



GMHB EXHIBIT 2

CITY COUNCIL MINUTES

REGULAR VIDEO MEETING

September 21, 2021

CALL TO ORDER & ROLL CALL

Mayor Wong called the meeting to order at 5:00 pm from a remote location.

Mayor Benson Wong, Deputy Mayor Wendy Weiker, and Councilmembers Lisa Anderl, Jake Jacobson (5:34 pm), Salim Nice, Craig Reynolds, and David Rosenbaum participated remotely using a video teleconferencing platform by Zoom.

Jessi Bon, City Manager, participated remotely from City Hall, 9611 SE 36th Street, Mercer Island, Washington. The City Attorney and Mercer Island City Leadership Team participated from remote locations.

PLEDGE OF ALLEGIANCE

Mayor Wong delivered the Pledge of Allegiance.

AGENDA APPROVAL

It was moved by Nice; seconded by Weiker to:

Approve the agenda.

Passed 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

CITY MANAGER REPORT

City Manager Bon reported on the following items:

- COVID-19 Updates
- Council Board & Commission Updates
- City Service Updates
- Some Good News

APPEARANCES

Randy Bannecker, Mercer Island – speaking on behalf of the King County Realtors Association, he spoke in support of the proposed sign code amendment.

Tom Acker, Mercer Island – thanked City Council and City Manager Jessi Bon for her leadership and their willingness to address the Town Center issues.

CONSENT AGENDA

Approval Certification of Claims for the periods ending:

- A) August 26, 2021, in the amount of \$1,349,355.64
- B) September 3, 2021, in the amount of \$752,983.15
- C) September 9, 2021, in the amount of \$220,018.58

Recommended Actions: Certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.

Approval of Claims Reporting for Electronic Funds Transfer for the month ending July, 2021 in the amount

of \$2,526,081.85

Recommended Action: Certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.

Approval of Minutes for the following meetings:

- A) July 6, 2021, Regular Video Meeting
- B) July 20, 2021, Regular Video Meeting
- C) August 24, 2021, Special Video Meeting (Executive Session)

Approval of the Payroll Certification for the following periods ending:

AB 5934: August 27, 2021, Payroll Certification, in the amount of \$787,176.23

AB 5945: September 10, 2021, Payroll Certification, in the amount of \$830,397.53

Recommended Actions: Approve the August 27 and September 10, 2021, Payroll Certifications and authorize the Mayor to sign the certifications on behalf of the entire City Council.

AB 5938: 2021-2022 Work Plan Update

Recommended Action: Receive report.

It was moved by Jacobson; seconded by Nice to:

Approve the Consent Agenda and the recommendations contained therein.

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

REGULAR BUSINESS

AB 5924: Volunteer Appreciation Month Proclamation No. 276

Mayor Wong and City Councilmembers thanked city volunteers for their commitment to service during the Pandemic.

It was moved by Anderl; seconded by Reynolds to:

Authorize the Mayor to proclaim September 2021 Volunteer Appreciation Month in Mercer Island.

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

AB 5940: Development Code Amendment ZTR19-003 Signage (Ord. No. 21C-21 First Reading)

Alison Van Gorp, Community Planning & Development Deputy Director, and Daniel Kenney, Outside Counsel, led the discussion regarding the Development Code Amendment explaining that the Planning Commission recommended approving the proposed code amendment to Mercer Island City Code 19.06.020, 19.11.140, 19.12.080 and 19.16.010 updating the code sections related to temporary signs, signs in Town Center, signs outside Town Center, and definitions. The code amendment would address the Supreme Court ruling in Reed v. Town of Gilbert and subsequent, related case law. It also addressed staff recommended revisions based on issues that have arisen in permit review.

City Council directed staff to prepare a revised version of Ordinance No. 21C-21, including only the revisions to the code necessary to comply with the U.S. Supreme Court ruling in Reed v. Town of Gilbert. The City Council also requested information on neighboring cities' approaches to Reed compliance, particularly regarding duration regulations and simple permit processes for temporary, non-commercial signs.

It was moved by Nice; seconded by Jacobson to:

Set Ordinance No. 21C-21 for second reading and adoption at the Council Meeting on October 5, 2021, or soon thereafter in the most basic form to be compliant with Reed v. Town of Gilbert.

PASSED: 6-1

FOR: 6 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, and Wong)

AGAINST: 1 (Weiker)

AB 5941: State-Mandated Code Amendments

Public Hearing No. 1 on Ordinance No. 21C-19, amending Mercer Island City Code 19.16.010, Definitions, relating to the definitions of Family and Housekeeping Units

Mayor Wong opened the Public Hearing at 8:13 PM.

There were no public comments.

Mayor Wong closed the Public Hearing at 8:14 PM

Public Hearing No. 2 on Ordinance No. 21C-22, amending Mercer Island City Code 19.16.010, Definitions, relating to Adult Family Homes

Mayor Wong opened the Public Hearing at 8:14 PM.

There were no public comments.

Mayor Wong closed the Public Hearing at 8:15 PM

Public Hearing No. 3 on Ordinance No. 21C-23 amending Mercer Island City Code 19.16.010, Definitions, relating to Emergency Shelters and Housing, Transitional Housing, and Permanent Supportive Housing

Mayor Wong opened the Public Hearing at 8:15 PM.

There were no public comments.

Mayor Wong closed the Public Hearing at 8:16 PM

Staff reported that during the 2020 and 2021 state legislative sessions, several housing and land use related bills passed, a few of which required City action (ESSB 5235, ESHB 1023 and E2SHB 1220). Staff further noted that based on the timelines imposed by this legislation, the City was required to act quickly to comply with the new requirements. Staff continued, explaining that included as an attachment to each code amendment was a work plan outlining the process for developing permanent regulations. By adopting the work plans, state law allowed for the interim ordinances to be in effect for 12 months (rather than the more common 6-month duration, RCW 36.70.A.390). This would provide adequate time for staff to perform additional analysis of each issue, including review of peer jurisdictions approaches and further outreach to the Department of Commerce on compliant approaches.

It was moved by Reynolds; seconded by Jacobson to:

Adopt Ordinance No. 21C-19, amending Mercer Island City Code 19.16.010, Definitions, relating to the definitions of Family and Housekeeping Units.

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

It was moved by Reynolds; seconded by Rosenbaum to:

Adopt Ordinance No. 21C-22, amending Mercer Island City Code 19.16.010, Definitions, relating to Adult Family Homes.

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

It was moved by Jacobson; seconded by Reynolds to:

Adopt Ordinance No. 21C-23 amending Mercer Island City Code 19.16.010, Definitions, relating to Emergency Shelters and Housing, Transitional Housing, and Permanent Supportive Housing, as amended.

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

AB 5942: Second Quarter 2021 Financial Status Update & 2021-2022 Budget Amendments (Ord. No. 21-20).

Matt Mornick, Finance Director, provided the City Council with the 2021 Second Quarter Financial Status Update

which included financial actuals for revenue and expenditure categories through June 30, 2021. The proposed outlined budget amendments in the current biennium and included new requests involving a staffing increase in the Community Planning and Development Department, a limited-term position in Human Resources, increased funding for the City Attorney's Office, and Police interview/interrogation room system upgrades. The budget reflected in the financial status update included all budget amending ordinances for the 2021-2022 biennial budget adopted by June 30, 2021.

It was moved by Nice; seconded by Rosenbaum to:

Adopt Ordinance No. 21-20, amending the 2021-2022 Biennial Budget.

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

AB 5933: Town Center Moratorium: Proposed Retail Use Adjacent to Street Frontages, Commercial Floor Area Ratio and No Net Loss Requirements

Staff explained that in June 2020, the City Council enacted a moratorium on major new construction generally in the southeast quadrant of the Town Center zoning designation while the City evaluated potential updates and/or amendments to development regulations within the Town Center, including requirements for various types of commercial space. The City contracted with the firm Community Attributes, Inc. to analyze the demand for additional ground floor commercial uses and the feasibility of requiring such uses in new buildings.

Staff reviewed the proposed amendments and sought direction to proceed with necessary code amendments to MICC 19.11. Council discussed the proposed amendments at length and made suggested amendments. A first reading of the ordinance was tentatively scheduled for November 16 with a second reading and adoption scheduled for December 1.

It was moved by Nice; seconded by Jacobson to:

- 1) Update MICC 19.11.020(B)(4) Retail Use Required Adjacent to Street Frontages as identified in Exhibit 1, as amended;**
- 2) Institute a new Town Center Commercial Floor Area Ratio (FAR) requirement as presented, which will be subjected to parcels identified in Exhibit 2; as amended, and**
- 3) Include a new selective Town Center "No Net Loss" requirement to post-2005 redevelopment parcels only as identified in Exhibit 3.**

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

AB 5943: Second Review and Adoption of the City's Updated Financial Management Policies

Matt Mornick, Finance Director, explained that the City Council reviewed and provided feedback on the Financial Management Policies drafted by the Ad-Hoc Finance Committee at its August 31 meeting. He further explained that the Policies were the result of a six-month collaboration between the Finance Committee, City staff, and outside counsel that informed the formation of the biennial budget, the capital improvement program, and other long-term fiscal management strategies.

City Council expressed their gratitude to Mornick and the ad-hoc committee for their efforts.

It was moved by Weiker; seconded by Reynolds to:

Adopt Resolution No. 1602 to update the City's Financial Management Policies

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

AB 5944: Authorizing and Appropriation for Outreach Services from Area Shelters for the Homeless and Update on Implementation of Ordinance 21C-02

Ed Holmes, Police Chief, and Mike Seifert, Commander, addressed the Council and explained that at the August 31, 2021, City Council Meeting, the Council directed the City Manager to prepare a request to establish a partnership with The Sophia Way and Congregations for the Homeless to provide outreach services to individuals experiencing homelessness on Mercer Island, and to seek an appropriation of approximately \$20,000 to support the partnership through the remainder of the 2021-2022 biennium.

It was moved by Nice; seconded by Anderl to:

Authorize the City Manager to negotiate and execute an agreement with both The Sophia Way and Congregations for the Homeless in an amount not to exceed \$20,000 (\$10,000 for each organization) for outreach worker services for individuals experiencing homelessness through the end of 2022.

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

OTHER BUSINESS

Councilmember Absences

There were no absences reported.

Planning Schedule

City Manager Bon reported that there would be two executive sessions on October 5 and summarized additional changes to the Planning Schedule.

Councilmember Reports

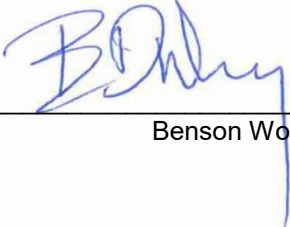
Deputy Mayor Weiker reported that the Mercer Island Marching Band played at the Seahawks game on Sunday.

Mayor Wong provided a brief update on the King County Clean Water Plan workshop and the next workshop. He also reported that he attended the Cities Race to Zero campaign webinar.

Councilmember Anderl – reported on the September 14 Utility Board meeting and the presentation by Seattle Public Utilities

ADJOURNMENT

The Council Meeting adjourned at 10:26 PM.



Benson Wong, Mayor

Attest:



Deborah Estrada, City Clerk