# STAFF REPORT

DATE: June 18, 2020

TO: Mayor Robinson and Members of the City Council

FROM: Mike Brennan, Director, 452-4113

Trisna Tanus, Consulting Attorney, 452-2970 Eric Engmann, Senior Planner, 452-4241 **Development Services Department** 

**SUBJECT**: Public Hearing on Ordinance No. 6513 imposing an Interim Official Control setting reduced minimum parking standards in the Land Use Code (LUC) for certain housing developments located near frequent transit service; providing for severability and vesting; and establishing an effective date.

On May 18, the City Council adopted an Interim Official Control Ordinance amending sections of the LUC related to minimum parking requirements for housing developments near frequent transit service. A copy of Ordinance No. 6513 is provided as Attachment A. On July 6, the City Council will be holding a public hearing on the Interim Official Control and seeking public comment on whether the ordinance should be adopted as a permanent amendment to the LUC.

### I. BACKGROUND

The 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 the current COVID-19 emergency, and conforms the LUC minimum parking standards to RCW 36.70A.620 by the June 11, 2020 effective date of Washington State Substitute House Bill (SHB) 2343.

Prior to the Interim Official Control, the LUC provided for varying minimum parking requirements per the subject Land Use District in which the housing development was located. The prior LUC requirements did not consider the subject site's proximity to frequent transit service. The Interim Official Control reduced minimum parking standards for certain housing developments located near frequent transit service.

Frequent transit service in the Interim Official Control is defined consistent with RCW 36.70A.620, or "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." Locations in the City near frequent transit service are shown in Attachment B.

The 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, 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.

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 and parking demand.

In addition, the Ordinance provides 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 these are interim measures, this vesting provision will provide necessary predictability for projects that are in the planning stages.

### II. REVIEW PROCESS

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.

The adoption of the Interim Official Control provides a near-term solution to the Council-stated interests and current conditions. The public hearing scheduled for July 6 is necessary for the Interim Official Control to remain in place. While Council initiated the permanent amendments when it adopted the Interim Official Control, following the public hearing, staff will be seeking further direction from Council on the processing of the permanent regulations, and if there are additional feedback for the preparation of these regulations.

### III. PUBLIC ENGAGEMENT

### Required Public Notice

The notice required for City Council Legislative Actions is governed by the terms of LUC sections 20.35.415 through 20.35.450. Notice of the Public Hearing scheduled for July 6, and availability of this staff report, was published in the Weekly Permit Bulletin on June 18, 2020, and in the Seattle Times on June 22, 2020. Both notices were also provided to members of the EBCC, and others who have subscribed to receive these notices or previously provided written comments on the Interim Official Control.

### Department of Commerce Notice

Pursuant to the Washington State Growth Management Act, proposed amendments to the Land Use Code must be sent to the Washington State Department of Commerce. A copy of the required transmittal to the Department of Commerce, including a copy of the proposed

amendments, was transmitted on June 18, 2020, and is available for review in the code amendment file.

### IV. 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 amendment to them, are discussed below:

### A. The amendment is consistent with the Comprehensive Plan: and

**Finding:** The City of Bellevue has adopted several policies that support reduced parking minimums for certain housing developments located near frequent transit service:

Comprehensive Plan Policy H-17: Evaluate the housing cost and supply implications of proposed regulations and procedures.

Comprehensive Plan Policy LU-1: 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.

Comprehensive Plan Policy L-3: *Promote a land use pattern and an integrated multimodal transportation system.* 

Comprehensive Plan Policy L-6: Encourage new residential development to achieve a substantial portion of the maximum density allowed on the net buildable acreage.

Comprehensive Plan Policy L-15: Provide, through land use regulation, the potential for a broad range of housing choices to meet the changing needs of the community.

Comprehensive Plan Policy T-1: Provide, through land use regulation, the potential for a broad range of housing choices to meet the changing needs of the community.

Comprehensive Plan Policy T-7: Ensure that land use changes near high capacity transit stations are consistent with the Comprehensive Plan, recognizing that:

- 1. Transit may support more intense development around some stations; and
- 2. Transit supportive design and orientation may be implemented without changes to land use intensity.

Comprehensive Plan Policy H-17: Evaluate the housing cost and supply implications of proposed regulations and procedures.

When Council adopted the Interim Official Control on May 18, Council again expressed a strong interest to encourage housing development, including affordable housing. The Interim Official Control supports many interconnected Comprehensive Plan policies related to land use, housing, and transportation. The Interim Official Control encourages

housing development to occur near frequent transit by reducing cost and constructability barriers, as well as provides opportunities for increased transit ridership.

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

**Finding:** The amendment will enhance the public health, safety and welfare of people by encouraging housing developments in the City. The amendment 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 increase the housing stock availability within the City, and fostering 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.

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

**Finding:** The amendment is not contrary to the interests of citizens and property owners as it will assist in creating more housing developments in the City. The amendment addresses housing affordability and availability in Bellevue, in direct response to AHS and the COVID-19 emergency, as well as to timely conform the LUC to state requirements.

### V. STATE ENVIRONMENTAL POLICY ACT

The Environmental Coordinator for the City of Bellevue has determined that this Interim Official Control amending the text of the Land Use Code is Categorically Exempt from the Threshold Determination requirements of the State Environmental Policy Act pursuant to the terms of WAC 197-11-800(19).

### VI. RECOMMENDATION

The City Council adopted Ordinance No. 6513 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. Staff has concluded that the Interim Official Control is consistent with the decision criteria required for adoption of amendments to the text of the LUC, pursuant to Part 20.30J LUC, and could be adopted as a permanent amendment to the LUC.

### **ATTACHMENTS**

Attachment A – Ordinance No. 6513

Attachment B – Frequent Transit Service Map

# ORDINANCE NO. 6513

AN 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.

WHEREAS, the City of Bellevue adopted the Affordable Housing Strategy (AHS) in 2017 in recognition of the affordable housing crisis in the City and has committed to implementing specific recommendations to increase the supply of affordable housing in the City; and

WHEREAS, AHS Policy C-5 recommends lowering the costs to building affordable housing in order to produce more affordable housing units and deepen the level of affordability with measures such as reduced parking requirements; and

WHEREAS, AHS Policy D-1 recommends revising City codes and processes to reduce costs for building multi-family housing; and

WHEREAS, 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; and

WHEREAS, as described in the AHS, overall availability of housing units, housing stock, and housing opportunities greatly affects the housing that economically disadvantaged, needy, or homeless individuals can acquire; and

WHEREAS, on February 29, 2020, Governor Inslee signed a Proclamation declaring a State of Emergency exists in all counties in the State of Washington due to the worldwide outbreak of the novel coronavirus (COVID-19) and the effects of its extreme risk of person-to-person transmission, which significantly impacts the life and health of Washington's people, as well as the local, state, and national economy; and

WHEREAS, on March 3, 2020, the Mayor of the City of Bellevue, pursuant to the authority granted by Bellevue City Code (BCC) 9.22.010, proclaimed that a civil emergency exists within the City of Bellevue due to the outbreak of COVID-19; and

WHEREAS, on March 23, 2020, Governor Inslee imposed a Stay Home – Stay Healthy Order throughout Washington State prohibiting all people in Washington State from leaving their homes, with few exceptions; and

WHEREAS, on March 25, 2020, the Governor issued guidance indicating that his Stay Home – Stay Healthy Order in general prohibited commercial and residential construction because construction was not considered an essential activity under that Order, while providing that activities related to housing for economically disadvantaged or otherwise needy individuals could continue; and

WHEREAS, the Governor has extended the duration of his Stay Home – Stay Healthy Order until at least 11:59 p.m. on May 31, 2020, while allowing some construction activities to resume; and

WHEREAS, as a result of COVID-19 state of emergency and the Governor's Stay Home – Stay Healthy Order, the construction and creation of housing units in the City has been stalled or delayed, which has intensified the affordable housing crisis within the City; and

WHEREAS, the extremely high unemployment rate resulting from the COVID-19 state of emergency will most likely increase the demand for affordable housing opportunities within the City and throughout the region; and

WHEREAS, the COVID-19 emergency and the economic consequences resulting from this public health emergency has exacerbated the affordable housing crisis in the City and throughout the region; and

WHEREAS, in March 2020 and in order to increase urban housing supply in the state, the Washington State Legislature enacted SHB 2343, codified as RCW 36.70A.620; and

WHEREAS, SHB 2343 becomes effective on June 11, 2020 and requires cities like Bellevue to impose minimum residential parking requirements for specific residential uses that are located within one-quarter mile of a transit stop and receive a minimum amount of transit service per hour; and

WHEREAS, the Washington State Legislature, in enacting SHB 2343, recognized that providing parking spaces in an urban setting reduced the affordability of housing units and, potentially, the ability to include more housing units in a residential development; and

WHEREAS, the Washington State Legislature, in enacting SHB 2343, also recognized that access and close proximity of residential units to frequent transit service reduced the number of parking spaces needed for those units; and

WHEREAS, the City Council has expressed a desire to quickly respond to and mitigate the affordable housing crisis pursuant to the AHS and to provide, through an Interim Official Control, consistency between the Land Use Code and the State legislative changes that will go into effect on June 11, 2020; and

WHEREAS, the Interim Official Control will reduce development costs and provide greater predictability with respect to the City's parking requirements for housing near frequent transit and transit corridors; and

WHEREAS, the Interim Official Control will 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 COVID-19 emergency; and

WHEREAS, while the Interim Official Control is in place, the City Council is interested in developing permanent regulations that will support its vision and interest in encouraging affordable housing developments in Bellevue consistent with the AHS; and

WHEREAS, the Environmental Coordinator for the City of Bellevue has determined that this text amendment to the Land Use Code would be Categorically Exempt from the Threshold Determination requirements of the State Environmental Policy Act pursuant to the terms of WAC 197-11-800(19); and

WHEREAS, the City Council adopts the foregoing as its findings of fact justifying adoption of this Ordinance; now, therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. <u>Imposition of Interim Official Control</u>. An interim official control is hereby imposed to amend section 20.20.590.F.1 of the Bellevue Land Use Code to add a new reference to subsection L, to add a new citation to note 3 to listing m — Residential and listing p — Senior housing, and to add a new note 3, to read as follows:

1. Specified Uses. Subject to subsections G, H, and L of this section, the property owner shall provide at least the minimum and may provide no more than the maximum number of parking stalls as indicated below:

	Use	Minimum Number of Parking Spaces Required	Maximum Number of Parking Spaces Allowed
9998			
m.	Residential (3):		

	Use	Minimum Number of Parking Spaces Required	Maximum Number of Parking Spaces Allowed
	Single-family detached	2:unit	No max.
	Multiple unit structure:		
	One-bedroom or studio unit	1.2:unit	No max.
	Two-bedroom unit	1.6:unit	No max.
	Three or more bedroom unit	1.8:unit	No max.
10000			
p.	Senior housing (3):		
	Nursing home	0.33:bed	1:bed
	Congregate care senior housing	0.5:unit	1.5:unit
	Senior citizen dwelling	0.8:unit	1.5:unit
3444			

nsf = net square feet (See LUC 20.50.036).

# Notes: Minimum/Maximum Parking by Use:

(3) See LUC 20.20.590.L for affordable housing, market rate multifamily dwellings, and senior housing minimum parking standards when these residential uses are located near frequent transit service.

Section 2. <u>Imposition of Interim Official Control</u>. An interim official control is hereby imposed to amend section 20.20.590 of the Bellevue Land Use Code to add a new section L as follows:

# L. Minimum Parking for Residential Uses near Frequent Transit Service.

- 1. Applicability.
  - a. Affordable Housing. The minimum parking standards shall apply to Affordable Housing when this residential use is located within one-quarter mile of a transit stop that receives transit service at least two times per hour for twelve or more hours per day.

- b. Market Rate Multifamily Dwelling and Senior Housing. The minimum parking standards shall apply to Market Rate Multifamily Dwelling and Senior Housing when these residential uses are located within one-quarter mile of a transit stop that receives transit service at least four times per hour for twelve or more hours per day.
- c. Where other sections in the Land Use Code provide for lower minimum parking standards for the specified uses in this section, the lower standards shall apply.

### 2. Standards.

Use	Minimum Number of Parking Spaces Required		
a. Affordable Housing	0.75:unit		
b. Market Rate Multifamily	0.75:unit		
Dwelling			
c. Senior Housing	0:bed or unit (1)		

(1) Parking shall be required only for staff and visitors per the existing senior housing use standards of the specific land use district. The Director of the Development Services Department may consider the criteria in LUC 20.20.590.F.2.a – c to establish alternative parking requirements for staff and visitors.

Section 3. Imposition of Interim Official Control. An interim official control is hereby imposed to amend section 20.25A.080.B of the Bellevue Land Use Code to add a new reference to subsection L, to add a new citation to note 7 to listing k – Residential and listing o – Senior housing, and to add a new note 7, to read as follows:

B. Minimum/Maximum Parking Requirement by Use – Specified Uses.
This subsection supersedes LUC 20.20.590.F.1. Subject to LUC 20.20.590.G, H, and L, the property owner shall provide at least the minimum and may provide no more than the maximum number of parking stalls as indicated below unless modified pursuant to applicable departure allowances contained in this section:

### **Downtown Parking Requirements**

		Downtown Land Use Districts				
Land Use	Unit of Measure	f Measure			-MU, -OB, -OLB	
				Min.	Max.	
222						
k. Residential (6)	per unit	0	2.0	1.0 (5)(7)	2.0	
o. Senior Housing (7): Nursing Home Senior Citizen Dwelling or Congregate Care	per patient bed per living unit	0.4	0.8 1.0	0.4 0.33	0.8 1.0	

nsf = net square feet (see LUC 20.50.036)

### **Notes to Parking Requirements:**

(7) See LUC 20.20.590.L for affordable housing, market rate multifamily dwelling, and senior housing minimum parking standards when these residential uses are located near frequent transit service.

Section 4. <u>Imposition of Interim Official Control</u>. An interim official control is hereby imposed to amend section 20.25D.120.A.1 to add a new reference to subsection L as follows:

1. General. The provisions of LUC 20.20.590.C, E, G, H, I, K, and L apply to development in the BR Land Use Districts in addition to the provisions contained in this section.

Section 5. <u>Imposition of Interim Official Control</u>. An interim official control is hereby imposed to amend Table 20.25D.120.B.2 – Parking Standards for BelRed of the Bellevue Land Use Code to add a new citation to note 8 to listing g – Residential, to listing k – Senior housing: Nursing home, and to listing I - Senior housing: Senior citizen dwelling or congregate care; and to add a new note 8, to read as follows:

Table 20.25D.120.B.2. Parking Standards for BelRed (6) (7)

		OI		MO-1, OR-1, OR-2, RC-1, RC-2, RC-3		MO, OR, RC, CR, GC, R, ORT	
Use		Unit of Measure	Min.	Max.	Min.	Мах.	
•••							
g.	Residential (5)	Per unit	0.75	2.0	1.0 (8)	2.0	
***			***				
k.	Senior housing: Nursing home (8)	Per patient bed	0.25	0.75	0.25	1.0	
l <u>.</u>	Senior housing: Senior citizen dwelling or congregate care (8)	Per living unit	0.25	1.0	0.5	1.25	
***							

### Notes applicable to parking standards for BelRed (Chart 20.25D.120.B.2):

(8) See LUC 20.20.590.L for affordable housing, market rate multifamily dwelling, senior housing minimum parking standards when these residential uses are located near frequent transit service.

Section 6. <u>Imposition of Interim Official Control</u>. An interim official control is hereby imposed to amend section 20.25P.080.A.1 of the Bellevue Land Use Code to add a new reference to subsection L as follows:

1. General. The provisions of LUC 20.20.590.C, E, G, H, I, K, and L apply to development in the EGTOD Land Use District in addition to the provisions contained in this section.

Section 7. Imposition of Interim Official Control. An interim official control is hereby imposed to amend Chart 20.25P.080.B.2 – Parking Standards for Eastgate Transit Oriented of the Bellevue Land Use Code to add a new citation to note 8 to listing k – Senior housing: Nursing home and listing I - Senior housing: Senior citizen dwelling or congregate care, and to add a new note 8, to read as follows:

# Chart 20.25P.080.B.2 Parking Standards for Eastgate Transit Oriented

Development Land Use District (6) (7)

		EG-TOD	
Use	Unit of Measure	Min.	Max.
Senior housing: Nursing home (8)	Per patient bed	0.25	0.75
Senior housing: Senior citizen dwelling or congregate care (8)	Per living unit	0.25	1.0
	Senior housing: Nursing home (8) Senior housing: Senior citizen	Senior housing: Nursing home (8) Per patient bed Senior housing: Senior citizen Per living unit	Use Unit of Measure Min.  Senior housing: Nursing home (8) Per patient bed 0.25  Senior housing: Senior citizen Per living unit 0.25

### Notes applicable to parking standards for EG-TOD (Chart 20.25P.080.B.2):

(8) See LUC 20.20.590.L for minimum parking standards when senior housing is located near frequent transit service.

Section 7. <u>Imposition of Interim Official Control</u>. An interim official control is hereby imposed to amend section 20.50.046 of the Bellevue Land Use Code to add a new Senior Housing definition as follows:

Senior Housing. See Senior Citizen Dwelling.

Section 8. Vesting of Land Use Applications Submitted or Currently in Review While this Interim Official Control Is in Effect. Applications deemed complete under the provisions of the Land Use Code that are submitted or are currently under review while this Interim Official Control is in effect shall be reviewed under this Interim Official Control. The vested status of land use applications and approvals shall otherwise follow the terms of LUC 20.40.500.B.

Section 9. <u>Public Hearing</u>. Pursuant to RCW 36.70A.390, the City Council shall hold a public hearing on this Interim Official Control within sixty (60) days of its adoption, so as to hear and consider public comment and testimony regarding this Interim Official Control. Following such hearing, the City Council may adopt additional findings of fact and may extend the Interim Official Control for a period up to an additional six (6) months.

Section 10. <u>Duration and Scope of Interim Official Control</u>. Pursuant to and consistent with RCW 36.70A.390, this Interim Official Control shall be in effect for a period of six months. This Interim Official Control 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 renewal.

Section 11. <u>Severability</u>. If any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance is declared unconstitutional or invalid for any

reason, such decision shall not affect the validity of the remaining parts of this Ordinance.

Section 12. <u>Effective Date</u>. This Ordinance shall take effect and be in force five (5) days after adoption and legal publication.

Section 13. <u>Findings of Fact</u>. The findings contained in this Ordinance are hereby adopted as Findings of Fact to justify adoption of this Interim Official Control.

Pass	ed by the City Coun	cil this $184^{\kappa}$ day o	of MAY	, 2020 and
signed in at	thentication of its pa	assage this 18th	day of MAY	7/1
2020.	O PORASE			
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	1953 WASHINGTON		<	
	MV	Lynne	e Robinson, Mayo	or

Approved as to form:

Kathryn L. Gerla, City Attorney

Matthew McFarland, Assistant City Attorney

Charmaine Arredondo, City Clerk

Published: 5/31/30

# **Transit Stop Frequency**

Attachment B



Weekday Trips per Hour, 7am-7pm

