City of Bellevue

STAFF REPORT

DATE: February 24, 2021

TO: Chair Moolgavkar and Members of the Planning Commission

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Development Services Department

SUBJECT: Public Hearing on a Land Use Code Amendment (LUCA) to establish lower minimum parking requirements in the Land Use Code (LUC) for certain residential developments with frequent transit service. File No. 20-110291-AD.

I. BACKGROUND

The proposed LUCA will amend chapters 20.20, 20.25A, 20.25D, 20.25P and 20.50 to establish lower minimum residential parking requirements in areas with frequent transit service, consistent with State regulations and previous Council direction. A strike-draft of the proposed LUCA is provided as Attachment A.

The proposed LUCA is in response to RCW 36.70A.620, RCW 36.70A.698, the City's 2017 Affordable Housing Strategy (AHS), and the City's 2014 Transit Master Plan. RCW 36.70A.620 limited minimum parking requirements cities can impose on certain residential developments with frequent transit service, including affordable housing, market rate multifamily housing, and housing for seniors and people with disabilities. RCW 36.70A.698 limited minimum parking requirements cities can impose on new accessory dwelling units with frequent transit service.

The cost to build parking is a significant cost driver in residential development. This cost impacts rent and home sale price levels. The proposed LUCA supports the City's goal to reduce the cost of building housing generally, including affordable housing (AHS C-5). With its focus on areas with frequent transit service, the LUCA also supports the City's goal to use development regulations in Bellevue's activity centers to support transit use (Transit Master Plan Strategy 7). In addition, the proposed LUCA supports the City's goal to revise codes to reduce costs and process time for building multifamily housing (AHS D-1).

II. REVIEW PROCESS

The content of the LUCA was divided into six topics for review. In the January 13 Study Session, the proposed LUCA was introduced to the Planning Commission. In addition, the Planning Commission reviewed and discussed Topics 1 and 2. In the January 27 Study Session, the Planning Commission reviewed and discussed Topics 3 through 6. After discussion, the Planning Commission directed staff to schedule the required public hearing for February 24.

Following the public hearing on February 24, the Planning Commission will be asked to make a recommendation for transmittal to the City Council. The City Council is anticipated to consider

the LUCA and the Planning Commission Recommendation at a future meeting. The EBCC will be introduced to the LUCA at a courtesy public hearing, and will hold a public hearing to make an approval/disapproval decision, consistent with procedural requirements for this legislative item.

III. 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, including notice of the SEPA, was published in the Weekly Permit Bulletin on December 10, 2020, and availability of the Weekly Permit Bulletin was noticed in the Seattle Times. Notice of the Public Hearing was published in the Weekly Permit Bulletin on February 4, along with availability of this staff report. The notice of public hearing was also provided to members of the EBCC and those individuals who have subscribed to receive these notices and those who have expressed interest on this topic.

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 February 2, 2021, 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 Notice

In addition to the requirements of LUC 20.35.415 *et seq* for City Council Legislative Actions, staff has provided enhanced public outreach for this LUCA to include an online presence. A webpage was launched for this LUCA to provide opportunity for the public to learn about the LUCA, with sections on public information messages regarding the LUCA progression, and staff contact information to submit written comments.

Public Comments

As of the date of this staff report, staff has received numerous comments, including 58 emails commenting on the previous Interim Official Control and draft LUCA. Most comments were supportive of the proposed changes. Some comments expressed concerns of transit ridership impacts due to COVID and that transit service is not frequent enough to justify reduced parking; general opposition to increased affordable housing; and concerns about overflow parking impacts and increased street parking.

IV. DECISION CRITERIA

LUC 20.30J.135 establishes the decision criteria for an application to amend the text of the LUC. 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 amendment will limit unnecessary development costs, removing potential barriers to achieving maximum zoned development potential in Bellevue's multifamily growth centers. The amendment will expand opportunities to build housing for transit riders in areas with the best access to transit, without changing underlying land uses. The amendment offers additional flexibility for permanent affordable housing. The proposed code amendment is supported by the following Comprehensive Plan policies:

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.

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

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

Policy LU-28.3. Ensure that transit-oriented land use and development is responsive to the type of transit facilities and services provided and the context of surrounding area.

Policy HO-7. Encourage the development of affordable housing through incentives and other tools consistent with state-enabling legislation.

Policy HO-17. Evaluate the housing cost and supply implications of proposed regulations and procedures.

Policy HO-26. Provide incentives and work in partnership with not-for-profit and for-profit developers and agencies to build permanent low- and moderate-income housing.

Policy TR-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; 2. Transit supportive design and orientation may be implemented without changes to land use intensity; and 3. Land use plan map changes would be precluded in existing single family designations and environmentally sensitive areas.

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 preventing excess development costs, thereby limiting avoidable impacts to rents and home sale prices. As excessive parking requirements can limit the number of units that are feasible on a site, the amendment will help remove barriers to producing enough housing to meet demand. The amendment will support development in areas with good access to transit, which can support retaining or even expanding transit availability by increasing ridership. Transit-oriented development helps make it possible for households to live with fewer cars, which provides significant environmental benefits.

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 of the City as it will remove barriers to development in the City's growth centers, ensuring that the City can accommodate its growth needs as planned.

V. RECOMMENDATION

Staff has concluded that the Reduced Minimum Residential Parking LUCA to establish lower minimum parking requirements for certain residential developments with frequent transit service, as drafted in Attachment A, 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.

ATTACHMENTS:

A. Proposed LUCA Strike-Draft