

# SENATE BILL REPORT

## 2SHB 1183

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As Reported by Senate Committee On:  
Local Government, March 24, 2025  
Ways & Means, April 7, 2025

**Title:** An act relating to incentivizing affordable and sustainable building practices through building code and development regulation reform.

**Brief Description:** Concerning building code and development regulation reform.

**Sponsors:** House Committee on Appropriations (originally sponsored by Representatives Duerr, Leavitt, Berry, Parshley, Reed, Ryu, Fitzgibbon, Taylor, Doglio, Berg and Davis).

**Brief History:** Passed House: 3/11/25, 56-39.

**Committee Activity:** Local Government: 3/17/25, 3/24/25 [DP-WM, DNP, w/oRec].  
Ways & Means: 4/03/25, 4/07/25 [DP, DNP, w/oRec].

### Brief Summary of Bill

- Requires cities and counties planning under the Growth Management Act to modify setback, height limit, and gross floor area requirements for certain types of developments.
- Modifies off-street parking and affordable housing unit size requirements.

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### SENATE COMMITTEE ON LOCAL GOVERNMENT

**Majority Report:** Do pass and be referred to Committee on Ways & Means.  
Signed by Senators Salomon, Chair; Lovelett, Vice Chair; Bateman.

**Minority Report:** Do not pass.  
Signed by Senator Torres, Ranking Member.

**Minority Report:** That it be referred without recommendation.

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*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.*

Signed by Senator Goehner.

**Staff:** Karen Epps (786-7424)

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## SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass.

Signed by Senators Robinson, Chair; Stanford, Vice Chair, Operating; Trudeau, Vice Chair, Capital; Frame, Vice Chair, Finance; Conway, Dhingra, Hansen, Kauffman, Pedersen, Riccelli, Saldaña, Wellman and Wilson, C..

**Minority Report:** Do not pass.

Signed by Senators Torres, Assistant Ranking Member, Operating; Schoesler, Ranking Member, Capital; Dozier, Assistant Ranking Member, Capital; Braun, Muzzall, Wagoner and Warnick.

**Minority Report:** That it be referred without recommendation.

Signed by Senators Gildon, Ranking Member, Operating; Hasegawa.

**Staff:** Trevor Press (786-7446)

**Background:** Growth Management Act. The Growth Management Act (GMA) is the comprehensive land use planning framework for counties and cities in Washington. The GMA also establishes a significantly wider array of planning duties for 28 counties, and the cities within those counties, that are obligated to satisfy all planning requirements of the GMA.

The GMA directs fully planning jurisdictions to adopt internally consistent comprehensive land use plans. Comprehensive plans are implemented through locally adopted development regulations, and both the plans and the local regulations are subject to review and revision requirements prescribed in the GMA. When developing their comprehensive plans, counties and cities must consider various goals set forth in the GMA.

Development Regulations. A city, town, or county may enact ordinances regulating the use of land within its jurisdiction, including zoning ordinances, critical areas ordinances, planned unit development ordinances, subdivision ordinances, and binding site plan ordinances. These regulations may also include:

- the location, height, construction and size of buildings for residence, industry, trade, and other purposes;
- the size of yards, open spaces, lots, and tracts;
- the density of population; and
- the setback of buildings.

Passive House. Passive house is a voluntary standard for energy efficiency in buildings,

which typically requires little energy for heating or cooling. Certified passive house projects currently meet the requirements of the State Energy Code.

Minimum Residential Parking Requirements. In counties and cities fully planning under the GMA, minimum residential parking requirements mandated by municipal zoning ordinances are subject to certain requirements. Requirements are dependent upon:

- whether the housing units are offered as affordable to very low-income people or extremely low-income people, are specifically for seniors or people with disabilities, or are market rate multifamily housing units; and
- the proximity of the housing units to a transit stop that receives a certain frequency of transit service.

Limits on Minimum Residential Parking Requirements. For affordable housing units that are affordable to very low-income or extremely low-income individuals and located within 0.25 miles of a transit stop receiving transit service at least two times per hour for 12 or more hours a day, minimum residential parking requirements may be no greater than one parking space per bedroom or 0.75 space per unit.

For housing units that are specifically for seniors or people with disabilities and located within 0.25 miles of a transit stop receiving transit service at least four times per hour for 12 or more hours a day, a city may not impose minimum residential parking requirements for the residents of such housing units. A city may require a developer to record a covenant that prohibits the rental of a unit subject to this parking restriction for any purpose other than providing housing for seniors or people with disabilities.

For market rate multifamily housing units that are located within 0.25 miles of a transit stop that receives transit service from at least one route that provides service at least four times per hour for 12 or more hours per day, minimum residential parking requirements may be no greater than one parking space per bedroom or 0.75 space per unit.

A city may establish a requirement for the provision of additional parking space per bedroom or per unit if the jurisdiction has determined particular housing unit to be in an area with a lack of access to street parking capacity, physical space impediments, or other reasons supported by evidence that would make on-street parking infeasible for the unit.

**Summary of Bill:** Development Regulations. For cities and counties planning under the GMA, retrofits of existing buildings to be used for residential housing and new construction or the retrofit of existing buildings meeting passive house requirements must:

- allow the portion of exterior wall assemblies that include insulation to project up to eight inches into the setbacks on all sides;
- allow the building to exceed the maximum allowable roof height by eight inches to accommodate additional insulation; and
- ensure that the gross floor area is measured from the interior face of the exterior walls, including drywall.

For retrofit of existing buildings to be used for residential housing and for new construction or retrofit of existing building meeting passive house requirements, cities and counties are not prohibited from applying the requirements of the State Building Code or required to allow a setback of less than 36 inches between residential dwelling units.

For new construction or the retrofit of existing buildings meeting passive house requirements, any required setback must be measured to the outside face of the foundation.

Cities and counties planning under the GMA must allow, for existing nonconforming buildings already projecting into setbacks, the portion of exterior wall assemblies that include insulation to project up to an additional eight inches into the setbacks on all sides if the building is to be used for residential housing.

Cities and counties planning under the GMA must allow a building to exceed any maximum allowable roof height limit by at least 48 inches to accommodate a roof-mounted solar energy panel.

Cities and counties planning under the GMA may not require facade modulation or upper-level setbacks as a condition of permitting the following residential projects:

- affordable housing;
- new construction meeting passive house requirements;
- the retrofit of existing buildings meeting passive house requirements;
- conversions of existing buildings to housing or mixed-use developments, that includes housing;
- modular construction; and
- mass timber construction.

Parking Requirements. Cities and counties planning under the GMA may not require off-street parking as a condition for permitting the following types of residential projects:

- affordable housing,
- new construction or the retrofit of existing buildings meeting passive house requirements,
- modular construction, or
- mass timber construction.

The city or county may require off-street parking if the jurisdiction submits to the Department of Commerce (Commerce) an empirical study prepared by credentialed planning experts, and Commerce finds and certifies that the parking limitations will be significantly less safe for vehicle drivers or passengers, pedestrians, or bicyclists than the jurisdiction's parking requirements. Commerce must develop guidance to assist cities and counties on items to include in the study. A county may require off-street parking if the county's roads are not developed to the standards adopted by cities within that county for streets and roads.

Limits on minimum residential parking requirements for affordable housing units that are affordable to very low-income or extremely low-income individuals and located within 0.25 miles of a transit stop are removed.

Affordable Unit Sizes. Planning cities and counties may not require affordable housing units for low-income or very low-income households to exceed the following sizes:

- 400 square feet for a studio unit;
- 550 square feet for a one-bedroom unit;
- 750 square feet for a two-bedroom unit; and
- 1000 square feet for a three-bedroom unit.

If a project's average market rate unit size is smaller than these size requirements, the city must allow affordable housing units to be of a comparable size to the market rate units. These requirements do not apply to co-living housing units or low-income housing developed under an Affordable Housing Incentive Program.

Implementation. Cities and counties that plan under the GMA must implement these requirements by either six months after their next periodic comprehensive plan update or six months after their next implementation progress report, whichever is sooner.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony (Local Government):** PRO: This bill is trying to incentivize the type of housing needed for affordability but also for energy efficiency and to meet climate goals. The bill adds provisions around insulation because the cheapest way to insulate an existing home is to add insulation on the outside but in some municipalities, the setbacks are such that it is impossible to do so. The bill is accommodating the thick walls in passive houses without losing living space. This bill takes a more surgical approach around parking that is specific to particular use types, as opposed to the more broad-based proposals being considered this year.

This bill will make it easier for clients to build more energy efficient homes and buildings, especially on sites that have existing homes where they are already pushed to the setbacks or for new developments where the sites are tight. This bill will help build better buildings that are more fire resistant, more energy efficient, and better acoustically. This bill will help by eliminating parking minimums for affordable housing and allowing developers to determine when and where and how much parking is needed based on actual demand and

community needs. This bill helps with all the little pieces that help a project go from possibility to reality and has several good reforms that make it less costly and more efficient to build housing. The bill gives builders design flexibility on façade modulation and upper-level setbacks, which is helpful because prescriptive requirements for these make construction more expensive, reduce the amount of livable square footage, make the living space less livable, and in some cases make it impractical to build the housing.

OTHER: There are some small issues to be addressed in this bill, with remaining concerns related to the parking prohibitions in the bill. There are some issues related to residences being converted to short term rentals that could be addressed in this bill without limiting the goals of the bill.

**Persons Testifying (Local Government):** PRO: Representative Davina Duerr, Prime Sponsor; Julie Blazek, HKP Architects; Ryan Donohue, Habitat for Humanity Seattle-King & Kittitas Counties; Angela Rozmyn, Natural and Built Environments; Carl Schroeder, Association of Washington Cities; Dan Bertolet, Sightline Institute.

OTHER: Curtis Steinhauer, Washington State Association of Counties.

**Persons Signed In To Testify But Not Testifying (Local Government):** No one.

**Staff Summary of Public Testimony (Ways & Means):** PRO: Lower costs and cleaner houses result in better houses for Washingtonians. Eliminating parking minimums for affordable housing allows developers to provide accurate amounts of parking based on actual community need. This bill allows for use of external insulation which is usually restricted by setback and square footage requirements. Increasing insulation and decreasing upper level setbacks increases energy efficiency. Flexibility on parking makes more projects feasible. This bill removes barriers to creating housing. This bill allows for building better buildings that helps owners realize energy savings. These buildings are more fire resistant and better acoustically. Granting builders full flexibility on façade modulation and upper level setbacks is important because restrictions often make construction more expensive and can make it impractical to build at all.

OTHER: The language that was added that limits the parking prohibitions in this bill ensures safety in areas where roads lack certain attributes. Counties want to see this language included in the final product.

**Persons Testifying (Ways & Means):** PRO: Ryan Donohue, Habitat for Humanity Seattle-King & Kittitas Counties; Rob Harrison, Passive House Network; Julie Blazek, HKP Architects; Dan Bertolet, Sightline Institute.

OTHER: Curtis Steinhauer, Washington Association of Counties.

**Persons Signed In To Testify But Not Testifying (Ways & Means):** No one.