SUBSTITUTE HOUSE BILL 1183

State of Washington 69th Legislature 2025 Regular Session

By House Local Government (originally sponsored by Representatives Duerr, Leavitt, Berry, Parshley, Reed, Ryu, Fitzgibbon, Taylor, Doglio, Berg, and Davis)

AN ACT Relating to incentivizing affordable and sustainable building practices through building code and development regulation reform; amending RCW 35.21.990, 35A.21.440, 36.70A.620, and 70.87.030; and adding new sections to chapter 36.70A RCW.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 <u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 36.70A 7 RCW to read as follows:

8 (1) A city or county planning under RCW 36.70A.040 must allow for 9 the following:

10 (a) For retrofits of existing buildings to be used for 11 residential housing:

12 (i) The portion of exterior wall assemblies that includes 13 insulation must be allowed to project up to an additional eight 14 inches into the setbacks on all sides;

(ii) The building must be allowed to exceed the maximum allowableroof height by eight inches to accommodate additional insulation; and

(iii) Gross floor area must be measured from the interior face of the exterior walls, which includes drywall, as typically depicted on the architectural floor plans.

20 (b) For existing nonconforming buildings already projecting into 21 setbacks, the portion of exterior wall assemblies that include

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1 insulation must be allowed to project up to an additional eight 2 inches into the setbacks on all sides if the building is to be used 3 for residential housing.

4 (2) Nothing in this section prohibits a city or county from
5 applying the requirements of the state building code or requires a
6 city or county to allow a setback of less than 36 inches between
7 residential dwelling units.

8 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 36.70A 9 RCW to read as follows:

10 (1) For new construction or the retrofit of existing buildings 11 meeting passive house requirements, a city or county planning under 12 RCW 36.70A.040 must allow for the following:

(a) Any required setback must be measured to the outside face of the foundation, and the portion of exterior wall assemblies that include insulation must be allowed to project up to eight inches into setbacks on all sides;

17 (b) The building must be allowed to exceed the maximum allowable 18 roof height by eight inches to accommodate additional insulation; and

(c) Gross floor area must be measured from the interior face of the exterior walls, which includes drywall, as typically depicted on the architectural floor plans.

(2) For the purposes of this section, "passive house
requirements" means the criteria for certification as a passive house
by Phius or the international passive house institute.

(3) Nothing in this section prohibits a city or county from applying the requirements of the state building code or requires a city or county to allow a setback of less than 36 inches between residential dwelling units.

29 Sec. 3. RCW 35.21.990 and 2023 c 285 s 2 are each amended to 30 read as follows:

(1) (a) Cities must adopt or amend by ordinance, and incorporate into their development regulations, zoning regulations, and other official controls the requirements of subsection (2) of this section for buildings that are zoned for commercial or mixed use no later than six months after its next periodic comprehensive plan update required under RCW 36.70A.130.

(b) The requirements of subsection (2) of this section apply andtake effect in any city that has not adopted or amended ordinances,

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1 regulations, or other official controls as required under this 2 section by the timeline in (a) of this subsection and supersede, 3 preempt, and invalidate any conflicting local development 4 regulations.

5 (2) Through ordinances, development regulations, zoning 6 regulations, or other official controls as required under subsection 7 (1) of this section, cities may not:

(a) Impose a restriction on housing unit density that prevents 8 the addition of housing units at a density up to 50 percent more than 9 what is allowed in the underlying zone if constructed entirely within 10 an existing building envelope in a building located within a zone 11 12 that permits multifamily housing, provided that generally applicable health and safety standards, including but not limited to building 13 code standards and fire and life safety standards, can be met within 14 the building; 15

(b) Impose parking requirements on the addition of dwelling units or living units added within an existing building, however, cities may require the retention of existing parking that is required to satisfy existing residential parking requirements under local laws and for nonresidential uses that remain after the new units are added;

(c) With the exception of emergency housing and transitional housing uses, impose permitting requirements on the use of an existing building for residential purposes beyond those requirements generally applicable to all residential development within the building's zone;

(d) Impose design standard requirements, including setbacks, lot coverage, and floor area ratio requirements, on the use of an existing building for residential purposes beyond those requirements generally applicable to all residential development within the building's zone, except as provided in sections 1 and 2 of this act;

32 (e) Impose exterior design or architectural requirements on the 33 residential use of an existing building beyond those necessary for 34 health and safety of the use of the interior of the building or to 35 preserve character-defining streetscapes, unless the building is a 36 designated landmark or is within a historic district established 37 through a local preservation ordinance;

38 (f) Prohibit the addition of housing units in any specific part 39 of a building except ground floor commercial or retail that is along 40 a major pedestrian corridor as defined by each city, unless the

1 addition of the units would violate applicable building codes or 2 health and safety standards;

3 (g) Require unchanged portions of an existing building used for 4 residential purposes to meet the current energy code solely because 5 of the addition of new dwelling units within the building, however, 6 if any portion of an existing building is converted to new dwelling 7 units, each of those new units must meet the requirements of the 8 current energy code;

9 (h) Deny a building permit application for the addition of 10 housing units within an existing building due to nonconformity 11 regarding parking, height, setbacks, elevator size for gurney 12 transport, or modulation, unless the city official with decision-13 making authority makes written findings that the nonconformity is 14 causing a significant detriment to the surrounding area; or

(i) Require a transportation concurrency study under RCW
36.70A.070 or an environmental study under chapter 43.21C RCW based
on the addition of residential units within an existing building.

18 (3) Nothing in this section requires a city to approve a building 19 permit application for the addition of housing units constructed 20 entirely within an existing building envelope in a building located 21 within a zone that permits multifamily housing in cases in which the 22 building cannot satisfy life safety standards.

(4) For the purpose of this section, "existing building" means a building that received a certificate of occupancy at least three years prior to the permit application to add housing units.

26 Sec. 4. RCW 35A.21.440 and 2023 c 285 s 1 are each amended to 27 read as follows:

(1) (a) Code cities must adopt or amend by ordinance, and incorporate into their development regulations, zoning regulations, and other official controls the requirements of subsection (2) of this section for buildings that are zoned for commercial or mixed use no later than six months after its next periodic comprehensive plan update required under RCW 36.70A.130.

34 (b) The requirements of subsection (2) of this section apply and 35 take effect in any code city that has not adopted or amended 36 ordinances, regulations, or other official controls as required under 37 this section by the timeline in (a) of this subsection and supersede, 38 preempt, and invalidate any conflicting local development 39 regulations.

1 (2) Through ordinances, development regulations, zoning 2 regulations, or other official controls as required under subsection 3 (1) of this section, code cities may not:

(a) Impose a restriction on housing unit density that prevents 4 the addition of housing units at a density up to 50 percent more than 5 what is allowed in the underlying zone if constructed entirely within 6 an existing building envelope in a building located within a zone 7 that permits multifamily housing, provided that generally applicable 8 health and safety standards, including but not limited to building 9 code standards and fire and life safety standards, can be met within 10 11 the building;

12 (b) Impose parking requirements on the addition of dwelling units 13 or living units added within an existing building, however, cities 14 may require the retention of existing parking that is required to 15 satisfy existing residential parking requirements under local laws 16 and for nonresidential uses that remain after the new units are 17 added;

18 (c) With the exception of emergency housing and transitional 19 housing uses, impose permitting requirements on the use of an 20 existing building for residential purposes beyond those requirements 21 generally applicable to all residential development within the 22 building's zone;

(d) Impose design standard requirements, including setbacks, lot coverage, and floor area ratio requirements, on the use of an existing building for residential purposes beyond those requirements generally applicable to all residential development within the building's zone, except as provided in sections 1 and 2 of this act;

(e) Impose exterior design or architectural requirements on the residential use of an existing building beyond those necessary for health and safety of the use of the interior of the building or to preserve character-defining streetscapes, unless the building is a designated landmark or is within a historic district established through a local preservation ordinance;

(f) Prohibit the addition of housing units in any specific part of a building except ground floor commercial or retail that is along a major pedestrian corridor as defined by the code city, unless the addition of the units would violate applicable building codes or health and safety standards;

39 (g) Require unchanged portions of an existing building used for 40 residential purposes to meet the current energy code solely because

of the addition of new dwelling units within the building, however, 1 if any portion of an existing building is converted to new dwelling 2 units, each of those new units must meet the requirements of the 3 current energy code; 4

(h) Deny a building permit application for the addition of 5 6 housing units within an existing building due to nonconformity 7 regarding parking, height, setbacks, elevator size for gurney transport, or modulation, unless the code city official with 8 decision-making authority makes written findings that 9 the nonconformity is causing a significant detriment to the surrounding 10 11 area; or

12 Require a transportation concurrency study under RCW (i) 36.70A.070 or an environmental study under chapter 43.21C RCW based 13 on the addition of residential units within an existing building. 14

(3) Nothing in this section requires a code city to approve a 15 16 building permit application for the addition of housing units 17 constructed entirely within an existing building envelope in a building located within a zone that permits multifamily housing in 18 cases in which the building cannot satisfy life safety standards. 19

(4) For the purpose of this section, "existing building" means a 20 21 building that received a certificate of occupancy at least three 22 years prior to the permit application to add housing units.

23 <u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 36.70A 24 RCW to read as follows:

(1) A city or county planning under RCW 36.70A.040 must allow a 25 building to exceed any maximum allowable roof height limits by at 26 27 least 48 inches to accommodate a roof-mounted solar energy panel.

(2) For purposes of this section, "solar energy panel" means a 28 panel device or system or combination of panel devices or systems 29 that relies on direct sunlight as an energy source, including a panel 30 device or system or combination of panel devices or systems that 31 collects sunlight for use in: 32

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(a) The heating or cooling of a structure or building;

34 (b) The heating or pumping of water;

35 (c) Industrial, commercial, or agricultural processes; or

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(d) The generation of electricity.

37 (3) Nothing in this section prohibits a city or county from applying the requirements of the state building code or requires a 38

1 city or county to allow a setback of less than 36 inches between 2 residential dwelling units.

3 <u>NEW SECTION.</u> Sec. 6. A new section is added to chapter 36.70A 4 RCW to read as follows:

5 (1) A city or county planning under RCW 36.70A.040 may not 6 require façade modulation or upper-level setbacks as a condition of 7 permitting the following types of residential projects:

(a) Affordable housing;

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(b) New construction meeting passive house requirements;

10 (c) The retrofit of existing buildings meeting passive house 11 requirements;

12 (d) The conversion of existing buildings to housing or mixed-use 13 development that includes housing;

14 (e) Modular construction; or

15 (f) Mass timber construction.

16 (2) For the purposes of this section:

17 (a) "Façade modulation" means a change in building plane, either 18 a recess or a projection, that changes the shape of the exterior 19 massing of the building.

(b) "Mass timber construction" means a building with structural components primarily made of mass timber products as defined in RCW 19.27.570.

(c) "Modular construction" means a multistory residential or commercial building constructed of standardized components produced off-site, which are transported and assembled at a final location.

26 (d) "Passive house requirements" means the criteria for 27 certification as a passive house by Phius or the international 28 passive house institute.

(e) "Upper-level setback" means a required distance between the
lot line and the building façade applied only to portions of the
building above a specified height.

32 <u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 36.70A 33 RCW to read as follows:

(1) Except as provided in subsection (2) of this section, a city or county planning under RCW 36.70A.040 may not require off-street parking as a condition of permitting the following types of residential projects:

38 (a) Affordable housing;

(b) New construction or the retrofit of existing buildings
 meeting passive house requirements;

3 (c) Modular construction; or

(d) Mass timber construction.

(2) A city or county may require off-street parking if the 5 6 jurisdiction submits to the department of commerce an empirical study prepared by a credentialed transportation or land use planning expert 7 that clearly demonstrates, and the department finds and certifies, 8 that the application of the parking limitations in subsection (1) of 9 this section will be significantly less safe for vehicle drivers or 10 11 passengers, pedestrians, or bicyclists than if the jurisdiction's 12 parking requirements were applied. The department must develop guidance to assist cities and counties on items to include in the 13 14 study.

15 (3) A county may require off-street parking if the county's roads 16 are not developed to the standards for streets and roads adopted by 17 the cities within that county.

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(4) For the purposes of this section:

(a) "Mass timber construction" means a building with structural components primarily made of mass timber products as defined in RCW 19.27.570.

(b) "Modular construction" means a multistory residential building constructed of standardized components produced off-site, which are transported and assembled at a final location.

25 (c) "Passive house requirements" means the criteria for 26 certification as a passive house by Phius or the international 27 passive house institute.

28 Sec. 8. RCW 36.70A.620 and 2020 c 173 s 3 are each amended to 29 read as follows:

In counties and cities planning under RCW 36.70A.040, minimum residential parking requirements mandated by municipal zoning ordinances for housing units constructed after July 1, 2019, are subject to the following requirements:

(1) ((For housing units that are affordable to very low-income or extremely low-income individuals and that are located within onequarter mile of a transit stop that receives transit service at least two times per hour for twelve or more hours per day, minimum residential parking requirements may be no greater than one parking space per bedroom or .75 space per unit. A city may require a

1 developer to record a covenant that prohibits the rental of a unit subject to this parking restriction for any purpose other than 2 providing for housing for very low-income or extremely low-income 3 individuals. The covenant must address price restrictions and 4 household income limits and policies if the property is converted to 5 6 a use other than for low-income housing. A city may establish a requirement for the provision of more than one parking space per 7 bedroom or .75 space per unit if the jurisdiction has determined a 8 particular housing unit to be in an area with a lack of access to 9 10 street parking capacity, physical space impediments, or other reasons supported by evidence that would make on-street parking infeasible 11 12 for the unit.

(2))) For housing units that are specifically for seniors or 13 14 people with disabilities, that are located within one-quarter mile of 15 a transit stop that receives transit service at least four times per 16 hour for twelve or more hours per day, a city may not impose minimum 17 residential parking requirements for the residents of such housing 18 units, subject to the exceptions provided in this subsection. A city may establish parking requirements for staff and visitors of such 19 housing units. A city may establish a requirement for the provision 20 of one or more parking space per bedroom if the jurisdiction has 21 22 determined a particular housing unit to be in an area with a lack of 23 access to street parking capacity, physical space impediments, or other reasons supported by evidence that would make on-street parking 24 25 infeasible for the unit. A city may require a developer to record a covenant that prohibits the rental of a unit subject to this parking 26 27 restriction for any purpose other than providing for housing for 28 seniors or people with disabilities.

29 ((-(3))) (2) For market rate multifamily housing units that are located within one-quarter mile of a transit stop that receives 30 31 transit service from at least one route that provides service at 32 least four times per hour for twelve or more hours per day, minimum residential parking requirements may be no greater than one parking 33 space per bedroom or .75 space per unit. A city or county may 34 establish a requirement for the provision of more than one parking 35 space per bedroom or .75 space per unit if the jurisdiction has 36 determined a particular housing unit to be in an area with a lack of 37 access to street parking capacity, physical space impediments, or 38 39 other reasons supported by evidence that would make on-street parking 40 infeasible for the unit.

<u>NEW SECTION.</u> Sec. 9. A new section is added to chapter 36.70A
 RCW to read as follows:

3 (1) Cities and counties planning under RCW 36.70A.040 may not 4 require affordable housing units for low-income or very low-income 5 households, regardless of the unit mix and size of the project, to 6 exceed the following sizes:

7 (a) 400 square feet for a studio unit;

8 (b) 550 square feet for a one-bedroom unit;

9 (c) 750 square feet for a two-bedroom unit; and

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(d) 1,000 square feet for a three-bedroom unit.

11 (2) If the average unit size in the project is smaller than the 12 size requirements in this section, the city must allow the affordable 13 housing units to be of a comparable size as the market rate units.

14 (3) Co-living housing units are subject to the provisions of RCW 15 36.70A.535.

16 (4) This section does not apply to low-income housing developed 17 under an affordable housing incentive program as provided in RCW 18 36.70A.540.

(5) The department must design and make publicly available sample floor plans for units meeting the size requirements of subsection (1) of this section.

22 Sec. 10. RCW 70.87.030 and 2008 c 181 s 206 are each amended to 23 read as follows:

24 (1) The department shall adopt rules governing the mechanical and 25 electrical operation, acceptance tests, conveyance work, operation, 26 and inspection that are necessary and appropriate and shall also 27 adopt minimum standards governing existing installations. In the 28 execution of this rule-making power and before the adoption of rules, the department shall consider the rules for safe conveyance work, 29 30 operation, and inspection, including the American National Standards 31 Institute Safety Code for Personnel and Material Hoists, the American Society of Mechanical Engineers Safety Code for Elevators, 32 Dumbwaiters, and Escalators, and any amendatory or supplemental 33 provisions thereto. The department by rule shall establish a schedule 34 35 of fees to pay the costs incurred by the department for the work related to administration and enforcement of this chapter. Nothing in 36 37 this chapter limits the authority of the department to prescribe or 38 enforce general or special safety orders as provided by law.

1 (2) The department may consult with: Engineering authorities and 2 organizations concerned with standard safety codes; rules and 3 regulations governing conveyance work, operation, and inspection; and 4 the qualifications that are adequate, reasonable, and necessary for 5 the elevator mechanic, contractor, and inspector.

6 <u>(3)</u> During a state of emergency declared under RCW 43.06.010(12), 7 the governor may waive or suspend the collection of fees under this 8 section or any portion of this section or under any administrative 9 rule, and issue any orders to facilitate the operation of state or 10 local government or to promote and secure the safety and protection 11 of the civilian population.

(4) By March 31, 2026, the department shall adopt, by rule, 12 standards for cities and counties to allow all passenger and freight 13 elevators to meet the most current version of global safety and 14 related standards or, in the alternative, the current north American 15 standards, and standards for cities and counties to allow passenger 16 17 elevators no larger than those that accommodate a wheelchair for apartment buildings with at most six stories and at most 24 units in 18 19 total.

20 <u>NEW SECTION.</u> Sec. 11. A new section is added to chapter 36.70A 21 RCW to read as follows:

22 Cities and counties that plan under the growth management act and that are required to submit their next comprehensive plan update in 23 24 2027 pursuant to RCW 36.70A.130 must adopt or amend by ordinance, and 25 incorporate into their development regulations, zoning regulations, and other official controls, the requirements of sections 1, 2, 5 26 27 through 7, and 9 of this act in their next comprehensive plan update. 28 All other cities and counties must implement the requirements of sections 1, 2, 5 through 7, and 9 of this act within two years of 29 30 this act's effective date.

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