

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

Downtown Advisory Committee Meeting Summary #2: June 7, 2007

Task Force Members

Michael Nelson, co-chair
Jeff Trager, co-chair
Brian Berg
Rob Butcher
Denise Campbell
Margaret Carnegie
Joe Castleberry
Jeff Cole
Doug Davis
Ken Dueker
Gary Harshman
Carolyn Hayek
Larry Kurofsky (*absent*)
Keith Maehlum
Bea Nahon
Glenn Peterson
Don Samdahl

City & Organizational Staff

Eric Shields, Planning Director
Ellen Miller-Wolfe, Economic Development Manager
Jeremy McMahan, Planning Supervisor
Marie Stake, Communications Director
Dick Bezell, KDA Executive Director
Bill Vadino, Chamber of Commerce Executive Director

Consultants

Bonnie Berk, Berk & Associates
Meghann Glavin, Berk & Associates

WELCOME AND INTRODUCTIONS

Mike Nelson called the meeting to order, and Bonnie Berk and Jeremy McMahan welcomed the DAC to their second meeting. Jeremy introduced the City's new communications director, Marie Stake.

REVIEW AND APPROVAL OF OPERATING PRINCIPLES

The group reviewed two changes discussed at Meeting 1 and adopted the DAC Operating Principles.

CITY COUNCIL ECONOMIC DEVELOPMENT COUNCIL BRIEFING

Mike, Jeremy, and Bonnie updated the DAC on the City Council Economic Development Committee (EDC) briefing on May 30. They related that the EDC was appreciative of the DAC's effort and overall it was a good meeting. Jeremy reiterated that the purpose of the EDC meeting was a check-in, so that the Council was in the loop, but not out in front of the DAC.

In particular, discussion at the briefing focused on the issues of vision and leadership. Councilmembers also asked about cooperation between city efforts, for example how should the DAC work with the Lodging Tax Advisory Group (LTAG) or how should the property owners be incorporated?

The co-chairs, other DAC members, and project team will meet with the City Council on July 3 at 6 pm to update the full Council on DAC activities.

DISCUSSION: STAKEHOLDER FEEDBACK SUMMARY AND KEY FINDINGS

Bonnie asked the group about their reaction, issues, and comments on the draft Stakeholder Feedback Summary, a summary of 11 focus groups and additional individual interviews conducted by Berk & Associates between March and May 2007. Committee comments and discussion ensued:

- I wonder if there are really that many absentee owners downtown. This issue brings to light that some issues need more research. This document represents stakeholder perspectives and opinions, there is a lot of truth and lot of opinion. Opinions can contribute to bad decisions because there are so many contradicting opinions.
 - The project team will be conducting limited quantitative analysis. Identify where things just don't strike you as right, we should call them out and truth-check them.
- What about the issue of leakage? Residents shop in Bellevue, there isn't necessarily a linkage between residents and spending money downtown.
- This document represents a great disparity in perception. There are a bunch of positions on key issues like height and parking. Everyone thinks we're the unBellevue, there was commonality about downtown's character, but after that there was a lot of variability in the responses.
- Too much of this or not enough of that? The banks are there, we're not going to make them go away; can't legislate the banks
- There is the danger in this process of getting too specific. That was a challenge from the old plan.
- What is the Design Review Board's role?

Relationship Between Retailers and Property Owners

- We had a retail focus group – they have suggestions for improvements. The retailers don't see a benefit from events downtown; what they would like is specific marketing of downtown.
- What did the retailers say about open hours? Was there a consensus?
 - Of the eight at the focus group, they were supportive. A couple of them were sole owners, so they have to close and go home at night. That's the reality of downtown Kirkland retail.
 - On the other hand, most business occurs after 4 pm, do the retailers not know this?
 - That is a landlord issue, and possibly a lease issue. Landlords have to say that if I want this type of a tenant, I am going to make it mandatory that they are open in the evenings. The

KDA has been on this crusade for six years, but it is challenging because tenants and landlords are hard to get through to.

- We had a small but good broker focus group. A couple of the brokers in the meeting are taking active steps to secure the right kind of tenant, tenants who understand what they are getting into and have a solid business plan; staying power.
 - We need to encourage property owner education, and for property owners to educate and support their tenants. For example, if you are sole proprietor, how about opening later and staying open later?
 - Or hire an employee. Retailers have to understand it takes time to recoup the costs of bringing on an employee, over six months, they can't do it on a 30-day basis. Experts have said that the best way to be successful is to hire an employee. Get someone else to be there when you're not.
 - The buyer is often shopping because of who is in the store. For example, "we like George", so we eat at George's place. There is a connection between an owner operator and the customer. That's a challenge for business owners to deal with.
 - I can empathize with the owner, who is struggling, it's process of education and working and some of them may be experimenting, still learning.
 - Sole proprietors also need help on how to hire and train an employee.
 - Can we enforce regulations for retailers or put out a carrot? Can we encourage property owners to put language in the lease?
 - There is an issue of the long-time retailers versus a new guard that's coming in. The new guard has had mall experience, they know about sales hours and what will make them successful. The old guard are 9-to-5ers. Last week the KDA launched "The Weekend Starts on Thursday in Kirkland" with the help of the Parking Advisory Board. We had 23 stores stay open. We are taking baby steps.
- Joe Castleberry volunteered to organize a property owners group to get them involved in the project; hear their perspectives.
 - That plan has opportunity to get some great input and valuable feedback. I hope there is a huge interest and stake in seeing this; I am cautiously optimistic.
- At Park Place, we write open hours into our our leases. There are exceptions, for example, we let Noah's Bagels open early and close early. Our theater opens late, obviously, and we work with all the restaurants.
- It's important for us to understand that if we legislate success it's not going to happen. We have to create a healthy economic environment and let the market take it from there. Hours and design are both components; I think design is very important. We have to be careful how we approach this. Create the momentum, peer pressure and focus on competitive success. I think the market will take over the ones that can't catch the wind; they won't survive.

- What can catalyze success?
 - Later hours
 - Better design
 - Part of creating a healthy economic environment is expanding the supply. There is limited retail space downtown, good retail space, modern functional space. Some of the anchor retailers need 3,000 to 5,000 square feet; that is bigger than a lot of downtown's spaces.
 - Downtown needs a core and clusters. We have some furniture, some women's clothing. At Park Place we wouldn't bring in just one clothing store, we would bring in five. You have to hit a critical mass, it's not just getting one great retailer.
 - If you can increase walkability and connectivity then you have a larger area for that clustering.
 - We need to look at Park Place and Carillon Point as the bookends. I don't think it's inappropriate for us to look at someone walking from end to end. People do that walk all the time. It's even metered.
 - There are opportunity sites to increase "wanderability." We can get hung up on what's in a window. Hallmark Realty's windows draw people. Think about Kirkland Avenue there isn't the draw window-by-window to Park Place.
 - The Kirkland Central building is fantastic. The condo floors are subsidizing the retail space. There has to be an economic payback.
 - It would be interesting to do proformas for redevelopment on your space under current and other zoning scenarios. How much will you go in the hole under current zoning? How can redevelopment be incentivized so that it happens?
 - This also begs the question of density. What is the right formula of density to get to the critical mass to make this all work?
- We need to get to 500,000 square feet of office to have any kind of density, but to get there it's going to be tough. Once we get there, you'll see these infill sites start to happen.
- It is very important that we play deep to our strengths. We shouldn't go to a property owner that doesn't want to change. Don't push them, they will follow when they see others succeed.
- We don't have enough office in downtown.
- Having a ground floor commercial requirement means that upstairs has to subsidize, is that right?
- Height is just one component.
- After the urban designer focus group, Bonnie got a call from a designer who said he had continued to think about the problem. Look around what do you see? There are no cranes. We're in the middle of this huge boom and there is no major development. People aren't willing to develop.

- In the original plan we outlined very specific projects; as a package they made sense, but they were cherry-picked. We were going to do the whole package.
- Implementation is challenging. When we tried to get the rubber to meet the road, people were disappointed. We need direction and prioritization.

Contrasting Visions for Downtown

- The Stakeholder Summary identifies contrasting visions for downtown. Is there room for commonality? How can we resolve the differences? Can we resolve the differences?
 - Some people are encouraging density, others want to keep it the same. Some are for paid parking, others are not.
- We can agree that Downtown needs to be more vital, needs more activity. We need more density to create that activity.
- The reality is we're not going to get change without more density. There needs to be an education process to explain the economics. A communication plan is needed to bring everyone up to speed.
- A major concern in this document is traffic and connectivity. The city needs to be prepared to address the infrastructure to support development.
- We need to focus more on the broad vision. We're talking more about the "how" rather than the "what".
- We will produce a vision statement and strategic situation assessment of what's happening downtown.

CONTINUED DISCUSSION: VISION FOR DOWNTOWN

The DAC continued the conversation about a vision for downtown from Meeting 1. Topics brainstormed were:

- | | |
|---|---|
| <ul style="list-style-type: none"> • Downtown Kirkland has a sense of place that provides an experience (enhanced public spaces) • Busy, vibrant • Personality • Character • Celebrations • Entertaining • Lakefront community. Our ace in the hole is our location on the water. Open up the City to the water, take advantage of location. | <ul style="list-style-type: none"> • Tree-lined streets • Scale • Walkable • Inviting • All-seasons, year-round • Family-friendly • Accessible, parking, traffic, pedestrian • Connected • Picturesque |
|---|---|

- Destination (Not everyone may want it to be a destination; there is potential for pushback.)
- First build for locals, but remember the tourists
- Distinctive
- Publicly accessible art, not like the sculpture garden when you can't touch anything. Kids climb all over the statues in downtown Kirkland.
- Places for people to do art in public spaces
- Access to and from the water
- Sense of history, historical society
- Light, shadowless, views, and vistas
- Well-designed buildings
- Interesting, quality architecture that allows for light.
- When there is height, provide for setbacks
- A public gathering space
- Affordability – economically viable, affordable for visitors. Not just a high end shopping area/eating area, family friendly, mixture of interesting things, housing.
- Clean
- Farmer's market
- Graceful, gracious
- Respectful of the view corridor
- Sustainability – demonstrations of sustainable development practices. We have that reputation already.
- Fun
- Signage and information
- Technology compatible
- Relationship with the neighborhoods/rest of the city

Issues that Need Further Definition

Scale

- Balance of scale and density is necessary to be economically feasible and fit the scale of the community, "I know it when I see it," Critical mass, floor area ratios.
- Is density more acceptable when you have more open space? Consider the relationship between the built environment and open environment.
- What research exists on this subject? ULI must have studied this.
- Density is also about context. Are you next to the water or single-family residential? What about the size of the property? Downtown Seattle is allowing tall skinny buildings to maintain the view corridors.

Guiding Principles Discussion

- What about having guiding principles to compliment the vision statement? Does this concept work? For example: An economically viable downtown...
- I like the idea, and that's a good principle, but I don't think it should be number one. Number one is about character – balance character and economic feasibility to keep Kirkland special but make it more economically successful

- How do you balance economics and character?
- What is character? I think of other communities, someone talked about University Village; I don't come away thinking University Village has an interesting character, it just has good shopping.
- For Kirkland, in addition to creating commercial endeavors, there is something else going on here, you can feel the roots and other aspects of that destination.
- Character is also about activating the areas that aren't built on, including surface parking, blighted storefronts. We need to activate those dead zones.
- Some of the character is the obsolete buildings, the ferry terminal and lamp posts.
- The art aspect also gives Kirkland its character, the statues especially. We could enhance that.
- Architecture can be good art. Good buildings can make you more welcoming to height.
 - Do wider sidewalks make height better? Wider sidewalks are more graceful.
- It is a people-friendly place, you might see someone you know and you can talk to people. The vision and guiding principles should focus on the people part. It also speaks to providing community space.
- We need to improve the linkages. Scale is dependent on other things, people want to find things that are connected, street activities and scale, wide sidewalks, public access and open space, setbacks.

COMMUNITY MEETING

Meghann and Jeremy presented the plan and agenda for the July 16 community meeting , to be held at the Teen Center from 6:30 to 8:30 pm. All available DAC members agreed to come and help facilitate small group discussions around the vision for downtown and downtown's strengths, challenges, and opportunities.

NEXT MEETING

- July 26, 2007: 4 – 7 pm, Kirkland Maintenance Center