MEMORANDUM

Date: October 20, 2026
To: City Council
From: Kelly Adams, Assistant City Administrator

Purpose

This memorandum contains the official recommendation of the Tumwater Equity Commission for the City Council regarding draft Ordinance O2026-004. As requested by Council, the Commission reviewed the ordinance language, received analysis from staff, received public comment, and created a unified recommendation.

Timeline of Recommendation Development

- **July 21, 2026** - the City Council asked the Equity Commission to review proposed Ordinance O2026-004 and provide feedback on its potential equity impacts.
- **August 10, 2026** - the Equity Commission met and staff provided a presentation about the draft ordinance where Equity Commissioners posed initial questions. The Commission requested more information from staff.
- **September 17, 2026** - the Equity Commission moved to develop recommendations for making the proposed Home Energy Score Ordinance more equitable. The Commission agreed to send staff individual recommendations for synthesis into a report.
- **October 12, 2026** - the Equity Commission finalized the recommendation for Council.

Recommendation Themes

Six common themes emerged from the Commissioner's work:

1. Make the assessment affordable
2. Guard against investor purchases and loss of home equity
3. Connect scores to improvement assistance
4. Monitor equity outcomes and adjust the program
5. Language access and accessibility

6. Include renters

Recommendation to City Council

At their October 12, 2026, meeting, the Tumwater Equity Commission recommended that Ordinance O2026-004 include the following equity safeguards:

A. Ordinance amendments (for immediate recommendation to Council)

1. **Mitigate negative impacts of assessment cost on vulnerable sellers.**
    - Sellers at or below 80% of Area Median Income (AMI), including those selling an estate or under hardship, receive a fully subsidized assessment.
    - If subsidy funds run out, qualifying sellers may receive a hardship waiver. Waivers remain the exception, not a substitute for the assessment.
    - Adequately fund the needs created for vulnerable sellers.
2. **Publish an annual equity report.**

    Staff reports annually to the Equity Commission and Council, beginning one year after the effective date. The report covers subsidy and waiver use by income level, wait times and costs, complaints, scores by neighborhood, and purchases of low-scoring homes by corporate or investor buyers using County Assessor data.
3. **Improve accessibility of program materials before the effective date.** Ensure that program materials are written in plain language and translated into the languages most commonly spoken in Tumwater. Subsidy, deferral, and waiver applications are available online, on printed paper, by phone, and in person.

B. Implementation commitments (for future consideration, if Ordinance is adopted)

4. **Ensure that every score comes with a path to help.** Each scorecard lists the assistance programs that may apply, the steps to apply, and, where data allow, the estimated cost of improvements after available incentives. Homes scoring 1 through 4 are referred to Community Action Council weatherization, Puget Sound Energy programs, and the local Home Electrification and Appliance Rebates (HEAR) rebate administrator. The City favors programs that pay contractors directly so low-income owners do not front costs.
5. **Measure success by improvements, not scores issued.** The annual report tracks improvements completed, assistance used, and where measurable, changes in energy costs for income-qualified households, if the data is available. The City also explores using aggregated score data with Energize Thurston to negotiate group pricing on common improvements.

C. Further Council direction (for future programmatic consideration)

6. **Renters.** Direct staff to develop a separate renter strategy that shares energy-cost information with the 43% of households who rent, with protections against improvement costs being passed through as higher rent.