

Housing Opportunities in Mixed-Use Areas (HOMA)

Planning Commission Study Session

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October 8, 2025



Agenda



Economic Analysis



Transition Standards



Downtown Amenity Incentive



Schedule



Non-Conforming Language





Planning Commission Direction

Provide feedback on the key components of the LUCA and direct staff to prepare the proposed LUCA for a public hearing at a future meeting



September 10 PC Meeting

- Request for more information on:
 - The economics of the proposed affordable housing program
 - Transition standards
 - Encouraging third places, indoor bicycle parking, and stacked flats
 - Downtown affordable housing incentive



Affordable Housing: Option A

- Mandatory requirement
 - 10% affordable housing required at 80% AMI
 - 7% at 65% AMI
 - 5% at 50% AMI
- FAR bonus for AH
- Fee-in-lieu option
- Commercial fee
- **Does not apply Downtown**



Economic Analysis

- Analyzed 3 prototypes and 3 market areas
- Generally poor development conditions
- Structured parking largest cost driver
- Option A requirements- minor negative impact to feasibility
- Option A with 4:1 bonus increases feasibility



Economic Analysis Tables

Table: 2024 Residual Land Value, Various Mixed-Use Building Types in Bellevue's Medium Market Areas

2024 RLV- Existing Conditions Medium Market Area	No Affordable Housing	Option A: 10% req. at 80% AMI	
		On-Site	Fee-in-Lieu
Lowrise RLV/sf	\$111.97	\$140.15	\$156.50
Midrise RLV/sf	\$-371.36	\$-533.53	\$-518.41
Highrise RLV/sf	\$-2,005.19	\$-2,826.29	\$-2,770.99

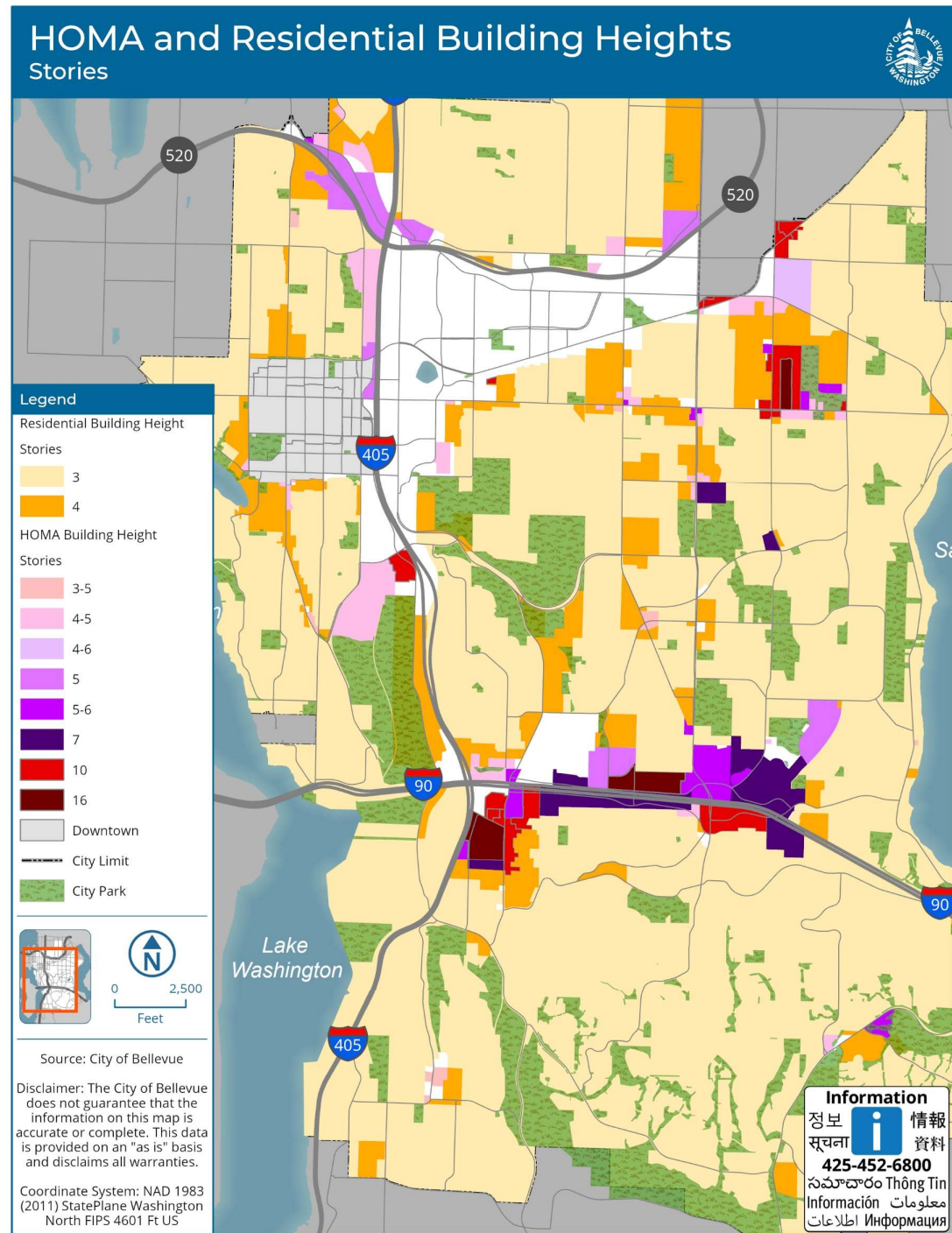
Table: 2024 Residual Land Value, Various Mixed-Use Building Types in Bellevue's Medium Market Areas with no FAR Bonus

2024 RLV- No Bonus Medium Market Area	No Affordable Housing	Option A: 10% req. at 80% AMI	
		On-Site	Fee-in-Lieu
Lowrise RLV/sf	\$111.97	\$92.33	N/A
Midrise RLV/sf	\$-371.36	\$-401.70	N/A
Highrise RLV/sf	\$-2,005.19	\$-2,103.97	N/A



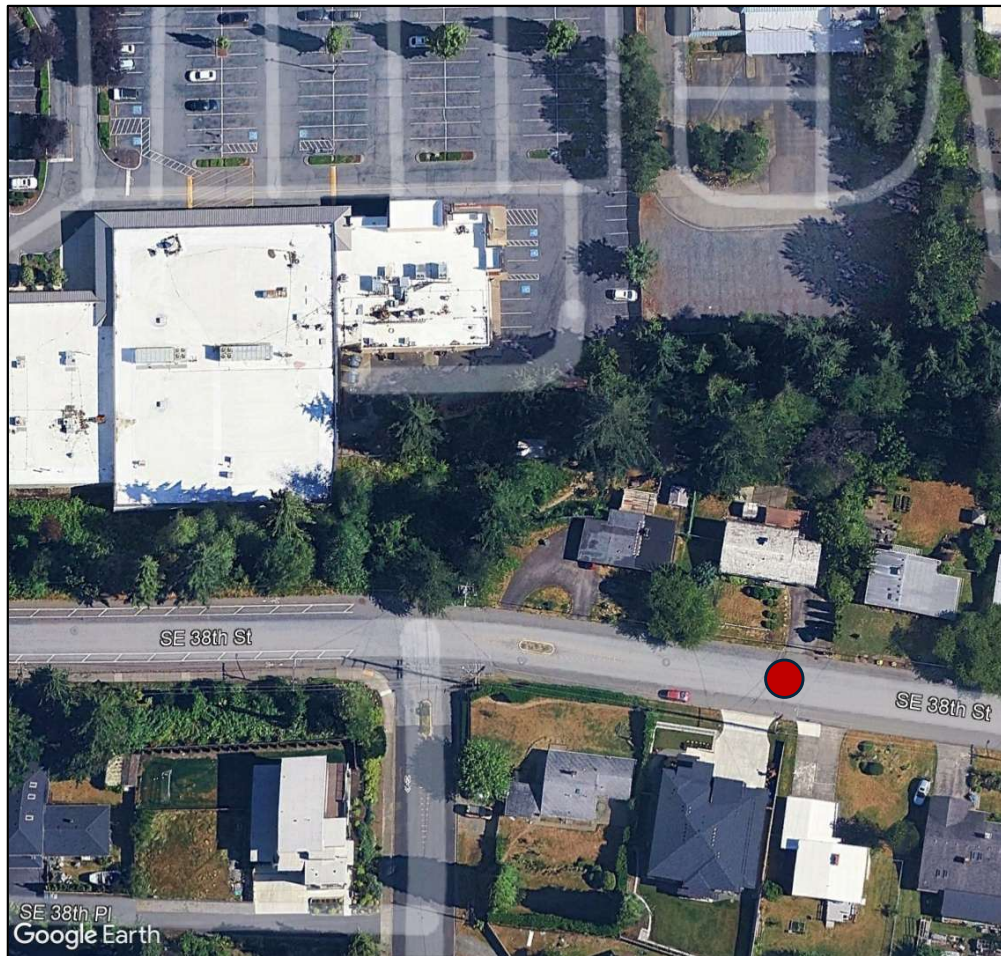
Transition Standards

- 25-foot setback from residential property lines
- Residential districts- 5- to 20-foot setbacks
- 15-foot stepback for buildings over 80 feet
- Landscaping requirements



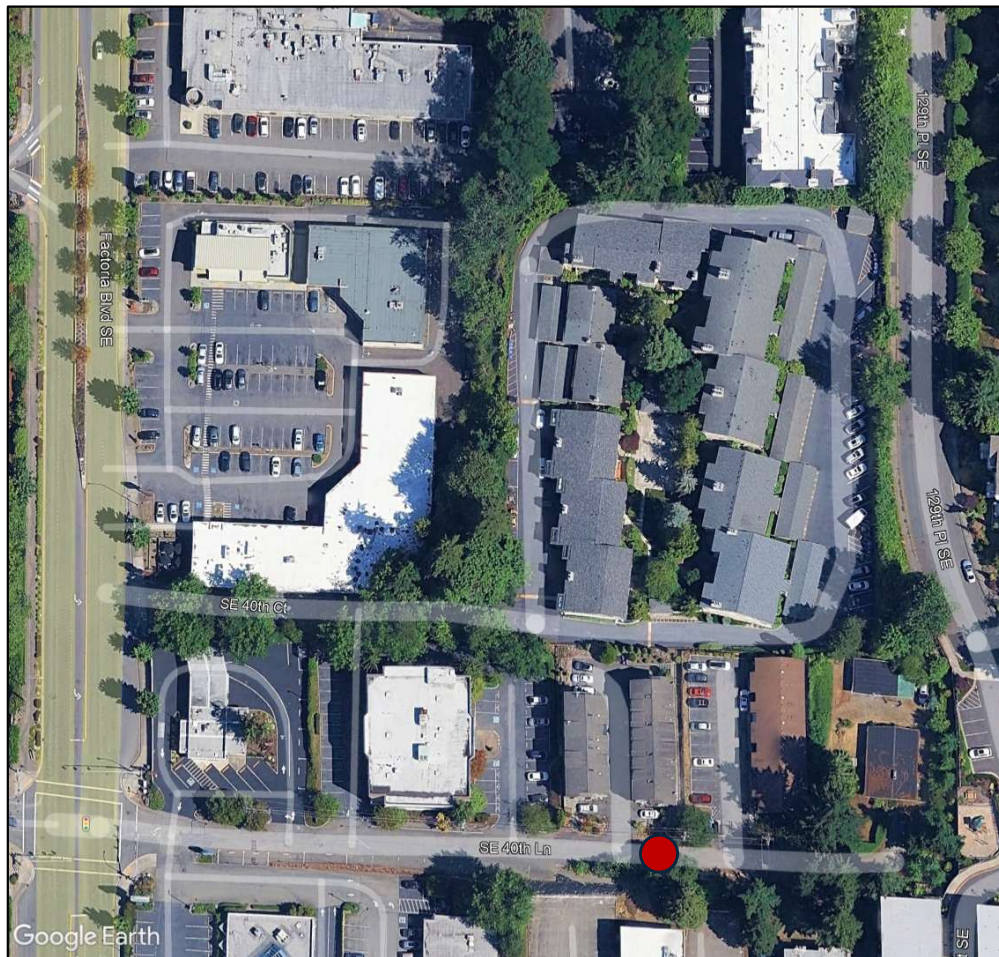
Transition Standards Examples

Residential adjacent to Eastgate Plaza, SE 38th St.



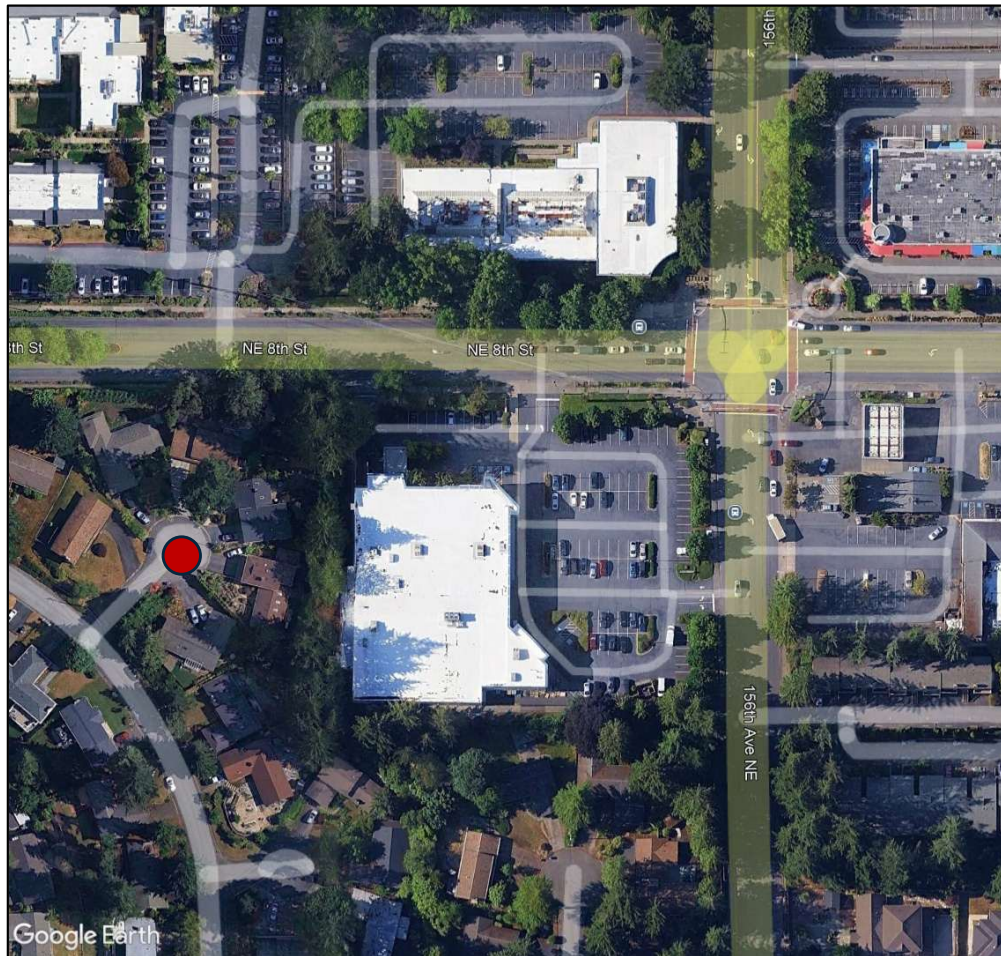
Transition Standards Examples

Residential adjacent to Factoria Mall, SE 40th Ln.



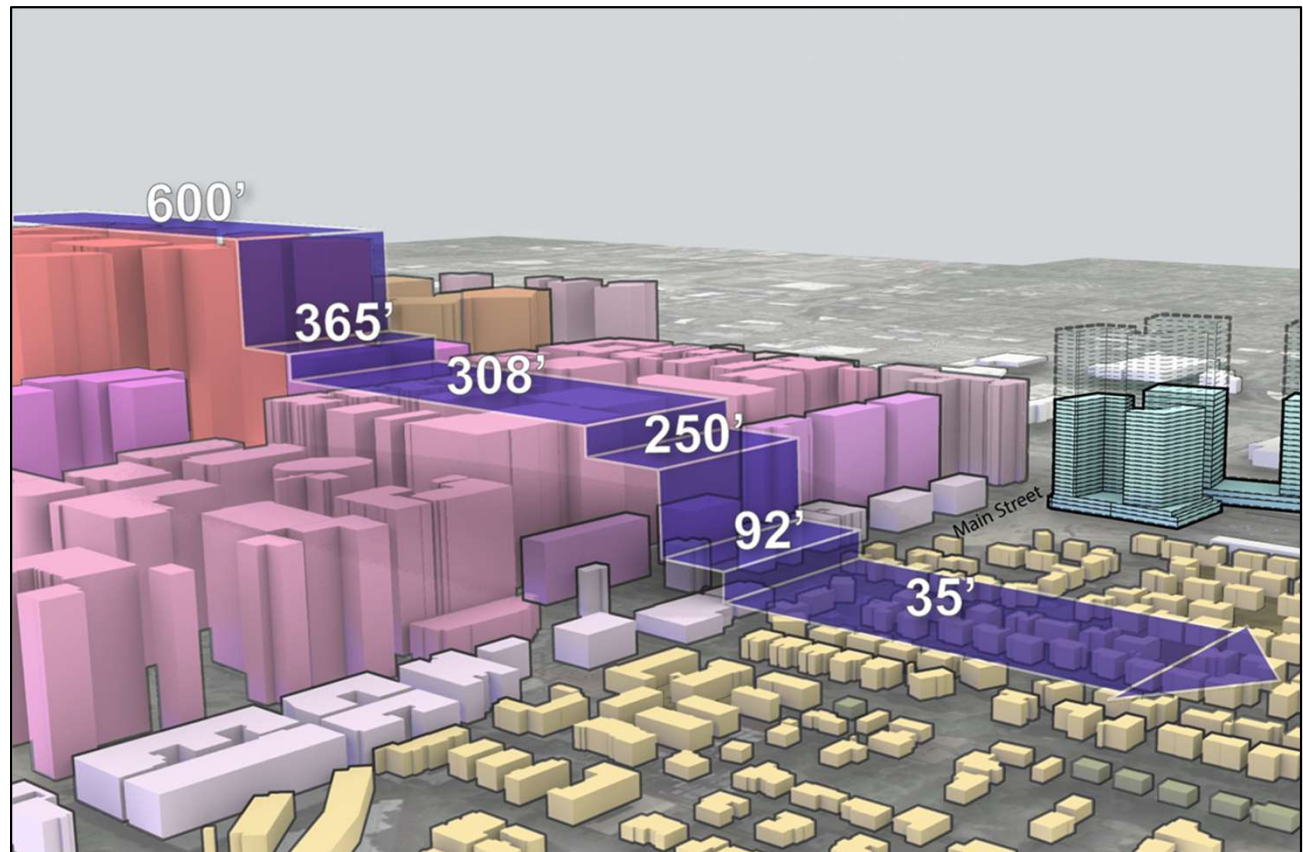
Transition Standards Examples

Residential adjacent to Crossroads Mall, NE 8th St.



“Wedding Cake”

- Functional in larger areas
- Larger, higher height areas include wedding cake philosophy in FLUM
- Not appropriate for lower heights or single parcels



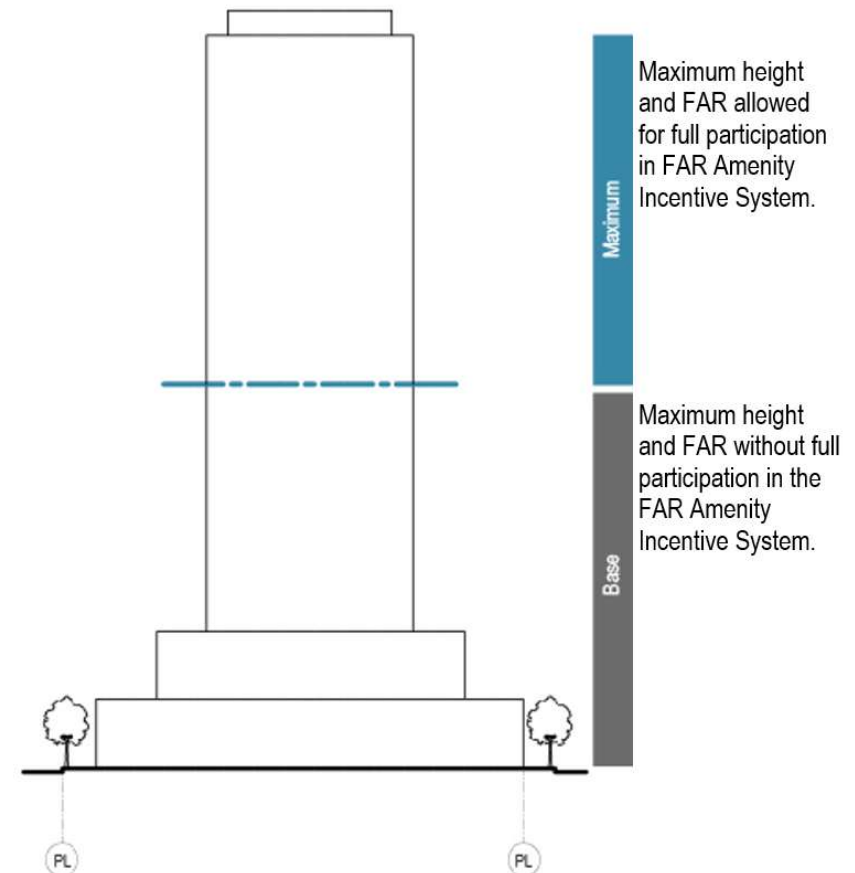
Encouraging Uses

- Encouraging third places through:
 - FAR exemptions for affordable commercial and non-profit space
 - Requirements for pedestrian oriented uses
- Adding requirements for indoor and outdoor bike parking
- Encouraging all housing types
 - Form standards amenable to stacked flats
 - Building code biggest impediment

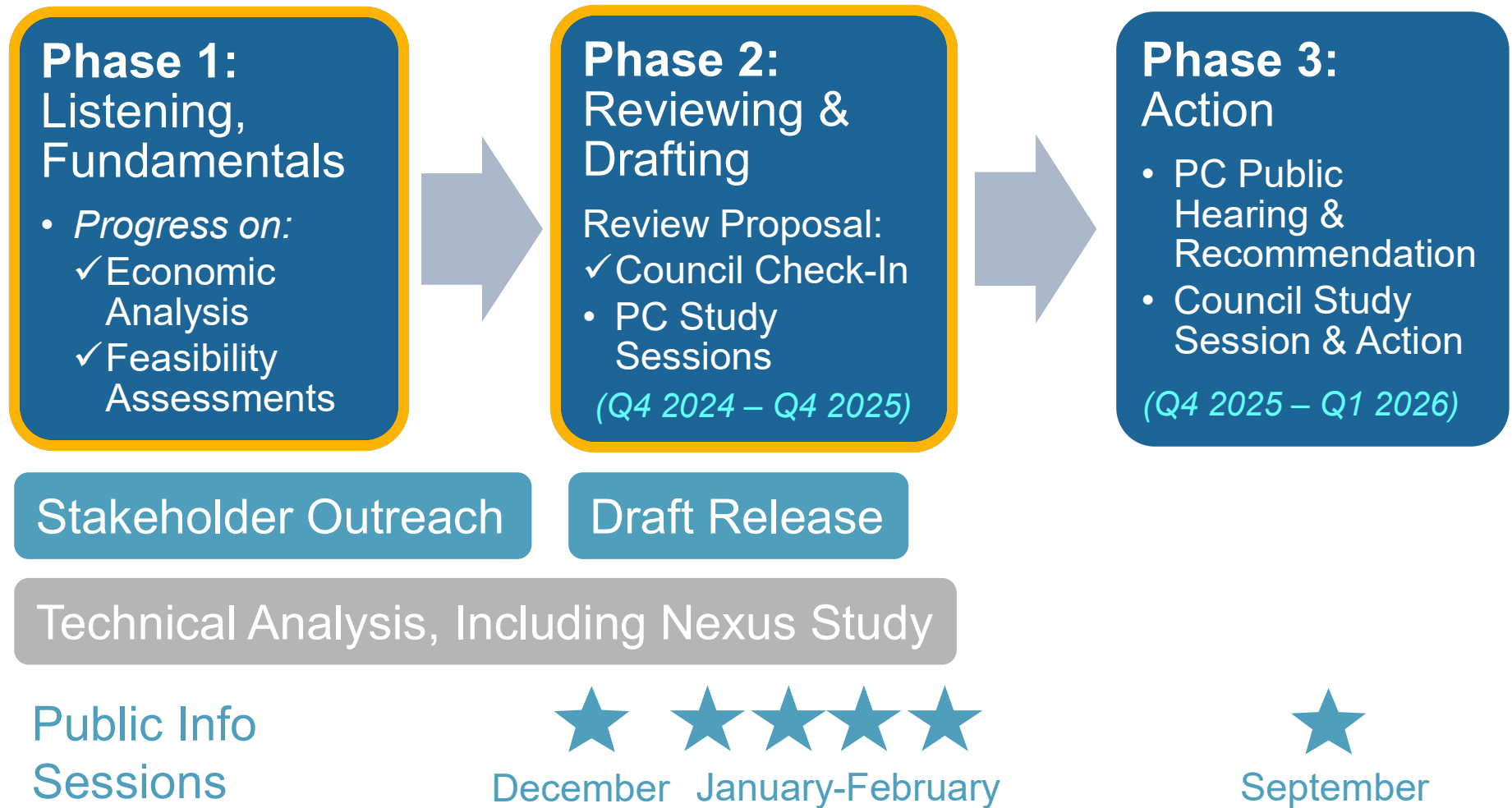


Downtown Amenity Incentive

- Meeting with stakeholders
 - Agreement on fee and bonus ratio
 - Request to alter outdoor plaza requirements
 - Request to alter flexible development standards requirement
 - Request for form standard changes
- Can use same sq. ft. of affordable housing for exemption and amenity incentive points
- Will discuss exempting pipeline projects with Council



Schedule



Nonconforming Uses, Structures, and Sites



Proposed Amendments to Existing Code Sections

Nonconforming Uses

What:

- Uses that were allowed when established but are prohibited today.

Why:

- In prohibiting a use that was previously allowed, Council made a policy decision to phase out the use.



Nonconforming Structures

What:

- Structures that complied with development regulations when built but do not comply with current development regulations.

Why:

- Council adopts updates to development regulations to achieve policy goals and wants to see those development regulations be applied throughout the City.



Nonconforming Sites

What:

- Sites that complied with development regulations when developed but do not comply with current development regulations.

Why:

- Council adopts updates to development regulations to achieve policy goals and wants to see those development regulations be applied throughout the City.



June 17th Council Direction

Concern:

- From Council's perspective, the City's nonconforming provisions are not working well for phased development under a master development plan (MDP).

Direction:

- Through HOMA, adopt amendments to the City's nonconforming provisions that would:
 - 1) Ensure that future phases of an MDP are not "inadvertently or prematurely" treated as nonconforming; and
 - 2) Ensure that the code does not require "unnecessary reinvestment" in future phases until such time they are ready to redevelop.

Key Issues



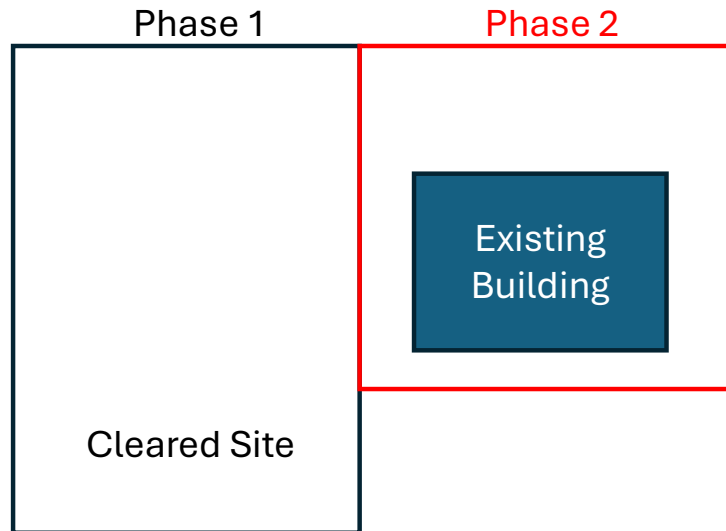
1. When must future phases make improvements to conform to current code and policy?
2. If future phases are required to make improvements, what level of investment should be required?

Key Issues



1. When must future phases make improvements to conform to current code and policy?
2. If future phases are required to make improvements, what level of investment should be required?

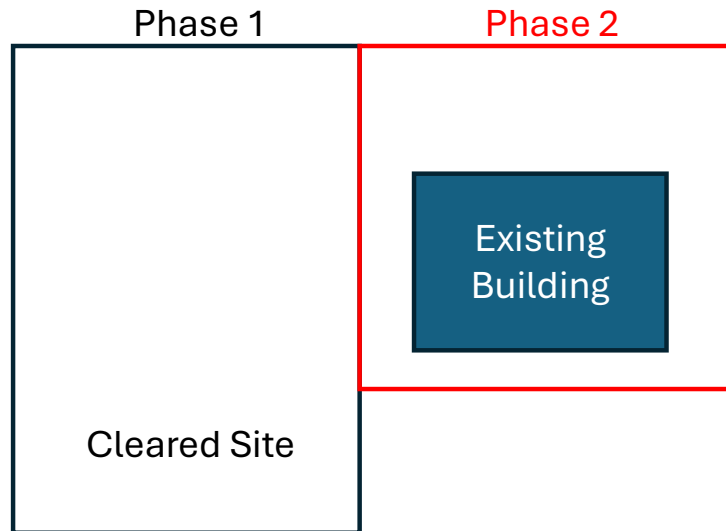
1. When must future phases make improvements to conform to current code and policy?



Current Code:

- Phase 2 Improvements only required during Phase 1 if there is any “change” in Phase 2 during Phase 1.
- “Change” includes any transfer of Floor Area Ratio (FAR) from Phase 2 to Phase 1.

1. When must future phases make improvements to conform to current code and policy?



Proposed Amendments:

- Phase 2 improvements only required during Phase 1 if there is a Phase 2 “change” with a value that exceeds \$242,042, as adjusted for inflation, during Phase 1.
- “Change” does not include the transfer of FAR from Phase 2 to Phase 1, so long as no more than 50% of the available FAR is transferred.

Why 50%?

Benefits development feasibility by allowing significant FAR transfer from future phases without requiring improvements to future phases.

Encourages gradual redevelopment of nonconforming structures and sites.

Provides flexibility to sequence development in a manner that helps ensure investment in future phases only occurs when its necessary.



Key Issues

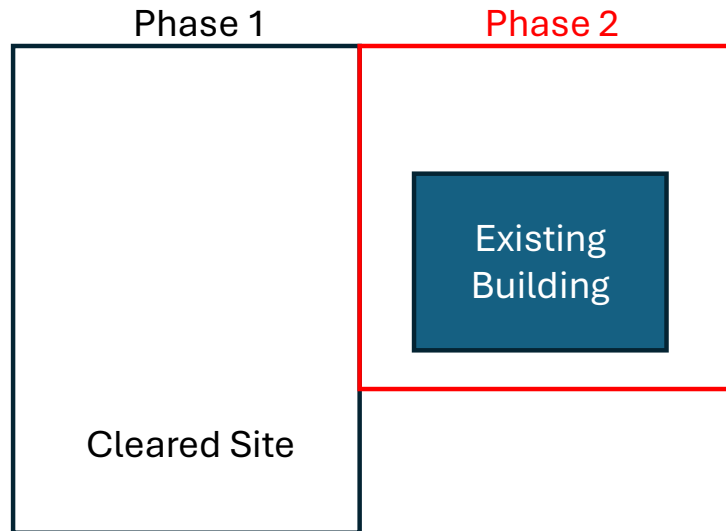
1. When must future phases make improvements to conform to current code and policy?
 - Allow the transfer of up to 50% of the FAR from a future phase without requiring improvements.
 - Apply LUC 20.20.561's higher threshold for triggering improvements throughout the City.
2. If future phases are required to make improvements, what level of investment should be required?

Key Issues



1. When must future phases make improvements to conform to current code and policy?
2. If future phases are required to make improvements, what level of investment should be required?

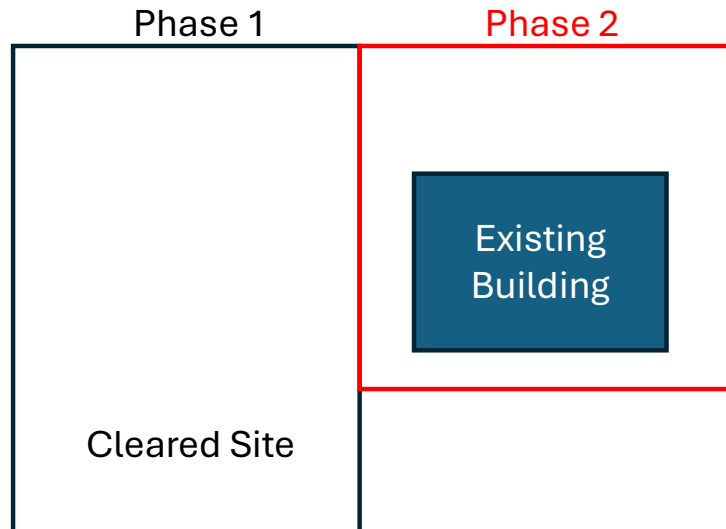
2. If future phases are required to make improvements, what level of investment should be required?



Current Code:

- If Phase 2 improvements are required during Phase 1, then the developer must invest whatever amount is needed to bring Phase 2 into compliance with the code.

2. If future phases are required make improvements, what level of investment should be required?



Proposed Amendments:

- If Phase 2 improvements are required in Phase 1, then the developer must make required Phase 2 improvements in an amount equal to 20% of the value of the proposed change.

Key Issues

1. When must future phases make improvements to conform to current code and policy?
2. If future phases are required to make improvements, what level of investment should be required?
 - Apply LUC 20.20.561's cap on required investment throughout the City.

Summary of Major Changes



- Allow the transfer of up to 50% of the FAR from a future phase without requiring improvements.
- Consolidate the City's nonconforming provisions into LUC 20.20.561 to provide:
 - Higher threshold for triggering improvements.
 - 20% cap on required investment.



Planning Commission Direction

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