

CITY COUNCIL AGENDA TOPIC

Ordinance relating to development in commercial and mixed-use areas within the City of Bellevue; Amending Chapters 20.10, 20.20, and 20.50 of the Land Use Code; Recodifying LUC 20.20.128 into a new Chapter 20.15 of the Land Use Code; Amending and consolidating nonconforming use, structure, and site requirements into LUC 20.20.561; Amending Parts 20.25A, 20.25B, 20.25D, 20.25E, 20.25F1, 20.25H, 20.25I, 20.25J, 20.25P, 20.25N, 20.25Q, 20.25R, 20.30B of the Land Use Code; Repealing Parts 20.25F, 20.25G, and 20.25K of the Land Use Code; Amending BCC 14.60.110; Establishing vested rights for pipeline projects located in Downtown Land Use Districts; Allowing correction of previously adopted Director's Rule to update cross-references and to correct scrivener's errors; providing for severability; and setting an effective date.

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EXECUTIVE SUMMARY**ACTION**

On February 24, the City Council reviewed the proposed Land Use Code Amendment (LUCA). The council directed staff to prepare the Ordinance for final action with one change related to setbacks along Main Street in Old Bellevue.

RECOMMENDATION

Move to adopt Ordinance No. 6906

BACKGROUND/ANALYSIS**Background**

The Housing Opportunities in Mixed-Use Areas (HOMA) LUCA was initiated in December 2022, following the council's selection of this LUCA as part of the July 2022 "Next Right Work" initiative. At that time, the office market was more competitive, often outcompeting residential development in areas like Downtown.

Since HOMA's inception, evolving market conditions and city policy direction prompted a re-evaluation of the LUCA scope. At a council check-in on December 10, 2024, the council directed a revised HOMA scope to respond to changed conditions and implement the recently adopted Comprehensive Plan. The council also emphasized the importance of affordable housing, minimizing business displacement, and ensuring the voices of the community are heard through the LUCA process.

Planning Commission Process

The Planning Commission began reviewing HOMA in February 2025, holding five study sessions and a public hearing before receiving a unanimous recommendation from the Planning Commission to the council to adopt the HOMA LUCA, including the mandatory affordable housing provisions in mixed-use areas outside of Downtown.

Updates Since Last Council Review On February 28

The council last considered this LUCA on February 28, when council directed staff to finalize the LUCA Ordinance for final action at a future meeting. In finalizing the LUCA Ordinance, staff corrected typographical errors and incorporated the following updates based on council discussion:

1. Clarification of 3% Floor Plate Increase

Clarified that the 3% floor plate increase permitted when a nonresidential project pays the affordable housing fee in lieu may also be counted as exempt floor area.

2. Removal of Upper-Level Stepback Flexibility on Main Street

Removed the development flexibility for projects along Main Street within Old Bellevue, between Bellevue Way and 100th Avenue NE, that previously allowed removal of the upper level stepback or placement of the stepback higher than the first floor above 40 feet when affordable housing was provided.

3. Opt In Provision for Projects in Entitlement

Added a section to the Ordinance allowing Downtown projects currently in the entitlement phase with a pending design review application that have not yet submitted a building permit application to opt in to the HOMA LUCA Ordinance or remain vested to the regulations under which the project is currently being reviewed.

4. Rezone Map Clarification

Clarified the rezone ordinance to include three sites that were not shown on the rezone map shared with council on February 28. Those sites are located south of NE 8th Street at 156th Avenue. identified as the India Metro Hypermart, 653 156th Avenue NE, Grocery Outlet, 15625 NE 8th Street, and the 76 Gas Station, 15615 NE 8th Street.

Project Timeline

The anticipated schedule for this LUCA is as follows:

- Council Initiation: December 12, 2022
- Council Scope Update: December 10, 2024
- PC Study Session 1: February 26, 2025
- PC Study Session 2: May 14, 2025
- PC Study Session 3: September 10, 2025
- PC Study Session 4: October 8, 2025
- PC Public Hearing: December 10, 2025
- PC Study Session 5: January 28
- City Council Study Session: February 24
- City Council Action: March 17

POLICY & FISCAL IMPACTS

Policy Impact

The proposed LUCA is consistent with the land use, housing, neighborhoods, transportation, economic development, and urban design elements of the Comprehensive Plan and Affordable Housing Strategy.

Fiscal Impact

The LUCA should have a positive fiscal impact by encouraging redevelopment of parcels into denser, higher value uses, increasing tax revenues from the redeveloped parcels.

OPTIONS

1. Move to adopt the Ordinance relating to development in commercial and mixed-use areas within the City of Bellevue; Amending Chapters 20.10, 20.20, and 20.50 of the Land Use Code; Recodifying LUC 20.20.128 into a new Chapter 20.15 of the Land Use Code; Amending and consolidating nonconforming use, structure, and site requirements into LUC 20.20.561; Amending Parts 20.25A, 20.25B, 20.25D, 20.25E, 20.25F1, 20.25H, 20.25I, 20.25J, 20.25P, 20.25N, 20.25Q, 20.25R, 20.30B of the Land Use Code; Repealing Parts 20.25F, 20.25G, and 20.25K of the Land Use Code; Amending BCC 14.60.110; Establishing vested rights for pipeline projects located in Downtown Land Use Districts; Allowing correction of previously adopted Director’s Rule to update cross-references and to correct scrivener’s errors; providing for severability; and setting an effective date.
2. Do not adopt the Ordinance and provide alternative direction to staff.

ATTACHMENTS

- A. HOMA Strike Draft
 - B. Rezone Map
- Proposed Ordinance No. 6906

AVAILABLE IN COUNCIL LIBRARY

N/A