

Micro-Apartments LUCA

City Council Action

Rebecca Horner, Director
Nick Whipple, Planning Manager
Mathieu Menard, Senior Planner
Development Services Department

June 5, 2023



Direction for Council Consideration

Adopt the LUCA Ordinance and direct staff to analyze provisions relating to “Very Small Dwelling Units” in BCC Chapter 4.52 for potential updates at a future date.



Agenda



Background/Context



Micro-Apartments LUCA



Study Session 1 Recap & Response



Engagement



Background

Next Right Work action to remove barriers to micro-apartments

AHS Strategy B: Create A Variety of Housing Choices

- Offer more types of housing, including lower priced options near jobs, transit, shopping, and services
- **Action B-1:** Encourage micro-apartments



City of Bellevue
Affordable Housing Strategy

Approved by City Council
June 5, 2017



LUCA Objectives

The proposed LUCA will:

- Implement Action B-1 of the AHS
- Implement Next Right Work action to remove barriers to construction of micro-apartments
- Encourage micro-apartments in certain locations of the City
- Respond to City's housing needs, as identified in the 2022 Housing Needs Assessment



LUCA Process

Process IV – City Council Legislative Action

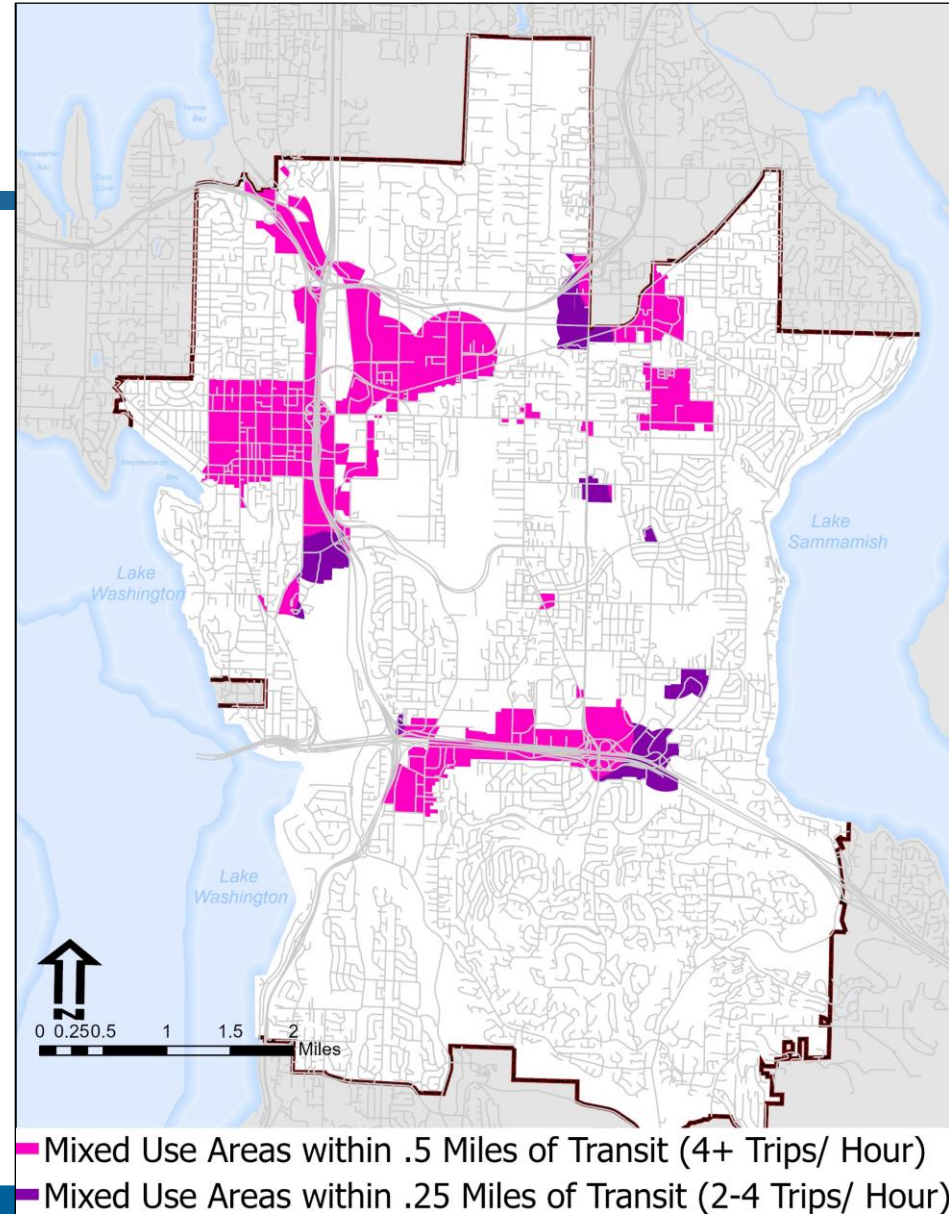
Meeting	Date
Council Launch	October 10, 2022
PC Study Session	January 25, 2023
PC Public Hearing & Recommendation	March 8, 2023
CC Study Session 1	April 24, 2023
City Council Action	June 5, 2023



Recommended LUCA

LUCA applies in mixed-use areas within:

- 1/2-mile of transit with service 4+ times/hour
- 1/4-mile of transit with service 2+ times/hour
- 1/2-mile of future light rail or BRT station



Recommended LUCA

Micro-Apartments LUCA	
Max. Unit Size	320 square feet
Min. Bicycle Parking	1:5 units
Min. Vehicle Parking	0.25:unit
Density in DU/AC Land Use Districts	Each micro-apartment calculated as 0.25 dwelling unit
Multifamily Play Area Requirement	none



Study Session 1 Recap

- Unit size alignment with MFTE program
- AMI requirement for parking reduction
- Open space access for future micro-apartments

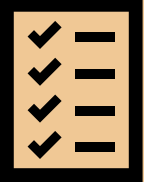



Study Session 1 Q&A

Can we align the 320 sf micro-apartment unit size with the 300 sf “very small dwelling” unit size in the MFTE Program?

- MFTE Program requires affordable units under **300 sf** to be offered at 45% AMI
- Units greater than **300 sf** must:
 - Offer 25% of units when no family-sized units provided; or
 - Offer deeper affordability (70% AMI) when no family-sized units provided

Policy Tools

Tool	Policy
 <p data-bbox="195 705 440 805">Land Use Code</p>	<ul data-bbox="523 534 1721 748" style="list-style-type: none">• Regulations for <u>all</u> micro-apartments in eligible locations• Requirements for maximum size, parking, density, and multifamily play areas
 <p data-bbox="204 1136 428 1239">MFTE Program</p>	<ul data-bbox="523 936 1543 1150" style="list-style-type: none">• Voluntary affordable housing incentive for new multifamily rental development• 12-year residential property tax exemption in exchange for % of affordable units

LUCA and MFTE Code Options

Options		Implications
A	<ul style="list-style-type: none"> • Delay LUCA adoption • Update MFTE code and adopt LUCA and MFTE code together at end of year • Update LUCA parking reduction to match AMI level in MFTE code 	<ul style="list-style-type: none"> • Alignment between codes • Delay LUCA by ~6 months • Allow time for analysis of MFTE code AMI threshold and unit size
B	<ul style="list-style-type: none"> • Adopt LUCA as drafted • Remove barriers to micro-apartments immediately • Potential update to MFTE code and adopt at end of year 	<ul style="list-style-type: none"> • Temporary (~6-month) misalignment between LUC and MFTE code • Give developers certainty in designing and planning for micro-apartments • Allow time for analysis of MFTE code AMI threshold and unit size
C	<ul style="list-style-type: none"> • Adopt LUCA with amendment to decrease micro-apartment unit size from 320 sf to 300 sf 	<ul style="list-style-type: none"> • Immediate alignment between codes • Less appealing LUCA • No study of MFTE code AMI threshold and unit size



Study Session 1 Q&A

Would all micro-apartments qualify for no minimum parking if units are rented at 80% AMI?

- No minimum parking for units meeting Affordable Housing LUC definition
- Affordable Housing LUC Definition requires:
 - Units affordable at 80% AMI **and** occupied by households earning 80% AMI or less
 - Restriction placed on units for life of building

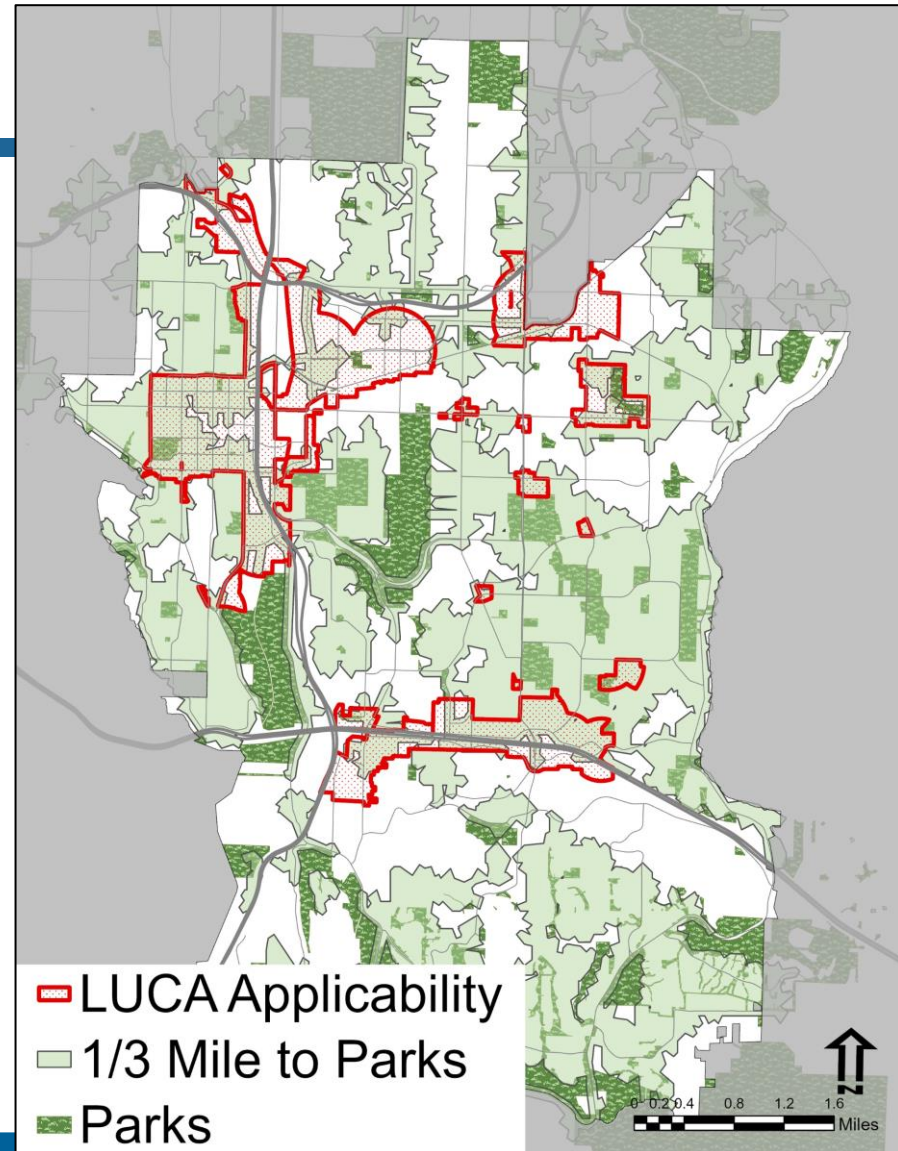


Study Session 1

Q&A

What open space provisions apply to micro-apartments?

- LUCA eliminates multifamily play area requirement
- Other open spaces still required where applicable (e.g., public plazas, landscaping)
- Good access to existing parks & trails



Public Engagement

Completed four modes of outreach:

- **Process IV Requirements:** noticing and public hearing
- **Dialogue** with developers, architects, and property managers
- **Community Information Session** on January 19
- **Online Presence:**
 - City webpage
 - January Neighborhood Newsletter



Direction for Council Consideration

Adopt the LUCA Ordinance and direct staff to analyze provisions relating to “Very Small Dwelling Units” in BCC Chapter 4.52 for potential updates at a future date.

