
HOUSE BILL 2560

State of Washington

65th Legislature

2018 Regular Session

By Representatives Condotta and Barkis

Read first time 01/10/18. Referred to Committee on Environment.

1 AN ACT Relating to advancing the American dream by allowing
2 increased family residential development in counties where the first-
3 time buyer housing affordability index shows that housing is not
4 affordable; adding a new section to chapter 36.70A RCW; and creating
5 a new section.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** The legislature finds that first-time home
8 buyers in Washington state have been priced out of the housing market
9 in many counties. The legislature finds that studies have determined
10 that growth management restrictions increase the cost of housing.

11 The legislature intends to make housing more available and
12 affordable for first-time home buyers in counties where housing is
13 currently not affordable for first-time home buyers. The legislature
14 intends to do this by allowing single-family detached residential
15 development to be placed outside of urban growth boundaries in
16 counties where the first-time buyer housing affordability index
17 indicates that housing is not affordable for first-time home buyers.

18 NEW SECTION. **Sec. 2.** A new section is added to chapter 36.70A
19 RCW to read as follows:

1 (1) For the purposes of this section, "first-time buyer housing
2 affordability index" means a calculation that measures the ability of
3 a typical renter household to afford the purchase of a typical
4 starter home by assuming: (a) The household will purchase a home
5 priced at eighty-five percent of area median household income with a
6 ten percent down payment; (b) the home mortgage loan is for a term of
7 thirty years at the prevailing average fixed rate of interest; and
8 (c) the potential first-time home buyer earns seventy percent of the
9 area median household income and twenty-five percent of household
10 income can be used for principal and interest payments.

11 (2) For the purposes of this section, a first-time buyer housing
12 affordability index of: (a) One hundred indicates that a household of
13 the defined income can afford a home of the defined price; (b) less
14 than one hundred indicates that a household of the defined income
15 cannot afford a home of the defined price without spending more than
16 twenty-five percent of their income on mortgage payments; and (c)
17 greater than one hundred indicates that a household of the defined
18 income can afford a home of the defined price while spending less
19 than twenty-five percent of their income on mortgage payments.

20 (3)(a) In any county planning under RCW 36.70A.040 in which the
21 first-time buyer housing affordability index, as calculated by the
22 county legislative authority and adopted by ordinance or development
23 regulation, is less than one hundred for three quarters in any given
24 year, for the following two years the county may permit single-family
25 detached residential development of any density outside the urban
26 growth area designated according to RCW 36.70A.110. For the purposes
27 of this chapter, single-family detached residential development
28 authorized according to this section shall not be considered urban
29 growth located outside of an urban growth area and may have access to
30 and use urban governmental services. Services provided to single-
31 family detached residential development permitted under this section
32 shall not be considered urban services located outside of an urban
33 growth area.

34 (b) Any county planning under RCW 36.70A.040 implementing this
35 subsection may:

36 (i) Change its comprehensive plan once to authorize the adoption
37 of subsequent ordinances to implement the provisions of this section.
38 Once the comprehensive plan includes the authorization to implement
39 this section, any subsequent ordinance or development regulations are

1 deemed consistent with the comprehensive plan without further
2 comprehensive plan amendments;

3 (ii) Calculate the first-time buyer housing affordability index
4 and enact an ordinance or development regulations authorizing the
5 permitting of new locations for increased density of single-family
6 detached residential development as provided for in (a) of this
7 subsection; or

8 (iii) Enact an ordinance or development regulations that provide
9 new locations for or increased density of single-family detached
10 residential development which are contingent upon a determination
11 under (a) of this subsection that the first-time buyer housing
12 affordability index was less than one hundred for three quarters in
13 any given year.

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