



PLANNING COMMISSION SPECIAL HYBRID MEETING AGENDA

Wednesday, April 29, 2026

Mercer Island Community & Event Center, 8236 SE 24th Street, and via Zoom
9611 SE 36th Street | Mercer Island, WA 98040
Phone: 206.275.7706 | www.mercerisland.gov

PLANNING COMMISSIONERS:

Chair: Dan Thompson

Vice Chair: JB Gibson

Commissioners: Kate Akyuz, Nazim Nice, and Anthony Perez

We strive to create an inclusive and accessible experience. Those requiring accommodation for Planning Commission meetings should notify the Deputy City Clerk's Office three (3) days prior to the meeting at 206.275.7791 or by emailing cityclerk@mercerisland.gov.

CALL TO ORDER & ROLL CALL, 5:30 PM

EXECUTIVE SESSION, 5:30 PM

Discuss with legal counsel pending or potential litigation pursuant to RCW 42.30.110(1)(i).

PUBLIC APPEARANCES, 6:00 PM

This is the time set aside for members of the public to speak to the Commission about issues of concern. Please limit your comments to three minutes.

SPECIAL BUSINESS

1. Planning Commission Meeting Minutes

Recommended Action: Approve the March 25, 2026 Regular Meeting minutes.

2. PCB 26-02: Planning Commission Legislative Review Process

Recommended Action: Receive Report. No action necessary.

3. PCB 26-03: Briefing on Station Subarea Plan Goals and Policies

Recommended Action: Receive Report. No action necessary.

OTHER BUSINESS

4. Staff Report

ADJOURNMENT



PLANNING COMMISSION REGULAR MEETING MINUTES

Wednesday, March 25, 2026

Item 1.

CALL TO ORDER

The Planning Commission was called to order by Chair Thompson at 6:01 pm.

Chair Dan Thompson, Vice Chair JB Gibson, and Planning Commissioners Kate Akyuz, Nazim Nice and Anthony Perez were present.

Staff Participation:

Jeff Thomas, CPD Director (Remote)
Alison Van Gorp, Deputy CPD Director
Raven Gillis, Recreation Specialist

Adam Zack, Principal Planner
Deb Estrada, Deputy City Clerk (Remote)
Kim Adams-Pratt, Contract Legal Counsel (Remote)

PUBLIC APPEARANCES

There were no public comments.

REGULAR BUSINESS

1. Planning Commission Meeting Minutes of November 19, 2025, Special Meeting:

A motion was made by Gibson; seconded by Perez to:

Approve the minutes.

Motion Passed 5-0

2. PCB26-01: Briefing on the Growth Management Hearings Board Order and steps to achieve Growth Management Act compliance.

Adam Zack, Principal Planner, reviewed how the Growth Management Act (GMA) works and outlined the Growth Management Hearings Board Decision, City Council's direction, and the scope of work and schedule.

The GMHB Order requires the City to address four issues:

1. Land Capacity: Analyze residential land capacity at each housing affordability level and close any identified gaps.
2. Adequate Provisions: Adopt incentives, mandatory provisions, and planned actions ("aka adequate provisions") that will increase the supply of affordable housing.
3. Station Subarea Plan: Adopt a subarea plan for the area around the transit station.
4. Anti-Displacement Measures: Adopt anti-displacement measures to address the potential displacement that can occur with changes in zoning.

City Council provided direction for addressing compliance with the four issues in the GMHB and approved the GMA Compliance Work Plan at its March 17 meeting. City Council is projected to complete its initial direction for addressing compliance with the GMHB by April 21, 2026. Staff will brief the Planning Commission on the project's status at a special meeting scheduled for April 29, 2026.

OTHER BUSINESS

3. Staff Report

CPD Deputy Director, Alison Van Gorp, reported that the next regular meeting is scheduled for April 22; however, staff may opt to hold a special meeting on April 29 to allow more time to process the agenda bills.

ADJOURNED - The meeting adjourned at 7:34 pm

Item 1.

Deborah Estrada, Deputy City Clerk

DRAFT



PLANNING COMMISSION CITY OF MERCER ISLAND

PCB 26-02
April 29, 2025
Regular Business

AGENDA BILL INFORMATION

TITLE:	PCB 26-02: Planning Commission Legislative Review Process	<input checked="" type="checkbox"/> Discussion Only <input type="checkbox"/> Action Needed: <input type="checkbox"/> Motion <input type="checkbox"/> Recommendation
RECOMMENDED ACTION:	Receive Report – No Action Necessary	

STAFF:	Alison Van Gorp, CPD Deputy Director
EXHIBITS:	1. PC Legislative Review Schedule

EXECUTIVE SUMMARY

The purpose of this agenda item is to brief the Planning Commission on the City Council’s direction on the schedule for the legislative review of necessary amendments to the Comprehensive Plan and Development Regulations as well as a proposed Station Subarea Plan related to Growth Management Act (GMA) compliance under the Growth Management Hearing Board (GMHB) Order.

- The City completed a periodic review and update of the Mercer Island Comprehensive Plan, which was adopted by the City Council on November 19, 2024 ([AB 6573](#)).
- The 2024 Comprehensive Plan was appealed to the GMHB on the grounds that the Comprehensive Plan did not adequately plan for and accommodate future affordable housing needs (GMHB case number 25-3-0003). On August 1, 2025, the GMHB issued a final decision and order (GMHB Order).
- The GMHB Order found that the City must make changes to its Comprehensive Plan to comply with the Washington State Growth Management Act (GMA). Specifically, the City must amend its Comprehensive Plan to address the following:
 - Land Capacity: Analyze residential land capacity at each housing affordability level and close any identified gaps.
 - Adequate Provisions: Adopt incentives, mandatory provisions, and planned actions (“aka adequate provisions”) that will increase the supply of affordable housing.
 - Station Subarea Plan: Adopt a subarea plan for the area around the transit station.
 - Anti-Displacement Measures: Adopt anti-displacement measures to address the potential displacement that can occur with changes in zoning.
 - July 31, 2026 Deadline: amendments to comply with the GMHB Order must be adopted by July 31, 2026.
- Compliance with the GMHB Order will require amendments to the Mercer Island Comprehensive Plan and the development code established in Title 19 Mercer Island City Code (MICC). A new Station Subarea Plan will also need to be adopted.
- The City Council has directed the Planning Commission to initiate legislative review of amendments to the Comprehensive Plan and Development Regulations as well as the proposed Station Subarea Plan and complete a recommendation to the City Council by June 10, 2026.

BACKGROUND

GROWTH MANAGEMENT HEARINGS BOARD FINAL DECISION AND ORDER

Cities and counties in Washington State are required to adopt a comprehensive plan under the Growth Management Act (GMA). The comprehensive plan is a statement of goals and policies that detail how a county or city will manage and accommodate future growth. The goals and policies of the comprehensive plan are implemented through capital investments, development regulations, and programs. The GMA requires cities and counties to periodically review and update their comprehensive plans on a ten-year cycle. Mercer Island most recently completed a periodic review and update of its Comprehensive Plan in 2024 (see [AB 6573](#)).

The 2024 adoption of the Mercer Island Comprehensive Plan periodic review and update was appealed to the Growth Management Hearings Board (GMHB) on the grounds that the Comprehensive Plan did not adequately plan for and accommodate future affordable housing needs (GMHB case number 25-3-0003). On August 1, 2025, the GMHB issued a Final Decision and Order (GMHB Order) and remanded the Comprehensive Plan to the City for revisions due by July 31, 2026.

The Comprehensive Plan adopted in 2024 remains in effect during the remand, but the City must complete work to update the plan and comply with the timeline established by the GMHB Order (RCW 36.70A.300(3)(b)). The compliance timeline is one year from when the GMHB issued its decision; work must be completed by July 31, 2026. Failure to comply with the GMHB Order may result in sanctions against the City (RCW 36.70A.340).

The GMHB Order requires the City to address four issues:

1. Land Capacity: Analyze residential land capacity at each housing affordability level and close any identified gaps.
2. Adequate Provisions: Adopt incentives, mandatory provisions, and planned actions (“aka adequate provisions”) that will increase the supply of affordable housing.
3. Station Subarea Plan: Adopt a subarea plan for the area around the transit station.
4. Anti-Displacement Measures: Adopt anti-displacement measures to address the potential displacement that can occur with changes in zoning.

A more in-depth description of the GMHB Order and its implications is provided in [AB 6838](#), which was presented to the City Council on January 16, 2026.

SUMMARY OF EXPECTED AMENDMENTS

Compliance with the GMHB Order will require amendments to the Mercer Island Comprehensive Plan and the development code established in Title 19 Mercer Island City Code (MICC). A new Station Subarea Plan will also need to be adopted.

Expected Amendments to the Comprehensive Plan

The City’s Comprehensive Plan provides goals and policies to manage future growth. Cities in King County are required to adopt a comprehensive plan that is consistent with the GMA, the Multi-County Planning Policies adopted as a part of Puget Sound Regional Council’s VISION 2050, and the Countywide Planning Policies adopted by King County. A comprehensive plan is composed of topic-specific elements that detail policies for each topic. The Mercer Island Comprehensive Plan has the following elements:

- Land Use
- Housing

- Transportation
- Utilities
- Capital Facilities
- Shoreline Master Program*
- Economic Development
- Parks and Open Space*

*Note: the Shoreline Master Program, and Parks and Open Space elements are not expected to be amended during the project to comply with the GMHB Order.

Amendments to the comprehensive plan will be primarily focused on the Housing and Land Use Elements. Consistency amendments are also expected in the Transportation, Utilities, Capital Facilities and the Economic Development Elements to reflect updates to land capacity and the consolidation of goals and policies related to the station area in the new subarea plan.

Land Use Element

The Land Use Element serves an important function in how the City plans for growth. It includes policies that direct how the development code should be written. In addition to these policies, the Land Use Element includes a future land use map that provides the planned general location of land uses throughout the City. The future land use map provides the basis for zoning which is established by the development code.

The Land Use Element policies and future land use map are expected to be substantively amended to comply with the GMHB Order. The Station Subarea Plan will be adopted by reference in the Land Use Element. Increases to land capacity and changes in land use designation should be accounted for on the future land use map. The Land Use Element policies will also be reviewed to maintain consistency with the adequate provisions made in the Housing Element.

Housing Element

The Housing Element establishes the City's goals and policies for accommodating affordable housing needs throughout the planning period. The requirements for the Housing Element were significantly expanded by state legislation adopted in advance of the periodic review of the 2024 Comprehensive Plan. Additional amendments to the Housing Element will be necessary to comply with the GMHB Order. These amendments will be largely focused on addressing the adequate provisions and anti-displacement requirements of the GMHB Order.

Capital Facilities, Utilities, and Transportation Elements

The GMA requires that the elements of the Comprehensive Plan be coordinated and internally consistent so that all elements of the plan include the same assumptions about growth. This requirement ensures that planning for infrastructure and capital facilities is aligned with the City's growth targets. The amendments to the Capital Facilities, Utilities, and Transportation Elements will need to be amended to align with changes made to the Land Use and Housing Element.

Economic Development Element

The Economic Development Element was newly adopted as a part of the 2024 periodic update to the Comprehensive Plan. It is intended to guide City policy and action related to business and commerce in the City. The Economic Development Element has a large focus on the Town Center as the City's central business district. Updates to this element are likely to be necessary to ensure consistency with the Station Subarea Plan, which will consolidate goals and policies related to the station area.

Adoption of Station Subarea Plan

The GMHB Order (Issue #3) requires the City to establish a subarea plan for the area around the Sound Transit Link Light Rail Station. The Station Area is defined as all parcels fully or partially within a half mile walking distance from the station entrances. The existing Town Center is fully located within this half mile distance. The Subarea Plan will adopt a Station Area boundary and bring together existing goals and policies related to the station area and Town Center. It will also include new goals and policies that outline future planning actions in the station area, including implementation of HB 1491, the TOD bill.

Expected Amendments to the Development Code

The development code is expected to have numerous amendments to ensure alignment with the amended Comprehensive Plan and to implement new regulations required under the GMHB Order. The development code in Title 19 of the Mercer Island City Code (MICC) implements the policies in the Housing and Land Use elements. The development code includes numerical standards such as setbacks, height limits, and minimum lot sizes. The code also includes other regulations such as design standards and required permit processes. The zoning map is also established in Title 19 MICC and will also need to be amended.

Development Standards

Several sections of Title 19 MICC are expected to be amended to implement the necessary changes to address the GMHB Order. This is expected to include changes to the Town Center and adjacent multi-family zones to increase land capacity and implement adequate provisions such as incentive zoning and fee in lieu. These amendments are also expected to include the establishment of anti-displacement measures and permanent regulations related to Shelters, Temporary, Emergency, and Permanent Supportive (STEP) Housing. The following chapters of the development code are expected to be amended during this project:

Chapter 19.01 MICC

This chapter will be amended to maintain consistency with changes made in other chapters.

Chapter 19.02 MICC

Amendments to address the state requirements for Shelters, Transitional, Emergency, and Permanent Supportive (STEP) housing.

Chapter 19.03 MICC

Amendments to address the state requirements for STEP housing.

Chapter 19.04 MICC

Amendments to address the state requirements for STEP housing.

Chapter 19.06 MICC

Amendments to address the state requirements for STEP housing.

Chapter 19.11 MICC

Amendments to increase development capacity in the Town Center and adjacent multi-family zones to address GMHB Order Issue #1. These amendments will include consolidating the Town Center subareas and increasing the maximum building height. Additional amendments to establish adequate provisions for affordable housing such as inclusionary zoning requirements and fee in lieu of affordable housing standards to address GMHB Order Issue #2.

Chapter 19.15 MICC

Amendments to establish anti-displacement policies to address GMHB Order Issue #4. Additional amendments to this section will be made to maintain consistency with amendments in other chapters.

Chapter 19.16 MICC

This chapter will be amended to maintain consistency with changes made in other chapters.

Other chapters of the development code may need to be amended to maintain consistency with the changes to the Comprehensive Plan and development code. The entire development code will be reviewed for consistency prior to adoption of the amendments.

Zoning Map

The zoning map is a regulatory tool that establishes zones where types of land uses are allowed, and in so doing also limits where some land uses like multifamily development can be developed. By controlling where different types of development can take place, the zoning map is a powerful tool for managing growth.

The Mercer Island zoning map is established in Appendix D of Title 19 MICC. The map is expected to be amended to add residential development capacity in the Town Center and adjacent multi-family zones. The changes to the zoning map will include consolidating several of the Town Center subareas and rezoning the MF-2 zones to the east and west of Town Center.

LEGISLATIVE REVIEW PROCESS

To adopt these amendments, the City must follow the processes outlined in the Mercer Island City Code (MICC) Chapter 19.15 for Comprehensive Plan and Development Code amendments ([MICC 19.15.230](#)). This includes providing public notice, holding a public hearing, a Planning Commission recommendation, and City Council adoption of each ordinance.

ISSUE/DISCUSSION

The City Council has directed the Planning Commission to initiate legislative review of amendments to the Comprehensive Plan and Development Regulations as well as the proposed Station Subarea Plan. The City Council has directed that the Planning Commission complete a recommendation to the City Council on these materials by June 10, 2026. Exhibit 1 provides the Council-approved schedule for Planning Commission legislative review of the amendments and Station Subarea Plan. Key dates are also summarized below, under “Next Steps”. The Planning Commission is expected to hold 7 meetings, beginning on April 29. The Planning Commission must complete their recommendation by June 10, 2026, to allow the City Council to complete its review in a timely manner. Staff and the Planning Commission Chair will present the PC recommendation to the City Council at their June 16 regular meeting. The City Council will then take up final review of the ordinances beginning on July 7 and conclude the process by adopting an ordinance on July 21, 2026. This timeline is necessary to ensure the City meets the Growth Management Hearings Board compliance deadline of July 31, 2026.

BACKGROUND MATERIALS & REFERENCES

Background materials are provided on the [City’s Let’s Talk page](#) Summary of previous agenda materials:

January 16, 2026

- [AB 6838](#): Compliance with [Growth Management Hearings Board Final Decision and Order](#) related to the City of Mercer Island Periodic Update to the Comprehensive Plan Overview of City Council Planning Session.

February 17, 2026

- [AB 6865](#): Compliance with Growth Management Hearings Board Final Decision and Order Related to the City of Mercer Island Periodic Update to the Comprehensive Plan
- [AB 6866](#): GMA Compliance Public Engagement Plan
- [AB 6871](#): Legislative Review Alternatives to Help City Meet GMHB Order Compliance Deadline (Ordinance No. 26C-03 First Reading)

March 3, 2026

- [AB 6893](#): Compliance with Growth Management Hearings Board Order – Follow-Up Discussion on Financing Affordable Housing
- [AB 6890](#): Legislative Review Alternatives to Help City Meet GMHB Order Compliance Deadline (Ordinance No. 26C-03 Second Reading)

March 17, 2026

- [AB 6888](#): Final Approval of the Modified Station Subarea Boundary
- [AB 6894](#): Update on the Growth Management Hearings Board Order – GMA Compliance Work Plan

April 21, 2026

- [AB 6909](#): GMA Compliance – Policy Direction on Development Code Amendments
- [AB 6911](#): GMA Compliance – Legislative Review Process

NEXT STEPS

May 6 – Planning Commission briefing on Station Subarea Plan and Comprehensive Plan Elements: Land Use, Housing, and Economic Development

May 11 – Planning Commission comments on the Station Subarea Plan, Land Use Element, Housing Element, and Economic Development Element are due

May 13 – Planning Commission briefing on development code amendments: land capacity zoning changes.

May 18 – Planning Commission comments on the land capacity zoning change development code amendments are due.

May 20 – Planning Commission briefing on development code amendments: inclusionary zoning and fee in lieu of affordable housing.

May 26 – Planning Commission comments on the inclusionary zoning and fee in lieu development code amendments are due.

May 27 – Planning Commission briefing on Comprehensive Plan Elements: Transportation, Capital Facilities, and Utilities.

June 1 – Planning Commission comments on the Transportation, Capital Facilities, and Utilities elements are due.

June 3 – Planning Commission public hearing – to be continued to June 10

June 10 – Planning Commission public hearing and recommendation

June 16 – Planning Commission recommendation is delivered to the City Council.

RECOMMENDED ACTION

Receive Report. No action necessary.

Planning Commission Legislative Review Schedule

Date	Meeting Topics	Comment Deadlines
April 22	<i>(regular meeting canceled)</i>	
April 29	<ul style="list-style-type: none"> • Station Subarea Plan 	<ul style="list-style-type: none"> • <i>Deadline for comments on Station Subarea Plan – May 4</i>
May 6	<ul style="list-style-type: none"> • Comprehensive Plan Amendments (Land Use, Housing, Economic Development Elements) 	<ul style="list-style-type: none"> • <i>Deadline for comments on Comprehensive Plan Amendments (Land Use, Housing, Economic Development Elements) – May 11</i>
May 13	<ul style="list-style-type: none"> • Development Code Amendments (land capacity: zoning map, Town Center boundary and subareas, height increases, permitted uses, design standards, consistency) 	<ul style="list-style-type: none"> • <i>Deadline for comments on Development Code Amendments (land capacity: zoning map, Town Center boundary and subareas, height increases, permitted uses, design standards, consistency) – May 18</i>
May 20	<ul style="list-style-type: none"> • Development Code Amendments (adequate provisions: inclusionary zoning and fee in lieu) 	<ul style="list-style-type: none"> • <i>Deadline for comments on Development Code Amendments (adequate provisions: inclusionary zoning and fee in lieu) – May 26</i>
May 27	<ul style="list-style-type: none"> • Comprehensive Plan Consistency Amendments (Transportation, Utilities, Capital Facilities) 	<ul style="list-style-type: none"> • <i>Deadline for comments on Comprehensive Plan Consistency Amendments (Transportation, Utilities, Capital Facilities) – June 1</i>
June 3	<ul style="list-style-type: none"> • Public Hearing • Review PC Amendment Matrix • Begin deliberations 	
June 10	<ul style="list-style-type: none"> • Continued Public Hearing • Final deliberations and recommendation 	
June 16	<ul style="list-style-type: none"> • Presentation of PC Recommendation to City Council (Staff and PC Chair) 	



PLANNING COMMISSION CITY OF MERCER ISLAND

PCB 26-03
April 29, 2026
Regular Business

AGENDA BILL INFORMATION

TITLE:	PCB 26-03: Briefing on Station Subarea Plan Goals and Policies	<input checked="" type="checkbox"/> Discussion Only <input type="checkbox"/> Action Needed: <input type="checkbox"/> Motion <input type="checkbox"/> Recommendation
RECOMMENDED ACTION:	Receive Report – No Action Necessary	
STAFF:	Adam Zack, Principal Planner	
EXHIBITS:	1. Initial Draft Station Subarea Plan Goals and Policies	

EXECUTIVE SUMMARY

The purpose of this agenda item is to brief the Planning Commission on the Station Subarea Plan Goals and Policies. Planning Commission comments on the draft goals and policies are due on May 11.

- The City completed a periodic review and update of the Mercer Island Comprehensive Plan, which was adopted by the City Council on November 19, 2024 ([AB 6573](#)).
- The 2024 Comprehensive Plan was appealed to the GMHB on the grounds that the Comprehensive Plan did not adequately plan for and accommodate future affordable housing needs (GMHB case number 25-3-0003). On August 1, 2025, the GMHB issued a final decision and order (GMHB Order).
- The GMHB Order found that the City must make changes to its Comprehensive Plan to comply with the Washington State Growth Management Act (GMA). Specifically, the City must amend its Comprehensive Plan to address the following:
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 - Station Subarea Plan: Adopt a subarea plan for the area around the transit station.
 - Anti-Displacement Measures: Adopt anti-displacement measures to address the potential displacement that can occur with changes in zoning.
 - July 31, 2026 Deadline: amendments to comply with the GMHB Order must be adopted by July 31, 2026.
- The City Council has provided directions for addressing compliance with the four issues in the GMHB Order at the following meetings:
 - [January 16, 2026 – AB 6838](#)
 - [February 17, 2026 – AB 6865, AB 6866, and AB 6871](#)
 - [March 17, 2026 – AB 6888 and AB 6894](#)
 - [April 21, 2026 – AB 6909 and AB 6911](#)
- The City is required to adopt a Station Subarea Plan for the area around the Light Rail Station in order to comply with the GMHB Order.
- The draft of Station Subarea Plan goals and policies in Exhibit 1 are the central components of the Station Subarea Plan (Exhibit 1).
- Planning Commission comments on this draft of Station Subarea Plan goals and policies are due by 4:00 PM on May 11.

BACKGROUND

GROWTH MANAGEMENT HEARINGS BOARD FINAL DECISION AND ORDER

Cities and counties in Washington State are required to adopt a comprehensive plan under the Growth Management Act (GMA). The comprehensive plan is a statement of goals and policies that detail how a county or city will manage and accommodate future growth. The goals and policies of the comprehensive plan are implemented through capital investments, development regulations, and programs. The GMA requires cities and counties to periodically review and update their comprehensive plans on a ten-year cycle. Mercer Island most recently completed a periodic review and update of its Comprehensive Plan in 2024 (see [AB 6573](#)).

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The Comprehensive Plan adopted in 2024 remains in effect during the remand, but the City must complete work to update the plan and comply with the timeline established by the GMHB Order (RCW 36.70A.300(3)(b)). The compliance timeline is one year from when the GMHB issued its decision; work must be completed by July 31, 2026. Failure to comply with the GMHB Order may result in sanctions against the City (RCW 36.70A.340).

The GMHB Order requires the City to address four issues:

1. **Land Capacity:** Analyze residential land capacity at each housing affordability level and close any identified gaps.
2. **Adequate Provisions:** Adopt incentives, mandatory provisions, and planned actions (“aka adequate provisions”) that will increase the supply of affordable housing.
3. **Station Subarea Plan:** Adopt a subarea plan for the area around the transit station.
4. **Anti-Displacement Measures:** Adopt anti-displacement measures to address the potential displacement that can occur with changes in zoning.

A more in-depth description of the GMHB Order and its implications is provided in [AB 6838](#), which was presented to the City Council on January 16, 2026.

STATION SUBAREA PLAN

The Mercer Island Comprehensive Plan must be consistent with VISION 2050, which is the planning document for the Puget Sound Regional Council. VISION 2050 establishes multicounty planning policies (MPPs) that coordinate growth between jurisdictions. One MPP, MPP-DP-Action-8, requires cities to adopt subarea plans for light rail transit stations. The GMHB Order found that the City must include a station subarea plan in the Comprehensive Plan. The Station Subarea Plan will be adopted in the Comprehensive Plan during the update to resolve part of the GMHB Order.

WHAT IS A SUBAREA PLAN?

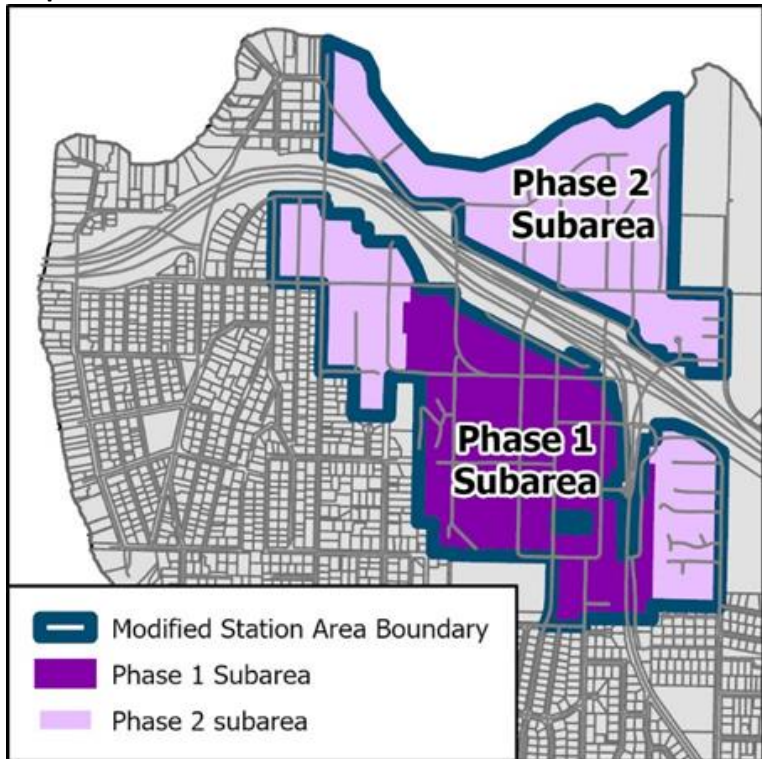
A subarea plan is a set of goals and policies for a defined area in the city. The Station Subarea Plan will be divided into two phases:

Phase 1 – Designate a station area and increase development capacity in the Town Center and adjacent multifamily zones.

Phase 2 – Comply with HB 1491 throughout the station area by the 2029 deadline, following the completion of the project to comply with the Growth Management Hearings Board (GMHB) Order.

The Phase 1 and 2 areas are shown on Map 1.

Map 1. Station Subarea Plan Phases.



House Bill 1491 (Transit-Oriented Development (TOD) Bill)

Compliance with the TOD bill will be pursued in the second phase of the Station Subarea Plan, which is planned to be completed by 2029. TOD Bill compliance will not be included in Phase 1. The planning work related to Phase 2 and compliance with the TOD bill will likely commence in 2027.

In 2025, the WA Legislature adopted House Bill 1491, also referred to as the TOD Bill. The TOD Bill requires cities and counties in Washington to designate station areas around light rail stations. Within the designated station area, cities and counties must allow “transit-oriented development” or (TOD). Cities in King County must comply with the TOD Bill by December 31, 2029. The planning requirements for the TOD Bill are established in RCW 36.70A.840. These requirements will be addressed during Phase 2 of the subarea plan.

GOALS AND POLICIES

Goals and policies are the “what” and “how” of the subarea plan:

- **Goal:** What the plan aims to achieve
- **Policy:** How the City will achieve its goals

Many of the goals and policies in the subarea plan are Town Center polices relocated from the existing Land Use, Housing, and Economic Development elements. The existing goals and policies are shown in strikeout/underline format to show the change from the existing language. In general, amendments to the policies have been made to reflect the larger station area rather than just Town Center. The relocated goals

and policies are noted with brackets and bold text i.e., **[Previously LU 6.4]** “LU” indicates the land use element and 6.4 is the policy number. The new goals and policies in the draft do not have any notation.

Most of the new goals and policies in the draft focus on how the City will approach Phase 2 of the subarea plan. These policies include direction regarding:

- Conducting public outreach (Land Use Goal 1 policies)
- Direction to undertake an empirical parking study during Phase 2 (Land Use Policy 4.1)
- Planning to identify for surplus public property for potential affordable housing developments (Housing 1.1)

The Station Subarea Plan goals and policies include a table listing implementation actions. The implementation actions are things directed by the policies that the City will need to complete during Phase 2. The implementation action table provides a snapshot of the work that will follow adoption of the Station Subarea Plan in 2027 through 2029, when Phase 2 is planned to be completed.

OTHER COMPONENTS OF THE SUBAREA PLAN

The Planning Commission will be briefed on the other components of the Station Subarea Plan at its next meeting on May 6. The other components of the subarea plan are introductory text and maps that define the station area, describe current conditions, and establish the planning context for the subarea.

There will be updates to the transportation, capital facility, and utility goals and policies proposed later in the process based on results of capacity studies. These goals and policies will be drafted concurrently with amendments to the Transportation, Capital Facilities, and Utilities elements of the Comprehensive Plan. City staff is working with consultants to evaluate how Phase 1 of the Station Subarea Plan will impact the levels of service for infrastructure and capital facilities. That level of service analysis will be incorporated into the Comprehensive Plan elements, and a briefing is planned for May 27.

ISSUE/DISCUSSION

City staff will walk the Planning Commission through the draft goals and policies during the briefing. The Planning Commission will have the opportunity to ask questions about the draft. The purpose of the briefing is to prepare the commissioners to provide comments by the comment deadline on May 11.

The Planning Commission comments on the draft Station Subarea Plan are due May 11. Please send your comments to Adam Zack, Principal Planner by 4:00 PM on Monday, May 11 (Adam.Zack@MercerIsland.gov). Comments received by the deadline will be entered into a comment matrix and provided to the Planning Commission by their next meeting on May 13. The Planning Commission will review the comment matrix and decide which amendments to recommend, if any, during their public hearing on June 3, 2026.

BACKGROUND MATERIALS & REFERENCES

Background materials are provided on the [City’s Let’s Talk page](#) Summary of previous agenda materials:

January 16, 2026

- [AB 6838](#): Compliance with [Growth Management Hearings Board Final Decision and Order](#) related to the City of Mercer Island Periodic Update to the Comprehensive Plan Overview of City Council Planning Session.

February 17, 2026

- [AB 6865](#): Compliance with Growth Management Hearings Board Final Decision and Order Related to the City of Mercer Island Periodic Update to the Comprehensive Plan

- [AB 6866](#): GMA Compliance Public Engagement Plan
- [AB 6871](#): Legislative Review Alternatives to Help City Meet GMHB Order Compliance Deadline (Ordinance No. 26C-03 First Reading)

March 3, 2026

- [AB 6893](#): Compliance with Growth Management Hearings Board Order – Follow-Up Discussion on Financing Affordable Housing
- [AB 6890](#): Legislative Review Alternatives to Help City Meet GMHB Order Compliance Deadline (Ordinance No. 26C-03 Second Reading)

March 17, 2026

- [AB 6888](#): Final Approval of the Modified Station Subarea Boundary
- [AB 6894](#): Update on the Growth Management Hearings Board Order – GMA Compliance Work Plan

April 21, 2026

- [AB 6909](#): GMA Compliance – Policy Direction on Development Code Amendments
- [AB 6911](#): GMA Compliance – Legislative Review Process

NEXT STEPS

Comments on the Station Subarea Plan Goals and Policies are due the end of the day on May 11, 2026.

May 6 – Planning Commission briefing on Station Subarea Plan and Comprehensive Plan Elements: Land Use, Housing, and Economic Development

May 11 – Planning Commission comments on the Station Subarea Plan, Land Use Element, Housing Element, and Economic Development Element are due

May 13 – Planning Commission briefing on development code amendments: land capacity zoning changes.

May 18 – Planning Commission comments on the land capacity zoning change development code amendments are due.

May 20 – Planning Commission briefing on development code amendments: inclusionary zoning and fee in lieu of affordable housing.

May 26 – Planning Commission comments on the inclusionary zoning and fee in lieu development code amendments are due.

May 27 – Planning Commission briefing on Comprehensive Plan Elements: Transportation, Capital Facilities, and Utilities.

June 1 – Planning Commission comments on the Transportation, Capital Facilities, and Utilities elements are due.

June 3 – Planning Commission public hearing – to be continued to June 10

June 10 – Planning Commission public hearing and recommendation

June 16 – Planning Commission recommendation is delivered to the City Council.

RECOMMENDED ACTION

Receive Report. No action necessary.

Land Use

GOALS AND POLICIES

Station Area Planning Community Engagement

- Goal 1:** The Station Area has strong regulatory standards that balance community priorities identified during the planning process.
- 1.1 In Phase 2, work with neighborhoods within the Station Area to determine subdistrict boundaries.
 - 1.2 In Phase 2, develop a coherent Station Area vision building off the Town Center vision that reflects the needs and aspirations of community members living and working within the Station Area boundary.
 - 1.3 In Phase 2, work with Station Area residents and landowners to calibrate density distribution and land use mix across subdistricts.

Encouraging Transit-Oriented Development

- Goal 2:** The Station area includes a mixture of mixed-use and residential uses at a range of densities that support regional transit goals, and local housing targets in compliance with RCW 36.70A.020(4) and RCW 36.70A.840.
- 2.1 Beginning in Phase 1 and completing in Phase 2, focus additional development capacity in the Town Center to the extent possible.
 - 2.2 During Phase 2, develop a land use strategy for neighborhoods within the Station Area that balances upzoning with proximity to regional transit, current neighborhood configuration, topography, environmental constraints, and public input.

Supporting Economic Development

- Goal 3:** Capitalize on regional transit investments to advance economic development outcomes in Town Center and accommodate the majority of Mercer Island's employment growth target within the Station Area.
- 3.1 Maintain a diversity of Town Center land uses **[Previously LU 6.2]**.
 - 3.2 Support economic growth that accommodates Mercer Island's share of the regional employment growth target of 1,300 new jobs from 2024—2040 by maintaining adequate zoning capacity, infrastructure, and supportive economic development policies **[Previously LU 6.3]**.
 - 3.3 Create a healthy and safe economic environment where Town Center businesses can serve the needs of Mercer Island residents and ~~draw upon broader retail and commercial market areas~~ benefit from off-island consumers connected by regional public transit **[Previously LU 6.4]**.

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- 3.4 In Phase 2, identify potential areas to locate commercial and mixed-use development to compliment residential uses within the Station Area district, and create strong connections to Town Center.

Managing parking demand

Goal 4: Station Area public parking management minimizes conflicts between residents, transit riders, and local business access.

- 4.1 In Phase 2, develop a local empirical parking study to right-size parking requirements for the Station Area.
- 4.2 In Phase 2, develop streetscape standards and public improvement requirements that balance increased street parking demand with safe non-motorized travel.

Fine-Grained Connections and Destinations

Goal 5: Create a mixed-use Town Center with pedestrian scale and connections to form a dense and walkable node serving the Station Area and Island-at-large *[Previously LU Goal 1]*.

- 5.1 Invest in a walkable mixed-use core adjacent to a regional transit facility with sufficient size and intensity to produce a multi-service destination *[Previously LU 1.1]*.
- 5.2 Street-level retail, office, and service uses should reinforce the pedestrian-oriented circulation system with amenities, tree-lined streetscapes, wide sidewalks, storefronts with canopies, and cross-block connections that make it easy to walk around and connect to regional transit facilities *[Previously LU 1.2]*.
- 5.3 During Phase 2, consider street frontage improvement standards in the broader Station Area.
- 5.4 Strengthen walkable connections to community facilities and institutions surrounding the Station Area.

Land Use Pattern

~~Goal 1-Goal 6: Create a policy and regulatory structure that will result in~~ Facilitate diverse uses that meet Islanders' daily needs and help create a vibrant, healthy Town Center serving as the City's business, social, cultural, and entertainment center *[Previously LU Goal 2]*.

~~5-56.1~~ Use a variety of creative approaches to organize various land uses, building types, and heights in different portions of the Station Area ~~Town Center~~ *[Previously LU 2.1]*.

~~5-66.2~~ Maintain a minimum commercial square footage in the Town Center to preserve the quantity of commercial space in recent developments as new development occurs, with a specific focus on maintaining the current number of large grocery stores to ensure adequate access to food for residents *[Previously LU 2.2]*.

~~6.3~~ Encourage retail street frontages ~~should be the area~~ where the majority of retail activity is focused. Retail shops and restaurants should be the dominant use, with personal services also encouraged to a more limited extent *[Previously LU 2.3]*.

~~5-76.4~~ In Phase 2, complete an existing conditions analysis to inform appropriate land use mix within the Station Area.

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Built Environment

~~Goal 2: Goal 7:~~ Have a mixture of building types, styles, and ages that reflects the evolution of the Town Center, and the Station Area over time, with human-scaled buildings, varied height, setbacks and step-backs, and attractive facades **[Previously LU Goal 3]**.

~~5.8~~ Buildings taller than two stories may be permitted if appropriate public amenities and enhanced design features are provided **[Previously LU 3.1]**.

~~5.9~~ Locate taller buildings on the north end of the Town Center and step down building height through the center to lower heights on the south end, bordering Mercedale Park **[Previously LU 3.2]**.

~~5.10~~ Calculate building height on sloping sites by measuring from the lowest point on that side of a building **[Previously LU 3.3]**.

~~2.17.1~~ Mitigate the "canyon" effect of straight building facades along streets through the use of upper floor step-backs, façade articulation, and similar techniques, except when doing so conflicts. Use frontage design techniques to encourage distinct, high-quality design while balancing with other priorities such as providing affordable housing or encouraging low carbon development **[Previously LU 3.4]**.

~~2.2~~ Buildings on larger parcels or with longer frontage should provide more variation of the building face to allow for more light and create the appearance of smaller scale, more organic, village-like development pattern. Building mass and long frontages resulting from a single user should be broken up by techniques such as creating a series of smaller buildings (like Island Square), providing public pedestrian connections within and through a parcel, and use of different but consistent architectural styles to create smaller building patterns **[Previously LU 3.5]**.

~~2.37.2~~ Building facades should provide visual interest to pedestrians. Street-level windows, building setbacks, on-street entrances, landscaping, and articulated walls should be encouraged **[Previously LU 3.6]**.

~~5.117.3~~ Review how the average daylight plane, major site features, and major façade modulation requirements impact the maximum allowed floor area ratio during Station Subarea Plan Phase 2.

~~Goal 3: Goal 8:~~ Allow The Station Area has a variety of housing forms for serving all life stages, including townhomes, apartments, and live-work units that are attractive to families, singles, and seniors at a range of price points consistent with the goals and policies in the Housing Element **[Previously LU Goal 4]**.

~~3.18.1~~ Land uses and architectural standards should provide for the development of a variety of housing types, sizes, and styles **[Previously LU 4.1]**.

~~3.2~~ Allow development of low-rise multifamily housing in the Town Center Multifamily (TCMF) subareas of the Town Center **[Previously LU 4.2]**.

~~3.38.2~~ Allow/Facilitate the development of affordable housing within the Station Area Town Center **[Previously LU 4.3]**.

~~3.48.3~~ Allow the development of accessible and visitable housing within the Town Center Station Area **[Previously LU 4.4]**.

~~3.58.4~~ Allow options for ownership housing within the ~~Town Center~~ Station Area **[Previously LU 4.5]**.

Public Realm

~~Goal 6: Goal 9:~~ Have A variety of inviting, accessible outdoor spaces ~~with~~ provide seating, greenery, water features, and art ~~that~~ offer settings for outdoor entertainment and special events as well as for quiet contemplation **[Previously LU Goal 5]**.

~~6.19.1~~ Outdoor public spaces of various sizes in the ~~Town Center~~ Station Area are important and should be encouraged **[Previously LU 5.1]**.

~~6.29.2~~ Encourage the provision of on-site open space in private developments. This can include incentives, allowing development agreements, and as an alternative to land dedication. In addition, encourage the aggregation of smaller open spaces between parcels to create a more substantial open space **[Previously LU 5.2]**.

Investigate potential locations and funding sources for the development (and acquisition if needed) of one or more significant public open space(s) that can anchor the Town Center's character and redevelopment. Identified "opportunity sites" are shown in

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~~6.39.3~~ ~~Figure 1~~ ~~Figure 10~~ ~~Figure TC-2~~ and described below. These opportunity sites should not preclude the identification of other sites should new opportunities or circumstances arise [**Previously LU 5.3**].

~~6.49.4~~ In Phase 2, engage neighborhood residents and workers within the Station Area to identify critical connections to adjacent open space such as Luther Burbank Park and nearby recreational facilities to ensure access to existing community resources.

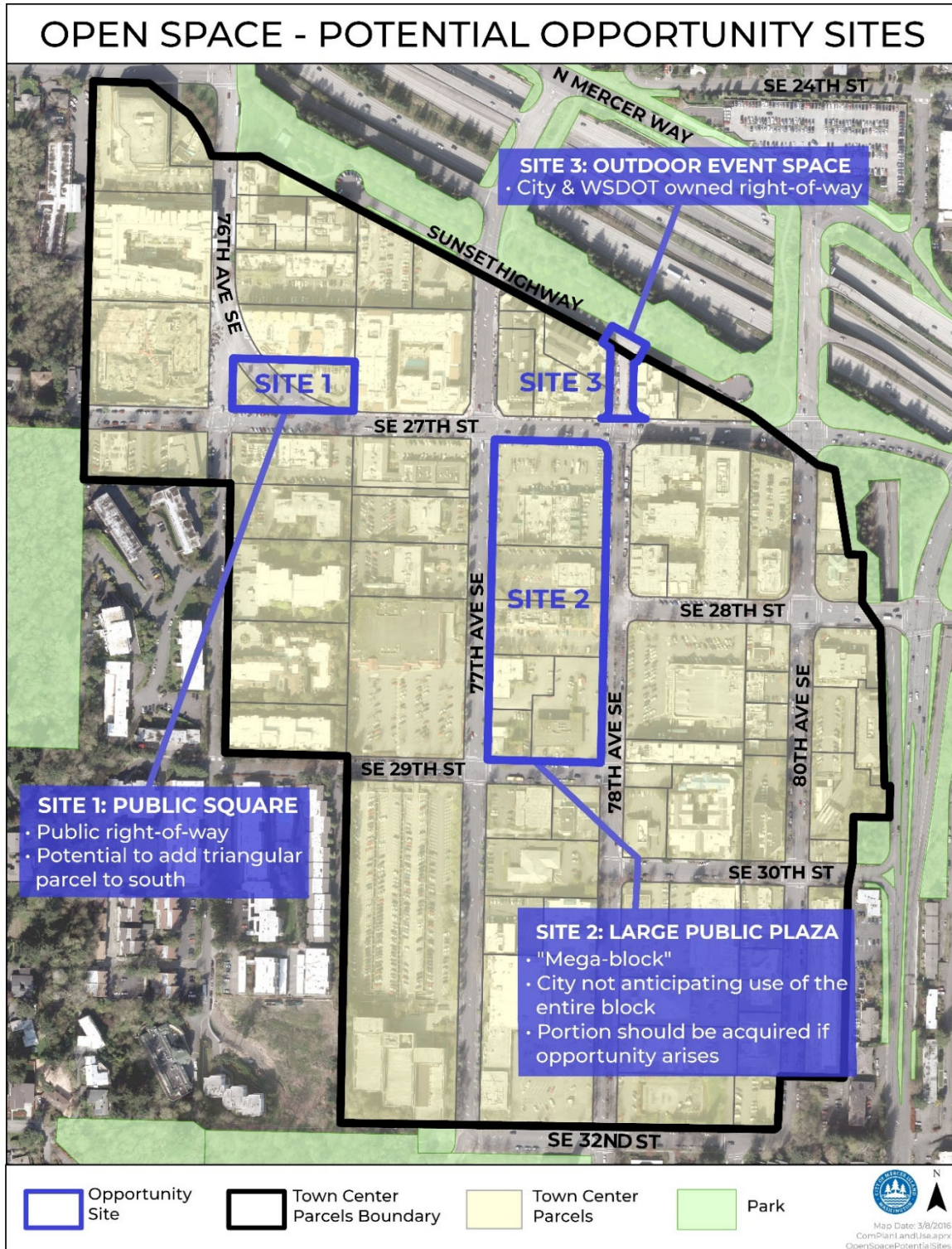
~~6.59.5~~ In Phase 2, work with property owners to identify additional “opportunity sites” for public open space to ensure that increased residential density is accompanied by open space investment.

~~6.69.6~~ Evaluate design standards to ensure private commercial, mixed-use, and residential development contributes accessible outdoor amenity space.

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FIGURE 140 OPEN SPACE – POTENTIAL OPPORTUNITY SITES



City of Mercer Island, 2016

Housing

GOALS AND POLICIES

AFFORDABLE HOUSING

- Goal 1:** Costs of development for multifamily housing, including income-restricted affordable housing are minimized in alignment with Housing Goal 2.
- 1.1 In Phase 2, explore affordable housing opportunities on surplus public property in collaboration with community members and the development community.
 - 1.2 In Phase 2, implement the Multifamily tax exemption in the Station Area.
 - 1.3 In Phase 2, implement a 50% reduction in impact fees collected for system improvements of public streets, roads, bicycle, and pedestrian facilities for developments claiming the Multifamily tax exemption in the Station Area.
- Goal 2:** A well-functioning inclusionary zoning program results in abundant affordable housing in new multifamily and mixed-use developments in alignment with the Housing Element.
- 2.1 In Phase 1, establish an inclusionary zoning program within the Town Center calibrated to regional development feasibility and market demand.
 - 2.2 Pair inclusionary zoning requirements with a fee-in-lieu program to provide flexible options for providing affordable housing units.
 - 2.3 In Phase 2, expand the inclusionary zoning program to the full Station Area.
- Goal 3:** New and enhanced affordable housing partnerships enable significant affordable housing development within walking distance of the transit station.
- 3.1 Identify potential land-holding partners interested in developing affordable housing within the Station Area such as nonprofits and religious organizations.
 - 3.2 Explore public-private partnerships to creatively finance and construct affordable housing.
- Goal 4:** Naturally Occurring Affordable Housing (NOAH) is well-preserved and supported within the Station Area.
- 4.1 In alignment with Housing policy 4.1, inventory and protect existing naturally occurring affordable housing.

TRANSIT-ORIENTED AND WORKFORCE HOUSING

- Goal 5:** Higher density developments exist within walking distance of the transit station, limiting additional demand for residential parking and road space, while supporting the city's residential growth targets.
- 5.1 Increase allowed densities in Town Center to maximize the number of residents who can walk to existing community businesses and services, and access regional employment centers via transit.
 - 5.2 Increase allowed densities in the Town Center and the adjacent TCMF-6 multifamily district.

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- 5.3 In Phase 2, initiate planning efforts in neighborhoods within the Station Area to balance additional required residential density, and support diverse workforce housing.

ANTI DISPLACEMENT

Goal 6: The City understands displacement risk throughout the Station Area and supports residents' efforts to remain in their neighborhoods.

- 6.1 During Phase 1, establish anti-displacement measures in the areas where development capacity is increased.
- 6.2 During phase 2, inventory deed-restricted and naturally occurring affordable housing units within the Station Area, identifying units at high risk of redevelopment and expiration timelines for affordability covenants.
- 6.3 Work with affordable housing providers to preserve existing affordable housing.
- 6.4 During Phase 2, support community efforts for lower-cost homeownership like limited-equity homeownership models, community land trusts, and rent-to-own programs.

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Economic Development

GOALS AND POLICIES

Marketing Mercer Island

- Goal 1:** The Town Center commercial area has a cohesive brand established by marketing efforts informed by public input and the policies of this element *[Previously ED 2]*.
- 1.1 Develop and promote a theme and vision to create a unique and appealing identity for the Town Center directed at drawing more residents and visitors to Mercer Island *[Previously ED 2.1]*.
 - 1.2 Develop and implement a cohesive visual brand that reflects the island's natural beauty and upscale yet welcoming character, including a logo, color scheme, and typography *[Previously ED 2.2]*.

Business Retention and Attraction













- Goal 2:** Mercer Island's Town Center is a vibrant destination attracting new businesses and supporting the growth of existing businesses *[Previously ED 3]*.
- 2.1 Attract more commercial office employers to the City *[Previously ED 3.1]*.
 - 2.2 Develop strategies to increase the percentage of workers living and working on Mercer Island focused within the Station Area *[Previously ED 3.2]*.
 - 2.3 Attract a diverse mix of businesses that complement existing offerings and fill market gaps, focusing on unique, locally owned establishments *[Previously ED 3.3]*.
 - 2.4 Create a comprehensive "best practices" section on the City website detailing steps for business setup at city, state, and county levels *[Previously ED 3.4]*.
 - 2.5 Streamline and simplify the process for new business setup, making it more intuitive and user-friendly *[Previously ED 3.5]*.
 - 2.6 Support anti-displacement efforts for businesses within the Station Area.
 - 2.7 During Phase 2, update development standards to support small, affordable commercial space in new buildings.

Implementation Program









PHASE 2 IMPLEMENTATION ACTIONS






Mercer Island City Council will need to set the scope, schedule, and budget for Phase 2. The implementation actions below sketch out key actions for City Leadership to consider in determining the Phase 2 scope, with a focus on RCW 36.70A.8430 compliance, providing multiple community engagement opportunities, and determining future capital facilities and transportation investments. Ultimately, this Station Subarea Plan will be implemented over the 20-year planning horizon and additional actions will be developed and prioritized by City Council after Phase 2.

PHASE 2 IMPLEMENTATION ACTIONS

Enabling Policy	Action Type	Action #	Action Description
LU 1.1, 1.2		1	Create a public engagement plan outlining engagement activities in Phase 2.
LU 1.1		2	Engage Station Area residents to establish Station Area subdistricts.
LU 1.2		3	Engage Station Area residents to develop a Station Area vision, and subdistrict visions.
LU 4.1		4	Conduct a parking study to identify potential safety concerns in the Station Area.
LU 2.2		5	Conduct a capacity analysis for new residential and employment densities across the Station Area.
H 1.1		6	Identify surplus public property for affordable housing development.
LU 2.2 CF		7	Identify utility capacity constraints.
LU 2.2 T		8	Identify transportation capacity constraints.
LU 3.4 ED 2.3		9	Evaluate opportunities for expanded commercial activity beyond Town Center.
LU 6.1, 6.4		10	Update Land Use goals and policies to reflect priorities defined by station visioning.
H 1.1, 5.3, 6.3		11	Update Housing goals and policies to reflect priorities defined by station visioning.
ED 1.1, 2.2		12	Update Economic Development goals and policies to reflect priorities defined by station visioning.

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LU 2.2, 3.4		13	Engage Station Area residents on density distribution and land use mix across subdistricts.
LU 5.4 T		14	Work with Station Area residents and landowners to identify and enhance multimodal connections to adjacent open spaces and community institutions.
LU 9.3, 8.2, 8.3 H 1.1, 3.1, 3.2 ED 1.2, 2.3, 2.7		15	Identify priority community development projects to support anticipated population growth.
LU 2.2, 6.4, 7.4		16	Update development code to regulate using FAR rather than height in conformance with HB 1491. Right size lot coverage, lot size, setbacks and other dimensional standards that influence building mass. Tailor by subdistrict.
LU 4.2, 5.3, 7.1		17	Introduce frontage standards.
H 1.2, 1.3		18	Implement the Multifamily Tax Exemption and associated impact fee reductions for in the Station Area.
LU 2.2, 9.3 CF		19	Update Capital Improvement Plan to reflect increased capacity demands for the Station Area.
LU 2.2, 9.3 T		20	Update Transportation Improvement Plan to reflect increased capacity demands for the Station Area.

	Public Engagement
	Evaluation & Analysis
	Policy Development
	Regulatory Update
	Infrastructure Investment