

# Housing Opportunities in Mixed-Use Areas (HOMA)

## City Council Study Session

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February 24, 2026



# Agenda

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Background & Context



PC Process



Recommended LUCA



Schedule





# Direction for Council Consideration

Consider directing staff to finalize the LUCA Ordinance for final action at a future meeting.



# What is HOMA?

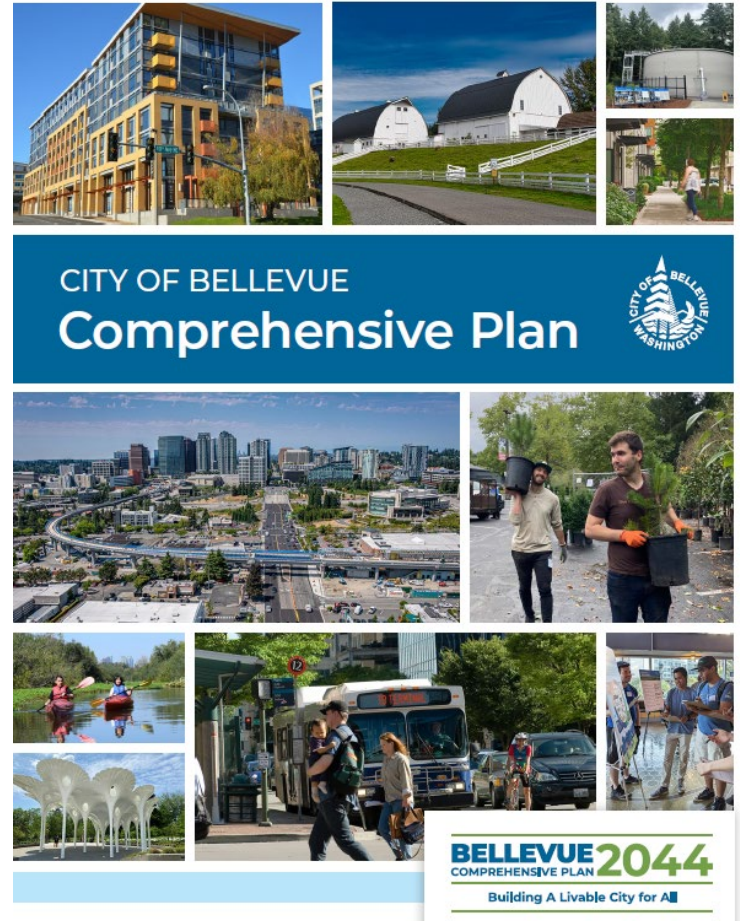
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- Land Use Code Amendment aimed at encouraging housing and affordable housing in targeted mixed-use areas
- Amends key zoning standards inhibiting housing development
- Creates a straightforward and consistent affordable housing program
- Updates standards in the Land Use Code to be consistent with the Comprehensive Plan



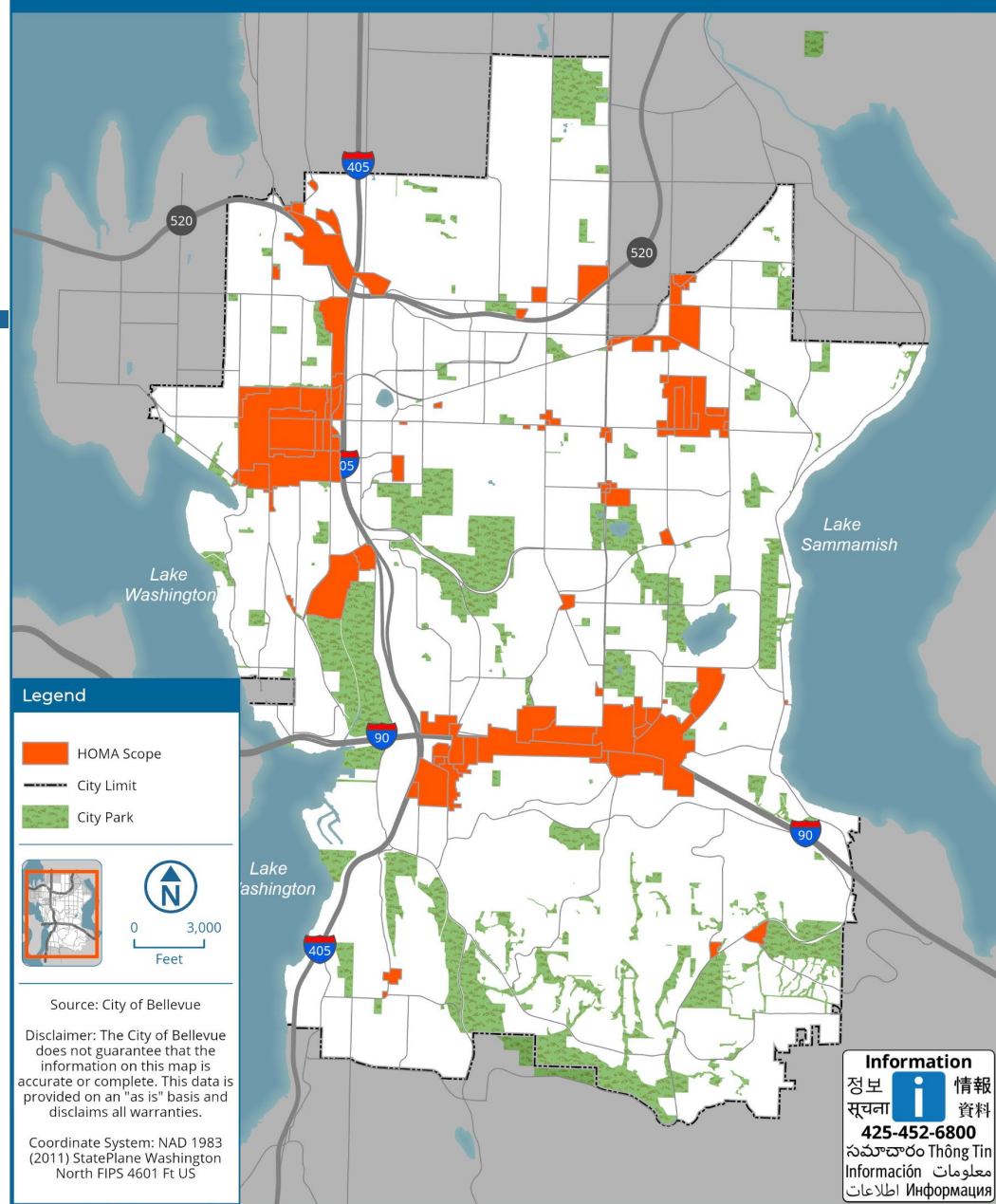
# Policy Alignment

- Aligns with Bellevue 2044 policies for mixed-use areas, such as:
  - Create diverse housing opportunities
  - Expand affordable housing
  - Foster vibrant, well-served neighborhoods
  - Enable people to live closer to work and shopping

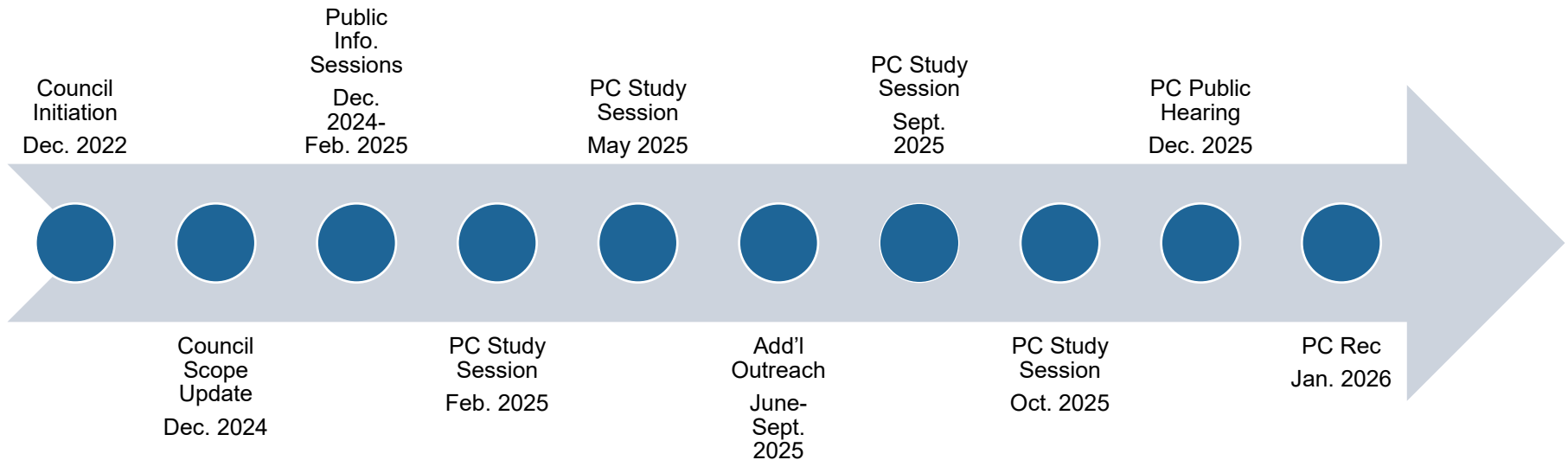


# Geographic Scope

- Includes all mixed-use zones other than Wilburton, BelRed, and East Main
- Rezone areas for consistency with Comprehensive Plan



# LUCA Process

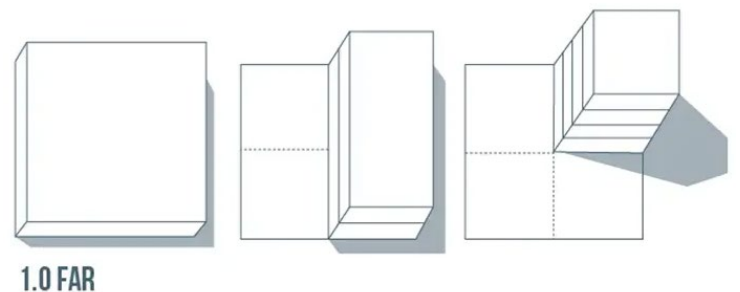
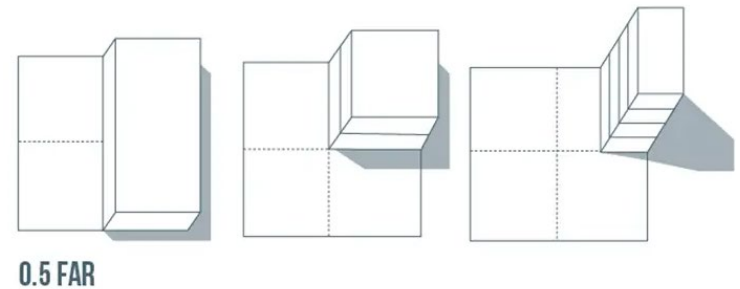
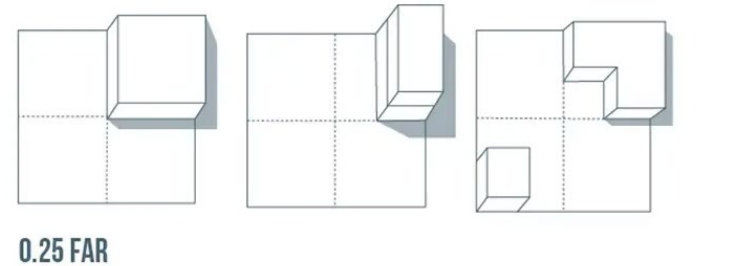


- Six public information sessions and tabling at multiple city and neighborhood events
- Conducted an iterative code writing process beginning in March 2025
- Incorporated public feedback and refinements at each stage
- Now on **Draft 7** of the LUCA



# Dimensional Standards

- Increases:
  - FAR
  - Building height
  - Impervious & hard surface limits
- Removes or reduces:
  - Setbacks
  - Multifamily play areas
  - Structure lot coverage limits



# Affordable Housing

- Affordable housing standards reorganized into LUC 20.15
- FAR and height increases where affordable housing required
- Fee-in-lieu or land transfer option
- Set-asides percentages:
  - Rental: 10% (80% AMI), 7% (60% AMI), or 5% (50% AMI)
  - For Sale: 10% (100% AMI) or 7% (80% AMI)

**Does not apply Downtown**



# MFTE Recommendation

Adjustments to the MFTE program in HOMA areas could enhance developer returns but are not needed to offset the costs of mandatory requirements.

Staff do not recommend any new changes to MFTE alongside HOMA. However, the newly adopted 8-year program will be available:

Unit Affordability	New 8-year Program Option Outside of Wilburton
60% AMI	8.5% of units
50% AMI	7.0% of units



# HOMA & MFTE Evaluation

Staff's recommendation is informed by the following considerations:

- 1) HOMA & MFTE Economic Analysis Findings
  - Staff finds that changes to MFTE are not needed to offset the cost of mandatory affordability under HOMA
- 2) MFTE Requirements are Already Reduced Under HOMA's FAR Bonus Structure
  - Since HOMA allows onsite mandatory units to count towards the FAR bonus, the effective requirement is **~7% of units at 80% AMI**
  - Results in fewer double-counted MFTE units requiring deeper affordability



# HOMA & MFTE Evaluation

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- 3) Different Planning Contexts Between Wilburton and HOMA
  - Stimulating dense TOD redevelopment in a specific neighborhood vs. encouraging appropriately scaled residential development across the City
  - Limited opportunities to incentivize high-rise development under HOMA compared to Wilburton
- 4) Limited Infrastructure Requirements Under HOMA
  - No additional access and open space requirements, resulting in lower project costs



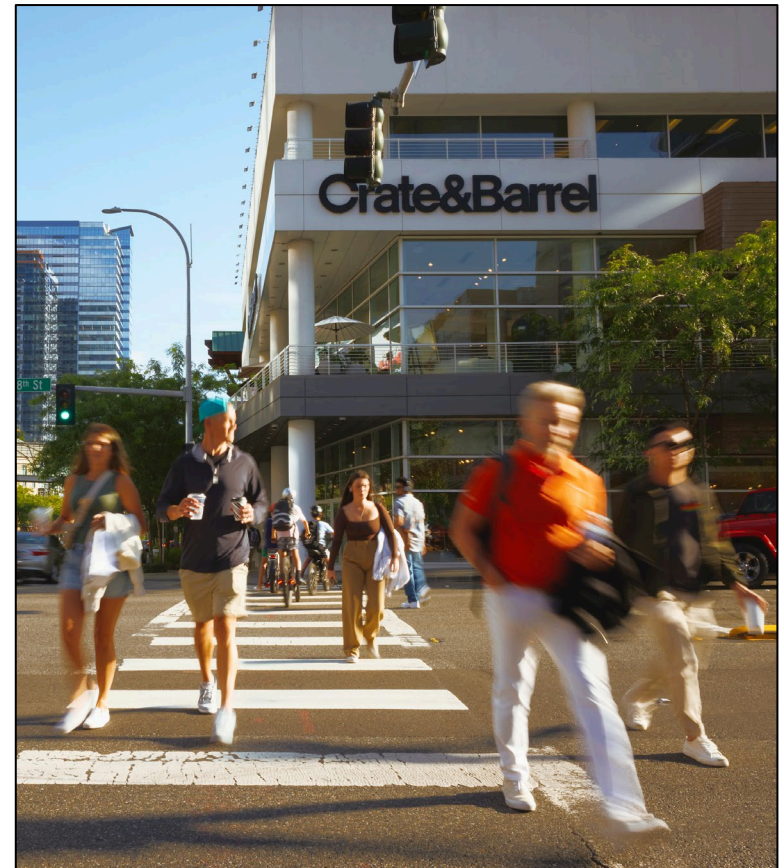
# Downtown

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- Update voluntary amenity incentive program to prioritize affordable housing
- Increase affordable housing FAR bonus
- Developments may use same square footage for FAR bonus and amenity incentive points
- Perimeter Overlay flexibility in exchange for affordable housing:
  - Increase lot coverage by 5%
  - Reduce upper-level setbacks by up to 15'
  - Increase building heights by 25'
  - Unlimited floorplate size for buildings less than 85' in height

# Downtown Cont'd

- Reduces outdoor plaza requirement by 3%
- Update to green building assurance device
- Allow compact parking without departure
- Removed side and rear landscape buffer requirement
- Maintains “wedding cake”



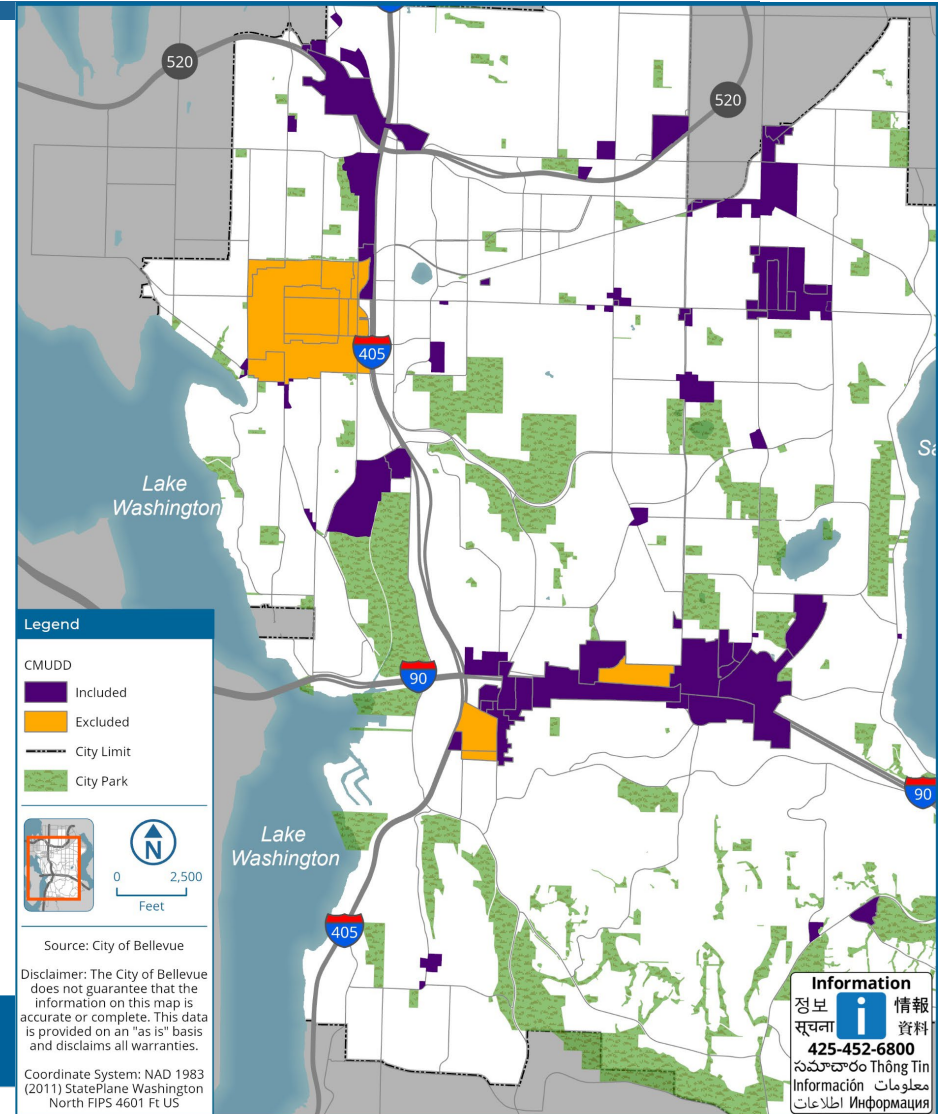
# Downtown Old Bellevue

- DT-OB zoning is located within a perimeter overlay
- Projects with affordable housing may utilize the development flexibilities
- Old Bellevue IOC governs during its effective period
- Upon IOC expiration, development regulations revert to the underlying code



# Community Mixed-Use Design District

- Applies to mixed-use areas except Downtown and parts of Factoria and Eastgate
- Incorporates transition area standards and design requirements from previous Community Retail Design District and Transition Area overlays
- Adds landscaped setback and daylight plane standard
- Requires pedestrian oriented uses adjacent to sidewalk or plaza
- Requires entrances on sidewalk with transparency and weather protection



# FAR Exemptions

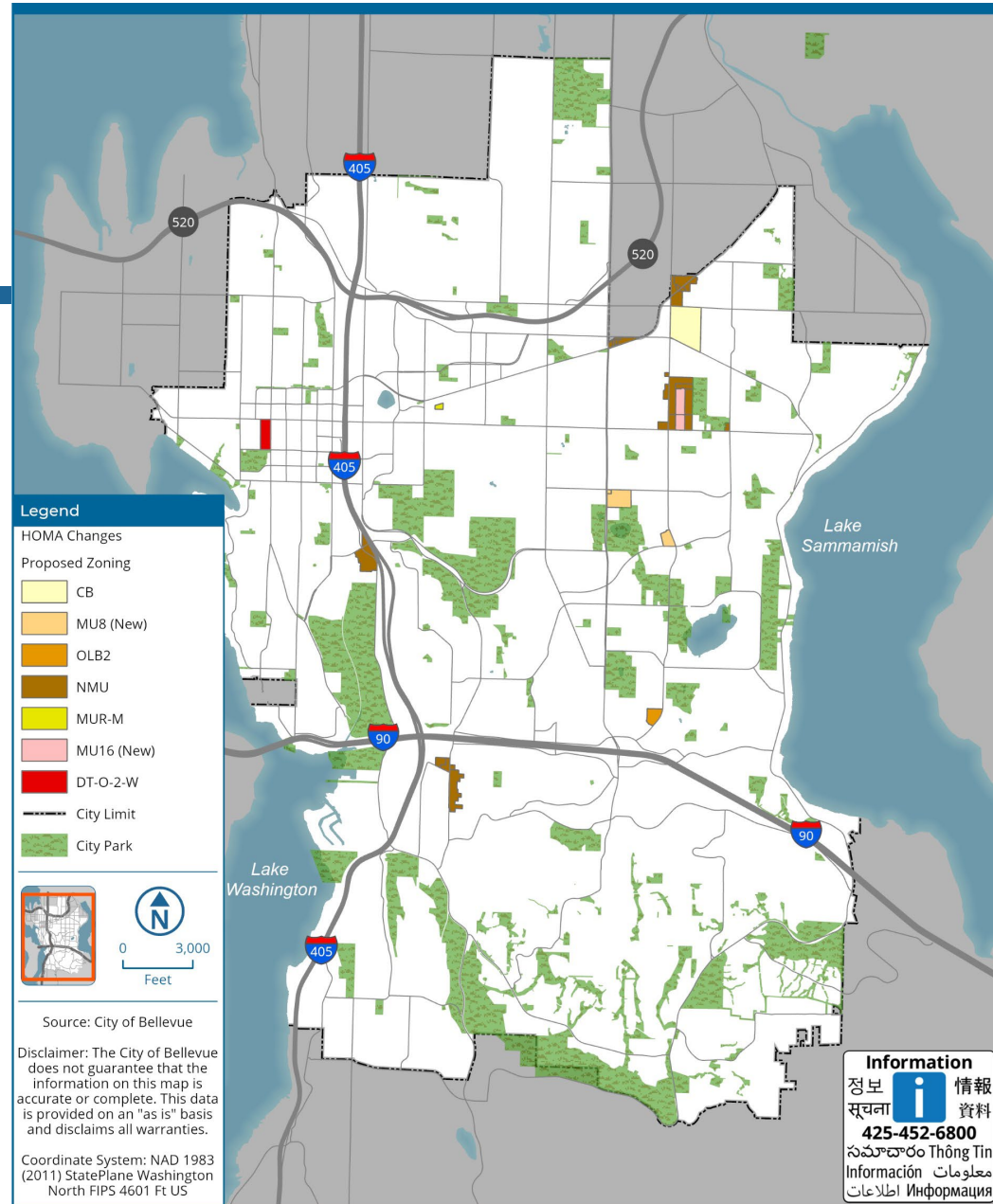
Provides FAR Exemptions for:

- Affordable housing
- Childcare
- Grocery stores
- Non-profit business
- Affordable commercial space
- Open space



# Rezones

- Will rezone mixed-use areas inconsistent with FLUM
- Two new districts- MU8 and MU16
- DT-O-2 West Rezone: Bellevue Way between NE 4<sup>th</sup> & 8<sup>th</sup> St.
  - Identical standards to DT-O-2-S



# Non-Conforming Updates

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- Consolidates the City's nonconforming provisions into LUC 20.20.561 to provide:
  - City-wide consistency
  - Higher threshold for triggering improvements
  - Ensures phases of a development within an MDP are not inadvertently or prematurely treated as non-conforming

# PC Process

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- Five Study Sessions
- Public Hearing- December 10, 2025
- 41 stakeholder and commission requests evaluated after public hearing
- 19 requested changes incorporated into draft between Public Hearing and PC recommendation
- Remaining requests, mostly related to Downtown, require further analysis and outreach and will be looked at in Downtown Livability 2.0
- Unanimous recommendation
  - Mandatory Affordable Housing
  - Minor changes to Downtown office floor plates, grocery store exemption, and Mixed-Use: 8 Story District

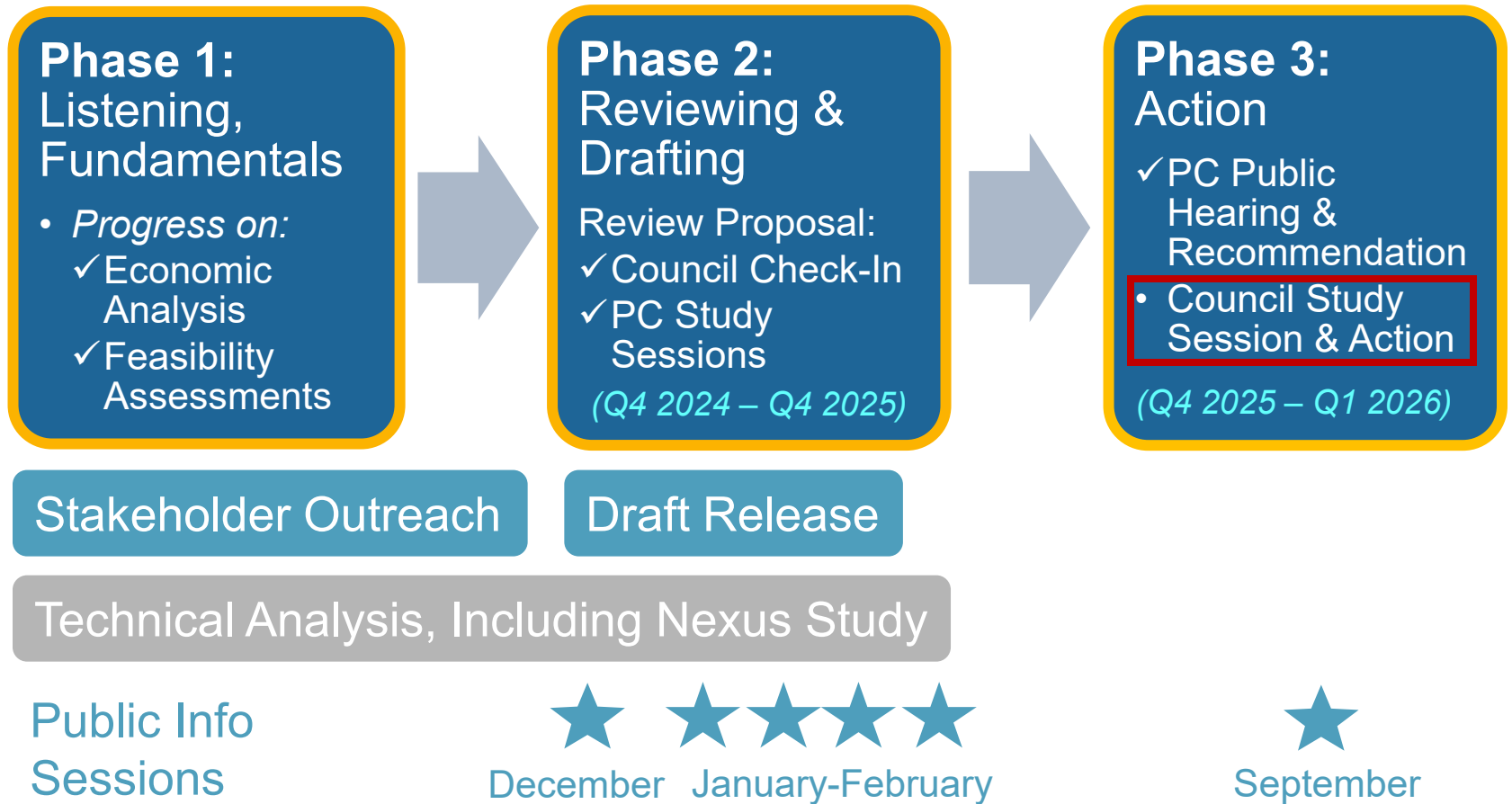


# Vesting

- Council may allow “pipeline” projects to opt in or opt out of HOMA changes



# Schedule





# Direction for Council Consideration

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