

Mayor's column for  
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On February 15, the Seattle Times ran an article entitled "UW Study: Rules add \$200,000 to Seattle house price." Speaking to high housing prices, the study put the blame squarely on land-use regulations. I couldn't agree more!

One of the biggest frustrations that I have felt as mayor is to watch as staff spends more and more time on land-use applications to ensure that they meet the never-ending regulations placed upon us by the Feds and the State and, to some degree, by our own legislators, the City Council. I have always contended that every land-use regulation created "for our own good" adds to the review time on each building permit application received in the city. Time is money to a builder. That translates into higher prices for homes, and guess who pays that price?

"In a nationwide study, it can be shown that Seattle (and surrounding areas) is one of the most regulated cities and a city whose housing prices are profoundly influenced by regulations." This quote from the story speaks volumes. This comes as a direct result of the Growth Management Act (GMA) that was approved by the State Legislature in 1990. That act was intended to stop urban sprawl and put into play restrictions on where houses could be built. The end result is forcing density to occur in certain places. Because people want to live in those "certain places," supply is limited and prices have only one direction to go, and that is up!

The article goes on to say that "long building permit approval times and additional municipal land-use restrictions, which have been upheld by courts, have also added to the cost of housing. It is clear that the regulatory environment in which we find ourselves has created an inflationary housing environment as well.

So is there something in the water, or maybe it's our coffee, that has made Washington State such a standout in this area? The article says that "Seattle is first in a comparison of 250 major cities in terms of state political involvement in land issues, is in the top three percent for approval delays for new construction and is in the top ten percent in local political pressure influencing land use."

Several valuable points arise from this discussion. The legislature made a choice to provide for certain qualities of life with the passage of the GMA. The price to be paid for those choices is higher prices. We can't have it both ways. So for the last 18 years, regulations have increased, and so have prices. While most everyone likes to complain about housing prices, no one wants to see the regulatory onslaught reduced. So one has to conclude that the regulations are acceptable to the majority of people.

Another hot topic covered in the article is "affordable housing." Their estimates show that regulatory costs comprise up to 30 percent of the total cost of building a new house. And in Seattle, the list of fees and requirements can run well past 30 in number. Design review and comment periods only add more time to the process, and we're back where we started...time is money! And who pays that price?

The article concludes, "My sense is that land-use restrictions are imposed to generate socially desirable outcomes. We all love parks and green spaces. But we must also be informed about the costs. It's very easy to vote for a park if you think the cost is free."

The article was written about Seattle, but you could easily change the city to Edmonds and all the assumptions would apply!