

CITY COUNCIL REGULAR SESSION

Ordinance imposing an Interim Official Control setting reduced minimum parking standards in the Land Use Code for certain housing developments located near frequent transit service; providing for severability and vesting; and establishing an effective date.

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EXECUTIVE SUMMARY

The Interim Official Control is intended to quickly respond to and mitigate the affordable housing crisis by amending the Land Use Code (LUC) to set reduced minimum parking standards for certain housing developments located near frequent transit service. Because this is an interim official control, a public hearing will be required within 60 days of the enactment of this Ordinance in order for the reduced minimum parking standards to remain in effect. Permanent regulations will be prepared during the effective period of this Ordinance.

RECOMMENDATION

Move to adopt Ordinance No. 6513.

BACKGROUND/ANALYSIS

The proposed Interim Official Control addresses housing affordability and availability in Bellevue, in direct response to the City's Affordable Housing Strategy (AHS) adopted in 2017 and COVID-19 emergency, and conforms the LUC minimum parking standards to RCW 36.70A.620 by the June 11, 2020 effective date of SHB 2343. Specifically, the Interim Official Control sets reduced minimum parking standards for certain housing developments located near frequent transit service. The recommended reduced parking standards included in the Interim Official Control are the same as those currently in place within the City for transit-oriented Land Use Districts such as Eastgate and BelRed. Locations in the City near frequent transit service are shown in Attachment A.

Affordable Housing Strategy

The City Council memorialized its commitment to creating affordable housing opportunities in Bellevue with the adoption of the Affordable Housing Strategy (AHS) in 2017. This vision recognized that there is an affordable housing crisis in the City due to the growing unavailability of affordable housing stock. The AHS created a list of specific recommendations to increase the supply of affordable housing and to reduce barriers associated with costs and processes that hinder the construction of affordable housing.

The proposed Interim Official Control aligns with the AHS by lowering costs to building affordable housing (Policy C-5) and through the reduction in parking requirements for apartments around light-rail stations (Policy B-1). These LUC amendments are also consistent with Comprehensive Plan Policy LU-1 to "direct most of the City's growth to the Downtown regional growth center and to other areas designated for compact, mixed use development served by a full range of transportation options" and

with the Transportation Master Plan recommendation to support transit use through design regulations (Transit Strategy 7).

COVID-19 Emergency

The COVID-19 emergency and the economic consequences resulting from this public health emergency has exacerbated the affordable housing crisis in the City and the region. Governor Inslee's Stay Home – Stay Healthy Order (the "Order"), imposed on March 25 and extended on several occasions, prohibits all people in Washington State from leaving their homes and prohibits non-essential businesses from conducting business, including non-essential construction. The Order carves out activities related to housing for economically disadvantaged or otherwise needy individuals.

Although in recent days, there has been a "turning of the dial" to allow for some construction activities to resume, the effect of the Order is that the creation of housing units has been stalled or, at best, delayed. As described in the AHS, overall availability of housing units and housing stock greatly affects the supply of housing available to economically disadvantaged, needy, or homeless individuals. Likewise, within the City and throughout the region, affordable housing development projects are often combined with market rate housing projects so that the developer can realize an economically viable project while simultaneously providing the public benefits associated with the development of affordable housing. The extremely high unemployment rate resulting from the COVID-19 emergency will most likely also increase the demand for affordable housing opportunities within the City and throughout the region. Thus, even though housing for the most vulnerable populations, including affordable housing, is deemed essential, the COVID-19 emergency has intensified the affordable housing crisis in the City.

The Interim Official Control reduces development costs and provides greater predictability with respect to the City's parking requirements for housing near frequent transit and transit corridors. Such cost efficiencies and predictability serve to encourage housing developments in Bellevue, thereby increasing the housing stock available within the City, encouraging the construction of affordable housing around light-rail stations and transit stops, and mitigating the stagnant or delayed housing construction due to the COVID-19 emergency.

RCW 36.70A.620

On March 27, 2020, SHB 2343, concerning urban housing supply, was enacted to amend certain requirements for cities planning under the Growth Management Act. In part, SHB 2343 amends RCW 36.70A.620 to place a maximum ratio that cities can impose for required minimum parking for housing units near frequent transit service. The effective date of SHB 2343 is June 11, 2020, and this Interim Official Control is necessary to conform the LUC to state law by this date.

The amended RCW mandates that when housing units have frequent transit service, the "minimum residential parking requirements may be no greater than one parking space per bedroom or .75 space per unit" for affordable housing units and market rate multifamily housing units. Additionally, the RCW amendment mandates parking may only be required for staff and visitors for housing units for seniors or persons with disabilities. "Frequent transit service" is defined as within one-quarter of a mile of a transit stop that provides service at least two times per hour for 12 or more hours per day for affordable housing units; and at least four times per hour for 12 or more hours per day for market rate multifamily housing units and housing units for seniors or people with disabilities.

Currently, the parking requirements in the LUC do not conform to these RCW requirements. Thus, adoption of this Interim Official Control is necessary for timely conformance of the LUC to RCW 36.70A.620.

Interim Official Control

The current LUC provides for varying minimum parking requirements per Land Use District. For example, some Land Use Districts provide for as low as zero spaces per unit to 1.2 spaces per studio unit, as shown in Attachment B, and some Land Use Districts allow deviation from parking requirements only through a parking study.

The proposed Interim Official Control amends the LUC to set reduced minimum parking standards for certain housing developments when located near frequent transit service, as defined by RCW 36.70A.620, as follows:

- 0.75 parking space per unit for affordable housing and market rate multifamily housing;
- parking for employees and guests only at housing for seniors and people with disabilities; or
- any minimum parking standards below the above.

The recommended reduction to 0.75 parking space per unit for affordable housing and market rate housing is the same minimum parking standard as for transit-oriented Land Use Districts such as Eastgate and BelRed. For housing for seniors and people with disabilities, the recommended LUC amendments add a clarifying note that the existing minimum parking standards apply to staff and visitors, with allowance for further reduced parking spaces for developments meeting certain criteria. For all of these housing units, this Interim Official Control maintains any existing minimum parking standards that are currently below the amended requirements. These amendments are shown in strike-draft in Attachment C.

Importantly, the proposed Interim Official Control sets a ceiling for the minimum required parking, but it does not mean that a residential development near frequent transit service cannot provide more parking than these standards. An applicant may still choose to provide additional parking beyond the minimum required parking standard based on market conditions.

In addition, the Ordinance will provide for vesting to the Interim Official Control for complete land use applications on the date of submission of the complete application. This vesting provision only applies to land use applications in review and/or submitted during the period that this Interim Official Control is in effect. Because this is an interim official control, this vesting provision will provide necessary predictability for projects that are in the planning stages.

Notice and a public hearing are not necessary prior to adoption of an interim official control, to allow for the regulations to be put in place quickly. However, a public hearing must be held within 60 days of adoption. In addition, the Growth Management Act, RCW 36.70A.390, states that this Interim Official Control may be effective for six months, and if necessary, may be renewed for one or more six month periods if a subsequent public hearing is held and findings of fact are made prior to each successive renewal.

POLICY & FISCAL IMPACTS

Policy Impact

This Interim Official Control is intended to quickly respond to and mitigate the affordable housing crisis in the City and throughout the region by amending the LUC to set reduced minimum parking standards for certain housing developments located near frequent transit service. The amendment to the LUC advances the AHS and other City policies, addresses the COVID-19 emergency, and timely conforms the LUC to the recently amended RCW 36.70A.620.

Because this is an interim official control, a public hearing will be required within 60 days of the enactment of this Ordinance in order to remain in effect. Permanent regulations will be prepared during the effective period of this Ordinance.

Fiscal Impact

There is no fiscal impact associated with implementing these changes.

OPTIONS

1. Adopt the Ordinance imposing an Interim Official Control setting reduced minimum parking standards in the Land Use Code for certain housing developments located near frequent transit service; providing for severability and vesting; and establishing an effective date.
2. Do not adopt the Ordinance and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

- A. Map of Locations of Housing Development Qualified for Reduced Minimum Parking Standards
- B. Current LUC Minimum Parking Provisions
- C. Strike-draft of the Interim Official Control
Proposed Ordinance No. 6513

AVAILABLE IN COUNCIL LIBRARY

N/A