

2020 Annual Final Review Comprehensive Plan Amendment Recommendation
City Council-initiated Amendment

Affordable Housing Strategy Action C-1 Implementation

Staff recommends approving this proposed amendment because the application satisfies Land Use Code decision criteria for Final Review of a City Council-initiated Comprehensive Plan Amendment (LUC 20.30I.150) amending the Comprehensive Plan with Affordable Housing Strategy (AHS) C-1 implementing policies to establish by-right incentives for qualifying properties for the purpose of producing permanently affordable housing.

Application Number: 20-112885 AC

Proposal: Affordable Housing Strategy C-1 Implementation

Elements: Housing and Glossary

Final Review is normally the second step in Bellevue's two-part plan amendment review process. Proposed amendments initiated by the City Council go straight to this step, as the Council's decision to initiate validates the proposal as worthy of plan amendment consideration. Final Review evaluates the merits of proposed amendments included in the annual Comprehensive Plan Amendment work program. Final Review evaluation and decision includes staff review, a Planning Commission public hearing and recommendation by resolution, and City Council action by ordinance.

PROPOSAL

This proposed plan amendment would adopt new policy in the Housing Element of the Comprehensive Plan and add a definition to the Glossary consistent with Action C-1 in the City's Affordable Housing Strategy: *Increase development potential on suitable land owned by public, non-profit housing, and faith-based entities for affordable housing.* See Attachment A.

Steps to implement AHS Action C-1 are:

- Conduct staff analysis and public outreach for potential density increases on land owned by public, non-profit housing, and faith-based entities for affordable housing;
- Establish Comprehensive Plan policy direction as part of the 2020 annual amendment process;
- Develop Land Use Code provisions consistent with policy and recent state legislation (SHB 1377); and
- Avoid future parcel-by-parcel plan amendments and rezones as they are not an efficient or effective means to implement this action.

Work Program and Background

In December 2015 the City Council initiated the Affordable Housing Strategy (AHS) to improve affordable housing opportunities throughout the city consistent with City Council priorities, Comprehensive Plan guidance, and Economic Development Plan strategies. Following an eighteen-month planning process, including engagement with community and stakeholders, and guidance and assistance from the council-appointed Technical Advisory Group, City Council adopted the AHS and its 21 supporting actions on June 5, 2017. A phased work program was subsequently adopted for implementation of the AHS actions.

The AHS identified six bold actions with the greatest potential to create a relatively large number of new affordable units over the short term. Action C-1 was one of these bold actions.

On July 20, 2020 City Council provided direction on Action C-1 to *initiate work on an incentive-based approach for increasing affordable housing potential on eligible land consistent with Affordable Housing Strategy Action C-1. The work program would include subsequent action by Council to initiate a Comprehensive Plan Amendment (CPA) as part of the 2020 annual CPA work program and associated Land Use Code Amendments. Review would occur by the Planning Commission, with final action taken by City Council on the CPA before the end of 2020 and the LUCA in 2021.*

OVERVIEW OF STAFF RECOMMENDATION

This proposal satisfies the Final Review Decision Criteria for a Comprehensive Plan Amendment:

- √ The proposed amendment is **consistent with the Comprehensive Plan** because it is a functional policy component of overall Plan implementation, and particularly of the Housing Element:
 - **Policy HO-24:** *Develop and implement an effective strategy to ensure affordable housing opportunities are available in Downtown and throughout the city at a range of affordability levels;*
 - **Policy HO-7** *Encourage the development of affordable housing through incentives and other tools consistent with state-enabling legislation.*

- √ The proposed amendment **addresses the interests and changed needs of the entire city** because it is a proposal to meet the challenge of addressing the community's affordable housing need as identified in the Comprehensive Plan's Housing Element (2015), Affordable Housing Strategy (2017), Human Services Needs Update (2019-2020), and Economic Development Strategy (E.1.). Action C-1 also addresses Bellevue's Diversity Advantage Plan (2014) Guiding Principle for Opportunity by "connecting our community with faith and nonprofits working together for the common good".

- √ The proposed amendment **addresses significantly changed conditions (since the last time the pertinent map or text was amended)** due to changes related to the pertinent Plan map or text; where such change has implications of a magnitude that need to be addressed for the Comprehensive Plan to function as an integrated whole. Affordable Housing Strategy Action C-1 will implement existing Comprehensive Plan Policies that: 1) support development and implementation of an effective strategy to ensure affordable housing opportunities are available...throughout the city at a range of affordability levels (HO-24); (2) encourage the development of affordable housing through incentives and other tools consistent with state-enabling legislation (HO-7); and evaluate surplus city land for use for affordable housing (HO-32). Action C-1 also addresses 2019 state legislation SHB 1377. This legislation requires that, for real property owned or controlled by a religious organization, cities planning under the Growth Management Act must provide an increased density bonus for any affordable housing development. See Attachment 3.

- √ If a site-specific proposed amendment, the subject property is **suitable for development** in general conformance with adjacent land use and the surrounding development pattern, and with zoning standards under the potential zoning classifications. *The proposal is not a site-specific amendment so this decision criterion does not apply. For affordable housing projects that may ultimately receive a density bonus, suitability will be addressed through the project-specific development review and permit process.*

- √ *The proposed amendment **demonstrates a public benefit and enhances the public health, safety and welfare** by improving affordable housing opportunities throughout the city. The high cost of housing*

has many ramifications for Bellevue. An increasing share of young families face decreased housing stability, which has a demonstrated relationship to decreased academic performance in children. Many senior households are having a hard time staying in the community that has been their home for decades. Workers who cannot afford to live near their jobs must face longer commutes, adding to regional and local congestion. Stakeholder input to Bellevue’s Economic Development Plan and annual Bellevue Business Surveys identified lack of workforce housing as a primary challenge for Bellevue businesses.

FINAL REVIEW DECISION CRITERIA

The Final Review Decision Criteria for a proposed Comprehensive Plan amendment are set forth in the Land Use Code in Section 20.30I.150. A proposal must meet all of the criteria to be recommended for approval. Based on the criteria, Community Development Department staff recommends **approval** of the proposed amendment:

| Final Review Decision Criteria | Meets/ <i>Does Not Meet</i> |
|---|-----------------------------|
| A – Obvious technical error | N/A |
| B1 – Consistent with Plan and other plans and law | Meets |
| B2 – Addresses interests and changed needs of entire city | Meets |
| B3 – Addresses significantly changed conditions | Meets |
| B4 – Could be suitably developed | N/A |
| B5 – Demonstrates a public benefit | Meets |

This conclusion is based on the following analysis:

A. There exists obvious technical error in the pertinent Comprehensive Plan provision, or

Not applicable to this proposal.

B1. The proposed amendment is consistent with the Comprehensive Plan and other goals and policies of the city, the Countywide Planning Policies (CPP), the Growth Management Act and other applicable law; and

The proposed amendment is consistent with such plans, goals, and policies of the city and of the CPP, the GMA, and other applicable law.

The proposed amendment is **consistent with the Comprehensive Plan** *because it is a functional policy component of overall Plan implementation, and particularly of the Housing Element, whose text identifies the Affordable Housing Strategy as the main Functional Plan to implement the Housing Element. The Affordable Housing Strategy (AHS) includes twenty-one Actions in five Strategy Areas to increase access to affordable housing. The AHS identifies Action C-1 as one of six bold actions with the greatest potential to create a relatively large number of new affordable units over the short term.*

Relevant Comprehensive Plan Policy includes housing:

- **Policy HO-24:** *Develop and implement an effective strategy to ensure affordable housing opportunities are available in Downtown and throughout the city at a range of affordability levels, and*
- **Policy HO-7:** *Encourage the development of affordable housing through incentives and other tools consistent with state-enabling legislation.*

Growth Management Act

The proposal is consistent with GMA housing goal for promoting a variety of residential densities and housing types, encouraging the availability of affordable housing for all economic segments of the population, and preservation of existing housing stock.

Countywide Planning Policies

The proposed amendment is consistent with the Countywide Planning Policies Housing Chapter for addressing the countywide need for housing affordable to households with moderate, low and very-low incomes, including those with special needs (H-1). It is also consistent with the CPP for adopting policies, strategies, actions and regulations at the local level that promote housing supply, affordability, and diversity, including those that address a significant share of the countywide need for housing affordable to very-low, low, and moderate income households (H-5).

B2. The proposed amendment addresses the interests and changed needs of the entire city as identified in its long-range planning and policy documents; and

The proposed amendment addresses the interests and changed needs of the entire city because it is a proposal to meet the challenge of achieving the community's land use vision, accommodating future growth, and improving affordable housing opportunities throughout the city, consistent with the city's Comprehensive Plan Housing Element (2015), Affordable Housing Strategy (2016), the Human Services Needs Update (2019-2020), and the Economic Development Plan Strategy E.1:

- *Develop a City-wide strategy to expand workforce housing options by exploring all manner of tools, including a multifamily tax exemption program, a revolving fund for transit-oriented development, zoning changes, and other options.*

Implementing Action C-1 through the plan amendment process also addresses Bellevue's Diversity Advantage Plan (2014) Guiding Principle for Opportunity by "connecting our community with faith and nonprofits working together for the common good."

B3. The proposal addresses significantly changed conditions since the last time the pertinent Comprehensive Plan map or text was amended. See LUC 20.50.046 (below) for the definition of "Significantly Changed Conditions:"

Significantly changed conditions. Demonstrating evidence of change such as 1) unanticipated consequences of an adopted policy, or 2) changed conditions on the subject property or its surrounding area, or 3) changes related to the pertinent Plan map or text; where such change has implications of a magnitude that need to be addressed for the Comprehensive Plan to function as an integrated whole. This definition applies only to Part 20.30I Amendment and Review of the Comprehensive Plan (LUC 20.50.046); and

The proposed amendment addresses significantly changed conditions since the last time the pertinent CP map or text was amended due to adoption of the Affordable Housing Strategy and Action C-1 that creates changes related to the pertinent Plan map or text; where such change has

implications of a magnitude that need to be addressed for the Comprehensive Plan to function as an integrated whole.

The proposal implements the Affordable Housing Strategy and additional existing Comprehensive Plan housing policies that:

- *support development and implementation of an effective strategy to ensure affordable housing opportunities are available...throughout the city at a range of affordability levels (HO-24);*
- *encourage the development of affordable housing through incentives and other tools consistent with state-enabling legislation (HO-7);*
- *evaluate surplus City land for use for affordable housing (HO-32). This Action also addresses affordable housing need as identified in the Affordable Housing Strategy (2016) and the Human Services Needs Update (2019-2020).*

Action C-1 also addresses 2019 state legislation in SHB 1377. This legislation requires that for real property owned or controlled by a religious organization, cities planning under the Growth Management Act must provide an increased density bonus for any affordable housing development.

The proposal is also responsive to the increasing affordable housing need resulting from increases in jobs-housing imbalance and the economic downturn as a result of the COVID-19 pandemic.

- B4. If a site-specific proposed amendment, the subject property is suitable for development in general conformance with adjacent land use and the surrounding development pattern, and with zoning standards under the potential zoning classifications; and**

The proposal is not a site-specific amendment so this decision criterion does not apply. For affordable housing projects that may ultimately receive a density bonus, suitability will be addressed through the project-specific development review and permit process.

- B5. The proposed amendment demonstrates a public benefit and enhances the public health, safety and welfare of the city.**

The proposed amendment demonstrates a public benefit and enhances the public health, safety and welfare by improving affordable housing opportunities throughout the city. The high cost of housing has resulted in a high percentage of Bellevue residents that pay more than 30% of their income for housing (this is known as being cost-burdened) and many that pay more than 50% of their income for housing (this is known as severely cost-burdened). See Attachment C- Household Income and Housing Need.

Housing unaffordability has many ramifications for Bellevue. Stakeholder input to Bellevue's Economic Development Plan and Bellevue Business Surveys identified lack of workforce housing as a primary challenge for Bellevue businesses. An increasing share of young families face decreased housing stability, which has a demonstrated relationship to decreased academic performance in children. Many senior households are having a hard time staying in the community that has been their home for decades. Workers who cannot afford to live near their jobs must face longer commutes, adding to regional and local congestion.

STATE ENVIRONMENTAL POLICY ACT

The Environmental Coordinator for the City of Bellevue has determined that this proposal will not result in any probable, significant adverse environmental impacts. A final threshold determination of non-significance (DNS) was issued on October 8, 2020.

PUBLIC NOTICE AND COMMENT

Notice of the Application was published in the Weekly Permit Bulletin on August 13 and mailed and posted as required by LUC 20.35.420. Notice of the October 28, 2020, Final Review Public Hearing before the Planning Commission was published in the Weekly Permit Bulletin on October 8, 2020, and included notice sent to parties of interest.

Effective community engagement, outreach, and public comments at Final Review

Applicants, residents, and communities are engaging across a variety of media in proactive public participation during the 2020 annual review process. The city's early and continuous community engagement includes tools and occasions to provide and respond to public information and engagement.

Public comments come in throughout the process. All comments written and oral are included in the public record, for reference and for use by decision-makers. At the various steps, the comments are included in their original form to the Planning Commission as attachments to staff report recommendations. They are posted on the web site.

Effective community engagement, outreach and public comments at Threshold Review

Applicants, residents and communities are engaging across a variety of media in proactive public participation during the 2020 annual plan amendment review process. The city's early and continuous community engagement includes:

- Responsive early outreach to requests for information and to become parties of interest
- Responding in writing to each written public comment submitted and returning phone calls
- Expanded web page material for Comprehensive Plan Amendments with the review schedule, the applications list, and a "What's Next" timeline
- Official Weekly Permit Bulletin notice as required
- A September 9 Planning Commission study session on the proposals included in the work program.
- A October 6, 2020 courtesy public hearing before the East Bellevue Community Council on the proposed plan amendment. Comments are provided to the record for the Planning Commission and for City Council consideration.
- Summary of outreach conducted for the proposed plan amendment Affordable Housing Strategy Action C-1 from July to October 2020:

Community Meetings

- *C-1 Lunch and Learn Stakeholder Forum (on-line)*. On September 3, 2020 the city hosted a stakeholder forum with invited representatives from the faith community, local non-profit housing groups, and others with technical background in housing, financing, development and affordable housing issues. There were 125 RSVPs and 57 people attended the meeting.
- *Affordable Housing Town Hall (on-line)*. On September 24, 2020, community members were invited to discuss and provide feedback on Action C-1 of the Affordable Housing Strategy. Sixty participants signed in at this meeting.

City Council Meetings

- City Councilmembers received a July 20, 2020 briefing on the C-1 proposal, then initiated a 2020 work program comprehensive plan amendment for an incentive-based approach for increasing affordable housing potential on eligible land consistent with AHS Action C-1.
- Staff provided the City Council with an introduction to an Action C-1 proposal on February 12, 2018. The proposal would have replaced the existing dwelling unit (DU) per acre density calculation with a floor area ratio calculation. Councilmembers were concerned with this approach, and also recommended deferring the discussion on the proposed C-1 strategy until the end of the legislative session since there was a bill being considered within the state legislature relating to faith-based entities.

Web-based Outreach

- *Engaging Bellevue Website.* The project website, <http://www.engagingbellevue.com> invited sign-ups for email updates about project progress, announces workshops and community meetings, provides meeting materials, and allows visitors to post comments and questions.
- *Social Media.* Public engagement information was posted to the Engaging Bellevue website, Twitter, Facebook, and NextDoor.

City Publications

- An article providing project overview and Town Hall announcement was published in the September *It's Your City*.
- Summary of outreach conducted for the **Affordable Housing Strategy** July 2016 through April 2017:

Community Meetings

- *Community Education Forum.* On June 23, 2016, the City hosted an education forum that included a panel of local experts for a discussion of the need for affordable housing in Bellevue, and challenges to providing for that need facing the City and local developers. Participants were also invited to share their experiences with affordable housing, meet with local human services providers, and comment on potential affordable housing strategies and actions. Sixty-two (62) participants signed in at this meeting.
- *Public Workshop.* On March 21, 2017, community members were invited to discuss and provide feedback on the Draft Affordable Housing Strategy. Conversations were facilitated by trained residents, and participants were asked to weigh in on draft strategies and actions. Fifty-four (54) participants signed in at this meeting.

Council and Commission Meetings

- *City Council.* Staff provided Council briefings and received guidance on a regular basis, typically every two to three months. All meetings were open to the public.
- *Advisory Groups.* Staff provided briefings at public meetings of the Human Services Commission and Bellevue Network on Aging to provide project information and invite feedback.

Web-based Outreach

- *Website.* The project website, <http://www.bellevuewa.gov/affordable-housing.htm> invited sign-ups for email updates about project progress, announced workshops and community meetings,

provided meeting materials for council, commission, and the Technical Advisory Group, and provided background information and project reports. The website also hosted an online survey and online open house, described below.

- *2016 Online Affordable Housing Survey.* An online survey launched in June 2016 received more than 800 responses during a two-month period. A companion paper survey, which was translated into Russian, Spanish, and traditional Chinese, was conducted simultaneously and received more than 80 responses. Findings from both paper and online surveys were combined and analyzed.
- *2017 Online Affordable Housing Open House.* An online open house was launched on March 17 and ran through April 4, 2017. It received 283 total responses over the two-and-a-half week period, with more than 800 unique comments. The primary purpose of the online open house was to share information and ask for feedback about the draft strategies and actions.
- *Social Media.* Public engagement information was posted to the project website, Twitter, Facebook, and NextDoor. Twitter and Facebook posts were also translated into Russian, Chinese, and Spanish.

Small Group Outreach

- *Listening Posts.* In June 2016, two informal listening sessions were conducted, held at Crossroads Mall Mini City Hall and Factoria Mall. The purpose of these sessions was to discuss the Affordable Housing Strategy purpose and timeline, answer questions, address concerns, discuss experiences, and receive responses to the Affordable Housing Survey.
- *Stakeholder workshops.* Two rounds of stakeholder meetings were conducted.
 - The first round consisted of three meetings in June and July 2016, with neighborhood leaders and representatives from the Bellevue Network on Aging. The purpose of these stakeholder meetings was to discuss questions, concerns, and views on affordable housing, as well as to gather feedback on potential actions under consideration.
 - The second round of stakeholder meetings included two meetings in February 2017 with non-profit developers, for-profit developers, employers, affordable housing advocates, and faith-based organizations. The purpose of these meetings was to receive feedback on draft Affordable Housing Strategy actions.
- *Other events.* City staff also presented information about the strategy to the Bellevue Downtown Association and the 2016 Bellevue Essentials class.

City Publications

- Articles providing project updates and meeting announcements were published in *It's Your City* and *Neighborhood News* over the course of the project.

ATTACHMENTS

- A. Affordable Housing Strategy C-1 Implementation Housing Element policy and Glossary definition
- B. SHB 1377 2019-2020, Affordable Housing Development on Religious Organization Property

Affordable Housing Strategy C-1: Increase development potential on suitable land owned by public, non-profit housing, and faith-based entities for affordable housing.

Proposed Policies Draft: Add the following policies to the Housing Element:

Policy HO-33: Implement Affordable Housing Strategy C-1 by providing bonuses and incentives to increase permanently affordable housing on any qualifying property owned by faith-based or non-profit housing entities, or on surplus property owned by public entities.

Policy HO-34: Implement the bonuses and incentives for qualifying properties to respond to the different conditions of multifamily and single family land use districts that are outside of Downtown, BelRed, and Eastgate TOD.

Discussion: Adopting permanently affordable housing bonuses and incentives that respond to the different conditions of for multifamily and for single family districts for the purpose of creating flexibility in development standards is needed to achieve bonus affordable housing units on qualifying properties. Amending these standards for use in by-right development processes will address the look and feel of housing structures, variation in the types of housing, and dimensional standards.

Policy HO-35: Adopt an interim ordinance enabling a demonstration project including affordable housing and is consistent with Policy HO-14, on qualifying non-profit housing entity-owned property and when located in a multifamily land use district and is on an arterial. The interim ordinance shall address standards and requirements for site proximity to transit, residential development capacity, and other land use dimensional incentives for the additional development of permanently affordable housing.

Definition in Glossary:

Qualifying properties : Multifamily property that is owned by faith-based, or non-profit housing entities, or surplus property owned by public entities; or single family property that is owned by faith-based entities.

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1377

Chapter 218, Laws of 2019

66th Legislature
2019 Regular Session

AFFORDABLE HOUSING DEVELOPMENT ON RELIGIOUS ORGANIZATION PROPERTY

EFFECTIVE DATE: July 28, 2019

Passed by the House April 18, 2019
Yeas 85 Nays 9

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 12, 2019
Yeas 42 Nays 3

CYRUS HABIB

President of the Senate

Approved April 30, 2019 2:43 PM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1377** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

May 1, 2019

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 1377

AS AMENDED BY THE SENATE

Passed Legislature - 2019 Regular Session

State of Washington

66th Legislature

2019 Regular Session

By House Housing, Community Development & Veterans (originally sponsored by Representatives Walen, Barkis, Jenkin, Harris, Springer, Macri, Wylie, Ryu, Reeves, Robinson, Griffey, Appleton, Bergquist, Jinkins, Tharinger, Slatter, Kloba, Doglio, Goodman, Leavitt, Ormsby, and Santos)

READ FIRST TIME 02/08/19.

1 AN ACT Relating to affordable housing development on religious
2 organization property; adding a new section to chapter 35.63 RCW;
3 adding a new section to chapter 35A.63 RCW; adding a new section to
4 chapter 36.70A RCW; and adding a new section to chapter 44.28 RCW.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 35.63
7 RCW to read as follows:

8 (1) A city planning under this chapter must allow an increased
9 density bonus consistent with local needs for any affordable housing
10 development of any single-family or multifamily residence located on
11 real property owned or controlled by a religious organization
12 provided that:

13 (a) The affordable housing development is set aside for or
14 occupied exclusively by low-income households;

15 (b) The affordable housing development is part of a lease or
16 other binding obligation that requires the development to be used
17 exclusively for affordable housing purposes for at least fifty years,
18 even if the religious organization no longer owns the property; and

19 (c) The affordable housing development does not discriminate
20 against any person who qualifies as a member of a low-income
21 household based on race, creed, color, national origin, sex, veteran

1 or military status, sexual orientation, or mental or physical
2 disability; or otherwise act in violation of the federal fair housing
3 amendments act of 1988 (42 U.S.C. Sec. 3601 et seq.).

4 (2) A city may develop policies to implement this section if it
5 receives a request from a religious organization for an increased
6 density bonus for an affordable housing development.

7 (3) The religious organization developing the affordable housing
8 development must pay all fees, mitigation costs, and other charges
9 required through the development of the affordable housing
10 development.

11 (4) If applicable, the religious organization developing the
12 affordable housing development should work with the local transit
13 agency to ensure appropriate transit services are provided to the
14 affordable housing development.

15 (5) This section applies to any religious organization
16 rehabilitating an existing affordable housing development.

17 (6) For purposes of this section:

18 (a) "Affordable housing development" means a proposed or existing
19 structure in which one hundred percent of all single-family or
20 multifamily residential dwelling units within the development are set
21 aside for or are occupied by low-income households at a sales price
22 or rent amount that may not exceed thirty percent of the income limit
23 for the low-income housing unit;

24 (b) "Low-income household" means a single person, family, or
25 unrelated persons living together whose adjusted income is less than
26 eighty percent of the median family income, adjusted for household
27 size, for the county where the affordable housing development is
28 located; and

29 (c) "Religious organization" has the same meaning as in RCW
30 35.21.915.

31 NEW SECTION. **Sec. 2.** A new section is added to chapter 35A.63
32 RCW to read as follows:

33 (1) A city planning under this chapter must allow an increased
34 density bonus consistent with local needs for any affordable housing
35 development of any single-family or multifamily residence located on
36 real property owned or controlled by a religious organization
37 provided that:

38 (a) The affordable housing development is set aside for or
39 occupied exclusively by low-income households;

1 (b) The affordable housing development is part of a lease or
2 other binding obligation that requires the development to be used
3 exclusively for affordable housing purposes for at least fifty years,
4 even if the religious organization no longer owns the property; and

5 (c) The affordable housing development does not discriminate
6 against any person who qualifies as a member of a low-income
7 household based on race, creed, color, national origin, sex, veteran
8 or military status, sexual orientation, or mental or physical
9 disability; or otherwise act in violation of the federal fair housing
10 amendments act of 1988 (42 U.S.C. Sec. 3601 et seq.).

11 (2) A city may develop policies to implement this section if it
12 receives a request from a religious organization for an increased
13 density bonus for an affordable housing development.

14 (3) The religious organization developing the affordable housing
15 development must pay all fees, mitigation costs, and other charges
16 required through the development of the affordable housing
17 development.

18 (4) If applicable, the religious organization developing the
19 affordable housing development should work with the local transit
20 agency to ensure appropriate transit services are provided to the
21 affordable housing development.

22 (5) This section applies to any religious organization
23 rehabilitating an existing affordable housing development.

24 (6) For purposes of this section:

25 (a) "Affordable housing development" means a proposed or existing
26 structure in which one hundred percent of all single-family or
27 multifamily residential dwelling units within the development are set
28 aside for or are occupied by low-income households at a sales price
29 or rent amount that may not exceed thirty percent of the income limit
30 for the low-income housing unit;

31 (b) "Low-income household" means a single person, family, or
32 unrelated persons living together whose adjusted income is less than
33 eighty percent of the median family income, adjusted for household
34 size, for the county where the affordable housing development is
35 located; and

36 (c) "Religious organization" has the same meaning as in RCW
37 35A.21.360.

38 NEW SECTION. **Sec. 3.** A new section is added to chapter 36.70A
39 RCW to read as follows:

1 (1) Any city or county fully planning under this chapter must
2 allow an increased density bonus consistent with local needs for any
3 affordable housing development of any single-family or multifamily
4 residence located on real property owned or controlled by a religious
5 organization provided that:

6 (a) The affordable housing development is set aside for or
7 occupied exclusively by low-income households;

8 (b) The affordable housing development is part of a lease or
9 other binding obligation that requires the development to be used
10 exclusively for affordable housing purposes for at least fifty years,
11 even if the religious organization no longer owns the property; and

12 (c) The affordable housing development does not discriminate
13 against any person who qualifies as a member of a low-income
14 household based on race, creed, color, national origin, sex, veteran
15 or military status, sexual orientation, or mental or physical
16 disability; or otherwise act in violation of the federal fair housing
17 amendments act of 1988 (42 U.S.C. Sec. 3601 et seq.).

18 (2) A city or county may develop policies to implement this
19 section if it receives a request from a religious organization for an
20 increased density bonus for an affordable housing development.

21 (3) An affordable housing development created by a religious
22 institution within a city or county fully planning under RCW
23 36.70A.040 must be located within an urban growth area as defined in
24 RCW 36.70A.110.

25 (4) The religious organization developing the affordable housing
26 development must pay all fees, mitigation costs, and other charges
27 required through the development of the affordable housing
28 development.

29 (5) If applicable, the religious organization developing the
30 affordable housing development should work with the local transit
31 agency to ensure appropriate transit services are provided to the
32 affordable housing development.

33 (6) This section applies to any religious organization
34 rehabilitating an existing affordable housing development.

35 (7) For purposes of this section:

36 (a) "Affordable housing development" means a proposed or existing
37 structure in which one hundred percent of all single-family or
38 multifamily residential dwelling units within the development are set
39 aside for or are occupied by low-income households at a sales price

1 or rent amount that may not exceed thirty percent of the income limit
2 for the low-income housing unit;

3 (b) "Low-income household" means a single person, family, or
4 unrelated persons living together whose adjusted income is less than
5 eighty percent of the median family income, adjusted for household
6 size, for the county where the affordable housing development is
7 located; and

8 (c) "Religious organization" has the same meaning as in RCW
9 36.01.290.

10 NEW SECTION. **Sec. 4.** A new section is added to chapter 44.28
11 RCW to read as follows:

12 The joint committee must review the efficacy of the increased
13 density bonus incentive for affordable housing development located on
14 property owned by a religious organization pursuant to this act and
15 report its findings to the appropriate committees of the legislature
16 by December 1, 2030. The review must include a recommendation on
17 whether this incentive should be continued without change or should
18 be amended or repealed.

Passed by the House April 18, 2019.
Passed by the Senate April 12, 2019.
Approved by the Governor April 30, 2019.
Filed in Office of Secretary of State May 1, 2019.

--- END ---