

CITY COUNCIL AGENDA TOPIC

Ordinance extending the life of certain complete building permit applications, complete clearing and grading permit applications, issued building permits, and issued clearing and grading permits when complete permit applications have been submitted to the City by, or the issued permits remain active on, the effective date of this Ordinance; providing for an exception for civil violations; providing for severability; and establishing an effective date.

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Development Services Department

EXECUTIVE SUMMARY

ACTION

Consider adoption of Ordinance to extend the life of certain complete building permit applications, complete clearing and grading permit applications, issued building permits, and issued clearing and grading permits when complete permit applications have been submitted to the City by, or the issued permits remain active on, the effective date of this Ordinance.

RECOMMENDATION

Move to adopt Ordinance No. 6853

BACKGROUND/ANALYSIS

Permit extension ordinances have been approved by the Council in the past, for example in April 2020 and March 2023 due to unique and extraordinary circumstances created by the COVID-19 pandemic and then again in 2024 to grant additional time for developers to evaluate market conditions and evaluate the viability of their individual construction projects. This proposed ordinance provides a 180-day extension to applications and issued permits plus an opportunity for an additional 180-day extension for applications that reach the stage of having all approvals. The following chart provides the history of similar extension ordinances dating back to 2010:

Ord. No:	Effective Date(s):	Extension:
Proposed	Effective date of ordinance, if adopted by Council	180-day extension of all criteria that expire an application & issued permit plus an opportunity for an additional 180-day extension for applications that achieve all approvals.
6776	Mid-February to 03/14/24 effective timeframe	180-day extension of all criteria that expire an application & issued permit.
6732	04/06/2023 (effective timeframe 04/06 - 06/30/23)	180-day extension of all criteria that expire an application & issued permit.
6508	04/20/2020	180-day extension of all criteria that expire an application & issued permit.
6008	07/05/2011	1-year extension of all criteria that expire an application & issued permit.

5943	03/15/2010	180-day extension of all criteria that expire an application & issued permit.
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Development Services continues to engage in monthly meetings with stakeholders through the Bellevue Development Committee, which provides valuable feedback to guide the Department workplan through 2025 and 2026. This proposed extension ordinance is strongly supported by stakeholders.

A policy basis of this extension Ordinance is to grant additional time for developers to evaluate market conditions, determine project viability, secure financing, and decide whether to proceed. The extensions delineated in the Ordinance are a one-time action, available for certain complete permit applications that have been submitted to the City by, or the issued permits remain active on, the effective date of the Ordinance.

One potentially negative impact of this permit extension Ordinance is that by allowing projects additional time during which more recent code changes would not be applicable, there is some delay in seeing the implementation of those changes. However, 180 days is a relatively short time compared to the overall duration for design and construction of phased projects, and this proposed Ordinance is consistent with prior Council actions to extend the life of building and clearing and grading permits.

The local development market is still in a lull due to the combination of high construction and land costs, and interest rates. If the permit applications or issued permits expire, it may be difficult for project proponents to sell projects or to obtain capital to restart and complete the projects, due to economic and financial market conditions. In addition, if projects must go through the permit processes again, this process will add additional cost and time to both the permit applicants and the City to realize completion of the project.

More generally, if building permits or clearing and grading permits are allowed to expire, then such expiration may create a barrier for new commercial and residential development within the City. Expiration of permit applications and issued permits under Chapters 23.05 and 23.76 BCC could also subject projects that have been approved by the City within the last several years, or are currently under construction, to the risk of failure.

Building Permit Extension

BCC 23.05.090.H delineates the expiration period for building permit applications and applies to complete building permit applications. BCC 23.05.100.E delineates the expiration period for issued building permits, including the time period in which an applicant must commence work to prevent the permit from expiring. The proposed Ordinance will extend the time limits for building permit applications set forth in BCC 23.05.090.H and for issued building permits set forth in BCC 23.05.100.E by 180 days. In addition, Section 2 of the Ordinance provides for a one-time, 180-day "Ready-to-Issue" extension for building permit applications to encourage applicants to timely and efficiently proceed through the permitting process as they evaluate the viability of the underlying project. These extensions will apply to and/or be available to complete building permit applications and issued building permits active on the effective date of this Ordinance.

Clearing and Grading Permit Extension

BCC 23.76.045 delineates the vesting and expiration period for clearing and grading permit applications and issued clearing and grading permits; and BCC 23.76.045 also requires that applicants and developers commence work within a certain time period to preserve their rights. The Ordinance will extend the time limits for clearing and grading permit applications and for issued clearing and grading permits, as set forth in BCC 23.76.045.A.2.a.i and BCC 23.76.045.A.3.a, by 180-days. Likewise, Section 5 of the Ordinance provides for a one-time, 180-day “Ready-to-Issue” extension for certain clearing and grading permit applications, again to encourage applicants to proceed through the permitting process as they evaluate the viability of the underlying project. These extensions will apply to and/or be available to complete clearing and grading permit applications and issued clearing and grading permits active on the effective date of this Ordinance.

Exception for Civil Violations

The time extensions provided by this Ordinance will not apply to any properties that are the subject of an active request for voluntary compliance or civil violation proceeding under Chapter 1.18 BCC.

POLICY & FISCAL IMPACTS

Policy Impact

Bellevue’s Comprehensive Plan provides policy direction to promote a business climate that supports retention and expansion of the City’s economic base. The proposed extension to permit applications and issued permits provides additional time for current applications, or issued permits, to complete development projects, and supports the policy direction established by the Comprehensive Plan.

Fiscal Impact

While the consequences of expiring building permits and clearing and grading permits would be financially impactful to property owners, developers, and builders, the City may also bear the burden in the form of decreased tax revenues, underutilized and vacant land, and the long-term impacts associated with abandoned construction sites.

OPTIONS

1. Adopt the Ordinance extending the life of certain complete building permit applications, complete clearing and grading permit applications, issued building permits, and issued clearing and grading permits when complete permit applications have been submitted to the City by, or the issued permits remain active on, the effective date of this Ordinance; providing for an exception for civil violations; providing for severability; and establishing an effective date.
2. Do not adopt the Ordinance and provide alternative direction to staff.

ATTACHMENTS

Proposed Ordinance No. 6853

AVAILABLE IN COUNCIL LIBRARY

N/A