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## COMMUNITY PLANNING & DEVELOPMENT

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### PLANNING COMMISSION

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**To:** City Council

**From:** Dan Thompson, Planning Commission Chair

**Date:** November 19, 2025

**Subject:** Planning Commission Recommendation on the reclassification of two City-owned properties (RZN25-001)

**Attachments:** A. RZN25-001 Staff Report and Recommendation

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On behalf of the Planning Commission, I am pleased to present this recommendation for the reclassification of two City-owned properties, 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).

The request includes a proposal for a site-specific amendment to the land use zoning designation. The site-specific nature of this request necessitated a separate, quasi-judicial review process for this item. On November 19, 2025, the Planning Commission held a public hearing and quasi-judicial review for the proposed reclassification of property (rezone) of two City-owned properties.

The proceedings began with the Assistant City Attorney asking Appearance of Fairness questions of each Commissioner to establish if any bias or conflicts of interest were present. None of the Commissioners identified anything that would bias their decision. Commissioner Nice identified a familial relationship to Mayor Nice for the record. All Commissioners affirmatively confirmed they could review and adjudge the proposal in a fair, objective, and unbiased manner. All participants at the public meeting were provided the opportunity to raise a challenge to the participation of any Commissioner based on appearance of fairness concerns and no challenges were raised.

The Planning Commission received for review four public comments that were submitted to the Planning Commission in advance of the public hearing. At the meeting, two additional public comments were provided. One was in opposition of the rezone due to concerns related to public noticing and compatibility with surrounding uses, and one was to voice concerns regarding the development of the site. The proponent of the reclassification application spoke to the proposal's compliance with the criteria for approval in MICC 19.15.240(C), followed by a

presentation from City staff on the Staff Report and Findings (Exhibit 1). The Planning Commission officially closed the record on the proposal.

In addition to the public comment and presentation, the Planning Commission considered the materials submitted by the applicant and the Staff Report dated November 19, 2025. In making its recommendation, the Planning Commission considered the criteria for approval of a rezone contained in MICC 19.15.240(C):

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)(I) of this section, approval of the comprehensive plan amendment is required prior to or concurrent with the granting of an approval of the rezone.

## Findings

The Planning Commission adopted findings by motion for each of the seven criteria in MICC 19.15.240(C) for approval of a reclassification of property (rezone) during the November 19, 2025 quasi-judicial proceeding.

**(C)(I): The proposed reclassification is consistent with the policies and provisions of the Mercer Island comprehensive plan;**

**Planning Commission Finding:** Both parcels are designated as Public Facility in the Future Land Use Map of the 2024 Mercer Island Comprehensive Plan, which was adopted on November 19, 2024 by Ordinance No. 24C-16. The Comprehensive Plan states that "[t]he public facility land use designation represents land within the City that is intended for public uses, including but not limited to schools, community centers, City Hall, and municipal services". Reclassifying these properties to the Public Institution (PI) zoning designation would directly align with the Public Facility Comprehensive Plan designation and would reflect both the current and planned public use of the properties.

The reclassification to the PI zone would support the development of a new Public Safety and Maintenance (PSM) Facility, which would replace the aging City Hall and Public Works buildings with a modern complex housing the City's Police Department, Emergency Department, Public Works Maintenance Operations, GIS, IT, and Customer Service staff. The City proposes to consolidate these services in a purpose-

built facility to ensure efficient land use and reliable delivery of essential public functions.

The proposal is consistent with the following Comprehensive Plan goals and policies:

*Capital Facilities Element, Goal 1 – Ensure that capital facilities and public services necessary to support existing and new development are available at locally adopted levels of service. This goal calls for supporting essential public facilities that maintain community safety, health, and livability, directly aligning with the siting of the new PSM Facility.*

*Capital Facilities Element, Goal 2 – Plan for and replace aging and obsolete public buildings to ensure reliable and efficient delivery of essential services. The proposed replacement of City Hall and the Public Works buildings with the PSM Facility fulfills this goal by addressing outdated infrastructure and providing resilient, long-term civic facilities.*

**(C)(2): The proposed reclassification is consistent with the purpose of the Mercer Island development code as set forth in MICC 19.01.010;**

**Planning Commission Finding:** The purpose of the Mercer Island development code as set forth in MICC 19.01.010 is as follows:

*The general purpose of this Code is to protect and promote health, safety, and the general welfare through the regulation of development within the city of Mercer Island.*

*To that end, this Code classifies the land within the city into various zones and establishes the use of land and nature of buildings within those zones; controls the form of plats and subdivisions; regulates the construction of commercial and residential structures; and protects critical and sensitive areas within the city.*

*The provisions of this Code are designed to consider light, air and access; to conserve and protect natural beauty and other natural resources; to provide coordinated development; to avoid traffic congestion; to prevent overcrowding of land; to facilitate adequate provisions for transportation, water, sewage, schools, parks and other public requirements; and to encourage the use of solar energy practices.*

*This Code is to be interpreted as a whole, in view of the purpose set out in this section.*

*If the general purpose of this development code conflicts with the specific purpose of any chapter of this development code, the specific purpose shall control.*

The proposed reclassification achieves these purposes by implementing the Comprehensive Plan, which designates the subject properties as Public Facility intended for civic and institutional uses. The reclassification would promote health, safety, and welfare by enabling the construction of public facilities, which directly

supports public health and safety through daily operations in Police, Emergency Management, GIS, IT, and Public Works and Maintenance Operations.

Additionally, the proposed reclassification would apply a single zoning designation to both parcels, one of which is currently split-zoned. The reclassification would allow the all City-owned facilities on these parcels to be reviewed under clear, consistent, and well-established standards and reflect the expectations for civic development.

**(C)(3): The proposed reclassification is an extension of an existing zone, or a logical transition between zones;**

**Planning Commission Finding:** The proposed reclassification would be an extension of the existing Public Institution zoning designation, which covers the area between the north property lines of the subject parcels and the north side of I-90 (Exhibit 8). The reclassification would also provide a logical transition between zones:

Adjacent Zone	Parcel A	Parcel B
To the North	PI	PI
To the South	R-8.4 (Parcel B)	R-8.4
To the East	C-O (Parcel B)	C-O & R-8.4 (MF-2 beyond)
To the West	C-O	C-O & R-8.4

The applicant asserts that Parcel A fronts SE 36th St (zoned PI) to the north and is adjacent to C-O zoning, which is compatible with the PI zone given the shared emphasis on employment, service delivery, and larger building forms. Parcel B abuts SE 40th St to the south and is adjacent to R-8.4 zoning. The presence of steep slopes, streams, and wetlands along the east, south, and west borders of parcel B creates a natural buffer and logical transition between higher-intensity municipal uses and the low-density residential neighborhood. Rezoning the properties to PI would create a clear, predictable, and context-sensitive transition between commercial and residential areas while formalizing the long-established role of this site as Mercer Island's civic and operational hub.

**(C)(4):** The proposed reclassification does not constitute an illegal site-specific rezone;

**Planning Commission Finding:** The proposed rezone does not constitute an illegal site-specific rezone (spot zone) as the action is not an illegal spot zone. The subject properties are adjacent to SE 36th St, which is zoned PI. Past case law has determined that an illegal site-specific rezone (spot zone) singles out a small area from a larger area or district and specifically zones it for a use classification completely different and not in accord with the surrounding land, or the Comprehensive Plan and is not related to the general plan for the community as a whole. Decision makers must determine whether the zoning action bears a substantial relationship to the general welfare of the affected community.

An illegal spot zone would have some or all of the following characteristics:

1. Carves a small area out of a larger zoning district;

The parcels are adjacent to SE 36th St to the north, which is zoned PI. The proposed rezone would expand the existing PI zone to the south, and create two C-O zones to the east of west of the subject properties. The R-8.4 zones to the east, west, and south of Parcel B would be maintained. The proposed rezone would not isolate a small property within a larger zoning district or create an island of inconsistent zoning. Instead, rezone involves two contiguous, City-owned parcels that are adjacent to existing PI zoned property.

2. Allows uses of the smaller area that are inconsistent with uses allowed in the remaining larger zoning district;

The types of uses allowed in the PI and C-O zones are similar and both include government services and public and private schools. Public and private schools are also allowed in the single-family residential zones, and government services are allowed as a conditional use. The uses allowed in the PI zone are not inconsistent with the uses allowed in the remaining C-O and R-8.4 zoning districts.

3. Allows a use of the smaller area that is not in accord with the Comprehensive Plan;

The subject properties are designated Public Facility in the Comprehensive Plan. The uses allowed in the PI zone are in accord with the Public Facility Comprehensive Plan designation and are not inconsistent with the uses in the surrounding zoning districts.

4. Is merely for the private gain of one or a group of owners to the detriment of their neighbors without adequate public advantage or justification; and

The applicant asserts that the proposed rezone would confer no private gain and exists solely to support essential government operations. The proposed rezone would benefit the public by enabling the replacement of outdated municipal facilities. The rezone would not be detrimental to the neighborhood, as the properties have been consistently used as municipal services for decades. The proposed rezone would allow the properties to be developed in a manner that provides essential government services with greater coordination and efficiency between departments and, therefore, provides a greater benefit City wide.

5. Has no substantial relationship to the public health, safety, and general welfare.

The proposed rezone would directly support public health, safety and welfare by enabling the replacement of outdated municipal facilities with a modern Public Safety and Maintenance (PSM) Facility design to enhance the City's ability to deliver essential services. As discussed further below in Section 6, current municipal services are provided out of temporary facilities, which largely include remote offices, combining workspaces in existing buildings, and portable buildings. These facilities are inadequate and hinder the City's ability to provide essential services in an efficient manner. By enabling the City to construct a single, purpose-built facility to improve efficiency, strengthen emergency response, and ensure reliable delivery of essential public services,

the rezone would provide a benefit to the public health, safety, and general welfare of the City.

**(C)(5): The proposed reclassification is compatible with surrounding zones and land uses;**

**Planning Commission Finding:** The subject properties currently contain City Hall and the Public Works Maintenance and Operations facilities, both of which are long-standing civic uses that have coexisted compatibly with the adjacent residential and commercial areas for decades. The reclassification would formalize this civic use and align with the Mercer Island 2024 Comprehensive Plan Public Facility designation.

The applicant asserts that the proposed PI zone would be compatible with the C-O zone as both accommodate larger building forms, structured parking, and employment or service-related uses. Staff agree with this assertion. Both the C-O and PI zones allow similar uses at a similar scale. The adjacent R-8.4 zone is a low-density, single-family zone. Compatibility would be reinforced through site design standards.

The PI zone is intended to accommodate government and institutional uses and is applied in multiple locations across Mercer Island where public facilities are located adjacent to residential and commercial districts.

**(C)(6): The proposed reclassification does not adversely affect public health, safety and welfare; and**

**Planning Commission Finding:** The proposed rezone would directly support public health, safety and welfare by enabling the replacement of outdated municipal facilities with modern public facilities designed to enhance the City's ability to deliver essential services. The proposed rezone is consistent with the Public Facility designation in the Mercer Island 2024 Comprehensive Plan and would allow the City to consolidate Police, Emergency Management, GIS, IT, and Public Works Maintenance and Operations in a single, purpose-built facility which would improve service coordination, emergency response times, and overall operational efficiency and advance public safety and welfare. These services are currently provided out of temporary facilities, which largely include remote offices, combining workspaces in existing buildings, and portable buildings where the Police operate from the parking lot of City Hall. These facilities are inadequate and hinder the City's ability to provide essential public services in an efficient manner.

Additionally, the Comprehensive Plan Capital Facilities Element, Goal 1 is to ensure that capital facilities and public services necessary to support existing and new development are available at locally adopted levels of services. Providing essential public facilities that maintain community safety, health, and livability would implement this policy directive.


**(C)(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.**

**Planning Commission Finding:** The proposed rezone does not require a Comprehensive Plan amendment. This criterion is not applicable.

## Recommendation

After considerable discussion and deliberation, the Planning Commission approved the recommendation by a 5-0 vote:

**The Planning Commission recommends that the City Council approve the reclassification of the two City-owned parcels to the Public Institution (PI) zone.**

  
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Dan Thompson  
Planning Commission Chair

11-21-2025  
Date