



PLANNING COMMISSION CITY OF MERCER ISLAND

PCB 26-07
June 3, 2026
Public Hearing

AGENDA BILL INFORMATION

TITLE:	PCB 26-07: Public Hearing: Comprehensive Plan Update, Station Subarea Plan, and Implementing Development Code Amendments	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input checked="" type="checkbox"/> Recommendation
RECOMMENDED ACTION:	<p>Motion 1: Move to recommend adoption of the Comprehensive Plan, Station Subarea Plan, and Implementing Development Code Amendments as Amended.</p> <p>Motion 2: Move to incorporate the non-substantive amendments listed in PCB26-07 into the draft Comprehensive Plan, Station Subarea Plan, and Implementing Development Code Amendments.</p> <p>Motion 3: Move to incorporate the substantive amendments in log numbers [insert substantive amendment log numbers] and any staff recommended alternatives listed in PCB26-07 Exhibit 4 into the draft Comprehensive Plan, Station Subarea Plan, and implementing development code amendments.</p>	

STAFF:	Alison Van Gorp, CPD Deputy Director Adam Zack, Principal Planner
EXHIBITS:	<ol style="list-style-type: none"> 1. Amended Comprehensive Plan 2. Station Subarea Plan 3. Implementing Development Code Amendments 4. Planning Commission Comment Matrixes: <ol style="list-style-type: none"> a. Comprehensive Plan b. Station Subarea Plan c. Implementing Development Code Amendments

EXECUTIVE SUMMARY

The purpose of this agenda item is to brief the Planning Commission on the proposed amendments to the Transportation, Utilities and Capital Facilities Elements of the Comprehensive Plan.

- The City completed a periodic review and update of the Mercer Island Comprehensive Plan, which was adopted by the City Council on November 19, 2024 ([AB 6573](#)).
- The 2024 Comprehensive Plan was appealed to the GMHB on the grounds that the Comprehensive Plan did not adequately plan for and accommodate future affordable housing needs (GMHB case number 25-3-0003). On August 1, 2025, the GMHB issued a final decision and order (GMHB Order).
- The GMHB Order found that the City must make changes to its Comprehensive Plan to comply with the Washington State Growth Management Act (GMA).

- The City Council has provided directions for addressing compliance with the four issues in the GMHB Order at the following meetings:
 - [January 16, 2026](#) – [AB 6838](#)
 - [February 17, 2026](#) – [AB 6865](#), [AB 6866](#), and [AB 6871](#)
 - [March 17, 2026](#) – [AB 6888](#) and [AB 6894](#)
 - [April 21, 2026](#) – [AB 6909](#) and [AB 6911](#)
- The City is required to update its Comprehensive Plan and adopt a Station Subarea Plan in order to comply with the GMHB Order.
- Development regulation amendments to implement the Comprehensive Plan and Station Subarea Plan need to be made concurrently with the Comprehensive Plan update.
- The Planning Commission was briefed and provided written comments on the proposed Comprehensive Plan amendments, Station Subarea Plan, and implementing development code amendments:
 - April 28 and May 6, 2026 – Station Subarea Plan
 - May 6, 2026 - Comprehensive Plan Land Use, Housing, and Economic Development elements;
 - May 13, 2026 – Implementing development code amendments; and
 - May 27, 2026 – Comprehensive Plan Transportation, Utilities, and Capital Facilities elements.
- Following a public hearing, the Planning Commission can make its recommendation to the City Council.
- Staff categorized the Planning Commission’s written comments as follows:
 - **Question/Commentary:** these comments do not propose an amendment to the text of the Comprehensive Plan, Station Subarea Plan, or Development Code.
 - **Non-Substantive:** These proposed amendments would change the language of the draft but do not substantively change the policy direction or the development regulations.
 - **Substantive:** These proposed amendments would substantively change the policy direction or development regulations but are not expected to conflict with GMHB Order compliance.
 - **Substantive – Not Recommended:** These proposed amendments would substantively change the policy direction or development regulations and would conflict with GMHB Order compliance or the proposed amendments are beyond the scope of the project. Staff recommends against making comments in this category.

BACKGROUND

Background materials are provided on the [City’s Let’s Talk page](#). A summary of previous agenda materials is outlined below:

January 16, 2026

- [AB 6838](#): Compliance with [Growth Management Hearings Board Final Decision and Order](#) related to the City of Mercer Island Periodic Update to the Comprehensive Plan Overview of City Council Planning Session.

February 17, 2026

- [AB 6865](#): Compliance with Growth Management Hearings Board Final Decision and Order Related to the City of Mercer Island Periodic Update to the Comprehensive Plan
- [AB 6866](#): GMA Compliance Public Engagement Plan
- [AB 6871](#): Legislative Review Alternatives to Help City Meet GMHB Order Compliance Deadline (Ordinance No. 26C-03 First Reading)

March 3, 2026

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- [AB 6893](#): Compliance with Growth Management Hearings Board Order – Follow-Up Discussion on Financing Affordable Housing
 - [AB 6890](#): Legislative Review Alternatives to Help City Meet GMHB Order Compliance Deadline (Ordinance No. 26C-03 Second Reading)

March 17, 2026

- [AB 6888](#): Final Approval of the Modified Station Subarea Boundary
- [AB 6894](#): Update on the Growth Management Hearings Board Order – GMA Compliance Work Plan

March 25, 2026

- [PCB26-01](#): Briefing on the Growth Management Hearings Board Order and steps to achieve Growth Management Act compliance

April 21, 2026

- [AB 6909](#): GMA Compliance – Policy Direction on Development Code Amendments
- [AB 6911](#): GMA Compliance – Legislative Review Process

April 28, 2026

- [PCB26-02](#): Planning Commission Legislative Review Process
- [PCB26-03](#): Briefing on Station Subarea Plan Goals and Policies

May 6, 2026

- [PCB 26-04](#): Briefing on Comprehensive Plan Elements and Station Subarea Plan

May 13, 2026

- [PCB 26-05](#): Briefing on Development Code Amendments: land capacity: zoning map, Town Center boundary and subareas, height increases, permitted uses, design standards, and consistency

May 27, 2026

- [PCB 26-06](#): Briefing Comprehensive Plan Consistency Amendments – Transportation, Utilities, Capital Facilities Elements

ISSUE/DISCUSSION

Changes to the Public Hearing Drafts

Staff updated the draft Comprehensive Plan, Station Subarea Plan, and implementing development code amendments since the last Planning Commission briefings as follows:

Comprehensive Plan

- Copy edits to the introduction
- Combined all elements into a single document
- Added a new Housing Element Policy 5.6 – Use the optional determination of nonsignificance process when issuing a State Environmental Policy Act determination of nonsignificance for multifamily and mixed-use development.
 - Note – this policy is needed to address one of the barriers identified in the Barriers Analysis.
- Added the technical appendixes – Appendix G: Land Capacity Analysis and Appendix H: Barriers Analysis. Note – these appendixes are technical reports the Planning Commission does not need to provide comments on only make a recommendation on whether to include them in the draft Comprehensive Plan.

Station Subarea Plan

- Copy edits to the introduction
- New Land Use Policy 3.5 – In Phase 2, develop a land capacity analysis showing updated employment capacity for the Station Area.
- New Land Use Policy 8.5 - In Phase 2, complete an updated land capacity analysis for housing units to inform future capital facilities, transportation, and utility investments.
- New Transportation Goal 2 - The street network within the Station Area is safe, well-connected, and supports nonmotorized modes of transportation and active storefronts.

Implementing Development Code Amendments

- Added the updated zoning map – this map shows the zoning changes around Town Center and would replace the existing zoning map in Title 19 MICC – Appendix D

Planning Commission Comments

To help the Planning Commission efficiently navigate the 112 comments received and logged in the comment matrixes in Exhibit 4, staff have divided the comments into four categories:

- Question/Commentary
- Non-Substantive
- Substantive
- Substantive – Staff Recommended Alternative
- Substantive – Not Recommended

Questions/Commentary

These comments do not propose an amendment to the text of the Comprehensive Plan, Station Subarea Plan, or Development Code. No Planning Commission action is necessary for these 19 comments.

- Comprehensive Plan Matrix Comment Logs (Exhibit 4.a): 1, 3, 10, 11, 12, 13, 14, 24, 41, 43
- Station Subarea Plan Comment Logs (Exhibit 4.b): none
- Implementing Development Code Amendments Comment Logs (Exhibit 4.c): 7, 9, 22, 25, 26, 27, 42, 45, 48

Non-Substantive

These proposed amendments would change the language of the draft but do not substantively change the policy direction or the development regulations. The staff recommended motion 2 would incorporate all 60 of these amendments into the drafts at once. Staff would resolve instances where non-substantive comments overlap.

- Comprehensive Plan Matrix Comment Logs (Exhibit 4.a): 2, 5, 6, 7, 8, 15, 22, 23, 25, 26, 27, 28, 29, 30, 31, 32, 34, 35, 36, 37, 38, 39, 40, 42, 44, 45
- Station Subarea Plan Comment Logs (Exhibit 4.b): 1, 3, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 18, 19
- Implementing Development Code Amendments Comment Logs (Exhibit 4.c): 1, 4, 5, 15, 16, 21, 24, 28, 32, 33, 34, 35, 39, 40, 41, 43, 44, 46, 47

Substantive

These proposed amendments would substantively change the policy direction or development regulations but are not expected to conflict with GMHB Order compliance. The staff recommended motion 3 would incorporate all ten of these amendments into the drafts. Prior to making the recommended motion, the Planning Commission can discuss the substantive amendments and agree by consensus which substantive amendments to include in the motion. Staff would resolve instances where non-substantive comments overlap with other amendments.

- Comprehensive Plan Matrix Comment Logs (Exhibit 4.a): 9, 19, 33
- Station Subarea Plan Comment Logs (Exhibit 4.b): 6, 17
- Implementing Development Code Amendments Comment Logs (Exhibit 4.c): 18, 11

Substantive – Staff Recommended Alternative

These proposed substantive amendments have a staff recommended alternative that would clarify the proposal or better match the style of the Comprehensive Plan or Development Code. If the Planning Commission would like to incorporate these amendments the staff recommended alternative should be used. Motion 3 can be used to address the substantive – staff recommended alternative category of comments. Prior to making the recommended motion, the Planning Commission can discuss the substantive amendments and agree by consensus which substantive amendments to include in the motion.

- Comprehensive Plan Matrix Comment Logs (Exhibit 4.a): 17, 20
- Station Subarea Plan Comment Logs (Exhibit 4.b): 2, 4
- Implementing Development Code Amendments Comment Logs (Exhibit 4.c): none

Substantive – Not Recommended

These proposed amendments would substantively change the policy direction or development regulations and would conflict with GMHB Order compliance, or the proposed amendments are beyond the scope of the project. Staff recommends against making the 23 amendments proposed by comments in this category.

- Comprehensive Plan Matrix Comment Logs (Exhibit 4.a): 4, 16, 18, 21
- Station Subarea Plan Comment Logs (Exhibit 4.b): none
- Implementing Development Code Amendments Comment Logs (Exhibit 4.c): 2, 3, 6, 8, 10, 12, 13, 14, 17, 19, 20, 23, 29, 30, 31, 36, 37, 38

NEXT STEPS

- June 3 – Planning Commission public hearing – to be continued to June 10
- June 10 – Planning Commission public hearing and recommendation
- June 16 – Planning Commission recommendation is delivered to the City Council.

RECOMMENDED ACTION

- Motion 1:** Move to recommend adoption of the Comprehensive Plan, Station Subarea Plan, and Implementing Development Code Amendments as Amended.
- Motion 2:** Move to incorporate the non-substantive amendments listed in PCB26-07 into the draft Comprehensive Plan, Station Subarea Plan, and Implementing Development Code Amendments.
- Motion 3:** Move to incorporate the substantive amendments in log numbers [insert substantive amendment log numbers] and any staff recommended alternatives listed in PCB26-07 Exhibit 4 into the draft Comprehensive Plan, Station Subarea Plan, and implementing development code amendments.

Procedural Note: A final vote on Motion 1 should be reserved for the continued public hearing on June 10. This will give the public the opportunity to provide testimony regarding the amendments prior to the Planning Commission completing its recommendation.