.

Policy F: In the event of a disaster, natural or man-made, Lacey will take positive steps, as soon as possible, to do everything it can to help businesses reopen.

Policy G: Be proactive in ensuring that Lacey is ready to meet its business customers' needs by the time the needs arise.

Goal 3: Lacey Collaborates Effectively—Lacey continues to work collaboratively with partners, and on its own, to retain, encourage expansion, and attract quality businesses to Lacey that will provide quality jobs; goods and services; generate sufficient revenues to ensure the provision of essential public services; and to make Lacey a great place to live, work, learn, shop, and play.

Policy A: Continue to work collaboratively with partners through frequent contact to foster relationships with partners, stay current, and adjust to changes in partners' services and needs.

Policy B: Work with the EDC, and other partners, to determine what opportunities, if any, the area is missing due to a lack of a CEDS. Lacey will work with the partners to develop a CEDS if appropriate.

Policy C: Strengthen partnerships with educational institutions, including South Puget Sound Community College (SPSCC,) St. Martins University, and North Thurston Public Schools.

Policy D: Strengthen partnerships with the Port of Olympia and Pacific Mountain Workforce Development Council.

Policy E: Work with partners to attract businesses to locations where they will be successful.

Policy F: Continue to support a culture of dialog and partnership among City officials, residents, property owners, the business community, the military, community partners, and other governmental agencies.

Policy G: Concentrate economic development resources on business retention and expansion, and fostering an environment where local businesses and entrepreneurs can thrive.

Policy H: Maintain a joint planning program with Thurston County to foster consistent land use designations and development standards, as well as transportation corridors—for both residents and commerce—in the incorporated and unincorporated portions of the Lacey Urban Growth Area (UGA.)

Goal 4: Lacey is Ethical—The City of Lacey is an ethical organization, and its economic development efforts are carried out in an ethical manner.

Policy A: Economic development efforts will be carried out in keeping with the City of Lacey’s Code of Ethics (Exhibit 4,) the International Economic Development Council (IEDC) Code of Ethics (Exhibit 5,) and the American Institute of Certified Planners (Exhibit 6) Code of Ethics.

Policy B: Projects will be treated in a consistent manner based on policies set by Council.

Policy C: Implement the City’s vision, without sacrificing standards, ensuring that all landowners and developers are treated fairly and equitably, and based on the unique needs of the project and site.

Goal 5: Lacey Invests Wisely in its Future—Lacey “incent” businesses to start-up, locate, and expand in Lacey by having a strong economy; suitable available locations, utilities, and infrastructure; a highly skilled workforce; and by making the City’s process to get and stay in operation clear, predictable, fast, and inexpensive.

Policy A: Utilize all available economic development tools and resources to encourage new business formation, existing businesses to stay and expand, and out-of-area businesses to locate in Lacey.

Policy B: When needed for projects that will enhance the City’s vision, use incentives as part of a targeted strategy that will create value, create better, long-term results, and/or to cure a particular problem or competitive weakness.

Policy C: In the instances when incentives are used, the incentive will be based on the concept of “gain share”, meaning that the incentive earned and paid to the qualifying

business represents a portion of revenues that the City has already collected, and would not have collected had the business not located/expanded within Lacey.

Policy D: To the extent that incentives are used, they will be focused to also achieve both smart-growth and economic development objectives, by helping to make redevelopment of existing sites already served by infrastructure, public transit, and near worker housing, more financially competitive with development of greenfields.

Policy E: Review and adjust all fees regularly to ensure that fees are appropriate; fair; balance smart growth goals with business needs; encourage investment; and foster business creation, retention, expansion, and attraction.

Policy F: Encourage local education institutions to partner with economic development organizations and businesses to promote custom workforce training.

Policy G: Encourage greater collaboration between local education institutions, JBLM, economic development organizations, and businesses.

Citations

¹ National Parks Conservation Association Most Visited National Parks in 2014 available at <http://www.npca.org/exploring-our-parks/visitation.html> accessed June 11, 2015.

² Jed Kolko, *Business Relocation and Hometown Jobs, 1992-2006*, San Francisco: Public Policy Institute of California), 2010 as cited in 2015 City of Lacey Market Study.

³ Thurston Regional Planning Commission Population Estimates and Forecast 2010-2035 available at <http://www.trpc.org/DocumentCenter/Home/View/1415>, accessed September 18, 2015.

⁴ 2015 City of Lacey Market Study.

ENVIRONMENTAL PROTECTION AND RESOURCE CONSERVATION ELEMENT

Community Vision - To preserve and enhance the natural environment to reflect the quality of life associated with the Pacific Northwest.

Introduction

The quality of life in the Pacific Northwest is often equated with the quality and richness of our natural environment. Protecting the environment depends on the community taking coordinated actions to minimize harmful impacts and enhancing the environment. Protecting the environmental resources in our community not only promotes a high quality of life but also encourages private investment in the community.

As the City matures and additional growth occurs, available green-field areas will become limited and available land supplies will increasingly contain environmentally sensitive areas. Urban environmental concerns will continue to be a priority for the community. Public investment in the urban environment; efficient use of land supply and resources; enhancement of the urban ecosystem; and minimizing adverse environmental impacts will assist in nurturing a healthy, sustainable environment.

The City of Lacey has been a leader in supporting efforts to protect and improve the environment while balancing the numerous goals and policies adopted by the City to help achieve its vision for the future. Environmental stewardship is an integrated part of the City's philosophy. Through policy, incentives, and regulations, the City seeks to maintain a healthy, sustainable urban environment, one that meets the needs of today without conceding the needs of future generations. Over time, the City's environmental strategy is anticipated to produce incremental and cumulative improvements to the functions and values of critical areas and promote sustainable ecosystems within the context of urban development constraints. Lacey weighs the relationships of the various elements of the urban environment in its decision making process.

The Environmental Protection and Resource Conservation Element provides the policy framework that guides implementation measures for protecting and improving Lacey's natural environment. The topics discussed in this element include: Natural Resources Conservation, Critical Areas, Habitat Conservation Areas, Shoreline Master Program, and Environmental Policy.

NATURAL RESOURCES CONSERVATION

The Growth Management Act (GMA) (Act) requires jurisdictions to prevent urban conversion of agricultural, timber, and mineral resource lands of long-term commercial significance. In general, the guidelines for the classification and designation of natural resource lands of long-term significance indicate that these resource lands should be located beyond the boundaries of urban growth areas (UGA). Local jurisdictions are instructed to avoid including resource lands in UGA's because the designated purposes of these lands are incompatible with urban densities. However, local jurisdictions have been given guidelines to allow for existing and ongoing resource management operations of long-term significance to continue.

State law requires that notices be listed on all plats, short plats, development permits and building permits issued for development on, or within 500 feet of designated resource lands.

Agricultural Lands

The conservation and protection of agricultural lands has been a long standing priority in Washington State due to the economic significance it plays in our economy as a whole and the ability to provide health food choices as an important public health issue. As such, the designation of agricultural lands within an UGA poses significant conflicts due to the proximity of urban development and development pressure because of higher land values. The primary intent of these urban areas is to provide for urban densities with urban services and to allow for the transitioning of properties to urban use.

Agricultural Lands of Long-Term Commercial Significance

The GMA recognizes the importance of agricultural lands to the state and nation and the conflicts that can arise between urban and agricultural uses with unplanned growth. The Act requires local jurisdictions to identify and conserve agricultural lands of long term significance as part of the comprehensive planning process. The Act also recognizes that agricultural lands of long term commercial significance should not be designated within UGA's unless a transfer or purchase of development rights has been enacted by the county and other designation guidelines could be met.

There are no properties designated as agricultural lands of long-term commercial significance in the current City limits or UGA. An analysis was completed that concluded that there was no property which should be classified as long term prime farm land. The criteria used to formulate this conclusion included: the availability of public facilities and services; tax status; relationship to urban growth boundary; predominant parcel size; intensity and land use settlement patterns; land values under alternative uses; and prime agricultural soils.

Local Regulatory Framework

There are four properties in the unincorporated portion of the growth area that are designated as Agricultural. The Agricultural (A) District designation is intended to serve as a place holder for existing agricultural properties located in the UGA pending the need for transition to other urban uses. This designation provides for the production of crops and livestock on areas of agricultural land with greater than twenty contiguous acres. These designated Agricultural lands should be re-examined for compatibility and intensity of nearby land uses; land values; and availability of public facilities to determine if more appropriate zoning should be put in place.

The City of Lacey works in conjunction with Thurston County to implement a Transfer of Development Rights (TDR) program for agricultural lands. In 1995, the first TDR program in the state was established in Thurston County to allow owners of property designated Long-Term Agriculture (LTA) in rural areas to gain credit for unused development rights. These development rights can be sold and transferred to properties in an urban area to allow increased densities in specific areas. The goal of the program is to preserve farmland while allowing owners to realize the economic value of their land's development potential.

In the City of Lacey and its unincorporated UGA there are four zones that are receiving areas for TDR credits, they are the Mixed Use Moderate Density Corridor (MMDC), Mixed Use High Density Corridor (MHDC), Moderate Density Residential (MD) and the High Density

Residential (HD). This program has not been utilized in Lacey's UGA since the establishment of the TDR program due to unfavorable market conditions, including the desire for increased densities. The program has been employed in other areas of the county, primarily transferring rights from south Thurston County to the City of Tumwater.

In 2011, the City adopted regulations to accommodate urban agricultural activities. The intent of the Urban Agriculture zone is to develop opportunities for a range of agricultural activities at a level and intensity that is compatible with Lacey's neighborhoods. The range of activities and use are dependent on lot size and design standards and range from personal use on individual single family lots or common property for community agricultural use. Small commercial urban farms are provided for as well. Urban agricultural activities managed in a responsible way, with thoughtful consideration to compatibility and urban density can provide many benefits. These benefits include providing fresh produce, additional food choices, economic opportunities, a more sustainable lifestyle, and rich and varied neighborhoods.

Urban Forest Resources

Forest lands are an important resource for Washington State both in terms of economics and in terms of environmental protection. From an environmental perspective, proper management of forested areas is important to protect wildlife habitat, provide open space, reduce the potential for erosion, storm and flood damage, protect water quality and the produce oxygen from carbon dioxide.

Commercial Forest Lands

The GMA requires cities and counties to classify and conserve resource lands, including forest lands. Guidelines to designate forest lands of long-term commercial significance recognize that these lands are located outside urban areas, suburban areas, and rural settlements. Long-term forest lands are lands primarily devoted to growing trees for long-term commercial timber production on land that can be economically and practically managed for production. Historically, there have been conflicts between harvesting of trees for commercial purposes and preservation of trees for other benefits. Commercial timber harvesting considerations and urban development patterns tend to conflict. Based on the designation guidelines, there are no designated forest lands of long-term commercial significance in Lacey's UGA.

Urban Forest Management Plan

The City of Lacey has been regulating the protection of trees and vegetation since the mid 1970's. Policy direction for protecting trees, vegetation, and landscape were subsequently directed by the adoption in 1985 of *City of Lacey Urban Beautification Project* and the *Environmental Protection and Resource Conservation Plan* in 1994.

During the early 2000's, an accelerated rate of private property development began to occur in areas with second growth forest species on site and appeared heavily forested. Since the intensity of development was causing nearly all the trees to be removed from development sites, the City started receiving more complaints from citizens about removal of trees. In 2006, *the Lacey Urban Forestry Plan* was adopted consistent with the vision Council had for balancing intense urban development with maintaining a forested character the City currently possesses.

An update to the *Lacey Urban Forestry Plan* was recently adopted by the Council with the goal of updating the plan every five years for needed revisions to technical data as well as addressing

design and administration issues associated with implementation of the plan. The overall goal of the plan is to manage City trees to improve canopy cover and the aesthetic and physical benefits of trees to a community, while protecting infrastructure from tree damage. The management plan provides detailed goals and policies and makes recommendations for preservation, protection, restoration, species selection, design, planting, and citizen involvement.

Mineral Resource Lands

The GMA recognizes the importance of mineral resource lands that contain gravel, sand, and other valuable metallic resources. The GMA requires local jurisdictions to designate mineral resource lands that are not already characterized by urban growth and that have long-term commercial significance for extraction of minerals. Mineral resources are in fixed supply and occur in very specific areas. Maintaining the ability to extract these materials for a variety of uses such as construction of roadways, the production of other materials, landscaping materials, and water filtration is a necessity. The recovering and processing of these resources can be costly depending on the location and environmental and land use protections put in place.

The consideration of designating mineral resource lands in the UGA is an exception to natural resource lands typically being located outside of the boundary. However, mineral extraction activities are typically associated with numerous nuisance characteristics that can have impacts on activities normally associated with urbanized areas. Residential, commercial, and other light industrial activities can have significant land use conflicts with mineral extraction activities. Any designation of new mineral resource lands in the UGA would be required to go through a thorough analysis to determine if significant cost savings can be obtained from using minerals close to their source; the potential for reusing the mined land for other purposes once mining is complete; potential conflicts and impacts to adjacent urbanized areas; and impacts to designated critical areas. Designating new mineral resource sites within the Lacey UGA would be difficult based on the existing urban development pattern in place.

Designation of Mineral Resource Lands

The Department of Natural Resource (DNR) maintains maps and records of all existing surface mining permits. Local governments must approve mine sites and the subsequent use of the site. The DNR is responsible for ensuring that reclamation follows completion of surface and underground mining. The DNR has the exclusive authority to regulate mine reclamation and approve reclamation plans. All permitted sites are required to have reclamation plans. Based on records in the DNR database, there are currently four active surface mining sites within Lacey and Lacey’s UGA. Table ____ lists these known sites.

TABLE ____

MINERAL RESOURCE SITES				
10958-Torden Thomsen	Steilacoom Mine	S18,T18,R01E (In UGA)	13 acres	Sand/Gravel
12168-Miles Sand & Gravel	South Pit	S10,T18,R01W (Inside City)	72.5 acres	Sand/Gravel

10385-Miles Sand & Gravel	North Pit	S10,T18,R01W (Inside City)	65 acres	Sand/Gravel
10938-Lakeside Industries	Lacey Pit	S9&10,T18,R01 W (Inside City)	12 acres	Sand/Gravel

Three of the surface mining sites are located within City limits and one is located in the unincorporated portion of the UGA. The mineral resource permitted to be extracted from all sites is sand and gravel.

The lifetime of a mine is variable and dependent on market conditions, mining activity may increase or decrease at any given time. The DNR inspects mining sites every one to two years to ensure that the site's activities have remained within the area and depth allowed by the permit and to oversee reclamation of mined areas.

Development Standards

Development regulations have been put in place in the Lacey Municipal Code to acknowledge the existence of existing mineral extraction activities and provide for the future use of these sites once these sites are no longer mined. These provisions are also intended to protect adjacent areas from adverse effects of extraction activities as well as protect the resource site from conflicting uses. The Steilacoom Mine and the Lacey Pit are located in the Mineral Extraction (ME) zone which allows for activities related to mineral extraction. This designation will remain in place until such time as these properties are ready to transition from mineral resource use. The Miles Sand and Gravel North Pit is designated as Hawks Prairie Business District-Business Commercial (HPBD-C); and the Miles Sand and Gravel South Pit is designated as Central Business District 6 (CBD-6).

Any notices specific to mineral resource lands must state the possibility of an application being made for mining related activities, like blasting, crushing, recycling, stockpiling, transporting, and washing of minerals.

CRITICAL AREAS

The GMA requires cities and counties to adopt regulations for the protection of environmentally critical areas, which include wetlands, aquifer recharge areas, fish and wildlife habitat conservation areas, frequently flooded areas, and geologically hazardous areas. These regulations are required to be periodically reviewed every eight years and brought up to date with any changes in the GMA and other relevant changes. Goals and policies contained in the plan are used to inform the content of development regulations in order to reduce the potential for impacts on the environment from changes in land use and development. Detailed analysis on impacts of future development is evaluated on a project basis through implementation of the Wetland Protection regulations and the State Environmental Policy Act (SEPA) during the development review process.

Best Available Science

GMA requires jurisdictions to use Best Available Science (BAS) in revising or adopting policies and regulations related to critical areas to protect the functions and values of these areas. State agencies have published suggested guidance materials to assist in identifying BAS for critical areas protection. In addition, other scientific information that is directly applicable to the community is used. Utilization of BAS is also central to recovery efforts required under the Endangered Species Act (ESA). The process to ascertain and identify pertinent BAS for the community assists in policy and regulatory decision-making.

Lacey's natural environment is composed of a variety of soils, waterways, vegetation, and geologic features. Some areas of the City have physical features that are compatible with development of variable intensities while other areas have challenges or are incompatible. The City regulates land use and development activities to protect certain critical areas as well as protect the public health, safety, and welfare.

Wetlands

Wetlands are designated critical areas that are an integral feature of the City's urban landscape and local hydrologic cycle. In their natural state, wetlands provide many valuable social and ecological services such as controlling flooding and stormwater runoff; protecting water resources; providing areas for ground water recharge; preventing shoreline erosion; providing habitat areas for many species of fish, wildlife, and vegetation; and providing open space areas.

Wetlands and their buffer areas are valuable natural resources with development constraints due to flooding, erosion, soil liquefaction potential, and septic disposal limitations. Buffer areas surrounding wetlands are essential to maintain and protect wetland functions and values. Urbanization in the watershed diminishes the function of individual wetlands. Considerable acreage of these natural resources has been lost or degraded by draining, filling, excavating, building, or other acts incompatible with the stewardship of such areas.

Each wetland provides various beneficial purposes dependent on the wetland type functions. Larger wetlands and those hydrologically associated with lakes and streams have comparatively more important function in the watershed than smaller, isolated wetlands.

Wetland Protection Measures

To ensure the protection of these areas, the City has adopted regulations to avoid or minimize damage to wetland areas. These protections require activities not dependent upon a wetland location to be located away from wetlands and their associated buffer areas. The stated purpose of the Wetlands Protection Ordinance is to achieve no net loss of wetlands by requiring restoration or enhancement of degraded wetlands or creation of new wetlands to offset losses that are unavoidable. The long-term goal of the City is to increase the quantity and quality of Washington's wetland resource base. The provisions for wetlands are reviewed and updated as required as relevant data and information becomes available.

Three mapping sources are utilized to show the appropriate delineations of wetland areas within the City of Lacey. The City Land Use and Zoning Map has an overlay zone showing environmentally sensitive areas; the National Wetlands Inventory maps; and the Department of Natural Resources Water Typing maps. These maps are used as indicators of possible wetland

sites. Precise designation and delineation of wetlands must rely on field surveys at the time of review of individual sites initiated by development proposals.

Woodland Creek Basin

Woodland Creek serves as the primary natural drainage way through Lacey that is the culmination of a chain of connected lakes that flow from one to the other through wetlands. The Woodland Creek drainage system discharges into Puget Sound at Henderson Inlet. Woodland Creek is a major freshwater stream draining into Henderson Inlet and has a total length of approximately eleven miles. Several springs and smaller creeks feed into Woodland Creek.

The creek does not meet water quality standards due largely to issues with fecal coliform bacteria. Sources of these bacteria are from septic systems, animal waste, and other pollutants such as fertilizer. The creek is on the Department of Ecology's 303d list of impaired waters for water quality standards for fecal coliform, dissolved oxygen, and temperature. A TMDL (Total Maximum Daily Load) has been adopted to address fecal coliform in the creek. The TMDL's identify appropriate control actions to meet water quality standards. As such, the City cannot add to the amount of fecal coliform in the stormwater system. To address water quality treatment and flow control of stormwater runoff, the City has constructed nine regional stormwater facilities since 1991. Three of these regional facilities address stormwater from Woodland Creek. Ongoing measures are being implemented to continue to improve the water quality of the creek.

In 2006, Lacey joined with Thurston County and LOTT Wastewater Alliance to commission a study to estimate the amount of fecal coliform bacteria and nitrate pollution coming from various sources in an area along Woodland Creek and to identify feasible options for reducing the pollution. The City and Thurston County have been pursuing projects based on this recommendation including Woodland Creek Estates sanitary sewer project, Tanglewilde stormwater project, and the Aquifer Recharge Enhancement Area project in Woodland Creek Community Park.

Provisions have been included in the Lacey Historical Neighborhood zoning district that requires development and uses bordering Woodland Creek maintain a two-hundred foot natural buffer from the ordinary high water mark on both sides of the creek. Uses in the buffer area are limited to natural open spaces, trails, passive recreational activities, streets, and utility services. Pretreatment of stormwater runoff directed to the creek is also required to mitigate water quality impacts. Due to the high level of concern with water quality issues in the Woodland Creek Basin, this buffer area requirement should be extended to other zones bordering the creek.

Flood Hazard Protection

Flood plains and other areas subject to flooding perform important hydrologic functions and may present a risk to persons or property. The City of Lacey's streams and lakes are subject to flooding during periods of heavy rainfall. Protection of life and property during flood events is a critical part of the City's duty to the public's safety.

The GMA recognizes the impact flooding can have on jurisdictions and requires the classification of such areas and the provision of standards to protect the public safety. Local jurisdictions are required to classify, at a minimum, the 100-year flood plain designations of the Federal Emergency Management Agency and the National Flood Insurance Program.

Flood Control Regulations

Flood control and floodplain management regulations seek to identify floodplains, develop local controls over land uses in flood prone areas, prepare plans to eliminate or mitigate human health risks and property damage from future floods, and manage flood events as they occur. Many state regulations are based on federal regulations, and many local regulations are based on state and federal regulations. State statutes are periodically amended to strengthen and coordinate flood hazard management activities.

Three principal state statutes address flood hazard management activities:

1. Flood Control by Counties (RCW 86.12) – Originally enacted in 1907, this statute authorized the levy of taxes and eminent domain to control or prevent flood damage. The bill expanded the role of counties in developing and adopting comprehensive flood hazard management plans. While counties are responsible for basin plan management, a participatory process with cities is required.
2. Floodplain Management (RCW 86.16) – This statute integrates local and state regulatory programs to reduce flood damage and protect human health and safety. The state program requires that local flood-prone jurisdictions adopt a flood damage prevention ordinance based on standards in the National Flood Insurance Program (NFIP). State regulations go beyond federal standards by prohibiting new or substantially improved residential construction in designated floodways.
3. State Participation in Flood Control Maintenance (RCW 86.26) Program (NFIP). State regulations go to the Department of Ecology through the Flood Control Assistance Program (FCAAP). Local governments participating in the NFIP and meeting state requirements are eligible for matching funds for certain facilities and to develop comprehensive flood control management plans.

The City of Lacey has been participating in the flood insurance program since 1980. The City has a flood protection ordinance as a chapter in the Lacey Municipal Code based on the federal NFIP. The basis for establishing areas of special flood hazard are those that are identified by the Federal Insurance Administration in a scientific and engineering report entitled *The Flood Insurance Study for Thurston County, Washington and Incorporated Areas, Oct. 16, 2012*. This report, with accompanying flood insurance rate maps (FIRM), is used as the best available information for flood hazard identification. As new data and information are available, the City works to update these regulations.

Critical Aquifer Recharge Areas

Lacey and the Thurston region have done extensive study on identification and protection of underground aquifers located in northern Thurston County due to these aquifers being the sole source of drinking water for over 100,000 people. Groundwater protection is a particular concern in Thurston County as nearly 100% of the County's domestic, industrial, and agricultural water supplies rely on groundwater. Lacey is a member of the Northern Thurston County Groundwater Advisory Committee, which reports to the Department of Ecology. The committee oversees the development of technical data, the *Northern Thurston County Groundwater Management Plan*, and citizen involvement in ground water protection.

The hydrology of northern Thurston County indicates it is susceptible to contamination. Many of the surface deposits are sands and gravels that water and contaminants can move through easily. The water table is also close to the surface in places. The area of northern Thurston County has been designated as a groundwater management area and includes a total of 232 square miles. The groundwater management area boundaries were set with the goal of protecting the entire groundwater system within the hydrogeologic boundaries of the northern Thurston County region.

According to studies, the groundwater management area contains a fairly distinct and hydraulically isolated mass of groundwater that does not receive water from the Cascade or Olympic Mountains or other distant locations. While streams and lakes provide a significant amount of groundwater recharge, rainfall is by far the primary source of water for the replenishment of the aquifer system.

In some areas there are a few soils and subsurface particles that contaminants can bind to easily. In many areas there are no confining layers between higher and lower aquifers so they are considered vulnerable. The degree of susceptibility varies throughout the groundwater area depending on the geologic characteristics of the sub-area. A contaminate source must be present to pollute groundwater. Once groundwater is contaminated, it is difficult to clean up and the cost may be prohibitive.

Aquifer Recharge Areas Classified

The GMA requires the classification of recharge areas for aquifers according to the vulnerability of the aquifer. Vulnerability is the combined effect of hydrogeological susceptibility to contamination and the contamination loading potential. High vulnerability is indicated by land uses that contribute contamination that may degrade groundwater, and hydrogeologic conditions that facilitate degradation. Low vulnerability is indicated by land uses that do not contribute contaminants that degrade ground water and those conditions that do not facilitate digression.

Aquifer Recharge Regulations

Chapter 14.36, Critical Aquifer Recharge Areas Protection, contained in the Lacey Municipal Code outlines provisions for the protection of critical aquifer recharge areas and wellhead protection areas. The provisions contained in this chapter will be reviewed and updated based on best available science and technical guidance provided by the Washington State Department of Ecology that has become available since it was last reviewed and amended in 1999.

Critical aquifer recharge areas are rated by category based on the soil series listed in the *Thurston County Soil Survey*. The regulations contained in the code apply to aquifer sensitive areas listed as Category I or II, wellhead areas, or those areas that meet the stated criteria set forth in the protection measures. Interagency coordination with the Thurston County health officer is completed when an application is submitted requesting authorization of activities within an aquifer sensitive or wellhead protection area.

Geologically Sensitive Areas

Geologically sensitive areas are those which are susceptible to erosion, landslides, earthquake and other geological events which pose a threat to public safety. At issue is the proper location and design of commercial, residential and industrial development to remove or reduce incompatibility with underlying geology.

Some geological hazards can be mitigated by proper engineering design or modified construction so that risks to health and safety are acceptable. However, when technology cannot reduce risk to acceptable levels, building in geologically sensitive areas should be avoided.

Classification of Geologically Sensitive Areas

The GMA recognizes the significant hazard to the public health and safety from geologically hazardous areas. The Act requires jurisdictions to classify and designate geologically hazardous areas, including erosion hazard, landslide hazard, seismic hazard, and areas subject to other geological events.

Chapter 14.37 of the Lacey Municipal Code outlines provisions for Geologically Sensitive Areas Protection. Areas in Lacey that are prone to one or more of the following hazards are defined as geologically sensitive:

- Erosion Hazard Areas
- Landslides Hazard Areas
- Seismic Hazard Areas
- Other geologically hazardous areas not mapped but meet the criteria of geologically sensitive areas such as hillside areas having slopes of fifteen percent or greater.

The City utilizes mapping as a guide to the general location and extent of geologically sensitive areas including *Geologically Sensitive Areas Map*; the *Lacey Urban Growth Area Zoning Map*; and the *Soil Survey of Thurston County Washington*. A qualified professional geotechnical engineer is required to perform geologically sensitive area determinations. Coordination with other agencies, such as the U.S. Department of Agriculture Soil Conservation Service and other state and local agencies having jurisdiction or expertise in geologically sensitive areas, provides them the opportunity to comment on applicable development proposals.

In conjunction with the Thurston County Department of Emergency Management and twenty six area jurisdictions, the City of Lacey participated in the preparation of the *Natural Hazards Mitigation Plan*, Sept 2009. Risk assessments for major natural hazards that threaten the Thurston Region and effective mitigation strategies are contained in the plan. Local governments are required to adopt a federally approved hazard mitigation plan in order to be eligible to apply for, and to receive, federal mitigation assistance program grants. These plans must be updated every five years. Each entity is responsible for implementation of their individual mitigation initiatives based in funding availability and entity priorities.

The Thurston region frequently experiences damage from natural hazard events such as earthquakes, landslides, severe storms, flooding, wildfires, and to a lesser extent volcanic eruptions. Natural disasters occur when people, property, and infrastructure are vulnerable or directly exposed to the effects of natural hazards.

As available developable land becomes more costly and difficult to locate in the urban growth area, properties that are encumbered with development limitations experience increased development pressures. Verifying the location and extent of environmentally sensitive areas prevents adverse impacts and protects public health and safety. Since the current development regulations for geologic sensitive areas were established for the City, additional knowledge and

protection measures have been developed. The current development regulations and mapping resources for these areas should be reviewed and refined as necessary.

McAllister Springs Geologically Sensitive Area

The McAllister Springs area has been designated as a geologically sensitive area. Chapter 16.10 of the Lacey Municipal Code contains measures to protect the McAllister Springs Sensitive Area by provision of sewer and the application of strong water quality standards for residential uses. Residential densities are determined based on sewer availability. Additional environmental performance standards are also required to minimize surface water runoff and diversion, prevent soil erosion, and promote the aesthetic character of the community.

HABITAT CONSERVATION AREAS

Preservation of fish and wildlife habitat is critical to the protection of suitable environments for animal species and in providing a desired quality of life for the community. The conservation of habitat entails active land management for maintaining species within their preferred habitats and accustomed geographic distribution. Isolation of sub-populations creates susceptibility to predation, dislocation, and inadequate food supplies. Habitat protection does not require the protection of all individuals of all species but it does require that land use planning be sensitive to the priority of saving and protecting animal-rich environments.

As salmonid fish species have been deemed to play an extremely important role in the ecosystem and are important cultural resources, jurisdictions must give special consideration to conservation and protection measures necessary to preserve or enhance anadromous fisheries¹.

Classified Fish and Wildlife Habitat

The GMA requires the classification of seasonal ranges and habitats which are critical to the survival of endangered, threatened, and sensitive species. Habitats and species of local importance, including areas designated as priority habitats or priority species by the Washington Department of Fish and Wildlife (WDFW).

A listing of fish and wildlife habitat conservation areas to be protected by the state and the Lacey Municipal Code include:

- Areas with which state or federally designated endangered, threatened, and sensitive species have a primary association;
- Habitats and species of local importance
- Commercial and recreational shellfish areas;
- Kelp and eelgrass beds, herring and smelt spawning areas;
- Naturally occurring ponds under twenty acres and their submerged aquatic beds that provide fish or wildlife habitat, including those artificial ponds intentionally created from dry areas in order to mitigate impacts to ponds;

¹ RCW 36.70A.172(1)

- Waters of the state, including lakes, rivers, ponds, streams, island waters, underground waters, salt waters and all other surface waters and watercourses within the jurisdiction of the state of Washington;
- Lakes, ponds, streams, and rivers planted with game fish by a governmental or tribal entity;
- State natural areas preserves and natural resource conservation areas; and
- Land essential for preserving connections between habitat blocks and open spaces.

There are currently 20 habitat types, 155 vertebrate species, 41 invertebrate species, and 11 species groups currently in the Priority Habitats and Species (PHS) List. These constitute approximately 17% of Washington’s vertebrate species and fauna. Mapping of these priority areas was initiated in 1990 and is updated as information becomes available. These species and habitats may occur in areas not presently known due to lack of information or mobility and site-specific surveys may be necessary in some cases. Species and habitats are mapped by county. Species distribution maps depict where each priority species is known to occur as well as where habitat primarily associated with the species exists.

Priority habitats are identified based on attributes that are unique or have significant value to many species. Priority species are identified and mapped based on three separate criteria: state listed and candidate species; vulnerable aggregations; and species of recreational, commercial, and/or tribal importance. Species are often considered a priority only within limited habitats such as breeding areas or within areas that support a relatively high number of individuals. If species are so rare that any occurrence is important in land use decisions, then the priority area would be determined to be any occurrence.

Determination of Habitat Conservation Areas

All areas of the City meeting one or more of the designated fish and wildlife habitat conservation areas are subject to the development regulations contained in Chapter 14.33, Habitat Conservation Areas Protection, in the Lacey Municipal Code. Several mapping sources can be utilized to determine the approximate location and extent of habitat conservation areas in the City including the Environmental Protection and Resource maps and zoning maps; the Department of Fish and Wildlife Priority Habitat and Species maps; the Department of Natural Resources Official Water Type Reference maps; and Anadromous and Resident Salmonid Distribution maps contained in the Habitat Limiting Factors.

The exact location of habitat conservation areas is required to be determined during the review of development proposals by the performance of a field investigation applying specific habitat or species recommendations of the WDFW for the completion of a management plan following the recommendations provided by the Department of Fish and Wildlife in its publication *Management Recommendations of Washington Priority Habitats and Species*” and a critical areas report.

Endangered Species Act

The primary goal of the Endangered Species Act (ESA) is the recovery of listed species to levels where protection under the ESA is no longer necessary. Through a listing program, the U.S. Fish & Wildlife Service (USFWS) determines whether to add a species to the Federal list of endangered and threatened wildlife and plants. Listing affords a species the full range of

protections available under the ESA, including prohibitions on killing, harming or otherwise “taking” a species.

Listings for state or federal threatened or endangered species identified in Thurston County include; bull trout, chum salmon, steelhead, Marbled Murrelet, Oregon spotted frog, spotted owl, streaked horned lark, orca, Mazama pocket gopher (four subspecies), and the Taylor’s checkerspot butterfly. Some of these species, such as the Oregon spotted frog have no known occurrence in the Lacey UGA.

As part of a broader effort to preserve the native prairie ecosystem of the South Puget Sound area, the USFWS recently listed several species as threatened or endangered under the ESA. These listings include the four subspecies of the Mazama pocket gopher, the Taylor’s checkerspot butterfly, and the streaked horned lark.

There are no known areas in the UGA that the Taylor’s checkerspot butterfly has been identified. At present, there has been a sighting of a single streaked horned lark in the Hawk’s Prairie area and areas in the unincorporated portion of the UGA where field surveys have confirmed the existence of the pocket gopher. In the unincorporated portions of the UGA, Thurston County has conducted field surveys with the USFWS during the permitting process and is completing a Habitat Conservation Plan (HCP) for prairie habitat and species. The HCP will outline a series of methods that will be used to regulate activities listed under the ESA. Due to the limited occurrence of these species within the incorporated portions of the City, each development proposal will be evaluated on a case by case basis.

Performance Standards

The code outlines minimum performance standards for alterations to conservation areas and provides for conditional approvals of activities allowed within or adjacent to a habitat conservation area or its buffers to minimize or mitigate any potential adverse impacts.

Additional performance standards for specific habitats such as endangered, threatened, and sensitive species; anadromous fish; wetland habitats; and riparian habitat areas are also identified. A variety of standards are employed for protecting habitats and species including: erosion and stormwater controls, setbacks and buffers around streams, wetlands and shorelines, and best management practices.

SHORELINE MASTER PROGRAM

The foundation for shoreline management in Washington State is the Shoreline Management Act (SMA) (RCW 90.58) which was ratified by voters in 1972 based on a citizen initiative submitted to the legislature. The standards for local policies and regulations are embodied in the Shoreline Master Program Guidelines for managing, accessing and protecting shorelines. The SMA has three broad policies outlined in state law which includes:

- Protect the environmental resources of state shorelines
- Promote public access and enjoyment opportunities
- Give priority uses that require a shoreline location

Local SMP’s are required to be reviewed by the state Department of Ecology to insure compliance with state law.

Local Regulatory Framework

The City of Lacey Shoreline Master Program (SMP), adopted on September 8, 2011 is the local mechanism for carrying out Shoreline Management Act. The SMP includes goals, polices, and regulations based on shoreline types and uses that is crafted to meet the needs of the City and also meet state laws and rules. State law has designed a partnership between local jurisdictions and the Department of Ecology as co-regulators of designated shorelines of the state. Lacey's SMP is required to be reviewed at a minimum of every eight years, and if necessary revised for compliance with applicable laws and regulations and the comprehensive plan.

The City has authority over shorelines within its municipal boundaries. Those shorelines within the City of Lacey and its UGA have been inventoried and found to meet criteria for lands within the jurisdiction of the SMP. These shoreline areas are as follows:

Marine Waters:

- Nisqually Reach

Lakes:

- Chambers Lake
- Hicks Lake
- Long Lake
- Pattison Lake
- Southwick Lake

Streams and Floodplains:

- Woodland Creek

The jurisdiction of the master program is defined as lands which extend landward two-hundred feet from the ordinary high water mark of "shorelines of the state," which includes all "shorelines" and "shorelines of statewide significance" as defined by state law. These areas are defined as having special economic and environmental value. These areas include marine waters; lakes larger than twenty acres in size; streams where the mean annual flow is twenty cubic feet per second; all of the 100-year flood plain within the associated shorelands; those wetlands which are in proximity to either influence or are influenced by the stream; and lands within a river delta flood plain not protected from flood waters by flood control devises.

The approximate shoreline jurisdiction and shoreline environment designations are delineated on the City of Lacey Shoreline Master Program Map. For the purposes of coordination of shoreline requirements with general land use regulations and the Comprehensive Plan, the shoreline designations are also shown as an overlay on the Comprehensive Land Use and Zoning Map.

The SMP contains four different shoreline environment designations, aquatic, natural, urban conservancy, and shoreline residential. These designations are used to differentiate between areas whose features imply differing objectives regarding their use and future development. Each of these designations has a stated purpose, designation criteria, and management policies

that are intended to protect and manage the unique characteristics and resources of the different areas.

Goals & Policies (from SMP)

The goals and policies of an approved SMP are considered to be an element of the City's Comprehensive Plan. In 2003, the state legislature linked updates to local shoreline plans with the GMA. The goals and policies contained in the City of Lacey SMP are incorporated by reference into this Comprehensive Plan.

ENVIRONMENTAL POLICY

Carbon Reduction and Resiliency (CR²)

The Carbon Reduction and Resiliency Plan provides a road map for Lacey's energy policy and is a progressive program that will be applied in work towards sustainability. The plan sets benchmarks for carbon reduction and looks at sustainability issues. In 2008, the City of Lacey joined Local Governments for Sustainability to reduce greenhouse gas (carbon) emissions and work toward sustainable practices and policies. Lacey began implementing measures to protect air quality and the environment in 2009 based on the plan. Selecting and prioritizing future measures are intended to take place during the second phase of the Envision Lacey process.

GOALS & POLICIES

Resource Lands and Critical Areas

Goal 1: Development shall protect, conserve and complement natural resources and environmentally sensitive areas and promote sustainability.

Policy A: Development shall be consistent with the Environmental Element, the provisions contained in the Lacey Municipal Code and sustainability goals and objectives contained in the Comprehensive Plan.

Resource Lands

Goal 1: Accommodate designated natural resource lands within the urban growth area in compliance with the stated intent of goals, policies and land use designations contained in the Comprehensive Plan.

Policy A: Allow for the continued use of designated agricultural and mineral lands in areas that currently provide for such products until such time these properties are ready to transition to urban uses.

Policy B: Ensure that land uses proposed adjacent to designated resource lands are compatible with such activities and appropriate buffers and regulations are in place.

Policy C: Accommodate appropriate urban densities within the urban growth area that comply with identified goals, policies and development standards to help ease development pressure on areas outside the growth boundary.

Agricultural Lands

Goal 1: Accommodate existing designated agricultural uses within the urban growth area over the short term and support the preservation of agricultural areas of long-term significance outside the urban growth area.

Policy A: Accommodate urban agricultural activities with sensitivity to urban density and land use compatibility issues.

Policy B: Support urban agricultural activities to provide fresh produce to encourage a healthy lifestyle; additional food choices; economic development opportunities; a more sustainable lifestyle; and urban neighborhoods with variety and interest.

Policy C: Periodically review the established design standards for urban agricultural activities to ensure that they do not compromise the livability of neighborhoods nuisance levels that could degrade the quality of life for surrounding residents.

Forest Lands

Goal 1: Recognize and protect suitably located non-commercial urban forest resources within the urban growth boundary and support the protection of commercial forestry activities of long-term commercial significance outside the urban growth boundary.

Policy A: Implement and refine, when needed, the provisions contained in the Urban Forest Management Plan and the Lacey Municipal Code for Tree and Vegetation Protection and Preservation.

Goal 2: Achieve and maintain a vibrant, healthy, and diverse urban forest in Lacey and Lacey's urban growth area consisting of both native and non-native landscape components to improve canopy cover and the aesthetic and physical benefits of trees while protecting infrastructure from tree damage.

Policy A: Base decisions on the preservation of trees and revegetation upon the requirements for individual development sites; zoning classification considering criteria necessary for maintaining healthy, safe tree stands.

Policy B: Create and maintain a street tree program that takes advantage of indigenous trees, provides a coordinated and deliberative approach on preferred deciduous street tree species, and provides diversity of species, interest, and aesthetic quality.

Mineral Lands

Goal 1: Recognize Lacey's existing designated mineral resource lands while minimizing nuisance to adjacent urban uses.

Policy A: Existing mineral extraction sites in Lacey's urban growth area should be designated as such upon annexation if the site is being used for mineral extraction.

Policy B: Require a land use analysis for the designation of new mineral resource lands in the UGA that considers costs savings, urban reuse of the property, impacts to adjacent areas, and impacts to designated critical areas.

Critical Areas

Goal 1: Incorporate a systems perspective into policy, regulatory, and service decisions, recognizing the interrelationship of people, nature, and the economy.

Policy A: Recognize that Lacey's quality of life is one of its competitive advantages and promote economic growth that maintains and enhances this quality of life.

Policy B: Continue to recognize the requirement for, and substantial benefit of, incorporating the use of "best available science" in the overall management of critical areas and natural resource protection.

Policy C: Continue to preserve and protect significant environmental features including unique wetlands, shorelines, hillsides, and habitat areas to support wildlife and protect surface and groundwater resources.

Wetlands

Goal 1: Work to achieve no net loss of wetland resources and increase the quality and quantity of these resources.

Policy A: Utilize and amend, when necessary, Lacey's wetland protection measures to ensure protection of Lacey's wetland resources.

Flood Hazard Protection

Goal 1: Protect Lacey's citizens and property from flood hazards.

Policy A: Utilize and amend, when necessary, Lacey's flood hazard protection measures to minimize flood hazard impacts to life and property.

Policy B: Continue to participate in the National Flood Insurance Program to minimize risk of flood hazard.

Policy C: Utilize drainage and erosion control standards to respond and mitigate drainage problems.

Critical Aquifer Recharge Areas

Goal 1: Protect the quality and manage the quantity of groundwater resources.

Policy A: Seek to prevent groundwater contamination by protecting groundwater resources through various implementation measures.

Policy B: Strive to assure that proactive measures are taken to protect water quality from degradation and promote corrective actions in areas where degradation has occurred so that the net effect is an improvement of ground and surface water quality.

Policy C: Continue to implement adopted standards to regulate land uses within sensitive aquifer areas and well head protection areas.

Geologically Sensitive Areas

Goal 1: Protect the health and safety of the community and property to avoid the adverse impacts of erosion, landslide, and other geologic hazards.

Policy A: Mitigate geological hazards by proper engineering design and modified construction techniques when risk to health and safety are deemed acceptable. When technology cannot reduce risk to acceptable levels, development in geologically sensitive areas should be avoided.

Policy B: Review and refine development regulations and mapping resources for geological sensitive areas as additional resource information becomes available.

Policy C: Continue to recognize the McAllister Springs area as geographically sensitive and require environmental performance standards to protect water quality, prevent soil erosion, and minimize surface water runoff and diversion.

Habitat Conservation Areas

Goal 1: Provide consideration, protection, and effective management of Lacey's habitat conservation areas.

Policy A: Utilize information and recommendations from the Department of Wildlife in classifying and designating priority habitats and species.

Policy B: Provide habitat for wildlife by maintaining a system of interconnected stream and trail corridors, shorelines, open spaces, and parks in areas of high habitat value.

Policy C: Continue to work with area resource partners to identify priority projects for habitat restoration projects.

Policy D: Continue to work with the U.S. Department of Fish & Wildlife to provide adequate mitigation, when required, for listed threatened and endangered species and habitat within the urban growth area.

Carbon Reduction and Resiliency (CR²)

Goal 1: Work to reduce greenhouse gas (carbon) emissions and work toward sustainable practices and policies.

Policy A: Work to conduct City operations in a manner that provides quality municipal services to the community while encouraging resource conservation and reducing adverse environment impacts.

IMPLEMENTATION STRATEGIES

1. Amend the provisions in Chapter 14.32 LMC, Tree and Vegetation Protection and Preservation and other applicable development standards as necessary to reflect updated goals and policies contained in the *Lacey Urban Forest Management Plan*.
2. Amend the development code to require a two-hundred foot buffer on all properties abutting Woodland Creek.

3. Begin implementation of Phase II of the Carbon Reduction and Resiliency Plan.
4. Add review criteria to Chapter 16.45, Mineral Extraction District to require an analysis of designating new mineral resource lands in the UGA to determine if significant cost savings can be obtained from using minerals close to their source; the potential for reusing the mined land for other purposes once mining is complete; potential conflicts and impacts to adjacent urbanized areas; and impacts to designated critical areas.
5. Re-examine designated agricultural lands for compatibility and intensity of nearby land uses, land values, and availability of public facilities to determine if more appropriate zoning should be put in place.

DRAFT

UTILITIES ELEMENT

Community Vision – Ensure that Lacey and the Urban Growth Area are adequately supplied with utilities and services for planned growth while protecting and conserving surface and groundwater resources.

Introduction

The Utilities Element of the Comprehensive Plan is intended to primarily focus on providing information on non-municipal utilities that are supplied by the private sector including electrical, natural gas, cable, and telecommunication services. Utilities provided by the City include drinking water, wastewater, and stormwater. Many of the City's utility programs have adopted their own master plans to guide the administration and design of services. This element provides a basic summary of the utility programs which are fully contained in the City's Water System Comprehensive Plan, Wastewater Comprehensive Plan, and Stormwater Comprehensive Plan. The entirety of the Water System Comprehensive Plan, Wastewater Comprehensive Plan, and the Stormwater Comprehensive Plan are hereby added to this element. Provisions for future capital improvements are also included in the capital facilities element of the plan.

The City's ability to provide long term economic and environmental sustainability depends, in large part, on ensuring adequate utility services and supply. City residents value the protection of city water supplies, lakes, and the Puget Sound through techniques such as encouraging existing septic systems to connect to City sewer services.

The Growth Management Act guides the content of the Utilities Element. When available, contents are to include descriptions of locations and capacities of existing and proposed facilities. The GMA also directs identifying lands useful for public purposes such as utility corridors. Due to security and proprietary reasons much of this information is not made available by private utility purveyors.

Utilities are regulated in the state by the Washington Utilities and Transportation Commission. The commission acts in the public interest to regulate all persons engaging in the business of supplying utility service, such as natural gas, electric or telecommunications, to the public for compensation. The Federal Energy Regulatory Commission (FERC) sets rates and charges for the transportation and sale of natural gas, transportation of oil by pipeline, sale and transmission of electricity, and the licensing of hydroelectric power projects.

PUBLIC UTILITIES

The City currently operates and manages three utility systems; drinking water, wastewater, and stormwater. Each utility is guided by a separate adopted comprehensive plan that includes a summary of the current system; system analysis; operations and maintenance; a capital improvement plan; and policies and criteria. The City is planning a fourth utility system for reclaimed water. The City works to provide coordinated, cost-effective utility services that consider economic, social and environmental implications.

Drinking Water

The City of Lacey owns and operates a water source, transmission, distribution, and storage system for domestic water. This utility operates under a permit granted by the Washington State Department of Health's Office of Drinking Water. The city's long-term planning strategy for its water service area is outlined in the *Water System Comprehensive Plan*. The Retail Water Service Area (RWSA) encompasses the majority of the city boundary, and expands into the UGA in accordance with the *North Thurston County Coordinated Water System Plan (CWSP)*. Figure XX shows the current RWSA for the City. The plan is updated every six years and evaluates the existing system and its ability to meet the anticipated requirements for water source, quality, transmission, storage, and distribution over a twenty-year planning period. As of the end of 2011, the city provided water to 22,849 retail water connections.

Regional coordination is an important part of water system planning. The City coordinates services and planning with the cities of Olympia and Tumwater and the Thurston County PUD. The City currently provides water to areas outside of the UGA to customers formally served by other water systems. The majority of other water systems within the UGA are small or private water systems. These group "A" and "B" water systems are mapped as independent water systems and are not shown as part of Lacey's RWSA. It is the intent of the City to serve the full RWSA and urban growth area. Thurston County PUD serves the largest number of customers in the north central region of Lacey's UGA. The Tanglewilde system is the largest of the PUD systems, serving over 1,600 residents with the Pattison Lake system being the second largest serving over 1,400 residents.

The City secured new water rights that will allow the development of additional sources of supply that will be needed to meet system demands as the number of customers grows within the service area. The new rights became available to use in 2014 as the first phases of required mitigation were completed, including the Woodland Creek Regional Reclaimed Water Infiltration Facility. The City plans to work towards securing additional long-term rights and developing sources of supply that will eventually allow extending the boundaries of the service area to coincide with the city's UGA. The City will continue to evaluate multiple avenues to secure new water supplies and to pursue approval of its other water rights applications, utilize reclaimed water as it becomes available, and begin purchasing other existing water systems with excess water rights.

Wastewater

The City owns, operates and maintains existing wastewater collection and conveyance facilities that provide sewer service to the city's current service area of approximately 13,800 acres. The collection system consists of gravity sewers, pump stations, force mains, septic tank effluent pump (STEP) systems, and grinder pump systems; all of these facilities collect and convey wastewater to the Budd Inlet Treatment Plant and the Martin Way Reclaimed Water Plant. The treatment plant and reclaimed water plant are owned and operated by the Lacey-Olympia-Tumwater-Thurston County Clean Water Alliance (LOTT). Reclaimed water produced by LOTT is available to the City and may be used for irrigation, dual plumbed buildings, environmental enhancement projects, and other non-potable uses. The City does not own any wastewater treatment facilities.

The City manages its wastewater utility in accordance with established wastewater system policies. The policies provide a consistent framework for the design, operation, maintenance,

and service of the wastewater system for implementing programs, designing new infrastructure, and serving additional customers. The policies contained in the *Wastewater Comprehensive Plan* update are also coordinated and consistent with the policies contained in the other elements of the Comprehensive Plan. The most recent update to the City's *Wastewater Comprehensive Plan* was in 2015 and is intended to prepare for the wastewater needs until 2032. The City's sewer service area is expected to grow to approximately 21,200 to serve the projected growth over the next twenty years. The wastewater service boundary is identified in Figure XX. The Plan complies with the Washington State Department of Ecology regulations for general sewer plans.

Stormwater

The first comprehensive stormwater plan for the City was completed in 2013 and is intended to guide the City's stormwater utility programs and projects. The plan describes the challenges in managing stormwater runoff and protecting receiving water bodies. A primary purpose of the plan is to maintain consistency with local, state, and federal regulations, charge equitable stormwater utility rates, and support the goals and policies in the land use element. The stormwater service area follows the existing city limits. The City works with neighboring jurisdictions on stormwater related issues that occur at adjoining service boundaries.

Beginning in the early 1980's, the city in cooperation with the cities of Tumwater, Olympia, and Thurston County funded the *North Thurston County/Lacey/Olympia/Tumwater Surface Water Management Utility Development Plan* (1986) to identify methods to improve surface water quantity and quality conditions. Based on the results of this plan, the City added provisions in the municipal code making it unlawful to discharge pollutants into the storm drainage system and established storm and surface water utility charges. During the next several years, the City created a Water Resources Division to manage the City's surface water runoff, groundwater and drinking water. The City also worked with adjoining jurisdictions to develop a regional drainage manual.

Lacey became the first city in Washington to adopt a "zero effect drainage discharge" ordinance to allow for modified standards for projects with no increase in effective impervious surfaces. The ordinance provided for the use of innovative low-impact development (LID) methods. The City adopted a revised Stormwater Design Manual in 2010. The manual regulates stormwater discharges to the municipal stormwater system and waters of the state. The manual also establishes minimum core requirements for development, redevelopment and road projects and outlines Best Management Practices to be used to meet water quality and flow control requirements.

Stormwater management in the context of LID strives to mimic natural hydrologic processes to manage stormwater onsite. The Stormwater Management Manual in combination with the National Pollutant Discharge Elimination (NPDES) Phase II permit make LID management best management practices (BMP's) mandatory where feasible for onsite stormwater management beginning in 2017. The City is currently working to incorporate these requirements by reviewing and revising its development-related codes, rules, and standards.

Reclaimed Water

The City is in the process of establishing a reclaimed water utility that will include a defined service area. The utility will be managed in conformance with a comprehensive reclaimed water

plan that will be prepared. The utility will construct a reclaimed water distribution system, including a booster pump station and reservoir, which is tentatively planned to begin construction in 2021. This system will provide access to reclaimed water along Britton Parkway and future main street corridors. Reclaimed water will be utilized for non-potable uses and will be prioritized for use for water rights mitigation, irrigation demands, and for other non-potable uses approved by the city and LOTT's National Pollutant Discharge Elimination System (NPDES) permit.

INVESTOR-OWNED UTILITIES

Natural Gas Service

Puget Sound Energy (PSE) builds, operates, and maintains natural gas facilities serving the City of Lacey. PSE is an investor-owned utility serving more than 770,000 natural gas customers in six western Washington counties including Thurston County. There are approximately 8,200 customers (residences or buildings) in the City of Lacey.

Natural gas is considered a utility of convenience, not an essential public facility. The activities of PSE are regulated by both federal and state legislation. PSE is subject to the general regulations and oversight by the energy agencies, such as WUTC and FERC. However, there is other legislation which has specific implications for the natural gas industry.

Natural gas is supplied to the City of Lacey through gate stations along the William's Pipeline Corporation's route. At the gate station, the natural gas is metered and becomes the responsibility of PSE. There is a six-inch main running east/west through Lacey on 14th Avenue SE, Lacey Boulevard, and Steilacoom, as shown on the map titled Natural Gas Main, City of Lacey. There are approximately 147 miles of gas main servicing the city.

PSE works with the other utilities to coordinate joint trenching efforts in new construction, road widening projects, and LID's. The City should encourage the continued practice of this cooperative effort by providing the utilities with timely information regarding projects.

Utility corridors may provide enough space for more than one utility, and when this is the case, multiple use is encouraged. However, there are times when multiple use is not practical due to the size of the corridor, the topography, or some other reason. Existing corridors should be protected, and their further use for new facilities encouraged. There has been general agreement between jurisdictions and utility providers for the joint use of utility corridors.

Future expansion of PSE facilities has been planned by using the forecast analysis zones (FAZ's), in which a general area is identified and analyzed more closely as to what the future population and employment figures would be. The PSE planning department uses a saturation model which assumes all new households will use natural gas. Based on this, and the growth that occurred over the past ten years, PSE anticipates serving XX customers in Lacey by XX.

Include proposed project information.

PSE currently meets the demand for gas service in the City of Lacey. Although PSE does not install gas lines prior to demand, it does anticipate being able to meet future needs and is planning now to meet that demand within the City in the next twenty years. PSE has a

conservation plan which focuses on providing the most efficient energy to customers at the least cost.

Electrical Service

The electrical service provider in the City of Lacey and its growth area is Puget Sound Energy (PSE) and is the only electric service provider in the area. PSE serves over 1,000,000 customers with electrical service in eight Washington counties. PSE gets its electricity from hydroelectric facilities, a colstrip plant in Montana, from other coal, gas, and oil fired plants, and from cogeneration. Existing facilities located in the City and the remainder of the unincorporated UGA is shown on Map 1, Electrical Transmission System, Existing Facilities. PSE is also a national leader in wind power and is recognized as the second largest utility owner of wind energy facilities in the United States.

Electric service is considered a critical service, thus PSE must furnish service to all persons and corporations who apply and can be suitably furnished with available electricity. WUTC regulates PSE and determines if it is meeting its public service obligations. The Commission also requires PSE to develop plans for providing electric service in the future. These plans include conservation. The U.S. Department of Energy regulates national and international energy transactions. An agency within this department is the Bonneville Power Administration (BPA). BPA does not directly regulate electric service providers, but it is a vendor of electricity and thus works with utilities to operate the northwest regional power grid.

Plans for future facilities are shown in PSE's Thurston County GMA Electrical Facilities Plan dated XXX. The Lacey area map used in this Utility Element incorporates corridors and infrastructure designed to implement this planning. The facilities planned for the City of Lacey are current. The following projects are currently being pursued in the 10-year planning window:

The map submitted by PSE and utilized in this Utility Element to show proposed facilities (Lacey Area Map - Existing and Proposed Private Utilities Electric and Natural Gas) is not intended to indicate exactly where future facilities will be located. Density and load growth drive the need for new electrical lines. Generally, utility corridors follow roadways, and this will continue to be encouraged. Inclusion of this map does not indicate approval of future facility sites, but is instead acknowledgement of planning being done by PSE to provide service for anticipated future growth.

PSE suggested that electric utility facilities be allowed in all zoning districts. Electric facilities such as substations are allowed under the Special Uses and Conditional Use Chapters of the Zoning Ordinance. These chapters outline what a special use consists of and provide the regulations for permitting them, including a public hearing. The public hearing process allows for public participation in decision making; therefore, no change in zoning requirements is recommended for siting electrical facilities.

The City's Tree and Vegetation Preservation and Protection Ordinance and Street Tree Ordinance regulate tree and vegetation removal within the City and the purpose is to preserve and enhance the city's physical and aesthetic character by preventing indiscriminate removal or destruction of trees and ground cover. The ordinance reflects the desire of the City to preserve trees, while allowing for their removal under certain circumstances such as interference with utility services. Tree removal in the public right-of-way or on private property requires a permit from the City.

The only exception to obtaining a permit is in an emergency situation. City staff reviews projects to try and eliminate possible conflicts between vegetation power lines.

The State of Washington has adopted an Energy Code that establishes construction standards in new buildings to increase energy efficiency. This code is enforced by local jurisdictions throughout the State. In Lacey, the State Energy Code is enforced by the building inspectors. The city also has its own electrical inspector. In addition, since 2007, all of Lacey's municipal buildings, utility systems, park and recreation facilities, and more than 4,300 street lights are powered by "100 percent green" electrical energy.

PSE currently meets the need for electric service in the City of Lacey and is planning now to meet anticipated needs in the future. Those plans are based on information provided by Thurston Regional Planning Council for predicted population and employment growth. PSE has calculated what future demand for electricity will be in the Lacey area by the year XXX. These calculations are based on population and employment predictions by Thurston Regional Planning Council and contained in the "Profile" for Thurston County. Conservation and demand side management effects were also taken into account.

Standard Telephone Service

The main provider of standard telephone service in Lacey and its Urban Growth Area is CenturyLink Communications International, Inc. (CenturyLink). CenturyLink is an investor-owned corporation that also provides broadband data and voice communication services outside the local service area. In addition to CenturyLink, there are multiple companies that offer some form of local service. Generally, these other carriers have purchase agreements through CenturyLink.

Standard telephone service is considered a necessity; therefore, providers must provide phone facilities on demand. The federal government, through the Lifeline program, provides monthly assistance to qualifying low-income persons for wireline or wireless services. This assistance only covers a fraction of the cost associated with these services. The intent of providing this assistance is to help ensure connection to communication networks; assist with finding employment opportunities; access to health care services; and to call for help in an emergency.

Telecommunications and Cellular Telephone Service

Due to the competitive nature of the telecommunications industry, maps of existing and proposed facilities or specific information on the systems are not available. Providers offering telecommunication services are continuously changing and entering the market. Cellular phones are regulated as a utility of convenience and therefore, are not required to provide service on demand.

The use of cellular telephones has changed significantly since the 'second generation' hand-held mobile phone systems emerged in the early 1990's. The need for locating cellular towers to provide service to the Lacey area resulted in specific zoning code amendments in the late 1990s to deal with wireless communication land use issues. Consumer needs have changed from mobile phones being used primarily in automobiles to use in a multitude of mobile locations, homes, and businesses.

Zoning provisions currently require co-location of facilities and demonstrating need for locating

new towers. In addition, stealth technology, screening and buffering techniques are required to minimize land use conflicts with adjacent uses. In the nearly twenty years since the adoption of the City's present wireless communication standards, many changes in providing wireless services have occurred. Specific limitations regarding local governments' permitting and siting requirements of wireless facilities has been enacted by the federal government. Public perception has also changed regarding the siting of cell towers and other cellular facilities and the need to locate facilities closer to residential uses. These changes have necessitated the need to re-examine existing zoning and siting regulations for these facilities.

Some providers have programs to assist low-income individuals with internet use assistance and installation costs. Due to the declining use of wireline services, costs associated with cellular telephone services will continue to be difficult to manage for low-income individuals and families.

Cable Service

Comcast of Washington IV, Inc. holds a non-exclusive franchise agreement for serving Lacey residents. The City entered into this agreement on February 26, 2009. This franchise agreement expires after a ten year period. Upon expiration, a new franchise agreement would need to be approved by the City Council. Cable companies are not regulated by the state as a private utility but are instead regulated by the city and by the U.S. Federal Communications Commission (FCC). Properties that lie within the UGA are covered under Thurston County's franchise agreement.

A primary component of a cable system is a head end site, which is an electronic control center where the information signal is processed for distribution through the system. This signal can be received from a hard cable line, satellite dish, microwave antennae, or a TV antenna. Lacey has XX primary head end sites in the Lacey area. The company serves XX households and has 47 Aerial plant miles and 157 Underground plant miles in Lacey and its UGA (includes both fiber and coaxial cable). Comcast participates in joint trenching with the other utilities.

Cable is also the primary means of high speed internet service in Lacey. The use of fiber optic technology and cable offers much higher data rates over relatively longer distance.

GOALS AND POLICIES

Goal 1: Ensure that existing residents and future residents are adequately served by water, sewer, and stormwater utility services through planning that considers growth demand, the environment, and asset management.

Policy A: All proposed development should be analyzed for anticipated impact on utilities and services.

Policy B: Complete interlocal agreements for the successful completion of water right transfers.

Policy C: Encourage the use and distribution of Class A reclaimed water throughout the city and Urban Growth Area as an alternative use of potable water to recharge aquifers and enhance stream flows.

Policy D: Reduce and maintain water system distribution leakage.

Policy E: Ensure services are provided to all existing populations, regardless of demographics.

Goal 2: Protect ground and surface water resources to maintain adequate supplies of clean drinking water.

Policy A: Protect the city's wellhead protection areas from contamination so that additional treatment is not required.

Policy B: Protect city water supplies, lakes, and the Puget Sound, and encourage existing septic systems to connect to city sewer, should the service be available.

Policy C: Develop and implement strategies for the extension of the wastewater collection system into areas not currently served in the city and urban growth area.

Policy D: Protect groundwater and ensure that projects meet or exceed the most current stormwater requirements.

Policy E: Control runoff from new development, redevelopment, and construction sites by improved plan review and enforcement coordination, documentation, and tracking.

Goal 3: Coordinate utility and land use plans so that utility services can be provided and maintained for anticipated future land uses.

Policy A: Consider resources necessary to serve urban development needs at the earliest possible stages of planning for development.

Policy B: Cooperate in the planning of multi-jurisdictional agreements and improvements.

Policy C: Continue to encourage coordination and cooperation between the city and the various private utilities

Policy D: The city and the utilities should share information regarding development plans, population growth projections, and other information relative to growth and the accompanying demand for services for the development and implementation of capital improvement programs and area plans.

Policy E: The City should consistently work to process permits in a timely manner.

Policy F: The City should incorporate input from utilities in developing ordinances or resolutions that may impact utility services.

Goal 4: Designate utility corridors

Policy A: The City and the utilities shall work together to designate utility corridors.

Policy B: Whenever feasible, utility corridors shall be included in public rights-of-way.

Goal 5: Mandate joint trenching of utility corridors and facilities consistent with prudent utility practice.

Policy A: The city shall provide the utilities with timely and pertinent information necessary to plan for joint trenching, including plats, LID's, and road construction projects.

Policy B: Utility purveyors shall coordinate joint trenching.

Goal 6: Require compatibility of utility development with existing and planned land uses.

Policy A: Require screening and/or architecturally compatible integration of all new above-ground utility facilities.

Policy B: Review and update siting and design standards for wireless communication facilities that aim to integrate such facilities into the surrounding environment and limit negative aesthetic impacts.

Goal 7: Encourage public participation during planning for siting of utilities.

Policy A: Provide for community input on the siting of proposed utility facilities.

Goal 8: Regulate vegetation management by utilities.

Policy A: Except in an emergency situation, approval shall be obtained from the City prior to spraying, trimming, or removing vegetation within the public right-of-way. Also, approval shall be obtained from the City prior to vegetation removal on private property. After approval and prior to the work being done, affected property owners should be notified.

Policy B: Trimming and removing vegetation shall be performed in an environmentally sensitive and aesthetically acceptable manner and according to professional arboricultural specifications and standards.

Policy C: Trees planted under power lines shall be species that will not grow to interfere with the lines, or become potential hazard trees to the lines because of size.

Goal 9: Encourage conservation of energy resources.

Policy A: Encourage development of cost-effective and environmentally sensitive alternative technologies and energy sources, including solar and wind energy.

Policy B: Encourage conservation of energy in city facilities.

Goal 10: Encourage provisions for land resources for utilities.

Policy A: Where possible accommodate land resources for utility substations and improvements within the developments that necessitate the utility improvements.

Policy B: Utility substations and utility improvements necessary to serve urban growth should be located within the urban growth management boundaries.

IMPLEMENTATION STRATEGIES

1. Advance the preparation and implementation of the Comprehensive Reclaimed Water Plan to secure additional water rights for the City.
2. Review and update design standards for wireless communication facilities.
3. Maintain and update the six-year Capital Facilities Plan on an annual basis to coordinate and schedule utility capital improvements.
4. Establish an ongoing retrofit program for aging city stormwater facilities.

DRAFT

HOUSING ELEMENT

Community Vision – Lacey includes a broad choice of housing types at a range of prices, including affordable homes in diverse, safe settings that maintain a high quality of life.

Introduction

Housing conditions have a direct impact on Lacey’s quality of life. Residents place a high value on having a safe and comfortable place to live, in a home that is affordable and is located in an area that is attractive and conveniently located. Through the **Envision Lacey** process, citizens responded that vibrant neighborhoods that ensure a full range of affordable housing options are important to them. Residents also indicated that new and existing residential neighborhoods should provide a high-quality appearance and function that provide for the day-to-day needs of residents.

Economic forecasts for the planning period indicate an increase of 60,000 jobs in Thurston County with 13,700 jobs in Lacey alone. Job growth will add to the need of accommodating 30,000 additional people within our Urban Growth Area (UGA). The increased number of jobs will add workers, and their families, that need housing. It is projected that a total of 12,500 new homes will be needed in the UGA during the next twenty years. With the continued cost of housing increasing in the Central Puget Sound region, the number of people relocating to our area, and commuting to jobs, is also expected to increase.

While single-family neighborhoods have remained a staple in Lacey, the number and variety of multifamily housing choices have slowly increased in the last several years, including in mixed-use developments. The Comprehensive Plan calls for distribution of a range of housing types to provide for the housing needs of Lacey’s full demographic profile. The Plan also proposes the use of compact mixed-use housing forms to provide conservation of buildable land resources and opportunity for a range of housing styles and choices.

It is anticipated that Lacey will continue to transition from a suburban community to a more urban community with a strong employment base. Through careful planning and community involvement, changes and advances in housing styles and development can be embraced by the community. Residents will be able to enjoy an increased connection to their neighborhood and to the community as a whole.

The Housing Element is organized into sections providing a planning context for housing policies, legislative directives, regional cooperation and planning, and community values. The Element also contains a profile of Lacey’s existing and projected housing needs, and identifies

general and affordable housing issues. The Housing Element is a joint planning document between the City of Lacey and Thurston County. This Element applies to all areas incorporated or unincorporated within Lacey’s designated UGA.

Information included in this chapter is based upon the 2010 U.S. Census data and the 2008 – 2012 American Community Survey (ACS). The chapter also includes information prepared by Thurston Regional Planning Council (TRPC), including the 2014 *Buildable Lands Report* and *The Profile*. These documents provide detailed data and also act as a general guide to plan for projected housing needs based on buildable land availability, existing housing stock, and other relevant housing issues.

Planning Context

Federal Direction

The Federal Fair Housing Act (FFHA) requires that reasonable accommodations be made in rules, policies, or services, when such accommodations may be necessary to afford persons with disabilities equal opportunity to use and enjoy a dwelling. As part of the Housing and Urban Development Urban Corridors Communities Challenge Grant, TRPC evaluated the Lacey Municipal Code (LMC) to ensure that the standards “actively incorporate fair housing principals into land use planning by considering established reasonable accommodations, mechanisms, and policies.” This 2012 review identified that the LMC treats single-family housing and housing for people with functional disabilities in the same manner in all of the City’s primarily single-family residential zones. Housing for disabled people in zones that permit a mix of housing types is implicitly allowed as long as the units meet density requirements. This approach was deemed appropriate under the Fair Housing Act and the Washington Housing Policy Act.

Provisions to grant reasonable accommodations in zoning and building standards to allow disabled individuals to build or utilize a home are not currently contained in our code and should be considered for inclusion.

State & Regional Direction

The Growth Management Act (GMA) (Act) requires jurisdictions to identify the projected housing needs of each city and to make adequate provisions for existing and projected needs of all economic segments of the community. Jurisdictions must demonstrate how they plan to meet GMA goals for affordable housing, including providing an inventory and analysis of existing and projected housing needs. The overall GMA planning goals for housing are:

- Ensure housing for all economic segments of the population;
- Participate in making available a fair share of affordable housing, including housing for people with special needs;

- Promote zoning classifications which allow a variety of residential densities and housing types;
- Encourage preservation of existing home stock; and
- Assure that housing complies with local, state, and federal fair housing laws.

Housing policies cannot be used to regulate manufactured housing differently than site built housing. For cities with a population over 20,000, provisions for accessory dwelling units (ADUs) in single-family residential areas must be allowed. An ADU is a small, self-contained residential unit located on the same lot as an existing single-family home. An ADU has all the basic facilities needed for day-to-day living independent of the main home, including a kitchen, sleeping area, and a bathroom. Code provisions can be put in place that include specific size limits, location, and allowances for a separate unit within an existing home or a separate structure.

The County-Wide Planning Policies (CWPP's) are policy statements used to provide a county framework for the development of local comprehensive plans to ensure the coordination and consistency between City and County Comprehensive Plans and provide a framework for joint planning between local jurisdictions.

The CWPP's were updated in 2015 to reflect policies that are contained in the regional sustainability plan titled "Creating Places – Preserving Spaces: A Sustainable Development Plan for the Thurston Region." The CWPP's contain seven policies applicable to providing sustainable and affordable housing. These policies are:

- Increase housing choices to support all ranges of lifestyles, household incomes, abilities, and ages. Encourage a range of housing types and costs that are commensurate with the employment base and income levels of jurisdictions' populations, particularly for low, moderate, and fixed income families;
- Accommodate low and moderate income housing throughout each jurisdiction rather than isolated in certain areas;
- Explore ways to reduce the costs of housing;
- Establish and maintain a process to accomplish a fair share distribution of housing among the jurisdictions;
- Work with the private sector, Housing Authority, neighborhood groups, and other affected citizens, to facilitate the development of attractive, quality, low and moderate income housing that is compatible with the surrounding neighborhood and located within easy access to public transportation, commercial areas, and employment centers;
- Regularly examine and modify policies that pose barriers to affordable housing; and

- When possible, provide assistance in obtaining funding and/or technical assistance for the expansion or establishment of low cost affordable housing for low, moderate, and fixed income individuals and families.

Local Direction

Housing needs rarely recognize jurisdictional boundaries and these needs are rarely solved by a single community or agency. For this reason, the City works with regional agencies to support a regional approach and cooperation among agencies to meet its housing goals. Without this cooperation, the City and the region will fail to accomplish its housing goals.

A number of public, private, and nonprofit organizations provide support for affordable housing services, including the Housing Authority of Thurston County. The Housing Authority provides emergency, traditional and permanent housing for persons with disabilities, low income, and at-risk individuals and families.

The HOME Consortium is an eight member advisory board responsible for jurisdictional administration of Thurston County's housing programs. The Consortium is comprised of public elected officials from Thurston County cities and Thurston County. The Consortium is an advisory board and makes county housing funding and policy recommendations for the HOME Investment Partnership Housing Program, the Affordable Housing Program, and Homeless Housing Programs. Nonprofit organizations, local municipalities within the county, profit developers, and faith-based organizations that provide affordable housing in accordance with the requirements of the Affordable Housing Program are eligible applicants for program funds. Other programs include the Housing and Community Development Program (HCD), the Homeless Housing Program, and capital project and rental assistance programs.

Thurston County has been designated as an Urban County for the Federal Community Development Block Grant (CDBG) Program. Thurston County partners with Lacey and area cities for federal funding to serve low-income individuals and families in the County. CDBG funds are made available on a rotating basis between the City of Lacey, City of Tumwater, and Thurston County, including Yelm, Rainier, Tenino, and Bucoda. The City of Olympia operates a separate CDBG program. CDBG funds various programs, including affordable housing. This program must benefit low and moderate income persons, prevent or eliminate slums or blight, or address existing and urgent community development needs that pose serious or immediate threat to the health or welfare of the community.

There are numerous nonprofit organizations that serve the communities in Thurston County. Some of the nonprofit organizations focused on affordable housing for various groups are included below.

Since 1990, **Homes First!** has worked to increase the supply of affordable housing for members of the community by purchasing a variety of houses, duplexes and apartments and rehabilitating them. **Homes First!** develops, owns and manages affordable housing for low and very low income residents in Thurston County. They partner with other nonprofit groups like **Common Ground** and the **Housing Alliance**.

The **Low Income Housing Institute** develops, owns and operates housing for the benefit of low income, homeless, and formerly homeless people. They operate three properties in Thurston County, with two of the properties located in the City of Lacey, Magnolia Villa and Arbor Manor.

SideWalk is a local organization on a mission to end homelessness in Thurston County. In its first three years, this nonprofit organization has provided for the placement of over 500 homeless individuals using a method called “rapid rehousing”. This approach offers time-limited, small rental subsidies to assist homeless people move into housing, followed by intensive case management to ensure stability. This approach has been effective for 80% to 90% of the homeless population entering their program.

The City added provisions to the LMC in 2013 to provide for homeless encampments as an emergency shelter. These provisions were put in place to help provide for alternative temporary housing for the homeless population. A host agency is required to submit the appropriate application materials including provisions for water and sanitary facilities, security measures, screening, and a transition plan to assist in transitioning residents to permanent housing. Fire, health, and other safety measures are also required.

The City has also added incentives for multifamily development in the Woodland District by adopting a multifamily tax exemption to improve the viability of developing multifamily units and encourage the construction of new market-rate and affordable housing opportunities. Additional opportunities to incentivize increased densities should be explored in other areas of the City, including urban corridor areas, areas served by transit, and designated infill areas.

Relationship of Housing Element to Other Comprehensive Plan Elements

The Housing Element goes beyond the projection of housing needed to meet population growth. Land use, transportation, capital improvements, and environmental issues are important considerations when planning to provide housing at affordable costs, both to the consumer and the long-term fiscal costs to the City.

The Housing Element is closely linked to other elements of the Comprehensive Plan. For example, the Land Use Element defines the intent and location of residential land use designations and densities. Both the spatial location of residential zones and the range of

densities will impact housing issues. Densities will determine how much land is available to accommodate anticipated urban growth. Allowed densities and standards in different land use zones must provide for the anticipated demand of various housing types to accommodate needs. Locations should be sensitive to the desirability of specific areas for housing, considering land use policies, needs, and community input.

The Housing Element is also strongly linked to the community's transportation system. Housing will affect commuting patterns and transportation costs, as well as required expenditures for roads and multimodal facilities and improvements. If there is a lack of affordable housing in an area, people will be forced to commute increased distances to work and to other services. If housing is located in areas without consideration of transportation issues, significant impact can be expected to occur in the transportation system.

Housing is directly connected to capital improvement and facilities plans because of impacts to transportation and the need for urban services such as water, stormwater, sewer, parks, and other recreational facilities. The placement of housing impacts the need and timing for capital improvements, including schools. Housing needs to be located in an area where necessary infrastructure is either available or can be provided in a cost effective and efficient way.

The siting of residential development needs to consider impacts to environmentally sensitive areas addressed in the Environmental Element and in sensitive area regulations. High density development misplaced in these areas can impact the functions and value of these resources. Housing needs must be met without compromising the values and functions of our sensitive areas that contribute to the community's overall quality of life.

Homeless Population

In 2015, the "Thurston County Homeless Point in Time Census Report" counted a total of 476 people who were homeless. The United States Department of Housing and Urban Development (HUD) defines the "homeless" population as individuals living outdoors and in vehicles, staying in homeless shelters, and those in transitional housing (temporary in nature). Of these individuals, 163 were living in unsheltered conditions, 155 were living in transitional accommodations, and 158 were living in sheltered conditions. "Unsheltered" is defined as living in places not meant for human habitation such as cars, tents, parks, sidewalks, or on the street.

In 2006, a countywide partnership to end homelessness completed a ten-year plan with the goal of decreasing the homeless population by 50% in the year 2015. In 2006, the total homeless population was 441 individuals; the 2015 homeless population was 476, up 7.4%. The majority of the homeless population migrates to urban hubs. This is due in part to closer proximity to urban services, shelter and transitional housing. The majority of the homeless population in Thurston County is found in the City of Olympia, over 66%. Of the individuals counted in the

2015 census, 6% identified their last permanent residence as Lacey and 1% had spent the previous night in Lacey.

In the last ten-year period, the homeless population peaked at 976 people in 2010. Although the current homeless population is up slightly from 2006, the number of unsheltered individuals has decreased by 36%. Recent decreases in the unsheltered homeless population are attributed to additional successful housing resources. Stronger economic conditions and additional housing resources have helped decrease the number of homeless people that were counted in 2010. Over the presiding ten-year period, the goal of reducing the homeless population was not realized. Nearly 60% of the homeless population is male with 50% of the population in the 26 – 55 year age range. Over 21% of the homeless population are children aged 17 and younger. The major reason cited for being homeless, 38%, was job loss or economic reasons. Other foremost causes of homelessness included mental illness at 28%, domestic violence at 23%, and illness/health problems at 20%.

A parallel count is done annually for the Homeless Student population by Thurston County's school districts. The Thurston County homeless school aged population (K-12) counted in 2015 was 1,658 students, up from the 2006 census of 654 students. The homeless student population has increased over 153% in the last ten-year period. The North Thurston School District, which includes the City of Lacey and its unincorporated UGA, contains the highest number of homeless students of all the districts, with 623 students.

Poverty is a strong indicator for being at risk of homelessness for families with children. The free and reduced lunch program serves as an index of poverty for families with children in each school district. Of the 14,422 students in the North Thurston School District, 6,264 receive free or reduced lunch, over 43%. This data, provided by the Office of Superintendent of Public Instruction, provides useful information on how school districts are doing. All eight districts in Thurston County show a deepening of poverty among families in public schools.

Demographic Profile Relating to Housing Needs

Population, Characteristics, and Trends

The 2010 census estimates that 42,393 persons were residing in the City of Lacey, with an additional 33,140 residing in the unincorporated UGA, for a total population of 75,533. For the twenty-year planning period, it is estimated that the population of Lacey will be 53,090, with another 54,630 people residing in the UGA for a total population of 107,720. This increase of over 32,000 people equates to an approximately 42% increase in population by the year 2035.

Table 1 delineates the total population in Lacey by age and gender based on 2010 U.S. Census data. These figures are used to determine the number of school aged children, the number of

persons who may be first time home buyers, and the elderly population. These groups have influence on specific housing needs.

TABLE 1
Lacey Population Distribution by Age and Gender

2010			
Age	Male	Female	Total
0-4	1,743	1,608	3,351
5-14	2,880	2,613	5,493
15-19	1,252	1,364	2,616
20-24	1,472	1,658	3,130
25-34	3,404	3,701	7,105
35-44	2,672	2,721	5,393
45-54	2,213	2,557	4,770
55-64	1,978	2,488	4,466
65-74	1,229	1,654	2,883
75+	1,147	1,939	3,086
Total Population	20,090	22,303	42,393

First time home buyers are typically found within the 20-34 year age group. This age group contained a total of 10,235 persons in Lacey, accounting for approximately 24% of the population. Additionally, 5,969 persons were 65 years or older or approximately 14% of the population. Persons aged 75 years or older are usually defined as the frail or elderly and are considered as a special needs population in most assessments. The greatest increases in population from the 2000 census occurred in the 25-34 year age group and the 55-64 year age group. Females were approximately 53% of the population due to longer life expectancy, beginning at ages 55-64.

The 2010 census also indicates that there were approximately 8,109 school aged children from 5 years to 19 years of age, or approximately 19% of the incorporated population. The percentage of school age children living within the City limits decreased approximately 2.5% from the preceding ten years.

Household Characteristics and Trends

For housing studies and needs analysis, household characteristics are important to determine the type of housing units the population will need. Census information provides specific household characteristic information for Thurston County and the City of Lacey.

In 2010 there were a total of 16,949 households in Lacey. Statistics show that the average household size is 2.44 persons, which is down slightly from 2.47 persons in 2000. Historical

information indicates that household size has been steadily declining, displaying a trend toward fewer children. For example, the average household size in 1960 was 3.44 persons.

Approximately 36% of Lacey's families include children and about 27% of households have other family members residing in their home, the majority of which are aged 65 years and over, up from 23% in 2000.

In looking at statistics for single parent households, approximately 63.8% of the households with female householder (no spouse present) have related children.

Income/Employment Characteristics

Income and employment characteristics are important in housing analysis in order to understand and plan for the needs and preferences of area residents. Social characteristic information is available through the 2010 census and 2014 employment estimates from TRPC. A 2014 estimate shows a total of 25,245 persons within the labor force in Lacey and its UGA.

Employment forecasts for the year 2035 show an increase of 13,700 jobs for a total employment base of 38,945 jobs. Forecasts indicate increased employment in construction and utilities, wholesale trade, and retail trade. Manufacturing jobs are expected to continue to decrease based on past trends.

Specific income profile is available for Lacey from the 2010 census. 7.6% of households in Lacey had an income of less than \$15,000 per year. The 2008/2012 Five-Year Average Poverty Guidelines from the U.S. Census Bureau indicate that for a family of four, the federal poverty level is \$24,250. For an individual the poverty level is \$11,170, and for two people it is \$15,930. For each individual added to a family above two members, a dollar amount of \$4,160 is added to the \$15,930 dollar amount. The most common household income range was in the \$50,000 to \$74,999 level, with 25% of households falling in this range. This is followed by 16.3% of the population falling in the \$75,000 to \$99,999 income level and 15.3% in the \$35,000 to \$49,999 level. Lacey's median income level in 2010 was \$58,835. The median income level was higher than the state average of \$55,584 for the same year. The Federal Poverty Guidelines are used to determine eligibility for certain federal programs, including housing assistance programs.

Statistics on poverty level status is also provided. 10.7% of people residing in Lacey are living at or below the poverty level. This percentage increases dramatically for families with female householders (no spouse present). For female head of household with related children under 18-years of age, 45.9% are living below the poverty level. That percentage increases for female head of household with related children under 5 years of age to 65.7%. The percent of individuals living below the poverty level in Thurston County is 11.1%. This compares with the City of Rainier, with the lowest rate for jurisdictions in Thurston County with 5.2% and the City of Yelm with the highest rate of 19.6%. During this same period, the percent of individuals in Washington State living below the poverty level was 12.9%.

Demographic information identifies the importance of providing for the needs of changing household types and supported policies that encourage a mix of housing types and sizes. In addition to meeting the housing demands created by population and employment growth, the necessity to accommodate the diverse needs of Lacey residents through changes in age, family size and various income levels is warranted.

Housing Profile and Analysis

Housing Types

The type of housing that is available is important to have a clear picture of Lacey's housing stock in order to meet current and future needs. According to data from TRPC there were an estimated 19,420 housing units in Lacey in 2015, with an additional 13,640 units within the unincorporated UGA, for a total of 33,060 units within the UGA. The vast majority of housing units in the City and UGA, a total of 68%, are single-family detached homes. Another 8,400 units, or 25% of the total, are multifamily units, and the remaining 2,270 are manufactured homes, accounting for 8% of housing units.

With the increased demand for housing between 2003 and 2006, housing costs escalated as significant development occurred within the City and unincorporated portions of the UGA. From 2000 to 2009, Lacey's incorporated and unincorporated UGA exceeded all other cities and unincorporated areas in Thurston County for the number of new residential lots and housing units constructed during this time. The year 2006 saw the greatest number of residential building permits issued with 1,453 in the City and 140 in the unincorporated portions of the UGA for a total of 1,593 permits. The high volume of residential permits began to decline in 2008, siding with the economic recession. Beginning in 2000, residential units permitted in the unincorporated UGA began to exceed or equal the number of permits issued by the City. A change in this trend occurred in 2005. Since that time the City has issued more residential permits on an annual basis. This trend is expected to change in the upcoming planning period now that available land in the City is nearing build-out.

Housing Occupancy

Housing occupancy refers to the occupancy of housing units by owners or renters. This information is important to access community housing needs. Of the 16,949 total units occupied in 2010, 9,716 were owner occupied and 7,233 were tenant occupied. This amounts to a ratio of 57.3% of home ownership and 42.7% tenant occupied units. Lacey has a higher percentage of home ownership than either Olympia (49.5%) or Tumwater (54.2%). The number of households in Thurston County that live in rental housing has incrementally increased from 26% in 1960 to 33% in 2010. Greater percentages of renter occupied units are found in the more populated cities in the County.

Vacancy Rates

The vacancy rate is a measure of the percentage of unoccupied housing units. A 5% vacancy rate has been presumed to be a balanced vacancy rate by industry standards; however, this balance varies among areas and types of units. The vacancy rates in 2014 for a one bedroom unit were 2.9%, 4.1% for a two bedroom unit, and 3.4% for a three bedroom unit. According to U.S Census data, overall vacancy rates in Lacey increased by 3.02% from 2000 to 2010.

Natural vacancy rates vary over time due to several cyclical factors. If the actual vacancy rate is below the natural rate, prices will typically rise. If the vacancy rate is above the natural rate, prices will typically fall.

Housing Costs/Affordability

According to the Northwest Multiple Listing Service, the average sale price for a home in Lacey in 2013 was \$224,856, compared to \$140,134 in 1990. In 2007, the average home sale price hit a high of \$315,369.

Information is also available regarding average rent prices. TRPC data show that rents in 2014 for a home or duplex in Thurston County averaged \$730 for a one bedroom unit and \$1160 for a three bedroom unit. Rental costs in Lacey exceed these due to location and levels of services. The 2014 average rental rate in Pierce County was \$887 and \$1,270 in King County. In 2001, a one bedroom unit rented for \$515 and a two bedroom unit rented for \$578. Rental rates for single-family and multifamily units have steadily climbed over the previous planning period. The trend for increased rental rates is expected to continue.

The “housing affordability index” is a way of measuring a household’s ability to purchase a home. When the index is 100, there is a balance between the family’s ability to pay and the cost. A higher index indicates it is easier for a family to pay and a lower index indicates that it is more difficult. The County’s affordability index was calculated at 99.0 the first quarter of 2014 for a first time buyer. This indicates that the first time home buyer has slightly less household income than required to purchase a home.

Affordable housing is defined as not more than 30% of a household’s gross income. However, it is commonly known that many households are spending more than this amount on housing. A standard rule for housing lenders is that a monthly housing payment (principal, interest, taxes, and insurance) should not take up more than 28% of your income before taxes. This debt-to-income ratio is called the “housing ratio” or “front-end ratio.” Lenders also calculate the “back-end ratio.” This ratio includes all debt commitments, including car loans, student loans and minimum credit card payments, together with your house payment. Lenders prefer a back-end ratio of 36% or less. In some cases, lenders will approve applicants with higher debt-to-income

ratios. Federal regulations give legal protection for mortgages with back-end ratios up to 43%. Lending ratios are a major driver in housing affordability and ownership because they help define the parameters of a qualified mortgage.

Forecasted Housing Profile

Based upon population estimates for Thurston County and the Buildable Lands Report, Regional Planning has developed a forecast for housing for the UGA. This study forecasts housing development and allocation over five-year increments. Table 2 forecasts the dwelling units needed to accommodate the projected population for the City and UGA to the year 2035. With 33,060 residential units located within Lacey’s UGA in 2015, it is anticipated that an additional 12,500 new units will be needed during the upcoming 20-year planning period. It is projected that over 60% of the dwelling units constructed over the planning period will be located in the unincorporated portions of the UGA.

Table 2

Projected Number of Dwelling Units Needed for Lacey and UGA				
	2020	2025	2030	2035
Lacey	21,480	22,290	23,000	23,470
UGA	15,540	17,660	19,910	22,090
Total	37,020	39,950	42,910	45,560

PLANNING AREAS - HOUSING CAPACITY

The housing information in this section has been provided by Thurston Regional Planning Council based on the number of homes in 2010 according to type, additional housing capacity for each area, and information contained in the Buildable Lands Analysis.

Central Planning Area

- Number of single-family residential homes – 2,443
- Number of multifamily units – 2,675
- Number of manufactured homes – 202

Housing Estimate and Forecast – Central Planning Area		
	2010	2035
City	5,320	6,100
UGA	0	0

Hawks Prairie Planning Area

- Number of single family residential homes – 3,042
- Number of multifamily units – 91

Number of manufactured homes – 7

Housing Estimate and Forecast – Hawks Prairie Planning Area		
	2010	2035
City	2,420	4,690
UGA	720	970

Horizons Planning Area

Number of single family residential homes – 3,618

Number of multifamily units – 2,075

Number of manufactured homes – 387

Housing Estimate and Forecast – Horizons Planning Area		
	2010	2035
City	5,610	6,540
UGA	470	470

Lakes Planning Area

Number of single family residential homes – 5,194

Number of multifamily units – 1,037

Number of manufactured homes – 359

Housing Estimate and Forecast – Lakes Planning Area		
	2010	2035
City	3,720	4,210
UGA	2,870	3,720

Meadows Planning Area

Number of single family residential homes – 3,180

Number of multifamily units – 1,044

Number of manufactured homes – 336

Housing Estimate and Forecast – Meadows Planning Area		
	2010	2035
City	390	510
UGA	4,170	5,630

Pleasant Glade Planning Area

Number of single family residential homes – 548

Number of multifamily units – 233

Number of manufactured homes – 199

Housing Estimate and Forecast – Pleasant Glade Planning Area		
	2010	2035
City	400	760
UGA	580	2,240

Seasons Planning Area

Number of single family residential homes – 1,274

Number of multifamily units – 18

Number of manufactured homes – 47

Housing Estimate and Forecast – Seasons Planning Area		
	2010	2035
City		
UGA	1,339	4,650

Tanglewilde/Thompson Place

Number of single family residential homes – 2,283

Number of multifamily units – 1,047

Number of manufactured homes – 390

Housing Estimate and Forecast – Tanglewilde/Thompson Place Planning Area		
	2010	2035
City	610	650
UGA	3,110	4,420

HOUSING GOALS AND POLICIES

Goal 1: Have a sufficient number of single-family dwelling units, multifamily units, and group and special need housing to provide a selection of rental and home ownership affordable housing opportunities for all persons.

Policy A: Provide opportunities for development of all housing types to accommodate future needs for each type of housing.

Policy B: Monitor the market and available land in the urban growth boundary to provide sufficient area zoned to meet the demand for various types of housing.

Policy C: Encourage a wide variety of housing from low to high income in range to allow placement and mobility within the housing market.

Policy D: Promote preservation and improvement of existing single-family and multifamily units.

Policy E: Support neighborhood revitalization through available grants from the State, Federal and local levels to maintain and improve infrastructure.

Goal 2: Achieve a balanced community with each planning area accommodating a fair share of housing needs for all persons.

Policy A: Consider requirements and incentives designed to result in a balanced, increased supply of affordable housing in all parts of the City for extremely low, very low, low and moderate income households.

Policy B: Consider programs that include mandatory requirements for new developments targeting individual planning areas until housing goals for target groups in each planning area are achieved.

Goal 3: Work with regional agencies and bodies to implement affordable housing techniques consistently and on a regional scale.

Policy A: A myriad of affordable housing strategies should be implemented by all surrounding jurisdictions in Thurston County to meet housing needs on a regional scale for extremely low, very low, low and moderate income households.

Policy B: Public and nonprofit agencies, such as the Housing Authority, with expertise in housing practices and special needs, should be a major partner in inclusionary programs.

Policy C: The Housing Authority, or other agencies, should take a lead role where its expertise and function lends itself to best accomplish program objectives. Lead responsibility might include such tasks as qualifying households by income bracket, monitoring target objectives, overseeing and administration of an affordable housing trust, taking ownership of dedicated lots and units, contracting for the development of units, monitoring the sale and resale controls of designated public units, and other related tasks.

Goal 4: Achieve housing that is compatible and harmonious with existing neighborhood character while allowing infill and providing for environmental sensitivity.

Policy A: When designating areas for infill and zoning classifications, consider and place emphasis on the composition of the neighborhood, housing need, available infrastructure, principals of walkability and healthy communities.

Policy B: When implementing infill projects in designated areas, require design of infill projects that will:

- 1) *Meet the housing needs of the planning area considering variety and choice.*
- 2) *Be integrated successfully into the existing residential environment considering form based concepts and healthy community objectives.*
- 3) *Provide a form, look and feel and social functionality that will add to the character, desirability and value of the surrounding neighborhood.*

Policy C: Continue to utilize design review guidelines for all residential developments.

Goal 5: Provide a variety of housing opportunities for those with special needs.

Policy A: Provide opportunities for development of various types of group housing.

Policy B: Ensure a full range of housing and facilities for the accommodation of persons with special needs exist within each planning area, with consideration for promotion of housing in those planning areas providing the most services for such individuals.

Policy C: Design group homes and facilities for special populations so that they are integrated, compatible, and harmonious with surrounding land uses.

Policy D: Enforce all requirements of the International Building Code that includes requirements of the Americans with Disabilities Act and the Fair Housing amendments.

Goal 6: Work cooperatively with local jurisdictions, nonprofits and religious organizations to reduce homelessness and find ways for providing emergency and transitional shelter to serve the identified needs of this population.

Policy A: Based upon identified need, provision of facilities and services should be addressed by all local jurisdictions with fair share commitment reflected in local budgets.

Policy B: Ensure location and use of emergency and transitional housing considers, and is successfully integrated into, the surrounding neighborhood without impact to other land use activities.

Policy C: Linkages with the business, religious and nonprofit communities as partners in ending homelessness should be maintained and expanded.

IMPLEMENTATION STRATEGIES

The following implementation measures are actions that the City may pursue to further the goals and policies of the Housing Element. These measures are intended to provide guidance for future planning activities.

1. Participate in ongoing regional efforts to plan for adequate affordable housing for very low, low, moderate, and middle income households consistent with the Countywide Planning Policies.
2. Include provisions for reasonable accommodations in planning and building standards that comply with the Fair Housing Act and the Washington Housing Policy Act.
3. Include zoning mechanisms and development standards that can increase density in appropriate areas. These mechanisms may include infill development, including reevaluating infill standards for lots in developed neighborhoods; minimum densities for selected residential zones; zero lot line development; and density bonuses for multifamily and mixed-use developments.
4. Consider including incentives for the multifamily tax exemption in other areas of the City, including urban corridor areas, areas served by transit, and designated infill areas.
5. Review and update the development standards to include strategies and provisions that encourage affordable housing and provide housing for special needs populations, such as mixed-use development, congregate care facilities, retirement homes, accessory dwelling units, and inclusionary zoning.
6. Review the land use permitting process to ensure continued efficiencies in an attempt to not significantly add to development costs.