

TO: Equity Commission
FROM: Kelly Adams, Assistant City Administrator
DATE: August 10, 2026
SUBJECT: City Council Request: Home Energy Score Ordinance Review

1) Recommended Action:

Provide a recommendation to the City Council on the potential unintended consequences of draft Ordinance O2026-004-S1 Residential Energy Performance Rating and Disclosure.

2) Background:

At its July 21, 2026 meeting, the City Council asked the Equity Commission to review proposed Ordinance O2026-004-S1 and provide feedback on its potential equity impacts, benefits, and concerns. The Tumwater Equity Commission aims to foster a welcoming and inclusive community by promoting equitable City services, programs, and facilities. The Commission seeks to increase participation from underrepresented community members and identifies barriers that may limit full engagement in local government and public policy. It advises the City Council on policies, practices, and initiatives that advance equity and improve access to City services.

In March 2024, the City Council authorized the Mayor to enter into an Interlocal Agreement to implement the 2024 Thurston Climate Mitigation Collaborative (TCMC) Regional Initiatives. One initiative was to develop a regional model Home Energy Score ordinance, which would require disclosure of home energy performance when residential properties are listed for sale. In 2026, both Thurston County and the City of Olympia adopted versions of this ordinance. The Tumwater City Council later discussed the concept in work sessions and considered Ordinance O2026-004-S1 during a regular meetings.

The proposed ordinance would create a Residential Energy Performance Rating and Disclosure Program. Sellers of residential properties would be required to obtain a Home Energy Score and share it with prospective buyers. The Home Energy Score, developed by the U.S. Department of Energy, provides a standardized rating of a home's energy efficiency and highlights opportunities for improvement. The ordinance would require information disclosure only; it would not mandate any energy-efficiency upgrades by homeowners or buyers.

During Council discussions, members shared different perspectives on the proposal. Supporters argued that standardized energy information could improve transparency in real estate transactions, help homebuyers understand potential energy costs, and advance community sustainability and climate goals. Others raised concerns about the potential costs of obtaining a Home Energy Score, impacts on housing affordability and home sales, and whether the program's benefits would outweigh its administrative and financial burdens. Councilmembers also considered whether the requirement could disproportionately affect lower-income households, first-time homebuyers, owners of older homes, or other populations who might face barriers in the disclosure process.

Recognizing the Equity Commission's responsibility to assess the impacts of City policies on diverse community members, the City Council asked the Commission to review the

proposed ordinance and provide recommendations within 60 days. The Council plans to consider this feedback as part of its broader evaluation of Ordinance O2026-004-S1 and expects to receive the Commission's input within 90 days.

3) Alternatives:

- ☐ Do not provide a recommendation. Ask Council for more clarification.
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4) Attachments:

- A. Draft Ordinance O2026-004