

CITY COUNCIL AGENDA TOPIC**Development Services Activity and Continuous Improvement Update**

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EXECUTIVE SUMMARY**INFORMATION
ONLY**

Bi-annual development activity update including information on projects in the construction and application review pipeline. Staff will also share information on key process improvements aimed at creating a more consistent, understandable and predictable permitting process.

RECOMMENDATION

N/A

BACKGROUND/ANALYSIS**Development Activity Update**

Development interest in Bellevue has remained strong with several major commercial and multi-family residential projects in the development review pipeline. Economic factors over the past few years such as lower demand for office space, high-interest rates, and high construction costs contributed to fewer major projects starting construction. However, in the first half of 2026 several major projects have started construction, and several more have received permit approval to start construction. These projects combined with an influx of large commercial tenant improvement projects to build out office space in downtown Bellevue have resulted in an increase in the level of investment moving from the review pipeline to the construction phase.

In addition to new construction starts, new development interest in Bellevue remains high. In the first half of 2026, Development Services received over 8,200 permit applications and issued over 7,800 permits, representing continued high volumes in both categories. The pace of permit applications is being driven by investments in new single-family housing, residential reinvestment projects, and new applications stemming from affordable housing incentives, middle housing, and the updated zoning and

development regulations adopted as part of the Wilburton Vision Implementation Land Use Code Amendment (LUCA). Looking ahead, the volume of development applications is forecasted to remain high over the next year. Development Services will continue to monitor permit and pre-development activity and continue to align resources with expected levels of service delivery.

Permit Timelines

The Washington State Growth Management Act (GMA) directs jurisdictions like the City of Bellevue to adopt internally consistent comprehensive land use plans and to implement those plans through locally adopted development regulations. The GMA further outlines goals to guide the development of regulations in jurisdictions fully planning under the GMA. One of the key goals established in RCW 36.70A.020 establishes that permit applications should be processed in a timely and fair manner to ensure predictability. To help local government agencies meet this goal in 1995 the Washington State Legislature enacted RCW 36.70B, known as the Local Project Review Act. The legislation includes requirements for reviewing project permits, providing public notice, determining application completeness and other provisions related to issuing decisions on project permits.

During the 2023 legislative session, the Washington State Legislature passed Senate Bill 5290, updating portions of the Local Project Review Act with the intent of streamlining permitting, with a special emphasis on housing development. The legislation established new permit review time periods for project permits based on public involvement. The new time periods included:

1. 65 days for permits that do not require public notice;
2. 100 days for permits that require public notice, but not a public hearing; and
3. 170 days for permits that require public notice and a public hearing.

On November 26, 2024, the City Council adopted a permit streamlining LUCA which included procedural amendments and codified permit timelines. Since adoption of the LUCA and the associated permit streamlining measures, Development Services has been focused on implementing the new procedures, along with conducting process improvements resulting in improvements to permit processing timelines.

In addition to the statutory permit processing timelines, Development Services maintains and monitors key performance metrics including the time it takes to conduct a first review decision. The established first review decision targets are based on the type of permit, project complexity and the level of effort to conduct the review. The department's goal is to meet the established first review decision targets at least 80% of the time. Between 2025 and 2026, performance against this key metric improved from 72% to 82% of the decisions meeting established targets. The categories of the established targets were also benchmarked against other jurisdictions in the region and include the following:

Permit Complexity	First Review Decision Target	Permit Type Example
High	8 weeks	Major Project High Rise
Medium-High	4-6 weeks	Critical Areas
Medium	3 weeks	Single-Family
Medium-Low	2 weeks	Tenant Improvement
Low	1 week	Utilities Connection

Continuous Improvement

With the completion of an updated strategic plan in 2025, the Development Services Department has embraced a new vision grounded in collaboration, innovation and service, along with a renewed mission that upholds an important commitment to the Bellevue community. *Building the Best Bellevue, Together*, is the vision that guides the work of the Department while the mission upholds a commitment to protecting the quality, safety and integrity of the built and natural environment. Partnership is a major tenet of this new strategic direction where Development Services partners to enhance an equitable, inclusive and livable city for everyone.

To bring this vision and mission to life, the Department strategic plan was based on a balanced approach that includes a framework aligning daily work with broader goals. The plan also includes an important adaptive approach where the Department will be measuring performance and adjusting future priorities to ensure consistent high-quality outcomes are being delivered across four key focus areas.

In early 2026, Development Services organized a series of initiatives aligned with strategic priorities which include permit streamlining and delivering a more understandable and predictable process to the community. These improvement efforts were shaped by feedback received through the Department’s strategic planning effort, customer experience program and the Bellevue Development Committee. Tonight, staff will share details on current and future initiatives from the 2026-2027 Development Services continuous improvement work program which is described in more detail in Attachment A.

POLICY & FISCAL IMPACTS

Policy Impact

N/A

Fiscal Impact

N/A

OPTIONS

N/A

ATTACHMENTS

A. Development Services Workplan Progress Update

AVAILABLE IN COUNCIL LIBRARY

N/A