STAFF REPORT

Date: October 21, 2026
To: General Government Committee
From: Brad Medrud, Community Development Director

Ordinance No. O2026-017 – MFTE Application Deadline Extension

1. Recommended Action

Conduct a briefing to discuss the Planning Commission's recommendation on Ordinance No. O2026-017, Multifamily Housing Tax Exemption Application Deadline Extension, and then place the ordinance on the November 2, 2026, City Council consent calendar with a recommendation to adopt.

2. Background

The intent of the ordinance is to amend Tumwater Municipal Code (TMC) 3.30.130, *Application deadline and program expiration*, of TMC Chapter 3.30, *Multifamily Housing Tax Exemptions*, to extend the program deadlines to allow time for the City Council and staff to complete work on the Multifamily Tax Exemption Program evaluation and update that started earlier this year.

3. Public Approval Process

An Environmental Checklist for a non-project action was prepared on August 28, 2026, under the State Environmental Policy Act (Chapter 43.21C RCW), pursuant to Chapter 197-11 WAC, and a Determination of Non-Significance was issued September 9, 2026.

The ordinance was sent to the Washington State Department of Commerce on August 28, 2026, for their required 60-day review before the proposed text amendments are adopted, in accordance with RCW 36.70A.106.

The Planning Commission received a briefing on the proposed amendments on September 22, 2026.

A Notice of Public Hearing for the Planning Commission was issued on September 25, 2026, prior to a public hearing. The notice was posted, published as a press release, distributed to interested individuals and entities that have requested such notices, and published in The Olympian.

The Planning Commission held a public hearing on the proposed amendments on October 13, 2026. Following the public hearing and deliberations, the Planning Commission recommended that City Council consider the proposed amendments.

The General Government Committee is scheduled to review the Planning Commission's recommendation on the proposed amendments on October 21, 2026. The City Council is scheduled to consider the proposed amendments on November 2, 2026.

4. Staff Conclusions

1. The proposed text amendments will need to be consistent with the goals of the Washington State Growth Management Act.

   a. The ordinance will need to be consistent with Goal 4 of the Growth Management Act which states:

      Housing. *Plan for and accommodate housing affordable to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.*

      The ordinance will address the following goal and policy of the Housing Element:

      Goal H-2 *Expand the supply of permanent, income-restricted affordable housing.*

      Policy H-2.1 *Support permanent, income-restricted affordable housing in variety of locations, types, and designs that is safe, and near jobs and daily activities.*

   b. This ordinance will need to be consistent with Goal 11 of the Growth Management Act which states:

      Citizen participation and coordination. *Encourage the involvement of citizens in the planning process, including the participation of vulnerable populations and overburdened communities, and ensure coordination between communities and jurisdictions to reconcile conflicts.*

      Consideration of the ordinance will involve the community in the planning process through Planning Commission and City Council meetings to address the following goal of the Comprehensive Plan:

      Goal PI-1 *Continuously engage with the community and the region.*

2. Based on the above review and analysis, staff will need to conclude that the proposed text amendments are consistent with the requirements of the Washington State Growth Management Act and the Tumwater Comprehensive Plan.

   Staff conclude that the proposed text amendments are consistent with the requirements of the Washington State Growth Management Act and the Tumwater Comprehensive Plan

5. Effects of the Proposed Amendments

The proposed text amendments would necessitate changes to the Tumwater Municipal Code.

6. Staff Contacts

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