



CITY OF MERCER ISLAND CITY COUNCIL MEETING AGENDA

**Monday
May 8, 2017
6:00 PM**

Mayor Bruce Bassett

Deputy Mayor Debbie Bertlin

Councilmembers Dan Grausz, Jeff Sanderson,

Wendy Weiker, David Wisenteiner and Benson Wong

This meeting will be held in the City Hall Council Chambers at
9611 SE 36th Street, Mercer Island, WA.

Contact: 206.275.7793 | council@mercergov.org | www.mercergov.org/council

SPECIAL MEETING

CALL TO ORDER & ROLL CALL

SPECIAL BUSINESS

AB 5297 Joint City Council and Planning Commission Study Session Regarding Residential Development Standards Code Amendments

ADJOURNMENT



**BUSINESS OF THE CITY COUNCIL
CITY OF MERCER ISLAND, WA**

**AB 5297
May 8, 2017
Study Session**

**JOINT CITY COUNCIL AND PLANNING
COMMISSION STUDY SESSION REGARDING
RESIDENTIAL DEVELOPMENT STANDARDS
CODE AMENDMENTS**

Proposed Council Action:

No action required. Provide feedback to Planning Commission and staff.

DEPARTMENT OF

Development Services Group (Evan Maxim)

COUNCIL LIAISON

n/a

EXHIBITS

1. Scope of Work Memorandum, dated October 19, 2016
2. Community Engagement Summary, dated May 1, 2017
3. RDS Review Summary Memorandum, dated May 1, 2017

2017-2018 CITY COUNCIL GOAL

2. Maintain the City's Residential Character

APPROVED BY CITY MANAGER

AMOUNT OF EXPENDITURE	\$	n/a
AMOUNT BUDGETED	\$	n/a
APPROPRIATION REQUIRED	\$	n/a

SUMMARY

The purpose of the joint City Council and Planning Commission study session is to provide an opportunity for the Planning Commission and City staff to:

- 1) Brief the City Council on the draft Residential Development Standards code amendment; and
- 2) Receive any additional feedback or City Council guidance prior to completing their deliberation and preparing a recommendation to the Council on the proposed amendments.

In August of 2016, the City Council approved the scope of work for the Residential Development Standards code amendments, which was used as the starting point for the Planning Commission's review (see Exhibit 1). The scope of work identified the primary concern of the council and the community as the "*rapidly changing character of Mercer Island's single family neighborhoods*"; and directed the Planning Commission to evaluate seventeen different areas of focus.

The City Council also requested that the Planning Commission engage in a rigorous community engagement process to ensure sufficient community input in the review of any proposed amendments to the residential development standards. A summary of the Planning Commission and City's outreach and resulting public participation is contained in Exhibit 2.

Over the course of more than a dozen public meetings, community meetings, and a public hearing on April 5, 2017, the Planning Commission has carefully reviewed the residential development standards and identified a number of proposed amendments for Council adoption. The current draft of the code amendments under review by the Planning Commission is 87 pages long and is accompanied by five addenda which include an additional 75 pages of alternative text. A summary of the proposed amendments

is attached as Exhibit 3 to aid in the joint study session discussion. Staff will summarize the main themes and issues for which Council direction is sought, instead of reviewing all 162 pages at the joint study session. The currently proposed text amendments and addenda are available online at www.mercergov.org/residential.

The Planning Commission and staff are seeking City Council feedback on the proposed amendments and requesting specific guidance on A) any perceived “gaps” in the Planning Commission’s proposed amendments; and B) recommended alternative solutions.

Following the joint study session, the Planning Commission will finalize their recommendations and present them to City Council. Soon thereafter, the Council will hold the final public hearing followed by deliberations and adoption of the amended code. Looking ahead to this final phase of the code amendment process, staff has refined the community outreach strategy to solicit additional community involvement and input. Staff are recommending the following outreach approaches:

- Signs and posters in highly visible locations and community gathering places around the island
- Website, MI Weekly and email updates (to our list of 500+ interested individuals)
- Social media – posts to NextDoor, Facebook and Twitter
- Facebook advertising to boost posts to everyone with a Mercer Island affiliation
- Print and online ads in the Mercer Island Reporter

Staff also plan to reach out to journalists with the MI Reporter and My Mercer Island blog to provide updates on the process and proposed code amendments.

The following are the next steps in the review of the proposed Residential Development Standards code amendment:

- May 17 – Planning Commission deliberation and recommendation on the code amendment
- June 5 – Planning Commission handoff of the recommended amendments to the City Council
- June 12 – City Council Public Hearing
- June 19 – City Council Study Session
- July 17 – City Council deliberation and code adoption

RECOMMENDATION

Planning Manager

No action required. Provide feedback to Planning Commission and staff.



DEVELOPMENT SERVICES GROUP

9611 SE 36TH ST., MERCER ISLAND, WA 98040

(206) 275-7605 | www.mercergov.org/dsg

TO: Planning Commission

FROM: Evan Maxim, Planning Manager

DATE: October 19, 2016

RE: ZTR16-004 - Residential Development Standards – Scope of Work

On August 1, 2016, the City Council approved the scope of work for the Residential Development Standards code amendment. The Planning Commission reviewed an initial scope of work for the proposed amendments on July 20, 2016; following City Council review, additional areas of focus were created (identified below).

The City will hold a community kick-off meeting on October 26, 2016, which is intended in part to solicit additional input on the areas of focus and scope of work. Following the kick-off meeting, staff will consult with the Planning Commission to determine if modifications to the scope of work is needed. If modifications are an expansion of the scope of work, staff will also consult with the City Council.

Scope of Work

The upcoming work on single-family residential development standards is being driven by a concern shared by many residents: *the rapidly changing character of Mercer Island's single-family neighborhoods.*

These changes to single-family neighborhoods fall into two categories: 1) impacts related to new subdivisions; and, 2) impacts resulting from new single family construction (tear down / replacement and new construction on existing vacant lots). The following briefly describes the policy issues within each of the two categories.

1. New subdivisions: Creation of new lots that are oftentimes smaller than the pre-existing neighborhood pattern is causing concern in some neighborhoods related to overcrowding and an undesirable change to neighborhood character. Permit data indicates that between January 2010 and December 2015, approximately 11% of new homes permitted (24 out of 217) were located on lots that resulted from subdivision.
2. New single family homes: The trend of building new homes that are relatively larger than existing homes in the neighborhood, and that are often sited without regard to the natural features of the lot and to the pre-existing neighborhood development patterns, is perceived by some as negatively changing the character of Mercer Island. Approximately 89% of new homes

permitted between January 2010 and December 2015 were built on existing vacant lots (13%) or were the result of a tear down and replacement home (76%). The median square footage of new homes permitted since 2010 is 4,675 square feet. These new homes are nearly 50% larger than the 1960's and 1970's homes they are now replacing.

Based upon the above, the Planning Commission and City Council will review the following areas of focus:

1. Building height
2. Gross floor area
3. Lot coverage (impervious surface)
4. Minimum setbacks
5. Tree retention
6. Building pads
7. Minimum lot width and depth
8. The definition of a single-family residence as related to very large homes (e.g., is a 15,000 square foot house with 12 bedrooms, 12 bathrooms and 3 kitchens a single-family home or something else?)
9. Lot consolidation / Maximum lot area (impact of creating larger lots resulting in larger homes that is different from the existing neighborhood pattern)
10. Construction related impacts (hours of operation, parking, length of construction activity, etc.)
11. Deviations (process and criteria)
12. Large residential accessory structures and uses (e.g., 30-foot-high gazebos, 12-car garages, etc.)
13. Enforcement Tools including penalties
14. Building Permit Process: Public Notice, Public Input and Right to Appeal
15. Fence Height Deviations
16. Time Limit on Validity of Building Permits
17. Short Plats - Ensuring that short plat process is not circumvented by, for example, applying for a building permit for one part of a lot with the intention of short platting the property after that permit is granted.



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TO: City Council
Planning Commission

FROM: Alison Van Gorp, Administrative Services Manager

DATE: May 1, 2017

RE: ZTR16-004 - Residential Development Standards – Community Engagement Summary

Summary

This memo provides a summary of the outreach and community engagement activities related to the Residential Development Standards update process. The City has held several community meetings which have been well attended by the public. Hundreds of public comments have been received and reviewed by the Planning Commission. In general, public opinion on the proposed recommendations is divided, with many opposed to changes that could impact property values and others supporting code changes that would limit what is seen as “over-development” of the island.

Community Engagement

Community Engagement for the Residential Development Standards update has been focused on both informing residents of the proposed changes to residential codes as well as engaging with residents and stakeholders to hear their ideas for improving the code. With this twofold approach in mind, we have held a number of Community Meetings throughout the process. All the meetings have been very well attended, with numbers growing throughout the process. In addition, attendees have been very engaged in the subject matter, working diligently to provide meaningful input to the Planning Commission.

The format of each meeting was tailored to the type of feedback that was needed at that point in the process. The Community Kickoff and the first Community Meeting used small group conversations to draw upon the collective wisdom of the attendees to highlight concerns and bring together ideas and approaches for the Planning Commission to consider. The February community meeting included a presentation of the concepts being considered by the Planning Commission as well as a robust Q+A discussion between the audience and the Commissioners. This format allowed the Commission to respond to ideas and concerns from the public as well as laying out their rationale for the policy concepts that were moving forward. Finally, a formal public hearing was held in April to get input on a draft of the Planning Commission’s recommendations. This meeting was very well attended, with the

Mercer Room at the Community Center packed and about 2 hours of public comments from over 30 individuals.

Meetings

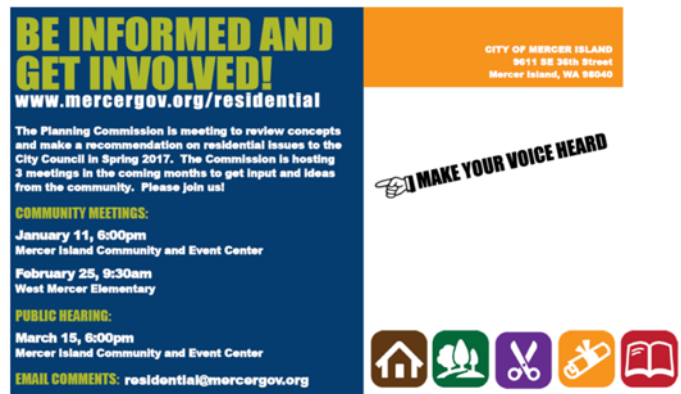
- October 26 Community Kickoff (~75 people in attendance)
- January 11 Community Meeting (~65 people in attendance)
- February 25 Community Meeting (~85 people in attendance)
- April 5 Public Hearing (~155 people in attendance)
- Roadshow meetings: resident group, high school classes, Rotary, and realtors group
- Plus, 14 regular Planning Commission meetings focused on this issue, all of which included time for public comment

Outreach

The City has worked hard to spread the word far and wide about the code update process, encouraging residents to get involved. Staff have utilized a mix of strategies for outreach including traditional means such as newspaper ads and posters as well as more contemporary approaches such as gaining coverage in local blogs and posting regularly to social media.

Outreach activities

- All-Island Mailing (early January)
- MI Reporter Ad (print + web): (late March)
- Social media (NextDoor, Facebook, Twitter)
- Other: A-frame signs, posters, website, email, MI Weekly (x 4), blogs, newspaper



Public Comments

As mentioned above, attendance at public meetings has been robust. Likewise, the City has received substantial input from the public via written and verbal comments. Public opinion has been very mixed. A group of residents supportive of code changes has been involved and engaged throughout the process. More recently, a sizable opposition has emerged, expressing concerns around impacts to property values. In addition, many more residents supportive of the proposed recommendations have also come forward throughout the process. At this point, hundreds of comments have been received, and the opinions expressed are very split.

- More than 350 written comments have been received via the website and email, all comments are published on the website on a regular basis at www.mercergov.org/RDScomments
- 31 written comments submitted at Community Meetings
- Plus, dozens of verbal comments at Planning Commission Meetings and the Public Hearing



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TO: City Council
Planning Commission

FROM: Evan Maxim, Planning Manager

DATE: May 1, 2017

RE: ZTR16-004 - Residential Development Standards – Review Summary

Summary

This memo is intended to summarize the Planning Commission direction and discussion regarding the amendments to the residential development standards to date. The first section contains “substantive amendments” to the residential development standards, while the second section provides a simple list of non-substantive amendments.

Section 1: Proposed Substantive Amendments:

Each substantive amendment summary is divided into two parts: the proposed amendment, and the rationale for the change as currently understood by staff.

Gross floor area

1. Amendments:
 - a. Reduce the allowed gross floor area from 45% to 40%.
 - b. Allow for an additional 5% of gross floor area for accessory dwelling units and accessible single family dwellings on the first floor.
 - c. Limit (“cap”) the maximum gross floor area based upon the zoning designation.
 - d. Regulate covered decks (not uncovered decks).
 - e. Regulate rooms with high ceiling as 150% or 200% of the rooms’ gross floor area.
 - f. Modify the basement exclusion to exclude GFA below the existing or finished grade, whichever is less.
2. Rationale:
 - a. Generally reduce the size and bulk of new single family homes. Balance the goal of reducing homes size and bulk with the goals of providing accessory dwelling units and accessible homes.
 - b. More closely tie the size of the proposed house to the zoning designation. Very large homes are not well suited for neighborhoods that are designed for smaller lots.

- c. Ensure that the gross floor area standard more closely regulates the apparent bulk of the house.

Lot coverage

- 3. Amendments:
 - a. Replace the current lot coverage / impervious surface limits with a standard that requires 60% of the net lot area to be landscaped.
 - b. A minimum of 80% of the landscaped area should be improved with “softscape” such as plants, trees, garden areas, etc. The remaining area may be used for “hardscape” such as driveway, walkways, etc.
 - c. The required landscaping area may be reduced to 50% of the net lot area for single story single family dwelling units.
- 4. Rationale:
 - a. The regulation more closely aligns with the desired effect for new single family dwelling units (i.e. encouraging the design and installation of landscaping).
 - b. Replaces the term “impervious surface”, which is closely tied to the drainage functionality rather than the desired outcome. The terms “softscape” and “hardscape” are more closely aligned with the desired outcome of preserving neighborhood character.
 - c. Allows for single story homes to maximize gross floor area and comply with the new standard.

Building height

- 5. Amendments:
 - a. Limit the maximum façade height on the downhill side to 30 feet (reduced from 35 feet).
 - b. Measure the downhill façade height from finished or existing grade, whichever is lower.
- 6. Rationale:
 - a. Reduces the bulk of the building following construction and recognizes that the finished grade may be lowered during construction, thereby increasing the appearance of the building bulk.

Parking for small lots

- 7. Amendment:
 - a. Reduce the number of required parking stalls for new homes on lots with a net area of less than 6,000 square feet from 3 to 2 parking stalls. Only one of the parking stalls would need to be in a garage.
- 8. Rationale:
 - a. A typical garage parking stall will require a minimum of 200 square feet of area. The garage area is part of the gross floor area of the home, which reduces the amount of living space accordingly.

Variable side yard setbacks

9. Amendments:

- a. Lots with a width of greater than 90 feet require a cumulative side yard depth of 17% of the lot width. Lots with a width of 90 feet or less require a cumulative side yard depth of 15 feet.
- b. For lots with an area of more than 6,000 square feet, minimum side yard depths should be increased by 150% (an increase from 5 feet to 7.5 feet) where they adjoin single family dwellings with a height of 15 feet.
- c. For lots with an area of more than 6,000 square feet, side yard depths should be increased by 200% (an increase from 5 feet to 10 feet) where they adjoin single family dwellings with a height of 25 feet.

10. Rationale:

- a. For wider lots, the increased setback is intended to provide for additional space between homes. The bulk of the wider home would be balanced by the increased setback width.
- b. Variable minimum side yard depths were preferred over the daylight plane approach.
- c. Very small lots were already difficult to design a house for, and should not be subject to variable minimum side yard depths.
- d. The variable minimum side yard depth reduced the “looming” effect of a very tall new home next to a relatively shorter home.

Tree retention

11. Amendment:

- a. Exempt hazardous and undesirable trees from tree permitting and retention requirements.
- b. Require a tree permit for removal of trees greater than 24” in diameter.
- c. Require tree retention for new single family dwelling construction, additions of more than 500 sqft, and short and long subdivisions.
- d. Provide an exemption from tree retention for single family construction or additions on very small lots.
- e. Tree retention is 30% of the trees on the site with a diameter greater than 10”.
- f. Create an incentive to retain priority trees,
- g. Create an option to require retention of exceptional trees
- h. Tree replacement is required for trees removed associated with new construction, additions, and short and long subdivisions. No tree replacement is required otherwise.
- i. Allow for a fee-in-lieu of tree replacement in some circumstances.
- j. Establish minimum tree protection standards.

12. Rationale:

- a. Focus the regulations on trees that are most important and valuable to the community (the large, healthy trees that have a reasonable chance of long term viability).
- b. The tree permit is necessary to ensure compliance with tree retention, protection, and replacement requirements.

- c. Authorize the city to require the re-design of some new single family homes and subdivisions to ensure retention of exceptional trees.
- d. Establish a clear standard for retention and protection. Provide appropriate flexibility from the standard based upon site specific analysis.

Large lots

13. Amendments:

- a. Require new single family homes on lots that are large enough to subdivide to either: 1) subdivide, 2) design the layout to comply with short subdivision requirements, or 3) record a covenant preventing additional subdivision for some 5 years.

14. Rationale:

- a. Prevent the siting of a single family dwelling prior short subdivision application that would result in non-compliance with the design standards for subdivision.

Construction permits

15. Amendments:

- a. Limit construction hours to M-F: 7AM to 7PM; Sat: 9AM to 6PM; Sundays and Holidays – No Construction
- b. Limit construction permit renewals to 1 year following a single 30-day extension. Building permits would be “valid” for a maximum of 3 years.
- c. Require construction management plans and schedules for large projects and all permit renewals.

16. Rationale:

- a. Reduce the likelihood of extended construction timelines by requiring proactive scheduling and management.
- b. Prohibit “never-ending” permits.
- c. Revise construction hours to end at an earlier time.

Deviations and variances

17. Amendments:

- a. Eliminate impervious deviations.
- b. Clarify fence height deviation criteria.
- c. Consider eliminating fence height deviations and replacing it with an allowance for increased height based upon criteria.
- d. Clarify variance criteria and make variance criteria more restrictive (i.e. make it harder to get a variance).

18. Rationale:

- a. Decrease the amount of flexibility provided through deviations or variances.
- b. Increase the predictability of deviation and variance approvals.
- c. Clarify when a deviation should or should not be approved.

Accessory Buildings and Structures

19. Amendments:

- a. Limit the gross floor area of accessory buildings to 25% of the allowed gross floor area on the site.
- b. Limit the height of accessory buildings and structures to 17 feet.

20. Rationale:

- c. Decrease the size and bulk of accessory buildings and structures.
- d. Ensure that the single family dwelling is the primary structure.

Section 2: Proposed Non-substantive Amendments:

The following summary of non-substantive amendments is generally grouped by the chapter the proposed amendments are located within.

21. Chapter 19.01 MICC:

- a. Update the provisions related to legally established non-conformances (e.g. “grandfathered” uses or improvements) for consistency with proposed amendments.
- b. Broadening provisions related to non-conforming decks to apply to all zoning designations (instead of limiting it to the R-8.4 zoning designation).
- c. Re-locating variance and deviation procedures to Chapter 19.15 MICC.

22. Chapter 19.02 MICC:

- a. Adding purpose and applicability sections to this chapter for clarification and to assist in applying the chapter to development review.
- b. Amendments to improve readability and clarity of existing standards.
- c. Re-locating variance and deviation criteria and procedures to Chapter 19.15 MICC.
- d. Clarifying that new buildings shall be located within a designated building pad.
- e. Amending and clarifying the rock and retaining wall regulations to limit re-grading of cut and fill slopes.

23. Chapter 19.07 MICC:

- a. Updating references to variance and deviation criteria and procedures, to refer to Chapter 19.15 MICC.

24. Chapter 19.08 MICC:

- a. Clarify requirements on preliminary subdivisions to identify the proposed building pad location.
- b. Re-locating procedural requirements for short subdivisions and lot line revisions to Chapter 19.15 MICC
- c. Revising requirements for lot line revisions to comply with RCW 58.17.
- d. Require subdivisions to comply with preferred development practices where feasible.

25. Chapter 19.09 MICC:

- a. Require new development proposals (e.g. subdivisions, building permit applications, other applications) to designate a building pad.
- b. Clarify the building pad design requirements.
- c. Clarifying the language related to preferred development practices.

26. Chapter 19.15 MICC:

- a. Clarifying that the applicant for a development proposal has the burden of demonstrating that the proposal complies with all applicable regulations and decision criteria.
- b. Consolidating procedural and approval criteria into Chapter 19.15, related to deviations, variances, and subdivisions from other chapters.
- c. Clarifying language related to the expiration of land use approvals.
- d. Clarifying the code interpretation process and providing criteria for consideration by the code official in issuing a code interpretation.