CITY OF KIRKLAND
Planning and Building Department
123 Fifth Avenue, Kirkland, WA 98033
425.587.3600 www.kirklandwa.gov

MEMORANDUM

To: Planning Commission
Houghton Community Council

From: Angela Ruggeri, AICP, Senior Planner
Paul Stewart, AICP, Deputy Director
Eric Shields, AICP, Director

Date: December 8, 2016

Subject: Houghton/Everest Neighborhood Center & 6th Street Corridor Study
File No. CAM16-02742

RECOMMENDATION

Receive information on the Neighborhood Center development feasibility assessment from the project consultant; discuss project scenarios and project timeline; and give direction on redevelopment continuum and project timeline.

BACKGROUND DISCUSSION

The City Council has passed Resolution R-5208 relating to the Houghton/Everest Neighborhood Center. The resolution provides a timeline for completion of the Neighborhood Center update process. It states that the Planning Commission will hold a public hearing on the Comprehensive Plan amendments and zoning regulations and make final recommendations to the City Council by January 31, 2017.

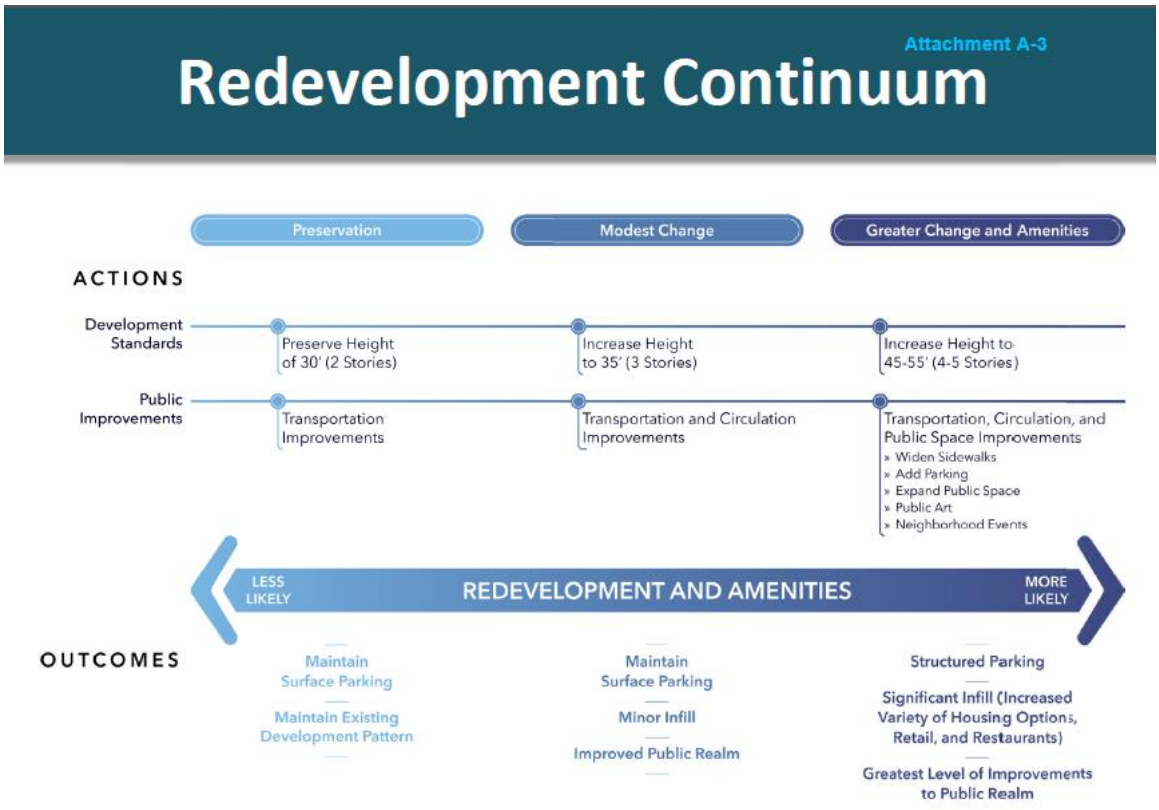
Over the summer and fall, staff and the consulting team asked citizens, business owners and property owners for opinions, ideas and suggestions in an online survey, through comments on the project website, at neighborhood meetings and at a community workshop. The results of this outreach were reported by the consulting team, including 3 Square Blocks, Berk and Transpo, at the joint Planning Commission and Houghton Community Council meeting on November 28th.

Staff and the consulting team received direction at the November 28th meeting to bring additional information to the joint meeting on December 15th. This information included:

- Survey responses including neighborhood preferences– the Final Survey Summary can be found on the project webpage at: http://www.kirklandwa.gov/depart/planning/Development_Info/projects/he6th.htm

  Attachment 1 also includes a breakdown of the survey responses by neighborhood. This breakdown was done when 442 responses were available, which is a little more than half of the final total. The breakdown did not appear to change with additional responses.

- More information on the Redevelopment Continuum - A draft of Jeff Arango's report is included as Attachment 2. Jeff will also be bringing more detailed zoning and topography information, and additional images of built examples to the meeting.



- Transportation Impacts - Jeanne Acutanza from Transpo will present traffic impact information and an update on the recent meeting with the Kirkland Transportation Commission at the December 15th meeting.

- Property Owner/Citizen Conversations - Staff was also asked to find ways to involve property owners and citizens in conversations. Tom Markl, representative of the Houghton Center property owners on the south side

of NE 68th Street, has already met a number of times with interested citizens in the area. Doug Waddell, who owns residential property east of 106th Avenue NE, has also met with representatives of neighborhood groups and interested citizens.

The representatives of the PCC property on the north side of NE 68th Street gave a presentation to the Central Houghton Neighborhood Association at its meeting on December 7th and plan to present to the Everest Neighborhood Association in January. Since the property owners are considering redevelopment of the site and potentially a new PCC store, they are starting the conversation with the neighborhood to learn what type of development, improvements and amenities citizens would like to see.

There will be an open house from 6:00 to 7:00 before both the December 15th and January 26th joint meetings to give citizens the opportunity to discuss the Houghton Everest Neighborhood Center and 6th Street Corridor project before the formal meetings begin.

MOVING FORWARD

The next meeting on the project will be held as a joint session for the Houghton Community Council and the Planning Commission on January 26, 2017. On December 15th, the staff and consultant team would like direction on which development options should be studied further and what additional information would be helpful for the January 26th joint meeting.

Staff and the consultants will be returning to the Transportation Commission in January to further discuss transportation options.

Staff is also considering a discussion with the City Council in December and January to consider more time to complete the study. While there is excellent progress underway, an extension would allow staff to explore appropriate ways to implement the plan through regulations, design guidelines and transportation improvements. It would also give property representatives more time to work with the neighborhood to come up with a preferred plan.

The existing timeline for the project is included below:

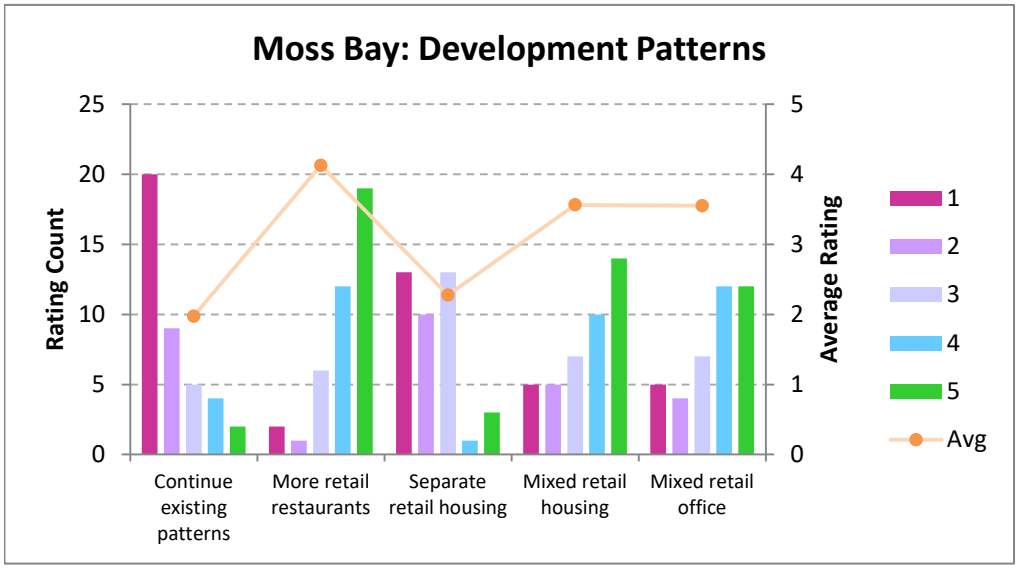
12/15/16	Joint Planning Commission & Houghton Community Council Study Session (Open House from 6:00 to 7:00)
01/17/17	City Council Study Session Update
01/25/17	Transportation Commission Update
01/26/17	Joint Hearing Planning Commission & Houghton Community Council

If it is decided that additional time is needed for the project, the January 26th meeting can be a study session instead of a public hearing.

Attachments:
1. Survey – neighborhood preferences
2. Physical Conditions and Development Feasibility Assessment

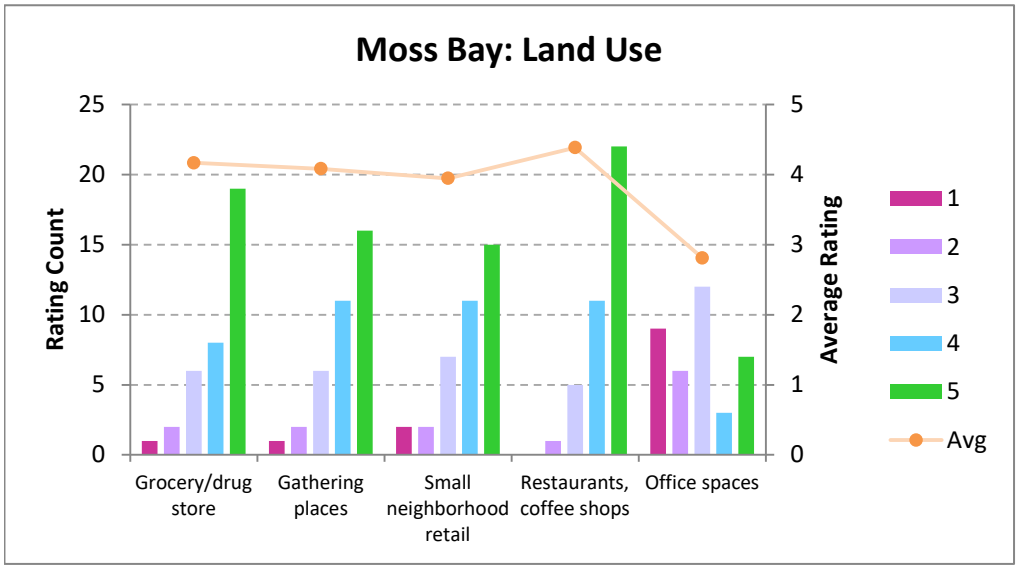
Neighborhood Preferences: Development Patterns

		1	2	3	4	5	Avg	Count
S2_P1_T1	Continue existing patterns	20	9	5	4	2	1.98	40
S2_P1_T2	More retail restaurants	2	1	6	12	19	4.13	40
S2_P1_T3	Separate retail housing	13	10	13	1	3	2.28	40
S2_P1_T4	Mixed retail housing	5	5	7	10	14	3.56	41
S2_P1_T5	Mixed retail office	5	4	7	12	12	3.55	40



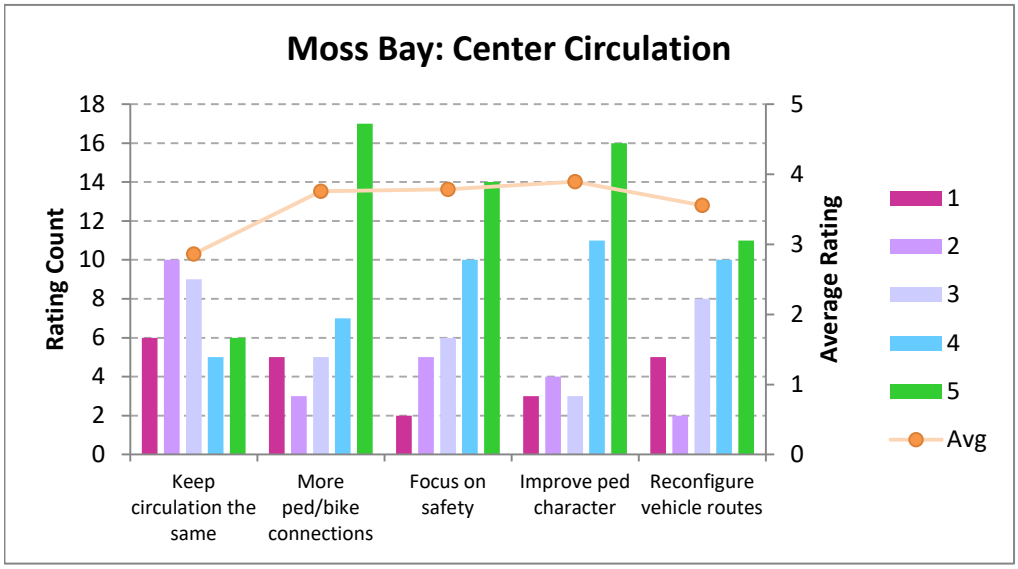
Neighborhood Preferences: Land Use

		1	2	3	4	5	Avg	Count
S2_P2_T1	Grocery/drug store	1	2	6	8	19	4.17	36
S2_P2_T2	Gathering places	1	2	6	11	16	4.08	36
S2_P2_T3	Small neighborhood retail	2	2	7	11	15	3.95	37
S2_P2_T4	Restaurants, coffee shops	0	1	5	11	22	4.38	39
S2_P2_T5	Office spaces	9	6	12	3	7	2.81	37



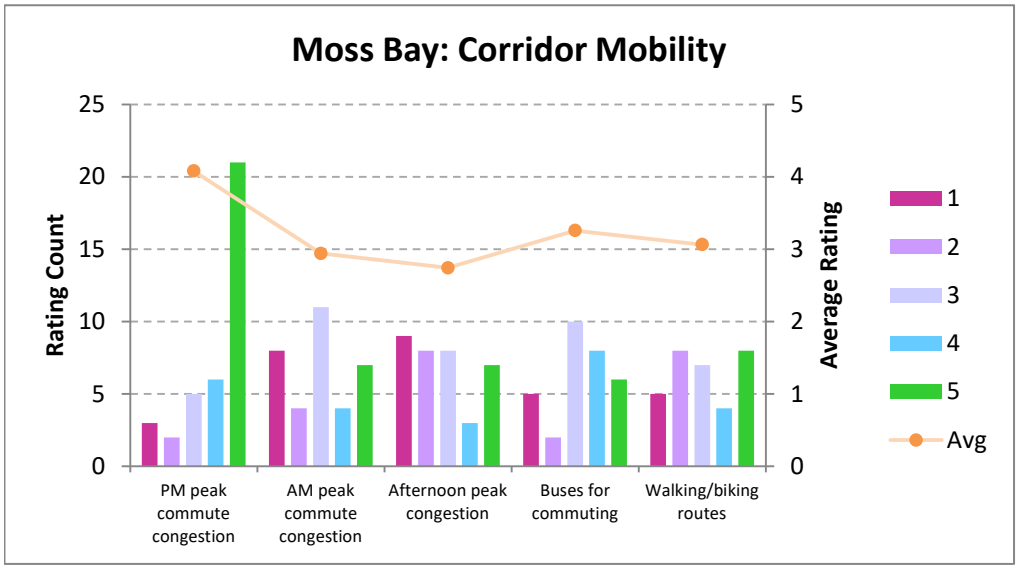
Neighborhood Preferences: Center Circulation

		1	2	3	4	5	Avg	Count
S2_P3_T1	Keep circulation the same	6	10	9	5	6	2.86	36
S2_P3_T2	More ped/bike connections	5	3	5	7	17	3.76	37
S2_P3_T3	Focus on safety	2	5	6	10	14	3.78	37
S2_P3_T4	Improve ped character	3	4	3	11	16	3.89	37
S2_P3_T5	Reconfigure vehicle routes	5	2	8	10	11	3.56	36



Neighborhood Preferences: Corridor Mobility

		1	2	3	4	5	Avg	Count
S2_P4_T1	PM peak commute congestion	3	2	5	6	21	4.08	37
S2_P4_T2	AM peak commute congestion	8	4	11	4	7	2.94	34
S2_P4_T3	Afternoon peak congestion	9	8	8	3	7	2.74	35
S2_P4_T4	Buses for commuting	5	2	10	8	6	3.26	31
S2_P4_T5	Walking/biking routes	5	8	7	4	8	3.06	32



Transportation Strategies: Congestion

		1	2	3	4	5	*Avg*	*Count*
S3_P4_T1	Wider streets/more lanes	10	5	7	1	9	*2.81*	*32*
S3_P4_T2	Widen streets at pinchpoints	5	6	8	2	11	*3.25*	*32*
S3_P4_T3	Regional traffic facilities	4	1	7	8	15	*3.83*	*35*
S3_P4_T4	Manage access	7	4	10	0	8	*2.93*	*29*
S3_P4_T5	Travel choices	4	3	8	2	15	*3.66*	*32*

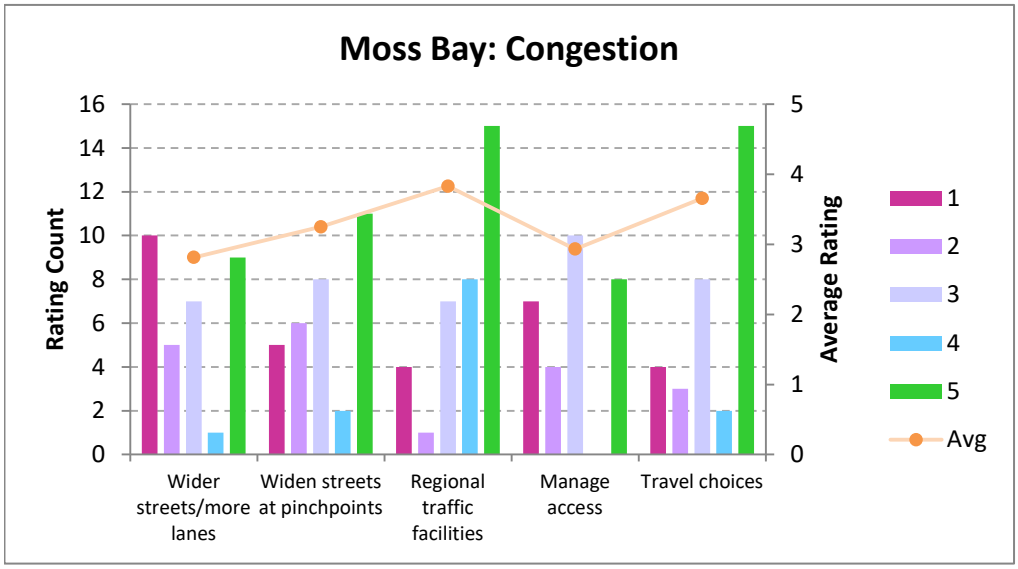


Image Voting: Commercial & Mixed Use

		1	2	3	4	5	Avg	Count
S4_P1_T1	Small scale commercial	12	3	7	9	11	3.10	42
S4_P1_T2	2 story mixed use	1	14	11	7	9	3.21	42
S4_P1_T3	3 story mixed use	1	8	13	9	11	3.50	42
S4_P1_T4	4 story mixed use	7	7	3	8	17	3.50	42
S4_P1_T5	5 story mixed use	13	8	2	7	12	2.93	42

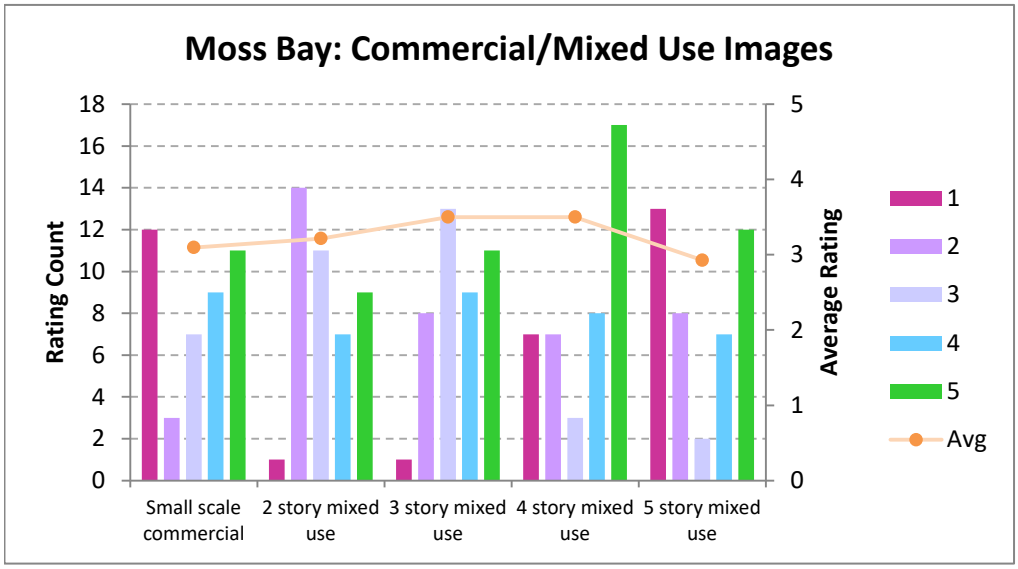
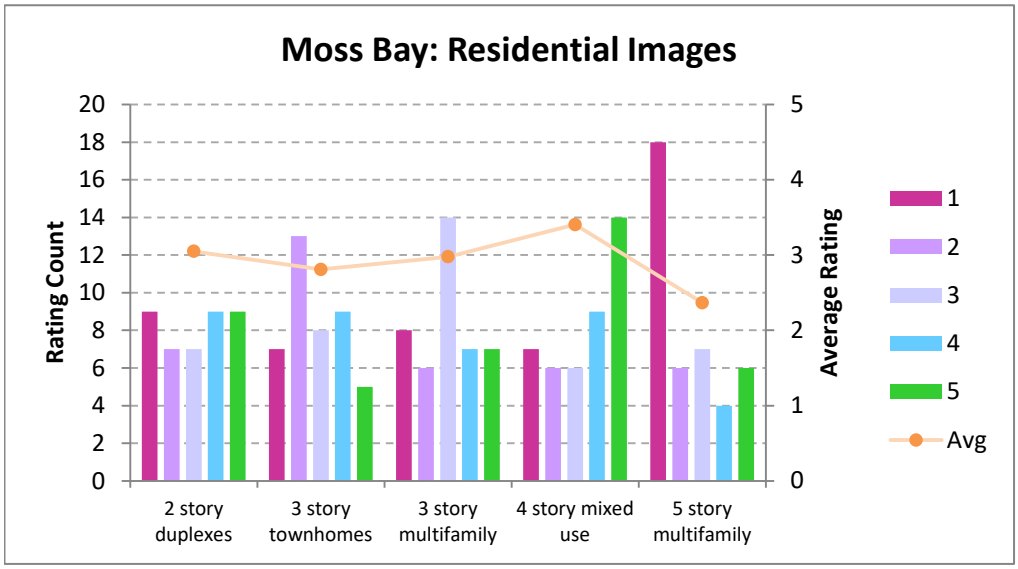


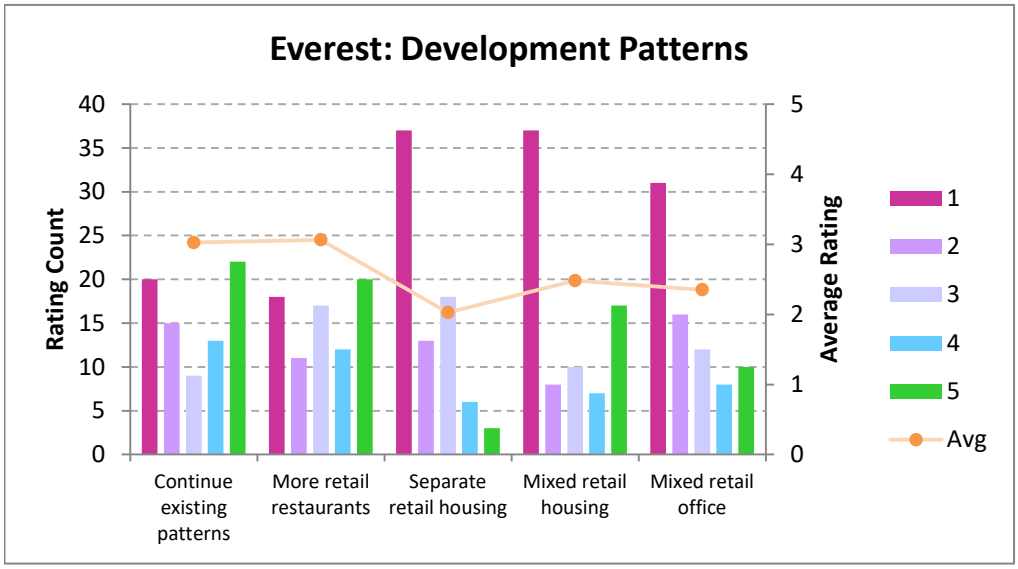
Image Voting: Residential

		1	2	3	4	5	Avg	Count
S4_P2_T1	2 story duplexes	9	7	7	9	9	3.05	41
S4_P2_T2	3 story townhomes	7	13	8	9	5	2.81	42
S4_P2_T3	3 story multifamily	8	6	14	7	7	2.98	42
S4_P2_T4	4 story mixed use	7	6	6	9	14	3.40	42
S4_P2_T5	5 story multifamily	18	6	7	4	6	2.37	41



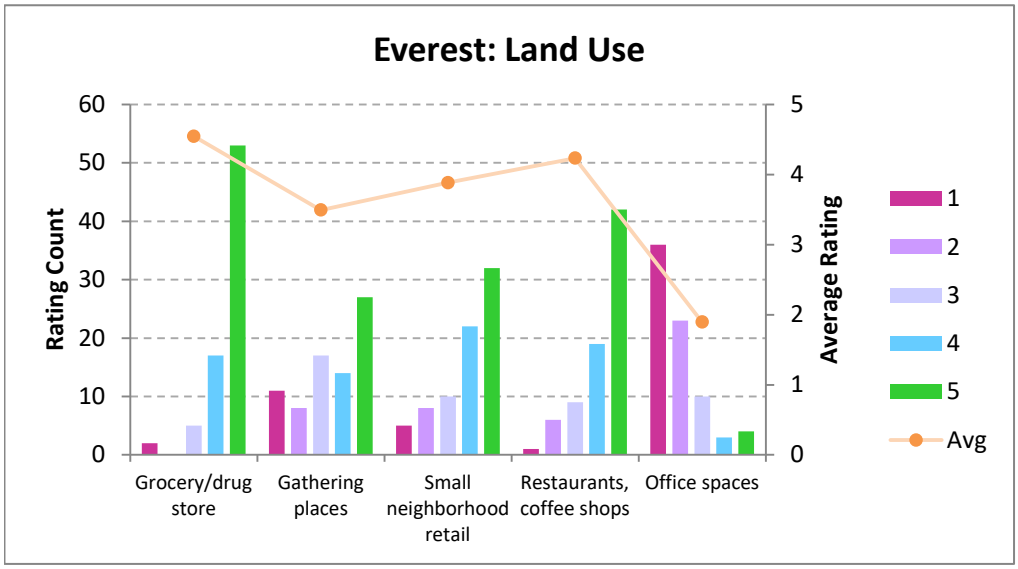
Neighborhood Preferences: Development Patterns

		1	2	3	4	5	Avg	Count
S2_P1_T1	Continue existing patterns	20	15	9	13	22	3.03	79
S2_P1_T2	More retail restaurants	18	11	17	12	20	3.06	78
S2_P1_T3	Separate retail housing	37	13	18	6	3	2.03	77
S2_P1_T4	Mixed retail housing	37	8	10	7	17	2.48	79
S2_P1_T5	Mixed retail office	31	16	12	8	10	2.35	77



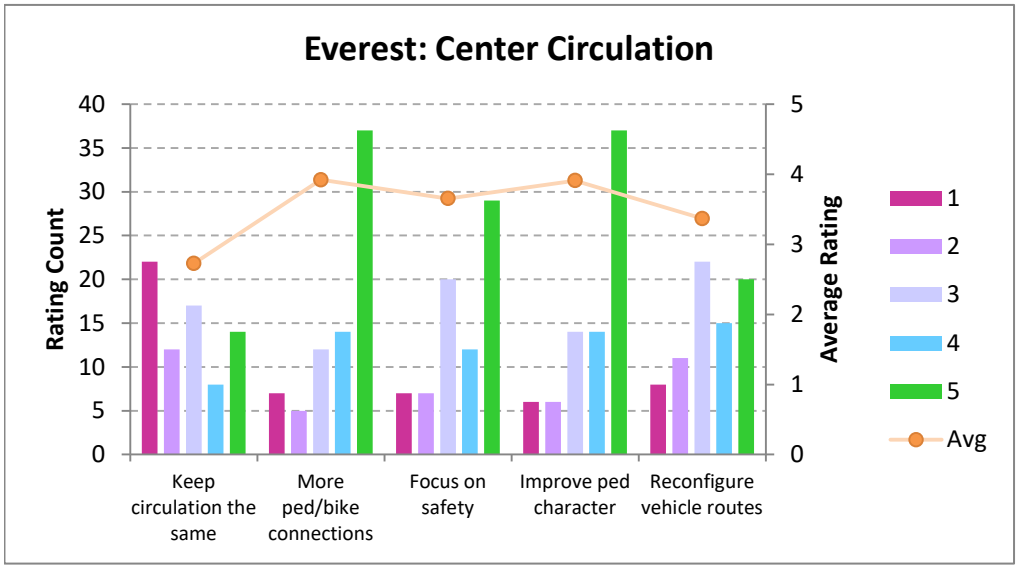
Neighborhood Preferences: Land Use

		1	2	3	4	5	Avg	Count
S2_P2_T1	Grocery/drug store	2	0	5	17	53	4.55	77
S2_P2_T2	Gathering places	11	8	17	14	27	3.49	77
S2_P2_T3	Small neighborhood retail	5	8	10	22	32	3.88	77
S2_P2_T4	Restaurants, coffee shops	1	6	9	19	42	4.23	77
S2_P2_T5	Office spaces	36	23	10	3	4	1.89	76



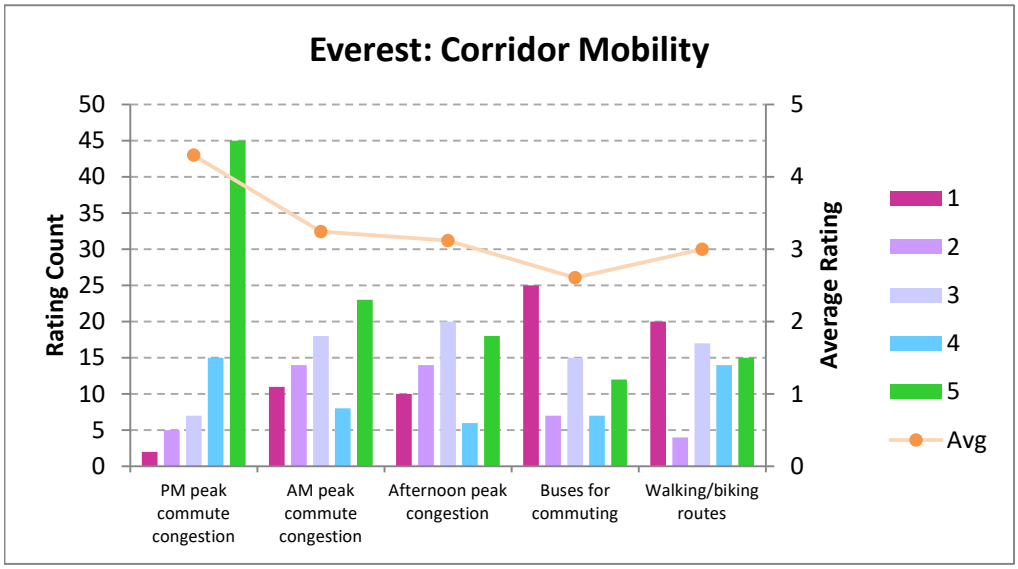
Neighborhood Preferences: Center Circulation

		1	2	3	4	5	Avg	Count
S2_P3_T1	Keep circulation the same	22	12	17	8	14	2.73	73
S2_P3_T2	More ped/bike connections	7	5	12	14	37	3.92	75
S2_P3_T3	Focus on safety	7	7	20	12	29	3.65	75
S2_P3_T4	Improve ped character	6	6	14	14	37	3.91	77
S2_P3_T5	Reconfigure vehicle routes	8	11	22	15	20	3.37	76



Neighborhood Preferences: Corridor Mobility

		1	2	3	4	5	Avg	Count
S2_P4_T1	PM peak commute congestion	2	5	7	15	45	4.30	74
S2_P4_T2	AM peak commute congestion	11	14	18	8	23	3.24	74
S2_P4_T3	Afternoon peak congestion	10	14	20	6	18	3.12	68
S2_P4_T4	Buses for commuting	25	7	15	7	12	2.61	66
S2_P4_T5	Walking/biking routes	20	4	17	14	15	3.00	70



Transportation Strategies: Congestion

		1	2	3	4	5	*Avg*	*Count*
S3_P4_T1	Wider streets/more lanes	17	13	12	9	21	*3.06*	*72*
S3_P4_T2	Widen streets at pinchpoints	18	9	13	10	22	*3.13*	*72*
S3_P4_T3	Regional traffic facilities	7	6	10	12	37	*3.92*	*72*
S3_P4_T4	Manage access	15	12	22	4	16	*2.91*	*69*
S3_P4_T5	Travel choices	14	4	19	4	28	*3.41*	*69*

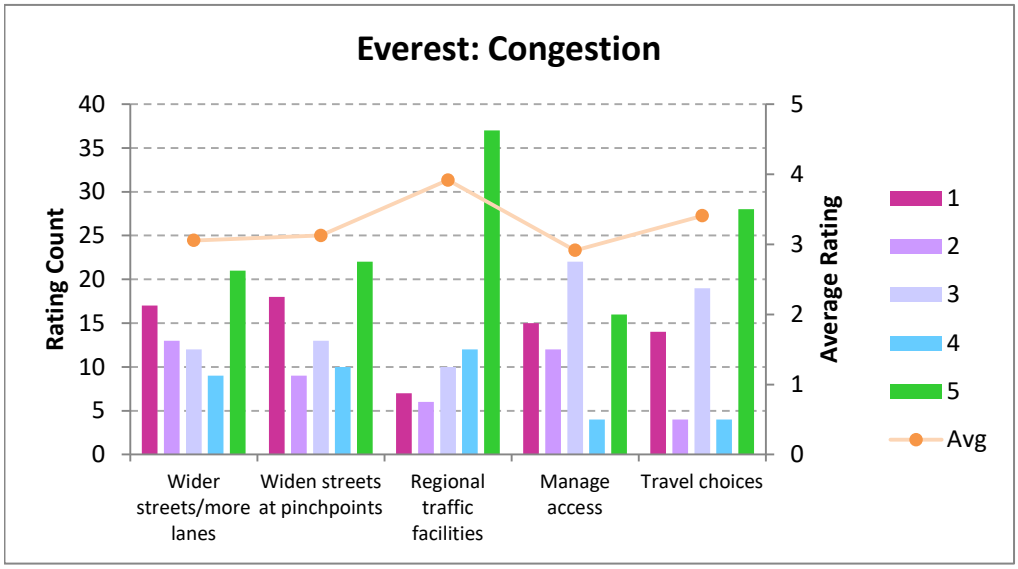


Image Voting: Commercial & Mixed Use

		1	2	3	4	5	Avg	Count
S4_P1_T1	Small scale commercial	18	10	14	17	21	3.16	80
S4_P1_T2	2 story mixed use	10	16	24	19	11	3.06	80
S4_P1_T3	3 story mixed use	31	12	16	17	4	2.39	80
S4_P1_T4	4 story mixed use	43	12	7	9	9	2.11	80
S4_P1_T5	5 story mixed use	53	12	3	3	9	1.79	80

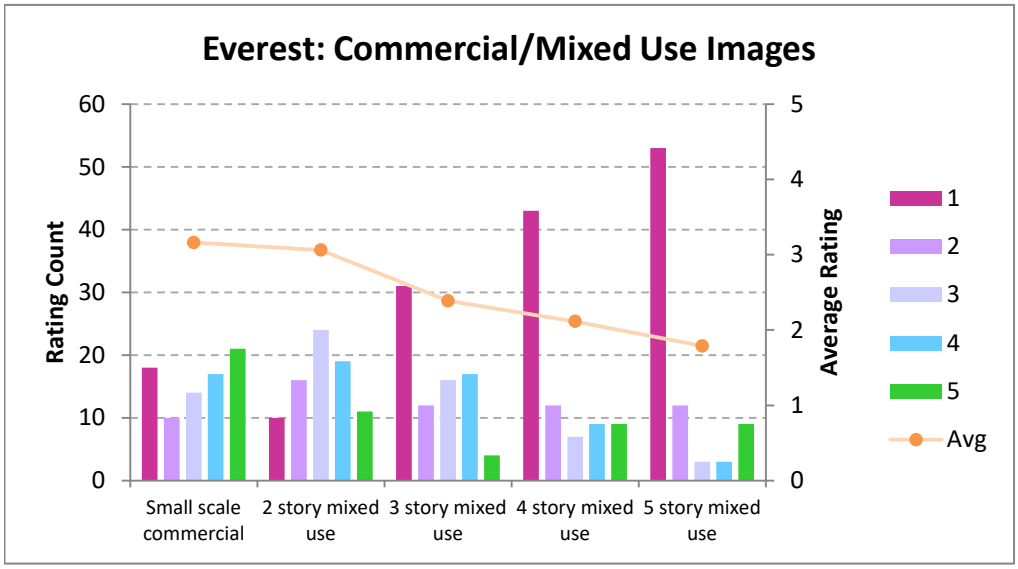
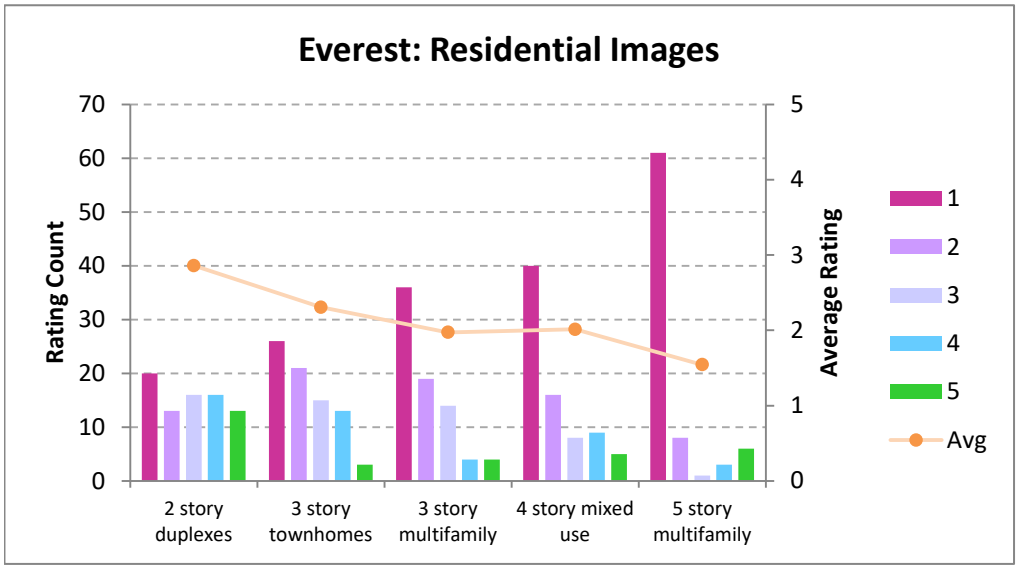


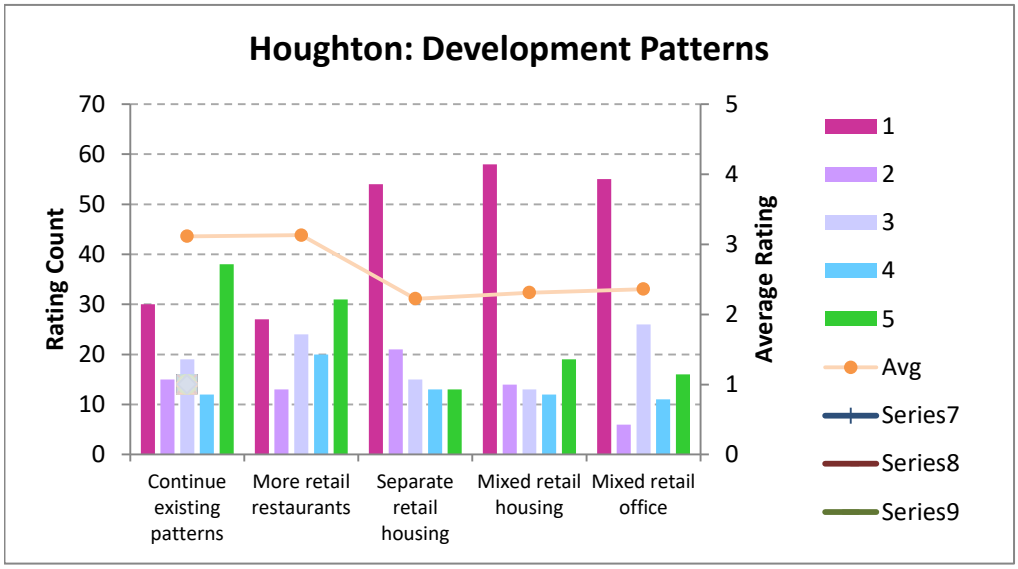
Image Voting: Residential

		1	2	3	4	5	Avg	Count
S4_P2_T1	2 story duplexes	20	13	16	16	13	2.86	78
S4_P2_T2	3 story townhomes	26	21	15	13	3	2.31	78
S4_P2_T3	3 story multifamily	36	19	14	4	4	1.97	77
S4_P2_T4	4 story mixed use	40	16	8	9	5	2.01	78
S4_P2_T5	5 story multifamily	61	8	1	3	6	1.54	79



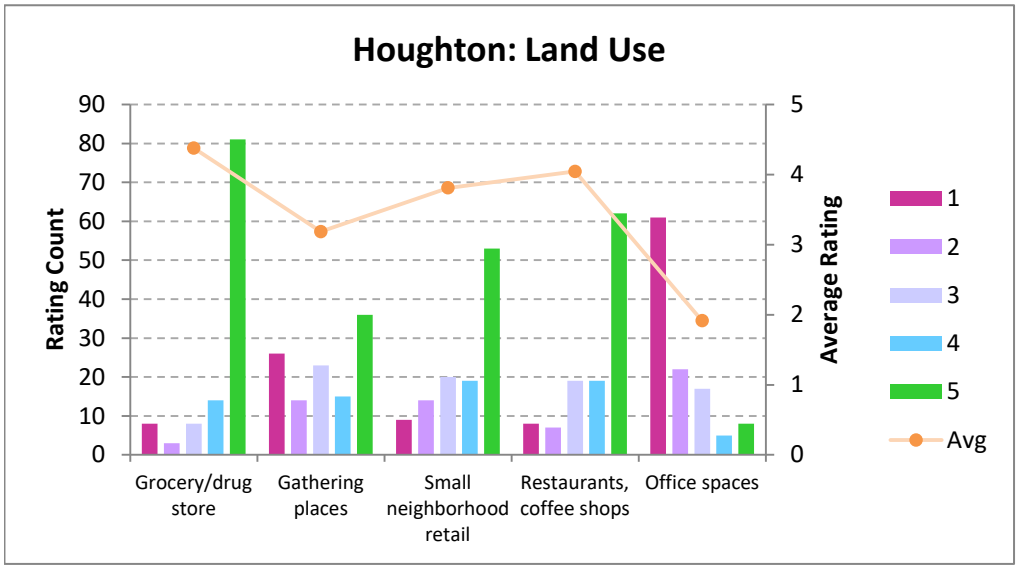
Neighborhood Preferences: Development Patterns

		1	2	3	4	5	Avg	Count
S2_P1_T1	Continue existing patterns	30	15	19	12	38	3.11	114
S2_P1_T2	More retail restaurants	27	13	24	20	31	3.13	115
S2_P1_T3	Separate retail housing	54	21	15	13	13	2.22	116
S2_P1_T4	Mixed retail housing	58	14	13	12	19	2.31	116
S2_P1_T5	Mixed retail office	55	6	26	11	16	2.36	114



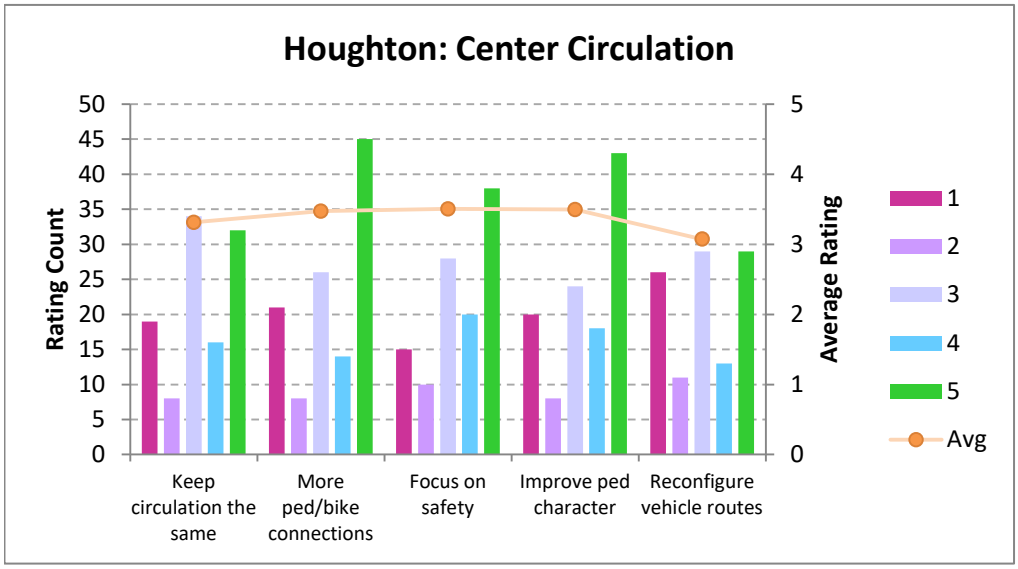
Neighborhood Preferences: Land Use

		1	2	3	4	5	Avg	Count
S2_P2_T1	Grocery/drug store	8	3	8	14	81	4.38	114
S2_P2_T2	Gathering places	26	14	23	15	36	3.18	114
S2_P2_T3	Small neighborhood retail	9	14	20	19	53	3.81	115
S2_P2_T4	Restaurants, coffee shops	8	7	19	19	62	4.04	115
S2_P2_T5	Office spaces	61	22	17	5	8	1.91	113



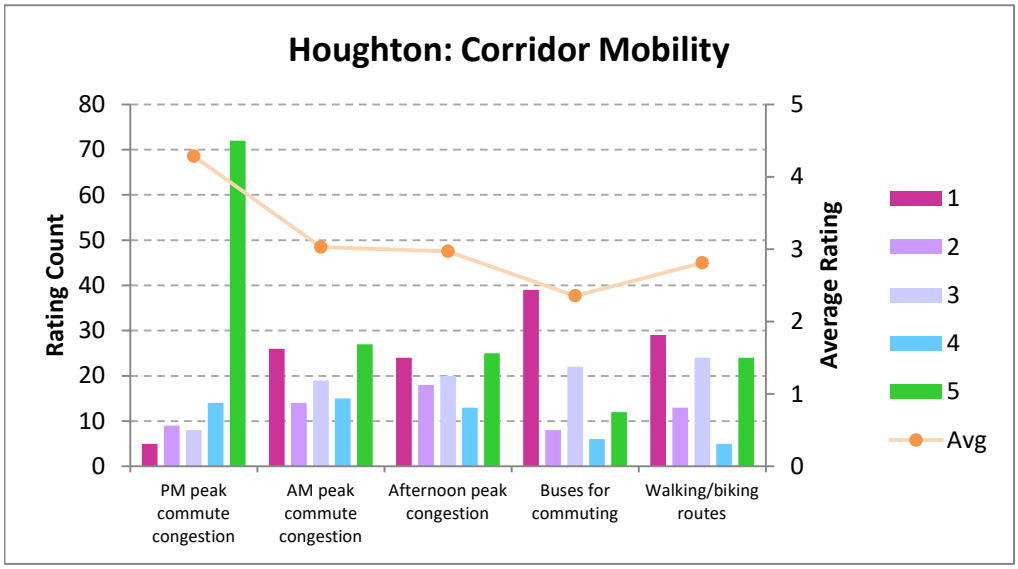
Neighborhood Preferences: Center Circulation

		1	2	3	4	5	Avg	Count
S2_P3_T1	Keep circulation the same	19	8	34	16	32	3.31	109
S2_P3_T2	More ped/bike connections	21	8	26	14	45	3.47	114
S2_P3_T3	Focus on safety	15	10	28	20	38	3.50	111
S2_P3_T4	Improve ped character	20	8	24	18	43	3.50	113
S2_P3_T5	Reconfigure vehicle routes	26	11	29	13	29	3.07	108



Neighborhood Preferences: Corridor Mobility

		1	2	3	4	5	Avg	Count
S2_P4_T1	PM peak commute congestion	5	9	8	14	72	4.29	108
S2_P4_T2	AM peak commute congestion	26	14	19	15	27	3.03	101
S2_P4_T3	Afternoon peak congestion	24	18	20	13	25	2.97	100
S2_P4_T4	Buses for commuting	39	8	22	6	12	2.36	87
S2_P4_T5	Walking/biking routes	29	13	24	5	24	2.81	95



Transportation Strategies: Congestion

		1	2	3	4	5	*Avg*	*Count*
S3_P4_T1	Wider streets/more lanes	46	16	8	10	30	*2.65*	*110*
S3_P4_T2	Widen streets at pinchpoints	34	14	15	7	34	*2.93*	*104*
S3_P4_T3	Regional traffic facilities	11	3	6	19	71	*4.24*	*110*
S3_P4_T4	Manage access	25	20	24	11	17	*2.74*	*97*
S3_P4_T5	Travel choices	27	11	22	9	36	*3.15*	*105*

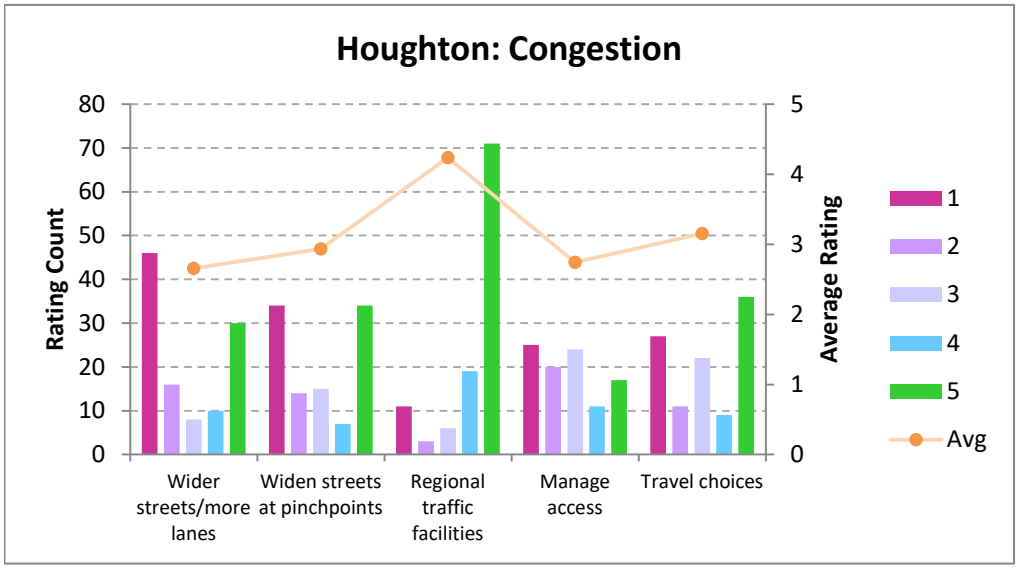


Image Voting: Commercial & Mixed Use

		1	2	3	4	5	Avg	Count
S4_P1_T1	Small scale commercial	15	13	23	23	42	3.55	116
S4_P1_T2	2 story mixed use	29	21	28	22	18	2.82	118
S4_P1_T3	3 story mixed use	46	16	32	14	11	2.39	119
S4_P1_T4	4 story mixed use	56	21	10	19	11	2.21	117
S4_P1_T5	5 story mixed use	76	14	9	12	9	1.87	120

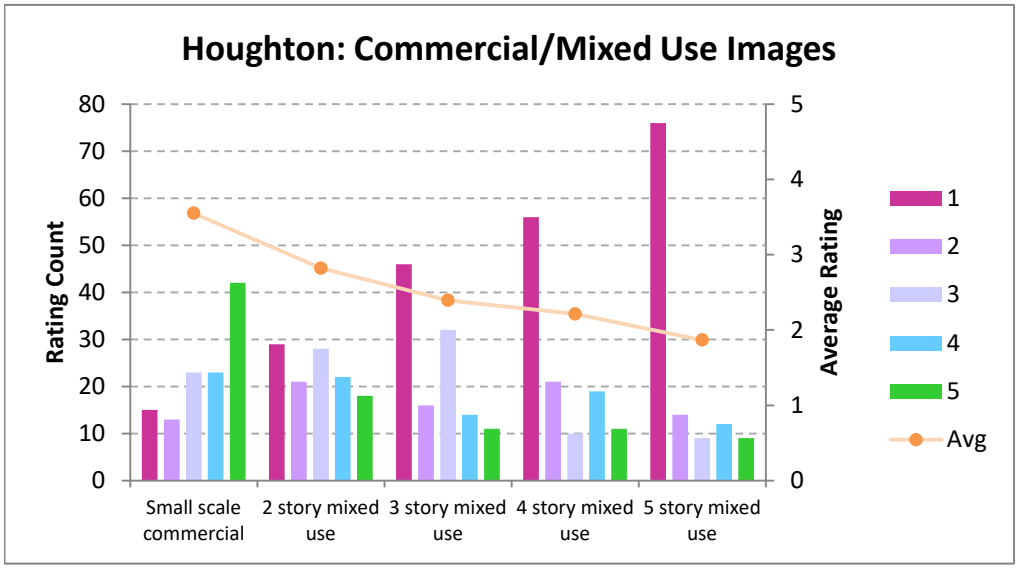
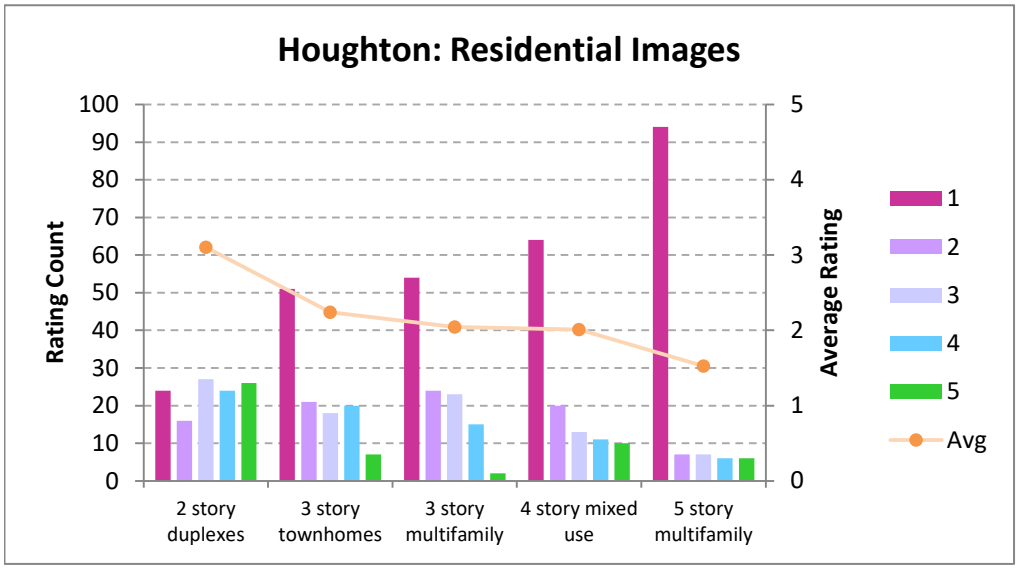


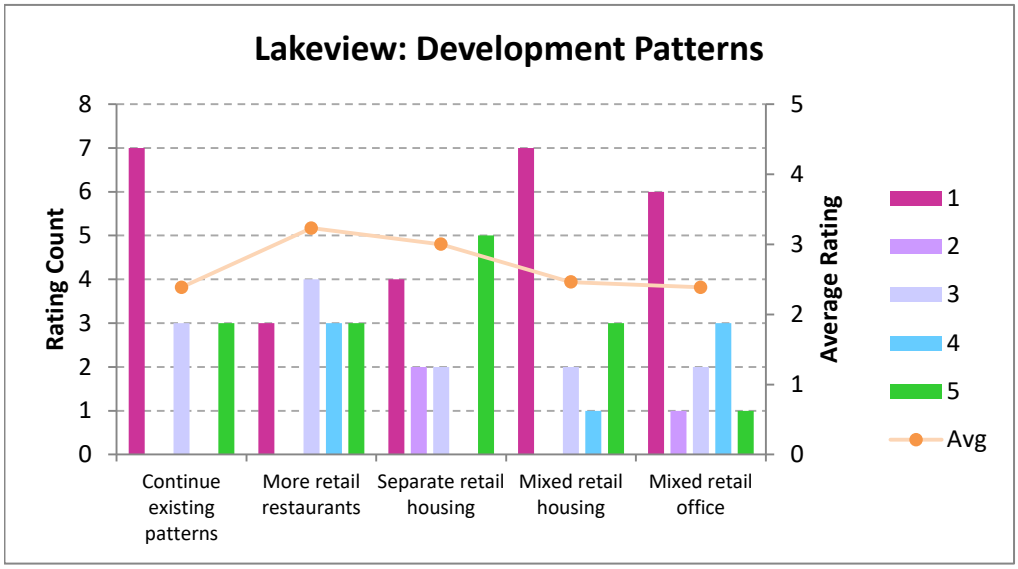
Image Voting: Residential

		1	2	3	4	5	Avg	Count
S4_P2_T1	2 story duplexes	24	16	27	24	26	3.10	117
S4_P2_T2	3 story townhomes	51	21	18	20	7	2.24	117
S4_P2_T3	3 story multifamily	54	24	23	15	2	2.04	118
S4_P2_T4	4 story mixed use	64	20	13	11	10	2.01	118
S4_P2_T5	5 story multifamily	94	7	7	6	6	1.53	120



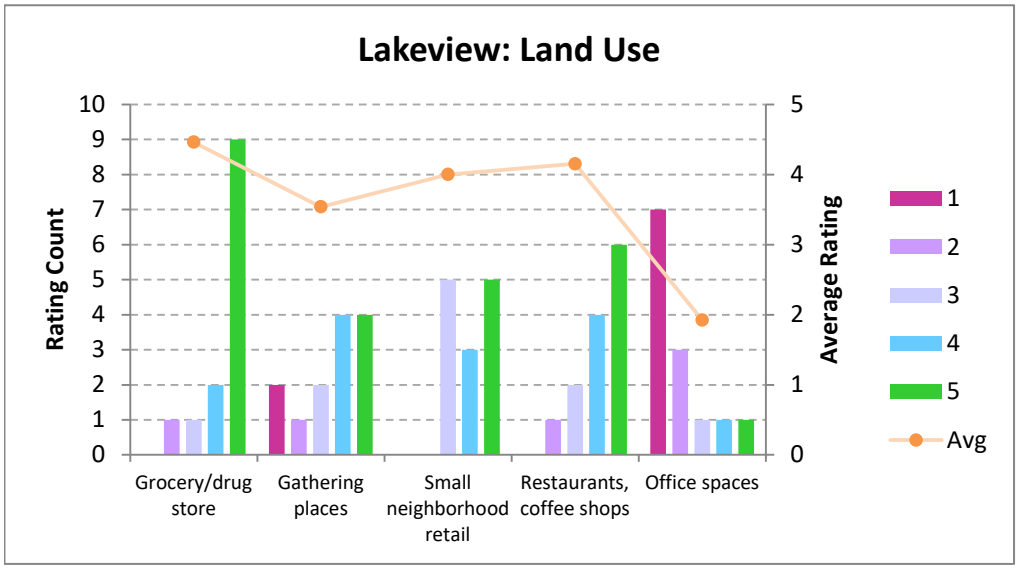
Neighborhood Preferences: Development Patterns

		1	2	3	4	5	Avg	Count
S2_P1_T1	Continue existing patterns	7	0	3	0	3	2.38	13
S2_P1_T2	More retail restaurants	3	0	4	3	3	3.23	13
S2_P1_T3	Separate retail housing	4	2	2	0	5	3.00	13
S2_P1_T4	Mixed retail housing	7	0	2	1	3	2.46	13
S2_P1_T5	Mixed retail office	6	1	2	3	1	2.38	13



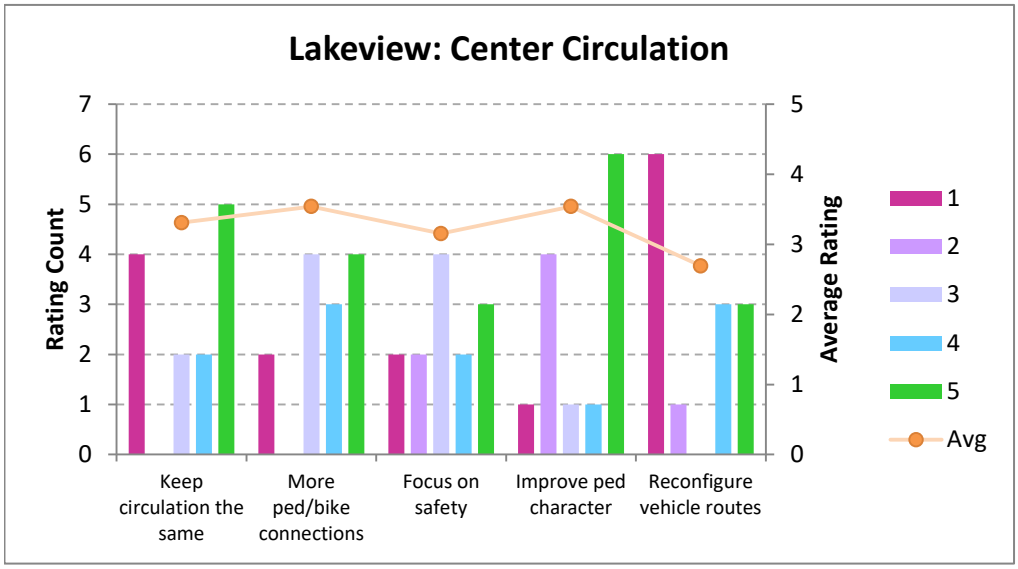
Neighborhood Preferences: Land Use

		1	2	3	4	5	Avg	Count
S2_P2_T1	Grocery/drug store	0	1	1	2	9	4.46	13
S2_P2_T2	Gathering places	2	1	2	4	4	3.54	13
S2_P2_T3	Small neighborhood retail	0	0	5	3	5	4.00	13
S2_P2_T4	Restaurants, coffee shops	0	1	2	4	6	4.15	13
S2_P2_T5	Office spaces	7	3	1	1	1	1.92	13



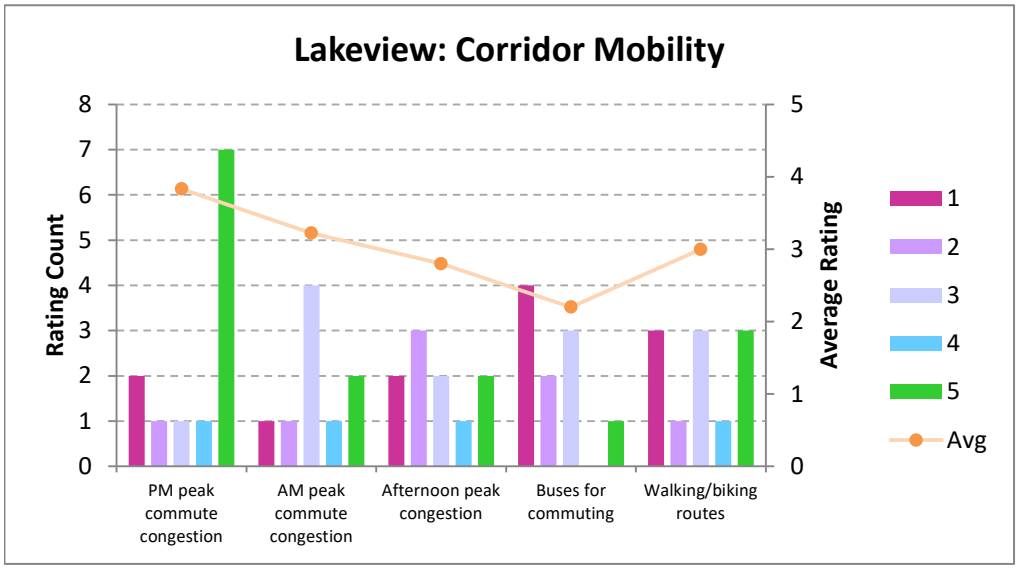
Neighborhood Preferences: Center Circulation

		1	2	3	4	5	Avg	Count
S2_P3_T1	Keep circulation the same	4	0	2	2	5	3.31	13
S2_P3_T2	More ped/bike connections	2	0	4	3	4	3.54	13
S2_P3_T3	Focus on safety	2	2	4	2	3	3.15	13
S2_P3_T4	Improve ped character	1	4	1	1	6	3.54	13
S2_P3_T5	Reconfigure vehicle routes	6	1	0	3	3	2.69	13



Neighborhood Preferences: Corridor Mobility

		1	2	3	4	5	Avg	Count
S2_P4_T1	PM peak commute congestion	2	1	1	1	7	3.83	12
S2_P4_T2	AM peak commute congestion	1	1	4	1	2	3.22	9
S2_P4_T3	Afternoon peak congestion	2	3	2	1	2	2.80	10
S2_P4_T4	Buses for commuting	4	2	3	0	1	2.20	10
S2_P4_T5	Walking/biking routes	3	1	3	1	3	3.00	11



Transportation Strategies: Congestion

		1	2	3	4	5	*Avg*	*Count*
S3_P4_T1	Wider streets/more lanes	7	2	2	1	2	*2.21*	*14*
S3_P4_T2	Widen streets at pinchpoints	5	1	2	3	3	*2.86*	*14*
S3_P4_T3	Regional traffic facilities	0	1	0	3	10	*4.57*	*14*
S3_P4_T4	Manage access	1	0	3	6	4	*3.86*	*14*
S3_P4_T5	Travel choices	3	1	1	4	5	*3.50*	*14*

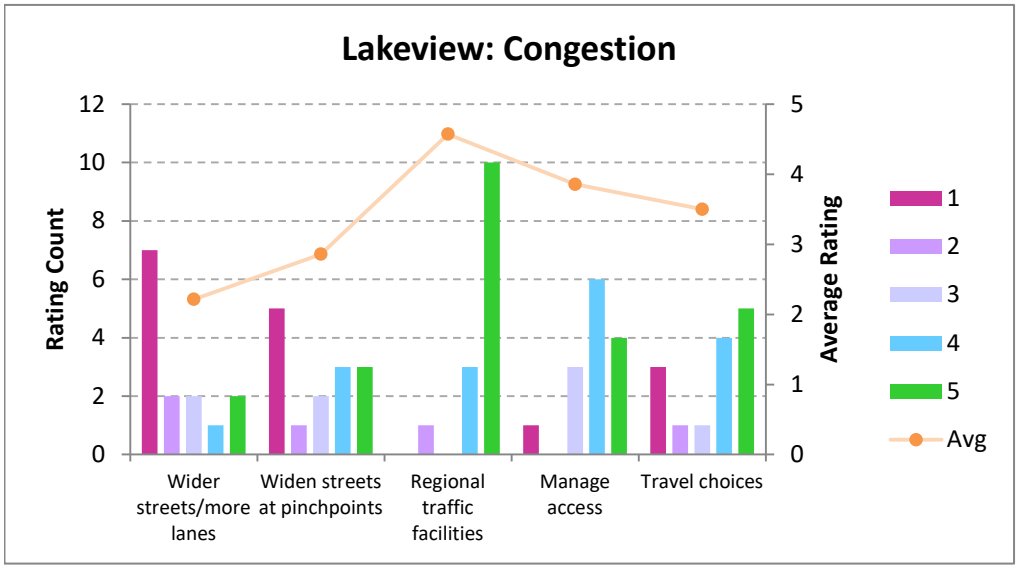


Image Voting: Commercial & Mixed Use

		1	2	3	4	5	Avg	Count
S4_P1_T1	Small scale commercial	3	2	2	3	3	3.08	13
S4_P1_T2	2 story mixed use	1	3	5	1	3	3.15	13
S4_P1_T3	3 story mixed use	5	1	3	3	1	2.54	13
S4_P1_T4	4 story mixed use	4	1	1	6	1	2.92	13
S4_P1_T5	5 story mixed use	6	2	2	2	1	2.23	13

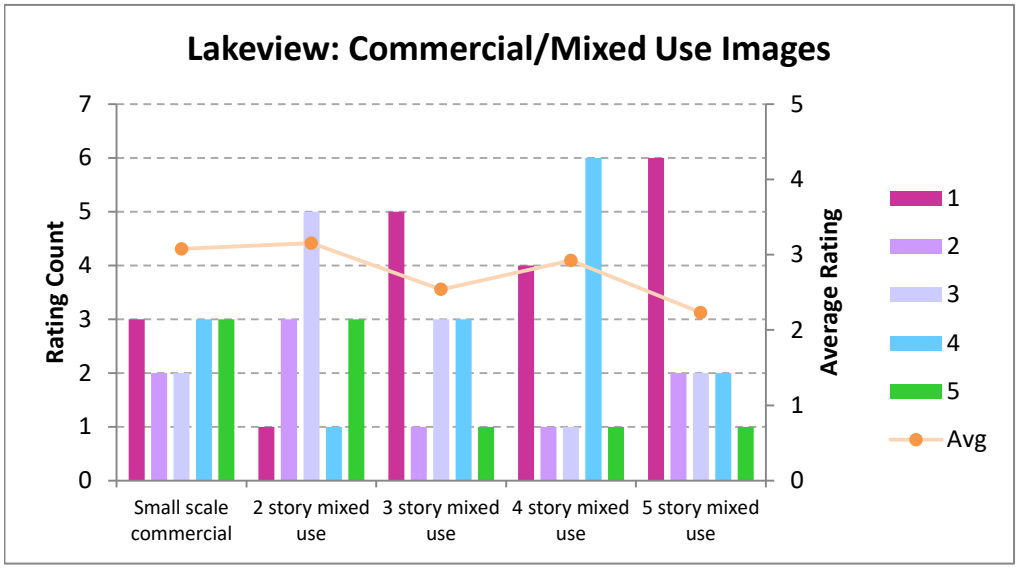
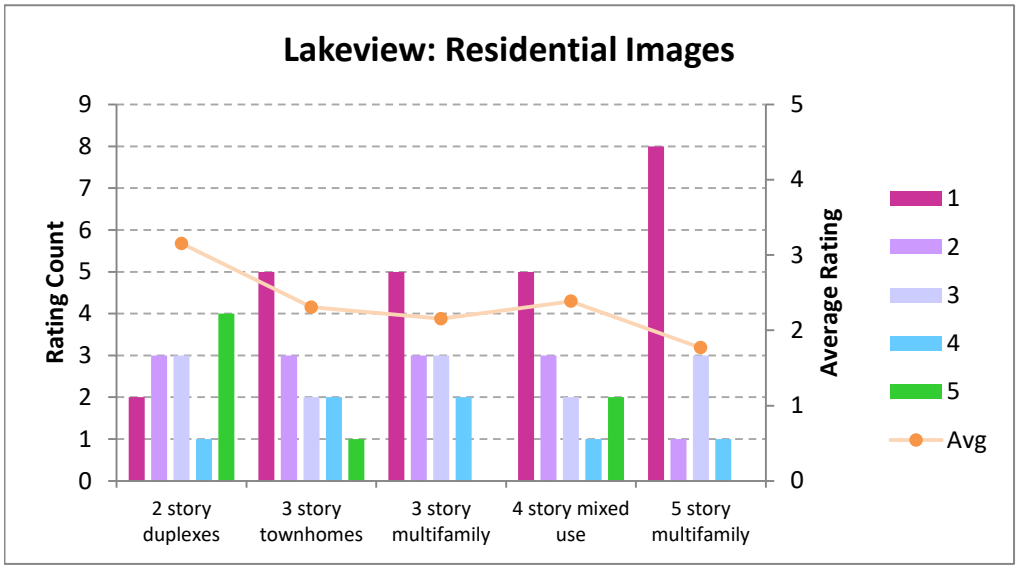


Image Voting: Residential

		1	2	3	4	5	Avg	Count
S4_P2_T1	2 story duplexes	2	3	3	1	4	3.15	13
S4_P2_T2	3 story townhomes	5	3	2	2	1	2.31	13
S4_P2_T3	3 story multifamily	5	3	3	2	0	2.15	13
S4_P2_T4	4 story mixed use	5	3	2	1	2	2.38	13
S4_P2_T5	5 story multifamily	8	1	3	1	0	1.77	13



HE6 CORRIDOR STUDY PHYSICAL CONDITION- DRAFT

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DRAFT

INTRODUCTION

The HE6th Neighborhood Center lies at the intersection of the City of Kirkland's Houghton and Everest Neighborhoods. It is anchored by two active grocery store retail centers, the Cross Kirkland Corridor, and two arterial streets that carry vehicles, bicycles, and buses. The neighborhood is bordered by Google's newly expanded Kirkland campus, with Downtown Kirkland located about a mile to the northeast. Lake Washington sits just down the hill to the west of HE6th. Exhibit 1 shows the study area boundary, with the NE 68th Street running east-west and 6th Street South running north-south.

Exhibit 1. HE6th Study Area Aerial

Source: Google Earth, 2016; BERK, 2016

This study evaluates the development feasibility of the parcels within the Neighborhood Center, testing three different development intensities that could occur under varying regulatory scenarios – preservation of current conditions, modest change, and greater change. The feasibility assessment tests these scenarios under current market conditions and community goals. As part of the process, the local community, the City of Kirkland, the Central Houghton and Everest neighborhood associations, and landowners were asked to provide input on their desires for HE6th's future, as well as their impression of what kind of change is realistic. This input, along with assumptions based on the market, fed into a series of pro forma models that helped inform an understanding of the likelihood of redevelopment under each scenario.

The following sections outline the existing physical conditions of HE6th, along with an evaluation of the potential for redevelopment under each regulatory scenario, and concludes with a summary of key findings.

PHYSICAL CONDITION ASSESSMENT

The physical condition assessment evaluates the existing conditions of streets, circulation, public spaces, use types, structures, parking, green space, zoning, and redevelopment potential.

Streets + Public Spaces

Arterials + Local Access Streets

The neighborhood center is anchored by the two main arterials of 108th Avenue NE/6th Street S and NE 68th Street. Exhibit 2 shows the two arterials crossing in the center of the study area. 6th Street S has three vehicle lanes, a bike lane, and narrow sidewalks, and access to local bus routes. NE 68th Street has three to four vehicle lanes, a bike lane, narrow sidewalks, and landscaping along the street edge. It is bordered by surface parking throughout much of the study area.

There are a few local access streets in the neighborhood, although the main circulation is along the arterials, where the ingress and egress for the local retail is found.

Cross Kirkland Corridor

The Cross Kirkland Corridor runs through the western side of the study area (Exhibit 2), and is the primary open space in the Neighborhood Center. The Corridor is a 5.75-mile recreational path that runs from South Kirkland Park & Ride through the Totem Lake Business District. It was an active railroad line until 2008. There is a trailhead located at NE 68th Street, within the study area. The Master Plan for the Corridor includes future plans to connect the Cross Kirkland Corridor with the Redmond Central Connector, the future 520 connection, and other regional trails, as well as extending the Corridor along other sections of the Eastside Rail Corridor. (City of Kirkland, 2016)

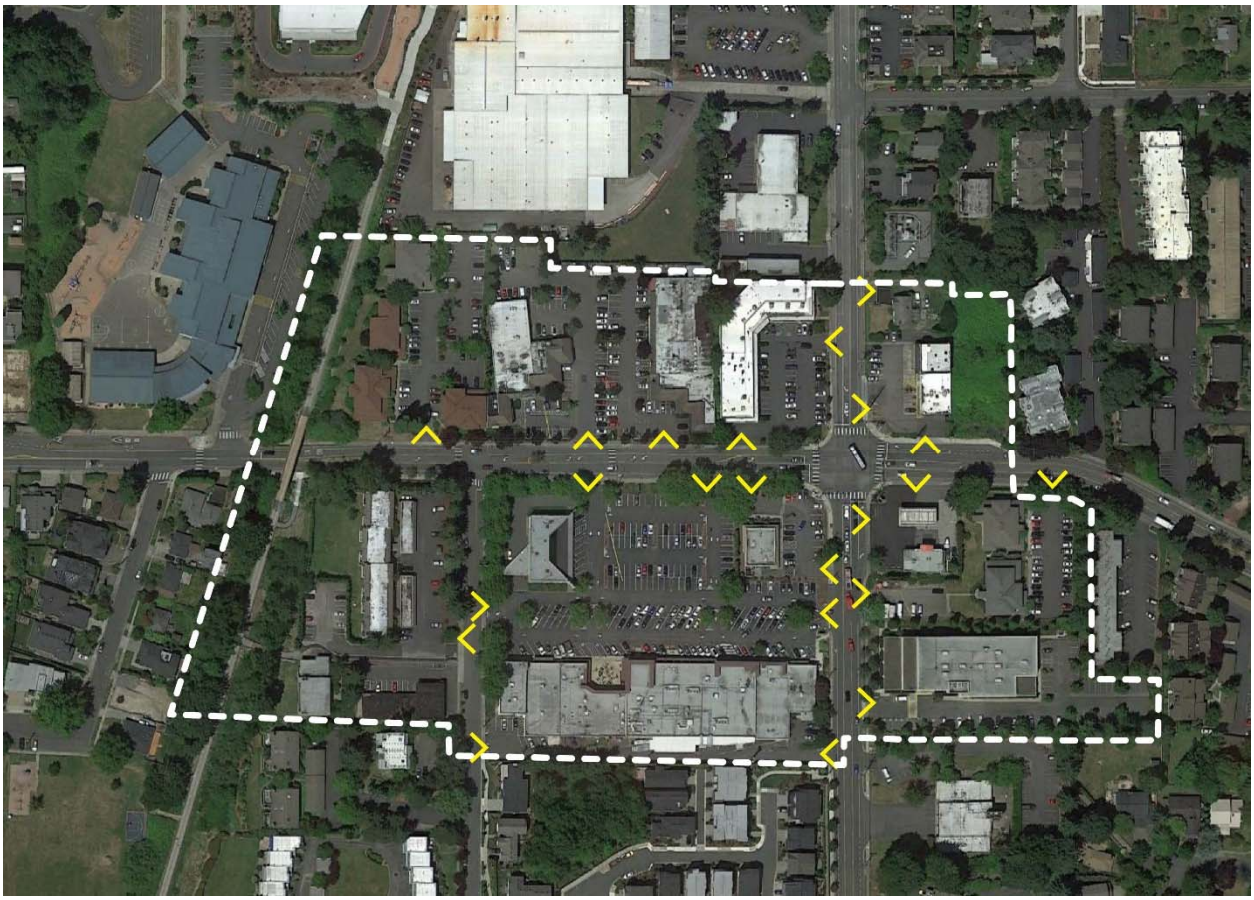
Exhibit 2. Arterial Streets and Cross Kirkland Corridor

Source: BERK, 2016; Google Earth, 2016

Curb Cuts and Access Management

There are frequent curb cuts along the arterials running through the Neighborhood Center, creating vehicle, bicycle, and pedestrian conflicts. Exhibit 3 shows the location of all 22 curb cuts in the study area.

Exhibit 3. Curb Cuts



Source: BERK, 2016; Google Earth, 2016

Buildings, Parking, Green Space

The most common use of land within HE6th is for parking and parking circulation. There are 657 parking spaces associated with the developments in the Neighborhood Center, as identified for the individual parking lots in Exhibit 4. The parking is generally located in front of the buildings and along the street, with the buildings set back behind the parking areas.

There is also some green space in the area, with the majority of it concentrated within or near the Cross Kirkland Corridor (discussed above, and highlighted in Exhibit 2. There are small landscaped areas and residential lawns scattered throughout the Neighborhood Center as well.

Exhibit 4. Buildings, Parking, and Green Space

Source: BERK, 2016

Land Use

Existing Land Use + Buildings

The HE6th area is currently occupied by large and small format retail in strip-mall development. The structures are one or two stories high and set back from the street. There are two grocery stores including a Metropolitan Market and a PCC, as well as additional neighborhood-serving retail. There are a couple of parcels occupied by office uses and some multi-family apartment units.

Exhibit 5 shows the building footprints and use type for the structures within the HE6th study area. There is a total of 105,000 square feet of retail, 73,000 square feet of office, and 40 residential units. Individual building square footages are identified in Exhibit 5 as well.

Exhibit 5. Existing Land Use of HE6th Structures

Source: BERK, 2016

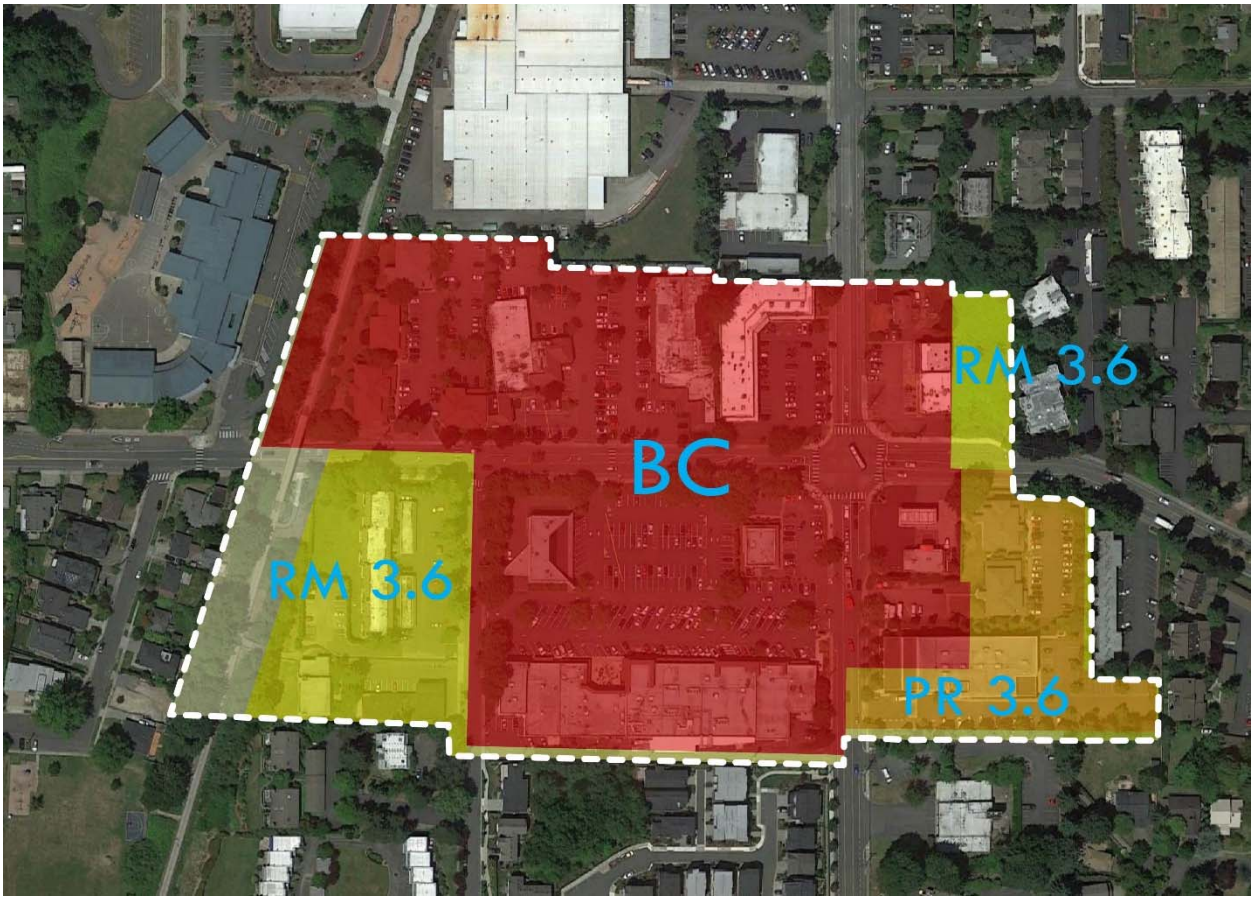
Future Land Use

Future land use in HE6th is primarily Commercial, with a few parcels designated as Medium Density Residential. Low Density Residential overlaps with the study area, however the only parcel designated as Low Density Residential is occupied by the Cross Kirkland Corridor, which is unlikely to see a change of use during the planning period.

Zoning

There are three main zoning district within the study area, with the majority of HE6th falling within the BC zone. Exhibit 6 shows the boundaries of each zoning district within HE6th. Summaries of key development regulations for the Neighborhood Center's zones are included in Exhibit 7. Generally, buildings are restricted to 30-foot heights, setbacks are required to be 20 feet (with some exceptions), and maximum lot coverage is between 60 and 80 percent.

Exhibit 6. HE6th Zoning



Source: City of Kirkland, 2016; BERK, 2016; Google Earth, 2016

Exhibit 7. Zoning District Summaries

Topic	BC – Community Business (Commercial Mixed-Use)	RM 3.6 – Multi-Family Residential (Medium Density Residential)	PR 3.6 – Office
Ground Floor Retail Requirement	• At least 75 percent of total gross floor area on the ground floor must contain retail, restaurants, taverns, hotels, motels, or offices, which must be oriented to an arterial, major pedestrian sidewalk, and pedestrian pathway, or internal pathway	• Not regulated	• Not regulated
Affordable Housing	• Not regulated	• Medium density residential developments with four or more new units must provide at least 10 percent of units as affordable housing	• Developments with four or more new units must provide at least 10 percent of units as affordable housing • Two additional units can

		• Two additional units can be built for each affordable unit provided	be built for each affordable unit provided
Maximum height	• If adjoining a low density zone (other than RSX), then 25 feet above average building elevation • If not adjoining a low density zone, 30 feet above average building elevation	• 30 feet above average building elevation	• 30 feet above average building elevation
Allowed Uses and Review Process	• Other than the development of parks, and vehicle service stations, the BC zone does not require any additional review processes for allowed uses.	• Some use types require additional review processes (Process IIA, Process I as defined by KZC Chapter 145) • Unlike other medium density residential zones, RM 3.6 does not allow for entertainment facilities, golf courses, hotels, office uses, public access facilities, or restaurants	• Some use types require additional review processes (Process I as defined by KZC Chapter 145) • Unlike other office zones, PR 3.6 does not allow for waterfront-related uses, hospitals, developments with attached or stacked dwelling units, restaurants, or taverns
Minimum Lot Size	• Vehicle Service Station – 22,500 Sq. Ft. • All other – None (with some gross floor area restrictions)	• Assisted Living Facility, Detached or Attached Dwelling Units, Mini School/Day-Care – 3,600 Sq. Ft. • Church, Convalescent Center, Entertainment/Cultural/Recreational Facilities, Small format retail (grocery, barber, etc.), Nursing Home, Restaurant, School/Day-Care – 7,200 Sq. Ft • Golf Course – 1 Acre • All other allowed uses - None	• Varies depending on use • Assisted Living Facility, Dwelling Unit, Mini-School, Mini-Day Care, – 3,600 Sq. Ft. • Church, Convalescent Center, Funeral Home, Nursing Home, Retail Establishment, School, Day Care – 7,200 Sq. Ft. • All other - None
Required Setbacks	• Front – 20 feet • Side – 0 feet • Rear – 0 feet • Vehicle service station – 40 feet front, 15 feet side, 15 feet rear	• Front – 20 to 30 feet, varies based on use • Side – 5 to 20 feet, varies based on use • Rear – 10 to 20, varies based on use	• Front – 20 feet • Side – 5 to 20 feet, varies based on use • Rear – 10 to 20 feet, varies based on use

		• Golf Course – 50 feet front, 50 feet side, 50 feet rear • School or Day-Care – varies based on student capacity	
Maximum Lot Coverage	• 80 percent	• 60 to 80 percent, varies based on use	• 70 percent
Parking Requirement *	• 1.2 per studio unit • 1.3 per 1 bedroom unit • 1.6 per 2 bedroom unit • 1.8 per 3 or more bedroom unit • 1 per 300 sq ft of office or retail	• 1.2 per studio unit • 1.3 per 1 bedroom unit • 1.6 per 2 bedroom unit • 1.8 per 3 or more bedroom unit • 1 per 300 sq ft of office or retail	• 1.2 per studio unit • 1.3 per 1 bedroom unit • 1.6 per 2 bedroom unit • 1.8 per 3 or more bedroom unit • 1 per 300 sq ft of office or retail

Note: Landscape and signage requirements vary based on development type.

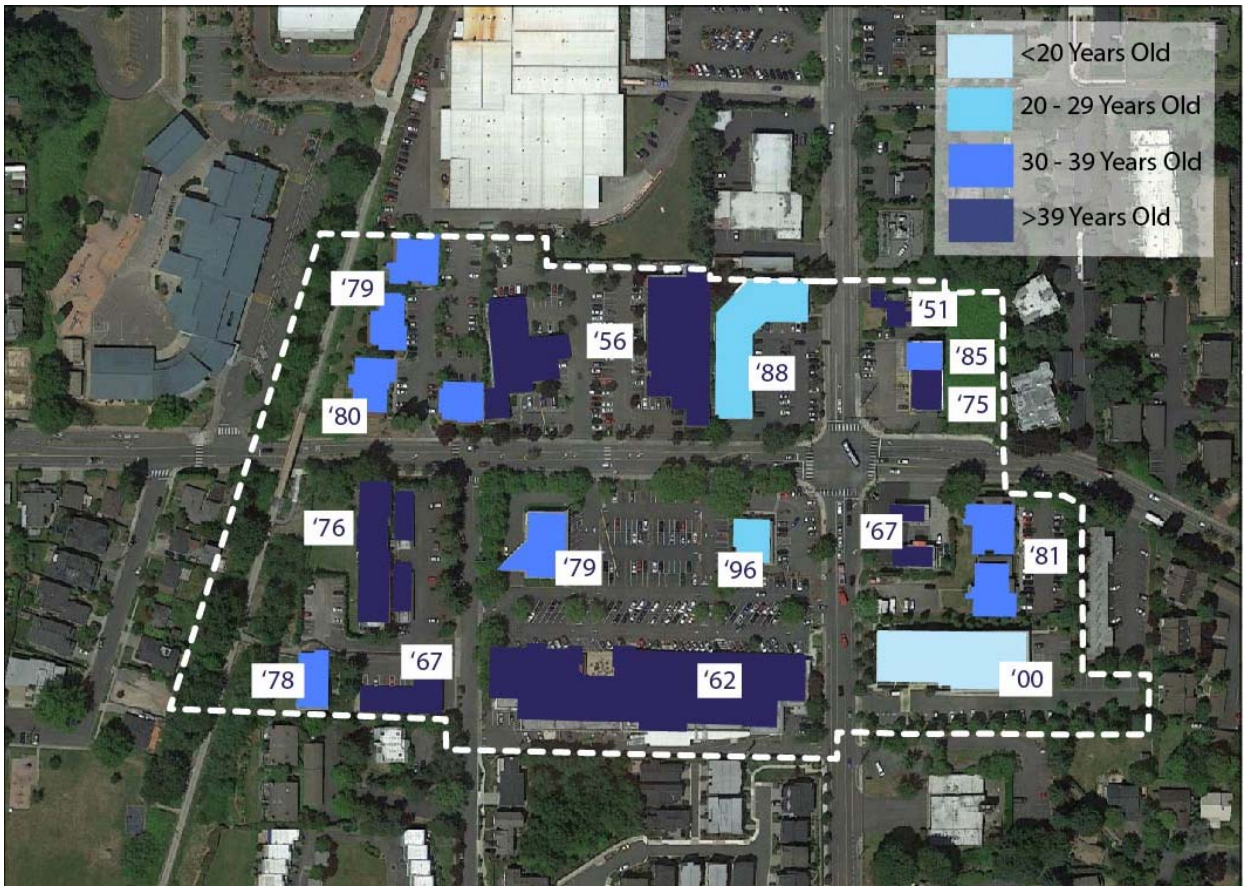
*Additional parking requirements for specific uses provided in KMC Chapters 15, 20, 35

Source: Kirkland Zoning Code, Chapters 15, 20, 35

Age of Buildings

Exhibit 8 shows the year that structures within the HE6th study area were built, with more recent construction shown in lighter blue and older construction shown in darker blue. All but three of the buildings were constructed at least 30 years ago, with a notable share that are 40 years or older in age. Generally, buildings are expected to have a useful life of around 40 years. Since so many of the HE6th's buildings are 40 years old or close to it, the buildings are becoming out of date. When a structure no longer fits the quality or behavioral floor plate demands of tenants, buildings may be vacated by current tenants and become hard to lease. As buildings in the HE6th area age, it is important to consider the feasibility of redevelopment and avoiding future declines due to vacancy.

Exhibit 8. Year Built and Age of Buildings

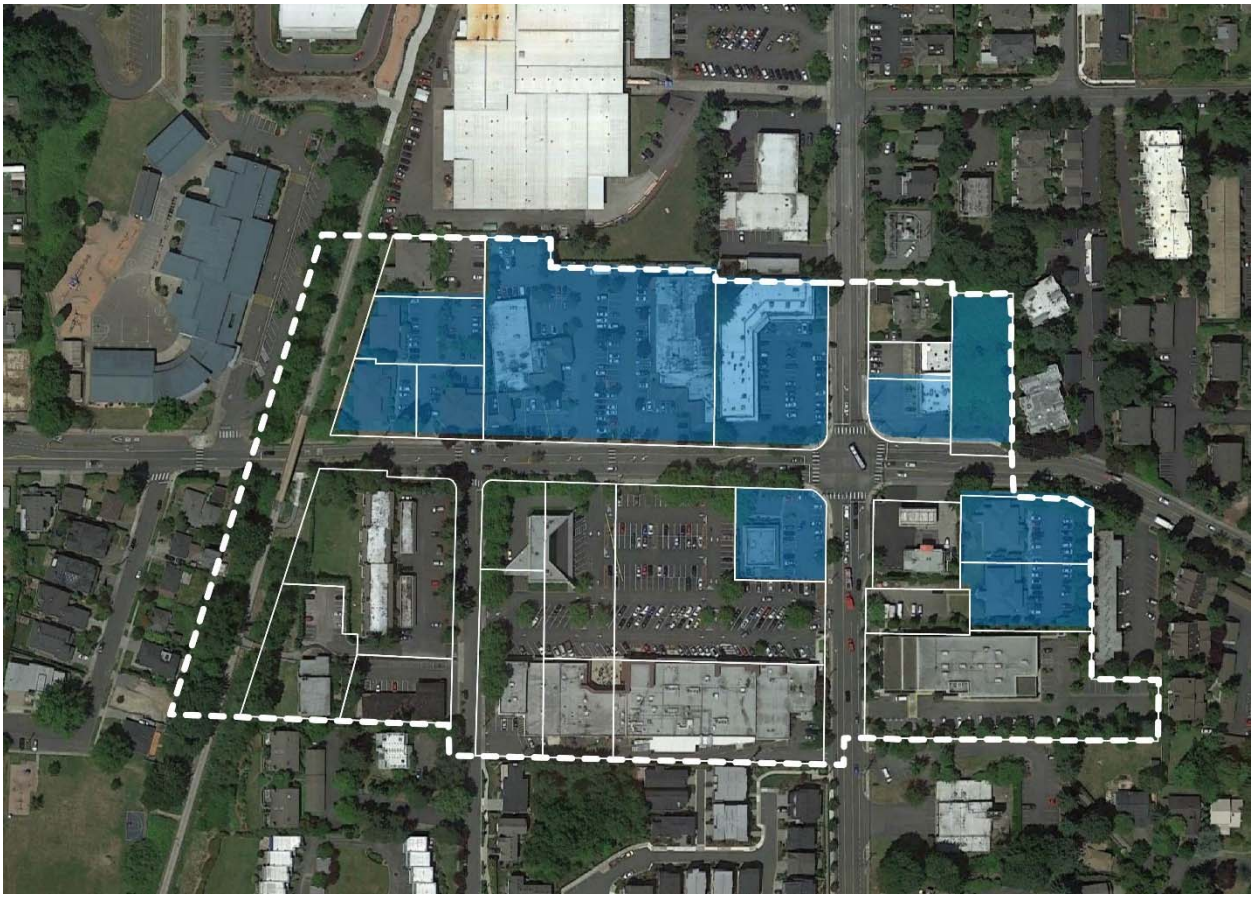


Source: BERK, 2016; King County Assessor, 2016

Redevelopable Properties

Exhibit 9 shows the properties that were identified as redevelopable in the City's 2016 Comprehensive Plan Development Capacity Analysis. These are properties whose improvement value is less than 50 percent of the land value. The properties shaded in blue are the properties that are most likely to change given existing or new development regulations. Additional parcels within the Neighborhood Center may redevelop as well.

Exhibit 9. Redevelopable Properties in HE6th



Source: BERK, 2016; City of Kirkland, 2016

PLAN SCENARIOS + NEIGHBORHOOD GOALS

The following plan scenarios – Preservation Scenario, Modest Change Scenario, and Greater Change and Amenities Scenario – test the trade-offs between different levels development within the Neighborhood Center. They are meant to provide an overview of the potential resulting development as well as outline the potential feasibility of redevelopment under each scenario, given the current market and the existing land use conditions of the study area.

Houghton Plaza, Kirkland, WA (Source: BERK)

In addition, the scenarios are reviewed with the Houghton Center Neighborhood Plan goals and policies as a backdrop, recognizing that the project's study area overlaps with the Houghton Center Neighborhood Plan's boundaries. Relevant goals of the Plan include the following ideas:

- Protecting and enhancing the natural environment
- Promoting and retaining the residential character while accommodating compatible infill development and redevelopment
- Allowing for alternative residential development options that are compatible
- Promoting a strong and vibrant Neighborhood Center with a mix of commercial and residential uses.
- Promoting high quality design by establishing design standards that apply to commercial and multifamily development
- Supporting the transition of Houghton Center into a pedestrian-oriented mixed use development
- Minimizing impacts between residential uses and adjoining commercial uses
- Maintaining mobility along 108th Avenue NE as a major vehicle, transit, pedestrian, and bicycle corridor
- Encouraging mobility and the use of non-motorized transportation
- Preserving public view corridors and natural features that contribute to the visual identity
- Enhancing gateways to the neighborhood to strengthen identity
- Providing public improvements that contribute to a sense of identity and visual quality (Central Houghton Neighborhood Association, 2012)

To meet these neighborhood goals significant investment will be required for redevelopment of private properties and in public spaces. Public space investments can be required through development standards and design guidelines, can be supported by an increased taxed base and impact fees for new development, through City investments, or as public/private partnerships. For the City to require public space investments by private developers the value of the development must be able to support the cost of expanding and improving public spaces. The scenarios consider the potential for development at a variety of scales to be able to support public improvements based on community goals.

Preservation Scenario

Overview

The Preservation Scenario includes any potential development allowed under existing regulations. With 30-foot height limits and other development regulations, such as parking minimums, redevelopment of the HE6th properties is unlikely in the current market, given the cost of land and the permitted development opportunities.

Redevelopment Potential

If a new development were to occur under the Preservation Scenario, the resulting development would likely maintain surface parking and the existing one-story strip-style development pattern. If 2 stories were built, the building footprint (and the ground floor retail space) would be reduced to almost half the amount of space to account for surface parking. The footprint would be further reduced by the addition of a third story, which isn't currently feasible under the 30-foot height limit.

The Preservation Scenario does not address many of the goals in the Houghton Neighborhood Center Plan. It would create public improvements and contribute to some pedestrian-oriented changes, as well as prevent additional impacts between the residential uses and adjoining commercial uses. Mobility along 108th Avenue NE would not decrease, other than impacts attributed to regional growth.

Public Improvements

Public improvements from redevelopment under the Preservation Scenario would likely be limited to traffic improvements since no new design standard would be implemented.

Development Feasibility

Since higher value land requires a higher value development to support the costs, it would be difficult to come up with a development concept that would justify redevelopment under Preservation. Current height limits inhibit redevelopment and an increase in building square footage would yield less first floor retail space than existing buildings to account for more surface parking. Structured parking would not be a feasible development cost given the amount of profitable building square footage allowed.

Modest Change Scenario

Overview

A modest change scenario would involve raising building heights to allow for three stories. It is expected that this scenario would continue to result in surface parking lots, which would constrain the size of the building footprint. Redevelopment would also bring some improvements to public space.

Three Story Mixed-Use Development Example

Redevelopment Potential

The Modest Change Scenario could catalyze minor infill and an improvement in the public realm. An increase in allowed building heights from 30 feet to 35 feet would allow for up to three stories of mixed-use development. Changes to building setbacks would require buildings abut wide sidewalks, creating a more attractive pedestrian environment. The floor area ratio (FAR) would increase

from .37 to between 1.5 and 2.0, allowing for more building. Exhibit 10 shows the comparison between building under the Preservation Scenario and the Modest Change Scenario.

Exhibit 10. Modest Change Comparison

	Preservation Scenario	Modest Change Scenario
Building Height	30 feet	35 feet
Front Setback	20 feet	Buildings would abut wide sidewalks
Lot Coverage	80%	80%
Residential Parking Requirements	Average of 1.5 per unit	Same as existing
Commercial Parking Requirements	1 per 300 Sq Ft	Same as existing
Floor to Area Ratio	0.37	1.5 to 2.0

Source: BERK, 2016

The development potential under this scenario is a better fit for the Central Houghton Neighborhood Plan goals than likely development under the Preservation Scenario. In particular, it accomplishes some of the goals around compatible infill redevelopment, alternative residential options, a mix of retail options, and pedestrian-oriented development.

Pedestrian oriented mixed-use development, Marina Heights, Kirkland WA. Source: City of Kirkland

Public Improvements

The Modest Change Scenario would include both transportation and public space improvements to support redevelopment and neighborhood goals. Transportation and circulation improvements would focus on the arterial corridors and public space improvements would create an environment that prioritizes both vehicles and pedestrians. Additional public space improvements may be adopted by the City to further neighborhood goals as redevelopment occurs.

Development Feasibility

The modest change scenario would be more likely to incentivize development than the Preservation Scenario given the greater potential for improvement value. However, the need to accommodate surface parking constrains building sizes and only some development concepts would be able to include structured parking as a feasible development cost. The overall value of three story development is less likely to support the cost of public improvements by private developers.

Greater Change and Amenities Scenario

Overview

A Greater Change and Amenities scenario would allow for 5-story building heights, and include additional design standards to improve the public space. The mixed-use development-type would create

a livelier Neighborhood Center and would allow for greater amenities. The higher value development allowed under the Greater Change and Amenities Scenario would support the high land costs, which incentivizes redevelopment.

Redevelopment Potential

Redevelopment under this scenario would include significant infill, as well as an increased variety of housing options, retail, and other amenities in mixed-use style development. Building heights of 55 feet would allow for buildings of up to 5 stories. Appropriate development standards would create pedestrian-oriented retail spaces along wide sidewalks and greater potential for usable building square footages. Parking would be tucked inside the building on the ground floor and below surface level since the development would support structured parking. Floor to area ratios in this scenario would be increased from .37 to between 2.5 and 3.0. Exhibit 11 shows the comparison between building under the Preservation Scenario and the Greater Change Scenario.

Outdoor dining at the PCC in Columbia City

Exhibit 11. Greater Change and Amenities Comparison

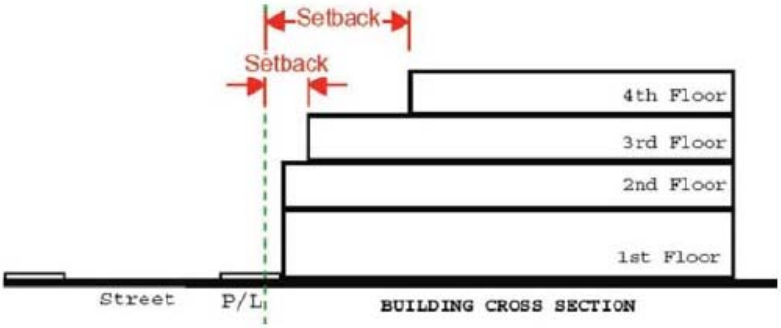
	Preservation Scenario	Greater Change & Amenities Scenario
Building Height	30 feet	55 feet
Front Setback	20 feet	Buildings would abut wide sidewalks
Lot Coverage	80%	No limit
Residential Parking Requirements	Average of 1.5 per unit	Same as existing
Commercial Parking Requirements	1 per 300 Sq Ft	Same as existing
Floor to Area Ratio	0.37	2.5 to 3.0

Source: BERK, 2016;

The development potential under this scenario is a better fit for the Central Houghton Neighborhood Plan goals than likely development under the Preservation Scenario. As with the Modest Change Scenario, it accomplishes some of the goals around compatible infill redevelopment, alternative residential options, a mix of retail options, and pedestrian-oriented development. In addition, the Greater Change and Amenities Scenario addresses circulation for all modes along the arterials, enhances the gateway to the neighborhood, provides public improvements, and promotes high quality design through establishing standards.

Public Improvements

This scenario would require improvements to streets and public spaces to support the new development. Transportation and circulation improvements for vehicles would be implemented. Public space improvements would likely include wider sidewalks, the addition of some on-street parking, expanded public amenity spaces, public art, and neighborhood event space.



4-Story building example with setbacks, Kirkland Pedestrian-Oriented Business Districts Design Guidelines (Source: City of Kirkland)

The City of Kirkland has a set of design guidelines that apply in the Pedestrian-Oriented Business Districts. A summary sheet from the existing guidelines is provided in Appendix A. These guidelines, which have already been developed and implemented in parts of the City, could easily be integrated into any a change scenario in HE6th and their previous implementation provides some predictability in the results.

Development Feasibility

Redevelopment under this scenario is more likely due to the greater value of development and the ability to support higher land costs. More retail and amenity potential within the development are an attractive asset and would incentivize development as well. While there would be no change to parking requirements, potential developments under the Greater Change and Amenities Scenario would make structured parking a feasible construction cost.

DEVELOPMENT FEASIBILITY

Overview of Market Conditions

The HE6th neighborhood is an attractive area for development and is well situated near schools, the newly expanded 375,000 square foot Google Campus, and at the intersection of two residential neighborhoods (Houghton and Everest). The area itself has two grocery stores and a variety of neighborhood-serving retail.

Rents in the area are high and could potentially support new mixed-use development. Residential rents of around $3.00 per square foot and retail rents of around $30 per square foot could be expected. The land values are estimated to be around $100 per square foot. The value for single-family development, where allowed, may compete with multifamily development depending on future zoning scenarios.

National economic recovery since the recession and the regional economic strength as a result of growing industries has led to strong development markets and a pronounced real estate cycle. This in turn has created competition and supply pressures on the construction industry, leading to high construction costs. These factors speak to why development feasibility must be evaluated on a more comprehensive scale than a site-specific scale - it is not just about feasibility of development on a particular parcel, but about how development of a particular parcel compares to development opportunities somewhere else in the region, state, or country (especially in a region where investors have a global reach).

What we've heard from property owners and developers

Property owners and developers have indicated redevelopment is not likely or feasible under current zoning and development standards. Recent history supports this fact as a new building has not be constructed in the neighborhood center for over 15 years despite two strong real estate cycles. Property owners have indicated support for five story development to accommodate the costs of providing structured parking and public amenities needed to support redevelopment and community goals as outlined in the Central Houghton Neighborhood Plan.

Variables Affecting Development Feasibility

The following variables impact the cost of development and can fluctuate depending on the current market and regulations. Some of these factors are relatively fixed, such as the site size, some are based on the economy and market conditions, such as cap rates, and some are related to the regulatory environment, such as parking requirements. The impacts of individual factors were considered as feasibility was analyzed.

- **Floor Area Ratio (FAR).** Floor to area ratio is a common metric used by cities to regulate the bulk and scale of development and is calculated by dividing the gross building square footage (above grade) by the lot size. Higher floor to area ratios allow more built square footage that can be constructed on a parcel and may lead to higher financial returns from the development. On the contrary, allowing an FAR that is above what is supported by the market can lead to longer term speculation and development stagnation.
- **Parking Requirements.** Parking requirements can have a significant impact on construction costs and financial feasibility for development particularly for structured parking which typically costs between $30,000 to $50,000 per parking space.
- **Residential Rents.** Residential rents in the Puget Sound have been growing recently, and the market for residential apartment units is strong. Residential rents are around $3.00 per square foot, varying by unit size and type, market demand, quality of construction, location, and available on-site amenities. (Dupre + Scott, 2016)
- **Retail Rents.** Retail rents in the Puget Sound are strong and the growth in residents and employees in the area creates demand for neighborhood-serving retail in the HE6th area. Retail rents are around $30 per square foot, varying by building type, market demand, quality of construction, location, and amenities. (Dupre + Scott, 2016)
- **Construction Costs**. Construction costs vary depending on the development type and the construction market. The Puget Sound is currently experiencing heightened levels of construction, which are pushing construction costs up. This can fluctuate as the market goes through cycles.
- **Site Size**. The size of a development site impacts the type and scale of the development. Larger sites are more suited for mixed-use residential and large format retail, such as grocery stores, than smaller sites. HE6th has a number of large parcels.
- **Capitalization Rates (Cap Rates)**. Cap rates are a way of assessing real estate value and measuring investments in one market versus another. A cap rate is the ratio of the net operating income to the value of the building. High cap rates mean that the building has a lower total value, and vice versa. Cap rates for apartment development in the Puget Sound area are currently around 5%.
- **Residual Land Value and Land Price**. Land price rests on the potential of the land. Zoning and development regulations placed on land create constraints and opportunities on the value of a future development.

- **Design Guidelines and Public Space Improvements.** The City of Kirkland has detailed design guidelines and requirements for public space allocation and improvements, but currently the design guidelines do to apply to the study area. If design guidelines are adopted for the study area in support of neighborhood goals to improve public spaces, then higher value development will be more likely to support developer funded improvements while also increasing the City's tax base.

Exhibit 12 visualizes the concept of residual land value, which is equal to the value of the development itself minus the costs of development. The calculation provides an understanding of how much land cost a development can support, which can vary depending on land ownership or purchasing costs on a particular site. A higher land value requires a higher development value in order to pay for purchasing the site.

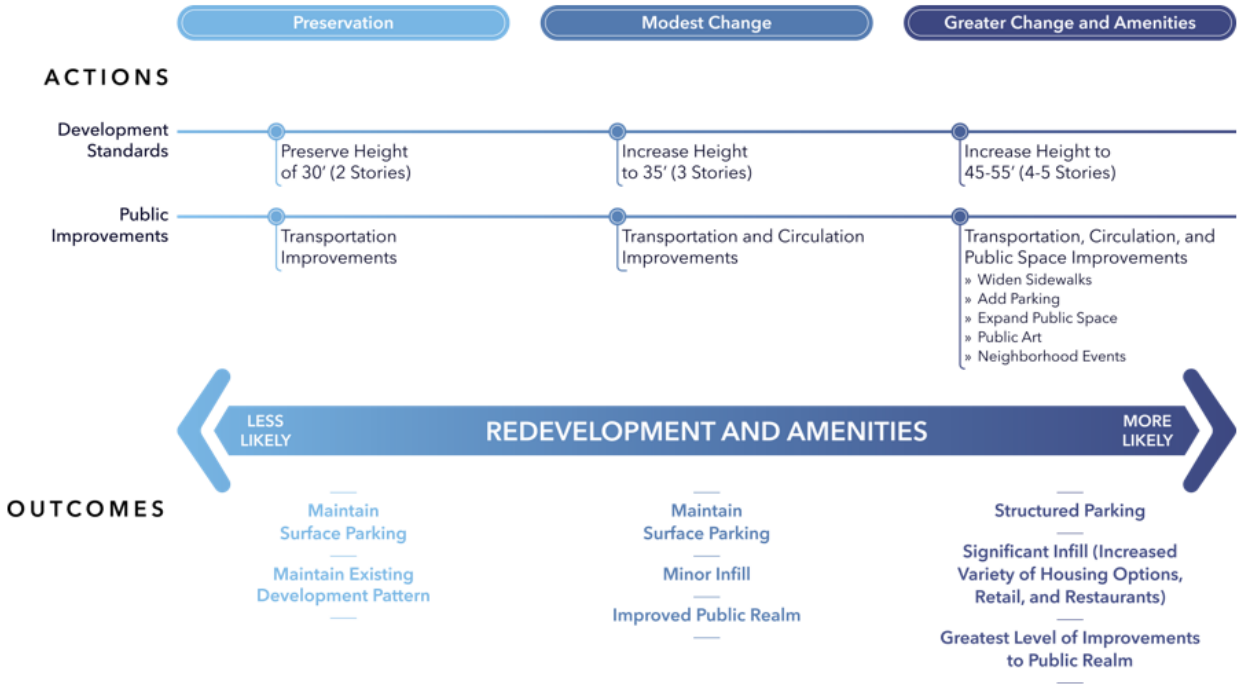
Exhibit 12. Residual Land Value Equation

Development Trade-offs

As discussed in previous sections, policies in the community have an impact on the value of development and the land costs. Regulations regarding the type of development that can occur can create a greater or more constrained opportunity on a parcel. Likelihood of redevelopment must be assessed according to what is possible under current conditions, or under potential scenarios.

Exhibit 13 considers the likelihood of development under different change scenarios. Community members weighed the risks and benefits of these different alternatives, and identified that a key risk of Preservation is the potential lack of redevelopment and a key risk of change is that there is uncertainty associated with future development. An example of the tradeoffs of these scenarios for a particular parcel within the study area are discussed in more detail in the following sections.

Exhibit 13. Development Trade-offs



Source: BERK, 2016; 3 Square Blocks, 2016

Feasibility Example: Houghton Village Site Concepts

The Houghton Village site, which is located in the center of the HE6th study area, was built in 1956 and has been identified in the city's Development Capacity Analysis as redevelopable. This means the site's improvement value is less than 50 percent of the land value, which may indicate a potential for a higher and better use. Currently, the structures on the site are occupied by PCC and a variety of smaller neighborhood-serving businesses. Given current market conditions, as well as other constraints, the property is unlikely to feasibly redevelop as a new one-story strip-style development.

Exhibit 14 shows the location of the site being analyzed.

Exhibit 14. Houghton Village Site

Source: BERK, 2016; City of Kirkland, 2016

In order to test the redevelopment feasibility in HE6th more thoroughly, six different concepts were developed for the site. The six tested concepts are summarized in Exhibit 15 and include both a small retail format and large retail format concept for 3-story, 4-story, 5-story buildings. All concepts assume the existing site size of 2.2 acres (95,656 square feet).

Exhibit 15. Houghton Village Development Concepts

	Residential (Units)	Retail (Sq Ft)	Parking	FAR
Existing	0	17,530	120	.2
3-Story, Small Format Retail	129	12,000	209	1.7
3-Story, Large Format Retail	129	40,000	302	1.7
4-Story, Small Format Retail	193	12,000	293	1. 9
4-Story, Large Format Retail	193	40,000	386	1. 9
5-Story, Small Format Retail	258	13,000	381	2.8
5-Story, Large Format Retail	258	42,000	478	2.8

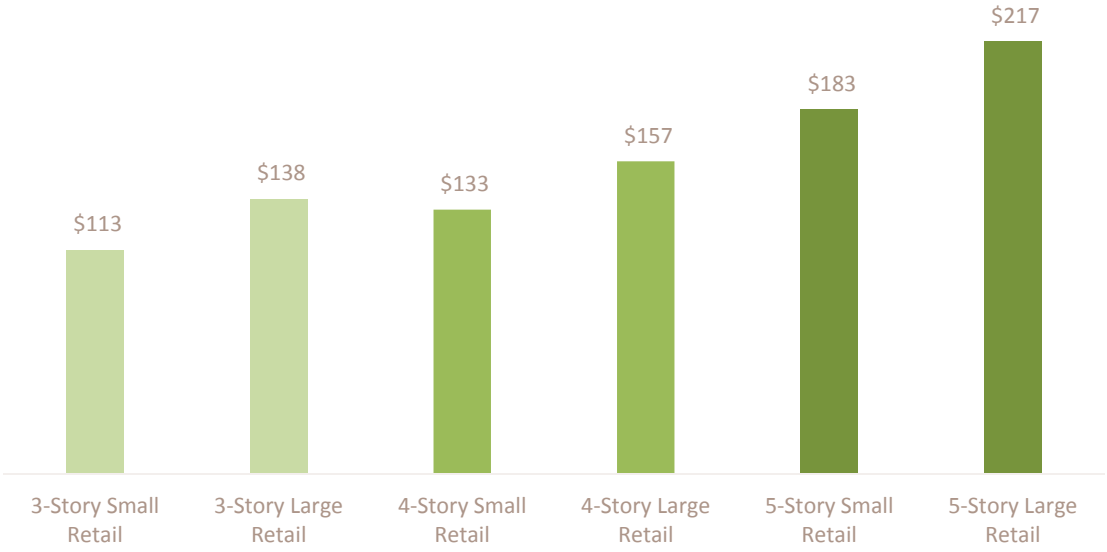
*FAR calculation includes all building square footage located above ground. Below-grade parking is not included.
Source: BERK, 2016; King County Assessor, 2016

Three key measures help track the comparative value of the six development concepts on the Houghton Village site. These measures are:

- **Value**, which is calculated by dividing the net operating income by the assumed capitalization rate of 5 percent;
- **Project costs**, which are the total "hard" costs of construction and the total "soft" costs of design, entitlements, engineering, and developer costs, not including land acquisition; and
- **Residual land value per square foot (land)**. This is the profit potential of the development, minus any costs associated with developing the land. Using the residual land value divided by square feet of land allows for easy comparison of the value created on the land by each development concept.

Exhibit 16 shows the value created per square foot of land for the six development concepts. With more building stories (and thus more building square footage), there is more opportunity to create residual land value. The exercise also indicated that large format retail creates more value than small format retail, no matter what the number of stories are.

Exhibit 16. Houghton Village Site Residual Land Value per Square Foot



Source: BERK, 2016; Dupre + Scott, 2016; King County Assessor, 2016

Some of the significant factors that contribute to the variation in residual land value in the different concepts tested include the following:

- **Parking**. Parking requirements vary based on the type of development, and the amount of each use type included. In addition, the location of the parking impacts the cost of construction as surface parking, first floor covered parking, and below ground parking can range in cost from around $7,500 per stall to $50,000 per stall. While there is a great cost to structured parking, there is also the opportunity cost associated with using land for surface parking instead of for building structures. Parking in the concepts tested were compliant with existing parking requirements. The assumptions used in this model were $7,500 per stall for surface parking, $30,000 per stall for first floor structured parking, and $40,000 per stall for below grade structured parking

The Meyden, a 5-story mixed-use building in Bellevue with stepbacks on the upper floors. (Source: 3 Square Blocks)

- **Unit mix**. The unit mix of a building impacts the net operating income. Smaller units are generally able to produce higher rents per square foot than larger units, and more small units can fit into the same space as fewer larger units. All unit mixes were the same for these concepts, with 35 percent studios, 50 percent one-bedrooms, and 15 percent two-bedrooms.
- **Rents**. Rents for residential and retail spaces are market driven and are closely tied to the relationship between supply and demand, as well as the strength of the regional economy. Rents in the test concepts are consistent with the local market, and range from $2.8 to $3.2 per square foot for residential and $30 per square foot for retail.
- **Construction Costs and Tenant Improvements.** Construction costs can vary greatly depending on the use type, the size of the building, the quality of the materials, site constraints, buried parking, and more. In addition, construction costs can be much higher if the market is strong and there is competition for resources. Construction cost assumptions in this example were $170 per square foot for residential floors, and $210 per square foot for the podium floor with tenant improvements. The 5-story building is assumed to have upper-story construction costs of $160 per square foot.
- **Site Constraints**. A development site can constrain development potential if there are challenges associated with slopes, environmental hazards, parcel size, parcel layout, and others. The same site was used for all six of the concepts tested and has previously been graded and used for retail uses so no site constraint costs were assumed.

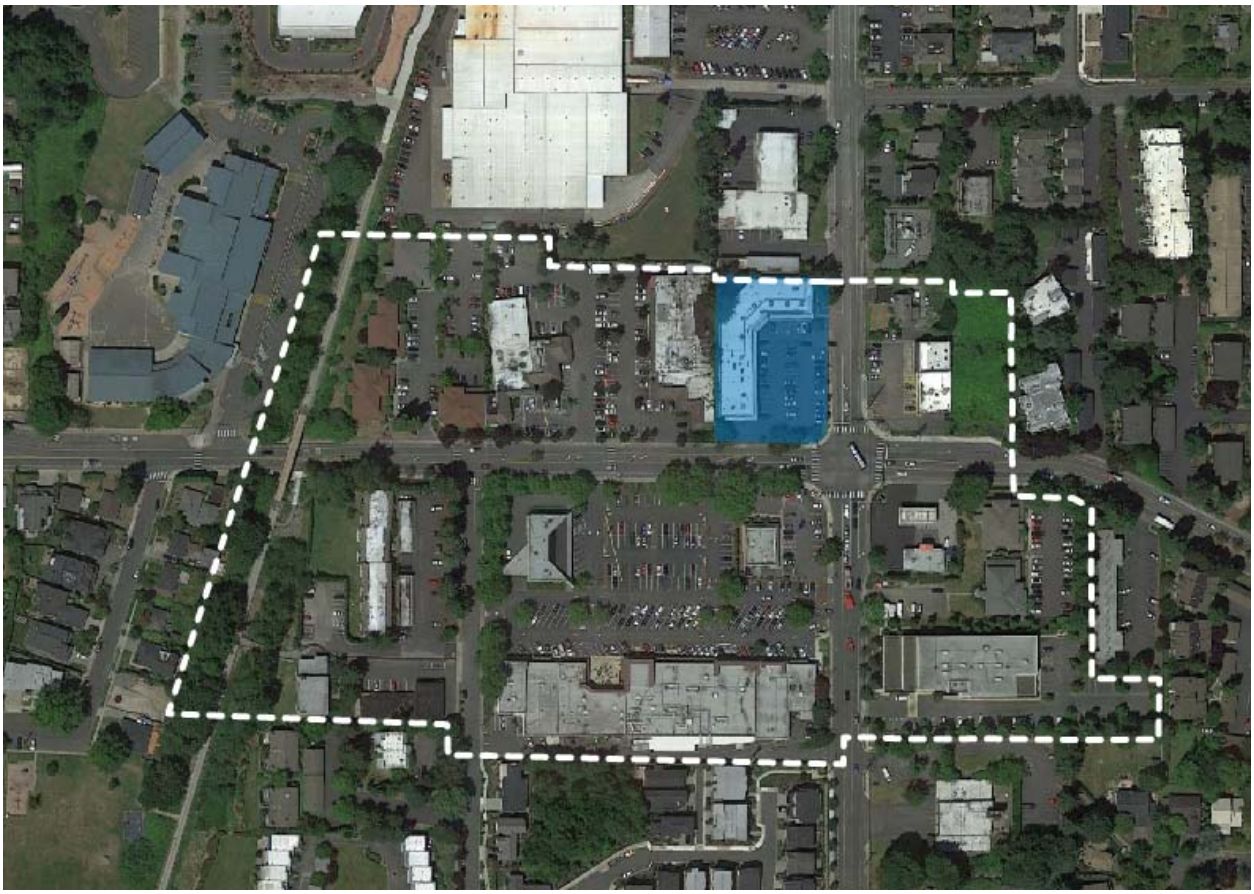
Feasibility Example: Houghton Plaza Site

A similar analysis was done on the Houghton Plaza site as that done on the Houghton Village site. This second analysis was done in order to test the questions of redevelopment feasibility on a different site, of a different size, with different potential.

The Houghton Plaza site was built in 1988 and has been identified in the city's Development Capacity Analysis as redevelopable. This means the site's improvement value is less than 50 percent of the land value, which may indicate a potential for a higher and better use. The Houghton Plaza site, which is located in the center of the site along 6th Street S and NE 68th Street, is currently a one-story strip-style development with 33 parking spaces situated on an acre of land. The land value is around $50 per square foot.

Exhibit 17 Exhibit 14 shows the location of the site being analyzed.

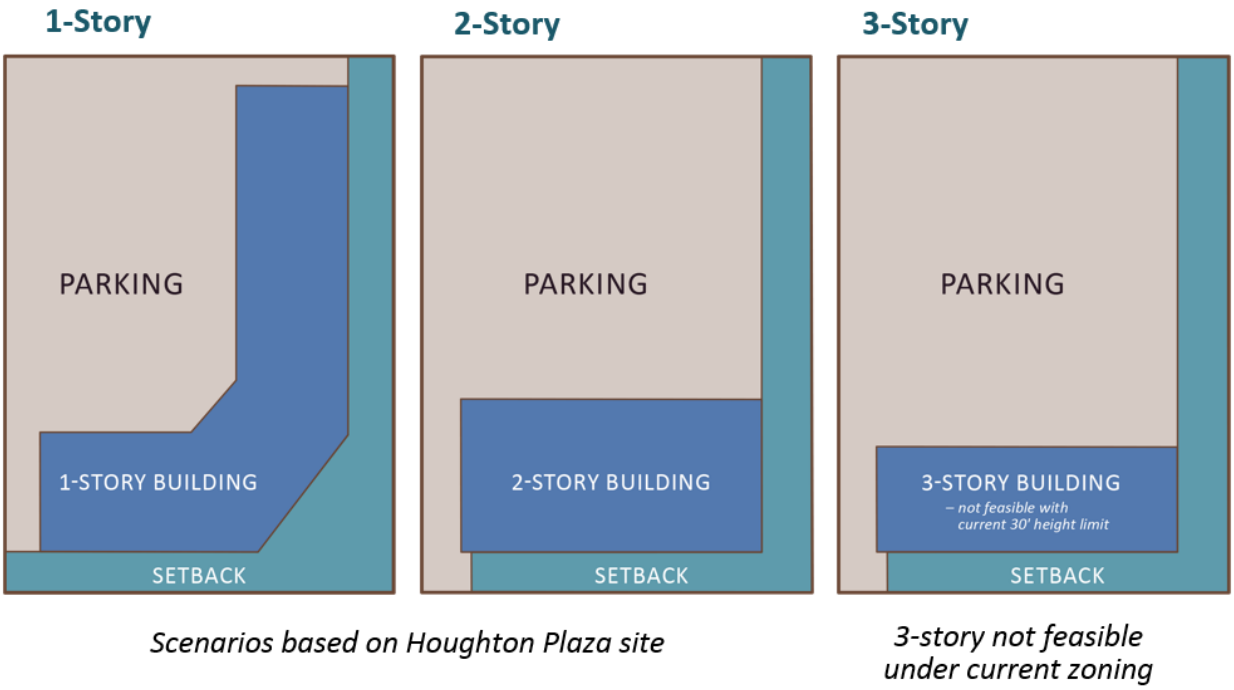
Exhibit 17. Houghton Plaza Site



Source: BERK, 2016; City of Kirkland, 2016

Exhibit 18 shows potential development options on the Houghton Plaza site under a Preservation Scenario, where both one, two, and three story development would be difficult to site on the parcel given the parking requirements. There would be less space for a building footprint since surface parking would occupy an increasingly large portion of the lot with each additional story of the structure due to the added building square footage that would generate a need for more parking. The site under current regulations could not support a building with enough value to make structured underground parking a feasible construction cost. Given the 30-foot height limits, there would be additional constraints making a 3-story building unfeasible for regulatory and cost reasons.

Exhibit 18. Preservation Scenario Development Concepts



Source: BERK, 2016; 3 Square Blocks, 2016

Three different concepts were developed for the analysis. These concepts (see Exhibit 19 for summary) include a 3-story, 4-story, and 5-story building. All concepts assume the existing site size of .98 acres (42,852 square feet).

Exhibit 19. Houghton Plaza Site Development Concepts

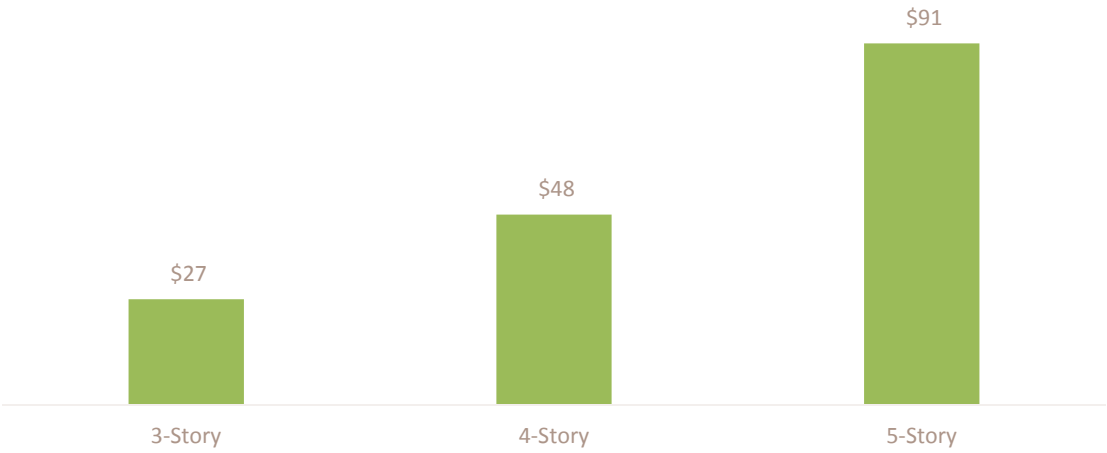
	Residential (Units)	Retail (Sq Ft)	Parking	FAR
Existing	0	13,777	33	.3
3-Story	71	11,000	130	2.0
4-Story	106	10,000	172	2.6
5-Story	142	10,000	219	3.3

*FAR calculation includes all building square footage located above ground. Below-grade parking is not included.
Source: BERK, 2016; King County Assessor, 2016

The same set of key measures that were used to evaluate the Houghton Village site – project value, project costs, and residual land value per square foot (land) – were used to evaluate the Houghton Plaza site.

Exhibit 20 shows the value created per square foot of land for the three development concepts being tested. With more building stories (and thus more building square footage), there is more opportunity to create residual land value. All of the parking in these concepts is structured, unlike the Houghton Village concepts which included some surface parking, which is a contributing factor to the lower residual land values per square foot compared to the Houghton Village analysis.

Exhibit 20. Houghton Plaza Site Residual Land Value per Square Foot



Source: BERK, 2016; Dupre + Scott, 2016; King County Assessor, 2016

The following describes the assumptions made in this analysis for some of the significant factors that contribute to the variation in residual land value. The assumptions are consistent with those used in the Houghton Village site analysis.

3-story Boulevard Condominium, mixed-use development in Kirkland, WA. (Source: 3 Square Blocks)

- **Parking**. The assumptions used in this model were $30,000 per stall for first floor structured parking, and $40,000 per stall for below grade structured parking
- **Unit mix**. All unit mixes were the same for these concepts, with 35 percent studios, 50 percent one-bedrooms, and 15 percent two-bedrooms.
- **Rents**. Rents in the test concepts are consistent with the local market, and range from $2.8 to $3.2 per square foot for residential and $30 per square foot for retail.
- **Construction Costs and Tenant Improvements.** Construction cost assumptions in this example were $170 per square foot for residential floors, and $210 per square foot for the podium floor with tenant improvements. The 5-story building is assumed to have upper-story construction costs of $160 per square foot.
- **Site Constraints**. A development site can constrain development potential if there are challenges associated with slopes, environmental hazards, parcel size, parcel layout, and others. The same site was used for all six of the concepts tested and has previously been graded and used for retail uses so no site constraint costs were assumed.

CONCLUSION + KEY FINDINGS

Under Kirkland's current market conditions, redevelopment of a one, two, or three story building allowed under the Preservation Scenario is not likely to occur. However, this scenario would maintain

the existing successful Neighborhood Center which is frequented by the existing community. The additional scenarios – Moderate Growth Scenario and Greater Change and Amenities Scenario – would be more likely to incentivize redevelopment while providing some added benefits and some risks of uncertainty. In evaluating the scenarios, some key findings were identified:

Key findings from the physical condition assessment and development feasibility analysis are:

- The neighborhood center is currently defined by an auto-oriented development pattern with many curb cuts, inadequate pedestrian facilities to support a walkable neighborhood, and large surface parking lots. This is inconsistent with the goals adopted in the Central Houghton Neighborhood Plan.
- Existing developments have minimal incentive to redevelop under current zoning and development standards. Land values appear to be increasing, which would further constrain redevelopment under the Preservation Scenario.
- If redevelopment does not occur, there is a risk of losing tenants as buildings continue to age beyond the typical useful life of 40 years.
- Although redevelopment under any of the scenarios tested would require the right market factors, regulatory environment, and development concept, the feasibility and likelihood of development increases from the 3-story concept to the 5-story concept along with an increase in the ability to fund public amenities.
- Parking regulations put pressure on development costs while reducing potential for income particularly related to the high costs for structured parking. Requiring more parking than is required can have large implications on both development feasibility and profitability, as well as amenities for the neighborhood. Options such as reduced parking requirements, providing public parking, and supporting shared parking reductions will increase development feasibility by reducing construction costs and creating more opportunities to invest in public amenities.
- Potential for development on the site must be weighed against potential opportunities elsewhere. Even if a development is feasible to build, it isn't necessarily as profitable as an opportunity to develop somewhere else locally or regionally.
- The more height that is allowed, the greater the potential for development given the greater potential for value creation on a particular parcel assuming rents support the cost of construction and land. Six-story development is the maximum height for 5 over 1 type construction and any height limits below six-stories will be a limiting factor in the attractiveness of the development in comparison to other areas that allow for six-story development.
- Larger first floor retail space such as a grocery store would create a higher value project for any of the 3, 4, or 5 story buildings. With two grocery stores already operating in the neighborhood center other large format anchor tenants may be harder to attract than smaller format tenants.

APPENDIX A. DESIGN GUIDELINES FOR KIRKLAND PEDESTIRAN-ORIENTED BUSINESS DISTRICTS

Kirkland Design Guidelines

The drawing below illustrates many of the design Guidelines described in this appendix

1. Pedestrian plazas and places for vendors encouraged through several regulations.
2. Buildings on corner lots may be required to incorporate an architectural or pedestrian-oriented feature at the corner. Many options are possible including plazas, artwork, turrets, curved corners, etc.

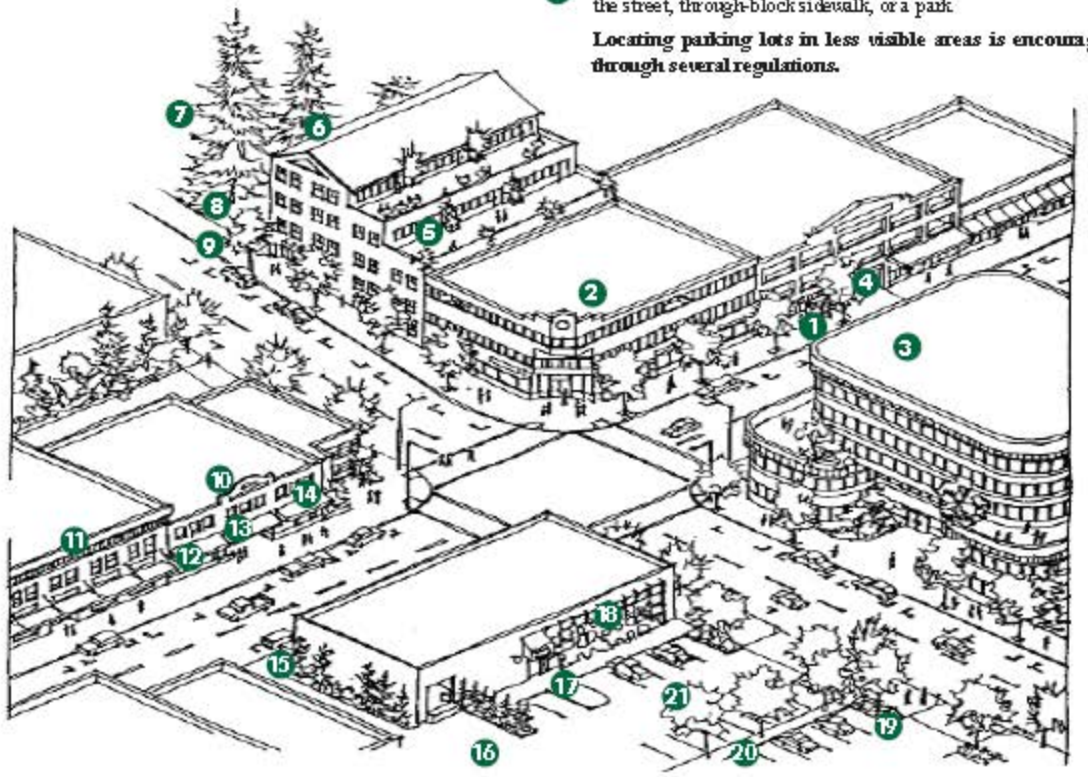
Special architectural requirements placed on use of concrete block and metal siding.

3. "Architectural scale" requirements direct large buildings to fit more comfortably with neighboring development. This example employs building setbacks, decks, curved surfaces, and recessed entries to reduce appearance of building mass.
4. Parking garages on pedestrian-oriented streets or through-block sidewalks may incorporate pedestrian-oriented uses or pedestrian-oriented space into front facades.

Street trees required along certain streets.

5. Human scale features such as balconies or decks, bay windows, covered entries, gable or hipped rooflines, multiple paned windows, or pedestrian-oriented space may be required.
6. More flexible method of measuring building height on slopes.
7. New policies regarding tree protection and enhancement of wooded slopes. Standards for size, quantity, quality, and maintenance of landscape plant materials are set by the Zoning Code.
8. Standards for size, quantity, quality, and maintenance of landscape plant materials are set by the Zoning Code.
9. Standards are set for pathway width, pavement, lighting, and site features on required major pathways and public properties.
10. A building cornerstone or plaque may be required.
11. Covering up existing masonry or details with synthetic materials is restricted.
12. Ground story facades of buildings on pedestrian-oriented streets or adjacent to parks may be required to feature display windows, artwork, or pedestrian-oriented space.
13. Pedestrian weather protection required on pedestrian-oriented streets.
14. Architectural detail elements such as decorative or special windows, doors, railings, grillwork, lighting, trellises, pavements, materials, or artwork to add visual interest may be required.

Size of parking lots abutting pedestrian-oriented streets may be restricted.

15. Quantity and locations of driveways are regulated.
16. Visible service areas and loading docks must be screened.
17. Provision for pedestrian circulation is required in large parking lots.
18. Blank walls near streets or adjacent to through-block sidewalks must be treated with landscaping, artwork, or other treatment.
19. Screening of parking lots near streets is required.
20. Standards for curbs, signing, lighting, and equipment are set for parking lots.
21. Internal landscaping is required on large parking lots visible from the street, through-block sidewalk, or a park.

Locating parking lots in less visible areas is encouraged through several regulations.