



BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 6735
July 15, 2025
Regular Business

AGENDA BILL INFORMATION

TITLE:	AB 6735: Scope of Work for an Omnibus Ordinance Related to Permanent Regulations for Housing Production and Permit Streamlining	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
RECOMMENDED ACTION:	Approve the scope of work and direct the Planning Commission to commence legislative review.	

DEPARTMENT:	Community Planning and Development
STAFF:	Jeff Thomas, CPD Director Adam Zack, Principal Planner
COUNCIL LIAISON:	n/a
EXHIBITS:	1. Housing Production and Permit Streamlining Omnibus Ordinance Scope of Work
CITY COUNCIL PRIORITY:	n/a

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

EXECUTIVE SUMMARY

Staff request City Council approval of a scope of work for adoption of an omnibus ordinance to streamline regulations for residential development and establish permanent regulations to address the several interim ordinances the City has adopted (omnibus ordinance). The scope of work provided in Exhibit 1 would direct a project to adopt the omnibus ordinance before the end of 2025.

- In the last few years, the WA Legislature has adopted many bills related to increasing housing supply and lower housing costs that require amendments to the Mercer Island City Code (MICC).
- Compliance with the updated state laws, combined with the state-required update to the Comprehensive Plan, required code amendments at a rapid pace.
- To keep pace with the changes in the state law, the City adopted a series of interim ordinances between 2021 and 2025.
- Interim ordinances establish temporary regulations that eventually expire unless they are renewed or replaced with permanent regulations.
- Staff have prepared a scope of work outlining the process of replacing the interim ordinances with permanent regulations that are adopted through a combined legislative review and a single ordinance.

- Setting a scope of work will provide direction for staff and the Planning Commission on the Council's preferred timeline and approach for this project.

BACKGROUND

Beginning in 2020, the WA State Legislature enacted a series of bills focused on housing production and permit streamlining that required local jurisdictions to amend their development codes to comply. During this period the City was also required to update its Comprehensive Plan. To comply with new legislation, meet its comprehensive plan update deadline, and maintain consistency with state law, the City enacted a series of interim ordinances that temporarily amended the MICC. The interim ordinances must be either renewed every 6-12 months or replaced by permanent regulations to maintain compliance with state law.

Approach: Omnibus Ordinance

Rather than prepare a series of several individual ordinances to adopt permanent regulations to replace each interim ordinance, the City can adopt one omnibus ordinance to replace them all at once. An omnibus ordinance is the most efficient way to adopt permanent regulations because many of the interim ordinances overlap, with more than one ordinance amending the same development code section. Table 1 lists the statewide legislation compliance that will be addressed by the omnibus ordinance.

Table 1. Compliance Topics to be Addressed by the Omnibus Ordinance.

Topic	Description	MICC Chapters Affected	RCW Reference	Interim Ordinance #
HB 1220	Affordable and emergency housing.	19.02, 19.11	36.70A.070	25C-05
HB 6015	Residential parking requirements	19.02, 19.03, 19.11, 19.12	36.70A.622	25C-08
HB 1293	Clear and objective design standards	19.03, 19.06, 19.11, 19.12, 19.15, 19.16	36.70A.630	25C-11
SB 5290	Permit review timelines	19.15	36.70B.080	24C-17
HB 1998	Co-Living Housing	19.06, 19.11, 19.16	36.70A.535	N/A
Design Commission (DC)	Remove references to Design Commission review ¹	19.01, 19.02, 19.03, 19.04, 19.05, 19.06, 19.10, 19.11, 19.12, 19.15, 19.16, App. C	N/A	25C-14 ²
Comprehensive Plan Implementation	In 2024, the City Council updated the Comprehensive Plan and made implementing amendments to the Town Center development code.	19.11	36.70A.130	24C-18

Notes:

1. In 2025, the City Council dissolved the Design Commission and reassigned design review to the Hearing Examiner. Though no further code amendments are required to implement that action, minor code amendments to remove reference to the DC will ensure the code remains consistent as the design standards are amended to address HB 1293.
2. Ordinance 25C-14 was a permanent amendment to reassign design review to the Hearing Examiner and dissolve the Design Commission concurrent with the adoption of Ordinance No. 25C-11. While additional amendments to assign design review to the Hearing Examiner are not required, there are references to the design commission throughout Title 19 of the MICC that can be removed. Amending or removing these references will clarify for applicants and other code users who the official responsible for review is.

The omnibus ordinance will not include regulations for middle housing, ADUs, and unit lot subdivision. Given the expected public interest in these amendments and that they largely affect single-family zones, staff will prepare a separate scope of work, schedule, and public participation plan for these amendments. This will allow for additional public outreach without delaying the adoption of an omnibus ordinance addressing all other interim ordinances.

The omnibus ordinance will not include amendments to comply with state legislation adopted in 2025. Staff have not yet had the capacity to conduct a full analysis of the new requirements, and deadlines for compliance with these new requirements range from 2026 to 2029 or beyond. Since there is still ample time for compliance with these requirements they will be addressed through separate amendments in the future.

Scope of Work

The omnibus ordinance to adopt permanent amendments to replace all of the interim ordinances is expected to amend nearly every chapter of the development code in [Title 19 MICC](#). An approved scope of work (Exhibit 1) will give the Planning Commission clear directions from the City Council. Approving the scope will also give the public a clear schedule for providing comments on the proposed amendments.

ISSUE/DISCUSSION

The draft scope of work outlines a project to adopt an omnibus ordinance to establish permanent regulations and replace the interim ordinances the City has adopted over the last handful of years (Exhibit 1). This scope details a project that will conclude before the end of the year. The key dates from the scope of work are:

- **July 23** – Planning Commission briefing on the Council directed scope and seven issues listed in Table 1.
- **August 11** – Public release of code amendment package with 30-day comment period
- **September 10** – Planning Commission briefing on code amendments
- **September 24** – Planning Commission public hearing on code amendments
- **October 8** – Planning Commission work session and recommendation
- **October 22** – Planning Commission work session and recommendation (if necessary)
- **November 7** – City Council first reading of omnibus ordinance
- **November 14** – City Council second reading and adoption of omnibus Ordinance
- **December 31** – Omnibus Ordinance effective date

NEXT STEPS

Work on the omnibus ordinance will begin immediately once the City Council approves the scope of work. The Planning Commission will conduct its review during the summer and early fall, with the draft ordinance expected to come back to City Council in November for final review and adoption.

RECOMMENDED ACTION

Approve the scope of work and direct the Planning Commission to commence legislative review.