

Resolution in Support of the Vibrant Cities Act and Land Value Tax Reform in Washington State

WHEREAS Washington State faces a severe housing shortage driven in part by a property tax structure that treats buildings and land the same, penalizing homebuilding while rewarding landowners who hold vacant or underutilized urban lots for speculative gain; and

WHEREAS the Sightline Institute published in December 2025 a proposal known as the Vibrant Cities Act, a revenue-neutral option for Washington cities to opt into exempting a portion of building's value from property tax — away from improvements- within the bounds of Washington's constitutional uniformity clause- and towards land ownership¹ and

WHEREAS economic modeling of the Vibrant Cities Act applied to Spokane shows it would have little effect on most homeowners' tax bills, yield larger reductions in lower-income neighborhoods, and can be tailored to protect owners of low-value buildings — making it a progressive, no-cost stimulus for housing production and economic vitality; and

WHEREAS Philadelphia's 10-year tax abatement program — which taxes new residential construction only on land value rather than building value during the abatement period — has been credited with fueling a construction boom for over two decades, demonstrating that exempting improvements from property taxation is a proven strategy for spurring housing development; and

WHEREAS the value of urban land is created by surrounding public investments and community activity, not by individual landowners, and shifting property taxes toward land returns that community-created value to the public while creating powerful incentives to develop housing on idle parcels in the communities where Washingtonians need homes most;

THEREFORE, BE IT RESOLVED that the 48th District Democrats support the Vibrant Cities Act and urges the Washington State Legislature to pass enabling legislation allowing cities and counties to opt in to exempting building value from property taxes in order to discourage land speculation and spur infill housing production; and

BE IT FURTHER RESOLVED that the 48th District Democrats commend the Sightline Institute for its policy leadership in developing the Vibrant Cities Act, urges Washington cities facing housing shortages to advocate for and prepare to adopt this reform, and directs that this resolution be transmitted to the Governor, the Washington State Legislature, and the Washington State Democratic legislative caucuses.

Adopted by LD48 Democrats on Sep 9, 2026

¹ Vibrant Cities Act Explainer:

https://drive.google.com/file/d/1KO1_il7xEgAcAktuq2e4ENCgNEkqN9mN/view