

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 6626

AN ORDINANCE to amend Land Use Code (LUC) Chapter 20.10 Land Use Districts, Chapter 20.20 General Development Requirements, Chapter 20.25 Special and Overlay Districts, and Chapter 20.50 Definitions to establish a density bonus and additional modifications to other standards and requirements for affordable housing developments on certain public, non-profit, or religious organization-owned properties; repealing Section 20.20.128 LUC in its entirety and adopting a new LUC 20.20.128; amending definitions in LUC 20.50.010 for consistency and clarity; providing for severability; and establishing an effective date.

WHEREAS, the City of Bellevue adopted the Affordable Housing Strategy (AHS) in 2017, recognizing the housing crisis in the Puget Sound region and the City; and

WHEREAS, AHS Action C-1 recommends increasing development potential on suitable land owned by public agencies, faith-based and non-profit housing entities for affordable housing; and

WHEREAS, the City of Bellevue Comprehensive Plan Policies HO-17 and LU-15 encourage housing opportunities throughout the City and support a range of housing choices for different household types and income levels; and

WHEREAS, the City of Bellevue Comprehensive Plan Policies HO-7 and HO-26 encourage the development of affordable housing through incentives and other tools; and

WHEREAS, the City of Bellevue Comprehensive Plan Policies HO-33 and HO-34 encourage the implementation of Affordable Housing Strategy C-1 by providing bonuses and incentives to increase permanently affordable housing on any qualifying property outside of the Downtown, BelRed, and Eastgate Transit Oriented Development Land Use Districts; and

WHEREAS, in May 2019 and in order to facilitate affordable housing development on religious organization property, the Washington State Legislature enacted Substitute House Bill 1377, codified as RCW 35A.63.300; and

WHEREAS, RCW 35A.63.300, which became effective on July 28, 2019, requires cities planning under the Growth Management Act, Chapter 36.70A RCW (the GMA), to allow an increased density bonus consistent with local needs for any affordable housing development on any single-family or multifamily residence located on real property owned or controlled by a religious organization, and under certain conditions; and

WHEREAS, Bellevue City Code section 3.64.070, section 20.35.410 of the Land Use Code (LUC), and LUC 20.30J.130 establish the powers and duties of the Planning Commission to act in an advisory capacity to the City Council by holding public hearings, advising, and making recommendations to the City Council on land use ordinances and regulations to implement the comprehensive plan; and

WHEREAS, the Planning Commission held study sessions on April 14, 2021, May 12, 2021, and June 23, 2021 to discuss this LUC amendment to establish a density bonus and additional modifications to other standards and requirements for affordable housing developments on qualifying properties, including real property owned or controlled by a religious organization; and

WHEREAS, after providing legally-required public notice, the Planning Commission held a public hearing for this LUC amendment on September 22, 2021 and considered the LUC amendment under LUC 20.35.410.B and the decision criteria in LUC 20.30J.135; and

WHEREAS, throughout the land use process, the Planning Commission expressed concerns that the density bonus in this LUC amendment is not sufficient to facilitate affordable housing development; and

WHEREAS, consistent with the concerns raised by the Planning Commission during the course of the land use process, the Planning Commission, after holding the required public hearing, did not recommend that the City Council approve this LUC amendment; and

WHEREAS, this LUC amendment provides for an increased density bonus consistent with local needs for any affordable housing development on any single-family or multifamily residence located on real property owned or controlled by a religious organization and is, therefore, consistent with RCW 35A.63.300, the GMA, and the AHS; and

WHEREAS, in addition to the density bonus for certain affordable housing proposals on qualifying properties and in order to provide for consistency and clarity, this LUC amendment repeals LUC 20.20.128 in its entirety and adopts a new LUC 20.20.128, includes revisions to the definition of "Affordable Housing," removes an unused definition of "Affordable Housing – Low Income," and establishes that, unless otherwise stated in the code, affordable housing units must serve households

up to 80% Area Median Income (AMI) and must remain affordable for the life of the project; and

WHEREAS, after providing legally-required public notice, the City Council considered and discussed this LUC amendment during the Council’s public meeting on November 15, 2021; and

WHEREAS, the Environmental Coordinator for the City of Bellevue determined that this text amendment to the LUC will not result in any probable significant adverse environmental impact and issued a final threshold determination of non-significance on September 2, 2021; and

WHEREAS, the City Council finds that this LUC amendment meets the decision criteria of LUC 20.30J.135 and is consistent with the Comprehensive Plan, enhances the public safety and welfare, and is not contrary to the best interest of the citizens and property owners of the City of Bellevue, as more completely analyzed in the Staff Report dated August 25, 2021; now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Chart 20.10.440 Uses in land use districts Residential – Residential Districts of the Bellevue Land Use Code is hereby amended to add a new reference to note 19 to Land Use Classification Two to Four Dwelling Units per Structure, and to read as follows:

Chart 20.10.440 Uses in land use districts
Residential – Residential Districts

STD LAND USE CODE REF	LAND USE CLASSIFICATION	R-1	R- 1.8	R- 2.5	R- 3.5	R-4	R-5	R- 7.5*	R- 10	R- 15	R- 20	R- 30
1	Residential											
	Single-Family Dwelling (3)	P	P	P	P	P	P	P	P	P	P	P
	Two to Four Dwelling Units per Structure (6)	PD (19)	PD (19)	PD (19)	PD (19)	PD (19)	PD (19)	PD (19)	P	P	P	P
...												

Section 2. Section 20.10.440 Notes: Uses in land use districts Residential – Residential Districts of the Bellevue Land Use Code is hereby amended to add a new note 19 to read as follows:

(19) Affordable Housing duplexes and triplexes are permitted within subdivisions when the requirements of LUC 20.20.128 are met.

Section 3. Chart 20.20.010 Uses in land use districts – Dimensional Requirements of the Bellevue Land Use Code is hereby amended to add a new reference to note 52 to all Land Use Classification, and to read as follows:

Chart 20.20.010 Uses in land use districts – Dimensional Requirements

STD LAND USE CODE REF	LAND USE CLASSIFICATION	Residential											
		R-1	R-1.8	R-2.5	R-3.5	R-4	R-5	R-7.5*	R-10	R-15	R-20	R-30	
	DIMENSIONS	(43, 52)	(52)	(52)	(52)	(52)							
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STD LAND USE CODE REF	LAND USE CLASSIFICATION	Professional Office	Office	Office/Limited Business	Office/Limited Business	Light Industry	General Commercial	Neighborhood Business	Neighborhood Mixed Use	Community Business	Factoria Land Use District 1	Factoria Land Use District 2	Factoria Land Use District 3
		PO	O	OLB	OLB 2	LI	GC	NB	NMU	CB	F1	F2	F3
	DIMENSIONS	(21)	(21, 52)	(21, 52)	(21, 52)	(21)	(21)	(21, 52)	(21)	(21, 52)	(28)	(21, 31, 52)	(21, 32, 52)
...													

Section 4. Section 20.20.010 Notes: Uses in land use districts dimensional requirements of the Bellevue Land Use Code is hereby amended to add a new note 52 to read as follows:

(52) See LUC 20.20.128.F for modified dimensional requirements for Affordable Housing when the requirements of LUC 20.20.128 are met.

Section 5. Repealer. Section 20.20.128, Affordable Housing, of the Bellevue Land Use Code is hereby repealed in its entirety and replaced by a new section 20.20.128 in the Land Use Code.

Section 6. A new section 20.20.128, Affordable Housing, in the Land Use Code is hereby adopted to read as follows:

20.20.128 Affordable Housing.

A. Purpose

The purpose of this section is to encourage development of Affordable Housing by providing density bonus, dimensional standard modification, and modification of other requirements for Affordable Housing projects.

B. Definitions.

1. "Mixed-Income Multifamily Development" means a multifamily development project that includes both market rate and affordable housing units.
2. "Religious Organization" means the federally protected practice of a recognized religious assembly, school, or institution that owns or controls real property as defined in RCW 35A.63.300, now or as hereafter amended.

C. Applicable Procedures.

An application to utilize the provisions of this section shall be processed through the required land use review for the project. If a land use approval is not required for the project, the application shall be processed through the Building Permit review.

D. Eligibility.

The following residential development, including both new development and rehabilitation projects, shall be eligible to receive a density bonus and other modifications as provided in this section:

1. Mixed-Income Multifamily Development. Mixed-Income Multifamily Development in any applicable Land Use District when the development includes Affordable Housing; and
2. Affordable Housing Development. The following ownerships and locations of residential development when all housing units are Affordable Housing:
 - a. Owned by a Religious Organization and located in Single Family Residential Land Use Districts; and

- b. Owned by a Religious Organization, nonprofit organization, or public agency, except for Bellevue Parks Department, Bellevue Community Development Department, or any public utility entity, and located in all Land Use Districts in which multifamily dwellings are permitted.

E. Density Bonus.

1. Mixed-Income Multifamily Development as provided in subsection D.1 of this section may exempt one bonus market rate unit for each equivalent-sized affordable unit provided, up to 15 percent above the maximum density allowed in the underlying Land Use District.
2. Affordable Housing Development as provided in subsection D.2 of this section may receive a bonus of 50 percent above the maximum density allowed in the underlying Land Use District.

F. Dimensional Standard Modification.

1. Mixed-Income Multifamily Development as provided in subsection D.1 of this section may replace the dimensional requirements in LUC Chart 20.20.010 with Chart 20.20.128.F.1. Applicable dimensional requirements in LUC Chart 20.20.010 but not included in Chart 20.20.128.F.1 shall continue to apply, including applicable footnotes.

Chart 20.20.128.F.1 Modified Dimensional Requirements for Mixed-Income Multifamily Development

	Residential										
LAND USE CLASSIFICATION	R-1	R-1.8	R-2.5	R-3.5	R-4	R-5	R-7.5	R-10	R-15	R-20	R-30
DIMENSIONS											
Minimum Lot Area (Thousands of Sq. Ft.)	30.4	17.4	11.7	8.7	7.4	6.3	4.1	8.5	8.5	8.5	8.5
Dwelling Units per Acre	1.2	2.1	2.9	4.0	4.6	5.8	8.6	11.5	17.3	23.0	34.5
Maximum Lot Coverage by Structures (percent)	35	35	35	35	40	40	40	40	40	40	40
Maximum Hard Surface Coverage (percent)	75	75	75	75	80	80	90	90	90	90	90
Maximum Impervious Surface (percent)	45	45	45	45	55	55	55	70	70	70	70

	Residential – Nonresidential Districts						
LAND USE CLASSIFICATION	O	OLB	OLB 2	NB	CB	F2	F3
DIMENSIONS							
Dwelling Units per Acre	23.0	34.5		17.3	34.5	34.5	34.5
Maximum Lot Coverage by Structures (percent)	40%	40%	40%	50%		40%	40%
Maximum Building Height	45	60	75	30	60	75	75/135
Floor Area Ratio			1.15				

- Affordable Housing Development as provided in subsection D.2 of this section may replace the dimensional requirements in LUC Chart 20.20.010 with Chart 20.20.128.F.2. Applicable dimensional requirements in LUC Chart 20.20.010 but not included in Chart 20.20.128.F.2 shall continue to apply, including applicable footnotes.

Chart 20.20.128.F.2 Modified Dimensional Requirements for Affordable Housing Development

	Residential										
LAND USE CLASSIFICATION	R-1	R-1.8	R-2.5	R-3.5	R-4	R-5	R-7.5	R-10	R-15	R-20	R-30
DIMENSIONS											
Minimum Lot Area (Thousands of Sq. Ft.)	23.3	13.3	9.0	6.7	5.7	4.8	3.1	8.5	8.5	8.5	8.5
Dwelling Units per Acre	1.5	2.7	3.8	5.3	6.0	7.5	11.3	15.0	22.5	30.0	45.0
Maximum Lot Coverage by Structures (percent)	35	35	35	40	40	40	40	40	40	40	40
Maximum Hard Surface Coverage (percent)	75	75	75	75	80	80	90	90	90	90	90
Maximum Impervious Surface (percent)	45	45	45	55	55	55	65	70	70	70	70

	Residential – Nonresidential Districts						
LAND USE CLASSIFICATION	O	OLB	OLB 2	NB	CB	F2	F3
DIMENSIONS							
Dwelling Units per Acre	30.0	45.0		22.5	45.0	45.0	45.0
Maximum Lot Coverage by Structures (percent)	40%	40%	40%	50%		40%	40%
Maximum Building Height	45	60	75	30	60	75	75/135
Floor Area Ratio			1.5				

G. Modification of Other Applicable Requirements.

For eligible residential development as provided in subsection D of this section, the following requirements of the Land Use Code may be modified through the procedures outlined in subsection C of this section, to the extent necessary to accommodate Affordable Housing units on site:

1. **Parking Requirements.** The percent of compact parking stalls may be increased up to 75 percent of the total required parking. Tandem parking stalls are permitted to the extent feasible to satisfy required parking ratios.

2. Building Height. Except in Transition Areas and the Shoreline Overlay District, the maximum building height in R-10, R-15, R-20, and R-30 Land Use Districts may be increased by up to 12 feet for those portions of the building(s) at least 20 feet from any property line.
3. Open Space. The Open and Recreation Space Requirement within a residential Planned Unit Development may be reduced to 35 percent of gross land area. All other requirements of LUC 20.30D.160 shall continue to apply.

H. Attached Housing within Subdivisions.

Affordable Housing Development as provided in subsection D.2 may be permitted as attached multifamily dwelling units in single family land use districts when meeting the following criteria:

1. The attached multifamily dwelling units shall be reviewed through a subdivision, Chapter 20.45A LUC, or short subdivision, Chapter 20.45B LUC, process, provided nothing in this subsection shall affect the allowance to build attached multifamily dwelling units through a Planned Unit Development, Part 20.30D LUC;
2. Multifamily dwelling units within a subdivision or short subdivision may be considered as Unit Lot Subdivision, with each lot accommodating attached multifamily dwelling units as a Parent Lot and individual Unit Lots created for the attached multifamily dwelling unit, and shall also be reviewed for compliance with LUC 20.45A.065 for subdivisions or LUC 20.45B.057 for short subdivisions;
3. A proposal to create a Unit Lot Subdivision with a Parent Lot and Unit Lots may be reviewed as part of a single proposal for a subdivision or short subdivision;
4. An attached multifamily dwelling unit shall not be placed on or across any Parent Lot line within the subdivision or short subdivision;
5. The attached multifamily dwelling units may only be duplexes and triplexes;
6. No more than 50 percent of the units within the subdivision or short subdivision shall be attached multifamily dwelling units; and
7. The attached multifamily dwelling structure shall comply with all applicable dimensional requirements.

Section 7. Section 20.25A.070.C.2.a of the Bellevue Land Use Code is hereby amended to read as follows:

2. Affordable Housing Development Flexibility. A maximum of 1.0 FAR of floor area may be exempted to support the provision of Affordable Housing, minimum parking may be reduced, and additional development flexibility allowed, as provided below.
 - a. Up to 1.0 FAR of floor area dedicated to supporting the creation of on-site Affordable Housing shall not be counted for the purposes of calculating the FAR of a project; provided, that:
 - i. For every 1.0 square feet of Affordable Housing provided, 2.5 square feet is allowed for market-rate housing not to exceed a maximum of 1.0 FAR total; and
 - ii. The bedroom mix and exterior finishes shall be comparable to the market rate units, but interior design, unit size, amenities and interior finishes may vary.

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Section 8. Section 20.25A.080.B Minimum/Maximum Parking Requirement by Use – Specified Uses of the Bellevue Land Use Code at Note 5 is hereby amended, to read as follows:

(5) The minimum requirement for studio apartment units available to persons earning 60 percent or less than the median income as determined by the United States Department of Housing and Urban Development for the Seattle Metropolitan Statistical Area is 0.25 stalls per unit.

Section 9. Section 20.25B.040.A.3 of the Bellevue Land Use Code is hereby amended to add a new item g, to read as follows:

3. Allowable Height Increase. Except in an R-10 or R-15 District, the height limitation may be increased up to maximum height with bonuses limitation indicated in subsection A.2 of this section only if one or more of the following items is provided, the decision criteria for Administrative Design Review are met, and the intent of the Transition Area Design District is maintained:

Item	Increase Allowed
a. Underbuilding parking:	5-foot increase
b. Basement parking:	10-foot increase
c. Pitched roof:	5-foot increase
d. Top floor stepback on all sides of at least 10 feet:	5-foot increase
e. No mechanical equipment on the roof:	5-foot increase
f. Existing grade at the proposed building line is at 10 feet below the existing grade at the property line of the property receiving transition:	5-foot increase
g. Affordable housing provided under LUC 20.20.128:	15-foot increase

Section 10. Section 20.25D.090.C.7 of the Bellevue Land Use Code at Chart 20.25D.090.C FAR Amenity Incentive System is hereby amended to read as follows:

AMENITY (1)	APPLICABLE ZONES AND BONUS (2)	DESIGN CRITERIA
	MO-1, OR-1, OR-2, RC-1, RC-2, RC-3, CR, R	
TIER 1		
1. AFFORDABLE HOUSING* Threshold bonus for residential/mixed-use development. *Floor area shall not be counted for the purpose of calculating FAR.	Rental: 4.6 sf bonus building area per sf of affordable rental housing at 80% median income. Owner: 7.2 sf bonus building area per sf of ownership affordable housing at 100% median income. Fee-in-lieu for Tier 1 residential: \$18 per sf bonus area. Fee-in-lieu for nonresidential and Tier 2: \$15 per sf bonus area.	1. May be integrated into the same building as market rate housing, or in a stand-alone building on-site. 2. Design shall be generally consistent with associated market rate housing; provided, that unit size, amenities, and interior finishes may vary from market rate units; and further provided, that the bedroom mix and exterior finishes shall be comparable to the market rate units.
...		

Section 11. Section 20.25D.090.C.7 of the Bellevue Land Use Code at Chart 20.25D.090.C FAR Amenity Incentive System – Notes: Chart 20.25D.C FAR Amenity Incentive System is hereby amended to read as follows:

Notes: Chart 20.25D.C FAR Amenity Incentive System:

(1) Measured in square feet of permitted development for each qualifying developed square foot of amenity unless otherwise noted.

(2) Where a bonus is earned by payment of a fee-in-lieu, the fee-in-lieu amount established in Chart 20.25D.090.C as of May 26, 2009, will be reviewed annually, and, effective January 1st of each year, may be administratively increased or decreased by an adjustment to reflect the current published annual change in the Seattle Consumer Price Index for Wage Earners and Clerical Workers as needed in order to maintain accurate costs for the region.

Section 12. Section 20.25D.120.B.2 Parking Standards for BelRed – Chart 20.25D.120.B.2 of the Bellevue Land Use Code at Notes applicable to parking standards for BelRed (Chart 20.25D.120.B.2) at Note 5 is hereby amended to read as follows:

(5) The minimum requirement for up to and including one bedroom apartment units available to persons earning 60 percent or less than the median income as determined by the United States Department of Housing and Urban Development for the Seattle Metropolitan Statistical Area is 0.25 stalls per unit.

Section 13. Section 20.25P.060.B.2.a of the Bellevue Land Use Code is hereby amended to read as follows:

2. Floor Area Ratio. A maximum of 1.0 FAR (floor area ratio) may be exempted for Affordable Housing, public restrooms, open space, and special dedications as provided below. Provided, neither the combination nor the singular use of any of these methods shall exceed an exception of 1.0 FAR. Underground buildings as defined in LUC 20.50.050 are not structures for the purpose of calculating floor area.

a. In the EG-TOD land use district, up to 1.0 FAR of floor area dedicated to on-site Affordable Housing shall not be counted for the purposes of calculating the FAR of a project, provided that:

i. The Affordable Housing is provided at a ratio of 2.5 market rate units to 1 Affordable Housing unit; and

ii. The bedroom mix and exterior finishes shall be comparable to the market rate units, but interior design, unit size, amenities and interior finishes may vary.

Section 14. Section 20.25P.080.B.2 Parking Standards for EG-TOD Land Use District – Chart 20.25P.080.B.2 of the Bellevue Land Use Code at Chart 20.25P.080.B.2 Parking Standards for Eastgate Transit Oriented Development Land Use District at Note 5 of the Notes applicable to parking standards for EG-TOD (Chart 20.25P.080.B.2) is hereby amended to read as follows:

- (5) The minimum requirement for up to and including one bedroom apartment units available to persons earning 60 percent or less than the median income as determined by the United States Department of Housing and Urban Development for the Seattle Metropolitan Statistical Area is 0.25 stalls per unit.

Section 15. Section 20.50.010 A definitions of the Bellevue Land Use Code is hereby amended to revise the definition of Affordable Housing to read as follows:

Affordable Housing. Housing used as the primary residence of an affordable housing qualified household. Unless otherwise specified, the price of affordable units is based on that amount a household can afford to pay for housing, when household income is less than 80 percent of the median annual income, adjusted for household size, as determined by the United States Department of Housing and Urban Development for the Seattle Metropolitan Statistical Area, and when the household pays no more than 30 percent of household income for housing expenses. Households with income less than 80 percent of the median annual income, adjusted for household size, may purchase or rent these affordable units. An agreement in a form approved by the City will be executed by the applicant and recorded with the King County Recorder’s Office, or its successor organization, requiring the affordable housing to remain for the life of the project. This agreement shall be a covenant running with the land, binding on assigns, heirs, and successors of the applicant.

Section 16. Section 20.50.010 A definitions of the Bellevue Land Use Code is hereby amended to remove the definition of Affordable Housing – Low Income.

Section 17. Severability. If any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance is declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining parts of this Ordinance.

Section 18. Effective Date. This Ordinance shall take effect and be in force five (5) days after adoption and legal publication.

Passed by the City Council this _____ day of _____, 2021 and signed in authentication of its passage this _____ day of _____, 2021.

(SEAL)

Lynne Robinson, Mayor

Approved as to form:

Kathryn L. Gerla, City Attorney

Matthew McFarland, Assistant City Attorney

Attest:

Charmaine Arredondo, City Clerk

Published: _____