



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

**AB 6107
September 6, 2022
Study Session**

AGENDA BILL INFORMATION

TITLE:	AB 6107: A joint study session with the Planning Commission to receive presentations on the Economic Analysis Report and Housing Needs Assessment in preparation for the 2024 Comprehensive Plan update.	<input checked="" type="checkbox"/> Discussion Only <input type="checkbox"/> Action Needed: <input type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
RECOMMENDED ACTION:	Receive reports and presentations. No action necessary.	

DEPARTMENT:	Community Planning and Development
STAFF:	Jeff Thomas, Interim CPD Director Alison Van Gorp, Deputy CPD Director Adam Zack, Senior Planner
COUNCIL LIAISON:	n/a
EXHIBITS:	1. Economic Analysis Report 2. Housing Needs Assessment
CITY COUNCIL PRIORITY:	1. Prepare for the impacts of growth and change with a continued consideration on environmental sustainability.

EXECUTIVE SUMMARY

The purpose of this joint study session with the Planning Commission is to receive brief presentations on the Economic Analysis Report and the Housing Needs Assessment.

- The City has commenced the process of the 2024 Comprehensive Plan update as required by the Washington State Growth Management Act, which includes drafting a new Economic Development Element and updating the existing Housing Element
- The Economic Analysis Report provides a data analysis to inform the development of the Economic Development Element.
- The Housing Needs Assessment provides a data analysis to inform the update to the Housing Element.
- Community Attributes Inc., a consultant hired to support this work, prepared both the Economic Analysis Report and the Housing Needs Assessment. Elliot Weiss from Community Attributes Inc. will present both reports during the study session.
- In addition to answering questions after each presentation during the joint study session, staff invites the City Council and Planning Commission to submit follow up written questions regarding the Economic Analysis Report and the Housing Needs Assessment no later than 4:00 PM on September 20. Staff will then compile and provide responses to all questions by early October.

BACKGROUND

The City has commenced the process of the 2024 Comprehensive Plan update as required by the Washington State Growth Management Act. In March of 2022, the City Council approved Resolution No. 1621 setting a scope of work, master schedule and public participation plan for this effort. In May of 2022, the City Council established “economic” and “housing” work groups comprised of three City Council members and two Planning Commission members to assist staff with two of the most significant components of the approved scope of work - drafting a new Economic Development Element and updating the existing Housing Element.

Shortly after the approval of Resolution No. 1621, the City contracted with Community Attributes, Inc. (CAI) to produce an Economic Analysis Report and Housing Needs Assessment. These technical reports are background documents which compile, analyze and present information on relevant conditions intended to help inform the policy making of the work groups during the drafting of each respective element and ultimately the Planning Commission and City Council during the legislative review of the proposed 2024 Comprehensive Plan update.

ISSUE/DISCUSSION

Economic Analysis Report

The 2024 Comprehensive Plan update will include adoption of a new Economic Development Element. This new element will supplement policies addressing land use, housing, transportation, and utilities city wide. Prior to drafting this element, the City requires an analysis of economic data to describe existing economic conditions and expected growth through the year 2044. This report summarizes this data to establish a shared understanding of the economy on Mercer Island for the City to consider as it develops goals and policies for the Economic Development Element.

Housing Needs Assessment

The 2024 Comprehensive Plan update will also include adoption of an updated Housing Element. This updated element will work in conjunction with other elements to formulate housing goals and policies. Prior to updating this element, the City requires an analysis of conditions, trends, and gaps in the city’s housing stock and how projected growth in housing will be accommodated. The Housing Needs Assessment will also include recommended actions for the City to consider as it updates goals and policies for the Housing Element.

NEXT STEPS

Staff invites the City Council and Planning Commission to submit follow up written questions regarding the Economic Analysis Report and the Housing Needs Assessment no later than 4:00 PM on September 20. Please send questions to Senior Planner Adam Zack at adam.zack@mercerisland.gov. Staff will then compile and provide responses to all questions by early October.

Work on the Comprehensive Plan Update will continue through the next biennium, with adoption anticipated in April 2024.

RECOMMENDED ACTION

Receive reports and presentations. No action necessary.