



**CITY OF KIRKLAND**  
**Department of Finance & Administration**  
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100  
www.ci.kirkland.wa.us

---

**MEMORANDUM**

**To:** Marilynne Beard, Interim City Manager

**From:** Tracey Dunlap, Director of Finance and Administration  
Carol Wade, Accountant

**Date:** June 4, 2010

**Subject:** 2009 Annual Transportation and Park Impact Fees Report

**RECOMMENDATION:**

City Council accepts the 2009 Annual Transportation and Park Impact Fee Report.

**BACKGROUND DISCUSSION:**

RCW 82.02.070 related to impact fees provides that: "Annually, each county, city or town imposing impact fees shall provide a report on each impact fee account showing the source and amount of all moneys collected, earned, or received and system improvements that were financed in whole or in part by impact fees." This report is presented to the City Council in response to that requirement.

The City began collecting impact fees for transportation in June 1999 and for parks in August 1999. Although impact fees are not required to be tracked and applied to projects by zones per the ordinances, impact fees are being tracked by zones for administrative purposes (see Attachment C for map). Tracking the collection and subsequent transfer of impact fees helps to analyze what area(s) of the city development is occurring in and how funding of future capacity projects is related to the amount of development.

For 2009, \$382,549 in transportation impact fees and \$200,850 in park impact fees were collected. Attachment A summarizes by zone all impact fees that were collected during 2009.

The East zone had the greatest amount of activity which accounted for 71% of transportation impact fees. The two largest developments were Lake Washington Technical College's three story building addition located in the East zone and Trinity at the Beach's four story mixed use building located in the Northwest zone. Multi-family/non-residential development was largely responsible for the transportation impact fees collected from all zones.

Single family development in the Northwest zone contributed about 35% of the total parks-related impact fees collected in 2009. Garden Gate Homes' twelve home single family development within the Northwest zone was the largest park impact fee contributor.

Two transportation projects were funded with transportation impact fees in 2009. In the Northeast zone, NE 120 St Roadway Extension (CST0057000) received \$672,000 and in the Southwest zone, NE 68th/108th Ave Intersection Improvements (CTR0085000) received \$562,000 including transfers from the accumulated impact fee balance.

Park impact fees were used for the Teen Center and McAuliffe Park debt service payments of \$44,650 and \$231,415 respectively.

Attachment B is a cumulative report showing total transportation and park impact fees collected per zone since inception. The development at Evergreen Hospital was largely responsible for the cumulative transportation impact fees collected in the Northeast zone. The Southwest zone includes several large multi-family developments that have contributed to the fees collected in that area. The three primarily residential areas in the East, Northwest and Southwest zones continue to be the source of collections for park impact fees.

The 2009 year end fund balance for transportation impact fees was \$331,459 and for park impact fees was \$111,290. These amounts include interest and are net of impact fee revenues transferred to eligible transportation and park capacity projects and debt service payments, funded in whole or part by impact fees. The City's practice is to allocate impact fee-related revenues to qualifying capital projects in the order that they are received (i.e., first-in, first-out).

The following table shows impact fee revenues expended on projects and debt service payments since 1999.

<b>Year</b>	<b>Project name (Project number)</b>	<b>Transportation</b>	<b>Parks</b>
<b>1999</b>	No CIP projects were funded from impact fees in 1999.		
<b>2000</b>	6th St/Central Way Intersection Improvements (CTR0066000)	\$ 41,072 *	
	NE 68th St/State St Intersection Improvements (CTR0061000)	\$ 18,000	
	NE 85th St/124th Ave Intersection Improvements (CTR0062000)	\$ 21,900	
	NE 124th St/100th Ave Intersection Improvements (CTR0063000)	\$ 17,700	
	NE 132nd St/100th Ave Intersection Improvements (CTR0064000)	\$ 13,200	
<b>2001</b>	118th Ave NE Roadway Extension (CST0060000)	\$ 15,989 *	
<b>2002</b>	No CIP projects were funded from impact fees in 2002.		
<b>2003</b>	NE 124th St/124th Ave Intersection Improvements (CTR0070000)	\$ 50,000	
<b>2004</b>	NE 128th Street/I-405 Overpass (CST0069000)	\$ 500,000	
	NE 124th St/124th Ave Intersection Improvements (CTR0070000)	\$ 100,000	
<b>2005</b>	NE 128th Street/I-405 Overpass (CST0069000)	\$ 267,800	
	NE 124th St/124th Ave Intersection Improvements (CTR0070000)	\$ 329,600	
	Heritage Park Development (CPK0095000)		\$ 40,000 *
<b>2006</b>	NE 124th St/124th Ave Intersection Improvements (CTR0070000)	\$ 499,200	
	NE 120th Street Roadway Extension (CST0057000)	\$ 200,000	
	NE 85th St/132nd Ave NE Intersection Improvement Phase I (CTR0078000)	\$ 107,400	
	NE 85th St/114th Ave Intersection Improvements (CTR0079000)	\$ 302,900	
	NE 85th St/124th Ave NE Intersection Improvements (CTR0062000)	\$ 175,000	
	Heritage Park Development (CPK0095000)		\$ 120,000
<b>2007</b>	124th Ave NE Roadway Improvements (CST0059000)	\$ 89,919 *	
	NE 120th Street Roadway Extension (CST0057000)	\$ 309,000	
	Heritage Park Development (CPK0095000)		\$ 155,000

<b>Year</b>	<b>Project name (Project number)</b>	<b>Transportation</b>	<b>Parks</b>
<b>2008</b>	124th Ave NE Roadway Improvements (CST0059000)	\$ 40,000	
	NE 85th St/132nd Ave NE Intersection Improvement Phase I (CTR0078000)	\$ 279,000	
	NE 68th/108th Ave Intersection Improvements (CTR0085000)	\$ 400,000	
	NE 85th St/114th Ave Intersection Improvements (CTR0079000)	\$ 356,000	
	NE 85th/124th Ave Intersection Improvements (CTR0080000)	\$ 179,000	
	Park Acquisition-Shelton Property (CPK0131001)		\$ 81,573
	Park & Open Space Acquisition Program (CPK0131000)		\$ 367,500
	Teen Center Debt Service Payment		\$ 40,185
	McAuliffe Park Debt Service Payment		\$ 231,365
<b>2009</b>	NE 120th Street Roadway Extension (CST0057000)	\$ 672,000	
	NE 68th/108th Ave Intersection Improvements (CTR0085000)	\$ 562,000	
	Teen Center Debt Service Payment		\$ 44,650
	McAuliffe Park Debt Service Payment		\$ 231,415
<b>Total impact fee revenues transferred to projects through 2009 **</b>		<b>\$ 5,546,680</b>	<b>\$1,311,688</b>

\* The amounts shown are net amounts as funding was returned to the impact fee account for three transportation projects that were completed and had funds remaining (CST0059000, CST0060000 and CTR0066000). For parks, money was reprogrammed from other park projects to the Heritage Park Development (CPK0095000) in 2005.

\*\* Includes transfer of interest on impact fee balances.

It is noteworthy to mention that impact fees were modified following an impact fee rate study in 2007. Effective February 1, 2008, impact fee rates were increased substantially for both transportation and park impact fees. The increase in park impact fees provides for the debt service payment of McAuliffe Park and a portion of the Teen Center beginning in 2008, per the recommendation of the study. Despite the fee increases, 2009 total impact fee collections were less than 2008 due to transportation decreasing by 34% which reflects the significant decline in development activity due to the economic downturn.

Attachments (3)

cc: Dave Snider, Interim Capital Projects Manager  
 Rob Jammerman, Development Engineering Manager  
 Jennifer Schroder, Parks & Community Services Director  
 Michael Cogle, Parks Planning & Development Manager  
 Teresa Swan, Senior Planner  
 Sri Krishnan, Financial Planning Manager

## City of Kirkland

### 2009 Impact Fee Report - Summary

Zone Collected	Amount Collected	
	Transportation	Parks
<b>East</b>		
Multi-Family/Non-Residential	\$248,105	\$0
Single Family Residential	\$25,203	\$26,631
<b><i>Subtotal East</i></b>	<b>\$273,308</b>	<b>\$26,631</b>
<b>Northeast</b>		
Multi-Family/Non-Residential	\$25,902	\$31,470
<b><i>Subtotal Northeast</i></b>	<b>\$25,902</b>	<b>\$31,470</b>
<b>Northwest</b>		
Multi-Family/Non-Residential	\$56,203	\$38,488
Single Family Residential	\$0	\$71,099
<b><i>Subtotal Northwest</i></b>	<b>\$56,203</b>	<b>\$109,587</b>
<b>Southwest</b>		
Multi-Family/Non-Residential	\$15,661	\$28,132
Single Family Residential	\$11,475	\$5,030
<b><i>Subtotal Southwest</i></b>	<b>\$27,136</b>	<b>\$33,162</b>
<b>Total Collected - All Zones</b>	<b>\$382,549</b>	<b>\$200,850</b>

City of Kirkland

**Transportation Impact Fee Tracking - 2009 Revenue**

Date Received	Payer/ApplicantName	Amount Received	Case # (link to P*P)
<b>East - Multi-Family/Non-Residential</b>			
1/8/2009	JOHN CUEVAS	\$3,501	BLD08-00270
1/20/2009	MIA Song	\$13,754	LSM08-00030
7/10/2009	CORP. OF CATHOLIC ARCHBISHOP SEATTL	\$38,346	BLD09-00103
8/18/2009	LAKE WASHINGTON TECHNICAL COLLEGE	\$192,504	BLD09-00074
<b>subtotal:</b>		<b>\$248,105</b>	
<b>East - Single Family Residential</b>			
1/7/2009	CHARLES HAMMOND	\$3,432	BLD08-00559
3/23/2009	2,4,8 CONSTRUCTION LLC	\$3,432	BLD08-00718
3/23/2009	2,4,8 CONSTRUCTION LLC	\$3,432	BLD08-00719
3/23/2009	2,4,8 CONSTRUCTION LLC	\$3,432	BLD08-00720
6/15/2009	VICTOR RAZUMOVICH	\$3,825	BLD09-00018
11/6/2009	DANIEL THONN	\$3,825	BLD09-00178
12/3/2009	KEESLING MAXINE L	\$3,825	BLD09-00310
<b>subtotal:</b>		<b>\$25,203</b>	
<b>Northeast - Multi-Family/Non-Residential</b>			
5/6/2009	HUNT PACIFIC MANAGEMENT CORP	\$12,072	BLD08-00696
5/6/2009	HUNT PACIFIC MANAGEMENT CORP	\$12,072	BLD08-00697
8/4/2009	NICK FOURNARAKIS	\$1,758	BLD08-00110
<b>subtotal:</b>		<b>\$25,902</b>	
<b>Northwest - Multi-Family/Non-Residential</b>			
1/29/2009	MCANDREWS NORTHWEST LLC	(\$8,706)	BLD06-00919
3/18/2009	TRINITY @ THE BEACH LLC	\$49,224	BLD07-00996
3/18/2009	TRINITY @ THE BEACH LLC	\$2,431	BLD07-00996
3/18/2009	TRINITY @ THE BEACH LLC	\$13,254	BLD07-00996
<b>subtotal:</b>		<b>\$56,203</b>	
<b>Southwest - Multi-Family/Non-Residential</b>			
1/16/2009	LINBROOK BUILDING 11 & 12 LLC	\$12,243	BLD08-00710
7/30/2009	WEST WATER REAL ESTATE	\$10,907	BLD09-00231
10/23/2009	NELGROUP PROPERTIES, L.L.C.	\$12,472	BLD09-00257
11/16/2009	FOSTER FOUNDATION	\$3,338	BLD09-00236
12/1/2009	NELGROUP PROPERTIES, L.L.C.	(\$12,472)	BLD09-00257

Date Received	Payer/ApplicantName	Amount Received	Case # (link to P*P)
12/28/2009	BENJAMIN GREENE	(\$10,827)	BLD07-00107
<b>subtotal:</b>		<b>\$15,661</b>	

<b>Southwest - Single Family Residential</b>
----------------------------------------------

10/7/2009	CAMWEST DEVELOPMENT	\$3,825	BLD09-00346
10/9/2009	CAMWEST DEVELOPMENT	\$3,825	BLD09-00371
12/22/2009	CAMWEST NETTLETON COMMONS LLC	\$3,825	BLD09-00434
<b>subtotal:</b>		<b>\$11,475</b>	

---

**Total Transportation Impact Fees: \$382,549**

City of Kirkland

**Park Impact Fee Tracking - 2009 Revenue**

Date Received	Payer/ApplicantName	Amount Received	Case # (link to P*P)
<b>East - Single Family Residential</b>			
1/7/2009	CHARLES HAMMOND	\$3,621	BLD08-00559
3/23/2009	2,4,8 CONSTRUCTION LLC	\$3,621	BLD08-00718
3/23/2009	2,4,8 CONSTRUCTION LLC	\$3,621	BLD08-00719
3/23/2009	2,4,8 CONSTRUCTION LLC	\$3,621	BLD08-00720
5/6/2009	MERIT HOMES	\$612	BLD07-01115
5/6/2009	MERIT HOMES	\$3,845	BLD09-00028
7/28/2009	VICTOR RAZUMOVICH	\$3,845	BLD09-00018
12/3/2009	KEESLING MAXINE L	\$3,845	BLD09-00310
	<b>subtotal:</b>	<b>\$26,631</b>	
<b>Northeast - Multi-Family/Non-Residential</b>			
5/6/2009	HUNT PACIFIC MANAGEMENT CORP	\$15,090	BLD08-00696
5/6/2009	HUNT PACIFIC MANAGEMENT CORP	\$15,090	BLD08-00697
8/4/2009	NICK FOURNARAKIS	\$1,290	BLD08-00110
	<b>subtotal:</b>	<b>\$31,470</b>	
<b>Northwest - Multi-Family/Non-Residential</b>			
3/18/2009	TRINITY @ THE BEACH LLC	\$36,120	BLD07-00996
3/25/2009	THEM VUONG	\$2,368	BLD07-01144
	<b>subtotal:</b>	<b>\$38,488</b>	
<b>Northwest - Single Family Residential</b>			
1/5/2009	SUNDQUIST HOMES, LLC	\$3,621	BLD08-00664
1/5/2009	SUNDQUIST HOMES, LLC	\$3,621	BLD08-00668
1/9/2009	SUNDQUIST HOMES, LLC	\$3,621	BLD08-00673
1/30/2009	SUNDQUIST HOMES, LLC	\$3,621	BLD08-00674
2/4/2009	SUNDQUIST HOMES, LLC	\$3,621	BLD08-00672
2/4/2009	SUNDQUIST HOMES, LLC	\$3,845	BLD08-00676
3/12/2009	SUNDQUIST HOMES, LLC	\$3,621	BLD08-00675
5/27/2009	BRIAN WARNER	\$3,845	BLD09-00081
7/10/2009	BILL SMYTHE	(\$612)	BLD06-00669
8/21/2009	GARDEN GATE HOMES LLC	\$3,845	BLD09-00182
8/21/2009	GARDEN GATE HOMES LLC	\$3,845	BLD09-00183
8/21/2009	GARDEN GATE HOMES LLC	\$3,845	BLD09-00184

Date Received	Payer/ApplicantName	Amount Received	Case # (link to P*P)
8/21/2009	GARDEN GATE HOMES LLC	\$3,845	BLD09-00185
9/9/2009	GARDEN GATE HOMES LLC	\$3,845	BLD09-00276
9/9/2009	GARDEN GATE HOMES LLC	\$3,845	BLD09-00278
9/9/2009	GARDEN GATE HOMES LLC	\$3,845	BLD09-00280
9/9/2009	GARDEN GATE HOMES LLC	\$3,845	BLD09-00282
9/11/2009	GARDEN GATE HOMES LLC	\$3,845	BLD09-00279
9/11/2009	GARDEN GATE HOMES LLC	\$3,845	BLD09-00281
10/28/2009	GARDEN GATE HOMES LLC	\$3,845	BLD09-00334
10/28/2009	GARDEN GATE HOMES LLC	\$3,845	BLD09-00335
12/21/2009	BRIAN WARNER	(\$3,845)	BLD 09-00081
<b>subtotal:</b>		<b>\$71,099</b>	
<b>Southwest - Multi-Family/Non-Residential</b>			
9/17/2009	RDM SRMK 101 LLC	\$28,380	BLD08-00066
12/28/2009	BENJAMIN GREENE	(\$248)	BLD07-00107
<b>subtotal:</b>		<b>\$28,132</b>	
<b>Southwest - Single Family Residential</b>			
10/9/2009	CAMWEST DEVELOPMENT	\$2,515	BLD09-00371
12/22/2009	CAMWEST NETTLETON COMMONS LLC	\$2,515	BLD09-00434
<b>subtotal:</b>		<b>\$5,030</b>	
<b>Total Park Impact Fees:</b>		<b>\$200,850</b>	

**City of Kirkland**  
**Cumulative Impact Fee Report - Summary**  
**1999-2009**

Zone Collected	Amount Collected	
	Transportation	Parks
<b>East</b>		
Multi-Family/Non-Residential	\$1,211,747	\$65,234
Single Family Residential	\$402,711	\$292,577
<b><i>Subtotal East</i></b>	<b>\$1,614,458</b>	<b>\$357,811</b>
<b>Northeast</b>		
Multi-Family/Non-Residential	\$1,441,636	\$31,470
Single Family Residential	\$9,660	\$612
<b><i>Subtotal Northeast</i></b>	<b>\$1,451,296</b>	<b>\$32,082</b>
<b>Northwest</b>		
Multi-Family/Non-Residential	\$626,071	\$309,986
Single Family Residential	\$258,462	\$240,359
<b><i>Subtotal Northwest</i></b>	<b>\$884,533</b>	<b>\$550,345</b>
<b>Southwest</b>		
Multi-Family/Non-Residential	\$1,392,771	\$288,778
Single Family Residential	\$150,437	\$79,134
<b><i>Subtotal Southwest</i></b>	<b>\$1,543,208</b>	<b>\$367,912</b>
<b>Total Collected - All Zones</b>	<b>\$5,493,495</b>	<b>\$1,308,150</b>

