

## **Housing Solutions Washington**

Washington continues to suffer from a critical lack of affordable housing and regulations that stand in the way of meeting the need.

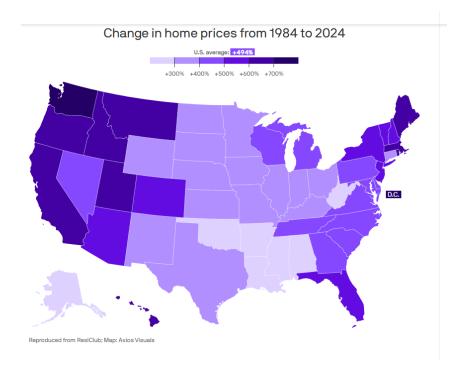
According to the Department of Commerce, Washington state needs 1 million new homes by 2044 and there is a gap of 144,000 homes. Governments must empower the private sector to meet this shortage.

Already, the housing shortage has caused Washington to have the **highest home price increase** in **THE NATION** over the last 40 years: **828%**.

<u>Inflation</u> only rose <u>203%</u> over the same period and median U.S. household <u>incomes</u> rose **233%**.

The Building Industry Association of Washington estimated that in 2021/2022, regulation added \$127,968 to the cost of a \$595,732 home. That is 21.5% of the entire cost of a 2021/2022 home attributable to regulation costs. That is too high.

To address the shortage of housing and to reduce the cost of housing for Washington residents, Senate Republicans are rolling out a suite of legislation to remedy the shortage and reduce astronomical housing cost increases.



https://www.axios.com/local/seattle/2024/10/31/washington-home-prices-increase-historical-data





## First Approach - Density

We need to build more housing. Seems like a simple solution, but it involves a complicated process that prevents builders from adequately increasing the housing supply.

We need to enable DENSITY, both in and out of incorporated areas. This requires creative solutions.

Housing Solutions Washington focuses on unincorporated areas within the urban growth area boundary (UGA) and on increasing density within limited areas of more intense rural development.

- <u>SB 5471:</u> Middle housing in unincorporated UGA. Would loosen restrictions on middle housing outside of incorporated areas within the UGA (Goehner)
- SB 5470: Detached ADU outside the UGA. Gives explicit authority to counties to allow detached accessory dwelling units (ADUs) outside the urban growth area to help provide housing for rural people to age in place and for caregivers. It will also help provide housing stability to rural areas. (Goehner)
- <u>SB 5660</u>: Extending services outside the UGA. Gives explicit authority for counties to expand public facilities and services for housing in particular circumstances. (Goehner)

Local governments need to do their part by taking on their share of the housing shortage and by being accountable for auditing their processes.

- SB 5659: Eliminating each local government's proportional share of Washington's housing shortage. Would require cities and counties to examine their permitting processes and report back to the Department of Commerce about the number of building permit applications received and approved, as well as how that helps alleviate the housing shortage. (Goehner)
- <u>SB 5732:</u> Creating greater accountability for increasing the supply of housing. Would use the goals of the Growth Management Act to encourage planning for housing and the tracking of progress toward housing goals. (Braun)
- SB 5733: Allowing counties to update their comprehensive plans to accommodate zoning at any time. Typically, comprehensive plans can only be updated narrowly every year or more broadly every 10 years. This bill would allow counties to be more rapidly responsive to zoning changes to accommodate housing needs. (Braun)

Impact fee reform is needed to lower builder costs, but also to give local governments the resources they need to provide the necessary infrastructure for increased housing units without placing prohibitive costs on future development.

SB 5748: Impact fee reform. Would allow local jurisdictions to recuperate their costs with a local sales tax in exchange for reducing or eliminating impact fees.
 (Wilson, J.)





We need to fight red tape and streamline the process of permitting/building houses. Creating preapproved building plan templates for middle housing is a way to streamline permitting that can shorten timelines and lower costs.

- SB 5729: Encouraging construction of affordable housing by streamlining the permitting process. Would allow for engineered plans to receive a stamp that would allow them to bypass a complete project review. (Gildon)
- <u>SB 5747</u>: **Building code.** Would allow builders to build under a variety of former codes to make it easier and cheaper to build new houses. (Wilson, J.)
- <u>SB 5749</u>: Housing opportunity zones. Would create space for rezoning and rehabilitating vacant and underused commercial space for housing. (Wilson, J.)

Senate Republicans have historically worked to support incentives for developing housing. The Multi Family Tax Exemption (MFTE) is a tremendous tool.

- <u>SB 5529:</u> Expanding the property-tax exemption for ADUs. Would expand statewide a program currently offered in King County that offers a tax exemption for ADUs. (Gildon)
- <u>SB 5679:</u> Expanding eligibility to use the multifamily tax exemption program. Accompanies SB 5471 and would expand the multifamily tax exemption for middle housing in unincorporated areas. (Dozier)

## **Second Approach – Housing Provider & Tenant Protections**

As an alternative to rent control, we need common-sense solutions that protect tenants and support housing providers. *Housing Solutions Washington* includes legislation to clarify some of the changes made to the Residential Landlord Tenant Act (RLTA), and make them more effective and applicable to both tenants and housing providers.

- SB 5678: RLTA taskforce. Would create a taskforce to work through the Residential Landlord Tenant Act to find ways to make it more effective and beneficial for housing providers and tenants. (Dozier)
- <u>SB 5661</u>: Statewide preemption. Would ensure that landlord-tenant relations are consistent statewide. (Goehner)
- SB 5731: Tenant assistance. Would create a tenant assistance program to provide rental assistance to lower-income households in the form of grants for public housing. (Goehner)
- SB 5740: Eviction reform. Would clarify requirements of the RLTA to make the eviction process cheaper and simpler for housing providers. (Braun)





## **Third Approach – Creative Solutions**

- SB 5249: Kit home siting. Would provide rational limits on the use of small kit homes for temporary housing. (Wilson, J.)
- <u>SB 5552</u>: **Kit home building codes.** Would direct the Washington State Building Code Council to make rules regarding the building of kit homes. (Wilson, J.)

