





DATE: August 2, 2021

TO: Mayor Robinson and Members of the City Council

FROM: Mike Brennan, Director, 452-4113 Trisna Tanus, Consulting Attorney, 452-2970 Caleb Miller, Senior Planner, 452-4574 *Development Services Department* 

**SUBJECT**: Public Hearing on Ordinance No. 6586 imposing an Interim Official Control (IOC) to amend sections 20.20.120, 20.20.700, and 20.50.020 of the Land Use Code (LUC) to remove limitations on the number of unrelated persons that may occupy a dwelling unit, and amend LUC 20.50.044 and LUC 20.50.046 for clarification and consistency; providing for severability; and establishing an effective date.

On July 12, the City Council adopted Ordinance No. 6586 (Attachment A). On August 2, the City Council will hold the required public hearing on this IOC Ordinance and seek public comment.

### I. BACKGROUND

The IOC is in direct response to the Washington State Legislature's enactment of Senate Bill (SB) 5235, which was signed into law in May and will become effective on July 25. The new state legislation effectively prohibits cities in Washington from imposing limitations on, or otherwise regulating, the number of occupants within a dwelling unit, except for health-and safety-related limits such as building and fire codes.

Prior to the adoption of the IOC, the definition of "Family" in LUC 20.50.020 capped the number of unrelated adults within a single family dwelling unit to no more than four (4). There was no limitation on the number of related adults. This limit of four unrelated adults was inconsistent SB 5235. Further, some residential uses also had their own occupancy limits; namely, Accessory Dwelling Units (ADUs) were limited based on the definition of "Family," and Rooming Houses had a maximum of five renters occupying the home at any one time.

The IOC Ordinance amended the following LUC sections:

1. <u>LUC 20.20.120.A.3</u>: Strike this subsection to remove the occupancy limits for properties with ADUs;

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- 2. <u>LUC 20.20.700.A.2</u>: Remove the limitation on the number of occupants in Rooming Houses. The limitation on the number of rooms being rented (four rooms maximum) would remain;
- 3. <u>LUC 20.50.020</u>: Amend the definition of "Family" to remove any occupancy limits;
- 4. <u>LUC 20.50.044</u>: Amend the definition of "Rooming House" for consistency with SB 5235; and
- 5. <u>LUC 20.50.046</u>: Amend the definition of "Single Housekeeping Unit" to remove single lease requirements for rented properties and provide clarity regarding City regulation of transient lodging.

### II. REVIEW PROCESS

Notice and a public hearing are not necessary prior to adoption of an IOC, 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 IOC 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 this IOC brings the City into immediate compliance with provides a nearterm solution to the inconsistencies between state law, as required by SB 5235. The public hearing scheduled for August 2 is necessary for this IOC to remain in place.

### 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 August 2, and availability of this staff report, was published in the Weekly Permit Bulletin on July 15, 2021, and in the Seattle Times on July 19, 2021. 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 Interim Official Control – 21-111195-AD Page 3 of 4

amendments, was transmitted on July 13, 2021, 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 amendments to them, are discussed below:

### A. <u>The amendment is consistent with the Comprehensive Plan; and</u>

**Finding:** The City of Bellevue Comprehensive Plan contains many references to housing affordability and expanding opportunities for individuals to find housing in Bellevue. This IOC promotes the ability of people to share housing costs with as many people as they wish and can safely reside in a single dwelling. Thus, this IOC is in support of the Comprehensive Plan's goals and policies related to housing affordability.

B. <u>The amendment enhances the public health, safety or welfare; and</u>

**Finding:** The IOC will enhance the public health, safety, and welfare by creating new opportunities for people to afford their homes. Removing limits on occupancy in residential dwellings will allow people to more easily share housing costs in Bellevue, thereby promoting housing affordability.

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

**Finding:** The IOC is not contrary to the interests of citizens and property owners because the IOC amendments keep in place health- and safety-regulations. Further, residential development is still subject to density and dimensional standards that ensure compatible land uses, including preventing from encroachments into environmentally critical areas and protecting lower-density neighborhoods. Therefore, the IOC expands housing opportunities while also keeping in place important regulations to protect the interests of citizens and property owners in the City of Bellevue.

### 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. 6586 imposing an IOC to amend LUC 20.20.120, 20.20.700, and 20.50.020 to remove limitations on the number of unrelated persons that may occupy a dwelling unit. Staff has concluded that the IOC 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 for the City Council to hold the required public hearing for the IOC Ordinance, pursuant to RCW 36.70A.390, as well as initiating development and processing of permanent Land Use Code Amendment (LUCA) during the effective period of this IOC.

### ATTACHMENTS

Attachment A – Ordinance No. 6586

#### CITY OF BELLEVUE, WASHINGTON

#### ORDINANCE NO. 6586

AN ORDINANCE imposing an interim official control to amend sections 20.20.120, 20.20.700, and 20.50.020 of the Land Use Code (LUC) to remove limitations on the number of unrelated persons that may occupy a dwelling unit, and amend LUC 20.50.044 and LUC 20.50.046 for clarification and consistency; providing for severability; and establishing an effective date.

WHEREAS, in 2021, the Washington State Legislature passed Senate Bill (SB) 5235, prohibiting cities like Bellevue from imposing limits on the number of unrelated persons that may occupy a dwelling unit; and

WHEREAS, the Washington State Legislature, in passing SB 5235, found that local regulations, such as occupancy limits for dwelling units, act as arbitrary barriers and restrictions that limit affordable housing opportunities; and

WHEREAS, SB 5235 will amend chapter 35A.21 RCW and become effective on July 25, 2021; and

WHEREAS, the City of Bellevue currently limits the number of unrelated persons that may occupy a dwelling unit to a "Family," which is defined in LUC 20.50.020 as a maximum of four (4) unrelated adults and is, therefore, inconsistent with the requirements of SB 5235; and

WHEREAS, the City of Bellevue currently limits the number of unrelated persons that may occupy both the primary residence and an Accessory Dwelling Unit in LUC 20.20.120 to the number provided in the definition of "Family," which is also inconsistent with the requirements of SB 5235; and

WHEREAS, the City of Bellevue currently limits the number of persons that may occupy a Rooming House to no more than five (5) individuals at any given time in LUC 20.20.700, which is also inconsistent with the requirements of SB 5235; and

WHEREAS, the City of Bellevue has recognized the need for more affordable housing options in the City with the adoption of the 2017 Affordable Housing Strategy (AHS); and

WHEREAS, Strategy A of the 2017 Affordable Housing Strategy promotes programs and regulations that stabilize housing expenses for Bellevue residents; and

WHEREAS, Bellevue residents may choose to reduce housing costs by sharing housing and attendant housing expenses with unrelated persons; 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 July 25, 2021; and

WHEREAS, these Interim Official Controls are designed to bring the City of Bellevue into immediate compliance with state law, as required by SB 5235, with respect to local regulation of occupancy limits for dwelling units; and

WHEREAS, while the Interim Official Controls are in place, the City will draft permanent regulations to ensure compliance with SB 5235, and the permanent regulations will be reviewed and considered by the City Council and any other relevant boards or commissions as needed; 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 20.20.120.A of the Bellevue Land Use Code to read as follows:

#### 20.20.120 Accessory dwelling units.

### A. General.

One accessory dwelling unit is permitted as subordinate to a single-family dwelling provided the following criteria are met:

- 1. Accessory dwelling units may not be subdivided or otherwise segregated in ownership from the primary residence structure;
- 2. Either the primary residence or the accessory dwelling unit must be occupied by an owner of the property that meets the definition of owner occupancy in LUC 20.50.038;
- 3. The accessory dwelling unit shall contain not less than 300 square feet and not more than 800 square feet, excluding any related garage area; provided, if the accessory unit is completely located on a single floor, the Director may allow increased size in order to efficiently use all floor area, so long as all other standards set forth in this section are met;
- 4. The square footage of the accessory dwelling unit, excluding any garage area, shall not exceed 40 percent of the total square footage of the primary residence and accessory dwelling unit combined, excluding any garage area;

- 5. There shall be one off-street parking space provided for the accessory dwelling unit, which is in addition to any off-street spaces required for the primary residence;
- 6. The construction of a second entry door facing a street front for entrance into an accessory unit is prohibited; new entrances not facing a street front are permitted on the sides and rear of a house, or on the front side of a house facing a street where no other entry door exists; provided, that existing single-family structures with two or more entry doors facing a street shall not be prohibited from using one of those doors to access the accessory unit; and
- 7. The accessory dwelling unit shall meet all technical code standards, BCC Title 23, including building, electrical, fire, and plumbing code requirements.

Section 2. <u>Imposition of Interim Official Control</u>. An interim official control is hereby imposed to amend section 20.20.700.A.2 of the Bellevue Land Use Code to read as follows:

2. The rooming house shall offer no more than four rooms for rent at any one time; and

Section 3. <u>Imposition of Interim Official Control</u>. An interim official control is hereby imposed to amend the definition of "Family" in section 20.50.020 of the Bellevue Land Use Code to read as follows:

**Family.** One or more persons, either related or unrelated, living together as a single housekeeping unit.

Section 4. <u>Imposition of Interim Official Control</u>. An interim official control is hereby imposed to amend the definition of "Rooming House" in section 20.50.044 of the Bellevue Land Use Code to read as follows:

**Rooming House.** A non-owner-occupied dwelling in which rooms are rented on an individual room basis. (Refer to LUC 20.20.700 for general development requirements applicable to Rooming House uses.)

Section 5. <u>Imposition of Interim Official Control</u>. An interim official control is hereby imposed to amend the definition of "Single Housekeeping Unit" in section 20.50.046 of the Bellevue Land Use Code to read as follows:

**Single Housekeeping Unit.** One household where all the members have common access to and common use of all living, kitchen, and eating areas within the dwelling unit, and household activities and responsibilities such as meals, chores, expenses and maintenance of the premises are shared or carried out according to a household plan or other customary method. Persons occupying a dwelling unit as Transient Lodging shall

not be considered a Single Housekeeping Unit, except as permitted in Bed and Breakfast and Boarding House uses.

Section 6. <u>Duration and Scope of Interim Official Control</u>. Pursuant to RCW 36.70A.390, this Interim Official Control is recommended to 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 7. <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. The City Council may adopt additional six (6) months. The City Council may adopt additional six (6) month extensions after any required public hearing, pursuant to RCW 36.70A.390.

Section 8. <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 9. <u>Effective Date</u>. This Ordinance shall take effect and be in force five (5) days after adoption and legal publication.

Section 10. <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.

Passed by the City Council this  $13^{\text{h}}$  day of  $3^{\text{UU}}$ , 2021 and signed in authentication of its passage this  $13^{\text{h}}$  day of  $3^{\text{UU}}$ , 2021.

(SEAL)

OF BEILFUE SEAL

Lynne Robinson, Mayor

Approved as to form: Kathryn L. Gerla, City Attorney

Matthew McFarland, Assistant City Attorney

Attest Charmaine Arredondo, City Clerk 5 Published: