Multifamily Housing Tax Exemptions: Extension of Program Deadlines

Ordinance No. O2026-017

CITY OF TUMWATER

General Government Committee Briefing, October 21, 2026

Background

The intent of the ordinance is to amend Chapter 3.30, Multifamily Housing Tax Exemptions, of the Tumwater Municipal Code to extend the program deadlines to provide time for City Council and staff to complete the work on the Multifamily Tax Exemption Program evaluation and update

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Background

- The review of the program is expected to be completed in early 2027 and potential amendments to the program are expected in 2027
- The City is currently working with ECONorthwest to review City's existing Multifamily Housing Tax Exemptions program to determine if it is providing its intended outcomes

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Background

- Under current regulations, applications for new projects under the Multifamily Housing Tax Exemptions program will no long be accepted after the end of the year
- Aside from extending deadlines for the program, the ordinance does not make any other changes to the existing program

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Amendments to TMC 3.30.130

TMC 3.30.130, *Application deadline and program expiration*, is amended as follows:

A. Applications for the multifamily housing tax exemption program will not be accepted after December 31, 202~~6~~7. Applications for final certificate of tax exemption will not be accepted after December 31, 20~~29~~30.

B. The multifamily housing tax exemption program, this chapter, shall expire March 31, 204~~2~~3.

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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

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Next Steps

State Environmental Protection Act

- SEPA Checklist was completed August 28, 2026
- Determination of Non-significance was issued September 9, 2026
- Determination Appeal Period ended September 29, 2026

Notice of Intent

- Notice of Intent was submitted to Commerce on August 28, 2026
- Comment Period will end on October 28, 2026

City Council

- General Government Committee October 21, 2026
- Consideration November 2, 2026

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