



# Bellevue Planning Commission

March 12, 2025

## PLANNING COMMISSION STUDY SESSION ITEM

### SUBJECT

Study Session on the proposed Middle Housing Land Use Code Amendment (LUCA) to implement House Bills (HB) 1110 and HB 1337.

### STAFF CONTACT(S)

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### POLICY ISSUES

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 housing typologies in predominantly residential land use districts, along with several other associated requirements to help encourage the development of these housing types.

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.

The Comprehensive Plan Periodic Update process provided the first step in implementing these new GMA requirements, including amendments to the Land Use Map and policies. This Plan was adopted by City Council in October. Comprehensive Plan policies that support the development of middle housing in the city, include:

- **Policy LU-4:** Promote a land use pattern integrated with a multimodal transportation system.
- **Policy LU-10:** Work toward a land use pattern that makes it possible for people to live closer to where they work regardless of household income.
- **Policy LU-20:** Support development of compact, livable and walkable mixed-use centers in BelRed, Eastgate, Factoria, Wilburton, East Main and Crossroads
- **Policy LU-28:** Provide for a mix of housing, office, service and retail uses in a compact walkable development pattern that optimizes the benefits of transit investment in Bellevue’s mixed-use areas.
- **Policy LU-47:** Implement land use patterns that promote walking, bicycling, or other active transportation modes in order to increase public health.
- **Policy HO-17:** Allow attached and detached accessory dwelling units in residential and mixed-use areas with the ability to be rented or sold individually.
- **Policy HO-18:** Promote housing density, choice and affordability in areas served by the frequent transit network, businesses serving the community’s day-to-day needs and significant nodes of employment.

- **Policy HO-19:** Ensure that policies and regulations allow for middle scale housing, such as duplexes, triplexes, fourplexes, townhomes, small apartment buildings, cottage housing, and courtyard apartments.
- **Policy HO-35:** Create opportunities to require or incentivize affordable housing when increases to development capacity are made.

**DIRECTION NEEDED FROM THE PLANNING COMMISSION**

**ACTION**



**DIRECTION**



**INFORMATION ONLY**



The goal of this study session is to provide Planning Commission with an updated summary of what we have heard from the development community, the public, and city staff that are involved with the internal stakeholder team. Staff will also provide an overview of the draft LUCA, including changes to key components of the proposal since the last study session, as well as any proposed changes that have resulted from feedback on the draft since it’s been published. Staff is looking for feedback on the draft code and after the study session, the Planning Commission will be asked to direct staff to schedule a public hearing on the proposed LUCA. This public hearing is tentatively scheduled in April.

**BACKGROUND/ANALYSIS**

**Bill Overview**

HB 1110 (middle housing) requires Bellevue to:

- Allow a diverse mix of housing types on all residential lots, including: multiplexes, townhouses, stacked flats, courtyard apartments, and cottage housing.
- Permit at least four housing units on all residential lots.
- Allow at least six housing units on residential lots that:
  - Are within a quarter mile of a major transit stop, or
  - Include at least two affordable units.
- Allow for separate ownership of units.
- Not require off-street parking for lots within ½ mile of a major transit stop.
- Not require more than one off-street parking space on lots 6,000 square feet or less.
- Not require more than two off-street parking spaces on lots greater than 6,000 square feet.

HB 1337 (accessory dwelling units) requires Bellevue to:

- Allow at least two accessory dwelling units (ADUs) on any lot zoned for single-family housing, attached or detached.
- Not assess impact fees greater than 50 percent of the fees that would be imposed on the principal unit.
- Not restrict an ADU size below 1,000 square feet.
- Not restrict an ADU height below 24 feet.
- Not require off-street parking within ½ mile of a major transit stop.
- Not require more than one off-street parking space on lots 6,000 square feet or less.
- Not require more than two off-street parking spaces on lots greater than 6,000 square feet.
- Allow conversion of existing structures.
- Not require public street improvements.

## **Public Engagement**

### *Middle Housing Info Sessions Part 2*

Staff held a second series of both virtual and in-person informational sessions in late February and early March coinciding with the February 24 release of the LUCA draft. These sessions were to inform the community about HB 1110 and 1337 and outline the city's approach to implementing these mandates. Key discussion points included areas where the city is proposing additional density and changes beyond the bills' baseline requirements.

The three sessions attracted approximately 174 attendees. Each session included a presentation followed by a Q&A, while the in-person event also featured an open house for attendees to connect with staff and one another.

Attendees raised a range of questions, asking for clarity on how the requirements would be applied, how (and why) the city is proposing to exceed the state-mandated baseline requirements, and comments on the proposed floor area ratio (FAR) change for single-family homes. Concerns were also voiced about potential impacts to critical areas, the role of private covenants, and alignment with the Comprehensive Plan. Additionally, the development community gave detailed feedback on adjustments that they felt could improve infill project feasibility, both during these sessions and earlier in February. The proposed draft includes larger sizes for ADUs and cottages based on this feedback. Additional revisions to the FAR proposal based on feedback are detailed below for consideration to include in revisions to the draft.

## **Proposed LUCA Components Beyond the State Mandate, Updated March 2025**

### *Major Transit Stops and Densities Near Stops*

Based on public and Planning Commission feedback, staff has revised the proposed density allowances and incorporated the state's definitions for major transit stops. Under these revisions, up to nine units per lot are allowed only within ½ mile of a light rail or RapidRide stop, rather than near any stop with frequent transit service. Additionally, the previous proposal allowing nine units within ½ mile of frequent transit has been adjusted—now, up to six units per lot will be allowed within ¼ mile of frequent transit stops and mixed-use areas.

The LUCA also introduces a fee in-lieu option, allowing middle housing projects to achieve greater density by either providing affordable units on-site or paying a fee. These additional densities advance multiple Comprehensive Plan goals, including encouraging housing near mixed use areas and employment opportunities, and maximizing transit investments by locating more people near transit. Additionally, the Department of Commerce recommends that cities explore adopting densities beyond those required by HB 1110.

The revised density framework is as follows:

- Up to four units per lot citywide
- Up to nine units per lot:
  - Allowed within ½ mile walking distance of a major transit stop, which includes light rail stations and RapidRide stops.
- Up to six units per lot:
  - Allowed citywide if providing two affordable units, with an option for a fee in-lieu.

- Allowed within ¼ mile walking distance of:
  - Frequent transit service, defined as bus service running four times per hour for at least 12 hours per day.
  - Neighborhood centers.
  - Regional Growth Centers (Downtown) and Candidate Countywide Growth Centers (East Main-Wilburton, BelRed, Factoria, Eastgate, Crossroads)

**Additional LUCA Components**

*New Residential Land Use District Names*

The initial strike draft includes new names for the existing Residential (R) land use districts. Since the density of R-1 through R-7.5 (previously defined as one to seven-and-a-half dwelling units per acre) will now be based on units per lot rather than a dwelling units per acre calculation, and R-10 through R-30 may use either method, the current naming convention no longer reflects the underlying density potential.

The proposed names align with future land use map designations in the Comprehensive Plan. The table below shows the existing and proposed land use districts alongside the future land use map designations:

<b>Future Land Use Map</b>	<b>Proposed Zone Name</b>	<b>Current Zone Name</b>
Large Lot Residential (LL)	LL-1	R-1
	LL-2	R-1.8
Suburban Residential (SR)	SR-1	R-2.5
	SR-2	R-3.5
	SR-3	R-4
	SR-4	R-5
Low Density Residential (LDR)	LDR-1	R-7.5
	LDR-2	R-10
	LDR-3	R-15
Medium Density Residential (MDR)	MDR-1	R-20
	MDR-2	R-30

*Development Regulation Flexibilities*

As noted in the February 12 memo staff has included draft development regulations in the initial strike draft. These proposed amendments are designed to balance community concerns with developer input, ensuring that middle housing becomes a more feasible and attractive option while addressing the city’s housing needs. Community members have emphasized the importance of ensuring middle housing integrates well with existing residential areas, while developers have highlighted the need for greater flexibility to make middle housing projects viable.

The resulting proposed flexibilities include:

- Increased building height from 35 feet to 38 feet.
- Increased lot coverage by structure and impervious surface limits by 5 percent.
- Reduced setbacks:
  - Front yard: reduced by 5 feet, or 10 feet.

- Side yard: reduced to 5 feet on each side, eliminating the 15-foot combined requirement.
  - Allows for zero-lot-line setbacks for townhome projects developed on adjacent lots simultaneously.
- Rear yard: reduced by 10 feet in R-1 through R-7.5 and by 15 feet in R-10 through R-30.
  - *Note: setback reductions for R-10 through R-30 are proposed in citywide standards and middle housing standards. These districts are currently categorized as multi-family and are held to more stringent standards than the densest single-family district (R-7.5).*

Detached single-family development standards—including height, lot coverage, impervious surface limits, and setbacks—are not proposed to change under this update. This approach prioritizes regulatory advantages for middle housing, making it a more viable development option.

*Floor Area Ratio (FAR) Maximums*

Currently, FAR regulations in R-1 through R-7.5 apply only to detached single-family homes and guest cottages, which are generally limited to 0.5 FAR. Given that most single-family lots in Bellevue range from 10,000 to 13,000 square feet, new homes are often built between 5,000 to 6,500 square feet or larger.

The FAR limit for single-family homes was first introduced in 2009 under Ordinance No. 5896 to address growing concerns about the size and scale of new detached dwellings. However, despite this regulation, the issue persists. Many newly constructed single-family homes on large lots are being built between 6,000 and 9,000 square feet, replacing smaller, more affordable homes without adding any new housing units to the city's stock. This pattern of redevelopment has exacerbated housing affordability challenges, as these oversized homes contribute to rising land values without increasing the number of people housed on a given lot.

To create a more equitable and effective regulatory framework, the strike draft includes the following adjustments to FAR for single-family homes:

- Reduced FAR from 0.5 to 0.3 for lots 10,000 square feet or larger.
- Maintained 0.5 FAR for lots under 10,000 square feet.
- Allowance to maintain or expand existing home up to 20% of the floor area without needing to comply with FAR limits.

These adjustments are intended to curb the trend of oversized single-family homes, address concerns about size and scale, and create opportunities for more diverse housing options that better utilize Bellevue’s residential land. The proposal does not eliminate single-family housing but instead creates a more thoughtful approach to land use by maintaining FAR flexibility for smaller lots while limiting excessive home sizes on larger lots.

The LUCA proposes FAR allowances that scale with the number of units as depicted below:

<b>Number of units</b>	<b>Floor Area Ratio</b>
1	0.5/0.3
2	0.5
3	0.6
4	0.7
5	0.75

6	0.9
7	1
8	1.2
9	1.4

These numbers are based on an assumed typical Bellevue lot size of between 10,000 square feet and 13,000 square feet, which is the most common lot size in the City and the additional 2,400 of square footage permitted for ADUs that does not count towards FAR. Staff is also proposing that cottage development be permitted to utilize the FAR for nine units, and have no maximum number of dwelling units, given that the size of cottage is limited.

After additional engagement and feedback staff is proposing that Planning Commission consider a graduated approach to single-family FAR in place of the existing exemption criteria for lots over 10,000 square feet. The existing 0.5 FAR would apply to lots up to 10,000 square feet, with a 0.3 FAR only applying to the square footage above 10,000 square feet. For example a typical Bellevue lot of 10,000 or 13,500 square feet would result in a range of 5,000 to 6,050 square feet.

*Site Design for Cottages and Courtyard Developments*

The following site design requirements are proposed for cottages and courtyard developments:

- Requiring a minimum amount of total and common open space, with defined dimensions.
- Requiring a basic standard for building form for courtyard developments to adhere to a courtyard style.

The draft increases the maximum cottage square footage from 1,200 to 1,750 square feet, including garages.

*Accessory Dwelling Units*

The strike draft allows for detached accessory dwelling units (DADUs), and includes the following:

- Allowing two ADUs per lot in all land use districts that are zoned to permit single-family uses.
- DADU size limit of 1,200-square-foot, and maintaining the current limits to attached ADUs.

To encourage ADU development, and provide additional site development flexibility, the draft proposes that ADUs not be included in the maximum allowable FAR for a site. This would ensure that only primary units count towards total FAR.

*Unit Lot Subdivisions*

The existing unit lot subdivision regulations are proposed to be expanded beyond just attached multifamily projects to allow separate fee-simple ownership of any middle housing unit, as well as detached ADUs.

*Minimum Lot Size for Multifamily Land Use Districts*

The draft removes minimum lot size requirements in multifamily land use districts to provide greater flexibility for multifamily projects and ensure the unit yield is not less than what would otherwise be allowed under HB 1110.

*Transition Area Design District*

The current transition area design district requires multifamily and mixed-use land use districts to “provide transition” to single-family land use districts through various restrictions. However, HB 1110 mandates that middle housing types cannot be subjected to stricter development regulations than single-family homes. Because of this, the code can no longer include the provision that the R-10 through R-30 districts provide transition to R-1 through R-7.5 with regards to middle housing projects. The current draft also extends this treatment to multifamily development in the R-10 through R-30 districts to reduce development barriers to multifamily housing, however revisions to include some of the transition provisions for projects that qualify as multifamily projects are being considered.

### *Parking*

HB 1110 requires that we not impose more than a one parking space per unit standards for lots under 6,000 square feet. To better support residential development in mixed-use areas, the Housing Opportunities in Mixed-use Areas (HOMA) project proposes a minimum parking standard of one space per unit for projects including two or more residential units. The strike draft includes this reduction to align with the HOMA project proposal.

### **Public Engagement**

1. Process IV Requirements. Process consistent with Chapter 20.35 LUC procedural requirements to provide opportunities for public comment, including:
  - Notice of Application and Notice of Public Hearing
  - Public hearing on the proposed LUCA with Planning Commission
2. Direct Engagement and Feedback. Information gathering from the development and design community about site and building regulations that can hinder middle housing development, informing the public of the LUCA, and asking the public for feedback on increasing densities beyond the state mandate. Working with internal staff on code development and permit process development.
3. Online Presence. City webpage and other opportunities for the public to stay informed and to request additional information, including:
  - Online StoryMap and Questionnaire
  - Staff contact information
  - Information on the LUCA and LUCA schedule
  - FAQs
  - Links to upcoming meetings and materials
  - Past presentations

### **LUCA Schedule**

Staff will use the feedback from this study session in addition to the feedback received thus far from the public engagement work and internal stakeholders to make revisions to the strike draft and move towards a public hearing. To meet the June 30 deadline for adoption, staff is aiming to hold a public hearing with Planning Commission in April in order to begin the review process with City Council in May, and after the study session the Planning Commission will be asked to direct staff to schedule a public hearing on the proposed LUCA. This public hearing is tentatively scheduled in April.

**ATTACHMENT(S)**

- A. Middle Housing LUCA Strike Draft
- B. Updated engagement summary