



Mountlake Terrace City Council
Work Session Agenda
Thursday, September 10, 2026, 7:00 PM
City Hall and via Telephone or Teleconference

AGENDA

1. Call to Order
2. Attendance Roll Call
3. General Public Comment
4. Review Utilities Rate Study Findings for 2027-2032
5. Review Ordinance Adopting New Zoning Map
6. Review Plaza Name Recommendations
7. City Manager's Report
8. Review September 17, 2026 Meeting Agenda
9. Council Comments
10. Adjournment

To listen to the meeting via telephone, call 1-253-215-8782. To watch the meeting online: 1) Go to <https://zoom.us/join>; 2) Enter meeting ID 810 1113 9518 and click "join." No passcode needed.

To provide public comment or testimony remotely (via Zoom or telephone), please refer to the Public Comment and Public Hearing Testimony Protocol on the city website <https://www.cityofmlt.com/129/Agendas-and-Minutes>.

To submit written public comment or hearing testimony, mail to/drop off at City Hall (23204 58th Avenue W., Mountlake Terrace, WA 98043) or email remarks to Jennifer Joki, jjoki@mltwa.gov, no later than 4 p.m. on the public hearing date.

No person shall make personal attacks or threatening remarks while addressing the Council which disrupts, disturbs, or otherwise impedes the orderly conduct of the meeting. All hate speech will be construed as threatening remarks.



STAFF REPORT

To: Mountlake Terrace City Council
From: Gary Schimek, Public Works Director
Meeting Date: September 10, 2026
Subject: Review Utilities Rate Study Findings for 2027-2032

Required Reviews:

Jennifer Joki	Created/Initiated - 08/31/2026
Gary Schimek	Approved - 09/01/2026
Aparna Khanal	Approved - 09/03/2026
Sirke Salminen	Approved - 09/03/2026
Hillary Evans	Approved - 09/03/2026
Carolyn Hope	New -

Council Goal(s):

Responsible Governance to Ensure Desired Level of Service

Legislative History:

N/A

Subject Summary:

This presentation will show the results of a Utilities (Water, Sewer, and Stormwater) Rate Study for the period from 2027 to 2032 and provide an opportunity for City Council members to provide feedback on the findings and recommended utility rates. If Council members ask staff to bring back alternatives or additional information, we have time allotted on September 24 for another review of the data. Staff will seek Council's approval on rates for the next biennium at the October 1 meeting in order to solidify the budget.

All three of the city's utilities, water, sewer, and stormwater, are undergoing a Comprehensive Plan Update. This work began in early 2025 and includes field data collection and analysis including the impacts of future growth, modeling, evaluation of current infrastructure and prioritization of capital projects, coordination with regulatory agencies, a financial analysis to develop future operating and capital budgets and rates, and the final plans.

The operations budget forecast for each utility was based on (1) a review of historic actual revenues and expenditures and (2) an assessment of significant potential revenue impacts such as water supply and wastewater treatment costs. The capital budget for each utility was developed

by prioritizing individual projects and development cost estimates based on the best available data.

Three scenarios were developed for each utility. These included a three (3) percent, six (6) percent, and nine (9) percent annual (every year) rate increases over existing 2026 rates. The existing bi-monthly bill (for a typical single family home) for all three utilities (storm, sewer, and water) is about \$400. This is a total of about \$2,400 per year.

Each of the three scenarios for every utility has the same baseline operating budget for 2027.

This means that the only difference across the three scenarios for each utility is the amount of capital expenditures. The 2027 baseline operation budget includes estimates for increased water supply costs, water treatment costs, insurance, salaries and benefits, and other items impacted by inflation.

The presentation shows how the number of capital projects to be completed increases with the rate increases. The presentation also shows the specific projects that would be completed and deferred for reach rate scenario.

As part of the City Council's Strategic Plan implementation, community engagement was held on August 19th at City Hall (Regional Utilities Town Hall) and on August 26th at the Lake Ballinger Center (2027/32 Preliminary Rate Findings Town Hall) related to this topic and in preparation of the September 10th City Council Meeting. The August 19th Town Hall was focused on providing the highest priority projects and challenges for the 2027/28 budget period for the City and other agencies including the City of Lynnwood, the City of Edmonds, the City of Everett, Alderwood Water and Wastewater District, and Olympic View Water and Wastewater District. The August 26th Town Hall was focused on presenting the 2027/32 preliminary rate findings and obtaining feedback from in-person and virtual meeting attendees.

The most important and consistent feedback from these Town Hall meetings is listed below along with our proposed follow-up actions:

1. Our community raised serious concerns about not moving forward with the proposed capital projects to move our City water lines that are currently physically supported across Interstate-5. These projects would only be addressed as part of the 6% and 9% annual rate increase scenarios for the water fund. Based on the feedback, Public Works is proposing to move forward with engineering planning in late 2026 or early 2027 for these projects regardless of the rate path for water selected by City Council.
2. Our community suggested that we consider looking at different rate structures for sewer and water instead of simply continuing to use the current hybrid rate model that we have now, which includes a base fee and a usage fee. Public Works is proposing to conduct a detailed options analysis in 2027 to compare the benefits and risks for various rate structures for all three utilities. The options analysis findings will be presented to the community and City Council in early 2028.
3. Our community suggested that we ensure that new residents and development pay "their fair share" for utilities, especially when new infrastructure is needed to accommodate growth. Public Works explained that the City currently has a "connection charge" for all

new developments and that we would include an assessment of other growth-related actions in the rate structure analysis to be conducted in 2027.

Financial/Budget Impacts:

Budget Amendment N/A
Required? _____

Budget and Sources:	
Expenditure:	
New Appropriation Required + Sources:	

Additional Financial Information:

Community Notifications:

City Council Agenda

If "Other," please specify:

Board/Commission Recommendation:

Staff Recommendation:

Council Motion:

Attachments:

1. Rate Study Findings Presentation



CITY OF
**MOUNTLAKE
TERRACE**



2027/32 Utilities Rate Study Findings

September 10, 2026

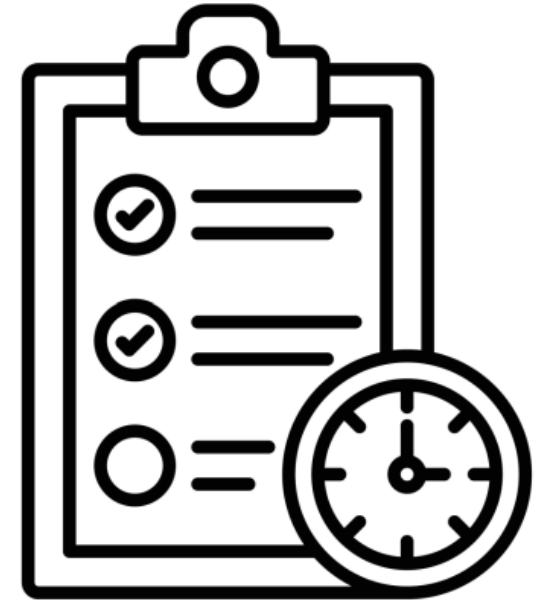
Gary Schimek, P.E., Public Works Director

PURPOSE

- Explain our **existing customer service levels and cost drivers** associated with the MLT utilities
- Illustrate key **rate comparison** between MLT and other cities
- Present our **preliminary 2027/32 rate findings**
- Obtain **your feedback** on the rate scenarios

AGENDA

- Context Setting
- Existing Rate Summary
- "Under the Hood": Operations Budget Details
- 2027/32 Rate Findings
- Questions and Answers



CONTEXT SETTING

Service Levels and Assets

CUSTOMER SERVICES

- **Water:** Provide high-quality drinking water with minimal disruptions
- **Wastewater:** Minimize sewer flooding and reduce volume of sewage conveyed to treatment plant
- **Stormwater:** Minimize flooding and reduce pollutant loading into our creeks and Lake Ballinger



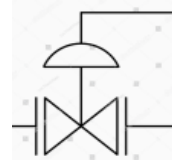
MLT Tap Water



Post-Flooding Clean Up

WATER: EXISTING ASSETS

- Ninety (90) miles of water main
- Three (3) reservoirs with total storage capacity of 6.4 million gallons
- Four (4) pressure zones with over 10 pressure reducing valve stations
- One (1) booster pump station
- Five (5) emergency interties with adjacer water systems



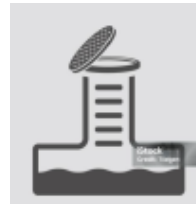
Water Storage Tanks



I-5 Water Main Crossing

WASTEWATER: EXISTING ASSETS

- Seventy-Four (74) miles of gravity sewer mains
- Four (4) lift stations
- Six-Thousand (6,000) feet of pressure sewer mains
- Twenty-Four Hundred (2,400) sewer maintenance holes and cleanouts



Wastewater Crews In-Action

STORMWATER: EXISTING ASSETS

- Fifty-Two (52) miles of pipe
- Seven (7) miles of streams
- One (1) co-managed lake @ 100 acres
- Twenty-Three Hundred (2,300) catch basins and inlets
- Ninety-Five (95) flow control and water quality treatment facilities



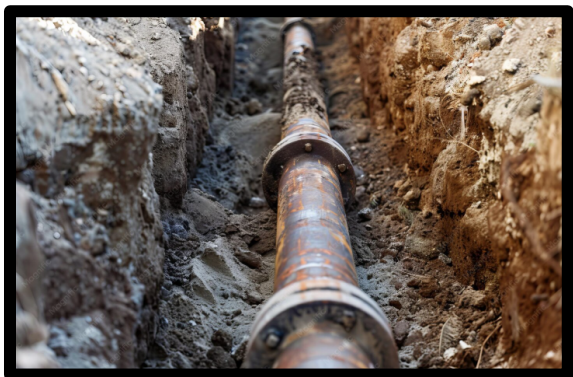
View inside stormwater Pipe



Lake Ballinger Aerial View

MLT PIPE FACTS

Estimated \$750,00 annual
pipe replacement investment for
each utility to avoid pipe system
"crash"



Original Pipe installation
within MLT?

1950s and 1970s



Mains Material	Expected Life
Cast Iron	90
CIPP	90
CMP	60
Copper	100
CON	90
DI	100
HDPE	100
PVC	80
PVC (C900)	80

Pipe Expected Life
"Theoretical" Values

80 to 100 years



Likely End of Useful
Life for MLT Pipes?

2030s to 2050s

CONTEXT SETTING

Revenues, Rate Structures, and Capital Funding

REVENUE VERSUS RATE STRUCTURE

1. Revenue = The amount of funding (both capital and operating needs) to run a utility to meet identified **customer service levels**.
2. Rate Structure = **Methodology** for applying rates to customer classes (single family, multi-family, and commercial customers) and collecting needed revenues.
3. No specific rate structure is required. Typical options include **flat rate, usage fee, or hybrid**. MLT has a hybrid rate for sewer and water and a flat rate for stormwater.
4. The revenue required is **INDEPENDENT** of the rate structure methodology. If the rate structure changes but the service levels stay the same, the same amount of revenue is needed.
5. A change in rate structure is likely to change the amount any customer is billed within a particular period. However, the total revenue required to run the utility is NOT changed.



Water Usage Fee Structures

MEANING

RATE STRUCTURE COMPARISON

Rate Structure	Pros	Cons
Flat Fee	1. Predictable Bills 2. Low Administration 3. Stable Revenues	1. No short-term* conservation incentive 2. Low equity ranking 3. Potential resource strain
Consumption Only	1. Highest equity ranking 2. Strong short-term* conservation signal 3. Affordable baseline	1. Extreme revenue volatility 2. High up-front costs for meters 3. Unpredictable household bills
Hybrid	1. Best financial resilience 2. Balanced behavior incentives 3. Fair distribution of risk	1. Complex administration 2. Confusing bills 3. Diluted short-term* conservation message

- **Short-term** conservation is about bills. **Long-term** conservation decreases the need for new infrastructure.

EXISTING RATE STRUCTURE

2026 Bi-Monthly Charges (Single-Family Home)

Service	Flat Rate	Usage Charge per CCF (CCF = 100 Cubic Feet)
Water	\$51.92*	1-1000: \$7.17 per CCF 1001-3200: \$8.62 per CCF 3200+: \$11.17 per CCF
Sewer	\$91.55*	\$6.41 per CCF
Stormwater	\$59.62*	No Usage Charge

**The flat rate will always be charged, regardless of usage. 100 cubic feet = 748 gal.*

CAPITAL FUNDING OPTIONS

Funding Method	Description	Pros	Cons
Cash Revenues	This approach uses current operational revenues, cash reserves, or unencumbered budget surpluses to fund capital projects directly.	Zero Debt Costs Financial Freedom High Flexibility	Project Delays Generational Inequity Opportunity Cost
Bonds	This strategy involves issuing bonds (debt) to raise immediate upfront capital.	Immediate Execution Intergenerational Equity Inflation Hedge	High Long-Term Cost: Budget Rigidity Credit Risk
Hybrid	Use cash/revenues to cover operational costs or provide a large down payment, while issuing bonds for the remaining heavy construction costs.	Optimized Costs Fiscal Balance Stronger Credit Profile	Complex Planning Political/Stakeholder Compromise

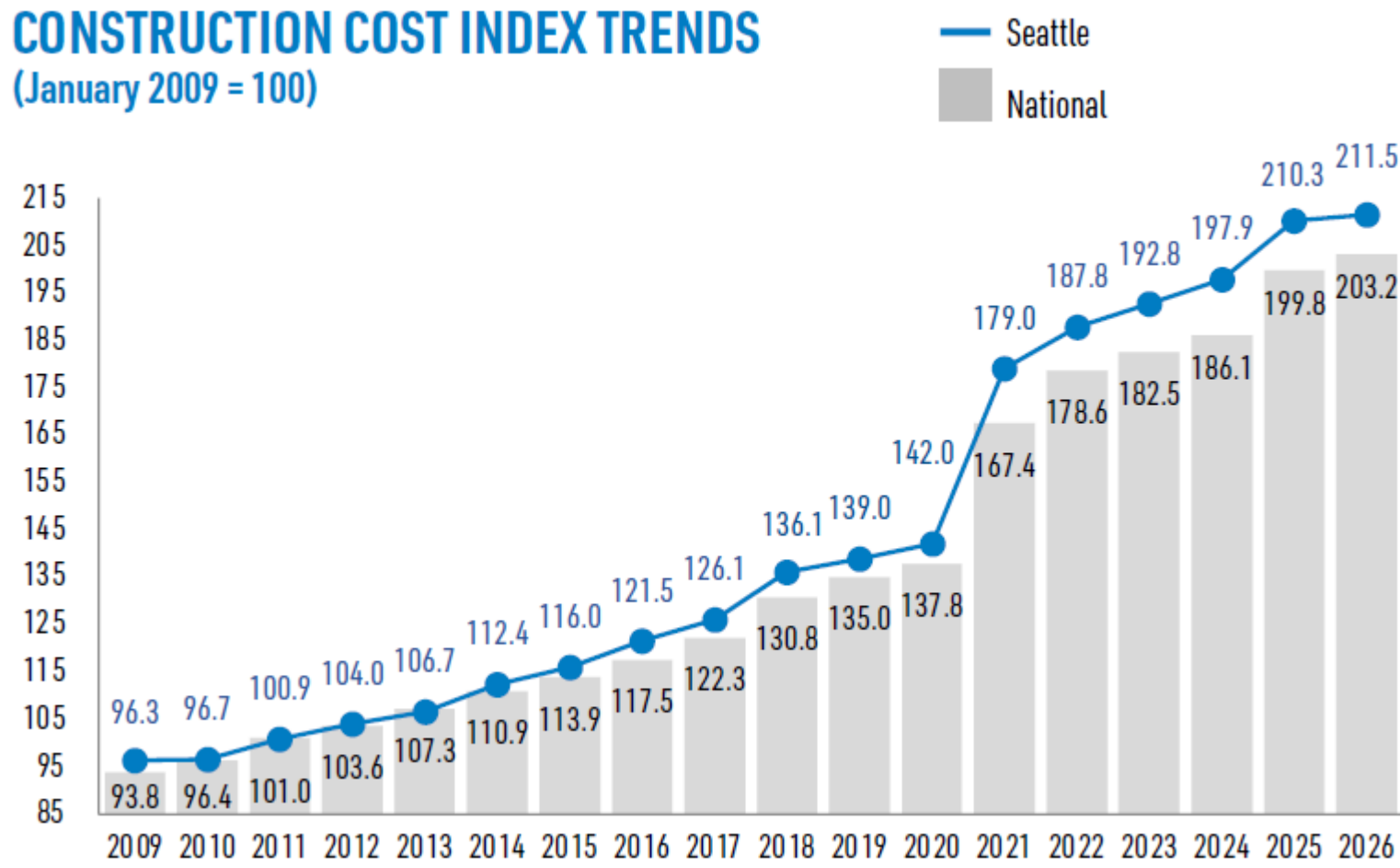
CONTEXT SETTING

Historic Revenues, Expenditures, and Rates

Infrastructure Costs

Some general funds support capital projects and street maintenance

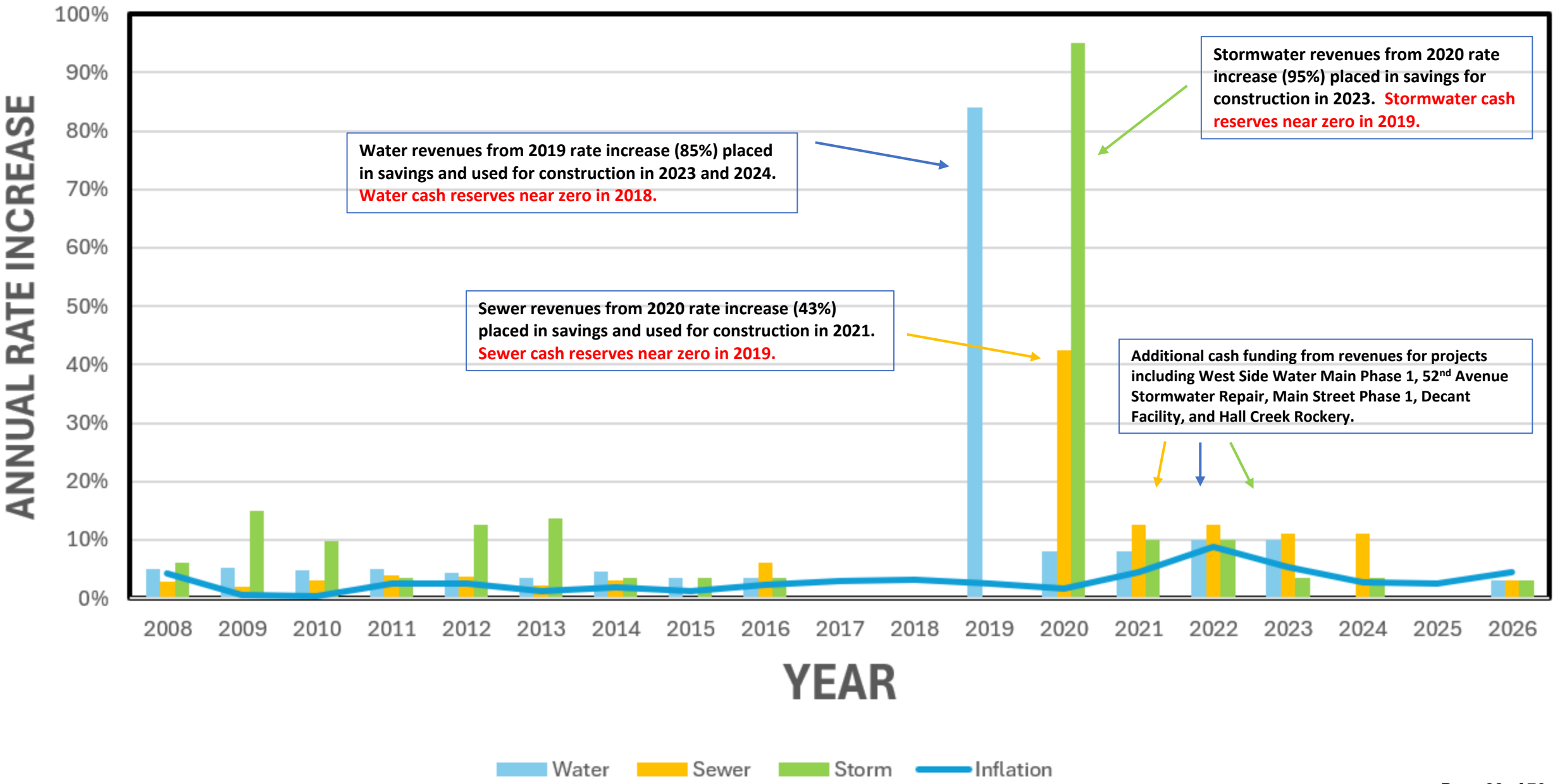
CONSTRUCTION COST INDEX TRENDS
(January 2009 = 100)



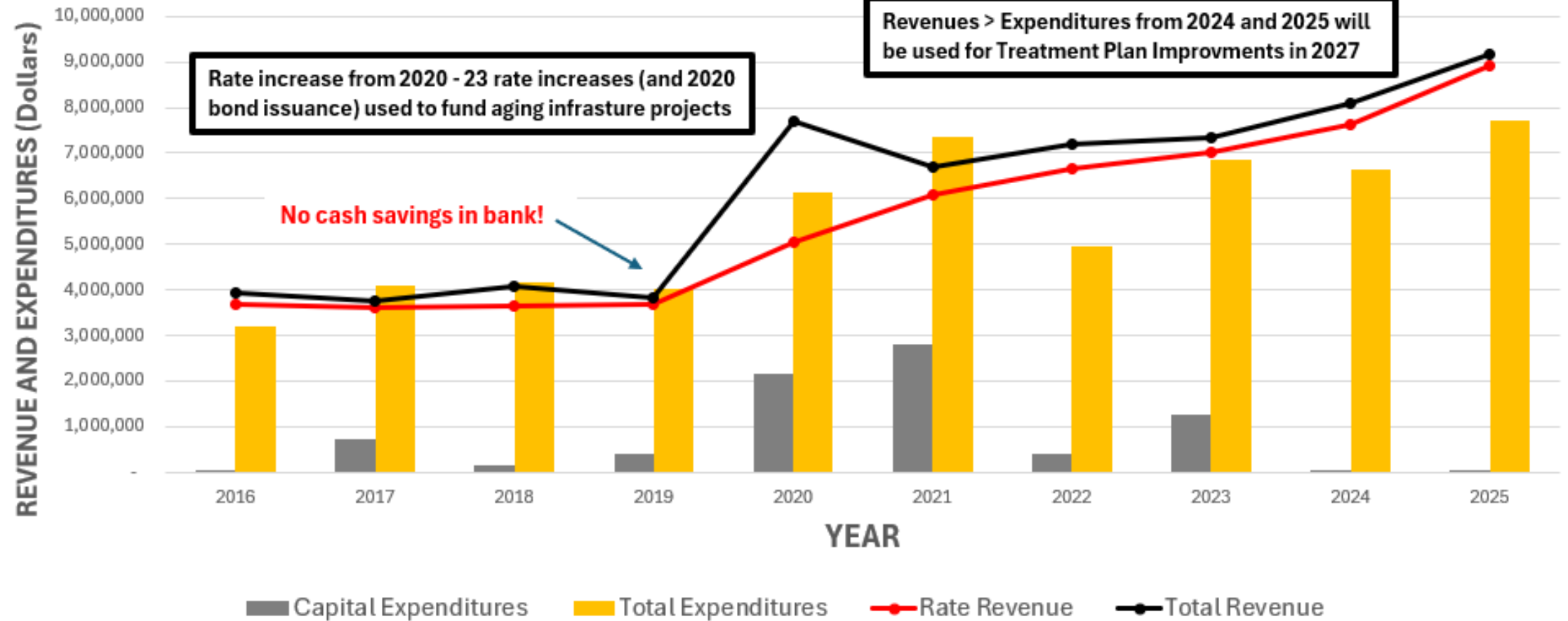
NATIONAL SNAPSHOT
2026 Nonresidential Construction Costs

Market	Q1 % Change	YoY % Change
Seattle	+0.56%	+4.15%
National	+1.69%	+6.77%
Chicago	+1.53%	+5.67%
Denver	+2.44%	+10.37%
Milwaukee	+2.19%	+10.32%
Minneapolis	+1.10%	+6.24%
Phoenix	+1.97%	+7.05%
Portland	+0.86%	+2.55%
Salt Lake City	+3.38%	+9.75%

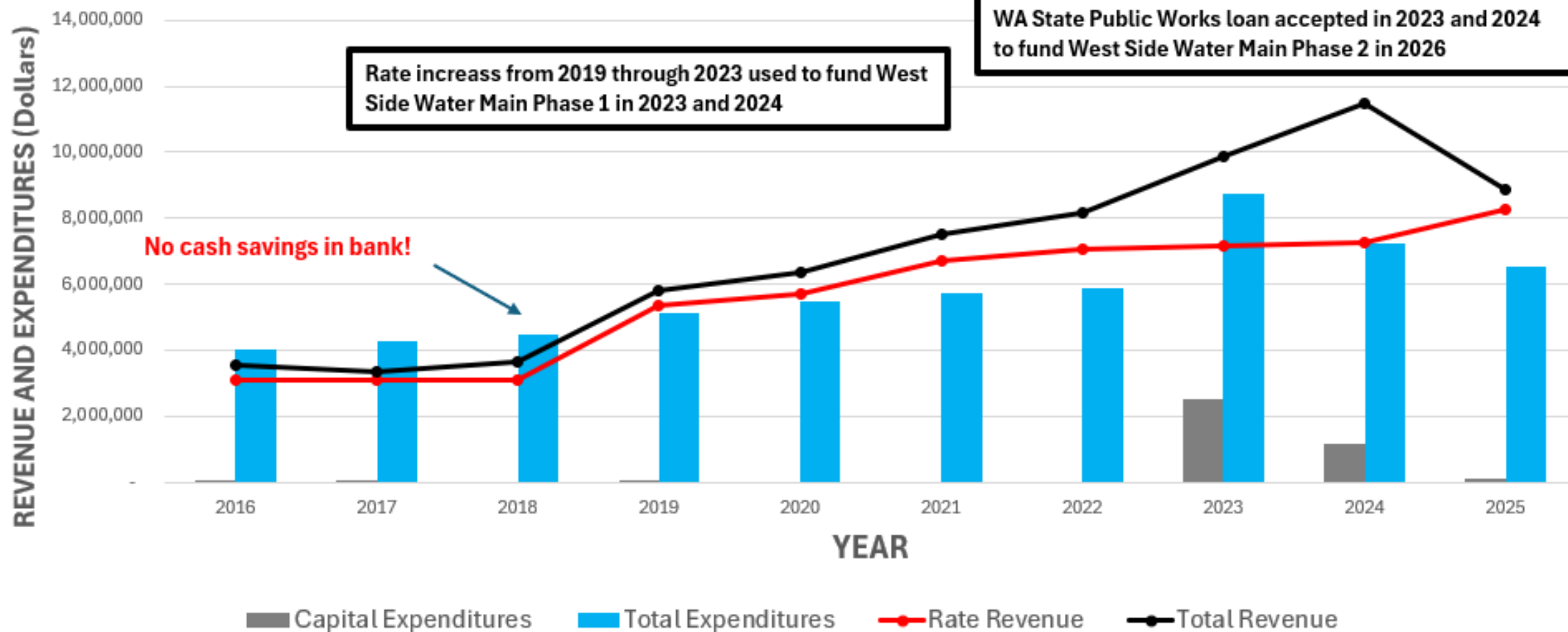
Annual Inflation and Utilities Rate Increases - 2008 through 2026



SEWER FUND REVENUES AND EXPENDITURES - 2016 to 2025

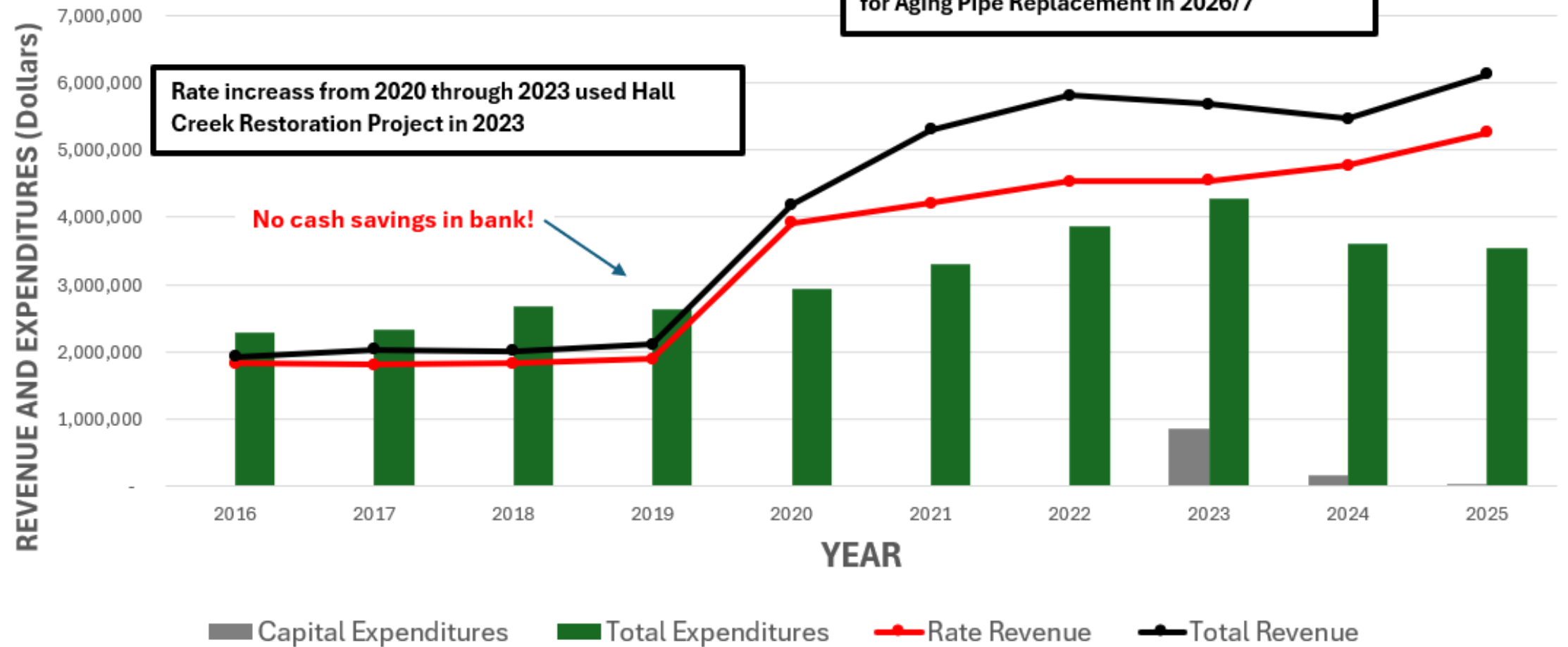


WATER FUND REVENUES AND EXPENDITURES - 2016 to 2025



STORMWATER FUND REVENUES AND EXPENDITURES

2016 to 2025



2021 - 2026 (6-YEAR) RATE SUMMARY

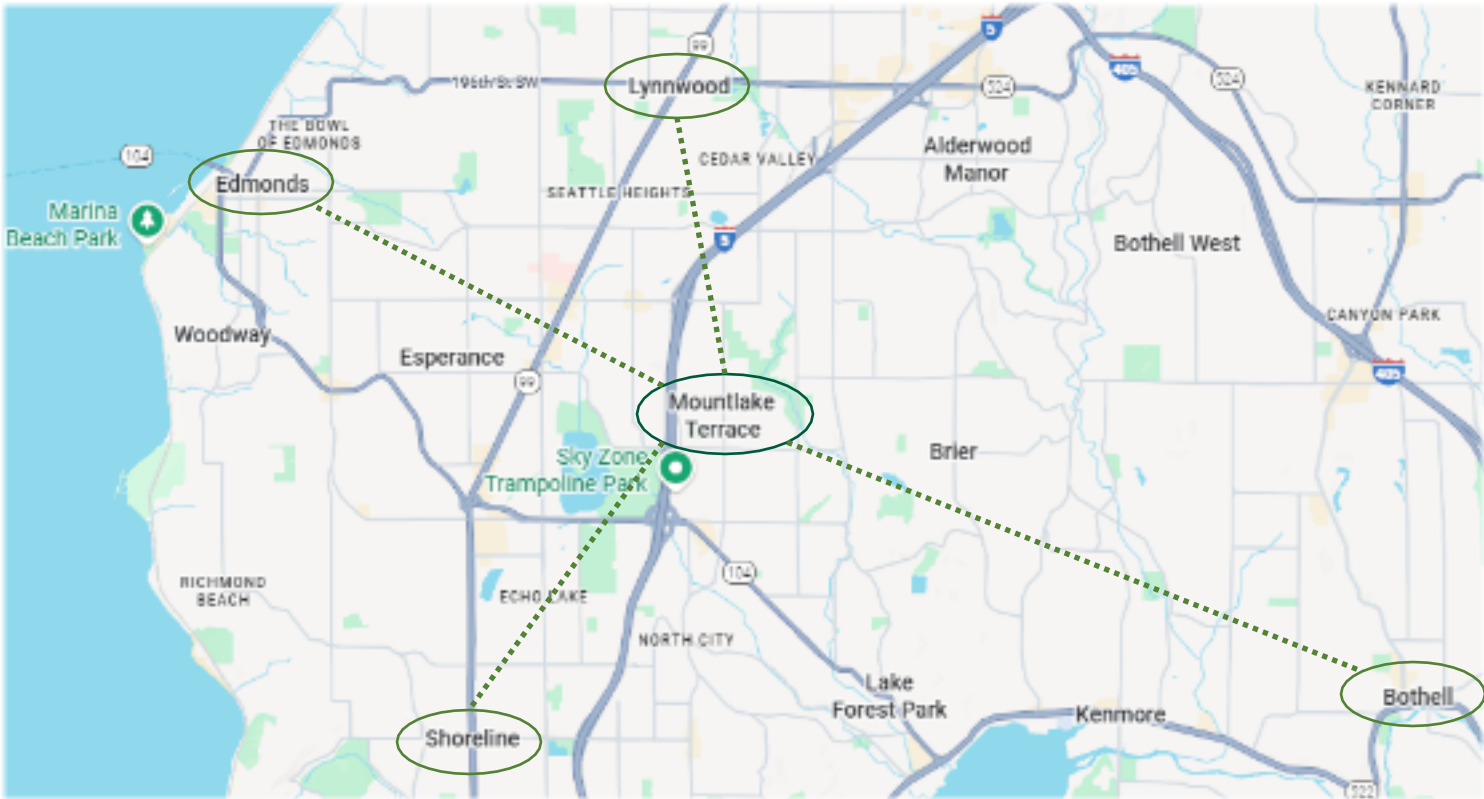
	Rate	2021	2022	2023	2024	2025	2026
	Water	8.1%	9.9%	10%	0%	0%	3.0%
	Sewer	12.5%	12.5%	11.1%	11%	0%	3.0%
	Storm	10%	10%	3.5%	3.5%	0%	3.0%
	Inflation	3.5%	9.1%	7.0%	4.5%	1.8%	4.5%

Inflation = Property Tax Rate compared to CPI Inflation Rate for Region

Existing Rates

Selection of “Comparable” Jurisdictions

Jurisdictions of Similar Location

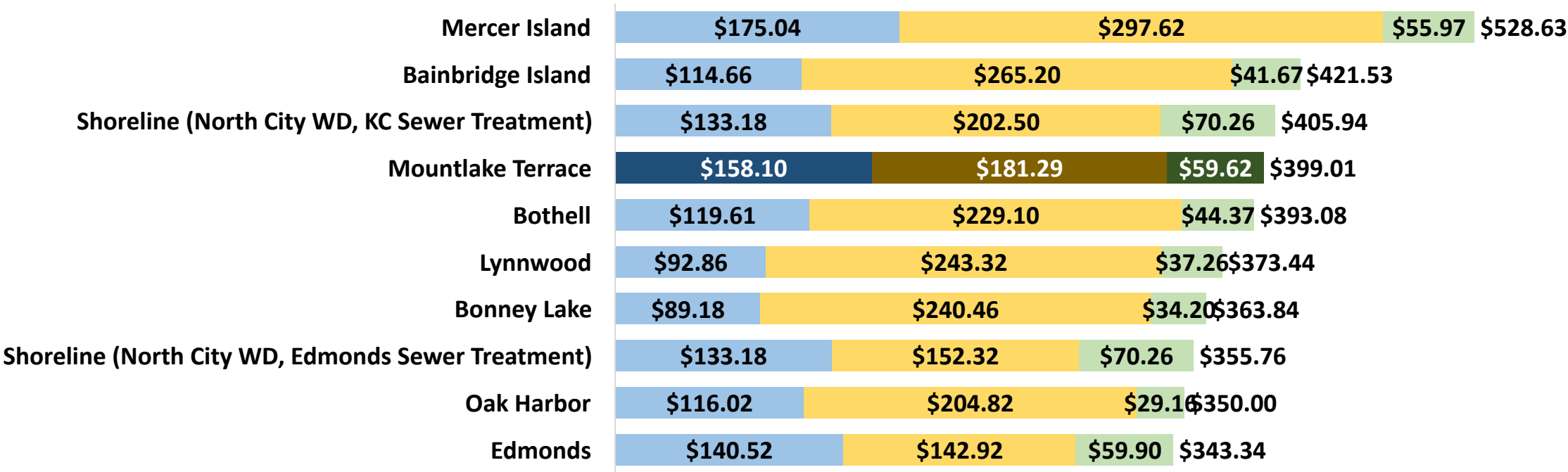


Jurisdictions of Similar Size

City	Estimated 2025 Population
Mountlake Terrace	25,198
Mercer Island	25,302
Bainbridge Island	24,618
Oak Harbor	24,163
Bonney Lake	22,145

COMBINED BIMONTHLY SINGLE-FAMILY BILL @ 14 CCF – EXISTING RATES

Mountlake Terrace’s combined utility bill for a typical single-family home at existing rates is only slightly above the average of the jurisdictions included in this survey.



Water



Sewer



Stormwater



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“UNDER THE HOOD”

Operations Budget Details



Water Operating Funds

Water Operations Fund by Account

Account	Key Account Items	2026 Budget	% Operating Budget
Water Supply	Water Purchase	\$1,930,655	27%
Water Engineering	Salaries Benefits Consultants Insurance	\$1,645,251	23%
Water Distribution	Salaries Benefits Admin Services City Utility Tax Fleet Services System Repairs Contractors	\$3,537,521	50%
Total Operating Budget		\$7,113,427	100%

Potential 2027/32 Annual Rate Changes by Account

15 – 25%



3 - 5%



3 - 5%



Water Construction 2026 Budget = \$8,506,212



Sewer Operating Funds

Sewer Operations Fund by Account

Account	Key Account Items	2026 Budget	% Operating Budget
Sewer Treatment	Edmonds Treatment Brier (King County Treatment) Shoreline (King County Treatment)	\$2,860,479	36%
Sewer Engineering	Salaries Benefits Consultants Insurance	\$1,622,742	20%
Collection Maintenance	Salaries Benefits Admin Services City Utility Tax Fleet Services System Repairs Contractors	\$3,497,487	44%
Total Operating Budget		\$7,980,708	100%

Potential 2027/32
Annual Rate Changes by
Account

5 – 10%



3 - 5%



3 - 5%



Sewer Construction 2026 Budget = \$3,570,713



Storm Operating Funds

Stormwater Operations Fund by Account

Account	Key Account Items	2026 Budget	% Operating Budget
Sewer Engineering	Salaries Benefits Consultants Insurance Intergovernmental Fees	\$354,240	11%
Stormwater Maintenance	Salaries Benefits Admin Services City Utility Tax Fleet Services System Repairs Contractors	\$2,887,529	89%
Total Operating Budget		\$3,241,769	100%

Potential 2027/32
Annual Rate Changes by
Account

3 - 5%



3 - 5%



Stormwater Construction 2026 Budget = \$5,048,000

RATE STUDY FINDINGS



2027/32 WATER UTILITY RATE SCENARIOS

Rate Increase per Year (2027/32)	6-year Total Cash Spending (CIP Available)	# of Projects to be Completed in 6-year Period	# of Projects to be Deferred in 6-year Period
3%	~\$10 M	6	11
6%	~\$17 M	12	5
9%	~\$23 M	16	1



2027/32 WATER CIP PROJECTS

Rate Increase per Year (2027/32)	# of Projects to be Completed	Projects to be completed in 6-Year Period	Projects to be deferred in 6-Year Period
3%	6	Water Tank (Seismic Retrofit) Main Street Phase 2 (Water Main – Age/Capacity) 220th/70th (Water Main - Age) Three (3) Aging Water Main Projects	Three (3) Aging Water Main Projects 570 Zone Pressure Relief Three (3) Emergency Intertie Projects Westside Water Main Phase 3 Three (3) Interstate 5 Water Main Crossings
6%	12	All six projects above plus: Three (3) Aging Water Main Projects 570 Zone Pressure Relief Two (2) Emergency Intertie Projects	One (1) Emergency Intertie Project Westside Water Main Phase 3 Three (3) Interstate 5 Water Main Crossings
9%	16	All twelve projects above plus: One (1) Emergency Intertie Project Westside Water Main Phase 3 Two (2) Interstate 5 Water Main Crossings	One (1) Interstate 5 Water Main Crossing



2027/3 SEWER UTILITY RATE SCENARIOS

Rate Increase Per Year (2027/32)	6-Year Total Cash Spending Only (CIP Available)	# of Projects to be Completed in 6-Year Period 6-Year Period	# of Projects to be Deferred in 6-Year Period
3%	~\$13 M	9	15
6%	~\$19 M	12	12
9%	~\$26 M	16	8



2027/32 SEWER CIP PROJECTS

Rate Increase per Year (2027/32)	# of Projects to be Completed	Projects to be Completed in 6-Year Period	Projects to be Deferred in 6-Year Period
3%	14	220th/70th Project (Aging Sewer Main) Main Street Phase 2 (Aging Sewer Main) One (1) Lift Station (Age/Safety) Treatment Plant Improvements One (1) Inflow Reduction Project Four (4) Aging Infrastructure Projects	One (1) Expanded Pipe Inspection Program Two (2) Inflow Reduction Projects Three (3) I-5 Crossing Projects Nine (9) Aging Pipe Projects
6%	18	All projects above plus: Two (2) Inflow Reduction Projects One (1) Expanded Pipe Inspection Program	Three (3) I-5 Crossing Projects Nine (9) Aging Pipe Projects
9%	19	All projects above plus: Three (3) I-5 Crossing Projects One (1) Ageing Pipe Project	Eight (8) Aging Pipe Projects

2027/32 STORM UTILITY RATE SCENARIOS

Rate Increase per Year (2027/32)	Cash Spending over 6-year Period (CIP Available)	# of Projects to be Completed	# of Projects to be Deferred
3%	~\$20 M	8	8
6%	~\$25 M	12	4
9%	~\$29 M	15	1

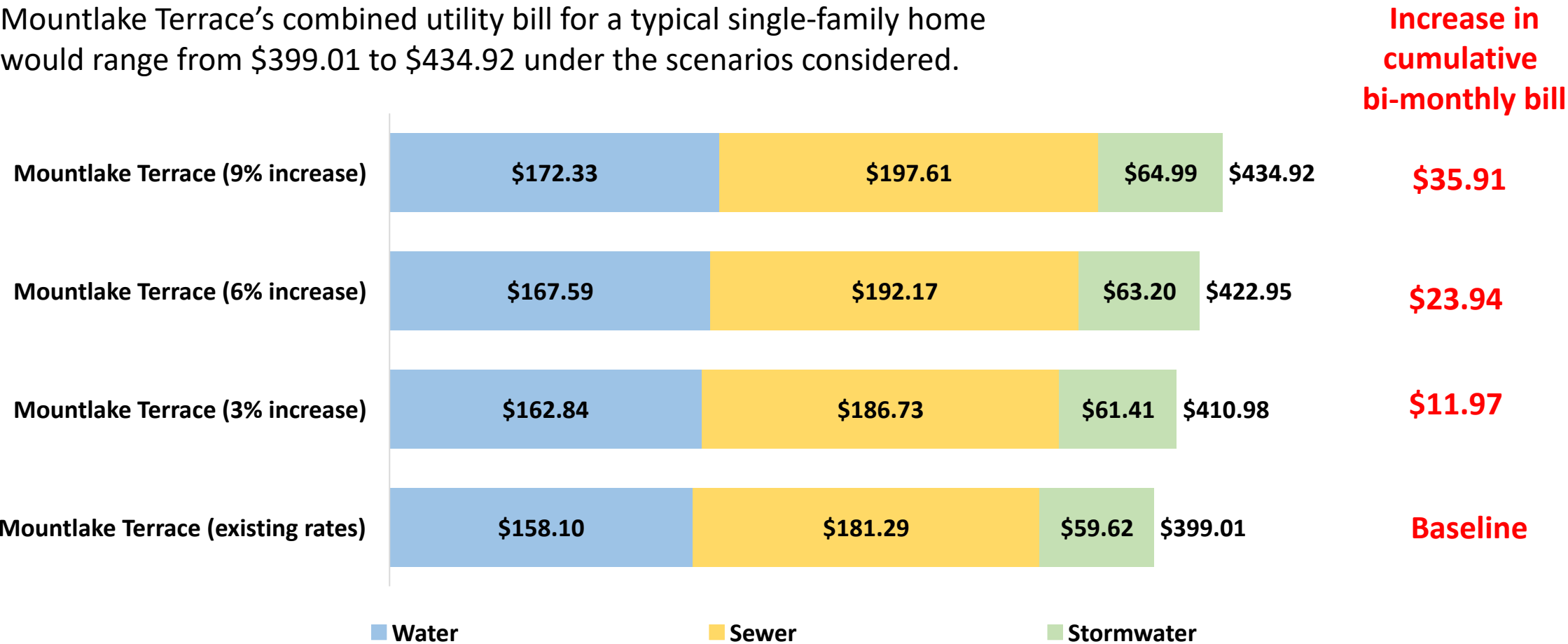


2027/32 STORMWATER CIP PROJECTS

Rate Increase per Year (2027/32)	# of Projects to be completed in 6-Year Period	Projects to be completed in 6-year Period	Projects to be Deferred in 6-Year Period
3%	7	Main Street Phase 2 (Storm Pipe) Priority Pipe Replacement Project 220th/70th Water Quality Project Biofilter Outfall Project Sheet Pile Dam Removal Wildermere Pond Water Quality Citywide Pipe Video Inspection	Ten (10) Aging Pipe Project
6%	11	All project above plus: Four (4) Aging Pipe Projects	Six (6) Aging Pipe Projects
9%	15	All project above plus: Four (4) Aging Pipe Projects	Two (2) Aging Pipe Projects

COMBINED BIMONTHLY SINGLE-FAMILY BILL @ 14 CCF – PROPOSED RATES

Mountlake Terrace’s combined utility bill for a typical single-family home would range from \$399.01 to \$434.92 under the scenarios considered.



COMBINED BIMONTHLY SINGLE-FAMILY BILL @ 14 CCF – PROPOSED RATES

Estimated annual cost increase from 2026 to 2027 in dollars and cents

Scenario/ Fund	Annual Water Increase	Annual Sewer Increase	Annual Storm Increase	Annual Cumulative Increase
9% Annual Increase	\$85.38	\$97.92	\$32.22	\$215.52
6% Annual Increase	\$56.94*	\$65.28*	\$21.48	\$143.70 \$132.96*
3% Annual Increase	\$28.44	\$32.64	\$10.74*	\$71.82

*City Staff recommendation in bold type.

QUESTIONS? THANK YOU!

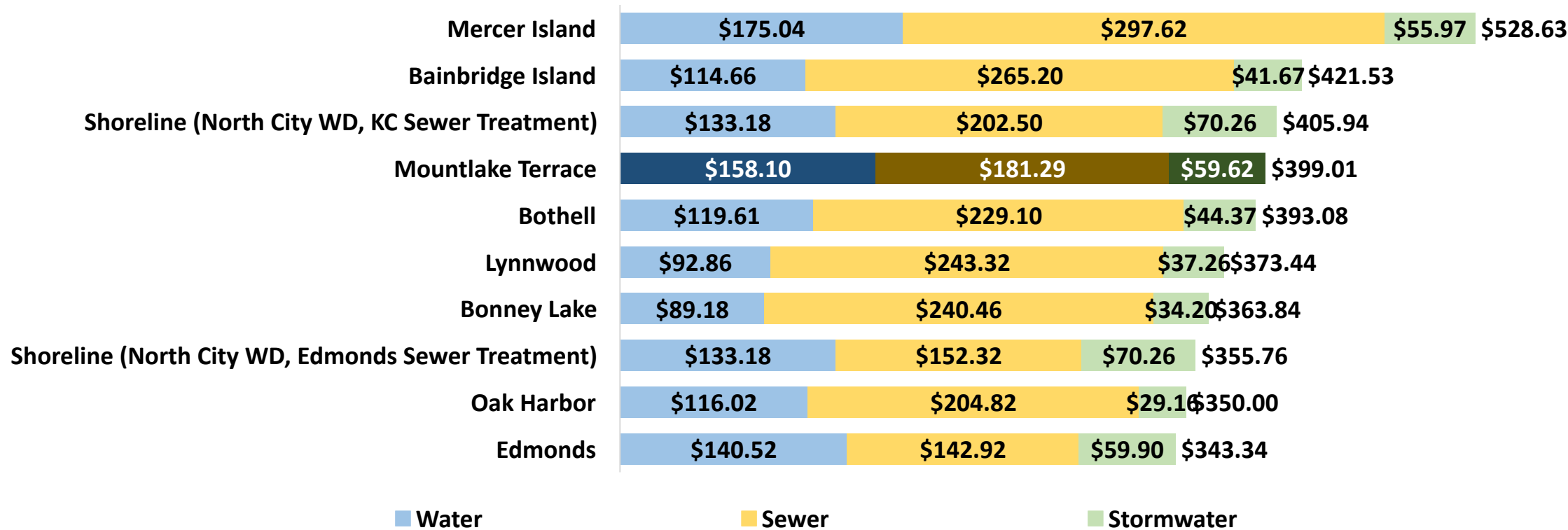


CONTACT:

Gary Schimek, Public Works Director
gschimek@mltwa.gov

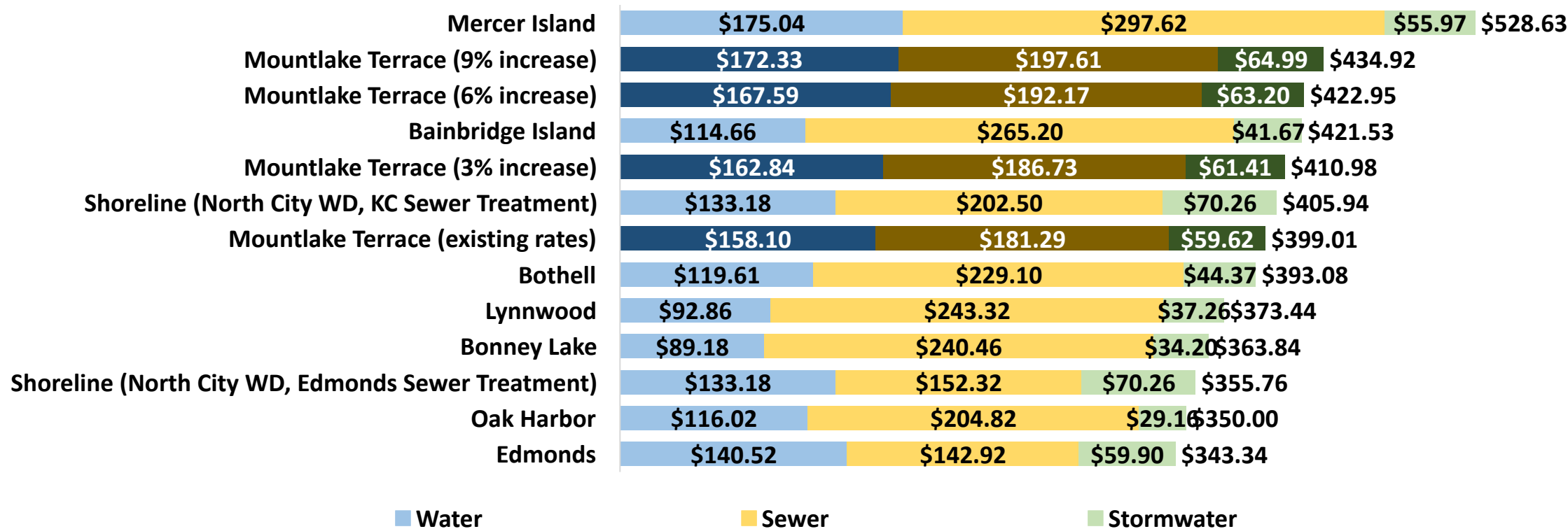
COMBINED BIMONTHLY SINGLE-FAMILY BILL @ 14 CCF – EXISTING RATES

Mountlake Terrace’s combined utility bill for a typical single-family home at existing rates is only slightly above the average of the jurisdictions included in this survey.



COMBINED BIMONTHLY SINGLE-FAMILY BILL @ 14 CCF – PROPOSED RATES

Mountlake Terrace’s combined utility bill for a typical single-family home at proposed rates would be above the average of the jurisdictions included in this survey.

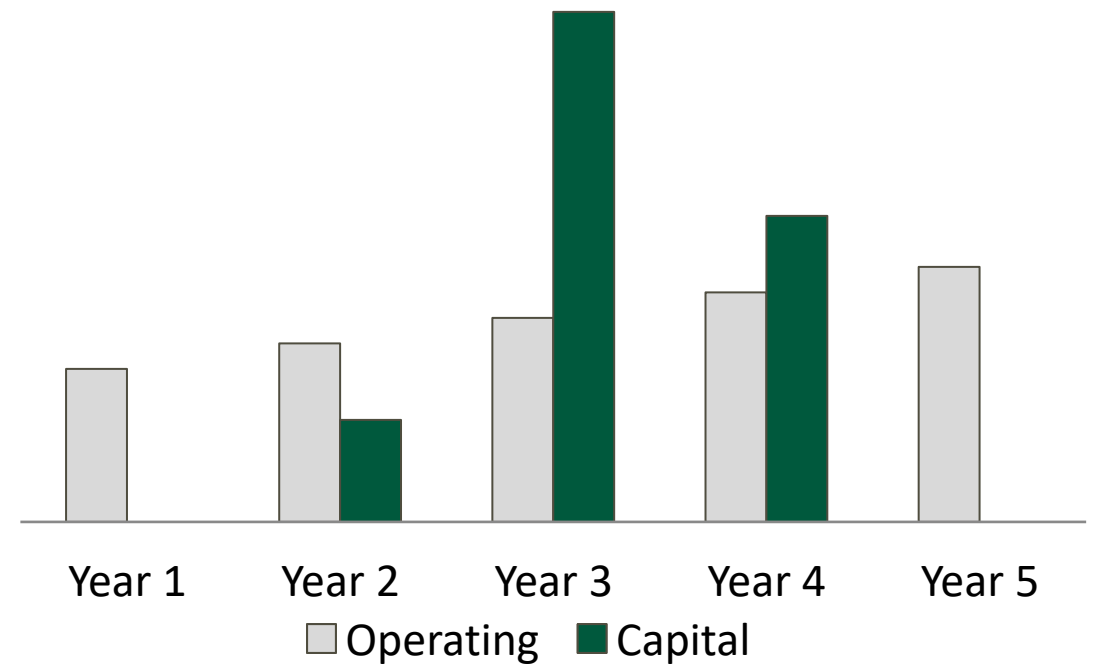


INTRODUCTION TO UTILITY RATEMAKING

- Utility rates are set to recover cost of providing service

Hypothetical Example

- Operating costs (regular / ongoing)
 - Employee salaries and benefits
 - Supplies and materials
 - Routine inspections and maintenance
 - Taxes
- Capital costs
 - Infrastructure replacement
 - Facility upgrades





STAFF REPORT

To: Mountlake Terrace City Council
From: Brooke Eidem, Community Development Director
Meeting Date: September 10, 2026
Subject: Review Ordinance Adopting New Zoning Map

Required Reviews:

Jennifer Joki	Created/Initiated - 09/01/2026
Brooke Eidem	Approved - 09/01/2026
Sirke Salminen	Approved - 09/03/2026
Hillary Evans	Approved - 09/03/2026
Jeff Niten	New -

Council Goal(s):

Growing our Vibrant Community, An Informed and Engaged Community

Legislative History:

The Comprehensive Plan periodic update ([Vision 2044](#)) was adopted by the City Council on October 16, 2024, under Ordinance 2868. This item was on the Planning Commission's work program in 2025—reviewed by the City Council on March 3, 2025—and was deferred to 2026 due to workload.

This item was discussed by the Planning Commission in August, with another review on September 14th and a public hearing anticipated on September 28th. City Council is currently scheduled to take action on October 15th.

Subject Summary:

The Comprehensive Plan was adopted with a vision for four new zones and a new future land use map. The Growth Management Act (GMA) requires the City to provide sufficient land capacity for development, specifically the growth targets allocated by the state (through Puget Sound Regional Council and Snohomish County). GMA also requires implementation of the Comprehensive Plan, and consistency between the Plan and development regulations. Now that the Comprehensive Plan is adopted, it must be implemented in the development code and Zoning Map.

Mountlake Terrace was assigned 7,683 new housing units through the growth allocation process. This means the City must plan for and accommodate, through zoning regulations, sufficient

housing types to be developed by the private market over the next 20 years that will meet the assigned target. The environmental impact analysis that was conducted as part of the Comprehensive Plan revealed that under current zoning regulations, the City would fail to meet its required growth target. The analysis studied several alternatives and the preferred solution was ultimately adopted by the City Council, reflected by the [Comprehensive Plan Map](#). This plan calls for several new zones: an Employment zone, a Manufactured Home Park zone, a Neighborhood Mixed Use zone, and a Gateway Mixed Use zone.

Employment zone

The Employment zone is located in the northwest corner of the city, in Melody Hill. It was mapped to completely replace the current Light Industry/Office Park zone (LI/OP). This area is also encumbered by the Sexually Oriented Adult Businesses (SOAB) overlay, discussed in Chapter 19.70 MTMC. As mapped, the overlay boundaries are entirely located within the LI/OP zone. The updated Zoning Map will also remove the SOAB overlay.

Manufactured Home Park zone

The Manufactured Home Park zone supplants the current Mobile Home Park zone. It is located in two areas of the city, with one area bisected by the right-of-way of 54th Avenue West and 242nd Street SW.

Mixed Use District

The Mixed Use zones are located in nodes throughout the city, generally based on proximity to commercial areas, the transit station, and/or freeway access. In this case, the zones are entirely new. The Mixed Use nodes are located in areas that replace other zones, including Community Business District (BC), Special Development District Commercial/Residential (SDD C/R), Freeway/Tourist (F/T), and residential zones that were made obsolete by middle housing regulations: Single Household RS 8400, RS 7200, RS 4800, and Multiple Household Low Density (RML), and Multiple Household Medium Density (RMM). While those residential zones have technically been replaced, rezoning the properties was deferred to this project rather than implementing a temporary, interim zone.

Zoning Map

Also included in this project is revising the zone colors to a more industry-standard palette. This means *industry* is purple and *public* is blue. Other colors are adjusted to make this change and maintain distinct variation.

Financial/Budget Impacts:

Budget Amendment No
Required? _____

Budget and Sources:	
Expenditure:	
New Appropriation Required + Sources:	

Additional Financial Information:

N/A

Community Notifications:

City Council Agenda

If "Other," please specify:

Board/Commission Recommendation:

The Planning Commission is scheduled to hold a public hearing on this item on September 28th.

Staff Recommendation:

Staff recommend the council review this item again at the October 15th council meeting and vote to approve adoption of the ordinance.

Council Motion:

N/A

Attachments:

1. Ordinance Adopting New Zoning Map (Draft)
2. New Zoning Map Presentation

CITY OF MOUNTLAKE TERRACE

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY OF MOUNTLAKE TERRACE, WASHINGTON, AMENDING THE OFFICAL ZONING MAP TO INCLUDE NEW MIXED USE, EMPLOYMENT, AND MANUFACTURED HOME PARK ZONING DESIGNATIONS; REPEALING THE SOAB (SEXUALLY OREINTED ADULT BUSINESSES) OVERLAY, SPECIAL DEVELOPMENT DISTRICT C/R, MEDIUM DENSITY MULTIHOUSEHOLD, LOW DENSITY MULTIHOUSEHOLD, SINGLE FAMILY RESIDENTIAL RS 4800, RS 7200, AND RS 4800, MOBILE HOME PARK, LIGHT INDUSTRY/OFFICE PARK, FREEWAY/TOURIST, AND COMMUNITY BUSINESS DISTRICTS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, pursuant to the requirements of the Washington State Growth Management Act of 1990, RCW Chapter 36.70A (GMA), the City of Mountlake Terrace Comprehensive Plan was adopted on August 26, 2003, pursuant to Ordinance 2343; and

WHEREAS, the City of Mountlake Terrace amended its Comprehensive Plan in subsequent years, with the most recent update adopted in 2024 via Ordinance 2868; and

WHEREAS, the City is required under RCW 36.70A.130(5)(a) to review, and if needed, to revise its Comprehensive Plan and development regulations every ten years to ensure the Plan and regulations comply with and are consistent with the GMA, as amended; and

WHEREAS, the 2024 Comprehensive Plan Amendment adopted via Ordinance 2868 is consistent with the City’s and Revised Code of Washington’s procedural guidelines for amendments to the City’s Comprehensive Plan; and

WHEREAS, the City has adopted a Zoning Code as Title 19 (“Zoning Code”) of the Mountlake Terrace Municipal Code (“MTMC”) to implement the Comprehensive Plan and to ensure compatible and rational land development and land use in all portions of the City; and

WHEREAS, the 2024 Comprehensive Plan Amendment updated the City’s Future Land Use Map, necessitating City-initiated rezones that were not concurrently completed with adoption of the updated Comprehensive Plan; and

WHEREAS, the City desires to amend the Official Zoning Map to incorporate new Neighborhood Mixed Use, Gateway Mixed Use, Employment, and Manufactured Home Park zoning designations; and

WHEREAS, the City desires to amend the Official Zoning Map to repeal the Sexually Oriented Adult Business (“SOAB”) Overlay and the following zoning designations: Special Development District C/R; Medium Density Multihousehold; Low Density Multihousehold; Single Family Residential RS 4800, RS 7200, and RS 4800; Mobile Home Park; Light Industry/Office Park; Freeway/Tourist; and Community Business; and

WHEREAS, MTMC 18.10.070(E) provides the City Council may approve a zoning map amendment which conforms to the criteria in the MTMC and the Comprehensive Plan, is consistent with the GMA, and will not result in conflicts with the Comprehensive Plan; and

WHEREAS, on October 15, 2026, the City Council will also consider development regulations that apply to each new land use designation; and

WHEREAS, the intent to amend the Comprehensive Plan was noticed in accordance with City procedures and regulations and, on August 12, 2026, the City sent its 60-day notice of intent to amend the City’s Official Zoning Map to the Washington State Department of Commerce as required by RCW 36.70A.106; and

WHEREAS, the Department of Commerce’s 60-day review period will be completed on October 12, 2026; and

WHEREAS, pursuant to the State Environmental Policy Act (“SEPA”) and Chapter 16.05 MTMC (Procedures Under the State Environmental Policy Act), the City’s SEPA responsible official reviewed the proposed Zoning Map amendment and issued a “Determination of Significance, Adoption of Existing Document, Comprehensive Plan Vision 2044 Environmental Impact Statement” on August 31, 2026, and public notice was provided as required by law; and

WHEREAS, at work sessions held throughout 2026 that were open to the public, the Planning Commission discussed proposed amendments to development regulations to implement the Comprehensive Plan, with discussions specific to the proposed Official Zoning Map amendments held on August 24, 2026, and September 14, 2026; and

WHEREAS, on September 28, 2026, following notice as required by law, the Planning Commission held a public hearing to receive staff and public input concerning the proposed area-wide rezones and all persons who wished to be heard on the matter were heard; and

WHEREAS, following the public hearing, the Planning Commission made written findings and issued a recommendation to the City Council to approve the proposed amendments, finding the proposed amendments are internally consistent with the City of Mountlake Terrace

Comprehensive Plan, the Growth Management Act, and the State Environmental Policy Act, the approval criteria of MTMC 18.10.070(E) are satisfied, and the amendments are in the interest of the public health, safety, and welfare of Mountlake Terrace residents; and

WHEREAS, at the October 15, 2026, City Council meeting, the City Council further reviewed and considered the Planning Commission recommendations; and

WHEREAS, as required by RCW 36.70A.130(2)(b), the City Council considered all proposed amendments to the Official Zoning Map concurrently so the cumulative effect of the proposed amendments could be ascertained; and

WHEREAS, the Mountlake Terrace City Council hereby finds that adoption of the Official Zoning Map amendments containing area-wide rezones is consistent with the requirements of the MTMC and Washington State law, serves and advances public health, safety and welfare of the general community, and all requirements of the GMA for the 2024 Comprehensive Plan have been met; and

WHEREAS, the Mountlake Terrace City Council hereby finds that the collective actions taken throughout the GMA Comprehensive Plan periodic update process satisfy the requirements of the periodic update cycle mandated by RCW 36.70A.130, including the aforementioned Ordinance 2868; adoption of the Critical Areas Ordinance update via Ordinance 2902; adoption of the middle housing regulations via Ordinances 2883, 2884, 2885, 2886, 2887, and 2889 to implement HB 1110 and HB 1337; and adoption of Chapter 19.25 MTMC related to emergency shelters, transitional housing, emergency housing, and permanent supportive housing;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOUNTLAKE TERRACE, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Recitals. The recitals set forth above are hereby adopted and incorporated as Findings of Fact and/or Conclusion of Law. The City Council bases its findings and conclusions on the entire record of testimony and exhibits, including all written and oral testimony before the Planning Commission and the City Council.

Section 2. Council findings. The City Council hereby adopts and incorporates by this reference the Findings of Fact and Conclusions of the Planning Commission (Exhibit B attached hereto) which includes findings that the amendments set forth in Section 3 of this Ordinance meet the necessary criteria for approval of amendments to the City's Official Zoning Map.

Section 3. Amendment to City's Official Zoning Map. The City's Official Zoning Map is hereby amended as set forth in Exhibit A, Official Zoning Map, which is attached hereto and incorporated by reference as though fully set forth.

Section 4. Corrections. The City Clerk and codifiers of the Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 5. Severability. If any section, subsection, paragraph, sentence, clause, or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

Section 6. Authority to make necessary corrections. The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance and attachments including, but not limited to, the correction of scrivener's clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 7. Summary, Publication, and Effective Date. This Ordinance or a summary thereof consisting of the title shall be published in the official newspaper of the City and shall take effect and be in full force five (5) days after its adoption and publication as required by law.

**ADOPTED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF
ON October 15, 2026.**

CITY OF MOUNTLAKE TERRACE

Steve Woodard, Mayor

ATTEST/AUTHENTICATED:

Jennifer Joki, City Clerk

APPROVED AS TO FORM:

Hillary J. Evans, City Attorney



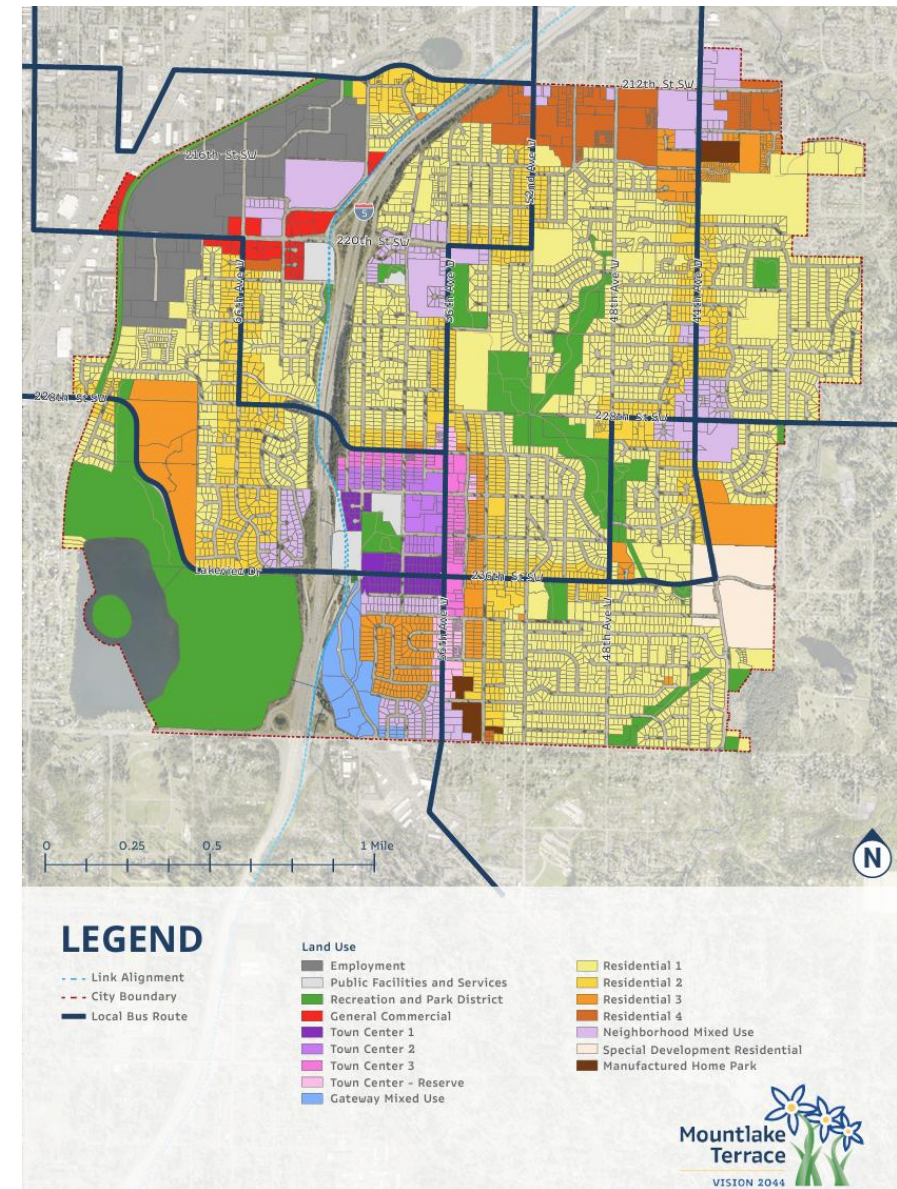
Zoning Phase II – Zoning Map

City Council: September 10, 2026

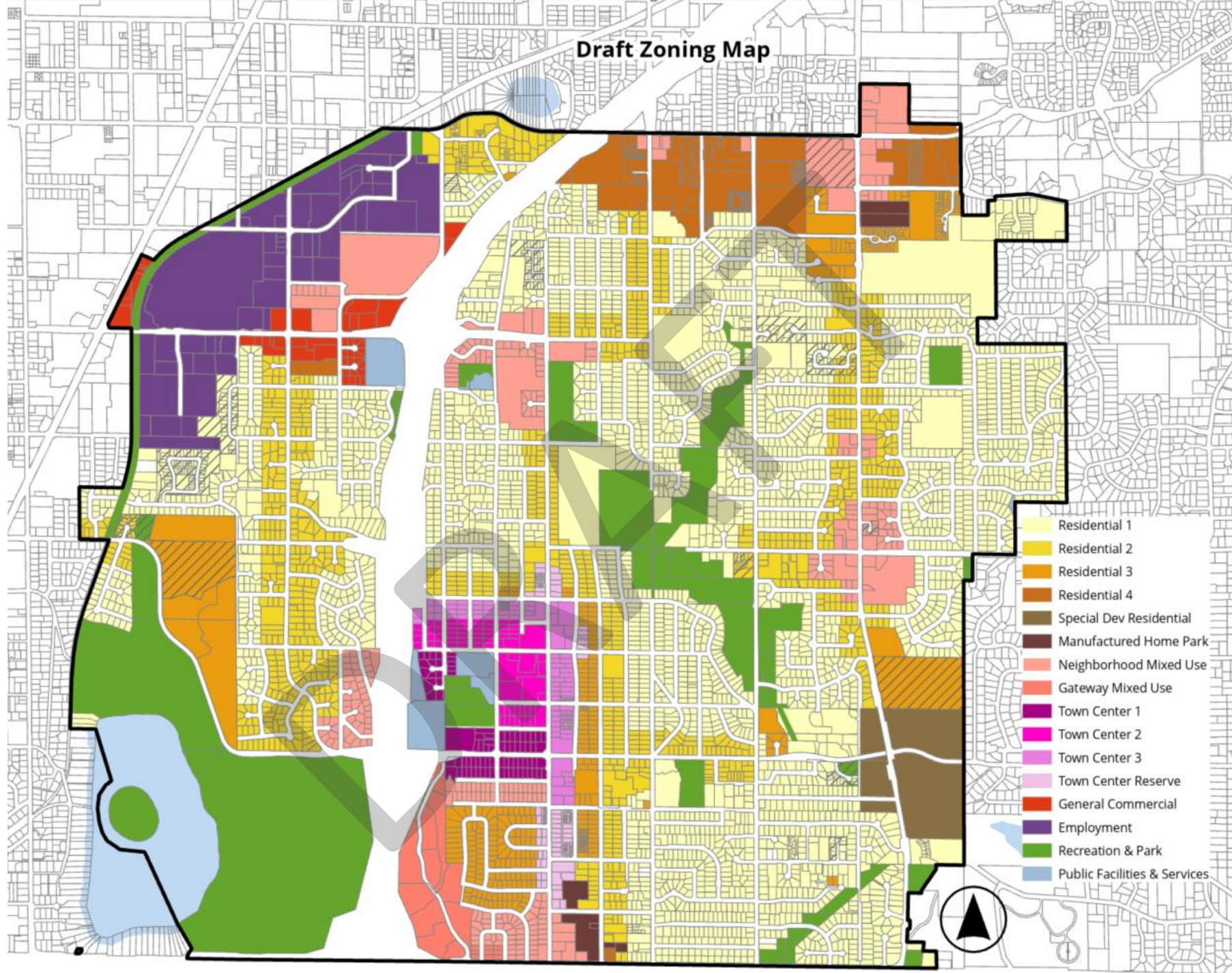
Brooke Eidem, Community Development Director

PURPOSE

- Implement Comprehensive Plan
- Help meet housing targets
- Follow/concurrent with adoption of development regulations
- Implement 4 new zones:
 - Employment
 - Manufactured Home Park
 - Neighborhood Mixed Use
 - Gateway Mixed Use



Draft Zoning Map

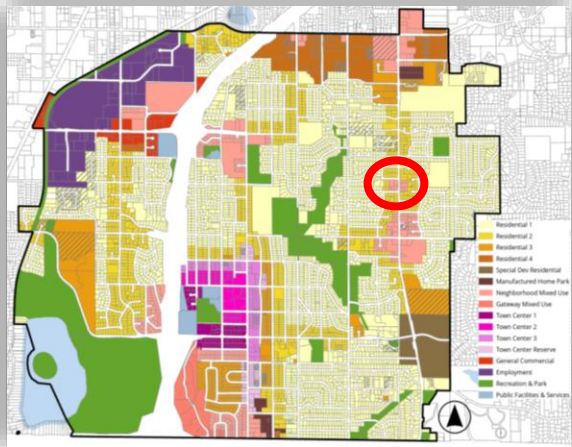


- Residential 1
- Residential 2
- Residential 3
- Residential 4
- Special Dev Residential
- Manufactured Home Park
- Neighborhood Mixed Use
- Gateway Mixed Use
- Town Center 1
- Town Center 2
- Town Center 3
- Town Center Reserve
- General Commercial
- Employment
- Recreation & Park
- Public Facilities & Services

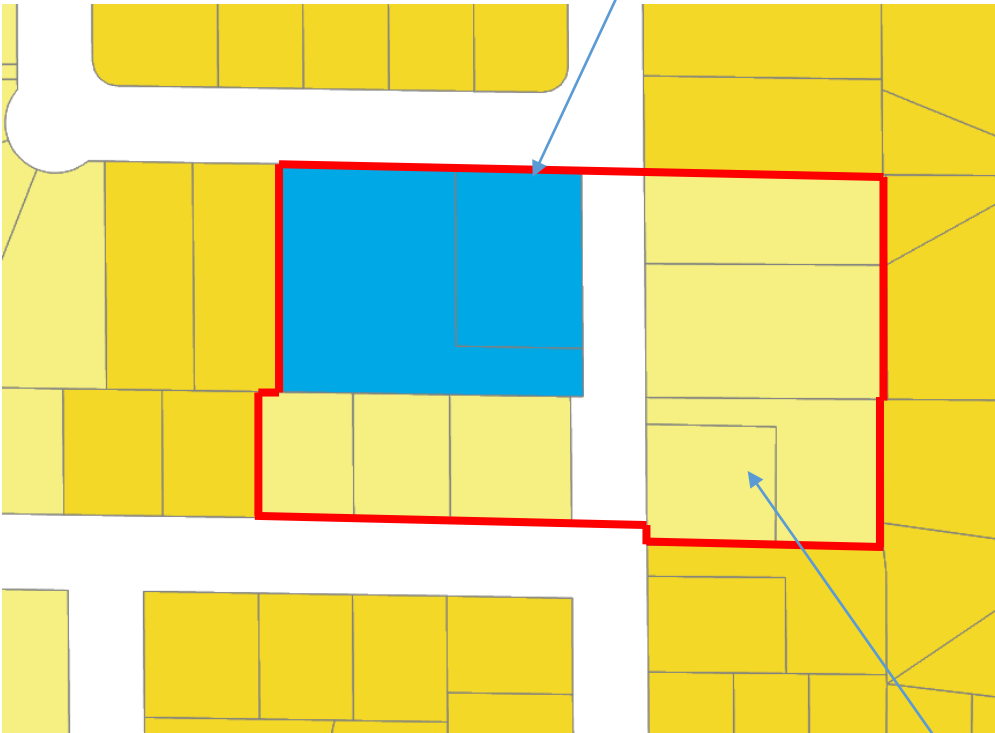
- Residential 1
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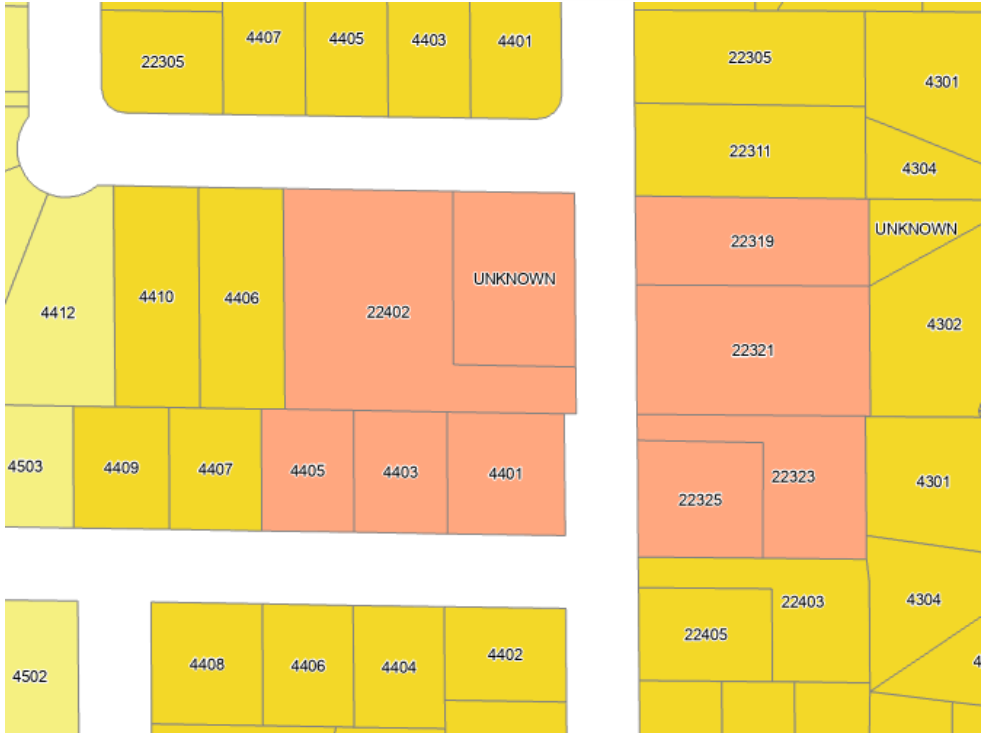
NMU



Community Business (BC)



Residential 1 (R-1)



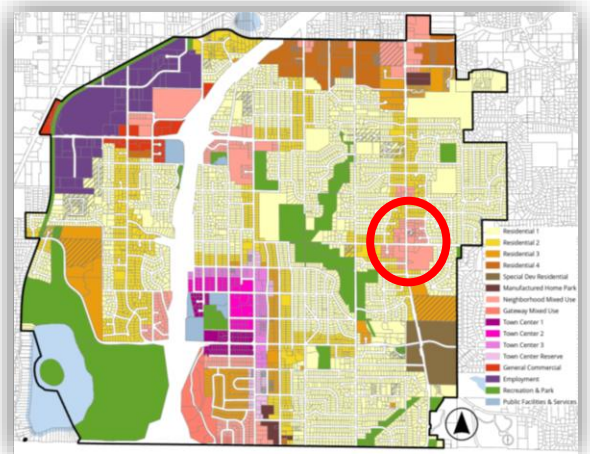
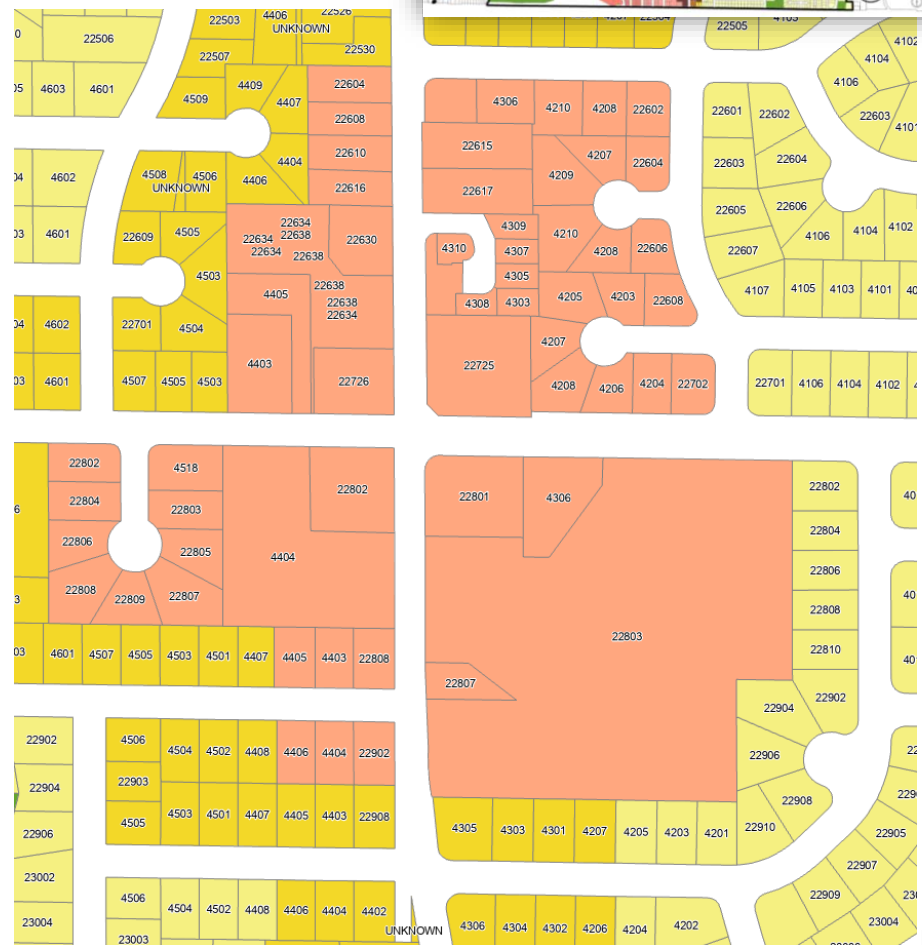
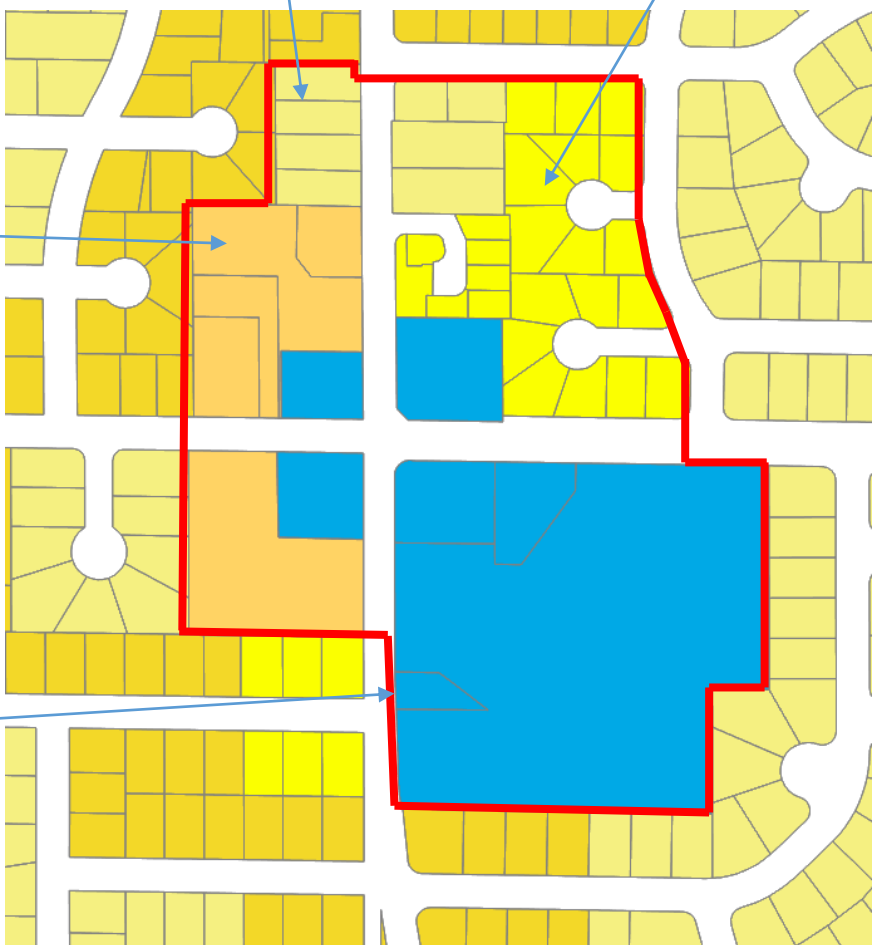
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Residential 1 (R-1)

Single Household District (RS 7200)

Multiple-Household Low Density (RML)

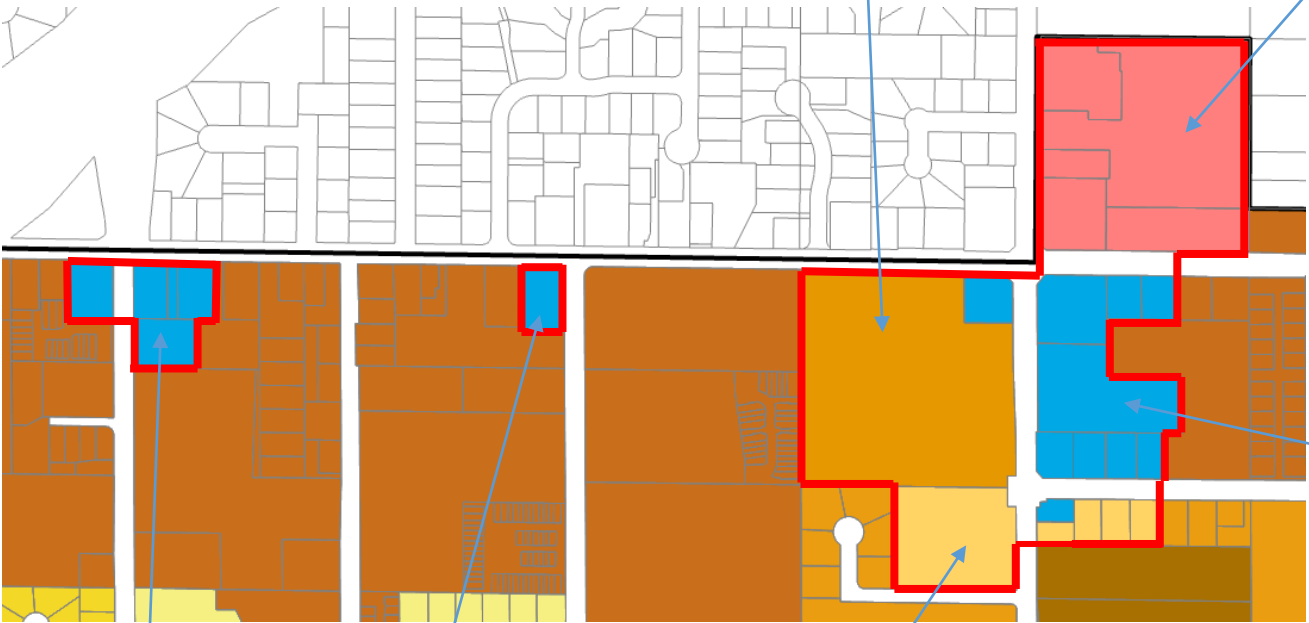
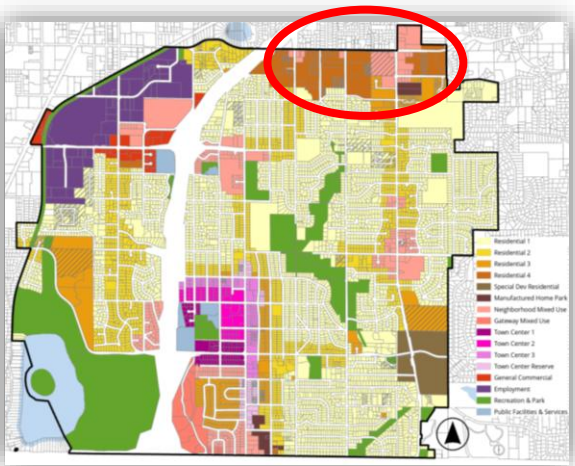
Community Business (BC)



NMU

Multiple- Household
Medium Density (RMM)

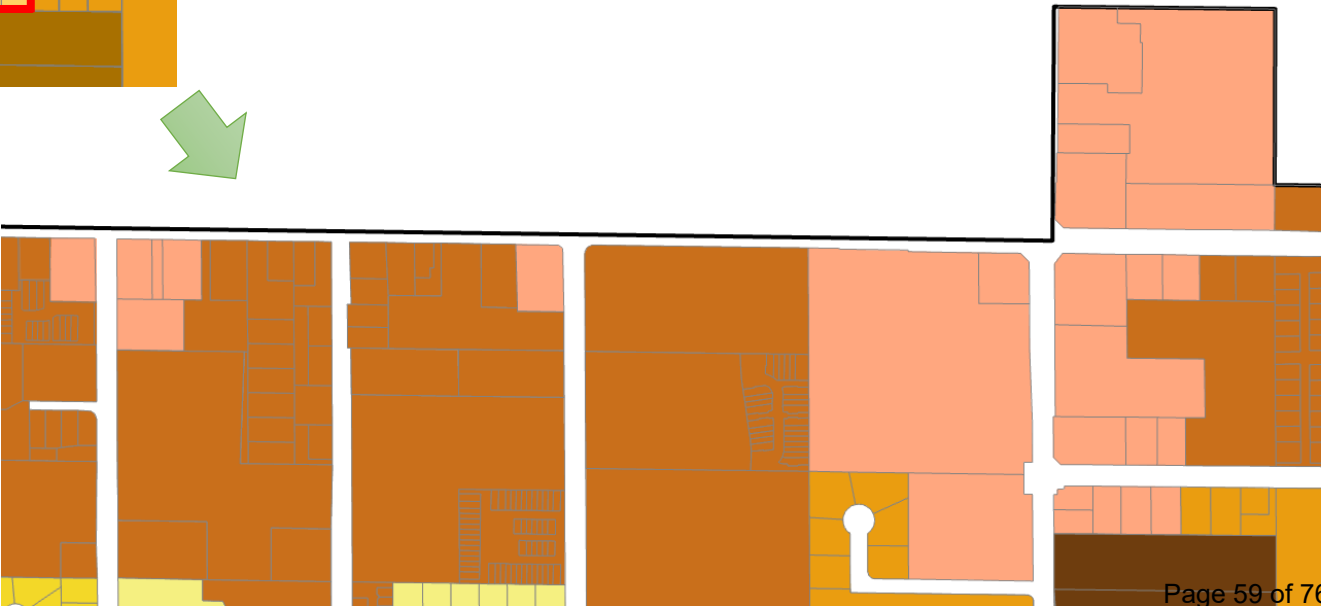
Special Development District
Commercial/Residential (SDD C/R)



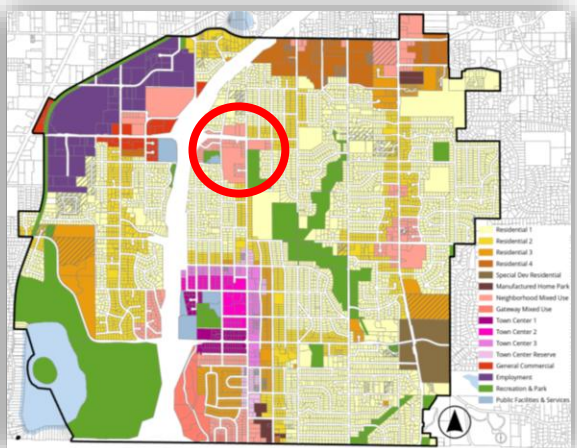
Community Business (BC)

Multiple- Household
Low Density (RML)

Community Business (BC)



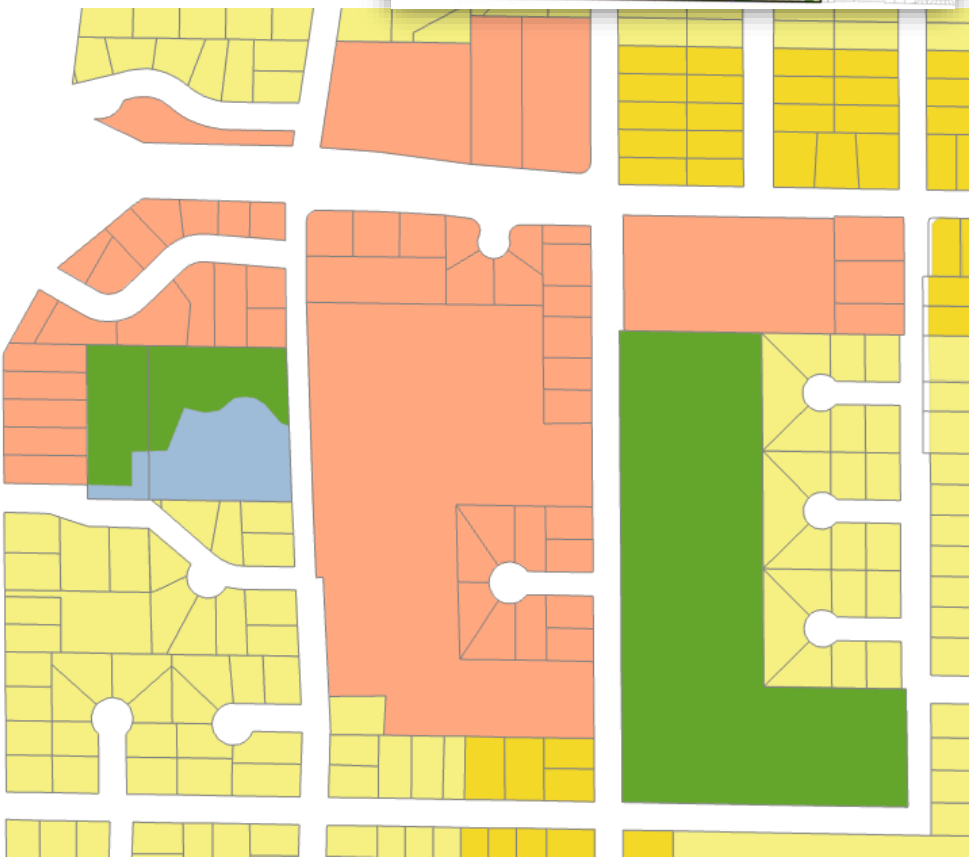
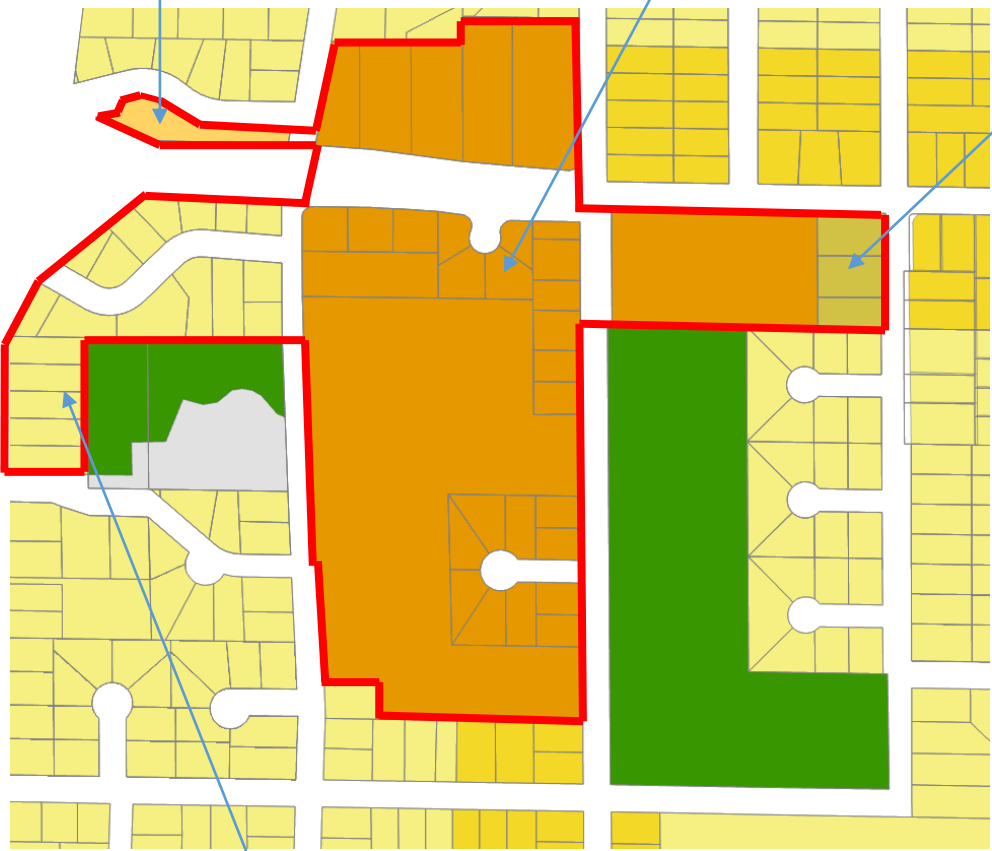
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Multiple- Household
Medium Density (RMM)

Multiple- Household Low Density (RML)

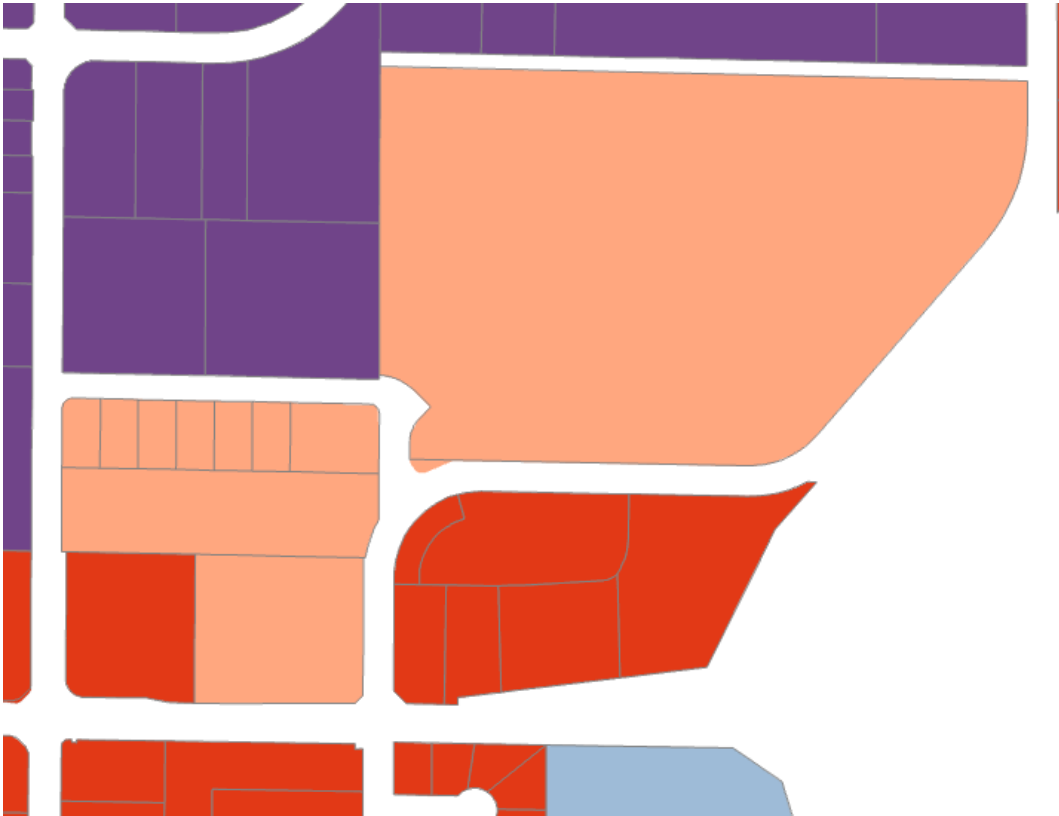
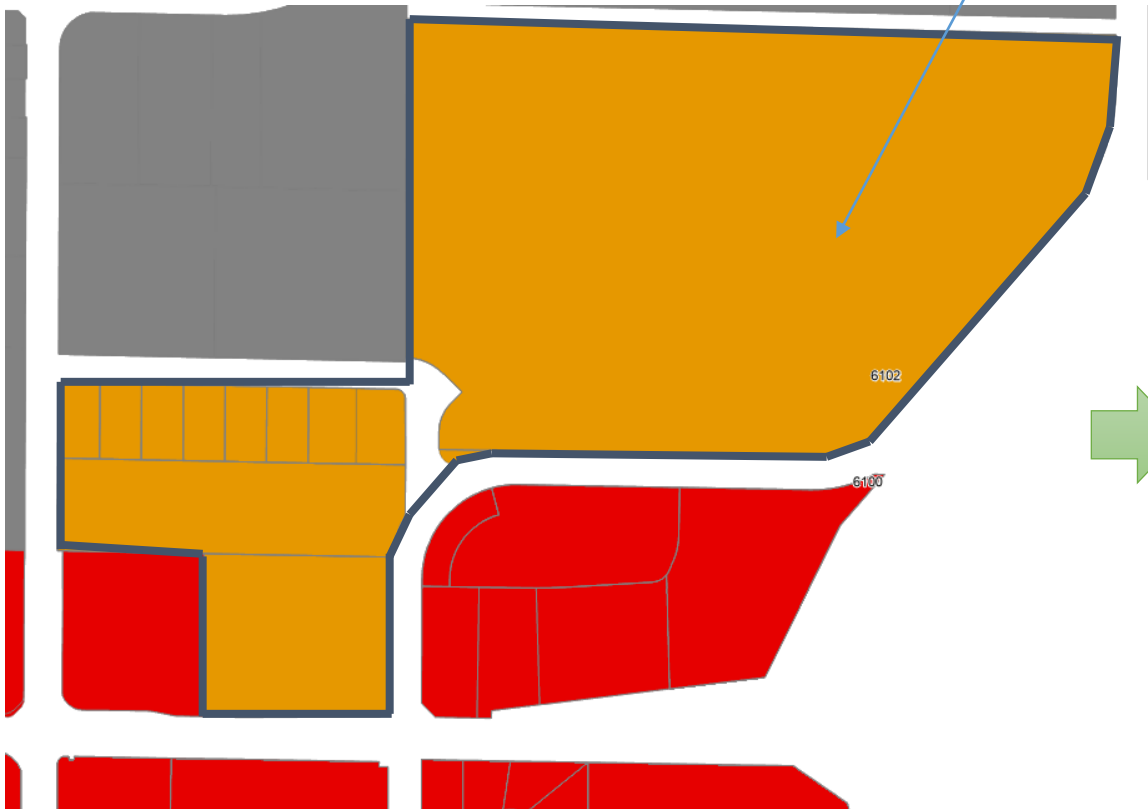
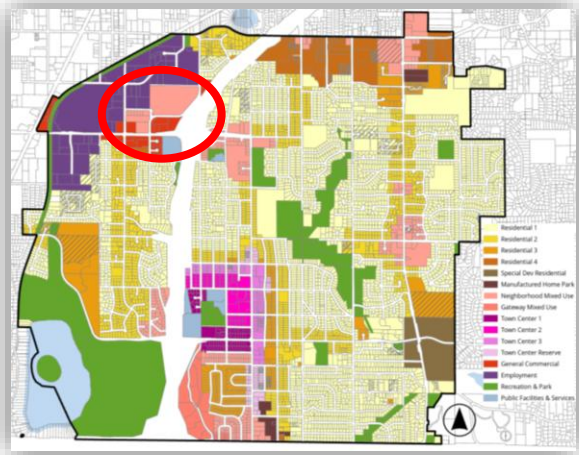
Single Household District (RS 8400)



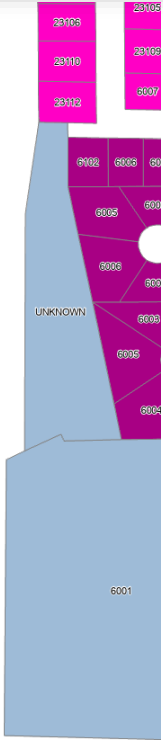
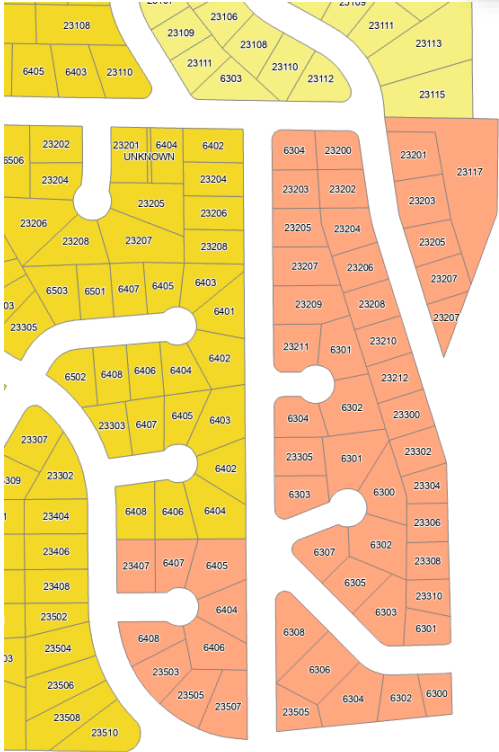
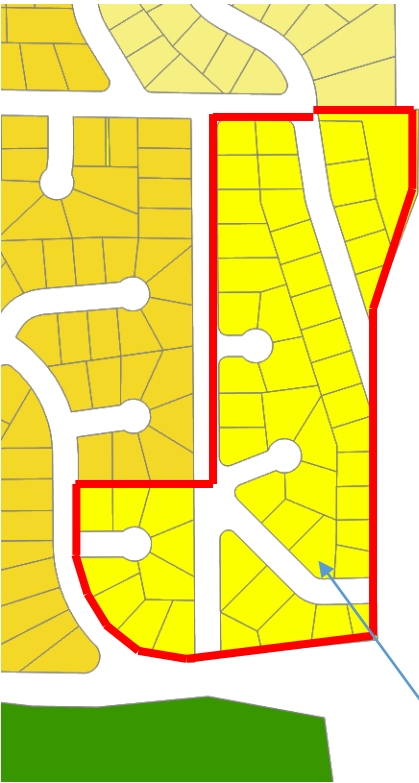
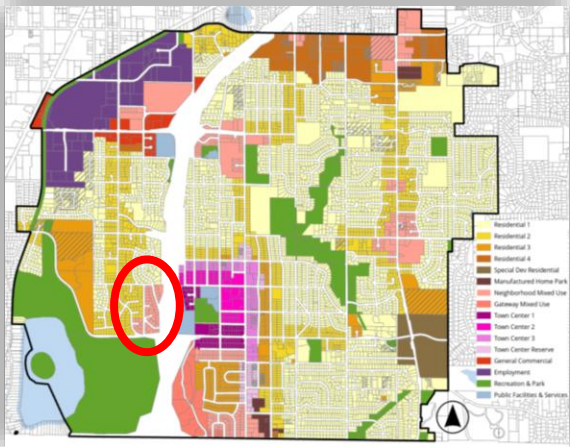
Residential 1 (R-1)

NMU

Multiple- Household
Medium Density (RMM)



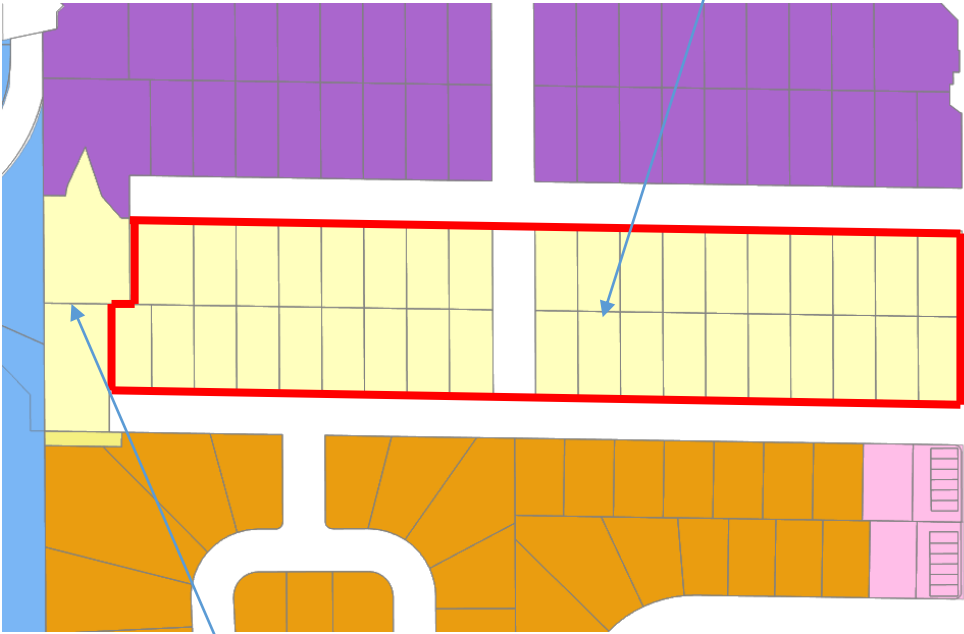
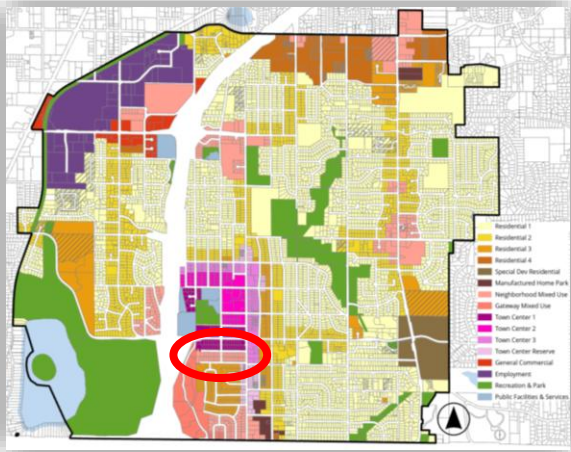
NMU



Single Household District (RS 7200)

NMU

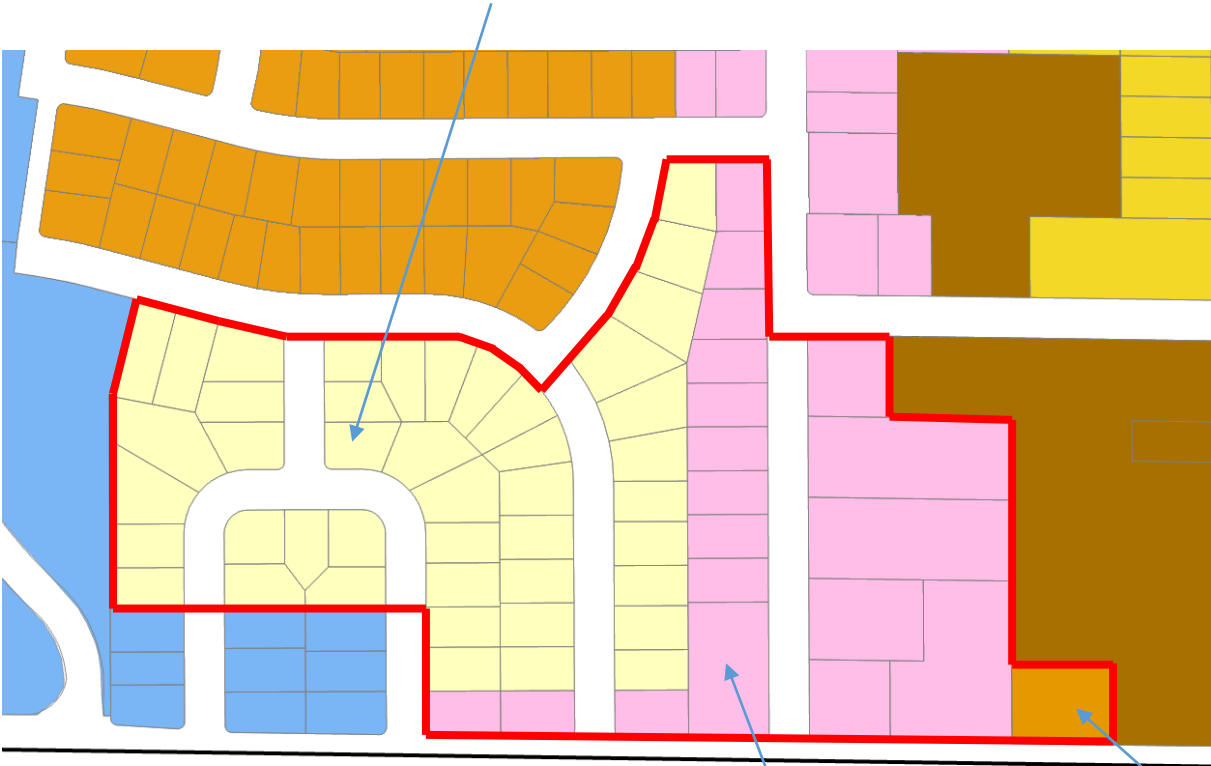
Single Household District (RS 4800)



Already rezoned to NMU

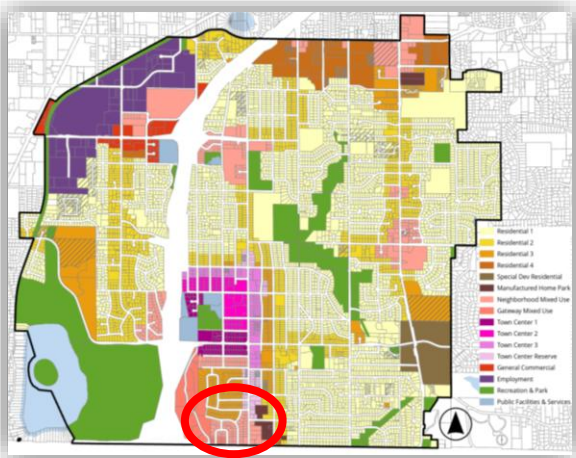
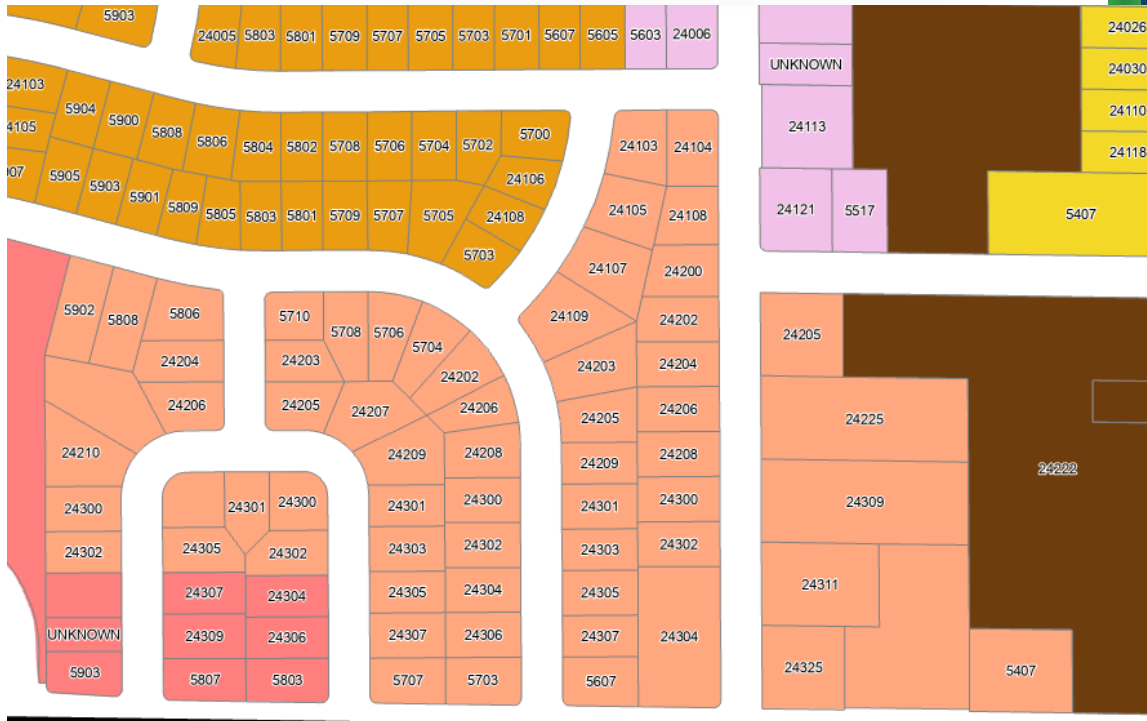
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Single Household District (RS 4800)



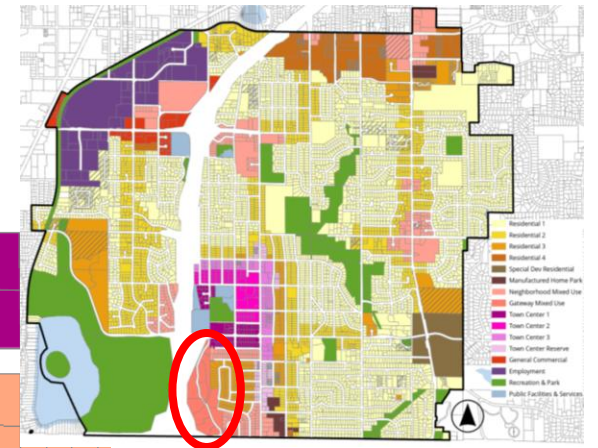
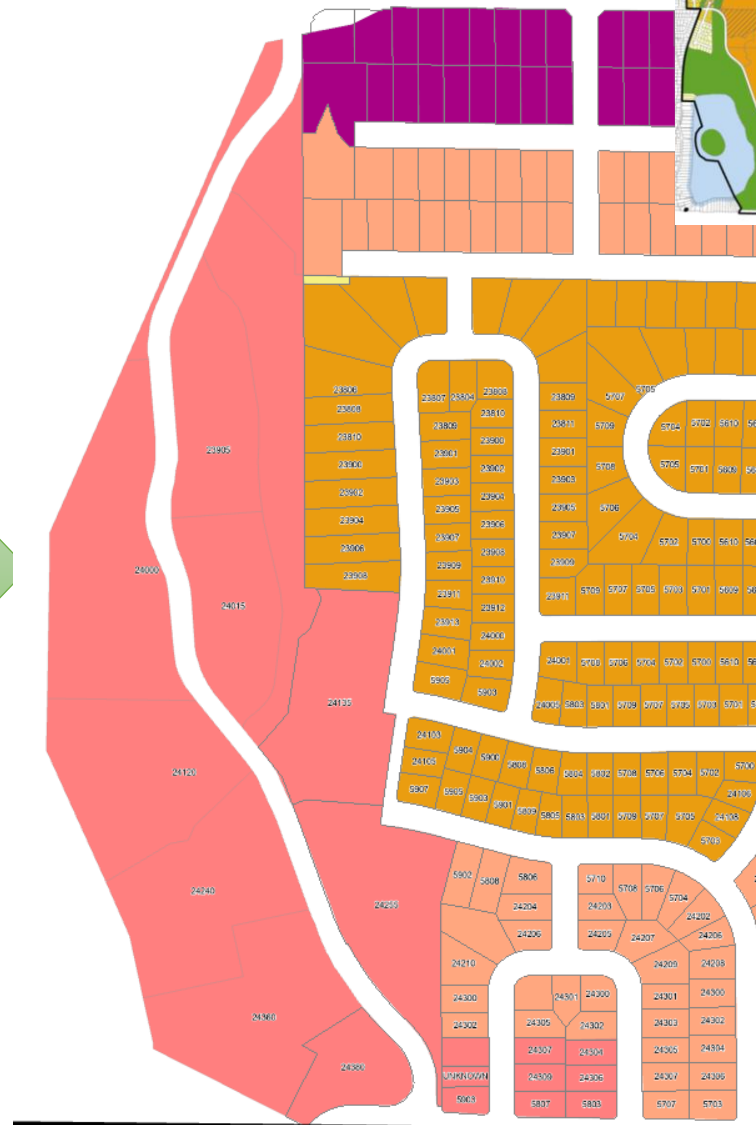
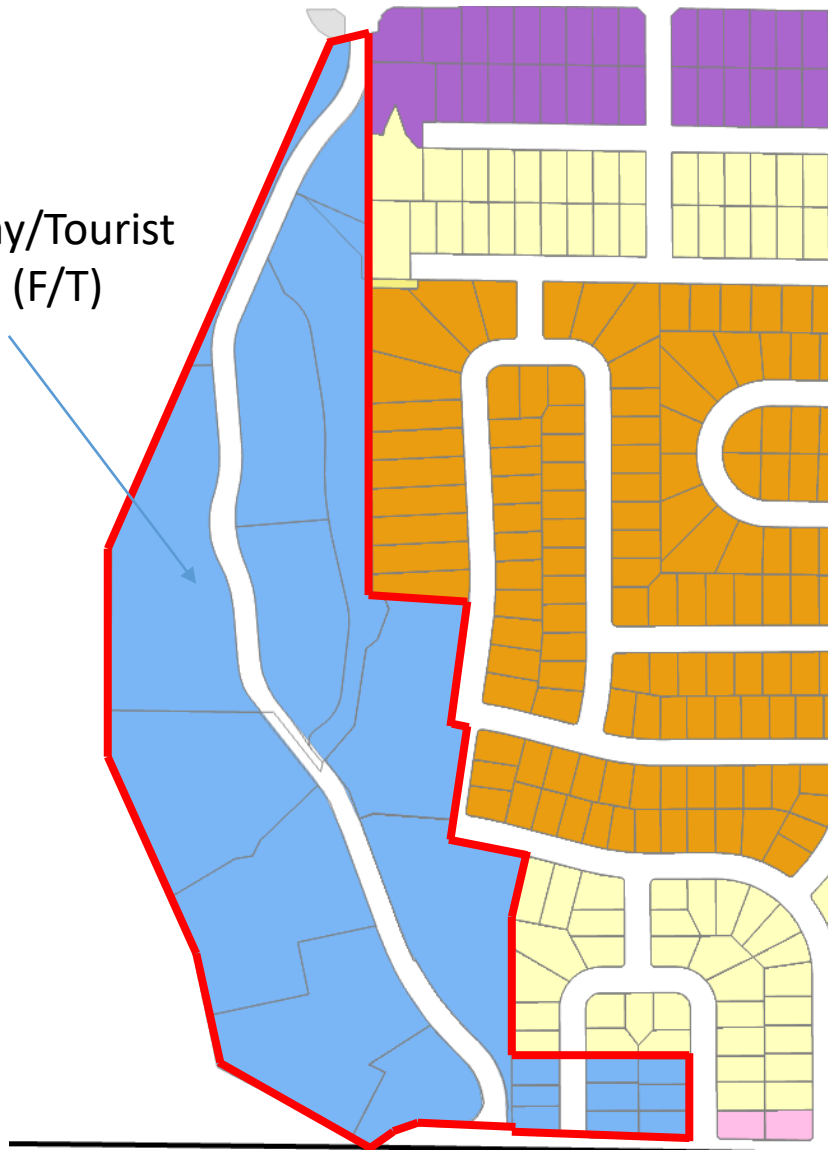
Town Center Reserve (TC-R)

Multiple- Household
Medium Density (RMM)



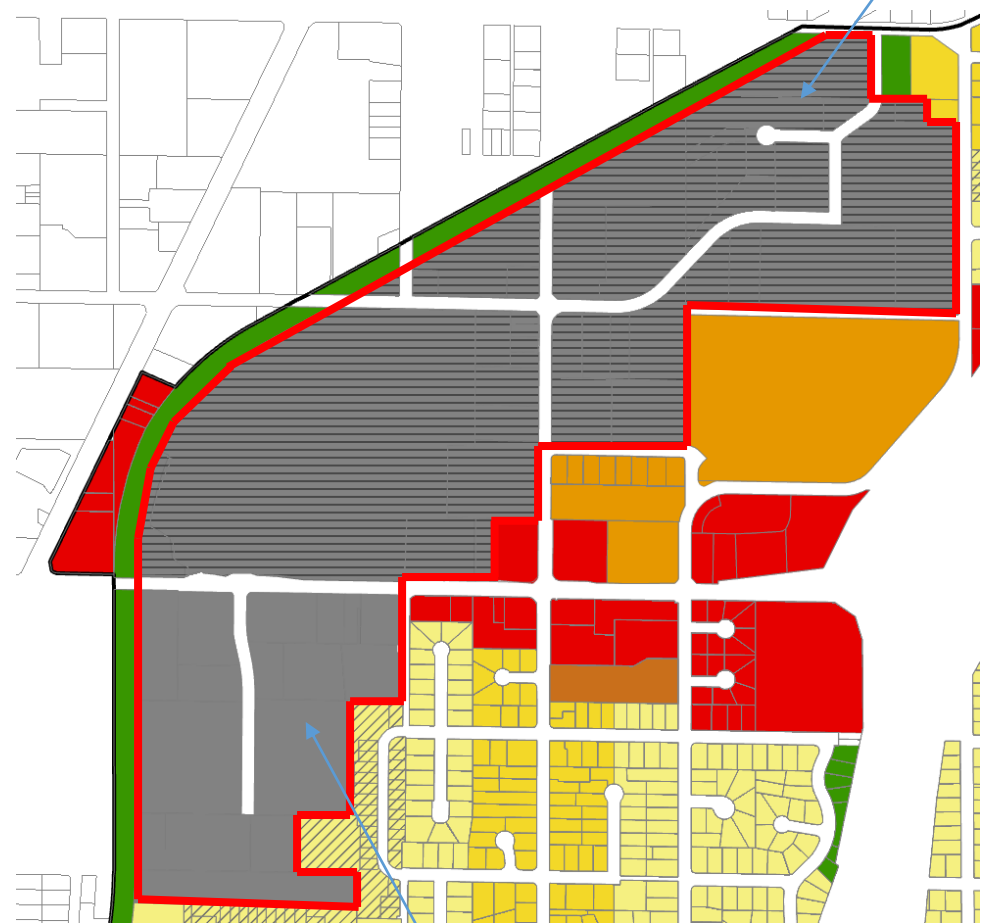
GMU

Freeway/Tourist
District (F/T)

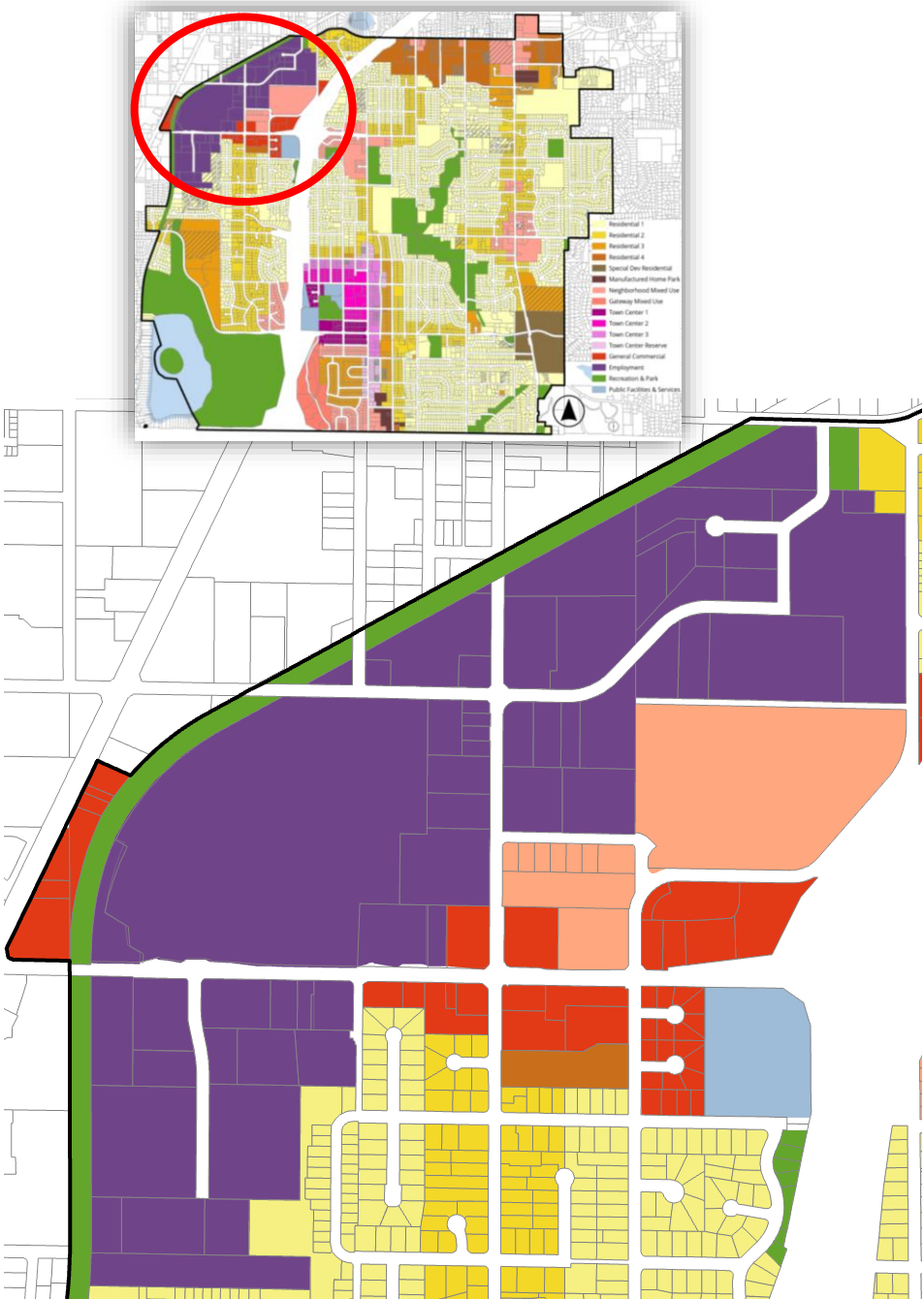


EMP

Sexually Oriented Adult
Business Overlay (SOAB)

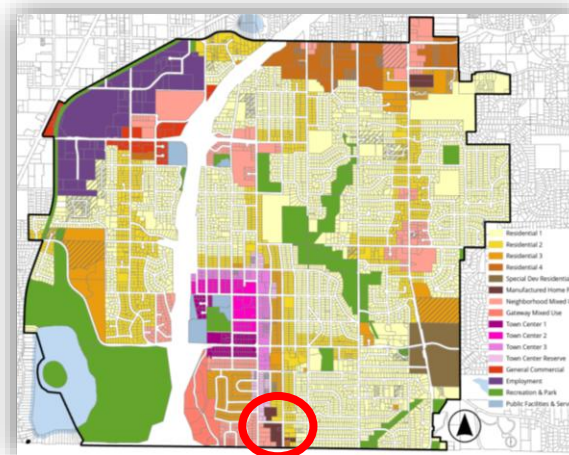
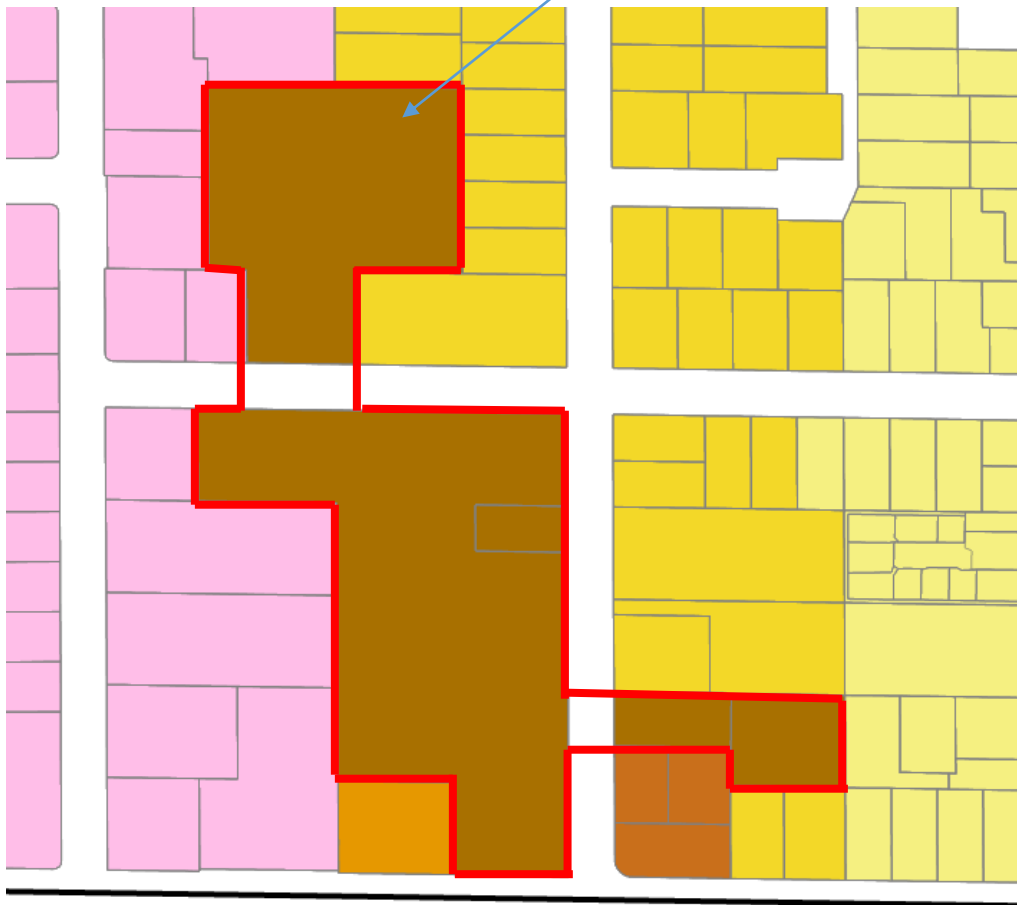


Light Industry/Office Park (LI/OP)



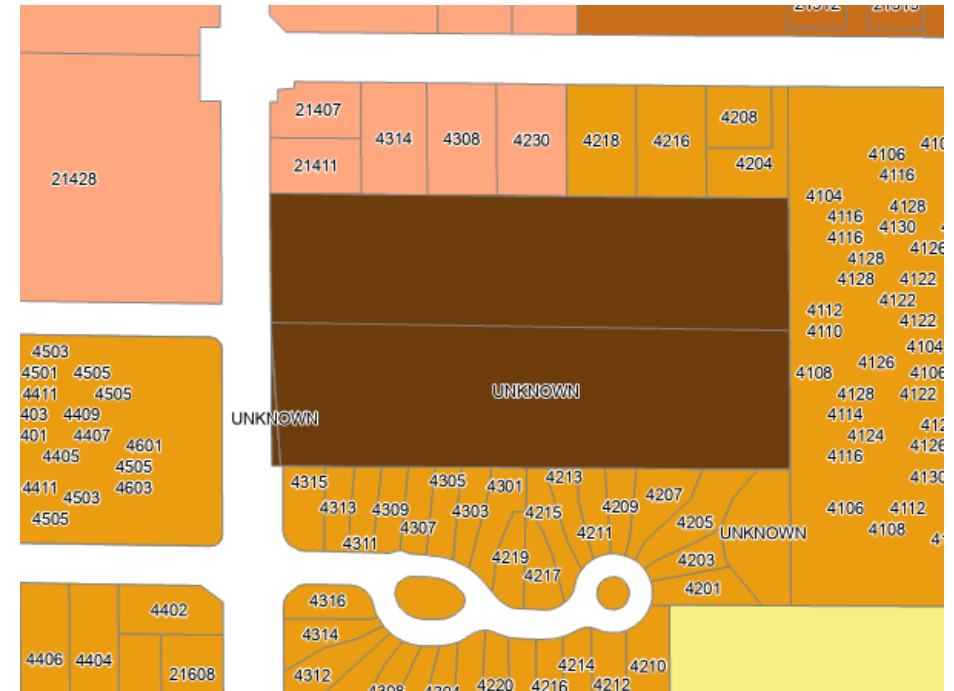
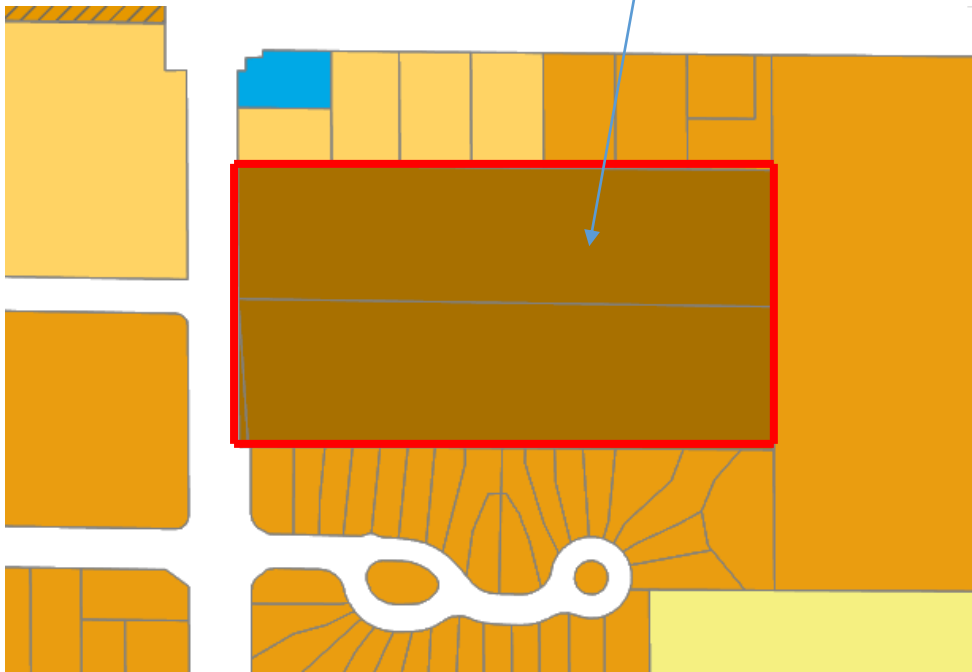
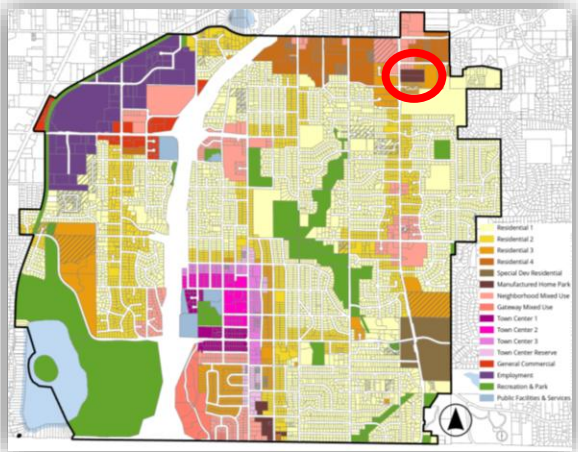
MHP

Mobile Home Park



MHP

Mobile Home Park



NEXT STEPS

- ✓ • **Planning Commission discussion August 10**
- • **City Council briefing September 10**
- **Planning Commission discussion September 14**
- **Planning Commission Public Hearing September 28**
- **City Council review and vote October 15**

DISCUSSION & QUESTIONS



STAFF REPORT

To: Mountlake Terrace City Council
From: Jeff Betz, Recreation and Parks Director
Meeting Date: September 10, 2026
Subject: Review Plaza Name Recommendations

Required Reviews:

Jennifer Joki	Created/Initiated - 09/03/2026
Jeff Betz	Approved - 09/03/2026
Hillary Evans	Approved - 09/03/2026
Carolyn Hope	Final Approval - 09/03/2026

Council Goal(s):

Growing our Vibrant Community
An Informed and Engaged Community

Legislative History:

August 11, 2026 RPAC meeting

Subject Summary:

The City is planning to open a new park adjacent to Mountlake Terrace Station in 2027. This 4,000 square foot plaza is situated just south of 236th St. SW and west of Van Ry Blvd. The attached "Policy for Renaming Recreation and Park Facilities," adopted by the Recreation and Parks Advisory Commission (RPAC) and City Council in 1994, outlines that RPAC will recommend potential names, with the final selection made by the City Council based on public input from individuals and organizations. The policy includes specific criteria for name selection.

City staff have engaged the community by gathering their nominees through a "Name that Plaza" contest. The call for nominees was advertised and open from July 13 - July 26 through various sources including direct emails, social media, news releases, flyers and posters. The poll asked for a nomination for the future name of the plaza and state why that name was appropriate. The contest also included a recognition package which will include a guided tour of the art installation site, a special photo with the sign, and a certificate from the City Council. The rules and regulations were included with the advertisement, which also incorporated the official naming policy attached to the nomination form. This process gathered 43 submissions total.

During the August 11 RPAC meeting, the naming process was reviewed, and feedback was

collected from the commission. The naming criteria were linked to the poll, prompting residents to explain how their suggested names fit the criteria. RPAC narrowed the list from 32 nominations to four names submitted to the Council:

- Salish Plaza
- Gateway Plaza
- Eagle Plaza
- Terrace Crossing Plaza

The commission considered the pros and cons of each name, taking into account the naming policy and its potential impact on the community. While the commission valued "Salish Plaza," there was concern due to the absence of a process to consult with tribal representatives and a lack of planning or design connected to this name. "Gateway Plaza" served as a placeholder during the original planning process ten years ago, referring to the neighborhood name and acting as the "Gateway" to the city. "Eagle Plaza" was nominated in recognition of local wildlife. "Terrace Crossing" reflects the city's name by incorporating it into the plaza identity.

Financial/Budget Impacts:

Budget Amendment No
Required? _____

Budget and Sources:	
Expenditure:	
New Appropriation Required + Sources:	

Additional Financial Information:

N/A

Community Notifications:

City Council Agenda
Board/Commission Meeting
Social Media
News Release
If "Other," please specify:

Board/Commission Recommendation:

The Recreation and Parks Advisory Commission reviewed community nominations for Plaza names on August 11, 2026. They recommended to Council the following names for consideration:

- Salish Plaza
- Gateway Plaza
- Eagle Plaza
- Terrace Crossing Plaza

Staff Recommendation:

Staff recommends the City Council review the Recreation and Parks Advisory Commission's recommendations and give staff direction on the future naming of the plaza.

Council Motion:

N/A

Attachments:

1. Policy_for_Renaming_Recreation_and_Park_Facilities
2. Name that Plaza FLYER



CITY OF MOUNTLAKE TERRACE POLICY FOR RENAMING RECREATION AND PARK FACILITIES

Date: December 15, 1993

Effective: February 1994

Section 1:

It is the policy of the City of Mountlake Terrace to choose names for public parks and park and recreation facilities based upon the site's relationship to the following criteria:

1. Neighborhood, geographic or common usage identification (Forest Crest Playfield)
2. A natural or geological feature (Terrace Creek Park)
3. A historical place, event, or other instance of historical or cultural significance (Veterans Memorial Park)

Section 2:

The City Council shall designate the names of the public parks and park and recreation facilities. The City Council shall make its selection after receiving a recommendation from the Mountlake Terrace Recreation and Park and Advisory Commission, based upon public input from individuals and organizations.

If a contest or competition is to be held to determine the name of the park and recreation facility, the Recreation and Park Advisory Commission shall establish guidelines and rules for the contest, and the final name shall follow the criteria in Section 1.

Section 3:

A park's interior features and/or facilities may have names other than that of the entire park. These names are subject to the criteria in Section 1, and the following additional criteria:

1. An individual(s) who has made a significant land and/or monetary contribution to the park system or who had the contribution made "in memoriam": and/or when the name has been stipulated as a condition of the donation.
2. An individual who has contributed outstanding civic service to the City of Mountlake Terrace. (Mickey Corso Community Clubhouse, Enbom Field). Reference: Criteria for Exceptional Community Service (Attached)

Section 4:

A name once adopted should be bestowed with the intention that it will be permanent, and changes should be strongly resisted.

Section 5:

Following selection of a park or park and recreation facility name by the City Council, the Recreation and Parks Department will identify the specific park or facility by appropriate signs specifying the name.

Adopted by the City Council of the City of Mountlake Terrace this 20th day of December, 1993.

Attachment: Criteria for Exceptional Community Service (See Below).

CRITERIA FOR EXCEPTIONAL COMMUNITY SERVICE

Outstanding service shall be performed in one or more of the following categories:

1. Involvement in a leadership role in civic organizations which are devoted to community improvement.
2. Assistance to the underprivileged, economically disadvantaged, physically and/or mentally handicapped.
3. Actively promoted and directed community events and activities which have clearly added to the enrichment of the quality and quantity of cultural life within the community.
4. Actively promoted and implemented effective youth programs and activities within the community to the City's young people.
5. Actively promoted and implemented effective programs and activities within the community for the senior citizens of the community.
6. Assumed an active leadership role in developing and implementing programs directed to the improvement of the visual aesthetic appearance of the community at the commercial, public or residential level.
7. Assumed an active leadership role in developing programs and/or facilities for collecting, promoting and retaining the many aspects of the natural or historical heritage of the community.
8. Assumed an active leadership role in developing programs and facilities directed toward the improvement of community social and health needs as well as programs directed toward humanitarian purposes.

NAME THAT

Plaza!

OUR NEW PEDESTRIAN PLAZA NEEDS A NAME!

SCAN ME



cityofmlt.com

To submit
a name
suggestion
by **July 26**,
scan the QR
code!



The winning name will receive a prize!

Plaza
located at
SW corner of
236th x
Van Ry

Questions? Email: cityhall@mltwa.gov



**CITY OF
MOUNTLAKE
TERRACE**

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