

DATE: September 15, 2025

TO: Human Services Commission Members

FROM: Hannah Bahnmiller, Senior Affordable Housing Planner

Office of Housing

SUBJECT: 2025 Affordable Housing Strategy Update

Office of Housing staff will provide an update to the commission of the process of the 2025 Affordable Housing Strategy Update (AHS). The Commission will have the opportunity to ask questions and provide feedback.

Staff presented an initial briefing to the Human Services Commission on the AHS process and scope in February. Since then, staff have advanced work related to engagement, goal setting, defining actions, and technical analysis.

Updating the Affordable Housing Strategy will identify the strategies and actions to help the City achieve the new affordable housing target of building or preserving 5,700 affordable units in the next ten years, as well as meeting other affordable housing priorities. The draft Strategy will be advanced to City Council in early 2026.

### **Background**

The Bellevue City Council adopted its existing Affordable Housing Strategy in 2017. Since then, most AHS actions – plus subsequent Next Right Work implementation efforts – are either complete, have made significant progress, or have ongoing work.

The City Council launched the update to the Affordable Housing Strategy in November 2024 to implement new policy direction, reflect changing market conditions, and support the development and preservation of additional affordable housing units. At the launch, Council established an affordable housing target to build or preserve 5,700 affordable units in ten years (2026-2036) to guide the development and implementation of the Strategy. The new affordable housing target includes sub-targets for income band below 80% AMI, shown in Table 1.

Table 1:	
10-Year Affordable Housing Target	
0-30% AMI	2,700
30-50% AMI	1,450
50-80% AMI	1,550
Total	5,700

# **Work Program and Schedule**

The work to update the AHS is occurring in five phases and is currently in the Refine stage.

- <u>Pre-Launch</u> (Completed, June Oct 2024) Engage technical stakeholders on the starting point affordable housing target.
- <u>Launch</u> (Completed, Nov 2024 Apr 2025) Provide information and educational opportunities on affordable housing topics.
- <u>Assess</u> (Complete, May Aug 2025) Develop and conduct technical analysis to evaluate possible actions.
- Refine (Ongoing, Sept Dec 2025) Work with technical stakeholders to prioritize strategies within the update; draft the plan.
- Adopt (Jan Feb 2026) The final draft strategy is reviewed and adopted by City Council.

## **Community Engagement**

The issue of affordable housing is important to technical experts and community members alike. The AHS is engaging different groups over the course of the project:

- Organizational partners who have technical expertise related to housing and services, including affordable housing and market-rate housing developers and social service providers, will be consulted for feedback on priorities, analysis, and actions.
- Those needing or utilizing affordable housing who have lived experience, including residents of affordable housing and households seeking affordable housing, will be consulted on priorities, barriers, and actions.
- <u>General public</u>, including Bellevue residents and workforce, will be informed on the project and asked to weigh in on priorities

#### Phase 1

The first phase of community engagement – the Launch phase – kicked off in January and went into April 2025. Engagement was focused on building awareness about the 2025

Strategy in the community and creating educational opportunities to provide a foundation of information for those wanting to engage. Goals included providing accessible and understandable information on affordable housing subject matter and setting expectations and clear timelines for all.

A variety of engagement tools were utilized during this phase. Staff hosted two organizational partner information sessions and a public kick off event in January. Two additional educational events were hosted for the public – a film festival and an affordable housing 101 and resource fair. During this phase, the project team connected with almost 300 people through public events. Staff collected optional demographic data at events. Chart 1 shows variation in the composition of attendees and supports the planned targeted engagement in Phase 2.

Comments, reflections, and stories were used to identify opportunities, challenges, and priorities to inform the development of priorities and actions. Below are some of the priorities we heard:

- <u>Affordability</u>: Housing is out of reach even for middle- and high-income earners, let alone those on fixed or low incomes. There is a desire for smaller, more affordable housing options.
- Aging in Place: Older adults are struggling to stay in their home or find housing that meets their needs in Bellevue. There is a desire for more options and resources for seniors as they age in place.
- <u>Universal Design</u>: We heard the importance of housing being able to adapt to different needs. Focusing on inclusive design (zero-step entries, level paths, benches) ensures that housing is accessible to everyone from children to elders.
- Zoning and Density Reform: There is a recognition that density is a solution to increase housing supply and affordability but was paired with a desire for access to amenities, trees, and walkability.
- Redressing Inequities: We heard the need redress past wrongs and to prioritize those most impacted in policy and planning. There is also a desire to create pathways to homeownership.
- <u>Community Building and Belonging</u>: There are strong interests in community-based design and inclusive development processes. We also heard many attendees expressed that these elements are key to fostering dignified and safe communities.

A full report of Phase 1 engagement activities and findings are available online.

#### Phase 2

Phase 2 engagement was targeted towards organizational partners and those with lived experience of needing or utilizing affordable housing.

Organizational partners were consulted through an open-ended questionnaire to help the project better understand the challenges, opportunities, and tradeoffs within the 2025 AHS. Fifty-nine responses were received. Two common themes throughout the survey were

- Reducing costs to build by streamlining processes, reducing regulations, and increasing density was the most common message
- A key theme was that tradeoffs are inevitable and balancing political and social tensions in decision-making must be grounded by values. Communication and engagement are identified as a way advance hard choices more palatably through transparency and inclusion.

To reach those with lived experience, the city developed and launched a Community Facilitator Program. The AHS is using community facilitator-based engagement so that community representatives can gather useful information though culturally relevant and welcoming conversations with community members. Community facilitators play a vital role by making sure that the stories and voices of people who are directly impacted by these issues are included in the decision-making process.

Ten community facilitators were recruited in July to host listening sessions that will inform the final stages of the AHS update by ensuring that the priorities, issues, and challenges are represented in the strategies and actions. Community facilitators are conducting conversations through mid-September.

### **Project Goals and Draft Strategies**

The 2025 Affordable Housing Strategy is building upon an established policy framework within the Comprehensive Plan. The Housing Element established five broad housing goals: affordable housing, housing equity, housing stability, housing for unique needs, and housing supply & diversity. Of these goals, the 2025 AHS will prioritize actions that support the Affordable Housing goal, as these actions directly advance the city toward meeting its affordable housing goal.

These goals are described below in more detail below.

- Affordable Housing: Focuses on increasing the supply of income-restricted affordable housing.
- Housing Equity: Focuses on eliminating disparate impacts in housing by race, ethnicity, status, sexual orientation, ability and income.
- Housing for Unique Needs: Focuses on having more available and affordable to those with unique housing needs, including having supportive and affordable housing available to people experiencing or at risk of homelessness.
- Housing Stability: Focuses on the ability of low- and moderate-income households to live stably in their home and neighborhood.
- <u>Housing Supply and Diversity</u>: Focuses on having more housing in general and more housing types available to meet the needs of people at all stages of life.

The project goals and policy guidance from the Comprehensive Plan informed the development of strategies - overarching groups of actions. Additional community engagement and technical analysis is informing the development of draft actions that are the defined and measurable interventions undertaken to achieve the goals.

## **Next Steps**

The next phase of the Strategy will bring together the different streams of input – technical assessments and engagement across stakeholders – to inform the development of the final strategies and the priority actions.

Continued engagement will occur on the draft recommendations through targeted engagement with organizational partners, as well as opportunities for the public to engage through a survey and information sessions.