



BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 6827
December 2, 2025
Closed Record Hearing

AGENDA BILL INFORMATION

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| TITLE: | AB 6827: Rezone (RZN25-001) for Two City-Owned Properties Located at 9601 and 9611 SE 36th St (Ordinance No. 25C-29) | <input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution |
| RECOMMENDED ACTION: | <ol style="list-style-type: none">1. Affirm the Planning Commission's recommendation and adopt findings for the criteria for a reclassification of property consistent with the Planning Commission's findings, as shown in Exhibit 1.2. Suspend City Council Rules of Procedure 6.3 requiring a second reading of Ordinance No. 25C-29.3. Adopt Ordinance No. 25C-29 to reclassify parcel numbers 2655500075 and 2655500185 from Commercial Office (C-O) and Single-Family Residential (R-8.4) to Public Institution (PI). | |

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| DEPARTMENT: | Community Planning and Development |
| STAFF: | Jeff Thomas, Community Planning and Development Director Molly McGuire, Senior Planner |
| COUNCIL LIAISON: | n/a |
| EXHIBITS: | <ol style="list-style-type: none">1. Planning Commission Recommendation2. RZN25-001 Staff Report3. Ordinance No. 25C-29 |
| CITY COUNCIL PRIORITY: | n/a |

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

EXECUTIVE SUMMARY

The purpose of this agenda bill is to consider the Planning Commission's recommendation to approve the reclassification of the two City-owned parcels to the Public Institution (PI) zone. The two City-owned properties are identified by parcel numbers 2655500075 and 2655500185, also known as the City Hall and Public Works Maintenance and Operations properties. The properties are currently zoned Commercial Office (C-O) and Single-Family Residential (R-8.4) and designated "Public Facility" in the City's Comprehensive Plan. If the rezone is adopted by the City Council, the properties would be zoned Public Institution (PI).

- On September 16, 2025, the City Council directed the City Manager to apply for the reclassification of two City-owned properties from C-O and R-8.4 to (PI) to the Community Planning and Development (CPD) Department.
- CPD received the application on September 17, 2025 and the application was determined to be complete for processing on September 19, 2025.
- Four public comments were received during the public comment period and are included in the Staff Report in Exhibit 3. Two additional public comments from Matt Goldbach and Pat McGugen were received during the public hearing on November 19, 2025.
- State law requires that site specific reclassifications of property (rezones) must be reviewed and decided through quasi-judicial proceedings.
- On November 19, 2025 the Planning Commission held a public hearing and reviewed the rezone application for compliance with the criteria in MICC 19.15.240(C). The Planning Commission adopted findings for each of these criteria and made a recommendation to the City Council to approve the reclassification of the two City-owned properties.
- The complete record consists of the [application materials found in the City's public file database](#), the materials in the November 19, 2025 Planning Commission [agenda packet](#), and [video of the proceedings](#) available on the City's Planning Commission webpage.

BACKGROUND

Summary of the Application

On September 16, 2025, the City Council directed the City Manager to apply for the reclassification of two City-owned properties from C-O and R-8.4 to (PI) to the Community Planning and Development (CPD) Department ([AB 6779](#)). On September 17, 2025, CPD received an [application](#) for the reclassification (rezone) of two City-owned properties from the Public Works Department on behalf of the City Manager's Office. The application was determined to be complete on September 19, 2025 and a combined Notice of Application, Notice of Public Hearing, and intent to issue a SEPA Determination of Non-Significance ("Notice") was issued consistent with the procedures in MICC 19.15.260.

The Notice was published in the City's Weekly Permit Bulletin, mailed to properties within 300 feet of the subject properties, and two signs were posted on-site visible from the public right-of-way on September 29, 2025. The Notice was also published in the Mercer Island Reporter on October 1, 2025. Four public comments were received during the public comment period and are included in Exhibit 2 and two additional public comments were received during the public hearing on November 19, 2025. These additional public comments are documented in the Issue/Discussion section below. CPD issued a SEPA Determination of Non-Significance (DNS) on November 3, 2025. The appeal period closed on November 17, 2025 at 5:00PM; no appeals were filed.

Quasi-Judicial Review

State law requires that site specific reclassifications of property (rezones) be reviewed and decided through quasi-judicial proceedings. The decision maker determines the legal rights, duties, or privileges of specific parties in a hearing in quasi-judicial proceedings. In this case, the decision makers are the Planning Commission and City Council, who will determine whether the City, as the applicant and owner of the parcels, has met the criteria for rezoning the properties.

As a quasi-judicial body, the City Council will be subject to the Appearance of Fairness Doctrine (“Appearance of Fairness”). The Appearance of Fairness requires the proceedings to be conducted in ways that are fair and unbiased, both in fact, as well as appearance. It prohibits the decision maker from prejudging the decision; being biased against a party; having a personal conflict of interest; and being partial in any other way.

Pursuant to MICC 19.15.260(B), the City Council shall consider the Planning Commission’s recommendation at a public meeting where it may adopt or reject the Planning Commission’s recommendations or remand the review back to the Planning Commission.

MICC 19.15.240 – Reclassification of property (rezones)

The City Council may approve a rezone only if all of the following criteria are met:

1. The proposed reclassification is consistent with the policies and provisions of the Mercer Island comprehensive plan;
2. The proposed reclassification is consistent with the purpose of the Mercer Island development code as set forth in MICC 19.01.010;
3. The proposed reclassification is an extension of an existing zone, or a logical transition between zones;
4. The proposed reclassification does not constitute an illegal site-specific rezone;
5. The proposed reclassification is compatible with surrounding zones and land uses;
6. The proposed reclassification does not adversely affect public health, safety and welfare; and
7. If a comprehensive plan amendment is required in order to satisfy subsection (C)(1) of this section, approval of the comprehensive plan amendment is required prior to or concurrent with the granting of an approval of the rezone.

November 19, 2025 Public Hearing – Planning Commission

Consistent with practices of the Community Planning & Development (CPD) department, staff prepared a Staff Report containing staff findings on the consistency of the rezone application with the criteria in MICC 19.15.240(C). The Planning Commission reviewed this staff report during the November 19, 2025 public hearing. The Planning Commission also considered four written public comments submitted to the City, two verbal comments provided during the public hearing on November 19, 2025 (documented below) and testimony presented by the project applicant and CPD staff.

After reviewing all evidence in the record and closing the evidentiary record, the Planning Commission adopted findings generally consistent with the Staff Findings presented in the report (Exhibits 1 and 2). The Planning Commission made amendments by motion to the staff findings for criteria 2, 3, 5, and 6. These amendments were largely as a result of conversations regarding the mention of the Public Safety and Maintenance (PSM) Facility in the staff findings. The Planning Commission sought to generalize the findings that these criteria have been met for the purpose of constructing future “public facilities” through the adoption of this rezone, instead of limiting the findings to the narrow scope of the PSM Facility. Both the Applicant and Staff support the Planning Commission’s adopted findings to the criteria of approval for rezones.

Public Comments

- Written comment from Ryan Callahan and Jennifer Hart received September 30, 2025
- Written comment from Robert Johnson received October 8, 2025

- Written comment from State of Washington Department of Fish and Wildlife (WDFW) received October 23, 2025
- Written comment from Washington State Department of Ecology (Ecology) received October 31, 2025
- Verbal comment from Matt Goldbach voicing opposition to the proposed rezone received November 19, 2025
- Verbal comment from Pat McGugen voicing concerns regarding the development of the subject properties received November 19, 2025

Planning Commission Recommendation (Exhibit 2)

The Planning Commission made the following recommendation based on their adopted findings:

“Move to recommend that the City Council approve the reclassification of the two City-owned parcels to the Public Institution (PI) zone.”

The motion passed unanimously with a vote of 5-0. Recording of the proceedings before the Planning Commission is available here: [November 19, 2025 Planning Commission Special Hybrid Meeting](#).

ISSUE/DISCUSSION

Staff prepared a Staff Report which was presented to the Planning Commission on November 19, 2025, and contains staff findings on the consistency of the rezone application with the criteria in MICC 19.15.240(C) (Exhibit 2). The Staff Report also contains a recommendation to the Planning Commission stating:

“Staff reviewed the proposed application in accordance with the criteria for reclassifications of property (rezones). The staff report and findings are based on the application and all supplemental information. The Planning Commission shall consider the proposed amendment for conformance with the criteria listed in the applicable section, the comprehensive plan, and other applicable development standards. Staff recommend that the Planning Commission move to recommend approval of the proposed reclassification of property (rezone), City File Number RZN25-001.”

Quasi-Judicial Matter

Discussion and deliberation at the closed record meeting on December 2, 2025 should be limited to whether or not the proposed reclassification of the two City-owned properties, identified by parcel numbers 2655500075 and 2655500185, meet all of the criteria in MICC 19.15.240(C). The evidentiary record was made and concluded by the Planning Commission; the Council will now conduct a closed record review of the Planning Commission’s recommendation. With a closed record hearing, the Council must review only the information that was entered into the record. No additional new substantive information may be considered. The complete record consists of the [application materials found in the City’s public file database](#), the materials in [the November 19, 2025 Planning Commission agenda packet](#), and [the video of the Planning Commission proceedings](#) from the November 19, 2025 Planning Commission Special Hybrid Meeting available on the City’s Planning Commission webpage.

During the December 2, 2025 meeting, the City Council shall consider the Planning Commission’s recommendation. **The Council will review the Planning Commission findings related to the criteria for rezones in MICC 19.15.240.** The City Council may:

1. Adopt the Planning Commission's recommendation, including the adopted findings, as their own findings;
2. Adopt the Planning Commission's recommendation with amended findings; or
3. Reject the Planning Commission's findings and adopt their own findings.

Ordinance No. 25C-29

If the City Council takes action to adopt the Planning Commission recommendation to rezone the two City-owned properties, it must also adopt an ordinance to enact the rezone by amending the City's zoning map in MICC Title 19 Appendix D. Due to the quasi-judicial and closed record nature of this matter, staff recommend that the City Council waive City Council Rules of Procedure 6.3, requiring a second reading of an ordinance, and adopt the ordinance during first reading. Adoption of the ordinance at first reading completes the rezone, and avoids potential irregularities (e.g., ex-parte communication, or introduction of information that is not part the record) that might blemish the quasi-judicial closed record review process while the ordinance is pending a second reading.

Should the City Council adopt Ordinance No. 25C-29, the two City-owned properties identified by parcel numbers 2655500075 and 2655500185 will be rezoned from Commercial Office (C-O) and Single-Family Residential (R-8.4) to Public Institution (PI) as shown in Exhibit B to the Ordinance.

NEXT STEPS

Should the City Council vote to adopt the Planning Commission's recommendation and adopt Ordinance No. 25C-29, the City shall amend the zoning map to reflect the change in zoning designation. The City shall also indicate on the zoning map the number of the ordinance adopting the rezone. These changes will take effect 5 days after the publication of the ordinance.

RECOMMENDED ACTION

1. Adopt the Planning Commission's recommendation and adopt findings for the criteria for a reclassification of property consistent with the Planning Commission's findings, [as shown/as amended] in Exhibit A to Ordinance No. 25C-29.
2. Suspend City Council Rules of Procedure 6.3 requiring a second reading of Ordinance No. 25C-29. (Requires 2/3 majority of the City Council.)
3. Adopt Ordinance No. 25C-29 to reclassify parcel numbers 2655500075 and 2655500185 from Commercial Office (C-O) and Single-Family Residential (R-8.4) to Public Institution (PI).