

Log #	Received From	Comment/Question	Staff Response
1	Ted Weinberg	<p>1. In tables 1 and 2 on pages 4 & 5 of the agenda bill, I’m trying to discern why there are two hypothetical developments included.</p> <p>a. Are the two hypothetical developments included to show that the current regulation requiring that 10% of new units be affordable won’t get us to the targeted count of homes in each of the AMI ranges that HB 1220 requires?</p>	<p>The hypothetical developments are included to show how the development capacity could be “used up” as development occurs. These two debits are provided to illustrate that as new development “uses up” development capacity, the City may have to increase development capacity in the future. If the state or King County determine there is a capacity deficit at the five-year progress report or the next periodic review, Mercer Island could be required to increase development capacity again.</p> <p>These tables also illustrate that the 10% affordable housing requirement alone is not expected to produce the number of affordable units set by King County and the WA Department of Commerce (Commerce). This is why the draft Housing Element includes other housing policies that direct additional actions through the planning period. This includes policies to explore additional programs and incentives like “fee in lieu” or flexible development standards for affordable housing. The idea is that the combination of addressing development capacity now and the additional actions the City takes through the planning period (i.e., additional incentives) will combine to move the City toward achieving its housing goals established in the Comprehensive Plan.</p>
2	Ted Weinberg	<p>b. Are the 401 units of “Optional Additional Housing” at the bottom of both tables added to suggest that if we were to raise the TC-3-on-80th subarea to 7 stories this would in some way make us more compliant with HB 1220 in the 2029 GMPC progress report?</p>	<p>Yes. The optional additional capacity buffer would reduce the potential that the City would need to make further capacity increases at the 5-year progress report in 2029 or the next periodic review in 2034.</p>
3	Ted Weinberg	<p>c. Neither option A nor B addresses HB 1220’s requirement that we offer permanent supportive housing (PSH), housing below 30% of AMI, or housing in the 30-50% of AMI range. I recall our discussing the possibility of creating a fee-in-lieu option, enabling a developer to continue having 90% of their units market rate so long as 10% are at 60% of AMI and they contribute a proportional sum of money as a fee towards the construction of PSH/30%/50% AMI housing elsewhere in the region. If we were to pursue just option A or B and not consider a fee-in-lieu option, would the likely shortage of PSH/30/50 housing on MI be considered a “significant shortfall” at the GMPC’s 5-year implementation progress report in 2029?</p>	<p>The City has taken actions to meet the planning requirements for permanent supportive housing (PSH) and emergency housing by establishing interim regulations with Ordinance No. 24C-03. The City will adopt permanent regulations for PSH and emergency housing following the Comprehensive Plan update.</p> <p>The assertion in the question is correct, neither option presented would address the housing needs at 50% of the AMI and below, including PSH, on its own. The Housing Element includes policies under Goal 2 to consider other actions during the planning period designed to fund or produce housing units affordable below 50% of the AMI. Those other actions the City takes to implement the Housing Element, combined with addressing capacity now, should move the City toward achieving the housing goals established in the Comprehensive Plan. As the City</p>

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			<p>implements the Housing Element, the City Council will consider which of those actions it wants to adopt. The Housing Element includes implementation policies under Goal 6 that establish the process by which the City will implement the Housing Element.</p>
4	Ted Weinberg	i. If so, would we be complying with state law if we were to go with either option A or B alone?	<p>Yes, either option will comply with the capacity component of the state law. Options A or B are part of a set of actions the City is taking with the Comprehensive Plan update to address the requirement that the Comprehensive Plan “Identifies sufficient capacity of land for housing including, but not limited to, government-assisted housing, housing for moderate, low, very low, and extremely low-income households, manufactured housing, multifamily housing, group homes, foster care facilities, emergency housing, emergency shelters, permanent supportive housing, and within an urban growth area boundary, consideration of duplexes, triplexes, and townhomes” (RCW 36.70A.070(2)(c)).</p> <p>The City will take further actions to implement the other policies of the Comprehensive Plan throughout the coming years, and that will help maintain compliance with the other requirements set in the Growth Management Act (GMA).</p>
5	Ted Weinberg	ii. If A or B alone is not enough, has the state indicated whether a fee-in-lieu option – in addition options A or B – would bring us into compliance?	<p>N/A – See response to Log #4, either options A or B would comply with the GMA Housing Element requirements.</p>
6	Ted Weinberg	2. Please help me understand how to read table 1 of page 5 of Exhibit 1. From what I can tell: a. The row for TC-3 suggests that there are 841 “Existing Dwelling Units on Redevelopable Parcels.” The only existing building in TC-3 which contains any dwelling units, to my knowledge, is the Newell Court Apartments on 78th Ave. Clearly that 3-story building doesn’t have 841 units. i. Is this 841 figure a typo?	<p>The 841-unit figure is not a typo. This number comes from the King County Urban Growth Capacity (UGC) Report that the County adopted in 2021. It is possible that this figure includes some of the existing housing units from other zones with a similar average achieved density because the way King County analyzed capacity grouped some zones together. During the current round of periodic review, cities within King County need to use the UGC Report as the baseline for calculating capacity. For that reason, the 841-unit number of existing dwelling units is used in this analysis.</p>

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7	Ted Weinberg	ii. Does the 841 figure actually represent the existing capacity for dwelling units on redevelopable parcels? If so, then what does column I “Existing Capacity” represent?	Please see the response to Log #6 above. Existing capacity is the projected amount of development possible under current conditions as determined in the UGC Report.
8	Ted Weinberg	b. Similarly, the row for TC-4 suggests that there are 896 existing dwelling units on redevelopable parcels. Is that a copy/paste error? If I’m reading the Town Center Subarea map correctly, the only existing buildings with dwelling units in the TC-4 subarea are the Avellino Apartments and Island House. Where are these 896 units?	This existing unit figure comes from the King County UGC Report, see response to Log #6 above.
9	Ted Weinberg	c. If TC-3 has roughly double the amount of redevelopable area (square feet) than TC-4, why would the addition of another floor to each subarea add 449 to one and only 52 to the other? Shouldn’t the roughly 2-to-1 ratio be the same?	<p>The formula for calculating capacity for each option is included with the table in AB 6548 Exhibit 1. Here is how the capacity was calculated for Option A (see AB 6548, Exhibit 1, Table 1):</p> <p>Net dwelling unit capacity = ((total developable square footage)(market factor)(assumed building coverage)(residential stories))/assumed unit size)-(existing dwelling units on developable parcels)</p> <p>Notes: residential stories are the total number of stories minus one assuming the ground floor will be used for commercial development. Market factor and existing dwelling units come from the UGC Report. The assumed unit size is based on the average unit size of dwellings constructed in the Town Center from 2005 to present. Assumed building coverage is an average based on the Town Center design standards established in Chapter 19.11 Mercer Island City Code.</p> <p>TC-3 Net Dwelling Unit Capacity = ((612,889.2(1-0.135)(0.75)(4-1))/925)-841 = ((612,889.2(0.865)0.75(3))/925)-841 = (1,192,835.6055/925)-841 = 1,289.55-841 = 449 Note: this is rounded up to the nearest whole number</p> <p>TC-4 Net Dwelling Unit Capacity = ((337,590 (1-0.135)0.75(5-1))/925)-841 = ((337,590(0.865)0.75(4))/925)-896 = (876,046.05/925)-896 = (947.077)-896 = 52 Note: this is rounded up to the nearest whole number</p>

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10	Ted Weinberg	3. Let’s say we went with option A and every landowner were to apply the day the changes take effect for a permit to build the maximum-sized building they can. a. Would Town Center’s existing water, sewer, and power utility infrastructure be able to handle the additional load?	In this hypothetical situation, infrastructure improvements would likely be needed, primarily on site. The Utilities Element and Capital Facilities Element include analysis of water and sewer service capacity and plan for improvements that will be necessary for those systems to keep pace with the levels of growth anticipated in the Comprehensive Plan.
11	Ted Weinberg	b. Would our current concurrency regulations require the developers to pay to expand the capacity of the utilities in Town Center to accommodate? i. If so, would that cost be spread proportionally across all developments, or would the charges for expanding utility infrastructure only kick in once we reach a certain threshold of development?	Yes, applicants must cover the cost of connecting to utility services. The Level of Service (LOS) analysis in the Utilities and Capital Facilities elements considers the housing and employment growth assumed in the Comprehensive Plan and sets policies for how the LOS of the utilities will be maintained.
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