



CITY OF KIRKLAND
PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
123 FIFTH AVENUE, KIRKLAND, WA 98033 425.587.3225
WWW.CI.KIRKLAND.WA.US

MEMORANDUM

Date: February 16, 2011

To: Kirkland Planning Commission

From: Jeremy McMahan, Planning Supervisor
Eric Shields, Planning Director

Subject: Public Hearing for CBD Ground Floor Storefront Uses Zoning Code Amendments (File ZON10-00027)

Recommendation

Conduct public hearing on potential amendments to the Kirkland Zoning Code. If approved, the amendments would allow office uses in specifically identified parts of Central Business District (CBD) 1, 2, 3, and 8 zones. Draft amendments are included as Attachment 1.

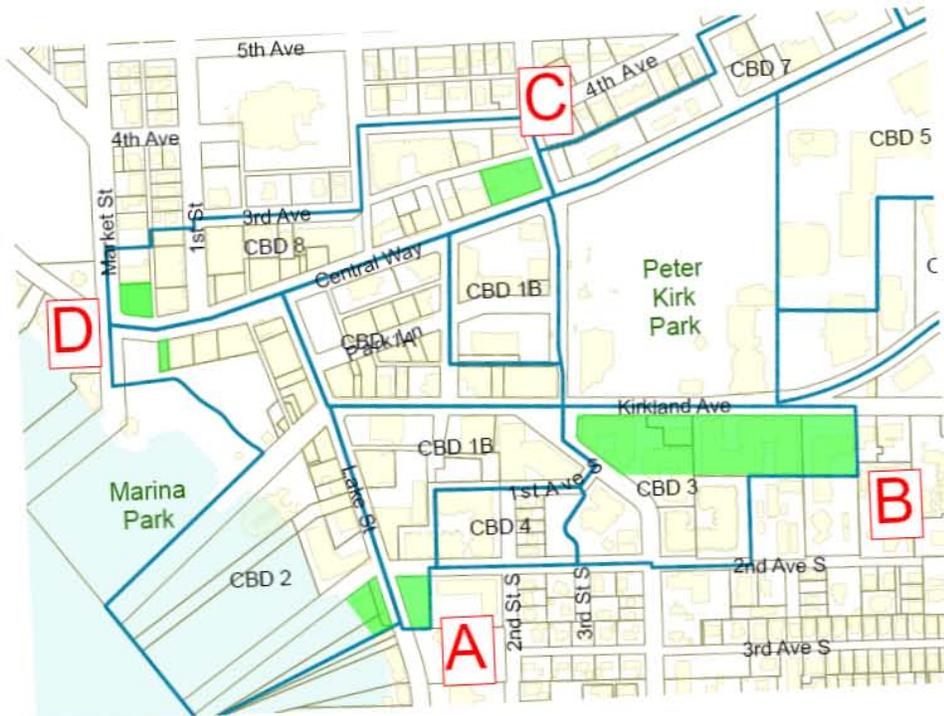
Background

These potential amendments were identified in the approved 2010 Planning Work Program to consider loosening "end of block" retail requirements to address the challenges in finding retail tenants for some of these spaces. To provide context for the City's decisions, staff completed a detailed study of existing ground floor storefront uses in affected CBD zones (see Attachment 2). The report also includes a summary of applicable regulations for each CBD zone.

At the request of the City Council, the Planning Commission held a study session to discuss their recommended scope of the potential code amendments on November 18, 2010. The staff memo and meeting packet are available [by clicking here](#). In summary, the Planning Commission recommended scoping the amendments to only include CBD zoned properties on Lake Street South located south of 2nd Avenue South.

The City Council reviewed the Planning Commission's proposed scope on January 18, 2011. That meeting packet, including the Commission's recommendation, is available [by clicking here](#). After considering the proposed scope, the City Council directed the Planning Commission to include additional areas in the scope of the public hearing. The Planning Commission may still choose to recommend a narrower geographic scope for any amendments.

The four areas under consideration are illustrated on the following map, and are labeled A through D for purposes of the Analysis Section below. Part of the reason these areas have been identified is that they have demonstrated an unknown or weak market demand for ground floor retail in these locations. The potential detrimental impacts of providing flexibility of uses in these spaces are less significant due to their geographic location than providing that flexibility mid-block in the core area.



POLICY DISCUSSION

Zoning restrictions are a common Main Street tool where, absent the central ownership control of a shopping mall to require complementary uses through leases, the City establishes use restrictions. The City's most recent study of downtown's retail opportunities was the 2009 [Hovee Report](#).

Kirkland's ground floor use restrictions are based on long time Comprehensive Plan policies that set the vision for the type of downtown envisioned by the community. Some form of ground floor retail restrictions have been in place in the downtown core for over 30 years. The vision and policy direction for the downtown area are found in the Downtown Plan section of the Moss Bay Neighborhood Plan (Attachment 3). The attached copy of the Plan highlights policy direction for ground floor use regulations. The most recent amendments to CBD ground floor uses prohibited banks in CBD 1 on Park Lane and Lake Street and added specificity on retail depth requirements.

Relevant KZC Definitions:

.795 Retail Establishment A commercial enterprise which provides goods and/or services directly to the consumer, whose goods are available for immediate purchase and removal

from the premises by the purchaser and/or whose services are traditionally not permitted within an office use. The sale and consumption of food are included 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.

.590 Office Use A place of employment providing services other than production, distribution or sale or repair of goods or commodities. The following is a nonexclusive list of office uses: medical, dental or other health care; veterinary; accounting; architectural, engineering, consulting or other similar professional services; management, administrative, secretarial, marketing, advertising, personnel or other similar personnel services; sales offices where no inventories or goods are available on the premises; real estate; insurance; travel agent; brokerage; computer programming or consulting; data processing; technical, specialty or professional schools; or other similar services. The following uses are specifically excluded from the definition of office: banks, loan companies and similar financial institutions.

Analysis

Area A

Zoning: CBD 1 east of Lake Street South; CBD 2 west of Lake Street South

Existing Conditions: There are three parcels under two separate ownerships in this area. The Chaffey Building (former home of Third Floor Fish Café) is located on the southwest corner of Second Avenue South and Lake Street South (CBD 2 zone). The building was constructed in 1984 as an office building. Although there has traditionally been a restaurant occupying the third floor (currently vacant), staff is not aware of any retail tenancy on the ground floor and it appears that it was not required when the building was built. The property owner also owns the parking lot on the east side of Lake Street South and uses the site to meet the parking obligations for the building.



The property to the south of the Chaffey Building was built in 2002, primarily as a single family home with storefront space on the ground floor to satisfy the code requirement. The storefront space has been used for office uses since it was constructed.

Staff Analysis:

- Pedestrian circulation and retail conditions: The primary shopping circulation on Lake Street ends with the crosswalk located on the north side of Second

Avenue South. There is still pedestrian movement up and down the Boulevard, but traffic south of the crosswalk is likely more recreational than shopping in nature.

On the west side of Lake Street, retail storefronts end with the Anthony's Homeport building and it's blank concrete wall fronting the street. On the east side, retail storefronts continue all the way to Second Avenue South with the Waterfront Market Building.

- Parking/access constraints: There is adequate on-street and off street parking. Parking and access were significant issues during a former preliminary design review of a potential redevelopment of the Chaffey parking lot. Access to underground parking required two curb cuts on Lake Street South, displacing a significant percentage of any potential storefront space.

Staff Recommendation: Amend the Code to allow ground floor office uses.

Area B

Zoning: CBD 3

Existing Conditions: This area consists of four parcels. From west to east, it includes Plaza on State Condominiums, Fox Cleaners, The Boulevard Condominiums, and a steep sloped owned by Townhomes at Kirkland Condominiums (note – this parcel has split zoning with PLA 6J and is on the Planning Department's list to consider a future rezone to a non-CBD zone). The Plaza on State was developed in 1995 with a commercial space on the west end and parking garage along the remainder of the Kirkland Avenue frontage. The commercial space was developed before Kirkland's minimum retail height requirements, resulting in a sub-par storefront presence on the corner. Fox Cleaners is setback approximately 40' from Kirkland Avenue with parking in front. The Boulevard Condominiums were developed in 2006 with retail storefronts per code. The spaces are currently occupied by a salon, a coffee shop, and a karate studio. One retail space has remained vacant since original construction.



Staff Analysis:

- Pedestrian circulation and retail conditions: This end of Kirkland Avenue is off the main shopping circulation flow. The storefront flaws of the Plaza on State project do not help draw shoppers from the west. The retail potential of the area may improve with redevelopment of the Fox Cleaners site and the redevelopment of Parkplace and the Bungie Studio sites to the north. However, these are long-term prospects (likely 10+ years) that would follow a period of intensive construction.

Although the Boulevard Condominium project was built with attractive storefronts and pedestrian-friendly streetscape, the absence of storefronts on the north side of Kirkland Avenue and the lack of retail to the west do not help convey the sense of a pedestrian streetscape.

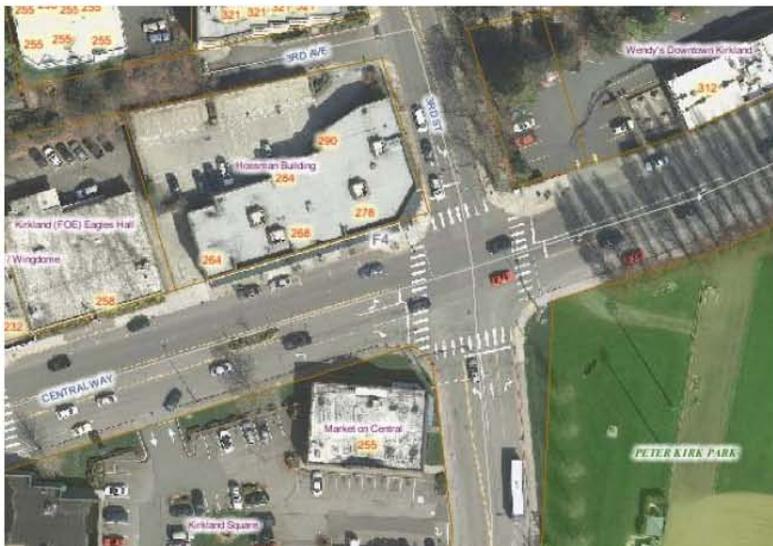
- Parking/access constraints: There is adequate on-street and off street parking.

Staff Recommendation: Amend the Code to allow ground floor office uses.

Area C

Zoning: CBD 8

Existing Conditions: The area is on the far east end of CBD 8. The Hossman Building was built in 2005 and provided the required ground floor storefront space. The corner space on the east end is vacant with the departure of the bank, the central space contains a nail salon, and the west space has been vacant since 2005 with the exception of a brief tenancy by Amazon Fresh.



Staff Analysis:

- Pedestrian circulation and retail conditions: East of 3rd Street, the CBD transitions to more auto-oriented uses (fast food restaurant, gas station, etc.). West of this area, the pedestrian shopping flow is interrupted by the blank façade of the Eagles building. These will remain significant pedestrian constraints until the sites east and west are redeveloped with more pedestrian-oriented uses. Pedestrian crossings to the south and the CBD 1 core area are via signalized crosswalks at Third Street and Central Way.
- Parking/access constraints: There is adequate on-street and off street parking.

Staff Recommendation: Amend the Code to allow ground floor office uses.

Area D

Zoning: CBD 2 and CBD 8

Existing Conditions: There are three parcels in this area. The Tiara de Lago Condominiums are located on the northeast corner of Central Way and Market Street. The building was constructed in 1998 and the ground floor condominium space is currently owned and occupied by a plastic surgeon with the surgery office oriented toward Market Street and a “medi-spa” use oriented toward Central Way. After initial construction, this space contained an art gallery, followed by a real estate office selling art. Previous owners and realtors have noted that the low ceiling height in this space have made it difficult to attract retail tenants. This building predates current requirements for minimum retail heights.



The property at the southeast corner of the intersection is owned by the City of Kirkland and is currently used as a surface parking lot. The narrow parcel to the east of the parking lot was significantly remodeled in 2010 with the Foster Foundation (office use) located behind a currently-vacant storefront space.

Staff Analysis:

- Pedestrian circulation and retail conditions: The pedestrian shopping flow from the east is good. Buildings to the east generally have attractive retail storefronts and attractive streetscapes. There have been more vacancy issues recently on the south side of Central Way with the closure of the 21 Central Restaurant and the seasonal closure of H&R Block. The City's vacant lot has been considered a cornerstone of any future development of the Lakeshore Plaza project. The pedestrian connection across Central is easy with a pedestrian-activated flashing crosswalk at the intersection and a pedestrian refuge in the median. A retail expert retained by the City in the past had noted that, absent the development of a retail draw on the City parking lot, the visibility of the two private properties in this area is compromised by the alignment of Central Way.
- Parking/access constraints: There is adequate on-street and off street parking.

Staff Recommendation: Amend the Code to allow ground floor office uses.

Summary Recommendation: Although staff is recommending allowing office uses in these areas, it should be noted that the market for these areas will ultimately determine tenancies. Existing spaces have generally been configured to accommodate retail tenants. The recommended design guideline (Attachment 4) and proposed amendment to the height requirements for ground floor uses would ensure that future buildings will also accommodate retail tenants. This would help ensure that development would not preclude pedestrian-oriented retail tenants as the market and pedestrian patterns shift over time.

Correspondence

All correspondence received by the City on this topic is included as Attachment 5.

Attachments:

1. Draft Code Amendments
2. Ground Floor Storefront Uses Report
3. Downtown Plan (with highlights)
4. Recommended Design Guideline Edits
5. Correspondence

Cc: ZON10-00027

CHAPTER 50 - CENTRAL BUSINESS DISTRICT (CBD) ZONES

50.05 User Guide.

The charts in KZC 50.12 contain the basic zoning regulations that apply in the CBD 1 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 50.10

Zone
CBD-1A,
1B

Section 50.10 – 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. The maximum height of structure shall be measured at the midpoint of the frontage of the subject property on the abutting right-of-way, excluding First Avenue South. See KZC 50.62 for additional building height provisions.
3. The street level floor of all buildings shall be limited to one or more of the following uses: Retail; Restaurant or Tavern; Banking and Related Financial Services; and Entertainment, Cultural and/or Recreational Facility; Parks; Government Facility; or Community Facility use. The required uses shall have a minimum depth of 20 feet and an average depth of at least 30 feet (as measured from the face of the building on the abutting right-of-way, not including alleys and similar service access streets). Buildings proposed and built after April 1, 2009, and buildings that existed prior to April 1, 2009, which are at least 10 feet below the maximum height of structure, shall have a minimum depth of 10 feet and an average depth of at least 20 feet containing the required uses listed above.
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 retail frontage will maximize visual interest. Lobbies for residential, hotel, and office uses may be allowed within this space subject to applicable design guidelines.
4. Where public improvements are required by Chapter 110 KZC, sidewalks on pedestrian-oriented streets within CBD 1A and 1B shall be as follows:
Sidewalks shall be a minimum of 6 feet wide and shall be paved. Sidewalk configuration shall be approved through D.R.
5. Upper story setbacks shall be in accordance with the following regulations, the term “setback” shall refer to the horizontal distance between the property line and any exterior wall of the building. The measurements shall be taken from the property line abutting the street prior to any potential right-of-way dedication.
 - a. **Lake Street:** No portion of a building within 30 feet of Lake Street may exceed a height of 28 feet above Lake Street except as provided in KZC 50.62.
 - b. **Central Way:** No portion of a building within 30 feet of Central Way may exceed a height of 41 feet above Central Way except as provided in KZC 50.62.
 - c. **Third Street and Main Street:** Within 40 feet of Third Street and Main Street, all stories above the second story shall maintain an average setback of at least 10 feet from the front property line.
 - d. **All other streets:** Within 40 feet of any front property line, other than Lake Street, Central Way, Third Street, or Main Street, all stories above the second story shall maintain an average setback of at least 20 feet from the front property line.

The street level floor of buildings south of Second Avenue South may also include Office Use.

(GENERAL REGULATIONS CONTINUED ON NEXT PAGE)

Section 50.17

Zone
CBD-2

USE ZONE CHART

DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS

Section 50.17	USE REGULATIONS	Required Review Process	MINIMUMS			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)
			Lot Size	REQUIRED YARDS (See Ch. 115)									
				Front	Side	Rear							
.070	Private Club or Lodge	D.R., Chapter 142 KZC.	None	0'	0'	0'	100%	28' above the abutting right-of-way measured at the midpoint of the frontage of the subject property on each right-of-way.	D	B	See KZC 50.60 and 105.25.	<ol style="list-style-type: none"> The following provisions, which supersede any conflicting provisions of this Chapter, apply only if the subject property abuts or includes a portion of Lake Washington: <ol style="list-style-type: none"> A high waterline yard equal in depth to the greater of 15 feet or 15 percent of the average parcel depth is hereby established on the subject property. Balconies that are at least 15 feet above finished grade may extend up to four feet into the high waterline yard. No structure, other than moorage structures, may be waterward of the high waterline. For regulations regarding moorages, see the moorage listings in this Zone. Must provide public pedestrian access from an adjoining right-of-way to and along the entire waterfront of the subject property within the high waterline yard. In addition, the City may require that part or all of the high waterline yard be developed as a public use area. The City shall require signs designating public pedestrian access and public use areas. Ancillary assembly and manufacture of goods on premises may be permitted as part of an office use if: <ol style="list-style-type: none"> The ancillary assembled or manufactured goods are subordinate to and dependent on this office use; and The outward appearance and impacts of this office use with ancillary assembly and manufacturing activities must be no different from other office uses. This use may be located on the street level floor of a building only if there is a retail space extending a minimum of 30 feet of the building depth between this use and the abutting right-of-way. The Planning Director may approve a reduction to the depth requirement for the retail space if the applicant demonstrates that the proposed configuration of the retail use provides an adequate dimension for a viable retail tenant and provides equivalent or superior visual interest and potential foot traffic as would compliance with the required dimension. Veterinary offices are not permitted in this zone. 	
.080	Office Use									D	One per 350 sq. ft. of gross floor area. See KZC 50.60.		

See Special Regulation 3

This special regulation shall not apply apply to Office Uses along portions of Central Way within 150' of Market Street or along portions of Lake Street South South of Second Avenue South.

Section 50.27

Zone
CBD-3

USE ZONE CHART

DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS

Section 50.27	USE ↓ 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	Office Use See Spec. Reg. 5.	D.R., Chapter 142 KZC.	None	20' See Spec. Reg. 6. 15	0'	0'	80%	41' above average building elevation.	D See Spec. Reg. 4. 15	D	One per each 350 sq. ft. of gross floor area.	<ol style="list-style-type: none"> 1. Primary vehicular access to the subject property may not be directly from Second Avenue South between Second Street South and State Street unless no other alternative exists. 2. The following regulations apply to veterinary offices only: <ol style="list-style-type: none"> 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 D.R. and building permit applications. d. A veterinary office is not permitted if the subject property contains dwelling units. 3. Ancillary assembly and manufacture of goods on the premises of this use are permitted only if: <ol style="list-style-type: none"> a. The assembled or manufactured goods are directly related to and 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. 4. Landscape Category C is required if the subject property is adjacent to Planned Areas 6C, 6D, or 6J. 5. This use may be located on the street level floor of a building only if there is a retail space extending a minimum of 30 feet of the building depth between this use and the abutting right-of-way. The Planning Director may approve a reduction to the depth requirement for the retail space if the applicant demonstrates that the proposed configuration of the retail use provides an adequate dimension for a viable retail tenant and provides equivalent or superior visual interest and potential foot traffic as would compliance with the required dimension. This special regulation shall not apply along portions of State Street and Second Avenue South not designated as pedestrian-oriented streets. 6. Ground floor porches and similar entry features may encroach into the required front yard, provided the total horizontal dimensions of such elements may not exceed 25 percent of the length of the facade of the structure.

The required front yard for this use shall be zero feet for one story at street level. No parking may encroach into the required 20-foot front yard. If this use provides a zero-foot front yard, the lot coverage for the entire property shall be 100 percent.

DIRECTIONS: FIRST, read down to find use...THEN, across for REGULATIONS												
Section 50.52	USE ↓ 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	Private Club or Lodge (continued)									REGULATIONS CONTINUED FROM PREVIOUS PAGE 4. Ground floor porches and similar entry features may encroach into the front yard, provided the total horizontal dimension of such elements may not exceed 25 percent of the length of the facade of the structure.		
.070	Office Use See Special Regulation 6.	D.R., Chapter 142 KZC.	None	10' 0' 0'	100%	30 feet above the elevation of 3rd Avenue or 4th Avenue as measured at the projected midpoint of the frontage of the subject property on the nearest applicable right-of-way.	D See Spec. Reg. 4.	D	1 per each 350 sq. ft. of gross floor area. See KZC 50.60.	<p>1. The following regulations apply to veterinary offices only:</p> <ul style="list-style-type: none"> 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 certificate to this effect signed by an Acoustical Engineer must be submitted with the D.R. and building permit application. d. A veterinary office is not permitted if the subject property contains dwelling units. <p>2. Ancillary assembly and manufacture of goods on premises may be permitted as part of an office use if:</p> <ul style="list-style-type: none"> a. The ancillary assembled or manufactured goods are subordinate to and dependent on the office use; and b. The outward appearance and impacts of this office use with ancillary assembly and manufacturing activities must be no different from other office uses. <p>3. If the subject property abuts Third Avenue between First Street and Second Street, or Fourth Avenue, the site and buildings must be designed to provide residential character and scale adjacent to Third Avenue and Fourth Avenue.</p> <p>4. Landscape Category C is required if the subject property is adjacent to Planned Areas 7A or 7B, or PR 3.6 zones.</p> <p>5. Ground floor porches and similar entry features may encroach into the front yard, provided the total horizontal dimension of such elements may not exceed 25 percent of the length of the facade of the structure.</p> <p>6. This use may be located on the street level floor of a building only if there is a retail space extending a minimum of 30 feet of the building depth between this use and the abutting right-of-way. The Planning Director may approve a reduction to the depth requirement for the retail space if the applicant demonstrates that the proposed configuration of the retail use provides an adequate dimension for a viable retail tenant and provides equivalent or superior visual interest and potential foot traffic as would compliance with the required dimension. This special regulation shall not apply along portions of Third Avenue not designated as pedestrian-oriented streets.</p>		

or along portions of Central Way within 110' of Market Street or 175' of Third Street

50.62 Building Height Provisions in the CBD

1. Height shall be measured above the point of measurement (e.g, above average building elevation, or above right-of-way) as specified in the particular use zone charts. For purposes of measuring building height above the abutting right(s)-of-way, alleys shall be excluded.
2. Where retail frontage is required along an abutting street and along Pedestrian-Oriented Streets (see Plate 34 H), the minimum ground floor story height for retail; restaurant and tavern; entertainment, cultural, and/or recreational facility uses shall be 15 feet; provided, however, that in CBD 1A and CBD 1B, any buildings proposed and built after April 1, 2009, or buildings that existed prior to April 1, 2009, which are 10 feet or more below the permitted maximum height of structure, shall be required to provide a minimum 13-foot ground floor story height.

Kirkland Central Business District Ground Floor Storefront Uses

Summary of Existing Conditions

November, 2010

Purpose:

The first section of this report provides a snapshot of the current condition of ground floor, storefront uses for those Central Business District (CBD) zones that require pedestrian-oriented uses along street frontages. This includes businesses in CBD 1 (1A and 1B are combined for purposes of this study), 2, 3, 7, and 8 and excludes CBD 4, 5 and 6. These five zones constitute the *study area*. CBD 5A (Parkplace) is also excluded because pedestrian-oriented use requirements are subject to the specifics of the approved Parkplace Master Plan.

The second section of the report provides a zone by zone analysis of both the ground floor storefront regulations that are in place and a more detailed analysis of existing uses in each zone. The data includes both the square footage of uses and the number of employees for each use. Additional detail is available in Attachment 1.

This report measures existing and pending occupancies of these storefront spaces but does not gauge the health of existing businesses.

Methodology:

The data contained in this summary was generated using the following methodology:

1. A report was run of existing valid business licenses in the CBD for businesses registered with the City of Kirkland as of August 6, 2010¹.
2. A review was made of pending and issued building permits in the CBD on file with the City of Kirkland as of August 12, 2010.
3. A field inventory was conducted on August 12-13, 2010. The inventory screened out all businesses and spaces that were not in the five CBD zones being studied, were not on the ground floor, and did not have street frontage. The resultant data includes what is being called ground floor, storefront uses.
4. Previous vacancies, new vacancies, and construction projects were inventoried and updated on November 8, 2010.

Businesses were then classified by the NAICS codes² to categorize the specific business activity. Compared to the Kirkland Zoning Code, the [NAICS codes](#) provide a more refined view of what a particular business does. For example, the Zoning Code definition of "retail" includes a broad range of activities, including services uses such as nail and hair salons. The NAICS codes classify retail and service uses distinctly and refine those broad categories into over 50 subcategories each.

Zoning Code Requirements:

Based on Comprehensive Plan policies and the community vision for the downtown, CBD zones within the study area require pedestrian-oriented uses on the ground floor with a specified building depth. Pedestrian-oriented uses include uses such as retail and restaurant (per Zoning

¹ Square footage and number of employees is self-reported by the business license applicant. NAICS Codes are assigned by the State

² North American Industry Classification System (NAICS, pronounced Nakes) was developed as the standard for use by Federal statistical agencies in classifying business establishments for the collection, analysis, and publication of statistical data related to the business economy of the U.S.

Code definitions) and exclude uses such as office and residential. The table below summarizes pedestrian-oriented use requirements for each of the 8 CBD zones. Within zones that require pedestrian-oriented uses, the requirement only applies along pedestrian-oriented streets. For example, within CBD 8 retail/restaurant uses are required along Central Way but not facing residential zones to the north. Additional detail on regulations is available in the zone by zone analysis in the second section of this report.

CBD 1A & 1B	Required with 20' min. depth, 30' average (10' min, 20' average for shorter buildings). No banks allowed on Park Lane or Lake Street.
CBD 2	Required with 30' depth.
CBD 3	Required with 30' depth.
CBD 4	Not required
CBD 5	Not required
CBD 5A (Parkplace)	Required pursuant to Touchstone's approved Master Plan.
CBD 6	Not required
CBD 7	Required with 30' depth.
CBD 8	Required with 30' depth along Central Way.

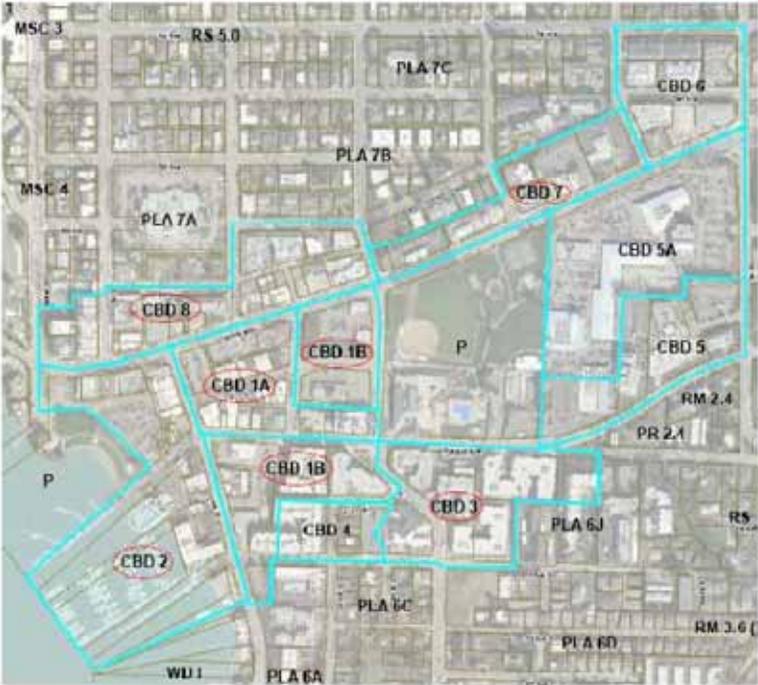


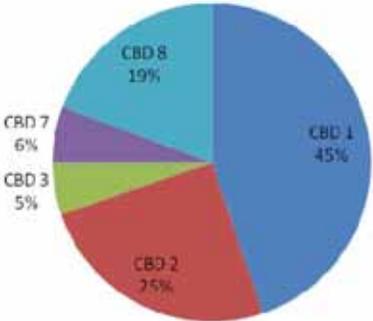
Figure 1 – CBD Zones: O – retail required

General Overview:

The five CBD zones studied contain 382,289 square feet of ground floor, storefront uses with 1,156 employees. By comparison, all eight CBD zones contain a total of 1,019,606 square feet of commercial uses with 2,510 employees.

Within the five CBD zones studied, CBD 1 has the most storefront space with 45% of the total. CBD 3 and 7 have the least, with 5%-6% each. Detailed mapping of storefront uses is included in Attachment 2.

Storefront Square Footage by Zone



Within the five CBD zones studied, Accommodation and Food Service uses are the most significant as measured by total square footage and employment, followed by Retail Trade, then Finance and Insurance.



The vacancy rate for ground floor, storefront uses is at 12.6% of the total space. There has been an increase since the initial survey in August, largely due to 12,200 square feet of new ground floor, storefront space recently completed but not occupied in the Bank of America project.

The highest vacancy rate, measured as a percentage of the storefront space available in the zone, occurs in CBD 8. CBD 7, with its fewer and more auto-oriented properties, has no vacancies. CBD 1 went from a 7% to a 13.9% vacancy rate as new space came on line without leases in place. By way of comparison, Eastside retail vacancies in were at 6.74%³ at the end of the second quarter, 2010 (down from a high of 7.98% a year ago). Eastside office vacancies were at 15.11%⁴ for the second quarter.



³ Cushman Wakefield, August 2010
⁴ Colliers, June 2010

CBD 1A & 1B Zone

Code Requirements:

General Regulation #3:

The street level floor of all buildings shall be limited to one or more of the following uses: Retail; Restaurant or Tavern; Banking and Related Financial Services; and Entertainment, Cultural and/or Recreational Facility use. The required uses shall have a minimum depth of 20 feet and an average depth of at least 30 feet (as measured from the face of the building on the abutting right-of-way). Buildings proposed and built after April 1, 2009, and buildings that existed prior to April 1, 2009, which are at least 10 feet below the maximum height of structure, shall have a minimum depth of 10 feet and an average depth of at least 20 feet containing the required uses listed above.

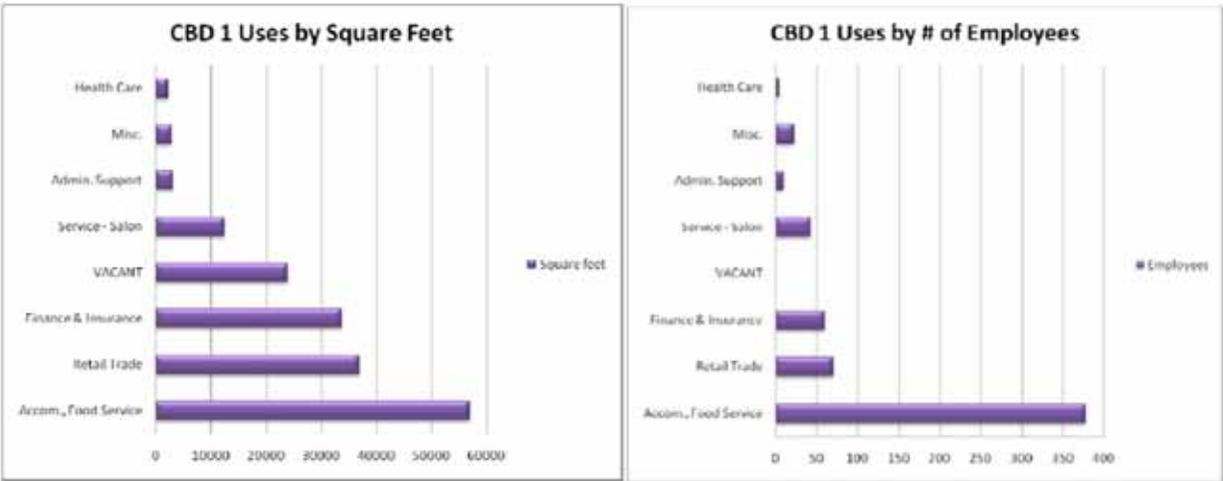
The Design Review Board (or Planning Director if not subject to D.R.) may approve a minor reduction in the depth requirements if the applicant demonstrates that the requirement is not feasible given the configuration of existing or proposed improvements and that the design of the retail frontage will maximize visual interest. Lobbies for residential, hotel, and office uses may be allowed within this space subject to applicable design guidelines.

Special Regulation for Banks and Financial Institutions:

Unless this use existed on the subject property prior to January 1, 2004, Banking and Financial Services may not be located within the 30-foot depth (as established by General Regulation 3) on the street level floor of a building fronting on Park Lane and Lake Street.

Existing Conditions:

CBD 1 has the highest amount of storefront space of the zones studied with 45% of the total. The most significant storefront use in CBD 1 is Accommodation and Food Service. This would include the Heathman (guest rooms were factored out of the square footage), restaurants, and bars. This is followed by Retail, then Finance and Insurance. There are four recently completed retail spaces in the Bank of America project and four vacancies in the zone. The most significant vacancy is the Antique Mall site at 10,000 square feet.



CBD 2 Zone

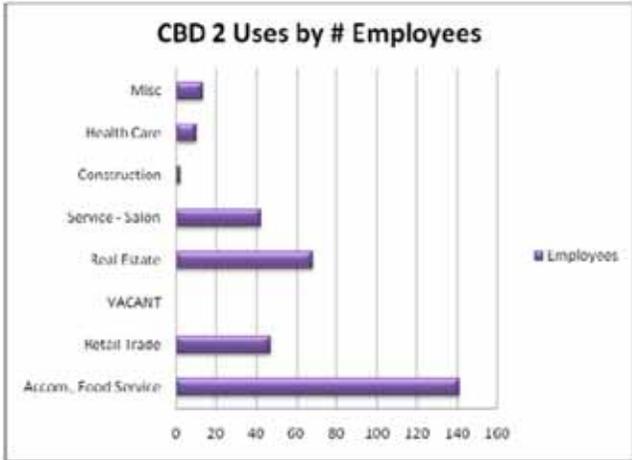
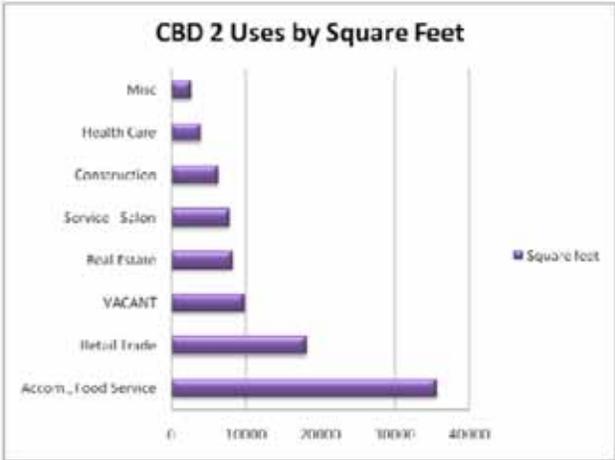
Code Requirements:

Special Regulation for Office & Residential Uses:

This use may be located on the street level floor of a building only if there is a retail space extending a minimum of 30 feet of the building depth between this use and the abutting right-of-way. The Planning Director may approve a reduction to the depth requirement for the retail space if the applicant demonstrates that the proposed configuration of the retail use provides an adequate dimension for a viable retail tenant and provides equivalent or superior visual interest and potential foot traffic as would compliance with the required dimension.

Existing Conditions:

CBD 2 has the second highest amount of storefront space of the zones studied with 25%. As with CBD 1, the most significant storefront use in CBD 2 is Accommodation and Food Service. This is followed by Retail then vacant space. There are four vacancies, the most significant being the closed Café Harlequin space on Lake Street at 5,563 square feet.



CBD 3 Zone

Code Requirements:

Special Regulation for Office & Residential Uses:

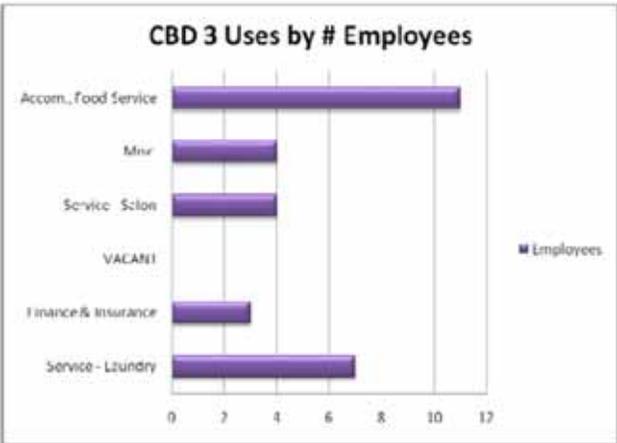
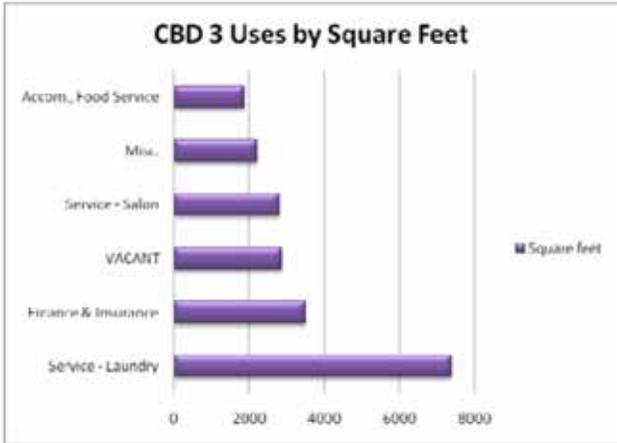
This use may be located on the street level floor of a building only if there is a retail space extending a minimum of 30 feet of the building depth between this use and the abutting right-of-way. The Planning Director may approve a reduction to the depth requirement for the retail space if the applicant demonstrates that the proposed configuration of the retail use provides an adequate dimension for a viable retail tenant and provides equivalent or superior visual interest and potential foot traffic as would compliance with the required dimension. This special regulation shall not apply along portions of State Street and Second Avenue South not designated as pedestrian-oriented streets.

Special Regulation (Incentives) for pedestrian-oriented uses:

The required front yard for this use shall be zero feet for one story at street level. No parking may encroach into the required 20-foot front yard. If this use provides a zero-foot front yard, the lot coverage for the entire property shall be 100 percent.

Existing Conditions:

CBD 3 has 5% of the storefront space in the zones studied. The largest use in CBD 3 is Fox Cleaners (Service-Laundry) followed by Finance and Insurance and vacant space. There are no Retail uses by NAICS code in this zone.



CBD 7 Zone

Code Requirements:

Special Regulation for Office & Residential Uses:

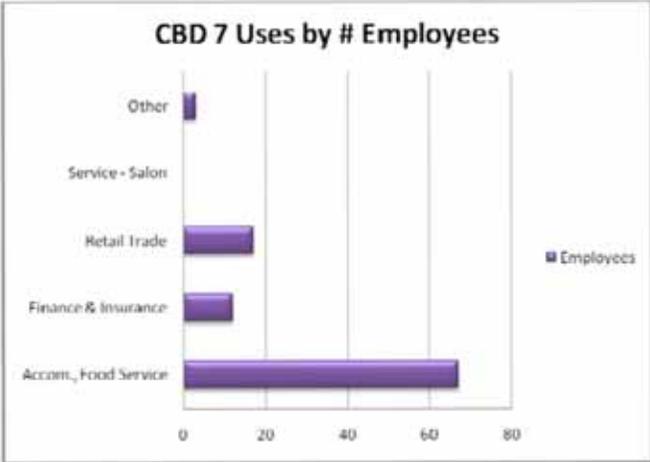
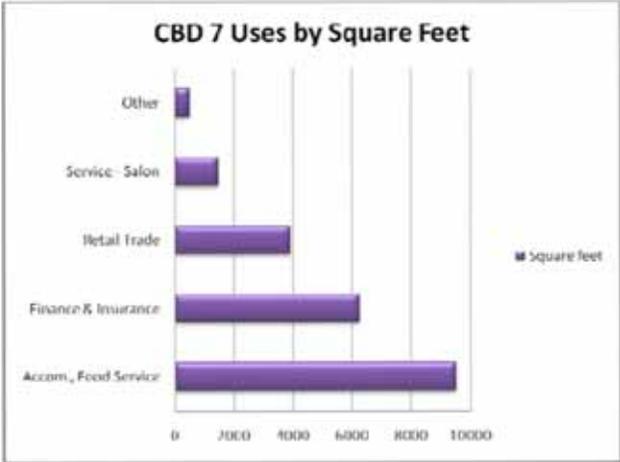
This use may be located on the street level floor of a building only if there is a retail space extending a minimum of 30 feet of the building depth between this use and the abutting right-of-way. The Planning Director may approve a reduction to the depth requirement for the retail space if the applicant demonstrates that the proposed configuration of the retail use provides an adequate dimension for a viable retail tenant and provides equivalent or superior visual interest and potential foot traffic as would compliance with the required dimension. This special regulation shall not apply along portions of State Street and Second Avenue South not designated as pedestrian-oriented streets.

Special Regulation (Incentives) for pedestrian-oriented uses:

The required front yard for this use shall be zero feet for one story at street level. No parking may encroach into the required 20-foot front yard. If this use provides a zero-foot front yard, the lot coverage for the entire property shall be 100 percent.

Existing Conditions:

CBD has 6% of the storefront space in the zones studied. Accommodation and Food Service is the largest use in this zone (Crab Cracker and Wendy’s), followed by Finance and Insurance, then Retail.



CBD 8 Zone

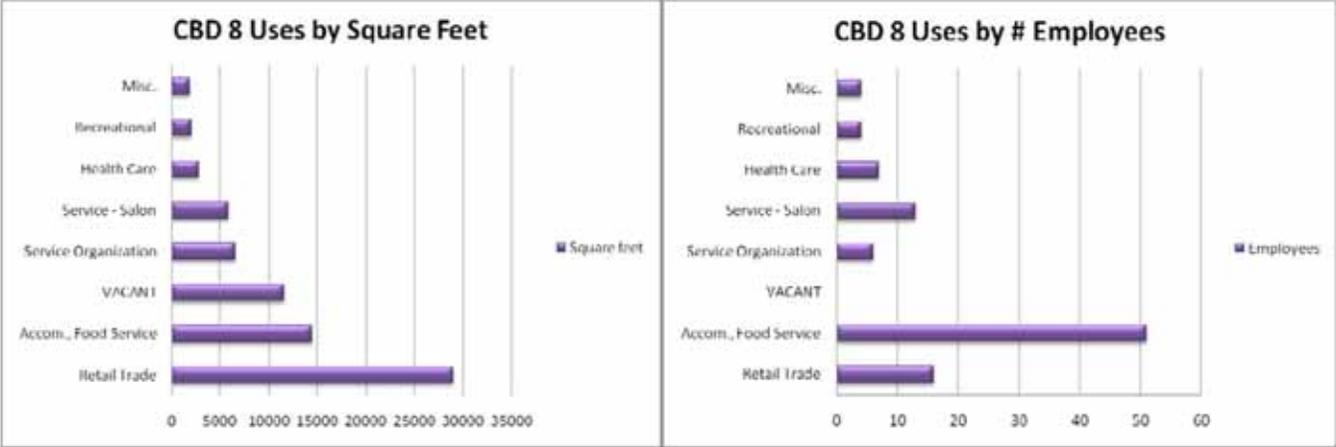
Code Requirements:

Special Regulation for Office & Residential Uses:

This use may be located on the street level floor of a building only if there is a retail space extending a minimum of 30 feet of the building depth between this use and the abutting right-of-way. The Planning Director may approve a reduction to the depth requirement for the retail space if the applicant demonstrates that the proposed configuration of the retail use provides an adequate dimension for a viable retail tenant and provides equivalent or superior visual interest and potential foot traffic as would compliance with the required dimension.

Existing Conditions:

CBD 8 has 19% of the storefront space of the zones studied. Retail is the most significant use in this zone, followed by Accommodation and Food Services, then vacant space. The recent closure of First Mutual Bank increased the vacancy rate from the August inventory.



CBD Ground Floor Storefront Businesses

Data Date: 11-08-2010

Data from business licenses & building permits

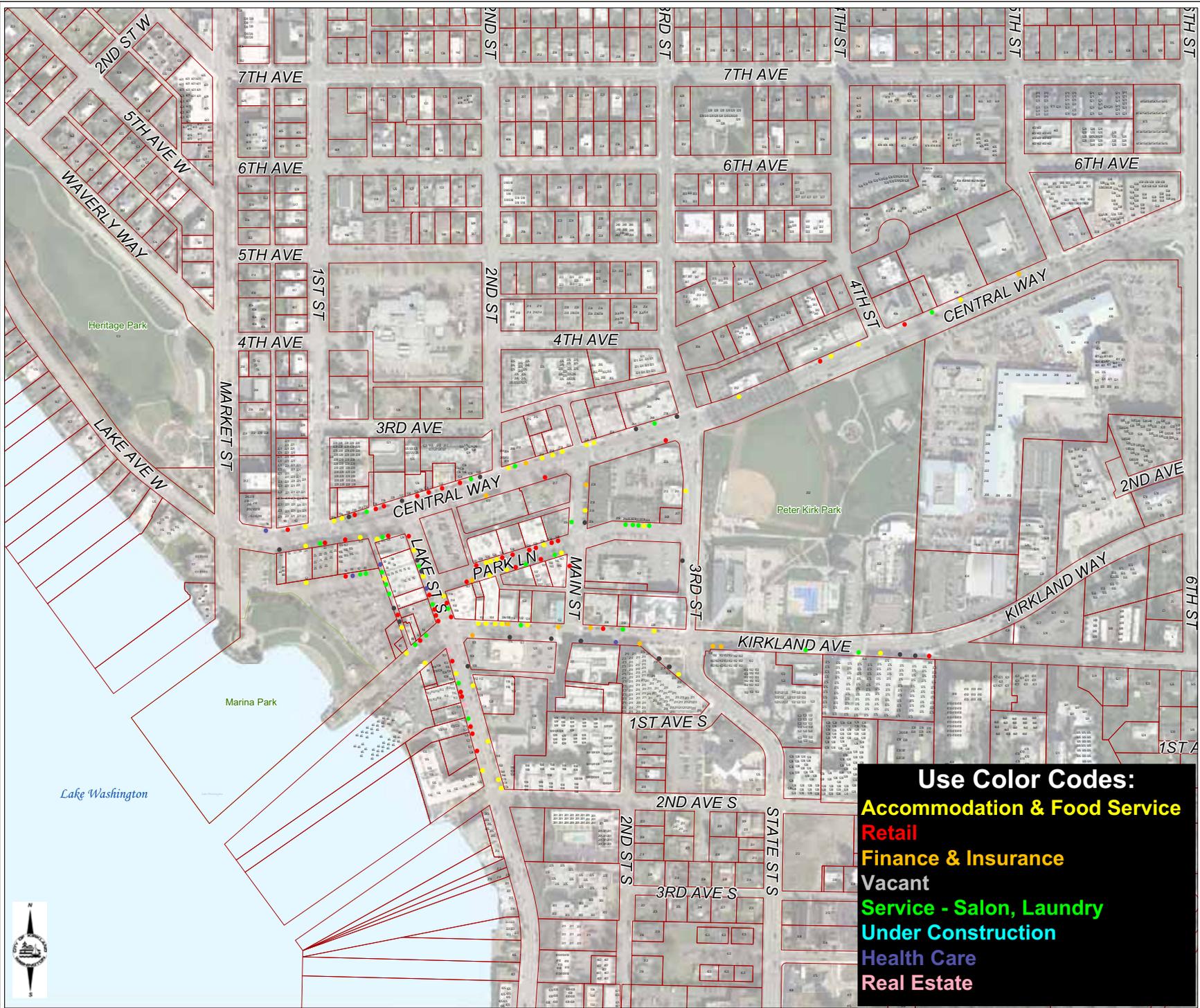
DBA	Address1	Parcel	Zoning	NAICS Code	Naics Title	Sq.Ft.	Employees	Reported Activity
THE FRENCH BAKERY	219 KIRKLAND AVE	124400-0100	CBD 1	311811	Manufacturing	1056	4	BAKERY AND CAFÉ
OJOY AT PARK LANE GALLERY	130 PARK LANE	124450-0115	CBD 1	424990	Wholesale Trade	10	1	ARTIST
HALEY'S COTTAGE	123 PARK LANE	124450-0230	CBD 1	442299	Retail Trade	1500	2	RETAIL
MARKET ON CENTRAL/SUBWAY #1647	255 CENTRAL WAY	124450-0435	CBD 1	445120	Retail Trade	3727	10	CONVENIENCE STORE AND SUBWAY SANDWICH STORE
SWEET CAKES LLC	128 PARK LANE	124450-0230	CBD 1	445291	Retail Trade	1345	3	RETAIL BAKERY, BAKE AND SELL PASTRIES, CAKES
CHAMPAGNE TASTE	147 PARK LN	124450-0210	CBD 1	448120	Retail Trade	1300	2	SELL CONSIGNMENT CLOTHING
ABSOLUTELY FABULOUS CONSIGNMENT	138 PARK LANE	124450-0100	CBD 1	448140	Retail Trade	1400	1	CONSIGNMENT CLOTHING
MU SHOE	140 PARK LANE	124450-0175	CBD 1	448210	Retail Trade	1140	4	RETAIL WOMEN'S SHOES AND ACCESSORIES
LAKE STREET DIAMOND COMPANY LLC	106 LAKE STREET	124450-0175	CBD 1	448310	Retail Trade	800	2	RETAIL JEWELRY STORE
PATTY GEORGAS	130 PARK LANE	124450-0115	CBD 1	448310	Retail Trade		1	EXHIBIT SALES OF FINE ART
KIRKLAND BICYCLE LLC	208 KIRKLAND AVE	124450-0270	CBD 1	451110	Retail Trade	4100	7	BICYCLE SALES, SERVICE AND RENTALS
EASTSIDE TRAINS, INC.	217 CENTRAL WY	124450-0066	CBD 1	451120	Retail Trade	8000	9	RETAIL HOBBY STORE
PAISLEY CUPBOARD, INC.	141 PARK LANE	124450-0220	CBD 1	453220	Retail Trade	2000	3	RETAIL STORE - GIFTS FOR HOME AND GARDEN
RAGAMOFFYN'S, INC.	132 PARK LANE	124450-0130	CBD 1	453310	Retail Trade	900	3	CLOTHING CONSIGNMENT
ARLON ROSENOFF ART	130 PARK LANE	124450-0115	CBD 1	453920	Retail Trade	30	1	ARTIST
DARLENE GENTRY LUCAS	130 PARK LANE	124450-0115	CBD 1	453920	Retail Trade	4	1	EXHIBIT AND SELL FINE ART
G. ROSS NICOLL	C/O PARKLANE GALLERY	124450-0115	CBD 1	453920	Retail Trade	30	1	ARTIST
HILDA BORDIANU AT PARK LANE GALLERY	130 PARK LANE	124450-0115	CBD 1	453920	Retail Trade	4	1	ARTIST
HOWARD/MANDVILLE GALLERY	120 PARK LANE	124450-0145	CBD 1	453920	Retail Trade	4000	3	ART GALLERY
LAKESHORE GALLERY	107 PARK LANE	124450-0178	CBD 1	453920	Retail Trade	1700	3	ART GALLERY, FINE ART & CRAFT
MIN ZHONG AT PARK LANE GALLERY	130 PARK LN	124450-0115	CBD 1	453920	Retail Trade	4	1	ARTIST
NADIA KASKO AT PARK LANE GALLERY	130 PARK LANE	124450-0115	CBD 1	453920	Retail Trade	4	1	ARTIST
PARK LANE GALLERY, INC.	130 PARK LANE	124450-0115	CBD 1	453920	Retail Trade	1300	1	RETAIL SALES OF ARTWORKS
HENK DAWSON AT PARKLANE GALLERY	130 PARK LANE	124450-0115	CBD 1	453998	Retail Trade	4	1	ART SALES
ROY BRUNO AT PARK LANE GALLERY	130 PARK LANE	124450-0115	CBD 1	453998	Retail Trade	4	1	EXHIBIT SALE OF FINE ART
SIMPLICITY DECOR	126 PARK LANE	124450-0145	CBD 1	453998	Retail Trade	2800	3	RETAILER OF HOME FURNITURE AND ACCESSORIES
THE MINUS SHOP	114 LAKE ST	124450-0175	CBD 1	453998	Retail Trade	758	1	RETAIL SALES OF HEALTHCARE PRODUCTS
THOMAS J. TRAEGER AT PARK LANE	GALLERY	124450-0115	CBD 1	453998	Retail Trade	5	1	ARTIST
BARBARA WYATT AT PARK LANE GALLERY	130 PARK LANE	124450-0115	CBD 1	454390	Retail Trade	4	1	ARTIST
SIMPLY SONJA	130 PARK LANE	124450-0115	CBD 1	454390	Retail Trade		1	PHOTOGRAPHY GALLERY OR FARMERS MARKET
TOSHIKO HASEGAWA AT PARK LANE	130 PARK LANE	124450-0115	CBD 1	454390	Retail Trade	10	1	PAINTING PICTURES
UNION BANK	132 KIRKLAND AVE	124450-0190	CBD 1	522110	Finance & Insurance	3576	7	COMMERCIAL BANKING
U.S. BANK OF WASHINGTON	177 CENTRAL WAY	124450-0035	CBD 1	522110	Finance & Insurance	3770	12	BANK
BANK OF AMERICA #353-0060103	101 KIRKLAND AVE	082505-9011	CBD 1	522110	Finance & Insurance	5972	9	BANK
BANNER BANK	202 KIRKLAND AVENUE	124450-0270	CBD 1	522120	Finance & Insurance	5000	5	BANK
STERLING SAVINGS BANK	230 MAIN ST	124450-0435	CBD 1	522120	Finance & Insurance	5291	7	MORTGAGE COMPANY - SUBSIDIARY OR STERLING SAVINGS BANK
WASHINGTON FEDERAL SAVINGS	116 KIRKLAND AVENUE	124450-0180	CBD 1	522120	Finance & Insurance	5660	8	SAVINGS AND LOAN
JP MORGAN CHASE BANK	215 KIRKLAND AVE	124400-0100	CBD 1	522310	Finance & Insurance	3095	9	BANK
MCLEOD INSURANCE, INC.	111 PARK LANE	124450-0176	CBD 1	524210	Finance & Insurance	1200	2	INDEPENDENT INSURANCE AGENCY
DUANE HANSEN AT PARK LANE GALLERY	130 PARK LANE	124450-0115	CBD 1	541921	Professional Services	4	1	EXHIBIT AND SALES OF FINE ART
GRTCHEN CROSSLEY PHOTOGRAPHY	130 PARK I N	124450-0115	CBD 1	541921	Professional Services	100	1	PHOTOGRAPHING ART WORK AND PEOPLE
MCDANIEL SERVICES	130 PARKLANE	124450-0115	CBD 1	541921	Professional Services	10	1	PHOTOGRAPHER
GARY HAMBURGH PHOTOGRAPHY	130 PARK LANE	124450-0115	CBD 1	541922	Professional Services	8	1	SALE OF FINE ART
UPS STORE #1576	218 MAIN ST	124450-0435	CBD 1	561431	Admin. Support	1260	5	MAILING, PACKAGING, SHIPPING SERVICE, ETC.
MCLEOD GROUP INC	118 LAKE ST S	017600-0005	CBD 1	561499	Admin. Support	100	3	SPECIAL INTEREST AUTOS, ART, COLLECTIBLES, AUTO MOBILA
STUDIO BE YOGA	223 KIRKLAND AVE	124400-0100	CBD 1	611620	Admin. Support	1600	1	YOGA INSTRUCTION
LAKE WASHINGTON PHYSICAL THERAPY	209 KIRKLAND AVE	124450-0270	CBD 1	621340	Health Care	2170	4	PHYSICAL THERAPY
ANGELA HOSKINS AT PARK LANE GALLERY	130 PARK LANE	124450-0115	CBD 1	711510	Arts	4	1	EXHIBIT AND SALES OF FINE ART
ESPERANZA GRUNDY	130 PARK LANE	124450-0115	CBD 1	711510	Arts	4	1	ARTIST
PHYLLIS RAY AT PARK LANE GALLERY	130 PARK LANE	124450-0115	CBD 1	711510	Arts	40	1	EXHIBIT AND RETAIL OF FINE ART
R. MARLENE JENSEN	130 PARK LANE	124450-0115	CBD 1	711510	Arts	10	1	ARTIST

DBA	Address1	Parcel	Zoning	NAICS Code	Naics Title	Sq.Ft.	Employees	Reported Activity
SUE ROBERTSON, ARTIST	C/O PARK LANE GALLERY	124450-0115	CBD 1	711510	Arts	30	1	ARTIST PARTICIPATING IN COOPERATIVE GALLERY
SUSANNE WERNER AT PARK	LANE GALLERY	124450-0115	CBD 1	711510	Arts	10	1	ARTIST
Yael ZAHAVY MITTELMAN AT PARK LANE	130 PARK LANE	124450-0115	CBD 1	711510	Arts	4	1	EXHIBIT AND SALES OF FINE ART
THE HEATHMAN HOTEL, PANTERRA SPA, MILAGRO CANTINA	TRELLIS RESTAURANT	124450-0300	CBD 1	722110	Accom., Food Service	14480	107	HOTEL, RESTAURANT, SPA
	148 LAKE ST S	017600-0030	CBD 1	722110	Accom., Food Service	7500	40	RESTAURANT
CACTUS RESTAURANT	121 PARK LN	124450-0230	CBD 1	722110	Accom., Food Service	3243	39	RESTAURANT
CAFÉ ROCOCO	136 PARK LN	125540-0115	CBD 1	722110	Accom., Food Service	2448	5	CAFÉ
GEORGE'S PLACE	108 KIRKLAND AVE	124450-0176	CBD 1	722110	Accom., Food Service	3000	14	RESTAURANT
HECTOR'S RESTAURANT LLC	112 LAKE ST S	017600-0005	CBD 1	722110	Accom., Food Service	4500	46	RESTAURANT
MI MEXICO RESTAURANT	115 PARK LANE	124450-0176	CBD 1	722110	Accom., Food Service	1100	15	RESTAURANT
RISTORANTE PARADISO, INC.	120 PARK LANE	124450-0145	CBD 1	722110	Accom., Food Service	2000	18	RESTAURANT
TACO DEL MAR	210 MAIN STREET	124450-0435	CBD 1	722110	Accom., Food Service	1440	5	RESTAURANT
TOKYO GRILL	238 PARK LANE	124450-0435	CBD 1	722110	Accom., Food Service	1150	4	RESTAURANT
ZEEKS PIZZA OF KIRKLAND	124 PARK LANE	124450-0145	CBD 1	722110	Accom., Food Service	3200	24	PIZZA RESTAURANT
I LUV TERIYAKI	104 KIRKLAND AVE	124450-0176	CBD 1	722211	Accom., Food Service	1533	4	RESTAURANT
LAI-THAI RESTAURANT	120 PARK LANE	124450-0145	CBD 1	722211	Accom., Food Service	2000	4	THAI RESTAURANT
PAPA JOHN'S	211 3RD ST	124450-0435	CBD 1	722211	Accom., Food Service	1464	17	FAST FOOD PIZZA
PHO TAI	147 PARK LN	124450-0210	CBD 1	722211	Accom., Food Service	1378	3	RESTAURANT
THIN PAN THAI BISTRO & BAR	170 LAKE ST S	017600-0030	CBD 1	722211	Accom., Food Service	1318	8	RESTAURANT
CAFE HAPPY	102 KIRKLAND AVE	124450-0177	CBD 1	722212	Accom., Food Service	200	2	CHINESE VEGETARIAN DELI
STARBUCKS COFFEE #11384	116 LAKE ST S	124450-0175	CBD 1	722213	Accom., Food Service	1572	15	RETAIL CAFE
BEN & JERRY'S	176 LAKE ST S	017600-0030	CBD 1	722330	Accom., Food Service	615	3	ICE CREAM STORE
CENTRAL TAVERN	124 KIRKLAND AVE	124450-0190	CBD 1	722410	Accom., Food Service	1080	2	TAVERN
TIKI'S BAR AND GRILL	106 KIRKLAND AVE	124450-0177	CBD 1	722410	Accom., Food Service	1600	3	BAR AND RESTAURANT
LAKE STREET TAILOR	110 LAKE STREET	124450-0175	CBD 1	811490	Repair, Maint.	700	2	TAILORING, ALTERATION, DRESSMAKING
SEVEN TAILORS	205 MAIN STREET	124450-0100	CBD 1	811490	Repair, Maint.	814	1	CUSTOM TAILORING AND ALTERATIONS
BEAUTY CONCEPTS BY CHERYL	145 PARK LN	124450-0210	CBD 1	812112	Service - Beauty Salon	30	1	COSMETOLOGIST
BELLA SIRENA	218 KIRKLAND AVE	124450-0300	CBD 1	812112	Service - Beauty Salon	1982	8	BEAUTY SALON
BOMBALI CUTTERS	122 KIRKLAND AVENUE	124450-0255	CBD 1	812112	Service - Beauty Salon	416	9	HAIR SALON
DONNA L HOLCOMB	145 PARK LN	124450-0210	CBD 1	812112	Service - Beauty Salon	20	1	HAIR DRESSER
HAIR MASTERS #6814	228 PARK LANE	124450-0435	CBD 1	812112	Service - Beauty Salon	1200	5	BEAUTY SALON SERVICES & RETAIL SALES
MONICA HUDAK AT SIMPLICITY SALON	145 PARK LANE	124450-0210	CBD 1	812112	Service - Beauty Salon	30	1	COSMETOLOGIST
MORGAN FREEMAN, LLC	145 PARK LN	124450-0210	CBD 1	812112	Service - Beauty Salon	20	1	COSMETOLOGIST
SIMPLICITY SALON, LLC	145 PARK LANE	124450-0210	CBD 1	812112	Service - Beauty Salon	1350	1	HAIR SALON
SALON SAIDA	223 KIRKLAND AVE	124400-0040	CBD 1	812112	Service - Beauty Salon	1288	2	HAIR SALON
TORI D. U'REN	145 PARK LANE	124450-0210	CBD 1	812112	Service - Beauty Salon	20	1	HAIRDRESSER
DEBRA BILYEU AT SIMPLICITY	145 PARK LN	124450-0210	CBD 1	812113	Service - Nail Salon	20	1	MANICURIST
NAIL & YOU	232 PARK LANE	124450-0435	CBD 1	812113	Service - Nail Salon	980	2	NAIL SERVICES
FOOTOPIA MASSAGE	129 PARK LN	124450-0230	CBD 1	812199	Service - Other Pers.	1665	1	FOOT MASSAGE
MOSS BAY CLEANERS	244 PARK LANE	124450-0435	CBD 1	812320	Service - Laundry	1400	2	DRY CLEANERS
COURTNEY CARLISLE LLC	145 PARK LANE	124450-0210	CBD 1	812990	Service - Other Pers.	30	1	COSMETOLOGIST
ROCKSTAR TAN BAR	216 PARK LANE	124450-0435	CBD 1	812990	Service - Other Pers.	1880	5	TANNING SALON
VACANT	203 KIRKLAND AVE	124450-0270	CBD 1	VACANT	VACANT	4173		FKA BOA TEMP SPACE
VACANT	108 LAKE ST S	082505-9011	CBD 1	VACANT	VACANT	1300		NEW SPACE
VACANT	115 KIRKLAND AVE	082505-9011	CBD 1	VACANT	VACANT	2342		NEW SPACE
VACANT	129 KIRKLAND AVE	082505-9011	CBD 1	VACANT	VACANT	2587		NEW SPACE
VACANT	223 KIRKLAND AVE	124400-0100	CBD 1	VACANT	VACANT	940		FKA SCHNOO YOGURT
VACANT	219 KIRKLAND AVE	124400-0100	CBD 1	VACANT	VACANT	800		FKA TERRA BITE
VACANT	151 3RD ST	124450-0330	CBD 1	VACANT	VACANT	10000		FKA ANTIQUE MART
VACANT	206 MAIN ST	124450-0435	CBD 1	VACANT	VACANT	1700		FKA QUARTERS
CHAFFEY CORPORATION	205 LAKE STREET S.	082505-9087	CBD 2	236118	Construction	5500	1	ASSETS
KIRKLAND PAINTING COMPANY	15 CENTRAL WAY	062505-9042	CBD 2	238320	Construction	800	1	SCHOOL, RETAIL - PAINT CONTRACTOR
BELLA BAMBINI	1 LAKE ST	052505-9040	CBD 2	442110	Retail Trade	600	1	BABY AND CHILDREN'S CLOTHING BOUTIQUE
BELLA TESORI	3 LAKE ST	052505-9040	CBD 2	442110	Retail Trade	1100	2	HOME DECOR AND FURNISHINGS

DBA	Address1	Parcel	Zoning	NAICS Code	Naics Title	Sq.Ft.	Employees	Reported Activity
ZOKA	129 CENTRAL WAY	052505-9047	CBD 2	445299	Retail Trade	1600	8	COFFEE AND LIGHT FOOD
THE GRAPE CHOICE	9 LAKESHORE PLAZA	052505-9040	CBD 2	445310	Retail Trade	2700	3	RETAIL WINE AND BEER
REBEKAHS	117 LAKE ST S	082505-9104	CBD 2	448120	Retail Trade	700	2	CONSIGNMENT RETAIL
ROMY	125 LAKE ST S	082505-9129	CBD 2	448120	Retail Trade	1000	4	RETAIL WOMEN'S APPAREL, FOOTWEAR, ACCESSORIES
SEDUCE BOUTIQUE	5 LAKE STREET	052505-9040	CBD 2	448140	Retail Trade	1400	1	RETAIL MEN AND WOMEN'S CLOTHING
VIA LAGO	129 LAKE ST S	082505-9129	CBD 2	448150	Retail Trade	1100	2	WOMEN'S RETAIL
BIKINI BEACH	92 KIRKLAND AVENUE	052505-9055	CBD 2	448190	Retail Trade	800	3	RETAIL CLOTHING
ROMAX SHOES	123 LAKE ST S	082505-9196	CBD 2	448210	Retail Trade	1031	3	RETAIL - EURO COMFORT SHOES
EARTHLIGHT	46 LAKESHORE PLAZA	062505-9023	CBD 2	448310	Retail Trade	410	1	RETAIL ROCKS
TOBACCO PATCH	125 CENTRAL WY	062505-9023	CBD 2	453991	Retail Trade	684	4	CIGARS, TOBACCO, CIGARETTES, PIPES, SMOKING ACCESSORIES
EPICUREAN EDGE	107 CENTRAL WAY	052505-9047	CBD 2	453998	Retail Trade	1000	3	RETAIL SALES OF CUTLERY AND RELATED ACCESSORIES
HERBAN WELLNESS LLC	103 LAKE ST S	082505-9115	CBD 2	453998	Retail Trade	1160	1	RETAIL HERB/NUTRITION PRODUCTS
LINDA LU'S CONSIGNMENT BOUTIQUE	9 LAKE ST	052505-9051	CBD 2	453998	Retail Trade	2000	5	CONSIGNMENT STORE
WAX ON SPA	25 CENTRAL WAY	062505-9029	CBD 2	453998	Retail Trade	800	4	WAX AND SPA SERVICES
ARGOSY LP	70 KIRKLAND AVE	082505-9213	CBD 2	483212	Transportation	110	6	TICKET BOOTH FOR CRUISES - TOUR AND PRIVATE
ASSET REALTY/ELITE REAL ESTATE	121 LAKE ST	082505-9164	CBD 2	531210	Real Estate	1800	5	REAL ESTATE SALES
HALLMARK REALTY CORPORATION	101 LAKE STREET S	082505-9115	CBD 2	531390	Real Estate	6400	63	REAL ESTATE SALES AND INVESTMENT
H&R BLOCK	19 CENTRAL WAY	062505-9020	CBD 2	541213	Professional Services	1100	6	TAX PREPARATION
A TOUCH OF CLASS	111 LAKE ST. S.	082505-9104	CBD 2	611511	Admin. Support	500	3	MEN'S HAIRCUTTING
MARINA PARK CHIROPRACTIC	30 LAKESHORE PLAZA	408000-0000	CBD 2	621310	Health Care	1200	2	CHIROPRACTIC CLINIC
DERMA VITA ACNE & SKIN CARE	11 LAKE ST	052505-9040	CBD 2	621399	Health Care	2000	7	SKIN CARE
SALON REMEEK	44 LAKESHORE PLAZA	062505-9023	CBD 2	621399	Health Care	800	1	COSMOTOLOGIST
21 CENTRAL	21 CENTRAL WAY	062505-9020	CBD 2	722110	Accom., Food Service	2000		RESTAURANT
ANTHONY'S RESTAURANTS	135 LAKE STREET	082505-9154	CBD 2	722110	Accom., Food Service	6800	40	RESTAURANT
HANUMAN THAI CAFE	115 CENTRAL WAY	052505-9047	CBD 2	722110	Accom., Food Service	782	5	RESTAURANT
LAKE STREET GRILL	15 LAKE STREET S	408000-0000	CBD 2	722110	Accom., Food Service	5500	8	BAR AND RESTAURANT
OLIVE YOU	89 KIRKLAND AVE	082505-9099	CBD 2	722110	Accom., Food Service	3100	18	RESTAURANT
THE SLIP	80 KIRKLAND AVENUE	082505-9212	CBD 2	722110	Accom., Food Service	575	15	GENERAL RESTAURANT
WILDE ROVER IRISH PUB & RESTAURANT	111 CENTRAL WAY	062505-9023	CBD 2	722110	Accom., Food Service	7800	24	RESTAURANT
AMICI PIZZERIA	7 LAKESHORE PLAZA	052505-9056	CBD 2	722110	Accom., Food Service	1772	0	RESTAURANT
CEFIORE	111 LAKE ST	408000-0010	CBD 2	722213	Accom., Food Service	720	3	FROZEN YOGURT SHOP
COFFEE & CONE	1 LAKESHORE PLAZA	052505-9040	CBD 2	722310	Accom., Food Service	800	2	ICE CREAM AND COFFEE SALES
THE SHARK KLUB	52 LAKESHORE PLAZA	062505-9020	CBD 2	722410	Accom., Food Service	4400	20	UPSCALE TAVERN AND BILLARD CLUB
VO VINA	15 LAKE STREET	408000-0000	CBD 2	722410	Accom., Food Service	1390	6	VODKA, WINE, MARTINI BAR
88 KIRKLAND SALON	88 KIRKLAND AVENUE	052505-9056	CBD 2	812112	Service - Beauty Salon	900	8	HAIR SALON
ALISON ZACA AT DESIGNER SALON	15 LAKE ST	408000-0000	CBD 2	812112	Service - Beauty Salon	30	1	HAIRDRESSER
FARAW TAHERI AT HAIR FACTOR & SPA	121 CENTRAL WAY	052505-9047	CBD 2	812112	Service - Beauty Salon	30	1	COSMETOLOGIST
HAIR FACTOR AND SPA BY KEN	121 CENTRAL WAY	052505-9047	CBD 2	812112	Service - Beauty Salon	750	1	HAIR SALON
JESSICA CHILDS AT DESIGNERS	15 LAKE ST S	408000-0000	CBD 2	812112	Service - Beauty Salon	1	1	HAIR SALON
KIRKLAND SKINCARE	30 LAKESHORE PLZA	408000-0000	CBD 2	812112	Service - Beauty Salon	400	1	ELECTROLOGIST
MARINA PARK SALON	40 LAKESHORE PLAZA	062505-9023	CBD 2	812112	Service - Beauty Salon	640	1	HAIR SALON
SALON GROTTTO	123 LAKE ST	082505-9196	CBD 2	812112	Service - Beauty Salon	501	1	SKIN CARE TREATMENTS
STUDIO 150	123 LAKE ST S	082505-9196	CBD 2	812112	Service - Beauty Salon	717	5	HAIR SALON
THE SHOP #1	94 KIRKLAND AVE	052505-9055	CBD 2	812112	Service - Beauty Salon	550	8	HAIR SALON
TRENDZ NAIL BAR LLC	7 LAKE ST S	052505-9040	CBD 2	812112	Service - Beauty Salon	414	2	NAIL SALON, MANICURES, PEDICURES, FACIAL WAXING
BAYSIDE NAIL & SPA	25 CENTRAL WAY	062505-9029	CBD 2	812113	Service - Nail Salon	996	2	FULL SERVICE NAIL SALON AND ESTHETICIAN SERVICES
TOP TEN NAILS	15 LAKE ST	408000-0000	CBD 2	812113	Service - Nail Salon	1245	2	NAIL SALON
KIRKLAND TATTOO	42 LAKESHORE PLAZA	062505-9023	CBD 2	812990	Service - Other Pers.	520	1	TATTOO ART
BARKZ	115 LAKE ST S	082505-9104	CBD 2	812990	Service - Other Pers.	1030	4	RETAIL PRODUCTS FOR DOGS & THEIR OWNERS/ DAY PLAY AREA
GOLDEN TOUCH FOOT MASSAGE	15 LAKE ST	408000-0000	CBD 2	812990	Service - Other Pers.	800	4	FOOT MASSAGE
MERMAID HAIR EXTENSIONS	14 LAKESHORE PLAZA	408000-0000	CBD 2	812990	Service - Other Pers.	1000	3	HAIR EXTENSIONS
CHEZ CHIC	123 LAKE ST S	082505-9129	CBD 2	999990	Other	720	1	APPAREL BOUTIQUE - MEN'S WOMEN'S CLOTHING
HENNA CREATIONS CORP	103 LAKE STREET S	082505-9115	CBD 2	999990	Other	50	1	HENNA TATOOS AND BODY ART
VACANT	15 LAKE STREET	408000-0000	CBD 2	VACANT	VACANT	1300		FKA SUREEL

DBA	Address1	Parcel	Zoning	NAICS Code	Naics Title	Sq.Ft.	Employees	Reported Activity
VACANT	13 CENTRAL WAY	162505-9042	CBD 2	VACANT	VACANT	1000	0	
VACANT	107 LAKE STREET	408000-0000	CBD 2	VACANT	VACANT	5563	0	FKA CAFÉ HARLEQUIN
VACANT	10 LAKESHORE PLAZA	052505-9051	CBD 2	VACANT	VACANT	2000	0	FKA BRIDAL GARDEN
GENWORTH FINANCIAL	100 STATE STREET S	681787-0000	CBD 3	522320	Finance & Insurance	300	2	FINANCIAL PRODUCTS AND SERVICES
U.S. CAPITAL STRATEGIES, INC.	100 STATE STREET S	681787-0010	CBD 3	524210	Finance & Insurance	3200	1	FINANCIAL INVESTMENTS
KIRKLAND WILLS & TRUSTS	100 STATE ST S	681787-0000	CBD 3	541110	Professional Services	150	2	LAW PRACTICE (ESTATE PLANNING)
BUCHACHER BUSINESS SYSTEMS CONS.	100 STATE ST S	681787-0010	CBD 3	541219	Professional Services	154	1	ACCOUNTING AND CONSULTING
ANJAZ ST JAMES ESPRESSO	355 KIRKLAND AVE	098340-0000	CBD 3	722213	Accom., Food Service	1850	11	COFFEE SHOP
SORELLA SALON AND SPA	345 KIRKLAND AVE	098340-0000	CBD 3	812112	Service - Beauty Salon	2800	4	SALON & SPA SERVICES
FOX CLEANERS	339 KIRKLAND AVE	082505-9242	CBD 3	812320	Service - Laundry	7400	7	DRY CLEANERS
UNITED PARTNERS KIRKLAND LLC	395 KIRKLAND AVE	098340-0000	CBD 3	999990	Other	1600	1	RETAIL SALES OF MARTIAL ARTS SUPPLIES AND SERVICES
VACANT	365 KIRKLAND AVE	098340-0000	CBD 3	VACANT	VACANT	1572		
VACANT	385 KIRKLAND AVE	098340-0000	CBD 3	VACANT	VACANT	1288		
MOSS BAY SHELL INC	406 CENTRAL WAY	390010-1585	CBD 7	447110	Retail Trade	2000	5	GAS STATION AND RETAIL STORE/MECHANICAL SHOP
WHITE SWAN CAR WAH	324 CENTRAL WAY	390010-1275	CBD 7	447190	Retail Trade	1900	12	CAR WASH AND SERVICE STATION
WELLS FARGO BANK	460 CENTRAL WAY	390010-1460	CBD 7	522110	Finance & Insurance	5000	11	BANK
WELLS FARGO INVESTMENTS LLC	460 CENTRAL WAY	390010-1460	CBD 7	523999	Finance & Insurance	1250	1	SECURITIES BROKER DEALER
FRANCO'S CRAB CRACKER	452 CENTRAL WAY	390010-1510	CBD 7	722211	Accom., Food Service	6433	40	RESTAURANT
WENDY'S OLD FASHIONED HAMBURGERS	312 CENTRAL WAY	390010-1330	CBD 7	722211	Accom., Food Service	3000	23	RESTAURANT
THE COFFEE CROSSING	324 CENTRAL WAY	390010-1275	CBD 7	722213	Accom., Food Service	88	4	DRIVE THRU AND WALK-UP COFFEE STAND
SEATOP NAILS	424 CENTRAL WAY	390010-1575	CBD 7	812112	Service - Beauty Salon	1470		
TACOS EL GUERO	324 CENTRAL WAY	390010-1275	CBD 7	999990	Other	500	3	MOBILE TACOS
DESIGN WITHIN REACH INC	126 CENTRAL WAY	388580-8680	CBD 8	442110	Retail Trade	2015	2	STUDIO SHOWROOM FOR FURNITURE
CHALET CADEAU CHRISTMAS	116 CENTRAL WAY	388580-8670	CBD 8	442299	Retail Trade	2555	1	HOME DECOR, FURNISHINGS, ACCESSORIES, GIFTS
SUR LA TABLE	90 CENTRAL WAY	388580-8745	CBD 8	442299	Retail Trade	5481	12	GOURMET KITCHEN/COOKING EQUIPMENT, COOKING CLASSES
KOAP HOME	120 CENTRAL WAY	388580-8670	CBD 8	442299	Retail Trade	2555	1	HOME DECOR, FURNISHINGS, ACCESSORIES, GIFTS
REMEDIES PHARMACY	140 CENTRAL WAY	514880-0000	CBD 8	446110	Retail Pharmacy	2600		PHARMACY
IN FOCUS OPTICAL INC	134 CENTRAL WAY	514880-0000	CBD 8	446130	Retail Trade	2000	2	RETAIL OF EYEWEAR
PROMESSE	128 CENTRAL WAY	388580-8680	CBD 8	448120	Retail Trade	1200	1	RETAIL, SPECIALIZING IN APPAREL, HANDBAGS AND SHOES
BEADWORLD	110 CENTRAL WAY	388580-8720	CBD 8	448150	Retail Trade	1500	3	RETAIL-SELLING BEADS AND JEWELRY SUPPLIES
CHALET CADEAU CHRISTMAS	116 CENTRAL WAY	388580-8670	CBD 8	453220	Retail Trade	1800	1	CHRISTMAS GIFTS AND DECOR
CHALET CADEAU INC	132 CENTRAL WAY	388580-8642	CBD 8	453220	Retail Trade	4873	3	RETAIL GIFTS, COLLECTIBLES, HOME DECOR
VIRIDIS SALON	118 CENTRAL WAY	388580-8670	CBD 8	453998	Retail Trade	2400	6	HAIR SALON
JEFF SAND INSURANCE AND	202 CENTRAL WAY	390010-1026	CBD 8	524210	Finance & Insurance	1070	2	INSURANCE, BANKING & MUTUAL FUND PRODUCTS
SCRUFF TO FLUFF	222 CENTRAL WAY	390010-1055	CBD 8	561990	Admin. Support	800	1	DOG GROOMING
AYSEL K. SANDERSON MD PS	16 CENTRAL WAY	864414-0010	CBD 8	621111	Health Care	2500	5	MEDISPA SERVICES, RETAIL, SKINCARE, SURGERY
WASHINGTON PACIFIC EYE ASSOCIATES	134 CENTRAL WAY	514880-0000	CBD 8	621320	Health Care	300	2	OPTICIAN SERVICES
X GYM	126 CENTRAL WAY	388580-8680	CBD 8	713940	Recreational	2000	4	ONE ON ONE PERSONAL EXERCISE TRAINING
STEAMERS	228 CENTRAL WAY	390010-1096	CBD 8	722110	Accom., Food Service	1867	6	FAST SERVICE FISH AND CHIPS
LYNN'S BISTRO RESTAURANT	214 CENTRAL WAY	390010-1055	CBD 8	722110	Accom., Food Service	1700	4	RESTAURANT
RAGA CUISINE INDIA	212 CENTRAL WAY	390010-1050	CBD 8	722110	Accom., Food Service	2000	4	RESTAURANT
TIME OUT	218 CENTRAL WAY	390010-1055	CBD 8	722110	Accom., Food Service	3500	5	SPORTS BAR SERVING FOOD & BEVERAGES; TELEVISION SPORTS
WINGDOME	232 CENTRAL WAY	390010-1096	CBD 8	722110	Accom., Food Service	1100	10	RESTAURANT
JIMMY JOHN'S	92 CENTRAL WAY	388580-8745	CBD 8	722212	Accom., Food Service	1600	10	GOURMET SANDWICH SHOP
CAFFE LADRO	104 CENTRAL WAY	388580-8721	CBD 8	722213	Accom., Food Service	965	8	ESPRESSO BAR WITH INDOOR SEATING
SANTORINI GREEK GRILL	106 CENTRAL WAY	388580-8720	CBD 8	722310	Accom., Food Service	900	3	DELI MARKET
HAUTE DOG GIRL	200 CENTRAL WAY	390010-1026	CBD 8	722330	Accom., Food Service	780	1	HOT DOGS, SANDWICHES AND SHAVED ICE
KATHY EVANS BEAUTY STUDIO	138 CENTRAL WAY	514880-0000	CBD 8	812112	Service - Beauty Salon	847	2	HAIR AND MAKEUP SERVICES
LINDA RAE KATHY EVANS BEAUTY STUDIO	138 CENTRAL AVE	514880-0000	CBD 8	812112	Service - Beauty Salon	20	1	HAIRSTYLIST
LOTUS SALON & SPA LLC	268 CENTRAL WAY	390010-1125	CBD 8	812112	Service - Beauty Salon	2000	3	SPA AND SALON
SOUL EASE SPA, LLC	218 MAIN STREET	388580-8720	CBD 8	812112	Service - Beauty Salon	1900	4	SPA AND YOGA SALON
SR NAILS	206 CENTRAL WAY	390010-1026	CBD 8	812113	Service - Nail Salon	514	1	NAIL SALON
ALICIA BAUTISTA AT SR NAILS	206 CENTRAL WAY	390010-1026	CBD 8	812990	Service - Other Pers.	515	1	MANICURIST
LASHES BEAUTIFUL	114 CENTRAL WAY	388580-8720	CBD 8	812990	Service - Other Pers.		1	APPLICATION OF EYELASH EXTENSIONS

DBA	Address1	Parcel	Zoning	NAICS Code	Naics Title	Sq.Ft.	Employees	Reported Activity
KIRKLAND EAGLES	258 CENTRAL WAY	390010-1105	CBD 8	813410	Service Organization	6500	6	PRIVATE FRATERNAL CLUB
VACANT	278 CENTRAL WAY	390010-1125	CBD 8	VACANT	VACANT	3835		FKA FIRST MUTUAL BANK
VACANT	264 CENTRAL WAY	390010-1125	CBD 8	VACANT	VACANT	1750		FKA AMAZON FRESH
VACANT	108 CENTRAL WAY	388580-8720	CBD 8	VACANT	VACANT	4037		FKA IMAGES OF NATURE
VACANT	122 CENTRAL WAY	388580-8670	CBD 8	VACANT	VACANT	1900		FKA UBRDO CYCLE
						382289	1156	



Downtown Properties



Produced by the City of Kirkland
 © 2020, the City of Kirkland, all rights reserved.
 No warranties of any sort, including but not limited to accuracy, fitness or merchantability, accompany this product.
 MIT Maps/DowntownCityPlanning

Moss Bay Neighborhood

XV.D. MOSS BAY NEIGHBORHOOD

Note: The Moss Bay Neighborhood Plan had its last major update in 1987. Therefore, references in this chapter to goals, policies, or specific pages in other chapters may be inaccurate if the other chapters have since been updated.¹

1. INTRODUCTION

In terms of land use, the Moss Bay Neighborhood is Kirkland's most complex area. The area contains a wide variety of land uses, including Downtown retail businesses, a freeway interchange, industrial activities, offices, well established single-family areas, large-scale multifamily development, a baseball facility, a post office, and a railroad.

Moss Bay Neighborhood boundaries are illustrated in Figure MB-1.

While the neighborhood is dominated by the commercial activities associated with Kirkland's downtown, there are considerable opportunities for residential development. A major policy emphasis for the Moss Bay Neighborhood is to encourage commercial activities in the Downtown, and to expand "close-in" housing opportunities by encouraging medium- to high-density residential uses in the perimeter of the Downtown (Figure MB-1). A mix of residential densities exists in the remainder of the Moss Bay Neighborhood, generally stepping down with increased distance from commercial activities.

2. NATURAL ENVIRONMENT

The functional integrity of watercourses should be maintained or improved.

Open streams exist within the eastern portion of the Moss Bay Neighborhood. These streams should be

1. The name of this neighborhood was changed from Central to Moss Bay in December 2001.

maintained or restored, when feasible, in a natural condition and should allow for natural drainage.

Flood insurance is required in identified flood hazard zones.

Portions of the Downtown area and lands to the east have been designated as flood hazard zones by the Federal Insurance Administration. Federal law requires that flood insurance be obtained before any federally insured lending institution may approve a loan for development within an identified flood hazard zone.

Possible drainage problems exist in the eastern portion of Moss Bay Neighborhood.

In the eastern portion of the Moss Bay Neighborhood, the water table is at, or very near, the surface. In this area, the topsoil is wet and soggy and there could be drainage problems associated with development. Future proposals for development in this area must take these hydrologic conditions into consideration.

Potentially unstable slopes are discussed. Slope stability analysis should be required, and development should be regulated accordingly.

Potentially unstable slopes exist in portions of the Moss Bay Neighborhood. Due to the possibility of landslides, excessive erosion, or other problems associated with development on slopes, a slope stability analysis should be required prior to development on these potentially unstable slopes. The type, design, and/or density of land use should be restricted where landslide or drainage problems are likely to occur. Existing vegetation in these areas should be preserved to the greatest extent feasible to help stabilize the slope and maintain drainage patterns.

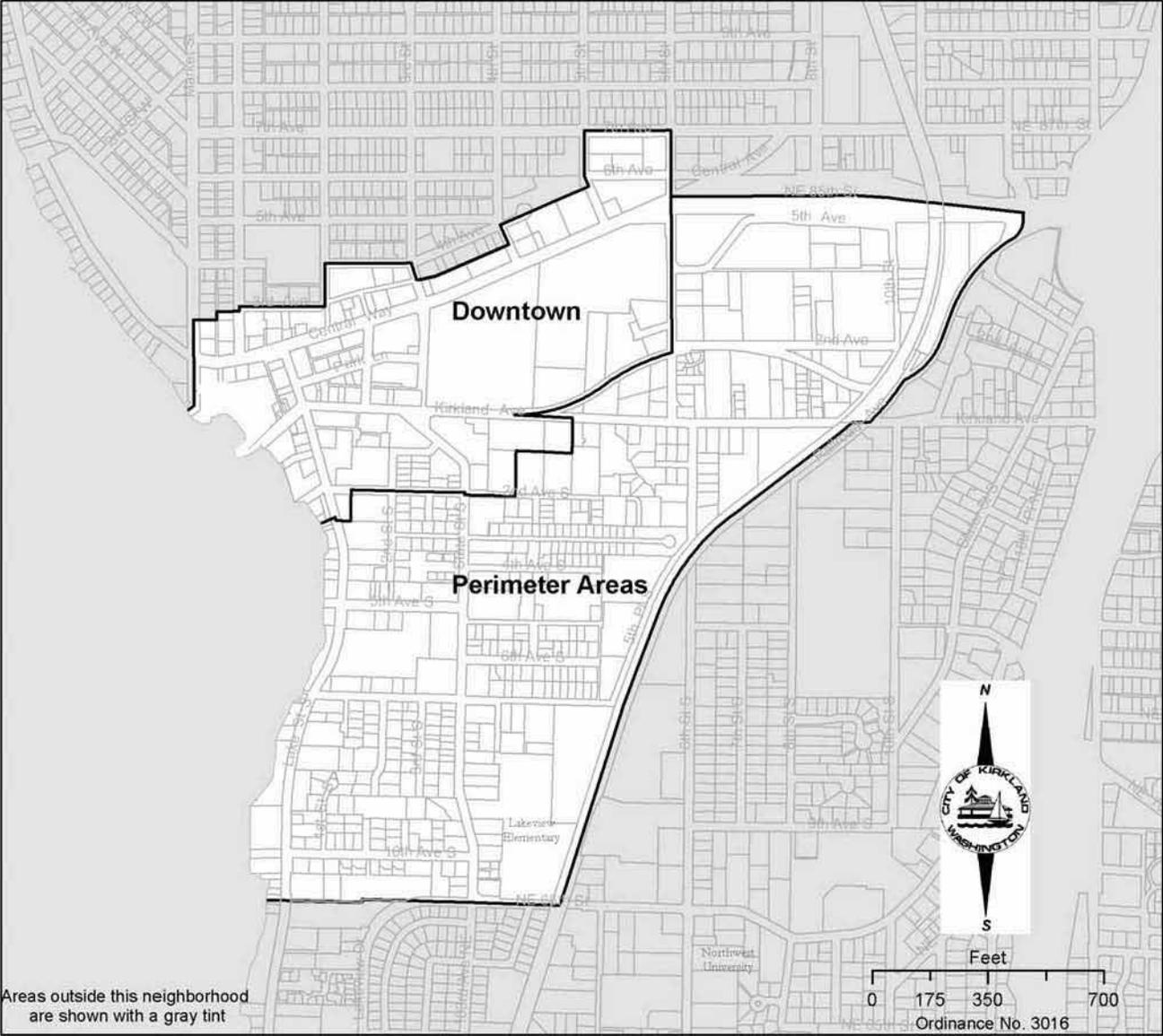


Figure MB-1: Moss Bay Area Boundaries

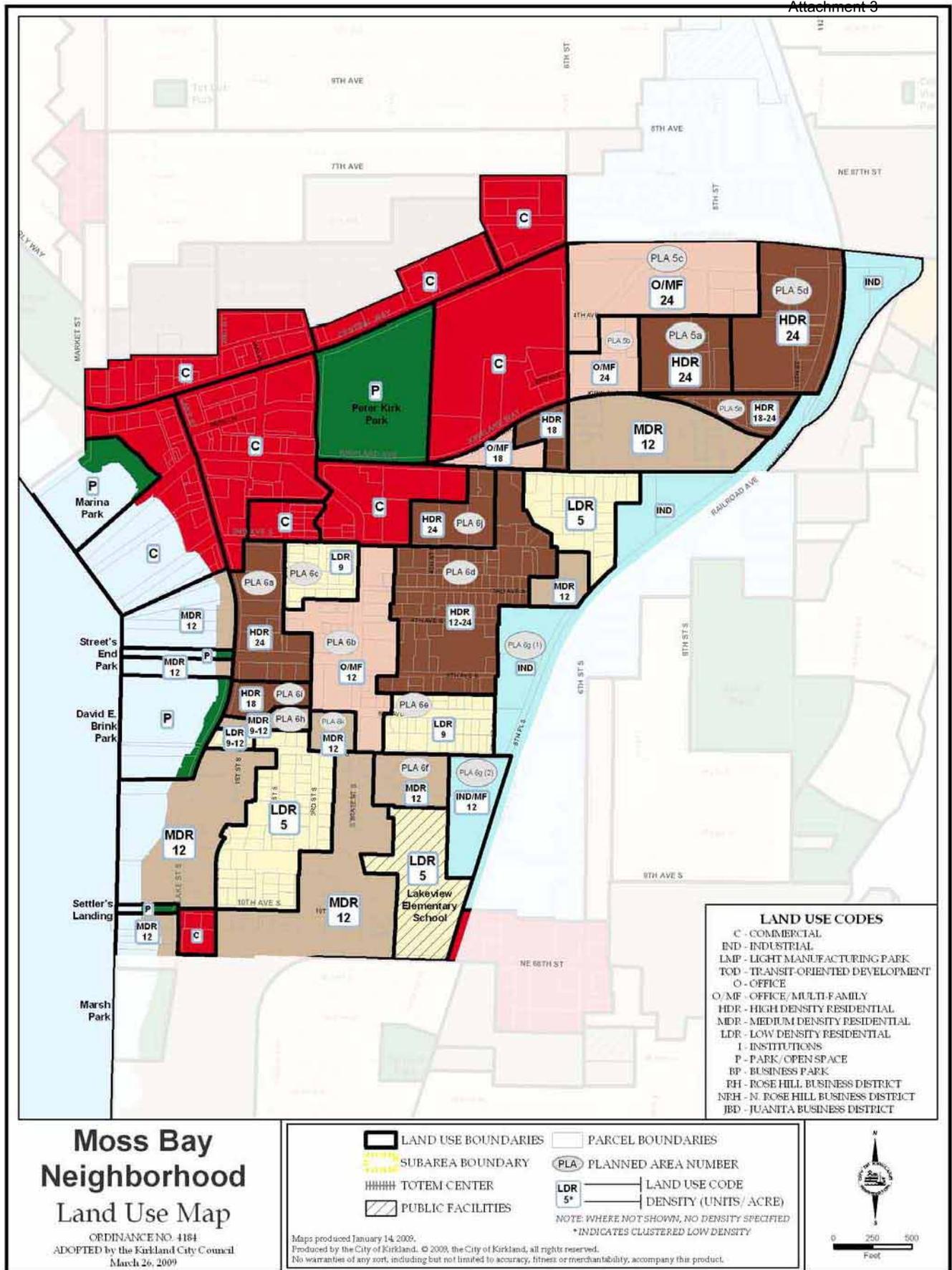


Figure MB-2: Moss Bay Area Land Use

XV.D. MOSS BAY NEIGHBORHOOD

3. DOWNTOWN PLAN

Downtown Kirkland provides a strong sense of community identity for all of Kirkland. This identity is derived from Downtown's physical setting along the lakefront, its distinctive topography, and the human scale of existing development. This identity is reinforced in the minds of Kirklanders by Downtown's historic role as the cultural and civic heart of the community.

Future growth and development of the Downtown must recognize its unique identity, complement ongoing civic activities, clarify Downtown's natural physical setting, enhance the open space network, and add pedestrian amenities. These qualities will be encouraged by attracting economic development that emphasizes diversity and quality within a hometown setting of human scale.

A critical mass of retail uses and services is essential to the economic vitality of the Downtown area.

The Downtown area is appropriate for a wide variety of permitted uses. The area's economic vitality and identity as a commercial center will depend upon its ability to establish and retain a critical mass of retail uses and services, primarily located west of 3rd Street. If this objective is not reached, it relegates the Downtown to a weaker and narrower commercial focus (i.e., restaurants and offices only) and lessens the opportunities and reasons for Kirklanders to frequent the Downtown.

The enhancement of the area for retail and service businesses will best be served by concentrating such uses in the pedestrian core and shoreline districts and by encouraging a substantial increase in the amount of housing and office floor area either within or adjacent to the core. In implementing this land use concept as a part of Downtown's vision, care must be

taken to respect and enhance the existing features, patterns, and opportunities discussed in the following plan sections on urban design, public facilities, and circulation.

Land use districts in the Downtown area are identified in Figure MB-3.

Figure MB-3 identifies five land use districts within the Downtown area. The districts are structured according to natural constraints such as topographical change, the appropriateness of pedestrian and/or automobile-oriented uses within the district, and linkages with nearby residential neighborhoods and other commercial activity centers.

CORE AREA

Pedestrian activity in the core area is to be enhanced.

The core area should be enhanced as the pedestrian heart of Downtown Kirkland. Land uses should be oriented to the pedestrian, both in terms of design and activity type. Appropriate uses include retail, restaurant, office, residential, cultural, and recreational.

Restaurants, delicatessens, and specialty retail shops, including fine apparel, gift shops, art galleries, import shops, and the like constitute the use mix and image contemplated in the Vision for Downtown. These uses provide visual interest and stimulate foot traffic and thereby provide opportunities for leisure time strolling along Downtown walkways for Kirklanders and visitors alike.

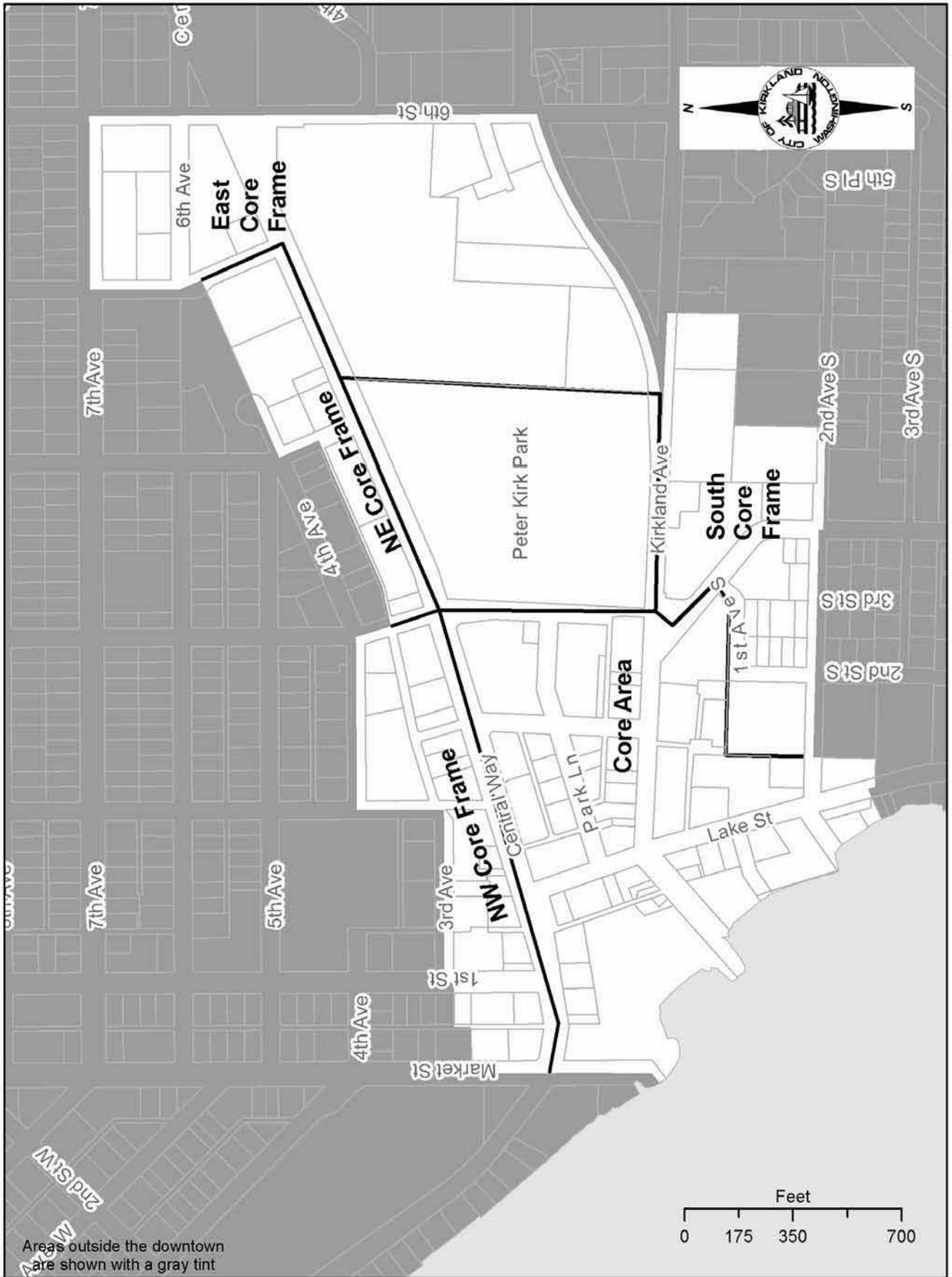


Figure MB-3: Downtown Land Use Districts

XV.D. MOSS BAY NEIGHBORHOOD

3. DOWNTOWN PLAN

Drive-through facilities and ground-floor offices are prohibited.

The desired pedestrian character and vitality of the core area requires the relatively intensive use of land and continuous compact retail frontage. Therefore, automobile drive-through facilities should be prohibited. Similarly, office uses should not be allowed to locate on the ground level. These uses generally lack visual interest, generate little foot traffic, and diminish prime ground floor opportunities for the retail uses that are crucial to the ambiance and economic success of the core area.

The attractiveness of the core area for pedestrian activity should be maintained and enhanced. Public and private efforts toward beautification of the area should be promoted. Mitigation measures should be undertaken where land uses may threaten the quality of the pedestrian environment. For example, in areas where take-out eating facilities are permitted, a litter surcharge on business licenses should be considered as a means to pay for additional trash receptacles or cleaning crews.

The creation and enhancement of public open spaces is discussed.

Public open spaces are an important component of the pedestrian environment. They provide focal points for outdoor activity, provide refuge from automobiles, and stimulate foot traffic which in turn helps the retail trade. The establishment and use of public spaces should be promoted. Surface parking lots should be eliminated in favor of structured parking. In the interim, their role as one form of open area in the Downtown should be improved with landscaped buffers adjacent to rights-of-way and between properties. Landscaping should also be installed where rear sides of buildings and service areas are exposed to pedestrians.

A high-priority policy objective should be for developers to include only enough parking stalls in their projects within the core area to meet the immediate need and to locate the majority of their

parking in the core frame. This approach would reserve the majority of core land area for pedestrian movement and uses and yet recognize that the adjacent core frame is within a very short walk.

The City should generally avoid vacating alleys and streets in the core area. The existing network of street and alleys provides a fine-grained texture to the blocks which allows service access and pedestrian shortcuts. The small blocks also preclude consolidation of properties which might allow larger developments with less pedestrian scale. Vacations may be considered when they will not result in increased building mass and there is a substantial public benefit. Examples of public benefit might include superior pedestrian or vehicular linkages, or superior public open space.

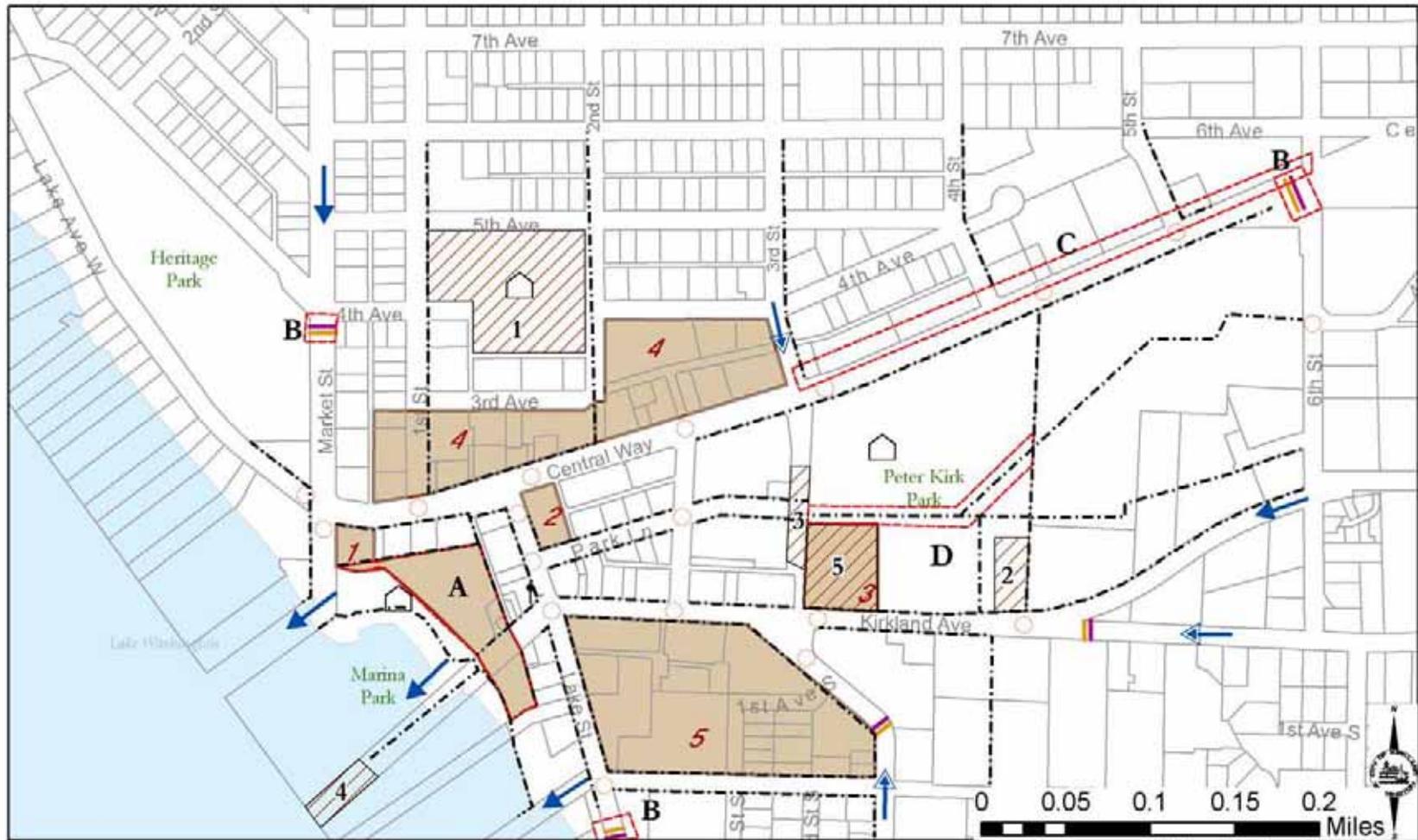
NORTHWEST CORE FRAME

Office and office/multifamily mixed-use projects are appropriate in the Northwest Core Frame.

The Northwest Core Frame includes the area south of City Hall and north of the core area. This area should develop with office, or office/multifamily mixed-use projects, whose occupants will help to support the commercial establishments contained in the core. Retail and restaurant uses are desirable; provided, that they have primary access from Central Way.

This area presents an excellent opportunity for the development of perimeter parking for the core area and is so shown in the Downtown Master Plan (Figure MB-4). Developers should be encouraged to include surplus public parking in their projects, or to incorporate private parking “transferred” from projects in the core or funded by the fee-in-lieu or other municipal source. While pedestrian pathways are not as critical in this area as they are in the core, drive-through facilities should nevertheless be encouraged to locate elsewhere, to the east of 3rd Street.

Figure MB-4: Downtown Master Plan



- | | | | |
|----------------------------------------------|------------------------|---------------------------------|-------------------------|
| Major Public Facility | Public Parking | Proposed Public/Private Project | Major Pedestrian Route |
| 1 City Hall | 1 Lakeshore Plaza Site | A Lakeshore Plaza | Major Crosswalk |
| 2 Peter Kirk Park
Civic & Cultural Center | 2 Park Lane Site | B Gateway Improvements | Visual Landmarks |
| 3 Transit Center | 3 Peter Kirk Site | C Central Way Undergrounding | Major |
| 4 Tour Boat Dock | 4 North Slope | D Park Walk Promenade | Minor |
| 5 Library | 5 South Slope | | View |
| | | | Local |
| | | | Territorial |
| | | | Gateway |

XV.D. MOSS BAY NEIGHBORHOOD

3. DOWNTOWN PLAN

NORTHEAST CORE FRAME

A broad range of commercial uses should be encouraged in the Northeast Core Frame.

The Northeast Core Frame currently contains the bulk of the Downtown area's automobile-oriented uses. Redevelopment or new development in this area should be encouraged to represent a broader range of commercial uses.

Future development should set the bulk of structures back from the street while providing low, one-story retail shops at the edge of the sidewalk. Development should also underground utilities, and incorporate parking lot landscaping and a reduction in lot coverage in site design. This will present an open, green face to Central Way and, in conjunction with Peter Kirk Park on the south side of the street, create a tree-lined boulevard effect as one approaches the core area from the east.

EAST CORE FRAME

Development in the East Core Frame should be in large, intensively developed mixed-use projects.

The East Core Frame is located east of Peter Kirk Park, extending from Kirkland Way northerly to 7th Avenue. The area includes the Kirkland Parkplace shopping center as well as several large office buildings and large residential complexes. South of Central Way, the area is largely commercial and provides significant opportunities for redevelopment. Because this area provides the best opportunities in the Downtown for creating a strong employment base, redevelopment for office use should be emphasized. Within the Parkplace Center site, however, retail uses should be a significant component of a mixed-use complex.

Limited residential use should be allowed as a complementary use.

The north side of Central Way, within the East Core Frame, has been redeveloped to nearly its full potential with high density residential uses.

SOUTH CORE FRAME

Retail, office, and office/multifamily mixed-use projects are suitable for the South Core Frame.

The South Core Frame immediately abuts the southern boundary of the core area. This area is suitable for retail, office, and office/multifamily mixed-use projects.

Public parking may be provided in the South Core Frame.

The South Core Frame, like the Northwest Core Frame, presents an excellent opportunity for the development of close-in public parking. Developers should be allowed to include surplus public parking in their projects in this area or to accommodate private parking transferred from the core or funded by fee-in-lieu or other municipal source.

The western half of the South Core Frame should develop more intensively than the eastern half of this area, due to its proximity to the Downtown core. The vacation of 1st Avenue South, west of 2nd Street South, and 1st Street South should be considered as a means of concentrating more intensive development to the west.

Mitigation measures to reduce impacts on single-family residences may be required.

As this area lies just north of an established single-family neighborhood, mitigation measures may be required to minimize the impacts of any new nonresidential development on these single-family homes. These measures may include the restriction of vehicle access to projects within the South Core Frame to nonresidential streets. Public improvements, such

XV.D. MOSS BAY NEIGHBORHOOD

3. DOWNTOWN PLAN

as physical barriers to restrict traffic flow in these areas, may be considered. The architectural massing of projects in this area should be modulated both horizontally and vertically to reduce their visual bulk and to reflect the topography which presently exists.

C. URBAN DESIGN

The urban design of Downtown Kirkland consists of many disparate elements which, together, define its identity and “sense of place.” This document provides policy guidelines for the design of private development and a master plan for the development of the public framework of streets, pedestrian pathways, public facilities, parks, public buildings, and other public improvements (see Figure MB-4).

The following discussion is organized into three sections:

- A. Downtown Design Guidelines and Design Review;
- B. Building Height and Design Districts; and
- C. The Image of the City: Urban Design Assets.

DOWNTOWN DESIGN GUIDELINES AND DESIGN REVIEW

Mechanics of Design Review are described.

The booklet entitled “Design Guidelines for Pedestrian-Oriented Business Districts,” which is adopted in Chapter 3.30 of the Kirkland Municipal Code, contains policy guidelines and concepts for private development in Downtown Kirkland. The booklet includes an explanation of the mechanics of the Design Review process to be used for all new development and major renovations in the Downtown area. The booklet entitled “Master Plan and Design Guidelines for Kirkland Parkplace” contains guidelines for the master planned development of the Kirkland Parkplace site (Design District 5A). Discretion to deny or condition a design proposal is based on specific Design Guidelines or a

master plan adopted by the City Council and administered by the Design Review Board and Planning Department. Design Review enables the City to apply the Guidelines in a consistent, predictable, and effective manner.

The Guidelines are intended 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 project’s creative design process a recognition and respect of design principles and methods which incorporate new development into Downtown’s overall pattern. The Guidelines would be applied to any specific site in conjunction with the policy guidance provided by the Downtown Master Plan and the following text regarding Design Districts.

The Design Review Process enables the City to require new development to implement the policy guidance contained in the Guidelines, the Master Plan for Downtown, and to protect and enhance the area’s urban design assets. A more complete description of how Design Review should operate is found in the Zoning Code.

BUILDING HEIGHT AND DESIGN DISTRICTS

Figure MB-5 identifies eight height and design districts within Downtown Kirkland. The boundaries of these districts are determined primarily by the topographical characteristics of the land and the area’s proximity to other noncommercial uses.

Design District 1

Maximum building height in Design District 1 is between two and five stories, depending on location and use.

This district is bordered by Lake Street, Central Way, 3rd Street, and generally 1st Avenue South. When combined with District 2, this area corresponds to the core area as shown in Figure MB-3.

XV.D. MOSS BAY NEIGHBORHOOD

3. DOWNTOWN PLAN

The maximum building height in this area should be between two and five stories with no minimum setback from property lines. Stories above the second story should be set back from the street. To preserve the existing human scale of this area, development over two stories requires review and approval by the Design Review Board based on the priorities set forth in this plan.

Buildings should be limited to two stories along all of Lake Street South to reflect the scale of development in Design District 2. Along Park Lane west of Main Street, Third Street, and along Kirkland Avenue, a maximum height of two stories along street frontages will protect the existing human scale and pedestrian orientation. Buildings up to three stories in height may be appropriate along Central Way to reflect the scale of development in Design District 8 and as an intermediate height where adequately set back from the street. A continuous three-story street wall should be avoided by incorporating vertical and horizontal modulations into the design of buildings.

The portions of Design District 1 designated as 1A in Figure MB-5 should be limited to a maximum height of three stories. As an incentive to encourage residential use of upper floors and to strengthen the retail fabric of the Core Area, a fourth story of height may be allowed. This additional story may be considered by the Design Review Board for projects where at least two of the upper stories are residential, the total height is not more than four feet taller than the height that would result from an office project with two stories of office over ground floor retail, stories above the second story are set back significantly from the street and the building form is stepped back at the third and fourth stories to mitigate the additional building mass, and the project provides superior retail space at the street level. Rooftop appurtenances and related screening should not exceed the total allowed height, and should be integrated into the height and design of any peaked roofs or parapets.

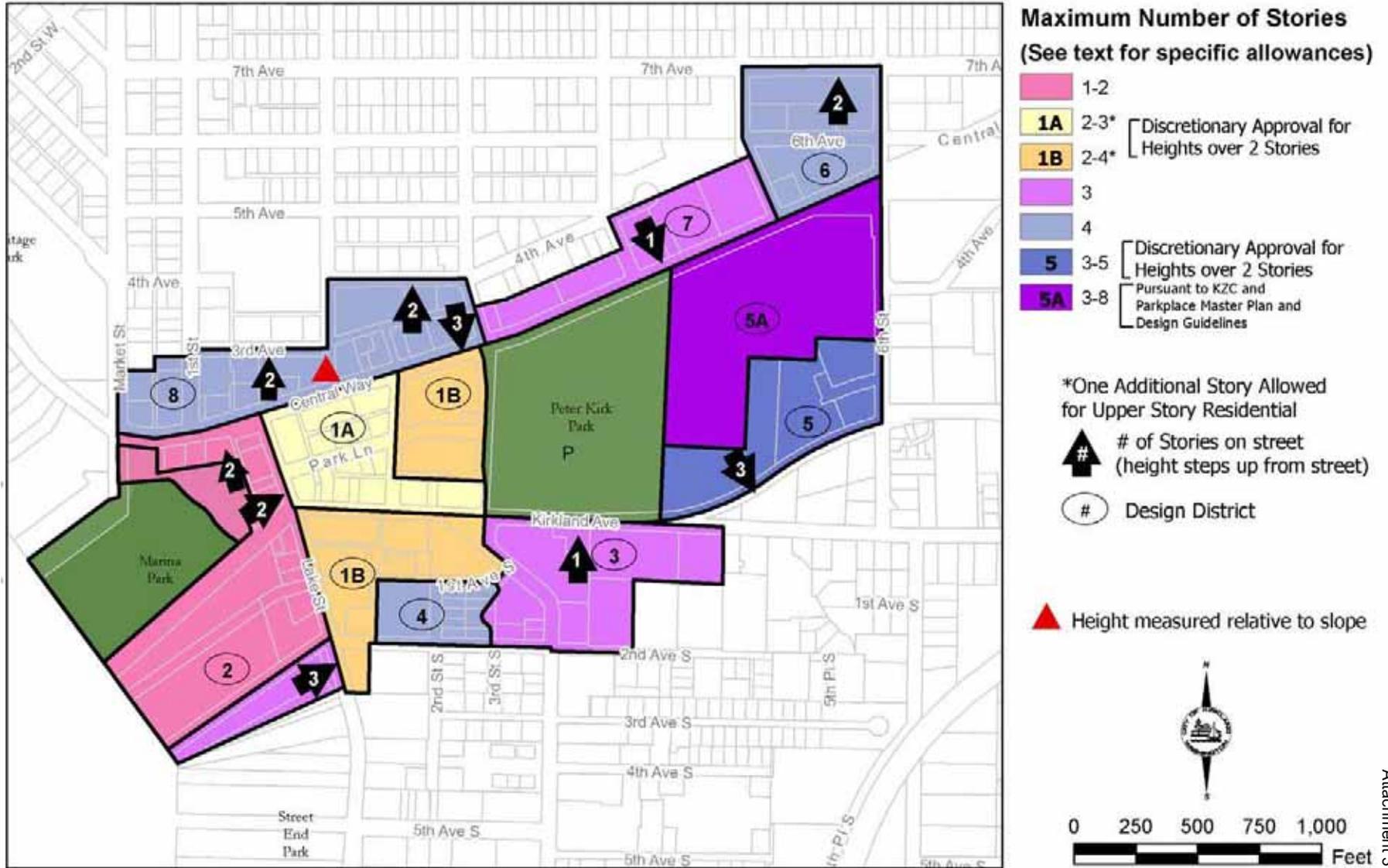
The portions of Design District 1 designated as 1B in Figure MB-5 provide the best opportunities for new development that could contribute to the pedestrian fabric of the Downtown. Much of the existing

development in these areas consists of older auto-oriented uses defined by surface parking lots and poor pedestrian orientation. To provide incentive for redevelopment and because these larger sites have more flexibility to accommodate additional height, a mix of two to four stories in height is appropriate. East of Main Street, development should combine modulations in building heights with modulations of facade widths to break large buildings into the appearance of multiple smaller buildings. South of Kirkland Avenue, building forms should step up from the north and west with the tallest portions at the base of the hillside to help moderate the mass of large buildings on top of the bluff. Buildings over two stories in height should generally reduce the building mass above the second story.

As with Design District 1A, an additional story of height may be appropriate in 1B to encourage residential use of the upper floors and to strengthen the retail fabric in the Core Area. This additional story may be considered by the Design Review Board for projects where at least three of the upper stories are residential, the total height is not more than one foot taller than the height that would result from an office project with three stories of office over ground floor retail, stories above the second story are set back significantly from the street and the building form is stepped back at the third, fourth, and fifth stories to mitigate the additional building mass, and the project provides superior retail space at the street level. Rooftop appurtenances and related screening should not exceed the total allowed height, and should be integrated into the height and design of any peaked roofs or parapets.

Design considerations of particular importance in this area are those related to pedestrian scale and orientation. Building design at the street wall should contribute to a lively, attractive, and safe pedestrian streetscape. This should be achieved by the judicious placement of windows, multiple entrances, canopies, awnings, courtyards, arcades, and other pedestrian amenities. Service areas, surface parking, and blank facades should be located away from the street frontage.

Figure MB-5: Downtown Height and Design Districts



XV.D. MOSS BAY NEIGHBORHOOD

3. DOWNTOWN PLAN

Design District 2

One to three stories in building height above Central Way or Lake Street are appropriate in Design District 2, depending on location.

This area is bordered by the shoreline, Central Way, Lake Street, and 3rd Avenue South. This area serves as the link between Downtown and the lake and helps define the traditional pedestrian-oriented retail environment. In addition, the existing low development allows public views of the Lake from many vantages around the Downtown and allows evening sun into the Downtown core. To emphasize this link and the traditional role, building heights in this area should remain low. Two stories above the street are appropriate along Central Way and south of Kirkland Avenue. Along Lake Street South between Kirkland Avenue and Central Way, buildings should be limited to one story above the street. Two stories in height may be allowed in this area where the impacts of the additional height are offset by substantial public benefits, such as through-block public pedestrian access or view corridors. Buildings over one story in this area should be reviewed by the Design Review Board for both design and public benefit considerations. These benefits could also be provided with the development of the Lakeshore Plaza project identified in the Downtown Master Plan (see Figure MB-4). Building occurring in conjunction with that project or thereafter should be reviewed in relation to the new context to determine whether two stories are appropriate. South of Second Avenue South, buildings up to three stories above Lake Street South are appropriate. Buildings over two stories should be reviewed by the Design Review Board to ensure an effective transition along the street and properties to the south.

As in District 1, pedestrian orientation is an equally important design consideration in District 2. In addition, improvements related to the visual or physical linkage between building in this area and the lake to the west should be incorporated in building design.

The public parking lot located near Marina Park at the base of Market Street is well suited for a parking structure of several levels, due to its topography. Incentives should be developed to encourage the use of this site for additional public parking.

Design Districts 3 and 7

Maximum building height is three stories in Design Districts 3 and 7.

These districts are east of 3rd Street, north of Central Way, and south of Peter Kirk Park. Maximum building height should be three stories, with a minimum front yard setback of 20 feet and maximum lot coverage of 80 percent. Lower portions of projects with a pedestrian orientation should be allowed to encroach into the setbacks to stimulate pedestrian activity and links to eastern portions of the Downtown. Street trees and ground cover are appropriate along Kirkland Avenue and Central Way. By keeping structures in this area relatively low-rise and set back from the street, views from upland residences can be preserved and the openness around Peter Kirk Park enhanced.

In Design District 3, the restriction of access points to nonresidential streets may be necessary in order to prevent a negative impact of development in this area on the single-family enclave which exists to the south.

Design District 4

Maximum building height to be four stories.

This district is located south of 1st Avenue South, east of 1st Street South. Land in this area is appropriate for developments of four stories in height.

The method for calculating building height should be modified for this area as described in the discussion of height calculation for structures in District 8. The

XV.D. MOSS BAY NEIGHBORHOOD

3. DOWNTOWN PLAN

opportunity to take advantage of substantial grade changes with terraced building forms also exists in the western half of District 4.

Vehicular circulation will be an important consideration in project design in this area. The restriction of access points to nonresidential streets in order to prevent a negative impact of development in this area on the single-family enclave which exists to the south may be necessary.

Design District 5

Building heights of two to five stories are appropriate in Design District 5.

This district lies at the east side of Downtown between Design District 5A and Kirkland Way. Maximum building height should be between three and five stories. The existing mix of building heights and arrangement of structures within the district preserves a sense of openness within the district and around the perimeter. Placement, size, and orientation of new structures in this district should be carefully considered to preserve this sense of openness. Buildings over two stories in height should be reviewed by the Design Review Board for consistency with applicable policies and criteria. Within the district, massing should generally be lower toward the perimeter and step up toward the center. Portions of buildings facing Kirkland Way and Peter Kirk Park should be limited to between two and three stories, with taller portions of the building stepped back significantly. Buildings over three stories in height should generally reduce building mass above the third story.

Buildings fronting Peter Kirk Park and the Performance Center should be well modulated, both vertically and horizontally, to ease the transition to this important public space. Buildings should not turn their backs onto the park with service access or blank walls. Landscaping and pedestrian linkages should be used to create an effective transition.

Design considerations related to vehicular and pedestrian access, landscaping, and open space are particularly important in this area. Within the district, a north-south vehicular access between Central Way and Kirkland Way should be preserved and enhanced with pedestrian improvements.

Design District 5A

Building heights of three to eight stories are appropriate in Design District 5A.

This district lies at the east side of Downtown between Central Way and Design District 5 and is commonly known as Parkplace. This property is distinguished from the remainder of Design District 5 by the following factors: it is a large parcel under common ownership; it is topographically distinct based on previous excavation to a level that is generally lower than Central Way and abutting properties to the south and east; it has frontage on Central Way; and it contains a mix of uses not found on other office or residential only properties in District 5. Design considerations related to vehicular and pedestrian access, landscaping, and open space are particularly important in this area. Within the district a north-south vehicular access between Central Way and Kirkland Way should be preserved and enhanced with pedestrian improvements.

Redevelopment of this area should be governed by the Kirkland Parkplace Master Plan and Design Guidelines as set forth in the Kirkland Municipal Code. Heights of up to eight stories are appropriate as an incentive to create a network of public open spaces around which is organized a dynamic retail destination. Development under the Master Plan and Design Guidelines should guide the transformation of this district from an auto-oriented center surrounded by surface parking into a pedestrian-oriented center integrated into the community by placing parking underground; activating the streets with retail uses; and creating generous pedestrian paths, public spaces and gathering places. Pedestrian connections to adjoining streets, Peter Kirk Park, and adjoining developments should be incorporated to facilitate the integration of the district into the neighborhood.

XV.D. MOSS BAY NEIGHBORHOOD

3. DOWNTOWN PLAN

Residential development could be designed to integrate into both the office/retail character of the zone and the active urban nature of Peter Kirk Park. Special attention to building design, size, and location should be provided at three key locations: at the intersection of Central Way and Sixth Street to define and enhance this important downtown gateway; along Central Way to respond to the context along the north side of the street; and facing Peter Kirk Park to provide a transition in scale to Downtown's central greenspace.

Because of the intensity of land use in 5A, the design of the buildings and site should incorporate aggressive sustainability measures, including low impact development measures, deconstruction, green buildings, and transportation demand management.

Design District 6

Maximum building heights of two to four stories are appropriate for Design District 6.

This large block of land located between 5th Street and 6th Street, north of Central Way, and south of 7th Avenue, is identified as a major opportunity site for redevelopment elsewhere in this document. Figure MB-6 contains a schematic diagram of design and circulation considerations that should be incorporated in the redevelopment of this district. Development of this district should be relatively intensive and should be physically integrated through pedestrian access routes, design considerations, and intensive landscaping.

Safe, convenient, and attractive pedestrian connections across the district should be provided. This path should be designed under a covered enclosure or arcade along the storefronts in this area. Visual interest and pedestrian scale of these storefronts will contribute to the appeal of this walkway to the pedestrian. A connection of this pathway to Central Way should be made, with a continuation of the overhead enclosure to unify this pedestrian route.

Design considerations related to vehicular and pedestrian access, landscaping, and open space are particularly important in this area. The intersection of 6th Street and Central Way is a prominent gateway to the Downtown. New development in this area should have a positive impact on the image of Kirkland and should be designed to enhance this entry.

A substantial building setback or mitigating design such as the site configuration on the south side of Central Way is necessary in order to preserve openness at this important gateway site. The northeast and southeast corners of this block should be set aside and landscaped to provide public open spaces or miniparks at these gateways. Side-yard setbacks, however, should be minimal to reduce the appearance of a building surrounded by a parking area.

The northern portion of this district should be developed in uses that are residential both in function and scale. Access to this portion of the site may be either from 7th Avenue or from one of the adjacent side streets. Some of the significant trees along 7th Avenue should be incorporated into the site design as a means of softening the apparent mass of any new structures and to provide additional elements of continuity facing the single-family residences along 7th Avenue. In addition, building mass should step down toward 7th Avenue and design consideration should be given to the massing and form of single-family homes to the north.

Design District 8

Building heights of two to four stories are appropriate, depending on location.

This district is located north of Central Way and south of 4th Avenue, between Market Street and 3rd Street. Maximum building height should be three stories abutting Central Way and two stories at 3rd and 4th Avenues. Structures which do not abut either of these streets should be allowed to rise up to four stories.

XV.D. MOSS BAY NEIGHBORHOOD 3. DOWNTOWN PLAN

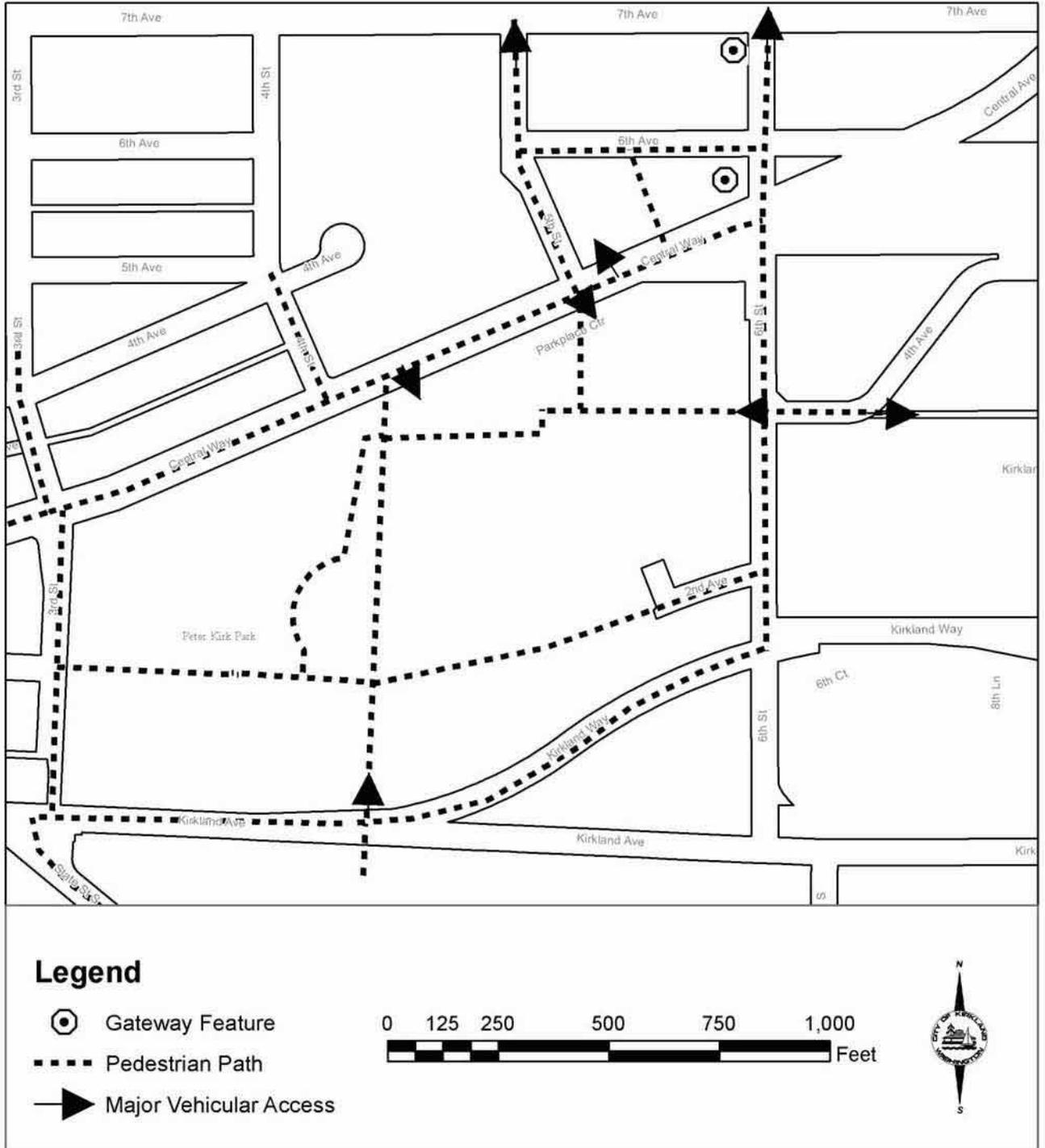


Figure MB-6: Design Districts 5 and 6 - Circulation and Gateways

XV.D. MOSS BAY NEIGHBORHOOD

3. DOWNTOWN PLAN

Building height calculation should require terracing of building forms on sloped sites.

Where dramatic elevation changes exist in this district, an innovative method of calculating height is appropriate. In order to encourage the terracing of building forms on the hillside, building height should be calculated relative to the ground elevation above which the individual planes of the structure lie. Additional bulk controls should apply to restrict the height within 100 feet of noncommercial neighborhoods to the same height allowed in the adjacent zone. Heights on the north side should step down to ease the transition to the core area and moderate the mass on top of the hillside.

Vehicular circulation to nonresidential portions of projects within this area should not occur on primarily residential streets. In addition, design elements should be incorporated into developments in this area which provide a transition to the residential area to the north.

THE IMAGE OF THE CITY: URBAN DESIGN ASSETS

Many of Downtown's urban design assets are mapped on the Master Plan (Figure MB-4) or are discussed explicitly in the text of the Height and Design Districts or the Downtown Design Guidelines. The following text should read as an explanation and amplification of references made in those two parts of the Downtown Plan.

Visual Landmarks

Lake Washington is a major landmark in Downtown Kirkland.

The most vivid landmark in Downtown Kirkland is Lake Washington. The lake provides a sense of openness and orientation and is a prominent feature from two of the three main approaches to the Downtown. Many residents and visitors to Kirkland form their impressions of the community from these important vantage points. The preservation and

enhancement of views from the eastern (NE 85th Street) and northern (Market Street) approaches is a high-priority policy objective.

Despite the prominence from these vantage points, the core area is not well oriented to capitalize on its waterfront setting. The existing activity centers of the retail core and the lake are separated by large surface parking lots. The City and property owners around Marina Park should aggressively pursue opportunities to correct this deficiency by structuring the existing surface parking below a public plaza. This open space amenity could redefine the Downtown and become the focal point of the community.

Other outstanding visual landmarks include the large green expanse of Peter Kirk Park, which provides an open space relief to the densely developed Downtown core to the west. The Peter Kirk Park civic and cultural facilities (Library, Municipal Garage, Peter Kirk Pool, Kirkland Performance Center, Peter Kirk Community Center, Teen Union Building) located at the south edge of Peter Kirk Park, as well as the METRO transit center at the western boundary of the park, are also well-known local landmarks.

The City Hall facility provides an important visual and civic landmark on the northern slope above the Downtown. Marina Park and the pavilion structure situated there are also symbolic reference points of community, recreational, and cultural activities.

There are a number of features in and nearby the Downtown area with historic significance which add to its visual character and historic flavor. These landmarks include the historic buildings on Market Street and the old ferry clock on Lake Street at Kirkland Avenue. These structures should be recognized for their community and historic value, and their preservation and enhancement should have a high priority. In contrast to the bland architecture of many of the buildings in the Downtown constructed since the 1940s, some of the older structures help define the character of the Downtown. The City will consider preserving this character through a process of inventorying these structures and adopting historic protection

XV.D. MOSS BAY NEIGHBORHOOD

3. DOWNTOWN PLAN

regulations. New regulations could range from protecting the character of designated historic buildings to protecting the actual structure. Some form of preservation would provide continuity between the Downtown vision and its unique past.

Public Views

Important Downtown views are from the northern, southern, and eastern gateways.

A number of dramatic views exist in the Downtown and its immediate vicinity due to the hills, the valley, and the sloping land areas which form the bowl-like topography characterizing the City's center. One of the views most often associated with Downtown Kirkland is from NE 85th Street just west of Interstate 405. From this vantage point, the hills north and south of the core area form a frame for a sweeping view of Lake Washington in the distance and the Olympic mountain range beyond.

Another striking view, identified in Figure MB-4, is from the Market Street entry into Downtown. This approach is met with a view of the lake, Marina Park and its pavilion, and the City's shoreline. This view could be enhanced with redevelopment of the GTE site, where the existing massive building substantially diminishes this broad territorial view.

Where the Kirkland Avenue and 2nd Avenue South rights-of-way cross Lake Street and continue to Lake Washington, an unobstructed view of open water is visible to pedestrians and people traveling in vehicles. These views are very valuable in maintaining the visual connection and perception of public accessibility to the lake. These views should be kept free of obstruction.

Gateways

Topographic changes define gateways into the Downtown area.

The gateways into Downtown Kirkland are very clear and convey a distinct sense of entry. Two of the Downtown's three major gateways make use of a

change in topography to provide a visual entry into the area.

At the eastern boundary of the Downtown area, Central Way drops toward the lake, and the core area comes clearly into view. This gateway could be enhanced by an entry sign, similar to one located farther up the hill to the east, or some other distinctive structure or landscaping feature.

A second major gateway is the Downtown's northern entrance where Market Street slopes gradually down toward Marina Park. The historic buildings at 7th Avenue begin to form the visual impression of Downtown's character and identity, and the landscaped median adds to the boulevard feeling of this entryway. Some type of sign or other feature could be incorporated into the improvements to the Waverly site.

At the Downtown's southern border, the curve of Lake Street at about 3rd Avenue South provides a very clear gateway into the commercial core. It is at this point that the transition from residential to retail uses is distinctly felt. Here, also, is an opportunity to enhance this sense of entry by creation of literal gateposts, signs, or landscape materials.

Pathways

An extensive network of pedestrian pathways covers the Downtown area.

The size and scale of Downtown Kirkland make walking a convenient and attractive activity. An extensive network of pedestrian pathways covers the Downtown area, linking residential, recreational, and commercial areas. Downtown Kirkland is a pedestrian precinct unlike virtually any other in the region. It is almost European in its scale and quality.

The core of the shopping district, with its compact land uses, is particularly conducive to pedestrian traffic. Both sides of Lake Street, Park Lane, and Kirkland Avenue are major pedestrian routes. Many

XV.D. MOSS BAY NEIGHBORHOOD

3. DOWNTOWN PLAN

residents and visitors also traverse the land west of Lake Street to view and participate in water-oriented activities available there.

The Downtown area's major east/west pedestrian route links the lake with Peter Kirk Park, the Kirkland Parkplace shopping center, and areas to the east. For the most part, this route is a visually clear pathway, with diversity and nearby destinations contributing to its appeal to the pedestrian. Enhancement and improved definition of this important east-west pedestrian corridor would help link Parkplace with the rest of the shopping district.

Minor pedestrian routes link the residential areas north of Central Way and south of Kirkland Avenue. These linkages need to be strengthened in order to accommodate the residential and office populations walking from the Norkirk Neighborhood and core frames, respectively. Additional improvements, such as brick paver crosswalks, pedestrian safety islands, and signalization, are methods to strengthen these north-south linkages.

Enhancement of Downtown pedestrian routes should be a high-priority objective.

Enhancement of the Downtown area's pedestrian routes should be a high-priority policy and design objective. For example, minor architectural features and attractive and informative signs should be used to identify public pathways. Public and private efforts to make pedestrian walkways more interesting, functional, convenient, and safe, should be strongly supported. Figure MB-4 highlights a number of projects proposed for this purpose. These projects are discussed in detail elsewhere in this text.

D. PUBLIC FACILITIES

OPEN SPACE/PARKS

Four major park sites are critical to the Downtown's feeling of openness and greenery. These parks weave a noncommercial leisure-time thread into the fabric of the area and provide a valuable amenity,

enhancing Downtown's appeal as a destination. Each of the major approaches to the Downtown is met with a park, with the Waverly site and Marina Park enhancing the northern entry, and Peter Kirk Park and Dave Brink Park augmenting the eastern and southern approaches. Physical improvements in and near these parks should strengthen their visual prominence and prevent view obstruction.

Marina Park and Peter Kirk Park in particular are well-used by families and recreational groups. Public facilities at these parks should continue to expand opportunities for residents, such as the installation of permanent street furniture and play equipment for children at Marina Park.

Pedestrian improvements should be made to improve connections between parks and nearby facilities.

Downtown projects which are not directly related to the parks should continue to locate adjacent to the parks, and in some cases, should share access or parking. Impacts from projects, such as the tour boat dock at Marina Park and the METRO transit center at Peter Kirk Park, should be minimized. Efforts to provide continuity between these facilities and the parks through the use of consistent walkway materials, landscaping, and other pedestrian amenities will help to reduce the appearance of a separation of uses at these locations.

The boat launch ramp which exists at Marina Park is an important amenity in the community. It should be retained until another more suitable location is found.

OTHER PUBLIC FACILITIES

City Hall and the Peter Kirk Park civic and cultural center add to the community atmosphere and civic presence in the Downtown area. The plan for Downtown developed in 1977 recommended that the City Hall facility be moved from its previous location in the core area to its present site overlooking the Downtown from the northern slope. In its new location, City Hall is close enough to Downtown to contribute workers to the retail and restaurant trade,

XV.D. MOSS BAY NEIGHBORHOOD

3. DOWNTOWN PLAN

as well as to provide a visually prominent and symbolic landmark when viewed from the Downtown.

Public efforts to assist the Downtown business district should be continued.

The City should help to foster economic vitality in the Downtown by working with the private sector and by encouraging independent efforts toward economic development by the private sector. Such assistance to the business community might include supporting efforts to establish local improvement or business improvement districts. This could take the form of seed money for preliminary studies and the dissemination of information.

Other public efforts to strengthen the Downtown business climate should include the continued promotion of public projects such as the tour boat dock, in addition to continued support for private projects such as the Lakeshore Plaza Boardwalk, which would help to implement public policy goals.

E. CIRCULATION

PEDESTRIAN

Pedestrian routes should have equal priority to vehicular routes in Downtown circulation.

Pedestrian amenities and routes should continue to be improved, and should be given equal priority with that of vehicular routes for circulation within the Downtown. Modifications to the street network and traffic patterns should not be allowed to disrupt Downtown pedestrian activity and circulation.

To be a truly successful walking environment, the core area of the Downtown must be safe, convenient, and pleasant for the pedestrian. Pedestrian safety would be increased greatly by reducing opportunities for conflicts with cars. The reprogramming of crosswalk signals to favor the pedestrian would discourage jaywalking and allow sufficient time for slower walkers to cross the street.

Convenience to the pedestrian will be enhanced by improving the directness and ease of pedestrian routes. “Shortcuts” between streets, or even between buildings, can link pedestrian routes over large distances where vehicles cannot circulate. Coordinated public directory signs and maps of walkways should be developed to clearly identify public pathways for the pedestrian.

A system of overhead coverings should be considered to improve the quality of pedestrian walkways year-round.

The pleasures of walking in the Downtown area would be enhanced by the installation of minor public improvements, such as street furniture (benches, planters, fountains, sculptures, special paving treatments), flower baskets, and coordinated banners and public art. The creation of a system of overhead coverings such as awnings, arcades, and marquees would provide protection to the pedestrian during inclement weather, allowing for pedestrian activity year-round. All of these features would add visual interest and vitality to the pedestrian environment.

Brick crosswalks have been installed at 3rd Street and Park Lane in conjunction with the METRO transit center facility. The expansion of the use of brick for crosswalks throughout the Downtown should be considered. In any case, additional restriping of crosswalks in the Downtown area should be actively pursued.

The establishment and improvement of pedestrian pathways between activity centers should be a high-priority policy objective. Major pedestrian routes within the Downtown area are identified in Figure MB-4. Major pathways include the extensive east-west “spine” or “Park Walk Promenade,” which links the lake with points east of 6th Street and the shoreline public access trail.

The Downtown Master Plan also identifies other important pedestrian routes which provide north-south pedestrian access. Improvements to these pathways should be promoted, particularly at the

XV.D. MOSS BAY NEIGHBORHOOD

3. DOWNTOWN PLAN

intersection of 6th Street and Central Way. Elevated crosswalks should be considered among the alternatives reviewed for pedestrian access across Central Way. Disadvantages to elevated crosswalks which should be considered are potential view blockage and the loss of on-street pedestrian traffic.

The portion of the Park Walk Promenade spanning Peter Kirk Park was installed by the City during renovation of the park facilities. The walk serves the Peter Kirk Park civic and cultural center, as well as commercial areas to the east and west. This walkway should be expanded upon when the remaining land south of Kirkland Parkplace develops.

Figure MB-4 illustrates pedestrian system improvements for the two major routes which are intended to serve several purposes. These projects would improve the safety, convenience, and attractiveness of foot traffic in the Downtown, provide shelter from the weather, and create a unifying element highlighting the presence of a pedestrian linkage.

A large public plaza should be constructed west of buildings on Lake Street to enhance the Downtown's lakefront setting (See Figure MB-4).

The Lakeshore Plaza shown on the Downtown Master Plan envisions a large public plaza constructed over structured parking. Ideally, the plaza would be developed through public/private partnerships to provide a seamless connection between the Downtown and the lake. The plaza would be at the same grade as Lake Street and would provide visual and pedestrian access from a series of at-grade pedestrian connections from Central Way and Lake Street.

The Park Walk Promenade identified on the Downtown Master Plan should consist of a series of minor structures placed at prominent locations along the walkway in order to clearly identify the pathway throughout its length, as well as to provide some protection during wet weather. The plexiglas and metal "space frames" used at Mercer Island's Luther Burbank Park and at the Seattle Center are possible

design options for protective structures. The concrete and metal gateway feature where Parkplace abuts Peter Kirk Park is a good model for visual markers along the east-west pedestrian spine.

VEHICULAR

Automobiles and public transit are the modes of transportation which move people in and out of the Downtown, and often between the core area and the frame. Within the Downtown, pedestrian circulation should be given equal priority with vehicular circulation. A primary circulation goal should be to emphasize pedestrian circulation within the Downtown, while facilitating vehicle access into and out of the Downtown.

Alternate traffic routes should be considered.

Lake Street should be designated to function as a major pedestrian pathway. The objectives for land use and pedestrian circulation should be seriously considered during any plans for traffic and roadway improvements on Lake Washington Boulevard. The goal to discourage commuter traffic on the boulevard should not be viewed independently from the need to retain vehicle access for tourists, shoppers, and employees to the Downtown.

State Street should continue to serve as a major vehicular route, bringing shoppers and workers into the Downtown area. Sixth Street should be developed to accommodate additional vehicles. Future plans for Lake Street and Lake Washington Boulevard may include the diversion of cars from the Downtown area, and 6th Street would provide the most appropriate north/south alternative route. The existence of commercial development on this street renders it more appropriate than State Street to handle substantial commuter traffic.

The use of public transportation to the Downtown should be encouraged.

Third Street has been designed for the pedestrian and public transit user, with the METRO transit center

XV.D. MOSS BAY NEIGHBORHOOD

3. DOWNTOWN PLAN

located on this street. The use of public transportation as an alternative for people who work or shop in the Downtown should be encouraged. Increased use of this mode of transportation would help to reduce traffic congestion and parking problems in the core area.

The number of vehicular curb cuts in the Downtown area should be limited. Both traffic flow in the streets and pedestrian flow on the sidewalks are disrupted where driveways occur. In the core frame in particular, the placement of driveways should not encourage vehicles moving to and from commercial areas to travel through residential districts.

PARKING

The core area is a pedestrian-oriented district, and the maintenance and enhancement of this quality should be a high priority. Nevertheless, it should be recognized that pedestrians most often arrive in the core via an automobile which must be parked within easy walking distance of shops and services. To this end, as discussed elsewhere in this chapter, private projects which include a substantial amount of surplus parking stalls in their projects should be encouraged to locate these parking stalls in the core frame.

The Downtown area contains a variety of parking opportunities. Four public parking lots exist in the Downtown area: at the west side of Peter Kirk Park, the street-end of Market Street at Marina Park, in Lakeshore Plaza, and at the intersection of Central Way and Lake Street. These lots are shown on the Downtown Master Plan (Figure MB-4).

Public parking to be a permitted use on private properties north and south of the core area.

Other sites that would be appropriate for public parking include the north and south slope of the Downtown as shown in Figure MB-4. Public parking in these areas would help to serve core-area businesses, while not detracting from the dense pattern of development critical to the pedestrian environment there.

More intensive development of existing parking areas should be considered as a way to provide more close-in public parking. Certain sites, such as the Market Street-End lot and the Peter Kirk lot, would adapt well to structured parking due to the topography in the immediate vicinity of these lots. Structuring parking below Lakeshore Plaza could make more efficient use of the available space and result in a dramatic increase in the number of stalls available.

The fee-in-lieu of parking alternative allows developers in the core area to contribute to a fund instead of providing required parking on site. The City's authority to spend the monies in this fund should be expanded to include the use of the funds on private property in conjunction with parking facilities being provided by private developers.

Another option for off-site parking should be considered which would allow developers to provide the parking required for their projects elsewhere in the core area or core frame. This alternative should include the construction of parking stalls in conjunction with another developer, if it can be shown that the alternative parking location will be clearly available to the public and is easily accessible to the core area.

The City's parking management and enforcement program should be maintained. The program should be evaluated periodically to assess its effectiveness, with revisions made when necessary.

Design Guidelines for Pedestrian-Oriented Business Districts - Amendment

“Pedestrian-Friendly” Building Fronts

Special Consideration for Downtown Kirkland - Glazing

Retail Building frontages along pedestrian-oriented streets in the Central Business District should be configured 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.

From: benwobker@gmail.com [mailto:benwobker@gmail.com] **On Behalf Of** ben wobker
Sent: Saturday, January 22, 2011 7:33 AM
To: Joan McBride
Cc: Penny Sweet; Bill Vadino; Amy Walen; Dave Asher; Jessica Greenway; Doreen Marchione; Bob Sternoff; Les Utley; sarawobker@lakewashingtonpt.com; Andy Loos
Subject: Council Meeting 1-18

Good Morning-

I finally had time to watch this week's city council meeting and I was highly encouraged by Mayor McBride's comments. Prior to signing a lease with SRM development I looked at over 25 spaces in Bellevue, Redmond, and Kirkland. We live in Kirkland and really wanted to bring our business ("Money") here in our town. Of course you pay an extra premium for being in Kirkland that was something we were willing to do in order to support our own town.

The "flexibility" that the planning department finally gave us has been a huge asset to downtown. We have over 100 people a day come in/out of our space. With the amount of spouses and parents that are driving injured/disabled individuals we have created a viable amount of foot traffic to our neighbors. My patients and families report spending between 15-25\$ each visit in our downtown! In my estimation we are generating at the smallest \$500.00 a day in collateral spending to other businesses. Of our patient/customer load 75% are from Woodinville, Redmond, Bellevue, and Renton. We are a destination for those individuals. This is what I had envisioned in my report I had given to Jeremy McMahon at the beginning of our permitting. These are dollars that would never come to Kirkland without us here. The other 25% of our patients/customers actually walk to our clinic. These are people that are living in East/West of market, in the condos downtown, and the retirees above us. I would encourage council members to talk to businesses prior to deciding whether things are or are not successful. Comments by several council members seemed uninformed in our estimation and I think our dedicated customers would agree.

Removal or suspension of the impact fee would be an excellent stimulus to the vacancies. The impact fee has had a huge impact on us. Our cost which seems outrageous to open our doors was \$26,000.00. When you are a business of any type but especially someone stocking retail items this is a huge obstacle and has actually prevented us from having increased retail options, advertising, and hiring.

The vacant shops in downtown are a huge deterrent for other businesses. There is not currently a feeling that Kirkland is actually vibrant, especially in the winter. One of the comments that I receive from customers quite frequently that are not from Kirkland is "wow..you guys have a lot of vacancies down here...looks like the economy has hit Kirkland hard". This is not only a momentum stopper if you are a potential developer but also likely reflects on our home valuations. Homes are much more desirable when the downtown is full and lively.

Feel free to contact me if you have questions or would like further feedback. Keep thinking outside the box.

Sincerely,
Ben

--



Benjamin Wobker PT, MSPT, CSCS
 209 Kirkland Ave
 Kirkland, WA 98033
 p:425.629.3502 f:425.629.3517
www.LakeWashingtonPT.com



Become a "fan" on facebook:

This e-mail may contain confidential information which is legally privileged. The information is solely for the use of the addressee named above. If you are not the intended recipient, any disclosure, copying, distribution or other use of the contents of this information is strictly prohibited. If you have received this e-mail in error, please notify us by return e-mail and delete this message. Thank you.

Jeremy McMahan

From: ROBBROWN1@aol.com
Sent: Tuesday, November 16, 2010 10:39 PM
To: Jeremy McMahan
Subject: to: the Kirkland Planning Commission

Follow Up Flag: Follow up
Flag Status: Flagged

To: The Kirkland Planning Commission:

Re: November 18th discussion of downtown ground floor approved uses

I would like to express both my support *and* my concern for the details of the proposed changes to the zoning rules for ground floor uses in downtown Kirkland.

1) the positive - **The concept being discussed of allowing loosening of the retail use requirement for peripheral locations / end of core locations is perfectly legitimate.** Retail success in the downtown core requires significant foot traffic. That foot traffic does not occur at the end corners of downtown.

The specific locations noted in the meeting packet are well thought-out and well-chosen. The perfect example of the validity of this proposal is the Chaffey parking lot which, when eventually built-out, will require ground-floor retail yet only will only require one small pad. Nothing will have a valid chance of survival when located essentially on an island. **I urge you to support this part of the proposal.**

2) the negative - **The loosening of requirements for any other locations will be detrimental to the future of downtown retail.** Retail success in like locations, whether they be downtown cores or shopping malls, requires density of other retail. Foot traffic only works if there are attractions that keep pulling that pedestrian along the route. These attractions require window appeal, they require constant interest. Humans have no patience for simply hoping there is something of interest after a 20, 20, or 50 foot break in their stroll.

Watch what happens on sidewalks, watch what happens in malls. If there are banks, if there is construction, if there is a row of vacancies, if there is an office on the street, the foot traffic moves to the other side of the street or to the other side of the mall in search of visual stimulation.

Foot traffic is a science. Human nature makes pedestrian traffic turn right. Foot traffic must be dragged along by bright lights, attractive displays, unique experiences. Blank walls, covered windows, non-retail uses stop that traffic.

That brings me to the downside of loosening the regulations in the core area. Current zoning does not allow the Lake Washington Physical Therapy location in the Merrill Gardens building. If current tenants are not even required to follow zoning as it is, why would we make things worse by loosening the existing requirements. Nearly one third of the window of the LWPT location is NOT retail. Not only that, but there is no 30 foot depth of retail, let along 20 foot average depth of retail. **This use should never have been approved for this location. It is however a perfect use for end of core, peripheral locations with no foot traffic patterns to protect.**

Current vacancies match vacancies throughout the retail world, they are not unique to Kirkland, they are not a product of a lack of shopping interest in Kirkland. They are simply a symptom of the current economic downturn. There are already small signs of recovery, there are already signs of entrepreneurs returning to the establishment of new businesses. The vast majority of current vacancies are in new buildings with "superior retail", those with significantly higher rental rates. Temporary over-supply of high-priced retail locations does not require the city to allow change of use approval. Let the market catch up with the supply and all will be well.

Responding to short term challenges by loosening retail requirements in the retail core will have negative effects on downtown Kirkland for years to come.

=====
*** The above comment about breaks in attractions that pull pedestrians along a street route is of critical importance in eventually bringing more foot traffic to the north side of Central near the Lake Street intersection. The parking lot at Lake and Central is a critical flaw in the pedestrian flow of downtown Kirkland. One need only to do a cursory inspection of pedestrian activity along Lake Street and you will see virtually no one walking along the eastern side of Lake Street bordering the parking lot.

This site needs retail storefronts in order to pull foot traffic to the northern border of downtown. Return to my comment about foot traffic turning right when entering a shopping area.....what happens when pedestrians walk west on Park Lane? - they very rarely turn right as they face a full block of nothing but parking lot. They either turn left away from Central or they cross Lake Street, disrupting their circulation.

thank you for considering my thoughts and comments,

Rob Brown
108 2nd Ave S #105
Kirkland
206-226-5078

Jeremy McMahan

From: Paul Stewart
Sent: Monday, December 13, 2010 9:45 AM
To: Andrew Held; Byron Katsuyama; C. Ray Allshouse - Home; C. Ray Allshouse - Work; George Pressley; Glenn Peterson; Jay Arnold; Jon Pascal; Jon Pascal; Karen Tennyson; Mike Miller
Cc: Eric Shields; Jeremy McMahan; Ellen Miller-Wolfe
Subject: FW: Retail Space Conversion

Follow Up Flag: Follow up
Flag Status: Flagged

To: Planning Commission

Margaret Carnegie requested this message be sent to you. The City Council will be discussing this issue at their January 4th meeting.

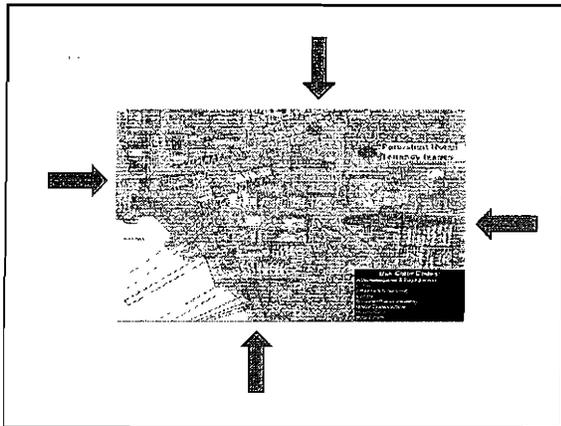
From: Margaret Carnegie [<mailto:carnegiema@frontier.com>]
Sent: Saturday, December 11, 2010 10:53 AM
To: planningcommission@ci.kirkland.wa.us
Subject: Retail Space Conversion

Planning Commission Members,

Regarding the issue of allowing downtown retail space to be converted to office space, I want to strongly state my disagreement. I believe the current rules should be honored. Even if the conversion could bring in more income on a short term basis, it is still unwise, in my opinion. If the desire exists to increase "shopping" in Downtown, the change would work against that goal. People are going to be attracted to shop in a place where retail shops are available, not where that space has been converted to offices. Thank you for your work and your attention to this issue.

Margaret Carnegie
 11259 126th Ave. N.E.
 Kirkland, WA 98033

Remarks by Bea Nahon, Moss Bay Resident
To the Kirkland Planning Commission
November 18, 2010
Re: CBD Ground Floor Uses
ZON10-00027



Why doesn't retail seek out these specific locations?

- Peripheral to the downtown core (these are not just end of block, these are all at the corners of downtown)
- Disconnected from the retail core by non-retail uses – pedestrian connectivity is severed and there's no sense of curiosity to search further. The eye carries the pedestrian elsewhere.

Message: We should learn from these examples and not spread the same result to other areas of the downtown core, i.e. the non-retail part of downtown "stops" at these corners so that the core has retail activity and life.

Past work on Kirkland downtown

- Comp Plan for the Moss Bay Neighborhood
- Comp Plan Framework Goal:
 - “Plan for a fair share of regional growth, consistent with State & Regional goals, to minimize low-density sprawl and direct growth to urban areas”
 - Moss Bay Neighborhood is specifically to be encouraged to have medium to high-density residential uses, especially in the core
- Leland Consulting
- Hovee Report 2009
- Downtown Advisory Committee
- Downtown Strategic Plan

Downtown Strategic Plan
re: The Core Area *

Page 9:

“Land uses in the core area to be encouraged, promoted (and protected) should be:

- a. Retail uses on the ground floor of all buildings;
- b. Primarily housing or hotels on the upper floors; and
- c. Some office uses or live/work units on the upper floors”

* The Core Area is defined on Page 5 of the DSP as the area bounded by Lake Street, 3rd Street, Central and Kirkland Ave, as well as the north side of Central Way and the area south of Kirkland Ave

Retail needs retail “clusters” to survive.
What does office need?

- Office also benefits from other office uses, especially professional offices
- Strong successful professional offices do not benefit from ground floor “presence”
 - Walk-in business is not desired
 - Street presence does not attract the desired clientele for established stable firms
 - Impulse patronage of professional office from pedestrians is slim to none

Office use on ground floor in an otherwise retail area is:

- Boring to pedestrians, a dead-end to retail traffic
- Closed on weekends and evenings
- Less interesting/ambience for visitors and residents and therefore less attractive (and less safe) and less likely to achieve our goals for high density in the core
- Invasive to privacy of office clients
- Expensive to retrofit
 - Walls including soundproofing
 - Ceilings and flooring
 - HVAC
 - Lighting
- Our existing retail floorplates don't allow for highly desired window offices (without very expensive and often ineffective retrofitting of window wells)

But would it at least help with the retail vacancy problems?

- Retail tenants will find downtown Kirkland even less attractive for leasing and renewals of leases if the owners can't be sure of surrounding retail "clusters" which they must have to survive
- Office-oriented businesses also demand free rent & large TI allowances. And then, many of them fail!
- Opening up retail spaces to office – besides being very expensive to retrofit – is not a panacea for Kirkland because we already have attractive office space available and vacant –

CB Richard Ellis 2010 MarketView (office space)

Category	Puget Sound	Downtown Seattle	Eastside	Kirkland
Q3 Vacancy	19.3%	20.0%	17.6%	25.1%
Q2 Vacancy	20.5%	21.3%	19.0%	28.9%
Q1 Vacancy	19.3%	20.23%	19.65%	30.57%
Square footage	95,933,265	42,386,861	30,143,124	1,465,805
Q3 net absorption	1,077,536	466,716	387,989	56,221
Q3 Class A average Full Service Asking rate	\$28.68 PSF/Yr	\$29.80 PSF/Yr	\$28.76 PSF/Yr	\$30.53 PSF/Yr

*The amounts for total square footage are occupied as well as vacant spaces
 *Puget Sound is south to Puyallup and north to Everett.
 *Downtown Seattle includes Lake Union, Denny Regrade and Lower Queen Anne.
 *Eastside includes Bellevue, Kirkland, Redmond and Bothell

Conclusions: Think long term!

- Loosening up and allowing certain compatible office uses on the corners of downtown may be OK, but we should go no further than the identified corners
- Loosening up the rest of downtown is not consistent with our Comp Plan, retail vitality and connectivity nor with the City's need for sales tax revenues. It will also reduce residential appeal and therefore compromise our goals for urban density in the core.
- Increased office tenancies will help Kirkland, but they should be on the perimeter or if in the core, then on upper story.
- We need to learn from what has happened with "retail light" and not make it worse by increased loosening.
- **Once changed, we can't go back**
- Downtown is hurting, but we are not alone. Adding office use will not cure the problem, and stepping on an ailing downtown's air hose is not the solution

MarketView Puget Sound Office

Third Quarter 2010

www.cbre.com/research

Quick Stats

	Current	Yr.	Qtr.
Total Vacancy	19.3%	↑	↓
Direct Lease Rate	\$28.68	↑	↓
Net Absorption	1,077,536 SF	↑	↓
Completions	158,333 SF	↑	↓

The arrows indicate a trend and do not represent a positive or negative value for the underlying statistic (e.g. Net Absorption could be negative, but still represent a positive trend over the time period).

Hot Topics

- Investment activity increased with the sale of the office portion of The Bravern, City Center Plaza and Advanta—all trophy assets.
- Occupancy increased strongly as tenants such as Amazon.com and Digipen experienced growth.
- Class A rates remained stable at \$27.71 for direct and sublease blended, and \$28.86 for direct space—well off the peaks of \$31.58 and \$32.66 respectively at the end of 2008, but no longer falling dramatically.

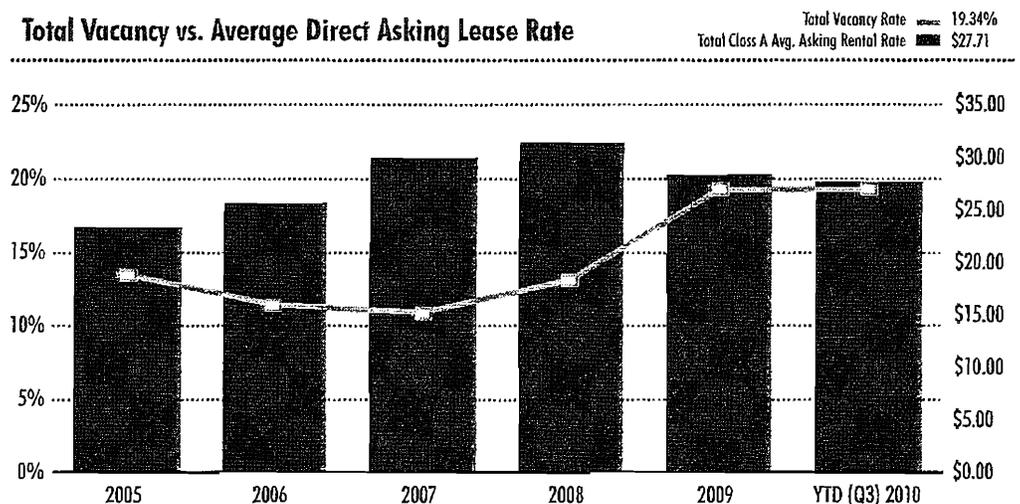
The Puget Sound office market's recovery is firmly underway as evidenced by just over one million square feet of positive absorption over the third quarter. Tenants on the Eastside grew by close to 388,000 SF while occupancy in downtown grew by 466,000 SF. Total vacancies dropped over 100 basis points in the overall Puget Sound market place with the Eastside and Southend accounting for a large share of the drop in vacancy at 130 basis points each. The market numbers have improved over the last two quarters and year-to-date absorption for the region totals a positive 702,000 SF.

The sale of fully-leased buildings with credit tenants was pervasive in the third quarter. Phoenix-based Cole Real Estate bought City Center Plaza in Bellevue CBD for \$310 million, or approximately \$532.00 PSF, from Beacon Capital Partners. The building is fully leased to Microsoft, reportedly until 2024. Schnitzer is shaking up its portfolio as well with the sale of Advanta Office Commons in Bellevue and Equinox Apartments in Seattle for a combined \$306 million. The price of Advanta Office Commons was estimated at \$240

million or \$400.00 PSF, while the Equinox apartment project sold for \$66 million or roughly \$316,940 per unit. Schnitzer has also sold two office towers and the parking garage at the Bravern in Bellevue. The sale consisted of 755,000 SF, fully leased to Microsoft for a total of \$410 million or roughly \$547.00 PSF.

Brokers agree that the market seems to be turning as big leases are being signed and companies are beginning to move or expand. The top Puget Sound expansions include the Federal Way School District, AT&T in Bothell, and T-Mobile in the I-90 corridor. In Seattle, leasing activity is brisk as Cobalt leased 100,000 SF at Union Station and the Institute for Systems Biology signed for a similar amount at the former Rosetta Building. Due to the upcoming moves, the supply of vacant space is going to keep up with tenant demand. Amazon.com is vacating various spaces to move to their new campus being built by Vulcan Real Estate, and the Bill & Melinda Gates Foundation is building their own campus and will likely move out of space in several buildings.

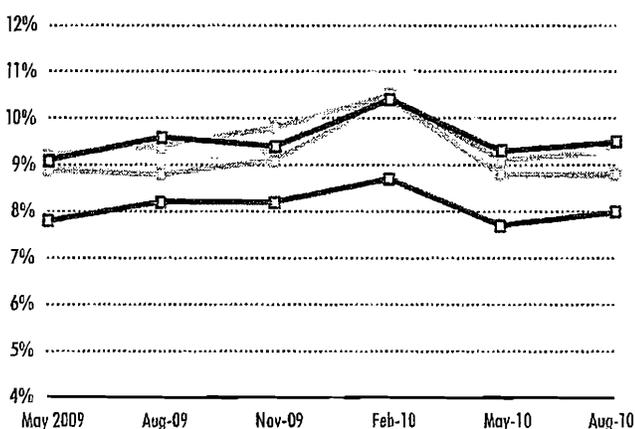
Total Vacancy vs. Average Direct Asking Lease Rate



Submarket	Building SF	Total Vacancy %	Class A Avg. Asking Direct Lease Rate (Full Service PSF/Yr)	Class A Avg. Asking Total Lease Rate (Full Service PSF/Yr)	3Q Net Absorption	Last 4 Qtrs Net Absorption	Under Construction
Seattle CBD	20,296,695	19.9%	\$30.51	\$30.07	160,570	142,577	—
Waterfront	2,306,493	14.3%	\$27.08	\$24.90	(47,772)	(54,865)	—
Pioneer Square	3,935,789	27.7%	\$28.79	\$26.53	(38,208)	(231,075)	—
Denny/Regrade	6,935,851	26.3%	\$31.54	\$31.31	28,085	69,772	—
Lower Queen Anne	3,049,683	17.1%	\$33.03	\$32.93	5,514	(31,780)	—
Lake Union	4,538,518	10.2%	\$30.26	\$29.94	385,856	794,221	766,229
Canal	1,323,832	15.9%	\$26.82	\$26.14	(27,329)	(45,480)	—
Downtown Seattle	42,386,861	20.0%	\$30.52	\$29.80	466,716	643,370	766,229
North Seattle/Interbay	2,344,990	19.4%	\$24.11	\$22.39	52,629	(44,578)	—
Capitol Hill/E Seattle/Rainier	1,118,975	21.6%	\$23.83	\$21.80	5,080	16,539	—
South Seattle	1,442,851	28.2%	\$24.67	\$24.67	2,225	(20,719)	141,200
Seattle Close-In	4,906,816	22.5%	\$24.44	\$23.39	59,934	(48,758)	141,200
Sea-Tac	891,108	21.1%	\$22.70	\$22.49	(8,440)	6,116	—
Tukwila	2,208,168	16.4%	\$20.38	\$20.33	9,802	25,162	57,800
Renton	3,122,922	12.6%	\$21.56	\$20.75	9,283	6,258	—
Kent	1,222,046	32.2%	\$21.28	\$21.29	(1,961)	(26,701)	—
Auburn	289,025	6.0%	\$19.50	\$19.50	0	950	—
Federal Way	2,102,953	39.1%	\$20.10	\$20.49	119,571	20,371	—
Southend	9,836,222	22.1%	\$21.04	\$20.89	128,255	32,156	57,800
Bellevue CBD	7,925,601	16.2%	\$31.86	\$30.61	117,581	(261,049)	—
I-405	2,909,251	17.5%	\$25.77	\$25.07	(34,958)	(26,342)	—
SR-520	2,571,507	19.6%	\$25.89	\$24.60	10,482	(60,464)	—
I-90	6,561,305	14.6%	\$30.39	\$28.86	67,879	114,166	165,320
Bel-Red Road	1,384,897	13.8%	\$29.22	\$27.11	(8,251)	(62,527)	—
Kirkland	1,465,805	25.1%	\$30.53	\$28.44	56,221	42,664	—
Redmond	4,247,895	22.6%	\$26.35	\$25.71	121,478	38,255	—
Bothell	3,076,863	17.7%	\$23.31	\$22.58	57,557	165,038	—
Eastside	30,143,124	17.6%	\$28.76	\$27.64	387,989	(50,259)	165,320
Lynn/Edm/Milk Terr	2,502,650	29.3%	\$25.00	\$24.31	21,844	(58,688)	—
Everett	1,656,735	10.5%	\$22.15	\$22.15	1,013	(22,226)	—
Northend	4,159,385	21.9%	\$24.76	\$24.13	22,857	(80,914)	—
Tacoma CBD	2,828,792	13.9%	\$23.38	\$23.40	27,409	15,807	—
Tacoma Suburban	1,153,241	7.8%	\$22.63	\$22.63	(6,837)	(4,329)	—
Fife	213,994	14.4%	\$23.00	\$24.48	(1,835)	(1,670)	—
Puyallup	304,830	13.7%	\$20.55	\$20.55	(6,952)	(14,127)	—
Tacoma/Fife	4,500,857	12.4%	\$22.78	\$23.30	11,785	(4,319)	—
Market Total	95,933,265	19.3%	\$28.68	\$27.71	1,077,536	491,276	1,130,549

Unemployment Rate

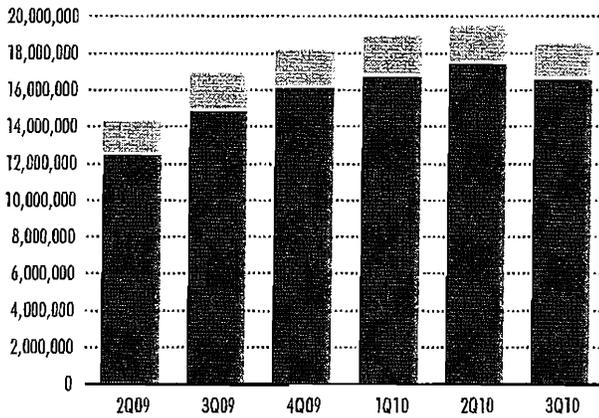
King Co. — 8.0% WA State — 8.8%
 Snohomish Co. — 9.3% US Avg. — 9.5%
 Pierce Co. — 9.2% (Not seasonally adjusted)



The Puget Sound region continues to be slightly out of step with the rest of the nation economically. The region entered the recession late and is exiting slightly after the United States as a whole, but the local upturn is more promising. The latest *Puget Sound Economic Forecaster* anticipates above average employment growth by late 2011; an average of 2.3% more jobs every year until the middle of the decade compared to the national forecast of 1.7%. Trade and technological change are key sectors that are ending the global recession and several industries in the Puget Sound area; aerospace, software, internet commerce and computer games, are significant contributors. These sectors will keep the region growing faster than the rest of the nation.

Total Vacancy

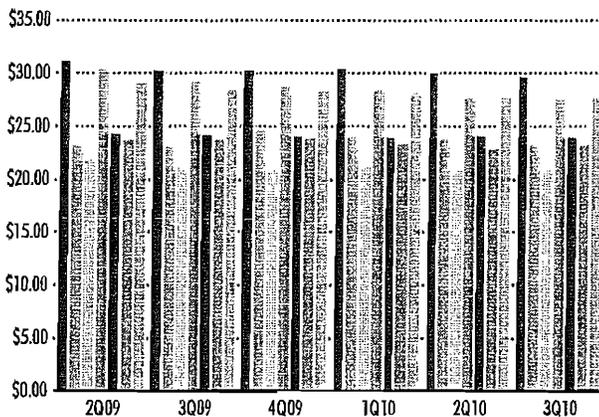
Direct Vacant 16,669,543
 Sublease Vacant 1,886,413
 Total Vacant 18,555,956



The Puget Sound experienced its first drop in vacancy since the start of 2008, finally falling below 20% to 19.3%. The new trend reflects the area's increase in market activity as well as the ongoing growth of Amazon.com into its new campus in South Lake Union. This quarter Amazon.com continued its expansion by moving into 205,000 SF at 2201 Westlake, and 158,333 SF Phase II at 500 Boren Avenue, from its former headquarters in Beacon Hill's Pacific Medical Center. The Seattle CBD submarket experienced 171,651 SF of positive absorption bringing the region's largest submarket down from 21.5% to 19.9% vacant. Eastside vacancies dropped from 19.0% to 17.6%, largely due to Digipen moving into 107,336 SF in Willows Commerce Park from a building on the Nintendo campus, and increases in market activity.

Total Asking Rental Rates

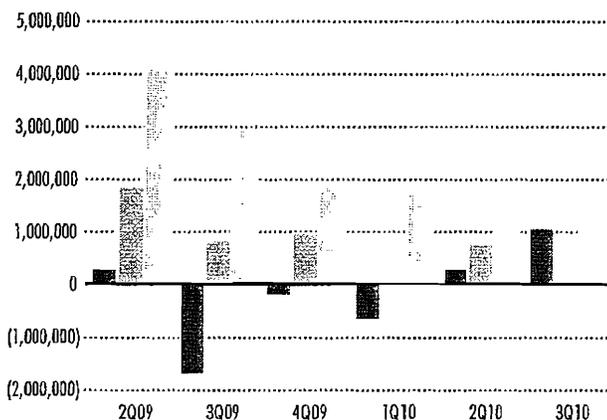
Downtown \$29.80 Northend \$24.13
 Seattle Close-In \$23.39 Tacoma/Fife \$23.30
 Southend \$20.89 Regional Avg. \$27.71
 Eastside \$27.64



Third quarter Class A asking rates remained consistent at \$27.71 PSF, full service, nearly mirroring last quarter's asking rate of \$27.79 PSF. The rates in the major downtown areas of Seattle and Bellevue each decreased slightly to \$29.80 and \$30.61, respectively. The Bellevue CBD's premium over downtown Seattle narrowed to \$0.81 from \$1.09 as high vacancies continue to put pressure on asking rates. Across the board the region's submarkets experienced a slight rate decrease, except for the Tacoma CBD, which saw a rate increase of \$0.48 over the previous quarter. Over the past four quarters the region has maintained stable rates as rates have remained within \$0.50 of \$28.00 PSF, full service.

Under Construction, Absorption & Construction Completions

Total Absorption 1,077,536
 Construction Completions 158,333
 Under Construction 1,130,549



In contrast to last quarter's delivery of nearly 800,000 SF of additional space to the market, third quarter saw the second lowest level of construction completions since early 2008 adding only 158,333 SF. Coupled with an across the board increase in market activity, the Puget Sound region experienced an astounding 1,077,536 SF of positive absorption. The most recent phase of Amazon.com's move accounts for only 363,333 SF of this absorption, with the Seattle CBD contributing 171,651 SF and the Eastside adding another 419,232 SF of positive absorption. Construction continues on the remaining stages of Amazon.com's 1.7 million-SF campus as well as 900,000 SF in phase I of the future Bill & Melinda Gates Foundation's global headquarters, scheduled for completion in the spring of 2011.

MarketView Puget Sound Office

Local Offices

BROKERAGE

Seattle
1420 Fifth Avenue
Suite 1700
Seattle, WA 98101
206.292.1600

701 Pike Street
Suite 2100
Seattle, WA 98101
206.223.0200

Bellevue
10885 NE Fourth Street
Suite 500
Bellevue, WA 98004
425.455.8500

Kent
20415 72nd Avenue South
Suite 210
Kent, WA 98032
253.872.9881

Tacoma
1145 Broadway Plaza
Suite 1000
Tacoma, WA 98402
253.572.6355

PROJECT MANAGEMENT

1420 Fifth Avenue
Suite 1700
Seattle, WA 98101
206.292.6086

ASSET SERVICES
Seattle
1420 Fifth Avenue
Suite 1700
Seattle, WA 98101
206.292.1600

Bellevue
110 110th Avenue NE
Suite 607
Bellevue, WA 98004
425.455.8500

Kent
20415 72nd Avenue South
Suite 210
Kent, WA 98032
253.872.9881

Canyon Park
22118 20th Street SE
Suite 138
Bothell, WA 98021
425.483.1166

Seattle Municipal Tower
700 Fifth Avenue
Suite 4040
Seattle, WA 98104
206.624.7005

VALUATION & ADVISORY
SERVICES
1420 Fifth Avenue
Suite 440
Seattle, WA 98101
206.292.6122

CBRE CAPITAL MARKETS
1420 Fifth Avenue
Suite 1720
Seattle, WA 98101
206.830.6400

Office Submarket Map

MARKET AREA DESCRIPTIONS

Downtown Seattle

Downtown Seattle consists of 42,386,861 SF (44%) of the office market GLA. It includes office buildings west of I-5 from the Ship Canal in Fremont to Royal Brougham near the stadiums.

Seattle Close-In

North Seattle consists of 4,906,816 SF (5%) of the office market GLA. It includes office buildings within the city limits of Seattle, Shoreline and Lake Forest Park, not included in the downtown submarket.

Southend

The Southend consists of 9,836,222 SF (10%) of the office market GLA. It comprises all of King County south of Lake Washington.

Tacoma/Fife

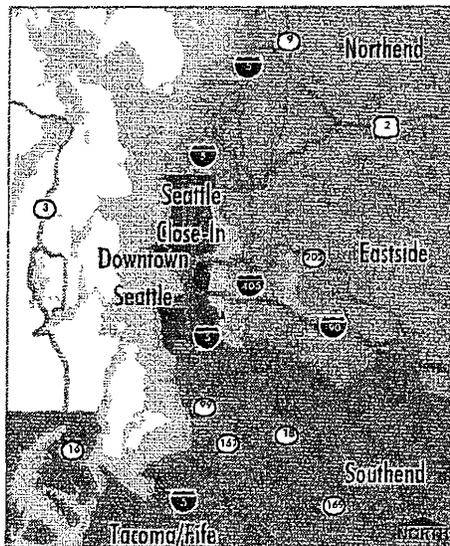
Tacoma/Fife consists of 4,500,857 SF (5%) of the office market GLA. It comprises Pierce County.

Eastside

The Eastside consists of 30,143,124 SF (31%) of the office market GLA. It comprises all King County markets directly east of Lake Washington, plus that portion of Bothell extending into Snohomish County.

Northend

The Northend consists of 4,159,385 SF (4%) of the office market GLA. It consists of Snohomish County except that portion of Bothell extending into Snohomish County.



Market Coverage

Includes all investor-owned, Class A, B, or C office buildings 10,000 SF and greater in size.

Building SF

The building square footage minus the elevator core, flues, pipe shafts, vertical ducts, balconies and stairwell areas.

Vacancy %

Vacant square feet, either direct or total (direct and sublease combined), divided by the building square footage.

Absorption

The change in occupied square feet from one period to the next. Total absorption counts vacant sublease space as not occupied, direct absorption counts vacant sublease space as occupied.

Average Asking Direct Lease Rate

The average gross asking lease rate for each building multiplied by the amount of direct vacant space, summed for all buildings in a submarket and then divided by the total amount of direct vacant space.

Full Service Lease

Lease type whereby the landlord pays all of the operating expenses and taxes for the property, including utilities, insurance and/or maintenance expenses. Increases in operating expenses after the first year of the lease may be passed to the tenant.

Class A Space

The most prestigious buildings competing for premier office users with rents above average for the area. These buildings have high quality standard finishes, state of the art systems, exceptional accessibility and a definite market presence.

For more information regarding the MarketView, please contact:

Carolyn Davis, Research Manager
CB Richard Ellis

1420 Fifth Avenue, Suite 1700, Seattle, WA 98101
T. 206.292.6098 F. 206.292.6033
carolyn.davis@cbre.com

© 2010 CB Richard Ellis, Inc. CB Richard Ellis statistics contained herein may represent a different data set than that used to generate National Vacancy and Availability Index statistics published by CB Richard Ellis' Corporate Communications Department or CB Richard Ellis' research and econometric forecasting unit, CB Richard Ellis—Econometric Advisors. Information herein has been obtained from sources believed reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty or representation about it. It is your responsibility to independently confirm its accuracy and completeness. Any projections, opinions, assumptions or estimates used are for example only and do not represent the current or future performance of the market. This information is designed exclusively for use by CB Richard Ellis clients, and cannot be reproduced without prior written permission of CB Richard Ellis. cjm 10-18-10

Dear Kirkland City Council Members

In Ernie Veltons email below, he gives another perspective on Kirkland's retail zoning requirements, in addition to the email I recently sent you from Andy Loos. Ernie is a senior partner in JSH Properties and his company manages over 12 million sf of commercial space in Washington, 3 million of that is retail. JSH Properties manages a wide variety of commercial and residential buildings in downtown Kirkland.

The message here again is the need to consider loosening up the retail zoning requirements in the Kirkland's CBD. As I mentioned before, there are not many things the City can do to improve the vitality of the downtown area, but taking a hard look at our retail zoning requirements and making some minor changes would certainly help.

Thank you again for your time.

Joe Castleberry
Commercial Property Owner

Subject: Downtown Kirkland retail uses
Date: Thu, 25 Feb 2010 10:29:12 -0800
From: ErnieV@jshproperties.com
To: bob@sternoffinc.com
CC: joe.d.castleberry@hotmail.com

Bob,

Joe and I, and many others, have been discussing what ground floor uses are allowed in the Kirkland CBD. JSH manages and leases several properties in downtown Kirkland including the Homeport building, the Kirkwood building (Banner Bank), the Westwater apartments and related retail (Sur La Tab), Kirkland Square and others. Most of the associated retail spaces are relatively small and most are leased to Banks, food uses or mom & pop businesses.

We manage over 12 MM sf of commercial property in Washington State and are the leasing representatives for approximately 3 MM sf of retail space in Washington. I mention all this so you understand our perspective.

In short, retail owners state wide are hurting a bit. Occupancies are down in most markets and rents are down 10-30% depending upon the market. Kirkland retail and office rents are off 20%-30 from earlier highs. Kirkland is especially impacted by the weakness of many mom & pop tenants. As the retail world has changed, there are fewer traditional small, retail businesses. National businesses and the internet have reduced the types of businesses that can be successful small operators. Other than food uses, most small retail categories have contracted.

As you know, Kirkland has parking and traffic limitations that have often been discussed. These issues make it hard to draw national tenants that would help the City build critical retail mass.

As we've marketed retail space in Kirkland over the last several years, we have often had to turn away medical uses and quasi office uses. Vacant spaces don't help anyone; not the City, the Community, the other tenants nor the Landlords. From a Landlord's perspective many of the uses that the City forbids from ground floor space are often stable businesses that are good tenants.

The City could make Kirkland a more active, vibrant community by changing its zoning to allow more of these uses. While these businesses aren't the uses many Cities think of when they envision their downtown, they tend to be stable and their employees support the neighboring tenants. And, they are much better than vacant space. Also, many of these businesses are better suited as ground floor tenants in mixed use developments. A dentist, for instance, can live with parking behind or under his space much better than many other traditional retail uses.

Thanks for all your efforts on behalf of our Kirkland Community.

Best regards, Ernie



Ernie Velton
JSH Properties, Inc.
10655 NE 4th Street, Suite 300
Bellevue, WA 98004

e-mail: erniev@jshproperties.com

Office (425) 455-0500
Office direct (425) 283-5471
Cell (425) 985-7573
Fax (425) 455-3100

May 3, 2010

To: Kirkland City Council
Mayor Joan McBride
Deputy Mayor Penny Sweet
Council Member Jessica Greenway
Council Member Dave Asher
Council Member Bob Sternhoff
Council Member Doreen Marchione
Council Member Amy Walen

RE: Downtown Retail Zoning

Dear Ms. McBride and Council:

I am representing a group of commercial property and business owners in downtown Kirkland in an effort to bring attention to the plight we face in the downtown core.

There has been an ongoing effort over the years to incentivize and encourage retail establishments in downtown Kirkland. The comprehensive plan envisions a diverse and active retail environment, but one that, we have not been able to achieve. Scores of meetings, consultants and well-intentioned City Councils, residents, staff and commercial property owners have all struggled to find the solutions to our under-performing downtown.

There is no simple solution to creating a vibrant downtown as we deal with a myriad of issues including our difficult access due to a street grid that has limited capacity, the lack of parking at peak times, our reliance upon “mom and pop” retail establishments (except banking) which are subject to high failure rates and our retail make-up which results in even our residents going to Redmond and Bellevue to shop and dine.

All of us want a mix of goods and services in our downtown core. Over the last couple of years there has been much discussion on the definition of “retail”. The Bank of America situation highlighted the ambiguity in the code and as a result the City adopted the new zoning code which narrowly defined retail uses for ground floor spaces in downtown Kirkland. The Kirkland Staff is currently drafting a plan that will further define acceptable retail uses in specific segments of downtown.

Several commercial property owners joined Joe Castleberry and me in meeting with the City Staff where we expressed our concerns about limiting retail uses in downtown Kirkland. We, as commercial property owners, have a bundle of rights that are being eroded in the face of difficult economic conditions. We contend that every new rule, mitigation fee and zoning restriction affects our ability to market and lease our properties and attract viable businesses to Kirkland.

We support a modification of the zoning code changes that were adopted last year. We would ask that the Staff include the following modification in their upcoming recommendations for downtown retail uses.

1. Retail uses for all areas of downtown except Park Lane shall include professional service and office uses. We visualize that these service businesses would have open window displays, inviting lobbies and not just blank wall facades. These service businesses would contribute to the environment that enables traditional retail to thrive. This change is what downtown Kirkland desperately needs. This provision would allow for physical therapists, chiropractors, dentists, architects and other professional office uses. We see no difference between these uses and a hair salon, nail salon or barber shop- all of which are permitted.
2. We would also ask that traffic mitigation or impact fees be reduced to enable prospective businesses to open in Kirkland. Our fees are currently a major impediment to new retailers. We understand that Kirkland Public Works is working on a project to change these fees to be a more shopping center or cluster oriented structure. If this study results in a substantial reduction in these impact fees, then we would applaud the effort. In 2007 Kirkland's road impact fee for general retail was 84 cents per square foot. In 2008 the impact fee increased to \$3.13 per square foot (an increase of 272%). The fee increased again in 2009 to \$3.49 per square foot (another increase of 11%). Restaurants were \$5.56 in 2007, \$19.78 in 2008 and \$22.04 in 2009 – a 400% increase in three years.

We don't believe these actions, restricting retail uses and increasing impact fees, are sending the message to prospective tenants that Kirkland is "open for business". Yes, with no Business and Occupation tax we hope to encourage business investment but the B&O tax is based upon revenue which is taxed once a business is operating. Impact fees are a capital cost which is much tougher for them to justify when opening a new location.

We contend that the addition of professional office uses in the downtown will do the following:

1. Fill currently vacant retail spaces with high-value tenants instead of vacant storefronts
2. These expanded office service uses will NOT add to the parking problem since they typically are not using parking during peak hours.
3. The expanded uses will add employees and clients to the daytime hours in downtown which is typically our slow period. And these employees and clients will support neighboring retail uses.
4. The expanded uses will also provide stable employment in the downtown at a time when office development is non-existent.

We'd all like to fill our downtown with cute shops and restaurants but that is not realistic. Our location and waterfront is a draw for the restaurants in our downtown but our infrastructure can only support so many of them. We can't accommodate an entire downtown of restaurants and cafes. Our local retail shops must compete with national

and regional retailers in dynamic area malls which include entertainment and a wide variety of shopping experiences. The market has clearly spoken to us about what can succeed in Kirkland.

We propose amending the staff report on ground-related retail uses to include professional service and office uses and also to request a substantial reduction in mitigation or impact fees.

We would welcome the opportunity to meet and discuss these issues at your convenience.

Thank you.

Andy Loos
Representing SRM Development for
Merrill Gardens at Kirkland
RD Merrill at 101 Kirkland Avenue