



Bellevue Planning Commission

January 22, 2025

PLANNING COMMISSION STUDY SESSION ITEM

SUBJECT

Study Session on the Wilburton Vision Implementation Land Use Code Amendment (LUCA).

STAFF CONTACT(S)

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POLICY ISSUES

On July 23, the City Council adopted [Ordinance No. 6802](#) amending the Comprehensive Plan’s Volume 2 Wilburton/N.E. 8th Street Subarea Plan with proposed Wilburton Transit-Oriented Development (TOD) area policies and map changes. Tonight, the Planning Commission will consider the proposed Wilburton LUCA, which is one policy tool for implementing many of the recent policy and map changes.

DIRECTION NEEDED FROM THE PLANNING COMMISSION

ACTION

DIRECTION

INFORMATION ONLY

The proposed LUCA will rely on Land Use Code (LUC) chapters and sections that apply citywide, amending those chapters and sections as needed to address future development within a new category of land use districts: “Mixed-Use Districts,” which will be established by this LUCA. The proposal will also create a new Part 20.25R of the LUC to respond to the specific needs within the approximately 300-acre Wilburton TOD area, such as the implementation of various street typologies, the establishment of smaller walkable blocks, and design requirements addressing unique elements of Wilburton, including the Eastrail, Grand Connection, and sustainability district concepts. Additionally, the new Part 20.25R LUC will include an amenity incentive program to support achieving the vision for Wilburton.

For ease of Planning Commission discussion and deliberation, the proposed LUCA has been presented through study sessions focused on three main topic areas: (1) Site Organization; (2) Building Design; and (3) Inclusive TOD.

The sequencing of study sessions will enable the Commission to reflect back before scheduling the public hearing on how the proposed LUCA can deliver equitable public benefits. After tonight’s discussion, the Planning Commission will be asked to direct staff to schedule a public hearing on the LUCA. The Planning Commission will then be asked to hold a public hearing and make a recommendation to the City Council on the proposed LUCA.

WILBURTON LUCA PLANNING COMMISSION SCHEDULE

	LUCA Topic Areas
<input checked="" type="checkbox"/>	Study Session 1 (February 14, 2024): Overview of LUCA Structure <ul style="list-style-type: none"> Summary of LUCA purpose and structure

<input checked="" type="checkbox"/>	<p><u>Study Session 2 (March 27, 2024): Transportation, Streets & Blocks, Parking</u></p> <ul style="list-style-type: none"> • Block size standards • Street typologies • Parking minimums
<input checked="" type="checkbox"/>	<p><u>Study Session 3 (September 11, 2024): LUCA Elements Overview and Status Update</u></p> <ul style="list-style-type: none"> • Status update since draft LUCA was released on May 31 • Overview of the following LUCA elements: <ul style="list-style-type: none"> ○ Land Use Districts approach ○ Land use flexibility ○ Access, streets, and blocks ○ Open space and green factor ○ Amenity incentive system
<input checked="" type="checkbox"/>	<p><u>Study Session 4 (November 6, 2024): Site Organization</u></p> <ul style="list-style-type: none"> • Block sizes • Street typologies, pattern • Activation and open space • Response to Commission questions shared at March 27 study session
<input checked="" type="checkbox"/>	<p><u>Study Session 5 (December 11, 2024): Building Design</u></p> <ul style="list-style-type: none"> • Building heights, Floor Area Ratio (FAR), floorplate sizes • Land uses, including non-conforming uses/sites/structures • Parking
<input type="checkbox"/>	<p><u>Study Session 6 (January 22): Inclusive TOD</u></p> <ul style="list-style-type: none"> • Affordable housing approach • Amenity incentive program
<input type="checkbox"/>	<p><u>Public Hearing (To Be Scheduled):</u></p> <ul style="list-style-type: none"> • Required Public Hearing • Planning Commission Recommendation

BACKGROUND/ANALYSIS

Background

The Wilburton Vision Implementation LUCA is the culmination of a City-initiated planning initiative for the Wilburton TOD area, implementing the vision, goals, and policies in the Wilburton Vision Implementation Comprehensive Plan Amendment (CPA), adopted by [Ordinance No. 6802](#) on July 23.

LUCA Draft Development Approach

Since May 2024, staff have published and shared four drafts of the LUCA, each shaped by valuable feedback from stakeholders, the general public, and the Planning Commission. These drafts focus on refining strategies to advance affordable housing in Wilburton, thoughtfully balancing mandatory

requirements, voluntary incentives, and additional redevelopment priorities such as streets and circulation, open space, and building design. Each new version has built on prior input, with updates clearly highlighted to ensure transparency and facilitate review. The iterative process reflects an ongoing commitment to stakeholder collaboration and thoughtful policy development that would ideally result in a final draft that is both effective and responsive to our community's needs.

Draft 1: Published on May 31, 2024

Staff published a preliminary LUCA draft on May 31, 2024 for public review and stakeholder input. It presented two options to address affordable housing in Wilburton:

- **Option A:** Requires projects within the TOD area to provide affordable housing on-site or pay a fee-in-lieu, balanced by higher base floor area ratios (FARs) or "by-right" development.
- **Option B:** Offers a voluntary incentive zoning approach, where projects can provide affordable housing or pay a fee-in-lieu to gain increased height and FAR. This approach includes lower base FARs and prioritizes affordable housing as a top-tier amenity for developments exceeding base FAR or height limits.

Draft 2: Published on October 10, 2024

A revised LUCA draft was published on October 10, 2024 for public review and feedback in advance of the November 6, 2024 Planning Commission study session. This version did not present Option B as a standalone alternative. Instead, it incorporated callouts indicating where the Option B approach differed from Option A, specifically regarding the affordable housing provisions (required vs. incentivized). Feedback from stakeholders on this draft was more limited compared to the May 31, 2024 publication.

Draft 3: Published on December 4, 2024

A third draft, incorporating changes based on feedback from Draft 2, was published on December 4, 2024 for Commission review. This version incorporated additional stakeholder feedback on topics relating to building design. This draft also incorporated feedback from the Commission from the November 6, 2024 study session.

Draft 4: Published on January 3

A fourth Option A (mandatory affordable housing approach) draft was published on January 3 (Attachment A), alongside a revised standalone Option B draft (Attachment B) showcasing the proposed voluntary incentive approach. Attachment B includes only the proposed LUC sections that will differ from Attachment A relating to a voluntary affordable housing incentive approach. Changes to the December 4, 2024 draft are highlighted in yellow within Option A (Attachment A) for ease of reference. Both drafts were published for further Commission review and stakeholder feedback. This draft also incorporated feedback from the Commission from the December 11, 2024 study session.

Planning Commission Review

On December 11, 2024, the Planning Commission reviewed recommendations related to the topic of "Building Design," which included proposed building heights, FARs, floorplate sizes, upper-level stepbacks, land use approaches (including non-conforming uses, sites, and structures), and off-street parking requirements.

During this study session, the Commission provided feedback on upper-level stepbacks, off-street parking, and nonconformities. The Commission also revisited items discussed at the November 6, 2024,

study session related to the topic of “Site Organization,” specifically the proposed block size requirements and access corridor widths. The Commission requested additional information on these items and updates to the public comment tracker documenting stakeholder feedback, stakeholder requests, and staff responses.

Stakeholder feedback and requests have been cataloged in [an updated comment tracker](#), which is posted on the project webpage. Comments related to tonight’s study session topic and those received after Draft 3 was published are highlighted in the tracker. Responses to Commissioner questions from the December 11, 2024 study session are found in Attachment C. A comparison of citywide, BelRed, and proposed Wilburton nonconforming code sections, provided in response to Commissioner questions at the December 11th study session, is found in Attachment D.

LUCA Topic Area: Inclusive TOD

Tonight’s study session will focus on “Inclusive TOD” topics, including the affordable housing approach and amenity incentive program options. Below is a table that provides relevant Wilburton/N.E. 8th subarea plan and Comprehensive Plan policies that have been adopted that serve as the basis for the proposed LUCA provisions relating to the topic area of Inclusive TOD.

Inclusive TOD: affordable housing approach (topic 1) and amenity incentive program (topic 2)
Relevant Wilburton/N.E. 8th Subarea Plan Policies
S-WI-35. Provide for ground floor uses and publicly accessible open spaces that support an engaging pedestrian experience.
S-WI-39. Increase access to affordable commercial space for small-scale retailers, emphasizing trail-oriented retail along the Eastrail corridor and the Grand Connection.
S-WI-42. Support the development of an environmentally resilient neighborhood through a sustainable district framework, code updates, and public-private partnerships.
S-WI-43. Support strategies for net-zero and net-positive development, including renewable energy, net-zero carbon emissions, and net-zero waste.
S-WI-47. Incentivize improvements that enhance the aesthetic and functional qualities of natural features, such as Sturtevant Creek, Lake Bellevue, and the wetland at 116 th Avenue NE and Main Street.
S-WI-48. Incentivize opportunities through the development process to expand green stormwater infrastructure, tree canopy, and landscaping that enhances ecological functions and urban wildlife habitat connectivity.
S-WI-49. Cultivate mixed-income communities that integrate market rate development with subsidized affordable housing through regulatory and incentive approaches.
S-WI-50. Increase opportunities for a range of residential unit types, including for seniors and families, that are close to and/or integrated with neighborhood amenities and services.
S-WI-51. Provide for housing that supports a workforce representing a broad spectrum of professions and income levels being able to live in proximity to where they work.

S-WI-54. Seek, through the development process, small-scale facilities, such as neighborhood parks, plazas, active recreation facilities, and natural features as public amenities to increase community access to open space opportunities.
S-WI-55. Provide a system of active transportation connections that links park facilities, including Bellevue Botanical Gardens and Wilburton Hill Park, with other parks and points of interest, including transit, employment, and medical facilities.
S-WI-56. Enhance active transportation and through-block connections with landscaping and amenities to serve as linear open spaces.
S-WI-58. Provide for centrally located public space as part of the Grand Connection between and including the I-405 lid park and the Grand Connection intersection with the Eastrail.
S-WI-59. Require and/or incentivize public access and open space opportunities linking the Grand Connection to 120th Avenue NE and residential neighborhoods east of 120th Avenue NE.
S-WI-60. Collaborate with King County, Sound Transit, and adjacent property owners to develop the Eastrail corridor into a linear park, including recreational and natural features within and adjacent to the corridor.
S-WI-77. Support a wide range of active uses and gathering spaces, prioritizing these opportunities fronting the Eastrail corridor and the Grand Connection.
S-WI-87. Use land use code tools that enable development contributions toward public benefit, including affordable and family-sized housing units, open space, and community and cultural spaces.
Relevant Comprehensive Plan Housing Element Policies
HO-18. Promote housing density, choice and affordability in areas served by the frequent transit network, businesses serving the community’s day-to-day needs and significant nodes of employment.
HO-30. Substantially expand funding sources for affordable housing.
HO-35. Create opportunities to require or incentivize affordable housing when increases to development capacity are made.
HO-43. Recognize the connection between housing cost burden and mobility cost, and work to provide affordable housing in areas served by the frequent transit network.
HO-43. Recognize the connection between housing cost burden and mobility cost, and work to provide affordable housing in areas served by the frequent transit network.
HO-47. Encourage and prioritize the development of affordable housing through incentives, regulations, funding, policies, procedures and other tools.
HO-48. Implement the bonuses and incentives for qualifying properties to encourage affordability and housing diversity and to prevent displacement of marginalized populations.
HO-62. Implement the bonuses and incentives for qualifying properties to encourage affordability and housing diversity and to prevent displacement of marginalized populations.

Proposed Land Use Code Amendments: Inclusive TOD

Topic 1: Affordable Housing Approach:

Included in the memo are two distinct LUCA options for addressing the affordable housing need in Bellevue. Attachment A incorporates a mandatory affordable housing approach, meaning projects would be required to include affordable housing as part of redevelopment or pay an in-lieu fee. This approach is balanced with higher base FARs, or “by-right” development. Attachment B proposes a voluntary approach through incentive zoning. With this approach, projects may provide affordable housing or pay an in-lieu fee in order to build a larger building. This affordable housing approach provides lower base FARs and prioritizes the construction of affordable housing or payment of an in-lieu fee for affordable housing as the first item a project must provide to earn additional FAR above the base.

City Context and Needs

The City is planning for significant growth by 2044, targeting the addition of 35,000 housing units and 70,000 jobs citywide. Within the Wilburton TOD area, approximately 4,000 housing units and 4,900 jobs are anticipated. The City has a citywide affordable housing target of 5,700 units by 2036, which includes 1,550 units affordable to households earning 50–80% of the Area Median Income (AMI).

The proposed upzone in the Wilburton TOD will lead to substantial increases in property values. This creates an opportunity—and a responsibility—for the City to leverage the value generated by upzoning to achieve broader public goals, including affordable housing. Also, given the significant public investment in light rail and Eastrail, and its potential to support TOD, ensuring affordable housing is provided in the Wilburton TOD area will extend public benefits for the area beyond improved mobility. Prioritizing affordable housing as part of new development will also ensure that growth supports housing diversity and aligns with citywide affordability objectives.

Option A: Mandatory Affordable Housing Approach

The proposed mandatory affordable housing approach is intended to provide a clear and consistent framework for developers, reducing uncertainty and ensuring that all projects contribute equitably to affordability goals.

The proposed mandatory approach includes:

- **On-Site Performance or Fee-in-Lieu Options:** Developers are required to either include affordable units within their projects or pay a fee-in-lieu. The fee amount would apply to all non-exempt FAR in a project and has been determined based on the Nexus and Proportionality analysis conducted by the City’s economic consultant, Community Attributes Inc., feedback from stakeholders during the October 7, 2024 Wilburton LUCA affordable housing workshop, and a comparison to programs in other jurisdictions. This analysis ensures the program strikes a balance between on-site performance and generating adequate funding for affordable housing.
- **Stakeholder-Informed Set-Asides:** The set-aside percentages for affordable housing were informed by assessing the city’s housing need, reviewing the maximum supportable set-asides included in the Nexus and Proportionality analysis, and shaped by stakeholder feedback during the October 7, 2024 workshop. Stakeholders reached consensus on the following requirements: for rental projects, 10 percent of units must serve households earning 80 percent AMI, 7 percent must serve those at 60 percent AMI, or 5 percent must serve those at 50 percent AMI.

For for-sale units, projects must include either 15 percent of units at 100 percent AMI or 10 percent at 80 percent AMI. This approach provides diverse AMI options and establishes appropriate set-aside rates.

- **Economic Feasibility and Pioneer Provision:** To stimulate development during the current challenging real estate market cycle, a “pioneer provision” is proposed as an incentive. This provision offers a larger density bonus for the first 200 affordable housing units built in the Wilburton TOD area, allowing 8 square feet of market-rate housing for every 1 square foot of affordable housing. Once the initial 200 units are completed, the pioneer provision will expire, and the market-rate-to-affordable housing ratio will adjust to 4:1. This proposal aims to encourage and accelerate near-term production and garnered strong support from stakeholders.

The mandatory approach is intended to create equitable, predictable outcomes, ensuring that all projects contribute to affordability while maintaining flexibility to adjust for market conditions.

Option B: Voluntary Incentive Zoning Program

This alternative proposes a tiered voluntary incentive zoning program, allowing developers to exceed the base FAR in exchange for providing public benefits, including affordable housing. Key elements include:

- **On-Site Performance or Fee-in-Lieu Options:** To exceed the base FAR or building height, projects must first either provide affordable units on-site or pay a fee-in-lieu before selecting additional amenities from the program's menu. For commercial developments, a fee-in-lieu contribution to affordable housing is required as the first step to exceed the base FAR and building height. The fee-in-lieu amount and structure in Option B differs from Option A by applying only to the "bonus" FAR—additional square footage earned through the incentive program.
- **Calibrated FAR:** The program carefully balances base and maximum FAR levels to ensure feasibility and encourage participation in this voluntary program. If the base FAR is set too low, the associated costs of providing public amenities may discourage development altogether. Conversely, if the base FAR is set too high relative to the maximum FAR, developers may lack the incentive to participate, resulting in projects that meet only the base FAR with no public benefits.

To calibrate base FARs appropriately, staff utilized analysis conducted by Community Attributes Inc. and feedback from the October 7 stakeholder workshop. The proposed base FARs under this voluntary program range from 1.5 to 2.5, depending on the land use district and development type.

- **Tiered Benefits Structure:** To exceed the base FAR, developers must earn 75 percent of their bonus points from a first-tier priority: affordable housing. The remaining 25 percent can be earned from a broader menu of public amenities.
- **Pioneer Provision:** This LUCA option includes the same pioneer provision as LUCA Option A. The provision offers a larger density bonus for the first 200 affordable units built in the TOD area.

While a voluntary program offers developers greater flexibility, its success depends on market conditions and developer interest. This uncertainty may limit the City’s ability to achieve predictable, long-term affordable housing outcomes for the area.

Analysis: Mandatory vs. Voluntary Approaches

At the [January 10, 2024 study session](#), the Planning Commission was given an overview of draft findings from the Bellevue Housing Economic Policy report. The report was commissioned to inform a discussion on the impact of both voluntary and mandatory affordable housing approaches. The report included a history of Bellevue’s affordable housing policies and their impact on affordable housing production. This analysis has since been updated by staff to reflect the most current numbers. The analysis found that between July 1991 and February 1996, the City implemented a citywide mandatory inclusionary zoning program. This policy required all new multifamily developments with more than 10 units to include 10% of their units as affordable housing for households earning up to 80% AMI. Over the four-and-a-half-year period this program was in effect it successfully produced 217 income-restricted units that remain in service today, or approximately 48 units each year on average. The program initially created 409 covenanted units, but this number decreased after the program ended, releasing nearly half of the units from their affordability requirements. Despite this reduction, the policy's lasting impact demonstrates its potential as a tool to address housing affordability in Bellevue.

In 1996, Bellevue transitioned to a citywide voluntary inclusionary zoning program. Between February 1996 to January 2024, this approach has produced 53 affordable units, or approximately 2 units each year on average. Subsequent voluntary programs have also been implemented in specific areas:

- BelRed (2009): Produced 181 units, including those in the development pipeline (approximately 12 units each year on average).
- Downtown (2017): Produced 20 units, or approximately 3 units each year on average.
- Eastgate TOD (2017) and East Main (2021): No income-restricted units produced to date.

Voluntary programs generally yield fewer affordable units on average and often lack consistency in application, making it more challenging to meet citywide housing targets.

In contrast, mandatory programs can ensure universal participation, fostering a fairer and more predictable system for contributing to affordability goals. Regularly recalibrating these requirements allows cities to respond to shifting market conditions while maintaining baseline outcomes.

Regardless of approach, affordable housing programs require careful calibration to avoid discouraging or stalling development or increasing overall housing costs.

Staff Recommendation

Staff recommends **Option A: Mandatory Affordable Housing Approach** for the following reasons:

- Predictable Outcomes: A mandatory program establishes consistent expectations, ensuring all developments contribute equitably to affordability goals.
- Alignment with Affordable Housing Goals: This approach supports affordable housing goals by integrating housing and job growth with inclusivity.
- Flexibility and Feasibility: Incorporating a fee-in-lieu option and a pioneer provision promotes both near-term affordable housing production and long-term adaptability to shifting economic conditions. The mandatory affordable housing approach provides the City greater

flexibility to test the feasibility of such a program while retaining the ability to transition to a voluntary framework if needed, as scaling back regulatory requirements is relatively straightforward.

Conversely, beginning with a voluntary program (Option B) and later switching to a mandatory approach is significantly more complex under Washington State law. Careful consideration of the long-term implications of a voluntary approach is critical, as moving to a mandatory framework often necessitates substantial recalibration of zoning, added development capacity, adjustments of development standards, and legal justifications. Thoughtful planning now can help avoid significant challenges in the future if a voluntary approach is not yielding the outcomes desired for the TOD.

- Equity and Public Benefit: A mandatory framework ensures equitable distribution of affordable housing in this high-opportunity area, extending the benefits of public investments in transit and infrastructure.

The proposed mandatory approach ensures the Wilburton TOD contributes meaningfully to housing affordability and diversity.

Topic 2: Amenity incentive program

Both LUCA Options A and B feature an amenity incentive program that enables developers to exceed the base FAR by delivering specific public benefits. The key difference between the two options lies in their base FAR requirements and the inclusion of a base building height for Option B.

Option A establishes a significantly higher base FAR because it mandates that affordable housing be included within the base development. In contrast, Option B sets much lower base FARs and includes a base building height, requiring affordable housing contributions only when a project exceeds the base FAR or building height. Option A does not include a base building height to better accommodate its higher base FAR.

This distinction reflects different strategies for balancing development incentives with public benefits, including affordable housing.

Option A: Mandatory Affordable Housing Approach

Land Use District:	UC		MU-H		MU-M	MUR-M
Development Type:	Nonres.	Res.	Nonres.	Res.	All	All
Max. Height	450'	450'	250'	250'	100'	100'
Base FAR	6.0	8.0	4.0	6.0	2.5	2.5
Max. FAR	10.0	unlimited	8.0	unlimited	6.0	6.0

Amenity incentive options (no priority order):

- Access and Connectivity
- Additional Affordable Housing
- Affordable Commercial Space
- Child Care Service
- Critical Area Restoration and Enhancement

- Eastrail Corridor Improvements
- Family-sized Housing
- Grand Connection Improvements
- Green Building Certification
- Open Space
- Park Dedication
- Public Art

Option B: Voluntary Affordable Housing Approach

Land Use District:	UC		MU-H		MU-M	MUR-M
Development Type:	Nonres.	Res.	Nonres.	Res.	All	All
Base Height	250'	250'	100'	160'	N/A	N/A
Max. Height	450'	450'	250'	250'	100'	100'
Base FAR	2.0	2.5	2.0	2.5	1.5	1.5
Max. FAR	10.0	unlimited	8.0	unlimited	6.0	6.0

Amenity incentive options:

First tier (must earn 75 percent of bonus points)

- Affordable Housing

Remaining tier (may earn remaining 25 percent of bonus points)

- Additional Affordable Housing
- Access and Connectivity
- Affordable Commercial Space
- Child Care Service
- Critical Area Restoration and Enhancement
- Eastrail Corridor Improvements
- Family-sized Housing
- Grand Connection Improvements
- Green Building Certification
- Open Space
- Park Dedication
- Public Art

Public Engagement

Staff has executed a public engagement plan with three modes of outreach to ensure that community members and neighbors, property owners, and all stakeholders and interested parties have the opportunity to stay informed and to provide comments.

- A. Process IV Requirements. The LUCA process is following the Chapter 20.35 LUC procedural requirements to provide opportunities for public comment.

- B. Direct Engagement and Feedback. Dialogue with stakeholders has been ongoing. Stakeholders include the following groups:
- General public
 - Wilburton Property Owners Group
 - Bellevue Chamber
 - Bellevue Development Committee Sub Team, comprising of Wilburton property owners, affordable housing groups, Bellevue Chamber, and other interested parties.
- C. Online Presence. Staff is continuing to update the Wilburton webpage to inform the public about this LUCA. The latest draft and comment tracker are available on the webpage and will be updated as the LUCA progresses.

ATTACHMENT(S)

- A. Option A Strike-Draft (Mandatory Affordable Housing Approach)
- B. Option B Strike-Draft (Voluntary Affordable Housing Approach)
- C. Staff Responses to December 11, 2024 Study Session Commissioner Questions
- D. Comparison of General Nonconforming Provisions with BelRed Nonconforming Provisions