

KIRKLAND WORKS FOR YOU

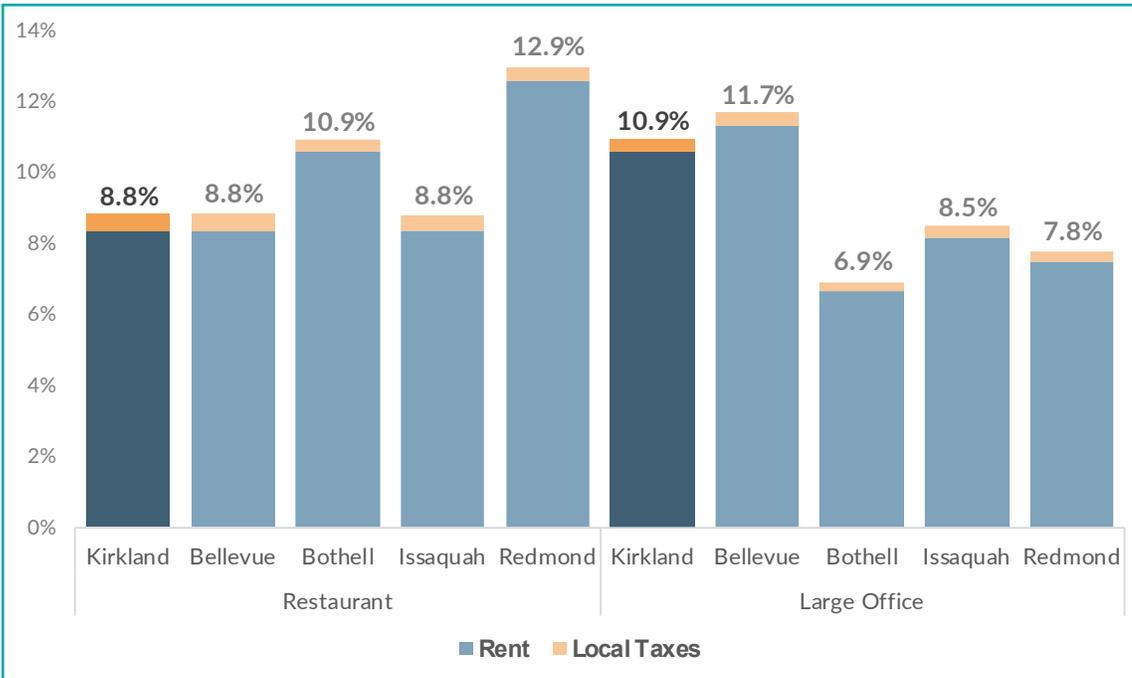
Kirkland is business-savvy, vibrant, and supportive of local businesses. Located east of Seattle on Lake Washington, Kirkland offers a competitive business climate, easy access to the region's highways and most capable workforce, and a dynamic, amenity-rich community with a high quality of life.

With low fees and competitive locally-variable costs, Kirkland provides a supportive business and development environment. The City invests public resources in infrastructure and services that support businesses and residents alike, without over taxing either. Kirkland offers:

- Low impact fees
- No business and occupation (B&O) tax
- Moderate rents for the region
- Permit fees comparable to those of other eastside cities



KIRKLAND WORKS FOR: BUSINESSES



RENT AND LOCAL TAXES AS A PERCENT OF GROSS REVENUE

Kirkland works to stay competitive with nearby cities, knowing that rent and local taxes are important factors in business location decisions.

Rent is the largest locally-variable cost, ranging from 6.6% to 12.6% of gross revenues. Kirkland has moderate rents for the eastside region.

Local taxes represent a small portion of locally-variable costs. Though not the lowest, at less than 0.5% of gross revenue generated, Kirkland's local tax burden is competitive for the region and contributes to the amenities the City is able to offer.

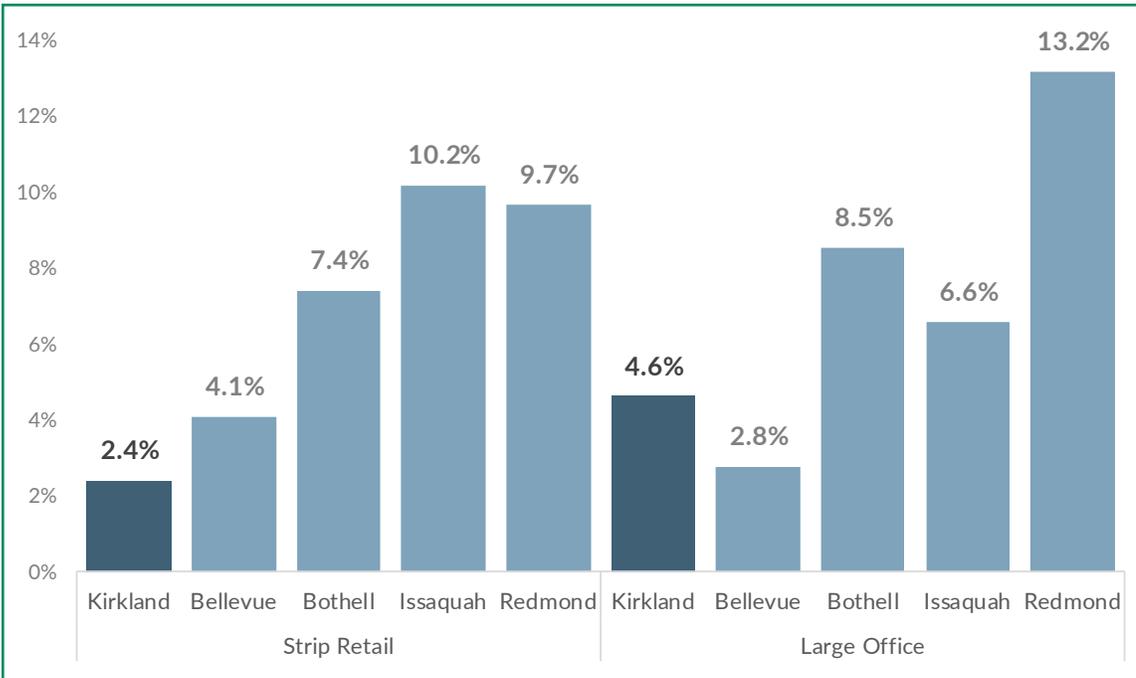
Kirkland has no local Business & Occupation (B&O) tax, unlike Bellevue and Issaquah.



Kirkland is collaborating with neighboring Bellevue and Redmond to establish the Innovation Triangle, an alliance that pools the energies of the economic development staffs from our three cities to recruit business and fill office space. Just as we were early adopters of NWProperty.net to help brokers work across city boundaries, we're now working together to strengthen the regional eastside economy.

Our current focus is recruiting companies in five fields: **enterprise software, e-commerce, interactive media, commercial space, and big data.** Learn more at innovationtriangle.us.

KIRKLAND WORKS FOR: DEVELOPERS

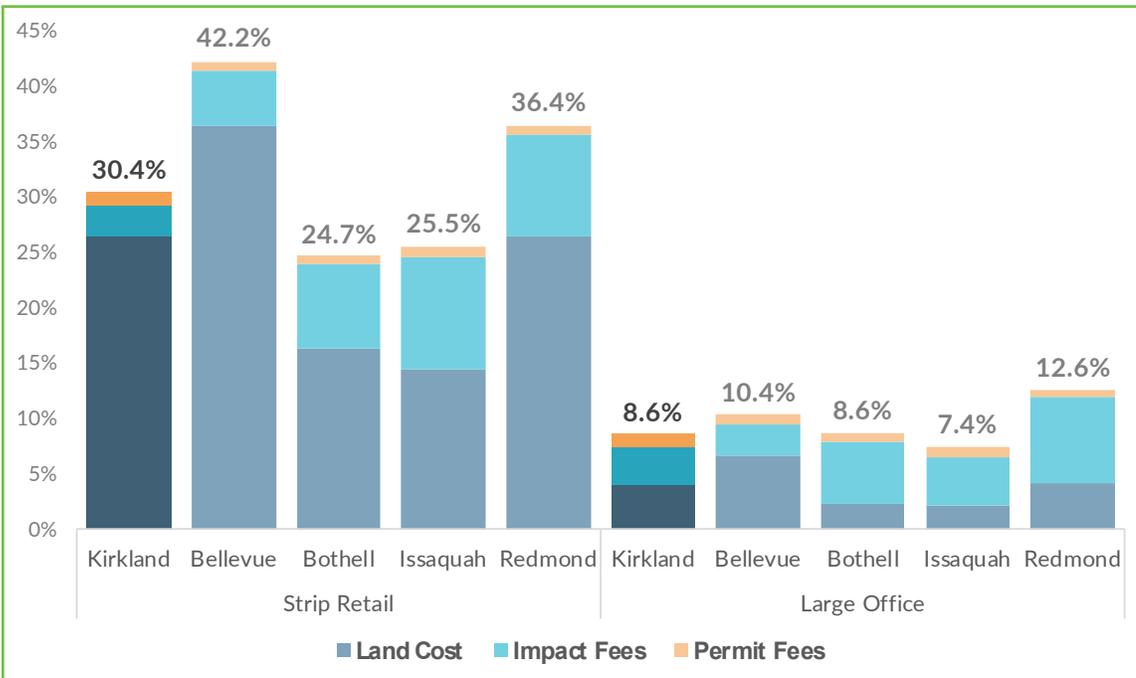


IMPACT FEES AS A PERCENT OF COMMERCIAL PROPERTY VALUE

The City is committed to maintaining the competitiveness of its permit and impact fees.

Kirkland has no impact fees for fire services or parks.

Cities east of Kirkland charge commercial development more overall.



LOCALLY VARIABLE COST OF DEVELOPMENT AS A PERCENT OF PROJECT COST

The data at left show land costs, impact fees, and permit fees as a percent of total project costs for strip retail and large office development.

Land costs are the largest locally variable costs, ranging 2.1% to 36.4% of total project costs.

Impact fees are a smaller share, ranging from 2.9% to 10.2% of total project costs. Kirkland's impact fees are lower than nearby cities.

Permit fees generally comprise about 1% of total project costs and do not vary significantly in eastside cities.

PROGRESS UPDATE: ACTIONS AND INVESTMENTS

ACTIONS	STATUS
Electronic plan review, inspection requests and permit status	2013
Amendments to provide greater flexibility for development in Totem Lake	2017
Studying amendments to code requirements for development in Totem Lake	2018
Expedited plan review for green commercial projects	2018
No local B&O Tax	Ongoing
Hands on assistance with location, permitting and licensing processes	Ongoing
Suspension of transportation impact fees for changes of use	Ongoing
Waiver of first year business license fees for those with 10 or fewer employees	Ongoing
Totem Lake Development Agreement (\$15m city contribution)	Ongoing
Zoning Code amendments	Ongoing
Progressive reviews for large projects	Ongoing
Expedited solar installation and process improvements	Ongoing

CAPITAL TRANSPORTATION PROJECTS	STATUS
NE 116th St / 124th Ave NE dual left turn lanes	2018
132nd Square Park Surface Water Retrofit Facility	Ongoing thru 2020
Totem Lake Blvd gateway and roadway repair	Ongoing thru 2020
NE 124th St/124th Ave NE pedestrian bridge design and construction (TLC)	Ongoing thru 2021
I-405/NE 132nd St interchange	2023
124th Ave NE roadway widening	Ongoing thru 2023
405 Bus Rapid Transit, including opening the new NE 85th St interchange and station	2024

For more information contact the City of Kirkland.
All offices are located at 123 5th Avenue Kirkland, WA 98033.

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Sources: King County Assessor, CBRE, RSMears, Rider Levett Bucknall, City of Kirkland, City of Bellevue, City of Bothell, City of Issaquah, City of Redmond, BERK.

Port of Seattle

