

# Wilburton Vision Implementation LUCA

## Study Session No. 6: Inclusive TOD

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January 22, 2025





## Provide feedback on topics:

- Affordable Housing Approach
- Amenity Incentive Program Priorities
- Direct staff to schedule a public hearing on the proposed Wilburton LUCA



# Agenda

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1. Overview
2. Affordable Housing Approaches
3. Staff Recommendation
4. Amenity Incentive System
5. Next Steps



# Major Policy Moves

## Cultural & Community Connections



Active,  
vibrant  
identity



Unique mix of  
businesses



Multimodal  
connections

## Future Land Use



Trail- and  
transit-  
oriented



Diverse and  
affordable  
housing



Range of  
implementation  
tools

## Open Space & Natural Systems



Urban park  
system



Enhance  
natural  
features



Sustainable  
district



Eastrail linear  
park



# Study Session Topics



## November 6

- Block sizes
- Street typologies, pattern
- Activation
- Open Space and Green Factor



## December 11

- Building heights
- Floor Area Ratio (FAR)
- Floorplate sizes
- Parking
- Nonconforming uses/sites



## January 22

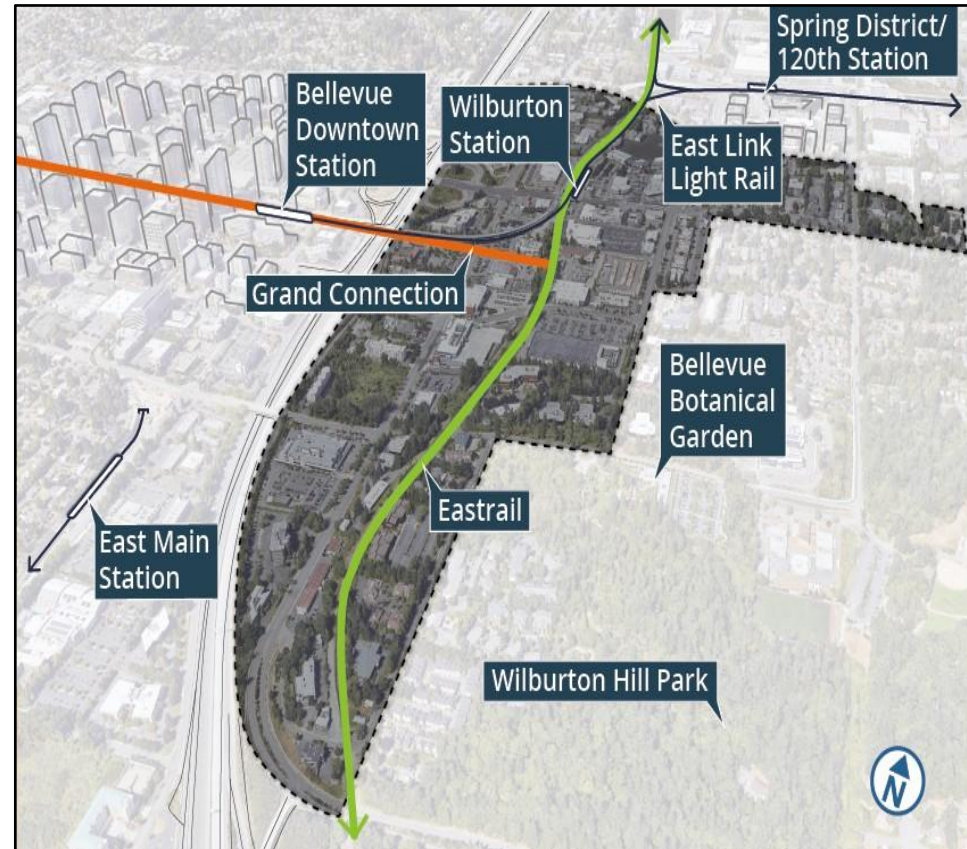
- Affordable Housing Approach
- Amenity Incentive System





# Purpose of the LUCA

- **Objective:** Implement Wilburton Vision through Land Use Code Amendments (LUCA)
- **Key Ordinances:**
  - CPA: Ordinance No. 6802 (July 23, 2024)
  - Citywide Comp Plan: Ordinance 6811 (October 22, 2024),



# City Context & Needs

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- Planning for 35,000 or more new housing units by 2044
  - 4,000 new units in Wilburton
- Targeting additional 5,700 affordable units by 2036
  - Approx. 1,550 units affordable to households earning 50-80% AMI
- Planning for 70,000 new jobs citywide
  - 4,900 new jobs in Wilburton



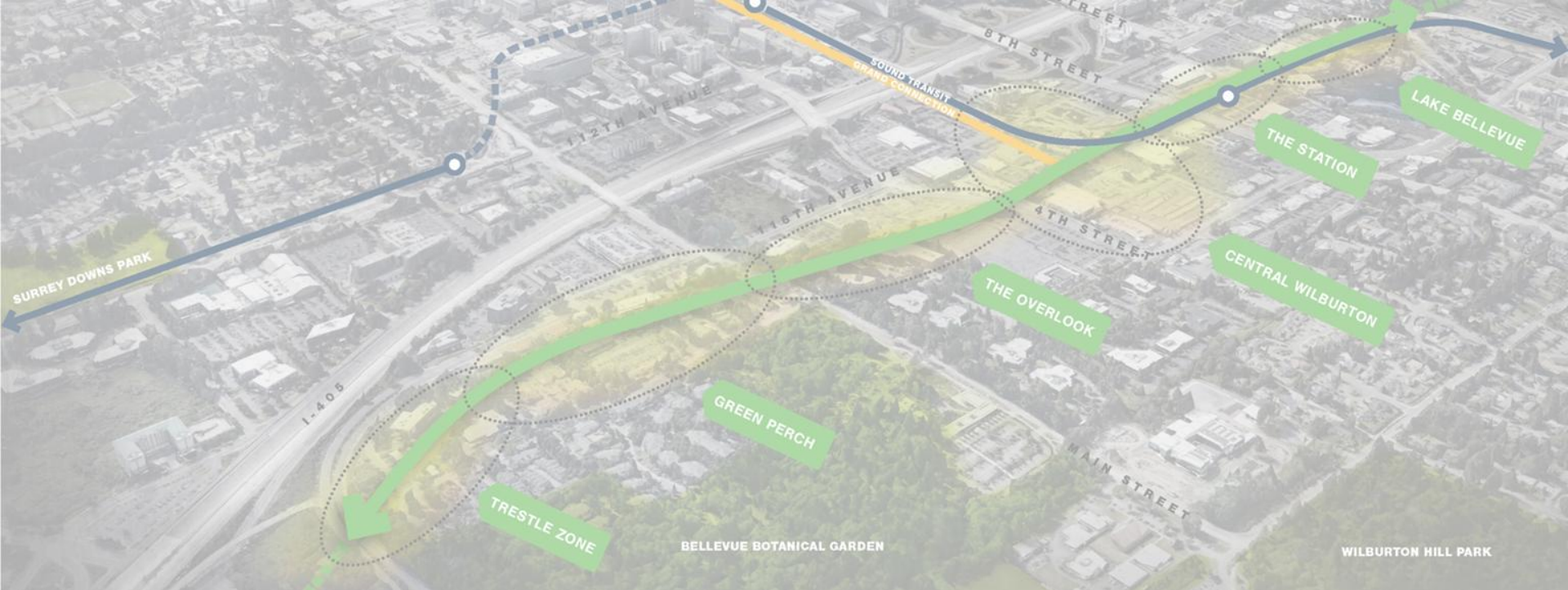


# City Needs

- Leveraging the value of additional development capacity to meet City needs and realize the Wilburton Vision
- Increase the supply of affordable housing near light rail and trail access
- Target amenities that contribute to the public good and implement the Wilburton Vision.







# LUCA Elements



# Affordable Housing

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## Policy Approaches:

- Option A: Mandatory inclusion of affordable housing or fee-in-lieu option
- Option B: Voluntary inclusion of affordable housing or fee-in-lieu



# Option A: Mandatory

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**Policy Intent:** Clear and consistent framework for developers, reducing uncertainty and ensuring that all projects contribute equitably to affordability goals.

## **Components:**

- On-Site Performance, Land Transfer, or Fee-in-Lieu Option or some combination
- Higher Base FAR (2.5, 4.0, 6.0, 8.0) compared to voluntary approach
- Set-asides percentages:
  - Rental: 10% (80% AMI), 7% (60% AMI), or 5% (50% AMI)
  - For Sale: 15% (100% AMI) or 10% (80% AMI)





# Option A: Mandatory

## Components Cont'd:

- Pioneer Provision: Larger bonus for first 200 affordable housing units (8:1 bonus vs. 4:1 bonus)
- Dimensional table:

Option A: Mandatory Affordable Housing Approach

	UC		MU-H		MU-M	MUR-M
Development Type (2)(4)	Nonres.	Res.	Nonres.	Res.	All	All
Max Height (1)	450'	450'	250'	250'	100'	100'
Base FAR	6.0	8.0	4.0	6.0	2.5	2.5
Max. FAR	10.0	Unlimited	8.0	Unlimited	6.0	6.0
Maximum Floor Plate Above 55' Where Building Exceeds 100' (3)(4)	30,000 gsf	16,000 gsf	30,000 gsf	16,000 gsf	N/A	N/A



# Option A: Mandatory

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## Key Considerations:

- Establishes consistent expectations and predictable outcomes
- Equitable contribution to housing goals
- Flexibility with fee-in-lieu and pioneer provision
- Mandatory programs typically yield more affordable units on average



# Option B: Voluntary

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**Policy Intent:** Tiered voluntary incentive-based system allowing developers to exceed the base FAR in exchange for providing public benefits, prioritized towards affordable housing.

## **Components:**

- On-Site Performance or Fee-in-Lieu Option
- Lower base FARs (1.5, 2.0, 2.5)
- Developers exceed base FAR in exchange for public benefits
- Affordable housing is a “Tier 1” item – 75% of bonus points earned through Affordable Housing



# Option B: Voluntary

## Components Cont'd:

- Pioneer Provision: Larger bonus for first 200 affordable housing units (8:1 bonus vs. 4:1 bonus)
- Dimensional table:

Option B: Voluntary Affordable Housing Approach

	UC		MU-H		MU-M	MUR-M
Development Type	Nonres.	Res.	Nonres.	Res.	All	All
Base Height	250'	250'	100'	160'	N/A	N/A
Max Height	450'	450'	250'	250'	100'	100'
Base FAR	2.0	2.5	2.0	2.5	1.5	1.5
Max. FAR	10.0	Unlimited	8.0	Unlimited	6.0	6.0
Maximum Floor Plate Above 55' Where Building Exceeds 100'	30,000 gsf	16,000 gsf	30,000 gsf	16,000 gsf	N/A	N/A



# Bellevue's History

## History and Performance of Housing Affordability Programs

- Previous mandatory program (1991 to 1996) set aside 10% of units at households earning up to 80% AMI
  - Affordable units created: 217 (about 44 units per year on average)
- Current citywide program (1996 to 2024) is voluntary inclusionary zoning-based
  - Affordable units created: 53 units (about 2 units per year on average)
- Other voluntary programs implemented in specific areas:
  - BelRed (2009) 181 affordable units, about 12 per year
    - Revenue to-date: \$9,000,312
  - Downtown (2017) 20 affordable units, about 3 per year
  - Eastgate TOD (2017) and East Main (2021) 0 affordable units created.



# Staff Recommendation

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**Preferred Option:** Option A – Mandatory Affordable Housing

**Key Reasons:**

- Predictable and equitable outcomes
- Alignment with affordability and growth objectives
- Flexibility with economic feasibility (e.g., fee-in-lieu and pioneer provision)
- Long-term adaptability for market shifts



# Nexus and Proportionality

A nexus study is an analysis that shows the **extent that new development generates need for affordable housing** and the **proportionate impact of different types of new development** on the need for affordable housing.



# Nexus and Proportionality

## Approach:

- Modeled after the 2015 Study for the City of Seattle
- Similar studies have been used in other states
- Analysis uses development types specific to Bellevue and Wilburton
- Analysis uses, to the extent possible, data specific to Bellevue and Wilburton
- Key components of analysis:
  - Typical subsidy required for affordable housing or the affordability gap
  - Demand for goods and services generated or jobs supported by the disposable income of market-rate households and jobs supported by nonresidential development
  - Affordable housing needed due to the jobs generated by new development
  - Combine the affordable housing need with the affordability gap to estimate the total affordable housing subsidy required based on new development

# Nexus Study Findings

Analysis includes **four prototypes**, breakouts for **rental and ownership**, and breakouts at different AMI levels.

Prototype	Max Fee per Sq Ft				Max Percent of Units			
	Below 80% AMI		Below 100% AMI		Below 80% AMI		Below 100% AMI	
	Rent	Own	Rent	Own	Rent	Own	Rent	Own
<b>Prototype 1 - Urban Core</b>	<b>\$31.63</b>	<b>\$39.43</b>	<b>\$32.01</b>	<b>\$39.90</b>	<b>11.1%</b>	<b>13.9%</b>	<b>12.7%</b>	<b>15.8%</b>
<b>Prototype 2 - Mixed-Use Mid-Rise</b>	<b>\$26.31</b>	<b>\$28.85</b>	<b>\$26.62</b>	<b>\$29.20</b>	<b>10.6%</b>	<b>11.3%</b>	<b>12.1%</b>	<b>12.9%</b>
Prototype 3 - Mixed-Use High-Rise	\$29.50	\$37.61	\$29.85	\$38.05	10.7%	13.6%	12.2%	15.5%
Prototype 4 - Low-Rise	\$22.56	\$19.99	\$22.82	\$20.23	8.9%	13.3%	10.1%	15.2%

Maximum supportable fee for **nonresidential** is **\$105.02 per sq ft** for affordable housing below 80% AMI and **\$107.21 per sq ft** for affordable housing below 100% AMI.



# Feasibility Analysis

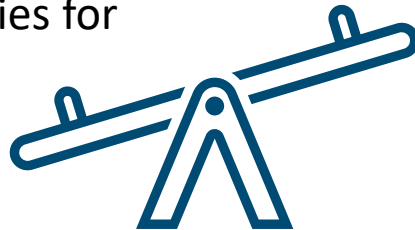
- CAI provided pro forma feasibility modeling to help inform land use policies for the Wilburton Land Use Code Amendment.
- Analysis quantified the magnitude and directionality of impacts to development feasibility from potential land use changes.
- Stakeholders provide important insight and feedback that informs modeling, including data on current costs, financing, and rents or sale prices.
- **Key Considerations:**
  - Results at the time of analysis showed challenging economic conditions
  - However, economic conditions will change over time
  - Additionally, every project is different and the results of feasibility analysis will vary across projects
  - **Long term policy planning must consider multiple economic cycles**

# Affordable Housing Fee

Right-Sizing Affordable Housing and Commercial Fees is a balance:

Fees too Low – Developers may view the fee as an easy alternative to providing affordable housing within projects, leading to fewer affordable units being integrated into market-rate developments. May result insufficient revenue and missed opportunities for inclusivity.

Fees too high – Could make projects infeasible. This can exacerbate housing shortages and economic stagnation.



## Other considerations:

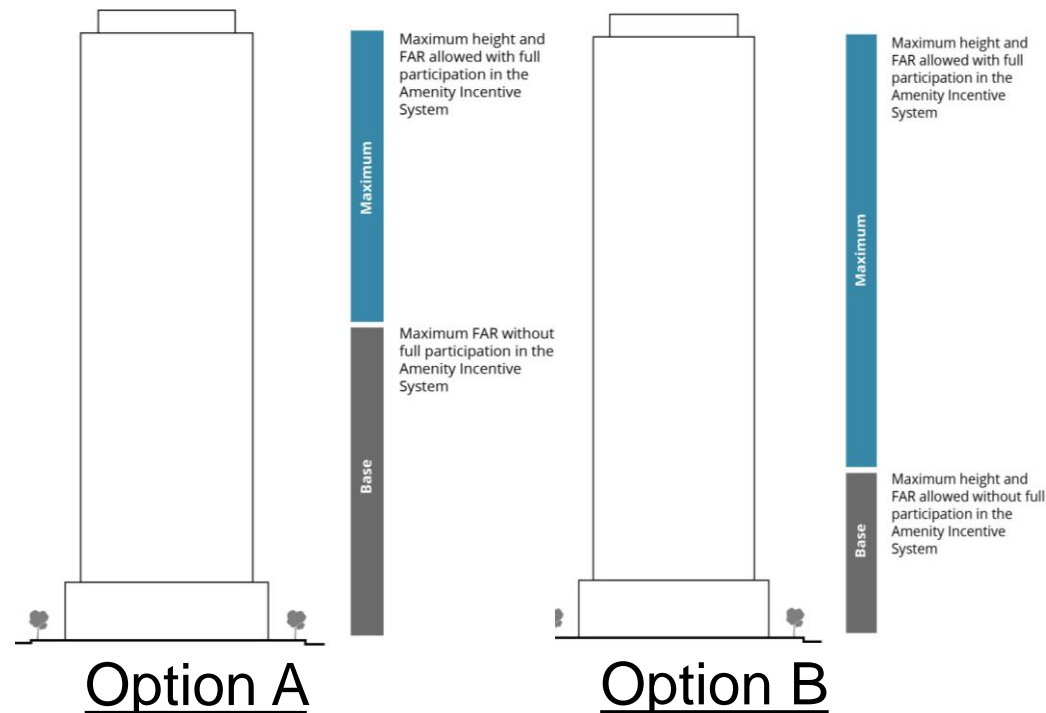
- Alignment on fees compared to other neighboring jurisdictions to welcome development in Bellevue
- Recalibration of fees on a recurring basis to ensure delivery of in-lieu affordable housing is feasible.





# Amenity Incentive System

- Central to both Options A and B
- FAR exemptions for:
  - active use spaces
  - weather protection
  - affordable commercial spaces
  - affordable housing



# Amenity Incentive System

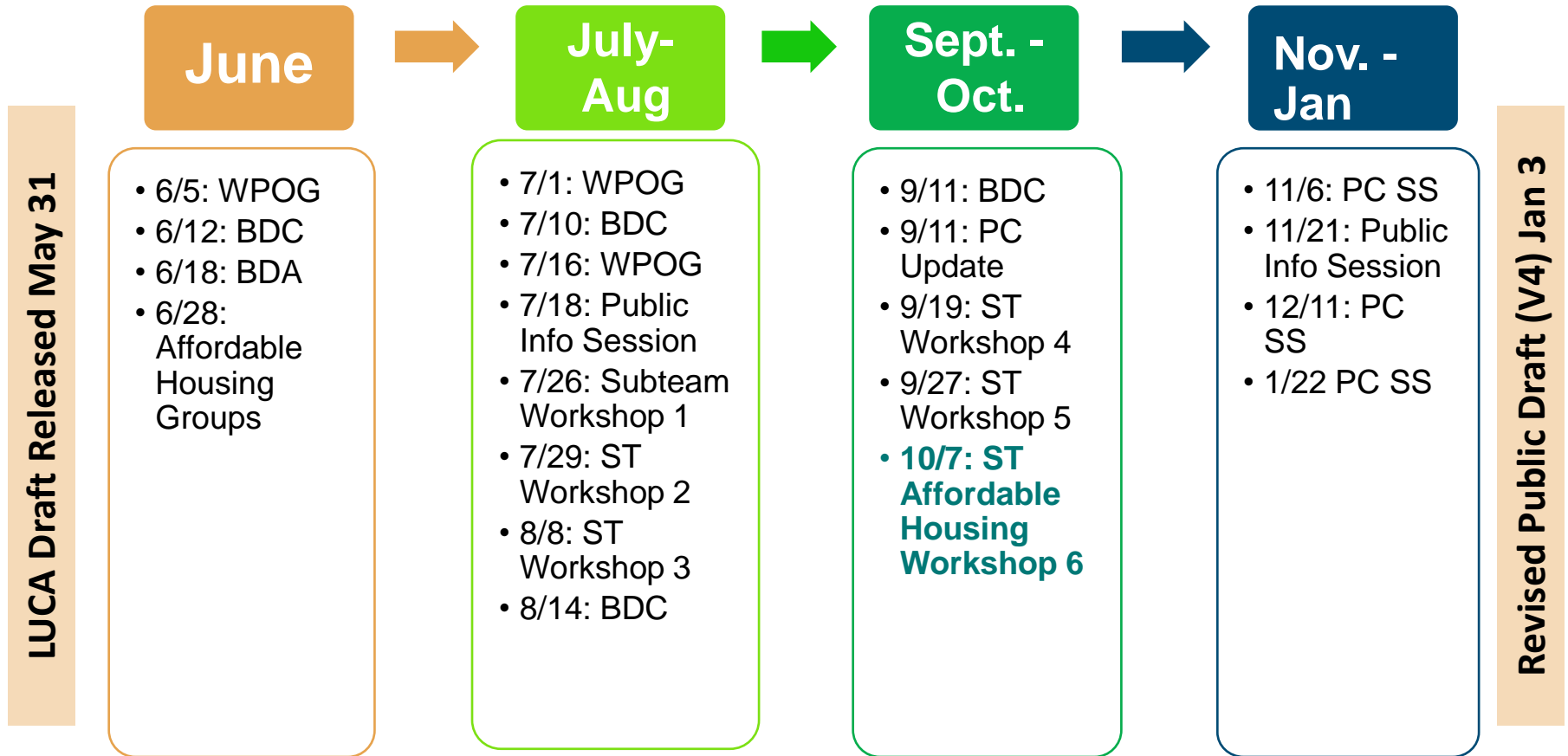
Central to both Options A and B

Allows developers to exceed the base FAR in exchange for public benefits

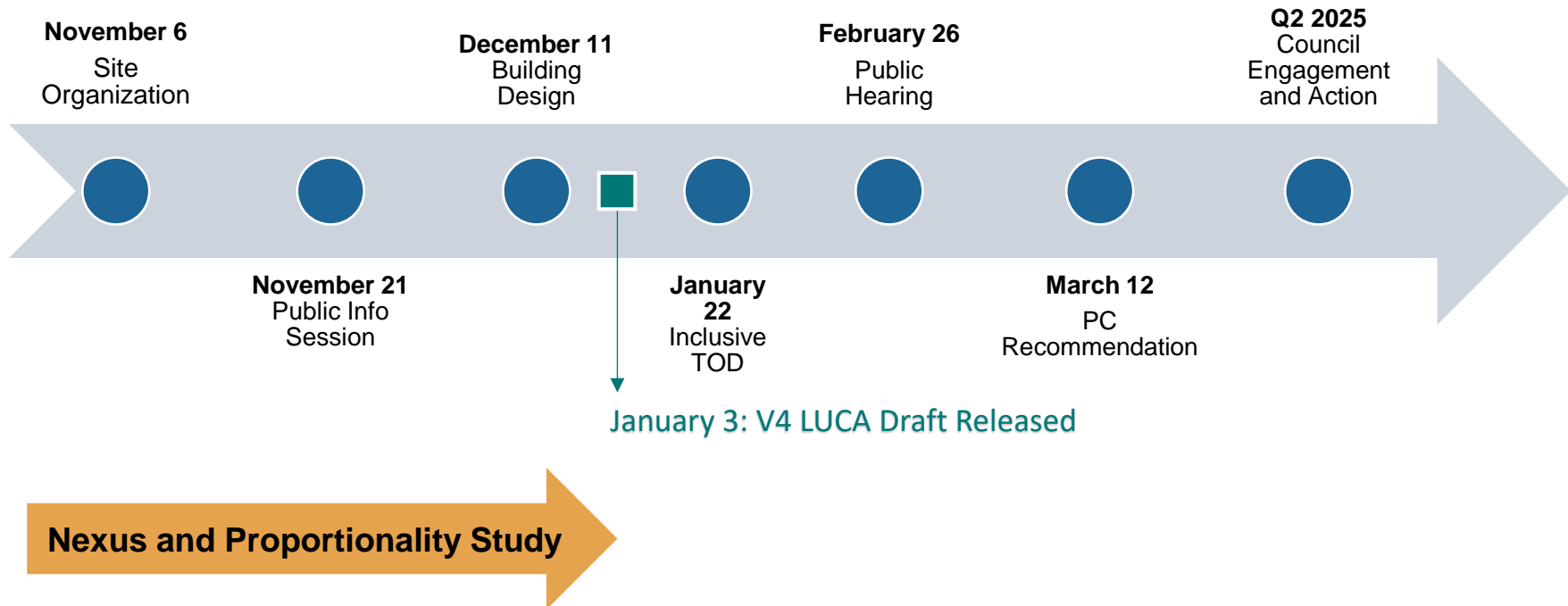
1. Affordable Housing (Tier 1 under Opt. B)	8. Family-sized Housing
2. Additional Affordable Housing	9. Grand Connection Improvements
3. Access and Connectivity	10. Green Building Certification
4. Affordable Commercial Space	11. Open Space
5. Child Care Service	12. Park Dedication
6. Critical Area Restoration and Enhancement	13. Public Art
7. Eastrail Corridor Improvements	



# LUCA Engagement



# Next Steps





## Provide feedback on topics:

- Affordable Housing Approach
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- Direct staff to schedule a public hearing on the proposed Wilburton LUCA





# EXTRA

