CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 6743

AN ORDINANCE amending Land Use Code (LUC) Chapter 20.10 Land Use Districts, Chapter 20.20 General Development Requirements, and Chapter 20.30B Conditional Use Permit to establish criteria and procedures in the LUC for certain properties owned by religious organizations and located in single family Land Use Districts to be rezoned to allow permanently affordable multifamily housing; providing for severability; and establishing an effective date.

WHEREAS, the City of Bellevue adopted the Affordable Housing Strategy (AHS) in 2017, recognizing the housing crisis in the Puget Sound region and the City; and

WHEREAS, AHS Action C-1 recommends increasing development potential on suitable land owned by public agencies, faith-based and non-profit housing entities for affordable housing; and

WHEREAS, the City of Bellevue Comprehensive Plan Policies HO-17 and LU-15 encourage housing opportunities throughout the City and support a range of housing choices for different household types and income levels; and

WHEREAS, the City of Bellevue Comprehensive Plan Policies HO-7 and HO-26 encourage the development of affordable housing through incentives and other tools; and

WHEREAS, the City of Bellevue Comprehensive Plan Policies HO-33 and HO-34 encourage the implementation of Affordable Housing Strategy C-1 by providing bonuses and incentives to increase permanently affordable housing on any qualifying property outside of the Downtown, BelRed, and Eastgate Transit Oriented Development Land Use Districts; and

WHEREAS, on December 12, 2022, the City Council adopted Ordinance No. 6708 to amend the City's Comprehensive Plan to allow properties owned by religious organizations, located in single family Land Use Districts, and meeting other location criteria to be reclassified to multifamily when all proposed housing units are permanent affordable housing; and

WHEREAS, the City is required under RCW 36.70A.040(4)(d) to implement the policies of the City's Comprehensive Plan by adoption of implementing regulations; and

WHEREAS, section 3.64.070 of the Bellevue City Code, LUC 20.35.410, and LUC 20.30J.130 establish the powers and duties of the Planning Commission to act in an advisory capacity to the City Council by holding public hearings, advising, and making recommendations to the City Council on land use ordinances and regulations to implement the Comprehensive Plan; and

WHEREAS, the Planning Commission held study sessions on February 8, 2023 and March 8, 2023 to discuss this LUC amendment to establish criteria and procedures for certain properties owned by religious organizations and located in single family land use districts to be rezoned to allow permanently affordable multifamily housing; and

WHEREAS, the Environmental Coordinator for the City of Bellevue determined that this text amendment to the LUC will not result in any probable, significant, adverse environmental impact and issued a final threshold determination of non-significance on March 23, 2023; and

WHEREAS, after providing legally-required public notice, the Planning Commission held a public hearing for this LUC amendment on April 12, 2023 and considered the LUC amendment under LUC 20.35.410.B and the decision criteria in LUC 20.30J.135; and

WHEREAS the Planning Commission found that the proposed amendments meet the decision criteria of LUC 20.30J.135 and are consistent with the Comprehensive Plan, enhance the public safety and welfare, and are not contrary to the best interest of the citizens and property owners of the City of Bellevue; and

WHEREAS, the City Council considered and discussed this LUC amendment during the Council's study session on May 22, 2023 and during its June 26, 2023 meeting; and

WHEREAS, the City Council finds that this LUC amendment meets the decision criteria of LUC 20.30J.135 and is consistent with the Comprehensive Plan, enhances the public safety and welfare, and is not contrary to the best interest of the citizens and property owners of the City of Bellevue, as more completely analyzed in the Staff Report dated April 12, 2023; now, therefore,

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

Section 1. Section 20.10.180, Single-Family Residential Estate Districts (R-1, R-1.8), of the Bellevue Land Use Code is hereby amended to read as follows:

Single-Family Residential Estate Districts provide for a low density residential environment (1 and 1.8 dwellings per acre) which may serve to protect steep slopes or unstable land from overdevelopment and may include agricultural uses and activities compatible with low residential density.

Properties in this district with an affordable housing (AH) suffix may provide attached residential dwellings when consistent with the requirements of LUC 20.20.128.

Section 2. Section 20.10.200, Single-Family Residential Districts (R-2.5, R-3.5, R-4, R-5, R-7.5), of the Bellevue Land Use Code is hereby amended to read as follows:

Single-Family Residential Districts provide for residential areas of low to moderate densities (2.5, 3.5, 4, 5 and 7.5 dwellings per acre), and permit compatible, related activities.

Properties in this district with an affordable housing (AH) suffix may provide attached residential dwellings when consistent with the requirements of LUC 20.20.128.

Section 3. Chart 20.10.440 Uses in land use districts Residential – Residential Districts of the Bellevue Land Use Code is hereby amended to add a new reference to note 20 to Land Use Classifications Two to Four Dwelling Units per Structure and Five or More Dwelling Units per Structure, and to read as follows:

| STD LAND USE CODE REF | LAND USE CLASSIFICATION | R-1 | R- 1.8 | R- 2.5 | R- 3.5 | R-4 | R-5 | R- 7.5* | R- 10 | R- 15 | R- 20 | R- 30 |
|-----------------------------------|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|----------|----------|----------|----------|
| 1 | Residential | | | | | | | | | | | |
| | Single-Family Dwelling (3) | Р | Ρ | Ρ | Ρ | Ρ | Ρ | Ρ | Ρ | Ρ | Ρ | Ρ |
| | Two to Four Dwelling Units per Structure (6) | PD (19) (20) | Ρ | Ρ | Ρ | Ρ |
| | Five or More Dwelling Units per Structure (6) | PD (20) | Ρ | Ρ | Ρ | Ρ |
| | | | | | | | | | | | | |

Chart 20.10.440 Uses in land use districts Residential – Residential Districts

Section 4. Section 20.10.440 Notes: Uses in land use districts Residential – Residential Districts of the Bellevue Land Use Code is hereby amended to add a new note 20 to read as follows:

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(20) Multiple dwelling units per structure are permitted without a planned unit development on properties with an AH suffix when consistent with the requirements of LUC 20.20.128.1.

Section 5. Section 20.20.128.B of the Bellevue Land Use Code is hereby amended to add new definitions 3 and 4, to read as follows:

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- 3. "Affordable housing suffix" means a suffix consisting of AH and a number, enclosed in parentheses and appended to the land use district classification applied to a property. These suffixes correspond to alternate multifamily Land Use Districts which are applicable to affordable housing development when consistent with the requirements of subsection I of this section.
- 4. "Reference land use district" means the land use district located within 500 feet of a property eligible for an affordable housing suffix rezone used to determine the density available for the rezone. The reference land use district is identified using the criteria provided in subsection 1.3 of this section.

Section 6. Section 20.20.128.D of the Bellevue Land Use Code is hereby amended to read as follows:

D. Eligibility.

- 1. Density Bonus. The following residential development, including both new development and rehabilitation projects, shall be eligible to receive a density bonus and other modifications as provided in this section:
 - a. Mixed-Income Multifamily Development. Mixed-income multifamily development in any applicable land use district when the development includes affordable housing; and
 - b. Affordable Housing Development. The following ownerships and locations of residential development when all housing units are affordable housing:
 - i. Owned or controlled by a religious organization and located in Single-Family Residential Land Use Districts; and

- ii. Owned or controlled by a religious organization, nonprofit organization, or public agency, except for Bellevue Parks Department, Bellevue Community Development Department, or any public utility entity, and located in all land use districts in which multifamily dwellings are permitted, including property with an affordable housing suffix.
- 2. Affordable Housing Suffix Rezone. The following ownerships and locations of property shall be eligible to be rezoned under Part 20.30A LUC, adding an affordable housing suffix for multifamily development and other modifications as provided in this section:
 - a. Owned or controlled by a religious organization; and
 - b. Located in any Single-Family Residential Land Use District; and
 - c. Located within 500 feet of a Land Use District where multifamily housing or commercial uses are permitted; and
 - d. Located on an arterial street or located:
 - i. Within one-half mile of a transit stop that receives service at least four times per hour for 12 or more hours per day; or
 - ii. Within one-half mile of a future light rail or bus rapid transit station scheduled to begin service within two years; or
 - iii. Within one-quarter mile of a transit stop that receives service at least two times per hour for 12 or more hours per day.
 - e. Exceptions.
 - i. Property owned by a religious organization but not meeting all other eligibility requirements shall be eligible to be rezoned under Part 20.30A LUC when:
 - (1) Part of a contiguous ownership including property meeting all eligibility requirements; and
 - (2) Not separated from contiguous eligible property by rights-of-way.
 - ii. The Director is authorized to determine whether a property meets arterial street access criteria.

Section 7. Section 20.20.128.E of the Bellevue Land Use Code is hereby amended to read as follows:

E. Density Bonus.

- Mixed-income multifamily development as provided in subsection D.1.a of this section may exempt 1 bonus market rate unit for each equivalent-sized affordable unit provided, up to 15 percent above the maximum density allowed in the underlying land use district.
- 2. Affordable housing development as provided in subsection D.1.b of this section may receive a bonus of 50 percent above the maximum density allowed in the underlying land use district.

Section 8. Section 20.20.128.F.1 and 2 of the Bellevue Land Use Code is hereby amended to read as follows:

- Mixed-Income Multifamily Development as provided in subsection D.1.a of this section may replace the dimensional requirements in LUC Chart 20.20.010 with Chart 20.20.128.F.1. Applicable dimensional requirements in LUC Chart 20.20.010 but not included in Chart 20.20.128.F.1 shall continue to apply, including applicable footnotes.
- •••
- Affordable housing development as provided in subsection D.1.b of this section may replace the dimensional requirements in LUC Chart 20.20.010 with Chart 20.20.128.F.2. Applicable dimensional requirements in LUC Chart 20.20.010 but not included in Chart 20.20.128.F.2 shall continue to apply, including applicable footnotes.

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Section 9. Chart 20.20.128.F.2 Modified Dimensional Requirements for Affordable Housing Development of the Bellevue Land Use Code is hereby amended to add new references to AH suffixes AH-1, AH-2, AH-3, and AH-4 to Land Use Classifications R-10, R-15, R-20, and R-30, and to read as follows:

Chart 20.20.128.F.2 Modified Dimensional Requirements for Affordable Housing Development

| | Residential | | | | | | | | | | | | |
|----------------------------|-------------|-----------|-----------|-----------|---------|---------|-----------|---------------|--|---------------|--|--|--|
| LAND USE CLASSIFICATION | R- 1 | R- 1.8 | R- 2.5 | R- 3.5 | R- 4 | R- 5 | R- 7.5 | R-10, AH-1 | | R-20, AH-3 | | | |
| | | | | | | | | | | | | | |

Section 10. Section 20.20.128.G.2 of the Bellevue Land Use Code is hereby amended to read as follows:

 Building Height. Except in transition areas and the Shoreline Overlay District, the maximum building height in R-10, R-15, R-20, and R-30 Land Use Districts and for properties with an AH suffix may be increased by up to 12 feet for those portions of the building(s) at least 20 feet from any property line.

...

Section 11. Section 20.20.128.H of the Bellevue Land Use Code is hereby amended to read as follows:

Affordable housing development as provided in subsection D.1.b of this section may be permitted as attached multifamily dwelling units in single-family land use districts when meeting the following criteria:

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Section 12. Section 20.20.128 of the Bellevue Land Use Code is hereby amended to add a new section I as follows:

I. Affordable Housing Suffix.

- 1. Purpose. The purpose of the affordable housing suffix is to allow multifamily affordable housing development subject to the requirements of this subsection.
- 2. Applicability.
 - This subsection applies to properties meeting the eligibility criteria of subsection D.2 of this section and properties with an affordable housing suffix.
 - b. Increased density provided by this subsection is only available to development proposals meeting the requirements of this subsection on property with an affordable housing suffix.
- Rezone Criteria. Owners of property meeting all eligibility criteria of subsection D.2 of this section may apply for a rezone, under Part 20.30A LUC, to append an affordable housing suffix to the property's existing Land Use District.

- a. Reference Land Use District. The affordable housing suffix shall be determined based on the eligible property's reference Land Use District. The reference Land Use District shall be the highest density Land Use District located within 500 feet of the eligible property.
- b. Suffix Available for Rezone. Chart 20.20.128.1.1 identifies the affordable housing suffixes associated with reference Land Use Districts. The applicant may request up to the highest affordable housing suffix associated with the eligible property's reference Land Use District.

| Reference Land Use District | Associated Affordable Housing Suffix |
|--|--|
| R-10, PO | (AH-1) |
| R-15, NB | (AH-2) |
| R-20, O, GC | (AH-3) |
| R-30, BR-CR, BR-ORT, BR- RC, CB, DT (Any), EG-TOD, EM (Any), F1, F2, F3, LI, NMU, OLB, OLB 2, NMU | (AH-4) |

Chart 20.20.128.I.1. Affordable Housing Suffix Eligibility

- 4. Development with Suffix.
 - a. Increased Density. Development on a property with an affordable housing suffix may conform to the associated multifamily Land Use District identified in Chart 20.20.128.1.2, including associated dimensional standard modifications identified in subsection F.2., instead of the underlying Land Use District when all housing units are affordable housing.

Chart 20.20.128.I.2. Alternate Land Use Districts Associated with Affordable Housing Suffixes

| Affordable Housing Suffix | Associated Land Use District | | | | | |
|------------------------------|---------------------------------|--|--|--|--|--|
| (AH-1) | R-10 | | | | | |
| (AH-2) | R-15 | | | | | |
| (AH-3) | R-20 | | | | | |
| (AH-4) | R-30 | | | | | |

- b. Religious Facilities. The Director may administratively consider, approve or disapprove the redevelopment of an existing religious facility subject to the criteria set forth in Part 20.30E LUC for an Administrative Conditional Use, provided the following criteria can be met:
 - i. The proposed religious facility is part of a proposal that meets all requirements of this section; and
 - ii. The gross square footage of the new religious facility is less than or equal to the existing gross square footage of the religious facility it will replace.

Section 13. Section 20.30B.175.B of the Bellevue Land Use Code is hereby amended to read as follows:

B. General.

Except as provided in subsections C and D of this section or as provided in LUC 20.20.128.1.4.b, an amendment of a previously approved project or decision is treated as a new application.

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Section 14. <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 15. <u>Effective Date</u>. This Ordinance shall take effect and be in force five (5) days after adoption and legal publication.

Passed by the City Council this 36^{H} day of 54^{H} day of 54^{H} , 2023 and signed in authentication of its passage this 36^{H} day of 54^{H} , 2023.

(SEAL)



Lynne Robinson, Mayor

Approved as to form HINGT

Kathryn L. Gerla, City Attorney

Matthew McFarland, Assistant City Attorney

Attest Charmaine Arredondo, City Clerk Published: