



**CITY OF KIRKLAND**  
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## **MEMORANDUM**

**To:** Kurt Triplett, City Manager

**From:** Joe Sanford, Fire Chief  
Andreana Campbell, Management Analyst

**Date:** March 5, 2020

**Subject:** INITIAL RECOMMENDATION FROM THE COMMUNITY SAFETY ADVISORY GROUP REGARDING A POSSIBLE NOVEMBER 2020 FIRE AND EMERGENCY MEDICAL SERVICES BALLOT MEASURE.

### **RECOMMENDATION:**

- Kirkland City Council receives an initial update since the conclusion of the Community Safety Advisory Group (ComSAG) meetings on February 26, 2020.
- Staff will present the full ComSAG recommendation in April.
- Staff is requesting feedback from the Council on the draft survey questions from EMC Research that will be sent to the Council separately.

### **BACKGROUND DISCUSSION:**

Due to City Manager Office resources being redirected the City's response to COVID-19, staff is bringing only a summary of the ComSAG report to the March 17 Council meeting. However, given the magnitude of the potential investments staff felt it was important to get the most relevant information to the Council as quickly as possible. The full ComSAG report will be transmitted to the Council in April.

The ComSAG was established in September 2019 by [Resolution R-5386](#) and convened by the City Council to review and recommend capital and operating elements, as well as funding mechanisms for a potential November 2020 ballot measure for Fire and Emergency Medical Services.

The following recommendation to the Council was made after five months of meetings to educate group members and discuss what elements of this potential ballot measure the ComSAG believes are most important for the City. The ComSAG is recommending two measures be placed on the November 3, 2020 ballot for Fire and Emergency Medical Services:

- A permanent levy of \$0.124/\$1,000 to fund 24 new firefighter/EMTs.
- An excess levy (bond) of \$0.101/\$1,000 to pay for capital improvements to existing fire stations and the construction of a new station.

Together these measures would provide for a new Fire Station 27, station renovations and seismic retrofits for Fire Station 21 (Forbes Creek), Fire Station 22 (Houghton) and Fire Station 26 (N. Rose Hill), as well as improved response times, and firefighter/EMT health and safety improvements.

If the Council authorized both ballot measures as recommended, the total for both would be \$0.225 per \$1,000 of assessed valuation, and an estimated annual debt service of just over \$7,000,000.

## **COMMUNITY SURVEY:**

At the March 3, 2020 Council meeting, Council approved a Fiscal Note for one-time funding up to \$35,000 from the Council Special Projects reserves to fund a community survey related to the recommendations made by the ComSAG. On March 6, 2020 staff met with EMC Research and collaborated on a draft survey. The draft survey questions were not completed in time to be included in the Council packet. Staff will forward the draft questions as a separate document prior to the Council meeting. Staff will be seeking Council review and comment on the survey questions. Once finalized, the survey will be completed as soon as possible so that the results will be available at the end of April or early May.

## **COMSAG CATEGORIES AND RECOMMENDATIONS**

The ComSAG divided potential ballot measure elements into three categories. However, the ComSAG wished to emphasize to the Council that the ComSAG felt that all potential ballot measures elements introduced to them were important and had value to the community. The difficult decisions came down to choosing those investments that were most urgent while considering the cost to taxpayers and potential voter fatigue. Below are the definitions of the three ComSAG capital and operating categories that will be presented at the Council meeting.

- **Definitely Include:** Elements ComSAG recommends the City Council should include in the ballot measures.
- **For Council Consideration:** Elements ComSAG feels have a strong value and recommends the City Council review pros and cons and decide whether to include.
- **Not this Ballot Measure:** Elements ComSAG feels are not ready for this measure and/or could be funded outside of these ballot measures.

On the following page are three different charts. The blue chart (first chart) indicates elements the ComSAG placed in the "Definitely Include" category. The green chart (second chart) indicates elements the ComSAG placed into the "For Council Consideration" category. The orange chart (third chart) indicates elements the ComSAG placed into the "Not this Ballot Measure" category. In depth analysis on each element and its placement within a category will be presented in much more detail in the ComSAG report in April.

In each chart, capital elements are listed first, followed by operating elements, with overall totals at the bottom. Both charts have the cost per element (shown in 2026 dollars), the tax rate per \$1,000 of assessed valuation, and annual property tax impact to a median-valued home.

Below is the list of **capital and operating elements** in the **“Definitely Include”** category:

“Definitely Include” Capital Elements		Cost in 2026 \$	Annual Cost	Tax Rate /\$1,000AV	Annual Impact to Median-Valued Home*	
Juanita Station 27 design, build, and relocate east of I-405		\$23,340,000	\$1,285,079	\$0.04076	\$29.76	
Houghton Station 22 renovation and modernization		\$10,620,000	\$375,503	\$0.01855	\$13.54	
Forbes Creek Station 21 renovation and modernization		\$6,820,000	\$584,728	\$0.01191	\$8.70	
N. Rose Hill Station 26 renovation and modernization		\$9,410,000	\$518,106	\$0.01643	\$12.00	
Purchase of a 2 <sup>nd</sup> Ladder Truck		\$1,604,407	\$88,337	\$0.00280	\$2.05	
Design and build a Training Building at the new N. Juanita Station 24		\$6,222,853	\$342,625	\$0.01087	\$7.93	
<b>Total Capital</b>		<b>\$58,017,260</b>	<b>\$3,194,378</b>	<b>\$0.10133</b>	<b>\$73.97</b>	
“Definitely Include” Operating Elements		FTEs	Annual Cost	Annual Cost	Tax Rate /\$1,000AV	Annual Impact to Median-Valued Home
Dedicated Aid Car at Houghton Fire Station 22		10	\$1,626,102	\$1,626,102	\$0.05158	\$37.65
Cross staff new N. Juanita Station 24		5	\$813,051	\$813,051	\$0.02579	\$18.83
Additional Firefighter/EMT		5	\$813,051	\$813,051	\$0.02579	\$18.83
12 Hour EMS Transport		4	\$650,441	\$650,441	\$0.02063	\$15.06
<b>Total Operating</b>		<b>24</b>	<b>\$3,902,645</b>	<b>\$3,902,645</b>	<b>\$0.12380</b>	<b>\$90.37</b>
<b>Total</b>	Capital		\$58,017,260	\$3,194,378	\$0.10133	\$73.97
	Operating		\$3,902,645	\$3,902,645	\$0.12380	\$90.37
	Total			<b>\$7,097,023</b>	<b>\$0.22513</b>	<b>\$164.34</b>

\*According to the King County Assessor’s Office, the median home value in Kirkland in 2020 is \$730,000.

After the final ComSAG meeting on February 26, the City Manager convened an interdepartmental team consisting of staff from the City Manager’s Office, the Finance Department, the Fire Department, the Public Works’ Capital Improvement Plan team and the architectural firm in charge of renovating and constructing the City’s fire stations, TCA. This team met once in March and will continue to meet regularly to review sequencing of all capital construction, and financing associated with each project. As this team continues to refine each project, cost and tax rates for individual elements may change, and ultimately impact the total. Staff is also working alongside the City Attorney’s Office, Bond Counsel, and outside legal counsel to present draft ordinances to the Council before the second Council meeting in July. More detail and next steps are presented at the end of the memorandum.

The cost of the recommended capital elements in the “Definitely Include” category is just over \$58,000,000. Assuming an excess levy using a 30-year bond, the property tax rate would be \$0.101 per \$1,000 of assessed valuation. The annual estimated property tax increase for a home with a median assessed valuation of \$730,000 would be \$73.97. Annual debt service to be repaid by the levy would average \$3,194,378.

The cost of the recommended operating elements in the “Definitely Include” category would be \$3,902,645 annually. Assuming a permanent levy lid lift, the property tax rate would be \$0.124 per \$1,000 of assessed valuation. The annual estimated property tax increase for a home with a median assessed valuation of \$730,000 would be \$90.37.

The total impact of the “Definitely Include” category would be a property tax increase of \$0.225/\$1,000 of assessed valuation and an annual increase of \$164.34 in annual property taxes for the median home in Kirkland.

Below is the list of **capital and operating elements** in the “**For Council Consideration**” category:

“For Council Consideration” Capital Elements	Cost in 2026 \$	Annual Cost	Tax Rate /\$1,000AV	Annual Impact to Median-Valued Home
Training Props – Option B	\$7,786,076	\$428,694	\$0.01360	\$9.93
Converting Current Station 27 into a Logistics Center	\$753,000	\$41,459	\$0.00132	\$0.96
<b>Total Capital</b>	<b>\$8,539,076</b>	<b>\$470,153</b>	<b>\$0.01492</b>	<b>\$10.89</b>
“For Council Consideration” Operating Elements	Cost in 2026 \$	Annual Cost	Tax Rate /\$1,000AV	Annual Impact to Median-Valued Home
Hire an Additional Fire Inspector	\$173,596	\$173,596	\$0.00551	\$4.02
Hire an Additional Battalion Chief Aide	\$813,051	\$813,051	\$0.02579	\$18.83
<b>Total Operating</b>	<b>\$986,647</b>	<b>\$986,647</b>	<b>\$0.03130</b>	<b>\$22.85</b>

<b>Total</b>	Capital	\$8,539,076	\$470,153	\$0.01360	\$10.89
	Operating	\$986,647	\$986,647	\$0.03130	\$22.85
	<b>Total</b>		<b>\$1,456,800</b>	<b>\$0.04490</b>	<b>\$33.74</b>

The cost of the capital elements recommended "For Council Consideration" is \$8,539,076. Assuming an excess levy using a 30-year bond, the property tax rate would be an addition of \$0.014 per \$1,000 of assessed valuation on top of the proposed \$0.101 for capital in the "Definitely Include" category. The annual estimated property tax increase for a home with a median assessed valuation of \$730,000 would be \$10.89 in addition to the \$164.34 "Definitely Include" capital elements total. This would increase the annual debt service to an average of \$3,778,483, an increase of \$584,105 per year.

The cost of the operating elements recommended "For Council Consideration" would be an additional \$986,647 annually. Assuming a permanent levy lid lift, the property tax rate would be an addition of \$0.031 per \$1,000 of assessed valuation on top of the proposed \$0.124 for staffing in the "Definitely Include" category. The annual estimated property tax increase for a home with a median assessed valuation of \$730,000 would be \$22.85 in addition to the \$90.37 "Definitely Include" operating elements.

The total impact of the "For Council Consideration" category would be an addition of \$0.045 per \$1,000 of assessed valuation on top of the proposed \$0.225 for capital and operating costs in the "Definitely Include" category. The annual estimated property tax increase for a home with a median assessed valuation of \$730,000 would be \$33.74 in addition to the "Definitely Include" elements.

Below is the list of **operating elements** in the "**Not this Ballot Measure**" category:

<b>"Not this Ballot Measure" Operating Elements</b>		<b>Cost in 2026 \$</b>	<b>Annual Cost</b>	<b>Tax Rate /\$1,000AV</b>	<b>Annual Impact to Median-Valued Home</b>
Additional Training Officer		\$185,723	\$185,723	\$0.00589	\$4.30
Public Information Officer		\$125,419	\$125,419	\$0.00398	\$2.90
<b>Total Operating</b>		<b>\$311,142</b>	<b>\$311,142</b>	<b>\$0.00987</b>	<b>\$7.20</b>
<b>Total</b>	Capital	-	-	-	-
	Operating	\$311,142	\$311,142	\$0.00987	\$7.20
	<b>Total</b>	<b>\$311,142</b>	<b>\$311,142</b>	<b>\$0.00987</b>	<b>\$7.20</b>

The cost of the operating elements in the “Not this Ballot Measure” category would be an additional \$311,142 annually. Assuming a permanent levy lid lift, the property tax rate would be an addition of almost \$0.01 per \$1,000 of assessed valuation on top of the proposed \$0.124 for staffing in the “Definitely Include” category. The annual estimated property tax increase for a home with a median assessed valuation of \$730,000 would be \$7.20 in addition to the \$90.37 “Definitely Include” operating elements.

If Council recommends including all elements in every category the proposed measure would be \$0.116 for capital and \$0.165 for staffing, a total of \$0.28, a difference of \$0.056 per \$1,000 of assessed valuation. The annual estimated property tax increase for a home with a median assessed valuation of \$730,000 would be \$205.28, a difference of \$40.94 when comparing to the elements recommended in the “Definitely Include” category.

**NEXT STEPS:**

Council is scheduled to receive the ComSAG recommendation in April. EMC Research will conduct the community survey in April or May. After which, staff will bring survey feedback to Council at the end of May or early June, and final action to place these measures on the ballot will take place no later than the last meeting in July. A general timeline is outlined below:

<b>Election Calendar</b>	<b>Accelerated Calendar</b>	
April	April	Council to Hear Recommendations from ComSAG
April/May	April/May	Community Survey
July 7 or 21	June 2 or 16	Ballot Measure Public Hearing
July 7	June 6	Pro/Con Committee Appointments Authorized
July 21	June 16	Pro/Con Committee Appointments Confirmed
July 21	June 16	Last Council Meeting to Approve Ballot Measure Ordinance
August 4	August 4	Ballot Measure Resolution due to King County
August 7	August 7	Explanatory Statement Due
August 11	August 11	Pro/Con Statements Due
November 3	November 3	General Election