



DEVELOPMENT SERVICES DEPARTMENT  
ENVIRONMENTAL COORDINATOR  
450 110<sup>th</sup> Ave NE  
BELLEVUE, WA 98009-9012

## DETERMINATION OF NON-SIGNIFICANCE

**PROPONENT:** City of Bellevue Development Services Department

**LOCATION OF PROPOSAL:** City-Wide

**DESCRIPTION OF PROPOSAL:** State Environmental Policy Act (SEPA) threshold determination for a Land Use Code Amendment (LUCA) to amend chapters 20.45A Platting and Subdivisions, and 20.45B Short Plats and Short Subdivisions to establish provisions for unit lot subdivisions within zoning districts where multifamily development is currently allowed. A "unit lot subdivision" is a land division that creates fee-simple ownership of attached multifamily units, such as townhomes.


**FILE NUMBERS:** 20-105150-AD

**PLANNER:** Kenneth George, 425-452-5264

The Environmental Coordinator of the City of Bellevue has determined that this proposal does not have a probable significant adverse impact upon the environment. An Environmental Impact Statement (EIS) is not required under RCW 43.21C.030(2)(C). This decision was made after the Bellevue Environmental Coordinator reviewed the completed environmental checklist and information filed with the Land Use Division of the Development Services Department. This information is available to the public on request.

- ☐ There is no comment period for this DNS. There is a 14-day appeal period. Only persons who submitted written comments before the DNS was issued may appeal the decision. A written appeal must be filed in the City Clerk's office by 5:00 p.m. on \_\_\_\_\_.
- ☒ This DNS is issued after using the optional DNS process in WAC 197-11-355. There is no further comment period on the DNS. There is a 14-day appeal period. Only persons who submitted written comments before the DNS was issued may appeal the decision. A written appeal must be filed in the City Clerk's Office by 5 p.m. on **12/31/2020**
- ☐ This DNS is issued under WAC 197-11-340(2) and is subject to a 14-day comment period from the date below. Comments must be submitted by 5 p.m. on \_\_\_\_\_. This DNS is also subject to appeal. A written appeal must be filed in the City Clerk's Office by 5:00 p.m. on \_\_\_\_\_.

This DNS may be withdrawn at any time if the proposal is modified so as to have significant adverse environmental impacts; if there is significant new information indicating a proposals probable significant adverse environmental impacts (unless a non-exempt license has been issued if the proposal is a private project); or if the DNS was procured by misrepresentation or lack of material disclosure.

  
\_\_\_\_\_  
Environmental Coordinator  
Elizabeth Stead, Land Use Director

For

Date: December 17, 2020

### OTHERS TO RECEIVE THIS DOCUMENT:

- ☒ State Department of Fish and Wildlife / [Stewart.Reinbold@dfw.gov](mailto:Stewart.Reinbold@dfw.gov)
- ☒ State Department of Ecology, Shoreline Planner N.W. Region / [Jobu461@ecy.wa.gov](mailto:Jobu461@ecy.wa.gov); [sepaunit@ecy.wa.gov](mailto:sepaunit@ecy.wa.gov)
- ☒ Army Corps of Engineers
- ☒ Attorney General [ecyolyef@atg.wa.gov](mailto:ecyolyef@atg.wa.gov)
- ☒ Muckleshoot Indian Tribe [Karen.Walter@muckleshoot.nsn.us](mailto:Karen.Walter@muckleshoot.nsn.us); [Fisheries.fileroom@muckleshoot.nsn.us](mailto:Fisheries.fileroom@muckleshoot.nsn.us)



DATE: December 17, 2020

TO: Chair Moolgavkar and Members of the Planning Commission

FROM: Trisna Tanus, Consulting Attorney, 452-2970  
Nick Whipple, Senior Planner, 452-4578  
*Development Services Department*

**SUBJECT:** Public Hearing on a Land Use Code Amendment (LUCA) to establish provisions in the Land Use Code (LUC) Chapter 20.45A Platting and Subdivisions and Chapter 20.45B Short Plats and Short Subdivisions for Unit Lot Subdivisions within Land Use Districts where multifamily development is currently allowed. File No. 20-105150-AD.

## **I. BACKGROUND**

### **A. Purpose of the Proposed LUCA**

The proposed LUCA is to establish Unit Lot Subdivisions in the City to allow for individual townhouse units to be owned in fee simple. Fee simple ownership means absolute title in improvements of the townhouse unit and the land.

Currently, townhouses may be constructed in the City as a Planned Unit Development (PUD) or as multifamily development. A PUD may be located in single-family or multifamily Land Use District, and may accommodate fee ownership. However, a PUD is often utilized when there is a need for special development features due to critical areas and entails its own specialized process. Secondly, when townhouses are built as multifamily development, the individual townhouse unit may only be owned as condominiums.

In creating a new type of subdivision that is expected to increase development of townhouses in the City, this LUCA is responding to the City's Affordable Housing Strategy (AHS). In adopting the AHS in 2017, the City Council has affirmed an interest in creating a variety of housing choices (Strategy B) that appeal to people at different income levels and life stages. Providing a broad range of homeownership opportunities, including fee simple townhouses, promotes mixed-income neighborhoods, allows for a diversity of housing types, and increases available choices for all economic segments of the population.

The development community, including the Master Builders Association of King and Snohomish Counties (MBA), has reported barriers related to construction and/or mortgage financing associated with townhouse development under the City's current regulations. The MBA has expressed a desire for the City to adopt the Unit Lot Subdivision structure, consistent with several cities in the region. Unit Lot Subdivisions are typically used to produce townhouses, which are more likely to be smaller and less expensive than detached single-family homes.

The City has significant zoning capacity for housing development and this multifamily housing type specifically. However, construction and mortgage financing barriers can limit supply and

place upward pressure on home prices. Unit Lot Subdivisions help mitigate these barriers so that developers are encouraged to build townhouses in the City, thereby increasing the overall housing supply, broadening homeownership opportunities, and strengthening the local economy.

## **B. Proposed LUCA**

The proposed LUCA will add a new subsection in two chapters of the LUC, 20.45A.065 (special requirements for unit lot subdivisions) and 20.45B.057 (special requirements for unit lot short subdivisions). The two subsections would apply exclusively to the unit lot subdivision of land proposed to be developed with attached multifamily dwellings in any Land Use District that multifamily dwellings are permitted. A strike-draft of the proposed LUCA is provided as Attachment A.

The LUCA provides that within a Unit Lot Subdivision, development standards, such as setbacks, lot coverage by structure, impervious surface coverage, and minimum lot area, are applied to the overall site or the "parent" lot, instead of the individual unit lots. Once a Unit Lot Subdivision is recorded with King County and construction of the townhouses is complete, the Unit Lot Subdivision of townhouses will have the same appearance as a townhouse development allowed by current zoning requirements. The only difference is that the Unit Lot Subdivision will allow the individual townhouse units to be owned in fee simple.

Notably, this LUCA will not eliminate townhouse development as a PUD or multifamily condominiums, nor amend any provision applicable to those types of development. This LUCA will only provide for development of townhouses in Land Use Districts that multifamily dwellings are permitted through a Unit Lot Subdivision so that these townhouses may be owned in fee simple.

## **II. REVIEW PROCESS**

In the December 9 Study Session, the proposed Unit Lot Subdivision LUCA was introduced to the Planning Commission for review and discussion. After discussion, the Planning Commission directed staff to schedule the required public hearing for January 13. Following the public hearing on January 13, the Planning Commission will be asked to make a recommendation for transmittal to the City Council for final action.

The City Council is anticipated to consider the Unit Lot Subdivision LUCA and the Planning Commission Recommendation on February 1, and may take final action on February 22.

The EBCC is anticipated to be introduced to and hold a courtesy public hearing on the Unit Lot Subdivision LUCA on February 2. The EBCC is tentatively scheduled to hold a public hearing and make an approval/disapproval decision on March 2.

## **III. STATE ENVIRONMENTAL POLICY ACT (SEPA)**

The application for SEPA review was noticed together with the draft LUCA and the notice of application on December 3, 2020. The environmental review indicates no probability of significant adverse environmental impacts occurring as a result of the proposal to amend the

Land Use Code to allow for unit lot subdivisions. A Determination of Non-significance (DNS) is issued pursuant to the threshold determination requirements in WAC 197-11-310.

#### **IV. PUBLIC ENGAGEMENT**

##### Required Public Notice

The notice required for City Council Legislative Actions (Process IV) is governed by LUC 20.35.415 through 20.35.450. Notice of the LUCA application, including notice of the SEPA, was published in the Weekly Permit Bulletin on December 3, 2020, and availability of the Weekly Permit Bulletin was noticed in the Seattle Times. Notice of the Public Hearing and Final SEPA Threshold Decision was published in the Weekly Permit Bulletin on December 17, along with availability of this staff report. The notice of public hearing was also provided to members of the EBCC and those individuals who have subscribed to receive these notices and those who have expressed interest on this topic.

##### Department of Commerce Notice

Pursuant to the Washington State Growth Management Act, proposed amendments to the LUC must be sent to the Washington State Department of Commerce to review and comment on the proposed amendments to the LUC. The required notice to the Department of Commerce and the initial draft LUCA were transmitted on November 17, 2020, and a copy of both documents is available for review in the code amendment file. The LUCA is identified by Commerce as ID\_2020-S-2028. No comments have been received by Commerce as of the date of this report.

##### Enhanced Public Notice

In addition to the requirements of LUC 20.35.415 *et seq* for City Council Legislative Actions, staff has provided enhanced public outreach for this LUCA to include an online presence. A webpage was launched for this LUCA to provide opportunity for the public to learn about the LUCA, with sections on public information messages regarding the LUCA progression, and staff contact information to submit written comments.

##### Public Comments

As of the date of this staff report, staff has received two email inquiries, primarily seeking clarification on the proposed amendments.

#### **V. DECISION CRITERIA**

LUC 20.30J.135 establishes the decision criteria for an application to amend the text of the LUC. Those criteria, and the relationship of these proposed amendments to them, are discussed below:

##### A. The amendment is consistent with the Comprehensive Plan; and

**Finding:** The proposed LUCA is consistent with the Comprehensive Plan. The amendment will help minimize construction and mortgage financing barriers related to townhouse

development, broaden homeownership opportunities in the City, and encourage the construction of multifamily housing, thus strengthening the local economy. The LUCA also will expand housing choices that appeal to people at different income levels and life stages. The proposed code amendment is supported by the following Comprehensive Plan policies:

**Policy HO-11.** Encourage housing opportunities in mixed residential/ commercial settings throughout the city

**Policy HO-12.** Provide incentives to encourage residential development for a range of household types and income levels in multifamily and mixed use commercial zones.

**Policy HO-17.** Evaluate the housing cost and supply implications of proposed regulations and procedures.

**Policy LU-15.** Provide, through land use regulation, the potential for a broad range of housing choices to meet the changing needs of the community.

B. The amendment enhances the public health, safety or welfare; and

**Finding:** The amendment will enhance the public health, safety and welfare of people by encouraging the availability of housing choices and contributing to a variety of residential densities and housing types in the City.

C. The amendment is not contrary to the best interest of the citizens and property owners of the City of Bellevue.

**Finding:** The amendment is not contrary to the interests of citizens and property owners of the City as it will continue to allow for multifamily development in land use districts where this development type is currently allowed, and expand homeownership opportunities through the allowance of fee simple townhouse developments.

## VI. RECOMMENDATION

Staff has concluded that the Unit Lot Subdivision LUCA to establish provisions for Unit Lot Subdivisions in LUC Chapter 20.45A Platting and Subdivisions and Chapter 20.45B Short Plats and Short Subdivisions, as drafted in Attachment A, is consistent with the decision criteria required for adoption of amendments to the text of the LUC, pursuant to Part 20.30J LUC. Staff recommends that the Planning Commission direct staff to prepare the LUCA for recommendation to Council.

## ATTACHMENTS:

A. Proposed Unit Lot Subdivision LUCA Strike-Draft

## Chapter 20.45A Platting and Subdivisions

20.45A.040 Definitions specific to the platting and subdivision chapter.

...

- B. *Lot*. A fractional part of subdivided lands having fixed boundaries, being of sufficient area and dimension to meet minimum zoning requirements for width and area except for unit lots approved per LUC 20.45A.065.

....

### 20.45A.065 – Special requirements for unit lot subdivisions.

#### A. Applicability.

The provisions of this section apply exclusively to the unit lot subdivision of land proposed to be developed with attached multifamily dwellings in all Land Use Districts in which multifamily dwellings are permitted.

#### B. Definitions specific to this section.

##### 1. Dwelling, Attached Multifamily.

A multifamily dwelling unit constructed in a group of two or more units attached by a common wall or walls in which each unit extends from foundation to roof.

##### 2. Lot, Parent.

A lot which is subdivided into unit lots through the unit lot subdivision process.

##### 3. Lot, Unit.

A subdivided lot within a development as created from a parent lot and approved through the unit lot subdivision process.

#### C. General Requirements.

1. Unit lots shall be subject to all applicable requirements of the Land Use Code, except as otherwise modified by this section.
2. Development on individual unit lots within the unit lot subdivision need not conform to the minimum lot area, minimum density, or dimensional requirements, provided, however, that any structure located upon a unit lot shall comply with the maximum building height requirements, and, where applicable, shall comply with the FAR requirements. The overall development of the parent lot shall meets the development and design standards of the underlying Land Use District.

**Commented [A1]:** Added to allow for unit lots to have separate definition.

**Commented [A2]:** New section for unit lot subdivision process.

**Commented [A3]:** Clarification that this subsection applies to attached multifamily units (townhouses) not stacked multifamily units.

**Commented [A4]:** Clarification on certain dimensional requirements (setbacks, density etc.) to be measured from the parent lot not the individual unit lot.

3. Setbacks shall be required from any Native Growth Protection Area tracts required per LUC 20.45A.060.

**Commented [A5]:** Clarification that setback measurement still needed from NGPA, which is located within the parent lot.

4. Within the parent lot, required parking for an attached multifamily dwelling unit may be provided on a different unit lot than the lot with the dwelling unit if the right to use that parking is formalized by an easement recorded with the King County Recorder's Office.

5. A unit lot subdivision shall make adequate provisions through easements for ingress, egress, emergency services, and utilities access to and from each unit lot created by reserving such common areas or other areas over, under, and across the parent lot as necessary to comply with all applicable development standards. Such easements shall be recorded with the King County Recorder's Office.

6. Access easements, joint use agreements, and maintenance agreements identifying the rights and responsibilities of property owners and any homeowners association shall be executed for use and maintenance of common garage, parking, and vehicle access areas, landscaping, underground utilities, common open space, exterior building facades and roofs, any portions of the parent lot not subdivided for individual unit lots, and other similar features, and shall be recorded with the King County Recorder's Office.

#### D. Notes on Plat.

**Commented [A6]:** Notes 2-4 clarify that limitations of developing the unit lots without the parent lot and overall development.

Notes shall be placed on the plat recorded with the King County Recorder's Office to state the following:

1. The title of the plat shall include the phrase "Unit Lot Subdivision."

2. The individual unit lots are not separate buildable sites. Additional development of the individual unit lots may be limited as a result of the application of development standards to the parent lot.

3. Approval of the design and layout of the development was granted by the review of the development, as a whole, on the parent lot.

4. Subsequent platting actions, additions, or modifications to any buildings may not create a nonconformity of the parent lot.

#### **Chapter 20.45B Short Plats and Short Subdivisions**

20.45B.030 Definitions specific to the short plats and short subdivisions chapter.

**Commented [A7]:** See notes in previous section.

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B. *Lot.* A fractional part of subdivided lands having fixed boundaries, being of sufficient area and dimension to meet minimum zoning requirements for width and area except for unit lots approved per LUC 20.45B.057.

....

20.45B.057 Special requirements for unit lot short subdivisions.

A. Applicability.

The provisions of this section apply exclusively to the unit lot short subdivision of land proposed to be developed with attached multifamily dwellings in all Land Use Districts in which multifamily dwellings are permitted.

B. Definitions specific to this section.

1. Dwelling, Attached Multifamily.

A multifamily dwelling unit constructed in a group of two or more units attached by a common wall or walls in which each unit extends from foundation to roof.

2. Lot, Parent.

A lot which is subdivided into unit lots through the unit lot short subdivision process.

3. Lot, Unit.

A subdivided lot within a development as created from a parent lot and approved through the unit lot subdivision process.

C. General Requirements.

1. Unit lots shall be subject to all applicable requirements of the Land Use Code, except as otherwise modified by this section.

2. Development on individual unit lots within the unit lot short subdivision need not conform to the minimum lot area, minimum density, or dimensional requirements, provided, however, that any structure located upon a unit lot shall comply with the maximum building height requirements, and, where applicable, shall comply with the FAR requirements. The overall development of the parent lot meets the development and design standards of the underlying Land Use District.

3. Setbacks will still be required from any Native Growth Protection Area tracts required per LUC 20.45A.060.

4. Within the parent lot, required parking for an attached multifamily dwelling unit may be provided on a different unit lot than the lot with the dwelling unit if the right to use that parking is formalized by an easement recorded with the King County Recorder's Office.

5. A unit lot short subdivision shall make adequate provisions through easements for ingress, egress, emergency services, and utilities access to and from each unit lot created by reserving such common areas or other areas over, under, and across the parent lot as necessary to comply with all applicable development standards. Such easements shall be recorded with the King County Recorder's Office.



6. Access easements, joint use agreements, and maintenance agreements identifying the rights and responsibilities of property owners and any homeowners association shall be executed for use and maintenance of common garage, parking, and vehicle access areas, landscaping, underground utilities, common open space, exterior building facades and roofs, any portions of the parent lot not subdivided for individual unit lots, and other similar features, and shall be recorded with the King County Recorder's Office.

**D. Notes on Short Plat.**

Notes shall be placed on the short plat recorded with the King County Recorder's Office to state the following:

1. The title of the short plat shall include the phrase "Unit Lot Short Subdivision."
2. The individual unit lots are not separate buildable sites. Additional development of the individual unit lots may be limited as a result of the application of development standards to the parent lot.
3. Approval of the design and layout of the development was granted by the review of the development, as a whole, on the parent lot.
4. Subsequent platting actions, additions, or modifications to any buildings may not create a nonconformity of the parent lot.