February 27, 2023

Bellevue City Council City of Bellevue 450 110th Avenue NE Bellevue, WA 98004

Re: Recommended Amendments to House Bill 1110 and Senate Bill 5190

Dear Mayor Robinson, Deputy Mayor Nieuwenhuis and Members of City Council,

House Bill 1110 has evolved over this past week helping our State address middle housing needs while minimizing the impact to our neighborhoods. The changes help to address some concerns including the impact to the environment, parking, infrastructure capacity and development costs, yet the Bill still is problematic with several concerning deficiencies. I am asking Council to direct staff to engage our State legislature to address the following:

- Provide Cities 1 Year to Develop Comp Plans The Bill as stated only applies to comp plans completed as of January 1, 2023. The Bill does not appreciate the local planning efforts in progress which may not only meet but exceed the goals of the Bill at a lower cost. Cities must be provided one-year to complete their comprehensive plans which are substantially similar to the requirements of this Bill.
- 2. Override Pre-Existing Declarations and Covenants: To maximize social, economic and environmental justice, this Bill must override pre-existing Covenants, Conditions, and Restrictions (CC&Rs). Providing an exemption would unfairly shift density and infrastructure burden to adjacent and typically less affluent neighborhoods. If not addressed, the Bill will likely spur other neighborhoods to draft similar CC&Rs prior to the effective date, negating the Bill's goals and increasing the impact to other less prosperous neighborhoods.
- 3. <u>Community Parks</u>: This undefined term was introduced in the substitute Bill as a type of community amenity and is suggested be be stricken from the Bill in its entirety. Its definition varies significantly from cities across the state and retaining this provision may have an adverse impact on cities creating, improving or expanding parks due to the risk of triggering conditions of this Bill.
- 4. <u>Prevention of Short-Term Rentals</u>: The Bill is silent on the prevention of new units from being turned into Airbnb's or short-term rentals. Allowing new middle housing units to be used for short-term rentals would be counter to the objectives of the Bill and reduce housing stock. The Bill should empower Cities to enable short-term rental restrictions.
- 5. <u>Foreign Investment / Unoccupied Housing:</u> There continues to be a risk of foreign investors purchasing middle housing for investment and visa related purposes, often leaving units unoccupied. In the past this has fueled bidding wars, at times pricing residents out of the market. To address this risk, it is recommended the Bill require minimum occupancy durations and/or legal residency status.

I would like to thank the Mayor, Deputy Mayor, Genesee Atkins as well as State Representatives Walen and Slater for their support and community engagement. Working together we can refine this Bill to help expand middle and affordable housing opportunities while helping to protect our neighborhoods and environment for future generations.

Respectfully,

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