

HOUSE BILL REPORT

SB 5792

As Passed House:

March 1, 2024

Title: An act relating to exempting buildings with 12 or fewer units that are no more than three stories so long as one story is utilized for either parking or retail, from the definition of multiunit residential building.

Brief Description: Concerning the definition of multiunit residential buildings.

Sponsors: Senators Padden, Pedersen, Billig, Mullet and Wilson, J..

Brief History:

Committee Activity:

Housing: 2/14/24, 2/19/24 [DP].

Floor Activity:

Passed House: 3/1/24, 96-0.

Brief Summary of Bill

- Excludes a building with 12 or fewer units that is no more than three stories and has one story devoted to retail or parking from the definition of "multiunit residential building," which exempts the building from certain enclosure design and inspection requirements.

HOUSE COMMITTEE ON HOUSING

Majority Report: Do pass. Signed by 13 members: Representatives Peterson, Chair; Alvarado, Vice Chair; Leavitt, Vice Chair; Klicker, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Barkis, Bateman, Chopp, Entenman, Hutchins, Low, Reed and Taylor.

Staff: Serena Dolly (786-7150).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background:

Building Enclosure Requirements for Multiunit Residential Buildings.

Specific building enclosure requirements apply when constructing or rehabilitating a multiunit residential building or when converting a multiunit residential building to condominium units. A building enclosure is the part of a building that physically separates the exterior environment from interior environments and that weatherproofs, waterproofs, or otherwise protects the building or its components from water or moisture intrusion.

A "multiunit residential building" is defined as a building with more than two attached dwelling units, but does not include:

- hotels or motels;
- dormitories;
- care facilities;
- floating homes;
- buildings with attached dwelling units each on a single platted lot;
- buildings subject to a covenant prohibiting conversion to condominium units for at least five years; and
- buildings with 12 or fewer units that are no more than two stories.

A developer may elect to have the building enclosure requirements apply to a building with only two attached dwelling units, a building without attached dwelling units, or a building with attached dwelling units each on a single platted lot.

Design Requirements.

Building enclosure design documents must be submitted with any application for a building permit for the construction of a multiunit residential building. The documents must be stamped by an architect or engineer and must address waterproofing, weatherproofing, and other protections of the building from water or moisture intrusion. A building department may not issue a building permit unless the design documents have been submitted.

Inspection Requirements.

The building enclosure of a multiunit residential building must be inspected during initial or rehabilitative construction. The inspection must determine through periodic review whether the building enclosure construction complies with the design documents. In addition, the inspection must include testing of windows and window installations for water penetration problems.

Building enclosure inspections must be performed by a person who has training and experience in design and construction of building enclosures, who is free of improper interference or influence, and who has not been an employee of the developer. However, the inspections may be done by the architect or engineer who prepared the design documents or who is the architect or engineer of record on the project.

A building department may not issue a certificate of occupancy for a multiunit residential building until the inspector submits a building enclosure inspection report certifying that the building enclosure was inspected during construction and that the building enclosure was constructed in substantial compliance with the design documents.

Inspection Requirements for Residential Condominium Units.

A residential condominium unit in a multiunit residential building may not be sold without meeting the building enclosure design and inspection requirements for construction of multiunit residential buildings. However, these requirements do not apply if the building enclosure meets certain alternative inspection requirements.

These alternative inspection requirements include intrusive testing, such as removing siding to check for construction quality and for water penetration, and an evaluation of the condition of the building enclosure and its ability to waterproof or weatherproof the building from water or moisture intrusion. The inspection must include a report of the findings and any recommended repairs. This report must be made a part of the public offering statement for the condominium. If the building was subject to a covenant prohibiting conversion to condominium units for at least five years, and less than five years have passed, any recommended repairs must be completed before the condominium units can be sold.

Summary of Bill:

A building with 12 or fewer units that is no more than three stories and has one story devoted to retail space or parking, either above or below ground, is excluded from the definition of "multiunit residential building," which exempts the building from enclosure design and inspection requirements.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The state desperately needs more housing. This legislation builds on legislation passed last year to increase middle housing options. It will encourage new homeownership and help people build generational wealth. Condominiums provide an affordable path to homeownership for first-time and entry-level home buyers.

(Opposed) None.

(Other) This is an effort to continue exempting condominiums from building requirements, and the impact will not be known until problems do or do not occur.

Persons Testifying: (In support) Senator Mike Padden, prime sponsor; Pam Haley, City of Spokane Valley; and Tricia Gullion, Building Industry Association of Washington.

(Other) Steve Horvath, Homeowners of America United.

Persons Signed In To Testify But Not Testifying: None.