

BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 6708 June 17, 2025 Regular Business

AGENDA BILL INFORMATION

TITLE:	AB 6708: Interim Regulations Related to Objective Design Review Standards (HB 1293) in Title 19 MICC (Second Reading Ordinance No. 25C-11)	☐ Discussion Only ☑ Action Needed: ☑ Motion ☑ Ordinance ☐ Resolution
RECOMMENDED ACTION:	Adopt Ordinance No. 25C-11 amending Title 19 MICC to comply with HB 1293 and RCW 3.6.70A.630 on an interim basis and adopting a work plan for related studies and community engagement.	
DEPARTMENT:	Community Planning and Development	
STAFF:	Jeff Thomas, CPD Director Adam Zack, Principal Planner	
COUNCIL LIAISON:	n/a	
EXHIBITS:	1. Ordinance No. 25C-11	
CITY COUNCIL PRIORITY:	n/a	
Γ	AMOUNT OF EVERNETURE C/c	

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

EXECUTIVE SUMMARY

The purpose of this agenda item is to complete a second reading of Ordinance No. 25C-11 (Exhibit 1). This ordinance would establish interim regulations and a work plan to prepare permanent development code amendments needed to comply with changes to state law enacted by House Bill 1293.

- In 2023, the WA State Legislature enacted House Bill 1293 which limits how cities and counties planning under the WA Growth Management Act (GMA) can regulate building design.
- HB 1293 established <u>RCW 36.70A.630 Local design review—Requirements and restrictions</u>, which requires:
 - Local design standards must be clear and objective (RCW 36.70A.630(2)), and
 - No design review process can require more than one public meeting (RCW 36.70A.630(4)).
- Mercer Island will need to amend multiple sections in Chapters 19.11, 19.12, and 19.15 of the Mercer Island City Code (MICC) to comply with these requirements.
- Cities and counties must comply with RCW 36.70A.630 within six months of the completion of the comprehensive plan periodic review. For Mercer Island, this compliance deadline is June 30, 2025.
- Staff identified the amendments necessary for compliance by the June 30 deadline and prepared the draft of Ordinance No. 25C-11 (Exhibit 1);

- Ordinance No. 25C-11 would adopt temporary regulations to comply with HB 1293, amending sections in Chapter 19.06, 19.11, 19.12, and 19.15 of the MICC to comply with HB 1293;
- At the June 3 meeting, (see <u>AB 6697</u>) City Council held a public hearing and scheduled a second reading and adoption on June 17, 2025; and
- Two changes to Ordinance No. 25C-11 have been made following the first reading on June 3:
 - Change 1 MICC 19.11.040(D)(4) Clarification: the City Council passed a motion to amend MICC 19.11.040(D)(4) to clarify the requirement for affordable housing unit size.
 - Change 2 MICC 19.12.070(B)(6) Correction: During additional review of Ordinance No. 25C-11, staff identified a necessary correction for MICC 19.12.070(B)(6). This provision is an existing requirement that lighting be provided by sodium light sources that are no longer on the market. The staff recommended amendment would remove this requirement.
- Once the interim ordinance is adopted, the City will begin preparing permanent amendments to comply with HB 1293 based on the work plan in Ordinance No. 25C-11 Exhibit A.

BACKGROUND

In 2023, the WA Legislature enacted House Bill 1293. This bill added a new section to the Growth Management Act (GMA) that establishes new requirements and restrictions governing how cities and counties planning under the GMA can regulate building design. The City has established design standards and review procedures in Chapters 19.11, 19.12, and 19.15 Mercer Island City Code (MICC). The main requirement from HB 1293 is that (1) local design review standards must be clear and objective and (2) the standards may not reduce development intensity below the level generally allowed by the zoning designation (RCW 36.70A.630(2)). The City must update its design standards to comply with HB 1293 by June 30, 2025.

Nearly all the design standards in Chapters 19.11 and 19.12 MICC are expected to need some amendment to comply because many provisions are flexible without setting at least one measurable criterion. Most of these flexible standards allow the Design Commission to determine design requirements on a case-by-case basis.

House Bill 1293 and RCW 36.70A.630

In 2023, the WA Legislature enacted House Bill (HB) 1293. This bill added a new section to the Growth Management Act (GMA) that establishes new requirements and restrictions governing how cities and counties planning under the GMA can regulate building design. The new GMA section was codified as RCW 36.70A.630 – Local Design Review – Requirements and Restrictions. The Mercer Island City Code (MICC) must be consistent with RCW 36.70A.630 by June 30, 2025 (RCW 36.70A.630(5)).

Mercer Island Design Standards

In 1972, the City of Mercer Island adopted its first design standards, established a process for design review, and created the Design Commission (DC) to conduct some of the design review. That system of design standards and design review has been amended several times in the years since it was adopted but remains in effect. Much of the new development that occurs throughout the City, in both Town Center and other zones, is subject to some level of design review, excluding single-family dwellings and their accessory buildings, property owned by the City, and wireless communication facilities. The DC conducts design review for more complex proposals, including new buildings, additions, or exterior alterations to a building or site beyond a certain threshold. All other proposals, including all single-family homes, are subject to administrative design review conducted by the code official or designee. The City's design standards and review procedures are codified in Chapters 19.11, 19.12, and 19.15 MICC.

Identified Compliance Issues

On April 15, staff briefed the City Council on the expected scope of changes to comply with HB 1293 and RCW 36.70A.630 (AB 6664). Staff identified the following categories of issues that need to be resolved to comply with the state law:

Issue 1 – Compliance by June 30, 2025, Deadline

Issue 2 – Clear and Objective Standards

Issue 2.A – "Should" Standards

Issue 2.B – Flexible Standards

Issue 2.C – Combination of "Should" and Flexible Standards

Issue 3 – Changes to Design Review Process

The amendments proposed in Ordinance No. 25C-11 in Exhibit 1 are staff proposed amendments to address the compliance issues identified by staff. A full explanation of the compliance issues and examples of each was provided with AB 6664.

Two Phased Approach

The City will comply with RCW 36.70A.630 in two phases. Phase one is the adoption of interim regulations to make temporary amendments to comply with the bill in advance of the June 30, 2025 deadline. Staff have drafted this interim ordinance and will incorporate the Council's feedback prior to adoption. Phase two will be the adoption of permanent code amendments to comply with the requirements. Phase two is expected to begin in early 2026. The scope of work will include public outreach to gather input on the proposed amendments.

Public Comment on Draft Code Amendments

The draft code amendments to comply with HB 1293 were made available for public review on May 2, 2025 via the project <u>Let's Talk page</u>. As of May 22, no comments were received.

ISSUE/DISCUSSION

Ordinance No. 25C-11 would establish interim development regulations to comply with RCW 36.70A.630 by making the design standards clear and objective while also ensuring all design review processes only require a single public meeting.

Two changes to Ordinance No. 25C-11 have been made following the first reading. Both changes listed below have already been incorporated into the second reading draft of Ordinance No. 25C-11.

Change 1 - MICC 19.11.040(D)(4) Clarification

During the first reading, the City Council passed a motion to amend MICC 19.11.040(D)(4) to clarify the requirement for affordable housing unit size. The Council amendment to that subsection is:

Affordable units may not be smaller than other units with the same number of bedrooms in the development, unless the code official determines that rooms within the affordable units provide adequate space for their intended use. In no case shall the affordable units be more than ten percent smaller than the market-rate units having the same number of bedrooms in the development, or less than 500 square feet if a studio unit, 600 square feet if a one-bedroom unit, 800 square feet if a three-

bedroom unit, or 1,200 square feet if a four-bedroom unit; whichever is less shall be of a minimum size equal to the average size of market rate units for the same bedroom count. For example, if the average size of market rate one-bedroom units in a development is 650 square feet, each affordable one-bedroom unit in the development shall be a minimum of 650 square feet.

This amendment simplifies the requirement so that affordable units provided to qualify for the building height bonus in the Town Center must be at least equal to the average size of a market-rate unit with the same number of bedrooms.

Change 2 - MICC 19.12.070(B)(6) Correction

During additional review of Ordinance No. 25C-11, staff identified a necessary correction for MICC 19.12.070(B)(6). This subsection requires light sources to be "low wattage color-corrected sodium light sources." Some types of sodium light bulbs have been discontinued and are unavailable. The most important requirement in this section is that light sources be low wattage and color-corrected, so staff propose striking the word "sodium" from MICC 19.12.070(B)(6) to allow applicants to determine what type of low wattage color-corrected light sources will fit their project. The amended MICC 19.12.070(B)(6) would state:

Light type. Lighting should must use low wattage color-corrected sodium light sources, which give more "natural" light. Metal halide, quartz, neon and mercury vapor lighting are prohibited in residential zones. High pressure sodium lights may only be used as street lights and must be fully shielded.

NEXT STEPS

Following City Council adoption, Ordinance No. 25C-11 will become effective on June 30, 2025. The City will then begin the process of adopting permanent regulations based on the work plan in Ordinance No. 25C-11 Exhibit A.

RECOMMENDED ACTION

Adopt Ordinance No. 25C-11 amending Title 19 MICC to comply with HB 1293 and RCW 3.6.70A.630 on an interim basis and adopting a work plan for related studies and community engagement.