

BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 6428 March 1, 2024 Regular Business

AGENDA BILL INFORMATION

TITLE:	AB 6428: Land Use Planning Wo	ork Plan Discussion	☐ Discussion Only
RECOMMENDED ACTION:	No action necessary. Receive re	eport.	☐ Action Needed:☐ Motion☐ Ordinance☐ Resolution
DEPARTMENT:	Community Planning and Development		
STAFF:	Jeff Thomas, Community Planning and Development Director		
COUNCIL LIAISON:	n/a		
EXHIBITS:	1. Docket Tracker 2020 - 2023		
CITY COUNCIL PRIORITY:	n/a		
	AMOUNT OF EXPENDITURE	\$ n/a	
i			

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

EXECUTIVE SUMMARY

The purpose of this agenda bill is to provide information to support a City Council discussion on the prioritization of the land use planning work plan for 2024 and beyond.

- The City is part way through the Growth Management Act (GMA) mandated process to complete the required periodic update of the Comprehensive Plan by the December 31, 2024, deadline.
- There are four bills from the 2023 State legislative session related to land use planning and housing which have implementation mandates in 2025.
- There appears to be at least four more bills from the 2024 State legislative session related to land use planning and housing which may be enacted and have implementation mandates in 2024 or 2025.
- The City is currently carrying interim regulations for three items, all of which must have interim regulations renewed in 2024 and possibly beyond or permanent regulations adopted.
- In 2023, the City Council docketed a total of eight items for legislative review, of which six of these items were new matters separate from any State legislation matters. There are no mandates governing when docketed items are to be processed.

BACKGROUND

A brief description of each group of items to be discussed in the land use planning work plan is provided below.

Comprehensive Plan Periodic Update

Cities and counties planning under the GMA are required to periodically review and, if necessary, update their comprehensive plans. Cities in King County are required to complete periodic reviews and updates by December 31, 2024. The City Council approved a scope of work, public participation plan, and master schedule for the Mercer Island Comprehensive Plan periodic review with Resolution No. 1621 in March 2022. A supplemental scope of work was approved with Resolution No. 1646 in July 2023 specifically related to the Housing Element update. The work is on track to be completed by the December 31, 2024, deadline.

State Legislative Sessions - 2023 and 2024

Land use planning and housing matters have been a top priority of the Washington State Legislature in the past few years beginning with the enactment of <u>HB 1220</u> in 2021 which has fundamentally changed the way cities are completing periodic comprehensive plan updates and planning for future housing.

In the 2023 State legislative session, four bills were enacted related to land use planning and housing which have implementation mandates in 2025:

- HB 1110 Middle Housing (June 30, 2025)
- <u>HB 1293</u> Design / Project Review (June 30, 2025)
- HB 1337 ADU / DADU (June 30, 2025)
- SB 5290 Permit Review Consolidation (July 23, 2023—Except for section 7, January 1, 2025)

Work on all four of the preceding items is scheduled to commence upon completion of the periodic update to the Comprehensive Plan.

In the 2024 State legislative session, there appears to be at least four more bills which <u>may</u> be enacted related to land use planning and housing and have implementation mandates in 2024 or 2025:

- HB 1998 Co-Living Housing (December 31, 2025)
- <u>HB 2252</u> Small Business Establishment in Residential Zones (90 days after Governor signature)
- HB 2321 HB 1110 Clean Up (June 30, 2025)
- SB 6015 Residential Parking Configurations (90 days after Governor signature)

To comply with new legislation, it is anticipated most, if not all, the necessary code changes will be adopted as interim regulations and then docketed for permanent adoption in a future year. The 2024 Legislative Session concludes on March 8, 2024.

Interim Regulations

The City is currently carrying interim regulations for three items, including those for outdoor dining, permit processing and emergency, and transitional and permanent supportive housing. All these items must have interim regulations renewed in 2024 and possibly beyond or permanent regulations adopted.

Annual Docket

The City provides an annual opportunity to propose amendments to the Comprehensive Plan and development regulations. Amendment proposals are invited each year during the month of September as described in MICC 19.15.230(D)(1). The proposed amendments are compiled, along with the City's proposed amendments, into a docket. The docket is preliminarily reviewed by the Planning Commission and City Council for a determination on which, if any, proposed amendments will be advanced for full legislative review in the coming year. Amendments selected by the City Council for the annual docket are then added to the Community Planning and Development work plan, typically for the next calendar year, or when time and resources permit.

In 2023, the City Council docketed a total of eight items for legislative review, of which six of these items were new matters separate from any State legislation matters.

- 23-6 Downhill façade height on sloping lot
- 23-7 Standards for government services use in Town Center
- 23-8 State mandated amendments related to permit timelines, design review and SEPA
- 23-9 State mandated amendments related to middle housing, ADUs and conversion residential uses
- 23-10 Temporary Use Regulations
- 23-14 Downhill façade height on sloping lot
- 23-15 Temporary use or structure permits
- 23-18 Land Use Map amendments for SJCC and MICC properties; Zoning Map amendment for SJCC property

There are no mandates governing when docketed items are to be processed. A complete accounting of the status of all proposed docket items dating back to 2020 is provided in Exhibit 1.

ISSUE/DISCUSSION

During the 2023 annual docket consideration by City Council on December 5, 2023 (<u>AB6389</u> and <u>AB6382</u>), staff recommended that should City Council docket any requests over and above those related to State legislative mandates, these items would receive the lowest priority for processing of all the items in the land use planning work plan unless otherwise directed. Staff did not receive such direction from City Council. Therefore, the current prioritization of the land use planning work plan is as follows:

- 1. Comprehensive Plan periodic update completion by the mandated December 31, 2024, deadline.
- 2. All State legislation enacted with 2024 or 2025 mandated implementation deadlines HB 1110, HB 1293, HB 1337, SB 5290 and possibly HB 1998, HB 2252, HB 2321, and SB 6015.
- Renewing interim regulations and/or adopting permanent regulations in 2024 and beyond for outdoor dining, permit processing and emergency, and transitional and permanent supportive housing.
- 4. Reviewing the docketed items from 2023 which were new matters separate from any State legislation matters 23-6, 23-7, 23-10, 23-14, 23-15, 23-18. There are no mandates governing when docketed items are to be processed.

Should the City Council wish to reprioritize the above list and elevate the processing priority of docketed items, additional direction will need to be provided to staff as to which State legislative mandates will be postponed.

NEXT STEPS

Complete the City Council discussion on the land use planning work plan for 2024 and beyond at the March 1, 2024, Planning Session, and direct staff as appropriate.

RECOMMENDED ACTION

No action necessary. Receive report.