Attachment 2

2011-2013 PLANNING WORK PROGRAM

Summary of Tasks

Planning & Community Development

March 2011

POLICIES, PLANS & REGULATIONS

Task 1: Comprehensive Plan Update (.5 FTE)

1.1 Annual Comprehensive Plan Update

In 2010 the Planning Department initiated a number of amendments to the Comprehensive Plan including the following items adopted by the City Council in December 2010:

- minor housekeeping amendments;
- revisions associated with the Kingsgate, North Juanita and Fill Hill annexation;
- an updated Capital Facilities Plan (CFP); and
- policies regarding electrical vehicle infrastructure.

For 2011, only a few city-initiated amendments are necessary (e.g. the Capital Facilities Plan). However – other work program tasks such as the Private Amendment Requests or Totem Lake initiatives may result in more substantive tasks (see discussion below).

1.2 Annexation Neighborhood Boundaries: The 2010 annual plan update also included resolution of the neighborhood boundaries for the annexation area Kingsgate, North Juanita and Finn Hill Neighborhoods. The opportunity was left open for the Finn Hill Neighborhood to divide if the residents could come to a consensus on a preferred boundary. Staff will continue to support those community conversations and any changes could be incorporated into a future annual plan amendment.

1.3 Growth Management Act (GMA) – Comprehensive Plan Update. The Growth Management Act (RCW 36.70A.130) requires cities and counties to review and if needed, revise their comprehensive plans and development regulations every seven years. Last year legislation was approved extending the deadline to December 1, 2014 for King County and all its cities (including Kirkland). The City supported this legislation as it will give the City a chance to incorporate the annexation area into the Comprehensive Plan.

However, the Comprehensive Plan update will be a major planning effort and will be staff and time intensive probably taking a minimum of two years to complete. The work program anticipates this beginning in 2013 with some preliminary work in late 2012. Funding resources will likely be needed for preparation of an Environmental Impact Statement and transportation modeling.

This process would generally include the following:

- New vision statement
- Extensive community outreach and involvement
- Revised land use and capacity analysis
- New transportation network and list of projects
- Revised level of service standards
- Updated Capital Facilities and Transportation Elements

- Framework for revisions to the impact fee program
- Environmental Impact Statement

In 2010, the Growth Management Planning Council allocated new housing and employment targets for 2031 to all the cities and King County through the countywide planning process. As part of the plan update, Kirkland will need to determine how and where to accommodate the targets in the land use plan. As a result, a revised transportation plan would be considered based on a new horizon year of 2031 along with possible amendments to the City's level of service standards for capital facilities (parks, transportation, etc.). This has to occur before the city updates its impact fee rate study.

1.4 Transportation Principles and Policies

The Transportation Commission continues to explore a new direction on transportation that does not focus only on the automobile. This initial effort which has been presented to the Planning Commission, Houghton Community Council and City Council establishes principles to form the basis for decision-making and recommended policy changes. These principles are:

- Move people
- Be sustainable
- Create partnerships
- Link to land use

As the Commission moves forward, amendments to the City's Comprehensive Plan and concurrency system would occur. This would also guide CIP projects and transportation funding. It is likely that this would be incorporated into the general GMA plan update (Task 1.3).

1.5 Private Amendment Requests

December 1, 2010 was the deadline for private amendment requests applications to be submitted (every two years). Private amendment requests are submitted to request amendments to the Comprehensive Plan and (if necessary, a rezone). Three such requests were submitted by the application deadline. They are:

- Rhoda Altom (611 4th Avenue): Request in the Moss Bay Neighborhood to change from PLA5C to CBD 5 to clarify allowed density.

- Jeffrey S. Howard (12035 & 12203 Juanita Drive NE and 12034 76th Ave. NE): Request in the Finn Hill Neighborhood to change property zoned commercial (BNA) to allow residential (RMA 2.4) and to change property zoned RMA 5.0 to RMA 2.4.

- MRM Kirkland, LLC (434 Kirkland Way): Request to change Comprehensive Plan and zoning for a mixed use (retail/office; retail/office/multi-family; or retail/multifamily and increase the allowed height.

These private amendment requests will be part of a Threshold Review process beginning in February. This process entails the Planning Commission reviewing the individual

requests and making a recommendation to the City Council on whether or not to study the request further for possible amendments to the Comprehensive Plan and zoning. Of the three requests submitted by the December 1, 2010 deadline, the third request (MRM Kirkland) would require significant staffing and time to process. The Planning Commission conducted a Threshold Review of the requests at their March 10, 2011 meeting and made a recommendation to the City Council at the March 15 joint meeting.

1.6 Touchstone SEIS and Planned Action Ordinance

In 2010, staff devoted considerable time and effort in the various appeals of the Touchstone private amendment request to the Growth Management Hearings Board and the courts. Several of the appeals will continue to be considered in 2011. Below is a summary of the Parkplace litigation and appeals.

> Davidson Serles & Assoc., et al. v. City of Kirkland, et al., Superior Court No. 09-2-02204-6 SEA: This was an action for declaratory and injunctive relief. The action challenged the adequacy of the environmental impact statement (EIS) prepared for the Planned Action Ordinance, Master Plan, Comprehensive Plan amendments, and Zoning Code amendments related to the Touchstone and Altom private amendment requests. The action alleged that the EIS failed to identify, consider, and evaluate a full range of alternatives for the proposed action.
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> Davidson Serles sought to have the Court declare that the EIS was inadequate and to have the City enjoined from taking action to implement the referenced ordinances. Touchstone filed a motion seeking the dismissal of the action in which the City joined. In June 2009, the Superior Court Judge granted summary judgment and dismissed the case. Davidson Serles filed an appeal with the Court of Appeals. See, Appeal No. 64072-I below.
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> Davidson Serles & Assoc., et al. v. City of Kirkland, et al., Court of Appeals No. 64072-I: This was the appeal from the dismissal of Davidson Serles and Continental Plaza's Superior Court action. Oral argument was conducted on November 1, 2010. On January 24, 2011, the Court of Appeals issued its opinion and concluded that several of Davidson Serles' issues could only be raised before the Growth Management Hearing Board and were properly dismissed by the Superior Court. The Court of Appeals further concluded that the challenge to the Planned Action Ordinance as properly dismissed by the Superior Court. The Court of Appeals concluded that the Superior Court erred in granting summary judgment as to a spot zoning issue raised by Davidson Serles because Touchstone and the City failed to specifically address the issue in the motion for summary judgment. The issue of spot zoning will be back before the Superior Court, but the balance of the Superior Court summary judgment decision was affirmed.
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> Davidson Serles has requested reconsideration of the part of the opinion in which the Court of Appeals affirmed the Superior Court on grounds that "no EIS was required for the City of Kirkland to enact the planned action ordinance . . . [and

therefore] an inadequate EIS could not form the basis of a claim against a planned action ordinance." The Court of Appeals recently asked for a response from Touchstone and the City. The response is due mid-March.

Davidson Serles & Assoc., et al. v. City of Kirkland, et al., Central Puget Sound Growth Management Hearings Board No. 09-3-0007c (Davidson Serles I): This was a petition before the Central Puget Sound Growth Management Hearings Board (the "Board.") Davidson Serles sought review of Ordinance Nos. 4170 and 4171 which amended the Comprehensive Plan and Zoning Code, respectively, in association with the private amendment request for the Parkplace project. Among other grounds, Davidson Serles challenged the ordinances for: lack of compliance with the State Environmental Policy Act; inadequate service by transportation and other public facilities; lack of financing plans for capital improvements; and intensity of development inconsistent with the County-wide Planning Policies for King County.

The Board issued its decision on October 5, 2009. While it upheld the ordinances with respect to a number of the Davidson Serles' objections, the Board found that the City should have considered off-site alternatives to the Parkplace project and that amendments to the Capital Facilities and Transportation Elements of the City's Comprehensive Plan were necessary.

On August 16, 2010, the City issued a Final Supplemental Environmental Impact Statement. In September 2010, the City Council passed Ordinance 4257 to reaffirm its previous approval of Ordinances 4170 and 4171 and passed Ordinance 4258 adopting amendments to the Comprehensive Plan to include all necessary transportation improvements. A compliance hearing was conducted before the Board on November 2, 2010. On February 2, 2011, the Board issued a finding of compliance and closed the case.

City of Kirkland v. CPSGMHB/Davidson Serles & Assoc., et al., Superior Court No. 09-2-43855-2 SEA: This is the City and Touchstone's challenge to the 2009 decision by the Board. Touchstone and the City moved to have the matter stayed while the City complies with the Board's decision. On March 10, 2010, the Superior Court stayed the matter. The parties are in discussion about stipulating to the dismissal of this matter.

Davidson Serles & Assoc., et al. v. CPSGMHB/City of Kirkland, et al., Superior Court
No. 09-2-43060-8: This was Davidson Serles and Continental Plaza's challenge to the 2009 decision by the Board. After filing for review by the Superior Court, Davidson Serles asked the Board to certify its decision for direct review by the Court of Appeals. The Board certified its decision and the Court of Appeals accepted discretionary review. See, Appeal No. 64751-2-I below.

Davidson Serles & Assoc., et al. v. CPSGHB/City of Kirkland, et al., Court of Appeals No. 64751-2-I: This was Davidson Serles and Continental Plaza's appeal from the decision of the Board. Oral argument was conducted on November 1,

2010. The Court of Appeals issued its opinion on December 29, 2010, affirming the Board decision to remand, but not invalidate the City ordinances.

Davidson Serles & Assoc., et al. v. City of Kirkland, et al., Superior Court No. 10-2-35867-6 SEA: This is an action for declaratory and injunctive relief. The action challenges the adequacy of the Final Supplemental Environmental Impact Statement prepared in response to the 2009 decision of the Board.

Davidson Serles & Assoc., et al. v. City of Kirkland, et al., Central Puget Sound Growth Management Hearings Board No. 10-3-0012 (Davidson Serles II): This was a second petition filed with the Central Puget Sound Growth Management Hearings Board (the "Board.") Davidson Serles challenged the adequacy of the Supplemental Environmental Impact Statement prepared in response to the 2009 decision of the Board and Ordinance 4258 passed in September 2010. Davidson Serles filed an amended petition alleging that the transportation element of the City's Comprehensive Plan as amended by Ordinance 4257 did not comply with GMA. A hearing on the merits, including the City's motion to dismiss, was held December 21, 2010. On February 2, 2011, the Board dismissed and closed the case.

In December, after 28 meetings, the Design Review Board approved the design for all buildings in the development. This approval was also appealed by Davidson Serles and Associates to the City's Hearing Examiner. The hearing on the appeal is scheduled for March 24, 2011.

Task 2: Neighborhood Plans (2.0 FTE for 2011)

2.1 and 2.2 Lakeview and Central Houghton Neighborhood Plans.

The City initiated work on the Lakeview and Central Houghton Neighborhood Plans in late 2009. Over the past several months the Neighborhood Advisory Groups have been meeting and have completed their initial review and recommendations. While it was anticipated that the groups would meet 4-5 times, due to the interest and discussion topics the Central Houghton group met 9 times over the course of eight months and the Lakeview Neighborhood group met 13 times.

The 2010 – 2012 Planning Work Program anticipating completing the neighborhood plans by the end of 2010. Looking at the remaining work to be done including finalizing the draft plan and zoning regulations, public outreach, public hearings, Planning Commission recommendation and City Council and HCC action the process is now scheduled to be completed by October of 2011.

2.3 Neighborhood Planning Assessment

During the discussion on the annexation area neighborhood boundaries, comments were noted regarding the approach to neighborhood plans. Are there ways to be more efficient or expeditious? Should we study broader areas at one time? How do we effectively engage the public? Task 2.3 is intended to undertake an assessment and discussion on our neighborhood planning process. The work program shows this

occurring in the latter part of 2011 (following completion of the Lakeview and Central Houghton Neighborhood Plans and prior to undertaking any new neighborhood plans).

2.4 Bridle Trails and South Rose Hill Neighborhood Plan
Depending on the outcome of 2.3 above, some staff would be available to undertake another neighborhood plan update. Bridle Trails and South Rose Hill are currently "next-in-line" for an update. However, due to budget considerations, staff resources for neighborhood plans have been reduced which could affect the timing and level of effort devoted to the next neighborhood plan update.

2.5 Everest and Moss Bay Unless additional resources or approaches are identified, updates to other neighborhood plans would occur after completion of the GMA required Comprehensive Plan update which is due December 1, 2014.

Task 3: Code Amendments (.7 FTE)

3.1 Miscellaneous Code Amendments
Staff continues to maintain a list of potential code amendments and, as new issues arise, staff is constantly adding to and updating the list. The work program generally strives to have an on-going code update task each year. The 2010 bundle was adopted by the Council on January 4, 2010. The work program shows this beginning in the second half of 2011 when staffing would be more available. The miscellaneous code update would be undertaken in two phases. The initial phase would be for minor code amendments under an abbreviated process (IVA) that do not involve the Planning Commission. A second phase would begin later in the year and would consist of more substantive code amendment issues.

3.2 Totem Lake
On December 7, 2010 the City Council approved a "Totem Lake Preliminary Action Plan" for the Totem Lake Business District. This is a high priority for the City Council. The action plan is an outcome from the September 16, 2010 Totem Lake Symposium which brought together several interested participants to discuss catalysts needed to stimulate the revitalization of Totem Lake. One of the items is to look at the zoning to see if there are impediments to economic development. An initial scoping will occur in the first half of 2011 to determine if zoning code amendments are needed which could be processed in the second half of the year.

3.3 CBD Retail
The City is considering allowing flexibility for street level storefront uses in some portion of the downtown. The amendments have been scoped to consider four "end of block" areas to potentially allow ground floor office uses. The Planning Commission's public hearing is scheduled for March 10, 2011 and the amendments will be before the City Council in April, 2011.

Task 4: Housing (.7 FTE)

4.1 TOD at South Kirkland Park and Ride

In December 2008, the City Council adopted amendments to the Comprehensive Plan that support "transit oriented development" including affordable housing at the South Kirkland Park and Ride facility. On January 26th, 2009 the Houghton Community Council approved the amendments but expressed strong interest in ensuring that their issues and questions were addressed with the zoning and design regulations. Part of the park and ride lot is located in Bellevue. At that time, Bellevue indicated they were not interested in pursuing this issue; however staff continued to explore the potential for a Kirkland-only project.

King County revised the plan and came up with a potential project on the Kirkland portion of the park and ride. Zoning regulations are still needed to implement the plan policies. The City of Bellevue and Kirkland have developed "Principles of Agreement" to establish the framework for this project.

With the initiation of the neighborhood plans for Lakeview and Central Houghton, advisory group participants raised questions regarding the proposed TOD project. Efforts are currently underway to draft the zoning regulations and design standards to include public workshops. There have been joint study sessions meetings between the Planning Commission and Houghton Community Council and the public workshops have been held. A joint public hearing was held on March 24 with City Council review and consideration in May. It is anticipated that this task will be completed by June 2011.

4.2 Housing Preservation

As a result of staffing resources being allocated to other tasks in 2011, work on preservation housing could occur in 2012. This would entail an inventory of potential properties, contacting property owners to gauge interest and exploring options for preservation of existing housing.

4.3 Affordable Housing Strategies

There are a number of other on-going staff efforts on housing including working with ARCH (A Regional Coalition for Housing) on the Housing Trust Fund, preservation of affordable housing, funding programs, and education.

Task 5: Natural Resources/Environmental Stewardship (1.2 FTE)

5.1 Shoreline Master Program (SMP)

On December 1, 2009 the City Council approved the Shoreline Master Program generally in accordance with the Planning Commission's recommendation. The City transmitted the SMP to the Department of Ecology (DOE) along with a required checklist that shows how the SMP meets the adopted State guidelines. DOE approved the SMP on July 26, 2010 and on August 3 the City Council approved the ordinance.

The City then began work on the SMP for the annexation area. On November 3, 2010, after a recommendation by the Planning Commission, the City Council approved the Resolution of Intent to adopt amendments to the SMP to incorporate the annexation

area into the SMP. The City submitted the SMP to DOE and they have deemed the submittal to be complete and DOE has completed the public comment period.

DOE received three comments and is currently summarizing the comments to transmit to the City for a response. DOE will then prepare a decision letter with their findings along with any recommended or required changes. The decision letter will then be transmitted to the City for consideration. If changes are necessary, the City Council could take action in response to DOE and either agree to the proposed changes or submit an alternative proposal for DOE's approval. It is likely DOE will approve the SMP with few if any changes. Staff is currently working on implementation procedures, forms and handouts.

5.2 Low Impact Development (LID) and Green Codes

The City's Green Building Team (Planning, Public Works and Building) have developed a list of actions to promote sustainability and encourage low impact development and green building techniques. On January 4, the work program and approach was approved by the City Council. Many, but not all tasks, will involve the Planning Commission. The Green Codes project is being discussed by the Planning Commission and the Houghton Community Council.

5.3 Critical Area Regulations

In accordance with state law, the City will need to amend its Critical Area Regulations. However, similar to the deadline for the Comprehensive Plan update, the timeline was extended in the legislative session. As a result this effort would occur in 2013-2014.

Based on experiences in other jurisdictions and comments from the Department of Ecology, our regulations will need to be revised, particularly to address buffer widths and our wetland classification system. This will require funding resources to assist in this update due to the technical, scientific and environmental issues that need to be addressed. This project may also be the appropriate time to review our slope regulations.

5.4 Urban Forestry Program

In 2011, the focus will shift away from regulations to urban forestry management and education. In 2011 staff will undertake a canopy analysis. A consultant has been selected and the professional services contract and scope of work is currently being negotiated. The findings will be presented to the City Council in June. The city has also been awarded grant funding to undertake a citywide urban forestry management plan.

5.5 Natural Resource Management Plan and Environmental Stewardship

In 2003 the City adopted a Natural Resources Management Plan. The City has in place a "Green Team" consisting of representatives from several City departments that meet on a regular basis to coordinate activities and programs. Over the past year, the team has been focusing its efforts on implementation actions (education, funding, and programs). The Green Team has also broadened its role to address greenhouse emissions in response to the US Mayors Climate Protection Agreement, of which the City is participating. The City Council adopted a Climate Action Plan in April 2009.

Task 6: Database Management (.1 FTE)
Database management consists of a number of sub-tasks such as our Community Profile, land use inventory, capacity analysis, and housing data that are used for a variety of purposes including neighborhood plans, economic development and the Comprehensive Plan. In addition we are required to provide data on buildable lands and benchmarks to King County. In 2011 data from the decennial census will become more readily available.

6.1 Community Profile
In 2004, the City updated its Community Profile. With new census information available and with the major GMA Comp Plan scheduled for 2013-2014 (Task 1.3), a revised Community Profile would need to be prepared to provide the basic demographic and economic data in order to commence the Plan update. The work program shows this beginning in mid-2012.

6.2 Land Use Capacity
An analysis of our land use capacity is also necessary to determine if there is sufficient land available and zoned to accommodate our housing and employment targets. This is another task that is essential to undertaking our major GMA Plan Update (Task 1.3) and would occur in late 2012 and early 2013.

Task 7: Regional Coordination (.1 FTE)
This task involves participating on a variety of countywide and regional forums including the Puget Sound Regional Council, the King County Growth Management Planning Council, the Suburban Cities Association and Sound Transit.

Task 8: Annexation (.5 FTE)
8.1 Annexation Transition & 8.2 Conduct Census
Staff will continue to work on tasks associated with the annexation which will take effect on June 1, 2011. The State requires a census of the population in the annexation area within 30 days of the effective date. Staff has issued an RFP to retain services to conduct the census and awaiting pending legislation that would considerably reduce the costs by relying on the recent decennial census data.