

AB 6960:
GMA Compliance – Comprehensive
Plan Amendments (First Reading, Ord.
No. 26-09)

AB 6961:
GMA Compliance – Title 19 MICC
Amendments (First Reading, Ord. No.
26C-10)

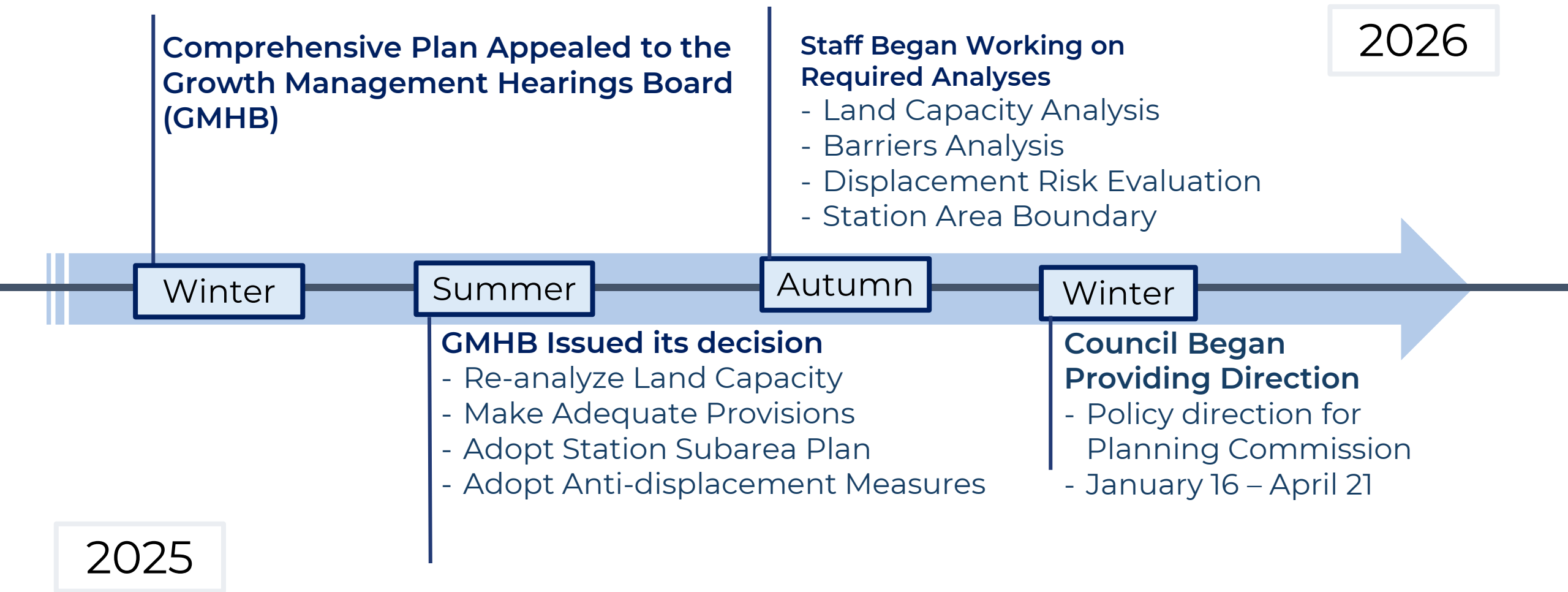
July 7, 2026, Mercer Island City Council

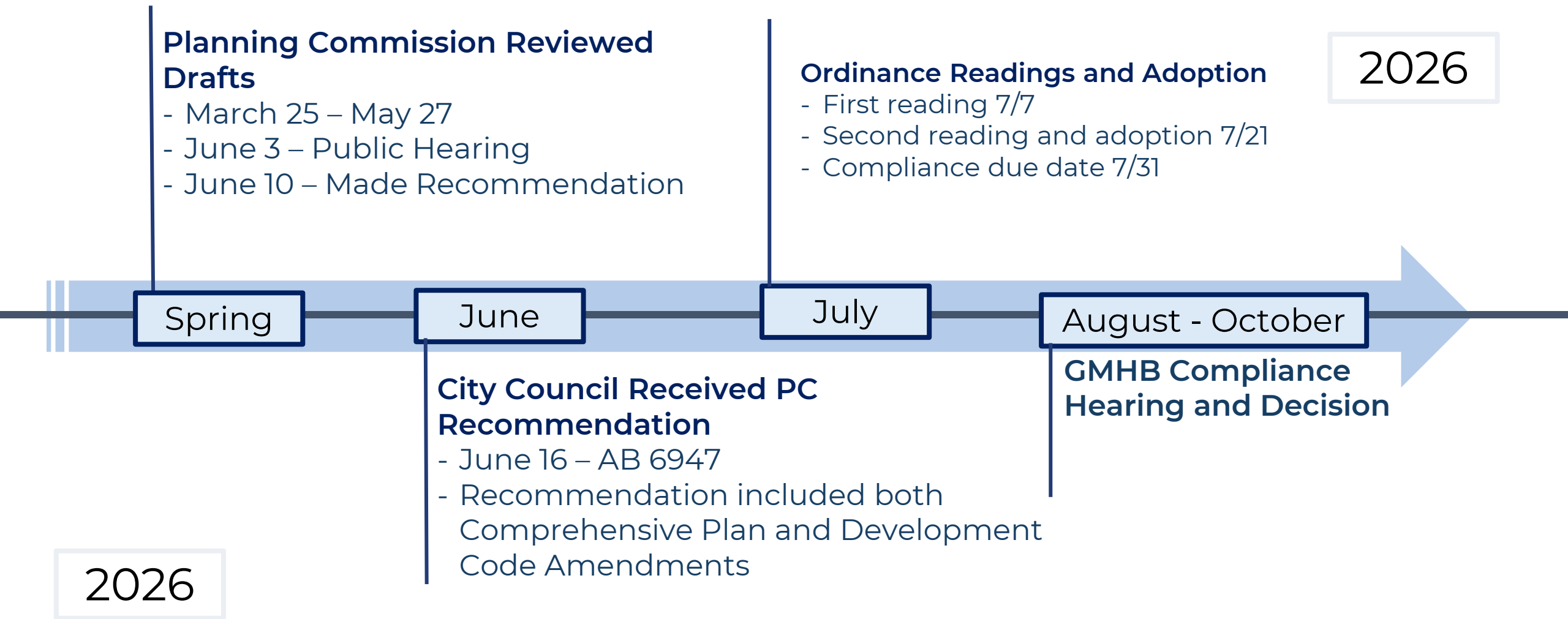
Community Planning and Development
Jeff Thomas, Community Development Director
Adam Zack, Principal Planner



Purpose

Complete first readings of Ordinance Nos. 26-09 and 26C-10 and schedule second readings for July 21, 2026.

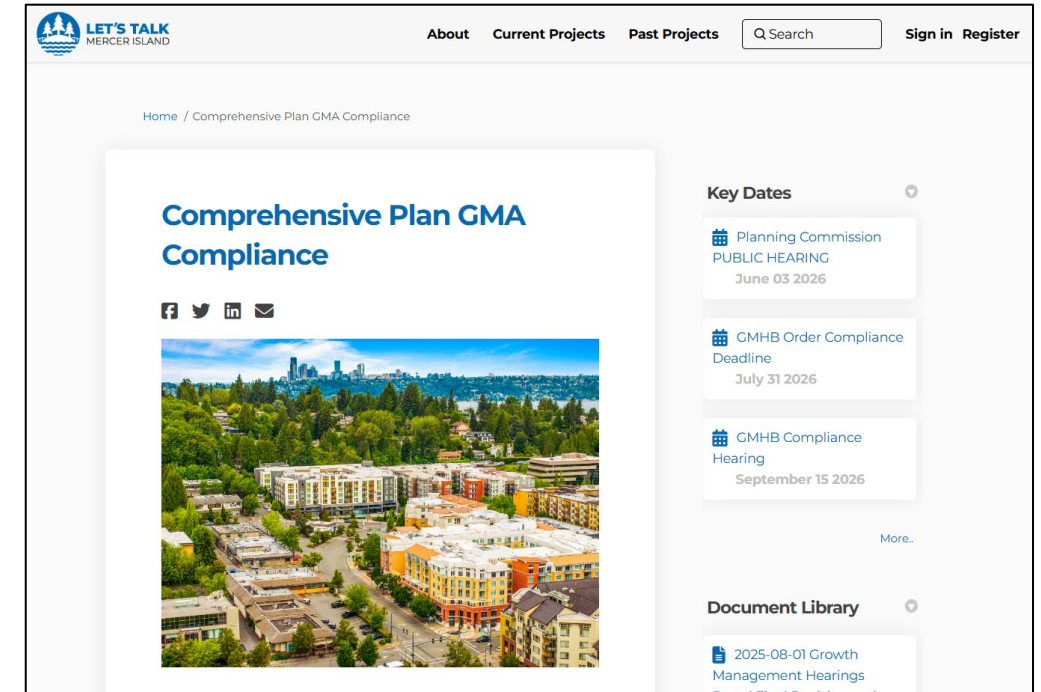




Where to Find Documents

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

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



- Every agenda bill 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:

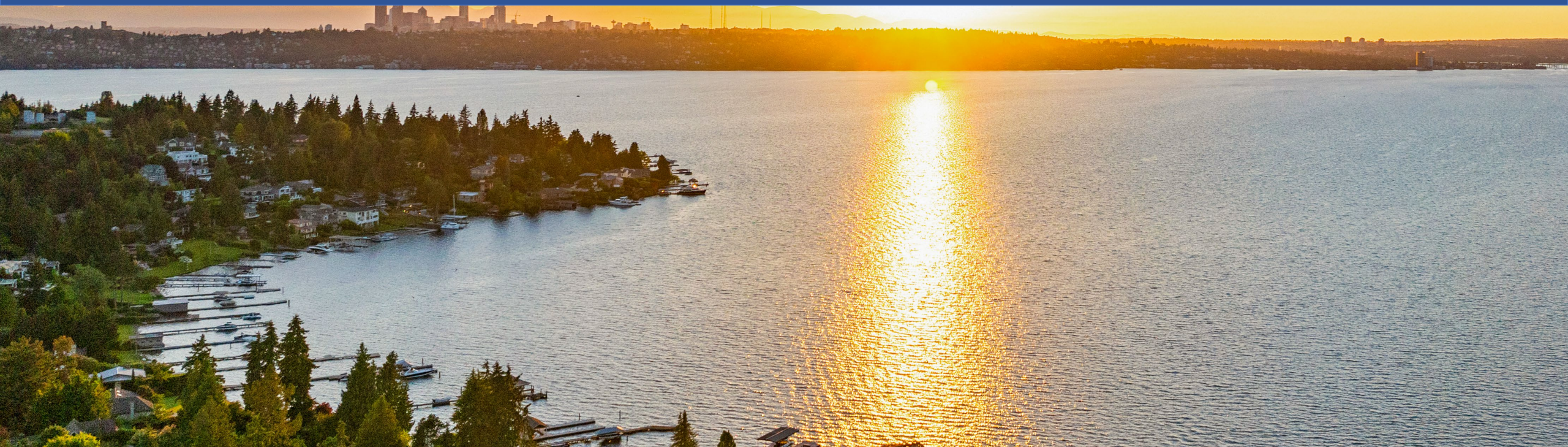
January 16, 2026

- [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)

AB 6960 – Ordinance No. 26-09



Comprehensive Plan Update Summary

- Address development capacity
- Establish Station Subarea Plan
- Consistency amendments to Transportation, Utilities, and Capital Facilities
- Establish two new appendices:
 - 2026 Land Capacity Analysis Update
 - Barriers Analysis

Station Subarea Plan Summary

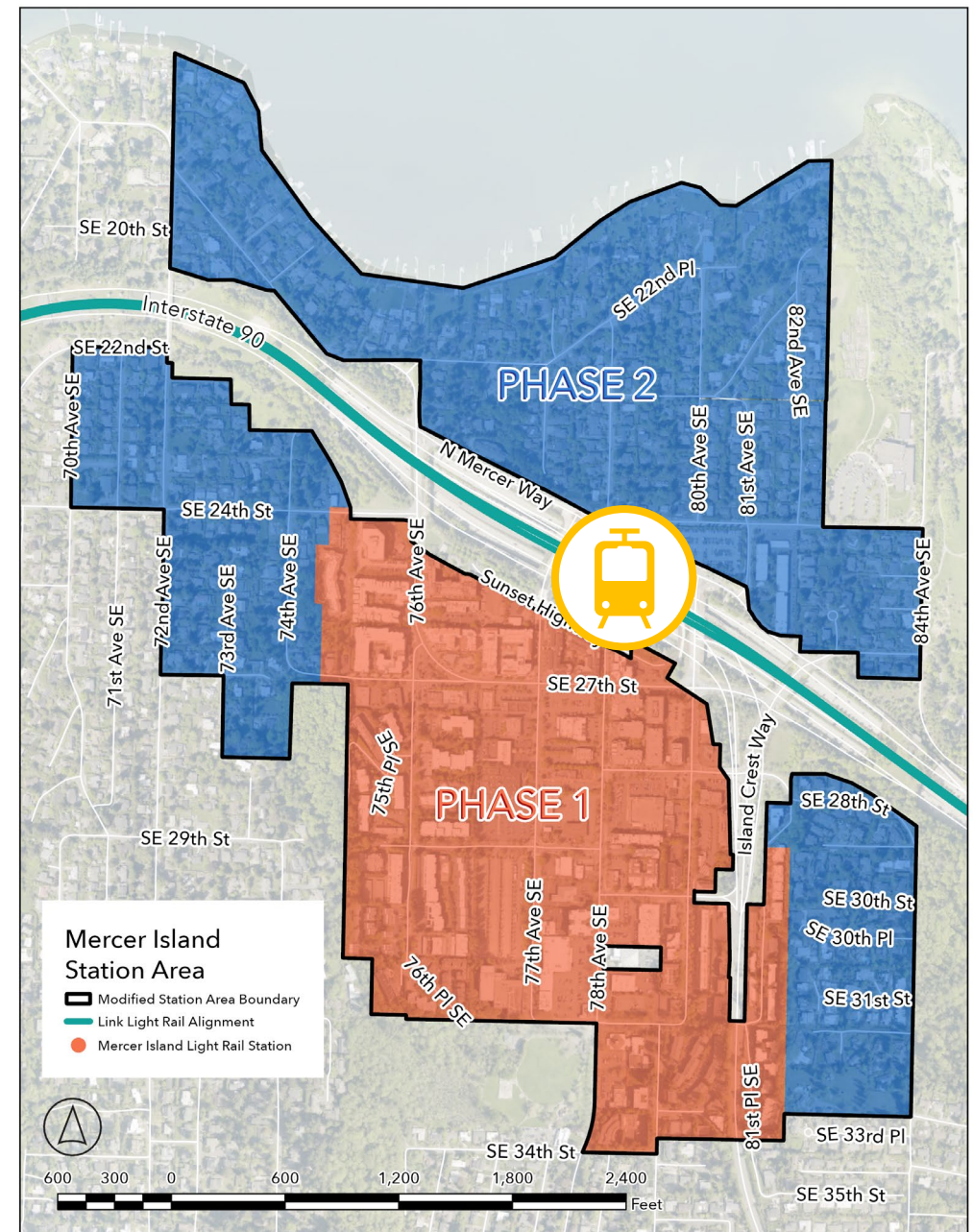
Goals and Policies for the area around the light rail station

Most of the goals and policies are either existing Town Center policies or policies to guide Phase 2 of the Subarea Plan.

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 work on Phase 2 through **2029** to allow for more public input.

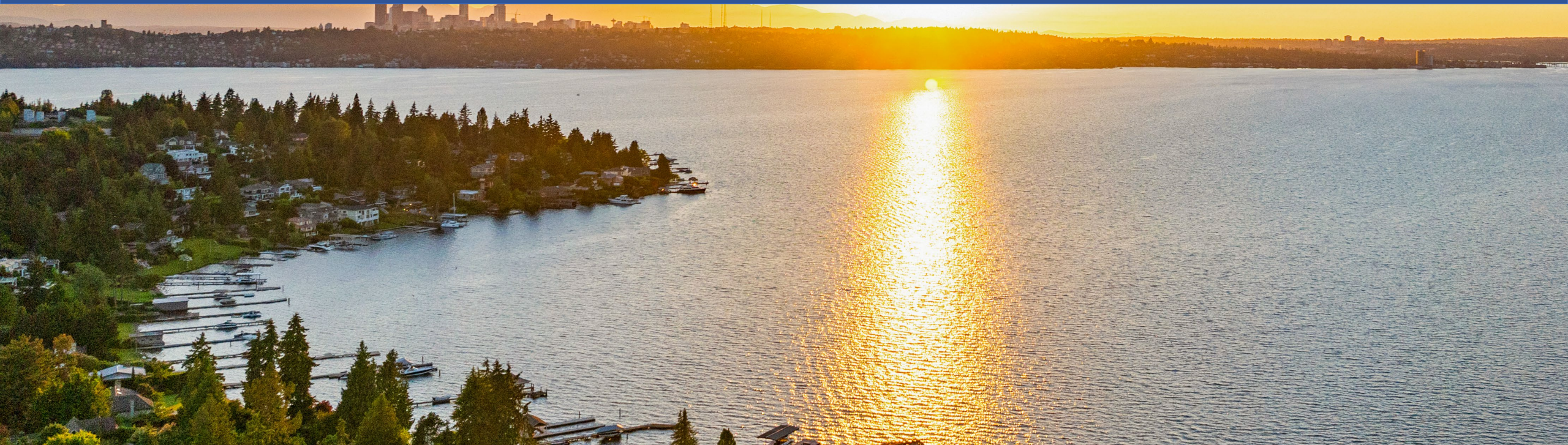


AB 6960 and Ord. No. 26-09

Recommended Motion

Complete a first reading of Ordinance No. 26-09 and schedule a second reading for July 21, 2026.

AB 6961 – Ordinance No. 26C-10



Zoning & Development Code Amendments Summary

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

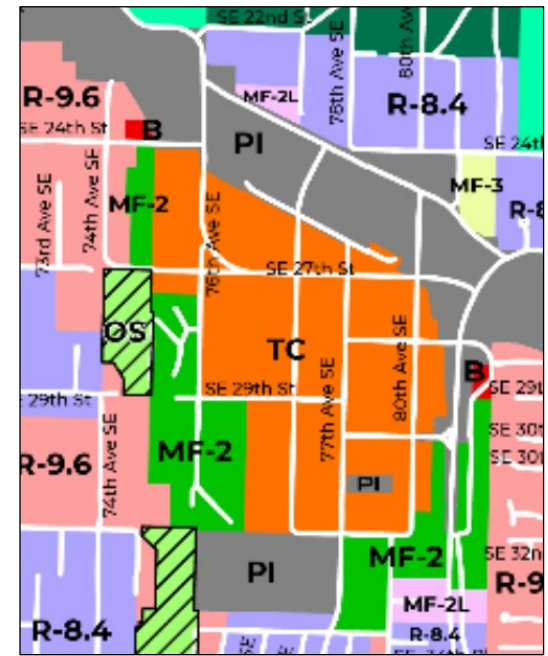
Inclusionary Zoning: in Phase 1 area 10% of units must be affordable at 50% of the area median income.

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.

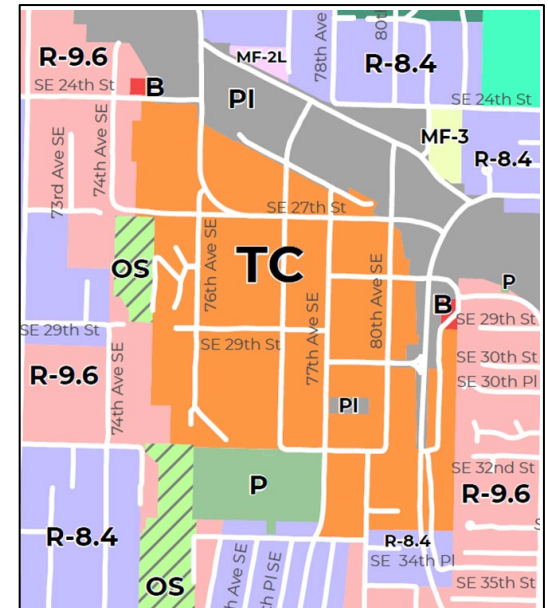
Permanent Supportive and Emergency Housing: Changes to regulations in MICC 19.06.080 for special needs and social service transitional housing.

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

Existing

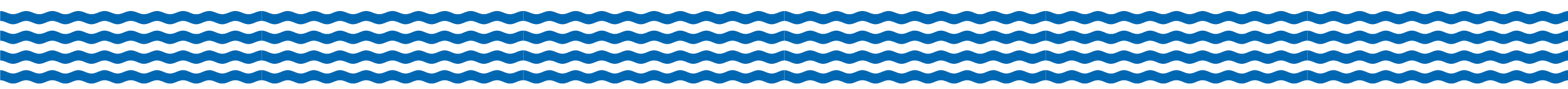


Proposed



Commerce Comment Letter

- WA Department of Commerce recommended one edit to the amendments to the definitions in MICC 19.16.010 in Ordinance No. 26C-10:
- Define “transitional housing” so that it is grouped with “permanent supportive housing”.
- This addresses the adequate provisions issue from the GMHB Order.
- This change would make the code consistent with state law, subjecting transitional housing to the same regulations as permanent supportive housing rather than emergency housing.
- Proposed motion would incorporate this change for the second reading of Ord. No. 26C-10.



AB 6961 and Ord. No. 26C-10

Recommended Motions

1. Direct staff to make amendments to the development code to group transitional and permanent supportive housing together to address the comments provided by the Department of Commerce in their June 23, 2026, letter to the City of Mercer Island.
2. Complete a first reading of Ordinance No. 26C-10 and schedule a second reading for July 21, 2026.

Next Steps

- July 21 – Second reading and adoption of ordinances to adopt the Planning Commission recommendation

GMHB Proceedings

- July 31 – GMHB compliance deadline
- August 14 – Compliance report due to GMHB
- September 15 – GMHB compliance hearing

