



2026 Development Code Update

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Background



On December 16, 2025, Tumwater adopted the 2025 Comprehensive Plan and the first round of State-required municipal code updates.



By June 30, 2026, a second round of State-required municipal code updates is required.

Code Updates (Required by June 2026)

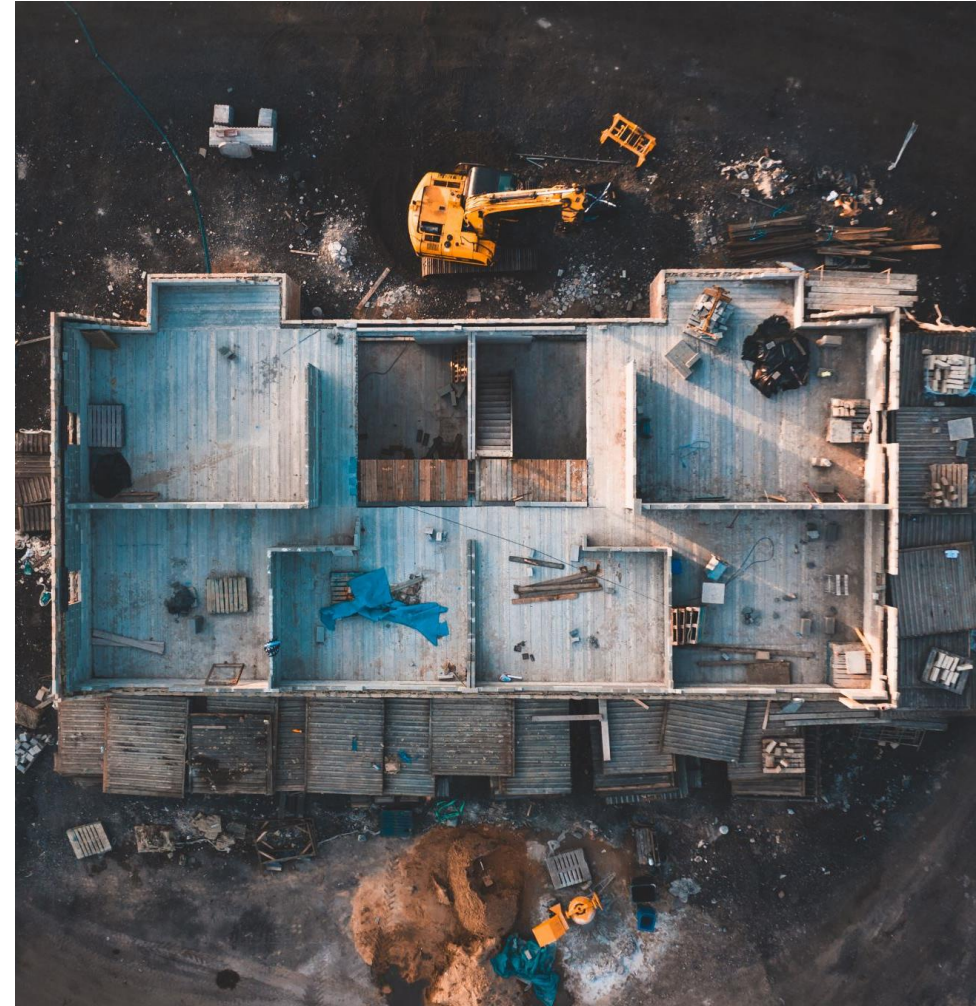
1. Allow reuse of existing buildings for housing.
2. Reduce barriers to adaptive reuse and housing production.
3. Create proportionate impact fees.
4. Implement impact fees for low income and emergency housing.
5. Clarify essential public facilities requirements.
6. Support diverse land uses adjacent to natural resource lands.
7. Clarify Highways of Statewide Significance.
8. Update SEPA processes to support timely housing development.



Reuse of Existing Buildings for Housing

ESHB 1042 as amended HB 1757 (2025)

- Allows reuse of existing commercial, industrial, and institutional buildings for housing.
- Allows up to a 50% density increase in multifamily zones.
- Sets standards for design, energy code, and parking.



Reducing Barriers to Adaptive Reuse and Housing Production

HB 1183 (2025)

- Allows flexibility in setbacks, height, and gross floor area requirements when converting existing buildings to housing or other uses.
- Updates parking and affordable housing size requirements.
- Allows increased density in multifamily zones.
- Limits new design and exterior appearance requirements.



Proportionate Impact Fees

SB 5258 (2023)

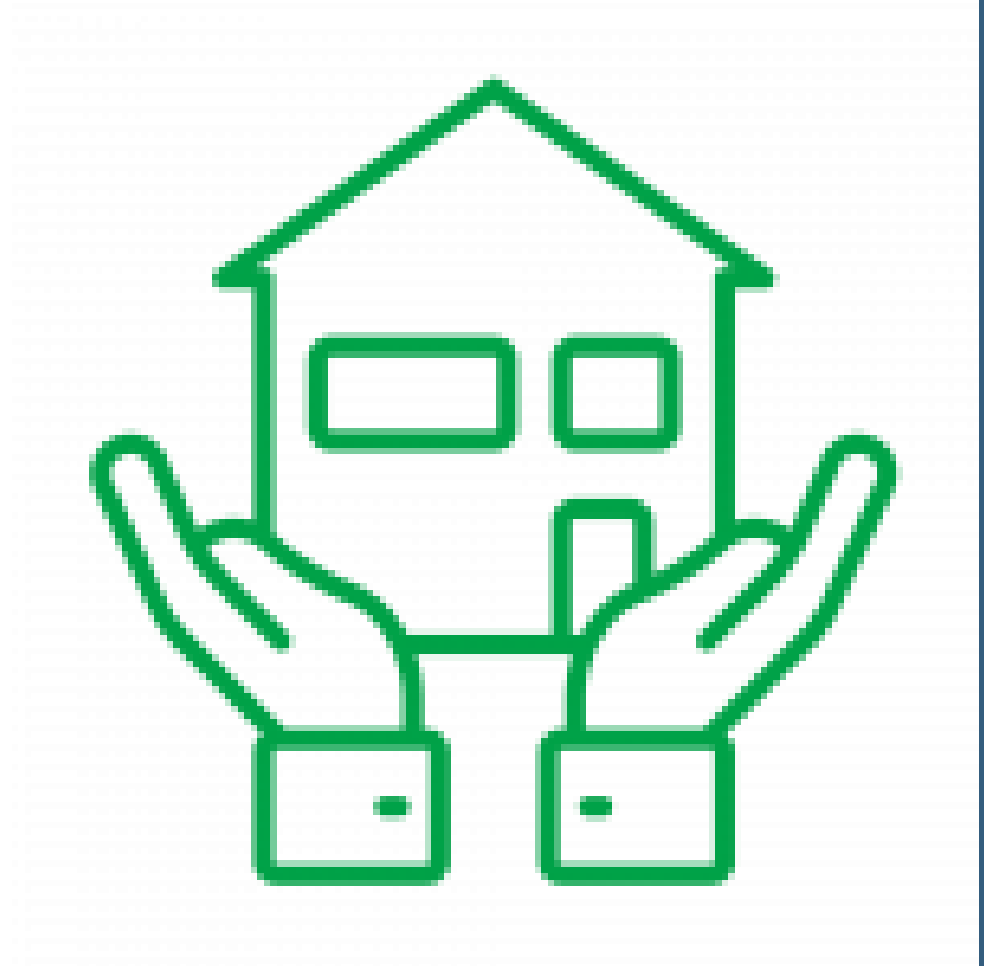
- Updates impact fees so smaller middle housing units pay less than single family units.
- Requires jurisdictions to document the methodology and calculations used to set for impact fees.
- Updates impact fee provisions for low income & emergency housing RCW 82.02.060 (revised 2023).
- Includes reduced impact fees for early learning facilities.



Impact Fees for Low-Income & Emergency Housing

RCW 82.02.060; RCW 82.02.090(1)(b)
(as amended 2023)

- Authorizes impact fee exemptions for low-income housing and emergency housing
- Updates statutory definitions related to eligible housing types
- Allows local jurisdictions to adopt or revise impact fee programs to implement these exemptions



Essential Public Facilities

2E2SSB 5536 (2023)

- Updates definition of Essential Public Facility to include: Opioid treatment programs (OTPs), mobile or fixed-site medication units within OTPs, recovery residences, and harm reduction programs including syringe service programs.
- Requires these facilities follow same permitting process as other essential public facilities.



Use of Lands Adjacent to Natural Resource Lands

RCW 36.70A.060(1)(a); WAC 365-190-040 (as amended 2023)

- Requires local regulations to limit conflicts between development and resource lands
- Encourages buffers, setbacks, and compatible land uses near designated resource areas
- Supports continued viability of working lands while allowing appropriate nearby development



Highways of Statewide Significance



RCW 36.70A.070(6)(a)(iii)(C) (as amended 2025)

- Exempts state highways (e.g., I-5 and other designated routes) from local transportation concurrency requirements
- Clarifies that WSDOT, not cities, is responsible for managing capacity and mobility on these highways
- Prevents development delays caused by local concurrency standards outside local control

SEPA Updates to Support Timely Housing Development

SSB 5818/2SSB 5412 (as amended 2023)

- Authorizes SEPA categorical exemptions for housing in Urban Growth Areas
- Expands exemptions for attached, multifamily, and mixed-use development
- Requires upfront environmental review when adopting higher exemptions
- Maintains SEPA review for projects affecting critical areas



State Required Code Amendments (Not Required by June 2026)

Unit Lot Subdivisions



Childcare Centers



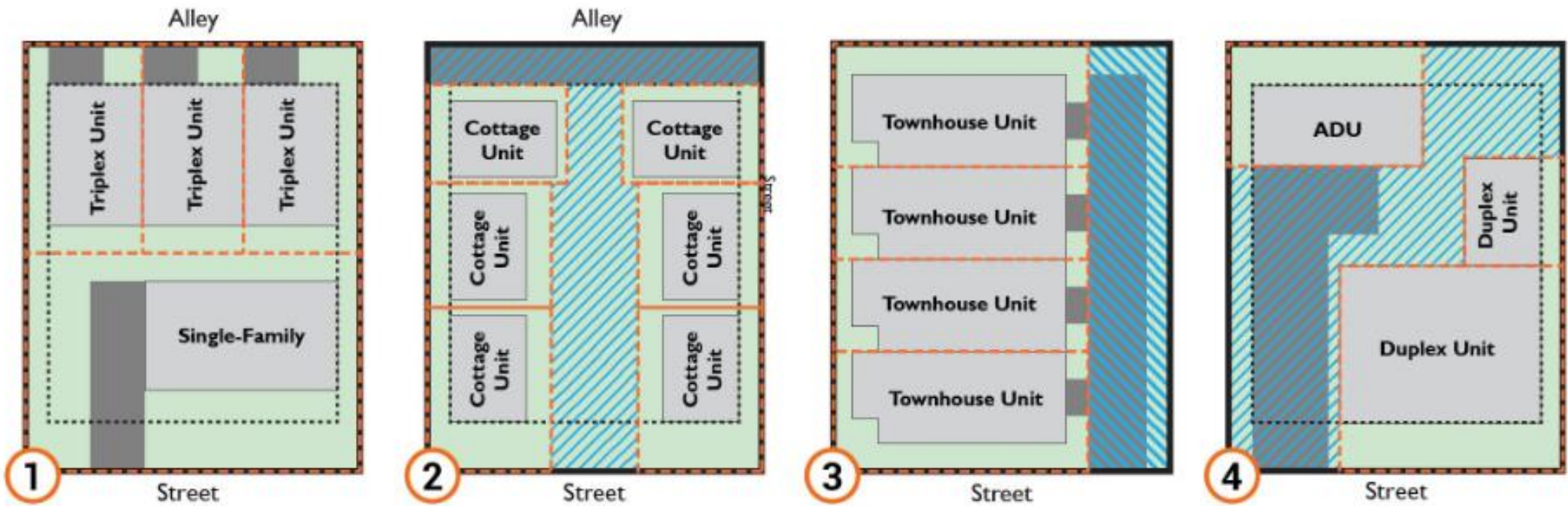
Unit Lot Subdivisions

ESSB 5258 (2023) as amended by
E2SHB 1096 (2025)

- Unit lot subdivisions allow multiple housing units on one property to be divided into individual lots, so each unit can be sold separately (fee simple ownership).
- Must be processed as a short plat.
- Dimensional standards (lot size and width) apply to the parent lot, not the individual lots.
- Required May 20, 2027



Unit Lot Subdivision Examples



- Parent Lot
- Unit Lot
- Owned in Common
- Parent Lot Setbacks
- Driveway/ Parking

Child Care Centers — Zoning

SB 5509 (2025)

- Requires cities to allow child care centers as outright permitted uses in all zones except industrial and light industrial zones
- Requires conditional use approval for on-site child care centers in industrial and light industrial zones (with limited exceptions)
- Allows the conversion of existing buildings for use as child care centers
- Required by July 27, 2027



City-Sponsored Code Updates (No State Deadline)

- Citywide Design Guidelines (Appendix A): update base maps.
- Data Centers
- Battery Energy Storage Systems: add definitions and establish a permit process
- RV/Boat Storage: add definitions
- Impact Fee Study for Bicycle and Pedestrian Facilities (SB 5452 amended RCW 82.02.090)



Review Criteria



Initiated by Planning
Commission or City
Council



Internal and
External Consistency

Next Steps (Anticipated Timelines)



Thank you!

Comments and questions:

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