



Doug Orth, Chair
Washington State Building Code Council
PO Box 41449
Olympia WA 98504-1449

September 26, 2019

Chairman Orth,

The Building Industry Association of Clark County (BIACC) is the voice of the housing industry in Southwest Washington, representing 700-member companies and more than 12,000 employees. We are dedicated to promoting the vitality of the building industry and championing housing affordability for the citizens of Clark County.

I am writing you in opposition to several proposed amendments to the Washington Building Code that are currently under review. Specifically, the amendments pertaining to gas fireplaces, continuous burning pilot lights, fire sprinklers and energy credits.

The proposed fireplace efficiency standards do not draw an adequate distinction between decorative and heater rated appliances. Our fireplace suppliers tell us that these mandates are extremely hard to comply with and will force affordable decorative fireplaces out of our market. The units that can be brought into compliance will be of a significantly higher price point which will halt our ability to provide gas fireplaces in some homes such as entry to mid-market. In addition, some may choose not to offer product in Washington, at all, because this change would require different models by state. Even if builders choose to offer the fireplaces at cost, the additional \$3-5,000 would have a detrimental effect on housing affordability. If efficiency, rather than prohibition of gas fireplaces, is the goal, this proposal needs to return to the drawing board, preferably through the appropriate governing body for this type of change, the legislature.

The pilot light amendment also suffers from the same problems; an additional cost without regard to real-world use cases and an attempt to control the manufacture of the listed appliances by code change. Doing this through building code rather than a statute change seems to be an end run around the appropriate process, legislative consideration, and should give the council members pause.

We urge the code council to deny these gas appliance efficiency code amendments based on the onerous costs to the end consumer when compared to the minuscule energy savings.

Although well intentioned, the requirements for sprinkler installation in townhomes would affect one of the most affordable options available to our citizens, without any evidence to support their requirement. The lack of studies on the direct impact of fire sprinklers on safety does not support a \$3,000-4,000 additional cost for each new townhouse.

Finally, the proposed energy code amendments will have a direct and significant impact on housing affordability. Unlike fireplaces, which offer some choice, these credits are not discretionary when building affordable homes. The existing energy code credits help our builders maintain these lower price points; however, the proposed amendments will change and reduce the amount of credits available to them, which will result in a cost increase for consumers. An impact felt through the whole value chain but much more substantial at lower price points.

A recent study by the National Association of Homebuilders (NAHB) calculates that for each \$1,000 increase in the median price of a new home, 776 Clark County citizens are priced out of the market. To put these proposals in perspective, the fire sprinkler requirement alone would price 2,328-3,104 buyers out.

Clark County is one of the least affordable markets in the state with a median home price of \$369,300 and a median income of only \$75,000. This is approximately \$23,500 less than what is needed for an affordable mortgage leaving about 65% of our citizens out of the new home market. This problem is further compounded by the “missing middle” that exists in our housing inventory. Lower priced starter homes, condos and townhouses are missing due to statutory requirements, ever increasing regulation and the cost of materials and labor. These proposals will only serve to exacerbate the effects on the whole housing market, not only new homes, but rentals as well. The upward pressure of too few houses, especially at the mid to low price point, coupled with the filtering effect on the real estate market will only serve to further harm lower income households and those experiencing homelessness.

We recognize that building regulations need to be updated regularly but would urge these actions to be as least disruptive as possible and always through the lens of housing affordability.

BIACC respectfully urges you and fellow council members to reject these proposed amendments and help us mitigate the housing affordability and homeless crisis afflicting our community.

A handwritten signature in blue ink that reads "C. Ryan Makinster". The signature is fluid and cursive, with a long horizontal line extending from the end.

Ryan Makinster
Government Affairs Director