

PCB 26-08

Comprehensive Plan Update, Station Subarea Plan, and Implementing Development Code Amendments

Planning Commission Public Hearing

June 10, 2026

Community Planning and Development

Adam Zack, Principal Planner



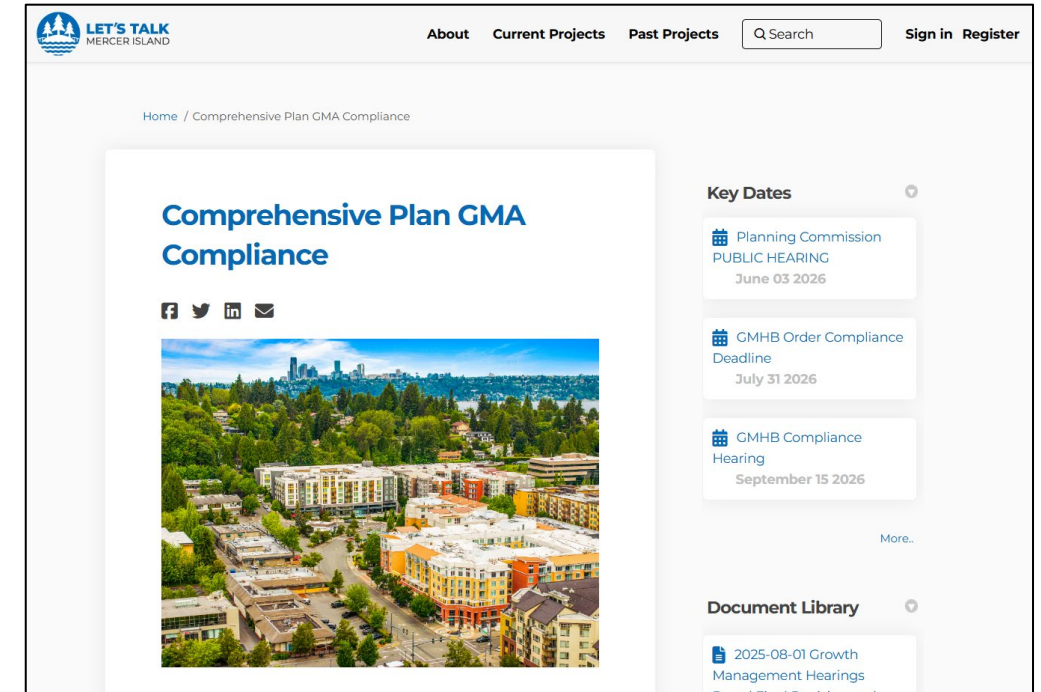
Objective

Complete the public hearing and arrive at a Planning Commission recommendation for the City Council.

Where to Find Documents

- All relevant documents are posted on the project Let's Talk page

<https://letstalk.mercergov.org/comprehensive-plan-gma-compliance>



- Every PCB includes a list of the previous meetings, including City Council meetings, and links to the materials.



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

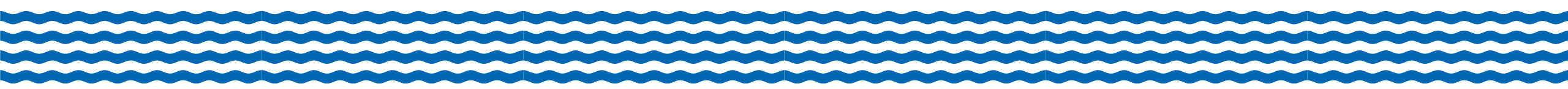
- [AB 6838](#): Compliance with [Growth Management Hearings Board Final Decision and Order](#) related to the City of Mercer Island Periodic Update to the Comprehensive Plan Overview of City Council Planning Session.

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)

Growth Management Hearings Board (GMHB) Appeal

- Mercer Island adopted an update to its Comprehensive Plan in November 2024.
- Futurewise appealed in 2025 claiming the Comprehensive Plan did not go far enough for affordable housing.
- Comprehensive plan appeals under GMA are decided by the GMHB.
- The GMHB is a state board that determines whether a comprehensive plan complies with the WA Growth Management Act.



GMHB Order

Issue	Amendments in Comprehensive Plan, Subarea Plan, and Development Code
Land Capacity	Zoning changes in Town Center and Adjacent MF zones – eight stories in TC-8A and TC-8B and six stories in TCMF-6
Adequate Provisions	Inclusionary zoning in TC-8A, TC-8B, and TCMF-6 Fee in Lieu Other changes for affordable housing throughout the development code
Station Subarea Plan	Adoption of the Station Subarea Plan
Anti-Displacement Measures	In a separate ordinance (Ord. No. 26C-07), regulations intended to mitigate or reduce potential displacement resulting from zoning changes. Note – City Council had a public hearing and first reading on 6/2 and will have second reading on 6/16.
July 31, 2026, Deadline	Complete public hearing by June 10 – on track

Comprehensive Plan Update Summary

- Updated residential land capacity analysis to reflect the proposed upzones in Town Center and adjacent Multi-family
 - Disaggregated by affordability level
- Updated Land Use Map to reflect changes in Town Center and adjacent multifamily
- 2026 Housing Barriers Analysis & updated summary table of potential barriers and resolving actions
- Migration of Town Center Goals & Policies into the Station Subarea Plan
- Consistency amendments to Transportation, Utilities, and Capital Facilities

Station Subarea Plan Summary

What is a Subarea Plan?

A subarea plan is a set of goals and policies for a defined area in the city. It is part of the Comprehensive Plan that establishes a refined plan for the subarea.

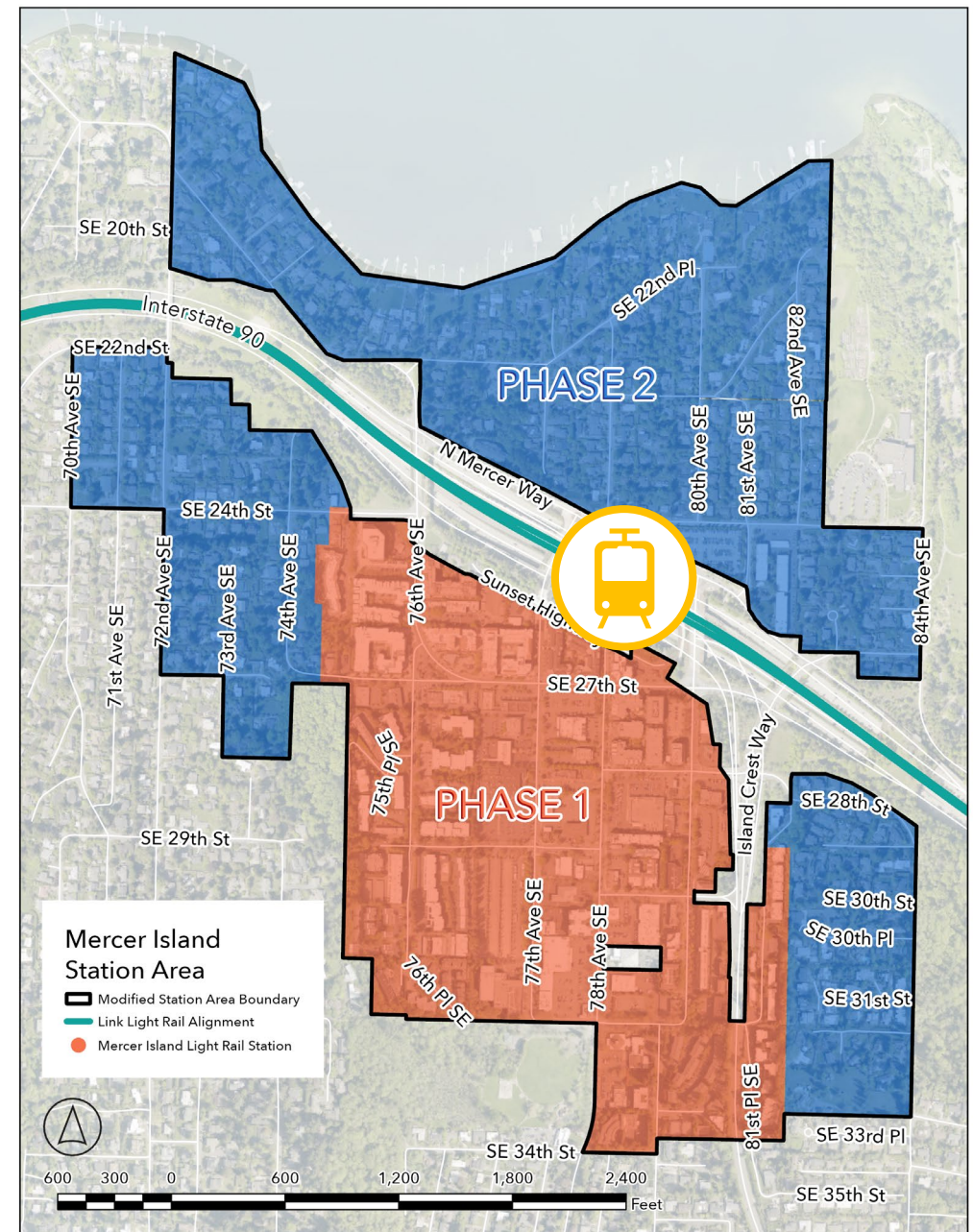
Why is the City adopting a Station Subarea Plan?

The Growth Management Hearings Board found that the City must adopt a subarea plan for the area near transit to comply with the Growth Management Act (GMA).

When will the phases of the Station Subarea Plan happen?

Phase 1 – changes will be made concurrently with adoption of the Station Subarea Plan.

Phase 2 – City will have until 2029 to complete Phase 2. Work will begin following adoption of the Station Subarea Plan.



Zoning & Development Code Amendments Summary

Zoning Changes: implement Phase 1 and address development capacity issue from the GMHB order (see map).

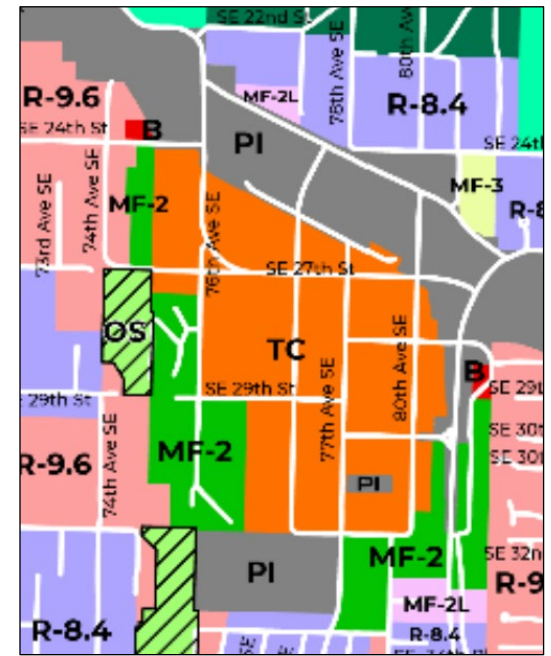
Inclusionary Zoning: in Phase 1 area 10% of units must be affordable at 50% of the area median income.

Fee In Lieu: Allows payment of a fee in lieu of constructing the required affordable housing – funds will be used to finance projects with deeper affordability.

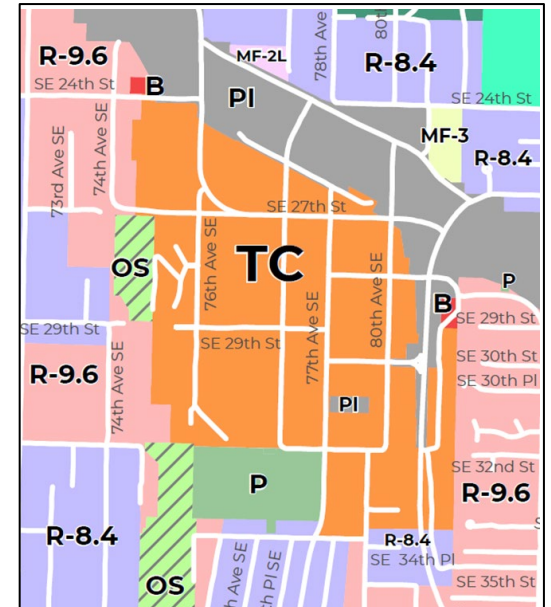
Permanent Supportive and Emergency Housing: Changes to regulations in MICC 19.06.080 for special needs and social service transitional housing.

Consistency Amendments: other code amendments to be consistent with changes to the Comprehensive Plan, Station Subarea Plan, and elsewhere in the development code.

Existing



Proposed



Previous Presentations

Growth Management Hearings Board Order and Growth Management Act
[January 16 \(City Council\) – AB 6838](#)

[March 25 – PCB 26-01](#)

Planning Commission Legislative Review Process

[April 29 – PCB 26-02](#)

Station Subarea Plan

Land Use, Housing, and Economic Development Elements

[April 29 – PCB 26-03](#)

[May 6 – PCB 26-04](#)

Implementing Development Code Amendments

[May 13 – PCB 26-05](#)

Transportation, Utilities, and Capital Facilities Elements

[May 27 – PCB 26-06](#)

Planning Commission Public Hearing

[June 3 – PCB 26-07](#)

June 3 Recap

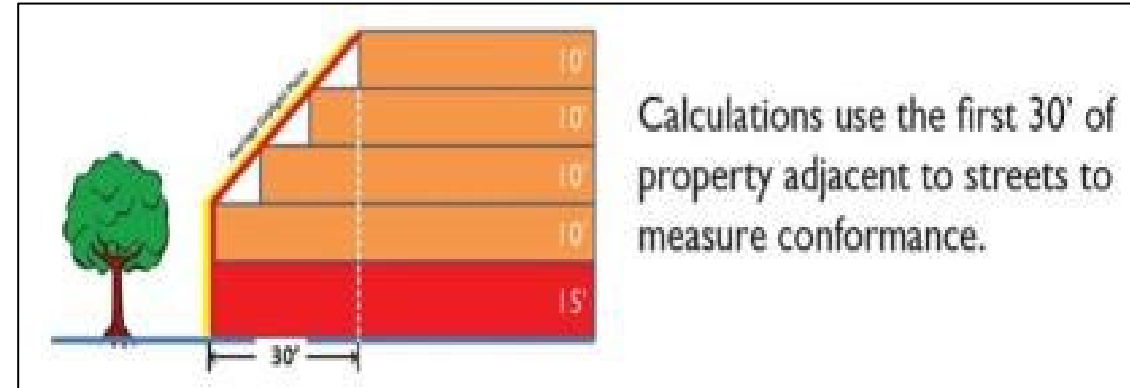
- The Planning Commission continued the public hearing to today (June 10).
- PC made a motion to incorporate all non-substantive amendments.
- PC made a motion requesting clarification of the daylight plane standard.
- PC made a motion to add the staff recommended alternative for Subarea Plan Comment Log #4 – new Subarea Plan Policy 7.4.
- All three documents were updated per these motions and included with PCB 26-08.

Daylight Plane Clarification: MICC 19.11.030

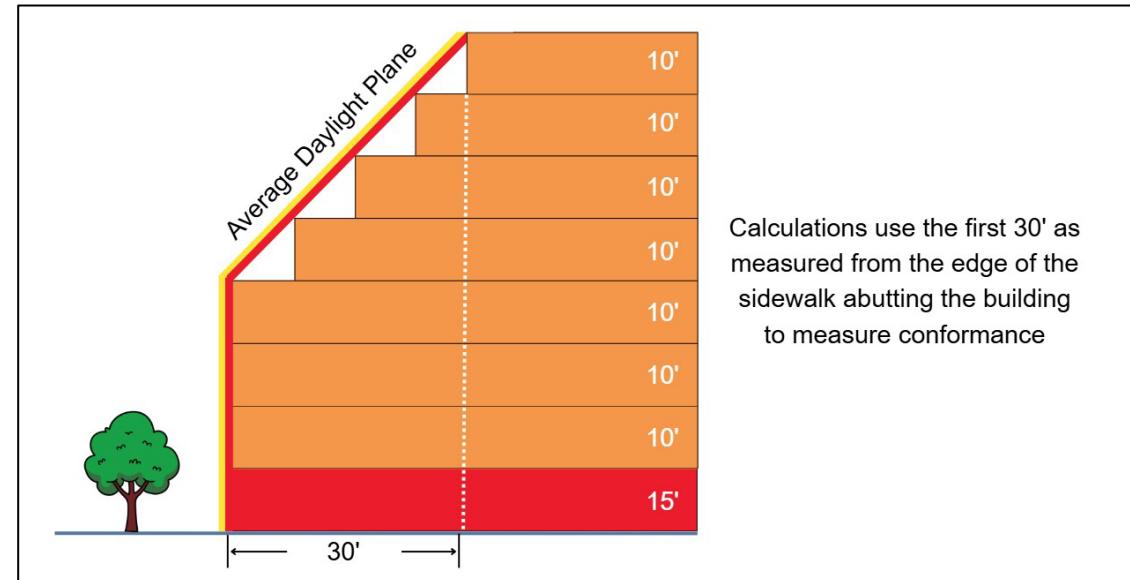
The daylight plane standards were clarified as follows:

- The upper story stepback begins at 45 feet instead of 27 feet, this incorporates the main idea proposed in Comment Log #29 (MICC 19.11.060(A)(6)(a));
- MICC 19.11.060(A)(6)(b) is clarified that the average daylight plane area applies to only the first 30 feet of depth as measured from the edge of the sidewalk abutting the building addressing one of the questions posed during discussion of this issue on June 3;
- The illustrations in MICC 19.11.060 – Figure 6 have been updated to reflect the changes; and
- MICC 19.11.060 – Figure 7 would be struck given how the standard has been amended and a replacement illustration is not necessary.

Previous MICC 19.11.030 – Figure 5



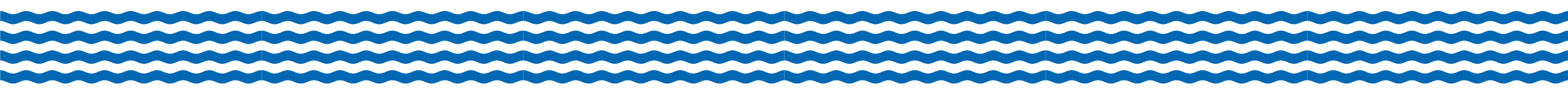
Updated MICC 19.11.030 – Figure 6



Station Subarea Plan

The draft Station Subarea Plan (PCB 26-08 Exhibit 2) has been updated to add the amendment proposed in Comment Matrix Log #4 to add a new Policy 7.4:

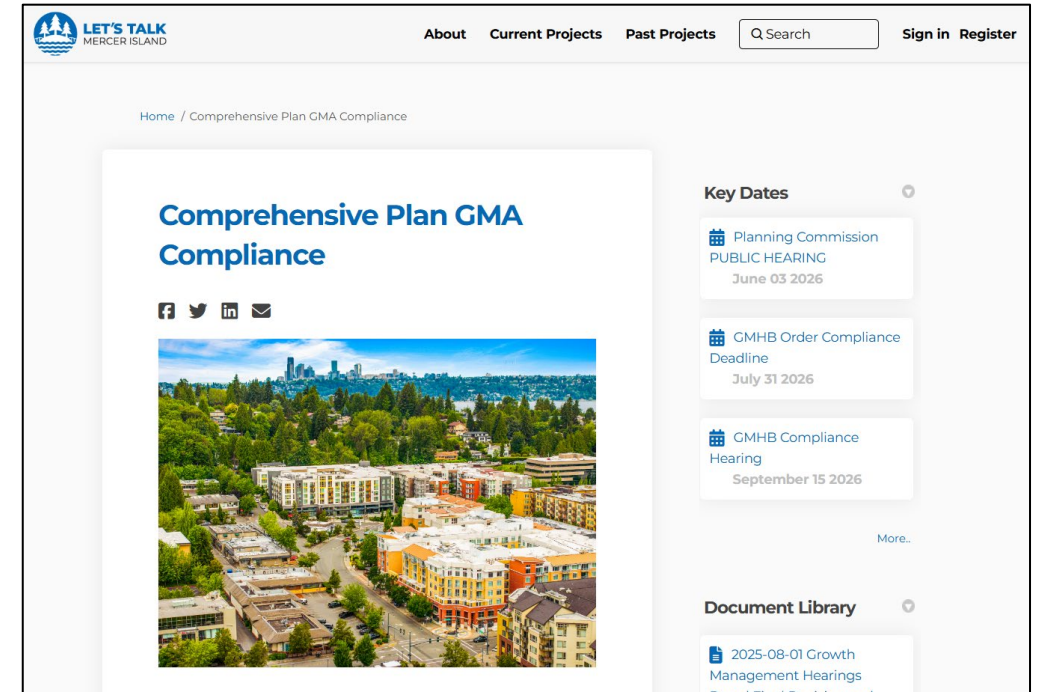
Policy 7.4 Adopt development and design standards during Phase 2 to increase compatibility in transition areas where high density residential uses are allowed adjacent to lower-density neighborhoods. These standards should include height step downs, protection of view, light, and privacy, preservation of tree canopy and natural buffers, and other compatibility considerations.



Where to Find Documents

- All relevant documents are posted on the project Let's Talk page

<https://letstalk.mercergov.org/comprehensive-plan-gma-compliance>



- Every PCB includes a list of the previous meetings, including City Council meetings and links to the materials.



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

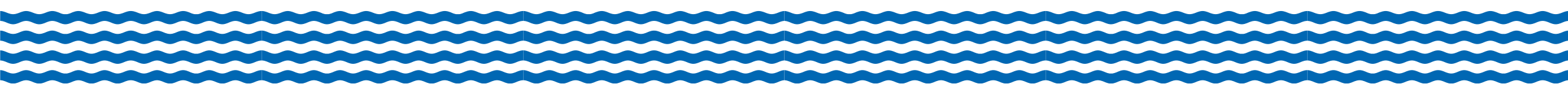
- [AB 6838](#): Compliance with [Growth Management Hearings Board Final Decision and Order](#) related to the City of Mercer Island Periodic Update to the Comprehensive Plan Overview of City Council Planning Session.

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)

Next Steps

- **June 16** – Planning Commission recommendation delivered to the City Council.
- Final legal review and copy-editing.
- **July 7** – City Council first reading of ordinances to adopt the updated Comprehensive Plan, Station Subarea Plan, and implementing development code amendments.
- **July 21** – City Council second reading of ordinances to adopt the updated Comprehensive Plan, Station Subarea Plan, and implementing development code amendments.



Public Hearing – Receive Testimony



Recommended Motion

Move to recommend adoption of the Comprehensive Plan, Station Subarea Plan, and Implementing Development Code Amendments as presented in PCB26-08.