

KIRKLAND DOWNTOWN STRATEGIC PLAN

Strategic Situation Assessment



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CITY OF KIRKLAND DOWNTOWN STRATEGIC PLAN

Strategic Situation Assessment: October 2, 2007

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1.0 INTRODUCTION: PURPOSE AND PROJECT OVERVIEW

Kirkland has a downtown that most communities would love to have. It is a really good downtown, and much better than the great majority of suburban city downtowns nationally and in the region. Yet could downtown be better; could it be improved? Yes, definitely.

1.1 Purpose of this Strategic Situation Assessment

In early 2007, the City of Kirkland commissioned an update to the Downtown Strategic Plan (DSP). The product of 18 months of work by a citizen Downtown Action Team (DAT), the DSP was adopted by the Kirkland City Council in June 2001. With the 2001 Plan now six years old, the City sought a fresh look at the downtown, with a new citizen committee, the Downtown Advisory Committee, a citizen advisory board made up of downtown and neighboring residents, downtown property owners, Planning Commissioners, Parking Advisory Board members, and more. As an initial step, the City charged the Advisory Committee (the DAC) and its consultants with undertaking a phased approach to the project, beginning with a Strategic Situation Assessment of downtown Kirkland's strengths, challenges and opportunities.

This Strategic Situation Assessment summarizes the results of nearly eight months of research, inquiry, and community dialogue about downtown. During this period, the DAC has conducted a 360-degree assessment of downtown's current situation and future potential. This Assessment is the DAC's report to the City Council, and includes:

- An overview of downtown's major strengths from a market perspective
- A review of the outcomes of the 2001 DSP
- A synopsis of the stakeholder and community meeting findings
- The DAC's working vision for downtown
- Recommended next steps for the project.

1.2 DAC Tasks Conducted to Support the Assessment

Downtown Kirkland inspires passion, ideas, concerns and opinions among many people. Very few people are neutral about what is working and what can be improved downtown. Rather, there are many, many perspectives on the downtown – ranging from “don’t change anything” to “significant changes are needed.” There is also considerable data available on downtown’s economic strengths and financial contributions to the City. To capture these perspectives and information, the DAC and consultant team undertook a comprehensive outreach and analytical approach. Their approach encompassed:

- Facilitation of 11 focus groups and 17 individual stakeholder interviews, for a total of more than 100 people initially interviewed about downtown. The results of these stakeholder interviews and focus groups was summarized in a 35-page *Stakeholder Feedback Summary Report* (June 1, 2007) (see Attachment A)
- A community meeting sponsored by the DAC and attended by 80 people, held at the Kirkland Teen Union Building (July 16, 2007) (summarized in Attachment B)
- Two special stakeholder group meetings organized and facilitated by DAC members: a property owners meeting attended by more than 20 owners (see Attachment C), developers and their representatives; and a downtown condo owners association meeting with 12 of the 19 downtown condo associations represented (see Attachment D)
- An on-line survey posted on the City’s website, to which 47 people responded, and City staff summarized into a themes and findings document (see Attachment E)
- Quantitative market analysis and qualitative market trends assessment prepared by the consulting team (see Attachment F)
- Five meetings of the DAC, which focused on visioning, discussion of stakeholder and community perspectives, and the market analysis (see Attachment G)

These materials and all of the inputs and analytics provided to the DAC are contained in the DSP Strategic Situation Assessment Supplemental Appendices.

2.0 OVERVIEW OF DOWNTOWN'S BUSINESS PROFILE

2.1 Community Context for Downtown Planning

Based on community conversations and market analysis, the DAC has found that the downtown fills multiple roles. Downtown is:

A Beloved and Beautiful Urban Center. Downtown Kirkland is a beloved city center. Many people feel that it is the heart of the community, and a major contributor to what makes Kirkland such a desirable place to live, work and spend time. It has a very special set of assets—water and waterfront access, including a marina; beautiful parks and lots of natural beauty; an attractive, walkable scale; a neighborhood and pedestrian-friendly feeling; public art and a performing arts center; community amenities including a library and pool; popular restaurants and nightlife; and many small shops.

A Regional Destination for Residents and Visitors. Kirkland is a regional destination for visitors and Eastside residents. People come to downtown Kirkland for its parks, restaurants, galleries, nightlife, arts performances, shops and services. Downtown is also home to several community events and celebrations, which attract people from throughout the city and the region.

There is also a sense of community downtown, a welcoming sense of a family-friendly, pet-friendly district where people feel safe and can walk and meet their friends and neighbors. Especially on warm, sunny days, downtown is a gathering place for people enjoying the outdoors and the area's restaurants and cafes.

People are passionate about downtown and have a sense of ownership about its future. They do not want to harm the special character of the district, even as downtown changes.

2.2 Summary Business Profile

Downtown is an Employment Node. Exhibit 1 shows downtown employment (the core area and Park Place) for firms with City business licenses (these figures thus exclude government employment, such as City Hall employment). As the Exhibit shows, there are a total of 614 businesses operating downtown, supporting nearly 4,000 employees. The majority of these are small businesses (defined as businesses with an average of 2 to 39 employees per firm); the overall average number of employees per firm is six.

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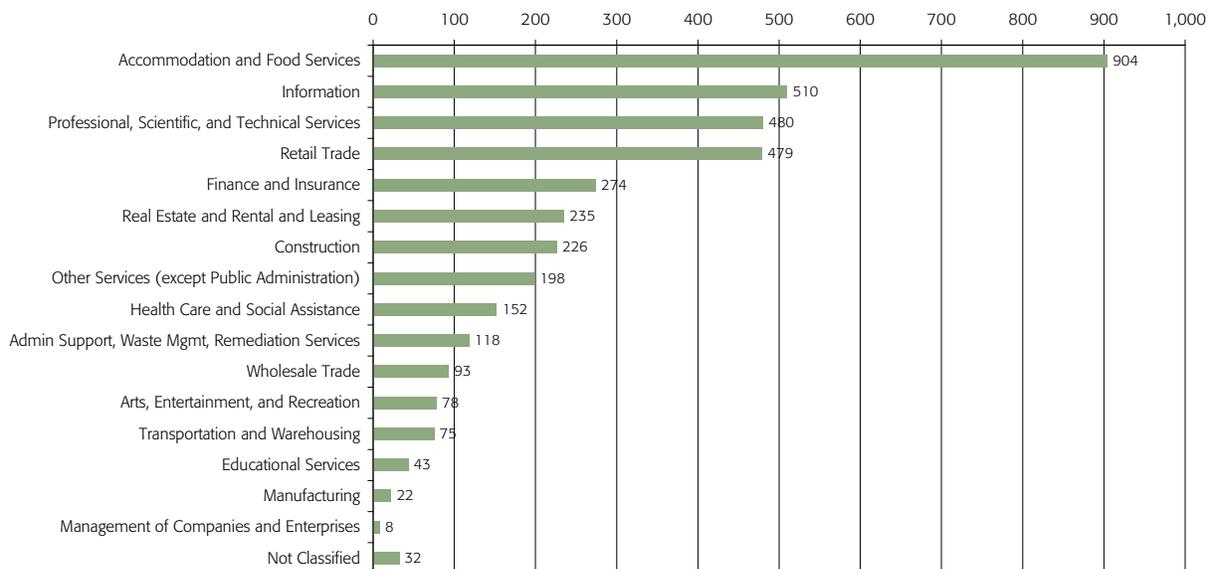
Exhibit 1 Employment and Count of Downtown Kirkland Businesses by Industry, 2007

2-Digit NAICS Code	Industry Description	Number of Businesses	Total Employees	% of Total Employment	Avg Employees per Business
72	Accommodation and Food Services	61	904	23%	15
51	Information	13	510	13%	39
54	Professional, Scientific, and Technical Services	103	480	12%	5
44-45	Retail Trade	96	479	12%	5
52	Finance and Insurance	50	274	7%	5
53	Real Estate and Rental and Leasing	38	235	6%	6
23	Construction	25	226	6%	9
81	Other Services (except Public Administration)	88	198	5%	2
62	Health Care and Social Assistance	52	152	4%	3
56	Admin Support, Waste Mgmt, Remediation Services	24	118	3%	5
42	Wholesale Trade	10	93	2%	9
71	Arts, Entertainment, and Recreation	14	78	2%	6
48-49	Transportation and Warehousing	4	75	2%	19
61	Educational Services	6	43	1%	7
31-33	Manufacturing	6	22	1%	4
55	Management of Companies and Enterprises	5	8	0%	2
00	Not Classified	19	32	1%	2
Total all Industries		614	3,927	100%	6

Source: City of Kirkland Business License Database, 2007

Exhibit 2 below presents employment by business type downtown. As the Exhibit shows, Accommodation and Food Service is far and away the largest employment category, followed by Information, Professional Services and Retail Trade.

Exhibit 2 Total Employment of Downtown Kirkland Businesses by Industry, 2007



Source: City of Kirkland Business License Database, 2007

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Exhibit 3 shows a significant portion of the city's total office and retail space is located within the downtown core and Park Place. Combined, the retail square footage in downtown (13%) and Park Place (4%) is only behind Totem Lake. In terms of office space, Park Place has a larger share of inventory.

Most of the retail and office space in Downtown Kirkland is found in smaller scale buildings.

Exhibit 3 Retail and Office Square Footage in Kirkland, 2005

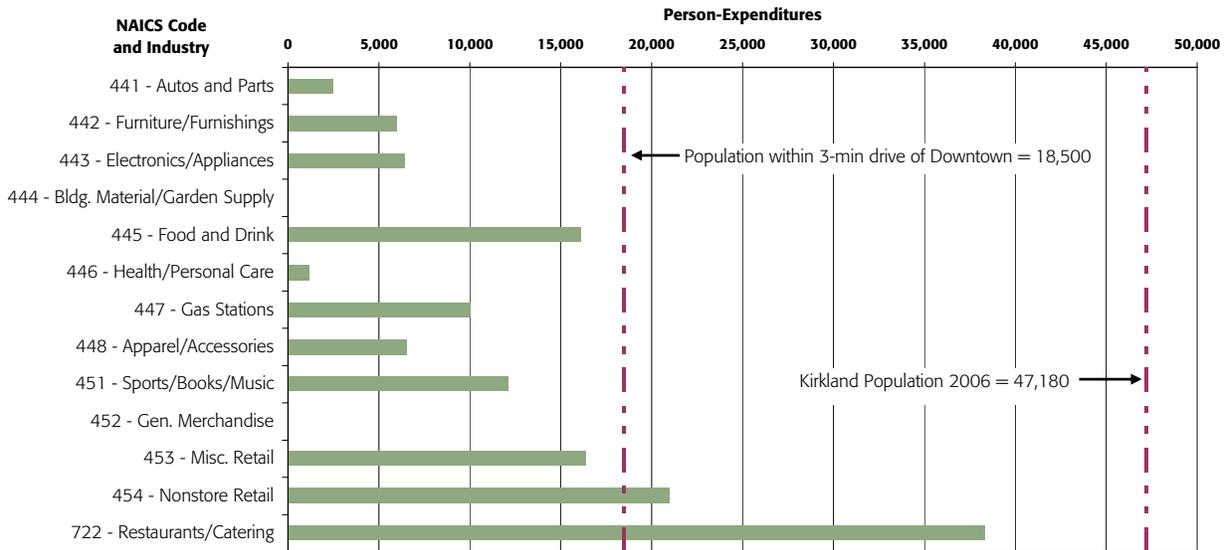
Retail Area	Retail Space		Office Space	
	Gross SF	% of Total	Gross SF	% of Total
Downtown	365,915	13%	133,922	3%
Park Place	117,834	4%	609,870	12%
Rose Hill Business District	462,779	17%	123,952	2%
Totem Lake	1,264,456	46%	1,555,902	31%
Juanita Village	251,796	9%	109,195	2%
Houghton Market	106,867	4%	86,278	2%
Bridle Trails	99,782	4%	2,854	0%
Other	67,126	2%	2,385,902	48%
Total Downtown/Park Place	483,749	18%	743,792	15%
Total all Areas	2,736,554	100%	5,007,875	100%

Source: King County Assessors Office, 2005

Retail and Restaurant Sales. Exhibit 4 shows the City's taxable retail sales (TRS) data in terms of person-expenditures¹ for the downtown core area and Park Place area.

¹ Person-expenditures are calculated by taking the total TRS in a retail category and dividing it by the annual per capita average spending in the same category statewide. For example, if a city has \$100,000 of TRS in the groceries category and the statewide TRS per capita average spending on groceries is \$1,000, the city would have 100 person-expenditures ($\$100,000/\$1,000=100$). Person-expenditures are a useful way to measure the relative strength of different retail sectors in a city.

Exhibit 4
Kirkland Downtown/Park Place Person-Expenditures by Industry, 2006



Source: Washington Department of Revenue TRS data compiled by the City of Kirkland Department of Finance and Administration, 2007

As the Exhibit shows:

- In terms of revenue generation, the most significant retail businesses downtown are restaurants.** Analysis of TRS data show that downtown Kirkland restaurants are attracting customers from outside the market area, and this is confirmed by focus group interviews with restaurateurs, who say that they draw from Kirkland during the week and from Kirkland, Bellevue, Redmond, and Bothell on weekends. Their business however, is affected by weather and recently, by new competitors in downtown Bellevue and Redmond (including about 20 new restaurants in the Bellevue Square/Lincoln Center complexes.). As Bellevue’s downtown and its nightlife grows, this competition could become more of a threat to downtown Kirkland restaurants.
- Kirkland is known for its galleries, and there is a concentration of galleries downtown.** In recent years, some galleries have expanded into internet sales, which is reflected in the relatively strong TRS category of Non-store Retail, which captures e-commerce sales. Galleries are included in “All Other Miscellaneous Store Retailers” in Exhibit 4.

Exhibits 4 and 5 focus on downtown’s retail and food service businesses. Exhibit 4 shows that there are 98 retail businesses in downtown, with a total of 479 employees. Exhibit 5 shows that there are 61 restaurants or food service establishments downtown. The majority these restaurants are full service (59% or 34 restaurants), with another 25% or 11 restaurants providing limited service. These businesses also support considerable employment—904 jobs total, of which 530 are generated by the 34 full service restaurants.

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**Exhibit 4
Employment and Count of Downtown Kirkland Retail Businesses, 2007**

6-Digit NAICS Code	Industry Description	Number of Businesses	Total Employees	% of Total Employment
443120	Computer and Software Stores	4	148	31%
452910	Warehouse Clubs and Supercenters	1	61	13%
453998	All Other Miscellaneous Store Retailers	21	57	12%
4481XX	Clothing Stores (all categories)	10	31	6%
453920	Art Dealers	11	20	4%
454111	Electronic Shopping	4	19	4%
453220	Gift, Novelty, and Souvenir Stores	5	18	4%
447190	Other Gasoline Stations	1	15	3%
451120	Hobby, Toy, and Game Stores	2	13	3%
454390	Other Direct Selling Establishments	7	9	2%
448310	Jewelry Stores	3	9	2%
442110	Furniture Stores	3	8	2%
Total All Retail Businesses		98	479	100%

Source: City of Kirkland Business License Database, 2007

Note: Retail categories with fewer than 8 employees excluded from list.

**Exhibit 5
Employment and Count of Downtown Kirkland Food Service Businesses, 2007**

6-Digit NAICS Code	Industry Description	Number of Businesses	Total Employees	% of Total Employment
722110	Full-Service Restaurants	34	530	59%
722211	Limited-Service Restaurants	11	222	25%
722213	Snack and Nonalcoholic Beverage Bars	9	106	12%
722410	Drinking Places (Alcoholic Beverages)	3	30	3%
722310	Food Service Contractors	2	9	1%
722212	Cafeterias	1	4	0%
722330	Mobile Food Services	1	3	0%
Total All Food Service Businesses		61	904	100%

Source: City of Kirkland Business License Database, 2007

3.0 ASSESSMENT OF THE 2001 DSP AND CURRENT CHALLENGES

3.1 Overview of the Plan's Principles and Recommendations

The 2001 DSP focused on "making downtown Kirkland into a high quality pedestrian village," and defined the downtown as comprising three districts: the Core Area, Marina Park and Park Place. The Plan's pedestrian-friendly vision was further defined by five Guiding Principles: (1) maintain a pedestrian orientation to the downtown and surrounding districts; (2) balance the need for efficient vehicular circulation with the downtown's vital pedestrian character through appropriate traffic calming measures; (3) acknowledge Park Place as an integral part of downtown by establishing clearly defined pedestrian connections with the core area and the waterfront; (4) enhance the core area of downtown by assuring a mix of mutually supportive uses as well as a human scale for any new development; and (5) celebrate the waterfront setting by reorienting the downtown to the lake.

The organizing theme for the 2001 Plan was "Public Actions, Private Opportunities," and both the Plan and its implementation were focused on downtown improvement and development projects. City staff have prepared a summary *Performance Assessment of the 2001 Plan*, which was presented to the DAC at its initial meeting. Public actions in the Plan included: site-specific planning and development projects (Lakeshore Plaza @ Marina Park, and the Lake & Central development site); improvements to the circulation network (Transit Center planning; Central Way traffic calming and Kirkland Avenue intersection and circulation changes); and parking planning and management. The implementation status of these projects is as follows:

- **City Development Projects.** The two site-specific City development projects have not been implemented, despite considerable planning and initial effort. The Lakeshore Plaza project was added to the City's Comprehensive Plan, and initial planning and public outreach conducted. The City Council approved a preferred concept, but the project stalled due to a funding gap and a lack of property owner and public support for the project. The sale of the Lake & Central property to a mixed use developer was rejected by the City Council following significant and vocal public opposition to the project.
- **Transit Center Development.** The existing location on Third Street has been confirmed as the location for this Sound Transit project. Detailed design work is currently underway. After extensive analysis of multiple sites, the former Downtown Action Team had identified a Kirkland Avenue site as preferred. The site required a rezone for transit-oriented development (to allow a percentage of housing) but the City Council ultimately rejected the rezone required to make this site work.
- **Central Way Project.** Phase I of the Central Way traffic calming project has been completed. The project was designed to improve pedestrian mobility along and across Central Way, reduce cut-through traffic in the Norkirk Neighborhood, and add additional on-street parking along Central Way. The project involved several coordinated infrastructure improvements and upgrades including new fiber optic power lines laid underground, sewer and water main replacement, and new streetscape amenities such as curb bulbs, planter islands, and lighted crosswalks. Conversion of an eastbound lane into 32 parking stalls has been completed as a pilot project. Monitoring of

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the pilot project's traffic and parking impacts is underway. Based on results, City Council is to decide if the parking will remain and permanent pedestrian improvements should be installed.

- **Kirkland Avenue Improvements.** Kirkland Avenue circulation and streetscape improvements are mostly complete, including installation of a public plaza at State Street and Kirkland Avenue and ongoing sidewalk improvements being installed in conjunction with private development. When the Transit Center project is completed the Kirkland Avenue and Third Street intersection will be signalized.
- **Parking Management.** In response to DSP direction that the City take "a strong leadership role in ensuring adequate parking in the core area and waterfront," the City worked to: complete a *Downtown Parking Study and Plan (2003)*; manage parking through funding a half-time parking coordinator, support a Parking Advisory Board (PAB), survey businesses, add wayfinding signage and new pay stations, and implement employee parking programs, including free parking for employees of downtown businesses in the City's library garage. The City also added to the on-street parking supply by restriping and by adding the new spaces on Central Way. The PAB has overseen the creation of 68 new parking stalls on-street and in City lots. The PAB is also exploring market-based pricing of parking, financing options for adding new parking supply, public-private partnerships to foster shared parking, and review of parking requirements.
- **Zoning Code and Comprehensive Plan.** The DSP supported the basic comprehensive planning and established zoning of the downtown with recommendations for minor updates. The City implemented several recommended changes to its zoning codes, including adding a one-story bonus provision to incent residential development in the core area (CBD 1); reducing setback requirements to incent retail development along portions of Kirkland Avenue and Central Way (CBD 3 & 7); tightened retail frontage requirements, and enacted incentives for residential uses in Park Place.

Private Sector Development. The concept of encouraging development at "opportunity sites" was a key element in the 2001 DSP. In the six years since the Plan was adopted, a number of mixed use projects have been developed or are currently under construction. These include the Kirkland Central condominiums on State Street, Boulevard Condos on Kirkland Avenue, 123 State Street condos, the Merrill Gardens Assisted Living development on Kirkland Avenue, the Bungie Studios office development on Kirkland Way (remodel of the former hardware store into tech-oriented office space), and the Heathman Hotel on Kirkland Avenue.

3.2 Building on the 2001 DSP: Current Challenges Facing Downtown

Assessing the outcomes of the 2001 DSP yields a multi-faceted conclusion. On the one hand, downtown Kirkland has fulfilled part of the Plan's vision for a friendly, neighborhood-scaled, residential core served by a combination of local and destination retail. Taking downtown as a whole (Lake Washington to Sixth Street) the area has a broad range of uses, including entertainment, civic spaces, office, and a wide spectrum of retail. The City has taken several public actions that have been effective at improving the pedestrian character of the district and the private sector appears to have responded by investing in redevelopment of key downtown properties. Nonetheless, planning for and maintaining a downtown is an ongoing project and many challenges still exist or have arisen since 2001.

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Current challenges and areas for improvement can be arrayed in the following categories:

- Ongoing challenges and areas for continued improvement surrounding the goals of the 2001 DSP
- New challenges related to market trends and the development process
- Challenges related to economic vitality, specifically the retail climate and the design of public spaces
- Concerns and issues from the downtown residential community

3.3 Ongoing Challenges and Areas for Continued Improvement

The 2001 Plan's vision and many of its objectives are shared by communities across the country, and represent ongoing community planning challenges. For downtown Kirkland, these ongoing challenges include the need for continued work to:

- **Be a high quality pedestrian village.** This goal translates into managing access to ensure a convenient, safe, enjoyable experience downtown and balancing the needs of cars and pedestrians. The DAC heard multiple comments and concerns about pedestrian safety crossing streets, and the impacts of cut-through traffic transiting downtown.
- **Manage parking to support downtown's retail and restaurant businesses.** Downtown stakeholders believe that parking is a critical issue for continued economic vitality and quality of experience downtown. With greater success of downtown's restaurant and retail businesses, parking will only become more of a challenge than it is today.
- **Strive for connectivity among downtown's sub-districts and streets.** Downtown encompasses the Park Place sub-district and increasingly will be influenced by new office developments to the east, in the Sixth Street corridor. In the coming years, connecting these sub-districts physically and from a community perspective will increasingly provide opportunities to enhance the economic success of businesses in the core area and the experience of office tenants in the area's emerging Sixth Street tech corridor.
- **Address seasonality to create a more robust shopping and dining district.** The restaurant focus group, especially, noted that downtown is very busy for four months a year, and under-utilized for the remaining months. Making Kirkland a more all-seasons destination will improve the viability of existing businesses and provide opportunities for desirable new retailers to locate downtown.
- **Strengthen the retail base in the core area.** This can be accomplished through defining and implementing specific new business retention and attraction strategies, business partnerships and strategic marketing.
- **Embrace the waterfront.** Access to Lake Washington is one of Downtown Kirkland's most discussed strengths—access to the Lake is identified in two 2001 Plan Guiding Principles. The Lake, marina, and waterfront are priorities for the community and many residents feel more can

be done to connect the waterfront with downtown and Park Place. Many would also like the Lakeshore Plaza project to be completed, to create a direct linkage between the street and the lake.

Each of these objectives was identified in the 2001 Plan, and each remains a challenge for downtown today.

3.4 New Challenges Related to Market Trends and the Development Process

The following issues were identified by several of the focus groups and the property owner meeting as areas that need to be addressed by the City going forward:

Housing: Improving the Diversity of Options

Quality Residential Development, Not Affordable to Many People. The 2001 Plan encouraged residential development, and this objective has thoroughly met with success. Downtown is now known as a high quality, very desirable place to live. However, most of the units constructed in recent years are relatively spacious, high priced, for-sale units. These units have attracted an older, affluent demographic to downtown.

Particularly as office employment grows, there will be a need for entry-level and work force housing options for the new workers—either ownership or rental. Currently, there are limited housing options downtown for younger and less affluent people. Housing opportunities for a more demographically diverse group of downtown residents will require construction of smaller units at more affordable price points and rental housing. There are recent occurrences of rental housing (128 State Street Condos has converted to an apartment project) and senior housing (Merrill Gardens). Live-work units are also a way to meet the needs of some potential new residents, and would provide for diversity of housing products as well as be attractive to a mix of different kinds of people, including professionals and small business owners. Live-work units also allow development to take housing down to the ground floor while still allowing for some street-level interest and activity.

City Parking Regulations Drive Housing Development Choices. Developers and property owners point to the City's parking requirements—the base code requirement is currently 1.7 spaces per residential unit—as driving development of large and relatively high priced residential units. They note that parking costs need to be incorporated in condo unit prices, and at \$15,000-20,000 for structured, above ground spaces and \$25,000-35,000 per below-grade parking space, only certain types of housing development makes sense to build. City staff note that parking requirements have often been modified to one parking stall per bedroom, which has been consistent with what developers have requested based on market demand. Parking requirements should be monitored on a continuing basis and amended if needed to reflect actual demand and provide more certainty to the development process, while not contributing to spillover parking from new residential developments.

Consideration of Expanding Office Use Downtown

Feasibility of Downtown Office Development is Challenging. Currently, the office market in downtown is strong, and the core area may be able to attract new, small-scale office development, if current impediments to that development are addressed. Now that downtown has successfully attracted residential development, it may be appropriate for the City to facilitate smaller scale office development in this area. This is a strategic issue for the DAC and the City to consider in the next phase of the DAC's work.

Allowing additional office development in the core area could provide a healthy diversity of uses, and will bolster the area's foot traffic and "daylife"—which will provide additional support to retailers, restaurateurs, and other existing businesses. As the market analysis shows, downtown already has more than 200 service businesses, including professional service firms, financial management and other firms using office space. Downtown is a desirable place for smaller office firms to locate, and the current office market is good, with demand and financing available for such space.

Although the demand for new office development may exist in the core area, current height limits (bonus floor only applicable to housing projects) pose a barrier to new office development, as do parking requirements. Encouraging additional office development downtown will likely require the City to address the need for additional parking capacity.

Given the high cost of office development (expensive structured parking, typical use of steel and concrete construction methods), a three or four story building may not be able to justify the high fixed cost of parking and foundation requirements. On the whole, larger buildings can achieve better economies of scale; however, in the core area the sites are relatively small. With standard office parking ratios at three or four spaces per 1,000 square feet, office users can require three or four times as much parking as a residential unit. And with structured and underground parking costs what they are, it is no wonder that development in downtown Kirkland has focused almost exclusively on housing in the past six years.

Reviewing Development Regulations in Light of Market Trends and Impacts

Density and Greater Building Heights are Needed to Support Development Feasibility.

Developers and property owners note that feasibility for many downtown development projects hinges on obtaining additional height. The property owners and some DAC members also state that increased density and building heights are fundamental to make Kirkland a vibrant, charming, urban waterfront community. They maintain that additional density will help the City achieve the DAC's vision for downtown, including addressing current seasonality-related challenges. This issue was discussed in many DAC meetings, and will require further review and discussion to develop a DAC consensus.

Bonus Floor Requirements are Problematic. The City's 2001 Plan provided for a "bonus floor" to encourage its goal of residential development downtown, facilitate redevelopment of opportunity sites, and support downtown retail. Three projects (Heathman Hotel, Kirkland Central Condominiums, and Merrill Gardens) have utilized these provisions. The zoning code and 2001 Downtown Strategic Plan allow the bonus floor through the Design Review process if the upper

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floors are residential, the upper floors are terraced to minimize the impact of the additional story, and “superior retail” is provided on the ground floor. Developers and property owners report several problems with the bonus floor concept.

- Developer’s feel the City’s development process lacks predictability. The City’s development process is unusual in the region for the amount of discretion and authority provided in the DRB process. The DRB has discretion, for example, to determine the definition of “superior retail” on a project-by-project basis, and to award or deny a bonus floor. Property owners and developers are frustrated, and in some cases confounded, by the City’s process. As one focus group participant said, “There are no specifics that we can prepare for in order to understand if our project will be economically feasible within the guidelines, and if we can get design approvals.” Another stated, “To have a healthy environment for development downtown there should not be an arbitrary decision-making process.”
- They note that the City’s design/development review process does not provide for approval of the bonus floor until relatively late in the planning process. With economic feasibility hinging on the bonus floor, applicants lack certainty about the feasibility of their projects—a crucial requirement for a healthy development climate.
- Because the bonus floor is primarily for residential development (office is allowed on the second floor), it effectively precludes mixed use development incorporating office space. While the City had intended to encourage residential development, the bonus requirement restricts owners’ ability to respond to the market and provide a mix of uses downtown.
- The “superior retail” provision is one of the most criticized elements of the current code—downtown property owners, developers, designers and architects all state that the definition of “superior retail” is not written, is not understood in the development community, and is decided on a case-by-case basis by the City’s Design Review Board (DRB). And again, the determination of what constitutes superior retail comes relatively late in the planning process. In focus groups, this provision was highlighted as very unusual, and very challenging for project developers.

3.5 Economic Vitality: Retail Climate and Public Spaces

Strengthening the Retail Climate

Ground Floor Retail Requirements Present Some Problems. Many cities require retail uses on the ground floors of business districts, and Kirkland has enacted such provisions downtown. While active retail at street level is an appropriate goal, in practice there have been instances where non-retail businesses have set up shop and offered limited quantities of retail goods to meet City requirements. In the retail focus group, retailers stated that the result of these actions is to undercut the true retail businesses. (In some cases the storefronts have sold the same goods, at lower process, than the retail shops.) The retailers want the City to know that its current regulations—while well intentioned—are not helping their businesses. They suggest that the City revisit the regulations that encourage non-retailers to sell retail goods. One way to address this issue would be to take a more fine-grained or block-specific view of allowable ground floor uses, encouraging a flexible mix of uses that create activity and street-level interest. In the heart of the

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core retail area, ground floor uses could be strictly retail. In surrounding streets, a broader mix of services and even live-work uses could be allowed.

Focus on Retail Business Retention and Attraction. Downtown has some major strengths (restaurants, galleries) and emerging clusters (women's clothing, home décor and accessories). The downtown retail environment could be significantly improved by developing and supporting a focused retail business strategy, in which the merchant community works together to identify current market gaps and complementary business types, then reaches out to attract specific businesses to fill those niches. Joint messaging and marketing of downtown's retail offerings to the public could also help raise downtown's profile and visibility, and attract new customers. The City is already supporting some marketing and business retention efforts downtown; the opportunity to coalesce and enhance these efforts to strengthen downtown retail overall could be a major focus of the DAC's continued work.

Integrating Sustainable Development into Downtown Planning and Actions

Embracing Sustainability and Green Building Strategies. Sustainability should be incorporated as a fundamental concept into downtown planning and development. Kirkland is one of the region's "early city adopters" of sustainability policies, with the City initiating land use and building code provisions to facilitate sustainable building and development Citywide. The City is defining sustainability as "balancing the need for development (i.e. housing construction) and growth (i.e. population increase) against the need to protect the natural and built environment while meeting the needs of the present generation without compromising the ability to meet the needs of future generations."

These concepts should specifically be incorporated and applied to the downtown. An updated DSP provides an opportunity to think holistically about how the concept of sustainability can be applied to downtown as it changes and grows.

Improving Urban Design and Signage

Improve the Public Realm: Downtown Streetscape and Wayfinding. The DAC has noted that a considerable portion of the total acreage downtown is City-owned; this includes the streets, alleys, sidewalks and other public spaces. Thus, as a key "downtown property owner" itself, the City has a substantial opportunity to influence the look and feel and overall functionality and attractiveness of the downtown.

The focus groups, particularly the urban design group, noted a number of improvements to downtown's sidewalks, alleys, street lighting, and signage that could make the residential visitor's experience safer, easier, and more enjoyable. Several participants noted that downtown was "looking a little tired" and could benefit from some upgrades and investments in its appearance through City actions. Downtown residents, too, have identified opportunities for improvement in the streetscape, all of which could be considered as part of an updated DSP strategy.

Marina Improvements

Some DAC members and focus group participants noted that the City's marina is a tremendous public asset. It is also an underutilized asset, in need of updating and infrastructure improvements. Planning for and investing in the marina could potentially be an effective tourism and business attraction strategy, as well as help achieve greater retail vitality downtown.

3.6 Community Concerns, Issues, and Priorities

Many residents continue to be concerned about changes to the downtown and the possibility of losing elements of downtown that make it special. The DAC-sponsored community conversations and focus groups with downtown and neighboring residents revealed the following sentiments:

Maintaining Downtown Kirkland's Small Town Character

Respect and Encourage the Small-town Feel. Residents feel downtown is a great place to live and visit because of its robust character. Downtown's ambiance and soul, residents say, are what make downtown and Kirkland as a whole different from other cities, especially other Eastside cities. Many in the community note that downtown has a European charm and flair—pointing specifically to the human-scale and walkability of the downtown core. Participants at the downtown resident focus group, condo owners meeting, and community conversation all cite Park Lane as an example of what they love and would like to see more of in Downtown Kirkland. Residents do not want to lose the character that makes downtown so attractive and special.

Respecting Heritage and Historical Character. Many in Kirkland also feel that downtown needs to celebrate and retain its historical assets, including the Historic Church. Residents stress that currently proposed developments and other future developments must be in keeping with the existing character and history because they are what makes Kirkland an attractive desirable place to be.

Protect Downtown Character by Limiting Downtown Heights. While much of the development community would like the City to increase building height limits in the downtown, the residential and neighboring communities stress a desire to keep heights low. At the DAC-sponsored Community Conversation nearly every small group suggested the downtown should be a "bowl"—where heights are kept low on the waterfront and increased moving away from downtown. Residents feel maintaining or even reducing height limits is an integral part of retaining downtown's character.

Maintaining Downtown Livability

Transit Center Impacts. Some residents have expressed concerns about the effects of the new Transit Center on downtown livability and character. They are unhappy with the loitering and public safety issues associated with the current Transit center, and are also concerned about the potential noise, pollution, loitering, and public safety impacts of the new and larger facility.

Tree Maintenance. Residents are concerned about how downtown trees are maintained. Many would like to see the City establish a tree pruning program that regularly maintains trees at an appropriate height.

Traffic, Parking, and Safety: Challenges of a Growing Urban Area

Traffic Congestion. From almost all stakeholders' perspectives, traffic congestion has become one of Downtown Kirkland's biggest challenges. Lake Street is a through-fare, a corridor for commuters to avoid highway congestion and construction. Add to that narrow streets and traffic coming to Downtown Kirkland as a final destination—residents and shoppers alike—many fear traffic is and will continue to impact downtown's vitality.

Parking is Frustrating for Residents and their Guests. While many residents kid they purchased a condo in downtown Kirkland so they could have easy parking, parking is one of the most frequently discussed challenges among residents and downtown neighbors. Residents complain it is difficult for their guests to park. They state that both parking supply and the length of time allowable in metered spaces is a challenge for downtown livability.

Safety Challenges: Real and Perceived. According to downtown residents and neighbors, safety, both real and perceived, is an increasing challenge in the downtown. Many complain about late-night activity on the street surrounding the bars and restaurants and have suggested more police presence is necessary. Other areas of safety concerns include: area around the transit center, library parking garage, and some areas of Peter Kirk Park. While residents say that some safety concerns may only be perception, they feel perception is reality in terms of attracting new residents and visitors.

Retail Needs: Retail for Residents versus Destination Retail

Creating Neighborhood-Serving Retail Options. Residents express additional concern regarding the shift of downtown's retail base from primarily local-serving retail to more of an arts and entertainment district—galleries, restaurants, boutiques. This market-based shift has occurred primarily due to national trends in the way people purchase goods and services. At the strategic level, leaders must decide whether to play to downtown's strengths or try to steer the market away from its natural tendencies. It should be acknowledged that cities have limited tools to influence fundamental market trends.

4.0 VISION STATEMENT TO GUIDE THE DOWNTOWN STRATEGIC PLAN

Through multiple meetings and much brainstorming and discussion, the DAC has drafted a “working vision statement” to inform the DSP process. The DAC proposed to continue to refine and “flesh out” this vision with additional specificity as the update process moves forward:

Downtown Kirkland is a vibrant and charming urban waterfront community with unique shopping, destination dining, public art and galleries, beautiful parks and gathering places.

It is an economically vital, pedestrian-friendly district that attracts the City’s residents and visitors to enjoy its heritage and waterfront ambiance.

Guiding Principles for a Great Downtown Kirkland

The City and the community will collaborate to encourage:

- A safe, family-friendly environment
- Year-round activity with a mix of daytime and night-time uses
- A complimentary and successful mix of retail shops and services
- A balance of residential, office, retail, and entertainment uses
- Adequate transportation access and parking
- Sustainable and visually appealing architecture, public spaces, and amenities
- Improvements that embrace the waterfront and connect the Lake to downtown and Park Place

With this vision, downtown will flourish, help build community, and uniquely reflect Kirkland

5.0 STRATEGIC OPPORTUNITIES AND RECOMMENDED NEXT STEPS

After eight months of work, the Downtown Advisory Committee and the City's Downtown Strategic Plan are at a critical juncture. In the six years since the 2001 Plan was adopted by the City Council, much has happened downtown, and even more change is on the horizon. The impact of the Heathman Hotel's opening, the Park Place redevelopment proposal and the economic activity it could bring to downtown, the Google office development in the Sixth Street corridor, and potential redevelopment of key privately owned opportunity sites in the core area, sum together to create the next chapter in downtown's lifecycle.

The DSP process has created energy and enthusiasm to thoughtfully address how the City can plan, manage and invest in the downtown's future. The DAC and many downtown stakeholders (for example, the property owner group and condo association owners group) are invested in the work that has already been accomplished and want to participate in defining the City's new Plan to guide downtown's best future.

5.1 DAC's Recommended Next Steps: Completion of the Downtown Strategic Plan Update

Downtown is the heart of Kirkland. It is a community, residential, and economic center that must be supported. The DAC is committed to fostering a healthy downtown. After five meetings, multiple stakeholder and expert focus groups, a community meeting and online survey, market analysis, and input from national downtown experts, the DAC recommends the City should consider:

1. Continuation of the DAC to complete an update to the DSP in 2008, utilizing the strategic opportunities outlined in the Strategic Situation Assessment, and allocate supportive funding.
2. Strategic additions to the DAC to broaden its representation of the downtown community and all of the stakeholders. Possible additions include representatives from retail, restaurant, galleries, and youth.
3. Support for ongoing communication with stakeholders and the community at-large to ensure successful DSP implementation.

The DAC is committed to finishing the update to the DSP. Our group has worked diligently for months and accomplished much, including drafting a vision statement that encompasses wide-ranging community views, developing a deep understanding of the current situation, challenges, and strategic issues facing downtown Kirkland, and energizing the community around the downtown—with specific ongoing commitments from many downtown condo associations and property owners. The DAC feels strongly that this effort must not be wasted—and, without moving forward to complete the update to the Downtown Strategic Plan, it will be.

There are many areas of community disagreement that need additional conversation, many of which are outlined in the discussion of challenges in the Strategic Situation Assessment. The DAC is the appropriate body to negotiate through these complex issues because of our diverse range of opinions and backgrounds—many of the key disagreements are represented on the DAC. We feel that during

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the Strategic Planning process, we can and hope to negotiate through these controversial issues. We hope the Council will recognize the importance of this effort and invest in the completion of the Downtown Strategic Plan Update.

The DAC thanks the Council for their commitment to the process so far, and looks forward to ongoing commitment and discussion of these important topics.

5.2 Strategic Recommendations for the 2007-08 DSP Update

Should the Council decide to go forward with the DSP update, the DAC presents the following recommendations for potential strategy areas and issues for further inquiry, summarized below in three major categories: management and organizational strategies; design, infrastructure and regulatory strategies; and marketing and promotion strategies.

Management and Organizational Strategies

- **Complete the New Vision for Downtown and Communicate it Broadly.** The focus groups and stakeholder interviews showed that the vision for downtown is not clear to people. People aren't sure what the City is doing downtown now, what its vision is, and how it is working to operationalize that vision. There is a desire for the City to clearly define and communicate its vision. This will be especially important as the City addresses specific planning and redevelopment proposals in the next year.
- **City Commitment and Leadership.** Given downtown's challenges and many opportunities, people want the City to show leadership downtown. In nearly every focus group, people were asking for decisions, action strategies and steps to address problems and make improvements. Citizens would like the City to articulate downtown's next chapter and lead the way in making it a reality. Key to that leadership is clarity in the vision, an effective supporting implementation strategy, and maintaining effective communication with the community.
- **Focus on Retention and Recruitment of Complimentary Businesses.** In the 2001 DSP, a major focus was on improvements to the physical environment. In the updated Plan, a special focus could be devoted to improving the downtown business climate, especially through identifying complimentary businesses to attract and recruit to downtown. Another focus area could be on organizing businesses to work together, and in concert with the City, the Kirkland Downtown Association (KDA), and the Greater Kirkland Chamber of Commerce (Chamber). Specific strategy recommendations may include building on Kirkland's existing identified market strengths.
- **Focus and Strategically Direct City Resources.** The City is investing resources and money downtown through several avenues—planning, economic development, tourism and Lodging Tax revenue, direct financial support to the KDA, and to the Chamber for business retention technical assistance. With City resources diffused across multiple resources, there is confusion among stakeholders about what the City is and isn't doing, and where to turn for help. Moreover, the public doesn't fully see the City's role or support for downtown; it isn't clearly visible. Many businesses likewise don't know about the resources that are available through the City, the Chamber, and KDA. Pulling all of these resources together through an integrated City funding and

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resource strategy would create leverage and provide clarity to stakeholders and the public about the City's role and the resources available.

- **Define and Develop New Partnerships Downtown.** Expectations of what the City can do alone in the downtown are often too high. More effective would be an approach in which the City and the downtown business community develop an integrated strategy for improving downtown, with clear roles and responsibilities for each party. Following the theme of "Public Actions, Private Opportunities" the downtown should have strong, collaborative partnerships with each of the key segments of the downtown business community. In particular, there is an opportunity to define a larger role and responsibilities for the KDA—to make the organization a full partner in realizing the vision and goals of the DSP, and to hold the organization accountable for achieving certain performance objectives.
- **Identify and Encourage New Roles for Property Owners.** Property owners play a critical role in downtowns—in selecting the right retail mix and tenants, in maintaining, managing and investing in their properties, and in participating in partnerships with the City and other businesses for marketing, communications, and business attraction purposes.

The emerging property owners group presents a significant opportunity for the City to develop improved relationships and partnerships with downtown property owners. Building on the interest and momentum that has been generated through the planning process, there are likely opportunities for business-to-business partnerships as well. Some of these were suggested in the focus groups, involving joint marketing and communications across businesses. The City can help guide and support all of these partnerships.

Design, Infrastructure and Regulatory Strategies

- **Identify and Address Barriers to Desired Development.** Revisit the City's regulatory requirements to remove barriers to high quality development, particularly to enable a more diverse mix of housing and to support creation of office uses to bolster the area's business climate while supporting the overall vision for Downtown Kirkland.

This area has been perhaps the most contentious and debated issue in Downtown Kirkland. As outlined in the Assessment of Current Challenges, many developers would like the City to increase height limits to improve economic feasibility, while many residents would prefer height limits are maintained or reduced to retain Kirkland's character.

This kind of community discussion, debate, and even disagreement about the specifics of zoning codes is not uncommon, and can even be expected in an attractive and successful community. Moreover, the codes and policies that govern downtown Kirkland are the product of previous public process that has taken place over many years. At the strategic level, this kind of debate challenges leaders to either develop strategies that build on established codes and policies or to revisit established codes and policies. The DAC will look to the City Council for guidance on what specific issues to explore versus issues that should be left to the Planning Commission, Parking Advisory Board, or other appropriate groups.

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- **Streetscape, Signage and Wayfinding Upgrades.** Review and make investments in downtown's urban design realm, including particularly streetscape, signage, and wayfinding, all of which would improve downtown's appearance and accessibility. This recommendation stems from the focus group research, which showed that people coming from outside the area aren't sure where to go in downtown. Improved signage would help direct people and publicize the district's offerings. Similarly, there are opportunities to improve sidewalks (broken and cracked in places), lighting, and tree plantings that would create a fresher and more vibrant feeling downtown.
- **Connectivity Between Downtown's Sub-Districts.** Focus groups consistently emphasized the importance of strengthening the pedestrian spine between the waterfront and Park Place. Design, management and marketing strategies that better connect the two activity centers would benefit economic activity in both places, and would improve the overall downtown experience.
- **Downtown Parking Strategy.** Parking plays an important supportive role in the success of downtown. The City will have to refine its downtown parking strategy to achieve the vision. An effective parking management strategy will utilize existing spaces more efficiently, and will add to the inventory effectively, to serve new development. Working with the Parking Advisory Board and key downtown stakeholders (including the KDA, the Chamber, and downtown property owners and individual businesses), the City should consider a review and updates to the downtown parking management strategy and the codified parking requirements for various property uses to ensure that they support the updated vision and strategic plan. This strategy could possibly include parking validation programs, establishing an a long-term approach to paid parking, encouragement of public/private parking provision, shared parking, and a feasibility study and plan to develop potential new parking supply downtown.

Marketing and Promotion Strategies

- **Downtown Marketing Strategy.** Downtown retailers say that additional marketing is needed for downtown to increase awareness and attract new customers. Retailers noted that customers don't know all of the offerings and the opportunities to shop in various downtown businesses. They urge a coordinated, broad marketing and increased awareness campaign for the downtown, with memorable messages that will bring shoppers to the area. A coordinated marketing program, with walking maps, joint advertising, signage and window display standards, and related strategies could help package the downtown as an attractive, cohesive shopping district, rather than a series of individual stores working alone.

5.3 Ongoing Communication: Developing and Implementing a Shared Vision and Strategic Plan in Downtown Kirkland

The DAC recognizes the importance of developing a vision and Plan that are supported and embraced by the community. The DAC is committed to working with the stakeholders and Downtown Kirkland community to develop a collective, common, and embraced vision and DSP. Furthermore the DAC is interested in establishing strategies for continued community dialogue and advocacy for the Plan's strategies upon completion of the Plan.

KIRKLAND DOWNTOWN STRATEGIC PLAN

Strategic Situation Assessment Supplemental Attachments



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Attachment A: Stakeholder Interview Summary

KIRKLAND DOWNTOWN STRATEGIC PLAN FOCUS GROUP AND STAKEHOLDER INTERVIEW SUMMARY

June 29, 2007

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STAKEHOLDER INTERVIEWS AND FOCUS GROUP ATTENDEES

From March to May 2007, 11 focus groups and 17 individual interviews were conducted with over 100 participants. The 10 focus groups were: Architect/Urban Design; Developers; Downtown Residents; Galleries; High Tech; Neighborhood Residents; Property Owners; Real Estate Brokers; Retailers; Restaurants; and Tourism. All participants are listed below alphabetically by focus group.

City Council Interviews

James L. Lauinger, Mayor

Joan McBride, Deputy Mayor

Dave Asher, Council Member

Mary-Alyce Burleigh, Council Member

Jessica Greenway, Council Member

Tom Hodgson, Council Member

Bob Sternoff, Council Member

Staff Interviews

Dave Ramsay, City Manager

Eric Shields, Planning Director

Jeremy McMahan, Planning Supervisor

Ellen Miller-Wolfe, Economic Development
Manager

Ray Steiger, Public Works Director

Sheila Cloney, Special Projects Coordinator

Other Individual Interviews

Bill Vadino, Greater Kirkland Chamber of
Commerce

Brenda Nunes, Greater Kirkland Chamber of
Commerce

Ron Parker, Greater Kirkland Chamber of
Commerce

Dick Beazell, Kirkland Downtown Association

Julie Metteer, Kirkland Downtown Association

Doug Howe, Touchstone

Architect/Urban Design

Bob Becker, Becker Architects

Brian Brand, Baylis Architects

Susan Busch, Baylis Architects

William Castillo, GGLO

Rober Cornish, Fellow American Institute of
Certified Planners

Charles Fritzemeier, Jensen/Fey Architecture
and Planning

Curtis Gelotte, Curtis Gelotte Architects

Mark Hinshaw, LMN Architects

Chad Lorentz, Runberg Architecture Group

Mark Simpson, Bumgardner

Boris Srdar, NAC Architecture

Scott Thompson, Weber + Thompson PLLC

Developers

Andy Loos

Stuart McLeod

Doug Waddell

Downtown Residents

Sarah Andeen, Waterview

Carolyn Hayek, Plaza on State

George Lawson, Marina Heights

Dean Little, Brezza

Rich Mialovich, Brezza

Bea Nahon, Marina Heights

Avril Pattenaude, Kirkland Central

Galleries

Luanne Erikson, Howard/Mandville

Dan and Pat Howard, Howard/Mandville

Jason Huff, Kirkland Arts Center

Alison McCarthy, Images of Nature

Gunnar Nordstrom, Gunnar Nordstrom Gallery

Elka Rouskov, Elka Rouskov Gallery

Patricia Rovzar, Patricia Rovzar Gallery

Ellen Williams, Parklane Gallery

High Tech

Melissa Acton, Chameleon Technologies
Dave Despard, FileNet
Christopher Krueger, Google
Mike Luckenbaugh, Chameleon Technologies
Steve Weed, Wave Broadband

Neighborhood Residents

Erin Anderson
Ernst Anderson
Dave Asher, City Council
Dave Aubrey, Everest
Margaret Carnegie, Rose Hill
Mark Eliason, Moss Bay
Kevin Hanefeld, Juanita
Marianna Hanefeld, Juanita
Bob Kamuda, Highlands
Glenn Peterson, Moss Bay
Rod Wilson, NorKirk

Property Owners

Jeff Cole, Park Place
Don Holt, Heathman Hotel
Douglas Howe, Touchstone
Tim Panos, Lakeshore
Stan Rosen, Lakeshore

Real Estate Brokers

Ann Bishop, Wallace Properties
Doug Davis, Hallmark Realty
Ryan Dunham, Ryan Dunham Properties
Bonnie Lindberg, Hallmark Realty

Restaurants

Dick Beazell, Kirkland Downtown Association
Mike Douglas, Trellis Restaurant @ the
Heathman
John Hageland, Marina Park and Shark Club
Restaurants

Jessica , Jocha Café
Brian McNaughton, Kirkland Police Dept
Julie Metteer, Kirkland Downtown Association
Chris Nelson, Hector's
Ben Pittman, Wilde Rover Irish Pub and
Restaurant
Kelly Simonson, Marina Park and Shark Club
Restaurants
John Smiley, Heathman Hotel
Billy Whelan, Wilde Rover Irish Pub and
Restaurant

Retailers

Liberty Hanson, Liberty 123
Dennis Johnson, River Rock
A Liengboonlertchai, Simplicity Decor
Dianne Schultz, KOAP Home
Larry Springer, Grape Choice
Steve Suskin, Eastside Train
Penny Sweet, Grape Choice

Tourism

Dick Beazell, Kirkland Downtown Association
Bob Burke, Kirkland Heritage Society
Susan Burnash, Residence XII
Betina Carey, Carlton Inn at Totem Lake
Sandra Cook, The Heathman Hotel
Nancy DeMond, The Heathman Hotel
Steve Lorian, Kirkland Performance Center
A Liengboonlertchai, Simplicity Decor
Ben Lindekugel, Evergreen Hospital
Julie Metteer, Kirkland Downtown Association
Michael Metteer, City of Kirkland Business
Services
Rick Seim, Kirkland Chamber of Commerce
Penny Sweet, The Grape Choice
Vic Valdez, Kirkland Performance Center

FOCUS GROUP AND INTERVIEW RESPONSES

1.0 DOWNTOWN'S STRENGTHS AND ASSETS

1.1 Community Character

- Kirkland still has a neighborhood type atmosphere
- We have water, character, art and a neighborhood feel
- Park Lane is quaint
- Ambiance and character, comfortable, friendly, safe character that is different than other cities
- The funky core, Bellevue is soulless and corporate, Kirkland is funky, local, and vibrant
- There is variety downtown, tied together by the Performance Center, the library, the merchants and the parks
- It has character and diversity (of uses), but it is expensive
- We have the quaintness of La Conner - we have originality, small business, feeling of history, and fresh air
- The library and theatre together – a downtown core that's vital, an organic core
- The place has a stellar identity
- You feel welcomed and want to stay
- It's very safe place (especially during the day)
- Kirkland has a certain spirit
- Collegial and intimate atmosphere (everyone knows everyone)
- Lots of community involvement, people in Kirkland are open
- Kirkland's got a great reputation.
- Contrast this with Bellevue, which has many of the same upper-end attributes as Kirkland, yet doesn't have nearly the same character and soul as Kirkland.
- Village feel makes it special.
- Compare Kirkland to small waterfront communities in California such as Sausalito, Laguna Beach, and Carmel.
- Downtown Kirkland is a nice place and is generally working well.
- More density will increase foot traffic downtown, which is a good thing
- Eagerness to raise new ideas (openness within the community to discuss issues)

1.2 Scale and Walkability

- Has a nice scale – its manageable, in your mind and on foot
- We are condensed, not too spread out
- We have a small town charm, people are drawn to the walkable feel
- Downtown has small-scale, pedestrian vibrancy, intimacy, there are no high rises, there is no intimidation

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- It is compact, you can walk everywhere and partake in all the activities by walking
- Not sterile; it has a “neighborhood” feel to it, the rest of the Eastside is bereft of that
- There is a European air because downtown is pedestrian friendly and personable, European travelers are drawn here
- I can go to the library, the senior center and to and from City Hall
- Downtown is so multi-faceted, from one parking spot I can get coffee, go to the baseball park, visit the library, City Hall, and the performance center
- Downtown is not soulless, it’s local
- Downtown is on a small scale, manageable size, it is not overwhelmed by structures and blocks, it is human scale
- For me, it’s a walking destination from Moss Bay, I go to the market
- The streets are narrow and have short blocks – you can move easily through downtown
- There are trees and wide sidewalks, small streets
- Walkability, laid back style
- With the transit center you don’t need a car you can use the buses, I know a number of people who don’t even have cars. You need a reason to get in your car
- We have done a pretty good job of creating a walkable place. Parking is OK too.
- We really love that walkable environment

1.3 Uniqueness and Location

- On the water; uniqueness of our location
- A fantastic location – the City needs to fully control it
- You can stick your foot in the water – downtown! That’s an amazing thing.
- The fact that our downtown has a baseball field, boat launch, and other amenities makes it unique
- Kirkland’s scenic location and high quality will continue to drive its success in the future.
- Like the combination of high-end atmosphere, beautiful location, and great restaurants with the overall laid back atmosphere.
- Kirkland has done well by virtue of its location and views.
- Downtown Kirkland is the jewel of the eastside, we are unique, not like Bellevue
- The art helps to define the community
- It is an indefinable area, given that I’m from farther away, I even consider south NorKirk to be downtown, while downtown residents don’t
- Downtown has become more walkable; it’s a great place to walk around
- Good place for kids and teens to walk
- The fact that it is identifiable, many small towns don’t have a downtown; there aren’t many old style downtowns in this area
- Historic structures
- The art

1.4 Parks

- The water, the parks
- The Lake and the Park
- Peter Kirk Park – a pretty rare place. Can't think of another example of a Northwest city with such a large downtown park
- The City deserves some kudos for Heritage Park
- Peter Kirk Park is a jewel. It will also be a lightning rod for criticism if any changes are made to it.
- The water, the marina and the greenery makes Kirkland the little Sausalito of the Northwest
- Parks in downtown, access to the water are good; the parks are a huge draw

1.5 Economic Activity

- There is a diversity of goods, but maybe not enough diversity
- It is a focus, a place that people know. It has centralized amenities
- We are unique and not homogenized, there isn't the same Pottery Barn/chain store that is in every shopping district
- There are a variety of activities, businesses, and cultural amenities
- It's a place where you can live/work/eat/play
- We picked Kirkland because it is a "just right town" (office tenant). What is attractive to us as a company: green areas, marina, family-friendly environment
- Being in Kirkland has been a huge positive for us, in terms of employee attraction and retention. Our employees like it even more than we had hoped
- The Wednesday market is good
- Downtown is multi-faceted: recreation, shops, parks, the performance center, the library
- Downtown is a great place to work
- More attractive to business owners as it's a great place to live
- This is a destination/tourist spot
- The Wednesday market is good for merchants, though the location won't always work
- Great restaurants, great entertainment
- Nightlife and many special events
- Great real estate investment
- We should consider some type of economic development authority
- The mixed use component of the zoning code – the City had the foresight to encourage that kind of development
- It provides a unique fit with our culture—its part of our business proposition

1.6 City Hall

- Past Councils have made some good decisions
- The City has a good website
- We have a professional City Hall
- We know we can fight City Hall

2.0 VISION FOR DOWNTOWN

- Does the city know what the vision is for downtown? Not sure what the City's vision is, or what it thinks the vision is.
- And what is the City doing to realize their vision, to get there?
- We need to define what we are going to be, define the vision, and then communicate it
- Needs to be a vision that the majority of the citizenry can buy off on
- If downtown is going to work, we're going to need to have a vision, and Council will need to buy into that
- Residents care a lot about downtown, but there is a lack of cultural consensus about the vision
- Need to create a vision for the downtown and follow through—but you've got to know what you want when you're done
- Need to define what the downtown should be and be willing to fight for that vision, outcome
- Kirkland doesn't understand what it wants to be
- Need to achieve cultural consensus for downtown
- Prefer incremental change rather than a large transition. Take downtown to the "next level," whatever that may be.
- However Kirkland grows, it needs to preserve its special qualities. If it loses the village feel, the quality and uniqueness of its shopping, or other identifying attributes, people will be disappointed.
- Vision means nothing if not everyone agrees on how it should be actualized. Consider using artistic renderings and photos for what zoning and design standards would look like
- Kirkland needs a mission statement.

3.0 DOWNTOWN USE TYPES

3.1 Office Space, Uses and Opportunities

Tenant Perspectives on Office Uses

- As we grow, we are running into space challenges. We want to stay in Kirkland and we could use more space. We don't want to have to move to Bellevue
- Parking is a challenge for our employees
- There is not enough commercial parking spaces – we have 600 people and 300 spots. We started valet service in the garage, to try to manage the problem
- In Park Place, people are double parked and others are circling to find parking
- The City could have a tech development center – a place with smaller spaces for multiple tech tenants. We could help identify tenants for such buildings – it would be filled in a few weeks.
- We could recruit companies for that kind of space – I can think of 10-12 companies that would be a good fit, and might be interested
- Need to have more Class A office space developed
- The issue is: how do you get more office space that's close to downtown. Totem Lake doesn't cut it

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

- Really need certain kinds of space for software developers. Need large floor plate, open floor plan. Like the FileNet building, which is 120,000 square feet, on four floors—its designed for developers.
- The economic development plan for office should be for tech. Create the spaces and we'll go recruit the tenants for you.
- Need more conference space in the city.

Developer Perspectives on Office Uses

- Downtown lacks vitality – it needs employment, residential, and retail. Right now, it is missing employment.
- Office users by Park Place are largely technology based, including a division of Google and Bungie Studios, part of the gaming division of Microsoft.
- Bungie recently moved into a remodeled hardware store at Park Place, remodeled that space
- These types of businesses choose office locations largely based on the locational desires of their workers – not based on price.
- The younger, creative workers who are employed by the tech companies really enjoy the location and amenities of Kirkland.
- Reportedly far more demand for office space than there are buildings to accommodate users
- Employers like to be in Kirkland (mainly by Park Place) because their employees like it so much. Rents and parking are not major factors like they are at suburban office parks.
- Office uses would help smooth out the seasonality of the retail.
- More intense zoning is appropriate at Park Place.
- More office jobs downtown should be encouraged.
- Office uses would help balance parking demand also.
- If more office space were made available, there would be many more tech employers who would come. There is pent-up demand.
- Focus on the tech companies – the younger creative workers like Kirkland.
- Need more office space in downtown; currently, there is some office space at Park Place and surrounding properties, but the downtown core below Peter Kirk Park is devoid of significant office space.
- Retail users would like to see more office workers as they would help balance out the seasonality of the tourist trade, would boost lunchtime spending, and would generally add vitality downtown.
- Office uses downtown should complement, not compete with, Totem Lake, which serves a more traditional suburban office park market.
- Office rents should be in the \$30-\$35 range.
- Park Place is a huge part of the Downtown Strategic Plan; it needs to stay in the Plan
- There's quite a bit of opportunity at the Post Office
- If you redo the marina lid --- there is 40,000 more square feet possible
- Encourage the Park Place development
- Height and parking issues need to be addressed there

Retail Perspectives on Office Uses

- Need to have more people using downtown during the daytime
- Office would be great, people come in the morning leave in the evening.
- We already see people coming from Nextel and Google for lunch. Businesses need to figure out how to capitalize on the lunch traffic. Happy hours are an opportunity to get office workers to stay
- There is definitely a demand for office uses

3.2 Retail Uses

Mix and Usage

- Our storefront should be dedicated to retail but right now 50 percent is not retail. We should not put any more tax accounts in to fill in the empty storefronts.
- Need to have the right kind of retail business mix in town; there are 40-70 landlords and they have different approaches
- Only one-third of storefronts are actually being used for retail uses—not restaurants, salons, yoga studios. There are 8-9 banks in the core.
- In the downtown we don't have retail that is friendly for kids. The kids don't want to look at the art. We could pull in a different demographic if we started catering to children. The Park Place Bookstore and Theater are good for kids but the retail shops don't service kids.
- We are going to be a real retail center – or not. Now we have a lot of businesses downtown that aren't really retail.
- There aren't a lot of useful places to go downtown – to buy a hammer, a toothbrush...
- There are too many service oriented offerings in key retail location
- There is a debate between high end retail and residential services, from our perspective we need high-end fashion, designer associations, law offices to support our businesses
- The retail is not aimed at day-to-day services, there is no book store or newsstand or pharmacy
- Are we going to be a retail or a service oriented downtown?
- How can it be done better? Mill creek does a good job. Service uses are on the second floor. Even some of the restaurants are on the second floor.
- The merchants are independent business people, not managed at a higher level like a mall to ensure good mix of retail
- Could we put a quota on some businesses like salons or nail shops?
- I'm not opposed to some salons, but we need a better mix of retail, with fewer services
- We have a cluster of women's clothing shops and home décor—there has been an increase recently in home decor
- We have a cluster of women's wear, bridal, etc – need more diversity of goods
- We don't have the diversity that draws broad audiences
- We don't have a lot for kids to do
- Its really becoming an entertainment district, more than a retail district
- The shops could be better

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

- I see Kirkland turning into a place like La Conner – a place where people visit once a year. We should not go this route and need to start attracting more of the basic service retailers in the downtown area to get people to buy their basic supplies here.
- Retail is what downtown Kirkland is about but it seems a very low priority. There is a lot of turnover as rents are high, there is not enough traffic, and there is no anchor retail to bring people in. There needs to be a greater draw for people to come here for retail. People just think of Kirkland as consignment shops and hair salons.
- Thriving downtown retail does not include what is mostly in downtown
- Need to improve the shopping corridor
- There is a perception of these wonderful eclectic shops here in Kirkland, but there is not a critical mass of these stores. We need to better develop this.
- Concerned about the marginal retail – e.g. State and Kirkland Ave – retailers there aren't going to succeed
- Need a critical mass of retailers and need retailers who are unified and can work together
- There isn't that much of a mix, diversity of retailers. The City should play a role in filling the retail
- There is a City role in discouraging more banks downtown
- The retail side is comparatively weak; it's a struggle. We need to have a more vibrant retail mix; need more reasons for people to come down here.
- Downtown needs more vibrancy, activity. Sometimes seems like a ghost town
- Some retailers in recent years haven't been strong enough to stay in business.
- Have more mixed use buildings – half the buildings seem like they are banks
- There is not a focal point in downtown, that pulls people in
- Tacoma has offered incentives to landlords to rent to certain tenants; Tacoma has programs that help retailers – Kirkland should copy that
- Make Kirkland more of a destination stop – a place for people to hang out, spend 3-4 hours.
- Downtown retail thrives off of foot traffic.
- Retail along Central Way has always had a rough time. The streetscape improvements and on-street parking help, but it is still a tough place to be a retailer.
- One reason might be because Central Way is really a one-sided retail street (north side), without the same pedestrian character on the south side. The failure of the Lake and Central project killed the best opportunity to strengthen retail at this end of downtown.
- The Chamber of Commerce is in the process of completing a survey of why businesses locate in Kirkland; results should be available soon

Retail Climate

- Good retailers do well, particularly the restaurants. Adding office workers would help round out the seasonality.
- Still too much seasonality and that it is hard for the businesses to handle the slow months.
- Retail suffers seasonally. People perceive Kirkland as a seasonal destination.
- Surprising that retail doesn't do even better – although it is really not bad.

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

- There is a lot of turnover, but if you go to Belltown, there is a lot of turnover too. We want a higher class of merchants but we have to support it and buy the goods. The downtown population is not enough to support higher class stores, we need to be drawing people in
- Restaurants bring people downtown, but there is not a lot to keep them there beyond the dining
- There is a lack of vitality downtown and that what vitality there is does not span enough time (throughout the day and throughout the year).

Vacancy

- We need to look more at storefront occupancy as it doesn't look good to see open windows.
- Seeing empty retail space is a problem
- In Leavenworth there is not an empty storefront. We need more retail that stays open. We need critical mass with a diverse group of businesses.
- Empty retail spaces – work with the landlords to get complimentary tenants
- Downtown is fragile – it ebbs and flows. Had about 25 vacant storefronts a couple of years ago.

Anchor Tenants

- Downtown can work without an anchor retailer.
- There isn't a retail anchor, or businesses that stay open 18 hours. That's happening in Bellevue and Seattle
- We might need an anchor store like Tommy Bahamas. Starbucks coming in downtown was controversial, but it brought in more people.
- Shops like Sur la Table and Design within Reach are good models of what is needed
- We need a few more anchor type developments, but no one is willing to come here without other similar developments, which comes first, the chicken or the egg?

Landlord and Management Challenges

- Tacoma has offered incentives to landlords to rent to certain tenants; Tacoma has programs that help retailers – Kirkland should copy that
- More selective landlords can hold out for the right tenants. Some of the problems have been because landlords take the first tenant that comes along, even if they're not strong.
- How do we get the landlords together to determine long-term strategies? How can we band these guys together on a common thread? It should not just be about rent, we also need a good strategy. We have to ask questions such as are we small retail (like La Conner) or do we bring in a big box business as an anchor?
- Someone needs to take a leadership role
- One opportunity is to put clauses in leases that have regulations for window displays or flower pots or whatever
- We need a downtown coordinator to get the merchants on the same page with a clear vision
- We need a consolidated manager to think about our retail from a system level, but there is no means to do that, we don't have the advantages of Bellevue Square's Kemper Freeman
- We need common practices and design standards for things like window displays

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

- If I were an owner I would sit on the fence and wait for someone else to make a move, I'm making money now, why take the risk?
- There isn't the sophistication to go after the right mix of tenants, many of the current stores don't draw locals
- We need to establish retail management principles
- There is a weakness in our in property owners, they are just collecting rent, not investing in upgrades or façade improvements
- Landlords are not putting anything into the infrastructure, parking situation, or advertising
- Individual property owners are out for their own dollar, not to cooperate with others, and there is no way to put real pressure on them

Hours of Operation

- As a business owner, I want to stay open late not just for profitability reasons. Customers are grateful that I am open at night. For me, if we can somehow bring businesses together and show them that this is what people want. Businesses, and not just City government and the Chamber of Commerce, should get involved with the push for businesses to stay open later.
- Some retail businesses are open, some are not open in the evenings; "after 5 pm there is no reason to come out here"
- Need a longer shopping season and shopping hours
- We are concerned about working hours, businesses staying open later into the evenings could help vitality
- The stores need to be open at night. The world shops at night
- The challenge is knowing that we have enough customers to make it worthwhile for our businesses to stay open.
- The retail businesses are family owned. It's tough for them to stay open late as many of them have children.
- The theater brings a lot of people downtown, but the retail shops are not open at night. These people could be potential shoppers and users of other stores so we need to work to maximize our potential.
- We need to bring businesses together to make this town not just a 9am-5am town but also an evening town too. Our businesses are not taking advantage of the restaurants that are open at late hours. How do we encourage our businesses to stay open until the evening?

Competition and Leakage

- Another issue is that we tend to look at Kirkland in chunks instead of as a whole. There is significant development in other parts of Kirkland (not just downtown) that should also be factored in. We need to have a more systems approach.
- We should find out if nearby cities (like Bellevue) are stealing businesses from us.
- Maybe it is good that Bellevue is our neighbor. In Bellevue, the bigger retailers are pushing the smaller retailers out. We should attract these smaller business to locate to Kirkland.
- Totem Lake is not a destination but downtown is.
- We need to distinguish ourselves from Bellevue and Bellevue Square

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

- We are limited in what shops can come to Kirkland because many retailers sign deals with Kemper Freeman saying they won't locate within a certain distance of Bellevue Square
- You won't get the national retailers in Kirkland because there is no room to reach a critical mass and it is too close to Bellevue.
- Kirkland needs to differentiate itself from Bellevue with a focus on specialty, local, and unique retailers. Leave the chains to Bellevue.

Rents

- Rents are going up for some spaces, that's a factor
- People don't understand that the rents being charged downtown are the same as Bellevue Square and Redmond Town Center—and they will guarantee you as tenant, \$250 per square foot in revenue.
- It's a real struggle with the high rents. This has a lot to do with the turnover rates – there is a lack of understanding communitywide about what it takes to survive as a retail business
- Landlords keep rents so high, I've even heard of \$50 per square foot at the Miller property. They need to be talked to, we don't have the foot traffic to sustain that
- Who can pay \$60 square foot for rent? Banks, mortgage companies. Basic retail has trouble paying more than \$24 square foot—we don't have the density and synergy to make retail work at higher rent rates
- When you put mixed use in place and charge those rents – it just doesn't work for true retailers. What you'll get are banks, spas, beauty salons. We are seeing that.
- Others who will pay those rates are certain national retailers that want market penetration. For example T Mobile, Starbucks. They aren't necessarily the kind of retailers that you want in the downtown core.
- The rents are skyrocketing so it hurts the specialty boutique stores. Some people are looking at \$50 square foot and many retailers can't afford it.
- The banks have bid up the rents, but we can't have every block taken up by a bank!

Landlords and Brokers Perspectives on Retail

- Things are getting better. We are concentrating on tenants with business plans—do they know their market; try to make sure that they will stay open at night. Do they have a product that will sell?
- Some spaces become vacant every two years. We do a lease with people and then they struggle
- We are encouraging them to stay open at night
- About 80% of retail sales happen after 4:00 pm. Stores need to stay open.
- Some of the retail properties are difficult to lease
- Some of our buildings downtown have odd spaces, that aren't attractive
- The owners need redevelopment incentives, to make improvements and positive changes
- We've seen changes; in past years there were older tenants, with their own markets
- A lot of the old tenants were not at market rents.
- What is appropriate rent? For restaurants, about \$30 ft. For retail, \$19-25 is affordable. Some businesses should be at \$15 ft to stay alive

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

- What works: the cohesiveness of businesses working off of each other.
- There are a lot of vacant spaces in the older retail buildings. They are old, dilapidated buildings
- The City needs to ease the height restrictions – with the three-story limit, there is no place to go. The City needs to start giving incentives to developer, to make something happen downtown
- Developers need the City to help them; the City needs to do a shared parking project, a public-private parking project
- Encourage developers to put in more parking; have the City participate in parking
- We can have more height on North Central

Retail Opportunities

- The TJ's building on Lake Street could be an opportunity
- Regarding the empty storefronts, there is not enough critical mass in the retail sector downtown
- Its going to take additional density and development to make downtown more vital
- The idea of density is frightening to people – they need to be educated about what it means and how it can improve the situation
- Need to educate the City on how density can improve downtown – there is a big void now downtown. Parking lots and alleys are a detriment to downtown
- We need a Lake and Central type development, a strong owner to raise the bar, otherwise it's like herding cats, they need to lead by example, what can be done
- Wants Marina Park to be more open – likes the idea of having the park be more of a focal point

Defining Retail/Zoning Issues

- The City could change the definition of what is allowable retail – to exclude banks and exercise studios, for example. The City hasn't wanted to take that on.
- You'll notice that all the prominent corners downtown are banks. Nine major corners and they are all banks.
- We have a problem with the definition of retail – it shouldn't include banks.
- The requirement that storefronts be retail has led to some abuses – example, the condo sales office that had a hand mixer in the window. Its sham retail, but it actually harmed the true retailers – since they were selling the mixer at wholesale prices. They were undercutting our store – which was selling the same product at retail!
- The condo sales office was selling stuff at wholesale prices, trying to meet the City's requirements. They were selling mixers, glasses, toasters.
- The City's requirement for "superior retail" space as a condition of getting a bonus floor on condo buildings is driving developers to build retail space where it really doesn't make sense. This might explain some of the weakness of retail in the downtown and the fact that some of the high-end condos away from Lake Street have relatively weak retail on the ground floor.
- We need to be more strategic with they types of development that will bring economic vitality, for example senior housing downtown is not increasing shoppers
- Condo sales offices should not be considered retail. The City needs to define retail, it should be active use
- The City should redefine "retail" – to encourage traditional retail uses, and discourage others

3.3 Restaurant Business Trends and Demand

- We are suffering five months of the year. We took a hit with Bellevue and Redmond opening new restaurants – there are lots more choices
- We need to capture the restaurant customers, 400 tables turn per night at Anthony's and I'm right next door, but since they have parking in the building, I never see any traffic from that
- Some restaurants should have valet parking, especially in the rainy season. (This was tried by the Marina Grill and discontinued—it was expensive)
- Have heaters on the sidewalk, for outdoor seating
- Some new restaurants represented in the group; not a lot of operating history
- Bellevue has taken some business away; there are 10 new restaurants in downtown Bellevue
- Where are patrons coming from? On weekends, it's an Eastside circle –Bothell, Bellevue, Redmond. During the week, its locals from Kirkland
- Business is seasonal in downtown; restaurants make their money in a 4 month period
- Its really seasonal –we have a great 4 months!
- April/May-October, there is a 25-week period when our town really jumps. Also, Thanksgiving to the holidays
- We need a winter event
- Dining on the sidewalks should be permitted – get people out on the street, year-round
- As more of the residential has shifted to condos and a more affluent group, some of these people are out of town (Palm Springs) in the winter.

3.4 Downtown Residential

- More downtown residential would provide more people and new people, new faces
- Older people love Kirkland and want to support it. We have a strong community environment here
- We don't need more condos in downtown.
- Growth and affordable housing are challenges
- The residents can pretty much determine what happens downtown (from a retailer)
- The condos are nice in theory, but the residents aren't shopping here, maybe the restaurants are benefiting

3.5 Hotel Uses

- The Heathman is an opportunity. It should pull more people downtown
- The hotel didn't get an extra floor – that should have happened
- Looking forward to the hotel coming—that will be good
- The hotel right in the center can help create a regional destination
- The Heathman Hotel will be a great addition to downtown.
- There are two new condos and a hotel that were developed without the public sector. So this shows that the private sector can be involved in downtown development.
- Bellevue is branded as the Beverly Hills of Washington. We need to promote the water and lake. Once our hotel is open you are going to have a lot more demand.
- The hotel is our future

4.0 DOWNTOWN'S IMAGE AND IDENTITY

4.1 Marketing and Branding Downtown

- Market Kirkland better. We have assets that no one else has, yet when people come into my store, many of them don't realize that there is a waterfront here.
- We ought to market Kirkland better – I'd like to see more money spent on advertising.
- Spend money advertising Kirkland as a place with great shops. We are charming accessible, friendly
- Need advertising to promote downtown in general. A lot of people don't realize that Kirkland has boutique shops
- Need to increase the marketing of downtown
- There is a perception that you can't find parking; that can be overcome
- There is not a city north of San Francisco that has the amenities that Kirkland has. Yet we can't figure out how to market it!
- The Lodging tax money has not been spent well it is a huge opportunity for marketing
- We need a signature event, Kirkland Uncorked is a good start
- Kirkland Uncorked is an opportunity to market ourselves (the retailers) in conjunction with this event. Get coupons; when we have an event, we need to take advantage of it.
- It's all about branding and PR. People should come here not for just one store.
- Explore Kirkland is a good start for branding but we need to focus more on what Kirkland is really about.
- People will want to be part of a theme and brand as it brings in people.
- Explore Kirkland has done an outstanding job and can bring people to town. But businesses need to step up too in trying to attract people.
- We are starting a program called the Weekend Starts on Thursday in Kirkland. We have developed a marketing campaign and reward incentives to businesses that stay open later. We are getting buy-in from merchants to help cross promote this program.
- Lots of people have been coming to my business as it was featured in Seattle Magazine. Nobody said anything in Kirkland about this though or seemed aware of the article. We need more public relations and marketing to promote our businesses.
- We need a shift in our thinking – we need to think about who are our potential visitors not just in Kirkland but in other nearby cities. We should look at Seattle, Canada, and Bellevue to see how we can attract their visitors. We need to piggy back and partner with organizations (for example, the Kirkland brand that is sold at Costco).
- We maybe should market events more (i.e. link up with tourism British Columbia).
- We should push the Kirkland brand so it is know all over the world. Leavenworth has done this successfully and has global recognition. We need 100% buy-in that Kirkland is a destination of the world, not just the Seattle area.
- We also need to talk about restaurants and galleries. They are very important to the downtown.

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- On a practical level, we can think about marketing strategies and how to piggy back on other tourist spots. When you are visiting Seattle you should be made aware that there is this cute little town 30 minutes away.
- Maybe we can do free shuttles that would take you downtown to Totem Lake.
- If you brand enough, businesses will be willing to pay higher prices because this is the place to be. People will risk parking problems because this is the place to be.
- We haven't really recovered from the winter storms. How do you get people back here?
- Bellingham has taken on a new theme for the development of downtown so everything has a cohesive look. Maybe we can have some downtown theme with the storefronts (this could be part of the branding idea).

4.2 Downtown Merchants and the KDA

- Regarding KDA and the merchants – the challenge is to get us on the same page. We want to support each other; we don't know how. We are mom and pop firms.
- KDA has tried, but it's hard
- I want to be involved in improving downtown, but I don't have much spare time.
- There is a lot of potential with KDA. But the retail community is polarized – Park Place vs. Lake Street. They never get together, but it's not for lack of trying by the KDA.
- We (galleries) work as a network, always recommending customers around to other galleries, the businesses need to work that way, it should be symbiotic
- The KDA spends too much time fundraising and not enough time promoting the downtown. It becomes a circle: no one wants to give money to an organization that's not doing enough
- The City expects a lot of the KDA
- The KDA didn't advocate for the Lake and Central project
- KDA has about only 100 members, and of those about half are residents. Many downtown businesses don't belong to the KDA
- Only a few property owners are involved and the KDA doesn't have much pull with them
- They need to focus, they need a mission statement that promotes downtown
- Events like a puppy parade are not appropriate, even the car show that has Mustangs isn't right for our businesses
- They need to get away from event promotion and be doing focused, ongoing outreach to the media and to the region
- Dues are \$365 per year, but now they have some corporate sponsorships
- The KDA is turning into an events-focused organization. They are not doing the advocacy and information sharing work for downtown. They need to get back to doing public policy and advocacy work
- When I started by (retail) businesses, I could have used help. Who should I talk to, who are the landlords in town? There were no obvious resources; I didn't know who to call. I called the Chamber. The City could provide some help on this; be a concierge of sorts.... I haven't heard that the City has an economic development coordinator.
- The City needs a retail liaison

- The Chamber has a half-time business retention consultant available
- The City is helping to fund explorekirkland, it is using lodging tax funding
- KDA's focus is longer shopping hours and quality retail. Trying to get businesses to stay open til 8 pm on Thursday and Friday nights. Have 2nd Thursday Art Walk event—want to broaden that to have businesses open every Thursday night.
- The KDA is a product of themselves – “they are they”. It is not effective because retailers can't tell other retailers how to run their businesses and they don't respond to one another. For example, they won't stay open in the evenings on the word of their neighbor and there is no enforcer
- Condo associations should join the KDA to work in partnership to focus our voices

4.3 Tourism and Events

- Need to build on tourism.
- You could create a tourist attraction – Carillon and the three parks
- What reason is there to go downtown? Why come here – there is nor real draw in downtown Kirkland.
- The Art Walk is good, good for business
- The Summer Fest, Vintage Car show – I like it but it doesn't draw business
- Events aren't a big draw for business in the City—we need more general marketing
- I agree about events – they are good for exposure but not for earning money
- All the Christmas activities take place on Lake Street – they aren't dispersed across the downtown districts.

5.0 GETTING IN AND AROUND DOWNTOWN

5.1 Traffic

- The Moss Bay neighborhood association did a survey and our respondents said that traffic, parking, pedestrian safety and transit were the biggest challenges
- Because of the crowded freeways, we are used as a through-fare, downtown has become a commuting corridor
- We are a bypass area – not sure what we can do about that
- Add to that the Kirkland is a destination, traffic has become a huge challenge
- When I-405 is done we may feel some relief, but I have doubts
- The traffic prohibits access to downtown
- The transit system is poorly designed, everything is oriented toward Seattle so there are few good paths in and around Kirkland
 - Others felt differently: my kids use busses daily to and from school
- Downtown has narrow streets and cars that are pulling in and out of parking spaces can cause congestion
- There is limited traffic access to all the downtown streets, often it can take 15 minutes to go 5 blocks

- Can we reroute traffic to avoid the congestion?
- The traffic is inevitable
- The transit center is a challenge because of the clientele that end up around it and the baseball field
- Central Way is a big problem – its not in character with the rest of the downtown. A lot of the traffic is queue jumpers – people cutting through the area to get to somewhere else
- There are constant efforts to kill the traffic flow—huge traffic tie-ups. If you make it hard for people to get here, that affects vitality
- North-south connections in and out of downtown are poor.
- There is a real and perceived perception of accessibility challenges. Many people have to sit in a lot of traffic to get here. Despite recent highway transportation improvements, we think this problem is going to get worse.

5.2 Parking

Parking Supply

- There is a huge parking problem; people from Bellevue won't come because they can't park
- Parking is our biggest challenge. When especially? Friday/Saturday night: 5-8 p.m.
- The library garage has a poor design—hard to know where to exit. The transit center could block an entrance into the garage
- Friday night is the big parking challenge
- Having a parking garage would help – a lot
- I'm at the end of Central Ave and the library is just too far for my customers
- The problem with the library garage is that its not in the core area. A lot of people don't know about it, and you have to go through an unattractive, icky area to get there
- We are filling that garage up with employees, and will still end up needing more employee parking
- If you want downtown to be a regional destination, parking has to be improved
- Walk-by traffic has decreased. We've had negative press about how hard it is to park
- They compared us to Pasadena in a parking study, I've also heard Sausalito, that's just not accurate, we are different and in a different region. We should be comparing to similar size and similar scale
- We've been talking about the parking challenge for 30 years
- Why do we keep talking about it! We know what needs to be done. We need another parking structure – the question is where do you put it?
- I agree that there isn't a parking problem.
- We joke that the reason we bought a condo in downtown Kirkland was to have a parking space
- You need more parking than just what supports the building services, it needs to support downtown
- Its hard to get into the parking lot,; need to circle all around to figure out the access
- There is a lot of pressure on parking in the summer between the art walk and summer concerts

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- As more stores stay open at night, that's when access is problematic
- Traffic citations are overly aggressive in the City. It's a very negative thing for people to come downtown and get a parking ticket. That leaves a bad taste. Someone who has gotten a parking ticket is less likely to return.
- The City is really aggressive about ticketing...you can also get a ticket on top of a ticket. The parking enforcement is ruthless!
- We don't have the opportunity to cross-merchandise because of the two-hour parking limit. If people are allowed to go on a journey downtown (walk the streets) they will come back.
- The one comment that drives me (as a retailer) insane: "I need to move my car." We want people to experience the entire downtown. People are in a two-hour space and it restricts the amount of time they spend downtown, the number of stores that they can go into.
- The City's facilities have a huge impact on parking downtown – the Kirkland Performing Arts Center, the teen center and the senior center – all contribute to parking need. The City should contribute to parking for these facilities
- Downtown should feel like U Village, but we need the parking. When U Village built the structured garage it was the smartest things they ever did
- The Lake and Central lot is a mess, with the different types of parking; the City would be better off making everyone pay or making it all free. Paid parking throughout would simplify things – that would be an improvement
- Hoping that Heathman Hotel's new 221 parking spaces will make a difference
- Previously there was an employee parking lot. When this went away, took 365 spots off the street
- Parking is constrained at Park Place.

Perceptions and Communication-Parking

- The parking garage is half full whenever I go there
- People are trying to understand the City's parking system—they are confused by it. Free parking/2-hour parking/4-hour, etc.
- People don't realize that there is a parking lot at the library –400 spaces; a 2-block walk. The perception is that this lot is farther away than it really is
- The parking garage is rarely full and is just three blocks away
- What's paid parking and what's not is confusing
- There are parking options on the periphery of downtown, how do we market them?
- If I go down to Freemont or Belltown I will park five blocks away as it's the big city and I expect to walk a little. However, people think that Kirkland is more rural and are maybe less accepting to park a little distance to get to downtown.
- The parking problem is both perception and reality. There may be enough spaces, but they're scattered and hard to find – give people, especially tourists, a central place to go, drop off the car, and walk from.
- We don't think people really utilize all the available parking. That said, there are some nights, such as when there is an event, where we are at our parking maximum. If people have difficulties parking once they may not want to come back to Kirkland.

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- If you live here you know where all the parking is, but if you are from out of town you might have difficulty finding a spot in the downtown area.
- Some people think that there is a real parking problem while others think that there is a perceived problem (However, perceived problems are often as serious as real ones).
- Communication and signage: I've never seen a sign saying that library parking is free! Maybe it should be in bold letters on explorekirkland...
- The main perceived problem is that it is not clear to visitors where they should go to park – this is a signage and wayfinding issue.
- There is a perception that there is not parking in the downtown area. While this may not be the reality, this perception hurts businesses.

Opportunities-Parking

- There are extra spaces in some condos, maybe those could be used somehow
- Maybe we should look at putting a parking garage under the baseball field.
- Could turn the Antique Mall into a parking garage – like Santa Barbara, when you get there, there is a big garage, you can park all day and walk around
- A central parking garage would really jumpstart redevelopment. This is something the City should lead – but it will need to be strong and stick to the plan.
- Put a large underground garage beneath Peter Kirk Park that could serve both the downtown core and Park Place.
- A shared City-owned garage would spur redevelopment by relieving property owners of the burden to build expensive underground parking on their own sites.
- The local government can't put the burden of the perceived parking problem on land owners. The local government needs to step up.
- The Heathman Hotel had to build more parking than they thought was needed for a hotel that will have a valet and will have a lot of customers arriving by taxi and other modes. With the higher parking requirements, had to build an entire extra level of parking (for construction efficiencies) and will end up leasing the extra space to other downtown users. Would have rather not built the extra parking in the first place

Parking Standards for Development

- Offering lower parking ratios on new development is one way that the City can provide incentives and compensate for the high cost of land.
- Parking is one additional factor that drives the condo market, since parking ratios are much lower for housing than for other uses.
- City's parking requirements are too high and should be lowered to a more urban level.
- Parking standards for new development are too high – they should be brought down to urban standards, which would make development less costly.

Paid Parking

- The merchants are frustrated by paid parking
- People want to go to downtown and park for free. This might not be viable over the long-term.
- Parking should be free

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- I'm not opposed to paid parking (as a retailer) but make it simple! Don't make it complicated.
- 21 Central restaurant – previously had valet parking; City gave 2 spots and charged \$500 mo. for garage spaces, with insurance it ran \$12-13K year. City shouldn't be charging for these spots
- Santa Barbara is a model – has a big garage, people pay \$2 park, and walk up and down the streets for hours
- We need to think about parking differently in Kirkland – Bellevue has a lot of paid parking!
- Paid parking may not fly with the public
- We've got to have paid parking. That way people can stay all day.
- The City is interested in enforcing paid parking because it's a revenue generator, but actually – it just breaks even.
- We can reward loyal customers through a token program.
- I am against paid parking. In La Conner, the tourists are avoiding the paid parking lots and using residential streets
- The Parking Advisory Board has been talking about paid parking and I am significantly opposed to that. Free parking adds to the character of downtown; I embrace the small town feel, I left the city living and the stressful life, and I have no desire to go back

Parking Management, Parking Advisory Board

- Parking should never be problem, we should manage demand and turnover
- It's a parking management problem – need to make sure that the on-street parking is short-term
- Dealing with the Parking Advisory Board is like Chinese water torture, they are always throwing a new idea in and it never progresses. But I do know that people have invested a lot of volunteer time in this effort
- Originally the Parking Advisory Board thought they could take the money to invest in downtown. But the revenue from paid parking is so minimal
- The Parking Advisory Board is intimidating to people and developers
- The Parking Advisory Board should hold off until Berk finishes their study
- Some people think it's a supply problem, others think it's a management problem
- We have a parking management problem, not a supply problem. There is a surplus of parking in private lots.
- Parking has been studied to death in the City. Just implement the parking plan! And integrate it with a public transportation plan
- The City needs to fund more parking. Successful cities provide adequate parking.
- An opportunity that is there is to use the private lots – through management agreements.
- As a City we haven't entertained creative options. The DAT did a really good job, but we haven't exhausted all our options for parking ideas
- Parking management is a fascinating combination of psychology and engineering
- Reemphasize parking management—just do something! We don't need more data. Manage the existing parking resources downtown-wide; that includes the private and public lots.

5.3 Pedestrian Activities, Issues, and Safety

- People have been hit in the crosswalks, make them safer, maybe with flashing lights. Like in Juanita
- Improve crosswalk safety – keep the downtown pedestrian friendly
- There should be a flow from Gunner’s gallery to the arts center: a corridor to give pedestrians purpose
- There are two crosswalk areas that are challenging: Lake and Kirkland Avenue and Lake and Central. They aren’t as pedestrian friendly as they could be.
- Tenants on Central are concerned because people don’t want to cross the street.
- A trolley system, or free public transit to and from parking would be great
- Lets see creative thinking about how to get people across the street – try four-way crossings or a foot bridge
- Need to focus on the entire pedestrian experience from one end of downtown to the other; pedestrian links are critical to the success of downtown
- Central, Kirkland and Lake – they are the main pedestrian avenues and the City should zone according to that
- Kirkland Way is starting to take shape as a street people want to walk around
- Make downtown Kirkland interesting for people that are going to walk. Look at Park City, Utah – they force all parking at the ends of the vibrant urban zone – seven days a week
- Improve the pedestrian walkway behind Park Lance – could have a pedestrian corridor there. Encourage the City to open it up.
- Need a loop or obvious walking route – sense of place. A walking plan.
- Improve the trail connection between Park Place (and farther east) and downtown.

5.4 Connectivity

- Need clear planning on how we are going to connect downtown – there have been lots of attempts to connect it through walkways -- what makes most sense now?
- The connection and continuation of Park Lane into the Marina would be good – need to fully utilize that asset
- Link together the waterfront and the park, those are the assets
- A disconnect between the park and the waterfront. Hopefully this will be addressed in coming work
- I’d extend Park Lane through the Marina – to create a strong tie
- Don’t turn our backs to the water
- Connect the corridor – make it a people-moving corridor
- The walk through the park is boring
- Downtown turns it’s back to the lake, how can we correct that?
- The parks downtown need to be involved synergistically – they need to work together—Marina Park, Waverly Park, Peter Kirk Park

5.5 Marina and Boating

- The marina is pretty poor shape – no breakwater, no power. You can't plug into shore power. That's our back door and we are losing all kinds of business because the marina is not adequate
- The marina could be the core of downtown; it's a tremendous asset
- Redo the marina and realize the synergy there with the retail core
- Need more boat parking at the marina. It brings people into the downtown
- All the boat parking is four-day parking – need more short term spaces.
- It's a real asset for the city, and the city needs to make better use of it
- We need to integrate the marina and pedestrian access points
- The City should look at working/developing the marina.
- To a certain degree we are in a conflict with the parks. On a sunny Sunday the marina parking lot is completely full. Do we charge people to come to the park? This is a difficult question.
- We need to spend more time looking at our marina as the lake is one of our greatest assets. We should start developing to make more space for yacht owners, which in turn could generate money for the City.

5.6 Public Safety

- There have been break-ins in Park Lane – that goes with the territory.
- We get broken into pretty regularly – its bar-related. Police response is really quick.
- There are problems around the park.
- There is a perceived safety problem around the transit center. People hang out there and that's intimidating to some people. The DMZ is around the Antique Mall – developing that would improve peoples' feelings of safety
- It feels dangerous and dirty where the transit center is going
- The garage safety issue is an urban legend. The City has tried – pulled the bushes out. There is a perceived safety problem because of the transit center

6.0 PUBLIC SPACES AND URBAN DESIGN

6.1 Overall Downtown Environment and Appearance

- Downtown is looking a little tired
- The City needs to do something to freshen up the look of downtown. The City needs to take action
- We are aware of all the new competition – south of Lake Washington – the Landing, the new Bellevue shops, Neiman Marcus coming....
- The facades on Lake Street are dated, nasty, they need to be redone. The storefronts don't look appealing.
- By keeping it the same, you die
- The way the buildings are being maintained is poor. We have to decide – are we going to enforce appearances?
- There is a difference between quaint and antiquated—some of the spaces in the City are antiquated. They are bizarre spaces—no heat, half bath...
- The storefronts are old, dated, need a refresh.
- Get rid of the antiquated buildings—how are they going to redevelop?
- There are 30-40 landlords downtown, most are absentee landlords
- The City won't let the Hallmark building redevelop upstairs. The whole second floor above the Marina Grill is vacant. That's a comedy of errors, what's happened
- The Antique Mall is a blighted piece of downtown
- Olde Main in Bellevue has done such a nice job of creating a unified look. Its updated and upscale. Our downtown could use a little more consistency.
- Need a tree project downtown; so trees are uniform.
- Overall, things are looking pretty good. Along Central there's an alley that's a disgrace—its consistently filthy; there should be a gate there. There are so many trash receptacles and its visible from Central.
- There is a problem with trash pick-up – a bin in front of the bronze cow that's consistently overflowing. But this is minor.
- The City and community need to work together on trash pick-up
- Need to take opportunities to enhance the beauty of downtown. City needs increased trash pick up—it's a problem.
- How do you keep it small and local, with big chains – that wrecks it
- Its charming now – how to keep the charm
- How do you make sure that you get development in small increments?
- Downtown is right on the tipping point – its character could be lost

6.2 Sidewalks

- The City's sidewalks need attention; there is a lack of consistency there, the City isn't taking the lead in designing these spaces.
- Widen some of the sidewalks, they are only 4-5 feet wide and its hard to have activity on sidewalks that narrow
- Widen the sidewalks; get more trees and benches
- The sidewalks on Kirkland Avenue connecting to the new condo development are disintegrating. The wrong street trees were planted; they are ruining the sidewalks
- The sidewalks need to be twice as wide as they are. If you eliminated some parking and widened the sidewalk, you'd have improved walkability and street life

6.3 Streetscape and Signage

- The design for aprons in the driveways should be designed more for pedestrians. Have had conversations with Public Works about this.
- Lighting is lacking – Christmas is a magical time – make it look like a Tivoli Garden
- The spaces between the buildings are important – the plazas
- The back alleys are the pedestrian connections – would be great not to ignore these.
- Lack of consistency in street improvements. Each development puts in its own street trees and sidewalks. The City lets developers pick from a list of trees. Better to have all the trees be the same, it's a hodge podge now, it hurts the continuity of the street.
- The City needs an improved streetscape and clarity about what they want. Developers are willing, but don't know what the City wants – there is a definite lack of clarity there
- Other studies have said that the streetscape needs to be more varied. We've been hearing the same thing, but nothing happens
- The Marina Park lot is fine for locals, but for those new to town, you have to look for it, it's not obvious how much parking there is
- Places to sit and congregate would be helpful
- It's a great area for art
- Lake & Central: we need to specify design requirements and set backs. We weren't specific enough and left too much to the Design Review Board
- We need better, more rigorous design guidelines
- We need streetscape guidelines that are at a human scale
- It is anti-Kirkland for everything to look the same, but we can be eclectic and thematic at the same time
- Development needs to be at street level – not six stories going straight up
- Other studies have said that the streetscape needs to be more varied. We've been hearing the same thing, but nothing happens

6.4 Building Design

- The scale of the downtown is great. You can't get peripheral development because of the hills and the water. Its sort of a containerized downtown
- Maintaining the walkable, European contextual scale is important
- There is a fabric in downtown – the core has a sense of community fabric
- The scale is so much helped by its two-story buildings
- There is confusion in Kirkland– when people mention view protection, they are talking about protecting private views. There is no precedent to protect private views, it's the public views the City should be concerned about. You can't tie public policy to protect private use. You can't go down that road
- The urban design of the buildings is problematic – how cheap some of the buildings look
- The City should focus more on the quality of building materials, versus height
- The current plan is overly nostalgic—in reference to the past in its design detailing. Where is the freshness?
- The goal when people speak about “quaint” is to be visually interesting and interactive. The word its self has no meaning, its ambiguous.
- Quaint means that people are thinking about the quality of life in the community; it's a value that has to do with being a place for all types of people in downtown
- The City needs to dump the concept of nostalgic architecture—it should be forward-looking and up-to-date; 21st Century
- There shouldn't be a parking lot on any corner of downtown. Shouldn't have parking on the ground floor of any building
- Look at Kirkland Avenue and Lake Street – there is a Bank of America branch; its open 9-5; its more of key corner than many others, and there is a parking lot there! Need to fill these parking lot spaces up with active uses; start to fill in those blocks
- There are a lot of properties that aren't contributing to the flow – some blocks are helping, some are neutral, some are negative. The block north of the Antique Mall is neutral.
- Look to Whistler Village as an example – all parking has to be below grade. It's a vibrant, well lit, active place
- Main Street in Bellevue has a historic district, and its well done. The buildings were also old and didn't have good bones
- Emeryville, CA has also been very successful in creating a vibrant mixed use environment
- Lake and Central – it should be a plaza or park, with parking below
- Keep everything low in the core – that's a really smart idea. Zoning should start low and build up
- TJ's on Lake Street is an impediment
- Sur la Table is three stories high and a very successful building; that could be a model for potential redevelopment
- A live/work environment could also work well for the downtown

6.5 Public Spaces and Infrastructure

- Almost every city has a hidden code – in public works infrastructure.
- Some cities are rewriting the public works standards, making them work for social spaces. That's the place you have to start
- The City controls the sidewalk, curb, gutter. The zoning code makes developers shy away from non-prescriptive alternative designs that could improve the street experience
- Revise the public works code – for sidewalks and streets. Take control from Public Works and put it in a larger context of downtown planning and vitality
- The spaces between the buildings are especially important. The City needs to step up to the plate on those spaces – make some investments to improve the infrastructure between the buildings
- Lighting: we worked on a development project in the City where the developer wanted to put smaller scale street lighting in, but the Public Works Department insisted on cobra head lamps. That was a lost opportunity for an improved streetscape
- Fairhaven in Bellingham has really worked those spaces. Signs, brackets, sitting areas – they have worked every sidewalk and public space. All the retail is local and full – sign of success!
- The trees are almost unique – need to have more trees
- Who makes the decisions on benches in Kirkland – they are all facing the wrong way! Who has that responsibility?

6.6 Design Review Process

- The Design Review Board is working well, they are trying to keep a consistent character downtown and that's difficult
- Design review and permitting functions are one of the best in the region. Staff is willing to look at alternatives; the timeframe it takes is reasonable, very good
- Its time to reexamine the design review process. The public comes to the Board with zoning issues. They should clarify their role, announce that "those issues aren't before us" – height, density, traffic, etc

7.0 BUSINESS CLIMATE AND REGULATORY ENVIRONMENT

7.1 Business Climate

- Need to do better working together between the merchants and the City—we are responsible for our own success
- Want to keep the downtown’s culture, but can it be more business friendly?
- The business community perceives that the City is not business friendly
- It takes the longest time to get things done in the City
- Kirkland issues a lot of penalties and Nos, versus incentives
- In other cities they are tearing down one-story buildings and constructing more vibrant places.
- You’re not seeing evidence of business vitality in downtown Kirkland. Where is the new construction? That’s telling us something
- We are in the midst of an unprecedented urban boom, and yet downtown doesn’t seem to be a part of that.
- There has to be public investment to incent private development
- To be successful, you need to be able to get approvals and make tenant improvements in a few weeks. The permit counter needs to be more responsive; we need a to have a more streamlined system of tenant improvements.
- Tenants can miss a whole season waiting for permits – that can happen now
- Landlords don’t have a positive feeling working with the City. The City has to show that it is open for business
- An example would be ease of the signage requirements for tenants
- The City needs to let the market decide what is needed and quit trying to control everything
- The Lake and Central project has tainted Kirkland’s reputation in the development and investment community. The way the City handled the project was a “case study in how to do everything wrong in a public-private partnership.”
- Staff is always wonderful to work with and often supports projects throughout the process, the City council and/or Planning Commission often doesn’t back them up when it comes time to make a decision.
- If the City would relax some of the development regulations (heights, parking), downtown would really take off – there is a huge pent up demand for more intensive use. Do it in a way that preserves the character though.
- The City has history of exacting property concessions for things such as trails without paying for it.
- Discretionary processes are unpredictable. Often not worth the trouble to try and get a zone change. Design review similarly troublesome.

7.2 Permitting Process and Regulations

- The antique mall is an ideal redevelopment site and potential location for the highest densities (6 to 8 stories). However, many developers have made a run at the property without success.

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- The height limits downtown coupled with the high land prices are what drive the type of development that is occurring (strictly condos). With higher height limits, it might be possible to make other land uses feasible.
- Won't see any apartments built downtown unless zoning is extended out of downtown – high land prices will keep it in condos. This will have an implication to Kirkland's overall affordability as a community.
- If you intend to protect the core, need to allow room to grow elsewhere.
- There are quite a few discretionary elements to the entitlement process; building height allowances (bonus fourth or fifth floor) and design review.
- 6 to 8 stories should be fine downtown – particularly at the antique mall site.
- Preserve existing zoning flexibility – don't downzone.
- Consider drawing some of downtown's energy (zoning) up the hills surrounding downtown.
- I'd love to see the Plaza go in, and additional parking
- At the Antique Mall site, development could go to five stories, easily
- Have higher density in the core area—higher buildings and more open areas
- We've got to go up – to get the views of the Lake
- Streamline the building department process. People at the desk don't want to help – there is not goodwill there.
- Some developers frustrated with the uncertainty that this process entails, and that their project may move along fine, incurring significant design costs, and not get rejected until much later. Would rather have the certainty up front (e.g., whether they can get a fifth floor or not) and design around that rather than take a crapshoot.

7.3 Zoning Issues

- Now height is tied to these subjective requirements; not sure that can be fixed. Its an ambiguity, creates a lot of tension and adds to public hearing challenges and requirements
- Other cities define what "superior retail" is. Not clear at all what the City means by this. Does it mean gallery space?
- "Superior retail" has been an impediment – its up to people on the Board to say "its superior"
- It would be better to design the building to attract superior retail. What is the retail profile for the City anyway?
- It would be better not to focus on "retail" but rather "pedestrian-oriented uses." So that would rule out banks, for example
- Kirkland is working a bit at cross purposes – its desire for good retail and its regulations
- Kirkland is going to see a jump, an acceleration – its going to go from quaint to 5 stories. The biggest issue will be the mitigation strategy.
- Is there an opportunity to get public parking in some developments. Have the City allow enough height to make that parking feasible.

8.0 CITY ACTION AND LEADERSHIP

8.1 Need for Leadership

- We need the Council to have the courage to take the lead – they have had amazing courage before, to buy land and take other steps. This big parking lot downtown has to be changed sometime soon
- The private sector on its own is not going to get involved with downtown development. The City needs to get involved to make this happen. There needs to be follow through with development plans. We need to invest money.
- The Council needs to have the guts and show leadership
- Previously the City had a more solid, consistent vision. Now, who knows who is in charge?
- Politically, the city has not been very visionary. If this changes and the City demonstrates a strong will, its negative stigma in the development world will be forgotten.
- The City Council needs a unified vision of what the community wants to do
- Need the City to show leadership on the decisions that need to be made
- We need more support from the Council and the City – to do what’s right for downtown. Work with us and support us.
- We have a woeful lack of political courage to allow the kind of development and redevelopment that will bolster the downtown
- Need to have courage and yet be cautious. A balance of courage is needed
- For the last 12 years, not much has happened downtown. There are great ideas, and nothing Leaders have to talk better across subsets as opposed to against subsets. This curtails Kirkland’s potential.
- happens; it doesn’t go anywhere. The courage to do something doesn’t seem to be there.
- When the City has a design competition, it needs to follow through. The City has a history of shelving things – they can be rolled
- There were guts on the Council 10 years ago – to make leadership decisions. That is needed now
- The City talks about these things – with the park with the lid over the top—and then it goes away and dies. That’s the leadership thing. The reality is that the downtown is a big key to the City’s success, and it needs that care and attention
- I don’t feel like we are embraced by the leadership. We don’t necessarily see our leaders shopping in downtown Kirkland. Our citizens do not understand that the vitality of our retail section is important to the overall economic health of Kirkland.
- The City could follow through on what they’ve started—the parking lot at Marina Park—do something creative there, that would be an impetus for development and vitality. They’ve got a good parking study already
- There is very strong leadership in the Planning Department and Planning Commission; it doesn’t seem as though the Council trusts them. There was a time when the Council seemed to have more trust in their staff and commissions
- Maybe the paradigm should shift – to a recognition that the City is not doing enough

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- The City listens to the squeaky wheels. We can have 1-2 people with loud voices. It gets hard for those of us that are trying to make things work, when there's one squeaky wheel.
- City Hall needs to take a leadership role
- Don't force it down our throats
- City government needs a backbone – create a plan/vision and stick to it.
- Need good open dialogue and workshops, we need to have a unified strategic vision before talking about or defending any specific project
- We have an existing vision, start with that
- The City has mixed messages about zoning. How is Windemere retail because they sell some artwork through a gallery in Seattle? The taxes aren't even going to Kirkland!
- The City should take a measure of support for issues and willingness to pay
- It is a three-step process:
 - First, get input, make the plan more specific and update it with the help of the community
 - Second, resolve existing issues and get elected officials ownership of the issues, educate the public, help the community understand there are tradeoffs, preempt mis-information
 - Communicate and sell the vision, use visuals, it should be sophisticated and professional
- The idea here is for the City to be a leader – it could have been the impetus for downtown activity, but the Council backed out. They got to the edge and backed off
- Our experience working with the City has been very good. We had an excellent experience with the planning and building departments. The Planning Department championed the building, and we had a single point of contact – that was great
- The City should make building permits easier. Is there a way we can expedite this process? This type of action needs to come from the City and Council leadership. Tacoma expedited their building process and have developed their marina.
- A single point of contact at the Planning Department has made a big difference; now there's a person that you can turn to
- Its sending out mixed messages – the City has sent a message to developers: don't work with us
- I think non-elected leaders can also be very effective in making downtown successful. In Tacoma there are a lot of informal leaders that really help with development. We need to bring more of these types of leaders to the table as they are not politically restrained like the elected leaders. We need to look at who the leadership is in Kirkland (elected and non-elected) as we can't just wait for elected groups to start something.
- There is a perception that developers don't want to come to Kirkland as the business environment is difficult. You can't blame the private sector for this perception. The City is now working to try to change this perception.
- There are also problems with leadership. There are too many people within the leadership that see some benefit of pitting downtown and the neighborhoods against one another (making this a zero sum game) instead of trying to help promote the idea that these areas are complimentary.
- From a pure revenue perspective, compared to the car dealerships in Totem Lake, downtown doesn't bring in close to the amount of money. So there is little financial incentive for elected leaders to really support downtown.

8.2 Opportunities for Action

- The lakefront area is a missed opportunity. In retrospect, the City should have been buying up properties as they became available. The fractured ownership pattern makes it extremely difficult to get anything going here.
- Kirkland needs to identify and focus on 1-2 things they do really well
- The City manager should be helping with business attraction and working with the property owners
- The City needs to address facades and sidewalks, many are dangerous to walk on
- Improve the marina—breakwater and power. The whole thing can be improved, reconfigured
- The City should consider public/private partnerships as parcels are developed
- The City needs to have an ombudsman.
- The Plaza at Marina Park should have happened as this was key to the whole downtown focus. (and it also was a good solution to the parking problem). This could be the center of the branding theme.
- Maybe we should create a business development committee that has no ties to government.
- We should look to Bellevue to see what they are doing. Bellevue has fee for parking for most of its downtown. Bellevue has a very strong Chamber of Commerce and has brought big retail players into town.
- We can't enforce rules but the City should offer incentives to businesses that stay open later.
- Kirkland is starting to lose it – others are taking its place as a good place to develop. Developers are going to Tacoma, Bremerton, auburn – where they find its consistent, cities learn from their experiences, say that they will make things happen, work cooperatively with developers. These cities are reorganizing themselves to be responsive

8.3 Lessons Learned and Ways to Improve Going Forward

- There is buzz about Renton – it once had a horrible image and now they have turned themselves around. They took advantage of their strengths and acted on it. We should look more at our strengths and try to capitalize on them.
- There are too many fractious groups in Kirkland.
- The public process needs to be reworked—nobody comes to the meeting until the plan is nearly done and everyone gets worked up. We need to bring the public in on the process earlier. The City needs to enhance public outreach.
- In regards to public outreach, we became electronic heavy too quickly. The website is great but not everyone has it. We mailed postcards and got a better response – sometimes the old fashioned way is best.
- If you want people to come to meetings you should bring food.
- We should allow people a place to hear and give feedback and have a real dialog. We should tailor meetings to meet business schedules and not convene in the middle of the day.
- Maybe we need a small convention center so we have a large enough space where people can meet. The hotels here can't give us this.

- The City of Kirkland maybe has too many meetings. There are a lot of neighborhood groups that are not focused on City-wide issues. It is almost impossible to get meetings setup that deal with the bigger issues as there are so many separate smaller meetings going on that focus on specific neighborhoods.

8.4 How Successful was the City in Undertaking Projects in the 2001 Plan?

- There has been misinterpretation of the Plan because of poor wording, the intent was not clear
- It had unrealistic visions of opening up our living room. Good idea, but not going to happen
- Lakeshore Plaza is a good idea
- The City should just back off for a while and stop trying to push projects
- I am diametrically opposed to a 4-story building downtown
- There needs to be more process and earlier involvement of the public
- There were some things we really liked about the project but others that didn't work
- Lake and Central: there should be sidewalk ground floor retail, we need active uses on the street
 - You should use that space for parking
 - It is a "node" for people arriving in Kirkland, you get the sense of arrival there, it is a landmark intersection
- It would be a shame to develop that site without a comprehensive plan and vision
- Residents weren't engaged publicly in the projects

8.5 Lake & Central Situation

- If the City were to get a strong backbone to see Lake and Central through, it could overcome the negative reputation and do something positive for downtown. Absent that, investing in a public parking facility could have a similar positive impact.
- Given the history at Lake and Central, the City should just surplus the site and get out of the way.
- It's a dead corner, it needs retail there. The City needs to make something happen there
- Lake and Central is the City's 100% corner – there could not possibly be a worse use than a parking lot for that corner
- Lake and Central is a dead space; it prevents people from going across to Central. Developing that area to be interesting corner will help the people on the north side of Central
- It has the potential to be a fantastic public square, the hub of the wheel
- If there were four stories at Lake and Central it would be better to be a big parking garage, you can even go down two stories
- Would like the City to take another run at redeveloping Lake and Central since it such a pivotal site; not sure that the City has the leadership or stomach to actually see it through.
- With more population and more growth, we need more parking
- It is a terrible place for a grocery store, that won't help our businesses and it won't help the traffic
- The City ramroded that project
- Developing the Lake and Central property, identify the economic considerations that would satisfy developers

- Its a flagship corner; it should be a central gathering place – “meet me at Lake and Central”
- We need a city square, an active space

8.6 What would make this a successful project from your perspective?

- This project should be seen as more about making things better than about turning around a serious problem.
- We would have a cohesive plan and a time table
- Kirkland will be a regional draw and maintain it’s small-town, pedestrian-friendly, village feel
- We will have a timely update to the Plan
- There will be a good connection between the vision and implementation (zoning/design/usage)
- The Plan will incorporate access to the neighborhoods and improve transit
- We will build on the strengths and the existing Plan
- Communication is they key along with leadership
- The plan will be implemented
- An updated plan that lends itself to the future, anticipates growth and builds for that
- We need to find out what types of stores are likely to be successful here in Kirkland
- We should fund an evaluation of what it takes to have a viable business and provide that guidance and support to entrepreneurs and local independent merchants
- Strong partnership between the City and residents
- First step leading to step 2 and step 3, ACTION!, City leadership
- An alliance between the City/Chamber/KDA/businesses/residents to promote a common vision
- See some photos of the vision
- Like to see some simple things updated to reflect new buildings and what makes a successful business district
- A consensus about public space – where to have it

8.7 Working Together and Communication between the City and Stakeholders

- Part of the challenge is educating the neighborhood
- The City needs to come to the neighborhoods, talk about the issues, give us something to react to and then stand up and make a decision – we need leadership
- That’s hard because if someone doesn’t like it leadership can feel like dictatorship. But sometimes projects just need to proceed
- The City just handles things, they don’t have public forums
- We need to hear from one another, to all sit in one place and hear the answers to our neighbor’s questions
- It has to be a partnership, not just take it or leave it
- Retailers feel that they are not being heard by the City. For example, the City says that they want our involvement in downtown parking issues, but then the parking meeting is scheduled for 3-6 pm. I can’t come to a meeting between 3-6 pm! I don’t think that they get it.

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- Be careful that the program doesn't change mid-stream, at Lake and Central the project changed and we were no longer buying into the same project
- The business community is on a different planet from the City; there is animosity toward the Council, who folded after the Lake and Central issue
- Be clear on the desire and mission
- The City needs to communicate through multiple ways: yard signs, website, every mode of communication

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

Attachment B: Community Meeting Summary

CITY OF KIRKLAND: DOWNTOWN STRATEGIC PLAN

Phase 1: Community Conversation Summary July 16, 2007

COMMUNITY ASSESSMENT AND VISIONING

The City of Kirkland and the Downtown Kirkland Advisory Committee sponsored a Community Conversation for residents to provide early feedback that will guide the Downtown Strategic Plan. The meeting was held on Monday, July 16, from 6:30 p.m. to 8:30 p.m. at the Kirkland Teen Union Building. The meetings were advertised on the City's website, in utility bills, on posters and flyers in the community, through a press release distributed to all local papers, and through local organizations including the Chamber of Commerce and the Kirkland Downtown Association.

Approximately 80 members of the public participated. Mayor Lauinger and DAC co-chairs Mike Nelson and Jeff Trager introduced the project purpose, scope, and timeline. DAC members led small groups in a discussion of the following questions:

- What are Downtown Kirkland's most notable strengths?
- What challenges does Kirkland face?
- What opportunities are available to the City?
- How do you envision Kirkland in 5-10 years?

After the small group discussions, representatives from each group reported the highlights of their conversations to the rest of the Community Conversation participants. Comments made in small group conversations were recorded on flip charts by volunteer facilitators. A complete summary of the comments is attached. Numbers in parenthesis indicated when a comment was made multiple times.

Key Themes

During the small group sessions, group members discussed what they felt were Downtown Kirkland's strengths, challenges, opportunities, and vision for the future. In general, participants care about downtown and consider it an important part of Kirkland's identity. Participants consider Lake Washington and downtown's access to natural beauty as an important part of what makes downtown a special place for residents and for tourists. Other strengths include the human-scale dimensions of the area and walkability, safety and friendly character, and high quality of life based on civic and commercial amenities, including restaurants and retail, parks, the library, and the Kirkland Performing Arts Center. Traffic and parking are considered significant challenges for downtown Kirkland. Participants were also concerned about the high rents and high retail turnover in the downtown.

Participants' vision for downtown is a more vibrant version of the existing downtown. They envisioned that the downtown would retain its identity and character while providing opportunities for appropriately scaled development. Many participants would like to see the downtown develop in a bowl or tiered fashion, limiting building heights in the core, with increasing heights further from the water. Participants were interested in strategies to encourage and support more vibrant and stable retail development, including services for residents and tourists. Many groups also mentioned expanding opportunities for downtown office space. Participants were interested in improving connectivity for pedestrians and cars between the Lake and Parkplace to expand the downtown footprint.

What are Kirkland's Most Notable Strengths?

Good Geographic Location, Parks, Open Spaces, and Natural Surroundings

- Natural surroundings: lakes, parks (2)
- Appreciate Peter Kirk Park for its open space and waterfront and playfields (3)
- Enjoy waterfront and accessibility to the Lake (5)
- Good parks and open spaces: Waverly, Marina, Carillon (3)
- We are the waterfront of the eastside
- Green

Accessibility and Scale

- Walkability, pedestrian friendly, for example Lake Street to Fish Café and Kirkland Parkplace to Central Avenue (6)
- The one block of Park Lane is great to walk on
- Good freeway access from downtown
- Mobility
- City is scaled to humans (3)
- There is great boat access from the marina
- Strategic location/accessibility
- User friendly, easy parking/free parking, access, street side parking

The Community, Quality of Life, Amenities

- Community members are interested and involved (2)
- Responsive city government (3)
- Access to good public transit system; good transit center
- Diversity of facilities for sports, entertainment, and retail
- Well-maintained parks/facilities, i.e. the maintenance of flowers (2)
- Good schools
- Kirkland is kid and family friendly
- Safe community
- Library (2)
- Restaurants (3)
- There are great businesses and amenities in downtown including the bookstore, a place to hang out, the marina, hotels, QFC, the Kirkland Performing Arts Center and others
- Parkplace is great to have near downtown
- Good community facilities, including the senior center and town center (3)
- Enjoy a variety of amenities including movies, galleries, tennis courts, swimming pool, the Argosy (2),
- Pets Persona
- Pet friendly (2)
- "Not Bellevue"
- Mixture of generations
- 24-hour population
- Art-sensitive community, i.e. the art center (3) and public art, (2) art center, and the Kirkland Performance Center (2)
- Diversity of population
- Enjoy City and downtown events including summer concerts, the Lights of Christmas, the 4th Parade (7)
- Draws tourism (2)

The City's Charm, Historic Feel, and Small-Town Atmosphere

- Historic buildings
- Quaint, unique village atmosphere (2)
- Enjoy the small-town scale (2)
- Unique, resort-like atmosphere
- Historic buildings add to the charm of the City (2)
- Urban village "home town" appeal
- City is open because of low rise buildings and is not canyon-like
- Height limits
- Restrict building regulations to a 3-story max for buildings – to maintain current density and scale

What Challenges does Kirkland Face?

Traffic and Parking

- There are pedestrian versus traffic conflicts
- Traffic (3)
- We need to understand where traffic comes from
- Kirkland is a "cut through" for I-405 traffic
- Need a restricted north-south corridor
- Reroute traffic to alleviate congestion and minimize rush hour traffic (3)
- No traffic light at 3rd Street and Kirkland Ave
- Need more parking supply and more free parking
- Parking is challenging, perhaps hidden or underground parking (6)
- Reach an agreement about putting a lid on Marina Park parking
- Downtown is dealing with construction issues related to traffic including noise, water, and air pollution

Pedestrian Issues

- Some pedestrian crossings feel unsafe, especially at 3rd Street (2)
- Sidewalks are narrow and in need of repair
- Keep it pedestrian-friendly

Commercial Areas, Business Mix, and Diversity

- Rents are too high, and that affects the diversity of businesses (2)
- Limited variety of retail
- Has ambiance – shopping, family – window shop, but no necessities – limited shopping
- Need a mix of viable businesses
- Household goods are not available downtown
- There is no anchor retail, nothing to draw people in
- Downtown has difficulty securing national tenants
- Downtown needs more offices
- Multiple owners of property and buildings
- There is a lot of retail turnover in the downtown

Safety

- There is loitering at the transit center
- Downtown has too much vandalism, crime, loud motorbikes (3)
- There are problems with late-night rowdy behavior and irresponsible drinkers
- Not enough police

Preserving Kirkland's Atmosphere and Personality

- Create a balance between vitality and sleepiness
- There is no central city gathering spot; is Lake and Central the right location?
- Preserving small town historic building feel is a challenge
- Need to develop an identity and market our strengths (2)

Managing Growth and Development, Balancing Old and New

- Old buildings/conditions
- Too many services vs. retail
- Ensure balance of the village feel, including height and views, and businesses that can succeed
- Need to decide how much development is enough
- Pressure to increase height of buildings, but we need to restrict building heights (3)
- Maintain views
- "Canyon" effect – too many high rise buildings (2)
- Balance between people and cars
- Limit bulk and height of buildings through zoning while also enhancing central Kirkland, west of 3rd
- The City's back is turned from the water
- Parkplace redevelopment
- Struggling downtown business, perhaps because of a lack of retail diversity (3)
- Examine the Design Review Board's policies and zoning related to new retail space; are they appropriate for Kirkland?

Funding for City Projects

- The City needs to find funding to support projects

What Opportunities are Available to the City?

General Development Opportunities and Principles

- Encourage green development
- Sustainable community
- More trees
- Facelift for downtown
- Work with landlords and/or provide low interest loans to renovate buildings (2)
- Change zoning code to three stories/limit building heights (2)
- Reconsider the existing height limits
- More office space
- Be flexible with development while keeping city character
- Pedestrian friendly
- Pedestrian mall
- Retail in alley
- Controlled growth (zero, limited growth, height restrictions)
- Infill redevelopment
- Incorporate a broader foot print for downtown
- Develop from Lake to Kirkland Parkplace

Specific Strategic Development Opportunities

- There are many redevelopment opportunities including Parkplace, Antique Mall, and Marina Park
- Redevelopment of underutilized properties, including Parkplace and many of the surface parking lots

- Antique Mall site redevelopment (2)
- Marina is a huge asset; continue with what's working
- Redevelop Parkplace; we must be careful, prudent, and wise
- Extend Park Lane another block
- Increase height of Parkplace
- Redesign and add more office and residential space in Parkplace (3)
- Put the "parking" back in ballpark; consider putting a parking lot below Peter Kirk Park

Address Parking and Traffic Challenges and Increase Connectivity

- Lake and Central City Square with underground parking
- Redevelop Marina Park to allow more pedestrian zones and more parking
- Shut down Lake Street to traffic so it is pedestrian only
- Review the proposed facility at 3rd street, consider an overpass
- Plan for increased traffic and noise
- Extend parking hours to allow for more retail business activity
- Create a linkage between the Lake and Kirkland Parkplace
- Open Lake Street to the Lake
- Better use of the Lake – access, walkways
- Explore a plaza at Lake and Central (2)
- Link Peter Kirk Park to Park Lane to Marina Park
- Build a walkway over the water

Protect the City's Historic Feeling

- Preserve old buildings
- Historic value of buildings lends charm to the City (2)

Provide a Place for Residents to Work, Shop, Live, and Play

- Encourage year-round activities
- Encourage events downtown
- General store within walking distance
- Kirkland ball parks redevelopment with parking below
- Promote tourism

Build on Tourism Opportunities

- Make Kirkland more of a destination town
- Attract more rainy weather visitors
- Look at developments like the Redmond Town Center
- More signage announcing "Now in Kirkland" – roads and marina entries

Citizen Involvement and City Government

- Get more people to participate
- Raise taxes to pay for projects
- Active City involvement in redevelopment

How do you Envision Kirkland in 5-10 Years?

Vibrant, Diverse Retail Activity

- Night life for mature audiences/adults over 40 (i.e. Jazz clubs)
- More arts activity
- Practical retail
- Healthy vibrant downtown
- All the services you need will be downtown
- Establish upscale retail businesses as destination (2)
- Retail that supports household needs
- Build a full size QFC with household goods
- Diverse retail businesses
- Perception of too many banks and spas; decrease the number of salons and restaurants (3)
- Caps on like businesses
- More necessity and destination retail
- Unique retail (no strip mall businesses); more and diverse retail businesses (2)
- Landlords and tenants living in harmony
- Self-sustained community
- More variety of retail
- Lots of storefronts
- Retail ground – 1 floor/residential upper
- Good mix office and residential
- Permanent Farmers Market
- Healthy retail
- I want Penney's back

Tourism

- Successful tourism business year-round

Retain Kirkland's Identity

- Same as it is now
- No skyscrapers like Bellevue
- Encourage a small village feel
- Tweak downtown but do not wholly redevelop
- Cohesive identity
- Keep downtown as is; limit construction
- No new construction
- It will look like Kirkland
- Preserve character of city

Community

- More police presence – on streets and out of cars
- All age community-oriented celebrations
- Keep downtown family friendly
- Safe

Increase Connectivity and Connect Downtown to the Lake

- Downtown more connected to the Lake
- Revisit Lake Shore Plaza project
- Develop Marina Park in conjunction with vision of downtown and as a commercial draw (2)
- Connectivity from Parkplace to the Lake
- More parking structures but keep them out of sight
- Reorient buildings toward the Lake
- No buildings between Lake and Central to open corridor to the Lake
- Pedestrian friendly
- Pedestrian oriented and more walkways (2)
- Create some areas closed to automobile traffic in downtown
- Reduced traffic

Parking

- Parking underground/stacked
- No surface parking
- More parking garages
- Parking lot under Peter Kirk Park
- Plenty of visible parking (underground or screened)

Development Standards, Height Limits

- Bowl effect: building heights decrease as you move towards the Lake
- Gracefully accommodate a higher density population and traffic flow by high rises around the core, not in the core; the core is between Central Kirkland Ave and west of Peter Kirk Park
- Downtown core height limit to 4 floors
- Core of downtown should have no cars and have a height limit
- Limit height to 1999 standards
- Low buildings, 3-story max for downtown
- Improved design without increased height
- Parkplace should have 8 floors on 6th street and be tiered to 3 to 4 floors as you approach Peter Kirk Park
- Build green
- Optimize land use
- Noise absorbing pavement

Development Opportunities

- Central square for downtown
- Pedestrian-only street (Lake Street or Central Way?)
- Antique Mall could become Central Plaza
- New north-south arterial
- Water-centric, pedestrian friendly, small, historical city character with tiered-down buildings
- More office space
- Develop an infill core area bounded by Lake Street and Main Street and Central and Kirkland Avenues, with linkages to Parkplace and with a central park
- Need high wage office jobs to support retail stores (Microsoft, Google)

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

Attachment C: Property Owner Meeting Summary

KIRKLAND DOWNTOWN STRATEGIC PLAN

Property Owner Group Meeting Summary July 24, 2007

Property Owner and Developer Participants

Support Staff

Patty Brandt	Andy Loos	
Jann Castleberry	Bonnie McLeod	Bonnie Berk, Berk & Associates
Joe Castleberry	Michael Nelson	Meghann Glavin, Berk & Associates
Rick Chaffey	Joel Ostroff	
Jeff Cole	Jerry Ostroff	
Bill Corbett	Steve Panos	
Gary Craig	Tim Panos	
Mike DeLaurenti	Terry Rennaker	
Marilyn Dillard	Mimi Rosen	
Douglas Howe (guest presenter)	Steve Shinstrom	
Brian Leibsohn	Steve Suskin	
	Bill Woods	

WELCOME & INTRODUCTIONS

Joe Castleberry welcomed the group and thanked them for their participation. He reviewed the meeting's purpose and objectives: to bring downtown Kirkland property owners together and obtain their feedback on the early stages of the Downtown Strategic Plan. Joe also thanked Stuart McLeod of Hector's for providing space and refreshments.

Joe introduced Bonnie Berk, of Berk & Associates, who presented a brief overview of the Downtown Strategic Planning project and the Downtown Advisory Committee (DAC). She reviewed the meeting agenda and described the Downtown Strategic Planning process before opening the floor for questions. The group had multiple questions about the current situation with downtown, what the process and objectives were for revising the DSP and the goals that Berk was hired to achieve including what the City is doing and the status of City projects:

- Q. What is happening with downtown planning now? What is the City doing and what are the City's intentions?
 - A. The City and the Downtown Advisory Committee (DAC) are evaluating everything from a fresh perspective. The planning process is taking a broad look at downtown's strengths, challenges, and opportunities.

- Q. What City projects have been completed from the 2001 Plan?
 - A. The Central Way traffic calming project, and there has been initial planning for the Lakeshore Plaza project.

- Q. Will there be specific plans and projects coming out of this Plan? What will be the outcome of the updated Plan?
- A. That is yet to be determined. The DAC is focusing first at a strategic and visionary level. We want to make sure the entire community, staff, and Council have a shared vision before we discuss specific projects.
- Q. What is the result of Phase 1 and Phase 2 of the Downtown Strategic Plan?
- A. In Phase 1, in addition to a vision statement, the DAC will develop a Strategic Situation Assessment that identifies opportunities and next steps. In Phase 2, the DAC will develop a Strategic Plan with implementable goals and action strategies.

OVERVIEW OF KIRKLAND PARKPLACE DEVELOPMENT PROPOSAL

Douglas Howe of Touchstone Corporation gave a brief overview of the proposal for Kirkland Parkplace. He started by stressing how important he believes it is for the property owners to get involved in the downtown strategic planning process, telling them "you can make a difference."

Touchstone entered into a contract from the Shulman family four months ago to develop Parkplace. The firm's development proposal is intended to revitalize a crucial commercial center and to meet City goals of connectivity by connecting Parkplace with the rest of downtown, from a pedestrian perspective. There will be five office buildings, two hotels, a sports club, 1.2 million square feet of office, and 3,500 parking spaces. Approximately 250,000 s.f. of retail including a QFC that will double in size.

Currently, Howe said, Parkplace doesn't function well. Touchstone is proposing to tear down every building on the site, in two phases. The buildings are proposed to be five to eight stories, with two to two and half acres of open space, almost 20% more than what is there now. Transportation access to the site will be improved, through signalization and other approaches, and it will be safer for pedestrians than currently.

Howe said that Kirkland has become a bedroom community and there is pent-up demand for office space. The parking on the site that will be used for office during the day; it will provide a huge opportunity for additional parking the City could use on the weekend and evenings.

Howe also said that he has been making many presentations to community groups, and that the community has been supportive of what he sees as a significant opportunity to improve the assets and enhance downtown amenities. The City has also been supportive, according to Howe. City staff has said that they believe the development could energize day-life and the downtown core. To move forward with its plan, Touchstone has made a private amendment request to the Comprehensive Plan for increased height and revised setback requirements. The City Council has formally agreed to consider the Comp Plan amendment.

Howe said the private amendment request and design review processes should take approximately six months. The City has allocated \$200,000 to do a planned action and they have authorized funds to review the economic impact of the development.

Howe asked for support from the other property owners and developers in the room if they believe this is a project that will catalyze downtown Kirkland. He invited anyone who was available to come to the Design Review Board (DRB) meetings and Council meetings to show support. The next DRB meeting is Monday, July 30, 2007.

Questions for Douglas Howe

- Q. How realistic do you think it is to get approval in six months?
- A. We are confident, the City has been supportive. We are set to purchase the property next month.
- Q. What about resistance of building owners around the site?
- A. Mostly people have been supportive and interested. Most of what we are proposing is sustainable green development. We are encouraging bicycle traffic, for example. Neighboring retailers have also been supportive. They see increased office space as a benefit. Downtown could benefit from more critical mass and density, to create more opportunities for retail spending.
- Q. What will your rents have to be to make this development financially feasible?
- A. Our pro forma rents are in the \$30's s.f. triple net, even \$40 s.f.. For retail we expect high \$20's s.f. to \$30 s.f. We anticipate being in the \$40 s.f. range for successful restaurants.
- Q. Is the DRB looking at the proposal assuming the Comprehensive Plan would be amended?
- A. Yes. We are going through the process as if we had applied under normal circumstances.
- Q. Who has the approval for the private amendment request?
- A. The Planning Commission and City Council. We expect that should happen in the first part of next year.
- Q. Are you concerned about what happened at the Lake and Central property, where everything was through the approval level and the City Council caved to a vocal minority of residents, at the last minute? They went through two years of process to come up with a viable plan, that everyone signed off on. Council supported it, staff supported it, and then it just fell through. Nothing you have described addresses that; how can you avoid that?
- A. You never have total predictability in a project but we trust the City Council will make the right decision this time around.

We are also working closely with the stakeholders and the community. I've been to all the neighborhood groups to present the proposal and get feedback. I'm going to talk to the neighborhoods again this fall. I also think that you all can also make a big difference. I invite you to the DRB meetings to show support. In addition to July 30th, we are scheduled for September 17th.

Joe thanked Douglas for his presentation and said he believed a revitalized Kirkland Parkplace would be a catalyst for change and could have a good ripple effect through the core of downtown.

DISCUSSION OF CURRENT PROPERTY OWNER PLANS, PROJECTS, AND ISSUES

The group shared information on their current plans to improve their properties, and on the status and challenges of other active projects in the downtown. The following is a list of general comments and lessons learned that participants felt were important to share, organized by theme.

Development Regulations and Review Process are Problematic

- **The discretionary nature of the DRB Board is unorthodox, unpredictable, over reaching and challenging.** (Stated by multiple participants)
- The DRB process gives us pause in thinking about development projects downtown. I would be hesitant and think carefully before considering starting a project. It may prove workable but you have to be willing to risk some time and money but developers are not interested in entering processes that are clearly defined .
- **Several property owners commented on the ambiguity and discretion associated with the City's code provisions for superior retail.** What is "superior retail"? How is it clearly defined in implementable terms? It seems arbitrary considering it is the catalyst for higher density and therefore the economic viability of a given project.
- The whole process for determining what is "superior" retail is nebulous. (Stated by several people.)
- We have a potential development project, but we are struggling to understand superior retail.
- Superior retail, as interpreted by the DRB, seems to have something to do with ceiling height. The DRB doesn't like blank facades and they like height. In Seattle retail spaces are around 13 feet, whereas here the City is asking for 14 to 17 feet ceiling heights. That feels unnecessary because a lot of retailers will drop the ceilings anyway to give a warmer feeling to the store. So you are paying for height when its not desired by retailers.
- The DRB likes height and glazing requirements. There are some general guidelines, but no published guidelines.
- **There are no specifics that we can prepare for in order to understand if our project will be economically feasible within the guidelines, and if we can get design approvals.**
- Predictability is a problem; that's a **huge problem.**
- The DRB also has inserted themselves without authority to determine discretion over setbacks; its a subjective approval process for setbacks which is and should remain clear based on the zoning codes. The same can be said for the width of sidewalks that exceed code requirements.
- The discretionary setbacks are also part of the unpredictability we see as developers. Most DRBs have discretion on design, but not on code matters.
- Most DRBs can't force you to have setbacks that are greater than code. They can in Kirkland.

- The setback requirements are OK, if the City will stand up for the zoning guidelines, but the requirements around extra floors are a make or break financial issue for projects.
- In other cities, the DRB can't require or decide about additional floors, for example.
- **Kirkland is the only place I've ever seen where the DRB decides if its superior – and you need to guess what their decision will be.**
- An extra floor can be the determining factor for financial feasibility of projects, so the discretionary DRB process is breaking deals. That type of control is unique in my experience. And I have worked with many, many cities.
- **That discretion and amount of control exercised by a DRB is unique in the country. It's a big issue.**
- **Property owners need predictability for zoning, height and yield (financial feasibility).** That determines the economic feasibility of projects. If we are operating in an environment we can predict, we can plan appropriately and find a way to make a project feasible. Property owners do not want to invest in planning for an extra story and find out later if it was worth their effort.
- With the City's requirements and the lack of support against the DRB discretionary approvals, there are a lot of properties that won't be redeveloped – but at least you can know that! There should be a situation where you do not have to guess.
- The City has control over zoning, but they have to understand that if they only listen to neighborhood groups without considering the property owners needs, then the City will continue to want heights significantly limited, then some buildings won't be worth redeveloping.
- There is a conflict between the City's requirements for superior retail and the other element in the community that are asking for small, tight streets like Park Lane; these are mutually exclusive. You can't have what I understand to be superior retail on a meandering street. Superior retailers want high volumes of traffic to drive past the store.
- **The City's requirements are very prescriptive; overly prescriptive.** Many people don't understand these requirements and the City and the DRB do not understand their impacts on development in the real world.
- In order to get a fifth story, I would have to develop three of four floors as residential and cap them at 10 foot floors. These requirements are working against the City getting mixed use projects, with office components. Because three of the floors have to be residential there can only be one floor of office. The current code works against the need for more office downtown.
- The City needs to have a code that results in financially viable, feasible projects. It is clear the city, and the DRB and the City Council do not understand what it takes for property owners to be incentivized to develop.

Effect of Parking Requirements

- Parking is the biggest issue for me in making my project feasible. We will have to replace existing stalls, plus build structured parking spots to meet code. The unnecessary parking requirements are enough to make you give up on redevelopment.
- In Kirkland, the code calls for 1.7 stalls per residential unit. The City has the freedom to analyze parking requirements on a case-by-case basis and staff is helpful, but the code requirement is too high. Again, there is unpredictability for developers which prevents these projects from getting started.
- Assuming a reasonable cost of \$25,000 to \$35,000 per below grade parking stall, if you actually build 1.7 stalls per unit, that's around \$50,000 of building cost per unit. That has to be a huge residential unit to spread out the high cost of parking. We're talking about 3,000 square feet condo units. And that is actually happening. That has a huge impact on the housing stock in downtown Kirkland. The City and community should understand if that fits into their vision. The result is fewer people and a less vibrant downtown.
- The City needs to revisit the parking requirement! Its one of the most difficult impediments to development in downtown.
- There is discussion at the City of vesting existing parking spaces, which could be helpful. It could change the equation; help facilitate redevelopment projects.
- There can be some interchange for office and retail parking. Office workers need spots on weekdays, shoppers need spots in the evenings and on weekends. If the City is interested in promoting office, they should consider that. There is currently no clear path for this shared parking situation.

City Leadership & City Investments

- The City needs backbone. Until the Council steps up and take command nothing is going to happen in this City. Property owners and developers are very skeptical that anything will change. Most property owners will not even enter the development process because of the way things can fall through. I love being in town but it is very hard to make investments in large projects with the planning and development climate as it is.
- Does the City have any funds to invest in major capital improvements on its own? Right now redevelopment feels like it is on the backs of downtown property owners, not the City.
- The City needs to adopt a Development Agreement process like many other cities have in the county. This will enable smart development planning on an individual project basis. The Development Agreement process will also allow developers to better project certainty before expending the huge amounts of money and time only to face uncertainty with the City, City Council and DRB.

ROUNDTABLE DISCUSSION: DSP & SUPPORTING CODE

After a brief break, Bonnie asked the group to go around the room and speak to what is working well in the downtown and what could be improved.

City Vision, City Understanding, and the Impacts of the Development Process on Downtown Vitality

- There are many good projects that can't work – aren't economically feasible – under the current code and zoning restrictions.
- **The City and the DRB can be arbitrary when it comes to the development process.** The staff, volunteers, and elected officials don't have skin in the game the way developers do. When we get burned, it can hurt for a long time, and I don't think the City understands that because they haven't felt it. The City needs to know they have a stake in it.
- **To have a healthy environment for development downtown there cannot be an arbitrary DRB process.**
- The DRB is out of control; making arbitrary decisions.
- There is a lack of education on the Council's part. They don't understand what it takes to complete a project. The City staff should take it upon themselves to educate the City Council, DRB, Planning commission, Park Advisory Board, etc. on what developers need economically to make a project go.
- Lots of the City staff are great, but ultimately they take vision and direction from Council. The Council sets priorities. And the Council seems to only listen to the most vocal minority neighborhood group without taking a stand that would promote growth in downtown.
- What kind of businesses do the City and the community want here? Do they want banks and salons? Because that is what the current code and environment perpetuates.
- Economics is what drives property owners. Retail tenants have other options and will take them, if there isn't space that works for them. Retailers need people, density, traffic flow and a pro growth environment.
- I have had comments from members of the City Council that indicate they do not understand economic drivers. The Councilmember didn't seem to understand that I would do a project if it made money and if the project did not make money, I would not take it on. This Councilmember said I could attract a superior retailer without two-way traffic which obviously proves a lack of knowledge and understanding.
- Good retail won't just come to downtown. We have to create a physical environment that works for retail. This means more density. The City really needs to understand that better.
- The City needs to look at uses and the impact of those uses. Development has to make sense economically, but that's just one part.
- The existing code is maddening.

KIRKLAND DOWNTOWN STRATEGIC PLAN

- The City needs to apply consistency and common sense to its development planning.
- Would like to see the City offer some incentives – open space, greenery, etc – to obtain an additional floor height.
- Kirkland will never be a Bellevue or Seattle, there isn't enough space. And that's fine. We are geographically limited. We just need enough flexibility to make projects pencil. And given that you have to go down for parking because of the limited space, it would be at least nice to be able to go up one or two stories. Many projects can not go underground for parking due to the lake level.
- Kirkland has to think about its reputation and how the Downtown Strategic Plan is viewed by the development community. Is the City development-friendly and more importantly, is it perceived to be? Renton is seen regionally as being business friendly, they know and understand how to work with developers. In Kirkland that understanding is unclear and vague and many developers will steer clear of Kirkland until things are clearly changed.

City, Property Owners, and the Community

- In the last strategic planning process, our property lost a potential floor because of changes in zoning. In that process, a small group of residents were vocal about their feelings in downtown. We didn't get involved, and it's had an economic impact on our property. It is time we stand up for ourselves.
- The community thinks they own my property and should determine its uses. I have also found it interesting that the community feels they have a proprietary interest in my property.
- Parkplace will have fewer challenges developing than others in the downtown core because there isn't the same community ownership over that property.
- The City Council is oriented to the neighborhoods and their vision for downtown, but the residents don't shop or eat in downtown. I don't know how we can change anything unless the Council gets the message and stops being influenced by a small group of no-growthers. They just don't understand development or return on investment.
- There is definitely a "Lake and Central" effect. The City has not assured anyone that this won't happen again.
- The Council seems to be influenced by a small group of vocal people who do not understand what it takes to build a village.

Density to Create Vitality

- All downtowns are reliant upon density and this City discourages density. So businesses that rely on density are suffering. Businesses are turning over.
- The Council has to come to grips with the fact that it takes density to create vitality. Density will help create an economically viable, thriving, exciting downtown.
- Density is the key to increased vitality. The code is written to limit office and residential density.
- Density also requires height. It may also require an investment on the City's part for parking. They cannot put the whole burden on developers or it won't happen. Density won't kill the downtown.

Density will enhance it. Where are the City projects to create a parking garage? Where is the funding to get things done?

- We have heard of at least one group of vocal residents that want downtown building heights to be low. This is the formula for “killing” downtown and the property owners.

Development Agreements to Improve the Planning Process

- There should be a partnership between the City and property owners. The stage has not yet been set for that.
- For example, approval of the fourth and fifth floors comes very late in the process. And there is a lot of discretion being exercised by the DRB in making that decision.
- We would like clarity on development requirements otherwise property owners and developers will not even get started.
- City doesn't have a development agreement process in place. (Other cities do.) This is needed.

Parking and Access

- There are so many signs about parking as you come into town, but none of them make sense. Many of the signs at parking spots take three signs to define the parking rules. We have to clarify all of this for visitors.
- A concern is access in and out of Kirkland, which seems to be getting more and more difficult, in part because the City is cutting down the amount of lanes. Talking about increasing parking is great, but if people can't get here it doesn't matter. The traffic calming project on Central has resulted in increased gridlock, which is worse on nice days. I think we need the lanes back.
- I think the redoing of Central Avenue was a fiasco. It has taken traffic that comes west from the freeway and funneled it more slowly through town. This is an example where the needs of retailers and property Owners were not considered.
- The City needs to step up and play a role in expanding parking. You can't put 100% of the parking needs on the developers.

Central Avenue Traffic Calming. Based on these comments, Joe asked if any of the group believed the Central Way improvements were positive for downtown. Everyone agreed they were not. Everyone also agreed the financial investment did not benefit property owners in any way.

LakeShore Plaza at Marina Park

Property owners indicated that they generally did not support this project:

- This project does not make a lot of sense. If the project happens, the people who own the lower floors are looking into a parking lot so you will lose retail there. Also, they won't be able to go up in height because the City took away the third floor and the City won't get that many parking stalls in the end.

KIRKLAND DOWNTOWN STRATEGIC PLAN

- I wonder if there is really any funding for this project. Again there is uncertainty with this project. As long as this and other projects are still on the books, no surrounding property owners can do any real planning with their properties due to this uncertainty.
- Again, the problem with the LakeShore Plaza project is uncertainty. No one will redevelop around that site as long as the City's actions are unclear, and pending.
- What is the purpose and goal for the project? It seems that it will only hurt surrounding businesses and discourage development.

What Property Owners Can Do: Working Together

- There is a vocal minority that has negatively impacted development by putting pressure on the City Council. We [property owners] could also stand up for our needs and be another vocal minority. The property owners speaking with a united voice is critical to economic vitality and viability for downtown Kirkland. I really think this is our opportunity to be heard.
- I think its time we became more active and vocal as a group about what we need. This seems like the perfect storm and we should continue following the Downtown Strategic Plan process and stay involved.
- Property owners need to give their feedback. We need to be the vocal minority. We should continue meeting and have a communications line to the City.
- We need a communication plan and we need to be getting in front of the Council. We should also be educating the Council about our needs.
- I think we need to outline a list of development principles that we would like to see. Development in the downtown needs to be a partnership and we can help set the stage for that.

NEXT STEPS

The property owners agreed to continue meeting. They agreed that it was important to provide input to the Downtown Strategic Plan and to work on a list of development principles. They also agreed to continue with support from Ellen Miller-Wolfe, the City's Economic Development Manager.

Joe thanked the group for their participation and commitment, and adjourned the meeting.

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

**Attachment D: Condo Homeowners Association Meeting
Summary**

KIRKLAND DOWNTOWN STRATEGIC PLAN

Downtown Condominium Homeowners' Associations Leadership Meeting September 5, 2007

<u>Condominium Association Participants</u>		<u>DAC Attendees and Staff</u>
Bea Nahon, Facilitator		Jeff Trager, Chair
Brezza Condominiums	Rich Mialovich & Dean Little	Jeff Cole
Kirkland Central	Marna Hanneman & Stanley Hill	Gary Harshman
Marina Heights	Jerry Ryles & Rob Sanfilippo	Jeremy McMahan (City staff)
Mariner Condominiums	Kenneth Coke	Glenn Peterson (also as a resident of Kensington House)
Pointe Overlook	Sandy Fredric	
Portsmouth Condominiums	Rob Brown & Tami Moe	
Tiara de Lago	Lawrence Israel, Helga Simmons & Steve Maita	
Townhomes At Kirkland	Scott McClelland & Jessica Friedman	
Waterview Condominiums	Sarah Andeen & Thomas Jeyaseelan	
520 Sixth Avenue	Gerry Ostroff & Gary Edwards	
602 Fifth Avenue	Robert Pringle	

In addition, Mark Eliassen (Moss Bay Neighborhood Association) and Bruce Nahon (resident of Marina Heights) were in attendance.

WELCOME & INTRODUCTIONS

Bea Nahon welcomed the group and thanked them for participating. She asked attendees to introduce themselves and reviewed the purpose of the meeting. She noted the success of a recent downtown commercial property owners meeting and saw the need to provide the Downtown Advisory Committee with similar input from downtown condominium owners. To facilitate the discussion, she had invited the presidents and a representative of all of the downtown condominium associations in the CBD and adjacent WF zones.

Jeremy McMahan described the 2001 Downtown Strategic Plan (DSP) and reviewed work to date on that plan. He also discussed the process in place to update the plan and reviewed permitted and potential development projects in the downtown.

Jeff Trager, co-chair of the Downtown Advisory Committee (DAC) talked more about the process of updating the DSP and asked who has been involved in various types of public meetings. Many of the attendees had also attended the July 16th community meeting. He went on to describe the DAC representatives and their responsibilities to the group and to their constituencies. He noted that the project in the assessment stage now,

with analysis devoted to the mix of existing businesses, the sales performance of various business types, and what it takes to create a vibrant community. He discussed the importance of getting involved in the community and working with the City. He noted that the DAC has heard from the downtown commercial property owners and now wants to hear from downtown condominium owners to make sure they are included in the planning process for downtown.

RESOURCES FOR DOWNTOWN RESIDENTS

Mark Eliassen of the Moss Bay Neighborhood Association introduced himself and described the area of the neighborhood, which includes all of downtown. He described how the organization got started opposing a project near downtown and noted their goal of preserving the neighborhood character. He discussed their process of communicating with the City and with developers early in the process to learn about projects. He invited attendees to participate in the neighborhood associations and help get the word out. Mark went on to review various accomplishments of the Association and noted that City Council members always attend and listen. He noted that they do have clout, more so as a group than as individuals. Meetings are on the 3rd Mondays of odd months at Heritage Hall. He suggested that attendees visit their website at www.mossbay.org to learn more.

On behalf of Dick Beazell, who was unable to attend, Glenn Peterson discussed the role and activities of the Kirkland Downtown Association (KDA) as an organization composed of businesses, residents, property owners, restaurants, and others. The KDA sponsors various community events and programs like the Wednesday Market, the downtown flower pots, the 4th of July parade, the car show, and the “Weekend Starts on Thursday” promotion. Their offices are on Park Lane and staff includes Dick Beazell and Julie Metteer.

DISCUSSION OF STRATEGIES FOR DOWNTOWN KIRKLAND

Bea introduced discussion guide topics and got things started by stating that people choose to live in downtown Kirkland in downtown condos. She asked attendees to describe what it is that drove them to purchase here. Attendees responded:

- Everything is so convenient. The waterfront, 24 hour fitness, downtown is walkable
- Convenient by foot and for commuting just about anywhere. Central location near major freeways
- Safe at night, can walk downtown, not so in Seattle
- Small town feel, convenience. European character, shops and services are close and can do most on foot. Like the little stores and galleries. Can do most things by foot. Need more little stores where people can purchase things. Don't need any more real estate offices.
- European flair is attractive - hope core of downtown stays like that. We can lose that European flair if chain stores and the like come to downtown
- Many take buses, don't take cars. Downtown is user friendly

- Originally looked at downtown Bellevue, then ran screaming because liked European, less “corporate” feel of Kirkland
- Smaller feel, great “world class” restaurants, upscale, need more retailers to meet day to day needs. Likes idea of Amazon Fresh. Need to keep funkier retailers to meet day to day needs
- Waterfront access very generous, lots of parks, visual access to waterfront, no dominant buildings
- Small town feel with many local events like Taste, Concourse and the downtown car show. Hard to pull off similar events in Bellevue. Kirkland has smaller, more manageable events, and would like to have more
- Comparisons to Sausalito, like community feeling

ISSUES

The group then discussed issues that they encounter as downtown residents, including:

- Concerned about revolving door of small merchants., parking problems, trees growing up and blocking views, noise and bar scene. The City needs to be more attentive to needs of downtown residents
- The City needs to address parking on perimeter with pedestrian downtown
- Crime has increased dramatically – vandalism, break-in’s, car theft, unpleasant things in Peter Kirk Park, graffiti, not a lot of patrolling in park. Two groups of problems - party goers and teen elements.
- A lot of outsiders can access the Park easily by bus, teen center users not the problem, but peripheral elements are
- City Council and City Manager don’t believe that there is a police problem. Police officers comment that they don’t have the resources. Need more police presence at the dock, Peter Kirk Park, and the Teen Union Building.
- Ground floor retail is forced on developer for extra story, creating stores that have no future
- The requirement for superior retail saddles developer and property owners. Most retail needs more than just foot traffic, need parking. As a property owner, have paid for two Local Improvement Districts for parking and now the City is collecting parking fees
- There is retail turn-over everywhere, Kirkland not unique
- Moved here for unique, funky downtown. Should get together and keep uniqueness.
- Retail does not need the higher ceilings required by the City. It just adds mass to buildings, makes space more expensive, and we lose unique retailers and affordable retail
- Regarding business turn-over – KDA economic development committee and downtown brokers try to make sure tenants have a business plan
- Heard that some retailers had to leave because rent was doubled and property owners wanted a five-year lease.

- In scheme of things, retail has not changed much. Turn-over and rents have not changed that much compared to other cities
- The Central Way traffic calming project is not working
- Arterials into town are congested and that constrains retail and restaurant
- Need better integration of Parkplace and core area. Maybe take more of the traffic and parking out of downtown and put it into Parkplace, make Park Lane a more pedestrian-oriented connection, and provide a shuttle to move people back and forth*
- Do not want big box stores in downtown.
- Have heard that businesses struggle to survive because rent is so high.
- If we can't get home after 3:00 p.m., how can people get in to shop.
- Don't understand the transit center on 3rd Street, nobody wants it there
- Bus routes and transit center- obstacle to connectivity.
- Success of Parkplace key to success of downtown*
- What Parkplace wants is in direct conflict with why we moved here – livability and small town feel*
- Common themes at the community meeting were creating linkages and providing destination retail (e.g. – Grape Choice – 80% of customers are repeat customers),
- Like to see the City have a tree pruning program, not cutting, just pruning to that 2-story height
- Trees are heaving sidewalk, messing up irrigation system. Offered to replace, at his cost, but the City would not let him
- Trees are another example of the City not listening
- Attitude that trees are nature and should not be touched. Downtown trees seem to be going wild, blocking the views of a view community.
- Downtown Kirkland needs to stay unique or it will be the same as everywhere else. This should be a regional destination.

* designates comments which were made subsequent to Jeff Cole's remarks about Parkplace as described below

During the course of the group discussion, DAC member Jeff Cole explained his experience with Parkplace as it relates to the retail issues discussed by the group. He noted that while retail in Parkplace struggles mightily, the restaurants do quite well. The problem with the national tenants is that they want an aggressive deal because they argue that they are a draw. However, unless Parkplace or downtown has a critical mass of retail that can take advantage of that draw, then they can't take advantage of it. To make successful retail come, it needs vehicles, parking, and density. He suggested that what would make retail work in Kirkland is to stop the leakage by creating adequate retail sizes (e.g. 2,400 square foot spaces rather than little awkward spaces) and providing parking.

Jeff outlined the Parkplace redevelopment proposal being put forward by Touchstone.

VISION

Bea asked attendees to describe their vision for the perfect downtown. Ideas from the group included:

- Kirkland is a mish mash of signs and storefronts. Some communities like Leavenworth identified a unifying theme. Maybe we should consider a unifying design theme, particularly on the waterfront
- Lakeshore Plaza project needs to be brought back to bring people up from the water into the community. Like the Concourse idea from the waterfront to Parkplace
- Why not take advantage of strengths and use concerts, galleries, the KPC, and the new hotel to turn downtown into a destination art venue
- Like Shuttle idea – park your car on the perimeter and walk around downtown. Might be more important in 10 years with green initiatives, pollution issues.
- Although opposed the development at Lake & Central, still feel that the 2001 DSP is an excellent plan and the 5 guiding principles are still relevant. The issue is that the DSP has been open to interpretation.. My vision very much echos those principles, but need more specificity.
- Can't do any of these things unless parking and traffic is solved. Otherwise can't be livable
- We probably spend 90% of our money outside of Kirkland, how do we turn that around?
- If you want downtown residents to shop in downtown, need to create retail that provides the things that people want
- Don't destroy what we have – there is a reason that Google etc. seek Kirkland. Keep the scale down to the water.
- Save the little core with short buildings. If we don't want people to go to Bellevue, we have our own mall in Totem Lake to serve that retail demand without doing it in our downtown
- The City needs to listen to the residents, and it could be a win-win
- We want to accentuate the natural beauty.

CONCLUSIONS

Bea explained that the DAC has received disparate input about density downtown – some commenters assert a need for more density to achieve economic critical mass to whereas other commenters assert that there is sufficient density and that there should not be any more condominiums downtown. She asked attendees for their opinion on condominium density. Eight attendees thought the density of condos in downtown was just right, three attendees think there are already too many condominiums, and no attendees thought that there were not enough condominiums. Bea then asked for opinions on building heights in the downtown, but withdrew the question when it was clear that attendees did not all understand existing height rules as to feet, stories, mix of housing/retail/office, etc.

NEXT STEPS

Bea summarized the meeting, encouraged attendees to stay involved, and encouraged better communications with City of Kirkland. She noted that there are challenges to provide outreach to condominium leadership and residents, because of the hesitance of some managing agents to act as conduits of information and because individual condominium residents do not receive City utility bills (which is a commonly used method of postal delivery of information from the city). Accordingly, it is important for the condominium leadership to stay involved, sign up for city e-mail lists, etc. and to encourage their residents to do the same. Sarah Andeen offered to take the e-mail list of condominium leadership that Bea had assembled and create a listserve of downtown condos association boards as a way to communicate and to exchange ideas. Attendees all agreed that there was a need for that.

Other associations

For the record, it should be noted that Bea also sent invitations to the following associations which either were not able to send a representative, or which did not respond:

Boulevard
French Quarter
Moss Bay
Park Avenue
Park 34
Plaza on State
Soho

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

Attachment E: Online Community Survey Results

KIRKLAND DOWNTOWN STRATEGIC PLAN ONLINE SURVEY RESULTS

August 13, 2007

From July 5th to July 31st, 2007, the city posted an online survey on the main page of the City's website. The survey was timed to support the July 16, 2007 Community Meeting by providing additional opportunities for public comment both before and after that forum. The community was notified of the survey availability via the City webpage, the project listserv electronic newsletter, the City's Neighborhood e-bulletin, the Kirkland Downtown Association and Chamber of Commerce weekly electronic newsletters, and the Eastside Digest column of the Seattle Times. The City received 47 electronic survey responses and one general e-mail comment in this time period. Survey responses were anonymous.

Survey participants were asked for their responses to three prompts:

- 1. The most important thing to me about downtown Kirkland is _____.*
- 2. What would make downtown Kirkland a better place is _____.*
- 3. A question I have about the future of downtown is _____.*

Results are reported below. Key themes that emerge from survey responses are those related to access (both pedestrian and automotive), the waterfront, scale, retail, and community character. In the "questions about the future category", another theme emerged around the community vision for downtown.

SECTION I – Responses by Survey Prompt

MOST IMPORTANT THING:

Access:

Pedestrian:

- Access to Lake Washington.
- That it is a good transportation to other locations and I can get there by bus. Also that it be a comfortable place to walk around and bike to.
- Walking friendly.
- The walkability
- The pedestrian friendly environment.
- Walking to enjoy the waterfront, restaurants, art galleries, and movie theater.
- Pedestrian friendly
- The walkability aspect of town.
- Walkability. Open spaces that have a connection for community.

- Its development as a pedestrian-friendly city with fun things to do and places to live
- The walkability and access to the waterfront
- Easy access for pedestrians/bikers.
- Proximity to Lake Washington and walkability.
- Ability to walk and integration with the water.
- Making it more accessible to get there without a car, and increasing the area that is zoned like the downtown area.
- Very safe and friendly for peds.

Automobile:

- I really love downtown the way it is right now, except that parking is a pain.
- It will be accessible to all Kirkland residents and visitors. Until Metro expands bus service, people get here primarily by car. I hope the city will partner with a new development and create an underground parking garage in or near downtown core. The cities I visit with free underground parking make it easy and convenient for me to shop. I happen to live in downtown Kirkland so I walk downtown all the time. But it is a pain for people to visit me.
- User friendly, i.e. low cost or no cost ample parking, provides for a good cross section of businesses, therefore there should be adequate space, which includes being able to go vertical.
- Access to parking, parks, beaches, restaurants, shops.

General:

- Its convenience.
- An ability to access the businesses with convenience.
- Its convenience.

Waterfront:

- ...its proximity to Lake Washington and the ease with which the lake can be accessed. It feels like a small, easy-going community, a welcome relief from Bellevue and Seattle.
- The waterfront.
- Public access to waterfront
- Access to, and views of, the waterfront!
- The waterfront.
- Access to the water.
- The beauty of the lakefront and park areas.
- Inviting waterfront.
- Keeping it unique, preserving the waterfront, and improving pedestrian and bike friendliness.
- The Water front park and Peter Kirk Park are two vital parts of the down town that you do not see in most towns around.
- Connection to the lake and open, light feeling makes me want to linger.

Scale:

- Limit the growth of multiple story buildings, by keeping the number of condominiums down.
- Low profile buildings (lower building heights that allow more visible sky to those walking along the streets.)
- Keeping the downtown building levels at one story. This will keep the views of the sky water, and trees. This will keep the downtown core a place where people like to "hang out."
- The openness provided by the pedestrian-scale (low) building heights along Lake Street, Park Lane, and Central Way add to the appeal.
- The low height requirements.
- Low rise, small town feel
- The small town nature of the city ... the fact that it is not full of high-rise buildings (with the exception of the eye-sore Portsmouth).
- The relatively low buildings giving small town rather than city/urban feel.

Retail:

- Availability of outstanding restaurants.
- Vibrant and diverse restaurants.
- Interesting shops, great restaurants.
- I enjoy the restaurants mostly, but I like the idea of the diversity of businesses that have sprung up downtown.
- The interesting quality of the shops. Not just cookie cutter.
- Having businesses that serve nearby Kirkland residents. WE don't need any more beauty salons, banks, or boutique clothing stores.
- I live downtown, the most important things to me are the QFC, the pharmacy in the QFC, the library, and the transit center.

Character:

- Keeping the downtown core vibrant and family friendly. There seems to be a teetering balance between the 20-something bar scene and activities that kids can participate in.
- Family friendly.
- It is vibrant
- Safety - keep patrols around the teen center and especially the transit center. Too many drug addicts/criminals down there! Also, too many bars and drunks that frequent the
- Living in an environmentally sustainable, people and family friendly, safe, mixed and vibrant community.
- The trees and the recreational amenities.
- Its quaintness, give some tax concessions to first class men stores maybe drug stores otherwise its pretty nice the way it is.
- Small town character such as the 4th of July parade events.
- The library and Peter Kirk park area.

- The small town feel. Please let us not lose the feel.
- Keeping the "small town" atmosphere.
- Keeping the character outlined in the vision above - diverse, pedestrian friendly, etc, at least for the two blocks closest to the water. In other words, start at the water and head two or three blocks east
- A small town feeling. Feeling welcome. Not feeling as if its just about growing "business".
- A good "style". That means more buildings in eccentric colors, shapes. We need to ensure that we keep Kirkland from becoming more of "suburbia" (like parts of Redmond and Bellevue), but build on what is truly unique: the views, the lake, the arts, the parks, the fact that we are actually so small so most people SHOULD be able to walk to downtown from ANY part of town (it is no more than 30-45 minutes)
- Small & green enough to be peaceful, big enough to be interesting.
- Like the music and art related activities.
- The concentrated core of shops, restaurants, galleries, library, pool, etc.
- The city is doing a good job with flowers, parks, etc.

WHAT WOULD MAKE DOWNTOWN BETTER

Access:

Pedestrian:

- Repair and widening of sidewalks.
- Enforcement of pedestrian crossings. This is absolutely not being done.
- Blocking of flow of through traffic through the center of town.
- More availability for parking and free parking.
- A few more bike racks would be a good way to encourage the city's goal of healthy citizens.
- Keeping it pedestrian friendly.
- Wider sidewalks / paths down Lake St towards Carillon Point. Bike lane down entire length?
- Get rid of traffic. Would love to see a pedestrian only block or two.
- Improve pedestrian access and space (wider sidewalks along waterfront!)
- Pedestrian only access between Central, Lake, 1st Street (Portsmith) and 3rd Ave. The new parking garages, along with the library parking and the new parking planned for Park Place, would provide a parking and entry point to this pedestrian only area.
- Make it more pedestrian-friendly by increasing the number of cross-walks along State Street. There are none between 2nd Ave S and 7th Ave S, whereas Lakeview has many more. Also improve State St's lighting. Also the northbound bus stop in the 100 block of State St should be reinstated now that construction allows it.

- Better pedestrian connections uphill and into residential areas. Feel like I have to walk through a lot of blank space to get from the library to the downtown area, though that's probably not true. Landscaping etc. to help add interest or friendliness where you walk by parking lots or other utilitarian stuff would make it feel less onerous. I like what you did with Central Way bump-outs etc.!
- Access to the water. Easy access for pedestrians/bikers.
- Improve the sidewalk along the lake into a promenade with art and landscaping like they have in many Canadian cities such as Vancouver or even Nanaimo.
- Establish intermodal rail/bus stops at the South Kirkland P&R, off of 85th/Kirkland Ave, and in Totem Lake. Also create an inexpensive way to help people go from the intermodal stop off of 85th towards the water, perhaps following the current pedestrian route.
- I live on Rose Hill, and it feels pretty dangerous to walk to downtown. You should try it sometime.
- Something that ties Parkplace with the rest of downtown

Automobile:

- Improved parking (perhaps underground / out of sight somehow)
- Put in a parking structure under Peter Kirk Park.
- More parking.
- Get rid of the traffic calming circles, they cause more harm than good. Or shrink the circles to widen the lane area around them, so cars can get by without coming so close to the opposing traffic.
- Less commute traffic; regular traffic isn't an issue
- I see tremendous pressure by real estate people to develop downtown. We add several minutes each year, on to the "Kirkland Crawl". Put the high-rise city of Kirkland at Totem Lake where it's connected to the freeway.
- No parking fees. Even though I live in Houghton, I hadn't been back to the Cactus Restaurant since I received two \$20 parking tickets. I had joined two friends, who parked in front of the Cactus a couple years ago. I parked around the corner at around 5 p.m. Not familiar with the restrictions, I arrived back to my car at 7 p.m. and found \$40 worth of parking tickets. I haven't been back to that restaurant since due to the harsh parking fees.
- Parking garages (set into hillsides) at the sites across the street from 3rd Floor Fish Cafe and on the north side of Central Way where the Christmas Store used to be. The sites both need pedestrian overpasses and could be up to four stories of parking if the top level is left uncovered with planter boxes. Also a decent hill climb with benches and a water feature leading to the Market and Norkirk Neighborhoods next to the (new) Central Ave. parking garage (where that REALLY steep parking lot is now).
- A by-pass route for commuters skipping the freeway congestion.
- Less bus service. Moving the bus service a little farther north would cut down on noise and also safer for pedestrians.
- Free parking. Keep the free parking there is and make more. If I'm going to pay for parking, I might as well go to Seattle. If I can't get free parking here, why

wouldn't I just go to Bellevue and enjoy all the amenities there - with free parking?

Waterfront:

- More of public access waterfront
- Increase access to, and views of, the waterfront.
- Buy up waterfront properties and convert them to public open space!
- I think Marina Park needs to get bigger, it's getting crowded. I'm favorable towards marina park lid to get more park plaza above and keep parking below if we can make it work.
- Totally redoing the entire Marina Park block including ALL the buildings from Central Way to Kirkland Ave and having something that actually works for the people, businesses and visitors.
- Better integration of the Lake with the nearby businesses.

Scale:

- Making sure there's no high-rise construction that would block the views of or access to the lake, especially in the core downtown area (the area near the Central Way and Lake Street intersection)
- Keep it low rise, to minimize the big city, tunnels-with-no-sun, and over congested feel. Less density!
- Refuse to permit high rises!
- Refuse to give in to state pressure to overcrowd our downtown. The GMA is mistaken! Higher density downtown will NOT create less urban sprawl or less downtown traffic!
- Keep the buildings small ... do NOT increase the height limits.
- I don't mind two story buildings being built. I would even live with three or four story buildings being built if we step them back wedding cake style.
- Get rid of the antique store that wastes so much space or subsume it within a multi story development
- Keep development at a scale consistent with what is already in the downtown core. Resist temptation to relax height limit codes, encourage creative design of buildings that synthesizes natural beauty with buildings (for instance, beautiful Montreux, Switzerland on Lake Geneva has lakefront promenade and beautiful buildings that get smaller as they get taller and have trailing plantings growing down their sides. very lovely and diminishes the urban sterile feel of higher buildings. Make sure that development is people centered, not only based on increasing tax base.
- Completely redo the area between Central and Kirkland Ave and between Lake Street & 3rd. Create a cohesive design with multi stories, gathering places, that is more pedestrian friendly, more protected, but less dark than the current corridor e. Implement a themed theater festival with venues at the current theater, an outside venue at Waverly Park and perhaps a third venue.
- St. John's consolidated their lots into 1 lot as far as I know. Consider running 4 story zone over to State?

- Continuing to extend the mixed-use zoning (commercial street-front with residential above) to more areas of the City, extending the walkable downtown area.
- I was terribly disappointed in the council for not going forward with the Lake and Central development, to leave that corner a parking lot was a huge mistake. I look at the buildings in down town and they are very "tired". I do not see why two stories would not work. Look at the redevelopment in down town Lake Oswego, I think it has helped in making that town a better place. Believe me I love Kirkland, it just needs a bit of a face lift.

Retail:

- Improved retail and more office space to use it.
- Improved shopping opportunities.
- More interesting and useful shopping sites.
- Encouraging small businesses and shops to come to and get established in the area.
- Bars/clubs/restaurants which attract a more sophisticated and mature crowd and less tolerance for "dive" bars pulling in immature (if not under-age) drunken kids that vandalize the town and create noise nuisances at bar closing time.
- Keeping the "big box stores" out of downtown but supporting their growth in the Totem Lake Mall area.
- Some stores that are useful like a hardware store. Less galleries.
- More retail variety! We need shops with affordable children's clothing, shoe stores, a drug store. I'd prefer to spend my retail dollar in Kirkland, not Bellevue and Redmond.
- A better grocery store
- Retail that appeals to a more diverse audience; maybe some affordable clothes for women (Something other than over-the-top designer and consignment)
- Less turnover of businesses, an increase in the number of galleries (we've lost so many in the last 5 years), and more free parking
- A wider variety of shops...with all the boats coming here, what about a nautical theme shop? A Christmas shop (ornaments)? A toy store with stuffed animals?
- Improved retail and more office space to use it.
- Make it possible to meet most of my shopping needs without having to leave downtown.
- We need downtown shops that stay open a few weeknights or weekend nights. I work 9-5 p.m. weekdays and can't start seriously shopping until after 6:30 p.m. or Saturdays so it limits my local shopping. I'd love more basic household stores like a hardware store.
- We need at least two good sized grocery stores close to downtown, what currently is available is inadequate and of poor quality. Along with at least two large fitness facilities in the downtown core. A place to go to shop, be entertained, work out, and rest, instead of going to downtown Bellevue or Redmond.
- More shopping, restaurants and services, and a sincere effort to keep the place clean, especially in the summer, especially in the parks and along the waterfront.

- Downtown also need to see a bit more of "long term/lower rent" tenants. The galleries and the upscale shops are great, but they come and go. The rents are simply too high for most businesses to endure in the newer construction. Property owners should take more of a "community" approach and look towards tenants that might not be paying as much per month, but their businesses (anchored in the community) would be more stable and hence better in the long term. What is now lost in empty spaces could easily be made up by keeping commercial space occupied all the time.
- What businesses could we need? A baker. Florist. Independent coffee shops. Family eatery (not a trendy spot). PC/electronics repair store. Cobbler. Small thrift shop. Store front for non-profits. Just look to Capitol Hill to get a better "neighborhood" feel. The truth is, and that was made vocal during the annexation forums, there are MANY residents who never shop in downtown Kirkland (apart from their java) since there is nothing that they are looking for. Many can not afford the restaurants, and are not interested in the bar scene.
- A stronger effort from the bar owners to keep the "scum" out of Kirkland would help as well. Be it residents, or visitors, those who can not behave at our bars, should be taken to the "city line" and not welcome back. Well, maybe a bit harsh, but there's still some rowdiness in Kirkland.
- More every day retail. There are no decent bookstores, newstands, drug stores and way too many hair/nail stores, banks and other limited use stores.
- A cool indoor market that would be run all the time would be great. The Antique Mall would be a perfect place.
- More mixed use developments like Kirkland Central, but with stores providing what residents want to buy daily.
- Create something similar to the Third Place books environment in Kenmore, on the site of the Lake Street parking area/US Bank property with a gathering place, lectures, activities, retail and perhaps even multi family residential
- Rent control of retail in downtown Kirkland to slow turnover of retail and build a better mix and balance of shops
- I would hope that the future of Downtown would create a better shopping district in town. New businesses have come in and that is good but a wider variety would be great.
- Diversity of property ownership so that all available space is not held in the hands of a few individuals.

Character:

- Please keep Kirkland small. We chose Kirkland as a place to live because it was a small town in a larger suburban area. I was disappointed to hear that the annexation was a real possibility.
- More art!
- Continue smart growth of the core.
- Less condos and apartments.
- No more condos!

- More development of the areas between Parkplace and Downtown, and very importantly, to me, is to clean up and develop the industrial area - 87th street starting at the Highlands and going down. It seems like this could become residential or some other use. It's really junky looking.
- Newer, nicer buildings. Please remove that old antique store by the bus stop. It's an eye sore.
- Should Kirkland have a "theme"? A "mascot" i.e. Kangaroo??
- More places to hang out in the evenings. Walking is nice in the summer but somewhere to go AFTER dinner in the winter would be good.
- Garbage cans so the city can be kept clean (since there still are those who thinks it is "alright" to drop wrappers/cigarettes everywhere)
- A good "style". That means more buildings in eccentric colors, shapes. We need to ensure that we keep Kirkland from becoming more of "suburbia" (like parts of Redmond and Bellevue), but build on what is truly unique: the views, the lake, the arts, the parks, the fact that we are actually so small so most people SHOULD be able to walk to downtown from ANY part of town (it is no more than 30-45 minutes)
- Replicate the good points about downtown Kirkland to Juanita and Totem Lake areas as they continue to develop, creating other attractive "downtown cores" that can attract people and be "third places" that have their own unique character and attraction.
- Keep protecting and acquiring parkland, open spaces.
- Try and leave it basically like it is
- Parkplace center as a pedestrian area with parking on the perimeter, garage or underground. Definitely no high rises along the water. Further up by park place would be fine.
- Take the "bank parking" (corner of Lake Street and Central and make it into a European style "piazza", or a "Grand Place", or "Plaza Major". Yes, we'll lose some parking spots, but they can easily be regained in nearby neighborhoods (once again, short walking distance, if we even need them). A properly designed plaza should have a central water feature, benches and areas where you actually can sit down and relax, get out of the sun in the summer, and meet people at the same time. Merchants will likely oppose this initially (loss of parking), but the mere fact that a "plaza" will allow for more people to "hang around" more and longer, should easily make up for the eventual (and short term) impact of a few lost parking stalls (67 stalls if I remember).
- A clear vision for the highest and best PUBLIC use of the SE corner of Lake St. and Central.

Other:

- More comfortable, safer streets at night after 9 PM.
- Enforcement of noise control ordinances, with emphasis on motorcycles and nightclubs.
- More police presence.
- Also, enforce scoop laws south along lake wa blvd.

- Downtown would also be better if we got a better grip over the boaters. I own a boat, but far too many are now "guest" moored there longer than is permitted. They just "swap" spots with friends and hence they get a new 72 hour period, while locking us out, looking for a spot to tie up to during a few short hours. KPD and KC Sheriff also need to duly enforce existing noise ordinances when it comes to boats. "Open pipes" is loud and obnoxious, and disturbing the peace and beauty the lake provides + give most responsible boaters a bad and undeserved rap.
- Garbage cans so the city can be kept clean (since there still are those who thinks it is "alright" to drop wrappers/cigarettes everywhere)
- Redevelopment of Parkplace.
- The city has a plan for KTUB and the Senior Center to grow in place. I want to see them grow and perhaps be part of the Parkplace redevelopment.
- Slow down tearing down of smaller homes and replacing with huge McMansions with nearly zero setback. (create zoning that prevents this)

QUESTION ABOUT THE FUTURE OF DOWNTOWN

Access:

Pedestrian:

- How can we encourage more folks to leave their cars behind and ride the bus or bike to downtown?
- When will we address pedestrian pathways from other parts of Kirkland into downtown?
- Kirkland is easy to walk around once you are there, parking is hard and traffic can be bad. How can we make it easier for people to use mass transit?

Automobile:

- ...where will people park? Parking seems pretty well maxed out in the core area, and any kind of high-rise parking garage would not be in keeping with the feel of the community. Remote parking with a shuttle bus system maybe? Underground parking? In any case, discouraging cars and encouraging walking and some kind of shuttle system will help maintain Kirkland's "Sausalito feel."
- How will the traffic from all the additional building and development be handled?
- How is the four-way stop by the library going to be improved?
- Will there be more than one public parking garage?
- Will the city build a free, underground municipal parking garage in or near downtown to encourage shoppers to stay and spend money? Can the city partner with downtown merchants to build a bigger underground parking garage when one of the new downtown buildings is built?
- What's with 1 lane on Central Avenue? Seems like a great idea to create more congestion. Most cities in this country look to expand lanes since cars are 96% of the means of transportation of the citizens, not busses!

- How is it going to handle the traffic generated by all the new housing?
- How are we going to handle the increase in traffic? Can we have a more consistent/better bus route configuration for within Kirkland city limits?
- Could we build, modify or designate a route as a "bypass" for through traffic and make the central corridor pedestrian only? (Probably a little late and a lot expensive and just shifts the impacts elsewhere. The current "one-laning" approach effectively shuts out through traffic, except for the truly patient drivers.)
- Is the narrowing of Central really a good thing? The additional traffic congestion caused by this move is disheartening. Heavier traffic is not pedestrian friendly either.

Waterfront:

- Are there any plans to purchase privately owned waterfront?
- What will the Marina Park lid look like and can it be fair to street level merchants?
- How to keep and enhance the waterfront with the series of parks- what steps do we have in place so that it doesn't become condo-city and block the view along the water- like the big fancy condo as you approach Houghton beach park?

Scale:

- Will the City begin to restrict the volume of multi-family development? There seems to be no end in sight to the number of large commercial/residential developments that seem to be eating up the downtown corridor.
- Who really drives the vision for downtown Kirkland? I sense there is a real disconnect between what the people who live in Kirkland want and what developers and certain Kirkland council members want (multi story downtown).
- How do citizens get involved and give our input about building height restrictions? I am concerned that even when height restrictions are set, the developers are able to cut deals with the city so that a four story building turns into a five story building because there is retail on the ground floor. I think four should mean four!
- Can we keep height and/or scale restrictions so we don't get the dark canyon effect and block the lake?

Retail:

- Will it retain the eclectic nature or begin to have the "big box" franchise feel?
- Will Kirkland turn into another Bellevue with no character? (Hope not) Will Kirkland turn into another Fremont renovation (building height growth) disaster which changed its "feel" for the worse?
- Could Kirkland get more quirky places to eat and drink like getting Hale's Ales to come back to open another store in Kirkland or get a McMinamins pub to take over a place?
- Is there a way to calm rent fees and rate of increases so the turn over of retail shops slows? The turnover is disheartening.

Character:

- Will Kirkland keep its small town character or sell out to the county and developers via annexation and relaxed building restrictions?
- Do we want to be a destination point or do we want to figure out how to get our downtown residents to support and use the downtown?
- Can we keep it from becoming a Lincoln Center feel? I guess I see Kirkland as being more like Half Moon Bay, than downtown Bellevue. However, I'm completely in favor of higher rise buildings at Park Place and between Park Place and downtown, such as the Heathman Hotel development. I like that.
- How will we address the dirge of incoming people and how will we be able to keep the same quality of life?
- How well it will survive and grow to keep the young crowd living downtown with all the new condos? Want the young crowd - not the second home people.
- Is it possible to maintain and provide more affordable housing to promote economic diversity within our community in spite of the high land values?
- Is it possible to allow development while still maintaining the small town atmosphere?

Vision:

- Will we be able to agree on and execute a real creative "out-of-the-box" solution?
- Can we really reach agreement on our long-term vision/image for Kirkland? What is our motto? How about leaving future generations a better city than the one we now enjoy." Or something like that...If we can truly agree on a motto, the rest is implementation.
- How will the powers that be keep "in touch" with keeping the vitality in the city, and not approve more "assisting living" housing which does not bring vitality rather the opposite?
- Why can't our city council, along with our community get its act together and get us moving forward in a timely fashion? Look at the growth the City of Bellevue has going on (along I do not want Kirkland to be like Bellevue), they do get things done.
- How much "real" power does the city really have in shaping our future? Or, are we really in the hands of the "gracious" developers?
- Why does Kirkland city government allow small groups of vocal dissenters to come late to the party to influence development decisions? Not only are these people selfish NIMBY's, but they also don't speak up during the planning process when decisions are properly made. Planning becomes almost futile when the city council listens to these people. The same applies to some businesses (i.e., Honda on 85th).
- Do the citizens of Kirkland really want the city to prosper, or do they want things to stay where they are, with the emphasis on lowest tax structure in the area, no highrises to block views, and no developments that will increase taxes?

Other:

- Why do the residents of Kirkland not have a vote on the annexation issue?

- How would the proposed annexation affect the future of downtown Kirkland? No to annexation!
- I've heard that Park Place is up for redevelopment and plans are slowly being considered. I would be interested to know how this fits in the future development of Kirkland.
- Does the city have a plan for KTUB and Senior Center to grow in the downtown area? Will they be a part of Park Place redevelopment? Will the Park Place redevelopment or downtown development have more community rooms for park and rec classes and public rental?
- Are we going to get more law enforcement to discourage the late night vandals and round-the-clock stop sign-runners? A few well-publicized heavy fines would work wonders but nobody ever hears about anyone being caught.

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

Attachment F: Market Analysis

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

Quantitative Market Analysis

KIRKLAND DOWNTOWN STRATEGIC PLAN

Market Analysis Summary: Part I

Note: Additional "Part II" material will be provided at the August 23, 2007 DAC Meeting.

1.0 INVENTORY OF RETAIL AND OFFICE SPACE

Exhibit 1 Retail and Office Square Footage in Kirkland, 2005

Retail Area	Retail Space		Office Space	
	Gross SF	% of Total	Gross SF	% of Total
Downtown	365,915	13%	133,922	3%
Park Place	117,834	4%	609,870	12%
Rose Hill Business District	462,779	17%	123,952	2%
Totem Lake	1,264,456	46%	1,555,902	31%
Juanita Village	251,796	9%	109,195	2%
Houghton Market	106,867	4%	86,278	2%
Bridle Trails	99,782	4%	2,854	0%
Other	67,126	2%	2,385,902	48%
Total Downtown/Park Place	483,749	18%	743,792	15%
Total all Areas	2,736,554	100%	5,007,875	100%

Source: King County Assessors Office, 2005

- Downtown Kirkland has over 350K SF of retail space (about 13% of the City's inventory) and Park Place adds an additional 100K SF.
- For office space, Park Place has a larger share of inventory (about 600K SF) with Downtown adding another 130K SF.
- Most of the retail and office space in Downtown Kirkland is found in smaller scale buildings.
- The largest concentration of retail space in Kirkland is in the Totem Lake area and the majority of office space is located in Totem Lake, Carillon Point, and at the 520 interchange.
- An additional 45K SF of office and 81K SF of retail space has been permitted in the Downtown area.

Exhibit 2 Kirkland Commercial Centers, Retail Square Footage, and Zoning

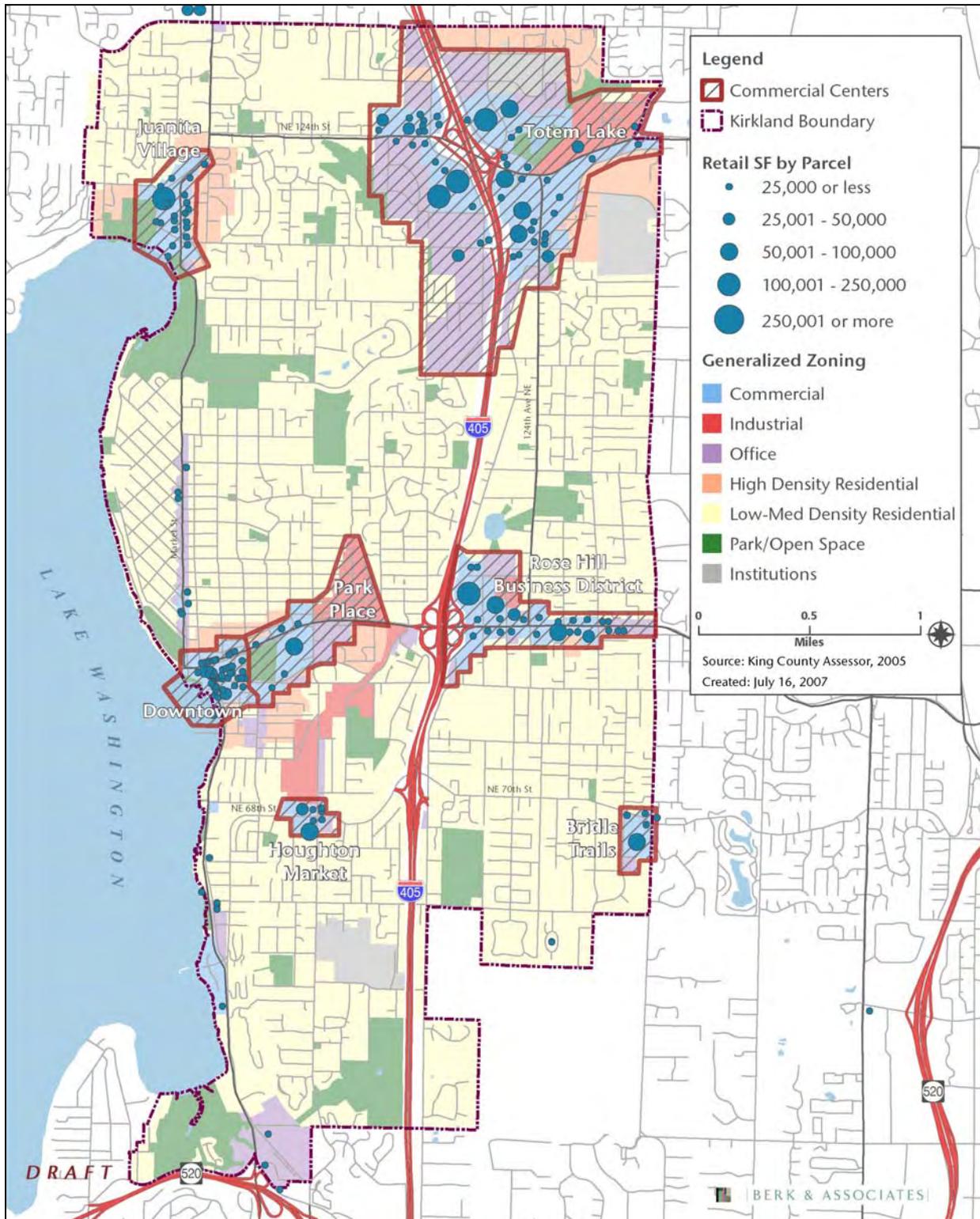
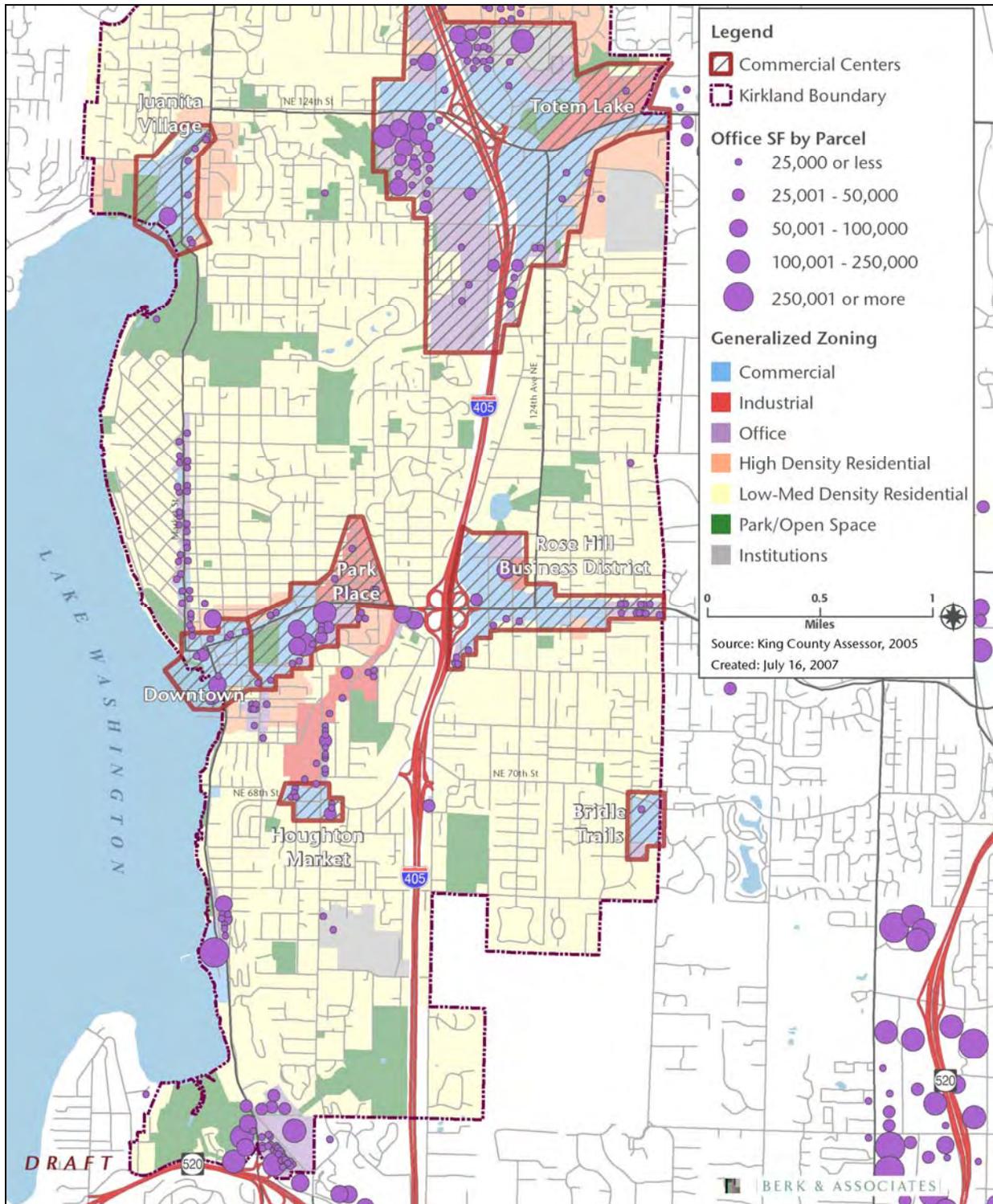


Exhibit 3 Kirkland Commercial Centers, Office Square Footage, and Zoning



2.0 BUSINESS LICENSE DATA

Exhibit 4

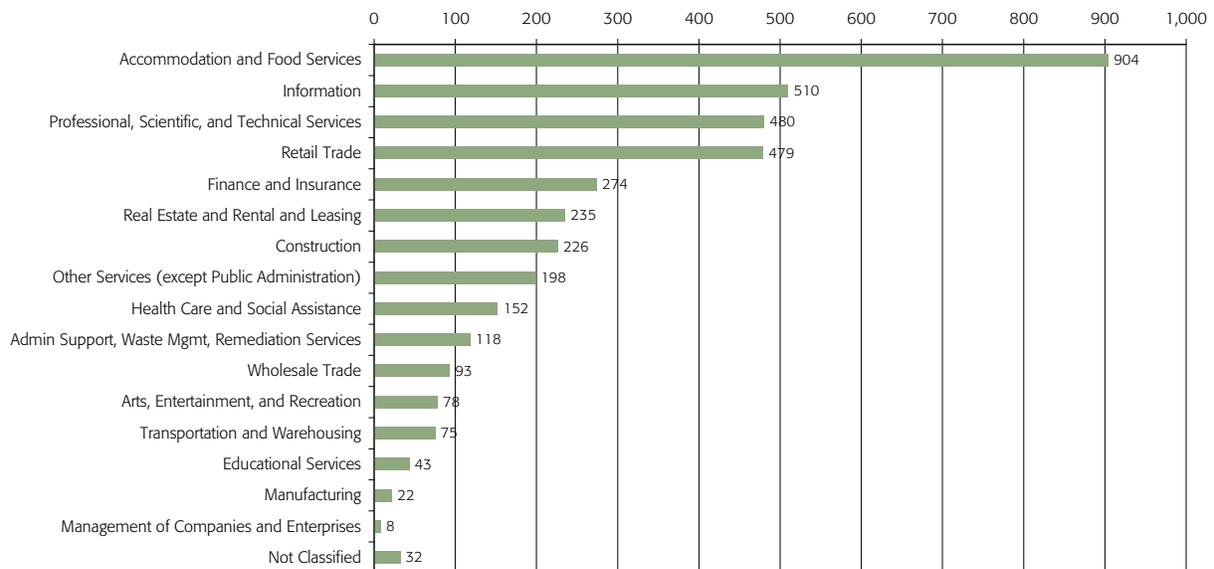
Employment and Count of Downtown Kirkland Businesses by Industry, 2007

2-Digit NAICS Code	Industry Description	Number of Businesses	Total Employees	% of Total Employment	Avg Employees per Business
72	Accommodation and Food Services	61	904	23%	15
51	Information	13	510	13%	39
54	Professional, Scientific, and Technical Services	103	480	12%	5
44-45	Retail Trade	96	479	12%	5
52	Finance and Insurance	50	274	7%	5
53	Real Estate and Rental and Leasing	38	235	6%	6
23	Construction	25	226	6%	9
81	Other Services (except Public Administration)	88	198	5%	2
62	Health Care and Social Assistance	52	152	4%	3
56	Admin Support, Waste Mgmt, Remediation Services	24	118	3%	5
42	Wholesale Trade	10	93	2%	9
71	Arts, Entertainment, and Recreation	14	78	2%	6
48-49	Transportation and Warehousing	4	75	2%	19
61	Educational Services	6	43	1%	7
31-33	Manufacturing	6	22	1%	4
55	Management of Companies and Enterprises	5	8	0%	2
00	Not Classified	19	32	1%	2
Total all Industries		614	3,927	100%	6

Source: City of Kirkland Business License Database, 2007

Exhibit 5

Total Employment of Downtown Kirkland Businesses by Industry, 2007



Source: City of Kirkland Business License Database, 2007

Exhibit 6
Downtown/Park Place Business Counts and Total Employment
by Business Size, 2007

Size of Business (# of Employees)	Number of Businesses	% of All Businesses	Total Employees	% of Total Employment
5 or less	483	79%	975	25%
6-10	55	9%	421	11%
11-25	45	7%	752	19%
26-50	15	2%	508	13%
51-100	12	2%	802	20%
100 or more	4	1%	469	12%
Total	614	100%	3,927	100%

Source: City of Kirkland Business License Database, 2007

- 41% of employees in Downtown/Park Place are in the services industries (NAICS codes 51-56); 23% are in food services; and 17% are in Retail.
- **Exhibit 6** shows that 88% of Downtown/Park Place businesses are small businesses with ten or fewer employees.
- The larger businesses are primarily found in the Information Services and Full-Service Restaurant categories.

Additional Materials to be Presented at August 23 DAC Meeting

- Summary statistics on Downtown Kirkland retail and office space rents and vacancy rates.
- Taxable retail sales data
- Additional business license data – more detail on NAICS sub-categories

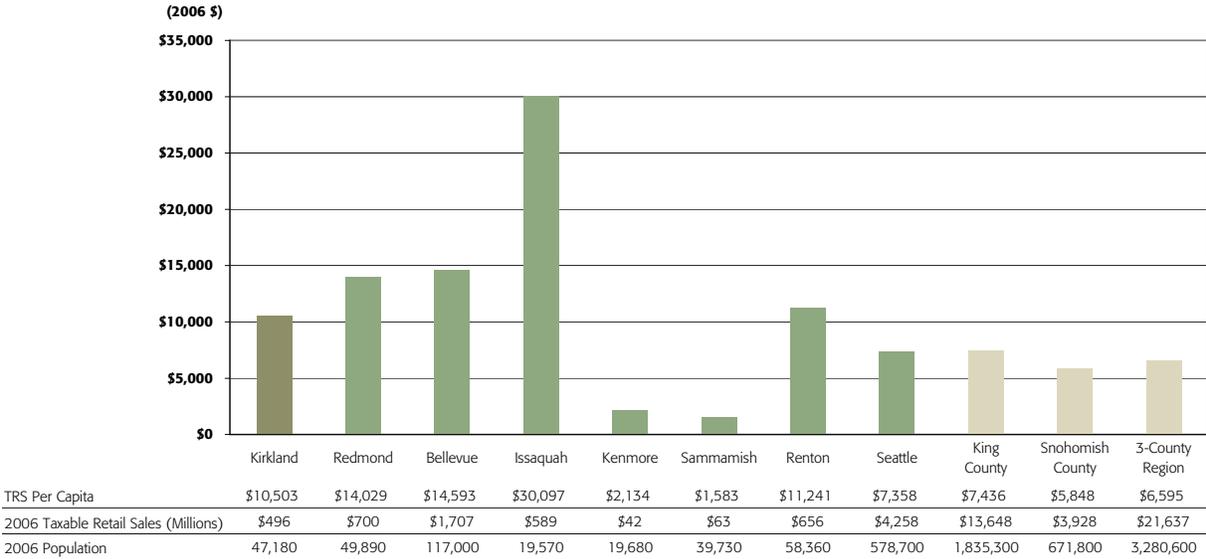
KIRKLAND DOWNTOWN STRATEGIC PLAN

Market Analysis Summary: Part II

Note: This is a continuation of the Part I market analysis materials sent out by email on Tuesday, August 21.

3.0 TAXABLE RETAIL SALES

**Exhibit 7
Taxable Retail Sales Per Capita, 2006 (All Retail)**

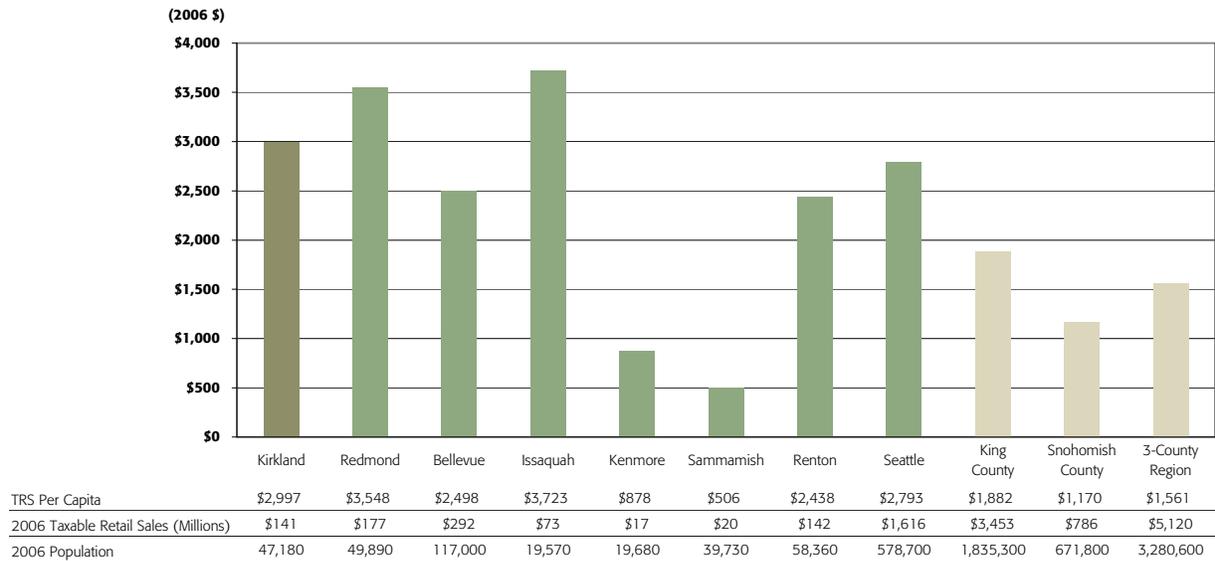


Source: Washington Department of Revenue, 2007

Note: This chart only includes TRS from retail businesses (NAICS categories 44 and 45). Auto related sales are excluded from this chart.

- Kirkland has relatively strong taxable retail sales (TRS) per capita (\$10,503), which is slightly higher than Seattle’s rate, similar to Renton, and slightly lower than neighboring Redmond and Bellevue.

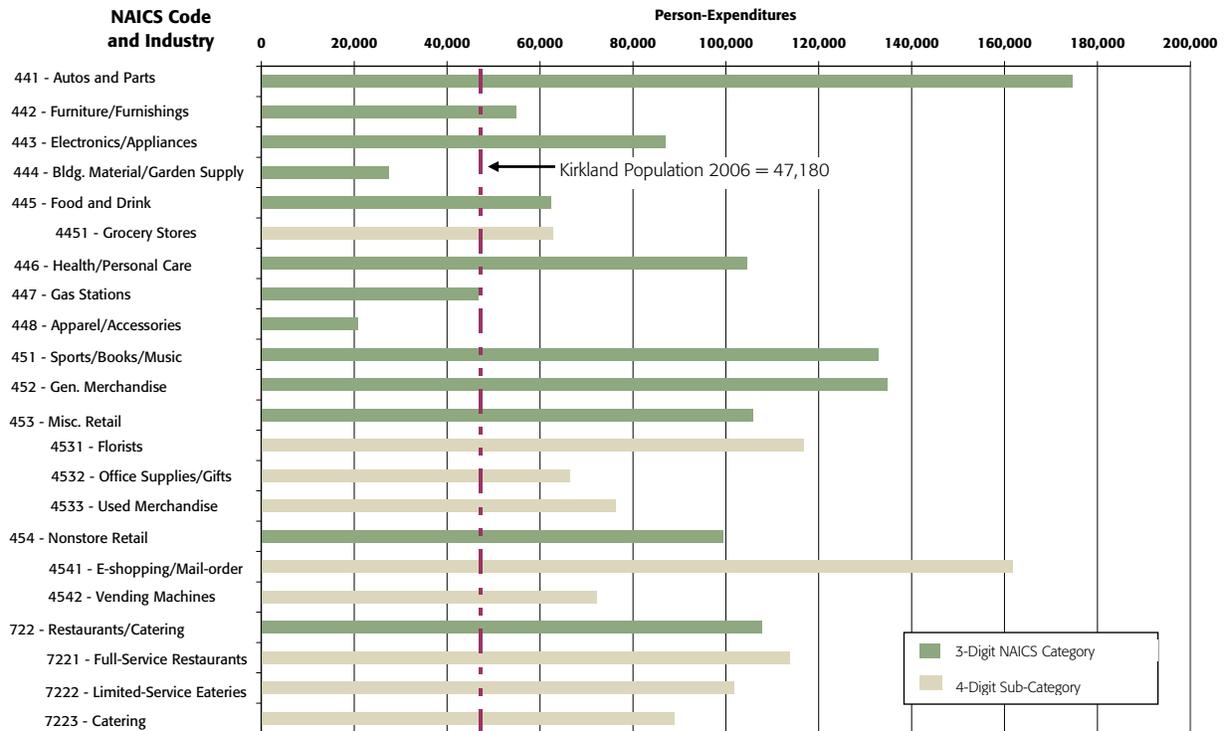
Exhibit 8
Taxable Retail Sales per Capita, 2006 (Restaurants)



Source: Washington Department of Revenue, 2007

- Kirkland’s relative TRS per capita is higher in the restaurants category – only being exceeded by Redmond and Issaquah.

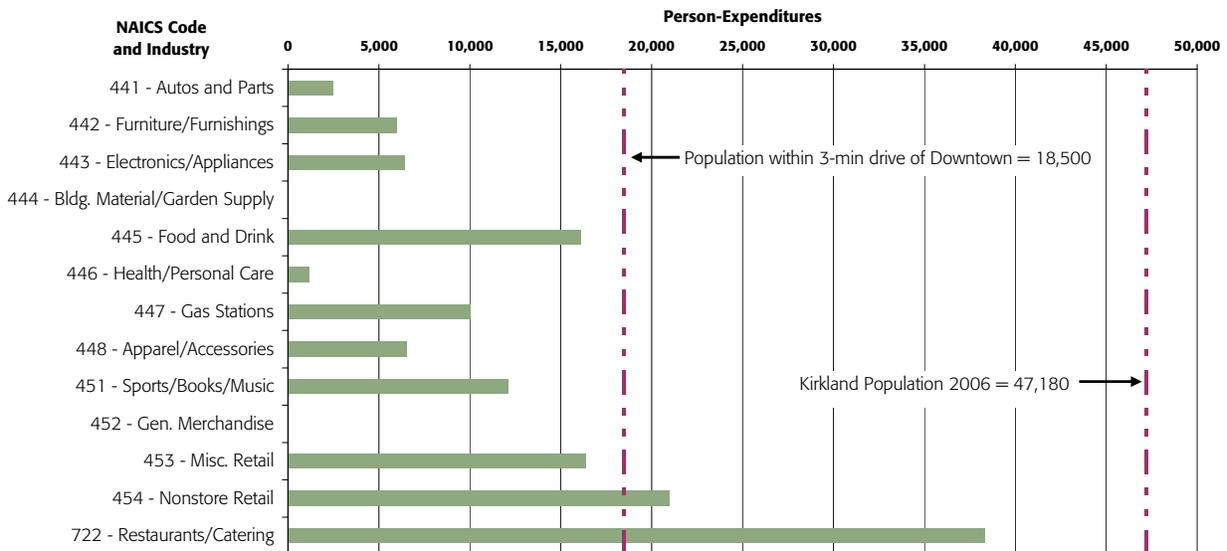
Exhibit 9 Kirkland Person-Expenditures by Industry, 2006



Source: Washington Department of Revenue, 2007

- Person-expenditures are calculated by taking the total TRS in a retail category and dividing it by the annual per capita average spending in the same category statewide. For example, if a city has \$100,000 of TRS in the groceries category and the statewide TRS per capita average spending on groceries is \$1,000, the city would have 100 person-expenditures ($\$100,000/\$1,000=100$). Person-expenditures are a useful way to measure the relative strength of different retail sectors in a city.
- Kirkland has very strong Autos, Sports/Books/Music, General Merchandise, and E-shopping/Mail-order sales. The person-expenditures in these categories are much higher than the City's existing population, so it is likely that shoppers from outside the City are being attracted to the City for these types of shopping opportunities.
- The weakest retail categories are Building Materials/Garden Supply and Apparel/Accessories.

Exhibit 10
Kirkland Downtown/Park Place Person-Expenditures by Industry, 2006



Source: City of Kirkland Department of Finance and Administration, 2007

- The strongest category in the Downtown/Park Place business area is Restaurants, with over 38,000 person-expenditures.
- Nonstore Retail is also relatively strong, which could potentially be due to strong e-commerce sales in the area.

4.0 OFFICE AND RETAIL RENTS AND VACANCY

Exhibit 11
Summary of Eastside Office Market, 4th Quarter 2006

Market Area	Inventory		Total Vacancy	Lease Rates (Full Service \$/sf)		
	Buildings	Sq. Ft.		Class A	Class B	Class C
Bellvue CBD	47	5,541,020	4.75%	\$25.00-\$38.50	\$20.00-\$26.50	\$21.00
I-405 Corridor	104	2,987,593	12.75%	\$21.50-\$29.00	\$20.00-\$29.00	\$20.50-\$24.50
SR-520 Corridor	106	2,525,403	13.33%	\$21.00-\$29.00	\$21.00-\$25.00	\$16.50-\$18.50
I-90 Corridor	88	5,904,051	5.24%	\$21.50-\$33.00	\$24.00-\$28.01	\$18.00
Bel-Red Rd Corridor	88	1,351,287	9.16%	\$27.50	\$18.00-\$24.00	\$17.00-\$24.00
Kirkland	30	1,170,918	8.18%	\$27.00-\$36.00	\$28.00	\$18.75-\$21.00
Redmond	58	4,003,278	5.28%	\$26.00-\$28.00	\$19.00-\$24.00	
Bothell	46	2,658,433	20.00%	\$20.00-\$29.00	\$21.00-\$23.00	
Total Eastside	567	26,141,983	8.62%	\$21.00-\$38.50	\$18.00-\$29.00	\$16.50-\$24.50

Source: Central Puget Sound Real Estate Research Report, Spring 2007

- The overall Kirkland office market currently has an 8% vacancy rate and average lease rates on the high end of the Eastside market (only exceeded by the Bellevue CBD).

Exhibit 12
Summary of Downtown Office Space for Lease, August 2007

Name	Address	Building SF	Available Space (SF)	Vacancy	Avg Asking Rent	Year Built/Renovated
Lakeview Plaza	747 - 787 6th St S	194,825	194,825	100%	\$28.85	2008
Kirkland Ave Office Park Ph II	811 Kirkland Ave	36,000	8,700	24%	\$25.50	1999
Marina Park Building	25 Central Way	32,204	2,525	8%	\$27.00	1996
Kirkwood Building	200 - 218 Kirkland Ave	16,851	7,939	47%	\$0.00	1996
Kirkland Lake Building	105 Central Way	30,000	1,503	5%	\$28.00	1990
570 Kirkland Way Plaza	570 Kirkland Way	13,440	5,685	42%	\$32.00	1990
Continental Plaza	550 Kirkland Way	101,786	29,099	29%	\$24.50	1990
1313 Market	1313 Market St	8,037	4,282	53%	\$31.00	1990
1201 Office Park	1205 Market St	5,385	1,382	26%	\$24.00	1989
Homeport Building	135 Lake St S	31,065	2,888	9%	\$29.50	1987
Choice Office Building	1715 Market St	20,785	2,205	11%	\$28.00	1986
Progressive Building	720 8th Ave	4,000	1,000	25%	\$25.50	1984
McDonald Insurance	235 6th St S	17,000	3,000	18%	\$20.00	1974
Strauss Building	121 Lake St S	2,857	0	0%	\$0.00	1950
Total (excluding Lakeview Plaza)		319,410	70,208	22%		

Source: Hallmark Realty, 2007

Exhibit 13
Summary of Downtown Retail Space for Lease, August 2007

Name	Address	Building SF	Available Space (SF)	Vacancy	Avg Asking Rent	Year Built/Renovated
The Boulevard	375 Kirkland Ave	8,442	1,572	19%	\$37.00	2006
Hossman Building	268 Central Way	16,000	2,058	13%	\$27.00	2000
WM Building	103 Lake St S	17,505	1,160	7%	\$38.00	1985
Lake Street Mall	15 Lake St	12,834	1,600	12%	\$20.00	1980
Olympic Building	200 - 204 Central Way	7,163	980	14%	\$23.00	1964
Lake Street Mall	15-16 Lake St	12,834	2,900	23%	\$20-\$30	1980
Total		74,778	10,270	14%		

Source: Hallmark Realty, 2007

- Variety of types of space available – some with lower rents closer to \$20 per SF and some with very high rents in the high \$30s. The lower rents tend to be in older buildings with owners who want stable tenants.
- Shorter two to three year leases are not uncommon as some owners prepare for the possibility of redevelopment.

5.0 ADDITIONAL BUSINESS LICENSE DATA DETAIL

Exhibit 14 Employment and Count of Downtown Kirkland Retail Businesses, 2007

6-Digit NAICS Code	Industry Description	Number of Businesses	Total Employees	% of Total Employment
443120	Computer and Software Stores	4	148	31%
452910	Warehouse Clubs and Supercenters	1	61	13%
453998	All Other Miscellaneous Store Retailers	21	57	12%
4481XX	Clothing Stores (all categories)	10	31	6%
453920	Art Dealers	11	20	4%
454111	Electronic Shopping	4	19	4%
453220	Gift, Novelty, and Souvenir Stores	5	18	4%
447190	Other Gasoline Stations	1	15	3%
451120	Hobby, Toy, and Game Stores	2	13	3%
454390	Other Direct Selling Establishments	7	9	2%
448310	Jewelry Stores	3	9	2%
442110	Furniture Stores	3	8	2%
Total All Retail Businesses		98	479	100%

Source: City of Kirkland Business License Database, 2007

Note: Retail categories with fewer than 8 employees excluded from list.

Exhibit 15 Employment and Count of Downtown Kirkland Food Service Businesses, 2007

6-Digit NAICS Code	Industry Description	Number of Businesses	Total Employees	% of Total Employment
722110	Full-Service Restaurants	34	530	59%
722211	Limited-Service Restaurants	11	222	25%
722213	Snack and Nonalcoholic Beverage Bars	9	106	12%
722410	Drinking Places (Alcoholic Beverages)	3	30	3%
722310	Food Service Contractors	2	9	1%
722212	Cafeterias	1	4	0%
722330	Mobile Food Services	1	3	0%
Total All Food Service Businesses		61	904	100%

Source: City of Kirkland Business License Database, 2007

Exhibit 16
Employment and Count of Downtown Kirkland Service Businesses, 2007

6-Digit NAICS Code	Industry Description	Number of Businesses	Total Employees	% of Total Employment
531210	Offices of Real Estate Agents and Brokers	14	119	8%
515210	Cable and Other Subscription Programming	1	115	8%
511210	Software Publishers	1	101	7%
531390	Other Activities Related to Real Estate	10	78	5%
541620	Environmental Consulting Services	2	66	5%
561499	All Other Business Support Services	9	64	4%
541110	Offices of Lawyers	20	64	4%
541511	Custom Computer Programming Services	7	63	4%
524210	Insurance Agencies and Brokerages	10	53	4%
541611	Administrative Mgmt. and General Mgmt. Consulting	11	48	3%
541330	Engineering Services	8	43	3%
522292	Real Estate Credit	4	40	3%
522120	Savings Institutions	6	39	3%
522110	Commercial Banking	5	36	3%
519120	Libraries and Archives	1	33	2%
541219	Other Accounting Services	2	32	2%
522310	Mortgage and Nonmortgage Loan Brokers	6	31	2%
541612	Human Resources and Executive Search Consulting	4	30	2%
541310	Architectural Services	8	28	2%
512131	Motion Picture Theaters (except Drive-Ins)	1	25	2%
518210	Data Processing, Hosting, and Related Services	2	22	2%
541613	Marketing Consulting Services	5	21	1%
541890	Other Services Related to Advertising	1	20	1%
522320	Financial Transactions Processing Activities	2	15	1%
522390	Other Activities Related to Credit Intermediation	3	14	1%
524127	Direct Title Insurance Carriers	2	13	1%
561510	Travel Agencies	1	13	1%
541618	Other Management Consulting Services	3	11	1%
561730	Landscaping Services	3	10	1%
517110	Wired Telecommunications Carriers	2	10	1%
523999	Miscellaneous Financial Investment Activities	3	10	1%
Total All Service Businesses		231	1,437	100%

Source: City of Kirkland Business License Database, 2007

Note: Service categories with fewer than 10 employees excluded from list. 188 Google employees in the Information sector (2-Digit NAICS code 51) did not have an accurate 6-Digit NAICS code in the database and are not included in this table.

6.0 POSSIBLE NEXT STEPS

- Downtown TRS comparisons to the rest of the City
- Home-based business analysis
- TRS per square foot analysis
- Analysis of business turnover (openings and closings) using business license data. Comparison between Downtown and other areas of the City.

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

Leland Consulting Group Situation Assessment



DOWNTOWN KIRKLAND *Project Memorandum*

TO: Bonnie Berk, Berk & Associates

FROM: Chris Zahas, Leland Consulting Group

DATE: 14 August 2007

SUBJECT: Situation Assessment
Project Number: 4704

This memorandum summarizes the situation assessment of Downtown Kirkland as prepared by Leland Consulting Group. It answers several questions asked by the City of Kirkland regarding Downtown's current state of health, barriers to realizing the vision, and opportunities for success. The assessment relies largely on information gathered by the project team to date (visual assessment, stakeholder interviews, preliminary market research) and on best practices seen by Leland Consulting Group in other downtowns across the U.S. The assessment is organized into several categories, but there is considerable overlap between topic areas.

Vision for Downtown

Downtown Kirkland today has largely fulfilled the vision of the original DSP - it includes a residential core with a combination of local and destination retail. When viewing downtown in the larger context (Lake Street to Sixth), Downtown actually has a much broader range of uses, including entertainment, civic uses, office, and a wider spectrum of retail. Recent developments and proposals at Park Place indicate that the market in Downtown Kirkland is shifting to include office uses. It is likely that over the next ten years, Downtown Kirkland will see significant office development whereas it has largely only seen residential development in the past five years. The challenge for the next Downtown Strategic Plan will be how to integrate and connect these uses throughout the various parts of Downtown.

On the retail side, the market tendency for Downtown Kirkland is essentially what it is seeing today. Since there is an open market of leasable retail space (multiple owners, variety of spaces and locations), tenants have a choice, thus the mix of retail uses is reflective of the market from a theoretical economic point of view. Assuming that there is enough market demand for a retailer to afford Downtown Kirkland rents, smaller retailers who desire to be in Downtown Kirkland should be able to find sites in which to locate. On the other hand, larger retailers (e.g., supermarkets, large bookstores, department stores, etc.) may find themselves excluded from Downtown due to the lack of large sites that can accommodate both a larger building footprint and parking.



While no amount of public investment will attract a market that does not already exist, planning and strategic investments can help accelerate the pace of development and can attract what is desired in greater quantities and at a higher quality than would otherwise occur. On the other hand, if a plan targets a market that is not present and ignores one that is, a city sets itself up for failure by laying the groundwork for uses that will not come; meanwhile it ignores (or even prohibits through new zoning) investment that is waiting in the wings. Therefore, it is important to strike a balance between the aspirational goals of a strategic plan and market realities.

Office Uses

There is no single standard formula for the mix of office and residential uses in a downtown. That is part of the uniqueness of one city's downtown from another's. A balance is important, however, in terms of strengthening retail (workers shopping/dining during the day; residents shopping/dining on the weekends), balancing parking demand, and creating an 18-7 or 24-7 environment.

The current height limits in Downtown Kirkland (bonus floor only applicable to housing projects) may be a real barrier to new office development. Given the high cost of office development (expensive structured parking, typical use of steel and concrete construction methods), a three or four story building may not be able to justify the huge fixed cost of parking and foundation and the site may not be able to accommodate the needs of larger employers. Larger buildings, however, can achieve better economies of scale. With parking ratios at three or four spaces per 1,000 square feet, office users require three or four times as much parking as a residential unit would. With structured parking costing upwards of \$15,000 to \$20,000 per stall and underground parking costing \$25,000 to \$30,000 per stall, it is no wonder that development in downtown Kirkland has focused almost exclusively on housing in the past five years.

Additional constraints to office development in the downtown core include the smaller size of sites, which reduces flexibility in building configuration and makes parking more inefficient to build. An expansion of office development at Park Place at the east end of Downtown could bring new employment on a site that can more easily accommodate the floor plate and parking requirements of modern offices.

While efforts to increase office employment Downtown should be encouraged, it should not necessarily be done by restricting housing. For one thing, office markets are very cyclical while housing tends to be steadier year to year. Thus, zoning that restricts housing may inhibit new investment in the downtown (in new housing) in periods when the office economy is slow. These down cycles can last for many years as the period between 2001 and 2006 has shown. When the goal is to sustain momentum, sometimes it is more important to assure an ongoing stream of investment rather than worry about the specific uses. Flexibility is key – allowing buildings to pursue office development when employment is growing and residential development when it is slower.

Keep in mind, also, that mixed-use is inherently a complicated and difficult development type. If additional height is only allowed when housing is included in a structure, as it is today, then a building that includes office uses and maximizes height must incorporate



three uses (ground floor retail, office, and housing). This is a very complicated and inefficient mix of uses, requiring multiple entrances, lobbies, and elevators (residents and office tenants should be segregated).

Since parking is one of the greatest costs for office development and it is often inefficient to build parking on small sites (higher cost per stall), a centralized parking structure that offers monthly parking to office tenants could help level the playing field and make office development more feasible. The parking structure would have a lot of shared use potential, filling with office users during the day and shoppers during evenings and on weekends.

Retail Uses

The perception that the downtown retail is suffering due to a lack of office workers may or may not be reality. Retail businesses fail for a wide range of reasons – lack of customers, poor merchandising, rising costs (wages, rent, insurance, wholesale products), lack of advertising, low-visibility location, lack of business planning, short hours (most shopping happens on evenings and weekends), inexperienced management, failure to adjust to changing market preferences, and a myriad of other reasons. Just because a cluster of small businesses has failed does not indicate a common cause. Each failure must be examined individually to determine the true cause – only then can conclusions be drawn as to what strategies should be used to strengthen the market.

Cities frequently require retail uses at the ground floor of *all* buildings in certain districts. While it is a reasonable goal to encourage an active ground floor experience, this can also force developers to build retail in locations that don't have the visibility, foot traffic, or proximity to other retail that is necessary for a merchant to succeed. Two outcomes typically occur:

- The spaces stay vacant for long periods of time; and
- “Weak” retailers fill the spaces, but often fail and turn over frequently.

Neither of these is a good outcome for a downtown. The developer is discouraged by poor financial returns on the building (although many developers will completely discount the value of ground floor retail if it is not a strong location) and the downtown is blighted by empty or weak storefronts.

A downtown retail strategy should identify core retail districts where retailers can cluster and feed off of each other. This has the added benefit of sending a clear signal to visitors and new merchants as to where the “heart” of downtown lies and where to walk and browse. When retail is forced everywhere, it can be hard to identify the center and visitors can be confused as to the best “loop” walk that will let them see all the retailers.

Even in the most unique and quaint downtowns, there is a need for anchor retailers. This does not necessarily mean a need for national chains, although increasing numbers of chains are finding ways to fit into smaller downtowns. An anchor simply needs to be a retailer that does one of the following:



- Draws local residents to the area again and again on a frequent basis (e.g., grocery store that attracts residents two or more times per week); or
- Draws people from throughout the region to a unique destination on a less frequent basis (e.g., specialty restaurant, entertainment venue, one-of-a-kind retailer).

Anchor retailers ensure a steady flow of customers to the downtown. Traditionally, anchor retailers in shopping centers and malls are the largest stores in the center (typically department stores). In a downtown setting, however, the definition of an anchor retailer can be much broader. For example, in a downtown an anchor retailer could be a highly regarded restaurant, a bookstore, a specialty grocer, or even an espresso shop. Anything that serves as the primary reason to draw locals on a frequent basis or regional visitors on a less frequent basis can be considered an anchor.

Strategies to attract anchor retailers to a downtown can include:

- Coordinated marketing program with visitors maps, events, advertising, logos, etc. This helps package the downtown as a shopping district instead of a series of individual stores working alone.
- Strong downtown business association that encourages common (and late) business hours, signage and window display standards, data gathering (sales, patronage, customer demographics), parking validation, etc. The business association should also build strong relationships with real estate brokers to make contacts with regional retailers.
- Patient landlords who carefully consider the tenant mix in their buildings and weed out those that don't support the greater downtown vision. Unlike a mall where a single landlord controls all the tenants, landlords in a downtown must cooperate in order to achieve the proper synergies.

Ground floor uses can vary throughout the downtown. Along main streets (e.g., Lake, Central), “true” retail should be encouraged (i.e., stores that sell merchandise, restaurants). Elsewhere in the downtown, the goal is to ensure active uses at the ground level, which does not always mean retail. Hair salons, copy centers, and similar services could keep the streetscape active in a location that may not be prime retail real estate. The key is to keep the ground floor occupied and active. Even when service or office uses are at the ground floor, care should be taken to ensure that window displays are interesting and creative. When a traditional retailer cannot be found for a site, finding a less active user is often better than letting the space go vacant. Indeed, in order to keep pedestrians interested in the street scene and to get them to walk the few blocks it may take to get from a central garage to the retail core, interesting ground-level uses with few, if any, gaps is a must.

On the outskirts of the downtown as the downtown streets extend into adjacent neighborhoods, retail and services may not be viable at all due to the limited visibility and foot traffic. In such locations, live-work units can be a viable alternative, allowing



development to take housing down to the ground floor while still allowing for some street-level interest. Live-work units often appeal to professionals (lawyers, architects, realtors, accountants), service providers (massage, psychiatry), and even small boutiques.

Parking

Creating and managing a centralized parking supply is often the role of the public sector. In smaller cities, where parking has traditionally been free, private parking operators simply are not present. It is important to keep in mind, however, that the main purpose of paid parking is parking management, not revenue generation. Thus, the pricing, regulations, enforcement, and marketing should all be geared to encourage turnover of short-term on-street spaces, while directing longer-term parkers to centralized lots or garages. While paid parking is sometimes seen as a negative by downtown merchants, the benefits of a comprehensive parking program should allow the merchants to achieve higher sales and be more successful. Key elements of a parking program should include:

- Validation
- Metered parking for on-street spaces
- Centralized garages and lots
- Prices lower in garages than on the street
- Monthly permit program for garage stalls to keep resident and employee parking off the street
- Good signage and marketing
- Education and enforcement
- Separate accounting that keeps parking revenues in the downtown (as opposed to going to the general fund)

Housing

A new housing strategy may be needed to encourage a broader and more affordable range of housing in Downtown Kirkland. Particularly as office employment grows, there will be a need for entry-level housing options for the new workers – either ownership or rental.

As mentioned earlier, parking is a huge expense for both housing and office uses. While current standards require multiple parking spaces per dwelling unit, cities such as Seattle and Portland have successfully seen many urban housing projects built with parking ratios of less than one space per unit (i.e., some units do not come with any parking at all). In a downtown such as Kirkland, where a wide range of services are within walking distance, these lower ratios may be feasible and could be a useful tool to encourage a wider range of housing options.

KIRKLAND DOWNTOWN STRATEGIC PLAN UPDATE

Attachment G: DAC Meeting Agendas, Summaries, and Supplemental Materials

Please Visit:

http://www.ci.kirkland.wa.us/depart/Planning/Code_Updates/DSP/DAC_Meeting_Information.htm