CITY OF BELLEVUE BELLEVUE PLANNING COMMISSION STUDY SESSION MINUTES

September 22, 2021 6:30 p.m.

Bellevue City Hall Virtual Meeting

COMMISSIONERS PRESENT:

Chair Malakoutian, Vice Chair Ferris, Commissioners

Bhargava, Moolgavkar, Morisseau

COMMISSIONERS ABSENT:

Commissioner Brown

STAFF PRESENT:

Thara Johnson, Department of Community Development; Kristina Gallant, Trisna Tanus, Caleb Miller, Department of Development Services; Matt McFarland, City Attorney's

Office

COUNCIL LIAISON:

Councilmember Barksdale

GUEST SPEAKERS:

None

RECORDING SECRETARY:

Gerry Lindsay

1. CALL TO ORDER

(6:30 p.m.)

The meeting was called to order at 6:30 p.m. by Chair Malakoutian who presided.

Chair Malakoutian stated that the meeting was being held remotely via zoom in order to comply with the Governor's emergency order concerning the Open Public Meetings Act, which prohibits in-person meetings.

2. ROLL CALL (6:31 p.m.)

Upon the call of the roll, all Commissioners were present with the exception of Commissioner Brown who was excused.

3. APPROVAL OF AGENDA (6:31 p.m.)

A motion to approve the agenda was made by <u>Vice Chair Ferris</u>. The motion was seconded by Commissioner Moolgavkar and the motion carried unanimously.

4. REPORTS OF CITY COUNCIL, BOARDS AND COMMISSIONS (6:32 p.m.)

Councilmember Barksdale informed the Commission that the East Main LUCA was before the City Council on September 13; the specific focus was on height and affordable housing. The Department of Development Services also provided an update regarding projects that are in the pipeline. On September 20 the Council was given an update by ARCH on their budget and work

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5. STAFF REPORTS (6:33 p.m.)

A. Planning Commission Meeting Schedule

Comprehensive Planning Manager Thara Johnson took a few minutes to review the Commission's schedule of upcoming meeting dates and agenda items.

Ms. Johnson also noted that she had sent to the Commissioners an email about an upcoming virtual training session regarding the Open Public Meetings Act. She stressed that the training is required every four years.

6. ORAL AND WRITTEN COMMUNICATIONS

A. Oral Communications (6:37 p.m.)

Mr. Steve Kasner, 1015 145th Place SE, voiced his appreciation for the Commissioners participating in the public process of crafting what needs to be done for the city. He commented, however, that the Council has made the job of the Commission much harder by looking at the overall Affordable Housing Strategy one piece at a time. He asked the Commissioners to go back to the Council and indicate the neighborhoods are upset primarily because the city is so far behind on the subarea planning process. Instead of doing silos on the Affordable Housing Strategy, the city should be doing neighborhood planning from the neighborhood level up. There are many who are concerned about houses going into their neighborhoods that are totally out of scale in terms of the surrounding houses, and that is a function of the fact that the city is not working with the neighborhoods on short- and long-term visions. A major update of the Comprehensive Plan is coming up soon and the city still has not finalized neighborhood names because of the fallacy that it is necessary to wait until the subarea plans are done.

B. Written Communications (6:43 p.m.)

Ms. Johnson said all written communications received by the time the packet was prepared were included for the Commissioners to review. She noted that there were comments received included one from the Eastside Transportation Association related to the transportation CPA that was before the Commission in July; and two additional written communications. She also provided the Commissioners with an additional memo received just prior to the meeting from the East Bellevue Community Council relating to the C-1 LUCA.

7. PUBLIC HEARING

A. Land Use Code Amendment (LUCA) to Establish a Density Bonus and Additional Modifications to Other Standards and Requirements in the Land Use Code (LUC) for Affordable Housing Developments on Certain Public, Non-Profit or Religious-owned Properties

(6:45 p.m.)

A motion to open the public hearing was made by Commissioner Goeppele. The motion was

seconded by Commissioner Ferris and the motion carried unanimously.

Senior planner Kristina Gallant said there are three objectives for the proposed LUCA: 1) to conform with new provisions of state law RCW 35A.63.300; 2) to support the recommendations from the 2017 Affordable Housing Strategy, Action C-1; and 3) to implement Policies HO-33 and HO-34 of the Comprehensive Plan Housing Element.

Senior planner Kristina Gallant addressed the eligibility criteria. She stated that in order for a project to be eligible for the proposed new density bonus, all of the units in the project must be affordable up to 80 percent of area median income, and the income restriction must remain for the life of the project. Only properties owned by religious organizations are eligible in single family land use districts. For properties in districts that allow multifamily housing, eligibility is tied to ownership by religious organizations, non-profits and public entities. No properties owned by Bellevue Parks, Community Development or any public utility are eligible. Additionally, the bonus density would not be allowed in Downtown, BelRed or Eastgate where there are established affordable housing density bonuses.

Ms. Gallant said the city has an existing 15 percent density bonus for mixed-income developments. That bonus will be retained. The proposed 50 percent bonus for affordable housing projects is the largest by-right bonus that is feasible with the underlying zoning. The bonus will not require additional review for projects eligible based on the criteria. Should the underlying zoning change, the density bonus would continue to apply.

The proposed LUCA offers additional flexibility scaled with the density bonus beyond increasing the density limits to make sure it is physically feasible to accommodate the additional units. Specifically, the LUCA proposes flexibility for minimum lot area and maximum lot surface coverage. There are also additional modifications that apply more broadly across districts to allow for an additional story in multifamily and non-residential districts; increasing the maximum compact parking usage; expanding the use of tandem parking stalls; reducing the open space requirements within planned unit developments; and allowing affordable housing density bonus projects to achieve the maximum height possible in transition areas.

Ms. Gallant reiterated that no additional review would be associated specifically with the proposed density bonus. Project approval would happen through the existing land use or building permit processes, and any currently required approvals would continue to be required. For single family land use districts, the proposal allows duplexes and triplexes to compose up to 50 percent of the units in a subdivision; duplexes and triplexes are otherwise only allowed within a planned unit development in single family districts. The proposal also provides for the usage of the Unit Lot Subdivision process to help accommodate home ownership for attached affordable units.

The proposed super bonus was a later addition in response to the Commission's interest in accommodating some site-specific review in exchange for a larger bonus. The review would occur through the conditional use permit (CUP) process. The criteria to apply for the super bonus are that projects must be eligible for a bonus in a single family land use district; they must be located on an arterial; they must be located within a half mile of a frequent transit stop; and they must be located within 300 feet of a more intensive land use district. The intent behind the criteria was to identify those cases where projects would be more likely to support multifamily densities while zoned for single family. The super bonus density would not be guaranteed, however. After clearing the criteria, projects would still need to go through the CUP process and the regular review process. The maximum density possible under the super bonus would be the density permitted in the most intensive land use district within 300 feet.

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Ms. Gallant said there are many places throughout the Land Use Code that deal with or reference affordable housing. While in some places the language is different, the requirements are all the same. The proposed LUCA includes an adjustment to the definition of "affordable housing" to address the most typical cases in the Land Use Code. To that end, affordable housing will be clarified to mean affordability at or below 80 percent of area median income, and that level of affordability must remain for the life of the project. That will allow for removing duplicate references elsewhere in the Land Use Code that speak to the same requirements, unless otherwise stated.

Three modes of public outreach were employed for the proposed LUCA. They included the Process IV requirements for noticing and a public hearing; direct engagement and feedback via presentations with representatives of the faith community, non-profit housing providers, and members of the public; and through an online presence involving Engaging Bellevue and a project webpage that includes public information about the proposal, key dates and contact information for public comment.

Ms. Gallant said the LUCA review has been the subject of three study sessions with the Commission and a courtesy public hearing with the East Bellevue Community Council. She said the Commission would be asked to take action on the proposal following the public hearing. Once the Commission's recommendation is forwarded to the City Council, the Council will conduct a study session and ultimately take action, following which the East Bellevue Community Council will hold a public hearing and give its approval or disapproval.

(7:02 p.m.)

Mr. Ryan Donohue, advocacy and policy director for Habitat for Humanity Seattle, King and Kittitas Counties, said the organization has been serving the area for over 35 years providing home ownership opportunities for low-income families, and repair services for low-income homeowners. He noted that he also serves as co-chair of the Eastside Affordable Housing Community, a group of more than 15 organizations that have been providing and continue to provide affordable housing options across the Eastside. He urged the Commission to be bold in regard to the C-1 strategy. The new proposals from planning staff are good, but while the overall proposal will work for Habitat for Humanity, it still does not go far enough in addressing the problems to be solved. The proposal will increase density but will not get the city to where it needs to be. The 50 percent bonus is nice, but on an underlying zoning of R-4 or R-5 will not yield all that much, particularly in light of the fact that many properties have been historically underzoned when compared to surrounding areas. Fixing that underzoning will be crucial to successful implementation. Habitat for Humanity stands with its partners at the Housing Development Consortium and so many other organizations in urging the city to take a bolder approach. Zoning changes should be addressed through a city sponsored Comprehensive Plan amendment, changing zoning to an appropriate range. The work of the Commission and the staff is appreciated, but more needs to be done.

Mr. Steve Kasner, 1015 145th Place SE, thanked Mr. Donohue for the work he does, and the Commission for the work it has done and will do moving forward. He said the proposed density bonus will yield perhaps as many as 1400 units, but the target the city needs to hit over the next 20 years is 16,000. The eligibility criteria of 80 percent of area median income will not include teachers and baristas. An agreement was put in place when the Downtown was created that included the wedding cake approach to building height. The original building height limit of 450 feet was changed recently to 600 feet. The United Methodist Church has a campus in Eastgate

that would like to build affordable housing. Policy HO-34 is advisory, not mandatory. To maximize density, it will be necessary to build in the Downtown, BelRed and Eastgate areas. Attention needs to be given to where the arterials are so affordable housing can be maximized in a way that will allow people to get to work without a car. The idea that the city is not enforcing the policy equitably throughout the city is a drawback. The policy as currently constituted does not support the goals set by the Commission to truly create affordable housing in all neighborhoods. There should be projections made for ten years out that show what will have to be done.

Mr. Ron Epstein, 14890 SE 9th Place, said he is a member of the Eastside Bellevue Community Council. He read into the record the comments made by the EBCC members following the September 8 courtesy public hearing. A question was asked about why the expanded bonus would not be available in the Downtown, Eastgate and BelRed. Data was sought regarding how successful those neighborhoods have been in reaching the housing goals for the city. There was a discussion about equity and the distribution of C-1 housing. Questions were asked about the number of affordable housing units located close to transit-oriented districts, and if there is any affordable housing in the Spring District. There were questions about the ownership of parcels and the likelihood of development. It was noted that the Eastgate neighborhood is similar to East Bellevue. Frustration was expressed in regard to the siloed approach to affordable housing, and with the notion that Downtown, BelRed and Eastgate are not included. It was stated that churches wanting to build housing on their properties regardless of their neighborhoods need to be able to do so. It was said that it is not fair or equitable that Lake Hills, Crossroads and Newport Hills are being asked to take two-thirds of the burden of the 1400 potential housing units the proposal will produce. The Chair spoke about affordable housing at the Church of the Resurrection and expressed concern about the process going smoothly across all Affordable Housing Strategy implementation programs. The Chair stated that the churches in BelRed and Downtown should have the added density bonus incentives for affordable housing. It was noted that East Bellevue already has its share of greatly diverse incomes and housing, and that the majority of subsidized low-income housing is in Crossroads and East Bellevue. Concerns were voiced about the super density bonus and questions were raised about what a demonstration project would look like. It was understood that most of the new housing in BelRed was supposed to be affordable, but since the fee in-lieu was too good for developers to pass up, there is actually very little affordable housing there. A member questioned why affordable housing should be limited to certain neighborhoods given that diversity should be good for every neighborhood. Another member commented that equity and density should be spread out to ensure that one area is not impacted more than another. It was noted that East Bellevue tends to share a higher portion of the burden of growth.

Ms. Chris Buchanan spoke representing Downtown Action to Save Housing (DASH), an affordable housing provider in Bellevue. She noted that DASH has recently been going through the Comprehensive Plan amendment process to add affordable housing to its property, a process that has been under way for four years. It is such lengthy and uncertain processes the state law seeks to remedy by requiring cities to provide density increases for affordable housing. The RCW also states that the density increase has to be consistent with local need. Bellevue has three examples of properties that received density increases for affordable housing. The density for the St. Margaret's development increased from R-5 to R-30. St. Luke's went from R-2.5 to R-20. DASH is currently seeking a change from R-2- to Neighborhood Mixed Use. Each of those properties sought an increase of at least two levels from their base zoning, which indicates the local need. The C-1 strategy specifically seeks to improve the development potential for properties that want to build affordable housing. The language of the proposed LUCA provides a maximum that is far below what the precedent properties achieved. If another church or non-

profit wanted to build more affordable housing than the bonus allows, they would have to meet the criteria for the super bonus and use the CUP process. But the CUP process is complex and comes with no guarantees. Failing that, there is the CPA process. Planning just does not have any other tools. DASH does not support the bonus structure proposed by the LUCA. DASH stands with its partner organizations in urging the city to do something different by giving the planning department another tool in the form of an administrative process to fulfill the requirements of both the RCW and C-1 that will provide a streamlined path to grant qualifying properties a change in their underlying zoning for affordable housing developments that may ask for it.

Ms. Elizabeth Maupin, 100 Big Bear Place, Issaquah, said she is an advocate for affordable housing across the Eastside and all of East King County. She voiced her appreciation for the efforts of planning staff to come up with a creative solution to help boost density. However, the proposed uniform bonus of 50 percent above the current zoning limits and the additional super bonus for qualifying properties will not serve the intended purpose of increasing the available supply of housing that people can afford. Because much of the land owned by faith communities was intentionally underzoned decades ago to prevent free development, Bellevue has become an Eastside metropolis whose policies often influence the smaller surrounding communities. What Bellevue decides ultimately will affect the availability of land for affordably dense development across the whole Eastside. She joined with other affordable housing providers in encouraging the Commission to support a Comprehensive Plan amendment that would change the current codes and create an efficient process that would allow the city to advance robust and targeted increases in development capacity on public, non-profit and religious organization-owned properties, especially where they are well served by frequent transit. Intentionally bold efforts are needed to meet the existing targets for expanding the housing supply that people can afford on the Eastside. Bellevue's bold leadership can make a real difference.

Ms. Patience Malaba, director of governmental relations and policy for the Housing Development Consortium, noted that the main goal of the C-1 strategy is increase density and promote the density of affordable housing on land owned by public, non-profit and faith-based entities. She joined her voice with those calling for a bolder proposal. The staff have consistently held that the 50 percent density bonus is the greatest by-right bonus available without amending the Comprehensive Plan. She indicated a number of concerns regarding the super bonus, which is intended to accommodate a greater density on qualifying properties, starting with requiring affordable housing developers to apply for a CUP in order to gain the density. The goal is to give density by right and to not add another layer with an arduous process that can be upheld by the Hearing Examiner. If located within the boundaries of the East Bellevue Community Council, it would also have to go through their quasi-judicial process. That process should be removed from the LUCA and the density should be given by right. Elimination of the CUP process would also eliminate another limitation of the super bonus, namely the requirement to be within 300 feet of a more intensive land use district, something which alone could limit the number of properties that could otherwise benefit from the density bonus. She asked the Commission to work on proposing zoning changes through a city sponsored CPA to change the underlying zoning properties to an appropriate range in light of the fact that the city historically intentionally underzoned many districts.

A motion to close the public hearing was made by Commissioner Bhargava. The motion was seconded by Commissioner Goeppele and the motion carried unanimously.

(7:27 p.m.)

Chair Malakoutian opened the floor to comments from the Commissioners.

Vice Chair Ferris thanked the staff for listening to the Commission and the public and for working to come back with solutions. She said she agreed, however, with the points made by the speakers during the public hearing. The 50 percent bonus will not move the needle very much at all. The super bonus, while a great idea, will also not get the city to where it needs to be. It allows for looking at specific properties on arterials close to frequent transit. The 50 percent bonus will only bring things up to where they should have been, particularly in light of the fact that many faith-based properties have been artificially underzoned. To not allow the super bonus on top of the 50 percent bonus is a mistake. The 300-foot limit is not nearly large enough. She said the church she attends on 148th Avenue is close to transit but abuts a park on one side and another church on the other side. Across the street, and more than 300 feet away, is property zoned commercial. The area up to about half a mile is single family surrounded by multifamily. It is a classic place for affordable housing, yet under the proposed LUCA it would not work. By far the biggest drawback is the requirement for the CUP process, which is onerous, time consuming, and by no means guaranteed. She said she could not support it.

Commissioner Goeppele said the proposal is a step in the right direction but is not sufficient to address the housing affordability issues. He questioned how equitable the approach is and asked for clarification as to why the Downtown, Eastgate and BelRed areas were excluded from the density bonus. Affordability is something that is the responsibility of all throughout Bellevue and all parts of the city should bear their fair share. Ms. Gallant said the word "exclusion" is not exactly correct. She said it was not the intent to imply that affordable housing bonuses are not possible in those areas. The Downtown, Eastgate and BelRed neighborhoods were left out of the specific density bonus because there are amenity incentive systems in place in those areas. Each of those areas measure density by Floor/Area Ratio rather than by dwelling units per acre. The amenity incentive system in each of those areas establishes a base FAR that just about any project can achieve, and a maximum FAR that can only be achieved by providing certain benefits. In the Downtown, providing affordable housing can yield up to 1.0 FAR over base density, which is a substantial increase. In BelRed, the floor area for affordable housing is not counted toward the FAR calculation.

Commissioner Goeppele asked if the Downtown, Eastgate and BelRed areas are projected to bear their fair share of affordable housing units in line with achieving the city's affordability objectives. Ms. Gallant said that would be hard to say with any level of confidence.

Ms. Tanus added that affordable housing as a land use is not treated any differently than any other housing type. The incentives offered in the Downtown, BelRed and Eastgate are calibrated to produce as many affordable housing units as possible. Those neighborhoods are in no way excluded from allowing affordable housing, they simply have a different mechanism by which affordable housing is encouraged.

Commissioner Morisseau asked how the requirement to be consistent with state law would be impacted if the Commission were to not vote to move to approve the proposed LUCA. She also asked what would happen next. She said she shared the concerns voiced by others that the initiative is not bold enough to get the city to where it needs to be. Ms. Tanus said the Commission acts as an advisory body to the Council and is free to not recommend approval of the LUCA. The Council acting in its capacity as the final authority could choose to approve the LUCA as proposed or with modifications.

Assistant City Attorney Matt McFarland confirmed that statement and added that the final determination on whether the city is in compliance with state law will be made after the city

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takes final action. If the Commission is inclined to not include the LUCA to the City Council, it should base its recommendation on the specific decision criteria.

Ms. Gallant said she appreciated the limitations pointed out with regard to the density bonus as presented. She said the bonus is not, however, the conclusion to the work of the city to achieve affordable housing.

Ms. Johnson allowed that throughout the process there have been comments made by the public about reevaluating groups of properties and properties with older zoning. Staff has done a fair amount of technical analysis around the properties that meet the eligibility criteria, and staff has communicated to the Commission and others their intent to propose to the Council as part of the 2022 work program an exercise to reevaluate the properties and potentially taking them through Comprehensive Plan amendments followed by a rezone should the Council give that direction.

Commissioner Bhargava asked if all the criteria must be met in order to be eligible for the super bonus. Ms. Gallant explained that under the proposal, a project would have to meet all of the criteria. Commissioner Bhargava said the super bonus is a good idea. The city is in dire need of affordable housing. It has been made clear that it is difficult to get affordable housing projects to pencil out, and there is an onerous process to get approval. He asked what thinking was behind the recommendation to use the CUP process to approve the super bonus. Ms. Gallant said the CUP process was advanced, not because it is ideal, but because it was deemed to be the most appropriate of the very few processes and tools currently offered by the code. No other process would be substantially easier to go through.

Commissioner Bhargava why the super bonus would not simply be offered by-right where all the criteria are met on a specific parcel of land, avoiding the CUP process altogether. Ms. Tanus said the 50 percent bonus was proposed by-right as a way to avoid essentially upzoning a process without going through the rezone process. Staff heard from the Commission and the public that there should be a permitting path for the super bonus for sites that may be able to accommodate more density than the 50 percent bonus. The CUP process is the only path that allows for looking at the specific conditions of a site and to assure compatibility with properties in the immediate vicinity. The development agreement path was also considered but the conclusion reached was that it would not be an easier approach and would not necessarily take into account specific site conditions and compatibility.

Commissioner Moolgavkar asked if there were any way to streamline or otherwise make the permitting process any easier for affordable housing projects. If the process is approved but never gets used, it will be of no benefit to anyone. She said as proposed, she would not be able to support approving the LUCA.

Chair Malakoutian agreed that the proposal is not bold enough, but it is one step closer to the ultimate goal of achieving affordable housing. The work of reviewing all eligible properties will be another step in the right direction.

Vice Chair Ferris said she was nervous that if the C-1 LUCA were to be approved as proposed, the pressure to do something that will actually work would be removed. Undertaking a CPA that will look at the eligible properties is a very good idea and could be what will make the most difference. Going in one direction with the C-1 LUCA and then going in a different direction with the CPA next year would only create confusion. She noted her support for taking another look at the affordable housing incentives in Downtown, BelRed and Eastgate in that what is in place will not bring the city close to what is needed.

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Commissioner Goeppele reiterated that the proposed LUCA is a step in the right direction but it is not big enough step. He said he would only support the proposal if some strings were attached in terms of taking additional bold steps.

Commissioner Bhargava commented that the eligibility criteria have been artfully established. In addition to the general building code requirements that must be followed regardless, the densities established for the different parcels should provide the controls. Site-specific criteria and the CUP process beyond that does not add much value.

Ms. Tanus said the bolder step would be to move forward with a Comprehensive Plan amendment focused on achieving higher densities. The proposed LUCA does not go in that direction. The Commission has been tasked with processing the Council-directed LUCA so that is what is currently before the Commission.

Commissioner Moolgavkar asked if disapproval by the East Bellevue Community Council would mean the LUCA would not go into effect. Ms. Tanus explained that the East Bellevue Community Council authority extends only to the area within their established boundaries. Their disapproval would mean the ordinance would not be effective in their area.

Chair Malakoutian said he appreciated the comments made by both the public and the Commissioners. He said he also liked the flexibility the proposed LUCA provides for increasing affordable housing. He allowed that the Comprehensive Plan amendment approach, while complex and time consuming, is better than the super bonus as outlined.

Chair Malakoutian said the motion language proposed by staff was the Planning Commission recommends to the City Council that the proposed C-1 Density Bonus LUCA be adopted since the amendment is consistent with all the decision criteria in LUCA 20.30J.135.

A motion for the Planning Commission to not recommend to the City Council the proposed C-1 Density Bonus LUCA, since the amendment is not consistent with decision criteria A and C in LUCA 20.30J.135, was made by Commissioner Morisseau. The motion was seconded by <u>Vice</u> Chair Ferris.

Chair Malakoutian pointed out that in fact the proposed LUCA is in consistent with all of the decision criteria. Mr. McFarland stated that under the code the Commission may recommend adoption if it finds a proposal is consistent with the decision criteria. He said his understanding of the motion on the floor was that to not recommend adoption. If the Commission believes the proposal is not consistent with the decision criteria, that will need to be made clear.

Chair Malakoutian asked if the Commission could recommend against the proposed LUCA even if all the decision criteria are met. Mr. McFarland said the code criteria says the Commission may recommend adoption if a proposal complies with the decision criteria. It also says that in all other cases in which a proposal does not comply with the decision criteria the Commission shall recommend denial of a proposal. The best record for the Commission to create in order to give clear direction to the Council would be to explain why it does not comply with the decision criteria. The Commission could also create a record explaining why it is not recommending adoption, and that would be a valid record. The better job the Commission does tying its recommendation to the decision criteria, the better job the Commission will do in fulfilling its role as an advisory body to the Council.

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Commissioner Moolgavkar made the argument that in fact the proposed LUCA does not meet decision criteria C in that it is not in the best interest of the citizens of the city and of the property owners.

Commissioner Morisseau concurred that LUCA does not meet decision criteria C and added that it also does not meet decision criteria A, which says the amendment will increase capacity. Based on the numbers shown to the Commission, that will not be the case. Commissioner Ferris agreed. She said it was her understanding that the C-1 policy was about being able to produce at least 2500 units of affordable housing. The proposed LUCA will not achieve that goal.

Commissioner Goeppele stated that the LUCA falls short of complying with Comprehensive Plan policies LU-15, HO-7, HO-12, HO-26, HO-23 and HO-30 in terms of robustly supporting those objectives.

Chair Malakoutian agreed that the proposal is not bold enough, but said it does meet all of the decision criteria. He pointed out that none of the Commissioners had said the amendment, if approved and on the books, would not help to achieve affordable housing units.

The motion carried 5-1, with Chair Malakoutian voting no.

8. STUDY SESSION

A. Land Use Code Amendment (LUCA) to Address Supportive and Emergency Housing

(8:13 p.m.)

Ms. Tanus noted that a third study session for October 13 had been added to the Commission's calendar to allow for staff to return with responses to questions asked by the Commissioners in the first study session on September 8, and to outline changes staff anticipates making in the draft code for all of the components of the LUCA.

Senior Planner Caleb Miller reminded the Commissioners that the proposed LUCA is in response to recent state legislation under HB-1220 which requires that all cities in the state allow permanent supportive housing and transitional housing in all land use districts where residential dwellings or hotels and motels are allowed, and to allow emergency housing and emergency shelter in all land use districts where hotels and motels are allowed. The bill was approved during the 2021 legislative session and went into effect on July 25. In order to bring the LUC into immediate compliance ahead of the effective day, an Interim Official Control (IOC) was adopted by Ordinance No. 6585 by the City Council on July 12. Once adopted, the proposed LUCA will replace the IOC.

Continuing, Mr. Miller said emergency housing and emergency shelter are shorter-term interventions for people experiencing homelessness. They are intended to be more temporary living arrangements, which is in contrast to permanent supportive housing and transitional housing which are longer-term interventions. Emergency housing typically has a longer term of stay than emergency shelters, but the duration depends on individual situations and the availability of permanent housing. Emergency shelter is by definition short term and specifically does not have more than 24-hour stays; day centers, overnight shelters, and warming and cooling centers fall into the category. Both of the uses can provide or connect people to services.

Generally, on-site services are limited in scope and are aimed at addressing basic needs. The uses fit well within the framework of homeless services uses under the Land Use Code.

Mr. Miller said the proposed LUCA had two main components for emergency housing and emergency shelter. He noted that the uses fit well within the Homeless Services Uses definition in LUC 20.20.455. The proposal of staff was to insert them into that section along with some minor clarifying edits to the existing uses such as day centers and overnight shelters. Emergency housing is proposed to be added as a new distinct use, while the balance of the existing uses in the section are consistent with the state definition of emergency shelter, thus that use will not receive its own distinct use in the section. Most districts where motels and hotels are allowed already have homeless services uses listed as a conditional use; the exceptions are Neighborhood Mixed Use, Evergreen Highlands D, and the Office/Limited Business Open Space District. The proposal is to insert homeless services uses into the land use tables along with the standard footnote pointing to LUC 20.20.455 for the specific regulations.

The Commissioners were informed that no changes were proposed to the existing regulations and process requirements for homeless services uses. There are two approval pathways, the first of which is the conditional use permit which requires Hearing Examiner approval following a public hearing. Within the East Bellevue Community Council approval is a quasi judicial matter with the community council having the final approval. The second option is a development agreement, which is a contract negotiated between the provider or operator and the city, with the City Council being the final decision maker. In order for the process to be used, the Council must first agree to use the development agreement process. In addition, there are certain supplemental requirements for homeless services uses. There are certain minimum submittal requirements with minimum content criteria, such as standard operating procedures, codes of resident conduct, and safety and security plans. There is also a procedural requirement to develop a good neighbor agreement through the Good Neighbor Agreement Advisory Committee process. A good neighbor agreement must contain an agreed-on set of recommendations for the operation, design and security of the facility, as well as any resident assistance, to assure that the facility will be successful and work well within the context of the community.

Mr. Miller said two modes of outreach for the components of the LUCA were used: all Process IV requirements for noticing and public hearing, and an online presence via a webpage that included information about staying informed and providing comments, staff contacts, and the LUCA schedule and progression.

Following the Commission's third study session on October 13, staff will take the proposed LUCA to the East Bellevue Community Council for a courtesy public hearing, after which the City Council process will be initiated.

Ms. Johnson noted for the record that Commissioner Moolgavkar had left the meeting.

Answering a question asked by Commissioner Bhargava, Mr. Miller clarified that the main distinction between the permanent supportive housing and transitional housing elements and the emergency housing and emergency shelter elements is the duration of stay. The other criteria remain generally the same in terms of building requirements.

Commissioner Goeppele said it was his understanding that the proposal simply extends the permitting areas to all areas where hotels and motels are permitted. Mr. Miller said there is an existing framework for regulating the uses, and the LUCA simply seeks to align the code with state law.

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- 9. OTHER BUSINESS None
- 10. APPROVAL OF MINUTES
 - A. July 28, 2021

A motion to approve the minutes as submitted was made by Commissioner Morisseau. The motion was seconded by Commissioner Ferris and the motion carried without dissent; Commissioner Goeppele abstained from voting.

B. September 8, 2021

A motion to approve the minutes was made by Commissioner Morisseau. The motion was seconded by Commissioner Goeppele and the motion carried unanimously.

Commissioner Morisseau called attention to the fifth paragraph and suggested the statement made in the first sentence was taken out of context. She asked to have the sentence revised to read "In reference to the Supportive Housing LUCA, Commissioner Morisseau reiterated her view that the public engagement process relative to registration and a public hearing as proposed was not adding support to what is to be accomplished, unless there is a clear directive about the process to ensure that every issue that is raised and everyone is heard and their concerns addressed."

The motion, with the amendment to the paragraph, carried unanimously.

- 11. CONTINUED ORAL COMMUNICATIONS None
- 12. EXECUTIVE SESSION None
- 13. ADJOURNMENT

A motion to adjourn was made by Vice Chair Ferris. The motion was seconded by Commissioner Morisseau and the motion carried unanimously.

Chair Malakoutian adjourned the meeting at 8:31 p.m.

Deleted: Commissioner