Council Meeting: 03/23/2012
Agenda: Possible 2012 Ballaot Measures for Parks and Roads

**CITY OF KIRKLAND**
**Department of Parks & Community Services**
**505 Market Street, Suite A, Kirkland, WA 98033 425.587.3300**
**www.kirklandwa.gov**

## MEMORANDUM

**To:** Kurt Triplett, City Manager

**From:** Jennifer Schroder, Parks and Community Services Director

**Date:** March 16, 2012

**Subject:** 2012 Ballot Measure - Park Funding Exploratory Committee Recommendation

On March 6th the City Council received an overview of the Park Funding Exploratory Committee's (PFEC) recommendation for Council to evaluate going to the November 2012 ballot with two measures:

- A $10 million 9-Year Levy Lid Lift for Capital Investments
- A $1.095 million Permanent Levy for Maintenance and Operations.

To assist the Council in their discussion, attached is a copy of the full Park Funding Exploratory Committee report that was included in the March 6th Study Session agenda packet.

### PFEC Recommended Ballot Measures
### A 9-Year Levy Lid Lift for Capital and a Permanent Levy Lid Lift for M & O

| Category/Project | Project Cost | Annual Cost to Homeowner | M&O Levy | Annual Cost to Homeowner | Annual Cost to Homeowner | Rate per $1,000 AV | Additional Annual Cost to Homeowner |
|---|---|---|---|---|---|---|---|
| TIER 1 | | | | | | | |
| Restore M & O | - | - | 600,000 | 19.68 | 19.68 | 0.0410 | |
| Denny Park Maintenance | - | - | 137,500 | 4.51 | 4.51 | 0.0094 | |
| Forest/Habitat Restoration | - | - | 192,500 | 6.31 | 6.31 | 0.0132 | |
| Waverly Beach Renovation | 500,000 | 2.05 | - | - | 2.05 | 0.0043 | |
| Dock and Shoreline Renovations | 800,000 | 3.28 | - | - | 3.28 | 0.0068 | |
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| | - | - | | | | | |
| | 10,000,000 | 41.00 | 1,095,000 | 35.92 | 76.92 | 0.1602 | 76.92 |
| TIER 2 | | | | | | | If Project is Added… |
| Lee Johnson Field Turf & Lighting | 1,500,000 | 6.15 | - | - | 6.15 | 0.0128 | 83.07 |

*All costs noted are preliminary estimates subject to refinement*
*Note 1: Annual cost to a home with an assessed valuation of $480,000*
*Note 2: Amounts Include 10% Inflationary Adjustment*

Staff is seeking direction from Council at the retreat on whether additional information is needed and if the Council has potential changes to the capital projects list or the maintenance and operations list.

If the Council has continued interest in pursuing a November 2012 ballot measure, PFEC recommends that a next step should be to research the attitudes of residents through a statistically-valid random sample telephone survey. Preliminary work on a survey was initiated after the Council study session. If the Council provides direction to proceed at the retreat, a survey could be commissioned and conducted during the month of April, with results shared with the committee and Council in May/June. Funding for a survey could be included as part of the Parks Recreation and Open Space Plan project that is within the current year budget.

It is important to note, that should a ballot measure be placed on the November 6th, general election, the deadline to file with King County is August 7, 2012.

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**MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Jennifer Schroder, Director
Michael Cogle, Deputy Director

**Date:** February 24, 2012

**Subject:** PARK FUNDING EXPLORATORY COMMITTEE RECOMMENDATION

## RECOMMENDATION

Staff recommends that the City Council receives the attached report from the Park Funding Exploratory Committee and requests additional information as needed prior to the City Council retreat.

## BACKGROUND

Since 2008 the Parks and Community Services Department has experienced a 20% reduction in park maintenance staffing. This has resulted in an unprecedented drop in the level of care for the community's extensive park system. The City has responded in a number of ways to minimize the effects of these budget cuts. For example, through its innovative contract with Waste Management the City has been able to return garbage service to neighborhood parks and thus alleviate wide-spread citizen complaints about this issue. Temporary funding from Real Estate Excise Tax (REET) has been used to help the Parks Department begin to respond to a backlog of preventative maintenance tasks and temporarily restore lifeguarding to swimming beaches. Volunteer activities by citizens and community groups to improve the appearance and safety of parks have been intensified to soften the impacts. But despite these efforts, residents continue to experience parks that are less attractive and less responsive to their needs, and there is increasing concern that the (thus far) hidden impacts of deferred maintenance will soon become more visible and, in long run, more costly to resolve.

Likewise, the City's capital investments in its park system have been negatively impacted by the economic downturn. The primary funding source for park capital improvements – REET – has declined to the extent that annual funding in the Parks CIP has dropped by over 38% in the past several years. Currently the City's adopted 2011-2016 CIP identifies nearly $77 million in unfunded projects, not including new projects associated with the recent annexation. Historically the City's capital funding for park improvements and expansion has been supplemented by periodic voter-approved park funding ballot measures; however, the last park ballot measure approved by voters was nearly a decade ago, in 2002.

The City's recent annexation of the Juanita, Finn Hill, and Kingsgate neighborhoods brings these issues into even sharper focus. While some additional funding has been allocated to help the City manage five new parks inherited from King County, we have had to acknowledge to new residents that at this point in time the City is not able to provide the same level of service in these parks that we had intended when

the City chose to proceed with the annexation. There is pent up demand from new residents to see their neighborhood parks restored, improved, and even expanded. The annexation has also brought with it the dynamic of the Finn Hill Park and Recreation District, which was established by some (now) Kirkland residents to provide funding to care for O.O. Denny Park, an important civic asset on Lake Washington. The District's maintenance levy will expire at the end of 2014, with the future of a levy renewal, the District, and O.O. Denny Park itself in some doubt.

Counterbalancing these difficult issues are some exciting opportunities. The City's pending acquisition of the Kirkland segment of the Eastside Rail Corridor has spurred wide-spread community interest and the potential to finally realize the long-desired Cross Kirkland Trail. The Green Kirkland Partnership has been a tremendous success story in the community, with great potential to leverage current energy and interest into a lasting legacy of environmental sustainability. The Lake Washington School District's continued school modernization program has invested tens of millions of dollars in vital school properties, with more on the horizon, offering opportunities to expand the innovative and cost-effective City-School Partnership Program.

In response to these issues and opportunities, at their regular meeting of July 19, 2011 the City Council established a citizen committee to consider the possibility of a future park funding ballot measure. This initiative was responsive to the 2011 City Work Program adopted via Resolution R-4864 (i.e. "*9. Exploring new revenue options authorized by the State Legislature or requiring voter approval.").*

Termed the "Park Funding Exploratory Committee" (PFEC), the group was asked to consider and make recommendations regarding funding to help meet the capital, maintenance, and operational needs of the Kirkland's park, open space and recreation system. Nearly 50 stakeholders representing a broad array of key community interests were invited to participate, and the Council selected Councilmember Amy Walen to serve as chair. The committee began meeting in September of 2011 and met a total of 8 times, collectively contributing over 350 hours of volunteer effort to the project.

The Committee process involved gathering and interpreting information about the goals, issues, needs, and priorities of Kirkland's park, open space and recreation system; directing public outreach strategies such as citizen surveys and open houses; exploring funding alternatives such as a park bonds and levies; and preparing conclusions and recommendations for Council consideration.

Included with this staff memo is a report from the PFEC.

**PFEC Recommendation**

The PFEC recommendation is presented in detail in the PFEC report. In summary, their recommendation is to evaluate going to the November 2012 ballot with two measures. The first would be a nine year levy lid lift for approximately $10 million in capital projects. There would also be a companion permanent levy lid lift with a little over $1 million per year for maintenance and operations. The total recommended amount (average annual impact to the average homeowner) is $76.92 per year (or about $6.40 per month) for the average homeowner. The committee believes that this is a reasonable amount to put before the voters if the Council decides to proceed with a ballot measure in 2012.

The proposed nine year capital project levy would expire at about the same time that the 2002 park bond measure would expire and the City would then be in a position to pursue a larger bond measure towards a major investment such as an indoor recreation center and pool. The specific projects included in the PFEC recommendation were based on a staff recommendation requested by the PFEC.

Although a majority of committee members supported the 2012 ballot measures, there was a strong sense of caution among many members about the advisability of taking a measure to the voters in a time

of economic hardship and uncertainty. All agreed that more information was needed about likely community acceptance for any 2012 ballot measures and the number and type of competing measures that would be on the ballot in November.

The purpose of the March 6 study session is for the City Council to receive the PFEC's recommendation and ask any questions. At that time, the Council can identify any further information on any of the identified project proposals/components of the Committee's recommended funding package.

The City Council is scheduled to discuss the Committee recommendation in more detail at their upcoming March retreat. Following the retreat, staff will be requesting Council direction for the following:

- Should the Committee and staff continue to explore the viability of a November 2012 park funding ballot measure?

- Should the City proceed with research (specifically a random sample telephone survey) to determine citizen priorities for Kirkland's park, open space and recreation system?

**Indoor Recreation Facility Issues**

The PFEC identified an indoor recreation facility as an important community need, but it was agreed that absent further information, particularly regarding an identified site, the project is not "ballot ready" and it is not included in the PFEC preferred funding package. However, the PFEC is recommending that the City continue to actively pursue regional partners and a suitable site for a new indoor recreation facility to serve the community.

The Kirkland Indoor Recreation Facility plan was presented to the City Council in 2007. Working with a consultant team, development of the plan involved community and stakeholder input, market analysis, a financial analysis, and the creation of a prototype facility plan.

The prototype plan for a new facility indicated a 93,000 square foot multi-purpose recreation facility on a site of up to 8 acres. The plan provided for a number of amenities, including an indoor pool, two full court gymnasiums, elevated walking track, fitness/cardio areas, multi-purpose activity rooms, a community hall, and other related amenities. Based on the prototype, the estimated construction cost of the facility, in 2006 dollars, was $36,566,000. This figure did not include costs for site acquisition if necessary.

In an effort to identify possible sites and partnerships for the facility, staff has engaged in discussions with a number of potential regional partners, including Evergreen Hospital, Bastyr University, Northwest University, Lake Washington Institute of Technology, Lake Washington School District, and the cities of Kenmore, Bothell, Woodinville and Redmond. Although each agency supported the merits of the project and expressed some degree of interest to partner, staff found that the lack of an identified site became a barrier to committing specific partnership opportunities.

Given that nearly five years have gone by since the 2007 plan was developed, staff would recommend that this issue be referred to the Park Board and staff for reconsideration, with a set of further recommendations and next steps presented to the City Council later in the year.

**Possible Next Step: Survey**

If the Council has continued interest in pursuing a November 2012 ballot measure, the PFEC recommends that a suitable next step would be to research the attitudes of residents through a statistically-valid random sample telephone survey. Such a survey was conducted as part of the process leading up to the

last Kirkland park ballot measure in 2002 and helped determine citizen priorities. Information gathered through the survey might include:

- Citizen willingness to consider a ballot measure for parks in 2012.
- Citizen priorities for recommended park levies at the recommended amounts;
- Citizen priorities for specific funding needs and projects proposed in the PFEC recommended package.

If directed by Council at the retreat, a survey could be commissioned and conducted during the month of April, with results shared with the committee and Council in May/June.

**Summary and Conclusions**

The March 6 study session will provide an opportunity to receive additional information and ask questions about the PFEC report and recommendation. The City Council will discuss whether or not to proceed with a ballot measure in 2012 at the City Council retreat. However, the study session provides an opportunity for Council to identify any additional information the Council would like to have about the PFEC recommendation for the retreat.

Staff would like to acknowledge the hard work and investment of time by the many committee members involved with this effort under the leadership of Councilmember Walen. Members of the committee will be present at the study session to answer questions.

City of Kirkland

# Park Funding Exploratory Committee

Councilmember Amy Walen, Chair

# Report to City Council

March 2012

## Introduction

The Parks Funding Exploratory Committee (PFEC) was convened by the City Council to discuss and make recommendations about funding for parks and recreation facilities and maintenance. The PFEC was to consider the advisability and content of a possible future ballot measure. The purpose of this memo is to present the recommendations of the PFEC for further consideration by the City Council. Through the PFEC meeting process, the committee developed a consensus recommendation for a possible ballot measure. Equally important are a series of underlying principles and important considerations that the City Council should take into consideration in any future decisions about parks funding.

## Committee Process

The PFEC met eight times between September of 2011 and February 2012. During that time, the PFEC received numerous presentations from staff about a variety of topics as background for the committee's discussions. Early in the process, the committee received presentations about the history of Kirkland's park ballot measures and learned about the goals and objectives of the park system as identified in the City's Park, Recreation, and Open Space Plan (PROS). The committee also received presentations on specific projects/issues identified by Council, including Totem Lake Park, the Kirkland Cannery Building, the Finn Hill Park and Recreation District, indoor recreation center, Green Kirkland, and the Eastside Rail Corridor.

In October an online survey and two public open houses were conducted to assist the committee in better understanding the park and recreation needs and interests of citizens (see Attachment A). As a follow up to the survey, the committee was polled to ascertain potential support for additional funding for specific projects (see Attachment B).

The committee was provided with a list of 45 projects identified for potential consideration (Attachment C). The list of projects was derived from those projects identified in the PROS Plan, CIP, and those projects suggested by the Committee.

In December, the PFEC was assisted by a facilitator to help the committee assimilate all of the information and to work toward a recommendation. One of the first steps was to adopt a framework for categorizing projects and for organizing the many potential projects that could be considered. Three categories were identified:

- Preserve – Renovating and maintaining the community's existing park system
- Enhance – Redeveloping and improving the community's existing park system
- Expand – Adding new facilities and purchasing new property to expand the system as envisioned in the Parks, Recreation and Open Space Plan.

It was agreed that a ballot measure could have projects from each category but that it would be important that preservation (taking care of what we have) be reflected as a high priority. The PFEC Project List was developed and organized into these categories as an inventory of possible projects to include in the recommendation.

Timing and Size of Ballot Measure

The committee was also reminded of the time frame and process for presenting a measure to the voters. Using the November 2012 general election as a potential target date, a list of activities and due dates were provided:

| | |
|---|---|
| PFEC Recommendation to City Council | March 6 |
| Project Definition, Outreach and Public Survey | March - May |
| Survey and Outreach Results and Development of Final PFEC recommendation | May - June |
| PFEC Report Complete | June 21 |
| City Council Study Session | July 3 |
| City Council Approval of Ballot Title | July 17 |
| Deadline for Filing Resolution with King County | August 7 |
| General Election | November 6 |

Given the compressed time frame, the PFEC was polled as to whether or not the committee should recommend that a ballot measure be presented to the voters in November 2012. If the consensus of the committee was to recommend the 2012 general election, timely development of a recommendation would be important.

The committee was also given three potential levels of tax impact (annual cost to the average homeowner). Members were asked to share their individual opinions about the amount of additional tax burden the public might be willing to approve. The results would be used as a starting point for developing a recommendation to the City Council.

The members were asked two questions:

1. Should the City Council present a park funding measure to voters in November 2012.

2. How much should the total impact to an average homeowner be? [Three levels were presented for consideration]:
    a. $12 per year ($0.83 per month)
    b. $60 per year ($ 5.00 per month)
    c. $120 per year ($10.00 per month)

The majority of the group recommended a November 2012 ballot measure with an impact of approximately $60 per year (see results in Attachment D). At the same time, some members of the committee were concerned about taking any measures to the voters in 2012 given the state of the economy and the number of people struggling financially. This was also a factor in the

sizing of the measure .The committee recommended that the City Council seek advice about how to take a successful ballot measure to the voters in 2012.

Principles

Throughout the meetings, the PFEC agreed to a number of key principles that they believed were important to communicate to the City Council. With each successive meeting, these principles were added to, edited and expanded upon. Some of the principles related more to general park planning principles. Others related specifically to a possible ballot measure. While there was general consensus on these key principles, there were also concerns and opinions expressed by individuals that were just as important in understanding the entire community's interests. The following principles are presented with a discussion of the range of perspectives offered by committee members.

Principles to consider in developing an updated Parks, Recreation and Open Space Plan (PROS):

- **Kirkland parks should be safe, clean, in good repair and reflect the values of environmental sustainability** – There was some discussion about whether parks should be "green" both in terms of sustainable practices and/or color. The committee was less concerned about having all lawns green all summer than using maintenance methods and products that are good for the environment.

- **Preservation of natural areas and parks through reforestation and removal of invasive species should be a component of the City's ongoing maintenance program**.

- **Parks and recreation facilities should be accessible and support healthy living for all citizens.**

- **Parks and open spaces are essential elements of vibrant neighborhoods and business districts.**

- **The City should pursue a balance of natural and active areas.**

- **Parks should be seen as community gathering places that everyone has a responsibility to help maintain** – Kirkland parks are and should continue to be a place where the community can come together, work together and take responsibility for their parks and open spaces.

Principles to consider in developing a ballot measure:

- **Providing stable funding for maintaining and repairing existing parks and facilities is a high priority** – Both the on-line survey and PFEC survey placed high importance on taking care of our existing parks. Approximately 50% of the levy lid lift recommendation provides for maintenance, repair and restoration of existing parks, recreation facilities and natural spaces in Kirkland. Similarly, the development of any new facilities recommended is accompanied by a companion maintenance levy.

- **Volunteers should continue to be used to sustain existing parks and open spaces** – The financial challenges experienced in recent years have highlighted the importance of volunteers for maintaining parks and open spaces. The recommendation to fund maintenance with the new levy is not intended to replace volunteer efforts but to maintain and enhance community involvement.

- **Open and honest communication will be critical to the success of this effort**

    - **Wise use of resources should be emphasized** – The public wants to be assured that the City is making the best use of the resources it has now before they approve new resources. The community needs to be assured that the Parks Department is making the best, most efficient, use of resources. Specific examples should be provided.

    - **The community should be reminded that we followed through on all projects in the last bond measure** – All of the projects approved on the previous park bond measure were completed and all of the bond proceeds were expended. It will be important to remind the community about the new and improved facilities that they now have as a result of the last park measure. At the same time, some members were concerned that we have many unfinished projects, such as development of McAuliffe Park and the north portion of Juanita Beach Park, which the public may want to pursue before any new facilities or purchases are made.

    - **Voter education will be a key to the success of programs such as Green Kirkland, maintenance of OO Denny Park and development of the Eastside Rail Corridor** – These projects are important but not well-understood by a majority of residents. There seems to be a great deal of confusion about the ERC purchase versus the proposed development. Careful and clear explanations will be important.

    - **Descriptions of principles, projects and written materials should use phrases and terms that are familiar to the average citizen and that speak to a need they can identify with** (e.g. use "parks" instead of "facilities" and "parks within walking distance" instead of "level of service") – Communication materials should be couched in terms that most people can relate to and understand. They need to speak to a basic need or desire of the public. The Juanita Beach Bathhouse should also mention the boat house element to draw in another interest group.

    - **There should be an overall theme for the measure** – Messaging will be important and an overarching theme will be helpful.

    - **We are excited about the annexation area and want to see parks distributed throughout the new City** – It will be important to have projects in the new neighborhoods.

- **The public needs to be educated about property taxes** – The public should have a better understanding of how much of their property taxes go to the City.

- **The content of the ballot measure should be developed with thought to several underlying principles**:

  - **Proposed projects should reflect geographic distribution throughout the community** – The committee agreed that we need to consider Kirkland as one community as opposed to "the annexation area" and "old Kirkland." Although an equal distribution between those two areas shouldn't be a requirement, the committee agreed that it still an important consideration. There was an acknowledgement that the specific project locations (see Attachment E) in the recommendation do not cover all areas of the City. However, it was noted that geographic equity could be achieved through strategic application of the "Neighborhood Park Acquisition" and "City/School Partnership" projects. The Neighborhood Park Acquisition project should be large enough to make a real difference over as wide of an area as possible. The current real estate market presents an opportunity to purchase properties at a lower cost.

  - **New capital facilities should be accompanied by a companion operating levy that provides ongoing maintenance funding**.

  - **Projects should have a broad-based appeal and spark excitement and imagination** – Projects should not only represent a variety of locations in the City, but they should appeal to a variety of interests and needs. Also important was the notion of one or two projects could really excite the public. Some members believed that the development of the Eastside Rail Corridor could pique the interest of many residents.

  - **Projects should meet an important need or opportunity** – Projects should relate a sense of urgency to motivate the community. Again, the Eastside Rail Corridor, if presented correctly, could be seen as an urgent need as would the need to improve funding for parks maintenance. The community is aware of the recent reductions in parks maintenance and has reiterated this as a priority.

  - **Inclusion of Peter Kirk Park Artificial Turf and Lighting project could be a strong selling point or a detractor** -- The committee had several discussions about the installation of artificial turf at Peter Kirk Park. For some, natural turf is more traditional and conducive to baseball. They are concerned that some people would see the loss of natural grass as a downgrade for the field which is an icon for Kirkland parks. If individuals felt strongly about this issue, they may not vote for the package of projects.

    For others, the advantages of a turf field could appeal to a broad base of the community and bring out more voters. The artificial turf would provide a longer playing season and allow other sports, such as soccer and lacrosse, to play on the field when the baseball season has ended. Artificial turf has a lower

maintenance needs.

The committee was also reminded that the lighting component of the project would be supported by nearby residents as it would reduce the impact of the lights on the surrounding area.

- **A nine-year levy is preferred over an excess bond measure**
    - **The 50% approval threshold is more realistic to attain this year –** Some committee members questioned the advisability of taking a measure to the voters in 2012 given the challenging economic environment. The measure should be sized to have a good chance of success.
    - **The nine-year levy will allow us to retire the 2002 outstanding debt and the 2012 debt at about the same time –** This presents the opportunity to do a larger, more ambitious measure in the future.
- **Indoor Recreation Facility –** The committee wanted to send a strong message to the City Council that they should continue to actively pursue regional partners for an indoor recreation facility. A long term plan is needed including identification of a location. The committee was cautioned to not assume that the school district would continue to fund an indoor pool at Juanita High School. More details about this project are included in the staff memo that accompanies this report.
- **A citizen survey should be conducted** – Messages and projects to test should include those identified in the committee's preferred funding package, the amount of taxes the public might be willing to consider for parks, public perception about artificial turf at Lee Johnson Field and public interest in an indoor recreation facility.

RECOMMENDED BALLOT MEASURES

Given the large number of potential projects and wide range of needs, the PFEC asked the Parks and Community Service staff to develop a few scenarios that generally reflected the principles expressed by the committee and that met some of the highest priority recommendations of the staff. The PFEC was provided a briefing by the City's Director of Finance and Administration about the options and implications of the available approaches to a ballot measure (see presentation slides in Attachment F for content). Staff developed two scenarios based on two different types of ballot measures – a bond measure with a companion operation levy and a levy lid lift with a bond and a companion maintenance component. The key differences are related to the approval threshold and limits with regard to uses. The sixty percent approval requirement of a bond measure is harder to achieve, but has greater potential for capital investment because of the ability to amortize costs over twenty years or more. A levy lid lift only requires a fifty percent approval but limits debt issuances to a nine year term, resulting in a smaller amount of capital investment for the same annual tax impact. The two scenarios presented to the PFEC by staff are labeled "Scenario A: Bond Measure with Companion Operating Levy" and "Scenario B: Levy Lid Lift" and are included as Attachment G.

Based on those scenarios, the PFEC worked in small groups to develop individual recommendations that were then consolidated into one consensus recommendation. The recommendation includes the proposed type of ballot measures, the projects to be included and the total amount. The following table summarizes the recommendation. More detailed descriptions of projects are included in Attachment H . The recommendation reflects a balance of maintenance and operations ("Preserve") and capital projects ("Enhance" and "Expand").

**PFEC Recommended Ballot Measures**
**A 9-Year Levy Lid Lift for Capital and a Permanent Levy Lid Lift for M & O**

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Some of the key considerations and discussion points underlying the recommendation follow:

Type of Measures

The consensus of the PFEC was to recommend two separate levy lid lifts rather than a bond measure and companion maintenance levy. The rationale was based on the perceived mood of the public toward tax increases in a challenging economic environment. The sixty percent threshold of a bond measure was felt to be too difficult to attain and that a more modest proposal for a levy lid lift was more realistic even though it provides less capital investment. There was an emphasis on putting forth a ballot measure that had a good chance of success because of the cost and effort involved. Ultimately, the consensus of the PFEC was to recommend levy lid lift.

Tier One Projects

Most of the projects provided in the staff scenario are retained in the PFEC recommendation. In particular, there was a high degree of consensus on:

- **Restore parks maintenance** – Included within this project is restoration to historic maintenance standards including restroom operations in neighborhood parks and restoration of lifeguards at Houghton Beach and Waverly Beach parks. This project also restores lifeguards to Juanita Beach Park which have not been funded in the past by the City but were funded by King County prior to the City assuming responsibility for the park.

- **Assume maintenance of OO Denny Park** – This was felt to be important for Finn Hill area voters and because it was not clear what would happen to the Finn Hill Park District levy in the future.

- **Provide ongoing funding for natural area restoration ("Green Kirkland")** – The majority of the committee believes this should continue to be primarily a volunteer-supported activity but that ongoing program coordination should be included in the Parks budget.

- **Waverly Beach Renovation** – This project was reduced from the staff recommendation and is intended to address needed repairs and shoreline restoration rather than any enhancement of the park at this time.

- **Dock and Shoreline Renovations** – This project was reduced from the staff recommendation to maintain the total measure to $10 million. Staff believes that a meaningful amount of shoreline restoration can be accomplished with this level of funding.

- **Edith Moulton Park Renovation** – This park in north Juanita was felt to provide geographic balance. Edith Moulton Park is heavily used and has great potential.

- **City/School Partnerships** – This project is also thought to be of citywide interest, although specific locations have not been identified. More specifics about location and types of improvements would need to be identified.

- **Neighborhood Park Land Acquisition** – The amount of this project was based on a desire to provide enough funding to address neighborhood park needs in multiple, geographically-dispersed neighborhoods. It was important to have sufficient funds in this project to make meaningful investments.

- **Development of Eastside Rail Corridor (ERC)** -- This project was the topic of much discussion as committee members were also considering whether to place the ERC acquisition project on the ballot instead or in addition to the development. Another approach suggested placing both the acquisition and development projects on a 2014 ballot to allow time better understanding of the project. In the end, the committee was very positive about the ERC project and believed that the development of the corridor for basic pedestrian and bike access was a project that would appeal to a wide range of voters.

- **Juanita Beach Bathhouse** – The committee believes that this project will also be attractive to a wide range of park users, especially if the project description clearly calls out the boat house element.

Tier Two Projects

There was one project recommended for "Tier Two" which should be considered for addition to a ballot measure.

Lee Johnson Field Turf and Lighting Improvements – As noted in the earlier discussion under "principles," there were two diverse lines of thinking about this project. On the one hand, the project was thought to be attractive to sports groups that would have access to the facility for more types of team sports and for a longer portion of the year. Others on the committee believe that replacing the natural turf with artificial turf would concern some long-standing members of the community and those that prefer natural turf. The committee believes that more input is needed through the survey to better understand community perceptions about this project.

Projects Not Recommended

Several projects that were included as potentials in the staff recommendation did not receive enough support from the PFEC to include as either Tier One or a Tier Two project. Those include:

**Totem Lake Park –** This project was believed to be less important until the Totem Lake retail area begins redevelopment.

**Neighborhood Project Opportunity Fund –** This project was similar to the Neighborhood Connections project that was eliminated due to budget constraints. This project would have provided for small neighborhood improvements that would be done in partnership with neighborhood associations.

**Open Space Acquisition Opportunity Fund –** This project would have an opportunity fund for unspecified open space purchases as they became available.

Amount

The total recommended amount (average annual impact to the average homeowner) is $76.92 per year, or about $6.40 per month for the average homeowner. The committee believes that this is a reasonable amount to put before the voters if the Council decides to proceed with a ballot measure in 2012.

SUMMARY

The PFEC represents a wide range of interests and expertise which were brought to bear in their meetings and that are reflected in their recommendation. Preservation of existing assets was a strong underlying theme as was the need to consider ongoing costs of new facilities. Although a majority of committee members supported a 2012 ballot measure, there was a

strong sense of caution among many members about the advisability of taking a measure to the voters in a time of economic hardship and uncertainty. All agreed that more information was needed about likely community acceptance for a 2012 ballot measure and the number and type of competing measures that would be on the ballot in November.

ATTACHMENT A

**Kirkland Parks and Recreation Public Opinion Survey - October 2011**

**Conducted via City of Kirkland Website www.kirklandwa.gov**

The City of Kirkland Department of Parks and Community Services conducted an online open access poll on the City's website from October 17 to October 28, 2011. The questionnaire was promoted via a news release issued to local media, blogs, neighborhood leaders, and other community groups. The purpose of the opinion survey was to assist the City in its long-range planning for Kirkland's park and recreation system. Survey questions were developed with the assistance of the non-profit organization Trust for Public Land, the Kirkland Park Board, and the Park Funding Exploratory Committee, an ad-hoc group of citizens appointed by the City Council. The survey had a total of 725 responses.

The advantages of conducting an online opinion survey are that it is inexpensive and provides relatively quick feedback. However, the results of the survey are non-scientific. As a self-selected group, the opinions of survey respondents cannot be construed as being necessarily representative of those of the citizens of Kirkland.

<u>Summary of Key Findings:</u>

- Nearly 9 of every 10 respondents (89%) live within walking distance of a park in Kirkland;
- Over 4 out of every 5 respondents (85%) believe it is somewhat important or very important for Kirkland to have a park within a quarter-mile of every household;
- Two-thirds (67%) of respondents visit a park in Kirkland at least once a week, and 94% stated that they visit a park in Kirkland at least once per month;
- Nearly two-thirds (65%) of respondents state that they are mostly satisfied with the parks in Kirkland compared to the parks they have experienced in other cities, and only 5% said that they are not satisfied;
- 95% of survey participants believe that parks are important to the community's quality of life;
- 59% believe that Kirkland parks are very well maintained, while a lesser percentage (47%) believe that natural areas, including forests and wetlands, are very well maintained;
- Only 1% of respondents believe that Kirkland parks are poorly maintained;
- When asked about relative level of importance for adding more park facilities, survey participants placed a higher priority on bike and pedestrian trails as well as park amenities such as benches, tables, and restrooms;
- Slightly over half (55%) of respondents have participated in a Kirkland recreation program within the past year;
- Slightly over half (54%) of respondents stated that they are mostly satisfied with the recreation programs offered by the City, but only half as many (27%) stated that they

are mostly satisfied with Kirkland's public indoor recreation facilities;

- Only 1% of respondents expressed dissatisfaction with the City's recreation program offerings;

- 85% of survey participants believe that City indoor recreation facilities are important to the community's quality of life;

- When asked to select the types of indoor recreation facilities that are needed in Kirkland (if any), the most frequently selected option was one for an indoor pool/aquatic center.

- When asked about relative level of importance, survey participants placed a higher priority on maintenance and renovation of existing parks and facilities compared to acquisition and development of new parks or indoor facilities;

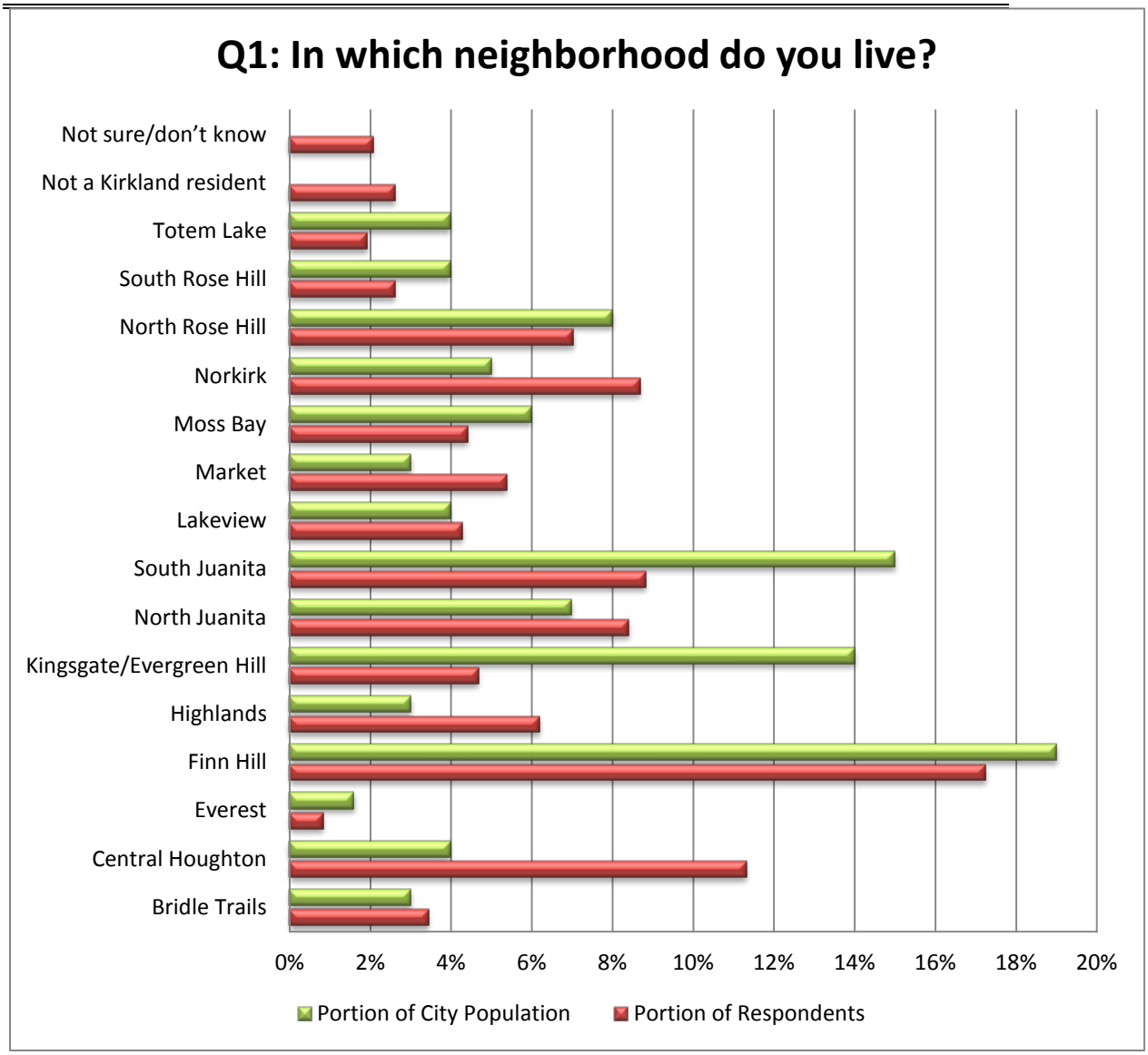
- When asked about whether they would support or oppose raising local taxes for various purposes, survey respondents expressed strongest support for (1) maintaining, renovating, and/or upgrading existing parks and facilities and (2) acquisition of the Eastside Rail Corridor and development of a portion of the corridor as a bike and pedestrian trail system.

- Survey participants expressed the least support in raising local taxes for (1) more parks in the newly-annexed neighborhoods, and (2) preservation of the historic Kirkland Cannery Building. A relatively high proportion of survey participants responded "don't know" regarding their support or opposition for raising local taxes for the purposes of (1) improving Totem Lake Park, (2) maintaining O.O. Denny Park, and (3) preservation of the Kirkland Cannery Building.

## SURVEY QUESTIONAIRE AND RESULTS

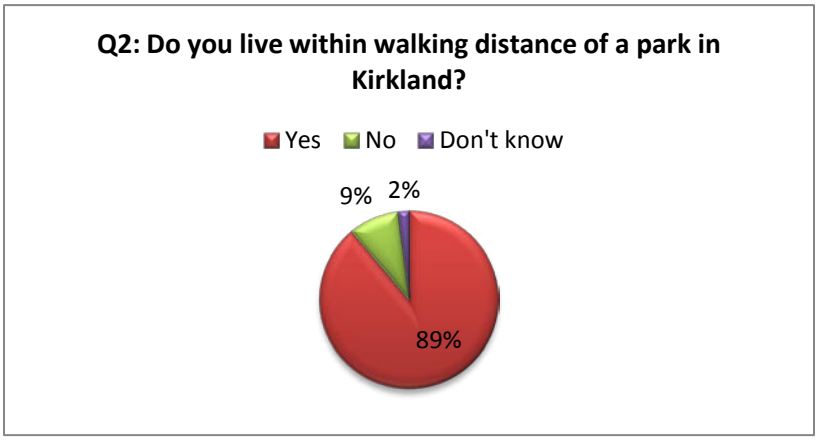
### Q1: In which neighborhood do you live?

| Neighborhood | Total | Neighborhood | Total |
|---|---|---|---|
| Bridle Trails | 25 | Market | 39 |
| Central Houghton | 82 | Moss Bay | 32 |
| Everest | 6 | Norkirk | 63 |
| Finn Hill | 125 | North Rose Hill | 51 |
| Highlands | 45 | South Rose Hill | 19 |
| Kingsgate/Evergreen Hill | 34 | Totem Lake | 14 |
| North Juanita | 61 | Not a Kirkland resident* | 19 |
| South Juanita | 64 | Not sure/don't know | 15 |
| Lakeview | 31 | | |
| | | **TOTAL** | **725** |



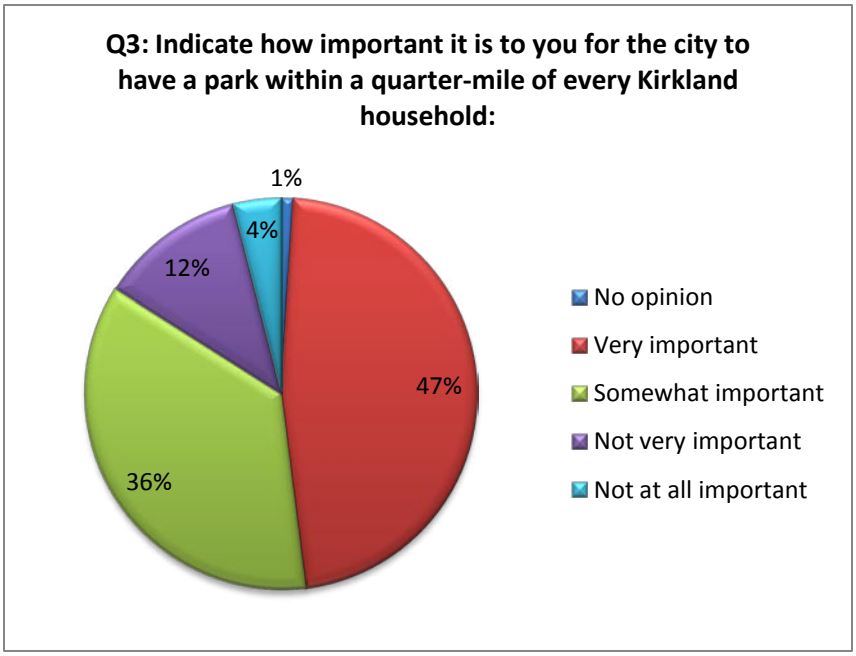
**Q2: Do you live within walking distance of a park in Kirkland?**

| Response | # |
|---|---|
| Yes | 641 |
| No | 68 |
| Don't know | 11 |



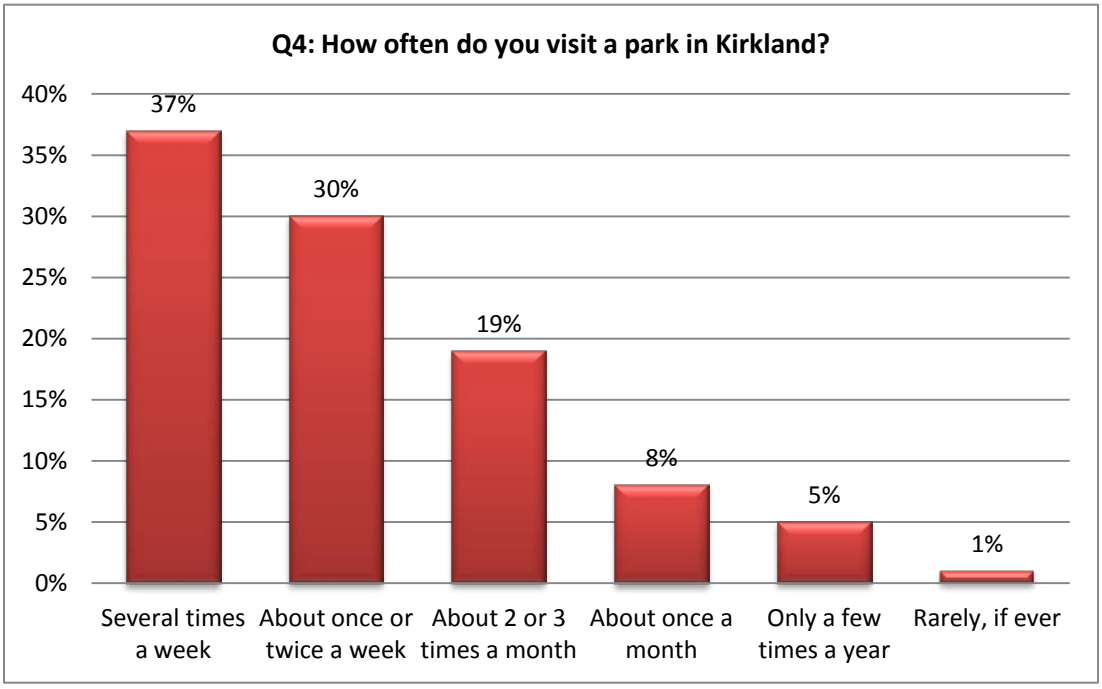

**Q3: Please indicate how important it is to you for the city to have a park within a quarter-mile of every Kirkland household:**

| Response | # |
|---|---|
| No opinion | 9 |
| Very important | 337 |
| Somewhat important | 261 |
| Not very important | 84 |
| Not at all important | 29 |



## Q4: How often do you visit a park in Kirkland?

| Response: | # |
|---|---|
| Several times a week | **268** |
| About once or twice a week | **213** |
| About 2 or 3 times a month | **137** |
| About once a month | **58** |
| Only a few times a year | **39** |
| Rarely, if ever | **6** |

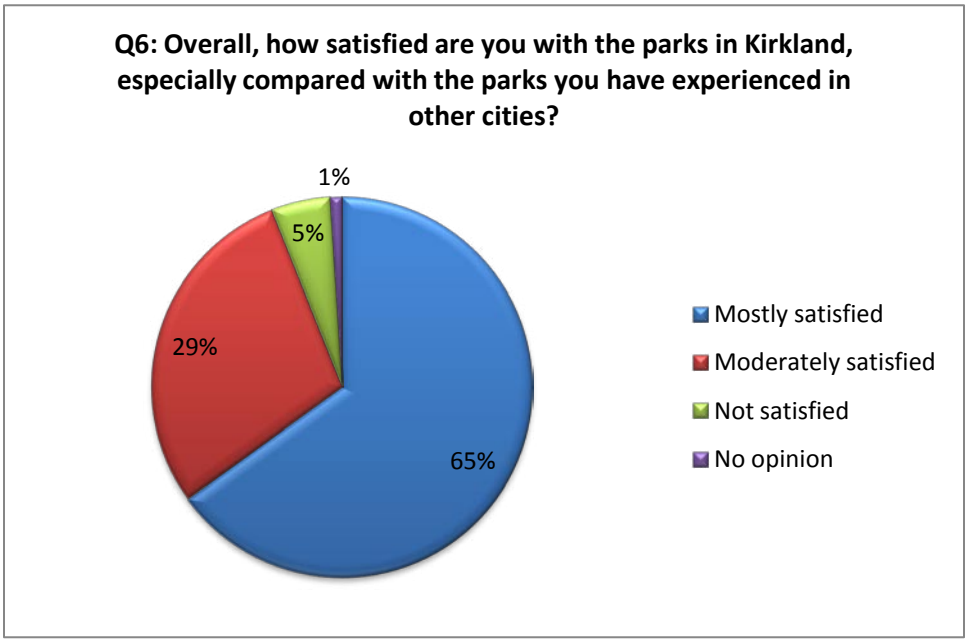



## Q5: What features and facilities do you appreciate most in the parks that you visit in Kirkland? (Please list up to 3)

Please refer to Appendix A for a compilation of responses to this question.

## Q6: Overall, how satisfied are you with the parks in Kirkland, especially compared with the parks you have experienced in other cities?

| Response: | # |
|---|---|
| Mostly satisfied | **469** |
| Moderately satisfied | **209** |
| Not satisfied | **37** |
| Don't know | **4** |




**Q7: Which of the following statements comes closest to the way you feel about the parks in Kirkland?**

| Response: | # | % |
|---|---|---|
| Members of my household frequently use city parks, and I believe that these facilities are important to my community's quality of life. | 533 | 75% |
| Although members of my household do not frequently use city parks, I believe that these facilities are important to my community's quality of life. | 140 | 20% |
| Parks are nice, but they should be a lower priority for the city in tough economic times. | 37 | 5% |

**Q8: Do you believe that parks maintained by the City of Kirkland are:**

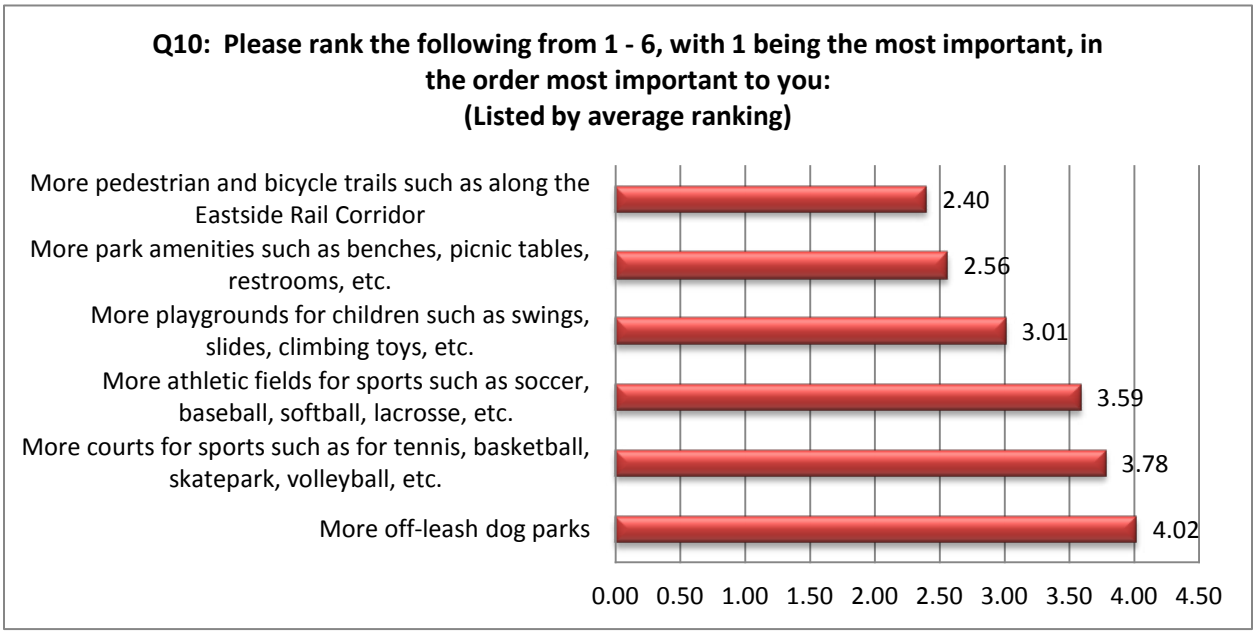
| Response: | # | % |
|---|---|---|
| Very well maintained - keep doing what you're doing. | 419 | 59% |
| Somewhat well maintained - some improvement is needed. | 283 | 40% |
| Poorly maintained - significant improvement is needed. | 10 | 1% |

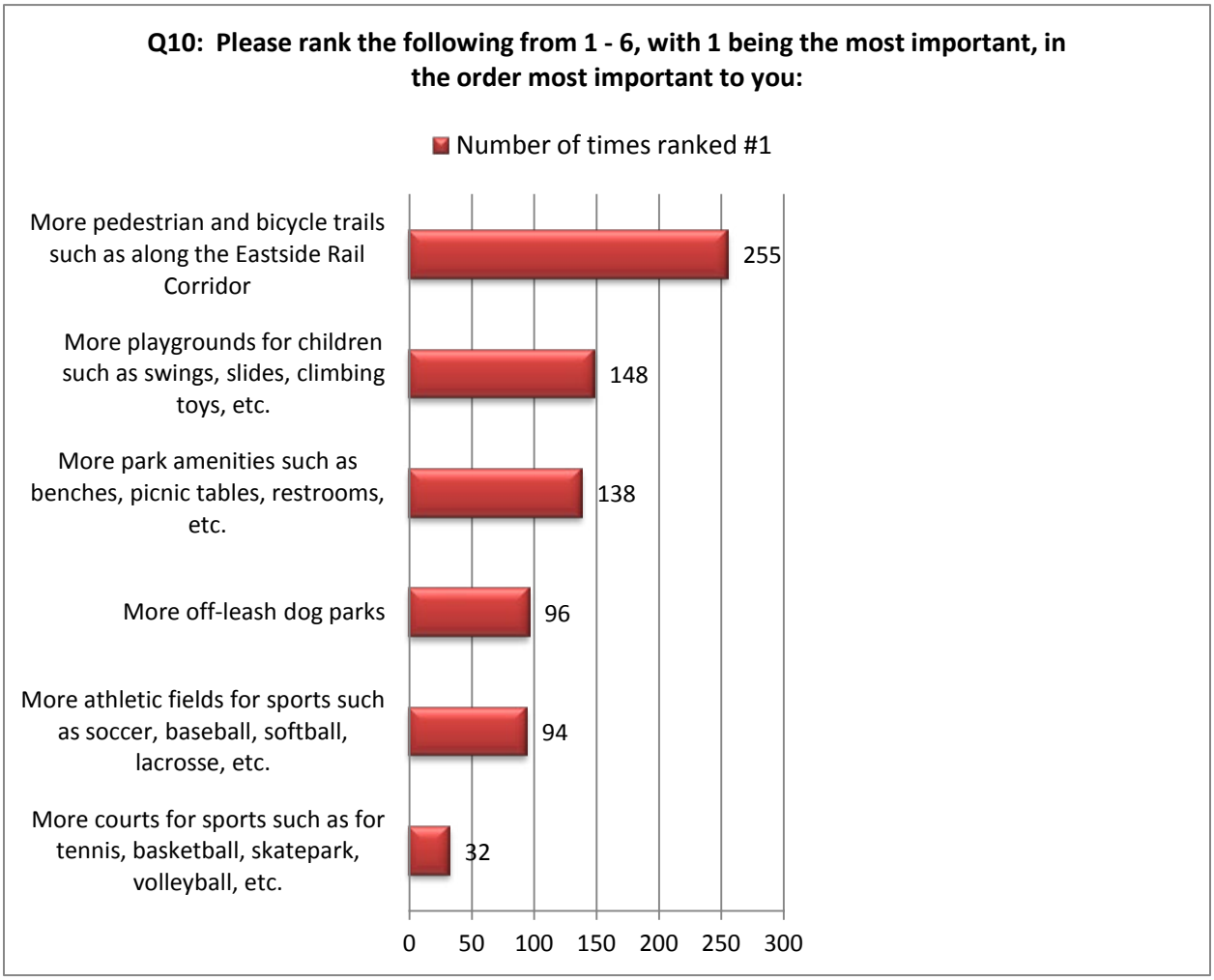
**Q9: Do you believe that Kirkland's natural areas, including undeveloped parklands, urban forests, and wetlands, are:**

| Response: | # | % |
|---|---|---|
| Very well maintained - keep doing what you're doing. | 342 | 47% |
| Somewhat well maintained - some improvement is needed. | 320 | 44% |
| Poorly maintained - significant improvement is needed. | 23 | 3% |
| No response | 40 | 6% |

**Q10: Please rank the following from 1 - 6, with 1 being the most important, in the order most important to you:**

| Item: | Average rank: |
|---|---|
| More playgrounds for children such as swings, slides, climbing toys, etc. | 3.01 |
| More athletic fields for sports such as soccer, baseball, softball, lacrosse, etc. | 3.59 |
| More courts for sports such as for tennis, basketball, skatepark, volleyball, etc. | 3.78 |
| More off-leash dog parks | 4.02 |
| More park amenities such as benches, picnic tables, restrooms, etc. | 2.56 |
| More pedestrian and bicycle trails such as along the Eastside Rail Corridor | 2.40 |



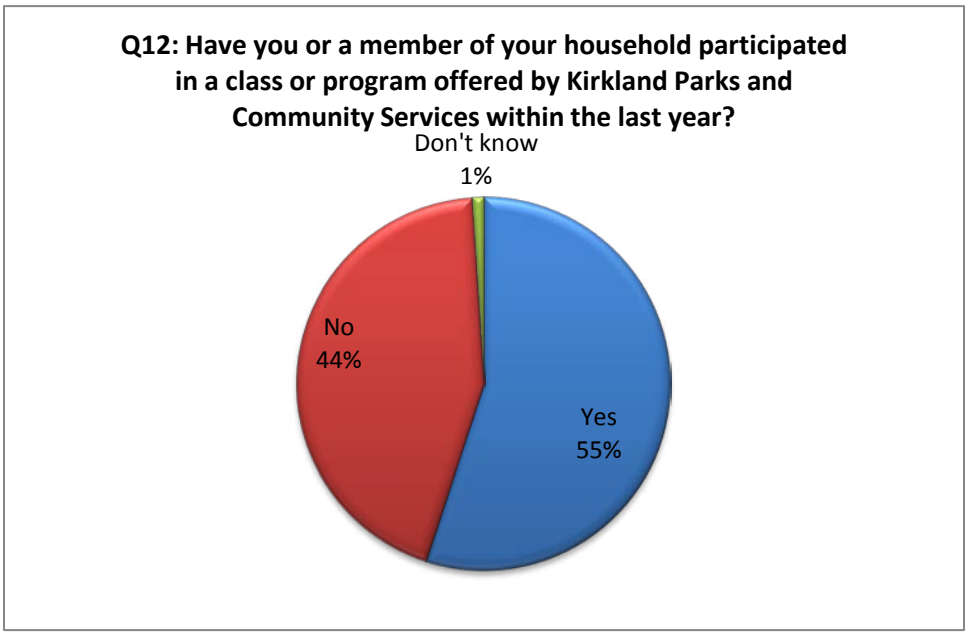



**Q11: What types of additional outdoor park and recreation facilities are needed in Kirkland, if any?**

Please refer to Appendix A for a compilation of responses to this question.

**Q12: Have you or a member of your household participated in a class or program offered by Kirkland Parks and Community Services (preschool/youth programs, adult programs, senior programs/ family programs) within the last year?**

| Response | # |
|---|---|
| Yes | 394 |
| No | 311 |
| Don't know | 7 |



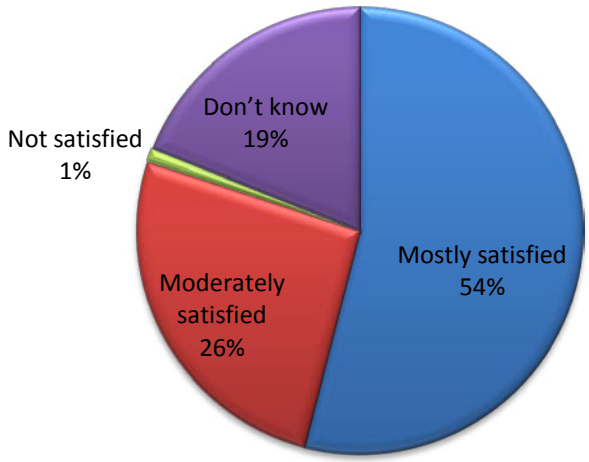

**Q13: What programs, activities or classes provided by the City have you participated in? (please check all that apply)**

| # of Responses: | Program, activity, or class: |
|---|---|
| 134 | Parent-Child programs |
| 122 | Preschool programs |
| 195 | Youth sports programs |
| 52 | Youth/teen special interest programs |
| 183 | Swim lesson/aquatic programs |
| 127 | Adult fitness programs |
| 39 | Adult dance programs |
| 41 | Adult sports programs |
| 112 | Adult special interest programs |
| 59 | Programs for adults 50+ |
| 20 | Other |

**Q14: Overall, how satisfied are you with the recreation programs offered by the City, especially compared with the programs you have experienced in other cities?**

| Response: | # |
|---|---|
| Mostly satisfied | **372** |
| Moderately satisfied | **179** |
| Not satisfied | **9** |
| Don't know | **128** |

**Q14: Overall, how satisfied are you with the recreation programs offered by the City, especially compared with the programs you have experienced in other cities?**




**Q15: What new or improved classes, activities or programs are needed in Kirkland, if any? (Please list up to 3)**

Please refer to Appendix A for a compilation of responses to this question.

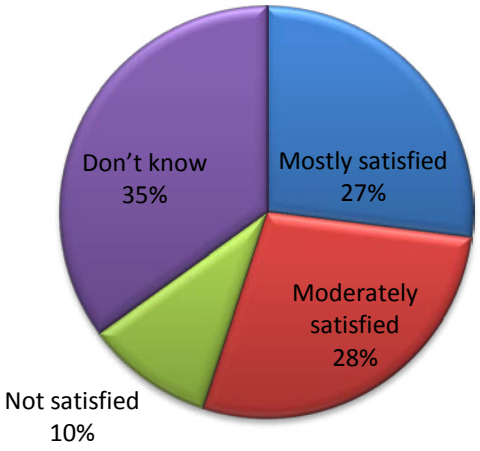
**Q16: If you have not participated recently in a Kirkland Parks and Community Services recreation class or program, why not? (please check all that apply)**

| # of Responses: | Program, activity, or class: |
|---|---|
| 73 | I'm not aware or familiar with the programs/classes that are being offered by City |
| 65 | The City does not offer programs/classes of which I'm interested |
| 114 | Programs/classes are not scheduled at a convenient time for me |
| 19 | Programs/classes offered by the City are not affordable for me |
| 14 | Inadequate facilities |
| 134 | Other |

**Q17: Overall, how satisfied are you with Kirkland's public indoor recreation facilities, especially compared with the public facilities you have experienced in other cities?**

| Response: | # |
|---|---|
| Mostly satisfied | **185** |
| Moderately satisfied | **196** |
| Not satisfied | **68** |
| Don't know | **240** |

**Q17: Overall, how satisfied are you with Kirkland's public indoor recreation facilities, especially compared with the public facilities you have experienced in other cities?**




**Q18: Which of the following statements comes closest to the way you feel about Kirkland's public indoor recreation facilities?**

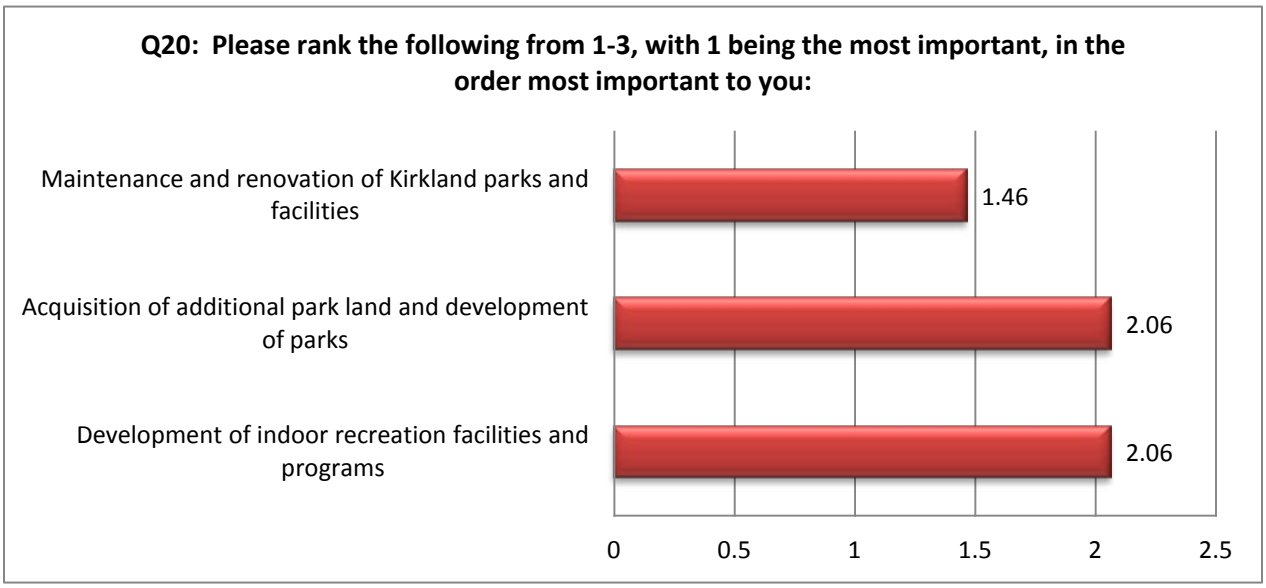
| Response: | # | % |
|---|---|---|
| Members of my household frequently use City indoor recreation facilities, and I believe that these facilities are important to my community's quality of life. | 144 | 22% |
| Although members of my household do not frequently use city indoor recreation facilities, I believe that these facilities are important to my community's quality of life. | 415 | 63% |
| Indoor recreation facilities are nice, but they should be a lower priority for the city in tough economic times. | 103 | 15% |

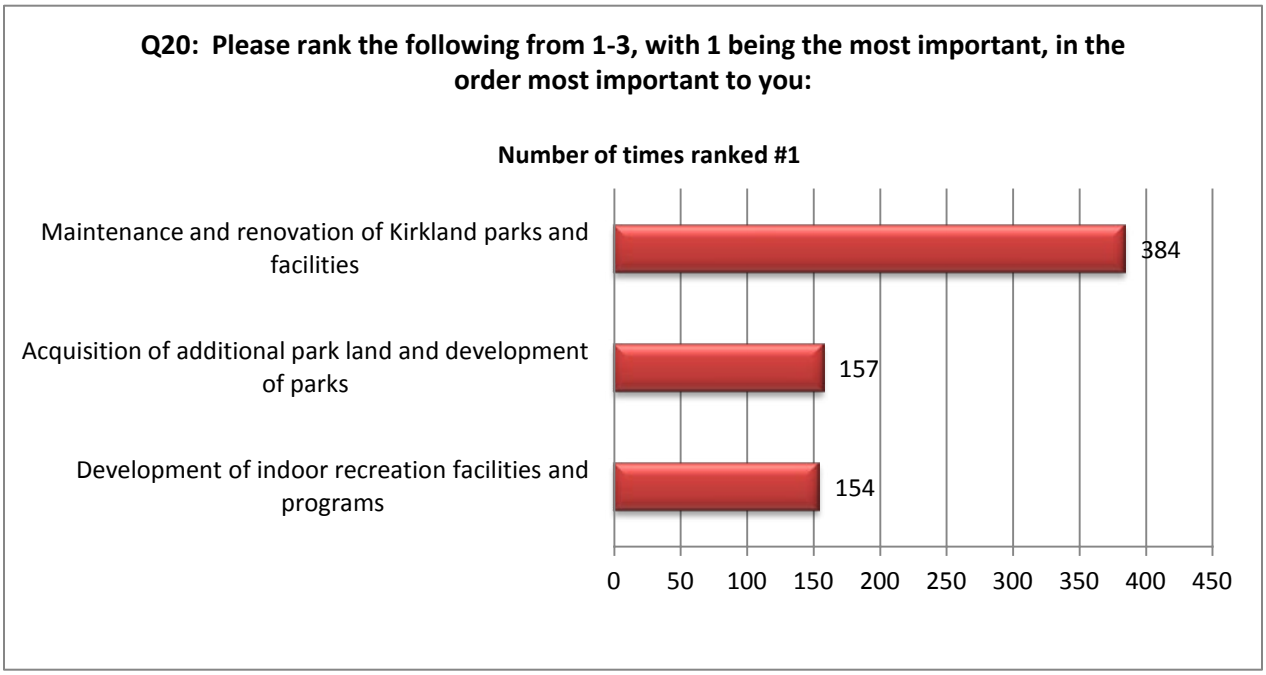
**Q19: What types of additional public indoor recreation facilities are needed, if any? (please check all that apply)**

| # of Responses: | Facility type: |
|---|---|
| 199 | Multi-purpose community recreation center |
| 171 | Gymnasium/athletic space |
| 208 | Fitness facilities (cardio, strength-building, fitness classes, etc.) |
| 110 | Classrooms, meeting space, event space, etc. |
| 375 | Indoor pool/aquatics center |
| 16 | Other |
| 123 | No additional indoor recreation facilities are needed at this time |

**Q20: Please rank the following from 1-3, with 1 being the most important, in the order most important to you:**

| Item: | Average rank: |
|---|---|
| Maintenance and renovation of Kirkland parks and facilities | 1.46 |
| Development of indoor recreation facilities and programs | 2.06 |
| Acquisition of additional park land and development of parks | 2.06 |



**Q21: Would you support or oppose increasing local taxes for the following purposes?**

- ✓ **Maintenance of existing City parks and facilities**

| Strongly Support | Support | Oppose | Strongly Oppose | Don't Know |
|---|---|---|---|---|
| 193 | 319 | 80 | 50 | 52 |

- ✓ **More parks in the newly-annexed neighborhoods**

| Strongly Support | Support | Oppose | Strongly Oppose | Don't Know |
|---|---|---|---|---|
| 112 | 233 | 154 | 91 | 106 |

- ✓ **Sustainable funding for restoration of urban forests and wetlands, such as the Green Kirkland initiative**

| Strongly Support | Support | Oppose | Strongly Oppose | Don't Know |
|---|---|---|---|---|
| 143 | 272 | 108 | 77 | 88 |

- ✓ **Acquisition of the Eastside Rail Corridor and development of a portion of the corridor as a pedestrian and bicycle trail**

| Strongly Support | Support | Oppose | Strongly Oppose | Don't Know |
|---|---|---|---|---|
| 307 | 193 | 61 | 65 | 71 |

- ✓ **A community indoor recreation center**

| Strongly Support | Support | Oppose | Strongly Oppose | Don't Know |
|---|---|---|---|---|
| 146 | 256 | 121 | 51 | 115 |

- ✓ **Maintenance of O.O. Denny Park, currently operated by the Finn Hill Park and Recreation District**

| Strongly Support | Support | Oppose | Strongly Oppose | Don't Know |
|---|---|---|---|---|
| 96 | 218 | 122 | 57 | 192 |

**Q21: Would you support or oppose increasing local taxes for the following purposes? (cont.)**

✓ **Preservation of the historic Kirkland Cannery Building**

| Strongly Support | Support | Oppose | Strongly Oppose | Don't Know |
|---|---|---|---|---|
| 49 | 163 | 143 | 71 | 259 |

✓ **Improving the Totem Lake Park property**

| Strongly Support | Support | Oppose | Strongly Oppose | Don't Know |
|---|---|---|---|---|
| 132 | 211 | 107 | 42 | 193 |

✓ **Renovating and repairing existing parks in Kirkland**

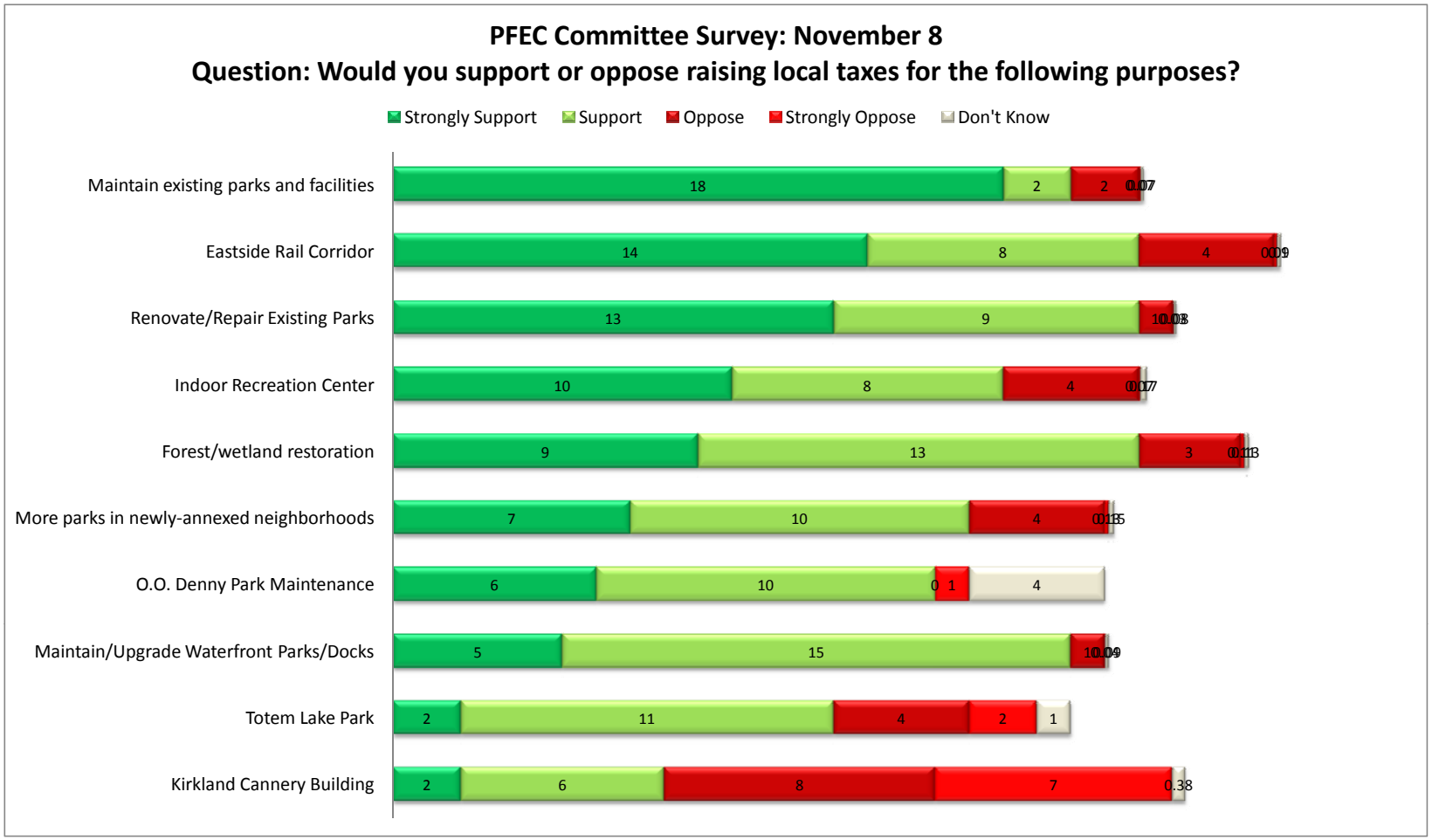
| Strongly Support | Support | Oppose | Strongly Oppose | Don't Know |
|---|---|---|---|---|
| 178 | 364 | 68 | 24 | 56 |

✓ **Maintaining and upgrading waterfront parks and docks in Kirkland**

| Strongly Support | Support | Oppose | Strongly Oppose | Don't Know |
|---|---|---|---|---|
| 205 | 318 | 76 | 29 | 64 |

Q21: Would you support or oppose raising local taxes for the following purposes?
Maintain/Upgrade Waterfront Parks/Docks
30%
46%
11%
4%
9%
Renovate/Repair Existing Parks
26%
53%
10%
3%
8%
Totem Lake Park
19%
31%
16%
6%
28%
Kirkland Cannery Building
7%
24%
21%
10%
38%
O.O. Denny Park Maintenance
14%
32%
18%
8%
28%
Indoor Recreation Center
21%
37%
18%
7%
17%
Eastside Rail Corridor
44%
27%
9%
9%
10%
Forest/wetland restoration
21%
40%
16%
11%
13%
More parks in newly-annexed neighborhoods
16%
33%
22%
13%
15%
Maintain existing parks and facilities
28%
46%
12%
7%
7%
0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%
Strongly Support
Support
Oppose
Strongly Oppose
Don't Know

ATTACHMENT B



# PFEC Project List #

## *Category: PRESERVE – Renovating and maintaining the community's existing park system.*

| | *Note: projects not listed in priority order* | | | COSTS | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Project** | **Project** | | **Capital** | | **Maintenance & Operations** | | |
| **#** | **Name** | **Description** | **Neighborhood** | **Construction** | **Acquisition** | **One-time** | **Ongoing** | **Notes** |
| **1** | Waverly Beach Park Renovation | Renovation may include: dock repair, shoreline restoration, drainage, irrigation, parking, playground and pedestrian safety | Market | $745,000 | | | | Funded in CIP (2012); Up to $500K of amount may be repurposed for Eastside Rail Corridor acquisition |
| **2** | Spinney Homestead Park Renovation | Renovation may include: drainage, irrigation, play area enhancement fencing, playfield | Highlands | $400,000 | | | | Funded in CIP (2012); Up to $350K of amount may be repurposed for Eastside Rail Corridor acquisition |
| **3** | Terrace Park Renovation | Renovation may include: drainage, irrigation, play area, fencing, playfield | Lakeview | $400,000 | | | | Funded in CIP (2014) |
| **4** | Reservoir Park Renovation | Renovation may include: drainage, irrigation, play area | Norkirk | $500,000 | | | | |
| **5** | Mark Twain Park Renovation | Renovation may include: drainage, irrigation, play area, playfield, parking, fencing | North Rose Hill | $750,000 | | | | |
| **6** | David E. Brink Park Shoreline Restoration | Bulkhead repair, shoreline restoration | Moss Bay | | | | | |
| **7** | Everest Park Restroom Replacement | Replace restroom/storage building in same location | Everest | | | | | |
| **8** | Peter Kirk Park Restroom Renovation | Interior renovation of restroom serving Lee Johnson Field and park | Moss Bay | $250,000 | | | | |
| **9** | Marsh Park Restroom Renovation | Renovation may include new mechanical/ventilation systems, lighting, fixtures, painting, etc. | Lakeview | | | | | |

# PFEC Project List #

| | *Note: projects not listed in priority order* | | | COSTS | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Project** | **Project** | | **Capital** | | **Maintenance & Operations** | | |
| **#** | **Name** | **Description** | **Neighborhood** | **Construction** | **Acquisition** | **One-time** | **Ongoing** | **Notes** |
| **10** | Houghton Beach Restroom Renovation | Renovation of existing building to include new mechanical/ventilation systems, lighting, fixtures, painting, etc. | Lakeview | | | | | |
| **11** | Juanita Beach Park Bathhouse Replacement | Replacement of existing structure to provide restrooms, concessions, storage | South Juanita | | | | | |
| **12** | Marina Park Bulkhead Repair | Repair of concrete bulkhead | Moss Bay | | | | | |
| **13** | Green Kirkland Forest Restoration Program | Restoration of urban forested areas in parks per 20-year action plan | Various | $50,000 annually | | | | Funded in CIP (annual) |
| **14** | Playground Replacement Program | Replacement of playground equipment to ensure safety, accessibility, usability and attractiveness | Various | $50,000 annually | | | | Funded in CIP (annual) |
| **15** | O.O. Denny Park Maintenance and Operations | Assumption of maintenance and operations from Finn Hill Park District | Finn Hill | | | | $125,000 | Preliminary M&O budget |
| **16** | Renovation of select parks in newly-annexed neighborhoods | Renovation of parks in newly-annexed neighborhoods (scope to be determined) | Various | | | | | Parks could include 132nd Square, Kingsgate, Edith Moulton, Windsor Vista, and/or Juanita Heights |
| **17** | Dock Renovations | Repair and renovate docks at various parks. Structural assessments, replace decking, beams, lighting, etc. | Various | $250,000 | | | | Parks include |

## *Category: ENHANCE – Redeveloping and improving the community's existing park system.*

| | *Note: projects not listed in priority order* | | | COSTS | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Project** | **Project** | | **Capital** | | **Maintenance & Operations** | | |
| **#** | **Name** | **Description** | **Neighborhood** | **Construction** | **Acquisition** | **One-time** | **Ongoing** | **Notes** |
| **18** | Juanita Beach Park Redevelopment Phase 2 | Improvements to north side of park selected from among parking, skate park, landscaping, playfields, restroom | South Juanita | $561,000 | | | | Funded in CIP, intended to serve as matching funds for potential grants; improvements identified in 2005 park master plan |
| **19** | Snyder's Corner Park Site Development | Improvements to be determined based on community planning process | Bridle Trails | $443,000 | | | $55,400 | Funded in CIP (2014) |
| **20** | Heritage Park Redevelopment Phases 3 and 4 | Improvements to include restroom, parking, street improvements, stairway to Lake Ave. W. | Market | $2,500,000 | | | $50,000 | Master plan completed in 2003 |
| **21** | Ohde Avenue Park Development | Improvements include landscaping, pea patch program, play area, parking, irrigation, drainage, utilities | Everest | $250,000 | | | $7,000 | |
| **22** | McAuliffe Park Development | Improvements include renovation of structures for meeting/rental/concession space, parking, traffic/pedestrian circulation, landscaping, irrigation, site utilities | South Juanita | $7,000,000 | | | $100,000 | Master plan completed in 2005 |
| **23** | Peter Kirk Park Lee Johnson Field Synthetic Turf and Lighting | Installation of synthetic turf and improved field lighting for year-round multi-purpose sports activities | Moss Bay | $1,500,000 | | | | |
| **24** | Lake Avenue West Park Site Development | Shoreline restoration, landscaping, installation of benches, viewing features | Market | $100,000 | | | $5,000 | |
| **25** | Kiwanis Park Development | Shoreline restoration, trails, interpretive features, parking, landscaping, irrigation | Market | $1,100,000 | | | | Master plan required |

| | *Note: projects not listed in priority order* | | | COSTS | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Project** | **Project** | | **Capital** | | **Maintenance & Operations** | | |
| **#** | **Name** | **Description** | **Neighborhood** | **Construction** | **Acquisition** | **One-time** | **Ongoing** | **Notes** |
| **26** | Yarrow Bay Wetlands Development | Shoreline restoration, trails and boardwalks, interpretive features, parking | Lakeview | $1,600,000 | | | | Master plan required |
| **27** | Heronfield Wetlands Development | Wetland restoration, trails and boardwalks, interpretive features, parking | South Juanita | $1,600,000 | | | | Master plan required |
| **28** | Watershed Park Development | Parking, trails, interpretive features, landscaping, forest restoration | Central Houghton | $1,100,000 | | | | Master plan required |
| **29** | Forbes Lake Park Development | New trails/boardwalks, interpretive features, wetland restoration, parking | North Rose Hill | $1,800,000 | | | $25,000 | Funded in CIP ($950,000) for 1st phase (2012); Up to $200K of amount funded may be repurposed for Eastside Rail Corridor acquisition |
| **30** | Redevelopment of select parks in newly-annexed neighborhoods | Redevelopment of parks in newly-annexed neighborhoods (scope to be determined) | Various | | | | | Parks could include 132nd Square, Kingsgate, Edith Moulton, Windsor Vista, and/or Juanita Heights |
| | | | | | | | | |

## *Category: EXPAND – Meeting Level of Service commitments and pursuing important new opportunities*

| | *Note: projects not listed in priority order* | | | COSTS | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Project** | **Project** | | **Capital** | | **Maintenance & Operations** | | |
| **#** | **Name** | **Description** | **Neighborhood** | **Construction** | **Acquisition** | **One-time** | **Ongoing** | **Notes** |
| **31** | Indoor multi-purpose community recreation center | Development of new multi-purpose recreation facility to include aquatics, gymnasium, fitness, classroom and meeting space | Unknown | $42,000,000 | | | | Does not include land acquisition; net ongoing M&O costs to be determined based on facility operational model and revenue projections |
| **32** | Eastside Rail Corridor (Cross Kirkland Trail) | Acquisition and development of a portion of corridor for pedestrian/bikes | Various | $420,000 - $20,000,000 | $5,000,000 | | | Includes segment between S. Kirkland Park/Ride and Totem Lake; Construction ranges from gravel trail to paved trail with transit way |
| **33** | Kirkland Cannery Building | Acquisition, preservation, and re-use of historic structure | Norkirk | $2,400,000 | $750,000 | | | Construction costs from 2006 study; acquisition cost estimated from KC Assessor appraisal |
| **34** | Totem Lake Park Development | Improvements to include trail/boardwalk, interpretive features, wetland restoration, flood control, habitat enhancements, parking | Totem Lake | | | | | Master plan process in 2012 proposed by Park Board |
| **35** | New Neighborhood Park: North Juanita (east of Juanita High School) | Acquisition and development of land for neighborhood park to meet ¼-mile LOS | North Juanita | $500,000 | $2,000,000 | | $50,000 | Costs are estimated; no properties identified |
| **36** | New Neighborhood Park: North Juanita (north of Juanita Beach) | Acquisition and development of land for neighborhood park to meet ¼-mile LOS | North Juanita | $500,000 | $2,000,000 | | $50,000 | Costs are estimated; no properties identified |
| **37** | New Neighborhood Park: Totem Lake neighborhood | Acquisition and development of land for neighborhood park to meet ¼-mile LOS | Totem Lake | $500,000 | $2,000,000 | | $50,000 | Costs are estimated; no properties identified |
| **38** | New Neighborhood Park: North Rose Hill (north part of neighborhood) | Acquisition and development of land for neighborhood park to meet ¼-mile LOS | North Rose Hill | $500,000 | $2,000,000 | | $50,000 | Costs are estimated; no properties identified |

| | *Note: projects not listed in priority order* | | | COSTS | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Project** | **Project** | | **Capital** | | **Maintenance & Operations** | | |
| **#** | **Name** | **Description** | **Neighborhood** | **Construction** | **Acquisition** | **One-time** | **Ongoing** | **Notes** |
| **39** | New Neighborhood Park: Market Neighborhood (north part of neighborhood) | Acquisition and development of land for neighborhood park to meet ¼-mile LOS | Market | $500,000 | $2,000,000 | | $50,000 | Costs are estimated; no properties identified |
| **40** | New Neighborhood Parks: Newly-annexed neighborhoods | Acquisition and development of land for neighborhood parks to meet ¼-mile LOS in newly-annexed neighborhoods | Various | | | | | |
| **41** | McAuliffe Park Expansion | Acquisition of land to support parking and provide residential buffer from active uses | South Juanita | | | | | |
| **42** | Waterfront park land acquisition | Acquisition of waterfront on Lake Washington as opportunities arise | Various | | | | | |
| **43** | Bell Elementary School Playfield Improvements | Renovation and/or expansion of school playfields to improve safety and performance | South Juanita | $200,000 | | | $50,000 | |
| **44** | ICS School Playfield Improvements | Renovation and/or expansion of school playfields to improve safety and performance | Central Houghton | $300,000 | | | $50,000 | |
| **45** | Dog Off-Leash Areas | Development of new areas for dog off-leash activity | Various | | | | | |
| | | | | | | | | |

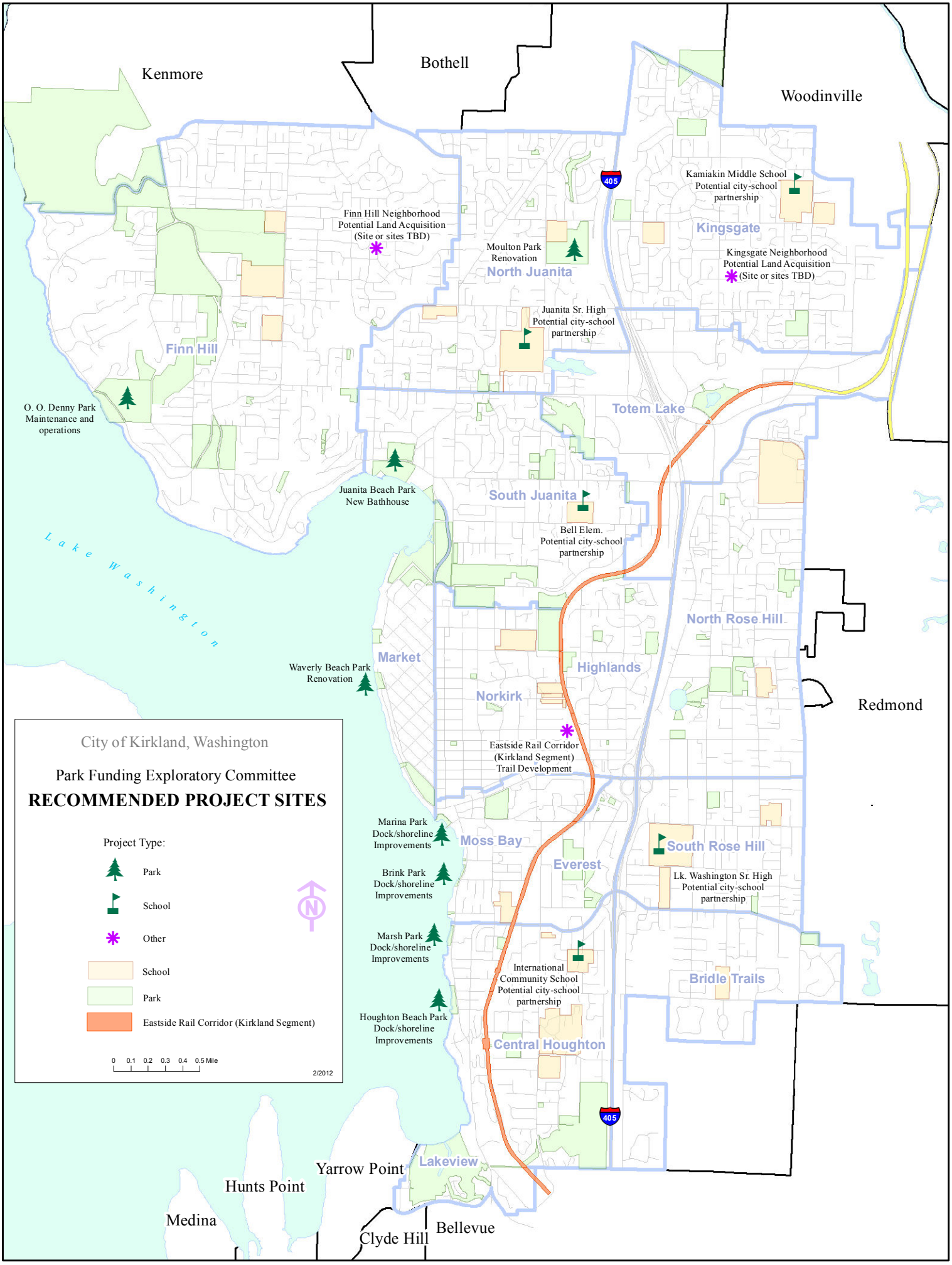
**Parks Funding Exploratory Committee -- Ballot Results** **ATTACHMENT D**
**Tuesday, January 10, 2012**

| | Yes | No | Total Votes |
|---|---|---|---|
| Based on what you know now, should the City Council present a parks funding measure to Kirkland voters on the November 6, 2012 ballot? | 21 | 5 | 26 |
| | 80.8% | 19.2% | |

**If yes, how much do you believe voters would be willing to pay for the right projects?**

| Estimated Increase to Property Tax Bill | Yes | No | Total Votes | Yes | No | Annual Revenue Generated | Project Bonding Potential (9-year) | Project Bonding Potential (20-year) |
|---|---|---|---|---|---|---|---|---|
| $10 per year ($0.83 per month) | 12 | 2 | 14 | 85.7% | 14.3% | $ 305,000 | $ 2,400,000 | $ 4,400,000 |
| $60 per year ($5.00 per month) | 15 | 5 | 20 | 75.0% | 25.0% | $ 1,830,000 | $ 14,400,000 | $ 26,400,000 |
| $120 per year ($10.00 per month) | 2 | 12 | 14 | 14.3% | 85.7% | $ 3,660,000 | $ 28,800,000 | $ 52,800,000 |

# ATTACHMENT E



ATTACHMENT F

# Parks Funding Exploratory Committee Funding Options

January 10, 2012
Presented by Tracey Dunlap

## Agenda

- Overview of Property Taxes
- Property Tax Funding Options
  - "Original Flavor" Levy Lid Lift
  - Multiyear Levy Lid Lift
  - Excess Levy
  - Metropolitan Park District (MPD)
- Applicability to Parks Needs
- Potential Impacts on Average Household

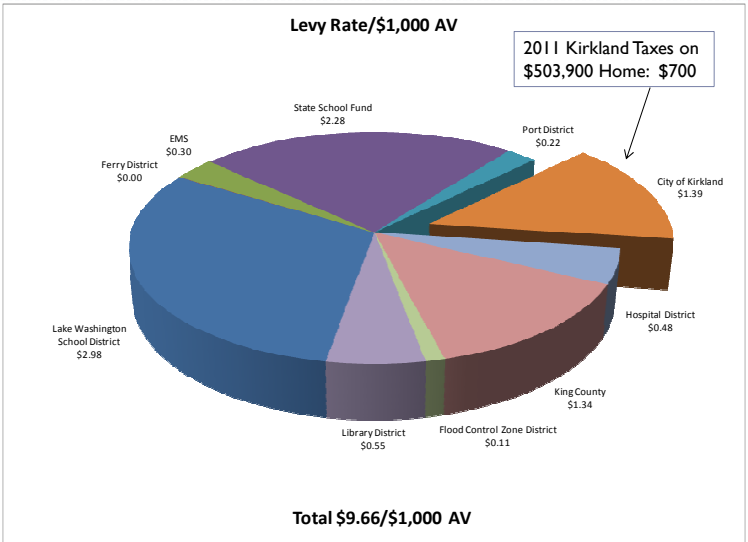
2

## Overview of Property Taxes

- Annual tax levied on real and personal property
- How it works:
  - County Assessor establishes the assessed value (AV) of real and personal property at fair market value annually
  - Taxing districts set annual levy to be collected (in dollars)
  - Rate is result of dividing the levy by AV/$1,000
  - County collects property taxes and distributes to City and other taxing districts

3

## 2011 Property Tax Distribution




4

# Types of Property Tax Levies

- Regular Levy:
  - Ongoing resource for annual operating and maintenance costs (and any other general government costs, including debt service)
  - Annual increase limited to new construction and optional increase (lesser of 1% or the implicit price deflator)
  - Subject to statutory maximum of $3.10 per $1,000 AV
  - Voter approval required for increases above annual limit – **Levy Lid Lift**
- Excess Levy:
  - Funds voter-approved debt payments for capital projects and expires when debt is repaid
  - Based on annual debt service payments and in place for the life of the bonds

5

# Components of 2011 Kirkland Rate

| REGULAR LEVY | | |
|---|---|---|
| Operating Fund | Levy | Rate per $1,000 AV |
| General Fund and Street Operating | $13,121,800 | $1.22520 |
| Parks Maintenance Fund (approved Nov. 2002) | $840,687 | $0.07850 |
| ***Total 2011 Regular Levy*** | ***$13,962,487*** | ***$1.30370*** |
| **EXCESS LEVY** | | |
| Unlimited General Obligation Bond Issue | Levy | Rate per $1,000 AV |
| 1995 Unlimited G.O. (Public Safety) | $87,528 | $0.00817 |
| 2001 Unlimited G.O. Refunding (Public Safety) | $186,253 | $0.01739 |
| 2003 Unlimited G.O. (Parks) | $640,205 | $0.05978 |
| ***Total 2011 Excess Levy*** | ***$913,986*** | ***$0.08534*** |
| **TOTAL LEVY** | | |
| | Levy | Rate per $1,000 AV |
| ***Total 2011 Levy*** | ***$14,876,473*** | ***$1.38904*** |

6

## Property Tax Funding Options

- "Original Flavor" Levy Lid Lift
  - Can be for any purpose
  - Can be for any amount of time or permanent
    - Unless proceeds used for debt service on bonds, which has maximum period of nine years
  - Initial "lift" occurs in first year, with annual increases in subsequent years limited to 1%
  - Simple majority vote on any election date
  - Example: November 2002 Parks Maintenance Levy

7

## Property Tax Funding Options

- Multiyear Levy Lid Lift
  - Purpose must be stated in ballot measure title
    - If used for debt service on bonds, maximum period of nine years applies
  - New funds raised cannot supplant existing funds
  - Lid can increase each year for up to six years
    - After first year, lift can increase by a percentage specified for each year
    - If final year is designated as the base amount after six years on ballot , increase is limited to 1% thereafter
  - Simple majority vote at primary or general election

8

## Property Tax Funding Options

- Excess Levy
  - For capital purposes only
  - Term is determined by the life of the proposed bonds
  - Requires a supermajority (60% approval)
    - Plus minimum 40% turnout based on last general election (validation)
  - Election can occur on any election date
  - Example: 2003 Park Bond (ends in 2022)

9

## Property Tax Funding Options

- Metropolitan Parks District (MPD)
  - Separate taxing authority formed by:
    - Simple majority vote or
    - Petition signed by 15% of registered voters in proposed area
  - Governing body can be:
    - Five elected commissioners or
    - Governing body if contained within city
  - Maximum tax rate is $0.75 per $1,000 AV (up to $11 million annually)
    - Subject to 1% levy increase limit
    - Junior taxing district, which can be limited to less than maximum if statutory limits are reached by senior districts
  - Can issue non-voted or voted debt (subject to supermajority) within set limits

10

## Applicability to Parks Needs

| | | Could be used for: | | |
|---|---|---|---|---|
| Tool | Vote Required | O&M | Capital | Comments |
| "Original Flavor" Levy Lid Lift | 50% + 1 | X | X (max 9 yr debt) | After year 1, increases limited to 1% |
| Multi Year Levy Lid Lift | 50% + 1 | X | X (max 9 yr debt) | Subject to non-supplanting<br>Can increase by more than 1% for up to 6 years |
| Excess Levy | 60% with validation | | X | Can only be used for capital |
| MPD | 50% + 1 or Petition to form | X | X* | *subject to 60% w/validation<br>Overlapping junior taxing district |

11

## Potential Impacts on Average Homeowner

- Estimated average assessed valuation of single family home (2011 value reduced by 4.1% AV decline): $483,000
- 2012 total levy rate: $1.456 per $1,000 AV (regular levy of $1.367 plus excess levy of $0.089)
- Current total property tax bill paid to Kirkland for $483,000 household is about $704 per year
- For simplicity, examples are based on $480,000 average household

12

## Potential Impacts on Average Homeowner

- 2012 regular levy rate: $1.367 per $1,000 AV
- Each 1% increase to regular levy:
  - Equates to $0.01367 per $1,000 AV
  - Generates $200,000 in additional annual revenue which can support:
    - 2-3 staff positions or
    - $1.6 million in debt (9 years at 2.0%) or
    - $2.9 million in debt (20 years at 3.25%) – *if excess levy*
  - Impact on $480,000 household: $6.56 per year

13

## Operations and Maintenance Example

| OO Denny Park Maintenance | |
|---|---|
| Ongoing Operating Cost | $125,000 |
| Multi-year Levy Lid Lift (0.63%) | $.0085 per $1,000 AV |
| Annual Cost for a $480,000 Home | $4.10 |

Notes:
•Would need to evaluate supplanting issue

## Capital Only - "Preserve"

| Waverly Beach Park Renovation | |
|---|---|
| Capital Cost | $745,000 |
| Multi-year Levy Lid Lift (3.73%) | $.0509 per $1,000 AV |
| Annual Cost for a $480,000 Home | $24.45 |

Notes:
•Assumes cost is covered by levy funds versus debt

## Capital Only - "Enhance"

| Peter Kirk Park Field Synthetic Turf | Option1 – Lid Lift |
|---|---|
| Capital Cost | $1,500,000 |
| Multi-year Levy Lid Lift (0.94%) | $.0128 per $1,000 AV |
| Annual Cost for a $480,000 Home | $6.15 |

Notes:
•Assumes 9-year bond funded by multi-year levy lid lift at 2.0%
•Annual debt service of $187,500

## Capital Only - "Enhance"

| Peter Kirk Park Field Synthetic Turf | Option 2 – Excess Levy |
|---|---|
| Capital Cost | $1,500,000 |
| Excess Levy | $.0071 per $1,000 AV |
| Annual Cost for a $480,000 Home | $3.40 |

Notes:
- Assumes 20-year bond funded by excess levy at 3.25%
- Annual debt service of $103,500

## Combined Capital & Operating - "Expand"

| | New Neighborhood Park | |
|---|---|---|
| Capital | Capital Cost | $2,500,000 |
| | Excess Levy | $.0118 per $1,000 AV |
| | Annual Cost for a $480,000 Home | $5.66 |
| Operating | Ongoing Operating Costs (annual) | $50,000 |
| | Levy Lid Lift (0.25%) | $.0034 per $1,000 AV |
| | Annual Cost for a $480,000 Home | $1.64 |
| | TOTAL ANNUAL IMPACT | $7.30 |

Notes:
- Assumes 20-year capital bond funded by excess levy
- Annual debt service of $172,500
- Similar structure to 2002 Election Process ($8.4 million 20-year bond funded with excess levy plus $0.10/$1,000 AV maintenance levy)

## Rules of Thumb for Evaluating Projects

| Each $10 per year for a $480,000 household supports: | |
|---|---|
| Annual Funding for O&M or Pay-as-you-go Capital | $305,000 |
| OR | |
| 9-year Bond for Capital | $2.4 million |
| OR | |
| 20-year Bond for Capital | $4.4 million |

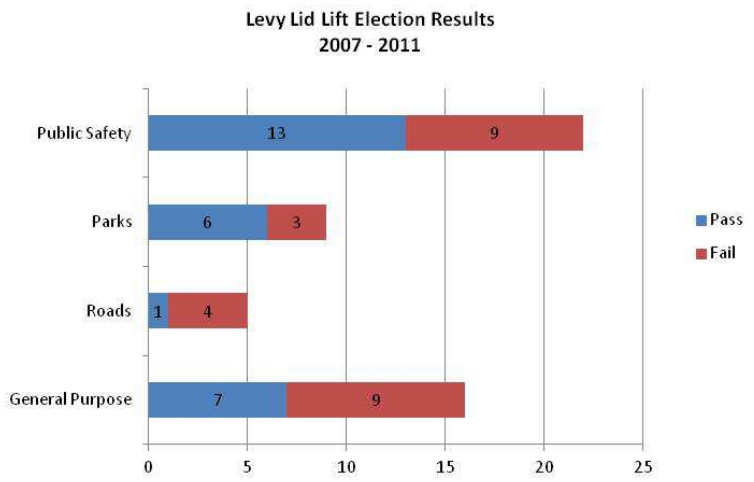
19

## Other Considerations

- Relationship to Finn Hill Park District Levy and existing Kirkland Parks Maintenance Levy
- Voted tax measures on the ballot for other jurisdictions
- Recent results for levy lid lifts for other jurisdictions

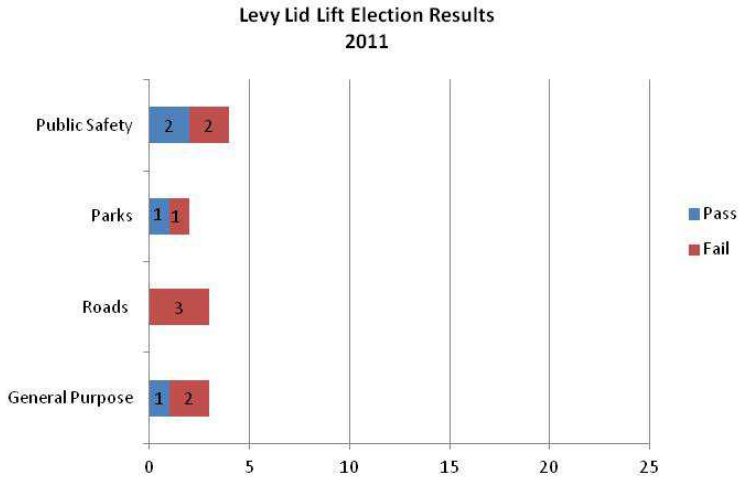
20

## Results for Other Jurisdictions




21

## Results for Other Jurisdictions




22

## Other Issues/Questions

- Final configuration dependent on types and scale of projects selected
- Questions?

# SCENARIO A: Park Bond and Companion Maintenance Levy

ATTACHMENT G

**Two Ballot Measures: Excess Levy 20-Year Bond (Requires 60% Approval) AND Permanent Levy Lid Lift (Requires 50% Approval)**

| | A | B | C | D | E | F | G | H |
|---|---|---|---|---|---|---|---|---|
| | Category/Project | Description | 20-Year Bond Project Amount | Annual Cost to $480,000 home | Levy M&O Amount | Annual Cost to $480,000 home | Total Annual Cost to $480,000 home | Total Annual Cost per $1000 AV |
| | **PRESERVE - Maintaining and renovating the community's existing park system** | | | | | | | |
| 1 | RESTORE PARK MAINTENANCE AND OPERATIONS LEVEL OF SERVICE | Restore service for restrooms, irrigation, landscaping, preventative activities, repairs, lifeguards at Houghton and Waverly | $0 | $0.00 | $500,000 | $16.40 | **$16.40** | **$0.0342** |
| 2 | O. O. DENNY PARK MAINTENANCE | Assume responsibility for operating and maintaining community waterfront park | $0 | $0.00 | $125,000 | $4.10 | **$4.10** | **$0.0085** |
| 3 | URBAN FOREST AND HABITAT RESTORATION | On-going funding to support existing Green Kirkland activities and project sites | $0 | $0.00 | $175,000 | $5.74 | **$5.74** | **$0.0120** |
| 4 | WAVERLY BEACH PARK | Renovation of Waverly Beach Park | $1,000,000 | $2.26 | $0 | $0.00 | **$2.26** | **$0.0047** |
| 5 | WATERFRONT DOCKS AND SHORELINE RENOVATIONS | Renovate docks and restore shorelines: Brink, Houghton, Marsh, Marina | $1,000,000 | $2.26 | $0 | $0.00 | **$2.26** | **$0.0047** |
| | **ENHANCE - Redeveloping and enhancing the community's existing park system** | | | | | | | |
| 6 | EDITH MOULTON PARK | Renovation of Edith Moulton Park | $1,000,000 | $2.26 | $25,000 | $0.82 | **$3.08** | **$0.0064** |
| 7 | CITY-SCHOOL PARTNERSHIP PROJECTS | Enhance community use of public schools for recreation and leisure; Schools TBD | $1,000,000 | $2.26 | $25,000 | $0.82 | **$3.08** | **$0.0064** |
| | **EXPAND - Meeting facility level of service commitments and pursuing important new opportunities** | | | | | | | |
| 8 | EASTSIDE RAIL CORRIDOR | Develop and maintain a portion of Eastside Rail Corridor for use as a recreation trail | $3,000,000 | $6.78 | $100,000 | $3.28 | **$10.06** | **$0.0210** |
| 9 | NEIGHBORHOOD PARK ACQUISITION AND DEVELOPMENT | Acquire land and develop a new park(s) in areas of city with indentified deficiency | $2,000,000 | $4.52 | $50,000 | $1.64 | **$6.16** | **$0.0128** |
| 10 | TOTEM LAKE PARK | Develop Totem Lake Park (Trails/Boardwalks/Connections to Rail Corridor/Parking/Etc.) | $2,500,000 | $5.65 | $50,000 | $1.64 | **$7.29** | **$0.0152** |
| | | SUBTOTAL: | $11,500,000 | $25.99 | $1,050,000 | $34.44 | | |
| 11 | MAINTENANCE AND OPERATIONS INFLATIONARY ADJUSTMENT | 10% adjustment to M&O subtotal | | | $105,000 | $3.44 | **$3.44** | **$0.0072** |
| | | ********** **TOTAL:** | **$11,500,000** | **$25.99** | **$1,155,000.00** | **$37.88** | **$63.87** | **$0.13** |
| | **ADDITIONAL INVESTMENT OPTIONS:** | | | | | | | |
| 12 | LEE JOHSON FIELD SYNTHETIC TURF AND LIGHTING | Expand and improve use of Lee Johnson Field with new synthetic turf and new efficient lighting system | $1,500,000 | $3.39 | $0 | $0.00 | **$3.39** | **$0.0071** |
| 13 | NEIGHBORHOOD PROJECT OPPORTUNITY FUND | Funding to support innovative proposals to address emerging neighborhood needs | $0 | $0.00 | $200,000 | $6.56 | **$6.56** | **$0.0137** |
| 14 | OPEN SPACE ACQUISITION OPPORTUNITY FUND | Funding to provide for acquisition of future open space | $1,000,000 | $2.28 | $0 | $0.00 | **$2.28** | **$0.0048** |
| 15 | JUANITA BEACH PARK BATHHOUSE | Replace Bathhouse Building | $1,200,000 | $2.71 | $0 | $0.00 | **$2.71** | **$0.0057** |
| 16 | JUANITA BEACH LIFEGUARDS | Provide summer lifeguards at Juanita Beach | $0 | $0.00 | $35,000 | $1.15 | **$1.15** | **$0.0024** |

# SCENARIO B: Capital Levy and Companion Maintenance Levy

**Two Ballot Measures: 9-Year Levy Lid Lift (Requires 50% Approval) AND Permanent Levy Lid Lift (Requires 50% Approval)**

| | A | B | C | D | E | F | G | H |
|---|---|---|---|---|---|---|---|---|
| | Category/Project | Description | 9-Year Levy Project Amount | Annual Cost to $480,000 home | Levy M&O Amount | Annual Cost to $480,000 home | Total Annual Cost to $480,000 home | Total Annual Cost per $1000 AV |
| | **PRESERVE - Maintaining and renovating the community's existing park system** | | | | | | | |
| 1 | RESTORE PARK MAINTENANCE AND OPERATIONS LEVEL OF SERVICE | Restore service for restrooms, irrigation, landscaping, preventative activities, repairs, lifeguards at Houghton and Waverly | $0 | $0.00 | $500,000 | $16.40 | **$16.40** | **$0.0342** |
| 2 | O. O. DENNY PARK MAINTENANCE | Assume responsibility for operating and maintaining community waterfront park | $0 | $0.00 | $125,000 | $4.10 | **$4.10** | **$0.0085** |
| 3 | URBAN FOREST AND HABITAT RESTORATION | On-going funding to support existing Green Kirkland activities and project sites | $0 | $0.00 | $175,000 | $5.74 | **$5.74** | **$0.0120** |
| 4 | WAVERLY BEACH PARK | Renovation of Waverly Beach Park | $1,000,000 | $4.10 | $0 | $0.00 | **$4.10** | **$0.0085** |
| 5 | WATERFRONT DOCKS AND SHORELINE RENOVATIONS | Renovate docks and restore shorelines: Brink, Houghton, Marsh, Marina | $1,000,000 | $4.10 | $0 | $0.00 | **$4.10** | **$0.0085** |
| | **ENHANCE - Redeveloping and enhancing the community's existing park system** | | | | | | | |
| 6 | EDITH MOULTON PARK | Renovation of Edith Moulton Park | $1,000,000 | $4.10 | $25,000 | $0.82 | **$4.92** | **$0.0103** |
| 7 | CITY-SCHOOL PARTNERSHIP PROJECTS | Enhance community use of public schools for recreation and leisure; Schools TBD | $500,000 | $2.05 | $25,000 | $0.82 | **$2.87** | **$0.0060** |
| | **EXPAND - Meeting facility level of service commitments and pursuing important new opportunities** | | | | | | | |
| 8 | EASTSIDE RAIL CORRIDOR | Develop and maintain a portion of Eastside Rail Corridor for use as a recreation trail | $3,000,000 | $12.30 | $100,000 | $3.28 | **$15.58** | **$0.0325** |
| 9 | NEIGHBORHOOD PARK LAND ACQUISITION | Acquire park land in areas of city with indentified deficiencies | $500,000 | $2.05 | $0 | $0.00 | **$2.05** | **$0.0043** |
| | | SUBTOTAL: | $7,000,000 | $28.70 | $950,000 | $31.16 | | |
| 10 | MAINTENANCE AND OPERATIONS INFLATIONARY ADJUSTMENT | 10% adjustment to M&O subtotal | | | $95,000 | $3.12 | **$3.12** | **$0.0065** |
| | | ********** **TOTAL:** | **$7,000,000** | **$28.70** | **$1,045,000.00** | **$34.28** | **$62.98** | **$0.13** |
| | **ADDITIONAL INVESTMENT OPTIONS:** | | | | | | | |
| 11 | TOTEM LAKE PARK | Develop Totem Lake Park (Trails/Boardwalks/Connections to Rail Corridor/Parking/Etc.) | $2,500,000 | $10.25 | $50,000 | $1.64 | **$11.89** | **$0.0248** |
| 12 | LEE JOHSON FIELD SYNTHETIC TURF AND LIGHTING | Expand and improve use of Lee Johnson Field with new synthetic turf and new efficient lighting system | $1,500,000 | $3.39 | $0 | $0.00 | **$3.39** | **$0.0071** |
| 13 | NEIGHBORHOOD PROJECT OPPORTUNITY FUND | Funding to support innovative proposals to address emerging neighborhood needs | $0 | $0.00 | $200,000 | $6.56 | **$6.56** | **$0.0137** |
| 14 | OPEN SPACE ACQUISITION OPPORTUNITY FUND | Funding to provide for acquisition of future open space | $1,000,000 | $2.28 | $0 | $0.00 | **$2.28** | **$0.0048** |
| 15 | JUANITA BEACH PARK BATHHOUSE | Replace Bathhouse Building | $1,200,000 | $2.71 | $0 | $0.00 | **$2.71** | **$0.0057** |
| 16 | JUANITA BEACH LIFEGUARDS | Provide summer lifeguards at Juanita Beach | $0 | $0.00 | $35,000 | $1.15 | **$1.15** | **$0.0024** |

# PFEC Recommended Funding Package

| Category/Project | Project Cost | Annual Cost to Homeowner | M&O Levy | Annual Cost to Homeowner | Annual Cost to Homeowner |
|---|---|---|---|---|---|
| **TIER 1** | | | | | |
| Restore M & O | - | - | 600,000 | 19.68 | 19.68 |
| Denny Park Maintenance | - | - | 137,500 | 4.51 | 4.51 |
| Forest/Habitat Restoration | - | - | 192,500 | 6.31 | 6.31 |
| Waverly Beach Renovation | 500,000 | 2.05 | - | - | 2.05 |
| Dock and Shoreline Renovations | 800,000 | 3.28 | - | - | 3.28 |
| Moulton Park Renovation | 1,000,000 | 4.10 | 27,500 | 0.90 | 5.00 |
| City-School Partnership Projects | 1,000,000 | 4.10 | 27,500 | 0.90 | 5.00 |
| Neighborhood Park Land Acquisition | 2,500,000 | 10.25 | - | - | 10.25 |
| Develop Eastside Rail Corridor Trail | 3,000,000 | 12.30 | 110,000 | 3.61 | 15.91 |
| Juanita Beach Bathhouse | 1,200,000 | 4.92 | | - | 4.92 |
| | - | - | | | |
| | 10,000,000 | 41.00 | 1,095,000 | 35.92 | 76.92 |
| **TIER 2** | | | | | |
| Lee Johnson Field Turf & Lighting | 1,500,000 | 6.15 | - | - | 6.15 |

***All costs noted are preliminary estimates subject to refinement***
***Note 1: Annual cost to a home with an assessed valuation of $480,000***
***Note 2: Amounts Include 10% Inflationary Adjustment***

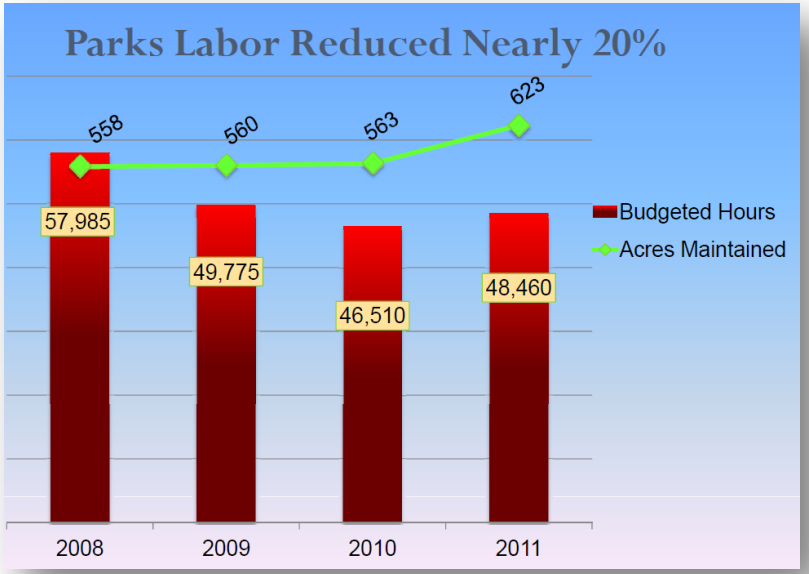
PFEC Recommended Funding Package

# Restore Maintenance and Operations

**Amount: $600,000**

Provides annually for:

- ✓2.5 FTE Maintenance Staff
- ✓7 Seasonal Maintenance Staff
- ✓Lifeguards at Houghton, Waverly and Juanita Beaches
- ✓Reopen restrooms at neighborhood parks
- ✓Restore preventative maintenance tasks
- ✓Restore landscape and tree maintenance
- ✓Restore irrigation at high-use community/neighborhood parks
- ✓Restore responsiveness to citizen requests/complaints



## PFEC Recommended Funding Package

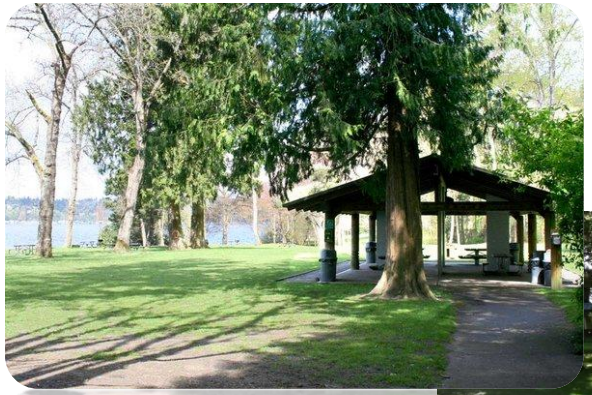
# Maintain O. O. Denny Park

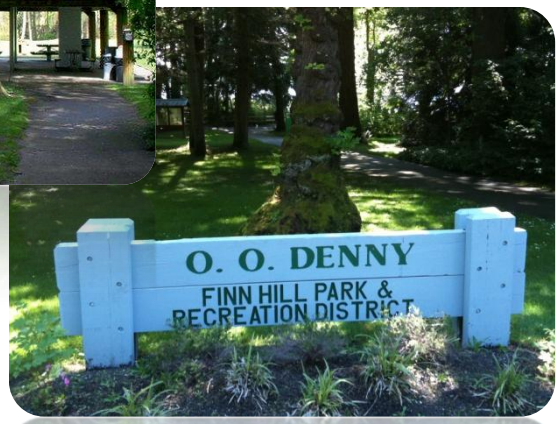
**Amount: $137,500**

The Finn Hill Park District maintenance levy will expire in 33 months (end of 2014). Approximately 19% of Kirkland's population lives within the District's boundaries.

Provides annually for:

- ✓2.25 FTE Maintenance Staff
- ✓Daily maintenance of park amenities and features including restrooms, picnic areas, garbage, landscaping, lawns, parking lots, trails, and waterfront.
- ✓Park is 46 acres and is owned by City of Seattle





PFEC Recommended Funding Package

# Forest and Habitat Restoration

**Amount: $192,500**

GREEN KIRKLAND PARTNERSHIP

Provides annually for:

✓2.25 FTE Staff

✓Stable, on-going funding to support Green Kirkland Partnership's 20-year forest restoration plan

✓Expanding volunteer stewardship to 1 new site per year (6 currently in restoration)

✓Protecting and gradually expanding community investment of over 8,000 hours of volunteer restoration activities

## PFEC Recommended Funding Package

# Waverly Beach Park Renovation

**Capital Investment:**
**$500,000**

Funding for:

✓Developing a long-range renovation and phasing plan with community input

✓Implementing first phase of renovation tasks

✓Priorities include:

- Shoreline restoration
- Drainage/irrigation upgrades
- Pedestrian safety
- Parking improvements
- Landscape upgrades

*"I can best describe this beach as Juanita Beach's gorgeous little step-sister… Even when it's crowded, you still feel like you're enjoying a hidden little gem."*

*- Park user comment from Yelp.com*

PFEC Recommended Funding Package

# Shoreline and Dock Renovations

**Capital Investment:**
**$800,000**

Funding for:

- ✓Structural engineering assessments of City docks and piers
- ✓Re-decking of dock surfaces at Marina, Marsh, Brink, and Houghton Beach Parks
- ✓Soft shoreline enhancements at Brink Park

**Kirkland Shoreline Master Program**

**Policy SA-20.1: Incorporate salmon friendly dock design for new or renovated docks and environmentally friendly methods of maintaining docks in its shoreline parks.**

**Policy SA-20.7: Reduce or modify existing shoreline armoring within Kirkland's shoreline parks to improve and restore the aquatic environment.**

## PFEC Recommended Funding Package

# Edith Moulton Park Renovation

**Capital Investment:**

**$1,000,000**

**Annual maintenance:**
**$27,500**

In the 1960s, [Edith Moulton] donated her land to the county for a park, wanting to "save some nature spots for posterity before it is too late," so that "small children could have a place to play other than the street."

*- Seattle Times Article January 2000*

Funding for:

✓Developing a long-range park master plan and phasing plan with community input

✓Implementing first phase of renovation tasks

✓Priorities include:

- Parking improvements
- Drainage/irrigation upgrades
- Creek restoration and protection
- Trail improvements
- Other improvements as identified through community process
- Landscape upgrades

## PFEC Recommended Funding Package

# City-School Partnership Projects

**Capital Investment:**
**$1,000,000**

**Annual maintenance:**
**$27,500**

*"A cooperative effort on the part of the School District and the City to renovate existing playing fields on school sites should be continued as a step to providing additional needed playfield space for soccer, softball, and baseball. Independent sports organizations are experiencing a shortage of practice times and space. With facility upgrades and ongoing maintenance, facilities can be more playable and safer to use."*

**Kirkland Park, Recreation, and Open Space Plan 2010**

Funding for:

✓Expanding City-School partnership activities by investing in school playfields as LWSD schools are renovated

✓Sites to be determined but may include Bell Elementary, Kamiakin Middle School, International Community School, and Juanita and Lake Washington High Schools

## PFEC Recommended Funding Package

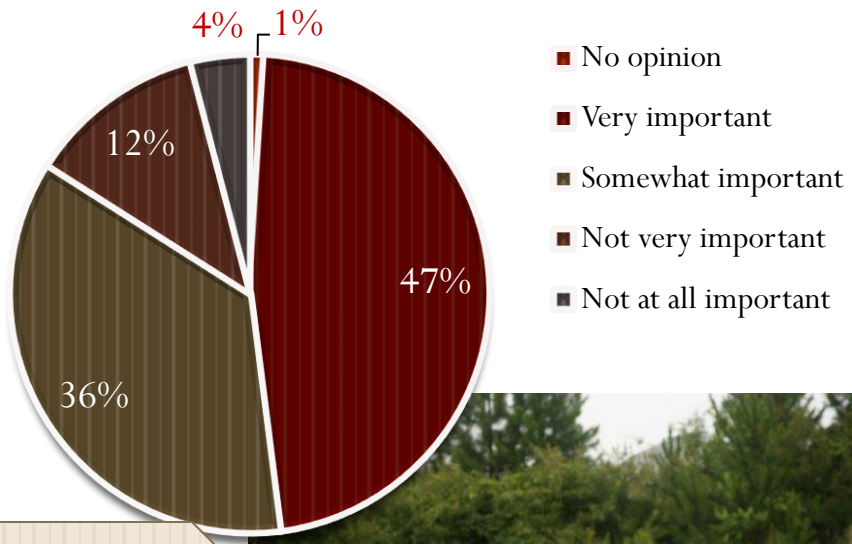
# Neighborhood Park Land Acquisition Fund

**Capital Investment:**
**$2,500,000**

Funding for:

- ✓Land acquisition to help Kirkland move closer to the goal of providing a park within walking distance of every household
- ✓Priority locations include Finn Hill and Kingsgate neighborhoods
- ✓Specific properties have not been identified

**Q3: Indicate how important it is to you for the city to have a park within a quarter-mile of every Kirkland household:**




Over 4 out of every 5 respondents (83%) believe it is somewhat important or very important for Kirkland to have a park within a quarter-mile of every household
(2011 Online Survey)

## PFEC Recommended Funding Package

# Develop Eastside Rail Corridor Trail

**Capital Investment:**
**$3,000,000**

**Annual maintenance:**
**$110,000**

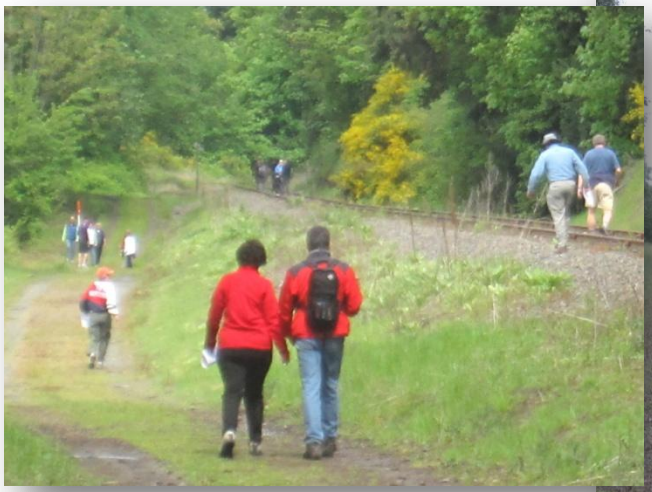
"For a city that touts pedestrian-friendly with yellow flags at many crosswalks, the trail would also improve the city's pedestrian landscape. And in a community as active as Kirkland, a new dedicated biking/hiking trail would provide more safety for many bicyclists and pedestrians."

- Kirkland Reporter Editorial December 2011

Funding for:

✓Removal of existing rails and construction of continuous gravel trail for hiking and mountain biking

✓On-going maintenance of trail corridor



PFEC Recommended Funding Package

# Juanita Beach Bathhouse Replacement

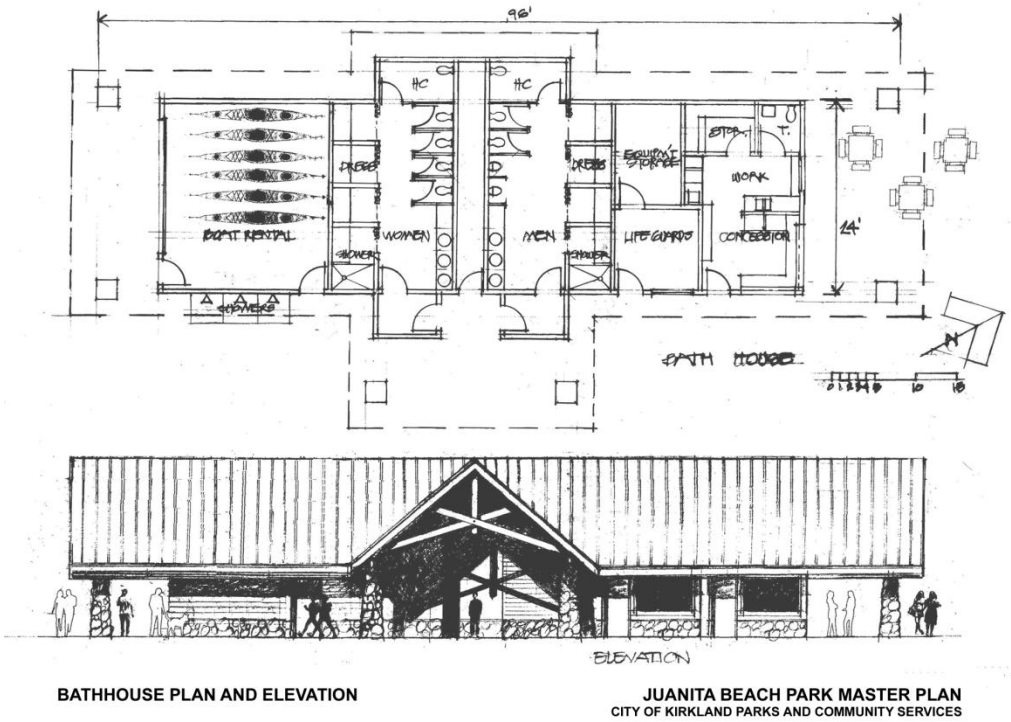
**Capital Investment:**
**$1,200,000**

Funding for:

✓Replacement of existing structure at Juanita Beach Park as identified in park master plan

✓New 2,800 – 3,000 sq. ft. building with restrooms, showers, lifeguard and maintenance space, and concession space for non-motorized boating concession

✓Facility prototype shown in park master plan




BATHHOUSE PLAN AND ELEVATION

JUANITA BEACH PARK MASTER PLAN
CITY OF KIRKLAND PARKS AND COMMUNITY SERVICES

Attachment I

# Park Funding Exploratory Committee Roster

**Board / Advisory Group**

| Name | Organization Represented |
|---|---|
| Amy Walen, Chair | City Council |
| Bhaj Townsend | Cultural Council |
| Nona Ganz | Green Kirkland Partnership |
| Robert Kamuda | Park Board |
| Barbara Ramey | Park Board |
| Jay Arnold | Planning Commission |
| Lauren Bolen | Senior Council |
| Sandeep Singhal | Transportation Commission |
| Chris Norwood | Youth Council |

**Institution / Business Group**

| | |
|---|---|
| Laurene Burton | Evergreen Hospital Medical Center |
| Rick Smith | Finn Hill Park & Recreation District |
| Vince Armfield | First Baptist Church of Kirkland |
| Val Gurin | Greater Kirkland Chamber of Commerce |
| Loita Hawkinson | Kirkland Heritage Society |
| Don Jury | Kirkland Kiwanis Club |
| Rick Ostrander | Kirkland Rotary Club |
| Jackie Pendergrass | Lake Washington School District |
| Paul Banas | Northwest University |

**Neighborhood Group**

| | |
|---|---|
| Lisa McConnell | Central Houghton Neighborhood Association |
| Scott Morris | Denny Creek Neighborhood Alliance |
| Jill Keeney | Everest Neighborhood Association |
| Kathy Schuler | Finn Hill Neighborhood Association |
| Mary Shular | Highlands Neighborhood Association |
| Mark Dunphy | Juanita Neighborhood Association |
| Kevin Hanefeld | Juanita Neighborhood Association |
| Craig Dulis | Kingsgate Neighborhood Association |
| Georgine Foster | Lakeview Neighborhood Association |
| Tom Reichert | Market Neighborhood Association |
| Bonnie McLeod | Moss Bay Neighborhood Association |
| Don Schmitz | North Rose Hill Neighborhood Association |

Attachment I

**Neighborhood Group (cont.)**

| Name | Organization Represented |
|---|---|
| Suzanne Kagen | South Rose Hill/Bridle Trails Neighborhood Association |
| Anne Anderson | South Rose Hill/Bridle Trails Neighborhood Association |
| Lynda Haneman | Totem Lake Neighborhood Association |

**Park User / Advocate Group**

| | |
|---|---|
| Sants Contreras | Citizen at-large |
| Lynn Stokesbary | Citizen at-large |
| Laura Caron | Citizen at-large |
| Cindy Balbuena | Eastside Audubon |
| John Rudolph | Kirkland American Little League |
| Chuck Bartlett | Kirkland Dog Off-Leash Group |
| Steve Lytle | Kirkland Lacrosse |
| Ken McCumber | Kirkland National Little League |
| Curt Bateman | Lake Washington Youth Soccer Association |

**City Staff**

| | |
|---|---|
| Kurt Triplett | City Manager |
| Marilynne Beard | Assistant City Manager |
| Jennifer Schroder | Director of Parks & Community Services |
| Tracey Dunlap | Director of Finance & Administration |
| Michael Cogle | Deputy Director |
| Linda Murphy | Recreation Manager |
| Jason Filan | Park Operations Manager |
| Cheryl Harmon | Administrative Assistant |

**CITY OF KIRKLAND**
**Public Works Department**
**123 Fifth Avenue, Kirkland, WA 98033 425.587.3800**
**www.kirklandwa.gov**

**MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Ray Steiger, P.E., Public Works Director

**Date:** March 20, 2012

**Subject:** CONSIDERATION OF A TRANSPORTATION BENEFIT DISTRICT OR A STREET PRESERVATION BALLOT MEASURE

The purpose of this memo is to provide an update on potential state changes to the Transportation Benefit District (TBD) and to summarize options for the Council to consider in discussions regarding potential new revenue for the Street Preservation Program.

During the current special session of the State legislature, consideration is being given to allow local agencies to raise the limit on the Councilmanic option TBD funding from $20 per license fee to $40 per license fee to increase the ability of local jurisdictions to address local needs. Many Washington cities have implemented TBD funding for transportation funds. As of March, 2012, 15 cities have implemented $20 car tab TBD's, one has implemented $10 fees, one a special gas tax, and nine have implemented a 0.2% sales tax fee (Attachment A).

Staff estimate that a $40 car tab would generate approximately $2.4 M for Kirkland were it enacted and would allow the City to attain its currently adopted level of service of a PCI of 70 for arterials and exceed the adopted level of service of a PCI of 65 for non-arterials by approximately 2021 (Figure 1).

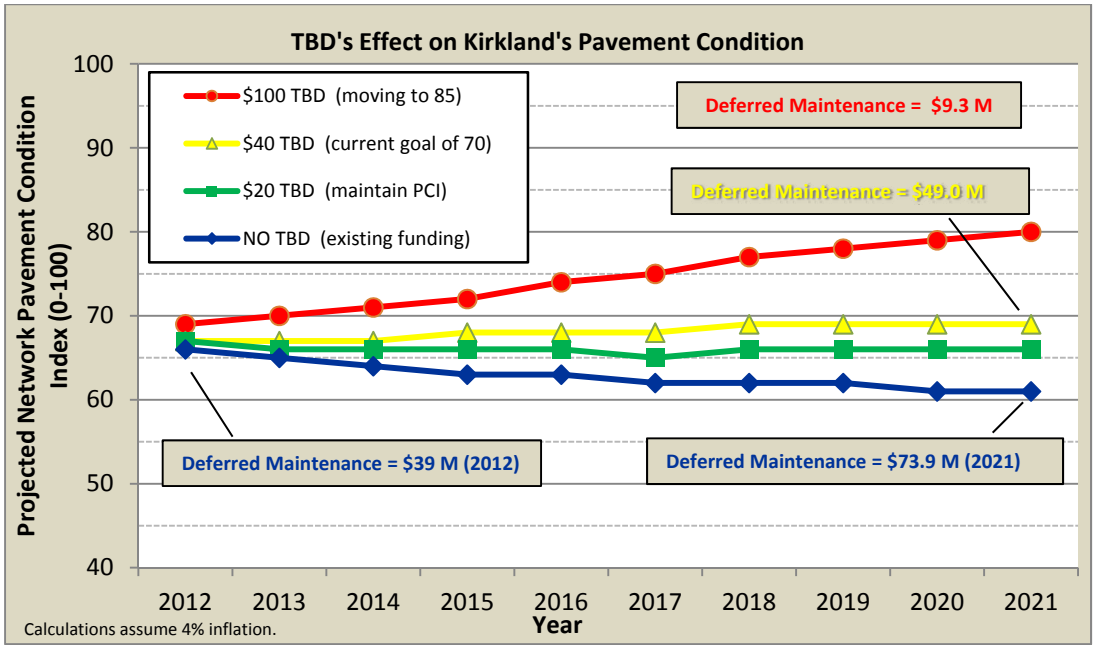



Figure 1. $40 TBD's effect on Kirkland's Pavement Condition

The existing $20 Councilmanic limit, if applied to the arterial system first as recommended by staff at the Council's January 17, 2012 meeting, would allow the City to attain its PCI goal of 70 on the arterials, but be significantly below the PCI goal of 65 on the non-arterials (Figure 2).

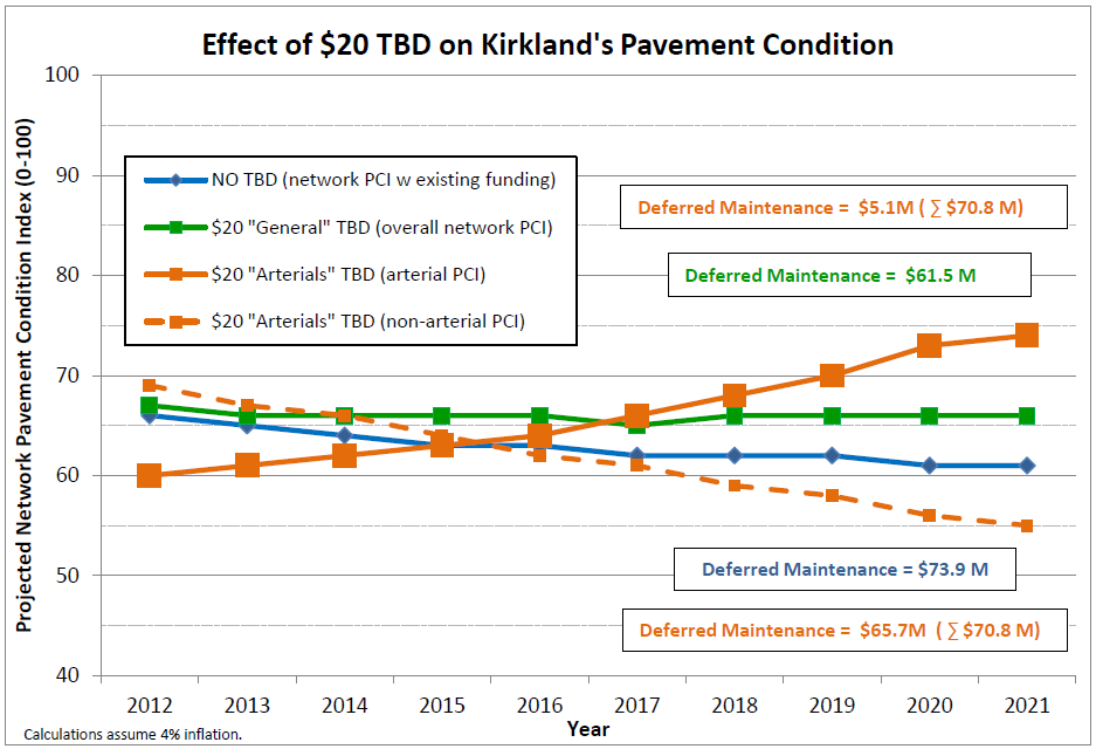



Figure 2. Effect of $20 TBD on Kirkland's Pavement Condition

At the January 17, 2012, Council meeting staff presented a summary of the TBD public outreach process that was undertaken in the summer and fall of 2011 (Attachment B). From the community feedback that was received, citizens continue to hold street maintenance as an important service to be provided by the City. This was again substantiated by the 2012 community survey just recently completed. The survey concludes that street maintenance is highly important and yet the observations are that performance is lagging. To that end, the recent outreach to the community has centered on measuring the support for added revenue for street maintenance. City Council asked that staff return with additional information regarding other Cities and their revenue make up, particularly Bellevue and Redmond where Pavement Condition Indexes tend to be higher than in Kirkland (Attachment C). This information is being prepared by City staff and will be distributed at the City Council retreat.

## 2012 Street Preservation Ballot Measure

If the Council elects not to implement a Council-approved TBD $20 or $40 car tab fee, there are several ballot options available for 2012. The TBD itself contains different voter approved options. The Council can place any amount of car tab license fee on the ballot up to $100. The Council could also place a $.002 sales tax on the ballot.

As an alternative to the potential TBD ballot measures, the Council could also place a property tax bond or levy measure on the ballot. Staff has not done a great deal of work on a potential roads property tax measure but wanted to provide some basic information and assumptions to inform the Council retreat discussion.

Using the Park Funding Exploratory Committee (PFEC) recommendations as a starting point, a potential 2012 ballot measure should be a levy request which requires a 50% voter approval rather than a bond measure which requires 60% approval. The maximum time allowed for a capital levy is 9 years.

Assuming the goal of a property tax ballot measure would be to eliminate the maintenance backlog; staff is using the $39,000,000 backlog as the levy amount. In the first scenario of the chart below the ballot measure would be a $39,000,000 debt-financed levy lid lift for 9 years. Overall costs are higher, but more work would be done sooner since all the money would be available upfront. In the second scenario the measure would be a "pay as you go" $4,300,000 annual levy lid lift. Costs are lower but the projects would take longer to complete. The rate per thousand AV, the annual cost, and the 9-year cost to a Kirkland home of $480,000 are also included in the chart.

| Project | Debt<br><br>9-year | Annual Levy<br><br>Lid Lift | Cost to $480,000<br><br>Home | Rate per $1,000 AV | Cost to $480,000<br><br>Home (9-Year) |
|---|---|---|---|---|---|
| $39 million Funded with 9-year Levy Lid Lift Bond (50% Approval) | $39,000,000 | | $ 159.90 | $0.3331 | $ 1,439 |
| OR | | | | | |
| $4.3 million per year Funded with 9-year Levy Lid Lift (50% Approval) | | $ 4,300,000 | $ 141.04 | $0.2938 | $ 1,269 |

If the Council wishes to pursue a property tax measure, staff could develop several other scenarios such as a two-phased measure over 18 years, less money per year, a shorter time frame for the levy, or a permanent levy option. Corresponding capital and operating project lists could be developed reasonably quickly.

## Questions to be considered at the Council Retreat

- Does the Council have comments or input on the "arterials first" strategy?
- Are there other projects or programs the Council would like to see included in a $20 car tab proposal?
- Is the Council willing to consider a $40 car tab fee if authorized by the legislature?
- If so, are there specific projects or programs the Council would like to see included?
- Does the Council want to see options developed for a street preservation ballot measure?
- If so, does the Council have a preference as to the size, duration or type of measure?
- What additional information does the Council need to be able to provide final direction regarding street preservation in April so that staff may develop the CIP for the 2013-2014 budget?

| Jurisdiction | Vehicle License Fee | Sales Tax |
|---|---|---|
| **TBDs Passed in 2011** | | |
| Ferndale | | $0.002 sales tax (passed, election 02/14/2012) |
| Grandview | $20 (02/01/2012) | |
| Mabton | $20 (12/01/2011) | |
| Mountlake Terrace | $20 (passed 12/05/2011) | |
| North Bend | | $0.002 sales tax (passed, election 11/08/2011) |
| Snohomish County | | $0.002 sales tax (passed 08/16/2011) |
| Spokane | $20 (09/01/2011) | |
| Walla Walla | | $0.002 sales tax (passed, election 02/14/2012) |
| Wenatchee | $20 (passed 01/26/2012) | |
| **TBDs Passed in 2010** | | |
| Bellingham | | $0.002 sales tax on car dealers and leasing companies (04/01/2011) |
| King County | | |
| Leavenworth | | $0.002 sales tax (04/01/2011) |
| Lynnwood | $20 (07/01/2011) | |
| Seattle | $20 (05/01/2011) | |
| Snohomish | | $0.002 sales tax (01/01/2012) |
| Snoqualmie | $20 (03/01/2011) | |
| **TBDs Passed in 2009** | | |
| Bremerton | $20 (12/07/2011 res. passed) | |
| Burien | $10 (02/01/2010) | |
| Prosser | $20 (11/01/2009) | |
| Shoreline | $20 (02/01/2010) | |
| University Place | | |
| **TBDs Passed in 2008** | | |
| Des Moines | $20 (09/01/2009) | |
| Edmonds | $20 (09/01/2009) | |
| Lake Forest Park | $20 (09/01/2009) | |
| Olympia | $20 (10/01/2009) | |
| Ridgefield | | $0.002 sales tax (04/01/2009) |
| Sequim | | $0.002 sales tax (04/01/2010) |
| **TBDs Passed Prior to 2008** | | |
| Liberty Lake (2002) | | |
| Point Roberts, Whatcom County (1992) | | Special gas tax $0.01/gallon (1992) |

**Attachment B**

**CITY OF KIRKLAND**
**Public Works Department**
**123 Fifth Avenue, Kirkland, WA 98033 425.587-3800**
**www.kirklandwa.gov**

**MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Ray Steiger, P.E., Public Works Director

**Date:** January 6, 2012

**Subject:** Transportation Benefit District Update

RECOMMENDATION:

It is recommended that the City Council:

- Reviews the public input received regarding the formation of a Transportation Benefit District (TBD);
- Receives a briefing and provides feedback on a focused "arterials first" proposal for a $20/vehicle TBD;
- Concurs with the staff recommendation that formation and implementation of a TBD be a significant element of the March Council retreat agenda;
- Provides final direction to staff regarding the formation of a TBD or an alternative street preservation funding strategy in April of 2012.

BACKGROUND DISCUSSION:

The issue of additional street preservation funding has been an on-going one for the past three years. As the 2013/2014 budget is developed, a final decision on whether to proceed with a Transportation Benefit District or some other voter-authorized funding option is necessary. What follows is a brief history of the discussion to set the stage for the current decisions facing the Council.

On February 14, 2009, Public Works staff presented the 2008 State of the Streets report to the City Council outlining the funding deficiencies in the Street Preservation Program and recommending several options to provide additional funding; one option was a TBD (Attachment A). After reviewing and discussing the Report, Council recommended that staff develop the options more fully and bring back more information regarding the various proposed fees and other options; follow up was presented to Council on February 16, 2010 and is summarized in the following narrative.

*2009 Follow-up*

Staff worked on developing the Street Preservation Program options throughout 2009, and in addition, presented draft proposals at three Transportation Commission meetings during 2009; each time staff was provided with useful feedback and direction. In July 2009, staff updated the City Council Finance Committee with information on the components and requirements of a TBD. At that time, the Finance Committee asked that staff wait and present the TBD option to the full Council in context of the full array of funding options. Staff was asked to continue to work with the Transportation Commission on developing the options.

The options were presented to the full Council at their February 2010 meeting. There were several recommendations the Transportation Commission noted which were incorporated into the report to Council including recommendations aligned with the Commission's 'Transportation Conversations' document and consideration of the Council goals of Financial Stability and Dependable Infrastructure.

Staff follow-up was summarized in tabular form with a number of discrete elements identified to increase the street preservation program to higher investment levels (Investment Alternatives). The following narrative is most easily understood read alongside Attachment B – Street Maintenance Strategy.

- The Annual revenue required to attain and sustain a PCI of 70, Council's adopted LOS since approximately 2006, is highly dependent upon the prevailing inflation rate. In general terms, staff estimates approximately $5-7 M/year, depending on the rate of inflation. Given the long-term nature of investment in the street network, the inflation rates dramatically change the annual cost requirements.
- Currently the City has $2.8 M available in annual preservation funds. This includes $2.0 M for the Annual Preservation Program, $400 K for the Street Maintenance Division's pavement program, and an estimated $400 from other various roadway restoration projects (i.e. grant projects).
- The funding gap, therefore, is between $2.2 M and $4.2 M/yr.
- It was assumed there will be no single source of revenue in the near future to close that gap.
- Staff developed a four-tiered strategy for increasing funding levels. The details of each tier are included in the attached spreadsheet. The Tiers are:
    - Efficiencies
    - Regulatory and Policy Changes
    - Partnerships
    - New Revenue Sources
- In addition, staff reviewed each of the strategies and placed them in four somewhat additive alternatives based on their relative ease of implementation. These are color-coded on the attached spreadsheet. The alternatives are:
    - Base Program (existing 2009-2014 CIP in the beige column)
    - Administrative Changes made with Council knowledge (recommended in the 2011-2016 CIP in the green column)
    - Changes requiring Council decisions and/or financial impacts to third parties (in the yellow column)

  - Changes requiring State Legislative Action or third party agreements (red column)
- At the February 2010 meeting, Staff recommended and Council approved proceeding with the administrative changes identified in Alternative 1 and of developing a community outreach/involvement strategy for pursuing Alternative 2 – namely the TBD. Input gained from the community outreach could also be applicable in the event legislation is passed for the Street Utility.

In June of 2010, after detailed information regarding the TBD and a recommended community outreach process was developed, staff presented the following proposal to Council.

*Community outreach for the Transportation Benefit District*

Kirkland City Councils have historically supported the preservation and maintenance of existing infrastructure with periodic increases in funding for the street preservation program. These values are reflected by the community in surveys and in various public forums. What had not yet been discussed directly with the Kirkland community however was the need for additional funding toward the preservation of the existing street system. As the decision to implement a TBD was being contemplated by the Kirkland City Council, informing the Community of this need was imperative for their understanding.

Staff proposed the following approach consistent with the "consult" level of Public Participation. This level would afford opportunities for the Community to engage, learn about the importance of the various street maintenance programs and the consequences of not investing in robust maintenance funding levels. It would also provide a sense of the level to which the Community was financially willing to participate in the maintenance of that infrastructure in the event a voted TBD was in Kirkland's future or in the event that state-wide legislation was approved to create Street Utilities. The recommended participation was as follows:

- Staff was to develop a community web page with information on the City's street preservation program:
  - Identify current funding strategies and history
  - Describe the nature of pavement degradation and its long term impacts to the community
  - Outline community surveys and feedback regarding street maintenance priorities
  - Describe the TBD mechanism and anticipated outcomes
- Address various stakeholders including neighborhood associations, Chamber of Commerce, others with public meetings/open house
- Assemble a public service message for the Kirkland TV channel
- Solicit additional feedback through list serve survey feedback

This outreach was to be undertaken with a goal of returning to the Council in the Fall of 2010 with recommendations on a funding level for the TBD. In the fall of 2010, during the final 2011-2012 Budget deliberations based on feedback from a struggling business community, concerns of a "tax weary" public, and the uncertainties associated with the upcoming annexation, the City Council concluded that proceeding with a Transportation Benefit District (TBD) was not appropriate at the

time. The Council removed the assumption of TBD revenues from 2010 and eventually 2011 but requested that staff return after annexation in order to allow them to reconsider the option of a TBD for supplemental transportation funding. Recall that the City Council may adopt a $20/vehicle license fee without a public vote; any amount over that, up to the statute authorized $100 license fee limit or 0.2% local sales tax option, requires a public vote. The TBD outreach was limited to a City web-page development; the presentation and survey were delayed until after the annexation results.

*2011 Post Annexation*

In July 2011, the City Council approved staff moving forward with remaining elements of the Community outreach, specifically addressing various stakeholders including neighborhood associations, the Chamber, and the general public. Staff presented to a number of groups and has received significant feedback as a result of a survey that was provided to those attending the meetings and for those visiting the City web-site (Attachment C). Due to scheduling conflicts, not all neighborhoods were able to participate in the presentation, however survey results have now been received and tabulated for nearly 90 participants. Additionally, editorial and specific comments collected from the stakeholders are now available and have been incorporated into Staff's recommendation to the City Council. In the fall of 2011, the Council also removed the assumption of TBD revenues from the 2012 budget.

*Conclusions*

Survey results indicate the respondents put a very high level of importance on maintaining the Street network; this confirms previous community surveys. Additionally, the feedback suggests that there is a high level of importance to seek new revenue dedicated to the Street Preservation Program. Many of the stakeholders were not convinced that the City had fully considered other efficiencies and utilization of existing funding prior to seeking additional "taxes" from the community; feedback suggests that, to some degree, priorities of the City should be reevaluated such that existing funds be spent on maintenance of existing facilities.

An additional theme that was raised (in particular by business groups) was to also consider maximum "bang for the buck" and show specific outcomes in any proposal. The concern expressed was that a $20 car tab spread throughout the entire city might be perceived to provide little real impact to the backlog and it would be more difficult to demonstrate what residents received for the money invested. The suggestion was to develop a specific project list with a sunset date that served the largest number of people.

Although a variety of responses were received, all 84 respondents provided responses to their level of support for various options. A $20 TBD received nearly 55% support when the survey was completed (Question 5 of the survey):

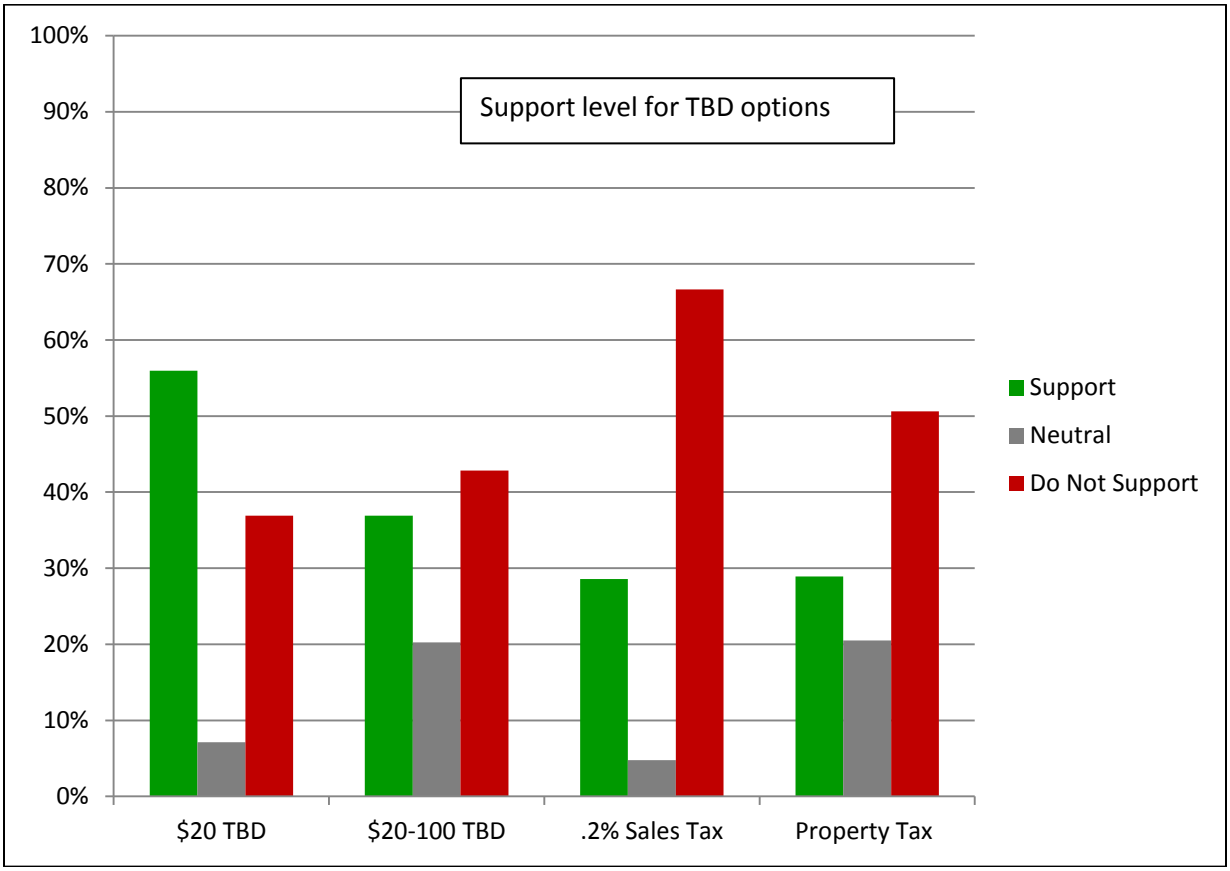



*Figure A – TBD funding level support comparison*

Support for increasing revenue levels beyond $20 fell appreciably, and correspondingly, the number of those that "do not support" the revenue grew.

When applied to the entirety of the "new" City, a $20 TBD is estimated to generate $1.1 million annually in revenue as it becomes fully implemented. Application of this revenue to the entire City roadway network is projected to maintain the overall PCI, however the deferred maintenance (the backlog) would grow from its current approximately $39 million to approximately $62 million (Figure B).

*"Arterials First" Strategy*

As a result of the public feedback and additional analysis, staff is proposing that if the Council proceeds with a $20 car tab, the additional $1.1 million should be focused on the arterials in Kirkland as part of a "restore and protect" strategy. The arterials currently have the lowest PCI in the "old" city and are the most heavily used roadways in both the old and new neighborhoods. Dedicating this new money to the arterials would dramatically increase the current PCI in the old city, protect and preserve the high PCI in the new neighborhoods and provide benefit to the largest number of users. Projects would be specific and residents and businesses could see the direct benefit of their fees. Local streets would continue to receive repair and replacement, but measures such as slurry seal would be more widely utilized. The

chart below shows the PCI impact on this investment for both arterials and local roads. Note that with an "arterials first" strategy, local roads would see a degradation in their overall condition. But success with an arterials strategy could set the stage for a second round of TBD investment in local roads.

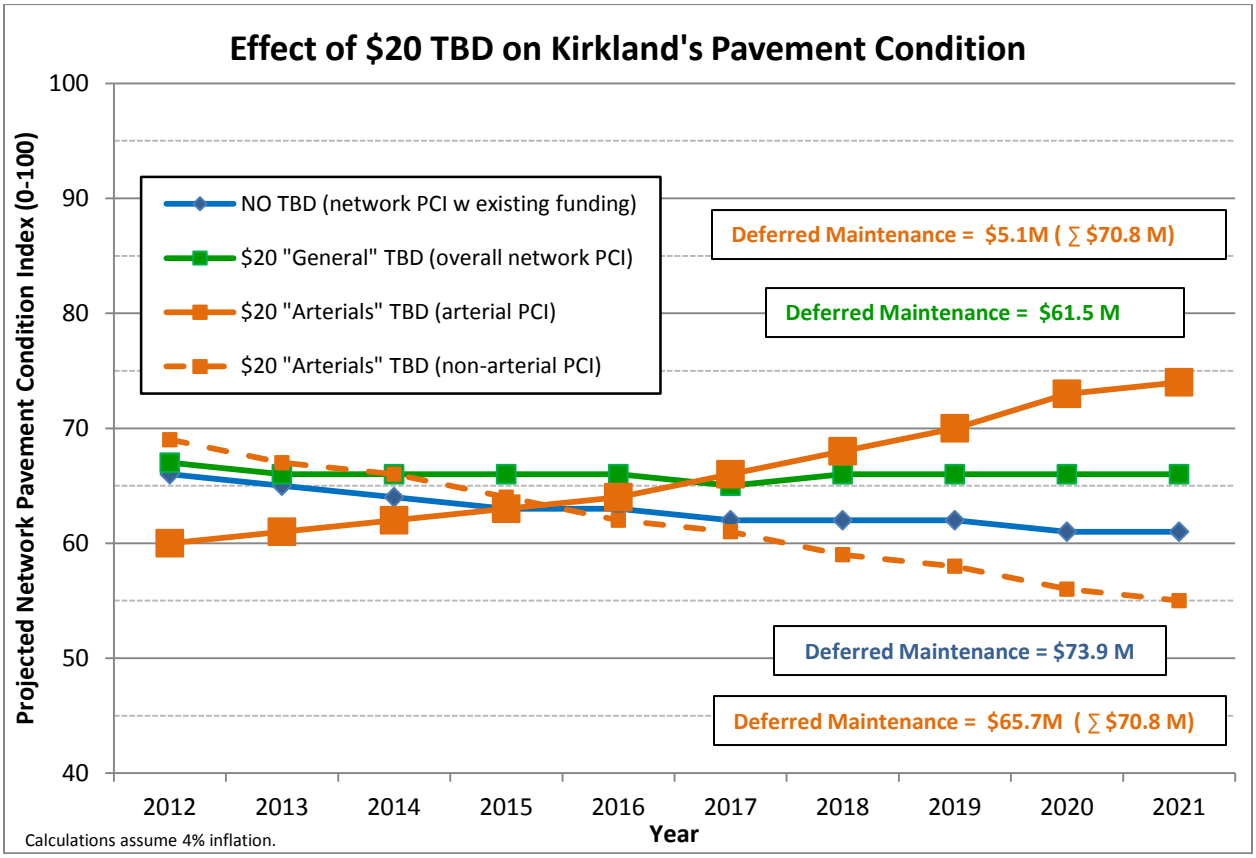



*Figure B – Effect of $20 TBD*

New revenues alone are not the only option. Based on feedback received from the community that includes maintaining the existing system, limiting the increased taxes to $20 (or not increasing them at all), and providing benefit for the largest number of users, a focus on Kirkland's arterial network over the next few years could be accomplished with several different options:

1. Reduce non-motorized funding (currently programmed at $750K annually) and reprioritize those funds to arterial street preservation;
2. Implement a $20 TBD and dedicate the funds for arterials only;
3. Implement up to a $20 TBD plus reprioritize funding for non-motorized improvements for a set period of time with all funds would be dedicated to arterials. This would allow the arterial strategy to be accomplished in a shorter period of time, but at the expense of sidewalks and other non-motorized projects.

These options would all generate somewhat different revenues, however under Option 2 it is likely that a 10-year Arterial TBD would provide sufficient funds to address many critical Kirkland arterials (Attachment D) while still preserving the non-motorized investments. Using King County pavement assessment data from 2009, likely JFK arterials that would be completed (not yet shown on Attachment D) are: 100th Ave from NE 132nd Street north to Juanita-Woodinville Road, Simonds Road NE, portions of 132nd Ave NE in Kingsgate, and Juanita-Woodinville Road north of NE 139th Place. The final scope of arterial improvements will be cost estimated and finalized before the final creation of the TBD.

*Staff recommendation for a $20 car tab*

Staff recommends proceeding with Option 2 if the Council chooses to implement a $20 car tab TBD. Under this scenario, in order to begin generation of revenue in 2013 (Attachment E), staff would begin the process needed to create the TBD as outlined below:

- Define the boundaries of the TBD; staff is proposing that the boundary be defined as the entire Kirkland City Limits;
- Define the transportation improvements; staff will develop language consistent with the RCW's and that used by other local Cities retaining flexibility within the City's current identified programs but focusing on the arterials;
- Define the sources of revenue that will be utilized to fund the improvements;
- By resolution, establish a date for a public hearing for the adoption of a TBD;
- Prepare notification at least 15 days in advance of the hearing;
- Conduct the public hearing;
- Adopt an ordinance creating the TBD;
- File notice with the Washington State DOL (collections will not start for 6 months after this notice and will then be monthly to the City);
- Amend the Municipal Code regarding creation of the TBD;

*Street Preservation and the TBD at the Council Retreat*

In addition to the $20 Council-enacted car tab TBD option, there are also several voter approved options under a TBD. Some members of the public and some Councilmembers have advocated that it is better to bring a larger package to the voters that fixes the entire roads maintenance problem, rather than only portions of it. Staff suggests that the Council should debate the merits of both the $20 car tab and the voter-approved options at the Council retreat in late March. This decision should be evaluated in the context of other potential 2012 ballot measures and the financial environment facing the City after the legislature adjourns.

*Final Street Preservation Decision Timeline*

Whether or not the Council takes up the issue of the TBD at the Council retreat, the 2013/2014 budget process and the implementation timeline for a TBD both require that a decision about whether to proceed with a TBD or a ballot measure be made sometime in April of 2012.

Under the 2013/2014 budget process, April is when the initial capital project list development occurs with the goal of finalizing the CIP in May to bring to the Council in the summer.

Currently there is still an assumption of car tab revenues in the CIP budget for 2013 and beyond. It will be important to know whether to confirm those revenues or remove them in order to properly prioritize the street maintenance projects with the revenue available.

In addition, the TBD Vehicle License fee is administered by the Washington State Department of Licensing (DOL) and cannot be collected until 6 months after the fee is authorized by the TBD governing board (Council). The fee is collected by DOL on vehicle renewals, remitted to the State Treasurer who will then remit the proceeds to the City (TBD) monthly. Therefore, in order to begin collecting revenues by January of 2013, the TBD would need to be established by June of 2012. Even with Council authorization in April it will be difficult to create and implement a TBD by June.

If a 2012 ballot measure is selected as the preferred path, staff would remove the revenue assumptions from the 2013/2014 CIP and would revise the CIP budget in December or January if the measure passes. If the measure were a property tax measure, revenue could be collected starting in 2013. If the ballot measure was for the creation of a TBD, implementation would not occur until mid-2013 and revenue would most likely not be collected until late 2013 or January of 2014.

*Feedback and Direction from Council*

- Does the Council have comments or input on the "arterials first" strategy?
- Does the Council need more information regarding the strategy?
- Should staff continue to refine the arterials strategy as the preferred option for a $20 car tab should the Council elect that option?
- Are there other projects or programs the Council would like to see evaluated in a $20 car tab proposal?
- Does the Council concur with the proposal to make street preservation a Council retreat topic?
- Does the Council concur with the April timeline for a final decision on street preservation revenues?

**Attachment C**

*Figure 45.1*

| Pavement Condition Rating for King County Arterials | | | | | | |
|---|---|---|---|---|---|---|
| Jurisdiction | 2006 Arterial Centerline Miles | 2006 Weighted Overall PCI Score | Pavement Condition Categories | | | |
| | | | Good/Exc (PCI 71-100) | Fair (PCI 50-70) | Poor (PCI 25-49) | Very Poor (PCI <25) |
| Algona | 6.0 | 63 | 45% | 45% | 10% | 0% |
| Auburn | 82.8 | 60 | 53% | 13% | 13% | 21% |
| Beaux Arts | 0.3 | 80 | 64% | 0% | 36% | 0% |
| Bellevue | 124.1 | 79 | 66% | 13% | 18% | 3% |
| Black Diamond | 5.0 | 63 | 90% | 10% | 0% | 0% |
| Bothell | 28.0 | 72 | 59% | 25% | 12% | 4% |
| Burien | 29.3 | 69 | 40% | 51% | 7% | 2% |
| Clyde Hill | 4.2 | 72 | 56% | 33% | 11% | 0% |
| Covington | 8.0 | 61 | 22% | 55% | 23% | 0% |
| Des Moines | 19.4 | 70 | 60% | 21% | 10% | 9% |
| Duvall | 1.5 | 88 | 100% | 0% | 0% | 0% |
| Enumclaw | 11.5 | 59 | 27% | 40% | 33% | 0% |
| Federal Way | 43.6 | 83 | 83% | 13% | 4% | 0% |
| Hunts Point | 1.1 | 95 | 100% | 0% | 0% | 0% |
| Issaquah | 21.0 | 68 | 53% | 28% | 12% | 7% |
| Kenmore | 12.4 | 78 | 70% | 28% | 2% | 0% |
| Kent | 119.0 | 84 | 80% | 10% | 6% | 4% |
| Kirkland | 54.7 | 64 | 40% | 39% | 17% | 4% |
| Lake Forest Park | 5.3 | 64 | 41% | 37% | 22% | 0% |
| Maple Valley | 4.1 | 70 | 64% | 25% | 11% | 0% |
| Medina | 5.8 | 79 | 66% | 34% | 0% | 0% |
| Mercer Island | 24.3 | 79 | 76% | 23% | 1% | 0% |
| Milton | 6.5 | 46 | 10% | 55% | 3% | 32% |
| Newcastle | 9.2 | 59 | 26% | 42% | 32% | 0% |
| Normandy Park | 8.1 | 64 | 36% | 34% | 30% | 0% |
| North Bend | 5.0 | 50 | 28% | 25% | 32% | 15% |
| Pacific | 7.1 | 53 | 15% | 35% | 50% | 0% |
| Redmond | 50.0 | 81 | 74% | 13% | 9% | 4% |
| Renton | 81.7 | 73 | 61% | 16% | 11% | 12% |
| Sammamish | na | na | na | na | na | na |
| SeaTac | 18.6 | 76 | 51% | 22% | 16% | 11% |
| Seattle | 480.0 | 67 | 51% | 26% | 18% | 5% |
| Shoreline | 33.5 | 72 | 64% | 16% | 11% | 9% |
| Skykomish | 1.0 | 26 | 10% | 0% | 13% | 77% |
| Snoqualmie | 1.8 | 49 | 30% | 47% | 18% | 5% |
| Tukwila | 30.3 | 63 | 30% | 47% | 18% | 5% |
| Woodinville | 12.0 | 56 | 30% | 33% | 19% | 18% |
| Yarrow Point | 1.2 | 60 | 30% | 51% | 19% | 0% |
| Unincorporated KC | 541.0 | 83 | 82% | 8% | 3% | 7% |
| **King County Total** | **1,898.4** | **74** | **64%** | **19%** | **11%** | **6%** |

*source: King County Department of Transportation*