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Gov. Gregoire, legislative leaders, endorse Washington Realtors’ proposed work group to address housing supply crunch

OLYMPIA – Gov. Chris Gregoire, Senate Majority Leader Lisa Brown, and Speaker of the House Frank Chopp today announced support for a bi-partisan work group to propose legislation to address the statewide shortage of home choices. The governor has asked Hugh Spitzer, the chair of the Affordable Housing Advisory Board, to convene a work group to propose legislation for the 2007 legislative session to address the state’s housing supply shortage.

“In some communities, even middle-income, working families are finding it difficult to find affordable homes,” said Gregoire, Chopp, and Brown, in a letter to Terry Sullivan, the president of the Washington Realtors. “A balanced approach is necessary to develop an effective response to this growing social and economic problem.”

In May, the Washington Realtors sent a letter to the governor and to legislative leaders proposing the creation of a work group to develop a “Housing Opportunities agenda” for the 2007 legislative session. The letter pointed out that housing affordability has fallen to its lowest point in 12 years, with *median* home prices in some areas of the Puget Sound region above \$500,000. Statewide, home prices increased an average of 19 percent over the past year. In 12 counties, prices increased 20 percent or more over the previous year.

“Housing affordability ‘crisis’ is not an overstatement. We’re delighted that the governor and legislative leaders share Realtors’ desire to make home ownership a reality for more Washington families,” said Sullivan, a Spokane Realtor. “If we prepare now for the growth we know is coming, more people will be able to live in the communities where they work. That reduces freeway congestion, improves air quality, and enriches the quality of life for people in communities throughout Washington.”

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Gregoire asked Spitzer to include in the work group representatives of the Affordable Housing Advisory Board (AHAB), the Washington Realtors, the residential construction industry, cities and counties, and other groups interested in expanding the supply of affordable housing. The governor suggested the group consider strategies addressing the following areas:

- Spreading infrastructure costs for new housing units;
- Mechanisms for encouraging communities to meet the goals of their Growth Management Act plans;
- Making zoning and building requirements more efficient and flexible while preserving the full range of safety and environmental protections; and
- Ensuring communities have sufficient capacity to accommodate housing needs when necessary regulations reduce the supply.

The Legislature created the AHAB in 1993 to provide recommendations to policymakers regarding the state's need for affordable housing. Recognizing the compressed timeline for the work group, AHAB chair Hugh Spitzer said the work group would immediately identify dates for three, four-hour meetings prior to October 18, the date of the next AHAB meeting. Spitzer said he hoped the work group would be able to forward its recommendations to the board for consideration at that time.

In proposing the work group, the Washington Realtors asked the governor and legislative leadership to make improving access to home ownership a priority for the 2007 legislative session. Washington Realtors President Terry Sullivan noted that, "The Legislature can ease the home-supply crunch through this work group. Thoughtful recommendations will help working families afford homes near the work place and reduce pressure on transportation and water systems."

For more information and for copies of correspondence referenced in this news release, please contact Barb Lally, 360-943-3100, x 122.