MASTER BUILDERS

With more than 2,700 members, the Master Builders Association of King and Snohomish Counties has built homes of all types across our region for over a century. As our population grows, there must be policies in place to support a clear plan for building new housing that accounts for the lives of current residents and ensures that our region is affordable for both newcomers and future generations.

### HB 2343—BILL TO EXPAND ON HB 1923—SUPPORT

On May 9, 2019, Governor Jay Inslee signed into law HB 1923, landmark legislation to increase residential building capacity in cities. The bill, supported by MBAKS, is designed to address the statewide housing shortage by encouraging cities planning under the Growth Management Act (GMA) to facilitate new housing. Following passage of HB 1923, in 2019, the Department of Commerce awarded \$4 million to 52 communities statewide to address housing affordability. While good work is underway, continued action is needed to build upon this promising new law.

#### **KEY FACTS**

- The Puget Sound Regional Council (PSRC) estimates **1.8 million additional people** in the four-county region **by 2050**.<sup>1</sup>
- PSRC's VISION 2050 sets an aggressive goal of **accommodating 65% of the increased population**, about 1.2 million people, **near transit lines**.<sup>2</sup>
- New research reconfirms Washington faces a severe shortage of homes, specifically a shortage of over 225,000 homes as measured from 2000-2015.<sup>3</sup>
- Research commissioned by MBAKS shows that 58% of the jurisdictions in King, Snohomish, and Pierce counties have zoning that limits residential density to fewer than four homes per acre in some parts of the city (Four dwelling units per acre is the planning standard for being considered "urban" within urban growth areas).<sup>4</sup>
- In King County alone, 74% of jurisdictions allow fewer than four homes per acre in at least one residential zone.<sup>5</sup>

### FREQUENTLY ASKED QUESTIONS

#### What does HB 2343 do if passed?

If adopted into law, HB 2343 would:

- Expand the list of optional planning actions that cities could take in order to increase residential building capacity and housing affordability, qualifying for planning grant assistance.
- Extend the time period during which ordinances and regulations developed in accordance with the new law would be exempt from appeals under GMA and SEPA from April 1, 2021 to April 1, 2023.

# Why do cities and counties need planning grant assistance to adopt these actions?

Much more work is needed to create a regulatory environment that will enable new housing of all types so that our region can be more affordable for current residents, newcomers and future generations. That means that we should plan to use our existing land supply more efficiently—especially as we also uphold our values of environmental stewardship. The planning grants provided in HB 1923 give cities the resources they

<sup>&</sup>lt;sup>1</sup> DRAFT VISION 2050: A Plan for the Central Puget Sound Region, Puget Sound Regional Council, July 2019. <u>psrc.org/sites/default/files/draft-vision2050-plan.pdf</u>

<sup>&</sup>lt;sup>2</sup> See footnote 1

<sup>&</sup>lt;sup>3</sup> Up for Growth: <u>Housing Underproduction in Washington State</u>)

<sup>&</sup>lt;sup>4</sup> Study conducted for MBAKS by LDC, Inc., January 2019

<sup>&</sup>lt;sup>5</sup> See footnote 4





need to update their codes or adopt new ordinances within their jurisdictions. The grants may be used to support development of housing action plans, municipal code changes, subarea planning and environmental reviews— actions which are intended to encourage production of more housing and a greater variety of housing types.

# How will we know if these voluntary actions taken by local governments are working?

Under the new law, every two years, the Washington Center for Real Estate Research at the University of Washington will produce a study that compiles housing supply and affordability metrics for each city with a population of 10,000 or more planning under the Growth Management Act. The initial study must be completed by October 15, 2020. The study must include a compilation of objective criteria related to development regulations, zoning, income, housing and rental prices, the percentage of costburdened households, and other metrics. This data will highlight actions cities have taken to increase residential building capacity and should help inform discussions about housing at both the state and local levels.

Founded in 1909 and headquartered in Bellevue, Washington, the Master Builders Association of King and Snohomish Counties (MBAKS) is the nation's oldest and largest local homebuilders association. Like our founders, our members continue to take a leading role in all facets of homebuilding and support the planning for a growing region. From new technology to advances in sustainability, from collaborative public policy efforts to investing in our communities, our commitment to a thriving, inclusive and well-planned region never wavers. We are the professional homebuilders, architects, remodelers, tradespeople (carpenters, framers, roofers, plumbers, electricians), planners and engineers, suppliers, manufacturers, and sales and marketing professionals in your community who believe everyone deserves access to a healthy and productive place to call home.

Want to learn more? We'd love to hear from you. Please contact Allison Butcher at <u>abutcher@mbaks.com</u> or 425.460.8223.