

CITY COUNCIL AGENDA TOPIC

Recommended Land Use Code Amendment and the proposed Bellevue City Code Amendment revising the City's regulations in response to the passage of House Bills 1110 and 1337, requiring cities to expand housing options and densities in residential areas.

Rebecca Horner, Director, 452-6045

Nick Whipple, Code and Policy Director, 452-4578

Kirsten Mandt, Senior Planner, 452-4861

Development Services Department

EXECUTIVE SUMMARY**DIRECTION**

On May 13, Council reviewed the Planning Commission's recommendation for the Middle Housing Land Use Code Amendment (LUCA), along with proposed Bellevue City Code Amendments (BCCAs) to implement the LUCA. During the discussion, Council raised several questions and requested additional information about the minimum requirements under state law compared to the Planning Commission's recommendation.

Staff is bringing forward responses to these questions and topics for Council's review. Following the discussion, staff is seeking Council direction to prepare the LUCA and BCCA ordinances for final action at a future meeting, ahead of the state's June 30 deadline.

RECOMMENDATION

Direct staff to finalize the LUCA and BCCA Ordinances for final action at a future meeting.

BACKGROUND/ANALYSIS**Background**

In 2023, the Washington State Legislature passed, and the Governor signed into law, House Bills (HB) 1110 and HB 1337, amending the Growth Management Act, Chapter 36.70A RCW (GMA). These amendments require many cities to update their codes to allow additional densities and middle housing in predominantly residential land use districts, along with several other associated requirements to help encourage the development of these housing types. Under the state mandate, middle housing includes housing types with two to six units (such as duplexes through sixplexes), as well as townhouses, stacked flats, courtyard apartments, cottage housing, and may also include accessory dwelling units.

Before this GMA amendment, the City Council already initiated work on the middle housing code updates in January 2023 as a part of the "Next Right Work" program to boost housing supply in the city. Now, Bellevue is required to adopt necessary amendments to comply with these new GMA requirements by June 30, 2025.

May 13 Study Session

At the May 13 City Council meeting staff provided a presentation on the project history for middle housing, the requirements of state law, and an overview of the Planning Commission recommendation and how it compares to the requirements of HBs 1110 and 1337. A strike-draft of the LUCA is provided as Attachment A and a comparison of the LUCA to state law and the state's model ordinance is provided as Attachment B.

The Planning Commission Chair also provided remarks on the process to date as well as background on how the Commissioners ultimately decided on the recommended LUCA. Staff also presented on proposed changes to the Bellevue City Code (BCC) to support implementation of the LUCA.

Council reviewed the recommended LUCA and had several questions, which have been added to the project's Frequently Asked Questions (FAQs) included as Attachment C and published on the Middle Housing project webpage for public access.

Council also directed staff to reevaluate elements of the LUCA that exceed baseline state requirements or differ from standards currently applied to single-family homes, with particular attention to building height. Staff was instructed to return with options that reflect some Councilmembers' interest in aligning the proposal more closely with the minimum requirements mandated by state law. This approach would ensure compliance with HB 1110 and HB 1337 by the June 30 deadline while preserving the opportunity to consider increased density and expanded dimensional standards in a future phase. That phase would involve additional analysis and further community outreach and engagement.

Policy Options

During the study session, Council discussed whether to implement only the baseline requirements of HBs 1110 and 1337, with the option to consider expanding beyond the baseline at a future date. Some councilmembers supported this phased approach, while others either supported the Planning Commission's full recommendation or parts of it, with a request for more information and analysis.

Staff analysis and alternative options for four key elements of the LUCA, as discussed during the May 13 study session, are provided below.

Topic 1: Minimum density near transit.

State law requires a minimum of six units by right on lots within one-quarter mile walking distance of a light rail or RapidRide station. The LUCA proposes expanding this radius to one-half mile walking distance.

Option: Reduce the walking distance radius from one-half mile to one-quarter mile to align the LUCA with the baseline state requirement.

Topic 2: Selecting six of the nine middle housing types.

State law requires Bellevue to allow at least six of the nine middle housing types in residential areas. State law defines nine "types" of middle housing. As noted in the table below, these nine types are defined by either the number of units included in the structure or the form of the building structure.

Middle Housing Types	
Number of units	Building structure form
1. Duplex	6. Townhouse
2. Triplex	7. Stacked flat
3. Fourplex	8. Cottage house
4. Fiveplex	9. Courtyard apartment
5. Sixplex	

The LUCA proposes allowing all nine middle housing types, rather than a limited subset, in order to minimize confusion and avoid unintended restrictions. Many of the housing types listed share similarities in structure and design. For instance, "-plex" types in the first column often resemble courtyard apartments or townhouses. Excluding certain types, such as fiveplexes or sixplexes, could inadvertently restrict the development of a single building containing five or six units, whether configured as a row of townhomes, stacked flats, or courtyard-style housing, on lots where this density is permitted.

Eliminating specific types, such as stacked flats, would likely prevent development scenarios where units span multiple floors, which is a common and space-efficient solution on constrained or sloped lots.

Additionally, if Council directs for attached accessory dwelling units (ADUs) to count toward the unit total, it may create complications in scenarios where one unit occupies a basement level and another is on the main floor. This arrangement effectively functions as a stacked configuration, even if not labeled as such. Disallowing such configurations could lead to confusion for applicants and delays for permitting staff who must interpret and enforce distinctions that do not reflect the reality of how housing is constructed.

The exclusion of courtyard apartments poses similar challenges. Courtyard configurations often result from building modulation requirements or design choices intended to improve livability and street presence. For example, a modest bumpout that forms an "L" shaped building could be interpreted as a courtyard apartment and therefore be disallowed, despite aligning with both the intent and scale of middle housing.

These kinds of design variations are not just theoretical. They are already present in the city's housing stock and will continue to be important to accommodate diverse site conditions, accessibility needs, and evolving market demands.

Option: Choose at least six out of the nine middle housing types.

Topic 3: Middle housing dimensional standards, except cottage housing.

State law does not establish specific dimensional standards for middle housing, such as building height, floor area ratio (FAR), setbacks, or lot coverage. Instead, it requires that cities like Bellevue avoid

imposing standards on middle housing that are more restrictive than those applied to detached single-family homes.

Because middle housing includes more units on a single lot, it naturally demands more development space. To accommodate this, the LUCA allows for modest increases in building height, and lot coverage limits, along with slightly reduced setback requirements, compared to current standards for single-family development.

The table below compares the dimensional standards for middle housing proposed in the LUCA, the dimensions in the state model ordinance (which will take effect if a LUCA is not adopted), and the current dimensional standards for single-family homes in Bellevue.

Comparison of Middle Housing LUCA vs. Model Ordinance vs. Current Single-Family Dimensions			
	Middle Housing LUCA	Model Ordinance	Single-Family
Building Height	38 ft	35 ft; or 40 ft (with 3:12 pitch)	30 ft flat roof; 35 ft pitched roof
Front Setback	20-25 ft for large lots; 10 ft for all other lots	15 ft; 10ft when three or more units proposed	30-35 ft for large lots; 20 ft for all other lots
Rear Setback	15 ft for large lots; 10-15 ft for all other lots	15 ft; 10 ft when three or more units proposed	25 ft for large lots; 20-25 ft for all other lots
Side Setback	5 ft	5 ft	5 ft
Two Side Setbacks	10 ft	N/A	10-15 ft, except R-1 is 20 ft
Lot Coverage	40-45%	45-55%	35-40%

Concerns have been raised about the potential for 38-foot-tall buildings to accommodate four stories. While it is technically possible, it is highly unlikely that a builder would choose to construct a four-story structure within a 38-foot height, as the resulting ceiling heights would be impractically low and fall below current construction practices and market expectations. Nevertheless, staff understands the interest in clearly preventing this outcome through explicit standards.

Providing more flexibility for middle housing forms remains important to support the feasibility of infill development. In many cases, especially on constrained or irregular lots, modest setback reductions and lot coverage increases can make a meaningful difference in enabling well-designed, functional homes that meet the needs of a range of households. Slightly greater building height can also improve design quality by allowing for more generous floor-to-ceiling space, which contributes to housing that is more livable and visually appealing.

That said, it may still be possible to support infill feasibility while aligning height limits more closely with single-family standards.

Option: Reduce the maximum building height from 38 feet to 32 feet for flat roofs and 35 feet for pitched roofs.

Rationale: This option would align with the existing 35-foot height limit for pitched roofs permitted for single-family homes and offer a two-foot increase over the current 30-foot limit for flat roofs. The additional two feet for flat roofs would allow for greater floor-to-ceiling heights, improving natural light, ventilation, and overall comfort in middle housing units.

This added flexibility makes middle housing projects more functional and appealing without significantly increasing visual bulk. It also encourages the construction of multiple units, since the height bonus does not apply to single-family homes. This helps promote middle housing and expand housing choices.

Taller flat roofs can also accommodate varied rooflines and features such as solar panels, rooftop decks, and green roofs, which are more difficult to include under the current 30-foot height restriction.

Topic 4: Cottage housing standards.

During the May 13 study session, concerns were raised about whether the proposed scale of cottages aligns with how some in the community and on the council understood the original intent and concept of cottage housing. The current recommendation allows a maximum building height of 38 feet and up to 1,750 square feet of floor area, with an additional 300 square feet exempted for garage space.

Earlier LUCA drafts included smaller cottages. However, Planning Commission and public feedback indicated that the originally proposed sizes might not adequately accommodate family-sized homes, particularly those with three-bedroom layouts. In response, the recommended cottage size was increased from 1,200 to 1,750 square feet. This adjustment is more consistent with standards in cities such as Kirkland. Given that Detached ADUs (DADUs) have a maximum building height of 24 feet and a size limit of 1,200 it would not make sense to limit a cottage to be smaller than a DADU.

Option: Reduce the maximum building height from 38 feet to 24 feet and the maximum square footage from 1,750 to 1,500 square feet, plus 300 square feet for garage area.

Next Steps

As a next step, Council will be asked to select specific policy options outlined in this memo for inclusion in the final Middle Housing LUCA ordinance. If the City does not adopt an ordinance by the June 30 deadline, the state's model ordinance will take effect by default, which will allow reduced setbacks, larger floor area ratios, taller buildings, and other design and dimensional standards that may not be well-suited to Bellevue's context.

POLICY & FISCAL IMPACTS

Policy Impact

The recommended LUCA and proposed BCCA are consistent with the housing and land use elements of the Comprehensive Plan.

Fiscal Impact

The recommended LUCA and proposed BCCA may have a small fiscal impact by helping to improve the feasibility of new residential construction through the middle housing requirements from state law. If residential development increases to help meet growth targets, this may result in an increase to the permitting of residential development, capturing more fees.

OPTIONS

1. Direct staff to finalize the Land Use Code Amendment and Bellevue City Code Amendment Ordinances for final action at a future meeting.
2. Provide alternative direction to staff.

ATTACHMENTS

- A. Middle Housing LUCA Strike-draft
- B. PC Recommendation vs. Model Ordinance
- C. Middle Housing FAQs

AVAILABLE IN COUNCIL LIBRARY

N/A