



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 6732  
July 15, 2025  
Public Hearing

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6732: Public Hearing on Interim Regulations in MICC 19.16.010 Related to Emergency Shelters and Housing, Transitional Housing, and Permanent Supportive Housing (First Reading, Ordinance No. 25-15)	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Hold public hearing and schedule Ordinance No. 25-15 for second reading on September 2, 2025.	

<b>DEPARTMENT:</b>	Community Planning and Development
<b>STAFF:</b>	Jeff Thomas, Community Planning and Development Director Alison Van Gorp, Community Planning and Development Deputy Director Molly McGuire, Senior Planner
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Ordinance No. 25-15
<b>CITY COUNCIL PRIORITY:</b>	n/a

<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 hold a public hearing on the renewal of interim regulations previously adopted to amend standards in Mercer Island City Code (MICC) [19.16.010](#) related to emergency shelters and housing, transitional housing, and permanent supportive housing in response to HB 1220.

- During the 2021 state legislative session, the legislature passed [HB 1220](#), requiring amendment of MICC Title 19. The timeline imposed by this legislation required the City to comply with the new requirements by September 30, 2021.
- On September 21, 2021, the City Council adopted [Ordinance No. 21C-23](#) which established interim regulations for special needs group housing and social service transitional housing to comply with HB 1220.
- The interim regulations have been renewed several times by Ordinance Nos. 22C-14, 23C-02, and 23C-11.
- On April 2, 2024, the interim regulations were reinstated for one year by [Ordinance No. 24C-03](#). This ordinance became effective on April 2, 2024.
- The reinstated interim regulations were renewed again on March 18, 2025 for six months by [Ordinance No. 25C-05](#).
- The current interim regulations will expire on October 2, 2025. The City must renew the interim regulations to remain in compliance with state law.

- Ordinance No. 25-15 would renew the interim regulations established by Ordinance No. 24C-03 for six months; maintaining compliance with state law (Exhibit 1).

## BACKGROUND

### HB 1220: Emergency Shelters and Housing

[HB 1220](#) addresses transitional housing, emergency shelters, and permanent supportive housing. The bill contains new requirements for Comprehensive Plan housing element updates and creates new requirements for cities' zoning/development regulations regarding indoor shelters and housing for the homeless, summarized below:

- The bill forbids cities from prohibiting transitional or permanent supportive housing in residential zones or zones where hotels are allowed.
- The bill also forbids cities from prohibiting indoor emergency shelters and indoor emergency housing in any zones in which hotels are allowed (except for cities that authorize indoor emergency shelters/housing in a majority of zones within a one-mile proximity to transit).
- Any regulations regarding occupancy, spacing, and intensity of use requirements regarding the four types of housing listed above must be reasonable and designed to protect public health and safety.
- Finally, such restrictions cannot be used to prevent the siting of a sufficient number of housing units necessary to meet Mercer Island's projected need for such housing and shelter as determined by the WA Department of Commerce (Commerce) and King County.

Additionally, the Washington State Department of Commerce (Commerce) published guidance on what they refer to as [STEP Housing](#) in 2024. STEP Housing includes emergency shelter, transitional housing, emergency housing and permanent supportive housing. This guidance is intended to assist local jurisdictions in complying with the requirements of HB 1220 and related state and federal laws.

The City's development code currently includes some spacing restrictions in [MICC 19.06.080 – Siting of group housing](#); staff recommends retaining these restrictions for now and will further evaluate them for compliance with HB 1220 and the new Commerce guidance when developing a permanent code amendment.

### Projected Housing Need

In 2024, the City adopted an updated Comprehensive Plan, which included projected housing needs for emergency housing and permanent supportive housing ([Ordinance No. 24C-16](#)). As the City develops permanent regulations for special needs group housing and social service transitional housing, the permanent regulations will be analyzed to ensure that the proposed regulations provide adequate development capacity for the projected housing need and that they are consistent with WA Department of Commerce guidance.

## ISSUE/DISCUSSION

Interim regulations were adopted in 2021 to comply with the emergency and permanent supportive housing provisions in HB 1220. The interim regulations were subsequently renewed for three successive 6-month periods thereafter. On April 2, 2024, the interim regulations were reinstated for one year by [Ordinance No. 24C-03](#). These reinstated interim regulations were renewed for six months on March 18, 2025 by [Ordinance No. 25C-05](#). These interim regulations will expire on October 2, 2025 unless renewed.

Ordinance No. 25-15 would renew the interim regulations established by Ordinance No. 24C-03 and maintain compliance with the state law. Renewing the interim regulations would provide the City time to develop permanent regulations. A process to develop permanent regulations to replace the interim regulations is expected to begin before the end of 2025, with adoption anticipated in 2026.

## Ordinance No. 25-15

HB 1220 Section 4 requires the City to allow (1) transitional housing and permanent supportive housing in any zones in which residential dwelling units or hotels are allowed, and (2) indoor emergency shelters and indoor emergency housing in any zones in which hotels are allowed.

The City currently allows social service transitional housing and special needs group housing as defined in [MICC 19.16.010](#) in residential zones. The definitions for these uses include many uses similar to those required by HB 1220 Section 4 and only require minor clarifying amendments to be consistent (Exhibit 1). Ordinance No. 25-15 would amend the definitions for social service transitional housing and special needs group housing as follows:

**Social Service Transitional Housing:** Noninstitutional group housing facilities for unrelated persons, other than special needs group housing or rooming houses, that are privately or publicly operated, including those facilities required to be licensed by the state or federal governments as well as those that may not be required to be licensed, that provide temporary and transitional housing to meet community social service needs including, but not limited to, work-release facilities and other housing facilities serving as an alternative to incarceration, halfway houses, emergency shelters, homeless shelters, domestic violence shelters and other such crisis intervention facilities. ~~Social service transitional housing excludes institutional facilities that typically cannot be accommodated in a single-family residential structure.~~ Further, the term shall include “emergency housing,” and “transitional housing” as defined within RCW 84.36.043(2)(c) or as hereafter amended. The term shall further include “emergency shelter” as defined within RCW 36.70A.030 or as hereafter amended.

**Special Needs Group Housing:** Noninstitutional group housing that primarily supports unrelated persons with handicaps or persons protected by familial status within the meaning of the FHAA, but not including individuals whose tenancy would constitute a direct threat to the health and safety of other individuals or whose tenancy would result in substantial physical damage to the property of others. Special needs group housing includes, but is not limited to, foster family homes, adult family homes and residential care facilities as provided in Chapter 70.128 RCW, but excludes facilities ~~that typically cannot be accommodated in a single-family residential structure~~ such as hospitals, nursing homes, assisted living facilities and detention centers. Further, the term shall include “permanent supportive housing” as defined in RCW 36.70A.030 or as hereafter amended.

## NEXT STEPS

After the interim regulations are renewed, staff will prepare permanent code amendments to comply with HB 1220 for City Council consideration.

## RECOMMENDED ACTION

Hold public hearing and schedule Ordinance No. 25-15 for second reading on September 2, 2025.