



BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 6965
July 21, 2026
Regular Business

AGENDA BILL INFORMATION

TITLE:	AB 6965: GMA Compliance – Title 15 MICC Amendments (First Reading, Ord. No 26C-11)	☐ Discussion Only ☒ Action Needed: ☒ Motion ☒ Ordinance ☐ Resolution
RECOMMENDED ACTION:	1. Suspend the City Council Rules of Procedure requiring a second reading of ordinances. 2. Adopt Ordinance No. 26C-11 to amend MICC 15.11.020(B) to implement Utilities Element Policy 4.7 by requiring onsite stormwater detention for development within the Town Center and other constrained drainage basins identified by the City.	

DEPARTMENT:	Public Works
STAFF:	Jason Kintner, Chief of Operations Kellye Hilde, Public Works Deputy Director
COUNCIL LIAISON:	n/a
EXHIBITS:	1. Ordinance No. 26C-11
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 item is to conduct a public hearing, complete the first reading, and consider adoption of Ordinance No. 26C-11, which would amend MICC 15.11.020(B) to implement proposed Utilities Element Policy 4.7 and support the City's Growth Management Act (GMA) compliance efforts (Exhibit 1).

- This agenda item is related to AB 6968 (also on the July 21, 2026 City Council meeting agenda), which contains the second reading and proposed adoption of companion Ordinance No. 26-09 amending the Comprehensive Plan and Station Subarea Plan.
- Ordinance No. 26C-11 contains the corresponding amendment to MICC 15.11.020(B) necessary to implement the proposed Utilities Element stormwater management policies. Adoption of Ordinance No. 26C-11 is contingent upon adoption of Ordinance No. 26-09.
- The proposed Comprehensive Plan update includes Utilities Element Policies 4.7 and 4.8 to address stormwater management impacts associated with anticipated growth within the Town Center and other constrained drainage basins.

- Proposed Policy 4.7 would require redevelopment within the Town Center and other identified constrained drainage basins to provide onsite stormwater management, detention, and water quality treatment where necessary to prevent downstream drainage, flooding, erosion, and water quality impacts.
- Proposed Policy 4.8 would direct the City to complete stormwater conveyance analyses and identify any additional stormwater infrastructure improvements necessary to support planned redevelopment while maintaining compliance with stormwater regulations.
- Ordinance No. 26C-11 would amend MICC 15.11.020(B) to implement proposed Utilities Element Policy 4.7 by requiring onsite stormwater detention for development within the Town Center and other constrained drainage basins identified by the City. The stormwater conveyance analyses and any additional infrastructure improvements contemplated under proposed Policy 4.8 are planned for the 2027–2028 biennium as part of the City's Phase 2 GMA compliance effort.

BACKGROUND

Implementation of Utilities Element Policies 4.7 and 4.8

As part of the City's Growth Management Act (GMA) compliance effort, companion Ordinance No. 26-09, presented for a second reading through AB 6968, would amend the Comprehensive Plan to include Utilities Element Policies 4.7 and 4.8, which address stormwater management impacts associated with anticipated growth under Phase 1 of the Station Subarea Plan. Additional background regarding the City's GMA compliance effort, the proposed Comprehensive Plan amendments, and the Station Subarea Plan, is provided in AB 6968. This agenda bill is limited to the amendments to MICC 15.11.020(B) necessary to implement the proposed stormwater management policies.

Proposed Policy 4.7 would require redevelopment within the Town Center, and other identified constrained drainage basins, to provide onsite stormwater management, detention, and water quality treatment where necessary to prevent downstream drainage, flooding, erosion, and water quality impacts. Proposed Policy 4.8 would direct the City to complete stormwater conveyance analyses as part of Phase 2 growth planning and identify any additional stormwater infrastructure improvements necessary to support planned redevelopment while maintaining compliance with stormwater regulations.

Under MICC 15.11.020(B), the City Engineer may authorize a developer to pay a fee in lieu of constructing required stormwater detention facilities. Existing code also provides that the fee-in-lieu option is not available if, in the opinion of the City Engineer, undetained runoff from a development may materially adversely exacerbate an existing downstream drainage, flooding, erosion, or water quality problem.

In recent years, the City has authorized the fee-in-lieu option for certain development projects within the Town Center (Subbasins 10 and 11). However, anticipated redevelopment associated with the proposed Station Subarea Plan is expected to substantially increase stormwater runoff within these constrained drainage basins. Because updated downstream capacity analyses have not yet been completed and the stormwater infrastructure improvements needed to accommodate future redevelopment have not yet been identified, the City has determined that continued use of the fee-in-lieu option for additional redevelopment could adversely affect the performance of the existing drainage system and downstream receiving waters.

Ordinance No. 26C-11 would expand the circumstances in which the fee-in-lieu option is unavailable by requiring onsite stormwater detention for development within the Town Center and other constrained drainage basins identified by the City. This amendment would implement proposed Utilities Element Policy

4.7 and maintain consistency between the Comprehensive Plan and the Mercer Island City Code. The stormwater conveyance analyses and any additional infrastructure improvements contemplated under proposed Policy 4.8 are planned for the 2027–2028 biennium as part of the City’s Phase 2 GMA compliance effort.

ISSUE/DISCUSSION

Ordinance No. 26C-11 would amend MICC 15.11.020(B) to implement proposed Utilities Element Policy 4.7 by specifying when the stormwater fee-in-lieu option is unavailable and requiring onsite stormwater detention within the Town Center and other constrained drainage basins identified by the City. Adoption of Ordinance No. 26C-11 is contingent upon adoption of companion Ordinance No. 26-09, which contains the proposed Comprehensive Plan amendments. Together, the proposed ordinances would maintain consistency between the Comprehensive Plan and the Mercer Island City Code.

Staff recommend that the City Council conduct a public hearing, suspend its Rules of Procedure requiring a second reading of an ordinance, and consider adoption of Ordinance No. 26C-11.

The stormwater conveyance analyses and any additional infrastructure improvements contemplated under proposed Policy 4.8 are planned for the 2027–2028 biennium as part of the City's Phase 2 GMA compliance effort.

NEXT STEPS

July 21, 2026 – City Council conducts a public hearing and first reading of Ordinance No. 26C-11 and considers suspension of the City Council Rules of Procedure requiring a second reading, followed by adoption of the ordinance.

July 31, 2026 – Deadline for adoption of the Comprehensive Plan and development code amendments necessary to complete the City's Growth Management Act (GMA) compliance effort.

2027–2028 Biennium – As part of the City's Phase 2 GMA compliance effort, staff will complete the stormwater conveyance analyses required by proposed Utilities Element Policy 4.8 and identify any additional stormwater infrastructure improvements or code amendments necessary to support planned redevelopment while maintaining compliance with stormwater regulations.

BACKGROUND MATERIALS AND REFERENCES

Background materials are provided on the [City’s Let’s Talk page](#). A summary of previous agenda materials is outlined below:

January 16, 2026

- [AB 6838](#): Compliance with [Growth Management Hearings Board Final Decision and Order](#) related to the City of Mercer Island Periodic Update to the Comprehensive Plan Overview of City Council Planning Session.

February 17, 2026

- [AB 6865](#): Compliance with Growth Management Hearings Board Final Decision and Order Related to the City of Mercer Island Periodic Update to the Comprehensive Plan

- [AB 6866](#): GMA Compliance Public Engagement Plan
- [AB 6871](#): Legislative Review Alternatives to Help City Meet GMHB Order Compliance Deadline (Ordinance No. 26C-03 First Reading)

March 3, 2026

- [AB 6893](#): Compliance with Growth Management Hearings Board Order – Follow-Up Discussion on Financing Affordable Housing
- [AB 6890](#): Legislative Review Alternatives to Help City Meet GMHB Order Compliance Deadline (Ordinance No. 26C-03 Second Reading)

March 17, 2026

- [AB 6888](#): Final Approval of the Modified Station Subarea Boundary
- [AB 6894](#): Update on the Growth Management Hearings Board Order – GMA Compliance Work Plan

March 25, 2026

- [PCB26-01](#): Briefing on the Growth Management Hearings Board Order and steps to achieve Growth Management Act compliance

April 21, 2026

- [AB 6909](#): GMA Compliance – Policy Direction on Development Code Amendments
- [AB 6911](#): GMA Compliance – Legislative Review Process

April 28, 2026

- [PCB26-02](#): Planning Commission Legislative Review Process
- [PCB26-03](#): Briefing on Station Subarea Plan Goals and Policies

May 6, 2026

- [PCB 26-04](#): Briefing on Comprehensive Plan Elements and Station Subarea Plan

May 13, 2026

- [PCB 26-05](#): Briefing on Development Code Amendments: land capacity: zoning map, Town Center boundary and subareas, height increases, permitted uses, design standards, and consistency

May 27, 2026

- [PCB 26-06](#): Briefing Comprehensive Plan Consistency Amendments – Transportation, Utilities, Capital Facilities Elements

June 2, 2026

- [AB 6938](#): Public Hearing of MICC Title 5 Amendments Anti-Displacement Measures (First Reading, Ord. No. 26C-07)

June 3, 2026

- [PCB 26-07](#): Public Hearing: Comprehensive Plan Update, Station Subarea Plan, and Implementing Development Code Amendments

June 10, 2026

- [PCB 26-08](#): Public Hearing (Continued): Comprehensive Plan Update, Station Subarea Plan, and Implementing Development Code Amendments

June 16, 2026

- [AB 6947](#): GMA Compliance – Planning Commission Recommendation

July 7, 2026

- [AB 6960](#): GMA Compliance – First Reading of Ordinance No. 26-09
- [AB 6961](#): GMA Compliance – First Reading of Ordinance No. 26C-10
- [AB 6962](#): Fee Schedule Amendment – Establishing an Affordable Housing Fee in Lieu Rate

RECOMMENDED ACTION

1. Suspend the City Council Rules of Procedure requiring a second reading of ordinances.
2. Adopt Ordinance No. 26C-11 to amend MICC 15.11.020(B) to implement Utilities Element Policy 4.7 by requiring onsite stormwater detention for development within the Town Center and other constrained drainage basins identified by the City.