

PLANNING COMMISSION CITY OF MERCER ISLAND

PCB 25-19 October 22, 2025 Regular Business

AGENDA BILL INFORMATION

TITLE:	PCB 25-19: 2026 Annual Docket	☐ Discussion Only ☐ Action Needed: ☐ Motion ☐ Recommendation
RECOMMENDED ACTION:	Review each docket proposal and prepare a recommendation to the City Council on the docket proposals that should be included in the final docket.	
STAFF:	Alison Van Gorp, CPD Deputy Director	
	Molly McGuire, Senior Planner	
EXHIBITS:	1. 2026 Annual Docket Proposal Summary	
	2. Public Docket Applications	
	3. Docketing Criteria Analysis Matrix	
	4. Docket Progress Report	

EXECUTIVE SUMMARY

The City provides an annual opportunity for the public to propose amendments to the Comprehensive Plan and development regulations. The proposed amendments are compiled, along with the City's proposed amendments, on a docket. The docket is preliminarily reviewed by the Planning Commission and City Council for a determination on which, if any, proposed amendments will be advanced for full review in the coming year. Amendments selected by the City Council for the "final docket" are then put on the Community Planning and Development (CPD) work program, typically for the next calendar year or when time and resources permit.

BACKGROUND

Docket Process

The Mercer Island City Code (MICC) describes the formal process for soliciting and reviewing docket proposals in section 19.15.230 MICC:

- "D. Docketing of Proposed Amendments. For purpose of this section, docketing refers to compiling and maintaining a list of suggested changes to the comprehensive plan in a manner that will ensure such suggested changes will be considered by the city and will be available for review by the public. The following process will be used to create the docket:
 - 1. Preliminary Docket Review. By September 1, the city will issue notice of the annual comprehensive plan amendment cycle for the following calendar year. The amendment request deadline is October 1. Proposed amendment requests received after October 1 will not be considered for the following year's comprehensive plan amendment process but will be held for the next eligible comprehensive plan amendment process.
 - a. The code official shall compile and maintain for public review a list of suggested amendments and identified deficiencies as received throughout the year.
 - b. The code official shall review all complete and timely filed applications proposing amendments to the comprehensive plan or code and place these applications and suggestions on the preliminary docket along with other

city-initiated amendments to the comprehensive plan or code.

- c. The planning commission shall review the preliminary docket at a public meeting and make a recommendation on the preliminary docket to the city council each year.
- d. The city council shall review the preliminary docket at a public meeting. By December 31, the city council shall establish the final docket based on the criteria in subsection E of this section. Once approved, the final docket defines the work plan and resource needs for the following year's comprehensive plan and code amendments."

Public notice of the opportunity to submit docket requests was provided in the permit bulletin and on the City website between August 4 and September 1, 2025, as well as on August 6 and September 3, 2025 in the Mercer Island Reporter. Nine code amendment suggestions were received from the public. The suggestions are summarized in Attachment 1 and described below. The original submissions from community members are included in Attachment 2.

Docketing Criteria

The City Code prescribes that proposed comprehensive plan and development code amendments should only be recommended for the final docket if the amendment meets the criteria in MICC 19.15.230(E):

- "E. Docketing Criteria. The following criteria shall be used to determine whether a proposed amendment is added to the final docket in subsection D of this section:
 - 1. The request has been filed in a timely manner, and either:
 - a. State law requires, or a decision of a court or administrative agency has directed, such a change; or
 - b. All of the following criteria are met:
 - i. The proposed amendment presents a matter appropriately addressed through the comprehensive plan or the code;
 - ii. The city can provide the resources, including staff and budget, necessary to review the proposal, or resources can be provided by an applicant for an amendment;
 - iii. The proposal does not raise policy or land use issues that are more appropriately addressed by an ongoing work program item approved by the city council;
 - iv. The proposal will serve the public interest by implementing specifically identified goals of the comprehensive plan or a new approach supporting the city's vision; and
 - v. The essential elements of the proposal and proposed outcome have not been considered by the city council in the last three years. This time limit may be waived by the city council if the proponent establishes that there exists a change in circumstances that justifies the need for the amendment."

CPD Work Plan

The docketing criteria, shown above, include a requirement that the City "can provide resources, including staff and budget, necessary to review the proposal". As has been the case in the last several years, City staff capacity for legislative review is limited. In addition, the existing CPD work plan already includes several major work items that will continue in 2026, summarized below. The City does not currently have an "undocketing" process, so these outstanding work items must receive some form of legislative review. Any work items added to the docket will need to be added to the items already on the work plan.

- 1. **Outstanding 2024 Annual Docket Items:** The City has several items that were included in the 2024 Annual Docket that have not yet received legislative review (see Exhibit 4). These items will remain in the CPD work plan and work is expected to commence as resources allow. The following items should be addressed prior to any new items added to the 2026 Annual Docket:
 - a. Docket Reference No. 23-7: Amend MICC 19.11 Town Center Development and Design Standards to add a "Government Services" use and the related development standards, initiated by the City of Mercer Island.
 - b. Docket Reference No. 23-9: Amend several chapters in Title 19 MICC in response to housing-related legislation including HB 1110, HB 1337 and HB 1042, initiated by the City of Mercer Island. Interim regulations have been adopted by City Council under Ord No. 25C-02. These interim regulations will expire on June 30, 2026 and permanent regulations will need to be adopted or the interim regulations will need to be renewed prior to this date to avoid a lapse in compliance.
 - c. Docket Reference No. 23-14: Amend MICC 19.02.020(E) Building Height Limit and MICC 19.16.010 Definitions to add a provision related to the calculation of maximum downhill building façade height, initiated by both the City and Regan McClellan.
 - d. Docket Reference No. 23-18: Redesignate the Stroum Jewish Community Center and Mercer Island Country Club properties as Commercial Office on the Comprehensive Plan Land Use Map and rezone the JCC property to Commercial-Office, initiated by the Stroum Jewish Community Center.
- 2. **Outstanding 2025 Annual Docket Items:** The City has three items that were included in the 2025 Annual Docket that have not yet received legislative review (see Exhibit 4). These items will remain in the CPD work plan and work is expected to commence as resources allow. The following items should be addressed prior to any new items added to the 2026 Annual Docket.
 - a. Docket Reference No. 24-1: Amend MICC 19.01.050 Nonconforming structures, sites, lots, and uses and MICC 19.16.010 Definitions to exclude "exterior alteration" of non-single-family nonconforming structures outside of the Town Center from the determination of nonconforming status during a remodel and add the definition of "enlargement" to the definitions section.
 - b. Docket Reference No. 24-8: Add a new chapter to Title 19 MICC for a "Private Hedge Code", which would provide a voluntary mechanism for the resolution of disputes involving the height of hedges, initiated by Jeff Haley. See also Docket Reference No. 24-15.
 - c. Docket Reference No. 24-15: Amend MICC 19.02.020(C)(3) Intrusions into required yards and MICC 19.02.050 Fences, retaining walls, and rockeries to limit the height of hedges to 12 feet within side yard setbacks unless mutually agreed upon by adjoining property owners. See also Docket Reference No. 24-8.
- 3. **Interim Regulations:** The City has several interim regulations that will expire in 2025. These interim regulations will need to be renewed or replaced with permanent regulations prior to expiration. The current interim regulations that will need to be addressed in 2025 are:
 - a. <u>Ordinance No. 24C-03</u> Interim Regulations Related to Emergency Shelters and Housing, Transitional Housing, and Permanent Supportive Housing in MICC 19.16.010. These interim

regulations were most recently renewed by <u>Ordinance No. 25-15</u> on September 2, 2025 with an effective date of October 1, 2025. These interim regulations will expire on April 1, 2026 and will need to be renewed or replaced with permanent regulations prior to March 31, 2026.

- b. Ordinance No. 25C-02 Interim Regulations Related to Middle Housing and Accessory Dwelling Units. These interim regulations will expire on June 30, 2026 and will need to be renewed or replaced with permanent regulations prior to June 29, 2026.
- c. Ordinance No. 25C-06 Interim Regulations Related to Unit Lot Subdivisions. These interim regulations will expire on June 30, 2026 and will need to be renewed or replaced with permanent regulations prior to June 29, 2026.
- 4. **Other Outstanding Items:** The City has several items that will need to be addressed, beginning in 2026 and expected to continue into 2027 and beyond.
 - a. Growth Management Hearings Board <u>Final Decision and Order</u>: On November 19, 2024, the City adopted the 2044 Comprehensive Plan Periodic Update. An appeal of the Comprehensive Plan was subsequently filed, and the Growth Management Hearings Board issued a Final Decision and Order on August 1, 2025. Compliance with the Final Decision and Order must be completed by July 31, 2026 and will require significant updates to the Housing Element and development regulations.
 - b. State Legislative updates: Several bills passed the legislature in 2025 that will require Mercer Island to make development code amendments with due dates between 2026 and 2029. These include <u>HB 1757</u> (existing buildings used for residential purposes), <u>HB 1096</u> (lot splitting), <u>SB 5509</u> (childcare in all zones except industrial), <u>HB 1491</u> (transit oriented development).
 - c. Shoreline Master Program Periodic Update: The state Shoreline Management Act requires that counties, cities, and towns periodically review their comprehensively updated shoreline master program (SMP) every ten years. The Mercer Island SMP was adopted in 2015. Pursuant to Revised Code of Washington (RCW) 90.58.080, the City of Mercer Island is required to take action to review, and if necessary, revise the SMP on or before June 30, 2029 and every 10 years thereafter. Staff expect to start this review process at the end of 2026 following the Growth Management Hearings Board Final Decision compliance. Review is expected to continue through 2027 and beyond.

The existing work plan items represent a very significant amount of CPD staff time, as well as a significant portion of the available Planning Commission, City Council, and community bandwidth. Staff anticipate the existing work plan items will require the majority of the time available at the Planning Commission's monthly meetings in 2026.

As such, time available for review and consideration of additional docket items will be limited. Each item added to the final docket typically requires at least three touches by the Planning Commission and two by the City Council, a process that usually takes 6 months or more to complete. Thus, if new items are added to the docket and CPD work plan for consideration in 2026, it is very likely that they would need to be carried over into 2029 or beyond, due to the major items already on the work plan.

The City has provided staff comments on each of the proposed amendments. These comments are not intended to reflect on the quality or merits of the proposal. Rather, the comments are intended to evaluate the importance of reviewing the proposed amendment in the coming year relative to existing commitments and the staff resources that are available to do this work. Staff considered whether foregoing the amendment in 2026 would leave the city open to legal or financial risk, lost opportunities or other negative consequences. Staff also considered whether there were any other compelling reasons that an amendment should be considered in the coming year.

ISSUE/DISCUSSION

REVIEW AND RECOMMENDATION

The Planning Commission will need to review each docket proposal and prepare a recommendation to the City Council on the docket proposals that should be included in the final docket. The Planning Commission should consider the criteria from MICC 19.15.230 (E), provided above, to determine whether to recommend adding a project to the final docket. The decision here must be based on the docketing criteria – this is a decision on whether the proposal meets the criteria and can, therefore, be placed on the docket and advanced for future legislative review. It is not a decision on the merits of the proposal. Please carefully consider the workload for CPD staff and the Planning Commission related to the recommended items, especially considering existing work plan items already planned for 2026 and beyond, as discussed on page 4.

Review of Proposed Amendments

At the October 22 meeting, regular business will include public appearances, and adoption of the minutes from the October 8 meeting. Then, the Commission will proceed with review of the proposed amendments suggested for the docket. This will begin with the opportunity for the proponents of each of the proposals to speak to their proposals (up to 3 minutes per proposal), followed by a staff presentation on the proposed amendments (up to 3 minutes each). The Commission will then review each of the proposed amendments, considering the decision criteria. The Commission should make a motion and call a vote on each proposal, recommending whether or not it should be included in the final docket.

PROPOSED AMENDMENTS

The proposed amendments are summarized in Attachment 1 and are also described below. The docket request applications submitted by community members are included in Attachment 2. Attachment 3 provides an analysis of each proposed amendment in relation to the docketing criteria in MICC 19.15.230(E). It provides an assessment of whether each criterion *could* be met by each of the proposed amendments. That is to say, the matrix indicates whether the staff believe a case can be made that the criterion is met, and the Planning Commission will need to make a final determination on whether they find that the criterion has indeed been met.

Proposed Amendment 25-1

Proposed By: Sarah Fletcher

Comprehensive Plan or Code Section: MICC 19.11.015, Town Center subareas and Unified Land Development Appendices, Appendix D – Zoning Map

Proposal Summary: This amendment would rezone parcel 5315101235, the former "Tully's Property" from Town Center (subarea TC-7) to Park or Public Institution (PI).

Staff Comments: This property is owned by the City and currently designated "Town Center" in the Comprehensive Plan. Rezoning this property would require a Comprehensive Plan amendment. Additionally, this property was recently rezoned to the current TC-7 zoning designation. Staff do not recommend the Planning Commission add this item to the 2026 Annual Docket, given the existing commitments of staff time in the current CPD work plan. If this proposal is docketed, it likely would not receive review until 2029 or later.

Proposed Amendment 25-2

Proposed By: Matthew Goldbach

Comprehensive Plan or Code Section: MICC 19.06.110(A)(5), Change after conditional use permit granted.

Proposal Summary: This amendment would add a section to the Conditional Use Permit criteria for a change after a CUP is granted that states that no CUP on a residential property shall be used for any use or purpose by a separate property zoned TC, CO, B, or PBZ. See the application in Attachment 2 for more details.

Staff Comments: This amendment seeks to constrain the City's ability to approve a CUP to allow uses on a residentially-zoned property to support an allowed use on an adjacent property zoned TC, CO, B, or PBZ (e.g. parking or playgrounds). If docketed, Staff recommends a study on the appropriate method for achieving the goals of this proposal. This proposal has been previously suggested for the docket. In 2024, the Planning Commission recommended not to docket this proposal, and the City Council elected not to add it to the 2025 Annual Docket. Staff do not recommend the Planning Commission add this item to the 2026 Annual Docket, given the existing commitments of staff time in the current CPD work plan. If this proposal is docketed, it likely would not receive review until 2029 or later.

Proposed Amendment 25-3

Proposed By: Matthew Goldbach

Comprehensive Plan or Code Section: MICC 19.15.240(C), Criteria for reclassification of properties (rezones).

Proposal Summary: This amendment would prohibit a non-residential structure or use in the single-family residential zones, including a Conditional Use Permit, from requesting or obtaining a rezone or reclassification of any single-family residentially zoned properties. See the application in Attachment 2 for more details.

Staff Comments: This amendment seeks to constrain the City's ability to rezone single-family residential properties with non-residential uses. If docketed, Staff recommends a study on the appropriate method for achieving the goals of this proposal. This proposal has been previously suggested for the docket. In 2023 and 2024, the Planning Commission recommended not to docket this proposal, and the City Council elected not to add it to the 2024 and 2025 Annual Docket. Staff do not recommend the Planning Commission add this item to the 2026 Annual Docket, given the existing commitments of staff time in the current CPD work plan. If this proposal is docketed, it likely would not receive review until 2029 or later.

Proposed Amendment 25-4

Proposed By: Matthew Goldbach

Comprehensive Plan or Code Section: MICC 19.04.040(A), (B)(9), and (E), Parking requirements for all uses in the C-O and B zones and all nonresidential uses in the PBZ zone.

Proposal Summary: This amendment would clarify that the parking standards for C-O, B, and non-residential uses in the PBZ zone do not apply to residentially zoned properties, eliminates the option for the code official to grant variances from the minimum parking requirements, and eliminates the option for the code official to authorize a 25 percent reduction in the minimum required parking if cooperative parking is used. See the application in Attachment 2 for more details.

Staff Comments: This amendment seeks to constrain the code official's ability to grant waivers or variances from the minimum required parking standards. The Planning Commission addressed a similar issue identified during the review of the "Omnibus" ordinance on September 24, 2025. If docketed, Staff recommends a study on the appropriate method for achieving the goals of this proposal. Staff do not recommend the Planning Commission add this item to the 2026 Annual Docket, given the existing commitments of staff time in the current CPD work plan. If this proposal is docketed, it likely would not receive review until 2029 or later.

Proposed Amendment 25-5

Proposed By: Daniel Thompson

Comprehensive Plan or Code Section: MICC 19.02.020(D)(2)(a), Gross Floor Area.

Proposal Summary: This amendment would reduce ceiling height from 12 feet to 10 feet before it is counted as clerestory space at 150% of gross floor area (GFA). See the application in Attachment 2 for more details.

Staff Comments: The applicant submitted this proposal during the 2020, 2021, 2022, 2023 and 2024 Annual Docket process. In 2022, the City Council directed staff to include consideration of this item in the Residential Development Standards (RDS) analysis. That work has been substantially delayed in response to recent action by the State Legislature to enact several pieces of legislation requiring amendments to the City's residential development standards. The City Council directed staff to develop and submit a docket proposal to address this matter at its May 2023 Planning Session. In 2023 and 2024, the Planning Commission recommended not to docket this proposal, and the City Council elected not to add it to the 2024 and 2025 Annual Docket. Staff do not recommend the Planning Commission add this item to the 2026 Annual Docket, given the existing commitments of staff time in the current CPD work plan. If this proposal is docketed, it likely would not receive review until 2029 or later.

Proposed Amendment 25-6

Proposed By: Daniel Thompson

Comprehensive Plan or Code Section: MICC 19.02.020(D)(2), Gross floor area calculation.

Proposal Summary: This amendment would include exterior covered decks in the definition of GFA and include covered porches on the first level in the calculation of GFA. See the application in Attachment 2 for more details.

Staff Comments: The applicant submitted this proposal during the 2020, 2021, 2022, 2023 and 2024 Annual Docket process. In 2022, the City Council directed staff to include consideration of this item in the Residential Development Standards (RDS) analysis. That work has been substantially delayed in response to recent action by the State Legislature to enact several pieces of legislation requiring amendments to the City's residential development standards. The City Council directed staff to develop and submit a docket proposal to address this matter at its May 2023 Planning Session. In 2023 and 2024, the Planning Commission recommended not to docket this proposal, and the City Council elected not to add it to the 2024 and 2025 Annual Docket. Staff do not recommend the Planning Commission add this item to the 2026 Annual Docket, given the existing commitments of staff time in the current CPD work plan. If this proposal is docketed, it likely would not receive review until 2029 or later.

Proposed Amendment 25-7

Proposed By: Daniel Thompson

Comprehensive Plan or Code Section: MICC 19.02.040(D)(1), Garages and carports.

Proposal Summary: This amendment would either eliminate the ability to build garages and carports within 10 feet of the property line of the front yard, or, alternatively, would eliminate this option for waterfront lots that have flipped their front and back yards per MICC 19.02.020(C)(2)(a)(iii). See the application in Attachment 2 for more details.

Staff Comments: The applicant submitted this proposal during the 2020, 2021, 2022, 2023 and 2024 Annual Docket process. In 2022, the City Council directed staff to include consideration of this item in the Residential Development Standards (RDS) analysis. That work has been substantially delayed in response to recent action by the State Legislature to enact several pieces of legislation requiring amendments to the City's residential development standards. The City Council directed staff to develop and submit a docket proposal to address

this matter at its May 2023 Planning Session. In 2023 and 2024, the Planning Commission recommended not to docket this proposal, and the City Council elected not to add it to the 2024 and 2025 Annual Dockets. Staff do not recommend the Planning Commission add this item to the 2026 Annual Docket, given the existing staff time commitments in the current CPD work plan. If this proposal is docketed, it likely would not receive review until 2029 or later.

Proposed Amendment 25-8

Proposed By: Daniel Thompson

Comprehensive Plan or Code Section: MICC 19.02.020(D)(3)(b), Gross floor area incentives for ADUs.

Proposal Summary: This amendment would limit the GFA incentives for ADUs to lots 8,400 square feet or smaller. See the application in Attachment 2 for more details.

Staff Comments: The applicant submitted this proposal during the 2020, 2021, 2022, 2023 and 2024 Annual Docket process. In 2022, the City Council directed staff to include consideration of this item in the Residential Development Standards (RDS) analysis. That work has been substantially delayed in response to recent action by the State Legislature to enact several pieces of legislation requiring amendments to the City's residential development standards. The City Council directed staff to develop and submit a docket proposal to address this matter at its May 2023 Planning Session. In 2023 and 2024, the Planning Commission recommended not to docket this proposal, and the City Council elected not to add it to the 2024 and 2025 Annual Docket. Staff do not recommend the Planning Commission add this item to the 2026 Annual Docket, given the existing commitments of staff time in the current CPD work plan. If this proposal is docketed, it likely would not receive review until 2029 or later.

Proposed Amendment 25-9

Proposed By: Daniel Thompson

Comprehensive Plan or Code Section: MICC 19.02.020(G)(2)(a) and (b), Parking requirements.

Proposal Summary: This amendment would reduce the threshold for requiring only 2 parking spaces from 3,000 square feet to 2,000 square feet. See the application in Attachment 2 for more details.

Staff Comments: The applicant submitted this proposal during the 2020, 2021, 2022, 2023 and 2024 Annual Docket process. In 2022, the City Council directed staff to include consideration of this item in the Residential Development Standards (RDS) analysis. That work has been substantially delayed in response to recent action by the State Legislature to enact several pieces of legislation requiring amendments to the City's residential development standards. The City Council directed staff to develop and submit a docket proposal to address this matter at its May 2023 Planning Session. In 2023 and 2024, the Planning Commission recommended not to docket this proposal, and the City Council elected not to add it to the 2024 and 2025 Annual Docket. Staff do not recommend the Planning Commission add this item to the 2026 Annual Docket, given the existing commitments of staff time in the current CPD work plan. If this proposal is docketed, it likely would not receive review until 2029 or later.

NEXT STEPS

The City Council will review the Planning Commission and staff recommendations at the November 18, 2025 meeting. At that time, the Council will set the final docket for 2026.

RECOMMENDED ACTION

Prepare a recommendation to the City Council on the docket proposals for the 2026 Annual Docket.