CITY OF KIRKLAND
CITY COUNCIL

Joan McBride, Mayor • Doreen Marchione, Deputy Mayor • Dave Asher • Toby Nixon
Bob Sternoff • Penny Sweet • Amy Walen • Kurt Triplett, City Manager

Vision Statement

Kirkland is an attractive, vibrant and inviting place to live, work and visit.
Our lakefront community is a destination for residents, employees and visitors.
Kirkland is a community with a small-town feel, retaining its sense of history,
while adjusting gracefully to changes in the twenty-first century.

123 Fifth Avenue • Kirkland, Washington 98033-6189 • 425.587.3000 • www.kirklandwa.gov

Item 8. h. (1). is amended

AGENDA
KIRKLAND CITY COUNCIL SPECIAL MEETING
City Council Chamber
Tuesday, December 11, 2012
6:00 p.m. – Study Session
7:30 p.m. – Special Meeting

COUNCIL AGENDA materials are available on the City of Kirkland website www.kirklandwa.gov**.** Information regarding specific agenda topics may also be obtained from the City Clerk's Office on the Friday preceding the Council meeting. You are encouraged to call the City Clerk's Office (425-587-3190) or the City Manager's Office (425-587-3001) if you have any questions concerning City Council meetings, City services, or other municipal matters. The City of Kirkland strives to accommodate people with disabilities. Please contact the City Clerk's Office at 425-587-3190. If you should experience difficulty hearing the proceedings, please bring this to the attention of the Council by raising your hand.

EXECUTIVE SESSIONS may be held by the City Council only for the purposes specified in RCW 42.30.110. These include buying and selling real property, certain personnel issues, and litigation. The Council is permitted by law to have a closed meeting to discuss labor negotiations, including strategy discussions.

ITEMS FROM THE AUDIENCE provides an opportunity for members of the public to address the Council on any subject which is not of a quasi-judicial nature or scheduled for a public hearing. (Items which may not be addressed under Items from the Audience are indicated by an asterisk*.) The Council will receive comments on other issues, whether the matter is otherwise on the agenda for the same meeting or not. Speaker's remarks will be limited to three minutes apiece. No more than three speakers may address the Council on any one subject. However, if both proponents and opponents wish to speak, then up to three proponents and up to three opponents of the matter may address the Council.

1. *CALL TO ORDER*

2. *ROLL CALL*

3. *STUDY SESSION*

   a. 2013-2014 Draft City Work Plan

4. *EXECUTIVE SESSION*

   a. To Review the Performance of a Public Employee

   b. To Discuss Property Acquisition

5. *HONORS AND PROCLAMATIONS*

6. *COMMUNICATIONS*

   a. Announcements

   b. Items from the Audience

   c. Petitions

7. *SPECIAL PRESENTATIONS*

   a. Frederick E. Ulrich – 35-Year Service Award

QUASI-JUDICIAL MATTERS Public comments are not taken on quasi-judicial matters, where the Council acts in the role of judges. The Council is legally required to decide the issue based solely upon information contained in the public record and obtained at special public hearings before the Council. The public record for quasi-judicial matters is developed from testimony at earlier public hearings held before a Hearing Examiner, the Houghton Community Council, or a city board or commission, as well as from written correspondence submitted within certain legal time frames. There are special guidelines for these public hearings and written submittals.

ORDINANCES are legislative acts or local laws. They are the most permanent and binding form of Council action, and may be changed or repealed only by a subsequent ordinance. Ordinances normally become effective five days after the ordinance is published in the City's official newspaper.

RESOLUTIONS are adopted to express the policy of the Council, or to direct certain types of administrative action. A resolution may be changed by adoption of a subsequent resolution.

PUBLIC HEARINGS are held to receive public comment on important matters before the Council. You are welcome to offer your comments after being recognized by the Mayor. After all persons have spoken, the hearing is closed to public comment and the Council proceeds with its deliberation and decision making.

8. *CONSENT CALENDAR*

a. Approval of Minutes:
(1) November 19, 2012 Special Meeting
(2) November 20, 2012 Special Meeting
(3) November 20, 2012

b. Audit of Accounts:
Payroll $
Bills $

c. General Correspondence

(1) Correspondence Regarding Funding the Next Phase of the NE 132nd Street Interchange on I-405

(2) Correspondence Supporting the Washington Tech Cities' Coalition

d. Claims

e. Award of Bids

f. Acceptance of Public Improvements and Establishing Lien Period

(1) 2012 Aging Infrastructure Replacement –Juanita Tributary (Billy Creek) Culvert Slip Lining Project, Pacific Northwest Earthworks, Fall City, Washington

g. Approval of Agreements

h. Other Items of Business

(1) Related Actions for Adopting the 2013-2014 Biennial Budget:

(a) Resolution R-4947, Finding That Special Conditions Exist and Suspending the Reserve Replenishment Principle Restricting the Use of Unplanned Funds.

(b) Resolution R-4948, Adopting the Fiscal Policies for the City of Kirkland.

(c) Ordinance O-4393, Relating to Impact Fees for Changes in Use and Suspending Transportation Impact Fees for Changes of Use That Do Not Result in Increased Floor Area and Amending Section 27.04.035 of the Kirkland Municipal Code.

(d) Ordinance O-4394, Relating to the Revenue Generating Regulatory License Fee (RGRL) and Amending Section 7.02.160(a) of the Kirkland Municipal Code.

(2) Civil Service Commission Reappointments

(3) Remitting Duck Dash Raffle Tax Receipts to Selected Agency

(4) 100th Avenue NE Bicycle Lanes – Request Funding

(5) NE 120th Street Extension Project – Status Update

(6) Six-Year Transportation Improvement Plan – Set Public Hearing Date

(7) Resolution R-4949, Adopting Indigent Defense Standards and Authorizing the City Manager to Execute a Public Defense Contract Incorporating the Standards.

(8) Pay Parking Station Shelters

9. *PUBLIC HEARINGS*

10. *UNFINISHED BUSINESS*

a. Ordinance O-4395, Amending the Biennial Budget for 2011-2012

b. Ordinance O-4396, Adopting the Biennial Budget for 2013-2014.

c. Ordinance O-4397, Establishing the Amount of Property Taxes to be Levied for the Year 2013, the First Year of the City of Kirkland's 2013-2014 Fiscal Biennium and Repealing Ordinance O-4385.

d. Resolution R-4941, Adopting the 2013-2018 Six-Year Capital Improvement Program for the City of Kirkland.

11. *NEW BUSINESS*

NEW BUSINESS consists of items which have not previously been reviewed by the Council, and which may require discussion and policy direction from the Council.

ITEMS FROM THE AUDIENCE Unless it is 10:00 p.m. or later, speakers may continue to address the Council during an additional Items from the Audience period; provided, that the total amount of time allotted for the additional Items from the Audience period shall not exceed 15 minutes. A speaker who addressed the Council during the earlier Items from the Audience period may speak again, and on the same subject, however, speakers who have not yet addressed the Council will be given priority. All other limitations as to time, number of speakers, quasi-judicial matters, and public hearings discussed above shall apply.

a. Annual Comprehensive Planning and Zoning Code Amendments:

(1) City Initiated Comprehensive Plan Amendments:

(a) Ordinance O-4388 and its Summary, Relating to Comprehensive Planning and Land Use and Amending the Comprehensive Plan Ordinance 3481, as Amended, and Approving a Summary for Publication, File No. ZON12-00001.

(2) Commercial Zoning Code Amendments:

(a) Ordinance O-4389 and its Summary, Relating to Comprehensive Planning and Land Use and Amending the Comprehensive Plan Ordinance 3481, as Amended, and Approving a Summary for Publication, File No. ZON11-00042.

(b) Ordinance O-4390 and its Summary, Relating to Zoning, and Land Use and Amending Ordinance No. 3719, as Amended, the Kirkland Zoning Ordinance, to Amend Provisions for Commercial, Residential and Mixed-Use Development in the Neighborhood Business (BN and BNA), Market Street Corridor 2 (MSC 2), Community Business X

(BCX), and Community Business 1 and 2 (BC 1 and BC 2) Zones; to Revise Zoning Code Chapters 92 and 142 to Incorporate Design Review Standards for Development in the BN, BNA, and MSC 2 Zones, to Revise Zoning Code Chapters 105 and 180 to Establish Pedestrian Access Requirements for Development in the BN, BNA, and MSC 2 Zones; and Approving a Summary Ordinance for Publication, File No. ZON11-00042.

(c) Resolution R-4945 Approving Amended Design Guidelines for Pedestrian Oriented Business Districts and Authorizing the Mayor to Sign.

(3) Howard Private Amendment Request:

(a) Ordinance O-4391 and its Summary, Relating to Comprehensive Planning and Land Use and Amending the Comprehensive Plan, Ordinance 3481 as Amended, the Kirkland Zoning Map, Ordinance 3710 as Amended, and the Kirkland Zoning Code, Ordinance 3719 as Amended, as Required by RCW 36.70A.130 to Ensure Continued Compliance With the Growth Management Act and Approving a Summary for Publication, File No. ZON11-00005.

(4) Parker Private Amendment Request:

(a) Ordinance O-4392 and its Summary, Relating to Comprehensive Planning and Land Use and Amending the Comprehensive Plan, Ordinance 3481 as Amended, and Amending Ordinance 3719 as Amended, the Kirkland Zoning Code, as Required by RCW 36.70A.130 to Ensure Continued Compliance With the Growth Management Act and Approving a Summary for Publication, File No. CAM12-00290.

(b) Resolution R-4946 Approving Amended Design Guidelines for Pedestrian Oriented Business Districts and Authorizing the Mayor to Sign.

b. City of Kirkland Draft 2013 Legislative Agenda

12. REPORTS

a. City Council

(1) Regional Issues

b. City Manager

(1) Calendar Update

13. ITEMS FROM THE AUDIENCE

14. ADJOURNMENT

Council Meeting: 12/11/2012
Agenda: Study Session
Item #: 3. a

CITY OF KIRKLAND
123 Fifth Avenue, Kirkland, WA 98033 425.587.3000
www.kirklandwa.gov

MEMORANDUM

To: City Council

From: Kurt Triplett, City Manager

Date: December 4, 2012

Subject: PRELIMINARY DISCUSSION OF THE 2013-2014 CITY WORK PROGRAM

RECOMMENDATION:

City Council reviews the preliminary 2013-2014 City Work Program of major initiatives to be accomplished by the City in the next biennium and provides direction on a final Work Program to be adopted at the January 15, 2013 Council meeting.

BACKGROUND DISCUSSION:

The City Manager recommends that the Council adopts a City Work Program each year. The City Work Program is in addition to the important and daily operations of the City departments. The Work Program identifies the City's priority focus on major cross-departmental efforts with significant financial or policy impacts designed to maintain the public health, safety and quality of life in Kirkland.

The Work Program establishes the "action plan" by which the public can measure the City's success in accomplishing its major policy and administrative goals. The Work Program also communicates to Kirkland's Boards and Commissions the "action plan" priorities.

The purpose and structure of the City Work Program has evolved and improved each year as a result of Council direction and this memo provides a brief recap of those improvements. For 2013-2014 staff is proposing new changes based on feedback from the City Council at the March 23, 2012 Council retreat.

The Council first adopted a 2011 Work Program. Staff produced a progress report on the 2011 Work Program that was presented at the March 23, 2012 Council retreat. A link to that report can be found here.

Also at the March retreat, the Council reviewed the Resolution adopting the 2012 Work Program as well as the Work Program itself and there was much discussion about the purpose of the Work Program and its relation to both the Council adopted Goals and the biennial budget process.

2012 Work Program Link to Council Goals

The Council concluded that the Work Program should implement the Goals the Council chooses to prioritize in that year and in the biennial budget process. The Work Program Resolution was updated to create further linkage between the Goals and the budget, as well as a renewed emphasis on the operational values of regional partnerships, efficiency and accountability. The 2013-2014 budget documents were also reformatted to demonstrate how the budget implements the Goals.

The Council provided direction to emphasize the following Council Goals in 2012:

Economic Development: To attract, retain and grow a diverse and stable economic base that supports city revenues, needed goods and services and jobs for residents.

Financial Stability: Provide a sustainable level of core services that are funded from predictable revenue.

Public Safety: Provide for public safety through a community-based approach that focuses on prevention of problems and a timely response.

Dependable Infrastructure: To maintain levels of service commensurate with growing community requirements at optimum life-cycle costs.

Parks, Open Space and Recreational Services: To provide and maintain natural areas and recreational facilities and opportunities that enhances the health and well-being of the community.

2012 City Work Program Items

The 2012 City Work Program items and language were amended to reflect the corresponding adopted Council Goal for each Work Program item. The Council passed Resolution **R-4914** adopting the Work Program on April 3, 2012. R-4914 included as **Attachment A**. The final 2012 City Work Program items are listed below:

1. Implementing Totem Lake Action Plan regulatory changes, Phase II flooding projects and NE 120th Street construction to revitalize the Totem Lake Business District to further the goal of Economic Development.
2. Completing a Development Agreement and facilitating the permit process for Park Place redevelopment to further the goal of Economic Development.
3. Completing design and permitting of the Public Safety Building and initiating construction bidding to further the goals of Public Safety and Dependable Infrastructure.
4. Completing Phase I utility undergrounding of the 85th Street Corridor Project to further the goal of Dependable Infrastructure.

5. Resolving each of the four Collective Bargaining Agreements currently open in 2012 to further the goal of Financial Stability.
6. Developing partnership initiatives with employees to achieve sustainability of wages and benefits to further the goal of Financial Stability.
7. Adopting a 2013-2014 budget that demonstrates efficient, cost effective services to further the goal of Financial Stability.
8. Evaluating Kirkland's tax and regulatory environment to identify and remove barriers and spur jobs and economic recovery to further the goal of Economic Development.
9. Initiating a programmatic review of Kirkland's planning, building and development services to ensure the appropriate structure to facilitate predictable, effective planning and permitting for economic growth while protecting Kirkland's environment and quality of life to further the goals of Economic Development and Neighborhoods.
10. Initiating a Master Plan and community visioning of the Cross Kirkland Corridor to further the goals of Economic Development, Neighborhoods, Parks and Balanced Transportation.
11. Evaluating and potentially implementing a street maintenance funding initiative to further the goal of Dependable Infrastructure.
12. Evaluating and potentially implementing parks capital project and maintenance ballot measures to further the goal of Parks, Open Space, Recreation.

A progress report on the 2012 Work Program items will be developed by staff and presented to the Council in the first quarter of 2013.

Relationship Between Biennial Budget and Annual Work Program

At the March Council retreat there was considerable discussion around the relationship between the City Work Program and the budget. The two potential frameworks are that the Work Program sets the budget or that the budget drives the Work Program. A further complication is that the City has a biennial budget but the Work Program has been adopted on an annual basis. Both frameworks are valid, but as the City Manager's Office and Finance Department developed the 2013-2014 budget and created links to the Council Goals, it became clear that the budget process was strongly suggesting the next City Work Program, and that a biennial Work Program might be a more effective way to create synergy between the two elements. As a result, during the 2013-2104 budget process, staff included a preliminary two-year City Work Program for Council consideration as part of the budget documents. Those preliminary Work Program items and the related Council Goals are highlighted in the chart below.

Preliminary 2013-2014 Work Program Suggested by 2013-2014 Budget Process

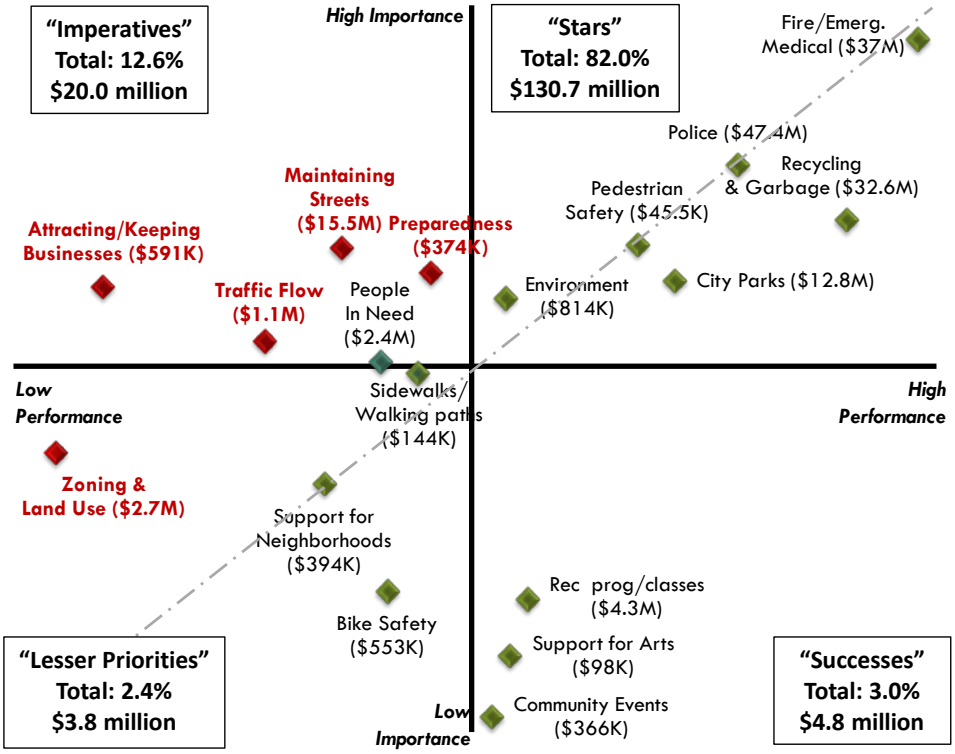
Preliminary Work Program Items	Council Goals	
• **Complete Master Plan and construction of Cross Kirkland Corridor interim trail**	• Balanced Transportation • Parks and Recreation	• Economic Development • Neighborhoods
• **Complete construction of Public Safety Building**	• Public Safety	
• **Continue implementation of Fire Strategic Plan recommendations**	• Public Safety	
• **Complete Comprehensive Plan update and incorporate new neighborhoods into all planning documents**	• Neighborhoods • Balanced Transportation • Parks and Recreation	• Diverse Housing • Economic Development • Dependable Infrastructure
• **Develop a City-wide multimodal Transportation Master Plan**	• Balanced Transportation • Dependable Infrastructure • Economic Development	• Neighborhoods
• **Implement the results of the Development Services Organizational study**	• Economic Development	
• **Continue partnership initiatives with employees to achieve sustainability of wages and benefits**	• Financial Stability	
• **Revitalize Totem Lake through the Totem Lake Action Plan**	• Economic Development • Financial Stability	

Although this chart was included in the budget documents, it was never intended to capture all potential 2013-2014 Work Program initiatives. The Council may wish to further refine the initiatives on this chart, eliminate some and add others.

The "Kirkland Quad Chart" and Community Priorities

The 2013-2014 budget was also built around funding the community priorities that were expressed during the 2012 community survey. The survey results and associated budget investments are summarized on the Kirkland Quad Chart of community priorities and perception of Kirkland's performance that was included with the 2013-2014 budget transmittal. The chart is reproduced below as it may also suggest additional Work Program initiatives to the Council.

Kirkland Quad Chart with 2013-14 Budget



Other Potential 2013-2014 Work Program Initiatives

There are several additional topics the Council might consider including in the Work Program. Some topics that have been raised at various times include:

- Focused Economic Development efforts such as Park Place tenant recruitment and review and revision of the Economic Development chapter of the Comprehensive Plan.

- Evaluation of a Regional Fire Authority or other voter approved methods for implementing the Fire Strategic Plan.

- Initiating a comprehensive zoning code update to reduce complexity.
- Creating a strong link between the street and park levies and the neighborhood organizations, businesses, non-profits, schools and residents to ensure that implementation efforts are fair, equitable and address the priority needs of all the community.
- Reenergizing neighborhoods while at the same time clarifying their purpose and roles related to Planning and Transportation efforts.
- Establishing a stronger relationship between Kirkland and Sound Transit to deliver more transit options to the City sooner, particularly along the Cross Kirkland Corridor.
- Creation and implementation of a federal strategy to deliver infrastructure investments to the City of Kirkland.
- 2015-2016 Budget development.
- Anything else suggested by the Quad Chart or that the Council wishes to consider.

New Initiatives

Throughout the year other issues may arise that also require staff resources and City Council review. The intent of the Work Program is not to preclude new items but to allow the Council and the City Manager to proactively identify the impact of new initiatives on established priorities. Decisions can then be made whether to attempt to accommodate new items or reprioritize the Work Program.

Council Direction

At the study session, staff is seeking review of the 2013-2014 Work Program and direction by the Council. Does the Council concur with the concept of a biennial Work Program? Is there additional information needed on any of the Work Program items? Are there amendments to the Work Program or additional items the Council wishes to add? After receiving direction, Staff will bring back a Resolution and final Work Program for adoption at the January 15, 2013 Council meeting. Once the 2013-2014 City Work Program is adopted, the City staff will develop implementation steps, prioritize resources to achieve the work program, and update the Council on these efforts.

Attachment A: R-4914

RESOLUTION R-4914

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND SETTING PRIORITY GOALS FOR 2012 AND ADOPTING THE 2012 CITY WORK PROGRAM.

WHEREAS, the City Council has adopted ten Goals for the City that articulate key policy and service priorities and guide the allocation of resources for Kirkland through the budget and capital improvement programs; and

WHEREAS, the City Council desires that the 2013-2014 budget document articulate how City departments are implementing the Goals; and

WHEREAS, due to economic conditions and fiscal constraints, equal progress cannot be made on all City Goals at all times and the City Council must prioritize certain Goals at certain times; and

WHEREAS, in 2012 the City Council desires to spur job growth and economic development, retain a high quality of life in Kirkland, and provide efficient, cost-effective City services to an informed and engaged public; and

WHEREAS, to help achieve these purposes in 2012, the Council prioritizes the Goals of Public Safety, Economic Development, Financial Stability, Dependable Infrastructure and Parks; and

WHEREAS, the City Council feels it is appropriate to adopt a 2012 City Work Program to help implement these priority Goals, identify the priority focus of the City of Kirkland's staff and resources, and enable the public to measure the City's success in accomplishing its major policy and administrative goals; and

WHEREAS, the 2012 Work Program is a list of high priority major cross-departmental efforts involving significant financial resources designed to maintain public safety and quality of life in Kirkland, as well as an effective and efficient City government; and

WHEREAS, when new issues require substantial staff resources and City Council review, the adopted 2012 Work Program shall be used to proactively determine whether emerging items can be accommodated, deferred, or if the Work Program must be reprioritized;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The 2012 City Work Program consisting of the following initiatives is adopted:

1. Implementing Totem Lake Action Plan regulatory changes, Phase II flooding projects and NE 120th Street construction to revitalize the Totem Lake Business District to further the goal of **Economic Development**.

2. Completing a Development Agreement and facilitating the permit process for Park Place redevelopment to further the goal of **Economic Development**.

3. Completing design and permitting of the Public Safety Building and initiating construction bidding to further the goals of **Public Safety** and **Dependable Infrastructure**.

4. Completing Phase I utility undergrounding of the 85th Street Corridor Project to further the goal of **Dependable Infrastructure and Economic Development**.

5. Resolving each of the four currently open Collective Bargaining Agreements in 2012 to further the goal of **Financial Stability**.

6. Developing partnership initiatives with employees to achieve sustainability of wages and benefits to further the goal of **Financial Stability**.

7. Adopting a 2013-2014 budget that demonstrates efficient, cost effective services to further the goal of **Financial Stability**.

8. Evaluating Kirkland's tax and regulatory environment to identify and remove barriers and spur jobs and economic recovery to further the goal of **Economic Development**.

9. Initiating a programmatic review of Kirkland's planning, building and development services to ensure the appropriate structure is in place to facilitate predictable, effective planning and permitting for economic growth while protecting Kirkland's environment and quality of life to further the goals of **Economic Development** and **Neighborhoods**.

10. Initiating a Master Plan and community visioning of the Cross Kirkland Corridor to further the goals of **Economic Development, Neighborhoods, Parks** and **Balanced Transportation**.

11. Evaluating and potentially implementing a street maintenance funding initiative to further the goal of **Dependable Infrastructure**

12. Evaluating and potentially implementing parks capital project and maintenance ballot measures to further the goal of **Parks, Open Space, Recreation**.

Section 2. The City organization shall demonstrate the operational values of regional partnerships, efficiency and accountability as the 2013-2014 budget is developed and the 2012 Work Program is implemented.

Section 3. The City Manager is hereby authorized and directed to develop implementation steps and benchmarks for each initiative in the 2012 City Work Program, prioritize resources and efforts to achieve those benchmarks, and periodically update the Council regarding progress on these efforts.

Passed by majority vote of the Kirkland City Council in open meeting this 3rd day of April, 2012.

Signed in authentication thereof this 3rd day of April, 2012.

MAYOR

Attest:

City Clerk

CITY OF KIRKLAND
Fire & Building Department
123 Fifth Avenue, Kirkland, WA 98033 425.587.3000
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: J Kevin Nalder, Director Fire and Building Department

Date: November 27, 2012

Subject: Presentation for 35 Years of Service

The City would like to publicly recognize Ed Ulrich who has dedicated 35 years of service as a member of the Kirkland Fire Department. Ed has demonstrated professionalism and compassion to our community during his career with the City of Kirkland.

Ed serves as an Emergency Medical Technician and was one of the programs pioneers demonstrating in 1978 that firefighters can effectively deliver a life-saving electrical shock to a cardiac arrest patient long before the patient arrives at a hospital for definitive care and treatment. He earned an Associate's Degree in Fire Command and Administration from Bellevue Community College. He is a founding member of the Eastside Hazardous Materials Response Team. Ed has been the Department Training Office and has continued instructing firefighters in Driver Training and testing, as well as Emergency Vehicle Incident Prevention, Hazardous Materials Awareness and Operations at the company level. Ed also maintains the Departments gas and hazardous atmosphere detectors. Ed currently serves as the Chair of the Kirkland Fire Department Health & Safety Committee.

CITY OF KIRKLAND
CITY COUNCIL

Council Meeting: 12/11/2012
Agenda: Approval of Minutes
Item #: 8. a. (1).

Joan McBride, Mayor • Doreen Marchione, Deputy Mayor • Dave Asher • Toby Nixon
Bob Sternoff • Penny Sweet • Amy Walen • Kurt Triplett, City Manager

Vision Statement
Kirkland is an attractive, vibrant, and inviting place to live, work and visit.
Our lakefront community is a destination for residents, employees and visitors.
Kirkland is a community with a small-town feel, retaining its sense of history,
while adjusting gracefully to changes in the twenty-first century.

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KIRKLAND CITY COUNCIL
NORTH ROSE HILL NEIGHBORHOOD
SPECIAL MEETING

North Rose Hill Fire Station
9930 124th Avenue N.E.

Monday, November 19, 2012
7:00 – 8:45 p.m.

6:45 – 7:00 p.m.	1.	Informal Casual Conversations
7:00 – 7:05 p.m.	2.	Welcome and Introduction – Mayor Joan McBride
7:05 – 7:10 p.m.	3.	Comments from North Rose Hill Neighborhood Chair - Margaret Carnegie
7:10 – 7:30 p.m.	4.	Introductions from City Council Members
7:30 – 8:45 p.m.	5.	General Discussion and Questions from the Audience
8:45 p.m.	6.	Adjourn
8:45 – 9:00 p.m.	7.	Social Time

Mayor Joan McBride called the November 19, 2012 Kirkland City Council Special Meeting to order at 7:03 p.m. The following members of the City Council were present: Mayor Joan McBride, Deputy Mayor Doreen Marchione, Councilmembers Dave Asher, Toby Nixon, Bob Sternoff, Penny Sweet and Amy Walen.

The Kirkland City Council Special Meeting was adjourned at 8:45 p.m.

_____ _____
City Clerk Mayor

KIRKLAND CITY COUNCIL SPECIAL MEETING

Minutes

November 20, 2012

1. CALL TO ORDER

Mayor McBride called the Special Meeting of the Kirkland City Council to order at 5:30 p.m.

2. ROLL CALL

Members Present: Mayor Joan McBride, Deputy Mayor Doreen Marchione, Councilmembers Dave Asher, Toby Nixon, Bob Sternoff, Penny Sweet. and Amy Walen.

3. CULTURAL ARTS COMMISSION INTERVIEW

a. Rachel Roberts

4. SELECTION AND APPOINTMENT OF CULTURAL ARTS COMMISSION MEMBER

Following discussion of the applicant's qualifications, Councilmember Walen moved to appoint Rachel Roberts to an unexpired two-year term ending 3/31/2013 on the Cultural Arts Commission. Councilmember Sternoff seconded the motion, which passed unanimously.

5. ADJOURNMENT

The November 20, 2012 Special Meeting of the Kirkland City Council was adjourned at 5:55 p.m.

City Clerk

Mayor

KIRKLAND CITY COUNCIL REGULAR MEETING MINUTES
November 20, 2012

1. CALL TO ORDER

2. ROLL CALL

ROLL CALL:
Members Present: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.
Members Absent: None.

3. STUDY SESSION

a. Transportation Concurrency Discussion

Joining Councilmembers for this discussion were City Manager Kurt Triplett, Public Works Director Ray Steiger, Transportation Engineering Manager Dave Godfrey, Transportation Commission Chair Joel Pfundt and Vice Chair Sandeep Singhal.

4. EXECUTIVE SESSION

a. To Discuss Pending Litigation

b. To Review the Performance of a Public Employee

Mayor McBride announced at 6:45 p.m. that Council would enter into executive session to discuss pending litigation and to review the performance of a public employee and would return to regular meeting at 7:30 p.m.

City Clerk Kathi Anderson announced at 7:30 p.m. that Council would require additional time and would return at 7:35 p.m., which they did, resuming the regular meeting at 7:40 p.m.

5. HONORS AND PROCLAMATIONS

6. COMMUNICATIONS

a. Announcements

b. Items from the Audience

Tom Grimm
Peter Powell

Jack Arndt
Larry Abner
Eric Evans
Justin Stewart
Lobsang Dargey

c. Petitions

7. SPECIAL PRESENTATIONS

8. CONSENT CALENDAR

a. Approval of Minutes: November 7, 2012

b. Audit of Accounts:
Payroll $2,635,307.76
Bills $2,367,538.87
run #1146 checks #538950 - 538976
run #1147 checks #538979 - 539097
run #1148 checks #539098 - 539113
run #1149 checks #539140 - 539264
run #1150 checks #539265 - 539279

c. General Correspondence

d. Claims

A claim from Robert Martin was acknowledged.

e. Award of Bids

f. Acceptance of Public Improvements and Establishing Lien Period

(1) NE 68th Street and 108th Avenue NE Intersection Improvement Project Sanders General Construction, Maple Valley, Washington

g. Approval of Agreements

h. Other Items of Business

(1) Resolution R-4942, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING THE CITY OF KIRKLAND'S ALLOCATION FOR THE NORTH EAST KING COUNTY REGIONAL PUBLIC SAFETY COMMUNICATIONS AGENCY (NORCOM) BUDGET."

(2) Ordinance O-4382 and its Summary, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO AMENDMENT OF ORDINANCE O-4299 OF THE CITY OF KIRKLAND RELATING TO GRANTING WOODINVILLE WATER

DISTRICT, A WASHINGTON MUNICIPAL CORPORATION, THE RIGHT, PRIVILEGE, AUTHORITY AND FRANCHISE TO CONSTRUCT AND MAINTAIN, REPAIR, REPLACE, OPERATE UPON, OVER, UNDER, ALONG AND ACROSS THE FRANCHISE AREA WATER AND SEWER FACILITIES FOR PURPOSES OF ITS WATER AND SEWER UTILITY BUSINESS."

(3) Resolution R-4943, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND RELATING TO THE CROSS KIRKLAND CORRIDOR AND THE CITY'S STORMWATER UTILITY, AND AUTHORIZING USE OF THE CROSS KIRKLAND CORRIDOR FOR STORMWATER PURPOSES."

(4) Surplus and Disposal of Equipment Rental Vehicles

(5) Report on Procurement Activities

Fleet #	Model Year	Make	VIN/Serial Number	License #	Mileage
PU-57	2005	Chevrolet Express Van	1GCFH15T95188448	39477D	179,039
P09-05	2009	Ford Crown Victoria	2FAHP71V49X121703	49173D	91,507
BG-3X	2000	John Deere Field Rake	TC1200A110274	N/A	N/A

Motion to Approve the Consent Calendar.
Moved by Councilmember Penny Sweet, seconded by Deputy Mayor Doreen Marchione
Vote: Motion carried 7-0
Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

9. PUBLIC HEARINGS

a. Preliminary Property Tax Levy:

(1) Ordinance O-4385, Establishing the Amount of Property Taxes to be Levied for the Year 2013, the First Year of the City of Kirkland's 2013-2014 Fiscal Biennium.

Mayor McBride opened the public hearing. Finance and Administration Director Tracey Dunlap provided background information and outlined next steps. No further testimony was offered and the Mayor closed the hearing.

Motion to Approve Ordinance O-4385, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND ESTABLISHING THE AMOUNT OF PROPERTY TAXES TO BE LEVIED FOR THE YEAR 2013, THE FIRST YEAR OF THE CITY OF KIRKLAND'S 2013-2014 FISCAL BIENNIUM."
Moved by Councilmember Dave Asher, seconded by Councilmember Penny Sweet

Vote: Motion carried 7-0
Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

b. Preliminary Property Tax Levy Fire District 41:

(1) Ordinance O-4386, Establishing the Amount of Property Taxes to be Levied for the Year 2013, to Pay the Fire District 41 Debt Service Assumed as a Result of Annexation of the North Juanita, Finn Hill, and Kingsgate Neighborhoods on June 1, 2011.

Mayor McBride opened the public hearing. No testimony was offered and the Mayor closed the hearing.

Motion to Approve Ordinance O-4386, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND ESTABLISHING THE AMOUNT OF PROPERTY TAXES TO BE LEVIED FOR THE YEAR 2013, TO PAY THE FIRE DISTRICT 41 DEBT SERVICE ASSUMED AS A RESULT OF ANNEXATION OF THE NORTH JUANITA, FINN HILL, AND KINGSGATE NEIGHBORHOODS ON JUNE 1, 2011."
Moved by Councilmember Toby Nixon, seconded by Deputy Mayor Doreen Marchione
Vote: Motion carried 7-0
Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

c. 2013-2014 Biennial Budget

Mayor McBride opened the public hearing. Finance and Administration Director Tracey Dunlap summarized the deliberations to date, changes made since the last public hearing and requested confirmation of that summary and any further direction from the Council. No further testimony was offered and the Mayor closed the hearing.

10. UNFINISHED BUSINESS

a. 2013 to 2018 Capital Improvement Program

Chief Information Officer Brenda Cooper introduced GIS Administrator Xiaoning Jiang who demonstrated an example of future software enhancements which will provide advanced linked mapping of Capital Improvement projects. Finance and Administration Director Tracey Dunlap then reviewed changes that have been made to the CIP document since last discussed and additional proposed changes and responded to Council questions and comment.

b. Resolution R-4940, Authorizing the City Manager to Sign a Settlement Agreement Between Lobsang Dargey and Tamara Agassi Dargey, Potala Village Kirkland, LLC,

and the City of Kirkland to Settle Litigation Over Plaintiffs' Challenge of the City's Moratorium as it Relates to Plaintiffs' Development of the Potala Village Project.

No action was taken on the resolution.

c. Ordinance O-4387, Relating to Land Use and Zoning, Terminating a Moratorium Within Neighborhood Business (BN) Zones on the Acceptance of Applications for the Review and Issuance of Development Permits for Any New Development, Additions or Alterations.

No action was taken on the Ordinance.

Motion to ask staff to bring back changes to the BN zoning reflecting 48 units per acre at Council's December 11, 2012 special meeting for Council consideration.
Moved by Deputy Mayor Doreen Marchione, seconded by Councilmember Penny Sweet
Vote: Motion carried 5-2
Yes: Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Penny Sweet, and Councilmember Amy Walen.
No: Councilmember Dave Asher, and Councilmember Bob Sternoff.

Council recessed for a short break.

11. NEW BUSINESS

a. Resolution R-4944, Approving the Issuance of a Process IIB Permit as Applied for in Department of Planning and Community Development File No. ZON12-00659 by Steve Lee for Kirkland Children's School Being Within a RS 8.5 Zone, and Setting Forth Conditions to Which Such Process IIb Permit Shall be Subject.

The Council was provided an opportunity to disclose any previous ex-parte communication the Council may have had with the applicant; they had none. Associate Planner Tony Leavitt then presented background information on the permit application and responded to Council questions.

Motion to suspend Council rule of procedure, section 26, to allow a vote on the matter at this evening's meeting.
Moved by Councilmember Bob Sternoff, seconded by Councilmember Dave Asher
Vote: Motion carried 7-0
Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

Motion to Approve Resolution R-4944, entitled "A RESOLUTION OF THE CITY OF KIRKLAND APPROVING THE ISSUANCE OF A PROCESS IIB PERMIT AS APPLIED FOR IN DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT FILE NO. ZON12-00659 BY STEVE LEE FOR KIRKLAND CHILDREN'S SCHOOL BEING WITHIN A RS 8.5 ZONE, AND SETTING FORTH CONDITIONS TO WHICH SUCH PROCESS IIB PERMIT SHALL BE SUBJECT."

Moved by Councilmember Bob Sternoff, seconded by Deputy Mayor Doreen Marchione
Vote: Motion carried 7-0
Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

b. Ordinance O-4383 and its Summary, Relating to Transportation and Park Impact Fee Exemptions for Creation or Construction of Low-Income Housing and Amending Kirkland Municipal Code Chapters 27.04 and 27.06.

Planning and Community Development Director Eric Shields explained the parameters of the proposed ordinance.

Motion to Approve Ordinance O-4383 and its Summary, entitled "AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO TRANSPORTATION AND PARK IMPACT FEE EXEMPTIONS FOR CREATION OR CONSTRUCTION OF LOW-INCOME HOUSING AND AMENDING KIRKLAND MUNICIPAL CODE CHAPTERS 27.04 AND 27.06."
Moved by Deputy Mayor Doreen Marchione, seconded by Councilmember Bob Sternoff
Vote: Motion carried 7-0
Yes: Councilmember Dave Asher, Deputy Mayor Doreen Marchione, Mayor Joan McBride, Councilmember Toby Nixon, Councilmember Bob Sternoff, Councilmember Penny Sweet, and Councilmember Amy Walen.

12. REPORTS

a. City Council

(1) Regional Issues

Councilmembers shared information about a recent Puget Sound Regional Council Growth Management Policy Board meeting; Sound Cities Association dinner; Economic Development Council of King County (formerly known as enterpriseSeattle) meeting; Puget Sound Regional Council Transportation Policy Board meeting; Cascade Water Alliance Public Policy meeting; Emergency Management Advisory Committee meeting; Nourishing Networks Institute's 2nd Annual Thanksgiving Summit; Operation Spirit of Christmas; Kiwanis Christmas Tree lot opening; Councilmember Nixon's participation on a panel at the Washington State Association of Counties annual conference; Northwest University dinner; 14th CERT final exercise and upcoming class graduation; Association of Washington Cities Legislative Committee meeting; appointment of Jean White as acting coordinator of all Water Resource Inventory Areas (WRIA) in King County; upcoming Eastside Human Services annual meeting; Assistance League of the Eastside Celebration Holiday Home Tour; and the recent passing of longtime Park Board member Bob Kamuda. In addition, the Mayor extended

her thankfulness to fellow Councilmembers and City staff for the great job they do along with wishes for a happy Thanksgiving.

b. City Manager

(1) Calendar Update

13. ITEMS FROM THE AUDIENCE

None.

14. ADJOURNMENT

The Kirkland City Council regular meeting of November 20, 2012 was adjourned at 9:36 p.m.

City Clerk

Mayor

CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Lorrie McKay, Intergovernmental Relations Manager

Date: November 27, 2012

Subject: LETTER REQUESTING $5 MILLION IN THE STATE TRANSPORTATION BUDGET TO FUND THE NEXT PHASE OF THE NE 132ND STREET INTERCHANGE ON I-405

RECOMMENDATION:

It is recommended that the City Council authorizes the Mayor to sign a letter requesting $5 million in the state transportation budget in order to fund the next phase of the NE 132nd Street interchange on I-405. (Attachment A).

BACKGROUND DISCUSSION:

The NE 132nd Street interchange project was originally funded at $60 million in the 2005 budget, and was to be constructed by 2018. Now, the project is not slated for additional funding until 2025, which puts at risk major economic redevelopment efforts in the Totem Lake Urban Center.

The interchange, part of the I-405 Master Plan, is at 5 percent completion now. The $5 million requested would allow for further planning, environmental and design work allowing the project to be ready for construction.

This funding need and request is included in the City of Kirkland's DRAFT 2013 Legislative Agenda for consideration at the Council meeting on December 11. Staff recommends the funding request letter be finalized and sent to the Chair of the House Transportation Committee prior to formal approval of the legislative agenda.

Attachments:
A. Draft Request letter
B. Area Map
C. Fact Sheet

December 12, 2012 **D R A F T**

The Honorable Judy Clibborn, Chair
House Transportation Committee
P.O. Box 40600
Olympia, WA 98504

RE: City of Kirkland Transportation Project: NE 132nd Interchange

Dear Chair Clibborn:

Thank you for meeting with the Kirkland City Council's Legislative Committee and staff in October. We enjoyed talking with you and appreciated your advice on the issues we discussed.

As you suggested, we are submitting a request for $5 million in the state transportation budget in order to fund the next phase of the NE 132nd Street interchange on I-405. The project was originally funded at $60 million in the 2005 budget, and was to be constructed by 2018. Now, the project is not slated for additional funding until 2025, which puts at risk major economic redevelopment efforts in the Totem Lake Urban Center.

The interchange, part of the I-405 Master Plan, is at 5 percent completion now. The $5 million requested would allow for further planning, environmental and design work allowing the project to be ready for construction.

Funds were originally prioritized because the Totem Lake Urban Center is an integral part in the City's plan to revitalize this area to boost economic development and create jobs. Improved freeway access is critical to the redevelopment of the Totem Lake area.

Given the importance of the project to the local and regional economy, the City of Kirkland respectfully asks your consideration of our funding request.

Sincerely,
City of Kirkland

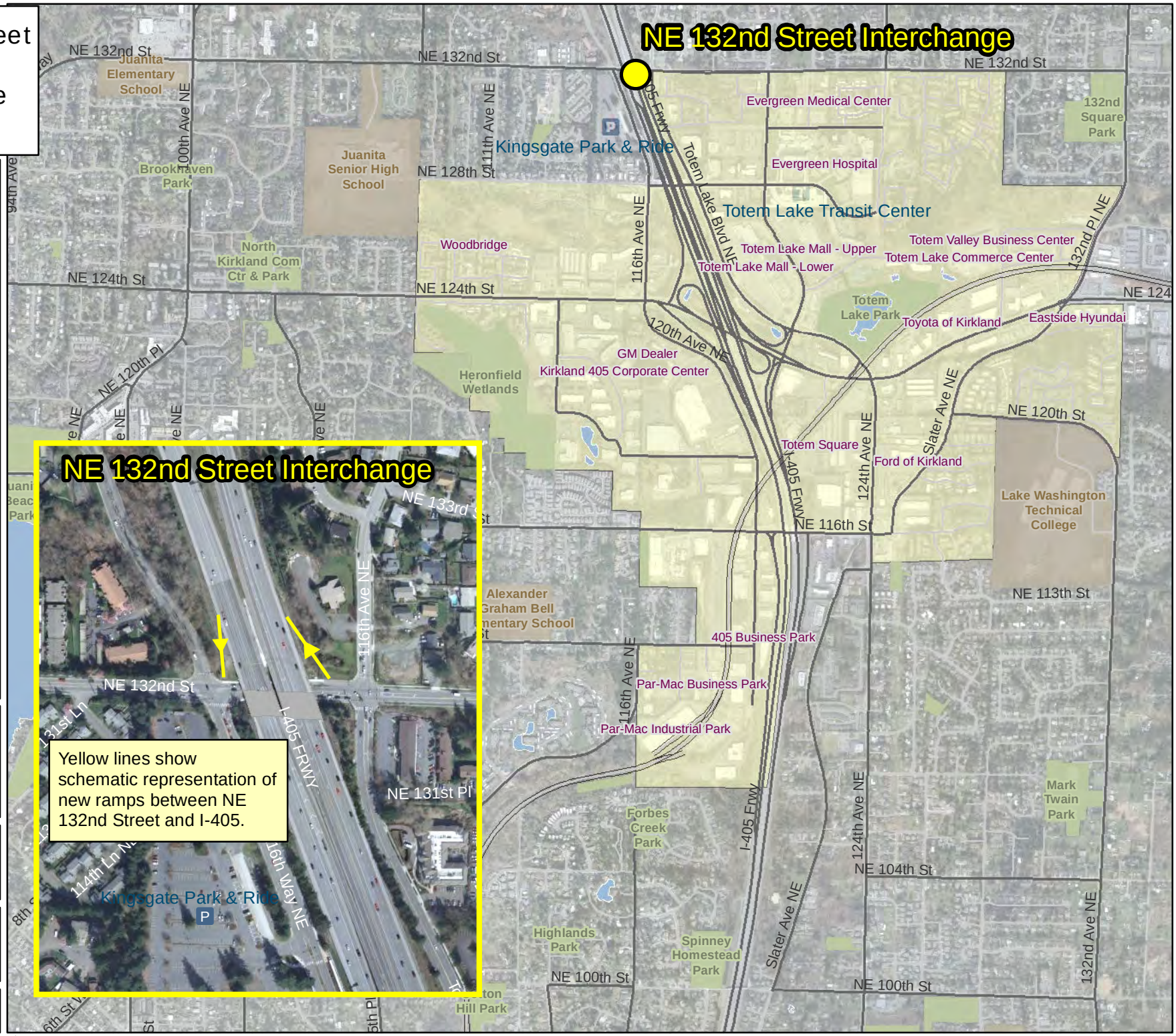
By Joan McBride, Mayor

Attachments: Project Map
Fact Sheet

cc:

Sen. Andy Hill, 45th District	Sen. Rodney Tom, 48th District
Rep. Larry Springer, 45th District	Rep. Ross Hunter, 48th District
Rep. Roger Goodman, 45th District	Rep. Cyrus Habib, 48th District
Sen. Rosemary McAuliffe, 1st District	Sen. Maralyn Chase, 32nd District
Rep. Luis Moscoso, 1st District	Rep. Ruth Kagi, 32nd District
Rep. Derek Stanford, 1st District	Rep. Cindy Ryu, 32nd District

NE 132nd Street I-405 Interchange Project



Totem Lake Urban Center
Road
Parks
Schools
Cross Kirkland Corridor
Major Streets
Streets
Lakes
Park & Ride
Transit Center

0 375 750 1,125 1,500 Feet
0 0.07 0.14 0.21 0.28 Miles

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Author: DG
Name: NE 132nd interchange
Date Saved: 9/19/2012 3:55:11 PM

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CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.kirklandwa.gov

September 25, 2012

WORKING TITLE: NE 132nd Interchange Project

Kirkland supports $5 million in funding for the next phase of the NE 132nd Interchange ramp design. Restoring the new interchange on I-405 at NE 132nd Street would improve access to the Totem Lake Urban Center by connecting Totem Lake – an important local and regional economic redevelopment project – to and from points to the north.

ISSUE BACKGROUND:

Originally, the NE 132nd Interchange project was funded at $60 million in the 2005 Transportation Partnership Funding Budget and slated for construction in 2018.

Funds were originally prioritized because the Totem Lake Urban Center is an integral part in the City's plan to revitalize this area to boost economic development and create jobs – without easy freeway access redevelopment will be limited at best.

The project is currently partially funded by WSDOT in 2025 and the City of Kirkland is seeking funding to move this critical improvement forward. Plans for the new interchange are currently at about 5% completion. Delaying additional funding until 2025 will jeopardize much needed economic development in the area.

WSDOT estimates the total construction cost to be on the order of $90 million. Improving access to and through the Totem Lake area has been an objective of the City of Kirkland for some time and has been identified by a number of groups that have studied the Totem Lake area as a major need in order to spur economic development and ease existing congestion.

The interchange project is in the Kirkland's Totem Lake Neighborhood plan and the project is included in the I-405 Master Plan. The City of Kirkland has prepared a NE 132nd Street study that shows a set of projects that would complement the new interchange. One of those projects, at 100th Avenue NE, is funded for design and the other projects will be completed in the future. WSDOT is also interested in the NE 132nd Street project because of the congestion relief it will provide at the NE 160th and NE 124th interchanges. A programmatic environmental review has been completed as part of the I-405 master plan and project level environmental work would have to be completed. Additional right-of-way will be needed to complete the project. This can be completed as soon as funding is provided.

Given the importance of this project to the local and regional economy, the City of Kirkland respectfully requests the original funding time-line be restored to the upcoming budget.

CITY OF KIRKLAND CONTACTS:
David Godfrey, Transportation Engineering Manager, 425-587-3865
Lorrie McKay, Intergovernmental Relations Manager, 425-587-3009

DRAFT

CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Ellen Miller-Wolfe, Economic Development Manager

Date: December 3, 2012

Subject: Washington Tech Cities Coalition

RECOMMENDATION:
To authorize the Mayor to sign a letter for the Washington Tech Cities Coalition, (WTC2), a group of 15 cities with major technology clusters, to the state. Kirkland is a WTC2 member and WTC2 is seeking support from the 2013 Legislature for transportation infrastructure investments; education investments; and other strategies to enhance this state's competitiveness in the technology area. These initiatives are all consistent Kirkland's draft state legislative agenda which the Council will review on December 11th and approve on January 3, 2013.

BACKGROUND DISCUSSION:
In October, 2012, Redmond Mayor John Marchione held a meeting at Suncadia to inaugurate a new coalition of 15 cities with substantial technology interests whose mission would be to advocate for the enhancement of the technology industry in the State of Washington. Deputy Mayor Doreen Marchione and Ellen Miller-Wolfe, Economic Development Manager were in attendance. At the meeting, there was discussion about developing a letter from the Coalition to the Legislature outlining some general interests of the Coalition. On a follow-up phone conversation, support for three areas was agreed upon including: transportation infrastructure investments, STEM educational improvements in K-12 and higher education, and support to maintain our overall competitiveness in the technology area.

Attached is a draft of the letter for City Council action.

WASHINGTON TECH CITIES' COALITION (WTC$^{2)}$

LISTING OF PARTICIPATING CITIES' POPULATION & LEGISLATIVE DISTRICTS

Name of City (Alphabetical)	***April 1, 2012 Population Estimate***	***Legislative District(s)***
Bellevue	124,600	41, 48
Bellingham	81,360	40, 42
Bothell	34,000 (King, Snohomish)	1
Camas	20,020	18
Kennewick	75,160	8
Kirkland	81,480	1, 32, 45, 48
Quincy	6,945	13
Redmond	55,360	45, 48
Renton	93,910	11, 33, 37, 41
Richland	49,890	8
Sammamish	47,420	41, 45
Seattle	616,500	11, 34, 36, 37, 43, 46
Spokane	210,000	3, 4, 6, 7, 9
Tacoma	199,600	27, 28, 29
Vancouver	163,200	17, 49
TOTALS	***1,859,445*** *(42.5% of statewide incorporated population)*	***27 of 49*** *Legislative Districts*

Washington Research Council

Economic Profile

October 25, 2012

Washington's Prosperity Depends on Vibrant Tech Sector

Briefly

Washington's vibrant tech cluster has had a strong, positive effect on the state economy. The sector accounts for nearly two-thirds of Washington's job growth since 1990 and more than half of the growth in employee compensation. Major tax revenues generated by the sector grew 318 percent, to $2.9 billion in 2011.

The tech industry mitigated the effects of the national recession here, showing relatively stable income and employment patterns, even during the sharpest economic downturn in more than half a century.

Other states and regions witness the success of states with strong innovation clusters and strive to replicate it. They offer incentives, make education and infrastructure investments that the sector finds essential, and provide start-up assistance in the form of incubators and accelerators.

While Washington's cluster may appear secure, policymakers should not be complacent. The state has advanced several key initiatives important to the innovation economy, including tax incentives, STEM investment, and the Washington Opportunity Scholarship. These strategies, however, do not differentiate Washington from other states.

While Washington's incentive programs are generally consistent with good tax policy, "good tax policy" does not always guide the actions of our competition. States focusing on long-term cluster strategies are often willing to forego tax revenues far in excess of expected short-term returns. And businesses will respond. Location decisions are driven by many factors, but profit-and-loss calculations are always important.

Washington has been fortunate. The state's tech cluster has generated significant economic growth, created thousands of jobs, cushioned the recession, and spurred investment in critical infrastructure and higher education. The growth here not only has been consistent with good public policy, including tax policy, but it has also provided the intellectual and economic foundation to support an enhanced quality of life.

In a little more than three decades, explosive growth in technology has transformed the economic landscape. Washington-based tech firms were present at the beginning. The critical moment is generally traced to Microsoft's relocation to this state in 1979, a decision that made Seattle the anchor for one of the world's most successful information technology clusters. Since then, however, the innovation cluster has burgeoned far beyond the company and IT.

In the 1980s, McCaw Cellular Communications (later merged into AT&T) made the Seattle metro area a national leader in telecommunications. Internet retail giant Amazon, drawn by the area's dynamic IT community, launched in Seattle in 1994. The strength of these and other technology firms—their spinoffs and the new ideas they inspire—contributed to Washington's enviable, but not unassailable, global leadership in the innovation economy.

Since 1990, the tech sector has been responsible for 62.9 percent of the state's job growth, 54.7 percent of employee compensation growth and 33 percent of personal income growth. Direct tech

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employment has grown from 94,500 to 202,600 over the 22-year period, while indirect and induced jobs have grown from 262,743 to 580,594. The combined tech employment growth has been 119.3 percent, compared with a growth in the underlying economy of 14.1 percent. Since 1994, direct, indirect and induced sales and business and occupation (B&O) tax revenues from the sector have increased by 318 percent, from $0.9 billion to $2.9 billion in 2011.

Regional Transformation

As Enrico Moretti writes in *The New Geography of Jobs*, the region's eventual prominence was far from inevitable.

> In 1979, Seattle was not an obvious choice for a software company. . . . Far from being the high-flying hub it is today, it was a struggling town. . . . it was bleeding jobs every year. It had high unemployment and no clear prospects for future growth. It was closer to today's Detroit than to Silicon Valley (Moretti 75).

No longer.

Washington's tech cluster has flourished. *Cyberstates 2011*, a snapshot of the high-tech industry produced by the TechAmerica Foundation, reports that in 2010 Washington ranked tenth in the nation in high-tech employment and third in average wages (James and Leary 84).

University of Washington professor William Beyers reports that tech employment has "expanded from 96,000 covered private sector jobs in 1974 to 384,434 private sector jobs in 2011, an increase of 300 percent," half again the 206 percent overall employment growth (Beyers i).

Defining the Tech Sector

Defining the sector can be problematic. TechAmerica's report includes any industry that is a

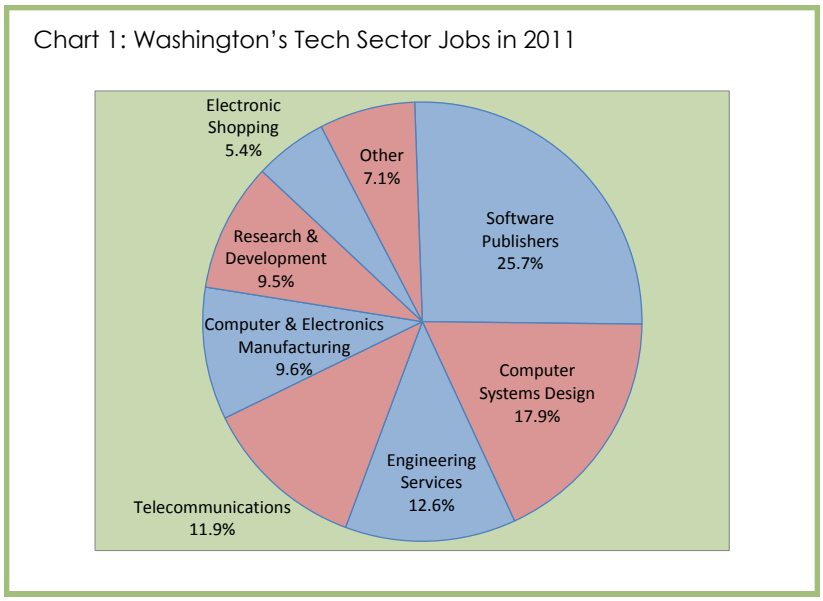
> maker/creator of technology, whether products or services. The definition does not include wholesale or retail trade, industries that are primarily dedicated to selling technology products as opposed to making/creating the technology.

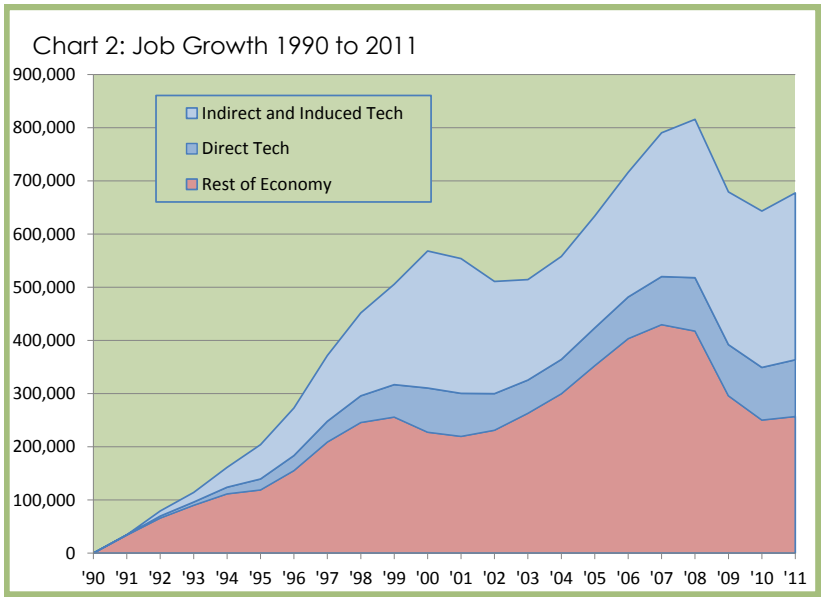
The TechAmerica definition includes 52 North American Industrial Classification System (NAICS) six-digit industries, which "fall into two broad categories: high-tech manufacturing and high-tech services." Beyers, meanwhile, defines "high-tech" to include sectors with "at least 16.2 percent of their employment engaged in research and development occupations, equivalent to twice the state average for all industries."

In Washington, significantly, the Beyers definition includes aerospace; Boeing is the state's largest private sector employ-

Table 1: Our Definition of the Tech Sector

NAICS Industry	
334	Computer and electronic product manufacturing
3359	Other electrical equipment and component manufacturing
454111	Electronic shopping
454112	Electronic auctions
5112	Software publishers
516	Internet publishing and broadcasting ('90-'06)
517	Telecommunications
518	Data processing, hosting and related services
51913	Internet publishing and broadcasting, and web search portals ('07-'11)
54133	Engineering services
54138	Testing laboratories
5415	Computer systems design and related services
54171	R&D in the physical, engineering, and life sciences





er. With aerospace in, he finds that the concentration of tech employment here is 47 percent higher than the national average. With aerospace out, the concentration remains highly significant, at 31 percent above the national average. In 2009, the ex-aerospace concentration was just 20 percent above the average.

In this report, the Washington Research Council adopts a tech definition that excludes aerospace, while using many of the industrial classifications common to the Beyers and TechAmerica reports.

Our definition of the tech sector includes the 13 NAICS groupings shown in Table 1. This definition is in substantial agreement with TechAmerica's *Cyberstates* definition. The major differences are our inclusion of electronic shopping and electronic auctions.

Washington's wage and salary employment in these industries totaled 200,244 in 2011. As Chart 1 shows, one quarter of these jobs were in software publishers, 18 percent were in computer systems design, 13 percent were in engineering services and 12 percent were in telecommunications.

In comparison, 2011 employment in the Beyers-defined technology-based industries was much greater, 387,173. Aerospace accounts for about one-half of this difference.

Washington's Successful Innovation Cluster

In comparing regional economies it's become common to think of industrial clusters. Moretti writes of the competitive advantages to a region stemming from the "forces of agglomeration"—the labor force, specialized services, and knowledge spillovers reinforcing a successful cluster (Moretti 24).

The Information Technology and Innovation Foundation (ITIF), which ranked Washington No. 2 on its *2010 State New Economy Index*, underscores the nature of that lead: "Washington scores high due not only to its strength in software . . . and aviation . . ., but also be-

Chart 3: Share of Jobs 1990

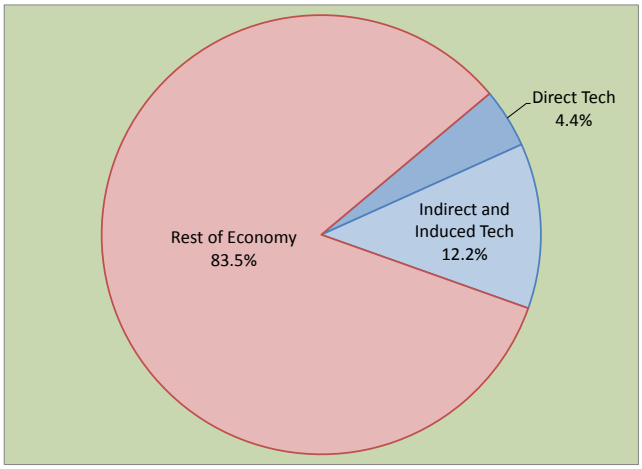
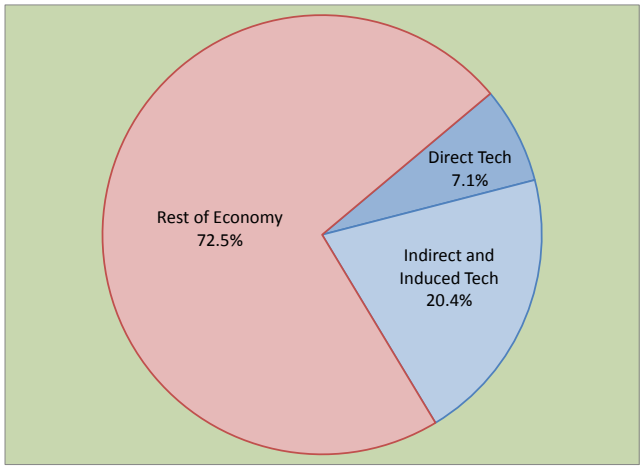


Chart 4: Share of Jobs 2011



cause of the entrepreneurial hotbed of activity that has developed in the Puget Sound region, and very strong use of digital technologies by all sectors" (Atkinson and Andes 12).

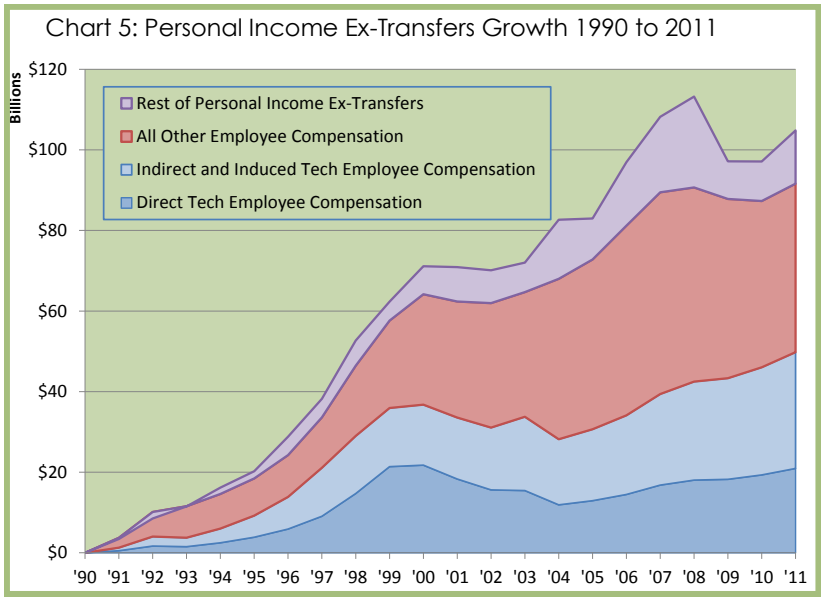
The state's emergence as a national leader in technology—what ITIF calls the "new economy"—confers a comparative advantage. As Moretti writes, "Cities with the right sectors and with workers who have the right skills are strengthening their position, while others are losing ground. It is a tipping-point dynamic" (Moretti 146). Regions that have built successful industry clusters can capitalize on the forces of agglomeration, as incumbent employers attract talent and investment.

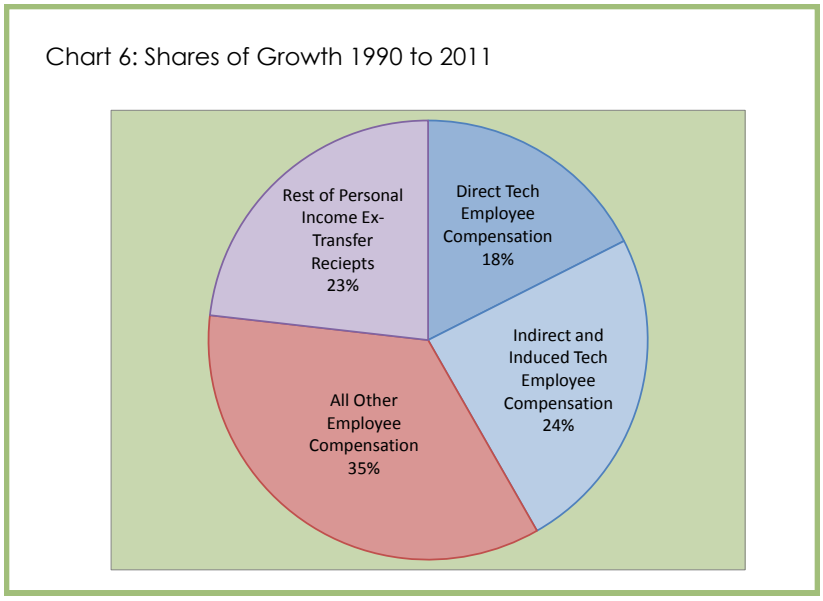
Yet, he adds, "None of this should be an argument for complacency" (Moretti 148).

In an intense global economy, state and regional leaders must always be mindful of the competition. Public policies should recognize risks and reinforce assets. As we show later in this report, across the U.S. states are vying to replicate Washington's extraordinarily vibrant tech economy. They market aggressively, nurture homegrown entrepreneurs, invest in infrastructure and higher education, and provide seed capital. These strategies are working. The competition is never static.

Economic history is a story of creative destruction. American cities have seen once dominant industrial clusters decline or relocate. Technological change, shifting consumer tastes, better products, obsolescence, and new competitors drive change. The new heart of the American automobile industry—now the American/German/Japanese auto industry—clusters in the Southeast. The Rust Belt once glittered. Los Angeles can no longer boast of a vibrant aerospace industry, while Seattle and, yes, Charleston, South Carolina, look to a thriving future. Even Hollywood has seen film production go global, with Vancouver B.C. home to a successful filmmaking cluster.

The following section demonstrates the magnitude of the employment, income





and tax revenue the innovation sector has contributed to Washington over the decades. Immediately following we examine the strategies pursued by other states hoping to replicate Washington's success. Their experience suggests policies that will preserve and strengthen this state's tech cluster.

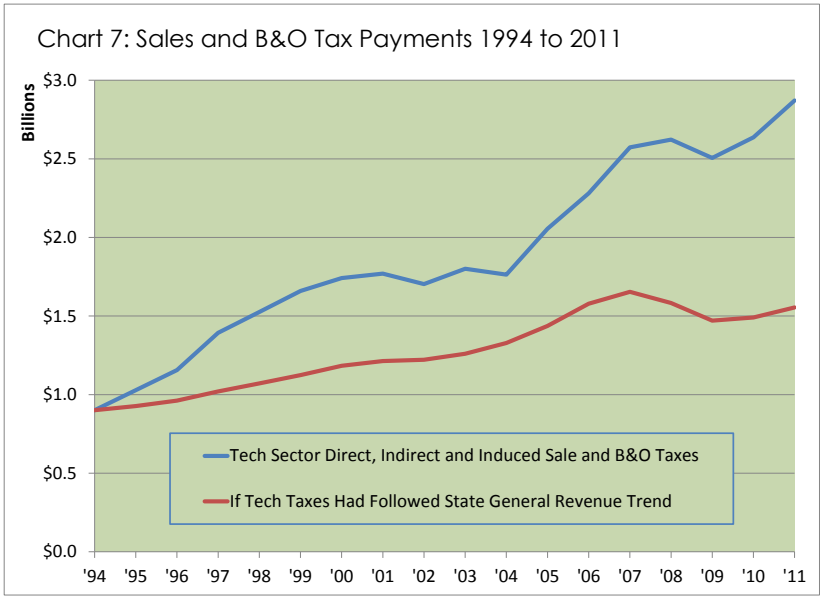
Economic Impact Analysis

The impacts of the tech sector on jobs and incomes in Washington can be grouped into three categories: direct, indirect, and induced impacts. The direct impacts occur in the sector itself—the jobs of those working in the sector and the compensation they receive. The indirect impacts include the jobs and wages of Washington firms that supply goods and services to the tech sector. The indirect impacts also include the jobs and wages of suppliers' suppliers; of the suppliers' suppliers' suppliers; and so on up the supply chain. Finally, the induced impacts include the jobs and wages at firms that provide goods and services (e.g., groceries, dry cleaning, banking) to workers holding the direct and indirect jobs.

The relationship between the direct impacts and the indirect and induced impacts are captured by multipliers. Our analysis will use multipliers from the Beyers study to estimate the indirect and induced impacts.

In 2011, the tech sector, as we define it, directly provided 200,244 jobs in Washington state. This is an increase of 114 percent from the 93,709 jobs that the sector provided in 1990. The total number of jobs in the state economy increased by a much smaller 32 percent from 1990 to 2011, so that the tech sector's share of jobs increased from 4.4 percent to 7.1 percent.

Using the jobs multipliers from the 2012 Beyers study, the tech sector supported 574,801 indirect and induced jobs in 2011, an increase of 120 percent from the 260,862 such jobs in 1990. Indirect and induced tech sector jobs were 12.2 percent of state em-



ployment in 1990 and 20.4 percent in 2011.

The input-output model used by Beyers does not capture any indirect or induced impacts due to capital expenditures linked the to sector. For this reason, the estimates of indirect and induced employment impacts we present understate the full impact. Firms in the sector directly make significant capital expenditures in the state. In telecommunications, for example, AT&T spent more than $1.5 billion during 2009–2011 upgrading wireless and wireline networks in the state. Besides equipment investments such as this, growth in the sector has been the source of a considerable amount of construction activity to provide offices and housing for the sector's expanding workforce and their families.

Wage and salary income from tech-sector jobs totaled $21.8 billion in 2011; including benefits, total compensation from tech sector jobs was $27.5 billion. Compensation from the indirect and induced jobs due to the tech sector was $37.6 billion. Adjusted for inflation to 2011 dollars, compensation from the direct, indirect and induced tech sector jobs grew by $49.8 billion from 1990 to 2011. Compensation from all other jobs in the state economy grew by $41.8 billion.

Chart 7 shows our estimates of the B&O tax, and sales tax revenues generated by tech sector activity. In addition to the taxes directly paid by the firms in the sector on their revenues (B&O taxes) and purchases (sales taxes), our estimates include tax payments of firms up the supply chain. For example, if an office supply company sells 10 reams of paper to a firm in the sector, the B&O tax paid on that sale is included in our calculation. Likewise, if the office supply firm purchases services from an accounting firm, a portion of the B&O tax paid by the accounting firm from the sale of those services is also captured in our calculation. Our estimates include sales taxes paid by employees of the tech sector as they spend their wages as well as a portion of the sales taxes paid by employees of upstream suppliers. For example, if 10 percent of the sales of the office supply firm's sales are to the tech sector, 10 percent of the sales taxes paid by its employees are included in our calculation.

We estimate that state B&O tax revenue attributable to the tech sector grew from $315 million in 1994 to $1.02 billion in 2011. State and local sales tax revenue attributable to the sector grew from $585 million to $1.86 billion over the period. For B&O and sales taxes combined, the $1.97 billion gain over the period represented an increase of 219 percent. For comparison, had these B&O and sales tax revenues grown at the same rate that overall state general revenues grew, the gain would have been just $653 million (73 percent).

Peer States

In this report, we look closely at five states recognized for their strong tech clusters: California, Massachusetts, New York, Texas, and North Carolina. The first four rank among the top five "Cyberstates" on one or more benchmarks in TechAmerica's annual ranking (James and Leary). Each of the states also feature regions identified as "leading high-tech metros" by economist Richard Florida (Florida). North

Carolina is home to two of the top ten leading metros.

California

For decades, California has been synonymous with innovation and technology, with most attention focused on the Silicon Valley tech cluster. The state leads the nation with 931,040 tech jobs, more than double that of second place Texas and more than five times that of Washington, according to *Cyberstates*. Between 2009 and 2010, however, the state also led the nation in tech employment decline, losing 18,100 jobs.

The Milken Institute's *State Technology and Science Index 2010* ranks California fourth. California lags, however, in some of the components that make up the overall ranking. According to the report, "Most troubling for California is the falloff in recent graduates in the sciences, engineering, and biomedical fields" (DeVol et al 5).

Joel Kotkin, an authority on demographic and economic trends, recently wrote, "The remarkable confluence of engineering prowess, marketing savvy and, perhaps most critically, access to startup capital may have created the greatest gold rush of our epoch, but the Valley at the end of 2011 employed 170,000 fewer people than in 2000. . . . one has to wonder if [Silicon Valley's] dominance will diminish. . . . the Valley may soon need to consider what it must do to compete with the many other regions that are inexorably catching up with it" (Kotkin a).

Among the reasons for California's fall from vitality, according to Kotkin, is an overextended and unsustainable public sector. He cites a "combination of high taxes and intrusive regulation coupled with a miserable education system—the state's students now rank 47th in science achievement—and a rapidly deteriorating infrastructure" (Kotkin b).

Carl Guardino, head of the Silicon Valley Leadership Group, confirmed the concern to the Austin (Texas) Statesman. After identifying the region's strengths—venture capital, a deep R&D talent pool, and three world-class universities—Guardino acknowledged, "The scary part for us, which we have to address, is once (companies) hit 100 employees, they're often looking for places outside Silicon Valley as they continue their growth. That's where we move into issues in our playbook that we need to address" (Zehr).

In one respect, the state has chosen to compete—California offers incentives. According to the Governor's Office of Business and Economic Development, California has a 15 percent research and development (R&D) credit for in-house research expenses and a 24 percent R&D credit for contract research. California also offers enterprise zone tax credits. There are 42 enterprise zones, including San Francisco, San Jose, and Sacramento. The credits include: $37,440 or more in tax credits per qualified employee hired, up to 100 percent net operating loss carry-forward, sales tax credits on purchases of machinery, and upfront expensing of certain property.

In June 2012, Advanced Call Center Technologies decided to open a new facility (with the potential for 2,000 jobs) in Sacramento. The Sacramento Area Commerce and Trade Organization says the decision was influenced by ". . . the availability of a qualified workforce, and the benefits of locating in an Enterprise Zone" (SACTO).

In 2010, the state started the Innovation Hub (iHub) initiative, to improve competitiveness through partnerships, economic development and job creation in certain research clusters. There are currently 12 iHubs, including the BioSF iHub in San Francisco, whose focus is biotechnology. It provides incubation facilities and guidance for early-stage companies.

California's Employment Training Panel funds worker training targeting "firms threatened by out-of-state and international competition" (ETP). Priority industries for FY 2011–12 include information technology services and biotechnology and life sciences.

While Silicon Valley will continue to benefit from its strong, embedded tech

Support for R&D:

California has a 15 percent R&D credit for in-house research and a 24 percent R&D credit for contract research.

cluster, the public policy uncertainty, high costs and restrictive regulation continue to cause outmigration of desirable jobs. The proffered incentives may slow the decline, but they appear to be unable to reverse the trend.

Washington has been among the states fleeing Californians have turned to for expanded opportunity. But the competition for Golden State emigrants is great. Once a firm decides to expand or relocate to another region, all the usual business climate considerations come into play: incentives, the quality of the education system, the existing and potential talent pool, business costs, regulation and quality of life. California firms have migrated business activity across the country, including Texas, Nevada, Utah, and New York.

Massachusetts

Milken's *State Technology and Science Index 2010* ranks Massachusetts No. 1, and the state "topped the charts in three components: R&D inputs, risk capital and entrepreneurial infrastructure, and technology and science workforce."

According to a 2012 paper, "Workforce Skills and the Knowledge Economy in Massachusetts," Massachusetts is "outpacing the rest of the nation in [the] transition" to a knowledge-based economy (Renski and Wallace 22).

This success is helped by availability of capital and proximity to researchers, according to a 2009 University of Massachusetts study:

> The state's ability to garner large sums of investment capital—both from private venture capitalists and from federally funded research and development programs—is an indicator of a healthy 'entrepreneurial climate.' Research funding invested into educational institutions and private laboratories creates a critical mass of world-class research partners throughout the state (Goodman et al 38).

Focus groups said that the higher education institutions in the state are its "leading strength" and "natural advantage" (Goodman et al 38).

Focus groups said that the higher education institutions in Massachusetts are its "leading strength" and "natural advantage."

Indeed, the *2010 Index of the Massachusetts Innovation Economy* report from the Massachusetts Technology Collaborative maintains that Massachusetts' innovation "ecosystem's anchor is the massive concentration of research and development activity in universities, hospitals and businesses, sustained by private and public investment in R&D" (MTC 8-9).

Massachusetts has a number of programs that would help its "natural advantage" along. In 2007, Governor Patrick announced the Massachusetts Life Sciences Initiative, a $1 billion investment over 10 years to "enhance and strengthen the state's internationally recognized leadership in the life sciences." The plan is to provide $500 million in capital funds for public higher education and "other facilities and equipment to be used in collaboration with the life sciences industry," $250 million for research grants and workforce training, and $250 million in tax benefits. *The Boston Globe* reports the initiative has "helped draw more than two dozen new company sites" to the state (Weisman).

The Massachusetts Life Sciences Center is a quasi-public agency formed in 2006 to promote the life sciences by investing in research and economic development. The Center has a number of funding programs, including an accelerator loan program (unsecured debt financing to early-stage life science companies) and a cooperative research matching grant program (grants for non-profit research institutions who have an industry sponsor for the research). Additionally, under the Life Sciences Initiative, the Center may award $25 million in tax incentives annually (including the life sciences investment tax credit, designation as an R&D company for sales tax purposes, sales tax exemption on certain property, and a life sciences jobs incentive refundable credit).

The Massachusetts Emerging Technology Fund offers loans of up to $2.5 mil-

Tax Incentives:

Massachusetts' Economic Development Incentive Program offers tax credits for expansion projects in certain areas and for retaining manufacturing jobs in the state.

lion to technology companies that begin or expand manufacturing in Massachusetts. The state's Economic Development Incentive Program provides companies that have an expansion project (must be in an economic opportunity area), have an enhanced expansion project (anywhere in Massachusetts), or retain manufacturing jobs in the state with tax credits (up to 10 percent, 10 percent, and 40 percent of qualifying property, respectively). Massachusetts also has an investment tax credit for manufacturers and R&D companies (3 percent of the cost of qualifying property) and a R&D tax credit of 10 percent of qualified research expenses. Additionally, the state has a sales and use tax exemption for R&D.

New York

According to *Cyberstates 2011*, New York had the third highest tech employment in 2010 (294,700) and the third highest tech payroll ($26.8 billion). It ranked fourth in tech establishments (20,700). New York City has a burgeoning tech sector in "Silicon Alley" and upstate New York is a draw as well.

As a 2012 report, *New Tech City*, notes, "As recently as five or six years ago, New York was very much considered an also-ran in the pantheon of tech hubs" (Bowles and Giles 4), but the city "has launched an array of ambitious programs and policies to support [the tech sector's] growth" (Bowles and Giles 10). The report estimates that "well over 1,000 tech start-ups have been created in the past five years" (Bowles and Giles 5). The New York City Economic Development Corporation (EDC) estimates that there was a 30 percent increase in tech jobs from 2005 to 2010 (Bowles and Giles 6).

Investment in Education:

Applied Sciences NYC brings applied science and engineering campuses to New York City.

Many of the city's initiatives have focused on fostering a tech community and increasing engineering capacity. The EDC has supported incubators and shared work spaces financially to help launch start-ups.

Additionally, in 2008, several New York groups founded NYCSeed to provide seed funding (up to $200,000) to technology entrepreneurs. In 2010, New York City established the $22 million NYC Entrepreneurial Fund to provide early stage funding for technology start-ups.

Possibly the biggest boost the city offers its tech sector comes through a higher education initiative. In 2010, the city established Applied Sciences NYC, an effort to bring more applied science and engineering campuses to New York City. As part of that, the city staged a contest for the right to build an applied science campus on Roosevelt Island. The city offered the land and $100 million for infrastructure and construction costs. Cornell University and the Technion-Israel Institute of Technology will build the campus. According to *New Tech City*, the competition to win the deal "sent a clear message . . . that the Big Apple is firmly committed to building a sustainable tech cluster and addressing long term challenges, namely the shortage of engineering talent" (Bowles and Giles 24).

The city has partnerships with other research institutions as well, including the New York University Center for Urban Science and Progress and the NYC Media Lab. Additionally, in 2012, the city announced that Columbia University will build a new center for data sciences and engineering, to be funded in part with $15 million from the Applied Sciences NYC initiative. IBM and New York City opened a six-year high school in 2011 whose students earn their high school diplomas and an associate's degree in a computer science field. This fall, New York City will open the Academy for Software Engineering, a high school that will focus on software engineering, design, and development.

Several tech companies have recently moved to New York City or opened major offices there. In October 2011, Twitter made New York City its east coast headquarters, as did Yelp. In December 2011, Facebook announced that it would open an engineering office in New York City—its first not on the west coast. Also in 2011, Infor (a software company then based in Georgia) announced plans

Seed Funding:

NYCSeed funds technology entrepreneurs.

to move its corporate headquarters (and 75 jobs) to New York City.

An Infor press release said that, in addition to access to New York's technical talent, "The planned technology campus the City of New York is building in conjunction with major universities was also an attraction for the company" (Infor).

In addition to the support offered by New York City, the state of New York offers a number of general business and tech-specific incentives, including sales tax exemptions for production machinery and equipment, R&D property, and fuels utilities used in manufacturing and R&D; a 9 percent corporate tax credit for R&D; and a general investment tax credit.

The state also provides credits for Qualified Emerging Technology Companies. A company must either have qualifying R&D in New York or provide products or services like biotechnologies or information technology. Options include a refundable tax credit of $1,000 per employee and a capital tax credit for 10 or 20 percent of qualified investments.

The state's Excelsior Jobs Program provides a jobs tax credit, an investment tax credit, an R&D tax credit and a real property tax credit. Empire State Development (ESD) may provide up to $50 million of these credits per year.

Upstate New York houses a lively nanotech sector. In 2004, the University of Albany created the College of Nanoscale Science and Engineering, a public-private facility.

GlobalFoundries began construction on a $4.2 billion semiconductor manufacturing facility in Malta (north of Albany) in 2009. The site was chosen over competitors in Germany, Israel, and Singapore. New York state offered $1.2 billion in incentives, including property tax abatement, reimbursable cash for construction, and funds for R&D.

In 2010 Sematech, the consortium of semiconductor manufacturers, announced plans to move most of its operations from Austin, Texas to Albany. ESD provided $20 million for Sematech to invest in its Albany operations.

Texas

According to the Federal Reserve Bank of Dallas, "Since the U.S. recession concluded in 2009, Texas employment has grown 3.3 percent, compared with 0.6 percent for the rest of the states" (FRBD). The Texas story has often been cast as a low-wage tale, but the analysts also report, "While more lower-wage jobs were created, higher-paying positions grew at a faster rate . . . making up an increasing proportion of total jobs."

Texas has intentionally sought growth in the innovation economy. In 2004, Governor Perry announced a new focus for the state on six target industry clusters, with a goal of building a competitive advantage in each. Among them are advanced technologies and manufacturing, biotechnology and life sciences, and information and computer technology.

A 2012 report from the Office of the Governor on the information technology services industry notes that it "is significantly specialized in the computer systems design and in the data processing and hosting areas, more than any other state except California" (Office 1). According to the report, "IT and software was the number one sector for foreign direct investment in Texas between 2007–2011. More than 60 IT companies from 20 countries established or expanded operations in Texas during that period" (Office 2). Accordingly, "employment in the major IT services sectors in Texas increased by 11%" (Office 6).

The report also references 2011 rankings from the National Science Foundation, which showed that Texas awarded the third most doctorates for science and engineering, the third most for mathematics, and the fourth most for computer and information science in the nation.

Since 2003 Texas has had the Texas Enterprise Fund (TEF), which may only be used when a site in Texas is in competition with another site out of state. Governor Perry's office says that "The TEF

Direct Funding:

The Texas Enterprise Fund awards grants to companies when a Texas site is in competition with another out of state.

gives Texas the competitive edge in attracting new businesses to the state and assisting with the expansion of existing businesses that might otherwise opt to expand in another state." As of June 30, 2012, 98 TEF awards had been granted since inception of the fund, for a total amount of $467.8 million.

- In 2010, Facebook received a $1.4 million TEF award, along with $200,000 in local incentives, to open a sales and operations office in Austin.
- In 2011, CGI Technologies received a $1.8 million TEF award to build an onshore IT services delivery center in Belton, Texas.
- In 2012, Apple received a $21.0 million TEF award, along with $8.6 million in tax abatements from Austin and about $6 million in real estate abatements from Travis County, to build a new campus in Austin.

In 2005, Texas created the Emerging Technology Fund (TETF). Its purpose is to fund innovation and research. For fiscal years 2008–2011, it made 167 awards totaling $370.0 million.

The Fund includes:

- Commercialization Awards, whose purpose is to expand small businesses to "accelerate new products and services to the marketplace." Of 133 commercialization awards, 27 were in the computer and information technology cluster, and 65 were in the biotechnology and life sciences cluster.
- Research Award Matching Program, with a goal of creating "public-private partnerships to leverage the unique strength of universities, federal government grant programs and industry." The preference is to award emerging technology R&D "that will have a significant impact on Texas' future economy or may result in a major medical or scientific breakthrough." As of August 31, 2011, 13 awards have been made, totaling $84.7 million. Aggregate total private sector investment, federal funding, and other contributions to these projects totaled $122.9 million.
- Acquisition of Research Superiority Awards are meant to bring researchers to Texas, and are only granted to public higher education institutions that want to bring in out-of-state researchers. As of August 31, 2011, 21 projects have been funded, totaling $92.7 million, with funds from other sources totaling $639.2 million.

R&D Support:

The Emerging Technology Fund offers awards for emerging technology R&D in Texas.

The legislature established the Texas Science, Technology, Engineering and Mathematics (T-STEM) Initiative in 2005 as a way to graduate more students in STEM fields. Fifty-one T-STEM academies have been created.

Tech sector growth in Texas, like employment growth in the state generally, can be attributed to policy certainty, extensive use of incentives, improvements in K-12 and higher education, and sharp focus on economic growth and development.

North Carolina

A 2008 North Carolina Department of Commerce paper looked at 29 industry clusters and identified computer programming, systems design, and related services as a growing industry. Data processing, internet hosting and related services; scientific R&D services; software publishing; and internet publishing and broadcasting, ISPs and search portals, and other information services were identified as emerging industries. (Haley et al.)

The 2011 *State of the N.C. Workforce Report* notes "the recession accelerated the state's shift to [a] knowledge-based economy because firms had to adjust to this new reality in a much shorter timeframe" (NCCWD iii). The report estimates that the North Carolina economy as a whole will grow 1.3 percent annually from 2010–2020, but the professional, scientific and technical services sector employment will grow by 3.3 percent. According to the report, computer systems design and related services and R&D in the physical, engineering and life sciences were among the top 20 fastest growing industries in the state from 2005–10. Not surprising-

ly, "At least 42 percent, perhaps many more, of the new jobs being created in North Carolina will require at minimum some post-secondary education, many in Science, Technology, Engineering and Math—STEM—disciplines" (NCCWD v).

North Carolina's Research Triangle Park (RTP), created in 1959, hosts more than 170 companies and 39,000 high-tech workers. Established industry clusters at RTP include biotechnology and information technology, with 45 percent of the companies at RTP in the life sciences and 18 percent in information technology. Companies include IBM, Cisco, and NetApp. RTP is also home to many small companies—43 percent of its companies have 1–9 employees, and 19 percent have 10–24. To help meet the needs of the start-ups (34 percent of the companies), RTP has five incubators and business accelerators.

Direct Funding:

North Carolina offers Job Development Investment Grants and the One North Carolina Fund.

North Carolina offers tax credits for creating jobs, investing in business property, and investing in real property (30 percent of the amount) that offer amounts that depend on how developed is the county in which the investment occurs. The state also offers a sales and use tax exemption for custom computer software, as well as for sales of electricity and business property to internet data centers. An interactive digital media tax credit is available, as are technology development tax credits for certain research expenses.

In addition to tax credits, North Carolina's discretionary incentive programs include Job Development Investment Grants (JDIG) and the One North Carolina Fund.

- JDIG are annual grants in amounts dependent on a percentage of withholding taxes paid by new employees. Among other criteria, the project must result in an increase in employment and the project must be competitive with other states or countries. A 2010 economic development report indicates that 14 were awarded in 2008–09 and 18 in 2007–08 (FRD 29). When a JDIG is awarded in a prosperous county, 25 percent of the grant is put in the Utility Fund to encourage development elsewhere.
- The One North Carolina Fund was established in 1993. According to the North Carolina Department of Commerce, it "helps recruit and expand quality jobs in high value-added, knowledge-driven industries." It is meant to "increase the state's competitiveness so the project location or expansion must be in competition with another location outside the state." Funds are available for equipment purchases, structural repairs or renovations, and construction, for example. To qualify, a company must "meet an average wage test" and local governments must agree to match the funding. Thirty-two were awarded in 2008–09 and 37 in 2007–08 (FRD 35).

In July 2012, NetApp announced plans to hire an additional 460 workers and build a new research facility at RTP. North Carolina offered the company a JDIG. It could receive 65 percent of the state personal income withholding taxes from the new jobs, if it meets targets over the next 10 years. The grant could total $11.78 million.

In June 2012, Citrix announced plans to add 337 new jobs in Raleigh. The company was awarded a JDIG that could total $8.65 million.

Emerging Competition

Georgia. In 2010, the state began offering an Angel Investor Tax Credit. Investors in early stage start-ups in Georgia may receive a tax credit of 35 percent of the investment (up to $50,000 a year). The state also offers a Quality Jobs Tax Credit (up to $5,000 per job) for companies that create jobs with wages that are 110 percent of the county average.

Georgia Tech offers a number of technology assistance programs. The Advanced Technology Development Center (ATDC), a technology start-up accelerator, provides companies (from early stage to revenue generating) with access to mentors, partnering events, and subsidized office space in Atlanta. It has a

Seed Capital Fund, through which it can invest up to $1 million per company. Since its founding in 1980, the ATDC has graduated more than 130 companies. The Enterprise Innovation Institute's goal is to improve business competitiveness. An additional accelerator, Flashpoint, began in 2011.

Venture Capital:

Georgia's VentureLab helps start-ups commercialize their technology innovations.

VentureLab, a project of Georgia Tech and the Georgia Research Alliance, launched in 2002 to help faculty and graduate students commercialize their technology innovations by providing expertise and funding. Upon a merger with ATDC in 2009, VentureLab opened its services to all Georgia start-ups at the earliest stages, whether affiliated with the university or not.

Utah. In 2006, Utah created USTAR, the Utah Science Technology and Research initiative, to provide funding to recruit research teams, build research facilities, and help with commercialization. "The objective of USTAR is to stimulate additional technology-based start-up firms, and significantly increase technology commercialization, high-paying job opportunities, and business activity in Utah which will produce an associated expansion of the tax base" (Innovation).

USTAR programs include BioInnovations Gateway (an incubator for life sciences start-ups) and Technology Commercialization Grants (helping faculty at regional institutions commercialize new products). Eighty-seven such grants have been awarded since 2009 totaling $3 million. According to the 2011 annual report, USTAR recruited more than 40 researchers to state universities in 2011. Additionally, the report estimates that the state investment of $73.5 million has yielded a $137.4 million impact since the beginning of the program (USTAR 2).

Investment in Education:

USTAR recruited more than 40 researchers to state universities in Utah in 2011.

Michigan. Automation Alley, a technology business association in Southeast Michigan, offers a technology business accelerator program called the Pre-Seed Fund. Companies receive up to $250,000, along with business plan and technology development support. Through 2011, $6.35 million has been invested in 32 companies. Automation Alley also provides IT training through which youth and dislocated workers can receive an array of IT certification.

The annual Accelerate Michigan Innovation Competition (AMIC) promotes the development of early stage companies, with no requirement that they originate in Michigan. They must, however, commit to operate in Michigan should they be a finalist or winner. It offers a grand prize of $500,000, and companies compete in one of eight sectors, including Life Science and Information Technology.

Washington Incentives

Some of these tools are also employed by Washington. For example, the state offers B&O tax credits for high technology R&D spending and for new employees in manufacturing and R&D; sales and use tax deferrals for high technology and biotechnology and medical device manufacturing; and a sales tax exemption for data centers.

In September 2011, the Office of Superintendent of Public Instruction and Microsoft partnered to make the Microsoft IT Academy available in public schools. Through the program, students can earn certification in Microsoft products and various IT topics. For the 2011–13 biennium, the state is providing $4 million for the program. As of April 2012, 1,391 certifications had been awarded. (OSPI)

Additionally, in May 2011, the Washington STEM Initiative was founded. Its purpose is "to discover and scale innovative approaches for improving STEM education as a means for creating better opportunities for students" (STEM). Its first investment was $2.4 million to 15 educators, schools and education nonprofits in Washington.

Also in 2011, the state legislature created the Washington State Opportunity Scholarship (RCW 28B.145). Its purpose is "to provide scholarships that will help low and middle-income Washington residents earn baccalaureate degrees in high employer demand and other pro-

Table 2: Washington Technology Incentives

Incentive	Date Implemented	Eligibility
High Technology B&O Tax Credit (of up to $2 million annually)	1/1/1995; expires 1/1/2015	Businesses conducting R&D in advanced computing, advanced materials, biotechnology, electronic device technology, or environmental technology
High Technology Sales & Use Tax Deferral/Waiver	1/1/1995; expires 1/1/2015	Businesses conducting R&D and pilot scale manufacturing in advanced computing, advanced materials, biotechnology, electronic device technology, or environmental technology
Biotechnology & Medical Device Manufacturing Sales & Use Tax Deferral/Waiver	7/1/2006; expires 1/1/2017	Biotechnology and medical device manufacturers, with certain construction and equipment purchases
B&O Credit for New Employees in Manufacturing and R&D in Rural Counties ($2,000 or $4,000 per job)	4/1/1986	Manufacturers, R&D labs, and commercial testing facilities located in rural counties or a community empowerment zone
Purchases of Server Equipment and Power Infrastructure for use in Eligible Data Centers -- Sales/ Use Tax Exemption	For data centers constructed between 4/1/2010 and July 1, 2011, the exemption expires 4/1/2018. For those constructed between 4/1/2012 and 7/1/2015, the exemption expires 4/1/2020.	Data centers with at least 100,000 square feet in a rural county

grams of study and encourage them to remain in the state to work." It is a public-private partnership; the first state match is $5 million. Two major corporations in the state have pledged $50 million. Beginning January 1, 2014 (or later, if state tax revenues have not yet exceeded 10 percent of amounts collected in fiscal year 2008), the state will match up to $50 million a year. In May 2012, about 3,000 students received $1,000 scholarships.

Keys to Development

This review of national studies and the cluster-development strategies pursued by the states clarifies the keys to success. A thriving tech cluster depends on superior education systems (at all levels), access to capital, and a vibrant entrepreneurial culture. States attempting to develop such clusters pursue policies that include seed funding, venture capital, tax incentives, R&D support, infrastructure development, and education investment, particularly centered on research institutions.

Enterprising States, a 2012 report from the U.S. Chamber of Commerce and the National Chamber Foundation, concludes:

> Innovation and market cycle times are much shorter and continue to accelerate. This makes it more important than ever that states provide the tools, support, and tax and regulatory environments for companies to continuously innovate without onerous delays and burdensome costs that put their entrepreneurs and businesses at a competitive disadvantage (Praxis Strategy Group and Kotkin 3).

In its national scan, ITIF notes that "innovative capacity (derived through universities, R&D investments, scientists and engineers, and entrepreneurial drive) is increasingly what drives competitive success" (Atkinson and Andes 13).

And in a warning against complacency, ITIF writes, "The IT revolution gives companies and individuals more geo-

graphical freedom, making it easier for businesses to relocate, or start up and grow in less densely populated states farther away from existing agglomerations of industry and commerce" (Atkinson and Andes 13). The group recommends state governments nurture growth by "boosting their infrastructure, education levels, business support systems, and technology development and transfer systems . . ." (Atkinson and Andes 45).

The Milken Institute's *State Technology and Science Index 2010* recognizes Washington's relative strength, while also identifying key vulnerabilities: "The state recorded an impressive third place in technology concentration and dynamism, fourth in technology science workforce and sixth in R&D inputs" (DeVol et al 6). But the report identifies problems in human capital: "Washington was at its weakest in various measures of state appropriations for higher education, and in graduate students in science, engineering, and health sciences" (DeVol et al 6).

Two new reports by the National Governors Association (NGA) highlight steps states are taking to spur economic growth. Predictably and appropriately, they make nurturing innovation a top priority. Human capital development—higher education—plays a pivotal role in their planning.

"Research at institutions of higher education is one of the most obvious ways that public policies influence innovation," NGA writes. While citing the dominance of federally-funded R&D, one of the reports notes that "states are increasingly creating their own R&D funds" (Cortright and Waits 19). The money is used to recruit faculty, encourage collaboration among research institutions and the private sector, and promote commercialization.

Discussion

Washington's vibrant tech cluster has had a strong, positive effect on the state economy. It accounts for nearly two-thirds of Washington's job growth since 1990 and almost half of the growth in employee compensation. Moreover, the sector mitigated the effects of the national recession here, showing relatively stable income and employment patterns, even during the sharpest economic downturn in more than half a century.

Other states and regions witness the success of states with strong innovation clusters and strive to replicate it. They offer incentives, make education and infrastructure investments that the sector finds essential, and provide start-up assistance in the form of incubators and accelerators. In addition to nurturing new firms, they recruit aggressively, seeking to gain from the relocation and expansion decisions made by thriving firms.

While Washington's cluster may appear secure, policymakers should not be complacent. The state has advanced several important initiatives, including tax incentives, STEM investment, and the Washington Opportunity Scholarship. These strategies, however, do not differentiate Washington from other states seeking to grow their own technology industries—or recruit them from elsewhere. While Washington's incentive programs are generally consistent with good tax policy, it should be acknowledged that "good tax policy" does not always guide the actions of our competition. To win business investment, states are often willing to forego tax revenues far in excess of expected short-term returns. (That kind of thinking led to the development of the car manufacturing cluster in the Southeast.) Location decisions are driven by many factors, but profit-and-loss calculations are always important.

Washington has been fortunate. The state's tech cluster has generated significant economic growth, created thousands of jobs, cushioned the recession, and spurred investment in critical infrastructure and higher education. The growth here not only has been consistent with good public policy, including tax policy, but it has also provided the intellectual and economic foundation to support an enhanced quality of life.

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DRAFT DRAFT DRAFT DRAFT DRAFT

The Honorable Christine Gregoire, Governor

The Honorable Jay Inslee, Governor-Elect

The Honorable Ed Murray, Senate Majority Leader

The Honorable Mike Hewitt, Senate Minority Leader

The Honorable Frank Chopp, Speaker of the House

The Honorable Richard DeBolt, House Minority Leader

RE: Washington Tech Cities' Coalition (WTC^2): Assisting our state's technology sector

with a focus on K-12/Higher Education, Transportation Infrastructure, & Competitiveness

---

Dear Governor Gregoire & Governor-Elect Inslee, Senators Murray and Hewitt,

Speaker Chopp, and Rep. DeBolt:

We are writing to you as leaders of 15 cities to unveil a new umbrella organization, the Washington Tech Cities' Coalition (WTC^2), which we created to help raise the profile of, and work in partnership with our state's technology industry sector. Our cities are home to x# technology employees and account for over 40 percent of the state's incorporated population and touch 27 of its 49 Legislative Districts.

Just as we have made a significant effort in recognizing the extraordinary significance of the aerospace industry in our state, so too should we recognize and nurture the other flagship industry sector in our state - technology - which includes hi-tech, bio-tech, clean-tech, med-tech, and many other technology businesses.

To underscore the importance of the technology sector in our state, the non-partisan Washington Research Council (WRC) issued a report in late October entitled, "*Washington's Prosperity Depends on Vibrant Tech Sector*." The report, which we have attached for your reference, speaks to how the tech sector has "transformed the economic landscape" in Washington, mitigated the effects of the national recession, and, among other things:

- Accounted for 62.9 percent of all job growth and one-third of personal income growth in Washington since 1990;
- Grew from 96,000 private sector jobs in 1974 to 384,434 private sector jobs in 2011;
- Generated tax revenues since 1990 that have grown by 318 percent, to $2.9 billion in 2011;

As the Governor and the Legislature take on significant policy and budget matters facing our economy, our education systems, and our transportation infrastructure, we wanted to let you know that our coalition supports the following three primary issue areas:

- ✓ **Transportation Infrastructure:** We believe it is critical that our state make a major investment in Washington's transportation infrastructure to help the technology industry survive and thrive;

- ✓ **K-12/Higher Education:** Within our K-12 system and our higher education institutions, we must continue to make progress in establishing and enhancing Science, Technology, Engineering, and Math (STEM) standards, accountability, and results; only nine of our nation's 50 states have integrated STEM into core graduation requirements and Washington should become the tenth state;

- ✓ **Competitiveness:** We must take steps to enhance our state's competitiveness in maintaining technology as a premier industry in this State and bringing new growth to this sector, whether it takes the form of regulatory reform, economic development tools, or achievable and consistent expectations for stormwater management.

We will look for strategic opportunities to follow-up on our commitment to the technology sector during the upcoming 2013 Session and beyond, and towards that end, we will weigh in on specific legislative and budget initiatives around which our cities can unanimously rally.

In the meantime, if we can provide more information and background on our recently formed coalition, or answer any questions you may have, please do not hesitate to contact any of us.

Sincerely,

WASHINGTON TECH CITIES' COALITION (WTC$^{2)}$

LISTING OF PARTICIPATING CITIES' POPULATION & LEGISLATIVE DISTRICTS

Name of City (Alphabetical)	***April 1, 2012 Population Estimate***	***Legislative District(s)***
Bellevue	124,600	41, 48
Bellingham	81,360	40, 42
Bothell	34,000 (King, Snohomish)	1
Camas	20,020	18
Kennewick	75,160	8
Kirkland	81,480	1, 32, 45, 48
Quincy	6,945	13
Redmond	55,360	45, 48
Renton	93,910	11, 33, 37, 41
Richland	49,890	8
Sammamish	47,420	41, 45
Seattle	616,500	11, 34, 36, 37, 43, 46
Spokane	210,000	3, 4, 6, 7, 9
Tacoma	199,600	27, 28, 29
Vancouver	163,200	17, 49
TOTALS	***1,859,445*** *(42.5% of statewide incorporated population)*	***27 of 49*** *Legislative Districts*

Council Meeting: 12/11/2012
Agenda: Claims
Item #: 8. d.

CITY OF KIRKLAND
Department of Finance and Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Kathi Anderson, City Clerk

Date: November 29, 2012

Subject: CLAIM(S) FOR DAMAGES

RECOMMENDATION
It is recommended that the City Council acknowledge receipt of the following Claim(s) for Damages and refer each claim to the proper department (risk management section) for disposition.

POLICY IMPLICATIONS
This is consistent with City policy and procedure and is in accordance with the requirements of state law (RCW 35.31.040).

BACKGROUND DISCUSSION
The City has received the following Claim(s) for Damages from:

(1) Joshua Benedict
12820 Odell Road N.E.
Duvall, WA 98019

Amount: Unspecified Amount

Nature of Claim: Claimant states damage to vehicle resulted from road construction on 124th Avenue.

(2) King County Risk Management
500 4th Avenue, Room 320
Seattle, WA 98104

Amount: $187.08

Nature of Claim: Claimant states damage to vehicle resulted from being struck by City vehicle.

(3) Franklin Rampersad
7621 Stebbins
San Antonio, Texas

Amount: Unspecified amount

Nature of Claim: Claimant states damage to vehicle resulted from being struck by City vehicle.

Note: Names of claimant are no longer listed on the Agenda since names are listed in the memo.

Council Meeting: 12/11/2012
Agenda: Establishing Lien Period
Item #: 8. f. (1).

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

MEMORANDUM

To: Kurt Triplett, City Manager

From: David Snider, P.E., Capital Projects Manager
Ray Steiger, P.E., Public Works Director

Date: November 29, 2012

Subject: 2012 Aging Infrastructure Replacement – Juanita Tributary (Billy Creek) Culvert Slip Lining – Accept Work

RECOMMENDATION:

It is recommended that City Council accept the work on the 2012 Aging Infrastructure Replacement –Juanita Tributary (Billy Creek) Culvert Slip Lining Project, as constructed by Pacific Northwest Earthworks, Fall City, Washington, and establish the statutory lien period.

BACKGROUND DISCUSSION:

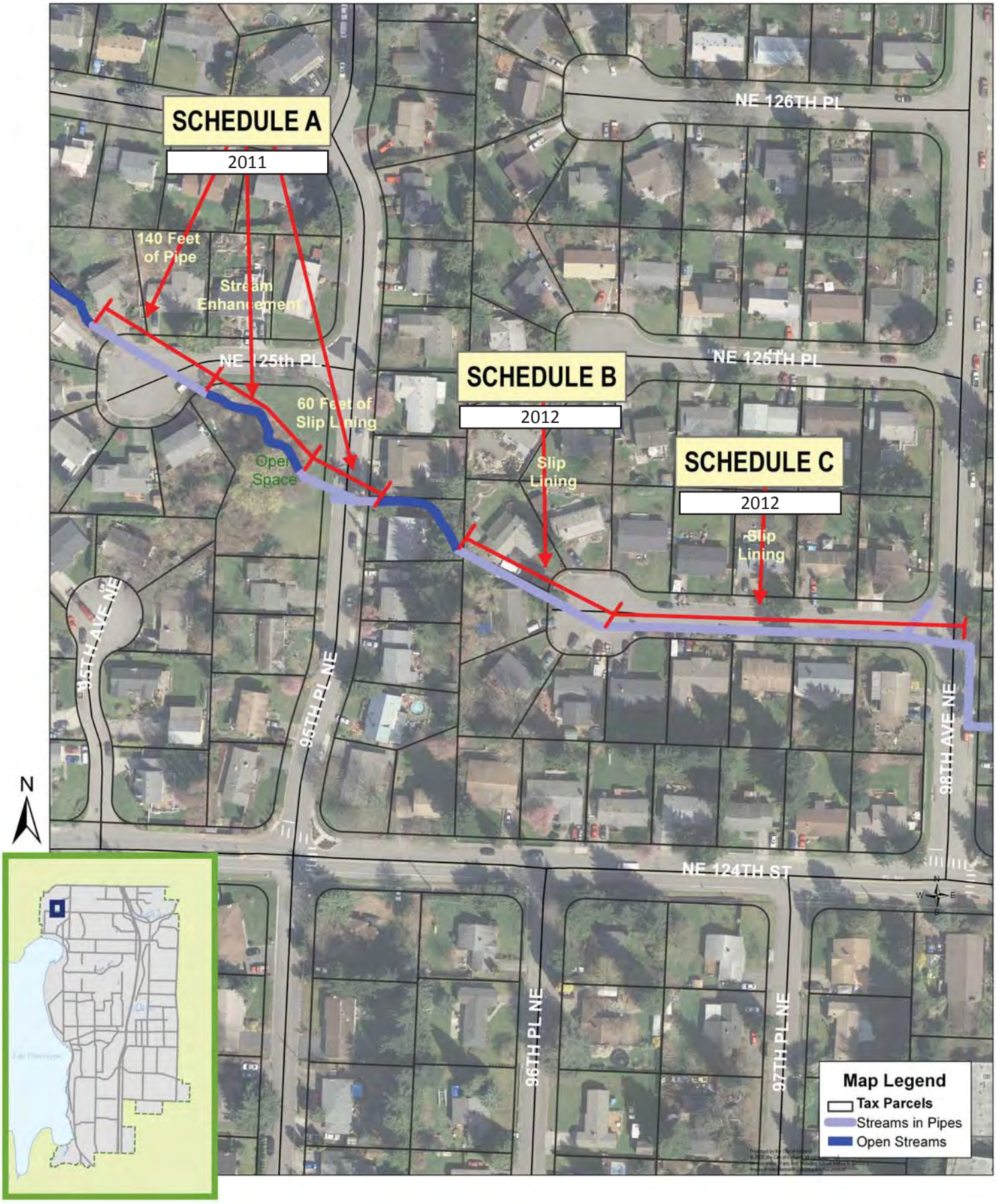
The Aging Infrastructure Replacement Program is an annual city-wide program for maintaining and improving surface water utilities throughout the City. The specific work for the 2012 Project consisted of improving an existing 40-year-old corrugated metal pipe (CMP) culvert that was showing significant structural deficiencies. The Project (Schedules B and C) is located in the North Juanita Neighborhood where Billy Creek, a tributary of Juanita Creek, entered the old CMP at a cul-de-sac on NE 124th Place, west of 98th Avenue NE (Attachment A).

The annual budget for the Program is $200,000 per year. As authorized by City Council at their regular meeting of May 1, 2012, the funds remaining from the 2011 Project were carried forward, resulting in a 2012 Project base budget of $278,230 (Attachment B).

City Council awarded the contract for the 2012 Project to Pacific Northwest Earthworks, LLC in the amount of $151,251.26. The construction was completed in September, 2012, with a total of $146,493.12 being paid to the contractor. The annual Program also incurred additional miscellaneous expenses totaling $11,890 for repairs made to existing catch basins and leaking storm drainage pipe performed by City crews in support of other Capital Improvement Projects. Remaining 2012 Project funds will be returned to the funding source at project close-out and be made available for future storm infrastructure replacement projects.

Attachment A: 2012 Aging Infrastructure Area Map
Attachment B: 2012 Aging Infrastructure Project Budget Report

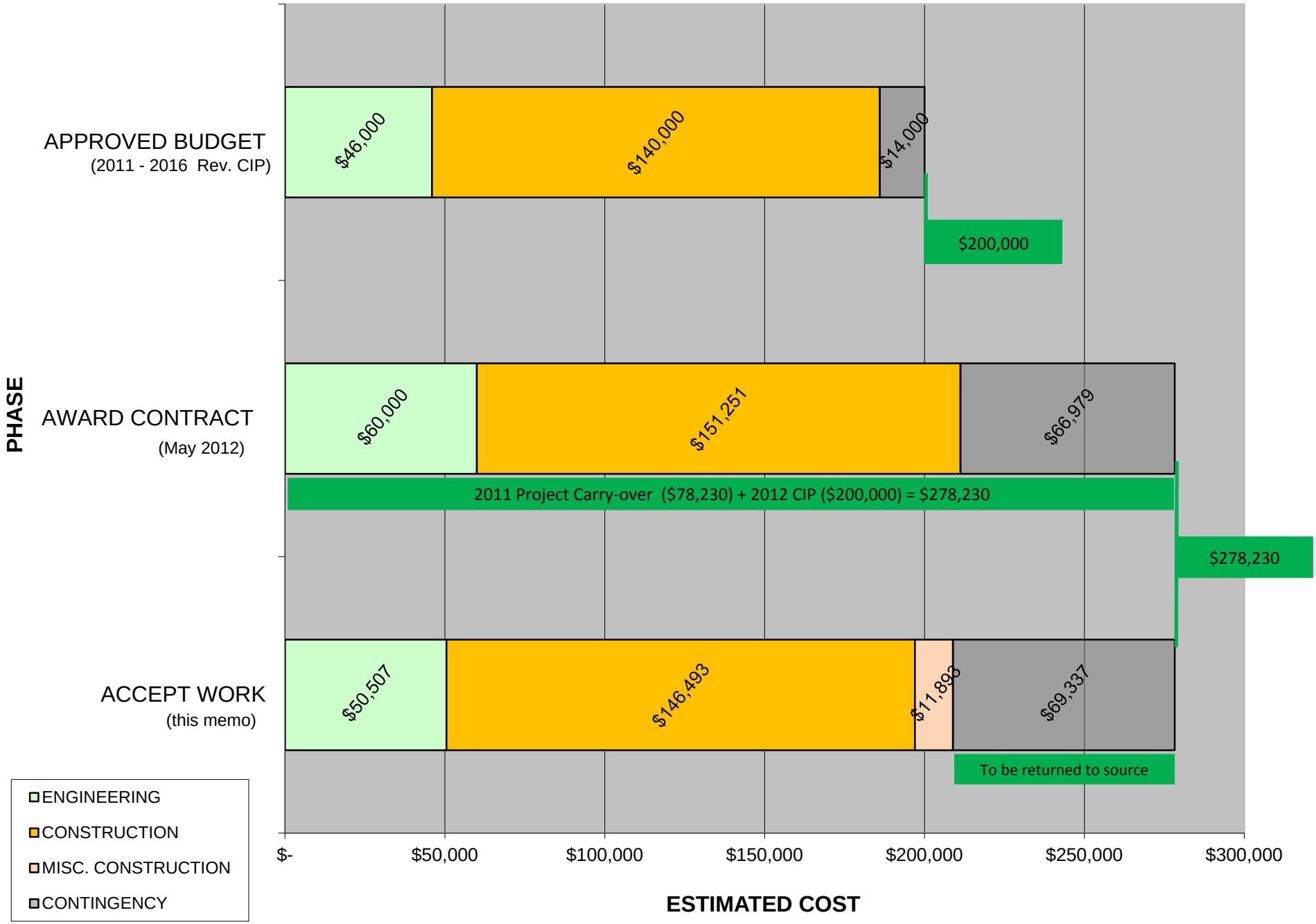
2012 Replacement of Aging Infrastructure CSD-1247
Billy Creek Culvert Slip Lining
Vicinity Map



Attachment B

2012 Aging Infrastructure Replacement
Juanita Tributary (Billy Creek) Culvert Slip Lining Project

Project Budget Report



CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Tracey Dunlap, Director of Finance and Administration
Sri Krishnan, Financial Planning Manager

Date: December 5, 2012

Subject: **2013-2014 BUDGET ADOPTION**

RECOMMENDATION:

Council approves the attached ordinance adopting the budget for the 2013-2014 biennium and the related resolutions and ordinances on the consent calendar.

BACKGROUND DISCUSSION:

As part of the Council's action to adopt the 2013-2014 Budget, the Council will need to act on the following related items:

- Suspending reserve replenishment requirements
- Updating the City's fiscal policies
- Extending suspension of impact fees for change of use
- Exempting revenue generating regulatory license (RGRL) fees for the first year for new, small (10 FTEs or fewer) businesses inside the City

Background information for each of the items listed above and the adjustments included in the final budget are provided below. The resolutions and ordinances to implement policy changes are on the consent calendar and included as attachments to this memorandum. The Final Budget ordinance and Exhibit A to the ordinance are also included as attachments at the end of this memorandum.

Suspending Reserve Replenishment Requirements

The City's current fiscal policies require a high percentage of (up to all) uncommitted funds available at the end of a biennium to be used for reserve replenishment until reserves meet 80% of target and the revenue stabilization reserve is at 100% of target (Attachment A). The fiscal policies also permit the Council to suspend the requirements to replenish reserves under special circumstances. The 2013-2014 Budget as proposed by the City Manager and amended by the Council assumes the suspension of the replenishment element restricting the use of unplanned funds until 80% of all targets are met due to the following special conditions:

- Continuation of the past practice of funding some programs with one-time funds (ARCH Trust Fund, Kirkland Performance Center support, and others) given the discretionary nature of the funding levels and the absence of reliable ongoing resources for those purposes;
- One-time investment needed to establish the Public Safety/Information Technology sinking funds; and
- The objective of addressing some of the high-priority recommendations from the recently completed Fire Strategic Plan.

In order to suspend the reserve replenishment requirements, staff recommends that Council adopts the attached resolution, R-4947.

Updating Fiscal Policies

The City's current fiscal policies do not address the impact of voted property tax levies on establishing reserve targets. Staff proposes that in establishing targets for the Contingency Reserve, General Operating Reserve, Revenue Stabilization Reserve, Council Special Projects Reserve, and the General Capital Contingency, voted property tax levies be excluded from the calculations, since the levies were not intended to burden the General Fund and are expected to absorb unexpected costs from levy proceeds. This proposed amendment of the City's fiscal policies is presented for Council action in the attached resolution, R-4948.

Extending Suspension of Impact Fees for Change of Use[1]

At their meeting on January 18, 2011, the City Council adopted Ordinance 4288 amending the Kirkland Municipal Code (KMC) to temporarily suspend the charging of impact fees for a "change in use" of an existing building through December 31, 2013 (Attachment B). At the Council's direction, staff has drafted an ordinance (Ordinance 4393) that would amend the Kirkland Municipal Code Section 27.04.035 extending the expiration date from December 31, 2013 to December 31, 2014 to match the 2013-2014 budget cycle. A transportation impact fee update will also occur in 2013/2014 as part of the Comprehensive Plan update process and this update will help inform the Council as it decides whether to restore the fee in the future, or sunset it permanently.

Exempting Revenue Generating Regulatory License (RGRL) Fees

At the Council's direction, staff has drafted an ordinance (Ordinance 4394) that would amend the City's code regarding Revenue Generating Regulatory License (RGRL) fees to encourage economic development within the City. The proposed amendment would add a new subsection to KMC 7.02.160 that would exempt a business with 10 or fewer employees or FTE's located within the city limits of Kirkland from the RGRL for the first year of business operation only. Businesses exempt from the RGRL under this subsection will still be required to pay the basic license fee under KMC 7.02.120 and register the number of employees and FTE's with the City.

2013-2014 Budget Adoption

The attached ordinance (Ordinance 4396) adopts the 2013-2014 Budget as proposed by the City Manager and amended by the City Council. By state law, the budget must be adopted by

[1] The 2013-2014 Budget includes increasing the impact and development fees based on inflation. These fee changes will be processed administratively and effective early in 2013.

December 31, 2012. The budget is adopted at the fund level which sets the total expenditure authority for the biennium for each fund.

The table below summarizes the changes to the Preliminary Budget, which total $3.35 million:

	2013-2014 Preliminary Budget	Adjustments	2013-2014 Final Budget
General Fund	171,895,906	(269,068)	171,626,838
Other Funds:			
Street Operating - Reduction in projected levy revenues	20,294,540	(127,254)	20,167,286
Park Levy - Levy funds going through operating fund then transferred to CIP	2,747,711	2,258,366	5,006,077
Equipment Rental - Operating transfer in for utility vehicle in approved service package	19,059,357	31,000	19,090,357
Excise Tax Capital Improvement - Revised revenue estimates, early repayment of loan and change in the timing of ST 0057 funding	15,375,429	(2,778,254)	12,597,175
General Capital Projects - Revised Capital Improvement Program	54,679,019	80,329	54,759,348
Transportation Capital Projects - Revised Capital Improvement Program	35,099,887	4,316,496	39,416,383
Utility Capital Projects - Remove 2013-14 interest due to loan payback in 2012	22,442,804	(27,743)	22,415,061
Surface Water Management - Remove Department of Ecology Grant	21,553,357	(109,000)	21,444,357
Surface Water Capital Projects - Remove 2013-14 interest due to loan payback in 2012	18,342,631	(27,328)	18,315,303
All other funds with no changes from 2013-14 Preliminary Budget	158,870,726	-	158,870,726
Total	**540,361,367**	**3,347,544**	**543,708,911**

Factors contributing to the change in the Final 2013-2014 Budget from the Preliminary Budget include: funding Human Services at the Option #2 level, the Time Bank, and CERT classes on a one-time basis in 2013-2014. The one-time needs identified amount to $50,814 per year. The Council directed staff to use Council Contingency along with reducing the proposed level of funding for ARCH to fund these one-time needs. Additionally, Council directed that the one-time sales tax revenue resulting from receipts in excess of budgeted levels in October 2012 be used to replenish reserves as part of the budget adjustment during the first quarter of 2013. The table below summarizes Council directions on the changes to the preliminary 2013-2014 Budget from the meetings on November 7th and November 20th.

	Annual Amount	Biennial Amount
Uses:		
Human Services at Option # 2 Level	44,814	89,628
Time Bank	1,000	2,000
CERT	5,000	10,000
Total Uses	**50,814**	**101,628**
Funding Sources:		
Reduction in ARCH Funding	15,000	30,000
Council Contingency	35,814	71,628
Funding Needed	**-**	**-**

The Council's direction on the funding of these one-time needs in 2013-2014 is included in the attached ordinance adopting the 2013-2014 Budget.

Other major adjustments to the Preliminary Budget include:

- **Converting ongoing hourly wages to FTE** – Authorize addition of 0.35 FTE in the City Manager's Office using existing on-call staff funding to support LTAC (0.06 FTE) and economic development (0.29 FTE). This change has no net budget impact.

In addition to the adjustments to the General Fund discussed above, the Final Budget includes the following adjustments to other funds:

- **Street Operating** – Reflecting the revised revenue estimate from the passage of Proposition 1, a reduction in budget of $127,254.

- **Park Levy** – Receipting all revenues from the passage of Proposition 2 in the Park Levy Fund and then transferring it to the Capital Improvement Funds to provide a clear segregation of the levy funds for accountability purposes increases the budget by $2.26 million. This results in the revenues appearing in both the levy fund and the Capital fund.

- **Equipment Rental** – Recognizing a transfer in to fund the purchase of a vehicle as approved in a service package, an increase in appropriation of $31,000.

- **Excise Tax Capital Improvement** – Recognizing revised revenue estimates, repayment of the interfund loan to purchase the Cross Kirkland Corridor (CKC) in 2012 and the funding of the NE 120th Roadway Extension project (ST 0057) reduces the beginning balance of this fund. The total change is a reduction of $2.78 million.

- **General Capital Projects** – Recognizing the CIP changes as discussed at the November 20th Council meeting and the adjustments to the Park Levy (Proposition 2) funded project as discussed in the 2013-2018 CIP adoption memo – net addition of $80,329 in 2013-2014.

- **Transportation Capital Projects** – Recognizing the CIP changes as discussed at the November 20th Council meeting and the adjustments to the Street Levy (Proposition 1) funded project (Street Maintenance and Pedestrian Safety – ST 0006 003) – net addition of $4.3 million in 2013-2014.

- Reducing interest revenue in 2013-14 from early repayment of the interfund loan to purchase the CKC:

    - **Utility Capital Projects** – Reduce budget by $27,743
    - **Surface Water Capital Projects** – Reduce budget by $27,328

- **Surface Water Management** – Reducing the budget by $109,000 because the anticipated grant from the Department of Ecology is already included in the 2011-2012 budget.

A summary of the 2013-2014 Final Budget by fund type, as compared to the 2011-2012 Amended Budget as of December, 2012, is included in the table below.

Fund Type	2011-12 Amended Budget	2013-14 Final Budget	% Change
GENERAL GOVERNMENT			
General Fund	161,361,264	171,626,838	6.4%
Other Operating	18,604,602	29,740,972	59.9%
Internal Service Funds	57,122,240	68,541,621	20.0%
Non-Operating Funds	117,935,647	123,593,196	4.8%
UTILITIES			
Water/Sewer	66,961,952	77,811,900	16.2%
Surface Water	33,193,878	39,759,660	19.8%
Solid Waste	25,102,501	32,634,724	30.0%
TOTAL BUDGET	**480,282,084**	**543,708,911**	13.2%

The 2013-2014 Final Budget totals $543.71 million which represents an increase of 13.2% or an increase of $63.4 million from the Amended 2011-2012 Budget (as of December 2012), including the year-end adjustments. This will be the comparison in the Final 2013-2014 Budget document.

Follow-up Requested by Council

Along with modifications to the biennial budget, Council requested several reports as future follow-up items. See Attachment C for the list of follow-up items as presented to Council on November 7, 2012. Note that, most of the items listed will be brought forward through Council subcommittees.

Copies of the final budget document will be available during the first quarter of 2013.

Exhibit 1: Reserve Replenishment Principles – October 18, 2011

Reserve replenishments occur in two ways during periods of economic recovery:

- Planned - A specific amount is included in the adopted budget, and
- Unplanned - Ending fund balances are higher than budgeted, either due to higher than budgeted revenues or under-expenditures.

Planned amounts are included as part of the adopted budget. **Planned replenishments toward 80% of the target level shall be set to at least 1% of the General Fund adopted budget.**

Unplanned amounts available at the end of each biennium (if any) should help replenish to target faster. A high percentage (up to all) uncommitted funds available at the end of a biennium should be used for reserve replenishment until reserves meet 80% of target and the revenue stabilization reserve is at 100% of target. Some or all of those unplanned funds may be used in place of planned (budgeted) amounts in the following biennium to the extent it meets or exceeds the 1% budgeted amount.

Once reserves reach 80% of target and revenue stabilization reserve is at 100%, funds may be used to meet other one time or on-going needs. Additional funds should be used to fund a variety of needs, based on the following process:

- Set 50% of available cash toward reserves until they are at 100% of target. The remaining 50% shall be available for one or more of the following needs, depending on the nature of the funds available (one-time or on-going) and in the following order of priority (see flowchart on the following page):
    - Fund liabilities related to sinking funds for public safety and information technology equipment,
    - Maintain current service levels,
    - Fund one-time projects or studies,
    - Increase funding for capital purposes,
    - Restore previous program service reductions,
    - Potential program/service enhancements.

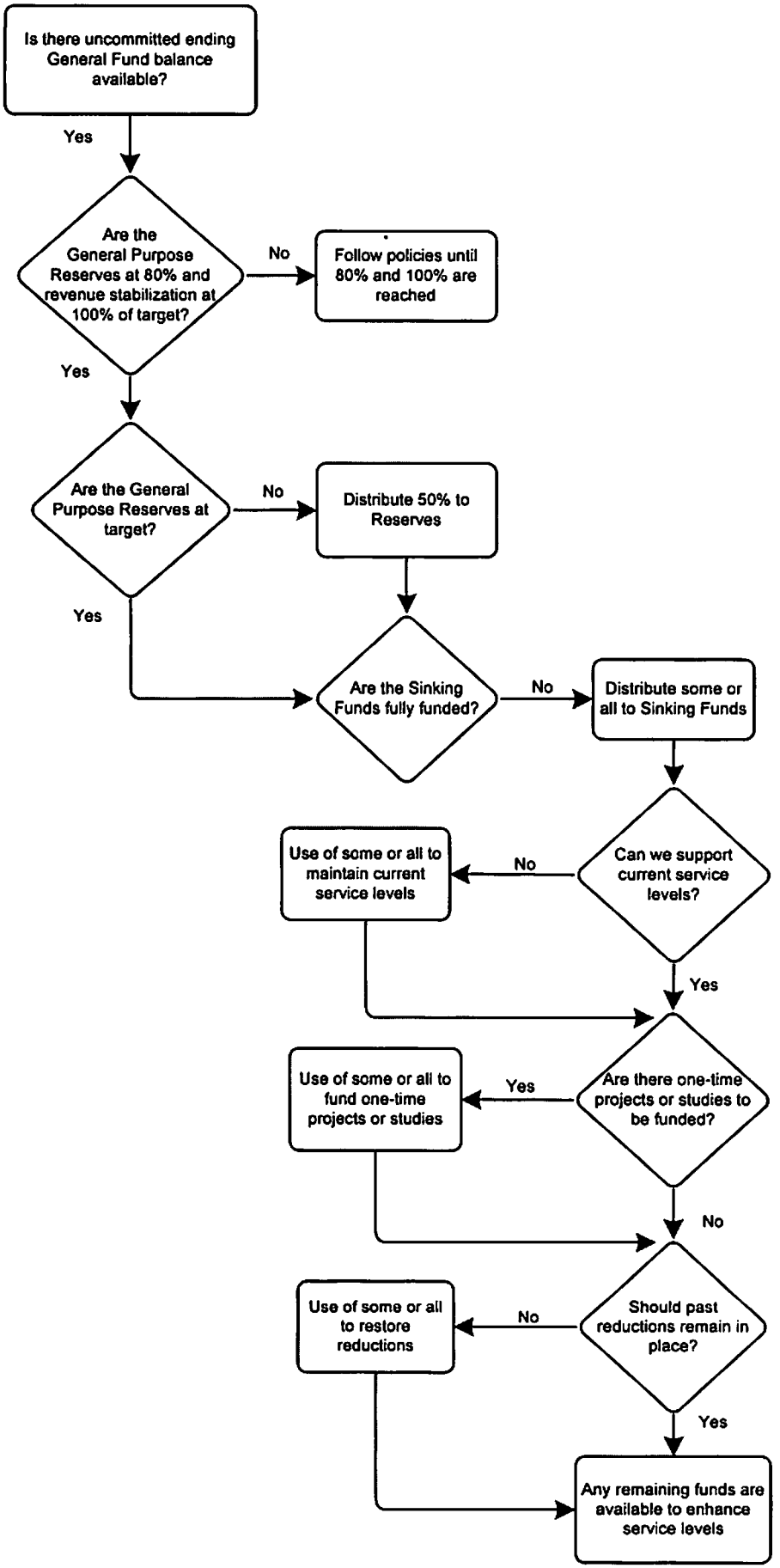
In terms of priority for replenishing the individual reserves, the following guidelines shall be used:

- If the Council Special Projects reserve is below target, replenish to target at the start of each biennium.
- If the revenue stabilization reserve is below target, prioritize replenishing the reserve.
- To the extent cash is from volatile revenues above budgeted amounts, those funds should be applied to revenue stabilization reserve first.
- If unplanned funds are available because planned reserve uses did not occur, those funds should be returned to the source reserve.
- The source of uncommitted funds should be taken into consideration (for example, interest earnings over budget could be applied to the capital contingency, since they are one of the designated sources for this reserve).
- The degree to which an individual reserve is below target (for example, the reserve that is furthest from its target level on a percentage basis might receive a larger share of the funds).

Decisions on how replenishments are allocated to specific reserves will be based on where available funds came from and on each reserve's status at the time the decision is made.

The replenishment policy will provide a mechanism whereby Council may take action to suspend replenishment policies if it was found that special conditions existed warranting such action.

Decision Making Process for Unplanned Fund Balances if Reserves are Greater Than 80% of Target



Council Meeting: 01/18/2011
Agenda: New Business
Item #: 11. b.

CITY OF KIRKLAND
Public Works Department
123 Fifth Avenue, Kirkland, WA 98033 425.587-3800
www.ci.kirkland.wa.us

MEMORANDUM

To: Kurt Triplett, City Manager

From: Ellen Miller-Wolfe, Economic Development Manager
David Godfrey, P.E., Transportation Manager
Ray Steiger, P.E., Interim Public Works Director

Date: January 6, 2011

Subject: Suspension of Change in Use Impact Fees

RECOMMENDATION

It is recommended that the City Council adopt the attached ordinance amending the Kirkland Municipal Code (KMC) to temporarily suspend the charging of impact fees for a "change in use" of an existing building through December 31, 2013.

BACKGROUND

At its 2010 Retreat, the City Council determined that economic development is both an important and urgent issue for Kirkland. In response to this concern, staff undertook a competitiveness study (Attachment 1) to understand how taxes and fee policies might be affecting the City's ability to remain competitive among its peer communities. While the study determined that the portion of locally variable costs that can be attributed to tax and fee policies is a relatively small share of these costs, it also indicated that a combination of the market and tax and fee costs make Kirkland one of the higher cost places in the region to do business. The consultants, Berk & Associates, indicated that targeting incentives toward new development and reducing historically high vacancy rates was important in this recessionary climate. One approach they suggested was to eliminate impact fees that are charged when a change of use results in an increase in SOV trips, but there is no related increase in square footage.

The Economic Development Committee (EDC), who studied this issue, asked if eliminating impact fees for changes of use could apply solely to specific business districts such as just in the Downtown area. It was determined that because the impact fee ordinance applied city-wide, it was legally challenging and inequitable to focus this incentive only on certain areas. In recognition of the current financial situation for the business community, the EDC recommended temporarily eliminating the charging of impact fees for change of use for the entire City at its November 22, 2010 meeting. It was recommended by the EDC at their November meeting that staff return to the full Council with an ordinance suspending the change of use impact fee.

Memorandum to Kurt Triplett
January 11, 2011

State law authorizes the collection of impact fees to help defray the costs of new transportation infrastructure. Currently, the City collects impact fees on all new development including development/redevelopment of an existing structure from one use (i.e. furniture store) to another use (i.e. auto parts store). The attached ordinance authorizes the suspension until the City completes its next impact fee study likely to be completed in 2013. The suspension automatically expires on December 31, 2013.

Suspension of change of use impact fees will not affect the collection of impact fees for new development or the enlargement of existing buildings; it applies to a limited component of the development sector. It is estimated that change in use impact fees over the time since impact fees were first adopted, June of 1999, account for approximately 25-30% of all impact fees collected city-wide and for the 2011/2012 biennium, the potential loss of revenue is estimated to be approximately $250,000.

This loss in impact fees previously dedicated to CIP projects will require additional grant funding, other resources, or a delay in projects funded by the anticipated impact fees. At this time, the likely affected projects that are funded in part with impact fees in 2011/2012 are two signal projects associated with the NE 85th Street corridor improvements: 124th Ave NE, and 132nd Ave NE. Based on the current bidding climate in which bids are consistently 20 to 30% below the engineer's estimate, and as the 2012 construction of these improvements approaches, staff will modify the CIP projects accordingly.

ORDINANCE 4288

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO IMPACT FEES FOR CHANGES IN USE AND SUSPENDING TRANSPORTATION IMPACT FEES FOR CHANGES OF USE THAT DO NOT RESULT IN INCREASED FLOOR AREA.

The City Council of the City of Kirkland do ordain as follows:

Section 1. A new Kirkland Municipal Code Section 27.04.035 is hereby created to read as follows:

27.04.035 Temporary suspension of transportation impact fees relating to change of use

Notwithstanding any other provision of this Chapter, the City temporarily suspends the imposition of transportation impact fees to the extent the assessment of the fee is the result of a change to a land use category that results in a higher fee under KMC 27.04.150; provided that this Section shall not apply to a project to the extent it will add, increase or expand the gross floor area of an existing building; and provided further that this Section applies only to the use, renovation or remodeling of existing structures and does not apply to redevelopment projects or other projects in which existing structures are replaced or substantially redeveloped. This Section shall apply to projects for which complete building applications are filed with the City between February 1, 2011 and December 31, 2013. This Section shall automatically expire on December 31, 2013.

Section 2. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance, or the application of the provision to other persons or circumstances is not affected.

Section 3. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this 18th day of January, 2011.

Signed in authentication thereof this 18th day of January, 2011.

MAYOR

Attest:

City Clerk

Approved as to Form:

City Attorney

Summary of Follow-up Items from October 25, 2012 Council Study Session

ITEMS TO BE DISCUSSED AT COUNCIL MEETING ON NOVEMBER 7, 2012:

- Breakdown of causes of budget increase (Finance)
- Discussion of potential to privately contract some of the services in expenditure reduction category (Finance/HR)
- Where is head tax revenue going (i.e. what does it support)? (Finance)
- Discuss buildable lands inventory process (Planning)
- Options to fund winter shelters by reducing ARCH trust fund contribution or other alternatives (Finance)
- Consider earlier Council Retreat timing

ITEMS REFERRED TO COMMITTEES:

- Finance Committee
    - Evaluate a "glide slope" to a two year sales tax lag
    - Council should look at their budget in advance of the City Manager's proposed budget.
    - Where is head tax revenue going (i.e. what does it support)? (Finance)

- Public Safety Committee
    - What is the impact of the passage of the marijuana initiative on police and court?
    - Jail –
        - What is the feasibility of a regional jail transport system and should Kirkland take a lead role in initiating a study?
        - Get more market information on jail demand before opening bids.
    - Where is the prevention emphasis for Public Safety? Provide a list of prevention based approaches included in the budget.

- Committee TBD
    - What can we find out about other cities' total human services spending (i.e. what is equivalent of Kirkland's $4.7 million)?
    - Create a policy basis for per capita human services funding level

- Economic Development Committee
    - Events (to be addressed as part of the larger Events review by EDC)
        - Concern about Uncorked and preventing access to the lake
        - Include in study opportunities for synergies and efficiencies through partnerships between event organizers.
        - Events tend to focus on downtown core. Should we expand our view of where events can occur? Need to activate more business districts through events (e.g. Totem Lake).
        - What does Redmond do for funding events?

POTENTIAL CITY COUNCIL RETREAT ITEMS

- How do we better understand the community's perceptions about human services importance and performance? (As part of overall discussion of refining how we use the quadrant tool)
- In-depth discussion of performance management program service package

OTHER DISCUSSION ITEMS:

- More education/information to the public about what we're doing and how we're doing

RESOLUTION R-4947

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND FINDING THAT SPECIAL CONDITIONS EXIST AND SUSPENDING THE RESERVE REPLENISHMENT PRINCIPLE RESTRICTING THE USE OF UNPLANNED FUNDS.

WHEREAS, in October 2011, the City Council passed Resolution R-4900 establishing Reserve Replenishment Principles; and

WHEREAS, one of the Reserve Replenishment Principles provides that once reserves reach 80 percent of target and the revenue stabilization reserve is at 100 percent of target, unplanned ending fund balances available at the end of the biennium may be used to meet other one time or ongoing needs; and

WHEREAS, there is a need to use some of the available ending fund balances for one time needs during the 2013-2104 biennium although the 80 percent reserve target has not been met; and

WHEREAS, the Reserve Replenishment Principles provide that the City Council may take action to suspend Reserve Replenishment Principles if the City Council finds that special conditions exist warranting such action; and

WHEREAS, the City Council makes the findings set forth below;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. Findings.

A. There is a need to continue the City Council practice of funding some programs with one-time funds, such as the ARCH Trust Fund and the Kirkland Performance Center, given the importance of these programs to the quality of life of the community, the discretionary nature of the funding levels and the absence of reliable ongoing resources for those purposes.

B. A one-time revenue investment is needed to establish the Public Safety/Information Technology sinking funds which are critical to the health and well being of the community and the safe and reliable operations of the government.

C. There is a need to use one-time funds to address some of the high priority recommendations from the recently completed Fire Strategic Plan to enhance the public safety of the residents of the City.

Section 2. Suspension. Based upon the special conditions described in Section 1, "Findings," the City Council suspends the Reserve Replenishment Principle restricting the use of unplanned funds during the 2013-2014 biennium.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2012.

Signed in authentication thereof this ____ day of _____, 2012.

_____
MAYOR

Attest:

_____
City Clerk

RESOLUTION R-4948

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ADOPTING THE FISCAL POLICIES FOR THE CITY OF KIRKLAND.

WHEREAS, the stewardship of public funds is one of the greatest responsibilities given to the officials and managers of the City of Kirkland; and

WHEREAS, the establishment of and maintenance of wise fiscal policies enables City officials to protect public interests and ensure public trust; and

WHEREAS, most of the City of Kirkland's Fiscal Policies represent long-standing principles, traditions, and practices that have guided the City management in the past and are intended to ensure that the City is financially able to meet its immediate and long-term objectives; and

WHEREAS, the City of Kirkland's Fiscal Policies need to be amended to be to reflect changes related to the recently approved levy lid lifts;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The City Council hereby adopts the City of Kirkland's Fiscal Policies a copy of which is attached hereto and by this reference incorporated herein.

Section 2. The City of Kirkland's Fiscal Policies are intended to provide general fiscal guidelines and to provide sound direction in the management of the City's financial affairs.

Passed by majority vote of the Kirkland City Council in open meeting this 11th day of December, 2012.

Signed in authentication thereof this 11th day of December, 2012.

_____
MAYOR

Attest:

_____
City Clerk

CITY OF KIRKLAND

FISCAL POLICIES

BACKGROUND AND PURPOSE

The stewardship of public funds is one of the greatest responsibilities given to the officials and managers of the City of Kirkland. Therefore, the establishment and maintenance of wise fiscal policies enables city officials to protect public interests and ensure public trust.

This document incorporates past financial practices in defining the current policies to be used by the City to meet its obligations and operate in a financially prudent manner. These policies have been established to provide general fiscal guidelines and are intended to provide sound direction in the management of the City's financial affairs.

OPERATING BUDGET POLICIES

The municipal budget is the central financial planning document that embodies all operating revenue and expenditure decisions. It establishes the level of services to be provided by each department within the confines of anticipated municipal revenues.

- The City Council will adopt a biennial budget which will reflect estimated revenues and expenditures for the ensuing two years. A mid-biennium review and update will take place as prescribed by law during the first year of the biennium.
- The City Council will establish municipal service levels and priorities for the ensuing two years prior to and during the development of the preliminary budget.
- The City Manager shall incorporate the Council's priorities in the formulation of the preliminary and final budget proposal.
- Adequate maintenance and replacement of the City's capital plant and equipment will be provided for in the biennial budget.
- The biennial budget will be balanced with resources in that biennium.

REVENUE AND EXPENDITURE POLICIES

Annual revenues are conservatively estimated as a basis for preparation of the biennial budget and City service programs.

Expenditures approved by the City Council in the biennial budget define the City's spending limits for the upcoming biennium. Beyond legal requirements, the City will maintain an operating philosophy of cost control and responsible financial management.

- The City will maintain revenue and expenditure categories according to state statute and administrative regulation.
- Current revenues will be sufficient to support current expenditures.
- All revenue forecasts will be performed utilizing accepted analytical techniques.
- All fees for services shall be reviewed and adjusted (where necessary) at least every three years to ensure that rates are equitable and cover the total cost of service, or that percentage of total service cost deemed appropriate by the City.
- Revenues of a limited or indefinite term will be used for capital projects or one-time operating expenditures to ensure that no ongoing service program is lost when such revenues are reduced or discontinued.
- Grant applications to fund new service programs with state or federal funds will be reviewed by the City, as they become available, with due consideration being given to whether locally generated revenues will be required to support these programs when outside funding is no longer available.
- The City of Kirkland will establish and maintain Special Revenue Funds which will be used to account for proceeds from a substantial restricted or committed revenue source used to finance designated activities

which are required by statute, ordinance, resolution or executive order.

- Biennial expenditures will be maintained within the limitations of biennial revenues. The City will not use short-term borrowing to finance current operating needs without full financial analysis and prior approval of the City Council.
- In order to ensure the continuity of services, the City will budget no more sales tax revenue than was received in the prior year as a hedge against possible future economic events.
- Interest income revenue will be used to finance one-time capital or time-limited goods or services including debt service on councilmanic bond issues.
- All authorized positions will be budgeted for a full year (or biennium) unless specifically designated by the City Council as a partial-year position.
- In the event that budget reductions are needed in order to balance revenues and expenditures, the City Council will provide policy direction to staff as to the priority order and combination for using the following strategies:
    - Raise revenue
    - Reduce expenditures
    - Use reserves
- The use of reserves to balance the budget will only be used to address short term temporary revenue shortfalls and expenditure increases.
- The biennial budget will be formally amended by the City Council as needed to acknowledge unforeseen expenditures. All requests for funding will be analyzed by the Finance and Administration Department. The Council will be provided with a discussion of the legality and/or policy basis of the expenditure, the recommended funding source, an analysis of the fiscal impact and a review of all reserves and previously approved amendments since budget adoption.
- A request will not be approved at the same meeting at which it is introduced unless it is deemed an urgent community issue by a supermajority vote of the City Council. Requests made to Council outside of the formal budget adjustment process will be analyzed and presented to the Council for approval at the next regular Council meeting that allows sufficient time for staff to prepare an analysis and recommendation.

ENTERPRISE FUND POLICIES

The City will establish enterprise funds for City services when 1) the intent of the City is that all costs of providing the service should be financed primarily through user charges; and/or 2) the City Council determines that it is appropriate to conduct a periodic review of net income for capital maintenance, accountability, or other public policy purposes.

- Enterprise funds will be established for City-operated utility services.
- Enterprise fund expenditures will be established at a level sufficient to properly maintain the fund's infrastructure and provide for necessary capital development.
- Each enterprise fund will maintain an adequate rate structure to cover the costs of all operations, including maintenance, depreciation, capital and debt service requirements, reserves (as established by fiscal policy or bond covenant), and any other cost deemed necessary.
- Rates may be offset from available fund cash after requirements are met for cash flow and scheduled reserve contributions.
- Enterprise fund services will establish and maintain reserves for general contingency and capital purposes consistent with those maintained for general governmental services.
- Revenue bonds shall be issued only when projected operating revenues are insufficient for the enterprise's capital financing needs.
- The City will insure that net operating revenues of the enterprise constitute a minimum of 1.5 times the annual debt service requirements.

- The City will limit the maturities of all utility revenue bond issues to 30 years or less.

CASH MANAGEMENT AND INVESTMENT POLICIES

Careful financial control of the City's daily operations is an important part of Kirkland's overall fiscal management program. Achieving adequate cash management and investment control requires sound financial planning to ensure that sufficient revenues are available to meet the current expenditures of any one operating period. Once steps are taken to ensure that the City maintains a protected cash position in its daily operations, it is to the municipality's advantage to prudently invest idle funds until such time as they are required to make expenditures.

- The City's idle cash will be invested on a continuous basis in accordance with the City's adopted investment policies.
- The City will maintain a formal investment policy which is reviewed and endorsed by state and/or national professional organizations. The complete policy can be found in the appendix of this document.
- The City will invest all funds (in excess of current requirements) based upon the following order of priority: 1) legality; 2) liquidity; 3) safety; and 4) yield.
- Investments with City funds shall not be made for purposes of speculation.
- The City is prohibited from investing in derivative financial instruments for the City's managed investment portfolio.
- Proper security measures will be taken to safeguard investments. The City's designated banking institution will provide adequate collateral to insure City funds.
- The City's investment portfolio will be reviewed every three years by a qualified portfolio valuation service to assess the portfolio's degree of risk and compliance with the adopted investment policies.
- An analysis of the City's cash position will be prepared at regular intervals throughout the fiscal year.
- The City Council will be provided with quarterly reports on the City's investment strategy and performance.
- Sufficient cash shall be maintained to provide adequate funds for current operating expenditures.
- Where permitted, the City will pool its cash resources from various funds ("Treasurer's Cash") for investment purposes.
- Net investment income from Treasurer's Cash will be allocated in accordance with KMC 5.24.060 considering 1) average cash balance of the participating fund and 2) the minimum cash balance needs of each fund as determined by the Director of Finance and Administration. Net investment income is the amount of annual investment proceeds after an allocation of earned interest is made to certain funds as required by the State and Council-directed obligations are met for General Fund purposes.
- The City of Kirkland will select its official banking institution through a formal bidding process in order to provide the City with the most comprehensive, flexible, and cost-effective banking services available.

ACCOUNTING, FINANCIAL REPORTING AND AUDITING POLICIES

The City of Kirkland will establish and maintain a high standard of accounting practices. Accounting and budgetary systems will, at all times, conform to Generally Accepted Accounting Principles, the State of Washington Budgeting Accounting Reporting System (BARS) and local regulations.

- A comprehensive accounting system will be maintained to provide all financial information necessary to effectively operate the City.
- The City will meet the financial reporting standards set by the Governmental Accounting Standards Board.
- Full disclosure will be provided in all City financial reports and bond representations.
- An annual audit will be performed by the State Auditor's Office and include the issuance of a financial opinion.

RESERVE AND FUND BALANCE POLICIES

Adequate fund balance and reserve levels are a necessary component of the City's overall financial management strategy and a key factor in external agencies' measurement of the City's financial strength.

Maintenance of fund balance for each accounting fund assures adequate resources for cash flow and to mitigate short-term effects of revenue shortages.

City and state regulations have been established to allow the City of Kirkland to create and maintain specific reserve funds. Prudent use of reserve funds enables the City to defray future costs, take advantage of matching funds, and beneficial (but limited) opportunities. Reserve funds provide the City with the ability to exercise flexible financial planning in developing future capital projects. Reserve funds are necessary to enable the City to deal with unforeseen emergencies or changes in condition.

- The City will establish minimum fund balance targets for each fund based on the cash flow requirements of the fund. The City will include all fund balances in the biennial budget.
- The minimum fund balance will be attained and maintained through expenditure management, revenue management and/or contributions from the General Fund.
- All expenditures drawn from reserve accounts shall require prior Council approval unless previously authorized by the City Council for expenditure in the biennial budget or otherwise provided for by City policies.

Reserve Purposes and Targets

- A Contingency Reserve Fund shall be maintained in accordance with RCW 35A.33.145 to meet any municipal expense, the necessity or extent of which could not have been reasonably foreseen at the time of adopting the biennial budget. The target balance will be set at 80 percent of the statutory maximum of $0.375 per $1,000 of assessed valuation.
- The City will maintain a General Operating Reserve at an amount equivalent to five percent of the tax-supported general government budgets (General Fund, Street Operating Fund and Parks Maintenance Fund) for the second year of the biennium. The General Operating Reserve is available to address unforeseen revenue shortfalls or expenditure needs that occur during the current biennium.
- The City will maintain a Revenue Stabilization Reserve to address temporary revenue losses due to economic cycles or other time-limited causes. The Revenue Stabilization Reserve will be maintained at ten percent of selected General Fund revenue sources which, in the judgment of the Director of Finance and Administration, are subject to volatility. The Revenue Stabilization Reserve may be used in its entirety; however, replenishment will be a priority, consistent with adopted policies.
- The City will maintain a Council Special Project Reserve, which is available to the City Council to fund special one-time projects that were unforeseen at the time the budget was prepared. When the reserve is used, it is replenished from the General Fund year-end fund balance to a target balance of $250,000.
- The City will maintain a General Capital Contingency to address unforeseen project expenditures or external revenue shortfalls in an amount equivalent to ten percent of the funded two-year CIP budget, less proprietary fund projects.
- In establishing targets for the reserves defined above, voted property tax levies will be excluded from the calculations, since the levies are not intended to burden the General Fund and are expected to absorb unexpected costs from levy proceeds.
- The City Manager may authorize the use of capital funding reserves up to an aggregate total of $100,000 per year in increments not to exceed $25,000. The City Manager will provide regular reports to the City Council at a regular Council meeting if this authorization is used. Capital funding reserves include: General Capital Contingency, Street Improvement Reserve,

REET Reserves, Impact Fee Reserves, Water/Sewer Capital Contingency, Water/Sewer Construction Reserve, Surface Water Capital Contingency, and Surface Water Construction Reserve.

- The City will maintain a Capital Improvement Project Grant Match Reserve as a means of assuring the availability of cash resources to leverage external funding when the opportunity arises. The reserve will be maintained in the Real Estate Excise Tax Capital Reserve Fund and maintained through excise tax revenue received over and above the annual allocation to the Capital Improvement Plan.
- The City will maintain a Building and Property Reserve with a minimum balance of $600,000. This reserve is used for property purchases, building improvements and other property-related transactions. It can also be used as a general purpose reserve to fund Council-approved unanticipated expenditures.
- The City will maintain fully funded reserves for the replacement of vehicles and personal computers. Contributions will be made through assessments to the using funds and maintained on a per asset basis.
- Additional reserve accounts may be created to account for monies for future known expenditures, special projects, or other specific purposes.
- All reserves will be presented in the biennial budget.

Reserve Replenishment

- Reserve replenishments occur in two ways during periods of economic recovery:
  - Planned - A specific amount is included in the adopted budget, and
  - Unplanned - Ending fund balances are higher than budgeted, either due to higher than budgeted revenues or under-expenditures.
- Planned amounts are included as part of the adopted budget. Planned replenishments toward 80% of the target level shall be set to at least 1% of the General Fund adopted budget.
- Unplanned amounts available at the end of each biennium (if any) should help replenish to target faster. A high percentage (up to all) uncommitted funds available at the end of a biennium should be used for reserve replenishment until reserves meet 80% of target and the revenue stabilization reserve is at 100% of target. Some or all of those unplanned funds may be used in place of planned (budgeted) amounts in the following biennium to the extent it meets or exceeds the 1% budgeted amount.
- Once reserves reach 80% of target and revenue stabilization reserve is at 100%, funds may be used to meet other one time or on-going needs. Additional funds should be used to fund a variety of needs, based on the following process:
  - Set 50% of available cash toward reserves until they are at 100% of target.
  - The remaining 50% shall be available for one or more of the following needs, depending on the nature of the funds available (one-time or on-going) and in the following order of priority:
    - Fund liabilities related to sinking funds for public safety and information technology equipment,
    - Maintain current service levels,
    - Fund one-time projects or studies,
    - Increase funding for capital purposes,
    - Restore previous program service reductions,
    - Potential program and service enhancements.
- In terms of priority for replenishing the individual reserves, the following guidelines shall be used:
  - If the Council Special Projects reserve is below target, replenish to target at the start of each biennium.
  - If the revenue stabilization reserve is below target, prioritize replenishing the reserve.
  - To the extent cash is from volatile revenues above budgeted amounts,

those funds should be applied to revenue stabilization reserve first.

- If unplanned funds are available because planned reserve uses did not occur, those funds should be returned to the source reserve.
- The source of uncommitted funds should be taken into consideration (for example, interest earnings over budget could be applied to the capital contingency, since they are one of the designated sources for this reserve).
- The degree to which an individual reserve is below target (for example, the reserve that is furthest from its target level on a percentage basis might receive a larger share of the funds).
- Decisions on how replenishments are allocated to specific reserves will be based on where available funds came from and on each reserve's status at the time the decision is made.
- The replenishment policy will provide a mechanism whereby Council may take action to suspend replenishment policies if it was found that special conditions existed warranting such action.

DEBT MANAGEMENT POLICIES

The amount of debt issued by the City is an important factor in measuring its financial performance and condition. Proper use and management of borrowing can yield significant advantages. From a policy perspective, the City of Kirkland uses debt in two ways: (1) as a mechanism to equalize the costs of needed improvements to both present and future citizens; and (2) as a mechanism to reduce the immediate costs of substantial public improvements.

- The City will maintain a formal Debt Management Policy which is reviewed and endorsed by state and/or national professional organizations. The complete policy can be found in the appendix of this document.
- City Council approval is required prior to the issuance of debt.
- An analytical review shall be conducted prior to the issuance of debt.
- The City will continually strive to maintain its bond rating by improving financial policies, budget forecasts and the financial health of the City so its borrowing costs are minimized and its access to credit is preserved.
- All debt issued by the City will include a written opinion by bond counsel affirming that the City is authorized to issue the proposed debt.
- The City of Kirkland will not use long-term debt to support current operations.
- Long-term borrowing will only be used for capital improvements that cannot be financed from current revenues.
- Non-capital furnishings, supplies, and personnel will not be financed from bond proceeds.
- Interest, operating and/or maintenance expenses will be capitalized only for enterprise activities; and will be strictly limited to those expenses incurred prior to actual operation of the facilities.
- The general obligation debt of Kirkland will not exceed an aggregated total of 7.5% of the assessed valuation of the taxable property within the City.
- The following individual percentages shall not be exceeded in any specific debt category:
  - General Debt -- 2.5% of assessed valuation
  - Non-Voted -- 1.5% Limited Tax General Obligation (LTGO) Bonds
  - Voted -- 1.0% Unlimited Tax General Obligation Bonds
  - Utility Debt -- 2.5% of assessed valuation
  - Open Space and Park Facilities -- 2.5% of assessed valuation
- The City's policy is to plan and direct the use of debt so that debt service payments will be a predictable and manageable part of the Operating Budget.

- Short-term borrowing will only be used to meet the immediate financing needs of a project for which long-term financing has been secured but not yet received.
- Assessment bonds will be considered in place of general obligation bonds, where possible, to assure the greatest degree of public equity.
- Limited Tax General Obligation (LTGO) bonds will be issued only if:
  - A project requires funding not available from alternative sources;
  - Matching fund monies are available which may be lost if not applied for in a timely manner; or
  - Emergency conditions exist.
- The issuance of bonds shall be financed for a period not to exceed a conservative estimate of the asset's useful life.
- General Obligation bonds will be issued with maturities of 30 years or less unless otherwise approved by Council.
- The maturity of all assessment bonds shall not exceed statutory limitations. RCW 36.83.050.
- The City will use refunding bonds, where appropriate, when restructuring its current outstanding debt.

CAPITAL IMPROVEMENT POLICIES

Kirkland's City government is accountable for a considerable investment in buildings, parks, roads, sewers, equipment and other capital investments. The preservation, maintenance, and future improvement of these facilities are a primary responsibility of the City. Planning and implementing sound capital improvement policies and programs today will help the City avoid emergencies and major costs in the future, therefore:

- The City will establish and implement a comprehensive multi-year Capital Improvement Program.
- The Capital Improvement Program will be prepared biennially concurrent with the development of the biennial budget. A mid-biennium review and update will take place during the first year of the biennium.
- The City Council will designate annual ongoing funding levels for each of the major project categories within the Capital Improvement Program.
- Financial analysis of funding sources will be conducted for all proposed capital improvement projects.
- A Capital Improvement Budget will be developed and adopted by the City Council as part of the biennial budget and will be amended during the mid-biennial budget review process (during the first year of the biennium) to reflect any changes in the updated Capital Improvement Program.
- The Capital Improvement Program will be consistent with the Capital Facilities Element of the Comprehensive Plan.
- The City Manager may authorize the reallocation of CIP project funds between CIP projects within a CIP category up to $50,000 per instance. Funding may only be reallocated within a CIP category (i.e. between Transportation projects, or Parks projects, or Public Safety projects, etc.) when one project is over budget and, in the same period, a second project within the same CIP category has been completed and is closing out under budget. The City Manager will provide regular reports to the City Council at a regular Council meeting if this authorization is used.

ORDINANCE O-4393

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO IMPACT FEES FOR CHANGES IN USE AND SUSPENDING TRANSPORTATION IMPACT FEES FOR CHANGES OF USE THAT DO NOT RESULT IN INCREASED FLOOR AREA AND AMENDING SECTION 27.04.035 OF THE KIRKLAND MUNICIPAL CODE.

The City Council of the City of Kirkland do ordain as follows:

Section 1. Kirkland Municipal Code Section 27.04.035 is hereby amended to read as follows:

27.04.035 Temporary suspension of transportation impact fees relating to change of use.

Notwithstanding any other provision of this chapter, the city temporarily suspends the imposition of transportation impact fees to the extent the assessment of the fee is the result of a change to a land use category that results in a higher fee under Section 27.04.150; provided, that this section shall not apply to a project to the extent it will add, increase or expand the gross floor area of an existing building; and provided further, that this section applies only to the use, renovation or remodeling of existing structures and does not apply to redevelopment projects or other projects in which existing structures are replaced or substantially redeveloped. This section shall apply to projects for which complete building applications are filed with the city between February 1, 2011, and December 31, 201~~3~~4. This section shall automatically expire on December 31, 201~~3~~4.

Section 2. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2012.

Signed in authentication thereof this _____ day of _____, 2012.

_____
MAYOR

Attest:

_____
City Clerk

Approved as to Form:

_____
City Attorney

ORDINANCE O-4394

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO THE REVENUE GENERATING REGULATORY LICENSE FEE (RGRL) AND AMENDING SECTION 7.02.160(a) OF THE KIRKLAND MUNICIPAL CODE.

The City Council of the City of Kirkland do ordain as follows:

Section 1. Kirkland Municipal Code Section 7.02.160(a) is amended to read as follows:

7.02.160 Revenue generating regulatory license fee (RGRL).

(a) General. In addition to the basic license fee, the highest applicable RGRL in this section shall be paid for the annual license issued under this chapter.

(1) A business with less than twelve thousand dollars of average annual gross receipts shall be exempt from any RGRL.

(2) A business located within the city limits of Kirkland with 10 or fewer employees or FTE's shall be exempt from the RGRL for the first year of business operation only. Businesses exempt from the RGRL under this subsection shall still be required to pay the basic license fee under 7.02.120 and register the number of employees and FTE's under this chapter.

(~~2~~3) For the purposes of this section and in determining the applicable RGRL, the term "employee" means and includes each of the following persons who are not required by the city to have his/her/its own separate city of Kirkland business license:

(A) Any person who is on the business's payroll, and includes all full-time, part-time, and temporary employees or workers; and

(B) Self-employed persons, sole proprietors, owners, managers, and partners; and

(C) Any other person who performs work, services or labor at the business, including an independent contractor who is not required to have a separate city of Kirkland business license.

(~~3~~4) An entity that is entirely exempt from paying the basic license fee shall be exempt from any RGRL.

(~~4~~5) An entity with some activities or functions that are exempt from the basic license fee and some that are not exempt shall pay an RGRL based on the number of its employees that are involved in the functions or activities that are not exempt.

Section 2. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2012.

Signed in authentication thereof this _____ day of _____, 2012.

_____
MAYOR

Attest:

_____
City Clerk

Approved as to Form:

_____
City Attorney

CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.kirklandwa.gov

MEMORANDUM

To: City Council

From: Kurt Triplett, City Manager

Date: November 26, 2012

Subject: Confirmation of Appointments to the Civil Service Commission

RECOMMENDATION:

City Council confirms the City Manager's re-appointments of Christopher Fox and Terry Coonan, each to six-year terms on the Kirkland Civil Service Commission, effective January 1, 2013 and ending on December 31, 2018.

BACKGROUND DISCUSSION:

KMC 3.54.010 provides for appointments to the Civil Service Commission by the City Manager with the confirmation of the City Council. Appointments are for six-year terms. The current terms for Mr. Fox and Mr. Coonan end on December 31, 2012 and both have agreed to serve additional terms.

Mr. Coonan has been a Kirkland resident for 14 years and has a BA in Political Science from the University of Oregon. He has 19 years of increasingly senior roles in private sector human resources and recruiting, most recently as the Recruiting Practice Director for Covestic, an IT consulting firm headquartered in Kirkland.

Mr. Fox has been a resident of Kirkland for 35 years. He is an attorney who received his undergraduate degree from the University of Washington and his law degree from Willamette School of Law and has been active in Kirkland and Eastside based organizations such as the Eastside Legal Assistance Program and Kirkland Interfaith Transitions in Housing.

Both have served well and their reappointments are supported by the Police Chief and Fire Chief, as well as the Human Resources Director.

As a result of their performance as current Commission members, as well as the broad support by City staff, the City Manager is proposing to re-appoint both Mr. Fox and Mr. Coonan. The third member of the Commission is Mark Nelson, whose term expires on December 31, 2017.

CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3000
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Tracey Dunlap, Director of Finance and Administration

Date: December 4, 2012

Subject: REMITTANCE OF DUCK DASH RAFFLE TAX RECEIPTS TO SELECTED AGENCY

RECOMMENDATION:

Approve the remittance of the Duck Dash raffle tax receipts to the Rotary's selected human service agency, Nourishing Networks.

BACKGROUND DISCUSSION:

The Kirkland Rotary has a Duck Dash each year on the Fourth of July. This fundraising event provides funds to support the Kirkland Rotary.

All organizations that have raffles in Kirkland are required to collect and remit a raffle tax to the City. Gross revenues less cash paid as/for prizes are used to determine the taxable amount. When a raffle is conducted by a charitable or nonprofit organization, no tax is imposed on the first ten thousand dollars (per calendar year) of gross receipts. The raffle tax due is based on the taxable amount times a rate of five percent.

At the June 1, 1999 City Council meeting, the Council requested that staff and the Human Services Advisory Committee review options and make recommendations for a process to distribute raffle tax revenues to human service agencies. Since that time, the City has honored this request by distributing raffle tax collected to local nonprofit or charitable organizations as requested by the event organizer. In the past, the organization has been selected from the list of Community Human Services Agencies recommended for funding to the City Council by the Human Services Advisory Committee (HSAC).

This year, the Kirkland Rotary has requested that the 2012 Kirkland Rotary Duck Dash raffle tax be paid to Nourishing Networks, which is not an agency on the HSAC recommended funding list. The Council can modify past practice and approve the remittance to Nourishing Networks (through one of their partner agencies) by approving this item as part of the consent calendar. The total amount of the raffle tax receipts is $1,018.

If the Council would like to continue with the past practice of selecting the agency from the HSAC recommended list, this item can be pulled from the consent calendar and the City Council can modify the recommendation to reflect the Rotary's next choice, the Kirkland Boys and Girls Club.

Council Meeting: 12/11/2012
Agenda: Other Business
Item #: 8. h. (4).

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

MEMORANDUM

To: Kurt Triplett, City Manager

From: David Snider, P.E., Capital Projects Manager
Ray Steiger, P.E., Public Works Director

Date: November 29, 2012

Subject: 100TH Avenue NE Bicycle Lanes – Request Funding Increase

RECOMMENDATION:

It is recommended that the City Council approves an $86,000 budget increase for the 100th Ave NE Bicycle Lanes Project, to be funded by REET 2 reserves.

BACKGROUND DISCUSSION:

The reconfiguration of 100th Avenue NE to accommodate bike lanes was identified as a priority in the City's 2009 Active Transportation Plan. The 100th Avenue NE Bicycle Lanes Project (CNM 0069) is an approved 2012 CIP project and will provide bicycle, pedestrian, and traffic improvements on 100th Ave NE between NE 124th Street and NE 132nd Street. The Project includes new bike lanes along the entire corridor and new Rectangular Rapid Flashing Beacons (RRFB) installed at two existing median island pedestrian crossings. The RRFB's will replace the existing in-pavement lights that are no longer maintainable, and thus, out of service.

Looking north on100th Ave NE

To accommodate the addition of new bike lanes, the roadway pavement must be restriped with narrower automobile travel lanes, reducing them from 12 feet wide to 10 feet wide, and two existing landscaped median islands will also be narrowed (Attachment A). Traffic improvements include the removal and replacement of existing traffic detector loops at two signalized intersections in order to accommodate the new narrowed travel lane configuration; two existing median island trees will be replaced with more suitable columnar trees in order to accommodate the narrower median islands.

The Project is currently funded by Federal Surface Transportation Program (STP) grant funds ($119,000) and City reserve funds ($42,000); the approved estimated budget was $161,000.

The updated engineer's estimate, including additional costs for bringing crosswalks to current Americans with Disabilities Act (ADA) Standards, additional median work, increased construction traffic control needs, and added construction project management expenses, puts the total Project cost at $247,000, creating an $86,000 revenue gap (Attachment B).

Given this cost increase, staff evaluated whether to still proceed or defer the project. After considerable review, staff is recommending implementing the project and funding the gap with REET 2 reserves. Deferring the project would lose the existing $119,000 in grant funds with no certainty of future grants. This Project remains a priority for the continued development of Kirkland's bicycle network, as outlined in the Active Transportation Plan; It also scored highly as a regional priority as evidenced by the receipt of Federal grant funding. The Corridor Map (Attachment C) shows how the Project fits into the context of bicycle facilities that will connect the SR 520 Trail Corridor with the Sammamish River Trail. The 100th Avenue NE corridor was also identified in Cascade Bicycle Club's Regional Report "Left by the Side of the Road" as a high priority for improvement when considering the entire region's bicycle facilities. During preparation of the City of Kirkland's Active Transportation Plan, the 100th Ave NE corridor was often cited by those who emailed comments as one of the most important corridors to improve and the restriping of this link, between NE 124th and NE 132nd Street, was included in the Active Transportation Plan as a key project to improve bicycling in Kirkland. Completing the connection will be evaluated as part of the 100th Street Corridor study recently authorized by the Council.

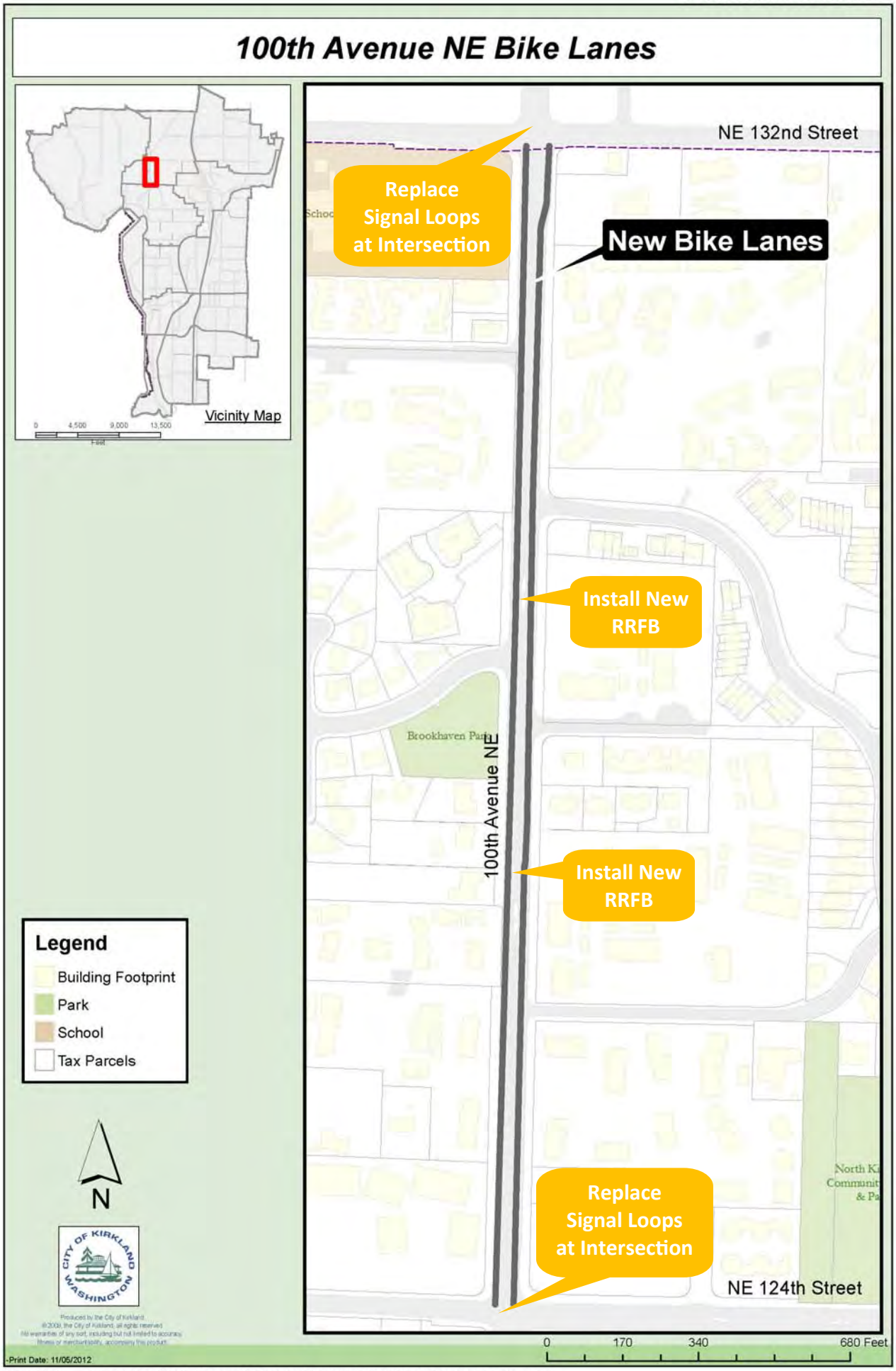
This project has also highlighted a larger issue. The pedestrian refuge islands on 100th Avenue NE, similar other crosswalk locations, each contain large steel utility poles that support lighting fixtures and overhead pedestrian warning signs. Because this Project includes narrowing the travel lanes and the islands, vehicles will be operating closer to the poles than at other crosswalk locations where similar poles are installed. Ideally, the existing poles would be relocated from the medians to locations farther from traffic such as behind the adjacent sidewalks. Another acceptable option would be to replace the existing steel poles with a different type of material or poles that include a different mounting system that will "break away" in the unlikely event of a vehicle collision. To be clear, the location of the existing poles will meet minimum standards when the Project is completed, and rather than expand the Project scope to include a different pole alternative, staff is in the process of comprehensive review of all locations in the City where poles similar to those on 100th Avenue are located and developing options and costs for their systematic modification. The increased pace of investment in crosswalk upgrades with the recent approval of Proposition 1 will necessitate a timely review of these alternatives, and staff will return to Council with the outcome of the assessment including the financial implications of various relocation options.

Completing this Project will continue to close the gap in bicycle facilities in the corridor that runs between Bothell and Bellevue. As such, it is recommended that REET 2 reserves be used as a funding source to increase the Project budget (Attachment D). With City Council approval of this budget increase, the STP grant funds will be obligated in January, 2013, and the Project will be advertised for contractor bids in early spring 2013.

Attachment A: Vicinity Map
Attachment B: Budget Report
Attachment C: Corridor Map
Attachment D: Fiscal Note

Attachment A

100th Avenue NE Bike Lanes



Print Date: 11/05/2012

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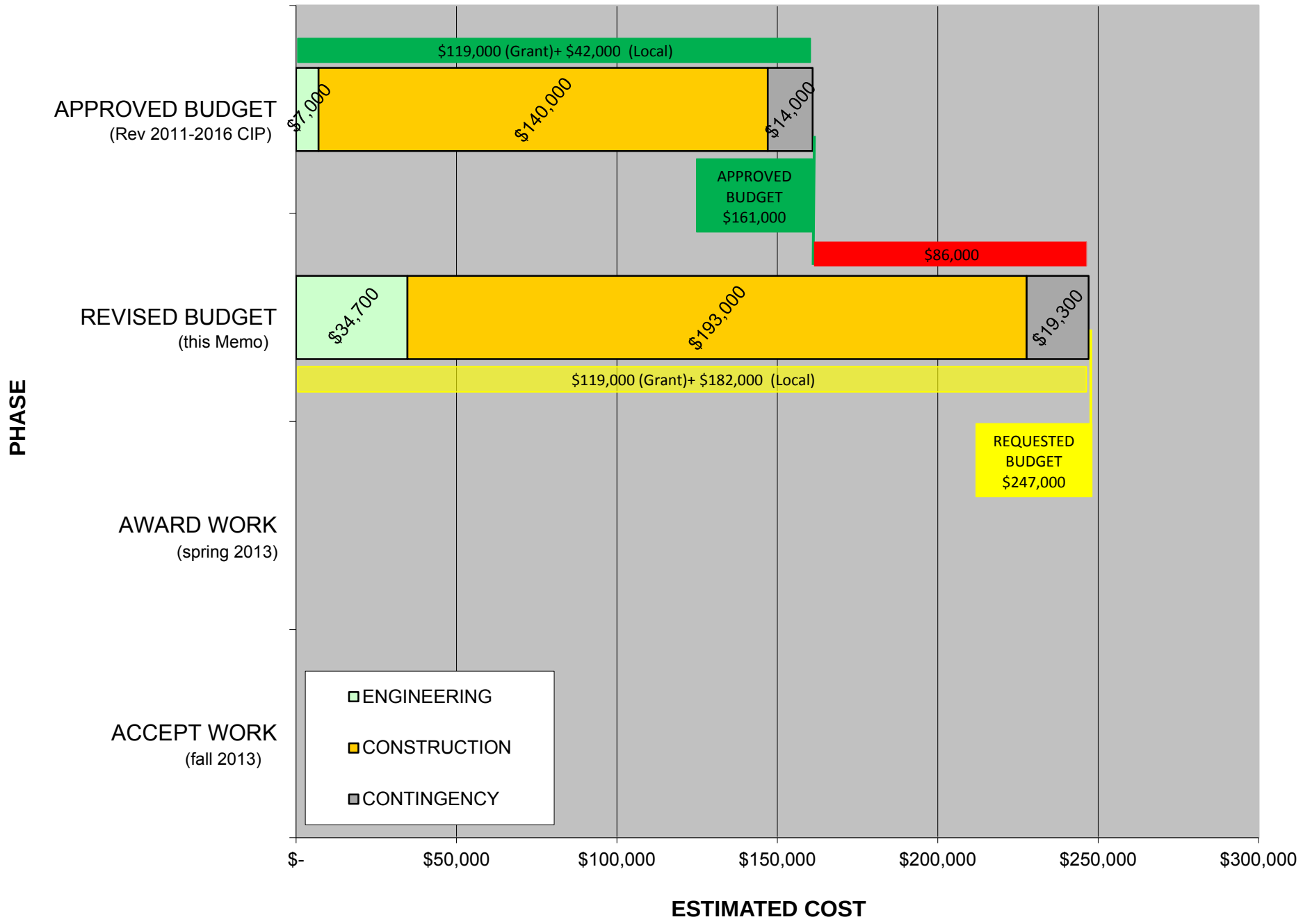
100th Ave Bike Lanes
(CNM-0069)

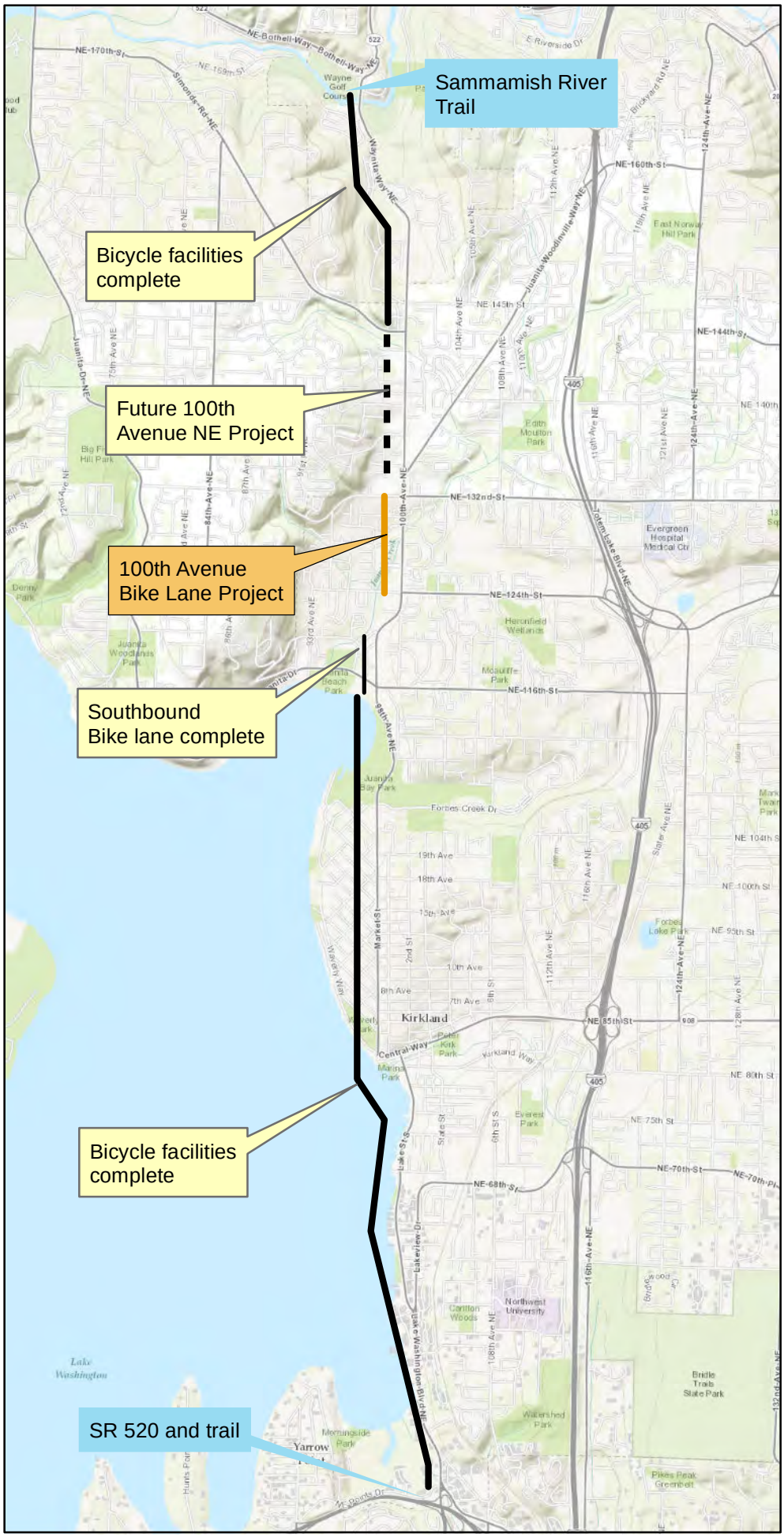
Project Budget Report



Attachment B

Attachment C
Page 7

SR 520 to Samm. Rvr Trail Corridor



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Date Saved: 12/5/2012 1:12:00 PM
Author:
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ATTACHMENT D

FISCAL NOTE

CITY OF KIRKLAND

Source of Request

Ray Steiger, Public Work Director

Description of Request

Request for funding of a total of $86,000 in city funding for the 100th Avenue NE Bicycle Lanes Project (CNM 0069) due to a change in scope of the project as described in the project status memo to Council on December 11, 2012. The requested source is REET 2 Reserves.

Legality/City Policy Basis

Fiscal Impact

One-time use of $86,000 from REET 2 Reserve. The reserve is able to fully fund this request.

Recommended Funding Source(s)

	Description	2012 Est End Balance	Prior Auth. 2011-12 Uses	Prior Auth. 2011-12 Additions	Amount This Request	Revised 2012 End Balance	2012 Target
Reserve	REET 2 Reserves	4,975,718	2,248,253	0	86,000	2,641,465	N/A
	2011-12 Prior Authorized Use of REET 2 Reserve: $83,253 for 6th Street S. Sidewalk Improvements, $200,000 for Street Operations (REET flexibility program), $34,000 for Central Way Pedestrian Improvements, and $1,931,000 for NE 120th Street Roadway Extension Project (CST 0057 001).						
Revenue/Exp Savings							
Other Source							

Other Information

Prepared By	Sri Krishnan, Financial Planning Manager	Date	November 28, 2012

Council Meeting: 12/11/2012
Agenda: Other Business
Item #: 8. h. (5).

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

MEMORANDUM

To: Kurt Triplett, City Manager

From: Dave Snider, P.E., Capital Projects Manager
Ray Steiger, P.E., Public Works Director

Date: November 29, 2012

Subject: NE 120th Street Extension Project – Status Update

RECOMMENDATION:

It is recommended that City Council receive a status update on the NE 120th Street Extension Project.

BACKGROUND DISCUSSION:

The Project will provide a new public roadway, at NE 120th Street, between 124th Avenue NE and Slater Avenue NE (Attachment A). The Project has been designed to improve multi-modal mobility as well as provide congestion mitigation and improved emergency vehicle access in the Totem Lake Urban Center. The improvements include a three-lane roadway section, bicycle lanes, planter strip, and sidewalks. The Project also includes a new Intelligent Transportation System (ITS equipped) signal at 124th Avenue NE, ITS signal upgrades at Slater Avenue NE, new street lights, and significant surface water quality enhancements.

In 2010, the Project's design was used as a University of Washington College of Civil Engineering pilot project and is eligible for a Greenroads™ Certification throughout final design and construction phases. The Greenroads Foundation is a non-profit, third-party entity established in summer 2010 to manage certification reviews for roadway projects using a proprietary rating system. Greenroads™ is a collection of sustainability best practices, called "credits," that relate to roadway design and construction. The Greenroads™ score is then used as an indicator of sustainability for the roadway and the process provides a holistic way of considering a roadway's design and construction implementation. Ultimately, the goal of the program is to reduce impacts on the environment and improve life-cycle costs through the implementation of low impact designs (LID), energy efficient and low light polluting lighting fixtures, and through the use recycled materials in road base and pavements.

Schedule

To remain in compliance with two separate grants awarded to the City (a Federal Surface Transportation Program (STP) grant for $2,502,640 and a Transportation Improvement Board Urban Arterial Program (UAP) grant for $800,000) and to meet the current CIP scheduling, staff is actively pursuing an advertisement for contractor bids. The original Project identified in the 2011-2016 CIP, identified advertisement for contractor bids in the 4th Quarter of 2012; however, due to prolonged property negotiations, the schedule now shows the contractor bidding period occurring in early 2013, and a start of construction immediately following in the spring. The Project's overall design is substantially complete, and additional federally required environmental documentation is being completed.

Right-of-Way Acquisition

The Project requires the acquisition of right-of-way (ROW) and temporary construction easements affecting four parcels (Attachment B). At their August 7th, 2012 meeting, City Council authorized the use of eminent domain as a mechanism for achieving a successful resolution to all ROW matters; however, staff and the City's right-of-way consulting firm, has now successfully resolved the many issues related to acquisitions. One of the four properties is now 100% complete, and general settlement agreements have been reached with three remaining property owners; none of the acquisitions have needed to rely on the eminent domain process.

During negotiations, a number of issues were raised by property owners; specifically, changes in access to existing business operations, impacts to existing site features such as irrigation and lighting, and efficiencies in ingress and egress including the loading and off-loading of vehicles (Infinity) and equipment (Frontier). Without specific negotiations with each property, many of these factors were unanticipated when the project was first estimated. The originally estimated funding needed for the ROW acquisition for the Project was $2.4 M; this estimate was based on similar property acquisition in the vicinity. The estimate for completing the property acquisitions, as negotiated, is now closer to $3M (Attachment C).

Funding

The overall Project is a combination of two separate phases – the Phase I element resulted in the acquisition of a limited amount of ROW and the preparation of a grant ready (30%) plan set. The Project's Phase II element began after the award of $3.3M in grant funding. The Phase II Project includes the completion of the plans and specifications, additional environmental documentation, the acquisition of all remaining property along the roadway alignment, and the physical construction. The budget for Phase I was $895K and, prior to submittal of the recent 2013-2019 CIP, the approved Phase II budget was $5.7M, bringing total Project funding authority to $6.6M.

The 2013-2019 CIP now includes NE 120th Street as a $7.4M project, requiring a budget increase of $760K. Increased costs associated with the property acquisitions (approx. $600K) and increased surface water elements, has resulted in higher costs. As presented to City Council at their November 19, 2012 meeting, under the 2013-2018 CIP, staff proposed a revised Project budget using additional surface water revenue and REET 2 funding. The previously approved Project budget was based on the use of only minimal surface water revenue, as it was originally thought that the grant funding would be adequate for completing the Project. However, given the increased expenses for the ROW and significant surface water improvements incorporated into the Project; elements such as under pavement detention, Washington State Department of Ecology approved Filterra® water quality units, and extensive downstream storm water conveyance improvements (Attachment D), the use of additional surface water funding is recommended.

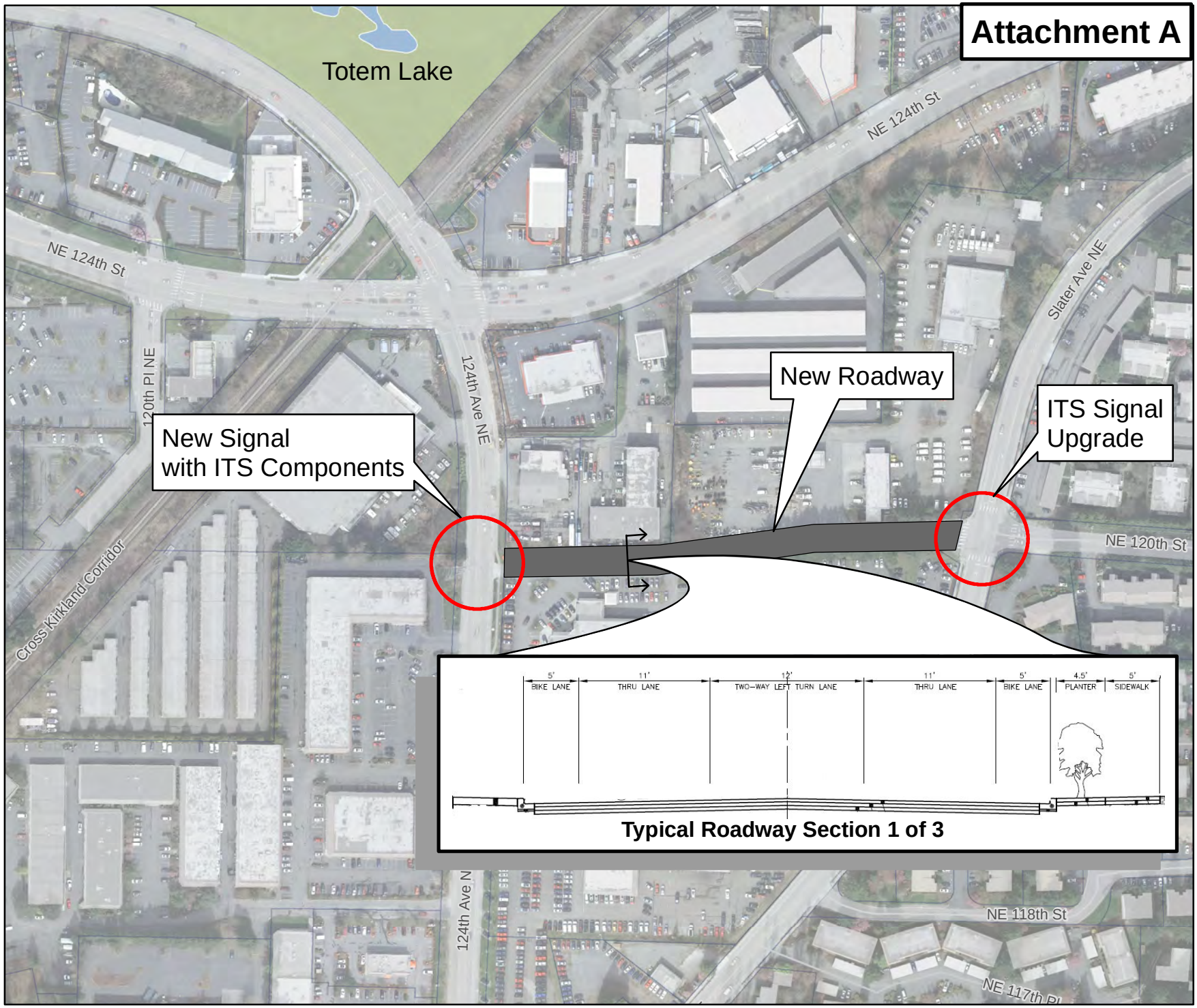
Summary

Staff is pleased to report to City Council that the various property rights required for the NE 120th Street Extension Project have reached successful conclusions without having to complete an eminent domain process. In order to complete the right of way acquisition, however, the original estimate for this component will be exceeded. The 2013-2019 CIP includes the updated balanced budget for meeting the newly estimated cost for NE 120th Street, with the intent of this memo to highlight Project specifics and how the new NE 120th Street is proposed to be completed.

Attachment A: NE 120th Street Area Map
Attachment B: NE 120th Street ROW Map
Attachment C: NE 120th Street Project Budget Report
Attachment D: NE 120th Street Surface Water Feature Map

Area Map

Attachment A



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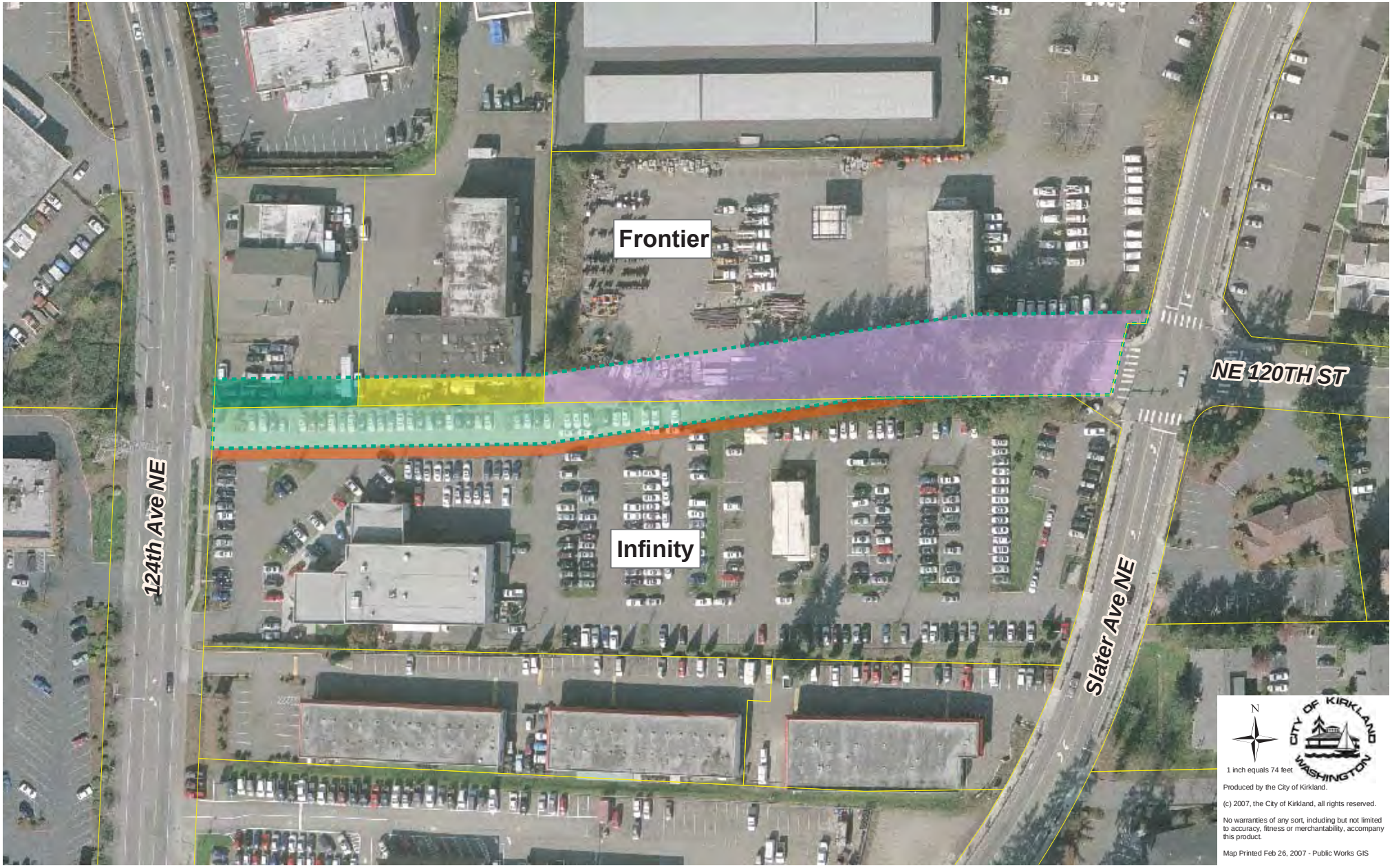
Vicinity Map
NE 120th Street Roadway Extension

120th Street Extension - Property Acquisition

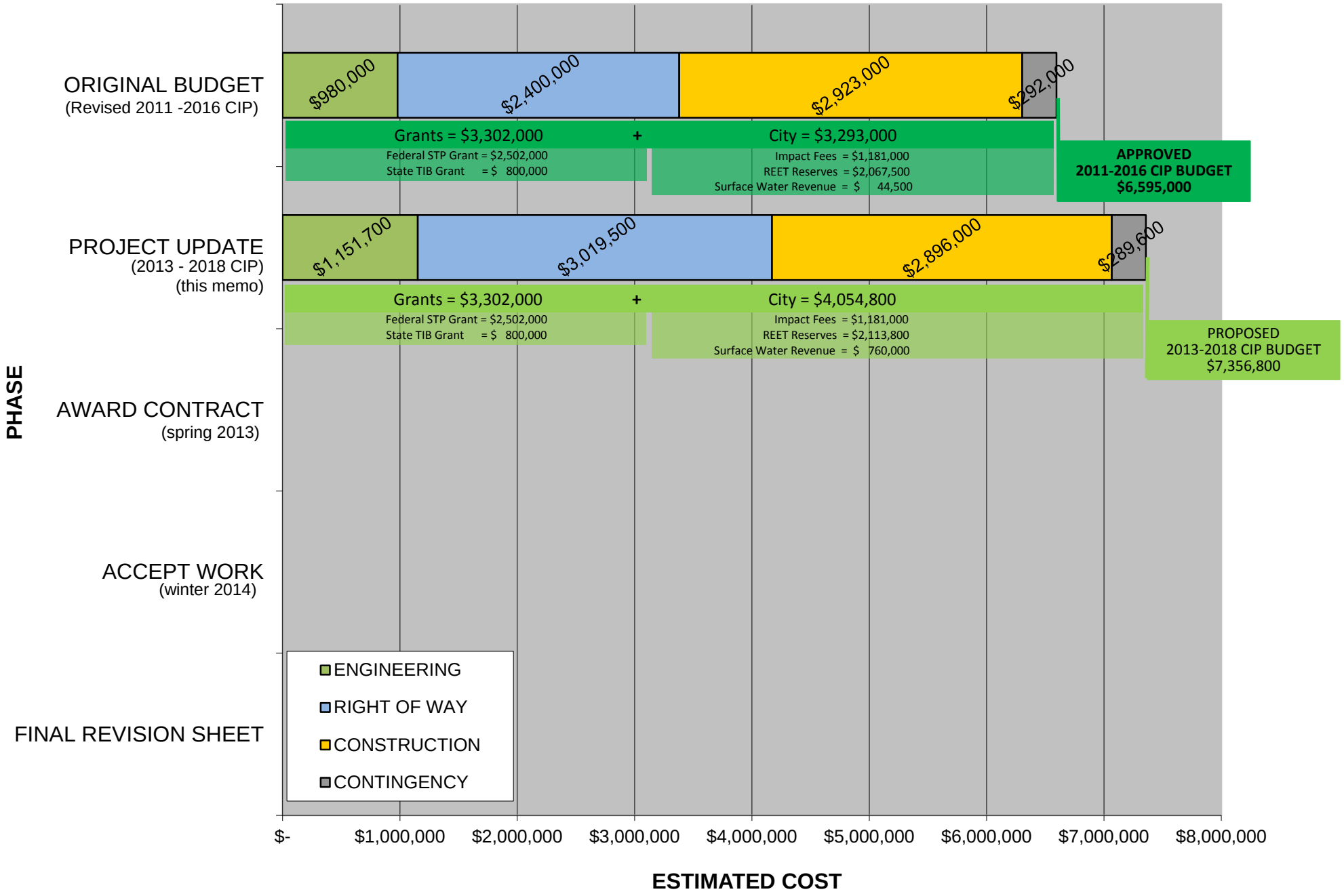
Attachment B



NE 120th Street Extension
(CIP # CST 0057)

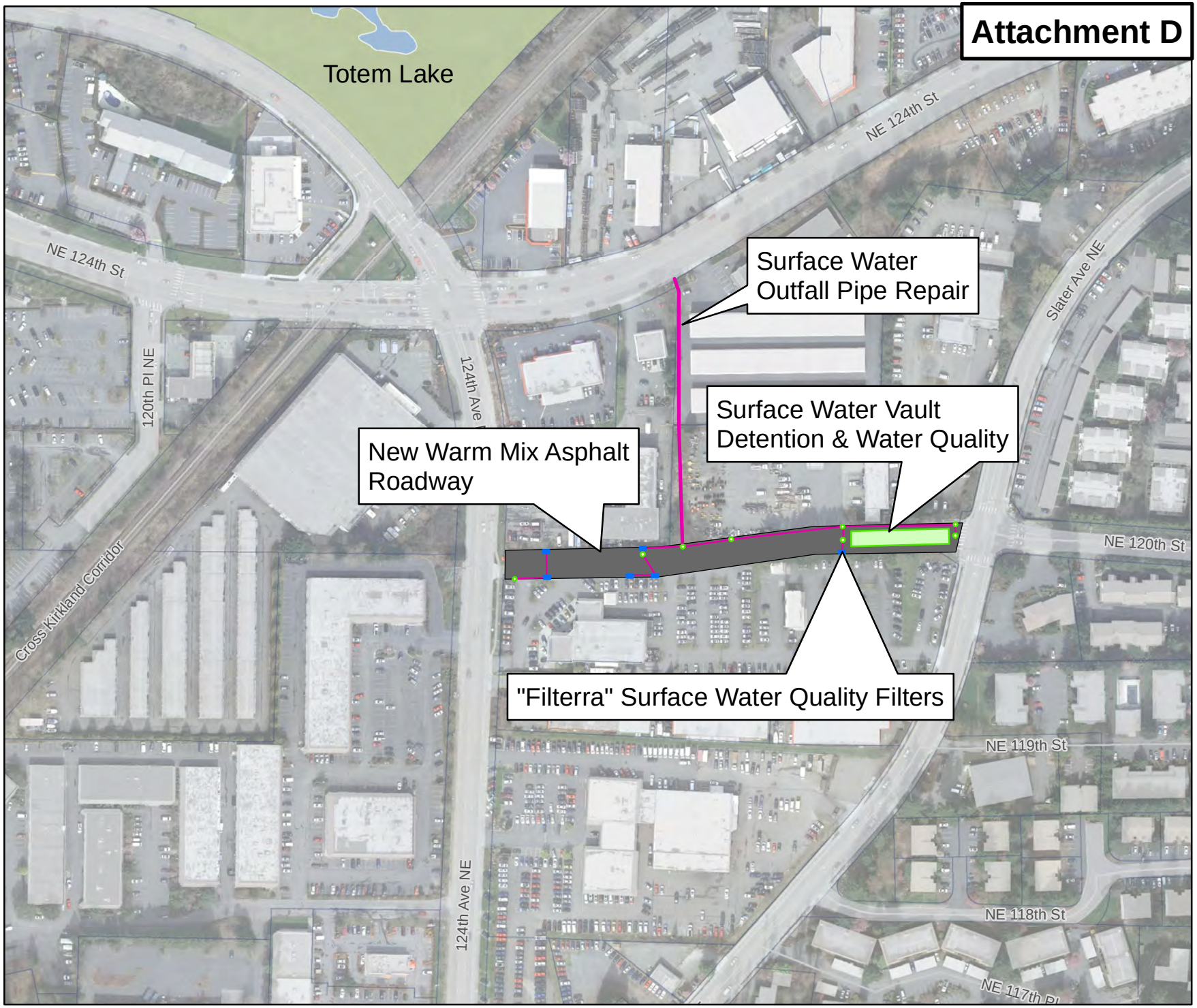
Attachment C

Project Budget Report



Area Map

Attachment D



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Project Surface Water Component Map
NE 120th Street Roadway Extension

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

MEMORANDUM

To: Kurt Triplett, City Manager

From: David Snider, P.E., Capital Projects Manager
Ray Steiger, P.E., Public Works Director

Date: November 29, 2012

Subject: 2013 – 2018 Transportation Improvement Plan (TIP)
Set Public Hearing Date

RECOMMENDATION:

Staff recommends that City Council establish January 2, 2013 as the date to hold a public hearing on the proposed 2013-2018 TIP.

BACKGROUND DISCUSSION:

The purpose of the hearing is to provide the public with an opportunity to comment and/or offer input on City transportation projects. Adoption of a six-year TIP is in accordance with RCW 35.77.010 and 47.26.210; the primary use of the TIP is to identify transportation projects which are eligible for federal, state and/or local funding.

For the most part, the projects that are identified in the 2013-2018 TIP mirror the transportation element of the 2013-2018 CIP, as proposed for approval by City Council at the December 11, 2012 meeting. The City's TIP also includes projects that are identified in the 117 street operating funds (loop detector replacement, and sidewalk repair, etc.).

The proposed 2013–2018 TIP will be discussed with the Kirkland Transportation Commission on December 5, 2012.

Council Meeting: 12/11/2012
Agenda: Other Business
Item #: 8. h. (7).

CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Marilynne Beard, Deputy City Manager

Date: November 29, 2012

Subject: INDIGENT DEFENSE STANDARDS AND PUBLIC DEFENSE CONTRACT

RECOMMENDATION:

City Council approves the attached resolution adopting indigent defense standards and authorizing the City Manager to execute a three year public defense contract incorporating the standards.

BACKGROUND DISCUSSION:

The City is required to provide effective and competent public defense for indigent defendants with criminal charges filed in the Kirkland Municipal Court. The City contracts with the law firm of Stewart MacNichols Harmell, Inc. PS., to provide indigent defense services for qualifying Kirkland Municipal Court defendants. The current contract was renegotiated for three years in 2009 and amended in October 2011. The impetus for the contract amendment was the caseload impact resulting from annexation and anticipated new Washington State Supreme Court standards for indigent defense. Although an immediate contract change was needed to reflect annexation, the new indigent defense standards were still under discussion at the Supreme Court and the actual impact of annexation was not known. Given those circumstances, the City and law firm agreed to a 15 month contract term to better understand actual annexation caseload activity and for the indigent defense standards to be further clarified. The current contract expires December 31, 2012 and will need to be renewed. The recommended Council actions will renew the contract and update it to reflect the most recent court rules.

Caseload Limits

On June 15, 2012, the Washington Supreme Court announced the adoption of new standards for indigent defense services. The new standards include guidelines for caseload limits and the types of cases public defenders can handle as well as standards for administrative costs, limitations on private practice, qualifications for attorneys, appellate representation and use of legal interns. The standards were authored by the Washington State Bar Association's (WSBA) Council on Public Defense, approved by the WSBA, and adopted by the Supreme Court. The new standards became effective October 1, 2012, except for a standard regulating caseload limits which will take effect October 1, 2013.

Under the standards effective October 1, 2012, public defense contracts must specify the types of cases and the maximum number of cases for which representation will be provided. Criminal defense attorneys are required to certify to the Court their compliance with the indigent defense standards quarterly. The government entity responsible for contracting for public defense services must adopt and publish the standards. The public defense contract attached to the resolution incorporates these requirements.

Effective October 1, 2013, the caseload limit of a full-time public defense attorney should not exceed 400 misdemeanor cases per year, unless the local government employing or contracting with the public defense attorney has adopted a case weighting system. If a local government has adopted a case weighting system, the caseload limit is 300 cases per attorney per year. The full Supreme Court Order as amended is included as Attachment A.

While not now required, staff recommends including a preliminary case weighting system in the public defense contract. The City Manager's Office has worked with City's public defense firm, the Municipal Court, and the Kirkland Police Department to gather case weighting data. Factors considered include: complexity of the crimes, the average length of police reports for the various crimes, the discovery materials related to the crimes, the average amount of investigation and preparation necessary to defend the crimes, and the consequences of a conviction for the crimes. Staff has also looked to what other cities have done. Including the preliminary case weighting in the contract will afford an opportunity to evaluate and adjust the case weighting system over the coming year. This will ensure it correctly reflects the level of public defense services needed to provide quality defense to Kirkland defendants. Next year the City Council will need to adopt written policies and procedures should it wish to implement the case weighting system.

Prior to the adoption of the new standards by the Washington Supreme Court, state law required local governments to adopt standards for the delivery of public defense services. As provided in RCW 10.101.030, in October 2011, the City Council passed Resolution R-4894 adopting public defense standards and using the WSBA's *Standards for Indigent Defense*. The City contract for public defense services was contemporaneously amended to incorporate the standards adopted in Resolution R-4894. The attached resolution would adopt the Supreme Court indigent defense standards and use the WSBA's standards, adopted in Resolution R-4894, for guidance in interpreting and applying the Supreme Court's standards.

<u>Annexation-related Caseload</u>

The original estimate of the caseload impact for public defense services was based on the Municipal Court's estimate of additional case filings which was based on the Police Department's estimate of activity in the new neighborhoods. As noted during the budget process, the actual level of police activity and resulting court case filings were less than first estimated. As a result, positions originally approved in the annexation budget for police and court were held vacant and recommended for elimination in the 2013-2014 budget. While the Supreme Court was still in discussion about the new indigent defense standards, staff advised the City Council that the caseload limits would likely impact the cost of public defense services. In fact, the caseload limits do impact costs, however, the annexation budget for public defense services was more than enough to cover the marginal caseload and offsets the marginal costs associated with the caseload limits. Consequently, additional funding beyond that proposed in the 2013-2014 Budget will not be needed.

Recommended Action

Although the actual caseload limits imposed by the Supreme Court are not effective until October 1, 2013, staff is proposing that the public defense contract be updated to reflect caseload limits and a case weighting factor. This will allow time to work with the case weighting system to determine if it correctly reflects the level of public defense services needed to provide quality defense to Kirkland defendants. The case weighting standards are generally consistent with those being adopted by other municipal courts but specifically address cases filed in Kirkland Municipal Court. The contractor is developing a database to track caseloads by attorney in order to monitor compliance.

Staff is recommending that the contract have a three year term to allow further time for the case weighting standards to be established throughout the state and to assure that Kirkland's approach is consistent with statewide practices. Once the new system of caseload limits is better established, the City may want to consider issuing a request for proposals to assure that public defense services are being provided in the most cost effective manner possible. In the meantime, the City is well-served by the firm of Stewart, MacNichols Harmell, Inc. that has provided excellent service to the City and to Kirkland defendants and works effectively with all parties involved in the Kirkland Municipal Court system.

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ATTACHMENT A

THE SUPREME COURT OF WASHINGTON

IN THE MATTER OF THE STANDARDS FOR INDIGENT DEFENSE AND CERTIFICATION OF COMPLIANCE	)	**ORDER**
	)	NO. 25700-A- 1008

The Office of Public Defense having recommended amendments to the Standards for Indigent Defense and Certification of Compliance, and the Court having considered the amendments submitted thereto, and having determined that the proposed amendments will aid in the prompt and orderly administration of justice;

Now, therefore, it is hereby

ORDERED:

(a) That the standards and certificate as attached hereto are adopted.

(b) That the Standards for Indigent Defense, including the new Preamble, amendments to Standard 3.1, Standard 3.5, and Standard 5.2 will be published in the Washington Reports and become effective on October 1, 2012. The new subsection (e) of the Certification Form will be published in the Washington Reports and become effective on September 1, 2013.

DATED at Olympia, Washington this 7th day of September, 2012.

CLERK

FILED
SUPREME COURT
STATE OF WASHINGTON
2012 SEP -7 A 10: 23
BY RONALD R. CARPENTER

643/59

Madsen, C.J.

Chambers, J.

Stephens, J.

Fairhurst, J.

Wiggins, J.

Owens, J.

González, J.

STANDARDS FOR INDIGENT DEFENSE

[New]

Preamble

The Washington Supreme Court adopts the following Standards to address certain basic elements of public defense practice related to the effective assistance of counsel. The Certification of Appointed Counsel of Compliance with Standards Required by CrR 3.1/CrRLJ 3.1/JuCR 9.2 references specific "Applicable Standards." The Court adopts additional Standards beyond those required for certification as guidance for public defense attorneys in addressing issues identified in *State v. A.N.J.*, 168 Wash.2d 91 (2010), including the suitability of contracts that public defense attorneys may negotiate and sign. To the extent that certain Standards may refer to or be interpreted as referring to local governments, the Court recognizes the authority of its Rules is limited to attorneys and the courts. Local courts and clerks are encouraged to develop protocols for procedures for receiving and retaining Certifications.

Standard 1. Compensation

[Reserved.]

Standard 2. Duties and Responsibilities of Counsel

[Reserved.]

Standard 3. Caseload Limits and Types of Cases

Standard 3.1. The contract or other employment agreement ~~or government budget~~ shall specify the types of cases for which representation shall be provided and the maximum number of cases which each attorney shall be expected to handle.

Standard 3.1 adopted effective October 1, 2012

Standard 3.2. The caseload of public defense attorneys shall allow each lawyer to give each client the time and effort necessary to ensure effective representation. Neither defender organizations, county offices, contract attorneys, nor assigned counsel should accept workloads that, by reason of their excessive size, interfere with the rendering of quality representation. As used in this Standard, "quality representation" is intended to describe the minimum level of attention, care, and skill that Washington citizens would expect of their state's criminal justice system.

Standard 3.2 adopted effective October 1, 2012

Standard 3.3. General Considerations. Caseload limits reflect the maximum caseloads for fully supported full-time defense attorneys for cases of average complexity and effort in each case type specified. Caseload limits assume a reasonably even distribution of cases throughout the year.

The increased complexity of practice in many areas will require lower caseload limits. The maximum caseload limit should be adjusted downward when the mix of case assignments is weighted toward offenses or case types that demand more investigation, legal research and writing, use of experts, use of social workers, or other expenditures of time and resources. Attorney caseloads should be assessed by the workload required, and cases and types of cases should be weighted accordingly.

If a defender or assigned counsel is carrying a mixed caseload including cases from more than one category of cases, these standards should be applied proportionately to determine a full caseload. In jurisdictions where assigned counsel or contract attorneys also maintain private law practices, the caseload should be based on the percentage of time the lawyer devotes to public defense.

The experience of a particular attorney is a factor in the composition of cases in the attorney's caseload.

The following types of cases fall within the intended scope of the caseload limits for criminal and juvenile offender cases in Standard 3.4 and must be taken into account when assessing an attorney's numerical caseload: partial case representations, sentence violations, specialty or therapeutic courts, transfers, extraditions, representation of material witnesses, petitions for conditional release or final discharge, and other matters that do not involve a new criminal charge.

Definition of case. A case is defined as the filing of a document with the court naming a person as defendant or respondent, to which an attorney is appointed in order to provide representation. In courts of limited jurisdiction multiple citations from the same incident can be counted as one case.

Standard 3.3 adopted effective October 1, 2012

Standard 3.4. Caseload Limits. Effective October 1, 2013.

Standard 3.5. Case Counting. ~~The local government entity responsible for employing, contracting with, or appointing public defense attorneys should adopt and publish written policies and procedures to implement a numerical case weighting system to count cases. If such policies and procedures are not adopted and published, it is presumed that attorneys are not engaging in case weighting.~~ Attorneys may not engage in a case weighting system, unless pursuant to written policies and procedures that have been adopted and published by the local government entity responsible for employing, contracting with, or appointing them. A ~~numerical case~~ weighting system must:

A. recognize the greater or lesser workload required for cases compared to an average case based on a method that adequately assesses and documents the workload involved;

B. be consistent with these Standards, professional performance guidelines, and the Rules of Professional Conduct;

C. not institutionalize systems or practices that fail to allow adequate attorney time for quality representation;

D. be periodically reviewed and updated to reflect current workloads; and

E. be filed with the State of Washington Office of Public Defense.

Cases should be assessed by the workload required. Cases and types of cases should be weighted accordingly. Cases which are complex, serious, or contribute more significantly to

attorney workload than average cases should be weighted upward. In addition, a case weighting system should consider factors that might justify a case weight of less than one case.

Notwithstanding any case weighting system, resolutions of cases by pleas of guilty to criminal charges on a first appearance or arraignment docket are presumed to be rare occurrences requiring careful evaluation of the evidence and the law, as well as thorough communication with clients, and must be counted as one case.

Standard 3.5 adopted effective October 1, 2012

Standard 3.6. Case Weighting. The following are some examples of situations where case weighting might result in representations being weighted as more or less than one case. The listing of specific examples is not intended to suggest or imply that representations in such situations should or must be weighted at more or less than one case, only that they may be, if established by an appropriately adopted case weighting system.

A. Case Weighting Upward. Serious offenses or complex cases that demand more-than-average investigation, legal research, writing, use of experts, use of social workers, and/or expenditures of time and resources should be weighted upward and counted as more than one case.

B. Case Weighting Downward. Listed below are some examples of situations where case weighting might justify representations being weighted less than one case. However, care must be taken because many such representations routinely involve significant work and effort and should be weighted at a full case or more.

i. Cases that result in partial representations of clients, including client failures to appear and recommencement of proceedings, preliminary appointments in cases in which no charges are filed, appearances of retained counsel, withdrawals or transfers for any reason, or limited appearances for a specific purpose (not including representations of multiple cases on routine dockets).

ii. Cases in the criminal or offender case type that do not involve filing of new criminal charges, including sentence violations, extraditions, representations of material witnesses, and other matters or representations of clients that do not involve new criminal charges. Noncomplex sentence violations should be weighted as at least 1/3 of a case.

iii. Cases in specialty or therapeutic courts if the attorney is not responsible for defending the client against the underlying charges before or after the client's participation in the specialty or therapeutic court. However, case weighting must recognize that numerous hearings and extended monitoring of client cases in such courts significantly contribute to attorney workload and in many instances such cases may warrant allocation of full case weight or more.

iv. Cases on a criminal or offender first appearance or arraignment docket where the attorney is designated, appointed, or contracted to represent groups of clients on that docket without an expectation of further or continuing representation and which are not resolved at that time (except by dismissal). In such circumstances, consideration should be given to adjusting the caseload limits appropriately, recognizing that case weighting must reflect that attorney workload includes the time needed for appropriate client contact and preparation as well as the appearance time spent on such dockets.

v. Representation of a person in a court of limited jurisdiction on a charge which, as a matter of regular practice in the court where the case is pending, can be and is resolved at an early stage of the proceeding by a diversion, reduction to an infraction, stipulation on

continuance, or other alternative noncriminal disposition that does not involve a finding of guilt. Such cases should be weighted as at least 1/3 of a case.

Standard 3.6 adopted effective October 1, 2012

Related Standards

ABA STANDARDS FOR CRIMINAL JUSTICE: PROSECUTION FUNCTION AND DEFENSE FUNCTION Defense Function std. 4-1.2 (3d ed. 1993)

ABA STANDARDS FOR CRIMINAL JUSTICE: PROVIDING DEFENSE SERVICES std. 5-4.3 (3d ed. 1992)

AM. BAR ASS'N, GUIDELINES FOR THE APPOINTMENT AND PERFORMANCE OF DEFENSE COUNSEL IN DEATH PENALTY CASES (rev. ed. 2003)

ABA Comm. on Ethics & Prof'l Responsibility, Formal Op. 06-441 (2006) (*Ethical Obligations of Lawyers Who Represent Indigent Criminal Defendants When Excessive Caseloads Interfere With Competent and Diligent Representation*)

Am. Council of Chief Defenders, *Statement on Caseloads and Workloads* (Aug. 24, 2007)

ABA House of Delegates, *Eight Guidelines of Public Defense Related to Excessive Caseloads* (Aug. 2009)

TASK FORCE ON COURTS, NAT'L ADVISORY COMM'N ON CRIMINAL STANDARDS & GOALS, COURTS std. 13.12 (1973)

MODEL CODE OF PROF'L RESPONSIBILITY DR 6-101.

ABA House of Delegates, *The Ten Principles of a Public Defense Delivery System* (Feb. 2002)

ABA House of Delegates, *Standards of Practice for Lawyers Who Represent Children in Abuse and Neglect Cases* (Feb. 1996)

Nat'l Legal Aid & Defender Ass'n, Am. Council of Chief Defenders, Ethical Opinion 03-01 (2003).

Nat'l Legal Aid & Defender Ass'n, *Standards for Defender Services* std. IV-1 (1976)

Nat'l Legal Aid & Defender Ass'n, *Model Contract for Public Defense Services* (2000)

Nat'l Ass'n of Counsel for Children, *NACC Recommendations for Representation of Children in Abuse and Neglect Cases* (2001)

Seattle Ordinance 121501 (June 14, 2004)

Indigent Defense Servs. Task Force, Seattle-King County Bar Ass'n, *Guidelines for Accreditation of Defender Agencies* Guideline 1 (1982)

Wash. State Office of Pub. Defense, *Parents Representation Program Standards of Representation* (2009)

BUREAU OF JUDICIAL ASSISTANCE, U.S. DEP'T OF JUSTICE, INDIGENT DEFENSE SERIES NO. 4, KEEPING DEFENDER WORKLOADS MANAGEABLE (2001) (NCJ 185632)

Standard 4. Responsibility of Expert Witnesses

[Reserved.]

Standard 5. Administrative Costs

Standard 5.1. [Reserved.]

Standard 5.2.

A. Contracts for public defense services ~~shall~~ should provide for or include administrative costs associated with providing legal representation. These costs should include but are not limited to travel; telephones; law library, including electronic legal research; financial accounting; case management systems; computers and software; office space and supplies; training; meeting the reporting requirements imposed by these standards; and other costs necessarily incurred in the day-to-day management of the contract.

B. Public defense attorneys shall have (1) access to an office that accommodates confidential meetings with clients and (2) a postal address, and adequate telephone services to ensure prompt response to client contact.

Standard 5.2 adopted effective October 1, 2012

Standard 6. Investigators

Standard 6.1. Public defense attorneys shall use investigation services as appropriate.

Standard 6.1 adopted effective October 1, 2012

Standards 7-12

[Reserved.]

Standard 13. Limitations on Private Practice

Private attorneys who provide public defense representation shall set limits on the amount of privately retained work which can be accepted. These limits shall be based on the percentage of a full-time caseload which the public defense cases represent.

Standard 13 adopted effective October 1, 2012

Standard 14. Qualifications of Attorneys

Standard 14.1. In order to assure that indigent accused receive the effective assistance of counsel to which they are constitutionally entitled, attorneys providing defense services shall meet the following minimum professional qualifications:

A. Satisfy the minimum requirements for practicing law in Washington as determined by the Washington Supreme Court; and

B. Be familiar with the statutes, court rules, constitutional provisions, and case law relevant to their practice area; and

C. Be familiar with the Washington Rules of Professional Conduct; and

D. Be familiar with the Performance Guidelines for Criminal Defense Representation approved by the Washington State Bar Association; and

E. Be familiar with the consequences of a conviction or adjudication, including possible immigration consequences and the possibility of civil commitment proceedings based on a criminal conviction; and

F. Be familiar with mental health issues and be able to identify the need to obtain expert services; and

G. Complete seven hours of continuing legal education within each calendar year in courses relating to their public defense practice.

Standard 14.1 adopted effective October 1, 2012

Standard 14.2. Attorneys' qualifications according to severity or type of case[1]:

A. Death Penalty Representation. Each attorney acting as lead counsel in a criminal case in which the death penalty has been or may be decreed and which the decision to seek the death penalty has not yet been made shall meet the following requirements:

i. The minimum requirements set forth in Section 1; and

ii. At least five years' criminal trial experience; and

iii. Have prior experience as lead counsel in no fewer than nine jury trials of serious and complex cases which were tried to completion; and

iv. Have served as lead or co-counsel in at least one aggravated homicide case; and

v. Have experience in preparation of mitigation packages in aggravated homicide or persistent offender cases; and

vi. Have completed at least one death penalty defense seminar within the previous two years; and

vii. Meet the requirements of SPRC 2.[2]

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[1] Attorneys working toward qualification for a particular category of cases under this standard may associate with lead counsel who is qualified under this standard for that category of cases.

[2]

SPRC 2
APPOINTMENT OF COUNSEL

At least two lawyers shall be appointed for the trial and also for the direct appeal. The trial court shall retain responsibility for appointing counsel for trial. The Supreme Court shall appoint counsel for the direct appeal. Notwithstanding RAP 15.2(f) and (h), the Supreme Court will determine all motions to withdraw as counsel on appeal.

A list of attorneys who meet the requirements of proficiency and experience, and who have demonstrated that they are learned in the law of capital punishment by virtue of training or experience, and thus are qualified for appointment in death penalty trials and for appeals will be recruited and maintained by a panel created by the Supreme Court. All counsel for trial and appeal must have demonstrated the proficiency and commitment to quality representation which is appropriate to a capital case. Both counsel at trial must have five years' experience in the practice of criminal law (and) be familiar with and experienced in the utilization of expert witnesses and evidence, and not be presently serving as appointed counsel in another active trial level death penalty case. One counsel must be, and both may be, qualified for appointment in capital trials on the list, unless circumstances exist such that it is in the defendant's interest to appoint otherwise qualified counsel learned in the law of capital punishment by virtue of training or experience. The trial court shall make findings of fact if good cause is found for not appointing list counsel.

At least one counsel on appeal must have three years' experience in the field of criminal appellate law and be learned in the law of capital punishment by virtue of training or experience. In appointing counsel on appeal, the Supreme Court will consider the list, but will have the final discretion in the appointment of counsel.

The defense team in a death penalty case should include, at a minimum, the two attorneys appointed pursuant to SPRC 2, a mitigation specialist, and an investigator. Psychiatrists, psychologists, and other experts and support personnel should be added as needed.

B. Adult Felony Cases—Class A. Each attorney representing a defendant accused of a Class A felony as defined in RCW 9A.20.020 shall meet the following requirements:

i. The minimum requirements set forth in Section 1; and

ii. Either:

a. has served two years as a prosecutor; or

b. has served two years as a public defender; or two years in a private criminal practice; and

iii. Has been trial counsel alone or with other counsel and handled a significant portion of the trial in three felony cases that have been submitted to a jury.

C. Adult Felony Cases—Class B Violent Offense. Each attorney representing a defendant accused of a Class B violent offense as defined in RCW 9A.20.020 shall meet the following requirements.

i. The minimum requirements set forth in Section 1; and

ii. Either;

a. has served one year as a prosecutor; or

b. has served one year as a public defender; or one year in a private criminal practice; and

iii. Has been trial counsel alone or with other counsel and handled a significant portion of the trial in two Class C felony cases that have been submitted to a jury.

D. Adult Sex Offense Cases. Each attorney representing a client in an adult sex offense case shall meet the following requirements:

i. The minimum requirements set forth in Section 1 and Section 2(C); and

ii. Has been counsel alone of record in an adult or juvenile sex offense case or shall be supervised by or consult with an attorney who has experience representing juveniles or adults in sex offense cases.

E. Adult Felony Cases—All Other Class B Felonies, Class C Felonies, Probation or Parole Revocation. Each attorney representing a defendant accused of a Class B felony not defined in Section 2(C) or (D) above or a Class C felony, as defined in RCW 9A.20.020, or involved in a probation or parole revocation hearing shall meet the following requirements:

i. The minimum requirements set forth in Section 1, and

ii. Either:

a. has served one year as a prosecutor; or

b. has served one year as a public defender; or one year in a private criminal practice; and

iii. Has been trial counsel alone or with other trial counsel and handled a significant portion of the trial in two criminal cases that have been submitted to a jury; and

iv. Each attorney shall be accompanied at his or her first felony trial by a supervisor if available.

F. Persistent Offender (Life Without Possibility of Release) Representation. Each attorney acting as lead counsel in a "two strikes" or "three strikes" case in which a conviction will result in a mandatory sentence of life in prison without parole shall meet the following requirements:

i. The minimum requirements set forth in Section 1;[3] and

ii. Have at least:

a. four years' criminal trial experience; and

b. one year's experience as a felony defense attorney; and

c. experience as lead counsel in at least one Class A felony trial; and

d. experience as counsel in cases involving each of the following:

1. Mental health issues; and

2. Sexual offenses, if the current offense or a prior conviction that is one of the predicate cases resulting in the possibility of life in prison without parole is a sex offense; and

3. Expert witnesses; and

4. One year of appellate experience or demonstrated legal writing ability.

G. Juvenile Cases—Class A. Each attorney representing a juvenile accused of a Class A felony shall meet the following requirements:

i. The minimum requirements set forth in Section 1, and

ii. Either:

a. has served one year as a prosecutor; or

b. has served one year as a public defender; or one year in a private criminal practice; and

iii. Has been trial counsel alone of record in five Class B and C felony trials; and

iv. Each attorney shall be accompanied at his or her first juvenile trial by a supervisor, if available.

H. Juvenile Cases—Classes B and C. Each attorney representing a juvenile accused of a Class B or C felony shall meet the following requirements:

i. The minimum requirements set forth in Section 1; and

ii. Either:

a. has served one year as a prosecutor; or

b. has served one year as a public defender; or one year in a private criminal practice, and

iii. Has been trial counsel alone in five misdemeanor cases brought to a final resolution; and

iv. Each attorney shall be accompanied at his or her first juvenile trial by a supervisor if available.

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[3] RCW 10.101.060(1)(a)(iii) provides that counties receiving funding from the state Office of Public Defense under that statute must require "attorneys who handle the most serious cases to meet specified qualifications as set forth in the Washington state bar association endorsed standards for public defense services or participate in at least one case consultation per case with office of public defense resource attorneys who are so qualified. The most serious cases include all cases of murder in the first or second degree, persistent offender cases, and class A felonies."

I. Juvenile Sex Offense Cases. Each attorney representing a client in a juvenile sex offense case shall meet the following requirements:

i. The minimum requirements set forth in Section 1 and Section 2(H); and

ii. Has been counsel alone of record in an adult or juvenile sex offense case or shall be supervised by or consult with an attorney who has experience representing juveniles or adults in sex offense cases.

J. Juvenile Status Offenses Cases. Each attorney representing a client in a "Becca" matter shall meet the following requirements:

i. The minimum requirements as outlined in Section 1; and

ii. Either:

a. have represented clients in at least two similar cases under the supervision of a more experienced attorney or completed at least three hours of CLE training specific to "status offense" cases; or

b. have participated in at least one consultation per case with a more experienced attorney who is qualified under this section.

K. Misdemeanor Cases. Each attorney representing a defendant involved in a matter concerning a simple misdemeanor or gross misdemeanor or condition of confinement, shall meet the requirements as outlined in Section 1.

L. Dependency Cases. Each attorney representing a client in a dependency matter shall meet the following requirements:

i. The minimum requirements as outlined in Section 1; and

ii. Attorneys handling termination hearings shall have six months' dependency experience or have significant experience in handling complex litigation.

iii. Attorneys in dependency matters should be familiar with expert services and treatment resources for substance abuse.

iv. Attorneys representing children in dependency matters should have knowledge, training, experience, and ability in communicating effectively with children, or have participated in at least one consultation per case either with a state Office of Public Defense resource attorney or other attorney qualified under this section.

M. Civil Commitment Cases. Each attorney representing a respondent shall meet the following requirements:

i. The minimum requirements set forth in Section 1; and

ii. Each staff attorney shall be accompanied at his or her first 90 or 180 day commitment hearing by a supervisor; and

iii. Shall not represent a respondent in a 90 or 180 day commitment hearing unless he or she has either:

a. served one year as a prosecutor; or

b. served one year as a public defender; or one year in a private civil commitment practice, and

c. been trial counsel in five civil commitment initial hearings; and

iv. Shall not represent a respondent in a jury trial unless he or she has conducted a felony jury trial as lead counsel; or been co-counsel with a more experienced attorney in a 90 or 180 day commitment hearing.

N. Sex Offender "Predator" Commitment Cases. Generally, there should be two counsel on each sex offender commitment case. The lead counsel shall meet the following requirements:

i. The minimum requirements set forth in Section 1; and

ii. Have at least:

a. Three years' criminal trial experience; and

b. One year's experience as a felony defense attorney or one year's experience as a criminal appeals attorney; and

c. Experience as lead counsel in at least one felony trial; and

d. Experience as counsel in cases involving each of the following:

1. Mental health issues; and

2. Sexual offenses; and

3. Expert witnesses; and

e. Familiarity with the Civil Rules; and

f. One year of appellate experience or demonstrated legal writing ability.

Other counsel working on a sex offender commitment case should meet the minimum requirements in Section 1 and have either one year's experience as a public defender or significant experience in the preparation of criminal cases, including legal research and writing and training in trial advocacy.

O. Contempt of Court Cases. Each attorney representing a respondent shall meet the following requirements:

i. The minimum requirements set forth in Section 1; and

ii. Each attorney shall be accompanied at his or her first three contempt of court hearings by a supervisor or more experienced attorney, or participate in at least one consultation per case with a state Office of Public Defense resource attorney or other attorney qualified in this area of practice.

P. Specialty Courts. Each attorney representing a client in a specialty court (e.g., mental health court, drug diversion court, homelessness court) shall meet the following requirements:

i. The minimum requirements set forth in Section 1; and

ii. The requirements set forth above for representation in the type of practice involved in the specialty court (e.g., felony, misdemeanor, juvenile); and

iii. Be familiar with mental health and substance abuse issues and treatment alternatives.

Standard 14.2 adopted effective October 1, 2012

Standard 14.3. Appellate Representation. Each attorney who is counsel for a case on appeal to the Washington Supreme Court or to the Washington Court of Appeals shall meet the following requirements:

A. The minimum requirements as outlined in Section 1; and

B. Either:

i. has filed a brief with the Washington Supreme Court or any Washington Court of Appeals in at least one criminal case within the past two years; or

ii. has equivalent appellate experience, including filing appellate briefs in other jurisdictions, at least one year as an appellate court or federal court clerk, extensive trial level briefing, or other comparable work.

C. Attorneys with primary responsibility for handling a death penalty appeal shall have at least five years' criminal experience, preferably including at least one homicide trial and at least six appeals from felony convictions, and meet the requirements of SPRC 2.

RALJ Misdemeanor Appeals to Superior Court: Each attorney who is counsel alone for a case on appeal to the Superior Court from a court of limited jurisdiction should meet the minimum requirements as outlined in Section 1, and have had significant training or experience in either criminal appeals, criminal motions practice, extensive trial level briefing, clerking for an appellate judge, or assisting a more experienced attorney in preparing and arguing a RALJ appeal.

Standard 14.3 adopted effective October 1, 2012

Standard 14.4. Legal Interns.

A. Legal interns must meet the requirements set out in APR 9.

B. Legal interns shall receive training pursuant to APR 9, and in offices of more than seven attorneys, an orientation and training program for new attorneys and legal interns should be held.

Standard 14.4 adopted effective October 1, 2012

Standards 15-18

[Reserved.]

CERTIFICATION OF COMPLIANCE

[New]

For criminal and juvenile offender cases, a signed Certification of Compliance with Applicable Standards must be filed by an appointed attorney by separate written certification on a quarterly basis in each court in which the attorney has been appointed as counsel.

The certification must be in substantially the following form:

SEPARATE CERTIFICATION FORM

_____**Court of Washington** **for** _____	
State of Washington _____, Plaintiff vs. _____. Defendant	**No.** CERTIFICATION OF APPOINTED COUNSEL OF COMPLIANCE WITH STANDARDS REQUIRED BY CrR 3.1/CrRLJ 3.1/JuCR 9.2

The undersigned attorney hereby certifies:

1. Approximately _____% of my total practice time is devoted to indigent defense cases.

2. I am familiar with the applicable Standards adopted by the Supreme Court for attorneys appointed to represent indigent persons and that:

a. Basic Qualifications: I meet the minimum basic professional qualifications in Standard 14.1.

b. Office: I have access to an office that accommodates confidential meetings with clients, and I have a postal address and adequate telephone services to ensure prompt response to client contact, in compliance with Standard 5.2.

c. Investigators: I have investigators available to me and will use investigation services as appropriate, in compliance with Standard 6.1.

d. Caseload: I will comply with Standard 3.2 during representation of the defendant in my cases. [Effective September 1, 2013: I should not accept a greater number of cases (or a proportional mix of different case types) than specified in Standard 3.4, prorated if the amount of time spent for indigent defense is less than full time, and taking into account the case counting and weighting system applicable in my jurisdiction.]

e. Specific Qualifications: I meet the specific qualifications in Standard 14.2, Sections B-K. [Effective September 1, 2013.]

Defendant's Lawyer, WSBA No. Date

RESOLUTION R-4949

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ADOPTING INDIGENT DEFENSE STANDARDS AND AUTHORIZING THE CITY MANAGER TO EXECUTE A PUBLIC DEFENSE CONTRACT INCORPORATING THE STANDARDS.

WHEREAS, RCW 10.101.030 requires the City to adopt public defense standards using the standards of the Washington State Bar Association for public defense services as guidance; and

WHEREAS, most recently, on October 4, 2011, the City Council passed Resolution R-4894, adopting public defense standards guided by the Washington State Bar Association standards to ensure indigent defendants charged with crimes that are filed in Kirkland Municipal Court receive a constitutionally appropriate level of criminal defense; and

WHEREAS, the City contracts with the law firm of Stewart MacNichols Harmell, Inc. P.S., for public defense services and the contract incorporate the standards established in Resolution R-4894; and

WHEREAS, the Washington Supreme Court by Order No. 25700-A-1004, as amended, has adopted new standards for indigent defense which became effective October 1, 2012, with the exception of Standard 3.4 relating to case load limits which will be effective September 1, 2013; and

WHEREAS, the contract with the law firm of Stewart, Beall, MacNichols, and Harmell, Inc. P.S., is set to expire December 31, 2012; and

WHEREAS, the Kirkland City Council deems it to be in the public interest to adopt the new Washington Supreme Court standards by reference, and incorporate those standards in its public defense contract, while continuing to use as guidance the Washington State Bar Association standards included in Resolution R-4894;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. Pursuant to the provisions of RCW 10.101.030 the City Council adopts as its standards for indigent defense the standards contained in Washington Supreme Court Order No. 25700-A-1004, as amended, provided Standard 3.4 shall become effective on September 1, 2013.

Section 2. Resolution R-4894 which includes the Washington State Bar Association standards shall serve as a guide to interpret and apply the standards adopted by the Washington Supreme Court.

Section 3. The City Manager is authorized to execute a public defense contract incorporating the Washington Supreme Court's new standards for indigent defense in a form substantially similar to Attachment A.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2012.

Signed in authentication thereof this ____ day of _____, 2012.

_____
MAYOR

Attest:

_____
City Clerk

PUBLIC DEFENSE CONTRACT

THIS CONTRACT is entered into by and between the CITY OF KIRKLAND, a municipal corporation, herein referred to as the "City," and Stewart MacNichols & Harmell, Inc., P.S., herein referred to as the "Contractor."

1. Scope of Services. All indigent criminal defendants charged under ordinances of the City who qualify for appointed counsel shall be referred to the Contractor. The Contractor shall provide legal representation for each of these defendants from the time of screening for eligibility through trial, sentencing, post-trial appearances and appeals to the Superior Court, if necessary. Contractor shall maintain an office within the City as well as 425 area code and 800 phone numbers throughout the term of this Contract. Whenever Contractor is counsel of record for an individual who is jailed on a City matter, Contractor shall be available to appear in court before such individual has been in custody for 24 hours; except that, this provision does not require the Contractor to be available to appear in Court on Saturdays, Sundays, or City holidays. The Contractor may withdraw upon completion of the case or the Contract as allowed by the Rules of Professional Conduct. The Contractor may assist the Court by assisting other persons charged with violating the City's ordinances, such as with preparation of forms. Any such assistance shall not obligate the Contractor to represent said person unless the defendant qualifies for appointed counsel.

2. Applicant Screening. Determination of indigency for eligibility for appointed counsel under this Contract shall be determined by a screening process established by the City. The City shall be responsible for handling the screening process. Should the Contractor determine a defendant is not eligible for assigned counsel, the Contractor shall withdraw from the case and so advise the Court and the City of the withdrawal and the reason therefor, subject to the Contractor's professional duties under the Rules of Professional Conduct.

3. 24-Hour Telephone Access. Contractor shall provide to the City Police Department the telephone number or numbers at which an attorney may be reached for "critical stage" advice to defendants during the course of police investigations and/or arrest twenty-four (24) hours each day.

4. Associated Counsel. Contractor may arrange for other attorneys to perform services under this Contract at Contractor's expense. Contractor may delegate the authority to perform Contract services to an attorney who is licensed to practice law before the courts of record for the State of Washington, unless City objects to services by that attorney. In any event, Contractor shall be responsible for overseeing and approving services performed by other attorneys. Contractor must immediately report to the City any change affecting the maintenance of membership in good standing of the Washington State Bar Association.

5. Proof of Professional Liability Insurance. Contractor will, at Contractor's sole expense, obtain and maintain during the life of this Contract, a policy of comprehensive general liability and professional liability insurance. Said policy shall have limits of not less that One Million Dollars ($1,000,000) per occurrence and be placed with an insurer authorized to do business in the State of Washington. Certificates issued by the insurance carrier showing such insurance to be in force shall be filed with the City not less that ten days following signing of this Contract.

6. Indemnification.

   A. Contractor shall indemnify and hold the City, its elected officials, officers and employees harmless from any and all claims, losses or liability, including attorney's fees, whatsoever arising out of the Contractor's performance of obligations pursuant to this Contract, including claims arising by reason of accident, injury or death caused to persons or property of any kind occurring by the fault or neglect of the Contractor, his agents, associates or employees, or occurring without the fault or neglect of the City.

   B. With respect to the performance of this agreement and as to claims against the City, its officers, agents and employees, the Contractor expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, for injuries to its employees, and agrees that the obligation to indemnify, defend and hold harmless provided for in this paragraph extends to any claim brought by or on behalf of any employee of the Contractor. This waiver is mutually negotiated by the parties. This paragraph shall not apply to any damage resulting from the sole negligence of the City, its agents, and employees. To the extent any of the damages covered by this paragraph were caused by or resulted from the concurrent negligence of the City, its agents or employees, this obligation to indemnify, defend and hold harmless is valid and enforceable only to the extent of the negligence of the Contractor, its officers, agents and employees.

7. Compensation.

   A. The City shall pay Contractor for services rendered under this Contract the sum of $18,000 per month for the first 80 cases each month. Every three months, the Contractor will submit a bill in the amount of $250 per case, for each case in excess of a total of 240 cases for the preceding three months. The City shall also pay to the Contractor a flat fee of $500 for each case appealed from the District Court. In addition, the City shall be responsible for the preparation of appellate transcripts as required by court rules. The Contractor shall bill the City by the fifth day of the month for the previous month's services. Payment shall be made by the last day of each month, provided; the quarterly billing, described above, for the cases in excess of 240 cases shall be made by the fifth day of the month following completion of the quarter.

   B. For the purposes of this section, "case" shall be defined as in Section 13.C. below.

C. Either party may make a written request to re-open discussions regarding compensation. In the event that a party makes such a written request, the parties agree to engage in negotiations thereof for at least 30 days. If no agreement is reached after 30 days, then either party may give written notice of termination, to be effective no sooner than 30 days following the notice of termination.

8. Discovery Provided. The City shall provide to the Contractor, at no cost to the Contractor or the defendant, one copy of all discoverable material concerning each assigned case. Such material shall include, where relevant, a copy of the abstract of the defendant's driving record.

9. No Assignment or Subcontracts. No assignment or transfer of this Contract or any interest in this Contract shall be made by either of the parties without prior written consent.

10. Contractor Conflict. In the event the representation of a defendant hereunder raises a conflict of interest such that the Contractor cannot represent the defendant, said defendant shall be referred back to the City for further assignment.

11. Statistics. The Contractor shall provide statistics to the Municipal Court for all cases assigned, including the name of the client and the case number. In addition, this information shall be reported to the contract administrator no less often than within 30 days after the end of each quarter as to clients represented during the prior quarter.

12. Standards for Public Defense Services. The Contractor shall comply with the applicable Standards adopted by the Washington Supreme Court for attorneys to represent indigent persons. The Attorney shall also submit a certification to the Kirkland Municipal Court stating that the Attorney is in compliance with such standards. The certification shall be submitted on a quarterly basis throughout the term of this Contract.

13. Caseload Limits per Fulltime Equivalent Position

A. Caseload Limits in General. The Contractor shall maintain a caseload such that each and every defendant can be provided effective assistance of counsel as required by this Contract. Subject to the remaining subsections of this section, a fulltime equivalent attorney position may be appointed to no more than 400 cases per year; provided, that a fulltime equivalent attorney position may be appointed to more than 400 cases per year if the managing partners of the Contractor determine that the Contractor will meet the terms of this Contract. Under no circumstances may a fulltime equivalent attorney position be appointed to more than 550 cases per year.

B. Factors in Determining Permitted Caseload. In order to determine whether a fulltime equivalent attorney can be appointed to more than 400 cases per year, the Contractor shall consider the following:

i. The experience of the attorneys who perform the work called for in this Contract.

ii. The number of cases fulltime equivalent attorney positions are currently handling that are not in pre-trial status and not on appeal.

iii. The complexity of the cases.

iv. The services the Contractor provides to other municipalities or private clients.

C. Case Defined. For the purposes of this section, the term "case" shall mean a group of criminal charges related to a single incident filed against a defendant to which the Contractor is appointed by the court, but shall not include temporary or provisional appointments at arraignments or in-custody hearings, appointments by a court at a court hearing for that one court hearing only, and shall not include prefiling representation provided to a suspect who is under investigation for a violation of RCW 46.61.502, 46.61.503 or 46.61.504.

D. Case Weighting. For the purposes of determining how many cases each fulltime equivalent attorney position is handling, each case shall be counted as follows:

i. The charges listed below shall be counted as specified:

• Allowing Minor to Frequent Bar	1/3
• Allow Unauthorized Person to Drive	1/3
• Altered License	1/3
• Assault	
o Domestic Violence	1
o Non-Domestic Violence	1
o With Sexual Intent	2
• Animal Cruelty	1
• Attempted Assault	2/3
• Attempted Forgery	2/3
• Attempted Theft	2/3
• Canceled Plates/Registration	1/3
• Complicity	2/3
• Commercial License Needed	1/3
• Concealed Weapon	2/3
• Conspiracy	2/3
• Counterfeiting Trademark	2/3
• Criminal Attempt	2/3
• Criminal Trespass	1/3
• Custodial Interference	1
• Cyber Stalking	1
• Dangerous Animal at Large	2/3
• Discharge of Firearm	2/3
• Disorderly Conduct	1/3
• Display of Weapon	2/3
• Driving with Suspended Registration	1/3
• DUI	1

• DWLS 1	1/2
• DWLS 2	1/2
• DWLS 3	1/3
• Criminal Assistance	1/3
• Escape	2/3
• Failure to Transfer Title	1/3
• Failure to Disperse	1/3
• Failure to Obey	1/2
• Failure to Obey Flagman	1/2
• Failure to Obtain Vehicle License	1/3
• Failure to Stop	1/2
• Failure to Secure Load	1
• Failure to Surrender License	1/3
• False Identification	1/2
• False Insurance Card	1/2
• False Information	1/2
• False Reporting	1/2
• False Statement	1/2
• Fraud Dr. License	1/2
• Furnishing Liquor to Minor	1/2
• Harm to Police Dog	1
• Harassment	1
• Telephone Harassment	1
• Domestic Violence Harassment	1
• Hit and Run Attended	1
• Hit and Run Unattended	1/2
• Illegal Fireworks	1/3
• Illegal Use of Dealer Plates	1/3
• Immoral Conduct with a Minor	1
• In Park After Hours	1/3
• Indecent Exposure	1
• Inhale Toxic Fumes	1
• Interfering with Reporting to 911	2/3
• Invalid Trip Permit	1/3
• Lewd Act	1
• Littering Prohibited	1/3
• Loiter for Prostitution	1/2
• Malicious Mischief Domestic Violence	1
• Malicious Mischief Non-Domestic Violence	2/3
• Minor Frequenting a Tavern	1/2
• Minor Intoxicated in Public	1/2
• Minor in Possession/Consumption	1/2
• Neglect of a Child	1
• Negligent Driving 1	1
• No Valid Operator’s License	1/3
• Obstructing	2/3
• Operating Vehicle Without Cert. of Ownership	1/3
• Operating Vehicle Without Ignition Interlock	1/2

• Patronizing a Prostitute	1/2
• Physical Control	1
• Possession of Drug Paraphernalia	1/2
• Possession of Marijuana	1/2
• Possession of Stolen Property	2/3
• Possession/Making Burglary Tools	2/3
• Possession Another's ID	1/2
• Possession of Legend	2/3
• Prostitution	1/2
• Provoking Assault	2/3
• Public Disturbance	1/3
• Reckless Driving	2/3
• Reckless Burning	2/3
• Reckless Endangerment	2/3
• Refuse to Cooperate	1/2
• Crimes Requiring Registration as Sex Offender	2
• Resisting Arrest	2/3
• Selling Liquor to Minor	1/2
• Stalking	1
• Tampering with Property of Others	1/2
• Tampering with a Witness	1
• Theft 3	2/3
• Theft of Rental Property	2/3
• Unlawful Issuance of Bank Check	2/3
• Unlawful Bus Conduct	1/2
• Unlawful Camping	1/3
• Unlawful Racing	2/3
• Urinating in Public	1/3
• Vehicle Prowl	2/3
• Vehicle Trespass	2/3
• Violation of Anti-harassment Order	2/3
• Violation of No Contact Order	2/3
• Violation of Instruction Permit	1/3
• Violation of Occupancy License	1/3
• Violation of Protection Order	2/3
• Violation of Restraining Order	2/3
• Weapons Capable of Harm	2/3

ii. All other charges shall be considered one case unless designated otherwise by agreement of the Contractor and the City Manager's Office.

E. Full Time Attorney Equivalent Position. Fulltime attorney equivalent position shall mean 40 hours of attorney services provided pursuant to this Contract.

F. Caseload Monitoring. Contractor shall continually monitor the caseload and performance of the Contractor as a whole and each attorney providing services pursuant to this Contract. Contractor shall provide projections at least three months

in advance regarding the caseload limits based upon the number of attorneys employed by the Contractor and trends in case filings.

G. Caseload Level Shifting. In the event an attorney is handling a caseload such that the attorney is unable to provide effective assistance of counsel to each and every defendant, Contractor shall reduce the caseload of that attorney, and shift the reduced portion of the caseload to another attorney employed by the Contractor.

14. Refusal of Appointments. Contractor shall monitor the total number of cases handled by the Contract pursuant to this Contract. In the event Contractor is handling an excessive number of cases such that Contractor is unable to provide each and every defendant with effective assistance of counsel, then Contractor shall refuse further appointment of cases until such time as Contractor employs additional attorneys or the number of cases per attorney is reduced. Work performed pursuant to this Contract shall be Contractor's priority, and prior to refusing further appointments, Contractor shall attempt to withdraw from cases that Contractor handles that are not within the scope of this Contract and shall refuse to accept cases from clients outside of the scope of the work called for in this Contract.

15. Term of this Contract.

A. Provision of services pursuant to this Contract shall commence at 12:01 a.m. on January 1, 2013.

B. This Contract shall remain in force through December 31, 2015, unless terminated earlier pursuant to the provisions hereof.

16. Termination.

A. For Cause. Either party may terminate this Contract in the event the second party fails to perform its obligations as described in this Contract and if such failure has not been corrected to the reasonable satisfaction of the first party in a timely manner after notice of breach has been provided to the second party.

B. For Reasons Beyond Control of Parties. Either party may terminate this Contract without recourse by the other where performance is rendered impossible or impracticable for reasons beyond such party's reasonable control, such as, but not limited to, acts of nature; war or warlike operations; civil commotion; riot; labor dispute, including strike, walkout or lockout; sabotage; or superior governmental regulation or control. Notice of termination pursuant to this subsection shall be given as far in advance as is reasonable.

C. Without Cause. Either party may terminate this Contract at any time without cause upon giving the non-terminating party not less than ninety (90) days prior written notice.

17. Amendment

A. No modification or amendment of the provisions of this Contract shall be effective unless in writing and signed by authorized representatives of the parties hereto.

B. The parties nonetheless agree to negotiate a fee adjustment in good faith in the event that a material increase in Contractor's level of service is requested by Kirkland, or results from practices or policies outside Contractor's reasonable control.

18. Entire Agreement. This Contract contains the entire agreement between the parties and may not be enlarged, modified or altered except in writing, signed by the parties and endorsed hereon.

DATED this ____ day of _____, 2012.

CITY OF KIRKLAND

By_____

Title_____

CONTRACTOR
STEWART MACNICHOLS
& HARMELL, INC., P.S.

By_____

Title_____

APPROVED AS TO FORM:
KIRKLAND CITY ATTORNEY

_____

Date:_____

Council Meeting: 12/11/2012
Agenda: Other Business
Item #: 8. h. (8).

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

MEMORANDUM

To: Kurt Triplett, City Manager

From: Tami White, Parking Coordinator
Ray Steiger, P.E., Public Works Director

Date: November 30, 2012

Subject: Downtown Pay Parking Station Shelters – Authorize Purchase

RECOMMENDATION:

It is recommended that City Council authorize the use of $5,000 from the parking reserve fund so that staff may proceed with the purchase and installation of two shelters for Downtown Pay Parking Stations as manufactured by Parking Booth Company, Inc.

BACKGROUND DISCUSSION:

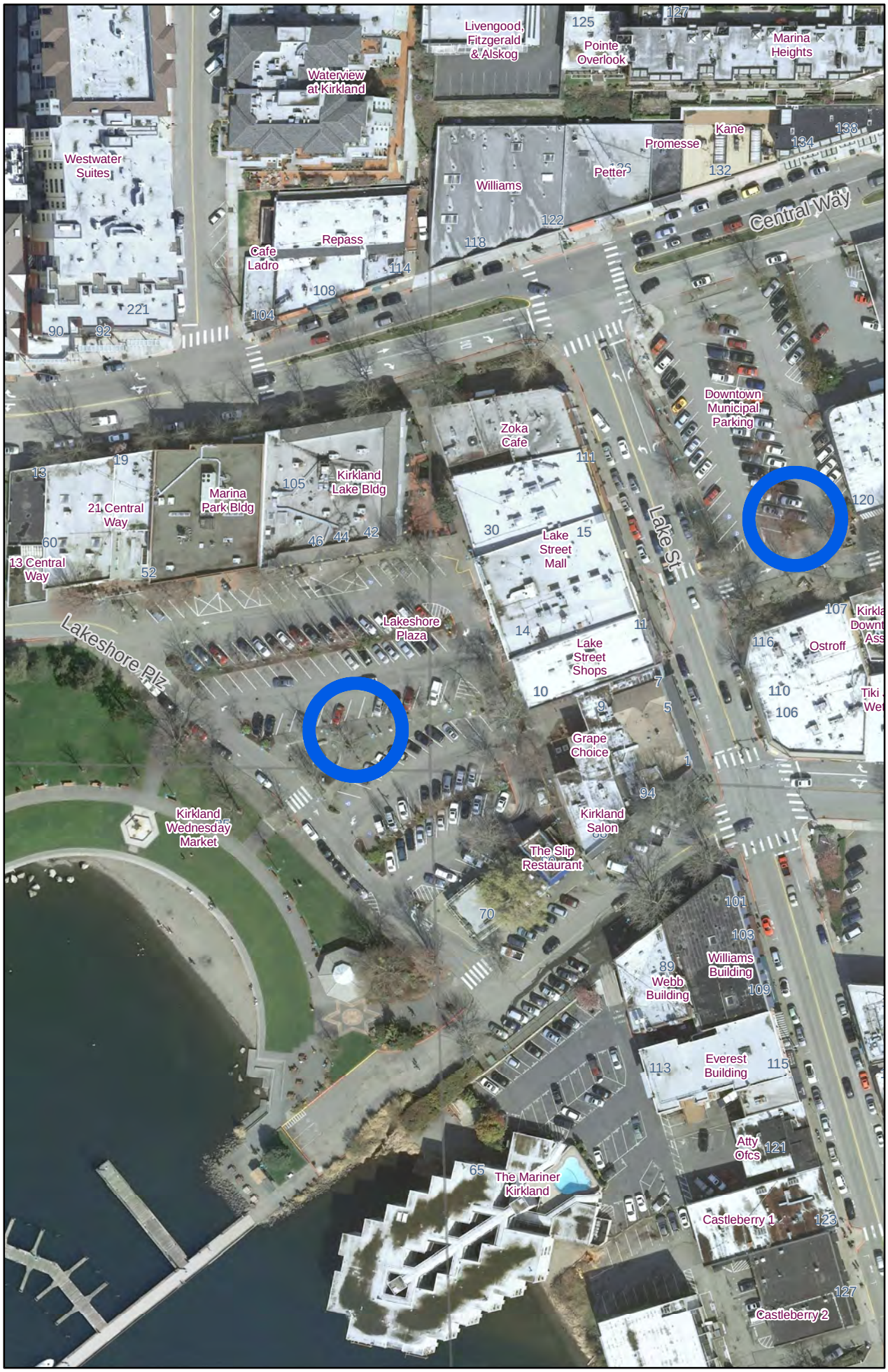
At their July 3, 2012 meeting, City Council requested that staff proceed with the exploration of various means of providing an improved experience for patrons using the City's pay stations. Staff has installed two new VenTek pay stations, one at the Lake and Central lot, and one at the Marina lot (Attachment A). The new stations have proven to be faster than the previous stations. During the trial period, public feedback has been generally favorable and all the issues raised by the public and by staff have been addressed. A larger font size on the pay receipt is being implemented by the VenTek company, since that was one of the drawbacks noted by enforcement personnel. If the revised font size is acceptably implemented, VenTek will become the preferred model.

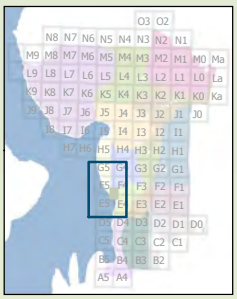
A second enhancement to the pay stations that was requested by City Council was weather protection shelters. Staff has contacted a number of vendors and reviewed styles of available shelters (Attachment B), and based on cost, style, and availability, is recommending purchase of shelters provided by Parking Booth Company, Inc. Delivered, the shelters are estimated to cost $1,597.50 per unit. With City staff installation, total cost per station is estimated to be approximately $2500/unit. Funds are currently available in the parking reserve fund, and with City Council approval the shelters can be ordered and installed during the next two months.

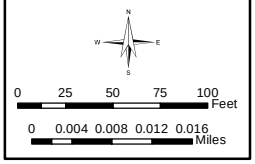
Attachment A: VenTek pay station locations
Attachment B: Shelter examples considered by Staff
Attachment C: Fiscal note

Proposed Parking Pay Station Shelters

Attachment A







Produced by the City of Kirkland.
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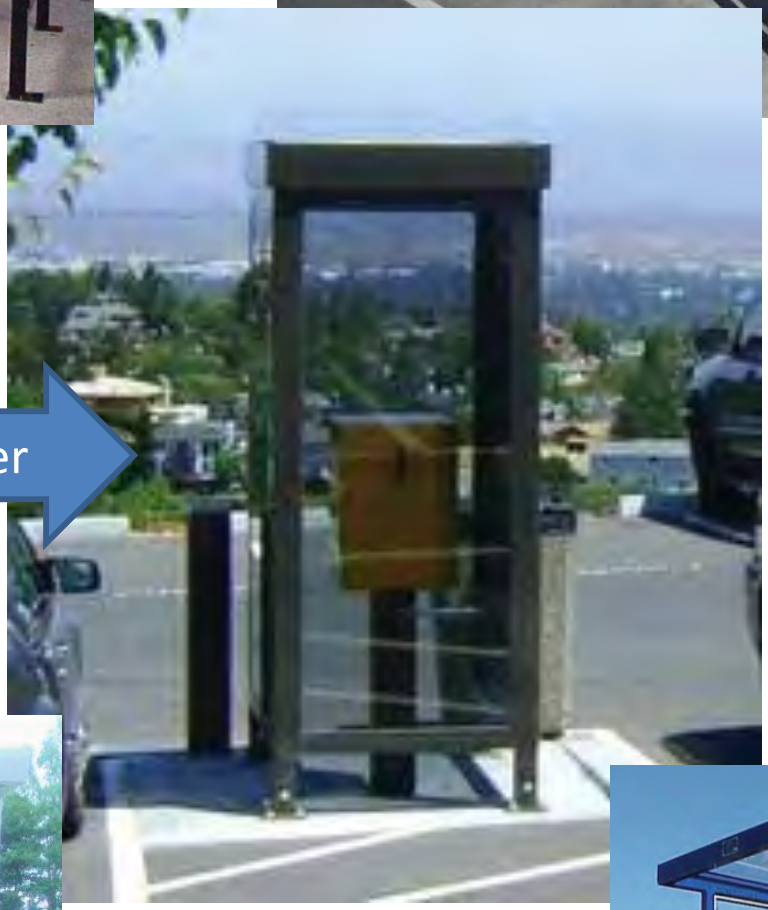
Author:
Name: parking shelters
Date Saved: 12/3/2012 5:35:32 PM

Path: G:\MISCMEMO\2012\parking shelters.mxd

Attachment B



Proposed Shelter

Attachment C

FISCAL NOTE

CITY OF KIRKLAND

Source of Request

Ray Steiger, Public Work Director

Description of Request

Request for funding of $5,000 from the Off-Street Parking Reserve for the purchase and installation of two shelters for Downtown Pay Parking Stations as manufactured by Parking Booth Company, Inc.

Legality/City Policy Basis

Fiscal Impact

One-time use of $5,000 of the Off-Street Parking Reserve. The reserve is able to fully fund this request.

Recommended Funding Source(s)

	Description	2012 Est End Balance	Prior Auth. 2011-12 Uses	Prior Auth. 2011-12 Additions	Amount This Request	Revised 2012 End Balance	2012 Target
Reserve	Off-Street Parking Reserv	110,716	0	0	5,000	105,716	N/A
	2011-12 Prior Authorized Use of this reserve: $1,380 for a downtown parking pay station pilot project.						
Revenue/Exp Savings							
Other Source							

Other Information

Prepared By	Tammy McCorkle, Budget Analyst	Date	December 4, 2012

Council Meeting: 12/11/2012
Agenda: Unfinished Business
Item #: 10. a.

CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Tracey Dunlap, Director of Finance & Administration
Sri Krishnan, Financial Planning Manager
Tammy Whipple, Budget Analyst

Date: December 3, 2012

Subject: **2012 YEAR-END BUDGET ADJUSTMENTS**

RECOMMENDATION:

City Council receives an update on the City's financial condition and approves the ordinance adjusting the 2011-2012 budget appropriation for selected funds.

BACKGROUND DISCUSSION:

The year-end budget review addresses a variety of topics regarding the current biennium (2011-2012). This memo describes the various attachments included in the packet, including:

- **Financial Status** – The Financial Management Report (FMR) for the period ending September 30, 2012 (Attachment A), the October Dashboard Report (Attachment B), October and November sales tax memos (Attachments C and D) are included.

- **Budget Adjustments** – A recommendation concerning year-end budget adjustments needed to meet unanticipated needs, recognizing additional resources, and housekeeping adjustments (Attachment E).

FINANCIAL STATUS

The Financial Management Report (FMR) provides an overview of revenue and expenditure performance through the third quarter of 2012 (Attachment A).

The October dashboard report provides high level monitoring of the General Fund revenues and expenditures status and a few key revenue and expenditure indicators across funds that are especially important to watch. The following are a couple key points from the October dashboard report (Attachment B):

- Total **General Fund revenues** are meeting budget expectations. Revenues received through October are at 83.8 percent of budget, 83.33 percent of the way through the year. Utility tax revenues are under budget expectations primarily because of shortfalls in telecommunication, electric and water utility taxes. This shortfall is offset by sales tax revenue that is coming in

better than expected. Development services-related revenues have exceeded the budget and as a portion of these revenues will result in work that will be completed in the next biennium, about $433,000 is being set aside for a total development services staffing reserve of about $985,000 in the 2013-2014 Budget.

- Overall, **General Fund expenditures** are trailing the budget at 76.6 percent. Savings are largely due to postponement of some annexation hiring, position vacancies, and jail contract savings. Decisions about filling vacant positions will impact future expenditure trends.

The October and November sales tax memos (Attachments C and D) include an analysis of sales tax revenue trends by business sectors and compares monthly and year-to-date data to last year. Overall year-to-date sales tax revenues are up 11.6 percent compared to a budgeted increase of 7.9 percent over 2011.

YEAR-END BUDGET ADJUSTMENTS

State law prohibits expenditures from exceeding the budgeted appropriation for any fund and requires the City to adjust appropriations when:

1. Unanticipated revenue exists and will potentially be expended;
2. New funds are established during the budget year which were not included in the original budget; or
3. The City Council authorizes positions, projects, or programs not incorporated into the current year's budget.

This budget adjustment allows for appropriation increases where it is anticipated that total expenditures may be in excess of the adopted 2011-2012 budget.

Unless there is an immediate need, budget adjustments that represent ongoing increases in the level of service are generally not introduced at year-end. Rather, they are submitted as service package requests during the budget preparation and mid-biennial review processes.

As usual for the year-end adjustment process, adjustments are recommended for unexpected issues such as grant funding and Council use of reserves that have occurred since the last adjustment.

Total appropriation adjustments result in a net budget increase of $4,182,920. The budget adjustment summary (Attachment E) shows both line item and appropriation changes. Line item changes are administrative adjustments within funds and are provided for reference. Appropriation adjustments change the total budget and require adoption of the ordinance.

Appropriation Adjustments

Council Directed/Other Requests and Previously Approved Adjustments – The first category of adjustments includes any additional changes identified by Council and formalizing previously approved actions (fiscal notes, etc). Some of these requests have been approved by the Council since the mid-year adjustments in June 2012, but the formal appropriation adjustment is occurring as part of the year-end budget update.

- A large portion of the Council Directed/Other adjustments is related to recognizing the refunding of Kirkland's municipal bonds in 2011. This adjustment of $4,453,003 recognizes the repayment of the 1999 and 2001 Limited Tax General Obligation Bonds (LTGO) when the 2011 bonds were issued at a lower interest rate. This adjustment is required because the 2011-2012 Budget as

adopted did not anticipate the refinancing of the 1999 and 2001 bonds and the related expenditure of funds in the current biennium. This expenditure is fully offset by the revenues received from the refunding bonds issued in 2011.

- Another large adjustment reallocates the surface water fund portion of the purchase of the Cross Kirkland Corridor (CKC). The purchase of the CKC was originally budgeted in the Transportation Capital Improvement fund assuming a $1.0 million transfer-in from the Surface Water Utility Fund. In order to capitalize the project as part of the Surface Water Utility, the Surface Water Capital Fund has to show an actual expenditure rather than a transfer-out to the Transportation Capital Fund. This results in a budget reduction of $1.0 million in the Transportation Capital Projects fund and a budget adjustment to add the expenditure to the Surface Water Fund. The adjustment to the Surface Water Fund is a line item change with no change in the appropriation in this fund. This accounting-driven adjustment reduces the City's budget by $1.0 million.

Other Council directed adjustments made in 2012 that change fund appropriation total $429,300 and include the following:

- Fiscal Notes previously presented and approved by Council, including:
    - Lakeview Elementary Pedestrian Improvement Project – has two budget adjustments:
        1. To account for the transfer out of funding from the Street Operating Fund the amount of $26,300; and
        2. To account for the receipt of the funds from the Street Operating Fund in the Transportation Capital Projects Fund and increase the expenditure authority in the latter by $26,300.
    - 100th Avenue NE Bicycle Lanes Project - change in scope, $86,000
- NE 120th Roadway Extension – Right-of-Way Purchase, $317,000 funded with REET reserves. The current budget anticipated external revenue this year and the use of REET reserves next biennium. External revenue is now expected next year necessitating the use of REET reserves this year. There is no net increase to the project total beyond what the Council already authorized.

Housekeeping Items – The second category of adjustments are needed to adjust budget accounts, fund balances, etc. Housekeeping adjustments made in 2012 that change fund appropriation total $300,617 and include the following:

- Water Rescue Equipment – Funded by reallocating unspent balances from three completed Capital Improvement Projects totaling $45,000: Thermal Imaging Cameras, Mobile Data Computers and RFTD Office Space. This adjustment will bring the Near Shore Water Rescue Program into compliance with Washington State requirements. This adjustment recognizes the transfer of funds to the General Fund from the General Capital Projects fund approved by Council as part of the June 2012 adjustments.

- Fire District 41 debt service – Recognizing the payment of $480,173. This is a housekeeping adjustment to ensure adequate appropriation authority is provided in the Debt Service fund. The adjustment recognizes the Fire District 41 property tax and payment of debt service per the Fire District 41 debt service schedule.

- Police evidence storage cabinet – $10,409, transfer from the Facilities Maintenance fund to the General Fund. This adjustment also includes an equivalent non-appropriation change in the Facilities Maintenance Fund of $10,409.

- Grants, reimbursements and a fee-in-lieu adjustment in the General Fund – $73,944.
- Adjustments resulting in budget reductions totaling $308,909:
    - CIP project Maintenance Management System Upgrade (GG 0006 702) delayed to 2013-14, resulting in a budget reduction in the General Capital Improvement Fund of $250,000.
    - Distributing the 2012 adjusted Fleet Model rates resulting in a reduction because of reduced vehicle reserve contributions for vehicle purchases that are delayed or canceled for a total of $58,909.

Line Item Adjustments

Council directed and housekeeping adjustments not affecting fund appropriation total $3,518,066 and include the following:

- Cost of Living Adjustments (COLA) totaling: $951,391, this accounts for all closed bargaining unit adjustments and other agreed upon COLA adjustments for personnel.
- Fiscal Notes previously presented and approved by Council, including:
    - Parking Pay Station Pilot Project, $1,380
    - Juanita Beach Park Supplemental Funding, $346,000
    - NE 85th St Watermain Replacement, $626,000
    - Screwsucker Pump Purchase, $53,307
    - CMAQ Grant Match, $203,000
- Temporary Construction Inspector – Additional funding of $14,457 for the inspector on loan from King County to address a backlog of development-related inspections. This is funded by fees set aside in the Development Services Reserve from 2011 engineering revenues.
- Development Services Study – Use of $45,000 from the Development Services Reserve to fund one-half of the Development Services Study, an additional $45,000 is expected to be expended in 2013. The balance is expected to be replenished in 2013 with year-end savings.
- Credit card fees not previously budgeted in the Water/Sewer Utility Operating fund ($136,880) and the Solid Waste Fund ($73,942), this adjustment recognizes payments for 2012 and previous year credit card fees.
- Recognizing the use of reserves in the Facilities Maintenance Fund for a facilities energy audit – $30,000.

SUMMARY

The budget is adopted at the fund level which sets the total expenditure authority for the biennium for each fund. A summary of the adjustments and 2011-2012 revised budget by fund type is included in the table below:

Fund Type	Current 11-12 Budget	Adjustments	Revised 11-12 Budget
General Government:			
General Fund	161,231,911	129,353	161,361,264
Other Operating Funds	18,604,602	-	18,604,602
Internal Service Funds	57,181,149	(58,909)	57,122,240
Non-Operating Funds	113,823,171	4,112,476	117,935,647
Utilities:			
Water/Sewer	66,961,952	-	66,961,952
Surface Water	33,193,878	-	33,193,878
Solid Waste	25,102,501	-	25,102,501
Total Budget	**476,099,164**	**4,182,920**	**480,282,084**

Financial Management Report as of September 30, 2012

AT A GLANCE:

City of Kirkland Gets High Marks from State Auditor (page 2 sidebar)

2012 revenues through September continued to be unpredictable due to annexation (page 3)

2012 sales tax revenue through September is on target with budget assumptions (page 5)

Economy continues a slow recovery (pages 7-8)

Inside this issue:

Expenditure Summary 2

General Fund Revenue 3

General Fund Expenditures 4

Sales Tax Revenue 5

Economic Environment 7

Investment Report 8

Reserve Summary 10

The Financial Management Report will be a challenge to interpret in 2012 due to annexation, which impacted expenditures and revenues at different times throughout 2011 and 2012. As a result, instead of discussing the comparison of 2012 actual revenues and expenditures to the prior year, this quarter's FMR compares the 2012 actual results to the 2012 budget and highlight revenues received in 2011 that will be used to offset expenditures budgeted in 2012.

Summary of All Operating Funds: *Revenue*

- **General Fund** actual 2012 revenue, excluding resources forward and interfund transfers, through September is at **71.8 percent** of budget, 75 percent of the way through the year. Note that the majority of the second half of property taxes will be received in October and November. The 2012 budget includes revenues projected for the new neighborhoods (annexation area), which are coming in lower than projected. A more detailed analysis of General Fund revenue can be found on page 3, and sales tax revenue performance can be found beginning on page 5.
- **Other General Government Funds** actual 2012 revenue through September is at **66.3 percent** of budget. $1.1 million of one-time County Road Levy revenue budgeted to offset authorized expenditures in 2012 was received in 2011. Including the road tax received in 2011, Other General Government Funds actual 2012 revenue to budget would be at 72.3 percent.
- Actual 2012 revenue for the **Water/Sewer Operating Fund** through September is **70.7 percent** of budget. In 2012, sewer rates increased by 5.5 percent and water rates increased 2.2 percent. This result is due in part to a relatively cool and damp early summer.
- **Surface Water Management Fund** actual 2012 revenue is **56.5 percent** of budget. Surface Water charges are paid with property taxes, which are primarily received in April and October.
- **Solid Waste Fund** actual 2012 revenue through September is **72.2 percent** of budget. In 2011, Solid Waste customers had the opportunity to move to a smaller can size. More customers moved to a smaller size than expected which caused rate revenue to come in lower than expected.

	Year-to-Date Actual			Budget			% of Budget	
Resources by Fund	**9/30/2011**	**9/30/2012**	**% Change**	**2011**	**2012**	**% Change**	**2011**	**2012**
General Gov't Operating:								
General Fund	44,809,525	54,677,414	22.0%	68,664,728	76,167,690	10.9%	65.3%	71.8%
Other General Gov't Operating Funds	9,863,740	12,606,747	27.8%	16,672,780	19,013,022	14.0%	59.2%	66.3%
Total General Gov't Operating	**54,673,265**	**67,284,161**	**23.1%**	**85,337,508**	**95,180,712**	**11.5%**	**64.1%**	**70.7%**
Utilities:								
Water/Sewer Operating Fund	13,555,657	14,527,501	7.2%	19,807,418	20,540,187	3.7%	68.4%	70.7%
Surface Water Management Fund	3,076,673	4,744,263	54.2%	6,847,891	8,391,990	22.5%	44.9%	56.5%
Solid Waste Fund	6,347,794	9,547,120	50.4%	10,040,676	13,228,950	31.8%	63.2%	72.2%
Total Utilities	**22,980,124**	**28,818,884**	**25.4%**	**36,695,985**	**42,161,127**	**14.9%**	**62.6%**	**68.4%**
Total All Operating Funds	**77,653,389**	**96,103,045**	**23.8%**	**122,033,493**	**137,341,839**	**12.5%**	**63.6%**	**70.0%**

Budgeted and actual revenues exclude resources forward and interfund transfers.

City of Kirkland Gets Clean Marks from State Auditor

The Washington State Auditor's Office recently completed its annual audit of the City of Kirkland in the areas of accountability, financial statement, and federal grant compliance. The accountability audit includes legal compliance with the Open Public Meetings Act and the safeguarding of public resources with proper internal controls. The Office had no audit recommendations or findings in any of the three audit areas. The Auditor's Office indicated that Kirkland's results are noteworthy as there are very few entities in Washington State that achieved "clean" audits for 2011 and that the Auditor's Office has been issuing more findings.

"These are amazing accomplishments for the City, the Finance Department, and our citizens," notes City Council Member Amy Walen, Chair of the Council's Finance Committee. "These show our continued commitment to fiscal responsibility."

To view the audit report, go to the Washington State Auditor's Office website at www.sao.wa.gov, select "Audits," then "Local Governments" and then select "City of Kirkland." To view a video on the City's commitment to financial stability, go to www.kirklandwa.gov/kirklandworks.

Summary of All Operating Funds: *Expenditures*

- **General Fund** actual expenditures, excluding reserves and interfund transfers, are at **70.3 percent** of budget, 75 percent of the way through the year. Savings are largely due to postponement of some annexation-related hiring, position vacancies, and jail contract savings. A more detailed analysis of General Fund expenditures by department is found on page 4.
- **Other Operating Funds** actual expenditures through September 2012 are at **69.9 percent** of budget largely due to budgeted vehicle purchases which have not yet occurred and lower facility utility costs. Vehicle costs vary year-to-year depending on the planned replacement cycle. In addition, there are several new annexation-related vehicles budgeted in 2012 which have been delayed and are currently under review. Facility utility costs are down, partially due to milder winter weather, but also from staff conservation efforts and the pay-off from past investments in updated controls and equipment at various locations. Other Operating funds have also seen some savings in personnel costs due to annexation related positions not being filled.
- **Water/Sewer Operating Fund** actual expenditures through September are at **74.4 percent** of budget. The City pays Cascade Water Alliance (CWA) a set rate for water each month based on average demands over three years (currently 2008-2010).
- **Surface Water Management Fund** actual 2012 expenditures through September are at **62.1 percent** of budget as a result of postponing the hiring of annexation-related positions resulting in significant savings in the personnel and supplies categories.
- **Solid Waste Fund** actual 2012 expenditures through September are at **60.7 percent** of budget and in-line with expectations.

	Year-to-Date Actual			Budget			% of Budget	
Expenditures by Fund	**9/30/2011**	**9/30/2012**	**% Change**	**2011**	**2012**	**% Change**	**2011**	**2012**
General Gov't Operating:								
General Fund	46,368,939	50,500,953	8.9%	67,878,459	71,868,993	5.9%	68.3%	70.3%
Other General Gov't Operating Funds	10,692,295	13,079,052	22.3%	17,106,576	18,708,834	9.4%	62.5%	69.9%
Total General Gov't Operating	**57,061,234**	**63,580,005**	**11.4%**	**84,985,035**	**90,577,827**	**6.6%**	**67.1%**	**70.2%**
Utilities:								
Water/Sewer Operating Fund	12,580,195	12,710,779	1.0%	16,765,372	17,073,833	1.8%	75.0%	74.4%
Surface Water Management Fund	2,521,466	3,373,193	33.8%	4,338,938	5,431,637	25.2%	58.1%	62.1%
Solid Waste Fund	6,327,903	7,951,640	25.7%	10,070,151	13,096,051	30.0%	62.8%	60.7%
Total Utilities	**21,429,564**	**24,035,612**	**12.2%**	**31,174,461**	**35,601,521**	**14.2%**	**68.7%**	**67.5%**
Total All Operating Funds	**78,490,798**	**87,615,617**	**11.6%**	**116,159,496**	**126,179,348**	**8.6%**	**67.6%**	**69.4%**

Budgeted and actual expenditures exclude working capital, operating reserves, capital reserves, and interfund transfers.

General Fund Revenue

- **Sales tax** revenue allocated to the General Fund is meeting budget expectations at **75.3 percent**. A detailed analysis of total **sales tax** revenue can be found starting on page 5.
- Selected large General Fund revenues are received in periodic increments, specifically **property tax** (mostly received in April/May and October/November) and **King County EMS** payments (quarterly or semi-annually).
- **Utility tax** receipts, including projected new neighborhood area revenues, are at **72.7 percent** of budget. The shortfall in telecommunication utility tax revenues experienced in 2011 continues through September 2012. In addition, water and electric utility tax revenues are coming in under budget due to weather related variations. Together these three revenues are under expectations, approximately 8.5 percent or $761,277. These shortfalls are partially offset by gas and cable utility tax revenues exceeding budget expectations.
- **Other taxes** actual revenue is at **104.6 percent** of budget due to gambling revenue from the new neighborhoods. Note that these taxes are paid on a semi-annual basis.
- The **business licenses (base fee) and franchise fees** are at **78.8 percent** of budget. Both business license and franchise fees are slightly exceeding budget expectations.

Many significant General Fund revenue sources are economically sensitive, such as sales tax and development–related fees.

- The **revenue generating regulatory license** fee is slightly exceeding budget expectations at **79.9 percent** of budget.
- The **development-related fee** revenues, collectively are exceeding budget expectations at **99.0 percent** of budget. **Building permits** and **plan check revenue** collectively are at **79.5 percent** of budget and **engineering services** revenue is at **182.6 percent** of budget. **Planning fees** revenue are at **129.7 percent** of budget primarily due to major Process IIA and Design Board permit revenues. Note that some of this revenue is for work to be done in subsequent years and will be set aside in reserve for that purpose.
- **Fines and Forfeitures** are below budget expectations at **41.5 percent** due to lower than expected parking and traffic infraction penalty revenues. This is offset in part by salary savings from a parking enforcement officer, multiple police officer vacancies and delayed hiring of annexation-related court staff. The parking enforcement and some police officer positions have been filled and these revenues are expected to improve.
- **Other financing sources** includes the asset transfer from Woodinville Fire & Rescue that was received in late 2011 and budgeted in 2012. $175,000 in Interfund Transfers budgeted for the purchase of public safety radios in 2011 will occur later in 2012.

General Fund 2012 revenues are at 71.8 percent of budget (excluding other financing sources).

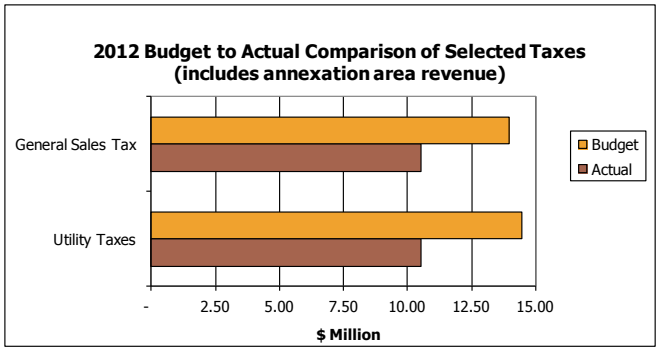
The General Fund is the largest of the General Government Operating funds. It is primarily tax supported and accounts for basic services such as public safety, parks and recreation, and community development.

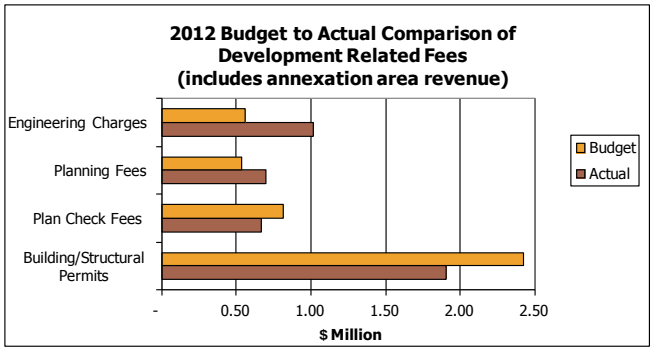
In 2012, about 421 of the City's 541 regular employees are budgeted within this fund.

General Fund Resource Category	Year-to-Date Actual			Budget			% of Budget	
	9/30/2011	9/30/2012	% Change	2011	2012	% Change	2011	2012
Taxes:								
Retail Sales Tax: General	9,598,833	10,517,292	9.6%	12,885,899	13,972,010	8.4%	74.5%	75.3%
Retail Sales Tax Credit: Annexation	266,026	2,583,004	N/A	1,129,866	3,409,791	N/A	N/A	75.8%
Retail Sales Tax: Criminal Justice	742,283	1,226,615	65.2%	1,149,997	1,568,112	36.4%	64.5%	78.2%
Property Tax	7,313,871	9,002,553	23.1%	13,261,709	16,049,865	21.0%	55.2%	56.1%
Utility Taxes	8,408,223	10,513,435	25.0%	12,436,696	14,468,333	16.3%	67.6%	72.7%
Rev Generating Regulatory License	1,941,312	1,906,727	-1.8%	2,344,069	2,386,300	1.8%	82.8%	79.9%
Other Taxes	364,833	1,051,517	188.2%	312,250	1,005,488	222.0%	116.8%	104.6%
Total Taxes	**28,635,381**	**36,801,143**	**28.5%**	**43,520,486**	**52,859,899**	**21.5%**	**65.8%**	**69.6%**
Licenses & Permits:								
Building, Structural & Equipment Permits	1,297,158	1,909,181	47.2%	1,748,605	2,423,612	38.6%	74.2%	78.8%
Business Licenses/Franchise Fees	1,687,931	3,238,725	91.9%	3,014,279	4,109,869	36.3%	56.0%	78.8%
Other Licenses & Permits	189,552	194,233	2.5%	217,579	217,579	0.0%	87.1%	89.3%
Total Licenses & Permits	**3,174,641**	**5,342,139**	**68.3%**	**4,980,463**	**6,751,060**	**35.6%**	**63.7%**	**79.1%**
Intergovernmental:								
Grants and Federal Entitlements	660,733	241,150	-63.5%	548,052	95,600	-82.6%	120.6%	252.2%
State Shared Revenues & Entitlements	582,526	1,095,398	88.0%	947,385	909,967	-3.9%	61.5%	120.4%
Fire District #41	1,586,765	-	N/A	3,684,071	-	N/A	43.1%	N/A
EMS	420,073	427,546	N/A	868,678	866,729	N/A	48.4%	49.3%
Other Intergovernmental Services	211,131	86,816	-58.9%	533,087	181,040	-66.0%	39.6%	48.0%
Total Intergovernmental	**3,461,228**	**1,850,910**	**-46.5%**	**6,581,273**	**2,053,336**	**-68.8%**	**52.6%**	**90.1%**
Charges for Services:								
Internal Charges	4,029,379	4,005,410	-0.6%	5,558,328	5,882,454	5.8%	72.5%	68.1%
Engineering Services	682,569	1,014,729	48.7%	464,146	555,852	19.8%	147.1%	182.6%
Plan Check Fee	413,193	666,155	61.2%	1,115,779	814,484	-27.0%	37.0%	81.8%
Planning Fees	491,789	696,167	41.6%	495,044	536,799	8.4%	99.3%	129.7%
Recreation	977,169	1,028,940	N/A	1,162,406	1,152,963	N/A	N/A	89.2%
Other Charges for Services	1,046,627	1,396,322	33.4%	1,709,373	2,187,273	28.0%	61.2%	63.8%
Total Charges for Services	**7,640,726**	**8,807,723**	**15.3%**	**10,505,076**	**11,129,825**	**5.9%**	**72.7%**	**79.1%**
Fines & Forfeits	1,326,004	1,154,356	-12.9%	2,435,490	2,781,169	14.2%	54.4%	41.5%
Miscellaneous	571,545	721,143	26.2%	641,940	592,401	-7.7%	89.0%	121.7%
Total Revenues	**44,809,525**	**54,677,414**	**22.0%**	**68,664,728**	**76,167,690**	**10.9%**	**65.3%**	**71.8%**
Other Financing Sources:								
Transfer of FD 41 & WFR Balances	1,724,497	-	N/A	1,722,725	1,426,568	N/A	N/A	N/A
Interfund Transfers	-	-	N/A	275,028	98,151	N/A	N/A	N/A
Total Other Financing Sources	**1,724,497**	**-**	**N/A**	**1,997,753**	**1,524,719**	**N/A**	**86.3%**	**N/A**
Total Resources	**46,534,022**	**54,677,414**	**17.5%**	**70,662,481**	**77,692,409**	**9.9%**	**65.9%**	**70.4%**

Budgeted and actual revenues exclude resources forward.

General Fund Revenue *continued*





General Fund Expenditures

General Fund Department Expenditures	Year-to-Date Actual			Budget			% of Budget	
	9/30/2011	9/30/2012	% Change	2011	2012	% Change	2011	2012
Non-Departmental	639,003	812,971	27.2%	1,480,669	1,614,807	9.1%	43.2%	50.3%
City Council	250,173	299,983	19.9%	333,977	443,849	32.9%	74.9%	67.6%
City Manager's Office	1,128,209	1,299,859	15.2%	1,577,493	1,829,449	16.0%	71.5%	71.1%
Municipal Court	1,345,113	1,510,188	12.3%	1,966,708	2,590,750	31.7%	68.4%	58.3%
Human Resources	943,030	915,953	-2.9%	1,267,998	1,253,506	-1.1%	74.4%	73.1%
City Attorney's Office	802,816	978,790	21.9%	1,162,037	1,353,373	16.5%	69.1%	72.3%
Parks & Community Services	4,937,251	5,176,513	4.8%	7,108,434	7,211,739	1.5%	69.5%	71.8%
Public Works (Engineering)	2,457,305	2,643,655	7.6%	3,771,045	3,932,111	4.3%	65.2%	67.2%
Finance and Administration	2,877,337	3,285,720	14.2%	4,097,765	4,567,770	11.5%	70.2%	71.9%
Planning & Community Development	2,134,153	2,310,946	8.3%	2,932,820	3,366,041	14.8%	72.8%	68.7%
Police	14,541,407	16,128,477	10.9%	22,201,553	23,507,119	5.9%	65.5%	68.6%
Fire & Building	14,313,142	15,137,898	5.8%	19,977,960	20,198,479	1.1%	71.6%	74.9%
Total Expenditures	**46,368,939**	**50,500,953**	**8.9%**	**67,878,459**	**71,868,993**	**5.9%**	**68.3%**	**70.3%**
Other Financing Uses:								
Interfund Transfers	2,077,096	1,852,699	-10.8%	3,286,374	4,946,993	50.5%	63.2%	37.5%
Total Other Financing Uses	**2,077,096**	**1,852,699**	**-10.8%**	**3,286,374**	**4,946,993**	**50.5%**	**63.2%**	**37.5%**
Total Expenditures & Other Uses	**48,446,035**	**52,353,652**	**8.1%**	**71,164,833**	**76,815,986**	**7.9%**	**68.1%**	**68.2%**

Budgeted and actual expenditures exclude working capital, operating reserves, and capital reserves.

The 2012 Budget incorporates budget reductions in response to the economic downturn and additions as a result of annexation. The same dynamics impacted the 2011 budget at varying times throughout the year. This creates a challenge comparing 2012 to 2011, therefore, expenditures will only be compared to the 2012 budget.

Comparing 2012 actual expenditures through the third quarter to the 2012 budget:
Overall, General Fund expenditures are at 70.3 percent of budget, excluding interfund transfers. About half of the under expenditures are a result of salary and benefit savings partially due to delayed hiring for annexation; this savings may not continue at this level through the remainder of 2012. The remaining under expenditures are primarily due to savings in intergovernmental (timing of ARCH contributions, election costs, and savings in jail contract costs) and professional services.

2012 General Fund actual third quarter expenditures (excluding "other financing sources") are at 70.3 percent of budget, primarily due to postponement of annexation-related hiring and position vacancies in multiple departments and savings in jail costs.

- Actual 2012 expenditures for the **City Council** are at **67.6 percent** of budget due to some savings in dues and memberships since increases as a result of annexation were less than expected.
- The **City Manager's Office** actuals are at **71.1 percent** of budget due to some savings in benefit expenses and professional services.
- The **Municipal Court** actuals are at **58.3 percent** of budget due to savings in personnel costs associated with unfilled annexation positions.
- Actual 2012 expenditures for **Human Resources** are at **73.1 percent** of budget and are on target with budget expectations.
- The **City Attorney's Office** expenditures are at **72.3 percent** of budget due to some savings in legal fees.

(Continued on page 5)

Financial Management Report as of September 30, 2012

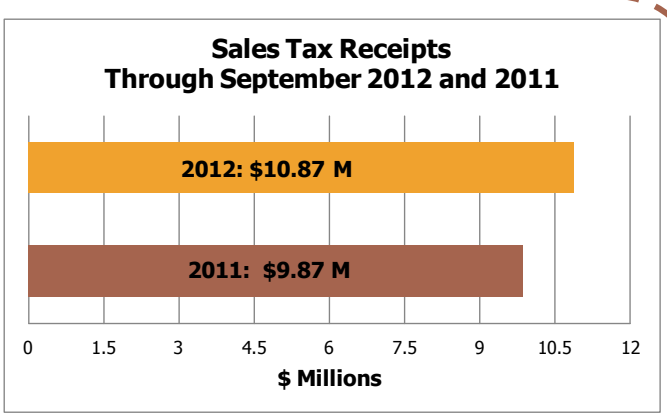
- Actual 2012 expenditures for the **Parks & Community Services Department** are at **71.8 percent** of budget due to vehicles for annexation not yet purchased, operating supplies and human services contract payments, the majority of which will occur later in 2012 and the first quarter of 2013.
- Actual expenditures for the **Public Works Department** are at **67.2 percent** of budget due to position vacancies and professional services that will occur later in the year.
- The **Finance and Administration Department** expenditures are at **71.9 percent** of budget due to election and audit costs, and printing expenses which will be incurred during the last quarter of the year.
- Actual 2012 expenditures for the **Planning and Community Development Department** are at **68.7 percent** of budget due to savings in personnel costs as a result of unfilled positions.
- Actual 2012 expenditures for the **Police Department** are at **68.6 percent** of budget due to savings from delayed annexation-related staffing and increased hiring of laterals (and related expenses) along with position vacancies. In addition, jail costs are under budget about $875,000, in part, due to contracts with other agencies for lower rates than those charged by King County and an increase in the use of electronic home detention and other sentencing measures as alternatives to jail time.
- Actual 2012 expenditures for the **Fire & Building Department** are at **74.9 percent** of budget and are on target with budget expectations. A reconciliation of the funds received from the assumption of Fire District 41 is presented in the table to the right; this includes 2011-2012 revenues and expenditures. The ending total balance of approximately $5.2 million is expected to be used for the planned fire station consolidation capital project.

Summary of Fire District 41 Funds:
Revenues & Expenditures

	Capital	General Government
Revenues:		
Beginning Balance	4,000,000	1,724,497
Fire District Revenues	-	1,872,041
Interest and Other Revenues	22,507	2,697
Transfer from General Fund**	1,225,681	-
Total Revenues	**5,248,188**	**3,599,235**
Expenditures:		
Operating Costs (per ILA)*	-	164,058
Fire District 2011 Contract	-	2,209,496
Transfer to Capital Project**	-	1,225,681
Station Consolidation Project	37,872	-
Total Expenditures	**37,872**	**3,599,235**
Ending Balance	**5,210,316**	**(0)**

*Includes 2012 obligations
**Transfer of remaining Fire District 41 revenues from the General Fund to the Consolidated Fire Station Capital Improvement Project

Sales Tax Revenue Analysis 2012 sales tax revenue through September is up 10.2 percent compared to the same period in 2011. The 2012 budget for sales tax revenue assumed an increase of 7.9 percent over 2011 actuals which reflected anticipated increases due to annexation.



Review by business sectors:

The **general merchandise/miscellaneous retail** sector is **up 2.5 percent** compared to last year largely due to positive performance by two key retailers in this category.

The **auto/gas retail** sector is **up 13.9 percent** compared to last year, largely due to positive performance by most of the key retailers in this category.

The **retail eating/drinking** sector performance is **up 12.1 percent** compared to last year, due to positive performance by a few key retailers.

Other retail is **up 19.3 percent** compared to last year, due to positive performance in the food and beverage and health and personal care categories, and despite negative performance in the furniture and electronics categories.

The **contracting** sector is **up 42.4 percent** compared to last year, due to significant increases in contracting activity over the last several months. Some of the gain in this category is one-time revenue due to the construction of two new elementary schools in the new neighborhoods and other major projects.

The **wholesale** sector is **up 4.9 percent** compared to last year, largely due to increases in the other miscellaneous non-durable goods category.

The **services** sector is **down 3.8 percent** compared to last year, largely due to a one-time taxpayer refund by the Department of Revenue of $127,000 in the other information category. The accommodations sector is up 1.0 percent or about $2,000.

The **communications** sector is **down 10.8 percent** compared to last year due to one-time development related revenues in February 2011 in the telecommunications category. Factoring out this one-time revenue, this category would be up 7.5 percent compared to last year.

The **miscellaneous** sector is **down 19.9 percent** compared to last year because the City received one-time Department of Revenue amnesty program revenues in 2011.

Streamlined Sales Tax
Local coding sales tax rules changed as a result of Washington State joining the national Streamlined Sales Tax Agreement. Negative impacts from this change are mitigated by the State of Washington. Year-to-date revenue is about $75,000, and continues to trend slightly under budget. This revenue source has been reduced due to the impact of state budget decisions.

Neighboring Cities Sales Tax
Bellevue was up 0.5 percent and Redmond was down 24.1 percent through September compared to the same period in 2011. Redmond was much lower due to $4.6 million in field recoveries received in February and March 2011. Excluding field recoveries Redmond received about the same revenues through September in 2011 and 2012.

City of Kirkland Actual Sales Tax Receipts

Business Sector Group	January-September		Dollar Change	Percent Change	Percent of Total	
	2011	2012			2011	2012
Services	1,250,464	1,202,722	(47,742)	-3.8%	12.7%	11.1%
Contracting	1,213,814	1,728,375	514,561	42.4%	12.3%	15.9%
Communications	365,255	325,660	(39,595)	-10.8%	3.7%	3.0%
Auto/Gas Retail	2,337,480	2,661,678	324,198	13.9%	23.7%	24.5%
Gen Merch/Misc Retail	1,374,138	1,408,465	34,327	2.5%	13.9%	13.0%
Retail Eating/Drinking	834,280	935,574	101,294	12.1%	8.5%	8.6%
Other Retail	1,231,019	1,468,937	237,918	19.3%	12.5%	13.5%
Wholesale	524,218	549,927	25,709	4.9%	5.3%	5.1%
Miscellaneous	734,932	588,454	(146,478)	-19.9%	7.4%	5.4%
Total	**9,865,600**	**10,869,792**	**1,004,192**	**10.2%**	**100.0%**	**100.0%**

Kirkland's sales tax base is comprised of a variety of businesses which are grouped and analyzed by business sector (according to NAICS, or "North American Industry Classification System"). Nine business sector groupings are used to compare 2011 and 2012 year-to-date sales tax receipts in the table to the left.

City of Kirkland Actual Monthly Sales Tax Receipts

Month	Sales Tax Receipts		Dollar Change	Percent Change
	2011	2012		
January	1,082,225	1,104,023	21,798	2.0%
February	1,366,850	1,413,587	46,737	3.4%
March	942,887	1,054,686	111,799	11.9%
April	899,425	1,086,848	187,423	20.8%
May	1,154,252	1,132,774	(21,478)	-1.9%
June	1,046,570	1,147,892	101,322	9.7%
July	1,047,452	1,287,015	239,563	22.9%
August	1,181,633	1,313,808	132,175	11.2%
September	1,144,307	1,329,159	184,852	16.2%
Total	**9,865,601**	**10,869,792**	**1,004,191**	**10.2%**

When analyzing monthly sales tax receipts, there are two items of special note: First, most businesses remit their sales tax collections to the Washington State Department of Revenue on a monthly basis. Small businesses only have to remit their sales tax collections either quarterly or annually, which can create anomalies when comparing the same month between two years. Second, for those businesses which remit sales tax monthly, there is a two month lag from the time that sales tax is collected to the time it is distributed to the City. For example, sales tax received by the City in September is for sales activity in July. Monthly sales tax receipts through September 2011 and 2012 are compared in the table above.

- January 2012 was slightly ahead of January 2011. A large one-time receipt in January 2011 skews the comparison. The increase is 7.6 percent after factoring out this one-time event.
- Receipts for February were also skewed by a large one time adjustment in the communications category and the revenues from the new neighborhoods. Factoring out these revenues results in an increase of 1.8 percent.
- April receipts showed significant increases in the contracting, other retail and auto/gas categories.
- Receipts for May were down largely due to a one-time taxpayer refund.
- June continued to see increases in the contracting, other retail and auto/gas retail categories.
- July and August continued to see significant improvements in construction-related activity, strong performance in the auto/gas retail sector, and a general stabilization in the economy.
- September 2012 revenue is coming in significantly higher than 2011 due to strong performance in the contracting and auto/gas retail sectors. In September 2011, the City started receiving sales tax revenues from businesses in the new neighborhoods; therefore, this is the first month where there is a true comparison of the sales tax activity.

Kirkland's sales tax base is further broken down by business district (according to geographic area), as well as "unassigned or no district" for small businesses and businesses with no physical presence in Kirkland.

Comparing to the same period last year:

Totem Lake, which accounts for about 30 percent of the total sales tax receipts, is **up 10.1 percent** due to continued improvements in automotive/gas retail and improvements in the all retail categories. About 60 percent of this business district's revenue comes from the auto/gas retail sector.

NE 85th Street, which accounts for 15 percent of the total sales tax receipts, is **up 8.4 percent** primarily due to increases in all of the retail categories. These retail sectors contribute almost 96 percent of this business district's revenue.

Downtown, which accounts for almost 5 percent of the total sales tax receipts, is **down 13.8 percent** largely due to a one-time taxpayer refund in the other information services category that reduced the City's receipts in May. If this one-time tax-payer refund is factored out Downtown tax receipts would be up 5.7 percent.

Carillon Point & Yarrow Bay, which account for 2 percent of the total sales tax receipts, are **down 29.5 percent** compared to last year primarily due to one-time revenues in the other retail category in February 2011. About 72 percent of this business district's revenue comes from business services, retail eating/drinking and accommodations.

Houghton & Bridle Trails, which account for more than 2 percent of the total sales tax receipts, are **up 13.0 percent** collectively due to strong performance in the other retail category. The retail sectors provide about 70 percent of these business districts' revenue.

Juanita, which accounts for about 2 percent of the total sales tax receipts are **up 3.5 percent**. Increases in the retail eating/drinking are offset by poor performance in the business services category. These sectors, along with miscellaneous retail provide, about 75 percent of this business district's revenue.

North Juanita, Kingsgate, & Finn Hill account for more than 3 percent of the total sales tax receipts. Sales tax receipts for these business districts continue to perform below budget projections, which were based on data from King County. Retail eating/drinking and food retail sectors provide about 66 percent of these business districts sales tax revenues.

Year-to-date sales tax receipts by business district for 2011 and 2012 are compared in the table on the next page.

When reviewing sales tax receipts by business district, it's important to point out that more than 45 percent of the revenue received in 2012 is in the "unassigned or no district" category largely due to contracting and other revenue, which includes revenue from Internet, catalog sales and other businesses located outside of the City.

City of Kirkland Sales Tax by Business District

Business District	Jan-September Receipts		Dollar Change	Percent Change	Percent of Total	
	2011	2012			2011	2012
Totem Lake	2,940,641	3,238,047	297,406	10.1%	29.8%	29.8%
NE 85th St	1,489,660	1,615,051	125,391	8.4%	15.1%	14.9%
Downtown	651,905	562,088	(89,816)	-13.8%	6.6%	5.2%
Carillon Pt/Yarrow Bay	358,763	252,915	(105,848)	-29.5%	3.6%	2.3%
Houghton & Bridle Trails	251,832	284,554	32,722	13.0%	2.6%	2.6%
Bridle Trails	112,244	127,753			1.1%	1.2%
Houghton	139,588	156,801			1.4%	1.4%
Juanita	182,489	188,829	6,340	3.5%	1.8%	1.7%
Kingsgate	45,584	133,025	87,441	N/A	0.5%	1.2%
North Juanita	78,926	168,262	89,336	N/A	0.8%	1.5%
Finn Hill	37,318	69,651	32,333	N/A	0.4%	0.6%
Unassigned or No District:						
Contracting	1,211,818	1,726,259	514,441	42.5%	12.3%	15.9%
Other	2,616,664	2,631,110	14,446	0.6%	30.0%	29.3%
Total	**9,865,600**	**10,869,792**	**1,004,192**	**10.2%**	**100.0%**	**100.0%**

Sales Tax Revenue Outlook

Sales tax receipts for 2012 continue to indicate a slow recovery and the normal revenue volatility associated with sales tax revenues. The services, contracting, automotive/gas retail and other retail sectors contributed the largest amount of gain, but these sectors are very sensitive to economic conditions. The contracting sector has shown signs of recovery, with some of this gain due to the construction of two new elementary schools in the new neighborhoods. Anticipating revenues from the new neighborhoods in 2012, the budget includes a 7.9 percent increase over 2011 actual. New neighborhood revenue is below expectations offset by gains in the pre-annexation City and contracting. Year-to-date sales tax revenue is approximately 75 percent of the 2012 budget which is similar to the trends over the last year. The slow economic recovery poses significant risk to the City's ability to maintain services, since sales tax is one of the primary sources of general fund revenue.

OFFICE VACANCIES:

According to CB Richard Ellis Real Estate Services, the Eastside office vacancy rate remained at 13.8 percent for the third quarter of 2012 compared to 16.0 percent for the third quarter of 2011. Kirkland's 2012 vacancy rate is 7.4 percent, lower than the 2011 rate of 11.5 percent and one of the lowest vacancy rates in King County.

The Puget Sound office market has recorded ten consecutive quarters of positive absorption, which makes it one of the stronger performing markets in the country.

Employment growth in high-tech companies has strengthened the Puget Sound office market in the third quarter of 2012. This has resulted in decreased vacancy rates and increased lease rates. It has also resulted in increased purchases and investments in office space.

LODGING TAX REVENUE:

Lodging tax revenue ended the third quarter of 2012 at 75.2 percent of the budget and 6.1 percent ahead of the same period in 2011.

Economic Environment Update

The Washington State economy is performing stronger than expected in the third quarter of 2012 according to Washington State Economic and Revenue Forecast Council. Washington employment has shown moderate growth, housing construction was much stronger than expected and home prices are higher than they were last year. The Washington economy added 10,300 jobs, 3,500 more than the 6,800 expected in the June forecast. Overall, the risks to the economy remain high. Next year, there is a risk of financial contraction if tax cuts expire as scheduled, the 2 percent payroll tax holiday and extended unemployment benefits end, and the automatic spending cuts mandated by the Budget Control Act are implemented. The state's economy is expected to outperform the national economy in 2012 by a slight margin, however recovery and a decline in unemployment will remain slow by historical standards.

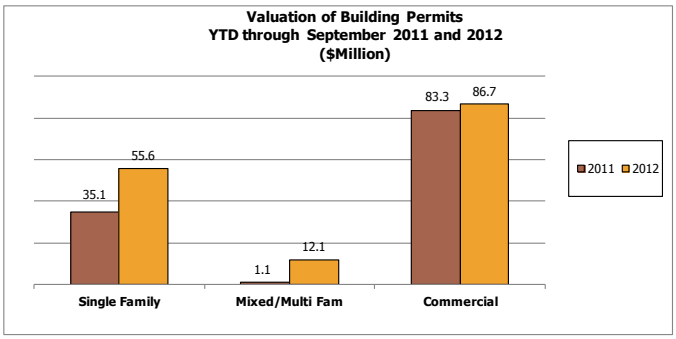
The U.S. **consumer confidence index** rebounded in September from 61.3 in August to 70.3 and is back to levels seen in the first quarter of 2012 (71.6 in February 2012). Despite continuing economic uncertainty, consumers are slightly more optimistic than they have been in several months in their assessment of current conditions in the job market, the short-term outlook for business conditions, and their financial situation. An index of 90 indicates a stable economy and one at or above 100 indicates growth.

King County's **unemployment rate** was **6.9 percent** in September 2012 compared to 8.0 percent in September 2011. King County's unemployment rate is lower than the Washington State and national rates, which were 7.7 and 7.6 percent respectively. The unemployment rate in Kirkland for September was 6.2 percent compared to 7.3 percent in September 2011.

The Western Washington Purchasing Manager index rose in September to 56.8 from 53.5 in August, a score above 50 suggests a growing economy. The confidence score is lower than last year's score of 61.3 in September, and below a "high confidence" score that would be in the 70 range.

(Continued on page 8)

Economic Environment Update *continued*



Local **development activity** through September comparing 2011 to 2012 as measured by the valuation of City of Kirkland building permits is illustrated in the chart to the right. Overall activity is up about 29 percent from last year primarily due to strong gains in single family construction, which is up about 59 percent over the same period last year and an increase in mixed use and multi-family permits. Beginning in June of 2012 public building permit data has been combined with commercial permits.

Closed sales of **new and existing single-family homes** on the Eastside were up 21 percent in September 2012 compared to September 2011. The median price of a single family home remained relatively flat at $517,000 in September 2012 compared to $510,000 in 2011. Closed sales of condos throughout King County were up 25 percent and median prices increased by 10 percent, from $195,000 to $214,500. Overall the median price of single-family homes and condos has risen over 2011 prices throughout King County every month since April. One reason for the rise in prices is the lack of available inventory. Houses listed for sale in King County are down 36 percent from September 2011 and condos are down 50 percent. Even with the lack of inventory, the third quarter of 2012 has been the busiest time for home sales in King County in five years according to the Northwest Multiple Listing Service.

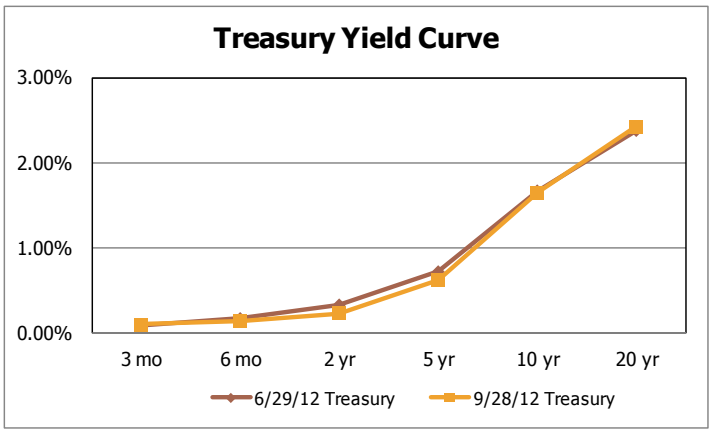
Seattle metro consumer price index (CPI) fluctuated throughout 2011, peaking at 4.3 percent in October, but averaging 3.2 percent for the year. The Seattle index is calculated on a bi-monthly basis and the most recent index in August was unchanged from June at 2.7 percent. The national index also fluctuated throughout 2011, peaking at 4.4 percent with an annual average of 3.6 percent. The latest national index in September was 2.0 percent. Both local and national inflation rates through the third quarter of 2012 are trending lower than most of 2011.

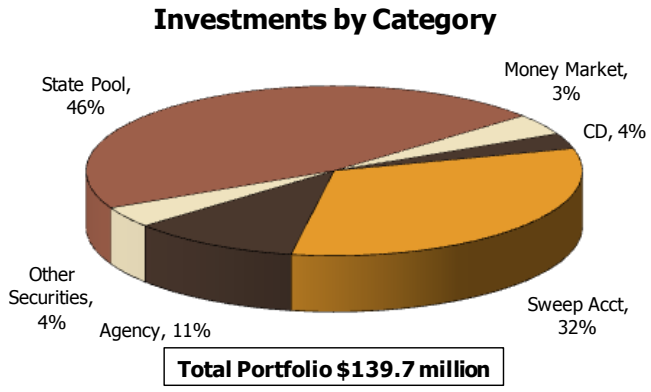
Investment Report

MARKET OVERVIEW

The Fed Funds rate continues to hold at 0.25 percent through the third quarter of 2012. It is now expected that these rates will remain at this level well into 2015. There was little change in the economy for this quarter. The yield curve saw almost no changes for this quarter other than a slight drop in rates in the middle of the curve.

The City's portfolio balance changed very little in the third quarter of 2012. The balance was $139.7 million on September 30, 2012 compared to $140 million on June 30, 2012. The majority of the portfolio is in cash (State Pool and Sweep Account). With interest rates holding at historically low levels, the portfolio is positioned to invest in longer-term instruments when interest rates begin to rise.





CITY PORTFOLIO

It is the policy of the City of Kirkland to invest public funds in a manner which provides the highest investment return with maximum security while meeting the City's daily cash flow requirements and conforming to all Washington state statutes governing the investment of public funds.

The primary objectives for the City of Kirkland's investment activities are: legality, safety, liquidity and yield. Additionally, the City diversifies its investments according to established maximum allowable exposure limits so that reliance on any one issuer will not place an undue financial burden on the City.

Diversification

The City's current investment portfolio is composed of Government Sponsored Enterprises (GSEs) bonds, State and Local Government bonds, the State Investment Pool, an overnight bank sweep account, CD's and a money market account. Kirkland's investment policy allows up to 100 percent of the portfolio to be invested in U.S. Treasury or Federal Government obligations.

2012 ECONOMIC OUTLOOK and INVESTMENT STRATEGY

The outlook for growth in the U.S. economy looks weaker now than it did three months ago, according to 48 forecasters surveyed by the Federal Reserve Bank of Philadelphia. The U.S. economy is expected to grow at an annual rate of 2.2 percent in 2012. CPI inflation is expected to average 1.8 percent in 2012 and 2.2 percent in 2013. The unemployment rate is expected to average 8.2 percent in 2012 and fall to 7.9 percent in 2013. The Fed Funds rate, currently at 0.25 percent, is expected to remain at this level well into 2015.

The duration and earnings of the portfolio continues to decrease as securities mature and are called. Opportunities for increasing portfolio returns are scarce as short-term interest rates continue at historically low levels. New security purchases will be made as opportunities to obtain moderate returns become available. During periods of low interest rates the portfolio duration should be kept shorter with greater liquidity so that the City is in a position to be able to purchase securities with higher returns when interest rates begin to rise. The State Pool is currently at 0.18 percent and will continue to remain low as the Fed Funds rate remains at 0.00 to 0.25 percent. Total estimated investment income for 2012 is $890,000.

Investment Report *continued*

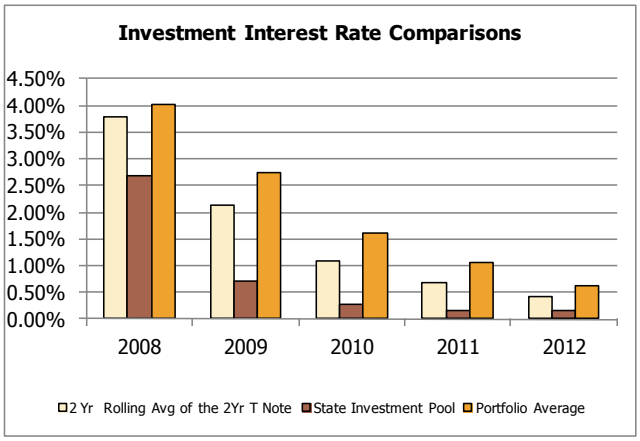
Liquidity

The target duration for the City's portfolio is based on the 2-year treasury rate which declined from 0.33 percent on June 30, 2012 to 0.23 percent on September 30, 2012. The average maturity of the City's investment portfolio decreased slightly from 0.66 years on June 30, 2012 to 0.63 years on September 30, 2012 as the longer term securities continue being called while the interest rates move lower.

Yield

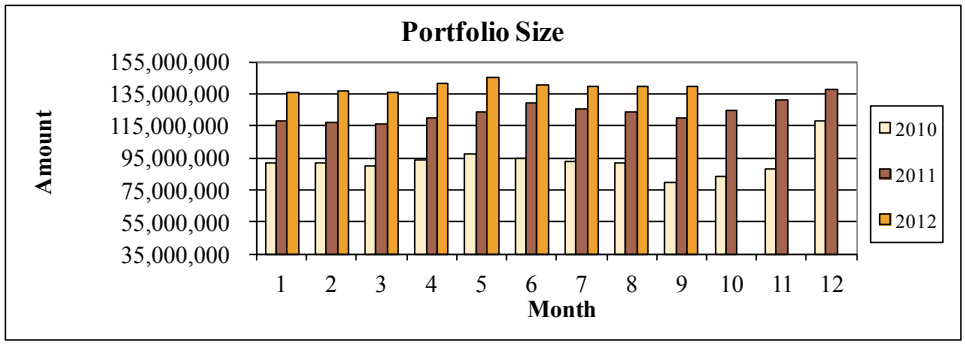
The City Portfolio yield to maturity decreased from 0.52 percent on June 30, 2012 to 0.47 percent on September 30, 2012. Through September 30, 2012, the City's annual average yield to maturity was 0.61 percent. The City's portfolio benchmark is the range between the 90-day Treasury Bill and the 2 year rolling average of the 2-year Treasury Note. This benchmark is used as it is reflective of the maturity guidelines required in the Investment Policy adopted by City Council. The City's portfolio outperformed both the 90 day T-Bill and the 2 year rolling average of the 2-year Treasury Note, which was 0.37 percent on September 30, 2012.

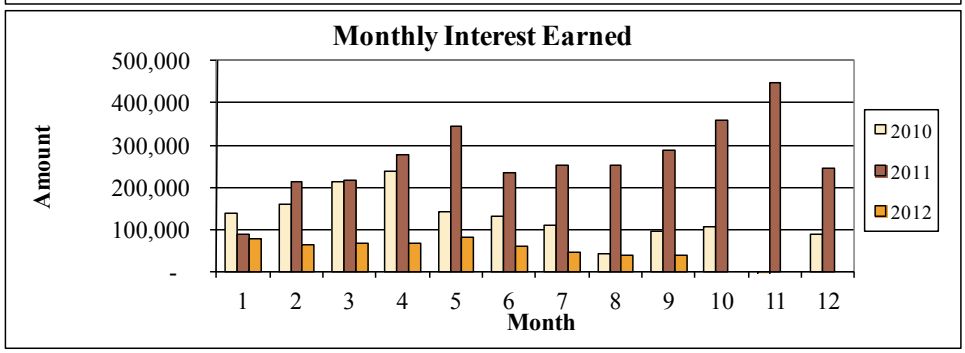
Benchmark Comparison	June 30, 2012	Sept. 30, 2012
City Yield to Maturity (YTM)	0.52%	0.47%
City Average YTM	0.68%	0.61%
City Year to Date Yield	0.74%	0.53%
90 Day Treasury Bill	0.09%	0.10%
2 yr Rolling Avg 2 yr T Note	0.40%	0.37%



The City's practice of investing further out on the yield curve than the State Investment Pool results in earnings higher than the State Pool during declining interest rates and lower earnings than the State Pool during periods of rising interest rates.

The charts below compare the monthly portfolio size and interest earnings for 2010 through September 2012.





***Reserves** are an important indicator of the City's fiscal health and effectively represent "savings accounts" that are established to meet unforeseen budgetary needs (general purpose reserves) or are dedicated to a specific purpose. The reserves are listed with their revised estimated balances at the end of the biennium as of September 30, 2012.*

Reserve Analysis

General Purpose Reserves

- **The Revenue Stabilization Reserve** was used almost in its entirety during the 2009-10 biennium as part of the budget balancing strategy to address the severe economic downturn, which allowed the City to mitigate some negative impacts to services. General Fund 2010 year-end cash was used to replenish this reserve in the amount of $600,000 in 2011 and an additional $500,000 replenishment was made as part of the Mid-Biennial budget process. Further replenishment will remain a high priority.
- The **Building and Property Reserve** has been identified as an available funding source for facility expansion and renovation projects, which include the new Public Safety Building, and possibly the Eastside Rail Corridor.

General Capital Reserves

- The downturn in real estate transactions over the last few years has significantly impacted **Real Estate Excise Tax (REET)** collections resulting in adjustments to capital project planning to reflect available funding. Through September 30, 2012, REET revenues saw a 41 percent increase over 2011. REET revenues are at 178 percent of budget 75 percent of the way through the year.
- **Impact fees** are currently 143 percent ahead of the same period in 2011 with increases in both transportation and park impact fees. Transportation fees through September 30, 2012 are at 193 percent of the 2012 budget and park fees are at 241 percent. There is no planned use for capital projects in the current budget cycle (except that Park impact fees will be used to pay related debt), since these revenue sources were expected to remain extremely low compared to historical trends until development activity improved.

General Government & Utility Reserves Targets Summary

Reserves	2011 Beginning Balance	Adopted 2012 Ending Balance	Revised 2012 Ending Balance	2011-12 Target	Revised Over (Under) Target
GENERAL PURPOSE RESERVES WITH TARGETS					
General Fund Reserves:					
General Fund Contingency	50,000	50,000	50,000	50,000	0
General Oper. Reserve (Rainy Day)	2,806,513	2,806,513	2,806,513	4,127,496	(1,320,983)
Revenue Stabilization Reserve	131,431	731,431	1,231,431	2,279,251	(1,047,820)
Council Special Projects Reserve	201,534	251,534	189,534	250,000	(60,466)
Contingency	2,051,870	2,201,870	2,201,870	4,016,232	(1,814,362)
General Capital Contingency:	4,844,957	4,669,463	3,593,463	4,631,904	(1,038,441)
General Purpose Reserves with Targets	**10,086,305**	**10,710,811**	**10,072,811**	**15,354,883**	**(5,282,072)**
ALL OTHER RESERVES WITH TARGETS					
General Fund Reserves:					
Litigation Reserve	70,000	70,000	0	50,000	(50,000)
Firefighter's Pension Reserve	1,595,017	1,734,215	1,734,215	1,568,207	166,008
Health Benefits Fund:					
Claims Reserve	0	1,424,472	1,424,472	1,424,472	0
Rate Stabilization Reserve	0	500,000	500,000	500,000	0
Excise Tax Capital Improvement:					
REET 1	1,530,280	1,019,907	825,373	1,035,000	(209,627)
REET 2	7,121,695	4,975,718	4,658,465	11,484,000	(6,825,535)
Water/Sewer Operating Reserve:	1,979,380	1,979,380	1,939,380	1,979,380	(40,000)
Water/Sewer Debt Service Reserve:	822,274	508,717	508,717	508,717	0
Water/Sewer Capital Contingency:	1,793,630	1,793,630	1,793,630	250,000	1,543,630
Surface Water Operating Reserve:	412,875	412,875	412,875	412,875	0
Surface Water Capital Contingency:	858,400	858,400	858,400	758,400	100,000
Other Reserves with Targets	**16,183,551**	**15,277,314**	**14,655,527**	**19,971,051**	**(5,315,524)**
Reserves without Targets	**30,815,305**	**36,462,059**	**31,463,436**	**n/a**	**n/a**
Total Reserves	**57,085,161**	**62,450,184**	**56,191,774**	**n/a**	**n/a**

The target comparison reflects revised ending balances to the targets established in the budget process for those reserves with targets.

General Purpose reserves are funded from general revenue and may be used for any general government function.

All Other Reserves with Targets have restrictions for use either from the funding source or by Council-directed policy (such as the Litigation Reserve).

The summary to the right details all Council authorized uses and additions through September 30, 2012.

USES AND ADDITIONS HIGHLIGHTS

RESERVE	AMOUNT	DESCRIPTION
2011-12 Council Authorized Uses		
2011 Total Uses	$1,891,458	
2012 First Quarter Total Uses	$311,500	
2012 Second Quarter Total Uses	$4,178,338	
Street Improvement Reserve	$26,300	Lakeview Elementary Pedestrian Improvements
General Capital Contingency Reserve	$326,000	Juanita Beach Park Acceptance of Work
Surface Wtr Mgmt Capital Reserve	$203,000	Cross Kirkland Funding
Litigation Reserve	$55,000	Outside Council
Equipment Rental Reserve	$57,500	Snow Removal Equipment
2011-12 Council Authorized Additions		
Council Special Projects Reserve	$3,000	CDBG Funding Request Withdrawn
Revenue Stabilization Reserve	$500,000	Replenishing Revenue Stabilization Reserve
Radio Reserve	$7,686	Reimbursement from NORCOM
Development Services Reserve	$280,000	Recognizing Additional Development Services Revenue for Future Work

General Fund and Contingency reserves are funded from general purpose revenue and are governed by Council-adopted policies.

Note: Fund structure changes required by new accounting standards moved many of the General Purpose reserves out of the Parks & Municipal Reserve Fund (which was closed) and to the General Fund.

Special Purpose reserves reflect both restricted and dedicated revenue for specific purpose, as well as general revenue set aside for specific purposes.

General Capital Reserves provide the City the ability to respond to unexpected changes in costs and accumulate funds for future projects. It is funded from both general revenue and restricted revenue.

Utility reserves are funded from utility rates and provide the utilities with the ability to respond to unexpected costs and accumulate funds for future replacement projects.

Internal service funds are funded by charges to operating departments. They provide for the accumulation of funds for replacement of equipment, as well as the ability to respond to unexpected costs.

Reserves	Description	2011 Beginning Balance	Adopted 2012 Ending Balance	Additional Authorized Uses/Additions	Revised 2012 Ending Balance
GENERAL FUND/CONTINGENCY					
General Fund Reserves:					
General Fund Contingency	Unexpected General Fund expenditures	50,000	**50,000**	**0**	**50,000**
General Oper. Reserve (Rainy Day)	Unforeseen revenues/temporary events	2,806,513	**2,806,513**	**0**	**2,806,513**
Revenue Stabilization Reserve	Temporary revenue shortfalls	131,431	**731,431**	**500,000**	**1,231,431**
Building & Property Reserve	Property-related transactions	2,137,598	**2,137,598**	**0**	**2,137,598**
Council Special Projects Reserve	One-time special projects	201,534	**251,534**	**(62,000)**	**189,534**
Contingency	Unforeseen expenditures	2,051,870	**2,201,870**	**0**	**2,201,870**
Total General Fund/Contingency		**7,378,946**	**8,178,946**	**438,000**	**8,616,946**
SPECIAL PURPOSE RESERVES					
General Fund Reserves:					
Litigation Reserve	Outside counsel costs contingency	70,000	**70,000**	**(70,000)**	**0**
Labor Relations Reserve	Labor negotiation costs contingency	70,606	**70,606**	**0**	**70,606**
Police Equipment Reserve	Equipment funded from seized property	50,086	**50,086**	**0**	**50,086**
LEOFF 1 Police Reserve	Police long-term care benefits	618,079	**618,079**	**0**	**618,079**
Facilities Expansion Reserve	Special facilities expansions reserve	800,000	**800,000**	**0**	**800,000**
Development Services Reserve	Revenue and staffing stabilization	486,564	**636,564**	**165,997**	**802,561**
Tour Dock	Dock repairs	81,745	**81,745**	**0**	**81,745**
Tree Ordinance	Replacement trees program	29,117	**29,117**	**(10,000)**	**19,117**
Donation Accounts	Donations for specific purposes	185,026	**185,026**	**0**	**185,026**
Revolving Accounts	Fee/reimbursement for specific purposes	436,386	**436,386**	**(2,318)**	**434,068**
Lodging Tax Fund	Tourism program and facilities	146,384	**123,566**	**(19,800)**	**103,766**
Cemetery Improvement	Cemetery improvements/debt service	439,415	**439,415**	**0**	**439,415**
Off-Street Parking	Downtown parking improvements	10,776	**10,776**	**(1,500)**	**9,276**
Firefighter's Pension	Long-term care/pension benefits	1,595,017	**1,734,215**	**0**	**1,734,215**
Total Special Purpose Reserves		**5,019,201**	**5,285,581**	**62,379**	**5,347,960**
GENERAL CAPITAL RESERVES					
Excise Tax Capital Improvement:					
REET 1	Parks/transportation/facilities projects, parks debt service	1,530,280	**1,019,907**	**(194,534)**	**825,373**
REET 2	Transportation capital projects	7,121,695	**4,975,718**	**(317,253)**	**4,658,465**
Impact Fees					
Roads	Transportation capacity projects	525,095	**1,112,245**	**0**	**1,112,245**
Parks	Parks capacity projects	2,033	**3,038**	**0**	**3,038**
Street Improvement	Street improvements	1,092,258	**1,092,258**	**(68,300)**	**1,023,958**
General Capital Contingency	Changes to General capital projects	4,844,957	**4,669,463**	**(1,076,000)**	**3,593,463**
Total General Capital Reserves		**15,116,318**	**12,872,629**	**(1,656,087)**	**11,216,542**
UTILITY RESERVES					
Water/Sewer Utility:					
Water/Sewer Operating Reserve	Operating contingency	1,979,380	**1,979,380**	**(40,000)**	**1,939,380**
Water/Sewer Debt Service Reserve	Debt service reserve	822,274	**508,717**	**0**	**508,717**
Water/Sewer Capital Contingency	Changes to Water/Sewer capital projects	1,793,630	**1,793,630**	**0**	**1,793,630**
Water/Sewer Construction Reserve	Replacement/re-prioritized/new projects	7,870,665	**9,871,542**	**(2,441,888)**	**7,429,654**
Surface Water Utility:					
Surface Water Operating Reserve	Operating contingency	412,875	**412,875**	**0**	**412,875**
Surface Water Capital Contingency	Changes to Surface Water capital projects	858,400	**858,400**	**0**	**858,400**
Surface Water-Transp. Related Rsv	Replacement/re-prioritized/new projects	2,483,250	**3,666,250**	**(2,000,000)**	**1,666,250**
Surface Water Construction Reserve	Trans. related surface water projects	2,848,125	**3,376,431**	**(571,000)**	**2,805,431**
Total Utility Reserves		**19,068,599**	**22,467,225**	**(5,052,888)**	**17,414,337**
INTERNAL SERVICE FUND RESERVES					
Health Benefits:					
Claims Reserve	Health benefits self insurance claims	0	**1,424,472**	**0**	**1,424,472**
Rate Stabilization Reserve	Rate stabilization	0	**500,000**	**0**	**500,000**
Equipment Rental:					
Vehicle Reserve	Vehicle replacements	7,718,221	**8,047,063**	**(57,500)**	**7,989,563**
Radio Reserve	Radio replacements	0	**0**	**7,686**	**7,686**
Information Technology:					
PC Replacement Reserve	PC equipment replacements	258,311	**318,646**	**0**	**318,646**
Technology Initiative Reserve	Technology projects	690,207	**690,207**	**0**	**690,207**
Major Systems Replacement Reserve	Major technology systems replacement	245,500	**84,900**	**0**	**84,900**
Facilities Maintenance:					
Operating Reserve	Unforeseen operating costs	550,000	**550,000**	**0**	**550,000**
Facilities Sinking Fund	20-year facility life cycle costs	1,039,858	**2,030,515**	**0**	**2,030,515**
Total Internal Service Fund Reserves		**10,502,097**	**11,721,331**	**(49,814)**	**11,671,517**
Grand Total		**57,085,161**	**62,450,184**	**(6,258,410)**	**56,191,774**

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www.kirklandwa.gov

The Financial Management Report (FMR) is a high-level status report on the City's financial condition that is produced quarterly.

- It provides a **summary budget to actual comparison** for year-to-date revenues and expenditures for all operating funds.
- The **Sales Tax Revenue Analysis** report takes a closer look at one of the City's larger and most economically sensitive revenue sources.
- **Economic environment** information provides a brief outlook at the key economic indicators for the Eastside and Kirkland such as office vacancies, residential housing prices/sales, development activity, inflation and unemployment.
- The **Investment Summary** report includes a brief market overview, a snapshot of the City's investment portfolio, and the City's year-to-date investment performance.
- The **Reserve Summary** report highlights the uses of and additions to the City's reserves in the current year as well as the projected ending reserve balance relative to each reserve's target amount.

Economic Environment Update References:

- Reuters, *Consumer Confidence is the Highest in 7 Months,* The New York Times, September 25, 2012
- Alex Kowalski, U.S. *Consumer Prices Rose in September on Cost of Fuel,* Bloomberg.com, October 16, 2012
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- Economic & Revenue Update—Washington State Economic & Revenue Forecast Council
- CB Richard Ellis Real Estate Services, Market View Puget Sound, Third Quarter 2012
- Northwest Multiple Listing Service
- U.S. Bureau of Labor Statistics
- Washington State Employment Security Department
- Washington State Department of Revenue
- Washington State Department of Labor & Industries
- City of Kirkland Building Division
- City of Kirkland Finance & Administration Department

September/October 2012 Financial Dashboard Highlights

November 14, 2012

- The dashboard report reflects the 2012 annual budget adopted by the City Council on December 7, 2010 and budget adjustments adopted in March, July and December 2011 and June 2012. The actual revenues and expenditures summarized in the dashboard reflect ten months of data, which represents 83.33% of the calendar year.
- Total General Fund revenues are in line with budget expectations due to the following:
  - Revenues received through October are at 83.8 percent of budget.
  - Selected large General Fund revenues are received in periodic increments including property tax (mostly received in April/May and October/November) and King County EMS payments (semi-annually). Through October about 88% of projected property taxes have been received.
  - Sales tax revenue through October is up 11.3 percent year-to-date over the same period in 2011. The 2012 budget for sales tax revenue assumed an increase of 7.9 percent over 2011 actuals which reflected anticipated increases due to annexation. September monthly sales tax revenue was up 16.2 percent compared to September 2011. Following the annexation of Juanita, Finn Hill and Kingsgate neighborhoods on June 1, 2011, the City received sales tax revenue from these new neighborhoods in September 2011. As a result September's sales tax data is the first that can be compared directly with last year's monthly data. Sales tax revenue received in September is for activity in July. October sales tax was up 20.7 percent compared to October 2011. Sales tax revenue received in October is for activity in August.
  - Utility tax receipts for 2012 are falling short of budget expectations at 81.5 percent. The shortfall in telecommunication utility tax revenues experienced in 2011 continues through October 2012, in addition, electric and water utility tax revenues are coming in under budget due to weather related variations. In total, these three utilities are coming in under budget about 9 percent or $800,000. These shortfalls are partially offset by gas utility tax revenues exceeding budget expectations which will make up for about $100,000 of the shortfall.
  - Business license revenues year-to-date are exceeding budget expectations at 90.8 percent of budget.
  - In aggregate, development revenues have exceeded the budget at 108.4 percent. Note that Engineering and Planning development revenues have exceeded the 2012 budget, and Building development revenues are meeting budget expectations, despite budgeted Park Place revenues that have not yet occurred. Note that some of the revenues collected in 2012 are to pay for work that will take place in 2013-2014 and additions to reserves at year-end are planned to recognize this obligation. More information about development activity in September and October is available at the end of the dashboard report.
  - Motor Vehicle Gas tax revenues continue falling short of budget expectations at 80.3 percent of budget, due to reduced usage resulting from increased prices (gas tax is collected on a per gallon basis).
- Total General Fund expenditures are within expectations.
  - Overall, General Fund expenditures are trailing the budget at 76.6 percent. Savings are largely due to postponement of some annexation hiring, position vacancies and jail contract savings.
  - Fire Suppression overtime is in line with budget expectations at 82.0 percent of budget.
  - Fuel costs continue exceeding budget expectations by 43.8 percent or about $198,000. The average price per gallon through October is $3.83 and the 2012 budget is based on an average of $3.10 per gallon.

Attachments: September/October Dashboard
September and October Development Services Highlights

City of Kirkland Budget Dashboard 11/14/2012

Annual Budget Status as of **10/31/2012** (Note 1)

Percent of Year Complete **83.33%**

	2012 Budget	Year-to-Date Actual	% Received/ % Expended	Status Current Report	Status Last Report	Notes
General Fund						
Total Revenues (2)	77,692,409	65,072,034	83.8%			
Total Expenditures	76,815,986	58,807,903	76.6%			
Key Indicators (All Funds)						
Revenues						
Sales Tax	14,442,010	12,256,541	84.9%			Prior YTD = $11,099,889
Utility Taxes	14,468,333	11,796,362	81.5%			
Business License Fees	2,880,710	2,614,536	90.8%			
Development Fees	4,448,601	4,823,522	108.4%			
Gas Tax	1,704,588	1,367,999	80.3%			
Expenditures						
GF Salaries/Benefits	50,890,234	40,139,456	78.9%			Excludes Fire Suppression Overtime
Fire Suppression Overtime	611,588	501,401	82.0%			
Contract Jail Costs	1,850,729	646,950	35.0%			
Fuel Costs	453,192	576,063	127.1%			

Status Key

Revenue is higher than expected or expenditure is lower than expected

Revenue/expenditure is within expected range

WATCH - Revenue/expenditure outside expected range

Note 1 - Report shows annual values during the second year of the biennium (2012).

Note 2 - Total budgeted revenues exceed expenditures in 2012 and are offset by expenditures exceeding revenues in 2011, due to the biennial budget.

n/a - not applicable

Development Services Report – September, 2012

Development Services is comprised of the Fire and Building, Public Works and Planning Departments. The Building Department reports on all building construction related permits including electrical, mechanical and plumbing trade permits, signs and grading permits. Fire permits are not reported on since they are tracked separately from the Building Department budget. Public Works Department revenue is generated from infrastructure improvement permits and Planning Department revenue is the result of land use permits. A review of the September, 2012 permit data allows us to offer the following:

- Although new single-family residential permit applications for September went down with 12 applications received compared to 17 in September of last year, we have received 159 applications so far this year compared to 83 through September of last year. There was also a 3% decrease in commercial tenant improvement permits and single-family remodel permits with 33 applications this September compared to 34 last year.

- The monthly average of total building related permits received so far this year (388) continues to exceed the monthly average for 2011 (292), with the total number of permits received in September 2012 (359) exceeding September 2011 (315). Since last June, permit applications in the New Neighborhoods have contributed to a 40% increase in permit volume.

- Building Department revenue for September was $219,452 which is 7% of our budgeted $3,231,698 and 82% the average monthly projected revenue of $269,308, however, year to date revenue has exceeded year to date budget by $135,911 (79% of the estimated annual revenue has been collected). The 2012 budget includes $853,890 in revenue for the redevelopment of Parkplace which is still on hold.

- Public Works Department development revenue for September 2012 was $132,958 which is $76,862 more than the average monthly projected revenue of $56,096 and year-to-date revenue is ahead by $733,605 (184% of the estimated annual revenue has been collected).

- Planning Department revenue for September, 2012 was $21,237 which is $19,094 below our adjusted monthly projected revenue average of $40,331 for 2012. Year-to-date revenue is ahead by $171,369 (110% of the estimated annual revenue has been collected).

Development Services Report – October, 2012

A review of the October, 2012 permit data allows us to offer the following:

- The October 2012 Building Permit related statistics continue the upward trend that we witnessed in 2011. New single-family residential permit applications for October were up significantly with 30 applications received compared to 8 in October of last year. We have received 189 applications so far this year compared to 91 through October of last year. In contrast, here was a 45% decrease in commercial tenant improvement permits and single-family remodel permits with 23 applications this October compared to 42 last year.

- The monthly average of total building related permits received so far this year (389) continues to exceed the monthly average for 2011 (292), with the total number of permits received in October 2012 (397) exceeding October 2011 (369). Since last June, permit applications in the New Neighborhoods have contributed to a 40% increase in permit volume.

- Building Department revenue for October was $253,326 which is 8% of our budgeted $3,231,698 and 94% the average monthly projected revenue of $269,308, however, year to date revenue has exceeded year to date budget by $119,929 (87% of the estimated annual revenue has been collected). The 2012 budget assumed $853,890 in revenue for the redevelopment of Parkplace which is still on hold.

- Public Works Department development revenue for October 2012 was $115,810 which is $59,714 more than the average monthly projected revenue of $56,096 and year-to-date revenue is ahead by $793,319 (201% of the estimated annual revenue has been collected).

- Planning Department revenue for October, 2012 was $63,409 which is $23,078 above our adjusted monthly projected revenue average of $40,331 for 2012. Year-to-date revenue is ahead by $194,448 (124% of the estimated annual revenue has been collected). Code enforcement fines were unusually high in October due to the resolution of a long standing case.

CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
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MEMORANDUM

To: Kurt Triplett, City Manager

From: Tracey Dunlap, Director of Finance & Administration
Karen Terrell, Budget Analyst

Date: November 14, 2012

Subject: October Sales Tax Revenue Analysis

October sales tax revenue is **up 20.7 percent** compared to October 2011. **Year-to-date** revenue performance is **up 11.3 percent** compared to the same period last year. The 2012 budget for sales tax revenue assumed an increase of 7.9 percent over 2011 actuals which reflected anticipated increases due to annexation.

Comparing October 2012 performance to October 2011, the following business sector trends are noteworthy:

- **Contracting** sector performance is **up 50.9 percent** (about $85,500); about 40 percent of the gain in this category can be attributed to the construction of two new elementary schools in the new neighborhoods and other construction of retail and office buildings.
- **Auto/gas retail** sector is **up 16.3 percent** this month (about $46,500), due to positive performance by most of the key retailers in this category.
- **Other retail** is **up 19.1 percent** (about $28,900), due to positive performance in all of the retail categories and a one-time adjustment of $10,527 from the Department of Revenue for a retail store in the new neighborhoods.
- The **general merchandise/miscellaneous retail** sector is **up 21.2 percent** (about $28,400), due to positive performance by two key retailers.
- **Wholesale** is **up 54.9 percent** (about $25,700), due to increases in both the non-durable and durable goods categories.
- The **services** sector is **up 8.3** percent (about $11,800), due to positive performance in all of the categories except for education services.
- The **miscellaneous** sector performance is **up 8.9 percent** (about $6,700), due to increases in the public administration and real estate categories.
- **Retail eating/drinking** sector is **up 2.7 percent** (about $3,000), due to positive performance by most key retailers in this category, and despite a few retailers not reporting for this period. We continue to work with the Department of Revenue to ensure Kirkland is receiving the tax revenue it is due. Once these payments are collected, the payments will be remitted to the City.
- **Communications** is **up 5.1 percent** (about $1,750), due to positive performance by key retailers in this category.

2011-2012 Sales Tax Receipts by Business Sector-Monthly Actual

Business Sector Group	October		Dollar Change	Percent Change	Percent of Total	
	2011	2012			2011	2012
Services	142,804	154,606	11,802	8.3%	12.4%	11.1%
Contracting	167,735	253,160	85,425	50.9%	14.6%	18.3%
Communications	34,552	36,304	1,752	5.1%	3.0%	2.6%
Auto/Gas Retail	285,341	331,877	46,536	16.3%	24.8%	23.9%
Gen Merch/Misc Retail	134,223	162,638	28,415	21.2%	11.7%	11.7%
Retail Eating/Drinking	110,355	113,350	2,995	2.7%	9.6%	8.2%
Other Retail	151,131	180,019	28,888	19.1%	13.2%	13.0%
Wholesale	46,769	72,440	25,671	54.9%	4.1%	5.2%
Miscellaneous	75,646	82,355	6,709	8.9%	6.6%	6.0%
Total	**1,148,556**	**1,386,749**	**238,193**	**20.7%**	**100.0%**	**100.0%**

Year to Date Business Sector Review:

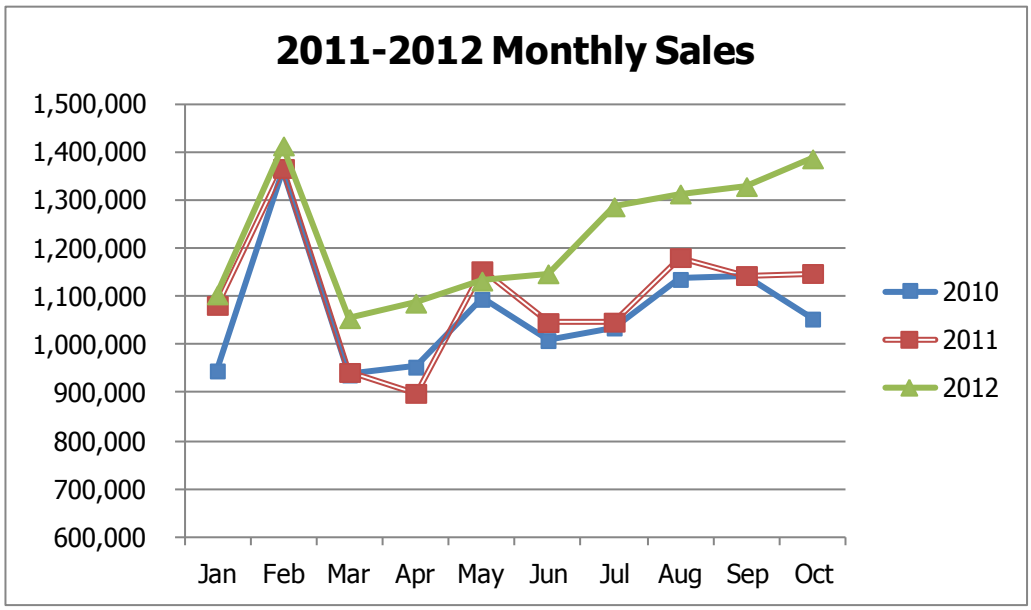
- Retail sectors sales tax revenue collectively are up 12.5 percent compared to 2011.
  - The **general merchandise/miscellaneous retail** sector is **up 4.2 percent** compared to last year largely due to positive performance by two key retailers in this category.
  - The **auto/gas retail** sector is **up 14.1 percent** compared to last year, largely due to positive performance by most of the key retailers in this category.
  - The **retail eating/drinking** sector performance is **up 11.0 percent** compared to last year, due to positive performance by a few key retailers.
  - **Other retail** is **up 19.3 percent** compared to last year, due to positive performance in all of the categories except for furniture and electronics categories.
- The **contracting** sector is **up 43.4 percent** compared to last year, due to significant increases in contracting activity over the last several months, some of the gain in this category is one-time revenue due to the construction of two new elementary schools in the new neighborhoods and other major projects.
- The **wholesale** sector is **up 9.0 percent** compared to last year, largely due to increases in both the durable and non-durable goods categories.
- The **services** sector is **down 2.6 percent** compared to last year, largely due to a one-time taxpayer refund by the Department of Revenue of $127,000 in the other information category. The accommodations sector is up 1.5 percent or about $3,600.
- The **communications** sector is **down 9.5 percent** compared to last year due to one-time development related revenues in February 2011 in the telecommunications category. Factoring out this one-time revenue, this category would be up 7.2 percent compared to last year.
- The **miscellaneous** sector is **down 17.2 percent** compared to last year because the City received one-time Department of Revenue amnesty program revenues in 2011.

City of Kirkland Actual Sales Tax Receipts

Business Sector Group	January-October		Dollar Change	Percent Change	Percent of Total	
	2011	2012			2011	2012
Services	1,393,308	1,357,333	(35,975)	-2.6%	12.7%	11.1%
Contracting	1,381,556	1,981,268	599,712	43.4%	12.5%	16.2%
Communications	399,808	361,964	(37,844)	-9.5%	3.6%	3.0%
Auto/Gas Retail	2,622,821	2,993,554	370,733	14.1%	23.8%	24.4%
Gen Merch/Misc Retail	1,508,444	1,571,444	63,000	4.2%	13.7%	12.8%
Retail Eating/Drinking	944,636	1,048,924	104,288	11.0%	8.6%	8.6%
Other Retail	1,382,135	1,648,932	266,797	19.3%	12.5%	13.5%
Wholesale	570,967	622,392	51,425	9.0%	5.2%	5.1%
Miscellaneous	810,481	670,731	(139,750)	-17.2%	7.4%	5.5%
Total	**11,014,156**	**12,256,542**	**1,242,386**	**11.3%**	**100.0%**	**100.0%**

Conclusion

Year to date sales tax revenue is coming in significantly higher than 2011 due to strong performance in the contracting, auto/gas retail sectors, the other retail categories and revenue increases due to annexation.



Washington State economists expect the state of Washington to outperform the U.S. economy however, the recovery will continue to be slow by historical standards and unemployment will decline gradually. In the last three months, the Washington State economy added 12,700 jobs. Manufacturing has led the employment growth and remains strong. Of all the jobs added, manufacturing added 3,700 and of those jobs 3,400 were in the aerospace sector. Construction employment growth remains weak with only 500 net new jobs and government employment continues to decline, losing 600 jobs. Housing construction, as measured by building permits, continues to strengthen. The upturn in the construction sector has been led by multi-family housing.

Economic growth in the U.S. was stronger than forecasted in the third quarter, propelled by gains in consumer spending, defense outlays and homebuilding. Gross domestic product, the value of all goods and services produced, rose at a 2 percent annual rate after climbing 1.3 percent in the last quarter. Consumer confidence rose to a five-year high in October, suggesting that gains in spending can be sustained as the real-estate revival bolsters household finances. "We are encouraged by the improvement we're seeing in consumer spending and housing," said Dean Maki, chief U.S. economist in New York for Barclays Plc.

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MEMORANDUM

To: Kurt Triplett, City Manager

From: Tracey Dunlap, Director of Finance & Administration
Karen Terrell, Budget Analyst

Date: November 26, 2012

Subject: November Sales Tax Revenue Analysis

November sales tax revenue is **up 14.1 percent** compared to November 2011. **Year-to-date** revenue performance is **up 11.6 percent** compared to the same period last year. The 2012 budget for sales tax revenue assumed an increase of 7.9 percent over 2011 actuals which reflected anticipated increases due to annexation.

Comparing November 2012 performance to November 2011, the following business sector trends are noteworthy:

- **Contracting** sector performance is **up 50.1 percent** (about $97,100); about 20 percent of the gain in this category can be attributed to the construction of two new elementary schools in the new neighborhoods. Other construction of retail and office buildings, multifamily and residential projects have seen significant improvement this month.
- **Auto/gas retail** sector is **up 25.4 percent** this month (about $68,700), due to positive performance by all of the key retailers in this category.
- **Other retail** is **up 6.9 percent** (about $11,600), due to positive performance by most of the retail categories with the exception of the food and beverage category.
- The **miscellaneous** sector performance is **up 14.3 percent** (about $9,400), due to increases in the finance and insurance and real estate categories.
- The **general merchandise/miscellaneous retail** sector is **up 6.3 percent** (about $9,200), due to positive performance by two key retailers.
- **Retail eating/drinking** sector is **up 4.9 percent** (about $5,300), due to positive performance by most key retailers in this category.
- **Communications is down 7.0 percent** (about $2,600), due to negative performance by one key retailer in this category.
- The **services** sector is **down 2.9** percent (about $4,700), due to a one-time correction by the Department of Revenue in the repairs and maintenance category last year.
- **Wholesale** is **down 23.6 percent** (almost $20,000), due to negative performance by one key retailer in the durable goods (household appliances) category.

2011-2012 Sales Tax Receipts by Business Sector-Monthly Actual

Business Sector Group	November		Dollar Change	Percent Change	Percent of Total	
	2011	2012			2011	2012
Services	164,755	160,007	(4,748)	-2.9%	13.3%	11.3%
Contracting	193,827	290,929	97,102	50.1%	15.7%	20.6%
Communications	37,015	34,409	(2,606)	-7.0%	3.0%	2.4%
Auto/Gas Retail	270,975	339,681	68,706	25.4%	21.9%	24.1%
Gen Merch/Misc Retail	146,231	155,463	9,232	6.3%	11.8%	11.0%
Retail Eating/Drinking	106,745	112,006	5,261	4.9%	8.6%	7.9%
Other Retail	166,323	177,881	11,558	6.9%	13.5%	12.6%
Wholesale	84,751	64,787	(19,964)	-23.6%	6.9%	4.6%
Miscellaneous	65,642	75,038	9,396	14.3%	5.3%	5.5%
Total	**1,236,264**	**1,410,201**	**173,937**	**14.1%**	**100.0%**	**100.0%**

Year to Date Business Sector Review:

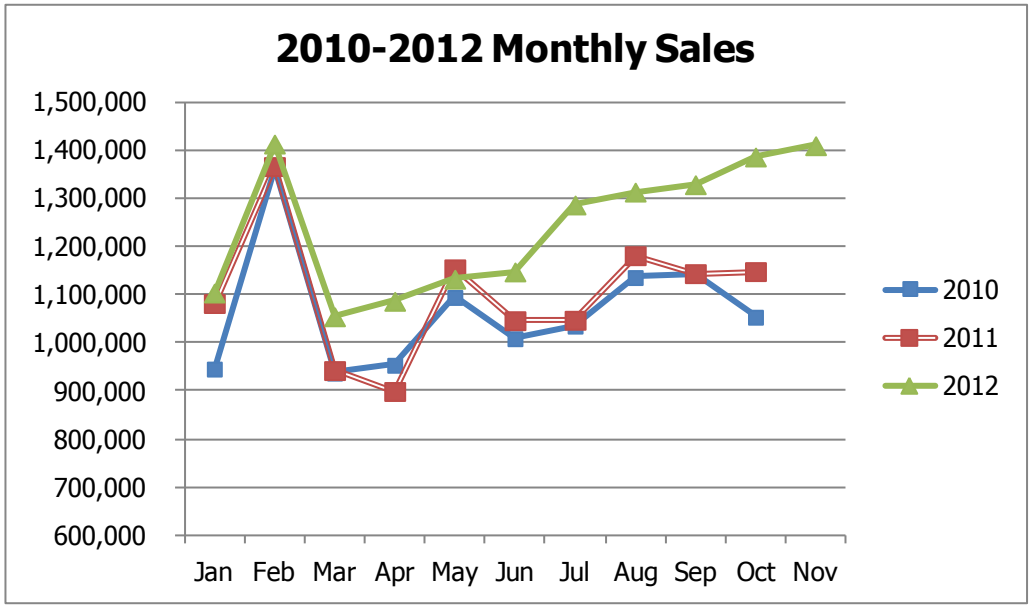
- Retail sectors sales tax revenue collectively are up 13.7 percent compared to 2011.
  - The **general merchandise/miscellaneous retail** sector is **up 4.4 percent** compared to last year largely due to positive performance by two key retailers in this category.
  - The **auto/gas retail** sector is **up 15.2 percent** compared to last year, largely due to positive performance by all of the key retailers in this category.
  - The **retail eating/drinking** sector performance is **up 10.4 percent** compared to last year, due to positive performance by several key retailers.
  - **Other retail** is **up 18.0 percent** compared to last year, due to positive performance in all of the categories except for furniture and electronics categories.
- The **contracting** sector is **up 44.3 percent** compared to last year, due to significant increases in contracting activity over the last several months.
- The **wholesale** sector is **up 4.8 percent** compared to last year, largely due to increases in the durable and non-durable goods categories.
- The **services** sector is **down 2.7 percent** compared to last year, largely due to a one-time taxpayer refund by the Department of Revenue of $127,000 in the other information category. The accommodations sector is up 2.0 percent or about $5,400.
- The **communications** sector is **down 9.3 percent** compared to last year due to one-time development related revenues in February 2011 in the telecommunications category. Factoring out this one-time revenue, this category would be up 5.8 percent compared to last year.
- The **miscellaneous** sector is **down 14.9 percent** compared to last year because the City received one-time Department of Revenue amnesty program revenues in 2011.

City of Kirkland Actual Sales Tax Receipts

Business Sector Group	January-November		Dollar Change	Percent Change	Percent of Total	
	2011	2012			2011	2012
Services	1,557,880	1,516,179	(41,701)	-2.7%	12.7%	11.1%
Contracting	1,575,411	2,272,867	697,456	44.3%	12.9%	16.6%
Communications	436,822	396,373	(40,449)	-9.3%	3.6%	2.9%
Auto/Gas Retail	2,893,795	3,333,235	439,440	15.2%	23.6%	24.4%
Gen Merch/Misc Retail	1,654,637	1,727,115	72,478	4.4%	13.5%	12.6%
Retail Eating/Drinking	1,051,381	1,160,930	109,549	10.4%	8.6%	8.5%
Other Retail	1,548,862	1,827,415	278,553	18.0%	12.6%	13.4%
Wholesale	655,526	687,082	31,556	4.8%	5.4%	5.0%
Miscellaneous	876,107	745,546	(130,561)	-14.9%	7.2%	5.5%
Total	**12,250,421**	**13,666,742**	**1,416,321**	**11.6%**	**100.0%**	**100.0%**

Conclusion

Year to date sales tax revenue continues to come in significantly higher than 2011 due to strong performance in the contracting, auto/gas retail sectors, the other retail categories and revenue increases due to annexation.



Washington employment continues to grow at a moderate rate. The manufacturing sector is slowing but construction is improving. The Washington economy added 2,400 jobs in September, 2,100 fewer than the 4,500 expected in the September forecast. Manufacturing employment unexpectedly declined by 500 in September as food manufacturing fell and aerospace grew less than expected. Construction employment rose 1,000 compared to the forecast of 400 jobs. Government employment declined by 500 in September but private service-providing employment rose 2,400. The state's unemployment rate declined slightly in September to 8.5% from 8.6% in August.

The Conference Board Consumer Confidence Index, improved again in October. The Index now stands at 72.2, up from 68.4 in September. The Present Situation Index increased from 48.7 to 56.2. Lynn Franco, Director of Economic Indicators at The Conference Board says: "The Consumer Confidence Index increased again in October and is now at its highest level this year. Consumers were considerably more positive in their assessment of current conditions, with improvements in the job market as the major driver. Consumers were modestly more upbeat about their financial situation and the short-term economic outlook, and appear to be in better spirits approaching the holiday season."

City of Kirkland
2011-2012 Budget
2012 Year-End Budget Adjustment Summary

Adjustment Type	Dept.	Description	Adjustments	Appropriation Adjustment	Funding Source: Internal Transf./Chrg.	Funding Source: Resources Forward	Funding Source: External Revenue	Funding Source/Notes
General Fund								
Council Directed/Other		2012 Cost of Living Adjustments (excluding IAFF personnel)	720,400					Reserves - Undistributed Personnel Costs
Housekeeping	PW	Temporary Construction Inspector	14,457					Development Services Reserve
Housekeeping	PD	Grant and Reimbursement Revenue for Police Services	55,624	55,624			55,624	Grants/Reimbursements
Housekeeping	FB	Grant Revenue for Fire Services and CERT Donations	10,500	10,500			10,500	Grants/Donations
Housekeeping	PD	Police Evidence Storage Cabinet	10,409	10,409	10,409			Transfer from Facilities Maintenance Fund
Housekeeping	PK	Jasper's Dog Park	7,820	7,820			7,820	Ho Short Plat Fee in Lieu
Housekeeping		Development Services Study	45,000					Development Services Reserve
Housekeeping	FB	Transfer of funds from CIP for Nearshore Water Rescue Equip.	45,000	45,000	45,000			Transfer from Capital Improvement Projects
General Fund Total			**909,210**	**129,353**	**55,409**	**-**	**73,944**	
OTHER FUNDS								
Lodging Tax Fund								
Council Directed/Other		2012 Cost of Living Adjustments	1,464					Reserves - Undistributed Personnel Costs
Lodging Tax Fund Total			**1,464**	**-**	**-**	**-**	**-**	
Street Operating Fund								
Council Directed/Other	PW	Parking Pay Station Pilot Project	1,380					Reserves
Council Directed/Other	PW	Lakeview Elementary Pedestrian Improvement Project	26,300					Reserves/Transfer to Transportation Capital Project Fund
Council Directed/Other		2012 Cost of Living Adjustments	36,238					Reserves - Undistributed Personnel Costs
Street Operating Fund Total			**63,918**	**-**	**-**	**-**	**-**	
Parks Maintenance Fund								
Council Directed/Other		2012 Cost of Living Adjustments	16,256					Reserves - Undistributed Personnel Costs
Parks Maintenance Fund Total			**16,256**	**-**	**-**	**-**	**-**	
LTGO Debt Service Fund								
Housekeeping		Fire District 41 Debt Service Payments	480,173	480,173			480,173	Fire District 41 Property Tax
Council Directed/Other		Recognizing 2011 Bond Refunding	4,453,003	4,453,003			4,453,003	2011 Bond Refunding
LTGO Debt Service Fund Total			**4,933,176**	**4,933,176**	**-**	**-**	**4,933,176**	
General Capital Projects Fund								
Council Directed/Other	PK	Juanita Beach Park Supplemental Funding	346,000					Reserves
Housekeeping		Maintenance Management System Upgrade Delayed to 2013-14	(250,000)	(250,000)	(250,000)			Transfer in from IT, Surface Water and Water/Sewer Funds
General Capital Projects Fund Total			**96,000**	**(250,000)**	**(250,000)**	**-**	**-**	
Transportation Capital Projects Fund								
Council Directed/Other	PW	Lakeview Elementary Pedestrian Improvement Project	26,300	26,300	26,300			Transfer from Street Improvement Reserve
Council Directed/Other	PW	NE 120th Roadway Extension - Right-of-Way Purchase	317,000	317,000	317,000			REET Reserves
Council Directed/Other	PW	100th Avenue NE Bicycle Lanes Project - Change in Scope	86,000	86,000	86,000			REET Reserves
Council Directed/Other	PW	Moving Portion of CKC Purchase Budget to Surface Wtr.	(1,000,000)	(1,000,000)			(1,000,000)	Department of Transportation Grant
Transportation Capital Projects Fund			**(570,700)**	**(570,700)**	**429,300**	**-**	**(1,000,000)**	

Adjustment Type	Dept.	Description	Adjustments	Appropriation Adjustment	Funding Source: Internal Transf./Chrg.	Funding Source: Resources Forward	Funding Source: External Revenue	Funding Source/Notes
Water/Sewer Utility Operating Fund								
Housekeeping	PW	Credit Card Fees	136,880					Reserves
Council Directed/Other		2012 Cost of Living Adjustments	35,628					Reserves - Undistributed Personnel Costs
Water/Sewer Utility Operating Fund Total			**172,508**	**-**	**-**	**-**	**-**	
Water/Sewer Capital Fund								
Council Directed/Other	PW	NE 85th St Watermain Replacement	626,000					Reserves
Water/Sewer Capital Fund Total			**626,000**	**-**	**-**	**-**	**-**	
Surface Water Operating Fund								
Council Directed/Other	PW	Screwsucker Pump Purchase	53,307					Reserves
Council Directed/Other		2012 Cost of Living Adjustments	49,864					Reserves - Undistributed Personnel Costs
Surface Water Operating Fund Total			**103,171**	**-**	**-**	**-**	**-**	
Surface Water Capital Fund								
Council Directed/Other	PW	CMAQ Grant Match	203,000					Reserves
Council Directed/Other		Surface Water Portion of Cross Kirkland Corridor Purchase	1,000,000					Transfer from Totem Lake and Forbes Creek Surf. Wtr. Proj.
Surface Water Capital Fund Total			**1,203,000**	**-**	**-**	**-**	**-**	
Solid Waste Fund								
Housekeeping	PW	Credit Card Fees	73,942					Reserves
Council Directed/Other		2012 Cost of Living Adjustments	6,315					Reserves - Undistributed Personnel Costs
Solid Waste Fund Total			**80,257**	**-**	**-**	**-**	**-**	
Equipment Rental Fund								
Housekeeping	PW	2012 Fleet Model Rate Distribution	(58,909)	(58,909)	(58,909)			Replacement Rates
Council Directed/Other		2012 Cost of Living Adjustments	14,088					Reserves - Undistributed Personnel Costs
Equipment Rental Fund Total			**(44,821)**	**(58,909)**	**(58,909)**	**-**	**-**	
Information Technology Fund								
Council Directed/Other		2012 Cost of Living Adjustments	59,396					Reserves - Undistributed Personnel Costs
Information Technology Fund Total			**59,396**	**-**	**-**	**-**	**-**	
Facilities Maintenance Fund								
Housekeeping	PW	Facilities Energy Audit	30,000					Reserves
Housekeeping	PD	Police Evidence Storage Cabinet	10,409					Reserves/Transfer to General Fund
Council Directed/Other		2012 Cost of Living Adjustments	11,742					Reserves - Undistributed Personnel Costs
Facilities Maintenance Fund Total			**52,151**	**-**	**-**	**-**	**-**	
TOTAL OTHER FUNDS			**6,791,776**	**4,053,567**	**120,391**	**-**	**3,933,176**	
TOTAL ALL FUNDS			**7,700,986**	**4,182,920**	**175,800**	**-**	**4,007,120**	

ORDINANCE O-4395

AN ORDINANCE OF THE CITY OF KIRKLAND AMENDING THE BIENNIAL BUDGET FOR 2011-2012.

WHEREAS, the City Council finds that the proposed adjustments to the Biennial Budget for 2011-2012 reflect revenues and expenditures that are intended to ensure the provision of vital municipal services at acceptable levels;

NOW, THEREFORE, the City Council of the City of Kirkland do ordain as follows:

Section 1. The Year-End 2012 adjustments to the Biennial Budget of the City of Kirkland for 2011-2012 are hereby adopted.

Section 2. In summary form, modifications to the totals of estimated revenues and appropriations for each separate fund and the aggregate totals for all such funds combined are as follows:

Funds	Current Budget	Adjustments	Revised Budget
General	161,231,911	129,353	161,361,264
Lodging Tax	537,249	-	537,249
Street Operating	14,716,526	-	14,716,526
Cemetery Operating	762,492	-	762,492
Parks Maintenance	2,588,335	-	2,588,335
Contingency	2,246,510	-	2,246,510
Impact Fees	1,971,968	-	1,971,968
Excise Tax Capital Improvement	12,866,748	-	12,866,748
Limited General Obligation Bonds	6,437,377	4,933,176	11,370,553
Unlimited General Obligation Bonds	2,144,487	-	2,144,487
General Capital Projects	52,903,591	(250,000)	52,653,591
Transportation Capital Projects	33,485,391	(570,700)	32,914,691
Water/Sewer Operating	45,945,527	-	45,945,527
Water/Sewer Debt Service	2,962,187	-	2,962,187
Utility Capital Projects	18,054,238	-	18,054,238
Surface Water Management	18,442,953	-	18,442,953
Surface Water Capital Projects	14,750,925	-	14,750,925
Solid Waste	25,102,501	-	25,102,501
Health Benefits	15,735,691	-	15,735,691
Equipment Rental	19,214,533	(58,909)	19,155,624
Information Technology	11,460,982	-	11,460,982
Facilities Maintenance	10,769,943	-	10,769,943
Firefighter's Pension	1,767,099	-	1,767,099
	476,099,164	4,182,920	480,282,084

Section 3. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this ___ day _____, 2012.

Signed in authentication thereof this ____ day of _____, 2012.

_____
MAYOR

Attest:

_____
City Clerk

Approved as to Form:

_____
City Attorney

CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Tracey Dunlap, Director of Finance and Administration
Sri Krishnan, Financial Planning Manager

Date: December 5, 2012

Subject: **2013-2014 BUDGET ADOPTION**

RECOMMENDATION:

Council approves the attached ordinance adopting the budget for the 2013-2014 biennium and the related resolutions and ordinances on the consent calendar.

BACKGROUND DISCUSSION:

As part of the Council's action to adopt the 2013-2014 Budget, the Council will need to act on the following related items:

- Suspending reserve replenishment requirements
- Updating the City's fiscal policies
- Extending suspension of impact fees for change of use
- Exempting revenue generating regulatory license (RGRL) fees for the first year for new, small (10 FTEs or fewer) businesses inside the City

Background information for each of the items listed above and the adjustments included in the final budget are provided below. The resolutions and ordinances to implement policy changes are on the consent calendar and included as attachments to this memorandum. The Final Budget ordinance and Exhibit A to the ordinance are also included as attachments at the end of this memorandum.

Suspending Reserve Replenishment Requirements

The City's current fiscal policies require a high percentage of (up to all) uncommitted funds available at the end of a biennium to be used for reserve replenishment until reserves meet 80% of target and the revenue stabilization reserve is at 100% of target (Attachment A). The fiscal policies also permit the Council to suspend the requirements to replenish reserves under special circumstances. The 2013-2014 Budget as proposed by the City Manager and amended by the Council assumes the suspension of the replenishment element restricting the use of unplanned funds until 80% of all targets are met due to the following special conditions:

- Continuation of the past practice of funding some programs with one-time funds (ARCH Trust Fund, Kirkland Performance Center support, and others) given the discretionary nature of the funding levels and the absence of reliable ongoing resources for those purposes;
- One-time investment needed to establish the Public Safety/Information Technology sinking funds; and
- The objective of addressing some of the high-priority recommendations from the recently completed Fire Strategic Plan.

In order to suspend the reserve replenishment requirements, staff recommends that Council adopts the attached resolution, R-4947.

Updating Fiscal Policies

The City's current fiscal policies do not address the impact of voted property tax levies on establishing reserve targets. Staff proposes that in establishing targets for the Contingency Reserve, General Operating Reserve, Revenue Stabilization Reserve, Council Special Projects Reserve, and the General Capital Contingency, voted property tax levies be excluded from the calculations, since the levies were not intended to burden the General Fund and are expected to absorb unexpected costs from levy proceeds. This proposed amendment of the City's fiscal policies is presented for Council action in the attached resolution, R-4948.

Extending Suspension of Impact Fees for Change of Use[1]

At their meeting on January 18, 2011, the City Council adopted Ordinance 4288 amending the Kirkland Municipal Code (KMC) to temporarily suspend the charging of impact fees for a "change in use" of an existing building through December 31, 2013 (Attachment B). At the Council's direction, staff has drafted an ordinance (Ordinance 4393) that would amend the Kirkland Municipal Code Section 27.04.035 extending the expiration date from December 31, 2013 to December 31, 2014 to match the 2013-2014 budget cycle. A transportation impact fee update will also occur in 2013/2014 as part of the Comprehensive Plan update process and this update will help inform the Council as it decides whether to restore the fee in the future, or sunset it permanently.

Exempting Revenue Generating Regulatory License (RGRL) Fees

At the Council's direction, staff has drafted an ordinance (Ordinance 4394) that would amend the City's code regarding Revenue Generating Regulatory License (RGRL) fees to encourage economic development within the City. The proposed amendment would add a new subsection to KMC 7.02.160 that would exempt a business with 10 or fewer employees or FTE's located within the city limits of Kirkland from the RGRL for the first year of business operation only. Businesses exempt from the RGRL under this subsection will still be required to pay the basic license fee under KMC 7.02.120 and register the number of employees and FTE's with the City.

2013-2014 Budget Adoption

The attached ordinance (Ordinance 4396) adopts the 2013-2014 Budget as proposed by the City Manager and amended by the City Council. By state law, the budget must be adopted by

[1] The 2013-2014 Budget includes increasing the impact and development fees based on inflation. These fee changes will be processed administratively and effective early in 2013.

December 31, 2012. The budget is adopted at the fund level which sets the total expenditure authority for the biennium for each fund.

The table below summarizes the changes to the Preliminary Budget, which total $3.35 million:

	2013-2014 Preliminary Budget	Adjustments	2013-2014 Final Budget
General Fund	171,895,906	(269,068)	171,626,838
Other Funds:			
Street Operating - Reduction in projected levy revenues	20,294,540	(127,254)	20,167,286
Park Levy - Levy funds going through operating fund then transferred to CIP	2,747,711	2,258,366	5,006,077
Equipment Rental - Operating transfer in for utility vehicle in approved service package	19,059,357	31,000	19,090,357
Excise Tax Capital Improvement - Revised revenue estimates, early repayment of loan and change in the timing of ST 0057 funding	15,375,429	(2,778,254)	12,597,175
General Capital Projects - Revised Capital Improvement Program	54,679,019	80,329	54,759,348
Transportation Capital Projects - Revised Capital Improvement Program	35,099,887	4,316,496	39,416,383
Utility Capital Projects - Remove 2013-14 interest due to loan payback in 2012	22,442,804	(27,743)	22,415,061
Surface Water Management - Remove Department of Ecology Grant	21,553,357	(109,000)	21,444,357
Surface Water Capital Projects - Remove 2013-14 interest due to loan payback in 2012	18,342,631	(27,328)	18,315,303
All other funds with no changes from 2013-14 Preliminary Budget	158,870,726	-	158,870,726
Total	**540,361,367**	**3,347,544**	**543,708,911**

Factors contributing to the change in the Final 2013-2014 Budget from the Preliminary Budget include: funding Human Services at the Option #2 level, the Time Bank, and CERT classes on a one-time basis in 2013-2014. The one-time needs identified amount to $50,814 per year. The Council directed staff to use Council Contingency along with reducing the proposed level of funding for ARCH to fund these one-time needs. Additionally, Council directed that the one-time sales tax revenue resulting from receipts in excess of budgeted levels in October 2012 be used to replenish reserves as part of the budget adjustment during the first quarter of 2013. The table below summarizes Council directions on the changes to the preliminary 2013-2014 Budget from the meetings on November 7th and November 20th.

	Annual Amount	Biennial Amount
Uses:		
Human Services at Option # 2 Level	44,814	89,628
Time Bank	1,000	2,000
CERT	5,000	10,000
Total Uses	**50,814**	**101,628**
Funding Sources:		
Reduction in ARCH Funding	15,000	30,000
Council Contingency	35,814	71,628
Funding Needed	**-**	**-**

The Council's direction on the funding of these one-time needs in 2013-2014 is included in the attached ordinance adopting the 2013-2014 Budget.

Other major adjustments to the Preliminary Budget include:

- **Converting ongoing hourly wages to FTE** – Authorize addition of 0.35 FTE in the City Manager's Office using existing on-call staff funding to support LTAC (0.06 FTE) and economic development (0.29 FTE). This change has no net budget impact.

In addition to the adjustments to the General Fund discussed above, the Final Budget includes the following adjustments to other funds:

- **Street Operating** – Reflecting the revised revenue estimate from the passage of Proposition 1, a reduction in budget of $127,254.

- **Park Levy** – Receipting all revenues from the passage of Proposition 2 in the Park Levy Fund and then transferring it to the Capital Improvement Funds to provide a clear segregation of the levy funds for accountability purposes increases the budget by $2.26 million. This results in the revenues appearing in both the levy fund and the Capital fund.

- **Equipment Rental** – Recognizing a transfer in to fund the purchase of a vehicle as approved in a service package, an increase in appropriation of $31,000.

- **Excise Tax Capital Improvement** – Recognizing revised revenue estimates, repayment of the interfund loan to purchase the Cross Kirkland Corridor (CKC) in 2012 and the funding of the NE 120th Roadway Extension project (ST 0057) reduces the beginning balance of this fund. The total change is a reduction of $2.78 million.

- **General Capital Projects** – Recognizing the CIP changes as discussed at the November 20th Council meeting and the adjustments to the Park Levy (Proposition 2) funded project as discussed in the 2013-2018 CIP adoption memo – net addition of $80,329 in 2013-2014.

- **Transportation Capital Projects** – Recognizing the CIP changes as discussed at the November 20th Council meeting and the adjustments to the Street Levy (Proposition 1) funded project (Street Maintenance and Pedestrian Safety – ST 0006 003) – net addition of $4.3 million in 2013-2014.

- Reducing interest revenue in 2013-14 from early repayment of the interfund loan to purchase the CKC:

    - **Utility Capital Projects** – Reduce budget by $27,743
    - **Surface Water Capital Projects** – Reduce budget by $27,328

- **Surface Water Management** – Reducing the budget by $109,000 because the anticipated grant from the Department of Ecology is already included in the 2011-2012 budget.

A summary of the 2013-2014 Final Budget by fund type, as compared to the 2011-2012 Amended Budget as of December, 2012, is included in the table below.

Fund Type	2011-12 Amended Budget	2013-14 Final Budget	% Change
GENERAL GOVERNMENT			
General Fund	161,361,264	171,626,838	6.4%
Other Operating	18,604,602	29,740,972	59.9%
Internal Service Funds	57,122,240	68,541,621	20.0%
Non-Operating Funds	117,935,647	123,593,196	4.8%
UTILITIES			
Water/Sewer	66,961,952	77,811,900	16.2%
Surface Water	33,193,878	39,759,660	19.8%
Solid Waste	25,102,501	32,634,724	30.0%
TOTAL BUDGET	**480,282,084**	**543,708,911**	13.2%

The 2013-2014 Final Budget totals $543.71 million which represents an increase of 13.2% or an increase of $63.4 million from the Amended 2011-2012 Budget (as of December 2012), including the year-end adjustments. This will be the comparison in the Final 2013-2014 Budget document.

Follow-up Requested by Council

Along with modifications to the biennial budget, Council requested several reports as future follow-up items. See Attachment C for the list of follow-up items as presented to Council on November 7, 2012. Note that, most of the items listed will be brought forward through Council subcommittees.

Copies of the final budget document will be available during the first quarter of 2013.

ORDINANCE O-4396

AN ORDINANCE OF THE CITY OF KIRKLAND ADOPTING THE BIENNIAL BUDGET FOR 2013-2014.

WHEREAS, the Kirkland City Council conducted a duly noticed public hearing on November 20, 2012, to take public comment with respect to the proposed Biennial Budget of the City of Kirkland for 2013-2014 and all persons wishing to be heard were heard; and

WHEREAS, the City Council finds that the proposed Biennial Budget for 2013-2014 reflects revenues and expenditures that are intended to ensure the provision of vital municipal services at acceptable levels;

NOW, THEREFORE, the City Council of the City of Kirkland do ordain as follows:

Section 1. The Biennial Budget of the City of Kirkland for 2013-2014, as set out in Exhibit "A" attached and incorporated by this reference as though fully set forth, is adopted as the Biennial Budget of the City of Kirkland for 2013-2014.

Section 2. In summary form, the totals of estimated revenues and appropriations for each separate fund and the aggregate totals for all such funds combined are as follows:

Funds	Estimated Revenues	Appropriations
General	171,626,838	171,626,838
Lodging Tax	690,652	690,652
Street Operating	20,167,286	20,167,286
Cemetery Operating	816,308	816,308
Parks Maintenance	3,060,649	3,060,649
Park Levy	5,006,077	5,006,077
Contingency	2,296,510	2,296,510
Impact Fees	3,111,739	3,111,739
Excise Tax Capital Improvement	12,597,175	12,597,175
Limited General Obligation Bonds	7,719,330	7,719,330
Unlimited General Obligation Bonds	1,770,853	1,770,853
General Capital Projects	54,759,348	54,759,348
Transportation Capital Projects	39,416,383	39,416,383
Water/Sewer Operating	52,829,481	52,829,481
Water/Sewer Debt Service	2,567,358	2,567,358
Utility Capital Projects	22,415,061	22,415,061
Surface Water Management	21,444,357	21,444,357
Surface Water Capital Projects	18,315,303	18,315,303
Solid Waste	32,634,724	32,634,724
Health Benefits	24,617,930	24,617,930
Equipment Rental	19,090,357	19,090,357

Information Technology	12,061,934	12,061,934
Facilities Maintenance	12,771,400	12,771,400
Firefighter's Pension	1,921,858	1,921,858
	543,708,911	543,708,911

Section 3. This Ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this 11th day of December, 2012.

Signed in authentication thereof this 11th day of December, 2012.

_____
MAYOR

Attest:

_____
City Clerk

Approved as to Form:

_____
City Attorney

CITY OF KIRKLAND
2013-14 BUDGET-Preliminary to Final Adjustments

O-4396
Exhibit A

General Government Operating Funds

Fund		2011-12 Amended Budget	2013-14 Prelim Budget	Adjustments	2013-14 Final Budget	Percent Change
General Fund						
010	General	161,361,264	171,895,906	(269,068)	171,626,838	6.36%
Special Revenue Funds						
112	Lodging Tax	537,249	690,652	-	690,652	28.55%
117	Street Operating	14,716,526	20,294,540	(127,254)	20,167,286	37.04%
122	Cemetery Operating	762,492	816,308	-	816,308	7.06%
125	Parks Maintenance	2,588,335	3,060,649	-	3,060,649	18.25%
128	Park Levy	-	2,747,711	2,258,366	5,006,077	#DIV/0!
Total Special Revenue Funds		**18,604,602**	**27,609,860**	**2,131,112**	**29,740,972**	**59.86%**
Internal Service Funds						
511	Health Benefits Fund	15,735,691	24,617,930	-	24,617,930	56.45%
521	Equipment Rental	19,155,624	19,059,357	31,000	19,090,357	-0.34%
522	Information Technology	11,460,982	12,061,934	-	12,061,934	5.24%
527	Facilities Maintenance	10,769,943	12,771,400	-	12,771,400	18.58%
Total Internal Service Funds		**57,122,240**	**68,510,621**	**31,000**	**68,541,621**	**19.99%**
Total General Government Operating Funds		**237,088,106**	**268,016,387**	**1,893,044**	**269,909,431**	**13.84%**

General Government Non-Operating Funds

Fund		2011-12 Amended Budget	2013-14 Prelim Budget	Adjustments	2013-14 Final Budget	Percent Change
Special Revenue Funds						
152	Contingency	2,246,510	2,296,510	-	2,296,510	2.23%
156	Impact Fees	1,971,968	3,111,739	-	3,111,739	57.80%
190	Excise Tax Capital Improvement	12,866,748	15,375,429	(2,778,254)	12,597,175	-2.10%
Total Special Revenue Funds		**17,085,226**	**20,783,678**	**(2,778,254)**	**18,005,424**	**5.39%**
Debt Service Funds						
210	LTGO Debt Service	11,370,553	7,719,330	-	7,719,330	-32.11%
220	UTGO Debt Service	2,144,487	1,770,853	-	1,770,853	-17.42%
Total Debt Service Funds		**13,515,040**	**9,490,183**	**-**	**9,490,183**	**-29.78%**
Capital Projects Funds						
310	General Capital Projects	52,653,591	54,679,019	80,329	54,759,348	4.00%
320	Transportation Capital Projects	32,914,691	35,099,887	4,316,496	39,416,383	19.75%
Total Capital Projects Funds		**85,568,282**	**89,778,906**	**4,396,825**	**94,175,731**	**10.06%**
Trust Funds						
620	Firefighter's Pension	1,767,099	1,921,858	-	1,921,858	8.76%
Total Trust Funds		**1,767,099**	**1,921,858**	**-**	**1,921,858**	**8.76%**
Total General Government Non-Op Funds		**117,935,647**	**121,974,625**	**1,618,571**	**123,593,196**	**4.80%**

CITY OF KIRKLAND
2013-14 BUDGET-Preliminary to Final Adjustments

O-4396
Exhibit A

Water/Sewer Utility Funds

Fund		2011-12 Amended Budget	2013-14 Prelim Budget	Adjustments	2013-14 Final Budget	Percent Change
Operating Fund						
411	Water/Sewer Operating	45,945,527	52,829,481	-	52,829,481	14.98%
Total Operating Fund		**45,945,527**	**52,829,481**	**-**	**52,829,481**	**14.98%**
Non-Operating Funds						
412	Water/Sewer Debt Service	2,962,187	2,567,358	-	2,567,358	-13.33%
413	Utility Capital Projects	18,054,238	22,442,804	(27,743)	22,415,061	24.15%
Total Non-Operating Funds		**21,016,425**	**25,010,162**	**(27,743)**	**24,982,419**	**18.87%**
Total Water/Sewer Utility Funds		**66,961,952**	**77,839,643**	**(27,743)**	**77,811,900**	**16.20%**

Surface Water Utility Funds

Fund		2011-12 Amended Budget	2013-14 Prelim Budget	Adjustments	2013-14 Final Budget	Percent Change
Operating Fund						
421	Surface Water Management	18,442,953	21,553,357	(109,000)	21,444,357	16.27%
Total Operating Fund		**18,442,953**	**21,553,357**	**(109,000)**	**21,444,357**	**16.27%**
Non-Operating Fund						
423	Surface Water Capital Projects	14,750,925	18,342,631	(27,328)	18,315,303	24.16%
Total Non-Operating Funds		**14,750,925**	**18,342,631**	**(27,328)**	**18,315,303**	**24.16%**
Total Surface Water Utility Funds		**33,193,878**	**39,895,988**	**(136,328)**	**39,759,660**	**19.78%**

Solid Waste Utility Fund

Fund		2011-12 Amended Budget	2013-14 Prelim Budget	Adjustments	2013-14 Final Budget	Percent Change
Operating Fund						
431	Solid Waste Utility	25,102,501	32,634,724	-	32,634,724	30.01%
Total Operating Fund		**25,102,501**	**32,634,724**	**-**	**32,634,724**	**30.01%**
Total Solid Waste Utility Fund		**25,102,501**	**32,634,724**	**-**	**32,634,724**	**30.01%**

TOTAL ALL FUNDS	**480,282,084**	**540,361,367**	**3,347,544**	**543,708,911**	**13.21%**

PUBLICATION SUMMARY
OF ORDINANCE O-4396

AN ORDINANCE OF THE CITY OF KIRKLAND ADOPTING THE BIENNIAL BUDGET FOR 2013-2014.

SECTION 1. Adopts the Biennial Budget of the City of Kirkland for 2013-2014.

SECTION 2. Sets out in summary form, the totals of estimated revenues and appropriations for each separate fund and the aggregate totals for all such funds combined.

SECTION 3. Authorizes publication of the ordinance by summary, which summary is approved by the City Council pursuant to Section 1.08.017 Kirkland Municipal Code and establishes the effective date as five days after publication of summary.

The full text of this Ordinance will be mailed without charge to any person upon request made to the City Clerk for the City of Kirkland. The Ordinance was passed by the Kirkland City Council at its meeting on the _____ day of _____, 2012.

I certify that the foregoing is a summary of Ordinance _____ approved by the Kirkland City Council for summary publication.

_____
City Clerk

Council Meeting: 12/11/2012
Agenda: Unfinished Business
Item #: 10. c.

CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Tracey Dunlap, Director of Finance and Administration
Sri Krishnan, Financial Planning Manager

Date: November 30, 2012

Subject: **FINAL 2013 PROPERTY TAX LEVY**

RECOMMENDATION:

Council approves the attached ordinance, which repeals and replaces Ordinance 4385 approved on November 20, 2012 and establishes the final regular and excess property tax levy for the City of Kirkland for the 2013 fiscal year.

The separate levy amount associated with Fire District 41 debt, which was adopted by Ordinance 4386 on November 20, 2012, is unchanged and so Ordinance 4386 does not need replacement.

BACKGROUND DISCUSSION:

The attached ordinance reflects the final property tax levy data received from King County on November 29, 2012. This ordinance replaces the interim ordinance that was approved on November 20, 2012 in order to meet the County's deadline for 2013 levy information. As noted in the preliminary 2013 property tax levy memo, the initial levy was set intentionally high to ensure that the City would capture any additional new construction and state assessed valuation that was not recorded at the time of the preliminary levy.

The property tax levy needs to be established annually even though the Council will adopt a budget for the 2013-2014 biennium. Accordingly, the attached ordinance relates to 2013 only.

The following discussion explains how the final levy numbers were calculated for each of the variable factors in the City's levy.

1. REGULAR AND EXCESS LEVY FOR THE CITY OF KIRKLAND:

There are two components to the City's property tax levy – the regular levy, which funds operating costs, and the excess levy, which funds debt service on voter-approved bonds (which does not apply in the newly annexed areas).

Regular Levy for City

For 2013, there are three factors impacting the amount of the regular levy – the new construction levy, the optional increase and the voter approved permanent levy lifts.

New Construction

New construction represents additional property taxes to be received from the construction of new buildings and additions to existing structures. The new construction levy increases revenue to the City but does not increase the tax levy on existing taxpayers. The new construction levy is calculated by dividing the new construction valuation by $1,000 and multiplying the result by the current year's regular levy tax rate[1] ($1.36766 per $1,000 of assessed valuation). The final new construction valuation for the 2013 levy is $91,011,395 which translates into a new construction levy of $124,473 ($91,011,395/$1,000 x $1.36766). Over the past several years, the increase in new construction levy as a percentage of each year's total base regular levy has ranged between 0.34 percent and 4 percent. The estimated 2013 new construction levy of $124,473 is 0.62 percent of the total base regular levy for 2013.

Optional Levy Increase

The 2013-2014 Budget assumes the optional increase of one percent in 2013, so the 2013 final levy includes the one percent increase. Each one percent increase in the regular levy equates to about $188,500 in new revenue to the General Fund and about $12,100 in new revenue to the Parks Maintenance Fund, for a total of about $200,600.

Voter Approved Permanent Levy Lift: Proposition - 1 and Proposition - 2

On November 6, 2012, Kirkland voters approved both propositions on the ballot, thereby, increasing annual funding for City streets and parks by adding a total of $0.364 per $1,000 of assessed valuation to the City's 2013 regular levy rate. The specific rates and levy amounts for both propositions are summarized below:

- **Proposition 1: Levy for City Street Maintenance and Pedestrian Safety** – This levy lift will fund arterial and neighborhood street re-pavement and repair, fund sidewalks around schools, enhance crosswalks, and allow for traffic safety measures in neighborhoods with an ongoing property tax levy of $0.204 per $1,000 of assessed valuation. Based on the final assessed valuation, the 2013 levy for City Street Maintenance and Pedestrian Safety is $2,907,300 for 2013.

- **Proposition 2: Levy for City Parks Maintenance, Restoration, and Enhancement** – This levy lift will fund preservation, maintenance, and enhancement to Kirkland's parks and natural areas with an ongoing property tax levy of $0.16 per $1,000 of assessed valuation. Based on the final assessed valuation, the 2013 levy for City Parks Maintenance, Restoration, and Enhancement is $2,280,236 for 2013.

The Preliminary 2013-2014 Budget included levy amounts for both propositions based on the City's 2011 assessed valuation from the King County Assessor that was used for the 2012 tax roll. For purposes of estimating the potential 2013 levy from the propositions, no change in assessed valuation (AV) was assumed because the King County Assessor's Office had indicated that overall AV in King County would increase slightly, with rural AV declining and urban AV increasing. The final data from the Assessor indicates a 2.87 percent decrease in Kirkland's assessed valuation resulting in revenues that are lower than budgeted.

In the case of these two propositions, the King County Assessor's Office will be determining the actual 2013 levy amount based on the levy rates approved by voters on November 6, 2012 and the final assessed valuation for the City when the tax roll is certified early next year. The 2013-2014 Budget and the 2013-18 CIP being adopted by Council on December 11, 2012 include changes in funding to reflect the final property tax data from the King County Assessor's Office dated, November 29, 2012.

[1] Levy rate per the Final Levy Limit Worksheet from the King County Assessor's Office dated, November 29, 2012.

Excess Levy for City

The total excess levy for the City, which relates to voted debt, is decreasing from $924,325 in 2012 to $732,055 in 2013 based on the payment schedule for the outstanding voted debt. Annexation voters did not approve the assumption of voted bond indebtedness, therefore the excess levy will only be applied on the taxable assessed value of properties within the pre-annexation boundaries of the City. This translates to a rate per $1,000 assessed value of $0.07204.

Trends in Assessed Valuation

Assessed valuation is composed of new construction and revaluation of existing properties. Final figures from King County dated, November 29, 2012, indicate that compared to 2011, total assessed valuation decreased by 2.07 percent for the pre-annexation City and 4.80 percent for the annexation area, resulting in a composite decrease of 2.87 percent. These decreases in assessed valuation are difficult to identify when assessed valuation is viewed in the aggregate, including changes due to annexation, new construction, and corrections and revaluations.

For the City as a whole, the 2.87 percent ($420,584,930) decrease in total assessed valuation is comprised of a 0.62 percent increase due to new construction ($91,011,395) and a 3.49 percent decrease due to revaluations ($511,596,325).

The change in valuation does not in itself generate additional revenue for the City. If the Council took no optional increase in the levy and the assessed valuation increases, it would have the effect of lowering the rate applied to each $1,000 of assessed valuation. Conversely, if the assessed valuation decreases, it results in an increase in the rate applied to each $1,000 of assessed valuation, since the levy is set as a total dollar amount, which is divided by the assessed valuation.

Based on the final levy worksheet data for new construction ($124,473), the levy lift from Propositions 1 and 2 ($5,187,536) and the 1 percent optional increase, the regular levy tax rate for the City would increase from $1.36766 per $1,000 of assessed valuation in 2012 to $1.79595 in 2013. The rate per $1,000 increases because the total assessed valuation (AV) for the City has decreased by 2.87 percent over the same period and the voters increased the levy rate by approving Propositions 1 and 2. This rate applies to all parcels in Kirkland.

The excess levy rate, which applies to properties within the pre-annexation City boundaries, is decreasing from $0.08976 to $0.07204 based on the reduction in annual debt payment and offset in part by decrease in assessed valuation in the pre-annexation portion of the City.

2. CONSOLIDATED FIRE STATION DEBT SERVICE LEVY

When annexation of the Juanita, Finn Hill, and Kingsgate neighborhoods became effective on June 1, 2011, Fire District 41, which served a majority of that area, was assumed by the City. The District's outstanding debt for the consolidated fire station remains in place until it is retired. With the assumption of the District, the City Council has assumed the role of governing body with the authority to levy taxes to pay the outstanding debt service on the consolidated fire station. For 2013, the City needs to collect $470,572 to pay the debt service. King County as a whole has a 98 percent collection rate on tax levies, therefore, the City has set a levy of $480,176 ($470,572 ÷ 98 percent) to pay debt service in 2013 by adopting Ordinance 4386 on November 20, 2012. This levy *amount* remains unchanged, therefore a new ordinance is not necessary. The levy *rate* will change slightly.

Based on the King County Assessor's final levy worksheet dated November 28, 2012 for Fire District 41, the total assessed valuation for the areas previously served by the District is $3,283,295,603. Therefore, the District's debt service levy of $480,176 translates to a rate per $1,000 assessed value of $0.14625 on the properties within the North Juanita, Finn Hill and Kingsgate areas previously served by Fire District 41. Annexation area residents previously served by Fire District 41 will pay 2013 property taxes at the

City of Kirkland regular levy rate (excluding voted debt service) plus the District's levy rate required to repay the District's outstanding debt.

3. SUMMARY

Since the annexation was approved by less than a 60 percent majority of voters, the residents of the annexation area did not assume the existing City's voted indebtedness and therefore will not pay the excess levy rate. In fact, tax payers within the City's current boundaries will have three separate levy rates based on their location:

1. Property owners within the existing (pre-annexation) City will pay the regular levy rate of $1.79595 and the excess levy of $0.07204 for a total of $1.86799;
2. Property owners within the annexation area previously served by Fire District 41 will pay the regular levy rate of $1.79595 and the excess levy of $0.14625 to repay the District debt for a total of $1.94220; and
3. Property owners within the annexation area previously served by Fire Districts 36 (Woodinville) and 34 (Redmond) will pay the regular levy rate of $1.79595 only.

The table below summarizes the changes in property tax rates between the preliminary and final property tax ordinances:

	Pre-Annexation City	New Neighborhoods Previously Served by FD-41	New Neighborhoods Previously Served by Woodinville or Redmond
Est. Prelim. Levy Rate (11/20/12)	$ 1.87761	$ 1.95131	$ 1.80551
Est. Final Levy Rate (11/29/12)	$ 1.86799	$ 1.94220	$ 1.79595
Difference	**$ (0.00962)**	**$ (0.00911)**	**$ (0.00956)**

While the total dollar amount of the levy is fixed, the final rate per $1,000 of AV can change based on the final AV at the time King County finalizes the levy rates (in early 2013).

Final Levy Recap:

Base General Levy (2013)	$	18,852,968
1% Optional Increase (General Levy)		188,530
Base Parks Maintenance Levy (2013)		1,210,092
1% Optional Increase (Parks Maint. Levy)		12,101
New Construction		124,473
Other Adjustments^		19,186
Subtotal	$	20,407,350
Estimated Prop. 1 - 2012 Road Levy		2,907,300
Estimated Prop. 2 - 2012 Parks Levy		2,280,236
Total Regular and Parks Maint. Levy		25,594,886
Excess Levy (for voted debt)		732,055
Total 2013 Final Levy	**$**	**26,326,941**
Separate Fire District 41 Debt Service Levy	$	480,176

^ Other adjustments include re-levy for prior-year refunds and any levy corrections or omissions.

Attachment

ORDINANCE O-4397

AN ORDINANCE OF THE CITY OF KIRKLAND ESTABLISHING THE AMOUNT OF PROPERTY TAXES TO BE LEVIED FOR THE YEAR 2013, THE FIRST YEAR OF THE CITY OF KIRKLAND'S 2013-2014 FISCAL BIENNIUM AND REPEALING ORDINANCE 4385.

WHEREAS, the City Council previously held a public hearing on September 18, 2012, to consider revenue sources for the 2013-2014 Biennial Budget; and

WHEREAS, the City Council and the City Manager have considered the anticipated financial requirements of the City of Kirkland for the fiscal year 2013; and

WHEREAS, pursuant to RCW 35A.33.135, the City Council is required to determine and fix by ordinance the amount to be raised by ad valorem taxes; and

WHEREAS, on November 20, 2012, the City Council passed Ordinance 4385 which was the preliminary property tax levy; and

WHEREAS, the City Council wishes to repeal the preliminary property tax levy and pass the final tax levy based upon the most recent property tax levy data provided by King County; and

WHEREAS, RCW 84.55.120 requires that the increase in the levy over the prior year shall be stated both as to dollars and percentage;

NOW, THEREFORE, the City Council of the City of Kirkland do ordain as follows:

Section 1. Ordinance 4385 passed November 20, 2012, is repealed.

Section 2. Voters within the City of Kirkland, Washington, approved Proposition 1 – Levy for City Street Maintenance and Pedestrian Safety on November 6, 2012, an ongoing property tax levy lift of 20.4 cents per $1,000 of assessed value.

Section 3. Voters within the City of Kirkland, Washington, approved Proposition 2 – Levy for City Parks Maintenance, Restoration, and Enhancement on November 6, 2012, an ongoing property tax levy lift of 16 cents per $1,000 of assessed value.

Section 4. The regular property tax levy for the year 2012 is hereby fixed and established in the amount of $25,594,886. This property tax levy represents a dollar increase of $149,807 and a percentage increase of 0.75% from the previous year, excluding the increase resulting from the levy lifts, the addition of new construction, improvements to property, any increase in state-assessed property, and administrative refunds as shown below:

	Amount
2013 Regular Levy	**25,594,886**
Less 2011 Levy	20,063,060
Less New Construction	124,473
Less Levy Lifts	5,187,536
Less Refunds	70,010
Total Increase	**149,807**
Percent Increase	**0.75%**

Section 5. There is hereby levied for 2013 upon all property, both real and personal, within the City of Kirkland, Washington, and within the area subject to tax levies for the principal and interest of all general obligation bond issues, a total voted property tax of $732,055 on the total of assessed valuation for such property.

Section 6. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2012.

Signed in authentication thereof this _____ day of _____, 2012.

_____
MAYOR

Attest:

_____
City Clerk

Approved as to Form:

_____
City Attorney

Council Meeting: 12/11/2012
Agenda: Unfinished Business
Item #: 10. d.

CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Tracey Dunlap, Director of Finance and Administration
Sri Krishnan, Financial Planning Manager
Neil Kruse, Senior Financial Analyst

Date: November 29, 2012

Subject: Adoption of the 2013 to 2018 Capital Improvement Program

RECOMMENDATION:

City Council approves the attached resolution adopting the 2013-2018 Capital Improvement Program (CIP).

BACKGROUND:

The Council was presented with the Preliminary 2013-2018 CIP at the June 5, 2012 study session. Proposed amendments were discussed and policy direction was given at the public hearing on September 18, 2012. On November 20, 2012, Council was presented an update of the changes to the Preliminary 2013-2018 CIP reflecting Council directions and staff recommendations to that point. At that meeting, Council directed staff to finalize the 2013-2018 CIP and bring it forward for Council adoption on December 11, 2012.

There are four subsequent revisions to the 2013-2018 CIP as presented at the last Council meeting:

- A change in the name of an unfunded project (NM 0080) from "NE 145th Street Pedestrian Bridge" to, "Juanita-Kingsgate Pedestrian Bridge at I-405" to create flexibility for a bridge at either NE 145th or NE 140th Street to provide maximum pedestrian and bike connectivity.

- Changes to reflect the final property tax valuations from the King County Assessor's Office:

    - A reduction of $25,452 in funding for the Street Maintenance and Pedestrian Safety project (CST 0006 003) in the next biennium (2013-14).

    - A reduction of $25,000 and $125,000 in 2013 and 2014 respectively for the Neighborhood Park Land Acquisition project (CPK 0133 300). Should a park property acquisition opportunity arise that requires more funding, REET reserves could be used to replace this revenue.

- Estimated cost for an unfunded project, Kirkland ITS Implementation Phase II (TR 0111 00) is reduced from $4,100,000 to $1,189,000 as a result of an updated scope in relation to other ITS project phases.

At the November 20th presentation, staff mentioned that the NE 112th Street Sidewalk (NM 0053) project had just received notice of a grant award. Staff is still finalizing this project, along with another potential grant funded project and will present recommendations for these projects in 2013.

The overall funded CIP total is $158,311,100 for the six-year period. A summary of the proposed CIP is included as Attachment A. The attached resolution adopts the Final 2013-2018 CIP. The table below summarizes the CIP by project category.

2013-2018 Capital Improvement Program

Summary of Total Identified Needs

	6-year Funded CIP	Unfunded CIP	Total CIP
Transportation	53,847,100	263,944,900	317,792,000
Parks	12,095,000	95,964,300	108,059,300
Public Safety	2,322,900	119,100	2,442,000
General Government			
Technology	5,804,700	1,120,700	6,925,400
Facilities	43,771,000		43,771,000
Subtotal	**117,840,700**	**361,149,000**	**478,989,700**
Surface Water Mgmt	13,502,400	16,080,100	29,582,500
Water/Sewer	26,968,000	71,327,000	98,295,000
Utilities Subtotal	**40,470,400**	**87,407,100**	**127,877,500**
Grand Total	**158,311,100**	**448,556,100**	**606,867,200**

RESOLUTION R-4941

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ADOPTING THE 2013-2018 SIX-YEAR CAPITAL IMPROVEMENT PROGRAM FOR THE CITY OF KIRKLAND.

WHEREAS, the City Manager together with the department heads for the City of Kirkland have prepared and recommended to the City Council a Six-Year Capital Improvement Program for the years 2013-2018; and

WHEREAS, the City Council adopted a two-year review cycle for the Six-Year Capital Improvement Program to be reflected in the 2013-2014 Budget;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The Kirkland City Council adopts and approves the 2013-2018 Six-Year Capital Improvement Program including capital improvement projects as attached and incorporated by this reference.

Section 2. Actual appropriation of funds to carry out each scheduled year's capital improvements shall be made as a part of the biennial City Budget for such years.

Section 3. The adopted Six-Year Capital Improvement Program shall be reviewed and updated biennially to provide an ongoing Six-Year Capital Improvement Program.

Passed by majority vote of the Kirkland City Council in open meeting this ____ day of _____, 2012.

Signed in authentication thereof this ____ day of _____, 2012.

_____
Mayor

ATTEST:

_____
City Clerk

City of Kirkland
2013-2018 Capital Improvement Program

TRANSPORTATION PROJECTS

Funded Projects:

Project Number	Project Title	Prior Year(s)	2013	2014	2015	2016	2017	2018	2013-2018 Total	Funding Sources: Current Revenue	Reserve	Debt	External Source
ST0006*	Annual Street Preservation Program		1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	10,500,000	10,500,000			
ST 0006 002*	Annual Street Preservation Program-One-time Project			1,122,000			-		1,122,000	-			1,122,000
ST00006 003	***Street Maintenance & Pedestrian Safety***		***2,345,000***	***2,574,000***	***2,600,000***	***2,600,000***	***2,600,000***	***2,600,000***	***15,319,000***	***15,319,000***			
ST 0057 001*	NE 120th Street Roadway Extension (East Section)	3,762,000	3,595,000						3,595,000	715,500	77,500		2,802,000
ST 0080*	Annual Striping Program		300,000	350,000	350,000	350,000	350,000	350,000	2,050,000	2,050,000			
ST 0082	***Juanita Drive Corridor Study***		***200,000***	***80,000***					***280,000***	280,000			
ST 0083	***100th Ave NE Corridor Study***		***50,000***						***50,000***		***50,000***		
ST 8888*	Annual Concurrency Street Improvements				482,400	480,000	215,000	852,500	2,029,900	1,823,400	206,500		
ST 9999*	Regional Inter-Agency Coordination		82,000	82,000	82,000	82,000	82,000	82,000	492,000	492,000			
NM 0012	Crosswalk Upgrade Program		70,000		70,000		70,000		210,000	210,000			
NM 0024 000+	Cross Kirkland Corridor Trail (Interim)	203,000	2,158,000	1,239,000					3,397,000	29,000	327,000		3,041,000
NM 0024 101+	***Cross Kirkland Corridor Master Plan***		***500,000***						***500,000***	***500,000***			
NM 0057	Annual Sidewalk Maintenance Program		200,000	200,000	200,000	200,000	200,000	200,000	1,200,000	900,000	300,000		
NM 0064 001+	Park Lane Pedestrian Corridor Enhancements Phase II		350,000	1,888,900					2,238,900	319,900			1,919,000
NM 0073	***JFK Non-Motorized Program***		***75,000***	***75,000***					150,000	30,000	***120,000***		
NM 8888*	Annual Non-Motorized Program				208,300	605,000	1,043,000	1,043,500	2,899,800	1,660,000	1,239,800		
TR 0083+	100th Ave NE/NE 132nd Street Intersection Improvements		350,000	350,000	2,501,000				3,201,000	700,000			2,501,000
TR 0111 003	***Kirkland ITS Implementation Phase IIC***		***576,000***	***2,205,900***	***129,100***				***2,911,000***	***305,400***	***404,500***		***2,201,100***
TR 0113+	Citywide Safety & Traffic Flow Improvements		302,200						302,200		2,200		300,000
TR 8888*	Annual Concurrency Traffic Improvements				475,000	543,000	381,300		1,399,300	1,169,300	230,000		
Total Funded Transportation Projects		**3,965,000**	**12,903,200**	**11,916,800**	**8,847,800**	**6,610,000**	**6,691,300**	**6,878,000**	**53,847,100**	**37,003,500**	**2,957,500**	**0**	**13,886,100**

Other Funding Sources Used

Project Number	Project Title	Budget	Actual	Balance
ST 0057 001*	NE 120th Street Roadway Extension (East Section)	3,762,000	352,902	3,409,098
Total Prior Year(s) Funding (Budget to Actuals):		**3,762,000**	**352,902**	**3,409,098**

Notes
* = Modification in timing and/or cost (see Project Modification Schedule for greater detail)
+ = Moved from unfunded status to funded status
" = Moved from funded status to unfunded status
^ = Annual Program Project Candidates
Shaded year(s) = Previous timing
Bold italics = New projects

City of Kirkland
2013-2018 Capital Improvement Program

TRANSPORTATION PROJECTS

Unfunded Projects:

Project Number	Project Title	Total
ST 0055	98th Avenue NE Bridge Replacement	10,196,000
ST 0056	132nd Avenue NE Roadway Improvements	25,170,000
ST 0059^	124th Ave NE Roadway Improvements (North Section)	10,000,000
ST 0060	118th Avenue NE Roadway Extension	6,440,000
ST 0061	119th Avenue NE Roadway Extension	5,640,000
ST 0062	NE 130th Street Roadway Extension	10,000,000
ST 0063^	120th Avenue NE Roadway Improvements	8,988,500
ST 0064	124th Ave NE Roadway Widening Imprv (So. Sect'n)	30,349,000
ST 0070	120th Ave NE/Totem Lake Plaza Roadway Imprvmnts	3,000,000
ST 0072	NE 120th St Roadway Improvements (West Section)	5,870,000
ST 0073	120th Avenue NE Roadway Extension	16,392,000
ST 0077	NE 132nd St Rdwy Imprv.-Phase I (West Section)	1,348,000
ST 0078	NE 132nd St Rdwy Imprv-Phase II (Mid Section)	316,000
ST 0079	NE 132nd St Rdwy Imprv-Phase III (East Section)	1,119,000
ST 0081	Totem Lake Area Development Opportunity Program	500,000
ST 0083 101	***100th Ave NE Roadway Improvements***	***9,500,000***
NM 0001	116th Ave NE (So. Sect.) Non-Motorz'd Facil-Phase II	3,378,000
NM 0007	NE 52nd Street Sidewalk	1,068,600
NM 0026	NE 90th Street Sidewalk (Phase II)	2,584,200
NM 0030	NE 90th Street/I-405 Pedestrian/Bicycle Overpass	3,740,700
NM 0031	Crestwoods Park/BNSFR Ped/Bike Facility	2,505,000
NM 0032^	93rd Avenue Sidewalk	1,047,900
NM 0036^	NE 100th Street Bikelane	1,644,300
NM 0037	130th Avenue NE Sidewalk	833,600
NM 0041	Forbes Valley Pedestrian Facility	1,996,600
NM 0043^	NE 126th St Nonmotorized Facilities	4,277,200
NM 0045	NE 95th Street Sidewalk (Highlands)	571,500
NM 0046^	18th Avenue SW Sidewalk	2,255,000
NM 0047	116th Avenue NE Sidewalk (South Rose Hill)	422,100
NM 0048	NE 60th Street Sidewalk	4,979,800
NM 0049^	112th Ave NE Sidewalk	527,600
NM 0050^	NE 80th Street Sidewalk	859,700
NM 0053^*	NE 112th Street Sidewalk	424,000
NM 0054	13th Avenue Sidewalk	446,700
NM 0055^	122nd Ave NE Sidewalk	866,700
NM 0056	NE 90th Street Sidewalk (Phase I)	1,165,700
NM 0058	111th Avenue Non-Motorized/Emergency Access Connection	2,000,000
NM 0061*	NE 104th Street Sidewalk	1,085,000
NM 0062	19th Avenue Sidewalk	814,200
NM 0063	Kirkland Way Sidewalk	414,500
NM 0071	NE 132nd Street Sidewalk Improvement	363,000
NM 0072	NE 132nd Street Sidewalk at Finn Hill Middle School	693,000
NM 0074	***90th Ave NE Sidewalk***	***353,400***
NM 0075	***84th Ave NE Sidewalk***	***4,052,800***
NM 0076	***NE 140th St Sidewalk - Muir Elem Walk Rt Enhan. Phase 1***	***1,131,000***
NM 0077	***NE 140th St Sidewalk - Keller Elem Walk Rt Enhan. - N***	***1,185,000***
NM 0078	***NE 140th St Sidewalk - Keller Elem Walk Rt Enhan. - S***	***747,000***
NM 0079	***NE 140th St Sidewalk - Muir Elem Walk Rt Enhan. Phase 2***	***648,000***
NM 0080	***Juanita-Kingsgate Pedestrian Bridge at I-405***	***4,500,000***
Subtotal Unfunded ST and NM Projects		**198,410,300**

Project Number	Project Title	Total
TR 0056#	NE 85th Street HOV Queue Bypass	841,000
TR 0057	NE 124th Street HOV Queue Bypass	1,722,000
TR 0065#	6th Street/Kirkland Way Traffic Signal	564,000
TR 0067	Kirkland Way/BNSFR Abutment/Intersection Imprv	6,917,000
TR 0068	Lake Washington Boulevard HOV Queue Bypass	6,580,000
TR 0072	NE 116th Street Eastbound HOV Queue Bypass	7,337,000
TR 0073	NE 70th Street Eastbound HOV Queue Bypass	1,702,000
TR 0074	NE 85th Street Westbound HOV Queue Bypass	1,775,000
TR 0075	NE 124th Street Westbound HOV Queue Bypass	1,275,000
TR 0082#	Central Way/Park Place Center Traffic Signal	200,000
TR 0084	100th Ave NE/NE 124th St Intersection Improvements	2,230,000
TR 0086^	NE 70th St/132nd Ave NE Intersection Improvements	4,590,600
TR 0088^	NE 85th St/120th Ave NE Intersection Improvements	5,272,300
TR 0089	NE 85th St/132nd Ave NE Intersection Imp (Phase II)	1,825,700
TR 0090#	Lake Washington Blvd/NE 38th Place Intersection Imp	500,000
TR 0091^	NE 124th St/124th Ave NE Intersection Improvements	3,503,300
TR 0092	NE 116th St/124th Ave NE N-bound Dual Lft Turn Lanes	1,717,000
TR 0093	NE 132nd St/Juanita H.S. Access Rd Intersect'n Imp	916,000
TR 0094	NE 132nd St/108th Avenue NE Intersect'n Imp	618,000
TR 0095	NE 132nd St/Fire Stn Access Dr Intersect'n Imp	366,000
TR 0096#	NE 132nd St/124th Ave NE Intersect'n Imp	5,713,000
TR 0097	NE 132nd St/132nd Ave NE Intersect'n Imp	889,000
TR 0098#	NE 132nd St/ 116th Way NE (I-405) Intersect'n Imp	300,000
TR 0099	120th Ave/Totem Lake Way Intersection Improvements	2,845,500
TR 0100 100	***6th Street & Central Way Intersection Imprvmnts Phase 2***	***1,866,800***
TR 0103#	Central Way/4th Street Intersection Improvements	31,000
TR 0104#	6th Street/4th Ave Intersection Improvements	580,000
TR 0105#	Central Way/5th Street Intersection Improvements	564,000
TR 0106#	6th Street/7th Avenue Intersection Improvements	89,400
TR 0107#	Market Street/15th Avenue Intersection Improvements	564,000
TR 0108#	NE 85th Street/124th Ave NE Intersection Improvements	889,000
TR 0109#	Totem Lake Plaza/Totem Lake Blvd Intersection Imprv.	1,500,000
TR 0110#	Totem Lake Plaza/120th Ave NE Intersection Imprv.	1,500,000
TR 0111 001	Kirkland ITS Implementation Phase II	1,189,000
TR 0111 002	***Kirkland ITS Implementation Phase IIB***	***2,644,000***
TR 0114	***Slater Avenue NE Traffic Calming - Phase I***	***247,000***
Subtotal Unfunded TR Projects		**71,863,600**

Total Unfunded Transportation (ST, NM, and TR) Projects	**270,273,900**
Funding Available from Annual Programs for Candidate Projects	***6,329,000***
Net Unfunded Transportation Projects	**263,944,900**

* = Modification in timing and/or cost (see Project Modification Schedule for greater detail)
\+ = Moved from unfunded status to funded status
" = Moved from funded status to unfunded status
^ = Annual Program Project Candidates
Shaded year(s) = Previous timing
Bold italics = New projects
\# = Projects to be funded with development-related revenues

City of Kirkland
2013-2018 Capital Improvement Program

SURFACE WATER MANAGEMENT UTILITY PROJECTS

Funded Projects:

Project Number	Project Title	Prior Year(s)	2013	2014	2015	2016	2017	2018	2013-2018 Total	Funding Source: Current Revenue	Reserve	Debt	External Source
SD 0047	Annual Replacement of Aging/Failing Infrastructure		200,000	200,000	200,000	200,000	200,000	200,000	1,200,000	1,200,000			
SD 0048	Cochran Springs / Lake Washington Blvd Crossing Enh.	180,000		340,000	667,100	450,000			1,457,100	1,457,100			
SD 0051*	Forbes Creek/KC Metro Access Road Culvert Enh.	232,200					688,000	370,700	1,058,700	1,058,700			
SD 0053*	Forbes Creek/Coors Pond Channel Grade Controls	260,200						164,700	164,700	164,700			
SD 0058*	Surface Water Sediment Pond Reclamation Phase II	115,400			497,600	238,000			735,600	735,600			
SD 0059*	Totem Lake Boulevard Flood Control Measures	585,400	302,800	1,048,000					1,350,800	1,014,800			336,000
SD 0067*	NE 129th Place/Juanita Creek Rockery Repair	115,500			223,300				223,300	223,300			
SD 0075~	***Totem Lake Twin 42 Inch Culvert Replacement***	***922,000***	***4,347,000***						4,347,000	1,253,200	3,093,800		
SD 0076#	***NE 141st Street/111th Avenue NE Culvert Repair***		***181,500***	-					181,500		181,500		
SD 0077#	***Goat Hill Storm Drainage Repair***			***153,700***					***153,700***	***153,700***			
SD 0078#	***Billy Creek Ravine Stabilization Phase II***			***67,400***					***67,400***	***14,300***	***53,100***		
SD 0079	***Public Safety Building Stormwater Quality Demonstration***		***160,000***						***160,000***		***160,000***		
SD 0081	***Neighborhood Drainage Assistance Program (NDA)***		***50,000***		***50,000***		***50,000***		150,000		***150,000***		
SD 8888*	Annual Streambank Stabilization Program					350,000	350,000	425,000	1,125,000	1,125,000			
SD 9999*	Annual Surface Water Infrastructure Replacement Program					350,000	350,000	427,600	1,127,600	1,127,600			
Total Funded Surface Water Management Utility Projects		**2,410,700**	**5,241,300**	**1,809,100**	**1,638,000**	**1,588,000**	**1,638,000**	**1,588,000**	**13,502,400**	**9,528,000**	**3,638,400**	**0**	**336,000**

Unfunded Projects:

Project Number	Project Title	Total
SD 0045^	Carillon Woods Erosion Control Measures	549,600
SD 0046#	Regional Detention in Forbes and Juanita Creek Basins	2,810,200
SD 0049#	Forbes Creek/108th Avenue NE Fish Passage Improvements	332,900
SD 0050#	NE 95th Street/126th Avenue NE Flood Control Measures	55,900
SD 0052^	Forbes Creek/Slater Avenue Embankment Stabilization	139,700
SD 0054#	Forbes Creek/BNSFRR Fish Passage Improvements	424,200
SD 0055	Forbes Creek / 98th Avenue NE Riparian Plantings	75,500
SD 0056^	Forbes Creek Ponds Fish Passage/Riparian Plantings	213,000
SD 0061^	Everest Park Stream Channel/Riparian Enhancments	1,095,500
SD 0062^	Stream Flood Control Measures at Kirkland Post Office	345,400
SD 0063^	Everest Creek-Slater Avenue at Alexander Street	830,300
SD 0068	128th Ave NE/NE 60th Street To NE 64th St Drainage Imp.	270,300
SD 0070	Juanita Creek Watershed Enhancement Study	50,000
SD 0074	Streambank Stabilization Program – NE 86th Street	640,200
SD 0080	***Regional Decant and City Maintenance Facility***	***10,500,000***
Subtotal Unfunded Surface Water Management Utility Projects		**18,332,700**
Funding Available from Annual Programs for Candidate Projects		***2,252,600***
Net Unfunded Surface Water Management Utility Projects		**16,080,100**

Prior Year(s) Funding (Budget to Actuals):

Project Number	Project Title	Budget	Actual	Balance
SD 0048	Cochran Springs / Lake Washington Blvd Crossing Enh.	180,000	0	180,000
SD 0051*	Forbes Creek/KC Metro Access Road Culvert Enh.	232,200	88,092	144,108
SD 0053*	Forbes Creek/Coors Pond Channel Grade Controls	260,200	84,147	176,053
SD 0058*	Surface Water Sediment Pond Reclamation Phase II	115,400	29,151	86,249
SD 0059*	Totem Lake Boulevard Flood Control Measures	585,400	379,640	205,760
SD 0067*	NE 129th Place/Juanita Creek Rockery Repair	115,500	0	115,500
SD 0075~	***Totem Lake Twin 42 Inch Culvert Replacement***	***922,000***	***0***	***922,000***
Total Prior Year(s) Funding (Budget to Actuals):		**2,410,700**	**581,030**	**1,829,670**

Notes

***** = Modification in timing and/or cost (see Project Modification Schedule for greater detail)
+ = Moved from unfunded status to funded status
" = Moved from funded status to unfunded status
^ = Annual Streambank Stabilization Program Project Candidates
# = Annual Storm Drain Replacement Program Project Candidates
Shaded year(s) = Previous timing
Bold italics = New projects
~Project approved as new project by Council April 17, 2012

City of Kirkland
2013-2018 Capital Improvement Program

WATER/SEWER UTILITY PROJECTS

Funded Projects:

Project Number	Project Title	Prior Year(s)	2013	2014	2015	2016	2017	2018	2013-18 Total	Funding Source: Current Revenue	Reserve	Debt	External Source
WA 0090	Emergency Sewer Pgm Watermain Replacement Pgm		50,000		50,000		50,000		150,000	150,000			
WA 0102*	104th Ave NE Watermain Replacement						974,500		974,500	974,500			
WA 0116	NE 80th Street Watermain Replacement (Phase II)		442,000	2,394,400					2,836,400	869,000		1,967,400	
WA 0121	NE 109th Ave/106th Court NE Watermain Replacement	215,000	156,300						156,300	156,300			
WA 0134+	***5th Ave S / 8th St S Watermain Replacement***							850,000	***850,000***	***850,000***			
WA 0139+	***6th Street S Watermain Replacement***				***671,000***				***671,000***	***671,000***			
WA 0140*+	NE 85th Street Watermain Replacement		2,413,000						2,413,000	2,413,000			
WA 0145	***Kirkland Avenue/6th Street S Watermain Replacement***					***755,000***			***755,000***	755,000			
WA 0148	***Park Lane Waterman Replacement***		***62,000***	***235,000***					***297,000***	***297,000***			
WA 8888*	Annual Watermain Replacement Program						385,000	385,000	770,000	770,000			
WA 9999*	Annual Water Pump Station/System Upgrade Pgm				222,000		385,000	385,000	992,000	992,000			
SS 0056	Emergency Sewer Construction Program		922,000	478,000	969,000	431,000	950,000	450,000	4,200,000		4,200,000		
SS 0064*+	7th Avenue South Sewermain Replacement			-		593,000	1,053,000		1,646,000	1,646,000			
SS 0067*	NE 80th Street Sewermain Replacement (Phase II)		600,000	1,836,000					2,436,000	365,400		2,070,600	
SS 0073*+	Rose Point Sewer Lift Station Replacement			944,400	1,343,000				2,287,400	2,287,400			
SS 0078	***5th Avenue S Sewermain Replacement***			***188,900***	***38,000***				***226,900***	***226,900***			
SS 0079	***3rd Avenue S & 2nd Street S Sewermain Replacement***			***-***	***487,000***	***740,000***			***1,227,000***	***1,227,000***			
SS 0080	***20th Avenue Sewermain Replacement***							812,000	***812,000***	***812,000***			
SS 0081	***7th / 8th Avenue West Alley Sewermain Replacement***		***354,000***					-	***354,000***	***354,000***			
SS 8888*	Annual Sanitary Pipeline Replacement Program				446,500	377,000	213,000	441,000	1,477,500	1,477,500			
SS 9999*	Annual Sanitary Pump Station/System Upgrade Pgm				446,500	377,000	212,500	400,000	1,436,000	1,436,000			
Total Funded Water/Sewer Utility Projects		**215,000**	**4,999,300**	**6,076,700**	**4,673,000**	**3,273,000**	**4,223,000**	**3,723,000**	**26,968,000**	**18,730,000**	**4,200,000**	**4,038,000**	**0**

City of Kirkland
2013-2018 Capital Improvement Program

WATER/SEWER UTILITY PROJECTS

Unfunded Projects:

Project Number	Project Title	Total
WA 0052	108th Avenue NE Watermain Replacement	1,584,000
WA 0057	116th Avenue NE Watermain Replacement	2,731,000
WA 0067#	North Reservoir Pump Replacement	611,000
WA 0096	NE 83rd Street Watermain Replacement	450,000
WA 0097	NE 80th Street Watermain Replacement (Phase III)	1,386,000
WA 0098	126th Ave NE/NE 83rd & 84th St/128th Ave NE Watermain Replacement	1,197,000
WA 0103^	NE 113th Place/106th Ave NE Watermain Replacement	841,000
WA 0104	111th Ave NE/NE 62nd St-NE 64th St Watermain Replacement	1,493,000
WA 0108	109th Ave NE/NE 58th St Watermain Replacement	504,000
WA 0109	112th Ave NE Watermain Replacement	1,179,000
WA 0111	NE 45th St And 110th/111th Ave NE Watermain Replacement	1,303,000
WA 0113	116th Ave NE/NE 70th-NE 80th St Watermain Replacement	2,222,100
WA 0118^	112th -114th Avenue NE/NE 67th-68th Street Watermain Replacement	3,360,100
WA 0119	109th Ave NE/111th Way NE Watermain Replacement	2,304,000
WA 0120^	111th Avenue Watermain Replacement	182,000
WA 0122	116th Avenue NE/NE 100th Street Watermain Replacement	1,506,000
WA 0123	NE 91st Street Watermain Replacement	453,000
WA 0124^	NE 97th Street Watermain Replacement	685,000
WA 0126#	North Reservoir Outlet Meter Addition	72,300
WA 0127#	650 Booster Pump Station	1,603,000
WA 0128	106th Ave NE-110th Ave NE/NE 116th St-NE 120th St Watermain Replacement	2,305,000
WA 0129	South Reservoir Recoating	981,000
WA 0130^	11th Place Watermain Replacement	339,000
WA 0131#	Supply Station #1 Improvements	61,500
WA 0132	7th Avenue/Central Avenue Watermain Replacement	907,000
WA 0133	Kirkland Avenue Watermain Replacement	446,000
WA 0135	NE 75th Street Watermain Replacement	711,000
WA 0136^	NE 74th Street Watermain Replacement	193,000
WA 0137^	NE 73rd Street Watermain Replacement	660,000
WA 0138	NE 72nd St/130th Ave NE Watermain Replacement	1,476,000
WA 0146^	***6th Street/Kirkland Way Watermain Replacement***	***693,000***
WA 0147^	***106th Avenue NE from NE 60th Street to NE 68th Street***	***661,500***
SS 0051	6th Street South Sewermain Replacement	804,000
SS 0052	108th Avenue NE Sewermain Replacement	5,110,000
SS 0062^	NE 108th Street Sewermain Replacement/Rehabilitation	4,405,000
SS 0068	124th Avenue NE Sewermain Replacement	1,315,000
SS 0069	1st Street Sewermain Replacement	3,945,000
SS 0070	5th Street Sewermain Replacement	1,354,000
SS 0071	6th Street Sewermain Replacement	308,000
SS 0072	Kirkland Avenue Sewermain Replacement	1,980,000
SS 0077	West Of Market Sewermain Replacement	21,681,000
Subtotal Unfunded Water/Sewer Utility Projects		**76,002,500**
Funding Available from Annual Programs for Candidate Projects		***4,675,500***
Net Unfunded Water/Sewer Utility Projects		**71,327,000**

Prior Year(s) Funding (Budget to Actuals):

Project Number	Project Title	Budget	Actual	Balance
WA 0121	NE 109th Ave/106th Court NE Watermain Replacement	215,000	0	215,000
Total Prior Year(s) Funding (Budget to Actuals):		**215,000**	**0**	**215,000**

Notes
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" = Moved from funded status to unfunded status
^ = Annual Watermain or Sanitary Pipeline Replacement Program Project Candidates
# = Annual Pump Station/System Upgrade Program Project Candidates
Shaded year(s) = Previous timing
Bold italics = New projects

City of Kirkland
2013-2018 Capital Improvement Program

PARK PROJECTS

Funded Projects:

Project Number	Project Title	Prior Year(s)	2013	2014	2015	2016	2017	2018	2013-2018 Total	Funding Source: Current Revenue	Funding Source: Reserve	Funding Source: External Source
PK 0049	Open Space, Pk Land & Trail Acq Grant Match Program		100,000						100,000		100,000	
PK 0066*	Park Play Area Enhancements				50,000	50,000	50,000	50,000	200,000	200,000		
PK 0087 100#	***Waverly Beach Park Renovation***			***500,000***					***500,000***	***500,000***		
PK 0095 200	***Heritage Park - Heritage Hall Renovations***		***50,000***						***50,000***	***50,000***		
PK 0113 100	***Spinney Homestead Park Renovation***		***443,000***						443,000	443,000		
PK 0114 101	***Mark Twain Park Renovation (Design)***						75,000		75,000	75,000		
PK 0115*	Terrace Park Renovation		75,000	440,000					515,000	515,000		
PK 0116 100	***Lee Johnson Field Lighting Replacements***			***150,000***					***150,000***	***150,000***		
PK 0119*	Juanita Beach Park Development Phase 2	3,450,000					100,000	1,207,000	1,307,000	807,000		500,000
PK 0119 100#	***Juanita Beach Bathhouse Replacement & Shelter***				***200,000***	***1,000,000***			***1,200,000***	***1,200,000***		
PK 0121*	Green Kirkland Forest Restoration Program		75,000	75,000	75,000	75,000	75,000	75,000	450,000	450,000		
PK 0131*^^	Park and Open Space Acquisition Program						508,000		508,000	508,000		
PK 0133 100#	***Dock & Shoreline Renovations***		***150,000***	***150,000***	***250,000***	***250,000***			***800,000***	***800,000***		
PK 0133 200#	***City-School Playfield Partnership***						***500,000***	***500,000***	***1,000,000***	***1,000,000***		
PK 0133 300#	***Neighborhood Park Land Acquisition***		***475,000***	***375,000***			***750,000***	***750,000***	***2,350,000***	***2,350,000***		
PK 0133 400#	***Edith Moulton Park Renovation***		***100,000***	***100,000***	***800,000***				***1,000,000***	***1,000,000***		
PK 0134	***132nd Park Playfields Renovation***		***75,000***		***637,000***				***712,000***	***712,000***		
PK 0138	***Everest Park Restroom/Storage Building Replacement***			***75,000***		***660,000***			735,000	735,000		
Total Funded Park Projects		**3,450,000**	**1,543,000**	**1,865,000**	**2,012,000**	**2,035,000**	**2,058,000**	**2,582,000**	**12,095,000**	**11,495,000**	**100,000**	**500,000**

Notes
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Shaded year(s) = Previous timing
Bold italics = New projects
Italics - Repurposed projects
 # = Park Levy Candidates
^^2013-2014 Funding moved to previously authorized expenditures in NM 0070 Cross Kirkland Corridor Acquisition

Prior Year(s) Funding (Budget to Actuals):

Project Number	Project Title	Budget	Actual	Balance
PK 0119*	Juanita Beach Park Development Phase 2	3,450,000	3,447,711	2,289
Total Prior Year(s) Funding (Budget to Actuals):		**3,450,000**	**3,447,711**	**2,289**

City of Kirkland
2013-2018 Capital Improvement Program

PARK PROJECTS

Unfunded Projects:

Project Number	Project Title	Total
PK 0078 600	A.G. Bell Elementary Playfields Improvements	200,000
PK 0078 800	International Comm. School Playfield Improvements	300,000
PK 0086	Totem Lake Neighborhood Park Acquisition & Development	2,500,000
PK 0087 101	***Waverly Beach Parks Renovation (Phase 2)***	***1,000,000***
PK 0095 100	Heritage Park Development - Phase III & IV	2,500,000
PK 0096	Ohde Avenue Park Development	250,000
PK 0097	Reservoir Park Renovation	500,000
PK 0099	N. Juanita (East) Neighborhood Park Acquisition/Development	2,500,000
PK 0100	N. Juanita (West) Neighborhood Park Acquisition/Development	2,500,000
PK 0101	N. Rose Hill Neighborhood Park Acquisition/Development (North)	2,500,000
PK 0102	N. Rose Hill Neighborhood Park Acquisition/Development (Central)	2,500,000
PK 0103	Market Neighborhood Park Acquisition/Development	3,500,000
PK 0108	McAuliffe Park Development	7,000,000
PK 0114*	Mark Twain Park Renovation	750,000
PK 0116	Lee Johnson Field Artificial Turf Installation	1,500,000
PK 0117	Lake Avenue West Street End Park Enhancement	100,000
PK 0119 200	***Juanita Beach Park Development (Phase 3)***	***10,000,000***
PK 0122 100	Community Recreation Facility Construction	42,000,000
PK 0124"	Snyder's Corner Park Site Development	1,000,000
PK 0125	Dock Renovations	250,000
PK 0126	Watershed Park Master Planning & Park Development	1,100,000
PK 0127	Kiwanis Park Master Planning & Park Development	1,100,000
PK 0128	Yarrow Bay Wetlands Master Planning & Park Development	1,600,000
PK 0129	Heronfield Wetlands Master Planning & Development	1,600,000
PK 0133 500	***Lee Johnson Field Synthetic Turf and Lighting***	***1,500,000***
PK 0135	***Juanita Heights Park Master Planning and Development***	***1,125,000***
PK 0136	***Kingsgate Park Master Planning and Park Development***	***1,150,000***
PK 0137	***Windsor Vista Park Master Planning and Park Development***	***1,150,000***
PK 0139	***Highlands Park Renovation***	***750,000***
Total Unfunded Parks Projects		**94,425,000**

Notes
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Shaded year(s) = Previous timing
Bold italics = New projects
Italics - Repurposed projects
^^2013-2014 Funding moved to NM 0070 Cross Kirkland Corridor (See Transportation CIP)

Unfunded Repurposed Projects:

Project Number	Project Title	Total Balance
PK 0056	*Forbes Lake Park Development*	*200,000*
PK 0083	*South Juanita Park Site Development*	*212,300*
PK 0087	*Waverly Beach Park Renovation*	*505,000*
PK 0111	*Skate Park*	*200,000*
PK 0113	*Spinney Homestead Park Renovation*	*350,000*
PK 0122	*Community Recreation Facility Planning*	*72,000*
Total Unfunded Repurposed Projects		**1,539,300**

Total Unfunded Parks Projects:

Unfunded Park Projects	94,425,000
Unfunded Repurposed Projects	1,539,300
Total Unfunded Parks Projects	**95,964,300**

City of Kirkland
2013-2018 Capital Improvement Program

PUBLIC SAFETY PROJECTS

Funded Projects:

Project Number	Project Title	Prior Year(s)	2013	2014	2015	2016	2017	2018	2013-2018 Total	Funding Source: Current Revenue	Funding Source: Reserve	Funding Source: External Source
FIRE												
PS 0067*	Dive Rescue Equipment			55,000					55,000	55,000		
PS 0071*	Self Contained Breathing Apparatus (SCBA)		741,600						741,600	741,600		
PS 0075	***Portable Radios***						***347,000***		***347,000***	***347,000***		
PS 0076	***Personal Protective Equipment***			***518,200***					***518,200***	***518,200***		
POLICE												
PS 1000	***Police Equipment Replacement***		***160,500***	***26,300***	***87,300***	***219,800***	***124,600***	***42,600***	***661,100***	***661,100***		
Total Funded Public Safety Projects		**0**	**902,100**	**599,500**	**87,300**	**219,800**	**471,600**	**42,600**	**2,322,900**	**2,322,900**	**0**	**0**

Unfunded Projects:

Project Number	Project Title	Total
PS 0068	Local Emergency/Public Communication AM Radio	119,100
Total Unfunded Public Safety Projects		**119,100**

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Shaded year(s) = Previous timing
Bold italics = New projects

City of Kirkland
2013-2018 Capital Improvement Program

GENERAL GOVERNMENT PROJECTS

Funded Projects:

Project Number	Project Title	Prior Year(s)	2013	2014	2015	2016	2017	2018	2013-2018 Total	Funding Source: Current Revenue	Reserve	Debt	External Source
TECHNOLOGY													
IT 0100 000*	Network Server Replacements		211,000	125,000	140,400	160,000	160,000	125,000	921,400	860,400	61,000		
IT 0110 000*	Network Infrastructure		50,000	200,000	35,000	35,000	35,000	35,000	390,000	390,000			
IT 0120 000*	Network Storage		628,900				300,000	700,000	1,628,900	1,100,000	528,900		
IT 0130 000*	Network Phone Systems				250,000				250,000	165,700	84,300		
IT 0140 000*	Network Security		130,000	65,000	55,000		75,000	30,000	355,000	206,000	149,000		
IT 0200 000*	Geographic Information Systems		170,000	185,000	250,000	250,000	250,000	250,000	1,355,000	878,000	477,000		
IT 0300 000*	Finance and HR System Modules		47,400	21,100	49,300	5,800			123,600		123,600		
IT 0402 000*+	Financial System Replacement					150,000			150,000		150,000		
IT 0500 000	***Copier Replacements***				***32,000***		***72,000***		***104,000***	***104,000***			
IT 0601 000*+	Help Desk System Replacement Phase 2				66,000				66,000		66,000		
IT 0602 000*	Standard Reporting Tool		83,200						83,200		83,200		
IT 0702 000*	Maintenance Management System Upgrade		30,000	147,600					177,600	53,100	124,500		
IT 0901 000*	***Disaster Recovery System Improvement***		***50,000***	***150,000***					***200,000***	***200,000***			
FACILITIES													
GG 0008*	Electrical, Energy Management & Lighting Systems		18,900		66,400	10,200		44,100	139,600		139,600		
GG 0009*	Mechanical/HVAC Systems Replacements		29,000	222,800	47,000		198,300	317,600	814,700		814,700		
GG 0010*	Painting, Ceilings, Partition & Window Replacements			68,000	170,400	155,100	194,900	142,400	730,800		730,800		
GG 0011*	Roofing, Gutter, Siding and Deck Replacements		41,800	122,300		34,600	141,800	257,700	598,200		598,200		
GG 0012*	Flooring Replacements			66,400	105,800	23,300	82,000	96,500	374,000		374,000		
GG 0013 103*	***Public Safety Building Phase III***	***3,298,187***	***27,418,200***						***27,418,200***		***6,580,368***	***20,837,832***	
GG 0035 100+	***City Hall Expansion***	***166,500***	***433,500***	***1,450,000***	***7,950,000***				***9,833,500***		528,924	***5,804,576***	*3,500,000*
GG 0039*	***Consolidated Fire Station No 25***	***1,368,000***	***3,862,000***						***3,862,000***			3,862,000	
Total Funded General Government Projects		**4,832,687**	**33,203,900**	**2,823,200**	**9,217,300**	**824,000**	**1,509,000**	**1,998,300**	**49,575,700**	**3,957,200**	**11,614,092**	**30,504,408**	**3,500,000**

Unfunded Projects:

Project Number	Project Title	Total
IT 0401 000	Utility Billing/Cashiering System Replacement	491,700
IT 0501 000	Police ProAct Unit NCIC Handheld Computers	52,000
IT 0701 000	Fleet Management Systems Replacement	80,000
IT 0802 000	Recreation Registration System Replacement	83,000
IT 0902 000	Customer Relationship Management System	414,000
Total Unfunded General Government Projects		**1,120,700**

Prior Year(s) Funding (Budget to Actuals):

Project Number	Project Title	Budget	Actual	Balance
GG 0013 103*	Public Safety Building Phase III	3,298,187	148,608	3,149,579
GG 0039*	Consolidated Fire Station No 25	1,368,000	***27,939***	1,340,061
Total Prior Year(s) Funding (Budget to Actuals):		**4,666,187**	**176,547**	**4,489,640**

Notes
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Shaded year(s) = Previous timing
Bold italics = New projects

Council Meeting: 12/11/2012
Agenda: New Business
Item #: 11. a.

CITY OF KIRKLAND
Planning and Community Development Department
123 Fifth Avenue, Kirkland, WA 98033 425.587.3225
www.kirklandwa.gov

MEMORANDUM

Date: **November 29, 2012**

To: **Kurt Triplett, City Manager**

From: **Joan Lieberman-Brill, AICP, Senior Planner**
Jeremy McMahan, AICP, Planning Supervisor
Angela Ruggeri, AICP, Senior Planner
Teresa Swan, Senior Planner
Paul Stewart, AICP, Deputy Planning Director
Eric Shields, AICP, Planning Director

Subject: **2012 City Initiated Comprehensive Plan Amendments and related Zoning and 2012 Private Amendment Requests and related Zoning.**

RECOMMENDATION

City Council considers the recommendations of approval from the Planning Commission and (if applicable) the Houghton Community Council and adopts the individual ordinances and resolutions as noted below.

BACKGROUND DISCUSSION

Proposed Ordinances for Adoption

The proposed ordinances consist of several concurrent efforts that culminate in proposed amendments to the Comprehensive Plan, Zoning Code and Map and Design Guidelines. Except for special circumstances, the Comprehensive Plan may only be amended once per year. Each year the City considers a variety of plan amendments that typically include code and map amendments as well. These are brought to the City Council for adoption at the end of the year after extensive study sessions and public hearings by the Planning Commission and Houghton Community Council. In 2012, two Private Amendment Requests (PAR's) were reviewed as well (Howard and Parker).

The following plan and code amendments were reviewed by the Planning Commission and Houghton Community Council (where applicable). They consist of the following four main topics:

A. Annual City-Initiated Comprehensive Plan Amendments

- Ordinance #4388 (Amendments to the Comprehensive Plan)

B. Commercial Code Amendments
- Ordinance #4389 (Amendments to the Comprehensive Plan)
- Ordinance #4390 (Zoning Code and map amendments)
- Resolution #4945 (Amending Design Guidelines)

C. Howard Private Amendment Request
- Ordinance #4391 (Comprehensive Plan, Zoning Map and code amendment)

D. Parker Private Amendment Request
- Ordinance #4392 (Comprehensive Plan and Zoning Code amendments)
- Resolution #4946 (Amending Design Guidelines)

Below is a summary discussion of each of the four topics including highlights of the key issues that the Council should consider when making their decision on the ordinances.

Please Note: For each topic, there is a Planning Commission transmittal memo that includes both the Planning Commission and Houghton Community Council (HCC) recommendation, a discussion of the issues, policy highlights and process as well as the background material and attachments. The City Council should review the individual transmittal memos from the Planning Commission for each topic. These are noted as separate agenda items under #11.a.

The Planning Commission Chair (Mike Miller) and Vice-Chair (Jon Pascal) will be at the Council meeting to convey the Commission's recommendation and discussion as appropriate.

The Planning Commission has recommended approval of all of the proposed amendments. The HCC has also recommended approval for those amendments that fall within their disapproval jurisdiction. Following City Council action, the amendments applicable in Houghton will be considered by them at their January 28, 2013 meeting.

A. 2012 City Initiated Comprehensive Plan Amendments - See Agenda Item #11.a.(1)

Each year staff proposes amendments to the Comprehensive Plan as appropriate. On September 24 and 27, 2012 respectively, the Houghton Community Council (HCC) and Planning Commission (PC) held study sessions on the 2012 Comprehensive Plan Amendments (CPA), and were in agreement with the proposed 2012 amendments.

Following the joint PC and HCC public hearing on November 8, both bodies again unanimously recommended adoption. This year, the amendments are primarily minor housekeeping amendments, with the exception of annual updates to the Capital Facilities Plan to bring it into consistency with the 2013-2018 Capital Improvement Plan, and new hazardous liquid pipeline policies supporting recently adopted Zoning Code pipeline regulations. All amendments are included as attachments to Ordinance #4388.

The City Initiated amendments also include the Commercial Code Amendments previously reviewed by the City Council. These are discussed in more detail below and consist of separate ordinances and a resolution.

The City Council may approve the proposed amendments by adopting the following:

- Ordinance #4388 (Amendments to the Comprehensive Plan)

B. Commercial Code and Plan Amendments - See Agenda Item #11.a.(2)

The City Council previously received the Planning Commission recommendation on commercial code and plan amendments at their September 18, 2012 meeting. The City Council subsequently indicated agreement with all of the amendments recommended by the Planning Commission with the following exceptions, where direction was provided to staff to incorporate changes into the attached ordinances for adoption:

- Residential Density for the BN and MSC 2 zones at **48 units per acre:**

  Discussion: After considering a wide range of density options, the Planning Commission recommended residential densities of 24 and 36 units per acre. The City Council provided direction that the densities should be consistent among the three BN and MSC 2 areas. The Council also provided direction that the density should be higher (48 units per acre) consistent with Comprehensive Plan policies supporting mixed use development and encourage housing within commercial areas.

It should be noted that the current Zoning Code provisions for affordable housing would be available to developers in the BN zones to increase the density by including affordable units in a project. This information was considered by the Planning Commission during the amendment process (see staff memo for public hearing) and they did not recommend any changes.

While affordable housing is typically required in density restricted zones, the City's current affordable housing provisions for the zones under consideration would only be available as optional incentives. This is because legal requirements for mandatory affordable housing programs anticipate that the Code is providing additional development incentives to achieve that objective. In the case of the current amendments, because the City is contemplating density restrictions where none currently exist, the conditions do not exist to mandate affordable housing.

The existing affordable housing provisions of Kirkland Zoning Code (KZC) Chapter 112 would be available for voluntary use with the BN zone density caps unless specifically precluded in the new regulations. The basic unit bonuses available through these regulations allow an increase of an additional 25% in the number of units based on the underlying zone. For each one affordable housing unit provided, the basic affordable housing incentive provides two bonus units. Under current regulations, these basic incentives are available without an appeals process.

For example:

> Consider development of a one acre site in a BN zone with a 48 unit per acre density. The base density would be 48 units. A development providing six of those units as affordable housing would be allowed an additional 12 bonus units for a total density of 60 units.

An additional 25% increase in density may be allowed at the discretion of the City if certain criteria are met. This additional density can be appealed to the City Hearing Examiner.

- Residential Market definition:

  Discussion: The City Council reviewed the Planning Commission's amendments to the Comprehensive Plan definition of "Residential Market" and directed additional changes to provide clarity. The Planning Commission subsequently reviewed those changes at its joint hearing with the Houghton Community Council (HCC) on the annual Plan amendments on November 8, 2012. The Commission and HCC supported the definition as revised by the City Council (see below) with one additional change, which is the deletion of the term "residential" at the beginning of the second sentence.

  > *Individual stores or ~~very small~~, mixed-use buildings/centers ~~focused on~~ that are pedestrian oriented and serve the local ~~pedestrian traffic~~ neighborhood. ~~Residential s~~Scale and design are critical to integrate these uses into the surrounding residential area. Residential uses may be located above or behind commercial uses in the center, at densities specified in the comprehensive plan.*

  Their intent is to clarify that a mixed use project does not need to look like a residence in order to integrate into the scale and design of the surrounding residential area. This change has been incorporated into the attached ordinance for Council consideration.

City Council Action
The City Council may approve the proposed amendments by adopting the following:

- Ordinance #4389 (Amendments to the Comprehensive Plan)
- Ordinance #4390 (Zoning Code and map amendments)
- Resolution #4945 (Amending Design Guidelines)

C. Howard Private Amendment Request - See Agenda Item #11.a.(3)

On November 22, 2010, Jeff Howard submitted a PAR request to change the Zoning Map and Comprehensive Plan land use designation for his vacant commercially zoned property (labeled as Lot 1 in the study area) from BNA (commercial) to RMA

2.4 (multifamily at 18 units per acre). His property is located on the west side of Juanita Drive NE in the *Holmes Point Business District*.

On April 19, 2011, the City Council considered the Howard PAR and directed the Planning Commission to study the request in 2012. In addition, the City Council directed that the study include the two other BNA zoned properties on the west side of the *Holmes Point Business District* located south of the Howard BNA zoned site. These other two properties are the Finn Hill Fire Station property owned by the City (labeled as Lot 2 in the study area) and the Holmes Point LLC office complex (labeled as Lot 3 in the study area). In addition, staff identified an issue of inconsistency between the Land Use Map and the Zoning Map for Mr. Howard's RMA zoned lot to the north (labeled as Lot A in the study area) and included this property in the study (see Attachment 1 in the Planning Commission's transmittal memo).

<u>Recommendation</u>
The Planning Commission held study sessions on September 27, 2012 and October 25, 2012, and a public hearing on November 15, 2012. As described in its transmittal memo dated November 29, 2012, the Planning Commission has made the following recommendations:

- Change the Zoning Map and Comprehensive Plan's Land Use Map for Lots 1-3 in the study area **from Commercial (BNA) to Professional Office/Multifamily** at 18 units per acre **(PRA 2.4)**. The residential density of 18 units per acre (or 1 unit for every 2400 square feet of land area) is consistent with the density recommended for this BNA zone in the pending Commercial Code and Plan Amendments.

- Change the Comprehensive Plan's Land Use Map for Lot A in the study area **from Commercial to Multifamily** at 18 units per acre to make the Land Use Map consistent with the existing Zoning Map. Lot A is zoned RMA 2.4 (18 units per acre).

The **key issues** that the Planning Commission considered in their recommendation were:

- Poor or no vehicular access, particularly given the offset configuration of the intersection
- Lack of commercial visibility
- Minimal property frontage
- Appropriateness of requiring commercial on the ground given the site constraints
- Some commercial is still allowed in the PRA zone
- Support of abutting neighbors for Mr. Howard's request
- Future development plans of the property owners in the study area

The Planning Commission concluded that the study area has limited commercial viability because of the site constraints. Furthermore, the request was supported by a petition signed by 37 surrounding property owners. The Professional Office/Multifamily (PRA)

zoning and land use designation allow multifamily, office, restaurant and some limited retail either alone or as a mixed use along with government facilities (fire station).

Minor Code Amendment

Following the Planning Commission's hearing, staff identified a minor code amendment that should be included if the City Council choses to adopt the Planning Commission's recommendation to rezone the study area to the PRA 2.4 zone. The standard maximum allowable height in the PRA zone is 35'. However, the PRA regulations contain a General Regulation 5 that allows a height up to 60' within three stories. This additional height is to accommodate the ventilation requirements for two in-patient treatment facilities (Fairfax and Lakeside Milan) on NE 132nd Street east of 100th Ave NE in the PRA 1.8 zone. These facilities must have large HVAC systems placed on the top floor to meet the state requirements for ventilation of hospitals (e.g. Evergreen's HVAC floors are about 20' high).

Prior to annexation, representatives from these two treatment facilities indicated to staff that they had future plans to rebuild and would like to have the same height standards as was allowed in King County. With annexation, the City adopted the County's height provision of 60' high for these facilities only. Since there is currently only one PRA zone and three properties in that zone (the two treatment facilities and one small medical office in the PRA 1.8 zone), General Regulation 5 does not state what uses can utilize this provision.

It was stated at the public hearing and in the staff memos for the Howard PAR that the height limit for the PRA zone is 35'. To prevent someone in the new PRA 2.4 zone from building a structure higher than 35', staff recommends a minor code amendment shown below. General Regulation 5 in the PR/PRA Use Zone chart, Section 25.08 KZC, would be amended to add the name of the zone in which the greater height allowance applies (PRA 1.8):

PR/PRA Section 25.08 KZC General Regulations:

*25.08.5. Within the PRA **1.8** zone, the maximum building height of a structure may be increased to 60 feet above average building elevation if:*

a. All required yards are increased by one foot for every two feet of height above 35 feet;

b. Buildings may not exceed three stories; and

c. Rooftop appurtenances may not exceed the maximum height and are screened with sloped roof forms.

The amendment is included in the ordinance.

City Council Action

The City Council may approve the proposed amendments by adopting the following:

- Ordinance #4391 (Comprehensive Plan, Zoning Map and code amendment)

D. Parker Private Amendment Request - See Agenda Item #11.a.(4)

The City Council directed staff to study the proposed Parker amendments to the Comprehensive Plan and Zoning Code for PLA5C as part of the 2012 PAR process. The proposed amendments allowed for increased density for the parcel at 911 - 5th Avenue in the Moss Bay Neighborhood (see Attachment 2 to the Planning Commission's transmittal memo). This proposal is a further refinement of the 2008 proposal included in the Downtown Area Planned Action Ordinance. The 2008 proposal included the Parkplace mixed use project along with two other PARs (the Orni proposal and the Altom proposal).

The Parker property was included in the Orni proposal. At that time, the Orni request was to rezone the area from PLA5D to PLA5C, and to change the land use designation from High Density Residential to Office/Multifamily. This rezone increased the permitted height on the subject properties from 30' above average building elevation (ABE) to the lower of 6 stories or 60' above ABE, but the properties included in the Orni proposal were limited to 4 stories or 40' above ABE.

Although multifamily residential uses are allowed in PLA5C, increased density was not part of the original proposal. The density/floor area ratio for the property was raised for office development with the original 2008 amendment, but remained limited for multifamily. Because of this, the present designation and zoning encourages the development of office and discourages multifamily.

An amendment for increased density was approved for the Altom PAR in 2011. The Altom PAR is also located in PLA5C. That amendment allowed the residential density to be commensurate with the increased height allowed in 2008 but only on the Altom site (see Attachment 2 to the Planning Commission's transmittal memo).

The Planning Commission reviewed the Parker request at their study session on September 27, 2012 and directed staff to study the full PLA5C zone, rather than just looking at the Parker property (see Attachment 1 to the Planning Commission's transmittal memo).

The proposed amendments would remove the maximum density indicated by units per acre. Instead, density would be determined by the number of units that would fit in the building envelope. This is how density is currently determined in the Central Business District which is just west of the PLA5C zone.

In addition to increased density for properties in the PLA5C zone, amendments to the Zoning Code would also express height limits in feet rather than in both feet and number of stories which is now the case. Design review for the entire PLA5C zone is recommended, as well as reductions in required front setback yards and the amount of required common recreational open space. These amendments would include adjustments to the Comprehensive Plan, Zoning Code and Municipal Code. All amendments are included as exhibits to the ordinance and resolution.

The Planning Commission held study sessions on September 27, 2012 and October 25, 2012, and a public hearing on November 15, 2012. As described in their transmittal memo dated November 29, 2012, the Planning Commission has made the following recommendations:

Proposed Comprehensive Plan Amendments:

- Remove maximum density for PLA5C on the Comprehensive Plan Land Use maps.
- Remove maximum density language for PLA5C in Comprehensive Plan.

Proposed Zoning Code Amendments:

- Remove maximum density limit for PLA5C.
- Change height limit to feet only - remove maximum number of stories.
- Change front yard setback requirement to 10 feet.
- Require Design Review for development activities in PLA5C.
- Include affordable housing requirements for PLA5C.
- Put a maximum square footage limit of 4800 square feet/acre on the Common Recreational Open Space requirements for PLA5C.

Proposed Update to the Design Guidelines in Municipal Code:

- References to PLA5C would be added to the Design Guidelines for Pedestrian Oriented Business Districts.

City Council Action

The City Council may approve the proposed amendments by adopting the following:

- Ordinance #4392 (Comprehensive Plan and Zoning Code amendments)
- Resolution #4946 (Amending Design Guidelines)

CITY OF KIRKLAND
PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
123 FIFTH AVENUE, KIRKLAND, WA 98033
425.587.3225 - www.kirklandwa.gov

MEMORANDUM

DATE: **November 29, 2012**

TO: **Kirkland City Council**

FROM: **Mike Miller, Chair, Kirkland Planning Commission**

SUBJECT: **Recommendation to Adopt the 2012 City Initiated Comprehensive Plan Amendments (ZON12-00001 and ZON11-00042)**

Introduction

We are pleased to submit the recommended annual city initiated Comprehensive Plan Amendments for 2012 for consideration by the City Council. This effort culminates the work started with the preparation of the 2013-2018 Capital Improvement Program (CIP), necessitating updates to the Capital Facilities and Transportation Element chapters of the Plan to bring them into consistency with the biennial CIP.
During this cycle there are no new state legislation or major Kirkland policy initiatives to incorporate into the Plan. Recommended revisions include new Hazardous Liquid Pipeline policies, housekeeping amendments, updates to functional maps, and various other minor changes. All amendments are included as attachments to Ordinance 4388.

All of the Comprehensive Plan amendments within the jurisdiction of the Houghton Community Council were reviewed and recommended for approval by the Community Council.

The Planning Commission and HCC held a joint public hearing on November 8.

Issues

The PC concurs with staff to recommend postponing consideration of the request by the Evergreen Hill Neighborhood Association to change the name of the Kingsgate Neighborhood. We agree that more public outreach to businesses and residents is needed to increase awareness of this proposal, and that during the major Plan update commencing in 2013, appropriate attention can be focused on this request. The neighborhood association has agreed to this approach.

The recommended amendments include new Hazardous Liquid Pipeline policies, which support recently adopted zoning regulations addressing land use development close to the Olympic Pipeline corridor. We directed staff to strike specific dimensions from the

proposed text and instead retain this level of specificity in the zoning regulations, which implement the Plan. The ordinance reflects our request.

The revisions to the CFP reflect the voter approved park and road levies. A number of projects are in the Juanita, Finn Hill and Kingsgate neighborhoods. Last year we identified our desire to target these neighborhoods for capital improvement projects and are pleased that the levies included funding for projects in the annexation areas as well as the rest of the City. The Capital Facilities Element, as mandated by GMA, supports the land use plan with funded projects to meet our adopted levels of service.

Regarding the Commercial Code and Plan amendments, the Houghton Community Council supported the Planning Commission's prior recommendation to remove of the Residential Market designation from the Super 24 site within the Lakeview Neighborhood. The Planning Commission and Houghton Community Council reviewed the edits to the definition of Residential Market and the proposed revisions by City Council to the Planning Commission recommendation. The Commission and HCC supported the revised definition with one additional minor change - to remove the term "residential" in reference to the scale and design. The intent is to clarify that a mixed use project does not need to look like a residence in order to integrate into the scale and design of the surrounding residential area. The Houghton Community Council also supported the proposed clarification of Policy LU-5.9 addressing other markets in residential areas. The recommended amendments are included in the text of Ordinance 4389 for the City Council's final review.

The Planning Commission and Houghton Community Council unanimously recommend adoption of the 2012 Comprehensive Plan amendments.

Background

Policy Highlights – City Initiated Amendments

Each year the City reviews and makes changes to its Comprehensive Plan for any needed changes pursuant to the Growth Management Act or other city-initiated amendments as appropriate. Highlights of this cycle include:

- Amendments to the Transportation and Capital Facilities Elements of the Plan, primarily to incorporate the 2013 - 2018 Capital Improvement Program (CIP) into the Capital Facilities Plan (CFP). Pursuant to the GMA, the CIP and CFP/Transportation Element must be consistent. Both the CIP and CFP are scheduled to be adopted on December 11 by the City Council.

- Follow-up text and map amendments to the Utility Element to incorporate Hazardous Liquid Pipeline goals and policies. They address the Olympic Pipeline which runs through the recently annexed Kingsgate and Totem Lake neighborhoods and abuts the eastern boundary of the Bridle Trails neighborhood. New Chapter 118 Zoning Regulations were adopted by Kirkland City Council in August 2012.

- Functional map amendments to reflect updated conditions on the ground, such as incorporating the boundary line adjustment between Bothell and Kirkland, and the Cross Kirkland Corridor.

Links to staff memorandums, draft minutes, and audio recordings for all PC and HCC meetings associated with the city initiated amendments, are provided below (all memorandums were the same for both advisory bodies):

November 8, 2012 joint Planning Commission/Houghton Community Council public hearing three part memo, minutes, and audio

September 27, 2012 Planning Commission study memo, minutes, and audio.

September 24, 2012 Houghton Community Council study memo, minutes, and audio

SEPA

City Initiated Amendments
The State Environmental Policy Act (SEPA) Determination of Nonsignificance may be viewed by following this link to the November 8 joint public hearing memorandum Part 3, Attachment 20.

Public Process & Participation

Notice of the public hearing was provided to the Seattle Times, the Neighborhood Associations and Kirkland Alliance of Neighborhoods. In addition, notices were sent to the Kirkland Chamber of Commerce, and the Olympic British Petroleum Pipe Line Company.

The Planning Commission and Houghton Community Council held one study session each to review the 2012 city initiated amendments leading up to the November 8 joint public hearing.

At the joint hearing, no one spoke or submitted comments.

cc: ZON12-00001
ZON11-00042
Planning Commission
Houghton Community Council
Kirkland Neighborhood Associations
Kirkland Alliance of Neighborhoods
Kirkland Chamber of Commerce
Mail List

ORDINANCE O-4388

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO COMPREHENSIVE PLANNING AND LAND USE AND AMENDING THE COMPREHENSIVE PLAN ORDINANCE 3481, AS AMENDED, AND APPROVING A SUMMARY FOR PUBLICATION, FILE NO. ZON12-00001.

WHEREAS, the City Council has received a recommendation from the Kirkland Planning Commission and the Houghton Community Council to amend certain portions of the Comprehensive Plan for the City, Ordinance 3481, as amended, as set forth in the report and recommendation of the Planning Commission and the Houghton Community Council dated November 29, 2012, and bearing Kirkland Department of Planning and Community Development File No. ZON12-00001; and

WHEREAS, prior to making the recommendation the Planning Commission and Houghton Community Council, following notice as required by RCW 35A.63.070, held on November 8, 2012, a joint public hearing on the amendment proposals and considered the comments received at the hearing; and

WHEREAS, pursuant to the State Environmental Policy Act (SEPA), there has accompanied the legislative proposal and recommendation through the entire consideration process, a final determination of nonsignificance, including supporting environmental documents, issued by the responsible official pursuant to WAC 197-11-340 and WAC 197-11-625; and

WHEREAS, in regular public meeting the City Council considered the environmental documents received from the responsible official, together with the report and recommendation of the Planning Commission and the Houghton Community Council; and

WHEREAS, RCW 36.70A.130, requires the City to review all amendments to the Comprehensive Plan concurrently and no more frequently than once every year;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Kirkland as follows:

Section 1. Comprehensive Plan Text, Figures and Tables amended: The Comprehensive Plan, Ordinance 3481, as amended, is amended as set forth in Attachment A attached to this Ordinance and incorporated by reference.

Section 2. If any section, subsection, sentence, clause, phrase, part or portion of this Ordinance, including those parts adopted by reference, is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such decision

shall not affect the validity of the remaining portions of this Ordinance.

Section 3. To the extent that the subject matter of this Ordinance is subject to the disapproval jurisdiction of the Houghton Community Council as created by Ordinance 2001, the Ordinance shall become effective within the Houghton community either upon approval of the Houghton Community Council, or upon failure of the Community Council to disapprove this Ordinance within 60 days of its passage.

Section 4. Except as provided in Section 3, this Ordinance shall be in full force and effect February 1, 2013, after its passage by the City Council and publication pursuant to Section 1.08.017, Kirkland Municipal Code in the summary form attached to the original of this Ordinance and by this reference approved by the City Council.

Section 5. A complete copy of this Ordinance shall be certified by the City Clerk, who shall then forward the certified copy to the King County Department of Assessments.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 20___.

SIGNED IN AUTHENTICATION THEREOF this _____ day of _____, 20___.

_____
Mayor

Attest:

_____
City Clerk

Approved as to Form:

_____
City Attorney

Table T-5
Project Descriptions for the 2022 Transportation Project List (Funded – Unfunded)

Non-motorized Improvements

~~**NM20-1**~~ ~~**Sidewalk**~~

~~Location:~~ ~~**NE 100th Street from 116th Avenue NE to approximately 114th Avenue NE**~~

~~Description:~~ ~~**Installation of curb, gutter, sidewalk and storm drainage along the north side. Partially funded CIP project NM 0034-001; grant funding secured with completion scheduled for 2012.**~~

NM20-2 Non-motorized Facilities

Location: 116th Avenue NE (south section) (NE 60th Street to south City limits)

Description: Widen road to provide a paved five-foot bicycle lane north and southbound. Install pedestrian/equestrian trail along the east side of road. This trail will be separated from the roadway where possible. Partially funded CIP project NM 0001; schedule completion is dependent on grant funding.

NM20-3 Sidewalk

Location: 13th Avenue, Van Aalst Park to 3rd Street

Description: Install sidewalk and planter strip along the south side of 13th Avenue. Candidate CIP project NM 0054, included as a part of annual non-motorized program NM 8888.

NM20-4 Pedestrian/Bicycle Facility

Location: 18th Avenue at Crestwoods Park/NE 100th Street, from 6th Street to 111th Avenue NE at the Cross Kirkland Corridor right-of-way

Description: Installation of paved path and overpass along the described corridor. Unfunded CIP project NM 0031.

NM20-5 Sidewalk

Location: 93rd Avenue NE from Juanita Drive to NE 124th Street

Description: Installation of curb, gutter, sidewalk and planter strip along the east side. Candidate CIP project NM 0032, included as a part of annual non-motorized program NM 8888.

NM20-6 Sidewalk

Location: NE 52nd Street between approximately Lake Washington Boulevard and 108th Avenue NE

Description: Install curb, gutter and sidewalk along the north side of the street. Improve storm drainage along project alignment. Unfunded CIP project NM 0007.

NM20-7 Non-motorized Facilities

Location: Cross Kirkland Corridor right-of-way, between south and north City limits (formerly the BNSF right-of-way")

Description: 10- to 12-foot-wide two-way bike/pedestrian multi-purpose asphalt trail. Unfunded CIP project NM 0024.

NM20-8 Sidewalk

Location: 122nd Avenue NE, between NE 70th Street and NE 75th Street

Description: Install curb, gutter and sidewalk along the east side between NE 70th Street and NE 75th Street, and along the west side between NE 75th Street and NE 80th Street. Candidate CIP project NM 0055; included as a part of annual non-motorized program NM 8888.

~~**NM20-9**~~ ~~Sidewalk - Walk Route Enhancement~~

~~**Location:**~~ ~~104th Ave NE/NE 68th St (Lakeview School Walk Route)~~

~~**Description:**~~ ~~Install approximately 355 lineal feet of curb, gutter, sidewalk and planter strip along north side of NE 67th Street and west side of 104th Ave NE. Upgrade ADA ramps at NE 67th Street/103rd Ave NE, NE 68th Street/104th Ave NE and mid-block crosswalk on NE 68th Street at Lakeview Elementary. Install RRFB pedestrian activated lighted crosswalk at mid-block crosswalk. The project will complete critical non-motorized facilities to safely get students to and from Lakeview Elementary School; a 2010 Safe Routes to School Grant has been received; project NM 0068 has been moved to funded for 2012.~~

NM20-10 Bike Lane

Location: NE 100th Street, Slater Avenue NE to 132nd Avenue NE

Description: Provide markings, minor widening and other improvements to create a bicycle connection from the 100th Street overpass to 132nd Avenue NE. Candidate CIP project NM 0036, included as a part of annual non-motorized program NM 8888.

NM20-11 Sidewalk

Location: NE 95th Street from 112th Avenue NE to 116th Avenue NE

Description: Install curb, gutter, sidewalk and storm drain along north side. Unfunded CIP project NM 0045.

NM20-12 Sidewalk

Location: 18th Avenue West from Market Street to Rose Point Lane

Description: Install curb, gutter, sidewalk and storm drain along roadway. Candidate CIP project NM 0046, included as a part of annual non-motorized program NM 8888.

NM20-13 Sidewalk

Location: 116th Avenue NE from NE 70th Street to NE 75th Street

Description: Installation of curb, gutter, sidewalk and storm drainage along east side of roadway. Unfunded CIP project NM 0047.

NM20-14 Sidewalk

Location: 130th Avenue NE, NE 95th Street to NE 100th Street

Description: Installation of curb, gutter, sidewalk and storm drainage along west side of roadway. Unfunded CIP project NM 0037.

NM20-15 Pedestrian/Bicycle Bridge

Location: NE 90th Street, 116th Avenue NE to Slater Avenue; across I-405

Description: Pedestrian/bicycle bridge approximately 10 feet wide, with approaches on each end. Unfunded CIP project NM 0030.

NM20-16A Sidewalk

Location: NE 90th Street, 124th Avenue NE to 128th Avenue NE (Phase I)

Description: Installation of curb, gutter and sidewalk along the north side. Unfunded CIP project NM 0056.

NM20-16B Sidewalk

Location: NE 90th Street, 120th Avenue NE to 124th Avenue NE, and 128th Avenue NE to 132nd Avenue NE (Phase II)

Description: Installation of curb, gutter and sidewalk along the north side. Unfunded CIP project NM 0026.

NM20-17 Pathway/Sidewalk

Location: NE 60th Street from 116th Avenue NE to 132nd Avenue NE

Description: Half-street improvements along the north side to include pathway/sidewalk, curb and gutter (where appropriate), storm drainage/conveyance (natural and/or piped) and minor widening; accommodations for equestrians will be reviewed during the design. Unfunded CIP project NM 0048.

NM20-18 Pedestrian Facility

Location: Forbes Creek Drive from Crestwoods Park to Juanita Bay Park

Description: Installation of curb, gutter and sidewalk along the north side of Forbes Creek Drive from approximately 108th Avenue NE to approximately Market Street. Unfunded CIP project NM 0041.

NM20-19 Pedestrian/Bicycle Facility

Location: NE 126th Street/Totem Lake Way from 120th Avenue NE to 132nd Place NE

Description: Installation of paved multi-purpose path and storm drainage along corridor. Candidate CIP project NM 0043, included as a part of annual non-motorized program NM 8888.

NM20-20 Crosswalk Upgrades

Location: Various locations throughout City

Description: Pedestrian crossing improvements. Projects are combined and funded every two years under CIP project NM 0012.

NM20-21 Annual Pedestrian Improvements

Location: Various locations throughout City

Description: Continue to prioritize and install pedestrian improvements to meet the adopted level of service.

NM20-22 Annual Bicycle Improvements

Location: Various locations throughout the City

Description: Continue to prioritize and install bicycle improvements to meet the adopted level of service.

NM20-23 Sidewalk

Location: 112th Avenue NE from NE 87th Street to NE 90th Street

Description: Installation of curb, gutter, sidewalk and storm drain along west side of roadway. Candidate CIP project NM 0049, included as a part of annual non-motorized program NM 8888.

NM20-24 Sidewalk

Location: NE 80th Street from 126th Avenue NE to 130th Avenue NE

Description: Installation of curb, gutter, sidewalk and storm drain along south side of roadway. Candidate CIP project NM 0050, included as a part of annual non-motorized program NM 8888.

~~**NM20-25**~~ ~~Sidewalk~~

~~**Location:**~~ ~~NE 85th Street from I-405 to 132nd Avenue NE and along 124th Avenue NE from NE 80th Street to NE 90th Street (AKA Rose Hill Business District Sidewalks)~~

~~**Description:**~~ ~~Install sidewalk, planter strip, storm drainage and other improvements to enhance Sound Transit bus route 540 ridership. Funded CIP project NM 0051.~~

NM20-26 Sidewalk

Location: Kirkland Way from 8th Street to Ohde Avenue

Description: Installation of curb, gutter, sidewalk and storm drain along the roadway. Unfunded CIP project NM 0063.

NM20-27 Sidewalk

Location: NE 112th Street from 117th Place NE to the Cross Kirkland Corridor right of way crossing

Description: Installation of curb, gutter, sidewalk and storm drain along north side of roadway. Candidate CIP project NM 0053, included as a part of annual non-motorized program NM 8888.

NM20-28 Annual Sidewalk Maintenance Program

Location: Citywide

Description: Repair and replacement of existing sidewalks to provide safe pedestrian travel ways and to maintain the value of the sidewalk infrastructure. Funded CIP project NM 0057.

NM20-29 Nonmotorized/Emergency Access Connection

Location: 111th Avenue from the Cross Kirkland Corridor right of way north to Forbes Creek Drive

Description: Install paved nonmotorized facility with retractable bollards and/or emergency vehicle actuated gate(s) to prevent through traffic. Identified in the Highlands Neighborhood Plan; unfunded CIP project NM 0058.

~~NM20-30~~ ~~**Sidewalk**~~

~~Location:~~ ~~**6th Street from 1st Avenue South to Kirkland Way**~~

~~Description:~~ ~~**The 6th Street Sidewalk will construct 5 foot wide sidewalk along the north side of 6th St from Kirkland Ave to approximately 180 feet south to connect into existing sidewalk. In addition, approximately 135 ft of 5 ft sidewalk will be constructed along Kirkland Ave to**~~

~~**connect two missing sections of sidewalk and allow pedestrians to walk past an existing power pole and fire hydrant which are currently obstructing the walkway. Two existing sidewalk ramps will be upgraded to meet the requirements of the Americans with Disabilities Act, and two new sidewalk ramps will be constructed to connect the new sidewalk segments. The use of porous concrete will be used for the new sidewalks and storm drain improvements will be made as required. Project NM 0059 has been moved to funded due to the receipt of a TIB Sidewalk Program grant.**~~

~~NM20-31~~ ~~**Elementary School Walk Route Enhancements**~~

~~Location~~ ~~**Various locations adjacent to schools, including Peter Kirk, Lakeview, Ben Franklin, Rose Hill, Mark Twain, AG Bell and Juanita Elementary Schools.**~~

~~Description:~~ ~~**Design and construct curb, gutter and sidewalk, with a planter strip where possible, along designated school walk routes throughout the City. The proposed sidewalks will capitalize on areas where sidewalk has already been constructed with prior development. The proposed concrete sidewalk will be 5 feet wide and will be separated from the edge of the travel lane by a 4.5 foot planter strip and 0.5 foot wide concrete curb (totaling 5 feet). The project will also purchase a portable radar trailer to inform motorists of their speed. Total project cost includes State grant funding of $498,000. Funded CIP project NM 0067.**~~

NM20-32 Pedestrian Enhancements

Location: Park Lane from Lake Street to Peter Kirk Park – Phase II

Description: Repair and replacement of aged and broken sidewalks, curb, gutter and storm drain along this heavily used downtown pedestrian corridor. Existing trees will be reviewed with the objective of improving the overall tree canopy; low impact development standards will be incorporated into the project. Unfunded CIP project NM 0064 001.

~~NM20-33~~ ~~**Bike Lane**~~

~~Location:~~ ~~**100th Avenue from NE 124th Street to NE 132nd Street**~~

~~Description:~~ ~~Install bicycle lanes on 100th Avenue NE from NE 124th Street to NE 132nd Street. The new lanes will be accommodated by restriping the existing pavement and narrowing the existing auto lanes. Two landscaped medians will have to be narrowed to accomplish the restriping. In-pavement flashing light heads will be in auto wheel paths with the reconfigured lanes and therefore will be replaced. Detector loops at traffic signals will also need to be replaced to accommodate the new lane configuration. Project NM 0069 moved to funded for 2011/2012 due to receipt of federal STP grant.~~

~~NM 20-34~~ ~~**Sidewalk**~~

~~Location:~~ ~~**12th Avenue from 6th Street to the BNSF Railroad adjacent to the east entrance to Peter**~~

~~**Kirk Elementary School**~~

~~Description:~~ ~~**Install curb, gutter, sidewalk and storm drainage along north side of roadway. Partial funding by TIB Safe School Walking grant. Funded CIP project NM 0066.**~~

NM 20-35 Annual Non-Motorized Program

Location: City wide

Description: Install up to various funding levels in annually~~2013, 2014, 2015, 2016~~ any number of funded or unfunded CIP projects based on the active transportation plan criteria. Funded CIP project NM 8888.

NM 20-36 Sidewalk

Location: NE 104th Street between 126th Avenue NE and 132nd Avenue NE

Description: Install curb, gutter, sidewalk and storm drainage along roadway to improve existing Mark Twain Elementary School walk route. Unfunded CIP project NM 0061.

NM 20-37 Sidewalk

Location: 19th Avenue from Market Street to 4th Street

Description: Install curb, gutter, sidewalk and storm drainage along south side of road to improve existing walk route to Kirkland Jr. High School. Unfunded CIP project NM 0062.

NM 20-38 Sidewalk

Location: NE 132nd Street from 84th Avenue NE to 87th Avenue NE

Description: Install curb, gutter, sidewalk and planter strip along NE 132nd Street that currently does not have a sidewalk. ADA compliant wheelchair ramps will be installed at crosswalk locations. Unfunded CIP project NM 0071 as grant funding is sought.

~~NM 20-39~~ ~~**Trail**~~

~~Location:~~ ~~**Eastside Rail Corridor, from South Kirkland Park and Ride to Totem Lake**~~

~~Description:~~ ~~**The acquisition of the former BSNFRR corridor for use as a multi-use trail, as one of Kirkland's highest priority non-motorized transportation projects. Funded CIP project NM 0070.**~~

NM 20-40 Non-motorized Facilities

Location: Cross Kirkland Corridor right-of-way, between south and north City limits (formerly the BNSF right-of-way")

Description: A Master Plan to develop the Cross Kirkland Corridor as a public asset for future transportation purposes. Development of the corridor is envisioned to include facilities for pedestrians and

bicycles, and in the future, transit. Unfunded CIP project NM 0024. Funded CIP Project CNM 0024 101.

NM 20-41 Non-motorized Facilities

Location: NE 132nd Street from 82nd Avenue NE to 84th Avenue NE

Description: Install curb, gutter and sidewalk along south side of NE 132nd Street and west side of 84th Ave NE to complete missing links between Carl Sandberg Elementary and Finn Hill Middle School. Unfunded CIP Project CNM 0072.

N20-42 Non-motorized Facilities

Location: City-wide

Description: Establishing a new neighborhoods-based project for minor transportation related improvements throughout the City. Funded CIP project NM 0073.

NM20-43 Non-motorized Facilities

Location: 90th Avenue NE north of NE 134th Street

Description: Construct curb, gutter and sidewalk along west side of 9~~7~~0th Avenue NE from NE 134th Street to the north, connecting existing sidewalk near 13427 90th Avenue NE. Unfunded CIP project NM 0074.

NM20-44 Non-motorized Facilities

Location: 84th Avenue NE from NE 145th Street to NE 124th Street

Description: Construct curb, gutter and sidewalk along the west side of 84th Avenue NE between NE 145th Street to Finn Hill Junior High School, and along west side of 84th Avenue Ne between NE 128th Street and NE 124th Street. Unfunded CIP project CNM 0075.

NM20-45 Non-motorized Facilities

Location: NE 140th Street between 127th Place NE and 132nd Avenue NE

Description: Construct curb, gutter and sidewalk along south side of NE 140th Street between 127th Place NE and 132nd Avenue NE. Unfunded CIP project NM 0076.

NM20-46 Non-motorized Facilities

Location: North side of NE 140th Street from Juanita-Woodinville Way to 113th Avenue NE

Description: Construct curb, gutter and sidewalk along north side of NE 140th Street from Juanita-Woodinville Way to 113th Avenue NE. Unfunded CIP project NM 0077.

NM20-47 Non-motorized Facilities

Location: South side of NE 140th Street from Juanita-Woodinville Way to 113th Avenue NE

Description: Construct curb, gutter and sidewalk along south ~~north~~ side of NE 140th Street between Juanita-Woodinville Way and 113th Avenue NE. Unfunded CIP project NM 0078.

NM20-48 Non-motorized Facilities

Location: NE 140th Street between 124th Avenue NE and 127th Place NE

Description: Construct curb, gutter and sidewalk along south side of NE 140th Street between 124th Avenue NE and 127th Place NE. Unfunded CIP project NM 0079.

Street Improvements

ST20-1 New Street

Location: 118th Avenue NE, NE 116th Street to NE 118th Street

Description: Extend two-lane roadway, including sidewalk facilities, storm drainage and landscaping. Unfunded CIP project ST 0060.

ST20-2 New Street

Location: 119th Avenue NE, NE 128th Street to NE 130th Street

Description: Extend two-lane roadway, including sidewalk facilities, storm drainage and landscaping. Unfunded CIP project ST 0061.

ST20-3 Street Widening

Location: 120th Avenue NE, NE 128th Street to NE 132nd Street

Description: Reconstruct from the existing three-lane section to five lanes with sidewalks. Candidate CIP project ST 0063, included as a part of the annual concurrency street improvements ST 8888.

ST20-4 Street Widening

Location: 124th Avenue NE, NE 116th Street to NE 124th Street

Description: Widen to five lanes, from existing three lanes with sidewalks. Candidate CIP project ST 0059; design began in 2007 however completion is dependent upon grant funding included as a part of

the annual concurrency street improvements ST 8888.

ST20-5 Street Widening

Location: 124th Avenue NE, NE 85th Street to NE 116th Street

Description: Widen to three lanes with a center two-way left turn lane (including landscaped center median islands where possible) and 2 travel-lanes, construct bicycle lanes, curb and gutter, sidewalk, storm drainage and landscaping. Unfunded CIP project ST 0064.

ST20-6 Street Widening

Location: 132nd Avenue NE-/-NE 85th Street to NE 120th Street

Description: Widen to three lanes with bike lanes, sidewalks, curb and gutter, landscaping and storm drainage improvements. Unfunded CIP project ST 0056.

ST20-7 Bridge Replacement

Location: 98th Avenue NE at Forbes Creek

Description: Reconstruct bridge across Forbes Creek from Market Street into Juanita area in order to meet current seismic requirements. Unfunded CIP project ST 0055.

ST20-8 New Street

Location: 120th Avenue NE from NE 116th Street to Eastside Rail Corridor crossing

Description: Construct 2/3 lanes as needed with pedestrian/bicycle facilities. Unfunded CIP project ST 0073.

ST20-9 New Street

Location: NE 120th Street (east section), from Slater Avenue NE to 124th Avenue NE

Description: Construct 2/3 lanes as needed with pedestrian/bicycle facilities. Project ST 0057 -001 moved to funded for 2012 due to receipt of federal STP grant.

ST20-10 Street Improvements

Location: 120th Avenue NE, from Totem Lake Boulevard to NE 128th Street and Totem Lake Plaza

Description: Install various traffic calming measures, on-street parking, pedestrian and landscape improvements. Unfunded CIP project ST 0070.

ST20-11 New Street

Location: NE 130th Street, Totem Lake Boulevard to 120th Avenue NE

Description: Extend two-lane roadway including non-motorized facilities, storm drainage and landscaping. Unfunded CIP project ST 0062.

ST20-12 New Street

Location: NE 120th Street (west section) from 124th Avenue NE to Cross Kirkland Corridor crossing

Description: Construct 2/3 lanes as needed with pedestrian/bicycle facilities. Unfunded CIP project ST 0072.

ST20-13 Annual Street Preservation Program

Location: Various sites throughout the City based on Pavement Management Program

Description: Patch and overlay existing streets to provide safe travel ways and maintain the value of the street infrastructure. Funded CIP project ST 0006.

ST20-14 Street Widening

Location: NE 132nd Street from 100th Avenue NE to the WSDOT interchange

Description: Addition of landscape and median islands, repair of curb, gutter and sidewalk. Repaving and restriping to accommodate bike lanes. Configuration as outlined in the 2008 NE 132nd Street master plan. Unfunded CIP project ST 0077.

ST20-15 Street Widening

Location: NE 132nd Street from WSDOT Interchange to 124th Avenue NE

Description: Addition of landscape and median islands, repair of curb, gutter and sidewalk. Repaving and restriping to accommodate bike lanes. Configuration as outlined in the 2008 NE 132nd Street master plan. Unfunded CIP project ST 0078.

ST20-16 Street Widening

Location: NE 132nd Street from 124th Avenue NE to 132nd Avenue NE

Description: Addition of landscape and median islands, repair of curb, gutter and sidewalk. Repaving and restriping to accommodate bike lanes. Configuration as outlined in the 2008 NE 132nd Street master plan. Unfunded CIP project ST0079.

ST20-17 Street Improvements

Location: Annual Striping Program

Description: Annual program to maintain markings that identify travel lanes and other guidance markings for auto, pedestrian, bicycle, transit and other forms of transportation. The program will result in restriping of more than 30 miles of collector and arterial streets throughout the City. Funded CIP project ST 0080.

ST20-18 Annual Concurrency Street Improvements

Location: City-wide

Description: This project provides for the construction and re-construction of city roadways to meet concurrency needs to help the City attain the 2022 level of service standards established in the Comprehensive Plan. Candidate projects under this annual program are identified above and include other improvements, as deemed appropriate. Funded CIP project ST 8888.

ST20-19 Annual Street Preservation Program – One Time Project

Location: NE 85th Street

Description: The overlay of NE 85th Street coincident with intersection, roadway and other improvements associated with CIP projects NM 0051, ST 0075, TR 0078, and TR 0080. Funds became available through the State Department of Transportation (WSDOT) as a result of the recent jurisdictional transfer of SR908 from the WSDOT to the City of Kirkland. Funded CIP project ST 0006-002

ST 20-20 Street Maintenance and Pedestrian Safety

Location: City-wide

Description: Voter approved levy funded annual project to meet City Council goals for dependable infrastructure, balanced transportation, neighborhoods, public safety, and financial stability. Funded CIP project ST 0006 003.

ST 20-21 Development Opportunity Program

Location: Totem Lake

Description: Establishing a new project in anticipation of development opportunities funded through grants that may require a City matching portion. Unfunded CIP project ST 0081.

ST 20-22 Street

Location: Juanita Drive Corridor

Description: Master plan to guide future capital improvement construction phases for Juanita Drive. Funded CIP project ST 0082

ST20-23 Street

Location: NE 139th Street to NE 145th Street

Description: Widen existing roadway to improve existing ~~current~~ 5-lane to 2-lane transition. Unfunded CIP project ST 0083.

Intersection Improvements

TR20-1 Traffic Signal

Location: 100th Avenue NE/NE 124th Street

Description: Construct a northbound receiving lane on the north leg of the intersection and conversion of existing northbound right-turn lane to a through/right-turn configuration. Unfunded CIP project TR 0084.

TR20-2 Intersection Improvements

Location: Kirkland Way/Eastside Rail Corridor Abutment/Intersection Improvements

Description: New railroad undercrossing along Kirkland Way, installation of sidewalks and bike lanes in immediate vicinity, improve clearance between roadway surface and overpass, and improve sight distance. Unfunded CIP project TR 0067.

~~Location:~~ ~~Kirkland Way/Eastside Rail Corridor Abutment/Intersection Improvements~~

~~Description:~~ ~~**New railroad undercrossing along Kirkland Way, installation of sidewalks and bike lanes in immediate vicinity, improve clearance between roadway surface and overpass, and improve sight distance. Unfunded CIP project TR 0067.**~~

TR20-3 Traffic Signal

Location: 6th Street/Kirkland Way

Description: Construct a new signal at this intersection. The project will include controlled pedestrian crosswalks. Funded CIP project TR 0065.

TR20-4 Intersection Improvements

Location: Totem Lake Way-/-120th Avenue NE

Description: Install traffic signal to minimize traffic conflict, improve safety and traffic operation. It is anticipated that the design and construction timing is concurrent with the development of Totem Lake Mall which will be required to install the traffic signal as part of SEPA mitigation. Unfunded CIP project TR 0099.

TR20-5 HOV Queue Bypass

Location: NE 124th Street and I-405, east to southbound

Description: Construct an additional lane and signal improvements to allow connection from NE 124th Street to the HOV lane on the southbound freeway access ramp. Unfunded CIP project TR 0057.

~~TR20-6~~ ~~**Intersection Improvements**~~

TR20-6 Intersection Improvements

Location: NE 85th Street/120th Avenue NE

Description: Project will add one northbound right-turn lane and one new westbound and one new eastbound travel lane on NE 85th Street. Candidate CIP project TR 0088, included as a part of the annual concurrency traffic improvements TR 8888.

TR20-7 Intersection Improvements

Location: NE 85th Street/132nd Avenue NE

Description: Project will add one new westbound and one new eastbound travel lane on NE 85th Street. Unfunded CIP project TR 0089.

TR20-8 HOV Queue Bypass

Location: NE 85th Street and I-405, east to southbound

Description: Construct an additional lane and signal improvements to allow connection from NE 85th Street to the HOV lane on the southbound freeway access ramp. Funded CIP project TR 0056.

TR20-9 HOV Queue Bypass

Location: Lake Washington Boulevard at Northup Way

Description: Add southbound Lake Washington Boulevard queue bypass lane from Cochran Springs to westbound SR 520. Unfunded CIP project TR 0068.

TR20-10 Queue Bypass and HOV Facilities

Location: Various as identified

Description: Intersection improvements or HOV lanes that are not included in other projects as follows:

1. NE 116th Street/I-405 queue bypass eastbound to southbound (unfunded CIP project TR 0072)
2. NE 85th Street/I-405 queue bypass westbound to northbound (unfunded CIP project TR 0074)
3. NE 70th Street/I-405 queue bypass eastbound to southbound (unfunded CIP project TR 0073)
4. NE 124th Street/I-405 westbound to northbound (unfunded CIP project TR 0075)

TR20-11 Intersection Improvements

Location: Various as identified

Description: New signals or signal improvements that are not included in other projects are as follows:

1. Kirkland Avenue/Lake Street South
2. Lake Street South/2nd Avenue South
3. Market Street/Central Way
4. Market Street/7th Avenue NE
5. NE 53rd Street/108th Avenue NE
6. NE 60th Street/116th Avenue NE
7. NE 60th Street/132nd Avenue NE
8. NE 64th Street/Lake Washington Boulevard
9. NE 70th Street/120th Avenue NE or 122nd Avenue NE
10. NE 80th Street/132nd Avenue NE
11. NE 112th Street/124th Avenue NE
12. NE 116th Street/118th Avenue NE
13. NE 116th Street/124th Avenue NE (northbound dual left turn) (TR 0092)
14. NE 126th Street/132nd Place NE
15. NE 128th Street/Totem Lake Boulevard
16. NE 100th Street/132nd Avenue NE
17. Market Street-/-Forbes Creek Drive
18. NE 112th Street/120th Avenue NE

19. Totem Lake Boulevard/120th Avenue NE

TR20-12 Intersection Improvements

Location: NE 70th Street/132nd Avenue NE

Description: Install westbound and northbound right-turn lanes. Candidate CIP project TR 0086, included as a part of the annual concurrency traffic improvements TR 8888.

TR20-13 Intersection Improvements

Location: Lake Washington Boulevard at NE 38th Place

Description: Install upgrades to the existing signalized intersection including one additional northbound Lake Washington Boulevard travel lane through the intersection. Replace all existing pedestrian facilities and consolidate commercial driveways where feasible. Funded CIP project TR 0090.

TR20-14 Intersection Improvements

Location: 124th Avenue NE at NE 124th Street - Phase III

Description: Install improvements on the north leg of this intersection. Candidate CIP project TR 0091; included as a part of the annual concurrency traffic improvements, TR 8888.

TR20-15 Intersection Improvements

Location: 100th Avenue NE/NE 132nd Street

Description: Construct a northbound receiving lane on the north leg of the intersection and conversion of existing northbound right-turn lane to a through/right-turn configuration. Construct a second southbound left-turn lane. Candidate CIP project TR 0083, included as a part of the annual concurrency traffic improvements TR 8888.

TR20-16 Traffic Signal

Location: Central Way & Park Place entrance (between 4th St and 5th St)

Description: Install traffic signal to minimize traffic conflict, improve safety and traffic operation; in addition to these vehicular improvements, existing un-signaled crosswalks at 5th St and 4th St will be eliminated. It is anticipated that the design and construction timing is concurrent with the development of Park Place which will be required to install the traffic signal as part of SEPA mitigation. Funded CIP project TR 0082.

TR20-17 Intersection Improvements

Location: NE 132nd Street/124th Avenue NE

Description: Extend existing eastbound left turn lane to 500 feet and add a second 500 foot eastbound left turn lane. Widen and restripe east leg to match west leg, widen and restripe north leg for 1,000 feet to provide 2 northbound through lanes with 1 southbound left turn lane and 1 southbound through/right turn lane. Restripe south leg to match north leg; these improvements will allow this intersection to maintain a vehicular level of service less than the required 1.4 volume to capacity ratio. Funded CIP project TR 0096.

TR20-18 Intersection Improvements

Location: NE 132nd Street at 116th Way NE to Totem Lake Blvd-/-I-405

Description: Coordination of City ROW and intersection improvements in association with the WSDOT's Half-Diamond Interchange at NE 132nd Street and I-405 as recommended in the NE 132nd Street Master Plan. Funded CIP project TR 0098.

~~**TR20-19** Intersection Improvements~~

~~**Location:** 6th Street/Central Way~~

~~**Description:** The installation of multiple upgrades to the existing signalized intersection. The intersection improvements will result in a new signature "Gateway" to the Central Downtown area of Kirkland with associated necessary upgrades to surface water elements and a sensitive area (stream). The project will result in the construction of a significant retaining wall structure and the acquisition of new right-of-way, in addition to general signal, pedestrian and ITS improvements. Funded CIP project TR 0100.~~

TR20-20 Intersection Improvements

Location: Central Way/4th Street

Description: Extend two-way-left turn by moving crosswalk to Park Place Signal. Funded CIP project TR 0103.

TR20-21 Intersection Improvements

Location: 6th Street S/4th Avenue

Description: Dual eastbound left turn, with widening on 6th Street. Funded CIP project TR 0104.

TR20-22 Intersection Improvements

Location: Central Way/5th Street

Description: Install new traffic signal. These improvements will allow the intersection to maintain a level of service less than the required 1.4 volume to capacity ratio. Funded CIP project TR 0105.

TR20-23 Intersection Improvements

Location: 6th Street-/-7th Avenue

Description: Add left turn lanes on northbound and southbound approaches. Funded CIP project TR 0106.

TR20-24 Intersection Improvements

Location: Market Street-/-15th Avenue

Description: Install new traffic signal. These improvements will allow the intersection to maintain a level of service less than the required 1.4 volume to capacity ratio. Funded CIP project TR 0107.

TR20-25 Intersection Improvements

Location: NE 85th Street-/-124th Avenue NE

Description: Add northbound right-turn-only pocket. Funded CIP project TR 0108.

TR20-26 Intersection Improvements

Location: NE 132nd St/ Juanita High School

Description: Construct a 250 foot eastbound right turn lane to allow this intersection to maintain a vehicular level of service less than the required 1.4 volume to capacity ratio. Unfunded CIP project TR 0093.

TR20-27 Intersection Improvements

Location: Totem Lake Plaza/120th Ave NE Intersection Improvements

Description: Install traffic signal to minimize traffic conflict, improve safety and traffic operation. It is anticipated that the design and construction timing is concurrent with the development of Totem lake Mall which will be required to install the traffic signal as part of SEPA mitigation. Funded CIP project TR 0110.

TR20-28 Intersection Improvements

Location: Totem Lake Plaza/Totem Lake Blvd

Description: Install traffic signal and associated roadway improvements between Totem Lake Boulevard and NE 120th Avenue NE to minimize traffic conflict, improve safety and traffic operations through the Totem Lake Mall. It is anticipated that the design and construction timing is concurrent with the development of Totem lake Mall which will be required to install the improvements as part of SEPA mitigation. Funded CIP project TR 0109.

TR20-29 Intersection Improvements

Location: NE 132nd Street/~~-~~ 1~~1~~08th Avenue NE

Description: Construct a 250 foot westbound right turn lane to allow this intersection to maintain a vehicular level of service less than the required 1.4 volume to capacity ratio. Unfunded CIP project TR 0094.

TR20-30 Intersection Improvements

Location: NE 132nd Street-/-Fire Station Access

Description: Modify existing signal to include pedestrian actuated option, as recommended in the NE 132nd Street Master Plan, to aid in helping the corridor with capacity issues in anticipation of the WSDOT Half-Diamond interchange at I-405 and NE 132nd Street and Totem Lake redevelopment. Unfunded CIP project TR 0095.

TR20-31 Intersection Improvements

Location: NE 132nd St/132nd Ave NE

Description: Extend the eastbound left turn and right turn lanes to 500 feet; these improvements will allow this intersection to maintain a vehicular level of service less than the required 1.4 volume to capacity ratio. Unfunded CIP project TR 0097.

~~**TR20-32**~~ ~~Intersection Improvements~~

~~**Location:**~~ ~~NE 85th St/132nd Ave NE~~

~~**Description:**~~ ~~Phase 1. Extend the southbound to eastbound left-turn lane pocket. Construct a northbound to eastbound right-turn lane, and extend the westbound to northbound right-turn lane (by Redmond). Sound Transit has contributed funding towards the cost of the westbound right-turn lane. Funded CIP project TR 0078.~~

~~**TR20-33**~~ ~~Intersection Improvements~~

~~**Location:**~~ ~~NE 85th St/124th Ave NE~~

~~**Description:**~~ ~~Construct two eastbound to northbound left-turn lanes as part of a Sound Transit Route 540 corridor improvement. The installation of a northbound 124th Ave NE taper will provide for a bike lane, wide planter strip with landscaping, and a new sidewalk. Funded CIP project TR 0080.~~

TR20-34 Annual Concurrency Traffic Improvements

Location: City-wide

Description: This project provides for the construction and re-construction of traffic signals and/or intersections to meet concurrency needs to help the City attain the 2022 level of service standards established in the Comprehensive Plan. Candidate projects under this annual program are identified above and include other improvements, as deemed appropriate. Funded CIP project TR 8888.

~~**TR20-35**~~ ~~Kirkland ITS Improvements – Phase I~~

~~**Location:**~~ ~~City-wide~~

~~**Description:**~~ ~~The incorporation of Intelligent Transportation System (ITS) needs, as identified in the Kirkland Intelligent Transportation System (KITS) Plan approved by Council in 2008. ITS measures will be employed to upgrade current signal equipment, connect signals and ITS field locations with a new central operations management location. Funded CIP Project TR 0111 000.~~

TR20-36 Kirkland ITS Improvements – Phase II

Location: City-wide

Description: The incorporation of Intelligent Transportation System (ITS) needs, as identified in the Kirkland Intelligent Transportation System (KITS) Plan approved by Council in 2008. ITS measures will be employed to upgrade current signal equipment, connect signals and ITS field locations with a new central operations management location. Unfunded CIP Project TR 0111 001.

~~TR20-37~~ ~~**Downtown Pedestrian Safety Improvements – Central Way**~~

~~Location:~~ ~~**Various intersections on Central.**~~

~~Description:~~ ~~**Installation of Countdown Pedestrian Signals (CPS) at intersections of Lake St/Central Way, 3rd St/Central Way, and 6th St/Central Way. Funded CIP project TR 0112 000.**~~

TR20-38 Kirkland Citywide Safety and Traffic Flow Improvements

Location: Citywide

Description: Improvements to safety and traffic flow on Kirkland's main arterial corridors through signal timing optimization, signal interconnection enhancements and communication improvements. The Project will also enhance signal interconnection and improve communication with the NE 124th Street ITS corridor. Funded CIP project TR 0113 000.

TR20-39 6th Street & Central Way Intersection Improvements Phase 2

Location: 6th Street & Central Way

Description: New signature "Gateway" to the Central Downtown area of Kirkland, and frontage improvements on 6th Street, additional travel lanes, a bicycle lane, and pedestrian improvements. Unfunded CIP project TR 0100 100.

TR20-40 Kirkland ITS Phase IIB

Location: NE 132nd Street, 120th Avenue/124th Avenue NE in Totem Lake

Description: Intelligent Transportation System improvements at 9~~11~~ signals to connect these corridors to the Phase I ITS project and to the City's Traffic Management Center. Unfunded CIP project TR 0111 002.

TR20-41 Kirkland ITS Phase IIC

Location: NE 132nd Street, 120th Avenue/124th Avenue NE in Totem Lake

Description: Intelligent Transportation System improvements at 15~~1~~ signals to connect these corridors to the P~~p~~hase 1 ITS project and to the City's Traffic Management Center. Unfunded CIP project TR 0111 003.

NM20-42 Slater Avenue NE Traffic Calming Phase 1

Location: Slater Avenue from 100th Street NE to NE 112th Street

Description: Traffic calming measures along Slater Avenue, including traffic circles, curb bulbs, and a mid-block raised crosswalk. Activated emergency vehicle beacon may also be installed, if further study deems it necessary.

END

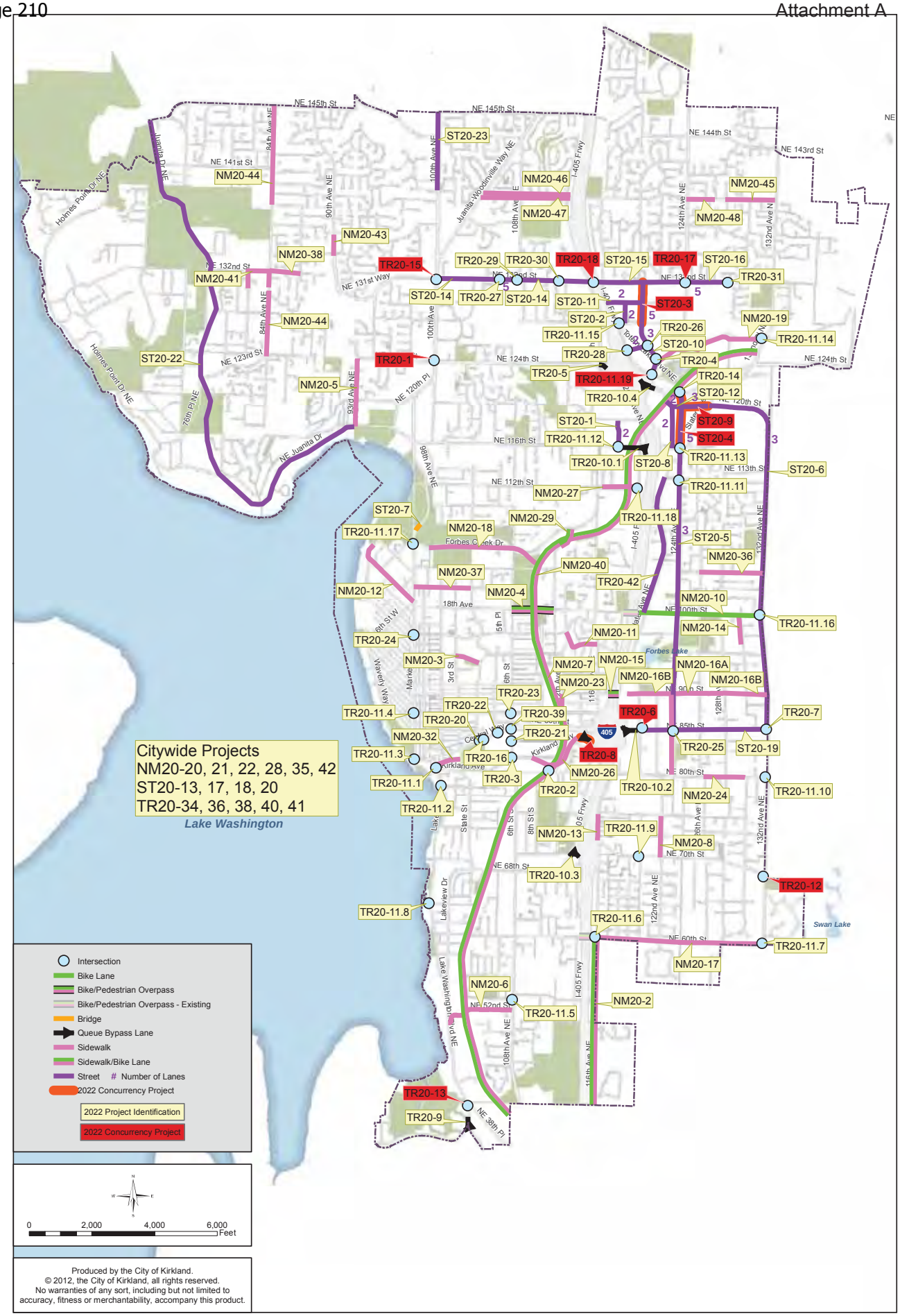


Figure T-6: Transportation Project List Funded/Unfunded

Table CF - 8
Capital Facilities Plan: Transportation Projects -- 2013-2018

SOURCES OF FUNDS

Revenue Type	*Revenue Source*	*2013*	*2014*	*2015*	*2016*	*2017*	*2018*	*Six-Year Total*
Local	Surface Water Fees	905,500	208,900	243,800	444,000	461,300	580,000	2,843,500
Local	Solid Waste	300,000	300,000	300,000	300,000	300,000	300,000	1,800,000
Local	Real Estate Excise Tax	1,424,000	1,467,000	1,511,000	1,556,000	1,602,000	1,651,000	9,211,000
Local	Sales Tax	270,000	270,000	270,000	270,000	270,000	270,000	1,620,000
Local	Gas Tax	558,000	575,000	592,000	610,000	628,000	647,000	3,610,000
Local	Impact Fees (excluding Park Place & Totem Lake Mall)	350,000	350,000	350,000	350,000	350,000	350,000	2,100,000
Local	Reserves	557,500	480,000	480,000	480,000	480,000	480,000	2,957,500
Local	2012 Road Levy	2,845,000	2,574,000	2,600,000	2,600,000	2,600,000	2,600,000	15,819,000
External	Grants	5,693,200	5,691,900	2,501,000				13,886,100
	Subtotal 2013-2018 Fund Sources excluding Park Place & Totem Lake	12,903,200	11,916,800	8,847,800	6,610,000	6,691,300	6,878,000	53,847,100
External	Developer Funded -- Park Place (including Impact Fees)		200,000	1,331,000	1,297,000	789,400	7,218,000	10,835,400
External	Developer Funded -- Totem Lake (including Impact Fees)		1,500,000	1,500,000				3,000,000
Total Sources		12,903,200	13,616,800	11,678,800	7,907,000	7,480,700	14,096,000	67,682,500

USES OF FUNDS

Funded Projects

Project Number	*Project Title*	*2013*	*2014*	*2015*	*2016*	*2017*	*2018*	*Six-Year Total*
ST 0006	Annual Street Preservation Program	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	10,500,000
ST 0006 002	Annual Street Preservation Program - One-time Project		1,122,000					1,122,000
ST 0006 003	Street Maintenance & Pedestrian Safety	2,345,000	2,574,000	2,600,000	2,600,000	2,600,000	2,600,000	15,319,000
ST 0057 001	NE 120th Street Roadway Extension (East Section)	3,595,000						3,595,000
ST 0080	Annual Striping Program	300,000	350,000	350,000	350,000	350,000	350,000	2,050,000
ST 0082	Juanita Drive Corridor Study	200,000	80,000					280,000
ST 0083	100th Ave NE Corridor Study	50,000						50,000
ST 8888	Annual Concurrency Street Improvements			482,400	480,000	215,000	852,500	2,029,900
ST 9999	Regional Inter-Agency Coordination	82,000	82,000	82,000	82,000	82,000	82,000	492,000
NM 0012	Crosswalk Upgrade Program	70,000		70,000		70,000		210,000
NM 0024	Cross Kirkland Corridor - Interim Trail	2,158,000	1,239,000					3,397,000
NM 0024 101	Cross Kirkland Corridor - Master Plan	500,000						500,000
NM 0057	Annual Sidewalk Maintenance Program	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000
NM 0064 001	Park Lane Pedestrian Corridor Enhancements Phase II	350,000	1,888,900					2,238,900
NM 0073	JFK Non-Motorized Program	75,000	75,000					150,000
NM 8888	Annual Non-Motorized Program			208,300	605,000	1,043,000	1,043,500	2,899,800
TR 0083	100th Ave NE/NE 132nd Street Intersection Improvements	350,000	350,000	2,501,000				3,201,000
TR 0111 003	Kirkland ITS Implementation Phase IIC	576,000	2,205,900	129,100				2,911,000
TR 0113	Citywide Safety & Traffic Flow Improvements	302,200						302,200
TR 8888	Annual Concurrency Traffic Improvements			475,000	543,000	381,300		1,399,300
	Subtotal 2013-2018 CIP Projects	12,903,200	11,916,800	8,847,800	6,610,000	6,691,300	6,878,000	53,847,100
TR 0056 (1)	NE 85th Street HOV Queue Bypass						841,000	841,000
TR 0065 (1)	6th Street/Kirkland Way Traffic Signal			200,000	364,000			564,000
TR 0082 (1)	Central Way/Park Place Center Traffic Signal			200,000				200,000
TR 0090 (1)	Lake Washington Blvd/NE 38th Place Intersection Improvements					500,000		500,000
TR 0096 (1)	NE 132nd St/124th Ave NE Intersection Improvements						5,713,000	5,713,000
TR 0098 (1)	NE 132nd Street/116th Way NE - Totem Lake Blvd Intersection Improvements						300,000	300,000
TR 0103 (1)	Central Way/4th Street Intersection Improvements			31,000				31,000
TR 0104 (1)	6th Street/4th Ave Intersection Improvements			200,000	380,000			580,000
TR 0105 (1)	Central Way/5th Street Intersection Improvements			200,000	364,000			564,000
TR 0106 (1)	6th Street/7th Ave Intersection Improvements					89,400		89,400
TR 0107 (1)	Market Street/15th Ave Intersection Improvements					200,000	364,000	564,000
TR 0108 (1)	NE 85th Street/124th Ave NE Intersection Improvements		200,000	500,000	189,000			889,000
	Subtotal Park Place Redevelopment Revenue - Related Projects	-	200,000	1,331,000	1,297,000	789,400	7,218,000	10,835,400
TR 0109 (2)	Totem Lake Plaza/Totem Lake Blvd Intersection Improvements			1,500,000				1,500,000
TR 0110 (2)	Totem Lake Plaza/120th Ave NE Intersection Improvements		1,500,000					1,500,000
	Subtotal Totem Lake Mall Redevelopment Revenue - Related Projects	-	1,500,000	1,500,000	-	-	-	3,000,000
Total Funded Transportation Projects		12,903,200	13,616,800	11,678,800	7,907,000	7,480,700	14,096,000	67,682,500
SURPLUS (DEFICIT) of Resources		-	-	-	-	-	-	-

^ The transportation capital projects totaling $50,893,900 for the six-year period 2013-18 constitute the funded portion of the City's six-year transportation capital improvement plan (CIP). Other projects in this table include capital improvements that will be undertaken only if the proposed redevelopments (Park Place and/or Totem Lake) are completed. Project costs and associated funding beyond 2018 are estimates and do not reflect the City's adopted CIP.

*These projects provide new capacity towards concurrency

(1) Projects associated with Park Place redevelopment

(2) Projects associated with Totem Lake redevelopment

Table CF - 8A
Capital Facilities Plan: Transportation Projects -- 2019-2024

SOURCES OF FUNDS

Revenue Type	*Revenue Source*	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*	*Six-Year Total*	*Multi-Year Total*
Local	Surface Water Fees	1,048,700	1,048,700	1,048,700	1,048,700	1,048,700	1,048,700	6,292,200	9,135,700
Local	Solide Waste	300,000	300,000	300,000	300,000	300,000	300,000	1,800,000	3,600,000
Local	Real Estate Excise Tax	900,000	970,000	900,000	970,000	900,000	900,000	5,540,000	14,751,000
Local	Sales Tax	270,000	270,000	270,000	270,000	270,000	270,000	1,620,000	3,240,000
Local	Gas Tax	450,000	450,000	450,000	450,000	450,000	450,000	2,700,000	6,310,000
Local	Impact Fees (excluding Park Place & Totem Lake Mall)	391,300	391,300	391,300	391,300	391,300	391,300	2,347,800	4,447,800
Local	Reserves	180,000	180,000	180,000	180,000	180,000	180,000	1,080,000	4,037,500
Local	2012 Road Levy	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	18,000,000	33,819,000
External	Grants	500,000	500,000	500,000	500,000	500,000	500,000	3,000,000	16,886,100
External	Developer Funded -- Park Place (including Impact Fees)	2,166,400						2,166,400	56,013,500
External	Developer Funded -- Totem Lake (including Impact Fees)			4,000,000				4,000,000	14,835,400
Total Sources		9,206,400	7,110,000	11,040,000	7,110,000	7,040,000	7,040,000	48,546,400	167,076,000

USES OF FUNDS

Funded Projects

Project Number	*Project Title*	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*	*Six-Year Total*	*Multi-Year Total*
ST 0006	Annual Street Preservation Program	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	10,500,000	21,000,000
ST 0006 002	Annual Street Preservation Program One-Time Project							-	1,122,000
ST 0006 003	Street Maintenance & Pedestrian Safety	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	18,000,000	33,319,000
ST 0057 001	NE 120th Street Roadway Extension (East Section)							-	3,595,000
ST 0080	Annual Striping Program	350,000	350,000	350,000	350,000	350,000	350,000	2,100,000	4,150,000
ST 0082	Juanita Drive Master Plan							-	280,000
ST 8888	Annual Concurrency Street Improvements	394,000	414,000	394,000	414,000	394,000	379,000	2,389,000	4,418,900
ST 9999	Regional Inter-Agency Coordination	82,000	82,000	82,000	82,000	82,000	82,000	492,000	984,000
NM 0012	Crosswalk Upgrade Program	70,000		70,000		70,000		210,000	420,000
NM 0024	Cross Kirkland Corridor - Interim Trail							-	3,397,000
NM 0024 101	Cross Kirkland Corridor - Master Plan							-	500,000
NM 0057	Annual Sidewalk Maintenance Program	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000	2,400,000
NM 0073	JFK Non-Motorized Program							-	150,000
NM 8888	Annual Non-Motorized Program	800,000	900,000	800,000	900,000	800,000	900,000	5,100,000	7,999,800
TR 0083	100th Ave NE/NE 132nd Street Intersection Improvements							-	3,201,000
TR 0113	Citywide Safety & Traffic Flow Improvements								302,200
TR 8888	Annual Concurrency Traffic Improvements	394,000	414,000	394,000	414,000	394,000	379,000	2,389,000	3,788,300
	Subtotal Future Year Costs	7,040,000	7,110,000	7,040,000	7,110,000	7,040,000	7,040,000	42,380,000	91,027,200
TR 0056 (1)	NE 85th Street HOV Queue Bypass	166,400						166,400	1,007,400
TR 0065 (1)	6th Street/Kirkland Way Traffic Signal							-	564,000
TR 0082 (1)	Central Way/Park Place Center Traffic Signal							-	200,000
TR 0090 (1)	Lake Washington Blvd/NE 38th Place Intersection Improvements							-	500,000
TR 0096 (1)	NE 132nd St/124th Ave NE Intersection Improvements	2,000,000						2,000,000	7,713,000
TR 0098 (1)	NE 132nd Street/116th Way NE - Totem Lake Blvd Intersection Improvements							-	300,000
TR 0103 (1)	Central Way/4th Street Intersection Improvements							-	31,000
TR 0104 (1)	6th Street/4th Ave Intersection Improvements							-	580,000
TR 0105 (1)	Central Way/5th Street Intersection Improvements							-	564,000
TR 0106 (1)	6th Street/7th Ave Intersection Improvements							-	89,400
TR 0107 (1)	Market Street/15th Ave Intersection Improvements							-	564,000
TR 0108 (1)	NE 85th Street/124th Ave NE Intersection Improvements							-	889,000
	Subtotal Park Place Redevelopment Revenue - Related Projects	2,166,400	-	-	-	-	-	2,166,400	13,001,800
TR 0109 (2)	Totem Lake Plaza/Totem Lake Blvd Intersection Improvements			2,000,000				2,000,000	3,500,000
TR 0110 (2)	Totem Lake Plaza/120th Ave NE Intersection Improvements			2,000,000				2,000,000	3,500,000
	Subtotal Totem Lake Mall Redevelopment Revenue - Related Projects	-	-	4,000,000	-	-	-	4,000,000	7,000,000
Total Funded Transportation Projects		9,206,400	7,110,000	11,040,000	7,110,000	7,040,000	7,040,000	48,546,400	116,228,900

SURPLUS (DEFICIT) of Potential Development Revenue	-	-	-	-	-	-	-	-

*These projects provide new capacity towards concurrency
(1) Projects associated with Park Place redevelopment
(2) Projects associated with Totem Lake redevelopment

Table CF - 9
2022 Transportation Projects List (Funded - Unfunded)

Comp Plan ID Number	Project Description	Total Cost (1)	Cip Project Number	Funded in 6-yr CIP	Source Doc (2)	Comp Plan Goal	2022 Concurrency Project
NM20-2	116th Ave NE Nonmotorized Facilities	$ 3.4	NM 0001		C, NM	T-2	
NM20-3	13th Ave Sidewalk (Phase II)	$ 0.4	NM 0054		C, NM	T-2	
NM20-4	Crestwoods Park/Eastside Rail Corridor Ped/Bike Facility	$ 2.5	NM 0031		C, NM	T-2	
NM20-5	93rd Ave NE Sidewalk	$ 1.0	NM 0032		C, NM	T-2	
NM20-6	NE 52nd Street Sidewalk	$ 1.1	NM 0007		C, NM	T-2	
NM20-7	Cross Kirkland Corridor Interim Trail	$ 3.6	NM 0024	√	C, NM	T-2, T-8	
NM20-8	122nd Avenue NE Sidewalk	$ 0.9	NM 0055		C, NM	T-2	
NM20-10	NE 100th Street Bike Lane	$ 1.6	NM 0036		C, NM	T-2	
NM20-11	NE 95th St Sidewalk (Highlands)	$ 0.6	NM 0045		C, NM	T-2	
NM20-12	18th Ave West Sidewalk	$ 2.3	NM 0046		C, NM	T-2	
NM20-13	116th Ave NE Sidewalk (South Rose Hill)	$ 0.4	NM 0047		C, NM	T-2	
NM20-14	130th Ave NE Sidewalk	$ 0.8	NM 0037		C, NM	T-2	
NM20-15	NE 90th St Bicycle/Ped Overpass Across I-405	$ 3.7	NM 0030		C, NM	T-2	
NM20-16A	NE 90th St Sidewalk (Phase I)	$ 1.2	NM 0056		C, NM	T-2	
NM20-16B	NE 90th St Sidewalk (Phase II)	$ 2.6	NM 0026		C, NM	T-2	
NM20-17	NE 60th St Sidewalk	$ 5.0	NM 0048		C, NM	T-2	
NM20-18	Forbes Valley Pedestrian Facility	$ 2.0	NM 0041		C, NM	T-2	
NM20-19	NE 126th St NM Facilities	$ 4.3	NM 0043		C, NM	T-2	
NM20-20	Crosswalk Upgrades (various locations)	$ 0.2	NM 0012	√	C, NM	T-2	
NM20-21	Annual Pedestrian Improvements (various locations)		various		C, NM	T-2	
NM20-22	Annual Bicycle Improvements (various locations)		various		C, NM	T-2	
NM20-23	112th Ave NE Sidewalk	$ 0.5	NM 0049		C, NM	T-2	
NM20-24	NE 80th St Sidewalk	$ 0.9	NM 0050		C, NM	T-2	
NM20-26	Kirkland Way Sidewalk	$ 0.4	NM 0063		C, NM	T-2	
NM20-27	NE 112th St Sidewalk	$ 0.4	NM 0053		C, NM	T-2	
NM20-28	Annual Sidewalk Maintenance Program	$ 1.2	NM 0057	√	C, NM	T-2	
NM20-29	111th Ave NM/Emergency Access Connection	$ 2.0	NM 0058		C, NM	T-2	
NM20-32	Park Lane Pedestrian Corridor (Phase II)	$ 2.4	NM 0064 001		C, NM	T-2	
NM20-35	Annual Nonmotorized Program	$ 3.2	NM 8888	√	C, NM	T-2	
NM20-36	NE 104th St Sidewalk	$ 1.1	NM 0061		C, NM	T-2	
NM20-37	19th Ave Sidewalk	$ 0.8	NM 0062		C, NM	T-2	
NM20-38	NE 132nd Street Sidewalk	$ 0.4	NM 0071		C, NM	T-2	
NM20-40	Cross Kirkland Corridor Master Plan	$ 0.5	NM 0024 101	√	C, NM	T-2, T-8	
NM20-41	NE 132nd Street Sidewalk at Finn Hill Middle School	$ 0.7	NM 0072		C, NM	T-2	
NM20-42	JFK Non-Motorized Program	$ 0.2	NM 0073	√	C, NM	T-2	
NM20-43	90th Ave NE Sidewalk	$ 0.4	NM 0074		C, NM	T-2	
NM20-44	84th Ave NE Sidewalk	$ 4.1	NM 0075		C, NM	T-2	
NM20-45	NE 140th St Sidewalk - Muir Elem Walk Rt Enhan. Phase 1	$ 1.1	NM 0076		C, NM	T-2	
NM20-46	NE 140th St Sidewalk - Keller Elem Walk Rt Enhan. - N	$ 1.2	NM 0077		C, NM	T-2	
NM20-47	NE 140th St Sidewalk - Keller Elem Walk Rt Enhan. - S	$ 0.7	NM 0078		C, NM	T-2	
NM20-48	NE 140th St Sidewalk - Muir Elem Walk Rt Enhan. Phase 2	$ 0.6	NM 0079		C, NM	T-2	
NM20-49	Juanita - Kingsgate Pedestrian Bridge	$ 4.5	NM 0080		C, NM	T-2	
	Subtotal Nonmotorized	$ 64.9					
ST20-1	118th Ave NE Roadway Extension	$ 6.4	ST 0060		C, TL	T-4	
ST20-2	119th Ave NE Roadway Extension	$ 5.6	ST 0061		C, TL	T-4	
ST20-3	120th Ave NE Roadway Improvements	$ 9.0	ST 0063		C	T-1, T-4	√
ST20-4	124th Ave NE Roadway Improvements	$ 10.0	ST 0059		C	T-1, T-4	√
ST20-5	124th Ave NE Roadway Widening Improvements	$ 30.3	ST 0064		C	T-4	
ST20-6	132nd Ave NE Roadway Improvements	$ 25.2	ST 0056		C	T-4	
ST20-7	98th Ave NE Bridge Project	$ 1.4	ST 0055		C	T-4	
ST20-8	120th Ave NE Roadway Extension	$ 16.4	ST 0073		TL	T-4	
ST20-9	NE 120th St Roadway Extension (east section)	$ 6.6	ST 0057 001	√	C	T-1, T-4	√
ST20-10	120th Ave NE/Totem Lake Plaza Roadway Improvements	$ 3.0	ST 0070		TL	T-4	
ST20-11	NE 130th Street Roadway Extension	$ 10.0	ST 0062		C	T-4	
ST20-12	NE 120th St Roadway Improvements (west section)	$ 5.9	ST 0072		TL	T-4	
ST20-13	Annual Street Preservation Program	$ 10.5	ST 0006	√	C	T-4	
ST20-14	NE 132nd St Rdwy Imprv - Phase I (west section)	$ 1.4	ST 0077		C, 132	T-4	
ST20-15	NE 132nd St Rdwy Imprv - Phase II (mid section)	$ 0.3	ST 0078		C, 132	T-4	
ST20-16	NE 132nd St Rdwy Imprv - Phase III (east section)	$ 1.1	ST 0079		C, 132	T-4	
ST20-17	Annual Striping Program	$ 2.1	ST 0080	√	C	T-4	
ST20-18	Annual Concurrency Street Improvements	$ 2.0	ST 8888	√	C	T-4	√
ST20-19	Annual Street Pres Program - One-time Project	$ 1.1	ST 0006 002	√	C	T-4	
ST20-20	Street Maintenance & Pedestrian Safety	$ 18.0	ST 0006 003	√	C	T-4	
ST20-21	Totem Lake Area Development Opportunity Program	$ 0.5	ST 0081		C	T-4	
ST20-22	Juanita Drive Corridor Study	$ 0.3	ST 0082	√	C	T-4	
ST20-23	100th Ave NE Roadway Improvements	$ 9.5	ST 0083 101		C	T-4	
ST20-24	101st Ave NE Corridor Study	$ 0.5	ST 0083	√	C	T-4	
	Subtotal Streets	$ 177.1					

Comp Plan ID Number	Project Description	Total Cost (1)	Cip Project Number	Funded in 6-yr CIP	Source Doc (2)	Comp Plan Goal	2022 Concurrency Project
TR20-1	100th Ave NE/NE 124th St Intersection Improvements	$ 2.2	TR 0084		C	T-4	√
TR20-2	Kirkland Way/Cross Kirkland Corridor Abutment/Intersection Imps	$ 6.9	TR 0067		C	T-4, T-2	
TR20-3	6th Street/Kirkland Way Traffic Signal	$ 0.6	TR 0065		C	T-4	
TR20-4	120th Ave NE / Totem Lake Way Intersection Improvements	$ 2.8	TR 0099		C	T-4	√
TR20-5	NE 124th St/I-405 Queue Bypass (EB to SB)	$ 1.7	TR 0057		C	T1 T4 T5	√
TR20-6	NE 85th St/120th Ave NE Intersection Improvements	$ 5.3	TR 0088		C	BKR T1 T4	√
TR20-7	NE 85th St/132nd Ave NE Intersection Improvements	$ 1.8	TR 0089		C	BKR T1 T4	
TR20-8	NE 85th St HOV/I-405 Queue Bypass	$ 0.8	TR 0056		C	T1 T4 T5	√
TR20-9	Lake Wash Blvd/Northup Way Queue Bypass	$ 6.6	TR 0068		C	T-4	
TR20-10.1	NE 116th St/I-405 Queue Bypass	$ 7.3	TR 0072		C	T1 T4 T5	
TR20-10.2	NE 85th St/I-405 Queue Bypass	$ 1.8	TR 0074		C	T1 T4 T5	
TR20-10.3	NE 70th St/I-405 Queue Bypass	$ 1.7	TR 0073		C	T1 T4 T5	
TR20-10.4	NE 124th St/I-405 Queue Bypass (WB to NB)	$ 1.3	TR 0075		C	T1 T4 T5	√
TR20-11.1	Kirkland Ave/Lake Street South				P20	T-4	
TR20-11.2	Lake Street South/2nd Ave South				P20	T-4	
TR20-11.3	Market Street/Central Way				P20	T-4	
TR20-11.4	Market Street/7th Avenue NE				P20	T-4	
TR20-11.5	NE 53rd Street/108th Ave NE				P20	T-4	
TR20-11.6	NE 60th Street/116th Ave NE				P20	T-4	
TR20-11.7	NE 60th Street/132nd Avenue NE				P20	T-4	
TR20-11.8	NE 64th Street/Lake Washington Blvd				P20	T-4	
TR20-11.9	NE 70th Street/120th Avenue NE				P20	T-4	
TR20-11.10	NE 80th Street/132nd Avenue NE				P20	T-4	
TR20-11.11	NE 112th Street/124th Avenue NE				P20	T-4	
TR20-11.12	NE 116th Street/118th Avenue NE				P20	T-4	
TR20-11.13	NE 116th Street/124th Avenue NE	$ 1.7	TR 0092		C	T-4	√
TR20-11.14	NE 126th Street/132nd Place NE				P20	T-4	
TR20-11.15	NE 128th Street/Totem Lake Blvd				P20	T-4	
TR20-11.16	NE 100th Street/132nd Avenue NE				P20	T-4	
TR20-11.17	Market Street/Forbes Creek Drive				P20	T-4	
TR20-11.18	NE 112th Street/120th Avenue NE				P20	T-4	
TR20-11.19	Totem Lake Blvd/120th Avenue NE				P20	T-4	
TR20-12	NE 70th Street/132nd Ave NE Intersection Imp	$ 4.6	TR 0086		C	T-4	√
TR20-13	Lake Wash Blvd/NE 38th Place Intersection Imp	$ 0.5	TR 0090		C	T-4	
TR20-14	NE 124th St/124th Ave NE Intersection Imp	$ 3.5	TR 0091		C	T-4	
TR20-15	NE 132nd Street/100th Ave NE Intersection Imp	$ 3.2	TR 0083	√	C	T-4	√
TR20-16	Central Way/Park Place Center Traffic Signal	$ 0.2	TR 0082		C	T-4	
TR20-17	NE 132nd Street/124th Ave NE Intersection Imp	$ 5.7	TR 0096		C	T-4	√
TR20-18	NE 132nd Street/116th Way NE Intersection Imp	$ 0.3	TR 0098		C	T-4	√
TR20-20	Central Way/4th Street Intersection Imp	$ 0.03	TR 0103		C	T-4	
TR20-21	6th Street/4th Ave Intersection Imp	$ 0.6	TR 0104		C	T-4	
TR20-22	Central Way/5th Street Intersection Imp	$ 0.6	TR 0105		C	T-4	
TR20-23	6th Street/7th Ave Intersection Improvements	$ 0.1	TR 0106		C	T-4	
TR20-24	Market Street/15th Ave Intersection Imp	$ 0.6	TR 0107		C	T-4	
TR20-25	NE 85th Street/124th Ave NE Intersection Imp	$ 0.9	TR 0108		C	T-4	
TR20-26	Totem Lake Plaza/Totem Lake Blvd Intersection Imp	$ 1.5	TR 0109		C	T-4	
TR20-27	NE 132nd St/Juanita HS Access Road Intersection Imp	$ 0.9	TR 0093		C	T-4	√
TR20-28	Totem Lake Plaza/120th Ave NE Intersection Imp	$ 1.5	TR 0110		C	T-4	
TR20-29	NE 132nd St/108th Ave NE Intersection Imp	$ 0.6	TR 0094		C	T-4	√
TR20-30	NE 132nd St/Fire Station Access Dr Intersection Imp	$ 0.4	TR 0095		C	T-4	
TR20-31	NE 132nd St/132nd Ave NE Intersection Imp	$ 0.9	TR 0097		C	T-4	√
TR20-34	Annual Concurrency Traffic Improvements	$ 1.4	TR 8888	√	C	T-4	√
TR20-36	Kirkland ITS Improvements – Phase II	$ 1.2	TR 0111 001		C	T-4	
TR20-38	Citywide Safety & Traffic Flow Improvements	$ 0.3	TR 0113	√	C	T-4	
TR20-39	6th Street & Central Way Intersection Improvements Phase 2	$ 1.9	TR 0100 100		C	T-4	
TR20-40	Kirkland ITS Improvements – Phase II B	$ 2.6	TR 0111 002		C	T-4	
TR20-41	Kirkland ITS Improvements – Phase II C	$ 2.9	TR 0111 003	√	C	T-4	
TR20-42	Slater Ave NE Traffic Calming - Phase 1	$ 0.3	TR 0114		C	T-4	
	Subtotal Traffic	$ 79.7					

Notes:

(1) '12 Costs in millions; Funded projects indexed for inflation

(2) C = CIP, NM = Non-Capacity, P20 - 20 year list, 132 = 132nd Street Masterplan (2008), Highland = Highlands Neighborhood Plan

Table CF - 10
2022 Concurrency Transportation Projects List

Comp Plan ID Number	Project Description	Remaining Costs (1)	CIP Project Number	Funded in 6-yr CIP	Source Doc (2)	Comp Plan Goal	2022 Concurrency Project
ST20-3	120th Avenue NE, NE 128th Street to NE 132nd Street	$ 9.0	ST 0063	No	C	T-1, T-4	√
ST20-4	124th Avenue NE, NE 116th Street to NE 124th Street	$ 10.0	ST 0059	No	C	T-1, T-4	√
ST20-9	NE 120th Street (east section), from Slater Avenue NE to 124th Avenue NE	$ 6.6	ST 0057-001	Yes	C	T-1, T-4	√
ST20-18	Annual Concurrency Street Improvements	$ 2.0	ST 8888	Yes	C	T-4	√
TR20-1	100th Avenue NE / NE 124th Street	$ 2.2	TR 0084	No	C	T-4	√
TR20-4	120th Ave NE / Totem Lake Way Intersection Improvements	$ 2.8	TR 0099	No	C	T-1, T-4, T-5	√
TR20-5	NE 124th Street and I-405, HOV Queue By-pass east to southbound	$ 1.7	TR 0057	No	C	T-1, T-4, T-5	√
TR20-6	NE 85th Street / 120th Avenue NE	$ 5.3	TR 0088	No	C	BKR, T-1, T-4	√
TR20-8	NE 85th Street and I-405, HOV Queue By-pass east to southbound	$ 0.8	TR 0056	No	C	T-1, T-4, T-5	√
TR20-10.4	NE 124th Street / I-405 HOV Queue By-pass,westbound to northbound	$ 1.3	TR 0075	No	C	T-1, T-4, T-5	√
TR20-11.13	NE 116th Street/124th Avenue NE	$ 1.7	TR 0092	No	C	T-1, T-4	√
TR20-12	NE 70th Street / 132nd Avenue NE	$ 4.6	TR 0086	No	C	BKR, T-1, T-4	√
TR20-15	NE 132nd Street / 100th Avenue NE	$ 3.2	TR 0083	No	C	BKR, T-1, T-4	√
TR20-17	NE 132nd Street / 124th Avenue NE	$ 5.7	TR 0096	No	C, 132	T-4	√
TR20-18	NE 132nd Street at 116th Way NE to Totem Lake Blvd / I-405	$ 0.3	TR 0098	No	C, 132	T-4	√
TR20-27	NE 132nd Street / Juanita High School Entry	$ 0.9	TR 0093	No	C, 132	T-4	√
TR20-29	NE 132nd Street / 108th Avenue NE	$ 0.6	TR 0094	No	C, 132	T-4	√
TR20-31	NE 132nd Street / 132nd Avenue NE	$ 0.9	TR 0097	No	C, 132	T-4	√
TR20-34	Annual Concurrency Traffic Improvements	$ 1.4	TR 8888	Yes	C	T-4	√

CONCURRENCY PROJECT LIST TOTAL ('10 Costs w/o INFLATION) $ 61.00

Years to attain 2022 network: 2012 -- 2022 = 11 years

AVERAGE ANNUAL CONCURRENCY PROJECT EXPENDITURE $ 5.55

Notes: Remaining costs with 2010 as "base year"
(1) '10 Costs in millions; Funded projects indexed for inflation
(2) C = CIP, P20 - 20 year list, 132 = 132nd Street Masterplan (2008)

Table CF - 10A
Capital Facilities Plan: Utility Projects

SOURCES OF FUNDS

Revenue Type	*Revenue Source*	*2013*	*2014*	*2015*	*2016*	*2017*	*2018*	*Six-Year Total*
Local	Water and Sanitary Sewer Utility Rates	2,326,600	1,643,700	3,009,100	2,533,500	2,408,000	2,408,000	14,328,900
Local	Reserves	922,000	478,000	969,000	431,000	950,000	450,000	4,200,000
Local	Debt	885,700	3,152,300					4,038,000
Local	Connection Fees	865,000	802,700	694,900	308,500	865,000	865,000	4,401,100
Total Sources		4,999,300	6,076,700	4,673,000	3,273,000	4,223,000	3,723,000	26,968,000

USES OF FUNDS

Funded Projects

Project Number	*Project Title*	*2013*	*2014*	*2015*	*2016*	*2017*	*2018*	*Six-Year Total*
WA 0090	Emergency Sewer Pgm Watermain Replacement Pgm	50,000		50,000		50,000		150,000
WA 0102	104th Ave NE Watermain Replacement					974,500		974,500
WA 0116*	NE 80th Street Watermain Replacement (Phase II)	442,000	2,394,400					2,836,400
WA 0121	NE 109th Ave/106th Court NE Watermain Replacement	156,300						156,300
WA 0134	5th Ave S / 8th St S Watermain Replacement						850,000	850,000
WA 0139	6th Street S Watermain Replacement			671,000				671,000
WA 0140	NE 85th Street Watermain Replacement	2,413,000						2,413,000
WA 0145	Kirkland Avenue/6th Street S Watermain Replacement				755,000			755,000
WA 0148	Park Lane Watermain Replacement	62,000	235,000					297,000
WA 8888	Annual Watermain Replacement Program					385,000	385,000	770,000
WA 9999	Annual Water Pump Station/System Upgrade Pgm			222,000		385,000	385,000	992,000
SS 0056*	Emergency Sewer Construction Program	922,000	478,000	969,000	431,000	950,000	450,000	4,200,000
SS 0064	7th Avenue South Sewermain Replacement				593,000	1,053,000		1,646,000
SS 0067	NE 80th Street Sewermain Replacement (Phase II)	600,000	1,836,000					2,436,000
SS 0073	Rose Point Sewer Lift Station Replacement		944,400	1,343,000				2,287,400
SS 0078	5th Avenue S Sewermain Replacement		188,900	38,000				226,900
SS 0079	3rd Avenue S & 2nd Street S Sewermain Replacement			487,000	740,000			1,227,000
SS 0080	20th Avenue Sewermain Replacement						812,000	812,000
SS 0081	7th / 8th Ave West Alley Sewermain Replacement	354,000						354,000
SS 8888	Annual Sanitary Pipeline Replacement Program			446,500	377,000	213,000	441,000	1,477,500
SS 9999*	Annual Sanitary Pump Station/System Upgrade Pgm			446,500	377,000	212,500	400,000	1,436,000
Total Funded Utility Projects		4,999,300	6,076,700	4,673,000	3,273,000	4,223,000	3,723,000	26,968,000

SURPLUS (DEFICIT) of Resources		-	-	-	-	-	-	-

*These projects provide new capacity towards levels of service.

Table CF - 10B
Capital Facilities Plan: Surface Water Utility Projects

SOURCES OF FUNDS

Revenue Type	*Revenue Source*	*2013*	*2014*	*2015*	*2016*	*2017*	*2018*	*Six-Year Total*
Local	Surface Water Utility Rates	1,588,000	1,588,000	1,588,000	1,588,000	1,588,000	1,588,000	9,528,000
Local	Reserves	3,485,300	53,100	50,000		50,000		3,638,400
External	External Sources	168,000	168,000	-				336,000
Total Sources		5,241,300	1,809,100	1,638,000	1,588,000	1,638,000	1,588,000	13,502,400

USES OF FUNDS

Funded Projects

Project Number	*Project Title*	*2013*	*2014*	*2015*	*2016*	*2017*	*2018*	*Six-Year Total*
SD 0047	Annual Replacement of Aging/Failing Infrastructure	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000
SD 0048	Cochran Springs / Lake Washington Blvd Crossing Enh.		340,000	667,100	450,000			1,457,100
SD 0051	Forbes Creek/KC Metro Access Road Culvert Enh.					688,000	370,700	1,058,700
SD 0053	Forbes Creek/Coors Pond Channel Grade Controls						164,700	164,700
SD 0058	Surface Water Sediment Pond Reclamation Phase II			497,600	238,000			735,600
SD 0059	Totem Lake Boulevard Flood Control Measures	302,800	1,048,000					1,350,800
SD 0067	NE 129th Place/Juanita Creek Rockery Repair			223,300				223,300
SD 0075	Totem Lake Twin 42 Inch Culvert Replacement	4,347,000						4,347,000
SD 0076	NE 141st Street/111th Avenue NE Culvert Repair	181,500						181,500
SD 0077	Goat Hill Storm Drainage Repair		153,700					153,700
SD 0078	Billy Creek Ravine Stabilization Phase II		67,400					67,400
SD 0079	Public Safety Building Stormwater Quality Demonstration	160,000						160,000
SD 0081	Neighborhood Drainage Assistance Program (NDA)	50,000		50,000		50,000		150,000
SD 8888	Annual Streambank Stabilization Program				350,000	350,000	425,000	1,125,000
SD 9999*	Annual Surface Water Infrastructure Replacement Program				350,000	350,000	427,600	1,127,600
Total Funded Surface Water Utility Projects		5,241,300	1,809,100	1,638,000	1,588,000	1,638,000	1,588,000	13,502,400

SURPLUS (DEFICIT) of Resources		-	-	-	-	-	-	-

*These projects provide new capacity towards levels of service.

Table CF - 11
Capital Facilities Plan: Parks Projects

SOURCES OF FUNDS

Revenue Type	*Revenue Source*	*2013*	*2014*	*2015*	*2016*	*2017*	*2018*	*Six-Year Total*
Local	Real Estate Excise Tax	718,000	740,000	762,000	785,000	808,000	832,000	4,645,000
Local	Reserves	100,000						100,000
Local	2012 Parks Levy	725,000	1,125,000	1,250,000	1,250,000	1,250,000	1,250,000	6,850,000
External	Grant (State of Washington)						500,000	500,000
Total Sources		1,543,000	1,865,000	2,012,000	2,035,000	2,058,000	2,582,000	12,095,000

USES OF FUNDS

Funded Projects

Project Number	*Project Title*	*2013*	*2014*	*2015*	*2016*	*2017*	*2018*	*Six-Year Total*
PK 0049	Open Space, Pk Land & Trail Acq Grant Match Program	100,000						100,000
PK 0066	Park Play Area Enhancements			50,000	50,000	50,000	50,000	200,000
PK 0087 100#	Waverly Beach Park Renovation		500,000					500,000
PK 0095 200	Heritage Park - Heritage Hall Renovations	50,000						50,000
PK 0113 100	Spinney Homestead Park Renovation	443,000						443,000
PK 0114 101	Mark Twain Park Renovation (Design)					75,000		75,000
PK 0115	Terrace Park Renovation	75,000	440,000					515,000
PK 0116 100	Lee Johnson Field Lighting Replacements		150,000					150,000
PK 0119	Juanita Beach Park Development Phase 2					100,000	1,207,000	1,307,000
PK 0119 100#	Juanita Beach Bathhouse Replacement			200,000	1,000,000			1,200,000
PK 0121	Green Kirkland Forest Restoration Program	75,000	75,000	75,000	75,000	75,000	75,000	450,000
PK 0131	Park and Open Space Acquisition Program					508,000		508,000
PK 0133 100#	Dock & Shoreline Renovations	150,000	150,000	250,000	250,000			800,000
PK 0133 200#	City-School Playfield Partnership					500,000	500,000	1,000,000
PK 0133 300#	Neighborhood Park Land Acquisition	475,000	375,000			750,000	750,000	2,350,000
PK 0133 400#	Edith Moultan Park Renovation	100,000	100,000	800,000				1,000,000
PK 0134	132nd Park Playfields Renovation	75,000		637,000				712,000
PK 0138	Everest Park Restroom/Storage Building Replacement		75,000		660,000			735,000
		1,543,000	1,865,000	2,012,000	2,035,000	2,058,000	2,582,000	12,095,000

SURPLUS (DEFICIT) of Resources	-	-	-	-	-	-	-

*These projects provide new capacity towards levels of service.

Table CF-12
Capital Facilities Plan: Public Safety Projects

SOURCES OF FUNDS

Revenue Type	*Revenue Source*	*2013*	*2014*	*2015*	*2016*	*2017*	*2018*	*Six-Year Total*
Local	General Fund	902,100	599,500	87,300	219,800	471,600	42,600	2,322,900
Total Sources		902,100	599,500	87,300	219,800	471,600	42,600	2,322,900

USES OF FUNDS

Funded Projects

Project Number	*Project Title*	*2013*	*2014*	*2015*	*2016*	*2017*	*2018*	*Six-Year Total*
PS 0067*	Dive Rescue Equipment Replacement		55,000					55,000
PS 0071*	Self Contained Breathing Apparatus (SCBA)	741,600						741,600
PS 0075	Portable Radios					347,000		347,000
PS 0076	Personal Protective Equipment		518,200					518,200
	Subtotal Funded Fire and Building Projects	741,600	573,200	-	-	347,000	-	1,661,800
PS 1000	Police Equipment Replacement	160,500	26,300	87,300	219,800	124,600	42,600	661,100
	Subtotal Funded Police Projects	160,500	26,300	87,300	219,800	124,600	42,600	661,100
Total Funded Public Safety Projects		902,100	599,500	87,300	219,800	471,600	42,600	2,322,900
SURPLUS (DEFICIT) of Resources		-	-	-	-	-	-	-

IV. COMMUNITY CHARACTER

- Retain and repair the architectural features that distinguish a building as an historic resource.
- Restore architectural or landscape/streetscape features that have been destroyed.
- Move historic buildings to a location that will provide an environment similar to the original location.
- Provide for rehabilitation of another historic building elsewhere to replace a building that is demolished or has its historic features destroyed.
- Provide a record and interpretation of demolished or relocated structures by photographs, markers and other documentation.

Policy CC-2.2: Identify and prioritize historic buildings, structures, sites and objects for protection, enhancement, and recognition.

Although age is an important factor in determining a building's, structure's, site's and object's historical significance (a minimum of 50 years for the National and State Register and 40 years for the City of Kirkland register), other factors, such as the integrity of the building, architecture, location and relationship to notable persons or events of the past, also are important.

Table CC-1 identifies Designated Historic Buildings, Structures, Sites and Objects in Kirkland.

The City of Kirkland recognizes these buildings, structures, sites and objects on List A and List B in Table CC-1. All are designated Historic Community Landmarks by the City of Kirkland. The lists also contain "Landmarks," designated by the Kirkland Landmark Commission, and "Historic Landmarks," designated pursuant to Chapter 75 KZC.

(New paragraph)
Development permits involving ~~these~~ buildings, structures, sites and objects in Table CC-1 are subject to environmental review under the City's local SEPA regulations ~~and review pursuant to the Kirkland Zoning Code~~. In addition, landmarks noted with a footnote (*) are subject to review by the Kirkland Landmark Commission pursuant to Kirkland Municipal Code Title 28. The Kirkland Landmark Commission is composed of members of the King County Landmark Commission and one Kirkland resident appointed by the Kirkland City Council. City of Kirkland "Historic Landmarks" noted with a footnote (¥) are subject to review by Chapter 75 KZC. ~~The Kirkland Landmark Commission is composed of members of the King County Landmark Commission and one Kirkland res- ident appointed by the Kirkland City Council.~~

Table CC-1

Designated Historic Buildings, Structures, Sites and Objects

List A: Historic Buildings, Structures, Sites and Objects Listed on the National and State Registers of Historic Places and Designated by the City of Kirkland

Building or Site	Address	Architectural Style	Date Built	Person/Event	Neighborhood
Loomis House	304 8th Ave. W.	Queen Anne	1889	KL&IC	Market
Sears Building	701 Market St.	Italianate	1891	Sears, KL&IC	Market
Campbell Building	702 Market St.		1891	Brooks	Market
*Peter Kirk Building	620 Market St.	Romanesque Revival	1891	Kirk, KL&IC	Market
Trueblood House	127 7th Ave.	Italianate	1889	Trueblood	Norkirk
*Kirkland Woman's Club	407 1st St.	Vernacular	1925	Founders 5	[illegible]rk

¥Marsh Mansion	6610 Lake Wash. Blvd.	French Ecl Revival	1929	Marsh	Lakeview
Kellett/Harris House	526 10th Ave. W.	Queen Anne	1889	Kellett	Market

IV. COMMUNITY CHARACTER

List B: Historic Buildings, Structures, Sites and Objects Designated by the City of Kirkland

Building or Site	Address	Architectural Style	Date Built	Person/Event	Neighborhood
Newberry House	519 1st St.	Vernacular	1909	Newberry	Norkirk
Nettleton/Green Funeral	400 State St.	Colonial Revival	1914	Nettleton	Moss Bay
Kirkland Cannery	640 8th Ave.	Vernacular	1935	WPA Bldg	Norkirk
Landry House	8016 126th Ave. NE	Bungalow	1904		South Rose Hill
Tompkins/Bucklin House	202 5th Ave. W.	Vernacular	1889	Tompkins	Market
Burr House	508 8th Ave. W.	Bungalow/Prairie	1920	Burr	Market
Orton House (moved)	4120 Lake Wash. Blvd.	Georgian Revival	1903	Hospital	Lakeview
¥Shumway Mansion (moved)	11410 100th Ave. NE	Craftsman/Shingle	1909	Shumways	South Juanita
French House (moved)	4130 Lake Wash. Blvd.	Vernacular	1874	French	Lakeview
Snyder/Moody House	514 10th Ave. W.	Vernacular	1889	KL&IC	Market
McLaughlin House	400 7th Ave. W.		1889	KL&IC	Market
First Baptist Church/ American Legion Hall	138 5th Ave.	Vernacular	1891/1934	Am Legion	Norkirk
Larson/Higgins House	424 8th Ave. W.		1889	KL&IC	Market
Hitter House	428 10th Ave. W.	Queen Anne	1889	KL&IC	Market
Cedarmere/Norman House	630 11th Ave. W.	Am Foursquare	1895		Market
Dorr Forbes House	11829 97th Ave. NE	Vernacular	1906	Forbes	South Juanita
Brooks Building	609 Market St.	Vernacular Comm	1904	Brooks	Market
Williams Building	101 Lake St. S.	Vernacular Comm	1930		Moss Bay
Webb Building	89 Kirkland Ave.	Vernacular Comm	1930		Moss Bay
5th Brick Building	720 1/2 Market St.	Vernacular Comm	1891		Market
Shumway Site	510 – 528 Lake St. S.	site only		Shumways	Lakeview
Lake WA Shipyards Site	Lake Wash. Blvd./ Carillon Point	site only		Anderson/ WW	Lakeview
Lake House Site	10127 NE 59th St.	site only		Hotel	Lakeview
*First Church of Christ [illegible] (moved) a.k.a. [illegible] Hall	203 Market St.	Neoclassical	1923	Best example of this style	Market

¥Malm House	12656 100th Ave. NE	Tudor Revival	1929		North Juanita
Sessions Funeral Home	302 1st St.	Classic Vernacular	1923		Norkirk

V. COMMUNITY CHARACTER

List B: Historic Buildings, Structures, Sites and Objects Designated by the City of Kirkland (Continued)

Building or Site	Address	Architectural Style	Date Built	Person/Event	Neighborhood
Houghton Church Bell (Object)	105 5th Ave. (Kirkland Congregational Church)	Pioneer/Religion	1881	Mrs. William S. Houghton	Norkirk
Captain Anderson Clock (Object)	NW corner of Lake St. and Kirkland Ave.	Transportation/ Ferries	c. 1935	Captain Anderson	Moss Bay
Archway from Kirkland Junior High	109 Waverly Way (Heritage Park)	Collegiate Gothic	1932	WPA	Market
Langdon House and Homestead	10836 NE 116th St. (McAuliffe Park)	Residential Vernacular	1887	Harry Langdon	South Juanita
Ostberg Barn	10836 NE 116th St. (McAuliffe Park)	Barn	1905	Agriculture	South Juanita
Johnson Residence	10814 NE 116th St. (McAuliffe Park)	Vernacular influenced by Tudor Revival	1928	Agriculture	South Juanita
Carillon Woods Park	NW corner of NE 53rd St. and 106 Ave. NE	Utility/water source for Yarrow Bay and site	1888	King Co. Water District #1	Central Houghton

Footnotes:

* The City of Kirkland Landmark Commission has formally designated these buildings, structures, sites and objects as Landmarks pursuant to KMC Title 28.

¥ The City of Kirkland has formally designated these buildings, structures, sites and objects as Historic Landmarks pursuant to Chapter 75 KZC.

Note: KL&IC is the Kirkland Land Improvement Company.

XV.H. TOTEM LAKE NEIGHBORHOOD

Totem Lake Neighborhood Land Use Matrix

Districts

	TL 1	TL 2	TL 3	TL 4	TL 5	TL 6	TL 7	TL 8	TL 9	TL 10A	TL 10B	TL 10C	TL 10D	TL 10E	TL 11
Residential (>24 d.u./acre)	♦ a	♦ c		♦ ~~c~~	♦ c	♦ c		♦ ~~c~~			♦	♦	♦		
Medium Density Residential									♦ i						♦
Office	♦ a	♦ ~~d~~	♦ f	♦ ~~g~~	♦ ~~g~~	♦ ~~g~~	♦	♦	♦	♦	♦	♦	♦	♦	♦
Retail		♦ g		♦ ~~g~~	♦ ~~g~~	♦ ~~g~~	♦ h	♦ g				♦ k			
Industrial							♦		♦ j	♦	♦	♦	♦	♦	
Housing Incentive (b)	♦	~~♦~~				♦					♦	♦	♦		
Master/Specific Plan			♦		♦										
Design Review	♦	♦	♦	♦	♦	♦	♦	♦ l		♦	♦	♦	♦	♦	♦
Building Height Considerations (e)	♦	♦	♦		♦	♦				♦	♦	♦	♦	♦	

Notes:

♦ Denotes districts in which land uses are allowed and/or where consideration noted below applies.

a. Minimum density of 50 dwelling units per acre required. High nonresidential FAR encouraged (minimum 1.0)
b. Housing incentive may include additional height for upper story residential ~~uses and/or additional provisions for affordable housing~~.
c. Upper story housing encouraged to be combined with lower level commercial uses.
d. Area of office to be subordinate to retail use.
e. See Neighborhood Plan text for discussion of building height.
f. Medical and general office uses to support Evergreen Hospital Medical Center will be subject to City approval based on consistency with the ~~of a~~ campus Master Plan.
g. Ground floor uses may be limited to retail in certain areas ~~of property~~within the zone.
h. Types of retail uses may be limited within the zone.
i. Medium density residential uses allowed in northwest portion of subarea, north of NE 126th Place. subject to standards (see Neighborhood plan text).
j. Industrial uses to be encouraged to remain and locate in this area through special incentives.
k. Vehicle sales/repair allowed only with direct vehicle access to NE 116th Street. Other retail uses must be accessory to a primary use.
l. Design guidelines for the Totem Lake Neighborhood apply to development in TL 7, in lieu of design regulations in Chapter 92.

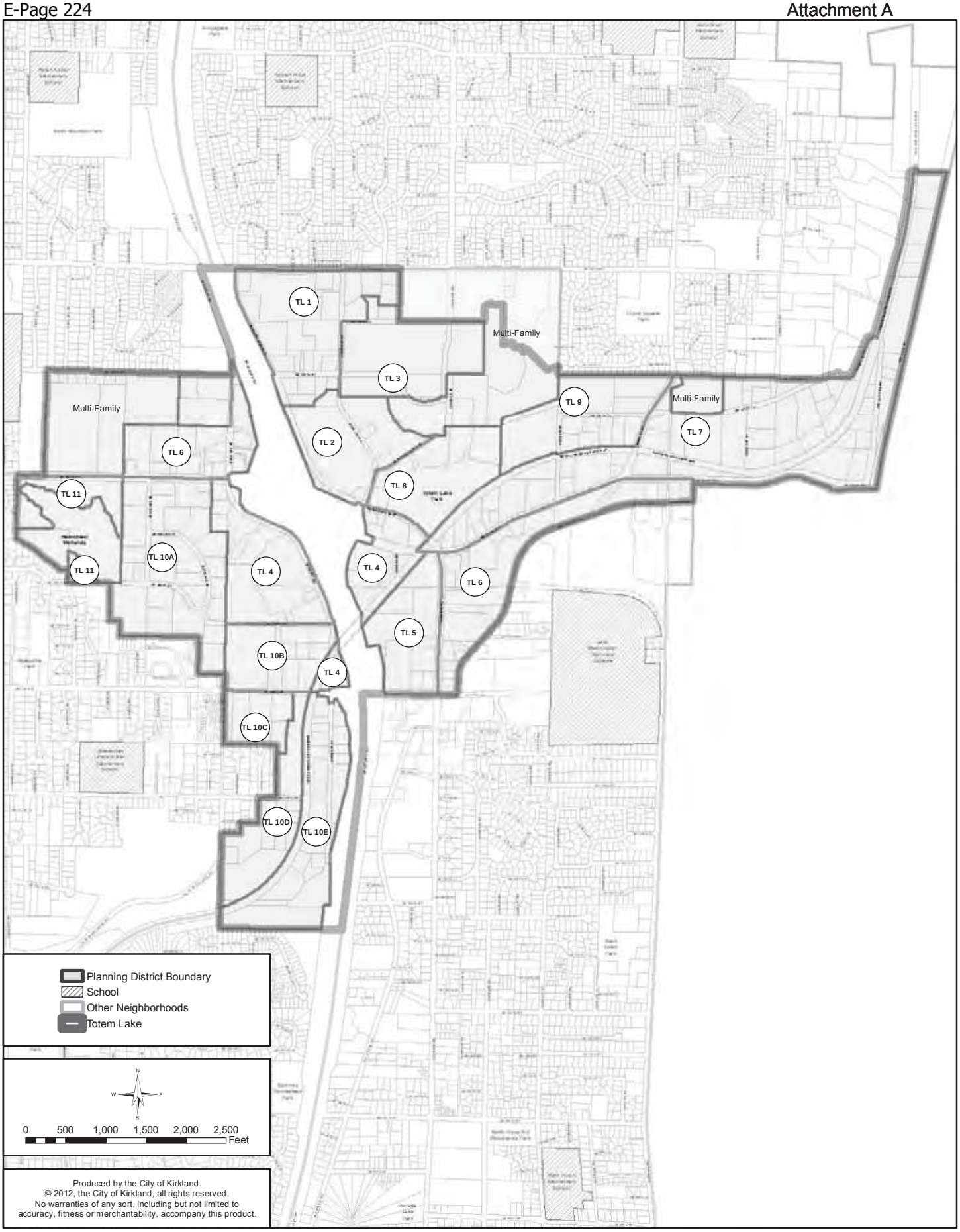


Figure TL-11: Totem Lake Planning Districts

XIII. Capital Facilities

The City should take a leadership role in the community by using and promoting these practices. In addition, the City should maintain existing public facilities to protect the community's investment in these facilities.

Policy CF-2.3:

Provide additional public facility capacity consistent with available funding when existing facilities are used to their maximum level of efficiency.

Before additional facilities are built, existing facilities should be used to the maximum extent possible by efficient scheduling and demand management. When increased capacity is warranted, costly retrofits should be avoided by incorporating all improvements up front. For example, the addition of bike lanes identified in the City's Nonmotorized Plan should be included when streets are widened, or newly constructed.

Policy CF-2.4:

If all other responses to growth fail, then restrict the amount and/or location of new development in order to preserve the level of service of public facilities and utilities.

The Growth Management Act provides that funding and LOS standards can be adjusted to accommodate new development or redevelopment and still meet the concurrency test (see discussion in the Introduction, "What is concurrency?," in this Element). However, if these adjustments are unacceptable, then the amount, location, or phasing of new development should be restricted.

Level of Service Standards and Concurrent Provision of Adequate Public Facilities

Level of service standards are the benchmark the City uses to determine the adequacy of public facilities to serve existing and new development. The City may choose the level of service standards it desires, but they must be achievable with existing facilities plus any additional capital improvement projects identified in the Comprehensive Plan.

Goal CF-3: Identify level of service standards that ensure adequate public facilities to serve existing and future development.

The Capital Improvements Schedule and Financing Plan assures that adequate public facilities can be provided concurrent with their demands. The City must ensure that the improvements are made in a timely manner so as to not jeopardize concurrency requirements. One of the basic goals of GMA is to ensure that growth does not outpace the demand for public facilities. In that sense, the community is assured that its infrastructure needs are met when development occurs.

Sewer and Water Facilities

Water and sewer facilities are essential to public health. Therefore, they must be available and adequate upon first use of development. The Growth Management Act permits up to six years to achieve standards for transportation facilities after new development is completed.

Policy CF-3.1:

Use the following level of service standards for determining the need for public sewer and water facilities:

Table CF-2
Sewer and Water Level of Service

Facility	Standard
Water distribution	~~113~~ gallons/day/capita
Water storage	~~190~~ gallons/capita (includes 1.5 million gallons for fire storage)
Sanitary sewer collection	100 gallons/day/capita

103 gallons/day/capita

249 gallons/capita (includes 1.5 million gallons for fire storage

Sewer and water facilities are essential to the protection and enhancement of public health. While the City does not provide the source for water, nor the treat-

XI. UTILITIES

and enhancements while providing appropriate public input. The environmental and aesthetic concerns of the community are balanced with the need to provide affordable and reliable utility service.

The importance of efficiency and conservation is stressed as a cost-effective means of accommodating the growing demand for services.

C. UTILITIES GOALS AND POLICIES

Goal U-1: Maintain the quality of life in Kirkland through the planned provision of public and private utilities.

Goal U-2: Provide an efficient system to deliver high quality water.

Goal U-3: Protect public health and environmental quality through appropriate and efficient design, installation, and maintenance of sanitary sewer facilities.

Goal U-4: Provide surface water management facilities programs and services that provide adequate drainage and minimize flooding while protecting and enhancing the water quality and habitat value of streams, lakes, and wetlands.

Goal U-5: Ensure adequate and competitively priced telecommunication infrastructure, facilities and services.

Goal U-6: Facilitate the development and maintenance of non-City-managed utilities at the appropriate levels of service.

GENERAL

Community Values

As an urban area, Kirkland is accustomed to a high level of utility service. These services accommodate the lifestyles of Kirkland residents and the success of Kirkland businesses. To maintain these community values, Kirkland must balance the quality of the service provided with the costs and community impacts.

Goal U-1: Maintain the quality of life in Kirkland through the planned provision of public and private utilities.

Policy U-1.1: Maintain an inventory of existing capital facilities and utilities, including locations and capacities of such systems and facilities.

An accurate inventory of existing utility locations and capacities will ensure that the City can plan for new growth in a manner that reflects the ability to service that growth with adequate services.

Policy U-1.2: Provide for needed capital facilities and utilities based on adopted levels of service and forecasted growth in accordance with the Land Use Element of this Plan.

This policy is intended to ensure that the Capital Facilities, Land Use, and Utilities Elements are functioning in concert. This systematic planning allows the City to make accurate land use projections based on utility plans and allows utility providers to plan for utilities in a manner that reflects expected land use patterns and densities.

Policy U-1.3: Use the following level of service standards for determining the need for public sewer, water, and surface water facilities:

Table U-1
Water, Sewer and Surface Water Level of Service

Facility	Standard
Water distribution:	~~113~~ 103 gallons/day/capita
Water storage:	~~190~~ 249 gallons/capita (includes 1.5 million gallons for fire t)
Sanitary sewer collection:	100 gallons/day/capita

IX. TRANSPORTATION

Table T-4 below lists intersections that are not system intersections and are therefore not considered in the calculations.

Table T-4
Signalized Intersections That Are Not System Intersections

The following signalized intersections are not system intersections. ~~All other signalized intersections installed prior to August 2001 are system intersections~~.
6th Street/4th Avenue
3rd Street/Kirkland Avenue
6th Street/Kirkland Way
98th Avenue NE/NE 120th Place
93rd Avenue NE/Juanita Drive
97th Avenue NE/Juanita Drive
NE 124th Street/120th Place NE
NE 118th Street/120th Avenue NE
NE 128th Street/116th Way NE
120th Avenue NE/NE 80th Street
NE 132nd Street/108th Avenue NE
NE 132nd Street/Juanita High School
NE 132nd Street/Juanita Elementary School
120th Avenue Pedestrian Signal at Totem Lake Mall
NE 140th Street/132nd Avenue NE
NE 137th Street/100th Avenue NE

NON-CITY-MANAGED UTILITIES

Northshore Utility District: Water and Sewer

The Northshore Utility District provides water and sewer services to northern portions of the City. Figure U-4 illustrates the existing Northshore water system and proposed improvements. Figure U-5 illustrates the existing Northshore sewer system. Northshore wastewaters are treated at King County's Department of Natural Resources West Point and Renton treatment plants. The water system has five reservoir sites with a 29-million-gallon capacity. The District is in the process of developing a sewer system capital improvement plan for replacement and repair of the older, damaged sections of the system. Repair and maintenance of the system occur when needed and extensions necessitated by future development will be provided by the developer.

Northshore can provide service to accommodate Kirkland's future growth.

Woodinville Water District: Water and Sewer

The Woodinville Water District provides water services to the northeast portion of the City and sewer service to a few single family homes in the City. Figure U-4 illustrates the existing Woodinville water system and proposed improvements. Figure U-5 illustrates the existing Woodinville sewer system. Woodinville Water wastewaters are treated at King County's Department of Natural Resources West Point and Renton treatment plants. The water system has six reservoir sites with a 14.9-million-gallon capacity. The District has a capital improvement plan for the system. Repair and maintenance of the system occur when needed and extensions necessitated by future development will be provided by the developer. Woodinville Water can provide service to accommodate Kirkland's future growth.

Puget Sound Energy: Electricity and Natural Gas

Puget Sound Energy (PSE) is a public service company regulated by the Washington Utilities and Transportation Commission (WUTC), which provides the Kirkland area with electricity and natural gas. PSE distributes power transmitted by Bonneville Power Administration (BPA), and generates, transmits, and distributes power as part of the interconnected Northwest power grid. Although there has historically been a net surplus in electricity supply in the Northwest, in recent years there has been a balance between supply and demand. Future forecasts indicate some scenarios where deficits may emerge, requiring additional power purchases, new generation, and further conservation.

Kirkland is a part of the Eastside and Northshore Electrical Subareas. Power is delivered on 230 kV transmission lines to substations in Redmond and Renton, where the voltage is transformed to 115 kV. Several distribution stations in Kirkland further transform the voltage to 12.5 kV which is then distributed to customers. A double-circuit 230 kV Seattle City Light transmission line runs through Kirkland near 124th Avenue NE, but does not directly serve the Eastside subarea.

PSE's long-range plans through the year 2022 indicate the need for three new distribution substations in Kirkland and a new 115 kV line along the eastern and northern City boundaries to connect to the Sammamish substation in Redmond.

PSE provides natural gas to five Washington counties, including King County. PSE has not historically planned for gas main and service extensions, but reacts to customer demand. The gas industry is regulated by the Washington Utilities and Transportation Commission, which requires gas companies to demonstrate that existing ratepayers will not subsidize new customers.

The Northwest distribution pipeline and gas station are located east of the Kirkland City limits. Existing four-inch to eight-inch gas lines in Kirkland, as well as extensions currently anticipated, will service Kirkland's growth.

Telecommunication Service Providers

Wired telephone service and certain related special services are available in the City. System facilities within Kirkland include switching stations, trunk

lines, and distributions lines. There are four switching stations in Kirkland at 101 Market Street, 10020 133rd Place NE, NE 95th Street/128th Avenue NE, and NE 43rd Street/Lake Washington Boulevard. Trunk lines connecting the switching stations are concrete-encased four-inch conduit, and distribution lines are either pole-mounted or underground. Service and facility expansions are driven by customer demand.

Several companies provide wireless telephone service. Cellular telecommunication permits wireless transmission of messages on a network of strategically placed receivers (i.e., mobile telephone communications). Receivers may be placed on tall poles, lattice-type towers, or buildings. The cellular telephone industry does not plan facilities far into the future, but uses market demand to determine expansion into new service areas.

Cable TV and internet services are also available in Kirkland. The Kirkland system is fed from a microwave receiving site in Bellevue. The majority of trunk and distribution lines are overhead lines rather than underground. The local provider has the technical capacity to serve any new development in the City by simply adding new trunk or distribution lines. High speed DSL services are available in the community.

Many telecommunication vendors own optic fiber in Kirkland rights-of-way for commercial use. The City of Kirkland has access to some of these strands through franchise agreements.

Olympic Pipeline Company: Hazardous Liquid Pipelines

The Olympic Pipeline Company, operated by BP Pipelines, North America, operates a 400-mile-long petroleum pipeline system from Ferndale Washington, to Portland, Oregon. Two parallel lines, 16-inch and 20-inch, generally along the Puget Sound Energy easement, pass through the Evergreen Hills and Totem Lake neighborhoods in the northeast portion of Kirkland and close to a portion of the eastern boundary of the Bridle Trails neighborhood,. The pipelines carry gasoline, diesel and aviation fuel. Delivery lines carry products from this mainline to bulk terminals at Sea-Tac International Airport; Seattle Tacoma and Vancouver Washington, and Linnton and Portland, Oregon.

The pipelines are hazardous liquid pipelines, as defined by state law (RCW 81.88.040). Pipeline facilities, if ruptured or damaged, can pose a significant risk to public safety and the environment due to the high operating pressure and the highly flammable, explosive and toxic properties of the fuel.

The Federal Office of Pipeline Safety (OPS) is responsible for regulation of the interstate pipeline facilities and addresses safety in design, construction, testing, operation, maintenance and emergency response of pipeline facilities. The Washington State Utilities and Transportation Commission (UTC) has authority to act as an agent for OPS.

Kirkland's Fire Department has reciprocal emergency response agreements with Redmond and other surrounding jurisdictions in the event of a pipeline failure. The Redmond Fire Department Olympic Pipeline Response Plan includes technical information about the pipeline, potential hazards, a guide to hazardous materials scene management, emergency response and evacuation plans, and contacts and other resources. It contains the fundamentals of The City of Kirkland Fire Department response, and in addition maintains city specific data to be used in such an emergency.

The City has established policies to supplement state regulations and the City's risk management/response plan. Utility Element policies focus primarily on land use measures that help minimize and prevent unnecessary risk to the public due to hazardous liquid pipelines, recognizing it is impossible to eliminate risk entirely.

Relationship to Other Elements

The Utilities Element supports other elements of the Comprehensive Plan by establishing policies for provision of efficient urban services to serve anticipated growth and development. This Element supports an

infrastructure for servicing existing development and areas targeted for growth by the Land Use Element. The general policies in this Element support the Shoreline Area Chapter by encouraging joint use of utility corridors and mitigating environmental impacts caused by the utility. The telecommunications policies will help implement the policies of the Land Use, Economic Development, Transportation, and Public Services Elements by facilitating the movement of information as an alternative to the historic commuter/work relationship. Finally, utility policies provide direction to the goals and policies of the Capital Facilities Element.

Policies for public services such as emergency services, schools, and libraries are contained in the Public Services Element.

Relationship to Other Plans

In preparing this Element, the City has reviewed and considered the following documents:

- City of Kirkland Comprehensive Water Plan;
- City of Kirkland Comprehensive Sewer Plan;
- City of Kirkland Surface Water Master Plan;
- Northshore Utility District Comprehensive Water Plan;
- Northshore Utility District Sewer and Water Plan Maps;
- Woodinville Water District Comprehensive Water System Plan and General Sewer Plan;
- Puget Sound Energy GMA Electrical Facilities Plan.
- Redmond Fire Department Olympic Pipeline Response Plan

B. Utilities Concept

The Utilities Element supports the continued provision of adequate utility services to support existing and future development. Levels of service are established for City-managed utilities and levels of service are established for non-City purveyors of water and sewer. In addition, concurrency requirements are established for new development.

The Utilities Element provides policies for regional coordination of utility needs. A basis for coordination with regional and local providers is established to ensure fair and consistent review of system expansions

and enhancements while providing appropriate public input. The environmental and aesthetic concerns of the community are balanced with the need to provide affordable and reliable utility service.

The importance of efficiency and conservation is stressed as a cost-effective means of accommodating the growing demand for services.

C. Utilities Goals and Policies

Goal U-1: Maintain the quality of life in Kirkland through the planned provision of public and private utilities.

Goal U-2: Provide an efficient system to deliver high quality water.

Goal U-3: Protect public health and environmental quality through appropriate and efficient design, installation, and maintenance of sanitary sewer facilities.

Goal U-4: Provide surface water management facilities programs and services that provide adequate drainage and minimize flooding while protecting and enhancing the water quality and habitat value of streams, lakes, and wetlands.

Goal U-5: Ensure adequate and competitively priced telecommunication infrastructure, facilities and services.

Goal U-6: Reduce the risk to public safety and the environment in the event of a hazardous liquid pipeline failure.

Goal U-~~6~~7: Facilitate the development and maintenance of non-City-managed utilities at the appropriate levels of service.

General

Community Values

As an urban area, Kirkland is accustomed to a high level of utility service. These services accommodate the lifestyles of Kirkland residents and the success of Kirkland businesses. To maintain these community values, Kirkland must balance the quality of the service provided with the costs and community impacts.

Goal U-1: Maintain the quality of life in Kirkland through the planned provision of public and private utilities.

Policy U-1.1: Maintain an inventory of existing capital facilities and utilities, including locations and capacities of such systems and facilities.

An accurate inventory of existing utility locations and capacities will ensure that the City can plan for new growth in a manner that reflects the ability to service that growth with adequate services.

Policy U-1.2: Provide for needed capital facilities and utilities based on adopted levels of service and forecasted growth in accordance with the Land Use Element of this Plan.

This policy is intended to ensure that the Capital Facilities, Land Use, and Utilities Elements are functioning in concert. This systematic planning allows the City to make accurate land use projections based on utility plans and allows utility providers to plan for utilities in a manner that reflects expected land use patterns and densities.

Policy U-1.3: Use the following level of service standards for determining the need for public sewer, water, and surface water facilities:

Table U-1
Water, Sewer and Surface Water Level of Service

Facility	Standard
Water distribution:	~~113~~ 103 gallons/day/capita
Water storage:	~~190~~ 249 gallons/capita (includes 1.5 million gallons for fire
Sanitary sewer collection:	100 gallons/day/capita

Policy U-4.11: Ensure compliance with State and federal regulations related to surface water quality and fisheries resources.

The City should coordinate surface water management requirements and programs with a variety of State and federal programs and regulations, including but not limited to the following:

- National Pollutant Discharge Elimination System, Phase II;
- Puget Sound Water Quality Management Plan; and
- Federal Endangered Species Act listing of Chinook salmon as a threatened species.

This policy is intended to acknowledge and accommodate future regulatory changes.

Telecommunications

Goal U-5: Ensure adequate and competitively priced telecommunication infrastructure, facilities and services.

Policy U-5.1: Manage the City's existing and planned telecommunication improvements to optimize service delivery opportunities in Kirkland.

The City should plan and install sufficient capacity into its telecommunication system to meet future City needs.

Policy U-5.2: Use partnerships to achieve cooperation and cost-sharing in building telecommunication systems and providing service.

The City should establish partnerships with other public agencies and private sector organizations to achieve cooperation and cost-sharing in building telecommunication systems and providing services. Partnerships may include the use of shared telecommunication space, such as towers, buildings and fiber-optic lines.

Policy U-5.3: Review and update City policies, procedures and regulations to facilitate the installation and maintenance of telecommunication systems.

The City should review and update its policies, procedures and practices to ensure that they facilitate the installation of new telecommunication systems and support existing systems. In addition, the City's development regulations need to be flexible or revised on a regular basis to respond to changes in technology and consumer needs.

Policy U-5.4: Seek opportunities to enhance the number of service providers in the community to increase choice and encourage competitive pricing and high quality customer service.

Choice, availability and price are important factors to telecommunication consumers. The City should look for opportunities to increase the number of high quality service providers to have competitively priced and high quality telecommunication systems in Kirkland.

Policy U-5.5: Involve community stakeholders and service providers in telecommunication decisions.

The City should involve consumers, service providers and other public entities with telecommunication systems in Kirkland when reviewing its policies, practices and development regulations to ensure that consumer needs are being met and that providers and other public entities can install the facilities.

NON-CITY-MANAGED UTILITIES

The Washington Utilities and Transportation Commission (WUTC) has traditionally been the primary regulatory agency for private utilities. The WUTC has the authority to define the costs that a utility can recover, and consequently has the oversight to ensure that the utility acts prudently and responsibly. Under the Growth Management Act, local jurisdictions now have the obligation and requirement to plan for utilities including the identification of utility corridors.

Kirkland will need to consider the obligations of the utilities to WUTC regulation when considering policies and regulation affecting their operations.

Hazardous Liquid Pipelines

Goal U-6: Reduce the risk to public safety and the environment in the event of a hazardous liquid pipeline failure.

This goal addresses safety concerns. Damage from external forces such as construction equipment can produce an immediate fuel release or a scratch on a coated-steel pipeline can lead to accelerated corrosion and failure at a later time. Other safety concerns are location of land uses with high on-site populations that are difficult to evacuate, and location of emergency facilities and other land uses where the consequence of the loss in the event of a pipeline failure is high.

Actions that can be taken to ensure a higher degree of safety include early detection of potential pipeline damage or failures through adequate maintenance of the hazardous liquid pipeline corridor, neighborhood education, and working with other governments and industry representatives to seek improvements in safety measures for hazardous liquid pipelines. These provisions are intended to protect the health, safety and welfare of the general public.

During development review and construction of projects in the vicinity of the pipeline, setting requirements for avoidance of damage and coordination between Kirkland and the pipeline operator, Olympic Pipeline Company, or its successor can help avoid problems. The following actions can reduce the chance of an incident:

Identifying the location of the pipeline corridor on site plans, plats or other construction drawings;

Using the one-call locator service, particularly during construction on adjacent properties;

Physically verifying pipeline locations as needed to minimize the likelihood of damage;

Establishing and maintaining setback requirements from the hazardous liquid pipelines for new or expanded structures and other significant land disturbance; and

Monitoring land disturbance close to the pipeline by the pipeline operator or its representative.

Policy U-6.1. Establish standards to Minimize Pipeline Damage

Require development activity near pipelines to provide the following information in order to evaluate the proposal:

- Location of the liquid pipeline corridor in relation to proposed structures, utilities, or clearing and grading activities;
- Proposed techniques to minimize the potential disturbance to the pipeline prior to and during construction.
- Potential stormwater discharge impacts to the pipeline, and mitigation measures to prevent erosion.
- Setbacks and other site design techniques to minimize the potential hazard,
- Emergency plans as appropriate

Policy U-6.2. Coordinate with the pipeline operator when developments are proposed near the hazardous liquid pipeline corridor to reduce the potential for problems.

The City and operator should communicate and coordinate their review. Methods include the following:

- Notifying the pipeline operator of proposed development projects located near the pipeline corridor.
- Receiving verification that the pipeline operator has received and reviewed the proposal, and provided comments prior to City review of development activity.

- Seeking the pipeline operator's participation in preconstruction meetings if warranted.

- Seeking monitoring by the pipeline operator of development that involves land disturbance or other significant work within or near the pipeline corridor.

Policy U-6.3. Prohibit new high consequence land uses from locating near a hazardous liquid pipeline corridor. Design proposed expansions of high consequence land uses to avoid increasing the level of risk in the event of a pipeline failure, and where feasible, to reduce the risk.

Kirkland can help reduce the risk of injury in the event of a pipeline failure by not allowing certain land uses to locate near hazardous liquid pipelines. Land uses with high-density on-site populations that cannot be readily evacuated or protected in the event of a pipeline failure are considered "high consequence land uses." Examples are schools and multifamily housing exclusively for the elderly or the handicapped. Uses such as these carry a relatively higher risk and have higher potential consequences in the event of a pipeline failure and therefore are not as appropriate as other uses near pipelines. Facilities that serve critical "lifeline" or emergency functions, such as fire and police facilities or utilities that provide regional service, are also considered "high consequence land uses."

John Muir Elementary School is located near the pipeline corridor in the Evergreen Hill neighborhood. Future expansions can use measures such as site planning that reflect anticipated flow paths for leaking hazardous materials and emergency response.

Policy U-6.4. Require maintenance of the hazardous liquid pipeline corridor through a franchise agreement or other mechanisms,:

The pipeline operator can help reduce the likelihood of accidental damage by adequately maintaining the pipeline corridor. Dense vegetation such as blackberry bushes can impede visibility and access. Instead, the pipeline corridor can be properly maintained with grass or other low-growing vegetation that enables easy inspection while preventing erosion. Ensuring that the pipeline locations are marked and that missing markers are replaced is also important, as is periodic aerial inspection of the pipeline corridor to detect potential problems. Kirkland can assist this effort when permits are necessary for inspections or repair with prompt permit processing. The pipeline operator should maintain the pipeline corridor on a continual basis by:

- Maintaining vegetation to enable visibility and access for inspection while ensuring that such maintenance does not contribute to soil erosion.

- Using plant species and plantings that prevent erosion.

- Ensuring that above and below grade pipeline markers containing information, such as operator name and number and facility type, are in place; and

- Conducting periodic visual inspections of the corridor.

Policy U-6.5. Expedite permits for the hazardous liquid pipeline company necessary for inspections and repairs.

Policy U-6.6 Continue to work with other jurisdictions, state and federal governments, and the pipeline operator to seek improvements in safety measures for hazardous liquid pipelines.

Working with other jurisdictions and agencies as part of a unified approach to addressing pipeline safety issues is important. This unified approach can address issues, such as maintaining a model franchise agreement, periodic review of the pipeline operator's safety action plan to identify any deficiencies, and advocacy of City concerns regarding pipeline safety regulations.

Policy U-6.7 Encourage the pipeline operator to maintain a neighborhood education program for those who live and work within one-quarter mile of the hazardous liquid pipeline to educate them and the general public about pipeline safety.

People who live own property or work near the pipelines can also play an important part in

avoiding pipeline damage and identifying potential problems early on. The Olympic Pipe Line Company or its successor can promote public safety through periodic neighborhood mailings and meetings. Important information should include facts about the pipelines, how to avoid damage, potential problems to watch out for, such as unusual smells or suspicious construction activities, and how to respond in the event of a failure or other problem.

Coordination

Goal U-~~6~~7: Facilitate the development and maintenance of non-City-managed utilities at the appropriate levels of service.

Policy U-~~6~~7.1: Work with non-City-managed utili- ties and review facility plans to ensure that they re- flect and support Kirkland's land use plan.

Likewise, the City should work with providers to ensure that utilities are available to support land uses and to maintain appropriate levels of service.

This policy is intended to ensure that non-City providers are in compliance with the City's Comprehensive Plan as mandated by the Growth Management Act. This systematic planning allows the City to make accurate land use projections based on utility plans and allows utility providers to plan for utilities in a manner that reflects expected land use patterns and densities.

Policy U-~~6~~7.2: Coordinate with non-City providers of water and sewer on a joint program for maintain- ing adopted levels of service, concurrency require- ments, funding, and construction of shared public facilities.

Under the provisions of this Comprehensive Plan, the City is establishing specific utility requirements for itself and utilities serving the Kirkland area consistent

with the requirements of the Growth Management Act.

Policy U-~~6~~7.3: Coordinate with the appropriate utility provider when considering land use decisions in the vicinity of proposed facility locations to ensure land use compatibility.

Working with utilities in advance of key land use decisions has the potential to eliminate potential conflicts and ensure that utility considerations are factored into the development review process.

Policy U-~~6~~7.4: Provide timely and effective notice to utilities of the construction, maintenance, or re- pair of streets, roads, or other facilities and coordi- nate such work with the serving utilities.

Providing utilities the opportunity to coordinate construction projects with City projects has two distinct advantages: it could save the utility money by reducing construction expenditures and it can help the City to avoid multiple roadcuts for various utility installations

The vision statement, goals, and policies set forth in previous elements of the Comprehensive Plan together describe the desired type and character of growth in Kirkland during the next 20 years. They do not, however, tell us precisely how to create the kind of community envisioned by the Plan. Yet unless appropriate actions are taken, the plan will remain unrealized. Consequently, a strategy for how to implement the Plan is needed. It is the intent of this Element to provide such a strategy and identify the actions necessary to make the plan a success.

A. Implementation Methods

There are a broad range of measures necessary to implement the Comprehensive Plan involving a wide variety of people and organizations. It is the responsibility of the City, however, to put in place the mechanisms that will promote the actions needed for implementation. Listed below are the methods that will be used to implement the Plan over the 20-year planning horizon.

Annual Plan Amendments. To keep the Comprehensive Plan current, it will be necessary to review and update it on a regular basis. At the very least, it will be necessary to annually consider amendments to the six-year projects list in the Capital Facilities Element. Other issues are likely to arise each year which can also be considered in the annual update.

Neighborhood Plans. An important part of the Comprehensive Plan are the plans for Kirkland's 15 neighborhoods. Those plans have been prepared and updated over a period of years to address in detail issues relevant to each specific neighborhood. Regular update of the neighborhood plans should continue, both to maintain their currency and to bring them into compliance with the more recently adopted Plan elements.

Functional and Management Plans. ~~Although not technically a part of~~ Referenced in the Comprehensive Plan, functional and management plans address in detail subjects more generally discussed in the Comprehensive Plan. Existing functional plans include:

- Capital Improvement Program;
- Sewer Comprehensive Plan;
- Water Comprehensive Plan;
- Surface Water Master Plan;
- Park, Open Space and Recreation Plan;
- Fire Protection Master Plan;
- Active Transportation Plan;
- Natural Resource Management Plan;
- Downtown Strategic Plan;
- Housing Strategy Plan.
- Redmond Fire Department Olympic Pipeline Response Plan

Functional and management plans are both guided by and help to guide the Comprehensive Plan. Theoretically, the Comprehensive Plan sets the broad policy framework which functional and management plans address in more detail. In practice, however, functional and management plans also raise issues and ideas which help to shape Comprehensive Plan goals and policies. Either way, general consistency between the Comprehensive Plan and functional and management plans is important, as is regular updating of functional and management plans to maintain their currency.

Regulations. Regulations set the legal requirements for new development. The vast majority of the regulations are found in the Kirkland Zoning Code (including the official Zoning Map and shoreline management regulations), and Subdivision Code. Local administration of the State Environmental Policy Act is also a regulatory tool. The Growth Management Act requires that development regulations must be consistent with the Comprehensive Plan; and to a large extent Kirkland's existing regulations already are. Even so, update of Kirkland's regulatory documents must be a high priority, and should be undertaken as appropriate on a regular basis.

Although by nature regulations impose restrictions on the development of property, many of the regulatory revisions required to implement the Plan will involve easing of current restrictions. In the same vein, where

appropriate, regulations can be structured to provide incentives to desired development, rather than being solely restrictive.

Programs. Another way to implement the Comprehensive Plan is through the establishment of programs that provide services to help achieve the goals and policies in the Plan.

- The Neighborhood Traffic Control Program;
- The Neighborhood Service Team;
- Action teams, such as the Downtown, Totem Lake and Rose Hill Action Teams;
- The Kirkland Economic Partnership;
- The Natural Resource Team; and
- Assistance to employers in undertaking transportation demand management measures and achieving the goals of the Commute Trip Reduction Act.

Ongoing Administrative Activities. Implementation also depends on a variety of day-to-day actions such as development permitting and code enforcement. Ongoing monitoring of land capacity, demographics, development trends, housing costs, traffic levels, transit usage, levels of service for public facilities, and other factors affecting growth is also necessary.

Intergovernmental Coordination. Many of the goals and policies in the Comprehensive Plan cannot be achieved by Kirkland alone. Because Kirkland is part of a much larger and growing metropolitan area, issues involving growth rates, housing demand and supply, and transportation systems increasingly require intergovernmental responses. To protect local interests and meet regional obligations, Kirkland must involve itself at a variety of levels, including:

- Ongoing communication with neighboring cities and adoption of interlocal agreements where appropriate;
- Participation in subregional organizations such as A Regional Coalition for Housing (ARCH) and the Eastside Transportation Partnership (ETP);
- Participation in Countywide organizations such as the Growth Management Planning Council (GMPC) and Metropolitan King County;
- Participation in and with multicounty organizations such as the Puget Sound Regional Council (PSRC) and the Regional Transit Authority (RTA) (Sound Transit).

Citizen Involvement and Education. Implementation also depends upon keeping the lines of communication open between City government and its citizens. The Comprehensive Plan will only be successful if it is understood and embraced by the public and if it is regularly revised to reflect evolving community aspirations and concerns.

Budgeting. Governmental expenditures play an essential role in implementation. The City's annual operating budget allocates resources for personnel and supplies needed to carry out implementation measures; and the annual Capital Improvement Program targets the resources for transportation facilities, parks, utilities, and other public facilities necessary to implement the Plan.

B. Implementation Tasks

Table IS-1, below, lists specific tasks which are identified to be undertaken at a future date. ~~needed to fully implement the Comprehensive Plan.~~ The tasks are organized to correspond to the elements they are primarily intended to implement. The list also distinguishes one-time projects from ongoing activities. The implementation of these tasks are dependent upon available resources. ~~In addition, projects with highest priority are noted in the right hand column (**), as are second pri- ority projects which are also important in assuring the Plan's success (*).~~

While the list in Table IS-1 is intended to be complete, other additional or alternative tasks may be identified at a later time. Also, while the tasks listed are specific as to the methods to be used, the outcomes indicated are somewhat general, leaving latitude for a variety of alternative techniques to be considered when the task is undertaken.

Table IS-1
Implementation Tasks

TASK	~~PRIORITY~~
GENERAL ELEMENT	
Project	
G.1. In 2022, review "time capsule," located in the City Hall vault, containing the "Kirkland 2022 – Community Conversations" video and the citizen responses.	
G.2. Update the General Element to include 2010 census data and 2011 annexation.	
Ongoing	
G.3. Annually update the Comprehensive Plan.	
G.4. Evaluate the ~~Update~~ update process for the Neighborhood and Business District plans.	
COMMUNITY CHARACTER ELEMENT	
Projects	
CC.1. Review and update Zoning Code Chapter 100: Signs.	
CC.2. Establish incentives to private owners for preservation, restoration, redevelopment and use of significant historic buildings and sites.	
CC.3. Consider public improvements for historic districts to help encourage preservation.	
~~CC.4. Add Carillon Woods to Community Landmarks – Table CC-1~~	
Ongoing	
CC.5. When the neighborhood plans and business district plans are updated, consider design principles for new structures that respect the scale, massing, and design of existing adjacent buildings and the neighborhood context.	
CC.6. Incorporate historic preservation into neighborhood plans as they are updated including: - A list of each neighborhood's historic structures and sites. - Design principles for areas where historic structures are clustered.	
NATURAL ENVIRONMENT ELEMENT	
Projects (renumber as a result of deletions)	
NE.1. Assess and amend the Comprehensive Plan, City codes, resource management practices, and other City activities as needed for consistency with the Endangered Species Act, State shoreline rules, and other natural resource requirements.	**
NE.2. Promote removal of fish barriers.	
NE.3. ~~Amend the Zoning Code to specify criteria and procedures for handling clearing and grading violations in sensitive areas and their buffers.~~	**
NE.4. Study and implement methods to preserve and, where feasible, increase pervious surface in Kirkland.	*
NE.5. Review Kirkland Municipal Code, Zoning Code Definitions Chapter, and Comprehensive Plan to identify inconsistencies in natural system terminology.	*
~~NE.6. Review Zoning Code regulations for protection of existing landscaping and trees.~~	*
NE.7. Develop a City street tree program for appropriate species, planting and maintenance, and community stewardship.	**

delete priority column and all asterisks

renumber as appropriate throughout Table

Table IS-1
Implementation Tasks (Continued)

	TASK	~~PRIORITY~~
NE.8.	Develop a street tree plan for commercial and residential corridors.	
NE.9.	Develop a program for community stewardship of the environment, including:	**
	- Publicize practices that help/harm the environment.	**
	- Utilize volunteers for resource monitoring, restoration, and enhancement.	*
	- Design standard environmental markers, interpretive signs, and brochures for production and distribution by the City and developers.	
NE.10.	Establish a program which identifies priorities and funding sources for sensitive areas acquisition, restoration, and education.	**
Ongoing		
NE.11.	Implement and update the Natural Resource Management Plan.	**
NE.12.	Maintain our plans and codes for consistency with the Endangered Species Act, State shoreline rules, and other natural resource requirements.	*
NE.13.	Coordinate with other jurisdictions, agencies, and affected Federally Recognized Tribes.	
NE.14.	Continue to monitor information concerning innovative techniques for resource management, including:	
	- Adaptive management of Sensitive Areas,	**
	- Mitigation banking,	
	- Transfer of development rights,	
	- Funding sensitive areas acquisition, restoration, and education through innovative techniques,	
	- Other nonregulatory protection measures.	
	Identify for further study those techniques that have potential for successful implementation in Kirkland.	
NE.15.	Continue to comprehensively address recovery of species that are officially listed as threatened or endangered.	*
NE.16.	Continue to approach natural resource management comprehensively through interdepartmental coordination.	*

delete priority column and all asterisks

Table IS-1
Implementation Tasks (Continued)

TASK	~~PRIORITY~~
LAND USE ELEMENT	
Projects (renumber as a result of deletions)	
~~LU.1. Prepare zoning regulations consistent with the revised NE 85th Street Subarea Plan.~~	~~*~~
~~LU.2. Prepare zoning regulations consistent with the revised Totem Lake Neighborhood Plan.~~	~~*~~
~~LU.3. Review existing development regulations for consistency with State law on the process for essential public facilities.~~	~~*~~
~~LU.4. As part of the Bridle Trails Neighborhood Plan Update project, review land use densities and zoning for consistency with the GMA.~~	~~*~~
LU.5. Refine open space network maps, identify missing links, and develop preservation techniques.	
~~LU.6. Amend the Zoning Code as appropriate to establish standards for residential markets.~~	~~*~~
LU.7. Update the Land Use Element to include 2010 census data and 2011 annexation.	
LU.8. Develop business district plan, zoning and design guidelines for Houghton/Everest Neighborhood Center.	
~~LU.9. Research Chapter 162 KZC allowance for maintenance and redevelopment of existing multifamily developments that do not conform to current density standards. Consider the ability of these units to retain housing capacity and affordability.~~	
Ongoing	
LU.10. When neighborhood plans are updated, consider design principles and standards for the local ~~commercial center(s).~~business districts.	
LU.11. Monitor and update information concerning:	
HOUSING ELEMENT	
Projects (renumber as a result of deletions and additions)	
~~H.1. Consider regulations that allow innovative housing, including compact development and cottage housing.~~	~~**~~
~~H.2. Adopt regulations for market incentives to encourage low- and medium-income housing.~~	~~**~~
H.3. Update the Housing Element to include 2010 census data and 2011 annexation.	
Ongoing	
H.4. Adopt a housing strategy plan and work program at least every five years that outlines housing strategies to be considered in order to address the City's housing needs and goals.	
H.5. Monitor and update information concerning:	
▫ Construction and demolition of affordable housing;	
▫ Creation of accessory units and associated rent levels.	

delete priority column and all asterisks

Table IS-1
Implementation Tasks (Continued)

TASK	~~PRIORITY~~
H.6. Continue to work with ARCH to fund low-income and special needs housing projects.	
Consider further regulation refinements to encourage innovative housing, including compact development and cottage housing.	
Consider further refinements and incentives to encourage low- and medium-income housing.	

ECONOMIC DEVELOPMENT ELEMENT		
Projects		
ED.1.	Create steering committees or action teams within each major commercial district to lead implementation of economic development components of neighborhood plans.	**
~~ED.2.~~	~~Conduct an analysis of industrial areas of the City to determine the types of uses and future land use needs in these areas.~~	**
ED.3.	Conduct an assessment of economic benefits of Kirkland's cultural, historic and recreational resources.	*
ED.4.	Develop a system of economic indicators to monitor the Kirkland economy such as employment growth, wage rates, tax revenue, business starts, and commercial vacancy rates.	delete priority column and all asterisks
ED.5.	Update the Economic Development Element to include 2010 census data and 2011 annexation.	
Ongoing		
ED.6.	Implement and update the Economic Development Action Plan consistent with the Element.	
ED.7.	Implement and update the Downtown Strategic Plan.	**
ED.8.	Support a partnership of community stakeholders to oversee implementation and community outreach of economic development strategies and priorities.	*
ED.9.	Actively conduct business retention and recruitment programs.	**
ED.10.	Implement the tourism marketing and promotion plan through the tourism program and the Lodging Tax Advisory Committee.	**
ED.11.	Continually improve permit processes and customer service.	
ED.12.	Monitor City policies and revise those that unreasonably restrict opportunities for economic development.	*
ED.13.	Monitor commercial and industrial land use trends, vacancies and capacity to match the needs of the economy.	*
ED.14.	Where authorized by State statutes, use public/private financial or regulatory incentives to implement economic development opportunities.	**
ED.15.	Coordinate and implement telecommunications, transportation infrastructure improvements and permit processing improvements with other cities on the Eastside.	*
ED.16.	Monitor and update information concerning economic indicators.	

Table IS-1
Implementation Tasks (Continued)

TASK	~~PRIORITY~~
TRANSPORTATION ELEMENT	
Ongoing	
T.1. Annually update the Transportation Element of the Comprehensive Plan as appropriate to:	
☐ Review and revise, if necessary, mode split targets;	
☐ Review and revise, if necessary, levels of service standards; and	
☐ Identify transportation needs to implement the Land Use Element and update the 20-year list of transportation projects.	
T.2. Monitor and update information on traffic movement, mode splits and level of service.	
T.3. Regularly update the Active Transportation Plan.	
T.4. Continue the Neighborhood Traffic Control Program.	
T.5. Continue the annual street overlay program.	
T.6. Maintain and periodically update the *Bellevue Kirkland Redmond* (BKR) transportation model.	
T.7. Work cooperatively with other local governments to update transportation information and to address regional transportation.	
T.8. Participation in the Eastside Transportation Partnership.	
T.9. Work with the Regional Transit Authority (Sound Transit) and King County Metro to develop a regional transit system which serves Kirkland.	
T.10. Work cooperatively with employers to implement programs to reduce the use of single-occupant vehicles and number of miles traveled in compliance with the Commute Trip Reduction Act.	delete priority column and all asterisks
T.11. Identify projects potentially eligible for State grants and submit grant applications.	
UTILITIES ELEMENT	
~~Project~~ (renumber as a result of deletions)	
~~U.1. Create and maintain a Municipal Telecommunications Plan.~~	~~*~~
Ongoing	
U.2. Regularly update functional utility plans for City-managed utilities.	
U.3. Review utility plans for non-City-managed utilities to ensure their plans are not inconsistent with the Comprehensive Plan.	
U.4. Work with utilities to encourage pruning of trees to direct growth away from utility lines and encourage the phased replacement of vegetation interfering with utility lines.	
PUBLIC SERVICES ELEMENT	
Ongoing	
PS.1. Coordinate services with non-City service providers.	
PS.2. Update fire protection and police plans.	

Table IS-1
Implementation Tasks (Continued)

TASK	~~PRIORITY~~
HUMAN SERVICES ELEMENT	
Ongoing	
HS.1. Review the Senior Council's Strategic Plan every five years and revise as appropriate.	
HS.2. Review the Youth Council's Strategic Plan every five years and revise as appropriate.	
HS.3. Continue regional collaboration of the Human Service's grant program to increase efficiencies.	
HS.4. Identify potential funding sources and submit grant applications for Senior, Youth and Human Services programs.	
CAPITAL FACILITIES ELEMENT	
Projects	
CF.1. Consider new revenue sources for capital facilities and implement as appropriate, including voter-approved bond issues.	*
CF.2. Update Level of Service standards to include the annexation area.	
CF.3. Update transportation and park impact fee rate studies to include the annexation area.	
Ongoing	delete priority column and all asterisks
CF.4. Annually update the Capital Facilities Element to reflect capacity of facilities, land use changes, level of service standards, and financing capability.	
CF.5. Annually update the Capital Facilities Element consistent with the Capital Improvement Program.	
CF.6. Periodically update impact fees to reflect increases in road and park construction costs.	
NEIGHBORHOOD PLANS	
Ongoing	
NP.1. Regularly review neighborhood plans and amend as appropriate. Explore efficiencies in the neighborhood planning process to ensure a predictable and sustainable update cycle.	*
NP.2. Develop neighborhood plans for the 2011 annexation neighborhoods.	
NP.3. Incorporate the following capital project elements into the CIP and CFP processes and/or the neighborhood connection and neighborhood grant program:	
Central Houghton Neighborhood	
1. Work with the Public Works Department to have historic street names added to street signs as they are replaced.	
2. Identify design standards for 108th Avenue NE.	
Lakeview Neighborhood	
1. Work with the Public Works Department to have historic street names added to street signs as they are replaced.	

Table IS-1
Implementation Tasks (Continued)

TASK	~~PRIORITY~~
2. Identify streetscape standards for Lake Washington Boulevard.	
Highlands Neighborhood	
Emergency Access Bridge to Forbes Creek Drive	
Highlands Park facility improvement	
Nonmotorized street enhancements to 116th Avenue NE and NE 87th Street	
Cedar View Park play structure	
Market Neighborhood	
Neighborhood park development in north sector	
View stations at 4th and 5th Street West	
Improved Market Street access	
Market Street Corridor	
Pedestrian and bicycle facilities	
Norkirk Neighborhood	
Nonmotorized street enhancements to:	
7th Avenue	
19th Avenue	
20th Avenue	
6th Street	
4th Street	
Moss Bay Neighborhood	
Lakeshore Plaza at Marina Park	
Park walk promenade along east/west pedestrian spine	
Public parking on public sites and/or in conjunction with private development	
NE 85th Subarea	
Sidewalks on north-south streets connecting to NE 85th Street	
Traffic signal at 126th Avenue NE/NE 85th Street	
Bike connection between Slater and NE 80th Street	
Neighborhood park acquisition in south part of subarea or South Rose Hill	

Table IS-1
Implementation Tasks (Continued)

TASK	~~PRIORITY~~
North Rose Hill Neighborhood	
Nonmotorized enhancements:	
Between bus stops and residential development	
Along school routes	
Connecting activity areas such as parks, Boys & Girls Club, and Lake Washington Technical College	
Between Redmond regional trail and I-405 pedestrian overpasses	
Between Lake Washington Technical College and residential development to the west and south	
Along Seattle City Light Transmission Line Easement	
Nonmotorized arterial street enhancements:	
NE 116th Street, west of 124th Avenue NE	
Slater Avenue, south of NE 116th Street	
Sensitive areas property acquisition, restoration or education	
Totem Lake Neighborhood	
Totem Lake Circulator	
118th Avenue NE roadway extension	
123rd Avenue NE roadway extension	
NE 120th Street extension	
SHORELINE AREA CHAPTER	
Ongoing	
SA.1. Track and monitor No Net Loss indicators along the shoreline, such as overwater, in water and upland structures, shoreline armoring and vegetation.	
SA.2. Implement priority restoration projects and programs contained in the Shoreline Restoration Plan component of the Shoreline Master Program.	
SA.3. Work with other jurisdictions, agencies and affected Federally Recognized Tribes to coordinate and improve the permitting process.	
SA.4. Promote public education about the functions and values of the shorelines and best management practices.	*

delete priority column and all asterisks

XII.A. PUBLIC SERVICES

A. INTRODUCTION

The Public Services Element addresses fire and emergency medical services, police protection, solid waste collection and transfer, schools and libraries.

PROBLEM STATEMENT

Kirkland's level of public services has generally been adequate. Deficiencies that have occurred in the past have been due to growth, both in population and business activity and as the result of annexations. These deficiencies can be avoided by incorporating planning for specific services more completely into the general planning process.

Historically, individual service providers have prepared master plans based on assumptions of growth from a variety of sources. The intent of the Public Services Element is to serve as an umbrella for these individual master plans and help establish a consistent set of growth assumptions based on the Land Use and Housing Elements of the Comprehensive Plan.

Each provider will still face unique challenges in meeting the expected demands. For fire and police services, the primary challenge is in maintaining an appropriate level of service as growth occurs and the demand for services increases. For solid waste garbage and recycling, the challenges are to encourage recycling and reduce solid waste disposal to lessen the capacity problems of the transfer stations and landfills. The County must find solutions to capacity problems with existing and new transfer stations. For the Lake Washington School District, a major challenge is in finding ways to be flexible and responsive to fluctuating demand for services.

As an urban area, Kirkland has an established infrastructure for the efficient provision of public services. The policies of the Public Services Element anticipate no changes in appropriate service providers and no new districts.

EXISTING CONDITIONS

The City currently provides the following public services:

Fire Protection and Emergency Medical Services – The City provides emergency response to fire and medical emergencies, fire prevention, and public education and participates in regional specialized response for hazardous materials, technical rescue and paramedic services. The City has County and State mutual aid agreements for emergency response. Fire station locations and emergency fire response times are shown in Figure PS-1. Response times for emergency medical services are shown in Figure PS-2.

Police Protection – The City provides traffic investigation, enforcement, and education; parking enforcement; patrol response to citizen calls for service; criminal enforcement; K9; special response teams; crisis ~~response~~ negotiation team; ~~conflict resolution~~; investigations; crime analysis; explorers; crime prevention; school resource officers; record keeping; jail services; internal and external training; and contacts for~~a~~ 911 communication~~s~~ services ~~center~~ that serves as the public safety answering point for police, fire, and medical emergencies. The department also has mutual aid agreements with every law enforcement agency in the State.

Solid Waste and Recycling Collection – The City contracts with Waste Management, Inc., to provide curbside solid waste and recycling collection to all single-family and multifamily residents and commercial customers. The King County Comprehensive Solid Waste Management Plan sets specific goals for the City to achieve. The County and the City have committed to achieve recycling goals of a 55 percent curbside recycling diversion rate by 2015, and 70 percent by 2020 and a waste prevention goal of 20.4 pounds per household per week by 2020. The City started one of the first residential food waste recycling programs followed by commercial organics recycling and business programs to encourage environmentally sound practices. The City will continue to work with its collection contractor to provide a comprehensive curbside recycling program for Kirkland residents and businesses.

A. INTRODUCTION

"Puddle Jumpers" sculpture at Marina Park

Parks and other open spaces make an important distinct contribution to the landscape and quality of life in Kirkland. Imagine Kirkland without its distinctive waterfront parks and other parks and open spaces dotted throughout the City. Over the past several decades, Kirkland has had the vision to aggressively pursue land acquisition and park development for the public's enjoyment. An outstanding mosaic of parks and facilities has evolved.

The City continues to be faced with the challenge of meeting the park and recreation needs of a diverse range of age groups and interests throughout the entire City. At the same time, the window of opportunity to acquire available land suitable for parks and open space is shrinking. Consequently, the City must strategically and creatively position itself to deal with the open space demands of those areas within its urban growth boundaries. Renovation of certain parks is important to keep them safe and functional and to reduce unnecessary maintenance costs.

Looking at current City parks and recreation services through the year 2022, the following important issues and opportunities face Kirkland:

(1) Acquiring and developing additional parkland in areas of the City where parkland and recreational opportunities are deficient, by providing neighborhood parks, community parks, and open space.

(2) Providing additional pedestrian and bicycle trails and linkages, including the acquisition of greenways, between parks, open spaces, and neighborhoods.

(3) Developing facilities such as restrooms and additional benches in new and existing parks.

(4) Meeting City indoor recreation needs for fitness, athletics, recreation classes, and meeting space.

(5) Enhancing and expanding recreational opportunities at existing waterfront parks.

(6) Providing ongoing renovation and maintenance of parks and facilities.

(7) Continuing and enhancing "partnerships" with the Lake Washington School District, King County, and neighboring cities in the mutual use and development of parks and recreation facilities.

(8) Encouraging healthy lifestyles by providing a variety of opportunities for physical exercise.

(9) Providing diverse and affordable recreation programs to meet citizen needs and interests, particularly those of youth, teens, older adults and residents with special needs, and complement programs offered by other recreation providers in the community.

(10) Promoting habitat conservation through acquisition and preservation of important natural areas, and continuing development of interpretive education programs.

EXISTING CONDITIONS

The existing City-owned park system contains ~~502~~ 554 acres, of which about ~~172~~ 209 acres are developed. Much of the developed park system consists of 10 water- front parks, ~~18~~ 22 neighborhood parks, ~~five~~ seven community parks and ~~four~~ five nature parks. The balance of the City's

park acreage can be classified as natural/open space areas and underdeveloped community and neighborhood parkland.

In addition to City-owned parks, other public parks in Kirkland include the King County-owned Big Finn Hill Park (220 acres) and Juanita Woodlands (37 acres); O.O. Denny Park (46 acres), which is owned by the City of Seattle and operated by the Finn Hill Park and Recreation District; and Totem Lake Park (17 acres) which is owned by the King Conservation District.
A detailed inventory and classification of existing parks, open space, and recreational facilities is contained in the parks functional plan, titled Kirkland's Comprehensive Park, Open Space, and Recreation Plan. That inventory is adopted as background for this Element as though set forth herein.

Waterfront Parks

Kirkland's waterfront parks (both city and non- city owned) are a distinctive part of the City's park system. They bring identity and character to the park system and contribute significantly to Kirkland's charm and quality of life. The 14 water- front parks (two of which are classified officially as nature parks) stretch from the Yarrow Bay Wetlands on the south, to ~~Juanita Bay and Juanita Beach~~O.O. Denny Park~~s~~ on the north, providing Kirkland residents year-round waterfront access. Kirkland's waterfront parks pro- vide citizens a diversity of waterfront experiences for different tastes and preferences. Citizens can enjoy the passive and natural surroundings of Juanita Bay and Kiwanis Park as well as the more active swimming and sunbathing areas of Houghton and Marsh Parks. These parks truly identify Kirkland as a water- front community.

The high visibility and use of Kirkland's waterfront parks require high levels of maintenance, periodic renovation, and security. Swimming beaches, docks, recreational moorage facilities, boat ramps, and shoreline walkways, where issues of liability are very important, must be kept safe and in good condition for the public's enjoyment and use.

Marina Park in Downtown Kirkland

Natural Park Areas

The natural park areas, such as Juanita Bay Park, Yarrow Bay Wetlands, Heronfield Wetlands, Totem Lake ~~Wetlands~~Parks, and Watershed Park provide residents with important natural open space and critical urban wild- life habitat. They are part of providing a balanced park system for citizens. Passive recreation uses such as walking, bird watching, interpretive educational programs and signage, and nonmotorized trail sys- tems are appropriate for these sites.

Community Parks

Community parks are usually 15 to 30 acres in size and are generally defined as larger, diverse recreation areas serving both formalized active recreation needs as well as recreation use benefiting the neighborhood surrounding the site. The City currently has a shortage of developed community parks. Community parks are where the majority of active recreation occurs. Community parks often include recreation facilities such as sport fields and/or community centers..

Relationship to Other Elements

The Parks, Recreation, and Open Space Element supports the Community Character Element by establishing policies to ensure continued provision of the parks and open space amenities that help establish Kirkland's character. The Element functions in concert with the Natural Environment Element by establishing policies for the acquisition, development, and preservation of City-owned natural areas. The Land Use Element is supported through policies to ensure continued provision of facilities and services to support anticipated growth. In addition, this Element establishes policies for the coordination of funding and level of service requirements set forth in the Capital Facilities Element. Finally, this Element works in tandem with the Shoreline Area Chapter by establishing policies for the acquisition, development, and preservation of City-owned shoreline recreation, open space, and natural areas.

Relationship to Park, Recreation, and Open Space Comprehensive Plan

The Park, Recreation, and Open Space Comprehensive Plan is the City's long-range functional plan for Kirkland's parks, open spaces, and recreational uses. The Plan is prepared by the Department of Parks and Community Services and the Kirkland Park Board for City Council review and adoption. To remain eligible for certain State and County grant funding, the City is required to update the Plan every six years. The Plan was updated in ~~2000~~2012~~, immediately prior to the review and adoption of this Element~~. That Plan is closely related to the Parks Element of the City Comprehensive Plan. The Park~~s~~ Board has relied heavily on the City Comprehensive Plan and, in turn, this Element relies heavily on the work of the Park Board in establishing goals and policies.

B. Parks, Recreation, and Open Space Concept

The Parks, Recreation, and Open Space Element supports the continued provision of accessible and well-maintained facilities and services for current and future residents. Levels of service are established for facilities. Policies are established for coordination with other service providers to ensure efficiencies in utilization of park and recreational facilities and services. The City will promote environmental conservation and education for publicly owned natural open space areas.

C. Parks, Recreation, and Open Space Goals and Policies

Goal PR-1: To acquire, develop, and redevelop a system of parks, recreation facilities, and open spaces that is attractive, safe, functional, and accessible to all segments of the population.

Goal PR-2: Provide services and programs that enhance the quality of life in the community and promote a healthy lifestyle.

Goal PR-3: Protect, ~~and~~ preserve, and restore natural resource areas.

Goal PR-1: To acquire, develop, and redevelop a system of parks, recreation facilities, and open spaces that is attractive, safe, functional, and accessible to all segments of the population.

The basis of Kirkland's parks system is the provision of diverse recreation opportunities and experiences for all Kirkland residents. Specifically, the open space, parks, park facilities, and recreation programs serve the following purposes:

(1) To contribute to the overall quality of life for Kirkland residents by providing facilities and programs for both active and passive recreation.

(2) To improve the aesthetics of the City, including ornamental plantings, public art, and other beautification efforts.

Policy PR-1.1: Acquire parks, recreation, and open space facilities in those areas of the City facing population growth, commercial development, and in areas where facilities are deficient.

A major component of this Element is the need to acquire more parkland. Specifically, this includes acquiring land suitable for parks in City neighborhoods with existing and projected deficiencies, based on the Land Use Element, and where opportunities arise to make key linkages in the park system.

Another component is to provide neighborhood parks within walking distance of every Kirkland resident. This is best accomplished by providing a system of neighborhood parks which are located within easy reach of Kirkland residents and which meet the diverse recreational needs identified by the community. It is critical that the City be prepared to take advantage of opportunities to obtain properties needed for park and open space purposes.

Although Kirkland is blessed with extraordinary waterfront parks, we should capture opportunities if additional waterfront becomes available. If privately held lakefront parcels adjacent to existing beach parks or at other appropriate locations become available, we should make an effort to acquire these pieces. The City should continue to pursue creative use of waterfront street ends.

Policy PR-1.2: Develop pedestrian and bicycle trails within parks and linkages between parks and the city's major pedestrian and bicycle routes identified in the Active Transportation Plan (ATP) and between parks and nearby neighborhoods, commercial centers and public facilities, including schools.

Trails provide people with valuable links between neighborhoods, parks, schools and other public facilities, commercial centers and other regional nonmotorized facilities. In some cases, public trails provide alternative transportation connections between communities. The citizens of Kirkland have consistently identified the need for more trails as a top priority.

The City's Active Transportation Plan (ATP) provides the City's strategic goals and policies related to comprehensive trail planning including route designation, classification, funding priorities, and design standards. The APT Plan was developed by the City's Public Works Department, working cooperatively with the Department of Parks and Community Services, the Planning and Community Development, and the public.

One important goal for recreational and commuter trail planning noted in the Active Transportation Plan is the development of a recreational trail system within the Cross Kirkland Corridor. This ~~proposed~~ trail is part of the Eastside Rail Corridor, a regional facility traveling through many Eastside cities and providing critical links to other existing regional trails such as the Sammamish River Trail. This project is visionary and ~~would~~ requires an inter-jurisdictional effort for planning and implementation.

Another goal is development of a north-south recreational trail under the Seattle City Light (SCL) power lines within the SCL easement and various access points to the future trail. This trail would also connect to other communities and neighborhoods.

Policy PR-1.3: Ensure adequate maintenance and operation funding prior to development of parks and recreational facilities.

Renovation and maintenance is a very high priority for parks and facilities. There is a significant public investment in developing parks, playgrounds, buildings, and special facilities such as the outdoor pool. Consequently, it is very important to provide adequate maintenance and operation support when new parks and other facilities are developed. By deferring maintenance and operation support and not practicing preventative maintenance, long-term maintenance and operation costs will rise, and facilities will deteriorate quicker, resulting in replacement or significant repair sooner than they should.

Policy PR-1.4: Renovate parks and facilities in a manner that will conserve the use of energy and other resources and maximize efficient maintenance practices.

As the City's park system matures and requires periodic renovation, emphasis should be placed on developing improved methods of conserving energy, using better equipment and innovative practices, and designing park areas in such a manner as to reduce long-term maintenance and operating expenses.

To maintain efficiency in the areas of renovation and maintenance, the City`s parks maintenance program includes:

- A systematic inventory of parks system infrastructure, including site furniture, sports courts, park pathways, playgrounds, and buildings in order to project future budgeting and timing for replacement and repairs.

- Use of modern, efficient and certified equipment.

- Efficient and effective use of seasonal part-time employees.

- A scheduled preventative maintenance management system to efficiently allocate and plan maintenance activities.

- Supplementation of park maintenance with volunteer groups, students, neighborhood groups, and service organizations.

- Ongoing training provided for full-time maintenance staff.

- Use of contract maintenance in selected functions to meet peak demands and help maintenance staff respond to more specialized and urgent work needs.

Renovation is a key component to a healthy park system. As Kirkland grows, and park use increases in frequency and intensity, periodic renovation is essential to keep pace with recreational needs, changes in safety guidelines, demands on use, and the need for continued effective and efficient maintenance.

Policy PR-1.6: Ensure that parks are provided using the following standards to determine the need for parks.

Table PR-1
Park and Open Space Levels of Service

Facility	Standard
Neighborhood Parks	2.1 acres/1,000 persons
Community Parks	2.1 acres/1,000 persons
Nature Parks	5.7 acres/1,000 persons

The "concurrency" requirement does not apply to the facilities identified in Table PR-1 (i.e., new development will not be denied based on these identified standards). However, mitigation, impact fees, or other development contributions are required to meet the standards for desired level of service found in Table PR-1.

RECREATION

Goal PR-2: ~~***Provide services and programs that enhance the quality of life in the community and promote healthy lifestyles.***~~ ***Enhance the quality of life in the community by providing services and programs that offer positive opportunities for building healthy productive lives.***

Recreation provides individuals in the community with opportunities for satisfying use of their leisure time and for engaging in daily physical exercise. Participation in recreation activities e
nriches lives, pre- vents social isolation, and increases the sense of community. It also helps people maintain a healthy weight and heart which can reduce the risk of many diseases and health conditions. People may enjoy ex- posure to a wide variety of recreation skills and expe- rience. A significant share of demand for recreation services is met by the private sector and nonprofit agencies and organizations.

However, a large segment of the population does not have the opportunity or inclination to participate in private recreation. It is the responsibility of the City to provide recreation facilities and programs and City-wide wellness events which are sensitive to the needs of the community and resources of the parks system. It is the intent of the City to offer diverse, accessible, and affordable recreation opportunities.

The City plays both a primary and supportive role in recreation. In certain instances, the City's role is to provide facilities and coordination, while in other cases, the City assumes a direct operating role. For example, the City's role in youth baseball and soccer is to provide, schedule, and maintain ballfields within the City's park system, while the City assumes direct responsibility for offering recreation programs and services to the elderly.

Policy PR-2.1: Examine the need for additional community recreation facility space to meet indoor recreation needs for athletics, recreation classes, and meeting space.

At present, Kirkland has two Community Centers and a Teen Center. The Parks and Community Services Department has been extremely fortunate in being able to use Lake Washington School District indoor facilities for City-sponsored recreation activities and programs. The use of school district facilities has enabled the City to provide a much higher level of service than would otherwise have been possible. Factors including increased demand for City and school district facilities, and limited availability of school district facilities continue to fuel the need for additional City-managed public recreation facility.

Policy PR-2.2: Ensure that recreation facilities are provided using the following standard to determine the need for recreation facilities.

Table PR-2
Recreation Space Levels of Service

Facility	Standard
Indoor (Non-Athletic) Recreation Space	700 sq. ft./1,000 persons
Indoor (Athletic) Recreation Space	500 sq. ft./1,000 persons

The "concurrency" requirement does not apply to the facilities identified in Table PR-2 (i.e., new development will not be denied based on these identified stan-

dards). However, mitigation, impact fees, or other development contributions may be required to meet the standards for level of service found in Table PR-2.

Policy PR-2.3: Encourage nonmotorized small craft water-oriented activities/programs along the shoreline where appropriate and consistent with public interest and needs.

Kirkland has miles of waterfront with major portions in publicly owned parks. The City should strive to maximize its use to the continued benefit of its citizens. In the future, providing programs for small craft such as canoeing/kayaking, sailing, rowing, and sailboarding should be encouraged. Programs oriented around nonmotorized boating activities provide excellent opportunities to teach lifelong recreation skills in addition to emphasizing water and boating safety.

Kirkland's two public boat launch facilities provide important access to Lake Washington. A small facility in Houghton Beach Park provides for hand launching of nonmotorized boats, and at Marina Park in the Downtown area, a one-lane facility exists for trailerable boats. However, this facility has several problems including poor traffic circulation and congestion, and inadequate and insufficient parking. To address these concerns, new regulations went into effect in 1989. The City should cooperate with other jurisdictions to assure that this regional need is addressed with regional participation and resources. Such facilities are best located where there is an opportunity for adequate on-site parking and where intrusions into neighborhoods can be kept to a minimum.

Policy PR-2.4: Coordinate with neighboring cities, King County, Finn Hill Park and Recreation District, Northshore School District, and Lake Washington School District in the planning and provision of recreation activities and facilities.

Partnership with Lake Washington School District

For years, the City has enjoyed a cooperative relationship with the Lake Washington School District in the use of their indoor facilities for a variety of organized recreation and sports activities. The use of these facilities has enabled the City to provide a much higher level of service than would otherwise have been possible. The City reciprocates with priority use of its facilities for school activities and by providing scheduling services for outdoor facilities.

Currently the Parks and Community Services Department provides field coordinating and scheduling services for the school district and community sports organizations. These sites range in character from open lawn areas at public schools and parks (originally not intended for sports activities) to formal athletic fields with complete facilities.

The school system is a major partner in the provision of the City's park and recreation services in terms of open space acreage and recreation facilities. There continues to be high demand and insufficient supply for facilities such as practice and game fields. Increase in population growth will aggravate this situation. Conditions will not improve without effective partnerships between sports organizations, the City, the school district, and subregional providers of recreation.

To ensure that school district facilities will continue to be available for City-sponsored recreation programs, in 2000, the City and school district entered into a joint-use agreement setting forth the conditions and understandings necessary for reciprocal use of recreation facilities and joint development of capital projects.

In the future, the City should work more closely with the school district to actively explore opportunities for greater joint use of facilities. 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 ballfield 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.

Partnership with King County

As the Eastside continues to urbanize, the role of King County parks becomes more important in acquiring, developing, and maintaining the larger land holdings

for the region. In the future, there will be an increasing need for regional parks. The role of King County in providing parks is also changing with a major focus on systems of open space corridors that conserve natural resources, and agriculture lands that provide recreation opportunities, fish and wildlife habitat, scenic beauty, and regional trails that link cities and communities.

~~An important component in "partnering" with King County is acquiring local park sites in the unincorporated urban areas. The City should work with King County to acquire sites for future parkland in Kirkland's planning areas to be landbanked for future development. Some possible methods of acquiring future sites in unincorporated areas include grant funding and conservation futures tax funding.~~

Policy PR-2.5: Provide Kirkland citizens of all ages and abilities the opportunity to participate in diverse, challenging, and high-quality recreation programs and community wellness events that are both accessible and affordable.

Comprehensive recreation opportunities are a major ingredient of a successful community. By providing services that are creative, educational, and responsive to the needs of the public, the City can significantly enhance the quality of life in Kirkland and encourage a healthy lifestyle.

As demand for recreation activities grows, emphasis will be placed on programs, activities, and events that are safe, appropriately priced, and held at convenient locations and times. It is the intent of the City to closely monitor local and national trends so as to offer the most diverse, accessible, and affordable recreation opportunities possible to Kirkland citizens.

Kirkland citizens are served by other recreation providers as well. The City should continue to act as a resource agency for the community in promoting, coordinating, developing, and maintaining community leisure activities and wellness events. Innovative methods of service delivery can be developed through continued arrangements with the school district, private nonprofit agencies such as the Boys and Girls Club and Kirkland Arts Center, and the local business community.

Policy PR-2.6: Enhance the quality of life for the older adult population by providing opportunities to engage in social, recreational, educational, nutritional, and health programs designed to encourage independence.

Pedestrian bridge through Juanita Bay Park wetlands

Kirkland has a significant older adult population, and activities offered at the Peter Kirk Community Center are increasingly popular. Trends in older adult programming for the next decade will include a demand for:

- Lifelong learning activities;
- Health and fitness programs;
- Diverse programs that address the expanding age range of the older adult population and its subsequent variety of activity levels;
- Programs that provide for transportation to and from the activities.

It is important that the City recognize these trends and focus attention on programs that meet these changing needs.

Policy PR-2.7: Determine the need and provide access to recreation programs for citizens with physical and developmental disabilities.

Specialized recreation programs for mentally and physically challenged individuals will continue to grow and take on a regional significance. The City will need to continue to work with other recreation providers in serving Kirkland citizens with special needs.

NATURAL RESOURCES CONSERVATION

Goal PR-3: Protect, ~~and~~ preserve and restore natural resource areas.

Natural areas and open spaces are a vital component of the health and well being of the community. Conservation and enhancement of the ecological resources found within the City is a key component of its land use and park planning. In surveys and workshops, Kirkland citizens have consistently identified natural areas as being a key component of park planning.

Bodies of water in Kirkland, other than Lake Washington, include Forbes Lake, Forbes Creek, Juanita Creek, Cochran Springs Creek, Yarrow Creek, Everest Creek, Totem Lake, and numerous smaller streams and tributaries. These resources provide valuable habitat for wildlife and contribute to water quality. Totem Lake Park is owned by the King County Conservation District. Important portions of Forbes Lake, Forbes Creek, Cochran Springs Creek, Yarrow Creek, and Everest Creek are under City ownership.

Open space corridors serve many important functions, including recreation, fish and wildlife habitat, and the connection of individual features that comprise a natural system (e.g., wetlands linked by a stream within a watershed). Kirkland's open space corridors are composed of parks and other publicly owned land, along with sensitive areas and their buffers.

Policy PR-3.1: Work cooperatively with numerous resource management agencies and citizens to care for streams, enhance and protect wetlands, improve wildlife habitat, and provide limited public access.

Recognized impacts associated with an ever increasing urban population include the loss of privately owned open spaces, an increase in ornamental and invasive plants which threaten native vegetative communities, and an increase in competitive pressure upon native wildlife by nonnative species and domestic pets.

The City has the opportunity to continue to participate with both State and federal agencies and a variety of citizen groups to maintain and enhance existing resources, provide valuable educational opportunities, and provide a level of public use appropriate for the area.

Policy PR-3.2: Preserve opportunities for people to observe and enjoy wildlife and wildlife habitats.

Educational sign and boardwalk at Juanita Bay Park

Over 60 percent of the City's parkland inventory provides valuable habitat for urban wildlife. In many cases, these parks also provide opportunities for interpretive education. The City must continue to balance the public benefits of providing access to these areas while limiting potential adverse impacts.

Acquisition is a key component to protection of valuable habitat. The City should review key parcels of land as they become available for inclusion into the existing network of parks and open space. The inclusion of these lands should be prioritized based on the following factors:

XV.L. NORKIRK NEIGHBORHOOD

The preferred routes for visitors coming from outside the neighborhood to City Hall and for other City vehicles leaving City Hall are along 7th Avenue via 1st Street and 5th Avenue, along 3rd Street via 4th and 5th Avenues, and along 1st Street via 3rd Avenue. Emergency vehicles responding or leaving City Hall or the Maintenance Center to respond to police, fire or medical emergencies take whatever route provides the most timely response. The preferred routes for service vehicles and visitors to the Maintenance Center are along 7th Avenue and 8th Street, internal to the industrial area in which it is located.

TRANSIT

In 2006, Metro transit routes 234, 236, and 255 serve the Norkirk Neighborhood. Route 234 connects Norkirk to Kirkland's Transit Center and with Kenmore and Bellevue and provides service along Market Street. Route 255, which also runs along Market Street, connects Norkirk to Kirkland's Transit Center, downtown Seattle, and the Brickyard Park and Ride lot. The 236-transit route provides service through Norkirk along 3rd Street and 18th Avenue, connecting to Kirkland's Transit Center and Market Street. This route connects to Woodinville.

The ~~BNSF railroad right-of-way~~Cross Kirkland Corridor, located at the eastern boundary of the neighborhood, was acquired by the City in 2012. In the near term it will be used as a recreational trail connecting to other neighborhoods and cities. It may provide regional rail service to commuters in the future.

PEDESTRIAN/BICYCLE CIRCULATION

The existing City of Kirkland Active Transportation Plan (ATP) maps the planned bicycle and pedestrian facilities planned for a 10-year horizon. Those projects mapped in the Norkirk Neighborhood Plan that are not shown in the ATP should be added. Figures N-6 and N-7 show the planned bike and pedestrian system in the Norkirk Neighborhood.

City street standards require that all through streets have pedestrian improvements. Generally, these improvements include curbs, gutters, landscape strips, and sidewalks. As new development occurs, pedestrian [illegible] are usually installed by the developer. In [illegible]d areas without sidewalks, the City should identify areas of need and install sidewalks through the capital improvement budget process.

Bicycles are permitted on all City streets. Bike facilities may include a shared roadway; a designated bike lane with a painted line; or a shared use path for bicycle and pedestrian use. Those routes identified for proposed bicycle improvements are shown in Figure N-6.

Goal N-11: Encourage nonmotorized mobility by providing improvements for pedestrians and bicyclists throughout the Norkirk Neighborhood.

Policy N-11.1:

Enhance and maintain pedestrian and bicycle infrastructure within the Norkirk Neighborhood, especially on routes to schools, activity nodes and adjacent neighborhoods.

The following routes should be added to the Active Transportation Plan. The Capital Improvement budget process prioritizes when routes identified in ATP will receive funding for improvements. If funded, these routes should be improved with sidewalks, curbs, gutters, and landscape strips and lighting as needed:

- 19th Avenue between Market and 6th Street leads to Kirkland Junior High School and Crestwoods Park.
- 7th Avenue between Market and the Highlands Neighborhood provides a centrally located east/west pedestrian and bike route.
- 4th Street between Central Way and 19th Avenue provides a centrally located north/south pedestrian route.
- 6th Street between 20th Avenue and Forbes Creek Drive connects the Norkirk and South Juanita Neighborhoods.
- 20th Avenue between 3rd Street and 5th Street provides an east/west pedestrian route at the northern boundary of the Norkirk Neighborhood.

VI. LAND USE

Policy LU-3.2: Encourage residential development within commercial areas.

Residential development which is incorporated into commercial areas can provide benefits for businesses and residents alike. Housing within commercial areas provides the opportunity for people to live close to shops, services, and places of employment. Conversely, residents living within commercial areas create a localized market for nearby goods and services, provide increased security, and help to create a "sense of community" for those districts.

Residential development within commercial areas should be compatible with and complementary to business activity. Residential use should not displace existing or potential commercial use.

Policy LU-3.3: Consider housing, offices, shops, and services at or near the park and ride lots.

Park and ride facilities provide a potential location for offices, shops, and services serving two sets of customers: nearby residents and transit riders. In addition, housing at these facilities supports transit use. However, the design of these facilities would have to be carefully considered to ensure protection of the surrounding neighborhood. The City should work with Metropolitan King County to develop standards for housing, offices, shops and services at these facilities.

Policy LU-3.4: Provide easy access for industrial development from arterials or freeways. ~~Recognize the potential importance of proximity to rail lines in industrial siting.~~ Avoid industrial access through residential areas.

Because of the heavy truck traffic generally associated with these uses, industrial development should not route traffic through residential neighborhoods. Instead, industrial areas should depend on transportation routes which link them directly to arterials, in close proximity to freeway interchange areas.

~~Industrial users may also need service by rail, and, in fact, most of Kirkland's industrial areas are located near the Burlington Northern railroad tracks. Access to rail lines should be preserved for major industrial areas.~~ t

Policy LU-3.5: Incorporate features in new development projects which support transit and nonmotorized travel as alternatives to the single-occupant vehicle.

Site design can play an important role in encouraging use of alternative transportation modes. Locations of buildings and bus stops on a site, for example, can mean the difference between having transit users walk long distances through the rain or being dropped off at the door. Something as simple as the provision of covered bicycle racks may encourage a would-be cyclist.

Policy LU-3.6: Encourage vehicular and nonmotorized connections between adjacent properties.

Improved pedestrian connections between adjacent properties and to adjacent streets minimizes walking distances and provides safe walking surfaces, which in turn can result in less driving and more opportunities for physical activity. Vehicle connections between adjacent properties reduce congestion on streets, number of turning movements and gasoline consumption. Lack of connections between adjacent properties may mean that a car must return to a busy street and then turn again into an adjoining lot to gain access. Fences or impenetrable landscape buffers may prevent pedestrian connection to the business next door or force long detours out to the sidewalk and then back into the adjoining property. The intent of this policy is to encourage connections and to avoid such unintentional barriers to easy access.

RESIDENTIAL LAND USES

Most of the land in Kirkland is developed with housing of some type whether detached single-family homes, townhouses, or other attached or stacked units. Preservation and protection of these residential neighborhoods is an important goal. Kirkland will continue to be primarily a residential community and that preservation and protection of residential neigh borhoods is an important goal.

XV.H. Totem Lake Neighborhood
Economic Development

To ensure intensive economic development activity, a minimum development threshold is required within the District. Please refer to the Totem Center policies for a more specific discussion of Totem Center economic development policies.

Goal TL-3: Preserve and intensify commercial areas outside of Totem Center.

Policy TL-3.1:

Protect and nurture existing retail and office areas.

Outside of Totem Center, established retail areas are located around the I-405/NE 124th Street interchange and extend to the east and west along NE 124th Street as well as to the north and south along 120th Avenue NE and along both sides of 124th Avenue NE (see Figure TL-3).

The greatest concentration of offices is located on the west side of I-405. The primary office area is the I-405 Corporate Center, extending south from NE 124th Street. A smaller office area is located along the south side of NE 128th Street (see Figure TL-3).

These established retail and commercial areas provide a range of employment opportunities and services, and contribute to the City's retail sales tax revenue for a healthy economy. These areas should be retained and strengthened. In some areas, housing is the preferred use on upper floors, as described in Policy TL-26.3.

Policy TL-3.2:

Expand opportunities for office development south of NE 116th Street (districts TL 10D and TL 10E).

The area south of NE 116th Street, known as Par Mac, is currently developed with a mix of light industrial, office, retail and service uses. Historically, this area was planned for and developed with manufacturing and light industrial uses that ~~might~~ may have benefitted from proximity to the ~~BNRR~~ BNSF right-of- way, now known as the Cross Kirkland Corridor. Prior to 2010 train service in this corridor was discontinued, and in 2012 the right-of-way was acquired by the City of Kirkland for a non-motorized multi-use trail and/or transit route through Kirkland. (new paragraph)

Over the past decade, many of these traditional light industrial and manufacturing uses have been converted to office, retail and other service uses, and the existing space no longer meets the needs of many industrial tenants. At the same time, the demand for office space in Kirkland and the Eastside as a whole has been increasing.

In recognition of this ongoing trend toward office use, the Par Mac area should be designated for office use. Office spaces designed for uses in the high- technology sector should be specifically encouraged. These types of firms tend to provide high-wage jobs and other benefits to the area's economy.

Additional building height should be considered for future development in this area. Due to the topographic characteristics of the land, situated at a lower elevation than the freeway to the east and from many areas of residential development to the west, greater height in this area would have limited impacts on views or the character of the area. Additional height would also encourage greater redevelopment of the area than might occur at the existing permitted intensity. Design considerations associated with additional height will include views from the freeway, and the need to preserve some openness across the area.

IX. TRANSPORTATION

~~Kirkland has a total of 41 miles of bicycle facilities within the street network.~~ Figure T-2 displays existing shared use path and bike lane facilities. ~~The former vehicle bridge in Juanita Bay Park is the only shared use path facility (route for the exclusive use of non-motorized transportation) in Kirkland.~~ There are approximately ~~24.2~~ 50.2 miles of bike lane facilities, which are striped lanes alongside vehicle lanes, ~~on a street. The remaining 16.8 miles are composed of 16.4 miles of shared roadway facilities, which are designated bicycle routes without signs or striping on residential streets,~~ and 0.4 miles of ~~nonmotorized~~ paths ~~for bicycles, pedestrians and other users~~.

shared use

Existing sidewalks are mapped in Figure T-3. The City has an inventory of the condition of sidewalks and a comprehensive sidewalk repair program.

Transit service in Kirkland is provided by Metro and Sound Transit. Figure T-4 and Table T-1 display the routes serving Kirkland. Time between buses on the same route during rush hour spans between 15 and 30 minutes, depending on the route. Non-rush hour frequency is generally about 30 minutes between buses, depending on the route. The Kirkland Transit Center is in the Downtown on 3rd Street by the library. There are eight park and ride lots within the City limits. Of the three largest park and rides, the Houghton facility has the most remaining capacity.

The ~~Burlington Northern~~ Cross Kirkland Corridor, formally the BNSF Railroad right-of-way, ~~(BNR)~~ runs north- south through Kirkland~~. It serves the industrial areas of the City and is used by a dinner train.~~ The City acquired the right-of-way in 2012 for a nonmotorized multi-use trail and/or transit route through Kirkland. The right-of- way is 100 feet in width in most areas, and travels through many Eastside cities providing critical links to other existing regional trails such as the Sammamish River Trail. The City has improved some sections of the route with trail amenities. ~~There are nine at-grade crossings, and five over/underpasses in the City. The BNR right-of-way provides an important opportunity as a direct access through Kirkland for transit and/or a nonmotorized multi-use trail. In the future, when the BNR right-of-way is developed for transit and/or nonmotorized uses, the City should work to provide access points along the right-of-way.~~Future inter-jurisdictional planning and implementation is envisioned for this multi-model facility..

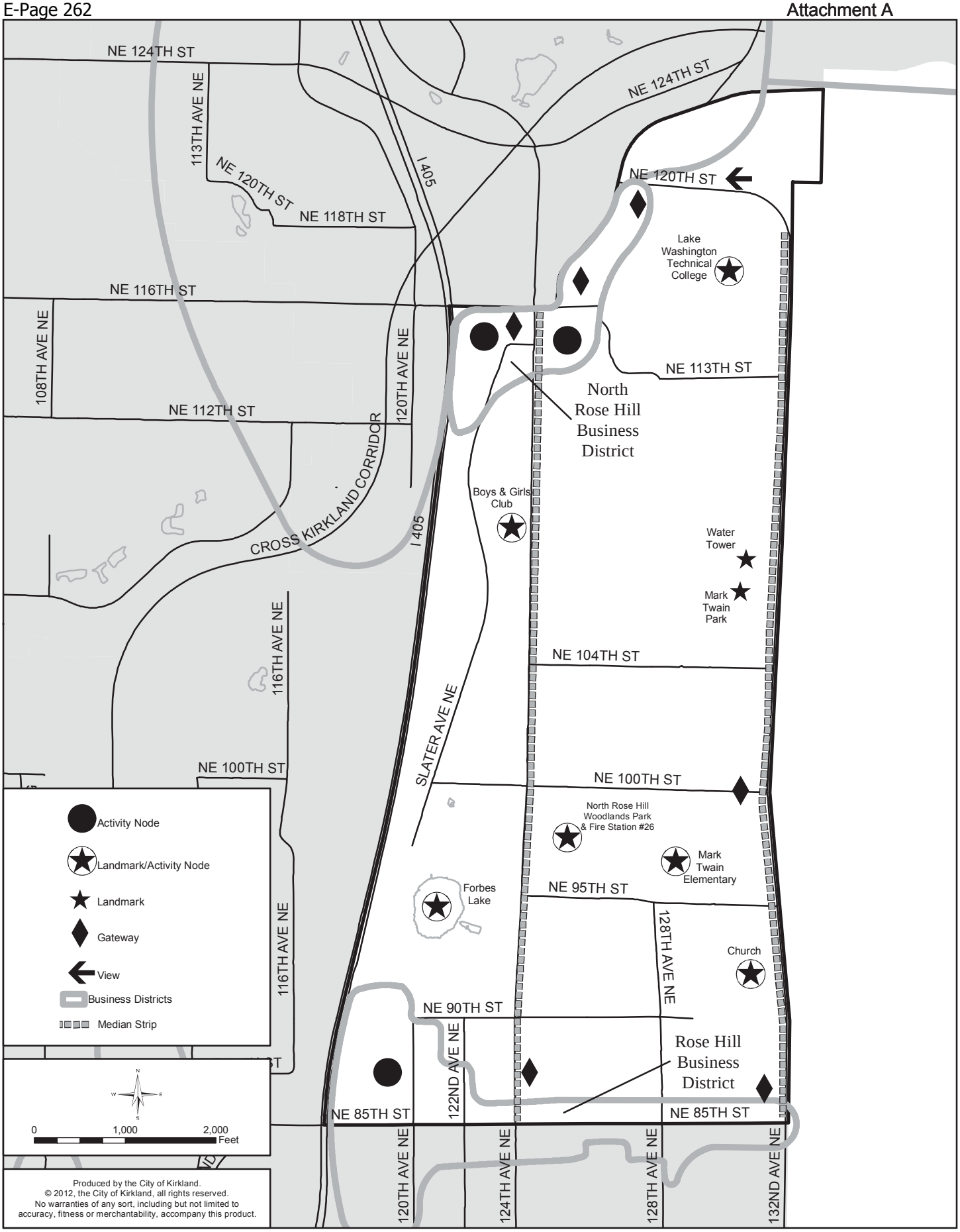


Figure NRH-10: North Rose Hill Urban Design

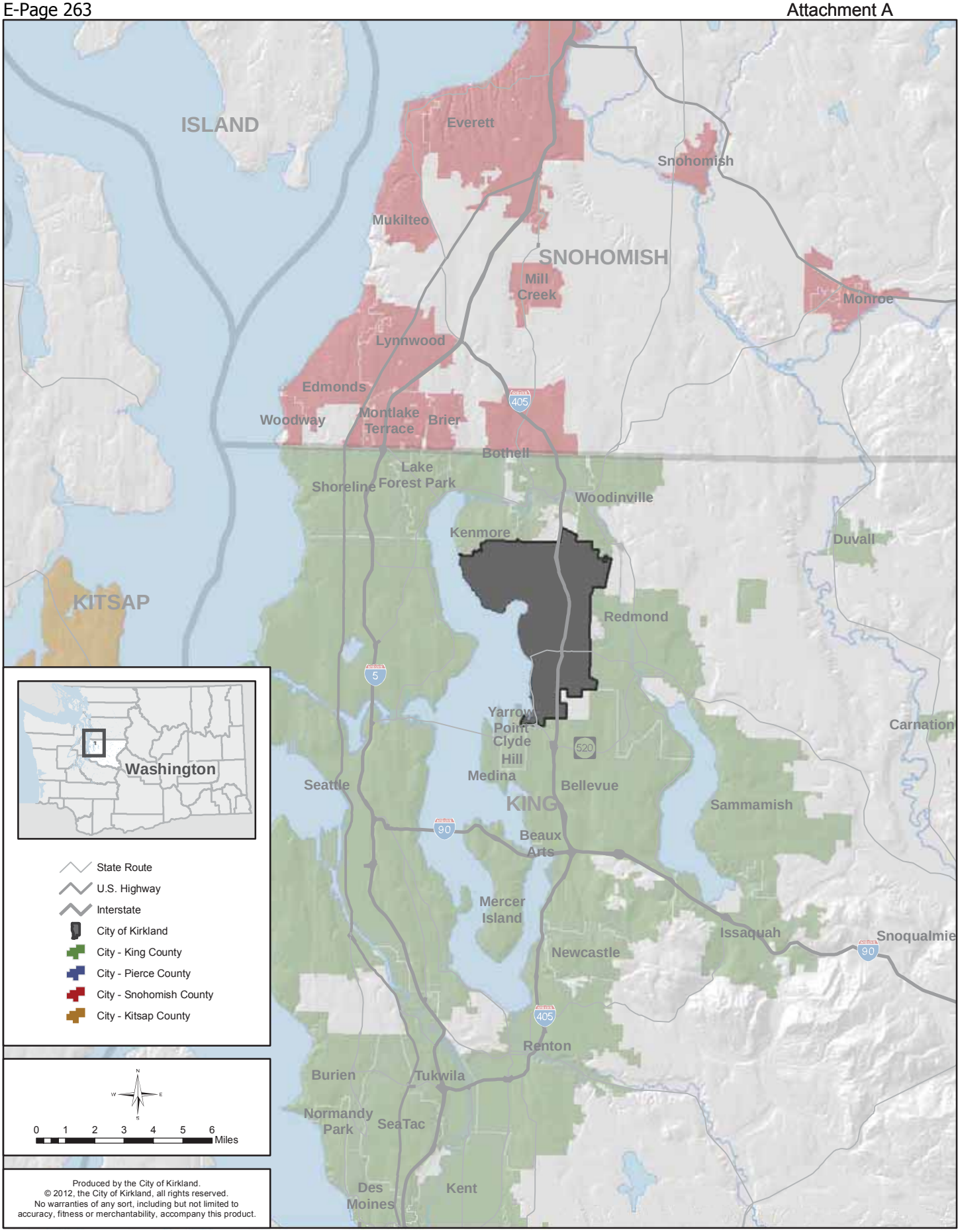


Figure I-1: Kirkland and Surrounding Area

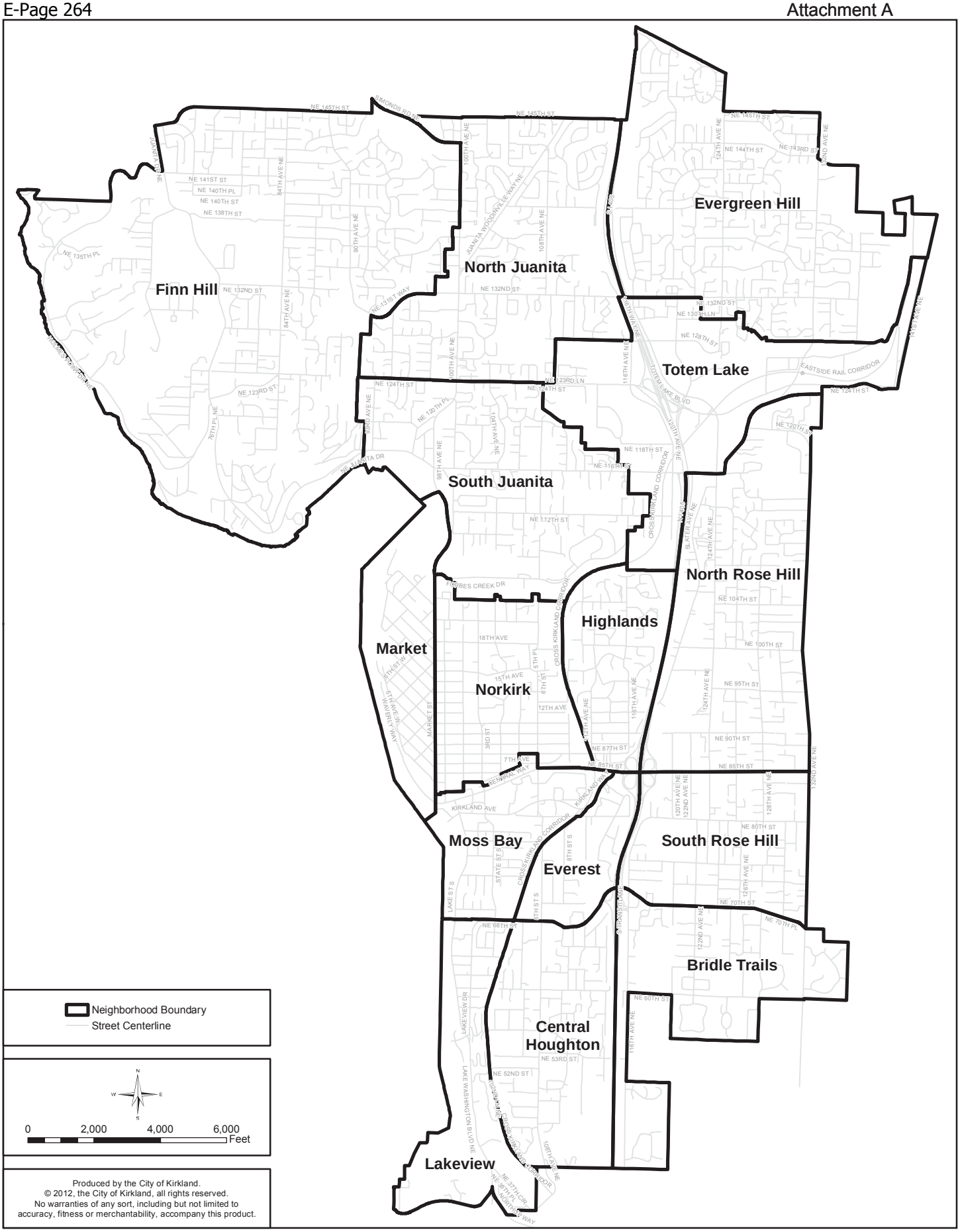
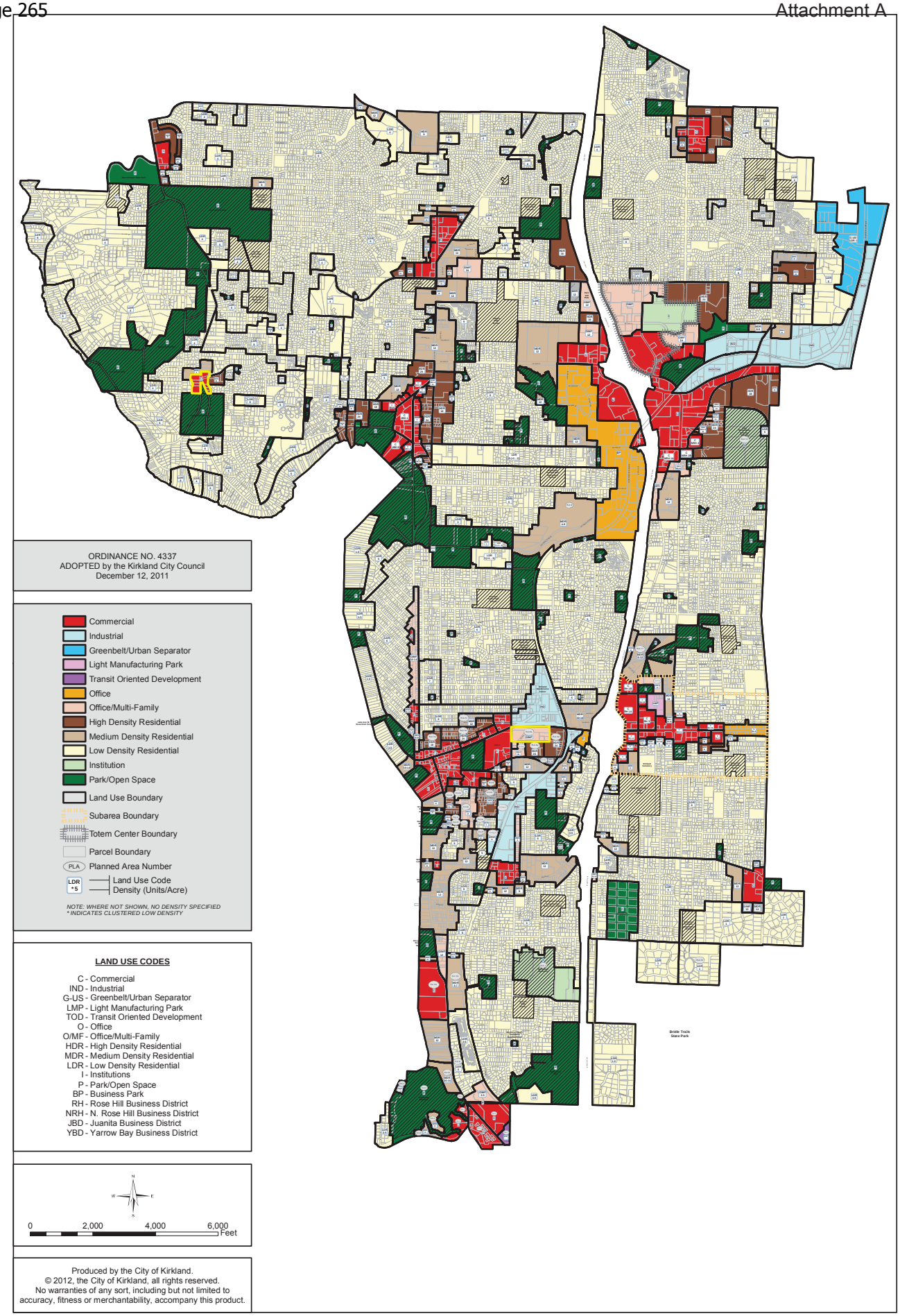


Figure I-2: City of Kirkland Neighborhoods



LU-1 Comprehensive Land Use Map

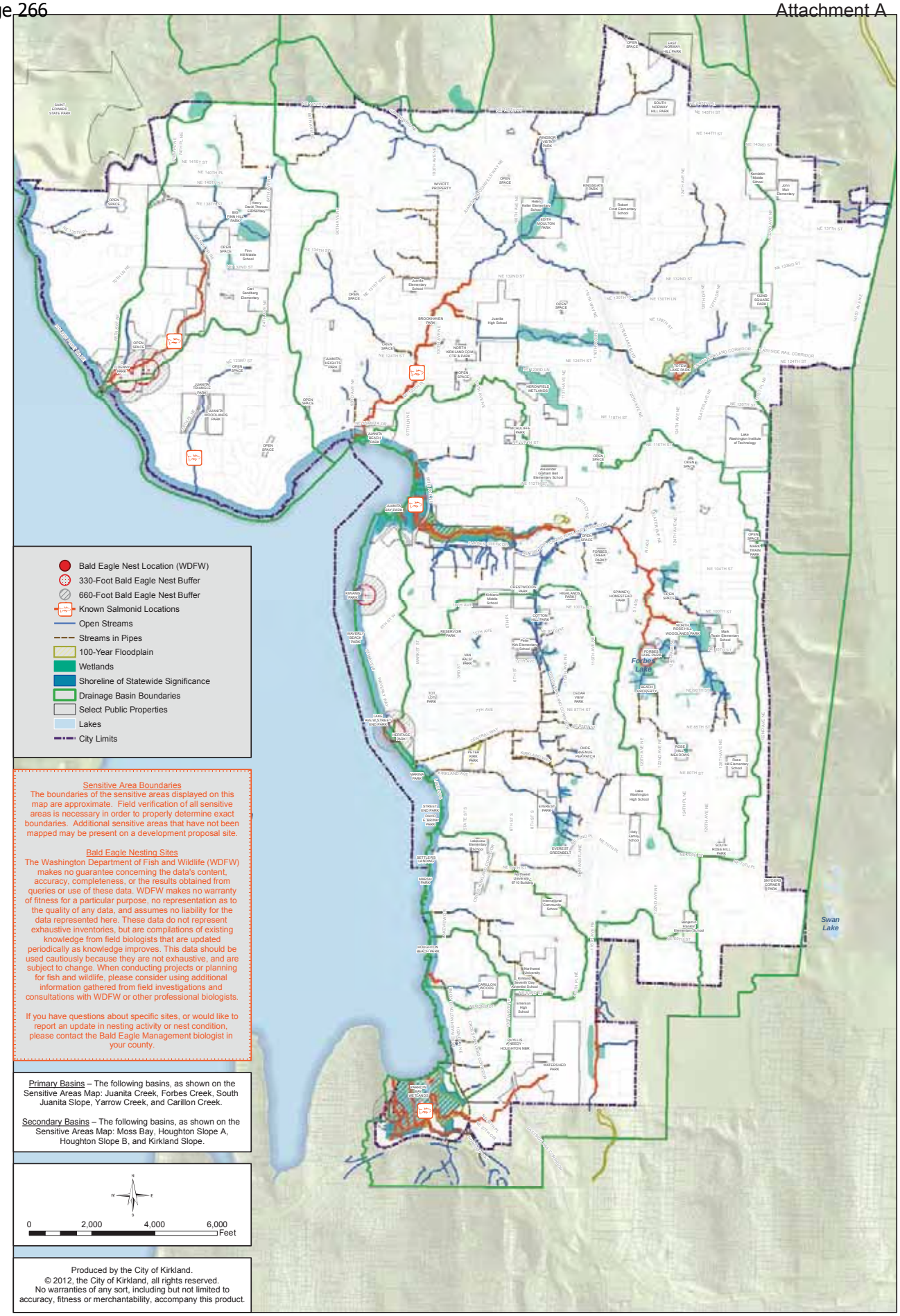


Figure NE-1: Sensitive Areas

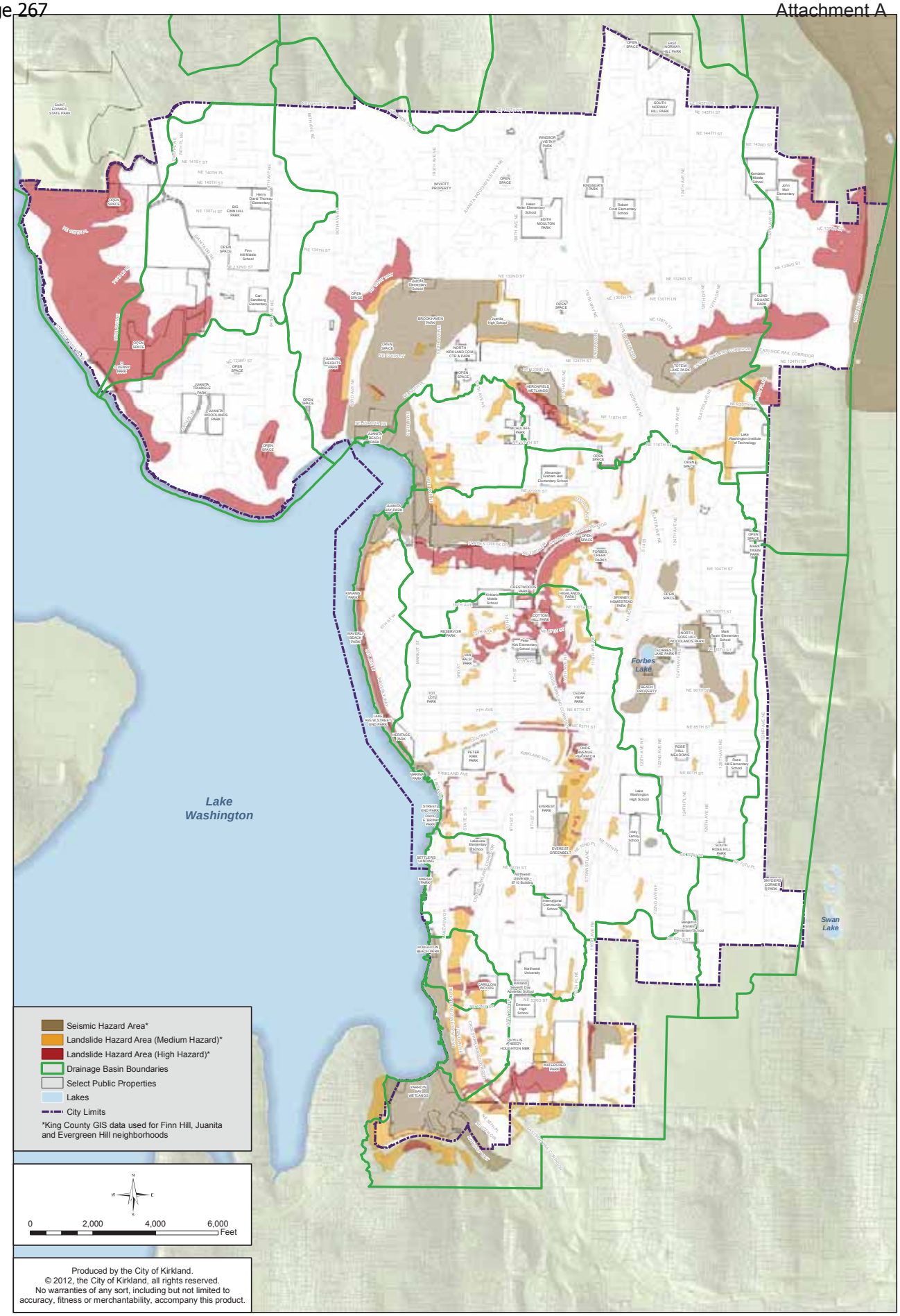


Figure NE-2: Landslide and Seismic Hazard Areas

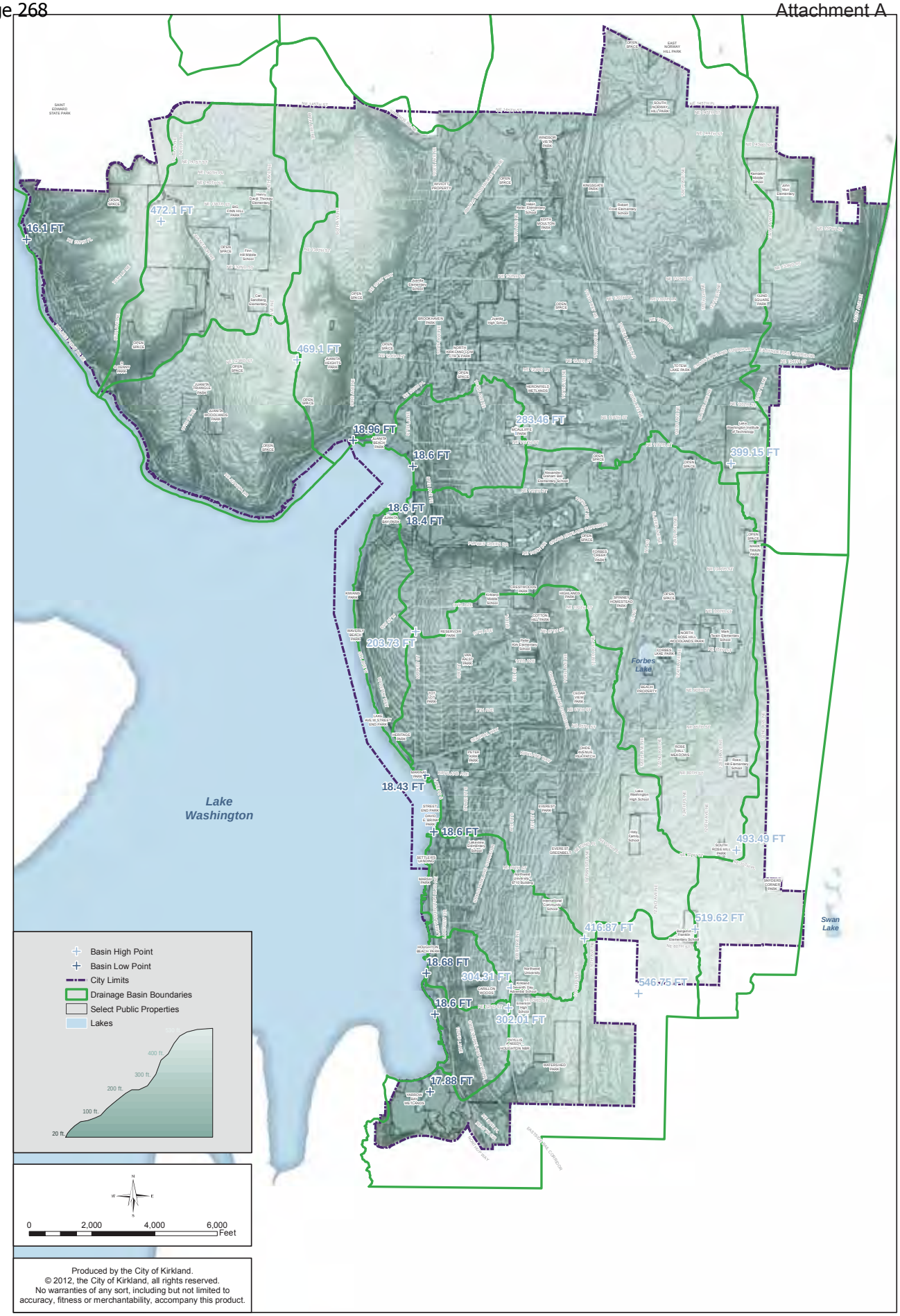


Figure NE-3: Topography

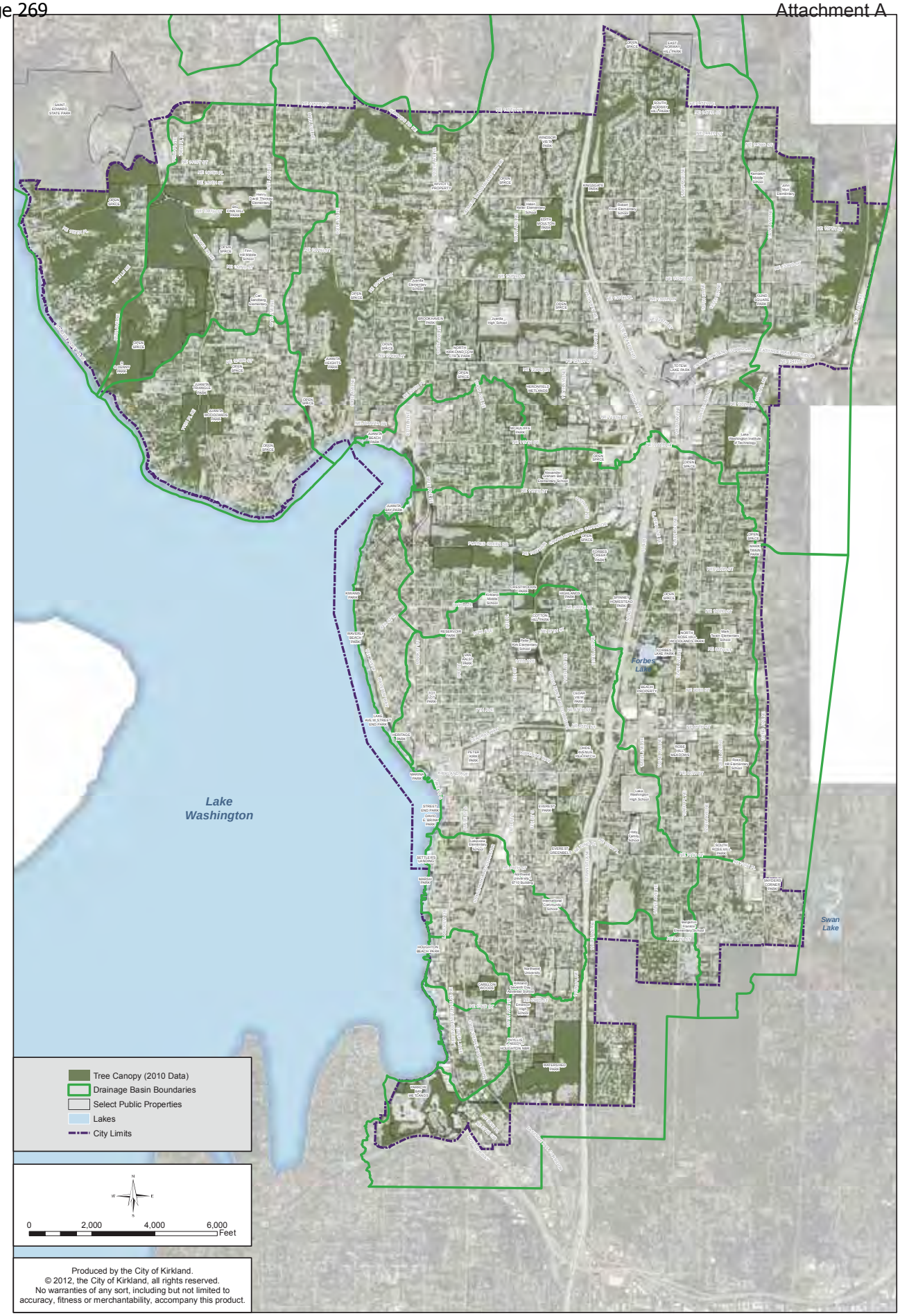


Figure NE-4: Tree Canopy

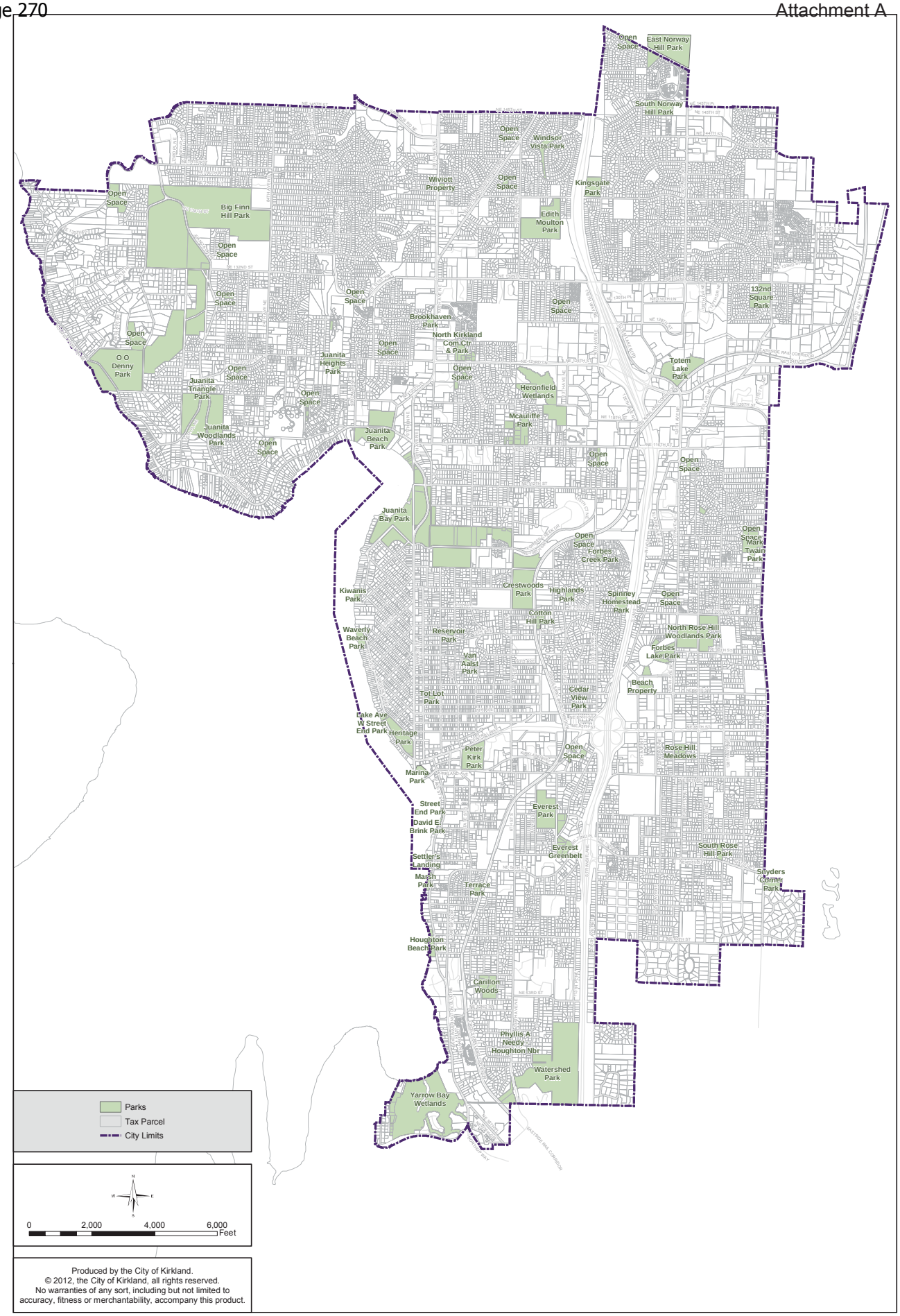


Figure PR-1: Kirkland Parks

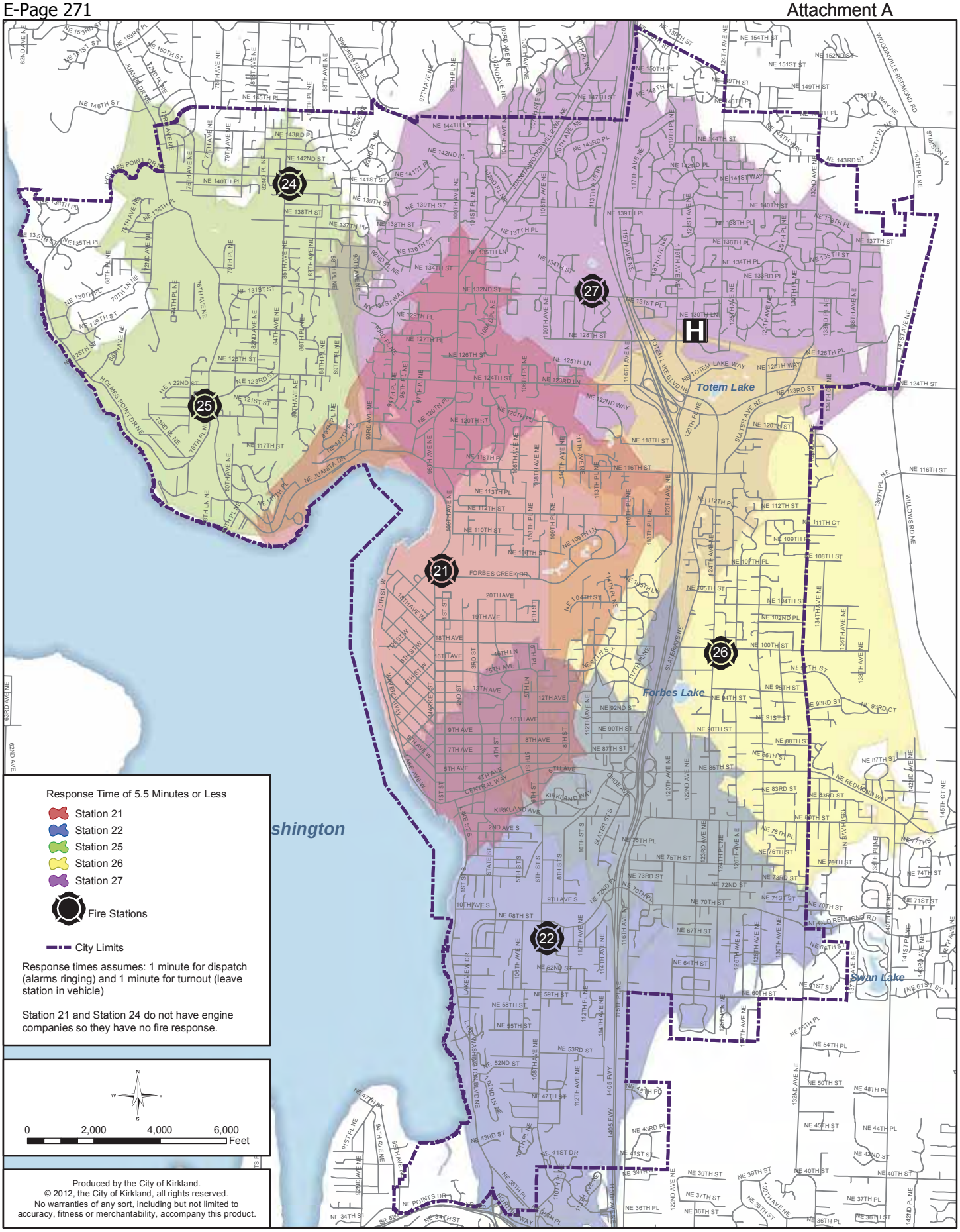


Figure PS-1: Fire Response Times within 5.5 minutes

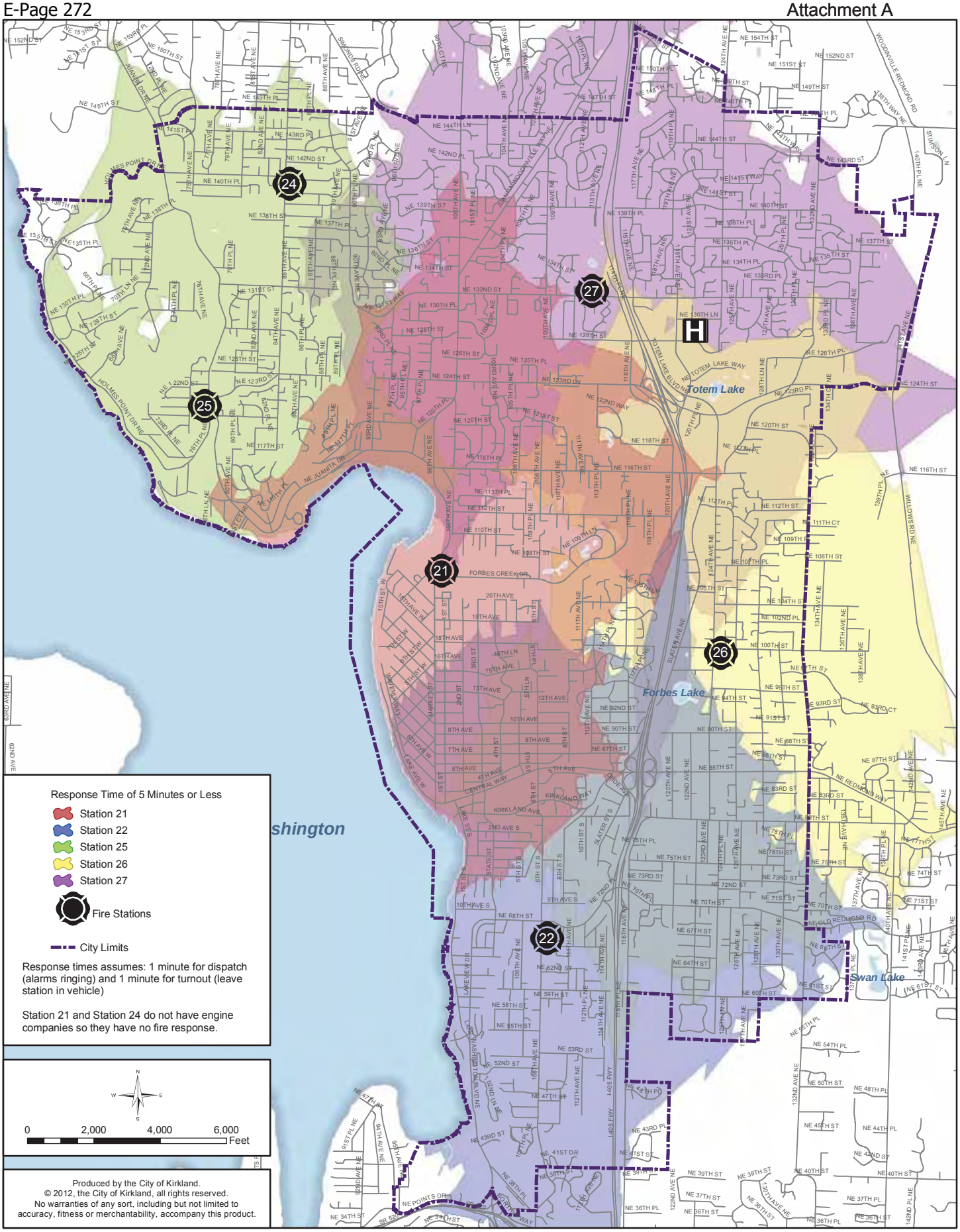


Figure PS-2: Emergency Medical Services Response Times within 5 minutes

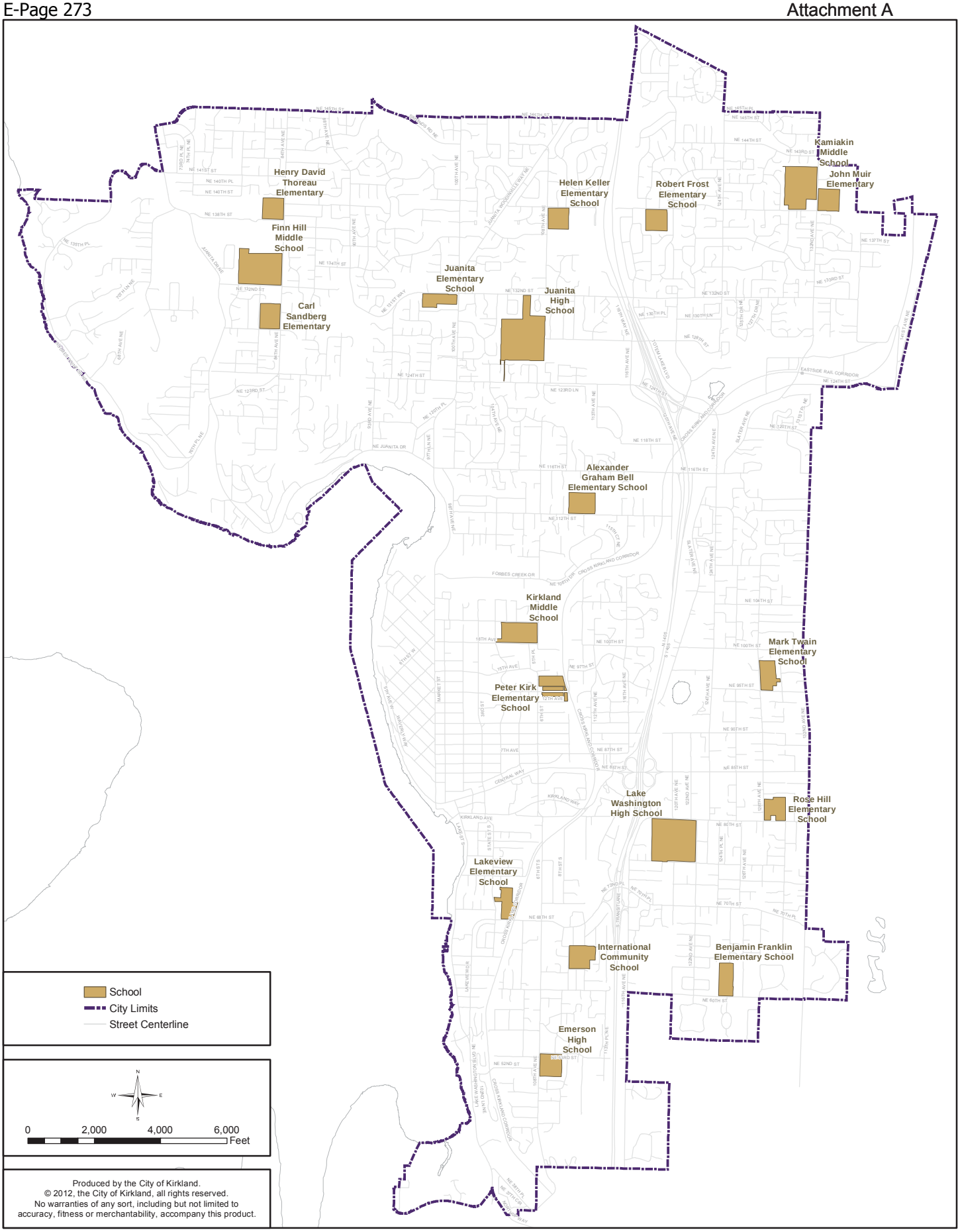


Figure PS-3: Public School Facilities

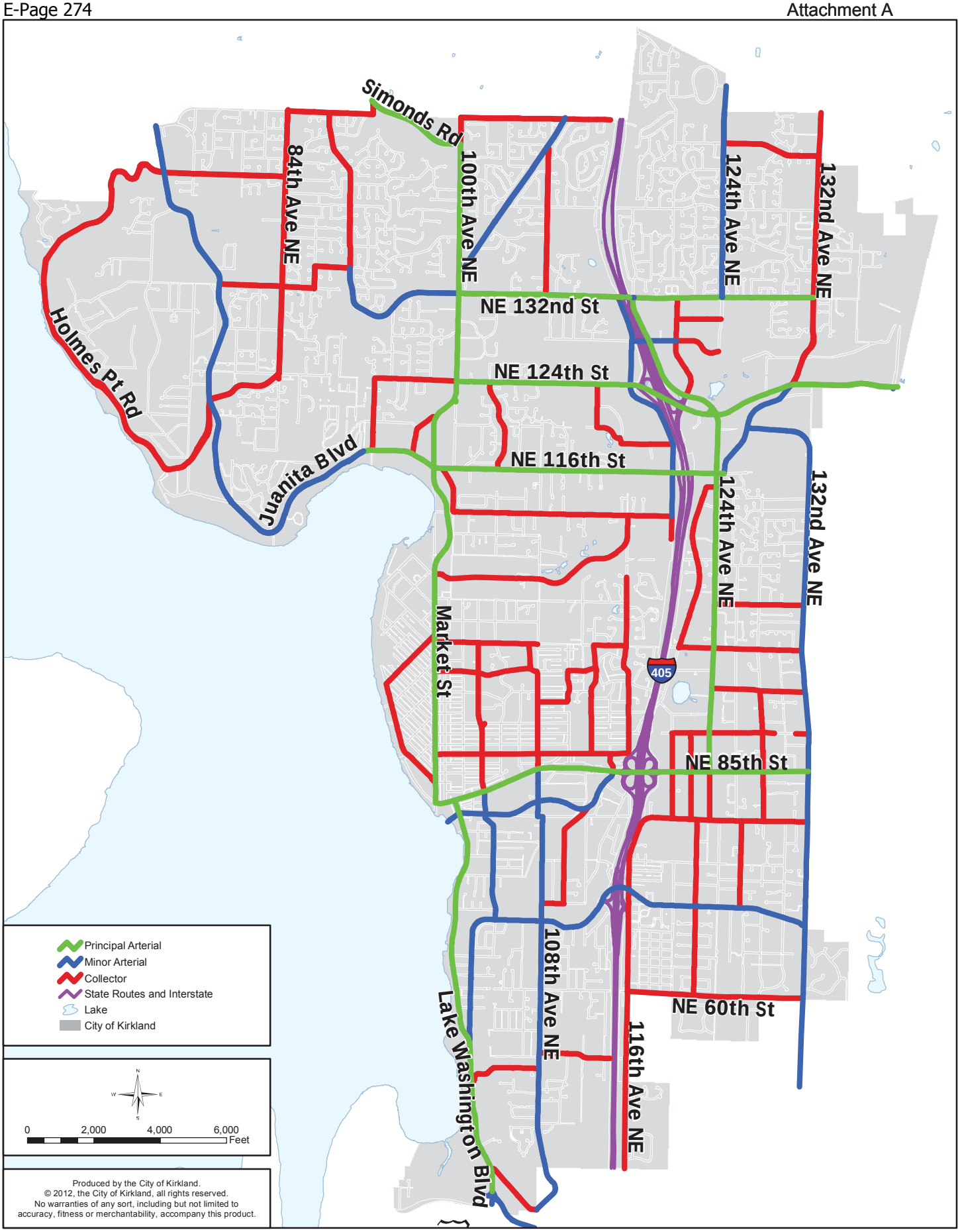


Figure T-1: Street Classifications and State Routes

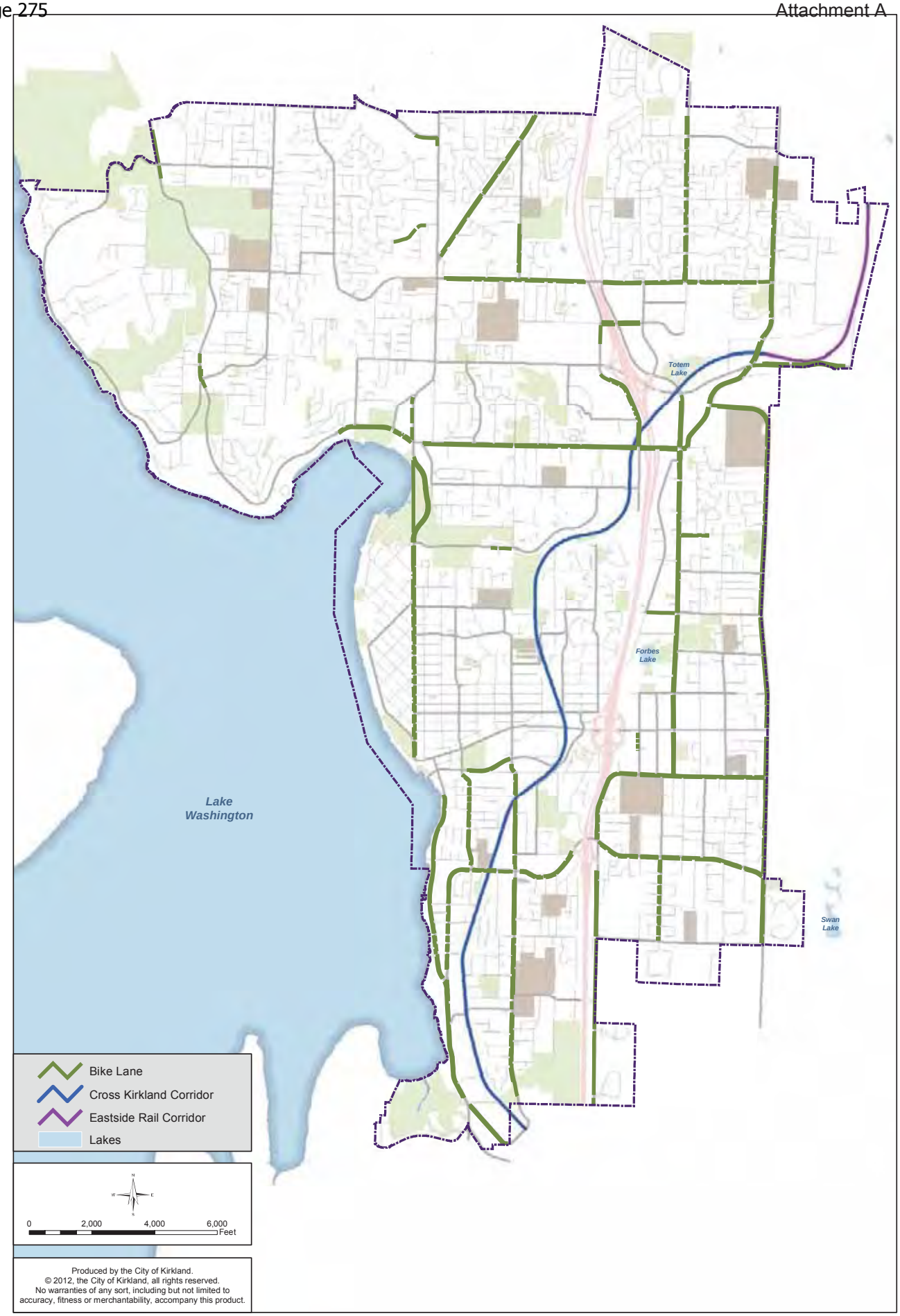


Figure T-2: Bicycle System

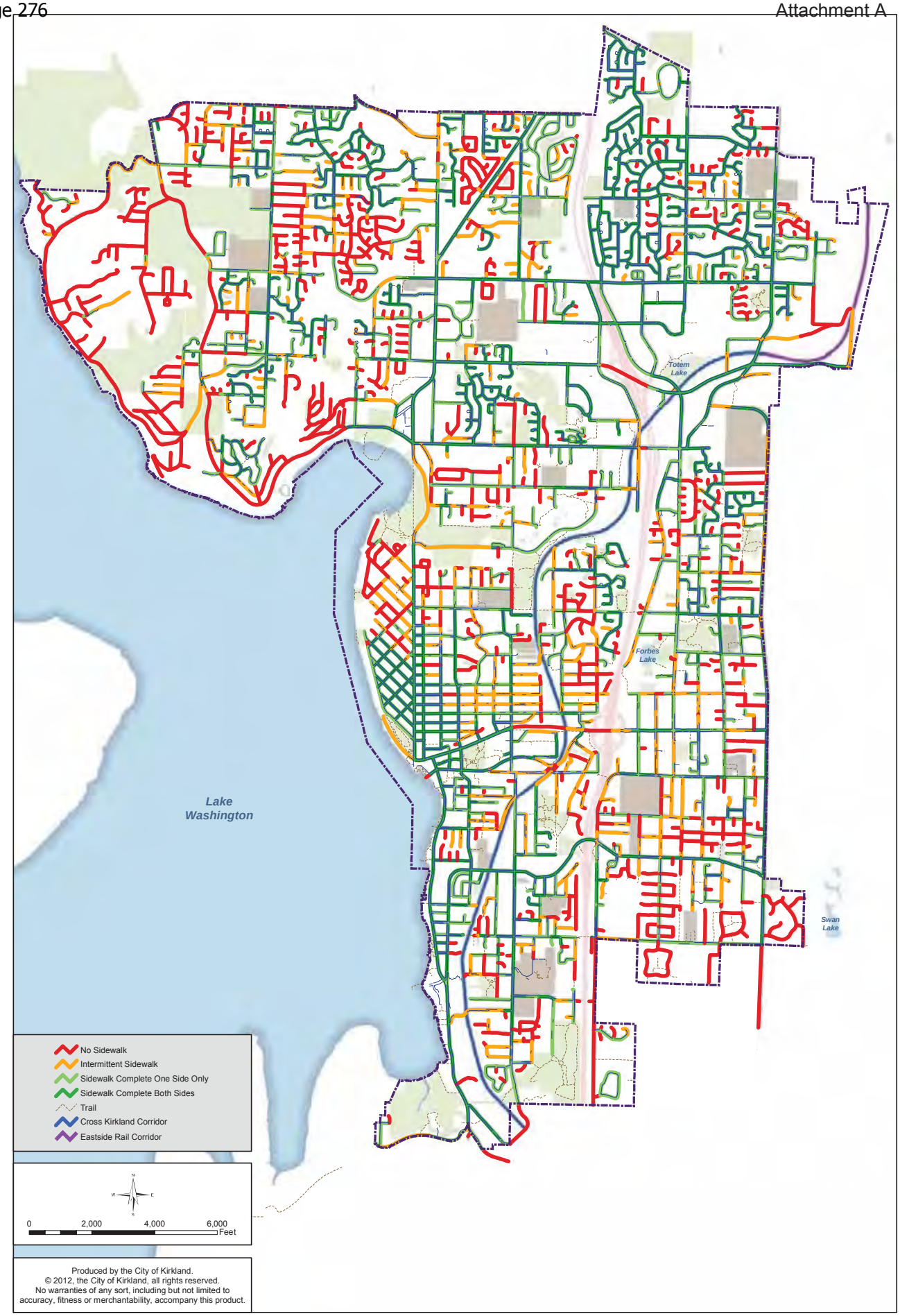


Figure T-3: Pedestrian System

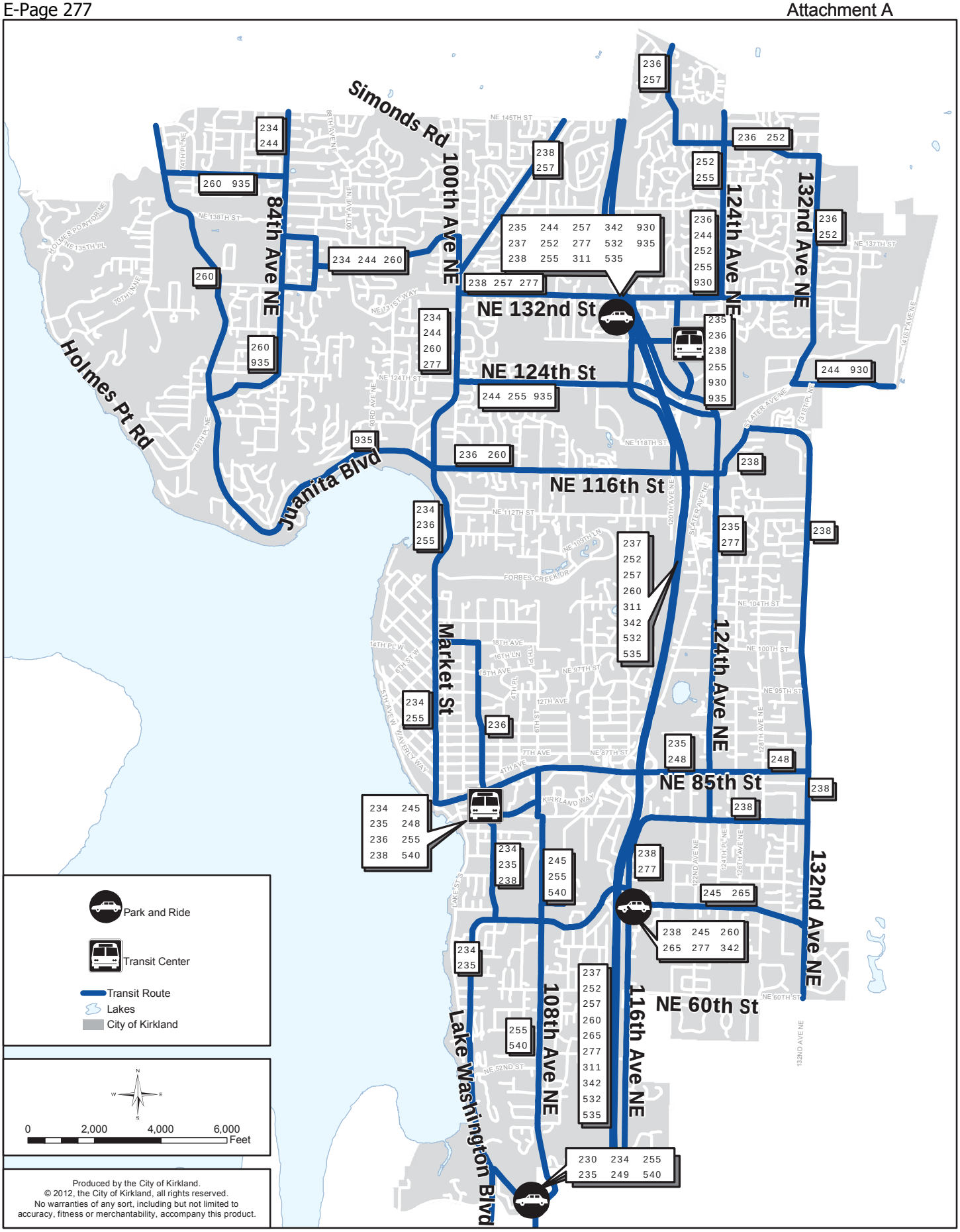


Figure T-4: Transit Service

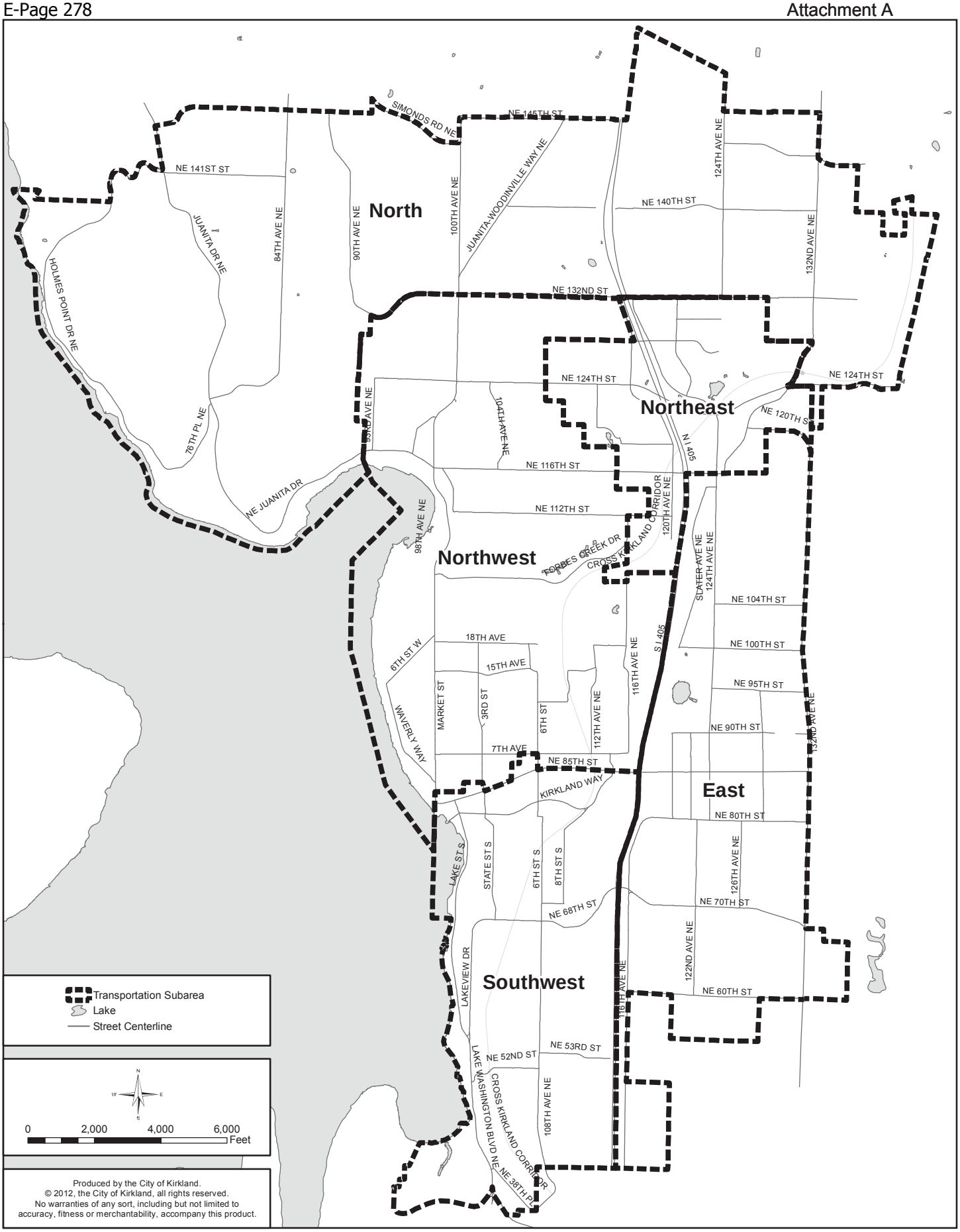


Figure T-5: Transportation Subareas

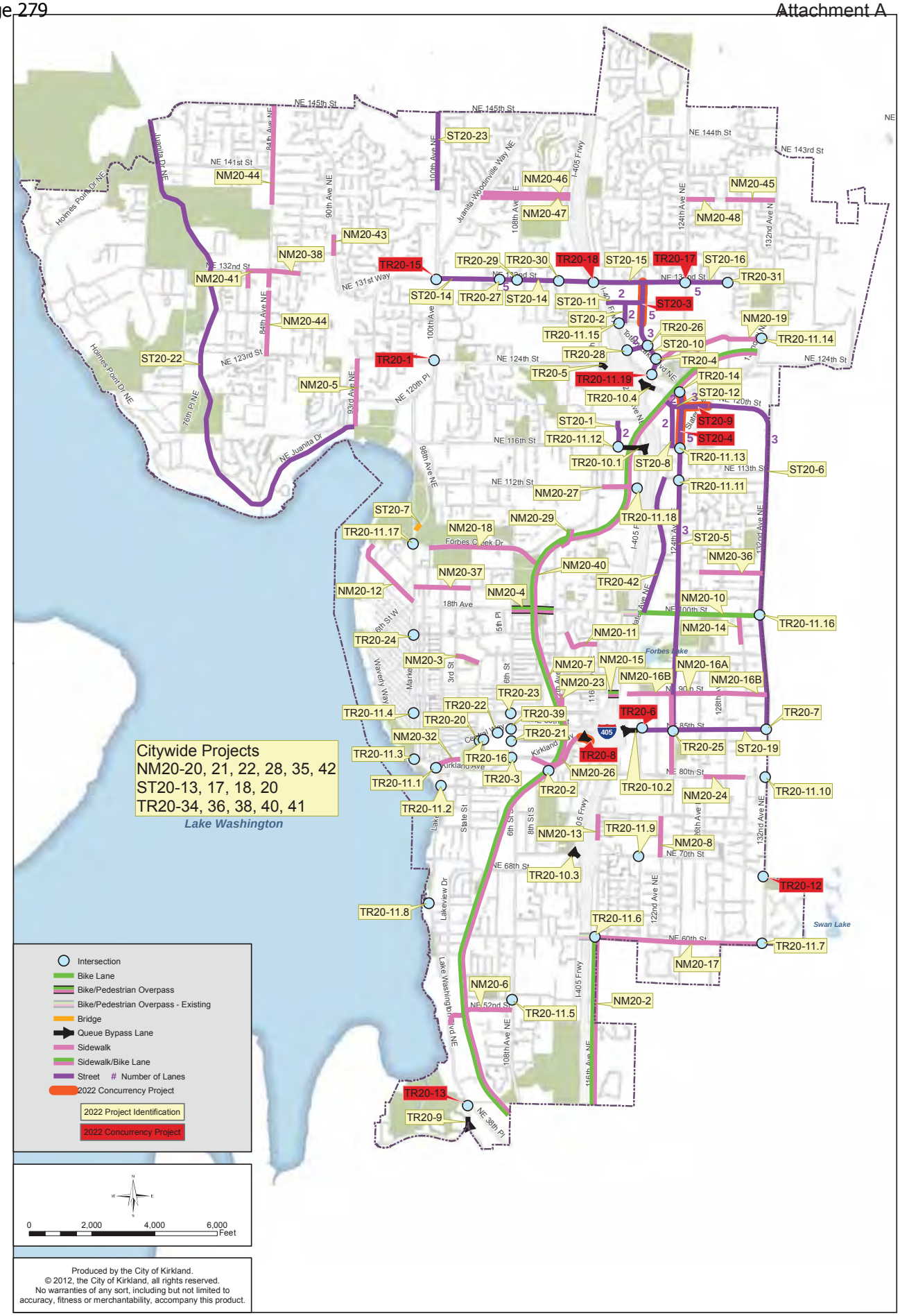


Figure T-6: Transportation Project List Funded/Unfunded

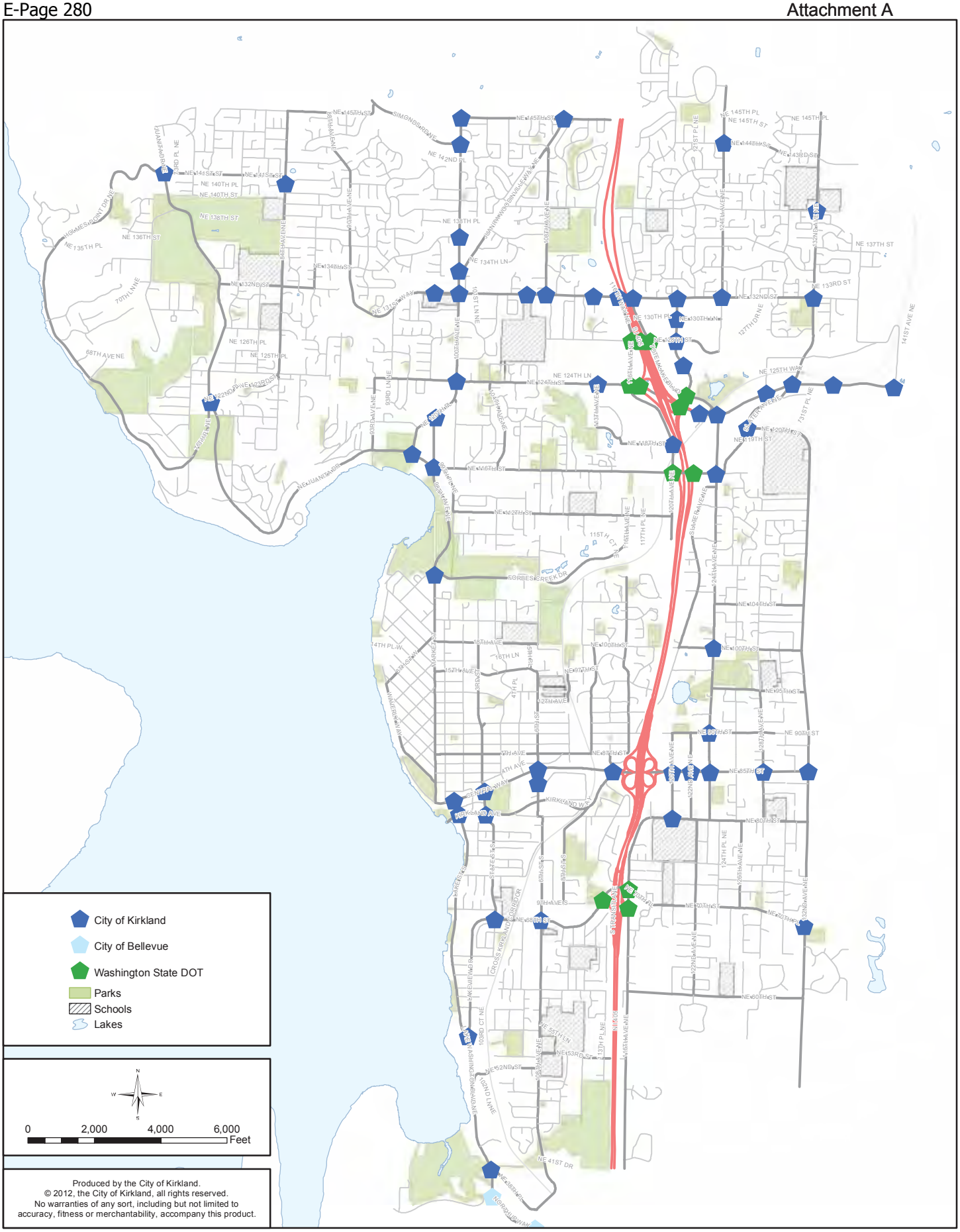


Figure T-7: Signalized Intersections

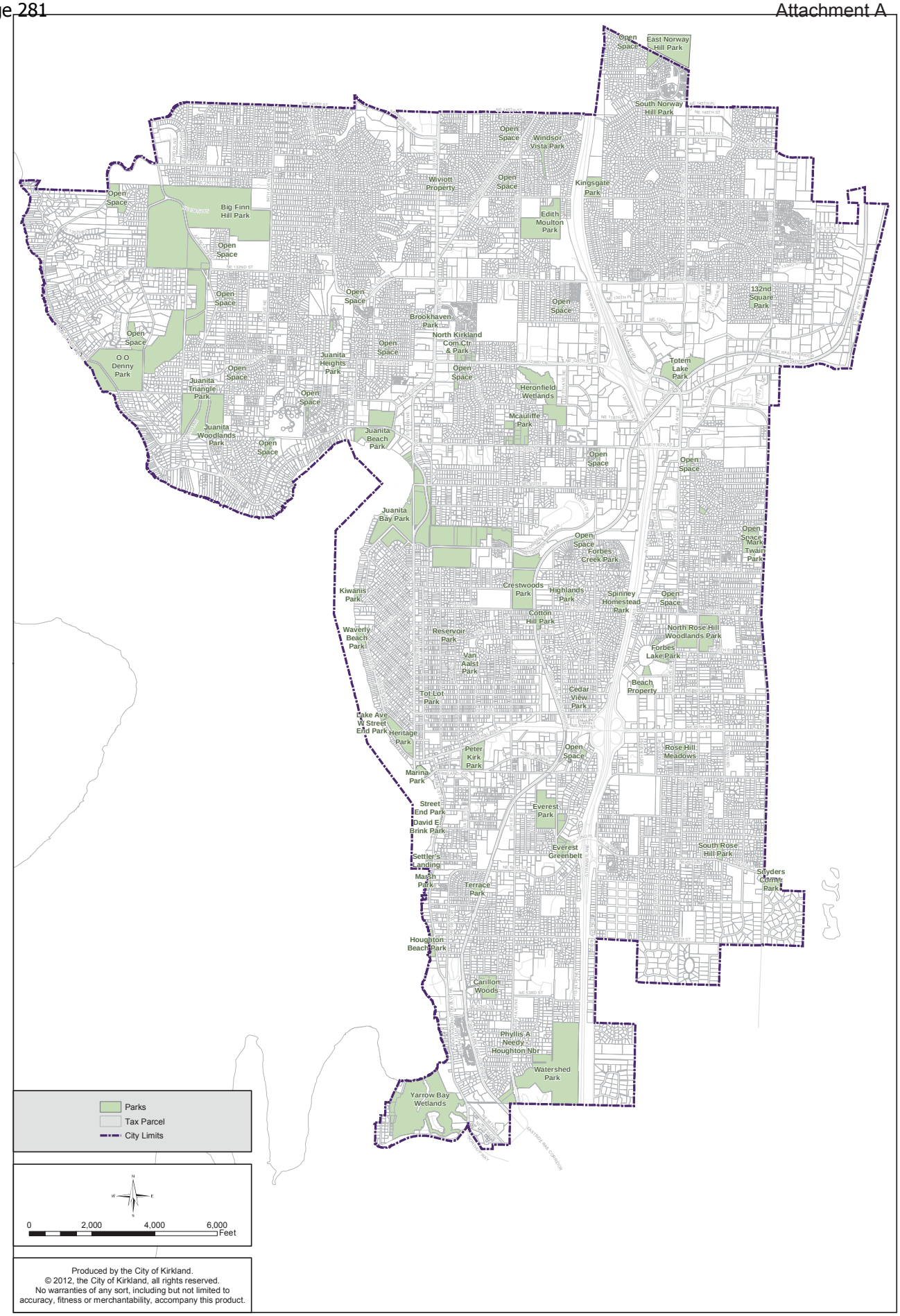


Figure PR-1: Kirkland Parks

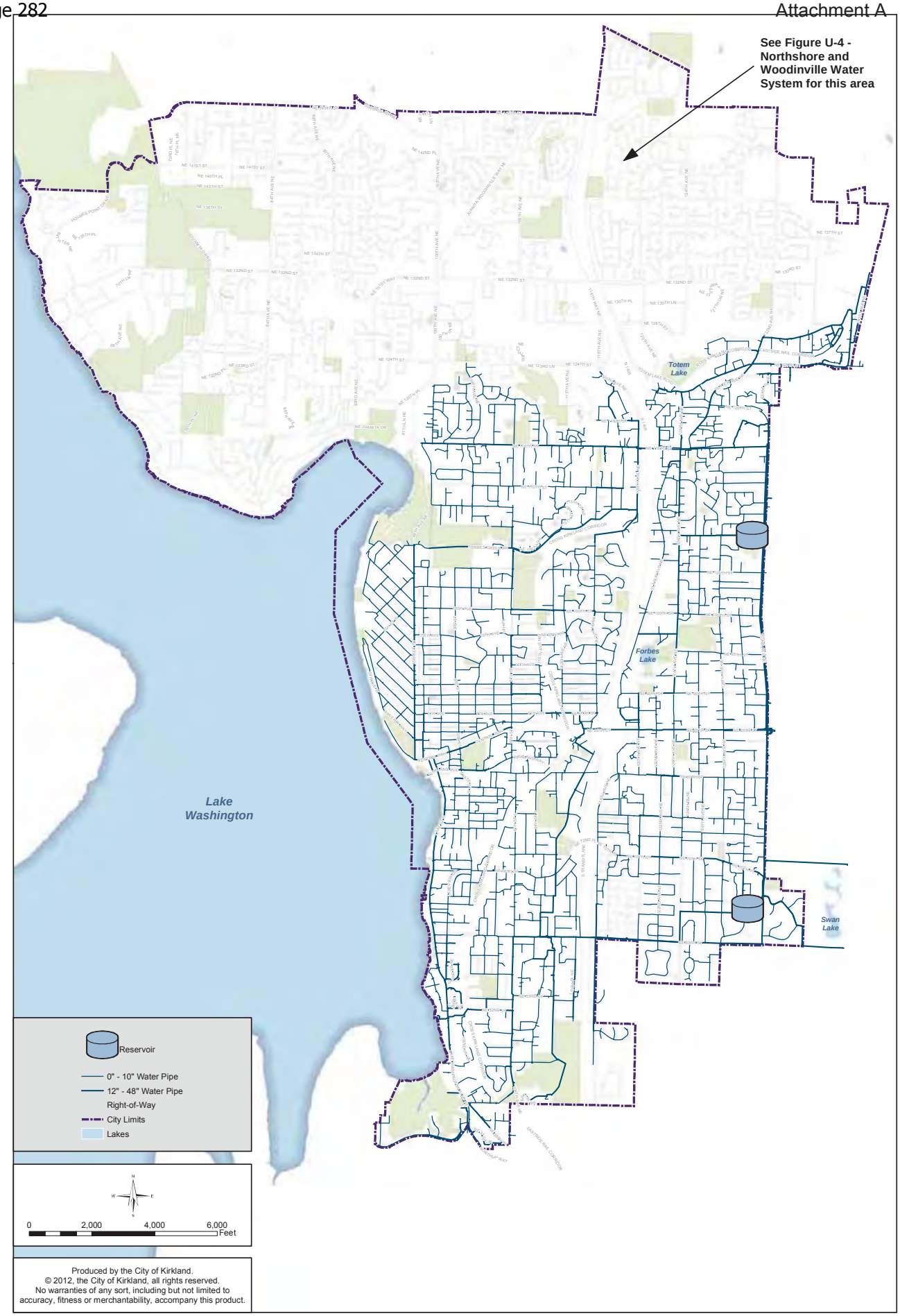


Figure U-1: Water System

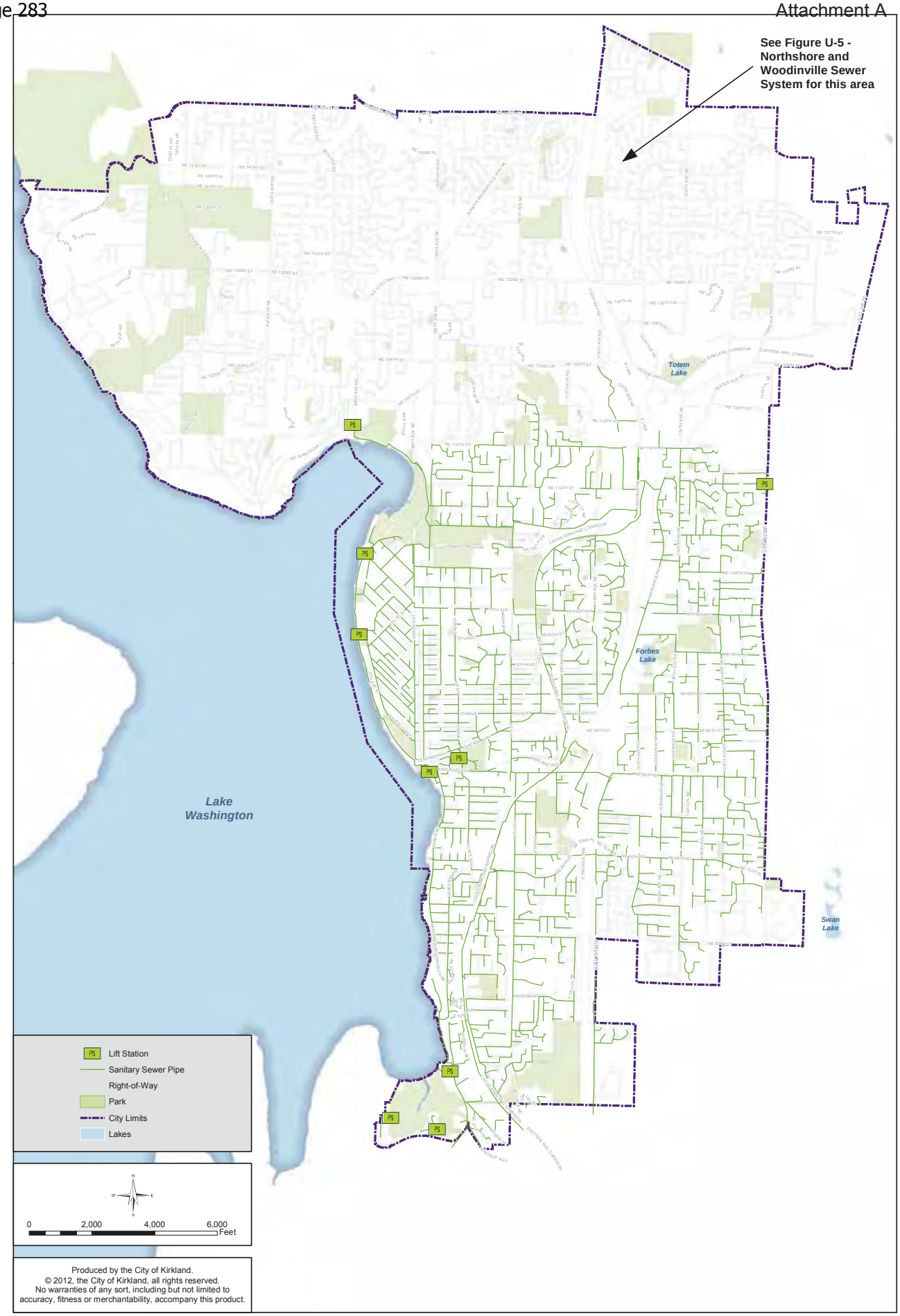


Figure U-2: Sanitary Sewer System

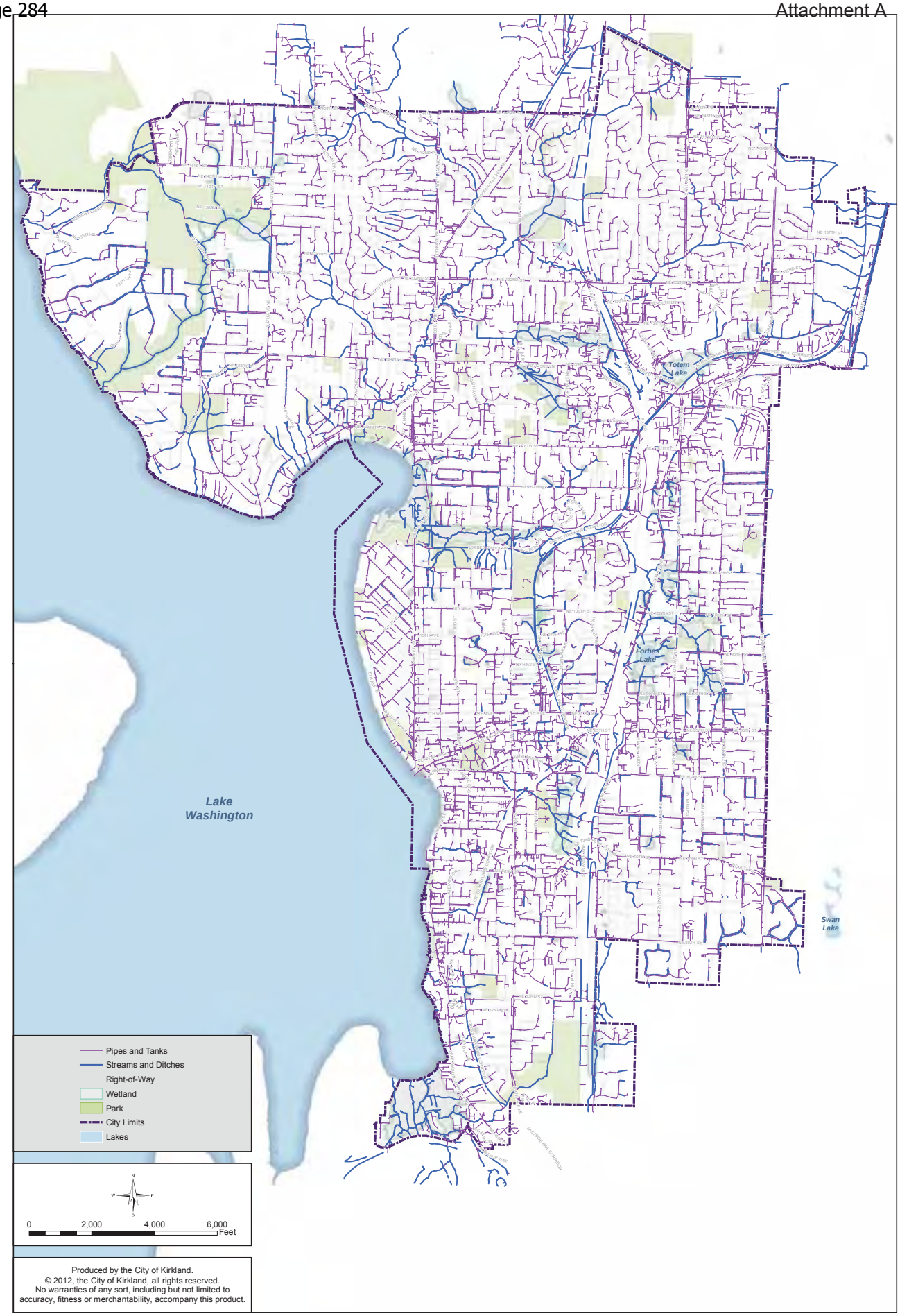


Figure U-3: Surface Water Management System

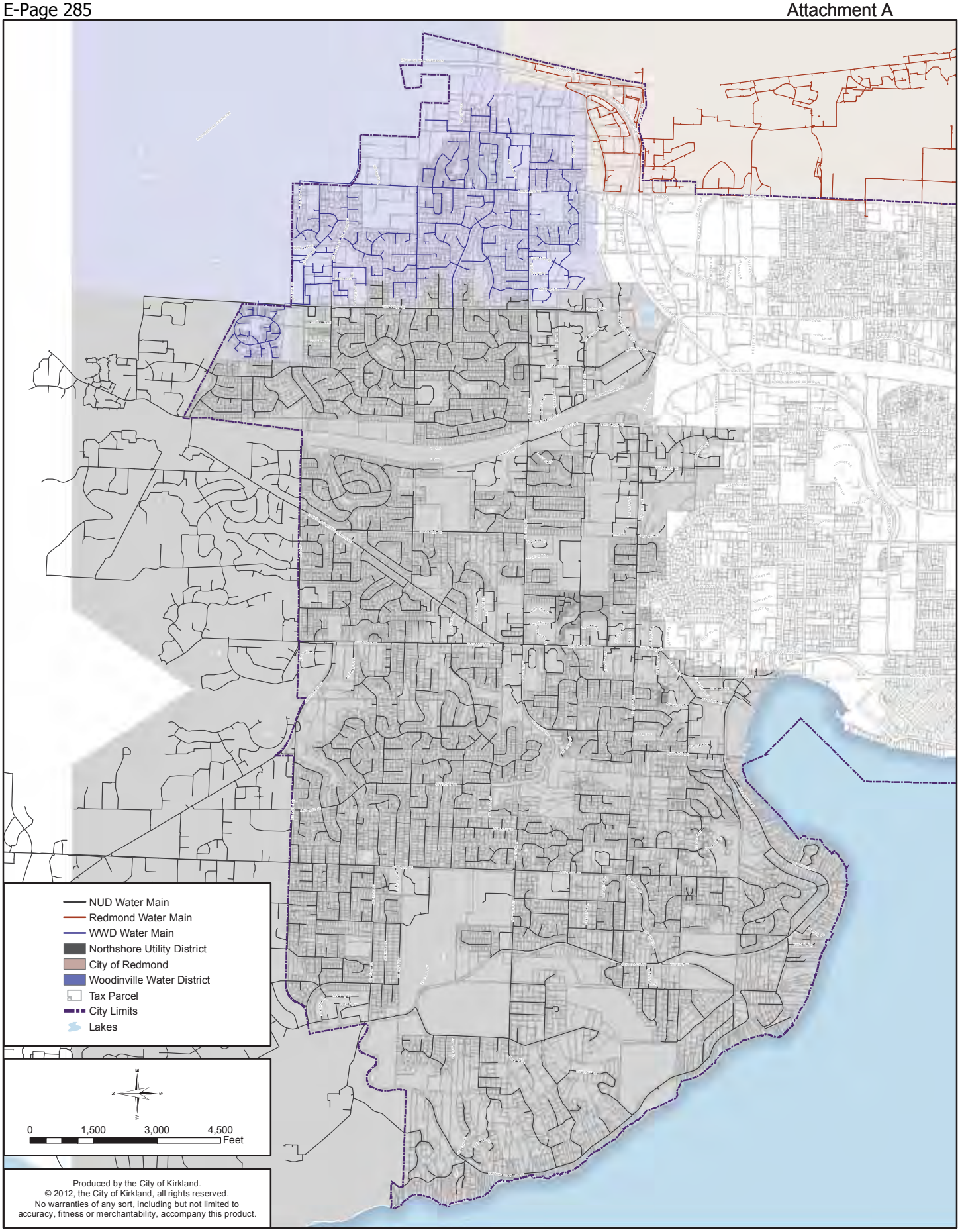


Figure U-4: Northshore and Woodinville Water Systems

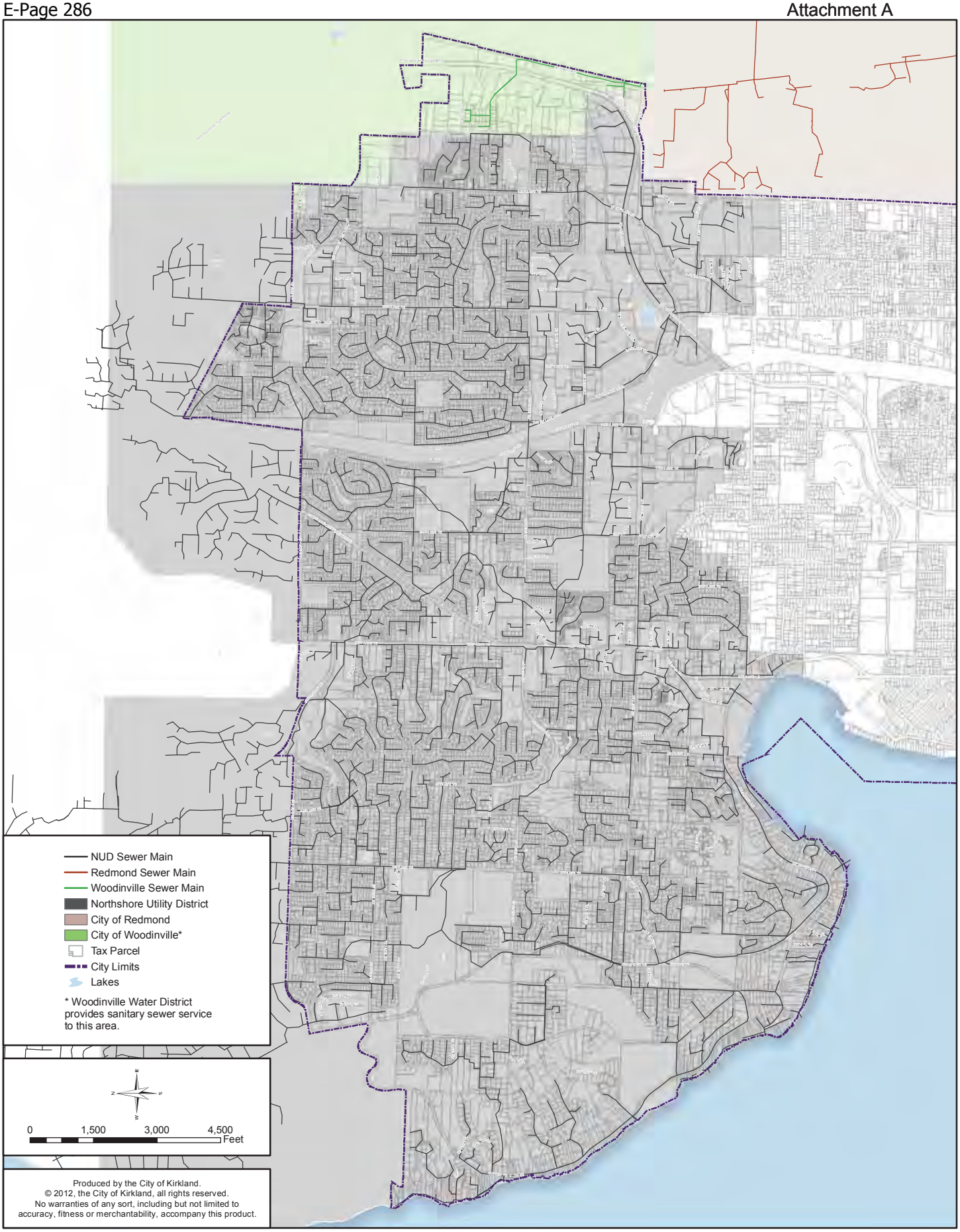


Figure U-5: Northshore and Woodinville Sewer Systems

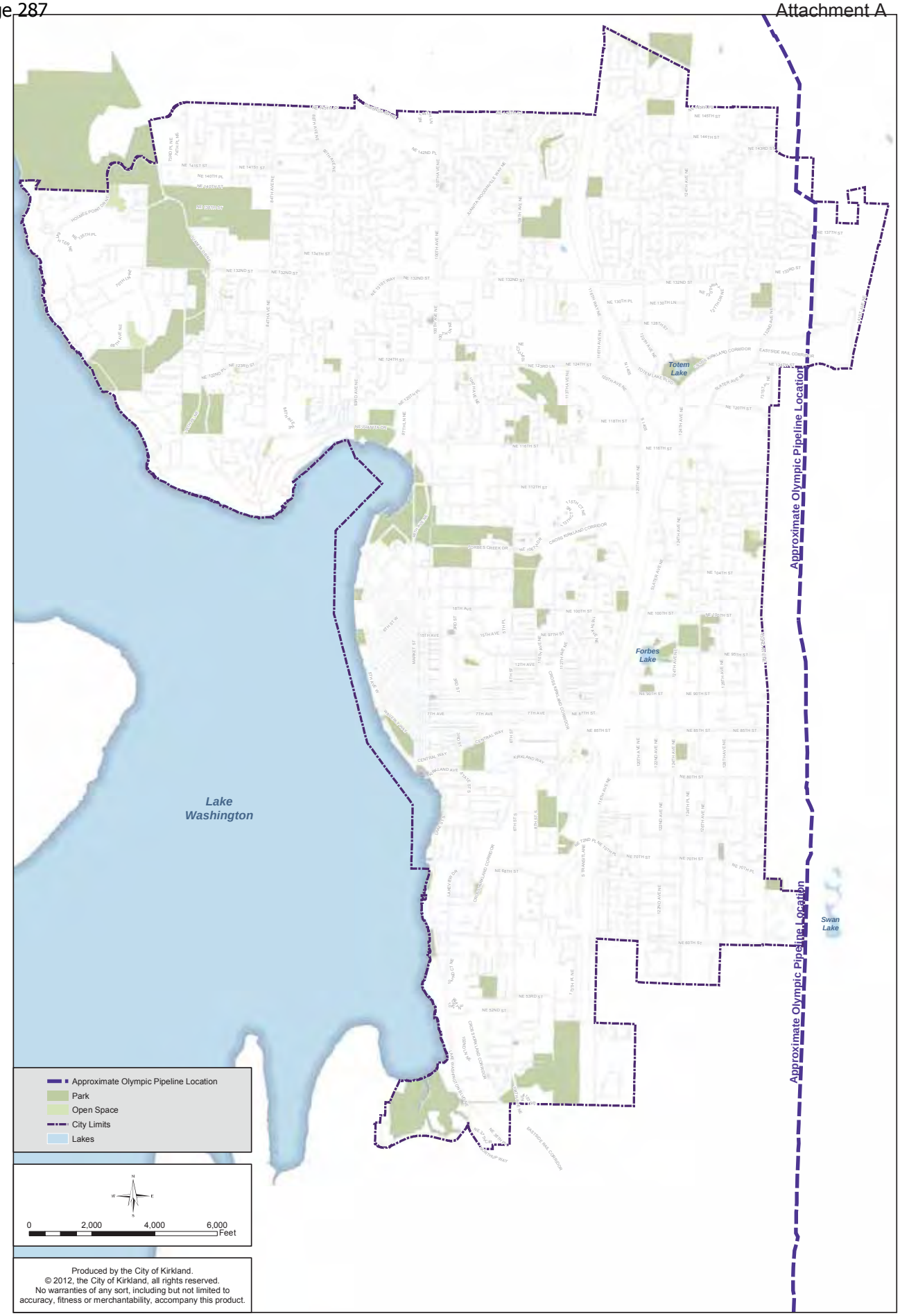


Figure U-x: Hazardous Liquid Pipelines

PUBLICATION SUMMARY
OF ORDINANCE O-4388

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO COMPREHENSIVE PLANNING AND LAND USE AND AMENDING THE COMPREHENSIVE PLAN ORDINANCE 3481, AS AMENDED, AND APPROVING A SUMMARY FOR PUBLICATION, FILE NO. ZON12-00001.

SECTION 1. Amends the following portions of the Comprehensive Plan:

A. CIP related amendments to the Capital Facilities and Transportation Elements Tables and Figures.
B. Amendments to Table CC1 List B in the Historic section of the Community Character Element related to the historic designation of the Carillon Woods Park.
C. Amendments to the Totem Lake Neighborhood Plan related to recent zoning amendments.
D. Water LOS related amendments to Tables CF-2 and U-1 in the Capital Facilities and Utilities Elements.
E. Amendments related to the addition of two intersections to Table T-4 Non-System Signalized Intersections in the Transportation Element.
F. New goal and policy amendments related to Hazardous Liquid Pipelines in the Utilities Element.
G. Amendments to the Implementation Strategies Element related to updating Table IS-1 Implementation Tasks.
H. Amendments to address Police emergency management functions and communications in the Public Services Element.
I. Amendments to the Parks and Open Space Element reflecting existing conditions.
J. Cross Kirkland Corridor related amendments in the Norkirk Neighborhood Plan, Totem Lake Neighborhood, and the Land Use and Transportation Elements.
K. Amendments to Figure NRH-10 Urban Design Map adding planned landscape median, in the North Rose Hill Neighborhood Plan.
L. Functional Map amendments to reflect existing conditions.

SECTION 2. Provides a severability clause for the Ordinance.

SECTION 3. Provides that the effective date of the Ordinance is affected by the disapproval jurisdiction of the Houghton Community Council.

SECTION 4. Authorizes publication of the Ordinance by summary, which summary is approved by the City Council pursuant to Kirkland Municipal Code 1.08.017 and establishes the effective date as five days after publication of summary.

SECTION 5. Establishes certification by City Clerk and notification of King County Department of Assessments.

The full text of this Ordinance will be mailed without charge to any person upon request made to the City Clerk for the City of Kirkland. The Ordinance was passed by the Kirkland City Council at its meeting on the ____ day of _____, 20__.

I certify that the foregoing is a summary of Ordinance 4388 approved by the Kirkland City Council for summary publication.

_____
City Clerk

CITY OF KIRKLAND
PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
123 FIFTH AVENUE, KIRKLAND, WA 98033
425.587.3225 - www.kirklandwa.gov

MEMORANDUM

DATE: **November 29, 2012**

TO: **Kirkland City Council**

FROM: **Mike Miller, Chair, Kirkland Planning Commission**

SUBJECT: **Recommendation to Adopt the 2012 City Initiated Comprehensive Plan Amendments (ZON12-00001 and ZON11-00042)**

Introduction

We are pleased to submit the recommended annual city initiated Comprehensive Plan Amendments for 2012 for consideration by the City Council. This effort culminates the work started with the preparation of the 2013-2018 Capital Improvement Program (CIP), necessitating updates to the Capital Facilities and Transportation Element chapters of the Plan to bring them into consistency with the biennial CIP.
During this cycle there are no new state legislation or major Kirkland policy initiatives to incorporate into the Plan. Recommended revisions include new Hazardous Liquid Pipeline policies, housekeeping amendments, updates to functional maps, and various other minor changes. All amendments are included as attachments to Ordinance 4388.

All of the Comprehensive Plan amendments within the jurisdiction of the Houghton Community Council were reviewed and recommended for approval by the Community Council.

The Planning Commission and HCC held a joint public hearing on November 8.

Issues

The PC concurs with staff to recommend postponing consideration of the request by the Evergreen Hill Neighborhood Association to change the name of the Kingsgate Neighborhood. We agree that more public outreach to businesses and residents is needed to increase awareness of this proposal, and that during the major Plan update commencing in 2013, appropriate attention can be focused on this request. The neighborhood association has agreed to this approach.

The recommended amendments include new Hazardous Liquid Pipeline policies, which support recently adopted zoning regulations addressing land use development close to the Olympic Pipeline corridor. We directed staff to strike specific dimensions from the

proposed text and instead retain this level of specificity in the zoning regulations, which implement the Plan. The ordinance reflects our request.

The revisions to the CFP reflect the voter approved park and road levies. A number of projects are in the Juanita, Finn Hill and Kingsgate neighborhoods. Last year we identified our desire to target these neighborhoods for capital improvement projects and are pleased that the levies included funding for projects in the annexation areas as well as the rest of the City. The Capital Facilities Element, as mandated by GMA, supports the land use plan with funded projects to meet our adopted levels of service.

Regarding the Commercial Code and Plan amendments, the Houghton Community Council supported the Planning Commission's prior recommendation to remove of the Residential Market designation from the Super 24 site within the Lakeview Neighborhood. The Planning Commission and Houghton Community Council reviewed the edits to the definition of Residential Market and the proposed revisions by City Council to the Planning Commission recommendation. The Commission and HCC supported the revised definition with one additional minor change - to remove the term "residential" in reference to the scale and design. The intent is to clarify that a mixed use project does not need to look like a residence in order to integrate into the scale and design of the surrounding residential area. The Houghton Community Council also supported the proposed clarification of Policy LU-5.9 addressing other markets in residential areas. The recommended amendments are included in the text of Ordinance 4389 for the City Council's final review.

The Planning Commission and Houghton Community Council unanimously recommend adoption of the 2012 Comprehensive Plan amendments.

Background

Policy Highlights – City Initiated Amendments

Each year the City reviews and makes changes to its Comprehensive Plan for any needed changes pursuant to the Growth Management Act or other city-initiated amendments as appropriate. Highlights of this cycle include:

- Amendments to the Transportation and Capital Facilities Elements of the Plan, primarily to incorporate the 2013 - 2018 Capital Improvement Program (CIP) into the Capital Facilities Plan (CFP). Pursuant to the GMA, the CIP and CFP/Transportation Element must be consistent. Both the CIP and CFP are scheduled to be adopted on December 11 by the City Council.

- Follow-up text and map amendments to the Utility Element to incorporate Hazardous Liquid Pipeline goals and policies. They address the Olympic Pipeline which runs through the recently annexed Kingsgate and Totem Lake neighborhoods and abuts the eastern boundary of the Bridle Trails neighborhood. New Chapter 118 Zoning Regulations were adopted by Kirkland City Council in August 2012.

- Functional map amendments to reflect updated conditions on the ground, such as incorporating the boundary line adjustment between Bothell and Kirkland, and the Cross Kirkland Corridor.

Links to staff memorandums, draft minutes, and audio recordings for all PC and HCC meetings associated with the city initiated amendments, are provided below (all memorandums were the same for both advisory bodies):

November 8, 2012 joint Planning Commission/Houghton Community Council public hearing three part memo, minutes, and audio

September 27, 2012 Planning Commission study memo, minutes, and audio.

September 24, 2012 Houghton Community Council study memo, minutes, and audio

SEPA

City Initiated Amendments
The State Environmental Policy Act (SEPA) Determination of Nonsignificance may be viewed by following this link to the November 8 joint public hearing memorandum Part 3, Attachment 20.

Public Process & Participation

Notice of the public hearing was provided to the Seattle Times, the Neighborhood Associations and Kirkland Alliance of Neighborhoods. In addition, notices were sent to the Kirkland Chamber of Commerce, and the Olympic British Petroleum Pipe Line Company.

The Planning Commission and Houghton Community Council held one study session each to review the 2012 city initiated amendments leading up to the November 8 joint public hearing.

At the joint hearing, no one spoke or submitted comments.

cc: ZON12-00001
ZON11-00042
Planning Commission
Houghton Community Council
Kirkland Neighborhood Associations
Kirkland Alliance of Neighborhoods
Kirkland Chamber of Commerce
Mail List

ORDINANCE O-4389

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO COMPREHENSIVE PLANNING AND LAND USE AND AMENDING THE COMPREHENSIVE PLAN ORDINANCE 3481, AS AMENDED, AND APPROVING A SUMMARY FOR PUBLICATION, FILE NO. ZON11-00042.

WHEREAS, the City Council has received a recommendation from the Kirkland Planning Commission to amend certain portions of the Comprehensive Plan for the City, Ordinance 3481, as amended, as set forth in the report and recommendation of the Planning Commission dated July 26, 2012, and bearing Kirkland Department of Planning and Community Development File No. ZON11-00042; and

WHEREAS, prior to making the recommendation the Planning Commission, following notice as required by RCW 35A.63.070, held on June 28, 2012, a public hearing on the amendment proposals and considered the comments received at the hearing; and

WHEREAS, for those amendments subject to the disapproval jurisdiction of the Houghton Community Council, the City Council has received a recommendation from the Kirkland Planning Commission and the Houghton Community Council dated November 29, 2012, and bearing Kirkland Department of Planning and Community Development File No. ZON12-00001; and

WHEREAS, prior to making the recommendation the Planning Commission and Houghton Community Council, following notice as required by RCW 35A.63.070, held on November 8, 2012, a joint public hearing on the amendment proposals and considered the comments received at the hearing; and

WHEREAS, pursuant to the State Environmental Policy Act (SEPA), there has accompanied the legislative proposal and recommendation through the entire consideration process, a SEPA Addendum to Existing Environmental Documents issued by the responsible official pursuant to WAC 197-11-600 and WAC 197-11-625; and

WHEREAS, in regular public meeting the City Council considered the environmental documents received from the responsible official, together with the reports and recommendations of the Planning Commission and the Houghton Community Council; and

WHEREAS, RCW 36.70A.130, requires the City to review all amendments to the Comprehensive Plan concurrently and no more frequently than once every year;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Kirkland as follows:

Section 1. Comprehensive Plan Text, Figures and Tables amended: The Comprehensive Plan, Ordinance 3481, as amended, is amended as set forth in Attachment A attached to this Ordinance and incorporated by reference.

Section 2. If any section, subsection, sentence, clause, phrase, part or portion of this Ordinance, including those parts adopted by reference, is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

Section 3. To the extent that the subject matter of this Ordinance is subject to the disapproval jurisdiction of the Houghton Community Council as created by Ordinance 2001, the Ordinance shall not become effective within the Houghton community until approval of the Houghton Community Council, or upon failure of said Community Council to disapprove this Ordinance within 60 days of its passage.

Section 4. Except as provided in Section 3, this Ordinance shall be in full force and effect five days from and after its passage by the City Council and publication pursuant to Section 1.08.017, Kirkland Municipal Code in the summary form attached to the original of this Ordinance and by this reference approved by the City Council.

Section 5. A complete copy of this Ordinance shall be certified by the City Clerk, who shall then forward the certified copy to the King County Department of Assessments.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2012.

SIGNED IN AUTHENTICATION THEREOF this _____ day of _____, 2012.

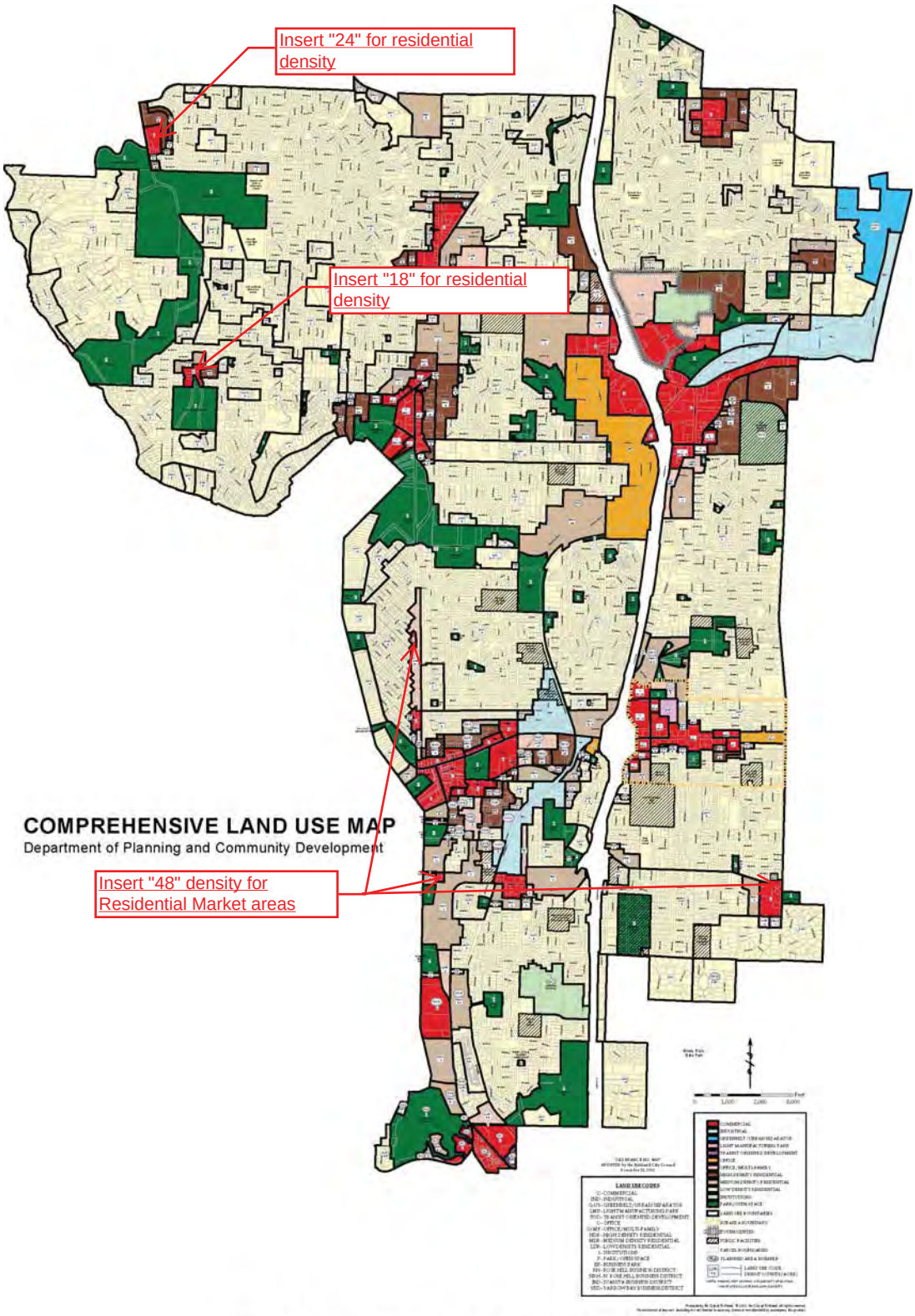
_____
Mayor

Attest:

_____
City Clerk

Approved as to Form:

_____
City Attorney



LU-1 Comprehensive Land Use Map

Table LU-3 below provides a range of residential densities described in the Comprehensive Plan with comparable zoning classifications.

Table LU-3
Residential Densities and Comparable Zones

General Residential Densities	Residential Densities as Specified in Comprehensive Plan in Units per Net Acres (d/a)	Comparable Zoning Classification
GREENBELT/URBAN SEPARATOR	Up to 1 d/a	RSA – 1
LOW DENSITY	Up to 1 d/a	RS – 35,000, RSX – 35,000
	Up to 3 d/a	RS – 12,500, RSX – 12,500
	4 – 5 d/a	RS – 8,500, RSX – 8,500, RS – 7,200, RSX – 7,200, RSA – 4
	6 d/a	RS – 7,200, RSX – 7,200, RSA – 6
	7 d/a	RS – 6,300
	8 – 9 d/a	RS – 5,000, RSX – 5,000, RSA – 8
MEDIUM DENSITY	8 – 9 d/a	RM – 5,000, RMA – 5,000
	10 – 14 d/a	RM – 3,600, RMA – 3,600
HIGH DENSITY	15 – 18 d/a	RM – 2,400, RMA – 2,400, BNA
	19 – 24 d/a	RM – 1,800, RMA – 1,800, BNA
	48 d/a	BN, MSC 2

Higher unit per acre counts may occur within each classification if developed under the City's PUD, innovative or affordable housing programs.

may employ Kirkland residents. If the opportunity for local employment is increased, the high proportion of residents who work outside the community may be reduced. This in turn would ease traffic congestion by shortening commute trips and making other modes of travel to work more feasible.

Currently, a hierarchy of "commercial development areas" exists in the City, based primarily on size and relationship to the regional market and transportation system (see Figure LU-2: Commercial Areas).

Some of Kirkland's commercial areas serve primarily the surrounding neighborhood; others have a subregional or regional draw. Most of the larger commercial areas are centered around major intersections. They depend on principal arterials, the freeway, or the railroad for goods transport and for bringing in workers or customers. Smaller commercial areas, Neighborhood Centers, for example, have a more localized draw. Residents depend on their neighborhood grocery store, dry cleaners, bank, etc., for everyday needs.

The Land Use Element provides general direction for development standards in commercial areas and describes the future of specific commercial areas in Kirkland. The following terms are used in the discussion of commercial land uses:

Urban Center

An Urban Center is a regionally significant concentration of employment and housing, with direct service by high-capacity transit and a wide range of land uses, such as retail, recreational, public facilities, parks and open space. An Urban Center has a mix of uses and densities to efficiently support transit as part of the regional high-capacity transit system.

Activity Area

An Activity Area is an area of moderate commercial and residential concentration that functions as a focal point for the community and is served by a transit center.

Business District

A Business District is an area that serves the subregional market, as well as the local community. These districts vary in uses and intensities and may include office, retail, restaurants, housing, hotels and service businesses.

Neighborhood Center

A Neighborhood Center is an area of commercial activity dispensing commodities primarily to the neighborhood. A supermarket may be a major tenant; other stores may include a drug store, variety, hardware, barber, beauty shop, laundry, dry cleaning, and other local retail enterprises. These centers provide facilities to serve the everyday needs of the neighborhood. Residential uses may be located on upper stories of commercial buildings in the center.

Residential Market

Individual stores or ~~very small~~, mixed-use buildings/centers ~~focused on~~ that are pedestrian oriented and serve the local ~~pedestrian traffic~~ neighborhood. ~~Residential s~~Scale and design are critical to integrate these uses into the surrounding residential area. Residential uses may be located above or behind commercial uses in the center, at densities specified in the comprehensive plan.

Light Industrial/High Technology Area

A Light Industrial/High Technology area serves both the local and regional markets and may include office, light manufacturing, high technology, wholesale trade, storage facilities and limited retail.

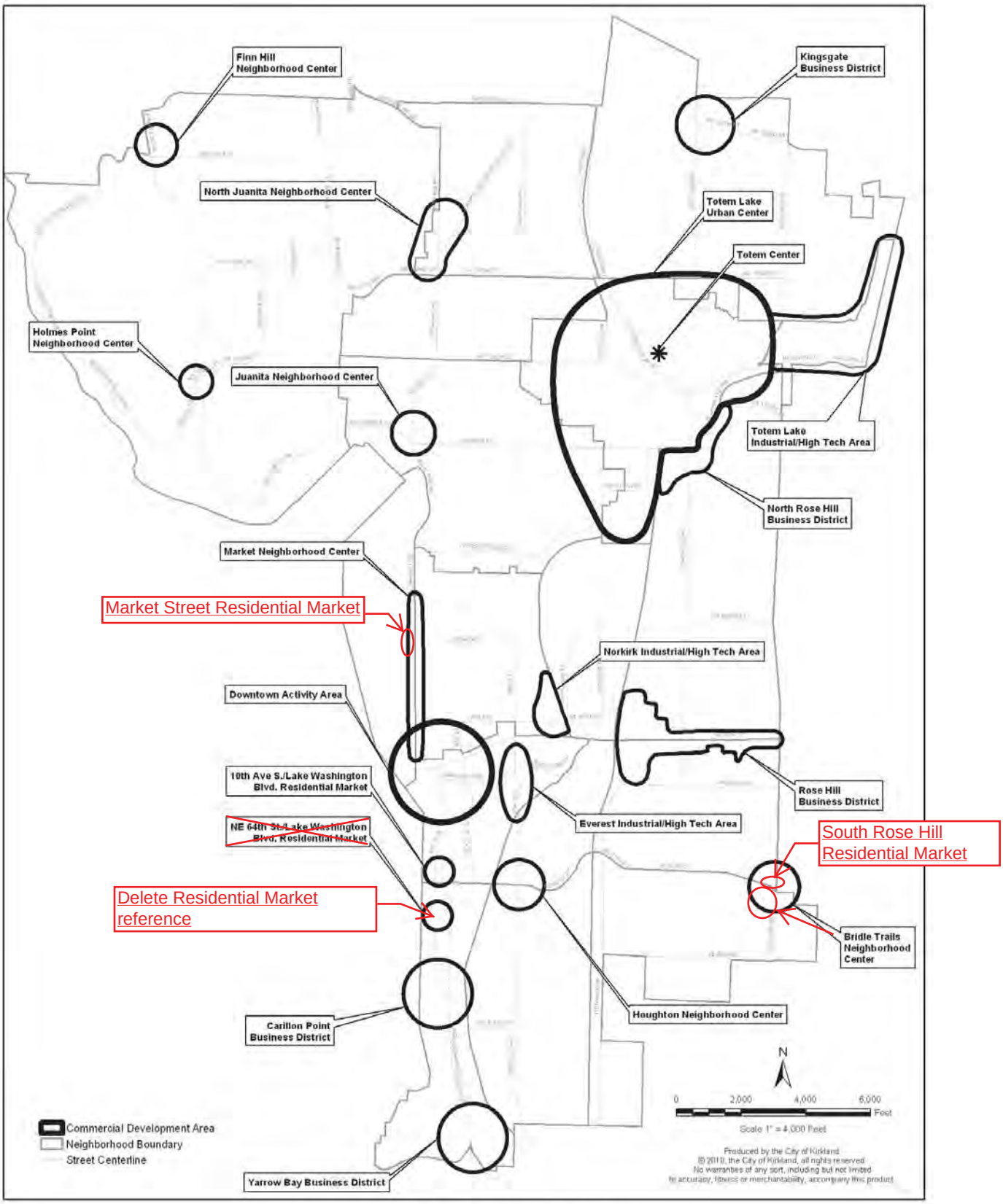


Figure LU-2: Commercial Areas

VI. Land Use

LU-5.8: Promote development within the Bridle Trails, Houghton, and Juanita Neighborhood Centers that becomes part of the neighborhood in the way it looks and in the functions it serves.

Neighborhood centers provide services to surrounding residential neighborhoods so that residents may shop close to home. They also may function as the focal point for a community. Because of these important ties to their neighborhood, neighborhood centers should develop in ways that provide goods and services needed by the local residents, enhance physical connections to the surrounding neighborhoods, foster good will and provide an opportunity for people to mingle and converse.

Policy LU-5.9: ~~Allow residential markets,~~ subject to the following development and design standards:

Allow small markets in residential areas where identified in the neighborhood plan.

- ***Locate small-scale neighborhood retail and personal services where local economic demand and local citizen acceptance are demonstrated.***
- ***Provide the minimum amount of off-street parking necessary to serve market customers.***
- ***Ensure that building design is compatible with the neighborhood in size, scale, and character.***

The intent of this policy is to permit small individual stores or service businesses in residential areas on a case-by-case basis. These businesses should cater to nearby residents, be oriented to pedestrian traffic, and require very little customer parking. They should be designed and located in a manner that is compatible with adjacent residences and that will not encourage the spread of commercial uses into residential areas. They should be located where local economic demand and neighborhood acceptance can be demonstrated.

Goal LU-6: Provide opportunities for a variety of employment.

Policy LU-6.1: Provide opportunities for light industrial and high technology uses.

405 Corporate Center

While Kirkland is not interested in recruiting heavy industry, the City is supportive of existing industrial enterprises and wants to encourage new high-technology businesses to locate here.

Policies that encourage residential and retail encroachment in industrial areas drive up the cost of land and promote conflicts which may force displacement of industrial operations. The strategy in the Land Use Element is to maintain industrial uses, while acknowledging that, in some parts of the City, industrial lands may be considered for conversion to other land uses.

Recognizing that each industrial area in the City has its own distinct character, the range of uses may vary between districts and may include some nonindustrial uses. Factors which should be taken into account when determining appropriate land uses include existing uses, surrounding uses, the local transportation system, and the effect on maintenance of primary jobs in the local job market.

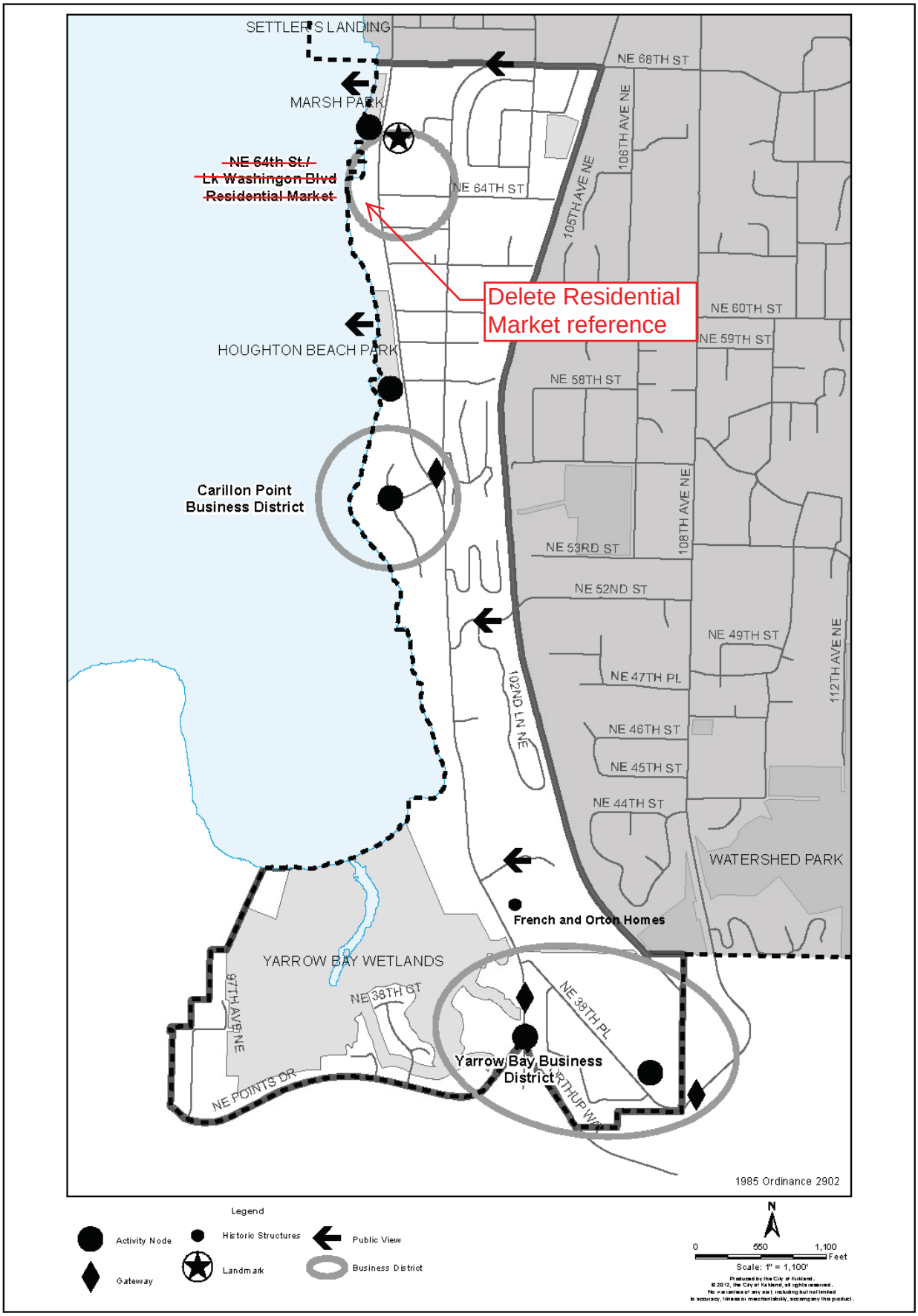


Figure L-7: Lakeview Neighborhood Character/Urban Design

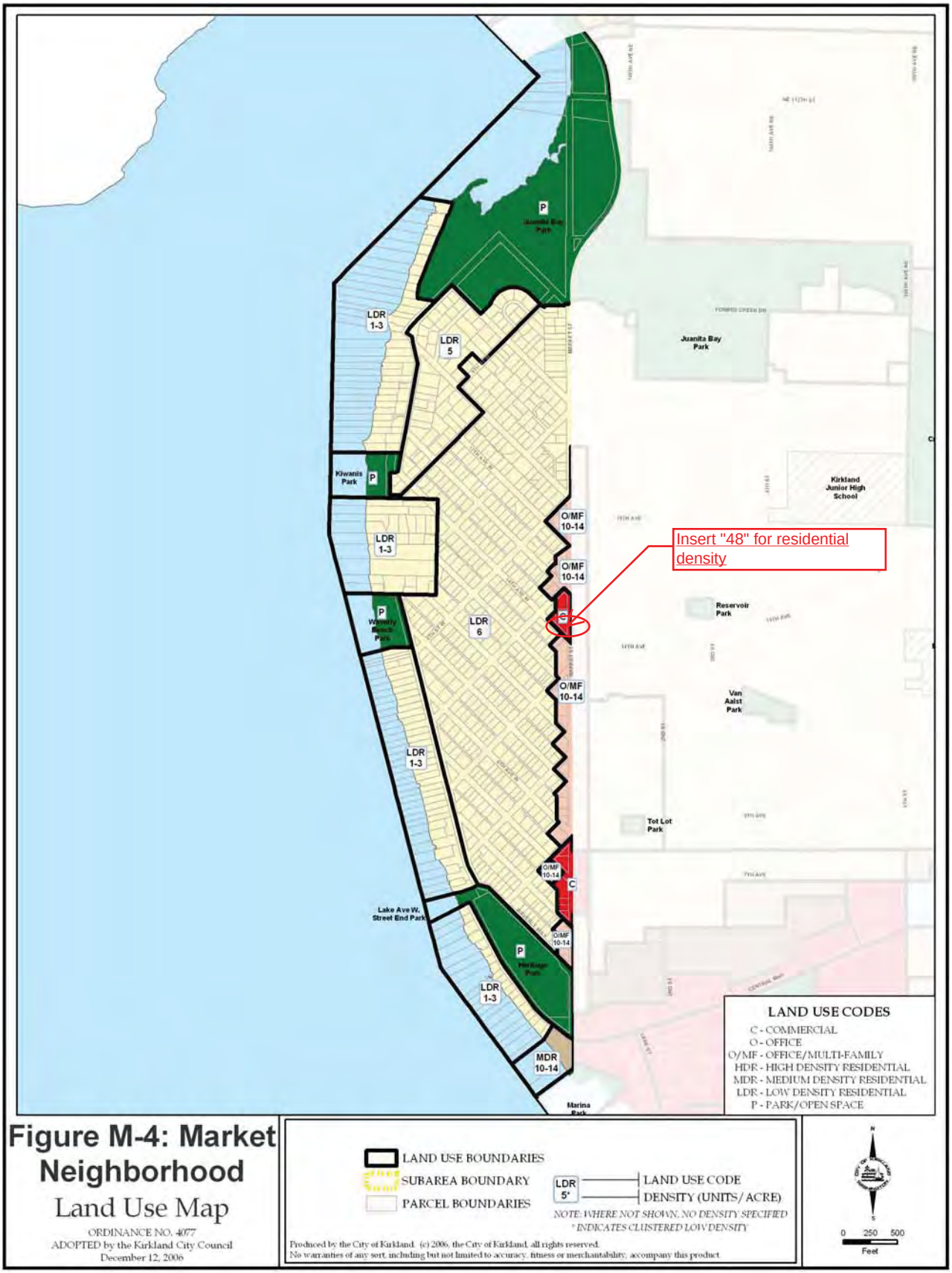


Figure M-4: Market Neighborhood Land Use

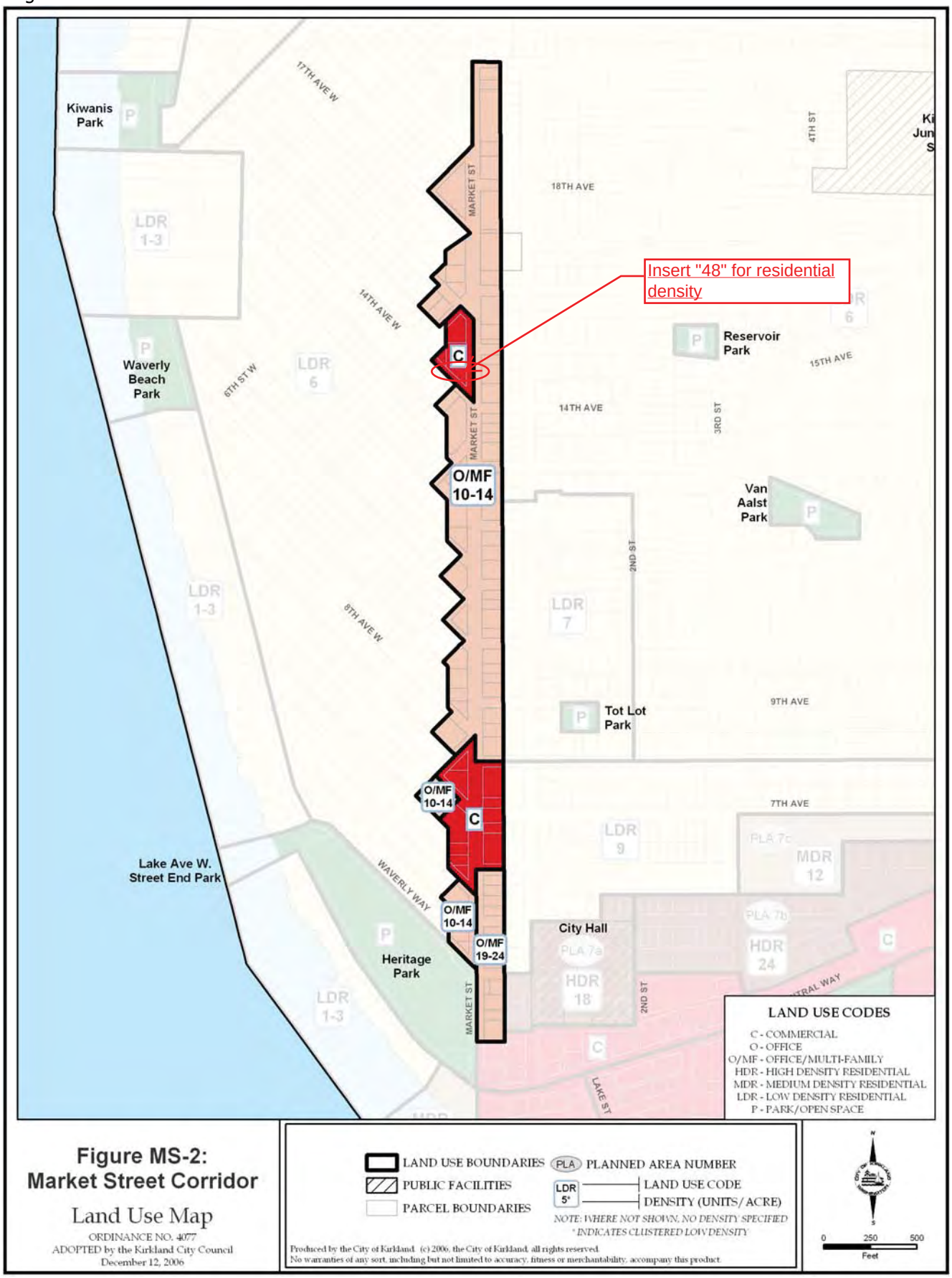


Figure MS-2: Market Street Corridor Land Use

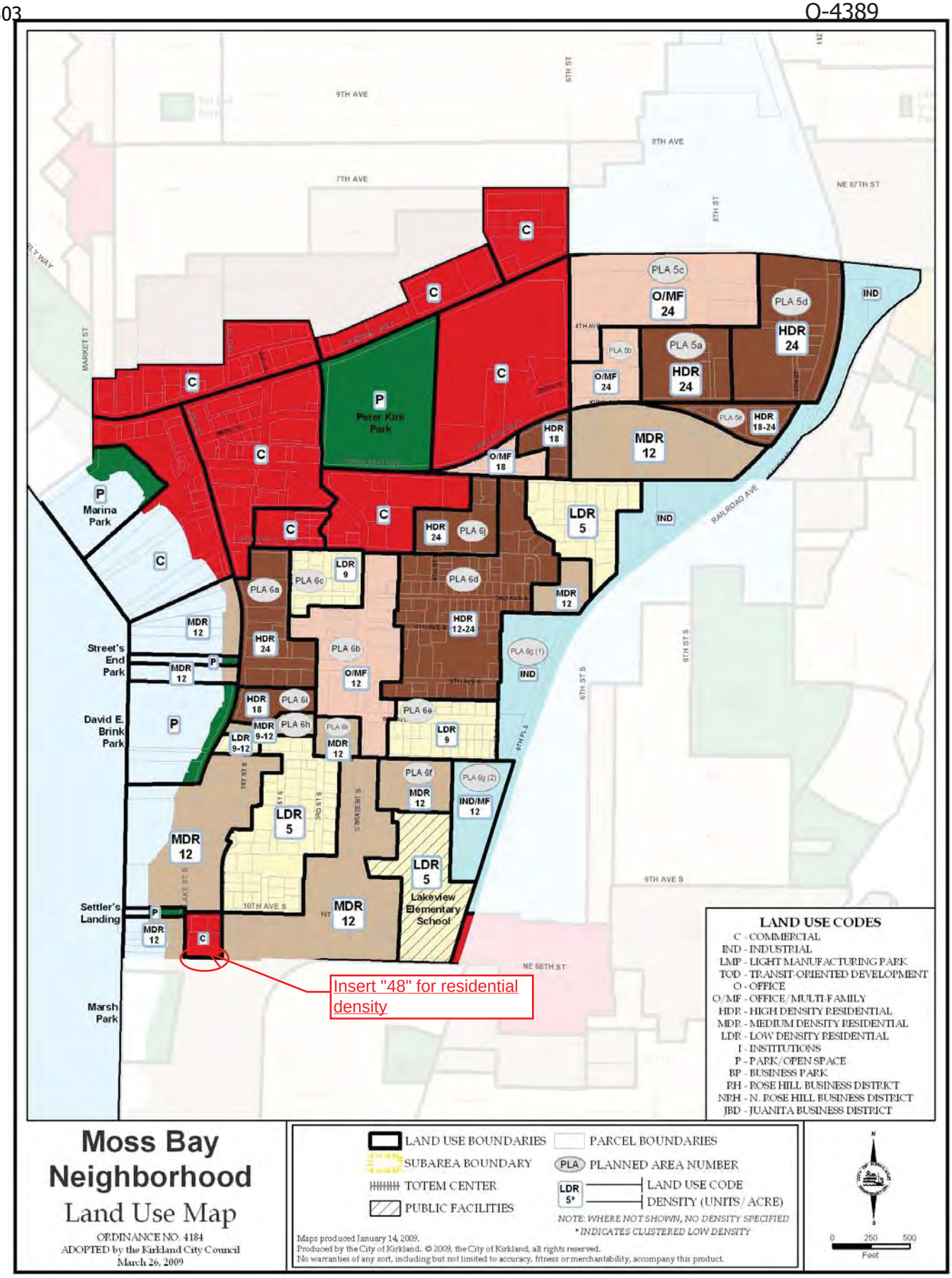


Figure MB-2: Moss Bay Area Land Use

Land on the east side of Lake Street South is generally not suitable for commercial development.

Most of the land on the east side of Lake Street South appears to be unsuitable for commercial use because of steep slope conditions, as well as problems concerning vehicular ingress and egress. The southeast quadrant of the 10th Street South and Lake Street intersection, however, is developed with a market which serves as a convenience to the surrounding residences. Limited commercial use of this location, therefore, should be allowed to remain.

Industrial activities east of the railroad tracks described.

The strip of land located east of the railroad tracks, south of Central Way and west of Kirkland Way, contains an existing light industrial use. While the area's proximity to I-405 and NE 85th Street makes it attractive for commercial development, the area is also near residential uses, and should be subject to greater restrictions than other industrial areas. Buildings should be well screened by a landscaped buffer, and loading and outdoor storage areas should be located away from residential areas. In addition, the number and size of signs should be strictly limited, with only wall- and ground-mounted signs permitted. Pole signs, such as the one currently located in this gateway area, are inappropriate. Finally, it is noted in the Everest Neighborhood Plan that there is a major territorial view at the intersection of NE 85th Street and Kirkland Way. This view of Lake Washington, Seattle, the Olympic Mountains and Downtown Kirkland falls over property in this area.

C. Planned Area 5

High-density residential and office uses permitted in Planned Area 5.

The eastern portion of the Moss Bay Neighborhood has been designated as Planned Area 5. Due to topographic conditions and circulation patterns, land in Planned Area 5 is relatively secluded. The area has been designated for high-density residential and office uses because of the ability to buffer such high-density development from other uses in the area. The area is developed primarily in high-density residential development while limited office uses

To mitigate impacts to the adjoining residential area, new development should be subject to the following standards:
(1) Commercial uses should be oriented to serving the neighborhood. Uses should not include vehicle service stations, drive-in or drive through businesses, auto service and sales, or storage facilities.
(2) As part of mixed use development, upper floors should be limited to residential uses rather than office uses and residential should be limited to a density of 48 units per acre.
(3) Design review should be used to address scale, context, and pedestrian orientation of new development.

to develop with high-density residential uses (up to 24 dwellings/acre).

West B Subarea

The southern portion of Subarea B is adjacent to 6th Street and the entire subarea is south of 4th Avenue. Subarea B is heavily impacted by traffic, as well as existing and future commercial uses and offices to the west. The noise and traffic make this area inappropriate for single-family use, while its ease of access and proximity to the Downtown makes it appropriate for both offices and multifamily uses at a density of up to 24 dwelling units per acre. New development in this subarea should minimize access points directly onto 6th Street. Access for offices, however, should be provided exclusively from 6th Street or 4th Avenue and precluded from Kirkland Way. Structures should be limited to three stories in height.

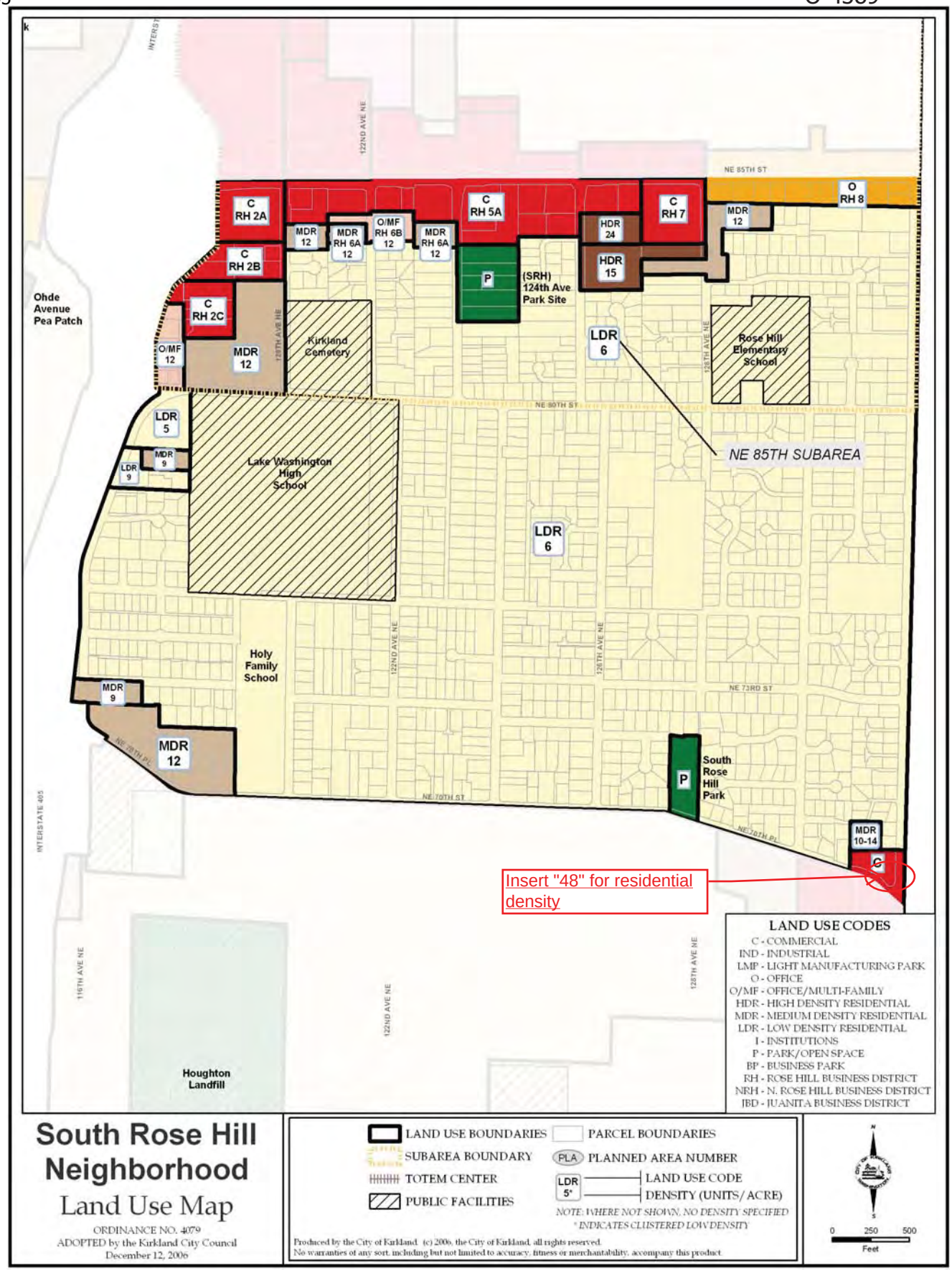


Figure SRH-3: South Rose Hill Land Use

within a region containing one or more counties which have common transportation interests, such as the Puget Sound Regional Council.

Residential Markets: Individual stores or ~~very small~~, mixed-use buildings/centers ~~focused on~~ that are pedestrian oriented and serve the local ~~pedestrian traffic~~ neighborhood. ~~Residential s~~Scale and design are critical to integrate these uses into the surrounding residential area. Residential uses may be located above or behind commercial uses in the center, at densities specified in the comprehensive plan.

Right-of-Way: Land in which the State, a county, or a municipality owns the fee simple title or has an easement dedicated or required for a transportation or utility use.

Runoff: The overland or subsurface flow of water.

Sanitary Sewer Systems: All facilities, including approved on-site disposal facilities, used in the collection, transmission, storage, treatment, or discharge of any waterborne waste, whether domestic in origin or a combination of domestic, commercial, or industrial waste.

Sensitive Areas: Wetlands, streams, lakes, excluding Lake Washington, and frequently flooded areas.

Shorelines: Lake Washington, its underlying land, associated wetlands, those lands extending landward 200 feet from its OHWM and critical area buffers within 200 feet of the OHWM. These are lands within state shorelines jurisdiction, pursuant to RCW 90.58.030.

Single-Family: Residential use of land where dwelling units provide shelter and living accommodations for one family.

Single-Room Occupancy (SRO) Hotels: Typically a small room with a sink and a closet. Occupant shares bathroom, shower, and kitchen with other rooms.

Sustainable Building Practices: Various techniques to reduce construction and maintenance costs and to benefit the environment, such as using recycled building materials, reusing water and installing alternative heating and cooling systems.

Townhouse: Attached dwelling units (that is, having one or more walls in common) with each unit having its own exterior entrance.

Transit-Oriented Development (TOD): Development intended to maximize the use of transit.

Transportation Facilities: Includes capital facilities related to air, water, or land transportation.

Transportation Demand Management Strategies (TDM): Strategies aimed at changing travel behavior rather than at expanding the transportation network to meet travel demand. Such strategies can include the promotion of work-hour changes, ride-sharing and vanpooling options, transit flex passes, preferential parking for carpools, charge for parking, guaranteed ride home program, available showers and lockers and telecommuting.

Transportation System Management (TSM): Improvements that increase the capacity of the transportation network, but that do not include projects, such as adding additional lanes to streets. TSM strategies include, but are not limited to, signalization, channelization, and bus turnouts.

Urban Center: An area that has a regionally significant concentration of employment and housing, with direct service by high-capacity transit and a wide range of land uses, such as retail, recreational, public facilities, parks and open space. An Urban Center has a mix of uses and densities to efficiently support transit as part of the regional high-capacity transit system. An area must be designated by the King County Countywide Planning Policies to be an Urban Center.

Urban Growth: Refers to growth that makes intensive use of land for the location of buildings, structures, and impermeable surfaces to such a degree as to be incompatible with the primary use of such land for the production of food, other agricultural products, or fiber, or the extraction of mineral resources. When allowed to spread over wide areas, urban growth typically requires urban governmental services. "Characterized by urban growth" refers to land hav-

PUBLICATION SUMMARY
OF ORDINANCE O-4389

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO COMPREHENSIVE PLANNING AND LAND USE AND AMENDING THE COMPREHENSIVE PLAN ORDINANCE 3481, AS AMENDED, AND APPROVING A SUMMARY FOR PUBLICATION, FILE NO. ZON11-00042.

SECTION 1. Amends certain text and maps of the Kirkland Comprehensive Plan.

SECTION 2. Provides a severability clause for the Ordinance.

SECTION 3. Authorizes publication of the Ordinance by summary, which summary is approved by the City Council pursuant to Section 1.08.017 Kirkland Municipal Code and establishes the effective date as five days after publication of summary.

The full text of this Ordinance will be mailed without charge to any person upon request made to the City Clerk for the City of Kirkland. The Ordinance was passed by the Kirkland City Council at its meeting on the _____ day of _____, 2012.

I certify that the foregoing is a summary of Ordinance O-4389 approved by the Kirkland City Council for summary publication.

_____
City Clerk

ORDINANCE O-4390

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO ZONING AND LAND USE AND AMENDING ORDINANCE NO. 3719, AS AMENDED, THE KIRKLAND ZONING ORDINANCE, TO AMEND PROVISIONS FOR COMMERCIAL, RESIDENTIAL AND MIXED-USE DEVELOPMENT IN THE NEIGHBORHOOD BUSINESS (BN AND BNA), MARKET STREET CORRIDOR 2 (MSC 2), COMMUNITY BUSINESS X (BCX), AND COMMUNITY BUSINESS 1 AND 2 (BC 1 AND BC 2) ZONES; TO REVISE ZONING CODE CHAPTERS 92 AND 142 TO INCORPORATE DESIGN REVIEW STANDARDS FOR DEVELOPMENT IN THE BN, BNA, AND MSC 2 ZONES, TO REVISE ZONING CODE CHAPTERS 105 AND 180 TO ESTABLISH PEDESTRIAN ACCESS REQUIREMENTS FOR DEVELOPMENT IN THE BN, BNA, AND MSC 2 ZONES; AND APPROVING A SUMMARY ORDINANCE FOR PUBLICATION, FILE NO. ZON11-00042.

WHEREAS, the City Council has received a recommendation from the Kirkland Planning Commission to amend certain sections of the text of the Kirkland Zoning Code, Ordinance 3719, as amended, as set forth in the report and recommendation of the Planning Commission dated July 26, 2012, and bearing Kirkland Department of Planning and Community Development File No. ZON11-00042; and

WHEREAS, prior to making the recommendation, the Kirkland Planning Commission, following notice as required by RCW 35A.63.070, on June 28, 2012, held a public hearing on the amendment proposals and considered the comments received at the hearing; and

WHEREAS, on March 14, 2012, draft regulations were forwarded to the Washington State Department of Commerce for review, as required by RCW 36.70A.106; and

WHEREAS, pursuant to the State Environmental Policy Act (SEPA), there has accompanied the legislative proposal and recommendation through the entire consideration process, a SEPA Addendum to Existing Environmental Documents issued by the responsible official pursuant to WAC 197-11-600 and WAC 197-11-625; and

WHEREAS, in regular public meeting the City Council considered the environmental documents received from the responsible official, together with the report and recommendation of the Planning Commission; and.

NOW THEREFORE, the City Council of the City of Kirkland do ordain as follows:

Section 1. Zoning text amended: The following specified sections of the text of Ordinance No. 3719, as amended, the Kirkland Zoning Ordinance, are amended as set forth in Attachment A attached to this Ordinance and incorporated by reference.

Section 2. If any section, subsection, sentence, clause, phrase, part or portion of this Ordinance, including those parts adopted by reference, is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

Section 3. This Ordinance shall be in full force and effect five days from and after its passage by the City Council and publication pursuant to Kirkland Municipal Code 1.08.017, in the summary form attached to the original of this Ordinance and by this reference approved by the City Council.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2012.

Signed in authentication thereof this _____ day of _____, 2012.

_____
MAYOR

Attest:

_____
City Clerk

Approved as to Form:

_____
City Attorney

CHAPTER 40 – NEIGHBORHOOD BUSINESS (BN) AND NEIGHBORHOOD BUSINESS A (BNA) ZONES

40.05 User Guide. The charts in KZC 40.10 contain the basic zoning regulations that apply in each of the BN and BNA zones of the City. Use these charts by reading down the left hand column entitled Use. Once you locate the use in which you are interested, read across to find the regulations that apply to that use.

Section 40.08

Zone
BN, BNA

Section 40.08 – GENERAL REGULATIONS
The following regulations apply to all uses in this zone unless otherwise noted:

1. Refer to Chapter 1 KZC to determine what other provisions of this code may apply to the subject property.
2. If any portion of a structure is adjoining a low density zone, then either:
   a. The height of that portion of the structure shall not exceed 15 feet above average building elevation, or
   b. The maximum horizontal facade shall not exceed 50 feet in width.
   See KZC 115.30, Distance Between Structures/Adjacency to Institutional Use, for further details.
3. ~~The required yard of a structure abutting Lake Washington Blvd. or Lake Street South must be increased two feet for each one foot that structure exceeds 25 feet above average building elevation (does not apply to Public Park uses).~~
4. ~~At least 75 percent of the total gross floor area located on the ground floor of all structures on the subject property must contain retail establishments, restaurants, taverns, or offices. These uses shall be oriented to an adjacent arterial, a major pedestrian sidewalk, a through-block pedestrian pathway or an internal pathway.~~
5. May also be regulated under the Shoreline Master Program; refer to Chapter 83 KZC.

Some development standards or design regulations may be modified as part of the design review process. See Chapters 92 and 142 KZC for requirements.

4. The following commercial frontage requirements shall apply to all development that includes dwelling units or assisted living uses:
a. The street level floor of all buildings shall be limited to one or more of the following uses: Retail; Restaurant or Tavern; Entertainment, Cultural and/or Recreational Facility; or Office. These uses shall be oriented toward fronting arterial and collector streets and have a minimum depth of 20 feet and an average depth of at least 30 feet (as measured from the face of the building along the street).
The Design Review Board (or Planning Director if not subject to D.R.) may approve a minor reduction in the depth requirements if the applicant demonstrates that the requirement is not feasible given the configuration of existing or proposed improvements and that the design of the commercial frontage will maximize visual interest. The Design Review Board (or Planning Director if not subject to D.R.) may modify the frontage requirement where the property abuts residential zones in order to create a more effective transition between uses.
b. The commercial floor shall be a minimum of 13 feet in height. In the BN zone, the height of the structure may exceed the maximum height of structure by three feet for a three story building with the required 13 foot commercial floor.
c. Other uses allowed in this zone and parking shall not be located on the street level floor unless an intervening commercial frontage is provided between the street and those other uses or parking subject to the standards above. Lobbies for residential or assisted living uses may be allowed within the commercial frontage provided they do not exceed 20 percent of the building's linear commercial frontage along the street.
6. Surface parking areas shall not be located between the street and building unless no feasible alternative exists. Parking areas located to the side of the building are allowed provided that the parking area and vehicular access occupies less than 30 percent of the property frontage and design techniques adequately minimize the visibility of the parking.
7. Where Landscape Category B is specified, the width of the required landscape strip shall be 10 feet for properties within the Moss Bay Neighborhood and 20 feet for properties within the South Rose Hill Neighborhood. All other provisions of Chapter 95 shall apply.
8. Developments may elect to provide affordable housing units as defined in Chapter 5 KZC subject to the voluntary use provisions of Chapter 112 KZC.

Zone
BN, BNA

USE ZONE CHART

DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS

Section 40.10	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage		[illegible]	[illegible]	(See Ch. 105)	(See also General Regulations)
.010	Retail Establishment selling groceries and related items	~~None~~ D.R., Chapter 142 KZC	None	BN zone: ~~20~~ 0' BNA zone: 10'	10' on each side	10'	80%	If adjoining a low density zone other than RSX or RSA, then 25' above average building elevation. Otherwise, for BN zone, 30' above average building elevation and for BNA zone, 35' above average building elevation. See Gen. Reg. 4.b	B see Gen. Reg. 7	D	1 per each 300 sq. ft. of gross floor area.	1. ~~Except for retail establishments selling groceries and related items in the BNA zone, gross~~ floor area for this use may not exceed 10,000 square feet. 2. Access from drive-through facilities must be approved by the Public Works Department. Drive-through facilities must be designed so that vehicles will not block traffic in the right-of-way while waiting in line to be served. 3. A delicatessen, bakery, or other similar use may include, as part of this use, accessory seating if: a. The seating and associated circulation area does not exceed more than 10 percent of the gross floor area of this use; and b. It can be demonstrated to the City that the floor plan is designed to preclude the seating area from being expanded.
.020	Retail Establishment selling drugs, books, flowers, liquor, hardware supplies, garden supplies or works of art											
.030	Retail Variety or Department Store											
.040	Retail Establishment providing banking and related financial services											1. Gross floor area for this use may not exceed 10,000 square feet. 2. Access from drive-through facilities must be approved by the Public Works Department. Drive-through facilities must be designed so that vehicles will not block traffic in the right-of-way while waiting in line to be served. 3. Ancillary assembly and manufactured goods on the premises of this use are permitted only if: a. The assembled or manufactured goods are directly related to and are dependent upon this use, and are available for purchase and removal from the premises. b. The outward appearance and in[illegible] bly or manufacturing activities [illegible] uses. 4. For restaurants with drive-in or drive-through facilities, one outdoor waste receptacle shall be provided for every eight parking stalls. 5. Retail Establishment providing entertainment, recreational or cultural activities only allowed in BNA zone.
.050	Retail Establishment providing laundry, dry cleaning, barber, beauty or shoe repair services											
.055	Retail Establishment providing entertainment, recreational or cultural activities See Spec. Reg. 5.										1 per every 4 fixed seats.	
.060	Restaurant or Tavern										1 per each 100 sq. ft. of gross floor area.	

Uses with drive-in and drive-through facilities are prohibited in the BN zone. In the BNA zone,

Exceptions:
a. Retail establishments selling groceries and related items in the BNA zone are not subject to this limit.
b. In the BN zone, the limit shall be 4,000 square feet.

except in the BN zone the limit shall be 4,000 square feet.

Section 40.10 — Zone BN, BNA — USE ZONE CHART

DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS

Section 40.10	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
.070	Private Lodge or Club	D.R., Chapter 142 KZC	None	BN zone: 20' BNA zone: 10'	10' on each side	10'	80%	If adjoining a low density zone other than RSX or RSA, then 25' above average building elevation. Otherwise, for BN zone, 30' above average building elevation and for BNA zone, 35' above average building elevation.	B see Gen. Reg. 7	B	1 per each 300 sq. ft. of gross floor area.	4. This use not allowed in the BN zone.
.080	Vehicle Service Station See Spec. Reg. 4	D.R., Chapter 142 KZC	22,500 sq. ft.	40'	15' on each side. See Spec. Reg. 3.	15'			A	D	See KZC 105.25.	1. Hours of operation may be limited to reduce impact on residential areas. 2. May not be more than two vehicle service stations at any intersection. 3. Gas pump islands may extend 20 feet into the front yard. Canopies or covers over gas pump islands may not be closer than 10 feet to any property line. Outdoor parking and service areas may not be closer than 10 feet to any property line. See KZC 115.105, Outdoor Use, Activity and Storage, for further regulations.
.090	Office Use See Spec. Reg. 4	D.R., Chapter 142 KZC	None	BN zone: ~~20'~~ 0' BNA zone: 10'	~~5', but 2 side yards must equal at least 15'.~~ 10' on each side	10'		See Gen. Reg. 4.b	~~C~~ B see Gen. Reg. 7		If a medical, dental or veterinary office, then one per each 200 sq. ft. of gross floor area. Otherwise one per each 300 sq. ft. of gross floor area.	1. The following regulations apply to veterinary offices only: a. May only treat small animals on the subject property. b. Outside runs and other outside facilities for the animals are not permitted. c. Site must be designed so that noise from this use will not be audible off the subject property. A certification to this effect, signed by an Acoustical Engineer, must be submitted with the development permit application. 2. Ancillary assembly and manufacture of goods on the premises of this use are permitted only if: a. The ancillary assembled or manufactured goods are subordinate to and dependent on this use. b. The outward appearance and impacts of this use with ancillary assembly or manufacturing activities must be no different from other office uses. 3. At least 75 percent of the total gross floor area located on the ground floor of all structures on the subject property must contain retail establishments, restaurants, taverns, hotels or motels, or offices. These uses shall be oriented to an adjacent arterial, a major pedestrian sidewalk, a through-block pedestrian pathway or an internal pathway. 4. For properties located within the Moss Bay Neighborhood, this use not allowed above the street level floor of any structure.

Zone
BN, BNA

USE ZONE CHART

DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS

Section 40.10	USE / REGULATIONS	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
.100	Stacked Dwelling Unit. See Special Regulation 1. & 4	~~None~~ D.R., Chapter 142 KZC	None See Spec. Reg. 3	Same as the regulations for the ground floor use. ~~See Special Regulation 1.~~						A	1.7 per unit.	1. ~~This use, with the exception of a lobby, may not be located on the ground floor of a structure.~~ 2. Chapter 115 KZC contains regulations regarding home occupations and other accessory uses, facilities and activities associated with this use.
.110	Church			BN zone: 20' BNA zone: 10'	10' on each side	10'	80%	If adjoining a low density zone other than RSX or RSA, then 25' above average building elevation. Otherwise, for BN zone, 30' above average building elevation and for BNA zone, 35' above average building elevation. See Gen. Reg. 4.b	C	B	1 for every 4 people based on maximum occupancy load of any area of worship. See also Special Reg. 2.	1. May include accessory living facilities for staff persons. 2. No parking is required for day-care or school ancillary to this use.

1. This use is only allowed on the street level floor subject to the provisions of General Regulation 4.
3. The minimum amount of lot area per dwelling unit is as follows:
a. In the BN zone, 900 square feet.
b. In the BNA zone:
i. North of NE 140th Street, 1,800 square feet.
ii. South of NE 124th Street, 2,400 square feet.
4. In the BNA zone, the gross floor area of this use shall not exceed fifty percent of the total gross floor area on the subject property.

Section 40.10 — Zone BN, BNA — USE ZONE CHART

Section 40.10	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	MAXIMUMS: Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
.120	School or Day-Care Center	D.R., Chapter 142 KZC	None	If this use can accommodate 50 or more students or children, then: 50'	50' on each side	50'	80	If adjoining a low density zone other than RSX or RSA, then 25' above average building elevation. Otherwise, for BN zone, 30' above average building elevation and for BNA zone, 35' above average building elevation. See Spec. Reg. ~~8.~~ 7. See Gen. Reg. 4.b	~~D~~ B. see Gen. Reg. 7	B	See KZC 105.25.	1. A six-foot-high fence is required only along the property lines adjacent to the outside play areas. 2. Hours of operation may be limited to reduce impacts on nearby residential uses. 3. Structured play areas must be setback from all property lines as follows: a. 20 feet if this use can accommodate 50 or more students or children. b. 10 feet if this use can accommodate 13 to 49 students or children. 4. An on-site passenger loading area must be provided. The City shall determine the appropriate size of the loading areas on a case-by-case basis, depending on the number of attendees and the extent of the abutting right-of-way improvements. Carpooling, staggered loading/unloading time, right-of-way improvements or other means may be required to reduce traffic impacts on nearby residential uses. 5. The location of parking and passenger loading areas shall be designed to reduce impacts on nearby residential uses. 6. May include accessory living facilities for staff persons. ~~7. These uses are subject to the requirements established by the Department of Social and Health Services (WAC Title 388).~~ 7. ~~8.~~ For school use, structure height may be increased, up to 35 feet, if: a. The school can accommodate 200 or more students; and b. The required side and rear yards for the portions of the structure exceeding the basic maximum structure height are increased by one foot for each additional one foot of structure height; and c. The increased height is not specifically inconsistent with the applicable neighborhood plan provisions of the Comprehensive Plan. d. The increased height will not result in a structure that is incompatible with surrounding uses or improvements. *This special regulation is not effective within the disapproval jurisdiction of the Houghton Community Council.*

Zone
BN, BNA

USE ZONE CHART

Section 40.10	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
.130	Mini-School or Mini-Day-Care	~~I.~~ D.R., Chapter 142 KZC	None	BN zone: 20' BNA zone: 10'	~~5', but 2 side yards must equal at least 15'.~~ 10' on each side	10'	80%	If adjoining a low density zone other than RSX and RSA, then 25' average building elevation. Otherwise, for BN zone, 30' above average building elevation and for BNA zone, 35' above average building elevation.	~~D~~ B. see Gen. Reg. 7	B	See KZC 105.25.	1. A six-foot-high fence is required along the property lines adjacent to the outside play areas. 2. Hours of operation may be limited by the City to reduce impacts on nearby residential uses. 3. Structured play areas must be setback from all property lines by five feet. 4. An on-site passenger loading area may be required depending on the number of attendees and the extent of the abutting right-of-way improvements. 5. The location of parking and passenger loading areas shall be designed to reduce impacts on nearby residential uses. 6. May include accessory living facilities for staff persons. ~~7. These uses are subject to the requirements established by the Department of Social and Health Services (WAC Title 388).~~
.140	Assisted Living Facility See Spec. Reg. 3. 4 & 5			Same as the regulations for the ground floor use. ~~See Spec. Reg. 3.~~						A	1.7 per independent unit. 1 per assisted living unit.	1. A facility that provides both independent dwelling units and assisted living units shall be processed as an assisted living facility. 2. If a nursing home use is combined with an assisted living facility use in order to provide a continuum of care for residents, the required review process shall be the least intensive process between the two uses. ~~3. This use may not be located on the ground floor of a structure.~~ 6 4. Chapter 115 KZC contains regulations regarding home occupations and other accessory uses, facilities, and activities associated with this use.

See Gen. Reg. 4.b

3. This use is only allowed on the street level floor subject to the provisions of General Regulation 4.
4. In the BNA zone, the gross floor area of this use shall not exceed fifty percent of the total gross floor area on the subject property.
5. For density purposes, two assisted living units shall constitute one dwelling unit. Total dwelling units may not exceed the number of attached or stacked dwelling units allowed on the subject property.

Section 40.10 Zone BN, BNA USE ZONE CHART

Section 40.10	USE / REGULATIONS	Required Review Process	Lot Size	Required Yards (See Ch. 115) Front	Side	Rear	Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS	MINIMUMS				MAXIMUMS					
.150	Convalescent Center or Nursing Home	D.R., Chapter 142 KZC	None	BN zone: 20' BNA zone: 10'	10' on each side	10'	80%	If adjoining a low density zone other than RSX or RSA, then 25' average building elevation. Otherwise, for BN zone, 30' above average building elevation and for BNA zone, 35' above average building elevation. See Gen. Reg. 4.b	~~C~~ B see Gen. Reg. 7	B	1 for each bed.	~~1. If a nursing home use is combined with an assisted living facility use in order to provide a continuum of care for residents, the required review process shall be the least intensive process between the two uses.~~
.160	Public Utility	Process IIA, Chapter 150 KZC			20' each side	20'			A		See KZC 105.25.	1. Landscape Category A or B may be required depending on the type of use on the subject property and the impacts associated with the use on the nearby uses. 2. One pedestal sign with a readerboard having electronic programming is allowed at a fire station only if: a. It is a pedestal sign (see Plate 12) having a maximum of 40 square feet of sign area per sign face; b. The electronic readerboard is no more than 50 percent of the sign area; c. Moving graphics and text or video are not part of the sign; d. The electronic readerboard does not change text and/or images at a rate less than one every seven seconds and shall be readily legible given the text size and the speed limit of the adjacent right-of-way; e. The electronic readerboard displays messages regarding public service announcements or City events only; f. The intensity of the display shall not produce glare that extends to adjacent properties and the signs shall be equipped with a device which automatically dims the intensity of the lights during hours of darkness; g. The electronic readerboard is turned off between 10:00 p.m. and 6:00 a.m. except during emergencies; h. It is located to have the least impact on surrounding residential properties. If it is determined that the electronic readerboard constitutes a traffic hazard for any reason, the Planning Director may impose additional conditions.
.170	Government Facility Community Facility	D.R., Chapter 142 KZC			10' on each side	10'			C See Spec. Reg. 1			
.180	Public Park	Development standards will be determined on a case-by-case basis. See Chapter 49 KZC for required review process.										

51.15 User Guide. The charts in KZC 51.20 contain the basic zoning regulations that apply in the MSC 2 zone of the City. Use these charts by reading down the left hand column entitled Use. Once you locate the use in which you are interested, read across to find the regulations that apply to that use.

Section 51.18

Zone MSC 2

Section 51.18 – GENERAL REGULATIONS
The following regulations apply to all uses in this zone unless otherwise noted:

1. Refer to Chapter 1 KZC to determine what other provisions of this code may apply to the subject property.
2. If any portion of a structure is adjoining a low density zone, then either:
   a. The height of that portion of the structure shall not exceed 15 feet above average building elevation, or
   b. The maximum horizontal facade shall not exceed 50 feet in width.
   See KZC 115.30, Distance Between Structures/Adjacency to Institutional Use, for further details.
3. Some development standards or design regulations may be modified as part of the design review process. See Chapters 92 and 142 KZC for requirements.
4. ~~At least 75 percent of the total gross floor area located on the ground floor of all structures on the subject property must contain retail establishments, restaurants, taverns, or offices. These uses shall be oriented to an adjacent arterial, a major pedestrian sidewalk, a through-block pedestrian pathway or an internal pathway.~~

4. The following commercial frontage requirements shall apply to all development that includes dwelling units or assisted living uses:
a. The street level floor of all buildings shall be limited to one or more of the following uses: Retail; Restaurant or Tavern; Entertainment, Cultural and/or Recreational Facility; or Office. These uses shall be oriented toward Market Street and have a minimum depth of 20 feet and an average depth of at least 30 feet (as measured from the face of the building along Market Street).
The Design Review Board (or Planning Director if not subject to D.R.) may approve a minor reduction in the depth requirements if the applicant demonstrates that the requirement is not feasible given the configuration of existing or proposed improvements and that the design of the commercial frontage will maximize visual interest.
b. The commercial floor shall be a minimum of 13 feet in height. The height of the structure may exceed the maximum height of structure by three feet for a three story building with the required 13 foot commercial floor.
c. Other uses allowed in this zone and parking shall not be located on the street level floor unless an intervening commercial frontage is provided between the street and those other uses or parking subject to the standards above. Lobbies for residential or assisted living uses may be allowed within the commercial frontage provided they do not exceed 20 percent of the building's linear commercial frontage along Market Street.
5. Surface parking areas shall not be located between the street and building unless no feasible alternative exists. Parking areas located to the side of the building are allowed provided that the parking area and vehicular access occupies less than 30 percent of the property frontage and design techniques adequately minimize the visibility of the parking.
6. Where Landscape Category B is specified, the width of the required landscape strip shall be 10 feet and all other provisions of Chapter 95 shall apply.
7. Developments may elect to provide affordable housing units as defined in Chapter 5 KZC subject to the voluntary use provisions of Chapter 112 KZC.

Zone MSC 2

USE ZONE CHART

DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS

Section 51.20	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
.010	Any Retail Establishment, other than those specifically listed, limited or prohibited in this zone, selling goods or providing services, including banking and related financial services.	D.R., Chapter 142 KZC.	None	20′ 0' along Market Street, otherwise	10′ on each side	10′	80%	If adjoining a low density zone, then 25′ above average building elevation. Otherwise, 30′ above average building elevation. see Gen. Reg. 4.b	B see Gen. Reg. 6	D	1 per each 300 sq. ft. of gross floor area.	1. Gross floor area for this use may not exceed 4,000 square feet. 2. The following uses are not permitted in this zone: a. Vehicle service stations. b. Automotive service centers. c. Uses with drive-in facilities or drive-through facilities, except those existing as of June 15, 2007. d. Retail establishments providing storage services unless accessory to another permitted use. e. Retail establishments involving the sale, service or repair of automobiles, trucks, boats, motorcycles, recreational vehicles, heavy equipment and similar vehicles. f. Storage and operation of heavy equipment, except delivery vehicles associated with retail uses. g. Storage of parts unless conducted entirely within an enclosed structure. 3. A delicatessen, bakery, or other similar use may include, as part of this use, accessory seating if: a. The seating and associated circulation area does not exceed more than 10 percent of the gross floor area of this use; and b. It can be demonstrated to the City that the floor plan is designed to preclude the seating area from being expanded. 4. Ancillary assembly and manufacture of goods on the premises of this use are permitted only if: a. The assembled or manufactured goods are directly related to and are dependent upon this use, and are available for purchase and removal from the premises. b. The outward appearance and impacts of this use with ancillary assembly or manufacturing activities must be no different from other retail uses. 5. Prior to issuance of a development permit, documentation must be provided by a qualified acoustical consultant, for approval by the Planning Official, verifying that the expected noise to be emanating from the site adjoining any residentially zoned property complies with the standards set forth in WAC 173-60-040(1) for a Class B source property and a Class A receiving property.

Section 51.20 — Zone MSC 2 — USE ZONE CHART

DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS

Section 51.20	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
.020	Restaurant or Tavern	D.R., Chapter 142 KZC.	None	20′	10′ on each side	10′	80%	If adjoining a low density zone, then 25′ above average building elevation. Otherwise, 30′ above average building elevation.	B see Gen. Reg. 6	D	1 per each 100 sq. ft. of gross floor area.	1. Restaurants and taverns are limited to 4,000 sq. ft. maximum. 2. Drive-in and drive-through facilities are not permitted. 3. Prior to issuance of a development permit, documentation must be provided by a qualified acoustical consultant, for approval by the Planning Official, verifying that the expected noise to be emanating from the site adjoining any residentially zoned property complies with the standards set forth in WAC 173-60-040(1) for a Class B source property and a Class A receiving property.
.030	Private Lodge or Club	0' along Market Street, otherwise								B	1 per each 300 sq. ft. of gross floor area.	1. Prior to issuance of a development permit, documentation must be provided by a qualified acoustical consultant, for approval by the Planning Official, verifying that the expected noise to be emanating from the site adjoining any residentially zoned property complies with the standards set forth in WAC 173-60-040(1) for a Class B source property and a Class A receiving property.
.040	Office Use				~~5′, but 2 side yards must equal at least 15′.~~ 10' on each side	~~20′~~ 10'			~~C~~ B. See Gen. Reg. 6	D	If a medical, dental or veterinary office, then one per each 200 sq. ft. of gross floor area. Otherwise one per each 300 sq. ft. of gross floor area.	1. The following regulations apply to veterinary offices only: a. May only treat small animals on the subject property. b. Outside runs and other outside facilities for the animals are not permitted. c. Prior to issuance of a development permit, documentation must be provided by a qualified acoustical consultant, for approval by the Planning Official, verifying that the expected noise to be emanating from the site adjoining any residentially zoned property complies with the standards set forth in WAC 173-60-040(1) for a Class B source property and a Class A receiving property. 2. Ancillary assembly and manufacture of goods on the premises of this use are permitted only if: a. The ancillary assembled or manufactured goods are subordinate to and dependent on this use. b. The outward appearance and impacts of this use with ancillary assembly or manufacturing activities must be no different from other office uses.
.050	Attached or Stacked Dwelling Unit. ~~See Spec. Reg. 1.~~ see Gen. Reg. 4			Same as the regulations for the ground floor use. See ~~Spec. Reg. 1.~~						A	1.7 per unit.	1. ~~This use, with the exception of a lobby, may not be located on the ground floor of a structure.~~ 2. Chapter 115 KZC contains regulations regarding home occupations and other accessory uses, facilities and activities associated with this use.

Minimum lot area per dwelling unit is 900 square feet

(Revised 4/08)

Zone MSC 2

USE ZONE CHART

Section 51.20	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
.060	Church	D.R., Chapter 142 KZC.	None	20′	10′ on each side	10′	80%	If adjoining a low density zone, then 25′ above average building elevation. Otherwise, 30′ above average building elevation.	C	B	1 for every 4 people based on maximum occupancy load of any area of worship. See also Spec. Reg. 2.	1. May include accessory living facilities for staff persons. 2. No parking is required for day-care or school ancillary to this use.
.070	School or Day-Care Center			If this use can accommodate 50 or more students or children, then: 50′ / 50′ on each side / 50′ If this use can accommodate 13 to 49 students or children, then: 20′ / 20′ on each side / ~~20′~~ 10'				If adjoining a low density zone, then 25′ above average building elevation. Otherwise, 30′ above average building elevation. See Spec. Reg. ~~8.~~ 7	~~D~~ B. See Gen. Reg. 6		See KZC 105.25.	1. A six-foot-high fence is required only along the property lines adjacent to the outside play areas. 2. Hours of operation may be limited to reduce impacts on nearby residential uses. 3. Structured play areas must be setback from all property lines as follows: a. 20 feet if this use can accommodate 50 or more students or children. b. 10 feet if this use can accommodate 13 to 49 students or children. 4. An on-site passenger loading area must be provided. The City shall determine the appropriate size of the loading areas on a case-by-case basis, depending on the number of attendees and the extent of the abutting right-of-way improvements. Carpooling, staggered loading/unloading time, right-of-way improvements or other means may be required to reduce traffic impacts on nearby residential uses. 5. The location of parking and passenger loading areas shall be designed to reduce impacts on nearby residential uses. 6. May include accessory living facilities for staff persons. ~~7. These uses are subject to the requirements established by the Department of Social and Health Services (WAC Title 388).~~ 7 ~~8.~~ For school use, structure height may be increased, up to 35 feet, if: a. The school can accommodate 200 or more students; and b. The required side and rear yards for the portions of the structure exceeding the basic maximum structure height are increased by one foot for each additional one foot of structure height; and c. The increased height is not specifically inconsistent with the applicable neighborhood plan provisions of the Comprehensive Plan. d. The increased height will not result in a structure that is incompatible with surrounding uses or improvements.

0' along Market Street, otherwise

Section 51.20 Zone MSC 2 USE ZONE CHART

DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS

Section 51.20	USE / REGULATIONS	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
.080	Mini-School or Mini-Day-Care	D.R., Chapter 142 KZC.	None	20′ 0' along Market Street, otherwise	~~5′, but 2 side yards must equal at least 15′.~~ 10' on each side	10′	80%	If adjoining a low density zone, then 25′ above average building elevation. Otherwise, 30′ above average building elevation.	~~D~~ B. See Gen. Reg. 6	B	See KZC 105.25.	1. A six-foot-high fence is required along the property lines adjacent to the outside play areas. 2. Hours of operation may be limited by the City to reduce impacts on nearby residential uses. 3. Structured play areas must be set back from all property lines by five feet. 4. An on-site passenger loading area may be required depending on the number of attendees and the extent of the abutting right-of-way improvements. 5. The location of parking and passenger loading areas shall be designed to reduce impacts on nearby residential uses. 6. May include accessory living facilities for staff persons. ~~7. These uses are subject to the requirements established by the Department of Social and Health Services (WAC Title 388).~~
.090	Assisted Living Facility ~~See Spec. Reg. 2.~~ see Gen. Reg. 4			Same as the regulations for the ground floor use. ~~See Spec. Reg. 2.~~						A	1.7 per independent unit. 1 per assisted living unit.	1. A facility that provides both independent dwelling units and assisted living units shall be processed as an assisted living facility. 2. ~~This use may not be located on the ground floor of a structure.~~ 3. Chapter 115 KZC contains regulations regarding home occupations and other accessory uses, facilities, and activities associated with this use.
.100	Convalescent Center or Nursing Home			20′	10′ on each side	10′	80%	If adjoining a low density zone, then 25′ above average building elevation. Otherwise, 30′ above average building elevation.	C	B	1 for each bed.	
.110	Public Utility				20′ on each side	20′			A		See KZC 105.25.	1. Landscape Category A or B may be required depending on the type of use on the subject property and the impacts associated with the use on the nearby uses.
.120	Government Facility Community Facility				10′ on each side	10′			C See Spec. Reg. 1			
.130	Public Park	Development standards will be determined on a case-by-case basis. See Chapter 49 KZC for required review process.										

For density purposes, two assisted living units shall constitute one dwelling unit. Total dwelling units may not exceed the number of attached or stacked dwelling units allowed on the subject property.

4. In the BC 1 and BC 2 zones, the following requirements shall apply to all development that includes residential or assisted living uses:
a. The development must include commercial use(s) with gross floor area on the ground floor equal to or greater than 25 percent of the parcel size for the subject property. Commercial floor area shall be one or more of the following uses: Retail; Restaurant or Tavern; Entertainment, Cultural and/or Recreational Facility; or Office.
b. The commercial floor shall be a minimum of 13 feet in height.
c. Commercial uses shall be oriented to adjoining arterials.
d. Residential uses, assisted living uses, and parking for those uses shall not be located on the street level floor unless an intervening commercial frontage is provided between the street and those other uses or parking subject to the standards above. The intervening commercial frontage shall be a minimum 20 feet in depth. The Planning Director may approve a minor reduction in the depth requirements if the applicant demonstrates that the requirement is not feasible given the configuration of existing or proposed improvements and that the design of the commercial frontage will maximize visual interest. Lobbies for residential or assisted living uses may be allowed within the commercial frontage provided they do not exceed 20 percent of the building's linear commercial frontage along the street.
5. Surface parking areas shall not be located between the street and building unless no feasible alternative exists. Parking areas located to the side of the building are allowed provided that the parking area and vehicular access occupies less than 30 percent of the property frontage and design techniques adequately minimize the visibility of the parking.

CHAPTER 45 – COMMUNITY BUSINES

45.05 User Guide. The charts in KZC 4
reading down the left hand colum

Section 45.08

Zone
BC, BC 1,
BC 2

Section 45.08 – GE
The following regula

1. Refer to Chapte

2. If any portion of
   a. The height
   b. The maximu
   See KZC 115.3

In the BC zone,

3. At least 75 perc
   lishments, resta
   a through-block pedestrian pathway or an internal pathway.

6 4. In BC 1 and BC 2 zones, developments creating four or more new dwelling units shall provide at least 10 percent of the units as affordable housing units as defined in Chapter 5 KZC. Two additional units may be constructed for each affordable housing unit provided. See Chapter 112 KZC for additional affordable housing incentives and requirements.

7 5. In the BC 1 and BC 2 zones, side and rear yards abutting a residential zone shall be 20 feet.

8 6. In the BC 1 and BC 2 zones, all required yards for any portion of a structure must be increased one foot for each foot that any portion of the structure exceeds 35 feet above average building elevation (does not apply to Public Park uses).

9 7. Maximum height of structure is as follows:
   a. In the BC zone, if adjoining a low density zone other than RSX, then 25 feet above average building elevation. Otherwise, 30 feet above average building elevation. Except if adjoining a low density zone, structure height may be increased above 30 feet in height through a Process IIA, Chapter 150 KZC, if:
      i. It will not block local or territorial views designated in the Comprehensive Plan;
      ii. The increased height is not specifically inconsistent with the applicable neighborhood plan provisions of the Comprehensive Plan; and
      iii. The required front yard of any portion of the structure is increased one foot for each foot that any portion of the structure exceeds 30 feet above average building elevation (does not apply to Public Park uses).
   b. In the BC 1 zone, 35 feet above average building elevation.
   c. In the BC 2 zone, 35 feet above average building elevation. Structure height may be increased to 60 feet in height if:
      i. At least 50 percent of the floor area is residential;
      ii. Parking is located away from the street by placing it behind buildings, to the side of buildings, or in a parking structure;
      iii. The ground floor is a minimum 15 feet in height for all retail, restaurant, or office uses (except parking garages); and
      iv. The required yards of any portion of the structure are increased one foot for each foot that any portion of the structure exceeds 30 feet above average building elevation (does not apply to Public Park uses).

Zone
BC, BC 1, BC 2

USE ZONE CHART

Section 45.10	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
.010	Vehicle Service Station	Process I, Chapter 145 KZC.	22,500 sq. ft.	40'	15' on each side	15'	80%	See Gen. Regs. ~~5 and 6~~. 8 & 9	A	E	See KZC 105.25.	1. May not be more than two vehicle service stations at any intersection. 2. Gas pump islands may extend 20 feet into the front yard. Canopies or covers over gas pump islands may not be closer than 10 feet to any property line. Outdoor parking and service areas may not be closer than 10 feet to any property line. See KZC 115.105, Outdoor Use, Activity and Storage, for further regulations.
				See Special Regulation 2.								
.020	A Retail Establishment providing vehicle or boat sales or vehicle or boat service or repair. See Spec. Reg. 2.	None	None	BC: 20' BC 1 and BC 2: 10'	0' See Gen. Regs. ~~4 and 5.~~ 7 & 8	0' See Gen. Regs. ~~4 and 5.~~ 7 & 8						1. Outdoor vehicle or boat parking or storage areas must be buffered as required for a parking area in KZC 95.45. See KZC 115.105, Outdoor Use, Activity and Storage, for further regulations. 2. Vehicle and boat rental are allowed as part of this use.
.030	Restaurant or Tavern								B		1 per each 100 sq. ft. of gross floor area.	1. For restaurants with drive-in or drive-through facilities: a. One outdoor waste receptacle shall be provided for every eight parking stalls. b. Access for drive-through facilities shall be approved by the Public Works Department. Drive-through facilities shall be designed so that vehicles will not block traffic in the right-of-way while waiting in line to be served. c. Landscape Category A shall apply.
.050	A Retail Establishment providing storage services. See also Spec. Regs. 1 and 2.								A		See KZC 105.25.	1. May include accessory living facilities for resident security manager. 2. This use not permitted in BC 1 and BC 2 zones.

Section 45.10 — Zone: BC, BC 1, BC 2 — USE ZONE CHART

Section 45.10	USE ⇩ / REGULATIONS ⇨	DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
		Required Review Process	MINIMUMS				MAXIMUMS		Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
			Lot Size	REQUIRED YARDS (See Ch. 115)			Lot Coverage	Height of Structure				
				Front	Side	Rear						
.060	Any Retail Establishment other than those specifically listed in this zone, selling goods, or providing services including banking and related financial services	None	None	BC: 20' BC 1 and BC 2: 10'	0' See Gen. Regs. ~~4 and 5.~~ 7 & 8	0' See Gen. Regs. ~~4 and 5.~~ 7 & 8	80%	See Gen. Regs. ~~5 and 6~~. 8 & 9	B	E	1 per each 300 sq ft. of gross floor area.	1. Ancillary assembly and manufacture of goods on the premises of this use are permitted only if: a. The assembled or manufactured goods are directly related to and are dependent upon this use, and are available for purchase and removal from the premises. b. The outward appearance and impacts of this use with ancillary assembly or manufacturing activities must be no different from other retail uses. 2. Access from drive-through facilities must be approved by the Public Works Department. Drive-through facilities must be designed so that vehicles will not block traffic in the right-of-way while waiting in line to be served. 3. A delicatessen, bakery, or other similar use may include, as part of the use, accessory seating if: a. The seating and associated circulation area does not exceed more than 10 percent of the gross floor area of the use; and b. It can be demonstrated to the City that the floor plan is designed to preclude the seating area from being expanded.
.070	Office Use								C	D	If a medical, dental or veterinary office, then 1 per each 200 sq. ft. of gross floor area. Otherwise, 1 per each 300 sq. ft. of gross floor area.	1. The following regulations apply to veterinary offices only: a. May only treat small animals on the subject property. b. Outside runs and other outside facilities for the animals are not permitted. c. Site must be designed so that noise from this use will not be audible off the subject property. A certification to this effect, signed by an Acoustical Engineer, must be submitted with the development permit application. 2. Ancillary assembly and manufacture of goods on the premises of this use are permitted only if: a. The ancillary assembled or manufactured goods are subordinate to and dependent on this use. b. The outward appearance and impacts of this use with ancillary assembly or manufacturing activities must be no different from other office uses.

Zone
BC, BC 1, BC 2

USE ZONE CHART

Section 45.10	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
.080	Hotel or Motel	None	None	BC: 20' BC 1 and BC 2: 10'	0' See Gen. Regs. ~~4 and 5.~~ 7 & 8	0' See Gen. Regs. ~~4 and 5.~~ 7 & 8	80%	See Gen. Regs. ~~5 and 6.~~ 8 & 9	B	E	1 per each room. See also Spec. Reg. 2.	1. May include ancillary meeting and convention facilities. 2. Excludes parking requirements for ancillary meeting and convention facilities. Additional parking requirement for these ancillary uses shall be determined on a case-by-case basis.
.090	A Retail Establishment providing entertainment, recreational or cultural activities										1 per every 4 fixed seats.	In the BC zone, In the BC 1 and BC 2 zones, this use is only allowed subject to the provisions of General Regulation 4
.100	Private Lodge or Club								C	B	1 per each 300 sq. ft. of gross floor area.	
.110	Stacked Dwelling Unit. See Special Regulation 1.		900 square feet per unit in BC 1 and BC 2, other-wise none.	Same as the regulations for the ground floor use. See Spec. Reg. 1.						A	1.7 per unit.	1. This use, with the exception of a lobby, may ~~not~~ be located on the ground floor of a structure. 2. Chapter 115 KZC contains regulations regarding home occupations and other accessory uses, facilities and activities associated with this use.
.120	Church		None	BC: 20' BC 1 and BC 2: 10'	0' See Gen. Regs. ~~4 and 5.~~ 7 & 8	0' See Gen. Regs. ~~4 and 5.~~ 7 & 8	80%	See Gen. Regs. ~~5 and 6.~~ 8 & 9	C	B	1 for every four people based on maximum occu-pancy load of any area of wor-ship. See also Special Reg. 2.	1. May include accessory living facilities for staff persons. 2. No parking is required for day-care or school ancillary to this use.

Section 45.10 — Zone BC, BC 1, BC 2 — USE ZONE CHART

Section 45.10	USE ⇩ / REGULATIONS ⇨	DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
		Required Review Process	MINIMUMS				MAXIMUMS		Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
			Lot Size	REQUIRED YARDS (See Ch. 115)			Lot Coverage	Height of Structure				
				Front	Side	Rear						
.130	School or Day-Care Center	None	None	BC: 20' BC 1 and BC 2: 10'	0' See Gen. Regs. ~~4 and 5.~~ 7 & 8	0' See Gen. Regs. ~~4 and 5.~~ 7 & 8	80%	See Gen. Regs. ~~5 and 6.~~ 8 & 9	D	B	See KZC 105.25.	1. A six-foot-high fence is required only along the property lines adjacent to the outside play areas. 2. Hours of operation may be limited to reduce impacts on nearby residential uses. 3. Structured play areas must be setback from all property lines as follows: a. 20 feet if this use can accommodate 50 or more students or children. b. 10 feet if this use can accommodate 13 to 49 students or children. 4. An on-site passenger loading area must be provided. The City shall determine the appropriate size of the loading areas on a case-by-case basis, depending on the number of attendees and the extent of the abutting right-of-way improvements. Carpooling, staggered loading/unloading time, right-of-way improvements or other means may be required to reduce traffic impacts on nearby residential uses. 5. May include accessory living facilities for staff persons. 6. The location of parking and passenger loading areas shall be designed to reduce impacts on nearby residential uses. ~~7. These uses are subject to the requirements established by the Department of Social and Health Services (WAC Title 388).~~
.140	Mini-School or Mini-Day-Care											1. A six-foot-high fence is required along the property lines adjacent to the outside play areas. 2. Hours of operation may be limited by the City to reduce impacts on nearby residential uses. 3. Structured play areas must be setback from all property lines by five feet. 4. An on-site passenger loading area may be required depending on the number of attendees and the extent of the abutting right-of-way improvements. 5. The location of parking and passenger loading areas shall be designed to reduce impacts on nearby residential uses. 6. May include accessory living facilities for staff persons. ~~7. These uses are subject to the requirements established by the Department of Social and Health Services (WAC Title 388).~~

Zone
BC, BC 1, BC 2

USE ZONE CHART

DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS

Section 45.10	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
.150	Assisted Living Facility	None	For BC 1 and BC 2, see Spec. Reg. 5, other-wise none.	Same as the regulations for the ground floor use. See Spec. Reg. 4.						A	1.7 per indepen-dent unit. 1 per assisted living unit.	1. A facility that provides both independent dwelling units and assisted living units shall be processed as an assisted living facility. 2. If a nursing home use is combined with an assisted living facility use in order to provide a continuum of care for residents, the required review process shall be the least intensive process between the two uses. 3. This use may not be located on the ground floor of a structure. 4. Chapter 115 KZC contains regulations regarding home occupations and other accessory uses, facilities, and activities associated with this use. 5. In BC 1 and BC 2, subject to density limits listed for attached and stacked dwelling units. For density purposes, two assisted living units constitute one dwelling unit.
.160	Convalescent Center or Nursing Home			BC: 20' BC 1 and BC 2: 10'	0' See Gen. Regs. ~~4 and 5.~~ 7 & 8	0' See Gen. Regs. ~~4 and 5.~~ 7 & 8	80%	See Gen. Regs. ~~5 and 6.~~ 8 & 9	C	B	1 for each bed.	1. If a nursing home use is combined with an assisted living facility use in order to provide a continuum of care for residents, the required review process shall be the least intensive process between the two uses.
.170	Public Utility								A		See KZC 105.25.	1. Landscape Category A or B may be required depending on the type of use on the subject property and the impacts associated with the use on the nearby uses.
.180	Government Facility Community Facility								C See Spec. Reg. 1			
.190	Public Park	Development standards will be determined on a case-by-case basis. See Chapter 49 KZC for required review process.										

In the BC zone,

In the BC 1 and BC 2 zones, this use is only allowed subject to the provisions of General Regulation 4

CHAPTER 47 – COMMUNITY BUSINESS X (BCX) ZONES

47.05 User Guide. The charts in KZC 47.10 contain the basic zoning regulations that apply in each of the BCX zones of the City. Use these charts by reading down the left hand column entitled Use. Once you locate the use in which you are interested, read across to find the regulations that apply to that use.

Section 47.08

Zone BCX

Section 47.08 – GENERAL REGULATIONS

The following regulations apply to all uses in this zone unless otherwise noted:

1. Refer to Chapter 1 KZC to determine what other provisions of this code may apply to the subject property.

2. If any portion of a structure is adjoining a low density zone, then either:
   a. The height of that portion of the structure shall not exceed 15 feet above average building elevation, or
   b. The maximum horizontal facade shall not exceed 50 feet in width.
   See KZC 115.30, Distance Between Structures/Adjacency to Institutional Use, for further details.

3. The required yard of any portion of the structure must be increased one foot for each foot that any portion of the structure exceeds 30 feet above average building elevation (does not apply to Public Park uses).

4. Except if adjoining a low density zone, structure height may be increased above ~~30~~ 33 feet in height through a Process IIA, Chapter 150 KZC if:
   a. It will not block local or territorial views designated in the Comprehensive Plan; and
   b. The increased height is not specifically inconsistent with the applicable neighborhood plan provisions of the Comprehensive Plan.
   (Does not apply to Public Park and Automotive Service Center uses).

5. ~~At least 75 percent of the total gross floor area located on the ground floor of all structures on the subject property must contain retail establishments, restaurants, taverns, hotels or motels, or offices. These uses shall be oriented to an adjacent arterial, a major pedestrian sidewalk, a through-block pedestrian pathway or an internal pathway.~~

5. The following requirements shall apply to all development that includes residential or assisted living uses:
a. The development must include commercial use(s) with gross floor area on the ground floor equal to or greater than 25 percent of the parcel size for the subject property. Commercial floor area shall be one or more of the following uses: Retail; Restaurant or Tavern; Entertainment, Cultural and/or Recreational Facility; or Office.
b. The commercial floor shall be a minimum of 13 feet in height. The height of the structure may exceed the maximum height of structure by three feet.
c. Commercial uses shall be oriented to adjoining arterials.
d. Residential uses, assisted living uses, and parking for those uses shall not be located on the street level floor unless an intervening commercial frontage is provided between the street and those other uses or parking subject to the standards above. The intervening commercial frontage shall be a minimum 20 feet in depth. The Planning Director may approve a minor reduction in the depth requirements if the applicant demonstrates that the requirement is not feasible given the configuration of existing or proposed improvements and that the design of the commercial frontage will maximize visual interest. Lobbies for residential or assisted living uses may be allowed within the commercial frontage provided they do not exceed 20 percent of the building's linear commercial frontage along the street.
6. Surface parking areas shall not be located between the street and building unless no feasible alternative exists. Parking areas located to the side of the building are allowed provided that the parking area and vehicular access occupies less than 30 percent of the property frontage and design techniques adequately minimize the visibility of the parking.

Zone BCX

USE ZONE CHART

Editors note: deleted 25' reference because the BCX zone is only adjoined by RSX zone

DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS

Section 47.10	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	MAXIMUMS: Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
.010	Vehicle Service Station	Process I, Chapter 145 KZC.	22,500 sq. ft.	40′	15′ on each side	15′	80%	~~If adjoining a low density zone other than RSX, then 25′ above average building elevation. Otherwise,~~ 30′ above average building elevation.	A	E	See KZC 105.25.	1. May not be more than two vehicle service stations at any intersection. 2. Gas pump islands may extend 20 feet into the front yard. Canopies or covers over gas pump islands may not be closer than 10 feet to any property line. Outdoor parking and service areas may not be closer than 10 feet to any property line. See KZC 115.105, Outdoor Use, Activity and Storage, for further regulations.
				See Spec. Reg. 2.								
.020	Automotive Service Center See Spec. Reg. 1.	None	None	20′	0′	0′					1 per each 250 sq. ft. of gross floor area. See Spec. Reg. 3.	1. This use specifically excludes new or used vehicle or boat sales or rentals. 2. No openings (i.e., doors, windows which open, etc.) shall be permitted in any facade of the building adjoining to any residentially zoned property. Windows are permitted if they are triple-paned and unable to be opened. 3. Ten percent of the required parking spaces on site must have a minimum dimension of 10 feet wide by 30 feet long for motor home/travel trailer use. 4. Storage of used parts and tires must be conducted entirely within an enclosed structure. Outdoor vehicle parking or storage areas must be buffered as required for a parking area in KZC 95.45. See KZC 115.105, Outdoor Use, Activity and Storage, for additional regulations. 5. Prior to occupancy of the structure, documentation must be provided and stamped by a licensed professional verifying that the expected noise to be emanating from the site adjoining to any residential zoned property complies with the standards set forth in WAC 173-60-040(1) for a Class B source property and a Class A receiving property.
.030	Restaurant or Tavern								B		1 per each 100 sq. ft. of gross floor area.	1. For restaurants with drive-in or drive-through facilities: a. One outdoor waste receptacle shall be provided for every eight parking stalls. b. Access for drive-through facilities shall be approved by the Public Works Department. Drive-through facilities shall be designed so that vehicles will not block traffic in the right-of-way while waiting in line to be served. c. Landscape Category A shall apply.

Section 47.10 Zone BCX USE ZONE CHART

Section 47.10	USE ⇩ / REGULATIONS ⇨	DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
		Required Review Process	MINIMUMS				MAXIMUMS		Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
			Lot Size	REQUIRED YARDS (See Ch. 115)			Lot Coverage	Height of Structure				
				Front	Side	Rear						
.050	A Retail Establishment providing storage services. See also Spec. Reg. 1.	None	None	20′	0′	0′	80%	~~If adjoining a low density zone other than RSX, then 25′ above average building elevation. Otherwise,~~ 30′ above average building elevation.	A	E	See KZC 105.25.	1. May include accessory living facilities for resident security manager.
.060	Any Retail Establishment, other than those specifically listed in this zone, selling goods or providing services including banking and related financial services. See Spec. Reg. 1.								B		1 per each 300 sq ft. of gross floor area.	1. The sale, service and/or rental of motor vehicles, sailboats, motor boats, and recreational trailers is not permitted. Motorcycle sales, service, or rental is permitted if conducted indoors. 2. Ancillary assembly and manufacture of goods on the premises of this use are permitted only if: a. The assembled or manufactured goods are directly related to and are dependent upon this use, and are available for purchase and removal from the premises. b. The outward appearance and impacts of this use with ancillary assembly or manufacturing activities must be no different from other retail uses. 3. Access from drive through facilities must be approved by the Public Works Department. Drive through facilities must be designed so that vehicles will not block traffic in the right-of-way while waiting in line to be served. 4. A delicatessen, bakery, or other similar use may include, as part of the use, accessory seating if: a. The seating and associated circulation area does not exceed more than 10 percent of the gross floor area of the use; and b. It can be demonstrated to the City that the floor plan is designed to preclude the seating area from being expanded.

Zone BCX

USE ZONE CHART

Section 47.10	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
.070	Office Use	None	None	20′	0′	0′	80%	~~If adjoining a low density zone other than RSX, then 25′ above average building elevation. Otherwise,~~ 30′ above average building elevation.	~~C~~ B	D	If a medical, dental or veterinary office, then 1 per each 200 sq. ft. of gross floor area. Otherwise, 1 per each 300 sq. ft. of gross floor area.	1. The following regulations apply to veterinary offices only: a. May only treat small animals on the subject property. b. Outside runs and other outside facilities for the animals are not permitted. c. Site must be designed so that noise from this use will not be audible off the subject property. A certification to this effect, signed by an Acoustical Engineer, must be submitted with the development permit application. 2. Ancillary assembly and manufacture of goods on the premises of this use are permitted only if: a. The ancillary assembled or manufactured goods are subordinate to and dependent on this use. b. The outward appearance and impacts of this use with ancillary assembly or manufacturing activities must be no different from other office uses.
.080	Hotel or Motel								B	E	1 per each room. See also Spec. Reg. 2.	1. May include ancillary meeting and convention facilities. 2. Excludes parking requirements for ancillary meeting and convention facilities. Additional parking requirement for these ancillary uses shall be determined on a case-by-case basis.
.090	A Retail Establishment providing entertainment, recreational or cultural activities										1 per every 4 fixed seats.	
.100	Private Lodge or Club								C	B	1 per each 300 sq. ft. of gross floor area.	
.110	Stacked Dwelling Unit. See Special Regulation 1.			Same as the regulations for the ground floor use. See Spec. Reg. 1.						A	1.7 per unit.	~~1. This use, with the exception of a lobby, may not be located on the ground floor of a structure.~~ 2. Chapter 115 KZC contains regulations regarding home occupations and other accessory uses, facilities and activities associated with this use.

1. This use is only allowed subject to the provisions of General Regulation 5.

Section 47.10 Zone BCX USE ZONE CHART

Section 47.10	USE ⇩ / REGULATIONS ⇨	DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
		Required Review Process	MINIMUMS				MAXIMUMS		Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
			Lot Size	REQUIRED YARDS (See Ch. 115)			Lot Coverage	Height of Structure				
				Front	Side	Rear						
.120	Church	None	None	20′	0′	0′	80%	~~If adjoining a low density zone other than RSX, then 25′ above average building elevation. Otherwise,~~ 30′ above average building elevation.	C	B	1 for every four people based on maximum occupancy load of any area of worship. See also Spec. Reg. 2.	1. May include accessory living facilities for staff persons. 2. No parking is required for day-care or school ancillary to this use.

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Section 47.10 Zone BCX USE ZONE CHART

Section 47.10	USE ⇩ / REGULATIONS ⇨	DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
		Required Review Process	MINIMUMS				MAXIMUMS		Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
			Lot Size	REQUIRED YARDS (See Ch. 115)			Lot Coverage	Height of Structure				
				Front	Side	Rear						
.130	School or Day-Care Center	None	None	20′	0′	0′	80%	~~If adjoining a low density zone other than RSX, then 25′ above average building elevation. Otherwise,~~ 30′ above average building elevation.	D	B	See KZC 105.25.	1. A six-foot-high fence is required only along the property lines adjacent to the outside play areas. 2. Hours of operation may be limited to reduce impacts on nearby residential uses. 3. Structured play areas must be setback from all property lines as follows: a. 20 feet if this use can accommodate 50 or more students or children. b. 10 feet if this use can accommodate 13 to 49 students or children. 4. An on-site passenger loading area must be provided. The City shall determine the appropriate size of the loading areas on a case-by-case basis, depending on the number of attendees and the extent of the abutting right-of-way improvements. Carpooling, staggered loading/unloading time, right-of-way improvements or other means may be required to reduce traffic impacts on nearby residential uses. 5. May include accessory living facilities for staff persons. 6. The location of parking and passenger loading areas shall be designed to reduce impacts on nearby residential uses. ~~7. These uses are subject to the requirements established by the Department of Social and Health Services (WAC Title 388).~~
.140	Mini-School or Mini-Day-Care											1. A six-foot-high fence is required along the property lines adjacent to the outside play areas. 2. Hours of operation may be limited by the City to reduce impacts on nearby residential uses. 3. Structured play areas must be setback from all property lines by five feet. 4. An on-site passenger loading area may be required depending on the number of attendees and the extent of the abutting right-of-way improvements. 5. The location of parking and passenger loading areas shall be designed to reduce impacts on nearby residential uses. 6. May include accessory living facilities for staff persons. ~~7. These uses are subject to the requirements established by the Department of Social and Health Services (WAC Title 388).~~

Zone BCX

USE ZONE CHART

Section 47.10	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
.150	Assisted Living Facility See Spec. Reg. 3.	None	None	Same as the regulations for the ground floor use. See Spec. Reg. 3.						A	1.7 per independent unit. 1 per assisted living unit.	1. A facility that provides both independent dwelling units and assisted living units shall be processed as an assisted living facility. 2. If a nursing home use is combined with an assisted living facility use in order to provide a continuum of care for residents, the required review process shall be the least intensive process between the two uses. ~~3. This use may not be located on the ground floor of a structure.~~ 4. Chapter 115 KZC contains regulations regarding home occupations and other accessory uses, facilities, and activities associated with this use.
.160	Convalescent Center or Nursing Home			20′	0′	0′	80%	~~If adjoining a low density zone other than RSX, then 25′ above average building elevation. Otherwise,~~ 30′ above average building elevation.	C	B	1 for each bed.	~~1. If a nursing home use is combined with an assisted living facility use in order to provide a continuum of care for residents, the required review process shall be the least intensive process between the two uses.~~
.170	Public Utility								A		See KZC 105.25.	1. Landscape Category A or B may be required depending on the type of use on the subject property and the impacts associated with the use on the nearby uses.
.180	Government Facility Community Facility								C See Spec. Reg. 1.			
.190	Public Parks	Development standards will be determined on a case-by-case basis. See Chapter 49 KZC for required review process.										

3. This use is only allowed subject to the provisions of General Regulation 5.

KZC Text Amendments
File No. ZON11-00042

92.05 Introduction

1. General – This chapter establishes the design regulations that apply to development in Design Districts including the Central Business District (CBD), Market Street Corridor (MSC), Neighborhood Business Districts (BN, BNA), Juanita Business District (JBD), Rose Hill Business District (RHBD), Totem Lake Neighborhood (TLN), North Rose Hill Business District (NRHBD), Totem Center (TC), and in areas indicated on the use zone charts for PLA 5C.

92.15 Pedestrian-Oriented Improvements on or Adjacent to the Subject Property

1. All Zones – Pedestrian-Oriented Space and Plazas in Parking Areas – The applicant must provide at least 175 square feet of pedestrian-oriented space at the main building entrance in a central location, or adjacent to a parking area. This area must be raised at least six (6) inches above the parking lot surface and must be paved with concrete or unit pavers.

2. Pedestrian-Oriented Space and Plazas in TC, CBD, BN, BNA, MSC 2, NRHBD, RHBD and TLN Zones

   a. In the CBD, BN, BNA, MSC 2, or in TC – If the subject property abuts a pedestrian-oriented street (see Plate 34 in Chapter 180 KZC) or public park, the space, if any, between the sidewalk and the building must be developed consistent with the following criteria:

      1) Enhance visual and pedestrian access, including handicapped access, onto the subject property from the sidewalk.

      2) Contain paved walking surface of either concrete or approved unit pavers.

      3) Contain on-site or building-mounted lighting which provides adequate illumination.

      4) Contain two (2) linear feet of seating area or one (1) individual seat per 65 square feet of area between the sidewalk and the building.

      5) Contain landscaping such as trees, shrubs, trellises, or potted plants.

      6) It may not include asphalt or gravel pavement or be adjacent to an unscreened parking area, a chain link fence or a blank wall which does not comply with the requirements of subsection (3) of this section, Blank Wall Treatment.

      7) An alternative solution for the pedestrian-oriented space may be established through a Conceptual Master Plan in TL 2.

92.30 Architectural and Human Scale

6. Achieving Human Scale in All Zones

a. General

1) CBD – Except as provided in subsection (6)(a)(3) of this section, the applicant shall use at least two (2) of the elements or techniques listed in subsection (6)(b) of this section in the design and construction of each facade of a building facing a street or public park.

2) BN, JBD, NRHBD, RHBD, MSC, TC, YBD and TLN – Except as provided in subsection (6)(a)(3) of this section, the applicant shall use at least one (1) of the elements or techniques listed in subsection (6)(b) of this section in the design and construction of each facade of a 1-story building facing a street or through-block pathway, and at least two (2) of the elements or techniques for a 2-story building facing a street or through-block pathway (see Plate 34 in Chapter 180 KZC).

3) All Zones – The applicant shall use at least three (3) of the elements or techniques listed in subsection (6)(b) of this section in the design and construction of any facade of a building facing a street, through-block pathway or public park, if:

a) The facade has a height of three (3) or more stories; or

b) The facade is more than 100 feet long.

105.18 Pedestrian Access

3. Pedestrian Access – Required Improvements

b. Overhead Weather Protection – Location – The applicant shall provide pedestrian overhead weather protection in the following locations:

1) Along any portion of the building which is adjacent to a pedestrian walkway or sidewalk;

2) Over the primary exterior entrance to all buildings including residential units.

3) Exceptions in Design Districts:

In CBD Zones: Along at least 80 percent of the frontage of the subject property on each pedestrian-oriented street.

In RHBD, BN, BNA, MSC 2 and TLN Zones: Along at least 75 percent of a pedestrian-oriented building facade.

In JBD Zones: Along 100 percent of a building facade abutting a street or through-block pathway.

For more information regarding designated pedestrian-oriented streets see Plate 34 in Chapter 180 KZC, and pedestrian-oriented facades in Chapter 92 KZC.

105.58 Location of Parking Areas Specific to Design Districts

If the subject property is located in a Design District, the applicant shall locate parking areas on the subject property according to the following requirements:

~~3. Location of Parking Areas in the MSC Zones – Parking areas in the MSC zones shall not be located between the street and the building unless the Planning Official determines that the proposed landscape design provides superior visual screening of the parking area.~~

~~4~~3. Location of Parking Areas in Certain TLN and RHBD Zones – Parking areas and vehicular access may not occupy more than 50 percent of the street frontage in the following zones (see Figure 105.58.A):

142.15 Development Activities Requiring D.R. Approval

1. Design Board Review (D.B.R.)

a. The following development activities shall be reviewed by the Design Review Board pursuant to KZC 142.35:

1) New buildings greater than one (1) story in height or greater than 10,000 square feet of gross floor area, or in the Market Street Corridor Historic District (MSC 3 Zone).

2) Additions to existing buildings where:

a) The new gross floor area is greater than 10 percent of the existing building's gross floor area; and

b) The addition is greater than 2,000 square feet of gross floor area; and

c) Either:

1) The existing building and addition total more than 10,000 square feet of gross floor area; or

2) The addition adds another story; or

3) Is in the Market Street Corridor Historic District (MSC 3 zone).

3) Renovations to existing facades, where the building is identified by the City as an historic structure or is in the Market Street Corridor Historic District (MSC 3 zone).

b. Exemptions from D.B.R. – The following development activities shall be reviewed through the administrative design review process in KZC 142.25:

1) Any development where administrative design review is indicated in the applicable Use Zone Chart.

2) Any development in the following zones within the NE 85th Street Subarea: RH 8, PR 3.6, RM, PLA 17A.

3) Any development in the MSC 1~~, MSC 2,~~ and MSC 4 zones located within the Market Street Corridor.

2. Administrative Design Review (A.D.R.) – All other development activities not requiring D.B.R. review under subsection (1) of this section shall be reviewed through the A.D.R. process pursuant to KZC 142.25.

142.37 Design Departure and Minor Variations

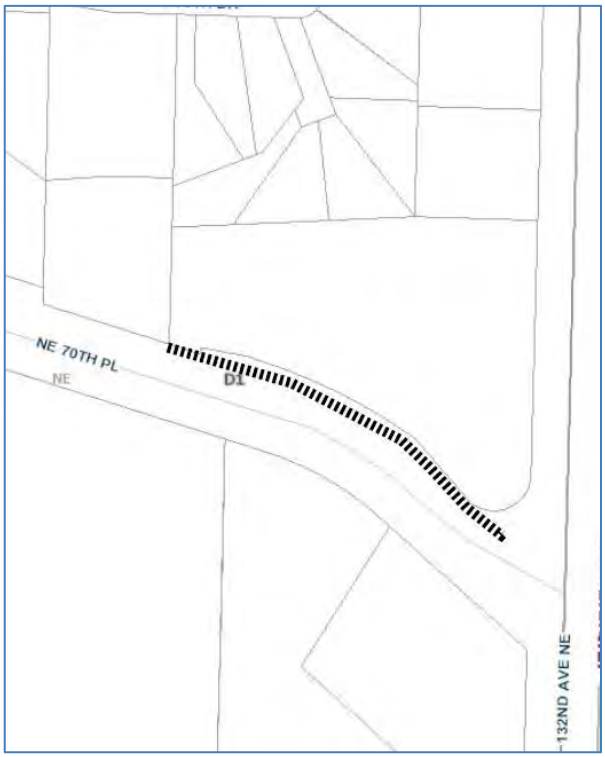
1. General – This section provides a mechanism for obtaining approval to depart from strict adherence to the design regulations or for requesting minor variations from requirements in the following zones:

a. In the CBD: minimum required yards; and
b. In the Totem Center: minimum required yards, floor plate maximums and building separation requirements; and
c. In the RHBD and the TLN: minimum required yards, landscape buffer and horizontal facade requirements; and
d. In the MSC 1 and MSC 4 zones of the Market Street Corridor: minimum required front yards and horizontal facade requirements; and
e. In the MSC 2 zone of the Market Street Corridor: height (up to an additional five (5) feet), minimum required front yards and horizontal facade requirements; and
f. In the MSC 3 zone of the Market Street Corridor: horizontal facade requirements; and~~.~~
g. In the BN and BNA zones: horizontal façade requirements.

Plate 34M

Pedestrian Circulation in Neighborhood Business Zones (BN, BNA & MSC 2)

– – – – – – – – – Pedestrian-Oriented Street



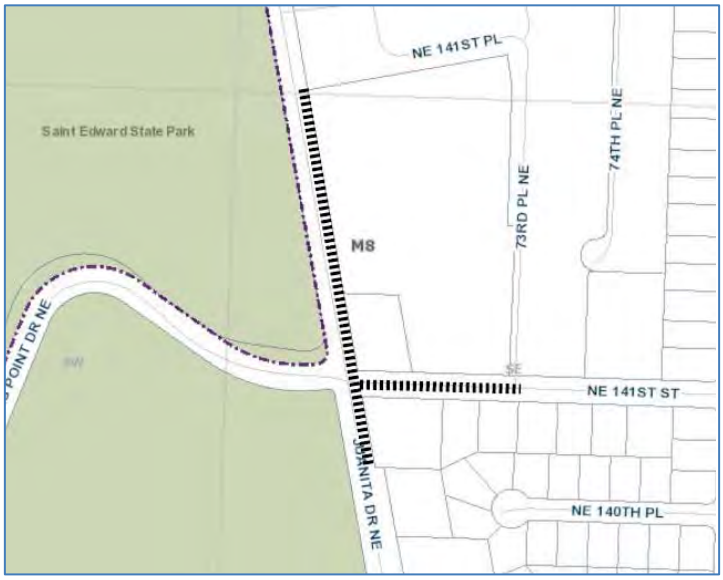


Plate 34M (continued)

PUBLICATION SUMMARY
OF ORDINANCE O-4390

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO ZONING, AND LAND USE AND AMENDING ORDINANCE NO. 3719, AS AMENDED, THE KIRKLAND ZONING ORDINANCE, TO AMEND PROVISIONS FOR COMMERCIAL, RESIDENTIAL AND MIXED-USE DEVELOPMENT IN THE NEIGHBORHOOD BUSINESS (BN AND BNA), MARKET STREET CORRIDOR 2 (MSC 2), COMMUNITY BUSINESS X (BCX), AND COMMUNITY BUSINESS 1 AND 2 (BC 1 AND BC 2) ZONES; TO REVISE ZONING CODE CHAPTERS 92 AND 142 TO INCORPORATE DESIGN REVIEW STANDARDS FOR DEVELOPMENT IN THE BN, BNA, AND MSC 2 ZONES, TO REVISE ZONING CODE CHAPTERS 105 AND 180 TO ESTABLISH PEDESTRIAN ACCESS REQUIREMENTS FOR DEVELOPMENT IN THE BN, BNA, AND MSC 2 ZONES; AND APPROVING A SUMMARY ORDINANCE FOR PUBLICATION, FILE NO. ZON11-00042.

SECTION 1. Amends certain text of the Kirkland Zoning Code.

SECTION 2. Provides a severability clause for the Ordinance.

SECTION 3. Authorizes publication of the Ordinance by summary, which summary is approved by the City Council pursuant to Section 1.08.017 Kirkland Municipal Code and establishes the effective date as five days after publication of summary.

The full text of this Ordinance will be mailed without charge to any person upon request made to the City Clerk for the City of Kirkland. The Ordinance was passed by the Kirkland City Council at its meeting on the _____ day of _____, 2012.

I certify that the foregoing is a summary of Ordinance O-4390 approved by the Kirkland City Council for summary publication.

_____
City Clerk

RESOLUTION R-4945

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING AMENDED DESIGN GUIDELINES FOR PEDESTRIAN ORIENTED BUSINESS DISTRICTS AND AUTHORIZING THE MAYOR TO SIGN.

WHEREAS, the Planning Commission considered the proposed amendments to the Design Guidelines for Pedestrian Oriented Business Districts at its public hearing on June 28, 2012, in association with related amendments to the Kirkland Zoning Code; and

WHEREAS, the City Council has determined that it is appropriate to amend the Design Guidelines for Pedestrian Oriented Business Districts as they directly support Ordinance No. 4390 (Commercial Code Zoning Amendments) and under Kirkland Municipal Code 3.30.040 design guidelines bearing the signature of the Mayor and Director of the Department of Planning and Community Development are adopted by reference;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The amendments to the Design Guidelines for Pedestrian Oriented Business Districts, attached as Exhibit A, are approved.

Section 2. The Mayor is authorized to sign the amended Design Guidelines for Pedestrian Oriented Business Districts.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2012.

Signed in authentication thereof this ____ day of _____, 2012.

_____
MAYOR

Attest:

_____
City Clerk

Attachment A
R-4945

The City of Kirkland

Design Guidelines

For Pedestrian-Oriented Business Districts

Adopted by the City Council pursuant to Kirkland Municipal Code Section 3.30.040. Updated March 3, 2009, R-4739.

Attest:

James Lauinger,
Mayor

Eric Shields
Director,
Planning & Community Development

this historic district should reflect the scale and design features of the existing historic resources in the district.

As part of the Market Street Corridor Plan, Design Regulations and Guidelines are established for new development and major renovations in the Market Street Corridor (MSC). These guidelines and regulations are intended to further the following design objectives that are stated in the plan:

- Encourage preservation of structures and locations that reflect Kirkland's heritage.
- Support a mix of higher intensity uses along the Market Street Corridor while minimizing impacts on adjacent residential neighborhoods.
- Maintain and enhance the character of the historic intersection at 7th Avenue and Market Street.
- Provide streetscape, gateway and public art improvements that contribute to a sense of identity and enhanced visual quality.
- Provide transitions between low density residential uses within the neighborhoods and the commercial and multifamily residential along Market Street.

Except for the MSC 2 zone,

The following guidelines, which suggest wider sidewalks, do not apply since there are no "pedestrian oriented streets" or "major pedestrian sidewalks" designated in the Zoning Code for the Market Street Corridor.

- Sidewalk Width: Movement Zone
- Sidewalk Width: Storefront Activity Zone

Additional guidelines that do not apply to the Market Street Corridor include:

- Protection and Enhancement of Wooded Slopes
- Height Measurement on Hillsides
- Culverted Creeks

Purpose of the Design Guidelines for North Rose Hill Business District

The North Rose Hill Business District goals and policies were adopted in 2003 as part of the North Rose Hill Neighborhood Plan. Development in the North Rose Hill Business District (NRHBD) is to complement the Totem Lake neighborhood and encourage increased residential capacity to help meet housing needs. Commercial uses are to be limited to those that are compatible with the residential focus of the NRHBD.

As part of the NRH plan, design regulations and guidelines were established for new development and major renovations in the Business District (NRHBD). These guidelines and regulations are intended to further the following urban design goals and policies stated in the plan:

- Ensure that public improvements and private development contribute to neighborhood quality and identity in the Business District through:
  - *Establishment of building and site design standards.*
  - *Utilization of the design review process.*
  - *Location and sharing of parking lots .*
  - *Utilization of high quality materials, public art, bicycle and pedestrian amenities, directional signs on all arterials, and other measures for public buildings and public infrastructure, such as streets and parks.*
- Provide transitions between commercial and residential uses in the neighborhood.
- Provide streetscape improvements that contribute to a sense of neighborhood identity and enhanced visual quality.

Since the focus of the NRHBD is on increasing residential capacity while accommodating supportive commercial uses, rather than developing into a destination retail business district, the following guidelines do not apply to this business district.

- Sidewalk Width – Movement Zone
- Sidewalk Width – Curb Zone
- Sidewalk Width – The Storefront Activity Zone
- Pedestrian Coverings
- Pedestrian-Friendly Building Fronts
- Upper-Story Activities Overlooking the Street

In addition, the following do not apply:

- Protection and Enhancement of Wooded Slopes
- Height Measurement on Hillsides
- Views of Water
- Culverted Creeks

Purpose of the Design Guidelines for Totem Center

The Kirkland City Council adopted a new neighborhood plan for Totem Lake in early 2002. The vision set forth in the Plan for Totem Center is of a dense, compact community, with a mix of business, commercial and residential uses and a high level of transit and pedestrian activity.

- Use materials and forms that reinforce the visual coherence of the campus.
- Provide inviting and useable open space.
- Enhance the campus with landscaping.
- Guidelines for the transit center to be located on the hospital campus should be developed and incorporated with guidelines for the rest of the campus.

The following guidelines do not apply to Totem Center:

- Height Measurement on Hillsides
- Views of Water

Purpose of the Design Guidelines for Neighborhood Business Districts

The Comprehensive Plan establishes a hierarchy of commercial districts, with regional goods and services at the upper end and neighborhoods goods and services at the lower end. Kirkland's Neighborhood Business Districts (BN, BNA, and MSC 2) are important in providing neighborhood goods and services. Given the more localized draw for residents to meet their everyday needs, an emphasis on convenient and attractive pedestrian connections and vehicular access is important. In addition, because these districts are surrounded by the residential land uses they serve, the design character and context of new development is critical to ensure that it integrates into the neighborhood.

The design guidelines are intended to further the following design objectives that are stated in the Plan:

· Establish development standards that promote attractive commercial areas and reflect the distinctive role of each area.

· Encourage and develop places and events throughout the community where people can gather and interact.

· Moss Bay neighborhood: Ensure that building design is compatible with the neighborhood in size, scale and character.

· South Rose Hill neighborhood: Residential scale and design are critical to integrate these uses into the residential area.

The following guidelines do not apply to these districts:

· Protection and Enhancement of Wooded Slopes

· Height Measurement on Hillsides

· Culverted Creeks

Pedestrian-Oriented Elements

Introduction

Successful pedestrian-oriented business districts, as opposed to "commercial strips," depend upon making pedestrian circulation more convenient and attractive than vehicular circulation, because the retail strategy for such districts is to encourage the customer to visit often and for more than one purpose at a time. The desired shopping pattern is for the customer to park in a convenient location and walk to several different businesses or attractions. The guidelines in this section focus on creating a high-quality pedestrian environment, especially along *pedestrian-oriented streets*. *Pedestrian-oriented streets* are specific streets defined for each business district.

This section also deals with building elements that detract from pedestrian qualities. One such detraction is a large expanse of blank wall, which, when adjacent or near to neighboring properties or overlooking public areas, can be intrusive and create undesirable conditions for pedestrians and neighbors. Therefore, the guidelines direct new development to treat blank walls with landscaping, building modulation, or other elements to reduce the impact of blank walls on neighboring and public properties.

The guidelines dealing with the spatial and functional integration of sidewalk areas and building elements address several issues:

- Width of sidewalk to accommodate pedestrian flow, building entrances, and other sidewalk activities.
- Pedestrian weather protection.
- "Pedestrian-friendly" building fronts.
- Other building facade elements that improve pedestrian conditions along the sidewalk.
- Mitigation of blank walls and screening of service areas.

"Pedestrian-Friendly" Building Fronts

Issue

Building setbacks were originally developed to promote "pedestrian-friendly" building fronts by providing light, air, and safety. But dull building facades and building setbacks that are either too wide or too narrow can destroy a pedestrian streetscape. A successful pedestrian business district must provide interesting, pedestrian-friendly building facades and sidewalk activities.

Discussion

Building fronts should have pedestrian-friendly features transparent or decorative windows, public entrances, murals, bulletin boards, display windows, seating, or street vendors that cover at least 75 percent of the ground-level storefront surface between 2' and 6' above the sidewalk.

Sitting areas for restaurant and merchandise displays should allow at least a 10' wide pavement strip for walking. Planters can define the sitting area and regulate pedestrian flow.

Blank walls severely detract from a pedestrian streetscape. To mitigate the negative effects of blank walls:

- Recess the wall with niches that invite people to stop, sit, and lean.
- Allow street vendors.
- Install trellises with climbing vines or plan materials.
- Provide a planting bed with plant material tha screens at least 50 percent of the surface.
- Provide artwork on the surface.

Guideline

All building fronts should have pedestrian-friendly feature as listed above.

Special Consideration for Downtown Kirkland - Glazing

Building frontages along pedestrian-oriented streets in the Central Business District should be configured to have a 15' story height to ensure suitability for diverse retail tenants and enhance the pedestrian experience. Where these taller retail stories are required, special attention to storefront detailing is necessary to provide a visual connection between pedestrian and retail activity.

Guideline

Storefronts along pedestrian-oriented streets should be highly transparent with windows of clear vision glass beginning no higher than 2' above grade to at least 10' above grade. Windows should extend across, at a minimum, 75% of the façade length. Continuous window walls should be avoided by providing architectural building treatments, mullions, building modulation, entry doors, and/or columns at appropriate intervals.

Special Consideration For Non-Retail Lobbies In Central Business District 1A & 1B

Non-retail uses are generally not allowed along street frontage within Central Business District 1. However, in order to provide pedestrian access to office, hotel, or residential uses located off of the street frontage or above the retail, some allowance for lobbies is necessary.

Guideline

Lobbies for residential, hotel, and office uses may be allowed within the required retail storefront space provided that the street frontage of the lobby is limited relative to the property's overall retail frontage and that the storefront design of the lobby provides continuity to the retail character of the site and the overall street.

Special Consideration for Totem Center

Since pedestrians move slowly along the sidewalk, the street level of buildings must be interesting and varied. Since

Special Consideration for Neighborhood Business Districts

Issue

To create a focal point for the community and engage pedestrians, buildings are encouraged to be oriented to pedestrian-oriented streets in these zones. However, commercial space that is above or below the grade of the sidewalk can compromise the desired pedestrian orientation.

Guideline

Commercial space should generally be at grade with the adjoining sidewalk. Where this is not feasible, the building should be setback from the sidewalk far enough to allow a comfortable grade transition with generous pedestrian-oriented open space.

Taller buildings or "towers" in TL 1 should have relatively compact floor plates. The use of towers above a two-three story podium creates a varied building footprint and the perception of a smaller overall building mass. When the building's mass is instead concentrated in lower buildings with larger floor plates, greater emphasis should be placed on open space and plazas to provide relief at the pedestrian level.

Design treatments used in the upper portion of a building can promote visual interest and variety in the Totem Center skyline. Treatments that sculpt the facades of a building, provide for variety in materials, texture, pattern or color, or provide a specific architectural rooftop element can contribute to the creation of a varied skyline.

Building Modulation – Horizontal

Issue

Horizontal building modulation is the horizontal articulation or division of larger building façades. The lower portion of a multi-story building should incorporate pedestrian-scale elements and a strong base. The top of the building should incorporate distinctive roof treatments. Elevations that are modulated with horizontal elements appear less massive than those with sheer, flat surfaces. Horizontal modulation is well suited to downtown areas and automobile-oriented streetscapes where the development of tall building masses is more likely.

Horizontal building modulation may be used to reduce the perceived mass of a building and to provide continuity at the ground level of large building complexes. Building design should incorporate strong pedestrian-oriented elements at the ground level and distinctive roof treatments.

Discussion

A lively urban character uses a variety of architectural forms and materials that together create an integrated pattern of development with recurring architectural features. Horizontal awnings, balconies, and roof features should be incorporated into new development provided that their appearance varies through the use of color, materials, size, and location.

Special Consideration for Neighborhood Business Districts

Issue

Because these districts are typically integrated into residential areas, the design should reflect the scale of neighborhood by avoiding long facades without visual relief.

Guideline

Facades over 120 feet in length should incorporate vertical definition including substantial modulation of the exterior wall carried through all floors above the ground floor combined with changes in color and material.

brick banding, and window details.

Guideline

Horizontal building modulation may be used to reduce the perceived mass of a building and to provide continuity at the ground level of large building complexes.

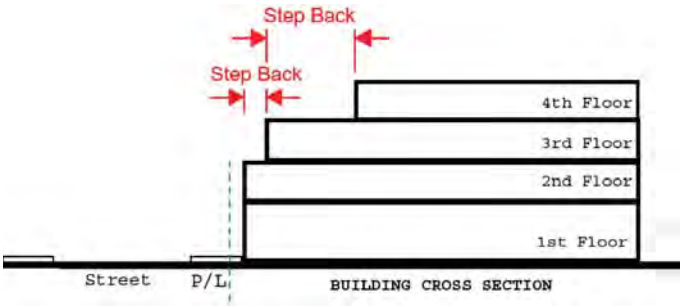
Special Consideration for Downtown Kirkland

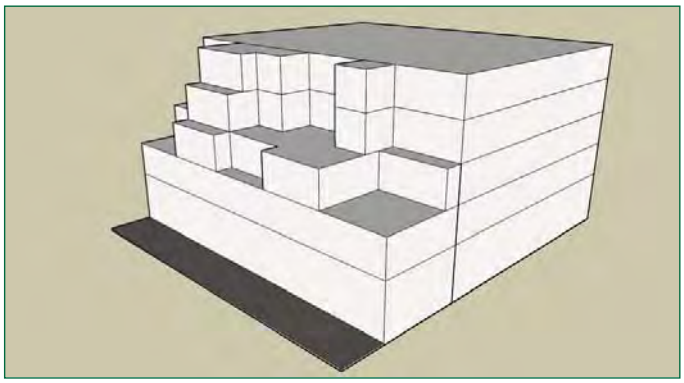
Large-scale developments, particularly east of the core area, should stress continuity in streetscape on the lower two floors. Setback facades and varied forms should be used above the second stories.

Special Consideration for Building Massing in Central Business District 1 (CBD 1A & 1B) - Upper Story Step Backs

Issue

Taller buildings can negatively affect human scale at the street level and should be mitigated. Upper story step backs provide a way to reduce building massing for larger structures. An upper story building step back is the horizontal distance between a building façade and the building façade of the floor below.





Varied step back approach

- *Decks and/or balconies should be designed so that they do not significantly increase the apparent mass of the building within the required upper story setback area.*
- *In addition to applying setbacks to upper stories, building facades should be well modulated to avoid blank walls and provide architectural interest.*
- *Along pedestrian oriented streets, upper story building facades should be stepped back to provide enough space for decks, balconies and other activities overlooking the street*
- *Landscaping on upper story terraces should be included where appropriate to soften building forms and provide visual interest.*
- *Continuous two or three story street walls should be avoided by incorporating vertical and horizontal modulations into the building form.*
- *Limited areas of vertical three, four, or five story walls can be used to create vertical punctuation at key facades. Special attention to maintain an activated streetscape is important in these areas.*
- *For properties on Park Lane which front multiple streets and upper story setbacks are proposed to be averaged, concentration of upper story building mass along Park Lane should be avoided.*

Guideline - Open Space at Street Level

Reductions to required upper story setbacks may be appropriate where an equal amount of beneficial public open space is created at the street level consistent with the following principles:

- *Public open space should be open to the sky except where overhead weather protection is provided (e.g. canopies and awnings).*
- *The space should appear and function as public space rather than private space.*
- *Public open space should be activated with adjacent shops, outdoor dining, art, water features, and/or landscaping while still allowing enough room for pedestrian flow.*
- *A combination of lighting, paving, landscaping and seating should be utilized to enhance the pedestrian experience within the public open space.*
- *Where substantial open space "trade-offs" are proposed, site context should be the primary factor in the placement of the public open space (e.g. important corners, solar access.)*

Guideline - Building Cantilevering Over Sidewalks

Buildings may be allowed to cantilever over sidewalks if a sidewalk dedication and/or easement is required consistent with following guidelines:

- *The total length of cantilevered portions of a building should be no more than 1/3rd of the entire length of the building façade. The cantilevered portions of a building should be spread out and not consolidated in a single area on the building façade.*
- *Unobstructed pedestrian flow should be maintained through the subject property to adjoining sidewalks.*
- *Space under the building cantilever should appear and function as part of the public realm.*
- *The sense of enclosure is minimized.*

Special Considerations for Neighborhood Business Districts

Issue

Where buildings are close to the street in these neighborhood areas, vertical building massing can negatively affect human scale at the street level Upper story step backs provide a way to reduce building massing. An upper story building step back is the horizontal distance between a building façade and the building façade of the floor below.

Guideline

Above the ground floor, buildings should utilize upper story step backs to create receding building forms as building height increases. Rather than a rigid stair step approach, varied step back depths and heights should be used to create well modulated facades and usable decks and balconies overlooking the street.

Issue

Within the South Rose Hill Neighborhood Plan, additional mitigation of scale impacts in called for.

Guideline

Building height, bulk, modulation, and roofline design should reflect the scale and character of adjoining single-family development.

Council Meeting: 12/11/2012
Agenda: New Business
Item #: 11. a. (3).

CITY OF KIRKLAND
PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
123 FIFTH AVENUE, KIRKLAND, WA 98033 425.587.3225
www.ci.kirkland.wa.us

MEMORANDUM

Date: **November 29, 2012**

To: **Kirkland City Council**

From: **Jon Pascal, Vice Chair, Kirkland Planning Commission**

Subject: **Recommendation on Howard Private Amendment request (PAR) Study Area, Ordinance 0-4391, (File ZON11-00005)**

I. Recommendation

On behalf of the Planning Commission, I am pleased to submit our recommendation on amendments for the Howard Private Amendment Request (PAR) study area located in the *Holmes Point Business District*. The study area consists of four parcels: the Howard BNA zoned property (labeled as Lot 1 on Attachments 1-3), the Finn Hill Fire Station (labeled as Lot 2 on Attachments 1-3), the Holmes Point PLLC office complex (labeled as Lot 3 on Attachments 1-3) and the Howard RMA zoned property (labeled as Lot A on Attachments 1-3). The Planning Commission's recommendations are as follows:

- Change the Zoning Map and Comprehensive Plan's Land Use Map for Lots 1-3 from **Commercial (BNA) to Professional Office/Multifamily** at 18 units per acre **(PRA 2.4)**. The residential density of 18 units per acre/1 unit for every 2400 square feet of land area is consistent with the density recommended for this BNA zone in the pending Commercial Code and Plan Amendments.

- Change the Comprehensive Plan's Land Use Map for Lot A **from Commercial to Multifamily** at 18 units per acre to make the Land Use Map consistent with the existing Zoning Map. Lot A is zoned RMA 2.4 (18 units per acre).

- Consider the Planning Commission's concerns, addressed below, about making land use changes in the Juanita/Finn Hill/Kingsgate neighborhoods without neighborhood plans in place. The new neighborhoods are unique from other neighborhoods because no long-term planning has been performed that can guide decision making to ensure we are building toward a consistent long-term vision.

The two amendments are included as an exhibit to the ordinance.

Concerning the first recommendation, the Planning Commission unanimously recommends changing the zoning and land use designation from C**ommercial (BNA) to Professional Office/Multifamily** at 18 units per acre **(PRA 2.4) for Lots 1-3** because the lots have site

constraints that make the parcels unattractive to commercial use due to difficult access and poor visibility. Lot 1, the Howard BNA zoned lot, has no access to NE Juanita Drive NE and will need to take access across the Howard RMA zoned lot to the north. Lot 2, the Finn Hill Fire Station, has poor access because any driveway to the site would be in close proximity to the intersection of Holmes Point Drive / NE Juanita Drive. Both the Howard and Finn Hill Station properties have minimal frontage along NE Juanita Drive which limits commercial visibility. Lot 3, the Holmes Point PLLC office complex, cannot be seen from NE Juanita Drive so it has no commercial visibility (see Attachment 1).

The recommended Professional Office/Multifamily (PRA 2.4) zoning provides the flexibility of uses needed for these site constraints. Developments under the PRA zoning can be residential, office and neighborhood oriented business either as a mix of uses or solely as one use. Under the BNA zoning, commercial uses must be on the ground floor and with the recommended Commercial Code Amendments residential use can only cover 50% of the gross floor area of the site.

PRA zoning would meet the development objectives of Mr. Howard and the owners of the Holmes Point PLLC office complex. Mr. Howard would like to develop his vacant BNA zoned and RMA zoned properties as one multifamily project. The Holmes Point PLLC owners would like the option in the future of developing a multifamily project in place of their current office complex. Neither property owners believe that retail would be successful on their properties due to the site constraints.

If the City were to decide to sell the fire station property in the future, the redevelopment options for the property under the PRA zoning would remain flexible since grocery stores, neighborhood oriented retail, restaurants, taverns and offices are allowed along with residential. The maximum allowable height would not change, but the lot coverage allowance (total paved area including the building footprint) would be reduced slightly from 80% under the BNA zone to 70% under the PRA zone. A fire station is classified as a government facility use which is allowed in all zones so rezoning the property from BNA to PRA would not limit the ability to expand or alter the fire station.

Concerning the second recommendation, the Planning Commission unanimously recommends changing the Land Use Map for the Howard RMA 2.4 zoned property (Lot A on Attachments 2 and 3) from **Commercial to Multifamily at 18 units per acre** to be consistent with the existing Zoning Map. Under the Growth Management Act, the two maps should be consistent. Under King County, the maps were not consistent for this property. Prior to annexation, the City Council considered making the maps consistent by changing the Zoning Map to reflect the commercial designation on the Land Use Map, but the nearby neighbors objected to commercial uses on the property so the City left the inconsistency in place. Since Mr. Howard would like to construct multifamily residential on Lot A in conjunction with Lot 1, it would be appropriate to correct the inconsistency and change the Land Use Map to be consistent with the Zoning Map.

II. Planning Commission's Concern about Modifying the Land Use Plan in the Newly Annexed Areas without a Neighborhood Plan

The Planning Commission's original recommendation to the City Council in March 2011, during the Threshold Determination process, was to defer the study and consider it during preparation of the Finn Hill Neighborhood Plan or a Holmes Point Business District Subarea Plan. In April 2011, the City Council decided to consider the Howard PAR request because there are no plans to prepare neighborhood plans for the annexed areas in the near future and the Council thought that Mr. Howard's request had merit. While a broader Business District Subarea Plan was also discussed, which would have evaluated both sides of Juanita Drive, the City Council ultimately directed the Planning Commission to study the request in 2012 only considering the parcels on the west side of Juanita Drive.

Following the public hearing on November 15, 2012, the Planning Commission had a lengthy discussion about making recommendations on private amendment requests, or any land use change for that matter, in the new neighborhoods with no neighborhood plan to guide decision making. While the Planning Commission reached a unanimous decision on the Howard PAR, all Commissioners were very reluctant in reaching the recommendation, and felt their original recommendation in March 2011 was still valid, but Council directed them to move forward with the study regardless. The Planning Commission has a general concern that they are put in an uncomfortable situation by the need to make recommendations on PARs or other City initiated land use changes without an adopted neighborhood plan to guide recommendations. Neighborhood plans are important tools to use in discussing and making decisions on changes to land use designations and zoning in each neighborhood. Considering a private amendment request or other land use plan updates without a neighborhood plan in place is not good comprehensive planning and is not a good way of doing business. Such actions jeopardize the long-term goals and vision of the community.

The Howard PAR is one example where perhaps a neighborhood plan or subarea plan could better evaluate how to make commercial uses successful in the neighborhood in a broader context so those findings could be considered before reducing the amount of commercially zoned property. The Finn Hill Neighborhood has limited commercially designated land, and therefore residents depend heavily on their vehicles to reach areas of commerce for their daily needs. A broader planning effort would focus more on how to make commercial uses work for the community, so decisions are occurring that are consistent with that objective. Therefore, the Planning Commission would like to have neighborhood or subarea plans in place before considering future private amendment requests or other land use changes in the newly annexed areas.

The Finn Hill Neighborhood Alliance submitted a letter dated November 13, 2012, and Ellen Haas spoke on behalf of the neighborhood association at the hearing asking that the decision on the Howard PAR study area be deferred until a neighborhood plan or at least a business district subarea plan is prepared (see Attachment 4). Other letters were received that addressed the same issue (see Attachments 5-7 and comment letters for the October 25 and November 15, 2012 meetings).

However, the Planning Commission concluded that because of the special circumstances of site constraints in this study area, the same decision to rezone the properties from commercial to professional office/multifamily likely would be made with or without a plan in place. The Planning Commission decided that the Lots 1-3 are difficult for commercial uses to be successful and that a change from BNA to PRA will likely result in less intensive development and less traffic impacts. Moving forward with the rezones without a neighborhood plan in place is appropriate in this particular circumstance due to the less intensive uses that are being proposed.

III. Background

On November 22, 2010, Jeff Howard submitted a PAR request to change the Zoning Map and Comprehensive Plan designation for his vacant commercially zoned property from BNA (commercial) to RMA 2.4 (multifamily at 18 units per acre). His property is located on the west side of Juanita Drive NE in the *Holmes Point Business District* (Lot 1 on Attachment 1).

Mr. Howard indicated in his application that the purpose of the request is to build a multifamily development in combination with the RMA 2.4 zoned lot that he owns north of his commercially zoned property. Based on the King County Assessor's Office information for lot size, up to 33 units could be built on the two lots if both have a residential density of 1 unit per 2,400 square feet of land area.

Mr. Howard stated in his application the following reasons for the request:

- Direct vehicular access to his BNA zoned property (Lot 1 on Attachment 2) from Juanita Drive NE is nearly impossible because King County redesigned the intersection several years ago such that his BNA zoned lot lies between two closely located intersections at the *Holmes Point Business District*. Thus, access for Mr. Howard's BNA zoned property needs to be provided through Mr. Howard's abutting RMA 2.4 zoned property to the north (Lot A on Attachment 1).

- The BNA zoning regulations require retail or office use on the ground floor and do not permit residential use, other than a lobby. Mr. Howard believes that a commercial use with indirect access through a multifamily development is not a marketable space and would not be a successful business.

On April 19, 2011, the City Council considered the Howard PAR and directed the Planning Commission to study the request in 2012. In addition, the City Council directed that the study include the two other BNA zoned properties on the west side of the *Holmes Point Business District* located south of the Howard BNA zoned site. These two properties are the Finn Hill Fire Station property and the Holmes Point LLC office complex. Staff identified an issue of inconsistency between the Land Use Map and the Zoning Map for Mr. Howard's RMA zoned lot and included this lot in the study (see Attachment 1).

IV. Public Participation

Public notice was provided by way of mailed notice to property owners, emailed notice to the Finn Hill Neighborhood Alliance and public notice boards. In addition, meeting information was provided on the City's Private Amendment Request web page and in the *Seattle Times* newspaper.

The Planning Commission held study sessions on September 27, 2012, and October 25, 2012, and a public hearing on November 15, 2012. Jim Dobler, one of the owners of the Holmes Point PLLC office complex, spoke at the September 27, 2012, meeting in favor of the PRA zoning change, but not in favor of a RMA zoning since multifamily zoning would make the existing office complex a non-conforming use. Mr. Howard spoke in favor of any zoning that would allow a residential development on the ground floor. At the public hearing, Mr. Howard and Ellen Haas from the Finn Hill Neighborhood Alliance both spoke. Several written comments were submitted asking that a decision be deferred until a neighborhood plan is prepared and expressing concerns about traffic in the area, the ability to expand the fire station if desired and the potential for residential density inconsistent with the surrounding neighborhood. One person wrote in favor of developing the Howard properties and stated that traffic is not a problem in the area. The public comments in Attachments 4-8 provided with this memo since they were received after the hearing packet for the November 15, 2012, meeting was distributed.

Mr. Howard submitted an email dated November 13, 2012, with a petition signed by 37 surrounding residential neighbors in favor of Mr. Howard's request (see Attachment 5). The petitioners do not want commercial uses on the Howard BNA zoned property.

On November 14, 2012, Mr. Howard and Planning staff attended the Finn Hill Neighborhood Alliance's annual meeting to answer questions about the study. Mr. Howard explained his development plans and why he was making the request.

Links to staff memorandums, draft minutes and audio recordings for the Planning Commission meetings are provided below:

- September 27, 2012 study meeting
- October 25, 2012 study meeting
- November 15, 2012 public hearing

V. SEPA Determination

On October 4, 2012, a Determination of Non-Significance was issued for the Howard PAR study. An analysis, including a traffic study, was done based on worse case development scenarios under BNA, PRA and RMA zoning. It was determined that there would be less of an overall impact under the PRA and RMA development scenarios compared to the current BNA zoning. No SEPA appeals were received.

VI. CRITERIA FOR APPROVING CHANGES TO THE ZONING MAP AND LAND USE MAP

The Planning Commission reviewed the following criteria in the Zoning Code and determined that the amendments meet the criteria for approving changes to the Zoning and Land Use Maps and Zoning Code:

- Section 130.15 Legislative Rezones – Criteria
- Section 135.25 Criteria for Amending the Text of the Zoning Code
- Section 140.25 Factors to Consider in Approval an Amendment to the Comprehensive Plan

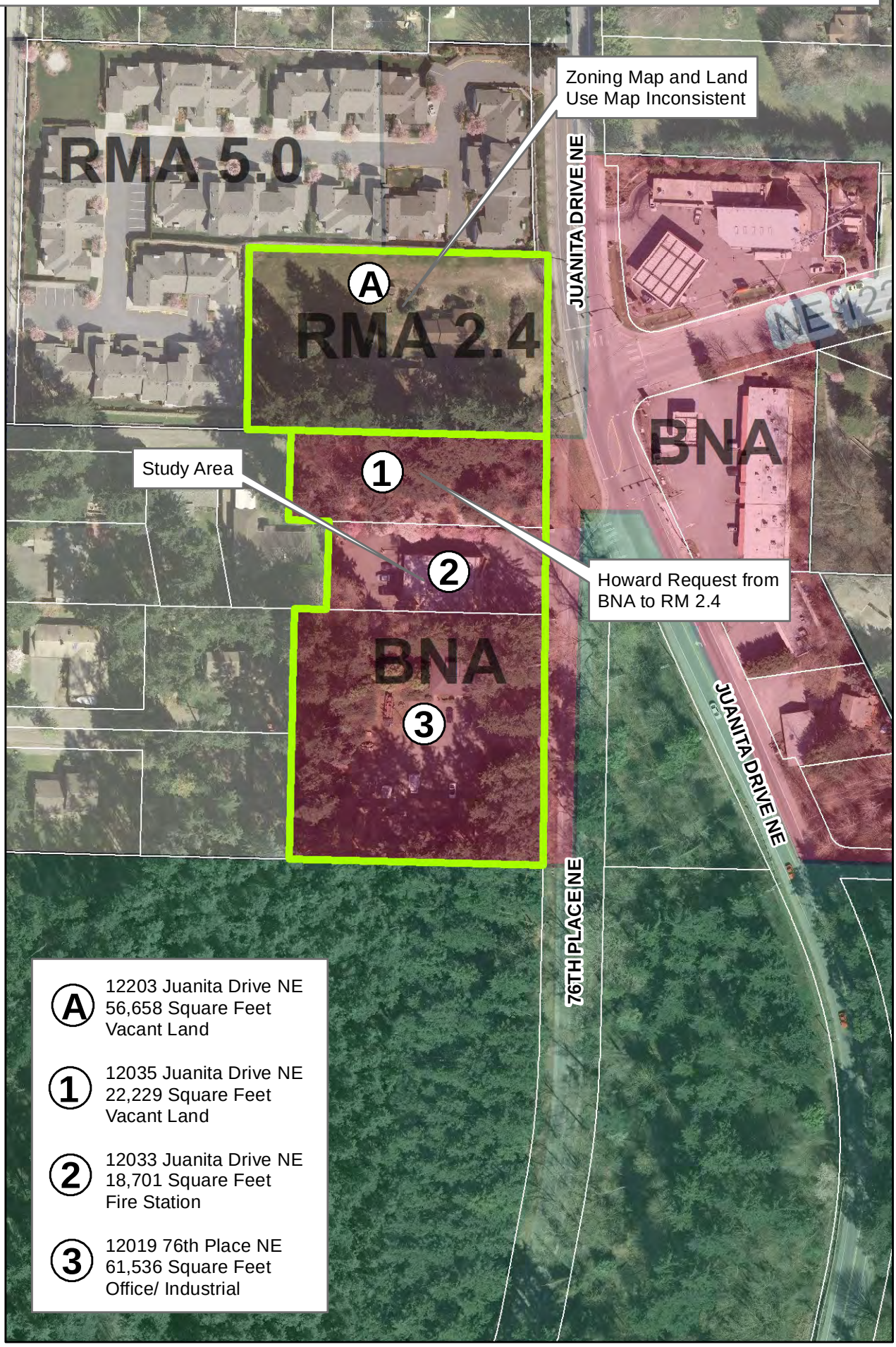
Attachments

1. Aerial of Howard PAR study area
2. Current Zoning Map of study area
3. Current Land Use Map of study area
4. Finn Hill Neighborhood Alliance letter, dated November 13, 2012
5. Jeff Howard email with petition from 37 neighbors, dated November 13, 2012
6. Teresa Chilelli-White email, dated November 15, 2012
7. Tim and Leslie Tinti email, dated November 15, 2012
8. Matthew Pruitt email, dated November 15, 2012

cc: File ZON11-00005

ATTACHMENT 1

HOWARD PRIVATE AMENDMENT REQUEST STUDY AREA, ZON11-00005



Tax Parcel Boundaries
Commercial
Industrial
Light Manufacturing Park
Office
High Density Residential
Medium Density Residential
Low Density Residential
Institutions
Park/Open Space

0 25 50 75 100 Feet
0 0.005 0.01 0.015 0.02 Miles

CITY OF KIRKLAND WASHINGTON

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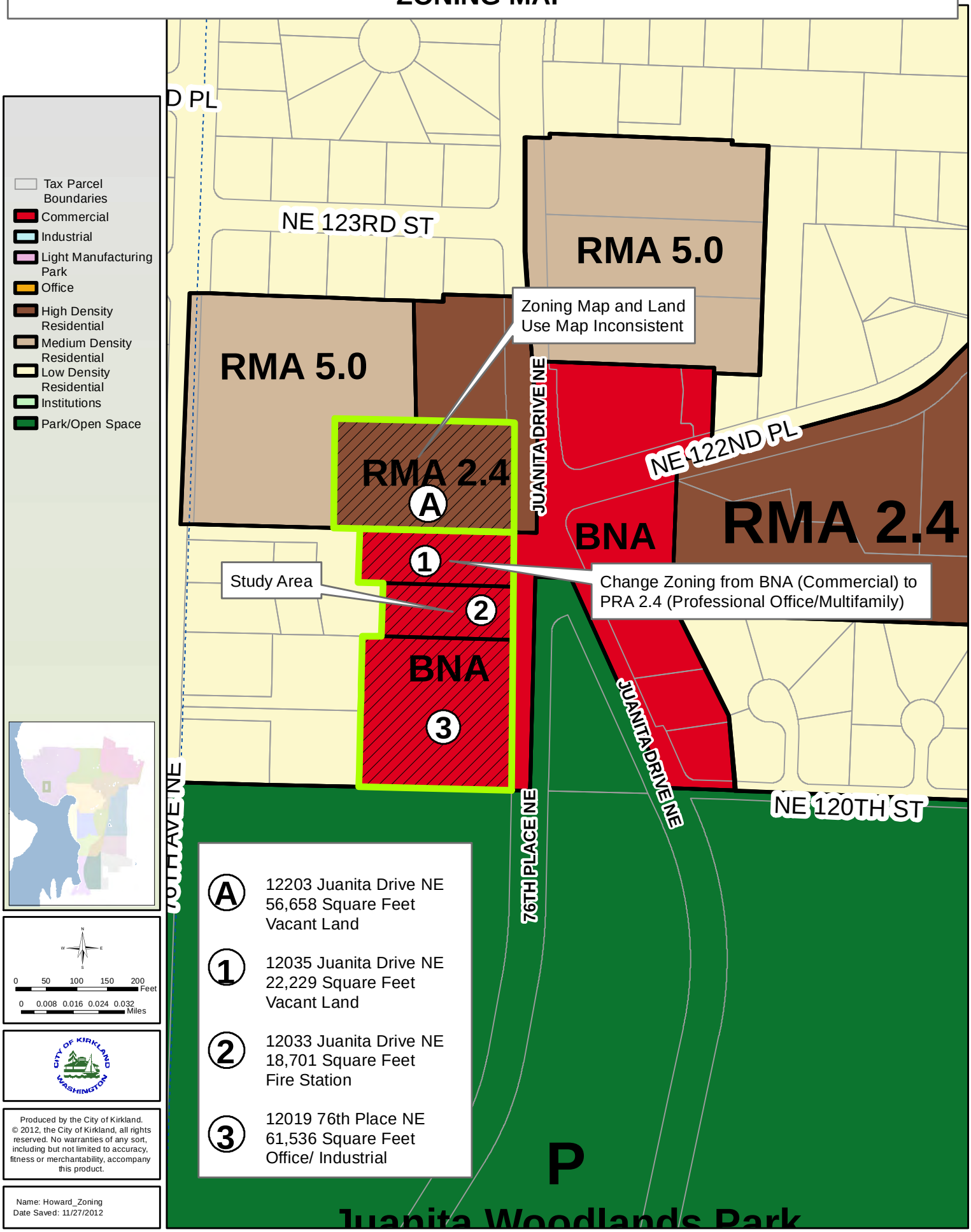
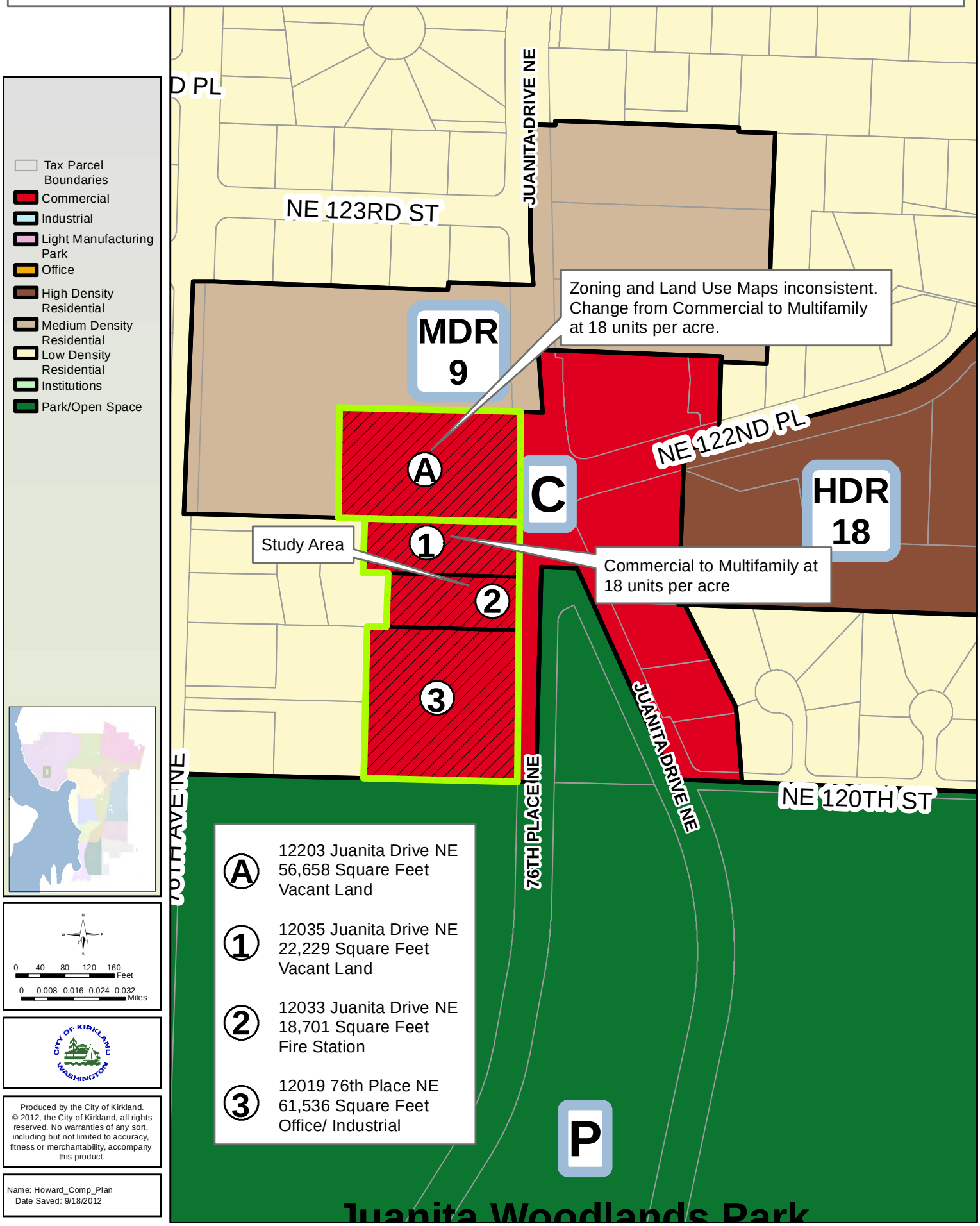
Name: Howard_Aerial
Date Saved: 9/17/2012

HOWARD PRIVATE AMENDMENT REQUEST STUDY AREA, ZON11-00005 ZONING MAP



HOWARD PRIVATE AMENDMENT REQUEST STUDY AREA, ZON11-00005
COMPREHENSIVE LAND USE MAP



ATTACHMENT 4

November 13, 2012

Planning Commissioners
Planning Department
City of Kirkland
123 Fifth Avenue
Kirkland WA 98033-6189

RE: Howard Private Amendment Request

Dear Commissioners:

The Finn Hill Neighborhood Alliance (FHNA) has previously requested that the Commission refrain from making substantive amendments to the County's zoning regulations and map for Finn Hill until the development of a neighborhood plan that addresses Finn Hill's housing, commercial, transportation, and environmental needs in a coherent manner. FHNA is concerned that, until a neighborhood plan reflecting the input of Finn Hill residents is created, the City will not be able to resolve land use issues in the context of the community's planning goals. Without a neighborhood plan, the City will be forced to make decisions in a vacuum, creating a significant risk that it will choose outcomes that compromise Finn Hill's long-term interests.

The Howard Private Amendment Request is a good example of why zoning decisions should await the creation of a neighborhood plan. This request will have a significant and permanent impact on the southern half of Finn Hill. FHNA urges the Commission to recommend that the request be denied until a neighborhood plan – or at least a plan focused on the Holmes Point Business District – is developed.

Mr. Howard has asked the City to relax the requirement for retail space on one of the two adjacent properties he owns because it does not appear that retail development on the property would be economically viable. According to Mr. Howard, this is due to the difficulty of accessing that parcel given the current configuration of Juanita Drive. This assertion may be correct. However, so far as FHNA is aware, no studies have been undertaken as to whether the junctions of Holmes Point and 122nd Place with Juanita Drive could be redesigned to alleviate the present access constraints. Evidently, King County re-configured these intersections some years ago in ways that have made access worse; perhaps these can design decisions can be reversed.

Admittedly, it is possible that, for other reasons, neither of Mr. Howard's parcels should be subject to a retail development requirement. It may even be the case that commercial development of the parcels comprising the Holmes Point Business District on the western side of Juanita Derive would not ultimately be supported by Finn Hill residents. What is clear, however, is that if Mr. Howard's request to remove the retail development requirement is granted, there will be little prospect for retail

Finn Hill Neighborhood Alliance
P.O. Box 682, Kirkland WA 98083

construction on the western side of Juanita Drive at the Holmes Point intersection. Since the Holmes Point Business District is one of only two such areas on Finn Hill, a decision to cut the district by half should not be taken for the sake of expediency. The consequences are significant. The City would forego sales tax revenues that might have come from shops in these parcels. Local residents would lose the chance to enjoy an attractive commercial area within walking distance of their homes.

FHNA believes that the Commission's original recommendation to defer action on the Howard re-zoning request was correct. We recognize that the City Council subsequently directed the Commission to address the request this year. Nevertheless, the Council's instruction does not compel the Commission to grant the request. The Commission can still conclude that the consequences of granting a request are sufficiently important that further analysis is justified.

FHNA recommends that the Commission take this position. In so doing, we are not asking that the City to postpone acting on Mr. Howard's request indefinitely. FHNA offers to work with both the Planning Department staff and Mr. Howard to convene community meetings during the first half of 2013 to explore the ramifications of Mr. Howard's request and to assess the viability of the Holmes Point Business District zoning as it exists today. Following the community meetings, Finn Hill residents will better understand what trade-offs the re-zoning request entails, and the City and Mr. Howard will better understand the community's priorities.

These meetings may serve to validate the Planning Department's recommendation that all of the properties in the study area be re-zoned PR 2.4. But, whatever the outcome, the community will have had an opportunity in the first half of 2013 to assess the potential of the Holmes Point Business District and the ramifications of changes to the present zoning for that district. That can only have long-term benefits for Finn Hill and for Kirkland.

Thank you for your consideration of our views.

Submitted on behalf of the FHNA Board of Directors,

Scott Morris
President

cc: Eric Shields
Paul Stewart
Teresa Swan
Kurt Triplett
Kirkland City Council
FHNA Board of Directors

ATTACHMENT 5

Jeff Howard
16350 NE 51st St
Redmond, Washington 98052

The Finn Hill Neighborhood Alliance allowed me to discuss this request at their meeting last night. I think I learned more from them than they from me.

The newly annexed neighborhoods are just getting the feel of having a new – shall we say – "central government" to deal with. They have understandable concerns about being treated as equal to the other areas in the City. They want assurances that the City is not making some sort of drastic changes without considering their inputs. Their desires for a Neighborhood Comp. Plan are very legitimate too, but the time horizon on that is murky and years away. Concerns about traffic were also voiced.

Time was short and there were questions neither Paul, Teresa nor I were able to answer completely. I do think we communicated that this request would not lead to any huge changes as some had feared. The Planning Staff recommendation is basically an adjustment to allow the most flexible and economical development of the 3 subject parcels.

Kirkland benefits when property is developed to meet the "Highest and Best Use" criteria. This maximizes the tax base that funds services for all residents. Zoning regulations sometimes preclude such development instead of encourage it; and this is the case here.

Economics and location dictate Highest and Best Use, and here we have 3 properties that could meet that goal by being developed into completely different uses. Present zoning prohibits the most sensible use on our parcel and limits the allowable uses on the other two.

The Staff recommendation is not a major alteration of the present allowed uses. However it does give all three owners – myself, the City in the case of the fire station, and Holms Point LLC – the flexibility to decide on and develop the individual properties to match the economics and satisfy the surrounding neighbors.

The adjacent neighbors and business owners all support the development of our small lot for residential construction. This will add less traffic than the presently required commercial uses as well.

We ask that the Planning Commission approve the Staff's recommendation and pass it along to the City Council for a final vote.

Thanks You.

ATTACHMENT 6

Teresa Swan

From: TChilelli@aol.com
Sent: Thursday, November 15, 2012 11:18 AM
To: Planning Commissioners; City Council
Cc: Teresa Swan; mathewpruitt@gmail.com; twenty150bye@aol.com
Subject: Howard Development File # ZON11-00005

November 15, 2012

To Whom it may concern:

I am unable to make the commission meeting tonight regarding the Howard Development File # ZON11-00005.

I believe that it is of the utmost importance that the City of Kirkland immediately begin the process of coming up with a neighborhood plan for development and the traffic on Juanita Drive and a drainage plan for the natural habitat in the area. The area just becomes more dense without a real plan. to handle these items. Would it not behoove us to be proactive and handle these items prior to development as opposed to reactionary and fixing the problem afterward?

One of the promises made to us prior to annexation was that nothing would change zoning wise unless a total plan was presented to the neighborhood first. Less than a year as part of Kirkland and already the promise is broken.

I attended last night's FHNA meeting. It came across that theCity of Kirkland representatives were more interested in the developer than the community. I was very dissapointed to see the City Representtives defending Mr. Howard's position. I forgot to ask Mr, Howard where he lives, because I am sure it is not in our neighborhood. The city is supposed to have a commitment to us , not the developer. It is not the neighborhood's job or the City's job to control the cost of the development, or to ensure that he makes money on it. He knew what the zoning was prior to his purchase of it and prior to his submittal. Just because he does not want to spend the money to improve the intersection does not mean he can change the

rules. Contrary to popular belief, real estate is no different than the stock market. There are no guarantees.

I commend Mr. Howard for taking a pole of the adjacent property owners, but he did not pole the entire neighborhood. There were a few there last night that expressed wanting to have a bigger commercial area. More reason to implement a neighborhood plan.

I would prefer to see residential there, but a lower density than what Mr. Howard is proposing . It is an odd intersection with the way the lights are now and adding more turns onto the intersection will make it even odder. More reason to formulate a neighborhood plan first.

I also believe that if this commercial area is rezoned to residential, then the City will be looking for a new area in the neighborhood to add commercial zoning. Where would that be located? We would know if we had a neighborhood plan.

If we were still in the County it would most likely take way longer for him to develop this property than it will in Kirkland. One reason I believe he waited until after annexation to submit. If he has to wait two years for the plan to be in place, so be it. He waited this long to even begin the process. It is not our responsibility to subsidize private development, but it is our responsibility to ensure that the neighborhood, we live in is the way we like it.

Sincerely,

Teresa Chilelli-White
11724 80th Ave NE
Kirkland, WA 98034
Tchilelli@aol.com
425-501-4693

ATTACHMENT 7

Teresa Swan

From: Leslie Montgomery Tinti <leslie@tinti.com>
Sent: Thursday, November 15, 2012 11:51 AM
To: Teresa Swan
Cc: T T
Subject: Howard Private Amendment

Dear Ms. Swan,

Unfortunately, we will not be able to attend the special meeting tonight but we wanted to have our voices heard. My husband and I have lived in the Holmes Point area for over 20 years. We love this area so much! We are members of FHNA and appreciate all of the FHNA's hard work for the past many years. We feel that the zoning decisions should wait until the first half of 2013 when meetings can be held to discuss and develop a neighborhood plan that addresses Finn Hill's housing, commercial, transportation, and environmental needs in a coherent manner.

Thank you.

Tim and LeslieTinti

ATTACHMENT 8

Teresa Swan

From: Eric Shields
Sent: Thursday, November 15, 2012 5:14 PM
To: Teresa Swan
Subject: FW: Howard Zoning Amendment

Eric Shields

From: Mathew Pruitt [mailto:mathewpruitt@gmail.com]
Sent: Thursday, November 15, 2012 5:02 PM
To: Planning Commissioners; City Council
Cc: Scott Morris; Ellen.haas@comcast.net
Subject: Howard Zoning Amendment

I am writing in support of the Finn Hill Neighborhood Alliance's position that Finn Hill needs a neighborhood plan before the city considers major changes to comprehensive plan zoning requirements.

During a time when the city seems to be looking for more revenue it does not seem to be prudent to me to accept a proposal that would get rid of a commercial development requirement without first having a process and a plan in place that outlines where else that kind of development will come from. On Finn Hill there are two places where commercial development is possible. The first, is the Howard property, and the second, is up near the QFC. By accepting this proposal and allowing Mr. Howard to develop non commercial residences on this land, the city is limiting its options in the future which is not in the interest of the community.

I certainly can understand Mr. Howard's frustration about delaying the project timeline until a neighborhood plan can be developed. I am appreciative of his attempt to gather signatures of surrounding neighbors. I believe he is sincere in wanting to do what is best for the neighborhood. However, this issue is not just about the stakeholders adjacent to the property he wishes to develop... This is about the future vision of community development on Finn Hill. I can assure you the board of the FHNA and members of the Finn Hill neighborhood are committed to assisting the city in any way we can in order to move the process along in and expedient manner.

We believe that Finn Hill can be a model for suburban planning given the complexity of the area, its environmental sensibilities, and its diverse community. Making major changes to the comprehensive plan before that discussion with the community can occur and a neighborhood plan can be developed is not beneficial to the residents of Kirkland.

Thank you,

Mathew Pruitt
12352 76th Ave. NE
Kirkland, WA 98034

ORDINANCE O-4391

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO COMPREHENSIVE PLANNING AND LAND USE AND AMENDING THE COMPREHENSIVE PLAN, ORDINANCE 3481 AS AMENDED, THE KIRKLAND ZONING MAP, ORDINANCE 3710 AS AMENDED, AND THE KIRKLAND ZONING CODE, ORDINANCE 3719 AS AMENDED, AS REQUIRED BY RCW 36.70A.130 TO ENSURE CONTINUED COMPLIANCE WITH THE GROWTH MANAGEMENT ACT AND APPROVING A SUMMARY FOR PUBLICATION, FILE NO. ZON11-00005.

WHEREAS, the Growth Management Act (GMA), specifically RCW 36.70A.215, mandates that the City of Kirkland review, and if needed, revise its Comprehensive Plan, its official Zoning Map and its Zoning Code pursuant to RCW 36.70A.130; and

WHEREAS, the City Council has received recommendations from the Kirkland Planning Commission to amend certain portions of the Comprehensive Plan for the City, Ordinance 3481 as amended, and the Zoning Map, Ordinance 3710 as amended, all as set forth in that certain report and recommendation of the Planning Commission dated November 29, 2012, and bearing Kirkland Department of Planning and Community Development File No. ZON11-00005; and

WHEREAS, prior to making said recommendation the Planning Commission, following notice thereof as required by RCW 35A.63.070, held on November 15, 2012, a public hearing, on the amendment proposals and considered the comments received at said hearing; and

WHEREAS, subsequent to the public hearing, City staff recommends a related minor housekeeping amendment to the Kirkland Zoning Code, Ordinance 3710 as amended, for Use Zone Chart PR, PRA Section 25.08, as set forth in that certain report from City staff dated November 29, 2012; and

WHEREAS, pursuant to the State Environmental Policy Act (SEPA), there has accompanied the legislative proposal and recommendation through the entire consideration process, a final determination of nonsignificance, including supporting environmental documents, issued by the responsible official pursuant to WAC 197-11-340; and

WHEREAS, in regular public meeting the City Council considered the environmental documents received from the responsible official, together with the reports and recommendations of the Planning Commission and City staff; and

WHEREAS, RCW 36.70A.130, requires the City to review all amendments to the Comprehensive Plan concurrently and no more frequently than once every year;

NOW, THEREFORE, the City Council of the City of Kirkland do ordain as follows:

Section 1. Comprehensive Plan Figure and Zoning Map amended: The Comprehensive Plan, Ordinance 3481 as amended, and the Zoning Map, Ordinance 3710, as amended, are hereby amended as set forth in Exhibit A attached hereto and by this reference incorporated herein as though fully set forth.

Section 2. Kirkland Zoning Code (Ordinance 3719 as amended) Section 25.80—General Regulations is hereby amended to revise General Regulation 5, to read as follows:

Use Zone Chart PR, PRA Section 25.80 – General Regulations

5. Within the PRA **1.8** zone, the maximum building height of a structure may be increased to 60 feet above average building elevation if:
   a. All required yards are increased by one foot for every two feet of height above 35 feet;
   b. Buildings may not exceed three stories; and
   c. Rooftop appurtenances may not exceed the maximum height and are screened with sloped roof forms.

Section 3. If any section, subsection, sentence, clause, phrase, part or portion of this Ordinance, including those parts adopted by reference, is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

Section 4. This Ordinance shall be in full force and effect five days from and after its passage by the City Council and publication pursuant to Kirkland Municipal Code 1.08.017, in the summary form attached to the original of this Ordinance and by this reference approved by the City Council as required by law.

Section 5. A complete copy of this Ordinance shall be certified by the City Clerk, who shall then forward the certified copy to the King County Department of Assessments.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2012.

Signed in authentication thereof this _____ day of _____, 2012.

_____
Mayor

Attest:

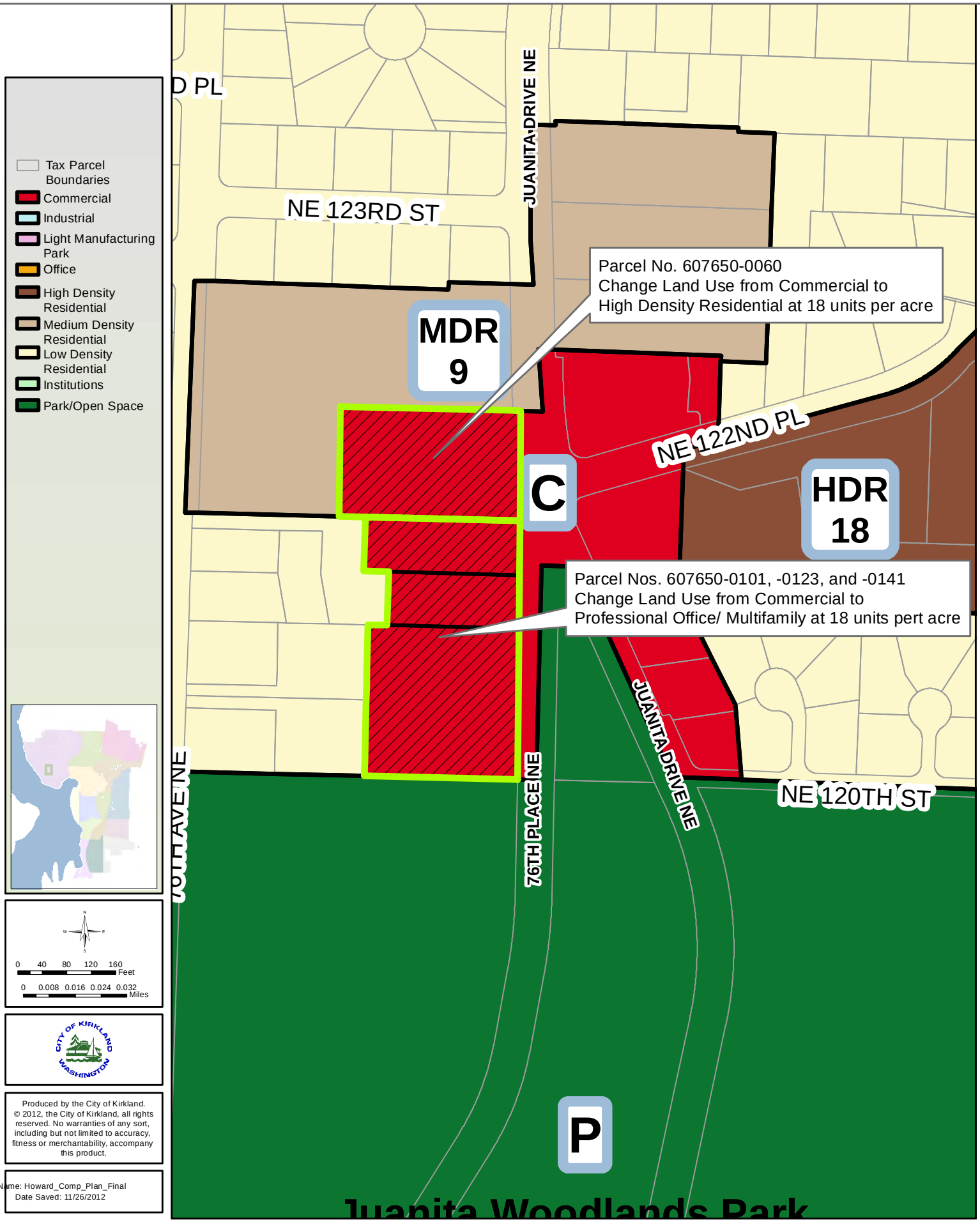
_____
City Clerk

Approved as to Form:

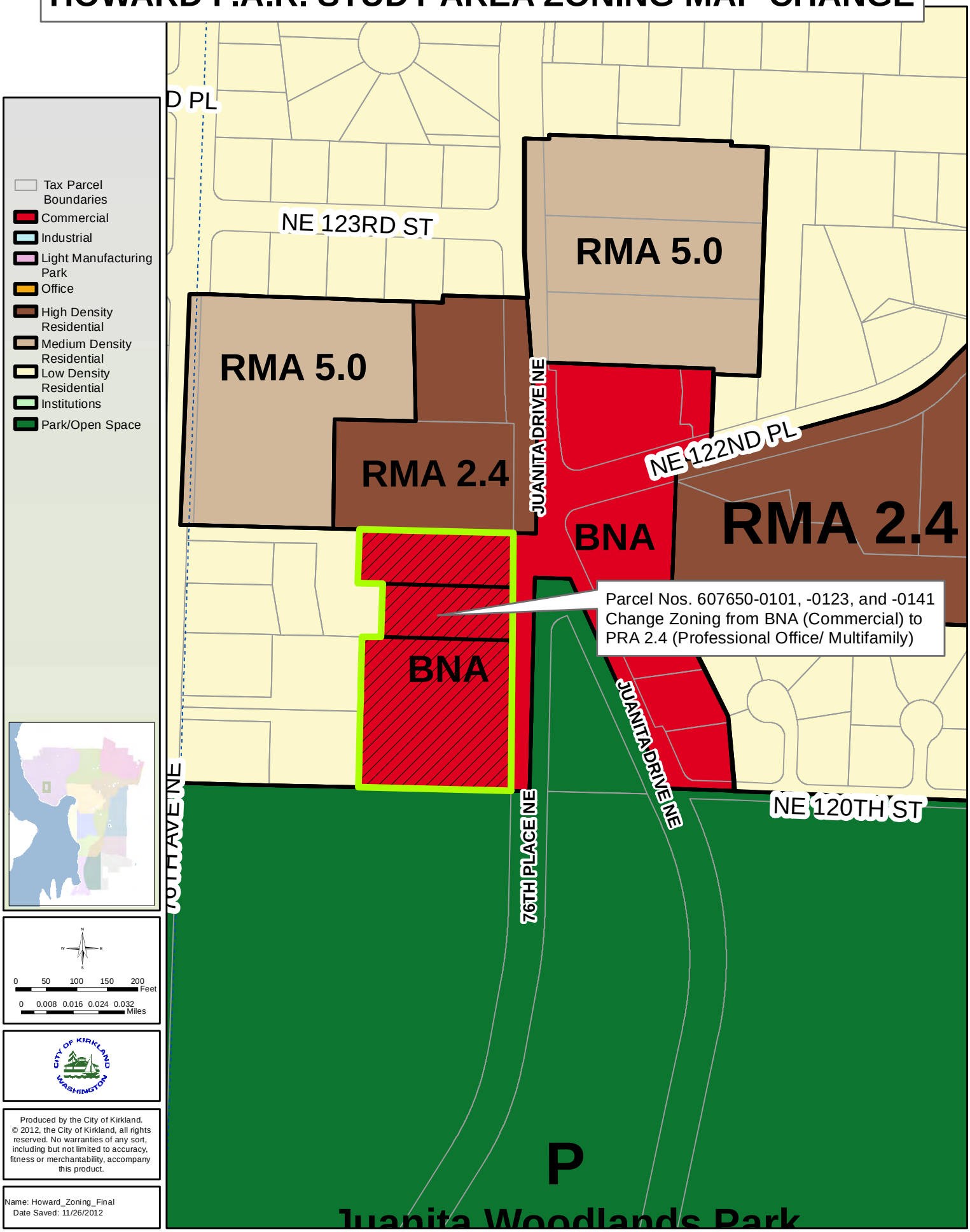
_____
City Attorney

O-4391 EXHIBIT A (1)

HOWARD P.A.R. STUDY AREA COMPREHENSIVE LAND USE MAP CHANGES



HOWARD P.A.R. STUDY AREA ZONING MAP CHANGE



PUBLICATION SUMMARY
OF ORDINANCE O-4391

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO COMPREHENSIVE PLANNING AND LAND USE AND AMENDING THE COMPREHENSIVE PLAN, ORDINANCE 3481 AS AMENDED, THE KIRKLAND ZONING MAP, ORDINANCE 3710 AS AMENDED, AND THE KIRKLAND ZONING CODE, ORDINANCE 3719 AS AMENDED, AS REQUIRED BY RCW 36.70A.130 TO ENSURE CONTINUED COMPLIANCE WITH THE GROWTH MANAGEMENT ACT AND APPROVING A SUMMARY FOR PUBLICATION, FILE NO. ZON11-00005.

SECTION 1. Amends the Comprehensive Plan, Figure LU-1 Comprehensive Land Use Map, and the Zoning Map.

SECTION 2. Amends the Zoning Code, Use Zone Chart PR, PRA Section 25.80 to revise General Regulation 5.

SECTION 3. Provides a severability clause for the Ordinance.

SECTION 4. Authorizes publication of the Ordinance by summary, which is approved by the City Council pursuant to Kirkland Municipal Code 1.08.017, and establishes the effective date as five days after publication of summary.

SECTION 5. Establishes certification by City Clerk and notification of King County Department of Assessments.

The full text of this Ordinance will be mailed without charge to any person upon request made to the City Clerk for the City of Kirkland. The Ordinance was passed by the Kirkland City Council at its meeting on the ____ day of _____, 2012.

I certify that the foregoing is a summary of Ordinance 4391 approved by the Kirkland City Council for summary publication.

_____
City Clerk

Council Meeting: 12/11/2012
Agenda: New Business
Item #: 11. a. (4).

CITY OF KIRKLAND
PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
123 FIFTH AVENUE, KIRKLAND, WA 98033 425.587.3225
www.ci.kirkland.wa.us

MEMORANDUM

Date: **November 29, 2012**

To: **Kirkland City Council**

From: **Jon Pascal, Vice Chair, Kirkland Planning Commission**

Subject: **Recommendation on Parker Private Amendment Request (PAR) Ordinance 0-4392 and Resolution R-4946, (File No. CAM12-00290)**

I. Recommendation

The Planning Commission is pleased to submit these recommended amendments for the Parker PAR located in PLA5C for consideration by the City Council. The study area includes the entire PLA5C zone (see Attachment 1) which is surrounded by Parkplace and the Central Business District to the west; NE 85th Street to the north; multifamily development to the east (PLA5D); and office and multifamily development with one single family home to the south (PLA5A).

The proposed amendments include an increase in density for properties in the PLA5C zone. Amendments to the Zoning Code would also express height limits in feet rather than in both feet and number of stories which is now the case. Design review for the entire PLA5C zone is recommended, as well as reductions in required front setback yards and the amount of required common recreational open space. These amendments would include adjustments to the Comprehensive Plan, Zoning Code and Municipal Code. All amendments are included as exhibits to the ordinance and resolution.

The Planning Commission's recommendations are as follows:

Proposed Comprehensive Plan Amendments:

- **Remove maximum density for PLA5C on the Comprehensive Plan Land Use maps**. The allowable density in PLA5C is presently 24 units per acre, except in the south west portion of the zone where the density limit has already been removed. The proposal would remove the maximum density indicated by units per acre. Instead, density would be determined by the number of units that would fit in the building envelope.
- **Remove maximum density language for PLA5C in Comprehensive Plan.** A change to the PLA5C narrative in the Moss Bay Neighborhood Plan would also be necessary.

Proposed Zoning Code Amendments:

- **Remove maximum density limit for PLA5C** on use zone charts.
- **Change height limit to feet only** - remove maximum number of stories.

- **Change front yard setback requirement to 10 feet.** Remove setback requirements for additional height. The present zoning requires an additional 1′ setback from the front property line for each one foot above 30′ in height. The existing front property line setback is 20′, so if a building is 60′ high it is required to be setback from the front property line 50 feet under existing zoning.
- **Require Design Review for development activities in PLA5C.** Administrative design review is presently only required for buildings over 30′ above average building elevation in two areas of the PLA5C zone.
- **Include affordable housing requirements for PLA5C.** Chapter 112 of the Zoning Code relates to affordable housing. PLA 5C would be added to the sections in Chapter 112 that presently determine affordable housing requirements in the Rose Hill and Totem Lake zones.
- **Put a maximum square footage limit of 4800 square feet/acre on the Common Recreational Open Space requirements for PLA5C.** The requirement of 200 square feet per unit would remain, but it would be capped at a maximum of 4800 square feet/acre. The present zoning allows 24 units per acre resulting in 4800 square feet of required open space per acre.

Proposed Update to the Design Guidelines in Municipal Code:

- **References to PLA5C would be added to the Design Guidelines for Pedestrian Oriented Business Districts** since the design guidelines will be used by the Design Review Board and staff when reviewing projects in the PLA5C zone.

II. Background

The City Council directed staff to study the proposed Parker amendments to the Comprehensive Plan and Zoning Code for PLA5C as part of the PAR process. The amendments allowed for increased density for the parcel at 911 - 5th Avenue in the Moss Bay Neighborhood (see Attachment 2). The property is currently developed with office uses. There are also office uses to the south and the post office is to the west, with multifamily housing (zoned PLA 5D) to the east. NE 85th Street is directly north of the site.

This proposal is a further refinement of the 2008 proposal included in the Downtown Area Planned Action Ordinance. The 2008 proposal included the Parkplace mixed use project along with two other PARs (the Orni proposal and the Altom proposal). The Orni and Altom properties are shown on Attachment 2.

The Parker property was included in the Orni proposal. At that time, the Orni request was to rezone the area from PLA5D to PLA5C, and to change the land use designation from High Density Residential to Office/Multifamily. This rezone increased the permitted height on the subject properties from 30′ above average building elevation to the lower of 6 stories or 60′ above average building elevation. Amendments to the PLA5C zoning regulations required buildings to step down to 4 stories or 40′ above average building elevation (ABE) for the portion of the buildings within 325′ of the residential properties to the east (in other words, the properties included in the Orni proposal are limited to 4 stories or 40′ above ABE).

Although multifamily residential uses are allowed in PLA5C, increased density was not part of the original proposal. The density/floor area ratio for the property was raised for office development with the original amendment, but remained limited for multifamily. Because of this, the present designation and zoning encourages the development of office and discourages multifamily.

An amendment for increased density was approved for the Altom PAR in 2011. The Altom PAR is also located in PLA5C. That amendment allowed the residential density on only the Altom site to be commensurate with the increased height allowed in 2008.

The Planning Commission reviewed the request at their study session on September 27, 2012 and directed staff to study the full PLA5C zone (shown in Attachment 1), rather than just looking at the Parker property. In addition to the office buildings that are located on the Orni and Altom properties, the PLA 5C zone includes a 4 story office building at the corner of Central Way and 6th Street and the US Post Office.

The PLA5C zone is surrounded by Parkplace and the Central Business District to the west; NE 85th Street to the north; multifamily development to the east (PLA5D with a density limit of 24 units/acre); and office and multifamily development with one single family home to the south (PLA5A with a density limit of 24 units/acre). The allowable density in PLA5C is presently 24 units per acre, except in the Altom PAR area.

The proposal would remove the maximum density indicated by units per acre. Instead, density would be determined by the number of units that would fit in the building envelope. The building envelope is determined by the Zoning Code regulations relating to required yards, maximum height and lot coverage. This is how density is currently determined in the Central Business District which is just west of the PLA5C zone.

Additional Amendments for PLA5C

The Planning Commission held another study session on October 25, 2012 where they reviewed the whole PLA5C zone, and it was determined that the following other sections of the Zoning Code would require amendments.

- Design Review:
  The properties in PLA5C share characteristics with the Central Business District (CBD) and in the CBD densities are established through building height and bulk requirements. However, one difference between the two zones is that design review is required in the CBD. In the PLA5C zone, administrative design review is only required for buildings over 30′ above average building elevation (ABE) that are either south of 4th Avenue and within 180′ east of 6th Street (Altom PAR area) or within 325′ of the PLA 5C eastern boundary (Orni PAR area).

  Proposed Code Amendments:
  Require Design Review for development activities in PLA5C. Use Zoning Code Chapter 142 (Design Review) to determine what type of Design Review (Administrative or Design Review Board) will be required.

- Common Recreational Open Space:
  In PLA5C, 200 square feet of common recreational open space is required per unit of multifamily housing. This is not a requirement in other zones where density is determined by building height and bulk (CBD, JBD and Totem Lake). The Planning Commission has proposed that common recreational open space still be required, but that a limit be put on the total requirement per multifamily project. The main reason the Commission felt recreational open space should be required was because this specific area is outside the CBD, so there are fewer public spaces available in the general vicinity, thereby making common open space a necessity as part of any redevelopment.

  Proposed Code Amendments:
  Continue to require 200 square feet per unit, but cap the maximum requirement at 4800 square feet/acre. The present zoning allows 24 units per acre resulting in 4800 square feet of required open space per acre.

- Front Yard Setback Requirements:
  The present zoning requires an additional 1′ setback from the front property line for each one foot above 30′ in height. The existing front property line setback is 20′, so if a building is 60′ high it is required to be setback from the front property line 50′. The front property line setback is 0′ for most uses in the CBD and JBD. The front property line setback is 10′ for many of the uses in Totem Lake and the North Rose Hill Business District.

  Proposed Code Amendments:
  Reduce the front setback yard to 10′ and remove the requirement for an additional 1′ of setback for each 1′ of height above 30′ ABE.

- Height Limits Expressed in Feet and Number of Floors:
  Height limits in the Zoning Code for PLA5C are expressed in terms of number of stories as well as number of feet. It will be less confusing and will be consistent with other areas of the code if maximum height is expressed in feet rather than in both feet and number of stories which is now the case.

  Proposed Code Amendment:
  Express height in feet only (remove story limit).

III. Public Participation

Public notice was mailed to property owners and adjacent residents, and emailed to all neighborhood associations, the Kirkland Alliance of Neighborhoods and the Chamber of Commerce, as well as the Seattle Times and the Kirkland Reporter. Information was also provided on the City's Private Amendment Request Webpage and public notice signs were posted near the sites.

The Planning Commission held study sessions on September 27, 2012, and October 25, 2012, and a public hearing on November 15, 2012. There were three speakers at the public hearing.

Bruce Blyton, one of the property owners spoke in favor of the project. Cheryl Nichols and Brian Granowitz, two residents of the condominium project to the east, spoke against the project. They expressed concerns about increased density and related development impacts.

Links to staff memorandums, draft minutes and audio recordings for the Planning Commission meetings can be found at:
http://www.kirklandwa.gov/depart/Planning/Planning_Commission.htm

IV. SEPA Determination

An EIS Addendum was issued on November 7, 2012 to fulfill the environmental review requirements for the proposed amendments for PLA5C. The impacts of the proposal are within the range of impacts disclosed and evaluated in the *2004 City of Kirkland Draft and Final Comprehensive Plan EIS* and the *2008 Downtown Planned Action FEIS*; no new significant impacts have been identified. Therefore, issuance of this EIS Addendum is the appropriate course of action.

VI. CRITERIA FOR APPROVING CHANGES TO THE ZONING MAP AND LAND USE MAP

The Planning Commission reviewed the following criteria in the Zoning Code and determined that the amendments meet the criteria for approving changes to the Zoning and Land Use Maps:

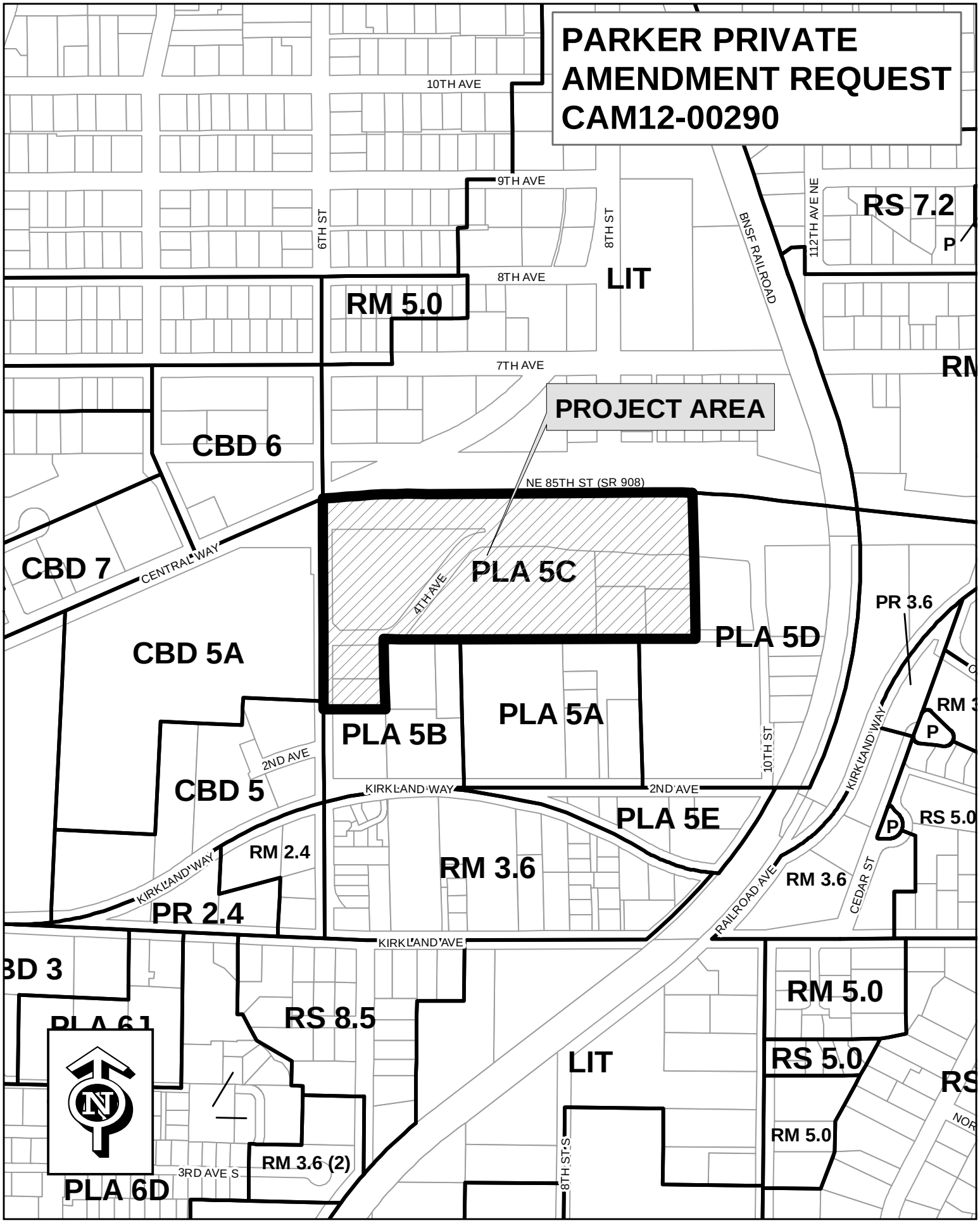
- Section 135.25 Criteria for Amending the Text of the Zoning Code
- Section 140.25 Factors to Consider in Approval an Amendment to the Comprehensive Plan

Attachments

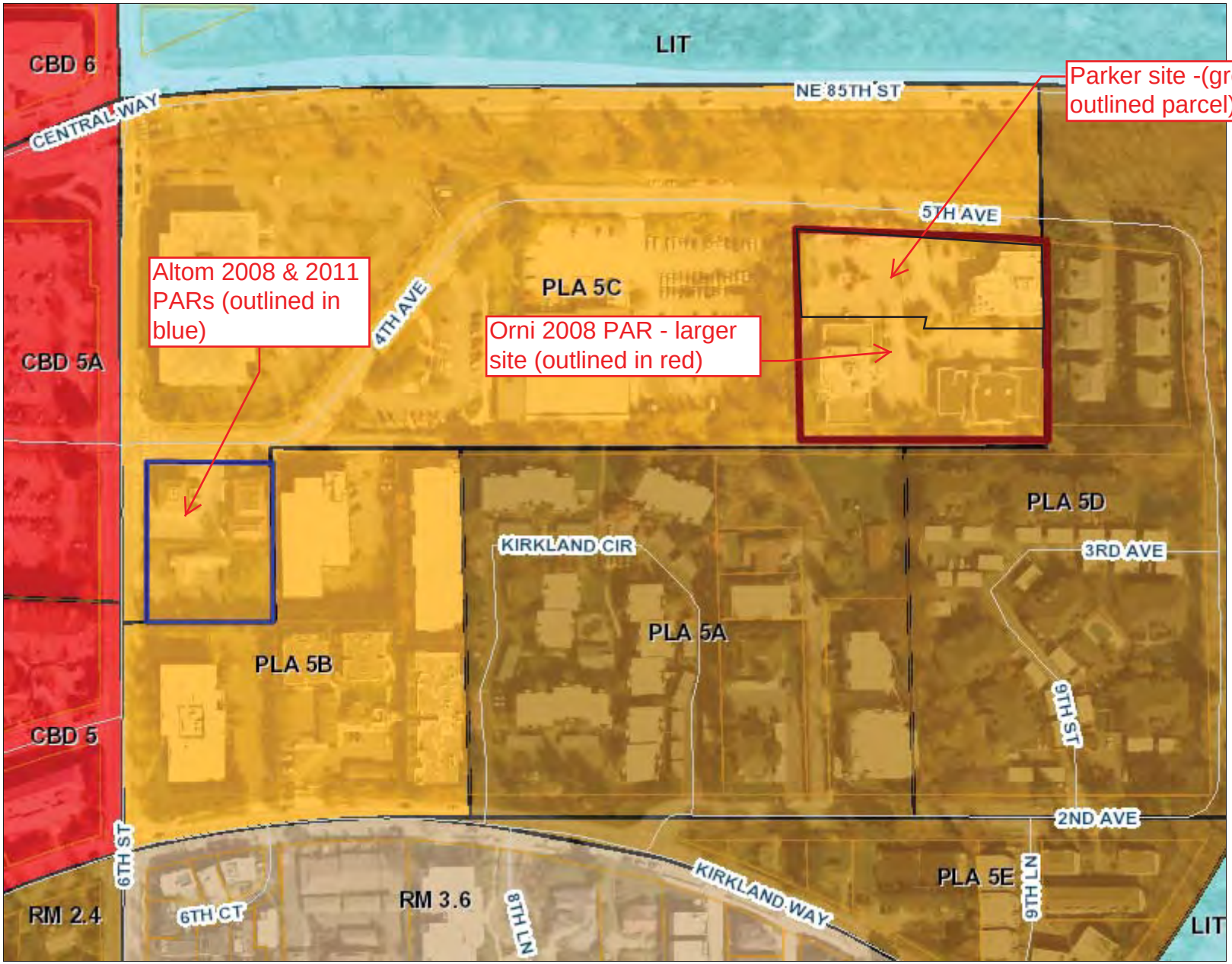
1. Current Zoning Map of study area
2. Study Area Map showing PAR requests

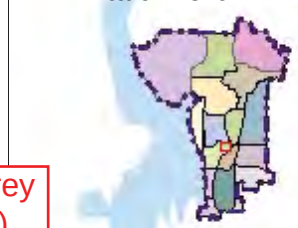
cc: File CAM12-00290

Attachment 1



Attachment 2





Legend

- Streets
- Parcels
- Zoning
  - Commercial
  - Industrial
  - Transit Oriented Development
  - Office
  - High Density Residential
  - Medium Density Residential
  - Low Density Residential
  - Institutions
  - Park/Open Space
- z_Image09
  - Red: Band_1
  - Green: Band_2
  - Blue: Band_3

1: 2,319

0.1 0 0.04 0.07 Miles

NAD_1983_StatePlane_Washington_North_FIPS_4601_Feet

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No warranties of any sort, including but not limited to accuracy, fitness or merchantability, accompany this product.

THIS MAP IS NOT TO BE USED FOR NAVIGATION

Notes

Enter Map Description

Attachment 2

ORDINANCE O-4392

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO COMPREHENSIVE PLANNING AND LAND USE AND AMENDING THE COMPREHENSIVE PLAN, ORDINANCE 3481 AS AMENDED, AND AMENDING ORDINANCE 3719 AS AMENDED, THE KIRKLAND ZONING CODE, AS REQUIRED BY RCW 36.70A.130 TO ENSURE CONTINUED COMPLIANCE WITH THE GROWTH MANAGEMENT ACT AND APPROVING A SUMMARY FOR PUBLICATION, FILE NO. CAM12-00290.

WHEREAS, the Growth Management Act (GMA), specifically RCW 36.70A.130, mandates that the City of Kirkland review, and if needed, revise its Comprehensive Plan and its official Zoning Code; and

WHEREAS, the City Council has received recommendations from the Kirkland Planning Commission to amend certain portions of the Comprehensive Plan for the City, Ordinance 3481 as amended, and the Zoning Code, Ordinance 3719 as amended, all as set forth in that certain report and recommendation of the Planning Commission dated November 29, 2012 and bearing Kirkland Department of Planning and Community Development File No. CAM12-00290; and

WHEREAS, prior to making said recommendation the Planning Commission, following notice thereof as required by RCW 35A.63.070, held on November 15, 2012, a public hearing, on the amendment proposals and considered the comments received at said hearing; and

WHEREAS, pursuant to the State Environmental Policy Act (SEPA), there has accompanied the legislative proposal and recommendation through the entire consideration process, an Environmental Impact Statement issued by the responsible official pursuant to WAC 197-11-460; and

WHEREAS, in regular public meeting the City Council considered the environmental documents received from the responsible official, together with the reports and recommendations of the Planning Commission; and

WHEREAS, RCW 36.70A.130, requires the City to review all amendments to the Comprehensive Plan concurrently and no more frequently than once every year;

NOW, THEREFORE, the City Council of the City of Kirkland do ordain as follows:

Section 1. Comprehensive Plan Text, Figures and Tables, and Zoning Code amended: The Comprehensive Plan, Ordinance 3481 as amended, and Zoning Code, Ordinance 3719,

as amended, are hereby amended as set forth in Exhibit A attached hereto and by this reference incorporated herein as though fully set forth.

Section 2. If any section, subsection, sentence, clause, phrase, part or portion of this Ordinance, including those parts adopted by reference, is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance.

Section 3. This Ordinance shall be in full force and effect five days from and after its passage by the City Council and publication pursuant to Kirkland Municipal Code 1.08.017, in the summary form attached to the original of this Ordinance and by this reference approved by the City Council as required by law.

Section 4. A complete copy of this Ordinance shall be certified by the City Clerk, who shall then forward the certified copy to the King County Department of Assessments.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2012.

Signed in authentication thereof this _____ day of _____, 2012.

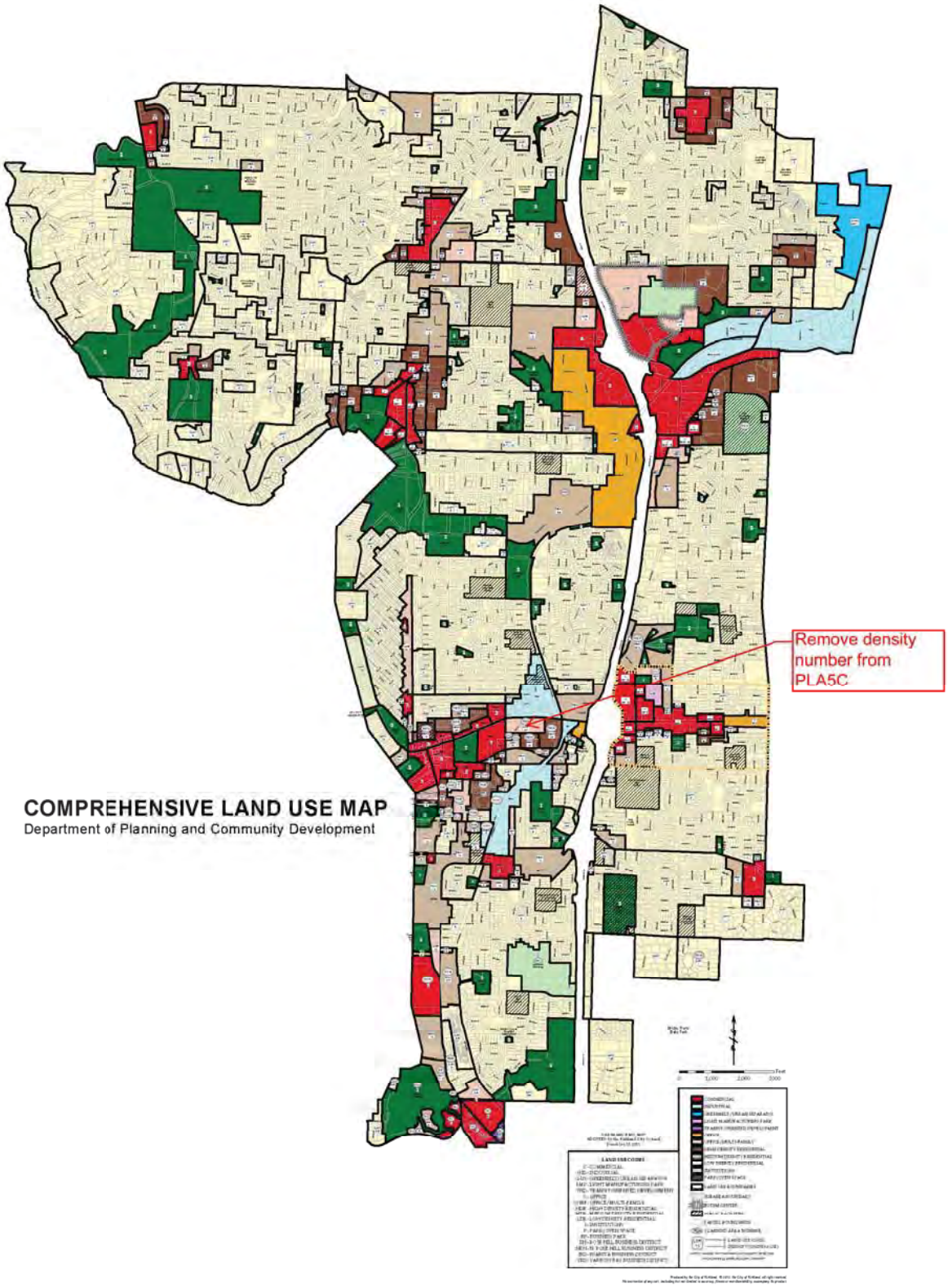
_____
Mayor

Attest:

_____
City Clerk

Approved as to Form:

_____
City Attorney



LU-1 Comprehensive Land Use Map

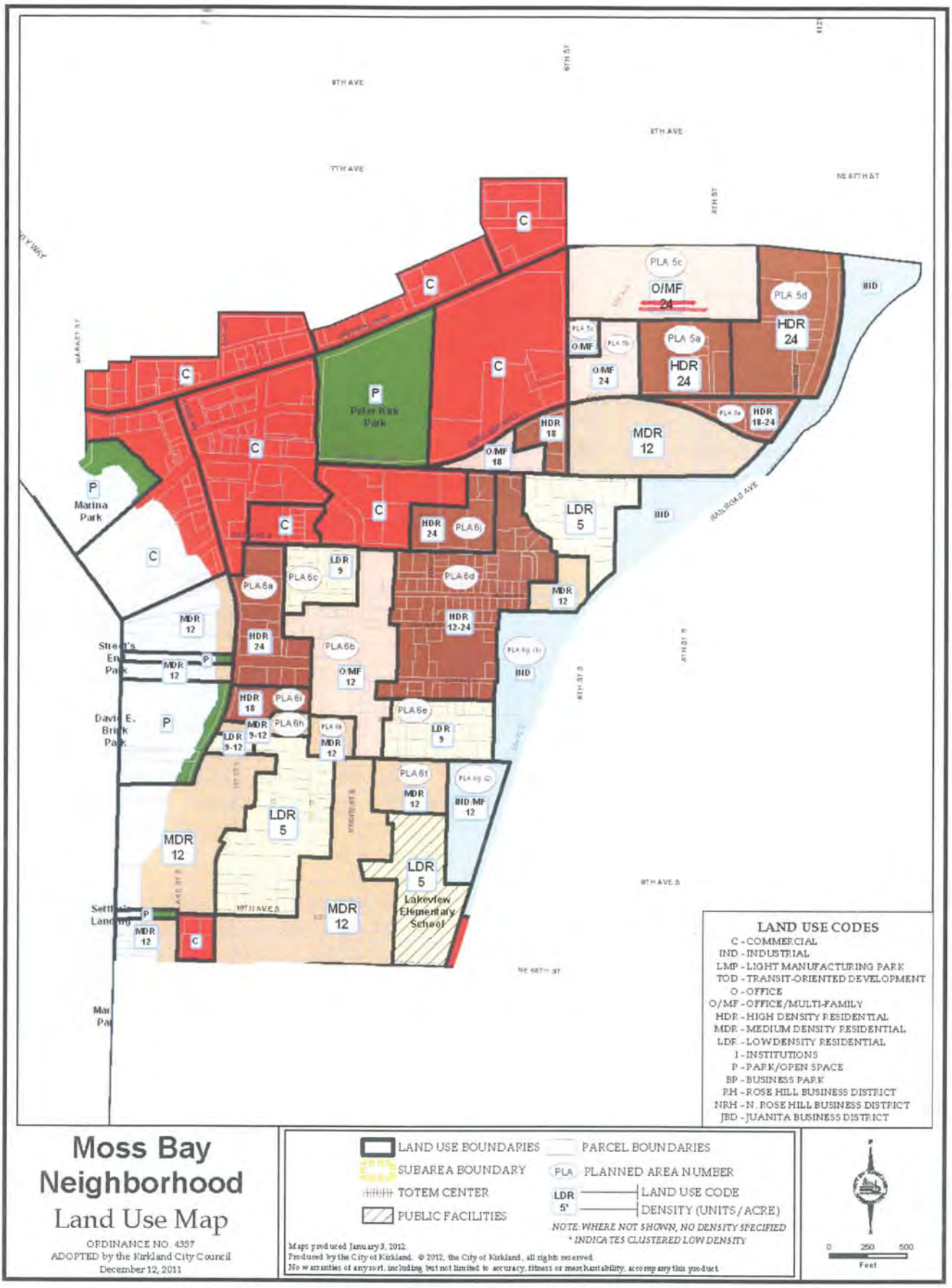


Figure MB-2: Moss Bay Area Land Use

with no designated density limit.

North C Subarea

Subarea C, located north of Subareas B and A, and north and west of Subarea D, contains office development and the U.S. Post Office facility serving Greater Kirkland. Remaining land should develop as professional office or multifamily residential. ~~As indicated on Figure MB-2, the majority of the area should develop at 24 dwelling units per acre. No density limit should apply to the area south of 4th Avenue and within 180 feet of 6th Street.~~ Structures up to five or six stories in height are appropriate in the area north of Subareas B and A for developments containing at least one acre. The adjacent steep hillside limits potential view obstruction from tall buildings. At the same time, taller than normal structures could themselves take advantage of views to the west while maintaining greater open area on site and enhancing the greenbelt spine. Structures up to four stories in height are appropriate in the eastern portion near Subarea 5D for developments containing at least one acre, if additional building setbacks are provided from residential development to the east in Subarea 5D.

East D Subarea

The easternmost third of PLA 5 is identified as Subarea D. This area has developed in high-density multifamily uses. Any future development should be multifamily residential at a density of up to 24 dwelling units per acre.

South E Subarea

The most southerly subarea is the smallest and is somewhat isolated from the other subareas. Lying between 2nd Avenue and Kirkland Way, this area could develop with high-density multifamily residential (up to 24 units per acre). Due to sight distance problems on Kirkland Way, access to and from this area should be restricted to 2nd Avenue.

D. Planned Area 6

Concept of "Subareas" discussed.

The bulk of the land south of Kirkland Avenue is contained in Planned Area 6 (Figure MB-2). Within this planned area, land is divided into a number of subareas, based on unique conditions including use conflicts, various parcel ownerships, traffic problems, lack of utilities, and other factors which may influence future development of the land. Due to its location, this planned area also has a special relationship with the Downtown.

Land use in Subarea A discussed.

Land contained in Subarea A lies south of the Downtown area, east of Lake Street, and west of State Street. This land is designated for high-density development due to its nearness to the Downtown and adjacency to Lake Street.

Land use in Subarea B discussed.

The lands along State Street are designated as Subarea B. Much of this land is already developed with office uses making future office development also appropriate. Multifamily development should also be allowed due to its compatibility with offices and adjacent residential uses. Such multifamily development should occur at a density of 12 dwelling units per acre.

Standards for future professional office development along State Street are listed.

Future professional offices along State Street should locate only north of 7th Avenue South, in order to encourage a compact office corridor. The standards pertaining to office development should be as follows:

60.39 User Guide. The charts in KZC 60.42 contain the basic zoning regulations that apply in Planned Area 5C, including sub-zones. Use these charts by reading down the left hand column entitled Use. Once you locate the use in which you are interested, read across to find the regulations that apply to that use.

Section 60.40

Zone PLA5C

Section 60.40 – GENERAL REGULATIONS

The following regulations apply to all uses in this zone unless otherwise noted:

1. Refer to Chapter 1 KZC to determine what other provision of this code may apply to the subject property.

2. Developments creating four or more new dwelling units shall provide at least 10 percent of the units as affordable housing units as defined in Chapter 5 KZC. ~~In density limited zones, two additional units may be constructed for each affordable housing unit provided. In such cases, the minimum lot size listed in the Use Regulations shall be used to establish the base number of units allowed on the site, but shall not limit the size of individual lots.~~ See Chapter 112 KZC for additional affordable housing incentives and requirements.

3. If any portion of a structure is adjoining a low density use within PLA 5A, then either:
   a. The height of that portion of the structure shall not exceed 15 feet above average building elevation; or
   b. The maximum horizontal facade within 100 feet of the lot containing a low density use within PLA 5A shall not exceed 75 feet.

   See KZC 115.30, Distance Between Structures/Adjacency to Institutional Use, for further details.
   (Does not apply to Detached Dwelling Unit uses).

4. ~~Any portion of a structure that exceeds 30 feet above average building elevation must be set back from the front property line one foot for each one foot that the portion of the structure exceeds 30 feet above average building elevation (does not apply to Detached Dwelling and Public Park uses or property within 325 feet of the PLA 5C eastern boundary).~~

5. If the subject property abuts the 4th Avenue right-of-way or the easterly extension of the alignment of that right-of-way to 10th Street, the following regulations apply:
   a. The City may require the applicant to dedicate and improve land as shown in the Public Improvements Master Plan adopted by the City for this area.
   b. Any required yard of the subject property abutting the 4th Avenue right-of-way or the easterly extension of that right-of-way will be regulated as a front yard.
   c. Any required yard of the subject property abutting 5th Avenue will be regulated as a rear yard.
   d. Service and parking areas must, to the maximum extent possible, be located and oriented away from the 4th Avenue right-of-way unless primary vehicular access to the subject property is directly from that right-of-way.

   (Does not apply to Public Park uses).

Section 60.42	USE ⇩ / REGULATIONS ⇨	Required Review Process	Lot Size	MINIMUMS: Required Yards (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
.010	Detached Dwelling Units	None	3,600 sq. ft.	20'	5'	10'	70%	25' above average building elevation.	E	A	2.0 per unit.	1. For this use, only one dwelling unit may be on each lot regardless of lot size. 2. Chapter 115 KZC contains regulations regarding home occupations and other accessory uses, facilities and activities associated with this use.
.020	Detached, Attached or Stacked Dwelling Units	~~If the development is south of 4th Avenue and within 180' east of 6th Street, or within 825' of the PLA 5C eastern boundary, then Administrative Design Review for buildings over 30' above average building elevation,~~ Chapter 142 KZC. ~~Otherwise, none.~~ D.R.		10'	5' for detached units. For attached or stacked units, 5', but 2 side yards must equal at least 15'. From easterly edge of PLA 5C – 15'. See Spec. Reg. 4.	10' See Spec. Reg. 5.		• If the development contains at least 1 acre, ~~then the lower of 6 stories or~~ 60' above average building elevation, except for properties within 325' of the PLA 5C eastern boundary, then ~~the lower of 4 stories or~~ 40' above average building elevation. • If the development is south of 4th Avenue and within 180' east of 6th Street, and contains at least 0.8 acres, ~~then the lower of 4 stories or~~ 52' above average building elevation. • If the development is south of 4th Avenue and within 180 feet east of 6th Street, and contains at least 0.4 acres, ~~then the lower of 3 stories or~~ 40' above average building elevation. • Otherwise, 30' above average building elevation.	D		1.7 per unit.	1. The City may limit access points onto 6th Street and require traffic control devices and right-of-way realignment. 2. Chapter 115 KZC contains regulations regarding home occupations and other accessory uses, facilities and activities associated with this use. 3. Chapter 115 KZC contains regulations regarding common recreational space requirements for this use. 4. The side yard may be reduced to zero feet if the side of the dwelling unit is attached to a dwelling unit on an adjoining lot. If one side of a dwelling unit is so attached and the opposite side is not, the side that is not attached must provide a minimum side yard of five feet. 5. The rear yard may be reduced to zero feet if the rear of the dwelling unit is attached to a dwelling unit on an adjoining lot. 6. For properties abutting PLA 5D, any portion of a building exceeding 30 feet above ABE shall be no closer than 50 feet to the easterly edge of PLA 5C. ~~7. Minimum amount of lot area per dwelling unit is as follows:~~ ~~a. South of 4th Avenue and within 180 feet of 6th Street: none.~~ ~~b. Otherwise: 1,800 square feet.~~

Section 60.42 Zone PLA5C USE ZONE CHART

Section 60.42	USE ⇩ REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
.030	Office Use	~~If the development is south of 4th Avenue and within 180' east of 6th Street, or within 325' of the PLA 5C eastern boundary, then Administrative Design Review for buildings over 30' above average building elevation,~~ Chapter 142 KZC. ~~Otherwise, none.~~ D.R.	None	~~20'~~ 10'	5', but 2 side yards must equal at least 15'. From easterly edge of PLA 5C – 15'.	10'	70%	• If the development contains at least 1 acre, ~~then the lower of 6 stories or~~ 60' above average building elevation, except for properties within 325' of the PLA 5C eastern boundary, then ~~the lower of 4 stories or~~ 40' above average building elevation. • If the development is south of 4th Avenue and within 180' east of 6th Street, and contains at least 0.8 acres, ~~then the lower of 4 stories or~~ 52' above average building elevation. • If the development is south of 4th Avenue and within 180 feet east of 6th Street, and contains at least 0.4 acres, ~~then the lower of 3 stories or~~ 40' above average building elevation. • Otherwise, 30' above average building elevation.	C	D	If a Medical, Dental, or Veterinary office, then 1 per each 200 sq. ft. of gross floor area. Otherwise, 1 per each 300 sq. ft. of gross floor area.	1. The City may limit access points onto 6th Street and require traffic control devices and right-of-way realignment. 2. The following regulations apply to veterinary offices only: a. May only treat small animals on the subject property. b. Outside runs and other outside facilities for the animals are not permitted. c. Site must be designed so that noise from this use will not be audible off the subject property. A certification to this effect, signed by an Acoustical Engineer, must be submitted with the development permit application. 3. Ancillary assembly and manufacture of goods on the premises of this use are permitted only if: a. The ancillary assembled or manufactured goods are subordinate to and dependent on this use. b. The outward appearance and impacts of this use with ancillary assembly or manufacturing activities must be no different from other office uses. 4. For properties abutting PLA 5D, any portion of a building exceeding 30 feet above ABE shall be no closer than 50 feet to the easterly edge of PLA 5C.

Section 60.42 Zone PLA5C USE ZONE CHART

Section 60.42	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115): Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
.040	Development Containing Stacked or Attached Dwelling Units and Office Uses. See Spec. Reg. 1.	~~If the development is south of 4th Avenue and within 180' east of 6th Street, or within 825' of the PLA 5C eastern boundary, then Administrative Design Review for buildings over 30' above average building elevation,~~ Chapter 142 KZC. ~~Otherwise, none.~~ D.R.	3,600 sq. ft.	~~20'~~ 10'	5', but 2 side yards must equal at least 15'. From easterly edge of PLA 5C – 15'. See Spec. Reg. 6.	10' See Spec. Reg. 7.	70%	• If the development contains at least 1 acre, ~~then the lower of 6 stories or~~ 60' above average building elevation, except for properties within 325' of the PLA 5C eastern boundary, then ~~the lower of 4 stories or~~ 40' above average building elevation. • If the development is south of 4th Avenue and within 180' east of 6th Street, and contains at least 0.8 acres, ~~then the lower of 4 stories or~~ 52' above average building elevation. • If the development is south of 4th Avenue and within 180 feet east of 6th Street, and contains at least 0.4 acres, ~~then the lower of 3 stories or~~ 40' above average building elevation. • Otherwise, 30' above average building elevation.	C	D	See KZC 105.25.	1. A veterinary office is not permitted in any development containing dwelling units. 2. The City may limit access points onto 6th Street and require traffic control devices and right-of-way realignment. 3. Chapter 115 KZC contains regulations regarding home occupations and other accessory uses, facilities and activities associated with this use. 4. Chapter 115 KZC contains regulations regarding common recreational space requirements for this use. 5. Ancillary assembly and manufacture of goods on the premises of this use are permitted only if: a. The ancillary assembled or manufactured goods are subordinate to and dependent on this use. b. The outward appearance and impacts of this use with ancillary assembly or manufacturing activities must be no different from other office uses. 6. The side yard may be reduced to zero feet if the side of the dwelling unit is attached to a dwelling unit on an adjoining lot. If one side of a dwelling unit is so attached and the opposite side is not, the side that is not attached must provide a minimum side yard of five feet. 7. The rear yard may be reduced to zero feet if the rear of the dwelling unit is attached to a dwelling unit on an adjoining lot. 8. For properties abutting PLA 5D, any portion of a building exceeding 30 feet above ABE shall be no closer than 50 feet to the easterly edge of PLA 5C. ~~9. Minimum amount of lot area per dwelling unit is as follows:~~ ~~a. South of 4th Avenue and within 180 feet of 6th Street: none.~~ ~~b. Otherwise: 1,800 square feet.~~

(Revised 2/12)

Section 60.42

Zone PLA5C

USE ZONE CHART

Section 60.42	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
.050	Church	~~Process I, Chapter 145 KZC.~~ Chapter 142 KZC D.R.	7,200 sq. ft.	~~20'~~ 10'	20' on each side	20'	70%	~~The lower of 6 stories or~~ 60' above average building elevation, except for properties within 325' of the PLA 5C eastern boundary, then ~~the lower of 4 stories or~~ 40' above average building elevation.	C	B	1 for every 4 people based on maximum occupancy load of any area of worship. See Spec. Reg. 2.	1. The City may limit access points onto 6th Street and require traffic control devices and right-of-way realignment. 2. No parking is required for day-care or school ancillary to this use. 3. For properties abutting PLA 5D, any portion of a building exceeding 30 feet above ABE shall be no closer than 50 feet to the easterly edge of PLA 5C.

(Revised 3/09)

Section 42 Zone PLA5C USE ZONE CHART

Section 60.42	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	MAXIMUMS: Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
.060	School or Day-Care Center	~~If this use is adjoining a low-density zone, then Process I, Chapter 145 KZC. Otherwise: None.~~ Chapter 142 KZC D.R	7,200 sq. ft.	If this use can accommodate 50 or more students or children, then: ~~50'~~ 10'	50' on each side	50'	70%	~~The lower of 6 stories or~~ 60' above average building elevation, except for properties within 325' of the PLA 5C eastern boundary, then ~~the lower of 4 stories or~~ 40' above average building elevation.	D	B	See KZC 105.25.	1. The City may limit access points onto 6th Street and require traffic control devices and right-of-way realignment. 2. May locate on the subject property only if: a. It will serve the immediate neighborhood in which it is located; or b. It will not be detrimental to the character of the neighborhood in which it is located. 3. A six-foot-high fence is required only along the property lines adjacent to the outside play areas. 4. Hours of operation may be limited to reduce impacts on nearby residential uses. 5. Structured play areas must be setback from all property lines as follows: a. 20 feet if this use can accommodate 50 or more students or children. b. 10 feet if this use can accommodate 13 to 49 students or children. 6. An on-site passenger loading area must be provided. The City shall determine the appropriate size of the loading areas on a case-by-case basis, depending on the number of attendees and the extent of the abutting right-of-way improvements. Carpooling, staggered loading/unloading time, right-of-way improvements or other means may be required to reduce traffic impacts on any nearby residential uses. 7. May include accessory living facilities for staff persons. 8. The location of parking and passenger loading areas shall be designed to reduce impacts on any nearby residential uses. 9. These uses are subject to the requirements established by the Department of Social and Health Services (WAC Title 388). 10. For properties abutting PLA 5D, any portion of a building exceeding 30 feet above ABE shall be no closer than 50 feet to the easterly edge of PLA 5C.
				If this use can accommodate 13 to 49 students or children, then: ~~20'~~ 10'	20' on each side	20'						

(Revised 3/09)

Section 60.42 Zone PLA5C USE ZONE CHART

Section 60.42	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
.070	Mini-School or Mini-Day-Care	~~If the development is south of 4th Avenue and within 180' east of 6th Street, or within 325' of the PLA 5C eastern boundary, then Administrative Design Review for buildings over 30' above average building elevation,~~ Chapter 142 KZC. ~~Otherwise, none.~~ D.R.	3,600 sq. ft.	~~20'~~ 10'	5', but 2 side yards must equal at least 15'. From easterly edge of PLA 5C – 15'.	10'	70%	• If the development contains at least 1 acre, ~~then the lower of 6 stories or~~ 60' above average building elevation, except for properties within 325' of the PLA 5C eastern boundary, then ~~the lower of 4 stories or~~ 40' above average building elevation. • If the development is south of 4th Avenue and within 180' east of 6th Street, and contains at least 0.8 acres, ~~then the lower of 4 stories or~~ 52' above average building elevation. • If the development is south of 4th Avenue and within 180 feet east of 6th Street, and contains at least 0.4 acres, ~~then the lower of 3 stories or~~ 40' above average building elevation. • Otherwise, 30' above average building elevation.	E	B	See KZC 105.25.	1. The City may limit access points onto 6th Street and require traffic control devices and right-of-way realignment. 2. A six-foot-high fence is required along the property lines adjacent to the outside play areas. 3. Hours of operation may be limited by the City to reduce impacts on nearby residential uses. 4. Structured play areas must be setback from all property lines by 5 feet. 5. An on-site passenger loading are may be required depending on the number of attendees and the extent of the abutting right-of-way improvements. 6. The location of parking and passenger loading areas shall be designed to reduce impacts on any nearby residential uses. 7. May include accessory living facilities for staff persons. 8. These uses are subject to the requirements established by the Department of Social and Health Services (WAC Title 388). 9. For properties abutting PLA 5D, any portion of a building exceeding 30 feet above ABE shall be no closer than 50 feet to the easterly edge of PLA 5C.

Section 42 Zone PLA5C USE ZONE CHART

Section 60.42	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
		DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS										
.080	Assisted Living Facility	~~If the development is south of 4th Avenue and within 180' east of 6th Street, or within 325' of the PLA 5C eastern boundary, then Administrative Design Review for buildings over 30' above average building elevation,~~ Chapter 142 KZC. ~~Otherwise, none.~~ D.R.	3,600 sq. ft.	~~20'~~ 10'	5', but 2 side yards must equal at least 15'. From easterly edge of PLA 5C – 15'.	10'	70%	• If the development contains at least 1 acre, ~~then the lower of 6 stories or~~ 60' above average building elevation, except for properties within 325' of the PLA 5C eastern boundary, then ~~the lower of 4 stories or~~ 40' above average building elevation. • If the development is south of 4th Avenue and within 180' east of 6th Street, and contains at least 0.8 acres, ~~then the lower of 4 stories or~~ 52' above average building elevation. • If the development is south of 4th Avenue and within 180 feet east of 6th Street, and contains at least 0.4 acres, ~~then the lower of 3 stories or~~ 40' above average building elevation. • Otherwise, 30' above average building elevation.	D	A	1.7 per independent unit. 1 per assisted living unit.	1. A facility that provides both independent dwelling units and assisted living units shall be processed as an assisted living facility. ~~2. If a nursing home use is combined with an assisted living facility use in order to provide a continuum of care for residents, the required review process shall be the least intensive process between the two uses.~~ ~~3. For density purposes, two assisted living units shall constitute one dwelling unit. Total dwelling units may not exceed the number of stacked dwelling units allowed on the subject property. Through Process IIB, Chapter 152 KZC, up to 1 1/2 times the number of stacked dwelling units allowed on the subject property may be approved if the following criteria are met:~~ ~~a. Project is of superior design; and~~ ~~b. Project will not create impacts that are substantially different than would be created by a permitted multifamily development.~~ 2. ~~4.~~ The assisted living facility shall provide usable recreational space of at least 100 square feet per unit, in the aggregate, for both assisted living units and independent dwelling units, with a minimum of 50 square feet of usable recreational space per unit located outside. 3. ~~5.~~ The City may limit access points onto 6th Street and require traffic control devices and right-of-way realignment. 4. ~~6.~~ Chapter 115 KZC contains regulations regarding home occupations and other accessory uses, facilities and activities associated with this use. 5. ~~7.~~ For properties abutting PLA 5D, any portion of a building exceeding 30 feet above ABE shall be no closer than 50 feet to the easterly edge of PLA 5C.

Section 60.42 — Zone PLA5C — USE ZONE CHART

DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS

Section 60.42	USE ⇩ / REGULATIONS ⇨	Required Review Process	MINIMUMS: Lot Size	MINIMUMS: REQUIRED YARDS (See Ch. 115) Front	Side	Rear	MAXIMUMS: Lot Coverage	Height of Structure	Landscape Category (See Ch. 95)	Sign Category (See Ch. 100)	Required Parking Spaces (See Ch. 105)	Special Regulations (See also General Regulations)
.090	Convalescent Center or Nursing Home	~~Process I, Chapter 145 KZC.~~ Chapter 142 KZC D.R.	7,200 sq. ft.	~~20'~~ 10'	10' on each side	10'	70%	~~The lower of 6 stories or~~ 60' above average building elevation, except for properties within 325' of the PLA 5C eastern boundary, then ~~the lower of 4 stories or~~ 40' above average building elevation.	C	B	1 for each bed.	1. The City may limit access points onto 6th Street and require traffic control devices and right-of-way realignment. ~~2. If a nursing home use is combined with an assisted living facility use in order to provide a continuum of care for residents, the required review process shall be the least intensive process between the two uses.~~ 2. For properties abutting PLA 5D, any portion of a building exceeding 30 feet above ABE shall be no closer than 50 feet to the easterly edge of PLA 5C.
.100	Public Utility		None		20' on each side				A		See KZC 105.25.	1. The City may limit access points onto 6th Street and require traffic control devices and right-of-way realignment. 2. Landscape Category A or B may be required depending on the type of use on the subject property and the impacts associated with the use on the nearby uses. 3. For properties abutting PLA 5D, any portion of a building exceeding 30 feet above ABE shall be no closer than 50 feet to the easterly edge of PLA 5C.
.110	Government Facility or Community Facility				10' on each side				C See Spec. Reg. 2.			
.120	Public Park	Development standards will be determined on a case-by-case basis. See Chapter 49 KZC for required review process.										

(Revised 3/09)

92.05 INTRODUCTION

1. General – This chapter establishes the design regulations that apply to development in Design Districts including the Central Business District (CBD), Market Street Corridor (MSC), Juanita Business District (JBD), Rose Hill Business District (RHBD), Totem Lake Neighborhood (TLN), North Rose Hill Business District (NRHBD), Totem Center (TC), Yarrow Bay Business District (YBD) and ~~in areas indicated on the use zone charts for~~ PLA 5C.

   Special provisions that apply to a particular Design District are noted in the section headings of the chapter.

2. Applicability – The provisions of this chapter apply to all new development, with the exception of development in the TL 7 zone. The provisions of Chapters 142 and 162 KZC regarding Design Review and nonconformance establish which of the regulations of this chapter apply to developed sites. Where provisions of this chapter conflict with provisions in any other section of the code, this chapter prevails. For more information on each Design District refer to the Design Guidelines applicable to that Design District adopted by reference in Chapter 3.30 KMC.

3. Design Review Procedures – The City will use Chapter 142 KZC to apply the regulations of this chapter to development activities that require Design Review approval.

4. Relationship to Other Regulations – Refer to the following chapters of the Zoning Code for additional requirements related to new development on or adjacent to the subject property.

   a. Landscaping – Chapter 95 KZC describes the installation and maintenance of landscaping requirements on the subject property.

   b. Installation of Sidewalks, Public Pedestrian Pathways and Public Improvements – Chapter 110 KZC describes the regulations for the installation of public sidewalks, major pedestrian sidewalks, pedestrian-oriented sidewalks, or other public improvements on or adjacent to the subject property in zones subject to Design Review. Plate 34 in Chapter 180 KZC provides the location and designation of the sidewalk, pedestrian walkways, pathways or other required public improvements within each Design District.

   c. Pedestrian Access to Buildings, Installation of Pedestrian Pathways, Pedestrian Weather Protection – Chapter 105 KZC describes the requirements for pedestrian access to buildings and between properties, through parking areas and requirements for pedestrian weather protection. See also Plate 34 in Chapter 180 KZC.

   d. Parking Area Location and Design, Pedestrian and Vehicular Access – Chapter 105 KZC describes the requirements for parking lot design, number of driveways, or pedestrian and vehicular access through parking areas.

   e. Screening of Loading Areas, Outdoor Storage Areas and Garbage Receptacles – Chapter 95 KZC describes the location and screening requirements of outdoor storage. Chapter 115 KZC describes the screening of loading areas, waste storage and garbage disposal facilities.

5. Dedication – The City may require the applicant to dedicate development rights, air space, or an easement to the City to ensure compliance with any of the requirements of this chapter.

6. Design Districts in Rose Hill Business District – Various places in this chapter refer to the three (3) Design Districts in the Rose Hill Business District: Regional Center, Neighborhood Center and East End. Figure 92.05.A below describes where these are located. For a more detailed description of each area, see the Design Guidelines for the Rose Hill Business District adopted by reference in Chapter 3.30 KMC.

Chapter 112 – AFFORDABLE HOUSING INCENTIVES – MULTIFAMILY

Sections:

112.05 User Guide
112.10 Purpose
112.15 Affordable Housing Requirement
112.20 Basic Affordable Housing Incentives
112.25 Additional Affordable Housing Incentives
112.30 Alternative Compliance
112.35 Affordability Provisions
112.40 Regulatory Review and Evaluation

112.05 User Guide

This chapter offers dimensional standard flexibility and density and economic incentives to encourage construction of affordable housing units in commercial zones, high density residential zones, medium density zones and office zones.

If you are interested in proposing four (4) more residential units in commercial zones, high density residential zones, medium density zones or office zones, or you wish to participate in the City's decision on such a project, you should read this chapter.

112.10 Purpose

There is a limited stock of land within the City zoned and available for residential development and there is a demonstrated need in the City for housing which is affordable to persons of low and moderate income. Therefore, this chapter provides development incentives in exchange for the public benefit of providing affordable housing units in commercial zones, high density residential zones, medium density zones and office zones.

112.15 Affordable Housing Requirement

1. Applicability –

   a. Minimum Requirement – All developments creating four (4) or more new dwelling units in commercial, high density residential, medium density and office zones shall provide at least 10 percent of the units as affordable housing units and comply with the provisions of this chapter as established in the General Regulations for the Use Zone or the Special Regulations in the Use Zone Chart for the specific use. This subsection is not effective within the disapproval jurisdiction of the Houghton Community Council.

   b. Voluntary Use – All other provisions of this chapter are available for use within the disapproval jurisdiction of the Houghton Community Council and in developments where the minimum requirement does not apply.

2. Calculation in Density-Limited Zones – For developments in density-limited zones, the required amount of affordable housing shall be calculated based on the number of dwelling units proposed prior to the addition of any bonus units allowed pursuant to KZC 112.20.

3. Calculation in RH~~, and~~ TL ~~Zones~~ and ~~in the Designated Portion of~~ PLA 5C Zone~~s~~ – For developments in the RH~~, and~~ TL ~~Zones,~~ and ~~the portion of~~ PLA 5C ~~south of 4th Avenue and within 180 feet of 6th Street~~, the required amount of affordable housing shall be calculated based on the total number of dwelling units proposed. Zones

4. Rounding and Alternative Compliance – In all zones, the number of affordable housing units required is determined by rounding up to the next whole number of units if the fraction of the

6) Roaming and Grazing Areas – Roaming and grazing areas must be at least 20 feet from each property line. The City may permit barns and pens to extend into the property line in common with the abutting property; provided, that an abutting property owner files a signed and notarized statement in support of the request.

7) Outdoor Manure Piles

a) PLA 16 zone: No outdoor manure pile may be placed closer than 65 feet to any adjacent residential structure.

b) All other zones: No outdoor manure pile may be placed closer than a point equidistant to any adjacent residential structure.

6. Bonds – The City may require a bond under Chapter 175 KZC to ensure that the subject property is maintained in a clean condition.

115.23 Common Recreational Space Requirements for Certain Residential Uses

1. General – Residential developments identified herein by zone and use listing shall comply with the common recreational space requirements of this section:

a. RM and RMA Zones: "Detached, Attached, or Stacked Dwelling Units," KZC 20.10.020;

b. PR and PRA Zones: "Detached, Attached or Stacked Dwelling Units," KZC 25.10.020;

c. NRH 5 Zone: "Detached, Attached or Stacked Dwelling Units (Stand Alone or Mixed with Office Uses)," KZC 54.36.010;

d. NRH 6 Zone: "Detached, Attached or Stacked Dwelling Units (Stand Alone or Mixed with Office Uses)," KZC 54.42.010;

e. PLA 5A Zone: "Detached, Attached or Stacked Dwelling Units," KZC 60.32.020;

f. PLA 5B Zone: "Detached, Attached or Stacked Dwelling Units," KZC 60.37.020; and "Development Containing Stacked or Attached Dwelling Units and Office Uses," KZC 60.37.040;

g. PLA 5C Zone: "Detached, Attached or Stacked Dwelling Units," KZC 60.42.020; and "Development Containing Stacked or Attached Dwelling Units and Office Uses," KZC 60.42.040; Maximum required common recreational open space for PLA 5C is 4800 square feet/acre.

h. PLA 5D Zone: "Detached, Attached or Stacked Dwelling Units," KZC 60.47.020;

i. PLA 5E Zone: "Detached, Attached or Stacked Dwelling Units," KZC 60.52.020;

j. PLA 6A Zone: "Detached, Attached or Stacked Dwelling Units," KZC 60.57.020;

k. PLA 6B Zone: "Detached, Attached or Stacked Dwelling Units," KZC 60.62.020; and "Development Containing Stacked or Attached Dwelling Units and Office Uses," KZC 60.62.040;

l. PLA 6D Zone: "Detached, Attached or Stacked Dwelling Units," KZC 60.72.020;

m. PLA 6F Zone: "Detached, Attached or Stacked Dwelling Units," KZC 60.82.020;

2) Any development in the following zones within the NE 85th Street Subarea: RH 8, PR 3.6, RM, PLA 17A.

3) Any development in the MSC 1, MSC 2, and MSC 4 zones located within the Market Street Corridor.

2. Administrative Design Review (A.D.R.) – All other development activities not requiring D.B.R. review under subsection (1) of this section shall be reviewed through the A.D.R. process pursuant to KZC 142.25.

3. Exemptions from Design Review – The following development activities shall be exempt from either A.D.R. or D.B.R. and compliance with the design regulations of Chapter 92 KZC:

a. Any activity which does not require a building permit; or

b. Interior work that does not alter the exterior of the structure; or

c. Normal building maintenance including the repair or maintenance of structural members; or

d. Any development listed as exempt in the applicable Use Zone Chart.

142.25 Administrative Design Review (A.D.R.) Process

1. Authority – The Planning Official shall conduct A.D.R. in conjunction with a related development permit pursuant to this section.

The Planning Official shall review the A.D.R. application for compliance with the design regulations contained in Chapter 92 KZC, or in zones where so specified, with the applicable design guidelines adopted by KMC 3.30.040. In addition, the following guidelines and policies shall be used to interpret how the regulations apply to the subject property:

a. Design guidelines for pedestrian-oriented business districts, as adopted in KMC 3.30.040.

b. Design guidelines for the Rose Hill Business District (RHBD), the Totem Lake Neighborhood (TLN) and Yarrow Bay Business District (YBD) as adopted in KMC 3.30.040.

the PLA5C zone

c. For review of attached or stacked dwelling units within the NE 85th Street Subarea, and the Market Street Corridor, Appendix C, Design Principles for Residential Development contained in the Comprehensive Plan.

2. Application – As part of any application for a development permit requiring A.D.R., the applicant shall show compliance with the design regulations in Chapter 92 KZC, or where applicable, the design guidelines adopted by KMC 3.30.040, by submitting an A.D.R. application on a form provided by the Planning Department. The application shall include all documents and exhibits listed on the application form, as well as application materials required as a result of a pre-design conference.

3. Pre-Design Conference – Before applying for A.D.R. approval, the applicant may schedule a pre-design meeting with the Planning Official. The meeting will be scheduled by the Planning Official upon written request by the applicant. The purpose of this meeting is to provide an opportunity for an applicant to discuss the project concept with the Planning Official and for the Planning Official to designate which design regulations, or design guidelines, apply to the proposed development based primarily on the location and nature of the proposed development.

4. A.D.R. Approval

   a. The Planning Official may grant, deny, or conditionally approve the A.D.R. application. The A.D.R. approval or conditional approval will become conditions of approval for any related development permit, and no development permit will be issued unless it is consistent with the A.D.R. approval or conditional approval.

   b. Additions or Modifications to Existing Buildings

      1) Applications involving additions or modifications to existing buildings shall comply with the design regulations of Chapter 92 KZC, or where applicable, the design guidelines adopted by KMC 3.30.040 to the extent feasible depending on the scope of the project. The Planning Official may waive compliance with a particular design regulation if the applicant demonstrates that it is not feasible given the existing development and scope of the project.

      2) The Planning Official may waive the A.D.R. process for applications involving additions or modifications to existing buildings if the design regulations are not applicable to the proposed development activity.

5. Lapse of Approval – The lapse of approval for the A.D.R. decision shall be tied to the development permit and all conditions of the A.D.R. approval shall be included in the conditions of approval granted for that development permit.

6. Design departure and minor variations may be requested pursuant to KZC 142.37.

142.35 Design Board Review (D.B.R.) Process

1. Timing of D.B.R. – For any development activity that requires D.B.R. approval, the applicant must comply with the provisions of this chapter before a building permit can be approved; provided, that an applicant may submit a building permit application at any time during the design review process. An applicant may request early design review, but such review shall not be considered a development permit or to in any way authorize a use or development activity. An application for D.R. approval may be considered withdrawn for all purposes if the applicant has not submitted information requested by the City within 60 calendar days after the request and the applicant does not demonstrate reasonable progress toward submitting the requested information.

2. Public Meetings – All meetings of the Design Review Board shall be public meetings and open to the public.

3. Authority – The Design Review Board shall review projects for consistency with the following:

   a. Design guidelines for pedestrian-oriented business districts, as adopted in Chapter 3.30 KMC.

   b. Design Guidelines for the Rose Hill Business District (RHBD) and the Totem Lake Neighborhood (TLN) as adopted in Chapter 3.30 KMC.

   c. The Design Principles for Residential Development contained in Appendix C of the Comprehensive Plan for review of attached and stacked dwelling units located within the NE 85th Street Subarea and the Market Street Corridor.
      the PLA5C zone

   d. The Parkplace Master Plan and Design Guidelines for CBD 5A as adopted in Chapter 3.30 KMC.

application for the proposed development. No development permit for the subject property requiring D.B.R. approval will be issued until the proposed development is granted D.B.R. approval or conditional approval. The terms of D.B.R. approval or conditional approval will become a condition of approval on each subsequent development permit and no subsequent development permit will be issued unless it is consistent with the D.B.R. approval or conditional approval. The Planning Official shall send written notice of the D.B.R. decision to the applicant and all other parties who participated in the conference(s) within 14 calendar days of the approval. If the D.B.R. is denied, the decision shall specify the reasons for denial. The final D.B.R. decision of the City on the D.B.R. application shall be the date of distribution of the written D.B.R. decision or, if the D.B.R. decision is appealed, the date of the City's final decision on the appeal. Notwithstanding any other provision of this code, if an applicant submits a complete application for a building permit for the approved D.B.R. development within 180 days of the final D.B.R. decision, the date of vesting for the building permit application shall be the date of the final D.B.R. decision.

Additional Approval Provision for TL 2 and TL 5 – The Notice of Approval for a Conceptual Master Plan (CMP) shall set thresholds for subsequent D.B.R. or A.D.R. review of projects following approval of a CMP in TL 2 or TL 5. The Notice of Approval shall also include a phasing plan for all improvements shown or described in the CMP.

Additional Approval Provision for RHBD – The Design Review Board shall determine the thresholds for subsequent D.B.R. or A.D.R. review of projects following approval of a Conceptual Master Plan (CMP) in the RHBD. The Notice of Approval for the CMP will state the thresholds for future review of projects and also include a phasing plan for all improvements shown or described in the CMP.

142.37 Design Departure and Minor Variations

1. General – This section provides a mechanism for obtaining approval to depart from strict adherence to the design regulations or for requesting minor variations from requirements in the following zones:

   a. In the CBD and YBD: minimum required yards; and

   b. In the Totem Center: minimum required yards, floor plate maximums and building separation requirements; and

   the PLA5C zone

   c. In the RHBD, and the TLN: minimum required yards, landscape buffer and horizontal facade requirements; and

   d. In the MSC 1 and MSC 4 zones of the Market Street Corridor: minimum required front yards and horizontal facade requirements; and

   e. In the MSC 2 zone of the Market Street Corridor: height (up to an additional five (5) feet), minimum required front yards and horizontal facade requirements; and

   f. In the MSC 3 zone of the Market Street Corridor: horizontal facade requirements.

   This section does not apply when a design regulation permits the applicant to propose an alternate method for complying with it or the use zone chart allows the applicant to request a reduced setback administratively.

2. Process – If a design departure or minor variation is requested, the D.R. decision, including the design departure or minor variation, will be reviewed and decided upon using the D.B.R. process.

PUBLICATION SUMMARY
OF ORDINANCE O-4392

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO COMPREHENSIVE PLANNING AND LAND USE AND AMENDING THE COMPREHENSIVE PLAN, ORDINANCE 3481 AS AMENDED, AND AMENDING ORDINANCE 3719 AS AMENDED, THE KIRKLAND ZONING CODE, AS REQUIRED BY RCW 36.70A.130 TO ENSURE CONTINUED COMPLIANCE WITH THE GROWTH MANAGEMENT ACT AND APPROVING A SUMMARY FOR PUBLICATION, FILE NO. CAM12-00290.

SECTION 1. Amends the following portions of the Kirkland Comprehensive Plan and Kirkland Zoning Code.

A. Comprehensive Plan – LU-1 Comprehensive Land Use Map
B. Comprehensive Plan – Moss Bay Area Land Use Figure MB-2
C. Comprehensive Plan – Moss Bay Neighborhood 4. Perimeter Areas – North C Subarea text
D. Zoning Code – Zone PLA 5C – Section 60.40 General Regulations
E. Zoning Code – Zone PLA 5C Section 60.42 Use Zone Chart
F. Zoning Code – Section 92.05 Introduction to Design Regulations
G. Zoning Code – Section 112.15 Affordable Housing Requirement
H. Zoning Code – Section 115.23 Common Recreational Space Requirements for Certain Residential Uses
I. Zoning Code – 142.25 Administrative Design Review Process
J. Zoning Code – 142.35 Design Board Review Process
K. Zoning Code – 142.37 Design Departure and Minor Variations

SECTION 2. Provides a severability clause for the Ordinance.

SECTION 3. Authorizes publication of the Ordinance by summary, which summary is approved by the City Council pursuant to Kirkland Municipal Code 1.08.017 and establishes the effective date as five days after publication of summary.

SECTION 4. Establishes certification by City Clerk and notification of King County Department of Assessments.

The full text of this Ordinance will be mailed without charge to any person upon request made to the City Clerk for the City of Kirkland. The Ordinance was passed by the Kirkland City Council at its meeting on the ____ day of _____, 2012.

I certify that the foregoing is a summary of Ordinance _____ approved by the Kirkland City Council for summary publication.

_____
City Clerk

RESOLUTION R-4946

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING AMENDED DESIGN GUIDELINES FOR PEDESTRIAN ORIENTED BUSINESS DISTRICTS AND AUTHORIZING THE MAYOR TO SIGN.

WHEREAS, the Planning Commission considered the proposed amendments to the Design Guidelines for Pedestrian Oriented Business Districts at its public hearing on November 15, 2012, in association with related amendments to the Kirkland Zoning Code; and

WHEREAS, the City Council has determined that it is appropriate to amend the Design Guidelines for Pedestrian Oriented Business Districts as they directly support Ordinance No. 4392 (Parker Comprehensive Plan and Zoning Amendments) and under Kirkland Municipal Code 3.30.040 design guidelines bearing the signature of the Mayor and Director of the Department of Planning and Community Development are adopted by reference;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The amendments to the Design Guidelines for Pedestrian Oriented Business Districts, attached as Exhibit A, are approved.

Section 2. The Mayor is authorized to sign the amended Design Guidelines for Pedestrian Oriented Business Districts.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2012.

Signed in authentication thereof this ____ day of _____, 2012.

_____
MAYOR

Attest:

_____
City Clerk

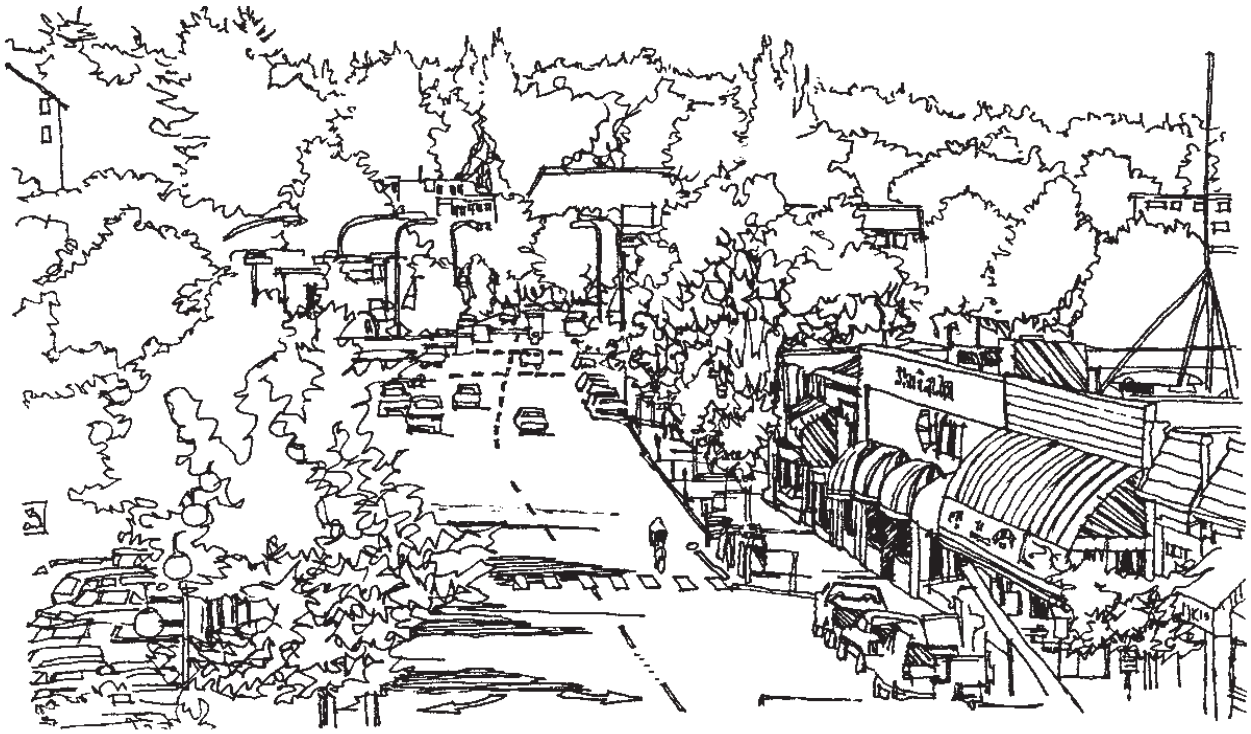
Introduction

This document sets forth a series of Design Guidelines, adopted by Section 3.30 of the Kirkland Municipal Code, that will be used by the City in the in the design review process. For Board Design Review (BDR), the Design Review Board will use these guidelines in association with the Design Regulations of the Kirkland Zoning Code. To the extent that the standards of the Design Guidelines or Design Regulations address the same issue but are not entirely consistent or contain different levels of specificity, the Design Review Board will determine which standard results in superior design. For Administrative Design Review (ADR), the Planning Official will use these guidelines when necessary to interpret the Design Regulations. They are also intended to assist project developers and their architects by providing graphic examples of the intent of the City's guidelines and regulations.

Most of the concepts presented in the Design Guidelines are applicable to any pedestrian-oriented business district.* "Special Considerations" have been added, such as for Downtown Kirkland, to illustrate how unique characteristics of that pedestrian-oriented business district relate to the Guideline.

The Design Guidelines do not set a particular style of architecture or design theme. Rather, they will establish a greater sense of quality, unity, and conformance with Kirkland's physical assets and civic role.

The Design Guidelines will work with improvements to streets and parks and the development of new public facilities to create a dynamic setting for civic activities and private development. It is important to note that these Guidelines are not intended to slow or restrict development, but rather to add consistency and predictability to the permit review process.



** The guidelines also apply to residential development in the Central Business District (CBD), the Juanita Business District (JBD), the North Rose Hill Business District, the Market Street Corridor (MSC), Totem Center and to mixed use development throughout the City.*

,and Planned Area 5C (PLA5C);

Kirkland Design Guidelines

The drawing below illustrates many of the design Guidelines described in this appendix

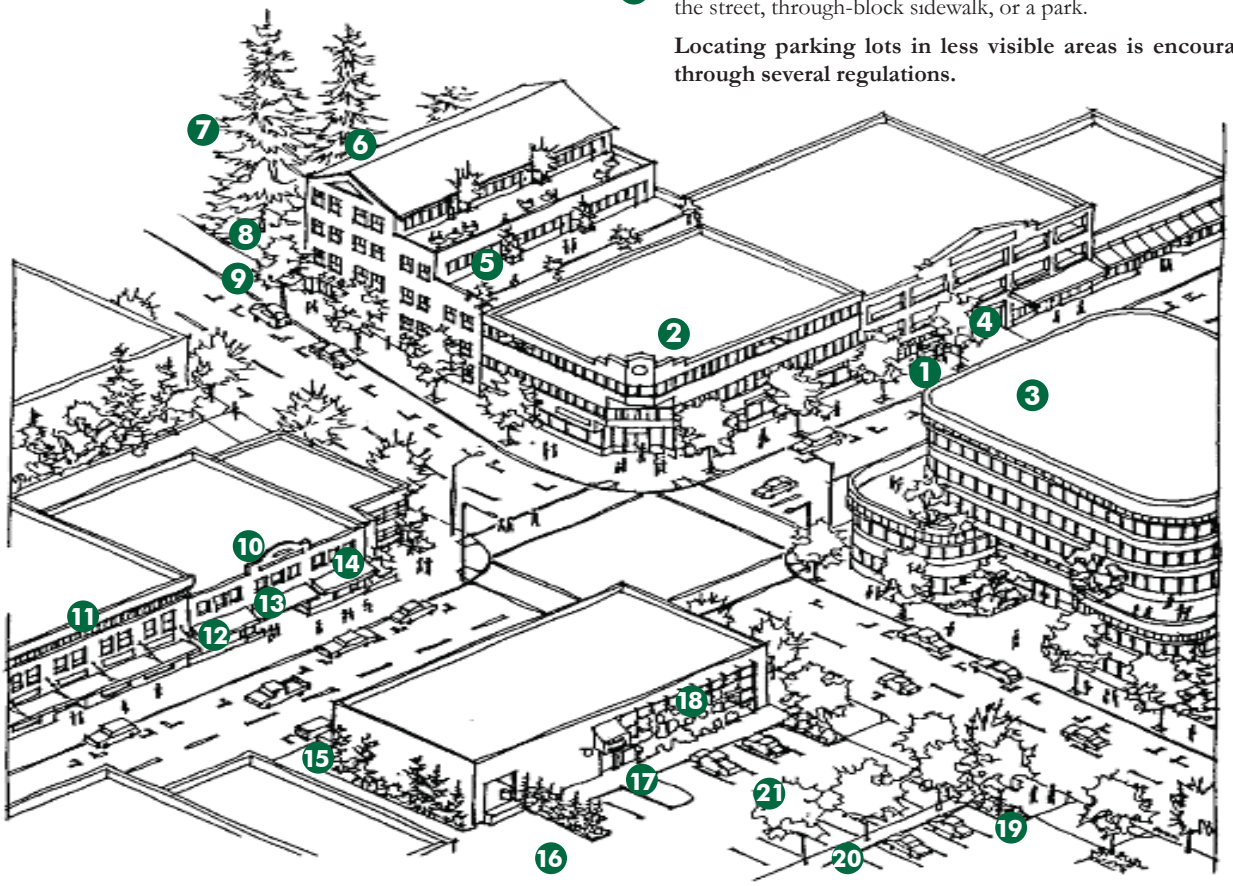
1. Pedestrian plazas and places for vendors encouraged through several regulations.
2. Buildings on corner lots may be required to incorporate an architectural or pedestrian-oriented feature at the corner. Many options are possible including plazas, artwork, turrets, curved corners, etc.

   Special architectural requirements placed on use of concrete block and metal siding.
3. "Architectural scale" requirements direct large buildings to fit more comfortably with neighboring development. This example employs building setbacks, decks, curved surfaces, and recessed entries to reduce appearance of building mass.
4. Parking garages on pedestrian-oriented streets or through-block sidewalks may incorporate pedestrian-oriented uses or pedestrian-oriented space into front facades.

   Street trees required along certain streets.
5. Human scale features such as balconies or decks, bay windows, covered entries, gable or hipped rooflines, multiple paned windows, or pedestrian-oriented space may be required.
6. More flexible method of measuring building height on slopes.
7. New policies regarding tree protection and enhancement of wooded slopes.Standards for size, quantity, quality, and maintenance of landscape plant materials are set by the Zoning Code.
8. Standards for size, quantity, quality, and maintenance of landscape plant materials are set by the Zoning Code.
9. Standards are set for pathway width, pavement, lighting, and site features on required major pathways and public properties.
10. A building cornerstone or plaque may be required.
11. Covering up existing masonry or details with synthetic materials is restricted.
12. Ground story facades of buildings on pedestrian-oriented streets or adjacent to parks may be required to feature display windows, artwork, or pedestrian-oriented space.
13. Pedestrian weather protection required on pedestrian-oriented streets.
14. Architectural detail elements such as decorative or special windows, doors, railings, grillwork, lighting, trellises, pavements, materials, or artwork to add visual interest may be required.

    Size of parking lots abutting pedestrian-oriented streets may be restricted.
15. Quantity and locations of driveways are regulated.
16. Visible service areas and loading docks must be screened.
17. Provision for pedestrian circulation is required in large parking lots.
18. Blank walls near streets or adjacent to through-block sidewalks must be treated with landscaping, artwork, or other treatment.
19. Screening of parking lots near streets is required.
20. Standards for curbs, signing, lighting, and equipment are set for parking lots.
21. Internal landscaping is required on large parking lots visible from the street, through-block sidewalk, or a park.

    Locating parking lots in less visible areas is encouraged through several regulations.



Purpose of the Design Guidelines for Downtown Kirkland

In 1989 the Kirkland City Council adopted Kirkland's Downtown Plan which set a vision for the downtown's future and outlined policies and public actions to make that vision a reality. One of the recommended actions is the adoption of a set of Downtown Design Guidelines to be used in reviewing all new development and major renovations in the downtown area. The goal of the Design Guidelines as stated in the plan is to

> *. . . balance the desired diversity of project architecture with the equally desired overall coherence of the downtown's visual and historic character. This is to be achieved by injecting into each projects' creative design process a recognition and respect of design guidelines and methods which incorporate new development into downtown's overall pattern.*

In addition, the guidelines are intended to further the following urban design goals stated in the plan:

- Promote a sense of community identity by emphasizing Kirkland's natural assets, maintaining its human scale, and encouraging activities that make downtown the cultural, civic, and commercial heart of the community.
- Maintain a high-quality environment by ensuring that new construction and site development meet high standards.
- Orient to the pedestrian by providing weather protection, amenities, human scale elements, and activities that attract people to downtown.
- Increase a sense of continuity and order by coordinating site orientation, building scale, and streetscape elements of new development to better fit with neighboring buildings.
- Incorporate parks and natural features by establishing an integrated network of trails, parks, and open spaces and maintaining existing trees and incorporating landscaping into new development.
- Allow for diversity and growth through flexible guidelines that are adaptable to a variety of conditions and do not restrict new development.

Insert "Purpose of the Design Guidelines for PLA5C" here (wording is shown on the following page).

Purpose of the Design Guidelines for Juanita Business District

The Juanita Business District Plan was adopted in 1990 by the City Council. It states that "the underlying goal of redevelopment in the business district is to create a neighborhood-scale, pedestrian district which takes advantage of the amenities offered by Juanita Bay."

As part of the Juanita Business District Plan, Design Regulations and Design Guidelines were established for new development and major renovations in the Business District (JBD). These guidelines and regulations are intended to further the following urban design features stated in the plan:

- Pedestrian pathways from the surrounding residential areas to and through the business district and on to Juanita Beach Park should be acquired and improved.
- View corridors to the lake should be explored through new development in the business district.
- Entry features, such as signs or sculpture, should be established in the locations shown in the Juanita Business District Plan.
- Coordinated streetscape improvements should be used throughout the business district, including street trees, street furniture, and other amenities, like flowers, banners, and signs.

Purpose of the Design Guidelines for the Market Street Corridor, including the Market Street Historic District

The City Council adopted the Market Street Corridor Plan in December of 2006 as part of the Market and Norkirk Neighborhood planning process. The new plan was created for commercial and multifamily properties adjoining Market Street extending from the Central Business District at the south end to 19th Avenue at the north end. The plan includes a vision for the corridor of an attractive, economically healthy area that accommodates neighborhood oriented businesses, office uses and multifamily housing in a way that complements and protects the adjacent residential neighborhoods.

The historic 1890's buildings at the intersection of Market Street and 7th Avenue create a unique sense of place that represents the original town center of Kirkland. The plan establishes an historic district in this area that will reflect the City's past through both its old and new buildings and its streetscape. New development and renovation within

Purpose of the Design Guidelines for PLA5C

Planned Area 5C is part of the Moss Bay Neighborhood and is designated for high density residential and office uses. It is located just east of the Central Business District (CBD) and shares many of the CBD's characteristics, although retail uses are not allowed.

The adjacent steep hillside to the north of PLA5C is part of the 85th Street right-of-way and it limits potential view obstruction from the five to six story buildings which can be developed in PLA5C.

The following guidelines, which encourage wide sidewalks, do not apply to PLA5C since there are no "pedestrian oriented streets" or "major pedestrian sidewalks" designated in the Zoning Code for this area.

- Sidewalk Width: Movement Zone
- Sidewalk Width: Storefront Activity Zone

An additional guideline that does not apply is "Height Measurement on Hillsides"

Council Meeting: 12/11/2012
Agenda: New Business
Item #: 11. b.

CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www. kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Lorrie McKay, Intergovernmental Relations Manager

Date: November 30, 2012

Subject: CITY OF KIRKLAND DRAFT 2013 LEGISLATIVE AGENDA

RECOMMENDATION:

It is recommended that the City Council review the proposed draft 2013 Legislative Agenda (Attachment A) and provide comments to staff, so that a final agenda may be adopted at the January 2, 2013 Council meeting. An annotated version of the proposed draft agenda (Attachment B) is also included, providing explanatory information for some agenda items.

BACKGROUND DISCUSSION:

The City Council's Legislative Committee, consisting of Mayor McBride, Deputy Mayor Marchione and Councilmember Asher, met in late September to begin mapping out a preliminary draft of the City's 2013 legislative priorities. The Legislative Committee also held their annual legislative breakfast meetings in October with senators and representatives of the 1st, 45th and 48th legislative districts.

Throughout October and into November, the Legislative Committee met with each member of the City's state delegation to thank them for their support in 2012 and to discuss issues identified on the City's preliminary draft 2013 Legislative Agenda (Attachment C). The primary focus of these meetings was to discuss transportation issues and the transportation budget. Along these lines, the City is requesting $5 million in funding for the next phase of the NE 132nd Interchange ramp design and for the NE 132nd Interchange to be included in any statewide transportation package (Attachments D & E).

Other potential legislative priorities were discussed such as: eliminating the $10 million ongoing diversion of liquor taxes and reinstating local share of excess liquor profits; providing cities with financing options to support public/private partnerships; allowing current transportation impact fees to be spent on multi-modal capacity adding projects for trails and/or transit corridors on railbanked rights of way; allowing local governments the option to award contracts to vendors whose pre-tax bid unit price is lowest. The Legislative Committee believes that, with an incoming new governor, the City should keep the preservation of the annexation sales tax credit as a specific priority and remain vigilant in protecting this shared revenue source.

Development of the Proposed Draft 2013 Legislative Agenda

The process for developing the next session's legislative agenda literally begins in the preceding year. The Intergovernmental Relations Manager keeps a running list of "legislative ideas" (from Councilmembers, Legislators, staff, etc.) for consideration in the next legislative session. In June, directors and managers of City departments are specifically requested to submit legislative ideas that they'd like considered. The City's Legislative Committee is convened in September to review and prioritize the list of ideas into a preliminary draft Legislative Agenda, which the Committee reviews and discusses with the City's legislative delegation at the annual legislative breakfast meetings in October, hosted by the Mayor.

Throughout November, based on feedback received on the preliminary draft, staff make revisions and prepare the proposed DRAFT Legislative Agenda (and Support Agenda) for the full Council's review and discussion at their regular December meeting. After receiving the City Council's feedback and recommended edits in December, a final Legislative Agenda is prepared for review and adoption at the Council's first regular meeting in January.

The proposed draft agenda is formatted and categorized first by guiding principles, followed by Kirkland's top legislative priorities, and then by selected priority items of our ally organizations that the City may support. The top legislative priority items will be the focus for the City's contracted lobbyists. With regard to the "support" items, formal City support is contingent upon reviewing and approving the specific language of any legislative proposal drafted to advance a particular item.

Kirkland's Legislative Review Process During Session

Proposed bills are introduced (Daily through the first cut-off) in either the Senate or House of Representatives. The City's legislative lobbyist forwards relevant bills to intergovernmental staff for review with department(s) and subject-matter experts to determine potential impacts to the City. This process also includes making an initial recommendation to intergovernmental staff on City's position (Support/Oppose/Neutral) on a given bill. From there, intergovernmental staff brings bills, reports and recommendations to the Legislative Committee for consideration, discussion and validation of staff recommendation. The Legislative Committee's decisions are guided by the legislative agenda's general principles as well as the City Council's Goals. Intergovernmental staff then communicates the City's position on bills to out legislative lobbyist, Council Members and Department Directors.

If, during the session, a proposed bill of concern to the City is determined to be beyond the scope of the legislative agenda's general principles or not in sync with the Council Goals, then the Legislative Committee will bring the bill before the full Council for consideration and discussion at its next regular council meeting.

Changes to the City's State Delegation

Both Representatives Larry Springer and Roger Goodman will continue serving the 45th Legislative District, having won re-election this year. Senator Andy Hill was not up for election. In the 48th Legislative District, Representative Ross Hunter will be joined by Representative-elect Cyrus Habib, who won election to the House seat vacated by the Honorable Deb Eddy. Like Senator Hill, Senator Rodney Tom was not up for election this cycle. Following the redistricting process last year, the 32nd Legislative District will no longer represent the City of Kirkland. However, Kirkland residents will now also be represented by the 1st Legislative District, where State Senator Rosemary McAuliffe and Representatives Luis Moscoso and Derek Stanford each won re-election to office.

The State Budget Outlook

In November, the Washington State Economic and Revenue Forecast Council released a four-year outlook, which showed the state facing a projected $900 million budget shortfall for the 2013–15 biennium and an even larger shortfall of nearly $1.1 billion for the following biennium (2015–17). The outlook was released in conjunction with the November revenue forecast, which reduced General Fund revenue projections for the 2013–15 biennium by $88 million for the next two-year budget cycle that begins July 1.

Governor Gregoire noted that while the estimated $900 million near-General Fund shortfall for 2013–15 is slightly better than what the Office of Financial Management had projected preliminarily in August, she stressed that the outlook does not include any additional spending that will be needed to meet basic education needs identified by the state Supreme Court in the McCleary decision.

The Governor is required by law to propose a 2013–15 budget by Dec. 20. A new four-year outlook will be released in January by the Forecast Council based on the Governor's proposed budget. Beginning with the 2013–15 budget, the Legislature will be required to adopt an operating budget that balances projected revenue and expenditures over two full biennia, or through the 2015–17 biennium.

The 2013 Legislative Session

This year's regular session is a long 105-day session beginning on January 14, 2013 and extending to April 29, 2013. The legislature will finalize the cutoff schedule on the first day of session.

State Lobbyists

Majken Ryherd and Jim Richards of Waypoint Consulting, who were retained by contract to serve as Kirkland's State lobbyists, have assisted staff with the development of the proposed draft agenda. Majken and Jim also participated in the legislative breakfasts.

After receiving the City Council's feedback and edits, a final Legislative Agenda will be prepared for adoption at the Council's January 2, 2013 regular meeting.

Attachments:
A. Proposed Draft 2013 Legislative Agenda
B. Annotated Proposed Draft 2013 Legislative Agenda
C. Legislative Breakfast Version of the Preliminary Draft 2013 Legislative Agenda
D. NE 132nd Interchange Project, Draft Discussion Paper
E. Map (8.5X11) of the NE 132nd Interchange Project
F. Draft Resolution of the City Council Approving the 2013 Legislative Agenda

CITY OF KIRKLAND
2013 DRAFT LEGISLATIVE AGENDA – DRAFT #1

General Principles

Kirkland supports legislation to promote the City Council's goals and protect the city's ability to provide basic municipal services to its citizens.

- Protect shared state revenue sources available to the city, and provide new revenue options and flexibility in the use of existing revenues.
- Support long-term sustainability efforts related to City financial, environmental and transportation goals.
- Oppose new mandates that drain City resources at a time of recession and limited revenues.
- Oppose any further shifting of costs or services from the State or counties to cities.
- Defend against state consolidation/central administration of taxes including Business & Occupation and telecommunication.

City of Kirkland DRAFT 2013 Legislative Priorities

1. Kirkland supports providing state and local transportation revenue to maintain infrastructure investments and complete projects that enhance economic vitality.
2. Kirkland supports retaining the State Annexation Sales Tax Credit and defending against state revenue reductions or legislation that impact completion of the Finn Hill, Juanita and Kingsgate-area annexation.
3. Kirkland supports $5 million in funding for the next phase of the NE 132nd Interchange ramp design and for the NE 132nd Interchange to be included in any statewide transportation package.
4. Kirkland supports eliminating the $10 million ongoing diversion of liquor taxes and reinstating local share of excess liquor profits.
5. Kirkland supports the development of the Cross-Kirkland Corridor including support of continued state financial assistance (WWRP) and other tools to implement multiple uses including recreation and transportation.
6. Kirkland supports providing cities with financing options to support public/private partnerships (including flexibility in the use of existing tax sources).
7. Kirkland supports allowing current transportation impact fees to be spent on multi-modal capacity adding projects for trails and/or transit corridors on railbanked rights of way.
8. Kirkland supports allowing local governments the option to award contracts to vendors whose pre-tax bid unit price is lowest.

CITY OF KIRKLAND
2013 DRAFT LEGISLATIVE SUPPORT AGENDA – DRAFT #1

Kirkland generally supports the policy principles of the items below, however, formal City support is contingent upon reviewing and approving the specific language of any legislative proposal drafted to advance a particular item.

2013 Legislative Support

Legislation on Kirkland's Support agenda from 2012

- Support brown grease to energy conversion legislation and programs.
- Support modification of the Washington State Department of Licensing's (DOL) implementation of the Commercial Driver's License process.
- Support legislation providing for the safe collection and disposal of unwanted drugs from residential sources through a producer provided and funded product stewardship program.
- Support an amendment to RCW 46.68.090 that would allocate gas tax revenues between counties and cities based on a per capita allocation rather than the current fixed percentages.

Additionally, Kirkland supports selected items of the 2013 legislative agendas for the following organizations:

Association of Washington Cities

(AWC Legislative Subcommittee priority recommendations as of November 21, 2012)

- Ensure continued appropriation of committed state shared funds
- Restore liquor revenue and mitigate public safety impacts from privatization
- Preserve existing local revenue authorities
- State transportation funding and local options
  - City Option Gas Tax
  - 1% Motor Vehicle Excise Tax
- Amend or add new economic development tools
- Fund city priorities in the Capital Budget
- Pursue options for creating sustainable personnel related costs
- Stormwater Funding
- Resist transferring responsibilities from the state to cities.
- Pursue pro-active public records proposals

Transportation Issues

Eastside Transportation Partnership

(Draft as of October 12, 2012)

- Develop and fund a transportation package through an increase in the state gas tax and/or other revenue sources to pay for critical safety, maintenance and mobility improvements identified for I-405, I-90, SR 522 and SR 520 east of I-405.

- Increase funding options for local transportation needs; while maintaining funding for programs that support mobility, economic vitality and maintenance of the existing transportation system.
- Continue to evaluate tolling as a tool to help manage and finance specific projects in key corridors. Additionally, continue to monitor for impacts on other roadways as a result of SR 520 tolling and consider appropriate mitigation where necessary.

Transportation Choices Coalition
(Draft as of November 15, 2012)

- Pass a balanced biennial transportation budget that meets the following principles:
  - Increase the amount of state monies that are dedicated to transit, bicycle and pedestrian uses. Add money for the Complete Streets grant program.
  - Keep tolling revenue flexible for use on the movement of people and goods.
  - Codify future spending of new fees that passed in 2012.
  - Keep federal funding for Safe Routes to Schools that was agreed upon by the MAP-21 advisory committee.
- Pass local options:
  - Transit needs a menu of local options for transit investments that are less regressive and volatile.
  - Local options should be passed for all agencies, especially ones that have maxed out current capacity.
- Support a revenue package that meets the principles of Transportation for Washington.
- Pass a bill that includes improved health outcomes in transportation planning.
- Support Bicycle Alliance's bill for Safe Neighborhood speeds.

Bicycle Alliance of Washington

(Draft as of November 27, 2012)

- Local Government Control and Safe Neighborhood Streets
- Safe Passing on Washington's Roads
- K-12 Transportation System Study
- Adding Health as a State Transportation System Policy Goal
- Transportation Budget/Revenue

Cascade Bicycle Club
(As of November 28th, there is not yet a draft 2013 agenda available from the CBC)

Human Services Issues

Eastside Human Services Forum
(Draft as of October 25, 2012)

- Preserving Services for Basic Needs
  - Maintain programs that provide basic needs for all residents, such as food and healthcare including mental health, substance abuse, and medical interpretation.

- Maintain funding for the Washington Information Network (WIN) 2-1-1.

- Preventing and Ending Homelessness
  - Maintain the State investment in the Housing Trust Fund.
  - Extend foster care for ALL youth until age 21.
  - Maintain the Housing and Essential Needs Program which replaced the Disability Lifeline.
- Supporting Early Learning and School Readiness
  - Maintain the current investment in home visiting funding for evidence-based home visiting programs such as Healthy Start.
  - Protect current investments in early learning such as the Early Childhood Education and Assistance Program (ECEAP), WaKids (the new State kindergarten learning assessment), the Washington State Child Care Resource and Referral Network, and the Working Connections Child Care Program which provides subsidies for low-income working families or families seeking work.
- Supporting the Most Vulnerable Older Adults and People with Disabilities
  - Protect Washington's current long term care infrastructure and maintain the investment in services that enable older adults and people with disabilities to remain in their homes and in the community, such as the Community Alternative Program waiver, programs and services funded by the Senior Citizens Services Act, and family caregiver programs.
  - Protect vulnerable adults through programs such as the State Long Term Care Ombudsman, Office of Public Guardianship, and through continued oversight of Adult Family homes.

Bellevue Network on Aging
As of November 28, 2012, there are no 2013 legislative priorities available from the BNA.

Washington Association of Area Agencies on Aging
As of November 28, 2012, there are no 2013 legislative priorities available from the WAAAA.

Washington Low Income Housing Alliance

2013 State Legislative Priorities
- Housing Trust Fund - Significant new Capital Budget allocation.
- Housing and Essential Needs - Protect against cuts & seek policy fixes that improve the program and address ACA (Affordable Care Act) changes.
- Fair Tenant Screening Act - Address the high cost of the reports and regulate the reporting of evictions and DV records.
- Affordable Housing, Equity and Infrastructure financing mechanism - Either oppose attempts for any TIF-like tool that does not include significant support for affordable housing, or support a negotiated bill via the PSRC Growing Transit Communities process.

Environmental Issues

Environmental Priorities Coalition
As of November 28, 2012, there are no 2013 legislative priorities available from the EPC.

Water Issues

WRIA 8

- Support $80 million for Puget Sound Acquisition and Restoration (PSAR) funding which supports implementation of the highest priority projects throughout Puget Sound.
- Support $40 million request in Recreation and Conservation Office capital budget request, to serve as state match to federal Pacific Coastal Salmon Recovery Fund.
- Support funding for salmon recovery Lead Entities in the Recreation and Conservation Office's general fund budget request.
- Support a study bill of the draft Watershed Investment District legislation.

Cascade Water Alliance

DRAFT 2013 legislative priorities for CWA.

- **Lane Case**: Clarify to make more workable recent decisions of the Washington State Supreme Court (Lane v. City of Seattle and City of Bonney Lake V. City of Tacoma) that have left important unresolved questions about who pays for fire hydrants, what costs may be recovered and the mechanism or process that may be used for cost recovery.
- **High Efficiency Toilet Legislation**: Cascade proposes a measure that would require By January 1, 2014, toilets sold or installed in this state must be high efficiency toilets that go beyond the current standard (1.6 gallons per flush) and use less than 1.3 gallons per flush, which would, if every home in the US replaced old toilets with new high efficiency toilets would save more than 900 billion gallons of water per year.
- **Milfoil Removal Funding**: Assist in finding funding for the milfoil in Lake Tapps.

Public Safety Issues

Washington Association of Sheriffs and Police Chiefs

- Sustainable funding for CJTC to include BLEA, mid-level and executive training, prosecutor training, and specialized training such as CIT.
- Mandatory reporting of all gunshot wounds by medical providers.
- Continued basic funding for WASPC and WATPA programs such as Victim Notification, Jail Booking and Reporting System, Sex Offender Address Verification, UCR, etc.

Washington Fire Chiefs Association

2013 Draft legislative goals proposed in 2012.

- All Risk Mobilization
- Simple Majority for M & O Levies
- Fire Training Academy Burn Tower Funding
- Oppose Ambulance Billing Direct to Patient
- Raise EMS Levy Cap to $.75

Parks Issues

Washington Recreation and Parks Association

2013 Key Legislative Priorities

- Advocate for increased WWRP funding in 2013-15 Capital Budget
- Support State Parks efforts to secure general-fund monies
- Pursue legislation to re-establish funding for the Youth Athletic Facilities (YAF) Account

Planning Issues

Washington Chapter of the American Planning Association

As of November 28, 2012, there are no 2013 legislative priorities available from the WA APA.

DRAFT

CITY OF KIRKLAND
2013 DRAFT LEGISLATIVE AGENDA – ANNOTATED – DRAFT #1

General Principles

Kirkland supports legislation to promote the City Council's goals and protect the city's ability to provide basic municipal services to its citizens.

- Protect shared state revenue sources available to the city, and provide new revenue options and flexibility in the use of existing revenues.
- Support long-term sustainability efforts related to City financial, environmental and transportation goals.
- Oppose new mandates that drain City resources at a time of recession and limited revenues.
- Oppose any further shifting of costs or services from the State or counties to cities.
- Defend against state consolidation/central administration of taxes including Business & Occupation and telecommunication.

City of Kirkland DRAFT 2013 Legislative Priorities

1. **Kirkland supports providing state and local transportation revenue to maintain infrastructure investments and complete projects that enhance economic vitality.**

2. **Kirkland supports retaining the State Annexation Sales Tax Credit and defending against state revenue reductions or legislation that impact completion of the Finn Hill, Juanita and Kingsgate-area annexation.**

Without the State Annexation Sales Tax Credit, police, safety and other services will need to be spread "thinner" across the whole service area.

3. **Kirkland supports $5 million in funding for the next phase of the NE 132nd Interchange ramp design and for the NE 132nd Interchange to be included in any statewide transportation package.**

Originally, the NE 132nd Interchange project was funded at $60 million in the 2005 Transportation Partnership Funding Budget and slated for construction in 2018. Funds were originally prioritized because the Totem Lake Urban Center is an integral part in the City's and State's plan to revitalize this area to boost economic development and create jobs. The project is currently partially funded by WSDOT in 2025 and the City of Kirkland is seeking funding to move this critical improvement forward. Plans for the new interchange are currently at about 5% completion.

WSDOT estimates the total construction cost to be on the order of $90 million. As a designated urban center, Totem Lake is also supposed to be prioritized in both regional and state transportation plans. Improving access to and through the Totem Lake area has been identified by a number of groups that have studied the Totem Lake area as a major need in order to spur economic development and ease existing congestion. Delaying additional funding until 2025 will jeopardize much needed economic development in the area. Given the importance of this project to the local and regional economy, the City is requesting $5 million in funding for the next phase of the NE 132nd Interchange ramp design.

The City is also requesting the full project to be included as part of any statewide transportation package.

4. **Kirkland supports eliminating the $10 million ongoing diversion of liquor taxes and reinstating local share of excess liquor profits.**

In its 2012 session, the Legislature permanently diverted $10 million of liquor taxes from local governments and removed the revenue sharing system for liquor profits.

5. **Kirkland supports the development of the Cross-Kirkland Corridor including support of continued state financial assistance (WWRP) and other tools to implement multiple uses including recreation and transportation.**

The Cross-Kirkland Corridor project ranked #2 on the Washington Wildlife and Recreation Program (WWRP) Trails grant program list, qualifying it for $500,000. The amount of funding available for WWRP Trails grant program will be part of the next State Capital Budget. Because of the high rank, the Cross-Kirkland Corridor is very likely to secure WWRP funds.

6. **Kirkland supports providing cities with financing options to support public/private partnerships (including flexibility in the use of existing tax sources).**

This item is carried over from the 2012 priorities. Given its limited economic development tools for attracting or retaining businesses, the State of Washington is at a major competitive disadvantage. Pursuing new tools to help cities recover, thrive and be efficient is critical to revitalizing local economies, the economic engines of the State.

7. **Kirkland supports allowing current transportation impact fees to be spent on multi-modal capacity adding projects for trails and/or transit corridors on railbanked rights of way.**

Impact fees help local agencies pay for the impacts of development. In their simplest form, impact fee rates are calculated by dividing the cost of improvements required to support new development over some future period of years by the number of new trips that are expected during that same period.

Washington State Law limits transportation impact fees to be collected and spent only for "public streets and roads". Kirkland is moving toward a multimodal transportation system, including level of service and concurrency systems that are based on the performance of all modes. The Cross Kirkland Corridor exemplifies this commitment. To more effectively implement a multimodal system, we need

allow impact fees to help fund capacity increasing transit and trail improvements on the Cross Kirkland Corridor.

8. Kirkland supports allowing local governments the option to award contracts to vendors whose pre-tax bid unit price is lowest.

Local governments have a few options for selecting vendors, which are geared toward procurement at the lowest responsive price. One option is to use the State Department of Enterprise Services contract to make purchases, to take advantage of the economies of scale represented by the State's cooperative purchasing powers.

Another option is for the local governments to solicit bids and select from the low pre-tax bid received. In this option, under the current RCW 39.30.040, the only basis to differentiate between a local and non-local vendor in this situation is that "local government may, at its option when awarding a purchase contract, take into consideration tax revenue it would receive from purchasing the supplies, materials, or equipment from a supplier located within its boundaries". Unfortunately, the City's share of the sales tax is only 0.85% of the 9.5% sales tax rate in effect in King County (9.8% for automobiles) and that small differential rarely is sufficient to make a difference in the selection therefore precluding selection of a local bidder

The intent is to allow local governments the option to select a local vendor that proposes the lowest unit cost, before taxes. The policy rationale would be that there is a public benefit derived from the local and regional sales taxes paid by procuring from the local vendor, so long as the pre-tax cost is lowest. This option does not preclude the local jurisdiction from rejecting all bids and using the State contract.

DRAFT

CITY OF KIRKLAND
2013 DRAFT LEGISLATIVE SUPPORT AGENDA – ANNOTATED – DRAFT #1

Kirkland generally supports the policy principles of the items below, however, formal City support is contingent upon reviewing and approving the specific language of any legislative proposal drafted to advance a particular item.

2013 Legislative Support

Legislation on Kirkland's Support agenda from 2012

- Support brown grease to energy conversion legislation and programs.
- Support modification of the Washington State Department of Licensing's (DOL) implementation of the Commercial Driver's License process.
- Support legislation providing for the safe collection and disposal of unwanted drugs from residential sources through a producer provided and funded product stewardship program.
- Support an amendment to RCW 46.68.090 that would allocate gas tax revenues between counties and cities based on a per capita allocation rather than the current fixed percentages.

Additionally, Kirkland supports selected items of the 2013 legislative agendas for the following organizations:

Association of Washington Cities

(AWC Legislative Subcommittee priority recommendations as of November 21, 2012)

Ensure continued appropriation of committed state shared funds

(Such as Liquor Excise Taxes and Profits, Streamlined Sales Tax Mitigation, City-County Assistance Account, Municipal Criminal Justice Account, and public health funding)

Restore liquor revenue and mitigate public safety impacts from privatization

Eliminate $10 million ongoing diversion of liquor taxes and reinstate local share of excess liquor profits. Find new ways to fund liquor enforcement and increase local authority over retail liquor sales to enhance public safety.

Preserve existing local revenue authorities

(don't restrict or eliminate, such as local B&O taxing authorities)

State transportation funding and local options

Any State revenue proposal must contain a significant share of funding to assist cities and provide for new local options (such as raising the Councilmanic approval of Transportation Benefit Districts from $20-$40).

City Option Gas Tax

Would allow cities to impose a voter approved, one cent gas tax. (Similar legislation was part of last year's local transportation option bill. It came within one vote of passing Senate, was not heard in the House.)

1% Motor Vehicle Excise Tax

AWC is anticipating that King County will reintroduce a 1% MVET for the purposes of providing regional transit funding and to support road funding. Any MVET proposal must have a consensus between the county and cities prior to session or it could derail a local transportation options proposal.

Amend or add new economic development tools

(such as new rounds of funding Local Revitalization Financing and extending current sales tax funding of Local Infrastructure or Public Facilities Districts)

Fund city priorities in the Capital Budget

(such as the Public Works Trust Fund)

Pursue options for creating sustainable personnel related costs

(such as changes to binding interest arbitration statutes, stabilizing pension contribution funding, and minimizing increases in Workers Compensation rates)

Stormwater Funding

Advocate for new state funding and the continuation and formalization of existing funding to support Phase I and II NPDES cities meeting permit responsibilities.

Resist transferring responsibilities from the state to cities.

Pursue pro-active public records proposals

Proposals that address some of the problems that come with the burgeoning and abusive public records requests.

The AWC's Legislative Priorities are developed over the interim through participation by municipal elected officials and staff representatives from cities across the state. Specifically, there are 5 AWC subject area subcommittees that work on identifying potential legislative priorities for the upcoming session. The City of Kirkland has individual representatives serving on four of the five subcommittees.

The subcommittee participants comprise AWC's 80-member legislative committee. The full legislative committee met via webinar on September 19 to identify preliminary legislative priorities for 2013. The full committee's recommendations were forwarded to the AWC Board for their consideration on September 28. The full legislative committee revisited the issues and positions associated with preliminarily developed priorities on November 15. The AWC's 2013 legislative priorities are set to be finalized by the AWC's Board on December 7. Those were not available at the time this draft was assembled for the December 11 City Council meeting.

Transportation Issues

Eastside Transportation Partnership

(Draft as of October 12, 2012)

- Develop and fund a transportation package through an increase in the state gas tax and/or other revenue sources to pay for critical safety, maintenance and mobility improvements identified for I-405, I-90, SR 522 and SR 520 east of I-405.

- Increase funding options for local transportation needs; while maintaining funding for programs that support mobility, economic vitality and maintenance of the existing transportation system.

- Continue to evaluate tolling as a tool to help manage and finance specific projects in key corridors. Additionally, continue to monitor for impacts on other roadways as a result of SR 520 tolling and consider appropriate mitigation where necessary.

The City Council considered these ETP priorities at its November 7 meeting and following that meeting, Council sent a letter of support to the ETP.

Transportation Choices Coalition
(Draft as of November 15, 2012)

Pass a balanced biennial transportation budget that meets the following principles:

- Increase the amount of state monies that are dedicated to transit, bicycle and pedestrian uses. Add money for the Complete Streets grant program.
- Keep tolling revenue flexible for use on the movement of people and goods.
- Codify future spending of new fees that passed in 2012.
- Keep federal funding for Safe Routes to Schools that was agreed upon by the MAP-21 advisory committee.

Pass local options:

- Transit needs a menu of local options for transit investments that are less regressive and volatile.
- Local options should be passed for all agencies, especially ones that have maxed out current capacity.

Support a revenue package that meets the principles of Transportation for Washington.

Pass a bill that includes improved health outcomes in transportation planning (2370 from last year).

Support Bicycle Alliance's bill for Safe Neighborhood speeds (1217 from last year).

Bicycle Alliance of Washington
(Draft as of November 27, 2012)

Local Government Control and Safe Neighborhood Streets

The Bicycle Alliance again will lead the Neighborhood Safe Streets Bill to make safer streets and neighborhoods by allowing cities and towns the authority to set speed limits to 20 miles per hour on non---arterial streets. Previously SHB 1217.

Safe Passing on Washington's Roads

The Bicycle Alliance will look to pursue legislation to allow motor vehicles to drive on the left side of a double parallel solid line if passing a person riding a bicycle in the same direction.

K-12 Transportation System Study

Current pupil transportation funding shortfall exists. Study bill or proviso would explore how to improve pupil transportation options and to save the state and school districts money.

Adding Health as a State Transportation System Policy Goal

The Bicycle Alliance will again support legislation that adds human health to the policy goals of our state transportation system—alongside existing goals such as economic vitality, mobility, and the environment. Previously HB 2370.

Transportation Budget/Revenue

Investments in walking and biking give Washingtonians the freedom to get around, safer streets for our children, and create more jobs per capita dollar spent than most transportation projects. As a member of the Transportation for Washington campaign, we support the expansion of the following state grant programs:

- *Safe Routes to School Grant Program has improved safety for over 67,000 children statewide through educational programs and infrastructure improvements.*
- *Complete Streets Grant Program. Established in 2011 through ESHB 1071, which the Bicycle Alliance led, this program lacks funding but already is in demand as cities like Spokane and Moses Lake are lining up to become eligible for an innovative program that seeks to improve main streets and business corridors.*
- *Bicycle/Pedestrian Safety and Mobility Grant Program. Currently a heavily over-subscribed program at WSDOT with 10-15% projects funded.*

The Bicycle Alliance of Washington will pursue these funding priorities through the biennial transportation budget, as well as potential revenue and local options bills that increase options for cities, towns and counties to invest in a multimodal transportation system.

Cascade Bicycle Club
(As of November 28th, there is not yet a draft 2013 agenda available from the CBC)

Human Services Issues

Eastside Human Services Forum
(Draft as of October 25, 2012)

Preserving Services for Basic Needs

- Maintain programs that provide basic needs for all residents, such as food and healthcare including mental health, substance abuse, and medical interpretation.
- Maintain funding for the Washington Information Network (WIN) 2-1-1.

Preventing and Ending Homelessness

- Maintain the State investment in the Housing Trust Fund.
- Extend foster care for ALL youth until age 21.
- Maintain the Housing and Essential Needs Program which replaced the Disability Lifeline.

Supporting Early Learning and School Readiness

- Maintain the current investment in home visiting funding for evidence-based home visiting programs such as Healthy Start.
- Protect current investments in early learning such as the Early Childhood Education and Assistance Program (ECEAP), WaKids (the new State kindergarten learning assessment), the Washington State Child Care Resource and Referral Network, and the Working Connections Child Care Program which provides subsidies for low-income working families or families seeking work.

Supporting the Most Vulnerable Older Adults and People with Disabilities

- Protect Washington's current long term care infrastructure and maintain the investment in services that enable older adults and people with disabilities to remain in their homes and in the community, such as the Community Alternative Program waiver, programs and services funded by the Senior Citizens Services Act, and family caregiver programs.

- Protect vulnerable adults through programs such as the State Long Term Care Ombudsman, Office of Public Guardianship, and through continued oversight of Adult Family homes.

Bellevue Network on Aging
As of November 28, 2012, there are no 2013 legislative priorities available from the BNA.

Washington Association of Area Agencies on Aging
As of November 28, 2012, there are no 2013 legislative priorities available from the WAAAA.

Washington Low Income Housing Alliance

2013 State Legislative Priorities

- Housing Trust Fund - Significant new Capital Budget allocation.
- Housing and Essential Needs - Protect against cuts & seek policy fixes that improve the program and address ACA (Affordable Care Act) changes.
- Fair Tenant Screening Act - Address the high cost of the reports and regulate the reporting of evictions and DV records.
- Affordable Housing, Equity and Infrastructure financing mechanism - Either oppose attempts for any TIF-like tool that does not include significant support for affordable housing, or support a negotiated bill via the PSRC Growing Transit Communities process.

Environmental Issues

Environmental Priorities Coalition
As of November 28, 2012, there are no 2013 legislative priorities available from the EPC.

Water Issues

WRIA 8

- Support $80 million for Puget Sound Acquisition and Restoration (PSAR) funding which supports implementation of the highest priority projects throughout Puget Sound.
- Support $40 million request in Recreation and Conservation Office capital budget request, to serve as state match to federal Pacific Coastal Salmon Recovery Fund.
- Support funding for salmon recovery Lead Entities in the Recreation and Conservation Office's general fund budget request.
- Support a study bill of the draft Watershed Investment District legislation.

See Watershed Improvement District legislation background information in September 15, 2011 Reading File)

Cascade Water Alliance
DRAFT 2013 legislative priorities for CWA. To be considered mid-November with adoption by Nov 28.

- **Lane Case**: Clarify to make more workable recent decisions of the Washington State Supreme Court (Lane v. City of Seattle and City of Bonney Lake V. City of Tacoma) that have left important unresolved questions about who pays for fire hydrants, what costs may be recovered and the mechanism or process that may be used for cost recovery.
- **High Efficiency Toilet Legislation**: Cascade proposes a measure that would require By January 1, 2014, toilets sold or installed in this state must be high efficiency toilets that go

beyond the current standard (1.6 gallons per flush) and use less than 1.3 gallons per flush, which would, if every home in the US replaced old toilets with new high efficiency toilets would save more than 900 billion gallons of water per year.

- **Milfoil Removal Funding**: Assist in finding funding for the milfoil in Lake Tapps.

Public Safety Issues

Washington Association of Sheriffs and Police Chiefs

- Sustainable funding for CJTC to include BLEA, mid-level and executive training, prosecutor training, and specialized training such as CIT.
- Mandatory reporting of all gunshot wounds by medical providers.
- Continued basic funding for WASPC and WATPA programs such as Victim Notification, Jail Booking and Reporting System, Sex Offender Address Verification, UCR, etc.

Washington Fire Chiefs Association

2013 Draft legislative goals proposed in 2012.

- All Risk Mobilization
- Simple Majority for M & O Levies
- Fire Training Academy Burn Tower Funding
- Oppose Ambulance Billing Direct to Patient
- Raise EMS Levy Cap to $.75

Parks Issues

Washington Recreation and Parks Association

2013 Key Legislative Priorities

Advocate for increased WWRP funding in 2013-15 Capital Budget

(Capital Budget) WRPA will work closely with the Washington Wildlife and Recreation Coalition (WWRC) to seek an increased level of funding for WWRP in 2013-15. The Recreation and Conservation Funding Board (RCFB) which oversees the state's Recreation & Conservation Office (RCO) – after receiving recommendations from the Coalition and the WRPA -- have recommended a funding level of $90 million. The WWRP program is the WRPA's highest priority, given the critical role it plays in assisting local parks agencies with funding for local parks, trails, water-access projects, etc. View Ranked Proposed Projects by Category

Support State Parks efforts to secure general-fund monies

(Operating Budget) The WRPA will strongly support a State Parks request to secure $18 million from the state's Operating Budget – so that there is general fund assistance for our cherished State Parks along with the fee-based Discover Pass program. For the WRPA, this is much more than a "state" issue. State Parks in fact bring people into local communities in some cases, serve as a tourism attraction in others, and help underscore the importance of outdoor recreation in our state's quality of life and economy.

Pursue legislation to re-establish funding for the Youth Athletic Facilities (YAF) Account

(Capital Budget/Policy Bill) The YAF account remains in state statute, but has not been funded for several years. The WRPA will lead a legislative initiative that seeks to re-establish YAF funding, through retention of 50 percent of the expected sales tax proceeds that would come from the application of sales tax on competitive leagues run by public agencies and private organizations. In crafting the legislation, the WRPA also will seek to ensure that Metropolitan Park Districts (MPDs) are made eligible to compete for this funding. Under state law, the YAF funding can be used for both capital needs as well as "minor works" efforts to keep facilities maintained. The RCFB also has recommended re-establishing YAF funding.

Planning Issues

Washington Chapter of the American Planning Association

As of November 28, 2012, there are no 2013 legislative priorities available from the WA APA.

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CITY OF KIRKLAND
2013 DRAFT LEGISLATIVE AGENDA

General Principles

Kirkland supports legislation to promote the City Council's goals and protect the city's ability to provide basic municipal services to its citizens.

- Protect shared state revenue sources available to the city, and provide new revenue options and flexibility in the use of existing revenues.
- Support long-term sustainability efforts related to City financial, environmental and transportation goals.
- Oppose new mandates that drain City resources at a time of recession and limited revenues.
- Oppose any further shifting of costs or services from the State or counties to cities.
- Defend against state consolidation/central administration of taxes including Business & Occupation and telecommunication.

City of Kirkland DRAFT 2013 Legislative Priorities

1. Kirkland supports providing state and local transportation revenue to maintain infrastructure investments and complete projects that enhance economic vitality.
2. Kirkland supports $5 million in funding for the next phase of the NE 132nd Interchange ramp design.
3. Kirkland supports eliminating the $10 million ongoing diversion of liquor taxes and reinstating local share of excess liquor profits.
4. Kirkland supports the development of the Cross-Kirkland Corridor including support of continued state financial assistance (WWRP) and other tools to implement multiple uses including recreation and transportation.
5. Kirkland supports providing cities with financing options to support public/private partnerships (including flexibility in the use of existing tax sources).
6. Kirkland supports allowing transportation impact fees to be spent on multi-modal capacity adding projects associated with trail, bicycle, and/or transit corridors.
7. Kirkland supports allowing local governments the option to award contracts to vendors whose pre-tax bid unit price is lowest.
8. Kirkland supports improving state law to protect pedestrians and bicyclists on community streets.
9. Kirkland supports safe collection and disposal of unwanted drugs from residential sources.

CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.kirklandwa.gov

September 25, 2012

WORKING TITLE: NE 132nd Interchange Project

Kirkland supports $5 million in funding for the next phase of the NE 132nd Interchange ramp design. Restoring the new interchange on I-405 at NE 132nd Street would improve access to the Totem Lake Urban Center by connecting Totem Lake – an important local and regional economic redevelopment project – to and from points to the north.

ISSUE BACKGROUND:

Originally, the NE 132nd Interchange project was funded at $60 million in the 2005 Transportation Partnership Funding Budget and slated for construction in 2018.

Funds were originally prioritized because the Totem Lake Urban Center is an integral part in the City's plan to revitalize this area to boost economic development and create jobs – without easy freeway access redevelopment will be limited at best.

The project is currently partially funded by WSDOT in 2025 and the City of Kirkland is seeking funding to move this critical improvement forward. Plans for the new interchange are currently at about 5% completion. Delaying additional funding until 2025 will jeopardize much needed economic development in the area.

WSDOT estimates the total construction cost to be on the order of $90 million. Improving access to and through the Totem Lake area has been an objective of the City of Kirkland for some time and has been identified by a number of groups that have studied the Totem Lake area as a major need in order to spur economic development and ease existing congestion.

The interchange project is in the Kirkland's Totem Lake Neighborhood plan and the project is included in the I-405 Master Plan. The City of Kirkland has prepared a NE 132nd Street study that shows a set of projects that would complement the new interchange. One of those projects, at 100th Avenue NE, is funded for design and the other projects will be completed in the future. WSDOT is also interested in the NE 132nd Street project because of the congestion relief it will provide at the NE 160th and NE 124th interchanges. A programmatic environmental review has been completed as part of the I-405 master plan and project level environmental work would have to be completed. Additional right-of-way will be needed to complete the project. This can be completed as soon as funding is provided.

Given the importance of this project to the local and regional economy, the City of Kirkland respectfully requests the original funding time-line be restored to the upcoming budget.

CITY OF KIRKLAND CONTACTS:
David Godfrey, Transportation Engineering Manager, 425-587-3865
Lorrie McKay, Intergovernmental Relations Manager, 425-587-3009

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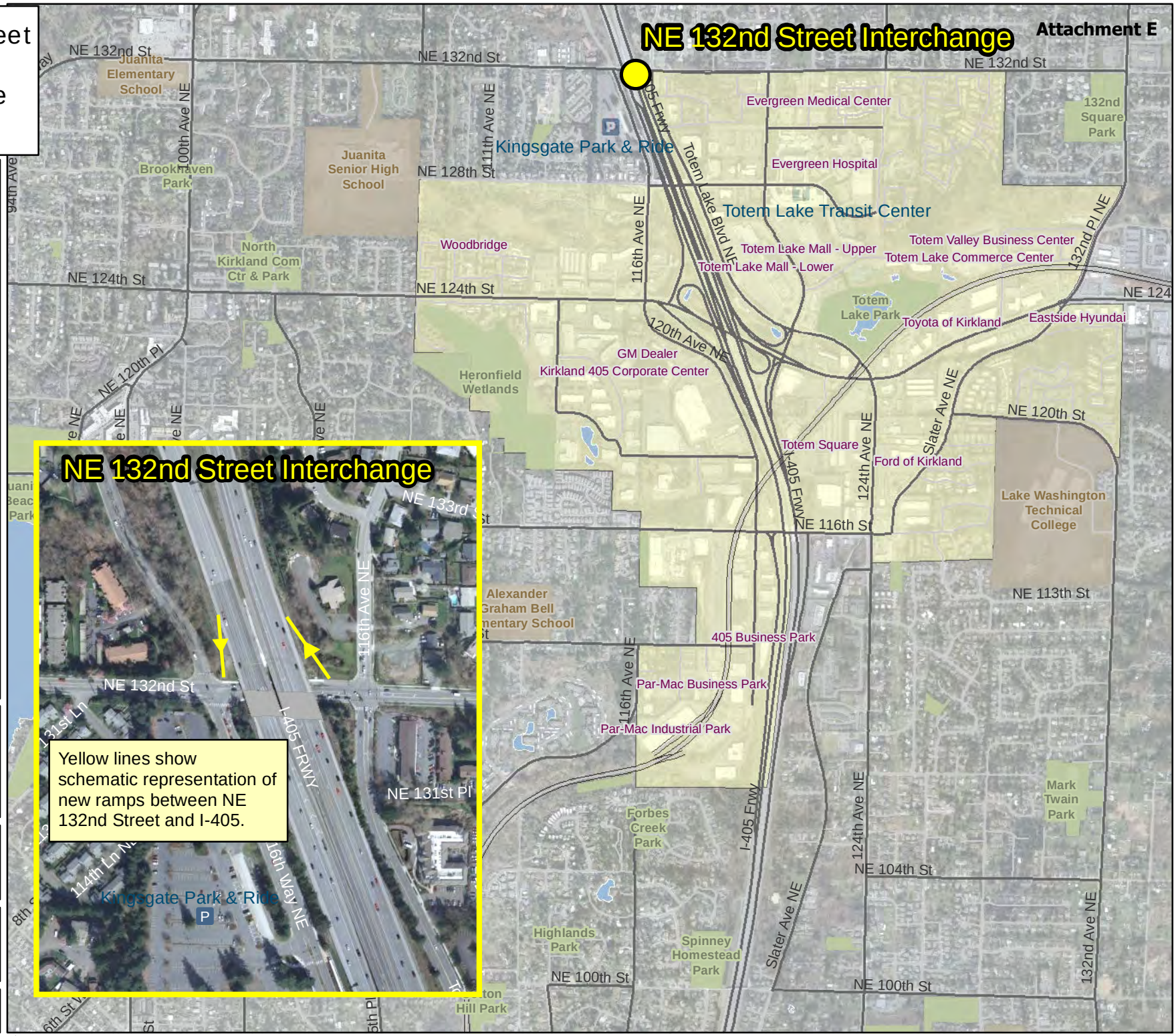
NE 132nd Street I-405 Interchange Project

Attachment E



Yellow lines show schematic representation of new ramps between NE 132nd Street and I-405.

Totem Lake Urban Center
Road
Parks
Schools
Cross Kirkland Corridor
Major Streets
Streets
Lakes
Park & Ride
Transit Center

0 375 750 1,125 1,500 Feet
0 0.07 0.14 0.21 0.28 Miles

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Author: DG
Name: NE 132nd interchange
Date Saved: 9/19/2012 3:55:11 PM

Path: G:\DATA\I-405\NE 132nd interchange.mxd

RESOLUTION R-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING A CITY OF KIRKLAND LEGISLATIVE AGENDA TO BE ADDRESSED TO THE 2013 SESSION OF THE STATE LEGISLATURE.

WHEREAS, actions of the State Legislature in respect to local government issues, services and funding have a profound impact upon the ability of local governments to provide adequate local services; and

WHEREAS, the Kirkland City Council supports legislation that promotes the City Council's goals and protects the City's ability to provide basic municipal services to its citizens; and

WHEREAS, the City of Kirkland seeks to defend against state revenue reductions or legislation that hamper the City's ability to complete the Finn Hill, Juanita and Kingsgate-area annexation; and

WHEREAS, the City of Kirkland seeks to protect shared state revenue sources available to the City, and provide new revenue options and flexibility in the use of existing revenues; and

WHEREAS, the Kirkland City Council supports long-term sustainability efforts related to City financial, environmental and transportation goals; and

WHEREAS, the Kirkland City Council opposes the imposition of new mandates that draw on City resources and opposes any further shifting of costs or services from the State or County to cities; and

WHEREAS, the Kirkland City Council believes it appropriate to set forth its position as to issues affecting local government operations coming before the State Legislature during its 2013 session, including issues which the City Council requests the State Legislature to consider;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The "General Principles" and "City of Kirkland 2013 Legislative Priorities" set forth in the "City of Kirkland 2013 Legislative Agenda" attached hereto as Exhibit A and by this reference incorporated herein, are hereby adopted as Kirkland's recommendation to the 2013 Session of the State Legislature.

Section 2. The "2013 Legislative Support Agenda" attached hereto as Exhibit B and by this reference incorporated herein, is hereby adopted as reflecting the City's support of the policy principles underlying selected priority legislative items of the City's ally organizations. Formal City support of items on this list is contingent upon reviewing and approving the specific language of any legislative proposal drafted to advance a particular item.

DRAFT

Section 3. The City administration shall transmit the 2013 Legislative Agenda, including any subsequent changes or updates, to members of the State Legislature representing the legislative districts in which Kirkland is located, together with other members of the State Legislature and to the Association of Washington Cities, the Suburban Cities Association and other ally organizations.

Passed by majority vote of the Kirkland City Council in open meeting this _____ day of _____, 2013.

Signed in authentication thereof this ____ day of _____, 2013.

_____
MAYOR

Attest:

_____
City Clerk

DRAFT