



BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 6498
July 2, 2024
Public Hearing

AGENDA BILL INFORMATION

TITLE:	AB 6498: Public Hearing and Renewal of Interim Regulations Related to Permit Processing in Chapters 19.15 and 19.16 MICC (Ord. No. 24C-12).	<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:	Conduct the public hearing and adopt Ordinance No. 24C-12.	

DEPARTMENT:	Community Planning and Development
STAFF:	Alison Van Gorp, Deputy Community Planning and Development Director
COUNCIL LIAISON:	n/a
EXHIBITS:	1. Ordinance No. 24C-12
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 bill is to conduct a public hearing to consider the renewal of interim regulations related to permit processing in Chapters 19.15 and 19.16 MICC which complies with [Senate Bill 5290](#).

- [Senate Bill 5290](#) (SB 5290) amended [Chapter 36.70B RCW](#), which established the required processes for local project review, and required that cities and counties comply with most provisions of SB 5290 by July 23, 2023, the bill’s effective date.
- SB 5290 also added a new requirement for cities and counties to establish maximum permit review times, but that section (SB 5290 Section 7) is not effective until January 1, 2025.
- Interim regulations were adopted by [Ordinance No. 23C-10](#) at the July 18, 2023 City Council meeting.
- The current interim regulations are set to expire on July 17, 2024. The City must renew the interim regulations for another six months or adopt permanent regulations to comply with state law.
- Ordinance No. 24C-12 renews the existing interim regulations for a period of six months.
- The City Council should adopt Ordinance No. 24C-12 on July 2, 2024 to avoid a lapse in regulations.

An additional code amendment (either interim or permanent) is needed before January 1, 2025 to comply with the full requirements of SB 5290.

BACKGROUND

[Chapter 19.15 MICC](#) establishes the land use review processing standards in the City of Mercer Island. The standards in this chapter detail how a land use application must be reviewed for compliance with the Unified Land Development Code in [Title 19 MICC](#). This includes the requirements for submitting an application, the code official reviewing that application for completeness, and the decision-making authority issuing a decision. The review procedures in Chapter 19.15 MICC ensure that each application is subject to consistent and predictable processes.

Recently enacted legislation, SB 5290, required amendments to Chapter 19.15 MICC by July 23, 2023. More information on these requirements is provided in the following section. On July 18, 2023 the City adopted interim regulations ([Ordinance No. 23C-10](#)) to comply with the requirements of SB 5290.

SB 5290

Chapter 36.70B Revised Code of Washington (RCW) establishes the standards for processing land use permits for all cities and counties in Washington. In 2023, the WA State Legislature enacted SB 5290, which amended some sections in Chapter 36.70B RCW. The bill's effective date was July 23, 2023. Cities needed to amend their land use review regulations to comply with SB 5290, except for Section 7, by July 23, 2023. Section 7 of SB 5290 does not become effective until January 1, 2025.

The sections of [SB 5290](#) that require code amendments to comply are summarized as follows.

- **Section 1.** Amends RCW 36.70B.140 to stipulate that “interior alterations” are exempt from site plan review. Interior alterations are defined as construction activities that do not modify the existing site layout or its current use and involve no exterior work adding to the building footprint. Some minor amendments to MICC 19.15.030 – Land use review types and MICC 19.16.010 – Definitions are required by July 23, 2023, to comply with SB 5290.
- **Section 5.** Amends RCW 36.70B.020 – Definitions to change the definition of “project permit” and “project permit application” to remove building permits from the list of what constitutes a local government’s land use review under Chapter 36.70B RCW. This change influences what types of review are subject to the standards elsewhere in the chapter, including which reviews are subject to the updated determination of completeness standards in SB 5290 Section 6 and the maximum review time periods in SB 5290 Section 7.
- **Section 6.** Amends RCW 36.70B.070 – Project permit applications—Determination of completeness—Notice to applicant. The changes articulate what is required for determinations of completeness for project permit applications. This section requires amendments of the Mercer Island City Code by July 23, 2023.
- **Section 7.** Amends RCW 36.70B.080 – Development regulations—Requirements—Report on implementation costs. This section establishes permit review timelines for project permit applications. This section also establishes penalties for reviews that exceed the maximum review timelines. Section 7 becomes effective on January 1, 2025 (see Section 13). Cities and counties must ensure that their development regulations comply with this section by the effective date.
- **Section 8.** Amends RCW 36.70B.160 – Additional project review encouraged—Construction. This section encourages cities and counties to adopt further measures to provide prompt and coordinated review of project permit applications. Cities are not required to adopt these additional measures in

order to comply with SB 5290. The additional measures encouraged in the amended RCW 36.70B.160 are options the City can consider as it works to adopt permanent regulations to comply with SB 5290.

- **Section 13.** Sets the effective date for SB 5290 Section 7 for January 1, 2025.

Further information on the requirements for complying with the provisions of SB 5290 is provided in [AB 6305 from the July 18, 2023 City Council Meeting](#).

ISSUE/DISCUSSION

Last year, the City enacted interim regulations to ensure the MICC is consistent with Chapter 36.70B RCW as amended by SB 5290. The current interim regulations (Ordinance No. 23C-10) are set to expire on July 17, 2024. Ordinance No. 24C-12 would renew those interim regulations for a period of six months. This will give the City additional time to review permanent amendments to comply with SB 5290. Timing constraints, including the timeline for publication in the Mercer Island Reporter, require that Ordinance No. 24C-12 be adopted on first reading to avoid a lapse in regulations, which the City Council may do under City Council Rule of Procedure 6.3(C)(3).

Ordinance No. 24C-12 would amend MICC 19.15.030, MICC 19.15.070, and MICC 19.16.010 as follows.

MICC 19.15.030

MICC 19.15.030 establishes review types for all land use reviews. The land use review type determines the steps required for review and issuing a decision. Ordinance No. 24C-12 would amend MICC 19.15.030 by adding a new subsection G that clarifies that interior alterations are not subject to site plan review. This amendment is required by SB 5290 Section 1, which exempts interior alterations from site plan review. Ordinance No. 24C-12 also includes a new note 3 for MICC 19.15.030 Table B to clarify that determinations of completeness are subject to the standards in MICC 19.15.070.

MICC 19.15.070

MICC 19.15.070 establishes the requirements for issuing determinations of completeness and letters of incompleteness for land use reviews. Ordinance No. 24C-12 would amend MICC 19.15.070(A), (B), and (D).

MICC 19.16.010

MICC 19.16.010 establishes the definitions for terms used throughout Title 19 MICC. Ordinance No. 24C-12 would amend MICC 19.16.010 to add a definition for interior alterations to clarify what would be exempted from site plan review by the amendments to MICC 19.15.030.

NEXT STEPS

After the interim regulations are renewed, staff will begin preparing further code amendments to fully comply with the provisions of SB 5290, including Section 7, for City Council consideration and adoption prior to January 1, 2025.

RECOMMENDED ACTION

1. Conduct the public hearing on Ordinance No. 24C-12.
2. Adopt Ordinance No. 24C-12 renewing Interim Regulations Related to Permit Processing in Chapters 19.15 and 19.16 MICC.