

June 6, 2016

CITY COUNCIL STUDY SESSION ITEM

SUBJECT

Ordinance proposing to amend Land Use Code Section 20.25D.080 of the Bellevue City Code to provide for an increase in available floor area when affordable housing is provided through a fee-in-lieu or negotiated in return for affordable housing that is provided on-site.

STAFF CONTACT

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POLICY ISSUES

Should the City amend Land Use Code Section 20.25D.080 of the Bellevue City Code to provide for an increase in available floor area in return for affordable housing as unanimously recommended by the Planning Commission to take advantage of the opportunity presented by Aegis Living to pay a fee-in-lieu?

DIRECTION NEEDED FROM COUNCIL

☐ Action
☒ Discussion
☒ Information

This study session is scheduled to review and discuss the Planning Commission's recommended Land Use Code (LUC) amendments to respond to the Aegis Living Request. Final action on this ordinance is scheduled for June 20, 2016.

BACKGROUND

On December 14, 2015, representatives of Aegis Living came before the Council in Oral Communications with a request to initiate and expedite a LUCA that would affect their property in the BR-MO District. The representatives presented specific LUCA language that would allow the maximum floor area dedicated to "assisted living" use in the BelRed Medical Office District (BR-MO) to exceed the base FAR of 1.0 up to a maximum FAR of 2.0, subject to provision of a fee-in-lieu affordable housing incentive.

The City Council discussed the merits of undertaking a code amendment to achieve the objectives of the Aegis Living proposal on February 1 and February 22, 2016. On February 22, the Council initiated a narrowly tailored LUCA to enable increased density in multifamily districts city-wide for assisted living where combined with on-site or fee-in-lieu provision of affordable housing, and forwarded the LUCA to the Planning Commission for a public hearing and recommendation.

The Planning Commission held a public hearing and study session on the Council directed code amendment on April 27, 2016. An additional study session on the final ordinance and transmittal was held on May 11, 2016. During the formulation of the recommended ordinance, the Planning Commission concluded that it would be premature to recommend a City-wide approach in response to

the Aegis Living request before the Affordable Housing Strategy had been completed by the Technical Advisory Group (TAG).

With this transmittal, the Planning Commission recommends by a unanimous vote (7 Planning Commission members in support) that the City Council:

- Approve the Land Use Code Amendment (LUCA) to expand the floor area exception to assisted living uses in the Bel-Red Medical Office Land Use District when affordable housing is provided.

The Planning Commission also recommends by a unanimous vote that the City Council:

- Direct staff to include consideration of an expanded floor area exception in the Eastgate, Downtown Livability, and BelRed Lookback initiatives as a tool to achieve the City's affordable housing objectives.
- Forward a request to the Technical Advisory Group for the Affordable Housing Strategy to explore available techniques, and to recommend strategies for, the Planning Commission to pursue affordable housing opportunities, for seniors, in Bellevue, that include an assisted living care component.
- Earmark funds for addressing the demand for senior-focused special needs housing in Bellevue.

The Planning Commission transmittal is included in Attachment A to this Study Session memorandum. The Planning Commission transmittal describes the recommended amendment in greater detail, provides an overview of the public review process, and responds to the amendment decision criteria. The Planning Commission recommended ordinance is included in Attachment B to this Study Session memorandum.

ALTERNATIVES

1. Direct staff to prepare the Aegis Living Code Amendment recommended by the Planning Commission for Council approval at a future meeting (Attachment B).
2. Reject the Aegis Living Code Amendment and provide staff with alternative direction.

RECOMMENDATION

Alternative 1.

ATTACHMENT(S)

Attachment A: Planning Commission Transmittal Dated May 11, 2016

Attachment B: Draft Ordinance