

CITY COUNCIL AGENDA TOPIC

Study session on the City Council priority to simplify the permitting process for detached accessory dwelling units and cottage housing by offering pre-approved plans.

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Development Services Department

EXECUTIVE SUMMARY

INFORMATION ONLY

This study session will provide an overview of the council priority calling for a pre-approved plans program, which is made possible by the adoption of the Middle Housing Land Use Code Amendment (LUCA) in late June 2025. The Middle Housing LUCA legalized cottage housing and detached accessory dwelling units (DADUs) on all lots zoned predominately for residential use and enables the city to offer pre-approved building plans for these housing types. The program is intended to reduce cost, time, and uncertainty for property owners while supporting implementation of newly permitted housing types.

RECOMMENDATION

N/A

BACKGROUND/ANALYSIS

Background/Context

Council established a set of priorities for the 2024–2026 time period to guide policy and implementation efforts across the city. Twelve priorities were identified to advance council goals, including a specific priority to simplify the permitting process for DADUs and cottage housing through the use of pre-approved plans. This direction reflects council's interest in reducing regulatory barriers, improving predictability, and supporting broader encouragement of these housing types.

On June 24, 2025, council adopted middle housing code changes to allow ADUs and 9 types of middle housing on all lots zoned predominantly for residential use, including allowing DADUs and cottage housing. The adoption of these middle housing code changes provides the regulatory framework necessary to advance a pre-approved plans program focused on these housing types. With the code in place, the city is now positioned to develop and implement a program that aligns with this council priority.

Proposed Pre-Approved Plans Program Phases

The proposed Pre-Approved Plans Program will offer community members the opportunity to purchase city-reviewed building plans at a predetermined price. The program will focus on cottage housing and DADUs. Both housing types are relatively modest in scale and are anticipated to be more attainable in price point than a conventional single-family home, making them well suited for a pre-approved plans

initiative intended to reduce barriers to entry and support incremental housing development.

Under the newly adopted Middle Housing Land Use Code Amendment (LUCA), cottages are limited to a maximum of 1,500 square feet with a maximum building height of 24 feet. And DADUs are limited to 1,200 square feet with a maximum building height of 24 feet. While the LUC allows up to 28 feet in height when a DADU is proposed as an addition over an existing garage, plans that retain an existing garage and add a unit above it will not be included in this program due to the high level of site-specific variability involved, including structural capacity, existing footprint and height, and design compatibility considerations that limit plan standardization. Both housing types are now allowed on all lots in the city unless restricted by privately enforced covenants, conditions, and restrictions (CC&Rs) or plat restrictions.

The Pre-Approved Plans Program is envisioned as a three-phase initiative designed to streamline development, reduce permitting uncertainty, and support the successful implementation of two newly allowed housing types. The phased structure is intentionally designed to build community and stakeholder excitement, understanding, and interest in this council priority over time.

Phase 1: Engage and Imagine

Phase 1 will focus on building momentum, awareness, and enthusiasm for the Pre-Approved Plans Program. The city will launch a dedicated project webpage and begin outreach and messaging to clearly communicate the program's purpose, scope, and anticipated benefits to the community.

A central element of this phase will be a hackathon-style event conducted in partnership with Govstream.ai and subject matter experts. This event will emphasize creative problem solving and innovation, with the goal of identifying tools and strategies that can support a successful pre-approved plans program. Potential focus areas for the hackathon include:

- Leveraging GIS mapping tools and zoning data to help customers assess site feasibility
- Developing tools to guide applicants through the permitting process
- Providing early-stage resources to help property owners explore financing options, professional contacts, and other implementation considerations.

During Phase 1, the city will also work closely with the community to establish evaluation criteria for pre-approved plan options. These criteria may include considerations such as broad plan applicability across typical Bellevue lot conditions, compatibility with Bellevue's historic, existing, or evolving architectural character, and overall usability and preferences for homeowners. At the conclusion of Phase 1, the city anticipates having a set of complementary ideas and tools generated through the hackathon process, along with a clearly defined set of community-informed criteria to guide plan selection.

Phase 2: Design and Decide

Phase 2 will be characterized by a formal call for designs issued to the design and development community. Submitted plans will be reviewed by a volunteer review panel tasked with narrowing the plans that will advance through pre-review and evaluating submitted plans against the criteria established in Phase 1. Top-ranked designs will then advance to the Development Services pre-review process to assess technical code alignment and ultimately "pre-approve" plans for use by the public.

Phase 3: Final Review and Program Launch

Phase 3 will involve the Department's "pre-approval" of up to 10 selected plans and preparing them for public release. This phase will include the development of a public-facing webpage to host and distribute the approved plans for purchase.

A key timing consideration for both Phase 2 and Phase 3 is the upcoming Washington State Building Code adoption cycle, which has shifted from November 2026 to May 3, 2027. The city will evaluate the level of anticipated code changes affecting cottage housing and DADUs to reduce the risk of releasing plans that could quickly become outdated.

Public Engagement

The Pre-Approved Plans Program engagement approach aligns with each program phase to ensure community input is focused, timely, and meaningful. Engagement emphasizes early awareness and values-based input, followed by targeted participation during plan review. Outreach will rely on a dedicated project webpage and coordinated communication through city newsletters and other city publications.

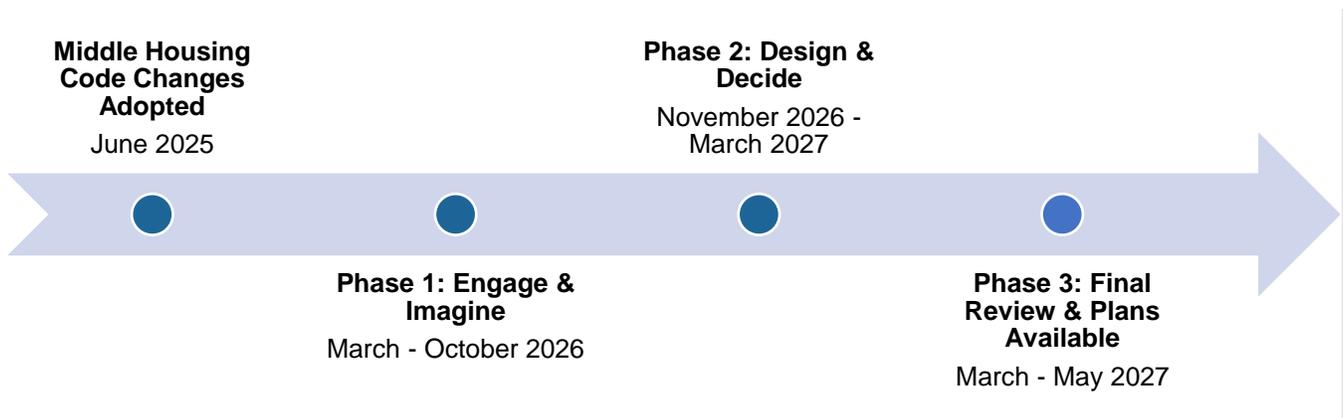
- **Phase 1:** engagement will focus on awareness, clarity, and definition of community priorities. The Department will launch a project webpage that explains program goals, eligible housing types, timelines, and decision points. City newsletters and publications like It's Your City will direct the community to the webpage and share key updates. Input in Phase 1 will shape the criteria used to evaluate plan submissions.

Engagement will focus on priorities rather than specific designs. Staff will gather feedback through online surveys and facilitated outreach that ask participants to rank and weigh factors such as architectural compatibility, usability, sustainability, and cost-conscious design. Staff will translate this input into a clear and transparent set of evaluation criteria and publish the criteria on the project webpage prior to the call for designs.

- **Phase 2:** engagement will rely on structured participation through a volunteer review panel. The city will recruit panel members through an open process promoted on the project webpage and through city newsletters and publications. Staff will select panelists to reflect a range of perspectives and relevant experience while avoiding conflicts of interest. Panel members will assess submitted designs against the community criteria developed in Phase 1 and identify top plans. The panel will recommend designs for department pre-review.
- **Phase 3:** engagement will focus on information and access. The city will update the project webpage to host the final pre-approved plans and provide guidance on purchase and use. City newsletters and publications will announce plan availability and highlight program benefits.

Anticipated Timeline

Work on the Pre-Approved Plans initiative is expected to begin following council initiation. The overall schedule aligns with the goal of making the program available for community use around the time of the next State Building Code update is adopted by council.



POLICY & FISCAL IMPACTS

Policy Impact

The Pre-Approved Plans Program is a council priority and advances multiple policies within the Comprehensive Plan that support housing choice, community engagement and collaboration, and regulatory efficiency. By creating a program that offers pre-reviewed housing plans, the initiative supports collaboration with community members, development stakeholders and design community, and other partners to address local housing needs, consistent with Policy HO-12. The program also advances Policies HO-15 and ED-7 by reducing permitting complexity, increasing predictability, and providing a more efficient and customer-focused permit process.

Fiscal Impact

The adopted 2025–2026 City budget includes sufficient resources for Development Services to advance the initial scope of the Pre-Approved Plans Program using existing Development Services revenue, reserves, and contingencies. These resources will support internal staff review and pre-approval of up to ten plans within the initial program scope.

The Development Services fee ordinance will need to be amended to establish review fees aligned with the Pre-Approved Plans Program. Because these plans are reviewed in advance, permit review will require fewer staff hours than non-pre-approved cottage housing and DADU plans. This change would likely result in lower permit fees for pre-approved plans and ideally lower permitting fees would increase the program’s competitiveness and value to the community.

OPTIONS

N/A

ATTACHMENTS

N/A

AVAILABLE IN COUNCIL LIBRARY

N/A