

# BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 5729 July 21, 2020 Public Hearing

## AGENDA BILL INFORMATION

TITLE:	AB 5729: Town Center Moratorium (Public Hearing)	☐ Discussion Only
		□ Action Needed:
RECOMMENDED	Conduct Public Hearing and provide direction to staff.	
ACTION:		☐ Ordinance
		☐ Resolution
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DEPARTMENT:	Community Planning and Development	
STAFF:	Evan Maxim, Director	
COUNCIL LIAISON:	n/a	
EXHIBITS:	1. Ordinance No. 20-12	
CITY COUNCIL PRIORITY:	3. Implement an economic development program.	
		1
	AMOUNT OF EXPENDITURE \$ n/a	
	AMOUNT BUDGETED \$ n/a	
	APPROPRIATION REQUIRED \$ n/a	

## **SUMMARY**

On June 2, 2020, the City Council passed Ordinance No. 20-12 (see Exhibit 1), which established a 6-month moratorium on major new construction south of SE 29<sup>th</sup> Street in the Town Center (TC) zoning designation. The City Council indicated that the City desires to update and possibly amend development regulations within the Mercer Island Town Center, including requirements for various types of commercial retail space.

On July 21, 2020, the City Council will hold a public hearing on the Town Center Moratorium, consider public testimony, and provide further direction to staff.

### **BACKGROUND**

The current Town Center development regulations were established in June 2016 (Ordinance 16C-06). Major new development located north of SE 29<sup>th</sup> Street in the Town Center must provide ground floor street frontage commercial space for use by retail, restaurant, or personal service (e.g. barber shop, nail salon, fitness center, etc.). Between 40 and 60 percent of the ground floor street frontage north of SE 29<sup>th</sup> Street must be designed for retail, restaurant, or personal services; 40 percent is required for those major new developments that provide public parking, while 60 percent is required for those developments that do not provide public parking. Commercial retail space is allowed, but not required, south of SE 29<sup>th</sup> Street in the Town Center zoning designation.

#### **NEXT STEPS**

## **Conduct Public Hearing**

Following passage of the moratorium (Ordinance No. 20-12), the City is required to hold a public hearing within 60 days. A notice of public hearing was published on June 17, 2020, 30-days in advance of the public hearing on July 21, 2020.

#### **Review Scope of Moratorium**

Following the close of the public hearing and consideration of public testimony, the City Council should review the scope of the moratorium established on June 2, 2020. The City Council has the option of amending the scope of the ordinance by increasing or decreasing the geographical area affected by the moratorium or by expanding or reducing the scope of development affected by the moratorium. If further adjustment to scope of the moratorium is required, staff will need to prepare an ordinance amending the moratorium for City Council action.

### Adoption of Findings of Fact

With the adoption of the moratorium, the City Council established preliminary findings of fact supporting the moratorium. Following the close of the public hearing, the City Council should further discuss the basis for establishing the Town Center moratorium and direct staff to prepare findings of fact for City Council review and adoption. Alternatively, the City Council may direct staff to prepare an ordinance to lift the moratorium.

#### Development Regulation Amendment: Scope of work

Staff anticipates that consultant support to provide an economic analysis of the viability of requiring more commercial space, and additional staff resources, will be required to complete this work. Staff will prepare a scope of work for City Council review in the Fall of 2020. The scope of work will be informed by the adoption of the findings of fact for the moratorium and the City Council discussion on July 21, 2020.

#### **Review Process**

Amendments to the Town Center regulations require review by the Planning Commission, a public hearing, and adoption by the City Council. Town Center code amendments may also require an amendment to the Comprehensive Plan.

## **RECOMMENDATION**

- Conduct the public hearing.
- 2. Review and discuss the scope of the moratorium. Provide direction to staff regarding any amendments to the scope of the moratorium.
- 3. Discuss the basis for establishing the Town Center moratorium and direct staff to prepare Findings of Fact for City Council review and adoption.