



# May 2012 Totem Lake On Track News Bulletin

Welcome to the fifth edition of the Totem Lake bulletin, "On Track." This publication resulted from the Totem Lake Symposium hosted by the Kirkland City Council in September, 2010. Improvements to the Totem Lake Neighborhood and Business District, regulatory updates, and existing and new area businesses are highlighted in this quarterly publication. For more information, visit [www.kirklandwa.gov](http://www.kirklandwa.gov) (Search: Totem Lake Action Plan)



## **BUSINESS HIGHLIGHT:**

### **Slater 116**

#### **Main Street Property Group, LLC**

Eric Campbell founded CamWest in 1989 and grew it into one of the largest residential builders and developers in the Puget Sound. Its award winning strengths did not go unnoticed by Toll Brothers, Inc., the nation's leading builder of luxury homes who acquired CamWest in November 2011.

While Eric Campbell and Kelly Price still work for CamWest/Toll, they also run Main Street Property Group, LLC. That company is building an exciting mixed-use project that will provide a sense of place, and serve as a gateway to Totem Lake.

Plans call for a four to five-story mixed-use building containing approximately 10,200 square feet of ground floor commercial space, 129 surface parking stalls, and 108 residential apartment units to be constructed at 11515 124th Ave NE.

## **Totem Lake Action Plan Update Summary**

In September, 2010, the Kirkland City Council convened a meeting of property and business owners in Totem Lake, together with real estate, planning and finance professionals from around the region. Those who attended this Totem Lake Symposium were asked, "What can be done to help Totem Lake achieve its destiny as a major mixed-use, urban center for the region?" In December of 2010, The City adopted a "[Totem Lake Action Plan](#)" to chip away at the list of symposium suggestions along with additional recommendations that were offered by a Technical Advisory Panel (TAP) of the Urban Land Institute (ULI) in July, 2011.

Since targeting Totem Lake for improvement in 2010, the City has already addressed many of the complex challenges facing the business district.

*See "Action Plan Update" page 4*

## **City Owns Cross Kirkland Corridor**

On April 14, 2012 Kirkland celebrated the acquisition of the Cross Kirkland Connector (CKC). 5.75 miles of the former Burlington Northern Santa Fe Railroad now belong to Kirkland. Planning for the development of this multi-modal trail will begin shortly. The Transportation Commission has been tasked to oversee master planning for the CKC, and a subcommittee of the Kirkland Business Roundtable has also adopted the project. Roundtable members plan to meet with 60 of their fellow businesses within 2000 feet of the corridor to talk about the economic development benefits a redeveloped corridor can offer. Other communities have realized increases in property values, added sales taxes from the businesses (e.g. recreational equipment, restaurants and boutique hotels) that customarily locate along repurposed corridors.

*See "Corridor" page 3*



### **Slater 116**

#### **Main Street Properties**

*See "Slater 116" page 2*

## Slater 116 continued from pg 1

The commercial spaces will be targeted to service businesses such as coffee houses, sandwich shops, and dental facilities. Construction of Slater 116 is to begin in summer 2012 and completed in 2013. W.G. Clark Construction company, which has been in business for over 100 years, has been selected to build the project.

As they say, it's all about location, location, location. Apartment residents want to be located close to major freeways, bus lines, shopping, services and amenities. The development's easy access to I-405, Metro transit, and Totem Lake Malls will position it well to deliver on these desired attributes. An added bonus for pet lovers is the inclusion of an on-site dog park.

A recent report of the Washington Center for Real Estate Research at WSU shows the spring 2011 statewide apartment vacancy rate was 4.5%, an improvement over three consecutive quarters from the fall 2009 when it hit 6.9%. Main Street Property Group, LLC sees the recent declines in apartment vacancy rates as indicative of strong and growing demand for apartment units.

## Coming Soon: Flexibility in Development Codes

The Kirkland Planning Commission will hold a public hearing on May 24 to take testimony on proposed changes to regulations for the Totem Lake business district. The recommendation from the Planning Commission on the amendments will be forwarded to the City Council for consideration at its meeting on June 19. A summary of all of the proposed changes can be viewed at: [www.kirklandwa.gov](http://www.kirklandwa.gov) (Search: Totem Lake Amendments). The amendments are changes that can be made within the framework of the existing Comprehensive Plan policies for the Totem Lake Neighborhood. When the neighborhood plan is updated in the future, additional changes may be considered. The Public Hearing will be held at Kirkland City Hall, 123 5th Avenue and begins at 7 p.m.

### Commercial development along NE 124th Street



The Planning Commission has developed the changes over the past six months, implementing a task called for in the City Council's Totem Lake Action Plan. The concept for changes was first raised during the Totem Lake Symposium in September of 2010, where input from industry experts was solicited regarding actions the City could consider to stimulate revitalization efforts in Totem Lake. A variety of themes emerged from the meeting which were later included in a new Totem Lake Action Plan.

The regulatory changes incorporate recommendations from the 2011 report from the Urban Land Institute Technical Assistance Panel. The report supported the overall vision for Totem Lake and the policies contained in the Comprehensive Plan for the neighborhood, but suggested a number of small adjustments that might be made to encourage development during the current slower economy. The proposed amendments integrate these ideas into the objectives for the amendments:

- Provide more flexibility for development (reduced minimum acreage requirements, broader range of ground floor uses, reduced design review processes, expansions in retail uses in some zones);
- Provide more opportunity for development where possible (increased height limits, reduced setbacks);
- Provide uniformity across zones (standardized height limits, setbacks); and
- Eliminate obsolete or vague regulations (requirements for the Evergreen Hospital campus that no longer apply due to recent development).

Please contact Dorian Collins, Senior Planner at [dcollins@kirklandwa.gov](mailto:dcollins@kirklandwa.gov) or (425) 587-3249 with questions.

## A Conversation about Totem Lake



Mayor Joan McBride and Council Member Amy Walen invite you to join them at Café Veloce, 12514 120th Avenue N.E., from 12 to 1:30 p.m. on either June 25 or July 23, 2012 to talk about the Totem Lake Business District. They welcome your comments and ideas for improvement and will tell you about the commitment the City is making to this important urban center. Lunch is no host. For reservations, call the City Manager's Office at (425) 587-3001.



# Totem Lake

## On Track News Bulletin

### Cross Kirkland Corridor

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For Totem Lake, the CKC will offer an alternative mode of transportation for employees and residents. Imagine employees biking to work, or children biking from school to after-school activities. Warehouses and other buildings along the tracks are already filling with advanced manufacturing companies, medical device companies, aeronautics companies as well as indoor activity centers for children (tennis, trampoline, badminton and gymnastics, to name a few). The hope is that the corridor can bring more companies to Kirkland and help existing ones to recruit and be recognized for promoting green transportation alternatives.

In the southeast quadrant of the Totem Lake Business District, the corridor runs alongside Totem Lake, and is a short distance from the Totem Lake Malls. Imagine a thriving commercial center that is buttressed by an enhanced Totem Lake Park and accessed by cyclists and pedestrians using the corridor.

The corridor has the potential of enlivening many such destinations along its length. To continue to stay current on this fast moving project, sign up to receive email updates at [www.kirklandwa.gov/crosskirklandcorridor](http://www.kirklandwa.gov/crosskirklandcorridor).



City, county, and state officials celebrate the City's ownership of the Cross Kirkland Corridor. L to R/Back Row: Kurt Triplett, City Manager, City Council Member Amy Walen, City Council Member Toby Nixon, State Rep. Ross Hunter, King County Council Member Larry Phillips, State Rep. Roger Goodman, City Council Member Dave Asher. L to R/Front Row: State Senator Andy Hill, Deputy Mayor Doreen Marchione, Mayor Joan McBride (holding sign)

### BUSINESS HIGHLIGHT II: *Kirkland Warehouse District – 11909 124th Avenue NE*

Bob Delf is an accomplished former software executive. He worked in the industry for over 30 years, 20 of which were spent as CEO of three different companies. In 2004 he decided to pair his business acumen with his love of wine, and Northwest Cellars was born.

The winery makes high-quality, affordable wines currently priced from \$18 - \$36 per bottle. The business produces about 4,000 cases per year, with a 70/30 split between private label and the Northwest Cellars label. The custom-labeled wines are ideal for special events, restaurants, hotels, corporate and personal gifts, private clubs, non-profit fundraisers, birthdays, anniversaries, weddings and grand openings. Bob had a hunch that the private label segment represented a good opportunity when he was given an undrinkable corporate gift wine ten years ago. He knew he could do better.

Northwest Cellars specializes in blends. Among their most popular releases are the 2009 Sonatina, a blend of Viognier, Roussanne, and Semillon; the 2009 Cadenza, a blend of Cabernet, Merlot and Carmener; and their signature 2008 Intrigue, a blend of Merlot, Syrah, and Cabernet Franc.

The company grew 25% last year, and needed more room. It expanded into the adjacent space and can now host wine tastings and special events for up to 100. Northwest Cellars has also wooed and welcomed two new neighbors – Skylite Cellars and Waving Tree Winery. Collectively, the three wineries and their tasting rooms have become known as the “Kirkland Warehouse District.”



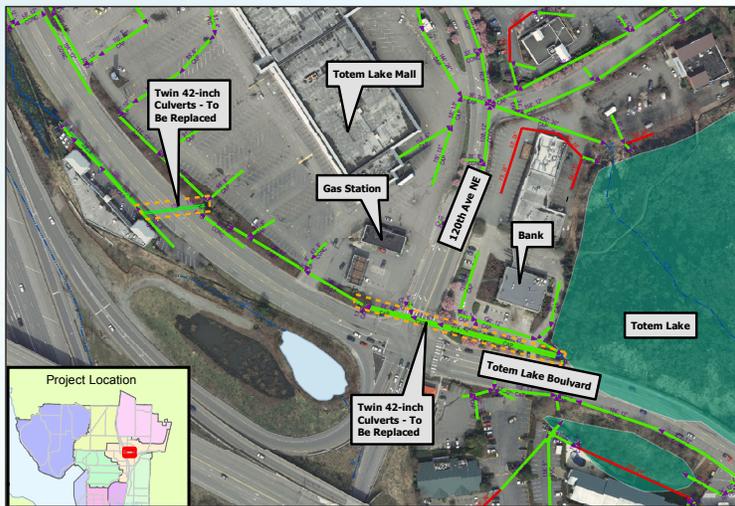
Northwest Cellars Interior

By going to one spot in Kirkland, visitors can now taste wines sourced from vineyards and AVAs across the state, from the Columbia Valley, Yakima Valley, Horse Heaven Hills, Snipes Mountain, Wahluke Slope, Red Mountain and Walla Walla Valley.

More information can be found by visiting the websites for each winery: Northwest Cellars [www.northwestcellars.com](http://www.northwestcellars.com); Skylite Cellars [www.skylitecellars.com](http://www.skylitecellars.com); Waving Tree Winery [www.wavingtreewinery.com](http://www.wavingtreewinery.com).

## Getting Flooding Under Control

In 2011, City staff and the city's consultant, CH2M Hill, Bellevue, WA, completed a detailed survey of the Totem Lake drainage system and located stream barriers where accumulation of sediment, invasive vegetation and beaver dams are impacting the flow of water leaving Totem Lake. During the 2011 construction season, the physical work focused on the removal of the



barriers located between I-405 and Totem Lake. The City also made significant progress towards reducing the severity and duration of seasonal flooding during the winter months through the use of temporary emergency pumping operations during heavy rainfall events. For the rainy-season of 2011/12, November through April, the City recorded over 8.45 inches of rainfall during three significant storm events, all with no flooding caused road closure in the Totem Lake area. By comparison, over the same 6-month period for the 2010/11 season, three similar storm events produced less total rainfall (8.15 inches) and Totem Lake Blvd was partially or fully closed for 1 to 5-days during each of those events.

The next Phase of this multi-year project is currently in a design and permitting phase for the replacement of 60 year old, twin 42-inch diameter corrugated metal culverts immediately downstream of Totem Lake, together with removal of the additional sediment and vegetation barriers within the downstream conveyance system of Totem Lake west of I-405. With numerous local, State and Federal agencies involved in the permitting process, the design is expected to take the remainder of 2012, with construction now scheduled to begin in the summer, 2013.

### Totem Lake Business Data (December 2010–March 2012)

	# of businesses	# of employees
<b>Total Totem Lake Businesses</b> (as of December 2010)	715	10,136
<b>Net new businesses*</b> (Dec. 2010 – March 2012)	95	826

## Action Plan Update

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- The City Public Works Department has removed siltation and other debris that had in the past resulted in severe flooding. This past year there were no such incidents in part because of the City work.
- Responding to symposium and ULI suggestions that upfront costs to developers be removed to attract businesses to Totem Lake, the City Council suspended impact fees for changes of use, a cost that in the past could be \$20,000 or more to a new business renovating an existing space.
- Acting on the ULI recommendation that the City respond to the economic downturn (including the shrinkage of retail) by adding flexibility to its codes, proposed new code language would allow uses in addition to retail to locate on the first floor of buildings in the Totem Lake Business District. This amendment, and other code amendments that provide for more flexibility in developing and tenancing space in Totem Lake, are currently at Planning Commission and will be forwarded to City Council for its consideration in late spring.
- And, following through on the suggestion that the City should 'prime the pump' with infrastructure purchases to catalyze private investment, the City most recently has purchased the BNSF ROW with plans to redevelop it as a bike, pedestrian and eventually transit corridor.
- The 120th street extension will improve vehicular circulation in the Totem Lake area.

To learn more about the accomplishments and plans still to be implemented, view the Totem Lake Action Plan online at [www.kirklandwa.gov/totemlakeaction](http://www.kirklandwa.gov/totemlakeaction).

### Totem Lake Business Data (January 1, 2012 – March 31, 2012)

	# of businesses	# of employees	# of FTEs
<b>New businesses</b> (licensed by the City)	43	131	115
<b>Businesses closed</b>	29	106	115
<b>Net new businesses</b>	14	25	0
<b>Total Totem Lake Businesses</b>	810	10,962	

This bulletin was prepared by the Economic Development Office, City of Kirkland, 123 5th Ave., Kirkland, WA 98033.

For information about Kirkland's Economic Development Program or the Totem Lake Action Plan, contact Ellen Miller-Wolfe, Economic Development Manager, at 425-587-3014 or [emwolfe@kirklandwa.gov](mailto:emwolfe@kirklandwa.gov).