

# Government Relations Updates

## Growth Management Policy Board

February 6, 2025

Updated  
as of  
2/6/2025



Puget Sound Regional Council



*We are leaders in the region to realize equity for all. Diversity, racial equity and inclusion are integrated into how we carry out all our work.*

[psrc.org/equity](https://psrc.org/equity)



# Federal Updates

- HUD Secretary Scott Turner confirmed
- Federal Funding Pause Directive (rescinded)
- Agency Memos implementing executive orders
- Sanctuary Cities



# Executive Orders



- Over 45 Executive Orders
- Immigration and border, climate, energy, regulatory freeze of rules pending review, federal return to work, hiring freeze, termination of DEI programs

[Executive Order Summaries from Holland & Knight](#)

[National League of Cities Executive Order Presidential Actions Summary Page](#)



# 2025 State Legislative Session

- Operating budget deficit of \$12 billion
- Transportation budget deficit of \$8 billion over 10 yrs, \$1 billion FY25–27
- Policy cut off Feb 21
- Fiscal cut off Feb 28





# Housing Research Center



- [Sign on Letter](#)
- Budget ask:  
\$250,000 FY 2025  
and \$750,000 FY  
2026 and each  
subsequent year
- [One-pager](#)





# Housing Stability

## Rent Stabilization

[HB 1217](#) (Alvarado) / [SB 5222](#) (Trudeau)

Limits rent increases to no more than 7 percent per year during

- Requires 6 months' notice for a rent increase of 3 percent or more
- Establishes fees count as rent for the purposes of calculating an increase
- Limits move-in fees to the equivalent of one month's rent or less
- Limits late fees to no more than 1.5% of the monthly rent



# Housing Subsidy



## Real Estate Excise Tax

[HB 1480](#) (Ramel)

Allows all counties to impose a .05 real estate excise tax for the development of affordable housing.

## Construction Sales Tax Exemption

[HB 1717](#) (Leavitt) / [SB 5591](#) (Bateman)

Exempts affordable housing from the sales tax on construction materials.

## Affordable Homes Act

Reforms the Real Estate Transfer Tax, with revenues dedicated for affordable housing.





# Housing Supply: Subdivision & Lot Splitting

## Lot Splitting

[HB 1096](#) (Barkis)

Establishes a process for review and approval of administrative lot split and residential building permits for new single family or middle housing.

## Streamlining Subdivision Process

[SB 5559](#) (Lovelett)

Streamlining the subdivision process inside urban growth areas.





# Housing Supply: Transit-Oriented Development

## Promoting Transit Oriented Housing Development

### [HB 1491](#) (Reed)

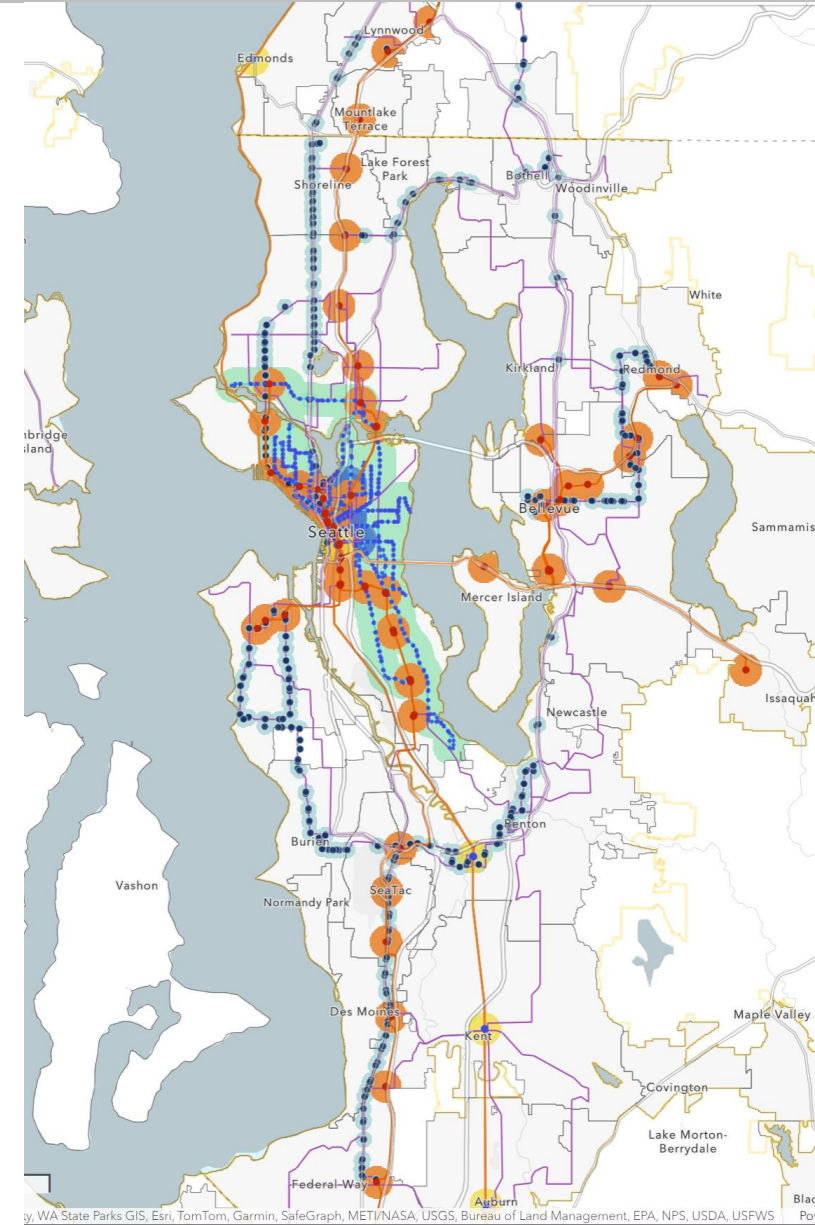
Creates density requirement in station areas

- 3.5 FAR w/in .5m of rail
- 2.5 FAR w/in .25m of BRT

## Promoting Transit Oriented Development

### [SB 5604](#) (Lias)

Allows jurisdictions to create MFTE program with 20-year tax exemption in station areas requiring 20% of units in building to be affordable for 50 years.



# Housing Supply: Multifamily Tax Exemption



MFTE County Expansion  
[HB 1206](#) (Low)

MFTE Adjustments  
[HB 1494](#) (Ramel)





# Housing Supply: Building Code

## Modifying Building Code

[HB 1183](#) (Duerr)

Concerning building code and development regulation reform.

## Incorporating IWUIC

[HB 1254](#) (Duerr)

Implementing the International Wildland Urban Interface Code.





# Housing Supply: Condominium Reform



## Simplifying Condo Construction [HB 1403](#) (Taylor)

- Establishes implied warranties for existing and newly constructed condominium units
- Clarifies the definition of "workmanlike manner"
- Modifies the dispute resolution process by mandating arbitration for certain claims





# Housing Supply: Limiting Speculation

Limiting Excessive Home  
Buying

[HB 1732](#) (Thomas) / [SB 5496](#)  
(Alvarado)

Limits purchase by businesses  
to 25 single-family homes and  
prohibits investment entities  
from purchasing single-family  
homes.





# Housing Supply: Parking Requirements



## Minimum Parking Requirements

[HB 1299](#) (Peterson) / [SB 5184](#) (Bateman)

Prohibits cities and counties from requiring:

- More than 0.5 parking space per residential unit
- More than 1 parking space per 1000 feet of commercial space
- Eliminates minimum parking requirements for several building types including affordable & senior housing and homes < 1200 sq ft





# Housing Supply: Accessory Dwelling Units

ADUs in Rural Areas [HB 1010](#) (Low)  
Authorizing ADUs in rural areas.

DADUs Outside UGAs [HB 1345](#) (Low)  
Establishing limits on DADUs outside UGAs.

DADUs Outside UGAs [SB 5413](#) (Lovelett)  
Establishing limits on DADUs outside UGAs.

DADUs Outside UGAs [SB 5470](#) (Goehner)  
Establishing limits on DADUs outside UGAs.



# Compliance

## GMA Planning Compliance

[HB 1135](#) (Duerr)\*

Ensuring that local government planning complies with the GMA.

## GMA Planning Compliance

[SB 5197](#) (Salomon)\*

Ensuring that local government planning complies with the GMA.

\*HB 1135 and SB 5197 are very similar, but not companion bills

## GMA Housing Element Compliance

[HB 1235](#) (Peterson) / [SB 5148](#) (Bateman)

Creates a builders remedy for affordable housing, prohibiting a city or county from denying affordable housing development unless they have a compliant housing element.





# Child Care Centers

Child Care Center Siting  
[HB 1212](#) (Alvarado)/SB  
5509 (Alvarado)  
Requires child care  
centers to be permitted  
in all zones except  
industrial zones.





# Housing and Shelter



## Safe Spaces, Strong Communities Act [HB 1380](#) (Gregerson)

Requires local laws that regulate utilization of public property be objectively reasonable.

## Permanent Supportive Housing [HB 1195](#) (Peterson) / [SB 5497](#) (Alvarado)

Requires use of an administrative process to review & approve project permits for STEP housing. Requires Commerce to resolve disputes between a city or county and a project applicant.







# Thank You!

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Puget Sound Regional Council