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Subject: Oldies and Goldies

Take a look at what the growth boundary under the GMA created

Editorial by Bruce Ramsey, **Seattle Times** June 5, 2002

King County has proclaimed that there is enough land to build homes for the next 20 years. The implication is that this can be done without extending the urban growth boundary, the governmental line that for a decade has divided urban from rural.

As a statement of theory, it is probably true. Even with no change in zoning, there are enough large yards, parking lots, removable shacks and wooded slopes to build housing for hundreds of thousands more people.

For a statement of reality, consider the following progression:

1996: \$256,202

1997: \$284,306

1998: \$311,319

1999: \$361,434

2000: \$378,789

2001: \$367,550

These are the mean sale prices of new houses in subdivisions in King County, supplied by New Home Trends, Bothell. The progression is smooth until 2001, when there was a dip — a tiny dip — in the recession.

The average asking price of such houses, inflated by a bumper crop of mini-mansions, is currently \$492,266.

Why so high? Start with the price of land. A typical single-family lot — 6,000 square feet, flat, no view — costs \$140,000 or \$150,000 in King

County. One does not buy a lot like that and build an "affordable" house on it. In King County, the land cost generally amounts to one-third of the value of the finished home, so that a \$140,000 lot calls for a house that will sell for more than \$400,000.

Another way of saying it is that the people who can afford a \$400,000 house outbid the people who can't. Such is the market. But the market has been bottled up by the urban growth boundary. Only the land inside the line may be subdivided. And the developers who do the subdividing will tell you their other problems:

- Building moratoriums on the Sammamish Plateau, North Bend and Duvall, for inadequate water or sewers; in Issaquah and unincorporated King County because of traffic congestion;
- Land not buildable because it is ruled too close to salmon streams, or is too soggy to be filled, or is too steep, or is needed for storm water cisterns;
- Much of the land not for sale; and
- Ownership in small pieces. Says developers' attorney Bob Johns, "We can't find any place to build in King County anymore, except for three or four houses. The places where we can put 50 or 60 houses in are gone."

Builders can work on three houses at a time, but not efficiently. In my Seattle neighborhood, there are a few single lots left, and builders are using them. But the new houses — *big* new houses — list for as much as double the value of houses around them.

There is something going on here, and it is not what was advertised. The thing advertised was called growth management. The idea was a line to rein in "sprawl." Outside the line would be farms and woods. No intense building allowed. Inside the line would be urban land, with sewers, roads and schools. Here, builders could build with minimal hassle. Lots would have to be smaller, and people would have to be packed together a bit more. But the land would be used more efficiently and the countryside would remain green.

When it was all set up, in the early 1990s, the line was drawn at the far boundary of sewer service, with plenty of land inside it.

What has happened to that land? "We used it up," says Johns.

A politician who helped draw the growth boundary recently advised me to take a flight above it: You can see the line from the air. Houses move up to it and stop.

Many will say, "That's good. That's what we wanted." It *is* what they wanted. But will they take responsibility for \$400,000 houses? For growth spilling over into Pierce and Snohomish counties, with long commutes back to King County? For hundreds of thousands of people who would like to buy but can afford only to rent? For the windfall gains to land owners?

"Progressives" are supposed to be looking out for the little guy. This is *their* policy. Let them explain how it helps the little guy. They may make themselves feel better by making a big noise about a handful of government apartments for the poor, but at the same time, their own policy is pushing up the price of all housing, for rich, poor and inbetween.

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