



CITY OF KIRKLAND
Fire & Building Department
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MEMORANDUM

To: Kurt Triplett, City Manager

From: Safety Facilities Steering Team

Date: November 6, 2014

Subject: NORTH KIRKLAND FIRE STATION SITING UPDATE

RECOMMENDATION

It is recommended that City Council:

- Receives an update on the North Kirkland Fire Station Siting (also known as Finn Hill Station Siting) and
- Provides direction on the selection of a site as the preferred location to construct a new fire station.

BACKGROUND INFORMATION:

At the Study Session meeting of August 6, 2014, City Council was presented with the Finn Hill Siting Analysis Report (Report), as prepared by the City's consultant, TCA Architecture & Planning (TCA). The Report evaluated consolidated single station and dual station options. The single station alternative proposed replacing Fire Station 24 and 25 with one station located in the northwest part of the City with a focus on reducing response times primarily on Finn Hill. The consolidated station option would reduce response times in most areas of Finn Hill but would increase response times in some other areas. The dual station model proposed maintaining Fire Station 25 at its current location and building a new station within a specific response coverage area in order to reduce fire and emergency medical service response time in the Finn Hill and Juanita areas of north Kirkland.

The City's consultant identified twenty-two possible sites for consideration by a Station Siting Steering Team (Team) that was formed early in the Report preparation process. The Team, consisting of the consultant with sub-consultants, upper City management staff and representatives from the Finn Hill Neighborhood Association, chose three sites to be presented to City Council for consideration for the consolidated station option. Two additional sites were subsequently added to the list for consideration of a dual station option based on the recommendations contained in the City's Standard of Coverage and Deployment Plan (SOCPD)

At the August 6 Study Session, City Council supported the dual station option in order to provide better response times to more residents without losing any service to Finn Hill and

directed further study of the two added properties on NE 132nd Street and 100th Ave NE. The City Council asked staff to broaden the dual station analysis to other properties in the area. At that same meeting City Council also directed staff to provide:

- More information on response time impacts for added sites and potential traffic impacts,
- Additional information on financing options, and
- A follow-up and/or interpretation of the terms and intent of the Interlocal Agreement between the City and the defunct Fire District 41.

Current List of Potential Sites (Now A – F)

In addition to the two dual station sites identified during the August 6, 2014 Study Session, located on southeast and northwest corners of the intersection of 100th Avenue NE and NE 132nd Street, four additional potential sites are being presented for consideration by City Council. Originally, potential consolidation station sites were identified by numbers 1-22. The added sites under consideration for the dual station option were given the numbers 23 through 28. To avoid confusion with the existing Kirkland Fire Stations and the previous consolidated station sites, the dual station sites have now been reordered by letters A through F instead. All future documents and presentations will refer to the sites by letter. The list of all sites under consideration at this time is now as follows:

Table 1 – Site Locations

Site ID	Address	Area (Acres)
A	9950 NE 132nd St	0.71
B	10007 NE 132nd St	1.40
C	14207 100th Ave NE	2.39
D	14237 & 14239 100th Ave NE	1.09
E1	9820 NE 132nd St	1.09
E2	9820 NE 132nd St	2.52
F	14000 block of 100th Ave NE	1.27

Original New

Site E1 would be a lot line adjustment and purchase of the majority of the parking lot in the southern half of the Rite Aid property. Site E2 would be purchasing the entire Rite Aid property, including the building.

A discussion of the pros and cons of each of these sites will be provided at the study session. Staff analysis indicates that Sites E1, E2 (Rite Aid sites) and Site B (Juanita Community Church) are the most viable options. The goal of the presentation is for the Council to narrow the number of sites and select a final preferred site if possible.

Response Times Comparison for Potential Sites

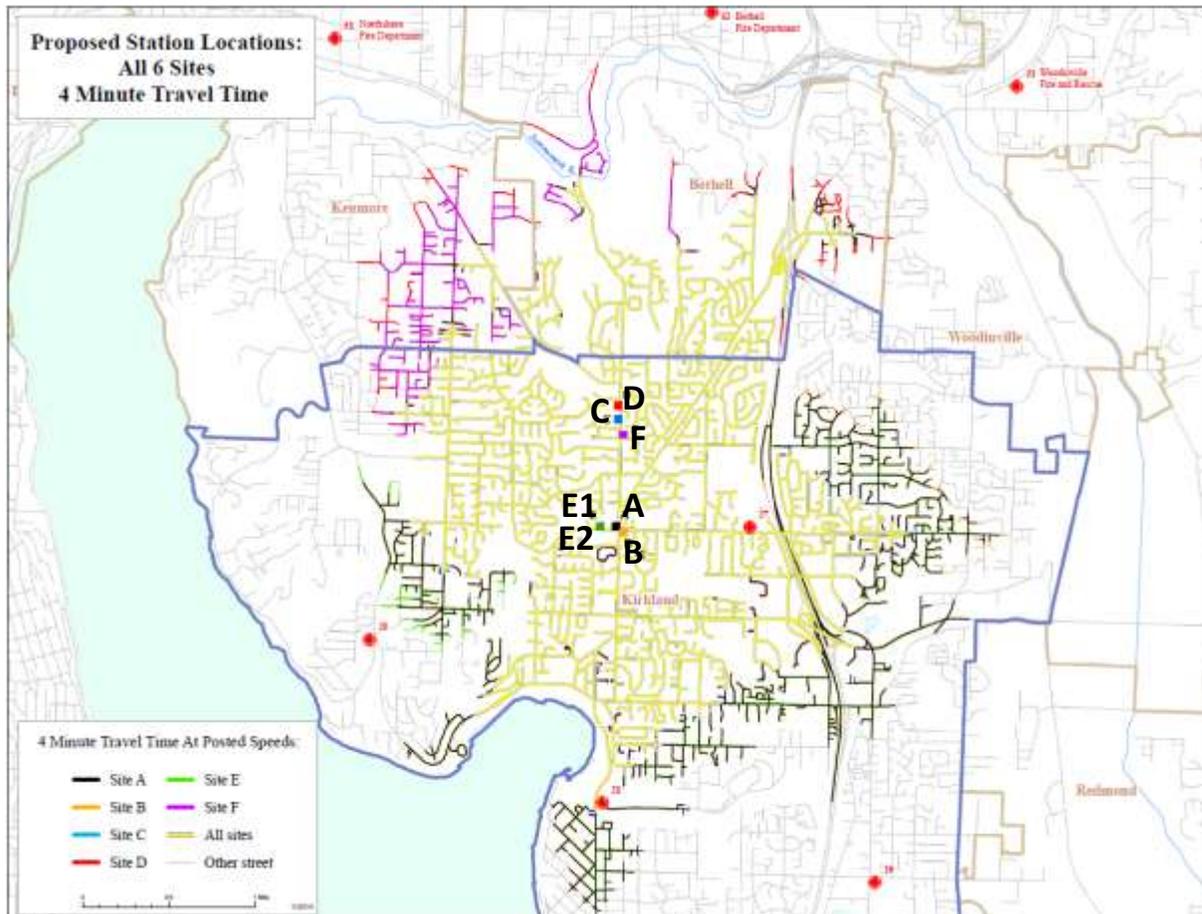


Figure 1: Four Minute Response Map

Figure 1 above shows all six proposed sites each color coded and labeled A through F, as per shown on Legend; the northern Kirkland city boundary is outlined in blue. The colors of the streets shown on the map indicate the distance on those streets that can be reached from each specific site within the adopted four minute emergency response travel time. The yellow-green color in the center is the distance that can be reached from any of the six sites within four minutes. The color of the streets extending beyond the yellow-green color represent the limit for the four minute response from each site.

Analysis of the map shows sites C, D and F (several blocks north of NE 132nd Street) provide improved response to the northwest area of Kirkland and to an area outside of the City of Kirkland border. Sites A, B, E1 and E2 provide improved response to the northwest area of the City in addition to areas within the City of Kirkland to the west, east and south.

Please refer to Attachments A through F for a larger individual view of the Four Minute Travel Response maps for each of the proposed sites.

Estimated Project Costs and Funding

When the District’s original Consolidated Fire Station Project transitioned to the City in 2011, it was funded from approximately \$1.2 million in District cash reserves and \$4 million in limited general obligation debt issued by the District for a total of \$5.2 million. In 2009 the District had a cost estimate produced and, at that time, the rough order of magnitude for the total cost of the Project was \$5.26 million. That cost was based on an 8,406 square foot station with under \$2 million in building costs, plus soft costs of \$1.55 million and approximately \$1.74 million in site development costs. Prior to the City’s assumption of the District, it was operating under the premise that there was not going to be a cost for land. In 2009 and beyond, the District was pursuing two potential sites at a Lake Washington School District property and at Big Finn Hill Park. As a result, the District’s estimate did not include funds for property purchases..

As noted above, the Fire District’s originally envisioned Consolidated Fire Station project did not include a budget for acquiring land, as there were then two potential low or no-cost land options being pursued. In order to bring the District’s 2009 building and site development costs to current dollars, an escalation rate of 17.5% for seven years (2009 to June, 2015) has been applied to the earlier base estimate. The result is a project cost increase of nearly \$1.2 million, with a revised “Base” project total (in today’s dollars) from \$5.26 to \$6.46 million. In addition, the two original “free” sites were subsequently deemed unsuitable and could have only served as consolidated stations sites. Therefore the cost of land acquisition for a new fire station must now be included in updated costs for the Project.

The following table provides the currently estimated range of all Project costs including escalation, site acquisition and building (based on an 8,406 square foot station), together with their respective estimated site development costs and applicable soft costs for the potential sites now under consideration:

Table 2 – Land, Site Development and Building Costs (at 8,406 sq. ft.)

	2009	2015	Site A	Site B	Site C	Site D **	Site E1- Part	Site E2-Full	Site F
	Mid School	Mid School	Gas station	Church	Residential 1	Residential 2	Rite Aid	Rite Aid	Public
Acres			.71 ac	1.4 ac	2.39 ac	1.09 ac	1.09 ac	2.52 ac	1.27 ac
Land	-	-	1,200,000	2,000,000	2,587,500	NA	1,187,010	2,744,280	1,275,000
Site Dev	1,741,347	2,046,083	1,344,338	1,532,393	1,231,835	NA	1,001,606	1,001,606	1,391,238
Bldg (8,406 SF)	1,974,832	2,320,427	2,320,427	2,320,427	2,320,427	NA	2,320,427	2,320,427	2,320,427
Total	3,716,179	4,366,510	4,864,765	5,852,820	6,139,762	NA	4,509,043	6,066,313	4,986,665
Soft Cost 48% *	1,547,788	2,095,924	2,335,086	2,809,353	2,947,085	NA	2,164,340	2,911,829	2,393,598
Grand Total	\$ 5,263,967	\$ 6,462,434	\$ 7,199,851	\$ 8,662,173	\$ 9,086,847	NA	\$ 6,673,383	\$ 8,978,142	\$ 7,380,263
<i>Change from 2009 Base</i>		\$ 1,198,467	\$ 1,935,885	\$ 3,398,206	\$ 3,822,880	NA	\$ 1,409,416	\$ 3,714,176	\$ 2,116,297

* 2009 District soft costs at 41.65%; 2015 escalated/planning number at a more typical 48%

** Deemed too narrow to meet fire station access requirements.

As shown on Table 2, the addition of land costs plus site development and soft costs add a minimum of approximately \$1.41 million (Site E1) to as much as \$3.82 million (Site C) when compared to the District’s 2009 estimated “Base” cost of \$5.26 million without land. For comparison purposes, all cost in Table 2 are for the “Base” 8,406 square foot station originally envisioned by the District, which is now likely too small for current/modern fire station needs and code requirements, as discussed below under Programmatic Requirements.

Traffic Impact Considerations

A cursory review for potential traffic issues has been performed as a part of the Siting Study and no adverse effects have been noted for any of the prospective sites. Despite public perception, fire stations do not generate significant traffic impacts. In 2013, Station 27, the City’s busiest fire station, responded to 3164 fire and emergency medical calls, or less than 10 per day. Station 21 at Forbes Creek Drive responded to 1045 calls in 2013 (less than 3 per day) and Station 25 on Finn Hill responded to 596 calls (less than two per day). The new station will be responding to calls that would have otherwise been taken by 27, 25 and 21, so there may be some shift in which roads are impacted, but not likely any significant increase in overall traffic impacts. However, a full traffic analysis report, as well as a Phase I Environment assessment, will be conducted as part of a formal “due-diligence” property acquisition process.

Programmatic Requirements

In the years that have passed from when District first envisioned a new fire station, National Fire Protection Association (NFPA) recommendations and requirements, State Energy Code requirements, and the recommendations found within the City’s recent Standard of Coverage and Deployment Plan bear out the fact that an 8,406 square foot building is most likely not adequate to provide the programmatic needs of a modern fire station. Current fire station requirements for functionality, disaster preparedness supply storage and other space requirement updates may result in a more practical station size up to 30-40% larger. Such an increase in overall building size could result in an additional increase in overall Project costs in the range of \$850,000 to \$2.8 million, depending on the final programmatic attributes chosen for a new facility, with total project costs as shown in Table 3.

Table 3 – Land, Site Development and Building Costs (at different Program Requirements)

	2009	2015	Site A	Site B	Site C	Site D **	Site E1- Part	Site E2-Full	Site F
	Mid School	Mid School	Gas station	Church	Residential 1	Residential 2	Rite Aid	Rite Aid	Public
Base 8,406 sq. ft	5,263,967	6,462,434	7,199,851	8,662,173	9,086,847	NA	6,673,383	8,978,142.24	7,380,263.20
Low Range Prog. Requirements (\$850K)			8,049,851	9,512,173	9,936,847	NA	7,523,383	9,828,142	8,230,263
High Range Prog. Requirements (\$2.8M)			9,999,851	11,462,173	11,886,847	NA	9,473,383	11,778,142	10,180,263

Staff and the City’s consultant continue to work on the final programmatic station requirements and needs and will return to City Council at a future meeting to discuss those specific elements. No City Council action is being requested on the programmatic aspect of the fire station at the November Study Session; however, staff does confirm that five of the six currently listed prospective sites will support a modern fire station of a size consistent with current national codes and other requirements. Site D cannot accommodate these elements.

Financing Options

As previously stated, the City currently has the former District’s \$5.2 million set aside toward a new North Kirkland fire station. The use of these funds is governed by an Interlocal Agreement (ILA) entered into by the City and the District prior to annexation. The ILA, in part, provides that any proceeds from selling either of the fire station properties formerly owned by Fire District 41 must be used to pay down the outstanding debt; please see more discussion on the ILA below in this memo.

As part of the preliminary 2015-2016 budget, the City Manager recommended setting aside an additional \$3 million in funding toward the fire station project from sales tax receipts above the budgeted amounts based on the one-year lag policy. As outlined above, this recommended amount may still result in a funding gap depending the building's final size and programmatic elements.

There are a variety of approaches that can be considered to close any remaining new station funding gap, as well as the currently unknown costs of retaining and renovating Station 25, including:

- The General Capital Contingency is projected to have a balance at the end of 2016 of about \$4.9 million. A portion of this reserve could be used toward the unfunded costs, however, that would slow the replenishment of General Purpose reserves and potentially provide less flexibility to address unforeseen needs in other capital projects.
- REET revenues have been coming in stronger than budgeted due to the high volume of real estate transactions occurring within the City, resulting in an undesignated REET balance of at least of \$4 million. These funds have not been programmed in anticipation of the Capital Improvement Program process that is planned for 2015 to incorporate the capital needs identified through the Kirkland 2035 process and master plan updates. If these funds are used toward the fire station project, they will not be available to be programmed based on the emerging needs from that process.
- Councilmanic (non-voted) bonds could be issued to fund the shortfall, with debt service being paid using General Fund resources. The on-going debt service would then become a required priority of general fund revenues.
- Voted bonds (an excess levy) could be placed on the ballot for public safety needs that could include this shortfall and other capital needs using 20-year bonds. An excess levy requires a 60% affirmative vote and validation.
- A levy lid lift could be placed on the ballot for public safety needs, requiring a 50%+1 majority, which could be used to support 9-year bonds for the project shortfall and station renovations.

Once a final site is selected, a refined cost estimate for each of the programmatic elements can be produced. Staff will then return to the Council for a decision on which elements, if any, should be included in the final station design and then a final new station budget will be developed.

Interlocal Agreement with Fire District 41

The ILA between Fire District 41 and the City of Kirkland provides for the City to assume responsibility for a "Fire Station Consolidation Project", combining two existing stations (Station 24 and 25) into one central new station located on Finn Hill. As noted above, the Station Consolidation Project was to be funded from approximately \$1.2 million of District cash reserves and \$4 million in limited general obligation debt that the District issued prior to the annexation of the Finn Hill, Juanita and Kingsgate areas.

In the intervening period, the City started and suspended the siting process for a consolidated Finn Hill fire station while it completed the Standard of Coverage and Deployment Plan. These efforts identified an option for constructing and staffing a new Station 24 coupled with leaving Station 25 open and operating as a "dual station" option. The station siting process was then restarted with an evaluation of both the consolidated "single station" and "dual station" options. The cost of either option on any of the sites identified above is significantly more than the current Project budget of \$5.2 million. The current planning-level estimated range for a completed Project, including land and all associated costs, is \$7.5 million to \$11.9 million.

The ILA requires that the proceeds of selling Stations 24 and 25 can only be used to pay down the debt service on the bonds. It also provides that, if the City elects to retain one or both of the stations, the City is required to apply an amount equal to the fair market value of the property to the District's debt service. Such a payment would likely make it financially infeasible to fund the dual station option in the near term. However the intended purpose of the ILA was for the City to build a new fire station to provide better response to the Fire District #41 service area. The Coverage and Deployment Plan identifies the dual station option as the most effective way to provide the fastest response times to the greatest number of residents formerly served by Fire District #41. The dual station option is therefore entirely consistent with the purpose of the ILA. Given the preferred dual station option and the funding shortfall, staff is developing a process for amending the requirement so that any proceeds from the sale of a station can only be used toward the station options under consideration, but not tied to reducing debt service. In addition, the City would like to modify the provision related to retaining a station in the event that Station 25 is not sold and continues to be used to provide services to Finn Hill.

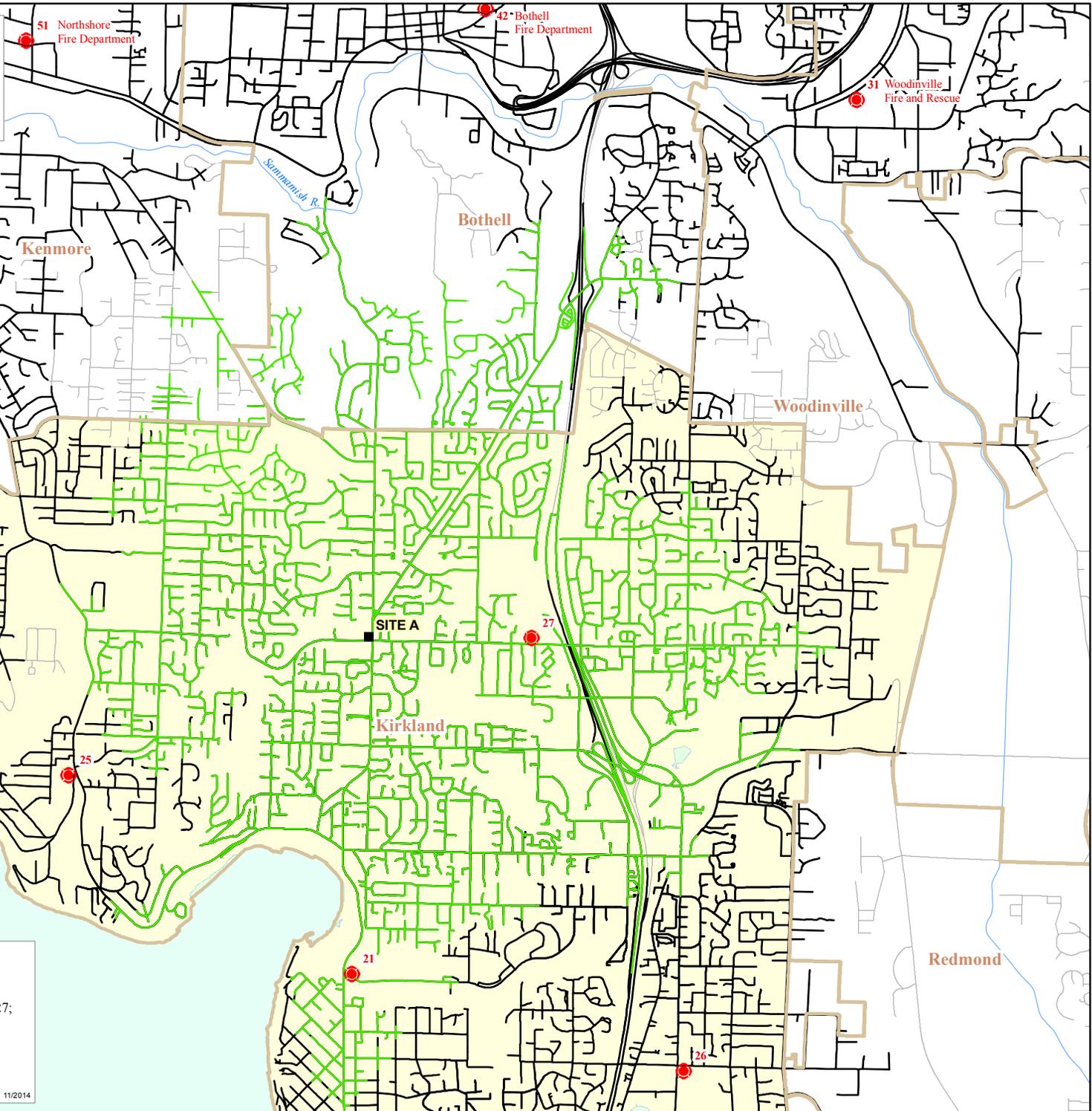
Staff has been in contact with the Bond Counsel of the Fire District to establish a process for revising these provisions. The City Council's only authority as the successor to Fire District 41 is to set the levy associated with outstanding debt. Councilmember Toby Nixon (formerly a Commissioner at Fire District 41) has indicated that the intent of the Fire District was to ensure that funds were applied to enhancing services within the Fire District and that he and the other former Commissioners would be supportive of the changes if that was the outcome. Bond Counsel suggested that the former District Commissioners and the Kirkland City Council hold a public hearing to discuss the changes and jointly agree to modify the provisions. The City has contracted with Bond Counsel to define the specific steps and documents to support this process, which staff expects to bring forward in January 2015. The City would also need to notify the bond holder of the change (it is currently held by an institution), but it is likely that they will not object since it does not in any way impact the security of the revenue source that supports the bonds.

City Council Direction

Staff is seeking City Council direction on a final determination of a preferred site to construct a new fire station in North Kirkland at the November 18, 2014 study Session. Additional discussions regarding programmatic building elements, resultant station sizing and updated costs estimates will be scheduled for future City Council meetings.

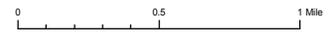
Attachments A – F: Four Minute Travel Time Maps, Sites A - F

**Proposed Station Locations:
Site A
4 Minute Travel Time**



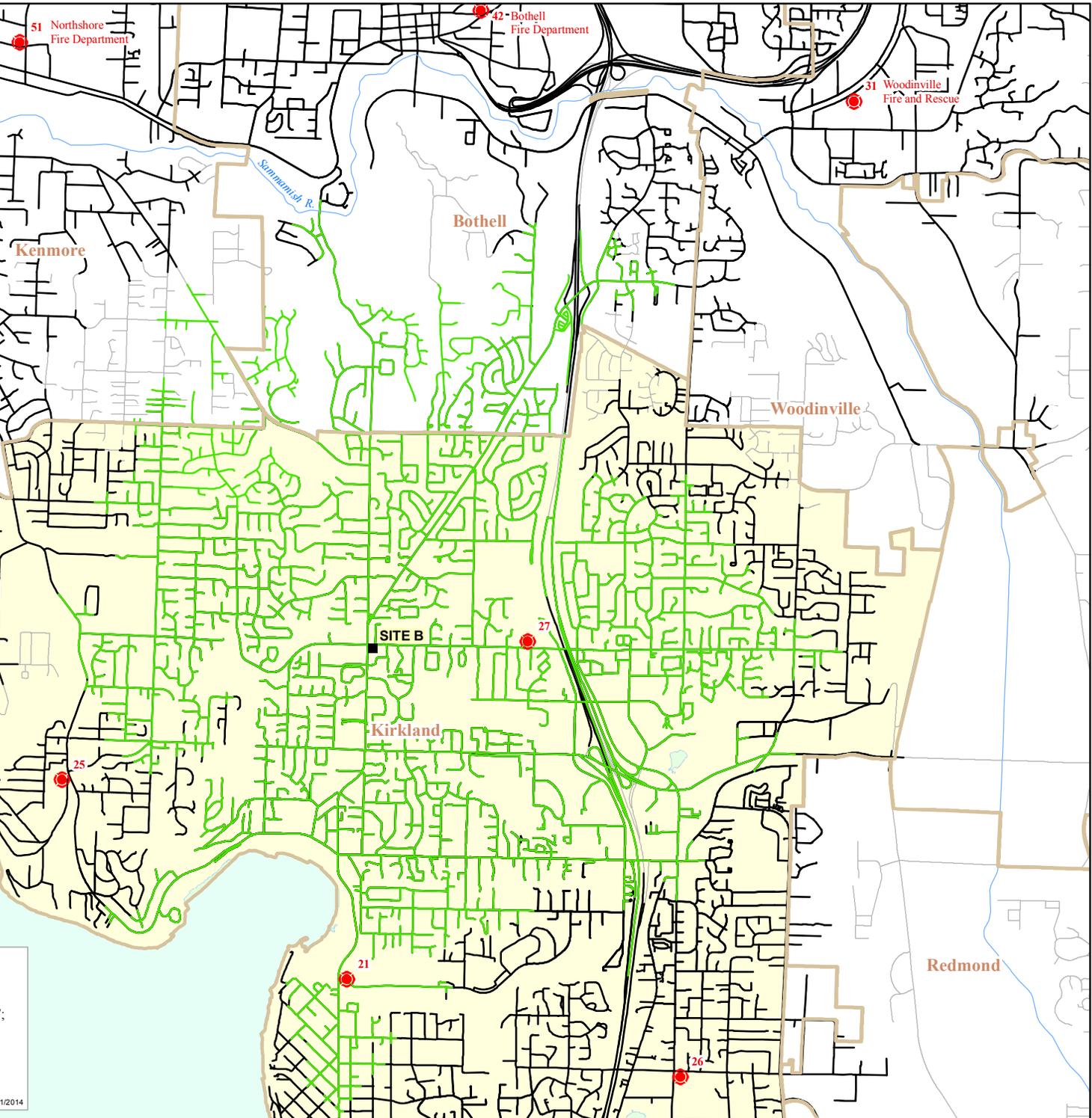
4 Minute Travel Time At Posted Speeds:

- Current coverage: Kirkland stations 21, 25, 26, and 27; NFD Station 51; BFD Station 42; WFR Station 31
- Proposed Site A



11/2014

**Proposed Station Locations:
Site B
4 Minute Travel Time**

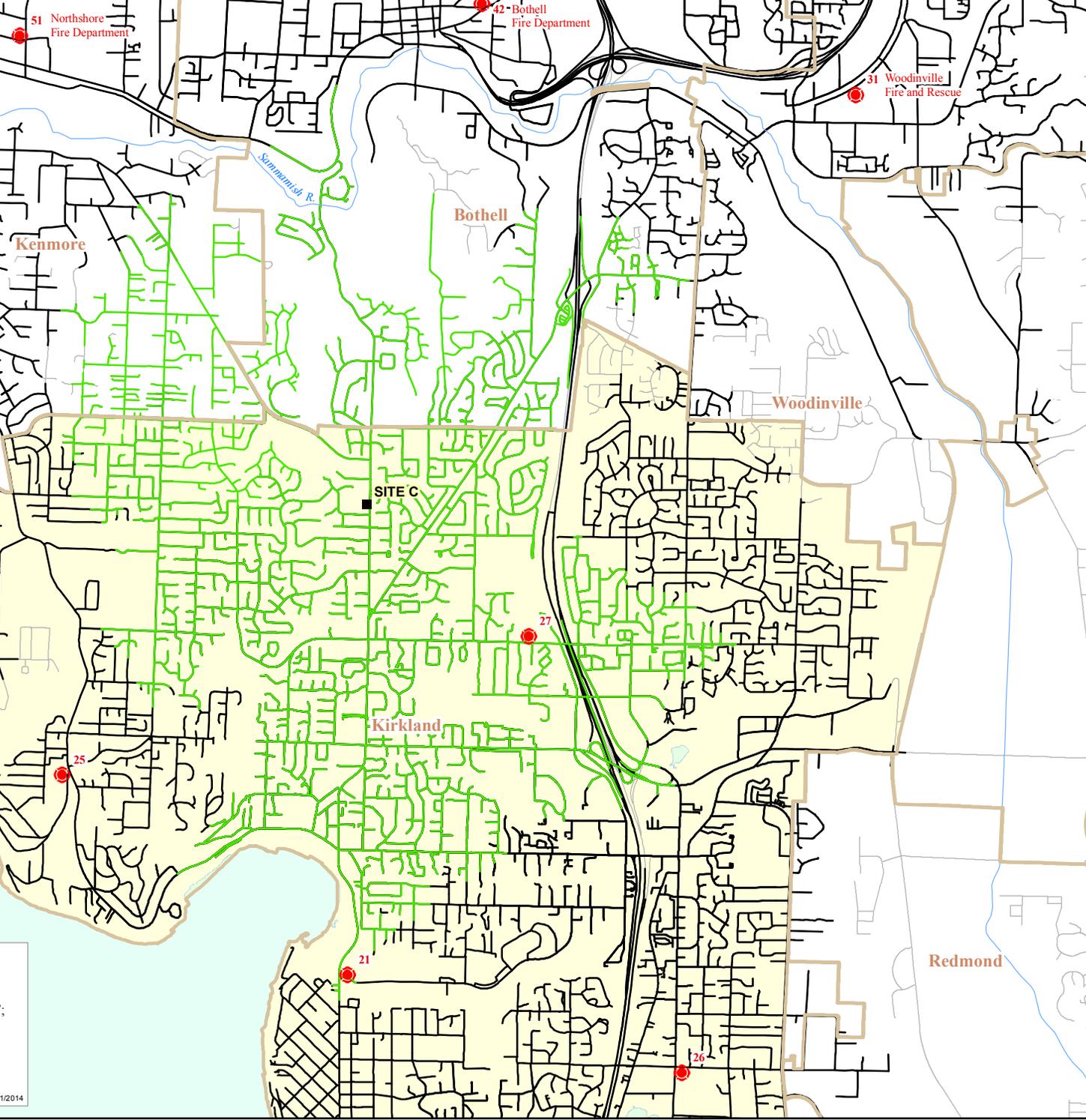


4 Minute Travel Time At Posted Speeds:

- Current coverage: Kirkland stations 21, 25, 26, and 27;
NFD Station 51; BFD Station 42; WFR Station 31
- Proposed Site B

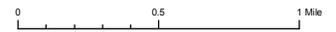
0 0.5 1 Mile
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**Proposed Station Locations:
Site C
4 Minute Travel Time**



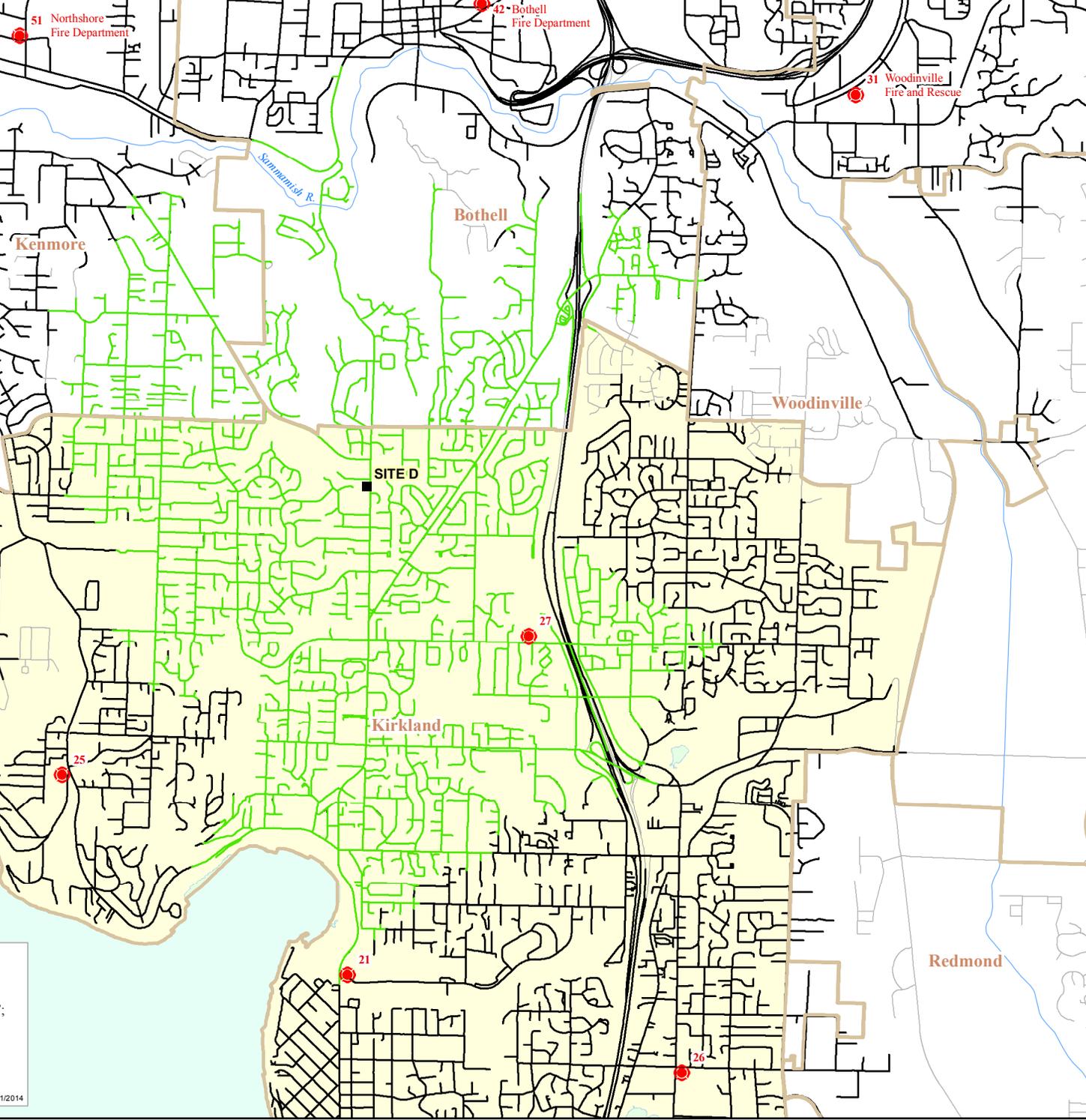
4 Minute Travel Time At Posted Speeds:

- Current coverage: Kirkland stations 21, 25, 26, and 27; NFD Station 51; BFD Station 42; WFR Station 31
- Proposed Site C



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**Proposed Station Locations:
Site D
4 Minute Travel Time**



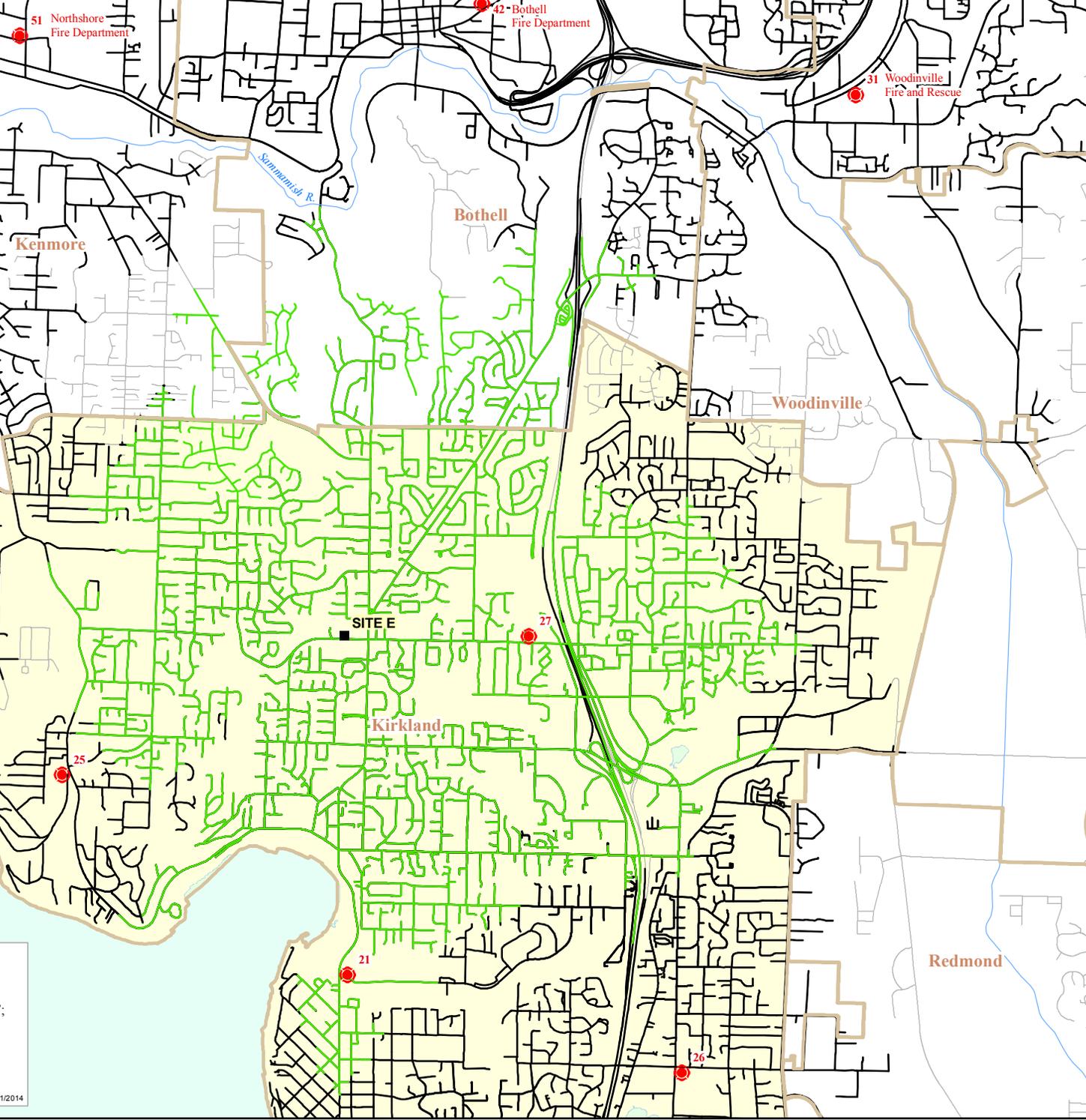
4 Minute Travel Time At Posted Speeds:

- Current coverage: Kirkland stations 21, 25, 26, and 27; NFD Station 51; BFD Station 42; WFR Station 31
- Proposed Site D

0 0.5 1 Mile

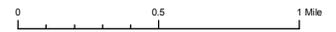
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**Proposed Station Locations:
Site E
4 Minute Travel Time**



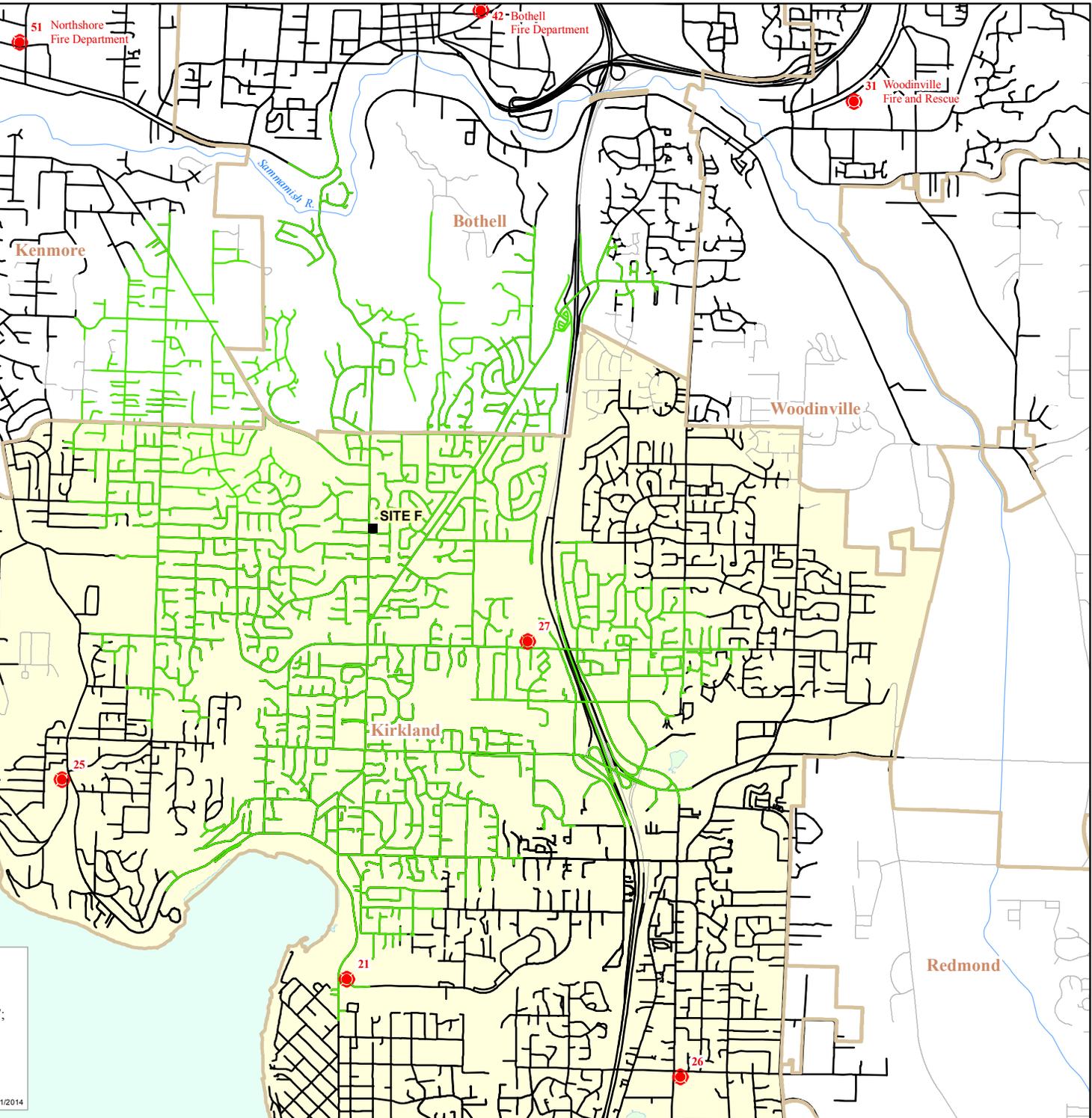
4 Minute Travel Time At Posted Speeds:

- Current coverage: Kirkland stations 21, 25, 26, and 27; NFD Station 51; BFD Station 42; WFR Station 31
- Proposed Site E



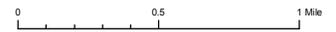
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**Proposed Station Locations:
Site F
4 Minute Travel Time**



4 Minute Travel Time At Posted Speeds:

- Current coverage: Kirkland stations 21, 25, 26, and 27; NFD Station 51; BFD Station 42; WFR Station 31
- Proposed Site F



11/2014