

Representative 2017 Advocacy and Legislative Successes

Actions Involving Multiple Jurisdictions

Housing Translator Campaign

<u>HousingTranslator.com</u> is a unique microsite developed by Seattle King County REALTORS® focused on giving simple, straightforward answers to complex questions about the King County housing market.

- *CAMPAIGN VISION:* Welcome to the go-to source for Real Talk—where the complexity of the King County home buying market and housing policy is literally translated into easy-to-understand language to better inform everything from home buying/selling decisions to policy positions. Washington REALTORS® supported us in developing a unique approach in explaining housing issues.
- CAMPAIGN GOALS:
 - o Position ourselves as the go-to housing policy experts amid King County's hot market
 - o Provide members with tools to demonstrate their value as REALTORS®
 - o Increase general awareness and recognition
- *RESULTS*: OVER HALF THE MARKET WAS REACHED—7.1 million impressions that reached approximately 67% of adults aged 35+ in the Seattle Designated Market Area (DMA).
 - o 198,764 earned media
 - o 875.483 radio
 - o 104,994 social media
 - o 2.9 million online banners
 - o 3.1 million transit kings

Sign Codes

- Sammamish: The Sammamish City Council eliminated the requirement to obtain a permit prior to posting a for sale or open house sign. The permit elimination was part of a larger package of amendments to the sign code. The City Council was responsive to the REALTOR® message that signage remains a critical component to residential transactions.
- *Medina:* This spring, REALTORS® succeeded in encouraging the Medina Planning Commission and the Medina City Council to adopt a real estate code in line with industry sign standards by increasing the overall size of for-sale signs on a property to 24" x 30" and allowing three 24" x 24" off-site open house A-boards.

Just recently, the City Council has directed the Planning Commission to review the code relating to construction signage. Because regulation of construction signage is in the same section of the

code as real estate signage, SKCR will re-engage in the process and protect our real estate sign allowances. The timing of the Planning Commission's review has not been determined.

• Covington: REALTORS® were successful in preventing a ban on real estate open house signs in the city of Covington during 2017. City staff and the Planning Commission appear favorably disposed to pursue creating a carveout for real estate signs, but have delayed further action until the spring of 2018.

Landscaping and Tree Regulations

Advocated code updates to adhere to the following elements:

- Permits should not be required for removal of trees that pose a hazard to lives or property.
 Property owners should have the latitude to remove dangerous trees at any time, without excessive process.
- In establishing or increasing minimum tree density on residential lots, care should be taken
 to ensure that tree density requirements do not preclude or make costly additions and/or
 remodeling to an existing single-family home.
- O Incentives are important, including softening the economic impact of tree preservation, establishing incentives within the development process, establishing incentives outside the development process, providing technical assistance to property owners, and providing trees/seedlings to property owners for planting on private property.

Puget Sound Regional Council Reaches Agreement with Small Cities on Housing

Last year, PSRC attempted to force small cities to reduce affordable housing opportunities. Cities attempting to grow beyond their housing targets were threatened with a withholding of transportation dollars. PSRC was viewing housing targets as a ceiling or cap on growth rather than a floor or minimum amount of zoned housing capacity in their comprehensive plans.

Making matters worse, the PSRC was basing its actions on stale, inaccurate data from 2012, rather than accounting for the current real estate market realities and the severe challenges buyers face in this market.

SKCR supported PSRC members in their successful attempt to reach a compromise with the small cities called the *Alternative Path to Full Certification for Small Cities*.

SKCR is hopeful the compromise will offer some relief to small cities. Cities will be eligible for conditional certification of their comprehensive plans and will preserve their eligibility for PRSC transportation funding. We are monitoring the details of the compromise and its implementation out of concern that the deal could be restrictive.

SKCR will stand with small cities to gain the allowance to grow in the manner they desire and maintain a reasonable level of self-determination.

Schools

Seattle King County REALTORS® supported several local school measures, including:

- A Highline School District bond to construct new schools and replace and renovate deteriorating schools
- An Auburn School District \$456 million school construction and replacement bond
- A Kent School District \$252 million construction bond that includes funding to replace the Covington Elementary School in a new location which will make possible redevelopment of the downtown, including more than 2000 new housing units
- A Federal Way School District \$450 million construction bond to address long-deferred maintenance and construction of new schools

Auburn

Regulatory Reform

Working in concert with the Masterbuilders, Seattle King County REALTORS® were successful in supporting the efforts of Auburn Mayor Nancy Backus and her staff to improve the efficiency of Development reviews, including:

- Existing regulations that required calculating allowable density based on "net site area" instead of "gross site area"
- o "Infill" development standards that make development of new housing cost prohibitive
- Requirements mandating a 40-foot setback for "drive aisle throat depths" (and which require a formal variance process rather than a city engineering review to obtain design flexibility) which constrain new development. Even though the standard is part of the zoning code, it really involves engineering layouts rather than land use planning and is better suited to technical review by a licensed city engineer
- Having the elected City Council members make the decision on Comprehensive plan land use map changes and rezones necessary to implement those changes at the same time, instead of requiring a separate decision by the Hearings Examiner
- Requirements for small redevelopment projects (such as the construction of a single home)
 to "underground the overhead wiring"—and to build "half streets"—which increase costs inordinately, and create barriers to new in-fill development

Covington

• Battle with PSRC Over Housing Supply

Seattle King County REALTORS® worked for more than a year to support small cities, including Covington and North Bend, in a fight with the Puget Sound Regional Council (PSRC) which had decided unilaterally to ignore state law and tried to pressure small cities in the region to reduce the number of new housing units that would be allowed. The PSRC said the cities must downzone, phase growth, or delay the construction of necessary infrastructure, otherwise the PSRC would refuse to certify the cities' comprehensive plans and then deny the city's access to federal transportation funding on the basis that the comprehensive plans had not been certified.

• Lakepointe Urban Village

The Covington City Council approved a development agreement that will allow the Lakepointe Urban Village to be constructed on 214 acres in the northern part of the City adjacent to Highway 18 at the former Lakeside gravel pit. The residential plan is for 1,500 homes. The commercial portion is slated to include 850,000 square feet of retail, hotel and office space (including retail centers). There is a 20-acre lake on the property. The mixed-use project will be constructed by the Oakpointe company which is part of Yarrow Bay Holdings, a Kirkland commercial and retail development firm.

Kenmore

Seattle King County REALTORS® testified before the Kenmore City Council to encourage the Planning Commission's work on a housing strategy to increase housing options in the city. Specifically, Seattle King County REALTORS® urged the Council to support the Planning Commission's recommendation to explore a greater mix of ADUs (Accessory Dwelling Units) attached to the primary residence, or detached, and greater flexibility in single-family neighborhoods for small scale housing like cottages and duplexes. Seattle King County REALTORS® asked the city to explore a code provision recently adopted in Shoreline—Unit Lot Development (ULD).

On the matter of condominium development, SKCR requested that the city support efforts in Olympia to address condominium construction liability. Current law almost guarantees the developers of new condo projects will be sued, often for minor defects that are easily remedied. The result is fewer condos are being built, leaving fewer affordable pathways for prospective homebuyers to get into home ownership or for empty nesters looking to downsize.

Issaguah

Development Moratorium

In response to a development moratorium enacted by the Issaquah City Council to address our range of growth-related issues, Seattle King County REALTORS® past-President and Issaquah Planning Commissioner Joan Probala convened a focus group of REALTORS® to offer the City of Issaquah's Development Services Department our perspective on the housing market, consumer preferences and strategies to increase housing supply within the city, while preserving community character. SKCR Member input was well received by staff, including our encouragement that swift action is needed to create new market rate housing supply.

SKCR members also suggested that the city guard against the idea that affordability is achieved only through subsidy. Members explained that greater housing supply in response to demand is essential to creating housing affordability for median income earners.

Kent

Design Review

Amendments to Title 15 of the Kent City Code regarding multifamily developments that modify the city's multifamily design guidelines to bring new housing to the market sooner by streamlining design review and ensuring that only one type of design review applies to any one project. In addition, the multifamily setback is reduced from 20 to 10 feet.

B&O Tax

Worked successfully with members of the City Council and the Kent Chamber of Commerce to oppose B&O tax increases, as well as diversion of B&O tax revenues to expenditures other than emergency capital construction repairs to roads.

Maple Valley

Up-Zone Master Plan Development

Maple Valley's Planning Commission recommended the City Council increase the allowable height in the City's R-24 zone because the initial allowable height of 35 feet adopted in 2012 will not accommodate a four-story residential structure as called for in the city's Comprehensive Plan. The problem came to light during the 2015/2016 "Major Update" of the city's comprehensive plan, which included a rezone of the area known as the "Brandt property" from service commercial (which allowed a height of 85 feet) to residential R-24 zoning for senior housing. The Brandt property is located North of SR-169 and SE 240th Way.

Public Health Seattle – King County and King County Board of Health

• On-site Septic Fees

REALTORS® played an important role in defeating a proposal that would have required owners of on-site septic systems (septic tanks) pay an annual fee of at least \$30 to fund a vastly expanded compliance program. The Board of Health later passed a transaction review fee without any review of a stakeholder work-group that had been formed to make recommendations regarding septic system oversight.

• As-built Drawings of Residential Septic Systems

In a move that critics of *Public Health* – *Seattle and King County* and the *King County Board of Health* characterized as vindictive retribution for defeat of the \$30 annual fee on septic system owners, County staff announced that (reportedly due to a microfiche machine failure which prevented access to existing as-built drawings) new as-built drawings of existing septic systems would be required to close residential real estate transactions. Almost immediately supervisory staff apologized for the inaccurate information being disseminated by the agency.

• Mandatory Annual Inspection of On-Site Septic Systems

Thereafter, *Public Health* – *Seattle and King County* and the *King County Board of Health* attempted to suggest that annual inspections of residential septic systems would be required, and that the inspections would have to be completed by a licensed inspector unless the property owner had undergone the County's inspection training. That position too was also later retracted by public officials.

Seattle

• Seattle City Council Approves University District, Downtown/South Lake Union, and Central Area Upzones—Potential for 5,000 market rate units

The Seattle City Council took important steps in Seattle's HALA (Housing Affordability and Livability Agenda) Grand Bargain by passing the University District, Downtown/South Lake Union, and Central Area Upzones.

Each neighborhood was debated individually and faced opposition in the form of attempts to increase developer fees and set asides—in excess of the HALA Grand Bargain. SKCR and our HALA coalition partners argued that changes to the HALA Grand Bargain Agreement would chill housing unit production. SKCR has urged the council to resist changes to the Agreement. Already, there has been an indication that some of the proposed exactions may be too high, adversely affecting housing production. Additional increases would further threaten the ability to meet housing goals.

The successful Upzones position the city to deliver on HALA's goal of producing 20,000 affordable homes and 30,000 market rate homes over the next ten years.

• SEPA (State Environmental Policy Act) Reviews

One of the goals of the Seattle Housing Affordability and Livability Agenda (HALA) was to reduce the number of housing projects that were subject to the State Environmental Policy Act (SEPA) process as an attempt to speed up development.

The Seattle City Council passed legislation that creates higher SEPA review thresholds for certain parts of the city. By doing that, the city's six urban centers will be exempt from the SEPA review process thereby eliminating duplicative review steps and helping to streamline the permitting process, which should allow new housing supply to reach the market more quickly.

Shoreline

Unit Lot Development (ULD)

The Shoreline City Council adopted a package of code amendments that included Unit Lot Development (ULD). Seattle King County REALTORS® encouraged the Council to adopt the ULD because it will enable smaller-scale townhouse, rowhouse, cottage, and single-family attached projects to be built with less cost, less time, and less risk. It's a great strategy for quality infill, and, as mentioned above, it comes at a time when new supply is desperately needed.

ULD divides land to sell smaller scale housing units, but does not create separate legal building sites. In addition, ULDs avoid the construction liability issues and required insurance associated with condominium development which has severely reduced the number of condominium projects within the region.

Tukwila

Incentives for Development of Additional Housing Supply

The City Council's ordinance encourages the development of more affordable housing by reducing permit and impact fees for both rental units and owner-occupied new construction. As envisioned by the City of Tukwila, certain development and land use permit fees for the entitlement, construction, and/or substantial improvement of dwelling units could be reduced by the city staff when requested by the property owner prior to applying for a permit.