

Question & Answer Matrix
February 4, 2024 – City Council Planning Session and Regular Meeting

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|-------|--------|---------------|---|--|
| 1     | 6604   | Reynolds      | Reference is made to solar energy resiliency. Are you envisioning a structure that allows direct use of electricity rather than sell-back to PSE? Does PSE allow that? Or are you envisioning battery storage | <p>The PSM Facility design is in its infancy, so the operational details for the solar panels are not yet known, including the potential exchange with PSE.</p> <p>The solar panel discussion was included in the slide deck at this stage because the preliminary analysis indicates that the main PSM Building may be a good candidate for solar power generation.</p> <p>The project team is seeking initial feedback from the City Council on the design alternatives, including the solar panels. The ROI will be analyzed if the City Council wishes to pursue this design alternative. This input will help the project team focus their efforts over the next two months.</p>  |
| 2     | 6604   | Reynolds      | Does state law allow use of rain water, or are these “waters of the state”?   | State regulations and laws allow use of rainwater without water right permits under certain conditions, e.g., non potable uses, onsite. Mercer Island's adoption of the Washington State Plumbing Code includes provisions for "Alternate Water Sources for Nonpotable Applications" to regulate these types of systems.   |
| 3     | 6604   | Jacobson      | What is the public engagement process and the timing of it contemplated for the PSM Facility schematic design??   | <p>The public engagement process for the PSM Facility schematic design will provide an opportunity for community members to learn about the project, ask questions, and share their feedback. Community engagement efforts are tentatively scheduled for late March and April, the timing of which is tied to when we anticipate having the next iteration of the PSM Facility design available.</p> <p>To facilitate this engagement, we will be asking for City Council support in attending meetings and connecting with the community. We'll be working on the community engagement schedule soon and welcome suggestions from the City Council on potential meetings/opportunities to connect with the Mercer Island community.</p> |

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| 4     | 6604   | Jacobson      | What is the sequence of construction contemplated for this multifaceted project??             | <p>The construction phasing plan has not been determined yet, but it will be discussed with the City Council during the Schematic Design planning phase this spring.</p> <p>Phased construction is one of the cost drivers for this project and will extend the overall construction timeline, making it a critical component of the planning process.</p> <p>Additionally, the teams currently operating on-site will need to continue their work throughout construction, which presents a logistical challenge that must be carefully addressed.</p> <p>While the construction sequencing is still being developed, one known element is that City Hall will likely be demolished and abated first. This will free up the front portion of the site for construction staging and to relocate the Police Modular Buildings.</p> |
| 5     | 6604   | Jacobson      | What rezoning is required for the PSM Facility (Facilities??)??<br>See Exhibit 1 pp. 73       | <p>Good catch, apologies this information was omitted from the slide deck. The zoning recommendation for the back parcel of City Hall is “Public Institution,” which aligns with the zoning for our other public facilities.</p> <p>We’re currently anticipating reviewing the Planning Department’s Work Plan in May, at the conclusion of the State Legislative Session. We will talk with the City Council about this re-zoning work at that time and add it to our work plan.</p>   |
| 6     | 6604   | Jacobson      | Will removal of the existing City Hall be precedent to the construction of the PSM Building?? | <p>Yes, City Hall is anticipated to be demolished and abated first to create space for construction staging and the relocation of the Police Modular Buildings.</p>   |

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| 7     | 6604   | Jacobson      | Will the temporary police structures have to be relocated during the construction of the PSM Building?? | Yes. The Police Modular Buildings will be relocated for construction of the new facility and will likely move to the front of the site during construction.   |
| 8     | 6605   | Jacobson      | What entity will be responsible for preparing the RFP for this project                                  | The City is preparing the RFP for the project with assistance from our Owner's Representative (OAC) and outside legal counsel.  |
| 9     | 6605   | Jacobson      | What entity will be responsible for designing this project  | The City has identified a preferred engineer and is working to finalize the scope of work and costs for this project. The engineer of record will be selected following a competitive RFQ process.  |
| 10    | 6605   | Jacobson      | Does the City plan to use an outside entity to serve as the Owner's representative for this project??   | Yes, the City has retained the services of OAC to be the Owner's representative for this project.   |
| 11    | 6605   | Jacobson      | If not, what experience does the City have with the GC/CM Alternative contracting method??              | The City's experience is limited, however, the Owner's Representative has substantial experience and has assisted the City to date with this project.   |
| 12    | 6605   | Jacobson      | What is the contemplated schedule for the procurement and construction of this project??                | <p>The competitive procurement process for contracted services is now open. The City expects to select a contractor within the next few months to assist with project design and scheduling. A more detailed construction schedule will be presented to the City Council at the next project check-in. This is anticipated to be a multi-year project.</p> <p>Of note, there is considerable work on the front side of the project related to contract negotiations with Seattle Public Utilities, which will factor into the overall project schedule.</p> |
| 13    | 6605   | Jacobson      | What entity will be responsible for the cost of any new water connection for Shorewood??                | The new connection for Shorewood will be part of the anticipated construction costs. The transfer of ownership and other costs related to Shorewood will be part of the negotiation with Seattle Public Utilities.  |

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| 14    | 6605   | Jacobson      | What would be the incremental cost(s) and liability(ies), if any, of having Shorewood becoming a direct customer of the City??   | The anticipated costs for the transfer of ownership of Shorewood from Seattle Public Utilities to the City are still being analyzed. Regarding liabilities, the proposed tie-in for the new connection point eliminates a portion of City owned AC pipe. Any additional liabilities past the point of connection will be the responsibility of the Shorewood Apartments.       |
| 15    | 6616   | Reynolds      | Why is there no EFT transaction detail to accompany the check report?  | <p>We assume you are referring to the EFT reports that are usually under the Certification of Claims agenda item and not the Payroll AB.</p> <p>The February 4th agenda packet was released before the end of the month so the January 2025 EFT report will be included in the March 4 City Council packet. EFT reports are done monthly whereas checks are issued weekly.</p> |
| 16    | 6616   | Reynolds      | I note that police are still 1.5 below budget FTE count. Of the 36 FTE, how many are in training / probation? What is anticipated timing for returning to full capacity? | <p>A 0.5 FTE Police Records Specialist has been hired and will start soon.</p> <p>There are two vacant police officer positions (the AB incorrectly stated only one). Police conducted oral boards last week and are starting the process to fill the vacant police officer positions. The candidate pool is strong and includes lateral applicants.</p>                       |
| 17    | 6618   | Reynolds      | Why does the first task in the finance section of the work plan update show as 0% complete when you just went live?  | <p>Good catch, this is an error. The correct completion total is 67%, reflecting the successful launch of core financial systems with two implementation targets remaining to improve how the City receives payments for services as well as business and occupation tax return collections.</p> <p>Staff will ensure this is corrected at the next work plan update.</p>      |

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| 18    | 6618   | Reynolds      | What is the plan for completing fire task 2? Seems kind of critical if the station is going live in 2025 | <p>Eastside Fire &amp; Rescue is actively preparing for the opening of light rail in 2025 and they are on track to meet this timeline. Included below are some of the tasks they are working on:</p> <p><b>1. Lift Training:</b> ESF&amp;R is currently engaged in lift training to prepare for potential accidents that would require lifting a train.</p> <p><b>2. Tours and Familiarization:</b> ESF&amp;R is touring all of the facilities, which allows our crews to become familiar with exit/egress routes and fire suppression systems, especially around the Mercer Island response area. The tours and on-site exercises will be ongoing.</p> <p><b>3. Operations in Mount Baker and Mercer Island Tunnels:</b> ESF&amp;R is working closely with Sound Transit and the Department of Transportation regarding operations within the Mount Baker and Mercer Island tunnels, specifically related to fire suppression strategies.</p> |
| 19    | 6618   | Reynolds      | Police task 9: When will a body worn camera proposal be brought to Council?                              | <p>This will be added to the Planning Schedule for Q3 or Q4 and will be part of the Mid-Biennial Budget discussion.</p> <p>Of note, there are a number of bills under consideration by the State legislature, that if approved, would direct funding to cities for public safety. We should continue to advocate for these bills as the City’s ability to fund new initiatives such as body worn is limited.</p>   |
| 20    | 6618   | Reynolds      | Police task 10: What is the updated timing for the gun buyback program?                                  | <p>The Police Department plans to host the first “Gun Buy-Back” in Q2 2025.</p>  |

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| 21    | 6618   | Reynolds      | Please explain why the 2025-2026 work plan matrix tasks are so completely different from the text-based work plan goals on the ensuing pages.  | <p>The matrix document was originally developed to highlight the Major Initiatives for the upcoming biennium, but not intended to capture every single work item in the budget document.</p> <p>Staff will review the document ahead of the May work plan discussion with the City Council and ensure there is better alignment with the text in the budget document.</p> |
| 22    | 6618   | Reynolds      | Please provide a red-line markup tracking changes from “2023-2025 Biennial Budget Work Plans by Department to “2025-2026 Biennial Budget Work Plans by Department”   | We do not have a redline version available. The matrix is created new at the start of each biennium.  |
| 23    | 6619   | Jacobson      | Under the Public Works Building Retrofit Project Contract, will Casa Bella assume the risks for additional costs over and above the contract price for removal of the green roof and associated soils, roof replacements, foundation reinforcements at the mechanic shop including concrete grade beam excavation and new bracing and anchoring of existing wall?? | Under this contract, Casa Bella is responsible for completing the scope of work per the bid documents. Any changes due to unexpected conditions will be addressed via the change order process.   |
| 24    | 6619   | Jacobson      | What past performance experience does Casa Bella have which involve the scopes of this contract’s work??   | Casa Bella has worked on roofing and construction projects for other jurisdictions, including at JBLM and at fire stations in Gig Harbor and Fox Island.  |
| 25    | 6619   | Jacobson      | If not, is Casa Bella a RESPONSIVE bidder??  | We have determined that Casa Bella LLC is both a responsible and a responsive bidder.   |

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| 26    | 6622   | Reynolds      | 19.02.020.D.3.b has inserted the word “attached” in two places. What is the rationale for this and was it part of Council direction that I missed?               | <p>The Council’s 4th motion related to AB 6600 was as follows (emphasis added):</p> <p><i>Direct staff to prepare an ordinance containing interim development regulations for public hearing and consideration on February 4, 2025, including a maximum floor area for ADUs of 1,000 square feet and to tie the existing 5% GFA bonus for ADU creation <b>attached</b> to single-family dwellings to a requirement of at least one parking space per ADU unit.</i></p> <p>Staff have proposed amendments intended to implement this motion.</p>  |
| 27    | 6622   | Reynolds      | Is there any maximum income rule for affordable housing? e.g., can a lucky millionaire buy or rent an affordable unit? Could we add a provision to prevent this? | <p>Yes, affordable units may only be rented to income-qualified households – see 19.02.025(F)(2-3). The property owner would need to enter into a covenant with the City setting the terms for the affordable units, including homebuyer/tenant qualifications. ARCH would assist the City in monitoring and enforcement of the covenant.</p> <p>For example, for rental units that are restricted to 60% AMI, the renter’s income could not exceed 60% of the area median income (as adjusted for their household size). For 2024, 60% AMI for a household of 4 people is \$69,420. ARCH publishes these <a href="#">income limits</a> each year, based on the HUD calculation of area median income. For rental units, income verification is conducted by the property manager prior to entering a lease and ARCH audits and verifies these records annually.</p> |

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| 28    | 6622   | Reynolds      | What is included in “utilities”? Water? Sewer? Internet? Natural gas? How do we measure compliance with this rule when such costs are variable and subject to change? Is the “including utilities” provision required? If utility costs go up, must rent go down? | <p>For the purposes of determining affordable housing costs, utilities include water, sewer, trash, gas, and electric. ARCH assists the City in establishing income and rent limits for affordable units. The rent limits include “allowances” for utility costs in the rent limit structure – as such building managers can charge up to a certain amount for each utility in affordable units, and the rent limits are calculated to include these costs. The allowances are adjusted annually, along with the rent limits; the <a href="#">2024 utility allowances</a> are included at the bottom of the published income and rent limits page.</p> <p>The rent limit is equal to 30% of the income of a household earning 60% of the area median income. In the example above, this would be 30% of \$69,420, or \$20,826 annually/\$1,736 per month. This \$1,736 would need to include rent, utilities and other housing costs (e.g. renters insurance, pest control).</p> |
| 29    | 6622   | Reynolds      | Are owned housing affordability requirements based on a fixed rate mortgage of 30 year term? If interest rates go up, does this effectively mean the sale price must go down?   | <p>Yes, affordable home ownership units have a similar cost structure to that described above – the monthly housing cost would be limited to 30% of the income for the AMI level. The monthly housing cost includes the mortgage, utilities, and other costs such as insurance. This does mean that if interest rates increase, the sale price would need to be lower to maintain the same monthly housing cost, assuming all else stays the same.</p>   |
| 30    | 6622   | Reynolds      | What prevents someone who BUYS affordable housing from flipping it? Do they have to sell at an affordable price as well? And if interest rates have risen, driving up mortgage payments, might they be forced to sell at a lower price than they purchased?       | <p>Covenants are required for affordable units; the covenant places several restrictions on these units related to owner occupancy and resale. These covenants limit the resale price based on a certain percentage return to the seller. As with any real estate transaction, it is possible that in the future a unit would need to be sold at a lower price than the price it was purchased for. Rising interest rates are one factor that could result in such a scenario.</p>   |



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| 31    | 6622   | Reynolds      | If I buy an affordable unit that has been there for 49 years, can I flip it at market rate after one year? | Yes, subject to any terms established in the covenant.   |
| 32    | 6622   | Reynolds      | Please define “subordinate” in this context  | “Subordinate” in the context of 19.02.025(F)(3)(b) means permitting a lender financing the development of the property to have their creditor’s claims and rights “stand ahead of” the City’s claims and rights under an affordable housing regulatory agreement, even though the affordable housing agreement may have been recorded before the lender’s financing documents. |
| 33    | 6623   | Reynolds      | Is the ILA needed since (I think) the district has a broader open enrollment policy now?                   | The MISD Board approved the superintendent’s recommendation to open enrollment in the 2025-2026 school year for new, nonresident students seeking admission in <u>grades 6 through 12 only</u> . The ILA provides priority consideration to City employee applications for <u>all grades</u> (K-12).   |
| 34    | 6623   | Reynolds      | How many city employees currently take advantage of open enrollment  | Three City employees have applied to enroll their children in the district for the 2025-2026 school year. Additionally, several employees have expressed future interest once their children reach school age.   |