



2017 LEGISLATIVE WINS AND WHAT THEY MEAN FOR HOUSING

FINAL APPROVAL OF SUBDIVISIONS OF LAND

BRINGING GREATER EFFICIENCY TO THE PERMIT PROCESS

Senate Bill 5674, signed into law April 27, 2017, allows local jurisdictions to change the final plat approval process for subdivisions from a legislative approval process to one that is administrative. SB 5674 means local governments can delegate final plat approval to planning directors or other designated authorities. The change is intended to provide significant efficiencies in many jurisdictions where it can take a long time to get a final plat through the legislative process.

Administrative approval of final plats could save weeks and even months of delay in getting on council agendas for final approval, bringing greater efficiency to the permit process and reducing an unnecessary cost pressure on housing.

The carrying cost for a plat can run anywhere from several hundred to several thousand dollars per lot for every month a project is delayed, depending on the interest rate and loan amount, as well as the market area and retail lot values. A 30-lot plat, for example, could cost anywhere from \$7,000 to \$70,000 for every month of delay in the permit process.

Furthermore, any delay in getting homes to market impacts housing affordability because it further restricts the supply of homes available to meet the continued high demand. For builders, delays in recording final plats means they cannot start building, which can impede their ability to operate as sales and closings are pushed farther out.

BUILDABLE LANDS IMPROVEMENTS

HELPING TO ENSURE PROPER PLANNING FOR HOUSING AND GROWTH

Senate Bill 5254, signed into law July 6, 2017, will improve the methodology and process by which local jurisdictions assess buildable lands. The bill's passage represents a significant step forward not only for buildable lands but also for the process by which comprehensive plans are developed and land use regulations are evaluated.

Ultimately, the information provided through an improved buildable lands process will help better inform the overall effort to ensure an adequate supply of land for housing.

Under the new law, the zoned capacity of land is no longer a sufficient standard. The buildable lands evaluation must include land use or zoning regulations, environmental - cities or counties to meet their assigned densities, and infrastructure gaps such as transportation, water, and sewer.

Local governments must also develop a reasonable land market supply factor that identifies reductions in land suitable for development and redevelopment, and counties must develop reasonable measures as a component of their buildable lands programs. Any reasonable measures findings must be evaluated as part of the next comprehensive plan update.



Having more accurate buildable lands reports is a foundational element of the Growth Management Act (GMA) goal of ensuring local governments are properly planning for growth and adopting the policies needed to accommodate anticipated growth.

When regulations are adopted and local jurisdictions update their comprehensive plans required by GMA, they will need to be assessed based on buildable lands and how said lands would be impacted. The buildable lands findings cannot be ignored.

Having improved buildable lands reports will enable us to truly see how much land is available for growth.

TIMING OF PROPERTY TAX PAYMENTS FOR NEW HOUSING PROJECTS

ENDING COLLECTION OF ADVANCE TAX PAYMENTS

House Bill 1283, signed into law April 25, 2017, eliminates the requirement that advance taxes must be collected before any document is filed with the county auditor to divide, alter, or adjust property boundary lines. It also repeals the statutory requirement that an advance tax deposit must be paid if a plat is filed after May 31 and prior to the date that taxes are collected.

Both King and Snohomish counties have since eliminated the requirement for advance tax payments, made possible by HB 1283. As a result, developers can pay taxes at the end of a project, eliminating an unnecessary strain on their cash flow when projects are initiated. Also, there should be no delay in issuance of tax parcel numbers following plat recording, and the Assessor no longer needs to pre-check property for valuations to share with the Treasurer.

The change brings a common sense process improvement to home building that can save valuable time and expense on the front end of new home construction projects.

CAREER AND TECHNICAL EDUCATION FUNDING

PROMOTING WORKFORCE DEVELOPMENT

In 2017, the Legislature took a significant step forward by approving Career and Technical Education (CTE) funding as part of the 2017-19 state budget. Specifically, there will be a \$200 million investment over four years to reduce CTE class sizes to a maximum of 23 students per class in schools and 20 students per class in skills centers. Additionally, CTE dollars are being moved to a categorical fund, meaning school districts will be required to spend this money on CTE and it cannot be used for other purposes, as was previously the case.

Thanks to these changes, CTE now has a much more predictable funding stream.

This significant investment will strengthen CTE programs in school districts throughout the state, improving their ability to provide hands-on, vocational training for students and connect them with jobs.

Career-connected learning is especially important given skilled worker shortages facing the home building industry. Additional resources for CTE will help develop our future workforce. The construction industry and other key sectors stand to benefit from having a pool of trained workers from which they can hire. This investment is also an important win for students seeking alternative career paths from those requiring a college degree.