



**BUSINESS OF THE CITY COUNCIL  
CITY OF MERCER ISLAND**

**AB 5663  
February 18, 2020  
Regular Business**

**AGENDA BILL INFORMATION**

<b>TITLE:</b>	AB 5663: Community Facility Code Amendment: Planning Commission Recommendation, Ordinance 20-04; 1 <sup>st</sup> Reading & Adoption	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed:
<b>RECOMMENDED ACTION:</b>	Adopt Ordinance 20-04	<input checked="" type="checkbox"/> Motion <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	Community Planning and Development
<b>STAFF:</b>	Evan Maxim, Director
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Planning Commission: Problem Statement 2. Ordinance 20-04 with Attachment A and B
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

**SUMMARY**

In November of 2018, the City Council approved the 2018 Comprehensive Plan amendments, which included policy language related to the establishment of a Community Facility zoning designation and related development regulations. In 2019, staff began working with the Planning Commission on draft regulations. This work was “paused” in June of 2019.

After adoption of the 2018 Comprehensive Plan amendments, an appeal was filed to the Growth Management Hearings Board (“GMHB”) identifying 35 appeal issues. The City prevailed on 33 out of the 35 issues. One of the issues the City did not prevail on is related to the Community Facility zone amendment process. The GMHB established a compliance date in January 2020. Compliance with the GMHB decision requires that the City to either: A) adopt development regulations related to the Community Facility zone; or B) repeal the 2018 Comprehensive Plan amendments related to the Community Facility zoning designation.

On August 20, 2019, the City Council and Planning Commission held a joint study session ([AB 5594](#)) to discuss the proposed Community Facility regulations and zoning designation. Following the joint study session, the City Council asked the Planning Commission to:

1. Review the “problem statement” and determine if an alternative approach is warranted;
2. Explore alternative decision-making processes; and
3. Report back to the City Council for further direction.

The Planning Commission completed this work on January 29, 2020.

## **PLANNING COMMISSION RECOMMENDATION**

The Planning Commission developed a problem statement related to the technical challenges associated with the current approach to regulating community organizations through the residential zoning designation. The Planning Commission then evaluated four different alternative approaches to formulate a recommended approach (Exhibit 1). In summary, the four alternative approaches evaluated include:

Alternative 1: No change to the current regulations;

Alternative 2: A change to the criteria for approval of a Conditional Use Permit (“CUP”);

Alternative 3: A change to the CUP approval criteria and development of a tool (Master Plan); and

Alternative 4: Continuing the work that was “paused” in June of 2019.

Following discussion, the Planning Commission developed a three-part recommendation to the City Council:

- **Part A – Discontinue Community Facility zone process:** Discontinue the work on the Community Facility zone. As a reminder, this planning process was “paused” in June of 2019.
- **Part B – Review/update CUP process and pursue code amendments:** Direct the Planning Commission to prepare a code amendment related to the following, as soon as possible:
  - Revise the CUP approval criteria for clarity and to address community concerns.
  - Review the “cap” on Gross Floor Area (GFA) for institutional uses.
  - Review the height limit for institutional uses.
- **Part C – Resume Community Facility zone process at a future date:** Consider re-initiating the code amendment associated with the Community Facility zone at a future date to be determined by the City Council.

The Planning Commission recommended the above three-part approach because in their opinion it represents a relatively narrow set of code amendments that would benefit the City widely. Specifically, the Commission opined that an update to the CUP criteria (as described in Part B) will modernize and clarify the criteria, which will benefit all CUP reviews. Similarly, a targeted amendment now to the GFA “cap” and the height limits, will address the potentially unintended consequences of the 2017 Residential Development Standards amendment, in particular the establishment of a GFA “cap” for non-residential uses in the residential zoning designations. The last component of the recommendation (Part C - to re-initiate the review at a later date), was intended to support a holistic review of the code related to community facilities at a time when there is community support to do so.

## **RECOMMENDATION**

The Planning Commission recommends that the City Council abandon the original Community Facility rezone and development regulations as described previously (Part A). The staff concurs with the Planning Commission recommendation on Part A and further recommends that the City Council suspend the City Council Rule of Procedure 6.3 and approve Ordinance No. 20-04 (Exhibit 2). This ordinance will repeal those portions of the

2018 Comprehensive Plan amendments related to the Community Facilities zone and development regulations and will achieve compliance with the Growth Management Hearings Board (GMHB) decision.

If the City Council desires to review Part B and/or Part C of the Planning Commission recommendations, the staff suggestion is to defer these discussions to a future City Council meeting.

## **NEXT STEPS**

### **French American School and Stroum Jewish Community Center Code Amendment**

In December 2019, the French American School (“FAS”) and Stroum Jewish Community Center (“SJCC”) notified the City that they were considering applying for a code amendment to be submitted by February 18, 2020. The City received a preliminary draft of this code amendment on February 7, 2020. The complete application for the code amendment was received on February 11, 2020, a day prior to the deadline for completing this packet material.

Based on a preliminary review of the code amendment, the FAS and SJCC application proposes a change to the development standards for the single-family residential zoning designations, specific to gross floor area limits, height limits, and lot coverage regulations. Additional staff time is needed to review the application prior to initiating further discussion with the City Council.

City Council review of the code amendment application will be scheduled for a future meeting and is tentatively planned for March 10, 2020. If the City Council desires to review and discuss Part B and/or Part C of the Planning Commission recommendation, a follow-up discussion may be planned for these items on the same night.

## **RECOMMENDATION**

1. Suspend the City Council Rule of Procedure 6.3, requiring a second reading for an ordinance.
2. Adopt Ordinance No. 20-04, to repeal portions of the 2018 Comprehensive Plan amendments related to the Community Facility zone.