



DATE: October 23, 2024

TO: Chair Goeppele and Members of the Planning Commission

FROM: Nick Whipple, Code and Policy Director, 452-4578
Mathieu Menard, Senior Planner, 452-5264
Development Services Department

SUBJECT: Public Hearing on a proposed Land Use Code Amendment (LUCA) encouraging the redevelopment of existing buildings into residential uses, consistent with House Bill (HB) 1042. File No. 24-123266 AD

I. BACKGROUND

In 2023, the Washington State Legislature passed HB 1042 (Bill) requiring that cities amend their codes to encourage the interior redevelopment of existing commercial or mixed-use buildings into residential development and encourage the redevelopment of existing residential buildings at a higher density. The required code changes will apply to all buildings over three years old in mixed-use and commercial land use districts that permit multifamily housing.

II. PROPOSED LUCA

The proposed LUCA will apply to all buildings which received a final Certificate of Occupancy more than three years ago in mixed-use and commercial land use districts that allow multifamily housing. To encourage the redevelopment of existing buildings, the proposed LUCA allows:

- Horizontal expansion of the building to accommodate incidental features required to accommodate residential uses, of no more than the 5% of the existing floor area.
- An additional story of building height of no more than 20 feet to allow residential uses or amenity spaces for use by the residents of the building.
- Exemption from all dimensional standards required by the Land Use District the building is located in.
- Exemption from multifamily play area requirements.
- Exemption from ground floor use requirements, except along "A" rights-of-way in the Downtown Special District.
- No additional parking beyond the existing parking shall be required for residential uses. Additional parking can be required for nonresidential uses.
- Exemption from non-conforming requirements.

- Requirement to provide one solid waste and one recycling collection area. The Director of Development Services shall determine the size and screening of these areas.

A complete strike-draft of the proposed LUCA is included as Attachment A.

III. REVIEW PROCESS

City Council initiated and requested that the Planning Commission process this LUCA on July 16, 2024.

On September 25, the proposed Existing Building Redevelopment LUCA was introduced to the Planning Commission for review and discussion. After discussion, the Planning Commission directed staff to schedule the required public hearing for October 23. Following the public hearing on October 23, the Planning Commission will be asked to make a recommendation for transmittal to the City Council for final action.

IV. STATE ENVIRONMENTAL POLICY ACT (SEPA)

The Bill categorically exempts all code amendments associated with the Bill from SEPA review.

V. PUBLIC ENGAGEMENT

Required Public Notice

The notice required for City Council Legislative Actions (Process IV) is governed by LUC 20.35.415 through 20.35.450. Notice of the LUCA application and public hearing which included a link to the City webpage, staff contact information, and Planning Commission public hearing date, time, and location, and how to make public comment was published in the Weekly Permit Bulletin on October 10, 2024, and availability of the Weekly Permit Bulletin was noticed in the Seattle Times.

Department of Commerce Notice

Pursuant to the Washington State Growth Management Act, proposed amendments to the LUC must be sent to the Washington State Department of Commerce to review and comment on the proposed amendments to the LUC. The required notice to the Department of Commerce and the initial draft LUCA were transmitted on October 7, 2024, and a copy of both documents is available for review in the code amendment file. No comments have been received by Commerce as of the date of this report.

Enhanced Public Engagement

In addition to the requirements of LUC 20.35.415 *es seq* for the City Council Legislative Actions under Process IV, staff has spoken to architects and development teams who have redeveloped existing buildings in the region or are looking to redevelop existing buildings in Bellevue.

Public Comments

As of the date of this staff report, no public comment has been received.

VI. DECISION CRITERIA

LUC 20.30J.135 establishes the decision criteria for an application to amend the text of the Land Use Code. Those criteria, and the relationship of these proposed amendments to them, are discussed below:

A. The amendment is consistent with the Comprehensive Plan; and

Finding: The proposed LUCA is consistent with the Comprehensive Plan. The LUCA serves to encourage housing opportunity within the mixed-use land use districts in the City. The LUCA also encourages residential growth in proximity to jobs, shopping, services, and frequent transit.

- **Comprehensive Plan Policy LU-3.** Prioritize the redevelopment of under-developed land over vacant land, open space and environmentally sensitive areas.
- **Comprehensive Plan Policy LU-10.** Work toward a land use pattern that makes it possible for people to live closer to where they work regardless of household income.
- **Comprehensive Plan Policy HO-13.** Provide incentives to encourage residential development for a wide range of household types and income levels in mixed use areas throughout the city.
- **Comprehensive Plan Policy HO-14.** Ensure there are zoning ordinances and building policies in place that allow and encourage an increase in the housing supply attainable to households along the full range of income levels.
- **Comprehensive Plan Policy HO-18.** Promote housing density, choice and affordability in areas served by the frequent transit network, businesses serving the community's day-to-day needs and significant nodes of employment.
- **Comprehensive Plan Policy HO-22.** Allow innovative housing types and demonstration projects that could serve as a model for new housing choices currently not being built in Bellevue.
- **Comprehensive Plan Policy HO-25.** Promote climate-friendly housing that minimizes energy and resource use throughout the construction and life of the structure, and that is adaptable to a changing climate, including heat, flooding, air pollution and wildfire events.

- B. The amendment enhances the public health, safety or welfare; and

Finding: This LUCA will enhance the public health, safety, and welfare by promoting additional housing in the City, promoting the reuse and revitalization of underutilized buildings, and promoting resource conservation through adaptive reuse of existing buildings.

- C. The amendment is not contrary to the best interest of the citizens and property owners of the City of Bellevue.

Finding: This LUCA is not contrary to the best interests of citizens and property owners as it will benefit residents by promoting additional housing in the mixed use areas of the City.

VII. RECOMMENDATION

Staff has concluded that the Existing Building Redevelopment LUCA, as drafted in Attachment D, is consistent with the decision criteria required for adoption of amendments to the text of the LUC, pursuant to Part 20.30J LUC. Staff recommends that the Planning Commission direct staff to prepare the LUCA for recommendation to Council.

ATTACHMENT:

- A. Proposed LUCA Strike-Draft