

Summary of Hearing Examiner Recommendation
City of Bellevue
Permit File No. 22-118369-LQ

File Number: 22-118369-LQ

Time and Date of Action: January 13, 2026 (consideration); **January 27, 2026** (final decision)

This matter has tentatively been scheduled to go before the City Council on Tuesday, January 13, at 6:00 p.m. for consideration, and Tuesday, January 27 at 6:00 p.m. for final decision.

Summary:

The City Council will consider the Hearing Examiner's Recommendation to approve a rezone application submitted by SRM Development LLC, known as the SRM Affordable Housing Rezone, as follows:

- The applicant seeks a rezone of an existing 4.55 acre site located at 999 118th Ave, SE, from Office/Limited Business (OLB) to Neighborhood Mixed Use (NMU) to allow for a mixed-use development proposal consisting of affordable housing located on the eastern portion of a partially developed site.
- The proposed rezone is consistent with and would implement applicable goals and policies in the City's Comprehensive Plan, including those that encourage adequate residential density needed to provide affordable housing developments to serve Bellevue's workforce and families.
- Finally, the existing Concomitant Agreement that applies to the property is now outdated because it is based upon OLB zoning standards. If the rezone to NMU is approved, the same ordinance approving this rezone should repeal and extinguish the Concomitant Agreement initially adopted by Ordinance No. 3149 in 1982.

1. BACKGROUND ON APPLICATION

On September 7, 1982, the Bellevue City Council adopted Ordinance No. 3149 reclassifying a +/-20-acre area within the City of Bellevue from General Commercial (GC) to Office/Limited Business (OLB) zoning. The rezone was accompanied by conditions set forth under a Concomitant Zoning Agreement (CZA). The conditions read as follows:

1. Development of the site shall be in conformance with the OLB classification except that general office uses, similar to existing uses in the Bellefield Office Park, may be permitted.
2. The location and design of vehicular access points to the subject site shall be reviewed and approved by the Public Works Department.

To fully implement and apply development standards using the requested NMU zoning classification, the CZA conditions mentioned above will need to be removed from the property to facilitate future development in conformance with the applicable dimensional standards of the NMU zoning district rather than the OLB standards.

On September 26, 2022, SRM Development applied for a rezone of an existing 4.55-acre site located at 999 118th Avenue SE, from Office/Limited Business (OLB) to Neighborhood Mixed

Summary of Hearing Examiner Recommendation

City of Bellevue

Permit File No. 22-118369-LQ

Use (NMU) to allow for a mixed-use development proposal consisting of affordable housing units and a children's museum located on the eastern portion of a partially developed site. The Notice of Application was published on November 3, 2022.

A public meeting was held on November 17, 2022. No public comments were received.

Since the original application was filed in 2022, the opportunity to incorporate a children's museum as part of the project was eliminated when the sponsors of such venue found another site, so the current rezone application is to facilitate development of a stand-alone affordable housing project.

An additional Notice of Application was published on January 16, 2025 and a public meeting was held on February 5, 2025 to capture further project updates due to a change in request from OLB-2 to the NMU land use district. No public comments were submitted.

This application was reviewed under the City's SEPA procedures, resulting in the issuance of a Determination of Non-Significance (DNS), which was subject to appeal before the Examiner. There was no appeal of the SEPA determination issued for this application, so it stands as issued for purposes of addressing the pending rezone application.

2. PROCEEDING BEFORE HEARING EXAMINER

Following notice as required by the code, the Hearing Examiner held a public hearing and received testimony under oath in the Bellevue City Council Chambers on November 3, 2025. At the hearing, Wayland Barton, Senior Land Use Planner, City of Bellevue presented a staff report and testified on behalf of the City. The applicant was represented by Jessica Clawson of McCullough Hill and testimony was given by Conor Hansen, Managing Principal for the applicant, SRM Development in support of the rezone. Alex Tsimmelman, a member of the public, provided comments at the hearing.

3. SITE CHARACTERISTICS

The site of the proposed rezone is comprised of one existing parcel totaling 4.55-acres in overall size (198,198 SF) and is located within the Richards Valley Subarea between Mercer Slough to the west and 118th Avenue SE towards the east with Interstate 405 further east.

Presently, the site consists of a recently constructed 135-unit apartment complex towards the west (Nuovo Apartments) and a partially built Holiday Inn Express hotel on the eastern portion of the site. The Nuovo Apartments and Holiday Inn Express were previously approved in 2018 under Critical Areas Land Use Permit 17-116131-LO submitted by NBK, LLC. Construction of the two buildings began in 2019, with only the Nuovo Apartments reaching completion. The Holiday Inn Express hotel completed its subterranean garage and ground level floors before construction on the 6-story 150-room hotel ceased in 2020. In 2021, SRM Development and its development partner CIRC purchased the site seeking to demolish the partially built hotel and construct a new building in its place for a mixed-use affordable housing development proposal.

Summary of Hearing Examiner Recommendation

City of Bellevue

Permit File No. 22-118369-LQ

4. COMMENTS

As referenced in Section 2 above, only one member of the public provided testimony at the public hearing. No written comments were received on the application from the public.

5. HEARING EXAMINER RECOMMENDATION

Based upon detailed Findings and Conclusions, the Hearing Examiner recommends that the SRM Affordable Housing application (File No. 22-118369-LQ) to rezone a 4.55-acre site, located at 999 118th Avenue SE, from its current OLB (Office/Limited Business) zone to the Neighborhood Mixed Use (NMU) zone, which is consistent with the Comprehensive Plan's land use designation assigned to the area, be **APPROVED** by the City Council, and the outdated Concomitant Agreement originally adopted and applied to the site in 1982 under Ordinance No. 3149, be repealed and extinguished.

The Hearing Examiner issued his Recommendation on November 19, 2025.