



Bellevue Planning Commission

April 9, 2025

PLANNING COMMISSION PUBLIC HEARING ITEM

SUBJECT

Public Hearing 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



Following discussion on the proposed LUCA on March 12, and prior discussions on February 12 and October 9, the Planning Commission directed staff to schedule a public hearing. Tonight, the Commission will be asked to hold the public hearing on the proposed LUCA, and following the Public Hearing, either make a recommendation on the proposed LUCA or direct staff to schedule a subsequent meeting during which a recommendation will be made.

BACKGROUND/ANALYSIS

The Planning Commission held three study sessions for this LUCA. The first study session introduced the Planning Commission to the baseline requirements of HB 1110 and 1337, shared related engagement work done through the Comprehensive Plan update process, and outlined the overall scope of the LUCA. Staff also highlighted key areas where additional feedback from stakeholders and the broader community would be sought—particularly where the LUCA could potentially go beyond the state mandate, such as minimum allowable densities and development regulations.

The second study session focused on feedback received to date regarding potential additional densities around key geographies in the city, and initial proposals based on adopted policies and feedback received to date, both through the Comprehensive Plan engagement work and the additional public engagement in the fall of 2024. This feedback informed the following LUCA suggestions:

- Increased minimum densities adjacent to transit and key centers
- Potential fee in-lieu option for two additional units above four in place of providing the two affordable units as allowed by HB 1110
- Development regulation flexibilities to support middle housing development feasibility
- FAR maximums based on units per lot, utilizing a typical Bellevue-sized lot of roughly 12,000 square feet
- Minimum site design requirements for cottage and courtyard development
- Maximum cottage size of 1,200 square feet
- Maximum DADU size of 1,000 square feet
- Allowing two ADUs per lot in any configuration, as required by HB 1337
 - Exempting ADUs from maximum FAR and not counting them towards maximum unit density allowance
- Expansion of unit lot subdivision provisions to all middle housing and ADU developments
- Removal of minimum lot size and minimum lot standards for multifamily zones

Feedback from the second study session was used to complete an initial strike draft of this LUCA, which was published on February 24. Staff continued to receive feedback on the initial strike draft, which

included the following adjustments based on stakeholder input and Planning Commission comments at the February 12 study session:

- Reduction from nine to six units by-right to the following geographies:
 - ¼ mile from frequent transit
 - ¼ mile from neighborhood centers
 - ¼ mile from Regional and Candidate Countywide Growth Centers
- Nine units by-right within ½ mile of a Major Transit Stop only.
- Revision of land use district names to align with future land use map land use designations.
- Adjustment of FAR for one unit on one lot so that a 0.3 FAR only applies to lots 10,000 square feet or greater.
- Removes Transition Area Design District with the note that some transition requirements could be retained for multifamily projects that do not qualify as middle housing.
- Reduces parking requirements for two or more units to one space per unit, aligning with the Housing Opportunities in Mixed-Use Areas (HOMA) LUCA.
- Increase cottage size to 1,750 square feet.
- Increase DADU size to 1,200 square feet.

Feedback at the March 12 study session, along with additional comment from stakeholders and the community, was used for further revisions to the LUCA that were published with the staff report in the Notice of Public Hearing on March 20. The staff report describing the background, review process, and this LUCA's compliance with the decision criteria, is included with this Memorandum as Attachment A. Changes included in the March 20 strike draft include:

- Reducing the maximum allowable units within ½ mile of a Major Transit Stop to six from nine.
- Addition of 250 square feet exemption from FAR and maximum square footage of cottages and ADUs for garage area.
- Adjustment of FAR for one unit on one lot so that the 0.3 FAR only applies to the square footage above 10,000 square feet for lots that are greater than 10,000 square feet.
- Reduction of cottage housing open space dimension to 15 feet from 20 feet.
- Addition of Transition Area Design District overlay requirements for landscaping into multifamily landscaping regulations for multifamily project proposed abutting single-family projects.
- Adjustment of multifamily definition to align with maximum middle housing density of six units.
- Additional language providing clarity on what walking distance is and how to show compliance.

Since the release of the March 20 strike draft, additional comments have been received, and the following revisions and additions have been included in the public hearing strike draft attached to this agenda memo as Attachment B.

- Addition of a proposed fee in-lieu of providing two affordable units to allow for a potential of six units citywide of \$150,000 per unit.
- Tree credit reductions depending on the proposed number of middle housing units
- Alternative replacement option where a qualified specialist can indicate that the standard replacement schedule would result in a poor outcome for the on-site tree health.
- Revision to increase FAR maximums for to lots under 10,000 square feet.
- Additional lot coverage increase of five percent for cottage housing projects.
- Allowance to utilize driveway area as open space for cottage housing projects with four or fewer units.

Density Limits in Strike Draft versus HB 1110

The proposed additional by-right densities represent a modest increase over what is required in HB 1110 and are intended to support many Comprehensive Plan policies of siting additional housing density near transit, mixed-use centers, and employment centers. A comparison chart is below to provide additional context. Additionally, a refined version of the map included in the staff report has been provided as Attachment C that removed potential areas where walking access was constrained by things like greenbelts and other open spaces without paths, and freeways with no pedestrian crossings:

April 9 Public Hearing Strike Draft	HB 1110 Baseline Requirement
<i>Four units/lot by-right: Citywide</i>	<i>Four units/lot by-right: Citywide</i>
<i>Six units/lot by-right:</i> ¼ mile from: <ul style="list-style-type: none"> • Frequent Transit • Neighborhood Centers • Regional Growth Center • Candidate Countywide Centers 	<i>Six units/lot by right:</i> ¼ mile from: <ul style="list-style-type: none"> • Major Transit Stops
<i>Six units/lot when:</i> <ul style="list-style-type: none"> • Two affordable units are provided; or • An in-lieu fee of \$100,000/unit is provided for each additional unit beyond four 	<i>Six units/lot when:</i> Two affordable units are provided

As with other fees in-lieu, staff can review production and revenue from the fee each year and adjust as needed to ensure the goal of the fee to both provide units and create revenue is met, and that the fee is neither too high nor too low.

Minimum Densities and HB 1998 (Co-Housing)

Signed into law on March 19, 2024, HB 1998 is a state mandate aimed at expanding housing options by requiring cities and counties to allow co-living housing in all areas where six or more units are allowed, as well as in mixed-use areas.

HB 1998 defines co-living housing as a residential development consisting of individually rented, lockable sleeping units that include living and sleeping space. Residents share kitchen facilities with other sleeping units in the building. HB 1998 requires co-living housing as a permitted use on any lot that allows at least six units, including on lots zoned for mixed use development.

Cities and counties must comply with HB 1998 by December 31, 2025. Bellevue’s implementation of HB 1998 is planned to be initiated and follows Council’s adoption of the middle housing LUCA ordinance, as the determination of where six-unit may be allowed by right will directly influence where co-living housing, as required by HB 1998, must also be allowed.

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. Additional detail on the public engagement work done as a part of this LUCA is included in the staff report, attachment A.
3. Online Presence. City webpage and Engaging Bellevue page to provide 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

LUCA Schedule

Staff is holding this public hearing in order to work towards a recommendation to bring to City Council for a study session in early May, in order to meet the June 30 deadline for adoption. Planning Commission has the option to make a recommendation at any point after the public hearing, and may direct staff to schedule an additional meeting after this public hearing to discuss the recommendation to be made to City Council.

ATTACHMENT(S)

- A. Middle Housing Staff Report
- B. Middle Housing LUCA Strike Draft
- C. Middle Housing Increased Densities Map