



Bellevue Planning Commission

June 21, 2023

PLANNING COMMISSION AGENDA ITEM

SUBJECT

Discussion of Preferred Alternative for Comprehensive Plan Periodic Update and Wilburton Vision Implementation to be studied in Final Environmental Impact Statement

STAFF CONTACTS

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POLICY ISSUES

The City is currently conducting an environmental review for the Comprehensive Plan Periodic Update and Wilburton Vision Implementation. The Draft Environmental Impact Statement (DEIS) included a No Action Alternative and three Action Alternatives for the City as a whole and the Wilburton Study Area. The next step in the environmental review process is for Planning Commission to recommend a Preferred Alternative to Council to be studied in the Final Environmental Impact Statement (FEIS). The intent of the EIS process is to ensure environmental values are given appropriate consideration during the Comprehensive Plan update and Wilburton legislative processes and associated environmental impacts have commensurate mitigation. The Preferred Alternative does not need to be the alternative with the lowest environmental impact. It may be one of the alternatives studied in the DEIS or a combination of two or more alternatives. The analysis of the Preferred Alternative in the FEIS and response to public comments received during the DEIS comment period will inform the growth strategy that will ultimately guide the update to the Comprehensive Plan and Wilburton Study Area.

DIRECTION NEEDED FROM THE PLANNING COMMISSION

ACTION

DIRECTION

INFORMATION ONLY

BACKGROUND

The environmental review process for the Comprehensive Plan Periodic Update and Wilburton Vision Implementation includes an Environmental Impact Statement (EIS), comprised of a Draft EIS and Final EIS. The Draft EIS analyzed the environmental impacts of alternative approaches to plan for growth in the City. The DEIS was released on April 27 and included a 45-day comment period that concluded on June 12. Themes from the DEIS comments are discussed in Attachment C.

Planning Commission reviewed the alternatives included in the DEIS on May 10. On June 14, the Commission reviewed additional technical documents, including an economic analysis report and analysis of racially disparate impacts.

The next step in the environmental review process is for Planning Commission to recommend a Preferred Alternative to Council to be studied in the FEIS. Staff recommendations for elements of the Preferred Alternative are included in this memo. The staff recommendations for the Preferred Alternative are based on information in the DEIS and DEIS comments as well as other analysis and community feedback. The FEIS is planned to be released at the end of August 2023 and will inform the growth strategy for the overall Comprehensive Plan Periodic Update and Wilburton Vision Implementation.

Below is the outline of topics for the May and June Planning Commission meetings.

Commission Meeting	Topics	Direction Needed from Planning Commission
May 10	Summary of alternatives studied in the DEIS; summary of state legislation	Information
June 14	Summary of Racially Disparate Impact Analysis & Economic Analysis; Summary of implications of the analyses	Information
June 21	Summary of Public Comment; Discussion of Preferred Alternative	Direction on Preferred Alternative
June 28	Continued Discussion of Preferred Alternative	Recommendation on Preferred Alternative

PREFERRED ALTERNATIVE: ANALYSIS

The alternatives studied in the DEIS are built around a few key concepts. The analysis and recommendation for the Preferred Alternative is described within this framework. The DEIS alternatives use the following geographies as a planning framework:

- 1) **Mixed Use Centers** – These are the major commercial and mixed use areas in Bellevue (BelRed, Crossroads, Downtown, Eastgate, Factoria, and Wilburton-East Main). They are defined by the criteria for King County Countywide Centers, a geographic area used for transportation funding; however, in the context of the Comprehensive Plan Periodic Update, adjacent commercial areas are included as well.
- 2) **Neighborhood Centers** – There are commercial nodes throughout Bellevue that are not attached to a major commercial center such as Lake Hills Shopping Center, Newport Hills Shopping Center among others. Many of these nodes are anchored by a grocery store or gas station.
- 3) **Transit Proximate Areas** – Parcels that are within a quarter mile of a transit stop served by bus, light rail or bus rapid transit (BRT) every 15 minutes between 6 a.m. and 6 p.m. are part of the City’s frequent transit network (FTN) and considered proximate to transit.
- 4) **Areas of High Opportunity** – Places that have good walking or biking access to jobs and commercial activities such as shopping and services are considered areas of high opportunity. These are often residential areas within a quarter mile of Mixed Use Centers and Neighborhood Centers.
- 5) **Low Density Residential** – Areas that are exclusively residential in Bellevue range from a rural density (one housing unit per acre) to pockets of higher density (apartment complexes with around 30 units per acre) within areas of a suburban density (three to five units per acre).

The analysis focuses on the broadest changes to the Comprehensive Plan based on direction from state law, regional requirements and City Council direction and priorities. While there are additional policy measures that can be taken, the analysis in this memo focuses on map and policy changes that would impact the examination of an alternative in the FEIS. The major areas of focus are:

- Equity, Diversity, Inclusion and Belonging
- Environmental Sustainability
- Housing

The analysis is grouped under these three themes, acknowledging the themes are interdependent and overlap exists. These focus areas for the Comprehensive Plan Periodic

Update are driven by state and regional requirements and closely aligned with the vision for the City set by Council.

Equity and Diversity

The City of Bellevue values diversity and equity. The Council vision statement states that “Bellevue welcomes the world. Our diversity is our strength.” A Council Priority is to support an equitable community, “Equity is a core value, and we actively work to build an inclusive community, free from racism, hate or bias.” The Racially Disparate Impact Analysis has shown that Bellevue has not yet achieved its equity goal. The Comprehensive Plan can take steps to support increased equity in the City.

- **Displacement.** The areas where people and businesses are most at risk of displacement are areas with more affordable commercial or residential rents. These tend to be areas with older commercial and multifamily buildings. A strategy to reduce the risk of displacement is to maintain current land use designations in some key locations and focus the density increases around the Mixed Use Centers and Neighborhood Centers.
- **Health risks.** Lower income populations and people of color in Bellevue disproportionately face health risks including reduced access to parks and open space, and degraded air quality that exists next to high-volume roadways. As Bellevue plans equitably for growth, the City can allow for growth in places with access to parks and open space and consider the benefits of increasing development capacity near high frequency transit and job centers along with the benefits of limiting exposure to air pollution.
- **Housing cost.** Housing has become increasingly expensive pricing out longtime residents of Bellevue, preventing Bellevue employees from living near where they work and preventing access for other people who would like to live in Bellevue. Increasing opportunities for development of affordable housing, including opportunities for homeownership, is a high priority for Bellevue residents as the City grows. Strategies for addressing housing cost are to allow for residential development at higher densities in exchange for creation of affordable housing and allowing more smaller, economical housing types like townhomes or duplexes and triplexes to be built near areas of opportunity.

Wilburton Study Area.

- **Displacement.** The Wilburton Study Area has a small number of multifamily housing units in areas of lower displacement risk. Potential displacement of businesses is likely through redevelopment of sites with older buildings containing single-purpose, low-intensity uses. New developments will potentially come with higher commercial rents.

Increased density and opportunity for mixed use development could support additional commercial space affordable to small businesses and entrepreneurs.

- **Health risks.** Portions of the Wilburton Study Area have existing access to major community parks and open spaces, including Wilburton Hill Park, and some portions of the Wilburton Study Area are closer to I-405 and high frequency transit. Strategies include expanding parks and open space opportunities within the Wilburton study area, increasing access to nearby parks and open space as well as focusing housing capacity closer to these areas.
- **Housing cost.** The Wilburton Study Area would allow for primarily high-rise and mid-rise residential development. Strategies for development of affordable housing include allowing for residential development at higher densities in exchange for creation of affordable housing.

Environmental Sustainability

Bellevue is a “City in a Park” and values its abundant open space. A Council priority is to ensure, “everyone has access to activities and amenities.” It is not just the beauty of the natural areas that the City values but also the sustainability of the environment. Another Council Priority is, “reducing our environmental impacts in order to support the health, wellbeing, and resilience of individuals, our community and the region.” The DEIS identified several mitigation measures that can support and enhance the environment as the City grows.

- **Greenhouse gas emissions.** Reducing greenhouse gas emissions will require many strategies. One land use related strategy is to locate new housing and jobs near places with adequate transit service to reduce the reliance on cars. This is most effective when paired with strategies to improve the safety of walking and biking to make it safe and enjoyable to get to and from transit stops and other destinations.

Wilburton Study Area.

- **Greenhouse gas emissions.** Land use changes in the Wilburton study area improve the safety of walking and biking, encourage use of transit and non-motorized modes, and add new housing and jobs near major transit investments. Complementary strategies are part of the Wilburton vision, including sustainable district opportunities that contribute toward tree canopy, natural enhancements, and ecosystem health.

Housing

Housing choice is a major need for people of all incomes across the region but especially for people in low-income households. The first Council Priority is that “housing options abound, with many choices in a range of affordability levels.” Bellevue is planning for 35,000 more units

for a range of households by 2044. There is an opportunity to create new housing options to meet the needs of these new households in areas close to opportunities like transportation and commercial areas. In the statistically valid survey, many current residents said that though they currently live in a single-family residential area far from commercial services, they would like to live in an area with more types of housing and have close access to local shops. This indicates that many people are open to welcoming new neighbors that live in a wider variety of housing types.

The passage of HB 1220 amended the Washington State Growth Management Act (GMA) to require jurisdictions such as Bellevue to:

1. Conduct an inventory and analysis of all housing needs including housing needs by income level, permanently supportive housing, and emergency housing,
2. Identify sufficient capacity of land for housing needs,
3. Make adequate provisions for all housing needs, including documenting barriers to housing availability such as gaps in local funding, etc.
4. Address racially disparate impacts, displacement, exclusion and displacement risk through housing policies and regulations.

The Growth Management Planning Board for King County passed Motion 23-1 in March recommending amendments to the King County Countywide Planning Policies (CPPs) including allocations of future housing need by income level. As shown in the figure below, future housing need for households with incomes at or below 30 percent of the Area Median Income represents just over half (or 52 percent) of Bellevue’s 35,000-unit housing growth target. Per the CPPs, cities must plan for and accommodate their allocated share of countywide housing need. This need includes existing residents who are cost burdened as well as workers in

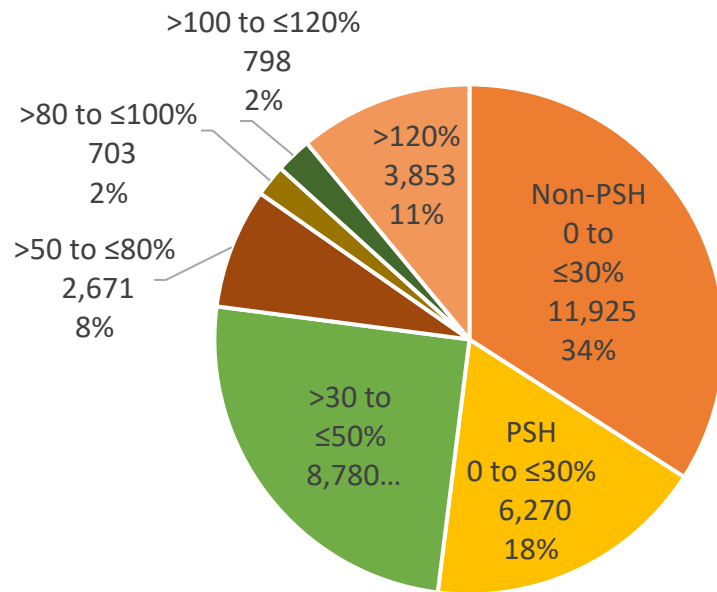


Figure 1. GMPC's Recommendation for Bellevue's Allocated Share of Countywide Future Housing Needs.

Bellevue and others who cannot afford to live within the City.

In addition, with the passage of HB 1110, state law requires cities like Bellevue to allow for up to four housing units per lot (six per lot within one-quarter mile walk of a major transit stop OR when two units are affordable) in a variety of housing types. In addition to single family, residential areas will need to allow at least six other types of housing from this list: duplexes, triplexes, fourplexes, fiveplexes, sixplexes, cottage housing, courtyard apartments, stacked flats, and townhouses. The legislature also passed HB 1337, which will require Bellevue to update its Comprehensive Plan and Land Use Code regulating attached and detached accessory dwelling units. These are other forms of housing that can be used to meet the additional units per lot requirements of HB 1110. Bellevue already has many of the housing types listed in HB 1110, but in just a few areas. Bellevue will incorporate these state requirements into its Preferred Alternative to allow these types of housing to be studied in the FEIS.

There are several measures that the City can take in the Comprehensive Plan Periodic Update to address housing needs.

- **Anti-displacement Strategies.** The DEIS showed that there is a risk of involuntary residential displacement where there is a substantial increase in the development potential of parcels. There are a couple strategies for addressing this. One is to maintain a similar land use on some areas of multifamily in areas of high development interest. Another is to dedicate public land and partner with private businesses to support affordable housing projects in key locations.
- **Housing for Lowest Income Households.** The 2022 Bellevue Housing Needs Assessment demonstrated that the City has a great need for housing for the lowest income households. From a planning perspective, a strategy to address this is to require affordable units in housing developments in Mixed Use Centers and increase incentives across the City to meet housing affordability needs.

Wilburton Study Area. There will be an increase in housing supply and diversity under all Action Alternatives, which includes a mix of high-rise and mid-rise development. The Action Alternatives allow capacity for significant high-rise development, although new high-rise residential would make it unlikely for these units to be affordable unless specific strategies are in place to ensure affordability. Additionally, there are adverse land use compatibility and aesthetic impacts to residential areas east and southeast of the study area associated with higher-density development.

PREFERRED ALTERNATIVE: STAFF RECOMMENDATION

The staff recommended Preferred Alternative is a hybrid which most closely resembles Alternative 3. See Attachment A - Future Land Use Map. The focus of growth will be in

Downtown, BelRed, East Main and the Wilburton Study Area with additional capacity for growth in other Mixed Use Centers. Outside of Mixed Use Centers, staff recommend focusing increasing commercial and residential capacity in the centers of shopping-focused Neighborhood Centers. Staff recommend adding capacity for middle-scale housing like townhomes around Neighborhood Centers and Mixed Use Centers so new residents will be supporting goals heard from many residents of living close to small shopping destinations. Staff recommend focusing increased residential capacity around light rail and bus rapid transit stops rather than all frequent bus service because bus routes are evolving. Staff recommend supporting transitions between residential-only areas and Neighborhood Centers and Mixed Use Centers by gradually decreasing the size and scale of buildings from the edge of the Center out to a quarter mile.

Mixed Use Centers

The overall recommendation for the Mixed Use Centers in the Preferred Alternative most closely resembles Alternative 3. However, the recommendation does vary in some ways to address key findings in the DEIS and other analyses. The staff recommendation for the Mixed Use Centers:

1. Focuses all additional capacity for jobs in the Mixed Use Centers and adjacent commercial areas.
2. Uses a more streamlined land use category approach to identify future land use across all the Mixed Use Centers.
3. Adds housing capacity in Mixed Use Centers in mixed use land use types that favor housing or in higher density housing types.
4. Focuses the highest density housing and commercial space around transit nodes within the Mixed Use Center

Wilburton Study Area. The Wilburton-East Main Mixed Use Center includes the Wilburton Study Area, the area south of Bel-Red Road and west of 126th Place NE in the BelRed Subarea, and areas to the east and southeast of the East Main Light Rail Station south to SE 8th Street. There are no proposed land use changes in East Main. The following staff recommendation is specifically for land use changes in the Wilburton study area.

The staff recommended Preferred Alternative provides for a diversity in land use and building sizes across the Wilburton Study Area that is most similar to Wilburton Study Area DEIS Alternatives 2 and 3 (See Attachment B: Wilburton Topic Sheet). The future land use allows for office, residential, and commercial uses between I-405 and Eastrail; and primarily residential and commercial uses between Eastrail and the eastern edge of the study area. Density is increased throughout the study area, with taller high-rise buildings adjacent to I-405 and the

Grand Connection, stepping down to mid-rise buildings along the east study area edge and around Lake Bellevue. The land use mix and density provide greater connectivity, access to services, and improved amenities for the study area and its surrounding neighborhoods; emphasizes increased housing capacity and diversity that includes high-rise and mid-rise development; and provides a transition in scale responding to Downtown, BelRed, and adjacent residential areas.

Details of the staff recommendation for each Mixed Use Center are in the following sections. The recommendations are in alphabetical order (BelRed, Crossroads, Downtown, Eastgate, Factoria, Wilburton). The recommendations are for the Mixed Use Center and adjacent commercial and mixed use areas.

Recommendation	DEIS Alt.	Equity & Diversity	Environmental Sustainability	Housing
BelRed Mixed Use Center				
Taller mixed use buildings (land use designations ending in “H-2”) within a 10 minute walk of light rail with tallest high rises concentrated around light rail stations	3	<p>😊 More opportunities for affordable housing in high opportunity areas.</p> <p>😞 Affordable units more difficult at high rise scale, yet recalibrated fees in lieu could be put towards other projects to achieve deeper affordability.</p> <p>😞 Will likely lead to involuntary commercial displacement.</p>	<p>😊 Reduced per capita GHG emissions as more people will be able to walk, bike or take transit to work and to meet their daily needs.</p>	<p>😊 Increased capacity for housing, primarily 0 to 2 bedroom housing options.</p>

Recommendation	DEIS Alt.	Equity & Diversity	Environmental Sustainability	Housing
Increased emphasis and allowance of residential use throughout the subarea.	3	😊 More opportunities for affordable housing in a high opportunity area.	😊 Reduced per capita GHG emissions due to improved jobs to housing ratio enabling more people to live near where they work.	😊 Expands supply of primarily 0 to 2 bedroom housing options further.
Crossroads Mixed Use Center				
Taller mixed use buildings (MU-H-1) near Center around Crossroads Mall	2/3	😞 Affordable units more difficult at this scale.	😊 More people able to walk to meet their daily needs.	😊 Expands 0 to 2 bedroom housing options.
Allow more housing at higher densities around center	2/3	😞 Could lead to involuntary residential displacement. 😊 Opportunity for affordable housing incentives or requirements in this type of housing.	😊 More people able to walk to meet daily needs.	😊 Expands housing options, more likely to get larger units in this style of housing.
Retain middle density housing character near edges of the Center	1	😊 Retain naturally occurring affordable housing.	😊 More people able to walk to meet daily needs.	😞 Minimal expansion of housing options.
Downtown Mixed Use Center				
Encourage more residential	1/2/3		😊 More people able to walk to meet daily needs.	😊 Expanded capacity for housing.

Recommendation	DEIS Alt.	Equity & Diversity	Environmental Sustainability	Housing
Eastgate Mixed Use Center				
Create an institutional future land use category	1/2/3	😊 Clarifies the future extent of Bellevue College growth and the land use regulations for it.		
Allow more housing adjacent to the college	3	😞 Could lead to involuntary displacement.	😊 More people able to walk to college or Eastgate Transit Center.	😊 Expand capacity for housing.
Allow mixed use South of I-90, adjacent to future Mountains to Sound Greenway trail	3		😊 More people able to walk to Eastgate Transit Center and use future trail.	😊 Expand capacity for housing.
Office areas to the Northeast of the 148th / I-90 interchange remain	1	😊 Maintains less expensive office space.	😞 Supports continued car-centric land uses.	😞 Minimal expansion of housing options.
Group Eastgate-specific land uses with MU-M designation	2/3	😊 Provides clearer vision of the future and guidance for developers.		
Factoria Mixed Use Center				
Taller mixed use buildings (MU-H-1) near Center around Factoria Mall	2/3	😞 Affordable units more difficult at this scale.	😊 Allows more people to walk to meet their daily needs.	😊 Expands 0 to 2 bedroom housing options.
Taller office buildings (O-H-1) North of Factoria Mall	new	😊 More employment opportunities near housing.	😊 Locates future jobs near frequent transit.	

Recommendation	DEIS Alt.	Equity & Diversity	Environmental Sustainability	Housing
More housing capacity on the East and South sides of the Center	2/3	☹️ Possibility of involuntary displacement.	😊 Allows more people to walk to meet their daily needs.	😊 Expand capacity for housing.
Wilburton Mixed Use Center (map changes to Wilburton Study Area)				
Highrise office-residential (OR-H-3 & OR-H-1) between I-405 and 116th Ave NE	2	😊 More employment and housing opportunities near transit.	😊 More people able to walk to Wilburton Station, Eastrail, Grand Connection, and future amenities.	😊 Expand capacity for housing.
Highrise mixed use between 116th Ave NE & Eastrail	3	😊 More employment and housing opportunities near transit. ☹️ Affordable units more difficult at this scale.	😊 More people able to walk to Wilburton Station, Eastrail, Grand Connection, and future amenities.	😊 Expand capacity for housing 😊 Scale of high-rise provides transition toward neighborhoods to north, east, and southeast.
Highrise residential-commercial (RC-H-1) at Grand Connection terminus & south of Spring District	2	😊 More housing diversity and commercial options near existing residential areas. ☹️ Affordable units more difficult at this scale.	😊 Future amenities in this area walkable and bikeable from adjacent neighborhoods.	😊 Expand capacity for housing. 😊 Scale of high-rise provides transition toward neighborhoods to north, east, and southeast.

Recommendation	DEIS Alt.	Equity & Diversity	Environmental Sustainability	Housing
Midrise residential-commercial (RC-M) along east and southeast edge of the study area	1/2	<p>☺ More housing diversity and commercial options near existing residential areas.</p> <p>☺ Mid-rise residential conducive to affordable housing.</p>	<p>☺ Future amenities in this area walkable and bikeable from adjacent neighborhoods.</p>	<p>☺ Expand capacity for housing.</p> <p>☺ Mid-rise housing provides transition in scale to residential areas.</p>
Midrise residential-commercial (RC-M) around Lake Bellevue	3	<p>☺ Aligns with vision for redevelopment to activate area around Lake Bellevue.</p> <p>☺ More housing diversity and options near Wilburton Station and Spring District.</p>	<p>☺ Aligns with vision for natural enhancement opportunities around Lake Bellevue.</p>	<p>☺ Expand capacity for housing.</p>

Neighborhood Centers

Neighborhood Centers are small commercial areas separate from the major commercial uses in the Mixed Use Centers. These areas serve their local neighborhood, although some draw customers from a larger area. Based on the Economic Analysis, staff identified five types of Neighborhood Centers.

- Local Shopping Centers (BelEast S.C., Lake Hills Village, Lakemont S.C., Newport Hills S.C., Northtowne S.C.)
- Regional Shopping Centers (Kelsey Creek S.C., Eastgate Plaza)
- Weigh Stations (8th & 140th, 8th & 148th, Bellevue Way)
- Office Centers (Yarrowood, PineView)
- Undefined (Bellevue Technology Center Area)

The overall recommendation for Neighborhood Centers is closest to Alternative 3 but staff recommend treating the different types of centers differently. Staff recommend increasing density in the centers of local and regional shopping centers, maintaining a similar density in Weigh Station type centers but allowing infill housing, and not changing the land uses in the Office Centers. The area around Bellevue Technology Center is recommended to respond to the proximity to the Overlake light rail station by allowing for higher density mixed use to the north of Bellevue Technology Center and maintaining lower density uses on the Bellevue Technology Center site to preserve the park-like setting that is an amenity for so many neighbors.

Recommendation	DEIS Alt.	Equity & Diversity	Environmental Sustainability	Housing
Local & Regional Shopping Centers				
Allow higher density mixed use (MU-M) in the center of the shopping centers	new	😊 There is opportunity to incentivize affordable housing at this scale of development.	😊 Allows more people to walk to meet their daily needs.	😊 Expands capacity for housing.
Allow a mix of uses in lower density commercial areas	2/3	😊 Opportunity for middle scale housing like townhomes.	😊 Allows more people to walk to meet their daily needs.	😞 Limited capacity for additional housing in most places.
Weigh Stations				
Allow a mix of uses in these centers	2/3	😊 Opportunity for middle scale housing like townhomes.	😊 Allows more people to walk to meet their daily needs.	😞 Limited capacity for additional housing in most places.
Office Centers				
Leave land use unchanged	0/1	😊 Preserves the most affordable commercial space in the City and reduces risk of displacement.	😞 Maintains a car-centric land use pattern.	😞 No opportunities to add housing.

Undefined Center				
Allow higher densities (MU-M) and a mix of uses North of BTC	3	😊 There is opportunity to incentivize affordable housing at this scale of development.	😊 Allows more people to access the Overlake Light Rail Stop.	😊 Expands capacity for housing.
Allow a mix of uses on the BTC site	2/3		😊 Cluster development could preserve the current open space.	😊 Expands capacity for housing.

Transit Proximate Areas

Transit proximate areas are areas within a quarter mile of transit service that stops at least every 15 minutes between 6am and 6pm. The overall recommendation for Transit Proximate areas is closest to Alternative 1. However, Staff recommend focusing density around light rail and bus rapid transit stops and frequent transit stops that are integrated with other amenities and resources. These transit stops often coincide with Mixed Use Centers and Neighborhood Centers.

Recommendation	DEIS Alt.	Equity & Diversity	Environmental Sustainability	Housing
Use TOD land use types like mixed use and first-floor active uses near light rail and BRT stops	1/2/3	😞 May lead to involuntary residential and business displacement in some places.	😊 Allows more people to walk to meet their daily needs.	😊 Expands capacity for housing.
Do not change housing capacity solely because of proximity to other frequent transit stops	0/1	😊 Focuses additional housing capacity in places with many opportunities		

Areas of High Opportunity

Areas of high opportunity are places in the City that are close to jobs, retail and restaurants, transit and other amenities. The staff recommendation is most closely aligned with Alternative 3, but the areas have been amended to respond to walking distances and focus on both Mixed Use and Neighborhood Centers.

Recommendation	DEIS Alt.	Equity & Diversity	Environmental Sustainability	Housing
Allow higher density housing (R-Low) in areas that are within a quarter-mile walking distance of Mixed Use and Neighborhood Centers	3	<p>☹️ May lead to involuntary residential displacement in some places.</p> <p>😊 May lead to more affordable housing types.</p>	😊 Allows more people to walk to meet their daily needs.	😊 Expands capacity for middle housing styles.

Low Density Residential

Areas outside of the geographic categories above are primarily low density residential – suburban style development of one house per lot or rural style large lot development, although there are some multifamily housing types outside of the above geographies as well. The staff recommendation is most similar to Alternative 0 or 1. Staff recommends these areas maintain their current land use designations. It is important to note, however, that these areas would be subject to the requirements of HB 1110. With the passage of HB 1110, state law requires cities like Bellevue to change local comprehensive plans and development codes to allow up to four housing units per lot (six per lot within one-quarter mile walk of a major transit stop OR when two units are affordable) in a variety of housing types.

Recommendation	DEIS Alt.	Equity & Diversity	Environmental Sustainability	Housing
Change land use designations consistent with HB 1110 but no other changes to land uses in areas outside of the geographic areas above	0/1	⊗ May lead to more expensive housing types in these areas.	⊗ Maintains the car-centric land use patterns in these areas.	☺ Expands capacity for middle housing styles.

Affordable Housing

At the end of 2022, the City of Bellevue completed a Housing Needs Assessment to identify existing and future housing needs that would serve as the foundation for policy recommendations. The assessment revealed Bellevue’s declining housing affordability and lack of choice for diverse housing types within Bellevue’s housing stock. It noted that housing production has not kept pace with employment growth in Bellevue, leading to an increasing supply shortage, which drives up housing prices and rents throughout the City. In addition to a shortage of housing, the assessment identified gaps in housing type, size and location. It noted Bellevue’s current housing stock is not aligned well with its population in terms of unit size. Most (61 percent) households in Bellevue are comprised of one or two persons. However, most housing units in the City are built for larger households: more than half (52 percent) of all units have three or more bedrooms. This misalignment constrains the supply of certain types of housing more than others.

A shortage of housing exists not only within the city of Bellevue but also within King County and as documented in the Puget Sound Regional Council’s Regional Housing Needs Assessment presented to the Commission in January, a shortage of housing exists within the central Puget Sound region as a whole. The city of Bellevue’s housing target of 35,000 housing units was drawn from King County’s share of regional growth, and while the City’s aim has been to improve its jobs housing balance by maintaining a 2 to 1 ratio of job to housing growth¹, the deficit of housing within the county’s growth allocation remains.

¹ Regionally 1.3 jobs exist per house. This ratio is considered roughly balanced, even though as PSRC has noted, housing production within the region has not kept pace with job growth. Bellevue’s jobs to housing ratio was 2.14 in 2019 reflecting the high concentration of jobs within the City. With a 2 to 1 jobs to housing growth target, Bellevue aims to improve the City’s overall jobs housing balance.

As the region grows, an increasing number of households will not find housing options they can afford in King County, and households at the lowest income levels will face the biggest challenge. Recognizing this need, as well as requirements from state law which requires jurisdictions to provide housing at all income levels, CPP's were amended to reflect local need. Using a different approach Bellevue's Housing Needs Assessment also estimated the number of housing units needed to serve people living in Bellevue, working in Bellevue, and people living in King County who may want to live in Bellevue. Similar to the CPPs, it identified the largest gap in affordable housing was for households with incomes between 0 and 30 percent of area median income. However, the proportion of need in that category was smaller than the share identified in the CPPs. Estimates of need from the two approaches are shown below in Figure 2.

With the high demand and subsequent high cost of housing in Bellevue, robust affordable housing programs are needed to ensure Bellevue meets its affordable housing regional need as well as address the gap identified in the 2022 Housing Needs Assessment and also provide housing for households at every income level to align with state law and CPPs. Allowing a diversity of housing types within neighborhoods will demonstrate Bellevue's commitment toward being a welcoming and inclusive City and will open opportunities for people who work within the City to live here, thereby reducing GHG emissions.

Significant increases in allowed density in Bellevue's growth corridors will provide another opportunity for developing affordable housing and meeting the City's affordable housing needs.

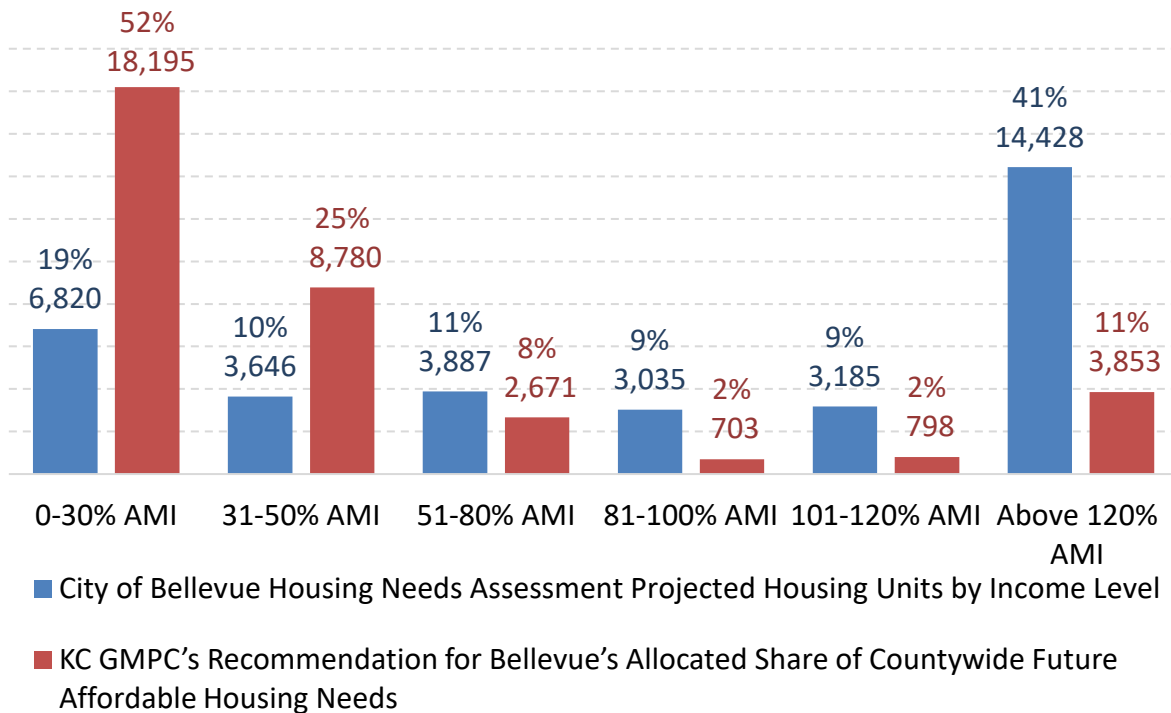


Figure 2. Comparison of Housing Needs Projection and Allocation

The Preferred Alternative includes a mandatory inclusionary zoning requirement for affordable housing alongside additional capacity in Mixed Use Centers and increased incentives elsewhere to meet housing affordability needs. It also incorporates increased residential floor area ratio (FAR) within mixed-use areas. This will be analyzed in the FEIS. Policies to increase sources of funding will also be considered to ensure Bellevue is able to reach deeper levels of affordability, where the need is greatest.

ATTACHMENTS

- A. Future Land Use Map
- B. Wilburton Topic Sheet
- C. Themes of Public Comments on the DEIS