



PLANNING COMMISSION REGULAR VIDEO MEETING AGENDA

Wednesday, April 27, 2022

Zoom Virtual Platform
9611 SE 36th Street | Mercer Island, WA 98040
Phone: 206.275.7706 | www.mercerisland.gov

PLANNING COMMISSIONERS:

Chair: Daniel Hubbell

Vice Chair: Michael Murphy

Commissioners: Kate Akyuz, Carolyn Boatsman, Jordan Friedman, Tiffin Goodman, Victor Raisys

In compliance with the Americans with Disabilities Act, those requiring accommodation for meetings should notify the Staff Liaison at least 24 hours prior to the meeting.

The Planning Commission meeting will be held virtually using video conferencing technology provided by Zoom, and the public will have the opportunity to provide comment during Appearances by either calling in or logging onto the meeting as a Zoom attendee.

Registering to Speak: Individuals wishing to speak during live Appearances or the Public Hearing must register their request with the Sr. Planner by 4pm on the day of the Planning Commission meeting. Register at 206.275.7719 or email adam.zack@mercerisland.gov. Please reference "Appearances" or "Public Hearing". Each speaker will be allowed three (3) minutes to speak.

Public Comment by Video: Notify the Sr. Planner in advance that you wish to speak on camera, and staff will be prepared to permit temporary video access when you enter the live Planning Commission meeting. Please remember to activate the video option on your phone or computer, ensure your room is well lit, and kindly ensure that your background is appropriate for all audience ages. Screen sharing will not be permitted, but documents may be emailed to the Planning Commission.

To attend the meeting, please use the following Zoom information:

Join by Telephone at 6:00 pm: To listen to the hearing via telephone, please call **253.215.8782** and enter Webinar ID **839 2963 1636** and Passcode **795491** when prompted.

Join by Internet at 6:00 pm: To watch the meeting over the internet via your computer microphone/ speakers, follow these steps:

- 1) Click this [Link](#)
- 2) If the Zoom app is not installed on your computer, you will be prompted to download it.
- 3) If prompted for Meeting ID, enter **839 2963 1636**; Enter Passcode **795491**

CALL TO ORDER & ROLL CALL, 6 PM

PUBLIC APPEARANCES

This is the time set aside for members of the public to speak to the Commission about issues of concern. If you wish to speak, please consider the following points:

- Speak audibly into the podium microphone.
- State your name and address for the record.

- Limit your comments to 3 minutes.

The Commission may limit the number of speakers and modify the time allotted. Total time for appearances: 15 minutes.

PUBLIC HEARING

1. Public Hearing for ZTR21-003 - State Mandated Code Amendments
2. Public Hearing for ZTR21-007 and ZTR21-008 - Transportation and Park Impact Fees

REGULAR BUSINESS

3. Review and approve the minutes from the 3/26/22 meeting
4. Presentation and Briefing on the Climate Action Plan
5. ZTR21-003 – State Mandated Amendments
6. ZTR21-007 & ZTR21-008 Transportation Impact Fee and Parks Impact Fee Code Amendments
7. 2024 Comprehensive Plan Update Project Kickoff

OTHER BUSINESS

8. Director's Report
9. Planned Absences for Future Meetings
10. Announcements & Communications
11. Next Scheduled Meeting

ADJOURNMENT



CITY OF MERCER ISLAND PLANNING COMMISSION REGULAR VIDEO MEETING MINUTES

Wednesday, March 23rd, 2022

Item 3.

CALL TO ORDER

The Planning Commission was called to order by Vice Chair Murphy at 6:06 pm from a remote location.

PRESENT

Vice Chair Michael Murphy, Commissioners Carolyn Boatsman, Jordan Friedman, Victor Raisys, Tiffin Goodman, and Kate Akyuz were present.

All Commissioners participated in the meeting remotely using Zoom.

ABSENT

Chair Daniel Hubbell was absent

STAFF PRESENT

Alison Van Gorp, Deputy CPD Director, Adam Zack, Senior Planner, Laurie Carlson, Senior Administrative Assistant, , participated in the meeting remotely.

PUBLIC APPEARANCES

There were no public appearances

REGULAR BUSINESS

Agenda Item #1: Review and Approval of the February 16, 2022 Planning Commission Regular Video Meeting Minutes

It was moved by Raisys; seconded by Boatsman to:

Amend the Minutes by striking the words “real estate and business owners” after Ms. Tenley Tobin’s name.

⇒ Passed: 6-0

It was moved by Friedman and seconded by Boatsman to:

Approve the amended Minutes

⇒ Passed: 6-0

Agenda Item #2: ZTR21-007 and ZTR21-008 – Transportation and Park Impact Fee Updates

Kendra Breiland, consultant from Fehr and Peers, gave a brief presentation on ZTR21-007 Transportation Impact Fee Updates.

Jason Hennessy, consultant from Berk Consulting, gave a brief presentation on ZTR21-008 Park Impact Fee Updates.

The Commission asked questions of the Consultants and Staff.

Agenda Item #3: ZTR21-003 – State Mandated Code Amendments

Alison Van Gorp, Deputy CPD Director, gave a brief presentation on ZTR21-004 State Mandated Code Amendments
The Commission asked questions of Staff.

OTHER BUSINESS

Deputy Director's Report

Adam Zack, Senior Planner reported that City Council has approved the scope of work for the Comprehensive Plan Update. At the next Planning Commission meeting there will be a Comprehensive Plan kickoff and request for workgroup volunteers.

Planned Absences for Future Meetings

There were no planned absences

Announcements & Communications

There were no announcements & communications

Next Scheduled Meeting

The next scheduled meeting is April 27, 2022

ADJOURNED

The meeting adjourned at 7:54pm

DRAFT

CITY OF MERCER ISLAND

COMMUNITY PLANNING & DEVELOPMENT

9611 SE 36TH STREET | MERCER ISLAND, WA 98040

PHONE: 206.275.7605 | www.mercerisland.gov



PLANNING COMMISSION

TO: Planning Commission

FROM: Alison Van Gorp, Deputy Director
Adam Zack, Senior Planner

DATE: March 16, 2022

SUBJECT: ZTR21-003 – State Mandated Amendments

Attachments Draft Code Amendment – State Mandated Occupancy Updates

SUMMARY

During the 2020 and 2021 state legislative sessions two land use related bills passed, which require City action ([ESSB 5235](#) and [ESHB 1023](#)). Based on the timelines imposed by this legislation, the City had to act quickly to comply with the new requirements. Emergency interim regulations were adopted by Ordinances [21C-19](#) and [21C-22](#) at the September 21, 2021, City Council meeting. The attached draft ordinance would adopt permanent amendments to ensure the Mercer Island City Code (MICC) remains consistent with state law.

BACKGROUND

Staff has consolidated the legislative review of the code amendments related to ESSB 5235 and ESHB 1023 because they both relate to housing issues and require amendments to the development code. ESSB 5235 and ESHB 1023 require cities to comply with provisions in the legislation related to the allowed occupancy of homes, dwelling units, and adult family homes. The interim ordinances expire on September 21, 2022. Permanent amendments to the development code must be adopted prior to the expiration of the interim ordinances to ensure the City complies with the requirements set in state law. The attached draft code amendment would adopt the necessary permanent amendments.

ESSB 5235: Housing Unit Inventory — Removing Limits on Unrelated Persons Cohabiting

[ESSB 5235](#) prohibits cities from regulating or limiting the number of unrelated people who may occupy a house or other dwelling unit. There are some exceptions: occupant limits on group housing regulated under state law or short-term rentals, any lawful limits on occupant load per square feet, and generally applicable health and safety provisions (i.e. fire code).

The bill requires a minor change to the City’s code. The definition of “family” is established in [Mercer Island City Code \(MICC\) 19.16.010 Definitions](#). Staff proposes the following amendment to the definition of family in strikeout/underline format (addition, ~~removal~~):

Family: One or more persons ~~(but not more than six unrelated persons) living together in a single housekeeping unit. For purposes of this definition, persons with familial status and persons with handicaps within the meaning of the Fair Housing Amendments Act (FHAA), 42 U.S.C. Sections 3602(h) and (k) will not be counted as unrelated persons. The limitation on the number of unrelated residents set forth in this definition shall not prohibit the city from making reasonable accommodations, as required by the FHAA, 42 U.S.C. Section 3604(f)(3)(B) and as provided in MICC 19.01.030. The term "family" shall exclude unrelated persons who are not also handicapped or have familial status within the meaning of the FHAA who live together in social service transitional housing or special needs group housing.~~ occupying a dwelling unit, including the joint use of and responsibility for common areas, sharing household activities and responsibilities such as chores, household maintenance, and expenses. Such persons need not be related by blood or marriage. A family does not include institutional or congregant group living situations such as boarding houses, dormitories, fraternities, sororities, monasteries, or nunneries.

This is consistent with how other cities are amending their codes (for example, Lake Forest Park is also taking a similar approach). Use of the term "dwelling unit" instead of housekeeping unit is consistent with terms used elsewhere in the MICC, including the building code. Please also be advised that the City can still enforce other portions of its code relating to noise issues, fire code, etc. if concerns arise about the impacts of increased occupancy.

Amending the definition of family also requires a change to the definition of "dwelling". The proposed amendment will also make the definition in MICC 19.16.010 Definitions more consistent with terms used in the building code. Staff proposes the following amendment to the definition of "dwelling unit" in strikeout/underline format (addition, ~~removal~~):

Dwelling:

1. Dwelling unit: A ~~part of a multiple-family dwelling containing only one kitchen, that houses not more than one family, plus any live-in household employees of such family~~ building or a contiguous portion of a building providing complete independent living facilities for one or more persons including permanent provisions for living, sleeping, eating, cooking, and sanitation (see also "Accessory Dwelling Unit (ADU)").
2. Multiple-family dwelling: A building, other than a single-family dwelling with an accessory dwelling unit, containing two or more dwelling units.
3. Single-family dwelling: A building designed and/or used to house not more than one family, plus any live-in household employees of such family.
4. Single-family dwelling—Detached: A single-family dwelling that is not attached to any other structure by any means and is surrounded by open space or yards.
5. Single-family dwelling—Semi-detached: A single-family dwelling that is attached to another dwelling unit by a common vertical wall, with each dwelling unit located on a separate lot.

Finally, an amendment to the Accessory Development Unit (ADU) code is also necessary. The proposed amendment will remove the occupancy requirement and clarify the owner occupancy provisions in MICC 19.02.030(B) so that they do not include the term “family” since it will no longer refer to close familial relationships.

Incorporating Planning Commission feedback from the March meeting, staff proposes specifying that the relationships that are included in the owner occupancy clause can be chosen by the property owner. This will allow for the wide range of relationships that constitute family. The proposed amendment further broadens the types of relationships that are included by adding more relationships to the list of examples and making that list a nonexclusive “such as” list. Allowing for chosen family members, adding more familial relationships to the list of examples, and making the list nonexclusive by adding “such as” will allow property owners to determine who constitutes their family while maintaining a requirement that a principal residence or ADU be occupied by a person with a relationship with the property owner. The proposed amendment is shown below in strikeout/underline format (addition, ~~removal~~):

B. Requirements for accessory dwelling units. One accessory dwelling unit is permitted as subordinate to an existing single-family dwelling; provided, the following requirements are met:

1. *Owner occupancy.* Either the principal dwelling unit or the accessory dwelling unit must be occupied by an owner of the property or ~~an immediate~~chosen family member such as a spouse, child, sibling, parent, grandparent, grandchild, domestic partner, or extended relative of the property owner. Owner occupancy is defined as a property owner, as reflected in title records, who makes his or her legal residence at the site, as evidenced by voter registration, vehicle registration, or similar means, and actually resides at the site more than six months out of any given year.

~~2. *Number of occupants.* The total number of occupants in both the principal dwelling and accessory dwelling unit combined shall not exceed the maximum number established for a family as defined in MICC 19.16.010 plus any live-in household employees of such family.~~

ESHB 1023: Increase to Capacity for Adult Family Homes

[ESHB 1023](#) provides that the Department of Social and Health Services, in certain circumstances, can approve an adult family home to provide services to up to eight adults (previously, the limit was six adults). The definition establishes the number of people allowed in adult family homes. Accordingly, staff proposes the following amendment to the adult family home definition in MICC 19.06.010 Definitions in strikeout/underline format (addition, ~~removal~~):

Adult Family Home: As defined and regulated by Chapter 70.128 RCW, an adult family home is the regular family abode of a person or persons who are providing personal care, special care, and room and board to more than one but not more than ~~six~~eight adults who are not related by blood or marriage to the person or persons providing the services.

NEXT STEPS

Once the Planning Commission has made a recommendation to the City Council, staff will bring the recommended draft code amendments to the City Council for a first reading. The first reading is tentatively planned for June 21.

STAFF RECOMMENDATION

Recommend approval of the code amendments detailed above. The changes to the State law leave the City with limited discretion in how the code must be amended. The changes proposed above have been reviewed by legal counsel for consistency with the state law. The expected effects of the changes to the definition of family and dwelling are negligible because amending these definitions will not influence the function of these uses already allowed under Title 19 MICC. Furthermore, changes to the State law mean that the City cannot limit the number of persons allowed in an adult family home to a number below eight.

Proposed Code Amendment – State Mandated Occupancy Updates

19.02.030(B) Accessory Dwelling Units.

...

B. Requirements for accessory dwelling units. One accessory dwelling unit is permitted as subordinate to an existing single-family dwelling; provided, the following requirements are met:

1. *Owner occupancy.* Either the principal dwelling unit or the accessory dwelling unit must be occupied by an owner of the property or ~~an immediate-chosen~~ family member such as a spouse, child, sibling, parent, grandparent, grandchild, domestic partner, or extended relative of the property owner. Owner occupancy is defined as a property owner, as reflected in title records, who makes his or her legal residence at the site, as evidenced by voter registration, vehicle registration, or similar means, and actually resides at the site more than six months out of any given year.

~~2. *Number of occupants.* The total number of occupants in both the principal dwelling and accessory dwelling unit combined shall not exceed the maximum number established for a family as defined in MICC 19.16.010 plus any live in household employees of such family.~~

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19.16.010 Definitions.

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2. Multiple-family dwelling: A building, other than a single-family dwelling with an accessory dwelling unit, containing two or more dwelling units.

3. Single-family dwelling: A building designed and/or used to house not more than one family, plus any live-in household employees of such family.

4. Single-family dwelling—Detached: A single-family dwelling that is not attached to any other structure by any means and is surrounded by open space or yards.

5. Single-family dwelling—Semi-detached: A single-family dwelling that is attached to another dwelling unit by a common vertical wall, with each dwelling unit located on a separate lot.

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Family: One or more persons ~~(but not more than six unrelated persons) living together in a single housekeeping unit. For purposes of this definition, persons with familial status and persons with handicaps within the meaning of the Fair Housing Amendments Act (FHAA), 42 U.S.C. Sections 3602(h) and (k) will not be counted as unrelated persons. The limitation on the number of unrelated residents set forth in this definition shall not prohibit the city from making reasonable accommodations, as required by the FHAA, 42 U.S.C. Section 3604(f)(3)(B) and as provided in MICC 19.01.030. The term “family” shall exclude unrelated persons who are not also handicapped or have familial status within the meaning of the FHAA who live together in social service transitional housing or special needs group housing.~~ occupying a dwelling unit, including the joint use of and responsibility for common areas, sharing household activities and responsibilities such as chores, household maintenance, and expenses. Such persons need not be related by blood or marriage. A family does not include institutional or congregant group living situations such as boarding houses, dormitories, fraternities, sororities, monasteries, or nunneries.

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PLANNING COMMISSION

To: Planning Commission

From: Alison Van Gorp, Deputy Director

Date: April 20, 2022

RE: ZTR21-007 & ZTR21-008 Transportation Impact Fee and Parks Impact Fee Code Amendments

Attachments:

1. Proposed Code Amendment to MICC 19.18 and MICC 19.19
2. Draft Transportation Impact Fee Rate Study
3. Draft Parks Impact Fee Rate Study (will be transmitted separately, at a later date)

SUMMARY

The City has contracted with consultants to prepare updated rate studies for the transportation and parks impact fees. The draft rate studies are now available for review. A code amendment is needed to enable adoption of the new impact fee rates via the annual development and construction fee schedule update.

BACKGROUND

In 2015, the City Council adopted code amendments implementing transportation and parks impact fees in [MICC 19.19](#) and [MICC 19.18](#), respectively. In late 2020, the City Council budgeted for consultant work to update the rate studies for these impact fees and added to the final docket the accompanying code amendments necessary to update the fees. Code amendments are proposed to allow the City to update the impact fee rates during the annual development and construction fee schedule update.

The City contracted with Fehr and Peers to conduct an updated transportation impact fee rate study and with BERK to conduct an updated parks impact fee rate study. These consultant teams are now in the final stages of their work, and the City is ready to initiate the code amendment process.

At the March 23 meeting, Kendra Brieland, Principal at Fehr and Peers, and Jason Hennessey, Senior Associate at BERK, provided an overview of impact fee implementation in Washington and the methodology for the rate study updates. The Planning Commission had an opportunity for Q and A with each of the consultants. At the April 27 meeting, the Planning Commission will hold a public hearing on the proposed code amendments that are necessary to adopt the updated impact fees. The draft rate studies and recommended impact fees are also available for review.

Proposed Code Amendments

The following code amendments are recommended to enable the parks and transportation impact fee rates to be updated periodically without the need for further code amendments in the future. Instead, once a rate study is approved by City Council, the new rates would be adopted as part of the annual development and construction fee schedule update.

19.18.100 - Fee schedule and updates.

- A. The parks impact fees shall be adopted in the development and construction fee schedule based on the most recent rate study approved by the city council and updated annually thereafter as described in MICC 19.18.100 (B). B. Park impact fee rates shall be updated annually using the following procedures:
1. The code official shall use the Construction Cost Index for Seattle (June-June) published by the Engineering News-Record to calculate annual inflation adjustments in the impact fee rates. The park impact fees shall not be adjusted for inflation should the index remain unchanged.
 2. The indexed impact fee rates shall be effective January 1.
- C. The code official shall review the park impact fee rates annually to determine when a new park impact fee rate study is necessary and recommend to the city council when a new study should be prepared.

19.19.100 - Fee schedule, review of schedule and updates.

- A. The transportation impact fees shall be adopted in the development and construction fee schedule based on the most recent rate study approved by the city council and updated annually thereafter as described in MICC 19.19.100 (B).
- B. Transportation impact fee rates shall be updated annually using the following procedures:
1. The code official shall use the Construction Cost Index for Seattle (June-June) published by the Engineering News Record to calculate annual inflation adjustments in the impact fee rates. The transportation impact fees shall not be adjusted for inflation should the index remain unchanged.
 2. The indexed impact fee rates shall be effective January 1.
- C. The code official shall review the transportation impact fee rates annually to determine if a new transportation impact fee rate study is necessary and recommend to the city council when a new study should be prepared.

Draft Rate Studies

The consultants have prepared draft park and transportation impact fee rate studies. Each study includes the list of eligible projects and the basis for the calculation of the recommended impact fees. In the case of the Transportation impact fee rate study, some work is still underway to further refine the use chart on page 16 and the use definitions in Appendix D to align with the allowed uses in the City's development code. This will aid city staff in the administration of the impact fees, in particular making it simpler to determine the appropriate fee for the various types of commercial businesses and ensuring impact fee rates are established for all allowed uses. These updates will be included in the final draft of the rate study.

For the parks impact fee, a policy choice is required on whether to add a commercial impact fee. Currently, parks impact fees are only charged for residential uses. Adding a commercial impact fee would have the effect of somewhat lowering the residential impact fee rate to offset the rate being charged to commercial businesses and would not result in the City collecting additional revenue.

Staff Recommendation

Approve the proposed code amendments for recommendation to the City Council. These code amendments are necessary to adopt the new impact fee rates proposed in the rate studies. The code amendments will also allow the rates to be updated in the future without additional code amendments (via the annual adoption of the development and construction fee schedule).

NEXT STEPS

At the April 27 meeting, the Commission will hold a public hearing and make a recommendation to the City Council on proposed code amendments. The City Council is scheduled to review the rate studies and proposed code amendments in May and June.

Proposed Code Amendment – Impact Fee Updates

19.18.100 - Fee schedule and updates.

- A. The parks impact fees shall be adopted in the development and construction fee schedule based on the most recent rate study approved by the city council and updated annually thereafter as described in MICC 19.18.100 (B).B. Park impact fee rates shall be updated annually using the following procedures:
1. The code official shall use the Construction Cost Index for Seattle (June-June) published by the Engineering News-Record to calculate annual inflation adjustments in the impact fee rates. The park impact fees shall not be adjusted for inflation should the index remain unchanged.
 2. The indexed impact fee rates shall be effective January 1.
- C. The code official shall review the park impact fee rates annually to determine when a new park impact fee rate study is necessary and recommend to the city council when a new study should be prepared.

...

19.19.100 - Fee schedule, review of schedule and updates.

- A. The transportation impact fees shall be adopted in the development and construction fee schedule based on the most recent rate study approved by the city council and updated annually thereafter as described in MICC 19.19.100 (B).
- B. Transportation impact fee rates shall be updated annually using the following procedures:
1. The code official shall use the Construction Cost Index for Seattle (June-June) published by the Engineering News Record to calculate annual inflation adjustments in the impact fee rates. The transportation impact fees shall not be adjusted for inflation should the index remain unchanged.
 2. The indexed impact fee rates shall be effective January 1.
- C. The code official shall review the transportation impact fee rates annually to determine if a new transportation impact fee rate study is necessary and recommend to the city council when a new study should be prepared.

Traffic Impact Fee Rate Study Update

Prepared for
City of Mercer Island

DRAFT

April 18, 2022

SE21-0792

FEHR  PEERS



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- Appendix B: Cost Allocation Results
- Exhibit C: Growth Assumptions Memo
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CHAPTER 1: INTRODUCTION

Impact fees are a broad category of charges on new development assessed to pay for capital improvements (e.g., parks, schools, roads, etc.) necessitated by new development. Transportation impact fees are collected to fund improvements that add capacity to the transportation system to accommodate the travel demand added by new development. The Revised Code of Washington (RCW 82.02.050) defines the legislation as intended to ensure that adequate facilities are available to serve new growth; to establish standards by which new growth and development pay a proportionate share of the cost of new facilities needed to serve new growth and development; and to ensure that impact fees are imposed through established procedures and criteria so that specific developments do not pay arbitrary fees or duplicative fees for the same impact.

LEGAL BASIS

The primary enabling mechanism for imposing impact fees in Washington is the Growth Management Act (GMA). Prior to the passage of the GMA, local agencies primarily relied on the State Environmental Policy Act (SEPA) process to require developers to fund mitigation projects necessitated by new development.

The GMA, passed in 1990, modified the portion of RCW 82.05.050 regarding impact fees and specifically authorized the use of impact fees. The GMA allows impact fees for system improvements that reasonably relate to the impacts of new development and specifies that fees are not to exceed a proportionate share of the costs of improvements.

For a city to impose GMA impact fees, the following specific provisions are required:

- The city must have an ordinance authorizing impact fees;
- Fees may apply only to improvements identified in a Capital Facilities Plan;
- The agency must establish one or more service areas for fees;
- A formula or other method for calculating impact fees must be established;
- The fees cannot be used to finance the portion of improvements needed to pay for existing capacity deficiencies. (Note: the fees can be used to recoup the cost of improvements already made to address the needs of future development);
- The fees may not be arbitrary or duplicative;
- The fees must be earmarked specifically and be retained in special interest-bearing accounts;
- Fees may be paid under protest; and,
- Fees not expended within ten years must be refunded with interest.

An accounting system is important to ensure that the impact fees collected are assigned to the appropriate improvement projects and the developer is not charged twice for the same improvement.

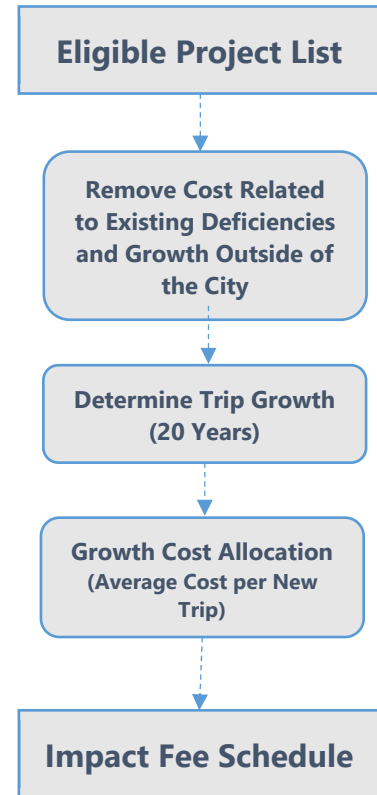
TRANSPORTATION IMPACT FEE STRUCTURE

The key steps involved in developing an impact fee program are shown in **Figure 1**. Steps include identifying eligible projects from adopted City plans, calculating the eligibility of each individual project, and allocating the growth-related costs that can be charged as impact fees, which are presented in the form of a fee schedule. Each step is described in more detail in subsequent sections of this report.

DATA ROUNDING

The data in this study were prepared using computer spreadsheet software. In some tables in this study, there will be very small variations from the results that would be obtained using a calculator to compute the same data. The reason for these insignificant differences is that the spreadsheet software calculated the results to more places after the decimal than is reported in the tables in the report.

Figure 1: Steps to Develop a Transportation Impact Fee Program



CHAPTER 2: TRANSPORTATION IMPACT FEE PROJECT LIST

Washington State law (RCW 82.02.050) specifies that Transportation Impact Fees are to be spent on “system improvements.” System improvements can include physical or operational changes to existing roadways, as well as new roadway connections that are built in one location to benefit projected needs at another location. These are generally projects that add capacity (such as new streets, additional lanes, widening, signalization), but can also include bicycle, pedestrian, and transit-supportive projects that provide capacity for future growth and are within the right of way of ‘streets and roads’ as defined by the GMA.

To identify projects that may be eligible for impact fees, Fehr & Peers reviewed the City’s 2022-2027 Transportation Improvement Program (TIP), the May 2015 draft of the Comprehensive Plan Transportation Element, the 2015 Transportation Impact Fee project list, and associated documentation related to the City’s transportation level of service (LOS) analysis. Projects related to maintenance (such as street overlays) are not eligible to receive funding from the impact fee program and were not included in the impact fee program. Fehr & Peers separated the projects into two possible categories:

1. Motorized projects required to meet the City’s LOS standard, and
2. Pedestrian and bicycle projects.

Table 1 summarizes the eligible motorized projects and **Table 2** summarizes the eligible pedestrian and bicycle projects. **Figure 2** displays the location of the projects on a citywide map.

TABLE 1: LIST OF ELIGIBLE MOTORIZED PROJECTS

Number	Project	Description	Total Cost (2022\$)
1	SE 28th Street/80th Avenue SE	Install new signal with new combo mast arm and illumination poles, all new curb ramps and catch basins. Adjust utilities at the intersection and repave 25' from stop bars. Include re-striping to match existing channelization and WSDOT coordination costs.	\$1,464,000
11	Signal coordination (Island Crest Way to Mercer Way)	Project includes upgrades of controller equipment and cabinets to include radio interconnect communication hardware with repeaters at SE 27th Street /Island Crest Way, SE 28th Street/Island Crest Way, Island Crest Way /N Mercer Way, 80th Ave SE/N Mercer Way. Project includes allowance for WSDOT coordination.	\$690,000
14	80th Ave/North Mercer Way	New turn lane to improve the capacity of the intersection.	\$754,000
15	N Mercer Way/I-90 Westbound Off-Ramp/Island Crest Way	Add an exclusive westbound left turn lane at I-90 off-ramp.	\$650,000
TOTAL			\$3,558,000

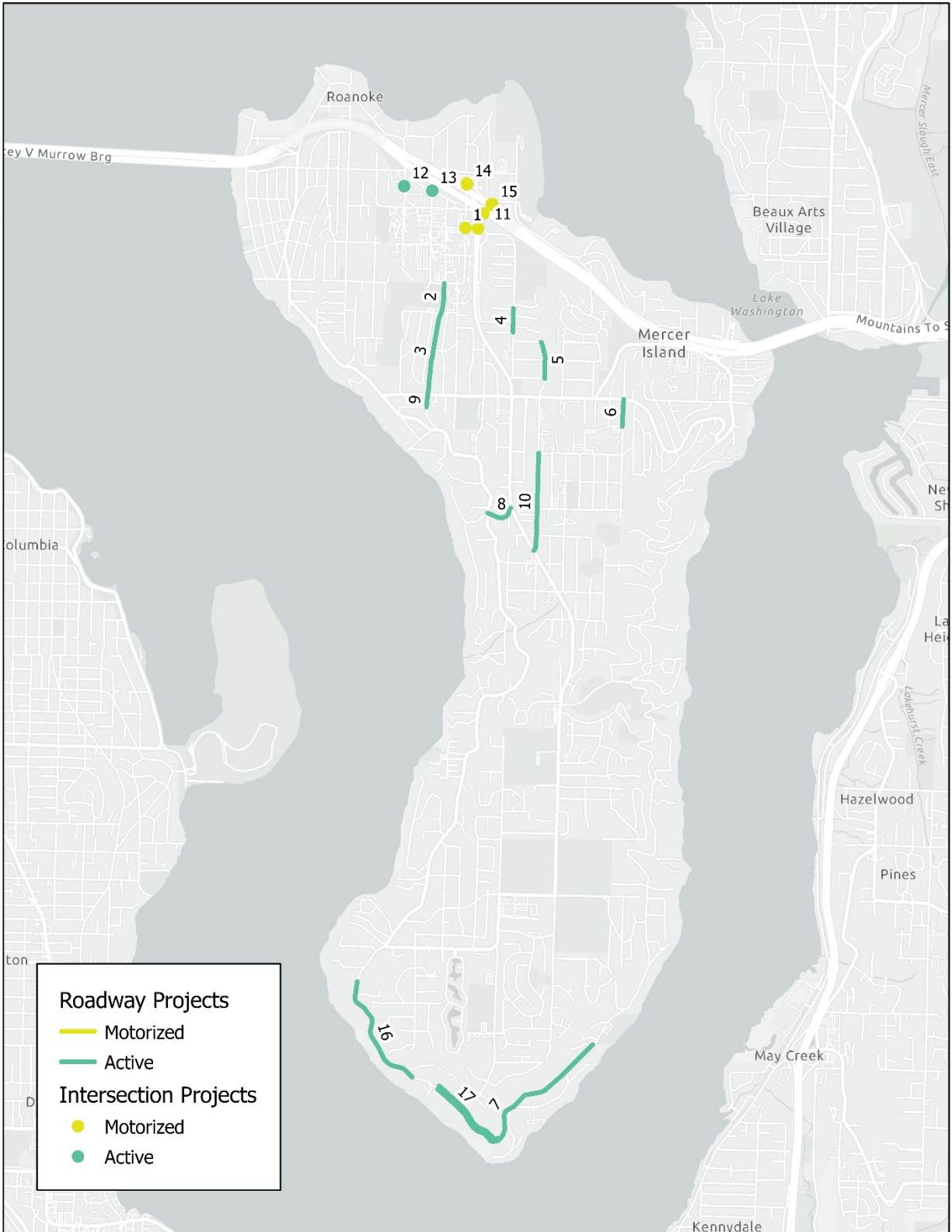
TABLE 2: LIST OF ELIGIBLE PEDESTRIAN AND BICYCLE PROJECTS

Number	Project	Description	Total Cost (2022\$)
2	78th Avenue sidewalk (SE 32nd Street to SE 34th Street)	Install 6ft wide sidewalk with new curb and gutter on east side of street and 20% replacement of sidewalk on west side for sidewalk repair. Remove and replace existing trees on the east side and add illumination and ADA ramps.	\$737,000
3	78th Avenue SE (SE 34th Street to SE 40th Street)	Replace raised asphalt shoulder on west side with bike lane. Add sidewalk and new curb & gutter on east side. Assumes new curb ramps on all corners of at SE 37th St. On parallel side street provide pavement markings on west side of street for a bike lane and make street one-way northbound.	\$1,697,000
4	84th Avenue SE sidewalk (SE 33rd Street to SE 36th Street)	Add 6ft sidewalk on east side and include 3ft full depth pavement patch for curb and gutter with piped storm drain improvements. Add/replace existing sharrows. Estimate includes allowance for tree and vegetation protection.	\$597,000
5	86th Avenue SE sidewalk Phase 2 (SE 36th Street to SE 39th Street)	Add 6ft sidewalk with curb and gutter on east side of street of 86th Ave SE and north side of SE 36th Street. Project includes parking pullouts, driveway apron reconstruction, addition/replacement of sharrows, reconstruction of ADA ramps and a new crosswalk at SE 37th Street.	\$1,141,000

Number	Project	Description	Total Cost (2022\$)
6	92nd Avenue SE sidewalk (SE 40th Street to SE 41st Street)	Add 6ft sidewalks with curb and gutter on west side of the street with new curb ramps, storm drain, and parking pull-outs.	\$803,000
7	East Mercer Way shoulders (SE 79th Place to just north of 81st Ave SE/W Mercer Way)	Complete previous shoulder improvements constructed in 2017 and 2019. Regrade and widen pavement on north side of street to provide 5ft paved shoulder with 2ft gravel. Includes conflict with existing retaining walls, hydrants, storm drain systems, and mailboxes, and corridor restriping as needed.	\$1,517,000
8	Merrimount Drive sidewalk (ICW to Mercer Way)	Install new sidewalk with curb and gutter on both sides. Includes reconstruction of 84th Ave SE approach as a driveway ramp with sidewalk behind and 4ft tall retaining wall from ICW to driveway on west side.	\$632,000
9	78th Avenue SE sidewalk (SE 40 th Street to SE 41 st Street)	Install sidewalk with curb & gutter on west side of street and new curb ramps at SE 41st St.	\$250,000
10	86th Avenue SE sidewalk (SE 42 nd Street to ICW)	Install cycle track and sidewalk with curb and gutter on west side. Provide accessible curb ramps for crosswalks at SE 44th Street, SE 45th Street, and SE 42nd Street. Reconstruct existing speed humps. Estimate includes an allowance for bus stop relocation, downspout connections, and storm drain improvements.	\$2,666,000
12	Mid-block crosswalk 76th Ave SE between SE 24th and SE 27th	Add a new crosswalk with center island and RRFB.	\$265,000
13	Sunset Hwy/77th Ave SE Improvements	Intersection improvements to facilitate ped/bike/vehicle through the intersection. The intersection is in WSDOT ROW and requires WSDOT review and approval prior to construction.	\$1,040,000
16	West Mercer Way Roadside Shoulders (7400- 8000 Block)	Add a paved shoulder for non-motorized users.	\$543,000
17	West Mercer Way Roadside Shoulders - Ph 4 (8100 WMW -8400 EMW)	Add a paved shoulder for non-motorized users.	\$794,000
TOTAL			12,682,000



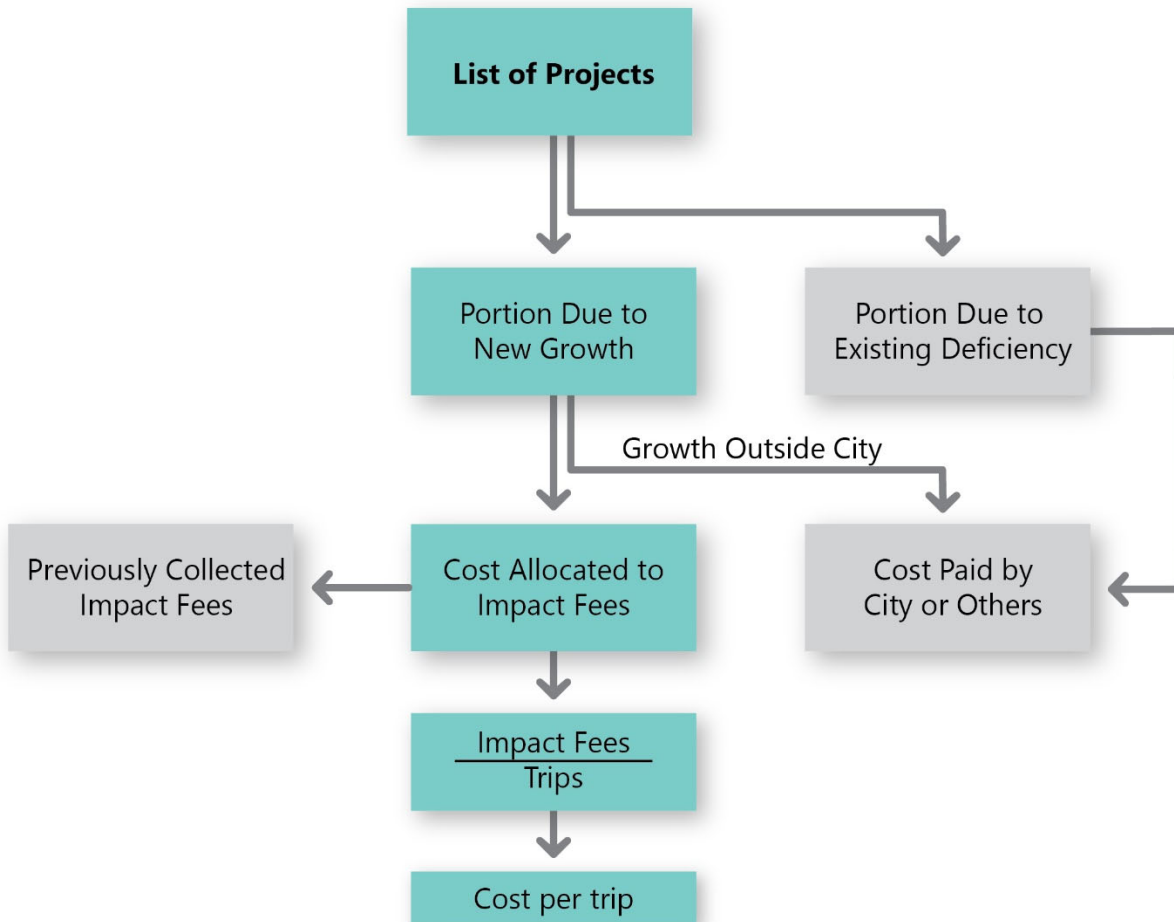
Figure 2: Transportation Impact Fee Projects



CHAPTER 3: COST ALLOCATION

Of the eligible project list, only a portion of those costs may be funded through impact fees. The portion of project costs addressing existing deficiencies is not eligible for impact fee funding. The GMA states that impact fees can only fund the portion of projects that provide capacity required to serve new trip ends. Moreover, impact fees are limited to the portion of projects accommodating growth within the City – impact fees cannot pay for growth that occurs outside the City. This section describes adjustments made to identify the portion of project costs eligible for impact fee funding. **Figure 3** diagrams the process. The last step, divide by growth in trips, is explained further in Chapter 4.

Figure 3: Transportation Impact Fee Cost Allocation Concept



TRANSPORTATION DEFICIENCIES

RCW 82.02.050(4) (a) requires that the capital facilities element of a jurisdiction's comprehensive plan identify "deficiencies in public facilities serving existing development." Future development cannot be held responsible for the portion of added roadway capacity needed to serve existing development.

The existing deficiency calculation for motorized projects was based on the City's current LOS standard, documented in the Comprehensive Plan. Any arterial intersection within the Town Center operating below LOS C or outside the Town Center operating below LOS D has an existing deficiency. The deficiency for motorized projects is shown in **Appendix A**. The pedestrian and bicycle project existing deficiency is based on the need for the project. The City of Mercer Island is improving urban amenities on city streets to accommodate both its existing population and to prepare for future growth. As such, these projects are a shared investment between existing and future residents and the existing deficiency is 50 percent of the project cost.

PERCENT OF GROWTH WITHIN MERCER ISLAND

Once existing deficiencies are removed, the remaining costs are attributable to growth. Although there are few pass-through trips on the island's roadways, not all of the growth comes from Mercer Island development - there is a portion of growth that comes from surrounding jurisdictions. All of the trips that start and end on the island and half of the trips that either start or end outside of the island are related to growth within the City. The travel model was used to determine that approximately 58 percent of trips in the Town Center and 62 percent outside the Town Center are attributable to City growth. For non-motorized facilities, it is assumed that approximately 75 percent of bicycle trips and 90 percent of pedestrian trips are attributable to City growth. These are standard percentages used in many other Puget Sound communities.

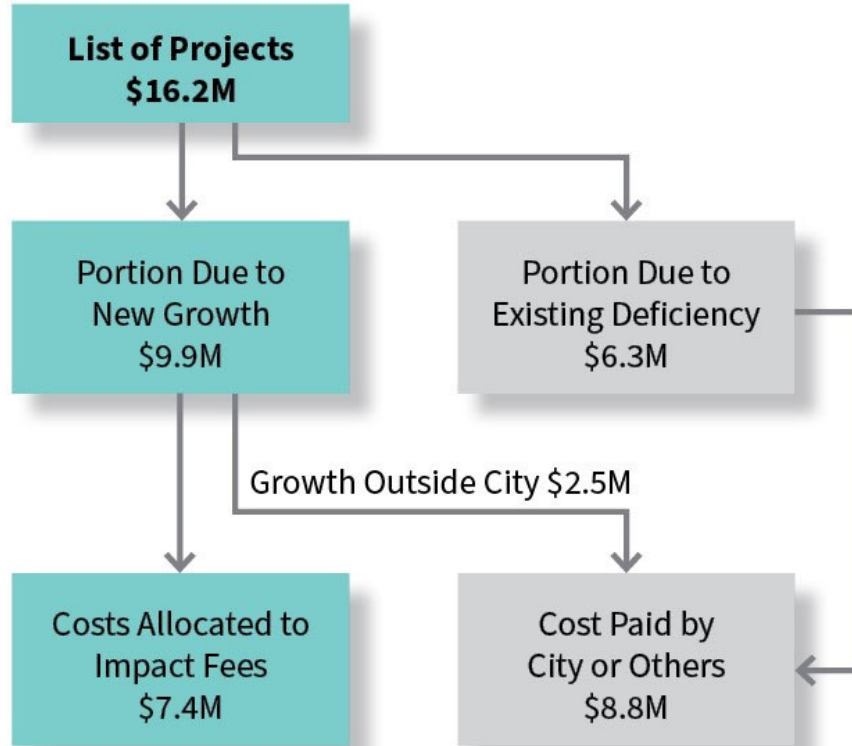
COST ALLOCATION RESULTS

Figure 4 summarizes the cost allocation results. For discussion purposes, the dollar amounts shown in this figure and the following text descriptions are approximate values expressed in million dollars. The actual amounts used in the calculations are accurate to a single dollar.

The total cost of the capacity projects on the capacity project list is \$16.2 million, as previously shown in **Tables 1** and **2**. This was divided into growth costs and existing deficiencies. The growth costs were further

divided into 'city growth' and 'outside city growth' components using the City's travel model data. The details of this calculation are shown in **Appendix B**.

Figure 4: Cost Allocation Results



CHAPTER 4: TRAVEL GROWTH

The portion of project costs over the next twenty years that is eligible for impact fee funding has been identified as \$7.4 million dollars. The impact fees are paid by development based on their impacts on the roadway on a cost per new vehicle trip basis. This section describes the calculation for new vehicle trips in the city.

Fehr & Peers developed a method for forecasting growth in PM peak hour vehicle trips ends¹ within the City of Mercer Island over the next 20 years based on growth in employment and households. **Table 3** displays the growth in employment and households between 2020 and 2040. Further details on these growth calculations can be found in **Appendix C**.

TABLE 3: EXISTING AND FUTURE YEAR LAND USE GROWTH

	2020	2040	Growth	% Growth
Households	10,259	11,250	991	9.7%
Employment	6,971	8,011	1,040	14.9%

Source: Fehr & Peers, 2022

The land use is then used to estimate total trip ends with the following steps:

1. Converting employees into square footage using standard estimates of square feet per employee
2. Calculating PM peak hour vehicle trip ends using generalized ITE trip generation rates (ITE, *Trip Generation, 11th Edition, 2021*) for each land use categories

The total growth in PM Peak hour trip ends between 2020 and 2040 within the City was estimated to be 1,672.

RESULTS

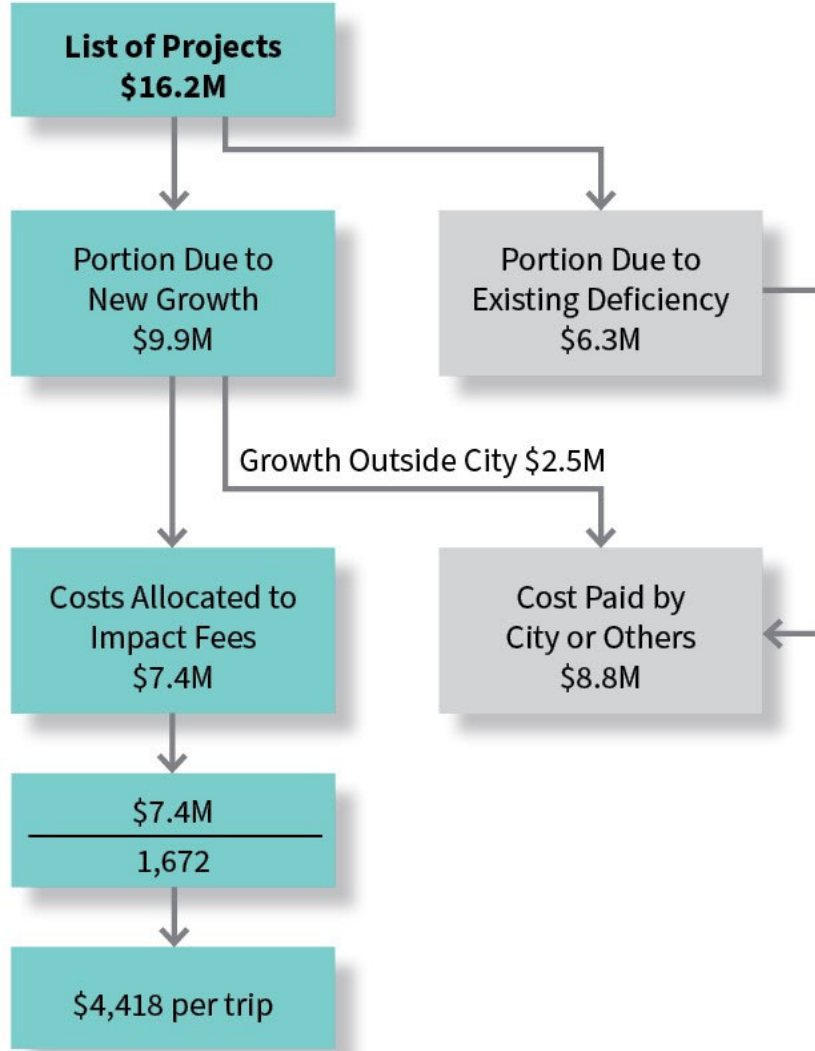
The final step in the cost allocation process dealt with calculating the "cost per new trip end" within Mercer Island, derived by dividing the final impact fee cost by the total number of new PM peak hour trip ends based in Mercer Island.

¹ A trip travels between an origin and a destination. Each trip has two trip ends, one each at the origin and destination. Trip ends represent the persons coming to and from a given land use.



The calculated cost per new trip end is \$4,418 as shown in **Figure 5**.

Figure 5: Impact Fee Cost Per Trip End Results



CHAPTER 5: TRANSPORTATION IMPACT FEE SCHEDULE

The impact fee schedule was developed by adjusting the "cost per new trip end" information to reflect differences in trip-making characteristics for a variety of land use types within the study area. The fee schedule is a table where fees are represented as dollars per unit for each land use category. **Table 4** shows the various components of the fee schedule (trip generation rates and new trip percentages).

TRIP GENERATION COMPONENTS

Trip generation rates for each land use type are derived from the Institute of Transportation Engineers (ITE) *Trip Generation* (11th Edition). The rates are expressed as vehicle trips entering and leaving a property during the PM peak hour.

PASS-BY TRIP ADJUSTMENT

The trip generation rates represent total traffic entering and leaving a property at the driveway points. For certain land uses (e.g., general retail), a substantial amount of this traffic is already passing by the property and merely turns into and out of the driveway. These pass-by trips do not significantly impact the surrounding street system and therefore are subtracted out prior to calculating the impact fee. The resulting trips are considered "new" to the street system and are therefore subject to the transportation impact fee calculation. The "new" trip percentages are derived partially from ITE data and from available surveys conducted around the country.²

SCHEDULE OF RATES

The transportation impact fee schedule of rates is shown in **Table 4**, as well as the various components of the fee schedule. In the fee schedule, fees are shown as dollars per unit of development for various land use categories, as defined in **Appendix D**. The impact fee program is flexible in that if a use does not fit into one of the categories, an impact fee can be calculated based on the development's projected trip generation.

² Trip Generation Sources: ITE *Trip Generation* (11th Edition); ITE *Trip Generation Handbook: An ITE Proposed Recommended Practice* (2017)

TABLE 4: MERCER ISLAND PROPOSED TRANSPORTATION IMPACT FEE RATE SCHEDULE

Based on a PM peak hour cost per trip of \$4,418

Land Uses	Unit of Measure ¹	Basic Rate PM Peak Trips/Unit ²	New Trips % ³	New Trip Rate ⁴	Fee Per Unit of Measure ⁵
Single Family (1 or 2 dwellings)	dwelling	0.94	100%	0.94	\$4,153
Multi Family (3 or more dwellings)	dwelling	0.42	100%	0.42	\$1,856
Senior Housing	dwelling	0.28	100%	0.28	\$1,237
Lodging	room	0.59	100%	0.59	\$2,607
Commercial Services	SF GFA	4.24	100%	4.24	\$18.73
School	student	0.14	100%	0.14	\$619
Institutional	SF GFA	0.68	100%	0.68	\$3.00
Light Industry/ Industrial Park	SF GFA	0.50	100%	0.50	\$2.21
Warehousing/Storage	SF GFA	0.18	100%	0.18	\$0.80
Restaurant	SF GFA	7.80	56%	4.37	\$19.30
General Retail	SF GFA	3.40	66%	2.24	\$9.91
Supermarket	SF GFA	8.95	64%	5.73	\$25.31
Gas Station	pump	18.42	44%	8.10	\$35,807
Administrative Office	SF GFA	1.44	100%	1.44	\$6.36
Medical Office/Dental Clinic	SF GFA	3.93	100%	3.93	\$17.36

Notes:

- 1 "SF GFA" = Square Foot Gross Floor Area
- 2 Institute of Transportation Engineers (ITE) Trip Generation (11th Edition): 4-6 PM Peak Hour Trip Ends
- 3 Excludes pass-by trips: see "Trip Generation Handbook: An ITE Proposed Recommended Practice" (2017)
- 4 For uses with unit of measure in "SF GFA" the trip rate is given as trips per 1000 sq ft
- 5 For uses with unit of measure in "SF GFA" the impact fee is dollars per square foot



APPENDIX A

DEFICIENCY CALCULATIONS – MOTORIZED PROJECTS

Exhibit A: Transportation Deficiency Calculation for Motorized Projects

	Intersection	LOS Standard	LOS¹	Existing Deficiency Percent
1	SE 28th Street/80th Avenue SE	C	B	0%
11	Signal coordination (ICW to Mercer Way) ²	C/D	B-D	0%
14	80th Ave/North Mercer Way	C	C	0%
15	N Mercer Way/I-90 Westbound Off-Ramp/Island Crest Way	D	C	0%

1. LOS estimates are from the Comprehensive Plan.
2. Project #11 Signal Coordination includes four intersections, two with an LOS standard C and two with an LOS Standard D. All intersections are estimated to meet their respective standards

Source: Mercer Island Comprehensive Plan, Fehr & Peers 2022



APPENDIX B

COST ALLOCATION RESULTS

The cost allocation results are summarized below. **Exhibit B** illustrates how the impact fee project costs were reduced by the portion of the project allocated to existing deficiencies, and then divided into growth-related costs attributable to the City. Existing deficiencies for motorized projects are shown in Exhibit A above. For pedestrian and bicycle projects, these projects are a shared investment between existing and future residents and the existing deficiency was determined to be 50 percent of the project cost.

To determine the percent of new project traffic growth within the City, the regional travel demand model was used to identify the portion of trip-making associated with existing and growth-related traffic. For projects in the Town Center, 58% of trips were attributed to city growth. For projects outside the Town Center 62% of trips were attributed to city growth. After the percentage of Mercer Island trips and external trips were calculated, the cost of each project was multiplied by the percent of new traffic due to growth within the City. In the case of pedestrian and bicycle projects, it was assumed that 75% of trips on bicycle facilities are internal to the city and that 90% of trips on pedestrian facilities are internal.

Exhibit B: Cost Allocation Calculations

#	Project	Total Cost	Percent eligible after existing deficiency reduction	Percent of New Project Traffic due to Growth within City	Project Costs Allowable for Impact Fees
1	SE 28th Street/80th Avenue SE	\$1,464,000.00	100%	58%	\$852,167.97
2	78th Avenue Sidewalk (SE 32nd - SE 34th)	\$737,000.00	50%	90%	\$331,650.00
3	78th Avenue SE between SE 34th Street and SE 40th Street	\$1,697,000.00	50%	75%	\$636,375.00
4	84th Avenue SE Sidewalk between 33rd Street and SE 36th Street	\$597,000.00	50%	90%	\$268,650.00
5	86th Avenue SE Sidewalk Phase 2 between SE 36th Street and SE 39th Street	\$1,141,000.00	50%	90%	\$513,450.00
6	92nd Avenue SE Sidewalk between SE 40th Street to SE 41st Street	\$803,000.00	50%	90%	\$361,350.00
7	East Mercer Way Shoulders (SE 79th Place to just north of 81st Ave SE/ W Mercer Way)	\$1,517,000.00	50%	75%	\$568,875.00

Exhibit B: Cost Allocation Calculations

#	Project	Total Cost	Percent eligible after existing deficiency reduction	Percent of New Project Traffic due to Growth within City	Project Costs Allowable for Impact Fees
8	Merrimount Drive sidewalk improvements (ICW to Mercer Way)	\$632,000.00	50%	90%	\$284,400.00
9	78th Avenue SE Sidewalk improvements (40th to 41st)	\$250,000.00	50%	90%	\$112,500.00
10	86th Avenue SE Sidewalk improvements (SE 42nd to ICW)	\$2,666,000.00	50%	90%	\$1,199,700.00
11	Signal coordination (ICW to Mercer Way)	\$690,000.00	100%	58%	\$401,636.54
12	Mid-block crosswalk 76th Ave SE between SE 24th and SE 27th	\$265,000.00	50%	90%	\$119,250.00
13	Sunset Hwy/77th Ave SE Improvements	\$1,040,000.00	50%	75%	\$390,000.00
14	80th Ave/North Mercer Way	\$754,000.00	100%	58%	\$438,889.79
15	N Mercer Way/I-90 Westbound Off-Ramp/Island Crest Way	\$650,000.00	100%	62%	\$406,237.87
16	West Mercer Way Roadside Shoulders (7400- 8000 Block)	\$543,000.00	50%	75%	\$203,625.00
17	West Mercer Way Roadside Shoulders - Ph 4 (8100 WMW - 8400 EMW)	\$794,000.00	50%	75%	\$297,750.00
Total Eligible Project Costs					\$7,386,507.18

Source: Fehr & Peers, 2022



EXHIBIT C

GROWTH ASSUMPTIONS MEMO

Memorandum

Date: July 23, 2021

To: Alison Van Gorp, City of Mercer Island

From: Cadell Chand & Kendra Breiland, Fehr & Peers

Subject: Mercer Island Transportation Impact Fee Growth Estimates Update

SE21-0792

This memorandum presents a summary of methods used to estimate land use growth between the years 2020 and 2040 in Mercer Island. The land use growth assumptions described in this memo will be used to inform Mercer Island's 2020 Transportation Impact Fee (TIF) update.

The following data sources have informed the development of current land use estimates in Mercer Island and growth over the next 20 years: American Community Surveys (ACS) household data, Longitudinal Employer-Household Dynamics (LEHD) employment data, Puget Sound Regional Council (PSRC) model land use data, and King County Jurisdiction Growth Targets for households and employment.

Data Used for Growth Assumptions

Table 1 lists the datasets used to calculate land use growth assumptions in Mercer Island. This combination of datasets was selected to balance the strengths and weaknesses of each dataset. Other datasets considered but not used in analysis include population and demographics data from the State of Washington's Office of Financial Management. This data was not used because it is replicated in ACS and LEHD data.

Table 1. Data Type Used from Each Data Source

Source	Year(s)	Household Data	Employment Data	Land Use Data
ACS	2014, 2019	X		
LEHD	2014, 2018		X	
PSRC Model	2014, 2040	X*	X*	X
KC Jurisdiction Growth Targets	2019-2044	X	X	

**Low confidence in PSRC model's household and employment estimates for Mercer Island*

American Community Survey (2014 & 2019)

The ACS is a U.S. Census run program that regularly gathers demographic information, including household data. The total number of households in Mercer Island used in this analysis is from the ACS for the most recent year of available data (2019) and for 2014.

Longitudinal Employer-Household Dynamics (2014 & 2018)

LEHD is a U.S. Census run program that synthesizes ACS data and data from the Local Employment Dynamics Partnership to produce detailed origin-destination employment statistics. The total employment in Mercer Island used in this analysis is from the LEHD for the most recent year of available data (2018) and for 2014.

Puget Sound Regional Council Model (2014 & 2040)

The PSRC SoundCast travel demand model is used to quantify and predict travel behavior in the Puget Sound region. The model includes base year data (2014) and projections (2040) by Transportation Analysis Zone (TAZ), a geographic unit that represents land use in a discrete area. There are 19 TAZs in Mercer Island and 3700 TAZs representing the Puget Sound region. Each TAZ provides basic estimate of land use its geographic area and the model predicts travel behavior, in terms of number of trips and transportation mode. Because the model simulates such a large region, household and employment projections are approximations in any given locale. Therefore, only the distribution of land uses from the base year (2014) and horizon year (2040) was used in this analysis.

King County Jurisdiction Growth Targets (2019 to 2044)

King County Jurisdiction Growth Targets are growth targets for household and employment growth by community. These targets are set by the Growth Management Planning Council and have a horizon year of 2044. These growth targets inform King County planning policies and are a strong indicator of expected growth for communities. Since the time horizon for the King County Growth Targets extends beyond our 2041 horizon, the annual household and employment growth was used in this analysis. Based on this approach, a growth in households and employment of 991 and 1,040, respectively, is anticipated for Mercer Island over the next 20 years.

Methodology

Land use growth estimates were calculated using the following process:

Base Year (2020) land use estimates:

1. Annual household and employment growth rates are calculated for Mercer Island using 2014 ACS household data and 2019 ACS household data, and 2014 LEHD employment data and 2018 LEHD employment data.

2. Calculated annual growth rates are used to grow 2019 ACS household data and 2018 LEHD employment data to the baseline year of 2020.
3. 2020 household and employment estimates are distributed into land uses according to Mercer Island land use distributions found in the 2014 PSRC model.

Horizon Year (2040) land use estimates:

1. 2020 household and employment estimates are grown to 2040 using annual household and employment growth rates from King County Jurisdiction Growth Targets.
2. 2040 household and employment estimates are distributed into land uses according to Mercer Island land use distributions found in the 2040 PSRC model.

Figure 1 illustrates and summarizes this process with a flowchart. Full growth estimates calculations can be found in **Appendix A**.

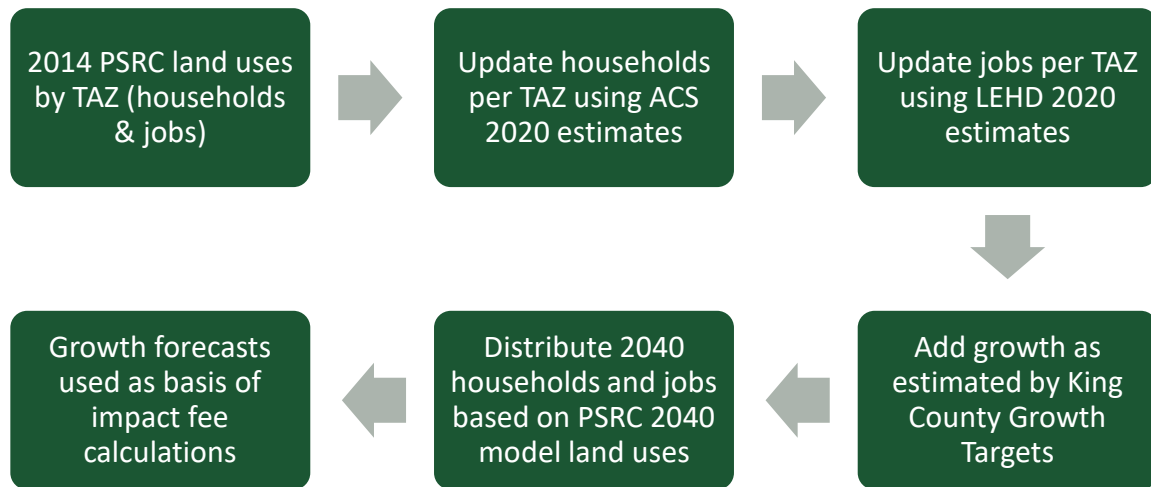


Figure 1. Flowchart showing land use growth estimate process

Final Growth Estimates

The final growth estimates for households and employment in Mercer Island between 2020 and 2040 are presented in **Table 2**. Growth estimates broken down by land use can be found in **Appendix A**.

Table 2. 2020-2040 Land Use Growth Estimates for Mercer Island

2020 Households	2040 Households	Growth in Households	2020 Employment	2040 Employment	Growth in Employment
10,259	11,250	991	6,971	8,011	1,040

Appendix A: Land Use Growth Estimates Calculations

Mercer Island Growth Estimates

By: Fehr & Peers
Date: 07/14/2021

Housing, Population, and Employment Data

Source	Year	HH	Pop.	Jobs
LEHD	2014			6607
LEHD	2018			6767
ACS (Census)	2014	9431	23636	
ACS (Census)	2019	10199	25675	
PSRC Model	2014	9322	23118	8300
PSRC Model	2040	11702	26668	9668

Grow Census/LEHD to 2020

LEHD Growth Rate	0.6%	jobs per year	2014 LEHD to 2018 LEHD over 4 years		
Census Growth Rate	1.5%	HH per year	2014 LEHD to 2019 LEHD over 5 years		

2019 Census HH	10199	*	1.01	=	10259	<-2020 HH Estimate
2018 LEHD Jobs	6767	*	1.03	=	6971	<-2020 Jobs Estimate

2014 PSRC Land Uses for Mercer Island

Total HH	SF HH	MF HH	Retail	Fire	Gov	Edu	WTU	Manu	Univ	Jobs Sum	Check
9322	6525	9322	1159	4658	313	1561	609	0	0	8300	TRUE

SF = 0.7 of total HH, MF = 0.3 of total HH (from 2015 TIF)

2020 Land Uses (value from Census/LEHD, distribution from PSRC)

Total HH	SF HH	MF HH	Retail	Fire	Gov	Edu	WTU	Manu	Univ	Jobs Sum
10259	7182	3078	973	3912	263	1311	511	0	0	6971

SF = 0.7 of total HH, MF = 0.3 of total HH (from 2015 TIF)

King County Jurisdiction Growth Targets

Years	Housing Units	Growth per Year	2040 Total HH	Jobs	Growth per Year	2040 Total Jobs
2019-2044	1239	50	11250	1300	52	8011

2040 Land Uses (value from 2020 + KC, distribution from PSRC)

Total HH	SF HH	MF HH	Retail	Fire	Gov	Edu	WTU	Manu	Univ	Jobs Sum	Check
11250	7875	3375	1119	4496	302	1507	588	0	0	8011	TRUE



EXHIBIT D

LAND USE DEFINITIONS

The following land use definitions are derived from the ITE *Trip Generation* (11th Edition). They have been modified as appropriate for the City of Mercer Island. Other uses not listed here should be analyzed with an independent rate study.

Single Family: One or more detached housing units located on an individual lot. Also includes accessory dwelling units and duplexes. (ITE # 210)

Multi Family: A building or buildings designed to house three or more families living independently of each other. Includes apartments, condos and attached townhouses. (ITE # 220, 221, 230)

Senior Housing: Residential units similar to apartments or condominiums restricted to senior citizens. (ITE # 251, 255)

Lodging: The following land use categories fall under the impact fee category "lodging". The rate is based on the "Hotel" ITE trip generation, due it to being most like other types of lodging in the Mercer Island.

- Hotel (ITE # 310, 311, 312, 330)
- Motel (ITE # 320)

Commercial Services: The following land use categories fall under the impact fee category "Commercial Services" The rate of 4.24 trips per ksf is based on the average of rates for Auto Care Center (942), Movie Theater (445), and Health Club (492), which represent a broad variety of uses.

- Walk-in Bank (ITE # 911)
- Drive-in Bank (ITE # 912)
- Hair Salon (ITE # 918)
- Copy, Print and Express Ship Store (ITE # 920)
- Drinking Place (ITE # 925)
- Coffee/Donut Shop (ITE # 936, 937, 938)
- Bread/Donut/Bagel Shop (ITE # 939, 940)
- Automobile Care Center (ITE # 942)
- Automobile Parts and Service Center (ITE # 943)
- Automated Car Wash (ITE # 948)
- Health/Fitness Club (ITE # 492, 493)

Gas Station: The following land use categories fall under the impact fee category "gas station". The rate is based on the "Gasoline/Service Station with Convenience Mart" ITE trip generation (945), due it to being most like other types of gas stations in the Mercer Island.

- Gasoline/Service Station (ITE # 944)
- Gasoline/Service Station with Convenience Mart (TIE # 945)
- Gasoline/Service Station with Convenience Mart and Car Wash (ITE # 946)
- Convenience Market with Gasoline Pumps (ITE # 853)

School: The following land use categories fall under the impact fee category “school”. The rate is based on the “High School” ITE trip generation (525), due it to being most like other types of schools in the Mercer Island.

- Elementary School (ITE # 520)
- Middle School/Junior High School (ITE # 522)
- High School (ITE # 525)
- Private School (ITE # 534, 536)

Institutional: The following land use categories all fall under the impact fee category “Institutional”. The rate of 0.68 trips per ksf is based on the average of rates for Church (560), and Hospital (610).

- Church (ITE # 560)
- Day Care Center (ITE # 565)
- Museum (ITE # 580)
- Library (ITE # 590)
- Hospital (ITE #610)
- Animal Hospital/Veterinary Clinic (ITE # 640)

Light Industrial/Industrial Park: Industrial parks are a mix of manufacturing, service, and warehouse facilities with a wide variation in the proportion of each type of use from one location to another. Industrial parks include research centers facilities or groups of facilities that are devoted nearly exclusively to research and development activities. Light industrial facilities include printing plants, material testing laboratories, bio-technology, medical instrumentation or supplies, communications and information technology, and computer hardware and software. (ITE #s 110, 130)

Warehousing/Storage: Facilities that are primarily devoted to the storage of materials, including vehicles. They may also include office and maintenance areas. (ITE # 150)

Restaurant: The following land use categories fall under the impact fee category “restaurant”. The rate is based on the “Quality Restaurant” ITE trip generation (931), due it to being similar to other restaurants in terms of new trips, and most similar to the types of restaurants in Mercer Island.

- Quality Restaurant (ITE # 931)

- High-Turnover (Sit-Down) Restaurant (ITE # 932)
- Fast-Food Restaurant (ITE # 933, 934, 935)

General Retail: The following land use categories fall under the impact fee category "General Retail". The rate is based on the "Shopping Center" ITE trip generation (820), due to it being most like other types of retail shops in the Mercer Island.

- Tractor Supply Store (ITE # 810)
- Construction Equipment Rental Store (ITE # 811)
- Building Materials and Lumber Store (ITE # 812)
- Free-Standing Discount Superstore (ITE # 813)
- Variety Store (ITE # 814)
- Free-Standing Discount Store (ITE # 820)
- Hardware/Paint Store (ITE # 816)
- Nursery (ITE # 817, 818)
- Shopping Center (ITE # 820)
- Factory Outlet Center (ITE # 823)
- Specialty Retail Center (ITE # 826)
- Automobile Sales (ITE # 841)
- Tire Store (ITE # 848, 849)
- Convenience Market (ITE # 851, 852)
- Discount Club (ITE # 857)
- Wholesale Market (ITE # 860)
- Sporting Goods Superstore (ITE # 861)
- Home Improvement Superstore (ITE # 862)
- Electronics Superstore (ITE # 863)
- Toy/Children's Superstore (ITE # 864)
- Baby Superstore (ITE # 865)
- Pet Supply Superstore (ITE # 866)
- Office Supply Superstore (ITE # 867)
- Book Store (ITE # 868)
- Discount Home Furnishing Store (ITE # 869)
- Bed and Linen Superstore (ITE # 872)
- Department Store (ITE # 875)
- Apparel Store (ITE # 876)
- Arts and Crafts Store (ITE # 879)
- Pharmacy/Drugstore (ITE # 880, 881)

- Furniture Store (ITE # 890)
- DVD/Video Rental Store (ITE # 896)
- Medical Equipment Store (ITE # 897)

Supermarket: Retail store which sells a complete assortment of food, food preparation and wrapping materials, and household cleaning and servicing items. (ITE # 850)

Administrative Office: An administrative office building houses one or more tenants and is the location where affairs of a business, commercial or industrial organization, professional person or firm are conducted. The building or buildings may be limited to one tenant, either the owner or lessee, or contain a mixture of tenants including professional services, insurance companies, investment brokers, and company headquarters. Services such as a bank or savings and loan, a restaurant or cafeteria, miscellaneous retail facilities, and fitness facilities for building tenants may also be included. (ITE # 710)

Medical Office/Dental Clinic: A facility which provides diagnoses and outpatient care on a routine basis but which is unable to provide prolonged in-house medical/surgical care. A medical office is generally operated by either a single private physician/dentist or a group of doctors and/or dentist. (ITE # 720)

CITY OF MERCER ISLAND

COMMUNITY PLANNING & DEVELOPMENT

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PLANNING COMMISSION

TO: Planning Commission

FROM: Adam Zack, Senior Planner

DATE: April 20, 2022

SUBJECT: 2024 Comprehensive Plan Update
Project Kickoff

ATTACHMENTS:

- A. Approved Comprehensive Plan Update Scope of Work and Master Schedule
- B. Approved Comprehensive Plan Update Public Participation Plan
- C. Housing and Economic Development Work Group Charters

SUMMARY

The April 27, 2022, Planning Commission meeting marks the kickoff of the 2024 Comprehensive Plan Update project. At this meeting, the Planning Commission will:

- Be briefed on the planned Comprehensive Plan element review process;
- Select members for the Economic Development and Housing Work Groups; and
- Get an overview of the planned project schedule through the end of the year.

BACKGROUND

The Washington State Growth Management Act (GMA) requires King County and incorporated jurisdictions within King County to update their comprehensive plans on or before December 31, 2024. Note the periodic review date was recently amended by HB 1241. On March 15, 2022, the City Council approved Resolution 1621, which set a scope of work, master schedule, and public participation plan for the Comprehensive Plan update. Under the approved scope of work and master schedule, the periodic update of the Mercer Island Comprehensive Plan will be completed by April 2024.

Additional summary information includes:

- The last periodic update of the Mercer Island Comprehensive Plan occurred in 2015 and was adopted in 2016.
- On March 15, the City Council approved the scope of work, master schedule, and public participation plan with Resolution 1621.

- The approved scope of work and master schedule for this effort is included as Attachment A.
- The approved public participation plan for this effort is included as Attachment B.
- The public participation plan includes creating economic development and housing work groups composed of two Planning Commissioners and two Councilmembers.
- The work group charters are included as Attachment C.
- The proposed scope of work anticipates adoption of the periodic update to the Mercer Island Comprehensive Plan by April 2024.

The Mercer Island Comprehensive Plan sets forth a vision and establishes goals, policies, and implementation actions for managing and growing into the future. The vision is a statement of how the Comprehensive Plan will guide the City. Comprehensive Plan goals describe what objectives the City will pursue to further the vision. The policies and implementation actions established in the Comprehensive Plan describe what the City will do to achieve its goals and provide crucial guidance for the City in capital improvements, development regulations, and other supporting programs and services.

The Comprehensive Plan considers projected growth during a twenty-year period called a “planning horizon”. Currently, the GMA requires cities and counties to update each respective plan every nine years to extend the planning horizon. The 2024 Comprehensive Plan update will extend the planning horizon to the year 2044.

COMPREHENSIVE PLAN ELEMENT REVIEW PROCESS

The approved scope of work outlines a focused “surgical” update of the Comprehensive Plan (Attachment A). The concept is to limit the updates primarily to those required by state law. As such, the tasks for the Land Use, Utilities, Capital Facilities, and Transportation Elements are primarily constrained to only those updates required by the GMA and to account for recent planning actions. The narrow scope for each of these elements is necessary for the City to complete the periodic review before the mandated deadline.

Land Use, Utilities, Capital Facilities, and Transportation Elements

The review process for the Land Use, Utilities, Capital Facilities, and Transportation elements will follow the same pattern. The master schedule allows for the Planning Commission to review each element over the course of three meetings. Many of the amendments to these elements will be limited to technical updates required for extending the planning horizon. Because the amendments will mostly be technical, the Planning Commission will not need to make substantial changes during the update. This means that some of the elements might not require all three meetings for the Planning Commission to finish their review. In general, the element review process will be:

First Meeting: Staff Draft and Initial Planning Commission Input

Staff will prepare the initial draft of the element and brief the Planning Commission on amendments made and solicit initial general input to add to the second draft. General input can include requests for additional information to better inform decision making.

Second Meeting: Draft Refinement

Staff will incorporate the input from the first meeting into the initial draft and brief the Planning Commission on the changes made. The Planning Commission can consider making further refinements to the draft, if needed. Additional edits to the draft should be agreed to by the entire commission. Some elements might be ready to be approved as a public hearing draft by the end of the second meeting. See the description of public hearing draft below.

Third Meeting: Agree to the Public Hearing Draft

Staff will incorporate the refining amendments from the second meeting into the third draft. The Planning Commission will give a final review and make refinements to the draft. Ideally, any refinements will be minor because the first two touches on the draft captured the major comments. Once the Planning Commission completes their review, the draft can be agreed upon as a public hearing draft of the element. The public hearing draft is what the public will comment on during the final community workshop and public hearing. The public hearing draft is not a 'final' draft.

Economic Development and Housing Elements

The amendments to the Housing Element and drafting an Economic Development Element will include additional review prior to the Planning Commission process outlined above. Two work groups will prepare and refine the first drafts of these two elements. Throughout summer and fall 2022, the work groups will work on shaping the first drafts and collecting community input. Refining the first draft through the work group process should result in first drafts of the Economic Development and Housing elements that will only need minor refinement, allowing for the same three-meeting process with the Planning Commission used for the other elements.

Public Hearing Drafts

The public hearing drafts are not the final Planning Commission drafts of each element. The Planning Commission will have two more passes on the amendments before making a recommendation to the City Council. The next time the Planning Commission will touch the drafts will be after the community workshop planned for June 2023 (Attachment B, page 5, Task 4.3). The community workshop will be followed by the Planning Commission Comprehensive Plan update tune up meeting. The tune up will give the Planning Commission the opportunity to integrate comments from the community workshop into the drafts as needed. Then, the Planning Commission will hold a public hearing on the update. During deliberations, the Planning Commission can fine tune the update to address concerns that are raised during the public hearing. The Planning Commission will then make a recommendation to the City Council on the overall Comprehensive Plan update.

ECONOMIC DEVELOPMENT AND HOUSING WORK GROUPS

Work on the Economic Development Element and Housing Element will require an expanded review process. The approved public participation plan includes the creation of two work groups to prepare drafts of the Economic Development and Housing elements. Each work group will be composed of two Planning Commissioners and two Councilmembers. The work group charters, establishing the rules for the work groups, are included as Attachment C. On April 27, The Planning Commission will select members for the Economic Development and Housing work groups.

The work groups will meet several times through the summer and early fall of 2022. Both work groups will meet at least three times, but there will likely be a couple additional meetings depending on the amount of public feedback desired once drafting has begun. The first meetings are expected in May and the final meetings are expected no later than November. Serving on a work group will include responsibility for reviewing and refining initial drafts of the Economic Development and Housing elements respectively. This responsibility would be in addition to regular Planning Commission meetings during this time. Scheduling of the work group meetings will be agreed to by members of each group; allowing some flexibility.

Selection of Work Group Members

The proposed process for selecting Commissioners to serve on the Economic Development and Housing work groups is similar to the process for electing officers. Staff proposes the following steps to select work group members:

- (1) Volunteering: Commissioners can volunteer to serve on a work group. Each work group needs 2 Commissioners.
- (2) Consensus: If more than two Commissioners have volunteered for a single work group then the Planning Commission can hold a thumbs up/down vote for each volunteer, with the two Commissioners receiving the most thumbs up votes being elected to the work group.

PROJECT SCHEDULE THROUGH THE END OF THE YEAR

Work on the Comprehensive Plan update will begin in May. The following projects are planned for the remaining 8 months of 2022.

May

First Housing Work Group Meeting
First Economic Development Work Group Meeting

June

Economic Development Community Workshop and Survey
Housing Needs Assessment and Economic Analysis Planning Commission and City Council briefings

July

Second Housing Work Group Meeting
Second Economic Development Work Group Meeting
First Land Use and Transportation elements Planning Commission briefings

August

Legislative recess
Staff prepares drafts and other materials for upcoming meetings in September and October

September

Second Land Use and Transportation elements Planning Commission briefings
Third Housing Work Group meeting, finish work group draft of Housing Element
Third Economic Development Work Group meeting

October

Third Land Use and Transportation elements Planning Commission briefings
First Housing Element Planning Commission briefing
Additional Economic Development Work Group meeting, if needed

November

Second Housing Element Planning Commission briefing
Additional Economic Development Work Group Meeting, finish work group draft of Economic Development Element

December

Third Housing Element Planning Commission briefing

January 2023

First Economic Development Element Planning Commission briefing

NEXT STEPS

At the April 27 meeting, the Planning Commission will select members for the Economic Development and Housing Work Groups. The City Council will also select members for the work groups in early May. The work groups will begin meeting in the second half of May.



2024 Comprehensive Plan Update

Project Kickoff

Mercer Island Planning Commission

April 27, 2022

Adam Zack, Senior Planner

Department of Community Planning and Development

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Presentation Overview

1. Summary of the planned Comprehensive Plan element review process
2. Select members for the Economic Development and Housing Work Groups
3. Overview of the planned project schedule through the end of the year



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Background

- Resolution 1621 approved the scope, schedule and public participation plan for the Comp Plan update
- Res. 1621 online:
https://library.municode.com/WA/mercer_island/munidocs/munidocs?nodeId=471cd97b5ec20
- Comp Plan update is expected to run through April 2024
- Planning Commission will start reviewing Plan Elements in June



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Element Review Process

- Most elements will get minor, technical updates rather than a complete overhaul
- Focusing on technical updates should allow the Planning Commission to keep review to no more than 3 meetings per element
- Given the limited scope of amendments required, some elements may not require all 3 meetings



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Element Review Process

- **Meeting 1:** Staff Draft and initial Planning Commission input
- **Meeting 2:** Second Draft incorporating input, second round of revisions (if necessary).
- **Meeting 3:** Third Draft, Planning Commission agrees to Public Hearing Draft



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Element Review Process: Public Hearing Draft

- Public Hearing draft is NOT the final draft
- Planning Commission will be able to return to drafts for a 'tune up' after a community workshop
- Drafts can also be refined during deliberations after the public hearing, if needed



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Element Review Process: Economic Development and Housing Elements

- Two work groups will prepare the initial drafts of these two elements with staff support
- Drafts coming out of the work groups will have had
- Once these elements get to Planning Commission: three meeting process



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Economic Development and Housing Work Groups

- Work groups will prepare the initial drafts of the Economic Development and Housing elements.
- Work groups will meet several times throughout the summer and fall.
- Work group Meetings will be in addition to regular PC meetings.



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Economic Development and Housing Work Groups

- Work groups should wrap up their work by the end of 2022.
- The first meetings are planned for May.



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Economic Development and Housing Work Groups

- Selection of volunteers: 2 for Economic Development and 2 for Housing
- If more than 2 volunteers, the PC can select volunteers through a process like the election of officers (thumbs up/down vote).



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Project Schedule Through the End of 2022

- **May:** 1st work group meetings
- **June:** EDE public outreach and Technical Report briefings
- **July:** 2nd work group meetings Land Use and Transportation Elements
- **August:** Legislative recess
- **September:** 3rd work group meetings Land Use and Transportation
- **October:** Land Use, Transportation, and Housing elements (EDWG meeting if needed)
- **November:** Housing Element (EDWG meeting if needed)
- **December:** Housing Element
- **January 2023:** Economic Development Element



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Questions?

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