

AGENDA
GIG HARBOR CITY COUNCIL STUDY SESSION
Thursday, August 13, 2026 - 3:00 PM
Community Rooms

This meeting may also be accessed through Zoom at <https://zoom.us/j/93216056382> or by calling (253) 215-8782 and entering Meeting ID 932 1605 6382.

CALL TO ORDER/ROLL CALL

DISCUSSION ITEMS

- 1. Visit Gig Harbor Tourism Update**
- 2. Wildfire Preparedness and Preparation Presentation**
- 3. Introductory Discussion of a Judson Subarea Plan**
 - a. Staff Report: Community Development Director Eric Baker
 - b. Clarifying Questions
 - c. Public Comment
 - d. Council Deliberation and Direction
- 4. Discussion of Multi-Family Tax Exemption (MFTE) Program**
 - a. Staff Presentation: Housing, Health, and Human Services Program Manager Shealynn Smiley and Community Development Director Eric Baker
 - b. Council Questions and Discussion
 - c. Public Comment
 - d. Council Deliberation and Direction

ADJOURN

PUBLIC COMMENT & DECORUM

PUBLIC COMMENT & DECORUM

The city council wants to hear from the public as much as possible. However, the business of the city must proceed in an orderly, timely manner. The primary purpose of council meetings is to conduct the city's business so we have created a variety of ways the community can make their voices heard. Monday city council meetings are just one opportunity. These guidelines are designed to make sure every person who wants to be heard has both the opportunity to be heard and feels welcome to do so.

We receive comments three ways:

1. During council meetings
2. During council study sessions.
3. Email mayorandcouncil@gigharborwa.gov at any time about any issue. This email goes to the elected officials and leadership at the city.

Public Comment at City Council Study Sessions

We welcome comment at Council study sessions following the staff report and clarifying questions of each discussion item. Comments must be related to the discussion item at hand.

When the mayor calls for public comment, please come forward to the table (or raise your hand on Zoom). When it's your turn, we'll ask you to tell us your name and connection to the issue you want to discuss. You'll then have a maximum of two minutes to speak.

Unfortunately, this isn't a time for dialogue, but a staff person or councilmember may be available to talk with you at a break or after the meeting.

Additional guidelines

- Anyone making "out of order" comments may be subject to removal from the meeting.
- Please address your remarks to the city council as a body and not to any specific individual.
- Please be courteous and not engage in derogatory remarks or insinuations.
- No demonstrations, including clapping, are allowed.

Email

You are welcome to email the mayor and councilmembers about any issue facing the city by writing to the address above. Do remember that council sets the policy direction while city departments execute those decisions. A series of online reporting tools might help you resolve an issue more quickly so check them out too: <https://www.gigharborwa.gov/146/Submit>

AMERICANS WITH DISABILITIES (ADA) ACCOMMODATIONS

ADA accommodations can be provided upon request. Those requiring special accommodations should contact the city clerk at cityclerk@gigharborwa.gov or (253) 853-7613 at least 24 hours prior to the meeting.

7/31/2026

Tiffany Aliment, City Clerk
City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335

Subject: Quarterly Report – Tourism Marketing Activity and Performance Overview Q2-2026

Dear Tiffany,

We are pleased to provide you with the quarterly report summarizing the activities, projects, and programs completed by Gig Harbor Chamber of Commerce during April-June (Q2-2026), along with related financial data, partnerships, publicity materials, and other relevant information.

Overview of Activities and Achievements:

The following is a general overview of the visitation within Gig Harbor for Q2, specifically looking at visitors 50+ miles away. Here are some key takeaways and a general overview based on the data set.

Visitor Metrics:

- Gig Harbor saw a total of 281,409 trips, with an average stay of 2.0 days.
- There were 551,813 visitor days in this quarter.

Visitor Origin:

- Most visitors continued to come from out of state as well as in state with a split of 36.25% in state visitation and 63.75% coming from out of state.
- We saw an uptick in visitation for Q2 compared to the previous Q1 2026 which is trending in the right direction.

Travel Behavior:

- The length of stay is trending with longer stays and spending was higher. **Economic Impact:**
- Seattle-Tacoma, Portland, Spokane, Yakima-Pasco-Richland, and Los Angeles were the top five markets for trips and the top five for spending, in Q2 were Washington (24.62%), California (15.42%), Oregon (7.14%) Arizona (5.61%), and Texas at (5.31%).

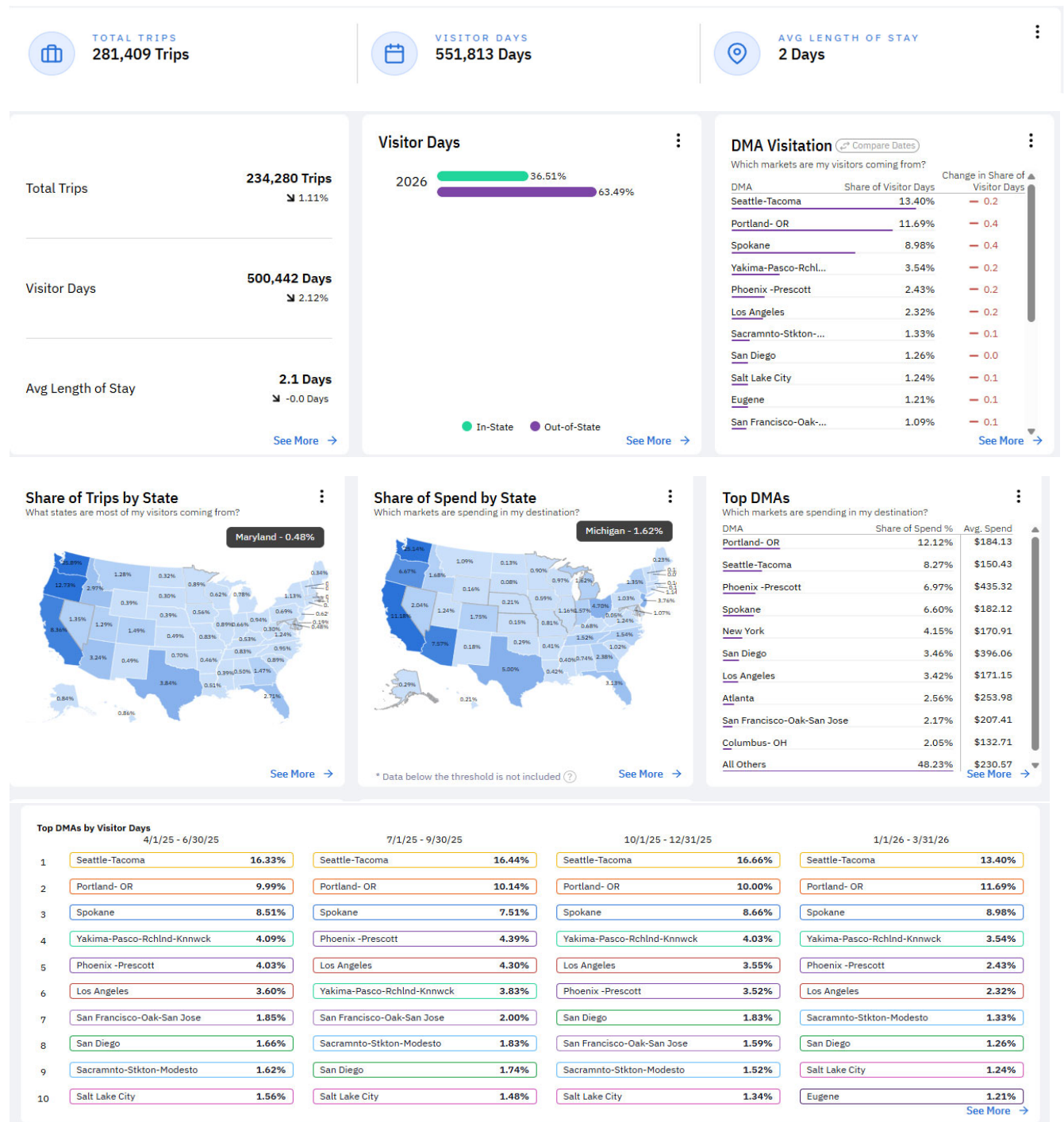
Demographics:

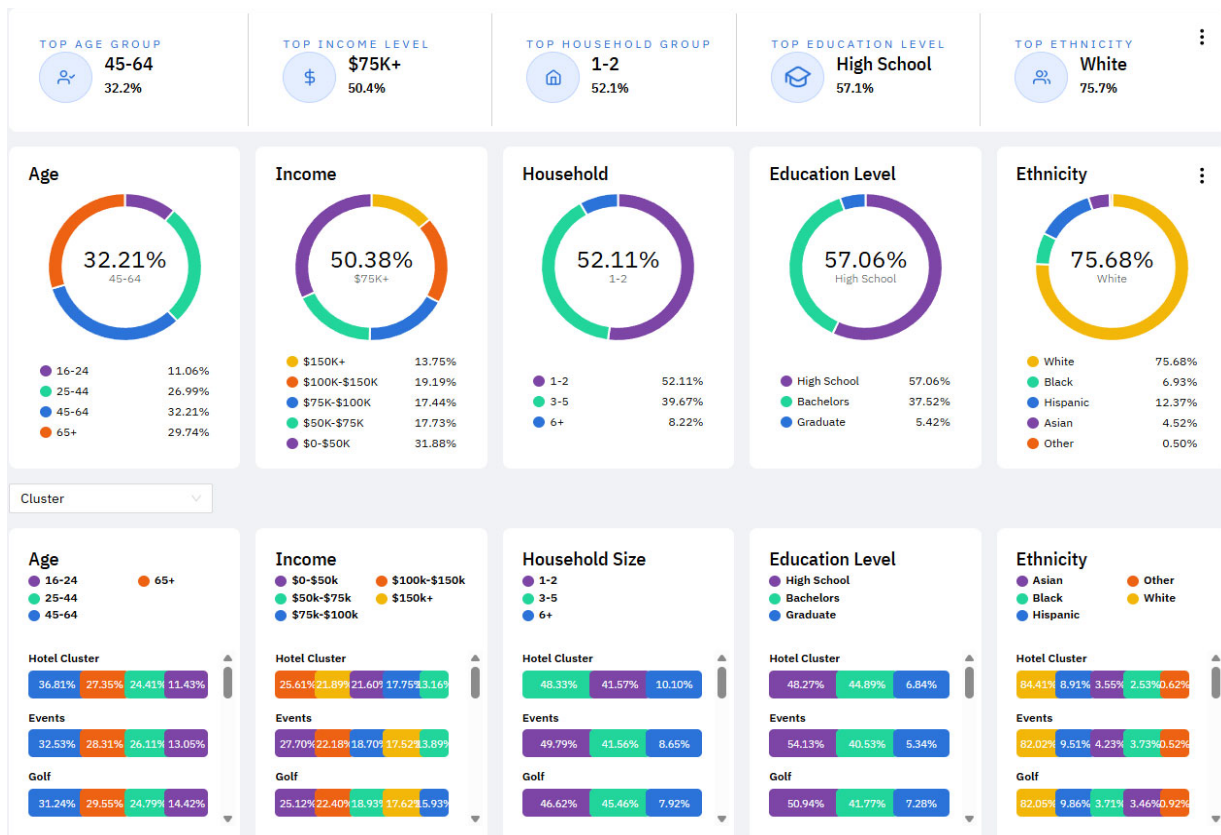
- There was consistency with the largest visitor age group of 45-64 years (32.21%), and the most common household size is 1-2 persons (52.11%).

- The primary education level of visitors is high school (57.06%), with most visitors being of White ethnicity (75.68%).

Overview of the Collected Data

The data spans various dimensions of tourism including demographics, duration of stay, economic impact, and visitor origin. It highlights both the geographic spread of visitors and their economic contribution to the region. The detailed monthly breakdowns, comparison with previous years, and categorization by type of visit provide a comprehensive view of how tourism is evolving in Gig Harbor. We will continue to skew our advertising efforts to increase occupancy rates for our hoteliers.





Visit Gig Harbor continued to build on the momentum established during the first quarter of 2026, advancing destination marketing, visitor engagement, event development, research, and strategic partnerships from April 1 through June 30.

A major highlight of the quarter was the successful production of two signature community events. The second annual Fools Run 5K recorded 440 registered participants. Spectator attendance was not measured and is therefore not included in the reported total. The Maritime Gig Festival welcomed an estimated 18,015 attendees. Both events were supported through strong partnerships among local government, community organizations, businesses, sponsors, volunteers, and tourism partners.

Datafy research provided additional insight into the economic value generated by these events. The Maritime Gig Festival produced an estimated \$1,521,569.53 in downtown spending during the event period, with an average daily visitor spend of \$84.46. Using the confirmed registration count of 440 participants, the Fools Run generated an estimated \$52,795.98 in downtown spending, with an average daily spend of \$119.99. Because spectators were not measured, the Fools Run's total attendance and economic impact may have been higher than the figures reported. These findings demonstrate how community events contribute to local economic activity while attracting participants and visitors from local, regional, and out-of-state markets. It is important to note that these signature events do not take lodging tax funds and are showcased the events & festivals page of our website.

Distribution of the redesigned 2026 Visitor and Relocation Guide continued throughout the quarter. Although more than half of the original inventory remains available, racks throughout the community are consistently emptied and require regular refilling. Visit Gig Harbor continues to monitor distribution closely and currently anticipates that the guide may be fully distributed by the middle of the fourth quarter. The sustained demand reflects continued engagement from visitors, residents, local businesses, lodging partners, and regional distribution locations.

Visit Gig Harbor also secured a \$12,500 Tourism Marketing Support Program award from the Port of Seattle after requesting \$20,000. The funding will support the development of fall seasonal photography and video, addressing an important gap in the destination's existing asset library. These new assets will strengthen year-round storytelling and support future advertising, media outreach, website content, social media, and partner marketing.

Additional exposure was generated through the Port of Seattle's responsible travel campaign. An image featuring Precious Collective, a small boutique retailer located in Uptown Gig Harbor, was selected from the Visit Gig Harbor photo library for inclusion in airport advertising placements. The image, photographed by Wyatt Taylor, provides an opportunity to introduce travelers passing through Seattle-Tacoma International Airport to Gig Harbor and one of its local businesses.

Gig Harbor also received significant national media recognition during the quarter. WorldAtlas included the destination in its May 14 article, "13 Best Small Towns in the Pacific Northwest for Retirees," highlighting the waterfront, community amenities, and quality of life. On June 20, Travel + Leisure named Gig Harbor one of the "11 Best Small Towns in Washington for Coastal Charm, Mountain Views, and Island Escapes." This national recognition reinforces Gig Harbor's position as a desirable waterfront destination and expands awareness among potential visitors and future residents.

Strategic partnership development also remained a priority. Visit Gig Harbor continued meeting with local businesses, community organizations, tourism partners, and regional stakeholders to identify opportunities for collaboration and destination development. Military tourism outreach continued

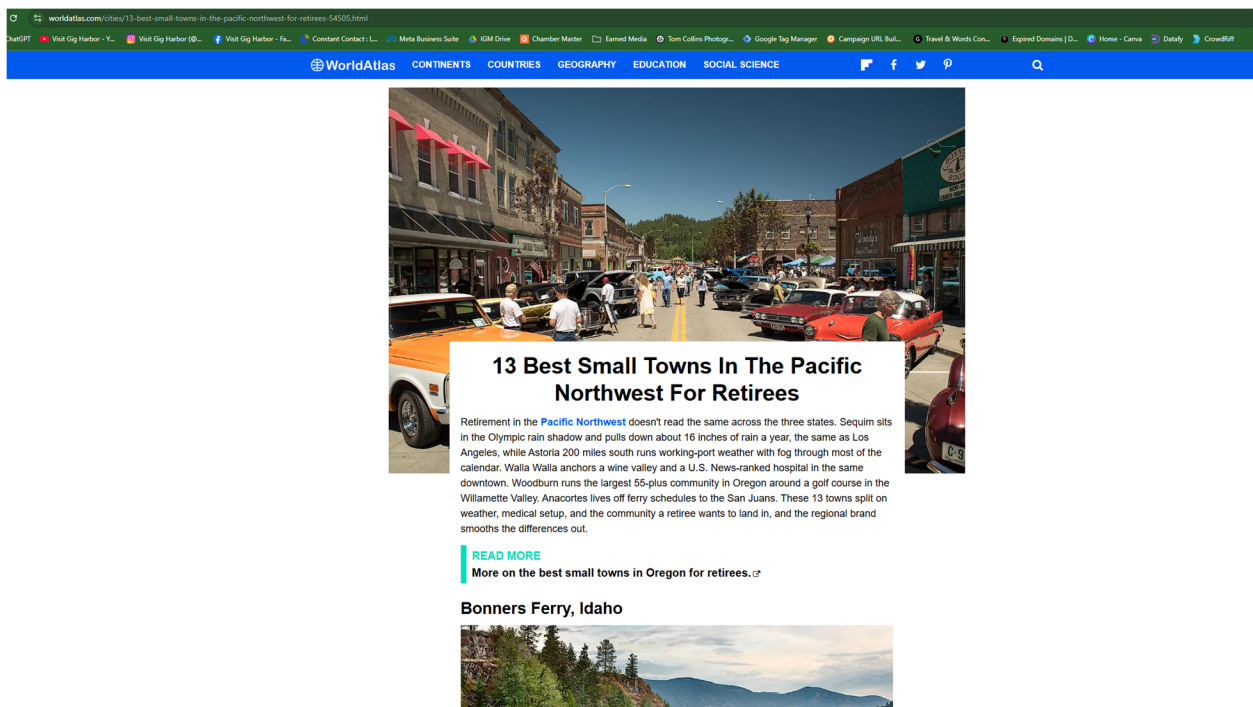
through relationship building with Joint Base Lewis-McChord and regional Navy installations, creating a foundation for future meetings, events, and visitor opportunities.

Work also progressed to explore film tourism and production opportunities in partnership with regional film stakeholders. These efforts are intended to better position Gig Harbor as a potential filming destination while creating clearer connections among production professionals, local businesses, property owners, and government partners.

Website improvements, Visitor Center activity, Datafy research, and planning for future programs continued throughout the quarter. Visit Gig Harbor also advanced preparations for the USA SUP Championships, scheduled for September 2026, and supported early planning for the Summer Sounds concert series. Together, these initiatives reflect an ongoing commitment to attracting visitors, supporting local businesses, providing engaging activities for guests, strengthening regional partnerships, and positioning Gig Harbor for sustainable year-round tourism growth.

Below are examples of press articles:

<https://www.worldatlas.com/cities/13-best-small-towns-in-the-pacific-northwest-for-retirees-54505.html>



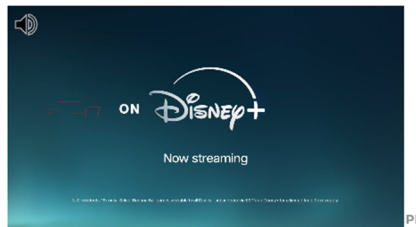
The screenshot shows a web browser window with the URL <https://www.worldatlas.com/cities/13-best-small-towns-in-the-pacific-northwest-for-retirees-54505.html>. The page features a navigation bar with 'WorldAtlas' and various category links. The main content area displays the article title '13 Best Small Towns In The Pacific Northwest For Retirees' above a photograph of a busy town street. Below the photo, a text block provides an overview of retirement in the Pacific Northwest, mentioning various towns and their unique features. A 'READ MORE' link is provided, leading to a page titled 'More on the best small towns in Oregon for retirees.' The article also includes a sub-section titled 'Bonniers Ferry, Idaho' with a corresponding landscape photograph.

Gig Harbor, Washington



Sunrise Beach Park in Gig Harbor, Washington.

ADVERTISEMENT



About 25% of Gig Harbor's 12,500 residents are over 65, and St. Anthony Hospital on the east edge runs the main medical center with a recognized cancer center. The retirement-housing inventory leans toward private waterfront condos and gated communities rather than large assisted-living complexes, with Gig Harbor Health and Rehabilitation handling the short-term recovery side.

The town wraps a deep, sheltered bay on the west side of the Tacoma Narrows, connected to the mainland by the Narrows Bridge. [Seattle](#) is about 45 minutes north on I-5 in good traffic. The half-mile waterfront walk past historic boatyards, fishing-fleet moorage, and Skansie Brothers

We handpicked the 85 best Amazon Prime Day travel deals, up to 85% off X

11 Best Small Towns in Washington for Coastal Charm, Mountain Views, and Island Escapes

Find history, outdoor adventure, and epic scenery in these quaint communities across the Evergreen State.

By **Zoe Ballargeon** | Published on June 20, 2026

[LEAVE A COMMENT](#)



Credit: Marshall Pittman / Getty Images

If you're planning a trip to Washington, you might be tempted to make a beeline for the state's most popular destinations, like the coffee-loving city of Seattle or the dramatic peaks of Mount Rainier. But this Pacific Northwest locale is brimming with charming small towns also worth exploring.

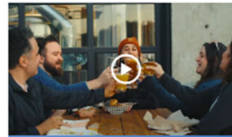
Amid the more than 71,000 square miles of wind- and water-battered coastline, snowcapped mountains, rolling plains, and misty forests sit plenty of cute towns and villages offering everything from beautiful architecture to world-class wine. Full of history, culture, and tasty food and drink—and each home to fewer than 15,000 people—these are the 11 best small towns in Washington.

Leavenworth



Credit: Connie Coleman / Getty Images

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We handpicked the 85 best Amazon Prime Day travel deals, up to 85% off. ✕

or enchantment and grandeur to the scenic backdrop. Many buildings date from the latter half of the 19th century, and the walkable downtown and uptown areas give visitors a prime view of these gems. Along with friendly locals and fun events like farmers markets and film festivals, outdoor adventure abounds in the form of boating, fishing, hiking, and cycling in [Fort Worden Historical State Park](#).

Poulsbo



Credit: Courtesy of State of Washington Tourism

Settled by Norwegian immigrants, this small town on Puget Sound lives up to its "Little Norway" nickname with colorful houses, Scandinavian-style architecture, and dramatic coastal landscapes. Shop for Nordic wares at [Nordiska](#) and try the famous bread and baked goods from the family-owned [Sluys Poulsbo Bakery](#). The walkable waterfront and Arts District make for great strolling.

Gig Harbor



Credit: Anadia / Getty Images

Gig Harbor's picturesque waterfront is quintessential Washington. Stroll along the shore to enjoy captivating views of evergreen forests, white boats, and the cobalt waters of Puget Sound with snowy Mount Rainier as the stunning backdrop. Visit the [Harbor History Museum](#) for some local background or head to nearby [Kopachuck State Park](#) for lovely hiking trails. Less than 20 minutes by car from Tacoma, Gig Harbor is an easy afternoon or day trip.

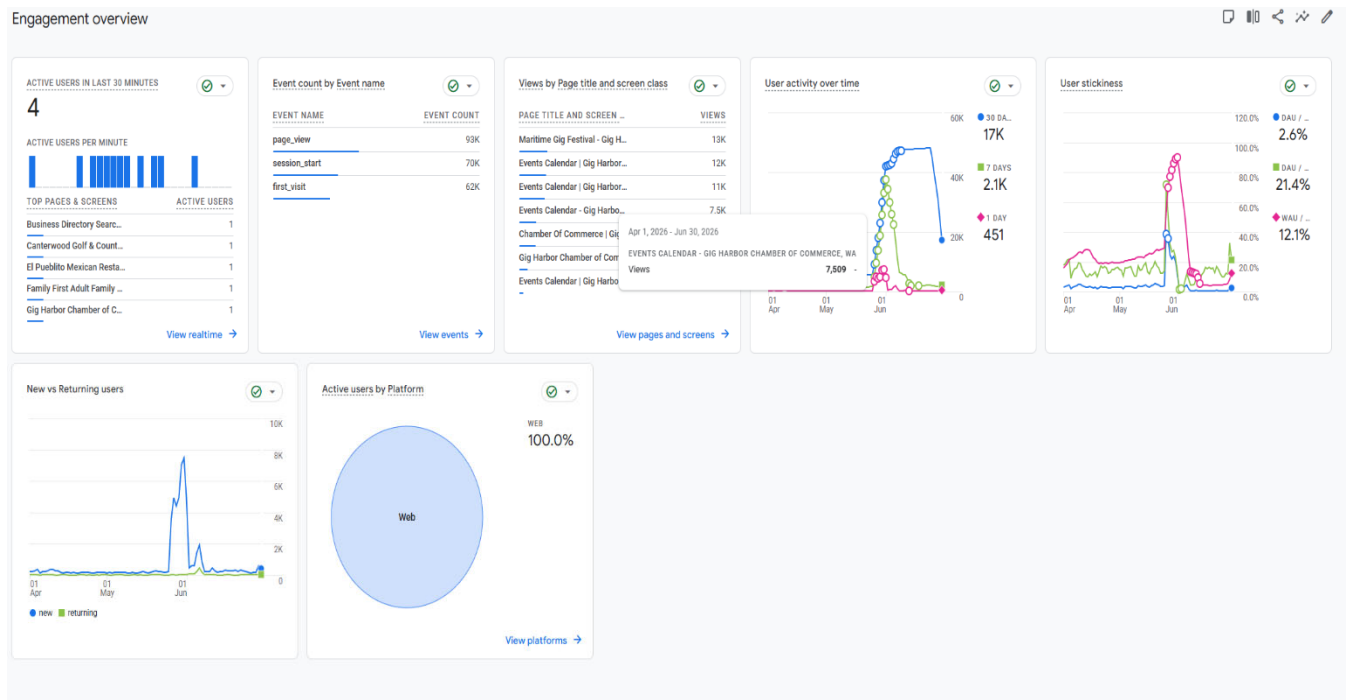
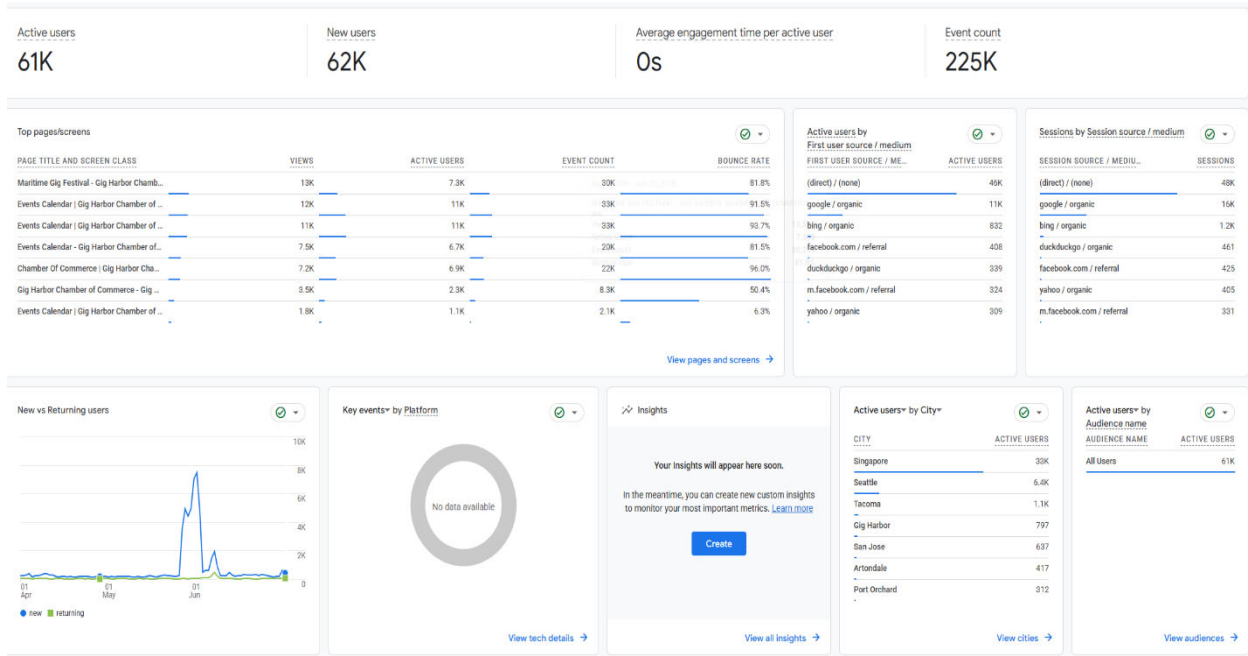
Operational updates:

The tourism flow remained steady with a total of 813 Visitors who came through the visitor center.

- Of the visitors during Q2 a majority continued looking for maps, event information, visitor guides, attractions and restrooms, then relocation information and hotel accommodation. Most had their accommodation settled prior to arrival.

- There were many visitors who came to our office for events (Fool's Run and Maritime Gig) who were looking for additional information.

Website update – Visitors on the website www.VisitGigHarbor.com increased their average session time and the engagement rate increased, and the social channels are increasing in targeted areas. The following is data collected from Q2 of the website's performance.



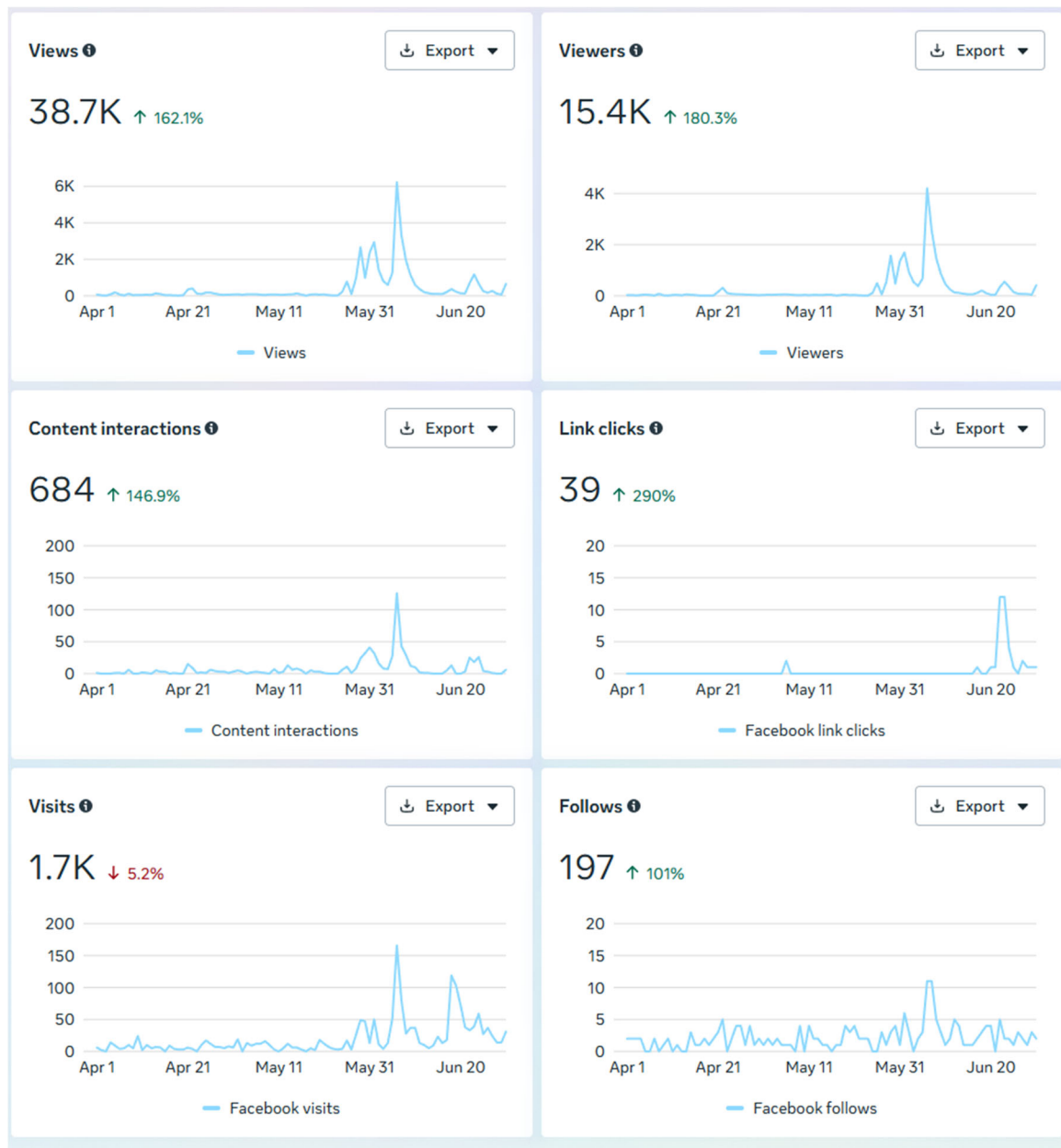
Social media update – Visit Gig Harbor’s social media channels continued to build on the strong momentum established in late 2025, driven by consistent posting, strategic use of reels and stories, and content aligned with seasonal events and visitor interests. These efforts resulted in steady audience growth and sustained engagement across platforms during the first quarter.

- **Facebook:** The Facebook page experienced a 21.902% increase in followers, reaching a total of 1,269. This growth reflects effective engagement strategies, particularly during key event promotions and community-focused content.
- **Instagram:** The Instagram account grew by 15.095%, reaching 2,112 followers. Continued emphasis on visually compelling reels, user-generated content, and consistent storytelling contributed to this upward trend and strengthened audience connection.

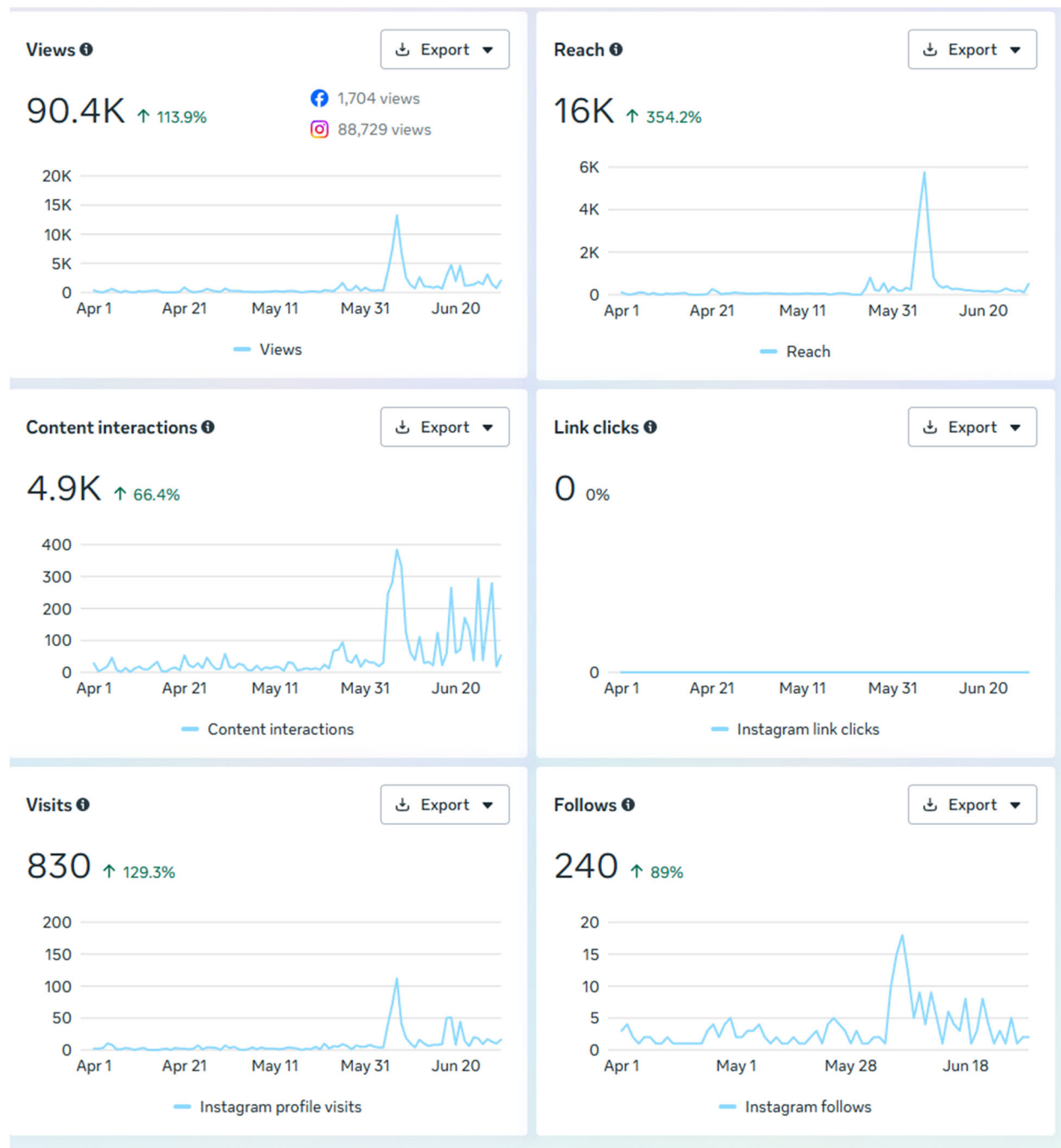
Overall performance indicates stable growth and continued audience engagement, reinforcing the effectiveness of current content strategies.

Looking ahead, Visit Gig Harbor will maintain a focused approach to platform-specific content, with increased emphasis on local business spotlights, seasonal storytelling, and video-first content to further expand reach and deepen engagement across channels.

Facebook: <https://www.facebook.com/VisitGigHarborOfficial> 1269 followers (21.902% increase from Q1)



Instagram: https://www.instagram.com/visitgigharbor_official/ 2112 followers (15.095% increase from Q1)



Print Advertising:

During Q2 ads appeared in Showcase Media, Northwest Travel and Life, Bon Appetit, and Conde Nast Travel. During Q2 we like to maintain the Ad media buys as we take a break from Ad in the Summer months.

SAVOR THE FLAVORS OF GIG HARBOR: A CULINARY ESCAPE

Nestled in the heart of the Pacific Northwest, just an hour south of Seattle, Gig Harbor is a haven for food lovers, boasting a vibrant dining scene that highlights fresh, locally sourced ingredients and innovative cuisine. Among the standout establishments are four exceptional restaurants that promise a journey of flavor and ambiance: **Anthony's**, **BBQ2U**, **Green.House** and **Netshed No. 9**.



At **Anthony's**, every meal is a front-row seat to the harbor. Known for showcasing the freshest seafood of the Pacific Northwest, this waterfront favorite blends classic preparations with unbeatable views. Savor PNW flavor with tender seared scallops, with a buttery bronze and artfully plated. Anthony's delivers the taste of classic coastal dining.



At **BBQ2U**, Texas-style barbecue finds a home in the Pacific Northwest. Slow-smoked brisket, fall-off-the-bone ribs and hearty sides are served with casual flair and authentic southern flavor. Visit for comforting bites on every plate, no plane ticket to Austin required.



At **Green.House**, sustainability meets indulgence. This farm-to-table gem emphasizes fresh, organic ingredients transformed into beautifully plated, flavor-packed dishes. Whether it's brunch, lunch, or dinner, Green.House delights with its commitment to quality and eco-friendly practices.



At **Netshed No. 9**, brunch is equal parts creative and cozy. Tucked inside a converted netshed with harbor views, this local favorite serves cinnamon rolls the size of your head, inventive breakfasts and clever cocktails. Picture yourself toasting to lazy mornings and lingering over coffee as boats drift by.

WHETHER YOU'RE A FOODIE,

a traveler, or both, Gig Harbor's culinary offerings promise a memorable dining adventure. Discover why these beloved restaurants make Gig Harbor a destination where food is as much an experience as it is a delight.

Plan your trip and explore more at
VisitGigHarbor.com/SavorTheFlavor.





ESCAPE TO WONDER

Less than an hour south of Seattle, Gig Harbor welcomes you into a world where time slows and wonder comes into focus. This maritime town on the Puget Sound is equal parts postcard and hidden gem: snow-capped Mount Rainier rising above calm waters, boutique storefronts tucked along historic streets and trails that wander from forest to shoreline.



Savor What's Seasonal

Tables here tell stories of local farmers, coastal harvests and chefs who let the landscape guide the menu. From tide-to-table freshness to comforting rainy-day fare, every meal is an invitation to taste the Pacific Northwest in its purest form.



Awaken to the Water

Begin your day to the hush of waves brushing the shore. From kayaks cutting across the harbor to spotting seals on the dock, the waterfront frames Mount Rainier for a deep breath you didn't know you needed. Fishing boats, boardwalks and boutiques set the rhythm for discovery.



Made to Be Wandered

Find parks and trails that weave forest with shoreline. Whether you're lacing up your boots for the trails, tracing maritime heritage on a historic boat tour or just watching the light shift across the water, Gig Harbor is a place made for quiet exploration.



Escape to Wonder

From sunrise on the harbor to golden-hour toasts, Gig Harbor welcomes you to linger, breathe and reconnect with the simple pleasures that matter most.

Plan your visit at
VisitGigHarbor.com/CoastalEscape.





ESCAPE TO WONDER



This season, the harbor comes alive with enchanting scenery, boutique storefronts and a festive lineup of events that will awaken your sense of wonder.

Plan your trip → VISITGIGHARBOR.COM/COASTALESCAPE



VISIT GIG HARBOR



WELCOME TO WONDER



From sunrise on the water, to raising glasses at golden hour. Sail into discovery with the wind at your back in Gig Harbor.

Plan your trip → VISITGIGHARBOR.COM/COASTALESCAPE



VISIT GIG HARBOR

Showcase Media:



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Use of Volunteers:

Each week, we average 16 hours of volunteer assistance from 8 people in the visitor center. We have a volunteer who continues actively recruiting other volunteers.

Challenges and Opportunities and Maximizing Budget Impact:

As Visit Gig Harbor concluded the second quarter of 2026, the organization continued to operate in a constrained funding environment marked by rising marketing costs and the absence of State of Washington Tourism grant funding. This requires a disciplined approach to resource allocation, with a continued focus on maximizing impact while maintaining momentum across destination marketing, events, research, Visitor Center operations, and partnership development.

Grant funding remains highly competitive and does not always meet the full scope of identified needs. Visit Gig Harbor requested \$20,000 through the Port of Seattle Tourism Marketing Support Program and was awarded \$12,500. While the award provides meaningful support for fall photography and video production, the reduced amount requires Visit Gig Harbor to refine the project scope and prioritize assets with the greatest potential for year-round use.

A key opportunity remains in strengthening the connection between tourism activity and local business engagement. Datafy research estimated more than \$1.5 million in downtown spending during the Maritime Gig Festival, demonstrating the significant economic activity that signature events can generate. However, there is still a gap in how businesses fully leverage increased visitor traffic. Visit Gig Harbor continues to explore scalable, low-cost initiatives such as QR code integration, enhanced on-site visitor engagement, and targeted Local Store Marketing strategies designed to connect visitors with nearby businesses and convert visitation into measurable economic activity.

The second quarter also highlighted ongoing challenges related to event measurement. Datafy provides valuable estimates of visitor spending, visitor origin, and economic activity, but additional tools are needed to understand spectator attendance, visitor movement, overnight stays, and how spending is distributed among individual businesses. For example, the Fools Run recorded 440 registered participants, but spectator attendance could not be accurately measured. Visit Gig Harbor will continue exploring practical measurement tools, including visitor surveys, QR code engagement, business feedback, and more consistent attendance-counting methods.

Business education continues to be both a challenge and an opportunity. During Q2, Visit Gig Harbor supported and helped host a World Cup Readiness Training focused on FIFA, co-hosted with the Gig Harbor Waterfront Alliance. The training was extended to businesses throughout the community. While participation was strong from businesses in other districts, attendance from the downtown waterfront core was minimal. This underscores the need for more targeted outreach and tailored communication to ensure businesses in key visitor areas are prepared to capitalize on major regional opportunities.

Rather than viewing limited participation as a barrier, Visit Gig Harbor is using these insights to refine its approach. Future efforts will focus on more direct engagement, simplified communication, and practical workshops that demonstrate how businesses can turn regional events and increased visitor traffic into meaningful economic opportunities.

The Art of the Game Medallion Scavenger Hunt demonstrated the value of regional partnerships and interactive visitor experiences. Through Visit Gig Harbor's relationship with Visit Tacoma-Pierce County and the event organizers, Gig Harbor was incorporated into the regional scavenger hunt and attracted a

significant number of participants who indicated they would not normally come over the bridge. The activity introduced new visitors to the community while encouraging them to explore local parks, waterfront areas, and businesses.

The scavenger hunt also revealed that visitors are craving playful, whimsical experiences that provide a specific reason to visit, explore, and share their experience. This creates an opportunity to develop additional scavenger hunts, trails, and interactive activities that encourage repeat visitation and connect visitors with multiple areas and businesses throughout the community.

Partnership development has become increasingly important to extending the reach of Visit Gig Harbor's efforts. With limited public funding, the organization continues to pursue private sponsorships and cross-promotional partnerships, particularly within the aviation, travel, outdoor recreation, healthcare, military, and film sectors. Regional collaboration with Visit Tacoma-Pierce County also supports shared marketing opportunities that expand Gig Harbor's visibility while reducing individual costs.

Limited organizational capacity remains another challenge. Visit Gig Harbor continues to balance destination marketing, event production, Visitor Center operations, grant administration, research, website development, business engagement, and regional partnership outreach with limited staffing and financial resources. This requires careful prioritization and creates a continued need for shared initiatives, volunteer support, private sponsorships, and regional partnerships.

At the same time, several opportunities are emerging to strengthen visitation outside the peak summer season. The September USA SUP Championships, fall asset production, military tourism outreach, and film tourism development have the potential to attract new audiences, support overnight stays, and increase local business activity during shoulder-season periods. Visit Gig Harbor will continue developing these opportunities through partnerships, targeted promotion, and data-informed planning.

Asset optimization also remains a priority. Visit Gig Harbor continues to maximize its existing photography and video library across multiple platforms and campaigns while using available grant funding to address seasonal gaps. Expanding the library to include fall experiences will support more complete year-round destination storytelling and provide additional resources for local businesses, media partners, and future campaigns.

Data-driven decision-making continues to guide resource allocation. Visit Gig Harbor is using Datafy research, event findings, visitor feedback, and distribution patterns to refine audience targeting and prioritize marketing channels with the greatest potential to increase visitation, visitor spending, and overnight stays.

Through strategic partnerships, targeted business engagement, disciplined resource management, and the development of memorable visitor experiences, Visit Gig Harbor continues to adapt to financial and organizational constraints while delivering meaningful value to the community. These efforts position the organization to remain resilient, responsive, and effective in a changing tourism and funding environment.

Financial Overview:

As Visit Gig Harbor moved into 2026, the organization remains focused on maximizing every marketing dollar while adapting to economic conditions that continue to affect the tourism industry statewide. We continue applying for grants that will help match our budgeted dollars for creative and advertising work.

Our continued strong strategic partnerships and sponsorships with Washington based businesses remains a benefit when planning for hosting media. There are plans in place with our partners that will showcase our area with minimal out of pocket for Visit Gig Harbor.

Visit Gig Harbor also continues to partner with fellow destination marketing organizations, including Visit Tacoma Pierce County, to participate in cooperative marketing campaigns that would otherwise be financially out of reach if pursued independently. These partnerships allow Gig Harbor to maintain a presence in key markets while sharing costs and leveraging broader regional visibility.

At the local level, Visit Gig Harbor remains committed to building strong relationships with business owners to ensure tourism promotion efforts are aligned with community goals. These relationships support future familiarization tours, travel media visits, and earned media opportunities that authentically showcase Gig Harbor’s waterfront, businesses, and lifestyle while extending campaign reach without significant additional expense.

Visit Gig Harbor remains committed to fiscal responsibility, collaboration, and innovation. With continued support from the Chamber and strategic investment moving forward, the organization will remain positioned to effectively share Gig Harbor’s story and promote the destination as a place where visitors can escape, explore, and embrace the joy of missing out.

Below is a report from previous submittals showing Tourism-related expenses for April through June receipts matching the Tourism P&L’s that have previously been submitted. One note on the financials, April was a three pay periods month versus the typical two pay periods.

Distribution Account	Q2 2026
Administrative Costs	\$4,042.58
Advertising/Promotion	\$22,147.25
Events	\$5,016.35
Insurance	\$793.30
Professional Services	\$1,491.25
Wages	\$48,117.88
Web/mobile/eNews	\$5,702.00
Total for 7000 DMO Tourism Expenses	\$87,310.61



Looking Ahead:

As Visit Gig Harbor moves into the third quarter of 2026, the organization is entering its busiest period of destination programming, visitor engagement, and regional promotion. Priorities will remain focused on executing summer events that provide visitors with activities they seek, preparing for major shoulder-season opportunities, expanding strategic partnerships, and using data to strengthen the connection between visitation and local economic activity.

Immediate attention will center on the Summer Sounds at Skansie concert series, which runs each Tuesday from July 7 through August 25. The series serves as both a community asset and a visitor draw, bringing residents and travelers to the downtown waterfront while creating opportunities for nearby restaurants, retailers, and other businesses. We have had visitors return to Summer Sounds in 2025 due to the reserved guest seating we offered to hotel guests and look forward to welcoming guests again this

year. National Night Out on August 4 will further expand community engagement by combining public safety programming, live music, local organizations, and business participation within the downtown waterfront.

Visit Gig Harbor will also continue supporting America 250 programming and exploring opportunities to build on the strong community response to Gig Harbor's Fourth of July celebration. Datafy findings from the event will be reviewed in the Q3 report and incorporated into the broader Downtown Street Closure Economic Impact and Visitor Analysis. This research will help Visit Gig Harbor and its partners better understand attendance, visitor spending, visitor origins, and the role community events play in supporting downtown economic activity.

Preparation will continue for the USA SUP National Championships, scheduled for September 18 through 20 at Skansie Brothers Park. Working in partnership with the Gig Harbor Kayak and Canoe Racing Team, Visit Gig Harbor will support destination marketing, entertainment, lodging coordination, business engagement, and regional promotion. The nationally recognized event presents an important opportunity to strengthen Gig Harbor's position within the outdoor recreation and sports tourism markets while attracting visitors and supporting overnight stays during the shoulder season.

The lessons learned through the Art of the Game Medallion Scavenger Hunt will also help shape future visitor engagement. The scavenger hunt attracted participants who indicated they would not normally come over the bridge and demonstrated that visitors are seeking playful, whimsical, and interactive experiences. Visit Gig Harbor will explore opportunities to incorporate similar activities into future campaigns, trails, events, and visitor itineraries to encourage exploration, repeat visitation, and engagement with businesses throughout the community.

Development of the 2027 Visitor and Relocation Guide will remain a major priority. Content development began in June, with outreach to businesses, community organizations, attractions, and regional partners continuing into the third quarter. Advertising sales, editorial planning, and asset collection will move forward while distribution of the 2026 guide continues to be closely monitored. The 2027 publication will build on the current guide's success while continuing to serve visitors, prospective residents, businesses, and relocation audiences.

Visit Gig Harbor will also move forward with the fall photography and video project supported by the \$12,500 Port of Seattle Tourism Marketing Support Program award. The project will address a gap in the existing asset library and provide evergreen seasonal content for future advertising, website updates, social media, media outreach, and partner use. Continued exposure through the Port of Seattle's responsible travel campaign will further introduce Gig Harbor and its local businesses to travelers moving through Seattle-Tacoma International Airport.

Efforts to diversify visitation will continue through military, meetings, healthcare, film, and aviation outreach. Visit Gig Harbor will build on relationships with Joint Base Lewis-McChord and regional Navy installations to explore future meetings, conferences, events, and leisure travel opportunities. Film tourism development will also advance through collaboration with the Peninsula Film Commission, local creative professionals, government partners, property owners, and regional tourism organizations. The goal is to better position Gig Harbor as a film-friendly destination while creating clearer information and connections for prospective productions.

Website improvements will continue to support these priorities, including expanded content for meetings and events, relocation, local businesses, and visitor planning. Visitor Center activity and guide

distribution patterns will also be monitored to identify common visitor questions, emerging interests, and opportunities to improve destination information.

Data-driven planning will remain central to future decision-making. Visit Gig Harbor will continue using Datafy research, event findings, visitor feedback, QR code engagement, and business input to improve audience targeting and evaluate the economic impact of tourism initiatives. Particular attention will be given to developing more consistent methods for measuring event attendance, visitor movement, business engagement, spending, and overnight stays.

Through a balanced focus on summer execution, shoulder-season development, partnership building, and long-term planning, Visit Gig Harbor remains committed to expanding the destination's visibility and delivering meaningful economic value to the community. These efforts support increased visitation, stronger local business activity, and the continued positioning of Gig Harbor as a premier Pacific Northwest waterfront destination.

If you have any questions or require additional information regarding Visit Gig Harbor's activities or financials, please contact mbattson@gigharborchamber.com or marketing@visitgigharbor.com.

Thank you for your continued support. We look forward to continuing our collaboration and advancing our shared goals.

Sincerely,

Miriam Battson
President/CEO
Gig Harbor Chamber of Commerce
3125 Judson St
Gig Harbor, WA 98335
mbattson@GigHarborChamber.com

Rosalyn Rochac-Finnegan
Tourism Director
GHCC - Tourism Department
3125 Judson St
Gig Harbor, WA 98335
marketing@VisitGigHarbor.com



**City of Gig Harbor
City Council Agenda Bill**

Meeting Date: August 13, 2026

SUBJECT: Introductory Discussion of a Judson Subarea Plan

SUBMITTED BY: Eric Baker, Community Development Director

DEPARTMENT: Community Development

PHONE: 253-530-7073

SUGGESTED MOTION: N/A

BACKGROUND INFORMATION: With the adoption of the recent Comprehensive Plan update, Council is interested in furthering its many goals in specific geographic areas. As applied to the City's housing diversity and economic development goals, an initial area of previous Council interest was the Judson area of downtown Gig Harbor. Future development could help increase the vitality of downtown to the benefit of current businesses and City residents. These discussions could take the form of a subarea plan for the area. Such a plan could include specific policies, regulations, incentives, public amenities, infrastructure improvements and developer obligations for future enhancement of this area. Development of this plan would include substantial public engagement with property owners, downtown business community, adjoining neighborhoods and city residents as a whole. Potential outcomes could be public/private partnerships where costs of future development are shared to ensure public benefit and amenities but also value to property owners. For more information, please contact Eric Bkaer, Community Development Director, at ebaker@gigharborwa.gov.

FISCAL CONSIDERATION: This section details the financial issues involved in the issue before Council, if applicable. It can include only the information contained in the table below or it can include additional financial information.

Expenditure Required: \$ 0	Amount Budgeted: \$ 0	Appropriation Required: \$ 0
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ATTACHMENTS:

1. Judson Council SS Presentation 080326

STRATEGIC PLAN PRIORITY: Promote and enhance a dynamic and robust economy
Maintain smalltown character and historic preservation while growing responsibly

JUDSON SUBAREA PLAN

Introductory Council Discussion

August 13, 2026

Eric Baker

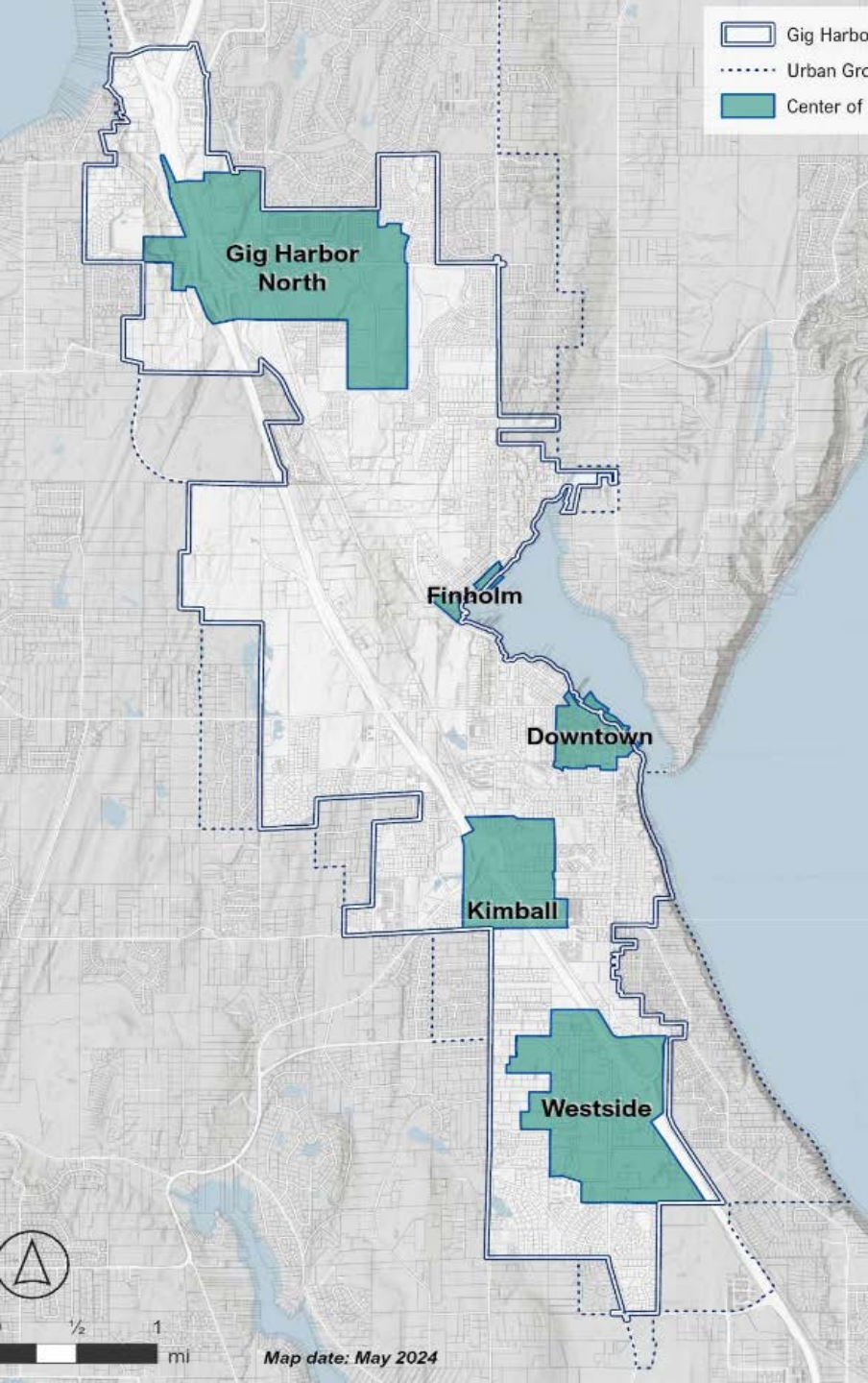
Community Development Director





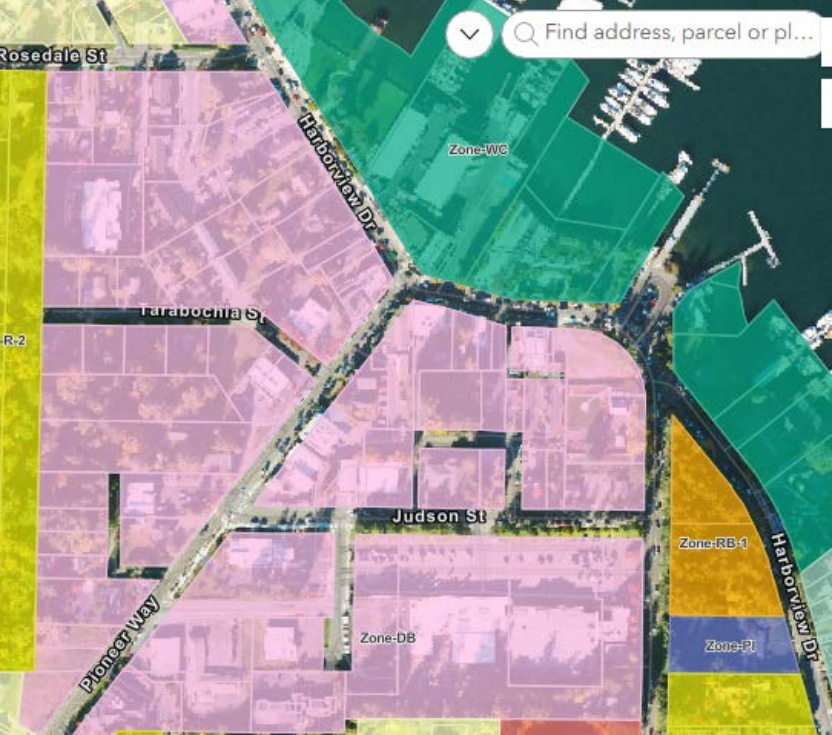
COMPREHENSIVE PLAN

- Strongly supports the waterfront as the heart of the city.
- Many goals and policies to balance including:
 - o Support the working waterfront.
 - o Preserve community and historic structures.
 - o Increase economic vitality including the small business community.
 - o Expand housing options seniors, workers and youth.
 - o Protect the environment including shoreline.
- The Council budgeted additional analysis (subarea plan) to address this balance.



CENTERS

- The City includes several Centers of Local Importance (CoLIs).
- The Comprehensive Plan encourages increases in allowed density, housing types and commercial uses in these areas.
- Planning, infrastructure and service improvements are to be prioritized in these areas.
- The Judson area is one such CoLI and Council has budgeted specific planning for future development.



JUDSON AREA

- Included in the Downtown Business zone (pink).
- Anchored by the existing Peninsula Shopping Center.
- Located at the base of the hill with a series of existing small businesses and residences.
- Significant public parking use on private property.
- Primarily based on 10AM-7PM businesses experiencing some turnover.
- Numerous previous community conversations regarding the area's future.





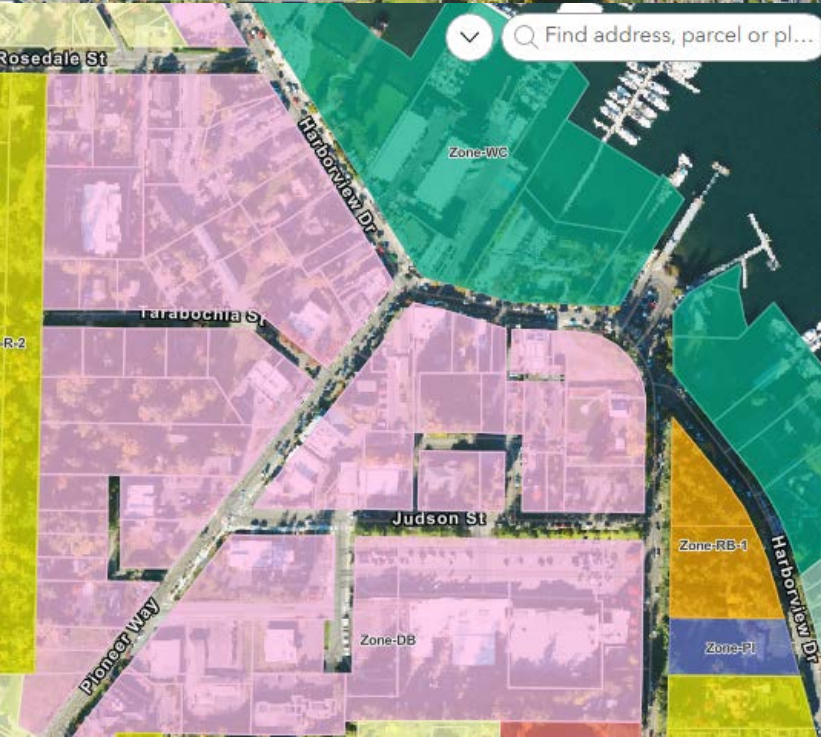
SUBAREA PLAN

- Creates specific planning for an area.
 - o Boundary
 - o Planning policies
 - o Development regulations
 - o Environmental analysis
 - o Infrastructure investment
 - o Public amenities
 - o Incentives
- Policies/regulations may vary within the boundary.
- Conversation needs “sideboards”



BOUNDARY

- How big a boundary to enhance downtown vitality while still maintaining its small-town character?
- What should be the geographic limits of the subarea:
 - All DB zone
 - All DB zone plus adjacent waterfront and Soundview Park.
 - Just Pioneer to Soundview
 - Other?





POLICIES

- Specific redevelopment priority?
 - o Residential
 - o Commercial
 - o Mixed use
 - o Other?
- Public amenities
- Environmental protections



REGULATIONS

- Current regulations are very limiting.
- Area-specific revisions:
 - o Density
 - o Building heights
 - o Allowed uses
 - o Hardscape
 - o Parking
 - o Landscaping
- Required public amenities



ENVIRONMENTAL ANALYSIS

- Enhanced SEPA review to provide greater predictability of environmental standards and design:
 - o Increased SEPA thresholds
 - o Utility design and sizing
 - o Planned Action EIS?
- Closely connected to infrastructure.





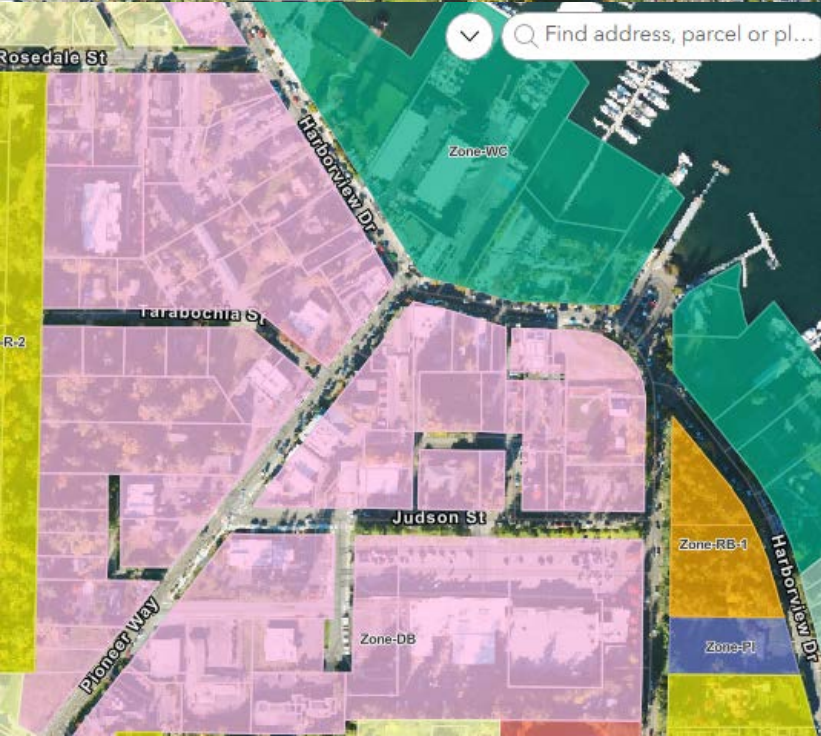
INFRASTRUCTURE NEEDS

- Road frontage improvements (e.g. sidewalks, street trees)
- Road width and circulation review (e.g. one-way streets?)
- Parking (on-street)
- Regional stormwater facilities
- Utility needs including electricity and broadband.

PUBLIC AMENITIES

- “Lingering” space (seating, tables)
- Public parking (currently allowed at some private businesses but not guaranteed).
- Community and event space.
- Bicycle facilities
- EV charging
- Others?





PUBLIC/PRIVATE PARTNERSHIP

- Community interests balanced with future private property owner plans.
- Properties currently making money but long-term viability a discussion.
- Subarea benefits may need to be balanced between the parties (partnership).
- Full community conversation (neighbors, downtown businesses, tourism organizations, all City residents)



INCENTIVES AND FUNDING

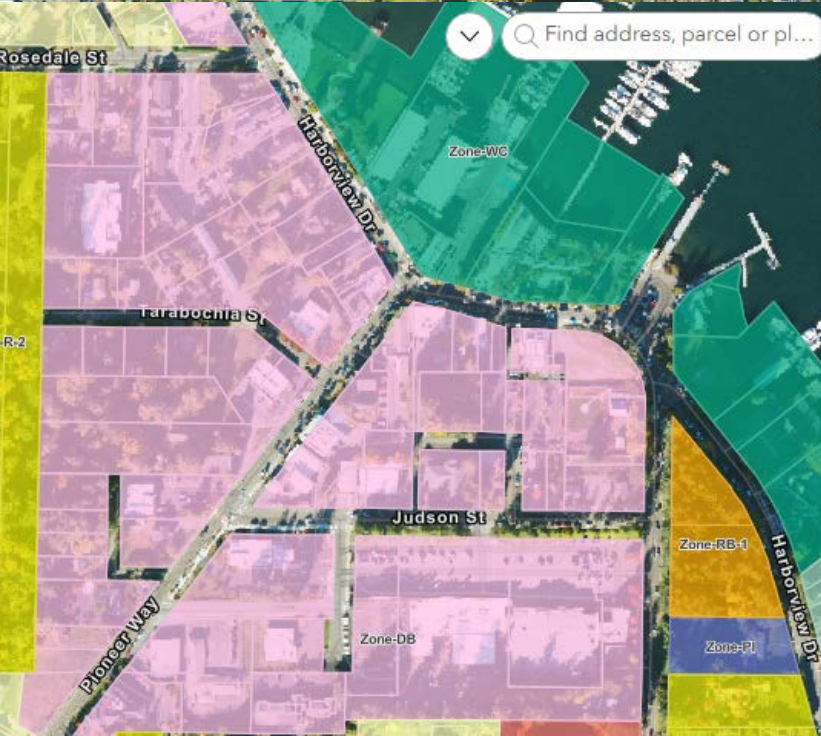
Plan is only as valuable as its implementation (achievable goals).

- Who pays for what and how?
- Incentives for private investment (fee waivers, expedited permit review, MFTE).
- State and federal grant funding, economic development loans or TIF.

Ongoing maintenance and operation \$\$.



COUNCIL DISCUSSION



NEXT STEPS (2026)?

Moving forward (Y/N)?

If so:

- Set a maximum boundary?
- Engage the property owners on their interests?
- Begin public participation with downtown businesses and adjacent neighbors?
- Hire a consultant team?



**City of Gig Harbor
City Council Agenda Bill**

Meeting Date: August 13, 2026

SUBJECT: Discussion of Multi-Family Tax Exemption (MFTE) Program

SUBMITTED BY: Housing, Health, and Human Services Program Manager Shealynn Smiley and Community Development Director Eric Baker

DEPARTMENT: Administration

PHONE: (253) 530 - 7070

SUGGESTED MOTION: Direct staff to prepare an ordinance, consistent with staff's recommendations, for Council consideration at the first Council meeting in September.

BACKGROUND INFORMATION: At the July 30, 2026, City Council study session, staff provided an overview of the Multifamily Tax Exemption (MFTE) program, including the statutory framework, program types, eligibility requirements, implementation options, examples from other jurisdictions, and key policy considerations. During that discussion, Council requested additional information regarding Area Median Income (AMI) and how AMI thresholds are applied within MFTE programs to support workforce housing.

This follow-up session is intended to address Council's questions by providing additional context to the City of Gig Harbor's AMI. In addition to providing the requested information, staff is seeking Council direction on several key policy considerations that would inform the development of a potential MFTE program ordinance, including:

- The geographic areas where the MFTE program should apply.
- The Area Median Income (AMI) affordability requirements for qualifying units.
- Whether a maximum cap on the number of MFTE units should be established.
- The minimum number of dwelling units required for a development to be eligible.
- The percentage of units within a qualifying development that should be required to meet affordability standards.

FISCAL CONSIDERATION: This section details the financial issues involved in the issue before Council, if applicable. It can include only the information contained in the table below or it can include additional financial information.

Expenditure Required: \$	Amount Budgeted: \$	Appropriation Required: \$
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ATTACHMENTS:

1. 2026 MFTE_Study Session Follow Up
2. Gig Harbor Municipal Code_MFTE Aug 2026 Draft

STRATEGIC PLAN PRIORITY: Provide a safe, healthy, and inclusive community.



Multi-Family Tax Exemption (MFTE) Program

August 13, 2026 || Study Session

Shealynn Smiley, Housing, Health, and Human Services Program Manager

Eric Baker, Community Development Director

Area Median Income (AMI):

Represents the middle point of all household incomes in a defined region, such as a county or metropolitan area. It is not an average; instead, it reflects the exact midpoint, providing a more accurate picture of local economic conditions than a simple mean.

City of Gig Harbor: \$118,000 *Census Report Data*



City of Gig Harbor Affordable Housing Breakdown:

AMI %	0-30%	30%-60%	60% - 80%	80% - 100%	100% - 115%
Income Range	\$0- \$35,400	\$35,400 - \$70,800	\$70,800 - \$94,400	\$94,400 - \$118,000	\$118,000 - \$135,700
Affordable Rent Cost <i>(includes utilities)</i>	\$0 - \$885	\$885 - \$1,770	\$1,770 - \$2,360	\$2,360 - \$2,950	\$2,950 - \$3,392

City of Gig Harbor Market Rate Breakdown:

	1 Bedroom	2 Bedroom	3 Bedroom
Apartment Market Rate Rent	\$1,900	\$2,400	\$2,900
House Market Rate Rent		\$2,700	\$3,600
Apartment Utility Rate Cost		\$100 - \$150	
House Utility Rate Cost		\$225 - \$300	

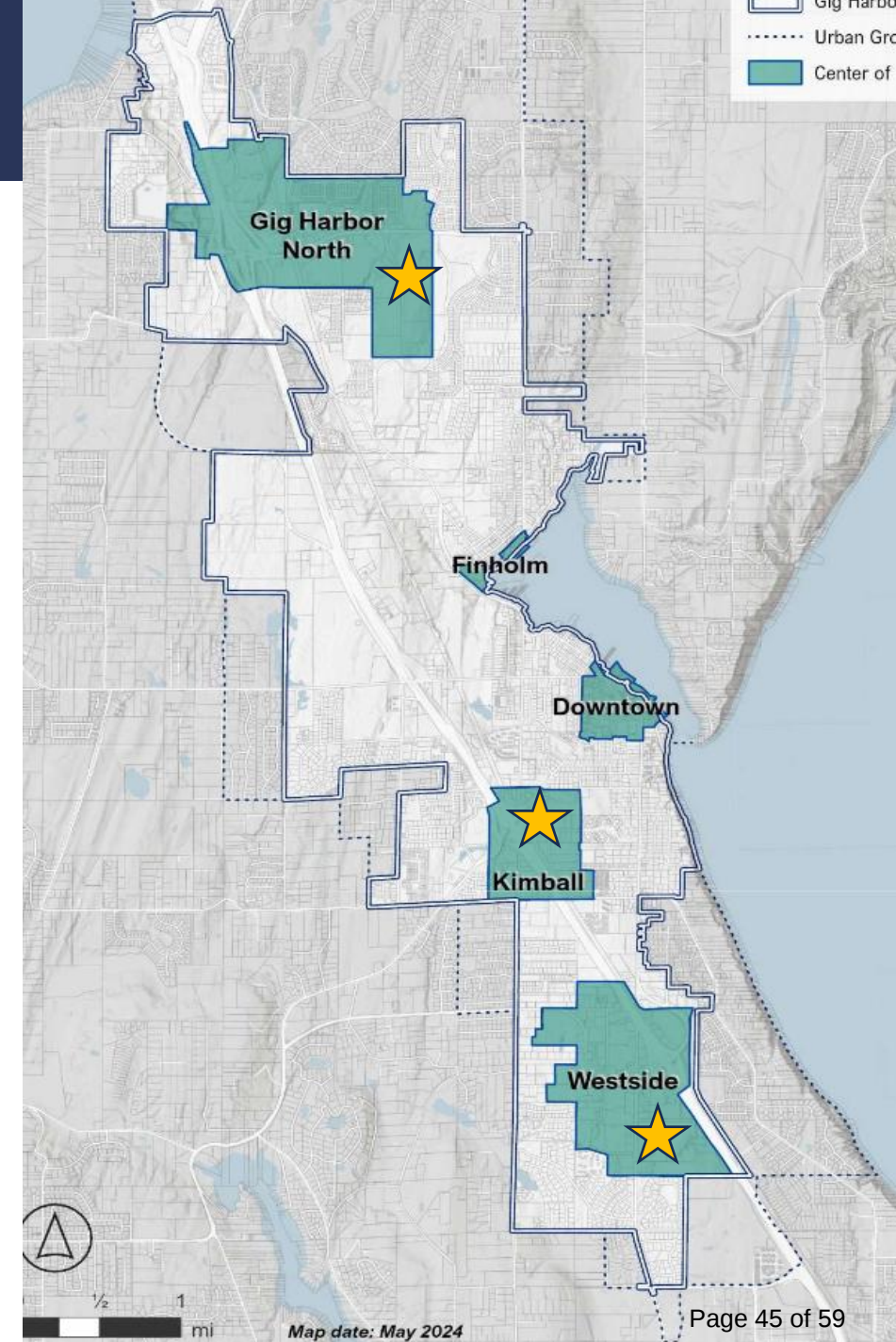
Market
Rate
Totals

Apartment Market Rate Cost	\$2,500 - \$2,550
House Market Rate Cost	\$2,925 - \$3,000



Staff Recommendation

- **Duration:**
 - 12-year MFTE Program with affordable housing requirement.
- **Location:**
 - All Centers of Local Importance (CoLI) on SR16: GH North, Kimball, and Uptown
- **Income level (115% or less):**
 - 80% AMI or less
- **Percentage of units:**
 - 20% of units affordable
- **Minimum number of total units:**
 - 20 units, minimum of which 4 units are affordable
- **Potential cap of units in program:**
 - No cap of units in program



Council Discussion



Council Direction:

- Location
 - Everywhere **or**
 - Only in centers located in highway 16 corridor (Kimball, GH North, and Uptown)
 - *July study session there was an interest in having the program available to all of gig harbor.*
- Income level (115% or less) // AMI requirements
 - *July study session there was interest in either 80% and below OR 100% and below AMI*
- Percentage of units required to be affordable? Minimum 20% of units.
 - *July study session there was interest in 25% units being affordable.*
- Should there be a minimum number of units constructed for a residential project?
 - Current MFTE draft: 20 units, minimum of which 4 units are affordable. Whether there is a minimum number of units is at council's discretion; there is no minimum set by state.
- Should the program include a cap on the number of units the program can be used for?
 - *July study session there was interest in not having a cap.*



ORDINANCE NO. [XXXX]

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, ADOPTING A NEW CHAPTER [X.XX] OF THE GIG HARBOR MUNICIPAL CODE ENTITLED “MULTIFAMILY PROPERTY TAX EXEMPTION,” ESTABLISHING A PROGRAM FOR LIMITED EXEMPTIONS FROM AD VALOREM PROPERTY TAXATION FOR QUALIFYING MULTIFAMILY HOUSING DEVELOPMENTS PURSUANT TO CHAPTER 84.14 RCW; PROVIDING FOR SEVERABILITY, CORRECTION OF SCRIVENER’S ERRORS, AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Gig Harbor has identified a need to increase housing supply, particularly affordable housing options, to accommodate current and projected population growth;

WHEREAS, Chapter 84.14 RCW authorizes cities to provide limited ad valorem property tax exemptions for eligible multifamily housing located in designated residential targeted areas, for the purpose of incentivizing new development and rehabilitation;

WHEREAS, the City Council finds that establishing such a program is in the interest of the public health, safety, and welfare by increasing housing opportunities for low- and moderate-income households, and enhancing economic vitality in designated areas of the city;

WHEREAS, the City Council has reviewed the policy recommendations of city staff, considered public input, and conducted study sessions to develop appropriate standards, processes, and safeguards for administering the exemption program;

WHEREAS, the City Council has determined that the adoption of Chapter [X.XX] GHMC is consistent with the Comprehensive Plan, the Gig Harbor Housing Action Plan, and applicable state planning goals under the Growth Management Act (Chapter 36.70A RCW);

NOW, THEREFORE, the City Council of the City of Gig Harbor do ordain as follows:

Section 1. A New Chapter [X.XX] Entitled “Multifamily Property Tax Exemption” is

Adopted. A new Chapter [X.XX] of the Gig Harbor Municipal Code is hereby adopted as set forth in Exhibit A attached hereto and incorporated herein by this reference in its entirety. The new chapter establishes a multifamily property tax exemption program consistent with the provisions of Chapter 84.14 RCW, including eligibility requirements, application procedures, duration and terms of exemption, compliance standards, and provisions for revocation.

Section 2. Chapter 19.01.003.B “Project permit application framework” is amended. Chapter 19.01.003.B is amended to include application processes for multifamily tax exemption conditional and final certificates as set forth in Exhibit B.

Section 3. Findings of Fact. The recitals set forth above and all reports, studies, public comments, and staff presentations are hereby adopted as findings of fact in support of this ordinance.

Section 4. Severability. If any section, subsection, paragraph, sentence, clause, or phrase of this ordinance or its application to any person or circumstance is held to be invalid, the remainder of this ordinance or the application of the provision to other persons or circumstances shall not be affected.

Section 5. Correction of Errors. The City Clerk and codifiers of this ordinance are authorized to make necessary corrections to this ordinance, including the correction of scrivener's or clerical errors, references, numbering, and formatting, as needed to implement the intent of the City Council.

Section 6. Transmittal. Pursuant to RCW 84.14.100(2), the City Clerk shall transmit a certified copy of this ordinance to the Pierce County Assessor within ten (10) calendar days of final passage.

Section 7. Effective Date. This ordinance shall take effect and be in full force thirty (30) days after publication of an approved summary consisting of the title.

ADOPTED by the City Council of the City of Gig Harbor at a regular meeting thereof held this [Insert Date] day of [Insert Month], 2025.

Mary K. Barber
Mayor

Approved as to form:

Attest:

Daniel Kenny
City Attorney

Joshua Stecker, CMC
City Clerk

EXHIBIT A

New Chapter [X.XX] – Multifamily Property Tax Exemption

Gig Harbor Municipal Code Chapter X.XX MULTIFAMILY PROPERTY TAX EXEMPTION

Sections:

- X.XX.010 Purpose.
- X.XX.020 Definitions.
- X.XX.030 Applicability.
- X.XX.040 Terms of the tax exemption.
- X.XX.050 Project eligibility.
- X.XX.060 Application procedure.
- X.XX.070 Application for conditional certificate.
- X.XX.080 Extension of conditional certificate.
- X.XX.090 Application for final certificate.
- X.XX.100 Issuance of final certificate.
- X.XX.110 Annual compliance review.
- X.XX.120 Cancellation of tax exemption.
- X.XX.130 Conflict of provisions.

X.XX.010 Purpose. The purpose of this chapter is to provide limited exemptions from ad valorem property taxation for multifamily housing in designated residential targeted areas, as authorized under chapter 84.14 RCW. This incentive aims to:

- A. Encourage increased residential opportunities, including affordable housing units, within designated areas; and
- B. Provide affordable housing opportunities for low- and moderate-income households.

Commented [SS1]: Language will be determined by AMI requirements set forth by counsel.

X.XX.020 Definitions. Unless the context indicates otherwise, the following definitions apply in this chapter:

A. "Affordable housing" means residential housing that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty percent of the household's monthly income

B. "Building codes" refers to the city and state building and fire codes under Gig Harbor Municipal Code Title 15.

C. "City" means the city of Gig Harbor.

D. "Department" refers to the city's Department of Community Development.

E. "Director" means the director of the Department of Community Development or their designee.

F. "Low-income household" means a household earning 80% or less of the area median income (AMI) as defined by HUD.

G. "Moderate-income household" means a household earning between 80% and 100% of the AMI.

Commented [SS2]: Definitions included will be determined by AMI requirements set forth by counsel.

H. "Multifamily housing or Multi-unit" means a building with 10 or more dwelling units used for permanent residential occupancy.

X.XX.030 Applicability. Multifamily housing projects in designated residential targeted areas resulting from new construction or rehabilitation or conversion of vacant, underutilized, or substandard buildings may be entitled to a limited exemption from ad valorem property taxation as set forth in this chapter.

Commented [SS3]: "area" of MFTE to be determined by counsel.

X.XX.040 Terms of the Tax Exemption.

A. Duration of Exemption. The value of new housing construction, conversion, and rehabilitation improvements qualifying under this chapter is exempt from ad valorem property taxation, as follows:

1. For properties for which applications for certificates of tax exemption eligibility are submitted under this chapter, the value is exempt:
 - a. For **12 successive years** beginning January 1st of the year immediately following the calendar year of issuance of the certificate, if the property otherwise qualifies for the exemption under this chapter and meets the conditions in this subsection (A)(1)(a). For the property to qualify for the 12-year exemption under this subsection, the applicant must commit to renting or selling at least 20 percent of the multifamily housing units as affordable housing units to low- and moderate-income households, and the property must satisfy that commitment, and any additional affordability and income eligibility conditions adopted by the local government under this chapter. In the case of projects intended exclusively for owner occupancy, the minimum requirement of this subsection (A)(1)(a) may be satisfied solely through housing affordable to moderate-income households.

Commented [SS4]: Percentage of units and language of (low/moderate income) to be determined by counsel direction.

C. Limits on Exemption. The exemption does not apply:

1. To the value of land or to the value of non-housing-related improvements not qualifying under this chapter.
2. In the case of rehabilitation of existing buildings, to the value of improvements constructed prior to submission of the completed application required under this chapter.
3. To increases in assessed valuation made by the Pierce County Assessor on nonqualifying portions of building or other improvements and value of land, nor to increases made by lawful order of a county board of equalization, the Department of Revenue, or Pierce County, to a class of property throughout the county or specific area of the county to achieve the uniformity of assessment or appraisal required by law.

D. Conclusion of Exemption. At the conclusion of the exemption period, the new or rehabilitated housing cost shall be considered as new construction for the purposes of chapter 84.55 RCW.

X.XX.050 Project Eligibility. A proposed multifamily housing project must meet the following requirements for consideration for a property tax exemption:

- A. **Location.** The project must be located within a residential targeted area as defined in GHMC X.XX.XXX.
- B. **Tenant Displacement Prohibited.** The project must not displace existing residential tenants of structures that are proposed for redevelopment. If the property proposed to be rehabilitated is not vacant, an applicant shall provide each existing tenant housing of comparable size, quality, and price and a reasonable opportunity to relocate.
- C. **Noncompliance with Building Codes.** Existing dwelling units proposed for rehabilitation must fail to comply with one or more standards of the applicable state or city building codes.
- D. **Size of Project.** The new, converted, or rehabilitated multiple-unit housing must provide for a minimum of 50 percent of the space for permanent residential occupancy. The project, whether new, converted, or rehabilitated multiple-unit housing, must include at least 20 units of multifamily housing within a residential structure or as part of an urban development, except for projects involving occupied or vacant existing multifamily housing as provided in this subsection. In the case of existing multifamily housing that is occupied, or which has not been vacant for 12 months or more, the multifamily housing project must also provide for a minimum of four additional multifamily units for a total project of at least 10 units including the four additional units. Existing multifamily housing that has been vacant for 12 months or more does not have to provide additional units.
- E. **Proposed Completion Date.** New construction of multifamily housing and rehabilitation improvements must be completed within three years from the date of approval of the application.
- F. **Compliance with Guidelines and Standards.** The project must be designed to comply with the city's comprehensive plan, building, housing, and zoning codes, and any other applicable regulations. The project must also comply with any other standards and guidelines adopted by the city council for the residential targeted area.

Commented [SS5]: Requesting counsel direction on "area" - everywhere or designated areas.

Commented [SS6]: Minimum number of units required in a project.

Commented [SS7]: Deadline to complete project

X.XX.060 Application Procedure. A property owner who wishes to propose a project for a tax exemption shall complete the following procedures:

- A. The application provided by the city shall be filed with the department along with the required fees as allowed by RCW 84.14.080.
- B. A complete application shall include:
 - 1. A completed City of Gig Harbor application form setting forth the grounds for the exemption.
 - 2. Preliminary floor and site plans of the proposed project.
 - 3. A statement acknowledging the potential tax liability when the project ceases to be eligible under this chapter.
 - 4. An affidavit stating the occupancy record of the property for a period of 12 months prior to filing the application.
 - 5. Verification by oath or affirmation of the information submitted.
 - 6. For rehabilitation projects, the applicant shall provide a report prepared by a registered architect identifying property noncompliance with the building codes. This report shall identify specific code violations and must include supporting data that satisfactorily explains and proves the presence of a violation. Supporting data must include a narrative and such graphic materials as needed

to support this application. Graphic materials may include, but are not limited to, building plans, building details, and photographs.

X.XX.070 Application for conditional certificate. The director may certify as eligible an application which is determined to comply with the requirements of this chapter. A decision to approve or deny an application shall be made within 90 calendar days of receipt of a complete application.

A. Application. The director may approve the application if he/she finds that:

1. A **minimum of 20 new units** are being constructed, or in the case of occupied rehabilitation or conversion within 12 months of occupancy, a minimum of four additional multifamily units for a total project of at least 10 units including the four additional multifamily units are being developed.
2. The proposed project is or will be, at the time of completion, in conformance with all applicable local plans and regulations.
3. The owner has complied with all standards and guidelines adopted by the city under this chapter.
4. **The site is located in the residential targeted area.**
5. If applicable, the proposed multiunit housing project meets the affordable housing requirements as described in GHMC X.XX.040.

B. Approval of Application. If an application is approved, the applicant shall enter into a contract with the city, regarding the terms and conditions of implementation of the project, and the director shall issue a conditional certificate of acceptance of tax exemption. The conditional certificate shall expire three years from the date of approval unless an extension is granted as provided in this chapter.

C. Denial of Application. If an application is denied, the director shall state in writing the reasons for denial and shall send notice to the applicant at the applicant's last known address within 10 calendar days of the denial.

D. Appeal. Per RCW 84.14.070, an applicant may appeal a denial to the city council within 30 calendar days of receipt of the denial by filing a complete appeal application and fee with the director. The appeal before the city council will be based on the record made before the director. The director's decision will be upheld unless the applicant can show that there is no substantial evidence on the record to support the director's decision. The city council's decision on appeal will be final.

X.XX.080 Extension of conditional certificate.

A. Extension. The conditional certificate and time for completion of the project may be extended by the director for a period not to exceed a total of 24 consecutive months. To obtain an extension, the applicant must submit a written request with a fee stating the grounds for the extension. An extension may be granted if the director determines that:

1. The anticipated failure to complete construction or rehabilitation within the required time period is due to circumstances beyond the control of the owner;

2. The owner has been acting and could reasonably be expected to continue to act in good faith and with due diligence; and

3. All the conditions of the original contract between the applicant and the city will be satisfied upon completion of the project.

B. Denial of Extension. If an extension is denied, the director shall state in writing the reason for denial and shall send notice to the applicant's last known address within 15 calendar days of the denial.

C. Appeal. An applicant may appeal the denial of an extension to the hearing examiner pursuant to chapter GHMC 19.06 within 14 calendar days of receipt of the denial by filing a complete appeal application and fee with the director. The appeal before the hearing examiner shall be processed as a Type II director decision pursuant to chapter GHMC 19.01. No appeal to the city council is provided from the hearing examiner's decision. The applicant may appeal the hearing examiner's decision to the Pierce County Superior Court, if the appeal is filed within 30 calendar days of receiving notice of that decision.

X.XX.090 Application for final certificate. Upon completion of the improvements agreed upon in the contract between the applicant and the city and upon issuance of a certificate of occupancy, the applicant may request a final certificate of tax exemption by filing with the director the following:

A. A statement of expenditures made with respect to each multifamily housing unit and the total expenditures made with respect to the entire property;

B. A description of the completed work and a statement of qualification for the exemption;

C. A statement that the work was completed within the required three-year period or any authorized extension; and

D. If applicable, that the project meets the affordable housing requirements as described in RCW 84.14.020.

X.XX.100 Issuance of final certificate. Within 30 calendar days of receipt of all materials required for a final certificate, the director shall determine whether the specific improvements satisfy the requirements of the contract, application, and this chapter.

A. Granting of Final Certificate. If the director determines that the project has been completed in accordance with this chapter and the contract between the applicant and the city, and has been completed within the authorized time period, the city shall, within 10 calendar days of the expiration of the 30-day review period above, file a final certificate of tax exemption with the Pierce County Assessor.

B. Denial of Final Certificate. The director shall notify the applicant in writing that a final certificate will not be filed if the director determines that:

1. The improvements were not completed within the authorized time period;

2. The improvements were not completed in accordance with the contract between the applicant and the city; or

3. The owner's property is otherwise not qualified under this chapter.

C. Appeal. Pursuant to RCW 84.14.090(6), an applicant may appeal a denial to the hearing examiner pursuant to chapter GHMC 19.06 within 14 calendar days of issuance of the denial of a final certificate by filing a complete appeal application and fee with the director. The appeal before the hearing examiner shall be processed as a Type II director decision pursuant to chapter GHMC 19.01. No appeal to the city council is provided from the hearing examiner's decision. The applicant may appeal the hearing examiner's decision to the Pierce County Superior Court if the appeal is filed within 30 calendar days of receiving notice of that decision.

X.XX.110 Annual compliance review.

A. Within 30 calendar days after the first anniversary of the date of filing the final certificate of tax exemption and each year for the tax exemption period, the property owner shall be required to file a notarized declaration with the director indicating the following:

1. A statement of occupancy and vacancy of the multifamily units during the previous 12 months;
2. A certification by the owner that the property has not changed use and, if applicable, that the property has been in compliance with the affordable housing requirements as described in RCW 84.14.020 since the date of the certificate approved by the city;
3. A description of changes or improvements constructed after issuance of the certificate of tax exemption; and
4. Any information needed by the city to file its report pursuant to subsection (B) of this section and any additional information requested by the city in regards to the units receiving a tax exemption.

B. The city shall report annually by December 31st of each year, beginning in 20XX, to the Department of Community, Trade, and Economic Development. The report must include the following information:

1. The number of tax exemption certificates granted;
2. The total number and type of units produced or to be produced;
3. The number and type of units produced or to be produced meeting affordable housing requirements;
4. The actual development cost of each unit produced;
5. The total monthly rent or total sale amount of each unit produced;
6. The income of each renter household at the time of initial occupancy and the income of each initial purchaser of owner-occupied units at the time of purchase for each of the units receiving a tax exemption and a summary of these figures for the city; and
7. The value of the tax exemption for each project receiving a tax exemption and the total value of tax exemptions granted.

C. City staff may also conduct on-site verification of the declaration. Failure to submit the annual declaration shall result in a review of the exemption per RCW 84.14.110.

X.XX.120 Cancellation of tax exemption. If the director determines the owner is not complying with the terms of the contract or this chapter, the tax exemption shall be canceled. This

cancellation may occur in conjunction with the annual review or at any other time when noncompliance has been determined. If the owner intends to convert the multifamily housing to another use, the owner shall notify the director and the Pierce County Assessor in writing within 60 calendar days of the change in use.

A. Effect of Cancellation. If a tax exemption is canceled due to a change in use or other noncompliance, the following taxes and penalties will apply:

1. Additional real property tax, plus interest, shall be imposed based upon the value of the nonqualifying improvements. This additional tax is calculated based upon the difference between the property tax paid and the property tax that would have been paid if it had included the value of the nonqualifying improvements dated back to the date that the improvements were converted to a nonqualifying use.
2. A penalty shall be imposed amounting to 20 percent of the value of the additional property tax plus interest.
3. The interest is calculated at the same statutory rate charged on delinquent property taxes from the dates on which the additional property tax could have been paid without penalty if the improvements had been assessed at full value without regard to this tax exemption program.
4. The additional taxes, interest and penalties will become a lien on the land and attach at the time the property or portion of the property is removed from multifamily use or the amenities no longer meet applicable requirements. The lien has priority over and must be fully paid and satisfied before a recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the land may become charged or liable. The lien may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes. An additional tax unpaid on its due date is delinquent. From the date of delinquency until paid, interest must be charged at the same rate applied by law to delinquent ad valorem property taxes.

B. Notice of Cancellation. Pursuant to RCW 84.14.110(2), upon determining that a tax exemption is to be canceled, the director shall notify the owner by mail, return receipt requested.

C. Appeal. The property owner may appeal the determination of cancellation of the tax exemption to the hearing examiner pursuant to chapter GHMC 19.06 within 14 calendar days of cancellation by filing a complete appeal application and fee with the director. The appeal before the hearing examiner shall be processed as a Type II director decision pursuant to chapter GHMC 19.01. No appeal to the city council is provided from the hearing examiner's decision. The applicant may appeal the hearing examiner's decision to the Pierce County Superior Court, if the appeal is filed within 30 calendar days of receiving notice of that decision.

X.XX.130 Conflict of provisions. If any provision of this chapter is in legal conflict with the provisions of chapter 84.14 RCW, the provisions of chapter 84.14 RCW shall apply as if set forth in this chapter.

EXHIBIT B

Amended Chapter 19.01.003 “Project permit application framework”

19.01.003 Project permit application framework.

A. Action Type.

	PROCEDURE FOR PROJECT PERMIT APPLICATIONS (TYPE I – IV)					LEGISLATIVE
	TYPE I	TYPE II	TYPE III	TYPE III-A	TYPE IV	TYPE V
Recommendation made by:	N/A	N/A	N/A	N/A	N/A; Planning commission for site specific zones	Planning commission
Final decision made by:	Director	Director	Hearing examiner	Hearing examiner	City council	City council
Notice of application:	No	Yes	Yes	Yes	Yes	No
Open record public hearing or open record appeal of a final decision:	No	Only if appealed, open record hearing before hearing examiner	Yes, before hearing examiner to render final decision	Yes, before hearing examiner to render final decision	No	Yes, before planning commission which makes recommendation to council
Closed record appeal/final decision:	No	No	No	No	Yes, before council to render final decision	Yes, or council could hold its own hearing
Judicial appeal:	Yes	Yes	Yes	Yes	Yes	Yes

B. Decisions.

TYPE I	TYPE II	TYPE III	TYPE III-A	TYPE IV	TYPE V
Final short plat	Preliminary short plat	Plat vacations and alterations	Preliminary plats/major preliminary plat revisions	Final plats	Comprehensive plan amendments
Minor site plan review	Major site plan review	Conditional use permit	Preliminary PRD/PUD	Final PRD/PUD	Development regulation amendments
Minor amendments to PUD/PRD	Alternative design review ¹	General variances, sign permit variances, height restriction area variance	Major amendment to PRD	Site-specific rezone ³	Zoning text amendments; area-wide zoning map amendments
Special use permits	Binding site plan	Shoreline substantial development, shoreline variance, shoreline conditional use			Annexations
Temporary trailers	Revisions to shoreline management permits ²	Major amendments to PUD			
Sign permits	Administrative variances				
Administrative design review ¹	Administrative interpretations	Mobile/manufactured home park or subdivision			
Land clearing	Shoreline permit exemptions ²	Performance-based height exception			

TYPE I	TYPE II	TYPE III	TYPE III-A	TYPE IV	TYPE V
Home occupation permit	Short-term rental permit	Changes from one nonconforming use to another			
Alternative landscape plan					
Nonconforming review		Critical area variances			
Minor preliminary plat revisions		Critical area reasonable use exceptions			
Boundary line adjustment					
Multifamily tax exemption conditional certificate					
Multifamily tax exemption final certificate					

1 In addition to the procedures in this title, applications for design review shall follow the procedures set forth in Chapter [17.98](#) GHMC.

2 The notice of application requirements of GHMC [19.02.004](#) and notice of decision requirements of GHMC [19.02.007](#) shall not apply to shoreline permit exemptions. The decision shall be subject to the procedural requirements of Shoreline Master Program subsection 8.2.3 and the appeal procedures of GHMC [19.06.004](#).

3 A site-specific rezone may have only one public hearing to be conducted by the city's planning commission.