



Kelly TOD Request for Qualifications Addendum

DATE: April 25, 2025
TO: All Potential Responders
FROM: City of Bellevue
PROJECT NAME: Kelly TOD Request for Qualifications

This addendum is responsive to all questions received in reference to the Kelly Transit-Oriented Development (TOD) Request for Qualifications (RFQ) published on Monday, March 10, 2025.

The City of Bellevue received thirty-six (36) questions regarding the Kelly TOD RFQ and the subject property. Staff reviewed questions and have provided responses to the best of their ability based on the most recently available information. Please direct any additional questions or requests for further information to housing@bellevuewa.gov, Subject line – “Kelly TOD RFQ – Questions”.

I. Development Goals

1. **Question:** Can Artist Live/Work studios/galleries be provided at ground floor in lieu of retail? We do see opportunity with small business spaces and some strategic retail (café/gallery), but we'd rather invest in ground floor artist lofts.. Can that be considered?

- i. **City Response:** The intent of the project is to deliver affordable places for artists to live and work, creative community gathering spaces, and space for creative industry retail that would serve as an anchor and catalyst to the mixed-use BelRed Arts District. There should be a consideration for not only the tenant experience, but also the ground level pedestrian experience when visiting a vibrant Arts District.

In the current version of the BelRed Code, work-live units are allowed within the 130th Ave. node where there are requirements for ground floor commercial. The Kelly site is located within that node. It should be noted that this allowance cannot be confirmed to be available within the BelRed code update until code adoption takes place. To vest an application to the existing version of the BelRed Overlay code, an application for design review would need to be submitted prior to the adoption of the BelRed code updates.

2. **Question:** Can you verify that the City does not want the applicants to submit any specific designs for the proposed project (including floor plates), renderings or models (including massing images) as part of the response to the RFP? (See note on page 19 – Illustrative Examples)
 - i. **City Response:** Correct. As noted in the Kelly RFQ document on page 19, the City would like to see illustrative examples to include three visuals such as concepts, diagrams, or precedent images that help convey your project vision. More detailed designs are not expected at this stage.

II. Availability of reports, surveys, and/or other analysis

1. **Question:** Can the City share Appendix H – geotechnical (referenced in RFQ but not posted on the website)?
 - i. **City Response:** The subsurface analysis currently labeled "Appendix H" and linked on the website is the only document available at this time.

III. Land Use Code (General)

1. **Question:** Is there a proposed updated code that can be used for this design? The subarea plan provided explicitly excludes dimensional requirements.
 - i. **City Response:** The site is currently regulated pursuant to the BelRed Overlay District LUC 20.25D. The Land Use Code Amendment (LUCA) for BelRed is currently in development. The strikedraft is anticipated to be available Summer 2025 with adoption anticipated December 2025. The Public Hearing cannot be confirmed but is anticipated in Fall 2025. Questions about the future BelRed code and updates cannot be confirmed until code adoption.
2. **Question:** Please confirm that the proposed provisions of LUC 20.10.398 land use districts would apply Mixed-Use Highrise (Mu-H) to this site. If so, is there a draft for a future overlay for the BelRed TOD?

- i. **City Response:** Details of future code adoptions cannot be confirmed at this time. At the moment, changes to 20.10 are anticipated under the HOMA LUCA strikedraft and additional changes may be considered under BelRed Look Forward. [HOMA Strikedraft options are available on the city website](#); HOMA is anticipated to go to public hearing mid to late Summer 2025. Adoption is anticipated late Summer to early Fall 2025. The LUCA for BelRed is currently in development. The strikedraft is anticipated to be available Summer 2025 with adoption anticipated December 2025. The Public Hearing cannot be confirmed but is anticipated in Fall 2025. Questions about the future BelRed code and updates cannot be confirmed until code adoption.

3. Question: Do the latest drafts of the HOMA Option A or B Strikedraft apply to this site?

- i. **City Response:** Contents of the strikedrafts or how they relate to sites cannot be confirmed at this time. However, some changes within the strikedraft could impact Affordable Housing uses generally. Please review [both strikedraft options](#) and LUC 20.20.128.

For questions (VI (4-12)), please refer to the City Response below related to the upcoming BelRed LUCA. NOTE: This solicitation is a Request for Qualifications. Detailed design proposals are neither expected nor desired at this stage.

- i. **City Response:** Details of future code adoptions cannot be confirmed at this time. The LUCA for BelRed is currently in development. The strikedraft is anticipated to be available Summer 2025 with adoption anticipated December 2025. While the Public Hearing date has also not yet been confirmed, it is anticipated in Fall 2025. Questions about the future BelRed code and updates cannot be confirmed until code adoption.

Generally, impervious calculation does not allow for the subtraction of easements and dedications if they are contained within the site. Exceptions may be available, but it would depend on the site conditions (such as infiltration infeasibility).

Variances have historically only been granted for height in unique circumstances. It is unknown if departures or other mechanisms to deviate from the code will be available in the proposed BelRed Overlay; they are not available in the current version of the code unless except where explicitly stated.

4. **Question:** Does the City anticipate that in any future LUCA for BR-RC-1 zone, the 15' stepback on Spring Street will not be required?
5. **Question:** Does the City anticipate that in any future LUCA for BR-RC-1 zone, the 15' stepback on streets identified as a Required Sidewalk-Oriented Development will not be required?
6. **Question:** In the future LUCA for BelRed, what is the anticipated Maximum Impervious Surface/Lot Coverage percentage?
7. **Question:** In the future LUCA for BelRed, will the parking requirement of 0.50 stalls/unit for affordable housing be decreased? To what quantity?
8. **Question:** Will there be a "small sites" designation for this site similar to downtown and the new Wilburton codes?
9. **Question:** Does 75% max impervious surface/lot coverage requirement remain in proposed new code? If so, can impervious area be calculated based on useable site area (subtracting all required easements and dedications noted on the provided survey)? Are variances possible for this code?
10. **Question:** Gross SF/Floor above 40 ft: For buildings above 80 feet, floor plates are limited to 12,000 sf. For the portion of the building above 40 feet. Does this restriction remain in proposed now code? If so, are variances possible for buildings that are only 85 feet in height?
11. **Question:** Gross SF/Floor above 80 ft: For buildings taller than 80 feet, floor plates are limited to 9,000 sf above 80 feet (10,000 sf for buildings which provide affordable housing on site.) Are there plans to revise this limitation in the proposed new code?
12. **Question:** Building Stepbacks: Where building height exceeds 45 feet, and the building is located within 15 feet of the front property line, the building shall incorporate a 15-foot-deep stepback. Does this stepback remain in the revised code? Is the stepback required from the face of building or from the property line? Assuming the building cannot be built within the wall maintenance easement, can the wall maintenance easement be considered part of the 15-foot stepback?
13. **Question:** In the future LUCA for BelRed, confirm that the requirement of providing Multifamily play areas for new developments of 10 units or more will still be required.

- i. **City Response:** Please refer to the above response related to the upcoming BelRed LUCA. Additionally, the multi-family play area requirement is driven by the requirements of General Development (LUC 20.20) which is outside of the requirements set forth for the BelRed overlay district. It is unknown if this will change in the future.

IV. Easements, Rights of Way, Parking, Clearing/Grade

- 1. **Question:** Please clarify the intent behind the “4.75 foot wide wall maintenance easement” at the north end of the site? Please explain the design intent for the final condition.

- i. **City Response:** The wall maintenance easement is required to maintain the retaining wall for the sidewalk vs the existing grade of the site. Assuming the site will need to access Spring Blvd to accommodate the build-to line, the wall will likely need to be demolished and removed when the grade is filled. Once the site matches the grade of the sidewalk, the wall easement may be released.

- 2. **Question:** Can the building foundation not be built up against the existing retaining wall? (this would correspond to the “build-to line” required in 20.25D.130.B.)

- i. **City Response:** Please see response to Question IV(1).

- 3. **Question:** Will the sidewalk be built to cover the easement to the face of the new building?

- i. **City Response:** The required sidewalk width is 10.5' behind the planter strip.

- 4. **Question:** Does the area behind the wall beneath the sidewalk need to be accessible to maintenance workers?

- i. **City Response:** Currently, yes. When the site is regraded to match the sidewalk, this will no longer be necessary.

For the following four questions (IV(5-8)), please refer to the City Response below and to the linked Transportation Design Manual. NOTE: This solicitation is a Request for Qualifications. Detailed design proposals are neither expected nor desired at this stage.

- i. **City Response:** The fully built road of 131st Ave will have a minimum of 36' feet of roadway (curb to curb) and an additional 25' of curb, planter strip and sidewalks. Half of 131st from Spring to NE 15th is already built on the east side. Right of Way dedication is required from curb to curb, while an additional sidewalk/utility easement is required to be recorded to the back of walk. Please refer to [Appendix B of the BelRed Streetscape Plan \(2021\) in the Transportation Design Manual](#).
- 5. **Question:** Is the future 131st Ave NE dedication along the east property line to be 31'-0' in width, and to follow the Local Street section found in the August 2011 Appendix B BelRed Corridor Plan?
- 6. **Question:** Are additional easements expected to be recorded on the Kelly property adjacent to the future 131st Ave NE dedication?
- 7. **Question:** Is a future east-west road dedication expected within the Kelly property along the southern property line? If so, what is the dedication width and what is the applicable street standard? [**City Note:** Please note that the NE 15th St Section is not located on the southern property.]
- 8. **Question:** Are additional easements expected to be recorded on the Kelly property adjacent to the southern property line?
- 9. **Question:** Additional question about the 15.5 wide easements shown on the survey adjacent to NE Spring Boulevard and 130th Ave NE: Are these easements to become a right of way dedication defined by the recorded Declaration of Right of Way instrument, number 20240423000771
 - i. **City Response:** Based on the Right of Way dedication, this area has already been dedicated. The site survey was conducted in 2023 prior to the recording referenced in the question.
- 10. **Question:** Can you provide existing and proposed finish grades for the site including the south property line and the proposed new road sections on 130th and 131st?

- i. **City Response:** Existing contours will need to be surveyed. Future grades will need to be designed by developer and reviewed by the City. 130th Ave requires 34' roadway width, 6' bike protected bike lanes, .5' curbs, 5' planter strips, and 6' sidewalks. The fully built road of 131st Ave will have a minimum of 36' feet of roadway (curb to curb) and an additional 25' of curb, planter strip and sidewalks. Half of 131st from Spring to NE 15th is already built on the east side. Please refer to [Appendix B, BelRed Streetscape Plan \(2021\) in the Transportation Design Manual.](#)

11. Question: Expedited Design Review- has that been confirmed? City of Seattle has now eliminated DR on AH projects to save time and money, and to encourage more affordable housing.

- i. **City Response:** The City of Bellevue has both an expedited permit processing program and a fee reduction program for 100% affordable housing projects. The expedited permitting program is tailored per project. The fee reduction program refunds all review and inspection fees for Development Services permits, however the total funds dedicated to this program are capped annually. This means eligible projects should apply as early in the year as possible. In the 2025-2026 budget, the program has allocated \$600K annually for the two years. As part of the biennium budget process, the Development Services Department will continue to request funding for the program.

For additional information about either program, please contact the city's land use review staff directly at 425-452-4188 or landusereview@bellevuewa.gov. When contacting land use staff in reference to this parcel, please make sure to note the same in your subject line.

12. Question: Expedited permit process- has this been discussed or confirmed?

- i. **City Response:** Please see response to Question IV(11).

13. Question: Parking: This is a TOD, and we have traditionally provided little/no parking for our affordable/low-income projects. Parking can add millions of dollars to the cost of a project, and we have found much less demand at/near transit stations. Is the City open to discussions/reductions and/or elimination of most parking (except for commercial uses, etc.)?

- i. **City Response:** Parking requirements are currently calculated based on the prescriptive requirements set forth in the BelRed Overlay code. Reductions *are* available for affordable housing, but parking will still be required for this project. Reductions at ratios of 0.25/unit, 0.50/unit, and/or 0.75/unit may be available based on the bedroom mix combined with the availability of housing available to households earning less than 60% AMI or proximity to frequent transit service. It is possible that pending updates to the BelRed code would modify parking requirements but not eliminate them. Projects will be required to meet final code requirements to be permitted, however, project designs are not required for response to this RFQ.

14. Question: Has the base FAR been improved/increased in this location? An affordable project could not bear the costs that the project next door (Legacy Bellevue Station) had to bear (\$3M) in order to achieve what many jurisdictions already provide for Transit-Oriented areas (85' high zoning w easy achievable 3.0-4.0 FARs)?

- i. **City Response:** Base FAR is currently prescribed within the BelRed Overlay code. It is unknown how this will change in the BelRed Look Forward LUCA however, it is anticipated to change. Please note however that affordable housing is exempt from FAR calculations.

V. Finance, Required Documentation

1. Question: Will developers without three years of audited financials be considered?

- i. **City Response:** The City prefers audited financials. However, for organizations without audited financial statements, please provide financial statements for three years that demonstrate the developer's financial capacity to secure the necessary financing and loan guarantees.

2. Question: Can the City confirm if the following are required?

- CFA Narratives
- CFA Excel (all tabs)
- CFA Addendums for Bellevue HSP or ARCH HTF – excluded since this is not a funding application?
- CFA Attachments/tabs – excluded except for those named in the submission checklist

- i. **City Response:** Please refer to "[Attachment A - Submission Checklist](#)," which identifies the required submission materials and attachments. This includes Application Document #2 and the CFA Forms (Excel). Both of which are required to demonstrate alignment with Evaluation Criterion 2 and 3.

Note that for Application Document #3, LIHTC Addendum Forms CFA Narratives, Bellevue HSP and ARCH HTF addenda are **not required** submissions.

3. Question: Can ARCH clarify that the project is eligible for ARCH funding?

- i. **City Response:** The City is closely coordinating with ARCH staff for the review of developer proposals. The selected developer will need to apply separately to the ARCH Housing Trust Fund (HTF) application round and funding will be considered based on alignment with current ARCH HTF priorities.

4. Questions: Given the October 2025 award date, is the City expecting the successful applicant to apply for the September 2025 CFA round or a later round?

- i. The City will support a developer's efforts to secure financing; however, the City does not expect any acceleration to the selection and negotiation process outlined in the RFQ or Addenda.

5. Question: Under local funding assistance section on page 13, the RFP mentions Washington State Housing Finance Bond Program, does this include the tax exempt bond associated with the 4% low income housing credit?

- i. **City Response:** Yes, Section VII Financial Incentives, No. 6 includes all of the Washington State Housing Finance Commission (WSHFC) Low-Income Housing Tax Credits (LIHTC) and tax exempt bond programs.

6. Question: Will the funds from Housing Stability Program be available to the project if it is 50-60% AMI (vs 30%)? Can we apply multiple years for these funds (pre-dev/dev/const phases could take 3-5 years)?

- i. **City Response:** Yes, a project may apply to Housing Stability Program funds for more than one funding cycle.

Bellevue's Housing Stability Program has established the following priorities: (1) Provide housing for households earning below 30% of area median income (AMI); (2) Address and prevent homelessness and housing instability; and (3) Focus on underserved, vulnerable residents in Bellevue.

The Housing Stability Program is authorized under RCW 82.14.530 and does allow the creation of affordable housing up to 60% AMI so long as households are income qualified *and* meet one of the following populations:

1. Persons with behavioral health disabilities;
2. Veterans;
3. Senior citizens;
4. Persons who are homeless or at-risk of being homeless, including families with children;
5. Unaccompanied homeless youth or young adults;
6. Persons with disabilities; or
7. Domestic violence survivors.

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