

State Legislative Update

2023 Mid-Session Update

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State Legislative Agenda

- Adopted in November
- This is our compass
- The primary lens we use to assess both funding opportunities as they arise, as well as develop strategies to get traction on important priorities



2023 State Legislative Agenda

HIGHEST PRIORITY ISSUES

Affordable Housing and Land Use

Washington State faces an affordable housing crisis. Bellevue supports legislative action that takes a balanced, collaborative approach. Necessary state tools include regulatory reform, condominium liability reform, and safe harbor for cities increasing development capacity. Incentives and new funding options, such as a new local option Real Estate Excise Tax (REET), are essential for the construction and acquisition of affordable housing. Where possible, such options should be progressively structured to minimize impacts on low- and moderate-income households. Bellevue

Transportation

Bellevue appreciates the Legislature's bold action to pass Move Ahead Washington, which made crucial multimodal investments and closed the I-405 funding gap. As the Legislature and WSDOT implement Move Ahead Washington projects, Bellevue requests that the Mountains to Sound Greenway Trail (142nd Place SE to 150th Avenue SE) funding be phased as follows:

- \$300,000 in the 2023-25 biennium for final design and easement acquisition in advance of construction
- \$6.6 million in the 2025-27 biennium for construction



Affordable Housing & Land Use

Busiest session in any recent memory on these issues

Number of policy bills still in motion, including:

- Density and transit-oriented development
- Permitting

Also a funding conversation underway:

- REET Legislation (HB 1628)
- Governor Inslee's Housing Bond Proposal (HB 1149)



Affordable Housing & Land Use

Update on HB 1110 – Middle Housing Types bill

☒ “Community amenity” removed

☒ New alternative pathway to meet density requirements

Allows a city to implement the bill’s default density requirements for at least 75% of the city’s residential lots. There are a number of restrictions on what may comprise the remaining 25%.

☒ An additional pathway to a “substantially similar” determination by Commerce

Allows Commerce to determine ... “substantially similar” if the city can demonstrate that the result of the adopted zoning will result in a greater increase in middle housing production in residential zones than would have otherwise have been created under strict compliance with 1110 itself.



Affordable Housing & Land Use

- Affordable Housing Land Acquisition (Capital Budget)
 - Requests did not emerge from other cities
 - Pivoted to identify specific parcels that Bellevue might be able to purchase
 - Hoping to gain traction in the House Capital Budget



Transportation

Expecting to see Transportation budget proposals this week

- Mountains to Sound Greenway Trail in Bellevue
 - Need funding sequenced so that Bellevue can use federal grant funds that must be obligated by June 2025
- SR 520/124th Avenue NE interchange project
 - Governor's proposed budget pushed this out 10+ years
 - Important to keep this on schedule for design and right-of-way acquisition in the 2023-25 biennium.



Services and Infrastructure for a Growing Community

Expecting to see House budget proposals this week

- Mini-City Hall / Community Services Center in Crossroads
 - Operating budget support would allow Mini City Hall to expand its footprint in the Crossroads Mall to serve more residents well
 - Included in the Proposed Senate Operating Budget at \$500K
- Pump Station 12 and Force Main at Lake Sammamish
 - Seeking “last dollars in” from the state to replace this pump station
 - Included in the Proposed Senate Capital Budget at \$1.03M
 - Hoping to see similar support in the House



Next steps on Budget, Session

Budget Steps

- Senate worked on its Operating & Capital budgets late last week
- House coming out with its budgets this week, Senate Transpo. as well
- Each caucus will designate negotiators to sort out differences
- That will leave about two weeks for negotiating final compromise budgets

Council Engagement

- Helping staff weigh in strategically with members on key policy issues
- Helping advocate for top budget priorities as they work on compromises

Session Key Dates

- Committee cutoffs: **Mar 29** policy committees, **April 4** fiscal committees
- Opposite chamber floor cutoff: **April 12**
- On-time adjournment: **April 23**



Direction

For information only

