

2026 Legislative Session Recap for Medina

Presenter: Sophie Glass, ARCH

May 11, 2026

1

ARCH Priority 1: Increase funding for affordable housing at the state and local levels

1A: Provide local revenue options to support affordable housing (such as a graduated local Real Estate Excise Tax)

1B: Encourage state investments and provide funding incentives for local jurisdictions to promote affordable housing (such as expanding the HB 1406 state sales tax credit)

2

ARCH Priority 2: Continue to reduce barriers and support local efforts to build more affordable housing faster

2A: Establish development and tax incentives to support affordable rental and ownership housing on properties owned by religious organizations

2B: Support other policies that expand access to land for a range of affordable housing types (such as surplus property policies)



General Policy Positions

- ARCH supports policies and continued state assistance that ensure strong local affordable housing projects, plans, and programs (such as the Multifamily Tax Exemption and inclusionary policies).
- ARCH recognizes the importance of maintaining the existing stock of affordable housing in East King County and protecting prior investments

CITY COUNCIL

2026 Legislative Priorities

Agendas & Minutes

Council Finance Committee

Council Personnel Committee

Council Priorities

City Council - Legislative Priorities 2026

CONTACT INFORMATION

To email the entire City Council:
Council@medina-wa.gov

[VIEW FULL CONTACT DETAILS](#)

Effective, equitable partnership with WSDOT

Medina is a vital gateway connecting Seattle to the Eastside regional economic hub of technology sector, healthcare, and other major employers via the SR520 multimodal transportation system serving transit, cyclists, pedestrians, and cars. Three significant, ongoing, unresolved issues require

The City of Medina endorses the Legislative priorities of:

- ARCH – A Regional Coalition for Housing**
- AWC – The Association of Washington Cities**
- ETP – Eastside Transportation Partnership**
- SCA – Sound Cities Association**

UPCOMING EVENTS

City Council Special Meeting
Council Vacancy Interview
05/11/2026 - 2:00pm

City Council Regular Meeting
05/11/2026 - 6:00pm

City Council Retreat

Thank you!

commitment to the SR520 Project's unresolved impact mitigation through both policy directives and appropriations.

Balancing the impact of legislative policy goals on cities

In recent sessions, the Legislature has advanced and initiatives on statewide priorities such as housing, affordability, and environmental protection. However, cities face growing challenges as these policies are developed and implemented in isolation – along with other unfunded mandates – which require equal consideration of cumulative and conflicting impacts.

As a result, cities face a number of challenges:

- Require additional state and local funding to comply with higher density mandates;
- Address housing affordability while State agencies raise regulatory thresholds on wastewater treatment, increasing financial burdens on utility rate payers.

These overlapping policies create tension between affordability, capacity, and environmental quality.

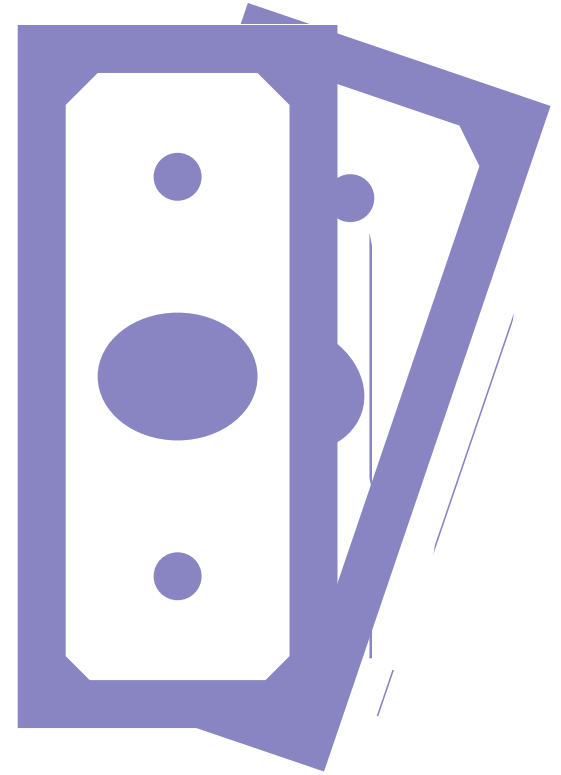


The image shows the Oregon State Capitol building, a large neoclassical structure with a prominent dome, situated on a hill. The building is surrounded by dense green trees. In the foreground, there is a park area with several people sitting on benches and picnic tables near a body of water. The word "Policy" is overlaid in large, white, sans-serif font across the center of the image.

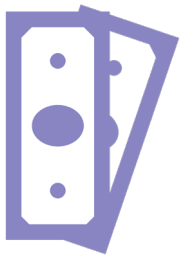
Policy

2026 Legislative Priority #1A

1A: Provide local revenue options to support affordable housing (such as a graduated local Real Estate Excise Tax)



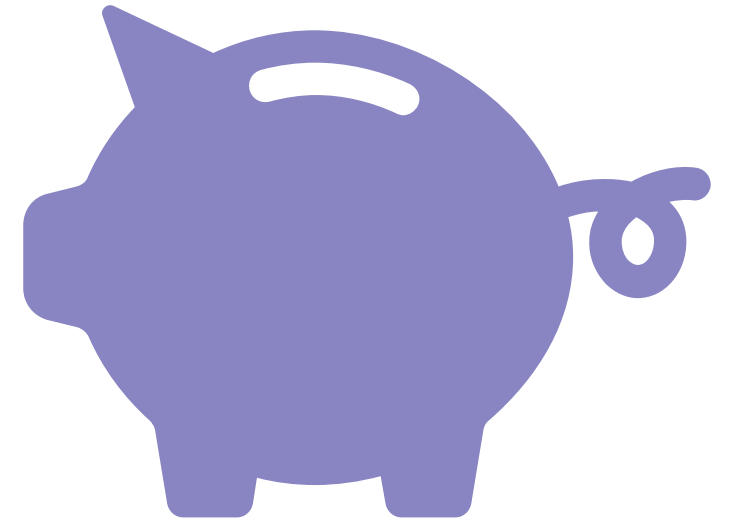
2026 Legislative Priority #1A: Bills



Bill	Name	Status
HB 1867 (Ramel) Companion <u>HB 2559</u>	Local Real Estate Excise Tax (REET) for affordable housing	Did not pass
SB 5576 (Lovelett) Companion <u>HB 1763</u>	Local tax on short-term rentals (e.g. AirBnB)	Did not pass
HB 2442 (Berg) Companion <u>SB 6294</u>	Providing local governments tax resources and fund flexibility, including 1590 funds and 1406 funds.	Passed!
SB 6027 (Alvarado) Companion <u>HB 2359</u>	<i>Allowing for flexibility for use of HB 1590 and 1406 funds + Affordable Housing for All Account.</i>	<i>Folded into HB 2442</i>
HB 1717 (Leavitt) Companion <u>SB 5591</u>	Creating a sales and use tax remittance program for affordable housing.	Did not pass

2026 Legislative Priority #1B

1B: Encourage state investments and provide funding incentives for local jurisdictions to promote affordable housing (such as expanding the HB 1406 state sales tax credit)



2026 Legislative Priority #1B: Bills



Bill	Name	Status
<u>HB 1808</u> (Zahn)	Revolving loan fund for affordable homeownership	Did not pass.
<u>SB 6028</u> (Alvarado)	Revolving loan fund for mixed income affordable homeownership, including private developers	Did not pass.
<u>SB 6256</u> (Slatter)	Aligns property tax exemptions with WA's affordable housing & transit oriented development priorities	Did not pass.

2026 Legislative Priority #2A

2A: Establish development and tax incentives to support affordable rental and ownership housing on properties owned by religious organizations



2026 Legislative Priority #2A: Bills



Bill	Name	Status
HB 1859 (Salahuddin) Companion <u>SB 5885</u>	Affordable housing on faith owned land	Passed!

SB 5885 – Faith Owned Land (Redmond Mayor Birney)



Senate Housing

01/14/26 11:11:03 AM

January 14, 2026, 10:30 am - Senate Hearing Rm 4 and Virtual

co of a smart access system in a residential property subject to the resident



LIVE



HB 1859 – Faith Owned Land (Bellevue Councilmember Robinson)

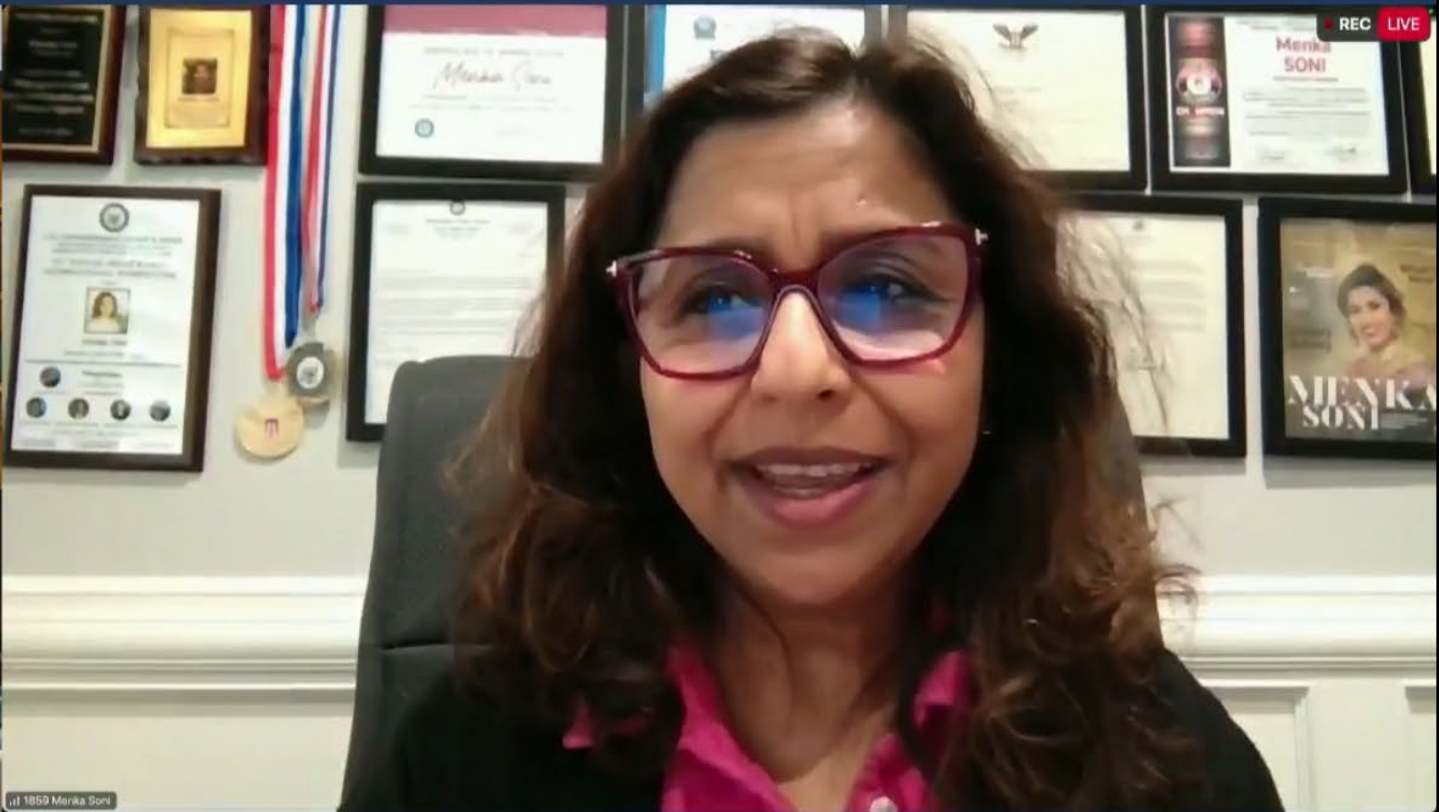


Senate Housing 02/20/26 11:23:18 AM

February 20, 2026, 10:30 am - Senate Hearing Rm 4 and Virtual
morning social housing public development authorities. • SHB 2269 •



HB 1859 – Faith Owned Land (Redmond Councilmember Soni)



Senate Housing

02/20/26 11:16:39 AM

February 20, 2026, 10:30 am - Senate Hearing Rm 4 and Virtual
Subject to an express warranty of quality and express warranty insurance cov



HB 1859 – Faith Owned Land (Bellevue Deputy Mayor Hamilton)



House Finance

01/15/26 02:32:53 PM

January 15, 2026, 1:30 pm - House Hearing Rm A and Virtual
Public Hearing - HB 1717: Creating a sales and use tax remittance program fo





2SHB 1859 HOUSING DEV./RELIGIOUS ORGS.

3/9/26

**GOVERNOR'S CONFERENCE ROOM, CAPITOL CAMPUS, OLYMPIA
FOR MORE INFORMATION VISIT GOVERNOR.WA.GOV
GOVERNOR BOB FERGUSON BILL SIGNING**



Represent Salahuddin, who's the prime sponsor

2026 Legislative Priority #2B

2B: Support other policies that expand access to land for a range of affordable housing types (such as surplus property policies)



2026 Legislative Priority #2B: Bills

Bill	Name	Status
HB 1974 (Hill) Companion <u>SB 6214</u>	Establishing land banking authorities	Passed!

General Policy Principle 1

ARCH supports policies and continued state assistance that ensure strong local affordable housing projects, plans, and programs (such as the Multifamily Tax Exemption and inclusionary policies).

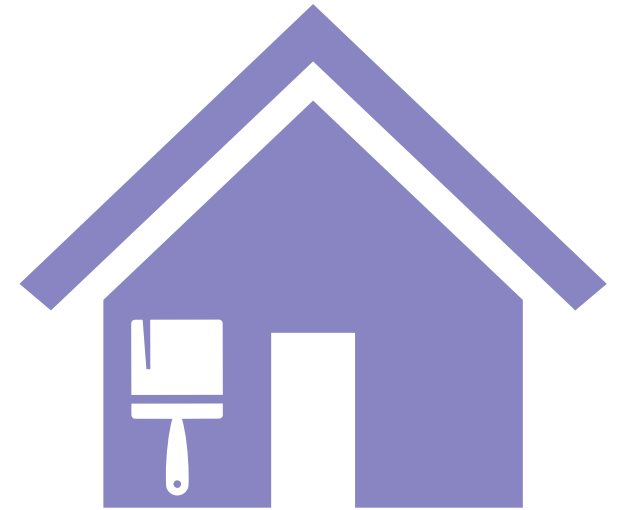


General Policy Principle 1: Bills

Bill	Name	Status
SB 6026 (Alvarado) Companion <u>HB 2480</u>	Concerning residential development in commercial and mixed-use zones.	Passed

General Policy Principle 2

ARCH recognizes the importance of maintaining the existing stock of affordable housing in East King County and protecting prior investments.



General Policy Principle 2: Bills

Bill	Name	Status
SB 6167 (Goehner) Companion HB 2153	Prohibiting homebuyers from receiving multiple state-funded down payment assistance loans or grants.	Did not pass. ARCH opposed this bill.

Summary of ARCH Priority Successful Bills

- **Local funding flexibility**

HB 2442



- **Faith owned land**

HB 1859



- **Commercial rezoning**

SB 6026



- **Land banking**

HB 1974



Other Housing Bills

- **Local Permitting Changes**

HB 2418



- **Stacked Flats Condo Insurance Reform**

HB 2304



- **Permanent Supportive Housing Siting**

HB 2266



Budgets

The image features a large, white, sans-serif text overlay reading "Budgets" centered across the middle. The background is a scenic photograph of the Oregon State Capitol building, a grand neoclassical structure with a prominent dome, situated on a hill. The foreground shows a park with several people sitting on benches and picnic tables near a body of water, with tall evergreen trees in the distance under a clear sky.

Supplemental Capital Budget

Fund Name	Final Supplemental Capital Budget
Housing Trust Fund - Total	\$123,386,000
Multifamily rental	\$50,000,000
PSH Apple Health & Homes	\$(57,000,000)
Affordable homeownership	\$55,000,000
Preservation	\$40,000,000
Farmworker housing	\$8,300,000
Urgent repair fund	\$5,000,000
Project-specific allocations	\$23,836,000

Supplemental Operating Budget

Program	Amount
Permanent Supportive Housing/ Continuum of Care	\$15,000,000