

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 6770

AN ORDINANCE amending Section 20.25D.035, Catalyst Projects, of the City of Bellevue Land Use Code (LUC) for conformance with proposed amendments to the 2009 Spring District Development Agreement (DA); providing for severability; and establishing an effective date.

WHEREAS, on July 10, 2009, the City of Bellevue entered into a DA with the firm WR-SRI 120<sup>th</sup> LLC (Wright Runstad) to develop the Spring District consistent with the BelRed Catalyst Project provisions in LUC 20.25D.035; and

WHEREAS, in advance of the Spring District DA expiring on May 3, 2027, Wright Runstad approached the City to renegotiate certain terms in the DA and adopt conformance amendments to the LUC to allow a ten (10) year extension of the DA term to support completion of the Spring District; and

WHEREAS, following the initial request by Wright Runstad, the City and Wright Runstad initiated negotiations to amend the terms of the Spring District DA, including the DA terms governing the length of the DA, the established Tier 1 amenity fee-in-lieu rates under the DA, and certain provisions in the original 2009 DA governing administration of the DA during the life of the Catalyst Project; and

WHEREAS, the Local Project Review Act, at RCW 36.70B.170, requires that provisions of a DA be consistent with applicable development regulations approved by the City Council, including the BelRed Catalyst Project provisions in LUC 20.25D.035; and

WHEREAS, amendments to the LUC are necessary to conform the BelRed Catalyst Project regulations in LUC 20.25D.035 with the proposed amendments to the Spring District DA prior to the City and Wright Runstad executing the DA amendments; and

WHEREAS, the Environmental Coordinator for the City of Bellevue determined that these proposed amendments to the Land Use Code will not result in any probable, significant, adverse environmental impact and issued a final threshold Determination of Non-significance on September 21, 2023; and

WHEREAS, the Council finds it was necessary and appropriate to amend the Bellevue LUC without prior review and recommendation from the Planning Commission, as authorized by LUC 20.30J.125.B and 20.35.410.A; and

WHEREAS, the City Council held study sessions on August 7 and November 20, 2023, and after providing legally-required public notice, held a December 11, 2023 public hearing in connection with its consideration of the proposed LUC amendments to the BelRed Catalyst Project regulations in LUC 20.25D.035; and

WHEREAS, the City Council finds that the proposed LUC amendments meet the decision criteria of LUC 20.30J.135, are consistent with the Comprehensive Plan, enhance the public health, safety and welfare, and are not contrary to the best interests of the citizens and property owners of the City of Bellevue; now, therefore:

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

Section 1. Section 20.25D.035 of the Bellevue Land Use Code is hereby amended to read as follows:

**20.25D.035 Catalyst Projects.**

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**B. Catalyst Project Incentives and Requirements.**

1. The City may enter into a development agreement that allows modifications to the following provisions of the Land Use Code as applied to a catalyst project. Any modification approved in a development agreement shall be consistent with the limitations and requirements contained in this subsection.
2. Available Land Use Code Modifications and Associated Limitations.
  - a. Reduced Fee-In-Lieu Bonus Rate for Catalyst Project (LUC 20.25D.090.C.7). Up to and including May 3, 2027, the fee-in-lieu bonus rate for Tier 1 amenities may be reduced to not less than \$4.00 per square foot of bonus area. The reduced fee-in-lieu bonus rate of \$4.00 per square foot for Tier 1 amenities shall be assessed and collected at building permit issuance and shall not be available subsequent to May 3, 2027.

Between May 4, 2027 and May 3, 2031, Owner may choose to comply with the requirements for Tier 1 amenities by paying a fee-in-lieu rate that is equal to 55 percent of the Tier 1 fee-in-lieu rate required by the LUC on the date that is the earlier of:

- i. Approval of the Administrative Design Review for the applicable Master Development Plan Phase, or
- ii. Submittal of a complete building permit application for the applicable Master Development Plan Phase.

After May 4, 2031 and for the life of the Master Development Plan, Owner may choose to comply with the requirements for Tier 1 amenities by paying a fee-in-lieu rate that is equal to 60 percent of the Tier 1 fee-in-lieu rate required by the LUC on the date that is the earlier of:

- iii. Approval of the Administrative Design Review for the applicable Master Development Plan Phase, or
- iv. Submittal of a complete building permit application for the applicable Master Development Plan Phase.

In the event the City no longer maintains a Tier 1 fee-in-lieu rate, then the fee-in-lieu rate for Tier 1 amenities shall be the above-required percent of the last Tier 1 fee-in-lieu rate published by the City as adjusted for inflation annually on January 1st of each year from the last publication date based on the current published annual change in the Seattle Consumer Price Index for Wage Earners and Clerical Workers. All Tier 1 fee-in-lieu rates shall be assessed as stated in this subsection B.2.a, but shall be collected at building permit issuance.

- b. Reduced Fee-In-Lieu Limitations and Allowances. The reduced fee-in-lieu bonus rate in subsection B.2 is subject to the following limitations:
  - i. The reduced fee-in-lieu bonus rate may be used to satisfy only the Tier 1 FAR Amenity Standards;
  - ii. The reduced fee-in-lieu bonus rate does not create an obligation for the City to pay, credit, or reimburse the owner of a catalyst project beyond the terms of this section;
  - iii. The reduced fee-in-lieu bonus rate shall be utilized to satisfy required FAR Amenity Standards consistent with the specific requirements of LUC 20.25D.090.C; and
  - iv. For all Tier 1 fee-in-lieu amenity payments under LUC 20.25D.035.B.2.a, the City may apply the payment to support the development of affordable housing.
- c. Extended Vesting. The vested status of a Master Development Plan and the associated land use decisions approved pursuant to a Development Agreement may be extended for up to a maximum of 25 years, and the provisions of LUC 20.30V.190 shall not apply. The process provisions of LUC 20.30V.160 governing modifications or additional to an approved Master Development Plan may be modified to be consistent with the development agreement terms governing extended vesting. Extended vesting approved through a development

agreement may modify the provisions of LUC 20.40.500.A subject to the following limitations:

- i. The vesting period shall not exceed 25 years from the date of the first Master Development Plan decision as determined pursuant to LUC 20.35.045;
  - ii. Subsequent revisions to the Master Development Plan, or associated administrative decisions, shall not extend the vesting period described above;
  - iii. The 25-year extended vesting applies only to Process II land use decisions (LUC 20.35.015.C); and
  - iv. Upon expiration of the extended vesting period, the provisions of LUC 20.40.500.B shall apply.
- d. Relief from Proportional Compliance Requirements for Existing Development. Proportional compliance required pursuant to LUC 20.25D.060.G may be deferred or eliminated pursuant to a development agreement.
- e. Amenity Incentive System Bonus Points for Dedicated Parks. Parks not meeting the amenity standards of Chart 20.25D.090.C.4 may be granted an amenity incentive bonus at a rate determined pursuant to a development agreement.

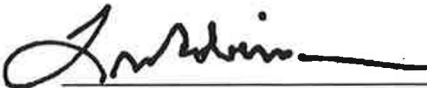
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Section 2. Severability. If any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance is declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining parts of this Ordinance.

Section 3. Effective Date. This Ordinance shall take effect and be in force five (5) days after adoption and legal publication.

Passed by the City Council this 11<sup>th</sup> day of December, 2023 and signed in authentication of its passage this 11<sup>th</sup> day of December, 2023.

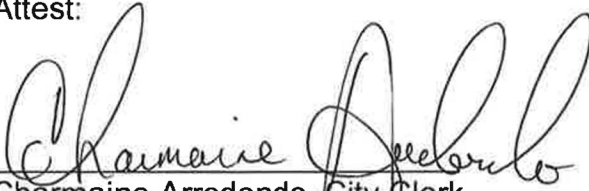
(SEAL)

  
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Lynne Robinson, Mayor

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



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Matthew McFarland, Assistant City Attorney  
Attest:

  
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Charmaine Arredondo, City Clerk

Published 12/14/23