

Next Right Work: Residential FAR Increase Phase 1: Downtown IOC

Study Session

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April 17, 2023



Direction for Council Consideration

Provide input and direct staff to schedule the public hearing and final action on the Interim Official Control Ordinance at a future meeting



Agenda



Context & Background



Policy Objectives & Approach



Phase 1 IOC Components



Staff Recommendation and Input



Timeline



Current Housing Discussion Topics

- Types of housing units to prioritize
- Affordability levels
- Distribution across city
- Inclusionary affordability
- Housing stability
- Funding
- Innovation



NRW Background

Next Right Work: Increase production of market-rate & affordable housing

- Three actions initiated in 2022:
 1. Micro-Apartments
 2. Reduce Fees for AH
 3. Increase FAR
- Two additional actions initiated in January 2023 (middle housing, permit streamlining)



City of Bellevue
Affordable Housing Strategy

Approved by City Council
June 5, 2017



City of Bellevue

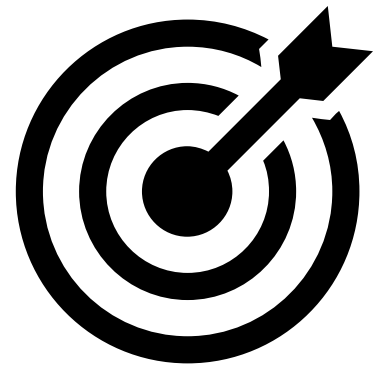
Policy Objectives

Policy Objectives

- Encourage residential development
- Increase Affordable Housing production
- Allow application-ready residential projects Downtown to move forward

Tools

1. Higher FAR for residential in exchange for Affordable Housing
2. Development flexibility for projects with Affordable Housing
3. Flexibility on FAR utilization within Downtown Perimeter



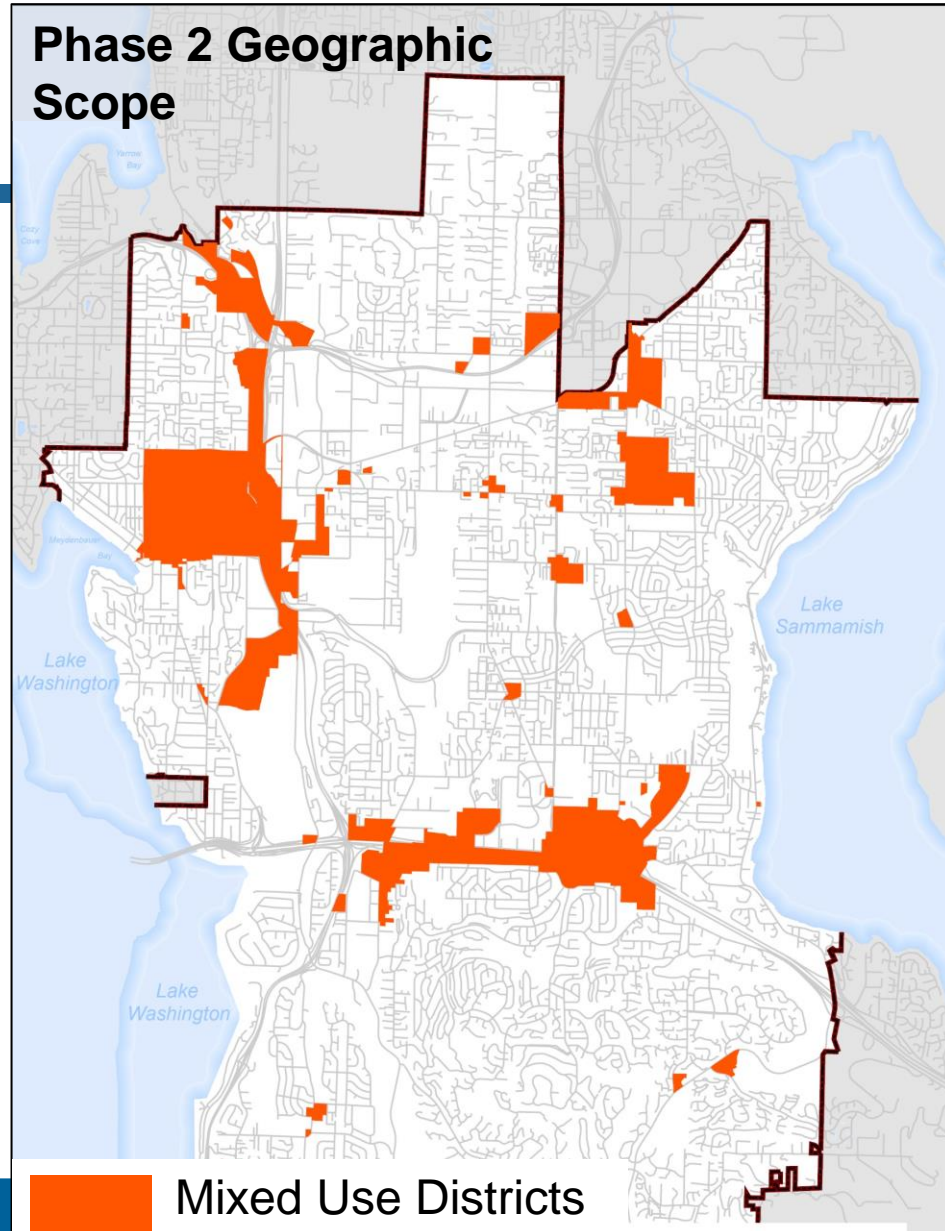
Increase FAR Overview

Phase 1 Interim Official Control

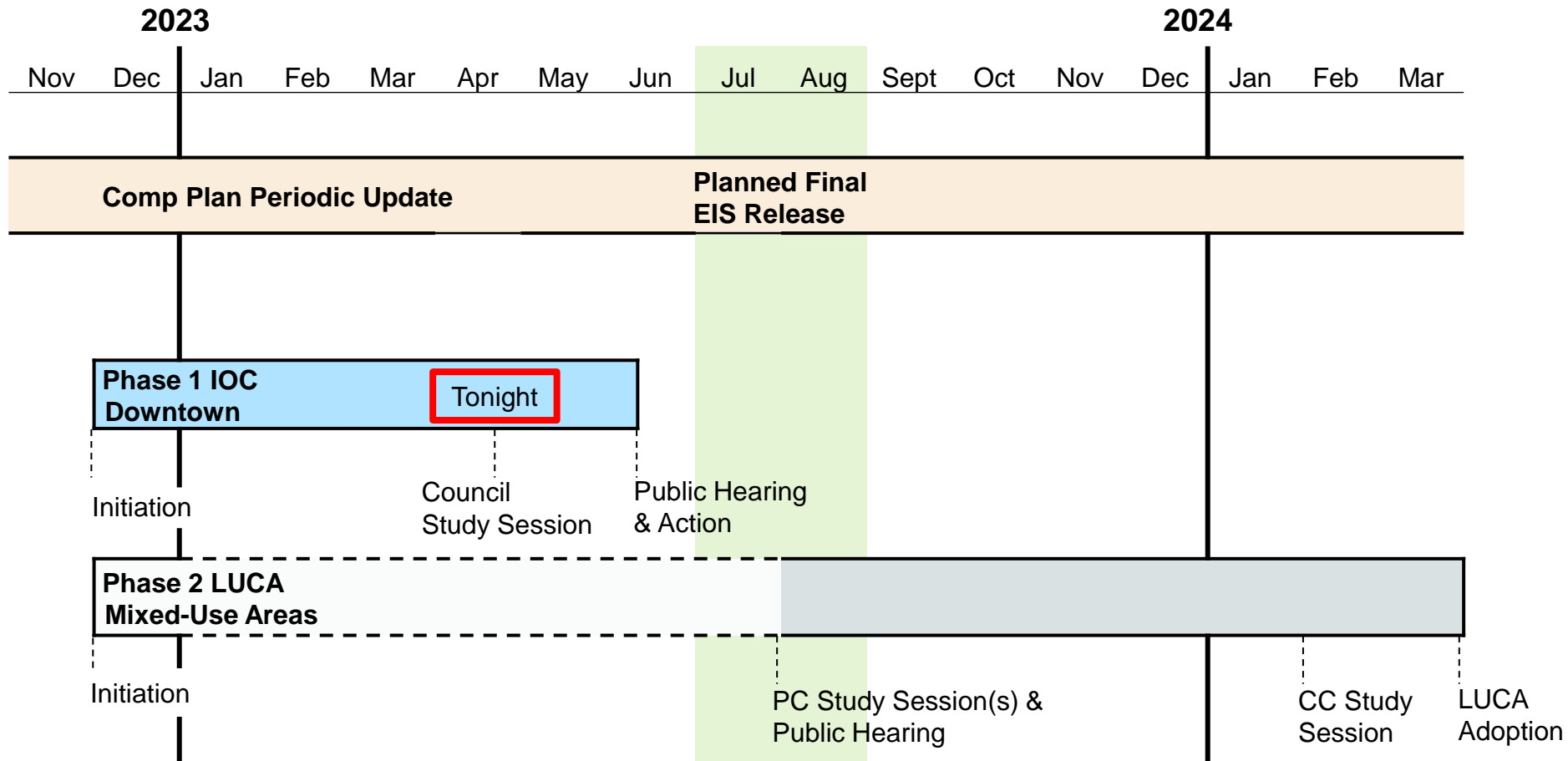
- Temporary regulations
- Downtown

Phase 2 Permanent LUCA

- Permanent regulations
- Mixed-use Land Use Districts (except BelRed & Wilburton)
- Utilizes Phase 1 as study
- Informed by Economic Analysis & CPPU EIS



Residential FAR Increase Timeline: Phases 1 & 2



Phase 1 IOC

Geographic Scope:

Downtown

Intent: Quickly respond to application-ready projects; test FAR increase and measure against policy objectives

Objectives:

- Encourage residential development
- Increase Affordable Housing production
- Allow application-ready projects to move forward



Current Downtown FAR Approach

Base/Max FAR:

Properties have a base FAR (as of right) & maximum FAR

Amenity Incentive

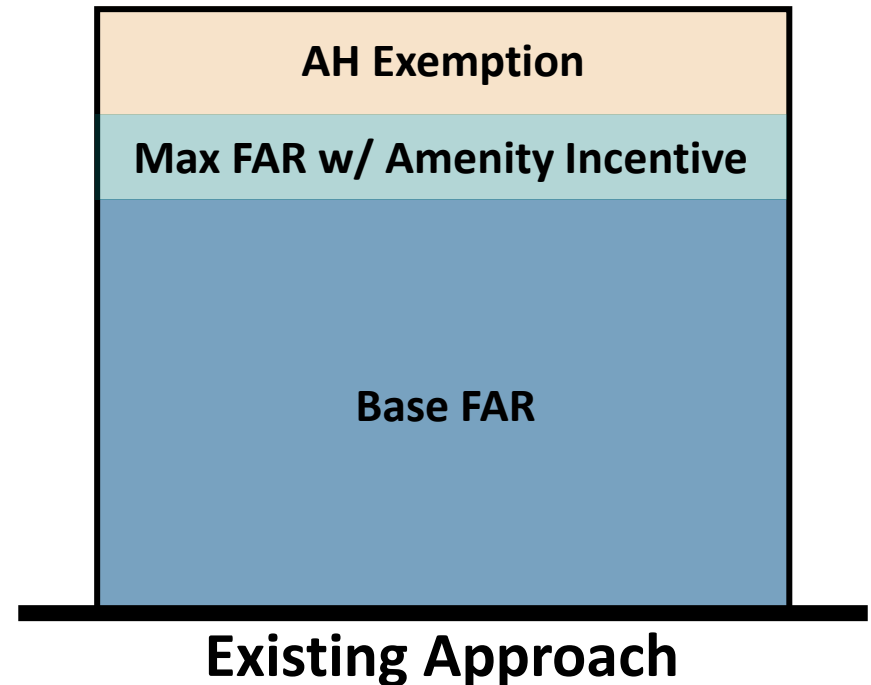
Program:

Participation to achieve max FAR

Affordable Housing

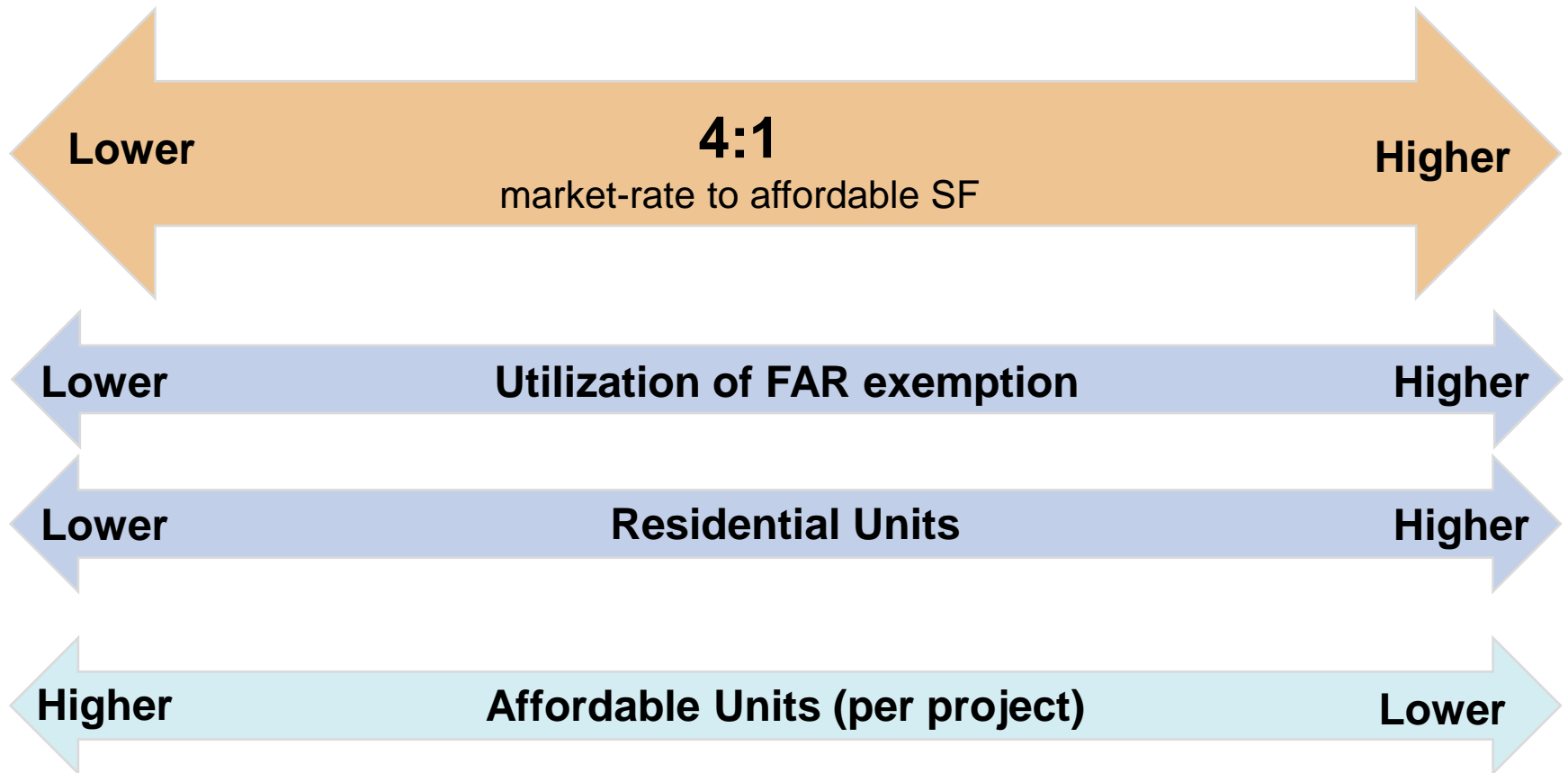
Exemption:

Up to 1.0 FAR exempt from FAR calculation



Phase 1 IOC: Tool #1

Tool #1: Allow higher FAR for residential in exchange for Affordable Housing

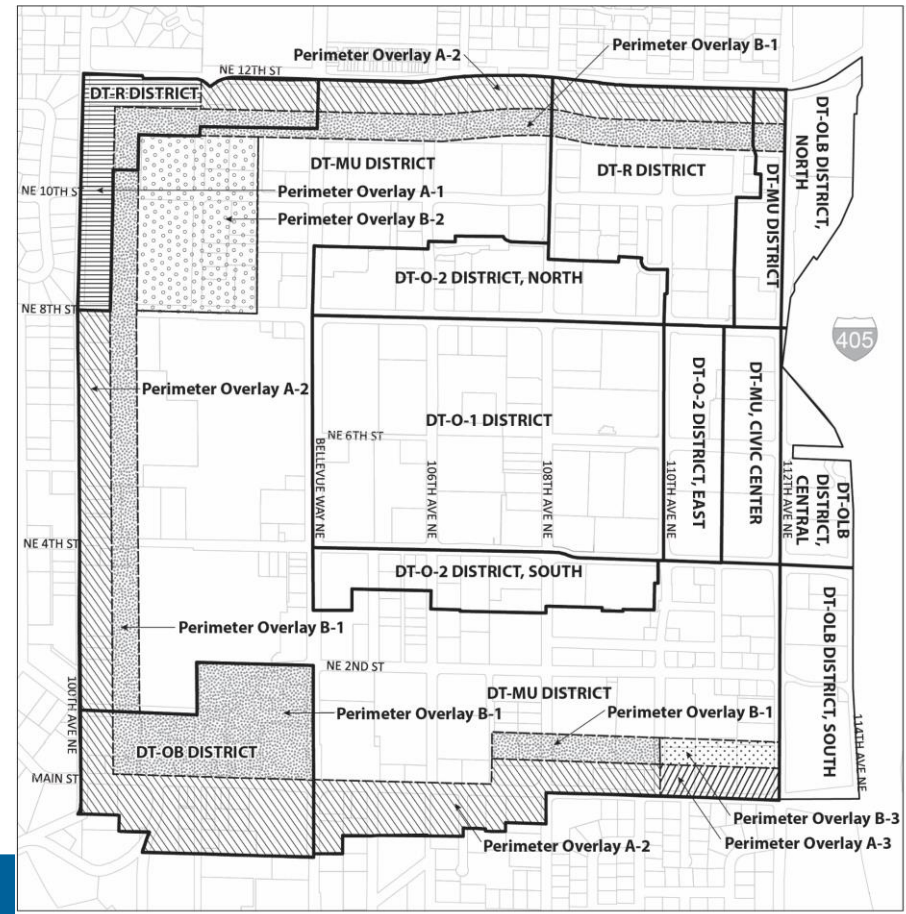


Phase 1 IOC: Tools #2 & #3

Tool #2: Increase Development Flexibility

- **Perimeter Overlay Flexibility** (“unlocked” when AH threshold met):
 - 25’ height increase
 - 15’ stepback reduction
 - 5% lot coverage increase
- **Downtown-wide Flexibility:**
No minimum parking required for Affordable Housing

Tool #3: Perimeter FAR Flexibility



Outreach & Engagement



Applied info from
2020 East Main
Economic Analysis



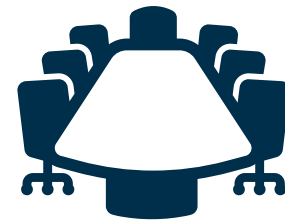
Internal focus group
with Urban Design
SMEs



Eastside Affordable
Housing Coalition
briefings



Chamber PLUSH,
NAOIP & BDA
briefings



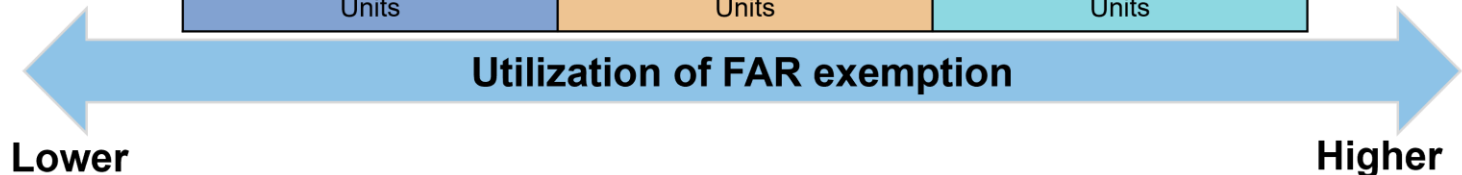
Eastside Housing
Roundtable
conversations



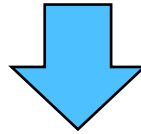
Staff Recommendation & Stakeholder Input

Example project: includes 527 units in Downtown

EAHC	Proposed IOC	Chamber PLUSH
(527 total units)	(527 total units)	(527 total units)
3:1 Market Rate to Affordable SF	4:1 Market Rate to Affordable SF	6:1 Market Rate to Affordable SF
75% 25% Market Rate Affordable	80% 20% Market Rate Affordable	86% 14% Market Rate Affordable
123 Exempt Market Rate Units	131 Exempt Market Rate Units	141 Exempt Market Rate Units
41 Exempt Affordable Units	33 Exempt Affordable Units	23 Exempt Affordable Units



FAR Phase 1 IOC Process



Dec 12	Council Study Session (tonight)	Council Public Hearing (Q2 2023)
Council Initiation	Draft provisions for IOC, includes community and stakeholder input Council input on IOC	Public hearing, Council discussion and adoption of IOC
Ongoing community and stakeholder engagement and input		



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