

BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 6664 April 15, 2025 Regular Business

AGENDA BILL INFORMATION

TITLE: RECOMMENDED ACTION:	AB 6664: Discuss Interim Regulations Related to Compliance with Objective Design Review Standards in HB 1293 (2023) and the Impacts to MICC Title 19 Receive report. No action necessary.	 Discussion Only Action Needed: Motion Ordinance Resolution
DEPARTMENT:	Community Planning and Development	
STAFF:	Jeff Thomas, Community Planning and Development Director Adam Zack, Principal Planner	
COUNCIL LIAISON:	n/a	
EXHIBITS:	1. Objective Design Standards and Title 19 MICC	
CITY COUNCIL PRIORITY:	n/a	

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

EXECUTIVE SUMMARY

The purpose of this agenda bill is to brief the City Council on the expected interim regulations and eventual development code amendments needed to comply with changes to state law enacted by House Bill 1293 (2023).

- In 2023, the WA State Legislature enacted House Bill (HB) 1293 which limits how cities and counties planning under the WA Growth Management Act (GMA) can regulate building design.
- HB 1293 established <u>RCW 36.70A.630 Local design review—Requirements and restrictions</u>, which requires:
 - \circ Local design standards must be clear and objective (RCW 36.70A.630(2)), and
 - No design review process can require more than one public meeting (RCW 36.70A.630(4)).
- Mercer Island will need to amend multiple sections in Chapters 19.11, 19.12, and 19.15 of the Mercer Island City Code (MICC) to comply with these requirements.
- Cities and counties must comply with RCW 36.70A.630 within six months of the completion of the comprehensive plan periodic review. For Mercer Island, this compliance deadline is June 30, 2025.
- Staff is analyzing the development code to identify the amendments necessary for compliance and have identified three categories of issues that will need to be addressed by the amendments (in depth analysis is provided in Exhibit 1):
 - Issue 1 Compliance by June 30, 2025 Deadline

- Issue 2 Clear and Objective Standards
 - Issue 2.A "Should" Standards
 - Issue 2.B Flexible Standards
 - Issue 2.C Combination of "Should" and Flexible Standards
- Issue 3 Changes to Design Review Process
- Following this briefing, staff will prepare interim regulations for the City Council to consider.

BACKGROUND

In 2023, the WA Legislature enacted House Bill (HB) 1293. This bill added a new section to the Growth Management Act (GMA) that establishes new requirements and restrictions governing how cities and counties planning under the GMA can regulate building design. The City has established design standards and review procedures in Chapters 19.11, 19.12, and 19.15 Mercer Island City Code (MICC). The main requirement from HB 1293 is that (1) local design review standards must be clear and objective and (2) the standards may not reduce development intensity below the level generally allowed by the zoning designation (RCW 36.70A.630(2)). The City must update its design standards to comply with HB 1293 by June 30, 2025.

Nearly all the design standards in Chapters 19.11 and 19.12 MICC are expected to need some amendment to comply because many provisions are flexible without setting at least one measurable criterion. The majority of these flexible standards allow the Design Commission to determine design requirements on a case-by-case basis.

House Bill 1293 and RCW 36.70A.630

In 2023, the WA Legislature enacted House Bill (HB) 1293. This bill added a new section to the Growth Management Act (GMA) that establishes new requirements and restrictions governing how cities and counties planning under the GMA can regulate building design. The new GMA section was codified as <u>RCW</u> <u>36.70A.630 – Local Design Review – Requirements and Restrictions</u>. The Mercer Island City Code (MICC) must be consistent with RCW 36.70A.630 by June 30, 2025 (RCW 36.70A.630(5)).

Mercer Island Design Standards

In 1972, the City of Mercer Island adopted its first design standards, established a process for design review, and created the Design Commission (DC) to conduct some of the design review. That system of design standards and design review has been amended several times in the years since it was adopted but remains in effect.

Much of the new development that occurs throughout the City, in both Town Center and other zones, is subject to some level of design review, excluding single-family dwellings and their accessory buildings, property owned by the City, and wireless communication facilities. The DC conducts design review for more complex proposals, including new buildings, additions, or exterior alterations to a building or site beyond a certain threshold. All other proposals are subject to administrative design review conducted by the code official or designee. The City's design standards and review procedures are codified in Chapters <u>19.11</u>, <u>19.12</u>, and <u>19.15</u> MICC.

Two Phased Approach

The City will comply with RCW 36.70A.630 in two phases. Phase one is the adoption of interim regulations to make temporary amendments to comply with the bill in advance of the June 30, 2025 deadline. Staff is in the process of preparing this interim ordinance and will incorporate the City Council's feedback. Phase two will be

the adoption of permanent code amendments to comply with the requirements. Phase two is expected to begin in early 2026 and include public outreach in the scope of work to gather input on the proposed amendments.

ISSUE/DISCUSSION

Staff have completed an analysis of the City Code to identify the amendments necessary to comply with RCW 36.70A.630. As described above, these amendments are focused on the code chapters that pertain to design standards and design review, namely Chapters 19.11, 19.12 and 19.15 MICC. Staff analysis identified many code amendments that will be needed to comply with the new requirements. These amendments are sorted into three categories of issues for the City Council to consider.

Exhibit 1 includes more information about the Mercer Island design standards, a summary of the design review process, and analysis of the issues expected during the preparation of development code amendments to comply with RCW 36.70A.630. The Exhibit identifies the following three categories of issues for the City Council to consider:

Issue 1 – Compliance by June 30, 2025 Deadline
Issue 2 – Clear and Objective Standards
Issue 2.A – "Should" Standards
Issue 2.B – Flexible Standards
Issue 2.C – Combination of "Should" and Flexible Standards
Issue 3 – Changes to Design Review Process

At the April 15 City Council meeting, staff will provide an overview of Exhibit 1, including a walkthrough of the examples of each category of issue as provided in Table 3 of the Exhibit. Staff will also provide an overview of the proposed approach for code amendments to address each issue category. Time will be available for City Council questions and discussion. City Council input will inform the drafting of interim development regulations to comply with RCW 36.70A.630.

NEXT STEPS

Staff will prepare an interim ordinance with an initial draft of amendments to comply with RCW 36.70A.630 based on the Council input on the issues listed above. A public hearing and first reading of the interim ordinance is planned for June 3 and second reading is planned for June 17, with an effective date of June 30, 2025.

RECOMMENDED ACTION

Receive report. No action necessary.