



September 27, 2019

Doug Orth
Council Chair
Washington State Building Code Council
Post Office Box 41449
Olympia, Washington 98504-1449

RE: Comments on the adoption of the 2018 WSEC-Residential

Dear Mr. Orth:

On behalf of the nearly 2,800 member companies of the Master Builders Association of King and Snohomish Counties (MBAKS), we appreciate the opportunity to provide comments on the 2018 Washington State Energy Code-Residential now pending before the State Building Code Council.

MBAKS is proud to represent those who have helped build homes of all types across our region for more than a century. We are the professional homebuilders, architects, remodelers, trades people, planners, engineers, and other professionals in your community who believe everyone deserves access to a healthy and productive place to call home.

Our association appreciates the time and effort that has gone into updating the Group 2 Codes. However, we are very concerned that the proposed residential energy code changes now under consideration – in particular, **sections R406.2 and R406.3** – would be very costly to implement, creating an undue burden on homebuilders and negatively impacting housing affordability statewide.

Under the proposed energy code changes, the number of energy efficiency points required for all residential units would increase dramatically – from 1.5 credits to 4.5 credits for small dwelling units (those less than 1500 square feet in conditioned floor area with less than 300 square feet of fenestration area); from 3.5 credits to 6.0 credits for medium dwelling units; and from 4.5 credits to 7.0 credits for large dwelling units (those exceeding 5000 square feet of conditioned floor area). MBAKS is very concerned the types of changes that would be necessary to achieve the required minimum number of credits could make many projects infeasible to build. Furthermore, the cost to implement these changes would represent a major step backward for housing affordability.

To help illustrate the impact of price increases on prospective homebuyers, the National Association of Home Builders (NAHB) has generated “priced-out” estimates for our local housing market and statewide. NAHB estimates that for every \$1,000 increase in the price of home in the Seattle/Bellevue/Tacoma market, 896 people are priced out, meaning they no longer qualify for a mortgage after the price increase. Statewide, 2,393 people are priced out of the market for every \$1,000 increase in home prices.

Based on some estimates we’ve seen from homebuilders, it’s our understanding that the hard costs required to achieve the proposed new energy code changes could reach tens of thousands of dollars per single-family home. In view of the above priced-out estimates from NAHB, the ripple effect of this regulatory change on individuals and families seeking to buy a home, both here in our community and statewide, would be substantial.



The Puget Sound region already faces a significant shortage of affordable and accessible housing. Now is not the time to layer on costly new requirements that will only make it more difficult for current residents, newcomers, and future generations to afford to live here. Instead, we need to advance thoughtful solutions that enable us to make further progress toward meeting the 2031 energy use reduction target mandated by RCW 19.27A.160 much more affordably. We also need to allow adequate time for relevant technologies used in appliances, heating and cooling systems, air handlers, etc. that will be needed to help meet this 2031 target, to advance and for these devices to become available in our marketplace.

- At a minimum, we urge the SBCC to reduce the proposed target for medium dwelling units from 6.0 to 5.0 credits. Similarly, the proposed target for small dwelling units should decrease from 4.5 to 3.5 credits; and from 7.0 to 6.0 credits for large dwelling units.
- MBAKS further requests that the SBCC delay implementation of sections R406.2 and R406.3 of the 2018 WSEC-Residential by at least 6-12 months to allow the homebuilding community more time to prepare for these significant changes.
- MBAKS asks that the SBCC proactively consider measures it can take now to lower the costs associated with implementation of the 2018 WSEC-Residential, thereby lessening the negative impacts on housing affordability for current residents, newcomers, and future generations. Four ideas we ask that you consider include:
 - 1) Require utilities to pay down the difference between standard and more energy-efficient devices, such as appliances, home heating, domestic hot water, and air handlers.
 - 2) Allow new dwelling units that are “electric car charger ready” to earn credit toward their required minimum. While this change would not make the structure more energy efficient, electric chargers in household garages are critical to greater adoption of electric and hybrid-electric cars and reduction of fossil fuel use.
 - 3) Under the energy credits related to Air Leakage Control and Efficient Ventilation, allow an additional 0.5 credit to be added for any whole house HRV/ERV (ventilation with heat recovery). Adding these systems and meeting the airtightness requirement are expensive, estimated to cost \$5-8,000 per unit. As such, the credit amount should better reflect the cost of these systems and their potential to create healthy, durable and energy-efficient homes.
 - 4) Similarly, energy credits for Efficient Building Envelope Options (1.4, 1.5, and 1.6) should increase by 1.0 credit each due to the significant expense of adding continuous insulation required to meet these options.

MBAKS appreciates the opportunity to comment on the 2018 Washington State Energy Code-Residential. Should you have any questions, please contact Government Affairs Director Marco Lowe at 206.280.2417 or mloewe@mbaks.com. Thank you for your consideration of our comments.

Sincerely,



Bonnie Geers
2019 Board President