



STAFF REPORT

DATE: November 12, 2025

TO: Mayor Robinson and Members of the City Council

FROM: Nick Whipple, Code and Policy Director, 452-4578
Charlie Engel, Associate Planner, 452-6164
Development Services Department

SUBJECT: Proposed Land Use Code Amendment (LUCA) to revise the Land Use Code (LUC) and implement provisions necessary to comply with House Bill 1998 (HB 1998) which requires cities to allow for co-living housing in all Land Use Districts that allow six or more dwelling units per lot by right. File No. 25-105068-AD.

I. BACKGROUND

In 2024, the Washington State Legislature passed, and the Governor signed, HB 1998, which intends to provide additional housing choices by requiring that cities and counties allow for the development of co-living housing. HB 1998 added a new section RCW 36.70A.535 to define and establish requirements for co-living housing. RCW 36.70A.535(11)(a) defines “co-living housing” as a residential development consisting of individually rented, lockable sleeping units that include living and sleeping space. Residents share kitchen facilities with other sleeping units in the building.

RCW 36.70A.535(1) requires co-living housing as a permitted use on any lot that allows at least six units, including on lots zoned for mixed use development. Per the co-living guidance published by the Washington State Department of Commerce, cities are not required to allow for co-living housing on lots where six units are permitted only through an affordable housing density bonus.

HB 1998 mandates that cities and counties update their regulations by December 31, 2025. If a LUCA consistent with HB 1998 is not adopted by this date, state law will supersede the Land Use Code (LUC).

Similar Housing Types in the Land Use Code

Micro-Apartment (LUC 20.20.537). While standards for parking and density are similar between micro-apartments and co-living housing, the two housing types differ in where they are allowed and how they are defined. Under the Land Use Code, micro-apartments are limited to areas near transit that already allow for multifamily. These units are defined as individual dwelling units—each providing

complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking, and sanitation. These units are capped at a maximum gross floor area of 320 square feet. Co-living housing is not required to offer complete independent facilities within each unit. Instead, it provides private living and sleeping quarters while sharing kitchens, bathrooms, and other common areas. Unit sizes in co-living housing must comply with minimum standards set by the state building code but may not otherwise be restricted by local size limits.

Boarding Houses (LUC 20.20.140). Boarding houses are defined as “an owner-occupied dwelling...” and may be rented on either a short term or long-term basis. However, they are limited to renting out no more than two rooms and must provide one off street parking space per rented room. Co-living housing may not be subject to these same restrictions.

Rooming Houses (LUC 20.20.700). Rooming houses are required to be in a detached single-family dwelling and are only permitted in multifamily residential districts. Rooming houses are also limited to renting a maximum of four individual rooms. Co-living housing must be allowed in all residential and mixed-use zones where at least six units are allowed. The bill does not limit the number of rooms that may be rented, and it does not restrict the housing type to detached single-family dwellings. As currently defined, the City’s rooming house regulations are more restrictive than what HB 1998 requires and would not comply with the law’s broader allowances for co-living housing.

II. PROPOSED LUCA

The LUCA will focus on ensuring direct compliance with the requirements in RCW 36.70A.535, as amended by HB 1998. Specifically, to the LUCA is not proposed to deviate from the baseline requirements mandated by state law.

For new co-living housing development in residential and mixed-use areas, the City:

- May not impose room dimensional standards (i.e. dwelling unit size, sleeping unit size, room area, and habitable space requirements) more restrictive than those required by the state building code.
- May not require parking within one-half mile walking distance of a major transit stop. Outside of this transit buffer, the city may only require a maximum of 0.25 off-street spaces per sleeping unit.
- May not require co-living housing to provide a mix of unit sizes, a specified number of bedrooms, or include other uses.

- May not impose development standards that are more restrictive than those required for other types of multifamily residential uses in the same zone.
- May not, for purposes of calculating dwelling unit density, count a sleeping unit in co-living housing as more than one-quarter of a dwelling unit.
- May not exclude co-living housing from participating in affordable housing incentive programs.
- May not, for purposes of calculating fees for sewer connections, treat a sleeping unit in co-living housing as more than one-half of a dwelling.

Of the three housing types described in the section above, the City's current LUC framework for rooming houses most closely resembles co-living housing. However, because RCW 36.70A.535 requires broader allowances for co-living housing than are currently provided for rooming houses—both in terms of where it can be located and how it can be provided—the current rooming house regulations will become increasingly limited in their applicability. As a result, the LUCA proposed to remove the current rooming house provisions and replace this housing type with the state-required co-living housing provisions. These updates would eliminate existing restrictions, such as limiting rooming houses to detached single-family dwellings, confining them to multifamily zones, and allowing only four rentable rooms.

Additionally, the LUCA would update terminology to define “rooming house” in Bellevue as “co-living housing,” consistent with RCW 36.70A.535. State law allows jurisdictions to use their preferred terminology, provided that the adopted standards meet the requirements of the statute.

III. REVIEW PROCESS

The content of this LUCA was introduced and presented to the City Council on November 12. At this meeting, staff sought direction for the Council to enter a finding of necessity to retain authority for processing this LUCA. The public hearing for the proposed LUCA has been scheduled for December 2, 2025. Following the public hearing, the City Council may adopt the proposed LUCA. The proposed LUCA is included in this staff report as Attachment A.

IV. STATE ENVIRONMENTAL POLICY ACT (SEPA)

The application for SEPA review was noticed together with the notice of public hearing for the proposed Co-Living Housing LUCA on November 12, 2025. The environmental review indicates no probability of significant adverse environmental impacts occurring as a result of the LUCA. The Environmental Coordinator for the City of Bellevue has issued a

Determination of Non-Significance (DNS) for this Co-Living Housing LUCA pursuant to the threshold determination requirements in WAC 197-11-340.

V. PUBLIC ENGAGEMENT

Required Public Notice

The public notice required for City Council Legislative Actions (Process IV) is governed by LUC 20.35.415 through 20.35.450. Notice of the LUCA application and public hearing, including the Final SEPA Threshold Determination was published in the Weekly Permit Bulletin on November 12, along with availability of this staff report. Availability of the Weekly Permit Bulletin was noticed in the Seattle Times.

Department of Commerce Notice

Pursuant to the Washington State Growth Management Act, proposed amendments to the LUC must be sent to the Washington State Department of Commerce to review and comment on the proposed amendments to the LUC. The required notice to the Department of Commerce and the initial draft LUCA were transmitted on October 3, 2025 and a copy of both documents is available for review in the code amendment file. No comments have been received by Commerce as of the date of this report.

Public Information Session

A virtual lunch and learn event was held on October 28 to share background information, general legislative requirements, and implications for Bellevue. Following the presentation, attendees were invited to ask questions and share feedback.

Online Presence

A City webpage was published in September for members of the public to find more information on the LUCA, updates on the review process, staff contact information, and methods for providing comments.

VI. DECISION CRITERIA

LUC 20.30J.135 establishes the decision criteria for an application to amend the text of the Land Use Code. Those criteria, and the relationship of these proposed amendments to them, are discussed below:

A. The amendment is consistent with the Comprehensive Plan; and

Finding: The proposed LUCA is consistent with the Comprehensive Plan. The City of Bellevue has adopted comprehensive plan policies HO-10, HO-11, HO-14, HO-18, HO-22, HO-33, and HO-43 that speak to promote a diverse housing stock, eliminate barriers in current city regulations, and address the need for housing affordable to low-income households.

Comprehensive Plan Policy HO-10. Work to identify and eliminate current city policies, practices and regulations that perpetuate housing disparities and discrimination.

Comprehensive Plan Policy HO-11. Ensure a diverse housing stock, including affordable housing, throughout the city to meet the needs of all individuals and families of differing incomes, sizes, arrangements and cultural backgrounds.

Comprehensive Plan Policy HO-14. Ensure there are zoning ordinances and building policies in place that allow and encourage an increase in the housing supply attainable to households along the full range of income levels.

Comprehensive Plan Policy 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.

Comprehensive Plan Policy HO-22. Allow innovative housing types and demonstration projects that could serve as a model for new housing choices currently not being built in Bellevue.

Comprehensive Plan Policy HO-33. Address the need for housing affordable to extremely low-, very low-, low- and moderate-income households, through funding, regulations, policies, procedures and other mechanisms.

Comprehensive Plan Policy 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.

B. The amendment enhances the public health, safety or welfare; and

Finding: This LUCA will enhance public health, safety, and welfare by enacting regulations that comply with the requirements outlined in HB 1998 to promote housing density, choice, and affordability by allowing for Co-Living Housing in certain multifamily and mixed-use areas.

C. The amendment is not contrary to the best interests of the citizens and property owners of the City of Bellevue.

Finding: The proposed LUCA is not contrary to the best interests of the citizens and property owners of the City of Bellevue. The LUCA serves the best interests of

Bellevue's citizens and property owners by increasing additional housing choices through allowing for Co-Living Housing.

VII. RECOMMENDATION

Staff has concluded that the Co-Living Housing LUCA, as drafted in Attachment A, is consistent with the decision criteria required for adoption of amendments to the text of the LUC, pursuant to Part 20.30J LUC. Staff recommends the LUCA to City Council for adoption.

ATTACHMENT:

A. Co-Living Housing LUCA Strike-Draft

The strike-draft included with this report is the November 12 version. For the most recent strike-draft, please see Attachment B of the Council memo.

Chapter 20.10 Land Use Districts

20.10.440 Land use charts.

Chart 20.10.440

Uses in land use districts

Residential – Residential Districts

STD LAND USE CODE REF	LAND USE CLASSIFICATION	LL- 1	LL- 2	SR- 1	SR- 2	SR- 3	SR- 4	LDR- 1	LDR- 2	LDR- 3	MDR- 1	MDR- 2
	...											
	Rooming House (17)	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	P	P	P	P
	...											

...

Chart 20.10.440 Uses in land use districts

Residential – Nonresidential Districts

STD LAND USE CODE REF	LAND USE CLASSIFICATION	Professional Office PO	Office O	Office/Limited Business OLB	Office/Limited Business 2 OLB 2	Light Industry LI	General Commercial GC	Neighborhood Business NB	Neighborhood Mixed Use NMU	Community Business CB	Factoria Land Use District 1 F1	Factoria Land Use District 2 F2	Factoria Land Use District 3 F3
	...												
	Rooming House (17)		<u>P</u>	P	P			<u>P</u>	P	P	P	P	P

STD LAND USE CODE REF	LAND USE CLASSIFICATION	Professional Office	Office	Office/Limited Business	Office/Limited Business 2	Light Industry	General Commercial	Neighborhood Business	Neighborhood Mixed Use	Community Business	Factoria Land Use District 1	Factoria Land Use District 2	Factoria Land Use District 3
		PO	O	OLB	OLB 2	LI	GC	NB	NMU	CB	F1	F2	F3
...													

...

Notes: Uses in land use districts – Residential:

...

(17) See LUC 20.20.700 for general development requirements for rooming house.

...

Chapter 20.20 General Development Requirements

...

20.20.590 Parking, circulation, and walkway requirements

...

F. Minimum/Maximum Parking Requirement by Use.

1. Specified Uses. Subject to subsections G, H, and L of this section, the property owner shall provide at least the minimum and may provide no more than the maximum number of parking stalls as indicated below:

Use	Minimum Number of Parking Spaces Required (4)(5)	Maximum Number of Parking Spaces Allowed
...		

	Use	Minimum Number of Parking Spaces Required (4)(5)	Maximum Number of Parking Spaces Allowed
q.	<u>Rooming/Bbording house</u>	1:rented room	No max.
r.	<u>Rooming house (7)</u>	<u>0.25:co-living unit</u>	<u>No max</u>
sr.	Wholesale, warehouse	1.5:1,000 nsf	No max.
ts.	Vendor cart	1:cart	No max.
ut.	Mixed-Use Commercial	4.5:1,000 nsf	No max.

nsf = net square feet (See LUC 20.50.036).

Notes: Minimum/Maximum Parking by Use:

...

(6) Middle housing projects, as defined in LUC 20.50.034, are exempt from the required minimum number of parking spaces when located within one-half mile walking distance of a major transit stop as defined in LUC 20.20.538.B.1, and subject to the walking distance requirements in LUC 20.20.538.C.2.

(7) Rooming house uses, as defined in LUC 20.50.044, are exempt from the required minimum number of parking spaces when located within one-half mile walking distance of a major transit stop as defined in LUC 20.20.700.B.1, and subject to the walking distance requirements in LUC 20.20.700.C.2.

20.20.700 Rooming houses.

A. Applicability~~Rooming houses, where permitted, shall comply with the following:~~

- Rooming houses are allowed as a permitted use on any lot that allows at least six dwelling units by right.~~The rooming house shall be located in a detached single-family dwelling on its own parcel; and~~
- Rooming houses shall not be allowed as a permitted use on lots where six dwelling units are only permitted through an affordable housing density bonus.~~The rooming house shall offer no more than four rooms for rent at any one time; and~~
- ~~All rooms offered for rent shall be legally established bedrooms; and~~

- ~~4. An owner, landlord, or registered agent shall be identified as the party responsible and accountable for compliance with the provisions of this section. Said party shall be local, and the name and contact information for that party shall be filed with the City prior to establishing the rooming house; and~~
 - ~~5. Legal on-site parking exists or shall be provided in a quantity equal to the number of bedrooms leased or available for lease; and~~
 - ~~6. Appropriate provisions shall be made for maintenance of the property exterior; and~~
 - ~~7. Appropriate provisions shall be made for refuse collection, including trash, recycling, and yard waste.~~
- B. **Definitions** ~~A rooming house shall comply with City of Bellevue noise and nuisance laws and health and safety codes, and with all other applicable City and State codes and regulations.~~
- ~~1. Major Transit Stop. For the purposes of this section, major transit stop is as defined in RCW 36.70A.535.~~
- C. **Standards** ~~The owner, landlord, or registered agent designated pursuant to subsection A.4 of this section shall be the “person responsible for the violation” in any civil violations proceedings under the terms of Chapter 1.18 BCC for failure to comply with this section. Tenants shall not be identified as responsible parties by virtue of signing a lease prepared by the owner, landlord, or registered agent for renting a room in a rooming house.~~
- The following standards apply to rooming houses:
1. For the purposes of calculating dwelling unit density, each co-living unit in a rooming house development shall be considered one-quarter of a dwelling unit.
 2. Walking Distance. If a physical impediment exists that would require pedestrians to walk more than one-half mile to the major transit stop from the location of the co-living units, then the Director may determine that the location is not within one-half mile of a major transit stop.
 3. Transient Lodging. Co-living units shall not be used for short term stay use or for transient lodging.

...

Chapter 20.25 Special and Overlay Districts

Part 20.25A Downtown

...

20.25A.050 Downtown Land Use Charts.

...

D. Use Charts.

The following charts apply to Downtown. The use charts contained in LUC 20.10.440 do not apply within the Downtown Land Use Districts.

...

Residential – Downtown Land Use Districts

STD LAND USE CODE REF	LAND USE CLASSIFICATION	Downto wn Office 1	Downto wn Office 2	Downto wn Mixed Use	Downtow n Resident ial	Downto wn Old Bellevue	Downto wn Office and Limited Busines s
		DT-O-1	DT-O-2	DT-MU	DT-R	DT-OB	DT-OLB
	...						
	<u>Rooming House (6)</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>

Notes: Uses in Downtown Land Use Districts – Residential:

...

(6) See LUC 20.20.700 for general development requirements for rooming house.

...

Part 20.25Q East Main Transit Oriented Development Land Use District

20.25Q.050 Permitted uses.

D. Use Chart.

The following use chart applies to the East Main Transit Oriented Development Districts:

Chart 20.25Q.050.D Uses in East Main Transit Oriented Development Districts

Std Land Use Code Ref	Land Use Classification	TOD-H	TOD-L
	...		
	<u>Rooming House (39)</u>	<u>P</u>	<u>P</u>

Notes: Uses in East Main Land Use Districts:

...

(39) See LUC 20.20.700 for general development requirements for rooming house.

...

Chapter 20.50 DEFINITIONS

...

20.50.014 C definitions.

...

Co-living Unit. A residential unit that is independently owned or rented, lockable and provides living and sleeping space. Units must share kitchen facilities with other units in the building to be considered a co-living unit.

...

20.50.016 D definitions.

...

Dwelling Unit. Houses, apartments, condominiums, groups of rooms, or single rooms, which are occupied, or vacant, but intended for occupancy, as separate living quarters. Specifically, there is a dwelling unit when the occupants live and eat separately from any other persons in the structure and there is either (1) direct access to the unit from the outside or through a common hall, or (2) complete kitchen facilities for the occupants' exclusive use. A single unit providing complete, independent living facilities for one or more persons including permanent provisions of living, sleeping, eating, cooking and sanitation. For the purposes of LUC 20.20.128 a co-living unit is considered a dwelling unit.

...

20.50.044 R definitions.

...

Rooming House. A residential development with co-living units. A non-owner-occupied dwelling in which rooms are rented on an individual room basis. (Refer to LUC 20.20.700 for general development requirements.)

...