

Washington REALTORS® Climate Change Overview

Washington is on the forefront of state- and local-level climate change regulation. Washington has adopted legislation requiring the state to reduce its annual greenhouse gas emissions to 1990 levels by 2020, and 50 percent below 1990 levels by 2050. While emissions from fossil-fuel power plants and motor vehicles are obvious targets for emission reduction requirements, achieving Washington's legislatively-mandated goals will require reductions from all economic sectors – notably the transportation and development sectors.

The Washington Department of Ecology is currently evaluating a broad range of emission reduction strategies that will directly and indirectly impact the residential and commercial real estate markets, including mitigating emissions from new developments as part of the project review process, incorporating climate change into land use planning documents, and adopting increased energy efficiency and green building requirements for existing and new buildings. Ecology will present its initial legislative and regulatory recommendations to the Washington Legislature in December 2008 that describes the initial set of actions needed to achieve emission reduction targets. The report will also describe how the state can use existing authority such as SEPA or GMA to achieve targets, as well as where additional authority is needed. Significant climate change legislation will be proposed during the 2009 legislative session. Furthermore, local jurisdictions such as the City of Seattle and King County are adopting an ever-increasing range of climate change regulations and incentives.

It is apparent that early action on climate change will focus in large part on reducing emissions from the built environment through land use planning, transportation planning, greenhouse gas mitigation requirements for new projects, and energy efficiency requirements. Emerging emission reduction strategies will impact how, when, and where development occurs, as well as the cost of constructing and operating residential, commercial, and industrial facilities.

Washington's current legislation is only the first step in a rapidly evolving process, and there will be significant regulatory development over the next several months and in the next legislative session to address greenhouse gas emissions. Businesses, public entities, and non-profits are already positioning themselves this year to adapt to this changing regulatory and business climate that has far-reaching impacts. Existing state and local climate change mandates, as well as those currently under development, will likely play an increasingly significant role in determining when, where, and how residential and commercial development occurs, and the way in which businesses operate in Washington State.

A significant proportion of Washington's emissions are the result of infrastructure and development decisions which influence residential, occupational, and transportation patterns. Less dense, more disperse development and the trend towards decentralizing employment from urban cores results in increased vehicle miles traveled (VMT) and

corresponding greenhouse gas emissions. Indeed, transportation, residential, commercial, and industrial fuel use accounted for over 67-percent of Washington's emissions, and it is seemingly inevitable that land use regulation and climate change will be inextricably linked for the foreseeable future.

The emission reduction strategies currently under development in Washington and elsewhere will regulate all economic sectors, including transportation and development. Issues such as project permitting, environmental review, and building design and efficiency have been specifically targeted as promising avenues for achieving initial emission reductions. Ecology and CTED have convened a number of implementation working groups that are developing initial legislative and regulatory proposals for achieving emission reductions via GMA and land use/transportation planning, SEPA, and energy efficiency and green building.