From: Gina Clark

To: PC Public Comment

Cc: Evan Maxim; Jennifer Kester; Kate Kaehny

Subject: Comments for HAP Agenda Item on PC Agenda May 26 2021

**Date:** Wednesday, May 26, 2021 11:29:22 AM

Attachments: <u>image001.pnq</u>

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Dear Chair Basra and Members of the SeaTac Planning Commission,

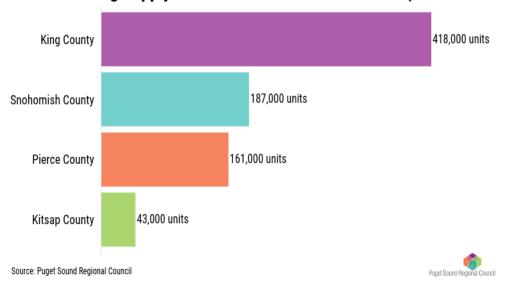
The Master Builders Association of King and Snohomish Counties (MBAKS) thanks the SeaTac Planning Commission (Commission) for the opportunity to provide written comments on the Housing Action Plan (HAP) on the agenda for the May 26, 2021 meeting. MBAKS does not require these written comments be read into the record, but are providing them for consideration by the Commission and City staff.

MBAKS respectfully urges Planning Commission support the recommendations City staff has outlined in the HAP. MBAKS supports staff's recommendations which have been prepared with an extensive amount of preparation, data, frequent community and stakeholder input and advice, consultant expertise, inclusion of both market rate and affordable housing providers, and SeaTac Planning and Economic Development (PED) input, among others.

The HAP is a holistic plan that considers regional housing challenges while tailoring specific, diverse housing needs, people, income, and the community of SeaTac itself, today and tomorrow, to housing production, supply, choice, and affordability. If supported and implemented, it's a plan that will serve a diverse population and need within the City. MBAKS sincerely thanks City staff for the robust community engagement, open communication, clearly written and understandable plan, and thoughtful land use decisions in crafting the HAP.

We need housing supply in our region. According to PSRC, our region will grow by another 1.8 million people by 2050, and as housing prices exponentially increase in Seattle and the Eastside, we're seeing more people moving to the South end. Currently, we are "under housed," and we are two years' behind as a region in providing enough units for everyone to have a safe, attainable home. And the need for more affordable and attainable housing at almost every AMI is continuing to grow.

## Future Housing Supply Needed to Accommodate Growth, 2020-2050



MBAKS acknowledges growth and changing code, design, and moving away from "traditional" building and land use policy is challenging and scary for communities. Acknowledging this upfront is necessary, and your staff has done an exemplary job of addressing all of these challenges and fears with community, electeds, and stakeholders.

With this in mind, MBAKS supports, and we respectfully urge Commission support the following.

Allowing flexibility to small lot single family requirements, as proposed by staff. The ability to expand housing choice, supply and affordability is at the heart of Missing Middle Housing and affordability, and is what is desperately needed in our region. Jurisdictions need to allow small lot single family flexibility to design and build different types of housing to meet the vastly different housing needs across a spectrum of affordability and housing choice for a diverse population.

- More than half of a Washington city's residential areas allow only single-dwelling houses.
- Duplexes, triplexes, fourplexes, sixplexes, stacked flats, townhomes, and courtyard
  apartments are more affordable than detached, single-dwelling houses because land costs,
  which account for a significant portion of a home's value, can be shared across several
  households.
- Construction costs for "plexes," stacked flats, townhomes and courtyardapartments are lower per square foot than taller apartment buildings.
- Allowing middle housing types is not a new idea—it simply re-legalizes housing types that used
  to be allowed without question.

Missing middle housing allows land costs to be shared, which is vital as land is extremely expensive in the Puget Sound region. It also allows the same size piece of land that would be used for single-family to maximize space, providing more homes for people more efficiently.

MBAKS commissioned a study in 2019 to review residential zoning regulations in King, Snohomish and Pierce Counties. MBAKS wanted to know which jurisdictions have minimum residential densities that fall below four dwelling units per acre. Four dwelling units per acre is the planning standard for being considered "urban." This study looked only at UGAs. The results of the study were staggering:

- 58% of the jurisdictions in the three-county region limit density to less than four dwelling units per acre.
- In King County alone, 74% of jurisdictions allow less than four units per acre.

Using our urban land efficiently is important for City and regional stewardship. Allowing and building Missing Middle Housing will help our communities avoid environmental damage and costly sprawl.

**Allowing cottage housing** in residential low zones is another important solution to our region's housing crisis. Smaller housing on smaller lots does a number of things:

- It maximizes available land and space, allowing more homes per square foot.
- If done right, design flexibility can maximize FAR and design bulk and scale to create small but charming and efficient homes.
- Reduced parking, yard, and setback requirements can give way to shared walkways, shared
  parking, and shared common areas for outdoor recreation, security, and sense of community.
  Again, maximizing available land and footprint, reducing paved area and environmental impact,
  creating different types of housing for different needs (some people don't need or want large yards
  for children's play structures, for example, or can handle yard maintenance).
- Reduced parking for cottages saves money on building costs and maximizes living space for people.
- Smaller homes are easier for seniors to age in place.
- Smaller homes can be more cost effective for first time homebuyers, including first time homeownership in BIPOC communities.

Several jurisdictions have or are considering pre-approved ADU plans including Seattle, Kirkland, Burien, and Renton. The pre-approved plans can make building and approving ADUs predictable for both applicants and the City, more cost effective, and save time for both the applicant and the City. Giving several pre-approved plans can also provide enough design flexibility for more challenging lots or to more easily fit the character of the community. In a time of severe housing supply shortage, increasing housing costs, and ever decreasing housing choice, it's vital to provide more flexible, cost-effective, and predictable housing choices for a diverse population. Pre-approved plans for ADUs can help be part of that solution.

**First time homebuyer opportunities are vital** to gain equity and reduce the ever widening wealth gap between Whites and BIPOC communities. Nearly all homeowners in the Puget Sound region currently have more than 50% equity in their homes, giving them more economic security and financial freedom than renters.

Providing this homeownership opportunity for families and individuals looking to live in our urban areas is vital. And we know that every dollar counts. According to the National Association of Home Builders' Priced Out Report for 2021, for every \$1,000 increase in the price of a home in the Seattle/Bellevue/Tacoma market, 1,557 people are "priced out."

https://www.nahb.org/-/media/NAHB/news-and-economics/docs/housing-economics-plus/special-studies/2021/special-study-nahb-priced-out-estimates-for-2021-february-2021.pdf? qa=2.204808856.946746581.1615318888-641608196.1615318888.

In the Seattle-Bellevue-Tacoma area, the median price for a home is \$542,762. It takes a median income of \$116,574 to be considered to qualify for a standard loan. There's a total population of 1,571,761 people in the region. Of those, 639,320 can afford home ownership, but 932,441 are priced-out with every increase of \$1,557 in the cost of housing.

Opening up single family residential zoned land is an important step to equity, inclusion, and providing opportunity. Missing Middle Housing is not a new concept, but one that gave way to the exclusionary single-family zoning, redlining, and lending practices that began at the turn of the century and continue today through regulations and zoning that prohibit middle housing types. A significant step is acknowledging our area's history of exclusionary housing policies to keep us accountable to achieve equity—from housing to education to jobs to financing and beyond.

Decreasing minimum lot size in the Urban Low (UL) 7.200 Single Family Zone has the potential to answer much of the challenges facing growth issues in SeaTac, although MBAKS acknowledges it might, at first, raise some concerns in City leaders and residents over density, property rights, and changing community character, it has been done in other regions and can be done thoughtfully. Some of the benefits:

- Maximizes available land.
- Costs of construction are shared per unit placed on the lot.
- Units are allowed by right on smaller lots, saving time and money.
- Opens up once untouchable single family zoning, making land use more equitable.
- More people will find more opportunities for homes.
- The city's property tax base would open up, allowing the City the opportunity to expand its tax base.
- Smaller lots could house a mix of homes that with the right design characteristics, could be planned and fit "character.
- It's environmentally sound planning that benefits from shared alleyways, infrastructure, etc.

If adopted, SeaTac would be bold on adoption, forward thinking, and would give residents, homebuilders, and the City an opportunity to think outside the box to provide more housing options.

MBAKS has established the Coalition for More Housing Choices to help address these difficult topics, to find solutions together with our community partners like the Housing Development Corporation (HDC), the South Seattle Chamber of Commerce, and the South King Housing and Homelessness Partners. I would urge the Commission and Council to support staff's work and to engage and empower a very large and diverse group of stakeholders. MBAKS is privileged to be engaged in this work with your City and willing to connect you with other stakeholders as necessary.

If you'd like to meet, have any questions, or have comments, please reach out. I'm happy to answer and continue to be part of the process.

Take care, and be well. Gina



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