

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 4829

AN ORDINANCE relating to affordable housing; amending Section 20.20.128 and Section 20.50.010 of the Bellevue Land Use Code.

WHEREAS, the City of Bellevue has reviewed how well Section 20.20.128 of the Bellevue Land Use Code has worked in producing affordable and low-income housing; and

WHEREAS, the City Council has determined that amendments to Section 20.20.128 of the Bellevue Land Use Code are necessary to ensure that affordable and low income units continue to be produced with the least possible economic impact; and

WHEREAS, the City Council has determined that an additional housing program should be developed to provide financial assistance to low and moderate income households to purchase existing market rate housing located within the City of Bellevue; now, therefore,

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

Section 1. Section 20.20.128 of the Bellevue Land Use Code is hereby amended as follows:

20.20.128 Affordable housing.

A. Purpose. The purpose of this section is to implement through regulations the responsibility of the City under the State Environmental Policy Act, Chapter 43.21C RCW, and the Growth Management Act, Chapter 36.70A.RCW, to consider the housing needs of all economic segments of the community, and to assure that the impacts of new development will be mitigated to the extent feasible to assure an adequate affordable housing supply in the City.

B. General. This section applies to: all new residential development (paragraph 1); and all new subdivisions (paragraph 2). These requirements are adopted pursuant to the authority of the State Environmental Policy Act and the review of all projects under these requirements is SEPA based.

1. Multifamily Development. At least 10 percent of the units in all new multifamily development proposals of 10 units or greater must be affordable units. In addition, one bonus market rate unit is permitted for each

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affordable unit provided, up to 15 percent above the maximum density permitted in the underlying zoning district.

2. **Subdivision Developments.** At least 10 percent of the units in all new subdivision proposals of 10 lots or greater must be affordable units. In addition, one bonus market rate unit is permitted for each affordable unit provided, up to 15 percent above the maximum density permitted in the underlying zoning district.

3. **Affordable Housing Calculation.** The number of required affordable housing units is determined by rounding fractional numbers to the nearest whole number and rounding up to the nearest whole number from .5. The project proponent may propose to provide alternative payments for fractional portions of units, as provided for in paragraph E.1.b.

4. **Duration.** An agreement in a form approved by the City must be recorded with King County Department of Records and Elections requiring affordable housing units which are required by this section to remain as affordable housing for the life of the project. This agreement shall be a covenant running with the land, binding on the assigns, heirs and successors of the applicant.

5. **Low Income Units.** Each low income affordable unit provided counts as two affordable units for purposes of satisfying the affordable unit requirement under paragraphs 1- and 2, For purposes of computing bonus market rate units under paragraphs 1- and 2, three bonus market rate units are permitted for each low income affordable unit provided, up to 15 percent above the maximum density permitted in the underlying zoning district.

6. **Senior Housing.** This section applies to senior housing developments, including senior citizen dwellings and congregate care senior dwellings, but not including nursing homes. The maximum permitted density is the greater of the density permitted for units less than 600 square feet pursuant to LUC 20.20.020, or 15 percent above the maximum density permitted in the underlying zoning district.

7. In zoning districts where density limitation is expressed as floor area ration (FAR), density bonuses will be calculated as an equivalent FAR bonus.

8. **Downtown.** The definitions of and requirements for affordable housing for projects in the Downtown shall be as provided in the following table. This paragraph 8 shall apply to those projects which meet the affordability requirements on-site or off-site, but within the boundaries of the

Downtown, but shall not apply to those projects which elect to use an alternative payment method as authorized in LUC 20.20.128E.2.b.

The affordable housing requirements for projects vested pursuant to a complete building permit application on file on or after July 8, 1991 must be targeted for households whose incomes do not exceed the following:

<u>Number of Total Units</u>	<u>Median Income Level</u>
First 250 units	- 105% of median income
Second 250 units	- 100% of median income
Third 250 units	- 90% of median income
All subsequent units	- 80% of median income

Number of Total Units shall mean the total number of housing units (affordable and otherwise) permitted to be constructed within the Downtown and to which this paragraph 8 shall apply. In establishing an affordable rent or sales price, Median Income Level shall be adjusted for household size, as determined by the United States Department of Housing and Urban Development for the Seattle MSA, and shall assume that no more than 30 percent of household income is used for housing expenses.

C. Dimensional Standard Modification. The following requirements of the Land Use Code may be modified through the procedures outlined in paragraph D, to the extent necessary to accommodate affordable housing units and bonus units on-site. To the extent that the Director determines that affordable units cannot be feasibly constructed on-site, the provisions of paragraph E apply.

1. Lot Coverage. The maximum percent of lot coverage may be increased by up to five percent of the total square footage over the maximum lot coverage permitted by the underlying zoning district for those properties or lots containing affordable housing units.

2. Parking Requirements. For those buildings containing affordable housing, the percent of compact parking stalls may be increased up to 75 percent of the total required parking in non-CBD zoning districts and up to 85 percent of the total required parking in CBD zoning districts. Tandem parking stalls are permitted to the extent feasible to satisfy required parking ratios.

3. **Building Height.** Except in Transition Areas, the maximum building height in R-10, R-15, R-20 and R-30 zoning districts may be increased by up to six feet for those portions of the building(s) at least 20 feet from any property line.

4. **Lot Area.** Lots which contain affordable housing units in single-family subdivisions may be reduced by up to 20 percent of the minimum lot area required by the underlying zoning district provided that the density in the subdivision does not exceed 15 percent above the maximum permitted by the underlying zoning district.

5. **Open Space.** The Open and Recreation Space Requirement within a residential planned unit development containing affordable housing may be reduced to 35 percent of gross land area. All other requirements of LUC 20.30D.160 shall continue to apply.

D. **Applicable Procedures.**

1. **Dimension Standard Modification.** The City will process an application for a dimensional standard modification through the building permit review or if the project is being processed through a discretionary land use process, the dimensional standard modification may be reviewed as part of that process. In addition to the decision criteria in the section applicable to the discretionary land use decision, the Director must determine that the modifications are the minimum necessary to accommodate affordable housing units and bonus market rate units on-site.

2. **Attached Housing within Subdivisions.** Attached affordable housing duplexes on single-family lots are permitted without planned unit development approval provided the units are approved as part of a subdivision proposal. If a property line divides the attached units into separate parcels, there is no setback requirement from that property line, and for purposes of complying with minimum lot size provisions, the separate parcels containing the attached units are considered one lot. In addition to the decision criteria in LUC 20.45A.130, the following criteria shall apply:

a. No more than 15 percent of the approved lots may include attached duplex units and only one lot may contain three dwelling units.

b. The placement and exterior design of the attached units are comparable to and compatible with the surrounding single-family development.

E. Alternative Compliance Methods.

1. General. The project proponent may propose one or more of the following alternatives, and must demonstrate that any alternative compliance method achieves a result equal to or better than providing affordable housing on-site. (Housing for households whose income is less than 80 percent of median annual income as defined in LUC 20.50.010, "Affordable Housing".) Housing units provided through the alternative compliance method must be based on providing the same type of units as the units in the project which gives rise to the requirement.

a. Affordable housing units may be provided off-site provided that the Director finds that the alternate location does not lead to undue concentration of affordable housing in any particular area of the City and the affordable units constructed on a different site are available for occupancy no later than occupancy of 75% of the market rate units.

b. Alternative payments may be provided which are based on the difference between the cost of constructing a prototype affordable unit, including land costs, and the income generated by an affordable unit. The formula for alternative payments will be established by an Administrative rule. The payment obligation will be established at the time of issuance of building permits or preliminary plat approval for the project.

c. The Director will consider other options for satisfying the affordable housing requirement, as proposed by the project proponent.

2. Bonuses. Density bonuses will not be awarded for affordable units provided through the alternative compliance method, except that bonuses are permitted on the same site as affordable units provided off-site so long as the maximum excess density on the receiving site does not exceed 15 percent. In addition, density bonuses may be transferred off-site if affordable units are provided on-site but the site cannot accommodate the bonus units. The Director of Community Development may approve off-site affordable housing duplexes on single-family sites through administrative conditional use or through any other discretionary land use decision, provided the additional criteria in paragraph D.2 are met.

F. Administration. The Director shall be responsible for administration of this section. The Director may adopt rules for implementation of this section; provided, the Director shall first hold a public hearing. The director shall publish notice of the intent to adopt any rule, and the date, time, and

place of the public hearing thereon in a newspaper of general circulation in the city at least 20 days prior to the hearing date. Any person may submit written comment to the Director in response to such notice, and/or may speak at the public hearing. Following the public hearing, the Director shall adopt, adopt with modification, or reject the proposed rule.

Section 2. Section 20.50.010 of the Bellevue Land Use Code is hereby amended as follows:

20.50.010 A Definitions.

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**Affordable Housing.** Housing used as the primary residence of an affordable housing qualified household. The price of affordable units is based on that amount a household can afford to pay for housing, when household income is less than 80 percent of the median annual income, adjusted for household size, as determined by the United States Department of Housing and Urban Development for the Seattle Metropolitan Statistical Area, and when the household pays no more than 30 percent of household income for housing expenses. Households with income less than 90 percent of the median annual income, adjusted for household size, may purchase or rent these affordable units. The Director shall issue administrative rules for establishing the sales or rental price of affordable units.

**Affordable Housing - Low Income.** Housing, used as the primary residence of a low-income qualified household. The price of low income units is based on that amount a low income household can afford to pay for housing, when household income is less than 50 percent of the median income, adjusted for household size, as determined by the United States Department of Housing and Urban Development for the Seattle Metropolitan Statistical Area, and when the household pays no more than 30 percent of household income for housing expenses. Households with income less than 50% of the median annual income, adjusted for household size, may purchase or rent these affordable units. The Director shall issue administrative rules for establishing the sales or rental price of low income units.

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Section 3. Staff is directed to implement a pilot project making financial assistance available to low and moderate income households to purchase existing housing located within the City of Bellevue utilizing funds approved by

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the City Council for this purpose in the 1996 operating budget. Staff shall provide periodic briefings to the City Council on the design of this program, and shall seek policy direction where necessary.

Section 4. Sections 1, 2 and 3 of this ordinance shall take effect January 1, 1996.

Section 5. This ordinance shall take effect and be in force five (5) days after passage and legal publication.

PASSED by the City Council this 4<sup>th</sup> day of December, 1995, and signed in authentication of its passage this 7<sup>th</sup> day of December, 1995.

(SEAL)

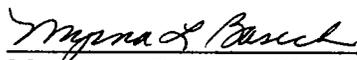
  
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Donald S. Davidson, DDS, Mayor

Approved as to form:

Richard L. Andrews, City Attorney

  
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Richard Gidley, Deputy City Attorney

Attest:

  
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Myrna L. Basich, City Clerk

Published December 9, 1995