



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

**AB 6420
March 1, 2024
Special Business**

AGENDA BILL INFORMATION

TITLE:	AB 6420: City Facilities Discussion	<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 Jason Kintner, Chief of Operations
COUNCIL LIAISON:	n/a
EXHIBITS:	1. City Facility Descriptions & Map
CITY COUNCIL PRIORITY:	3. Make once-in-a-generation investments to update and modernize aging infrastructure, capital facilities, and parks.

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

EXECUTIVE SUMMARY

At the March 1, 2024 Planning Session, the City Council will discuss City Facilities, with a primary focus on the replacement of City Hall and the Public Works Building.

- In early 2023, the City began a process to complete Facility Conditions Assessments for various municipal buildings and to develop a Long-Range Facilities Plan for select City facilities.
- The planning process was interrupted due to the unexpected closure of City Hall in April 2023.
- A preliminary Facility Conditions Assessment (FCA) was recently completed for the Public Works Building which has identified multiple systems that are failing or in need of significant repair or investment. This information was presented to the City Council on February 6, 2024 (AB 6402).
- Based on these preliminary findings, the City Manager is recommending that the City Council prioritize the Public Works Building for replacement.
- Preliminary assessments are underway for the Annex Building at the Mercer Island Community & Event Center, the Luther Burbank Administrative Building, and the Mercer Island Thrift Shop.
- A second phase of assessment work is scheduled for Fire Station 91, Fire Station 92, and the Mercer Island Community & Event Center.
- Given the facility planning priorities that have emerged related to the closure of City Hall and the poor condition of the Public Works Building, work on the Facility Conditions Assessments will span the next two to three years with a goal of completion by the end of 2026.

A series of questions are included in the Issues Section below to guide this discussion.

BACKGROUND

Long-Range Facility Planning

In early 2023, the City began a process to complete Facility Conditions Assessments for various municipal buildings and to develop a Long-Range Facilities Plan for select City facilities. The project scope included Mercer Island City Hall, the Public Works Building, the Annex Building at the Mercer Island Community & Event Center, the Luther Burbank Administrative Building, the Mercer Island Thrift Shop, and the former Tully's Building. A second phase will include Facility Conditions Assessments for Fire Station 91, Fire Station 92, and the Mercer Island Community & Event Center. Northwest Studio was selected as the consultant for this project and is supported by a variety of specialized consultants.

The Long-Range Facility Planning project was intended to be completed in two phases, the first phase focusing on comprehensive Facility Conditions Assessments (FCAs) for each of the six buildings in 2023. The purpose of an FCA is to inventory and evaluate building and site infrastructure conditions, document observed deficiencies, and develop a recommended strategy for renovation or replacement to extend the life of the asset and ensure continuity of services.

The second phase of facilities planning work included the development of a Long-Range Facilities Plan for these six facilities based on assessment and data collected from the FCA process. The Long-Range Planning Work was intended to be completed in 2024 and anticipated an extensive public engagement process. Unfortunately, just as the facilities planning work was kicking off in early 2023, City Hall was closed due to asbestos contamination.

City Hall Closure

In April 2023, City Hall was closed after asbestos was detected in several locations in the building, including in the HVAC system. Although airborne asbestos was not detected during air quality tests, abatement at City Hall would be required to re-open the facility. City staff and outside experts worked extensively to identify solutions to address the asbestos contamination and evaluate the best path forward for City Hall. Two scenarios for re-occupying the City Hall building, either fully or partially, were evaluated for timeline, preliminary costs, and impact to City operations. Unfortunately, the cost of both scenarios to re-occupy City Hall exceeded the benefits due to the age and condition of the building.

On October 2, 2023, [Resolution No. 1650](#) was approved to cease City operations at City Hall and permanently close the building. The facility closure and the associated work items (both short-term and long-term) have had a significant impact on the 2023-2024 work plan, including redirecting staff resources and adding new work items and projects to the schedule. The long-range facility planning work anticipated for 2023-2024 was also impacted.

Facility Conditions Assessment – Partially Resumed for Public Works Building

Given the age and condition of the Public Works Building, the City Manager directed the staff and consulting teams to proceed with the FCA for this building, while pausing assessment work on the other buildings. The Preliminary Facility Conditions Assessment for the Public Works Building was presented to the City Council on February 6, 2026 (AB 6402).

The City has ten facilities ranging in age, condition, and use. Each facility serves an individual purpose (see Exhibit 1) and collectively they support the efficient delivery of essential municipal services to the Mercer Island community.

ISSUE/DISCUSSION

Given the current condition of the Public Works building and unexpected closure of City Hall in 2023, these two buildings and the services they house are the top priority for replacement. As the City contemplates replacement of these buildings, there is a unique opportunity to evaluate operational efficiency and explore a centralized service model. These questions were developed to guide the City Council discussion:

- Where should future City facilities be located? Should some City services be located in the Town Center? How should the existing City Hall property be used?
- Should short-term reinvestments be made in the Public Works Building to extend the service life? Or should alternatives be explored, and the Public Works Building be permanently closed? What additional information is needed to inform this decision?
- What City teams and services should be located together? Where can operational efficiencies be gained?
- Are there services and teams occupying other facilities that should be considered for relocation as part of this process (e.g. YFS at the Luther Burbank Building)?
- How will the replacement buildings be funded? How will the work be prioritized and phased?
- What additional short-term and medium-term measures need to be taken to stabilize City services?

NEXT STEPS

City staff will take the input from the City Council Planning Session and continue work on the replacement strategy for City Hall and the Public Works Building.

RECOMMENDED ACTION

Provide input on the City Hall and Public Works Building Replacement Strategy.