



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

**AB 6449
April 16, 2024
Consent Agenda**

AGENDA BILL INFORMATION

TITLE:	AB 6449: 2024 Legislative Session Recap	<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 report. No action necessary.	

DEPARTMENT:	City Manager
STAFF:	Jessi Bon, City Manager Robbie Cunningham Adams, Management Analyst Merrill Thomas-Schadt, Senior Management Analyst
COUNCIL LIAISON:	n/a
EXHIBITS:	1. City of Mercer Island 2024 Legislative Priorities
CITY COUNCIL PRIORITY:	n/a

AMOUNT OF EXPENDITURE	\$ n/a
AMOUNT BUDGETED	\$ n/a
APPROPRIATION REQUIRED	\$ n/a

EXECUTIVE SUMMARY

The purpose of this agenda bill is to review the final outcomes on core City legislative priorities during the 2024 State Legislative Session, following up from staff’s original review during the March 1, 2024 City Council Planning Session ([AB 6419](#)).

- On November 7, 2023, the City Council adopted the City’s Legislative Priorities (Exhibit 1) for the 2024 State Legislative Session ([AB 6371](#))
- The 2024 Washington State Legislature Regular Session began January 8, 2024 and concluded on March 8, 2024.
- During the March 1, 2024 City Council Planning Session, staff presented an update on the progress of the 2024 State Legislative Session ([AB 6419](#)) and the efforts of City Council, staff, and the City’s lobbyists in engaging in this year’s session. However, the legislative session was scheduled to continue until March 8, meaning there were bills and budget outcomes not yet known. Staff committed to following up with City Council on the final outcome of the state legislative session and any updated impacts to the work plan.
- This report will review the final outcomes on core City legislative priorities during the 2024 State Legislative Session.

BACKGROUND

On November 7, 2023, the City Council adopted the City's Legislative Priorities (Exhibit 1) for the 2024 State Legislative Session ([AB 6371](#)). The City identified seven legislative priorities:

- Increase Resources for Behavioral Health and Substance Use Disorder Treatment and Prevention
- Support for Affordable Housing
- Support Public Safety Measures on Auto Theft and Property Crime
- Capital and Grant Support for Essential Public Services
- Preserving and Protecting the Environment
- Opposition to Expansion of Tort Law Liability
- Revising the Property Tax Cap

The City retained the lobbying services of Nick Federici and Luke Esser again this year. The lobbying team assists with tracking and strategizing on bills of interest to the City, signing in on behalf of the City when needed, and scheduling meetings for City Council leadership and staff with representatives in Olympia. The 2024 Washington State Legislature Regular Session began January 8, 2024 and concluded on March 8, 2024.

During the March 1, 2024 City Council Planning Session, staff presented an update on the progress of the 2024 state legislative session ([AB 6419](#)) and the efforts of City Council, staff, and the City's lobbyists in engaging in this year's session. However, the legislative session was scheduled to continue until March 8, meaning there were bills and budget outcomes not yet known. Staff committed to following up with City Council on the final outcome of the state legislative session and any updated impacts to the work plan.

ISSUE/DISCUSSION

This report will review the final outcomes on core City legislative priorities during the 2024 state legislative session. A more detailed review of City engagement during the 2024 state legislative session can be reviewed at the linked agenda bill ([AB 6419](#)).

Substance Use Disorder Treatment and Prevention

Mayor Nice testified in support of [SB 5923](#), which was sponsored by Senator Wellman and aimed to update educational content in schools focusing on opioid and fentanyl prevention for seventh and ninth graders. This work is closely aligned with the prevention work the Youth and Family Services team provides. This bill did not advance, but the City supported its companion bill, [HB 1956](#) which similarly focuses on fentanyl and opioid prevention education in schools. HB 1956 passed the legislature and was signed by the Governor. The bill was given emergency designation, allowing an immediate effective date as of its signature on March 19, 2024.

Public Safety Measures on Auto Theft and Property Crime

The City's legislative priorities called for further expanding the list of eligible offenses for police pursuits, including auto theft and some property crimes, allowing cities to develop policies tailored to their communities. The 2024 session did not include a bill to expand pursuits to include auto theft and some property crimes.

However, there was a citizen initiative submitted to the legislature concerning police pursuits. Instead of sending [Initiative 2113](#) to the statewide November 2024 ballot, the legislature decided to adopt the initiative as law. This initiative reinstates the "reasonable suspicion" standard and removes narrowly defined crimes

eligible for pursuit. Officers would still be bound by their individual department's policies with a primary focus on the safety of the public. The effective date of the new state pursuit regulations is June 6, 2024.

Marine Patrol Vessel Replacement

The City prepared a budget request of \$1.2 million to partially fund the replacement of its aging Marine Patrol fleet. A similar request was included in last year's session and was not funded. At the recommendation of Senator Wellman's office, the City amended the request to \$500,000 through the State's operating budget, which would mostly fund the replacement of one Marine Patrol vessel. Sen. Wellman transmitted the request on behalf of Mercer Island, but the request was ultimately not successful. The City's legislative team will strategize to make another request for this important funding in the 2025 session.

Capital and Grant Support for Essential Public Services

The City requested state funding for public safety programs and Climate Action Plan implementation, including funding for Seafair Water Safety program, an electrical vehicle infrastructure plan, and a compact electric sweeper.

While budget negotiations are still ongoing in the legislature, the City's representatives have indicated it is unlikely these requests will receive funding this year. The City will continue to pursue funding for these programs in future legislative sessions.

Revising the Property Tax Cap

[SB 5770](#) proposed to revise the property tax cap for local governments to account for inflation and population growth up to three percent. The City testified in support, but the bill did not advance this year.

Housing, Land Use, and Comprehensive Planning Bills

Housing was again a featured theme of this year's legislative session. The City tracked several bills related to housing, land use, and comprehensive planning.

Bills Passed and Signed by the Governor

[HB 1998](#) Cities must allow co-living housing on any lot located within an urban growth area (UGA) that allows at least six multifamily residential units. "Co-living housing" means a residential development with sleeping units that are independently rented and lockable and provide living and sleeping space, and residents share kitchen facilities with other sleeping units in the building. This building type is sometimes known as single room occupancy housing. Another notable element is the bill restricts City's ability to mandate parking within a ½ mile of transit or require beyond 0.25 off-street parking spaces per sleeping unit beyond a ½ mile of transit. The City must adopt the requirements on this bill into development and zoning regulations by December 31, 2025.

[SB 6015](#) Modifies how Cities can regulate how various parking typologies can count toward parking minimum regulations in residential developments. Examples include allowing tandem parking to count toward parking requirements, cities cannot require a garage or carport to meet parking requirements, among others. The City worked with the Association of Washington Cities (AWC) to successfully narrow and improve the bill, removing several unworkable and unreasonable elements. However, late in the session a measure originally removed from a separate bill was added to SB 6015. This element would mean the City could not require off-street parking as a condition of permitting a residential project if compliance with City tree retention/preservation

requirements would otherwise make a proposed residential development or redevelopment infeasible. No guidance is provided in the bill on interpreting and implementing that feature. The bill has an effective date of June 6, 2024. City Council will need to adopt interim regulations ahead of June 6.

[HB 2071](#) This bill requires the State Building Code Council to recommend changes to the Washington State Building Code. These changes include bringing multiplex buildings up to six-plexes into the international residential building code (IRC) rather than the international building code (IBC) and evaluating a reduction of a minimum dwelling unit size that is less than the requirements for efficiency dwelling units in the IBC. While the bill has no direct action required by the City, the bill intends to update 2024 state building codes that the City itself must eventually adopt in 2026.

Bills that Did Not Pass

[HB 2160](#) Promoting transit-oriented development around rapid transit stations (such as Sound Transit Light Rail). Would have mandated a floor area ratio (FAR) of 3.5 within one-half mile walking distance of a stop on a light rail, commuter rail, or other rail system. Would have added an affordability requirement of at least 10% of units constructed in a station area to be affordable to those at or below 60% AMI and includes other zoning incentives for affordable or family-sized units. Would have prohibited cities from requiring off-street parking within a half mile of rail stops. The bill would not have gone into effect for Mercer Island until 2029. The City testified against the bill and suggested several changes to be considered in future iterations of the bill, such as increased affordability requirements better tied to HB 1220 implementation.

[HB 2113](#) Would have mandated state agency oversight of city and county Housing Elements as part of the Growth Management Act (GMA) comprehensive planning process. Would have required a city or county planning GMA to submit its housing element and any related development regulations to the Department of Commerce for a determination of housing element affordability compliance under HB 1220 and prohibited a city or county planning under the GMA from denying an affordable housing development unless the city or county has received a final determination of housing element compliance from Commerce, or certain other conditions are met. The City testified against the bill as duplicative of the growth management act in addition to undermining the principles of local governance and public involvement under the GMA.

[HB 2474](#) Would have created a mechanism for the Department of Commerce to facilitate disputes between a City and a developer of permanent supportive housing, transitional housing, indoor emergency housing, or indoor emergency shelters. Would have granted the Department of Commerce the ability to declare local land use regulations in noncompliance with state law and then deny certain state funds if the local government did not amend its land use regulations within 30 days and would have given Commerce the authority to reverse a city's final decision on a project permit application, a development agreement, or another permitting process. The City testified against the bill as duplicative of the growth management act in addition to undermining the principles of local governance and public involvement under the GMA.

[HB 1245](#) Would have mandated that cities amend their codes and development regulations to allow for lot splitting and would have restricted the city's ability to regulate frontage, easements, parking, and right-of-way. The City testified against the bill.

[SB 5334](#) Would have authorized local governments to impose a special excise tax of up to 5 percent on the furnishing of short-term rentals (e.g. Airbnb) and to use those tax revenues only for affordable housing programs. The City testified in support, as the bill provided a tool the City could choose to implement to fund affordable housing programs.

[HB 2270](#) Would have required the state Office of Financial Management to contract with an external consultant to study and help facilitate the transition of state housing programs to a new consolidated state agency and identify gaps in current state housing programs. The new state Department of Housing would focus solely on housing and homelessness issues and bring together state programs that currently span multiple agencies and partners. City staff submitted to AWC several comments on, if a new agency were to be created, how that agency could best improve city and state cooperation on housing issues.

[HB 2252](#) This bill originally mandated that cities allow small neighborhood cafes and other small businesses in residential zones, with some allowances for city regulations on noise, size of businesses, hours of operations, and parking. The bill passed the House but was amended in a Senate committee to be optional. The bill did not receive a vote in the Senate.

NEXT STEPS

There is a large body of work that occurs outside of and leading up to the next legislative session including a debrief with the City's lobbyists, meetings with legislators, engagement with AWC and other partners, and more.

City staff anticipate beginning work on the draft legislative priorities for the 2025 State Legislative Session this fall. This item will be presented to the City Council for review and approval in October or November.

RECOMMENDED ACTION

Receive report. No action necessary.