

GMHB EXHIBIT 126

2024-11-19 City Council Transcript

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0:40

we know what you meant we know what you

0:58

meant e

1:31

good evening and welcome to the November 19 2024 city council regular hybrid meeting
I'm mayor Saleem n and this evening's hybrid city council meeting is

1:37

being brought to you in person and by zoom and we're also broadcasting live on mitv
channel 21 and on the city's YouTube

1:43

channel council members please have your microphones turn off for roll call city clerk
Andrea Larson please call the rooll thank you Mr mayor council member

1:50

Andra here council member Jacobson here council member Reynolds here council

1:58

member wer has not joined us yet council member Weinberg here Deputy Mayor rosenbom
here

2:06

and mayor nce here thank you Mr Mayor thank you and city clerk can you please note that
Jacobson and Ander all are

2:11

attending via Zoom next we have the Pledge of Allegiance please turn off your video and
face

2:18

flag I pledge allegiance to the flag of the United States of America and to the

2:23

Republic for which it stands one nation under God indivisible with liberty and

2:28

justice for all [Applause]

2:34

we now uh move to approval of tonight's agenda there's no question questions may have a motion to approve the agenda so move second okay moved by Deputy Mayor

2:41

rosenbom seconded by council member Weinberg city clerk please call the rooll thank you Mr mayor council member

2:49

andrell hi council member Reynolds I council member Weinberg I Deputy Mayor

2:56

Rosen bomb I mayor nce hi councc council member Jacobson hi and on not for the

3:03

record council member W wer arrived at 501 and council member wer I thank you Mr Mayor okay motion

3:11

passes agenda is approved and we turn to the city manager for the city manager report welcome Jesse

3:19

Bond good evening city council let me there we go uh Happy

3:26

Tuesday all right Casey's driving the slides for me let's go ahead to the next

3:32

slide uh Council just uh look ahead as we uh come almost to the conclusion of

3:38

2024 uh our next meeting is Tuesday December 3rd we are currently

3:44

anticipating C counseling our second meeting in December but we'll ask you to make uh that decision at your December

3:50

3rd meeting uh looking ahead to the boards and commissions the design commission is meeting tomorrow or excuse

3:58

me Wednesday December 4th and then the Planning Commission is working on scheduling a brief uh special

4:04

meeting to address uh a final motion on the docket and I emailed you about that

4:10

last night next slide please well some good news uh the Luber

4:17

Bank Park uh pickle ball courts are open with uh their asphalt surfacing in fact

4:23

what you're seeing in that photo is the final lift of asphalt and what we're referring to as temporary Court lines uh

4:31

the courts are playable with the asphalt surface and then later this spring when we get warmer temperatures we will be

4:38

coming back and putting the final surfacing down on the courts and the final lines um I've also mentioned previously

4:45

but I'll remind you again we're planning an official opening ribbon cutting for the new courts this spring uh we'll also

4:53

be celebrating the completion of uh several other uh projects at Luther B Bank Park including the uh boy building

5:00

renovation uh thank you to the community for their patience as we worked uh through some of the twists and turns

5:06

with this project and we hope you enjoy playing pickleball in the rain for a few

5:11

months all right next slide please uh Council just a quick update on

5:17

the island quest Crestway and Southeast 40th property repairs just remind you

5:24

that in 2023 we completed uh landscaping and pedestrian Improv movements on the

5:30

city-owned property that sits right at the corner there of Island Crestway in 40th um over the course after uh after

5:38

everything was planted it was doing well and then uh all the material began to die off uh despite watering and proper

5:46

care by our teams uh we also lost the big Douglas fur um that was on the

5:52

corner uh we investigated the situation we took soil samples and discovered um

6:00

that the property had been vandalized through the placement of not just one type of herbicide but several types of

6:06

herbicides and we filed a police report uh so that is a reminder of how we got

6:12

to this project we've U brought our Construction Company back we've been working with our insurance company we

6:18

removed the damag uh landscaping and all of the contaminated soil uh that that's

6:24

been happening over the last week or two uh next week Cruz will be bringing in the new clean CR soil and starting to

6:31

replant so things are things are on their way to completion we should have most of the project wrapped up by the

6:37

end of December next slide please uh update on the skada system and

6:43

I'm going to invite our Public Works team to come to you probably in quarter one or quarter two with a a full

6:48

sweeping update on this project since it's um pretty significant and it spans uh the entirety of the island uh but

6:56

I'll just remind you we are working on uh upgrading our sewer system with the

7:01

supervisory control control and data acquisition system we call it scada which provides um more reliable

7:08

monitoring of our sewer system we're at about the 30% completion with uh

7:14

upgrades successfully completed at the pump stations 12 15 16 17 and 18 I don't

7:20

have a map to show you where all of those are but it's uh work is happening we have more work coming up this month

7:27

and then we'll time out the project through the end of December and pick it back up after um the first part of

7:32

January next slide please also just wanted to acknowledge

7:37

that there is a lot of construction activity happening in town center if you've been a town center it's

7:43

everywhere uh we last week our our crews poured a concrete sidewalk along 80th

7:49

Avenue this is part of that major pedestrian Improvement project happening on 8th Avenue

7:55

Southeast uh weather permitting we'll do some additional sidewalk upgrading and

8:00

concrete work um in the next couple of weeks we are also continuing to work on

8:05

all of the Ada ramp Replacements on the corners uh this recently we just did

8:11

Southeast 27th Street and uh the corner of 28th and 78th so lots of work

8:16

happening we're trying to wrap a lot of it up before the holidays anything remaining will pick back up after the

8:21

first of the year next slide uh healthy youth initiative I just

8:27

wanted to give a shout out to the Youth and Family Services team uh they hosted a you Suicide Prevention webinar last uh

8:34

week for parents in our community we had 25 participants uh really well- intended

8:40

very positive feedback uh if anyone missed it would like more information we post um our presentations and additional

8:47

resources and information on the healthy youth initiative website and we've linked it there at the bottom of the

8:52

slide next slide please I also wanted to just highlight a

8:58

really successful program uh as part of our Emergency Management uh campaign

9:03

that we hosted last week uh we facilitated here to stop the bleed classes at the community center we had

9:11

uh almost 50 community members come out and take that training where they learn to apply a tourniquet pack a wound apply

9:18

pressure uh during lifethreatening bleeding uh we haven't done a lot of

9:23

these classes they' we've begun to phase them back and they've been really well attended so thank you to um our police

9:29

chief who is here sitting to my left our emergency manager Amanda caver camp and all of the Emergency Management

9:35

volunteers uh that are working with us to produce these programs more of these programs to come next slide

9:44

please uh Council we are headed into uh the holidays I have a whole bunch of uh

9:49

slides and dates to update you on uh first of all a reminder to our

9:55

community that we offer a variety of programs to support family in need on Mercer Island during the holidays uh we

10:02

have gifts for kids we have holiday meals and we also are continuing to offer our financial assistance program

10:08

uh in on this slide you'll see the information to apply for these programs uh Cheryl menriquez is the contact uh we

10:16

also uh via uh the yfs foundation and our yfs programs coordinator accept

10:23

donations reminder that the hopelink mobile market comes about every other week and we'll be here in the community

10:30

center parking lot on December 4th and December 20th next slide

10:36

please all right I'll run through these really quick but I just wanted to make sure uh Council you were aware of all of

10:42

the upcoming special events uh December 5th which is a Thursday this year is our

10:48

holiday tree lighting at mercerdale Park so please come on out for that next slide following that two days later

10:55

Saturday December 7th here at the community center from 10: to 3 will be hosting our holiday Makers Market uh

11:02

which is a variety of Artisans selling their unique handcrafted Goods very

11:07

exciting event very well attended next slide please uh family movie night on

11:14

December 13th if you want to swing by and watch The Muppets Christmas Carol uh

11:19

these always sell out these are very very popular events so make sure your

11:24

RSVP as soon as possible uh and absolutely no later than December 9th

11:30

next slide please uh the Argy Christmas ships are back they will be here at Luther B Bank Park on Sunday December

11:37

15th at 7 o'clock uh the ship will sail in at 7:40 p.m. so hopefully we get a

11:44

dry uh not very windy night for the Argy ships to come back next

11:50

slide also the friends of the library reached out they wanted me to um make

11:56

sure I shared with you that they are preparing preparing for their annual book sale which is beginning Thursday

12:01

December 5th runs through Monday December 9th uh the funds raised from

12:06

their Book Sales are used to sponsor uh a wide range of events and programs in

12:12

partnership with the library such as author appearances children story times and more uh the sale is held during the

12:19

library hours and you can uh get more information by emailing the address there on the screen or visiting the King

12:25

County library system thank you to the Friends of library for doing that event next slide all right and the last

12:32

slide is just some good news I wanted to feature some work that the recreation

12:38

team has been doing we have uh been exploring the opportunity to switch um

12:44

our athletic field reservations to an online system so basically a self-service portal

12:51

doesn't always work when we have to book all of the leagues but with any of the remaining field time uh it's actually

12:57

working out quite well we piloted this uh over the last couple of months uh we

13:03

were able to bring in uh \$10,000 which was our goal for the pilot we booked 82

13:09

reservations which was about 214 hours of field time and uh we didn't have to

13:14

do anything so except for we obviously we maintaining the fields but our pilot

13:20

is working and we're planning to continue it so if you or team you know teams on our off Island that are looking

13:26

for field time uh our selfservice portal is uh something we're going to continue with and uh Council that is all I have

13:33

for you this evening thank you great thank you our next item of business is appearances which is an opportunity for

13:38

anyone to speak to the Council on any item except uh items requiring a public hearing quit judicial matters or

13:44

campaign related matters I'll note that there's three public hearings on the agenda if requirements pertain to the

13:50

2025 2026 budget uh ordinance number 24 C-17 regarding permit processing and

13:57

ordinance number 24 c-8 regarding affordable housing capacity and requirements I'll ask that you hold

14:03

your hold your comments until the appropriate public hearing city clerk do we have anyone for public comment tonight yes Mr Mayor okay tonight's

14:10

agenda will include inperson public appearances and remote public appearances via Zoom individuals wishing

14:15

to address the council may do so in person or by Zoom or telephone provided they registered by uh with the city clerk by 4 pm today when it's your turn

14:21

to speak you'll be called by name remarks must be addressed to the council as a whole and not to individual counsel or staff members any person making

14:28

personal and pertinent slanderous remarks who becomes boisterous threatening or personally abusive while addressing the city council may be

14:34

requested to leave the meeting please speak audibly state your name and city of residence for the record there'll be

14:40

a timer on the screen and you'll have three minutes to speak when your time's ended I'll thank you for your comments and move to the next speaker see clerk

14:46

please call the first speaker thank you Mr Mayor our first Speaker tonight is Kim

14:54

Florence hi my name is Kim Florence I am a citizen of Mercer Island a mom to

15:00

three kids and a member of the Mercer Island PTA Council advocacy committee uh

15:05

when my family first moved to the island 14 months ago I was delighted to see the island kids zipping around to school and

15:11

Friends homes on motorized scooters I thought it was an ingenious idea allowing greater Independence for the

15:16

kids and giving parents a much needed break from running their children around everywhere however over the last 14

15:22

months I have seen an increase in Waring Waring and potentially dangerous behavior on both E Scooters and

15:27

especially ebikes I have the dubious honor of doing three School drop offs nearly every day so I

15:33

get to witness a lot of student Behavior at various ages throughout the island what I have observed is many kids riding

15:40

their e-mobility devices meaning E Scooters or ebikes in an appropriate and safe manner I have also observed many

15:46

kids writing their emobility devices in an unsafe and even illegal manner observe behaviors include riding without

15:53

helmets riding with more than one passenger cutting off cars to make left-handed turns riding above the speed limit riding ebikes of a classification

16:00

that requires a license riding ebikes that require a license while not wearing a helmet riding without reflective

16:06

clothing after dark riding ebikes too fast on sidewalks riding E Scooters too fast in the middle of rush hour traffic

16:13

the list could go on and on I personally very nearly hit a child who was riding an es scooter in the dark without

16:19

reflective gear on the wrong side of the road someone is going to get hurt parents of Mercer Island would like

16:26

the city council to take action current state regulations are insufficient to adequately protect our student

16:32

e-mobility writers state regulations allow for local municipalities to enact

16:38

more rigorous ordinances as they see fit the MTA Council of which I am a advocacy

16:44

Committee Member has recently passed a resolution asking the Mercer Island City Council to act in a timely manner to

16:50

introduce and enforce Common Sense ordinances to ensure student safety while using e-mobility devices I will

16:57

read it to you now emobility device safety for Mercer Island students

17:02

adopted November 2024 by the Mercer Island PTA Council board of directors whereas
Washington State PTA Advocates

17:09

to ensure all children and youth have safe routes to and from school whereas we recognize
the potential benefits of

17:16

students using e-mobility devices including increased student mobility and Independence
as well as decreased

17:21

traffic congestion and carbon emissions whereas we are seeing an increase in the number
of students on Mercer Island

17:27

using emobility devices whereas medical professions are stated to recognize a severe risk
posed to our

17:33

children by unsafe use of immobility devices whereas our city and PTs are hearing great
concerns from parents and

17:38

caregivers about the unsafe use of e-mobility devices by students and whereas we do not
have detailed

17:43

regulation from the state legislator therefore be it resolved that the Mercer Island PTA
Council requests the city

17:49

without delay create a clear and actionable guidance for our community on the types of
emobility devices currently

17:54

available the laws regarding their use who can legally thank you you can leave a copy of
that with the city clerk uh

18:01

which we appreciate is there any other public comment there are no further speakers for appearances Mr Mayor okay

18:07

see no other further appearances for appearances move to our next item which is the consent agenda which contains AB

18:14

6572 November 1 2024 payroll certification certification of claims for November 1 and 8 2024 and

18:20

certification of electronic fund transfers for September and October 2024 city council special hybrid meeting

18:27

minutes of November 4 2024 AB 6573 second reading of ordinance number 24

18:33

c-16 related to the 2024 comprehensive plan periodic update AB 6566 Sound

18:39

Transit RightWay dedication and ab 6568 accessory structure agreement 3072 71st

18:46

Avenue Southeast Council may have a motion to approve the consent agenda as presented I moved second okay moved by

18:51

Deputy Mayor rosenbom seconded by council member Reynolds city clerk please tell the RO thank you Mr mayor council member

18:59

Reynolds hi Deputy Mayor rosenbom hi council member wer hi council member Weinberg I mayor

19:08

nce hi council member andraw hi and council member Jacobson I thank you Mr Mayor
thank you

19:16

our first item of regular business is AB 6571 the public hearing of the 2025 2026 B anual
budget this public hearing is

19:23

now open as of 6 5:18 p.m. individuals who registered with the city clerk's office before 4
p.m. today today may

19:29

make public comment on this agenda item you'll be called by name when it's your turn to
speak please speak audibly state

19:34

your name and city of residence for the record please limit your comments to three
minutes city clerk is there anyone signed up for the public comment that

19:39

wish address the council there was no one who registered to speak for the budget public
hearing Mr Mayor okay

19:44

seeing as there's no further testimony this evening the public portion of this hearing is
closed as a 5:18 p.m. Council

19:51

will be back later in the agenda to deal with uh address this regular item of

19:57

business our next item of regular business is AB 6575 public hearing on interim regulations
related to permit

20:03

processing in chapters 19.15 and 19.16 micc in ordinance number 24

20:09

C-17 this public hearing is now open as of 5:19 p.m. individuals who register

20:14

with the city clerk before 4 p.m. today may make a public comment on this agenda item you'll be called by name when it's your turn to speak please speak audibly

20:20

state your name and city of residence for the record please limit your comments to three minutes city clerk is there anyone for public comment tonight

20:26

there was no one who signed up to speak during this public hearing Mr Mayor okay as there's no further public testimony this evening the public portion of this

20:32

hearing is closed as of 5:19 p.m. Council will be back later and regular business to deal with this item our next

20:38

item of regular business is ab5 6576 public hearing for ordinance number 24 c-18 on interim regulations related

20:46

to the 2024 comprehensive plan periodic update and House Bill 1220 for affordable housing capacity requirements

20:53

and title 19 micc the public hearing is now open as of 5 9 p.m. individuals who

21:00

register with the city clerk before 4 p.m. today may make public comment on this agenda item you'll be called by

21:05

name when it's your turn to speak please speak audibly state your name and city of residents for the record limit your comments to three minutes city clerk is

21:11

there anyone signed up for public comment that wishes to address the council yes Mr Mayor okay please call the first Speaker the first speaker is

21:17

Tenley

21:25

Tobin welcome thank you um Tenley Tobin and my address is

21:31

19612 noreast 125th Court Woodville Washington

21:39

98077 uh I'd like to address the city council tonight in regards to the

21:45

revisions to the 2024 comprehensive plan specifically uh there's there were two

21:51

plans that were put forth plan a and and plan B and I just want to um

21:59

reiterate that I'm a property owner of the alandia center which is where the

22:04

island books is located and this property has been in my family for

22:10

Generations uh and the building was built in 1964 and it is obviously an older

22:18

building and uh we have kept it up however it is 60 years old and the

22:26

comprehensive plan is now making decisions based on uh building Heights

22:33

that could affect the profitability of or the feasibility of

22:39

Redevelopment my family is not planning on redeveloping this property at at this time or the near future but the

22:45

comprehensive plan is for 20 years and so whatever decisions you make on this

22:52

affects the future up to 20 years and you have presented a plan which is Plan

22:58

B which allows two extra stories for zone four and five and nothing for Zone

23:07

3 which is our where our property is located and there was another plan which

23:12

was plan a which allowed for one additional story for the entire uh Town

23:19

Center which seemed a lot more fair and Equitable uh I know I've read I've this

23:26

is something that's just come up to my attention mentioned yesterday so but I have read that your goals are to have a

23:34

tiered effect and a sloping effect and not to create Canyons but when you allow

23:41

seven stories to go down to one story because our property will never be

23:46

developed if we continue just to have a two plus one so now you're going to have these high buildings down to one that to

23:55

me is not a tiered effect plus you're going to create camp canyons and I worry that that this is is this really what

24:02

the community wants cuz I've heard that people do not want that Canyon effect

24:07

and I think your proposal in Plan B is exactly that and so I question why are

24:13

you doing that and because I can tell you our property which as I said is not going to be developed now but someday it

24:20

probably will I don't know when and you're eliminating that possibility for 20 years for us so I'm proposing that we

24:28

either are thank you for your comments thank

24:34

you is there any other F further two you if you have any written

24:40

comments you can leave them with the city Kirk three minutes tonight thank you the next

24:48

speaker is Colin scone

25:05

hi uh my name is col scone I live in Northeast Seattle lived in the Seattle area all my life I'm a local retail and

25:12

housing developer I have uh several close family members that live in the island uh and have lived there for some

25:17

upwards of 40 years we've been noticing that you guys have a comprehensive plan that uh allows for addal density in the

25:24

Town Center which we agree with uh the city is to looking to add additional density to facilitate development

25:32

however we are seeing that the density bonus increases the affordability requirements from 10% at 60% Ami to 15%

25:40

at 50% Ami neither of which has a tax exension which looks like it was voted

25:45

down several years ago uh we're we're thinking that this will make extremely hard for uh development on existing

25:53

property without Market rat Rising dramatically and over the last couple years that hasn't been happening so

25:58

we're seeing that um this will lead to lack of further development in the Town Center rather than further density as

26:04

you guys are looking for this also has decreased land values up to 25% uh

26:10

depending on size uh just by doing quick studies and doing the math on the actual rent studies to achieve further density

26:17

near the Light Rail station Town Center with corresponding appropriate retail square footage perhaps a reasonable uh

26:25

fee and Le of providing the housing on site such as what is happening in Seattle with mha would spur further

26:31

density uh this fee could be paid to ARS for the affordable housing either elsewhere or as a potential Standalone

26:37

product on the island uh this will be technically compliant under your affordable housing reserv or obligations

26:43

and it will give money to Arch which can actually create affordable housing in a market that a developer may not create

26:50

uh we're more than happy to uh reach out to you guys and figure out how we came to these conclusions if you guys are

26:56

interested and that's that's all I have for now thanks okay thank you city clerk

27:02

is there any other public comment there are no further speakers this evening Mr Mayor okay as there's no further

27:07

testimony this evening the public portion of this hearing is closed as of 5:26 pm. council will Circle back on this item later in the agenda our next

27:13

item of regular business is AB 6574 sound cities Association voting delegates for the annual meeting and

27:19

North Caucus meeting Council we need to select voting delegates to attend the sca annual meeting on December 4 2024

27:25

and the north Caucus meeting on December 13 201 24 thank you council member wer and council member weberg for

27:32

volunteering council is there a motion to appoint council members weberg as the voting delegate at the sca annual meeting on December 4 2024 and the

27:38

council member wer is the voting delegate in the north Caucus meeting on December 13 2024 so moved okay moved by

27:45

council member Reynolds SE seconded by Deputy Mayor rosenbom City cler please call the

27:51

RO thank you Mr Mayor Deputy Mayor rosenbom I council member Weinberg I

27:57

council member White hi mayor nice hi council member

28:03

Jacobson hi council member Reynolds hi and council member andraw hi thank you

28:09

Mr Mayor all right motion passes our next item of regular business is AB 6571 discussion on the 2025 2026 banial

28:16

budget Workshop third quarter 2024 financial status update adoption of budget resolutions and ordinances and we

28:22

Welcome Finance director Matt morning good evening mayor niece members of the council city manager Bond I'm Matt marck

28:29

your Finance director and welcome to the second and final public hearing for the 2025
2026 Bal budget review process Ben

28:38

Schumacher our financial analyst is joining us remotely tonight and he is going to steer our
slide deck next slide

28:46

please okay I'm going to work through 20 slides this evening starting with an overview of the
city's financials

28:53

through September 30th I'll also pause for questions after we get through the financial
status update then we'll

29:00

transition to reviewing the feedback that the city staff has received from the city council
over the um this past

29:07

fall related to the banal budget and then we'll transition to the remaining

29:12

components of the budget that we're looking to work with Council this evening to to finalize
and work towards

29:18

uh adoption um those include setting the property tax uh increases for fiscal

29:24

year 2025 um Council reviewing and approving the city's budget for regional dispatch

29:32

Services we're also uh put presenting for council's consideration tonight um

29:37

aligning the city's ambulance transports fees with our current service providers fees uh
which is Eastside fire and

29:45

rescue um and then we're have a handful of non-substantive changes to the city's

29:51

financial management policies for council's consideration I'm joined by uh

29:56

fire chief Ben Lane the city's leadership team and the city's Finance team which um we're we're happy to

30:03

answer your questions along the way next slide this is the uh very little

30:10

remaining schedule that we have left for the review and eventual adoption of the 2025 2026 Bal budget we've covered a lot

30:18

of ground SE we released the preliminary Budget on September 25th Council has

30:24

provided us input over the three budget workshops and we're going to go over shortly uh the input that we've received

30:31

to fine-tune the banal budget our goal tonight is just to put the remaining four components that I just mentioned in

30:37

front of the council so that we can aim towards incorporating that into the budget um for a potential adoption at

30:45

the first meeting in December next slide please okay we'll begin with the the

30:51

financial status update so this table is a summary of revenues and expenditures

30:56

for the city's general fund fund and the city's three utility funds the water sewer and storm water fund um from left

31:04

to right we have uh the First Column is actuals uh budget actuals for revenues

31:11

and expenditures for those four funds from January through the end of September of fiscal year 2023 as well as

31:17

the 2024 amended budget and those two columns are there for for comparison relative to the third column which are

31:25

budget actuals from through September setember 30th of this year the final

31:30

column Compares budget actuals for 2024 relative to the amended budget and so

31:36

from January through September of this year funds are performing as expected

31:42

when you compare budget actuals uh this year relative to 2023 Council will note

31:48

that revenues are slightly down in the general fund and expenditures are are up

31:53

and I'm going to go into uh this shortly um the utility refunds are within budget

32:00

expectations revenues are tracking where they need to be and they are up relative to 20203 due to rate increases for the

32:09

city's utility rates that went into effect January 1st of this year as well as a higher level of Interest earnings

32:15

than we anticipated across all the city's funds including the the utility funds Utility Fund

32:22

expenditures are tracking with budget expectations if you look at the bottom row far right corner you'll notice that

32:29

the um budget actuals relative to the amended budget is somewhat low at 37%

32:35

and and there's there's reason for that and when we adopted the 2023 2024 banal

32:42

budget staff assumed that we would go out and issue debt in the fall of 2023

32:49

to support the significant Capital work underway for the city's water utility as

32:55

the council's well aware we we did a cash flow analysis and we're able to delay that debt issuance 12 months we

33:02

just sold limited tax General obligation bonds this this past October and so

33:08

there was no principal and interest payments that were incurred over this past year so that explains in part why

33:15

expenditures are low um through September of this year but there is significant work underway in the capital

33:22

program if you compare the budget actuals this year relative to 2023 you'll not Noti that there's about a \$4

33:29

million increase in expenditures if you just take for example the water utility

33:34

um for January through September end of September of this year we've spent \$3.7 million more than we did in the prior

33:42

year next slide as I mentioned earlier uh general

33:48

fund revenues are down and that's solely due to the change in from acral based

33:54

Gap accounting to cash based accounting as defined by the state auditor's office

34:01

this change went into effect in January of this year and uh it only affects the

34:08

timing of revenues it doesn't actually affect the the amount of Revenue that the city brings in so if you set January

34:13

aside from February through September this the city's General primary revenue

34:19

streams in the general fund are healthy sales tax is tracking with the revenue

34:24

levels that we experienced in 2023 um and as the council is aware that was a historic level of Revenue um

34:32

permit revenues are also performing well through the end of September we can tie

34:38

\$1 million specifically to uh the rep permitting work for a mixed use project

34:44

in the town center and as I mentioned earlier interest earnings through the third quarter in the general fund amount

34:50

to 1.8 million which is \$100,000 more than 2023 and 2023 was a was a record

34:57

year for for the city in interest earnings that's primarily due to two reasons first the um City's average

35:04

30-day yield on our investments from January through September has averaged 5.38% in the local government investment

35:12

poll and second uh earlier in the year the city's contingency fund um meet met

35:20

its Target funding threshold and so all of the interest earnings on the

35:25

principle related to the contingency fund has remained in the general fund per the city's financial management

35:31

policies next slide at the end of the third quarter um

35:38

we aim to see we like to see expenditures tracking at about 75% of

35:44

budget which which makes sense given that we're three qus of the way through the year at the end of September general

35:51

fund expenditures are at 72% if you look at the very bottom row far right corner

35:56

of this table um and so they are tracking within budget expectations I will note that the

36:04

expenditures in 2024 relative to 2023 are are higher in the general fund um by

36:12

amount of 4.7 million dollar compared to to 2023 um and that's due to a handful of

36:19

factors but mainly the city council has very diligently set aside \$3.4 million

36:25

in one-time um Savings in the general fund into the municipal facility

36:31

replacement fund a fund that is uh essentially set aside established to set

36:37

aside resources to address the long-term facility needs um with the closure of

36:42

City Hall the first of three payments from the city to Eastside fire and

36:49

rescued for one-time transition costs associated with this new partnership has also gone out this year it's about

36:55

\$400,000 um so that is also a one-time cost that that is uh worth noting and finally um

37:04

employee compensation costs have increased at the beginning of 2024 we saw a

37:10

6.5% increase a cost of living adjustment uh per the city's collective

37:15

bargaining agreements and as the council is aware in June of this year the the council passed a classification and

37:22

Compensation Plan a whole new framework for compensating nonre uh unrepresented

37:28

employees in the organization and so that plan went to effect on July 1st so we are tracking uh employee compensation

37:35

costs much higher in 24 relative to 23 I just want to make a note that in the

37:41

agenda Bill we referenc that um the one-time transition cost \$1.24 million

37:47

that the city agreed to with Eastside fire and rescue uh when we transition to this Regional partnership um we

37:54

explained in the agenda bill that those payments were going to three payments were going to go out before the end of

38:00

this year and that was incorrect I just want to set State on the record per the

38:05

agreement with Eide um we've established the uh payment plan that four three

38:11

payments are going to go out the first one out in 2024 and the remaining two payments will go out one in 2025 and

38:17

then the final third payment in 2026 next

38:23

slide are there any questions on the the financial status update any questions

38:29

NOP not seeing any thank you thank you next slide next few slides are just to

38:35

Briefly summarize the feedback that the staff team has received from Council regarding the preliminary budget next

38:45

slide excuse me when the preliminary budget was

38:51

published at the end of September it it was very much a working document and so

38:56

over three meetings the city council has has asked questions has weighed in and has adjusted the

39:03

two-year budget this slide highlights some of the the changes that have been made over those workshops which include

39:11

uh policies uh to reduce retail crime um in collaborations with Partners in the

39:16

region um the council has also invested \$500,000 of one-time resources on a

39:23

handful of initiatives one being uh the development of a Fe inl program and

39:28

accelerating work on that to fund affordable housing both on the island and within the region staff is also

39:34

going to draft the first phase of an electric vehicle infrastructure plan on

39:40

the island um leveraging outside funding thank you ali um leveraging

39:47

outside funding um with resources that the council has uh also set aside and

39:53

we're also going to work to improve digital accessibility for Americans with Disabilities related to the information

40:00

that the city posts on the city web and our our media Outlets as well Council

40:06

funded two limited term positions um to

40:12

help address this significant work underway to improve the water distribution system that was a very

40:19

strategic use of those resources and I would be remiss if I did not mention that council members read the banial

40:25

budget from cover to cover we very much appreciated the effort that the council team put into this work and

40:33

um council members identified minor errors um along the way and so thank you

40:38

from the staff team we're going to um address those errors and make sure that that we uh tighten up the the final

40:44

budget that we present to the council at the first meeting in December next slide

40:49

so overall the feedback uh from the city council improved the biannual budget and really provided the staff team with the

40:57

resources that we need to see through um significant work over the next two years

41:02

next Slide the final section of our slide

41:09

deck is to review the remaining content components of uh the banial budget

41:16

starting with property tax every November property tax

41:22

ordinances are presented to the council for your uh consideration your review and adopt

41:27

option by way of background cities uh can increase their their property taxes

41:33

by 1% each year or by the implicit price deflator whichever is lower and so the

41:39

maximum threshold that we can increase property taxes in 2025 is

41:44

1% state law requires that um all cities in King County must submit their their

41:51

2025 property tax levy estimates to the assessor's office before November 30 and

41:57

so this table shows the the 1% increase um as estimated for 2025 relative to

42:05

2024 for both the regular Levy and the 2022 Parks Levy that was reapproved in

42:13

in November 2022 next slide similarly the uh Regional Public

42:20

Safety emergency dispatch provider norcom adopts their annual budget in

42:26

December and uh all partner cities must affirm their their 2025 contribution

42:31

levels before the end of November and so the city's uh budget allocation for um

42:37

norcom in 2025 is just under

42:43

\$698,000 this is already built into the preliminary budget um and and the

42:49

council May note that this is a a notable increase relative to what our contribution was uh in 2024

42:57

um and that's for a handful of reasons first there was no increase between 2023

43:03

to 2024 so this is essentially is a a two-year rate increase also norcom has

43:09

signaled to their to their partner agencies that they they brought on two new positions and that they're planning

43:15

long range strategic planning work in 2025 next

43:22

slide an additional component for council's consideration tonight is to update the ambulance transport fees that

43:29

are charged on Mercer Island so that they align with the fees that are charged by our service provider Eastside

43:36

fire and rescue Council last updated our uh

43:42

policies and our fees in 2021 based on a regional market

43:47

assessment and uh in collaboration with um the East Side Fire and Rescue uh

43:53

leadership who was serving as in an interim role at that time and we really intended to improve the

44:00

administration of these fees and and to just make sure that we were recouping the costs uh for these services and so

44:07

the council established a financial forgiveness program we put measures in place to ensure that we were equitably

44:15

enforcing the program and we tied the fees to an annual escalator Medical

44:21

Care CPI all of which is has been determined um to be standard practices within the industry next

44:30

slide Eide began providing um emergency medical transport services on Mercer

44:37

Island in January 2024 and although East Side provides the service Council has

44:42

the discretion over the fees that are charged for transports originating on Mercer Island and so we have recognized

44:52

through this year and given this is the first year of our partnership that having two sets of fees

44:57

complicates the tracking and the charging for these Services um and it it

45:03

lacks consistency in continuity in the service delivery and so resolution

45:09

1666 looks to align Mercer Island's fees with Eid fees for fiscal year

45:15

2025 which would result in a base fee of \$1,323 for a transport and a per mileage

45:22

fee of \$244 the intent here is to recover costs

45:28

from Medicaid Medicare and and private insurers this uh adoption of resolution

45:35

1666 does not in any way affect the financial forgiveness program that will remain in place next slide

45:44

please final final component here uh that before the council this evening is to update the city's financial

45:50

management policies this is a living document that we strive to update when

45:56

there's changes to the city's financials over time and so these are non-substantive changes we're we're just

46:02

looking to include the two additional new funds that have been established per Council Direction the as I mentioned

46:09

earlier Municipal facility replacement reserve and a new special Revenue fund

46:14

that will go into effect January uh next year um for the community Planning and Development Department the development

46:21

services fund and finally there are a handful of references in the finan

46:26

financial management policies um to the city's chart of accounts with the

46:32

transition in January of next year to new financial management software the city is also implementing a a brand new

46:40

um fantastic new chart of accounts we're very excited about this so um that also

46:46

includes um some of the revisions to the financial management policies next slide

46:52

please once we incorporate the feedback that we received from the city council this evening um we will return at the

46:58

first meeting in December for Council to consider adoption of the 2025 2026 biannual budget and the 2025 Master Fee

47:06

schedule next slide these are the five recommendations

47:11

uh from the agenda bill this evening for council's consideration we can return to this

47:17

slide if uh for reference as required um with that uh we will go ahead and stop

47:23

sharing the slide deck and open it up for questions thank you Ben okay thank you uh and first let me just start by

47:29

thanking you and the staff for your work on this it's been a huge lift and we appreciate the efficiency in which

47:35

you've moved through it and also the support of the rest of the staff teams that come together to to produce a by

47:41

any budget uh Jake Jacobson council member Jacobson I'll turn it over to

47:48

you yes I gotta see if I'm on mute or not no you're good okay uh my question

47:54

relates to slide 14 and uh while you're recycling back to

48:00

that um I share the mayor's uh Commendation for the work that's uh

48:06

taking place to get this budget together so can you bring up slide 14

48:13

please sure they're working on that council member okay

48:29

is that the slide you're looking for yeah and my question is what is the basis for the determination of Mercer

48:35

Island share of norcom fees is it population based is it based on

48:40

something else I'll uh invite our Deputy uh Finance director lean Tuttle to weigh in

48:47

um but um the way I've come to understand it is it's predominantly based on the number of calls and a

48:55

historical aggregate of the the number of calls for each jurisdiction that informs the fees for the upcoming

49:04

year okay is that person going to come on or is that you're gon to get back to me on that uh Lan tuttle your Deputy Finance

49:12

director I can just confirm what Matt said the norcom rates are distributed based on a rate model that norcom has

49:18

devised and it's primarily based on cost for service by each jurisdiction so that's our share based

49:26

on calls or dispatches through nor okay excellent any other questions I

49:34

have another question mayor when it's my turn again okay nobody else is on Deck so go ahead uh with respect to

49:41

development services fund is that would you please describe how that how that

49:48

gets funded and what it's for please sure I um just gonna reference my notes

49:58

specifically on that fund so the development services fund is a special Revenue fund where we are tracking all

50:06

of the revenues and expenditures associated with the community Planning

50:11

and Development dep Department's operations so the revenues that are coming in to the development service

50:17

fund are entirely tied to permit related

50:23

work the expenditures associated with that fund include permit related work as

50:29

well as the additional services that are non-permit related provided by Community

50:35

planning and development for example longrange planning and so we anticipate

50:40

in 2025 for example that there is going to be a total of \$4.2 million in

50:47

operations in the development services fund 2.8 million associated with permit

50:52

fees about 500,000 that's associated with land use fees and then the the

50:59

balance of that which is about \$900,000 is non-permit related work that will be

51:04

covered by a subsidy from the general fund so the this is uh aligns with the

51:13

the the previous practice that we've had in place with within the city's Financial

51:18

operations all of the revenues and expenditures that were associated with Community Planning and Development were

51:24

previously nested in the general fund we're pulling those out and separating them um into this this new fund it's

51:31

just going to allow for cleaner accounting it's going to allow for the development of an operating Reserve that

51:37

will help um bolster the CPD Department's operations when there's

51:43

economic downturns and it'll allow us to more cleanly track the general fund subsidy the amount of money that the

51:49

general fund is committing to non-permit related Services each by anym

51:56

thank you okay Council any other dis questions not seeing any uh council is

52:02

there a motion to adopt ordinance number 24-9 appropriating funds and establishing the amount of property tax to be levied for fiscal year 2025 so

52:10

moved second okay moved by council member Reynolds exed by deputy mayor rosenbom council any

52:15

discussion okay City cler please call the R thank you Mr mayor council member

52:22

Weinberg I Deputy Mayor Rosen bom hi council member Jacobson

52:31

abstain council member wer I council member Reynolds I mayor nice I and

52:38

council member andrw I thank you Mr Mayor okay motion passes next is there a

52:44

motion to adopt ordinance number 24-20 establishing the dollar amount in percentage increases for the regular

52:49

property tax levy and the levy lid lifts for fiscal year 2025 so moved second okay move by by

52:56

Council mayor Reynold seconded by deputy mayor rosenbom council any discussion not seeing any city clerk

53:03

please call the RO thank you Mr Mayor Marin hi Deputy Mayor Rosen bomb hi

53:10

council member Reynolds hi council member Jacobson

53:15

Iain council member andraw I council member wer I and council member Weinberg

53:22

I thank you Mr Mayor thank you a motion passes the next motion is adoption of resolution number 1665 approving norcom

53:29

2025 budget allocation to the city of Mercer Island is there a motion so moved okay

53:35

second moved by Deputy Mayor rosenbom seconded by Council mayor Reynolds any discussion C clar please call the rooll

53:43

thank you Mr mayor council member wer I council member Weinberg I mayor nce I

53:49

council member Jacobson hi Deputy Mayor Rosen bomb hi

53:55

council member andraw I and council member Reynolds I thank you Mr Mayor thank you motion passes

54:01

council is there a motion to adopt resolution number 1666 updating the city's ambulance transport fees to align

54:06

with East Side Fire and rescues ambulance transport fees for fiscal year 2025 so

54:11

moved second okay moveed by Deputy Mayor rosom seconded by Council mayor Reynolds any

54:17

discussion city clerk please call the RO thank you Mr mayor council member andrw

54:22

hi mayor nise hi council member Jacobson hi council member Weinberg I council

54:29

member Reynolds I Deputy Mayor rosenbom hi and council member wer I thank you Mr

54:35

Mayor thank you motion passes lastly is there a motion to adopt

54:40

resolution number 1667 updating the city's financial management policies to incorporate policy and or administrative

54:46

decisions from the previous year so move second okay move by Deputy May rosenbom seconded by councilman Reynolds any

54:53

discussion not seeing any city clerk please go thank you Mr mayor council member wer hi

55:00

council member Weinberg hi Deputy Mayor Rosen bom hi council member andrw hi

55:07

mayor nce hi council member Jacobson hi and council member Reynolds hi thank you

55:13

Mr Mayor thank you all right that motion passes our next item of regular business AB 6575 discussion of interim

55:19

regulations have a my hands raised now oh I'm sorry C M Jacobson yes I'd like

55:24

to change my vote on ordinance 24-19 from abstain to

55:36

I 24 yes so noted okay city clerk has

55:42

noted that changed anything else council member Jacobson I know right now okay

55:48

our next item of regular business is AB 6575 discussion uh interim regulations related to permit processing on chapters

55:54

1915 and 19.6 micc ordinance number 24 C-17 and we welcome CPD director Jeff

56:01

Thomas welcome thank you mayor good evening um for the recer Jeff Thomas

56:07

with planning joining me here on video is uh senior planner Molly Maguire and I

56:12

will note we do have a couple other staff and attendance here tonight that um may be called upon uh to help answer

56:19

any questions that you may have as this was uh this effort that we're about to run through with you here was truly a

56:26

group effort in the department with most of our planners and permit Center staff

56:31

uh contributing to um not only getting the interim regulations pulled together for your consideration here this evening

56:39

but also the uh implementation that's going to be following uh with the uh the Practical

56:45

roll out of um what's in these regulations and how it will interact with customers moving

56:52

forward um with that uh before I turn it over to Molly she has 16 or 17 slides um

56:59

I'll ask for your uh patience here as Molly Works through the material we have not had the benefit of having a um a

57:08

study session or discussion with you here in the last number of weeks leading up to the evening um but the good news

57:15

is is that council did pass actually um a large portion of these interim

57:22

regulations already back in July 2023 and then um the final piece of the puzzle with

57:28

Senate Bill 5290 uh implementing the state legislation and being in compliance with it is um section seven

57:36

which uh needs to be um we need to we like all other jurisdictions need be in

57:42

compliance by the end of this year so uh essentially in a nutshell what we're

57:47

doing here this evening is we're bringing to you a package of um interim regulations that will roll the existing

57:54

Senate bill of 5290 interim regulations again originally adopted by Council in

57:59

July 2023 together with uh the final piece of the puzzle which is compliance with

58:05

Section seven of that bill so then we will have one complete package of interim regulations so the city will be

58:12

in compliance with SB 5290 uh prior to the final deadline here at the end of the year and with that I

58:19

probably talked through Molly's first three slides U but I'll turn it over to Molly and uh I'll ask her to maybe just

58:26

quickly run through that again in case uh it didn't make complete sense to me I'm sure Molly will make complete sense

58:31

so Molly uh take it away thank you thanks

58:38

[Music] Jeff um so as Jeff said the purpose of

58:43

this presentation is to hold the first reading of ordinance number 24 c17 um to

58:49

amend sections of the code to comply with Senate Bill 5290 um and adopt the work plan for establishing permanent

58:55

regulation s um so as Jee said you've already seen

59:01

portions of the Amendments back in July of 2023 when in regulations were enacted

59:07

to amend the code to comply with the portions of uh 52 and 90 that went into effect um in July of

59:15

2023 um so uh we need to further amend uh the code to comply with Section seven

59:22

that goes into effect on January 1st

59:28

as a quick refresher um ordinance number 23c -10 included amendments to comply

59:35

with three sections of 5290 that were effective in July of 2023 um none of

59:41

these previously adopted adopted inter regulations have changed in this new ordinance um so section one resulted in

59:49

amendments to exempt interior alterations from site plan review and to

59:54

add a definition of interior alteration ation to our definition section um section five amended the RCW

1:00:01

definition of project permit application which I'll touch on a little bit more um

1:00:07

and section six resulted in amendments for clarifications to the determination of completeness criteria um so again

1:00:15

none of these Amendments have changed and they're just all rolled into this new

1:00:21

ordinance um so like I said the RCW definition of project per permit

1:00:26

applications has changed slightly um this definition is important because it determines what types of review are

1:00:34

subject to the determination of completeness standards and the new maximum review timelines which we'll

1:00:40

talk about in a couple slides um you may notice that building permits were removed from this definition of project

1:00:47

permit but in the proposed amendments to the code uh building permits are subject

1:00:52

to the determination of completeness and maximum review timeline standards um so we did this based on guidance from

1:00:59

the Department of Commerce as well as legal counsel to take a more broad approach to which permit types are

1:01:04

subject to these requirements um until further clarification is provided so going forward building permits are

1:01:11

considered to be project permit

1:01:16

applications so now we'll get into the new interim regulations which are necessary for the city to comply with

1:01:22

Section 7 of 5290 again effective on January

1:01:30

2025 uh so the most substantial change to the land use review type section is the reformatting of the tables for

1:01:37

review types and review processing procedures into four Separate Tables broken up by type
um these no tables

1:01:44

outline the review process for each specific application type and reflect the determination
of completeness and

1:01:50

review timelines required uh for project permit based on the definitions that we

1:01:55

discussed earlier and also included in the these amendments to the section is the removal

1:02:00

of the existing footnotes and integration of these footnotes into the table where applicable
um and then

1:02:05

removal of the term Single family from non- major and major single family building permit
applications since these

1:02:12

review procedures apply to all building permits Molly can I interrupt you for a quick
question from council member

1:02:18

Jacobson yeah actually uh let me hold on I'm not sure I want to ask it please let

1:02:24

her finish okay maybe provide what has

1:02:30

say um so the review procedure section was amended to establish the maximum

1:02:35

review timelines for each permit type uh with type one and two permits allowing 65 days for
review type three 100 days

1:02:42

and type four 170 days um these timelines are the default timelines outlined in section 7 of

1:02:49

5290 and then this section also exempts nine of our 47 permit types which we

1:02:54

found do not meet the definition of project permit application um so the applications listed on the side over

1:03:00

here are not subject to the determination of completeness or review timeline

1:03:08

requirements the review procedures were also amended to establish the penalty for exceeding the maximum review

1:03:15

timelines which depend on the amount of time exceeded uh summarized in the table there um a discussion of streamlining

1:03:24

options was included in the agenda bill um to quickly summarize here if the city were to implement three out of the 10

1:03:31

options it would be exempt from this penalty and wouldn't need to refund or discount permit fees um in the review if

1:03:37

the review timeline was exceeded so an analysis of these options is included in the work plan for developing permanent

1:03:44

regulations um so it's something that staff will look into to determine if any of the options are feasible for

1:03:50

implementation

1:03:55

the application requirements were amended to convert the list of minimum requirements for a complete submittal

1:04:02

into a table which outlines submittal requirements by permit type and it also includes a few additional submittal

1:04:08

requirements like the project narrative and Code Compliance Matrix um shown in the image on the right um and you can

1:04:15

find the that whole table in the ordinance and the determination of

1:04:22

completeness requirements were amended to establish procedures for if an applicant is non-responsive for more

1:04:28

than 60 days it also establishes what non-responsive means um and where the

1:04:33

city um so this is where the city may add an additional 30 days to the maximum review timelines um if an applicant is

1:04:40

non responsive for more than 60 days and lastly the definition section

1:04:46

was amended to again remove the term Single family from the definition of major single family dwelling building

1:04:52

permit for consistency with the land use review app

1:04:58

ations um so here we have the work plan which includes technical analysis Planning
Commission review and city

1:05:04

council review and approval and finally the next steps to include the uh second reading to

1:05:11

schedule the second reading for December 3rd and develop uh permanent regulations so
that's the end of the presentation

1:05:18

and uh we're happy to answer any questions okay thank you for that councilor are there any
questions

1:05:25

all right I'm not seeing any council is a motion to schedule ordinance number 24 C-17 for
second reading and adoption on

1:05:32

December 3 2024 so moved okay is there a second second all right moved by Council

1:05:38

Reynold seconded by council m Weinberg is there any discussion not seeing any c clerk
please

1:05:44

call the RO thank you Mr mayor council member

1:05:50

andrw I council member Jacobson hi Deputy Mayor Rosen bom hi mayor nce hi

1:05:57

council member Reynolds hi council member Weinberg hi and council member wer hi
thank you Mr Mayor thank you our

1:06:05

next item of regular business is AB 6576 discussion first reading of ordinance number 24 c-
8 on interim regulations

1:06:13

related to the 2024 comprehensive plan periodic update and House Bill 1220 for

1:06:18

affordable housing capacity requirements and title 19 micc and we welcome back uh

1:06:24

CPD director Jeff Thomas thank you again mayor uh joining me for this item is senior planner Adam Zach

1:06:30

who just popped onto the screen Adam has a uh a short

1:06:35

uh six slide presentation I believe that he's going to walk through in just a moment uh before he does that I would

1:06:41

like to note a couple of things uh and also just uh provide brief responses to

1:06:46

the public comments that you received the uh a short time ago for the public hearing um council did have a study

1:06:53

session on this subject on October first uh about six weeks ago now and did

1:06:59

provide direction to staff uh which is in essence the ordinance that's been brought back for your consideration here

1:07:05

this evening that was subject to the public hearing a few minutes ago um the two public commentors um I would just

1:07:12

like to note the first public commentor uh was referring to plan a or Plan B I'm not exactly sure what the language was

1:07:20

but um it her comments did refer specifically to um option A and option B

1:07:26

that were presented to the Council on October 1st and after consideration and

1:07:31

discussion of those options staff was directed to proceed with uh developing an ordinance that would um bring option

1:07:39

b forward um so that was the first public commenter the second public commenter did reference um possible

1:07:46

development of a fee incl of option um that is exactly uh what we're going to

1:07:53

be doing and Council asked us to um I believe it was at the last council meeting there was a motion where um

1:08:00

during uh your budget deliberations uh for the city to work on the fee and L of option uh moving

1:08:07

forward here in 2025 so we will be working on that in fact as part of the CBD work program next year and I believe

1:08:14

we'll be coming back to council around the end of the first quarter of 2025 to uh report on our progress and uh

1:08:20

hopefully uh give Council some information um for further Direction to receive further direction from you so

1:08:28

with that um I'm going to turn it over to Adam here and he's going to take just a few minutes to run through the slides

1:08:33

and then it'll be back over to the council excellent thank you thank you just get my screen shared

1:08:45

here um so um I just wanted to start and run

1:08:51

through some background um really quick here so so as you'll remember um this

1:08:58

this issue first came about when the um the Washington State Legislature enacted

1:09:04

House Bill 1220 in 2021 and that bill requires cities and counties to plan for

1:09:09

housing to accommodate its forecasted households in all income segments um

1:09:15

which was a a change to the GMA requirements for how we how we need to

1:09:20

plan for housing during the comprehensive plan periodic review the City conducted re um some analysis based

1:09:29

on guidance from the Department of Commerce and in that um in that analysis

1:09:35

uh we identified a need for 143 additional or sorry a need for capacity

1:09:42

for 143 additional multifam and mixed use housing developments um that policy

1:09:49

um policy Direction regarding that um capacity change was included in the comprehensive plan uh periodic review

1:09:57

the updated housing element that was um adopted earlier tonight um included that

1:10:02

policy direction from there um that that brought us to October 1st of this year

1:10:10

um when we presented some different options for the council to consider um

1:10:15

for um making those code amendments to achieve that or um to implement that

1:10:21

policy Direction in the comprehensive plan um so on October 1st you reviewed

1:10:28

those options and provided um staff with direction to uh come back with an

1:10:34

ordinance that achieved um with an interim ordinance rather to achieve um

1:10:39

three specific things um increase the maximum Building height in the tc5 tc4

1:10:46

and tc4 plus sub areas of town center increase the required percentage

1:10:52

of affordable housing in new development in town center and then also deepen the affordability requirement um for those

1:10:59

affordable housing units we'll look at how the the ordinance does those three things here in the next few slides to

1:11:06

start with the increase in Building height that was directed um this is the map on the screen here on the right is

1:11:14

uh the north end of town center um the area outlined in purple currently allows

1:11:21

uh for five stories uh maximum Building height um the ordinance would increase

1:11:26

that from five stories to seven stories and then the area outlined in Orange on the map um currently uh allows for a

1:11:35

maximum Building height of four Stories the proposed ordinance would increase

1:11:40

that to five stories maximum and with that the some of the sub areas will be

1:11:45

renamed though the boundaries on the map won't be changing and so tc5 would

1:11:50

become tc7 um to reflect the maximum uh seven stories

1:11:56

uh tc4 would become tc5 to reflect the maximum Building height of five stories

1:12:03

and then tc4 plus would become tc5 plus again that maximum Building height

1:12:09

though is uh is uh seven stories so that's how the height portion of 24 c18

1:12:16

would work the next piece of the um ordinance

1:12:22

is um adjusting the affordability requirements so under the existing code

1:12:27

in the Town Center new development in any building taller than two stories must include 10% of the affordable units

1:12:36

uh sorry 10% of the housing units as affordable housing units and within

1:12:41

those affordable housing units they need to be um affordable to households

1:12:47

earning 60% of the area median income for rental housing and 90% of the area

1:12:53

median income for owner OCC occupied housing under the proposed regulations

1:12:59

in 24 c18 um new development taller than two stories would be required to have 15% of

1:13:06

its housing units be uh affordable housing and in those affordable units

1:13:12

they would need to be affordable at 50% of the Ami uh for rental housing and 80%

1:13:19

of the Ami for owner occupied housing um

1:13:25

looking ahead at the next steps for this um tonight we con concluded the public hearing and this is the first reading of

1:13:32

the ordinance um we're asking you to set a second reading of the ordinance for December 3rd um and then as a reminder

1:13:39

these are interim regulations um and so the second half of this will be

1:13:45

developing permanent regulations um to replace these interim regulations and a

1:13:50

project to develop those permanent regulations will be added to our CPD work plan um following adoption of the

1:13:57

ordinance um and that concludes my presentation if you have any other

1:14:03

questions I'd be happy to answer those now okay thank you for that Council any

1:14:10

questions not seeing any question Council

1:14:16

weberg so uh we heard some concern raised at the uh appearances regarding

1:14:22

the likely uh velopment outcomes of choosing option b over option A and

1:14:30

option b was something that I believe if I'm reading the minuts correctly from uh

1:14:35

October 1st that we passed unanimously um I believe the motion was originally made uh by mayor n aour if

1:14:42

you'd like to uh share uh what some of the reasoning was uh for choosing option

1:14:47

b over option A and what some of the trade-offs were uh to respond to the uh

1:14:52

concerns raised sure um so you know the the issue with Town Center is that uh

1:15:00

we're not allowed to take a sub area and just pick the winners and the losers so

1:15:06

if there's a change in height between TC3 and TC3 is quite a large sub area of

1:15:12

town center it has to be applied equally within that sub area uh the density

1:15:17

requirements that we were looking for were hopefully closest to rail and mass transit which uh favored the sub areas

1:15:24

and TC North uh there was also development performers that were looked

1:15:29

at on properties that pencil out with the affordable housing requirements that were maybe a greater

1:15:37

density and greater marketability in the north side of town center so we looked

1:15:42

at uh how do we create the capacity that is required by House Bill 1220 in a way

1:15:47

that it was reasonable to create the affordable housing units that Mercer Island has been tasked with developing

1:15:53

over the next 20 years and then the council had a discussion about looking at a quarter along 80th Avenue which

1:15:59

would include portion of sub area TC3 to upzone to increase some density again

1:16:05

closer to rail and walkable to jobs and so while there were some public

1:16:11

content public con comment about how this may or may not affect development

1:16:17

patterns and practices over the next 20 years and lock in decisions I have no doubt that in the 5-year gmpc checkin as

1:16:24

we look at the strategies and the accommodations that have been put in place to develop the required units in

1:16:30

hospital 1220 that certainly is not the case and that the council is going to be consistently looking at this

1:16:37

beginning with TC3 sub area on the 80th Corridor between um 28th and 29th I

1:16:43

think maybe is so um I hope that addresses that yeah so it sounds like it

1:16:49

it's not like we don't get to look at this again for 20 years there's uh a chance to look at it every year in the

1:16:56

uh the annual docket if we want to or there's also a review at five years when we have kind of a an assessment of uh

1:17:04

how it's going is that right that's right and you know we expect st2 line to start running hopefully in

1:17:10

2025 there's some ambiguity about the westbound route uh when that would come

1:17:15

into service but Eastbound at least and so as we look at light rail coming online and you know ridership increasing

1:17:23

and looking at development patterns of around that I think we would be hopeful that we'd be looking at this quite often

1:17:30

thank you council Reynolds just a quick question for the city manager need a reminder on this um obviously the the

1:17:37

comments We Got Tonight were Fair fairly late in the process after we've been talking about this for quite a while and

1:17:42

just made me wonder what was our public communication process about the potential comp plan changes in

1:17:50

particular as they went to nonresident owners of Island Property

1:17:58

he Jeff could you take that question for me please yeah um council member rolds we

1:18:05

we outlined um a public participation plan back at the original scope of the comprehensive Plan update in

1:18:11

2022 uh for the council we'd be happy to refurbish the council with a copy of that um on the heels of this meeting so

1:18:18

you can see that uh again um the um in

1:18:24

regards to to this particular ordinance that's before you tonight um we began

1:18:30

the conversation about this back in September when the council went through

1:18:35

and was uh contemplating some amendments to the council portion of this

1:18:40

discussion started in September when you were contemplating some amendments to the draft comprehensive plan that was

1:18:47

delivered uh by the Planning Commission uh to you with their recommendation and then uh that segue in

1:18:54

to the October 1st council meeting where there was a public discussion about this um we went through the

1:19:02

30-day uh comprehensive plan public review period on the city council

1:19:07

version of the draft comprehensive plan in October and uh that brings us more or less to this

1:19:15

evening so C can you you know I appreciate sharing the communication plan and I apologize for my poor memory

1:19:21

on remembering but was there a part of the plan that that you know targeted people who don't live here but do own

1:19:27

property can can I ask what you mean by targeted are you asking did we mail something to addresses that how would

1:19:34

somebody find out I guess is in effect the question well they would find out across our Communications channels so

1:19:41

social media updates council meeting updates public hearing notices okay thank you okay all right

1:19:49

council is there a motion to schedule ordinance number 24 c-18 for second reading and adoption on December 3

1:19:56

2024 so I moved second okay moved by T rosenbom seconded by council member Reynolds Council any

1:20:03

discussion okay city clerk please call the RO thank you Mr mayor council member

1:20:11

Jacobson council member is your microphone touching your laptop

1:20:17

hi thank you council member Jacobson council member andrell hi council member

1:20:23

wer hi Deputy Mayor rosenbom hi council member Weinberg hi council member Reynolds hi

1:20:31

and mayor niece hi thank you Mr Mayor all right motion passes our next item of regular business is AB 6557 the 2025

1:20:37

State Legislative priority adoption and we welcome management analyst robbing Robbie Cunningham Adams

1:20:50

welcome all right good evening Council Ali share the

1:21:01

PowerPoint great even Council again for the record my name is Robbie km Adams Senior Management analyst in the city

1:21:07

Manders office tonight we're going to be talking about the uh potential adoption of the 2025 State Legislative priorities

1:21:14

next slide please um a little bit of logistics so

1:21:21

the state legislative session in 2025 this year will be a long session this means uh 105 day session rather than the

1:21:28

short 60-day session that occurs in even years long sessions occur during the beginning of the state's two-year budget

1:21:35

cycle and include the process of adopting the 2025 to 2027 state budget

1:21:40

so while the exact dates of the session are not yet finalized by the legislature we do anticipate the session will start

1:21:46

on January 13th and hopefully conclude on April 27th next slide please so staff

1:21:52

and Council have already been doing a lot of work to get prepared for the session um so we've prepared for you

1:21:58

tonight the draft legislative priorities and strategy we've been reviewing the draft priorities from our other partner

1:22:04

associations such as Association of Washington cities Arch and the Washington Association of sheriffs and

1:22:09

police Chiefs uh We've also uh been in collaboration with AWC we've and

1:22:14

attended their legislative session preps uh and we're already reviewing proposed Bill language we've received a few that

1:22:21

we're currently looking at next slide please so the purpose of legislative priorities

1:22:28

are to allow the city and you Council to engage on issues with legislators directly quickly and efficiently and so

1:22:35

hope the hopefully this document will provide high level goals of the city and that allow us to widely engage with the

1:22:42

really specific language and Bill writing uh that we'll be working on in the coming months next slide

1:22:49

please um so the drafts State Legislative priorities are included in your packet is exhibit one um I'm not

1:22:55

going to go every every little line although we'll have the opportunity to do that later if you would like but I'm going to do a high kind of fly over of

1:23:01

the main themes um so next slide please first main bucket is uh kind of

1:23:08

our primary funding ask which is capital funding for the Emergency placement of the city's sole water source Council

1:23:15

you're well aware of this Summer's um water leak uh emergency we declared and

1:23:20

we're currently in the design phase of a new replacement uh water supply Pipeline

1:23:26

and we're hoping to seek \$3 million in state funding uh to support the costs of

1:23:31

that project um this we view this as really basic infrastructure this is

1:23:37

water this is our drinking water and sufficient water pressure for fire response um one thing I want you to be

1:23:43

aware of council is that in the recent November Financial forecast for the state budget they are forecasting a a

1:23:50

deficit um and a financial deficit at the state level is certainly a headwind against successfully securing State

1:23:56

funding um but we really believe especially this is basic infrastructure that um it's imperative that we ask and

1:24:03

seek as much help as we can get and because of the State financial situation we may want to consider you know that

1:24:09

this is our primary funding ask next slide please Public Safety um this is one of

1:24:16

our primary priorities and it's certainly going to be a primary theme of this upcoming session uh you know our

1:24:22

asks are focus on increased capacity um for the really the supply of police

1:24:27

officers and so increasing the capacity of our regional law enforcement emies and uh continue to increase support for

1:24:34

hiring City's hiring officers and adopting Public Safety Technologies um I know we're also really

1:24:40

excited to get the state to help us with more support on policy and funding for

1:24:46

reducing Auto and organized retail theft you know a big theme that we'll be championing certainly as a city is safe

1:24:53

state regulations for the safe and appropriate use of ebikes and E Scooters as well as U our continued um use of and

1:25:00

you know a regional provider of water safety um Public Safety resources next slide

1:25:07

please um we want to build on last year success on getting you know helping push

1:25:13

through increased fentanyl education measures and so we want to continue to get the resources that yfs needs um so

1:25:19

it's an increase in prevention and intervention resources targeting opats and other substance of abuse use and

1:25:25

expansion of Behavioral Health Services and expansion of our existing you know integrated Behavioral Health and first

1:25:31

responder crisis response you know what we heard from yfs is that we wanted the focus to you know on needs is on youth

1:25:37

young adults and seniors next slide please affordable housing uh housing and

1:25:44

land use is been recently a main theme of the legislative session we don't expect anything differently in 2025 so

1:25:51

we as a city continue to you know push for Transit Ed development um and it's

1:25:57

really important that these have affordability requirements you know similar to the measures we just discussed um in town center um you know

1:26:04

the integrated of the city's housing targets under uh hb220 um next slide

1:26:12

please uh building on something we started doing last year uh continuing to

1:26:18

Advocate with the legislature to focus Transportation funds first and foremost on preservation and maintenance of our

1:26:24

critical State infrastructure obviously I90 is really important to the city for

1:26:29

safety for Commerce and keeping it operational and reli reliable is probably our number one priority on

1:26:36

state infrastructure um so making sure that the legislators fully funding you know

1:26:42

those operations and you know critical maintenance on on those infrastructures and supporting us as a city as we help

1:26:49

maintain Transportation infrastructure next slide please lastly Council um we have a

1:26:55

really excellent climate action plan as a city and we want to kind of focus our ass at the state of policy and funding

1:27:03

that supports our implementation of our own goals in our climate action plan um

1:27:08

and what that document is super helpful in engagement with legislators um especially as we're

1:27:13

probably expecting some pretty complicated Bill language you know on climate and sustainability and that'll

1:27:19

give us a great kind of Base point to engage on next slide please

1:27:26

Council in your packet you probably noticed we included uh partner legislative priorities uh those from AWC

1:27:32

and Arch um we certainly you know participate in learning about and and shaping those priorities and we take

1:27:39

them to consideration when we develop ours those are there for your reference next slide please um tonight Council we're hoping

1:27:47

to adopt a final text version of legislative priorities um they don't worry they won't uh end as a boring Word

1:27:53

document will'll gloss them up a bit after the text is finalized hopefully tonight they'll look similar to the feel

1:27:59

of last year's legislative priorities which is in your packet um once they're

1:28:04

finalized by Council we're going to send send these far and wide so certainly they'll be on the website on our kind of

1:28:09

local on our City Communication channels we'll send them to the 41st legislative delegation and to other legislative

1:28:16

Partners in AWC um so final slide is you know a

1:28:21

suggested motion of adopting them I have the word document version of the legislative priorities if we want if

1:28:27

there's any suggested edits happy to take any questions okay I'll turn it over to council mayor Jacobs Well the

1:28:33

hand just went down all right uh Council any questions any discussion Deputy Mayor rosom yeah um council member wer

1:28:40

and I attended the uh AWC region 7 meeting yesterday um and this was a a pretty um it was interesting to hear

1:28:48

from a lot of cities about sort of what they're what they're expecting for the upcoming session as well as um you know

1:28:53

what what their uh challenges look like currently and um you know what they sort

1:28:59

of see is important and it feels like you know we we're in a we're in a pretty good um you know we have a lot of

1:29:06

company with a lot of these issues so I think there's going to be a lot of opportunity for uh collaboration um I

1:29:11

want to thank the staff in advance because it's going to be a long uh a long session obviously but uh I know we

1:29:19

appreciate all the work that you do to to to keep keep a breast of everything going on down there

1:29:24

um and give us the opportunity to engage with the right um stakeholders and and build coalitions so um thanks in advance

1:29:32

and let's hope the power stays on here yeah we're if anybody's Notting noticing the rush pcee because the power's

1:29:38

flickering and the batteries are beeping Council M Jacobson yes I'd like to commend the

1:29:45

staff for putting together I think a very good and focused uh um plan or or

1:29:52

want wish list uh to commit to the legislature and or to pursue it the

1:29:59

State Legislative level um there's one item in the AWC uh wish list the increase of the

1:30:07

automatic uh Levy lift from 1 to 3% that I think needs somewhat more

1:30:14

consideration because there's some uh ought and evidence of the proposition

1:30:20

that should cities decide to do the 3% they may have one all the time passing

1:30:25

levies for things like uh police and uh Public Works buildings and these kinds

1:30:31

of things so I I want to be of record my concern that we're careful not to be

1:30:38

willingly going along with tax increases when it's in our interest to be preserve

1:30:44

our ability to go to our citizenry for financing critical uh public facilities

1:30:50

financing which is only a matter of ton not it's it's it's when not

1:30:57

if okay I'm going on to haard a motion before we lose power here just to get this on the record so council is there a

1:31:03

motion to adopt the city of Mercer Island 2025 State Legislative priorities substantially in the form attached as

1:31:09

exhibit one AB 6557 so moved second moved by Council Reynold seconded by

1:31:14

Council Weinberg Council any discussion not seeing any clerk please call the rooll before we lose power

1:31:20

thank you Mr Mayor mayor nce I council member rold hi council member andrw hi council

1:31:27

member Jacobson hi council member Weinberg hi council member wer I and

1:31:34

Deputy Mayor Rosen bomb I thank you Mr Mayor all right motion passes thank you for that we now move to the business and

1:31:39

planning schedule we welcome C manager Jesse Bond thank you and uh Council I do want

1:31:46

to let you know we did just lose power but we are uh running on generator right now and I've confirmed that we are still

1:31:52

broadcasting uh I don't have a report tonight on the uh planning schedule let's proceed okay council member

1:31:59

reports Anthony report council member or Deputy Mayor rosom I have nothing to report Council M

1:32:04

wer nothing Council M wber yep so uh the k4c uh the Outreach

1:32:11

committee uh met on November 8th and the committee was delighted to hear about Mercer Island's receipt of \$100,000

1:32:17

grant for building our electric vehicle charging infrastructure plan there are likely several other small cities in the

1:32:24

county who will uh want to leverage our plan uh to build theirs I informed them

1:32:30

about our intended timeline and phased approach uh and there was some discussion about the Commerce

1:32:36

Department's next \$120 million of uh funding for EV charging infrastructure

1:32:41

now the climate commitment act uh has uh more life following the election uh

1:32:48

we're also going to be reaching out to the Electric Vehicle Commission on the

1:32:54

of the Commerce Department to work on getting more uh EV service equipment technicians trained at community

1:33:00

colleges and there were some discussion about the likelihood of the one initiative that passed uh passing in

1:33:07

court uh secondly we had an Arts council meeting in this room last night the Arts

1:33:12

Council agreed uh with the parks commission's uh uh recommendation that

1:33:18

the public art be included uh as an acceptable land use in the park zone the

1:33:24

Arts Council also recommended that the regulation of the installation of art pieces in the city remain with the Arts

1:33:31

Council rather than embedding that into development uh uh or zoning code development standards and the bul of the

1:33:38

meeting was uh spent reviewing the and prioritizing a list of uh 26 art project

1:33:43

ideas for the six-year plan which included ideas submitted by a community members and Arts Council Members and by

1:33:50

the staff and finally uh there's been a change location for my next uh monthly open brunch as uh Alister uh is no

1:33:58

longer open on Sundays we're going to try them again on Saturday uh in uh December but for the November brunch uh

1:34:06

it's going to be still on Sunday November 24th at 10: a.m. at the crawl space gastro pub uh as always all are

1:34:13

welcome uh it's an open Agenda you can discuss anything you want uh and all I

1:34:18

ask is that everybody uh show their respect to the chef by ordering some food and her beverage and let me know if you're coming so we can

1:34:24

uh reserve a large enough table okay thank you council member Reynolds report nothing to report council member

1:34:30

andal nothing to report council member Jacobson uh I'll make a report about

1:34:36

Sophia s uh Sophia Way's great success in finding housing for uh women uh at

1:34:44

the next meeting rather than take the time on our batter right now okay thank you the next meeting this the next

1:34:50

hybrid meeting of the city council is scheduled for Tuesday November 19 2024 at 5:00 p.m. the time is now 6:33 p.m.

1:34:57

the city council will go into executive session for approximately 90 minutes one for planning and adopting the strategy

1:35:02

or position to be taken in the city council during the course of any collective bargaining professional

1:35:07

negotiations or grievance or mediation proceedings we reviewing the proposals made in the negotiations or proceedings

1:35:13

while in progress pursuant to RCW 42301 404b two to discuss with legal counsel

1:35:20

pending or potential litigation pursuant to RCW 42301 one01 I and three to

1:35:26

consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding

1:35:32

such consideration would cause a likelihood of increased price pursuant to RCW 42311 z1b and for to review the

1:35:40

performance of a Public Employee pursuant to RCW 42311 1G as a reminder in council
please

1:35:47

stay seated until the city has terminated the broadcast good evening and thanks for joining
us tonight

English (auto-generated)