

Next Right Work: Residential FAR Increase Phase 1: Downtown IOC

Public Hearing

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May 8, 2023



Direction for Council Consideration

Hold the public hearing and move to adopt the ordinance as drafted



Agenda



Background



FAR Increase IOC Phase 1 Details



Study Session Direction



Staff Recommendation and Input



IOC Process



NRW Background

Next Right Work: Increase production of market-rate & affordable housing

- Three actions initiated in 2022:
 1. Micro-Apartments
 2. Reduce Fees for AH
 3. Increase FAR
- Two additional actions initiated in January 2023 (middle housing, permit streamlining)



City of Bellevue
Affordable Housing Strategy

Approved by City Council
June 5, 2017



Phase 1 IOC

Geographic Scope: Downtown

Intent: Quickly respond to application-ready projects; test FAR increase and measure against policy objectives

Objectives:

- Encourage residential development
- Increase Affordable Housing production
- Allow application-ready projects to move forward



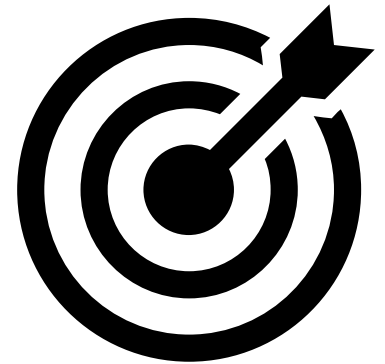
Policy Objectives

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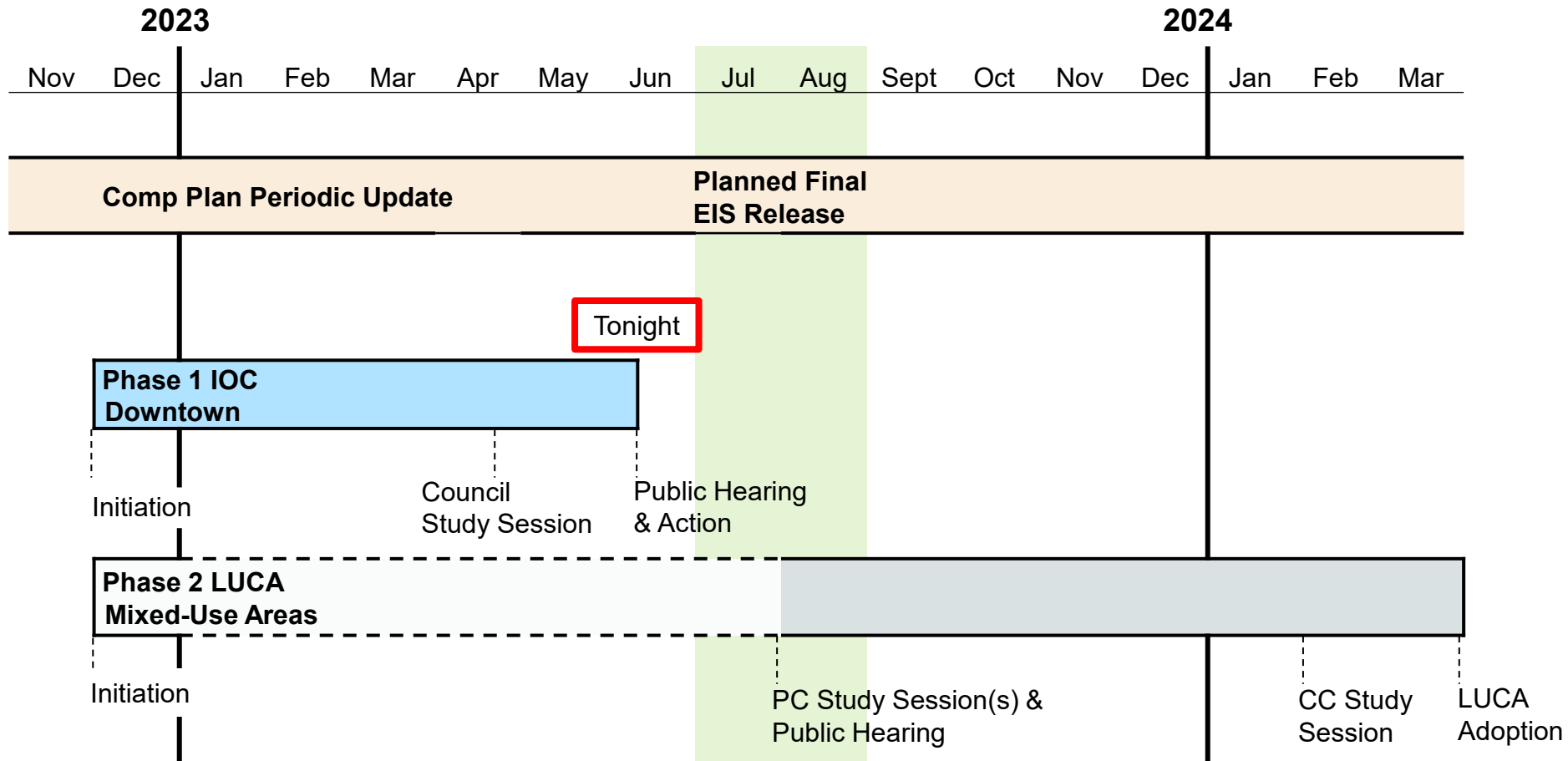
- Encourage residential development
- Increase Affordable Housing production
- Allow application-ready residential projects Downtown to move forward

Tools

1. Higher FAR for residential in exchange for Affordable Housing
2. Development flexibility for projects with Affordable Housing
3. Flexibility on FAR utilization within Downtown Perimeter



Residential FAR Increase Timeline: Phases 1 & 2



Phase 1 IOC Staff Recommendation

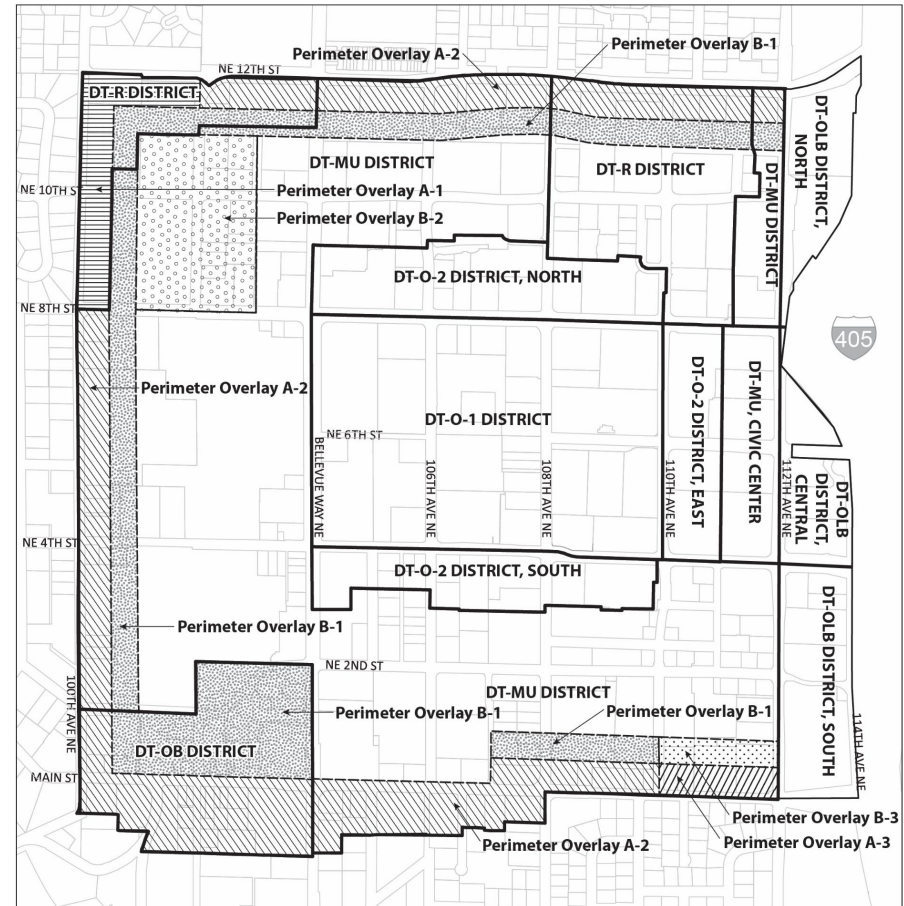
1. Increased exempt FAR

- Up to 50% base FAR in district

2. Increased Development Flexibility

- **Perimeter Overlay Flexibility** (“unlocked” when AH threshold met):
 - 25’ height increase
 - 15’ stepback reduction
 - 5% lot coverage increase
- **Downtown-wide Flexibility:** No minimum parking required for Affordable Housing

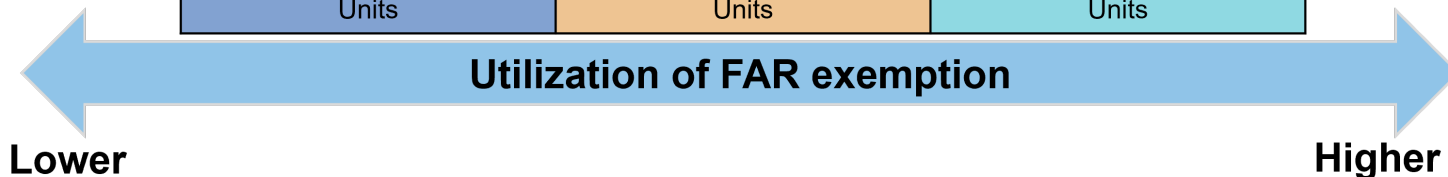
3. Perimeter Overlay FAR Flexibility



Staff Recommended Ratio & Stakeholder Input

Example project: includes 527 units in Downtown

EAHC	Proposed IOC	Chamber PLUSH
(527 total units)	(527 total units)	(527 total units)
3:1 Market Rate to Affordable SF	4:1 Market Rate to Affordable SF	6:1 Market Rate to Affordable SF
75% 25% Market Rate Affordable	80% 20% Market Rate Affordable	86% 14% Market Rate Affordable
123 Exempt Market Rate Units	131 Exempt Market Rate Units	141 Exempt Market Rate Units
41 Exempt Affordable Units	33 Exempt Affordable Units	23 Exempt Affordable Units



Study Session Direction

- Outreach to Neighbors
- Urban Design Impacts
- Applicability across Downtown for stepback elimination
- IOC Success Measurement



Study Session Direction- Outreach

- Reach out to neighbors
 - Staff provided details of the IOC, including the Agenda Memo to:
 - Downtown Residents' Association
 - Vuecrest Owners' Association
 - Old Bellevue Merchants' Association
 - Met with Bellevue Downtown Association taskforce to answer questions and provide information



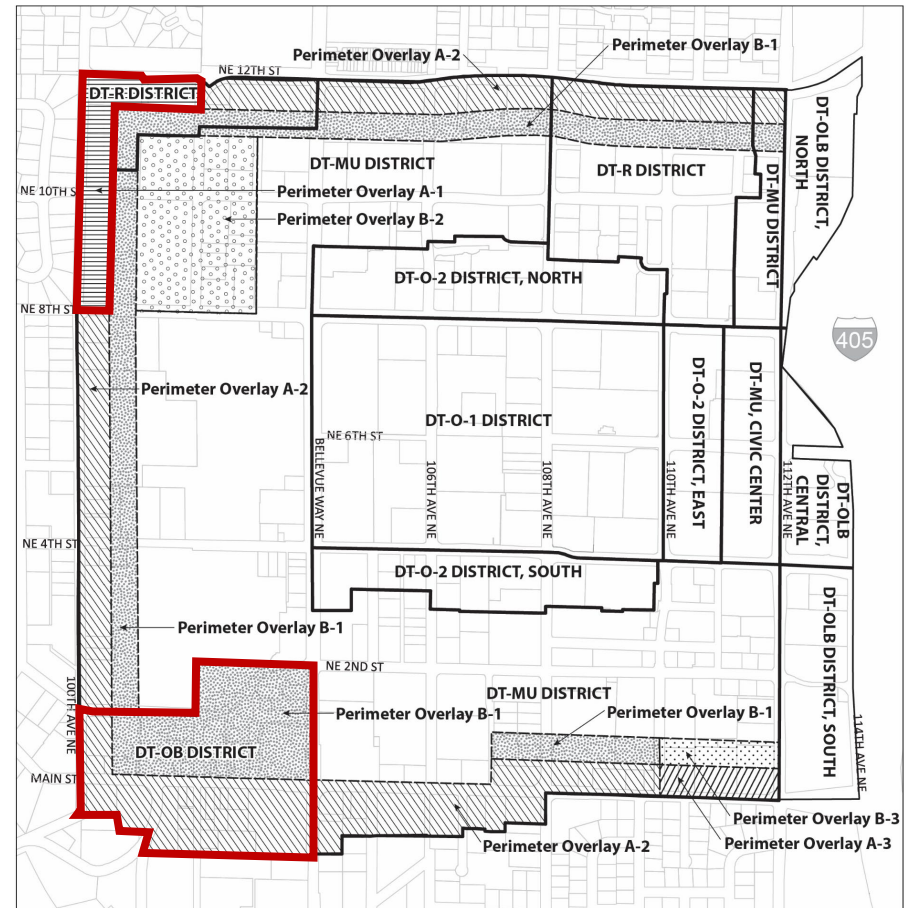
Study Session Direction-Impacts

- Examine impacts of height increase and stepback reduction
 - Staff believes impacts to neighbors and pedestrian realm minimal
 - Additional height currently backdropped by taller structures
 - LUC requires variation in facades
 - LUC requires street level amenities
 - LUC currently allows for reductions in stepback
 - Neighbors have been contacted for input



Study Session Direction- Amendment Language

- Provide Council with amendment language for the Ordinance
 - Language provided to remove stepback reduction
 - Option 1- Remove stepback reduction in Perimeter Overlay District A-1 only
 - Option 2- Remove stepback reduction in Perimeter Overlay District A-1 & Main St. through Old Bellevue
 - Language provided to remove A-1 and Old Bellevue From IOC

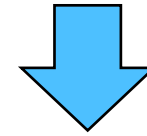


Study Session Direction-Success

- How do we measure success?
 - Increased utilization of the exemption program
 - Feedback on the IOC from developers as projects move through the permitting process
 - The IOC provides us with information for Phase 2



FAR Phase 1 IOC Process



Dec 12	Council Study Session (April 17)	Council Public Hearing (Tonight)
Council Initiation	Draft provisions for IOC, includes community and stakeholder input Council input on IOC	Public hearing, Council discussion and adoption of IOC
Ongoing community and stakeholder engagement and input		



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