

Dear Chair Bowerman & Fellow Councilors,

As this council is aware, we are facing a housing crisis in our community. Unprecedented demand has led to a strain on the inventory of available housing, driving prices up and worsening the housing affordability crisis in our community. With demand far outstripping supply, there is no relief in sight for an increasing number of people who can no longer afford to buy a house in Clark County. Put simply – we need to increase housing production to generate more inventory on the market, which will increase affordability.

To accomplish this, the private sector must be given the tools to increase housing supply. The housing action plan before you, specifically the actionable short-term strategies, will do just that. The Clark County Association of REALTORS® is in full support of the document presented, though key changes should be made to increase supply even further. Given this is a crisis, now is the time for the council to be bold and allow the code to be permissive as possible. Instituting restrictive design standards targeting lot coverage and building height will decrease the livability of some product types, and doesn't reflect real-world market demand. Builders and buyers can always choose to build and purchase smaller structures, and preemptively restricting these middle housing types will only hinder inventory creation and affordability.

Strategy HO-1 could be modified to reduce lot sizes even further to 1,750-1,800 sq ft. Strategy HO-1 could also increase maximum lot coverage to 70% across the board, except where it is already higher in the zoning code and reduce minimum lot width to 20 feet in Medium-density Zones, except for attached housing, which should go down to 14 feet.

Regarding strategy HO-2: The 5-acre minimum could limit the potential impact of this strategy. Having a maximum lot coverage of 40% and building height of 25 ft. in the new zone would severely limit the type of product and living space provided. The council should recommend a maximum lot coverage of 70%, reduce the 5-acre minimum, and bring build height up to 35ft so more living space can be added vertically. These three changes will give builders and REALTORS® a more marketable home and buyers a more livable home that can accommodate a growing household in the future. Nothing would prevent the private market from building smaller structures; flexibility in the code is paramount so that buyer choice is not artificially restricted.

Additionally, the council should ensure that restrictive design standards are not instituted which can increase costs and decrease the livability of a home. Other jurisdictions have passed

such design standards which target garage and driveway width. In the new, small lot subdivision zone, restrictions on garages and driveway widths would reduce the livability of this product type. Ample off-street parking and garage space is essential to secure storage and a functioning streetscape within a neighborhood. While we support reductions in parking standards, the council should consider how viable parking strategies like tandem parking really are before making a decision.

Moreover, in strategy HO-9 the council should provide an exemption for an attached garage; an exemption that wouldn't count against the current 1,600 sq ft. maximum. The code was never intended to count garage space as conditioned living space and there is no reason in doing so. The building height of cottage housing should increase to 35ft to increase livable space within the limited parameters of middle housing types.

Strategy HO-4 would increase middle housing options while using existing infrastructure, relieving some cost pressures associated with infrastructure development fees. This strategy also provides greater density and can use existing structures, which again lowers costs for those seeking housing. High and mid-rise apartments generally provide less affordability given the cost of land and vertical construction, this is one reason why we see the regular use of the multifamily tax exemption in cities. HO-4 would provide more housing options and upfront, market-based affordability without relying on government subsidies. Adoption of this strategy is crucial in fixing the inventory issues we now face.

Based on a recent study conducted by ECONorthwest, "3 Keys to Quality Growth," Washington State has the fewest number of housing units per household of any state in the country. Our state has 1.06 housing units per household with the national average being 1.14. Clark County sits even lower at 1.04 units per household. ECONorthwest estimates 190,000 units were underproduced through 2019. A chronic underproduction of housing in this state is to blame for today's crises, and making these modifications will be the first of many steps to alleviate the situation. Our association is overwhelming supportive of the strategies outlined to increase housing options, specifically middle housing options. I hope the council thinks about the suggestions outlined when considering adoption of the Housing Action Plan.

Sincerely,

Justin Wood, Government Affairs Director ga@ccrealtors.com | 503.917.5698