



MEMORANDUM

DATE: August 5, 2014

TO: Chair Capron, Members of the East Bellevue Community Council

FROM: Carol Helland, Land Use Director, chelland@bellevuewa.gov, 452-2724
Mike Bergstrom, Principal Planner, mbergstrom@bellevuewa.gov, 452-2970
Development Services Department

SUBJECT: Room Rentals in Residential Dwellings – Public Hearing to Consider Extending Interim Regulations Adopted by Ordinance No. 6128 and extended by Ordinance No. 6152

INTRODUCTION

Ordinance No. 6128 (Attachment A) was adopted by the City Council on September 23, 2013 and by the East Bellevue Community Council on October 1, 2013, putting in place interim zoning controls regarding the rental of rooms in residential dwellings to multiple unrelated individuals. On March 3, 2014 the City Council adopted ordinance No. 6152 (Attachment B), extending the provisions of Ordinance No. 6128 by six months, to September 23, 2014. Ordinance No. 6152 was subsequently adopted by the EBCC on March 4, 2014.

The interim zoning controls adopted by Ordinance No. 6128 and extended by Ordinance No. 6152 will expire on September 23, 2014 unless extended or modified for an additional period of up to six months (maximum March 23, 2015). The Planning Commission has requested such an extension, to allow the Commission sufficient time to complete work on permanent regulations. This matter is scheduled for a City Council public hearing and action on August 4, 2014, the night prior to the EBCC meeting. If Council acts to approve the extension on August 4, the EBCC will hold a public hearing on the extension on August 5, 2014 and decide whether that extension should be effective within the EBCC jurisdiction.

BACKGROUND/DISCUSSION

Interim Regulations

Ordinance No. 6128 was adopted as an emergency measure in response to several complaints that had been received regarding an emerging business practice where investors are renting out individual rooms in residential dwellings. While many of the concerns have originated in or near the Spiritwood neighborhood, similar concerns have been raised in other areas of the city as well.

Ordinance No. 6128 accomplished several things:

- It lowered the number of unrelated individuals who can live together as a family from 6 persons to 4.

- It clarified what constitutes “related persons”.
- It allows more than 4 unrelated individuals to live together if they operate in a manner that is functionally equivalent to a family.
- It clarifies the definition of “boarding/rooming houses and bed and breakfasts”.
- It provides for amortization of certain uses that do not conform to the amended provisions of the land use code (i.e., rental arrangements that were legal prior to Ordinance No. 6128 but, due to the reduction of unrelated persons living together from 6 to 4, now exceed the 4-person limit).

The provisions of Ordinance No. 6128 were subsequently extended to September 23, 2014 by Ordinance No. 6152, adopted by Council on March 3, 2014 and by the EBCC on March 4, 2014. Unless extended again following public hearings, the interim regulations will expire on September 23, 2014. The enclosed ordinance, if adopted, would extend those interim regulations to March 23, 2015 (Attachment C).

Status of Permanent Regulations Preparation

The development of permanent regulations began with an introduction of the issue to the Planning Commission on March 12, 2014. This was followed by study sessions on April 23, May 28, and July 9. At the May 28 meeting the Commission indicated they would not be able to complete work on permanent regulations in time to be adopted prior to the September 23, 2014 expiration of the interim regulations, and requested an additional extension of those regulations. This desire was echoed by members of the public who attended and spoke at the May 28 meeting.

The Commission held an additional study session on July 9, and determined that the draft regulations discussed at that meeting are ready for public hearing. Therefore, a Planning Commission public hearing on the proposed permanent regulations will be held September 10. Depending on the outcome of that hearing, the permanent regulations could be ready for transmittal to Council for consideration and action in September or October, followed by a public hearing with the EBCC and your final action. If that occurs, the extension that the EBCC will consider and possibly adopt on August 5 could be repealed well before the end of its 6-month duration. Still, staff recommends that the interim regulations be extended to the latest date possible, in order to avoid any possibility of a need for further clarification.

In addition to the EBCC public hearing on the proposed extension of the interim regulations, an EBCC courtesy hearing on the proposed permanent regulations will also be held on August 5 as a separate agenda item.

Note that, while Ordinance No. (TBD) extends the interim regulations to March 23, 2015, permanent regulations could be adopted prior to that date. In that event, the interim regulations would be repealed upon the effective date of the permanent regulations currently being developed. Extension of the interim regulations prior to their September 23, 2014 expiration will assure that there is no regulatory gap between the interim regulations and the permanent regulations.

OPTIONS

1. Adopt Ordinance No. (TBD) extending interim zoning controls regarding individual room rentals in residential dwellings to March 23, 2015, in the form adopted by City Council on August 4, 2014.
2. Do not adopt Ordinance No. (TBD) and allow the interim regulations to expire within the East Bellevue Community Council jurisdiction on September 23, 2014.

RECOMMENDATION

Adopt Ordinance No. (TBD) extending interim zoning controls regarding individual room rentals in residential dwellings to March 23, 2015.

MOTION

Move to adopt Ordinance No. (TBD) extending interim zoning controls regarding individual room rentals in residential dwellings to March 23, 2015.

EFFECTIVE DATE

If approved, Ordinance No. (TBD) becomes effective on September 23, 2014.

ATTACHMENTS

- A. Ordinance No. 6128
- B. Ordinance No. 6152
- C. Proposed Ordinance No. (TBD)

ORIGINAL

Attachment A

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 6128

AN ORDINANCE of the City of Bellevue, Washington, adopting interim official zoning controls to address impacts resulting from the rental of multiple rooms in single-family dwellings to unrelated individuals, by amending the definitions of "boarding house" and "family" and creating a new definition of "rooming house", for a period of six months, to be in effect while the City drafts, considers, holds hearings, and adopts permanent regulations, to be effective immediately upon adoption, scheduling a hearing on the maintenance of the interim zoning ordinance, providing for severability, and declaring an emergency.

WHEREAS, the Bellevue Comprehensive Plan seeks to maintain and strengthen the vitality, quality, and character of Bellevue's residential neighborhoods while providing housing choices and affordability; and

WHEREAS, the City of Bellevue has begun an update of its Comprehensive Plan as mandated by the Growth Management Act, and that update will include a broader evaluation of the community's housing policies, needs, and related issues; and

WHEREAS, the Bellevue City Council has recently heard numerous concerns from citizens about the rental of multiple rooms in single-family dwellings to unrelated individuals and under separate lease agreements, and the impacts of such rentals; and

WHEREAS, the concerns and impacts identified by citizens include the erosion of single-family neighborhood character, from a stable neighborhood character to one that is more transitory, increased density, declining property maintenance, and increased on-street parking, traffic, noise and instances of speeding, among others; and

WHEREAS, the Bellevue Land Use Code currently defines "family" as one or more persons (but not more than six unrelated persons) living together as a single housekeeping unit, but does not define "single housekeeping unit"; and

WHEREAS, the American Community Survey for 2007-2011 shows that the average single-family household size in Bellevue is 2.75 persons; and

WHEREAS, the Bellevue City Council has determined that this rental practice and its real and potential impacts threaten the vitality, quality, stability, and single-

family character of Bellevue's residential neighborhoods, and that emergency action is warranted to diminish this threat; and

WHEREAS, the adoption of the interim controls contained herein will address the immediate impacts resulting from the above-described rental practice, will protect the stability and character of Bellevue's single-family neighborhoods, and will provide an opportunity for the City to more fully research and develop appropriate long-term strategies; and

WHEREAS, the Bellevue City Council has determined that the termination of existing uses that do not conform to the interim controls by July 1, 2014, will fairly and reasonably balance the interests of property owners and users with the benefit to the public; and

WHEREAS, pursuant to WAC 197-11-880, actions that must be undertaken immediately or within a time too short to allow full compliance with the State Environmental Policy Act (SEPA), to avoid an imminent threat to public health or safety, to prevent an imminent danger to public or private property, or to prevent an imminent threat of serious environmental degradation, shall be exempt from the provisions of that Act (see also BCC 22.02.050); and

WHEREAS, pursuant to RCW 36.70A.390 a public hearing must be held within 60 days of the passage of this ordinance; and

WHEREAS, the potential adverse impacts upon the public safety, welfare, and peace, as outlined herein, justify the declaration of an emergency; now, therefore,

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

Section 1. Section 20.20.140 of the Bellevue Land Use Code is hereby amended to revise the general development requirements applicable to "Boarding Houses and bed and breakfasts," to read as follows:

20.20.140 Boarding/rooming houses and bed and breakfasts.

Boarding/rooming houses and bed and breakfasts require a Home Occupation Permit, Part 20.30N LUC, approval. In addition, not more than two rooms may be rented to not more than two persons other than those occupying a single-family dwelling, provided there is compliance with health and building code requirements. The owner of the rooms to be rented shall provide off-street parking for such rooms at the rate of at least one parking stall for each room.

Section 2. Section 20.20.700 of the Bellevue Land Use Code is hereby deleted.

Section 3. Section 20.50.012 of the Bellevue Land Use Code is hereby amended to revise the definition of "Boarding House," to read as follows:

20.50.012 B definitions.

Boarding/Rooming House. A dwelling in which roomers and/or boarders individuals unrelated to the owner are housed and/or fed for profit for any time period, including stays of 30 days or more. This definition includes, but is not limited to, Transient Lodging as defined in LUC 20.50.048. (Refer to see LUC 20.20.140 for General Development Requirements applicable to Boarding/Rooming House uses).

Section 4. Section 20.50.020 of the Bellevue Land Use Code is hereby amended to revise the definition of "Family," to read as follows:

20.50.020 F definitions.

Family. One or more adult persons related by blood, marriage, or legal adoption (but not more than six unrelated persons); or a group of not more than four unrelated adult persons living together as a single housekeeping unit in a dwelling unit. A group of more than four unrelated adult persons living together in a dwelling unit may also be included within the definition of "Family" if they demonstrate to the Director that they operate in a manner that is functionally equivalent to a Family. Factors that shall be considered by the Director include whether the group of more than four unrelated persons:

- a. Shares the entire dwelling unit or act as separate roomers;
- b. Includes minor, dependent children regularly residing in the household;
- c. Can produce proof of sharing expenses for food, rent, or ownership costs, utilities, and other household expenses;
- d. Shares common ownership of furniture and appliances among the members of the household;
- e. Constitutes a permanent living arrangement, and is not a framework for transient living;
- f. Maintains a stable composition that does not change from year to year or within the year;
- g. Is not a society, fraternity, sorority, lodge, organization or other group of students or other individuals where the common living arrangement or basis for the establishment of the housekeeping unit is temporary; or
- h. Can demonstrate any other factors reasonably related to whether or not the group of persons is the functional equivalent of a family.

For purposes of this definition and notwithstanding any other provision of this Code, children with familial status within the meaning of Title 42 United States Code, Section 3602(k) and persons with handicaps within the meaning of Title 42 United States Code, Section 3602(h) will not be counted as unrelated persons.

Section 5. Amortization for Certain Nonconforming Uses. Notwithstanding Section 20.20.560 of the Bellevue Land Use Code, any use of a structure or of land which does not conform to the regulations of the district in which the use exists due to changes in the definition of "Boarding/Rooming House" in Section 20.50.012 and/or "Family" in Section 20.50.020, adopted on September 23, 2013, which use lawfully existed on the date such changes became effective, shall be discontinued by July 1, 2014.

Section 6. Duration and Scope of Interim Regulations. The interim regulations imposed by this ordinance shall become effective on the date herein, and shall continue in effect for an initial period of sixty (60) days, unless repealed, extended, or modified by the City Council after subsequent public hearings and the entry of additional findings of fact pursuant to RCW 35A.63.220.

Section 7. Public Hearing. Pursuant to RCW 35A.63.220 and RCW 36.70A.390, the City Council shall hold a public hearing on this ordinance within sixty (60) days of its adoption, or no later than November 22, 2013, so as to hear and consider public comment and testimony regarding this ordinance. Following such hearing, the City Council may adopt additional findings of fact, and may extend the interim regulations for a period of up to six (6) months. If a period of more than six months is required to complete consideration of any changes to city codes, the Council may adopt additional extensions after any required public hearing, pursuant to RCW 35A.63.220 and RCW 36.70A.390.

Section 8. Permanent Regulations. The City Council hereby directs the staff to develop for its review and adoption permanent regulations to adopt the interim regulations adopted herein, and to transmit this ordinance to the Washington State Department of Commerce as required by law.

Section 9. 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 10. Public Emergency. The City Council hereby finds and declares that a public emergency exists and that this ordinance is a public emergency ordinance necessary for the protection of the public health and safety and should, therefore, take effect upon adoption. The facts upon which this public emergency is based include all recitals set out in this ordinance as well as those facts contained in the legislative record.

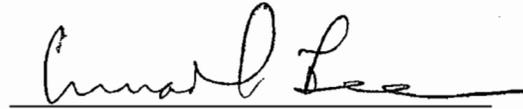
Section 11. Effective Date. In accordance with RCW 35A.13.190, this ordinance, as a public emergency ordinance, shall take effect and be in force immediately upon adoption by a majority plus one of the City Council.

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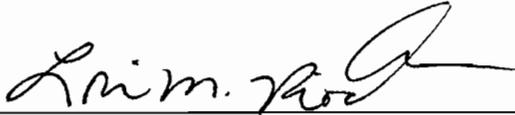
PASSED by the City Council this 23rd day of September,
2013, and signed in authentication of its passage this 23rd day of
September, 2013.

(SEAL)



Conrad Lee, Mayor

Approved as to form:



Lori M. Riordan, City Attorney

Attest:



Myrna L. Basich, City Clerk

Published September 26, 2013,

ORIGINAL

Attachment B

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 6152

AN ORDINANCE of the City of Bellevue, Washington, extending Ordinance No. 6128 adopting an interim official zoning ordinance to address impacts resulting from the rental of multiple rooms in residential dwellings to unrelated individuals, by amending the definitions of "boarding house" and "family" and creating a new definition of "rooming house", for an additional period of six months, to be in effect while the City drafts, considers, holds hearings, and adopts permanent regulations; providing for severability; and establishing an effective date.

WHEREAS, the Bellevue Comprehensive Plan seeks to maintain and strengthen the vitality, quality, and character of Bellevue's residential neighborhoods while providing housing choices and affordability; and

WHEREAS, the City of Bellevue has begun an update of its Comprehensive Plan as mandated by the Growth Management Act, and that update will include a broader evaluation of the community's housing policies, needs, and related issues; and

WHEREAS, the Bellevue City Council continues to receive concerns from citizens about the rental of multiple rooms in residential dwellings to unrelated individuals and under separate lease agreements, and the impacts of such rentals; and

WHEREAS, the Bellevue City Council has determined that this rental practice and its real and potential impacts threaten the vitality, quality, stability, and single-family character of Bellevue's residential neighborhoods, and that emergency action is warranted to diminish this threat; and

WHEREAS, the concerns and impacts identified by citizens include the erosion of single-family neighborhood character, from a stable neighborhood character to one that is more transitory, increased density, declining property maintenance, and increased on-street parking, traffic, noise, and instances of speeding, among others; and

WHEREAS, on September 23, 2013, the Bellevue City Council adopted Ordinance No. 6128 imposing emergency interim official zoning controls to address impacts resulting from the rental of multiple rooms in residential dwellings to unrelated individuals, by amending the definitions of "boarding house" and "family" and creating a new definition of "rooming house;" and

WHEREAS, under the Growth Management Act (GMA), the City was required to hold a public hearing within 60 days of adopting Ordinance No. 6128, which public hearing was held on November 4, 2013, to consider the interim zoning ordinance regulating the rental of multiple rooms in residential dwellings to unrelated individuals; and

WHEREAS, following the November 4, 2013 public hearing the Bellevue City Council affirmed that Ordinance No. 6128 should remain in effect for an initial six month period; and

WHEREAS, Ordinance No. 6128 will, by its terms, expire on March 23, 2014; and

WHEREAS, extending Ordinance No. 6128 for an additional six month period will continue to address the immediate impacts resulting from the above-described rental practice, will protect the stability and character of Bellevue's single-family neighborhoods, and will provide an opportunity for the City to more fully research and develop appropriate long-term strategies; and

WHEREAS, the City has a compelling interest in the protection of the health and safety of all of its residents, as well as a compelling interest in ensuring that the goals and policies contained within the Comprehensive Plan and other policy/planning documents are fulfilled; and

WHEREAS, RCW 35A.63.220 and RCW 36.70A.390 authorize cities to extend interim zoning ordinances for additional periods of up to six months following a public hearing and adoption of findings of fact; and

WHEREAS, on March 3, 2014 the City Council held a public hearing to consider extending Ordinance No. 6128 for an additional 6 month period; and

WHEREAS, the City Council finds that extending the interim zoning controls adopted by Ordinance No. 6128 is necessary to allow sufficient time for the proper consideration and development of permanent regulations that will effectively and fairly address the concerns raised by citizens in a manner that balances the interests of property owners and users with those of the general public; and

WHEREAS, pursuant to BCC 22.02.050 and WAC 197-11-880, the adoption of this ordinance is exempt from environmental review under the State Environmental Policy Act; now, therefore,

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

Section 1. Extension of Interim Zoning Ordinance. Ordinance No. 6128 is hereby extended for an additional six month period, to September 23, 2014, unless repealed, extended, or modified by the City Council after subsequent public hearing

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and the entry of additional findings of fact pursuant to RCW 35A.63.220 and RCW 36.70A.390.

Section 2. Severability. Should any provision of this ordinance or its application to any person or circumstance be held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances shall not be affected.

Section 3. Findings of Fact. The findings contained in this ordinance are hereby adopted as findings of facts to justify extending Ordinance No. 6128 imposing the interim zoning ordinance.

Section 4. Effective Date. This ordinance shall take effect and be in force on March 23, 2014.

Passed by the City Council this 3rd day of March, 2014 and signed in authentication of its passage this 3rd day of March, 2014.

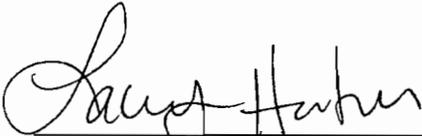
(SEAL)



Claudia Balducci, Mayor

Approved as to form:

Lori M. Riordan, City Attorney



Lacey Hatch, Assistant City Attorney

Attest:



Myrna L. Basich, City Clerk

Published March 6, 2014.

Attachment C

CITY OF BELLEVUE, WASHINGTON

ORDINANCE No. _____

AN ORDINANCE of the City of Bellevue, Washington, extending Ordinance No. 6128 adopting an interim official zoning ordinance to address impacts resulting from the rental of multiple rooms in residential dwellings to unrelated individuals, by amending the definitions of "boarding house" and "family" and creating a new definition of "rooming house", for an additional period of six months, to be in effect while the City drafts, considers, holds hearings, and adopts permanent regulations; providing for severability; and establishing an effective date.

WHEREAS, the Bellevue Comprehensive Plan seeks to maintain and strengthen the vitality, quality, and character of Bellevue's residential neighborhoods while providing housing choices and affordability; and

WHEREAS, the City of Bellevue has begun an update of its Comprehensive Plan as mandated by the Growth Management Act (GMA), and that update will include a broader evaluation of the community's housing policies, needs, and related issues; and

WHEREAS, the Bellevue City Council continues to receive concerns from citizens about the rental of multiple rooms in residential dwellings to unrelated individuals and under separate lease agreements, and the impacts of such rentals; and

WHEREAS, the Bellevue City Council has determined that this rental practice and its real and potential impacts threaten the vitality, quality, stability, and single-family character of Bellevue's residential neighborhoods, and that emergency action is warranted to diminish this threat; and

WHEREAS, the concerns and impacts identified by citizens include the erosion of single-family neighborhood character, from a stable neighborhood character to one that is more transitory, increased density, declining property maintenance, and increased on-street parking, traffic, noise, and instances of speeding, among others; and

WHEREAS, on September 23, 2013, the Bellevue City Council adopted Ordinance No. 6128 imposing emergency interim official zoning controls to address impacts resulting from the rental of multiple rooms in residential dwellings to unrelated individuals, by amending the definitions of "boarding house" and "family" and creating a new definition of "rooming house;" and

WHEREAS, under the GMA, the City was required to hold a public hearing within 60 days of adopting Ordinance No. 6128, which public hearing was held on November 4, 2013, to consider the interim zoning ordinance regulating the rental of multiple rooms in residential dwellings to unrelated individuals; and

WHEREAS, following the November 4, 2013 public hearing the Bellevue City Council affirmed that Ordinance No. 6128 should remain in effect for an initial six month period, to March 23, 2014; and

WHEREAS, on March 3, 2014, the Bellevue City Council held a public hearing on a potential six month extension of the provisions of Ordinance No. 6128 and, following that hearing, adopted Ordinance No. 6152 extending the provisions of Ordinance No. 6128 by six months, to September 23, 2014; and

WHEREAS, the Planning Commission has been working on the development of permanent regulations to replace the interim regulations, as requested by the City Council; and

WHEREAS, due to significant public interest and the need to ensure that permanent regulations properly balance the interests of all affected parties, the Planning Commission desires additional time to develop said regulations; and

WHEREAS, extending Ordinance No. 6128 for an additional six month period will continue to address the immediate impacts resulting from the above-described rental practice, will protect the stability and character of Bellevue's single-family neighborhoods, and will provide an opportunity for the City to more fully research and develop appropriate long-term strategies; and

WHEREAS, the City has a compelling interest in the protection of the health and safety of all of its residents, as well as a compelling interest in ensuring that the goals and policies contained within the Comprehensive Plan and other policy/planning documents are fulfilled; and

WHEREAS, RCW 35A.63.220 and RCW 36.70A.390 authorize cities to extend interim zoning ordinances for additional periods of up to six months following a public hearing and adoption of findings of fact; and

WHEREAS, on August 4, 2014, the City Council held a public hearing to consider extending the provisions of Ordinance No. 6128 for an additional 6 month period; and

WHEREAS, the City Council finds that extending the interim zoning controls adopted by Ordinance No. 6128 is necessary to allow sufficient time for the proper consideration and development of permanent regulations that will effectively and fairly address the concerns raised by citizens in a manner that balances the interests of property owners and users with those of the general public; and

WHEREAS, pursuant to BCC 22.02.050 and WAC 197-11-880, the adoption of this ordinance is exempt from environmental review under the State Environmental Policy Act; now, therefore:

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

Section 1. Extension of Interim Zoning Ordinance. Ordinance No. 6128 is hereby extended for an additional six month period, to March 23, 2015, unless repealed, extended, or modified by the City Council after subsequent public hearing and the entry of additional findings of fact pursuant to RCW 35A.63.220 and RCW 36.70A.390.

Section 2. Severability. Should any provision of this ordinance or its application to any person or circumstance be held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances shall not be affected.

Section 3. Findings of Fact. The findings contained in this ordinance are hereby adopted as findings of fact to justify extending Ordinance No. 6128 imposing the interim zoning ordinance.

Section 4. Effective Date. This ordinance shall take effect and be in force on September 23, 2014.

PASSED by the City Council this _____ day of _____, 2014, and signed in authentication of its passage this _____ day of _____, 2014.

(SEAL)

Claudia Balducci, Mayor

Approved as to form:

Lori M. Riordan, City Attorney

Attest:

Myrna L. Basich, City Clerk

Published _____

