



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 6688  
May 20, 2025  
Regular Business

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6688: 2025-2026 Workplan Update and Legislative Session Impacts	<input checked="" type="checkbox"/> Discussion Only <input type="checkbox"/> Action Needed: <input type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	No action necessary. Receive report.	

<b>DEPARTMENT:</b>	City Manager
<b>STAFF:</b>	Jessi Bon, City Manager
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. 2025-2026 Work Plan Matrix 2. 2025-2026 Biennial Budget Work Plans by Department
<b>CITY COUNCIL PRIORITY:</b>	4. Focus efforts and actions to be an environmentally and fiscally sustainable, connected, and diverse community.

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### EXECUTIVE SUMMARY

The purpose of this agenda item is to provide the City Council with an update and review of the 2025-2026 Work Plan.

- As part of a year-long process leading up to the adoption of each biennial budget, staff work with the City Council to develop priorities that guide the budget process and the City's biennial work plan.
- The City's work plan is developed to meet legal (federal, state, and local) requirements as well as to achieve the City Council's priorities.
- The Work Plan matrix now includes all work items from the adopted 2025-2026 Budget, along with recent additions from the City Council and City Manager (see Exhibit 1).
- The Work Plan is organized by department to provide a clear picture of each department's responsibilities, with some items appearing in multiple departments due to shared responsibilities and the collaborative nature of the work.
- Some work items were added during the budget discussions by the City Council or introduced in early 2025 by the City Manager due to changing needs. These items are flagged to ensure visibility.
- This work plan update is also timed to coincide with the conclusion of the State Legislative Session as there are often bills that require City response and action. The 2025 Washington State Legislative session concluded on April 27, 2025 and there were many bills that will be incorporated in the Work

Plan now and in the future, primarily related to housing and land use as summarized below. Staff will continue to monitor other legislative impacts and ensure the City is compliant with State law.

As a reminder, the City Council will begin developing the next biennial Work Plan in 2026, as part of the 2027-2028 Budget development process.

## BACKGROUND

The City's work plan is developed both to ensure compliance with all applicable legal requirements - including federal, state, and local laws - and to implement and advance the strategic priorities established by the City Council. This dual focus ensures that the City operates lawfully and efficiently while also addressing the needs and expectations of the community through thoughtful policy direction and service delivery.

As part of a year-long process leading up to the adoption of each biennial budget, staff work with the City Council to develop priorities that guide the budget process and the City's biennial work plan. The 2025-2026 City Council Priorities are as follows:

- **Priority 1:** Engage the qualified expertise necessary to provide the guidance to enable the development of a comprehensive long-range plan for Town Center which recognizes, addresses, and balances business, housing, and parking uses.
- **Priority 2:** Sustain and enhance our natural environment, especially parks and open spaces, to benefit this generation and others that follow.
- **Priority 3:** Make once-in-a-generation investments to update and modernize aging infrastructure, capital facilities, and parks.
- **Priority 4:** Focus efforts and actions to be an environmentally and fiscally sustainable, connected, and diverse community.

During the February 4, 2025 City Council meeting, staff provided an update to the City Council on major work plan items in the 2023-2024 Work Plan and reviewed the 2025-2026 Work Plan ([AB 6618](#)).

While it had previously been customary to highlight select initiatives in the Work Plan matrix, the City Council requested that all work items be included to provide a more complete picture of City operations. The result is a comprehensive document (see Exhibit 1) that captures the full scope of work identified in the adopted 2025-2026 Budget, along with recent additions initiated by the City Council and City Manager. The Work Plan is organized by department to provide a clear picture of each department's responsibilities, with some items appearing in multiple departments due to shared responsibilities and the collaborative nature of the work.

## ISSUE/DISCUSSION

The 2025-2026 Work Plan (Exhibit 1) has been updated to reflect City Council direction received during the budget discussions, additions made by the City Manager due to changing work priorities, and impacts from the recent State Legislative Session. These changes are summarized below.

### New Work Items

The following work items were added to the 2025-2026 Work Plan at the direction of the City Council or by the City Manager due to changing needs:

- Ensure that the City's websites and mobile apps comply with the Web Content Accessibility Guidelines (WCAG) Version 2.1, Level AA by April 26, 2027 (deadline set by the Department of Justice)

- Absent a dedicated webmaster, form a Website Working Group with representatives from each Department/Division to implement a content review process and create a system for centralizing and reporting needed website updates.
- Develop a system to organize and archive the City's photographs. If funding is needed for a digital photo inventory system, prepare a budget proposal for the 2027-2028 budget.
- Complete the digitization of the remaining hard copy files located in the former City Hall building in preparation for demolition of the building.
- In collaboration with the City Manager's Office, participate in the design of the technology and communications systems for the new Public Safety and Maintenance Facility.
- Develop a shopping cart regulation ordinance aimed at deterring and managing organized retail crime by regulating cart containment, retrieval, and misuse to prevent their use in organized theft.
- Develop an ordinance to amend business license criteria, allowing for revocation or suspension in cases where businesses fail to take proactive measures against organized retail crime and do not collaborate with law enforcement.
- Develop an ordinance introducing mandatory minimum sentences for repeat offenders of public disorder crimes, with treatment options as alternatives, to reduce recidivism and encourage rehabilitation.
- Develop a public awareness campaign, with the suggested title "See Something, Say Something - A Community Response to Shoplifting and Organized Retail Crime," aimed at educating the public on the impact of organized retail crime, encouraging safe reporting practices, and promoting community involvement in crime prevention.
- Develop an ordinance regulating the operation of e-bikes and e-motorcycles on the Island.
- Complete the Marine Patrol vessel replacement procurement process with delivery expected in 2026.
- Conduct a comprehensive workplace assessment of the Police Department. Use the assessment findings to develop a strategic plan that includes actionable recommendations related to technology, tools, and other resources necessary to support a high-performing, modern Police Department. Prepare budget proposals for the 2027-2028 budget.
- Prepare an informational presentation to the City Council on the use of Stationary Automatic License Plate Reader (ALPR) technology on Mercer Island. Stationary ALPR technology may be used to record the license plates of vehicles entering and leaving Mercer Island. The analysis will include integration with current MIPD tools and systems, a legal analysis, and records retention requirements. The analysis will also evaluate the manner by which data gathered by privately owned Stationary ALPR systems could be shared with the City.
- Update the franchise agreement with Puget Sound Energy for electricity.
- Work with the Finance Department to monitor and administer the interlocal agreement with Eastside Fire & Rescue for fire and emergency medical services.
- Work with the Finance Department and Eastside Fire and Rescue on the acquisition and financing for replacing three fire trucks.

### **Work Plan Impacts from 2025 Legislative Session**

The 2025 Washington State Legislative session concluded on April 27, 2025. As seen in previous legislative sessions, several bills were passed that will affect future work plans of Community Planning and Development (CPD).

Recent City and AWC legislative advocacy work has focused on requesting the state legislature include longer implementation timelines on housing and land use legislation. In general, bills passed this year responded to

these requests by including longer implementation timelines, minimizing the impact on the City's 2025-2026 work plan. However, these longer timelines do result in significant work plan impacts in future biennia.

#### Legislative Session Impact to 2025-2026 CPD Work Plan

There are two bills from the 2025 legislative session that impact the 2025 – 2026 CPD work plan.

- [HB 1576](#) - Concerning the designation of historic landmarks by cities.
  - This bill requires Cities to prohibit the designation of a property as a historic landmark outside a designated historic district if the property is less than 40 years old, or, if the designation would restrict the use of the property and the property is less than 125 years old, if the property owner has not given written consent to the designation.
  - This bill will require a code change by July 26, 2026. It does not affect the land use code, so this will not require Planning Commission review.
- [HB 1757](#) - Modifying regulations for existing buildings used for residential purposes.
  - This bill prohibits a city from requiring a change of use permit for the conversion of an existing building to residential purposes and exempts converted portions of a building to be used for residential purposes from State Energy Code requirements if certain conditions are met.
  - This bill must be implemented by June 30, 2026. It is possible the changes required can be included in an ordinance on a similar bill from an earlier session.

#### Legislative Session Impact on Future CPD Work Plans

There are several bills from the 2025 legislative session that will impact future CPD work plans.

- [HB 1096](#) - Lot Splitting
  - This bill requires cities to establish an administrative approval process for a lot split, which may be combined with concurrent review of a residential building permit for new single-family or middle housing.
  - City must comply with the bill within two years of the effective date of the bill, likely resulting in a July 2027 implementation deadline and inclusion in 2027-2028 CPD work plan.
- [HB 1183](#) - Development Regulations
  - This bill requires cities to modify, reduce, or eliminate upper-story setbacks, maximum building height, off-street parking minimums, minimum unit size for affordable housing, and gross floor area requirements for specified types of developments.
  - The City must comply six months after its next comprehensive plan implementation progress report, which for Mercer Island is December 31, 2029. Meaning the City must implement the bill by June 30, 2030 and include this item in the 2029-2030 CPD work plan.
- [HB 1491](#) - Transit Oriented Development
  - This bill requires cities to allow new residential and mixed-use development, with affordability requirements/incentives and restrictions on off-street parking requirements, within a station area at certain transit-oriented development (TOD) densities. Any city required to review its comprehensive plan by December 31, 2024 must comply with this bill by the earlier of December 31, 2029, or its first implementation progress report due after December 31, 2024.
  - For Mercer Island, this results in a compliance deadline of December 31, 2029 and inclusion in the 2029–2030 CPD work plan.
- [SB 5559](#) - Streamlining Subdivision Process
  - This bill requires cities to adopt or enact procedures for unit lot subdivisions by certain deadlines and sets specific requirements for the procedures.

- City must comply with the bill within two years of the effective date of the bill, likely resulting in a July 2027 implementation deadline and inclusion in 2027-2028 CPD work plan.
- [SB 5509](#) – Siting of Child Care Centers
  - This bill requires childcare centers to be permitted as outright permitted uses in all zones except industrial zones.
  - City must comply with the bill within two years of the effective date of the bill, likely resulting in a July 2027 implementation deadline and inclusion in 2027 – 2028 CPD work plan.

The preceding list of bills focuses primarily on housing and land use. Staff are still reviewing bills that impact other facets of the operation – transportation, public records, personnel, etc. – and will ensure the City is compliant with State law.

## **NEXT STEPS**

The next City Council update on the 2025-2026 Work Plan is scheduled for fall of 2025 as part of the Mid-Biennial Budget update. As a reminder, the City Council will begin developing the next biennial Work Plan in 2026, as part of the 2027-2028 Budget development process.

## **RECOMMENDED ACTION**

No action necessary. Receive report.