



More than twenty years ago, Eastside business leaders formed the East King Chambers Coalition to advocate for pro growth policies in Olympia. The Coalition brings together eleven Eastside chambers of commerce representing over 3,000 companies. The coalition enables these employers to speak with a unified voice on key legislative issues and brings elected and business leaders together through various events and advocacy efforts.

## 2021 Session Position

# HOUSING AFFORDABILITY



Washington State’s Goal of making housing affordable “to all economic segments of the population of this state” was embodied in our state law when the Growth Management Act was passed in 1990<sup>1</sup>. But in the three following decades, our housing has become less and less affordable. We offer the following proposals, and commit to work in partnership with Legislators and stakeholders to reach Washington’s Adopted Housing Goal:



### Expand the Multi-Family Tax Exemptions (MFTE) to 20 Years

The MFTE helps make rental housing more affordable for low and moderate-income households. Without the MFTE, owners of rental units would have to charge higher rents to cover the cost of higher property taxes; and the resulting increases would likely render some renters homeless. There are important negative consequences for the state, cities, and renters if the MFTE is inadequate, or unreasonably constrained. Thus, the Legislature should:



- Provide flexibility and incentives for cities to participate in the MFTE program.
- Extend the MFTE to 20-years (currently 8-12 yrs.) to be consistent with financing programs.
- Expand the MFTE to include affordable condominium conversions.
- Educate stakeholders.



### Create Incentives and Penalties Related to Achieving GMA Housing Goals

The Legislature should create significant and effective financial and legal incentives, both positive and negative, to reward success and to make it untenable for any local government to fail to discharge its fair share of the responsibility to achieve Washington’s Housing Goal.

Local governments should be required to update their comprehensive plans and zoning/development regulations during the implementation of the next “major update” of local comprehensive plans to ensure we eliminate the current housing supply deficit and also accommodate the future actual market demand for housing.

### Create Incentives to Encourage Transit Oriented Development (TOD)

- Incentivize all jurisdictions to include TOD in their comprehensive plans.
- Require TOD corridors to be planned and zoned at densities that will accommodate 50-years of growth, the viable lifespan of new construction, instead of the current 20-year growth planning period.
- Because TOD is not progressing due to parking requirements, modify TOD Guidelines to include government entity-provided parking based on current car usage statistical analysis.
- To improve efficient land use and the financial viability of projects in cities > 50,000, incentivize new construction within 2,500 feet of transit stations and open space to be mixed use and at least 7-stories.





## Promote Policies that Increase Housing Supply and Rental Options

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The better ways to keep rents down are:

- Expand the MFTE.
- Dramatically increase density, height and floorplate incentives for projects that include a higher percentage of affordable units.
- Amend RCW 36.70B - The Local Project Review Act (which includes WA's Development Agreement Statute) - to give local governments authority to modify zoning standards through a development agreement in exchange for development of affordable housing.

# HOUSING AFFORDABILITY

### Contact

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<sup>1</sup> RCW 36.70A.020 (4)