



CITY COUNCIL MINUTES

SPECIAL HYBRID MEETING – 2026 PLANNING SESSION

JANUARY 16, 2026

CALL TO ORDER & ROLL CALL

Mayor Dave Rosenbaum called the Special Hybrid Meeting (2026 City Council Planning Session) to order at 9:30 am in the Slater Room Council Chambers at the Mercer Island Community & Event Center, 8236 SE 24th Street, Mercer Island, Washington.

Mayor Dave Rosenbaum, Deputy Mayor Daniel Becker, and Councilmembers Lisa Anderl, Julie Hsieh, Craig Reynolds, Wendy Weiker, and Ted Weinberg (arrived at 9:32 am) attended in person.

PLEDGE OF ALLEGIANCE

The City Council delivered the Pledge of Allegiance.

AGENDA APPROVAL

It was moved by Anderl; seconded by Reynolds to:

Approve the agenda as presented.

PASSED: 6-0

FOR: 6 (Anderl, Becker, Hsieh, Rosenbaum, Reynolds, and Weiker)

ABSENT: 1 (Weinberg)

City Council was in recess from 9:31 am – 9:35 am.

EXECUTIVE SESSION

At 9:35 am, Mayor Rosenbaum convened an Executive Session in Room 104 at the Mercer Island Community & Event Center, 8236 SE 24th Street, Mercer Island, WA and via Microsoft Teams for 30 minutes until 10:05 am.

Executive Session to discuss with legal counsel pending or potential litigation pursuant to RCW 42.30.110(1)(i).

Mayor David Rosenbaum, Deputy Mayor Daniel Becker, and Councilmember Lisa Anderl, Julie Hsieh, Craig Reynolds, Wendy Weiker, and Ted Weinberg participated in person.

Mayor Rosenbaum adjourned the Executive Session at 10:06 am.

City Council reconvened at 10:06 am.

PLANNING SESSION BUSINESS

AB 6838: Compliance with Growth Management Hearings Board Decision

City Manager Jessi Bon and provided an overview of the agenda for the presentation. CPD Director Jeff Thomas discussed the Growth Management Act (GMA) and the requirement for most counties and cities in Washington to adopt Comprehensive Plans, the 10-year cycle for the periodic review and update of the Comprehensive Plan which was last completed in November 2024, and how comprehensive plans can be appealed to the Growth Management Hearings Board to determine if the GMA requirements have been met.

CPD Director Thomas provided an overview of how the GMA works, what a comprehensive plan is and how it is implemented, and defined key terms that would be used throughout the presentation.

Principal Planner Adam Zack spoke about the Futurewise appeal of the 2024-2044 Comprehensive Plan related to affordable housing in 2025 and the five issues identified in the appeal that was heard by the Growth Management Hearings Board (GMHB):

1. Did the City identify sufficient land capacity for affordable housing?
2. Did the City make adequate provisions for affordable housing?
3. Was the City required to include a transit station subarea plan in its Comprehensive Plan?
4. Did the City fail to complete a required housing-focused review with King County's Affordable Housing Committee?
5. Did the City comply with the King County Countywide Planning Policies related to housing?

Principal Planner Zack spoke about the GMHB Order noting that Items 1, 2, and 3 were remanded to the City for further amendments to gain compliance with the GMA, Item 4 in the appeal was denied and no further action is needed by the City, and Item 5 was partially denied with anti-displacement policies remanded to the City to be addressed when the City adds zoning capacity. He spoke about the four items that were remanded to the City, what actions will need to be taken by the City to achieve compliance, and the deadline for completion.

City Council asked questions about the GMA and Comprehensive Plan.

Principal Planner Zack presented Mercer Island's affordable housing requirements as set by King County in 2023 and discussed how these housing units need to be addressed in the Comprehensive Plan.

City Council asked questions about the affordable housing levels and provided feedback.

Principal Planner Zach discussed the land capacity analysis that is required documentation to comply with the GMHB Order, how the land capacity analysis must document the work on how the City plans to address land capacity and adequate provisions, and the direction staff is seeking related to land capacity analysis.

City Council asked questions about the land capacity analysis and provided feedback.

Principal Planner Zack presented HB 1491 that requires cities to allow transit-oriented development (TOD) near transit noting that cities must designate the area within one-half mile walking distance of a light rail station as station area, and the compliance overlap with the TOD bill and the Growth Management Hearings Board Order. He spoke about how compliance with the GMHB Order is required by July 31, 2026 and compliance with the TOD bill is required by 2029. Principal Planner Zack spoke about Floor Area Ratio (FAR) in the station area and ways FAR could be applied to help achieve compliance

City Council asked questions about transit-oriented development and floor area ratio and provided feedback.

Principal Planner Zack discussed the steps in designating a modified station area and that approval of the modified station area would require approval by the Department of Commerce.

City Manager Jessi Bon spoke about the modified station area methodology, and the feedback staff is seeking from the City Council.

City Council asked questions about designating a modified station area and provided feedback.

Principal Planner Zack spoke about the requirements to make adequate provisions to address affordable housing that are addressed in the GMHB Order, and the policies will need to be updated to show adequate provisions have been made.

City Council asked questions about adequate provisions and provided feedback.

Principal Planner Zack discussed the requirement to implement anti-displacement measures in the Housing Element.

City Council asked questions about anti-displacement measures and provided feedback

Principal Planner Zack presented the options the City can use to assist in direct delivery of affordable housing projects.

City Council asked questions about direct delivery of affordable housing projects and provided feedback.

CPD Director Thomas spoke about the tentative project schedule to gain compliance with the GMHB Order.

City Manager Bon discussed how the work plan for completion of this work will be developed after the feedback that is being received today.

City Council asked questions about the timeline for compliance and provided feedback.

It was moved by Reynolds; seconded by Becker to:

Direct staff to prepare a revised land capacity analysis to evaluate residential land capacity at each housing affordability range and return to the City Council in February 2026 with the analysis.

PASSED: 7-0

FOR: 7 (Anderl, Becker, Hsieh, Reynolds, Rosenbaum, Weiker, and Weinberg)

It was moved by Weinberg; seconded by Reynolds to:

Direct staff to evaluate aligning compliance with the GMHB Order and HB 1491 (2021 TOD bill) and establish the first follow-up with City Council for February 2026.

PASSED: 7-0

FOR: 7 (Anderl, Becker, Hsieh, Reynolds, Rosenbaum, Weiker, and Weinberg)

It was moved by Reynolds; seconded by Becker to:

Confirm the guidelines for developing the station area boundary Guidelines Nos. 1-4 and direct staff to return to the City Council in February 2026 with a draft station area map.

PASSED: 7-0

FOR: 7 (Anderl, Becker, Hsieh, Reynolds, Rosenbaum, Weiker, and Weinberg)

It was moved by Reynolds; seconded by Becker to:

Direct the staff to finalize a work plan and schedule to implement the policies from the Housing Element of the Comprehensive Plan to address the “adequate provisions” requirements to increase the supply of affordable housing and “anti-displacement policies” to reduce displacement risk. Bring the work plan and schedule to the City Council for review and approval in February 2026.

PASSED: 7-0

FOR: 7 (Anderl, Becker, Hsieh, Reynolds, Rosenbaum, Weiker, and Weinberg)

It was moved by Weinberg; seconded by Reynolds to:

Direct the staff to evaluate opportunities for direct delivery of affordable housing through a combination of partnerships, fee-in-lieu programs, direct investment, the creation of a Housing Fund, and/or other mechanisms and return to the City Council in March 2026 with a preliminary report.

PASSED: 7-0

FOR: 7 (Anderl, Becker, Hsieh, Reynolds, Rosenbaum, Weiker, and Weinberg)

It was moved by Rosenbaum; seconded by Anderl to:

Direct the staff to return to the City Council with a public engagement plan in February 2026.

PASSED: 7-0

FOR: 7 (Anderl, Becker, Hsieh, Reynolds, Rosenbaum, Weiker, and Weinberg)

It was moved by Weiker; seconded by Reynolds to:

Direct staff to provide the City Council with legislative review procedural options to help the City comply with the GMHB order compliance deadline.

PASSED: 7-0

FOR: 7 (Anderl, Becker, Hsieh, Reynolds, Rosenbaum, Weiker, and Weinberg)

City Council was in recess from 12:30 pm – 12:45 pm.

AB 6840: Next Steps for City Facilities

City Manager Jessi Bon introduced the project team and spoke about the guidance that is being sought today related to next steps for City facilities. She presented the status of the various City facilities that the City has stewarded since 2023 including:

- Luther Burbank Administration Building and Caretaker House
- Mercer Island Community & Event Center & Annex Facility
- City Hall (closed)
- Public Works Building
- Thrift Shop
- Tully's Building (decommissioned)
- Fire Station 91
- Fire Station 92
- Police Modular Buildings
- 9655 Building

City Manager Bon provided an overview of the long-range facility planning that was planned in 2022 and started in 2023, the modified scope of work for the long range facility planning that occurred in 2023 and 2024 after the closure of City Hall, and a recap of the key findings of the long range facility planning.

City Manager Bon spoke about the closure of City Hall in 2023, the interim police facilities, and the relocation of the Municipal Court to Newcastle City Hall. She discussed the other interim strategies for housing what was displaced with the closure of City Hall including:

- Relocation of Council Chambers to the Slater Room at the Mercer Island Community & Event Center
- Utility Billing Team relocated to the Public Works Building
- Modified and shared workspaces have been established at the Luther Burbank Administration Building, the Public Works Building, and the Community Center.

She noted that approximately 80% of City staff work in person on Mercer Island each day and that the remaining staff operate through a combination of home offices and shared or rotating workspaces with meetings held at the Community Center or other City facilities.

City Manager Bon discussed the direction that was provided by the City Council in March 2024 that directed staff to begin planning for a new Public Safety and Maintenance Facility and the work that was done through the November 2025 bond measure that did not pass.

City Council reflected on the failed bond measure and facility work and provided feedback to staff.

City Manager Bon spoke about the next steps to address essential municipal facility needs including reassessing facility replacement strategies, space planning in City facilities, the acquisition of the 9655 Building and the evaluation of this building in the space planning reassessment. She discussed maximizing existing City-owned buildings, a strategic redistribution across City facilities, and right-sizing a new building to reduce the scale and cost of a new facility.

City Manager Bon spoke about the community engagement and internal stakeholder engagement plans, setting a new project framework for municipal facilities with community centered service delivery, and next steps and the path forward for City facilities.

City Council asked questions and provided feedback on community engagement and next steps for City facilities.

City Council moved AB 6839: Budget Basics and Financial Priorities in 2026 to the January 20 City Council Meeting.

AB 6606: 2025 Community Member of the Year

City Clerk Andrea Larson presented the process for selection of the 2025 Community Member of the Year.

Mayor Rosenbaum asked for nominations. Councilmember Hsieh nominated Kimberly Frank. Deputy Mayor Becker nominated Fan Yuan.

City Clerk Larson sent email ballots to the City Council. The ballot results were:

Anderl – Yuan
Becker – Yuan
Hsieh – Frank
Reynolds – Frank
Rosenbaum – Yuan
Weiker – Yuan
Weinberg – Frank

Fan Yuan was selected as the 2025 Community Member of the Year. Staff will invite Ms. Yuan to a future City Council meeting to receive the recognition.

ADJOURNMENT

The Special Hybrid Meeting – Planning Session adjourned at 2:27 pm.

Attest:

Dave Rosenbaum, Mayor

Andrea Larson, City Clerk