



CITY OF KIRKLAND CITY COUNCIL

Penny Sweet, Mayor • Jay Arnold, Deputy Mayor • Neal Black • Kelli Curtis
Amy Falcone • Toby Nixon • Jon Pascal • Kurt Triplett, City Manager

Vision Statement

Kirkland is one of the most livable cities in America. We are a vibrant, attractive, green and welcoming place to live, work and play. Civic engagement, innovation and diversity are highly valued. We are respectful, fair and inclusive. We honor our rich heritage while embracing the future. Kirkland strives to be a model, sustainable city that values preserving and enhancing our natural environment for our enjoyment and future generations.

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AGENDA KIRKLAND CITY COUNCIL MEETING City Council Chamber Tuesday, February 18, 2020 5:30 p.m. – Study Session 7:30 p.m. – Regular Meeting

COUNCIL AGENDA materials are available on the City of Kirkland website www.kirklandwa.gov. Information regarding specific agenda topics may also be obtained from the City Clerk's Office on the Friday preceding the Council meeting. You are encouraged to call the City Clerk's Office (425-587-3190) or the City Manager's Office (425-587-3001) if you have any questions concerning City Council meetings, City services, or other municipal matters. The City of Kirkland strives to accommodate people with disabilities. Please contact the City Clerk's Office at 425-587-3190. If you should experience difficulty hearing the proceedings, please bring this to the attention of the Council by raising your hand.

PLEASE CALL 48 HOURS IN ADVANCE (425-587-3190) if you require this content in an alternate format or if you need a sign language interpreter in attendance at this meeting.

ITEMS FROM THE AUDIENCE provides an opportunity for members of the public to address the Council on any subject which is not of a quasi-judicial nature or scheduled for a public hearing. (Items which may not be addressed under Items from the Audience are indicated by an asterisk*.) The Council will receive comments on other issues, whether the matter is otherwise on the agenda for the same meeting or not. Speaker's remarks will be limited to three minutes apiece. No more than three speakers may address the Council on any one subject. However, if both proponents and opponents wish to speak, then up to three proponents and up to three opponents of the matter may address the Council.

PUBLIC HEARINGS are held to receive public comment on important matters before the Council. You are welcome to offer your comments after being recognized by the Mayor. After all persons have spoken, the hearing is closed to public comment and the Council proceeds with its deliberation and decision making.

1. *CALL TO ORDER*
2. *ROLL CALL*
3. *STUDY SESSION (PETER KIRK ROOM)*
 - a. Regional Aquatics Report
 - b. Special Events Updates
4. *HONORS AND PROCLAMATIONS*
5. *COMMUNICATIONS*
 - a. *Announcements*
 - b. *Items from the Audience*
 - c. *Petitions*
6. *PUBLIC HEARINGS*
7. *SPECIAL PRESENTATIONS*
 - a. King County Councilmember Claudia Balducci – Legislative Update
 - b. Big Finn Hill Park Policing
 - c. Cedar Creek Culvert Traffic Detour

8. CONSENT CALENDAR

***QUASI-JUDICIAL MATTERS** Public comments are not taken on quasi-judicial matters, where the Council acts in the role of judges. The Council is legally required to decide the issue based solely upon information contained in the public record and obtained at special public hearings before the Council. The public record for quasi-judicial matters is developed from testimony at earlier public hearings held before a Hearing Examiner, the Houghton Community Council, or a city board or commission, as well as from written correspondence submitted within certain legal time frames. There are special guidelines for these public hearings and written submittals.

a. *Approval of Minutes*

- (1) January 28, 2020
- (2) January 29, 2020
- (3) February 4, 2020
- (4) February 7, 2020

b. *Audit of Accounts and Payment of Bills and Payroll*

c. *General Correspondence*

d. *Claims*

- (1) Claims for Damage

e. *Award of Bids*

- (1) Totem Lake Park Development: Expanded Phase I

f. *Acceptance of Public Improvements and Establishing Lien Period*

g. *Approval of Agreements*

h. *Other Items of Business*

- (1) Kirkland Downtown Association Funding Request/Fiscal Note
- (2) Resolution R-5408, Determining the Anticipated Shortfall in Revenues for Providing Municipal Services to the Annexation Area as Required by RCW 82.14.415
- (3) Monthly Financial Dashboard Report – December 2019
- (4) Quarterly Investment Report – 4th Qtr 2019
- (5) Cultural Arts Commission Resignation
- (6) Design Review Board Resignation
- (7) Procurement Activities Report
- (8) Public Disclosure Semi-Annual Report

ORDINANCES are legislative acts or local laws. They are the most permanent and binding form of Council action and may be changed or repealed only by a subsequent ordinance. Ordinances normally become effective five days after the ordinance is published in the City's official newspaper.

RESOLUTIONS are adopted to express the policy of the Council, or to direct certain types of administrative action. A resolution may be changed by adoption of a subsequent resolution.

9. BUSINESS

- a. 2020 State Legislative Update #3
- b. A Regional Coalition for Housing (ARCH) Housing Trust Fund Recommendation
 - (1) Resolution R-5410, a Resolution of the City Council of the City of Kirkland Authorizing the Duly-Appointed Administering Agency for a Regional Coalition for Housing (ARCH) to Execute all Documents Necessary to Enter Into an Agreement for the Funding of Affordable Housing Projects, as Recommended by the ARCH Executive Board, Utilizing Funds From the City’s Housing Trust Fund.
- c. Kirkland Zoning Code Chapter 95 – Tree Code Amendments
 - (1) Landmark Tree Definition

ITEMS FROM THE AUDIENCE

Unless it is 10:00 p.m. or later, speakers may continue to address the Council during an additional Items from the Audience period; provided, that the total amount of time allotted for the additional Items from the Audience period shall not exceed 15 minutes. A speaker who addressed the Council during the earlier Items from the Audience period may speak again, and on the same subject, however, speakers who have not yet addressed the Council will be given priority. All other limitations as to time, number of speakers, quasi-judicial matters, and public hearings discussed above shall apply.

10. REPORTS

- a. *City Council Regional and Committee Reports*
- b. *City Manager Reports*
 - (1) Puget Sound Regional Council Response Letter
 - (2) Calendar Update

11. ITEMS FROM THE AUDIENCE

12. EXECUTIVE SESSION

- a. Potential Litigation

13. ADJOURNMENT

EXECUTIVE SESSIONS may be held by the City Council only for the purposes specified in RCW 42.30.110. These include buying and selling real property, certain personnel issues, and litigation. The Council is permitted by law to have a closed meeting to discuss labor negotiations, including strategy discussions.



CITY OF KIRKLAND
Department of Parks and Community Services
123 Fifth Avenue, Kirkland, WA 98033 425.587.3000
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager
From: Lynn Zwaagstra, Director
Date: February 18, 2020
Subject: Regional Aquatics Facilities Exploration Report

RECOMMENDATION

It is recommended that City Council receive a summary of recent discussions to explore a regional approach to providing aquatics facilities along with the findings from the commissioned report. Staff are seeking feedback on Council's interest in continued pursuit of a regional approach.

BACKGROUND DISCUSSION:

Since the early 2000's the cities of Kirkland, Redmond and Bellevue have each separately, and at times jointly, explored the siting and construction of an aquatics facility. Kirkland's history is outlined below and in **Attachment A**. All 3 municipalities have completed feasibility studies in the past that determined that there is a high level of need and community interest in an aquatics facility. Kirkland and Redmond residents have expressed a sense of urgency for the construction of a facility due to the aging conditions of their respective high school pools, which serve a dual role as a community pool.

Starting in 2016 staff from the cities of Kirkland, Redmond and Bellevue were invited by King County to have conversations about a potential regional approach. Conversations have focused on the pros and cons of a regional approach versus a local approach, potential models, locations and funding mechanisms.

HISTORY SUMMARY:

Community interest in an aquatics and recreation center (ARC) was documented in Kirkland's 2001 Parks, Recreation and Open Space Plan (PROS). That began what is now an 18-year history of the project. Below is an overview of that history. A more detailed history including pertinent resolutions is included in **Attachment A**.

- 2001: Indoor Recreation Needs Survey indicated community need for an indoor recreation and aquatics facility.
- 2007: Indoor Recreation Feasibility Study recommended a 93,000 square foot indoor recreation and aquatics center.
- 2011: Parks Funding Exploratory Committee recommended investments in park maintenance and capital improvements. An indoor recreation and aquatics facility was tabled.
- 2012: Community approved the 2012 Parks Levy to provide for parks maintenance and capital investment.

- 2013: Lake Washington School District announced potential to close the Juanita Aquatic Center.
- September – December 2013: City Council approved pursuit of an indoor recreation facility on the work plan and potential sites were identified.
- September - October 2013: PROS Plan update included community surveys reiterating interest in aquatics and recreation. A telephone survey of 308 heads of households indicated community need for pools, youth programs and gym and sports courts. 57% indicated willingness to increase taxes for an aquatics center and 52% indicated willingness to increase taxes for a recreation center. An online survey with 690 completions did not report on percentage of community willing to increase taxes for an aquatics or recreation center.
- 2014: The Lake Washington School District Capital Facilities Bond Measure failed, leaving no options to repair or replace the Juanita Aquatic Center.
- 2014: City studied potential sites for an indoor recreation facility and received a feasibility study identifying a facility size, site locations, traffic assessment and funding options. City owned sites were rejected, and the Park Board was authorized to seek privately owned site options. City staff and the Park Board were directed to complete concept design analysis, conduct public outreach and feedback processes and explore funding options for a report back to City Council on March 17, 2015.
- March 2014: A survey of registered voters indicated 76% support for a bond measure to fund an indoor community recreation and aquatic center.
- 2015: The City's 2015-2016 Work Program included exploring a ballot measure for the ARC. Council directed staff to pursue privately-owned sites for the ARC and begin preparations for a November ballot measure. The Christ Church property was selected, and a Metropolitan Park District was selected as the funding mechanism to be placed on the November ballot.
- November 2015: The Metropolitan Park District and ARC ballot measure failed.

Starting in 2016, Kirkland was asked to participate in discussions with King County and the cities of Redmond and Bellevue on a potential regional approach. These discussions yielded interest in exploring the feasibility of a regional approach to construction of aquatics facilities. Kirkland City Council approved Resolution R-5318 authorizing Parks and Community Services Department staff to engage in a regional study with the goal of bringing forward information to each governing body about the pros and cons of both a regional and local approach. The executed agreement is attached in **Attachment B**.

AQUATICS STUDY REPORT

Consultants from Parametrix were contracted by King County on behalf of the County and the cities of Kirkland, Redmond and Bellevue. The purpose was to explore the development of aquatics facilities on the greater eastside with a specific analysis of a regional versus local approach to constructing these facilities. The report explores best practices in aquatics facilities, pros and cons of different approaches and considerations for the siting of facilities. Additionally, various financing methods that could be considered were examined with capital costs modeled in order to provide governing bodies with some data with which to help determine if additional regional discussions should continue.

The Regional Aquatics Report is attached in **Attachment C**. Below is a summary of some key components of the study.

Need

- No new pools have been built on the east side in the past 48 years.
- In that same time period, the population has more than doubled; the combined population of Kirkland, Redmond and Bellevue in 1970 was 87,286 and the current combined population is approximately 297,635.
- The Trust for Public Land shows a national average of 1 pool for every 50,000 residents. If applied to Kirkland, Redmond and Bellevue, the combined cities should have 6 pools; currently the cities have a combined 3 pools.

Local and Regional Facility Characteristics

- Local aquatics centers offer programming and amenities to meet the needs of nearby residents, most typically within a 5-mile or 15-minute drive.
- Local aquatics centers focus on multi-use facilities with lap lanes, recreational water space (e.g., splash pads, water slides, etc.), lesson space, and complimentary dry side space such as multi-purpose rooms, locker rooms and fitness areas.
- Local aquatics facilities average from 40,000 to 85,000 square feet.
- In 2019 dollars and without land, a local pool with complete construction costs could cost approximately \$75,000,000.
- Regional aquatics centers draw users from larger services areas and typically provide additional competitive and recreational amenities. Typical water features include an Olympic-size 50-meter pool, separate lap pool, dive tank and warm water therapy pool. Dry side amenities include spectator seating, training / classroom space, concessions and gyms.
- Regional aquatics centers tend to be located near transportation hubs and have significant parking capacity. Travel time may be 30 minutes or more.
- Regional facilities are often 110,000 square feet or greater.
- In 2019 dollars and without land, a regional pool with complete construction costs could cost approximately \$97,000,000.

Siting

- Publicly owned sites are the most financially viable.
- Kirkland does not own a parcel large enough to site a regional facility.
- Redmond and Bellevue have limited options for a regional facility; potential partnerships make other sites viable.
- Possible sites for a regional pool that were explored include the following locations.
 - Houghton Landfill
 - Marymoor Park subarea
 - Redmond Community Center at Marymoor Village
 - Marymoor Park Bellevue Utilities
 - Lincoln Center
 - Factoria Site
 - Bellevue College
 - Airfield Park Site

2 Models Based on Capital Costs

- Two basic models were considered and compared;
 - "Local approach" - Each city funds their own aquatics center.
 - "Regional approach" - The cities combine resources to build 1 regional center and 2 local centers; each city would site a facility.

- Primary funding mechanisms include a levy lid lift, a special district, excess levy and public development authorities.
- A variety of partnership opportunities and operating models exist; however, detailed exploration of these possibilities was beyond the scope of this study.
- Funding models on 2019 estimated capital costs, land acquisition not included, were outlined for 3 scenarios as follows.
 - Option 1 – Three local pools, one in each city, approximate capital cost of \$234,370,550
 - Option 2 – Regional pool only, approximate capital cost of \$97,061,000
 - Option 3 – One regional pool and two smaller local pools, approximate capital cost of \$202,350,250
- Funding models are presented on page 22 of the Regional Aquatics Report in Appendix B and will be presented during the Council Study Session.

NEXT STEPS

Staff are seeking feedback from City Council on whether staff should continue to collaborate with King County and the cities of Redmond and Bellevue to explore a regional approach to providing aquatics facilities.

Attachment A – 2001-2014 ARC History
Attachment B – Regional Aquatics MOU
Attachment C – Regional Aquatics Report

Kirkland Aquatic, Recreation, and Community Center Project Background March 2015

2001 - 2007

The community's desire for indoor recreation, aquatics and gathering space has been well documented, beginning with the Kirkland's Parks, Recreation and Open space Plan (PROS) and an Indoor Recreation Needs Survey in 2001. That led in 2007 to completion of an Indoor Recreation Feasibility Study which resulted in a proposal for a multi-purpose community recreation and aquatic center of up to 93,000 square feet. The proposed recreation center was added to the Parks' Capital Improvement Program as an unfunded project.

In the intervening fourteen years since 2001, Kirkland's population has more than doubled while the amount of indoor recreation and aquatics space has stayed the same. Kirkland's two community centers, the Peter Kirk Community Center and the North Kirkland Community Center, are programmed to capacity and lack many of the features desired by users, such as fitness facilities, gymnasiums and meeting space. In addition, learn-to-swim programs at both the City's Peter Kirk Pool and at the Lake Washington School District's Aquatic Center at Juanita High School are frequently filled and experience long waiting lists.

2011-2012

In order to resolve some of the funding needs for park capital investments and deferred maintenance, the Kirkland City Council convened a citizen panel representing a broad cross section of the community in 2011. Known as the Parks Funding Exploratory Committee (PFEC), the panel recommended a series of investments which eventually were approved by voters as part of a 2012 Parks Levy. The PFEC evaluated whether to include an aquatics facility in the 2012 ballot measure. Ultimately the PFEC recommended not including a pool facility in the ballot measure for several reasons. In general, there were too many unknowns about the project, such as how much it would cost, where would it be located and what would it cost to operate. These questions couldn't be answered in time to get a package to the 2012 ballot. In addition, the LWSD had yet to decide whether the Juanita pool would be replaced in 2014 and the PFEC felt that funding it in the 2012 levy would be premature. Finally, the cost of including an indoor aquatic facility would either make the ballot measure too large, or require significant cuts to the rest of the capital projects in the levy. The initial purpose of the parks levy was to restore maintenance and operations resources for Kirkland parks, so the PFEC was not interested in such a large capital component, and the other capital projects were deemed to be more urgent. In the end, the PFEC recommended that the City pursue an indoor aquatics facility in 2021 when the existing Parks bonds were retired and when the capital projects included in the 2012 Parks Levy would be completed. The City Council concurred with those recommendations and did not include an indoor aquatics facility in the 2012 Parks Levy which was passed by the voters.

2013 – 2014

August 2013: School District proposes closure of Juanita Aquatic Center

In August of 2013 the City Council received input from citizens and members of the Lake Washington School District (LWSD) Board of Directors regarding the potential closure of the Juanita High School swimming pool, known as the Juanita Aquatic Center. The testimony asked that the City of Kirkland consider participating in the building of a new aquatic facility to replace Juanita. Kirkland is a key potential partner because the pool is the only public year-round aquatic facility in the Kirkland community, and is utilized extensively not just by students, but by residents for competitive swimming, youth and adult swim lessons, fitness, and recreation. Other partners could include entities such as Redmond, Bothell, Evergreen Health, Wave Aquatics, and Northwest University.

The District had determined that the facility was nearing the end of its useful life and that a renovated or new pool would not be included in a future school bond measure to replace the high school. A school ballot measure was scheduled for February 2014, and if passed would cause the LWSD to close the pool early as 2017, leaving Kirkland residents without access to a public year-round swimming pool in our community.

In September 2013 the LWSD Board adopted a resolution (**Exhibit A**) affirming its intent to enter into future pool partnerships with cities and/or other interested entities. The resolution also authorized directing an undetermined amount of unspent funds from the District's 2006 capital bond measure towards a portion of future pool facility project(s) enabling use by high school swim and dive teams. The District estimated that \$10 to \$12 million would remain once all the school projects are completed. However, these funds would be necessary for other District purposes should the proposed 2014 bond measure fail.

September 2013: City Adds Indoor Recreation Facility to Work Plan

In response, the City Council passed Resolution 5003 (**Exhibit B**) in September 2013 adding the issue to the City's official work plan, with the objective to "partner with the Lake Washington School District and other interested public and private organizations to explore options for replacing the Juanita Aquatic Center by 2017". The City Council also authorized new funding for consultation, planning and community outreach.

December 2013: Initial Sites Identified

Assuming that a new pool would likely need to be placed on existing Kirkland-owned properties to save both money and time, Kirkland staff initially suggested that the following sites be considered as potential sites, after an initial assessment of all City-owned properties:

- Existing outdoor Peter Kirk Pool site in Peter Kirk Park
- The North Kirkland Community Center
- Mark Twain Park
- Juanita Beach Park (northern section)
- Snyder's Corner

In December of 2013 the City Council reviewed the proposed sites and directed staff to remove the existing pool site at Peter Kirk Park from consideration. At the same time, the Council asked staff to analyze the former Albertson's grocery store site in the Juanita area.

January 2014: Site Selection Narrowed

In January 2014, the City Council received a staff report providing preliminary analysis of the identified sites, and directed staff to further investigate and study the following three sites:

1. Juanita Beach Park (north side); Juanita Neighborhood
2. North Kirkland Community Center; Juanita Neighborhood
3. South Norway Hill Park; Kingsgate Neighborhood

The Council passed Resolution 5029 (**Exhibit C**) to guide Park Board and staff, including completion of the following tasks:

- Design a facility to serve the needs of the Lake Washington School District swim and dive teams as well as the broadest possible general public population;
- Conduct outreach with the community and potential project partners on possible facility components as well as siting preferences;

- Complete feasibility and cost analysis for converting Peter Kirk Pool to year-round use by 2017 as an interim solution;
- Provide a report to the City Council with recommendations from the Park Board on facility components and siting by no later than April 1, 2014.

The City Council also directed staff to continue to explore other siting opportunities beyond the three identified study sites. Specifically, Council expressed interest in St. Edward State Park in Kenmore as well as the Totem Lake Malls property

February 2014: School Bond Measure Fails Twice

In February 2014 the LWSD Capital Facilities Bond Measure did not pass. It received 58% approval, just short of the 60% needed. At their March 3rd meeting, the School Board voted to place a \$404 million bond measure on the April 22 ballot. This measure would allow the district to address its critical and urgent need to build new schools and classrooms and support growing enrollment and avoid overcrowding, including the re-build and expansion of Juanita High School. The plan to re-build and expand Juanita High School would again not include replacing the Juanita Aquatic Center. Despite the February School bond failing, LWSD Superintendent Pierce communicated that the District's commitment as expressed in their September 2013 Resolution had not changed should the April measure pass.

Unfortunately the April 22 school bond measure also failed to be approved by voters, leaving the future of the Aquatic Center in further doubt.

March 2014: Initial Site Analysis Conclusions and Facility Component Recommendations

Based upon the site analysis and technical siting criteria, in March of 2014 the consultant team and staff concluded that Juanita Beach Park was the site best-suited for a new facility. This was in terms of access, site development cost, impact to the surrounding neighborhood, and aesthetics. The consultant team's assessment, based on the technical criteria, was that Juanita Beach Park was the most centrally located site, had the best public transit access, and was large enough to accommodate the building and parking without requiring multi-level parking. The consultant team concluded that the scale of the building would fit better with surrounding multi-family and commercial buildings, and the site would provide a prominent location with visibility that will enhance revenue generation and cost recovery.

While the Park Board acknowledged the technical advantages that the Juanita Beach Park site may have for siting a new recreation facility, at their March 2014 meeting the Board instead recommended the North Kirkland Community Center & Park Site as the preferred location for the following reasons:

- The north side of Juanita Beach Park was viewed as a valuable and irreplaceable green space in an increasingly dense part of the Kirkland community (i.e. Juanita Village and surrounds).
- Citizens were already accustomed to use of the NKCC Park Site for indoor recreation facility use, and continued use of the site for a community facility would be less disruptive.
- Traffic issues were anticipated to be less acute on N.E. 124th as opposed to Juanita Drive.
- Of the three sites studied, the North Kirkland Community Center & Park Site was most preferred by citizens who had participated in public outreach efforts.

The Park Board also recommended that the City proceed with planning for a full Recreation & Aquatic Center with 50-meter pool with the following reasons presented:

- There was a demonstrated need in the Kirkland community for more indoor recreation space, including general recreation space needs, active fitness facilities, gymnasiums, and swimming.
- Existing programs and facilities are at maximum capacity.
- Development of a larger facility would move the community closer to meeting its level of service goals for indoor recreation space.

- A multi-use Recreation & Aquatic Center would offer the best cost recovery potential and that the City's on-going general fund subsidy of over \$200,000 annually for NKCC would potentially be eliminated with a new, well-designed facility taking its place.
- A 50-meter pool would provide the most flexibility for aquatic programming and better meets current and future Kirkland community needs. Such a pool could also entice regional partners for capital investment and as regular facility users.

The proposed space components of the facility would meet the broadest needs and interests of Kirkland residents and would include:

- Recreation pool with waterslides, sprays and moving current channel
- Competition/lap pool
- Locker rooms
- Family and special needs locker rooms
- Meeting/Birthday party room
- Gymnasium
- Fitness center
- Wood floor studio
- Child watch room
- Community Hall
- Kitchen
- Art studio
- Dance room
- Program classrooms
- Management/operation spaces

April 2014: Sites Narrowed to Juanita Beach and NKCC

On April 1, 2014, the City Council was presented with recommendations from the Park Board on siting preferences for a potential new recreation facility as well as recommendations for a preferred facility type. The Council expressed interest in continuing to explore a multi-faceted community recreation & aquatic facility with the possible inclusion of a 50-meter competitive pool. The City Council also authorized staff to continue to pursue potential project partners and to conduct further community outreach.

The Council authorized the Park Board and staff to conduct additional analyses of two sites: Juanita Beach Park and the North Kirkland Community Center & Park (NKCC) site. Additional technical analyses for both sites would include conducting an environmental assessment, completion of traffic studies, building massing studies, and additional cost estimating. Evaluation of the potential closure of a portion of 103rd Ave NE to accommodate a new facility at the NKCC site would also be conducted. A resolution (5050, **Exhibit D**) authorizing staff and the Park Board to conduct these tasks was approved.

September 2014: Final Report is Presented

In September of 2014 a final report was completed by the City's consultant team (The Sports Management Group) and featured the following information:

- Consultant Recommendations
- Space Program & Financial Performance
- Site Analyses
- Traffic Assessments
- Concept Designs with Cost Estimates
- Public Process Summary
- Funding Options
- Technical Reports

At their September 2014 meeting the Park Board reviewed the consultant report, received comment from interested citizens and developed a series of recommendations to the City Council, which included:

A. Park Board Facility Recommendations

As a result of extensive community, stakeholder, and program user input, an evaluation of the City's existing recreation programs and facilities, and an assessment of market conditions, the Park Board recommended the facility, henceforth known as the Aquatic, Recreation, and Community (ARC) Center, would include a community hall/banquet facility, caterer's kitchen/classroom, party room, arts rooms, gymnasium space, fitness room, studios, activity room, recreation pool, lap pool, hot tub, coffee bar, locker rooms, administrative office and other support spaces. The base facility size to accommodate these spaces was an estimated 87,000 square feet. The Park Board emphasized that the broad mix of facility components provided the greatest opportunity for the facility to annually generate the revenue sufficient to offset program and operating expenses, thus (as projected) eliminating a need for the facility to receive an ongoing general fund tax support.

Recommendation on specific facility components included:

1. Lap Pool Size:

A 32-meter x 13-lane competition/lap pool was determined by staff and the consultant as the "right size" based on a comparative analysis of features and benefits. However, the Park Board believed that the City should consider not only current demand but also the future aquatic needs of the growing Kirkland community. As a result, the Park Board recommended the 50-meter lap pool option, with the addition of a movable bulkhead to enhance operational flexibility.

2. Gymnasium Size:

To meet on-going demand for active indoor recreation space in Kirkland, the consultant provided an option and a recommendation to increase the size of the gym to accommodate two courts with an elevated walking/jogging track, or design the project to allow space for a future expansion. The Park Board concurred and recommended that the facility should include these as a base component of the ARC Center.

3. Community Hall:

The community hall would provide opportunities for local organizations, groups, and families to hold their larger events in Kirkland, rather than in surrounding communities. The consultant had included provisions for a facility serving up to 250 persons. The Park Board believed this to be insufficient capacity for many desired local events, and recommended increasing the Community Hall capacity to accommodate 300 persons, and also recommends incorporating an outdoor or roof-top deck as a desirable feature.

4. Energy and Environmental Design:

The Park Board recommended that the ARC Center should be designed to achieve a minimum LEED Silver certification. LEED, or Leadership in Energy & Environmental Design, is a green building certification program that recognizes best-in-class building strategies and practices.

With the addition of the recommended optional space components and features, the size of the ARC Center as recommended by the Park Board would total approximately 104,200 square feet.

B. Park Board Siting Recommendations

A comparative analysis of the NKCC and Juanita Beach sites completed by the consultant team and staff concluded that Juanita Beach was the site that best addressed the siting criteria developed for the project. These criteria included:

- | | |
|---------------------------------|---|
| ✓ Site Capacity (Size) | ✓ Site Aesthetics |
| ✓ Central Location | ✓ Neighborhood Context & Impacts |
| ✓ Prominent Siting & Visibility | ✓ Scale Relative to Neighboring Buildings |
| ✓ Availability of Utilities | ✓ Surrounding Land Uses |
| ✓ Soils & Construction Costs | ✓ Access to Public Transportation |
| ✓ Zoning Implications | ✓ Access for Non-Motorized |
| ✓ Adequate Parking Capacity | |

- ✓ Transportation
- ✓ Impacts on Existing Landscape
- ✓ Costs for Demolition & Relocation
- ✓ Required Grading

NKCC Site

Park Board members generally concurred with the consultant's findings that the NKCC site was not suitable for the proposed ARC Center. Primary concerns stressed by the Board were the insufficient size of the property and that the proposed facility would be out of scale with the surrounding predominantly single-family residential neighborhood.

Juanita Beach Site

The Park Board acknowledged the advantages of the Juanita Beach site relative to the NKCC site, particularly its size, setting, and scale/relationship to surrounding land uses. However, Park Board members expressed strong reservations about use of the site for the ARC Center. Park Board members identified these major concerns:

- Loss of important historical park open space;
- Perception that traffic congestion would worsen and could not be adequately mitigated;
- Opposition expressed by some neighbors, the neighborhood association, and historic preservation advocates;
- Selection of a controversial site could jeopardize a future ballot initiative.

Search for New Site Recommended by Park Board

The Park Board recommended that the City Council renew the search for a private site which would meet the needs of the project and generate broad community support. The Board recognized that acquisition of a private site could significantly increase project costs and take additional time. Nonetheless, the Board recommended that the City Council direct staff and the Board to spend more time with the community to explore other site options one last time.

The Park Board recommended that the City proceed expeditiously on the site selection process and that the City Council establish a timetable and deadline for final site selection. This timetable and deadline for site selection could perhaps be determined as a result of the Council's preferred timing for a potential funding ballot measure.

On September 16, 2014 the City Council was presented with the consultant's findings and conclusions related to the proposed ARC Center. The Council also received recommendations from the Park Board on siting preferences and desired facility components. As recommended by the Park Board, the Council expressed interest in pursuing possible alternative private sites for the ARC Center to be considered in addition to the north (ballfield) side of Juanita Beach and the North Kirkland Community Center. The City Council also expressed interest in having staff conduct additional broad community outreach and further pursue partnership opportunities. Resolution 5076 (**Exhibit E**) authorizing staff and the Park Board to conduct these tasks and providing additional funding was approved in October 2014.

A final report was scheduled to be considered by the Park Board and City Council in March of 2015.

Attachments

INTENT TO ENTER INTO
FUTURE POOL PARTNERSHIPS

RESOLUTION NO. 2166

WHEREAS, the Board adopted Resolution No. 2164 placing a bond measure on the February 2014 ballot;

WHEREAS, the bond measure is proposed in order to provide space for increasing enrollment and replacement of aging schools;

WHEREAS, the February 2014 measure includes funding for the modernization of Juanita High School, but does not include funding for the replacement of the pool currently sited on the Juanita High School campus known as the Juanita Aquatic Center;

WHEREAS, approximately 300 Lake Washington School District students participated in high school swim and dive teams using the Juanita Aquatics Facility and the Redmond Aquatic Center during the 2012-13 school year;

WHEREAS, the district values the swimming program in its athletic program;

WHEREAS, the district is nearing completion of the construction called for in the bond measure approved by the voters in February 2008, which provided funding for the district's Phase 2 modernization program;

WHEREAS, the district anticipates the projects in the Phase 2 modernization program to be completed for less than the currently allocated resources;

WHEREAS, should the upcoming 2014 bond measure not pass, these unspent monies will be needed for portables and other temporary student housing measures;

WHEREAS, should the upcoming 2014 bond measure pass, these unspent monies would be available to enter into pool partnership(s) with cities and/or other entities to fund a portion of pool projects which will enable use by high school swim and dive teams for practice and competition; and,

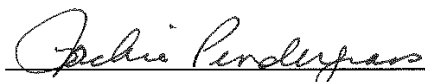
WHEREAS, the ability to repurpose unspent funds will require a formal public hearing be conducted prior to authorization by the Board of Directors.

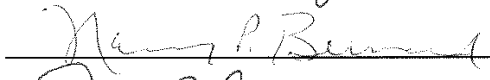
Intent to Enter into Future Pool Partnerships
Resolution No. 2166
September 9, 2013


NOW, THEREFORE, BE IT RESOLVED that the Board of Directors intends, should the 2014 bond measure pass, to authorize a portion of the unspent Phase 2 modernization funds for potential pool partnership(s) in order to benefit Lake Washington School District student athletes.

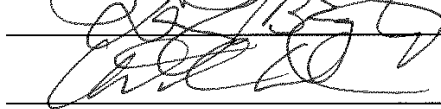
APPROVED by the Board of Directors of Lake Washington School District No. 414 in a regular meeting held on the 9th day of September 2013.

BOARD OF DIRECTORS
LAKE WASHINGTON SCHOOL DISTRICT NO. 414









Attest:


Secretary, Board of Directors

RESOLUTION R-5003

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AMENDING THE 2013-2014 CITY WORK PROGRAM TO EXPLORE OPTIONS TO REPLACE THE JUANITA AQUATIC CENTER.

WHEREAS, the City Council has adopted ten Goals for the City that articulate key policy and service priorities and guide the allocation of resources for Kirkland through the budget and capital improvement programs; and

WHEREAS, in 2013-2014 the City Council desires to spur job growth and economic development, retain a high quality of life in Kirkland, and provide efficient, cost-effective City services to an informed and engaged public; and

WHEREAS, to help achieve these purposes in 2013-2014, the Council prioritizes the Goals of Economic Development, Neighborhoods, Parks, Dependable Infrastructure, Balanced Transportation, Financial Stability and Public Safety; and

WHEREAS, the City Council believes it is appropriate to adopt a 2013-2014 City Work Program to help implement these priority Goals, identify the priority focus of the City of Kirkland's staff and resources, and enable the public to measure the City's success in accomplishing its major policy and administrative goals; and

WHEREAS, the 2013-2014 City Work Program is a list of high priority, major cross-departmental efforts, involving significant financial resources designed to maintain public safety and quality of life in Kirkland, as well as an effective and efficient City government; and

WHEREAS, on February 5, 2013, the City Council passed Resolution 4963 which established priority City goals and adopted the City's Work Program for 2013-2014; and

WHEREAS, Resolution 4963 acknowledged that because over the course of two years new issues might arise that required substantial City resources and City Council review, the adopted 2013-2014 City Work Program would be evaluated during the mid-biennial budget process to proactively determine whether emerging items could be accommodated, deferred, or if the City Work Program must be revised or reprioritized; and

WHEREAS, in August of 2013 the Lake Washington School District Board of Directors adopted a resolution to place a school bond measure on the February 2014 ballot; and

WHEREAS, the proposed 2014 school bond measure does not include funding for the replacement of the Juanita Aquatic Center, located at Juanita High School in Kirkland, and therefore the Aquatic Center will close as early as 2017; and

WHEREAS, the Juanita Aquatic Center is the sole public indoor, year-round aquatic facility in the Kirkland community which provides a variety of critical recreational, educational, competitive, and health and wellness activities for citizens of all ages; and

WHEREAS, in September of 2013 the Lake Washington School District Board of Directors adopted a resolution affirming its intent to enter into future pool partnerships with cities and/or other entities and resolving to authorize a portion of unspent existing school capital funds for potential pool partnerships should the 2014 school bond measure pass; and

WHEREAS, the City recognizes the critical importance of recreation programs and facilities which positively impact the social, health, and economic well-being of the community and make Kirkland, Washington an attractive and desirable place to live, work, play, and visit while contributing to its ongoing economic vitality; and

WHEREAS, the City is committed to partnering with the Lake Washington School District and other interested public and private organizations to explore options for replacing the Juanita Aquatic Center by 2017;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The 2013-2014 City Work Program is amended and adopted to include the following initiatives:

1. Revitalize the Totem Lake Business District through continued implementation of the Totem Lake Action Plan to further the goals of **Financial Stability** and **Economic Development**.
2. Partner with the private sector to attract tenants to Kirkland's major business districts to further the goal of **Economic Development**.

3. Reenergize neighborhoods through partnerships on capital project implementation and plan updates while clarifying neighborhood roles in future planning and transportation efforts to further the goal of **Neighborhoods**.
4. Complete the Comprehensive Plan update and incorporate new neighborhoods into all planning documents to further the goals of **Balanced Transportation, Parks and Recreation, Diverse Housing, Economic Development, Dependable Infrastructure** and **Neighborhoods**.
5. Implement the Development Services Organizational Review recommendations and simplify the Zoning Code to further the goals of **Economic Development** and **Neighborhoods**.
6. Develop a City-wide Multimodal Transportation Master Plan to further the goals of **Economic Development Neighborhoods, Balanced Transportation,** and **Dependable Infrastructure**.
7. Achieve Kirkland's adopted legislative agendas, with emphasis on securing transportation revenues and funding for the NE 132nd Street ramps to I-405 to further the goals of **Balanced Transportation** and **Dependable Infrastructure**.
8. Complete the Cross Kirkland Corridor Master Plan and construction of the Interim Trail to further the goals of **Economic Development, Parks, Neighborhoods** and **Balanced Transportation**.
9. Develop a cost effective 2015-2016 Budget that maintains Kirkland's AAA credit rating and implements an improved performance management system that delivers desired outcomes to further the goal of **Financial Stability**.
10. Continue partnership initiatives with employees to achieve sustainability of wages and benefits to further the goal of **Financial Stability**.
11. Complete construction and occupy the Public Safety Building to further the goal of **Public Safety**.
12. Continue implementation of the Fire Strategic Plan recommendations, including evaluation of a Regional Fire Authority and resolution of a consolidated Finn Hill Fire Station to further the goal of **Public Safety**.
13. Partner with the Lake Washington School District and other interested public and private organizations to explore options for replacing the

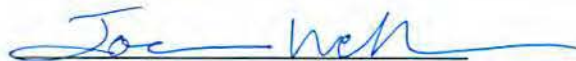
Juanita Aquatic Center by 2017 to further the goals of **Parks and Recreation**.

Section 2. The City organization shall demonstrate the operational values of regional partnerships, efficiency and accountability as the 2013-2014 City Work Plan is implemented.

Section 3. The City Manager is hereby authorized and directed to develop implementation steps and benchmarks for each initiative in the 2013-2014 City Work Program, prioritize resources and efforts to achieve those benchmarks, and periodically update the Council regarding progress on these efforts.

Passed by majority vote of the Kirkland City Council in open meeting this 17th day of September, 2013.

Signed in authentication thereof this 17th day of September, 2013.


MAYOR

Attest:


City Clerk

RESOLUTION R-5029

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND SELECTING SITES AND USES TO BE CONSIDERED FOR A POTENTIAL FACILITY TO REPLACE THE JUANITA AQUATIC CENTER AND DIRECTING THE PARKS AND COMMUNITY SERVICES DEPARTMENT TO SOLICIT RESIDENT INPUT.

WHEREAS, research indicates that swimming is an activity that provides considerable individual and community benefits: it improves general health and wellness; it can be continued for a lifetime; it allows those who are unable to walk or run the opportunity for exercise; it fills a recreational need for both individuals and families across all economic and social strata; and it improves community safety by enhancing water safety for our children; and

WHEREAS, the benefits of swimming promote an active and fit community that, in turn, ensures that Kirkland remains attractive as both an economically vibrant city and as a recreational destination; and

WHEREAS, aquatic facilities have been an essential part of the Kirkland community and culture for over 45 years, beginning with construction of Peter Kirk Pool in 1968, followed in 1971 with the construction of the Juanita Aquatic Center at Juanita High School; and

WHEREAS, since 2001 the City of Kirkland's Comprehensive Park, Recreation, and Open Space (PROS) Plan has identified the need for more multi-use recreation space in the community; and

WHEREAS, the 2007 Kirkland Indoor Recreation Feasibility Study described a prototype multi-use recreation center which would respond to community needs and interests and which included an aquatics facility component; and

WHEREAS, according to the standards of the National Recreation and Parks Association, the current aquatic facilities do not meet local needs; and

WHEREAS, Kirkland lacks aquatic facilities to more broadly serve its general population, especially in comparison with national statistics and trends; and

WHEREAS, in August of 2013 the Lake Washington School District Board of Directors adopted a resolution to place a school bond measure on the February 2014 ballot; and

WHEREAS, the proposed 2014 school bond measure does not include funding for the replacement of the Juanita Aquatic Center, located at Juanita High School in Kirkland, and therefore the Aquatic Center will close as early as 2017; and

WHEREAS, the Juanita Aquatic Center is the sole public indoor, year-round aquatic facility in the Kirkland community which provides a variety of critical recreational, educational, competitive, and health and wellness activities for residents of all ages; and

WHEREAS, in September of 2013 the Lake Washington School District Board of Directors adopted a resolution affirming its intent to enter into future pool partnerships with cities and/or other entities and resolving to authorize a portion of unspent existing school capital funds for potential pool partnerships should the 2014 school bond measure pass; and

WHEREAS, the City is committed to partnering with the Lake Washington School District and other interested public and private organizations to explore options for replacing the Juanita Aquatic Center by 2017; and

WHEREAS, in September of 2013 the City Council adopted a resolution amending the City's 2013-2014 Work Program to include studying options for replacement of the Juanita Aquatic Center and subsequently allocated funding for this purpose; and

WHEREAS, the Parks and Community Services Department has completed a preliminary evaluation of potential sites and presented its findings and conclusions to the City Council; and

WHEREAS, the City Council believes a new public aquatic facility must meet the needs of the Lake Washington School District as well as serve all members of the public from children to seniors and must provide programming including swim instruction, recreation and competition opportunities as well as wellness, fitness and rehabilitation options; and

WHEREAS, the City Council wishes to better understand the aquatic siting options, interests, and level of support by residents;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The Parks and Community Services Department is directed to:

1. Conduct further investigation and analysis of locations for a facility to replace the Juanita Aquatic Center, to

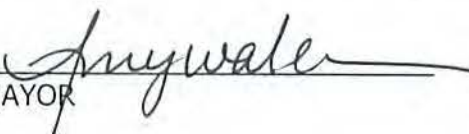
include, but not be limited to: Juanita Beach Park, South Norway Hill Park, and the North Kirkland Community Center.

2. Design a facility to serve needs of the Lake Washington School District as well as the broadest possible general public population.
3. Conduct outreach with the community and potential project partners on possible facility components as well as siting preferences.
4. Complete feasibility and cost analysis for converting Peter Kirk Pool to year-round use by 2017 as an interim solution.
5. Provide a report to the City Council with recommendations from the Park Board on facility components and siting by no later than April 1, 2014.

Section 2. The City Manager is authorized and directed to implement steps necessary to achieve these tasks.

Passed by majority vote of the Kirkland City Council in open meeting this 21st day of January, 2014.

Signed in authentication thereof this 21st day of January, 2014.


MAYOR

Attest:


City Clerk

RESOLUTION R-5050

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING ADDITIONAL ANALYSIS OF SITES AND USES TO BE CONSIDERED FOR A POTENTIAL FACILITY TO PROVIDE FOR THE RECREATION AND AQUATIC NEEDS OF RESIDENTS AND AUTHORIZING THE PARKS AND COMMUNITY SERVICES DEPARTMENT TO SOLICIT ADDITIONAL RESIDENT INPUT.

WHEREAS, since 2001 the City of Kirkland's Comprehensive Park, Recreation, and Open Space (PROS) Plan has identified the need for more multi-use recreation space in the community; and

WHEREAS, the 2007 Kirkland Indoor Recreation Feasibility Study described a prototype multi-use recreation center which would respond to community needs and interests and which included an aquatics facility component; and

WHEREAS, aquatic facilities have been an essential part of the Kirkland community and culture for over 45 years, beginning with construction of Peter Kirk Pool in 1968, followed in 1971 with the construction of the Juanita Aquatic Center at Juanita High School; and

WHEREAS, according to the standards of the National Recreation and Parks Association, the current Kirkland public aquatic facilities do not meet local needs; and

WHEREAS, Kirkland lacks recreation and aquatic facilities to more broadly serve its general population, especially in comparison with national statistics and trends; and

WHEREAS, the Lake Washington School District has determined that the Juanita Aquatic Center has reached the end of its useful life and has furthermore decided that the Aquatic Center will not be retained at the time of Juanita High School's modernization or replacement; and

WHEREAS, the Juanita Aquatic Center is the sole public indoor, year-round aquatic facility in the Kirkland community which provides a variety of critical recreational, educational, competitive, and health and wellness activities for residents of all ages; and

WHEREAS, the City is committed to partnering with interested public and private organizations to explore options for meeting the general recreation needs of Kirkland residents and for replacing the Juanita Aquatic Center; and

WHEREAS, the Parks and Community Services Department has completed a preliminary evaluation of potential sites and on April 1, 2014, presented its findings and conclusions to the City Council; and

WHEREAS, the City Council believes a new public recreation and aquatic facility must serve all members of the public from children to seniors and must provide programming, including instruction, recreation and competition opportunities as well as wellness, fitness and rehabilitation options; and

WHEREAS, the City Council wishes to better understand the recreation and aquatic facility siting options, interests, and level of support by residents;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

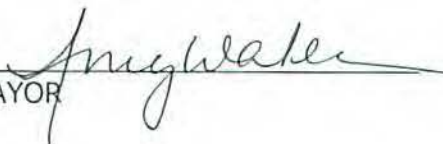
Section 1. The Parks and Community Services Department is authorized to:

1. Conduct further investigation and analysis of Juanita Beach Park and the North Kirkland Community Center as locations for a community recreation and aquatic facility.
2. Conduct technical analyses for both sites to include an environmental assessment and completion of traffic studies, building massing studies, and cost estimating.
3. Conduct outreach with the community and potential project partners on possible facility components as well as siting preferences.
4. Provide a report to the City Council with recommendations from the Park Board by July 15, 2014, or as soon as possible thereafter.
5. Upgrade the boiler at Peter Kirk Pool to allow year-round heated use as an interim facility should a new recreation and aquatics center not be constructed and opened prior to closure of the Juanita Aquatics Center.

Section 2. The City Manager is authorized and directed to implement steps necessary to achieve these tasks.

Passed by majority vote of the Kirkland City Council in open meeting this 6th day of May, 2014.

Signed in authentication thereof this 6th day of May, 2014.


MAYOR

Attest:


City Clerk

RESOLUTION R-5076

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING ADDITIONAL SEARCH FOR AND ANALYSIS OF SITES TO BE CONSIDERED FOR A POTENTIAL FACILITY TO PROVIDE FOR THE RECREATION AND AQUATIC NEEDS OF RESIDENTS AND AUTHORIZING THE PARKS AND COMMUNITY SERVICES DEPARTMENT TO SOLICIT ADDITIONAL COMMUNITY INPUT.

WHEREAS, since 2001 the City of Kirkland's Comprehensive Park, Recreation, and Open Space (PROS) Plan has identified the need for more multi-use recreation space in the community; and

WHEREAS, the 2007 Kirkland Indoor Recreation Feasibility Study described a prototype multi-use recreation center which would respond to community needs and interests and which included an aquatics facility component; and

WHEREAS, aquatic facilities have been an essential part of the Kirkland community and culture for over 45 years, beginning with construction of Peter Kirk Pool in 1968, followed in 1971 with the construction of the Juanita Aquatic Center at Juanita High School; and

WHEREAS, according to the standards of the National Recreation and Parks Association, the current Kirkland public aquatic facilities do not meet local needs; and

WHEREAS, Kirkland lacks recreation and aquatic facilities to more broadly serve its general population, especially in comparison with national statistics and trends; and

WHEREAS, the Lake Washington School District has determined that the Juanita Aquatic Center has reached the end of its useful life and has furthermore decided that the Aquatic Center will not be retained at the time of Juanita High School's modernization or replacement; and

WHEREAS, the Juanita Aquatic Center is the sole public indoor, year-round aquatic facility in the Kirkland community which provides a variety of critical recreational, educational, competitive, and health and wellness activities for residents of all ages; and

WHEREAS, the City is committed to partnering with interested public and private organizations to explore options for meeting both the current and future general recreation needs of Kirkland residents and for replacing the Juanita Aquatic Center; and

WHEREAS, the City Council believes a new public recreation and aquatic facility must serve all members of the public from children to seniors and must provide programming, including instruction, recreation

and competition opportunities as well as wellness, fitness and rehabilitation options; and

WHEREAS, on September 16, 2014, the Parks and Community Services Department and Park Board presented findings and recommendations to the City Council for a proposed Aquatic, Recreation, and Community (ARC) Center, including recommendations on facility components and siting preferences; and

WHEREAS, as a result of extensive community, stakeholder, and program user input, an evaluation of the City's existing recreation programs and facilities, and an assessment of market conditions, the Park Board's recommended ARC Center would include a 300-person community hall/banquet facility with outdoor/rooftop deck, caterer's kitchen/classroom, party room, arts rooms, a two-court gymnasium with elevated walking/jogging track, fitness room, studios, activity room, recreation pool, 50-meter lap pool, therapeutic hot tub, coffee bar, locker rooms, administrative office and other support spaces; and

WHEREAS, such a broad mix of facility components not only responds to the current and future health and wellness needs and interests of residents but also provides the greatest opportunity for the facility to annually generate the revenue sufficient to offset program and operating expenses, thus reducing a need for the facility to receive an ongoing general fund tax support; and

WHEREAS, a report commissioned by the Parks and Community Services Department analyzed the north (ballfield) portion of Juanita Beach Park and the North Kirkland Community Center sites as potential locations for the ARC Center and concluded that Juanita Beach Park is a suitable and preferred location; and

WHEREAS, the Park Board has recommended that the City pursue additional sites which may be preferable to Juanita Beach Park and the North Kirkland Community Center site; and

WHEREAS, the City Council concurs with the Park Board and wishes to consider additional siting options for the proposed ARC Center, including potential to-be-identified private properties, and wishes to better understand how the facility could be successfully integrated into Juanita Beach Park.

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The Parks and Community Services Department is authorized to:

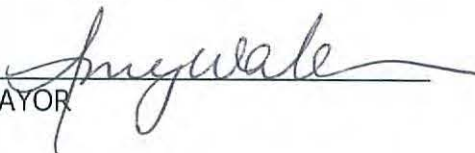
1. Conduct further investigation and analysis of potential sites for the proposed ARC Center.

2. Complete additional conceptual design analysis to demonstrate how the proposed ARC Center could be successfully integrated into Juanita Beach Park.
3. Conduct additional broad outreach with the community, including business interests and all neighborhoods, to inform about the proposed facility, to solicit siting preferences, and to better understand level of interest and support. Outreach efforts shall include public meetings, informational brochures, telephone surveys, and additional outreach to key stakeholders and interested parties.
4. Further explore partnership opportunities and parameters with interested community organizations.
5. Further explore potential financing mechanisms and timelines, including those that require voter approval, in compliance with all state laws and regulations.
6. Provide a report to the City Council with recommendations from the Park Board by March 17, 2015, or as soon as possible thereafter.

Section 2. The City Manager is authorized and directed to implement steps necessary to achieve these tasks.

Passed by majority vote of the Kirkland City Council in open meeting this 21st day of October, 2014.

Signed in authentication thereof this 21st day of October, 2014.


MAYOR

Attest:


City Clerk

MEMORANDUM OF UNDERSTANDING
between
KING COUNTY
and the cities of
BELLEVUE, KIRKLAND, and REDMOND

This Memorandum of Understanding (“MOU”) is made by and between King County, a home rule charter county, through the Parks and Recreation Division of its Department of Natural Resources and Parks (“County”), and the Cities of Bellevue (“Bellevue”), Kirkland (“Kirkland”), and Redmond (“Redmond”), each a municipal corporation in Washington state, to specify the terms and conditions under which the County and the cities (hereinafter, the “Parties”) will cooperate to improve the state of aquatic facilities and opportunities in King County, Washington.

RECITALS

WHEREAS, King County, Washington possesses significant inland and coastal water resources, including 100 miles of marine shoreline, 760 lakes and reservoirs, and 975 wetlands; and

WHEREAS, drowning is the second leading cause of unintentional death for youth (age 1-17) in the state and represents a public health issue that demands attention and commitment of civic resources; and

WHEREAS, swimming instruction is associated with an 88 percent reduction in drowning of children according to a 2009 study published in the Archives of Pediatrics and Adolescent Medicine (Brennar, R. et al., Association between swimming lessons and drowning in childhood: A case-control study. 163(3): 203-210); and

WHEREAS, the American Academy of Pediatrics recommends all children over six should learn to swim (Saluja, G. (2006). Swimming Pool Drownings among US Residents Aged 5-24 years: Understanding Racial Disparities. American Journal of Public Health); and

WHEREAS, the cities of Kirkland, Redmond and Bellevue have individually completed a needs assessment and market analysis of aquatics for their individual cities; and

WHEREAS, representatives of the Parties have met multiple times since 2016 specifically to explore opportunities to collectively develop public aquatic facilities which address public health, safety, and recreational needs within each party’s constituencies; and

WHEREAS, the Revised Code of Washington (RCW) 36.01.010, state statute authorizes the County to make such contracts as may be necessary to the exercise of its corporate or administrative powers, and King County Charter Article 1, Section 120, authorizes the County, in the exercise of its powers and the performance of its functions and services, to agree by contract to cooperate with any one or more other governments, and to share the responsibilities of such powers, functions, and services; and

WHEREAS, code cities organized under RCW Title 35A, have the powers and authority afforded a municipal corporation under Washington state law to cooperate with other governmental

agencies, counties or cities to acquire, finance, improve, and use land or other property for civic purposes; and

WHEREAS, the 2017/2018 Adopted King County Adopted Budget includes Two Million Dollars (\$2,000,000) in King County Youth and Amateur Sports Facilities of anticipated bond funding to support a capital project for a regional aquatics facility serving the community on the east side of Lake Washington;

NOW THEREFORE, the Parties desire to memorialize their intent to work cooperatively with respect to the following:

A. Purpose; Commitments. The Parties are engaged in an ongoing, forward-looking dialogue to address the unmet need for public recreational aquatic facilities (“public aquatics”) in the northeast region of King County. This MOU provides summary of these discussions to date, and identifies the Parties’ key commitments toward a shared goal of improving the current state of public aquatics:

- 1) Each party shall complete a preliminary assessment identifying suitable sites within their jurisdictions for both regional and local public aquatics.
- 2) Parties agree to then cooperate and share all pertinent information relevant to public aquatics, including prior needs assessments and market analyses.
- 3) King County shall be responsible for engaging a consultant to develop a public aquatics assessment (the “Feasibility Study”), to include:
 - o analysis of each party’s individual public aquatics need,
 - o identifying potential synergies, cost-sharing opportunities,
 - o creating an evaluation framework for site selection (for example: travel time, population density, demographics, etc.),
 - o capital cost estimates for one (1) regional facility and up to three (3) local facilities, and
 - o financing recommendations.
- 4) Deliver the Feasibility Study to the elected officials of each party to determine a future course of action.

B. Feasibility Study Funding. Each party agrees to contribute Fifteen Thousand Dollars (\$15,000) for the sole purpose of developing the Feasibility Study contemplated in this MOU. The Parties shall timely remit funds upon request by King County.

C. Term. The term of this MOU shall commence on the date it is fully executed by the Parties, and shall expire one-hundred-twenty (120) days following the completion of the Feasibility Study.

D. Liaisons; Notices. As between the Parties, all communication, notices, coordination and other aspects of this MOU shall be managed by each party's designee, currently the following individuals:

<p>King County Parks and Recreation Division Jessica Emerson, Section Manager 201 S. Jackson Street, Suite 700 Seattle, WA 98104-3855 207-477-4563 jessica.emerson@kingcounty.gov</p>	<p>City of Bellevue Parks & Community Services Patrick Foran, Director 450 110th Avenue NE Bellevue, WA 980004 425.452.5377 pforan@bellevuewa.gov</p>
<p>City of Kirkland Parks and Community Services Lynn Zwaagstra, Director 123 5th Avenue Kirkland, WA 98033 425.587.3301 lynnz@kirklandwa.gov</p>	<p>City of Redmond Parks and Recreation Maxine Whattam, Director 15670 NE 85th Street Redmond, WA 98052 425.556.2310 mwhattam@redmond.gov</p>

E. MOU Limitations. The Parties, by and through their undersigned representatives, understand, acknowledge and agree that this MOU creates an agreement to continue to plan in good faith through the end of the Term, PROVIDED that this MOU does not preclude any party pursuing other opportunities or partnerships simultaneously and the Parties also understand, acknowledge and agree that this MOU creates no other legal right, obligation or cause of action, and the Parties expressly agree that this MOU does not bind or otherwise require the Parties to authorize or to execute an agreement to develop public aquatics infrastructure. Nothing in this MOU shall create any legal right, obligation or cause of action in any person or entity not a party to it.

F. Counterparts. This agreement may be signed in any number of counterparts, each of which is an original, and all of which taken together constitute one single document.

IN WITNESS WHEREOF, the Parties have executed this Memorandum of Understanding.

[SIGNATURE PAGES FOLLOWS]

2018 – Memorandum of Understanding
Public Aquatic Facility Development

King County, Bellevue, Kirkland, Redmond
Page 4 of 7

Approved by:

KING COUNTY

for 


Kevin R. Brown, Director
Parks and Recreation Division

8/15/18

Date

Approved by:

CITY OF BELLEVUE



Brad Miyake, City Manager
City of Bellevue

8-9-18

Date

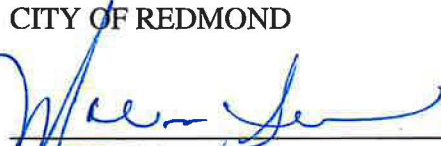
Approved as to form:

By: 
Assistant City Attorney

Date: 8/8/18

Approved by:

CITY OF REDMOND



for John Marchione, Mayor
City of Redmond
5/16/18

Date

Approved by:

CITY OF KIRKLAND



Kurt Triplett, City Manager
City of Kirkland

5/23/18
Date



REGIONAL AQUATICS REPORT

CITIES OF BELLEVUE, KIRKLAND, & REDMOND

OCTOBER 2019

PREPARED BY
Parametrix



Regional Aquatics Report

Prepared for

King County, City of Bellevue, City of Kirkland, and City of Redmond

Prepared by

Parametrix

719 2nd Avenue, Suite 200

Seattle, WA 98104

T. 206.394.3700 F. 1.855.542.6353

www.parametrix.com

CITATION

Parametrix. 2019. Regional Aquatics Report.
Prepared by Parametrix, Seattle, WA.
October 2019.

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ACRONYMS AND ABBREVIATIONS

CPG	Community Partnerships and Grants
LEED	Leadership in Energy and Environmental Design
MOU	Memorandum of Understanding
PDA	Public Development Authorities
RCO	Recreation and Conservation Office
WKCAC	Weyerhaeuser King County Aquatics Center
WSDOT	Washington State Department of Transportation

EXECUTIVE SUMMARY

King County, together with the Cities of Bellevue, Kirkland, and Redmond (the Parties), partnered to explore the development of aquatics facilities on the greater Eastside. The pools in Bellevue, Kirkland, and Redmond that were funded by Forward Thrust in the 1960s are approaching the end of their useful lives and need to be replaced.

This study investigated different approaches to develop regional and local aquatic centers and determine what would work best to serve the greater Eastside population. This specifically explored the following topics:

- Existing aquatics facilities serving the population
- Need and demand for aquatics on the greater Eastside
- Estimates of capital costs for one regional facility and up to three local facilities
- An evaluation framework for site selection (e.g., locations' site conditions, access)
- Potential partnerships and cost-sharing opportunities
- Funding options
- Financing recommendations

Bellevue, Redmond, and Kirkland, over the past 10 years, have conducted studies to evaluate the market, need, public interests, and scope of potential future aquatics facilities, but beyond maintenance improvements, no new aquatic facilities have been built. A number of vitally important functions to the community are provided by aquatics facilities, including water safety education, recreation, aquatic sports, and community space for lessons and events. Water safety is critically important, especially for the Eastside communities which are on or near the waterfront. Beyond water safety, swimming pools offer a means of social interaction, stress relief, fitness, sports, and community building, and can help people in the community who have special needs.

The population of the Eastside communities has more than doubled in the last 50 years, and no new public pools have been built within Bellevue, Redmond, or Kirkland during that time. Given the nearly half-million people living within an Eastside service area and with continued population growth predicted, there is a significant local market that could support new aquatic centers.

The existing public pools are generally more conventional in nature; they have deeper single water bodies which don't allow setting different water temperatures for different uses, they don't have the features that best serve a population with diverse ages and abilities, and the buildings do not support uses and programs that modern facilities need to offer. None of the cities has a contemporary leisure pool with today's standards, and demand for these types of features is growing.

The Parties developed the following set of goals that recognize public need, demand, and priorities to guide decision-making for location, facility type, programming, and operations:

Goals for a Regional Aquatics Facility

- Improve public health, wellness, and safety
- Provide greater opportunities for aquatic sports
- Build community and keep residents of all ages and abilities healthy
- Achieve financial sustainability

- Provide equity and accessibility for all
- Create economic vitality through development goals
- Form partnerships that further all of the above-listed goals

This report discusses various financing methods that could be considered. It is thought that multiple strategies would be needed and could be used in combination to secure capital funding required.

To better understand funding options, an example levy/bond model was completed based on capital construction of three different options for aquatics on the greater Eastside:

1. Three local pools (one in each city)
2. A regional pool only
3. One regional pool and two smaller pools

A central question of whether it will be advantageous for the Parties to partner to develop and operate facilities, or if each City should develop its own facility with or without the addition of a regional facility, is discussed along with additional types of partnerships for successful development, operation, and programming of aquatic facilities.

Potential sites for aquatic facilities are identified and refined to a set of locations focused primarily on publicly owned properties. Additional or alternative sites may be identified as this process moves forward. The working group assessed the selected sites for suitability of aquatics facility development based on the agreed-upon site location criteria.

Aquatics facilities are cherished community assets and vital safety, fitness, and education resources. Renewing our investment is necessary to continue this commitment using today's understanding of programming, operations, and facility design to meet the diverse demands and needs of our communities.

1. INTRODUCTION

It has been 50 years since the Forward Thrust bond propositions were approved by voters to fund construction of 16 pools in King County. The public pools in Bellevue, Kirkland and Redmond are like most of the other Forward Thrust pools—well past their prime and needing either major renovations or closure. The population for which these pools were built has more than doubled since 1970. It is generally accepted that there is a regional shortage of available pool space for swimming lessons, water safety training, fitness, school and club competitions, and for aquatic therapy and wellness programs.

This report has been prepared to further the goals of a Memorandum of Understanding (MOU) between King County and the Cities of Bellevue, Kirkland, and Redmond (the Parties) to study and investigate the development of publicly funded aquatics facilities within the three cities and portions of unincorporated King County, all of which are located within the portion of the greater Seattle metropolitan area known as the Eastside. The Parties seek to determine whether they support partnering to develop regional and local aquatic centers, or if a more feasible approach would be for each to develop aquatics facilities independently.

A working group including parks management staff from the Parties has met twice monthly for several months to discuss development of new local aquatics facilities with smaller service areas, as well as a new larger regional aquatics facility to serve the broader Eastside. In addition, several key stakeholders provided valuable information to the Parties including representatives from the following:

- Wave Aquatics, which operates pools in Redmond and Kirkland
- Splash Forward, an aquatics interest group
- Bellevue School District
- Lake Washington School District

The following were accomplished:

- Information was shared about local city facility development plans, which included market analysis, community feedback, and design consideration for aquatics facilities.
- Parties discussed the need and demand for a regional model, shared public priorities and demographic data, and identified potential service areas for new facilities.
- Goals and objectives were established for facility programs, development, and operations.
- Building components were defined for a new regional aquatics facility, including pool types, pool sizes, and dry-side supporting areas.
- A common set of criteria were determined for aquatics facility site selection.
- Potential sites appropriate for development of regional and local aquatics centers were identified and prioritized for local and regional facilities.
- Preliminary capital costs and funding models were evaluated.

Input from the working group informed this report to support decision-makers and the public on how to move forward with aquatics facility development, and also to inform on a potential modern aquatics center. This report also draws from studies conducted by each of the Cities. The studies include proposed plans for developing aquatics facilities, as well as information from public open houses, stakeholder meetings, surveys, and online polls regarding demographics, public priorities, and demand for aquatics facilities.

The purpose and function of the aquatics facility as a community center and resource has evolved and changed over time. The history of aquatics center development in the northwest shows that pools were built primarily as a single-purpose outdoor pool or as a pool in a building with only a few extra community spaces or amenities for non-aquatic-related programs. Today, an aquatics facility typically involves many community center functions such as meeting spaces, gyms, classrooms, and even medical facilities for physical therapy or wellness-focused programs. This report includes examples of how this broader approach can develop the facility into a valuable community resource while attracting greater involvement from private and public partnerships for programming, operations, and help with facility development.

Central to this report is an analysis of financing aquatic facilities development. The analysis works to identify best strategies and to determine whether it's better for the Parties to work together to build new local and regional facilities, or whether each party should develop facilities separately. Financing scenarios were developed for both approaches to inform decision-makers and the public of the potential cost impacts.

The report concludes by identifying information gaps that would benefit from more analysis, along with a discussion of methodologies for developing and building new aquatics facilities.

2. EXISTING CONDITIONS

There is one public outdoor pool, Peter Kirk Pool, and three publicly operated indoor public pools within the greater Eastside area—Bellevue Aquatic Center, Redmond Pool, and Juanita High School Pool—all of which are nearing the end of their service lives. These pools were developed by King County with Forward Thrust bond funding, with ownership transferred later to the Cities from the County.

2.1 Peter Kirk Pool (Kirkland)

Community volunteers originally built Peter Kirk Pool located near downtown in the late 1960's. The City of Kirkland operates the seasonal outdoor pool (June-September) 220,000-gallon public swimming facility, which includes a wading pool and main pool. Wading Pool is 1-foot to 2.5-feet deep. The main pool is "L" shaped with depths of 3.5-feet to 12-feet, it includes a diving area, and six 25-yard swimming lanes. The facility is located in Peter Kirk Park that lies in the heart of downtown Kirkland. The seasonal pool programming includes swimming lessons, swim team, dive team, open swim sessions and a variety of other water events and activities.



Figure 1. Peter Kirk Pool

2.2 Juanita High School Pool (Kirkland)

The pool at Juanita High School was constructed in 1971, along with the original high school. Juanita High School is currently under construction, with new school buildings to be completed in 2020. The pool remains intact, along with the attached field house, and no major improvements are scheduled. Operated by Wave Aquatics since 2009, the six-lane, 40-yard pool includes two diving boards with a bulkhead separating the pool into a 25-yard lap/competition pool and a shallow end. Juanita hosts four high school swim teams, as well as club swimming, diving, masters, swim lessons, water polo, public lap swims and open swims, rentals and more. The pool building also includes a balcony viewing area for swim meets.



Figure 2. Juanita High School Pool

2.3 Bellevue Aquatic Center

Despite being 50 years old, the Bellevue Aquatic Center is in good operating and structural condition and has been consistently refurbished over the years. The City of Bellevue Parks facility features six 25-yard lap lanes and an attached 13-foot dive tank with a diving board and water slide. The pool is used for open, lap, and masters swims; water aerobics; swim lessons; and swim team practices. The six-lane pool no longer meets basic standards for swim meets due to shallow depth. A separate 3,800-square-foot therapy pool was added in 1997 and is used for water therapy, swim lessons, and open swims. The therapy pool is maintained at 92 degrees and is very popular, featuring a wheelchair ramp, gradual entry, and two lifts.

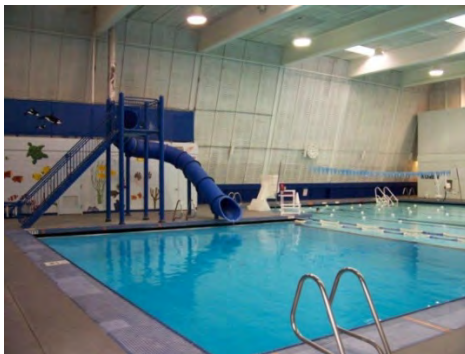


Figure 3. Bellevue Aquatic Center

2.4 Redmond Pool

The Redmond Pool was built in 1972 and is located in Hartman Park. The facility features six 25-yard lap lanes with a diving board. A bulkhead divides the lap lanes from a shallow portion of the pool. The lap lanes are used for recreational swimming, swim teams and masters swims, advanced swim lessons, water polo and other activities. The shallow end is typically used for swim lessons and water aerobics. The City of Redmond invested in major improvements of the mechanical, electrical, and plumbing systems in 2018, and is improving the restrooms, pool deck, and Americans with Disabilities Act (ADA) accessibility in 2019. However, these improvements do not add capacity to meet demand for lap, leisure, or therapy uses.



Figure 4. Redmond Pool

3. PAST STUDIES

Each of the three Cities has conducted studies to evaluate the market, need, public interests, and scope and scale of potential future aquatics facilities over the past 10 years. The following are brief summaries of the findings.

3.1 Bellevue

Bellevue completed an Aquatic Center Feasibility Study in 2009 (City of Bellevue 2009) that (1) explored a range of facility options with estimated financial performance; (2) analyzed the current aquatic market; (3) conducted a preliminary site analysis; and (4) explored a range of financing options. Bellevue City Council expressed support for a high-profile, comprehensive aquatic facility (Option D: Regional Aquatic Center) and directed staff to explore potential partnerships. Because of the general lack of partner interest coupled with the severe impacts of the recession, Bellevue ceased further exploration of aquatics alternatives at that time.

In November 2018, Bellevue approved a professional services agreement with ARC Architects to provide updated technical information to help the City determine whether, and to what extent, the City wishes to proceed with a new regional aquatic center. It is expected that this feasibility study update will be completed by the first quarter of 2020.

3.2 Kirkland

The City of Kirkland has conducted numerous studies over the years pertaining to community needs for aquatics and recreation center space. This includes the following:

- 2001 Kirkland Survey of Indoor Recreation Needs (Carolyn Browne Associates 2001)
- 2013 Kirkland Telephone Survey (EMC Research 2013)
- 2014 Kirkland Aquatics, Recreation & Community Center Concept Plan (City of Kirkland 2014)

The purpose of these studies was to gather input on community needs for recreation programming, recreation center space, and aquatic facility space. Each of these studies identified a strong interest in both recreation and aquatic space, with aquatics being a top priority for the community. In each study, over 80 percent of Kirkland residents indicated support for building a recreation and aquatic center. The studies resulted in a concept design to build this new facility for the community.

In November 2015, a ballot measure was taken to the voters: Proposition 1 Formation of Kirkland Aquatics and Recreation District. This initiative sought voter approval for the development of a municipal park district for the purpose of funding and building an aquatic and recreation center. This voter initiative did not achieve the simple majority needed for approval. Feedback provided by the “no-vote campaign” indicated the primary objection was the funding mechanism and not construction of the facility itself. Various community members representing the campaign indicated a preference for a bond initiative over a municipal park district.

3.3 Redmond

Redmond evaluated the pool condition and options for replacing and renovating the pool between 2009 and 2019. Following the 2017 completion of the Community Priorities for the Future of Redmond’s Community Centers report (City of Redmond 2017), the City Council prioritized the renovation of the existing pool in order to maintain continuous service and evaluation of a regional partnership to address capacity issues. In 2018–19, the City began work to renovate the Redmond Pool including mechanical, electrical, plumbing, and user experience upgrades. The work is expected to be complete by the end of 2020. This project does not increase capacity of water or types of programs.

4. NEED FOR AQUATIC FACILITIES

Aquatics facilities provide a number of vitally important functions to the community, including water safety education, recreation, aquatic sports, and community space for lessons and events. Water safety is critically important, as drowning is a leading cause of death for children under 5 years of age, especially for the Eastside communities which are on or near the waterfront. Formal swimming lessons are associated with an 88 percent reduction in the risk of drowning for children ages 1 to 4 years.

Beyond water safety, swimming pools offer a means of social interaction, relaxation and stress relief. They give an opportunity to participate in aerobic, yet low-impact exercise. Swimming pools bring people together and help build community. Competition and camaraderie with other groups in tournaments and swim meets helps a community come together for a common goal. Having a therapeutic or ADA-approved pool helps people in the community who have special needs.

Aquatics facilities and programming accommodate different age groups and ability types, some of which have significantly different needs from each other:

- Pre-school children – generally needs zero-depth, warm water designed for interactive play with parents.
- School-aged children – a wide range of needs, from recreational swimming to learn-to-swim programs and competition.
- Teens – similar to school-aged requirements, with greater emphasis on recreational elements and designated “teen” use.
- Families – facilities that encourage multiple ages to participate in fun, interactive activities.
- Seniors – requires an increasing range of services, including aqua exercise, lap swimming, therapeutic conditioning, and selected learn-to-swim programs.
- Competitors – mainly school-aged through teen, with activities ranging from swim and dive teams to water sports.
- Special needs population – requires warm, shallow water features and amenities.

5. DEMOGRAPHICS

Understanding the demographics of an area is important for determining the type and number of aquatics centers a vicinity could support. Population growth, age distribution, and percentage of residents with disabilities are factors that must be considered.

The Eastside population is growing steadily, but at a slightly slower rate than King County overall or the state of Washington as a whole. Table 1 shows the population in 1970 near when all the areas public pools were built, in 2017 (near present day), and in 2035 (projected). Populations have more than doubled since the early 1970s when the still-operating public Eastside pools were built.

Another population segment of possible aquatics facility users are the people who commute into the area for work; workday population in some areas increases significantly by more than 100 percent.

Table 1. Population Data

Year	Bellevue	Kirkland	Redmond	Cities Total
1970	61,196	15,070	11,020	87,286
2017 *	144,201	88,388	64,291	297,635
2035 **	164,000	101,000	73,000	338,000
Workers living outside of city ***	99,978	Not available	Not available	

*Some increase is due to annexing of unincorporated areas.

**Increase of 13.7%.

***Estimated 2017 number of workers who live outside of the city

5.1 Age Distribution and Disabilities

Age distribution has implications for the target market and type of programming planned for recreational facilities. According to 2017 U.S. Census data, the age distribution in the Parties’ area is slightly younger than for the state as a whole (see Table 2).

Table 2. Age Distribution

	Under 5 years	Under 18 years	18 to 65	65 and older
Cities Combined	6.8%	21.3%	66.5%	12.2%
Washington	6.2%	22.2%	62.7%	15.1%

Source: U.S. Census Bureau

The percentage of the population with disabilities is also a factor. As reported in the Kirkland Parks, Recreation & Open Space Plan, referred to herein as the Kirkland 2015 PROS Plan (City of Kirkland 2015a), the 2010 Census reported that 13 percent of Kirkland's population aged 5 years and older has a disability that interferes with life activities. See Table 3 for percentages by age range.

Table 3. Percentage of Population with Disabilities

	% of Total Population	Age					
		Under 5	5 to 17	18 to 34	35 to 64	65 to 74	Over 75
Bellevue, Kirkland Combined*	8.3	0	3.6	4.3	7.0	17.0	50.0
Washington	12.9	1	5.5	6.7	12.8	25.8	51.8

*Data specific to Redmond not available from the American Community Survey Data.

6. TRENDS

Contemporary aquatics facility development and programming has responded to the needs of the diversity of ages and abilities that can benefit from recreation at an aquatic facility with swimming lessons, exercise classes, therapy sessions and other innovative programming. However, the many single-purpose, conventional indoor swimming pools built throughout the County as part of the Forward Thrust Bond Program in the 1970s are simple rectangular pools and are not best suited to accommodate the needs of modern programs.

The contemporary leisure pool has been the most dominant trend in the aquatics industry; incorporating water slides, current channels, play equipment, zero-depth entry and interactive water amenities has proven popular with the recreational swimmer, particularly young children and families. The other important trend has been the expansion of the aquatics center beyond being just a pool, but now serving as a multi-functional community center that provides an array of recreational amenities including sports, fitness, aquatics, and other facilities. This contemporary approach to aquatic facility development has had many benefits: supporting development of programming that better serves a diverse range of needs and abilities; realizing better operational cost-recovery rates compared to standalone aquatic facilities; and providing more and better opportunities for developing public and private partnerships which can support facility development, operations and programming.

7. DEMAND

For the purpose of this report, demand is defined as the number of current users together with the number of people who cannot be served due to limited facility capacity or features. With no new public pools built within Bellevue, Redmond or Kirkland in the last 50 years, and with the population more than doubling during that time, it is reasonable to expect there would be unmet demand for pools.

Additionally, the pools built by Forward Thrust are generally more conventional in nature; they have deeper single water bodies which don't allow different water temperatures for different uses, and they don't have the features that best meet demand for the diversity of uses and programs that modern facilities need to serve. None of the cities has a contemporary leisure pool with today's standards; there is just one warm water therapy pool, and demand for these types of features is growing.

The Trust for Public Land compiles data and reports periodically on access to parks and recreation facilities across the country. The 2014 City Park Facts report (The Trust for Public Land 2014) reported on the number of indoor and outdoor pool facilities per 100,000 residents for the 100 largest U.S. cities.

The number of aquatics facilities in the Eastside service area currently falls below the median national average of one indoor or outdoor pool facility per 50,000 residents. This national average applied to the greater Eastside service area with a population of approximately one-half million would predict 10 facilities. If the Cities of Bellevue, Kirkland and Redmond with a combined population of approximately 300,000 met the national facility average, there would be 6 facilities—now there are 3 between the cities.

Local observations support the national statistics as there is a well-recognized shortage of pool time for school and club teams, as only 3 community-operated indoor and 1 outdoor public pools remain within the greater Eastside area: Bellevue Aquatic Center, Juanita High School Pool, Redmond Pool and Peter Kirk all of which are nearing the end of their service lives. Growth in many aquatics organizations is capped due to a lack of pool time, and most teams travel long distances to substandard facilities for meets and practices. Many private facilities extend their seasons into the fall and winter to accommodate the need for pool time.

Another source of demand information is latent demand such as people on wait lists, overcrowding of programs, and people unable to participate in a program because the type of facility they need is not locally available. It is necessary to travel to Federal Way to access the closest dive tank with diving boards, platforms and dedicated area for diving. Eastside is experiencing overcrowding in competitive swimming. Seventeen public high schools with competitive swimming programs in the Bellevue, Lake Washington, North Shore, Issaquah, and Mercer Island school districts use existing pools for practicing, swimming, diving, synchronized swimming meets, and water polo. In addition to the high school teams, nine swim clubs in the area with competitive swim teams use local facilities. See Appendix B for a list of pools used for practice and swim meets by high school and club swim teams.

8. GOALS AND OBJECTIVES

The working group developed the following set of goals and objectives for new Eastside aquatics facilities that recognize public need, demand and priorities to guide decision-making for location, facility type, programming, and operations:

- | <u>Goals and Objectives for a Regional Aquatics Facility</u> | ➤ Goal | • Objective |
|--|--------|---|
| ➤ Improve public health, wellness, and safety | | <ul style="list-style-type: none"> • Provide facilities for swim lessons, water safety, and drowning prevention • Provide facilities for aquatic recreation • Provide fitness, special needs, and therapeutic facilities |
| ➤ Provide greater opportunities for aquatic sports | | <ul style="list-style-type: none"> • Provide aquatic sports facilities for practice and local and regional competition (not state or national level) |
| ➤ Build community and keep residents of all ages and abilities healthy | | <ul style="list-style-type: none"> • Provide a facility and services that are welcoming to the community • Create a destination experience |
| ➤ Achieve financial sustainability | | <ul style="list-style-type: none"> • Develop a facility with low energy costs and efficient operations • Plan facility spaces and programming that support cost-recovery goals |
| ➤ Provide equity and accessibility for all | | <ul style="list-style-type: none"> • Configure funding/pricing so participation and access are not precluded because of inability to pay • Place facility in an accessible location and provide accessible building design |
| ➤ Create economic vitality through development goals | | |
| ➤ Form partnerships that further all of the above-listed goals | | |

9. SERVICE AREAS AND MARKET FORCES

Swimming remains a very popular activity. Based on statistics compiled by the National Sporting Goods Association, nearly 19 percent of the population in the Pacific region participates in swimming, with users participating on the average of nearly once per week. Nearly half of all children ages 7 to 11 participate in swimming, and nearly one-third of all swimmers are under 18. Given the nearly half-million people living within the Eastside service area, there is a significant local market that could support a new aquatic center. Critical to the success of any aquatics facility is an understanding of the service area the facility will cover and the market forces in play. These factors also help inform decisions for location and how to move forward with development of local or regional facilities.

9.1 Service Areas

A service area is defined as the distance people are willing to regularly travel to utilize a program or facility. Smaller service areas, such as those within a city, would be appropriately served by local facilities, while a larger service area that includes multiple cities would be well-served by a regional facility that could serve both local demand and the needs of the larger area.

Local aquatics centers serving smaller service areas typically offer programming and facilities to meet the needs of nearby residents and workers at a city scale, providing shorter trips: less than 5 miles and 15-minute travel times for most users.

In contrast, an Eastside regional facility with significant competitive and recreational amenities would draw users from a larger service area, with residents living in cities including Bellevue, Sammamish, Issaquah, Newcastle, Renton, Kirkland, Redmond, Bothell, Woodinville, and Mercer Island willing to travel farther across the greater Eastside. A larger-scale facility that provides regionally sized aquatic features such as an Olympic-size 50-meter pool, separate lap pool, dive tank, and large leisure pool along with the associated dry-side support facilities, could serve regular visitors in areas within 10 miles of the facility, roughly a 30-minute drive.

Ideally, people would travel less than 15 minutes to a local facility or 30 minutes to a regional facility using various modes of transportation. See Appendix C for travel-time maps for potential regional facility locations.

10. LOCAL AND REGIONAL FACILITY COMPARISON

The two types of aquatics facilities the Parties are considering building are local and regional. The facility types differ in size and features. Regional facilities typically serve larger areas with greater capacity and a greater focus on aquatic sport training and competition. Local facilities typically serve smaller geographies, with lower capacity and often a combination of pool facilities and a broader mix of non-aquatic community and recreational facilities.

10.1 Local Facilities

The locally focused aquatics facilities built within the last 20 years, or as proposed, often include pool features such as a 25-yard competitive pool, event seating typically limited to 200- to 300-person capacity, a recreational/leisure pool, a whirlpool, a zero-depth (“beach”) entry, water slides, and locker rooms. Most local facilities have some capacity for competitive events but are limited in their ability to host regional school meets or larger events. Also, local facilities often include many more non-aquatic community and recreational facility features that the typical community pool of 50 years ago would not have had, such as weight rooms, a gymnasium, meeting rooms, classrooms, party rooms, and concession facilities.

The Snohomish Aquatic Center is another example of a facility serving a local area. The 52,000-square-foot facility opened in 2014 with a focus on aquatic recreation and competition, and with fewer non-aquatic-related facilities. The center has greater capacity for competitions: spectator seating for 420 and three 1-meter diving boards. The 10-lane, 25-yard by 25-meter pool can accommodate local competitions, and at six people per lane for lessons or training, 60 swimmers can occupy the pool.

The Lynwood Recreation Center and Pool (Figure 5) was renovated and expanded to 44,800 square feet in 2011 and is a good example of facility with a more local service area. It is owned and operated by the city parks department. As a recreation center that expands beyond only a pool, the facility also includes community meeting rooms, a group exercise space, and a fitness/weight room. The aquatics facilities are focused on lessons, safety, fitness, and wellness; therefore, they accommodate competition only to a limited extent, with a six-lane, 25-yard pool with limited spectator seating, and no diving boards. It also includes a recreation pool, a warm water wellness pool, and two hot tubs. At six persons per lane for lessons or training, the lap pool has a capacity of 36, and the overall pool capacity is 150.



Figure 5. Locally Focused Aquatic Facility Example – Lynwood Recreation Center and Pool

10.2 Regional Facilities

Regional facilities serve many of the same aquatic needs as local facilities do, but they also include team locker rooms, larger capacity for spectator seating, and the aquatic facilities needed for regional competitions. Regional facilities serve a larger geographic area and generally require more parking to accommodate larger numbers of visitors.

The Weyerhaeuser King County Aquatics Center (WKCAC) in Federal Way is an example of a facility and was developed in 1990 for the Goodwill Games (Figure 6). The 70,000-square-foot building has capacity to seat 2,500 spectators, hosts more than 50 events annually, and can host all levels of swimming and diving competitions. The center features 10-, 5-, and 3-meter diving platforms, and two each of 2- and 1-meter diving boards. The facility also offers swim lessons and public lap and recreation swim times, but it has comparatively fewer of the pool facility features such as beach entry, slides, a lazy river, and a wellness pool that are found in newer local and regional-scale aquatics facilities.



Figure 6. Regional Aquatics Facility Example – WKCAC

Across the country, regional-scale pool complexes often focus mainly on aquatic-related programs. However, many lower-tier regional facilities nationwide and in Canada are able to host regional school and club competitions while including community center features, similar to the configuration of local aquatics facilities but for a larger service area. An example of this type of facility is a new project in Elkhart, Indiana. The 170,000-square-foot complex includes a regional aquatics center available to the public and will support high school programs and regional competitive events. The competition pool is similar in size to WKCAC, but spectator seating capacity is lower at 1,200. Additional aquatics features include a dedicated diving tank with 5- and 3-meter diving platforms, and two each of 2- and 1-meter diving boards. A 10-meter diving platform will not be included. A health and fitness center focused on wellness and medical solutions will be developed and operated by a local medical/health organization. It will include a community center with meeting space, a gymnasium, and a kitchen for nutritional classes.

11. NEW FACILITY COMPONENTS

The Parties have developed a vision based on the established goals and objectives and have discussed priorities for a regional aquatics model that would include a larger regional facility supported by local pools in the cities. Priorities for facility features are based on public and City Council feedback from past work as well as new information shared during this study. The following lists the key aquatics facility features asserted as priorities:

- Leisure recreation pool
- Lap pool
- Practice and competition facilities
- Warm water therapy pool
- Gym, fitness space
- Community spaces for meetings, lessons, and gatherings

It was also agreed that the intention is not for the new facility to compete with the WKCAC for hosting of statewide or national scale events but would instead provide facilities appropriate for hosting regional and local competitions.

To gain a deeper understanding what a new regional aquatics facility could be, the working group developed a conceptual building program that includes a generic set of pool features, public amenities, and supporting administrative and operational facilities. Descriptions and area requirements for these facility components are listed in Table 4. Local aquatic facility program and building requirements were not detailed for this report because each city has different and evolving development planning processes, circumstances, and needs.

Table 4. Conceptual Building Components for a Regional Aquatics Facility

Facility Components	Pool Area SF	Building Area SF	Optional Additional Items & Notes
Aquatic Sports (79 to 81 degrees)			
52-m x 25-yd pool, 1 bulkhead	13,000	13,000	<ul style="list-style-type: none"> • 52-m pool allows eight 50-m lanes or twenty 25-yd lanes. At 54 m, a second bulkhead could be added for greater flexibility of use. • A 20-ft width of deck area is preferred. • A 5-m platform is an option to add; 7-m and 10-m platforms are not needed and require more area. • 8 SF per seat is assumed for spectator seating. Collapsible seating is desirable to allow flex use of deck area. • Meet officiating room can also be used as classroom space.
Pool deck		11,700	
Deep-water tank, 1-m and 3-m springboards	3,400	3,400	
Pool deck		3,300	
Spectator seating for 1,200		9,600	
Two team locker rooms		1,500	
Meet officiating room		300	
Timing room		100	
Spectator restrooms		700	
Pool storage		1,500	
Heater and mechanical room		2,000	
Chemical rooms		200	
Natatorium and support rooms subtotal		47,300	

Table 4. Conceptual Building Components for a Regional Aquatics Facility (continued)

Facility Components	Pool Area SF	Building Area SF	Optional Additional Items & Notes	
Recreation (84 to 85 degrees)				
25-yd program pool	5,000	12,500	<ul style="list-style-type: none"> 25-yd program pool would provide eight 25-yd lanes for laps and lessons. Water slides should be designed with dedicated plunge areas to avoid conflict with other pool uses. A second water slide could be added. A splash pad (outside only?) could be added; requirement of added supervision staff must be considered for water play equipment. Spa facilities could also include sauna and steam room. 	
6,000-SF recreation pool	6,000	14,000		
One water slide		1,500		
Current channel		-		
Play equipment (in water)		-		
Spa facilities – whirlpool	400	400		
Three activity rooms that can get wet		1,800		
Pool storage		700		
Heater and mechanical room		2,000		
Lifeguard/first aid room		400		
Natatorium and support rooms subtotal		33,200		
Therapy (86 to 90 degrees)				
Warm water therapy pool	1,200	4,500	<ul style="list-style-type: none"> Therapy pools require a zero-depth entry and can also be used for lessons or fitness. Add therapy pool, area for medical, exercise and administrative rooms per demand and partnerships. 	
Dry-side support				
Medical rooms		250		
Therapy pool office		250		
Storage		300		
Natatorium and support rooms subtotal		5,300		
Community				
Two party rooms		1,000	<ul style="list-style-type: none"> Party rooms also useable as meeting rooms. A café space with concessions contracting could be added. Entry, vestibule, and lobby areas should be designed as destination space beyond arrival and departure functionality. A retail space separated for the reception area could be added. A gymnasium, indoor walking/running track, and divisible wood floor studio could be added but are not considered a base requirement. 	
Three classrooms		2,700		
Concessions with area for tables		3,000		
Lobby, vestibule, entry		6,000		
Reception area		700		
Retail space at reception counter		100		
Storage		1,000		
Exercise rooms with weights		5,000		
Building area subtotal		15,000		
General				
Mechanical rooms		400	<ul style="list-style-type: none"> Surface parking is less expensive if site acreage is available. 	
General and janitor storage		900		
Six administrative office spaces		600		
Staff room		200		
Guard office and first aid room		800		
Building area subtotal		2,900		
Total building area SF		108,300		
Parking structure with 300 spaces		105,000		

ft = foot; m = meter; SF = square feet; yd = yard

12. ESTIMATED FACILITY COST

For the purposes of this report, the building programs and sizes are non-specific to past or current development proposals to help focus the discussion more generally on advantages or disadvantages of scenarios for funding, and particularly for the impact on taxpayers within future newly created taxing districts. Costs for land acquisition, operation, and maintenance are not included.

Costs were estimated for the following non-specific facility development type with building and pool square-foot areas determined by planning staff from the three Cities:

1. Expansion and improvement of an existing aquatics facility
2. An aquatics facility with pool and building features sized to serve a local service area
3. An aquatics facility with pool and building features sized to serve a regional service areas detailed above in Table 4

Table 5. Estimate of Cost for Aquatics Facilities

Item	Approximate Facility Size		
	1. Expansion of Existing Facility	2. Local Facility	3. Regional Facility
Area of all pools	13,500 SF	13,500 SF	29,000 SF
Overall building Area	40,000 SF	85,000 SF	110,000 SF
Structured Parking Spaces	150	300	300
Soft Costs*	\$13,402,000	\$26,441,250	\$34,441,000
Construction Cost	\$24,637,500	\$48,075,000	\$62,620,000
Total Cost in 2019 Dollars	\$37,769,500	\$74,516,250	\$97,061,000

SF = square feet

* Soft Costs Can Vary Pending Project Specifics and are included as a Rough Order of Magnitude. Softs costs include Washington State Sales Tax; A/E Fees; Owner Consultant Fees / Miscellaneous Costs; Builders Risk Insurance; Testing & Inspection; Permits/Plan Review; Owners Contingency; PM/CM Consultant Costs; FF&E; and Management Reserve.

13. PARTNERSHIPS

Many forms of partnership are helpful or even required for successful development, operation and programming of aquatic facilities. The Parties working together as a working group to study possibilities of how best to meet the needs of the Eastside for new facilities is a good example of a partnership. The longer-term central question is whether it will be advantageous for the Parties to partner to develop and operate facilities, or if each city should develop its own facility with or without the addition of a regional facility.

Benefits of continuing and forming new partnerships to develop and operate local and regional aquatics facilities are listed below:

- A regional model of both local and regional facilities can strengthen connections with local and also regional community.
- Development funding partnerships can be more easily formed with a regional model.
- Greater efficiency in combining facility operations management and administration.
- More options for people for recreational, educational, fitness, and wellness programming.
- More access and options for people to use different facilities.
- Broader branding and marketing.

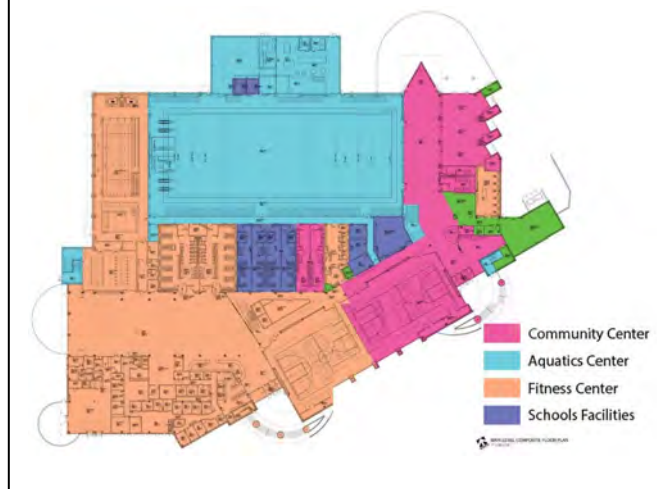
Partnership with private and public organizations is a potential source of capital funding. Partnerships, however, are only effective if there is true public benefit.

Potential partners include school districts, higher education institutions, healthcare organizations/hospitals, and non-profit organizations. Establishing partnership-funding commitments early in the capital campaign will encourage other funding sources to participate as they view this as an attractive project.

Nationwide and in Canada, many newer and proposed aquatics facility developments combine a broader set of facilities beyond pools and locker rooms, including health, wellness therapy, and community center facilities. This approach is considered a better way to serve the public more broadly, as well as a more effective way to develop partnerships for facility development and operational costs.

A new facility in Elkhart, Indiana, is an example of a broad coalition of partners organized to meet development and operational goals. A former YMCA was forced to close, and a new aquatics center was envisioned that would attract local and regional amateur swimming competitions. The planning team engaged a local health provider, Beacon Health, to discuss how to leverage the pools for daily fitness, aquatics, and therapy needs. They became the main partner on the team as facility operator of the pool and wellness complex, as well as providing funding for development of the wellness and fitness portions of the project. The local high schools also chose to partner with the 170,000-square-foot aquatics center rather than develop their own facilities, resulting in a projected savings of \$7 million over their 20-year lease period. In addition, their initial investment was \$6 million versus a projected \$18 million to build new pools. A \$10 million endowment toward operations was also raised from local philanthropists, which was anticipated to provide \$500,000 per year in operational funding on an ongoing basis.

The Elkhart aquatics center funding was a public/private (60%/40%) partnership, approximate contributions as follows: Beacon Health 25%; school district 9%; individual donation 14%; regional cities initiative 16%; and private donations 36%.



It is generally thought that the more regional the approach, the larger the facility or facilities, and the broader the range of services attracting public use, the greater the opportunities become to bring in equity partners for development and operational partnering.

13.1 Public Support for Partnerships

The results of the various studies conducted by the Cities show that though residents had differing thoughts about partnering with other cities for development of new facilities, stakeholder and focus groups generally recommended partnering as an important strategy for development of new facilities.

13.1.1 Bellevue

The 2009 Bellevue Study reported interest in project partnering with area cities including Redmond, Kirkland, Mercer Island, Issaquah, and Sammamish, as well as with area school districts.

13.1.2 Kirkland

In the statistically valid 2013 Kirkland Survey, residents responded by a 55 percent to 41 percent margin that they would prefer to move forward with a new aquatics facility alone, rather than partnering with another city, to ensure that the facility is built more quickly and in Kirkland.

The Kirkland 2015 PROS Plan stated that:

Continued partnerships with the Lake Washington School District and nearby cities can improve recreation options for Kirkland residents through joint use, development and programming of park and recreation facilities. This is especially true regarding the potential for a new aquatics facility to replace the Juanita Aquatics Center.

13.1.3 Redmond

In a 2017 statistically valid survey, Redmond residents supported a regional partnership to help with funding and operations of a regional scale pool (79 percent), sponsorships to support capital costs (82 percent), partnerships with nonprofits that would share in construction and operations of a pool (86 percent), and partnerships with a mix of groups that would own and operate their own spaces within a larger building or site where the city operates a community center/pool (64 percent).

13.2 Partnership Benefits Analysis

The following (Table 6) discusses the effectiveness of the two approaches to facility development for achieving the stated goals: (1) a regional pool facility is developed and operated together, either combined with or without development of local facilities; or (2) each city develops and operates local pools separately.

Table 6. Partnership Benefits Analysis

✓ = Meets stated goal		✓ ✓ = Broadens and furthers stated goal	
Goal	Regional	Local Only	Explanation
Improve public health, wellness, and safety	✓	✓	Both regional and local approaches will improve health, wellness and safety through aquatics programs. The regional model provides greater capacity and therefore will serve a larger number of users for aquatics instruction, recreation, sports and therapy.
Provide greater opportunities for aquatic sports	✓ ✓	✓	Both approaches will provide greater opportunities for aquatic sports. However, a regional model will have more programming options for access to swim lessons, water safety, drowning prevention, aquatic recreation, fitness, special needs, and therapeutics. In addition, the regional scaled facility would be able to accommodate regional and local aquatic sports practices and competitions.
Build community and keep residents of all ages and abilities healthy	✓	✓	Both approaches achieve this goal, however there will be more aquatic and non-aquatic facilities with a regional approach. A regional approach would also give the local facilities greater flexibility to meet specific local needs.
Achieve financial sustainability	✓ ✓	✓	Both approaches can be developed and operated sustainably. However, shared facilities can be more efficient as the costs are spread across more people and cost recovery can be enhanced through a variety of types of programs. A local approach has less complex administration and more flexibility with operations, pricing and programming.
Provide equity and accessibility for all	✓ ✓	✓	Both types of approaches can provide equity through programs and fee-assistance programs and accessibility to all through design. However, newer facilities can incorporate more modern designs to address accessibility – from zero-depth pools to gender neutral changing rooms and more. A regional model could place aquatics facilities in central, transit-oriented and car accessible locations for the partners as greater capacity to serve all populations.
Create economic vitality through development goals	✓ ✓	✓	Both approaches will have a positive economic impact on both the greater Eastside and locally. A regional pool that will accommodate larger regional events will have greater economic impact to the community surrounding the pool.
Form partnerships that further all of the above-listed goals	✓	✓	<u>Public/Private Partnerships</u> Both types of facilities may be viable for public/private partnerships and can secure private funding to leverage public contributions. However, the regional model may be more likely to attract larger-scale donors or partners as there will be more people using the facilities. The local approach may be more attractive for local small businesses to partner due to an increased local economic benefit and potentially providing more flexibility for different types of partnerships. <u>City partnership</u> For a regional approach, there is increased complexity because a regional governance model and funding mechanisms will have to be identified and negotiated. The number of stakeholders involved is greater adding complexity in decision-making. Additionally, local areas may lose some control over facility management and partnerships. With a local approach this could be simpler to operate and fund pools. A local only approach may result in a faster facility development becoming available to users earlier than a regional approach might due to the complexity of governance.

14. FUNDING OPTIONS

The 1968 Forward Thrust voter-approved bond propositions provided funding to build multiple pools at once. With this funding source expired, multiple strategies are needed and can be used in combination to secure the required capital. The following financing methods will be considered.

14.1 Voter-Approved Funding Options

14.1.1 Levy Lid Lift

This funding mechanism can be used for any purpose over any time period, including permanently. If proceeds are used for debt service on bonds, the maximum period is 9 years. The initial “lift” occurs in the first year, with annual increases in subsequent years limited to the lesser of 1 percent or the Implicit Price Deflator (growth limit factor). If this levy option were selected, the maximum period would be 9 years to pay the debt of a councilmanic bond. This option requires a simple majority vote (50 percent plus 1 approval) on any election date. See the Revised Code of Washington 84.55 to learn more about property tax levy lid lifts. Tax levy modeling was conducted for two scenarios of developing either three new local facilities together with or without a regional facility. See Appendix D for Tax Levy Modeling data for these scenarios.

14.1.2 Park Districts

Washington state law allows for the creation of three types of authorized districts. Voters within an established service area must approve a new taxing district, and an additional level of taxation is required within the established service area. The Municipal Research and Services Center reports that each of three park district types are useful for different purposes with different characteristics as to governance structure, revenue authority, and administrative powers:

- Park and Recreation Districts – Manage, control, improve, maintain and acquire parks, parkways, boulevards, and recreational facilities.
- Park and Recreation Service Areas – Provide essential services in metropolitan areas not adequately provided by existing agencies, including providing parks and parkways. Other authorized responsibilities include water pollution abatement and providing water supply, public transportation, garbage disposal, and/or comprehensive planning services.
- Metropolitan Park Districts – Provide leisure-time activities, facilities and recreation facilities.

14.1.3 Excess Levy

An excess levy is available for capital purposes, and the term is determined by the life of the proposed bonds, not to exceed the useful life of the facility. An excess levy requires a supermajority (60 percent approval) plus a minimum 40 percent turnout based on the last general election (validation). The election can occur on any election date. If this levy option were selected, the levy would be in place for the life of the bond.

14.1.4 Public Development Authorities

Washington state law additionally allows for quasi-municipal corporations to perform public functions that the creating public agency could perform itself. Public Development Authorities (PDAs) are often created to manage the development and operation of a single project, which the city or county

determines is best managed outside of its traditional lines of authority. The project may be entrepreneurial in nature and intersect the private sector in ways that would strain public resources and personnel. Examples of public corporations formed under Revised Code of Washington 35.21 include the Seattle Pike Place Market PDA and the Bellevue Convention Center Authority. PDAs do not have the power of eminent domain or the authority to levy taxes. While PDAs may borrow funds and issue tax-exempt bonds, PDA project financing is often backed by a city loan guarantee since the PDA funding is limited to project-specific revenue sources.

14.2 Capital Funding: Other Sources

While the likely source of funding for project construction is through a public financing, public-private partnerships can provide funds for equipment, furnishings, or specific building spaces. The following is a summary of supplemental funding opportunities from a variety of sources including school districts, corporations, individuals, foundations, and trusts.

14.2.1 Private Fundraising Activities

The aquatics facility as a recreation and community center will be a highly visible and well-loved public building with more resident interactions than occur in any other public facility. The facility's activities would be focused on health and wellness, enrichment, sports and recreation, and social events, which would be attractive to individuals, foundations, and corporations that support public recreation and/or desire a presence in the community. Public spaces that create lasting impressions and have a positive impact are valued. A fundraising assessment, conducted by a professional fundraiser, would identify the potential for securing private gifts and assess the level of giving.

14.2.2 Volunteer Community Leadership

A successful individual donor campaign requires strong, visible community leaders who will both "give and get." With proper support, these individuals could provide endorsement, access to wealth, and a sense of enthusiasm in an otherwise crowded fundraising marketplace. Developing a team of project supporters would maintain the project momentum and desirability to be a contributor to a high-profile project that would positively impact so many lives.

14.2.3 Corporate Gifts and Sponsorship (Naming Rights)

Another method of securing private funding is through corporate gifts and sponsorship. This includes naming rights for rooms, pools, and/or the center, based on the amount of the contribution. Implementation requires development of a capital campaign strategy with funding levels and the terms of agreement for naming rights in place. Sponsorships could also include publicity tie-in, event partnerships, or exclusive access to a specific program.

14.2.4 Private Foundation Grants

Funding from private foundations is another source to be explored. However, competing for private foundation grants is a specialized, formidable, and time-consuming undertaking, but it has the potential for significant rewards when the fit is right. A successful foundation fundraising program would require the expertise of city or county staff and experienced outside counsel.

14.2.5 Public Grants

Grants and endowments are available for recreation projects at the local level from the King County Community Partnerships and Grants (CPG) Program, at the state level with the Recreation and Conservation Office (RCO) grants, and to a more limited extent from national sources.

14.2.6 Environmental Efficiencies and Rebates

The emphasis on energy-efficient systems and buildings with cost-effective design is a major factor in the long-term sustainability of costs. However, these systems typically have greater initial costs, with savings that are leveraged over the life of the building and its systems. The utilization of cost-effective designs should be explored in all areas of the facility designs and a Leadership in Energy and Environmental Design (LEED) policy should be established. Local, state, and federal rebates are periodically available to offset these costs.

14.2.7 Operational Endowment

Fundraising to set up an operational endowment would help to cover operating deficit and the anticipated major maintenance of the facility over time. This is important to consider as part of the goal of achieving equitable fee access to the facilities for all income levels.

15. TAX LEVY MODELS

As a part of this report, an example levy/bond model was completed based on capital construction of three different options for aquatics on the greater Eastside so that a broad range of options can be considered. The three different options along with capital cost estimates are shown in Table 7.

Table 7. Eastside Aquatics Facilities Cost Estimation (2019 dollars)

Options	Description	Capital Cost
1	Three local pools (one in each city)	\$ 234,370,550
2	Regional pool only	\$ 97,061,000
3	One regional pool and two smaller local pools	\$ 202,350,250

Table 8 shows a range of options for different tax levy lid lifts or bond measures. The options differ based on time duration of the levy, the growth limit factor, and the different build options shown in Table 7. A 6-year levy would not be restricted to 1 percent limit factor, but a 9-year levy must be limited to 1 percent limit factor and can be for capital funding only, whereas a 6-year levy is allowed to include funding for operations costs. This levy modeling does not include costs for operations and maintenance. The levy lid lift requires a simple majority vote, whereas a bond measure would require 60 percent voter approval. The options shown in Table 8 can be administered through individual agencies, a regional taxing district, through an Interlocal Agreement or similar means. This report does not explore these legal mechanisms or agreements necessary for cities to partner on funding models.

Table 8. Aquatic Property Tax Levy Options¹

Options	Levy Length of Time (years)	Description	City	First Year Levy Rate (\$/\$1000 AV) ²	Annual Cost for Median-Valued Home (city-based) ³	Monthly Cost for Median-Valued Home (city-based) ³
1a	6	Bellevue, Kirkland and Redmond each fund their own local pool. The levy rate would vary by city.	Bellevue	\$0.27	\$251	\$21
			Kirkland	\$0.42	\$291	\$24
			Redmond	\$0.25	\$210	\$17
1b	9	Bellevue, Kirkland and Redmond each fund their own local pool. The levy rate would vary by city.	Bellevue	\$0.17	\$164	\$14
			Kirkland	\$0.27	\$189	\$16
			Redmond	\$0.16	\$135	\$11
2a	6	This would build a regional pool only. The levy rate would vary for each city. Bellevue would contribute 50% of the funding, Kirkland and Redmond would each contribute 25% of the funding.	Bellevue	\$0.08	\$72	\$6
			Kirkland	\$0.13	\$87	\$7
			Redmond	\$0.16	\$129	\$11
2b	9	This would build a regional pool only. The levy rate would vary for each city. Bellevue would contribute 50% of the funding, Kirkland and Redmond would each contribute 25% of the funding.	Bellevue	\$0.08	\$71	\$6
			Kirkland	\$0.08	\$57	\$5
			Redmond	\$0.10	\$83	\$7
3a	6	This would build one regional pool and two smaller pools. The levy rate is the same across all cities.	Bellevue	\$0.26	\$245	\$20
			Kirkland	\$0.26	\$180	\$15
			Redmond	\$0.26	\$216	\$18
3b	9	This would build one regional pool and two smaller pools. The levy rate is the same across all cities.	Bellevue	\$0.17	\$160	\$13
			Kirkland	\$0.17	\$118	\$10
			Redmond	\$0.17	\$141	\$12
3c (Bond Levy Model)	20	This is a 20-year bond measure to pay debt service and annual payments are based on level debt service need. This would build one regional pool and two smaller pools. A regional district would be created and the levy rate would be the same across all cities. This requires 60% of voters for approval.	Bellevue	\$0.13	\$119	\$10
			Kirkland	\$0.13	\$87	\$7
			Redmond	\$0.13	\$105	\$9

Notes:

- 1) Each option is based on a one percent growth limit factor. A growth limit is the factor by which the levy lid lift is constrained by the overall limits on the regular levy rate and the limit on annual levy increases. The growth limit factor can only be adjusted in a six-year levy lift.
- 2) Levy Rate is based on March 2019 OEFA Forecast.
- 3) 2019 median home value: Bellevue \$941,000; Kirkland \$694,000; Redmond \$830,000 (Source: King County Assessor)

16. OPERATIONAL MODELS

Aquatics facilities operate under a variety of models locally and around the country. The Parties' parks and recreation departments operate their pools, as do many other jurisdictions.

It is becoming more common for a local agency to contract with a non-profit organization to operate pools. On the Eastside, a number of pools contract with Wave Aquatics, a non-profit organization providing aquatics programming and facilities management services.

Some public agencies partner with organizations like the YMCA to build and operate pools and recreation centers, such as the Sammamish Aquatic Center. Each partnership is unique. They can have capital and/or operating partnerships and have varying levels of benefits for people living in the community.

Many times, cities and schools partner to build aquatics facilities. Historical local partnerships include the Cities of Shoreline and Tukwila, who built Forward Thrust pools on school district property. Recently, the Snohomish School District built and now operates the Snohomish Aquatic Center, which is open to the public.

Facility development proposals are often required to balance competing priorities for facility features, as well as the revenue versus operational costs for facility and program elements. This requires an understanding of the costs of different program elements, revenue return, and the type of facility and combination of facility elements that achieve the best balance of costs and benefits. A facility should meet all of the goals and objectives outlined in Chapter 8. The Parties have not decided on a particular operating model; operational models will be evaluated further once more is known about the program model and partnership.

Aquatics facilities are increasingly being operated by health providers such as physical therapy clinics and hospitals. Examples include the Elkhart Aquatic center, operated by Beacon Health, and the National Training Center in Clermont, Florida, operated by Community Hospital/South Lake.

17. POTENTIAL FACILITY LOCATIONS

A list of potential sites for aquatic facilities development has been analyzed with input from the working group and refined to the locations shown in Figure 7. This list of sites focuses mostly on publicly owned properties. It is not an exhaustive list, and additional or alternative sites may be identified as this process moves forward.



Figure 7. Potential Facility Locations

17.1 Site Evaluation

17.1.1 Possible Local Aquatic Facility Sites

Mark Twain Park, 10625 132nd Avenue, Kirkland

Owner: Kirkland Parks

Size: 6.6 acres

Notes: No current facilities, site is open and relatively flat. Development allowed with master plan and consistency with the Kirkland 2015 PROS Plan. Surrounded by neighborhood on three sides, so access limited to one side. No utilities under park acreage, but available in surrounding area.

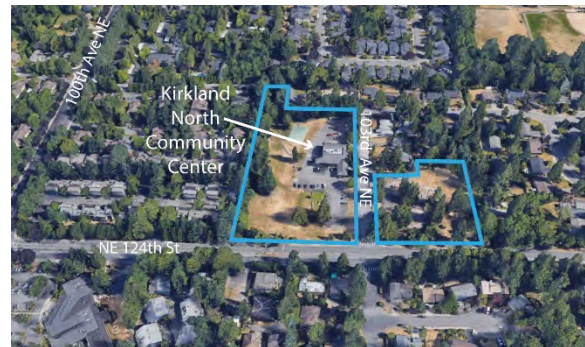


North Kirkland Community Center, 12421 103rd Ave NE, Kirkland

Owner: Kirkland Parks

Size: 5.5 acres

Notes: Current site of community center, which would be removed. Road bisects park. Development allowed with master plan and consistency with the Kirkland 2015 PROS Plan. Site relatively open but some slope. Might require parking garage.



Peter Kirk Park, 202 3rd Street, Kirkland

Owner: Kirkland Parks

Size: 12.5 acres

Notes: Approximately 6 available acres with elimination of ballfield. Development allowed with master plan and consistency with the Kirkland 2015 PROS Plan. Location in central downtown with moderate parking and access restrictions. Site is relatively flat and open.



Redmond Pool,
17535 NE 104th Street, Redmond

Owner: City of Redmond

Size: 39.5 acres

Notes: Good access, traffic can be slow. Potential shared parking at school across street. Easy bike lane access via 104th St, 166th Ave, and Avondale Wy, but steep hills from downtown.

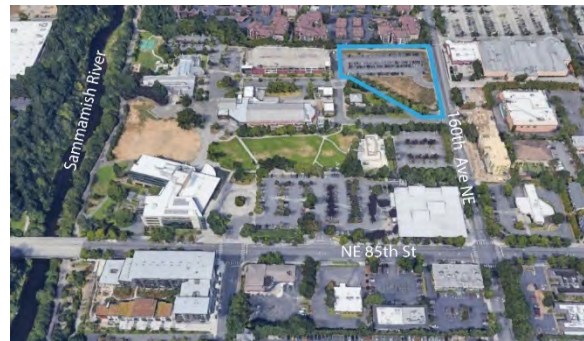


Redmond Municipal Campus Park & Ride
15670 NE 85th St, Redmond

Owner: City of Redmond

Size: 2.0 acres

Notes: High water table, dewater during construction necessary, other soil issues to be determined. Good access, needs structured parking.



Skate Park (1.5 acres) and potentially Fire Station 11 Site (1.8 acres), Redmond

Owner: City of Redmond

Combined Total Size: 3.3 acres

Notes: Possible coordination with County Metro Site if this service moves or if use air rights-build over transit use. Skate Park site is parks property; other properties may require zoning change. Construction dewatering likely needed. Could explore developer partnership to develop and share use of structured parking.

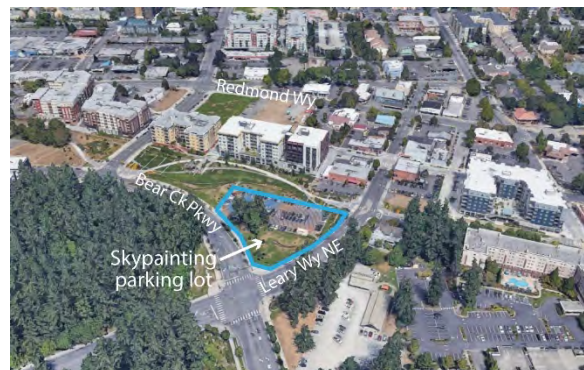


Skypainting Parking Lot, 7541 Leary Way NE, Redmond

Owner: City of Redmond

Size: 3.7 acres

Notes: Construction dewatering likely needed. Good access from Redmond Way; likely needs structured parking.



17.1.2 Possible Local or Regional Aquatic Facility Sites

★ **Redmond Community Center, 6505 176th Ave NE, Redmond**

Owner: Lake Washington Institute of Technology

Size: 3.26 acres

Notes: Housing may need to be provided along with other land use requirements. Construction dewatering likely needed. Good access from Redmond Way, likely needs structured parking.



★ **Marymoor Park Subarea, Redmond**

Owner: Various owners

Size: Not defined

Notes: Housing may need to be provided as part of development along with other land use requirements. Construction dewatering likely needed. Good access from Redmond Way; likely needs structured parking.



17.1.3 Possible Regional Aquatic Facility Sites

★ **Bellevue Airfield Park, 2997 160th Ave SE, Bellevue**

Owner: Bellevue Parks

Size: 27.5 acres

Notes: Adopted master plan calls for two lighted synthetic turf sports fields, wooded picnic areas, trail connections, playgrounds, and restrooms. Property strategically located along I-90 and major transportation corridors. Property was previously operated as a municipal landfill and an airfield and has significant utility system easements and infrastructure.



★ **Bellevue College**, 3000 Landerholm Cir SE, Bellevue

Owner: Bellevue College

Size: 79 acres

Notes: New structured parking would likely be required. Possible shared cost with college. Excellent location for Bellevue College and Bellevue School District partners, and high visibility for potential corporate sponsors, but farthest away for Kirkland and Redmond.



★ **Factoria**, 13620 SE Eastgate Way, Bellevue

Owner: King County Solid Waste

Size: 9.8 Acres

Notes: Good access from highways, but far away for Kirkland and Redmond.

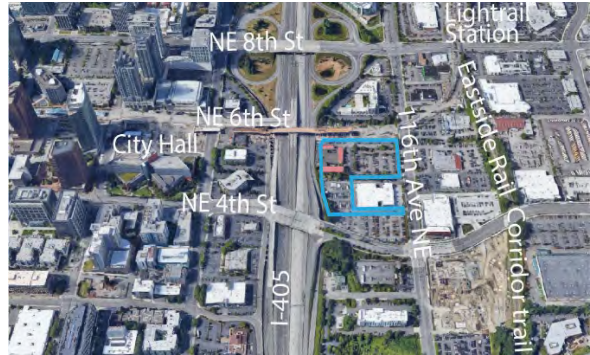


★ **Lincoln Center Property**, 515 116th Ave NE, Bellevue

Owner: City of Bellevue

Size: 4.2 Acres

Notes: High visibility for potential corporate sponsorship and possible shared cost with private redevelopment project. Excellent access roads accommodate high traffic volumes. Direct access to light rail, regional transit center, and bicycle via the Eastside Rail Corridor.



★ **Houghton Landfill**, 11724 NE 60th St, Kirkland

Owner: King County

Size: 25.4 acres

Notes: A former landfill, the site and soil conditions in the landfill portion of the site are unknown and may be challenging. Primary access is from Interstate 405.



★ **WSDOT Property by Kingsgate Park, Kirkland**
Owner: WSDOT

Size: 16.4 acres

Notes: Used as laydown area by WSDOT, unknown soil and utility. Site is long and narrow with some slope. Primary access is from Interstate 405, possible secondary access through neighborhood. Several pedestrian routes from neighborhoods.



★ **Marymoor Park Ballfield Complex, 6046 W Lake Sammamish Pkwy NE, Redmond**

Owner: Bellevue Utilities

Size: 20 acres

Notes: Ballfields were built with RCO funding and would require replacement elsewhere if site were redeveloped.



★ **Marymoor Park, 6046 W Lake Sammamish Pkwy NE, Redmond**

Owner: King County

Size: Specific site within the park not yet identified

Notes: The park master plan designates that only the park area north of Marymoor Way is available for development of sports facilities. Conservancy requirements could be a challenge for development in much of the area. High water table.



17.2 Site Selection Criteria

The location of the facility is key to each community's level of interest or support for partnering on project development and operations. The following combined site location criteria for a facility were developed by the working group:

Appropriate neighborhood context

- Site does or doesn't have good visibility from major thoroughfares or public or commercial areas.
- A larger, more open site which provides a greater civic presence, or site is smaller and more constrained.
- Site has good or not-as-good synergies and connections with parks, schools, other public facilities, commercial and retail businesses, and residential areas.

Ownership

- No or low cost for land or requires a purchase or land swap.
- Site use available, or existing use displaced or requires relocation.
- Negotiation and agreement with another agency or jurisdiction is or isn't required.

Surrounding land use

- Surrounding land uses are compatible or incompatible with an aquatics facility.

Site aesthetics

- Site would improve or detract from the visual quality of a facility.
- Facility would improve or detract from the visual quality of the site.

Zoning implications

- The proposed land use is or isn't appropriate and compatible with existing zoning.

Size and configuration of site

- Site does or doesn't have 7 acres or 4 acres with structured parking needed for a regional aquatics facility.
- Site does or doesn't have 5 acres or 3 acres with structured parking needed for a local scale aquatics facility.

Adequate parking capacity

- Number of parking spots meet standards, would want 270 to 400 for a local facility and 400 to 600 for a regional facility.
- Area for surface parking or parking structure is required.
- Nearby overflow parking for events is or isn't available.

Availability of utilities

- Utilities available or improved service is feasible or not.
- Good or not-as-good sun exposure for solar energy generation.

Soils and construction costs

- No known issues with soils, or soil conditions would require extra remediation, hauling, or disposal expense.
- Soils would or wouldn't require extra foundation work.
- Easy or constrained construction staging and access.

Public transportation access

- Site is easy or difficult to access using public transportation from all parts of the facility service area.

Vehicular travel time (See Appendix C for travel-time maps for potential regional facility locations.)

- Site is convenient or inconvenient to access to and from highways and major arterial roadways.
- Site is or isn't centrally located with equal travel times from the entire service area.

Pedestrian/bicycle access

- Site is well-connected or not well-connected to pedestrian and bike transportation facilities such as sidewalks, bike lanes, and trails.
- Walking or biking distance is large or small from majority of service area or from public transit.

17.3 Site Selection Criteria Scoring

The working group assessed the selected sites for suitability of aquatics facility development based on the agreed-upon criteria. The sites best suited for either a smaller local facility or a larger regional facility are grouped and scored positive, neutral, or negative based on the criteria. See Table 9 for scoring of the potential local facility sites, and Table 10 for scoring of the potential regional facility sites.

Table 9. Site Suitability Scoring for Local Aquatics Facility Development

Scoring + = Meets criterion 0 = Partially meets criterion - = Doesn't meet criterion * = To be determined	Site Selection Evaluation Criteria											
	Location			Site Considerations						Access		
	Appropriate neighborhood context	Surrounding land use	Site aesthetics	Ownership	Zoning implications	Site size and configuration	Adequate parking capacity	Availability of utilities	Soils and construction costs	Public transportation access	Vehicular travel time	Pedestrian/bicycle access
Sites Listed Highest to Lowest Score												
Skate Park & potentially Fire Station 11 Site - Redmond	+	+	+	+	+	+	+	+	+	+	0	+
Peter Kirk Park - Kirkland	+	+	+	+	+	+	0	+	+	+	0	+
Redmond Municipal Campus Park and Ride Lot	+	+	+	+	+	+	+	+	0	+	0	+
Skypainting Parking Lot - Redmond	+	+	+	+	+	+	+	+	0	+	0	+
Hartman Park - Redmond	+	+	+	+	+	+	+	+	+	0	+	0
Redmond Community Center at Marymoor Village	+	+	+	0	+	+	+	+	0	+	0	+
Marymoor Park Subarea (Private/Redmond)	+	+	+	0	+	+	+	+	0	+	0	+
North Kirkland Community Center - Kirkland	+	+	+	+	+	0	0	+	0	+	+	+
Mark Twain Park - Kirkland	0	0	+	+	+	+	+	0	+	+	0	+

Table 10. Site Suitability Scoring for Regional Aquatics Facility Development

Scoring + = Meets criterion 0 = Partially meets criterion - = Doesn't meet criterion * = To be determined	Site Selection Evaluation Criteria											
	Location			Site Considerations						Access		
	Appropriate neighborhood context	Surrounding land use	Site aesthetics	Ownership	Zoning implications	Site size and configuration	Adequate parking capacity	Availability of utilities	Soils and construction costs	Public transportation access	Vehicular travel time	Pedestrian/bicycle access
Sites Listed Highest to Lowest Score												
Factoria Site - Bellevue	+	+	+	0	+	+	+	+	+	+	+	0
Redmond Community Center at Marymoor Village	+	+	+	0	+	+	+	+	0	+	+	+
Lincoln Center Property-Bellevue	+	+	+	+	+	0	0	+	0	+	+	+
Marymoor Park Subarea (Private/Redmond)	+	+	+	0	+	0	+	+	0	+	+	+
Bellevue Airfield Park	+	+	+	+	+	+	+	+	-	0	+	0
Marymoor Park Bellevue Utilities - Redmond	+	+	+	0	0	+	+	-	*	0	+	0
WSDOT Property by Windsor Vista and Kingsgate Park - Kirkland	0	0	+	0	+	+	+	+	0	-	-	+
Houghton Landfill - Kirkland	0	0	*	+	0	0	0	+	-	0	+	+
Marymoor Park - Redmond	+	+	+	0	*	0	-	-	*	0	+	0
Bellevue College - Bellevue	+	+	+	-	+	+	0	+	+	+	+	0

18. IDENTIFICATION OF INFORMATION GAPS

Additional information is recommended to inform the next steps of this process:

- Affirmation of site availability and acquisition cost, and identification of additional sites.
- New public outreach and surveys to update and obtain feedback on partnership approaches.
- Additional demand modeling and revenue analysis to define the best scenario for multiple local aquatics facilities and/or a regional facility. Include depreciation costs to anticipate major future maintenance.
- Additional analysis of each city's public aquatics need and how best to balance meeting these needs with or without partnership with a regional aquatics facility.
- Exploration of the governance agreements between the parties, which could include interlocal agreements, formation of a taxing district, as well as tax suppression thresholds.
- Determination of the marketability of public aquatics facilities in the East King County region.

19. METHODOLOGY FOR MOVING FORWARD

If the Parties decide to continue to explore a regional approach to development of aquatic facilities, the following methodologies are recommended for planning and building a new aquatics facility or facilities:

- Identify other equity partners with an interest in such a project, including other cities, school districts, and non-profit agencies.
- Explore possible partnership opportunities with other entities (such as the University of Washington).
- Investigate partnerships that have been executed with developer agreements.
- Explore taxing options, such as the formation of a parks district, as a way to broaden the tax base for a regional facility, based on available literature and partner input.
- Determine the best combination of funding options.
- Identify stakeholders to participate in focus groups to advance questions and refine next steps.
- Conduct additional analysis to confirm which sites best meet criteria for location of local or regional facilities.
- Each city defines facility type and the facility features best suited to meet each city's needs.
- Examine possible operations models (e.g., programmed hours, free activity hours, rentals) and understand cost-recovery potential.

20. REFERENCES

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Appendix A

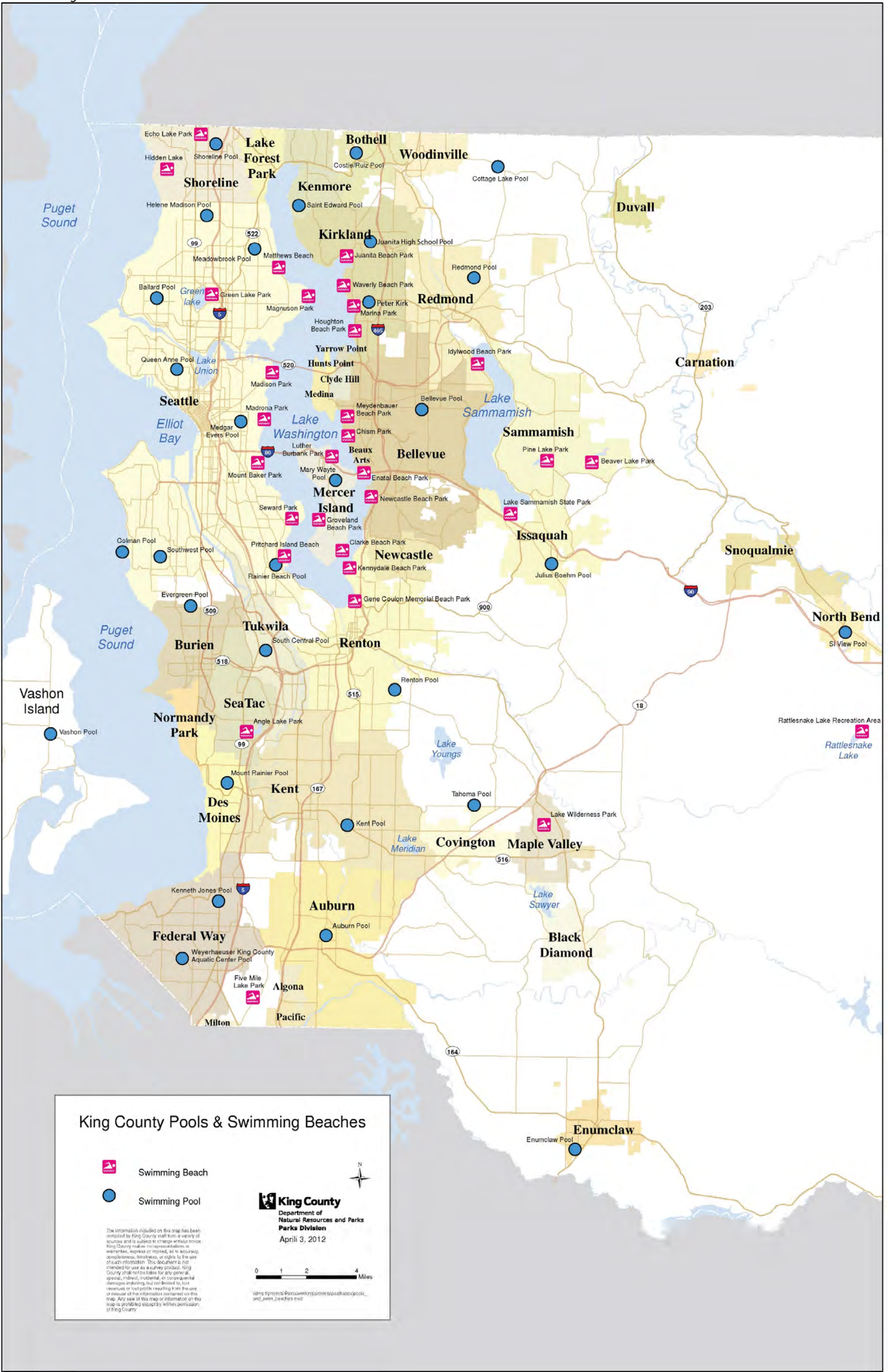
Existing Pool and Beach Data

Existing Pool and Beach Locations

Existing Pool and Beach Locations Relative to Population

Existing Pools and Beaches Relative to Income





King County Pools & Swimming Beaches

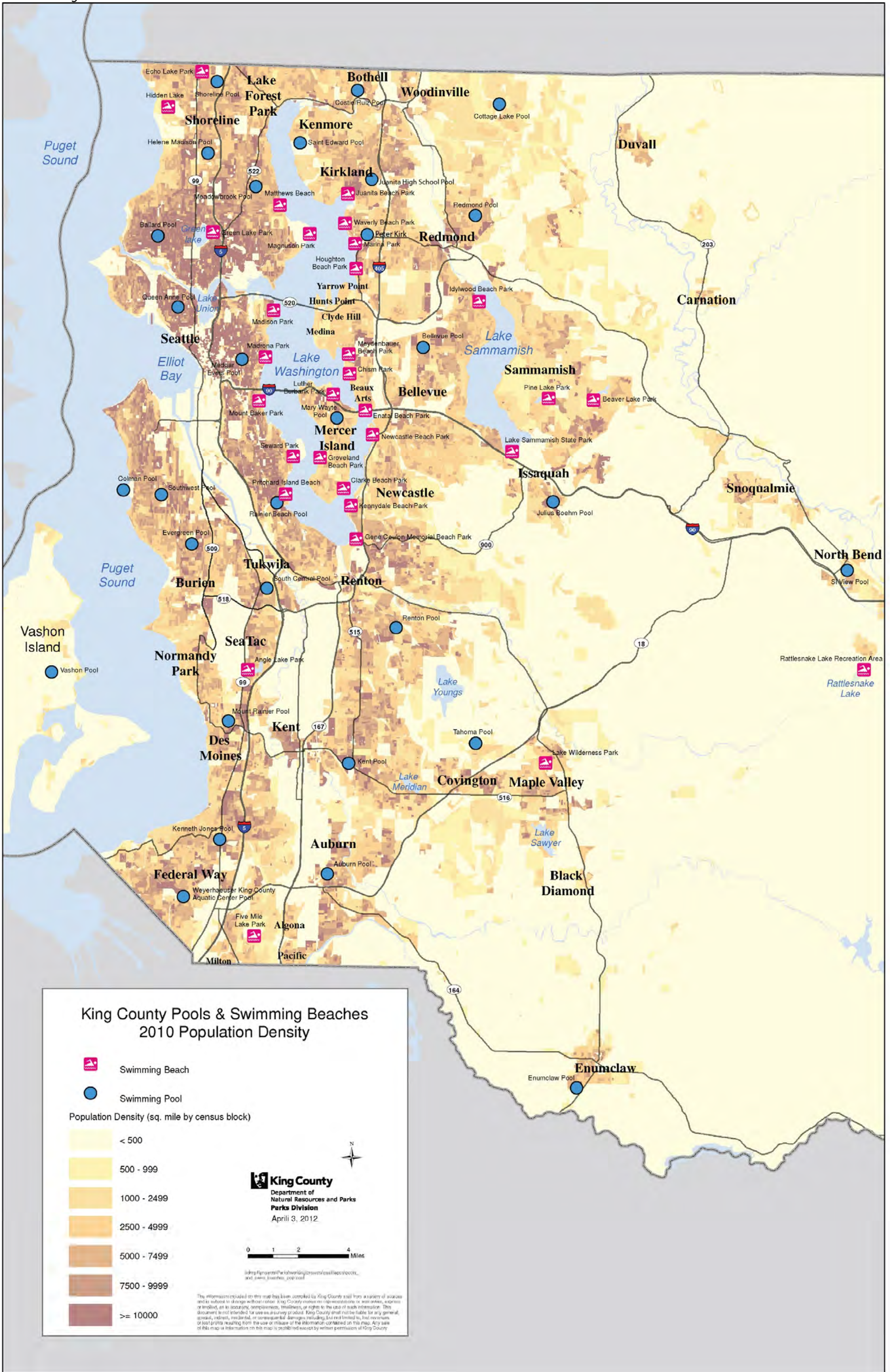
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-  Swimming Pool

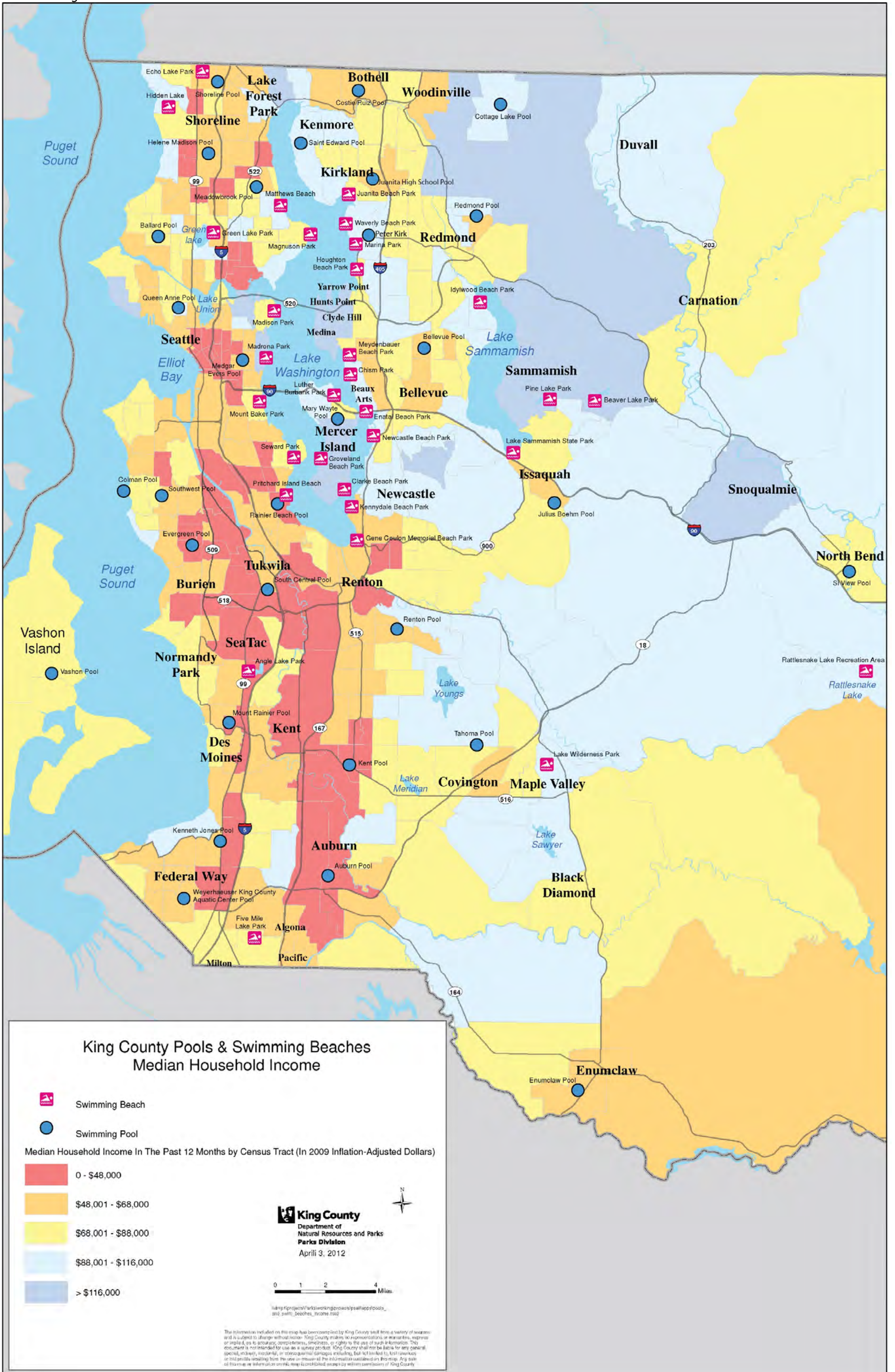
King County
 Department of
 Natural Resources and Parks
 Parks Division
 April 3, 2012

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Appendix B

List of High School and Club Competitive Swim Programs



LOCATIONS WHERE HIGH SCHOOL AND CLUB TEAMS PRACTICE

Practice and Swim Meet Locations	Eastside High School Swim Teams
Aqua Club Kenmore	Woodinville High School North Shore Water Polo Club (Bothell, Inglemoor, North Creek, Woodinville)
Bellevue Aquatics Center	Bellevue High School Pacific Dragons Swim Team Eastside Aquatic Swim Team
Bellevue Club	Bellevue Club Swim Team
Columbia Athletic Clubs Pine Lake Pool	Blue Dolphin Swim Team
Edgebrook Bellevue	Bellevue High School
Hazen High School	Issaquah Swim Team
Issaquah Fitness/Arena Sports	Issaquah Swim Team
Jewish Community Center Pool	Pacific Dragons Swim Team
Juanita High School Pool	Woodinville High School Bothell High School Inglemoor High School North Creek High School Juanita High School Lake Washington High School Wave Aquatics Water Polo Shadow Seals
Julius Boehm Pool	Issaquah High School Liberty High School Skyline High School Issaquah Swim Team
Klahanie Lakeside	Issaquah Swim Team
Klahanie Mountainview	Issaquah Swim Team
Mary Wayte Pool, Mercer island	Mount Si High School Newport High School Sammamish High School Mercer Island High School Interlake High School Bellevue High School Blue Dolphin Swim Team Eastside Aquatic Swim Team Olympic Cascade Aquatics Pacific Dragons Swim Team Penguin Aquatics

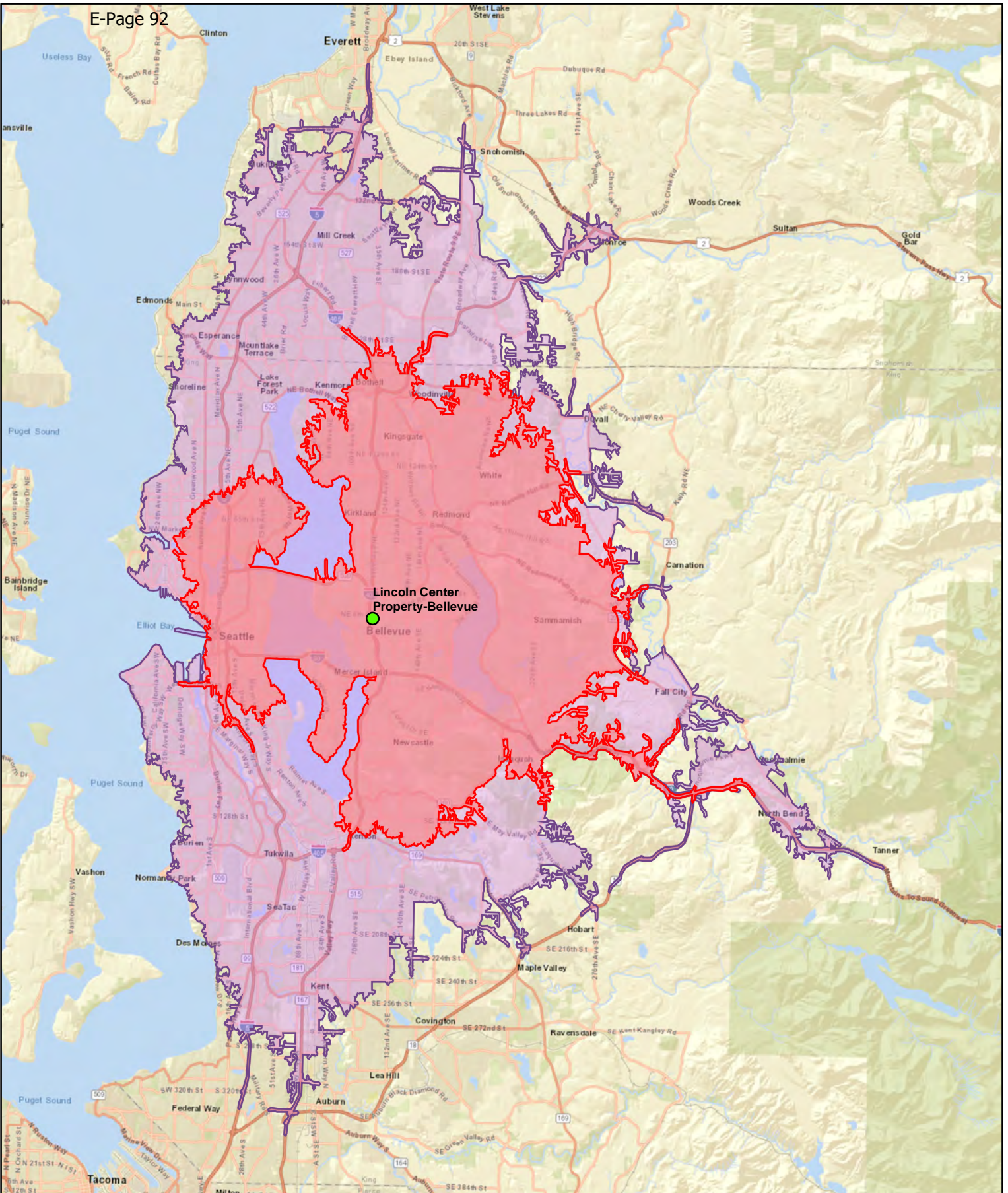
Practice and Swim Meet Locations	Eastside High School Swim Teams
Mercer Island Beach Club	Mercer Island High School Olympic Cascade Aquatics
Mercer Island Country Club	Olympic Cascade Aquatics
Newport Hills Swim and Tennis Club, Bellevue Phantom Lake Pool Redmond Pool at Hartman Park	Bellevue High School Penguin Aquatics Penguin Aquatics Olympic Cascade Aquatics Eastlake High School North Creek High School Redmond High School Woodinville High School
Samena Swim & Recreation Club, Bellevue	Interlake High School Eastside Aquatic Swim Team
Sammamish YMCA	Blue Dolphin Swim Team
Willows Preparatory Pool	Wave Aquatics Water Polo
Woodridge Swim Club, Bellevue	Bellevue High School
YMCA, Sammamish	Eastlake High School

Appendix C

Travel-Time Maps for Potential Regional Facility Locations



Date: 7/29/2019 Author: tinselcha Path: \\parametrix.com\pmx\PSO\Projects\Clients\1521-KingCo\554-1521-237 Aquatic Feas Study\99Svcs\GIS\Mapdata\KingCo_AquaticFeasibilityStudy_Travelsheds.mxd



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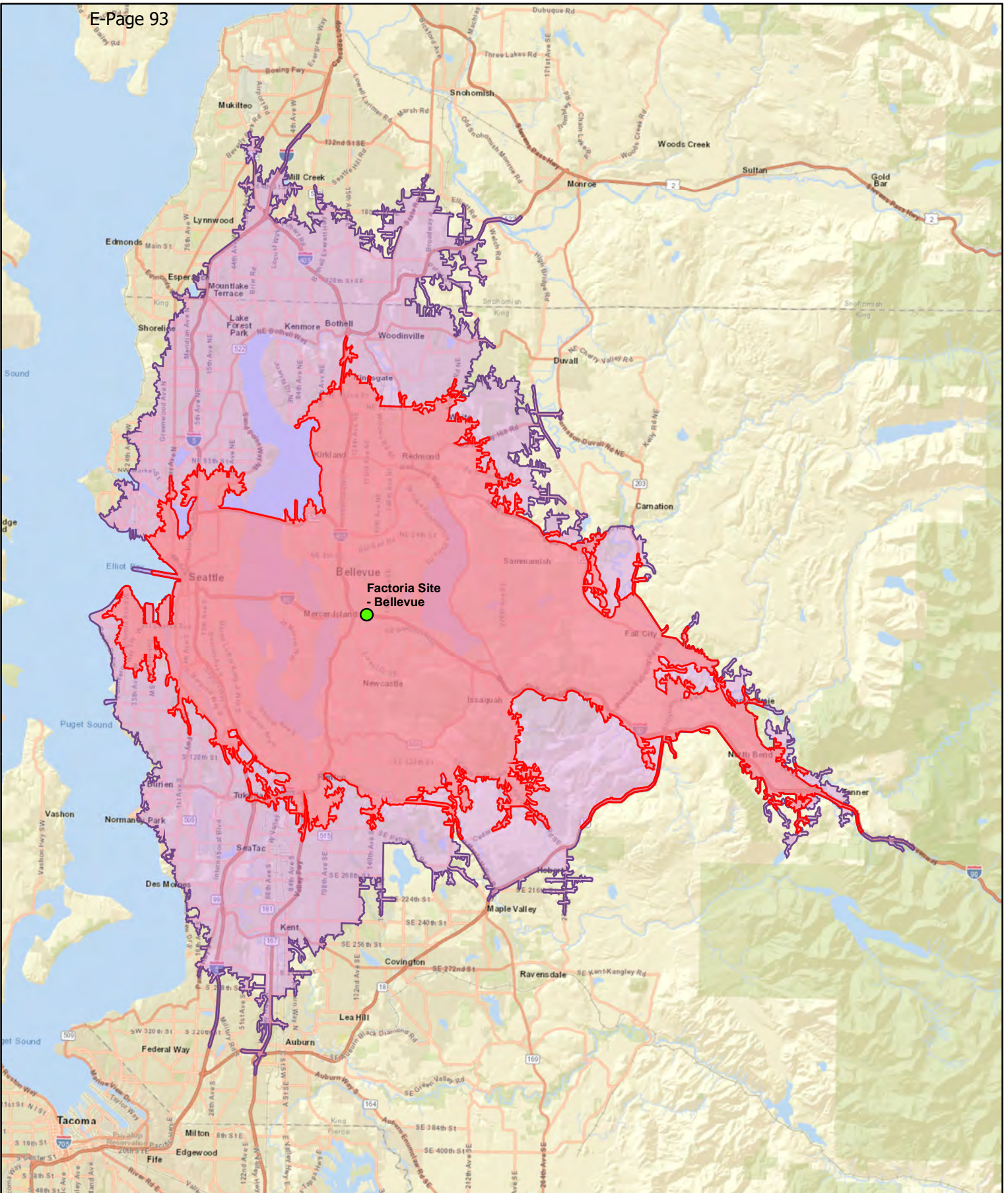
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- 30 Minute Travelshed - Wednesday 4:00 pm
- 30 Minute Travelshed - Monday 10:00 am



Lincoln Center Property-Bellevue

King County, Washington

Date: 7/29/2019 Author: tinscha Path: \\parametrix.com\pmx\PSO\Projects\Clients\1521-KingCo\554-1521-237 Aquatic Feas Study\99Svcs\GIS\mapdata\KingCo_AquaticFeasibilityStudy_Travelsheds.mxd



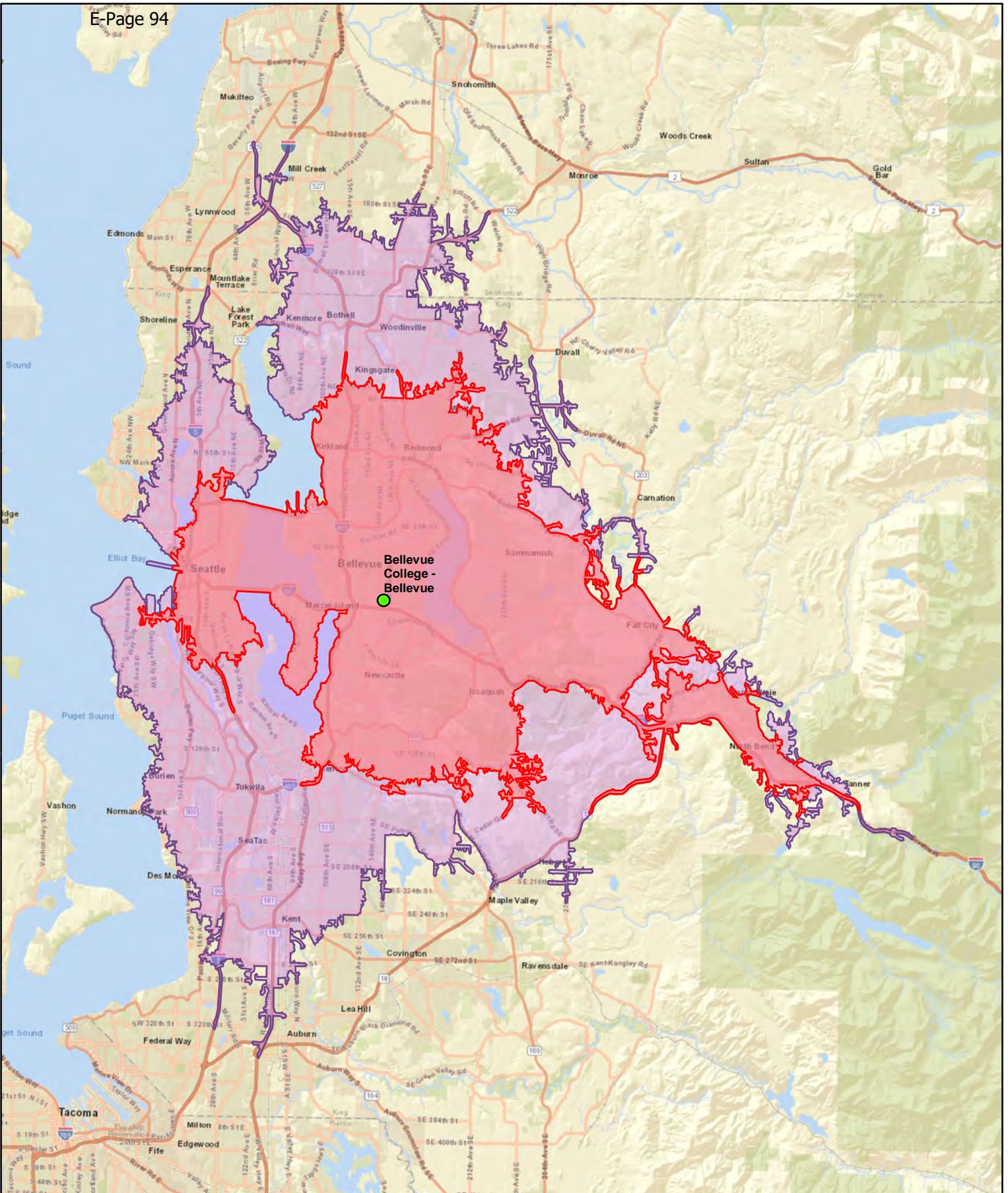
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- Site Location
- 30 Minute Travelshed - Wednesday 4:00 pm
- 30 Minute Travelshed - Monday 10:00 am



Factoria Site - Bellevue

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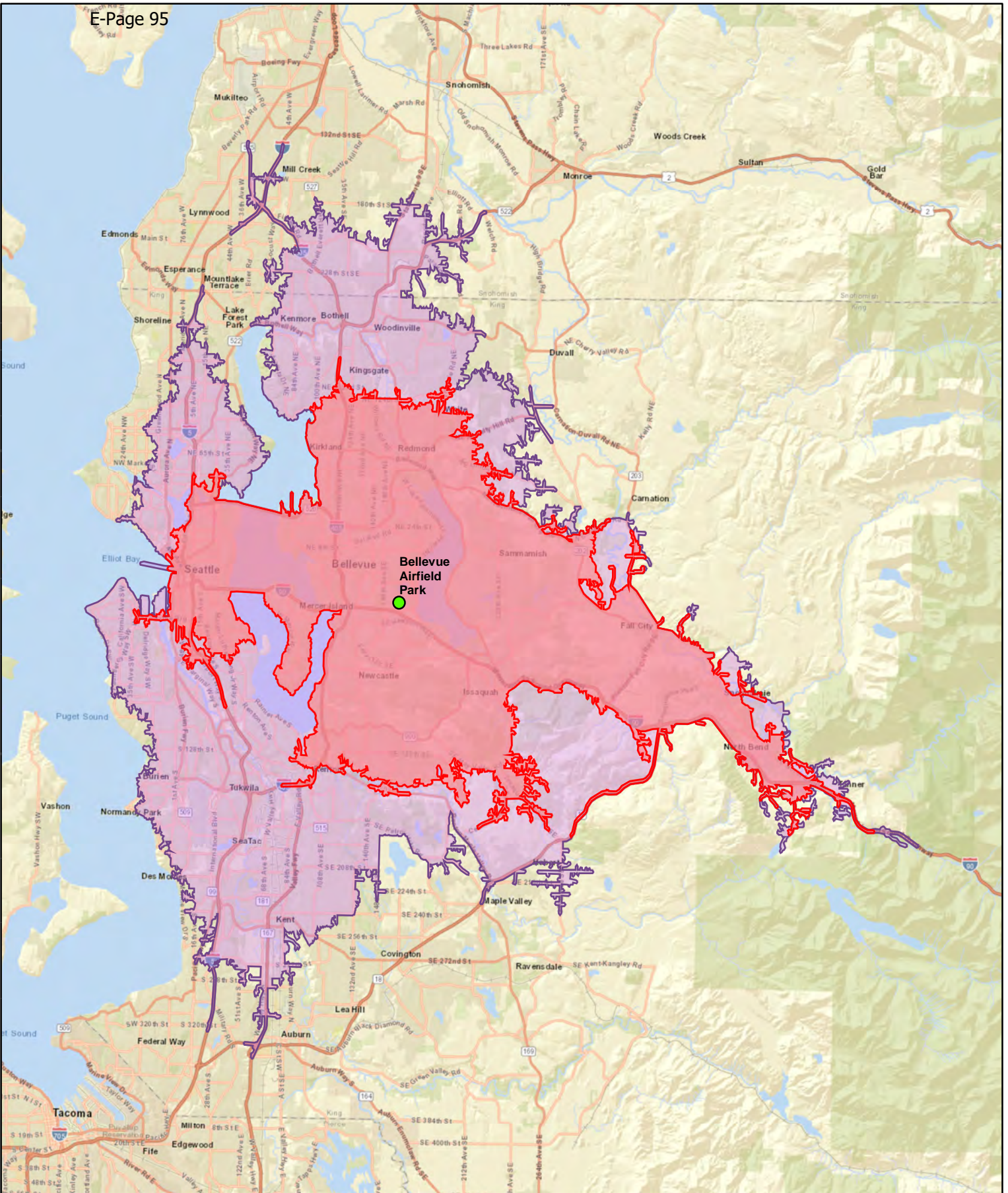
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- Site Location
- 30 Minute Travelshed - Wednesday 4:00 pm
- 30 Minute Travelshed - Monday 10:00 am



Bellevue College - Bellevue

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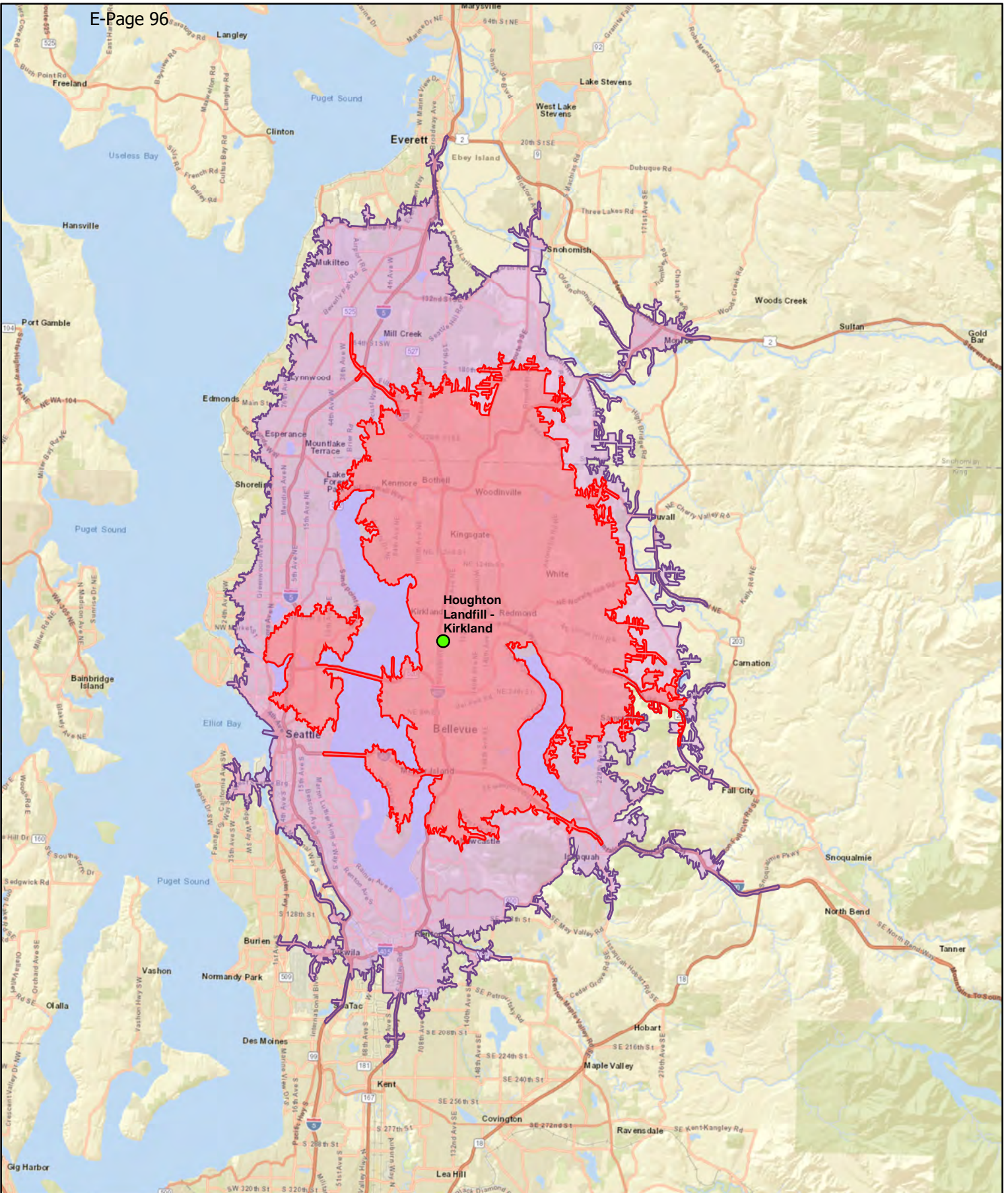
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- Site Location
- 30 Minute Travelshed - Wednesday 4:00 pm
- 30 Minute Travelshed - Monday 10:00 am



Bellevue Airfield Park

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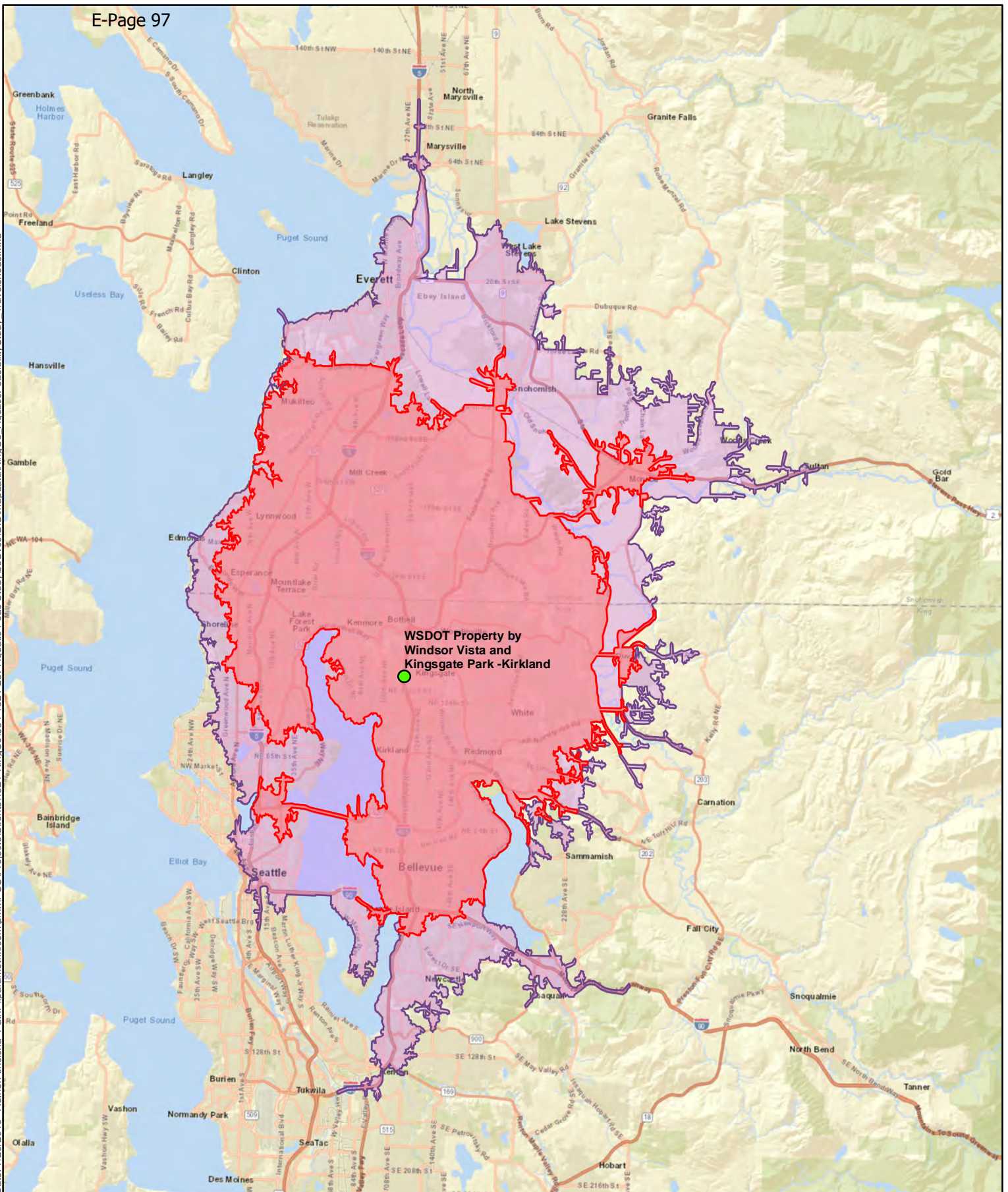
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Houghton Landfill - Kirkland

- Site Location
- 30 Minute Travelshed - Wednesday 4:00 pm
- 30 Minute Travelshed - Monday 10:00 am



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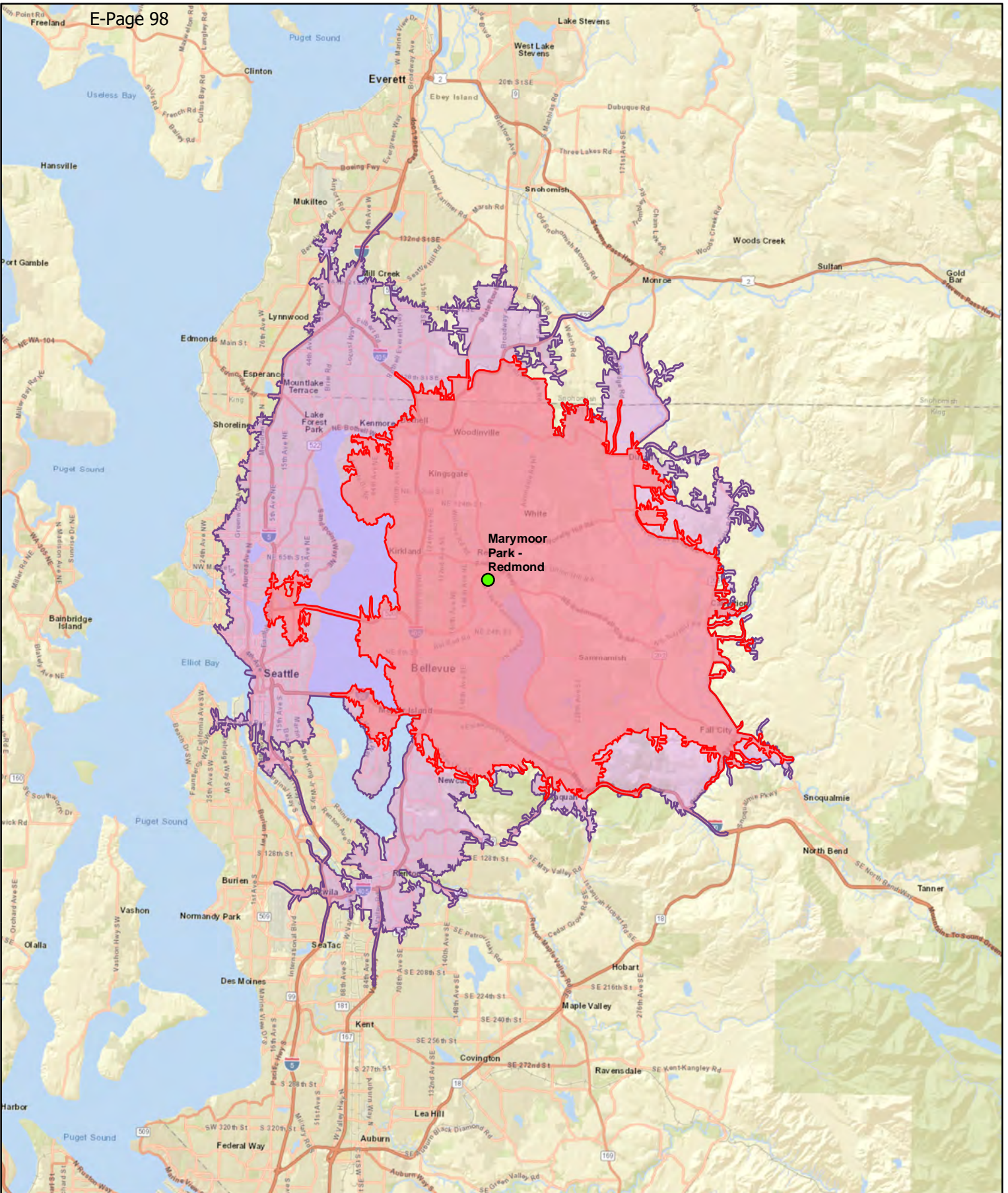
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- Site Location
- 30 Minute Travelshed - Wednesday 4:00 pm
- 30 Minute Travelshed - Monday 10:00 am

WSDOT Property by Windsor Vista and Kingsgate Park - Kirkland



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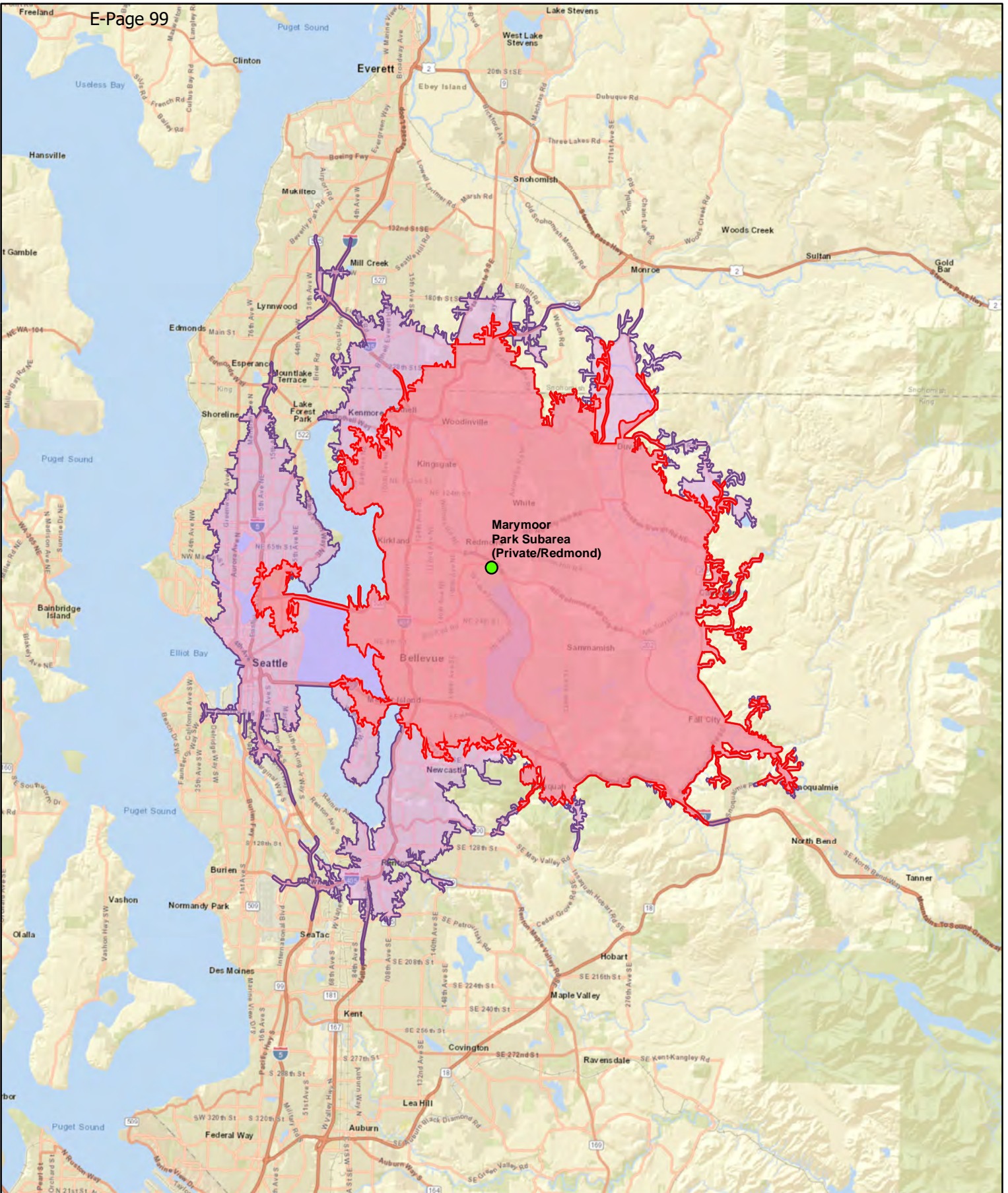
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- Site Location
- 30 Minute Travelshed - Wednesday 4:00 pm
- 30 Minute Travelshed - Monday 10:00 am



Marymoor Park - Redmond

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Marymoor Park Subarea (Private/Redmond)

- Site Location
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- 30 Minute Travelshed - Monday 10:00 am

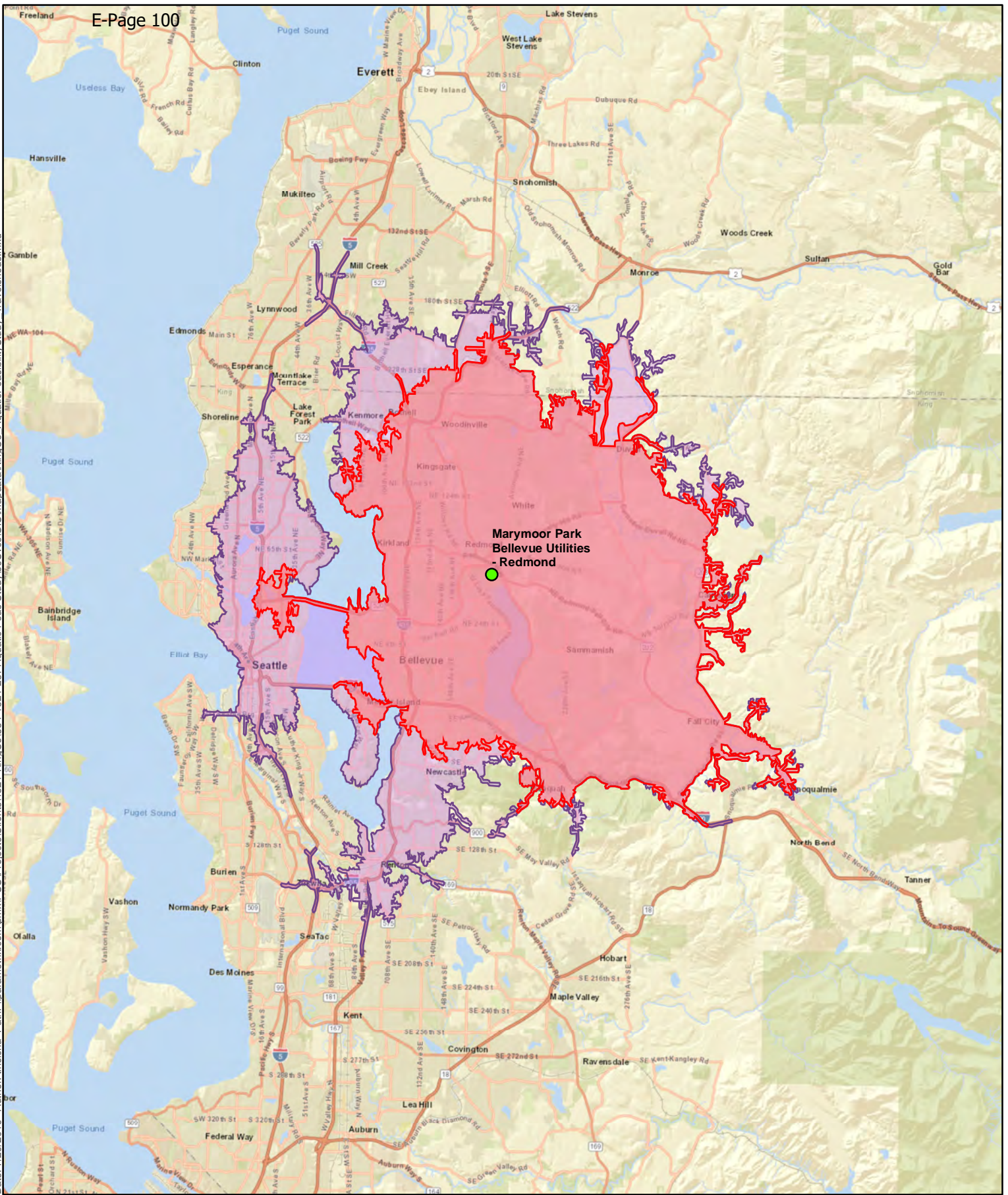
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Marymoor Park Subarea (Private/Redmond)

King County, Washington

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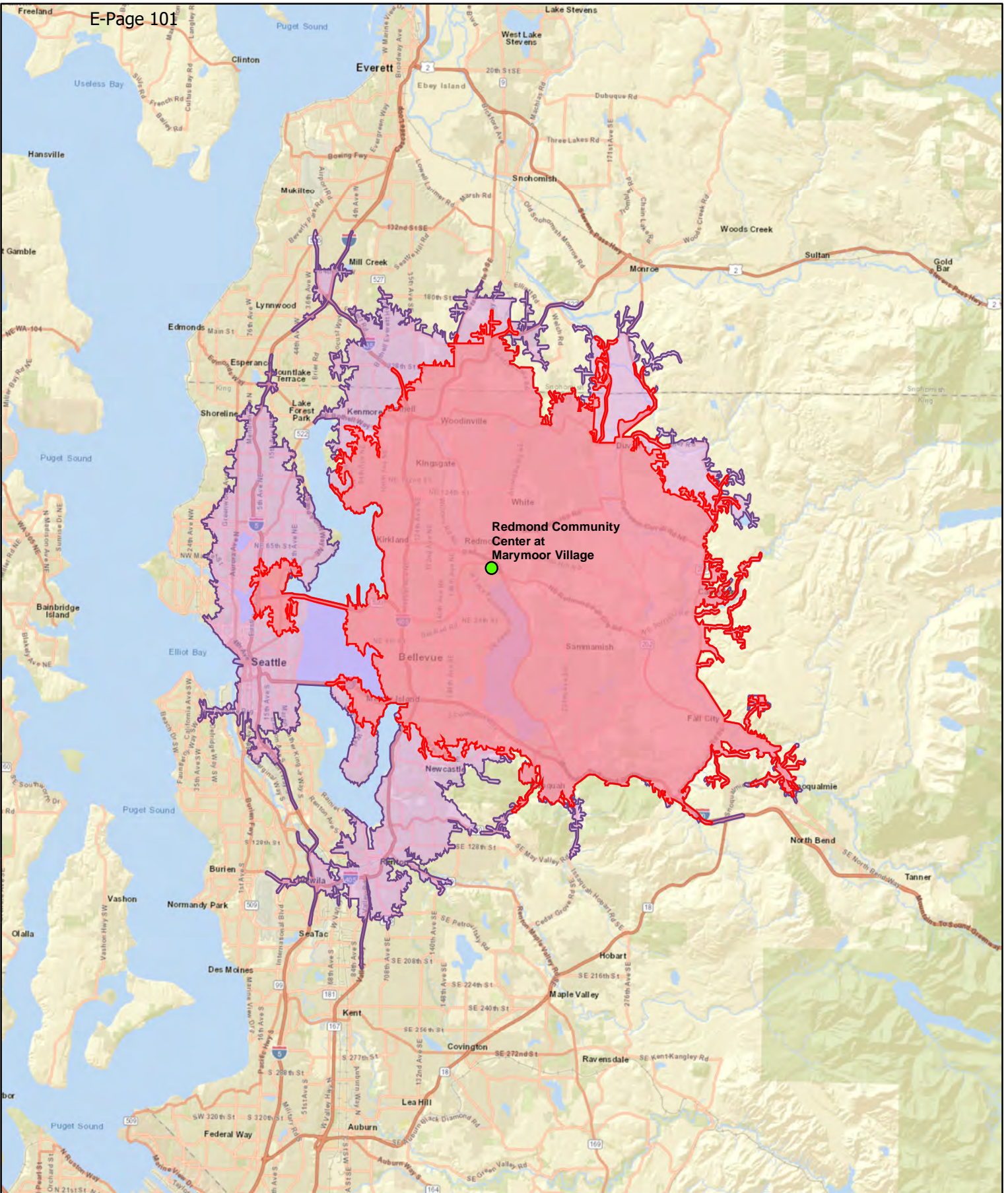
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Marymoor Park Bellevue Utilities - Redmond



King County, Washington

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- Site Location
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- 30 Minute Travelshed - Monday 10:00 am

Redmond Community Center at Marymoor Village



Appendix D

Splash Forward 2018 Meeting Presentation





Best In Class Addendum for Regional Aquatics Report

July 15, 2019

Summary

The facilities listed below are comparable to regional scale facilities and represent those which demonstrate through their formation, operation, partnerships, funding, and breadth of programming best in class criteria aligned with the *Aquatics Feasibility Study* goals and objectives.

1. **Elkhart Health and Aquatics**, Elkhart, Indiana *
2. **Holland Community Aquatic Center**, Holland, Michigan *
3. **Pleasant Prairie Rec Plex Aquatic Center**, Pleasant Prairie, Wisconsin *
4. **Triangle Aquatic Center**, Cary, North Carolina
5. **SwimRVA**, Richmond, Virginia
6. **Tupelo Aquatic Center**, Tupelo, Mississippi
7. **Lenexa Rec Center & Shawnee Mission Aquatic Center**, Lenexa, Kansas

** denotes top three*

Best in Class facilities reflect facilities that represent excellence one or more of the following categories:

- Programming: Community Wellness
- Community Connection
- Design Elements: Breadth of Aquatic Facility elements
- Competition Venue: Regional Scale
- Management & Ownership
- Operational Efficiency & Sustainability
- Funding: Capital cost, annual funding, long term maintenance
- Partnerships
- Economic Impact

These facilities all have several key elements in common:

- Combination of community programming, wellness, training & competition capabilities
- Ability to host large local, state and regional competition in aquatic sports
- Facility design and features to support concurrent and diverse programming, especially allowing ongoing community programs during aquatic competition events
- Significant event calendar balanced by community programming
- Investment in professional and experienced aquatic management
- Partnership elements that support sustainability: Funding, management, site, programs
- Creative and effective public/private funding models
- Significant program and use revenue that offset operating costs and maximize cost recovery
- Efficient design leading to cost efficient construction and project cost
- Economic Impact

Elkhart Health & Aquatics, Elkhart, Indiana

Opening July 18, 2019

<https://elkhartcenter.com/>

Facility Details	
<ul style="list-style-type: none"> • Site: Former YMCA location, riverfront (105 acres) • 170,000 sq ft complex • Competition Pool <ul style="list-style-type: none"> • 66m x 25m competition pool (10 lanes w/ 2 bulkheads) • Diving well w/ 1m boards, 3m & 5m platforms • 1200 spectator seating • 800 competitor deck seating • Teaching / Fitness Pool <ul style="list-style-type: none"> • 25yd, 4 lanes with ramp • Therapy Pool <ul style="list-style-type: none"> • 35' x 25.5' with ramp, stairs and lift • Wet classroom, dry training space, member/public/student locker rooms <ul style="list-style-type: none"> • 8,000 sq ft 	<ul style="list-style-type: none"> • Fitness Center <ul style="list-style-type: none"> • elevated track, 2 x gymnasiums, exercise rooms, , cardio/strength, studios • 45,000 sq ft • Rehab & Clinical Services • Sports Medicine Clinic • Weight Loss Institute, Occupational Medicine clinic • Community atrium, outdoor patio w/ access to walking trails • Community Center: Multi-purpose rooms, Meeting Rooms and common space <ul style="list-style-type: none"> • 16,000 sq ft
	
	

Best In Class Summary

- **Programming: Community Wellness** - Serves recreation, fitness, therapy, Learn to Swim, competition, training; All age groups & abilities
- **Community Connection** – Combines community center meeting and function spaces with community recreation, fitness and aquatic programming; Universal access - membership in Beacon Health Fitness Center not required
- **Design Elements:** Breadth of Aquatic Facility – leisure, recreation, warm water therapy, competition
- **Competition:** State of the Art flexible competitive facility
- **Operationally Efficient** – Operating endowment included in privately funded portion of capital costs
- **Partnerships** – Community Foundation, Healthcare Partner, School District
- **Economic Impact** – **\$4.72 M / yr** (based on full event calendar by 3yrs)
 - Projection of \$2.9M annual revenue
 - Attract 20+ regional scale meets a yr. (wknds)
 - 36,000 annual visitors
 - 16,350/yr Hotel Room Nights
 - **Jobs:** \$9.5M in Wages & Salaries over initial 5yrs

Aquatics Programming

- **School District**
 - 2 HS Swim & Dive Teams, Middle School, PE, School Aquatics Clubs
 - Elementary swim lessons/water safety
 - Athletic Training – therapy, rehab, cross training, Beacon Health sports medicine
- **Elkhart United** swim team
- **Masters & Triathlon**
- **Diving Club** – School District and Elkhart United
- **Beacon Health (BH) Members** – lap swim, aquatic fitness, families, events, therapy, rehab & clinical services
- **Community**– Pre-Team, Swim Lessons, Special Needs, Aquatic Fitness through BH, Youth & Community, Birthday Parties, Camps, Clinics
- **Outside Groups** – club teams, water polo, synchro, diving, triathlon, special needs, youth & community, scuba, kayak/canoe, stand up Paddle Board, etc.
- **Regional Scale Meets**
 - Swimming
 - USA Swimming & Indiana Swimming - club meets
 - HS dual meets and championship league meets
 - US Masters
 - Camps & Clinics
 - Diving
 - Water Polo
 - Collegiate
- **Community Center:** Meeting, function and program spaces for community use plus organized community programs

Formation and Operations

- \$72M build cost
 - \$28M Private funding, \$10M Community Foundation, \$9M Individual, Healthcare Partner \$17M, School District \$6M, Government Grants \$11M (\$9 State + \$2M City)
 - Elkhart Community Foundation - \$10M endowment to cover operating costs
- Healthcare Partner (Beacon Health) Operates
 - Experience operating fitness centers; new to aquatics – will be mentored by aquatics consultant during first year
- Formed Elkhart LLC with Community Foundation and Beacon Health
 - Reduces Risk, Protects Community – *if Beacon Health Hospital were acquired the aquatics center would not be at risk for being sold or ill managed.*
- **Elkhart Community Foundation** a 501(c)(3)– Stability & Oversight
 - Major owner in facility and has ultimate control
 - While Beacon Health will operate, **Community Foundation is primary owner**

Holland Community Aquatic Center, Holland, Michigan

Opened 1968; Major Expansion in 1998; \$26.3M expansion in 2020 planned

<https://hollandaquaticcenter.org/>

- **Vision:** *To lead the nation with excellence in aquatics and community wellness*
- In 2004 (5yrs after major expansion) named by Aquatics International as **“Best in the Nation” for programming and infrastructure.**

“The Aquatic Center was conceived with diverse community input to make it as appealing and innovative as possible. As the story goes: “If you build it....they will come.” The Aquatic Center has been highly successful. Programming has blossomed with the increase in space and the diverse aquatic features and has expanded and evolved to fill community needs. All day long, every day, season by season, the Aquatic Center offers a wide array of aquatic programming.”

Facility Details

- | | |
|--|---|
| <ul style="list-style-type: none"> • Competition Pool <ul style="list-style-type: none"> ○ 51.4m x 75ft, with one moveable bulkhead <ul style="list-style-type: none"> ▪ 7ft starting end to 4ft center, 13ft on diving end ○ 2 x 1 meter and 2 x 3 meter diving boards ○ 500 on deck competitor seating • Spectator Area <ul style="list-style-type: none"> ○ 600 fixed + 150 standing and expansion seating ○ Concession area, restrooms • Training Pools <ul style="list-style-type: none"> ○ Original Community Pool built in 1968 ○ 75 x 45 ft, 6 lane pool <ul style="list-style-type: none"> ▪ 3.5 feet at both ends and 5.5 feet in center ○ Diving pool of 25 x 45 ft, 12.5 feet deep <ul style="list-style-type: none"> ▪ Two 1 meter diving boards | <ul style="list-style-type: none"> • Therapy Pool <ul style="list-style-type: none"> ○ 36 ft x 20 ft, sloping from 3.5 to 5 feet ○ Water powered hydraulic lift • Leisure Pool (SplashZone) <ul style="list-style-type: none"> ○ 3,000 sq ft ○ Triple spiral water slide, a multi-feature play structure, water cannons, vortex, water cane, fountains and water jets, zip line ○ 12 ft diameter spa • Fitness Center <ul style="list-style-type: none"> ○ 2,000 sq ft ○ Full range of fitness equipment, mirrored wall • Multipurpose Rooms / Meeting Rooms <ul style="list-style-type: none"> ○ 2,600 sq ft |
|--|---|



2020 \$26.3M Expansion	
	<ul style="list-style-type: none"> • 20yr 1.25 mill approved by voters in 2019, 63% passage • \$26.3M Expansion: https://youtu.be/uYdiMBIQlck <ul style="list-style-type: none"> ○ \$14.9 million - renovation ○ \$11.4 million - new construction • Expand spectator seating • Convert existing leisure pool to 5 lane 25 yard warm-up pool • Create new larger leisure and aquatic program space • Create new larger therapy pool

Best In Class Summary
<ul style="list-style-type: none"> • Programming: Community Wellness - Serves recreation, leisure, fitness, therapy, Learn to Swim, competition, training – All age groups & abilities, Growth seen in all user groups annually • Design Elements: Breadth of Aquatic Facility – leisure, recreation, warm water therapy, competition • Competition: State of the Art flexible competitive facility • Management and Ownership: Independent Pool Authority with governing Board and taxing authority • Funding: Independent Public Funding entity with annual program fundraising element • Operationally Efficient – High cost recovery requiring low operating subsidy funded through Pool Authority operational levy millage, low service fees • Community Connection – strong School District and Medical relationship; Learn to Swim Program integrated in K-5 local school district – 5000 students annually, special needs programming • Economic Impact: \$10 million in 2018 with \$6.4 million attributed to tourism; \$6.5M forecasted annually; 11,000 visits in one month

Aquatics Programming

- Swimming instructional program **integrated into K-5 education programming** for the **Holland public, parochial, and charter schools**
 - Teaches children how to swim and introduces benefits of swimming
 - 5000 children taught annually
 - Special Needs specific programming, ages 4-12
- **Adult fitness** and education programming
- **Preschool** infants and parents
- **Independent fitness and recreational swimming**
- **Competitive Swim Teams**
 - Michigan Lakeshore Aquatics age group (USA Swimming Club), school teams, and Master’s
 - Elite level of competition and swimmers
 - Booster organization to support competitive programming
- **Host local, state, and national championships meets**
 - High School Championships, USA Swimming, NCAA Div III

Formation and Operations

- 1996 vote approved for **\$11.25M bond issue** to finance pool expansion
- Adjacent to Holland Hospital
- Large parking lot and adjacent park
- **Memberships and service fees** account for approx. **50% income**.
- **Rentals, events and competitive swim income** supplement income.
- **Independent municipal entity** (Holland Area Community Swimming Pool Authority) – matches Holland School District borders – independently **operates facility** and has ability to **levy millage** (property tax rate in tenths of cents per \$1 of property value)
 - Original 1968 facility tied to public school district, independently run
 - 2004 Aquatic Center separated from School District
 - Staff are employees of the Authority
- \$25K received April 2019 from local Community Foundation to fund expansion planning for next 20yrs

Pleasant Prairie RecPlex Aquatic Center, Pleasant Prairie, Wisconsin

Opened in 2000. 42,000 sq ft dry side expansion in 2004. 42,000 sq ft aquatic (50m) expansion in 2008.

<http://recplexonline.com/aquatics>

The Largest Municipal Recreation Facility in America. Located on the shores of Lake Andrea in Prairie Springs Park, Pleasant Prairie

Facility Details

- | | |
|---|--|
| <ul style="list-style-type: none"> • 302,000 sq ft complex • Competition Pool <ul style="list-style-type: none"> ○ 10 lane, 50m x 25y with bulkhead ○ 650 Spectator Seating plus standing room
<i>Note: this is too tight for their target events; desire for more seating</i> ○ 500 On deck ○ Geothermal heating for water & air • Leisure Pool: <ul style="list-style-type: none"> ○ 17,000 sf with approx. 8,000+ sf of water area | <ul style="list-style-type: none"> • No separate teaching pool.
<i>Note: Wish they had one. Difficult to teach or run fitness in the 4 lane portion when leisure complex in use & impacted when closures due to leisure pool incidents.</i> • Overall facility: <ul style="list-style-type: none"> ○ 60,000sq ft field house; dividable gym space with 4 full size courts ○ Two NHL size ice rinks, 79,000 sq ft ○ 8,000sq ft fitness center ○ 1/6-mile suspended track ○ Raquetball courts |
|---|--|

- Big, small and a tykes slide; Big slide w/ it's own runout
- Current channel
- Play Tower
- Sprayers and geysers

Note: They would like to see more interactive features like a water tipping bucket.

- 4 lane x 25y section (2,100 sf) for lessons, fitness, etc.

- Meeting & Party space
- Changing rooms
- Child-care area and snack bar
- Witbit – inflatable obstacle course



Best In Class Summary

- **Programming:** Comprehensive in-house aquatics offerings.
- **Community Connection:** Large park setting with lake integrates well with RecPlex run outdoor activities
- **Design Elements:** Built in phases
- **Competition Venue:** Regional Scale
- **Management & Ownership:** Strong professional management staff
- **Operational Efficiency & Sustainability:** High event calendar and ability to run community programming during meets helps generate a high cost recovery.
- **Funding & Partnerships:** 50m pool expansion funded in part by major corporate foundation grant

Aquatics Programming

- Patriots Swimming Program: Comprehensive Learn to Swim, Private Lessons, Feeder Program, USA age group swim club, and Masters Swimming.
- Lifeguard & safety training
- Intro to Scuba Diving (3rd party, Manta Divers)
- Triathlon & Open Water Training – in Lake Andrea
- Approximately 35-40 aquatic events on weekends per year
 - Limited interference with leisure pool and aquatic programming
 - Draws from region: Wisconsin and Illinois mostly
- Hosts USA Swimming Central Zone region meets such as Zones and Sectionals but does not host USA Swimming National Championships meets

Formation and Operations

- WisPark (Real Estate Development Co) donated a total of \$5.6M for 425 acre park and capital build in 2000
- 2008 expansion funded through large community corporate partner (ULINE, Inc)

Triangle Aquatic Center, Cary, North Carolina

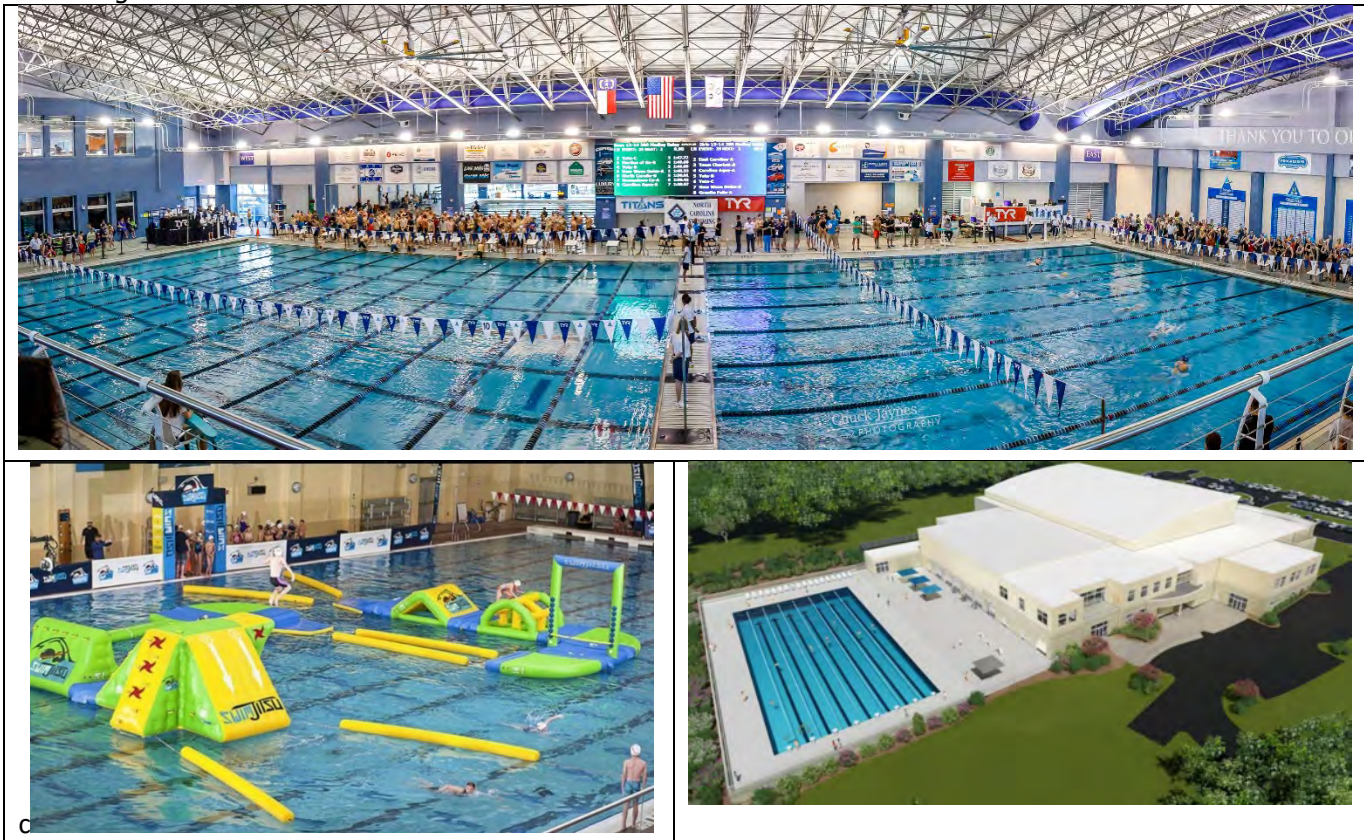
Opened in 2007

<https://triangleaquatics.org>

Facility Details

- 21.5 acre site
- **Competition Pool**
 - Configurable, 23 lane, 50M
 - 1000 seating initially, 1500 post expansion
- **Training Pool**
 - 10 lane 25yd
- **Instructional Pool** (warm water)
- **2019 Expansion**
 - Outdoor 9 lane 50M LC (no bulkhead/no events), 20 lane 25y, 7 feet deep
 - Portable Bleachers
 - 4 unisex bathrooms
 - **Fitness center**





Best In Class Summary

- **Community Connection:** Serves majority of local youth aquatics which has exploded in area; Learn to Swim and Make-A-Splash supporting low income; Scholarships; Strong bridge programming for non-competitive youth
- **Competition Venue:** Regional Scale
- **Management & Ownership:** Private owned & operated facility with \$4.3M revenue and \$4.4M operating expenses. 3 largest revenue generators: 1. Titan Year Round Swim Team (\$2.2M), 2. TAC Programs (Swim Academy, Private Lessons, LG Classes, Birthday Parties (\$625K), 3. Facility Revenue (Lane Rentals, Café/Swim Shop, External Events, Amenity/Facility fee charges) \$620K
- **Operational Efficiency & Sustainability** – renewable annual revenue through sponsorships and grants (25%)

Aquatics Programming

- **510,000 visitors per year**
- **Serves:** 6 Public HS's, 5 Private Schools, 1 Synchro, 1 Homeschool Team (60-70), 1 Adult Water Polo Team, Masters
 - Avg team size 50, sm HS 25-30, lg 75-100
 - 5 lanes per team; large team 10 lanes; typical 7-8 lane
- No Diving, No Water Polo
- Learn to Swim, Physical Therapy, Aquatics Fitness Classes
- Lifeguard, CPR/First Aid/AED, Water Safety Instructor Training
- **Titan Club Team** – 650 swimmers; 8 coaches
- **Events:** Hosts ALL HS meets, State Championships, 10-12 Titans meets, Age Group Meets, National meets; USA Swimming competition, Wake County High School swimming, NCHSAA state championships, water polo tournaments, triathlons, Special Olympics of NC, the National Black Heritage meet, North Carolina Senior Games and more.
- **Serves HS Swimming 1st**, then events, then internal programs (Titans, etc.)

Formation and Operations

- **Privately Funded and Operated** - After 5 years, transitioned from 'Community Asset' w/ 3rd party rental/operate model to 'TAC first' model where TAC programs and operates facility.
 - High Demand for Water. Private facility with ample water yet more lane requests than they can meet. Expansion expected to serve Rec swimmers better.
- **Capital Funding:**
 - \$10 M tax exempt bond (Michael G. Curran Family foundation + Wachovia Bank)
 - \$7.5 M from local residents, aquatic clubs, corporate sponsors/foundations
 - \$3.5 M additional to cover costs (Wachovia Bank line of credit + additional fundraising)
 - Land (21.5 acres): land gift + \$1M Family Foundation + \$50K donation
 - 2019 Expansion – carried debt w/ biz model to cover
- **Revenue**
 - Prime revenue – Swim Teams and Events
 - Top 3 Revenue Sources
 - TITAN Swim Team (650, year round) - \$2.2 M
 - TAC Programs - \$625K
 - Learn-To-Swim, Private Lessons, Lifeguard Classes, Birthday Parties
 - Facility Revenue - \$620K
 - Lane Rentals, Café/Swim Shop rental, External Events, Amenity/Facility Fees
 - **Annual Revenue:** Grants + Sponsorship
 - USA Swimming Make A Splash \$5K–10K
 - Donors/Sponsors \$20–25K (one primary donor/bank)
 - Liability Account that credits the Learn-To-Swim Program
 - County pays for HS aquatics - \$65K annually (\$20/lane)
- **Expenses:** \$4.4M annual expenses (\$1.5M on personnel)

SwimRVA, Richmond, Virginia

Opened in 2012

<http://www.swimrichmond.org/>

“SwimRVA began as the Greater Richmond Aquatics Partnership (GRAP), a collaboration of five educational and youth sport leaders who shared the goal of providing a world-class aquatics facility in Chesterfield. Today – thanks to ever-developing and evolving partnerships with civic leaders, schools, community groups, and amazing organizations like the YMCA, the Salvation Army Boys & Girls Clubs, and VCU – we’re building social bridges through aquatics that cross physical, racial, and economic barriers. Much more than just a pool, we serve as a catalyst for water safety, health and fitness, sports tourism, competitive aquatics, and possibility, for all Richmonders.”

Facility Details

- 54,000 sq ft facility
- **Competition Pool**
 - 2008 US Olympic Trials pool
 - **50m x 25y**
 - 8 lane w/ moveable bulkheads
 - 700 spectator seating w/ 5 x 36" TVs
- **Instructional Pool**
 - **25y x 6 lane**
 - Swim Lessons, Learn-to-Swim, Aquacise, Aqua Zumba, Special Olympics practices, and Scuba courses
- **Therapy Pool** for seniors (Hydroworx)
 - handicap accessible lift
 - stabilizing sideboards
 - 2 x under water treadmills with video system
- **Fitness rooms**
- SwimRVA's home offices
- **Community Room**
 - Fitness and Adult classes: Zumba, Line Dancing, Core Training, Yoga, Cardio Burn, and Zumba Lite.
 - Meetings and Birthday Parties
 - Swim Meets Common Room, Vendor area and Cafeteria



Aquatics Programming

- **Swim School** – Group, private lessons; Drownproof Richmond, Autism Swims 1-1 program
- **Safety School**
 - Lifeguard instructor training, CPR, First Aid, AED and Babysitting classes
 - *Swim for Life* workforce development program: partner with local College & Career Academy to take students with little or no swimming ability and training them to be lifeguards
- **Health and Wellness** – aquatics and dryland; universal access; 70+ classes; free consultation; 1-day or 10visit passes
- **Camps** - Swim Lessons & Healthy Living, Water Sports (Water Polo, Kayak, Synchro, Log Rolling), Stroke & Turns, High Performance, Jr Lifeguarding, Mermaid Camp
- **Running University** – aquatics based running enhancement & strengthening program
- **Swim Team, Water Polo** – SwimRVA Rapids, public swim and water polo teams
- **Adult Swim Training Program** – SwimRVA Hammerheads

Best In Class Summary

- **Programming:** Comprehensive offerings for all ages - skill development, health & wellness and water safety.
- **Community Connection:** SwimRVA's mission: health and wellness, sports tourism, competitive swimming and water safety.
- **Programming: Water Safety – Drownproof Richmand initiative**
 - Universal access to water safety, aquatic fitness, and workforce development outreach programs
 - Hub for training Lifeguard Instructors in the Richmond region
 - Custom built water safety programs for organizations
- **Design Elements:** Breadth of Aquatic Facility elements; Regional Scale

Tupelo Aquatic Center, Tupelo, Mississippi

Opened 2013

<https://swimtupelo.com/>

Facility Details

- **\$12M** capital build + CVB \$429K for scoreboard, touchpads, bleachers, lockers, etc.
- **Competition Pool**
 - 50m x 25-yard with moveable bulkhead
 - 8 x 9' 50m lap lanes
 - 20 x 25y lap lanes
 - 900 spectator seating
 - 600 competitor deck seating
- **Recreation Pool**
 - 25-yard recreation pool
 - Learn to Swim, Fitness Classes
 - Underwater bench seating
 - ADA assessable chair lift
 - Stair entry
 - Disabled Ramp entry
- **Events**
 - State, Regional, Local HS, Club, Masters





Lenexa Rec Center & Shawnee Mission Aquatics Center, Lenexa, Kansas

Rec Center: Opened July, 2017; Shawnee Mission Aquatic Center: Opening Oct 2019

<https://jcprd.com/924/Shawnee-Mission-School-District-Aquatic->

Facility Details

Lenexa Rec Center

- **Site:** Civic Center Campus in Lenexa
- 100,000 sq ft Rec Center
- **Leisure Pool**
 - 14,000 sq ft: Leisure Pool
 - Lap lanes
 - Separate Deep Water with Diving Board
 - Water slides
 - Warm Water Wellness Pool
- **Fitness Areas**
 - Gym
 - Indoor track
 - Fitness center
 - Meeting Rooms
- **Adjacent to**
 - 70,000 sq ft City Hall (offices, leased space for a college, public forum, public market)
 - 4 story, 500 car parking structure
 - Outdoor commons

Shawnee Mission Aquatic Center (SMAC)

- **Site:** 2 acres directly across the street from Lenexa Rec Center
- 55,000 sq ft
- Configurable 25Y x 50M Pool
- 1300 Spectator Seating
- Diving Well
- 25Y Rec Pool with moveable floor
- Locker rooms
- Concession area
- Wet & Coaches classroom, timing rooms
- Training facility
- 2 Story Parking structure

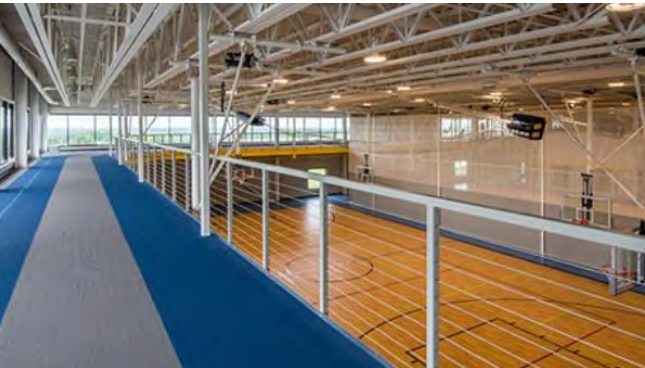
Lenexa Rec Center



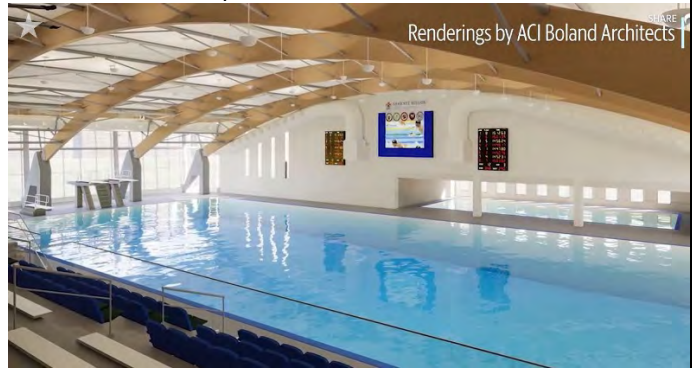
Shawnee Mission Aquatic Center



Lenexa Rec Center



Shawnee Mission Aquatic Center



Renderings by ACI Boland Architects

Best In Class Summary

- **Programming: Community Wellness** – Serves recreation, fitness, therapy, Learn to Swim, competitive (SMAC only). Full range: Senior, adult, family and youth programming.
- **Community Connection** – Integral part of comprehensive Lenexa planning (20yr plan); walkable and accessible City center; Lenexa Rec Center to serve the broadest possible needs of all ages and abilities. Serving the Community first; the 85% that don't belong to fitness club. Never displace community programming due to events. County vision to make every 3rd/4th grader Water Safe.
- **Design Elements:** Breadth of Aquatic Facilities with both facilities – leisure, recreation, community, warm water therapy, competition, learn to swim
- **Competition venue:** Shawnee Mission AC - Regional Scale State of the Art competitive facility.
- **Operationally Efficient** – Lenexa Rec Center operated by Lenexa Parks and Recreation. Goal to be operationally sufficient in 5yrs. Exceeded pro forma in first year: 13.9% above revenue & 9.3% below expenses with \$2.33 million in revenue & \$1.92 million in expenses.
- **Partnerships** – City, County and School District

Aquatics Programming

- **Community**
 - Dryland and Aquatics Fitness classes for adults and seniors.
 - Silver Sneakers programming
 - Family fun (zero depth entry, interactive water features, 2 40ft slides, diving), Lap swimming, lazy river, warm water wellness
 - Complimented by dryland: Child Watch, community event rooms, gymnasiums, walking track, wellness assessment, personal training, equipment gym
 - SMAC – serves SD and region for Learn to Swim
- **Shawnee Mission School District (SM SD)**
 - 4 SD's in Johnston County
 - SM SD has 5 HSs some with own older pools that will be used for smaller dual meets
 - Larger HS meets held at SMAC
- **Johnston County**
 - **Swim Team** – KC Blazers, will use SMAC year round
 - Summer league program
- **Regional Scale Meets (SMAC only)**
 - Swimming (HS and Championship league meets, USA Swimming club meets, Masters, Camps & Clinics), Diving

Formation and Operations

- Lenexa Rec Center - \$30M
 - Funded by portion of the 20yr 3/8th cent sales tax measure passed by voters in 1998
 - Sinking Fund – Revolving funds through membership revenues.
 - Membership goes toward programming, operating costs & maintenance. Funds are earmarked and cannot be used for anything else.
 - Rec Center Top Usage: 1. Aquatics venue 2. Fitness programming 3. Walking track
- Shawnee Mission Aquatic Center - \$28M
 - City donated land to Shawnee Mission SD
 - Bond Issue (included in a \$233M 2015 Bond Issue)
 - MOU between SM SD and Johnston County
 - Johnston County Operates – ensure community access; SD owns buildings/maintenance.
 - MOU covers hours of access including meets.

**CITY OF KIRKLAND**

Department of Parks & Community Services
123 5th Avenue, Kirkland, WA 98033 · 425.587.3300
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Lynn Zwaagstra, Director
John Lloyd, Deputy Director
Sudie Elkayssi, Special Projects Coordinator

Date: February 18, 2020

Subject: Special Events Cost Recovery

RECOMMENDATION

That City Council provide feedback to staff on the placement of special events into the fiscal policy structure of the Parks and Community Services Department.

BACKGROUND – PARKS AND COMMUNITY SERVICES COST RECOVERY

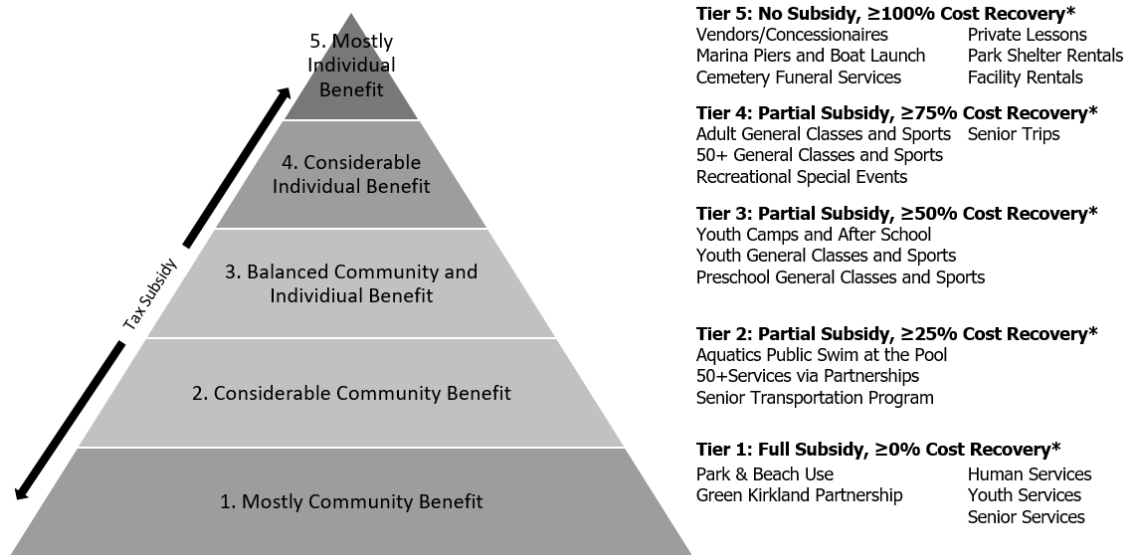
At the December 11, 2018 City Council Meeting, Council adopted the Parks and Community Services Fiscal Policy through [Resolution R-5347](#). Section iv. of the fiscal policy discusses the resource allocation model (i.e., Pyramid Model), developed as a part of the Cost Recovery study. Section iv. says in part:

“The appropriate level of cost recovery will be based on an assessment of who is benefiting from the programs and services provided, along a spectrum ranging from “mostly community benefit” to “mostly individual benefit.” Cost recovery ranges will be identified by “community” versus “individual” benefit tier levels guided by the Pyramid Model...”

The Pyramid Model was adopted by Council on [October 1, 2019](#). The Kirkland model groups all parks, recreation, and community services offerings into 33 programmatic categories, which are defined in **Addendum A**. The Pyramid Model sorts the categories into the 5 tiers in the pyramid through a community engagement process. Tier 1 has the most community benefit and is primarily supported through tax funding. Tier 5 categories have the most individual benefit and receive the least tax dollar support. Tiers 2 through 4 have both community and individual benefits and are supported by a mix of tax dollars, fees and other alternative revenue sources. For a detailed explanation of the Pyramid Model, please see **Addendum B**. Parks and Community Services also adopted a scholarship policy to provide access to programs to everyone, regardless of income (**Addendum C**).

The adopted model is shown below in **Figure 1**. Each programmatic category in the tier shall achieve the set cost recovery target shown.

Figure 1 Resource Allocation Model of R-5347 Fiscal Policy



2018 Cost Recovery Results for Special Events

The special events programmatic category was deferred by the Council from the resource allocation model because the actual cost recovery differed significantly from the recommended cost recovery target. Additionally, municipal code requirements and actual practices differed such that review of the policy in more depth was warranted.

The 2018 cost analysis completed by MGT Consulting Group showed the following results.

2017 Actual Cost	2017 Actual Revenue	2017 Cost Recovery	Original Tier Recommendation
\$400,190 • Direct expenses including parks maintenance support • Department overhead • City overhead • Does not include direct labor expenses incurred by other departments	\$28,332 • Application & permit fees • Services (variable message boards, restroom supplies, etc.) • Contracted parks maintenance labor for restroom service • Does not include direct labor charges for other departments	7%	Tier 2 (25+%)

BACKGROUND - SPECIAL EVENTS

When the resource allocation model was adopted, two programmatic categories were purposely deferred by the Council; special events and athletic field use. Council provided direction to bring these categories back at a later date for further review and analysis.

As a starting point, staff presented an overview of the City's Special Events program at the July 2, 2019 [Study Session](#). This presentation reviewed the event permitting process, current practices and pricing, laws regulating events, and benchmarking our practices with other cities in the region. This session laid the foundation for further discussion. Council requested that staff return with the following information in order to begin policy discussion.

- Review of current practices and pricing (*See July 2, 2019 Council Study Session packet*)
- Review of benchmarking data (*See July 2, 2019 Council Study Session packet*)
- An analysis of current events (*See July 2, 2019 Council Study Session packet*)
- Provide a cost recovery / fee recommendation that breaks events up into different tiers in the pyramid
- Provide information on the impact of the proposed pricing on the current event organizers (next step)
- Review of the City Code as it pertains to components driving what organizers pay (next step)

Current Practices and Pricing

The current fee schedule for special events includes items listed below. See **Addendum D** for the current fee schedule.

- Application and permit fee
- Banner permit
- Direct labor charges for Kirkland Fire, Kirkland Police Department (PD) and Public Works (PW)
- Charges for direct expenses such as the variable message board, restroom supplies and use of City parking lots
- Option to hire parks maintenance for restroom servicing
- No fees for use of parks or park facilities or park maintenance labor for day-of event activities

Current municipal code [19.24.190](#) discusses cost recovery for special events and specifies that event organizers should be charged for time and costs incurred with day of event activities. However, the current practice does not include charging for day-of labor and support by the Special Projects Coordinator, labor and support by parks maintenance staff or use of parks and park facilities.

Current practice allows Kirkland Fire, Kirkland PD and Public Works to charge for day-of event support; therefore, these fees will not be highlighted in this analysis. These fees are "direct pass throughs".

Review of Benchmarking Data

Highlighted in the benchmarking discussion at the July 2, 2019 Study Session, the City of Kirkland provides a high level of service for a low user cost in comparison with our neighbors. Kirkland's one-stop-shop approach allows event organizers to work with one staff person who manages all aspects of the application and permitting process. Staff serve as a liaison with various City departments and regulating bodies. This includes facilitating meetings with the event organizer, Kirkland Police, Kirkland Fire, King County Metro, King County Marine Patrol as well as other key stakeholders. The Special Projects Coordinator also provides each organizer with a tailored document outlining permit requirements for both the City and some outside agencies and confirms that requirements have been addressed before issuing the final permit. The Special Projects Coordinator works on behalf of the organizer to manage all internal coordination with department staff to ensure a safe and smooth event day.

The most significant highlight is Kirkland's dedicated event day support. Kirkland's Special Projects Coordinator conducts a permit compliance inspection at every event and is either on-site to support the event organizer or is available by phone at all other times during permit hours to assist with any issues that may arise. When benchmarking Kirkland against other cities in the region, Kirkland has some of the lowest fees. The combination of low permit fees and not charging for use of park space results in lower event costs compared to our neighbors, all while providing an high level of service. Please see **Addendum E** for the benchmarking analysis provided July 2, 2019.

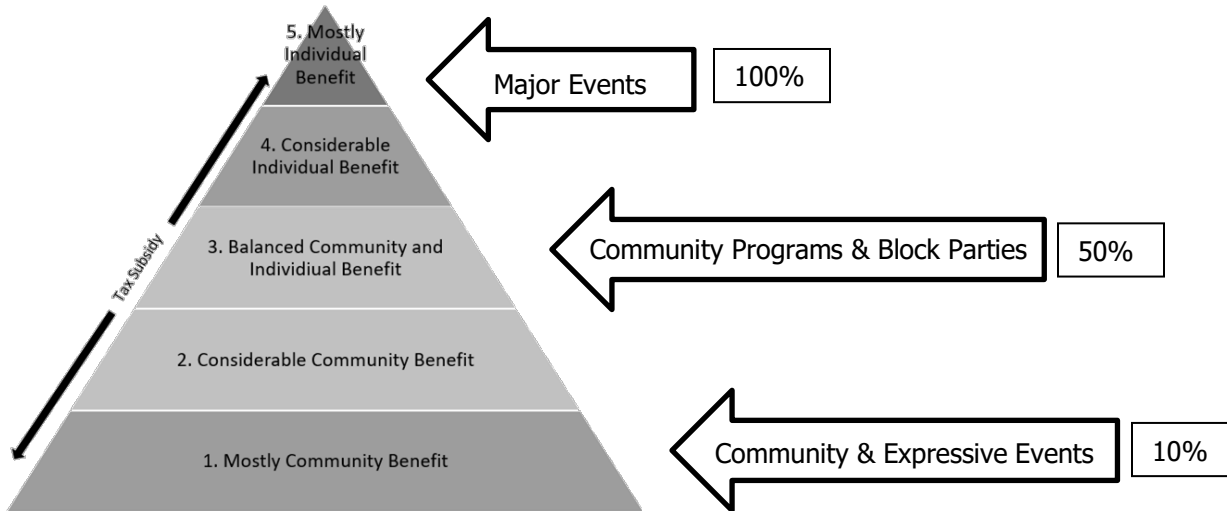
Analysis of Current Events

A detailed analysis of 2018 special events can be found in **Addendum F**. This analysis includes all special events permitted in 2018, with the exception of block parties, film permits, and banner only permits. The spreadsheet includes event organizer profit/non-profit status, event category, actual fees charged, and additional funding received from the City, including Community Event Support from Waste Management (with general fund match) and Tourism Program funding awarded by the Tourism Development Committee (TDC). Additional information on tourism funding can be found in **Addendum G**. This includes event attendance information provided to the TDC as well as what was submitted on the Special Event application. It should be noted that the attendance information varies between the 2 respective submissions.

Cost Recovery / Fee Recommendation

Council requested a recommendation for placing different events into the different tiers of the pyramid as well as the corresponding pricing. Staff recommends consolidating all special events into three of the five Tiers – Tier 1, Tier 3 and Tier 5. The following graphic shows how events could be placed in the pyramid based on event category followed by pricing and an explanation of the methodology.

Recommended Placement within Current Resource Allocation Model (3 Tiers)



Recommended New Pricing

Application Fee	Unchanged at \$50
Permit Fee	Unchanged at \$110 (per inspection required)
Banner Permit	Unchanged at \$25
Labor costs for Fire, PD and PW	Unchanged, direct pass-through expenses
Direct expenses materials & supplies	Unchanged, direct pass-through expenses
New Park Use Fee	NEW! Varies based on Event Category

New "Park Use" Fees

The special event fee structure should be *transparent, simple, defensible* and *predictable*. To help meet the recommended cost recovery targets, staff recommends the implementation of a park use fee that would be assessed to event organizers. As indicated above, each event category is assigned to a specific tier in the Resource Allocation Model; the cost recovery percentage would be applied to the park use fee. Major events would be charged 100%, Community Programs would be charged 50% and Community Events would be charged 10% of the park use fees.

Park use fees would be assessed hourly, with a four-hour minimum per event. Fee does not include setup/cleanup for events or a dedicated maintenance staff person for event related support. Included in the fee:

- Use of the designated park space, any shelter or pavilion in that space;
- Restroom maintenance services by Park Maintenance staff during event hours;
- Monitoring supplies, cleaning restrooms, and providing on-call support for problems within the park (power, water, lighting, etc.).

Table 2 Sample Park Use Fees for Parks Most Used by Special Events

Location	Hourly Rate
Heritage Hall	\$200
Heritage Park	\$125
Houghton Beach	\$150
Juanita Beach Parking Lot/Lawn	\$100
Juanita Beach Park	\$200
Juanita Beach Picnic Areas	\$100
Marina Park	\$200
Marina Park Dock	\$1/foot/day*
Al Locke Pavilion at Marina Park	\$75
OO Denny	\$200
OO Denny Picnic Area	\$100

*Standard moorage rate

Park use fees were developed using current labor costs, actual costs of supplies and turf care as determined by Lucity maintenance data from 2018 and 2019, and current rental fees. An example of a park use fee and how it was developed is shown below.

Example:

Marina Park use fee: \$1,600 per 8-hour day

Actual costs outlined below: \$1,390

Parks Maintenance staff labor	\$440
Cost of restroom supplies (varies based on actual use)	\$50
Utilities (water/sewer for restroom use)	\$250
Al Locke Pavilion rental	\$600
Turf Repair (annual cost averaged out per event day)	\$50
Special Projects Coordinator event support	No fee at this time

As indicated above, the use fee would be assessed to event organizers according to the tier in which the event category is assigned. The park use fee would be assessed as follows.

- Tier 5 – Major Events – 100% or \$1,600 per day
- Tier 3 – Community Programs– 50% or \$800 per day
- Tier 1 – Community and Expressive Events – 10% or \$160 per day

Methodology

Proposed methodology for placing event categories into the tiers of the Resource Allocation Model and the corresponding implementation of the park use fee was developed after consideration of 3 factors: *event categories*, *organizer status*, and *impact to park facilities*.

Use of event category:

- Events are currently categorized according to long established criteria as outlined in Municipal Code 19.24.
 - Currently there are eight different event categories and eight different permit types. Most events are issued a Special Event Permit, regardless of event category. Staff recommend simplifying this structure by aligning categories and permit type and reducing the overall number of options.
- The event category language and event purpose lend themselves to the “benefit analysis”.
 - **Community events** have no admission charge and are co-sponsored by the City expressly for the purpose of providing a community building experience. This is inherently the meaning of “mostly community benefit”.
 - **Community programs** do not charge admission and can be enjoyed by any park user. They have limited impact on the park such that other community members are not restricted from its use. Individuals who participate in the event receive the benefit, and there is also community benefit as events support local businesses.
 - **Major events** charge for participation and cause the closure of or limit use of streets, sidewalks, public parking, parks or other public venues normally accessible by the general public. These events inherently exclude participation and can significantly impact surrounding businesses and neighbors.

Event organizer status (for-profit or not-for-profit) not a determining factor:

- Benchmarking showed no other cities used non-profit status as a differentiating factor.
- Whether or not an event organizer is a for-profit or not-for-profit entity does not define how and who in the community receives the benefit.
- Most event organizers contribute a portion of their proceeds to charity organizations regardless of their status. Events that choose not to donate to a non-profit are currently assessed a permit compliance inspection fee in addition to the standard permitting fees. In 2018, only one event was assessed this fee.
- Event format/type typically dictates whether or not participants are charged a fee regardless of the organizer’s status.

Impact to park facilities:

- 2018 had 106 event days, not including days for set up and take down.
- There were approximately 173,000 attendees at those events.
- On a typical weekend day, park shelters, and facilities are rented for a fee. When a special event uses the park, shelters, and facilities, there is no charge for most spaces. Events using Heritage Hall and the Marina Dock are charged for facility use. Direct revenue lost from shelter and pavilion rentals averages approximately \$25,000-\$30,000 annually.
- Currently, event organizers have the option to hire Parks Maintenance staff to provide restroom cleaning and restocking services. This is the only city-provided service that is made optional to event organizers. In 2018, 6 organizers selected this service, resulting in 34 billable hours; all other organizers opted to provide this service utilizing either volunteers or hired staff. Whether the restrooms are being cleaned by city staff or the event organizer is not always apparent to event guests. This confusion leads to complaints about restroom cleanliness.

Despite requirements for event organizers to conduct set up, take down, park cleaning and generally leave the park as it was found, parks maintenance staff often provide direct support of special events. This includes adding/hauling/moving trash & recycling cans, clearing areas for use, stocking supplies, cleaning up after events (trash pick-up, power washing, etc.) and repairing damage (turf, tables, pavilions, etc.). 2018 and 2019 each incurred the equivalent of a .25 FTE at an average cost of \$21,000 per year.

- 2018 – 409.75 labor hours, total cost with benefits \$22,536
- 2019 – 375 labor hours, total cost with benefits \$20,625

To give an order of magnitude to this labor impact; a .25 position could provide the needed support to operate all park restrooms year-round.

The heavy traffic in the parks also causes significant damage to the turf. This is primarily an issue at Marina Park and Heritage Park where event organizers set up tents, inflatables (bouncy castles), stages, and other displays in order to entertain tens of thousands of participants. This added foot traffic, equipment setup, and lack of irrigation during the event exceeds normal turf wear and tear resulting in significant damage or death of the grass. Several examples are provided below. Depending on event duration and setup, the damage could be corrected simply by watering the lawn, but more severe damage requires total turf replacement to restore the park to pre-event conditions.

The park damage was repaired by parks maintenance staff with no charge to the organizers. Additionally, it is not included in the labor hours mentioned above because it would be coded in Lucity, the City's asset management software, as various types of turf maintenance and/or repair versus being coded as special event support. Primarily because the repairs are conducted several days later and the specific work itself is turf maintenance and/or repair.

Recent examples of turf damage are provided below. This includes an event at Heritage Park and some events at Marina Park; some photos show actual damage and others demonstrate the user impact that significantly exceeds normal wear and tear.

Examples of Event Impact on Parks







Summer Concert Series at Marina Park



Uncorked at Marina Park



Kids Concert at Juanita Beach Park



Staff Recommendation

Staff recommends placing all special events in Tier 1, Tier 3 or Tier 5, as well as implementing the park use fee for special events. The special event fee is transparent, simple, defensible and predictable. Event organizers can review the event fee schedule and understand what fees would apply to them. No changes to the current fee structure related to other departments' costs are being recommended since those are direct pass-through expenses.

The recommendation to utilize a park use fee will streamline costs related to parks services. The parks use fee will cover the use of the park space, any pavilion in that space, restroom supplies and basic parks maintenance services to clean and stock the restroom and provide general site support, such as rectifying power or water problems. This fee does not include event set up, take down or clean up. Additionally, some specialty services would remain, such as use of moorage, etc.

A draft of the possible changes to the fee schedule, with park facility use fees can be found in **Addendum H**. All other fees are unchanged.

Implementation

If Council concurs with the staff recommendation, it is recommended that the new fee schedule not be implemented until 2021. This will give event organizers adequate notice of the changes and allow staff time to accomplish the necessary steps for implementation. Some of those steps include the following.

- Revise the recommended model based on Council feedback.
- Review the new model with event organizers and provide feedback for Council.
- Return to Council with event organizer feedback, calculations on approximate impact to event organizers and any revisions to the proposed model.
- Review the current special event code, edit sections pertaining to the fee model and cost recovery with the new approved language and return for Council approval.

Council Input Requested

Staff is seeking feedback from City Council on the proposed placement of special events into the Resource Allocation Model and the implementation of a park use fee for Special Events.

Addendum A – Programmatic Category Listing

Addendum B – Pyramid Methodology

Addendum C – Scholarship Policy

Addendum D – Special Event Fee Schedule

Addendum E – 2018 Regional Special Event Benchmarking

Addendum F – 2018 Special Event Comparison

Addendum G – 2018 Tourism Funding

Addendum H – Draft Proposed Fee Schedule

City of Kirkland Parks and Community Services

Categories of Service and Definitions

Preschool Sports – group or individual sports programs and activities for preschool ages operated, taught, or managed by the City through staff or contract (pee wee soccer, pee wee basketball, pee wee t-ball, ice skating, etc.)

Youth Sports - group recreational and/or instructional sports programs and activities for youth operated, taught, or managed by the City through staff or contract (examples: youth hockey, tennis, basketball)

Adult Sports – group recreational and/or instructional sports programs and activities for adults operated, taught, or managed by the City through staff or contract (examples: softball, volleyball, beach volleyball league, tennis instruction, golf instruction, ice skating, etc.)

Preschool General Classes – group or individual special interest programs and activities for preschool ages operated, taught, or managed by the City through staff or contract (examples: move and grow, boogie woogie, cooking, art, language, indoor playground, drawing, piano, kids in motion, etc.)

Youth General Classes - group or individual special interest programs and activities for youth ages operated, taught, or managed by the City through staff or contract (examples: self-defense, cooking, guitar, dance, ballet, tap, art, language, etc.)

Youth Camps – recreational weekly camps, school break programs, and after school programs with a social and/or recreational focus which may include field trips (examples: after school, sports and fitness, cheerleading, skateboarding, sailing, paddleboard, ice skating, etc.)

Adult General Classes – group or individual special interest programs and activities for adults operated, taught, or managed by the City through staff or contract (examples: dance, arts and crafts, Ikebana, painting, guitar, computer workshops, self-defense, real estate, voice talent, etc.)

50+ General Classes – group or individual special interest programs and activities for 50+ operated, taught, or managed by the City through staff or contract (examples: arts, crafts, dance, ballet, yoga, welcome wagon, book club, etc.)

Adult Fitness – group fitness and/or instructional programs for adults operated, taught, or managed by the City through staff or contract (examples: Move It! program, yoga, stretch and tone, zumba, pilates, etc.)

Preschool Aquatics Programs and Classes – group aquatic programs and activities for preschool ages operated, taught, or managed by the City through staff or contract (examples: swim lessons)

Youth Aquatics Programs and Classes – group aquatic programs and activities for youth operated, taught, or managed by the City through staff or contract (examples: swim lessons, stroke lessons, lifeguard/CPR certs)

Adult Aquatics Programs and Classes – group aquatic programs and activities for adults operated, taught, or managed by the City through staff or contract (examples: swim lessons, aqua aerobics, lifeguard/CPR certs)

City of Kirkland Parks and Community Services Categories of Service and Definitions

Aquatics Swim Team – group recreational swim team for youth requiring a skills assessment, operated, taught, or managed by the City through staff (Kirkland Orca Swim Team)

Private Lessons - lessons arranged for one student of any age with a specific instructor and/or time (examples: swim, tennis, computers, etc.).

Facility Rentals – rental of Peter Kirk Community Center, North Kirkland Community Center, Heritage Hall, and Peter Kirk Pool for exclusive use of full or partial facility on a one-time basis by the general public or organization (examples: pool and room rentals, birthday parties, etc.)

Park Shelter Rentals – rentals for exclusive use of spaces and/or facilities on a one-time basis by the general public or organization (examples: picnic areas, shelters, pavilions)

Athletic Field Rentals – rental and scheduling for exclusive use of athletic fields (examples: Little League, Kirkland Baseball Club, Lake Washington Youth Soccer, company parties, etc.)

Long Term Lease Agreements – exclusive use of facility spaces for ongoing or multiple time-periods by a private individual, group, non-profit, or for-profit business (examples: rental houses, commercial pier)

Partnership Agreements – agreement with non-profit organization to provide community services for ongoing or multiple time-periods using City property (examples: Kirkland Teen Union Building/YMCA, Kirkland Performance Center, Youth Eastside Services, Tilth Alliance Farms & Gardens)

Parks/Beach Use – drop-in use of park amenities that is non-registered and non-instructed (examples: use of beach, use of trails, open lawns, landscaped areas, dog parks, playgrounds, etc.)

Marina Piers and Boat Launch Use – drop-in use of a marina piers and boat launch which is monitored by city staff (examples: touch and goes, general moorage, boat launch, etc.)

Aquatics Public Swim at the Pool - access to aquatic facility that is actively managed or attended by City staff (examples: open swim, lap swim)

50+ Partnerships Services - group or individual services and programs for 50+ operated, taught, or managed through contract or outside agencies (Evergreen health and wellness, nutrition, foot care, oral health care, Meals on Wheels, SHIBA, Chinese Services, Latino Services, legal services, financial services, etc.)

Senior Transportation Program – contracted transportation program for 50+ age group for services (examples: grocery shopping, daily van transportation)

Senior Trips – day and extended trips that provide opportunities for age 50+ participants to visit selected destinations (examples: out for lunch, whale watching, history museum, etc.)

Green Kirkland Partnership – management of opportunities for individuals or groups to donate their time and effort to a structured or scheduled experience to preserve, protect and restore Kirkland's forests and natural environment.

City of Kirkland Parks and Community Services Categories of Service and Definitions

Senior Services – volunteer community service program that acts in an advocacy role supported by City staff (senior council work program)

Human Services – grant program to the non-profit service providers to meet basic human needs, focusing on inclusivity, diversity, and social issues, managed by City staff (Human Services Commission)

Youth Services – community service and youth development programs and opportunities supported by the City (examples: Kirkland Teen Union Building, youth council activities, youth summit, etc.)

Recreational Special Events – targeted annual activities and events requiring registration that are typically offered on a one-time or limited basis (examples: Kids Tri)

Community Recreation Events – repetitive activities and events not requiring registration (examples: Friday market, spray park)

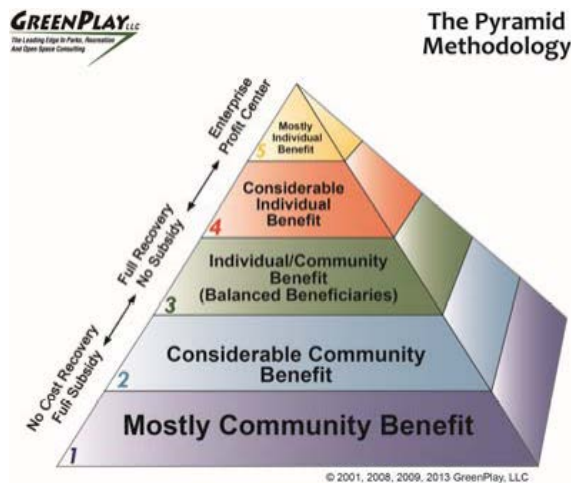
Special Events Services (permitted) – support for all permitted events planned and implemented by outside organizations, running through the City permit process and utilizing public space (examples: Summerfest, Shamrock Run, Oktoberfest, NAMI Walk, Concert Series, Uncorked, Turkey Trot, Little League World Series)

Vendors/Concessionaries – use of City property for sale of goods and services sold for individual use that are offered by for-profit businesses (examples: Paddleboard, sea kayak, food truck, concession stand, etc.)

THE PYRAMID METHODOLOGY: COST RECOVERY AND SUBSIDY ALLOCATION PHILOSOPHY

The creation of a cost recovery and subsidy allocation philosophy and policy is a key component to maintaining an agency’s financial control, equitably pricing offerings, and helping to identify core services including programs and facilities.

Critical to this philosophical undertaking is the support and buy-in of elected officials and advisory boards, staff, and ultimately, citizens. Whether or not significant changes are called for, the organization should be certain that it philosophically aligns with its constituents. The development of a financial resource allocation philosophy and policy is built upon a very logical foundation, based upon the theory that those who benefit from parks and recreation services ultimately pay for services.



The development of a financial resource allocation philosophy can be separated into the following steps:

Step 1 – Building on Your Organization’s Values, Vision, and Mission

The premise of this process is to align agency services with organizational values, vision, and mission. It is important that organizational values are reflected in the vision and mission. Oftentimes, mission statements are a starting point and further work needs to occur to create a more detailed common understanding of the interpretation of the mission and a vision for the future. This is accomplished by engaging staff and community members in a discussion about a variety of Filters.

Step 2 – Understanding the Pyramid Methodology, the Benefits Filter, and Secondary Filters

Filters are a series of continuums covering different ways of viewing service provision. **Filters** influence the final positioning of services as they relate to each other and are summarized below. The **Benefits Filter**, however; forms the **foundation** of the **Pyramid Model** and is used in this discussion to illustrate a cost recovery philosophy and policies for parks and recreation organizations.

Filter	Definition
Benefit	Who receives the benefit of the service? (Skill development, education, physical health, mental health, safety)
Access/Type of Service	Is the service available to everyone equally? Is participation or eligibility restricted by diversity factors (i.e., age, ability, skill, financial)?
Organizational Responsibility	Is it the organization’s responsibility or obligation to provide the service based upon mission, legal mandate, or other obligation or requirement?
Historical Expectations	What have we always done that we cannot change?
Anticipated Impacts	What is the anticipated impact of the service on existing resources? On other users? On the environment? What is the anticipated impact of not providing the service?
Social Value	What is the perceived social value of the service by constituents, city staff and leadership, and policy makers? Is it a communitybuilder?

THE BENEFITS FILTER

The principal foundation of the Pyramid is the **Benefits Filter**. Conceptually, the base level of the pyramid represents the mainstay of a public parks and recreation system. Services appropriate to higher levels of the pyramid should only be offered when the preceding levels below are comprehensive enough to provide a foundation for the next level. This foundation and upward progression is intended to represent public parks and recreation's core mission, while also reflecting the growth and maturity of an organization as it enhances its service offerings.

It is often easier to integrate the values of the organization with its mission if they can be visualized. An ideal philosophical model for this purpose is the pyramid. In addition to a physical structure, *pyramid* is defined by Webster's Dictionary as "an immaterial structure built on a broad supporting base and narrowing gradually to an apex." Parks and recreation programs are built with a broad supporting base of core services, enhanced with more specialized services as resources allow. Envision a pyramid sectioned horizontally into five levels.

MOSTLY COMMUNITY Benefit

The foundational level of the Pyramid is the largest, and includes those services including programs and facilities which **MOSTLY** benefit the **COMMUNITY** as a whole. These services may increase property values, provide safety, address social needs, and enhance quality of life for residents. The community generally pays for these basic services via tax support. These services are generally offered to residents at a minimal charge or with no fee. A large percentage of the agency's tax support would fund this level of the Pyramid.



Examples of these services could include: the existence of the community parks and recreation system, the ability for youngsters to visit facilities on an informal basis, low-income or scholarship programs, park and facility planning and design, park maintenance, or others.

NOTE: All examples above are generic – individual agencies vary in their determination of which services belong in the foundation level of the Pyramid based upon agency values, vision, mission, demographics, goals, etc.

CONSIDERABLE COMMUNITY Benefit

The second and smaller level of the Pyramid represents services which promote individual physical and mental well-being, and may begin to provide skill development. They are generally traditionally expected services and/or beginner instructional levels. These services are typically assigned fees based upon a specified percentage of direct (and may also include indirect) costs. These costs are partially offset by both a tax subsidy to account for **CONSIDERABLE COMMUNITY** benefit and participant fees to account for the **Individual** benefit received from the service.



Examples of these services could include: the capacity for teens and adults to visit facilities on an informal basis, ranger led interpretive programs, beginning level instructional programs and classes, etc.

BALANCED INDIVIDUAL/COMMUNITY Benefit

The third and even smaller level of the Pyramid represents services that promote individual physical and mental well-being, and provide an intermediate level of skill development. This level provides balanced **INDIVIDUAL** and **COMMUNITY** benefit and should be priced accordingly. The individual fee is set to recover a higher percentage of cost than those services that fall within lower Pyramid levels.



Examples of these services could include: summer recreational day camp, summer sports leagues, year-round swim team, etc.

CONSIDERABLE INDIVIDUAL Benefit

The fourth and still smaller Pyramid level represents specialized services generally for specific groups, and those which may have a competitive focus. Services in this level may be priced to recover full cost, including all direct and indirect expenses.



Examples of these services could include: specialty classes, golf, and outdoor adventure programs.

MOSTLY INDIVIDUAL Benefit

At the top of the Pyramid, the fifth and smallest level represents services which have profit center potential, may be in an enterprise fund, may be in the same market space as the private sector, or may fall outside the core mission of the agency. In this level, services should be priced to recover full cost in addition to a designated profit percentage.



Examples of these activities could include: elite diving teams, golf lessons, food concessions, company picnic rentals, and other facility rentals such as for weddings or otherservices.

Step 3 – Developing the Organization’s Categories of Service

In order to avoid trying to determine cost recovery or subsidy allocation levels for each individual agency service including every program, facility, or property, it is advantageous to categorize agency services into like categories. This step also includes the development of category definitions that detail and define each category and service inventory “checks and balances” to ensure that all agency services belong within a developed category. *Examples of Categories of Service could include: Beginner Instructional Classes, Special Events, and Concessions/Vending.*

Step 4 – Sorting the Categories of Service onto the Pyramid

It is critical that this sorting step be done with staff, governing body, and citizen representatives involved. This is where ownership is created for the philosophy, while participants discover the current and possibly varied operating histories, cultures, and organizational values, vision, and mission. It is the time to develop consensus and get everyone on the same page – the page that is written together. Remember, this effort must reflect the community and must align with the thinking of policy makers.

Sample Policy Development Language:

XXX community brought together staff from across the department, agency leadership, and citizens to sort existing programs into each level of the Pyramid. The process was facilitated by an objective and impartial facilitator in order to hear all viewpoints. It generated discussion and debate as participants discovered what different people had to say about serving culturally and economically varied segments of the community, about historic versus active-use parks, about the importance of adult versus youth versus senior activities, and other philosophical and values-based discussions. This process gets at both the “what” and “why” with the intention of identifying common ground and consensus.

Step 5 – Defining Direct and Indirect Costs

The definition of direct and indirect costs can vary from agency to agency. What is important is that all costs associated with directly running a program or providing a service are identified and consistently applied across the system. Direct costs typically include all the specific, identifiable expenses (fixed and variable) associated with providing a service. These expenses would not exist without the service and may be variable costs. Defining direct costs, along with examples and relative formulas is necessary during this step.

Indirect costs typically encompass overhead (fixed and variable) including the administrative costs of the agency. These costs would exist without any specific service but may also be attributed to a specific agency operation (in which case they are direct expenses of that operation). If desired, all or a portion of indirect costs can be allocated, in which case they become a direct cost allocation.

Step 6 – Determining (or Confirming) Current Subsidy/Cost Recovery Levels

This step establishes the expectation that the agency will confirm or determine current cost recovery and subsidy allocation levels by service area based on the new or revised definition of direct and in-direct costs. This will include consideration of revenues sources and services costs or expenses. Typically, staff may not be cost accounting consistently, and these inconsistencies will become apparent. Results of this step will identify whether staff members know what it costs to provide services to the community, whether staff have the capacity or resources necessary to account for and track costs, whether accurate cost recovery levels can be identified, and whether cost centers or general ledger line items align with how the agency may want to track these costs in the future.

Step 7 – Establishing Cost Recovery/Subsidy Goals

Subsidy and cost recovery are complementary. If a program is subsidized at 75%, it has a 25% cost recovery, and vice-versa. It is more powerful to work through this exercise thinking about where the tax subsidy is used rather than what is the cost recovery. When it is complete, you can reverse thinking to articulate the cost recovery philosophy, as necessary.

The overall subsidy/cost recovery level is comprised of the average of everything in all of the levels together as a whole. This step identifies what the current subsidy level is for the programs sorted into each level. There may be quite a range within each level, and some programs could overlap with other levels of the pyramid. This will be rectified in the final steps.

This step must reflect your community and must align with the thinking of policy makers regarding the broad picture financial goals and objectives.

Examples

Categories in the bottom level of the Pyramid may be completely or mostly subsidized, with the agency having established limited cost recovery to convey the value of the experience to the user. An established 90-100% subsidy articulates the significant community benefit resulting from these categories.

The top level of the Pyramid may range from 0% subsidy to 50% excess revenues above all costs, or more. Or, the agency may not have any Categories of Service in the top level.

Step 8 – Understanding and Preparing for Influential Factors and Considerations

Inherent to sorting programs onto the Pyramid model using the Benefits and other filters is the realization that other factors come into play. This can result in decisions to place services in other levels than might first be thought. These factors also follow a continuum; however, do not necessarily follow the five levels like the Benefits Filter. In other words, a specific continuum may fall completely within the first two levels of the Pyramid. These factors can aid in determining core versus ancillary services. These factors represent a layering effect and should be used to make adjustments to an initial placement on the Pyramid.

THE COMMITMENT FACTOR: What is the intensity of the program; what is the commitment of the participant?



THE TRENDS FACTOR: Is the program or service tried and true, or is it a fad?



THE POLITICAL FILTER: What is out of our control?

This filter does not operate on a continuum, but is a reality, and will dictate from time to time where certain programs fit in the pyramid

THE MARKETING FACTOR: What is the effect of the program in attracting customers?



THE RELATIVE COST TO PROVIDE FACTOR: What is the cost per participant?



THE ECONOMIC CONDITIONS FACTOR: What are the financial realities of the community?



FINANCIAL GOALS FACTOR: Are we targeting a financial goal such as increasing sustainability, decreasing subsidy reliance?



Step 9 – Implementation

Across the country, ranges in overall cost recovery levels can vary from less than 10% to over 100%. The agency sets their goals based upon values, vision, mission, stakeholder input, funding, and/or other criteria. This process may have been completed to determine present cost recovery levels, or the agency may have needed to increase cost recovery levels in order to meet budget targets. Sometimes, simply implementing a policy to develop equity is enough without a concerted effort to increase revenues. Upon completion of steps 1-8, the agency is positioned to illustrate and articulate where it has been and where it is heading from a financial perspective.

Step 10 – Evaluation

The results of this process may be used to:

- Articulate and illustrate a comprehensive cost recovery and subsidy allocation philosophy
- Train staff at all levels as to why and how things are priced the way they are
- Shift subsidy to where is it most appropriately needed
- Benchmark future financial performance
- Enhance financial sustainability
- Recommend service reductions to meet budget subsidy targets, or show how revenues can be increased as an alternative
- Justifiably price new services

This Cost Recovery/Subsidy Allocation Philosophy: The Pyramid Methodology Outline is provided by:



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CITY OF KIRKLAND
PARKS & COMMUNITY SERVICES DEPARTMENT
 123 5th Avenue Kirkland, WA 98033 - (425) 587-3330

Scholarship Policy

It is part of the mission of the Parks and Community Services Department (PCS) to offer Kirkland residents of all ages and abilities the opportunity to participate in parks, recreation and community services programs. Income should not be a barrier to participation. The scholarship program is designed to provide individuals and families an opportunity to participate in programs that they may not be able to afford without assistance.

Eligibility

Scholarships are available to all residents of the City of Kirkland. Residents may apply for scholarships for themselves or any member(s) of their household of which they have guardianship and verification.

Scholarships are granted on a sliding scale that is based on family size and income. Scholarship eligibility levels are determined by Seattle-Bellevue, Washington HUD Metro [FMR Area Income Limit Summary](#). This data is updated annually; the most recent data is shown below.

2018 Seattle-Bellevue WA HUD Metro FMR Area

If Your Family Size is (number of persons)		1	2	3	4	5+
You are eligible for a 50% scholarship	If your Annual Income is	\$56,200 or less	\$64,200 or less	\$72,250 or less	\$80,250 or less	\$86,700 or less
You are eligible for a 75% scholarship	If your Annual Income is	\$37,450 or less	\$42,800 or less	\$48,150 or less	\$53,500 or less	\$57,800 or less
You are eligible for a 95% scholarship	If your Annual Income is	\$22,500 or less	\$25,700 or less	\$28,900 or less	\$32,100 or less	\$34,700 or less

Scholarship eligibility levels are determined by Seattle-Bellevue, WA HUD [Metro FMR Area Income Limit Summary](#)

Residents who wish to register for programs and services provided by Kirkland Parks and Community Services through the scholarship program must submit a scholarship application accompanied by the most recent 1040 Tax Form. Alternatively, an SSA-1099 may be provided if receiving Social Security. Anyone unable to provide this documentation should contact Department staff for an income verification form.

Policy Exemptions and Restrictions

This program does not apply to vendors and concessionaires operating in parks.

Kirkland Parks and Community Services utilizes the services of contracted instructors, employees and service agreements to provide the variety of programs and services offered. Due to the variable nature, available scholarships may be limited for certain programs and services.

Participation is limited to one use per each household member per quarter.



2019 FEE SCHEDULE

PERMITS		
Application Fee	\$50.00	Per application
Electrical Permit (Temporary Power)	\$87.00	Base fee, plus \$22 per concession (\$272.00 maximum), plus 3.5% surcharge
Event Permit Fee	\$110.00	Per venue - each setup/breakdown
IFC Permit	\$300.16	Per application
Street/Vertical/Park Banner Permit	\$25.00	Per application
STAFF FEES		
Electrical Inspections	\$118.50	Per hour - outside of normal business hours, 2 hour minimum
Explorer Program Donation	\$50.00	Per Explorer, \$250.00 maximum
Fire Crew/Dedicated Aid Car	TBD	Rate based on wages of assigned staff, 2 hour minimum
F.O.G. (Fats, Oils & Grease) Service	\$100.00	Per service
Off-Duty Kirkland Police	\$80.00	Per officer, per hour, 4 hour minimum
Park Facilities Sanitation Services	\$55.00	Per hour, 2 hr. min. – labor charges for restroom and trash support limited to public event hours, supply fees billed separately
Park Facilities Sanitation Supplies	TBD	Charges for supplies billed post-event and based on current pricing
Parks/Public Works Maintenance	TBD	Rate based on wages of assigned staff
Street Banner Labor	\$150.00	Per banner
Vertical Banner Labor	\$150.00	1 - 8 banners, each additional banner \$15.00
EQUIPMENT		
3/4" Water Hydrant Meter Rental	\$5.00	Per month, plus \$450.00 refundable deposit, renter to supply wrench
Key Replacement Fee	\$25.00	Fee for each key not returned by next business day following event
Safe-T Temp. Sanitary Sewer Cover	\$100.00	Includes installation, use, and removal
Variable Message Board	\$370.00	Weekly rental per board, plus tax
OTHER		
Additional Review Fees	\$50.00+	Following the SET Review, changes to event plans which require further review will result in Additional Review Fees starting at \$50.00
Certificate of Registration Admissions	\$1.00	
King County Marine Patrol	TBD	Outside agency establishes rate
Late Application	\$250.00	One-time penalty for missing final deadline
Late Invoice Payment	5%	One-time penalty for missing payment deadline
Marina Park Dock	TBD	Based on space requirements, standard rates do not apply
Pay Parking Lot Access Fee	\$50.00 No Fee	Fee for up to 12 hours of access to half of pay lot (per lot) Auxiliary Lot, Lakeshore Plaza stalls
Pay Parking Lot Penalty	TBD	Penalty assessed for production activities outside of permitted hours
Printing/Mailing	TBD	Current postage rates, plus cost of supplies
Water	TBD	Based on current pricing
FOR-PROFIT EVENTS (NO DESIGNATED NON-PROFIT BENEFICIARY)		
Permit Compliance Inspection	\$56.50	Per hour - outside of normal business hours, 2 hour minimum
Kirkland Police	TBD	Based on wages of assigned staff

2018 Regional Special Events Data

	# of Admin Staff	# of Permits Issued	Application Fee	Permit Fee	Late Application Fee	Venue/Park Fees	Non-Profit Discount	Police Fees	Fire Permit/Staffing Fees	Sanitation (restrooms/trash)	Utilities (water/power)	Event Day Compliance	Notes/Other Comments
Kirkland	1 - FTE Special Projects Coordinator (Special Event Team Chair, issues all permits, one-stop shop)	47 total permits issued: 25 special events, 14 block parties, 4 film, 4 free speech and a total of 106 event "days".	\$50 - Special Events/Film/Free Speech, \$25 - Block Party	\$110.00 Special Event/Film (per venue/per set-up), No permit fee for Free Speech or Block Party	Yes - \$250 (final deadline to submit all required documentation is two weeks before event - penalty is charged if this deadline is missed)	No \$ - outdoor/open space park rental fees, Yes \$ - pay parking lots (\$50 for 12 hr. use of 1/2 lot), Yes \$ - standard rental rate for indoor facilities (varies by facility)	No discounts	\$80/hr. w/ 4 hr. min., off-duty officers paid directly by event (city coordinates staffing), city requires officers at road races, parades, large walks & beer gardens (x2)	\$300.16 - IFC Permit base fee, city bills event for dedicated aid car/crew (by request) - rates based on wages of assigned staff, 2 hr. min.	Option to pay for city crews @ \$55/hr, 2hr. min. plus supplies at cost OR self maintain for no fee	No fees	Event day inspection charges: Police (yes - see police fees), Fire (yes - included in IFC permit fees), SP Coordinator (yes - required at every event, no charge). SP Coordinator is either dedicated to event or following inspection is available by cell during permit hours.	Electronic reader boards required for events that significantly impact traffic/parking. Boards are \$407.00 each.
Bellevue	.25, Chair and members of SEC are "other duties as assigned".	19 Special Events, smaller events held in Parks are permitted by Parks.	\$62	Range \$2,085 - \$8,385 for Walks/Runs and \$1,570 - \$15,695 for Fairs/Festivals	No	Park Rental fees	No. Waive fees for "partnered events"	Off-duty officers paid by event when required (\$80-\$100 per hour per officer, minimum of two hours.	If over 5,000 in attendance, dedicated Unit required and paid for by event. Approx. \$1,500 per day	Event pays for Sanitation when required.	No fees	Inspection by Fire for Food Trucks and electrical. Paid for by event. Must follow all set conditions.	
Bothell	.25 - FTE Deputy City Clerk Coordinated, issues all permits, holds other duties w/i org. *New for 2019* 1 FTE Special Events Coordinator	53 total permits issued: 25 internal events, 28 external special events, and a total of 63 event "days".	\$173 - Flat Fee (\$0 if using a park and renting park facilities) *New for 2019* \$300 - Small Event (100-200 participants and/or a race) \$675 - Large Event (200+ participants and/or parade of any size)	\$0 just the app fee	N/A - No exceptions if application received less than 60 days from event	No \$ - outdoor/open space park rental fees; Yes \$ - Shelter and facility rentals range from \$18-\$84/hr depending on residency and facility; Yes \$ - Parking Lot fees range from \$42-\$52/hr depending on residency.	No discounts	\$85-95/hr. w/4 hour min., off-duty officers paid directly by organizers	\$167-\$336 - Tents and Carnival Permit base fee; after hours inspection fee of \$160.24/hr, 3 hr min.	Event organizer responsible for providing portable toilets and working with Recology to provide garbage, recycling, and compost as needed.	No fees	Event day inspection charges: Fire (yes - included in IFC permit fees)	Insurance listing City as addt. insured required. Minimum 1,000,000 required.
Redmond	1 - FTE Events admin assistant (.5 external event permitting/ .5 internal event support)	49 total permits: 27 special events, 13 misc use, 1 film. 49 total event "days".	\$75 - special event permit \$25 - Misc use (includes film)	Participant # and duration determine fee, see below.	Yes, if application is submitted less than 90 days prior. See below.	Only additional use fee is if rentable facilities are impacted by the event. Rental costs for the duration of event would be charged.	No	\$96/hr with 4 hour minimum. RPD invoices.	\$100 for 1 tent, \$200 for 2 to 5, and \$300 for 6 or more.	Event producer is responsible for clean-up. If not cleaned, \$50 per hour for City staff to clean.	No fees	Park operations present for whole event, set-up, and clean-up (staffing costs are charged to event producer). Fire and electrical inspection included with permit fees.	
Renton	1 - FTE Recreation and Neighborhood Supervisor (Special Event Committee Chair, issues all permits, one-stop shop)	75 permits issued	\$85.00 Special Event Permit Application Fee	N/A	None	Hourly fees for field/depends on location and event. Open space \$10R/\$25NR or \$25R/\$30NR. Street closures contract with 3rd party.	No discounts except fee waivers which must be pre-approved.	N/A - Off-duty officers secured by the event coordinator when required.	Regional Fire Authority Permit Fees \$100/per permit.	N/A - Contracts with 3rd party.	Spider Box Fee \$100.	N/A - Fire Inspection/Safety Inspection FD if required.	N/A

	# of Admin Staff	# of Permits Issued	Application Fee	Permit Fee	Late Application Fee	Venue/Park Fees	Non-Profit Discount	Police Fees	Fire Permit/Staffing Fees	Sanitation (restrooms/trash)	Utilities (water/power)	Event Day Compliance	Notes/Other Comments
Seattle	2.5 FTE (Program Mgr/Chair, Permit Specialist, .5 Admin) (does not include 1.5 FTE film permit staff)	500+ annually (does not include film permits)	\$75 (\$0 for free speech events)	Fee for use: (1) Administrative fee - Street use fee (hourly fee per block closed, sliding scale based on street classification), \$20 per commercial vendor on right of way, \$200 (\$100 each additional) beer garden fee; (2) flat hourly rate for police officers (only for commercial or athletic events)	Yes - application fee increases to \$150, administrative fee increases 25%	All park use or other City-owned venues are coordinated separately and paid for separately, with varying fees	None	\$67/hour with 2 hour minimum; billed only to commercial or athletic events; billed only for officers assigned directly to event for traffic control or safety/security	Medic One and SFD staffing/equipment fee billed by SFD separately from Special Event Permit fee	Organizer provides	\$75 Parks hook-up fee	Various agencies (Police, Fire, Health, Licensing, Parks, etc.)	
Everett	Different for parks but one liaison and a backup in impacted departments who approve events. ~20 people (Clerk's Office, Marketing, Fire, Parks, Police, Traffic, Transit, Streets, Noise	None- till 2019 we did not permit events, we only approved and provided approval. New ordinance adopted in 2018 so in 2019 we issue permits	No-only permit and late filing fees	\$250- large event (100+ attendees); \$100- small event (fewer than 100 attendees) No fee for a neighborhood block party or expressive activity (free speech).	Yes- 50% of permit fee and due with application or we don't route for approval. Late is less than 60 days for a small event and less than 90 days for a large event	See Everett Parks	None	Police and Fire determine if anything is needed at an event and work directly with event organizer to make sure of security and safety of the event. No fees from City.	Police and Fire determine if anything is needed at an event and work directly with event organizer to make sure of security and safety of the event. No fees from City.	City does not provide/ event organizer must obtain if needed from outside source.	City does not provide/ event organizer must obtain if needed from outside source.	Only if they are required to hire off duty officers, no other staff on site during events	If the event is one block or less, Public Works staff will deliver and pickup road closure signs; if more than one block, event organizer has to obtain signs for closures
Everett - Parks	Recreation Business office processes and approves permits. 2 staff sign off.	Approx 100 issued: special events, weddings, national night out events, festivals, rallies.	No application fee at this time.	No permit fee.	No.	No \$ for outdoor spaces. Yes \$ - for facilities on park property. Some special agreements might not be charged or only a deposit charged.	No discounts	Police and Fire determine if anything is needed at an event and work directly with event organizer to make sure of security and safety of the event. No fees from City.	Police and Fire determine if anything is needed at an event and work directly with event organizer to make sure of security and safety of the event. No fees from City.	Requestor may be required to rent portable toilets and rent a dumpster at their expense.	No fee. Small refundable deposit for special electrical outlet cords for some spaces.	Park rangers periodically check in with special use groups on event day.	
Tacoma	1 FTE Special Events Coordinator (Leads review team, conducts public notice mailings, issues permits)	~120 total permits per year: 20 Festivals, 17 Runs/walks, 16 Block Parties, 15 Commerical Events, 15 Parades, 9 Fundraisers, 9 Private, 6 Weddings, 6 Biking, 4 Markets, 4 Protected, 2 Music Concerts, 16 Films. 272 event days.	Event Permits \$25 - \$1,000 depending on size, Film \$50 for student projects and B-roll, \$100 for professional projects.	Included in application fee.	No, but a 10% discount if application is in 60 prior to event. No discount for film.	No. <i>Metro Parks Tacoma permits most parks in City.</i>	Yes, ~1/2 the commercial fee.	\$75/hr, 3 hr min.		Event producer is billed directly.		Police, Fire, Health Dept. all do on-site inspections.	For City-sponsored events, in-kind services are provided. Other permitting authorities in Tacoma: Metro Parks Tacoma, Foss Waterway Development Authority, WSDOT

2018 Special Event Comparison

Event	Organizer	Profit/ Non-Profit Status	Event Category	Permit Type	Permit Charges	Labor Charges	Other Charges	Total Paid	Other Funding Received*	Tourism Funding Received
12Ks of Christmas	Snohomish Running Company	For-profit	Major Event	Special Event	\$160.00	\$250.00	\$1,064.00	\$1,474.00		
7 Hills of Kirkland	Attain Housing	Non-profit	Fundraiser	Special Event	\$185.00	\$150.00	\$1,096.07	\$1,431.07		\$3,000.00
Celebrate Kirkland 4th of July	Kirkland Downtown Association	Non-profit	Community Event	Special Event	\$295.00	\$500.00	\$1,612.00	\$2,407.00	\$32,000.00	\$4,500.00
Classic Car Show	Kirkland Downtown Association	Non-profit	Fundraiser	Special Event	\$185	\$450	\$670	\$1,305		\$4,000
Corpus Christi Procession	Holy Family Parish	Non-profit	Expressive Event	Special Event	\$50	\$0	\$0	\$50		
Crossing Kirkland	Everest Neighborhood Association	Non-profit	Major Event	Special Event	\$185	\$0	\$0	\$185		
Day Out for Inclusion Walk & Family Fair	Washington Autism Alliance and Advocacy	Non-profit	Fundraiser	Special Event	\$160	\$220	\$279	\$659		
Eastside Salsa Marina	LaVida Studio	For-profit	Major Event	Special Event	\$160	\$113	\$0	\$273		
Ecumenical Good Friday Service	St. John's Episcopal Church	Non-profit	Expressive Event	Special Event	\$50	\$0	\$0	\$50		
Google Holiday Lights	SRM Development	For-profit	Major Event	Special Event	\$160	\$200	\$0	\$360		
Improving Birth Rally	Katherine McGee	Private	Expressive Event	Special Event	\$50	\$0	\$0	\$50		
Junior Softball Little League World Series	Little League Baseball, Inc.	Non-profit	Tourism Event	Special Event	\$160	\$550	\$1,305	\$2,015		\$9,000
Kirkland Parents March	Emily Brown	Private	Expressive Event	Special Event	\$50	\$0	\$0	\$50		
Kirkland Wednesday Market	Kirkland Downtown Association	Non-profit	Community Program	Community Program	\$160	\$0	\$350	\$510		
Lake Washington Half	Washington Multi-Sport, LLC	For-profit	Major Event	Special Event	\$160	\$200	\$1,471	\$1,831		
Mother's Day Half Marathon	Pro-Motion Events, Inc.	For-profit	Major Event	Special Event	\$160	\$0	\$1,878	\$2,038		
NAMIWalks Washington	NAMIWalks Washington	Non-profit	Fundraiser	Special Event	\$185	\$150	\$407	\$742		
Nowruz Celebration	Iranian Society of Washington State	Non-profit	Major Event	Special Event	\$210	\$1,115	\$303	\$1,628		
Oktoberfest	Kirkland Events, LLC (Chump Change Productions)	For-profit	Major Event	Special Event	\$210	\$770	\$1,469	\$2,449		\$5,000
Park to Park Swim	Seattle Children's Hospital Guild Association	Non-profit	Fundraiser	Special Event	\$160	\$0	\$0	\$160		
Relay for Life of Kirkland	American Cancer Society	Non-profit	Fundraiser	Special Event	\$160	\$660	\$333	\$1,153		
Seattle 3 Day Walk	Susan G. Komen Breast Cancer Foundation	Non-profit	Fundraiser	Special Event	\$490	\$0	\$0	\$490		
Shamrock Run	Orca Running	For-profit	Major Event	Special Event	\$210	\$178	\$941	\$1,328		
Summer Concerts Evening	Kirkland Downtown Association	Non-profit	Community Program	Community Program	\$160	\$0	\$0	\$160	\$16,000	
Summer Concerts Kids	Kirkland Downtown Association	Non-profit	Community Program	Community Program	\$160	\$0	\$0	\$160		
Summerfest	Kirkland Events, LLC (Chump Change Productions)	For-profit	Major Event	Special Event	\$295	\$350	\$4,287	\$4,932		\$5,000
Turkey Trot	Hopelink	Non-profit	Fundraiser	Special Event	\$210	\$600	\$814	\$1,624		
Uncorked	Bold Hat Productions	For-profit	Major Event	Special Event	\$185	\$388	\$4,500	\$5,072		\$5,000
Winterfest	Kirkland Downtown Association	Non-profit	Community Event	Special Event	\$185	\$150	\$250	\$585	\$16,000	\$4,500
Total					\$5,150	\$6,993	\$23,028	\$35,171	\$64,000	\$40,000

*Other Funding Received includes Waste Management Community Event support and matching funds from the General Fund

2018 Tourism Funding Awarded to Special Events

Event	Organizer	Total Cost of Program	Requested Funding	Approved Funding	Funding Requested For	Years in Existence	Estimated Attendance Tourism Fund Application	Estimated Attendance Event Permit Application	Attendees 50+ Miles Away
7 Hills of Kirkland	Attain Housing	\$25,000	\$10,000	\$3,000	Marketing	17	1,800	2,050	150
Celebrate Kirkland 4th of July	Kirkland Downtown Association	\$68,500	\$7,000	\$4,500	Sound stage/DJ, advertising, banners/signage	18	45,000	21,000-41,000	3,000
Junior Softball Little League World Series	Little League Baseball, Inc.	\$85,000	\$10,000	\$9,000	Hotel, meals, transportation for team & umpires	19	6,000	2,550	5,500
Classic Car Show	Kirkland Downtown Association	\$25,000	\$4,600	\$4,000	Advertising, entertainment, awards/promotional	14	15,000	10,200	400
Oktoberfest	Kirkland Events, LLC (Chump Change Productions)	\$272,000	\$22,000	\$5,000	Advertising, entertainment, permits/fees, marketing/graphic design, production costs, costs of goods	5	15,000	10,850	400
Summerfest	Kirkland Events, LLC (Chump Change Productions)	\$125,000	\$8,000	\$5,000	Entertainment, advertising	7	50,000	31,000	1,200
Uncorked	Bold Hat Productions	\$165,000	\$15,000	\$5,000	Advertising, public relations, toilet supplies	11	35,000	18,500	9,800
Winterfest	Kirkland Downtown Association	\$52,000	\$8,000	\$4,500	Advertising, entertainment, signage/decorations	16	8,000	2,000	500

DRAFT UPDATED FEE SCHEDULE

APPLICATION AND PERMIT REVIEW FEES			
Application Fee	\$50.00	Per application	
Electrical Permit (Temporary Power)	\$87.00	Base fee, plus \$22 per concession (\$272.00 maximum), plus 3.5% surcharge	
Event Permit Fee	\$110.00	Per venue - each setup/breakdown	
IFC Permit	\$300.16	Per application	
Street/Vertical/Park Banner Permit	\$25.00	Per application	
Late Application	\$250.00	One-time penalty for missing final deadline	
Late Invoice Payment	5%	One-time penalty for missing payment deadline	
Additional Review Fees	\$50.00+	Following the SET Review, changes to event plans which require further review will result in Additional Review Fees starting at \$50.00	
STAFF FEES			
Electrical Inspections	\$118.50	Per hour - outside of normal business hours, 2 hour minimum	
Explorer Program Donation	\$50.00	Per Explorer, \$250.00 maximum	
Fire Crew/Dedicated Aid Car	TBD	Rate based on wages of assigned staff, 2 hour minimum	
F.O.G. (Fats, Oils & Grease) Service	\$100.00	Per service	
Off-Duty Kirkland Police	\$80.00	Per officer, per hour, 4 hour minimum	
Parks/Public Works Maintenance	TBD	Rate based on wages of assigned staff	
Park/Street Banner Labor	\$150.00	Per banner	
Vertical Banner Labor	\$150.00	1 - 8 banners, each additional banner \$15.00	
EQUIPMENT			
3/4" Water Hydrant Meter Rental	\$5.00	Per month, plus \$450.00 refundable deposit, renter to supply wrench	
Key Replacement Fee	\$25.00	Fee for each key not returned by next business day following event	
Safe-T Temp. Sanitary Sewer Cover	\$100.00	Includes installation, use, and removal	
Variable Message Board	\$370.00	Weekly rental per board, plus tax	
PARK/FACILITY USE FEES*			
LOCATION	COMMUNITY EVENTS/ EXPRESSIVE EVENTS	COMMUNITY PROGRAMS	MAJOR EVENTS
Heritage Park	\$12.50/Hour	\$62.50/Hour	\$125/Hour
Heritage Hall	\$20/Hour	\$100/Hour	\$200/Hour
Marina Park	\$20/Hour	\$100/Hour	\$200/Hour
Al Locke Pavilion	\$8/Hour	\$37.50/Hour	\$75/Hour
OO Denny Park	\$20/Hour	\$100/Hour	\$200/Hour
OO Denny Picnic Areas	\$10/Hour	\$50/Hour	\$100/Hour
Juanita Beach Park	\$20/Hour	\$100/Hour	\$200/Hour
Juanita Beach Picnic Areas	\$10/Hour	\$50/Hour	\$100/Hour
Houghton Beach	\$15/Hour	\$75/Hour	\$150/Hour
CKC/Feriton Spur	\$10/Hour	\$50/Hour	\$100/Hour
Pay Parking Lot Access Fee	\$50.00 No Fee	Fee for up to 12 hours of access to half of pay lot (per lot) Auxiliary Lot, Lakeshore Plaza stalls	
Marina Dock	\$1/ft/day	Based on actual usage	
OTHER FEES			
Certificate of Registration Admissions	\$1.00		
King County Marine Patrol	TBD	Outside agency establishes rate	
Pay Parking Lot Penalty	TBD	Penalty assessed for production activities outside of permitted hours	
FOR-PROFIT EVENTS (NO DESIGNATED NON-PROFIT BENEFICIARY)			
Permit Compliance Inspection	\$56.50	Per hour - outside of normal business hours, 2 hour minimum	
Kirkland Police	TBD	Based on wages of assigned staff	

*Other Park/Facility Charges may apply



CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Lorrie McKay, Intergovernmental Relations and Economic Development Manager

Date: February 6, 2020

Subject: KING COUNTY COUNCILMEMBER CLAUDIA BALDUCCI, LEGISLATIVE UPDATE

RECOMMENDATION:

City Council should receive a legislative update on County issues from King County Councilmember Claudia Balducci (Attachment A).

BACKGROUND DISCUSSION:

King County Councilmember Claudia Balducci represents King County District 6, which encompasses all or part of Bellevue, Bothell, Clyde Hill, Hunts Point, Kirkland, Medina, Mercer Island, Redmond, Woodinville and Yarrow Point, Beaux Arts Village and the Sammamish Valley. In 2020, Councilmember Balducci was elected to chair the King County Council. Councilmember Balducci believes that government should tackle the big issues that drive livability in our region, notably housing, transportation and the protecting the environment.

A former mayor of Bellevue, Balducci is Chair of Sound Transit's System Expansion Committee, Vice President of the Puget Sound Regional Council, and Chair of the County's Affordable Housing Committee. A longtime resident of Bellevue, Claudia was elected to the Bellevue City Council three times, serving for 12 years. She served as Bellevue Mayor from 2014-15 and successfully advocated for arts and culture programs, improved educational opportunities, and smart transportation investments.

County councilmembers serve four-year terms. Ms. Balducci was re-elected in 2019 and her current term is through 2023.

Claudia lives in Bellevue with her husband Jim, their son Victor, and former King County Shelter dog Angel, and cat Sabrina.

Attachments: Attachment A - Biography

Biography

Claudia Balducci, King County Councilmember



King County Councilmember Claudia Balducci is a mom, transportation leader and former public safety official. She represents King County District 6, which encompasses all or part of Bellevue, Bothell, Clyde Hill, Hunts Point, Kirkland, Medina, Mercer Island, Redmond, Woodinville and Yarrow Point, Beaux Arts Village and the Sammamish Valley.

Claudia first became active in politics when she joined her neighbors to advocate for the revitalization of her local shopping center in the Lake Hills community in Bellevue. She was later elected to the City Council where she served for 12 years, including two years as Deputy Mayor and two years as Mayor.

As an elected official, Claudia has championed transportation solutions to benefit all eastsiders, including improvements to major freeways, like SR 520 and I-405, as well as local arterial projects and improved bike lanes and roadways in Bellevue. She fought for several years to ensure regional light rail would come to the eastside. She currently serves on the Sound Transit Board of Directors and the Executive Board for the four-county Puget Sound Regional Council. In 2016, Claudia was recognized as a "Transit Hero" to the Transportation Choices Coalition's Hall of Fame for her tireless work to provide safe, reliable and equitable transit service throughout King County and beyond.

A lawyer by training, Claudia worked in the King County jail system for over 16 years prior to being elected to the County Council, serving as the Director of the Department of Adult and Juvenile Detention from 2010-2014. Claudia negotiated and implemented a settlement with the U.S. Department of Justice that reformed the use of force, expanded officer training and improved procedures for preventing suicide and self-harm in the County's jails. She also embraced lean process improvements to dramatically reduce the use of solitary confinement for jail inmates with mental illnesses, increasing safety, improving conditions, expanding treatment options, and saving over \$2 million in costs to the taxpayers per year. Claudia has also been recognized as "Elected Official of the Year" by the Alliance of Eastside Agencies (Human Services) and the Washington State Democratic Party.

Claudia is a graduate of Providence College and the Columbia University School of Law. She lives in Bellevue with her husband Jim, son Victor, former King County shelter cats Sabrina and Lucy, and Angel the puppy.

**CITY OF KIRKLAND****Police Department****11750 NE 118th Street, Kirkland, WA 98034-7114 425.587.3400****www.kirklandwa.gov**

MEMORANDUM

To: Kurt Triplett, City Manager
From: Cherie Harris, Chief of Police
Date: January 25, 2020
Subject: Big Finn Hill Park Policing

Recommendation:

It's recommended that the City Council receives an update on Big Finn Hill Park policing as Kirkland residents, Kirkland City Councilmembers and staff from Kirkland and King County are all seeking clarity on how police services are provided in the park. All parties share the goal of clarity to maximize the safety of nearby residents as well as visitors to the park.

Background:

In June 2011, the City of Kirkland annexed the Finn Hill, Juanita and Kingsgate neighborhoods after several years of negotiations with King County. These negotiations involved numerous details to include the transfer of transportation infrastructure, fire and police services as well as park properties and open spaces. Extensive negotiations were conducted specific to the parks and open spaces, many of which had conditions on future use to include whether the property could be developed or sold by the City at a future date. All these parks and open spaces were individually cataloged in an addendum to the annexation agreement with specific details to include a description of the properties' location, the intended use, the date of acquisition and in some instances equipment that would follow the property. **Addendum A & B** are examples of two annexation agreement exhibits detailing the parks and open spaces transferred to City ownership. Big Finn Hill Park is not included in any of these transfer agreements and was retained by King County as a regional park. Operations and maintenance of Big Finn Hill Park are paid for by the countywide King County Parks levy first approved prior to annexation. The park levy has been renewed several times and was recently reauthorized by King County voters in 2019. Annexation documents are not definitive but seem to Kirkland staff to indicate that King County has enforcement responsibility in the park.

Big Finn Hill Park consists of 220 acres and 9.5 mile of trails. Since annexation, King County continues to provide all maintenance and recreation services which continue to be funded by the voter-approved levy. The Kirkland Police Department (KPD) has operated since 2011 under the premise that the King County Sheriff's Office (KCSO) is responsible for law enforcement services. This property is one third the size of the entire Kirkland parks system and was not considered in Police staffing allocations for annexation. Historically, the KCSO has provided the KPD-2007-092

police services and NORCOM has forwarded 911 calls to King County dispatch. The KCSO sometimes requests KPD assistance on calls or if a crime involving a person occurs. When such calls come, KPD has made every effort to send Officers to the park as Kirkland call volume and priority allows. While there is very little historical call data, KPD has responded to missing children, suicidal subjects and suspicious circumstances that include threats of harm. These are calls that involve a multiple officer response.

KPD and the KCSO have a positive partnership across multiple public safety programs including mutual aid, marine patrol and much more. However, residents living near the park have been expressing concern about KCSO response times and are inquiring whether the Kirkland Police Department can respond instead. In addition, King County dispatch has recently refused some 911 calls, leaving NORCOM and KPD Supervisors in limbo on how to handle such calls. In the interest of public safety, clarity on how police services are provided is needed by both jurisdictions, residents and users of the park.

In researching annexation documents to determine what written agreement might exist to give direction to law enforcement there is nothing responsive to this question in any of the exhibits or official documents. In addition, all of the parks in the annexation area display both the King County and City of Kirkland Parks Code as rules of conduct except for Big Finn Hill Park which only displays the King County Parks Code. However, the City Attorney reviewed King County Ordinance 17315 (Addendum B) which was adopted by the King County Council in May 2012. This ordinance is an agreement between the Kirkland Youth Lacrosse and King County reference the installation of synthetic fields. Section E is of particular interest to this discussion *"In December 2009, the Kirkland city council took action to approve the annexation of the Finn Hill, North Juanita and Kingsgate neighborhoods. The King County council approved Ordinance 4229 formally adopting the annexation of the area to the city of Kirkland with an effective date of June 1, 2011. As part of the annexation, Edith Moulton, Juanita Heights, Kingsgate and Winsor Vista parks were transferred to the city of Kirkland, effective June 1, 2011. Big Finn Hill Park was not transferred as part of the Kirkland annexation and remains under King County's jurisdiction."* This is consistent with how the Department has directed Patrol to respond to Big Finn Hill Park, as if it's the jurisdiction of the KCSO since June 1, 2011. A copy of this ordinance is available as **Attachment C**.

As stated above, there is very little data to analyze and project how KPD could absorb the current calls for service at Big Finn Hill Park. There are several issues related to the data collection. 911 calls made on a cell phone in and around the park may be received by NORCOM, King County Dispatch, the Seattle Police Communication center or even WSP based on the topography of that area. In speaking with neighbors, this has led to instances of non-emergency calls not being dispatched to either agency. Additionally, over time the King County dispatch center has increasingly declined to dispatch a KCSO Deputy. In contrast, NORCOM and Patrol Supervisors have used great discretion and will send Kirkland Officers to calls in the Park if it's an in-progress crime and someone is available to respond. The Department Crime Analyst found 99 calls for service associated with the official address of the park, 8106 NE 138th, St since annexation. In addition, a query of the 8200 block of NE 138th St found another 204 calls for service. While there is not 100 percent certainty that all of the calls are park related, a random review found over and over they were park related, putting Kirkland calls at just 303 since annexation. Almost all of the Kirkland calls are categorized as an "assist", meaning an Officer is handling a call for KCSO. The Department Crime Analyst conferred with the KCSO Crime Analyst on their data which was reported at 3,398 calls for service since annexation.

However, 3,154 calls were categorized as the scheduled park closure that occurs every night by King County personnel. That would leave 244 KCSO calls for service at the park. Combined with Kirkland's data, that's just 547 calls (both dispatched and on-view/self-initiated).

In conversation with King County Department of Natural Resources and Parks (DNRP), as of May 2019, they have hired two fulltime KCSO Deputies funded by the levy to oversee all parks properties. Their role is to provide patrol coverage, close all gates and respond to both priority and nonpriority calls for service "when they are in the area or are not attending to more high priority issues". These Deputies work Monday – Friday from 8:00 am to 6:00 PM and report that the key issues they handle are dog-off leash, vandalism (graffiti, driving on fields) and locking the gates. With a large territory to cover, they are often not in the area when calls come in.

In the late fall of 2019, the City Manager, the City Attorney, the Police Chief and the Parks Director met several times with representatives of the King County Sheriff's Office, Prosecuting Attorney's office and the King County Department of Natural Resources and Parks (DNRP) to seek a mutually acceptable resolution to the issue. Both meetings were positive, and all parties focused on public safety and finding clarity and predictability of police response to the park that can be communicated to the public.

Following the meetings, DNRP provided a draft King County proposal for "Future State of Response to Issues at Big Finn Hill Park:

King County DNRP proposes the following coordinated response to issues as they arise at Big Finn Hill Park:

For police enforcement issues arising at the park:

- *911 calls: City of Kirkland Police responds, if they are deemed non emergencies by Kirkland Police then they are referred to King County Sheriff Office Parks Patrol Officers.*
- *Non-emergencies (Title 7 enforcement e.g. park behavior): King County Sheriff's Office responds with dedicated Park Patrol KCSO officers or other overtime /scheduled officers for Parks. Parks Patrol Officers and other deputies will continue periodic patrols and gate closures at levels consistent with past practice.*
- *King County will provide keys to Kirkland Police for ease in access when necessary*

Communications:

- *King County Parks will take the lead in working with the Parks Patrol officers and City of Kirkland to prepare written communications and schedule meetings in Q1 2020 with the Friends of Big Finn Hill Park and the Finn Hill Neighborhood Alliance.*
- *King County Parks would install new signage referring to Kirkland Code and King County Parks (Title VII) code in the park.*

Kirkland supports the concept of the Kirkland Police Department being responsible for critical emergency calls and the KCSO being responsible for non-emergency calls as KPD can usually respond much quicker. However, KPD is concerned that as drafted "responding to 911 calls" might suggest that the Department is responding to *all* calls for service at Big Finn Hill Park. In addition, KPD has identified the need to clarify responsibility for investigations. KPD has proposed a similar protocol as an alternative that starts with King County, rather than Kirkland.

- 911 calls should be received by the KCSO dispatch center first.
- The Kirkland Police Department will respond to priority, in progress 911 calls that are of an urgent nature (missing child, assault, etc).
- Priority calls that are determined to be of a serious nature such as a homicide, dangerous dog or other incident that requires significant staffing would be referred to KCSO for investigation. The Department would respond and secure the scene.
- Non-Emergency calls are handled by KCSO. These calls are most of the complaints the Department receives from the community.
- The KCSO Communications center must collaborate with NORCOM to ensure the two communication centers can implement this protocol.

King County has been receptive to Kirkland's alternative proposal, but no final agreement has been formally reached. DNRP has suggested a pilot program in which both parties would keep careful data of call response. In addition, they have agreed that the King County communication center would dispatch noise & animal complaints to their KCSO Park Deputies. Kirkland is cautiously optimistic an agreement will be concluded soon but would suggest further analysis of the funding sources available for King County parks enforcement that might benefit Kirkland. It is also important to ensure that NORCOM and the King County dispatch communications center agree on the dispatch protocols being suggested. Both parties are working together in good faith to craft a final Memorandum of Agreement or a similar document that will guide both police departments, all dispatch centers, and provide clarity to the public.

Attachment A
Revised 5/3/11kc

Exhibit F—Park and Greenbelt Properties

PARK PROPERTIES LEGAL DESCRIPTIONS

Windsor Vista Park

(Parcel ID #947710-1350)

Tract "A", Windsor Vista #2 as per plat recorded in Vol. 83 of Plats, pages 76 thru 78, records of King County.

Together with,

(Parcel ID #947720-0640)

Lot 64, Windsor Vista #3, as per plat recorded in Vol. 86 of Plats, pages 7 and 8, records of King County.

Kingsgate Park

(Parcel ID #202605-9004)

The east 330 feet of the south $\frac{1}{2}$ of the southeast $\frac{1}{4}$ of the northeast $\frac{1}{4}$ of Section 20, Township 26 north, Range 5 east, W.M.; except county road.

Together with,

That portion of the south $\frac{1}{2}$ of the southeast $\frac{1}{4}$ of the northeast $\frac{1}{4}$ of Section 20, Township 26 north, Range 5 east, lying easterly of Secondary State Highway #2A; except the east 330 feet and except the south 30 feet for road; and except that portion conveyed to State of Washington for Primary State Highway #1 by deed filed under Auditor's File #6071550; situate in the County of King, State of Washington.

Subject to:

Relinquishment of right of access to State Highway and of light, view and air as recorded under Auditor's File #4696944. Relinquishment of right of access to State Highway and of light, view and air as recorded under Auditor's File #6071550.

Edith Moulton Park

(Parcel ID #202605-9027)

The northeast $\frac{1}{4}$ of the northwest $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 20, Township 26 north, Range 5 east, W.M. in King County, State of Washington, except the west 412.53 feet of the north 280 feet thereof and except the north 30 feet of the remainder as conveyed to King County for road purposes by deed recorded under Auditor's File #703148.

Subject to:

- a. Release of damages granted to the State of Washington from future claims arising from the operation of pit and quarry site, recorded under Auditor's File #4998452.
- b. Temporary construction easement and permanent easement for sewer granted to Northeast Lake Washington Sewer District by instruments recorded under Auditor's File #6210625 and #6210629.

Together with :

The south $\frac{1}{2}$ of the northwest $\frac{1}{4}$ of the southeast $\frac{1}{4}$ of Section 20, Township 26 north, Range 5 east, W.M. in King County, State of Washington.

Together with:

(Parcel ID #202605-9186)

That portion of Lot 1 of Short Plat #579115, under King County recording #7911130991, lying easterly of Juanita Creek; situate in the County of King, State of Washington

132nd Square Park

(Parcel ID #282605-9073)

That portion of the east ½ of the northeast ¼ of the northeast ¼ of Section 28, Township 26 north, Range 5 east, W.M., in King County, Washington, described as follows:

Beginning at the northeast corner of said subdivision; thence south along the east line thereof 812 feet; thence west parallel with the north line thereof to a point on the west line thereof, which is 812 feet south of said north line; thence north along the said west line 458 feet to a point 354 feet south of the said north line; thence east parallel with the said north line to a point 405 feet west of the east line thereof; thence north parallel with said east line 354 ft to the said north line; thence east along the said north line 405 feet to the point of beginning; except the north 30 feet and east 30 feet for roads.

Subject to provisions contained in that certain agreement for Intergovernmental Disposition of property between the parties herein dated March 12, 1980.

Juanita Heights Park

(Parcel #919410-0155)

Lots 1 through 24, inclusive, Block 7; and Lots 1 through 6, inclusive, and Lots 21 through 24, inclusive, Block 8, Waterfront Addition to Kirkland, according to the plat thereof recorded in Volume 6 of Plats, page 92, in King County, Washington; Together with that portion of 90th Avenue Northeast as vacated by City of Kirkland Ordinance No. 7161, recorded under Recording Numbers 8505010681 and 20020415002221;

And Together with that portion of the Easterly half of Olympic Street (89th Place Northeast) as vacated by operation of law and confirmed by King County Superior Court Cause No. 05-2-41103-1SEA and recorded under Recording No. 20060825001209.

Greenbelt Properties and Open Space Properties with Legal Descriptions

- | | |
|--------------------|--|
| 1. Tax Parcel # | 111900-0270 |
| Physical location: | NE 131 Way / adj to 302605-9269 / 0.37 acre |
| Designation: | Open Space and Recreation |
| Deed: | SWD #6587319 / 08-25-69 / restrictive language on use |
| Restriction: | "By acceptance of this deed the County of King covenants and agrees that the use of subject property shall be restricted to open space and recreational purposes only. King County further covenants and agrees that King County will not use, nor will King County authorize the use of subject property for any use except open space and recreational uses. The County may, however, place improvements and impose such regulations on said |

property as is consistent with the proper maintenance and preservation of public health, safety, morals and general welfare.

Legal Description:

Tract "A" Plat of Broadridge, recorded in Vol. 91 of Plats on Pg. 37 in records of King County, Washington.

- 2.. Tax Parcel # **111900-0280**
 Physical location: NE 131 Way X 94th Ave NE / 1.15 acres
 Designation: Open Space and Recreation
 Deed: SWD #6587319 / 08-25-69 / restrictive language on use
 Restriction: "By acceptance of this deed the County of King covenants and agrees that the use of subject property shall be restricted to open space and recreational purposes only. King County further covenants and agrees that King County will not use, nor will King County authorize the use of subject property for any use except open space and recreational uses. The County may, however, place improvements and impose such regulations on said property as is consistent with the proper maintenance and preservation of public health, safety, morals and general welfare.

Legal Description:

Tract "B" Plat of Broadridge, recorded in Vol. 91 of Plats on Pg. 37 in records of King County, Washington.

- 3.. Tax Parcel # **172750-0450**
 Physical location: 94th Ave NE X NE 132nd Pl / 0.55 acre
 Designation: Open Space and Recreation
 Deed: SWD #711110-0464 / 11-10-1971 / restrictive language on use
 Restriction: "By acceptance of this deed the County of King covenants and agrees that the use of subject property shall be restricted to open space and recreational purposes only. King County further covenants and agrees that King County will not use, nor will King County authorize the use of subject property for any use except open space and recreational uses. The County may, however, place improvements and impose such regulations on said property as is consistent with the proper maintenance and preservation of public health, safety, morals and general welfare.

Legal Description:

Tract "A" Plat of Compton Heights Addition, recorded in Vol. 93 of Plats on Pg. 80 in records of King County, Washington.

4.. Tax Parcel # **212540-0320**
 Physical location: **97th Ave NE X NE 141st PL / 1.61 acres**
 Designation: **Open Space on face of plat**
 Deed: **no**
 Legal Description:
 Tract "E" Plat of Dunmore Division 1, recorded in Vol. 119 of Plats on Pg. 49 in records of King County, Washington.

5. Tax Parcel # **212541-0320**
 Physical location: **NE 141st Pl X 97th Ave NE / 0.81 acre**
 Designation: **Open Space and Recreation by deed**
 Deed: **No DEED. Dedicated to KC upon recording of plat**
 Restriction: **Open Area as designated by plat.**
 Legal Description:
 Tract "G" Plat of Dunmore Division #2, recorded in Vol. 121 of Plats on Pg. 82 in records of King County, Washington.

6. Tax Parcel # **254080-0420**
 Physical location: **134xx 76th Pl NE / 0.68 acres**
 Designation: **Permanent open space by plat**
 Deed: **No Deed. General dedication to the public.**
 Restriction: **open space designated by plat**
 Legal Description:
 Tract "A" Plat of Finn Creek Addition recorded in Vol. 103 of Plats on Pg. 8 in records of King County, Washington.

7. Tax Parcel # **254080-0430**
 Physical location: **133xx 79th Pl NE / 0.06 acres**
 Designation: **Pedestrian walkway by plat**
 Deed: **No Deed. General dedication to the public**
 Restriction: **walkway by plat**
 Legal Description:
 Tract "B" Plat of Finn Creek Addition recorded in Vol. 103 of Plats on Pg. 8 in records of King County, Washington.

8.. Tax Parcel # **255861-0390**

Physical location: 126xx NE 136th St / 0.44 acre

Deed: SWD #730710-0461 / restrictive language on use
Restriction: "By acceptance of this deed the County of King covenants and agrees that the use of subject property shall be restricted to open space and recreational purposes only. King County further covenants and agrees that King County will not use, nor will King County authorize the use of subject property for any use except open space and recreational uses. The County may, however, place improvements and impose such regulations on said property as is consistent with the proper maintenance and preservation of public health, safety, morals and general welfare.

Legal Description:
Tract "A" Plat of Firloch #2, recorded in Vol. 95 of Plats on Pg.12 in records of King County, Washington.

9.. Tax Parcel # 255869-0280
Physical location: 127xx NE 135th St / 6.24 acres
Designation: permanent open space by plat
Deed: SWD #770614-0931
Legal Description:
Tract "A" Plat of Firloch #10, recorded in Vol. 101 of Plats on Pg.30-31 in records of King County, Washington.

10. Tax Parcel # 255864-0370
Physical location: 135xx 127th Ave NE / 2.83 acres
Designation:
Deed: No Deed. General dedication to the public
Legal Description:
Tract "B" Plat of Firloch No. 5, recorded in Vol. 95 of Plats on Pg. 65 in records of King County, Washington.

11.. Tax Parcel # 255865-0320
Physical location: 129th Pl NE X NE 135th St / 0.04 acre

Deed: SWD #750415-0428// restrictive language on deed
Restriction: "By acceptance of this deed the County of King covenants and agrees that the use of subject property shall be restricted to open space and recreational purposes only.

King County further covenants and agrees that King County will not use, nor will King County authorize the use of subject property for any use except open space and recreational uses. The County may, however, place improvements and impose such regulations on said property as is consistent with the proper maintenance and preservation of public health, safety, morals and general welfare.

Legal Description:

Tract "A" Plat of Firloch NO. 6, recorded in Vol. 96 of Plats on Pg. 33 in records of King County, Washington.

12.. Tax Parcel #	289570-0160
Physical location:	10844 NE 135 th Pl / 0.03 acre
Designation:	Pedestrian walkway by plat
Deed:	No Deed. Plat dedication.

Legal Description:

Tract "A" Plat of Greenbrae, recorded in Vol. 107 of Plats on Pg. 62 in records of King County, Washington.

13.. Tax Parcel #	326102-0380
Physical location:	83 rd Pl NE X 85 th Ave NE / 1.87 acre
Designation:	
Deed:	No Deed. Dedicated to KC upon recording of plat.

Legal Description:

Tract "A" Plat of Hermosa Vista NO. 3, recorded in Vol. 105 of Plats on Pg. 9 in records of King County, Washington.

14. Tax Parcel #	327574-0240
Physical location:	79 th Pl NE X NE 130 th St / 0.96 acre
Designation:	Open Space and Recreation
Deed:	SWD #760302-0528 / restrictive language on use
Restriction:	"By acceptance of this deed the County of King covenants and agrees that the use of subject property shall be restricted to open space and recreational purposes only. King County further covenants and agrees that King County will not use, nor will King County authorize the use of subject property for any use except open space and recreational uses. The County may, however, place improvements and impose such regulations on said property as is consistent with the proper maintenance and

preservation of public health, safety, morals and general welfare.

Legal Description:

Tract "A" Plat of Hidden Crest Div. 2, recorded in Vol. 97 of Plats on Pg. 72 in records of King County, Washington.

15. Tax Parcel # **375450-0950**
Physical location: **89th Ave NE X NE 118th PL / 1.60 acres**

Deed: **SWD #830824-1055 / restrictive language on use**
Restriction: **"The property shall be maintained as an undeveloped open-space or green-belt concept and the existing trees and groundcover should not be disturbed or developed, but left as a natural preserve, and no development by clearing or platting will be allowed; provided that the property can be used as a part of a county trail system that would maintain the open-space concept. Uses not allowed are pumping stations, maintenance shops and similar uses inconsistent with the open- space or green-belt concept of property."**

Legal Description:

Lots 1 thru 13, inclusive, Lots 15 and 16, Lots 18 thru 24, inclusive, and Lots 27 thru 29, inclusive, all in Block 8, Juanita Beach Camps, recorded in Vol. 32 of Plats on Pg. 25 in records of King County, Washington.

16. Tax Parcel # **542250-0240**
Physical location: **93rd Ave NE X NE 138th Pl / 0.44 acre**
Designation:
Deed: **No Deed. General plat dedication to the public**

Legal Description:

Tract "A" Plat of Meadowood, recorded in Vol. 94 of Plats on Pg. 74 - 75 in records of King County, Washington.

17.. Tax Parcel # **661991-0290**
Physical location: **89th PL NE & NE 127th PL / 0.66 acre**
Designation:
Deed: **SWD #830411-0817**

Legal Description:

Tract "A" Plat of Panorama Estates NO. 2, recorded in Vol. 96 of Plats on Pg. 93 in records of King County, Washington.
TOGETHER WITH an easement for purposes of ingress, egress, drainage and utilities, over, under, through and across that portion of the SE quarter of the NW quarter of said

section 30 embraced within a strip of land 25.00 ft in width, being more particularly described as follows:

Commencing at the west quarter corner of said section, thence S 87-43-44 E along the east-west centerline of said section 1824.42 ft; thence N 02-40-17 E 1179.70 ft; thence S 87-10-59 E 144.00 ft to the point of beginning of the easement herein described; thence S 02-40-17 W 25.00 ft; thence S 87-10-59 E 100.00 ft; thence N 02-40-17 E 25.00 ft; thence N 87-10-59 W 100.00 ft to the point of beginning.

18. Tax Parcel # **701600-0720**
Physical location: NE 153rd St X 117th AVE NE/ 0.02 acre
Designation: Plat did not specify
Deed: No Deed

Legal Description:
Tract "B" Plat of Queensgate NO. 1, recorded in Vol. 83 of Plats on Pg. 71-72 in records of King County, Washington.

19. Tax Parcel # **701610-0600**
Physical location: 119th Ave NE X NE 155th St / 2.20 acres
Designation: Plat did not specify
Deed: No Deed.

Legal Description:
Tract "B" Plat of Queensgate NO. 2, recorded in Vol. 86 of Plats on Pg. 32-33 in records of King County, Washington.

20. Tax Parcel # **701630-0061**
Physical location: 116th PL NE X NE 155th St / 0.05 acre
Designation: Plat did not specify
Deed: No Deed.

Legal Description:
Tract "B" Plat of Queensgate NO. 4, recorded in Vol. 88 of Plats on Pg. 86 in records of King County, Washington.

21.. Tax Parcel # **790537-0640**
Physical location: 98xx NE 133rd PL / 0.02 acre
Designation: walkway
Deed: SWD #6525135 (04-01-69) /QCD #750917-0438 /
restrictive language on use
Restriction: "By acceptance of this deed the County of King covenants
and agrees that the use of subject property shall be
restricted to open space and recreational purposes only. .
The County may, however, place improvements and

Kirkland-King County Interlocal Agreement
JFK Annexation
Revised 5/3/11kc

impose such regulations on said property as is consistent with the proper maintenance and preservation of public health, safety, morals and general welfare.

Legal Description:

Tract "D" Plat of Sparkman & Mclean NO. 3 Div. NO. 1, recorded in Vol. 89 of Plats on Pg. 71-73 in records of King County, Washington.

22.. Tax Parcel #	790537-0650
Physical location:	NE 134 th ST. & 96 th Ave NE / 0.02 acre
Designation:	walkway
Deed:	SWD #6525135 (04-01-69) /QCD #750917-0438 / restrictive language on use
Restriction:	"By acceptance of this deed the County of King covenants and agrees that the use of subject property shall be restricted to open space and recreational purposes only. . The County may, however, place improvements and impose such regulations on said property as is consistent with the proper maintenance and preservation of public health, safety, morals and general welfare.

Legal Description:

Tract "E" Plat of Sparkman & Mclean NO. 3 Div. NO. 1, recorded in Vol. 89 of Plats on Pg. 71-73 in records of King County, Washington.

23.. Tax Parcel #	790537-0660
Physical location:	97xx NE 134 th PL / 0.03 acre
Designation:	walkway
Deed:	SWD #6525135 (04-01-69) /QCD #750917-0438 / restrictive language on use
Restriction:	"By acceptance of this deed the County of King covenants and agrees that the use of subject property shall be restricted to open space and recreational purposes only. . The County may, however, place improvements and impose such regulations on said property as is consistent with the proper maintenance and preservation of public health, safety, morals and general welfare.

Legal Description:

Tract "F" Plat of Sparkman & Mclean NO. 3 Div. NO. 1, recorded in Vol. 89 of Plats on Pg. 71-73 in records of King County, Washington.

24.. Tax Parcel #	790537-0670
Physical location:	98xx NE 135th PL / 0.04 acre
Designation:	walkway

Deed: SWD #6525135 (04-01-69) /QCD #750917-0438 /
restrictive language on use

Restriction: "By acceptance of this deed the County of King covenants and agrees that the use of subject property shall be restricted to open space and recreational purposes only. . The County may, however, place improvements and impose such regulations on said property as is consistent with the proper maintenance and preservation of public health, safety, morals and general welfare.

Legal Description:
Tract "G" Plat of Sparkman & Mclean NO. 3 Div. NO. 1, recorded in Vol. 89 of Plats on Pg. 71-73 in records of King County, Washington.

25.. Tax Parcel # 790538-0920

Physical location: NE 136th & 96th Ave NE / 3.76 acres

Designation:

Deed: SWD #6525135 (04-01-69) /QCD #750917-0438 /
restrictive language on use

Restriction: "By acceptance of this deed the County of King covenants and agrees that the use of subject property shall be restricted to open space and recreational purposes only. . The County may, however, place improvements and impose such regulations on said property as is consistent with the proper maintenance and preservation of public health, safety, morals and general welfare.

Legal Description:
Tract "H" Plat of Sparkman & Mclean NO. 3 Div. NO. 2, recorded in Vol. 89 of Plats on Pg. 63-65 in records of King County, Washington.

26.. Tax Parcel # 790538-0930

Physical location: 95th Ave NE & NE 135th Ln / 0.55 acre

Designation: ???

Deed: SWD #6525135 (04-01-69) /QCD #750917-0438 /
restrictive language on use

Restriction: "By acceptance of this deed the County of King covenants and agrees that the use of subject property shall be restricted to open space and recreational purposes only. . The County may, however, place improvements and impose such regulations on said property as is consistent with the proper maintenance and preservation of public health, safety, morals and general welfare.

Legal Description:
Tract "I" Plat of Sparkman & Mclean NO. 3 Div. NO. 2, recorded in Vol. 89 of Plats on Pg. 63-65 in records of King County, Washington.

27.. Tax Parcel # **790538-0940**
 Physical location: **94th Ave NE & NE 134th St / 1.05 acres**
 Designation:
 Deed: **SWD #6525135 (04-01-69) /QCD #750917-0438 /**
 restrictive language on use
 Restriction: **"By acceptance of this deed the County of King covenants**
 and agrees that the use of subject property shall be
 restricted to open space and recreational purposes only. .
 The County may, however, place improvements and
 impose such regulations on said property as is consistent
 with the proper maintenance and preservation of public
 health, safety, morals and general welfare.

Legal Description:
 Tract "J" Plat of Sparkman & Mclean NO. 3 Div. NO. 2, recorded in Vol. 89 of Plats
 on Pg. 63-65 in records of King County, Washington.

28.. Tax Parcel # **790539-0470**
 Physical location: **97th Ave NE x NE 137th St / 1.45 acres**
 Designation:
 Deed: **SWD #6525135 (04-01-69) restrictive language on use**
 /QCD #750917-0439
 Restriction: **"By acceptance of this deed the County of King covenants**
 and agrees that the use of subject property shall be
 restricted to open space and recreational purposes only. .
 The County may, however, place improvements and
 impose such regulations on said property as is consistent
 with the proper maintenance and preservation of public
 health, safety, morals and general welfare.

Legal Description:
 Tract "k" Plat of Sparkman & Mclean NO. 3 Div. NO. 3, recorded in Vol. 89 of Plats
 on Pg. 66-68 in records of King County, Washington

29.. Tax Parcel # **790539-0490**
 Physical location: **97th Ave NE x NE 137th St / 0.04 acre**
 Designation: **walkway**
 Deed: **SWD #6525135 (04-01-69)/ QCD #750917-0438 /**
 restrictive language on use
 Restriction: **"By acceptance of this deed the County of King covenants**
 and agrees that the use of subject property shall be
 restricted to open space and recreational purposes only. .

The County may, however, place improvements and impose such regulations on said property as is consistent with the proper maintenance and preservation of public health, safety, morals and general welfare.

Legal Description:

Tract "M" Plat of Sparkman & Mclean NO. 3 Div. NO. 3, recorded in Vol. 89 of Plats on Pg. 66-68 in records of King County, Washington

30.. Tax Parcel # **790539-0480**
 Physical location: NE 136th St. x 95th Ave NE / 4.85 acres
 Designation:
 Deed: SWD #6525135 (04-01-69)/ QCD #750917-0438 /
 restrictive language on use
 Restriction: "By acceptance of this deed the County of King covenants
 and agrees that the use of subject property shall be
 restricted to open space and recreational purposes only. .
 The County may, however, place improvements and
 impose such regulations on said property as is consistent
 with the proper maintenance and preservation of public
 health, safety, morals and general welfare.
 Permit: Special Use Permits /
 # S-133-09 expiring 05-10-2014
 #S-9-09 expiring 03-05-2014 /
 #S-202-8 expiring 03-17-2014

Legal Description:

Tract "L" Plat of Sparkman & Mclean NO. 3 Div. NO. 3, recorded in Vol. 89 of Plats on Pg. 66-68 in records of King County, Washington

31.. Tax Parcel # **795506-0320**
 Physical location: NE 144th ST x 107th PINE / 0.74 acre
 Designation:
 Deed: SWD #730710-0460 / restrictive language
 Restriction: "By acceptance of this deed the County of King covenants
 and agrees that the use of subject property shall be
 restricted to open space and recreational purposes only.
 King County further covenants and agrees that King
 County will not use, nor will King County authorize the use
 of subject property for any use except open space and
 recreational uses. The County may, however, place
 improvements and impose such regulations on said
 property as is consistent with the proper maintenance and
 preservation of public health, safety, morals and general
 welfare.

Legal Description:

Tract "A" Plat of Stafford Hansell NO.9, recorded in Vol. 95 of Plats on Pg. 55 in records of King County, Washington

32.. INTENTIONALLY DELETED

33.. Tax Parcel #	865172-0520
Physical location:	96 th Ave NE / 8.00 acres
Designation:	Open Space
Deed:	No Deed. By plat dedication.

Legal Description:

Tract "A" Plat of Timberwood NO. 3 recorded in Vol. 105 of Plats on Pg. 10-11 in records of King County, Washington.

34.. Tax Parcel #	865173-0590
Physical location:	NE 143 rd ST x 93 rd Ct NE / 1.54 acres
Designation:	Open Space
Deed:	No Deed. By plat dedication.

Legal Description:

Tract "A" Plat of Timberwood NO. 4 recorded in Vol. 108 of Plats on Pg. 66-67 in records of King County, Washington.

35.. Tax Parcel #	865170-0540
Physical location:	94 th Ave NE & NE 139 th St / 2.62 arces
Designation:	Open Space
Deed:	SWD #750415-0426 / restrictive language
Restriction:	"By acceptance of this deed the County of King covenants and agrees that the use of subject property shall be restricted to open space and recreational purposes only. King County further covenants and agrees that King County will not use, nor will King County authorize the use of subject property for any use except open space and recreational uses. The County may, however, place improvements and impose such regulations on said property as is consistent with the proper maintenance and preservation of public health, safety, morals and general welfare.

Legal Description:

Tract "A" Plat of Timberwood recorded in Vol. 97 of Plats on Pg. 70-71 in records of King County, Washington

36.. Tax Parcel # **865170-0550**
 Physical location: 94th Ave NE x NE 139th St / 1.83 acres
 Designation: Open Space
 Deed: SWD #750415-0426 / restrictive language
 Restriction: "By acceptance of this deed the County of King covenants and agrees that the use of subject property shall be restricted to open space and recreational purposes only. King County further covenants and agrees that King County will not use, nor will King County authorize the use of subject property for any use except open space and recreational uses. The County may, however, place improvements and impose such regulations on said property as is consistent with the proper maintenance and preservation of public health, safety, morals and general welfare.

Legal Description:
 Tract "B" Plat of Timberwood recorded in Vol. 97 of Plats on Pg. 70-71 in records of King County, Washington

37.. Tax Parcel # **952700-0610**
 Physical location: NE 122nd PL x NE 123rd St / 0.77 acre
 Designation: Open Space designated by plat
 Deed: QCD #880705-0434
 Legal Description:
 Tract "B" Plat of Woodlane recorded in Vol. 98 of Plats on Pg. 43-46 in records of King County, Washington

38. Tax Parcel # **321160-0910**
 Physical location: NE 141st ST X 105th Ave NE / 1.00 acre
 Designation: Open Space by deed
 Deed: SWD #6551161 / Mar 1969

Legal Description:
 Tract "A" Plat of Heatherwood, recorded in Vol. 87 of Plats on Pg. 36 in records of King County, Washington.

39.. Tax Parcel # **357811-0350**

Physical location: NE 142nd CT X 90th Ave NE / 5558 sq. ft.
 Designation: Open Space / drainage
 Deed: No / Dedication by plat

Legal Description:
 Tract "A" Plat of Inglewood East Div. #2, recorded in Vol. 121 of Plats on Pg. 28-29
 in records of King County, Washington.

40.. Tax Parcel # 357811-0370
 Physical location: NE 142nd CT X 90th Ave NE / 8843 sq. ft.
 Designation: Open Space
 Deed: No / Dedication by plat

Legal Description:
 Tract "C" Plat of Inglewood East Div. #2, recorded in Vol. 121 of Plats on Pg. 28-29
 in records of King County, Washington.

41.. Tax Parcel # 254085-0390
 Physical location: NE 127TH St X 87th Ct. NE / 18886 sq. ft.
 Designation: Open Space
 Deed: No / Dedication by plat

Legal Description:
 Tract "B" Plat of Finn Hill Crest, recorded in Vol. 115 of Plats on Pg. 16-17 in records
 of King County, Washington.

42.. Tax Parcel # 192605-9203
 Physical location: 92nd Ave NE X Simonds Rd NE / 8.10 AC
 Designation: Open Area
 Deed: No / Dedication by short plat

Legal Description:
 Tract "A" Plat of King County Short Plat #1280040 with recording number #810408-
 0288 in records of King County, Washington.

END OF LIST

Attachment A
Revised 5/3/11kc

EXHIBIT G— Personal Property to be conveyed with Parks Properties

PARK	FACILITIES	EQUIPMENT
132ND Square	2 BB fields, 1 soccer, open play field, parking, 2 picnic areas, play equipment, restroom	4 bleachers (3-tiered), 2 soccer goals (regulation size), 9 plastic garbage cans, 2 mutt-mitt dog bag dispensers, 3 wood picnic tables, 1 metal picnic table, signs
Edith Moulton	trails, picnic shelter w/stationary picnic table, parking lot	3 plastic garbage cans, signs
Juanita Heights	undeveloped, rustic trails	sign
Kingsgate Park	rustic trail, bridge	2 metal garbage cans, signs
Windsor Vista Park	undeveloped	signs



KING COUNTY
Signature Report

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

May 1, 2012

Ordinance 17315

Proposed No. 2012-0128.2

Sponsors Hague, Ferguson and Lambert

1 AN ORDINANCE authorizing the King County executive
2 to execute a thirty-year use agreement with Kirkland Youth
3 Lacrosse, a Washington nonprofit corporation, for the
4 design, installation and use of a synthetic turf
5 lacrosse/soccer field located at Big Finn Hill park in King
6 County, Washington.

7 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

8 **SECTION 1. Findings:**

9 A. King County, a home rule charter county and political subdivision of the state
10 of Washington, is the owner of the site, located at NE 138th and Juanita Drive NE,
11 Kirkland, WA 98028, and described and depicted with greater particularity in Attachment
12 A to this ordinance.

13 B. Kirkland Youth Lacrosse ("KYL") is a not-for-profit Washington corporation
14 that is tax-exempt under section 501(c)(3) of the Internal Revenue Code. KYL is a
15 community-based, open-membership club organized to provide public opportunities for
16 youth lacrosse.

17 C. KYL has the experience, ability, and resources to develop a synthetic sports
18 field and associated facilities at the site and intends to develop a facility for lacrosse,
19 soccer and other athletic and recreational uses at Big Finn Hill park.

20 D. The parks and recreation division of the department of natural resources and
21 parks has determined that a synthetic lacrosse/soccer field located at Big Finn Hill park
22 will have significant regional and/or rural public recreation value as it will be the only
23 dedicated lacrosse field located in east King County.

24 E. In December 2009, the Kirkland city council took action to approve the
25 annexation of the Finn Hill, North Juanita and Kingsgate neighborhoods. The King
26 County council approved Ordinance 4229 formally adopting the annexation of the area to
27 the city of Kirkland with an effective date of June 1, 2011. As part of the annexation,
28 Edith Moulton, Juanita Heights, Kingsgate and Winsor Vista parks were transferred to the
29 city of Kirkland, effective June 1, 2011, and 132nd Square Park transferred as of January
30 1, 2012. Big Finn Hill park was not transferred as part of the Kirkland annexation and
31 remains under King County's jurisdiction.

32 F. King County Ordinance 14509 authorized the department of natural resources
33 and parks to create new public recreation opportunities by empowering user groups,
34 sports associations, and community organizations to develop mutually agreed-upon
35 capital improvements for public recreation facilities on King County land, and thereby
36 address regional and/or rural recreation needs without increasing tax-funded operations
37 and maintenance costs.

38 G. Allowing KYL to develop certain mutually agreed-upon capital
39 improvements, including a synthetic lacrosse/soccer field at Big Finn Hill park, will serve
40 to implement the authority provided in Ordinance 14509. In addition, allowing KYL to
41 convert the field to a synthetic surface will benefit the public by increasing playing time,
42 improving safety, and reducing ongoing maintenance costs.

43 H. In accordance with K.C.C. 4.56.150.E. the King County council may adopt an
44 ordinance permitting the county to enter into agreements for the use of county property
45 with a bona fide nonprofit organization if the property is to be used by the nonprofit
46 organization to make improvements to the county property or to provide services that will
47 benefit the public.

48 I. The parks and recreation division is willing to allow KYL to develop a
49 lacrosse/soccer field at the Big Finn Hill park under the terms and conditions set forth in
50 Attachment A to this ordinance, and to give KYL scheduling priority over a term of thirty
51 years in accordance with Section 2.6 of Attachment A to this ordinance.

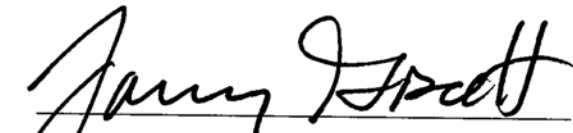
52 SECTION 2. The King County executive is hereby authorized to sign a use
53 agreement, substantially the same as Attachment A to this ordinance, with Kirkland

54 Youth Lacrosse, for the design, installation and use of a synthetic turf lacrosse/soccer
55 field located at Big Finn Hill park in King County, Washington.
56

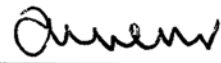
Ordinance 17315 was introduced on 4/2/2012 and passed by the Metropolitan King County Council on 4/30/2012, by the following vote:

Yes: 9 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Hague,
Ms. Patterson, Ms. Lambert, Mr. Ferguson, Mr. Dunn and Mr.
McDermott
No: 0
Excused: 0

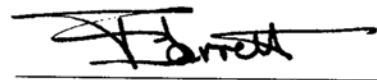
KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Larry Gossett, Chair

ATTEST:


Anne Noris, Clerk of the Council

APPROVED this 11 day of May, 2012.


Dow Constantine, County Executive

RECEIVED
2012 MAY 11 PM 4:09
KING COUNTY COUNCIL CLERK

Attachments: A. Use Agreement between DNRP and Kirkland Youth Lacrosse at Big Finn Hill Park -
(Revised April 25, 2012), B. Memorandum of Understanding

PO 2012-0128
Attachment A
REVISED APRIL 25 2012
17315



USE AGREEMENT

between

King County Department of Natural Resources and Parks, Parks and Recreation Division

and

Kirkland Youth Lacrosse

for the

Synthetic Lacrosse/Soccer Field

at

Big Finn Hill Park

This Agreement (“Agreement”) is entered into by and between the Parks and Recreation Division of the Department of Natural Resources and Parks, (hereinafter “Parks” or “Division”) and Kirkland Youth Lacrosse (hereinafter “KYL”) (collectively, the “Parties”) for the design, installations, and use of a synthetic turf lacrosse/soccer field (hereinafter “Facility”) at Big Finn Hill Park (hereinafter “Site”).

In consideration of the promises, covenants, and other provisions set forth in this Agreement, the Parties agree as follows.

SECTION 1. BACKGROUND

- 1.1. King County, a home rule charter county and political subdivision of the State of Washington, is the owner of the Site, located at NE 138th and Juanita Drive NE Kirkland WA 98028, and described and depicted with greater particularity in Exhibit A to this Agreement.
- 1.2. KYL is a not-for-profit Washington corporation that is tax-exempt under section 501(c)(3) of the Internal Revenue Code. KYL is a community-based, open-membership club organized to provide public opportunities for youth lacrosse.
- 1.3. KYL has the experience, ability, and resources to develop a synthetic sports field and associated facilities at the Site and intends to develop a facility for lacrosse, soccer, and

other athletic and recreational uses at the Site.

- 1.4. Parks has determined that a synthetic lacrosse/soccer field located at the Site will have significant regional and/or rural public recreation value.
- 1.5. King County Ordinance 14509 authorized the Department of Natural Resources and Parks to create new public recreation opportunities by empowering user groups, sports associations, and community organizations to develop mutually agreed upon capital improvements for public recreation facilities on King County land, and thereby address regional and/or rural recreation needs without increasing tax-funded operations and maintenance costs.
- 1.6. Allowing KYL to develop certain mutually-agreed upon capital improvements, including a synthetic lacrosse/soccer field at the Site, will serve to implement the authority provided in Ordinance 14509, and to achieve the goals set forth in **Section 1.5** above.
- 1.7. King County Code 4.56.150(E) and Revised Code of Washington 35.21.278 authorize King County to enter into agreements with non-profit organizations that provide a service to the public and make improvements to King County property.
- 1.8. Parks is willing to allow KYL to develop the Facility at the Site under the terms and conditions set forth in this Agreement, and to give KYL scheduling priority over a term of thirty (30) years pursuant to the terms and conditions as set forth in Exhibit B to this Agreement.

SECTION 2. CONSIDERATION AND USE FEES

- 2.1. The effective date ("Effective Date") of this Agreement is the date of execution by the last party to execute this Agreement.
- 2.2. KYL agrees to design and construct the Facility on the Site consistent with the terms and conditions set forth in this Agreement. The Facility will include one (1) synthetic lacrosse/soccer field and related infrastructure, all as set forth in Exhibit A to this Agreement.
- 2.3. KYL agrees to assume responsibility for design, permitting, and construction for the Facility as set forth in this Agreement.
- 2.4. KYL has inspected and knows the condition of the Site, and agrees to accept the Site in AS IS condition.
- 2.5. Parks does not make, and specifically disclaims, any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, with respect to the Site, and no official, employee, representative, or agent of King County is authorized to represent otherwise.

- 2.6 For the Term of this Agreement, as defined in *Section 2.7*, Parks agrees that KYL shall have first priority of use of the Facility pursuant to the terms and conditions set forth in Exhibit B. KYL acknowledges and agrees that substantial public access to and use of the Facility is a material consideration for Parks' execution of this Agreement.
- 2.7 KYL will be charged King County's standard hourly synthetic field use and lighting fees ("use fees") for use of the Facility. In consideration of KYL's substantial investment in the construction of the Facility, each year during the first ten (10) years of the Term of this Agreement \$130,000 per year shall be credited towards that year's KYL's use fees for use of the Facility.
- 2.8 At least twelve (12) months before the expiration of the ten (10) year period described in Section 2.7, and of each succeeding ten (10) year period, Parks and KYL will begin negotiations regarding potential amendment of this Agreement to provide for synthetic surface replacement and future credits, if any, toward KYL's Facility use fees in consideration of additional facility investments by KYL.
- 2.9 In light of KYL's substantial investment in the Facility, the term ("Term") of this Agreement will be thirty (30) years. Provided that KYL is then in compliance with the terms and conditions of this Agreement, KYL will notify Parks in writing at least twelve (12) months prior to the expiration of this Agreement whether KYL desires to negotiate renewal or extension of the Agreement (including any proposed modifications). KYL and Parks may renew or extend this Agreement, contingent upon KYL's full compliance with the terms and conditions of this Agreement and Parks' written commitment to renew or extend. The Parties may modify this Agreement during the Term, as a condition of renewal, extension, or during a renewal or extension term. Any renewal, extension or amendment is subject to approval by ordinance.
- 2.10 King County shall retain ownership of the Site and the Facility, including all improvements, permanent fixtures, and county-purchased equipment.
- 2.11 In recognition that the design, development, and construction of the Facility and Site will benefit the Division and its park users upon completion, Parks agrees to coordinate with KYL and to use its best efforts to assist with and facilitate the issuance of any federal, state, county, or local permits or approvals necessary for construction at the Facility and Site to begin. KYL understands, acknowledges, and agrees that the Division's assistance and facilitation shall not and does not constitute King County's official endorsement or approval of KYL's plans, drawings, design documents, or construction for purposes of any applicable laws, regulations, codes, ordinances, guidelines, or industry standards (collectively, "authorities"). As between KYL and the Division, KYL will be solely responsible to comply with all applicable authorities and to obtain all necessary permits, approvals, and endorsements.
- 2.12 Parks personnel or agents may inspect the Facility construction project at any time provided that such persons observe due regard for workplace safety and security. Parks may require KYL or its contractors to stop work if the Division deems work stoppage necessary to remedy construction defects or to address risks to health, safety, or welfare.

KYL specifically understands, acknowledges, and agrees that at a minimum, Parks will inspect the Facility construction project and approve work progress at the following milestones:

- A. Completed set of construction plans, drawings, specifications, and related design documents for the Facility construction project;
- B. Preconstruction meeting with KYL and primary contractor when all permits and approvals are in hand;
- C. Demolition, excavation of Site complete;
- D. Site plumbing complete and Site prepared for installation of base material;
- E. Initial compaction of each and every lift of base material installed on Site;
- F. Final compaction of base material;
- G. Installation of synthetic turf carpet surface prior to fill;
- H. G-max or equivalent shock test of synthetic turf carpet with completed fill; and
- I. Installation of Facility amenities other than playing surface (fencing, paving, bleachers, etc.).

2.13 When KYL considers that all work or work associated with the Facility is substantially complete, KYL shall give written notice to Parks. Parks will promptly inspect the work and, if it does not agree that the work is substantially complete, Parks will prepare a list of items to be completed or corrected ("Punch List"). KYL or its contractor shall promptly complete or correct all Punch List items at the sole cost of KYL or its contractor, as they may decide between them. For purposes of this Agreement, "substantially complete" means that:

- A. KYL and Parks have full and unrestricted use and benefit of the Facility for the purpose intended;
- B. All the systems and parts of the Facility are functional;
- C. Only minor incidental work or correction or repair remains to complete all Facility construction requirements; and
- D. KYL's contractor has provided all occupancy permits and easement releases, to the extent that any are required or applicable, to the Facility.

2.14 WARRANTIES.

- 2.14.1 With respect to all warranties, express or implied, for work performed or materials supplied in connection with the Facility, KYL shall:
- A. Obtain all warranties, express or implied, that would be given in normal commercial practice from suppliers, manufacturers, contractors, or installers;
 - B. Require all warranties be executed, in writing, for the benefit of King County;
 - C. Enforce all warranties for the benefit of King County; and
 - D. Be responsible to enforce any warranty of a contractor, subcontractor, manufacturer, or supplier.
- 2.14.2 King County's approval of plans, drawings, designs, specifications, reports, construction and other products of the services rendered hereunder shall not in any way relieve the KYL of responsibility for the technical adequacy or accuracy thereof. Neither the County's review, approval, or acceptance, shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement. The County shall make a good faith effort to review materials in an expeditious manner; provided, however, that the County shall have a minimum of thirty (30) calendar days to review and provide comments on plans, drawings, specifications, reports, construction or other products. The County typically completes its review within forty-five (45) calendar days.
- 2.14.3 The warranty-related remedies provided in this *Section 2.14* are in addition to any other rights or remedies provided elsewhere in this Agreement or by applicable law.

SECTION 3. CONSTRUCTION OF FACILITY

- 3.0 CAPITAL IMPROVEMENTS. KYL will raise and invest a minimum of \$1.8 million for the development and construction of the Facility on the Site. . If KYL does not demonstrate to Parks' satisfaction, within one-hundred and eighty (180) days after the Effective Date, that KYL has placed in escrow for the development and construction of the Facility on the Site \$1.8 million of cash or cash equivalents, this Agreement will then automatically terminate. KYL will serve as the supervisory not-for-profit corporation for development and construction of the Facility. KYL shall design, develop, and construct facilities, features, and amenities in accordance with all applicable design(s), timelines, restrictions, environmental considerations, permitting determinations, mitigations, and all other requirements in coordination with the King County Parks Community Partnerships

Grants project manager KYL understands, acknowledges, and agrees that it may not undertake or commence any construction activities on the Site until KYL can demonstrate to Parks' satisfaction that KYL has obtained and has in hand all \$1.8 million of cash or cash equivalents. For purposes of this **Section 3.0**, "construction activities" do not include preliminary activities such as surveying, mapping, drainage test pits, installation of temporary fencing, or other low-impact or readily reversible actions.

- 3.1 **EXCLUSIVE POSSESSION DURING CONSTRUCTION.** KYL shall be entitled to exclusive possession and use of that portion of the Site designated for development and construction of the Facility during the design, development, and construction phases. This right of exclusive possession and use by KYL is subject to King County's entry, inspection, acceptance, and audit rights under **Sections 2.12, 2.13, 4.13, 5.11, and 5.12** of this Agreement.
- 3.2 **DESIGN.** KYL has retained a licensed architect and/or licensed professional engineer, registered in the State of Washington, who will prepare a design for the Site and the Facility and exterior landscaping, which visually blends with the setting. Parks shall review the design plans for the Site in concept and reserves the right to approve the final design of the Site and the Facility, consistent with established King County zoning, design code, or both.
- 3.3 **CONSTRUCTION/SITE WORK/FENCING.** KYL will be solely responsible for the site work, required permits, and grading at the Facility. KYL will ensure the work area is properly barricaded, and will ensure that signage is installed directing unauthorized persons not to enter onto the construction site during any phase of development or construction. Unless otherwise agreed by the Parties in writing, fencing will be placed around work areas. In addition, construction sites will be kept clean and organized during development periods. KYL will be responsible for site security, traffic, and pedestrian warnings at the Facility during the development and construction phases.
- 3.4 **CONSTRUCTION DEADLINES.** KYL is required to complete the development and construction of the Facility within one (1) year from the date that KYL receives all funding, in-kind contributions, and the permits necessary to commence construction on the Facility. KYL shall act in good faith and make all reasonable efforts to expedite the obtaining of necessary permits.
- 3.5 **RELOCATION OF UTILITY LINES.** KYL will be responsible to relocate and improve storm drains, sewers, water lines, and other utilities, if any, as required to complete development and construction of the Facility.
- 3.6 **ALTERATION OF SITE OR FACILITY AFTER CONSTRUCTION.** After the Facility is completed and accepted by Parks and KYL, as defined herein, KYL will not make any material alteration to the Site or to the Facility, including any changes to the landscaping, without express, written consent by Parks.

- 3.7 DEVELOPMENT AND CONSTRUCTION FEES AND EXPENSES. KYL will be responsible to obtain and pay for all necessary permits, fees, and expenses associated with the development and construction of the Facility.
- 3.8 PUBLIC WORKS LAWS. To the extent applicable, KYL will comply with all public works laws, regulations, and ordinances, including but not limited to those related to prevailing wages (see RCW 39.12), retainage (see RCW 60.28), bonding (see RCW 39.08), use of licensed contractors (see RCW 39.06), and competitive bidding (see RCW 36.32 and RCW 35.21.278). KYL will indemnify and defend King County should it be sued or made the subject of an administrative investigation or hearing for a violation of such laws, regulations, and ordinances in connection with the improvements. Without limiting the foregoing, KYL understands, acknowledges, and agrees that before beginning construction of the Facility on the Site, KYL must execute and deliver to King County a performance and payment bond in an amount equal to one hundred percent (100%) of the estimated full value of the Facility construction contract (\$1.8 million), on a form acceptable to King County with an approved surety company and in compliance with RCW Ch. 39.08. King County must be named as the beneficiary of the payment and performance bond. KYL must notify the surety of any changes in the work. KYL must promptly furnish additional bond security to protect King County and persons supplying labor or materials required to construct the Facility if (a) King County has a reasonable objection to any surety; (b) any surety fails to furnish reports on its financial condition pursuant to King County's request; or (c) the estimated cost of the Facility increases beyond the bond amount.
- 3.9 CONTRACTOR AND PROFESSIONAL CONSULTANT INDEMNIFICATION AND HOLD HARMLESS. KYL will require its professional consultants, construction contractors and sub consultants/contractors to defend, indemnify and hold King County, its officers, officials, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits including attorney's fees and costs, arising out of or resulting from the their officers, employees, agents and/or sub consultants/contractors performance or failure to perform this Contract, to the maximum extent permitted by law.

In the event it is determined that R.C.W. 4.24.115 applies to this Contract, the Consultant/Contractor agrees to defend, hold harmless, and indemnify King County to the maximum extent permitted thereunder, and specifically for its negligence concurrent with that of King County to the full extent of their negligence. Consultant/Contractor agrees to defend, indemnify, and hold harmless the County for claims by their employees and agrees to waiver of their immunity under Title 51 R.C.W., which waiver has been mutually negotiated by the parties.

- 3.10 Minimum Scope and Limits of Insurance. KYL will require its construction contractors to procure and maintain insurance against claims for injuries to persons or damage to property, which may arise from or in connection with the performance of the work hereunder by the construction contractors and subcontractors, their agents, representatives, or employees.

- A. General Liability. Coverage shall be at least as broad as Insurance Services Office form number CG 00 01 covering COMMERCIAL GENERAL LIABILITY. \$1,000,000 combined single limit per occurrence and for those policies with aggregate limits, a \$2,000,000 aggregate limit.
 - B. Explosion & Collapse, Underground Damage (XCU). Coverages shall apply for the same limits as the General Liability. Evidence of Insurance must specifically state coverage has not been excluded.
 - C. Automobile Liability. Coverage shall be at least as broad as Insurance Services Office form number CA 00 01 covering BUSINESS AUTO COVERAGE, symbol 1 “any auto”; or the combination of symbols 2, 8, and 9. \$1,000,000 combined single limit per accident.
 - D. Workers’ Compensation. Statutory requirements of the State of residency. Coverage shall be at least as broad as Workers’ Compensation coverage, as required by the Industrial Insurance Act of the State of Washington, as well as any similar coverage required for this work by applicable Federal or “other States” State Law.
 - E. Employer’s Liability or “Stop Gap”. Coverage shall be at least as broad as the protection provided by the Workers Compensation policy Part 2 (Employers Liability) or, in states with monopolistic state funds, the protection provided by the “Stop Gap” endorsement to the general liability policy \$1,000,000 Limit.
- 3.11 BUILDER'S RISK INSURANCE. KYL will require its construction contractors to procure and maintain, for the duration of the Construction Phase of the Facility, builder's risk insurance covering interests of King County and the construction contractor in the work. The builders risk insurance will be in the amount of the completed value of the Facility with no coinsurance provisions. Builder’s risk insurance will be on an all-risk policy form at least as broad as ISO form number CP0020 (Builder Risk Coverage Form) and will insure against the perils of fire and extended coverage and physical loss or damage including flood and earthquake, theft, vandalism, malicious mischief, collapse, temporary buildings, and debris removal off-site storage and property in transit. The coverages shall insure for direct physical loss to property of the entire construction project, for one-hundred percent (100%) of replacement value of the entire construction project. The policy shall be endorsed to cover the interests, as they may appear of King County, contractor and subcontractors. The Builders Risk insurance will be maintained until final acceptance of the work by KYL and Parks.
- 3.12 PROFESSIONAL ERRORS AND OMISSIONS. KYL must require its professional service providers to carry insurance meeting all requirements set forth in **Section 3.10** of this Agreement. In addition, KYL must require its professional service providers to carry professional liability errors and omissions insurance in an amount of not less than \$1,000,000 per claim/aggregate. KYL must require its professional service providers to provide copies of all insurance certificates or insurance policies to King County upon request.

- 3.13. SUBCONTRACTORS. KYL will require its construction contractors during the Design and Construction Phase to include all subcontractors as insured under its policies or will furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors will be subject to all of the same insurance requirements as stated herein for the construction contractor.
- 3.14. INSURANCE COVERAGE TYPE AND DURATION. Each insurance policy must be written on an "occurrence" form; except that insurance on a "claims made" form may be acceptable with prior approval by King County Office of Risk Management. If coverage is approved and purchased on a "claims made" basis, KYL warrants continuation of coverage, either through policy renewals or the purchase of an extended discovery period, if such extended coverage is available, for not less than three (3) years from the date of contract termination or expiration, and/or conversion from a "claims made" form to an "occurrence" coverage form.
- 3.15. VERIFICATION OF COVERAGE. KYL will furnish Parks with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the commercial general liability insurance of the construction contractor before commencement of the work. Before any exposure to loss may occur or Notice to Proceed is issued, KYL will file with Parks a copy of the builder's risk insurance policy that includes all applicable conditions, exclusions, definitions, terms, and endorsements related to work under this Agreement.
- 3.16. ACCEPTABILITY OF INSURERS. Unless otherwise approved by Parks, the following provisions apply exclusively during the Design and Construction Phase:
- 3.16.1 Insurance is to be placed with insurers with a Best's rating of no less than A:VIII, or, if not rated by Best's, with a rating in one of the two highest categories maintained by Standard & Poor's Rating Group and Moody's Investor Service.
- 3.16.2. If at any time any of the foregoing policies fail to meet the above minimum standards, then KYL will, upon notice to that effect from King County, promptly obtain a new policy, and submit the same to Parks with certificates and endorsements, for approvals.
- 3.16.3. The required liability insurance policies (except Workers Compensation and Professional) are to be endorsed to:
- Name "King County, its officers, officials, agents and employees" as additional insured with respect to use and development of the Site as outlined in this Agreement (Form CG 2026 or its current equivalent);
 - Such coverage shall be primary and non-contributory insurance as respects King County;
 - State that KYL's or its consultants/contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the insurer's liability;

- State that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice to King County.
- 3.17 **WAIVER OF SUBROGATION.** KYL will cause its consultants/contractors and subconsultants/subcontractors and their insurance carriers to release and waive all rights of subrogation against King County during the Design and Construction Phase to the extent a loss is covered by property insurance in force. Except as otherwise provided in **Section 3** of this Agreement, KYL hereby releases from liability and waives all right of recovery against King County for any loss from perils insured against or under the respective fire insurance policies of its contractors, subcontractors, or any of them, including any extended coverage endorsements thereto; provided, that this provision shall be inapplicable if it would have the effect of invalidating any insurance coverage of KYL or King County.
- 3.18 **INSURANCE PROVISIONS ARE MATERIAL TERMS.** By requiring such minimum insurance as described in this **Section 3**, King County shall not be deemed or construed to have assessed the risks that may be applicable to KYL under this Agreement. KYL shall assess its own risks and, if it deems appropriate and/or prudent, maintain greater limits and/or broader coverage. Nothing contained within this **Section 3** shall be deemed to limit the scope, application, and/or limits of the coverage afforded by the policies specified herein, which coverage will apply to each insured to the full extent provided by the terms and conditions of the policies. Nothing contained within this **Section 3** shall effect and/or alter the application of any other provision contained within this Agreement. Failure by KYL, its agents, employees, officers, and/or subcontractors to comply with these insurance requirements shall constitute a material breach of this Agreement.

SECTION 4. USE OF FACILITY

- 4.0 **NON-EXCLUSIVE LICENSE.** In recognition that KYL shall invest substantial funds to design, develop, construct, and provide supplemental maintenance for the Facility at the Site, for the duration of the Term KYL is granted a non-exclusive license to use the Facility by Parks on a first priority basis consistent with the terms and conditions set forth in Exhibit B to this agreement.
- 4.1 **STEWARDSHIP.** KYL must be a good steward of the Facility and Site. All approved activities and use by KYL shall be considerate of the capital, programmatic, and environmental value of the Facility and Site to the greatest extent possible. All approved construction, maintenance, and other modifications by KYL shall strictly adhere to all applicable environmental laws and regulations at all times.
- 4.2 **FACILITY USE POLICY.** Parks and KYL shall mutually develop and implement a Good Neighbor/Facility Use Policy (Exhibit C) (hereinafter "Use Policy") in coordination with other users of the Site to ensure positive relations with the surrounding community, as well as other current or future Site users. The Use Policy shall be posted in clear view at the Facility and/or integrated into print materials or websites pertaining to facility use.

Mitigation efforts for traffic, noise, parking, or other neighborhood impacts shall be thorough, ongoing, and in good faith.

- 4.3 **FACILITY PROGRAMMING.** KYL shall have first priority for use of the Facility. All costs associated with KYL's programming and use of the Facility will be the responsibility of KYL. All non-KYL use of the Facility shall be scheduled by and through Parks, the cost of which shall be Parks' responsibility. By January 15 of each calendar year, KYL shall provide Parks with a master schedule (hereinafter "KYL Master Schedule") of its anticipated use for that year (e.g., hours and days of use) in order that Parks may schedule Facility use by others around KYL's reserved use. The Parties recognize that the KYL Master Schedule may require periodic supplementation to accommodate KYL's changing practice needs and game schedules. At the beginning of each month (or earlier, if the need for schedule changes is known), KYL shall timely provide Parks with a revised monthly schedule if KYL's anticipated field use will deviate from the KYL Master Schedule. Any requested modifications to the KYL Master Schedule shall be approved by Parks unless (i) the request is unreasonable or (ii) the time requested by KYL is already scheduled by Parks for non-KYL use and cannot be reasonably re-scheduled. The Parties agree to coordinate in good faith with respect to all scheduling of the Facility.
- 4.4 **USE.** Use of the Facility shall be limited to providing programming and other activities for approved users as follows:
- A. Lacrosse;
 - B. Soccer;
 - C. Other approved sports that are appropriate for synthetic fields; and
 - D. Other approved activities that are appropriate for synthetic fields.
- 4.5 **INCIDENTAL USES.** KYL may conduct tax-exempt fundraising activities to support the Site, the Facility, and KYL's own beneficial or charitable mission as a not-for-profit Washington corporation, provided that such fundraising activities shall not displace public use of the Site or the Facility. Such activities shall be shown on KYL's Master Schedule.
- 4.6 **SECURITY AND NUISANCE DURING USE.** KYL will take reasonable precautions to secure the Facility during use by KYL. KYL will use the Site and the Facility for no unlawful purposes and will not use or occupy the Site in any manner which would constitute a public nuisance or otherwise violate federal, state, or local laws.
- 4.7 **SITE MAINTENANCE PLAN.** Parks shall operate and maintain the Site upon final acceptance of the Facility improvements that KYL will construct.
- 4.8 **PERFORMANCE REPORT.** At the end of each calendar year during the Term, KYL shall furnish the Community Partnerships Grants project manager with a summary of the prior year's use by KYL for approved activities on the Site or at the Facility.

- 4.9 LIMITED USE. KYL shall use the Facility for no business or purpose other than as explicitly provided in this Agreement or as otherwise generally permitted to members of the public. Other KYL activities may be allowed on a case-by-case basis with prior written approval of Parks, which shall not be unreasonably withheld.
- 4.10 SIGNS. No sign, advertisement, notice, or other lettering will be exhibited, inscribed, painted, or affixed by KYL nor allowed by KYL to be exhibited, inscribed painted, or affixed on any part of the Facility without the prior written approval of Parks, which shall not be unreasonably withheld. All new Facility and/or Site signs shall follow the King County Sign System Guide and shall be manufactured and installed by King County, unless KYL receives prior written approval from Parks to do otherwise. Written approval shall be requested through Parks' liaison. If KYL violates this provision, Parks may remove the sign without any liability and may charge the expense incurred by such removal to the KYL. All signs erected or installed pursuant to Parks' prior written approval shall also comply with any applicable federal, state, or local statutes, ordinances or regulations.
- 4.11 RIGHT TO INSPECT. King County at its discretion reserves the right to review and approve KYL's use of the Facility and compliance with this Agreement. If Parks does not approve of KYL's use and compliance, Parks will timely notify KYL in writing of the specific items that Parks deems objectionable. KYL agrees to undertake reasonable corrective action within a time period agreed to by the Parties, or if no time period is agreed, within sixty (60) days.
- 4.12 MINIMUM SCOPE AND LIMITS OF INSURANCE FOR KYL. In addition to insurance requirements set forth in **Section 3** that are applicable to the Design and Construction Phase, KYL will at a minimum procure and maintain insurance throughout the duration of this Agreement that covers KYL's activities and usage of the Facility and Site as follows:
- 4.12.1 COMMERCIAL GENERAL LIABILITY INSURANCE. Commercial general liability insurance (Insurance Services Office form number (CG00 001), covering commercial general liability with a limit of not less than \$1,000,000 combined single limit per occurrence; \$2,000,000 aggregate.
- 4.12.2 AUTOMOBILE LIABILITY. Coverage shall be at least as broad as Insurance Services Office form number CA 00 01 covering BUSINESS AUTO COVERAGE, symbol 1 "any auto"; or the combination of symbols 2, 8, and 9. \$1,000,000 combined single limit per accident.
- 4.12.3 WORKERS' COMPENSATION - STATUTORY REQUIREMENTS OF THE STATE OF RESIDENCY. Coverage shall be at least as broad as Workers' Compensation coverage, as required by the Industrial Insurance Act of the State of Washington, as well as any similar coverage required for this work by applicable Federal or "other States" State Law.

- 4.12.4 EMPLOYER'S LIABILITY OR "STOP GAP". Coverage shall be at least as broad as the protection provided by the Workers Compensation policy Part 2 (Employers Liability) or, in states with monopolistic state funds, the protection provided by the "Stop Gap" endorsement to the general liability policy \$1,000,000 Limit.
- 4.12.5 Property Insurance. KYL shall maintain direct risk of physical loss property coverage at full replacement value for all facilities and improvements at subject site. The policy shall be endorsed to cover the interests, as they may appear of King County.
- 4.13 DEDUCTIBLES AND SELF-INSURED RETENTIONS. Any deductibles or self-insured retentions must be declared to and approved by King County. The deductible and/or self-insured retention of the policies will not limit or apply to King County and will be the sole responsibility of KYL.
- 4.14 OTHER INSURANCE PROVISIONS. The insurance policies required by *Section 4* of this Agreement shall also contain or be endorsed to contain the following provisions where applicable:
- 4.14.1 LIABILITY POLICIES.
- 4.14.1.1 Each insurance policy will be written on an "occurrence" form.
- 4.14.1.2 King County, its officers, officials, employees, and agents are to be covered as additional insureds as respects liability arising out of activities and usage of the Facility and Site.
- 4.14.1.3. KYL's comprehensive general liability insurance coverage will be primary insurance as respects King County, its officers, officials, employees, and agents. Any insurance and/or self-insurance maintained by King County, its officers, officials, employees or agents will not contribute with KYL's insurance or benefit KYL in any way.
- 4.14.2 Coverage will not be suspended, voided, canceled, reduced in coverage or in limits except by the reduction of the applicable aggregate limits by claims paid, until after thirty (30) days' prior written notice has been given to KYL and Parks.
- 4.15 ACCEPTABILITY OF INSURERS. Unless otherwise approved by Parks, the following provisions apply exclusively to KYL's activities and usage of the Facility and Site during the duration of this Agreement:
- 4.15.1 Insurance is to be placed with insurers with a Best's rating of no less than A:VIII, or, if not rated by Best's, with a rating in one of the two highest

categories maintained by Standard & Poor's Rating Group and Moody's Investor Service.

- 4.15.2 If at any time any of the foregoing policies fail to meet the above minimum standards, then KYL will, upon notice to that effect from King County, promptly obtain a new policy, and submit the same to King County with certificates and endorsements, for approvals.
- 4.16 WAIVER OF SUBROGATION. KYL and its insurance carriers will release and waive all rights of subrogation against King County to the extent a loss is covered by property insurance in force. KYL hereby releases from liability and waives all right of recovery against King County for any loss from perils insured against or under their respective fire insurance policies, including any extended coverage endorsements thereto; provided, that this provision shall be inapplicable if it would have the effect of invalidating any insurance coverage of KYL or King County.
- 4.17. INSURANCE LIMITS AND DOCUMENTATION.
- 4.17.1. By requiring such minimum insurance as specified herein, neither party is deemed to, or construed to, have assessed the risks that may be applicable to the other party to this Agreement. KYL will assess its own risks and, if it deems appropriate or prudent, or both, maintain greater limits or broader coverage.
- 4.17.2. KYL will furnish Parks with certificates of insurance and endorsements as required by this Agreement. The certificates and endorsements for each policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements for KYL's insurance are to be on forms approved by King County and are to be received and approved by King County prior to the Effective Date of this Agreement. Parks reserves the right to require complete certified copies of all required policies at any time.
- 4.18. KING COUNTY INSURANCE.
- 4.18.1 LIABILITY EXPOSURE. KYL acknowledges, agrees, and understands that King County is self-insured for all of its liability exposures, including but not limited to worker's compensation. King County agrees, at its own expense, to maintain through its self-insurance program coverage for its liability exposures for the duration of this Agreement, or, at King County's sole discretion, to purchase equivalent insurance coverage through an insurance policy or policies, or through a risk sharing pool. King County agrees to provide KYL with at least thirty (30) days prior written notice of any change in its self-insured status and will upon request provide KYL with a letter of self-insurance as adequate proof of insurance.

SECTION 5. GENERAL TERMS AND CONDITIONS

5.1 NOTICE. Notice will be given as follows:

If to Parks:

T.J. Davis, CPG Manager
King County Department of Natural Resources and Parks
201 South Jackson St, Suite 701
Seattle, WA 98104-3855
Email: tj.davis@kingcounty.gov
Phone: 206-263-6214

If to KYL:

Steve Lytle
Kirkland Lacrosse Club
8251 NE Juanita Drive
Kirkland, WA 98034
Email:
Phone:

5.2 NONDISCRIMINATION. KYL will comply with King County Code ("K.C.C.") Chapter 12.16 regarding nondiscrimination in employment, K.C.C. Chapter 12.17 regarding nondiscrimination in contracting, and K.C.C. Chapter 12.18 regarding fair employment practices.

5.2.1 EMPLOYMENT. KYL does not anticipate hiring any employees to develop the Facility or otherwise perform its obligations under this Agreement. If KYL should elect to do so, however, KYL agrees not to discriminate against any employee or applicant for employment because of sex, race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification. This requirement shall apply without limitation to all aspects of employment (including lay-offs or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship) and advertisement.

5.2.2 SERVICES AND ACTIVITIES. No person shall be denied or subjected to discrimination in receipt of the benefit of any services or activities made possible by or resulting from this Agreement on the grounds of race, color, age, gender, marital status, sexual orientation, religion, ancestry, national origin, disability or use of a service or assistive animal by an individual with a disability, unless based upon a bona fide contractual qualification. Youth lacrosse rules permit girls playing on boys' teams. Neither KYL nor its component teams will reject a girl who wishes to participate. KYL promotional materials, including its website, shall state that KYH does not discriminate in providing services for youth. Any

violation of this provision shall be considered a violation of a material provision of this Agreement and shall be grounds for termination or suspension in whole or in part of this Agreement by King County and may result in ineligibility for further King County agreements.

- 5.2.3 OTHER NONDISCRIMINATION LAWS. KYL shall also comply with all applicable anti-discrimination laws or requirements of any and all jurisdictions having authority.
- 5.3 ASSIGNMENT. KYL may not assign this Agreement or any interest therein without King County's prior approval, which shall not be unreasonably withheld. King County will have the right to sell or otherwise transfer or dispose of the Site or the Facility, or to assign this Agreement or any interest of the County hereunder, provided that in the event of sale or transfer of the Site or the Facility, King County will arrange for the purchaser or transferee to assume the Agreement and King County's obligations hereunder. King County will not otherwise assign this Agreement or any interest of King County hereunder unless the assignee or purchaser agrees to assume Parks' obligations hereunder.
- 5.4 ADVERTISING RESTRICTIONS. KYL understands that the advertising of tobacco products as defined in King County Ordinance No. 10615 and spirits as defined in King County Ordinance No. 14509 is strictly prohibited. KYL further understands that pursuant to Ordinance No. 14509, additional subject-matter restrictions on advertising may be imposed by the Director of the King County Parks and Recreation Division ("Director"). If the Director imposes additional restrictions, a copy of the restrictions will be included in an attachment hereto over time. Therefore, KYL expressly covenants that neither it nor any of its sponsors or concessionaires will at any time display, promote, or advertise any tobacco products, spirits, or other subject matter expressly prohibited by the Director. KYL further agrees that any violation of this **Section 5.4** by it will be a material breach of its contractual obligations to Parks pursuant to this Agreement.
- 5.5 SOLICITING. Except as otherwise provided in this Agreement, canvassing, soliciting, or peddling in the Site, the Facility, or in adjacent areas are each prohibited without the prior written approval from Parks.
- 5.6 POWERS OF THE COUNTY. Nothing contained in this Agreement will be considered to diminish the governmental or police powers of King County.
- 5.7 FORCE MAJEURE. The performance of this Agreement by either party is subject to acts of God, war, government regulation or advisory, disasters, fire, accidents or other casualty, strikes or threat of strikes, civil disorder, acts and/or threats of terrorism, or curtailment of transportation services or facilities, cost or availability of power, or similar causes beyond the control of either party making it illegal, impossible, or impracticable to hold, reschedule, or relocate the KYL's use of the Site or the Facility as contemplated herein. Either party may terminate or suspend its obligations under this Agreement if such obligations are prevented by any of the above events to the extent such events are beyond the reasonable control of the party whose reasonable performance is prevented.

- 5.8 AGREEMENT IS PUBLIC DOCUMENT. This Agreement will be considered a public document and will be available for inspection and copying by the public.
- 5.9 TAXES. KYL agrees to pay on a current basis all applicable taxes or assessments levied on its activities; PROVIDED, however, that nothing contained herein will modify KYL's right to contest any such tax, and KYL will not be deemed to be in default as long as it will, in good faith, be contesting the validity or amount of any such taxes.
- 5.10 NO KYL LIENS. KYL acknowledges and agrees that it has no authority, express or implied, to create or place any lien or encumbrance of any kind or nature whatsoever upon, or in any manner to bind, the interest of King County in the fee interest in the Site or in the Facility, or to charge fees for any claim in favor of any person or entity dealing with KYL, including those who may furnish materials or perform labor for any construction or repairs. If any such liens are filed, King County may, without waiving its rights and remedies for breach, and without releasing KYL from its obligations under this Agreement, require KYL to post security in form and amount reasonably satisfactory to King County or to cause such liens to be released by any means King County deems proper, including payment upon satisfaction of the claim giving rise to the lien. KYL will pay to King County upon demand any sum paid by King County to remove the liens. Further, KYL agrees that it will save and hold King County harmless from any and all loss, cost, or expenses based on or arising out of the asserted claims or liens, except those of the lender, against this Agreement or against the right, title and interest of King County in the Site and the Facility or under the terms of this Agreement, including reasonable attorney's fees and costs incurred by King County to remove such liens, and in enforcing this **Section 5.10**. Additionally, it is mutually understood and agreed that this **Section 5.10** is intended to be a continuing provision applicable to future repairs and improvements after the initial development and construction of the Site and the Facility.
- 5.11 RECORDS, AUDITS AND INSPECTIONS. During this Term of this Agreement, KYL's books, records and other materials related to any matters covered by this Agreement and not otherwise privileged shall be subject to inspection, review, and/or audit by King County at King County's sole expense. Such books, records and other materials shall be made available for inspection during regular business hours within a reasonable time of the request.
- 5.12 ENTRY BY KING COUNTY. King County may enter the Site or the Facility during KYL's usage for any reason. Any person or persons who may have an interest in the purposes of King County's visit may accompany King County. King County has the right to use any and all means that King County deems proper to open doors and gates to obtain entry to the Site or to the Facility.
- 5.13 COMPLIANCE WITH ALL LAWS AND REGULATIONS. In using the Facility, KYL and its members shall comply with all applicable laws, ordinances, and regulations from any and all authorities having jurisdiction and, specifically, the requirements of the Washington Industrial Safety and Health Act (WISHA). KYL specifically agrees to comply and pay all costs associated with achieving such compliance without notice from

King County, and further agrees that King County does not waive this provision by giving notice of demand for compliance in any instance.

- 5.14 INTERPRETATION OF COUNTY CODE AND RULES. If there is any question regarding the interpretation of any provision of King County Code or any King County rule or regulation, King County's decision will govern and will be binding upon KYL.
- 5.15 PERMITS AND LICENSES. KYL will obtain and maintain, at its own costs and expense, all necessary permits, licenses, and approvals required for the activities contemplated under this Agreement.
- 5.16 RISK OF LOSS. All personal property of any kind or description whatsoever on the Site or the Facility shall be at KYL's sole risk, and King County will not be liable for any damage done to, or loss of, such personal property. However, KYL will not be responsible for losses or claims of stolen property during King County-scheduled use of the Site or the Facility by persons or entities other than KYL.
- 5.17 ENVIRONMENTAL LIABILITY.
- 5.17.1 "Hazardous Materials" as used herein shall mean any hazardous, dangerous or toxic wastes, materials, or substances as defined in state or federal statutes or regulations as currently adopted or hereafter amended.
- 5.17.2 KYL shall not, without first obtaining Parks' written approval, apply, store, deposit, transport, release, or dispose of any hazardous substances, petroleum products, sewage, medicinal, bacteriological, or toxic materials, or pollutants, on the Facility or Site. All approved application, storage, deposit, transportation, release, and disposal shall be done safely and in compliance with applicable laws.
- 5.17.3 Nothing in this Agreement shall be deemed to waive any statutory claim for contribution that KYL might have against King County under federal or state environmental statutes that arises from hazardous materials deposited or released on the Site by King County. KYL may not, however, assert such a claim to the extent that KYL creates the need for or exacerbates the cost of remediation upon which a statutory claim for contribution is based as a result of KYL performing construction activities on the Site, changing the configuration of the Site, or changing the use of the Site.
- 5.17.4 If KYL discovers the presence of hazardous materials at levels that could give rise to a statutory claim for contribution against King County it shall immediately notify Parks in writing. KYL shall provide such notice not more than ten (10) days after discovery. The Parties shall make their best efforts to reach agreement as to which party is responsible for remediation under the terms of this Agreement prior to undertaking any remediation.

- 5.17.5 In no event shall King County be responsible for any costs of remediation that exceed the minimum necessary to satisfy the state or federal agency with jurisdiction over the remediation.
- 5.18 NO EMPLOYMENT RELATIONSHIP. In providing services under this Agreement, KYL is an independent contractor, and neither it nor its officers, agents, employees, or subcontractors are employees of King County for any purpose. KYL shall be responsible for all federal and/or state tax, industrial insurance, and Social Security liability that may result from the performance of and compensation for these services and shall make no claim of career service or civil service rights which may accrue to a County employee under state or local law. King County assumes no responsibility for the payment of any compensation, wages, benefits, or taxes by, or on behalf of KYL, its employees, subcontractors, and/or others by reason of this Agreement.
- 5.19 INDEMNIFICATION AND HOLD HARMLESS.
- 5.19.1 KYL shall protect, indemnify, and hold harmless King County, its officers, agents, and employees from and against any and all claims, costs, and/or losses whatsoever occurring or resulting from (1) KYL's failure to pay any compensation, wages, benefits, or taxes in connection with or support of the performance of this Agreement; and/or (2) KYL's failure to pay for work, services, materials, or supplies to KYL employees or other KYL suppliers in connection with or support of the performance of this Agreement.
- 5.19.2 KYL further agrees that it is financially responsible for and will repay King County all indicated amounts following an audit exception which occurs due to the negligence, intentional act, and/or failure for any reason to comply with the terms of this Agreement by KYL, its officers, employees, agents, representatives, or subcontractors. This duty to repay King County shall not be diminished or extinguished by the prior termination of the Agreement.
- 5.19.3 KYL expressly agrees to protect, defend, indemnify, and hold harmless King County, its elected and appointed officials, officers, employees, and agents from and against liability for any claims (including all demands, suits, and judgments) for damages arising out of injury to persons or damage to property where such injury or damage is caused by, arises out of, or is incident to KYL's use of the Site or Facility under this Agreement. KYL's obligations under this section shall include, but not be limited to:
- 5.19.3.1 The duty to promptly accept tender of defense and provide defense to the King County at KYL's expense for claims that fall within this *Section 5.19*;
- 5.19.3.2 Indemnification of claims, including those made by KYL's own employees and/or agents for this purpose, for claims that fall within this *Section 5.19*;

- 5.19.3.3 In the event King County incurs any judgment, award, and/or cost arising from claims that fall within this **Section 5.19**, including attorney's fees to successfully enforce the section, all such fees, expenses, and costs shall be recoverable from KYL.
- 5.19.3.4 KYL shall protect, defend, indemnify, and hold harmless King County, its officers, employees, and agents from any and all costs, claims, judgments, and/or awards of damages arising out of, or in any way resulting from the performance or non-performance of the obligations under this Agreement by KYL's subcontractor(s), its officers, employees, and/or agents in connection with or in support of this Agreement.
- 5.19.3.5 KYL expressly and specifically agrees that its obligations under this **Section 5.19** extend to any claim, demand, and/or cause of action brought by or on behalf of any of its employees, or agents. For this purpose, KYL, hereby expressly and specifically waives, with respect to King County only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW, but only to the extent necessary to indemnify King County.
- 5.20 **WAIVER OF BREACH.** Waiver of any breach of this Agreement shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the Agreement unless stated to be such through written approval by King County, which shall be attached to the original Agreement.
- 5.21 **ADDITIONAL TERMS.** The Parties reserve the right to modify this Agreement as necessary to equitably address unforeseen circumstances that may arise. The Parties agree to cooperate in good faith and in the spirit of this Agreement with respect to any such requested modifications. Any such amendments or addendums to this Agreement shall be in writing and executed with equal formality as this Agreement and are subject to approval by ordinance.
- 5.22 **DISPUTE RESOLUTION.** The Parties agree to use their best efforts to resolve disputes regarding this Agreement in an economic and time efficient manner to advance the purposes of this Agreement. In the event that a dispute arises and cannot be resolved within two (2) days of the dispute occurring, the field development director of KYL and the Community Partnerships Grants program manager from Parks shall meet in person, within four (4) days of the dispute arising, and work to resolve the dispute. KYL and Parks shall attempt to resolve such dispute as expeditiously as possible and will cooperate so that the express purposes of this Agreement are not frustrated, and so that any design, planning, construction, or use of the Facility or the Site is not delayed or interrupted. Provided, that nothing in this **Section 5.22** shall otherwise limit the Parties' legal, equitable, or other rights or remedies.

5.23 TERMINATION/NOTICE/CURE. In recognition that KYL shall invest substantial funds to develop the Facility at the Site, and in appreciation that King County has fiduciary responsibilities to its residents and taxpayers that may change over time, the Parties agree that in addition to Automatic Termination as provided in Section 3.0, above, this Agreement may be terminated as follows:

5.23.1 FAILURE TO PERFORM.

5.23.1.1 OBLIGATION TO PERFORM. Nothing herein shall imply any duty upon King County to do any work required to be performed by KYL in this Agreement, and the performance thereof by King County will not constitute a waiver of KYL's default. King County will not in any event be liable for inconvenience, annoyance, and disturbance in its activities on the Site or the Facility, provided that King County will not intentionally permit a loss of business or other damage to KYL by reason of King County's actions pertaining to the Site or the Facility.

5.23.1.2 PAYMENTS TO OTHER PARTIES. Except as expressly provided hereunder, all obligations of KYL under this Agreement will be performed by KYL at KYL's sole cost and expense. If KYL fails to pay any sum of money owed to any party other than King County for which KYL is liable hereunder, or if KYL fails to perform any other act on its part to be performed hereunder, and such failure continues for ten days (10) after notice thereof by King County, King County may, without waving or releasing KYL from its obligations, make any such payment or perform any such other act to be made or performed by KYL. Thereafter, on written demand by King County, KYL shall promptly pay to King County an amount equal to all sums so paid by King County, together with all necessary incidental costs incurred by King County, plus interest on the sum total of such sums and costs. For purposes of this **Section 5.23.1.2**, interest will be calculated at the lesser of 1 percent per month or the maximum rate permissible by law, beginning on the date that King County first makes a payment on behalf of KYL. KYL understands, acknowledges, and agrees that King County is under no obligation to make any payment on behalf of KYL.

5.23.2 DEFAULT.

5.23.2.1 PARKS' DEFAULT. Parks will not be in default unless Parks fails to perform an obligation within sixty (60) days after notice by KYL, which notice must specify the alleged breach; provided that if the nature of Parks' breach is such that more than sixty (60) days are reasonably required for cure, then Parks will not be in default if

Parks commences to cure within sixty (60) days of KYL's notice and thereafter diligently pursues completion and completes performance within a reasonable time.

5.23.2.2 KYL'S DEFAULT. The occurrence of any one or more of the following events constitutes a default by KYL under this Agreement:

(1) KYL will be in default of the performance of any covenants, conditions, or provisions of this Agreement, other than the covenants for the payment of use fees required by this Agreement, where such failure continues for a period of sixty (60) days after written notice is given by King County; provided that if the nature of KYL's breach is such that more than sixty (60) days are reasonably required for cure, then KYL will not be in default if KYL commences to cure within sixty (60) days of King County's notice and thereafter diligently pursues completion and completes performance within a reasonable time; or

(3) KYL will be adjudged bankrupt, make a general assignment for the benefit of creditors, or take the benefit of any insolvency act, or if a permanent receiver and trustee in bankruptcy is appointed for KYL's estate and such appointment is not vacated within sixty (60) days; or

(4) If this Agreement is assigned or the Site or the Facility is used by KYL for activities other than in accordance with the terms of this Agreement, and such default is not cured within thirty (60) days after written notice from King County to KYL; or

(5) KYL fails to make any payment when due, or fails to make any other payment required hereunder when due, when that failure is not cured within thirty (60) days after mailing of written notice thereof by King County.

5.23.3 TERMINATION FOR CHANGE IN KYL STATUS. King County may terminate this Agreement without penalty or liability if, at any time during the Term of this Agreement, KYL loses or changes its status: (1) as an active Washington not-for-profit corporation; or (2) as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code as now or hereafter codified; that King County will not terminate the Agreement under this **Section 5.23.3** if KYL reasonably cures any and all such loss or change of status.

5.23.4 DEFAULT FOR OTHER CAUSE. This Agreement may be immediately terminated for other cause by a party if the other party substantially fails to perform its obligations under this Agreement, through no fault of the terminating party, and the non-performing party does not commence correction

of the failure of performance within sixty (60) days of the terminating party's sending notice to the non-performing party.

5.23.5. OTHER KYL TERMINATION. KYL may terminate this Agreement for any reason upon twelve (12) months notice in writing to King County. In this event KYL shall not be entitled to any compensation from King County for capital improvements made by KYL to the Site.

5.23.6 OTHER KING COUNTY TERMINATION.

5.23.6.1 King County may terminate this Agreement without cause upon twelve (12) months notice in writing to KYL. In this event KYL shall be entitled to reasonable compensation from King County for capital improvements made by KYL to the Site with due regard for the funds invested by KYL, KYL debts remaining to be paid relating to the Facility, the fair market value of the Facility at the time of termination, and the length of time KYL has had use of the Facility.

5.23.6.2 Any King County obligations under this Agreement beyond the current appropriation year are conditioned upon the King County Council's appropriation of sufficient funds to support such obligations. If the Council does not approve such appropriation, then this Agreement will terminate automatically at the close of the current appropriation year.

5.23.7 REMEDIES ARE CUMULATIVE. Remedies under this Agreement are cumulative; the failure to exercise any right on any occasion will not operate to forfeit such remedy.

5.24 DESTRUCTION OF PREMISES AND USE OF INSURANCE PROCEEDS.

5.24.1 Unless otherwise mutually agreed by the Parties, if the Site or the Facility are destroyed or injured by fire, earthquake, or other casualty during the Design and Construction Phase, then KYL will proceed to rebuild and restore the Site and the Facility, or such part thereof as may be injured or destroyed. In the event of any loss covered by the insurance policies described and required under this Agreement, unless this Agreement is terminated as provided herein, KYL will use the proceeds of such insurance policies first to rebuild and then to restore the Site and the Facility and replace the improvements, fixtures, and equipment which may be damaged or destroyed by such casualty.

5.24.2 Unless otherwise mutually agreed by the Parties, if the Site and/or the Facility are destroyed by fire, earthquake, or other casualty after completion of the Design and Construction Phase, then King County will proceed to rebuild and restore the Site and the Facility, or such part thereof as may be injured or destroyed. In the event of any loss covered by the insurance policies described

and required under this Agreement, unless this Agreement is terminated as provided herein, King County will use the proceeds of such insurance policies first to rebuild and then to restore the Site and the Facility and replace the improvements, fixtures, and equipment which may be damaged or destroyed by such casualty.

- 5.25 DUTIES UPON TERMINATION. Upon termination of this Agreement, and unless otherwise arranged, KYL will remove from the Site and the Facility all its personal property, goods, and effects. If KYL fails to perform this duty at termination, Parks may cause such removal to be made and KYL's personal property, goods and effects to be stored, the cost and expense to be paid by KYL. It is understood and agreed that the real property constituting the Site and the Facility is the real property of King County and that all improvements to that real property will continue to belong to King County upon termination of this Agreement.
- 5.26 EMINENT DOMAIN. The following rules will govern the rights and duties of the Parties in the event of interference with KYL's design, construction, or use of the Site or the Facility as a result of the exercise of eminent domain or private purchase in lieu thereof.
- 5.26.1 RIGHT OF TERMINATION. If the whole of the Site or the Facility is taken for any public or quasi-public use under any statute or by right of eminent domain, or by private purchase in lieu thereof, then this Agreement will automatically terminate as of the date that title is taken. If more than twenty-five percent (25%) of the Site or the Facility is so taken and if the taking renders the remainder thereof unusable for the purposes contemplated under this Agreement, then KYL and King County will each have the right to terminate this Agreement on thirty (30) days notice to the other, given within ninety (90) days after the date of such taking. Provided, however, that if King County is exercising its right of eminent domain, a fair value will be placed on this Agreement and the Facility with the compensation thereof awarded solely to KYL.
- 5.26.2 NON-TERMINATION. If any part of the Site or the Facility is so taken and this Agreement is not terminated, then King County will, at its own cost and expense, restore the remaining portion of the Site and the Facility to the extent necessary to render it reasonably suitable for the purposes contemplated under this Agreement.
- 5.26.3 COMPENSATION. The compensation awarded or paid upon a total or partial taking of the Site or the Facility, or this Agreement, or any of them, will belong to and be apportioned between KYL and Parks in accordance with their respective interests under this Agreement as determined between them or by a court. Additionally, KYL may prosecute any claim directly against the condemning authority for the costs of removal of the goodwill, stock, trade fixtures, furniture, and other personal property belonging to KYL. King County

will have no claim to condemnation proceeds attributable to KYL's interest in the Facility, nor will KYL have any interest in King County's condemnation proceeds, if any.

- 5.27 SURRENDER. Within thirty (30) days of the time this Agreement expires or is terminated, KYL shall remove any and all of its portable improvements at the Facility. If improvements include non-portable fixtures, such improvements shall inure to the benefit of King County and shall remain at the Facility.
- 5.28 HEADINGS NOT PART OF AGREEMENT. The headings in this Agreement are for convenience only and shall not be deemed to expand, limit, or otherwise affect the substantive terms of this Agreement.
- 5.29 GOVERNING LAW. This Agreement shall be governed by the laws of the State of Washington, without regard to its conflicts of law rules or choice of law provisions.
- 5.30 JURISDICTION AND VENUE. The exclusive jurisdiction and venue for any disputes arising under this Agreement, including matters of construction, validity and performance, shall be in the Superior Court for King County in Seattle, Washington.
- 5.31 RIGHT TO PARTICIPATE IN LITIGATION. KYL will have the right to participate in any litigation, arbitration, or dispute directly affecting the Site, the Facility, or interest of KYL therein, including, without limitation, any suit, action, arbitration proceeding, condemnation proceeding, or insurance claim. King County, upon instituting or receiving notice of any such litigation, arbitration, or dispute will promptly notify KYL of the same.
- 5.32 EXHIBITS.
- A. Description and Map of Site and Facility
 - B. Facility Use Schedule
 - C. Facility Use Rules / Good Neighbor Policy
- 5.33 ENTIRE AGREEMENT. This Agreement and any and all exhibits expressly incorporated herein by reference and attached hereto shall constitute the whole agreement between King County and KYL. There are no terms, obligations, allowances, covenants, or conditions other than those contained herein.
- 5.34 SEVERABILITY. Should any provision of this Agreement be found to be invalid, illegal, or unenforceable by any court of competent jurisdiction, such provision shall be stricken and the remainder of this Agreement shall nonetheless remain in full force and effect unless striking such provision shall materially alter the intention of the Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the last date written.

Kirkland Youth Lacrosse

**King County Department of Natural
Resources and Parks**

By _____

By _____

TITLE _____

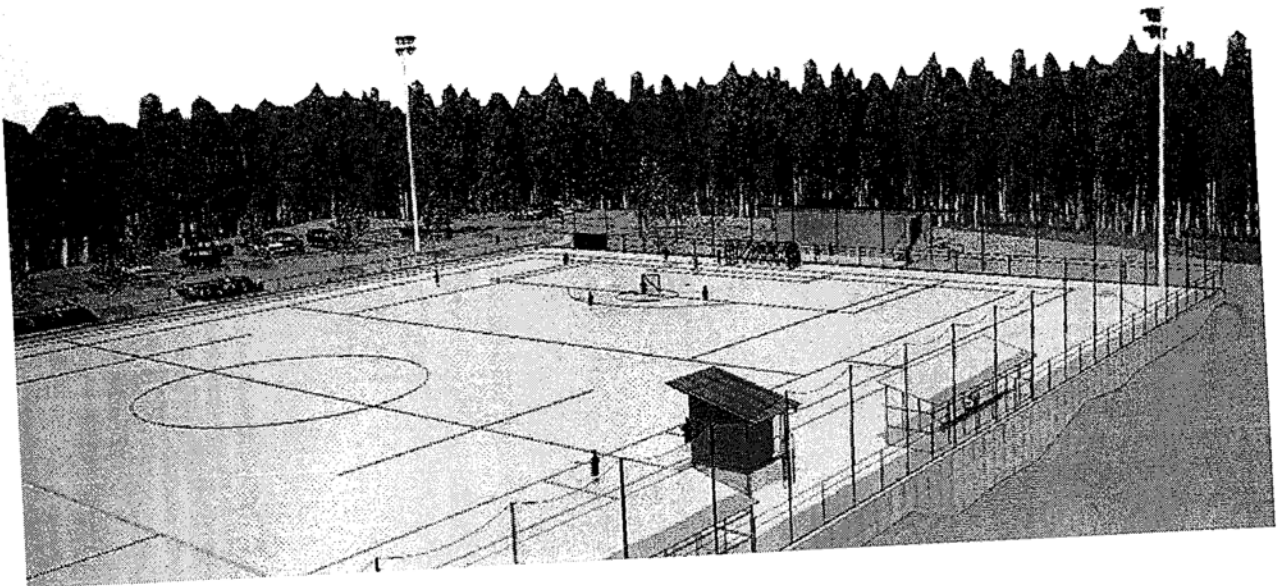
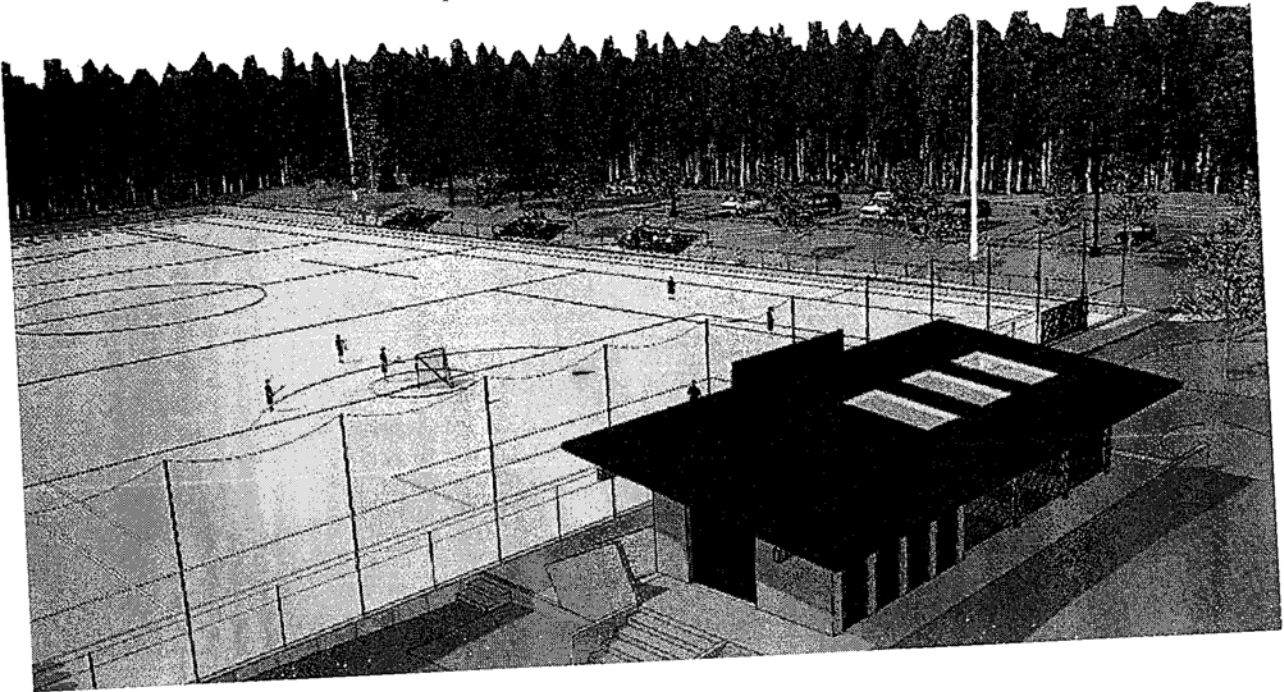
TITLE _____

Date _____

Date _____

—

EXHIBIT A
Description and Map of Site and Facility



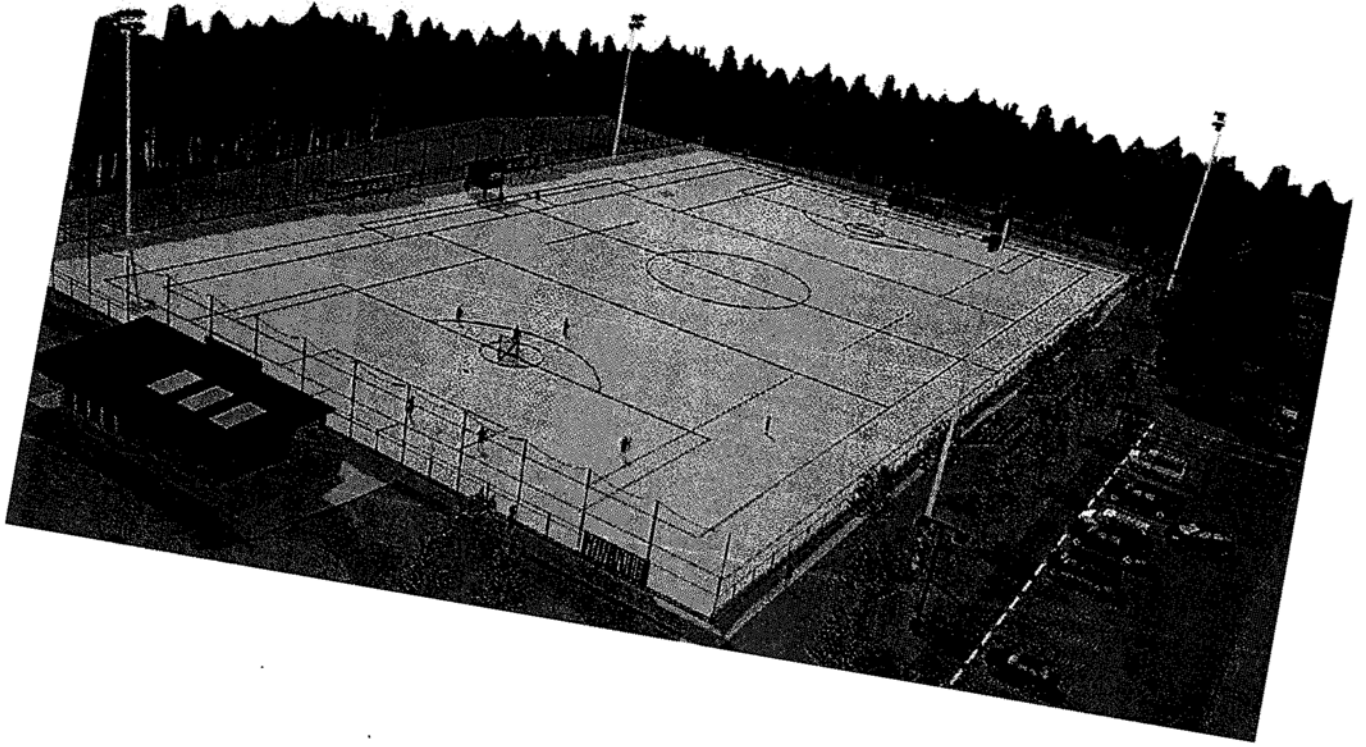


Exhibit B Facility Public Use Schedule

For purposes of scheduling, King County Parks has determined that this field will primarily serve local public youth lacrosse and local public youth soccer. King County also recognizes that public youth sports users and their respective teams are organized by service boundaries. The Big Finn Hill Synthetic Field is within the public youth sports service boundaries of Kirkland Lacrosse and Lake Washington Youth Soccer Association whom together represent over 90 percent of the public sports field users in the surrounding service area (about 8,000 public users). As the primary local public users Kirkland Lacrosse and Lake Washington Youth Soccer and their respective local youth sports teams will receive first priority in scheduling with local public youth lacrosse receiving priority during the typical lacrosse season and local public youth soccer user getting priority the rest of the year. Additional public youth sports groups from outside the service boundaries and public adult sports groups will receive second priority.

The typical annual use schedule shall be delineated as stated below. Not all of these hours will necessarily be scheduled, but this reflects the typical hours available for various public uses within the various public recreation seasons. **General public drop-in use is available any time during the day that the field is not otherwise scheduled.** Any organized use and/or use requiring lights require formal scheduling and associated public use fees through the regional scheduling office. Scheduled uses must include pre and post game buffers and switchovers. Additional appropriate public field uses such as rugby, football, ultimate Frisbee, other field sports will also be scheduled by the King County Parks regional scheduling office as the prioritized schedule allows.

January 15 – February 1: Public youth lacrosse (Pre-season 1 middle school and high school) and Public Youth Soccer (Winter Season)

- Monday - Friday:
 - General public drop in use from 8am to 5pm (unless otherwise scheduled)
Scheduled public youth lacrosse practices from 5pm to 7pm
 - Scheduled adult soccer, lacrosse, or other appropriate field use, 7pm to 11pm*
- Saturdays:
 - Scheduled public youth soccer games 8am to 8pm
 - Scheduled adult soccer, lacrosse, or other appropriate field use, 8pm to 11pm*
 - General public drop-in use is available any time during the day that the field is not otherwise scheduled
- Sundays:
 - Scheduled public youth soccer games from 8am to 8pm
 - Scheduled adult soccer, lacrosse, or other appropriate field use, 8pm to 11pm*
 - General public drop-in use is available any time during the day that the field is not otherwise scheduled

February 1 – March 1: Public youth lacrosse (Pre-season 2 – All Youth) and Public Youth Soccer (Winter Season)

- Monday - Friday:
 - General public drop in use field use from 8am to 5pm (unless otherwise scheduled)
 - Scheduled public youth lacrosse practices from 4pm to 8pm
 - Scheduled adult soccer, lacrosse, or other appropriate field use, 8pm to 11pm*
- Saturdays:
 - Scheduled public youth soccer games 8am to 8pm
 - Scheduled adult soccer, lacrosse, or other appropriate field use, from 8pm to 11pm
 - General public drop-in use is available any time during the day that the field is not otherwise scheduled*
- Sundays:
 - Scheduled public youth soccer games from 8am to 8pm
 - Scheduled adult soccer, lacrosse, or other appropriate field use, 8pm to 11pm*
 - General public drop-in use is available any time during the day that the field is not otherwise scheduled

March 1 - May 30: Public Youth Lacrosse (Primary Season) / Public Youth Soccer (Spring Season)

- Monday - Friday:
 - General public drop in use field use, 8am to 4pm (unless otherwise scheduled)
 - Public youth lacrosse practice from 4pm to 10pm
- Saturdays:
 - Scheduled public youth lacrosse games from 8am to 8pm
 - Scheduled adult soccer, lacrosse, or other appropriate field use, 8pm to 11pm*
 - General public drop-in use is available any time during the day that the field is not otherwise scheduled
- Sundays:
 - Scheduled public youth soccer games from 8am to 7pm
 - Scheduled adult soccer, lacrosse, or other appropriate field use, 7pm to 11pm*
 - General public drop-in use is available any time during the day that the field is not otherwise scheduled

May 30 - June 21: Public Youth lacrosse (Post-Season) / Public Youth Soccer (Spring Season)

- Monday - Friday:
 - General public drop in use field use, from 8am to 4pm (unless otherwise scheduled)
 - Scheduled public youth lacrosse practice from 4pm to 8pm
 - Scheduled public adult soccer, lacrosse, or other appropriate field use 8pm to 11pm
- Sundays:
 - Scheduled public youth soccer games from 8am to 7pm
 - Scheduled adult soccer, lacrosse, or other appropriate field use, 7pm to 11pm*

- General public drop-in use is available any time during the day that the field is not otherwise scheduled

June 21 - August 7: Public Youth Lacrosse and Public Youth Soccer (Summer Season and Camps)

- Monday - Friday:
 - General public drop in use field use, from 8am to 4pm (unless otherwise scheduled)
 - Scheduled public youth lacrosse camps (3-4 per summer), 9am - 3pm
 - Scheduled public youth soccer camps (2-3 per summer), 9am - 3pm
 - Scheduled public youth soccer practices, 10am - 8pm
 - Scheduled public adult soccer, lacrosse, or other appropriate field use, 8pm to 11pm*
- Saturday:
 - Scheduled public youth soccer games, 10am - 6pm
 - Scheduled public adult soccer, lacrosse, or other appropriate field use, 8am - 10am and 6pm - 11pm*
 - General public drop-in use is available any time during the day that the field is not otherwise scheduled
- Sunday:
 - Scheduled public youth soccer games, 9am - 7pm
 - Scheduled public adult soccer, lacrosse, or other appropriate field use, 7pm to 11pm*
 - General public drop-in use is available any time during the day that the field is not otherwise scheduled

August 7 - November 24 Public Youth Lacrosse and Public Youth Soccer (Fall Season:

- Monday - Friday:
 - General public drop in use field use, 8am to 4pm (unless otherwise scheduled)
 - Scheduled public youth soccer practices, 4pm to 9:30pm
 - Scheduled public adult soccer, lacrosse, or other appropriate field use, 9:30-11pm*
- Saturday:
 - Scheduled public youth soccer games, 8am to 8pm
 - Scheduled public adult soccer, lacrosse, or other appropriate field use, 8pm to 11pm*
 - General public drop-in use is available any time during the day that the field is not otherwise scheduled
- Sunday:
 - Scheduled public youth soccer games, 8am to 7pm
 - Scheduled public adult soccer, lacrosse, or other appropriate field use, 7pm to 11pm*
 - General public drop-in use is available any time during the day that the field is not otherwise scheduled

November 24 – January 15 Public youth soccer (Holiday Season):

- General public drop in use field use, 8am to 4pm (unless otherwise scheduled)
- Scheduled public youth or adult, soccer, lacrosse, or other appropriate field use 4pm to 11pm

To the extent possible, the master schedule for all user groups for the entire year shall be submitted by January 15th. Kirkland Lacrosse and Lake Washington Youth Soccer will coordinate their public use schedules prior to submitting to the King County regional scheduling office. All additional times outside of the scheduled public uses jointly requested by Kirkland Lacrosse and Lake Washington Youth soccer will be scheduled by the King County Parks regional scheduling office on a first come, first serve basis per the regional scheduling policies. Use fees and fee consideration for facility investments will be estimated on an annual basis and administered quarterly.

**The system wide King County policy for lit fields is lights-off at 11pm. Use of lights at this field from 10pm to 11pm is conditional upon compliance with Kirkland Noise Ordinances after 10pm. The field will only be available for public use with lights until 11pm upon successful demonstration of compliance as determined by the City of Kirkland through an independent onsite noise study with field measurements (paid for by King County). If typical public use of the field after 10pm does not comply with Kirkland Noise ordinances then the field will be closed at 10pm and the publicly schedulable hours will be adjusted accordingly.*

EXHIBIT C
Facility Use Rules / Good Neighbor Policy

DRAFT – To be finalized once SEPA/permit conditions are finalized and Kirkland ordinances related to operations are applied upon facility completion and occupancy. On site signage will be produced and installed depicting finalized facility use rules. Facility use rules shall also be included in all user rental agreements.

- No gum is allowed on any of the turf surfaces by players, coaches, or fans.
- No seeds (sunflower, peanut, etc.) are allowed on any of the turf surfaces by players, coaches, or fans.
- No metal cleats are allowed on the turf surface.
- No high-heeled shoes are allowed on the turf surface.
- No soda is allowed on any of the turf surfaces by players, coaches, or fans.
- No Gatorade or other sugary drinks allowed on turf surface.
- No golfing is allowed on the turf surface
- No pets are allowed on the turf surface
- No folding chairs or outdoor furniture are allowed on the turf surface.
- No smoking or tobacco products of any kind are allowed on the turf surface
- No tent stakes are allowed on the turf surface
- No air horns are allowed at the field
- No amplified sound is allowed at the field
- Use of car stereos is prohibited in the parking lot.
- During scheduled uses, only coaches, players, or referees are allowed on the turf surface (inside the fence).
- All children must be supervised for their own safety
- All park users are prohibited from accessing bioswale, stormwater pond, or other stormwater facilities around the field and throughout the park.
- Organized field use must be scheduled through the regional scheduling office, but drop-in use is allowed if there are no scheduled uses
- Field users must remain in the field area after dusk. The remainder of park is closed after dusk

- Lights are centrally automated based on scheduled uses and will shut off 15 minutes after end of scheduled use for egress safety.
- Parking in designated areas only / no parking after closing time
- Parking in surrounding neighborhood is strictly prohibited; field users are required to use the public parking lot adjacent to the field or the public parking on other side of park.
- Car pooling is strongly encouraged to reduce traffic in and around the park
- Dogs and / or domestic animals must be kept on a leash no greater than 8'
- Dogs and / or domestic animals feces are to be removed from park
- Cutting, picking, or destruction of plant life on King County property is prohibited
- Removal of any county property prohibited
- Unauthorized possession of firearms or weapons is prohibited
- Household and / or commercial garbage dumping prohibited
- Overnight camping is prohibited throughout the park
- Model aircraft and rockets are prohibited on the turf surface and throughout the park
- All fireworks are prohibited on the turf surface and throughout the park
- Alcoholic beverages prohibited in the park

17315

**Memorandum of Understanding
Big Finn Hill Park Field Conversion**

This Memorandum of Understanding ("MOU") is entered into between the City of Kirkland (the "City") and King County ("County"). The City and the County are also referred to herein collectively as the "Parties."

WHEREAS, Big Finn Hill Park is located in the Juanita/Finn Hill/Kingsgate ("JFK") Annexation Area, which was annexed by the City effective June 1, 2011; and

WHEREAS, prior to the effective date of the JFK Annexation, Big Finn Hill Park was part of unincorporated King County; and

WHEREAS, after the effective date of the JFK Annexation, Big Finn Hill Park will remain owned and operated by King County; and

WHEREAS, prior to the effective date of the JFK Annexation, Kirkland Youth Lacrosse ("KYL") applied for a grading permit to convert existing grass fields in Big Finn Hill Park to synthetic turf fields and to install field lights (the "Project"); and

WHEREAS, the County issued a notice of proposed Determination of Non-Significance ("DNS") under RCW Chapter 43.21C, the State Environmental Policy Act ("SEPA"); and

WHEREAS, the City and the County entered into a Development Services Interlocal Agreement in which the Parties allocated responsibility for the processing of building, grading and land use permits; and

WHEREAS, the City is responsible under the Interlocal Agreement for being lead agency with respect to SEPA determinations; and

WHEREAS, the City is responsible under the Interlocal Agreement for determining whether permits filed with the County prior to the effective date of annexation are vested; and

WHEREAS, the Parties to this MOU would like to allocate responsibilities for the continued processing of the Big Finn Hill field conversion project and clarify roles, responsibilities and the approximate timeframes under which the application will continue to be processed.

NOW, THEREFORE, it is hereby understood and agreed between the Parties as follows:

1. SEPA Lead Agency Status. Pursuant to WAC 197-11-942, the Parties hereby agree that the City shall assume SEPA lead agency status and administer the SEPA process for the Project pursuant to the City's SEPA regulations.

17315

2. Vesting of Grading Permit. KYL submitted a grading permit for the Project to the County on May 27, 2011 and provided additional information with respect to field lighting to the County on May 31, 2011. After reviewing the application materials and consulting with the County, the City determines and agrees that the grading permit is complete, including the lighting to be provided, as of May 31, 2011.


3. SEPA Process. The County issued a proposed DNS and received comments through July 21, 2011. As lead agency, the City will issue a SEPA threshold determination pursuant to its SEPA regulations (Kirkland Municipal Code ("KMC") Chapter 24.02). Because the City's SEPA regulations call for comments or appeals to be filed after issuance of the threshold determination, the Parties understand that there will be a comment and appeal period following the City's issuance of a threshold determination. See KMC 24.02.160 and 24.02.230.

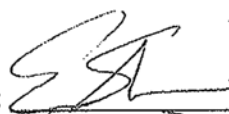
4. Process and Scheduling. The County will respond to comments on the County's proposed DNS, including comments received from the City, prior to turning over SEPA documents to the City. Once received, the City will confirm all information is available to prepare the SEPA threshold determination. The determination will be issued in a timely manner once all information is received. The comment and appeal period will follow. When the SEPA process is complete, the grading permit will be issued by the City.

Agreed to and accepted this 28th day of September, 2011

KING COUNTY

CITY OF KIRKLAND

By: 
 Its: Director

By: 
 Its: Planning Director



CITY OF KIRKLAND
Department of Public Works
123 Fifth Avenue, Kirkland, WA 98033 425.587.3800
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Laura Drake, P.E., Project Engineer
Rod Steitzer, P.E., Capital Projects Manager
Julie Underwood, Interim Public Works Director

Date: February 6, 2020

Subject: CEDAR CREEK CULVERT REPLACEMENT TRAFFIC DETOUR

RECOMMENDATION:

Staff recommends that the City Council receive an update about the Cedar Creek Culvert Replacement Project ("Project") and provide direction about traffic construction detour options.

City staff will return with additional information about the preferred option and the construction contract award after the Project receives construction bids.

BACKGROUND DISCUSSION:

The Project is located on 100th Avenue N.E. just south of Simonds Road N.E. (see Attachment A, Vicinity Map). The Project, which is identified in the *Surface Water Master Plan ("Plan")*, calls for the replacement of an aged 36-inch box culvert crossing and the removal of a non-functioning upstream flow control structure. It should be noted that the *Plan* also calls for the removal of the downstream fish barrier east of 100th Avenue N.E. and other improvements, which will be a future project(s). Still, when this Project is complete 5,200 feet of upstream aquatic habitat will be opened between the remaining barriers for Cutthroat Trout, Coho, Sockeye and Kokanee Salmon.

In addition to improving aquatic and riparian habitat, the Project will reduce the risk of flooding. The existing culvert that will be replaced includes an adjacent in-stream detention facility, which is an outdated facility that does not provide adequate flow control. Consequently, the area has experienced stream bank erosion, degradation of aquatic habitat, and downstream flooding. The new design will improve, though not fully resolve, these issues.

The new culvert design will comply with the *2016 Surface Water Design Manual* and will reduce maintenance needs of the system. The design also will coordinate with the subsequent improvements that will be made with the 100th Avenue N.E. Roadway Improvements (STC 083).

Currently, the Project has reached the 100% level for plans, specifications, and the engineer's estimate, and staff is finishing its final reviews of that work. Through the permitting process, staff already has addressed preliminary comments from the U.S. Army Corps of Engineers (USACE) and expects to receive and address final comments from USACE and Tribes in the next several weeks.

The project schedule is as follows:

- January 31, 2020: Bid review plan, specifications & engineer's estimate for City review
- March 2, 2020: Bid plan, specifications, and engineer's estimate set finalized
- April 7, 2020: Contract award
- July 1—August 31, 2020: Fish window, when in-water work is allowed

TRAFFIC DETOUR

During construction, the contractor will excavate approximately 25 feet below the current roadway grade to install the new, fish-passable culvert. Staff evaluated several options for construction restrictions to minimize impacts to the public while optimizing project costs. A partial closure of 100th Avenue N.E. during construction over Cedar Creek (e.g., removing half the road and diverting traffic onto the remaining half) is infeasible because of life safety concerns, significantly increased construction costs, and a high likelihood that in-water work would take longer than the permitted fish window (July 1 through August 31, 2020).

The design team evaluated two feasible options, both requiring a full closure of 100th Avenue N.E. and both necessitating an around-the-clock traffic detour for all traffic. A summary of the differences between the two feasible options is provided (see Table 1, below):

Option 1

The first option would allow the contractor to work extended daytime hours from 6:00 a.m. to 8:00 p.m. seven days a week, which would result in a traffic detour lasting approximately three weeks.

Option 2

The second option would allow the contractor to work 24 hours per day seven days a week, which would reduce the traffic detour to approximately two weeks. This option would bring construction light and noise impacts to the area during the night.

Table 1: Detour Option Comparison

	Option 1: Extended Daytime Work Hours	Option 2: 24 Hours per Day Work Hours
Estimated Detour Duration	Approx. 3 weeks – (24/7 detour)	Approx. 2 weeks – (24/7 detour)
Impacts to Nearby Residents	Noise 6 AM to 8 PM	Noise and Bright Lights 24/7

Both options have similar estimated cost impacts to construct, offer the same staging and work area for the contractor, and are constructible within the permitted fish window.

Staff recommends Option 1 because it offers significantly less nighttime disturbance to nearby residents, including those at two adjacent condominium buildings. While this option does increase the traffic detour an additional week, staff is of the opinion that the impacts of nighttime work outweigh the extra duration of the detour inconveniences.

The recommended traffic detour (see Attachment B, Recommended Detour Route Map) has been vetted through the City's transportation and traffic staff. Signal timing changes would be implemented at five traffic signals:

- 100th Avenue NE & Simonds Road NE;
- 100th Avenue NE & NE 145th Street;
- NE 145th Street & Juanita-Woodinville Way NE;
- 100th Avenue NE & Juanita-Woodinville Way NE; and
- 100th Avenue NE & NE 132nd Street.

The recommended detour would be during July and August 2020, months when average daily traffic volumes historically are lower when compared to non-summer months.

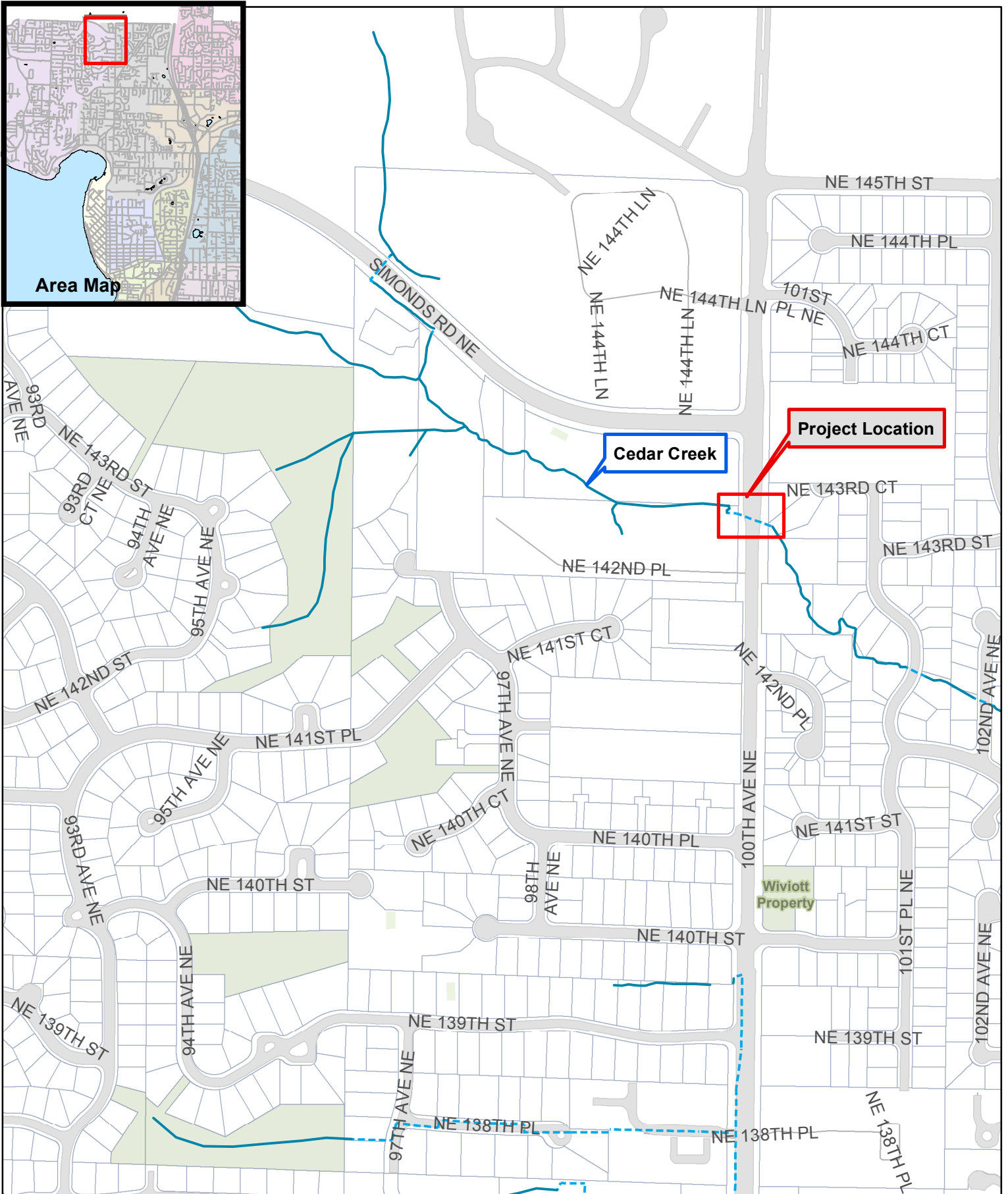
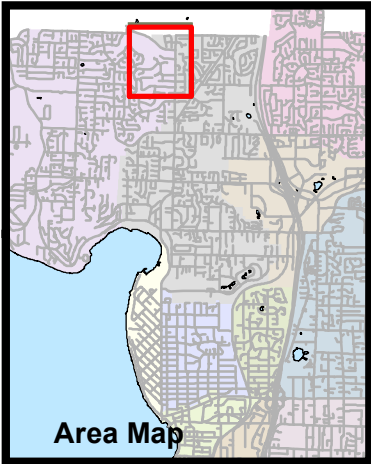
To further reduce traffic impacts, the City will implement extensive public outreach including mailings, door-to-door notifications to nearby businesses, portable message boards on nearby major arterials at least three weeks before the roadway closure, social media alerts, notifications at Juanita and Finn Hill neighborhood association meetings, and regular webpage updates.

Staff has initiated coordination with Kirkland's neighboring cities of Bothell and Kenmore to understand and plan for sub-regional traffic impacts during the Project's construction because those two cities also will be undertaking transportation improvements. Kenmore plans to overlay Simonds Road N.E. between 93rd Avenue N.E. and N.E. 163rd Street this coming summer. Kenmore plans to reduce Simonds Road N.E. to one lane of travel in each direction but will not detour traffic. Additionally, for its bridge project, Kenmore will be reducing southbound traffic to one lane on the 68th Avenue N.E. bridge over the Sammamish River during 2020. Bothell's project to seismically retrofit its bridge across the Sammamish River is not projected to have any/significant vehicular traffic impacts. The staffs of Bothell, Kenmore, and Kirkland have met and continue to be in conversation with each other to coordinate and mitigate the impacts of the capital projects each city will be undertaking in the coming months and years so that traffic in the area flows as best it can. Coordinated communication plans and tools are being developed so that the public can be well informed.

Finally, specifications for this culvert Project will include a contractor incentive/penalty specification, which will provide monetary incentives for opening the roadway to traffic early, and penalty fees for opening the roadway to traffic later than allowed.

Attachment A: Vicinity Map

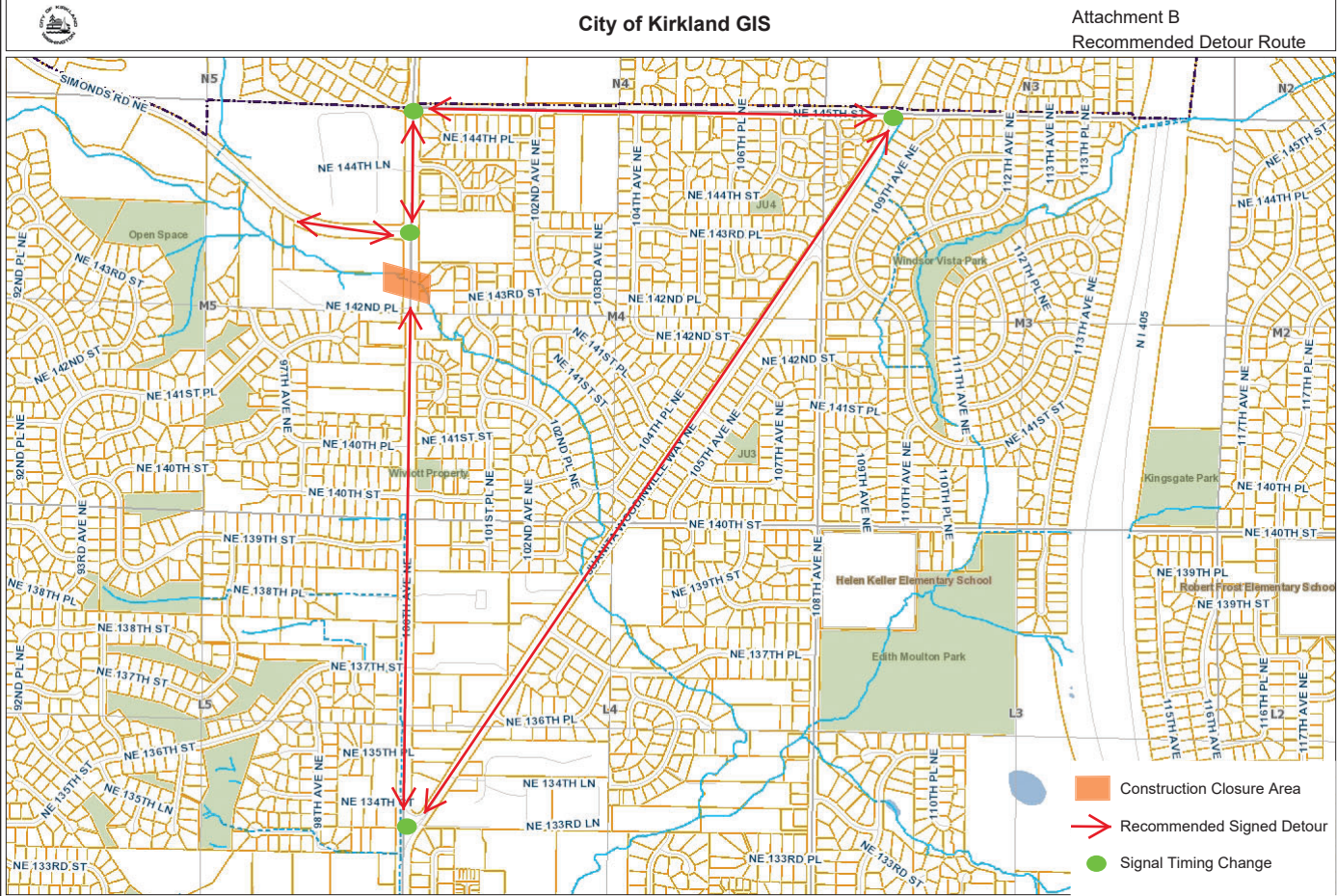
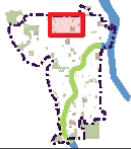
Attachment B: Recommended Detour Route Map



Vicinity Map
Cedar Creek Fish Passage/Culvert Replacement - CSD 0124

City of Kirkland GIS

Attachment B
Recommended Detour Route



- Legend**
- Streams
 - Open
 - Pipe
 - City Limits
 - Grid
 - QQ Grid
 - Cross Kirkland Corridor
 - Regional Rail Corridor
 - Streets
 - Parcels
 - Lakes
 - Parks
 - Schools
 - Olympic Pipeline Corridor

- Construction Closure Area
- Recommended Signed Detour
- Signal Timing Change



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1: 7,157

Notes
This map was automatically generated using Geocortex Essentials.

KIRKLAND CITY COUNCIL SPECIAL MEETING

Minutes

January 28, 2020

1. CALL TO ORDER

Councilmembers were in attendance at the Association of Washington Cities Legislative Action Days Conference and reached a quorum at 8:30 a.m.

2. ROLL CALL

Present: Deputy Mayor Jay Arnold and Councilmembers Neal Black, Kelli Curtis, Amy Falcone, and Jon Pascal. Mayor Penny Sweet arrived at 8:55 a.m.

3. DISCUSSION

Councilmembers discussed their calendars for the day and coordinated schedules.

4. ADJOURNMENT

The January 28, 2020 Special Meeting of the Kirkland City Council was adjourned at 9 a.m.

Kathi Anderson, City Clerk

Penny Sweet, Mayor

KIRKLAND CITY COUNCIL SPECIAL MEETING

Minutes

January 29, 2020

1. CALL TO ORDER

Councilmembers were in attendance at the Association of Washington Cities Legislative Action Days Conference and reached a quorum at 12:05 p.m.

2. ROLL CALL

Present: Deputy Mayor Jay Arnold and Councilmembers Neal Black, Kelli Curtis, Amy Falcone, Toby Nixon and Jon Pascal.

3. DISCUSSION

Councilmembers discussed their calendars for the day and coordinated schedules.

4. ADJOURNMENT

The January 29, 2020 Special Meeting of the Kirkland City Council was adjourned at 12:28 p.m.

Kathi Anderson, City Clerk

Penny Sweet, Mayor



KIRKLAND CITY COUNCIL MEETING MINUTES
February 4, 2020

1. CALL TO ORDER

Mayor Sweet called the study session to order at 5:30 p.m. and called the regular meeting to order at 7:30 p.m.

2. ROLL CALL

ROLL CALL:

Members Present: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, Councilmember Toby Nixon, Councilmember Jon Pascal, and Mayor Penny Sweet.

Members Absent: None.

3. STUDY SESSION

a. Totem Lake Projects Overview

Joining Council for the discussion in addition to City Manager Kurt Triplett were Capital Projects Supervisor Aparna Khanal and Neighborhood Services Outreach Coordinator Christian Knight.

b. Sustainability Master Plan

Joining Council for the discussion were City Manager Kurt Triplett, Planning and Building Director Adam Weinstein and Senior Planner David Barnes.

4. HONORS AND PROCLAMATIONS

a. Celebrating Black History Month in Kirkland Proclamation

Councilmember Falcone read the proclamation on behalf of the Mayor.

5. COMMUNICATIONS

a. Announcements

b. Items from the Audience

Bryan Loveless
Dick Sandaas
Ken Davidson
Sue Amorosi

c. Petitions

6. PUBLIC HEARINGS

None.

7. SPECIAL PRESENTATIONS

a. OurKirkland Project Update

Customer Service Program Lead Sara Mallamo provided an update on the City's Constituent Response Management system.

b. King County Marine Patrol Program Update

Police Chief Cherie Harris introduced King County Kirkland Police Lieutenant Tim Carpenter, King County Sheriff's Office (KCSO) Marine Rescue Dive Unit Sergeant Mark Rorvick, KCSO Captain Don Davis who were in attendance, and reviewed a brief history of the interlocal services provided by the Marine Patrol in addition to a report on the current resources and activities performed by the Patrol.

8. CONSENT CALENDAR

a. Approval of Minutes

(1) January 21, 2020

Corrections to the call to order and attendance sections were approved via approval of the consent calendar.

(2) January 27, 2020

b. Audit of Accounts and Payment of Bills and Payroll

Payroll: \$4,861,591.32
Bills: \$5,369,573.27
CA12220 checks #710609 - 710695
CA12920 checks #710696 - 710801
LB123A wire #147
LB127A wire #s 146, 148

c. General Correspondence

d. Claims

(1) Claims for Damage

Claims received from Fariba Badakhshan, Allison LaPorte, and Jane Shelton were acknowledged via approval of the consent calendar.

e. Award of Bids

f. Acceptance of Public Improvements and Establishing Lien Period

(1) 6th Street South Rehabilitation Project

The work for the 6th Street South Rehabilitation Project as completed by Lakeside Industries, Inc., of Issaquah, Washington, was accepted, thereby establishing the statutory lien period; and a carry-over of all remaining 6th Street South Rehabilitation Project funds to the 2020 Street Preservation Program was approved via approval of the consent calendar.

(2) 2019 Street Preservation Program, Phase II, Slurry Seal Project

The work on the 2019 Street Preservation Program, Phase II, Slurry Seal Project, as completed by Intermountain Slurry Seal, Inc., of Reno, Nevada, was accepted, thereby establishing the statutory lien period, was approved via approval of the consent calendar.

(3) Kirkland Avenue Water and Sewer Replacement Project

g. The work for the Kirkland Avenue Water and Sewer Replacement Project, as completed by Rodarte Construction of Auburn, Washington, was accepted, thereby establishing the statutory lien period; and the excess funds of \$1,243,834 was returned to the Water/Sewer Reserve via approval of the consent calendar.

h. Approval of Agreements

i. Other Items of Business

(1) 2019 Police Dashboard

This item was pulled for discussion as item 9.a. under Business.

(2) 2019 Fourth Quarter Fire Dashboard

This item was pulled for discussion as item 9.f. under Business.

(3) Monthly Sales Tax Report

The report was acknowledged via approval of the consent calendar.

(4) Procurement Activities Report

The report was acknowledged via approval of the consent calendar.

(5) Resolution R-5409, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING A SIXTH AMENDED AND RESTATED EMPLOYMENT AGREEMENT BETWEEN THE KIRKLAND CITY COUNCIL AND KURT TRIPLETT, ITS CITY MANAGER."

The resolution was approved via approval of the consent calendar.

(6) 2020 Spring and Summer Recreation Brochure and Fee Update

The fee notification was acknowledged via approval of the consent calendar.

(7) Kirkland Downtown Association Funding Request

The Kirkland Downtown Association's (KDA) August 7, 2019 request for one-time funding of \$3,000 for the purchase of ten additional self-watering flower pots for the KDA to be placed and maintained downtown was approved, and staff was authorized to return to the next regular Council meeting with a corresponding fiscal note, confirming availability of funds in Council's Special Projects Reserves to support the request, via approval of the consent calendar.

Motion to Approve the consent calendar with corrections to the January 21, 2020 minutes as directed, and the exception of item 8.h.(1)., which was pulled for discussion under Business as item 9.a. and item 8.h.(2). which was pulled for discussion under Business as item 9.f.

Moved by Councilmember Neal Black, seconded by Councilmember Amy Falcone

Vote: Motion carried 7-0

Yes: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, Councilmember Toby Nixon, Councilmember Jon Pascal, and Mayor Penny Sweet.

9. BUSINESS

a. 2019 Police Dashboard

Police Chief Cherie Harris responded to Council questions about the report.

b. 2020 State Legislative Update #2

Intergovernmental Relations and Economic Development Manager Lorrie McKay provided an update on legislative activities to date related to the City's adopted 2020 legislative priorities.

c. Briefing on Shoreline Master Program Periodic Update

Planning Supervisor Christian Geitz reviewed nine specific elements/issues related to the Program update, seeking and receiving Council feedback and direction for legislation to be presented for Council action at a future Council meeting. Planning and Building Director Adam Weinstein and Deputy Director Jeremy McMahan also responded to Council questions.

Motion to Modify the Planning Commission/Houghton Community Council recommendations regarding Element 1 - Single-Family Pier Length (Kirkland Zoning Code 83.270) to clarify how the length of the pier is measured by allowing a minimum depth to be reached by the pier, as amended.
Moved by Councilmember Toby Nixon, seconded by Councilmember Kelli Curtis
Vote: Motion carried 7-0

Yes: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, Councilmember Toby Nixon, Councilmember Jon Pascal, and Mayor Penny Sweet.

Motion to Amend the original motion to allow the length of a pier to achieve the average depth of adjoining neighboring piers.

Moved by Councilmember Neal Black, seconded by Councilmember Kelli Curtis
Vote: Motion carried 6-1

Yes: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, Councilmember Jon Pascal, and Mayor Penny Sweet.

No: Councilmember Toby Nixon.

Motion to Accept the Planning Commission/Houghton Community Council recommendations regarding Element 2 - Ell Depth and Location (Kirkland Zoning Code 83.270) as proposed.

Moved by Councilmember Kelli Curtis, seconded by Councilmember Jon Pascal
Vote: Motion carried 7-0

Yes: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, Councilmember Toby Nixon, Councilmember Jon Pascal, and Mayor Penny Sweet.

Motion to Accept the Planning Commission/Houghton Community Council recommendations regarding Element 3 - Moorage Buoy (Kirkland Zoning Code 83.270) as proposed.

Moved by Councilmember Jon Pascal, seconded by Councilmember Amy Falcone
Vote: Motion carried 7-0

Yes: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, Councilmember Toby Nixon, Councilmember Jon Pascal, and Mayor Penny Sweet.

Motion to Reject the Planning Commission/Houghton Community Council recommendations regarding Element 4 - Administrative Approval (Kirkland Zoning Code 83.270.4(b)) as proposed.

Moved by Councilmember Toby Nixon, seconded by Councilmember Neal Black

Motion to Table the previous motion regarding Element 4 - Administrative Approval (Kirkland Zoning Code 83.270.4(b)) until staff has collected more information about the Army Corps of Engineers and the Washington State Department of Fish and Wildlife approval requirements.

Moved by Deputy Mayor Jay Arnold, seconded by Councilmember Kelli Curtis
Vote: Motion carried 5-2

Yes: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, and Mayor Penny Sweet.

No: Councilmember Toby Nixon, and Councilmember Jon Pascal.

Motion to Accept the Planning Commission/Houghton Community Council recommendations regarding Element 5 - Boatlift Allowance Increase (Kirkland Zoning Code 83.270.9) as proposed.

Moved by Councilmember Toby Nixon, seconded by Councilmember Jon Pascal
Vote: Motion carried 7-0

Yes: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, Councilmember Toby Nixon, Councilmember Jon Pascal, and Mayor Penny Sweet.

Motion to Direct staff to bring forward a proposal for changes to the Kirkland Zoning Code that would exempt boathouses, as a class, from the "50 percent" development/redevelopment threshold, because of the unique character that boathouses have in the City of Kirkland.

Moved by Councilmember Kelli Curtis, seconded by Councilmember Toby Nixon
Vote: Motion carried 7-0

Yes: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, Councilmember Toby Nixon, Councilmember Jon Pascal, and Mayor Penny Sweet.

Motion to Modify the Planning Commission/Houghton Community Council recommendations regarding Element 6 - Non-Conforming Overwater Structures (Kirkland Zoning Code 83.550.5) by allowing an owner to retain nonconforming boat launches or moorage buoys based on photographic evidence and allowing the property owner to choose which pier should be removed when two nonconforming piers exist.

Moved by Councilmember Toby Nixon, seconded by Councilmember Jon Pascal
Vote: Motion carried 7-0

Yes: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, Councilmember Toby Nixon, Councilmember Jon Pascal, and Mayor Penny Sweet.

Motion to Accept the Planning Commission/Houghton Community Council recommendations regarding Element 7 - Boat Ramps (Kirkland Zoning Code 83.170) as proposed.

Moved by Councilmember Jon Pascal, seconded by Councilmember Kelli Curtis
Vote: Motion carried 7-0

Yes: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, Councilmember Toby Nixon, Councilmember Jon Pascal, and Mayor Penny Sweet.

Motion to Amend the previous motion regarding Element 7 - Boat Ramps (Kirkland Zoning Code 83.170) to incorporate language to allow the installation of a winch.

Moved by Councilmember Toby Nixon, seconded by Councilmember Kelli Curtis
Motion to Table the amendment to the motion regarding Element 7 - Boat Ramps (Kirkland Zoning Code 83.170).

Moved by Councilmember Toby Nixon, seconded by Councilmember Neal Black
Vote: Motion carried 7-0

Yes: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, Councilmember Toby Nixon, Councilmember Jon Pascal, and Mayor Penny Sweet.

Motion to Accept the Planning Commission/Houghton Community Council recommendations regarding Element 8 - Pier Bumpers (Kirkland Zoning Code 83.270.3(n)) as proposed.

Moved by Councilmember Kelli Curtis, seconded by Councilmember Amy Falcone
Vote: Motion carried 7-0

Yes: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, Councilmember Toby Nixon, Councilmember Jon Pascal, and Mayor Penny Sweet.

Motion to Accept the Planning Commission/Houghton Community Council recommendations regarding Element 9 - Bulkhead Removal Incentive (Kirkland Zoning Code 83.380) as proposed.

Moved by Deputy Mayor Jay Arnold, seconded by Councilmember Kelli Curtis
Vote: Motion carried 7-0

Yes: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, Councilmember Toby Nixon, Councilmember Jon Pascal, and Mayor Penny Sweet.

Council recessed for a short break.

d. Kirkland Zoning Code Chapter 95 - Tree Code Amendments

(1) Tree Removal Allowances

Urban Forester Deb Powers provided a review of a proposed amendment related to tree removal allowances not associated with development activity for Council discussion and received direction on this element of the code to incorporate for future Council action.

Motion to Increase the tree removal process wait period for trees where no permit is required from a 12-month period to a 24-month period and increase landmark tree wait period from 24-months to four years with the

assumption that in the code there will also be the ability to address extenuating circumstances.

Moved by Councilmember Kelli Curtis, seconded by Deputy Mayor Jay Arnold

Vote: Motion carried 5-2

Yes: Deputy Mayor Jay Arnold, Councilmember Neal Black, Councilmember Kelli Curtis, Councilmember Amy Falcone, and Mayor Penny Sweet.

No: Councilmember Toby Nixon, and Councilmember Jon Pascal.

e. Annexation State Sales Tax Credit

- (1) Resolution R-5408, Determining the Anticipated Shortfall in Revenues For Providing Municipal Services to the Annexation Area as Required by RCW 82.14.415

Director of Finance and Administration Michael Olson shared information regarding the sales tax credit and draft resolution. Council provided direction to incorporate when returning with the legislation at the February 18th meeting for Council action.

f. 2019 4th Quarter Fire Dashboard

Fire Chief Joe Sanford received direction from Council for future reporting.

10. REPORTS

a. City Council Regional and Committee Reports

Councilmembers shared information regarding a Finn Hill Neighborhood Alliance meeting; a special Kirkland Planning Commission and the Houghton Community Council Joint Hearing; the Juanita Beach Bathhouse groundbreaking celebration; the Association of Washington Cities Legislative Action Days Conference; the Sound Cities Association Newly Elected Official Orientation; a Welcoming Kirkland Initiative meeting at Lake Washington Institute of Technology and Community Dialogue; and upcoming Sound Cities Association Public Issues Committee meeting; a King County Regional Law Safety & Justice Committee meeting; a Neighborhood Forum on Homelessness at Salt House; a Transportation Ad Hoc Work Group meeting; a King County Eastrail Regional Advisory Council meeting; a regional homelessness task force meeting; a Greater Kirkland Chamber of Commerce ribbon cutting at Lounge by TopGolf; an upcoming Eastside Transportation Partnership meeting; an Eastside Human Services Forum Board meeting; an upcoming ribbon cutting at the Coakley Group; the 2020 Count Us In annual point in time homelessness count; a Puget Sound Regional Council Executive Board meeting; a meeting with Congresswoman DelBene; and a Northend Mayors' meeting.

b. City Manager Reports

City Manager Kurt Triplett reported on the upcoming financial retreat packet.

(1) Calendar Update

11. ITEMS FROM THE AUDIENCE

None.

12. EXECUTIVE SESSION

None.

13. ADJOURNMENT

The Kirkland City Council regular meeting of February 4, 2020 was adjourned at 11:25 p.m.

Kathi Anderson, City Clerk

Penny Sweet, Mayor

CITY OF KIRKLAND CITY COUNCIL

Council Meeting: 02/18/2020
Agenda: Approval of Minutes
Item #: 8. a. (4)



Penny Sweet, Mayor • Jay Arnold, Deputy Mayor • Neal Black • Kelli Curtis
Amy Falcone • Toby Nixon • Jon Pascal • Kurt Triplett, City Manager

Vision Statement

Kirkland is one of the most livable cities in America. We are a vibrant, attractive, green and welcoming place to live, work and play. Civic engagement, innovation and diversity are highly valued. We are respectful, fair and inclusive. We honor our rich heritage while embracing the future. Kirkland strives to be a model, sustainable city that values preserving and enhancing our natural environment for our enjoyment and future generations.

123 Fifth Avenue • Kirkland, Washington 98033-6189 • 425.587.3000 • TTY Relay Service 711 • www.kirklandwa.gov

2020 KIRKLAND CITY COUNCIL FINANCIAL REREAT I Kirkland City Hall, 123 5th Avenue, Peter Kirk Room Friday, February 7, 2020 9:00 a.m. Minutes

1. Call to Order/Roll Call

Mayor Sweet called the meeting to order at 9 a.m.

Councilmembers present: Mayor Penny Sweet, Deputy Mayor Jay Arnold, and Councilmembers Neal Black, Kelli Curtis, Amy Falcone, Toby Nixon and Jon Pascal.

2. 2021-2022 Budget Gap and Process Review

Deputy Director of Finance and Administration David Goldman provided an overview and facilitated discussion of the 2021-2026 Financial Forecast, Annexation Sales Tax Credit Expiration, One-time Expenditures Discussion and Revenue/Expenditure Options.

Director of Finance and Administration Michael Olson, City Manager Kurt Triplett and Deputy City Manager Tracey Dunlap also participated in the discussion and responded to Council questions.

- *Council recessed for a short break.*

3. 2021-2026 CIP Policy Review

The facilitated financial discussion with the City Council continued and included Mr. Goldman, Mr. Olson, Mr. Triplett and Ms. Dunlap.

- *Council recessed for a short break.*

4. Community Survey Questions Review/Discussion

Assistant City Manager James Lopez led a review of the most recent survey and received direction regarding potential changes for the 2020 community survey questions.

5. Community Safety Advisory Group Update

The update was provided by Fire Chief Joe Sanford and City Manager Kurt Triplett.

6. Adjournment

The Kirkland City Council Special Meeting/Retreat was adjourned at 1:36 p.m.



CITY OF KIRKLAND
Department of Finance and Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager
From: Kathi Anderson, City Clerk
Date: February 10, 2020
Subject: CLAIM(S) FOR DAMAGES

RECOMMENDATION

It is recommended that the City Council acknowledge receipt of the following Claim(s) for Damages and refer each claim to the proper department (risk management section) for disposition.

POLICY IMPLICATIONS

This is consistent with City policy and procedure and is in accordance with the requirements of state law (RCW 35.31.040).

BACKGROUND DISCUSSION

The City has received the following Claim(s) for Damages from:

- (1) Darren Pollard
122 8th Ave
Kirkland, WA 98033

Amount: unspecified

Nature of Claim: Claimant states damages in the form of backup and leakage occurred to/from a residential side sewer line as a result of a cracked and clogged sewer main line.

Note: Names of claimants are no longer listed on the Agenda since names are listed in the memo.



CITY OF KIRKLAND
Department of Parks & Community Services
123 Fifth Avenue, Kirkland, WA 98033 425.587.3300
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Brian Baker, Public Works Capital Project Coordinator
Rod Steitzer, P.E., Capital Projects Manager
Julie Underwood, Interim Director of Public Works
Lynn Zwaagstra, Director of Parks & Community Services

Date: February 6, 2020

Subject: TOTEM LAKE PARK DEVELOPMENT: EXPANDED PHASE I—AWARD CONTRACT

RECOMMENDATION:

Staff recommends that the City Council award a construction contract to Wyser Construction Company of Snohomish, Washington, in the amount of \$6,221,052.14 to develop the first phase of Totem Lake Park ("Project").

By taking action on this item under the Consent Calendar, the City Council is awarding a construction contract for the subject Project.

BACKGROUND DISCUSSION:

Totem Lake Park is a 20-acre site composed of three parcels located in the Totem Lake Urban Center (see Attachment A, Vicinity Map). The 17.18-acre main parcel features mostly wetlands and the lake itself, which encompasses about four acres of the site. A 1.6-acre upland parcel, TL2 on the Vicinity Map (formerly the Yuppie Pawn site that now is owned by the City), is contiguous to the main parcel and will have improvements as part of this Project. The City also owns a 1.18-acre parcel contiguous to the southeast, TL3 on the Vicinity Map, that could have improvements as part of a future phase.

In 2013, the City Council directed the Department of Parks and Community Services to create a Totem Lake Park Master Plan, which was adopted in December 2013. The Parks Capital Improvement Program (CIP) was reprioritized in 2016 to direct \$7.06 million of funding to this first, significant phase improvement.

Phase I improvement of the upland/TL2 parcel will offer residents, shoppers, employees, and Cross Kirkland Corridor users with important and much-needed park and recreation amenities. The improvements will include an enlarged, inclusive children's play area; picnicking amenities; an overlook area; a restroom building with three unassigned units; a parking area; and a 10 foot wide, ADA

accessible walking path that will begin on parcel TL2, travel east across private easements, then transition to a wetland boardwalk on City property.

The project reached the 30% design milestone in March 2018. That work detailed the design direction, use of materials, spray ground feature, and choices of furnishings and play equipment. On March 6, 2018 staff presented options for recommendations to City Council on many features such as overall project design context, restroom style, boardwalk width, children's play area and spray ground (which at that time was proposed to be funded by the Downtown Kirkland Rotary Club). The City Council recommended to proceed with all the proposed features including the proposed spray ground.

Staff provided considerable neighborhood outreach between the 30% design and 60% design stages, including an event called "Le Tour de Totem" Lake in July 2018. At that event, staff displayed the 60% design highlights: the spray ground, the 10-foot wide boardwalk, asphalt paths, the restroom facility; and also provided an opportunity to comment on the playground features. Upon completing the 60% design, The Berger Partnership (designer) incorporated all the feedback and provided a new construction estimate, which unfortunately exceeded the funding established for the Project. At the September 4, 2018 [Council meeting](#), staff summarized the latest data and feedback. The Council directed staff to add sidewalk lighting, add conduit for future Wi-Fi, but remove the spray ground element and replace it with an extended playground feature.

In January 2019, the project reached 90% design and continued to be evaluated for permit compliance. This Project required extensive permitting to ensure the proposed improvements were as environmentally friendly as possible because the improvements will be located in a sensitive wetland area and buffer. In the fall of 2019, the Project received permit approval, allowing the Project team to move to advertising the project for bids.

With an engineer's estimate for construction of \$5,529,000¹, the five bids received were opened on January 31, 2020.

Table 1: Bid Results

<i>Engineer's Estimate</i>	<i>\$ 5,529,000.00</i>
Wyser Construction Company	\$ 6,221,052.14
Pellco	\$ 6,440,338.04
Ohno	\$ 6,688,329.06
C.A. Carey	\$ 6,861,470.54
A1 Landscape	\$ 8,075,031.27

Staff evaluated the bidder's qualifications and proposal after the bid opening and concluded that Wyser Construction Company was the lowest responsible bidder. Additionally, Wyser Construction Company's bid is within the engineer's estimate range.

¹ The engineer's estimate for this project was a range between \$5,529,000 and \$6,843,672. Only the lower value was printed on the bid tab.

Budget

The Project is funded in the 2019-2024 CIP Update at \$9,209,200 with \$325,000 coming from the Kirkland Rotary Club for the purpose of a spray ground feature. At the September 4, 2018 Council meeting, the spray ground option was not selected, and thus those funds were not received. An itemized list of project funds and anticipated expenses are shown in Table 2 below.

Table 2 –Funding vs. Expenses (PKC13902000)

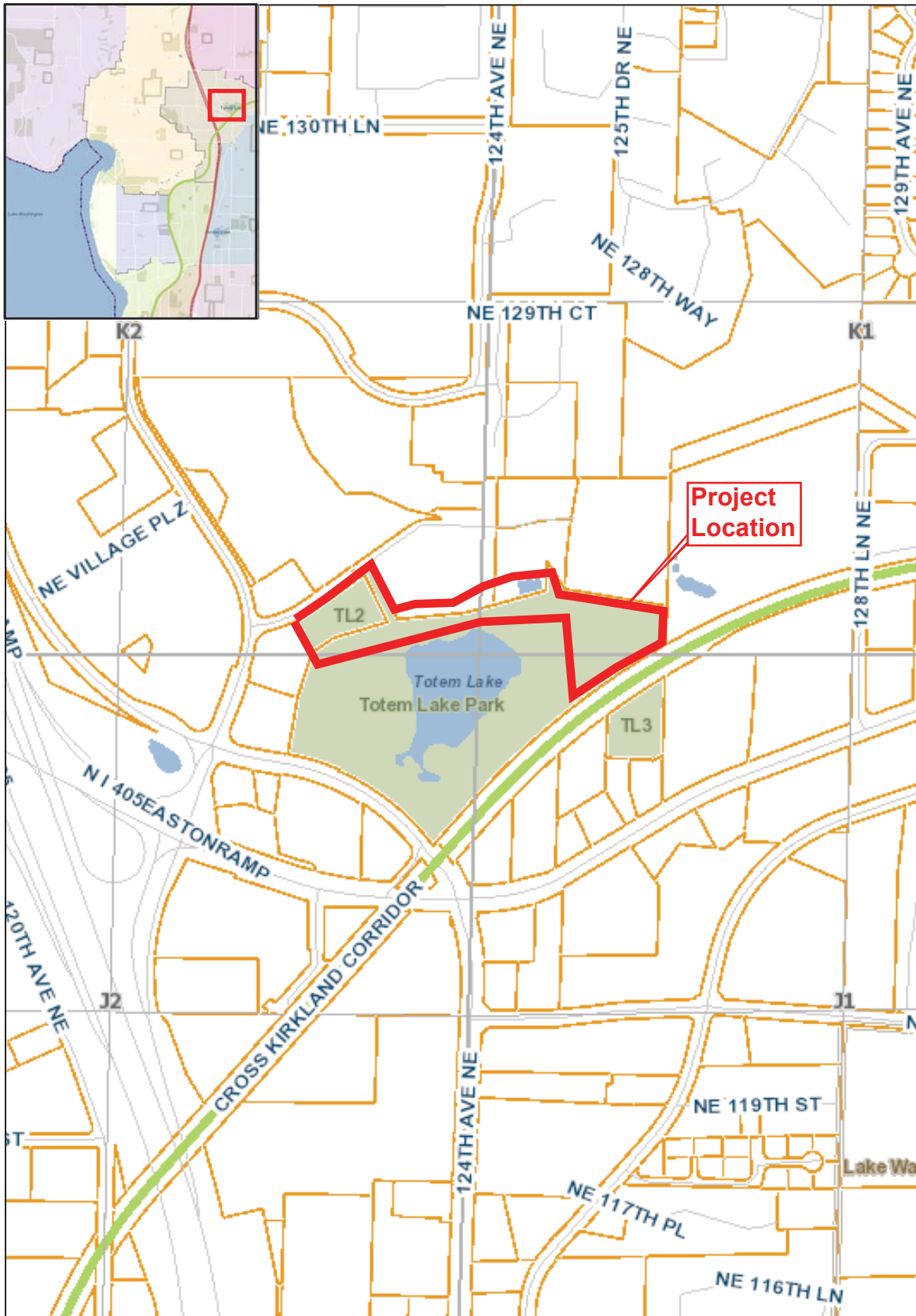
Item	Funding Sources
Totem Lake Park Development	\$9,209,200
Rotary Club (item to be funded removed from plan)	(\$325,000)
Total Project Funding	\$8,884,200
Anticipated Expenses	
Design/Inspection/Permitting/Staff	\$1,752,227
Artwork	\$77,625
Construction	\$6,221,052
Contingency (13.4% of construction)	\$833,296
Total Anticipated Expenses	\$8,884,200
Balance	-0-

Construction is planned to start by the end of March 2020 and is expected to be substantially complete by May 2021.

Staff will continue to provide community outreach by notifying adjacent property owners with an informational mailer describing the upcoming project and timeline. This information, along with a regularly-updated construction schedule, also will be posted on the City's website.

Attachment A: Vicinity Map

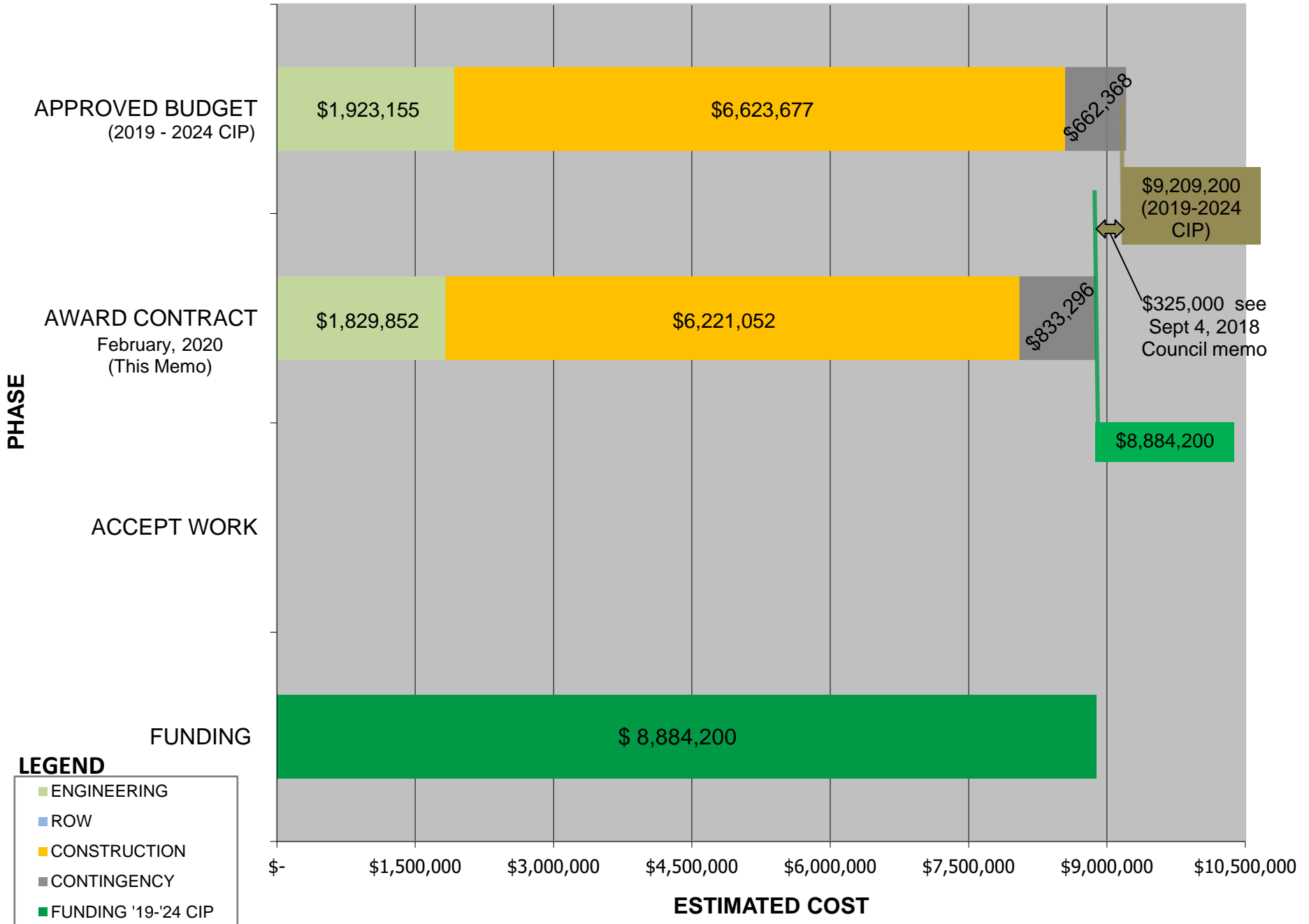
Attachment B: Project Budget Report



Vicinity Map - Totem Lake Park Development: Phase I

**Totem Lake Park Development - Expanded Phase I
(PKC1390200)
PROJECT BUDGET REPORT**

Attachment B





CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Lorrie McKay, Intergovernmental Relations & Economic Development Manager

Date: February 5, 2020

Subject: KIRKLAND DOWNTOWN ASSOCIATION FUNDING REQUEST - 10 FLOWER POTS

RECOMMENDATION:

It is recommended that the City Council approves the attached fiscal note (Attachment A) for one-time funding of \$3,000 from the Council Special Projects Reserves, for the Kirkland Downtown Association (KDA) to purchase of ten additional self-watering flower pots which the KDA will place and maintain downtown. By taking action on the consent agenda, this one-time expenditure will be approved.

BACKGROUND DISCUSSION:

At Council's August 7, 2019 regular meeting during items from the audience, the Kirkland Downtown Association (KDA) requested additional funding of up to \$3,000, to purchase ten more self-watering flower pots to be placed downtown and maintained by the KDA. This funding request is in addition to the KDA's current Professional Services Agreement of \$45,000, and the request adds to 40 self-watering flower pots that Council funded the purchase of in 2018. The KDA reported that the 2019 costs for the Flower Pot Program were \$12,500 and that the 40 self-watering pots have saved the KDA approximately \$2,000 to \$2,500 annually in gardening costs as a result of fewer visits (once) per week. To help cover the cost of the gardening service, the KDA invites flower pot sponsors and in return, sponsors receive a commemoration plaque on the pot for their contribution.

Mayor Sweet requested staff bring forward a fiscal note at the end of the year, in order to confirm the available fund balance in the Special Projects Reserves.

Under Council fiscal policies, a request for the use of the Council Special Projects reserve must be authorized at one Council meeting, and then approved through the approval of a fiscal note at a subsequent Council meeting. Staff validated that there were no additional uses of the Council Special Projects reserve between August and December and therefore there is sufficient revenue to fund the KDA's funding request.

At its February 4, 2020 regular meeting, through approval of the consent calendar Council affirmed its decision to provide the one-time funding request of up to \$3,000. The attached fiscal note is provided to Council for final approval. If the Council wishes to discuss the request in more detail, the item should be pulled from consent and placed on the business calendar.

Attachment A: – Authorizing Fiscal Note

FISCAL NOTE

CITY OF KIRKLAND

Source of Request							
Lorrie McKay, Intergovernmental Relations & Economic Development Manager							
Description of Request							
One-time transfer of \$3,000 in Council Special Projects Reserve funds to the Kirkland Downtown Association (KDA) to purchase ten (10) self-watering flower pots for use in downtown Kirkland.							
Legality/City Policy Basis							
Fiscal Impact							
One-time transfer of \$3,000 from Council Special Projects Reserve to the KDA, the reserve balance is currently \$210,460 and will be \$207,460 after this fiscal note. The Council Special Projects Reserve is replenished to its target balance of \$250,000 during the fund balancing process, the next opportunity to replenish will be the June 2020 Budget Adjustments.							
Recommended Funding Source(s)							
	Description	2020 Est End Balance	Prior Auth. 2019-20 Uses	Prior Auth. 2019-20 Additions	Amount This Request	Revised 2020 End Balance	2020 Target
Reserve	Council Special Projects Rsv.	250,000	(189,540)	150,000	(3,000)	207,460	250,000
	The Council Special Projects Reserve (CCR0010000) has a target balance set by Council policy that is replenished to \$250,000 if and when general fund revenues above budgeted levels become available. This replenishment process is handled during the June and December budget adjustments.						
Revenue/Exp Savings							
Other Source							
Other Information							
Prepared By	Kyle Butler, Financial Planning Supervisor				Date	February 5, 2020	



CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Michael Olson, Director of Finance and Administration
David Goldman, Deputy Director of Finance and Administration

Date: February 6, 2020

Subject: ANNEXATION STATE SALES TAX CREDIT RESOLUTION

RECOMMENDATION:

City Council approves the resolution required for notification of the Department of Revenue regarding the annexation state sales tax credit threshold for July 1, 2020 through June 30, 2021. By taking action on this memo during approval of the Consent Calendar, City Council is approving the resolution.

BACKGROUND DISCUSSION:

An important part of the implementation strategy for the 2011 annexation was the use of the annexation state sales tax credit (ASTC) to assist the City in providing municipal services in the area where the revenues are not yet sufficient to fund those services. This credit was made available by the state for 10 years. RCW 82.14.415 requires the City to provide the Department of Revenue (DOR) with an estimate of the anticipated shortfall (labeled, "new threshold amount") in the annexation area for the next fiscal year (July 1, 2020 through June 30, 2021) which is year 10 for Kirkland, the final fiscal year to receive ASTC. To be eligible for the credit in the coming fiscal year, DOR must be notified no later than March 1, 2020, which necessitates approval of the attached resolution at or before the February 18, 2020 City Council meeting.

The state sales tax credit helps bridge the gap between revenues and expenditures in the annexation area. It is important to note that the credit is only available up to the amount needed to offset actual shortfalls due to annexation. The distribution is set up to match the State's fiscal year of July through June. The threshold amount for the fiscal year beginning July 1, 2020 is \$4.935 million.

As part of the strategy to prepare for the expiration of the ASTC, the amount requested has been kept relatively constant at \$3.935 million for years one through eight. The request for year nine was increased to \$4.935 million, which is now the current level. This additional \$1 million was budgeted to be added to the ASTC reserve. The intent of this action has been to manage the magnitude of the revenue loss starting in mid-2021.

The Council received a briefing on the Annexation Sales Tax Credit resolution and potential credit amount options at the February 4th Council meeting. At that meeting the Council recommended keeping the ASTC request at \$4.935 million and to have the resolution placed on consent for the February 18th meeting. Accordingly, the proposed resolution requests \$4.935 million of ASTC for the final year, July 1, 2020 to June 30, 2021.

RCW 82.14.415 (9) also requires the City to provide the DOR with a certification of the City's true and actual costs to provide municipal services to the annexed area. This certification language is included in the resolution for the last completed State fiscal year (in this case, July 1, 2018 to June 30, 2019). Next year the Council will need to certify through a similar resolution that annexation costs for July 1, 2019 to June 30, 2020 were \$4.95 million.

DOR makes the monthly distributions on a two-month delay (for example, July revenue received in September) and continues until the threshold amount has been reached or until June 30 of the following year, whichever occurs first.

RESOLUTION R-5408

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND DETERMINING THE ANTICIPATED SHORTFALL IN REVENUES FOR PROVIDING MUNICIPAL SERVICES TO THE ANNEXATION AREA AS REQUIRED BY RCW 82.14.415.

1 WHEREAS, RCW 82.14.415 authorizes the City to impose a
2 sales and use tax as a credit against the state tax to assist the City in
3 providing municipal services to the newly annexed areas; and
4

5 WHEREAS, on April 7, 2009, the City Council passed Resolution
6 R-4751 which directed the City Clerk to file a notice of intent to annex
7 the Finn Hill, Kingsgate and North Juanita Annexation Area with the King
8 County Boundary Review Board; and
9

10 WHEREAS, the Boundary Review Board held a public hearing on
11 the proposed annexation on June 8, 2009, and approved the annexation
12 on July 9, 2009; and
13

14 WHEREAS, the City Council passed Resolution R-4763 calling for
15 an election which was held pursuant to state statute; and
16

17 WHEREAS, the King County Council transmitted a certified
18 abstract of the vote in the November 3, 2009, general election reflecting
19 that the annexation was approved by the voters; and
20

21 WHEREAS, the City Council passed Ordinance No. 4229 on
22 December 15, 2009, annexing the Finn Hill, Kingsgate and North
23 Juanita Annexation Area, an area that has a population of at least
24 twenty thousand people; and
25

26 WHEREAS, on February 16, 2010, the City Council passed
27 Ordinance No. 4237 creating Chapter 5.07 of the Kirkland Municipal
28 Code and imposing the sales and use tax at the rate of 0.2 percent;
29 and
30

31 WHEREAS, the annexation sales tax credit revenues for the
32 fiscal year July 1, 2018 to June 30, 2019 were necessary to support
33 the true and actual costs to provide municipal services to the
34 Annexation Area; and
35

36 WHEREAS, the City Council certifies the true and actual costs
37 to provide municipal services to the Annexation Area totaled \$31.808
38 million for the period corresponding to the State's fiscal year July 1,
39 2018 to June 30, 2019; and the revenue from the Annexation Area,
40 excluding gambling and sales tax revenues for the same period totaled
41 \$21.135 million, resulting in a difference of \$10.672 million. The

42 gambling tax revenue from the Annexation Area of \$1.268 million
43 reduced this gap to \$9.404 million. The annexation sales tax credit
44 received from the State was \$3.935 million; and

45
46 WHEREAS, RCW 82.14.415 requires the City to provide the
47 Washington State Department of Revenue with an estimate of the
48 anticipated shortfall or "threshold amount" in the Annexation Area for
49 the next fiscal year by March 1, 2020; and

50
51 WHEREAS, the City Council finds and determines that the
52 projected net cost to provide municipal services to the Annexation
53 Area exceeds the projected general revenue that the City would
54 receive from the Annexation Area by \$4.935 million for the state fiscal
55 year starting July 1, 2020, through June 30, 2021; and

56
57 NOW, THEREFORE, be it resolved by the City Council of the City
58 of Kirkland as follows:

59
60 Section 1. Purpose. The Kirkland City Council determines that
61 the City's projected net cost in providing municipal services to the Finn
62 Hill, Kingsgate and North Juanita Annexation Area is in the amount of
63 \$4.935 million. The City Council previously imposed a sales and use tax
64 at the rate of 0.2 percent, with the passage of Ordinance No. 4237 on
65 February 16, 2010.

66
67 Section 2. Implementation. The City Manager is authorized to
68 implement such administrative procedures as may be necessary to carry
69 out the directions of this Resolution.

70
71 Passed by majority vote of the Kirkland City Council in open
72 meeting this 18th day of February, 2020.

73
74 Signed in authentication thereof this 18th day of February, 2020.

Penny Sweet, Mayor

Attest:

Kathi Anderson, City Clerk



CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Ave, Kirkland, WA 98033 · 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Michael Olson, Director of Finance and Administration
Shannon Olson, Financial Planning Manager
Ellen Sumargo, Accountant

Date: February 4, 2020

Subject: Monthly Financial Dashboard Report

RECOMMENDATION:

It is recommended that the City Council receive the monthly Financial Dashboard Report

BACKGROUND DISCUSSION

This report was previously provided to the Council Finance and Administration Committee and will now be presented to the City Council each month on the consent agenda.

The Financial Dashboard is a high-level summary of some of the City's key revenue and expenditure indicators. It provides a budget-to-actual comparison for year-to-date revenues and expenditures for the general fund, as well as some other key revenues and expenditures. The report also compares this year's actual revenue and expenditure performance to the prior year.

December 2019 Financial Dashboard

February 3, 2020

Revenues:

- Total General Fund revenues received through the year of 2019 are higher than the annual budget. Taxes are the major contributors of the revenues, with sales tax and property tax the two strongest contributors. Sales tax and property tax together account for over 42% of the total revenues, with sales tax by itself covered over 24% of the total revenues.
- Sales tax revenues are higher than the annual budget and 12% higher than 2018. Continuing its status as the strongest contributor, Contracting has the largest dollar gains, contributing over 45% of the total growth. Without growth from Contracting, the year-to-date growth would have been 6.6%.
- Business license fees are down 4.2% despite above the budget. Revenue in 2018 was higher as a consequence of database reconciliation that yielded back payments from formerly unlicensed businesses. In addition, following the transition to the State Business Licensing System, companies were paying shorter *pro rata* City business license fees this year to align their renewal dates with the State of Washington. Therefore, revenues in 2019 were lower than 2018.
- Development revenues are 17.9% less compared to 2018. This decline was mainly caused by lower revenue from building permits, as we received 28% less than 2018 which accounted for almost 50% of the total decline. The high revenue in 2018 was driven by large development projects, such as Kirkland Urban and The Village at Totem Lake. Nevertheless, the total revenues in 2019 are higher than years prior to 2018.
- Gas tax revenues are 2.4% lower than 2018. Gas tax is set at a fixed amount per gallon, and not determined by the gas price. Less revenue indicates less gas consumption, which is conceivably due to the growing popularity of eco-friendly vehicles.

Expenditures:

- Total General Fund expenditures are lower than the revenues and 0.8% lower than 2018.
- Fire suppression overtime expenditures are higher than the budget, mainly due to backfills to meet the daily minimum staffing levels as there were vacancies among line battalion chiefs earlier in 2019. Expenditures in 2018 were still higher due to firefighters being deployed to fight the wildfires in California, Oregon, and Washington.
- Contract jail costs through December 2019 are 79.1% of the budget and 8.1% less than 2018. The monthly average inmate days is 22.4% lower than in 2018.
- Year-end fuel costs are also below expected levels, sitting at 78.9% of the budget and 10.7% lower compared to 2018. Earlier in 2019, there were multiple vacancies within Maintenance Center Operations, which caused less fuel consumption. Also, another staffing shortage in November took part in lower fuel costs.

City of Kirkland Financial Dashboard

Annual Budget Status as of 12/31/2019

Percent of Year Complete: 100.00%

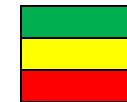
	2019 Budget	Year-to-Date Actual 2019	% Received/ % Expended	Year-to-Date Actual 2018	Status		Current Month	Last Month
					YTD Change: 18 to 19 \$	%		
General Fund								
Total Revenues	106,383,192	109,892,233	103.3%	108,177,103	1,715,130	1.6%		
Total Expenditures	101,020,044	93,694,607	92.7%	94,442,842	(748,235)	-0.8%		

Key Indicators (All Funds)

	2019 Budget	Year-to-Date Actual 2019	% Received/ % Expended	Year-to-Date Actual 2018	YTD Change: 18 to 19 \$	%	Current Month	Last Month
<i>Revenues</i>								
Sales Tax	24,815,532	26,602,368	107.2%	23,752,792	2,849,576	12.0%		
Utility Taxes	14,235,451	13,642,824	95.8%	14,283,832	(641,007)	-4.5%		
Business License Fees	3,654,771	4,128,994	113.0%	4,311,879	(182,885)	-4.2%		
Development Fees	11,262,762	12,338,658	109.6%	15,020,256	(2,681,598)	-17.9%		
Gas Tax	1,913,173	1,839,251	96.1%	1,884,531	(45,280)	-2.4%		
<i>Expenditures</i>								
GF Salaries/Benefits	70,727,121	68,401,539	96.7%	64,932,552	3,468,987	5.3%		(1)
Fire Suppression Overtime	837,321	1,390,941	166.1%	1,966,065	(575,124)	-29.3%		
Contract Jail Costs	522,280	413,047	79.1%	449,365	(36,318)	-8.1%		
Fuel Costs	572,882	451,925	78.9%	506,157	(54,232)	-10.7%		

Status Key

Revenues are higher than expected or expenditures are lower than expected
 Revenues or expenditures are within expected range
 WATCH - Revenues lower/expenditures higher than expected range



NOTES:

(1) Excludes Fire Suppression Overtime



CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Ave, Kirkland, WA 98033 · 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager
From: Michael Olson, Director of Finance and Administration
Date: February 5, 2020
Subject: QUARTERLY INVESTMENT REPORT

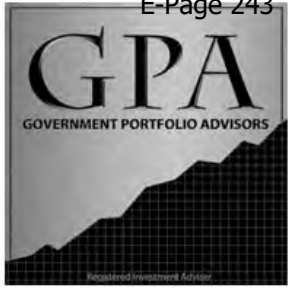
RECOMMENDATION:

It is recommended that the City Council receives the Quarterly Investment Report.

BACKGROUND DISCUSSION

This 24 page report was previously provided to the Council Finance and Administration Committee and will now be presented to the City Council each quarter on the consent agenda.

The Quarterly Investment report is prepared by the City's Investment Advisor. The report includes a brief financial market commentary, market outlook and an investment strategy for the quarter. It also provides a summary of the City's investment portfolio, a report on the City's compliance to its Investment Policy, a summary of activity and earnings in the quarter and a list of the City's investment holdings.



GOVERNMENT PORTFOLIO ADVISORS

Quarterly Report

Accounts

12/31/2019

City of Kirkland - Core Investment Fund

City of Kirkland Liquidity

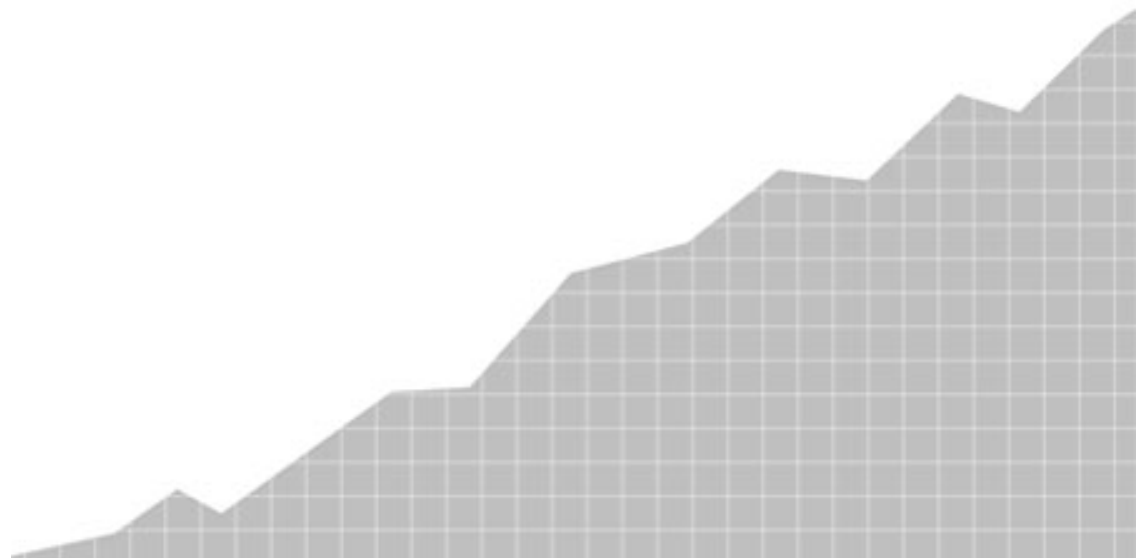




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Market Commentary

Market Yields: The yield curve experienced a significant steepening during the quarter with three-month Treasury bills falling 27 basis points while five-year Treasury notes increased by 14 basis points. Two-year Treasury notes declined just five basis points in yield to end the year at 1.57%. The move from an inverted curve to a positively sloped curve is the result of the Fed announcing the end of their easing cycle and an expected pause in rates through 2020. The yield curve is normalizing as yields are expected to consolidate around the current fund funds range of 1.50% to 1.75%.

FOMC: The Fed lowered rates by 25 basis points on October 30th. This was the third and last ease by the Fed during 2019. During the December meeting, the Fed forecasted that they most likely would not change the fed funds rate throughout all of 2020. The transition from lowering the fed funds level to a stable level should help to normalize the yield curve. If the curve inverts during 2020, it would indicate that the market believes the Fed would need to provide additional stimulus by lowering the fed funds rate below the current level.

Employment and Inflation: Nonfarm payroll growth picked up noticeably in November raising the trailing three-month growth in payrolls to a monthly average of 176,000. December nonfarm payrolls will be announced on January 10th and are expected to slow slightly to 160,000. The unemployment level held steady at a fifty-year low of 3.50%, while average hourly earnings YOY are growing at a rate of 3.10%. Wage growth is strong enough to continue moderate economic growth without raising inflationary levels. The Fed's preferred rate of inflation is Core PCE growth, which continues to fall short of the Fed's 2.00% target at a rate of 1.60%.

Market Outlook

GDP: Real GDP ended Q3 2019 with a growth rate of 2.10%, which was up slightly from Q2 growth of 2.00%. Q4 2019 GDP is expected to grow at just over 2.00% with Q1 growth slipping back under 2.00%. The phase one trade deal, expected to be signed in January, should take away some of the economic uncertainty experienced throughout 2019.

Fed Funds: For the first time since early 2015, the market is expecting a lower probability of any change in the fed funds rate during 2020. The fed funds futures market is pricing in a 62% probability of an additional 25 basis point cut in the fed funds rate by the end of 2020. Thirteen members of the FOMC forecasted the fed funds rate to be unchanged at the end of 2020, while four members forecasted fed funds to be 25 basis points higher. No FOMC member is expecting fed funds to be lower than the current rate for the next three years.

Two-year Yield Expectations: The two-year yield forecasted by the top 80 economists contributing to Bloomberg expect two-year yields to finish at 1.60% for Q1, 1.61% for Q2, 1.62% for Q3, and 1.64% for Q4. Current two-year note yields are trading at 1.58%.

Portfolio Positioning: During Q1 2020, GPA is recommending portfolio durations stay close to their respective benchmark durations and slightly underweight longer maturities due to expectations of curve steepening throughout 2020. Credit spreads are very tight to treasuries and credit selections should be over-weighted in the short end of the portfolio and under-weighted in longer maturities.

Quarterly Yield Change

	3/31/19	6/30/19	9/30/19	12/31/19
3-month bill	2.38	2.09	1.81	1.54
2-year note	2.26	1.76	1.62	1.57
5-year note	2.23	1.77	1.54	1.69
10-year note	2.41	2.01	1.67	1.92

Economists' Survey Projections

	Q1-20	Q2-20	Q3-20	Q4-20
Real GDP	1.70	1.90	1.80	1.80
Core PCE (YOY%)	1.90	1.90	1.90	2.00
Unemployment	3.60	3.60	3.60	3.70

Economists' Survey Projections for Rates

	Q1-20	Q2-20	Q3-20	Q4-20
Fed Funds	1.65	1.60	1.55	1.55
2 Year	1.60	1.61	1.62	1.64
10 year	1.82	1.86	1.91	1.93

Sources: Bloomberg



Strategic Quarterly Update for the City of Kirkland Investment Program Quarter Ending December 31, 2019

Investment Strategy

- The portfolio complied with the Investment Policy and State Investment Statutes throughout the quarter.
- The Core Portfolio duration was extended slightly this quarter from 1.97 to 2.02 years. The portfolio duration of 2.02 years is slightly shorter than the 0-5-year Treasury benchmark duration of 2.10 years.
- Market value for the Total Fund increased from \$233.9 million to \$245.6 million during the quarter.
- During Q4 2019, interest rates declined slightly for maturities shorter than three years and rose slightly for issues longer than three years. The two-year Treasury note declined five basis points during the quarter to a year-end yield of 1.57% while the five-year note rose 15 basis points to a year-end yield of 1.69%.
- The Fed Funds rate was cut once during Q4 from a range of 1.75%-2.00% to a range of 1.50%-1.75%. The market is pricing in a 62% probability of another **25-basis point cut at the end of 2020. The Fed's DOT Plot, which graphs each member's forecast for the future fed funds rate**, has rates on hold for the remainder of 2020 and projects a return to hikes in 2021.
- During Q1 2020, GPA is expecting short duration Treasury notes to trade lower in a tight range around current levels with a slight bias to lower yields. Economic conditions are slowly improving, but significant risks still exist geopolitically and in future trade negotiations that are not priced into the market. We are recommending that portfolios maintain a neutral duration posture in this environment with a slight underweighting in longer maturities due to the expectation of a steeper yield curve as the Fed is set to allow inflation to return.

Investment Activity

- There were three maturities for a total of \$15 million that was reinvested into \$5 million each of a UST note to October 2022 at 1.59%, FFCB to March 2023 at 1.60% and UST note to November 2024 at 1.69%.

Investment Performance

- The total portfolio book yield declined during the quarter from 2.16% to 2.05%. The book yield of the Core Portfolio increased from 2.13% to 2.14% and the Liquidity Portfolio yield declined from 2.25% to 1.83%.
- The total return for the Core Portfolio which includes all changes in market value (realized and unrealized) had a net of fees return of 0.43% versus the benchmark return of 0.39%.
- At quarter end, the change in market value for the Core Portfolio was -\$200,112.53. This price change includes any amortization or accretion of bond premiums and discounts.

GPA Reporting Updates:

- GPA has completed their reporting system transition to Clearwater Analytics. The new system allows you to have a direct portal that is linked to your custodial bank. Our reporting goal is to provide you with the tools to easily access your portfolio, which will help to improve transparency and accountability regarding your investment program.



2019 Year End Overview on Total Funds

	12/31/2018	12/31/2019		12/31/2018	12/31/2019
	<u>Market Value</u>	<u>Market Value</u>	<u>Difference</u>	<u>Book Value</u>	<u>Book Value</u>
Core Investment Fund:	\$148,801,215	\$177,689,082	\$28,887,867	1.82	2.14
Liquidity Fund:	\$87,920,891	\$67,940,139	(\$19,980,752)	2.41	1.83
Total Funds:	\$236,722,106	\$245,629,221	\$8,907,115	2.04	2.05

Year End Fair Market Value Review - GASB 31 - Market to Market Pricing - 12/31/18 to 12/31/19

Market Value Change	\$3,114,053
Amortization/Accretion	(\$82,204.05)
Interest Income	\$5,047,759
Fair Market Value Return	\$8,079,607.95



Maturity Constraints	Policy Requirement	% of Total Accumulated	Portfolio Allocation	Within Limits	Minimum Ratings at Purchase			
Under 30 days	10%	28%	\$ 67,682,070	Yes		S&P	Moody's	Fitch
Under 1 years	25%	44%	\$ 107,928,913	Yes	Muni's	AA-	Aa3	AA-
Under 5 years	100%	100%	\$ 245,629,221	Yes	C P	A-1+	P-1	F1+
					B A	A-1+	P-1	F1
Maximum Weighted Average Maturity	3 Years		1.70	Yes				
Maximum Callable Securities	25%	4%	\$ 10,007,530	Yes				
Maximum Single Maturity	5 Years		4.88	Yes				Policy states ONE rating meets requirement

Asset Allocation Diversification	Maximum Policy Allocation	Issuer Constraint	Percentage of Portfolio	Market Value	% Within Limits	Ratings Compliance	Issuer Compliance
US Treasury Obligations	100%		8.63%	\$ 21,207,463	Yes		
US Agencies Primary	100%		63.71%	\$ 156,481,619	Yes		
FHLB		30%	28.63%	\$ 70,322,908	Yes		
FNMA		30%	12.40%	\$ 30,459,450	Yes		
FHLMC		30%	8.15%	\$ 20,013,345	Yes		
FFCB		30%	14.53%	\$ 35,685,915	Yes		
US Agencies Secondary	20%	10%					
Municipal Bonds- GO States - Locals WA	20%	5%					
Certificates of Deposit	10%	5%	2.14%	\$ 5,258,204	Yes	Yes	Yes
Commercial Paper	25%	3%					
Bank Deposits	50%		9.49%	\$ 23,299,829	Yes	*	*
Bankers Acceptances	5%	5%					
Local Government Investment Pool	100%		16.03%	\$ 39,382,106	Yes	**	**
Total			100%	\$ 245,629,221			



Compliance Violation: FHLB will be realigned under 30% by year end.

* FDIC or collateralized

** Ratings & Issuer restrictions do not apply to pool funds

STRATEGY REPORT

Benchmark: ICE BAML 0-5 year Treasury

Name	Par Amount	Total Adjusted Cost	Market Value	Unrealized Gain/Loss	Yield At Cost	Eff Dur	Bench Dur
City of Kirkland - Core Investment Fund	\$ 175,000,000	\$ 175,536,840	\$ 177,689,082	\$ 2,152,243	2.14	2.02	2.10
City of Kirkland Liquidity	\$ 67,940,139	\$ 67,940,139	\$ 67,940,139	\$	1.83	0.10	0.10
TOTAL PORTFOLIO	\$ 242,940,139	\$ 243,476,978	\$ 245,629,221	\$ 2,152,243	2.05	1.49	1.55

Portfolio Summary

December 31, 2019

Portfolio Name	Par Amount	Total Original Cost	Total Adjusted Cost	Market Value	Unrealized Gain/Loss	Yield At Cost	Mod Dur	Eff Dur	Bench Dur	Benchmark
City of Kirkland - Core Investment Fund	175,000,000	175,645,920.63	175,536,839.60	177,689,082.11	2,152,242.51	2.14	2.20	2.02	2.10	ICE BAML 0-5 Treasury Cash
City of Kirkland Liquidity	67,940,139	67,940,138.59	67,940,138.59	67,940,138.59	0.00	1.83	0.11	0.10	0.10	
TOTAL PORTFOLIO	242,940,139	243,586,059.22	243,476,978.19	245,629,220.70	2,152,242.51	2.05	1.62	1.49	1.55	



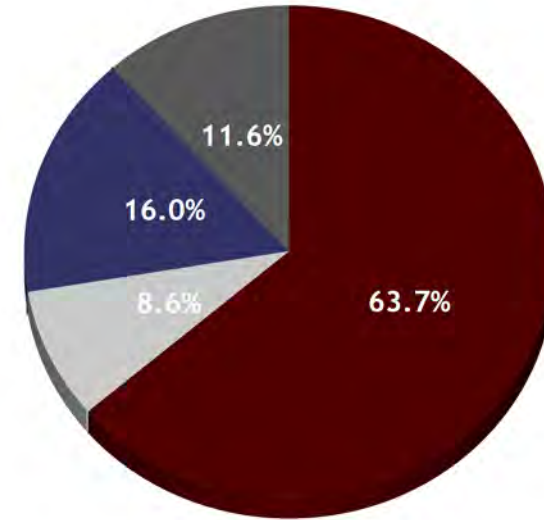
Weighted Averages

Book Yield	2.05
Maturity	1.70
Coupon	2.12
Moody	Aaa
S&P	AA+

Fixed Income Totals

Par Value	242,940,139
Market Value	245,629,221
Amortized Book Value	243,476,978
Unrealized Gain/Loss	2,152,243
Estimated Annual Cash Flow	5,141,512

Fixed Income Allocation



Security Type	Market Value	% Assets
US Agency (USD)	156,481,619	63.7
US Treasury (USD)	21,207,463	8.6
LGIP State Pool (USD)	39,382,106	16.0
Bank or Cash Deposit (USD)	28,558,032	11.6
Fixed Income Total	245,629,221	100.0

Cost Basis Summary

	Quarter to Date Ending 12/31/2019	Fiscal Year-to-Date 12/31/2018
Beginning Amortized Cost	231,571,082.07	237,762,601.49
Investment Purchases	15,396,096.21	80,851,598.19
Investment Maturities/Sells/Calls	(15,000,000.00)	(60,147,864.58)
Amortization	(36,114.20)	5,112,923.51
Change in Cash Equivalents	11,545,914.11	(20,106,298.32)
Realized Gains / Losses	0.00	4,017.89
Ending Amortized Costs	243,476,978.19	243,476,978.19

Accrual Earnings Summary

	Quarter to Date Ending 12/31/2019	Fiscal Year-to-Date 12/31/2018
Amortization/Accretion	(36,114.20)	5,112,923.51
Interest Earned	1,265,558.21	5,047,992.69
Realized Gain (Loss)	0.00	4,017.89
Total Income	1,229,444.00	10,164,934.10
Average Portfolio Balance	238,015,464.52	232,678,352.72
Earnings Yield	2.05%	4.37%

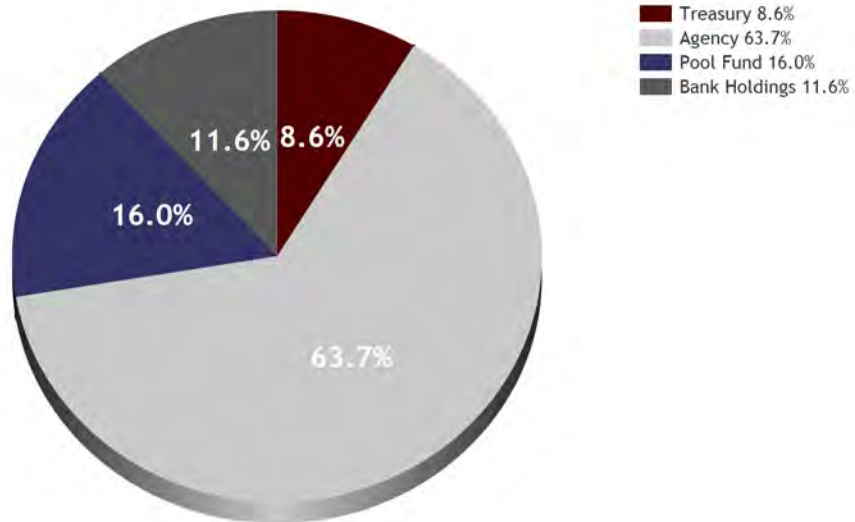
Market Value Summary

	As of 12/31/2019
Ending Market Value	245,629,220.70
Unrealized Gain/Loss	2,152,242.51

Interest Earnings Summary

	Quarter to Date Ending 12/31/2019	Fiscal Year-to-Date 12/31/2018
Beginning Accrued Interest	833,963.35	685,382.57
Coupons Paid	1,042,013.54	4,629,193.67
Purchased Accrued Interest	(66,967.86)	(298,823.41)
Sold Accrued Interest	121,625.00	400,154.13
Ending Accrued Interest	1,002,850.88	1,002,850.88
Interest Earned	1,265,558.21	5,047,992.69

Allocation by Industry Sector



Activity Summary (Gross of Fees)

	Quarter To Date	Fiscal Year To Date	Latest 1 Year
Beginning Market Value	234,721,286	237,406,279	237,406,279
Net Additions	10,845,340	1,062,538	1,062,538
Ending Market Value	246,632,072	246,632,072	246,632,072
Total Return	1,065,446	8,163,255	8,163,255
Time Weighted Return	0.45	3.49	3.49

Index

ICE BAML 0-5 year Treasury	0.39	3.85	3.85
ICE BAML 3 Month Treasury	0.46	2.28	2.28

Performance Summary

Portfolio	Market Value w/ Accrued	Quarter To Date	Fiscal Year To Date	Latest 1 Year
Total Funds City of Kirkland	246,632,072	0.45	3.49	3.49
City of Kirkland - Core Investment Fund	178,691,249	0.43	3.89	3.89
City of Kirkland Liquidity	67,940,823	0.49	2.30	2.30

Portfolio Holdings by Maturity

Total Funds City of Kirkland
December 31, 2019

Maturity Date	Cusip	Par Value	Coupon	Security Name	Call Date	Date	Book Yield	Yield To Mat	Pct. Assets	Dur To Mat	Eff Dur	S & P	Moody
01-21-20	3135G0A78	5,000,000	1.62	FEDERAL NATL MTG ASSN		09-12-16	1.09	1.50	2.0	0.06	0.05	AA+	Aaa
01-29-20	OPUS BANK	23,299,829	1.79	OPUS BANK DEPOSIT		12-31-15	1.80	1.80	9.5	0.08	0.05	N/A	N/A
01-29-20	WAPOOL	39,382,106	1.78	WASHINGTON LGIP		12-31-15	1.78	1.78	16.0	0.08	0.05	N/A	N/A
03-04-20	3133EFK63	5,000,000	1.25	FEDERAL FARM CR BKS		03-01-16	1.32	1.58	2.0	0.18	0.17	AA+	Aaa
04-20-20	3137EAEF2	5,000,000	1.37	FEDERAL HOME LN MTG CORP		12-14-17	1.92	1.62	2.0	0.30	0.29	AA+	Aaa
06-12-20	313383HU8	5,000,000	1.75	FEDERAL HOME LOAN BANKS		05-10-17	1.63	1.67	2.0	0.45	0.44	AA+	Aaa
06-19-20	1734025-20	5,258,204	2.37	EAST WEST BANK CD		06-19-19	2.39	2.38	2.1	0.46	0.75	N/A	N/A
07-29-20	3130A5Z77	5,000,000	1.83	FEDERAL HOME LOAN BANKS		09-15-15	1.68	1.64	2.0	0.57	0.56	AA+	Aaa
09-28-20	3130ACE26	5,000,000	1.37	FEDERAL HOME LOAN BANKS		12-14-17	1.97	1.62	2.0	0.74	0.73	AA+	Aaa
10-31-20	912828L99	5,000,000	1.37	UNITED STATES TREAS NTS		03-01-16	1.31	1.65	2.0	0.82	0.82	AA+	Aaa
11-17-20	3137EAEK1	5,000,000	1.87	FEDERAL HOME LN MTG CORP		12-14-17	1.98	1.64	2.0	0.87	0.86	AA+	Aaa
02-18-21	3130A7CV5	2,000,000	1.37	FEDERAL HOME LOAN BANKS		03-11-16	1.63	1.59	0.8	1.11	1.11	AA+	Aaa
02-26-21	3135G0J20	5,000,000	1.37	FEDERAL NATL MTG ASSN		04-25-16	1.45	1.59	2.0	1.14	1.13	AA+	Aaa
03-12-21	3130AFV61	5,000,000	2.50	FEDERAL HOME LOAN BANKS		02-26-19	2.52	1.67	2.1	1.17	1.16	AA+	Aaa
05-31-21	912828WN6	6,000,000	2.00	UNITED STATES TREAS NTS		06-12-17	1.66	1.60	2.5	1.39	1.38	AA+	Aaa
06-11-21	313379RB7	5,000,000	1.87	FEDERAL HOME LOAN BANKS		05-10-17	1.84	1.65	2.0	1.42	1.41	AA+	Aaa
09-10-21	313378JP7	5,000,000	2.37	FEDERAL HOME LOAN BANKS		08-29-17	1.64	1.59	2.1	1.65	1.64	AA+	Aaa
10-12-21	3130AF5B9	5,000,000	3.00	FEDERAL HOME LOAN BANKS		02-26-19	2.50	1.60	2.1	1.73	1.72	AA+	Aaa
12-10-21	3130A0EN6	5,000,000	2.87	FEDERAL HOME LOAN BANKS		01-14-19	2.61	1.62	2.1	1.89	1.88	AA+	Aaa
01-05-22	3135G0S38	5,000,000	2.00	FEDERAL NATL MTG ASSN		01-30-17	2.05	1.61	2.1	1.95	1.94	AA+	Aaa
01-11-22	3135G0U92	5,000,000	2.62	FEDERAL NATL MTG ASSN		01-14-19	2.59	1.60	2.1	1.95	1.94	AA+	Aaa
03-01-22	3133EKBV7	5,000,000	2.55	FEDERAL FARM CR BKS		02-26-19	2.52	1.59	2.1	2.09	2.08	AA+	Aaa
03-11-22	313378WG2	5,000,000	2.50	FEDERAL HOME LOAN BANKS		04-11-19	2.36	1.62	2.1	2.12	2.10	AA+	Aaa
06-10-22	3130AEBM1	5,000,000	2.75	FEDERAL HOME LOAN BANKS		07-10-18	2.84	1.60	2.1	2.36	2.35	AA+	Aaa
08-26-22	3134GS3N3	5,000,000	2.75	FEDERAL HOME LN MTG CORP	02-26-20	02-26-19	2.75	2.71	2.0	2.52	0.15	AA+	Aaa
10-31-22	9128283C2	5,000,000	2.00	UNITED STATES TREAS NTS		09-26-19	1.59	1.60	2.1	2.74	2.73	AA+	Aaa
12-09-22	3130A3KM5	7,000,000	2.50	FEDERAL HOME LOAN BANKS		05-18-18	2.94	1.63	2.9	2.83	2.82	AA+	Aaa
01-19-23	3135G0T94	5,000,000	2.37	FEDERAL NATL MTG ASSN		09-25-18	3.04	1.61	2.1	2.91	2.90	AA+	Aaa
03-08-23	3133EJFK0	5,000,000	2.65	FEDERAL FARM CR BKS		10-18-19	1.60	1.63	2.1	3.03	3.01	AA+	Aaa
07-17-23	3133EJUS6	5,000,000	2.87	FEDERAL FARM CR BKS		09-25-18	3.07	1.63	2.1	3.33	3.32	AA+	Aaa
09-08-23	313383YJ4	5,000,000	3.37	FEDERAL HOME LOAN BANKS		11-27-18	3.04	1.66	2.2	3.44	3.43	AA+	Aaa
09-12-23	3135G0U43	5,000,000	2.87	FEDERAL NATL MTG ASSN		02-26-19	2.54	1.65	2.1	3.48	3.47	AA+	Aaa
02-27-24	3133EKBW5	5,000,000	2.61	FEDERAL FARM CR BKS		02-26-19	2.57	1.72	2.1	3.90	3.89	AA+	Aaa
06-14-24	3130A1XJ2	5,000,000	2.87	FEDERAL HOME LOAN BANKS		06-10-19	2.03	1.70	2.1	4.18	4.17	AA+	Aaa
06-17-24	3134GTTY9	5,000,000	2.33	FEDERAL HOME LN MTG CORP	06-17-20	06-10-19	2.34	2.32	2.0	4.21	0.64	AA+	Aaa
07-26-24	3133EKWV4	10,000,000	1.85	FEDERAL FARM CR BKS		07-30-19	1.92	1.75	4.1	4.33	4.32	AA+	Aaa
11-15-24	912828G38	5,000,000	2.25	UNITED STATES TREAS NTS		12-11-19	1.69	1.69	2.1	4.60	4.59	AA+	Aaa
TOTAL PORTFOLIO		242,940,139					2.05	1.72	100.0	1.62	1.49		



Distribution by Maturity

Maturity	Number	Market Value	% FI Holdings	Average YTM	Average Coupon	Average Duration
Under 1 Mth	3	67,682,070.20	27.6	1.8	1.770%	0.1
1 Mth - 12 Mths	8	40,246,842.44	16.4	1.7	1.656%	0.5
12 Mths - 24 Mths	8	38,386,728.95	15.6	1.6	2.235%	1.5
24 Mths - 36 Mths	8	42,705,329.46	17.4	1.7	2.462%	2.3
36 Mths - 60 Mths	10	56,608,249.65	23.0	1.7	2.545%	3.8

Distribution by Duration

Duration	Number	Market Value	% FI Holdings	Average YTM	Average Coupon	Average Duration
Under 1 Yr	11	107,928,912.64	43.9	1.8	1.727%	0.3
1 Yr - 2 Yrs	10	48,526,436.10	19.8	1.6	2.252%	1.6
2 Yrs - 3 Yrs	7	37,678,520.76	15.3	1.8	2.490%	2.5
3 Yrs - 5 Yrs	9	51,495,351.20	21.0	1.7	2.562%	3.9

Distribution by S&P Rating

S&P Rating	Number	Market Value	% FI Holdings	Average YTM	Average Coupon	Average Duration
AA+	34	177,689,082.11	72.3	1.7	2.236%	2.2
N/A	3	67,940,138.59	27.7	1.8	1.828%	0.1

Distribution by Moody Rating

Moody Rating	Number	Market Value	% FI Holdings	Average YTM	Average Coupon	Average Duration
Aaa	34	177,689,082.11	72.3	1.7	2.236%	2.2
N/A	3	67,940,138.59	27.7	1.8	1.828%	0.1



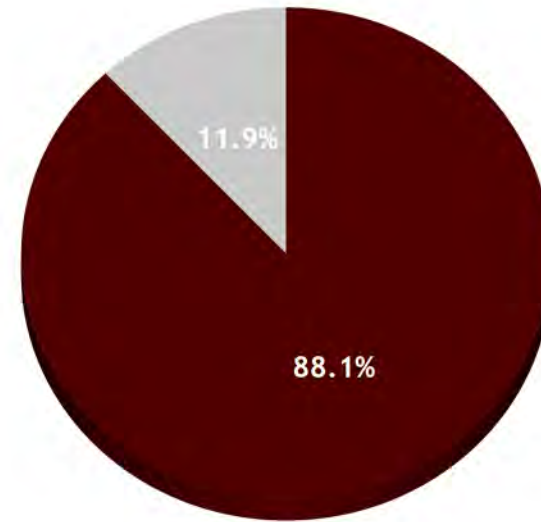
Weighted Averages

Book Yield	2.14
Maturity	2.30
Coupon	2.24
Moody	Aaa
S&P	AA+

Fixed Income Totals

Par Value	175,000,000
Market Value	177,689,082
Amortized Book Value	175,536,840
Unrealized Gain/Loss	2,152,243
Estimated Annual Cash Flow	3,899,750

Fixed Income Allocation



Security Type	Market Value	% Assets
US Agency (USD)	156,481,619	88.1
US Treasury (USD)	21,207,463	11.9
Fixed Income Total	177,689,082	100.0

Cost Basis Summary

	Quarter to Date Ending 12/31/2019	Fiscal Year-to-Date 12/31/2018
Beginning Amortized Cost	175,208,239.74	149,841,710.76
Investment Purchases	15,364,714.06	80,736,414.06
Investment Maturities/Sells/Calls	(15,000,000.00)	(54,962,600.00)
Amortization	(36,114.20)	(82,703.12)
Change in Cash Equivalents	0.00	0.00
Realized Gains / Losses	0.00	4,017.89
Ending Amortized Costs	175,536,839.60	175,536,839.60

Accrual Earnings Summary

	Quarter to Date Ending 12/31/2019	Fiscal Year-to-Date 12/31/2018
Amortization/Accretion	(36,114.20)	(82,703.12)
Interest Earned	972,700.48	3,581,105.26
Realized Gain (Loss)	0.00	4,017.89
Total Income	936,586.28	3,502,420.03
Average Portfolio Balance	178,278,579.66	169,306,716.88
Earnings Yield	2.08%	2.07%

Market Value Summary

	As of 12/31/2019
Ending Market Value	177,689,082.11
Unrealized Gain/Loss	2,152,242.51

Interest Earnings Summary

	Quarter to Date Ending 12/31/2019	Fiscal Year-to-Date 12/31/2018
Beginning Accrued Interest	833,623.25	684,689.31
Coupons Paid	749,500.00	3,168,604.17
Purchased Accrued Interest	(66,967.86)	(298,823.41)
Sold Accrued Interest	121,625.00	393,847.22
Ending Accrued Interest	1,002,166.59	1,002,166.59
Interest Earned	972,700.48	3,581,105.26

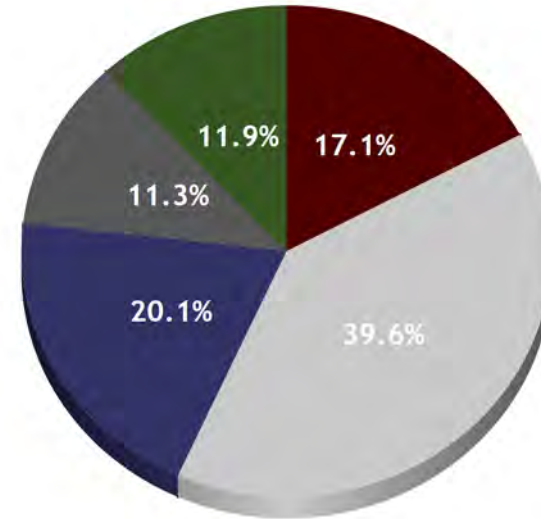


Total Return For Period

Since 9/30/2019

Beginning Principal Value	177,524,480.58
Beginning Accrued Interest	833,623.25
Net Contributions/Withdrawals	-439,443.08
Market Value Change	-200,112.53
Interest Earnings	972,700.48
Ending Principal Value	177,689,082.11
Accrued Interest	1,002,166.59
Total Return	772,587.95
Advisory Fees for Period	-12,500.00
Net Total Return	760,087.95

Portfolio Allocation as of 12/31/2019



Issuer	Market Value	% Assets	Yield
FEDERAL NATL MTG ASSN	30,459,450.10	17.1	2.1
FEDERAL HOME LOAN BANKS	70,322,908.26	39.6	2.3
FEDERAL FARM CR BKS	35,685,915.35	20.1	2.1
FEDERAL HOME LN MTG CORP	20,013,345.40	11.3	2.2
UNITED STATES TREAS NTS	21,207,463.00	11.9	1.6
Total	177,689,082.11	100.0	2.1

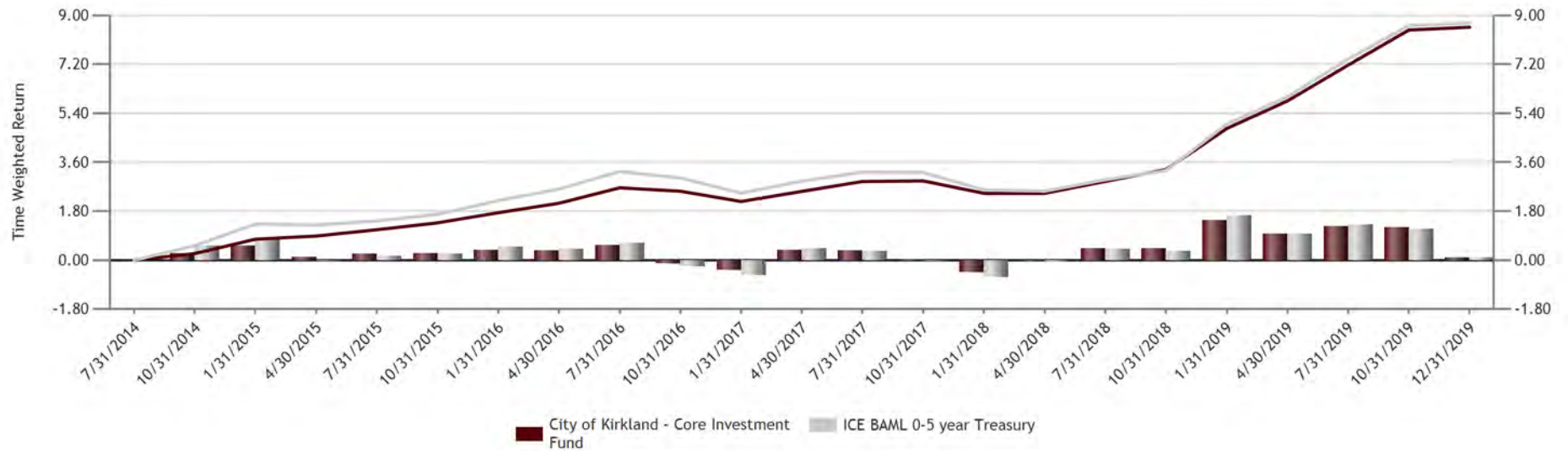


Performance History

Portfolio Account	Quarter To Date	Fiscal Year To Date	Latest 1 Year	Annualized Inception To Date
	0.43	3.89	3.89	1.53

Index	Quarter To Date	Fiscal Year To Date	Latest 1 Year	Annualized Inception To Date
ICE BAML 0-5 year Treasury	0.39	3.85	3.85	1.55

Time Weighted Return Inception (7/31/2014) to Date

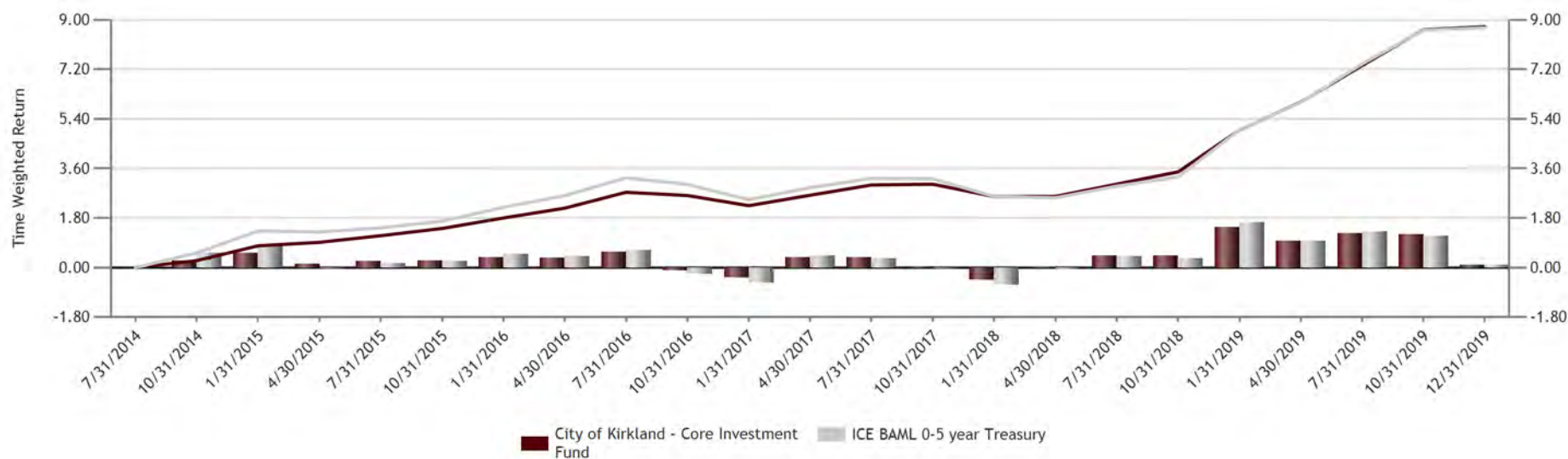


Performance History

Portfolio Account	Quarter To Date	Fiscal Year To Date	Latest 1 Year	Annualized Inception To Date
	0.43	3.91	3.91	1.56

Index	Quarter To Date	Fiscal Year To Date	Latest 1 Year	Annualized Inception To Date
ICE BAML 0-5 year Treasury	0.39	3.85	3.85	1.55

Time Weighted Return Inception (7/31/2014) to Date



Portfolio Holdings

City of Kirkland - Core Investment Fund

December 31, 2019

Cusip	Quantity	Security	Call Date	Trade Date	Amor Price	Book Yield	Market Price	Market Yield	Market Value	Accrued Interest	Total Value	Unrealized Gain/Loss	Pct. Assets	Dur Mat	Eff Dur
US Treasury															
912828L99	5,000,000	UNITED STATES TREAS NTS 1.375% Due 10-31-20		03-01-16	100.05	1.31	99.7695	1.65	4,988,475.00	11,710.16	5,000,185.16	-13,991.25	2.8	0.82	0.82
912828WN6	6,000,000	UNITED STATES TREAS NTS 2.000% Due 05-31-21		06-12-17	100.46	1.66	100.5508	1.60	6,033,048.00	10,491.80	6,043,539.80	5,527.26	3.4	1.39	1.38
9128283C2	5,000,000	UNITED STATES TREAS NTS 2.000% Due 10-31-22		09-26-19	101.12	1.59	101.0977	1.60	5,054,885.00	17,032.97	5,071,917.97	-1,130.04	2.8	2.74	2.73
912828G38	5,000,000	UNITED STATES TREAS NTS 2.250% Due 11-15-24		12-11-19	102.62	1.69	102.6211	1.69	5,131,055.00	14,526.10	5,145,581.10	223.03	2.9	4.60	4.59
	21,000,000					1.57		1.64	21,207,463.00	53,761.03	21,261,224.03	-9,371.00	11.9	2.35	2.35
US Agency Bullet															
3135G0A78	5,000,000	FEDERAL NATL MTG ASSN 1.625% Due 01-21-20		09-12-16	100.03	1.09	100.0027	1.50	5,000,135.25	36,111.11	5,036,246.36	-1,295.59	2.8	0.06	0.05
3133EFK63	5,000,000	FEDERAL FARM CR BKS 1.250% Due 03-04-20		03-01-16	99.99	1.32	99.9373	1.58	4,996,863.70	20,312.50	5,017,176.20	-2,526.10	2.8	0.18	0.17
3137EAEF2	5,000,000	FEDERAL HOME LN MTG CORP 1.375% Due 04-20-20		12-14-17	99.84	1.92	99.9200	1.62	4,996,000.00	13,559.03	5,009,559.03	3,986.07	2.8	0.30	0.29
313383HU8	5,000,000	FEDERAL HOME LOAN BANKS 1.750% Due 06-12-20		05-10-17	100.05	1.63	100.0281	1.67	5,001,403.25	4,618.06	5,006,021.31	-1,188.69	2.8	0.45	0.44
3130A5Z77	5,000,000	FEDERAL HOME LOAN BANKS 1.830% Due 07-29-20		09-15-15	100.08	1.68	100.1048	1.64	5,005,238.30	38,633.33	5,043,871.63	1,007.31	2.8	0.57	0.56
3130ACE26	5,000,000	FEDERAL HOME LOAN BANKS 1.375% Due 09-28-20		12-14-17	99.58	1.97	99.8169	1.62	4,990,843.60	17,760.42	5,008,604.02	12,065.72	2.8	0.74	0.73
3137EAEK1	5,000,000	FEDERAL HOME LN MTG CORP 1.875% Due 11-17-20		12-14-17	99.91	1.98	100.1963	1.64	5,009,814.95	11,458.33	5,021,273.28	14,443.35	2.8	0.87	0.86
3130A7CV5	2,000,000	FEDERAL HOME LOAN BANKS 1.375% Due 02-18-21		03-11-16	99.73	1.63	99.7536	1.59	1,995,071.20	10,159.72	2,005,230.92	533.33	1.1	1.11	1.11

Portfolio Holdings

City of Kirkland - Core Investment Fund

December 31, 2019

Cusip	Quantity	Security	Call Date	Trade Date	Amor Price	Book Yield	Market Price	Market Yield	Market Value	Accrued Interest	Total Value	Unrealized Gain/Loss	Pct. Assets	Dur Mat	Eff Dur
3135G0J20	5,000,000	FEDERAL NATL MTG ASSN 1.375% Due 02-26-21		04-25-16	99.92	1.45	99.7485	1.59	4,987,423.70	23,871.53	5,011,295.23	-8,516.20	2.8	1.14	1.13
3130AFV61	5,000,000	FEDERAL HOME LOAN BANKS 2.500% Due 03-12-21		02-26-19	99.97	2.52	100.9710	1.67	5,048,548.40	37,847.22	5,086,395.62	50,016.55	2.8	1.17	1.16
313379RB7	5,000,000	FEDERAL HOME LOAN BANKS 1.875% Due 06-11-21		05-10-17	100.04	1.84	100.3212	1.65	5,016,059.95	5,208.33	5,021,268.28	13,852.42	2.8	1.42	1.41
313378JP7	5,000,000	FEDERAL HOME LOAN BANKS 2.375% Due 09-10-21		08-29-17	101.19	1.64	101.2953	1.59	5,064,763.85	36,614.58	5,101,378.43	5,035.60	2.9	1.65	1.64
3130AF5B9	5,000,000	FEDERAL HOME LOAN BANKS 3.000% Due 10-12-21		02-26-19	100.85	2.50	102.4460	1.60	5,122,301.15	32,916.67	5,155,217.82	79,810.40	2.9	1.73	1.72
3130A0EN6	5,000,000	FEDERAL HOME LOAN BANKS 2.875% Due 12-10-21		01-14-19	100.48	2.61	102.3903	1.62	5,119,512.70	8,385.42	5,127,898.12	95,403.65	2.9	1.89	1.88
3135G0S38	5,000,000	FEDERAL NATL MTG ASSN 2.000% Due 01-05-22		01-30-17	99.91	2.05	100.7707	1.61	5,038,535.30	48,888.89	5,087,424.19	43,147.57	2.8	1.95	1.94
3135G0U92	5,000,000	FEDERAL NATL MTG ASSN 2.625% Due 01-11-22		01-14-19	100.07	2.59	102.0234	1.60	5,101,171.85	61,979.17	5,163,151.02	97,780.35	2.9	1.95	1.94
3133EKBV7	5,000,000	FEDERAL FARM CR BKS 2.550% Due 03-01-22		02-26-19	100.07	2.52	102.0226	1.59	5,101,130.05	42,500.00	5,143,630.05	97,812.02	2.9	2.09	2.08
313378WG2	5,000,000	FEDERAL HOME LOAN BANKS 2.500% Due 03-11-22		04-11-19	100.29	2.36	101.8771	1.62	5,093,856.90	38,194.44	5,132,051.34	79,255.41	2.9	2.12	2.10
3130AEBM1	5,000,000	FEDERAL HOME LOAN BANKS 2.750% Due 06-10-22		07-10-18	99.79	2.84	102.7444	1.60	5,137,219.10	8,020.83	5,145,239.93	147,613.79	2.9	2.36	2.35
3130A3KM5	7,000,000	FEDERAL HOME LOAN BANKS 2.500% Due 12-09-22		05-18-18	98.81	2.94	102.4825	1.63	7,173,774.86	10,694.44	7,184,469.30	257,327.33	4.0	2.83	2.82
3135G0T94	5,000,000	FEDERAL NATL MTG ASSN 2.375% Due 01-19-23		09-25-18	98.11	3.04	102.2580	1.61	5,112,898.45	53,437.50	5,166,335.95	207,391.54	2.9	2.91	2.90
3133EJFK0	5,000,000	FEDERAL FARM CR BKS 2.650% Due 03-08-23		10-18-19	103.23	1.60	103.1509	1.63	5,157,544.00	41,590.28	5,199,134.28	-4,157.37	2.9	3.03	3.01

Portfolio Holdings

City of Kirkland - Core Investment Fund

December 31, 2019

Cusip	Quantity	Security	Call Date	Trade Date	Amor Price	Book Yield	Market Price	Market Yield	Market Value	Accrued Interest	Total Value	Unrealized Gain/Loss	Pct. Assets	Dur Mat	Eff Dur
3133EJUS6	5,000,000	FEDERAL FARM CR BKS 2.875% Due 07-17-23		09-25-18	99.37	3.07	104.2513	1.63	5,212,563.35	65,486.11	5,278,049.46	244,299.90	2.9	3.33	3.32
313383YJ4	5,000,000	FEDERAL HOME LOAN BANKS 3.375% Due 09-08-23		11-27-18	101.15	3.04	106.0909	1.66	5,304,544.00	52,968.75	5,357,512.75	246,891.38	3.0	3.44	3.43
3135G0U43	5,000,000	FEDERAL NATL MTG ASSN 2.875% Due 09-12-23		02-26-19	101.16	2.54	104.3857	1.65	5,219,285.55	43,524.31	5,262,809.86	161,466.47	2.9	3.48	3.47
3133EKBW5	5,000,000	FEDERAL FARM CR BKS 2.610% Due 02-27-24		02-26-19	100.15	2.57	103.5324	1.72	5,176,620.05	44,950.00	5,221,570.05	169,257.92	2.9	3.90	3.89
3130A1XJ2	5,000,000	FEDERAL HOME LOAN BANKS 2.875% Due 06-14-24		06-10-19	103.58	2.03	104.9954	1.70	5,249,771.00	6,788.19	5,256,559.19	70,812.51	3.0	4.18	4.17
3133EKWV4	10,000,000	FEDERAL FARM CR BKS 1.850% Due 07-26-24		07-30-19	99.71	1.92	100.4119	1.75	10,041,194.20	79,652.78	10,120,846.98	70,326.91	5.7	4.33	4.32
	144,000,000					2.19		1.63	146,474,088.66	896,131.94	147,370,220.60	2,151,853.55	82.4	2.10	2.09
US Agency Callable															
3134GS3N3	5,000,000	FEDERAL HOME LN MTG CORP 2.750% Due 08-26-22	02-26-20	02-26-19	100.00	2.75	100.0951	2.71	5,004,756.40	47,743.06	5,052,499.46	4,756.40	2.8	2.52	0.15
3134GTTY9	5,000,000	FEDERAL HOME LN MTG CORP 2.330% Due 06-17-24	06-17-20	06-10-19	99.96	2.34	100.0555	2.32	5,002,774.05	4,530.56	5,007,304.61	5,003.56	2.8	4.21	0.64
	10,000,000					2.55		2.51	10,007,530.45	52,273.61	10,059,804.06	9,759.96	5.6	3.37	0.39
TOTAL	175,000,000					2.14		1.68	177,689,082.11	1,002,166.59	178,691,248.70	2,152,242.51	100.0	2.20	2.02

Transaction Summary

City of Kirkland - Core Investment Fund

From 10-01-19 To 12-31-19

Trade Date	Settle Date	Cusip	Quantity	Security	Call Date	Trade Amount	Broker
Accrued Interest (Purchased Fixed-Income)							
09-26-19	10-02-19	9128283C2		UNITED STATES TREAS NTS 2.000% Due 10-31-22		42,119.57	
10-18-19	10-22-19	3133EJFK0		FEDERAL FARM CR BKS 2.650% Due 03-08-23		16,194.44	
12-11-19	12-13-19	912828G38		UNITED STATES TREAS NTS 2.250% Due 11-15-24		8,653.85	
						66,967.86	
Accrued Interest (Sold Fixed-Income)							
10-02-19	10-02-19	3137EADM8		FEDERAL HOME LN MTG CORP 1.250% Due 10-02-19		31,250.00	
10-22-19	10-22-19	3133EFLA3		FEDERAL FARM CR BKS 1.240% Due 10-22-19		31,000.00	
12-13-19	12-13-19	3130A0JR2		FEDERAL HOME LOAN BANKS 2.375% Due 12-13-19		59,375.00	
						121,625.00	
Buy							
09-26-19	10-02-19	9128283C2	5,000,000	UNITED STATES TREAS NTS 2.000% Due 10-31-22		5,060,937.50	Goldman
10-18-19	10-22-19	3133EJFK0	5,000,000	FEDERAL FARM CR BKS 2.650% Due 03-08-23		5,171,550.00	Morgan S
12-11-19	12-13-19	912828G38	5,000,000	UNITED STATES TREAS NTS 2.250% Due 11-15-24		5,132,226.56	Nomura (
						15,364,714.06	
Deliver In (Long)							
10-02-19		cash		CASH ACCOUNT		71,807.07	
10-22-19		cash		CASH ACCOUNT		156,744.44	
12-02-19		cash		CASH ACCOUNT		60,000.00	
12-13-19		cash		CASH ACCOUNT		81,505.41	
						370,056.92	
Deliver Out (Long)							
10-15-19		cash		CASH ACCOUNT		75,000.00	
10-21-19		cash		CASH ACCOUNT		34,375.00	

Transaction Summary

City of Kirkland - Core Investment Fund

From 10-01-19 To 12-31-19

Trade Date	Settle Date	Cusip	Quantity	Security	Call Date	Trade Amount	Broker
10-31-19		cash		CASH ACCOUNT		84,375.00	
11-18-19		cash		CASH ACCOUNT		46,875.00	
12-02-19		cash		CASH ACCOUNT		60,000.00	
12-09-19		cash		CASH ACCOUNT		87,500.00	
12-10-19		cash		CASH ACCOUNT		140,625.00	
12-11-19		cash		CASH ACCOUNT		46,875.00	
12-12-19		cash		CASH ACCOUNT		43,750.00	
12-16-19		cash		CASH ACCOUNT		71,875.00	
12-17-19		cash		CASH ACCOUNT		58,250.00	
						749,500.00	
Deposit							
10-31-19	10-31-19			Management Fee		4,166.66	
11-30-19	11-30-19			Management Fee		4,166.67	
12-31-19	12-31-19			Management Fee		4,166.67	
						12,500.00	
Interest							
10-12-19	10-12-19	3130AF5B9		FEDERAL HOME LOAN BANKS 3.000% Due 10-12-21		75,000.00	
10-20-19	10-20-19	3137EAEF2		FEDERAL HOME LN MTG CORP 1.375% Due 04-20-20		34,375.00	
10-31-19	10-31-19	9128283C2		UNITED STATES TREAS NTS 2.000% Due 10-31-22		50,000.00	
10-31-19	10-31-19	912828L99		UNITED STATES TREAS NTS 1.375% Due 10-31-20		34,375.00	
11-17-19	11-17-19	3137EAEK1		FEDERAL HOME LN MTG CORP 1.875% Due 11-17-20		46,875.00	
11-30-19	11-30-19	912828WN6		UNITED STATES TREAS NTS 2.000% Due 05-31-21		60,000.00	
12-09-19	12-09-19	3130A3KM5		FEDERAL HOME LOAN BANKS 2.500% Due 12-09-22		87,500.00	
12-10-19	12-10-19	3130A0EN6		FEDERAL HOME LOAN BANKS 2.875% Due 12-10-21		71,875.00	
12-10-19	12-10-19	3130AEBM1		FEDERAL HOME LOAN BANKS 2.750% Due 06-10-22		68,750.00	

Transaction Summary

City of Kirkland - Core Investment Fund
From 10-01-19 To 12-31-19

Trade Date	Settle Date	Cusip	Quantity	Security	Call Date	Trade Amount	Broker
12-11-19	12-11-19	313379RB7		FEDERAL HOME LOAN BANKS 1.875% Due 06-11-21		46,875.00	
12-12-19	12-12-19	313383HU8		FEDERAL HOME LOAN BANKS 1.750% Due 06-12-20		43,750.00	
12-14-19	12-14-19	3130A1XJ2		FEDERAL HOME LOAN BANKS 2.875% Due 06-14-24		71,875.00	
12-17-19	12-17-19	3134GTTY9		FEDERAL HOME LN MTG CORP 2.330% Due 06-17-24	06-17-20	58,250.00	
						749,500.00	
Sell							
10-02-19	10-02-19	3137EADM8	5,000,000	FEDERAL HOME LN MTG CORP 1.250% Due 10-02-19		5,000,000.00	Maturity
10-22-19	10-22-19	3133EFLA3	5,000,000	FEDERAL FARM CR BKS 1.240% Due 10-22-19		5,000,000.00	Maturity
12-13-19	12-13-19	3130A0JR2	5,000,000	FEDERAL HOME LOAN BANKS 2.375% Due 12-13-19		5,000,000.00	Maturity
						15,000,000.00	



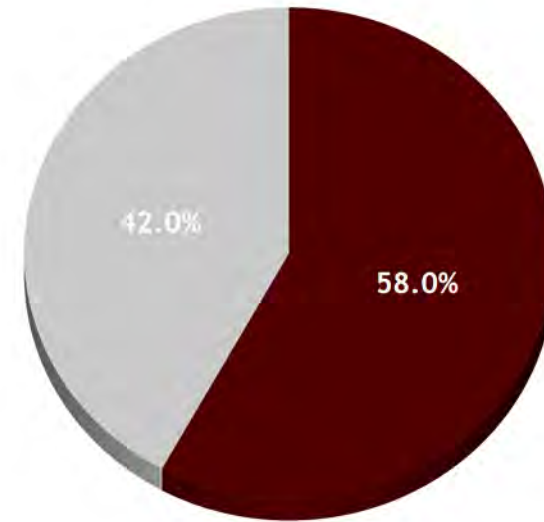
Weighted Averages

Book Yield	1.83
Maturity	0.11
Coupon	1.83
Moody	Not Rated
S&P	Not Rated

Fixed Income Totals

Par Value	67,940,139
Market Value	67,940,139
Amortized Book Value	67,940,139
Unrealized Gain/Loss	0
Estimated Annual Cash Flow	1,241,762

Fixed Income Allocation



Security Type	Market Value	% Assets
LGIP State Pool (USD)	39,382,106	58.0
Bank or Cash Deposit (USD)	28,558,032	42.0
Fixed Income Total	67,940,139	100.0

Portfolio Holdings

City of Kirkland Liquidity

December 31, 2019

Cusip	Quantity	Security	Call Date	Trade Date	Amor Price	Book Yield	Market Price	Market Yield	Market Value	Accrued Interest	Total Value	Unrealized Gain/Loss	Pct. Assets	Dur Mat	Eff Dur
Bank Deposit															
OPUS BANK	23,299,829	OPUS BANK DEPOSIT 1.792% Due 01-29-20	12-31-15		100.00	1.80	100.0000	1.80	23,299,828.73	0.00	23,299,828.73	0.00	34.3	0.08	0.05
Certificate of Deposit															
1734025-2	5,258,204	EAST WEST BANK CD 2.375% Due 06-19-20	06-19-19		100.00	2.39	100.0000	2.38	5,258,203.64	684.29	5,258,887.93	0.00	7.7	0.46	0.75
State Investment Pool															
WAPOL	39,382,106	WASHINGTON LGIP 1.776% Due 01-29-20	12-31-15		100.00	1.78	100.0000	1.78	39,382,106.22	0.00	39,382,106.22	0.00	58.0	0.08	0.05
TOTAL	67,940,139					1.83		1.83	67,940,138.59	684.29	67,940,822.88	0.00	100.0	0.11	0.10



This report is for general informational purposes only and is not intended to provide specific advice or recommendations. Government Portfolio Advisors (GPA) is an investment advisor registered with the Securities and Exchange Commission and is required to maintain a written disclosure statement of our background and business experience.

Questions About an Account: GPA's monthly & quarterly reports are intended to detail the investment advisory activity managed by GPA. The custodian bank maintains the control of assets and executes (ie. Settles) all investment transactions. The custodian statement is the official record of security and cash holdings and transactions. GPA recognizes that clients may use these reports to facilitate record keeping and that the custodian bank statement and the GPA report should be reconciled and differences resolved. Many custodians use a settlement date basis which may result in the need to reconcile due to a timing difference.

GPA relies on the information provided by the client's when reporting pool balances, bank balances and other assets that are not held at the client's custodial bank.

Account Control:

GPA does not have the authority to withdraw funds from or deposit funds to the custodian. Our clients retain responsibility for their deposit funds to the custodian. Our clients retain responsibility for their internal accounting policies, implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions.

Market Value:

Generally, market prices in GPA's reports are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data or Bloomberg. Where prices are not available from generally recognized sources the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although GPA believes the prices to be reliable, the values of the securities do not always represent the prices at which the securities could have been bought or sold.

Amortized Cost:

The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premiums with respect to short term securities (those with less than one year to maturity at time of issuance) is amortized on a straightline basis. Such discount or premium with respect to longer term securities is amortized using a straight-line basis.

Financial Situation:

In order to better serve you, GPA should be promptly notified of any material change in your investment objective or financial situation.

Callable Securities:

Securities subject to redemption prior to maturity may be redeemed in whole or in part before maturity, which could affect the yield represented. Certain call dates may not show up on the report if the call date has passed and it is continuously callable. Bonds purchased at a premium will be amortized to call date versus all others will be amortized to maturity.

Duration:

The duration listed on the reports is duration to maturity and duration to call. Effective duration is calculated on Bloomberg and imported into these reports and reflects the OAS duration which incorporates the probability of the bond being called. Effective duration is what GPA compares to the benchmark to reflect current market risk.

Benchmark Duration:

The benchmark duration is the historical weighted average of the benchmark duration over monthly periods. GPA is reporting this number as a static amount period over period.

Portfolio:

The securities in this portfolio are not guaranteed or otherwise protected by GPA, the FDIC (except for non-negotiable certificates of deposit) or any government agency. Investment in securities involves risks, including the possible loss of the amount invested.

Rating:

Information provided for ratings is based upon a good faith inquiry of selected sources, but its accuracy and completeness cannot be guaranteed.

Coupon Payments and Maturities on Weekends:

Oftentimes, coupon payments and maturities will occur on a weekend or holiday. GPA will track these payments on an accrual basis, while the custodian bank may track on a cash basis. The accrual basis allocates the earnings in the period earned.



CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Kathi Anderson, City Clerk
Michael Olson, Director of Finance and Administration

Date: February 6, 2020

Subject: Cultural Arts Commission Resignation

RECOMMENDATION:

That Council acknowledges receipt of Nancy Whittaker's resignation from the Kirkland Cultural Arts Commission and authorizes the attached draft response thanking her for her past years of service. By approving the consent calendar, the Council authorizes these actions.

BACKGROUND DISCUSSION:

Ms. Whittaker cites a move to Whidbey Island lead her to resign her seat on the Commission. As the previously selected alternate timeframe has passed, a new recruitment is necessary and underway.

Attachment A: Board Member's Resignation Email

Attachment B: Draft Recognition Letter

From: Nancy Whittaker
Sent: Friday, January 31, 2020 12:01:36 PM
To: City Council <citycouncil@kirklandwa.gov>
Cc: Kathi Anderson <KAnderson@kirklandwa.gov>
Subject:

Dear Kirkland City Council:

Please accept this email as my letter of resignation from the Kirkland Arts Commission, position 7, due to my move to Whidbey Island, effective 12/31/19.

Let me know if you have any questions.

Thank you,
Nancy

Nancy Whittaker
MUSEO
215 First Street/PO Box 548
Langley, WA 98260
360.221.7737
www.museogallery.net

DRAFT

February 18, 2020

Nancy Whittaker
8004 NE 128th Street
Kirkland, Washington 98034

Dear Ms. Whittaker,

We have received your resignation from the Kirkland Cultural Arts Commission.

The City Council appreciates your contributions to the Commission during your past service, and we thank you for volunteering your time and talent to serve the Kirkland community.

Best wishes on your current and future endeavors!

Sincerely,

Kirkland City Council

By Penny Sweet,
Mayor



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www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Kathi Anderson, City Clerk
Michael Olson, Director of Finance and Administration

Date: February 6, 2020

Subject: Resignation of Design Review Board Member

RECOMMENDATION:

That Council acknowledges receipt of Navena Loukanova's resignation from the Kirkland Design Review Board and authorizes the attached draft response thanking her for her past years of service. By approving the consent calendar, the Council authorizes these actions.

BACKGROUND DISCUSSION:

Ms. Loukanova cites her current work schedule and other commitments have led her to resign her seat on the Board. As the previously selected alternate timeframe has passed, a new recruitment is necessary and underway.

From: Nevena Loukanova

Sent: Monday, February 03, 2020 1:26 PM

To: citycouncil@kirklandwa.gov; Kathi Anderson <KAnderson@kirklandwa.gov>

Subject: Design Review Board member resignation

Dear City Counsel members,

My name is Nevena Loukanova and I'm currently citing on the Design Review Board.

Unfortunately as much as I enjoy being part of it my current working engagements and schedule prevent me from attending the meetings on a regular basis. I don't think this is fare to the rest of the Board members and the Public, so I would like to submit my resignation effective immediately.

Thank you,

Nevena Loukanova

NKL

DRAFT

February 18, 2020

Navena Loukanova
12112 95th Place NE
Kirkland, Washington 98034

Dear Ms. Loukanova,

We have received your resignation from the Kirkland Design Review Board.

The City Council appreciates your contributions to the Board during your past service, and we thank you for volunteering your time and talent to serve the Kirkland community.

Best wishes on your current and future endeavors!

Sincerely,

Kirkland City Council

By Penny Sweet,
Mayor



CITY OF KIRKLAND

Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Greg Piland, Financial Operations Manager

Date: February 6, 2020

Subject: REPORT ON PROCUREMENT ACTIVITIES FOR COUNCIL MEETING OF FEBRUARY 18, 2020.

This report is provided to apprise the Council of recent and upcoming procurement activities where the cost is estimated or known to be in excess of \$50,000. The "Process" column on the table indicates the process being used to determine the award of the contract.

The City's major procurement activities initiated since the last report dated January 23, 2020 are as follows:

	Project/Purchase	Process	Estimate/Price	Status
1.	Engineering services during construction of the Totem Lake Connector bridge	Request for Qualifications	\$743,732.00	Contract awarded to COWI North America, Inc. of Seattle, WA based on qualifications per RCW 39.80.
2.	NE 120 th ST sidewalk design project	Request for Qualifications	\$169,400.00	Contract awarded to Land Development Consultants, Inc. of Woodinville, WA based on qualifications per RCW 39.80.
3.	David Brink Park shoreline design project	Request for Qualifications	\$224,881.00	Amended contract awarded to Anchor QES LLC of Seattle, WA based on qualifications per RCW 39.80.
4.	Fire Station 24 artist selection	Request for Qualifications	\$115,000.00	Contract awarded to Michael Clapper Studios LLC of Denver, CO based on qualifications.

Please contact Greg Piland if you have any questions regarding this report.



CITY OF KIRKLAND
Department of Finance & Administration
123 Fifth Avenue, Kirkland, WA 98033 425.587.3190
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Michael Olson, Director of Finance and Administration
Kathi Anderson, City Clerk/Public Records Officer
JamieLynn Estell, Deputy City Clerk

Date: February 18, 2020

Subject: PUBLIC DISCLOSURE SEMI-ANNUAL PERFORMANCE REPORT

RECOMMENDATION

City Council receives the semi-annual status report on the City's public records disclosure program pursuant to KMC 3.15.120 (**Attachment A**). After the July 17, 2018 Council Meeting, the Council decided to include these reports under the Consent Calendar for approval unless something significant happened or additional resources were recommended.

BACKGROUND

In accordance with KMC 3.15.120, this report presents the performance of the City's Public Disclosure Program during the second half of 2019. KMC 3.15.120 states that the semi-annual public records disclosure report shall include: (1) the number of open records requests at the beginning of reporting period; (2) the number of records requests received during the reporting period; (3) the number of records requests closed in the period; and (4) the number of open requests at the end of the reporting period. This information is represented in Figure A.

Figure A

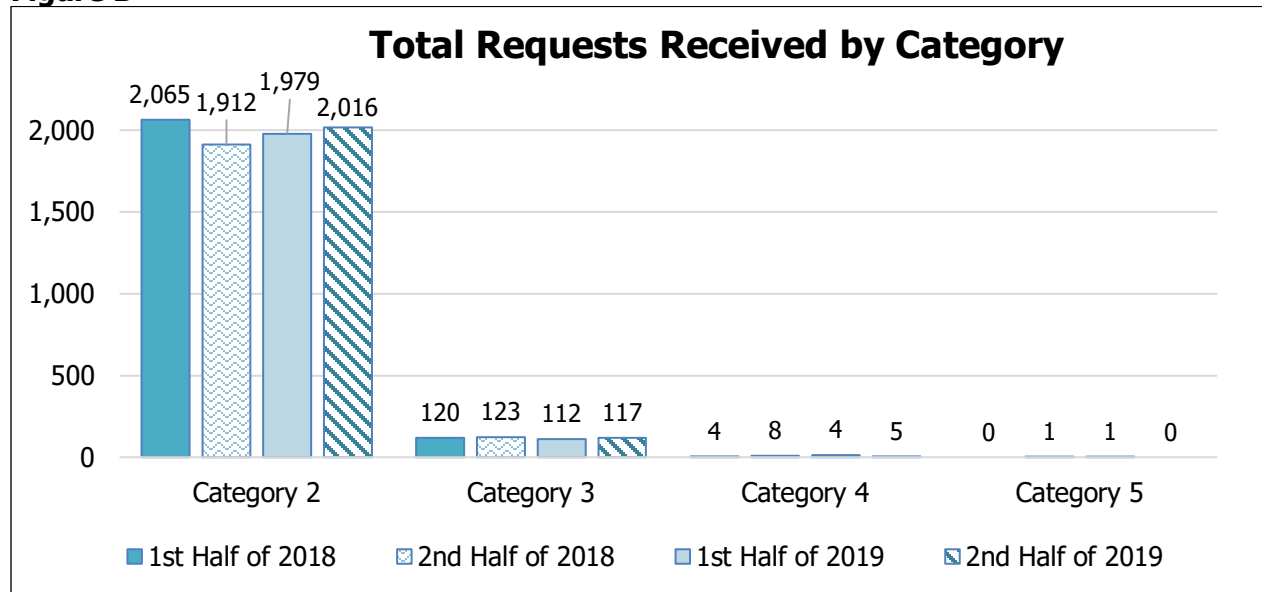
Mandatory Reporting Information	
Requests Open on July 1, 2019	129
Requests Received July 1 – December 31, 2019	2,172
Requests Closed July 1 – December 31, 2019	2,212
Requests Open on December 31, 2019	89

DATA-BASED ANALYSIS OF PERFORMANCE

This report presents information on the City's performance by comparing the total requests received and the average time it took to process them. Performance is presented as a comparison between four reporting periods: the first and second halves of 2018, and the first and second halves of 2019.

The City experienced a 2% increase in the total number of requests from the first half of 2019 compared to the second half of 2019; 2,096 to 2,135. The comparison of requests by category between the four reporting periods is presented in Figure B.

Figure B¹



Pursuant to the City's PRA Rule 080, the following goals for standard response time periods are established as follows: ²

- a) Category 1 records requests are defined as needing immediate response in the interest of public safety (imminent danger). These requests shall take priority over all other requests. *Public Records has never used this designation.*
- b) Category 2 records requests are defined as routine or readily filled requests for easily identified and immediately accessible records requiring little or no coordination between departments.
- c) Category 3 records requests are defined as routine requests that involve:
 - i. A large number of records, and/or
 - ii. Records that are not easily identified, located and accessible, and
 - iii. Records that require some coordination between departments.
- d) Category 4 records requests are defined as complex requests which may be especially broad or vague which involve:
 - i. A large number of records that are not easily identified, located or accessible, requiring significant coordination between multiple departments, and
 - ii. Research by City staff who are not primarily responsible for public disclosure and/or
 - iii. Review by public disclosure staff to determine whether any of the records are exempt from production

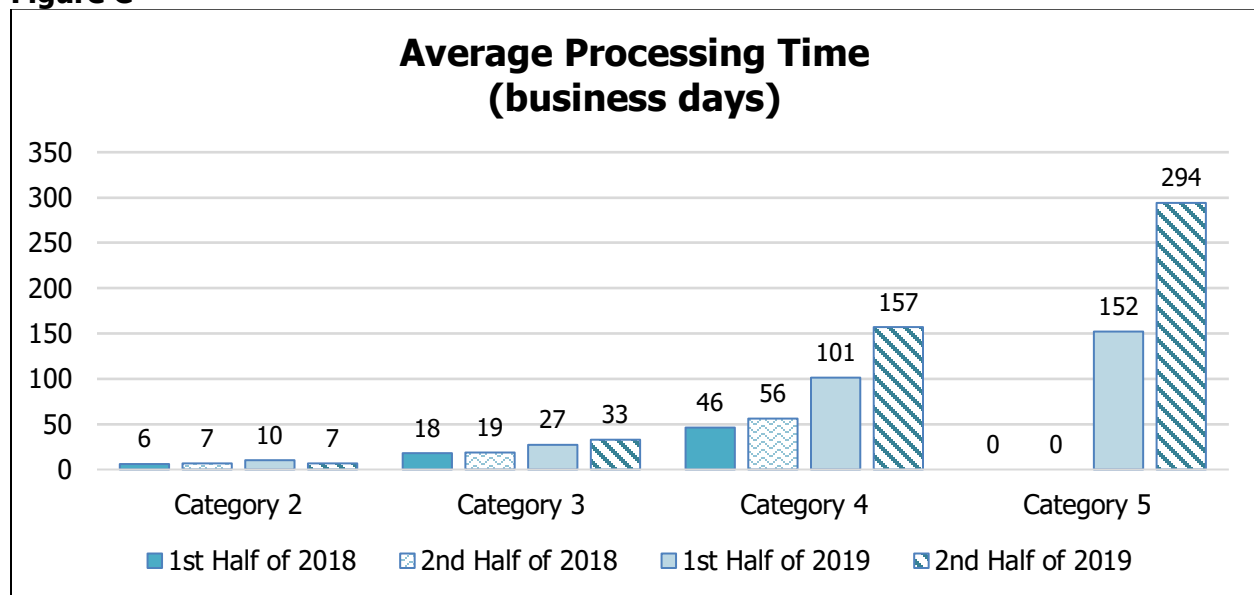
¹ There were no Category 1 requests received during any of the reporting periods

² Time is dependent on the nature and scope of the request for category 3, 4, and 5 requests

- e) Category 5 records requests are complex requests that may be especially broad or vague which involve:
- i. A large number of records that are not easily identified, located or accessible, requiring coordination between multiple departments, and
 - ii. Research by City staff who are not primarily responsible for public disclosure and/or
 - iii. Legal review and creation of an exemption log. These requests may require additional assistance from third parties in identification and assembly.

Figure C presents data for the average processing time (in business days) by category. The data only reflects processing time for requests that have been closed during the current reporting period.

Figure C



TIMELINE FACTORS

The primary factors contributing to the increase of average processing times in this reporting period for all categories were:

- Staff changes/transiting of the Deputy City Clerk and Police Support Supervisor
- Processing a now closed category 5 request received in March 2019
- Receipt of daily bot (automated) requests in November/December 2019

PUBLIC RECORDS ACT CASE LAW UPDATES

Washington Public Employees Association v. Washington State Center For Childhood Deafness & Hearing Loss - held that neither the Public Records Act nor the state constitution provided a protected privacy interest against disclosure of public employee names and birth dates (unless a criminal justice employee).

Gipson v. Snohomish County - affirmed

- Does not provide for "standing requests"

- Installments are not new stand-alone requests
- Agency is required to provide only records in existence at the time the request is made
- Does not require agencies to inform requester when an exemption expires
- Does not require agencies to provide an update to existing (closed or in process) responses if new laws or exemptions have become effective, or more records have been created, during the time since their initial receipt.

Kilduff v. San Juan County – That the Public Records Act does not require exhaustion of internal appeals prior to filing PRA lawsuit.

LEGISLATIVE SESSION 2020 - BILLS TO WATCH

SB 6438 - would apply the public records act to all courts and offices within the judicial branch
1/16/2020 - First reading, referred to State Government, Tribal Relations & Elections

HB 2703 - applying the public records act to all courts and offices within the judicial branch
1/20/2020 - First reading, referred to State Government and Tribal Relations

SB 6187 - modifying the definition of personal information for notifying the public about data breaches of a state or local agency system
1/31/2020- Scheduled for executive session in the Senate Committee on State Government, Tribal Relations and Elections

HB 1888 - protecting employee information from public disclosure (i.e. birth dates)
1/14/2020 - Public hearing in the House Committee on State Government and Tribal Relations

RELATED UPDATES

Staff has not completed a review of the internal minimum threshold for waiving costs when producing records in hardcopy format; this task has been reprioritized due both to the impact of staff changes on workload and that the number of records produced in hardcopy format is minimal. Staff will address the issue with the Steering Team later this year to determine the best outcome.

The Public Disclosure Steering Team will continue to assess the needs of the public records program. The current funding level appears to be adequate; to date, the program has not needed to draw on the \$100,000 Public Records Contingency Fund approved by the City Council in 2017.

3.15.120 Public records performance report.

No later than August 31st and the last day of February of each year, the city clerk will submit to the city council a report on the city's performance in responding to public records requests during the preceding six months.

The report shall include, at a minimum:

- (1) Open records requests (queue) at beginning of period;
- (2) Number of records requests received in the period by category;
- (3) Number of records requests closed in the period by category; and
- (4) Open records requests (queue) at end of period. (Ord. 4692 § 1, 2019; Ord. 4414 § 1 (part), 2013)



CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager
From: Lorrie McKay, Intergovernmental Relations & Economic Development Manager
Date: February 10, 2020
Subject: 2020 STATE LEGISLATIVE PRIORITIES UPDATE #3

RECOMMENDATION:

It is recommended that the City Council receive its third update on the City's 2020 State Legislative Priorities (Attachment A).

BACKGROUND DISCUSSION:

At the writing of this memo, the 60-day legislative session is in its fourth week and reaching the midpoint. Friday, February 7 was the last day for policy bills to be moved out of committee (or die) and Tuesday, February 11 is the last day for fiscal and transportation bills to do the same. While this is generally the rule, the legislature may resurrect bills for a host of reasons. Wednesday, February 19 is the last day for bills to be passed in their house of origin. For bills that are passed by the 19th, the whole process starts over again in the opposite chamber beginning on the 20th.

Members of the City's state delegation in legislative districts 1, 45 and 48 will hold Legislative Town Halls on Saturday, February 22. The times and locations are shown in the grid below.

Legislative District	Saturday February 22	Location	Address
48 th	10:30am – Noon	Redmond City Hall	15670 NE 85 th St. in Redmond
45 th	11am – 1pm	Lake WA Institute of Technology West Building, Room 4040	11605 132 nd Ave. NE. in Kirkland
1 st	3pm – 5pm	Cascadia Community College Mobius Hall	18345 Campus Way NE. in Bothell

SESSION CUTOFF CALENDAR:

- ✓ February 7 was the last day for policy bills pass out of committees in the house of origin.
- ✓ February 11 is the last day to pass bills out the fiscal and transportation committees in the house of origin.
- ✓ February 19 is the last day to pass bills out of the house of origin.

After the 19th, any of the City's bills that are passed will then go through the whole process again in the opposite chamber.

- ✓ February 28 is the last day for policy bills pass out of committees in the opposite house.
- ✓ March 2 is the last day to pass bills out the fiscal and transportation committees in the opposite house.

- ✓ March 6 is the last day to pass bills out of the opposite house (5 PM) (except initiatives and alternatives to initiatives, budgets and matters necessary to implement the budget, differences between the houses and other matters).
- ✓ March 12 is the last day of session.

FEBRUARY 10 STATUS UPDATE – CITY’S 2020 LEGISLATIVE PRIORITIES

The City Council’s Legislative Workgroup consists of Mayor Sweet, Deputy Mayor Arnold and Councilmember Curtis. The Workgroup is staffed by the City Manager, the Intergovernmental Relations & Economic Development Manager and Management Analyst Andreana Campbell, along with participation from Waypoint Consulting Group, the City’s contracted lobbyist. Deputy Mayor Arnold is the Chair the Workgroup, which meets weekly to track the status of the City’s priorities and it provides support and oversight of strategies for achieving the priorities.

- **Exempting homeless shelters from utility connection charges**
 - ✓ [SSB 6414](#), Prime sponsor in the Senate is Senator Derek Stanford (D) LD 1
 - ✓ [SHB 2629](#), Prime sponsor in the House is Representative Amy Walen (D) LD 48

SB 6414 was heard on January 21 in Senate Local Government Committee, where Mayor Sweet testified in support of the bill. The committee amended 6414 on February 4 and passed it to the Rules Committee for second reading. The effect of the changes made by Senate Local Government Committee are:

- Limits applicability to counties and cities that have declared a homelessness emergency.
- Limits the types of facilities to emergency homeless shelters only.
- Defines “homeless” as persons, including families who, for one particular day or night, do not have a safe shelter or sufficient funds to purchase or rent a place to stay.
- Defines “emergency shelter” as any facility funded, in whole or in part, by state capital or operating dollars, programs of the housing finance commission, housing authorities or local government housing funds, the sole purpose of which is to provide temporary shelter for the homeless and which does not require occupants to sign leases or occupancy agreements.

HB 2629 was heard on January 28 in the Housing, Community Development & Veterans Committee, and while it was scheduled for executive session on January 31, no action was taken. It came up again for executive session on February 5, where action was taken. On February 7, SHB 2629 was passed to Rules 2 Review.

- **Extending the date of a qualifying local tax for an affordable housing levy to November 30, 2021**
 - ✓ [HB 2797](#), Prime sponsor in the House is Representative June Robinson (D) LD 38
 - ✓ [SB 6631](#), Prime sponsor in the Senate is Senator Rebecca Saldaña (D) LD 37

This priority is a proposal to amend HB 1406, which was passed in the 2019 session.

HB 2797 was heard in the House Finance Committee on Friday, February 7 which also took executive action on the bill and it is expected to be moved out.

SB 6631 was heard in Housing Stability and Affordability on February 3 and the Committee took executive action on the 5th. On February 6, SB 6631 was referred to Ways & Means. In order to stay “alive,” the bill would need to be heard and moved out of Ways & Means by the end of day on Tuesday, February 11, which is the last day for fiscal and transportation bills to be heard in their house of origin.

- **Adding Accessory Dwelling Units as improvements to Single Family Dwellings that qualify for a three-year property tax exemption**

- ✓ [SB 6231](#), Prime sponsor in the Senate is Senator Patty Kuderer (D) LD 48
- ✓ [HB 2630](#), Prime sponsor in the House is Representative Amy Walen (D) LD 48

Senate bill 6231 was heard in Senate Housing Stability & Affordability on January 15, amended on the 27th and then referred to Ways & Means on the 28th. As of the writing of this memo, it had not yet been scheduled for hearing. The bill needs to be heard and moved out of Ways & Means by the end of day on Tuesday, February 11 in order to stay alive.

House Bill 2630 was referred to House Finance on January 22 but as of the writing of this memo, not scheduled for hearing.

- **Authorizing limited commission officers to review automated traffic safety camera citations**

- ✓ [HB 2735](#), Prime sponsor in the House is Representative Larry Springer (D) LD 45
There will be no senate companion bill for this priority.

HB 2735 was heard on January 27 in the House Public Safety Committee and scheduled for executive session on February 6. However, no action was taken, and HB 2735 died in committee with the February 7 cutoff for policy bills to be heard in their house of origin.

- **Support capital and transportation budget funding for prioritized local infrastructure projects**

- ✓ [Juanita Dr. - 79th Way NE to NE 120th St.](#) (LD 1) Sponsored by Senator Derek Stanford and Representatives Kloba and Duerr
- ✓ [Lighting CKC, south of NE 124th St. and under I-405](#) (45 LD) Sponsored by Senator Manka Dhingra and Representatives Goodman and Springer

After receiving a request on January 29 from Senator Kuderer for a capital project in the 48th to consider, Interim Director of Public Works Julie Underwood, identified three projects for consideration.

Ultimately, Senator Kuderer chose and submitted to the Senate's capital budget writers, a School & Transit Connector Sidewalk project on 120th Avenue NE between NE 80th Street and NE 80th Lane. This project would design and construct a sidewalk that serves students from Lake Washington High School and the surrounding South Rose Hill neighborhood. A new sidewalk facility would provide walkable access to NE 85th St. where there are services, existing transit and the future I-405 BRT and RapidRide K-line. Because the right-of-way is already acquired and design work would be minimal, this project is nearly "shovel-ready."

- ✓ [School & Transit Connector Sidewalk project](#) (48 LD) Sponsored by Senator Patty Kuderer

- **Formalize procedures to maximize development potential of lands adjacent to the I-405 & NE 85th Street Interchange**
 - ✓ [HB 2343](#), Prime sponsor in the House is Representative Joe Fitzgibbon (D) LD 34
 - ✓ [SB 6334](#), Prime sponsor in the Senate is Senator Solomon (D) LD

At its January 21 regular meeting, Council approved a recommendation by its Legislative Workgroup to recognize HB 2343 and SB 6334 as priority bills for this item, allowing the City to actively engage in the shaping of this bill, to keep the discussion about maximizing the WSDOT's surplus land for development front and center, and to highlight the great work on the station area project supplemented by HB 1923.

HB 2343 was heard January 16 in House Environment & Energy where it was amended, including those that the City requested, and moved out to the Rules Committee. As of the writing of this memo, SHB 2343 was made eligible to be brought to the floor of the House for a vote.

6334 was heard in Housing Stability and Affordability on January 27. It was amended on February 5 and then passed to Rules on the 6th.

- **Kingsgate Park and Ride Transit Oriented Development (TOD) Pilot Project**

The 2019 legislature authorized and provided WSDOT with \$350,000 to execute a TOD pilot project at the WSDOT-owned Kingsgate Park and Ride in Kirkland. WSDOT, in collaboration with the TOD Workgroup consisting of the City of Kirkland, Sound Transit and King County Metro, provided a report to the legislature in January of 2020, as required by the 2019 authorization. (Included on page 6 of [Update #2](#) in Council's February 4, 2020). The report identified potential legislative actions necessary that would contribute to the success of the pilot project and future TOD projects.

At the January 23, 2020 meeting of Kingsgate TOD Workgroup, WSDOT and Kirkland staff briefly discussed the release of the report and possible legislative needs for 2020. In consultation with Council's Legislative Workgroup, it was determined that the 2021 session would be the opportunity to pursue potential actions identified in the 2020 report. Given that 2020 is a short session ending March 12 and given that the report was submitted after the session started, not much should be expected.

The City's Intergovernmental Relations & Economic Development Manager and WSDOT's Director of Innovative Partnerships staff met in Olympia on January 28 and discussed the benefits of potential language for the supplemental transportation budget. that would direct and authorize WSDOT to continue work necessary to execute and accomplish a Transit Oriented Development (TOD) pilot project at the WSDOT-owned Kingsgate Park and Ride in Kirkland. This work includes but is not limited to, the transfer, lease or sale of some or all of the property to another governmental agency or private developer approved by WSDOT and partner agencies.

As part of our lobbying efforts during the AWC's City Action Days, Mayor Sweet, Councilmembers Pascal and Falcone and the City's Government Relations Manager met with Representative Slatter (LD 48) on January 28. One discussion point was to get Rep. Slatter's opinion on including (unfunded) proviso language in the 2020 supplemental transportation budget that would provide WSDOT direction on next steps with regard to the Pilot Project. Representative Slatter indicated that so long as no funding was tied to the proposed language, she would review and consider the proviso.

City and WSDOT staff provided draft proviso language (unfunded) to Representative Slatter on February 7. The proviso directs WSDOT to continue work necessary to execute and accomplish the Kingsgate TOD pilot project in Kirkland (Attachment B). The language also requires the WSDOT provide the legislature an updated report describing implementation actions in 2020 and identify any additional legislative actions necessary to facilitate the project and future TOD projects by December 31, 2020.

On Monday, February 10, Representative Slatter submitted a formal request to Representative Fey to include the unfunded proviso language in the 2020 supplemental transportation budget.

KIRKLAND'S BILL REVIEW PROCESS:

State bill drafts are introduced daily in Olympia by lawmakers in the Senate and House. The City's review process is initiated at that point, where relevant bills are flagged for the City to review. These bills are assigned to department(s) and subject-matter experts for review to determine potential impacts to the City. This process also includes staff making an initial assessment and recommendation on the City's position on a given bill (Support/Oppose/Neutral/Monitor). Intergovernmental staff then provide reviewed bills, their analysis and staff's recommendations (Attachment C) to Council's Legislative Workgroup. The Workgroup, whose activities are guided by the adopted legislative agenda's general principles, as well as the City Council's Goals, discuss and confirm staffs' recommendations.

The "Bill Status and Position Tracker" Report is provided to Council within the legislative update memo, prepared for each council meeting. The Tracker communicates the positions on bill proposals that the Workgroup recommends the City take, based on the process described above. The bill tracker (Attachment D) is updated on Fridays, following the weekly meeting of the Legislative Workgroup. The AWC's Bill Hot Sheet for this period is also attached (Attachment E).

The Intergovernmental Relations staff then relay the City's position on bill proposals to the City's legislative lobbyist, who take appropriate action on behalf of the City at state committee hearings in Olympia.

If, during the session, a proposed bill (of concern to the City) is determined to be beyond the scope of the legislative agenda's general principles, or not in sync with the Council Goals, then the Legislative Workgroup will bring the bill proposal before the full Council for consideration and discussion at its next regular council meeting.

Attachments: Attachment A – Status update on the City's 2020 State Legislative Priorities
Attachment B – Draft Transportation Budget Proviso Language TOD Pilot Project
Attachment C – Feb 7, Bill Analysis & Recommendation Report (1/17 - 1/24)
Attachment D – Feb 7, DRAFT Bill Status & Position Tracker Report (1/17 - 1/24)
Attachment E – AWC Hot Sheet

City of Kirkland 2020 Legislative Priorities – Status
Updated: February 7, 2020

Attachment A

2020 Legislative Priority	Bill #	Prime Sponsor	Status
<p>New local funding and policy tools to address homelessness and create more affordable housing, such as:</p> <ul style="list-style-type: none"> Exempting homeless shelters from utility connection charges Extending the date of a qualifying local tax for an affordable housing levy to November 30, 2021 Adding Accessory Dwelling Units as improvements to Single Family Dwellings that qualify for a three-year property tax exemption 	<p>SHB 2629 SSB 6414</p> <p>HB 2797 SSB 6631</p> <p>HB 2630 SSB 6231</p>	<p>Rep. Walen Sen. Stanford</p> <p>Rep. Robinson Sen. Saldana</p> <p>Rep. Walen Sen. Kuderer</p>	<p>2/5 – Exec action taken in Hsng, Comm Dev & Vets 2/5 – Passed to Rules for 2nd Reading</p> <p>2/7 – Hearing scheduled at 1:30 in Finance 2/6 – Referred to Ways & Means</p> <p>1/16 – Referred to Finance 1/28 – Referred to Ways & Means</p>
<p>Authorizing limited commission officers to review automated traffic safety camera citations</p>	<p>HB 2735</p>	<p>Rep Springer</p>	<p>2/6 – Scheduled for Exec, no action taken in Public Safety</p>
<p>Support capital and transportation budget funding for prioritized local infrastructure projects, such as:</p> <ul style="list-style-type: none"> Juanita Dr. - 79th Way NE to NE 120th St. (1st LD) Lighting CKC, south of NE 124th St. and under I-405 (45th LD) School Transit Connector Sidewalk Project (48th LD) Neighborhood Access Safety Project (48th LD) Increase Capacity to Improve Access to Employment Centers (48th LD) 		<p>Sen. Stanford Rep. Kloba</p> <p>Rep. Goodman Sen. Dhingra</p> <p>Sen. Kuderer Sen. Kuderer Sen. Kuderer</p>	<p>1/22 – Senate member form submitted 1/22 - House member form submitted</p> <p>1/22 - House member form submitted 1/22 – Senate member form submitted</p> <p>2/1 – Senate member form submitted 2/1 – Senate member form submitted 2/1 – Senate member form submitted</p>
<p>Exempt street maintenance from the Public Works threshold limitations</p>			
<p>Formalize procedures to maximize development potential of lands adjacent to the I-405 & NE 85th Street Interchange</p>	<p>SHB 2343 SSB 6334</p>	<p>Rep Fitzgibbon Sen. Solomon</p>	<p>1/30 – Referred to Rules 2 Review 2/5 – Exec action taken in Hsng Stability & Affordability</p>

* No HIGHLIGHTS = No change in status from last update.

February 4, 2020

DRAFT WSDOT TOD PILOT PROJECT PROVISOR

The Washington State Department of Transportation (WSDOT), having been previously authorized under Section 214 of ESHB 1160 to execute a Transit Oriented Development (TOD) pilot project at the WSDOT-owned Kingsgate Park and Ride in Kirkland, is directed to continue this work. The department, in collaboration with the City of Kirkland, Sound Transit and King County Metro provided a report to the legislature in January of 2020 that identified potential legislative actions necessary that would contribute to the success of the pilot project and future TOD projects.

WSDOT is hereby authorized to continue executing any and all legal and administrative actions necessary to accomplish the TOD pilot. These authorizations include, but are not limited to, the transfer, lease or sale of some or all of the property to another governmental agency or private developer approved by WSDOT and partner agencies. The department shall provide the legislature an updated report by December 31, 2020. The report shall describe the department's implementation actions in 2020 and identify any additional legislative actions necessary to facilitate the project and future TOD projects.

Updated 2/6/2020

Reviewer Analysis & Position Recommendation Report (01/30/20-02/06/20)
City of Kirkland

Bill #	Short Description	Sponsor	Date Completed	City Priority	Summary	Rec. Position
SHB 1315 (SB 5174)	Concerning concealed pistol license training.	Lovick	02/03/2020		No review given. KPD recommends "support"	Support
SHB 2265 (SB 6360)	Eliminating exemptions from restrictions on the use of perfluoroalkyl and polyfluoroalkyl substances in firefighting foam.	Doglio	02/03/2020		Kirkland Fire no longer uses any foams that contain these chemicals.	Support
SHB 2358 (SB 6208)	Increasing mobility through the modification of stop sign requirements for bicyclists.	Fitzgibbon	02/04/2020		<p>PW - Similar to a law passed in Idaho in 1982. This law allows bicyclists to treat stop signs and "yields". The Idaho law also includes bicyclists being able to treat traffic signals as stop signs, which thankfully this proposed bill does not. Making a stop sign a yield for cyclists makes a lot of sense and makes bicycling a more attractive option. It also means that what safe cyclists already do is no longer against the law. Allowing cyclists to treat stop signs as yield signs is very helpful because it saves the cyclists a lot of energy because they are not required to come to a complete stop and lose all of their momentum. Conversely it is very easy for a bike to stop from a slow speed if they need to yield.</p> <p>In 2001, physics professor Joel Fajans conducted tests on California Street in Berkeley on an official bike route with tons of stop signs and found he was able to maintain an average speed of 10.9 miles per hour without breaking a sweat. On a parallel street without stop signs, he could cruise about 30 percent faster 14.2 miles per hour with the same amount of energy. (Background article - https://nacto.org/wp-content/uploads/2012/06/Fajans-J.-and-M.-Curry.-2001..pdf)</p>	Support
HB 2483	Clarifying vehicle impoundment and redemption following arrest for driving or being in physical control of a vehicle while under the influence of alcohol or drugs.	Van Werven	01/31/2020			Support

<p>HB 2496</p>	<p>Providing for responsible environmental management of batteries.</p>	<p>Mead</p>	<p>01/31/2020</p>	<p>Summary Currently, consumers are confused on appropriate management of batteries. Batteries are often disposed of in garbage and recycling containers, sometimes causing fires and other safety concerns. This legislation establishes a producer funded stewardship program for batteries. Beginning January 1, 2024, each producer will participate in an approved Washington state battery stewardship plan through participation in and appropriate funding of a battery stewardship organization. Retailers can only sell batteries that are part of the program. Covered batteries are defined as primary batteries, rechargeable batteries, or battery packs weighing less than 25 pounds. The stewardship program is responsible for all elements including costs, transportation, processing, and ensuring responsible end of life. Prohibits the disposal of batteries in garbage or recycling bins. The bill does not include an environmental handling fee (like paint). Comments The legislation will provide City residents, businesses, institutions, and governments with no-charge and widely accessible, safe management of single use and rechargeable batteries and ban their placement in solid waste or recycling collection containers.</p>	<p>Support</p>
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HB 2507	Addressing illicit discharges of wastewater pollution.	Irwin	01/27/2020		Public Works - This specific topic does not need to be in the NPDES Permit - should be more of a regional outreach effort led by Ecology Concerned about the emphasis on enforcement vs. education and providing free dump sites - Kirkland already has the authority to do enforcement if we can find people dumping, so this bill doesn't add much to the mix Stormwater people are not the ones to be monitoring and enforcing regarding parking - we can help to educate regarding proper RV pumpout, but it should not be a stormwater job to monitor parking lot use by RVs. Seems like this places a burden on homeless folks who are already struggling - rather than enforcement, consider emphasizing the low-cost or free dump sites. Would prefer if the whole bill focused on funding and providing outreach on free/low-cost dump sites for RVs	Neutral
HB 2519	Concerning reasonable public safety measures to prevent dangerous individuals from acquiring ammunition.	Walen	01/31/2020			Support
HB 2537	Establishing the law enforcement training standards and education board for the purpose of improving the basic law enforcement education academy and other programs and curriculum hosted or designed by the criminal justice training commission.	Maycumber	01/31/2020		No review given. KPD recommends "neutral"	Neutral
HB 2538	Concerning a pilot project for providing basic law enforcement training in eastern Washington.	Maycumber	01/31/2020		No review given. KPD recommends "monitor"	Monitor
SHB 2555	Concerning background check requirements for firearms classified as other under federal firearms laws.	Goodman	02/03/2020		No review given. KPD recommends "support"	Support
HB 2560	Concerning basic law enforcement training.	Maycumber	02/03/2020		No review given. KPD recommends "support"	Support
HB 2569	Authorizing pretrial detention for certain offenses involving firearms.	Wylie	01/21/2020		No review given. Courts recommend "Neutral"	Neutral

HB 2625	Concerning local parks funding options.	Eslick	01/31/2020		Finance - Provides additional revenue options. Parks & Rec -This bill provides an additional option to help fund critical parks and recreation agencies. It is "another tool in the toolbox" and can be used at the City's discretion. The bill discusses the growth of the population and increasing demand to park and recreation agencies. It specifically cites sports. Language in the bill authorizes the money to be used for "acquiring, constructing, improving, providing and funding park maintenance and improvement within the taxing area". This language seems a bit restrictive and I would question if regulating agencies would allow use of the money for recreation facilities and sports courts. If "recreation facilities" could be inserted into the bill, it may provide greater flexibility to provide critical facilities to meet the increasing sports demand.	Support
HB 2641	Authorizing cities to provide passenger-only ferry service.	Fey	02/04/2020		PW - Unless the City has plans to fund passenger only ferry service, this wouldn't impact the City. However, this bill enables Kirkland to do so. Recommends "neutral."	Neutral
HB 2658	Authorizing local option revenue for homelessness services, subject to specified conditions, including prohibiting supervised injection sites and requiring local restrictions on camping on public property.	Stokesbary	01/31/2020		This bill is not aligned with the City's policy goals, in my opinion. It would allow cities and counties to ask for voter approval of a sales tax increase to create new revenues for homeless services, but only if the county or city prohibited supervised needle injection sites and restricted overnight camping on public property, without prior authorization, within 500 feet of schools, public parks and courthouses. This would also be tricky to implement even if the City wanted to under the 9th Circuit ruling in Martin v. Boise.	Oppose
HB 2659 (SB 6350)	Limiting state and local taxes, fees, and other charges relating to vehicles.	Young	02/06/2020		Limiting car tabs to \$30 was not supported in King County	Oppose

<p>HB 2713</p>	<p>Encouraging compost procurement and use.</p>	<p>Walen</p>	<p>01/30/2020</p>	<p>Summary This bill would require state and local agencies to consider whether compost products can be used in government-funded projects. If compost products can be used and the agency offers residential organics collection service, agencies would be required to enter into a purchasing agreement with its local compost processor to purchase finished compost for use in its project(s) that is equal to or greater than 50 percent of the amount of compost the jurisdiction delivered to the compost processor. There are several exceptions to the purchasing requirement provided that include lack of product availability, non-compliance with purchasing standards, and product non-compliance with health and safety standards. The bill would also require the Department of Agriculture to create a three year pilot to reimburse farmers for the purchase of compost products and the associated equipment and labor costs to deploy the compost. There is no funding source identified for the agriculture subsidy. Comments I strongly suggest that other City departments (Parks Department and Public Works Maintenance) that could be impacted by the bill be given the opportunity to review. In 2019, Kirkland produced 16,216 tons of</p>	<p>Neutral</p>
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HB 2722 (SB 6645)	Concerning minimum recycled content requirements.	Mead	01/30/2020		<p>Summary Starting in 2021, plastic beverage containers must contain postconsumer recycled content in specified minimum proportions. Polycoated cartons, foil pouches, and drink boxes are exempt. The requirement starts at 15% postconsumer recycled plastic and scales up between 2021 and 2035, capping out with a requirement for 75% postconsumer recycled plastic. Beverage manufacturers that do not comply will be subject to a fine per container, dependent on their compliance rate, which will be adjusted to match the consumer price index. Beverage manufacturers must report on the quantity and resin type of both virgin and recycled content used in their products. Comments This bill would help build / strengthen markets for recycled plastic, which lately has been a challenging material to find markets for due to the impacts of China Sword restrictions. It is important that the bill specifies postconsumer recycled content, which means that the requirement will support markets for plastic recycled by our residents and businesses. Increasing demand for postconsumer recycled plastic supports the consumer recycling system and could improve prices for postconsumer plastic, which in the long-term could theoretically</p>	Support
HB 2869	Concerning property tax exemptions for certain mobile homes and manufactured homes.	Graham	02/06/2020			Neutral
HB 2900	Concerning marijuana excise tax distributions to local governments.	Peterson	02/06/2020		Setting aside more for counties could reduce distribution to cities	Neutral

HB 2907 (SB 6669)	Authorizing counties with populations over two million to impose an excise tax on business.	Macri	02/03/2020		<p>CAO - This bill has a number of sponsors, including Rep. Springer. It would authorize counties with populations greater than two million to impose an excise tax on employers (head tax) to help reduce homelessness in a variety of ways. The new tax would not require prior voter approval. It would initially be multiplied at a rate of not more than two-tenths of one percent and not less than one-tenth of one percent of an employer's payroll expense. However, payroll expense does not include employees making less than \$150,000 per year, and various types of businesses are exempt (e.g. fuel, liquor, local governments, non-profits, small businesses and cancer centers). In King County, and for certain types of expenditures (e.g. affordable housing, behavioral health facilities and improved public safety services), the head tax revenues would be distributed by the County to the City of Seattle (43%) and the remaining cities and regional housing partnership in the county (57%). This bill would create taxing authority but not mandate its exercise. Recommends "support."</p> <p>At the February 4th City Council Meeting - Council agreed to move this to "monitor"</p>	Monitor
HB 2919	Adjusting the amount and use of county fees on the real estate excise tax.	Chopp	02/06/2020		Increases county revenue for their administrative processing and some for housing	Neutral

HB 2924 (SB 6546)	Incentivizing shared housing.	Chambers	02/06/2020		<p>Projects proposing a shared housing model that increases the number of unrelated persons able to reside within a home is added to the list of 14 preference criteria Commerce must use to evaluate HTF grant and loan applications. This substitute bill considered at the Senate Committee on Housing and Stability would seem to have little actual impact, based on the following testimony from Commerce staff:</p> <p>"HTF grants and loans tend to focus on specific populations. In the last funding cycle, approximately \$10 million went to projects classified as a shared housing-type model. The bill would prioritize shared housing as a point of emphasis within HTF awards, which would likely exclude for-profit developers."</p>	Neutral
HJR 4210	Authorizing pretrial detention for certain offenses involving firearms.	Wylie	01/21/2020		No review given. Courts recommend "Neutral"	Neutral

SB 5799 (HB 1342)	Concerning the fair servicing and repair of digital electronic products.	Hasegawa	01/30/2020		Summary This legislation intends to broaden access to the information and tools necessary for repair of digital electronic products, thereby reducing unnecessary early disposal of those products, increasing consumer control over their own devices, and supporting a competitive repair market and the increased availability of remanufactured or repaired advanced electronics to create lower cost entry points for consumers to own advanced electronics. Manufacturers must make available information, parts, and repair tools at reasonable costs to independent repair providers and the consumer. Manufacturers are prohibited from designing or manufacturing products in such a way to prevent reasonable repairs (such as permanently affixing a battery). The companion HB 1342 offers an alternative to the requirement to provide repair information and parts by allowing manufacturers to provide a training and certification program and by requiring manufacturers to have a certain minimum number of certified repair facilities. Comments This fair repair act supports our goals of waste prevention and reduction by increasing access to repair, and reducing needs to purchase more new items.	Support
SB 5816 (HB 1625)	Clarifying the valuation and determination of used and useful property for rate making purposes.	Carlyle	02/05/2019		Finance also should see this one. It's unclear how this might influence utility rates for entities such as PSE, upon which we impose a utility tax, but wonder if there might be a companion benefit to us for property tax? Cities get a share of the property tax collected on Statewide private utility infrastructure. If this would revalue used and useful utility infrastructure, we might see slightly higher distribution from utility property tax, though the legislation appears silent on that. Finance is Neutral	Monitor
SSB 6148	Concerning peace officer certification.	Salomon	02/03/2020		No review given. KPD recommends "support"	Support

SB 6163	Concerning unlawful possession of firearms for persons free on bond or personal recognizance pending trial, appeal, or sentencing for felony charges under RCW 46.61.502(6) and 46.61.504(6).	Dhingra	01/31/2020			Support
SB 6196	Creating a homelessness impact grant program to address security and sanitation impacts of homeless populations.	Braun	01/31/2020			Neutral
SSB 6206 (HB 2359)	Creating a certificate of compliance for marijuana business premises that meet the statutory qualifications at the time of application.	Rivers	02/04/2020		Finance - No review given. Box checked that indicates "no impact to the City of Kirkland." recommends "neutral."	Neutral
SSB 6208 (HB 2358)	Increasing mobility through the modification of stop sign requirements for bicyclists.	Billig	02/04/2020		<p>PW - Similar to a law passed in Idaho in 1982. This law allows bicyclists to treat stop signs and "yields". The Idaho law also includes bicyclists being able to treat traffic signals as stop signs, which thankfully this proposed bill does not. Making a stop sign a yield for cyclists makes a lot of sense and makes bicycling a more attractive option. It also means that what safe cyclists already do is no longer against the law. Allowing cyclists to treat stop signs as yield signs is very helpful because it saves the cyclists a lot of energy because they are not required to come to a complete stop and lose all of their momentum. Conversely it is very easy for a bike to stop from a slow speed if they need to yield.</p> <p>In 2001, physics professor Joel Fajans conducted tests on California Street in Berkeley on an official bike route with tons of stop signs and found he was able to maintain an average speed of 10.9 miles per hour without breaking a sweat. On a parallel street without stop signs, he could cruise about 30 percent faster 14.2 miles per hour with the same amount of energy. (Background article - https://nacto.org/wp-content/uploads/2012/06/Fajans-J.-and-M.-Curry.-2001..pdf)</p>	Support
SSB 6215	Establishing a collaborative process to alleviate the burden on local courts to determine indigency through proof of receipt of public assistance.	Braun	01/31/2020		CAO - This bill would make no cost, on-line, real-time verification of public assistance from DSHS and the HCA available to the courts for purposes of helping the courts make determinations of indigency for purposes of public defender services.	Support

SSB 6231 (HB 2630)	Limiting the property tax exemption for improvements to single-family dwellings to the construction of accessory dwelling units.	Kuderer	01/30/2020		SSB 6231 removes the general three year tax exemption for single family home improvements and allows it only for new attached and detached ADUs. By narrowing the incentive to just ADUs, this amendment could create more incentive for single-family homeowners to construct ADUs.	Support
SB 6278	Concerning water withdrawals for commercial bottled water production.	Carlyle	01/30/2020		Summary This bill amends RCW 90.03.290 to deem the withdrawal of water for commercial production of bottled water detrimental to the public interest. Under the existing RCW, water withdrawal applications must be evaluated to consider whether they are detrimental to the public interest; thus this bill likely will effectively prohibit the withdrawal of water from public lands for commercial bottling. Public emergencies necessitating rapid production of bottled water are exempt. Comments Bottled water is effectively a single-use provision of a resource that is freely available to most people, through municipal water sources. In a lifecycle analysis completed by Oregon DEQ, tap water was found to have lower environmental impacts than bottled water both from in- and out-of-state. While there are legitimate needs for bottled water in some circumstances (especially in emergency preparedness and response scenarios), in daily life it can often be replaced with municipal water sources and durable containers. Solid Waste staff support the reduction of unnecessary bottled water use. Prohibiting local production of commercial bottled water would not necessarily cause a reduction in use of bottled water. Banning the	Support
SB 6307	Communicating mass violence threats.	Liias	02/03/2020		No review given. KPD recommends "support"	Support

SSB 6328	Creating a local infrastructure investment program to support the development of affordable housing, workforce housing, and revitalization efforts.	Warnick	02/04/2020		Finance - The substitute bill actively excludes any cities West of the Cascade Crest (and the City of Kirkland by extension) under Section 1) 3. The benefits of the substitute bill are only available to the medium cities in Eastern Washington, so this substitute bill is no longer beneficial to the City of Kirkland. These changes downgrade my recommended position from Support to Neutral. My comments on the original bill still stand, the original version would be a good bill for Kirkland. That version would potentially provide a large tax rebate benefit to Kirkland for projects if they qualify as part of an "revitalization area." Recommends "neutral."	Neutral
SB 6350 (HB 2659)	Limiting state and local taxes, fees, and other charges relating to vehicles.	Fortunato	02/06/2020		Limiting the car tabs to \$30 was not supported by the majority of King County.	Oppose
SB 6387	Accelerating housing infrastructure investments by adjusting impact fee timelines.	Zeiger	01/30/2020		Planning concurs with Public Works comments on this bill. Public Works - Although the City of Kirkland is good at spending our impact fees as quickly as possible, having the additional flexibility to not refund them for 10 years is appreciated. Just speculating, but maintaining the 10 year deadline may be more important for smaller cities who likely take longer to amass impact fees to spend on larger capacity related projects.	Oppose
SSB 6402	Concerning the use of a stolen firearm.	Rivers	02/03/2020		No review given. KPD recommends "support"	Support
SSB 6414 (HB 2629)	Waiving utility connection charges for certain properties.	Stanford	02/05/2020		Planning: No review provided. Recommends "support"	Support
SSB 6415	Allowing a permanent fire protection district benefit charge with voter approval.	Das	02/04/2020		Finance - Allows for greater revenue flexibility, however, no current impact to Kirkland. Recommends "support"	Support
SB 6490 (HB 2878)	Addressing housing concerns for individuals impacted by the criminal justice system.	Darneille	02/03/2020		No review given. KPD recommends "neutral"	Neutral

SB 6546 (HB 2924)	Incentivizing shared housing.	Zeiger	02/06/2020		Projects proposing a shared housing model that increases the number of unrelated persons able to reside within a home is added to the list of 14 preference criteria Commerce must use to evaluate HTF grant and loan applications. Bill would seem to have little actual impact, based on the following testimony from Commerce staff: "HTF grants and loans tend to focus on specific populations. In the last funding cycle, approximately \$10 million went to projects classified as a shared housing-type model. The bill would prioritize shared housing as a point of emphasis within HTF awards, which would likely exclude for-profit developers."	Neutral
SB 6570	Concerning law enforcement officer mental health and wellness.	King	02/05/2020		KPD: KPD fully supports this bill and is requesting the support of the Council Legislative Committee. Recommends "support"	Support
SB 6595	Making condominium and homeowner association dues allocated based on the assessed value of each condominium or home as a percentage of the total value of all units or lots in the association.	Lovelett	02/06/2020			Neutral
SB 6639	Reestablishing a business and occupation tax deduction for government-funded behavioral health care.	O'Ban	02/06/2020			Neutral
SB 6661 (HB 2817)	Concerning the issuance and forfeiture of marijuana retailer, marijuana producer, and marijuana processor licenses.	Takko	02/05/2020		Part of this bill could limit the forfeiture ability for a marijuana retailer's license based on being fully operational. Previous law would require forfeiture if the license holder was not licensed within 24 months. This proposed legislation would allow the board to determine if issues beyond the license holders control could extend the forfeiture period. Extending this could hurt retail sales tax if all any of the limited four licenses in Kirkland were to close operations but maintain their license.	Monitor

Updated: 02/07/20

**Bill Status and Position Tracker Report
City of Kirkland**

Bill #	Abbrev. Title	Leg. Status	Sponsor	Position	City Priority
SHB 1315 (SB 5174)	Concealed pistol training	H Rules R	Lovick	Monitor	
HB 2202	Law enf./firearm training	H Civil R & Judi	Klippert	Neutral	
HB 2206	GMA/rural gov. services	H Env & Energy	MacEwen	Oppose	
HB 2221	Small winery tax relief	H Finance	Wylie	Neutral	
HB 2227 (SB 6031)	Vehicle taxes & fees	H Trans	Young	Oppose	
HB 2229 (SB 6079)	Land dev. & management/tax	H Rules R	Sullivan	Monitor	
HB 2237 (SB 6075)	Local effort assistance	H Approps	Blake	Neutral	
HB 2241 (SB 6076)	Assault weapons	H Civil R & Judi	Peterson	Support	
HB 2245 (SB 6084)	Roundabouts	H Trans	Barkis	Support	
SHB 2265 (SB 6360)	Firefighting foam	H Rules R	Doglio	Support	
HB 2285	Road maintenance/planning	H Trans	McCaslin	Neutral	
HB 2305	Vulnerable adults/firearms	H CRJDP	Doglio	Support	
HB 2322 (SB 6497)	Transp. budget, supplemental	H Trans	Fey	Monitor	
HB 2323	Motor vehicle sales tax	H Finance	MacEwen	Monitor	
SHB 2358 (SB 6208)	Bicyclists/stop signs	H 2nd Reading	Fitzgibbon	Support	
HB 2360	Sharps waste stewardship	H Approps	Peterson	Support	
HB 2362 (SB 6652)	Local transportation revenue	H Trans	Ramos	Monitor	
HB 2384 (SB 6232)	Nonprofit housing/prop. tax	H Finance	Doglio	Support	
HB 2389	Photovoltaic modules	H Env & Energy	Shewmake	Monitor	
HB 2391	Workforce surcharge/housing	H Finance	Young	Monitor	
HB 2420	Indigent defense/state	H Approps	Irwin	Monitor	
HB 2452	Multiple-unit housing REET	H Finance	Barkis	Monitor	
HB 2453 (SB 6379)	Residential tenants	H Civil R & Judi	Macri	Support	
HB 2488	Park & rec. district levies	H Finance	Fitzgibbon	Monitor	
HB 2489 (SB 6212)	Affordable housing/prop. tax	H Finance	Ryu	Monitor	
HB 2496	Batteries/environment	H Env & Energy	Mead	Support	
HB 2497	Affordable housing financing	H Finance	Ormsby	Support	
HB 2500 (SB 6319)	Senior property tax admin.	H Finance	Ryu	Neutral	
HB 2507	Wastewater pollution	H Env & Energy	Irwin	Neutral	
HB 2508 (SB 6481)	City utility surplus	H Rules R	Wylie	Neutral	
HB 2515	Transp. electrification	H Trans	Macri	Neutral	
HB 2519	Ammunition	H Civil R & Judi	Walen	Support	
HB 2537	Law enf. training board	H Public Safety	Maycumber	Neutral	
HB 2538	Eastern WA law enf. training	H Approps	Maycumber	Monitor	
SHB 2555	Other firearms/background	H Approps	Goodman	Support	
HB 2560	Basic law enf. training	H Approps	Maycumber	Support	
HB 2569	Pretrial detention/firearms	H Public Safety	Wylie	Neutral	
HB 2620 (SB 6411)	Multiple-unit dwellings/tax	H Finance	Walen	Monitor	
HB 2625	Local parks funding options	H Finance	Eslick	Support	
HB 2630 (SB 6231)	Accessory dwelling units/tax	H Finance	Walen	Support	Yes
HB 2634 (SB 6366)	Affordable housing/REET	H Finance	Walen	Support	
HB 2639	Home sharing support grants	H Hous, Com Dev	Caldier	Support	
HB 2641	Passenger-only ferry service	H TRDP	Fey	Neutral	
HB 2656 (SB 6627)	Single-use food service	H Env & Energy	Gregerson	Monitor	
HB 2658	Local revenue/homelessness	H Finance	Stokesbary	Oppose	
HB 2659 (SB 6350)	Vehicle taxes & fees	H Trans	Young	Oppose	

HB 2668	Affordable housing options	H Finance	Ryu	Monitor	
HB 2684 (SB 6466)	Traffic control signals	H Trans	Shewmake	Support	
HB 2688 (SB 6398)	Transportation policy goals	H Trans	Shewmake	Neutral	
HB 2713	Compost procurement and use	H State Govt & T	Walen	Neutral	
HB 2722 (SB 6645)	Minimum recycled content	H Env & Energy	Mead	Support	
HB 2735	Safety camera infractions	H Public Safety	Springer	Support	Yes
HB 2749	City-DOR business licenses	H Finance	Orwall	Neutral	
HB 2797 (SB 6631)	Housing/sales & use tax	H Finance	Robinson	Support	Yes
HB 2811 (SB 6124)	Environmental education	H Rules R	Johnson	Support	
HB 2869	Mobile homes/prop. tax ex.	H Finance	Graham	Neutral	
HB 2900	Marijuana excise tax distrib	H Approps	Peterson	Neutral	
HB 2907 (SB 6669)	County business excise tax	H Finance	Macri	Monitor	
HB 2919	REET county fees	H Finance	Chopp	Neutral	
HB 2924 (SB 6546)	Shared housing	H Cap Budget	Chambers	Neutral	
HJR 4210	Pretrial detention/firearms	H Public Safety	Wylie	Neutral	
SB 5799 (HB 1342)	Electronics servicing	S Environment, E	Hasegawa	Support	
SB 5816 (HB 1625)	Utility rate making/property	S 3rd Reading	Carlyle	Neutral	
SB 6031 (HB 2227)	Vehicle taxes & fees	S Transportation	Fortunato	Oppose	
SB 6041	Motor vehicle sales tax	S Ways & Means	Braun	Neutral	
SB 6045	Vulnerable public way users	S Rules 2	Takko	Neutral	
SB 6075 (HB 2237)	Local effort assistance	S EL/K-12	Takko	Neutral	
SB 6076 (HB 2241)	Assault weapons	S Law & Justice	Kuderer	Support	
SB 6079 (HB 2229)	Land dev. & management/tax	S Ways & Means	Mullet	Monitor	
SB 6084 (HB 2245)	Roundabouts	S Transportation	Takko	Support	
SB 6107	Affordable housing services	S Ways & Means	O'Ban	Monitor	
SB 6108	RTA taxes, nullifying	S Transportation	O'Ban	Oppose	
SB 6124 (HB 2811)	Environmental education	S EL/K-12	Hunt	Support	
SB 6125	PERS/elected positions	S Ways & Means	Hunt	Neutral	
SB 6126	Housing tax/councilmanic	S Rules 2	Hunt	Support	
SSB 6148	Peace officer polygraphs	S Rules 2	Salomon	Support	
SB 6161	Ammunition excise tax	S Law & Justice	Dhingra	Support	
SB 6163	Firearms/free on bond	S Rules 2	Dhingra	Support	
SB 6167 (HB 2522)	Homelessness BSA approps.	S Ways & Means	Rolfes	Support	
SB 6185	Down payment assistance	S Housing Stabil	Zeiger	Neutral	
SB 6186	Homelessness diversion	S Housing Stabil	Zeiger	Monitor	
SB 6194	Multiple business taxes	S Local Governme	Braun	Monitor	
SB 6196	Homelessness impact grants	S Housing Stabil	Braun	Neutral	
SB 6199	Prop. tax exemp./inflation	S Ways & Means	Braun	Monitor	
SB 6201	Multiple-unit housing REET	S Housing Stabil	Braun	Monitor	
SSB 6206 (HB 2359)	Marijuana compliance cert.	S Rules 2	Rivers	Neutral	
SSB 6208 (HB 2358)	Bicyclists/stop signs	S Rules 2	Billig	Support	
SB 6212 (HB 2489)	Affordable housing/prop. tax	S Ways & Means	Das	Support	
SSB 6215	Indigency/public assistance	S Rules 2	Braun	Support	
SSB 6231 (HB 2630)	Accessory dwelling units/tax	S Ways & Means	Kuderer	Support	Yes
SB 6232 (HB 2384)	Nonprofit housing/prop. tax	S Ways & Means	Kuderer	Support	
SB 6245	Vehicle taxes & fees	S Transportation	O'Ban	Oppose	
SB 6278	Bottled water production	S Ag/Water/Natur	Carlyle	Support	
SB 6307	Mass violence threats	S LAWDP	Lias	Support	
SB 6319 (HB 2500)	Senior property tax admin.	S Ways & Means	Takko	Support	
SSB 6328	Local infra. investment prg	S Ways & Means	Warnick	Neutral	
SB 6350 (HB 2659)	Vehicle taxes & fees	S Transportation	Fortunato	Oppose	

SB 6360 (HB 2265)	Firefighting foam	S Environment, E	Van De Wege	Support	
SB 6366 (HB 2634)	Affordable housing/REET	S Ways & Means	Mullet	Support	
SB 6379 (HB 2453)	Residential tenants	S Housing Stabil	Kuderer	Support	
SB 6386	Low-income housing/fees	S Rules 2	Zeiger	Support	
SB 6387	Housing/impact fee timelines	S Housing Stabil	Zeiger	Oppose	
SB 6388	Housing/impact fees	S Housing Stabil	Zeiger	Neutral	
SB 6398 (HB 2688)	Transportation policy goals	S Transportation	Saldaña	Neutral	
SSB 6402	Use of a stolen firearm	S Rules 2	Rivers	Support	
SSB 6414 (HB 2629)	Utility connection charges	S Rules 2	Stanford	Support	Yes
SSB 6415	Perm. fire district charge	S Rules 2	Das	Support	
SB 6445	Financial instit./B&O tax	S Financial Inst	Kuderer	Neutral	
SB 6446	Lodging taxes/housing	S Housing Stabil	Kuderer	Neutral	
SB 6466 (HB 2684)	Traffic control signals	S Transportation	Randall	Support	
SB 6474	Sales tax diversification	S Ways & Means	Das	Support	
SB 6481 (HB 2508)	City utility surplus	S Rules 2	Cleveland	Neutral	
SB 6490 (HB 2878)	Criminal justice/housing	S Human Svcs, Re	Darneille	Neutral	
SB 6546 (HB 2924)	Shared housing	S Housing Stabil	Zeiger	Neutral	
SB 6570	Law enforce. mental health	S Behavioral Hea	King	Support	
SB 6595	Condo & HOA dues, value	S Law & Justice	Lovelett	Neutral	
SSB 6631 (HB 2797)	Housing/sales & use tax	S Ways & Means	Saldaña	Support	Yes
SB 6639	Behavioral health/B&O tax	S Ways & Means	O'Ban	Neutral	
SB 6661 (HB 2817)	Marijuana licenses	S Labor & Commerc	Takko	Monitor	

** Staff recommendations may change as issues in Olympia evolve.]*

Other NOTES: Bills with an "Oppose" position recommendation - The Legislative Workgroup's approach with bills indentified with "Oppose" is to check-in with AWC, and monitor while continuing to analyze and evaluate from there. In other words, the City is not taking action (not signing-in or testifying) on these bills at this time.*



Hot sheet – Bills of interest Week of February 10, 2020



Priority bills – Support

- [HB 1590](#) / [SB 6126](#) Makes an optional sales tax for affordable housing councilmanic
- [HB 2145](#) Revises the 1% property tax cap
- [HB 2342](#) Extends GMA and SMP planning timelines - Needs amendment on timeline for increased review of housing element and critical areas
- [HB 2343](#) / [SB 6334](#) Expands and creates new incentives for urban density and housing supply
- [HB 2362](#) / [SB 6652](#) Creates new local transportation revenue options
- [HB 2620](#) / [SB 6411](#) Extends and expands eligibility for the multifamily tax exemption program
- [HB 2778](#) / [HR 4212](#) Authorizes Tax Increment Financing (TIF) and the corresponding constitutional amendment
- [HB 2804](#) Reopens and funds additional Local Revitalization Funding applications
- [HB 2900](#) Increases cannabis revenue sharing with cities and counties



Other bills – Support

- [HB 1086](#) Increases appropriated funding for public defense services
- [HB 1679](#) Authorizes cities planning voluntarily under GMA to impose REET with a vote of the council
- [HB 1793](#) / [SB 5789](#) Don't "block the box," expands the use of automatic traffic cameras
- [HB 1938](#) Creates an infrastructure investment program to support development of affordable housing and revitalization
- [HB 2307](#) Allows cities to enact certain fireworks bans immediately
- [HB 2473](#) Includes intimate partners as protected individuals under domestic violence laws
- [HB 2560](#) Establishes a statutory annual minimum number of required BLEA classes
- [HB 2565](#) Establishes labeling requirements for non-flushable wipes
- [HB 2625](#) / [SB 5680](#) Establishes a voter-approved sales tax option for parks funding

- [HB 2642](#) Removes coverage barriers to accessing substance use disorder treatment services
- [HB 2684](#) / [SB 6466](#) Allows cities to install bike-specific traffic signals
- [SB 6386](#) Authorizes cities to fully waive impact fees for affordable housing



Other bills – Monitor

- [HB 2230](#) Expands a property tax exemption for tribal-owned lands serving an economic development purpose—Cities would like to see time limitations on the exemption
- [HB 2427](#) Adds climate change as a goal to GMA—Cities have concerns with the goal language and liability potential
- [HB 2649](#) Creates a new process to increase homeless shelter capacity
- [HB 2870](#) Creates a licensing structure that includes a social equity component in the retail marijuana market – city responsibility for creating a social equity plan has been removed
- [SB 6302](#) Prohibits limiting the number of unrelated dwelling occupants - Cities have concerns it could impact the ability to address unregulated boarding houses



Other bills – Oppose

- [HB 2409](#) Creates expensive and unnecessary requirements for self-insured workers compensation employers
- [HB 2549](#) Requires GMA planning and development regulations to achieve "net ecological gain" instead of "no net loss"
- [HB 2570](#) Preempts local control around accessory dwelling units (ADUs)
- [SB 5400](#) Adopts an unfunded PERS 1 cost of living adjustment (COLA) creating additional expense for cities
- [SB 6536](#) Preempts local control around single-family zoning mandates
- [SB 6266](#) Adds unnecessary reporting requirements for civil seizure & forfeiture programs



CITY OF KIRKLAND
Planning and Building Department
123 5th Avenue, Kirkland, WA 98033
425.587.3600- www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager
From: Dawn Nelson, Planning Manager
Date: February 4, 2020
Subject: ARCH 2019 HOUSING TRUST FUND RECOMMENDATION, FILE PLN20-00001

RECOMMENDATION

Staff recommends that the City Council adopt the enclosed resolution and approve the recommendations and conditions of approval of the ARCH Executive Board to allocate Kirkland funds as part of the Fall 2019 ARCH Housing Trust Fund:

- \$267,425 to the Imagine Housing Samma Senior Apartments
- \$118,840 to the Congregations for the Homeless East King County Men's Permanent Shelter project;
- \$136,675 to the Inland Group Polaris at Eastgate Apartments project;
- \$653,600 to the Inland Group / Horizon Housing Alliance Together Center Redevelopment project;
- \$23,890 to the Community Homes Shared Living Home project;
- \$35,770 to the Community Homes Adult Family Home project; and
- \$175,000 to the Catholic Community Services with Sophia Way Women and Family Shelter project.

These amounts are Kirkland's proportional share from the ARCH Housing Trust Fund and are fully funded as part of Kirkland's 2019-2021 budget that is allocated to the ARCH. Approval by each jurisdiction is required by the ARCH interlocal agreement.

BACKGROUND DISCUSSION

As in previous years, general funds set aside by the City Council for low- and moderate-income housing development projects are administered through the ARCH Housing Trust Fund. In addition, now that Kirkland is a Joint Agreement City in the King County Community Development Block Grant (CDBG) Consortium, CDBG funds allocated by the City Council for capital projects are also administered through the ARCH Housing Trust Fund.

ARCH has one application process each year in the fall. No projects were recommended for funding in 2018, so this funding round represents allocation of both 2018 and 2019 funds. This year, there were nine new applications and one supplemental application for funding from ARCH. The ARCH Executive Board has recommended that awards be made to six of the nine projects, and that the supplemental funding request be granted, all of which would use Kirkland funds. The total amount of Kirkland general funds being committed is \$1,143,775 from a variety of sources, including a budgeted set aside of \$415,000 for 2019, unallocated set asides

from previous years, money repaid to ARCH from previously funded projects, and payments received by the City in lieu of the construction of affordable housing. In addition, \$267,425 in CDBG funds allocated for capital projects in the last two years are being committed in this process.

Short summaries of the projects recommended for funding are included below. More thorough descriptions, along with the Executive Board's rationale for not funding the remaining three applications, can be found in Exhibit A to the enclosed Resolution. Additional information about all the projects and their financing is included as Attachments 1 through 3 to this memo. ARCH staff will be available to answer questions at the February 18 City Council meeting.

Imagine Housing Samma Senior Apartments

The Samma Senior Apartments project is a 54-unit affordable senior rental project for senior households with rents affordable at 40% to 60% of median income, including set asides of units for persons with disabilities and veterans who are homeless. The funding is for acquisition of the property from the City of Bothell at a reduced price. The site is located on a Bus Rapid Transit corridor that is part of the ST3 funding. The award would be CDBG funds from both Kirkland and Redmond and would be in the form of a deferred, contingent loan.

Congregations for the Homeless (CFH) East King County Men's Permanent Shelter

The proposal is for construction of a 100-bed permanent shelter for men and day center for 125 persons on a site in the Eastgate area of Bellevue. The project was originally conceived as a 50-bed shelter and received ARCH funding of \$700,000 in 2014. Site selection has delayed the project and the shelter need has grown in the past five years. The proposed site is 10 acres and CFH has entered into a partnership with Inland Group for an affordable apartment building on the remainder of the site (see below). Both King County and Washington State have committed significant funding for this project. The funding award for the shelter would be a secured grant.

Inland Group Polaris at Eastgate Apartments

The Polaris at Eastgate project is a 298-unit apartment development for families earning up to 60% of median income. Unit sizes will range from studios to three-bedroom units to accommodate a variety of households. It is located on the same 10-acre site as the Men's Shelter and is proposed by a partnership involving CFH, Inland Group and Horizon Housing Alliance in order to utilize more of the large parcel being acquired from King County at fair market value. Additional residential development could be proposed on the site in the future. The funding award is for a deferred, contingent loan.

Inland Group/Horizon Housing Alliance Together Center Redevelopment

This project includes reconstruction of the Together Center in Redmond along with the development of 284 affordable apartments. The Together Center is a nonprofit that has provided affordable commercial space for human service-related nonprofit organizations since 1991. The property is currently built out with a series of single-story buildings and surface parking. The proposed redevelopment by Inland Group and Horizon Housing Alliance would recreate the affordable office space on the ground floor of two separate buildings, each with a separate affordable housing development on the upper floors. Residents of the housing developments could easily access the services provided by the ground floor agencies.

Horizon Housing is proposing to construct 80 units that are affordable at 30% and 50% of median income, with 60 of the units set aside for those exiting homelessness. The Inland Group part of the development will include 240 units affordable at 60% of median income. Both developments will include a variety of unit sizes ranging from studio to three bedrooms. The funding award is proposed to be a deferred, contingent loan.

Community Homes Shared Living Home 1

Community Homes has secured a single-family home in Newcastle to be used as a home for three adults with developmental disabilities and a live-in care provider. The tenants will be very low income, earning no more than 30% of median. Both King County and Washington State have committed significant funding for this project. Funding will be a secured grant.

Community Homes Adult Family Home 8

Community Homes, Inc. is also proposing to acquire and remodel a second single-family home in the ARCH sphere of influence to create an adult family home for five adults with developmental disabilities and a live-in care provider. The tenants will be very low income, earning no more than 30% of median. Both King County and Washington State have committed significant funding for this project. Funding will be a secured grant.

Catholic Community Services/Sophia Way Women and Family Shelter

A supplemental funding request for the Women and Family Shelter is recommended for approval. This request will help pay for the unanticipated costs of providing storm detention for the existing church development on the adjoining parcel, which were a result of the shelter development and not included in the original development budget. The additional funding is recommended as a secured grant.

ATTACHMENTS

1. Funding Sources for Recommended Projects
2. Economic Summaries of Recommended Projects
3. Past Projects Funded Through ARCH Trust Fund

Cc: Lindsay Masters, ARCH, lmasters@bellevuewa.gov

ATTACHMENT 2: ECONOMIC SUMMARIES OF RECOMMENDED PROJECTS

ECONOMIC SUMMARY: IMAGINE HOUSING / SAMMA SENIOR APARTMENTS

1. Applicant/Description: New construction of 54 affordable rental units for seniors

2. Project Location: 17816 Bothell Way NE, Bothell

3. Financing Information:

Funding Source	Funding Amount	Commitment
ARCH	\$2,413,853	\$750,000 recommended for Acquisition
King County	\$3,000,000	To be applied for in 2020
Commerce Trust Fund	\$3,500,000	To be applied for in 2020
Tax Credits	\$7,521,213	To be applied for in 2021
Bonds/Private Debt	\$4,230,499	To be applied for in 2021
Deferred Developer Fee	\$567,308	Committed
TOTAL	\$21,232,873	

4. Development Budget:

ITEM	TOTAL	PER UNIT @ 54 units	HTF
Acquisition	\$750,000	\$13,889	\$750,000
Construction	\$14,675,260	\$271,764	\$1,262,123
Design	\$1,280,000	\$23,704	
Consultants	\$449,500	\$8,324	\$210,000
Developer fee	\$1,305,662	\$24,179	
Finance costs	\$788,220	\$14,597	\$32,697
Reserves	\$268,346	\$4,969	
Permits/Fees/Other	\$1,715,885	\$31,776	\$159,033
TOTAL	\$21,232,873	\$393,201	\$1,734,000

5. Debt Service Coverage: Debt service payments will be finalized upon commitment. Basic terms will include a 50-year amortization, deferral of payments until deferred developer fee is repaid, 1% interest, and ability to request a deferral of annual payment to preserve economic integrity of property.

6. Security for City Funds:

- A recorded covenant to ensure affordability and use for targeted population for 50 years.
- A promissory note secured by a deed of trust. The promissory note will require repayment of the loan amount upon non-compliance with any of the loan conditions.

7. Rental Subsidy: None

ECONOMIC SUMMARY: EKC Men’s Permanent Winter Shelter

1. Applicant/Description: Congregations for the Homeless/KCHA / Development of shelter with beds for 100 homeless men, plus day center

2. Project Location: 13620 SE Eastgate Way, Bellevue

3. Financing Information:

Funding Source	Funding Amount	Commitment
ARCH	\$1,200,000	Includes \$700,000 Awarded in 2014 Round; \$500,000 add'l recomm
King County	\$5,802,574	\$3,801,923 Committed in 2019
Commerce Trust Fund	\$4,900,000	Committed in 2019, includes \$1.4M Earmark from 2014
Building Communities Fund	\$750,000	Applying for in 2020 – for non-residential space
Capital Campaign	\$1,500,000	Committed
TOTAL	\$14,152,574	

4. Conceptual Development Budget:

ITEM	TOTAL	PER BED	HTF
Acquisition	\$3,678,383	\$36,784	
Construction	\$8,405,705	\$84,057	\$850,000
Design	\$500,000	\$5,000	\$200,000
Other consultants	\$0	\$0	
Developer Fee	\$350,000	\$3,500	\$150,000
Permits/Fees/Hookups	\$237,386	\$2,374	
Finance costs	\$110,000	\$1,100	
Reserves	\$0	\$0	
Other development costs	\$871,100	\$8,711	
TOTAL	\$14,152,574	\$141,526	\$700,000

5. Debt Service Coverage: Secured grant, no repayment if in compliance.

6. Security for City Funds:

- A recorded covenant to ensure affordability and use for targeted population for 50 years.
- A promissory note secured by a deed of trust. The promissory note will require repayment of the grant amount upon non-compliance with any of the funding conditions.

7. Rental Subsidy: None

ECONOMIC SUMMARY: INLAND / POLARIS AT EASTGATE

1. Applicant/Description: New construction of 298 affordable and two market rate rental units for families

2. Project Location: 13620 SE Eastgate Way, Bellevue

3. Financing Information:

Funding Source	Funding Amount	Commitment
ARCH	\$5,000,000	\$575,000 partial funding recommended
King County	\$4,000,000	To be applied for in 2020
Commerce Trust Fund	\$0	
Tax Credits	\$31,256,347	To be applied for in 2020
Bonds/Private Debt	\$46,200,000	To be applied for in 2020
Deferred Developer Fee/GP Equity/Other	\$7,023,588	Committed
TOTAL	\$93,479,935	

4. Development Budget:

ITEM	TOTAL	PER UNIT @ 298 units	HTF
Acquisition	\$9,345,910	\$31,362	
Construction	\$59,977,902	\$201,268	\$5,000,000
Design	\$859,300	\$2,884	
Consultants	\$120,000	\$403	
Developer fee	\$11,556,586	\$38,780	
Finance costs	\$6,586,314	\$22,102	
Reserves	\$1,048,893	\$3,520	
Permits/Fees/Other	\$3,985,000	\$13,372	
TOTAL	\$93,479,935	\$313,691	\$5,000,000

5. Debt Service Coverage: Debt service payments will be finalized upon commitment. Basic terms will include a 50-year amortization, deferral of payments until deferred developer fee is repaid, 1% interest, and ability to request a deferral of annual payment to preserve economic integrity of property.

6. Security for City Funds:

- A recorded covenant to ensure affordability and use for targeted population for 50 years.
- A promissory note secured by a deed of trust. The promissory note will require repayment of the loan amount upon non-compliance with any of the loan conditions.

7. Rental Subsidy: None

ECONOMIC SUMMARY: HORIZON / INLAND / TOGETHER CENTER REDEVELOPMENT

1. Applicant/Description: New construction of 284 affordable rental units (9% Tax Credit Portion includes 80 units, of which 60 are set aside for homeless families)

2. Project Location: 16225 NE 87th St., Redmond

3. Financing Information:

Funding Source	Funding Amount	Commitment
9% Phase		
ARCH	\$2,500,000	\$2,500,000 recommended
9% Tax Credits	\$19,270,720	To be applied for in 2020
Private Debt	\$4,750,000	To be applied for in 2020
Deferred Developer Fee	\$690,582	Committed
4% Phase		
ARCH	\$3,500,000	\$250,000 partial funding recommended
4% Tax Credits	\$25,087,339	To be applied for in 2020
Tax Exempt Bonds	\$36,500,000	To be applied for in 2020
Deferred Developer Fee	\$6,721,304	Committed
TOTAL	\$99,019,945	

4. Development Budget:

ITEM	TOTAL	PER UNIT @ 284 units	HTF
Acquisition	\$5,010,000	\$17,641	
Construction	\$67,804,955	\$238,750	\$5,000,000
Design	\$725,000	\$2,553	
Consultants	\$1,760,370	\$6,198	
Developer fee	\$10,803,634	\$38,041	
Finance costs	\$7,041,263	\$24,793	
Reserves	\$998,832	\$3,517	
Permits/Fees/Other	\$4,875,891	\$17,169	\$1,000,000
TOTAL	99,019,945	\$348,662	\$6,000,000

5. Debt Service Coverage: Debt service payments will be finalized upon commitment. Basic terms will include a 50-year amortization, deferral of payments until deferred developer fee is repaid, 1% interest, and ability to request a deferral of annual payment to preserve economic integrity of property.

6. Security for City Funds:

- A recorded covenant to ensure affordability and use for targeted population for 50 years.
- A promissory note secured by a deed of trust. The promissory note will require repayment of the loan amount upon non-compliance with any of the loan conditions.

7. Rental Subsidy: None

ECONOMIC SUMMARY: COMMUNITY HOMES, INC. ADULT FAMILY HOME 8

1. Applicant/Description: CHI / Acquisition/rehabilitation of single family home with 5 beds for very low income developmentally disabled adults.

2. Project Location: East King County

3. Financing Information:

Funding Source	Funding Amount	Commitment
ARCH	\$150,500	\$150,500 Recommended
King County	\$802,000	Committed Fall 2019
Commerce Trust Fund	\$726,500	Committed Fall 2019
Owner Equity	\$26,500	Committed
TOTAL	\$1,705,500	

4. Development Budget:

ITEM	TOTAL	PER BED	HTF
Acquisition	\$1,070,000	\$214,000	\$100,000
Construction	\$480,000	\$96,000	\$50,000
Design	\$10,000	\$2,000	
Consultants	\$60,500	\$12,100	\$500
Developer fee	\$50,000	\$10,000	
Finance costs	\$0	\$0	
Reserves	\$17,000	\$3,400	
Permits/Fees/Other	\$18,000	\$3,600	
TOTAL	\$1,705,500	\$341,100	\$150,500

5. Debt Service Coverage: Secured grant, no repayment if in compliance.

6. Security for City Funds:

- A recorded covenant to ensure affordability and use for targeted population for 50 years.
- A promissory note secured by a deed of trust. The promissory note will require repayment of the loan amount upon non-compliance with any of the loan conditions.

7. Rental Subsidy: None

ECONOMIC SUMMARY: COMMUNITY HOMES, INC. SHARED LIVING 1

1. Applicant/Description: CHI / Acquisition/rehabilitation of single family home with 3 beds for very low income developmentally disabled adults.

2. Project Location: East King County (Likely Newcastle)

3. Financing Information:

Funding Source	Funding Amount	Commitment
ARCH	\$100,500	\$100,500 Recommended
King County	\$492,000	Committed Fall 2019
Commerce Trust Fund	\$395,000	Committed Fall 2019
Owner Equity	\$17,000	Committed
TOTAL	\$1,004,500	

4. Development Budget:

ITEM	TOTAL	PER BED	HTF
Acquisition	\$860,000	\$286,667	\$100,000
Construction	\$60,000	\$20,000	
Design			
Consultants	\$35,500	\$11,833	\$500
Developer fee	\$25,000	\$8,333	
Finance costs	\$0	\$0	
Reserves	\$11,000	\$3667	
Permits/Fees/Other	\$13,000	\$4,333	
TOTAL	\$1,004,500	\$334,833	\$100,500

5. Debt Service Coverage: Secured grant, no repayment if in compliance.

6. Security for City Funds:

- A recorded covenant to ensure affordability and use for targeted population for 50 years.
- A promissory note secured by a deed of trust. The promissory note will require repayment of the loan amount upon non-compliance with any of the loan conditions.

7. Rental Subsidy: None

ATTACHMENT 3

PAST PROJECTS FUNDED THROUGH THE ARCH TRUST FUND

(1993 - 2018)

Project	Location	Owner	Units/ Beds	Funding*	Pct of Total Allocation	Distribution Target
1. Family Housing						
Andrews Heights Apartments	Bellevue	Imagine Housing	24	\$400,000		
Garden Grove Apartments	Bellevue	DASH	18	\$180,000		
Overlake Townhomes	Bellevue	Habitat of EKC	10	\$120,000		
Glendale Apartments	Bellevue	DASH	82	\$300,000		
Wildwood Court Apartments	Bellevue	DASH	36	\$270,000		
Somerset Gardents (Kona)	Bellevue	KC Housing Authority	198	\$700,000		
Pacific Inn	Bellevue	Pacific Inn Assoc.	118	\$600,000 **		
Eastwood Square	Bellevue	Park Villa LLC	48	\$600,000		
Chalet Apts	Bellevue	Imagine Housing	14	\$163,333		
Andrew's Glen	Bellevue	Imagine Housing	10	\$424,687 *		
August Wilson Place	Bellevue	LIHI	45	\$846,831 *		
YWCA Family Apartments	Bellevue	YWCA	12	\$100,000		
30 Bellevue	Bellevue	Imagine Housing	29	\$473,252 *		
Parkway Apartments	Redmond	KC Housing Authority	41	\$100,000		
Habitat - Patterson	Redmond	Habitat of EKC	24	\$446,629 *		
Avon Villa Mobile Home Park	Redmond	MHCP **	93	\$525,000 *		
Terrace Hills	Redmond	Imagine Housing	18	\$442,000		
Village at Overlake Station	Redmond	KC Housing Authority	308	\$1,645,375 *		
Summerwood	Redmond	DASH	166	\$1,187,265		
Capella at Esterra	Redmond	Imagine Housing/Inland	235	\$6,710,471		
Coal Creek Terrace	Newcastle	Habitat of EKC	12	\$240,837 *		
Rose Crest (Talus)	Issaquah	Imagine Housing	40	\$918,846 *		
Mine Hill	Issaquah	Imagine Housing	28	\$482,380 *		
Clark Street	Issaquah	Imagine Housing	30	\$355,000		
Lauren Heights (Iss Highlands)	Issaquah	Imagine Housing/SRI	45	\$657,343 *		
Habitat Issaquah Highlands	Issaquah	Habitat of EKC	10	\$318,914 *		
Issaquah Family Village I	Issaquah	YWCA	87	\$4,382,584 *		
Issaquah Family Village II	Issaquah	YWCA	47	\$2,760,000 *		
Trailhead	Issaquah	KC Housing Authority	155	\$4,710,000 *		
Greenbrier Family Apts	Woodinville	DASH	50	\$286,892 *		
Crestline Apartments	Kirkland	Shelter Resources	22	\$195,000		
Plum Court	Kirkland	DASH	61	\$1,000,000		
Francis Village	Kirkland	Imagine Housing	15	\$375,000		
Velocity	Kirkland	Imagine Housing	46	\$901,395 *		
Houghton Apartments	Kirkland	KC Housing Authority	15	\$2,827,250		
Copper Lantern	Kenmore	LIHI	33	\$452,321 *		
Highland Gardens (Klahanie)	Sammamish	Imagine Housing	54	\$291,281		
Habitat Sammamish	Sammamish	Habitat of KC	10	\$972,376 *		
REDI TOD Land Loan	Various	Various	100 est	\$500,000		
Homeowner Downpayment Loan	Various	KC/WSHFC/ARCH	87 est	\$615,000		
SUB-TOTAL			2,476	\$39,477,263	61.0% (56%)	
2. Senior Housing						
Cambridge Court	Bellevue	Resurrection Housing	20	\$160,000		
Ashwood Court	Bellevue	DASH/Shelter Resources	50	\$1,070,000 **		
Evergreen Court (Assisted Living)	Bellevue	DASH/Shelter Resources	64	\$2,480,000		
Bellevue Manor / Harris Manor	Bellevue / Redmond	KC Housing Authority	105	\$1,334,749		
Vasa Creek	Bellevue	Shelter Resources	50	\$190,000		
Riverside Landing	Bothell	Shelter Resources	50	\$225,000 *		
Kirkland Plaza	Kirkland	Imagine Housing	24	\$610,000		
Athene (Totem 2)	Kirkland	Imagine Housing	73	\$917,701 *		
Heron Landing	Kenmore	DASH/Shelter Resources	50	\$65,000		
Ellsworth House Apts	Mercer Island	Imagine Housing	59	\$900,000		
John Gabriel House	Redmond	Providence	74	\$2,330,000 **		
Greenbrier Sr Apts	Woodinville	DASH/Shelter Resources	50	\$196,192 **		
SUB-TOTAL			669	\$10,478,642	16.2% (19%)	

ATTACHMENT 3

PAST PROJECTS FUNDED THROUGH THE ARCH TRUST FUND

(1993 - 2018)

Project	Location	Owner	Units/ Beds	Funding*	Pct of Total Allocation	Distribution Target
3. Homeless/Transitional Housing						
Hopelink Place	Bellevue	Hopelink	20	\$500,000 **		
Chalet	Bellevue	Imagine Housing	4	\$46,667		
Kensington Square	Bellevue	Housing at Crossroads	6	\$250,000		
Andrew's Glen	Bellevue	Imagine Housing	30	\$1,162,500		
August Wilson Place	Bellevue	LIHI	12	\$211,708 *		
Sophia Place	Bellevue	Sophia Way	20	\$250,000		
30 Bellevue	Bellevue	Imagine Housing	31	\$506,463 *		
Men's Shelter	TBD	Congregation for Homeless (C	50 Beds	\$700,000		
Dixie Price Transitional Housing	Redmond	Hopelink	4	\$71,750		
Avondale Park	Redmond	Hopelink (EHA)	18	\$280,000		
Avondale Park Redevelopment	Redmond	Hopelink (EHA)	60	\$1,502,469 *		
Capella at Esterra	Redmond	Imagine Housing/Inland	24	\$685,325		
Petter Court	Kirkland	KITH	4	\$100,000		
Francis Village	Kirkland	Imagine Housing	45	\$1,125,000		
Velocity	Kirkland	Imagine Housing	12	\$225,349 *		
Athene (Totem 2)	Kirkland	Imagine Housing	18	\$229,425 *		
Women/Family Shelter	Kirkland	CCS/Sophia Way	98 Beds	\$2,514,000		
Rose Crest (Talus)	Issaquah	Imagine Housing	10	\$229,712 *		
Lauren Heights (Iss Highlands)	Issaquah	SRI	5	\$73,038 *		
Issaquah Family Village I	Issaquah	YWCA	10	\$503,745 *		
Mens Group Home	TBD	Congregation for Homeless (C	5 Beds	\$150,000		
SUB-TOTAL			468	\$11,317,150	17.5%	(13%)
4. Special Needs Housing						
My Friends Place	K.C.	EDVP	6 Beds	\$65,000		
Stillwater	Redmond	Eastside Mental Health	19 Beds	\$187,787		
Capella at Esterra	Redmond	Imagine Housing/Inland	2	\$57,110		
Foster Care Home	Kirkland	Friends of Youth	4 Beds	\$35,000		
FOY New Ground	Kirkland	Friends of Youth	6	\$250,000		
DD Group Home 7	Kirkland	Community Living	5 Beds	\$100,000		
Youth Haven	Kirkland	Friends of Youth	10 Beds	\$332,133		
FOY Transitional Housing	Kirkland	Friends of Youth	10 Beds	\$247,603 *		
FOY Extended Foster Care	Kirkland	Friends of Youth	10 Beds	\$112,624 *		
DD Group Home 4	Redmond	Community Living	5 Beds	\$111,261		
DD Group Homes 5 & 6	Redmond/KC (Bothell)	Community Living	10 Beds	\$250,000		
United Cerebral Palsy	Bellevue/Redmond	UCP	9 Beds	\$25,000		
DD Group Home	Bellevue	Residence East	5 Beds	\$40,000		
AIDS Housing	Bellevue/Kirkland	AIDS Housing of WA	10	\$130,000		
Harrington House	Bellevue	AHA/CCS	8 Beds	\$290,209		
DD Group Home 3	Bellevue	Community Living	5 Beds	\$21,000		
Parkview DD Condos III	Bellevue	Parkview	4	\$200,000		
30 Bellevue	Bellevue	Imagine Housing	2	\$33,211 *		
IERR DD Home	Issaquah	IERR	6 Beds	\$50,209		
FFC DD Homes	NE KC	FFC	8 Beds	\$300,000		
Oxford House	Bothell	Oxford/Compass Ctr.	8 Beds	\$80,000		
Parkview DD Homes VI	Bothell/Bellevue	Parkview	6 Beds	\$150,000		
Parkview DD Homes XI	TBD	Parkview	3 Beds	\$200,800		
FFC DD Home II	Kirkland	FFC	4 Beds	\$168,737		
SUB-TOTAL			165 Beds/Units	\$3,437,684	5.3%	(12%)
TOTAL			3,778	\$64,710,739	100.0%	

* Funding includes in-kind contributions (e.g. land, fee waivers, infrastructure improvements)

** Funded through Bellevue Downtown Program

RESOLUTION R-5410

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING THE DULY-APPOINTED ADMINISTERING AGENCY FOR A REGIONAL COALITION FOR HOUSING (ARCH) TO EXECUTE ALL DOCUMENTS NECESSARY TO ENTER INTO AN AGREEMENT FOR THE FUNDING OF AFFORDABLE HOUSING PROJECTS, AS RECOMMENDED BY THE ARCH EXECUTIVE BOARD, UTILIZING FUNDS FROM THE CITY'S HOUSING TRUST FUND.

1 WHEREAS, A Regional Coalition for Housing (ARCH) was
2 created by interlocal agreement to help coordinate the efforts of
3 Eastside cities to provide affordable housing; and
4

5 WHEREAS, the ARCH Executive Board has recommended
6 that the City of Kirkland participate in the funding of a certain
7 affordable housing project hereinafter described; and
8

9 WHEREAS, the ARCH Executive Board has developed a
10 number of recommended conditions to ensure that the City's
11 affordable housing funds are used for their intended purpose and
12 that projects maintain their affordability over time; and
13

14 WHEREAS, the City Council approved Resolution R-4804 on
15 March 2, 2010, approving the Amended and Restated Interlocal
16 Agreement for ARCH; and
17

18 WHEREAS, the City Council desires to use \$1,143,775 from
19 the City's Housing Trust Funds and \$267,425 from Community
20 Development Block Grant Funds as designated below to finance
21 the projects recommended by the ARCH Executive Board;
22

23 NOW, THEREFORE, be it resolved by the City Council of the
24 City of Kirkland as follows:
25

26 Section 1. The City Council authorizes the duly-appointed
27 administering agency of ARCH, pursuant to the Amended and
28 Restated Interlocal Agreement for ARCH, to execute all
29 documents and take all necessary actions to enter into
30 Agreements on behalf of the City with:
31

32 Imagine Housing Samma Senior Apartments in an
33 amount not to exceed \$267,425;
34

35 Congregations for the Homeless East King County
36 Men's Permanent Shelter in an amount not to exceed
37 \$118,840;
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39 Inland Group Polaris at Eastgate Apartments in an
40 amount not to exceed \$136,675; and
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Inland Group/Horizon Housing Alliance Together Center Redevelopment in an amount not to exceed \$653,600; and

Community Homes Shared Living Home 1 in an amount not to exceed \$23,890; and

Community Homes Adult Family Home 8 in an amount not to exceed \$35,770; and

Catholic Community Services with Sophia Way Women and Family Shelter in an amount not to exceed \$175,000.

Section 2. The agreements entered into pursuant to Section 1 of this Resolution shall be funded in a total amount not to exceed \$1,411,200. Such agreements shall include terms and conditions to ensure that the City’s funds are used for their intended purpose and that the affordability of projects is maintained over time. In determining what conditions should be included in the agreements, the duly-appointed administering agency of ARCH shall be guided by the recommendations set forth in the ARCH Executive Board’s memorandum as of December 27, 2019, a copy of which is attached hereto as Exhibit A.

Passed by majority vote of the Kirkland City Council in open meeting this ___ day of ____, 2020.

Signed in authentication thereof this ___ day of ____, 2020.

Penny Sweet, Mayor

Attest:

Kathi Anderson, City Clerk

MEMORANDUM

TO:	City of Bellevue Council Members City of Bothell Council Members City of Clyde Hill Council Members Town of Hunts Point Council Members City of Issaquah Council Members City of Kenmore Council Members City of Kirkland Council Members	City of Medina Council Members City of Mercer Island Council Members City of Newcastle Council Members City of Redmond Council Members City of Sammamish Council Members City of Woodinville Council Members Town of Yarrow Point Council Members
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FROM: Kurt Triplett, ARCH Executive Board Chair

DATE: December 27, 2019

RE: Fall 2019 Housing Trust Fund (HTF) Recommendations

The 2019 ARCH Housing Trust Fund round demonstrated historic levels of demand for funding to support affordable housing development in East King County, with nine applications representing requests for nearly \$20 million in local funds to develop close to 1,000 units or beds. After careful deliberation, the ARCH Executive Board concurred with the recommendations of the ARCH Citizen Advisory Board (CAB), and is recommending funding of \$5,001,000 for six new projects and one supplemental award to a previously funded project as shown in **Attachment 1: Recommended Projects and Funding Sources**.

These recommendations advance a significant number of projects that meet urgent local priorities, including the expansion of year-round emergency shelter on the Eastside, construction of permanent housing with services for homeless families, workforce housing for low and moderate income wage earners, affordable senior housing and special needs housing. Supporting these projects will result in meaningful progress toward our collective housing goals. As members of ARCH, we continue to value the coordination of local resources to leverage other public and private funding and meet local needs.

Because no projects were recommended in the 2018 round, the funding recommended this year represents the allocation of both 2018 and 2019 Trust Fund contributions, CDBG funding, and interest and revenue accrued in cities' accounts. Even with higher than typical available funding, the Executive Board had to make some difficult choices as to which projects to fund and which to invite back in future rounds. In some cases, a partial award is recommended to demonstrate local support to a project to allow it to advance in a future funding round.

Following is a description of the applications received, the Executive Board recommendation and rationale, and proposed contract conditions for the six proposals recommended for funding at this time. Also enclosed is an economic summary for the six projects recommended for funding, and a summary of past projects funded through the Trust Fund to date.

1. Imagine Housing Samma Senior Apartments

Funding Request: \$2,413,853 (Deferred, Contingent Loan)
54 affordable rental units

Exec Bd Recommendation: \$750,000 (Deferred, Contingent Loan – CDBG funds) for site acquisition

Project Summary:

Imagine Housing (IH), is proposing a 54-unit affordable senior rental project utilizing either 4% tax credits and tax-exempt bond financing or 9% tax credits. The project includes set asides of units for disabled persons and homeless veterans. Imagine hopes to secure Veterans Affairs Supportive Housing (VASH) rental vouchers to help pay down the rent for the Veteran units.

The project would be built on land to be acquired from the City of Bothell at a reduced price. The site is located on the Bus Rapid Transit corridor which is being expanded with ST3 funding. The City has indicated its strong support for the project.

The proposed affordable building is five levels of wood construction. Imagine is pursuing an Ultra High Energy Efficiency (UHEE) rating for this building. The design envisions around 40 surface parking spaces.

Funding Rationale:

The Executive Board sees merit in this application and recommends partially funding to allow acquisition of the site with conditions listed below for the following reasons:

- The City of Bothell is excited to support this affordable project through discounting land and working collaboratively to address land use issues.
- The project would increase affordability within the revitalized Bothell Landing.
- The project is sited at an excellent location for senior housing, with proximity to a major senior center, planned bus rapid transit, parks and trails, and shopping.
- The project aims to serve a range of lower income senior households including set asides for homeless and disabled, however the proposed services model relies on the creation or re-allocation of ongoing human services funding to support case management and resident services.
- The project is somewhat early in the development process; there appear to be opportunities for improving the design, and additional information about the environmental and geotechnical conditions of the site is needed to inform ultimate design and costs.
- The project as proposed exceeds cost limits set out by the Washington State Housing Finance Commission. There may be significant opportunities for reducing estimated project costs.
- CAB is interested in exploring other ways to layout the site.
- The project is competitive for King County funds but did not score as competitively for State Housing Trust Fund dollars this round.
- The scale of project fits developer's past track record and capabilities.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo

Special Conditions:

1. Funds shall be used by the Agency for acquisition of the site. Prior to accessing funds, the Agency must complete the following:
 - Conduct additional environmental, geotechnical and any other necessary investigation to determine that the project is developable on the property.
 - Provide an updated site plan maximizing the site, and schematic drawings showing unit reasonable layouts supportive of the needs of seniors.
 - Provide updated cost estimates demonstrating feasibility of proposed financing, taking into consideration Total Development Cost limits established by the Washington State Housing Finance Commission (WSHFC) cost limits.
2. Project must meet requirements associated with federal CDBG dollars. A purchase agreement cannot be entered into until the completion of the HUD required Environmental Assessment. The Agency may enter into an option agreement with language that addresses federal funds' "choice-limiting" restrictions. The portion of CDBG funds recommended from the 2020 HUD grant are estimated; funding is conditioned on a final grant agreement with HUD.
3. The Agency must re-submit a revised project proposal to ARCH and other funders in the 2020 funding round. Additional funding conditions will apply to any additional funds awarded.
4. ARCH's funding commitment shall continue for twelve (12) months from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the applicant will provide a status report on progress to date. ARCH staff will consider up to a 12-month extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the applicant will demonstrate all capital funding is likely to be secured within a reasonable period of time.
3. Funds will be in the form of a deferred, contingent loan. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by ARCH Staff. The terms are expected to include a provision for the Agency to defer payment if certain conditions are met (e.g., low cash flow due to unexpected costs).
4. The Agency must demonstrate the City of Bothell's approval and satisfaction of all zoning requirements including parking, setbacks, curb cuts, and view corridors.
5. A covenant is recorded ensuring affordability for at least 50 years, with affordability generally as shown in the following table. (Note that changes to the matrix may be considered based on additional site investigation and revised financing assumptions that are presented for review and approval in the 2020 funding round.)

Affordability	Studio	1 BR	2BR	Total
40%	4	4		8
50%	16	14		30
60%	9	6	1	16
Total	29	24	1	54

* The 60% AMI 2 BR unit is a manager's unit

2. Congregations for the Homeless East King County Men's Permanent Shelter

Funding Request: \$500,000 additional (Secured Grant)
100 beds

Exec Bd Recommendation: \$500,000 additional (Secured Grant)

Project Summary:

Congregations for the Homeless (CFH) is applying to ARCH for the acquisition and development of a permanent winter shelter and day center for men. The project was originally funded in the 2014 round as a 50-bed shelter proposal. Since then, the need has grown to 100 beds, and site selection activities have culminated in identifying a King County-owned site at Eastgate. CFH has operated the men's emergency winter shelter during that time at non-permanent locations, usually churches or civic buildings, in addition to their regular rotating men's shelter, drop in center, outreach and leased housing program. The permanent shelter is a low barrier shelter with few requirements on shelter guests other than to ensure they don't pose a danger to other guests. The objective of the permanent shelter is to get the homeless out from under the weather and connect them to services to start a pathway out of homelessness. The emergency shelter started out being open only on severe winter nights but moved to being open all nights and is currently located in a building scheduled for demolition in 2022.

The proposed shelter is now sized to provide sleeping accommodations for 100 men and serve 125 persons during the day. The proposed site is owned by King County Solid Waste, surplus from the creation of a waste transfer station off Eastgate Drive. The County is requiring fair market price for the property, with a final price to be determined based on necessary environmental remediation and other site constraints and requirements for the 10-acre site. Due to the size of the site and scope of predevelopment work needed, CFH has entered into a partnership with a development team that is proposing a larger residential development on the remainder of the site.

Funding Rationale:

The Executive Board recommends funding this application for the following reasons:

- The creation of a permanent men's shelter on the Eastside is a longstanding priority for ARCH and its member jurisdictions, particularly the City of Bellevue and King County.
- The project realizes a regional agreement to locate a men's shelter in Bellevue. It is the last of three planned Eastside shelter projects to get realized.
- The current location hosting the men's shelter must be vacated by 2022.
- CFH has successfully initiated outreach with nearby neighbors; no residential neighbors immediately abut the current site.
- Operating costs are known; cities are engaged in work to align human services funding.

The Executive Board does recognize the following weaknesses with the proposal and has addressed them in the funding conditions associated with the project:

- The site does not have an agreed upon purchase price and was last appraised at \$28 million (not taking into account potential deductions for site conditions).
- King County requires the purchase of the site to transact by the end of 2020.
- The entire site must be purchased and other uses funded and developed concurrently, requiring CFH to rely on other entities to help realize the project.
- While the acquisition price will be reduced by estimated cost of remediation; the current agreement with King County does not provide relief if the actual costs of remediation exceed estimated costs.
- Large amounts of public capital and operating/services funding will be required; no revenue can ever be expected from shelter users.
- There is a possibility of neighborhood opposition, given opposition for siting up the street.
- The proposed entitlement timeline appears optimistic.
- Budgets are speculative, costs may vary significantly from pro forma provided.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo

Special Conditions: (Note these conditions replace those of the 2014 Funding Round award)

1. By March 31, 2020, a final purchase price for the property must be determined, with updated budgets provided demonstrating a reasonable financing proposal to acquire the site by the date required by King County. An extension may be approved if both CFH and King County indicate a strong commitment to resolving all outstanding issues toward completion of the acquisition.
2. The funding commitment shall last for twelve (12) months from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. ARCH staff will approve an extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion.
3. Funds shall be used by CFH toward design, developer fee and construction costs. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use.
4. Funds will be in the form of a secured grant with no repayment, so long as affordability and target population is maintained, and the service funds necessary to provide services to this population are available.
5. A covenant is recorded ensuring affordability for one hundred (100) beds for at least fifty (50) years for homeless men without specificity to AMI.
6. CFH shall submit quarterly updates to ARCH on the progress of the Capital Campaign demonstrating active solicitation and amounts pledged and secured against campaign targets.

7. Prior to the execution of funding contract, an outreach plan will be submitted to ARCH staff for review and approval. The outreach plan will include provisions such as:
 - Provide written notification to neighbors upon identification of a suitable site to include description of the project, and information regarding CFH that will include the website and contact number;
 - Send out invitations and provide an opportunity for neighbors to individually and/or as a group to meet with CFH in an Open House or other format regarding the project. Provide contact information for Congregations and information about what to do in case something out of the ordinary occurs.
8. Prior to release of funds, CFH shall submit to ARCH staff for review and approval drafts of all documents related to the provision of services to residents and management of the property, including any licensing-related management and service provider plans. These documents shall at a minimum address: management procedures to address tenant needs; services provided for or required of tenants; management and operation of the premises; community and neighbor relations procedures; a summary of ARCH's affordability requirements as well as annual monitoring procedure requirements.
9. In the event that any operating support funding levels will be reduced, the Agency shall inform ARCH Staff about the impacts the proposed reduction will have on the budget and plan for services to clients, and what steps shall be taken to address the impacts. A new budget or services plan must be approved by the ARCH.
10. Because of interest in the sustainability of the project and shortfalls in public subsidies, agency shall provide ARCH Staff (to be shared with the Citizen Advisory Board) historic, current and projected operating cost shortfalls bridged through fundraising, fundraising goals for those periods and the results of those fundraising efforts.

3. Inland Group Polaris at Eastgate Apartments

Funding Request: \$5,000,000 (Deferred Loan)
298 affordable units; 2 unregulated units

Exec Bd Recommendation: Partial funding of 575,000 (Deferred Loan)

Project Summary:

The Polaris at Eastgate project is a joint development between Inland Group and Congregations for the Homeless (CFH) to enable acquisition and development of a large 10-acre property with both a year-round shelter and rental housing. This partnership was created in order to accomplish the acquisition of the site in its entirety, which has both significant up-front predevelopment costs as well as an anticipated fair market purchase price that exceeds CFH's resources and capacity to carry.

Inland Group, along with another development partner, Horizon Housing Alliance, agreed to join the team and carry the costs of site investigation and entitlement process, provided a reasonable path to permanent financing of the residential component is defined in 2020. In addition to providing technical and financial support to carry the development of the shelter through initial phases, the project provides a benefit by creating a more comprehensive community surrounding the shelter. Absent full development of the site, the location of the shelter would be more isolated.

The Project is proposed to be new construction of a 300-unit workforce housing community for families earning up to 60% of AMI. The unit mix including studios, one-bedroom, two-bedrooms and three-bedroom units is planned, accommodating a variety of households from singles through large families. In addition to the 60% AMI income and rent set-aside, 20% of the units will also be set-aside for households where one or more members is also disabled. This unit mix will be provided in two 5-story, elevator-serviced buildings over a subterranean parking garage.

Unit amenities within each building include full size washer and dryer in every apartment, fully equipped kitchens including microwave hoods, shaker style cabinets & laminate countertops in kitchen and bath, vinyl plank faux wood flooring in entry, kitchen, bath and hallways and carpet in bedrooms and living rooms. Common area amenity spaces are planned with a diverse resident mix in mind, and will include a business center, tutoring center, fitness center, resident lounge, theater, and multi-purpose room with kitchen. An internal courtyard with outdoor amenity space will offer a BBQ area, seating and significant landscaping.

The site of this building is separated by a grade change from the shelter. A third pad site with housing for homeless households is anticipated to be proposed in a future funding round.

Funding Rationale:

The Executive Board supported this application and recommends partially funding with conditions listed below for the following reasons:

- The project is necessary to realize the shelter at this location.
- The project creates 298 units of needed affordable rental units within a high opportunity area.
- The project estimates a relatively low per unit development cost compared to other recent projects.
- The project provides significant financial leverage of local resources.
- The applicant is an experienced developer with a strong track record of developing comparably scaled projects with similar financing.
- Site has convenient access to transit, shopping, and services.
- While available resources are not sufficient to fully fund the project, an initial commitment provides funding for predevelopment activities and demonstrates local commitment that increases the chance of securing other public resources.

The Executive Board recognizes the following weaknesses with the proposal which are addressed in the funding conditions:

- The site does not have an agreed upon purchase price and was last appraised at \$28 million (not taking into account potential deductions for site conditions).
- The proposed funding relies on an additional \$4 million in capital funds from King County, however the proposal was not prepared in time to meet King County application deadlines for the 2019 funding round.
- King County has required the purchase of the site to transact by the end of 2020; absent this deadline, the project could benefit from additional time to conduct due diligence and submit full funding applications.
- While the acquisition price will be reduced by estimated cost of remediation; the current agreement with King County does not provide relief if the actual costs of remediation exceed estimated costs.
- The entitlement timeline appears optimistic

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo

Special Conditions:

1. The funding commitment shall continue for eighteen (18) months from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. ARCH staff will grant up to a 12-month extension.
2. Funds may be used by the Agency towards construction or other eligible uses approved by ARCH staff. Funds will be released only after all proposed financing has been assembled for the Project. A waiver may be considered by ARCH to allow for earlier release of funds for acquisition if the Agency has demonstrated a clear plan for assembling all needed acquisition and permanent project financing.
3. Funds will be in the form of a deferred, contingent loan. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by ARCH Staff. It is anticipated that loan payments will be based on a set repayment schedule and begin after repayment of deferred developer fee with 1% interest. The terms will also include a provision for the Agency to a deferment of a payment if certain conditions are met (e.g., low cash flow due to unexpected costs). Any requested deferment of loan payment is subject to approval by City or ARCH Staff, and any deferred payment would be repaid from future cash flow or at the end of the amortization period.
4. A covenant is recorded ensuring affordability for at least 50 years, with affordability as shown in the following table. Limited changes to the proposed unit mix may be made subject to ARCH approval.

Area Median Income/Unit Size	Studio	1BR	2BR	3BR	Total
60%	30	160	80	28	298
Unregulated					2
Total	30	160	80	30	300

5. The net developer fee shall be established at the time of finalizing the Contract Budget and will follow the ARCH Net Developer Fee Schedule.
6. If there is a charge for parking, then that amount shall be deducted from the maximum rents. A waiver of this requirement may be considered by ARCH staff if justified by requirements to achieve parking reductions.

4. Inland Group/Horizon Housing Alliance Together Center Redevelopment

Funding Request: \$6,000,000 (Deferred, Contingent Loan)
80 affordable rental units in 9% deal and 204 affordable units in 4% deal

Exec Bd Recommendation: \$2,750,000 (Deferred, Contingent Loan)

Project Summary:

The Together Center is a nonprofit that has operated around a model of providing affordable commercial space for human service-related nonprofit organizations since 1991. In early 2019, after a long process of planning and visioning, the Together Center released a Request for Interest to solicit development proposals that would re-imagine the existing Together Center and take advantage of the development capacity on the property to provide affordable housing. Horizon Housing Alliance, along with its development partner, Inland Group, were selected in the summer of 2019 and have since been working steadily through the pre-development process.

The proposed project is two buildings on a single site with two separate programs. The existing Building A will be 204 studio, one, two, and three bedroom units affordable at 60% AMI called Polaris at Together Center. The existing Building B, called Horizon Housing at Together Center, will be 80 units of studio, one, two, and three-bedroom units affordable to households at 30% and 50% AMI, with 60 of the units set aside for those exiting homelessness. The residential units will be on floors two through five in both buildings. The ground floor of the buildings will be a condo owned by Together Center, a nonprofit that operates affordable office space for human service nonprofit organizations. Parking will be below grade in a structured parking garage. The collective project is called the Together Center Redevelopment.

The project is built around the vision of co-location of housing along with various behavioral health, physical health, and other resources to create a vibrant community and help families break the cycle of intergenerational poverty. Residents of Horizon Housing at Together Center will have access to social and health services in the commercial space with providers including HealthPoint, Ikron, and Sound Health all operating as tenants. The proposed population is intended to include homeless residents be referred by rapid rehousing providers including Catholic Community Services, as well as other transitional housing and shelter programs, rather than the through Coordinated Entry system. This is intended to provide a better balance within the building, as well as allow for prioritization of homeless populations in East King County.

Horizon Housing at Together Center will partner with Hopelink to provide service coordination and case management services on site. The project cashflow will contribute \$110,000 annually towards services. Hopelink and Horizon will apply for available service dollars to fund the remaining services for the families exiting homelessness. Horizon Housing at Together Center can refer tenants to the physical and behavioral health providers, including HealthPoint, who will be tenants in the ground floor commercial space on site. These “off-site” services will be paid through existing revenue streams with the providing agencies.

Funding Rationale:

The Executive Board recommends funding this application with partial funding at a minimum to advance the 9% portion of the project with conditions listed below for the following reasons:

- The project helps to realize the redevelopment of the Together Center, a valued community asset that provides critical social services for people across the EKC region.
- Services at the Together Center will provide ongoing benefits to residents of the housing.
- Project will ultimately create 284 units of affordable housing; 60 of which are set aside for households exiting homelessness
- The initial funding commitment allows the project to secure highly competitive 9% tax credit resources for East King County while securing funding for the remainder of the project.
- Project maximizes utilization of the site per zoning.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo

Special Conditions:

1. The funding commitment shall continue for eighteen (18) months from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. ARCH staff will grant up to a 12-month extension.
2. Funds shall be used by the Agency towards construction. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use.
3. Funds will be in the form of a deferred, contingent loan. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by ARCH Staff. It is anticipated that loan payments will be based on a set repayment schedule and begin after repayment of deferred developer fee with 1% interest. The terms will also include a provision for the Agency to a deferment of a payment if certain conditions are met (e.g. low cash flow due to unexpected costs). Any requested deferment of loan payment is subject to approval by ARCH Staff, and any deferred payment would be repaid from future cash flow or at the end of the amortization period.
5. The net developer fee shall be established at the time of finalizing the Contract Budget, and will follow the ARCH Net Developer Fee Schedule.
6. A covenant is recorded ensuring affordability for at least 50 years, with affordability generally as shown in the following table. (Note that limited changes to the matrix may be considered based on reasonable justification as approved by ARCH staff.)

9% Project:

Affordability	Studio	1 BR	2BR	3BR	Total
30%		8	20	12	40
50%		8	20	12	40
Total		16	40	24	80

4% Project:

Affordability	Studio	1 BR	2BR	3BR	Total
60%	20	80	84	20	204
Total	20	80	84	20	204

7. Submit for City or ARCH staff approval a management and services plan which includes coordination of services with outside providers and parking management.
8. Agency shall submit a marketing plan for approval by ARCH staff. The plan should include how the Agency will do local targeted marketing outreach to local, media business and community organizations.
10. If there is a charge for parking, then that amount shall be deducted from the maximum rents. A waiver of this requirement may be considered by ARCH staff if justified by requirements to achieve parking reductions.

5. Community Homes Shared Living 1

Funding Request: \$100,500 (Secured Grant)
3 Beds

Exec Bd Recommendation: \$100,500 (Secured Grant)

Project Summary:

Community Homes, Inc. (CHI) is proposing to acquire a home that will serve three (3) low-income adults with developmental disabilities. The proposed setting accommodates both the DD residents and their care provider in a shared living arrangement. Each tenant will have their own bedroom. Residents will share living spaces with the care provider but will have a separate bathroom. CHI has a purchase and sales agreement on a suitable property in Newcastle.

Funding Rationale:

The Executive Board recommends funding this application for the following reasons:

- The project has site control and is able to move forward quickly.
- The project serves very low income developmentally disabled individuals.
- The project provides housing for a population (Special Needs housing) that currently is below long-term ARCH Trust goals.
- The residents will benefit from a live-in care provider who is directly funded by Development Disabilities Administration; the live-in care model provides greater stability of care and retention of staff compared to other models.
- Developer has a 24-year track record and good reputation with funders and the Department of Developmental Disabilities.
- The lower number of residents in the home allows the project to come online faster and avoid the lengthy licensing process for homes with more residents.
- The project qualifies for funding set-asides in the State Housing Trust Fund round.

- Based on the proposed funding sources, ARCH funds would be leveraged with significant resources from King County and the State.

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo

Special / Revised Conditions:

1. The funding commitment shall continue for six (6) months from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the applicant will provide a status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider an extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the applicant will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable period of time. ARCH staff will grant up to a 12-month extension. If necessary, a second extension of up to 6 months may be requested by following the same procedures as the first extension.
2. Funds shall be used by the Agency toward acquisition and related costs. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use.
3. The Agency shall not proceed with searching for a home until all funding commitments have been received. The Agency shall only purchase unoccupied homes or owner-occupied homes in order to not trigger local and federal relocation regulations.
4. Prior to acquisition, the Agency shall submit an appraisal by a qualified appraiser. The appraisal shall be equal to or greater than the purchase price.
5. If federal sources are being provided by any funder, a purchase agreement cannot be entered into until the completion of the HUD required Environmental Assessment. The Agency may enter into an option agreement with language that addresses federal funds' "choice-limiting" restrictions.
6. Funds will be in the form of a secured grant with no repayment, so long as affordability and target population is maintained.
7. A covenant is recorded ensuring affordability for at least 50 years, with three beds for developmentally disabled individuals at or below 30% of area median income at move in.
8. Unless otherwise approved by ARCH staff, the development budget shall include:
 - Minimum of \$17,000 of private sources provided by the applicant.
 - Up to \$987,500 combined for acquisition and development. In the event total acquisition and development costs, including contingency, exceeds this amount, additional costs shall be covered by private sources from the applicant. If actual costs fall below this amount, the ARCH award may be adjusted downward accordingly.
 - Developer fee shall not exceed \$25,000.

9. Reserves will be funded out of operations at \$3,000 for the first year with an annual increase of 3.5% per year for replacement reserves and \$1,000 for the first year with an annual increase of 3.5% per year for operating reserves.
10. All cash flow after payment of operating expenses (including respite care) shall be placed into a project reserve account that can be used by the applicant for project related operating, maintenance or services expenses. Any other use of these reserves must be approved by ARCH staff.
11. In the event that any operating support funding levels will be reduced, the Agency shall inform ARCH Staff about the impacts the proposed reduction will have on the budget and plan for services to the DD clients, and what steps shall be taken to address the impacts. A new budget or services plan must be approved by ARCH.
12. The Agency will notify ARCH when they enter into an option or purchase and sale agreement for any home, providing information on the location of the home and terms for acquiring the home. No home considered for acquisition will be within two blocks of another home owned by Agency unless otherwise approved by ARCH staff.
13. Prior to closing on the home, an individualized outreach plan will be submitted to ARCH staff for review and approval. The outreach plan will include provisions such as:
 - Provide written notification to neighbors upon mutual acceptance of the Purchase and Sales Agreement to include CHI's intention to purchase the house, description of the project, and information regarding CHI and the care provider that will include the website and contact number;
 - Provide an opportunity for neighbors to meet individually and/or as a group with CHI and the care provider regarding the project; such as having an Open House after the tenants move-in and include invitations to neighbors.
15. Once the home is selected the Agency shall include ARCH Staff in the inspection of the property and development of the final scope of work for the rehab. The final scope of work for the basic construction budget shall include, at a minimum, all work necessary for licensing of the home and correction of substandard health and safety conditions. Prior to start of construction, the Agency shall submit the final scope of work for ARCH Staff approval, along with evidence that construction costs have been confirmed by a qualified contractor and are within the basic construction budget. All uses of construction contingency funds must be approved by ARCH staff prior to authorization to proceed with such work.

6. Community Homes Adult Family Home 8

Funding Request: \$150,500 (Secured Grant)
5 Beds

Exec Bd Recommendation: \$150,500 (Secured Grant)

Project Summary:

Community Homes, Inc. (CHI) is proposing to acquire and remodel a home that will serve five (5) low-income adults with developmental disabilities. The community within the home allows them to live as

independently as possible. A specific home will be identified once funding is committed. Criteria for selecting the particular property includes a minimum size of 2,500 square feet, the physical layout and ease of renovation of the house as well as neighborhood amenities such as sidewalks, access to stores, public services, transportation and recreation.

The residents will live in a shared living arrangement, along with a live-in care provider. Each tenant will have their own bedroom. Residents will share two bathrooms and a resident community living area with kitchen. If necessary, as in the case of prior homes, the existing garage may be converted to living space.

Funding Rationale:

The Executive Board supports funding this project as described in the application and recommends funding this application for the following reasons:

- Serves very low income developmentally disabled individuals
- The project provides housing for a population (Special Needs housing) that currently is below long-term ARCH Trust goals
- Residents will benefit from a live-in care provider who is directly funded by Development Disabilities Administration; the live-in care model provides greater stability of care and retention of staff compared to other models
- Developer has a 24-year track record and good reputation with funders and the Department of Developmental Disabilities
- The project qualifies for funding set-asides in the State Housing Trust Fund round
- Based on the proposed funding sources, ARCH funds would be leveraged with significant resources from King County and the State

Proposed Conditions:

Standard Conditions: Refer to list of standard conditions found at end of this memo

Special / Revised Conditions:

1. The funding commitment shall continue for six (6) months from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the applicant will provide a status report on progress to date and expected schedule for start of construction and project completion. ARCH staff will consider an extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the applicant will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable period of time. ARCH staff will grant up to a 12-month extension. If necessary, a second extension of up to 6 months may be requested by following the same procedures as the first extension.
2. Funds shall be used by the Agency toward acquisition and construction costs. Funds may not be used for any other purpose unless ARCH staff has given written authorization for the alternate use.
3. The Agency shall not proceed with searching for a home until all funding commitments have been received. The Agency shall only purchase unoccupied homes or owner-occupied homes in order to not trigger local and federal relocation regulations.

4. Prior to acquisition, the Agency shall submit an appraisal by a qualified appraiser. The appraisal shall be equal to or greater than the purchase price.
5. If federal sources are being provided by any funder, a purchase agreement cannot be entered into until the completion of the HUD required Environmental Assessment. The Agency may enter into an option agreement with language that addresses federal funds' "choice-limiting" restrictions.
6. Funds will be in the form of a secured grant with no repayment, so long as affordability and target population is maintained, and the service/care providers have a contract with DDA for funds necessary to provide services to this population.
7. A covenant is recorded ensuring affordability for at least 50 years, with five beds for developmentally disabled individuals at or below 30% of area median income at move in.
8. Unless otherwise approved by ARCH staff, the development budget shall include:
 - Minimum of \$26,500 of private sources provided by the applicant.
 - Up to \$1,705,500 for combined cost of acquisition and development. In the event total acquisition and development costs, including contingency, exceeds this amount, additional costs shall be covered by private sources from the applicant. If actual costs fall below this amount, the ARCH award may be adjusted downward accordingly.
 - Developer fee shall not exceed \$50,000.
9. Reserves will be funded out of operations at \$4,000 for the first year with an annual increase of 3.5% per year for replacement reserves and \$2,000 for the first year with an annual increase of 3.5% per year for operating reserves.
10. Residents referred from DDA will not receive Section 8 assistance.
11. All cash flow after payment of operating expenses (including respite care) shall be placed into a project reserve account that can be used by the applicant for project related operating, maintenance or services expenses. Any other use of these reserves must be approved by ARCH staff.
12. In the event that any operating support funding levels will be reduced, the Agency shall inform ARCH Staff about the impacts the proposed reduction will have on the budget and plan for services to the DD clients, and what steps shall be taken to address the impacts. A new budget or services plan must be approved by ARCH.
13. The Agency will notify ARCH when they enter into an option or purchase and sale agreement for any home, providing information on the location of the home and terms for acquiring the home. No home considered for acquisition will be within two blocks of another home owned by Agency unless otherwise approved by ARCH staff.
14. Prior to closing on the home, an individualized outreach plan will be submitted to ARCH staff for review and approval. The outreach plan will include provisions such as:

- Provide written notification to neighbors upon mutual acceptance of the Purchase and Sales Agreement to include CHI's intention to purchase the house, description of the project, and information regarding CHI and the care provider that will include the website and contact number;
- Provide an opportunity for neighbors to meet individually and/or as a group with CHI and the care provider regarding the project; such as having an Open House after the tenants move-in and include invitations to neighbors.

15. Once the home is selected the Agency shall include ARCH Staff in the inspection of the property and development of the final scope of work for the rehab. The final scope of work for the basic construction budget shall include, at a minimum, all work necessary for licensing of the home and correction of substandard health and safety conditions. Prior to start of construction, the Agency shall submit the final scope of work for ARCH Staff approval, along with evidence that construction costs have been confirmed by a qualified contractor and are within the basic construction budget. All uses of construction contingency funds must be approved by ARCH staff prior to authorization to proceed with such work.

7. Parkview Homes XV

Funding Request: \$225,450 (Secured Grant)
10 Beds

Exec Bd Recommendation: \$0

Project Summary:

Parkview Services, a Shoreline-based non-profit organization is proposing to develop three homes in East King County; one of those homes is in Kenmore, recently acquired by Parkview, the remainder are to yet be identified. The Kenmore Home is 4 beds and has short-term financing that must be taken out in the next year and a half. For the other two homes, they plan to acquire and remodel 1,600 square foot three-bedroom houses that will each serve three (3) low-income individuals with developmental disabilities referred by the Developmental Disabilities Administration. Specific homes will be identified once all funding is committed. Improvements will include remodeling to meet both Evergreen sustainability and ADA (Americans with Disabilities Act) accessibility standards.

Funding Rationale:

The Executive Board supports the concept of the Parkview proposal which serves the neediest of developmentally disabled persons but cannot recommend funding in the current round given the limited funding available. Parkview was awarded funding in 2014 for a similar project, whereas CHI has not received an award since 2012.

The current proposal's acquisition and development budget appears too low to be feasible given the targeted area. Given the amount of requested funds versus what was available, the Executive Board encourages a proposal from Parkview in the next funding round addressing this possible issue.

8. Parkview Homes 9 Down Payment Assistance (DPA)

Funding Request: \$200,000 (Non-Recoverable Grant)
DPA for 6 Households

Executive Board Recommendation: \$0

Project Summary:

Since 2006, Parkview Services has created 131 new homeowners, including 12 households that transitioned from subsidies to public housing rental to homeownership. This project proposes to create first-time homebuyers using deferred down-payment assistance (DPA) loans from a combination of public and private funds to achieve affordability for 10 households (6 in East King County). The homebuyers will purchase in either King, Skagit or Snohomish counties at sites to be determined (TBD). Eligibility for the down-payment assistance loans will require that the household income is 80% or less of the area median income (AMI) and that household has a member who is a person with Intellectual and Developmental Disabilities (IDDs). All homebuyers will receive homebuyer education, one-on-one pre-purchase financial counseling, and follow-up services subsequent to the purchase of their home.

The project includes a partnership with HomeSight, which has applied to King County for funds to make DP loans. Parkview homebuyers who purchase in King County will be eligible to use HomeSight's KC DPA loan together with other Parkview Services DP loans. In turn, HomeSight homebuyers who purchase in east King County will be eligible to use Parkview Services ARCH DP loans. Parkview believes this collaborative funding model is the most effective way to create affordable homeownership opportunities for their target population. The collective layers of DPA result in \$150,000 in public assistance per household.

Funding Rationale:

The Executive Board potentially supports the concept of the Parkview proposal which serves households which have a disabled person in them, it does not recommend making a funding award at this time. ARCH has its own Down Payment Assistance program administered through the Washington State Housing Finance Commission which has had only limited activity in the past several years. Those DPA loans are available to all households, not just those with a disabled person. The Executive Board recommends that in the coming year it re-evaluate that program along with the Parkview proposal to determine why activity is limited, if changes to the ARCH program are warranted, and if a specialized program is more beneficial than ARCH's DPA program for the relative cost per household.

9. King County Housing Authority Preservation of Kirkland Heights and Juanita View

Funding Request: \$2,500,000 (Deferred, Unsecured)
137 affordable units; 135 market-rate rental units

Exec Bd Recommendation: \$0

Project Summary:

King County Housing Authority (KCHA) is proposing to refinance 272 units of Section 8 housing located in Kirkland which it acquired from the Machinists Union in July 2019. King County provided \$10 million earlier this year to facilitate the purchase of the two Kirkland properties. This is part of a larger 5 site

acquisition. Rents would remain as they are currently. No renovations or modernization is contemplated with the funding. At about the same time as making their application to ARCH it was announced that Microsoft had made available \$60 million to KCHA for this purpose. The Microsoft money comes in the form of a 15 year loan bearing interest.

Funding Rationale:

The Executive Board does not recommend funding for this project for the following reasons:

- There is a potential to increase rents on certain units without cost burdening residents. This would allow getting higher Section 8 subsidies and the ability to carry conventional debt
- No renovations are planned with this refinance.
- No additional affordability is created with ARCH funding.
- KCHA secured other sources to immediately acquire the property.
- KCHA does portfolio lending which precludes securing individual properties with Deeds of Trust.

The Executive Board sees opportunity in the proposal if re-envisioned to create greater affordability or significant improvements to the property. The Executive Board would welcome an application in the next round. In the event KCHA does provide an application to ARCH in the upcoming round, the application should address the following issues raised above.

Applicable to all funded projects:

Standard Conditions:

1. The Applicant shall provide revised development and operating budgets based upon actual funding commitments, which must be approved by ARCH staff. If the Applicant is unable to adhere to the budgets, City or Administering Agency must be immediately notified and (a) new budget(s) shall be submitted by the Applicant for the City's approval. The City shall not unreasonably withhold its approval to (a) revised budget(s), so long as such new budget(s) does not materially adversely change the Project. This shall be a continuing obligation of the Applicant. Failure to adhere to the budgets, either original or as amended may result in withdrawal of the City's commitment of funds.
2. The Applicant shall submit evidence of funding commitments from all proposed public sources. In the event commitment of funds identified in the application cannot be secured in the time frame identified in the application, the Applicant shall immediately notify City or Administering Agency, and describe the actions it will undertake to secure alternative funding and the timing of those actions subject to City or Administering Agency's review and approval.
3. In the event federal funds are used, and to the extent applicable, federal guidelines must be met, including but not limited to: contractor solicitation, bidding and selection; wage rates; and Endangered Species Act (ESA) requirements. CDBG funds may not be used to repay (bridge) acquisition finance costs.
4. The Applicant shall maintain documentation of any necessary land use approvals and permits required by the city where the projects are located.

5. Submit monitoring reports quarterly through completion of the project, and annually thereafter. Submit a final budget upon project completion. If applicable, submit initial tenant information as required by City or Administering Agency.

Supplemental Funding Request:

1. Catholic Community Services with Sophia Way, Women and Family Shelter

Funding Request: \$175,000 supplemental funding (Secured Grant)
to the \$3,397,000 award made in the 2017 round

98 Beds (50 Family; 48 Unaccompanied Women)

Exec Bd Recommendation: up to \$175,000 (Secured Grant)

Project Summary:

The new development on the site required addressing storm water impact of the existing building which was constructed in 1952 with different requirements.

Funding Rationale:

The Executive Board supported the CAB recommendation for funding the additional request for the following reasons:

- Storm water detention was originally sized only for the new shelter building however regulations required the impact of the existing structure to also be addressed which was not budgeted for. Additionally, hazardous material was found on site and needed to be remediated.
- Agencies increased their capital campaign targets to match the public ask.
- The project is well underway and addresses an urgent public need.

Special / Revised Conditions:

1. Funds are an “up to” amount to be released only after ARCH staff review and approval of proposed construction change order.



CITY OF KIRKLAND
Planning and Building Department
123 5th Avenue, Kirkland, WA 98033
425.587.3600- www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Deb Powers, Urban Forester
Jeremy McMahan, Planning and Building Deputy Director
Adam Weinstein, AICP, Planning and Building Director

Date: February 18, 2020

Subject: Landmark Tree Definition
Draft Code Amendments Kirkland Zoning Code Chapter 95, Tree Management and Required Landscaping, File Number CAM18-00408

Staff Recommendation

City Council should continue their review of the Planning Commission's recommendations for amendments to [Kirkland Zoning Code Chapter 95](#) (KZC 95) and provide direction for staff on additional code changes to the second of six key code changes introduced at the January 21, 2020 study session: the "Landmark Tree" definition.

Background

At the January 21, 2020 City Council [study session](#), staff presented the Planning Commission's (PC's) recommendations, a result of 18 months study, on code amendments to KZC 95 as an opportunity for City Council's review prior to code adoption. Staff presented six key code changes reflecting the most substantive KZC 95 issues that arose from the public hearing, Houghton Community Council (HCC) deliberations and PC recommendations:

1. Tree removal allowances
2. Landmark tree definition
3. Grove definition
4. Tier 2 tree definition
5. Retention requirements for Tier 1/Tier 2 trees
6. Eliminate phased tree retention with short plats/subdivisions (IDP)

The City Council agreed with the PC's recommendation on key code change #6, eliminating phased tree removals with short plat and subdivision development (IDP). Councilmembers conveyed a consensus with the general concepts of tree removal allowances, landmark tree and grove definitions but felt a closer examination of associated data was warranted. Council requested that staff bring each of the remaining five key code changes to subsequent meetings for a detailed examination and focused discussion, so that Council may direct staff on code changes that may not align with the HCC and PC recommendations. Attachment 1 tracks the Council's progress towards consensus code amendments and any remaining issues/questions to address at future meetings.

A focused discussion on the permit requirements and time periods following tree removal (including landmark trees) took place at the February 4, 2020 City Council meeting. The Council's consensus direction on tree removal allowances is noted in Attachment 1 and summarized later in this memo, in a section under the same title. This memo focuses on the PC's recommendations for an appropriate size threshold for landmark trees and to establish the replacement requirements for landmark tree removals outside of development activity.

Landmark Tree Definition

Mature trees contribute to urban settings in a multitude of ways, including the enhancement of community character. From a technical standpoint, the purpose of landmark tree code provisions is to restrict the removal of large, mature trees to optimize the environmental and [human health benefits](#) from tree canopy cover, presently and over time. This webinar link provides a reasonably short, science-based and clear explanation on the importance of urban tree canopy cover: *Health Benefits of City Trees: Research Evidence & Economic Values*.

As demonstrated at the January 21, 2020 study session, it can take approximately 25 years for a newly planted tree to grow to Kirkland's "significant" or smallest regulated tree size, 6 inches in trunk diameter (DBH). Evidence supports balancing tree planting efforts with large tree preservation for greater canopy cover gains (Attachment 2) and to the benefit of current and future generations of citizens. Kirkland has identified canopy cover and tree age diversity as two performance measures in Comprehensive Plan policies and in the Kirkland Urban Forestry Strategic Management Plan ([UFSMP](#)) Appendix A: Performance Measures.

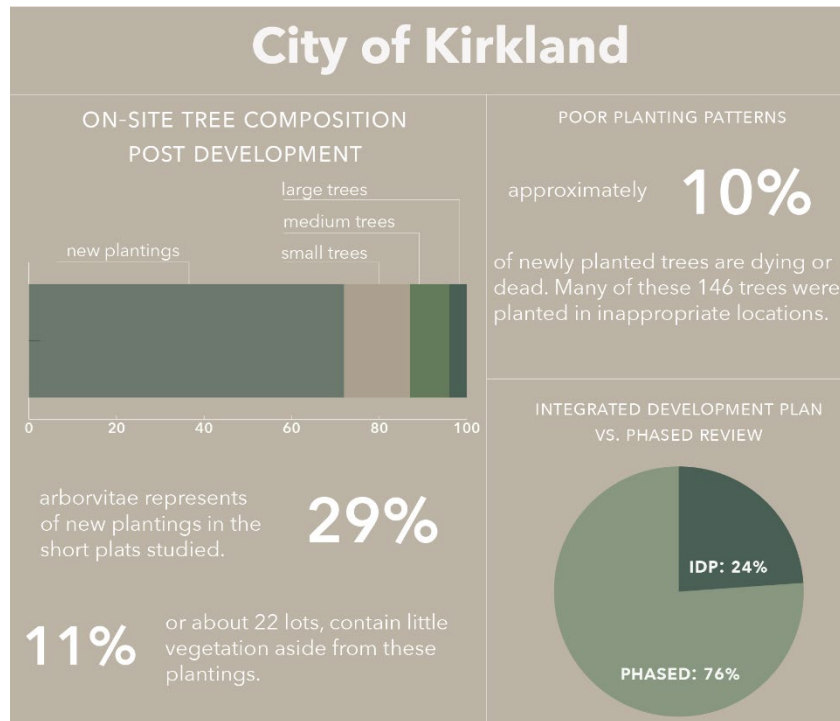
At the January 21 study session, the City Council expressed an interest in additional data related to landmark tree size.

Tree Size Data

In preparing for the tree code update, the Planning Department conducted a field study presented to the PC in August 2018 to understand, from a boots-on-the-ground perspective, the efficacy of KZC 95. The scope of the 2018 field study was to examine the *results* of the City's tree code; therefore, the project intern's assignment was to collect data on trees found on sites *after development*. The intern reviewed the arborist reports required for 154 single family developments resulting from short plats and subdivisions between 2008 and 2013 and checked against information filed in the City's permit database for trees sizes noted in tree inventories or surveys.

The total number of significant trees at short plat/subdivision (SPL/SUB) permit application in this study was 1,203. At that time, staff divided tree sizes found on post-development sites into the four categories, including those that were planted as a requirement for development.

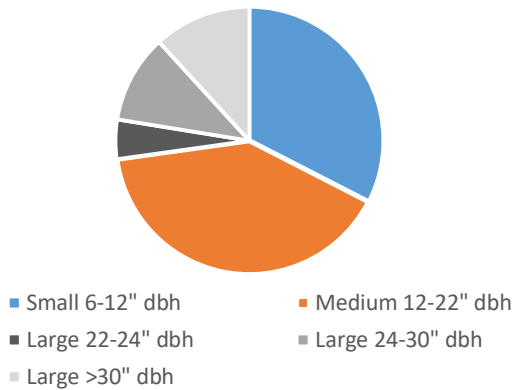
Large trees >22" DBH: 60
Medium trees 12-22" DBH: 132
Small trees 6-12" DBH: 222
New (required) trees: 1,049



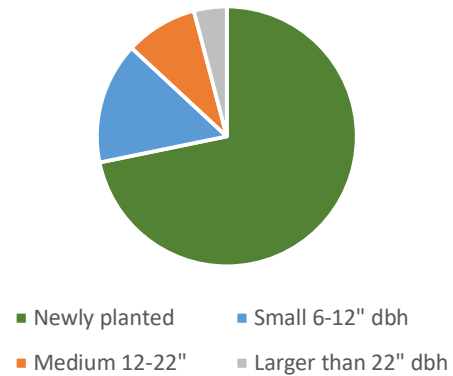
About two-thirds of all trees on sites post-development were newly planted. Approximately 73 percent of all significant trees that were existing on the site (pre-development) were viable and considered candidates for retention. Of these, 32 percent “small” trees, 40 percent “medium” and about 10 percent of “large” DBH trees were retained. It should be noted that tree retention is primarily affected by FAR (Floor Area Ratio), lot coverage and other factors allowed by zoning. Due to the extremely low rate of tree retention consisting of trees defined at a 22-inch minimum, the PC discussed a landmark tree size threshold 24-inch DBH at that time.

Stakeholder groups working with City staff on KZC 95 code updates had established a 30-inch landmark tree threshold. The stakeholders felt that considerations to lower that threshold should be based on the size of trees that were present on the same sites *prior to development* and requested that additional information. Staff culled through same arborist reports to obtain the new data and combined the two data sets into one spreadsheet (Attachment 3) that was detailed in the [May 23, 2019 Planning Commission](#) meeting memo. Note that the new data is inserted in the yellow-shaded columns. When comparing the 2 datasets, the effect the City’s tree code has had on Kirkland’s urban forest was still evident: from an even distribution of tree ages/sizes to begin with, a very low percentage of large trees are retained with development:

Pre-Development Tree Sizes



Post-Development Tree Sizes



The grey shades in the left chart represent a breakdown of the “large” tree sizes (greater than 22 inches DBH) on sites prior to development. Combined, the large trees as a group are evenly distributed with small and medium trees, the ideal for a sustainable urban forest. On the right, as previously mentioned, two-thirds of all trees on sites after development are newly planted. The PC adjusted the landmark tree threshold to the stakeholders’ recommendations for 30-inch DBH with the caveat that following the public hearing, the threshold may be reduced.

In another analysis, the PC reviewed the results from conducting development reviews using proposed code concepts applied to 22 recent, randomly selected/issued single-family permits (not those that were examined with the field study). There was little difference in landmark tree preservation on typical sized Kirkland lots under the current code when compared to the draft landmark tree code provisions for development. The proposed draft tree condition ratings resulted in the removal of “fair” condition landmark trees that might have been protected under the current regulations. The draft regulations establish lot clustering requirements and code flexibility to provide new tools for retention of landmark trees on SPL/SUB development sites and larger properties.

Houghton Community Council Recommendations

As previously discussed, the HCC expressed concern over an outright prohibition on landmark tree removal for properties not being developed and indicated that such a prohibition may prompt the HCC to exercise disapproval jurisdiction.

Planning Commission Recommendations

The PC recommendation defines Landmark trees as a minimum 30-inch DBH with the applicable tree removal allowances discussed with City Council on February 4, 2020. For removal of landmark trees not associated with development, the PC recommended “robust” replacement standards for landmark tree removal without specifying the number or methodology. The PC also encouraged implementation of a strong public information campaign so homeowners are aware of the change; otherwise, there may not be widespread compliance.

City Council Considerations for a Landmark Tree Definition

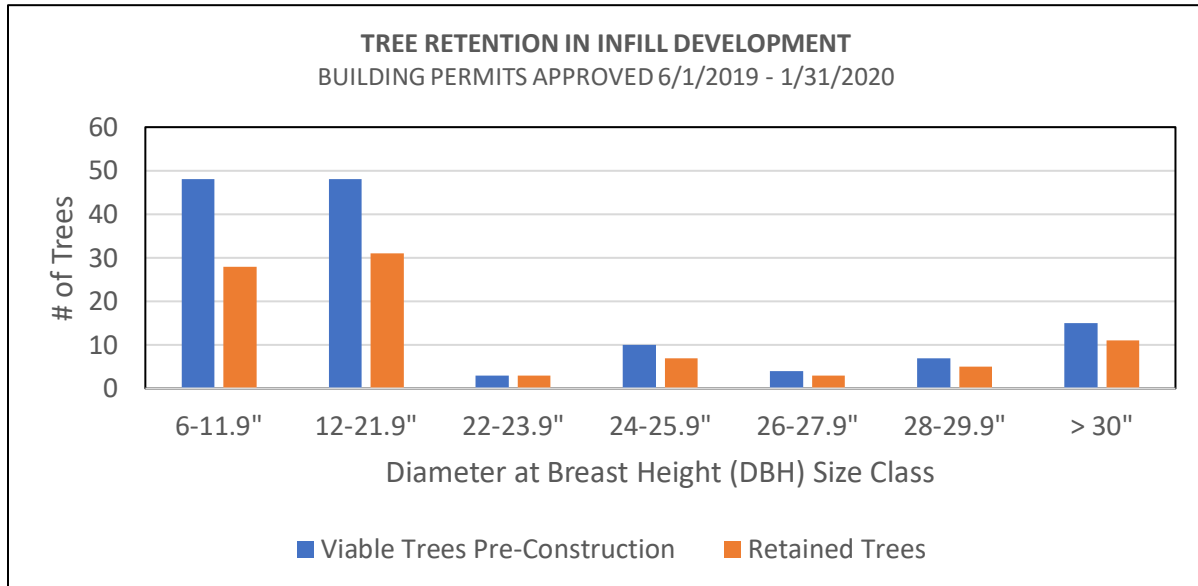
At the January 21, 2020 City Council study session, Council generally concurred that special protection measures for landmark trees were warranted yet did not make a determination on the PC's recommendations for an appropriate size threshold or replacement requirements. The Council asked:

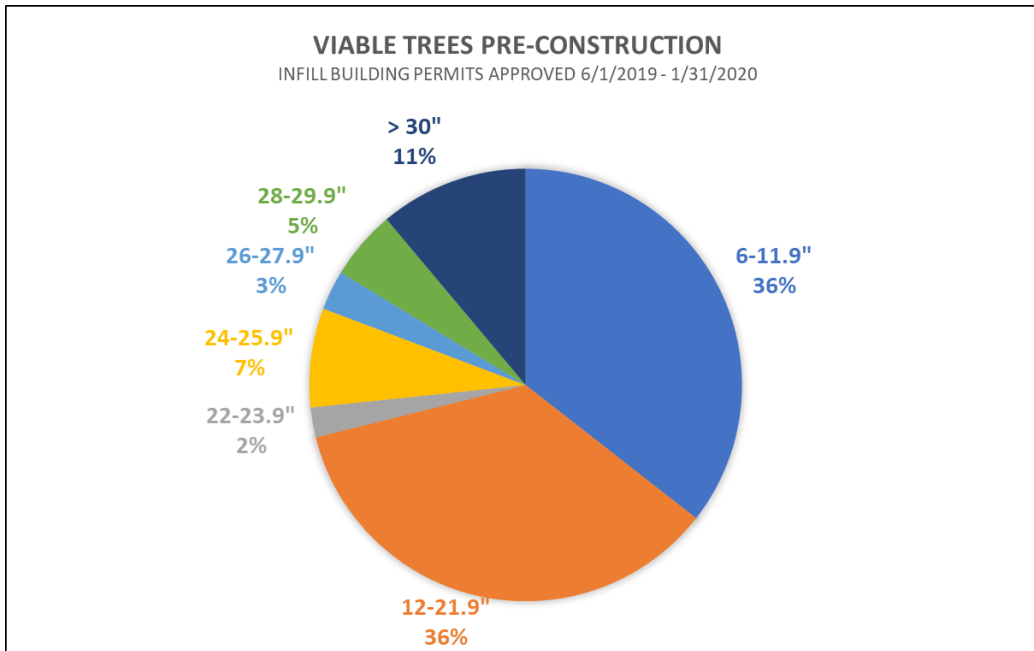
- What difference would it make on development sites if the proposed 30" DBH landmark tree threshold were reduced? With homeowner tree removals?

At the February 4 meeting, the City Council raised concerns on the effectiveness of a landmark tree code provision as applied to infill development, where an existing house is demolished for the construction of a new structure on the same lot, asking:

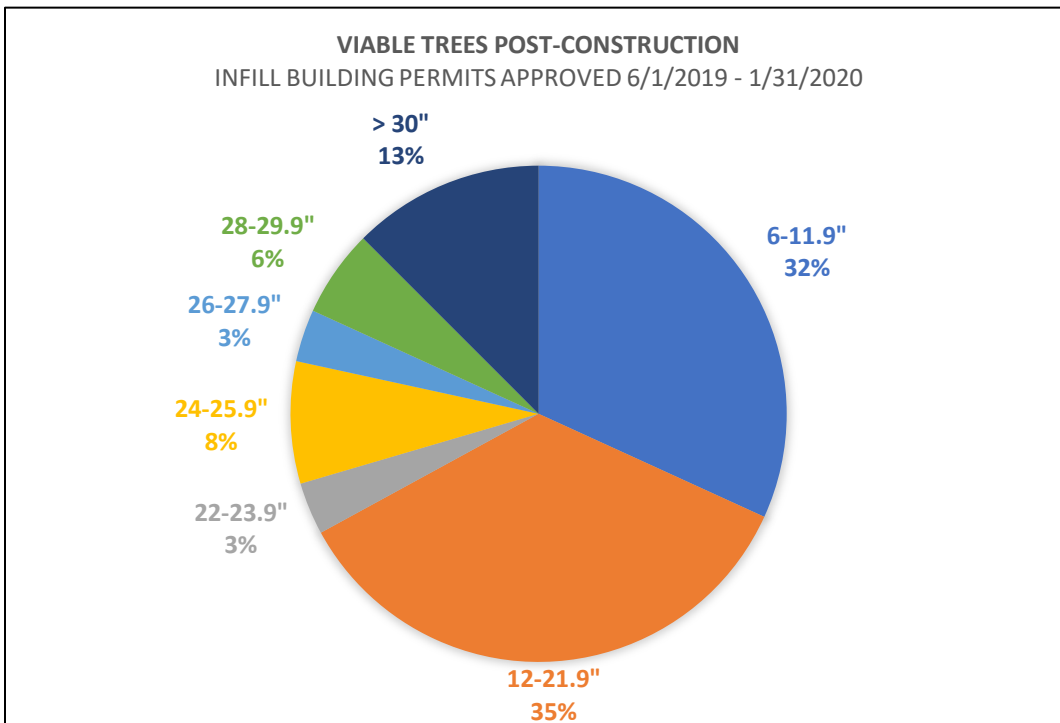
- Could staff provide more detailed information on the tree sizes (DBH) found on development sites?
- What is the occurrence rate of large trees that have been documented as a result of development? Single Family infill and additions/remodels?

These inquiries prompted the development of another data set that would show the range of existing tree sizes in two-inch DBH increments. (Attachment 4). Since the previous data sets consist of single-family residences resulting from short plat and subdivision development, staff collected data from 42 more recently approved infill building permits. It shows:





Interestingly, the post-construction ratios of tree sizes do not vary much from the pre-construction numbers of trees on these sites:



There is an inherent relationship between the defined size of landmark trees and the consequences of subjecting more or less trees to specific retention standards: in considering the appropriate DBH threshold, a lower DBH will protect more trees but a greater number of trees will be subjected to stringent retention standards.

As it relates to regulations for homeowner tree removals, lower landmark tree trunk diameters (smaller trees) afford protection for more "mid-range" mature trees, closing the gap between newly planted trees and the largest of mature trees. Although ensuring greater diversity of tree ages and a more even succession of the urban forest over time, tree protection for a wider group of trees could limit a homeowners' ability to manage their landscaping in accordance with their own personal preferences. The PC initially set the landmark tree size at 30" DBH in tandem with considering an outright prohibition on removal of landmark trees. Because the current direction is to allow removal of landmark trees with a permit and restoration, the City Council could also decide to increase the range of trees subject to those standards by reducing the size of landmark trees to something less than 30".

As it relates to regulations for trees and development, lower landmark tree trunk diameters similarly afford protection for "mid-range" mature trees. However, tree protection for a wider group of trees would subject more and smaller trees to the more rigorous Tier 1 tree protection standards. These more rigorous standards include requirements such as limiting the size of building footprints, clustering for short plats and subdivisions, relocating or boring utilities, and shoring excavations. These standards could require more creative design yet add to the cost of developing projects - although one could make the argument that local tree protection enhances property values on a neighborhood scale.

Lastly, expanding the class of trees subject to landmark status has implications on administration of the code in terms of more permit review and tracking for homeowner removals and more complex review of development permit applications.

Question:

Does the City Council agree with the PC's recommendations to define Landmark trees by a 30-inch DBH size threshold?

Summary of Prior City Council Direction on Tree Removal Allowances

Tree removal allowances establish a process and standards to slow the loss of tree canopy on private property, contributing towards the City's canopy goals and a more sustainable urban forest. The basic premise is to allow homeowners the right to remove trees on their property yet spread the loss of canopy cover over time. Additional background on how the current code works, the issues related to and the PC/HCC options considered and recommendations for tree removal allowances are described in the [February 4, 2020](#) City Council study session memo. The Council's consensus direction on tree removal allowances following deliberations at that meeting is summarized as follows:

1. The City Council agrees with the HCC/PC recommendations for increasing the number of allowed removal of trees over 6" in trunk diameter (DBH) every 12 months, based on property size.

2. The City Council agrees with the PC recommendations to allow one landmark tree removal every 24 months on any size property. The proposed size threshold for landmark trees is 30 inches DBH.
3. The City Council agrees with the HCC/PC recommendations that tree removals cannot exceed a minimum threshold for the number of trees remaining on a property, based on property size.
4. The City Council agrees with the HCC/PC recommendations that if the minimum number of trees over 6" DBH remaining on a property must be removed by meeting the hazard or nuisance tree criteria, replacements must be planted at a one-to-one ratio, based on property size.
5. The City Council will consider replacement requirements for landmark tree removals when determining the definition for landmark trees at the February 18, 2020 City Council meeting.
6. The City Council agrees with the PC's recommendation to prevent girdling and preemptive tree removals prior to short plat and subdivision development through code changes that:
 - Describe tree removal by "felling"
 - Insert "girdling" into the definition of tree removal
7. The Council increased the PC's recommendations requiring a wait period to submit short plat/subdivision development permit applications following tree removal, based on the size of the removed tree(s). The Council directed staff to increase the wait periods as follows:
 - Four years following the removal of landmark tree(s)
 - Two years following the removal of all other trees over 6" DBHThe Council requested staff add code language that provides some leniency in wait periods with hardship cases or extenuating circumstances.

Next Steps

Following the direction provided to staff at the February 18, 2020 City Council meeting, staff will return to Council for review and discussion of Key Code Issue #3 – the Grove Definition, for direction on changes to the draft code. The Council requested additional data on groves which staff is currently developing.

Subsequent meeting topics include Tier 2 definition and retention requirements of Tier 1/Tier 2 trees, the most complex of the KZC 95 code amendments. Council may wish to discuss holding a special meeting in order to devote more time to a focused review of the Planning Commission recommendations for Tier 1/Tier 2 retention and replacement requirements with development. Substantive changes to the draft code may warrant additional public comments and/or hearings.

Council requested that staff move ahead with KMC amendment for code enforcement related to trees and addressing other issues such as increasing canopy cover on municipal property and establishing goal-oriented tree planting initiatives. Staff is exploring ways to bring forward the KMC amendments without delaying review and adoption of these KZC 95 amendments. The additional work requested is already identified in Kirkland's Urban Forestry Strategic Management Plan. Staff anticipates returning to Council following KZC 95 adoption with a report

on progress toward the USFMP 2014-2019 Six-Year Work Plan and to establish priorities for the next six years.

Attachments

1. Key Code Change - City Council Direction
2. The Importance of Mature Tree Preservation
3. 2018 Field Studies
4. New Landmark Tree Data

cc: File Number CAM18-00408
Planning Commission
Houghton Community Council

PC Recommendations - Key Code Changes	KZC 95 Code Solution	Outstanding Issues/Questions	Status on Code Change
1. TREE REMOVAL ALLOWANCES			
<p>Allow increased tree removals per property size <i>Without a permit</i></p> <p>Limit landmark tree removals <i>Permit required (HCC does not support prohibiting landmark tree removal)</i></p> <p>Address preemptive tree removal issues <i>Development permit wait period, girdling language</i></p>	<ol style="list-style-type: none"> Revise size standard for replacement trees related to Forest Management Plan for greater code consistency Redefine landmark trees so condition ratings apply to Tier 1 trees only, not homeowner tree removal allowances. Increase wait period for SPL/SUB permit submittal following significant tree removal to 24 months, increase for landmark tree removal 4 years 	<ol style="list-style-type: none"> Consider extending even further the wait period for SPL/SUB development permit submittal following preemptive landmark tree removal as a penalty through code enforcement (KMC 1.12.100) Assess fees for ROW tree removal with development (not in scope of KZC 95) What are the consequences of HCC veto with KZC 95? (CAO) 	<p>1/21/20 - concur with general concept and recommended # of tree removals per property size.</p> <p>2/4/20 – concur with time period following removal of significant (regulated) and landmark trees. Agree with minimum number trees remaining and number of trees required for replacements per property size. See KZC 95 Code Solution (left) for development permit wait periods.</p>
2. LANDMARK TREE DEFINITION			
<p>Establish new criteria for large, mature tree protection applicable to homeowner tree removal and development sites</p>		<ol style="list-style-type: none"> Could staff provide more information/data on DBH (size) of trees found on development sites? Establish landmark tree DBH (size) What are appropriate landmark tree replacement requirements for homeowner tree removals? Note: replacement requirements for landmark tree removals associated with development fall under #5 below. 	<p>1/21/20 - concur with special protection for landmark trees, requested additional DBH data.</p>
3. GROVE DEFINITION			
<p>Define groves by condition, increase size threshold to 12" DBH minimum each</p>		<ol style="list-style-type: none"> Clarify the difference between hedges/groves (by definition) Should groves get more protection (covenant) than landmark trees (if landmark removal is not prohibited)? Why are groves important; what's their purpose? What's data on grove designation (infill vs SPL/SUB)? Size of lot? Grove designation with remodel? Typical size lots? 	<p>1/21/20 – requested additional grove data</p>
4. TIER 2 TREE DEFINITION			
<p>Establish criteria for trees on development sites other than landmark-groves <i>Previously High Retention Value trees</i> <i>HCC recommends a quota approach</i></p>			
5. RETENTION REQUIREMENTS FOR TIER 1/TIER 2 TREES			
<p>Tree retention/replacement with development</p>		<ol style="list-style-type: none"> Should landmark tree replacement requirements with development be consistent with homeowner tree removal replacement requirements? 	
6. INTEGRATED DEVELOPMENT PLAN (IDP)			

Eliminate phased review citywide	Concur with eliminating phased review for short plats and subdivisions citywide		Consensus on general concept
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THIS WEEK IN KIRKLAND ARTICLE 6 – April 10th publication date

In our [last article](#) we explored how specific changes to Kirkland’s tree code can address some emerging issues we’ve discovered through our monitoring efforts. This article discusses the importance of preserving mature trees.

Nearly 40 years of scientific [studies](#) tell us that trees make cities healthier places to live. Trees improve air and water quality, provide energy savings, regulate temperatures, mitigate flooding and buffer noise. Shoppers will spend 9-12% more in retail settings having a quality urban forest. The presence of larger trees in yards and on the street can add 3-15% to home values. Trees add value to our lives in a multitude of ways. We mentioned in a [previous article](#) that Kirkland has a city-wide 40% tree canopy cover goal.

One way to reach canopy cover goals is with tree planting initiatives that strive to plant a large number of trees by a certain date. Although tree planting efforts are very worthwhile, [research indicates](#) the majority of urban tree canopy cover is not the result of human planting.¹ Newly-planted trees must reach a certain size before they begin [contributing any benefits](#).² Within the context of an existing urban forest a few hundred, or even a million planted trees, do not automatically translate into an [increase in the overall tree population](#)³ and the odds are [stacked against a young tree “replacing” a mature one](#).⁴

Our field studies showed that Kirkland is doing a great job replanting trees after land has been developed. However, preserving [existing trees might be the best method of maximizing tree benefits](#).⁵ This brings us to an important question: when considering the benefits of trees, wouldn’t our time and energy be better spent preserving the mature trees we already have?⁶

The next public meeting on Kirkland’s tree code includes a quick update at the April 25 Planning Commission meeting, then a more in-depth review of proposed tree codes at the May 9 Planning Commission meeting.

¹“Changing Urban Tree Canopy Cover,” November 15, 2018 webinar, archived at [urbanforestrytoday.org](http://www.urbanforestrytoday.org). <http://www.urbanforestrytoday.org/videos.html>, jump to 1:30 - 5 minutes.

²David Nowak, Eric J. Greenfield, “Declining urban and community tree cover in the United States,” *Urban Forestry and Urban Greening* 32 (2018) 32-55. https://www.fs.fed.us/nrs/pubs/jrnl/2018/nrs_2018_nowak_005.pdf

³How Many Trees are Enough? Tree Death and the Urban Canopy. *Scenario Journal* 2014. <https://scenariojournal.com/article/how-many-trees-are-enough/>

⁴Max Piana & Blake Troxel, “Beyond Planting: an Urban Forestry Primer,” *Scenario Journal* Spring 2014. <https://scenariojournal.com/article/beyond-planting/>

⁵Leda Morritz, “A Million Trees? Only if We Can Keep Them Around,” *Next City*, 1/18/2012. <https://nextcity.org/daily/entry/a-million-trees-only-if-we-can-keep-them-around>.

⁶Ellyn Shea, “Running to Stand Still: Predicting Benefits for Replacement Tree Plantings,” *deeprooot.com*, October 23, 2017.

SUB/SPL File #	Zone	HPO (Y/N)	Neighborhood	# Lots	IDP (Y/N)	Apply Date	Complete Date	Send to King County for Recording Date	Total # Significant Trees at SUB Application	Total # Viable Trees at SUB Application	Viable Trees 6-11.9"	Viable Trees 12-21.9"	Viable Trees 22-23.9"	Total # Viable Trees 24-29.9"	Total # Viable Trees >30"	Total # Significant Trees at SUB Application	Total # Viable Trees at SUB Application	Viable Trees 6-11.9"	Viable Trees 12-21.9"	Viable Trees 22-23.9"	Total # Viable Trees 24-29.9"	Total # Viable Trees >30"
SPL08-00003	RSX 7.2	no	South Rose Hill	2	no	1/29/2008	3/5/2008	7/16/2013	11	7	1	1	1	3	1	1203	882	287	355	42	94	104
SPL08-00010	RSX 7.2	no	South Rose Hill	2	no	6/16/2008	7/2/2008	5/21/2013	13	12	1	4	3	0	4			32.54%	40.25%	4.76%	10.66%	11.79%
SPL09-00004	RS 7.2	no	Market	2	no	12/3/2009	1/8/2010	8/29/2012	9	8	3	3	1	0	1							
SPL10-00004	RSX 7.2	no	South Juanita	2	no	7/12/2010	9/1/2010	2/21/2013	36	18	3	10	0	5	0							
SPL10-00001	RS 8.5	no	Market	2	no	1/4/2010	2/16/2010	7/14/2014	12	6	1	0	1	4	0							
SPL10-00007	RS 6.3	no	Nokirk	2	no	10/27/2010	12/13/2010	1/18/2012	4	4	0	2	0	1	1							
SPL11-00008	RSA 6	no	Finn Hill	5	no	5/31/2011	7/19/2011	9/21/2012	26	15	7	7	0	0	1							
SPL11-00011	RSA 6	no	Kingsgate	3	no	10/26/2011	2/8/2012	9/18/2012	3	3	0	2	0	0	1							
SPL11-00001	RSX 7.2	no	North Rose Hill	2	no	1/18/2011	4/6/2011	1/8/2014	6	6	3	3	0	0	0							
SPL11-00014	RS 8.5	no	South Juanita	2	no	4/13/2012	4/20/2012	3/9/2016	59	52	10	21	3	14	4							
SPL11-00013	RSX 7.2	no	South Rose Hill	7	no	11/15/2011	12/28/2011	2/19/2013	33	18	10	6	0	1	1							
SUB12-01601	RS 7.2	no	Market	2	no	12/28/2012	3/14/2013	4/13/2015	2	2	2	0	0	0	0							
SUB12-01347	RSX 7.2	no	North Rose Hill	4	no	11/1/2012	12/19/2012	12/12/2013	9	8	1	4	1	1	1							
SUB13-01499	RSA 6, 8	no	Finn Hill	8	no	8/28/2013	9/25/2013	11/6/2014	55	44	22	20	0	1	1							
SUB13-00028	RSA 6	no	Kingsgate	2	no	2/13/2013	4/25/2013	11/22/2013	10	6	0	5	0	0	1							
SUB13-02006	RS 8.5	no	Central Houghton	2	yes	11/8/2013	12/6/2013	10/15/2014	3	3	1	2	0	0	0							
SUB13-01393	RSA 8	no	Finn Hill	8	yes	9/17/2013	9/17/2013	2/25/2016	83	68	33	20	0	3	12							
SPL11-00005	RS 7.2	no	Nokirk	4	no	2/14/2011	3/30/2011	3/20/2013	62	47	10	24	5	4	4							
SUB13-00205	RS 8.5	no	Central Houghton	4	yes	2/12/2013	3/28/2013	3/3/2014	5	4	1	2	0	0	1							
SUB13-01867	RM 3.6	no	Lakeview	4	no	10/22/2013	11/20/2013	10/15/2015	4	1	0	1	0	0	0							
SUB13-00145	MSC 1	no	Market	3	no	1/30/2013	2/25/2013	4/9/2014	16	7	2	3	0	0	1							
SUB13-00838	RM 3.6	no	Moss Bay	3	no	7/18/2013	7/29/2013	1/13/2014	6	5	2	3	0	0	0							
SUB13-00057	RS 7.2	no	Nokirk	2	no	1/11/2013	1/25/2013	6/19/2013	5	4	3	0	0	1	0							
SUB13-00087	RS 6.3	no	Nokirk	2	no	1/16/2013	2/7/2013	7/31/2013	2	2	2	0	0	0	0							
SUB13-00668	RS 7.2	no	Nokirk	2	yes	4/30/2013	8/5/2013	2/12/2014	9	7	4	3	0	0	0							
SUB13-01189	RSX 7.2	no	North Rose Hill	2	yes	7/11/2013	9/20/2013	5/20/2014	14	14	1	9	0	4	0							
SUB13-01251	RSX 7.2	no	North Rose Hill	3	yes	7/19/2013	9/19/2013	10/10/2014	9	7	2	1	1	2	2							
SUB13-01260	RSX 7.2	no	North Rose Hill	4	yes	7/30/2013	9/25/2013	12/1/2014	25	22	5	16	1	0	0							
SUB13-01711	RSX 7.2	no	North Rose Hill	3	no	11/6/2015	11/19/2015	6/21/2017	55	47	11	16	3	8	9							
SUB13-00040	RSX 7.2	no	South Rose Hill	2	no	1/8/2013	4/25/2013	6/24/2013	8	6	1	3	0	0	2							
SUB13-01833	RSX 7.2	no	South Rose Hill	3	no	10/18/2013	11/5/2013	8/28/2014	13	12	1	3	0	2	6							
SUB13-00686	RS 8.5	no	Highlands	2	no	5/7/2013	6/25/2013	11/4/2013	23	12	5	4	1	0	2							
SUB13-01216	RS 5.0	no	South Rose Hill	3	yes	8/19/2013	8/30/2013	7/6/2014	35	9	6	2	0	1	0							
SUB13-00954	RSX 7.2	no	Bridle Trails	3	yes	6/6/2013	11/5/2013	6/2/2014	6	4	1	0	0	0	3							
SUB12-00299	RSX 7.2	no	South Rose Hill	2	no	6/5/2012	6/15/2012	12/18/2013	6	4	2	2	0	0	0							
SUB13-02012	RSX 7.2	no	Bridle Trails	2	yes	12/13/2013	12/13/2013	10/13/2014	15	15	3	5	1	1	5							
SUB12-01192	RS 8.5	no	Lakeview	2	no	10/2/2012	11/6/2012	8/22/2013	13	13	12	0	0	1	0							
SUB13-02187	RSA 4	yes	Finn Hill	4	no	12/13/2013	1/2/2014	11/17/2017	24	14	3	5	2	3	1							
SUB13-00232	RSA 6	no	Finn Hill	2	no	2/13/2013	4/25/2013	8/13/2013	20	16	5	5	1	2	3							
SPL09-00002	RS 8.5	no	Highlands	2	no	6/19/2009	7/13/2009	7/19/2013	4	2	0	0	0	1	1							
SPL10-00008	RS 8.5	no	Everest	4	no	11/30/2010	12/28/2010	2/11/2016	47	44	18	20	2	1	3							
SPL11-00002	RSX 7.2	no	North Rose Hill	2	no	1/18/2011	4/6/2011	1/8/2014	12	12	4	3	2	3	0							
SUB13-02013	RSX 7.2	no	Bridle Trails	2	yes	12/16/2013	12/17/2013	10/21/2014	45	45	15	24	3	1	2							
SPL08-00004	RSX 7.2	no	North Rose Hill	7	no	1/31/2008	2/20/2008	7/9/2013	113	77	23	25	6	10	13							
SPL08-00008	RSX 7.2	no	South Rose Hill	2	no	4/28/2008	5/19/2008	7/8/2016	9	9	2	5	0	0	2							
SUB13-00779	RSX 7.2	no	South Rose Hill	2	yes	5/16/2013	8/22/2013	2/3/2014	31	29	11	14	1	2	1							
SPL08-00016	RSX 7.2	no	North Rose Hill	4	no	11/20/2008	1/29/2009	1/8/2014	60	49	16	19	1	5	8							
SPL11-00009	RSX 7.2	no	North Rose Hill	4	no	12/5/2011	12/21/2011	9/21/2012	133	63	18	28	3	8	6							

New Single Family Building Permits Issued from 6/1/2019-1/3/2020 not Associated with a Short Plat

Permit #	On-Site Viable Trees							Retained Trees							Comments
	6-11.9"	12-21.9"	22-23.9"	24-25.9"	26-27.9"	28-29.9"	> 30"	6-11.9"	12-21.9"	22-23.9"	24-25.9"	26-27.9"	28-29.9"	> 30"	
BSF19-08223															N/A: pavilion
BSF19-07804															One non-viable tree
BSF19-06612		1	1		1				1	1			1		1 invasive, 2 shrubs - the shrubs were fenced and retained
BSF19-06365	1					1		1					1		
BSF19-06225	1	1		1		2					1		1		Expedited, no Urban Forester review, 2 poor condition trees
BSF19-05962	3	1					2	1	1						2
BSF19-05827							1								1
BSF19-05630															2 non-viable birches retained, only quality tree retained is a shared tree
BSF19-05539		1							1						2 non-viable trees
BSF19-05357															Non-viable trees
BSF19-05357															N/A: garage
BSF19-05356															1 non-viable tree
BSF19-04796		2							2						
BSF19-04475	1	1	1					1	1	1					
BSF19-04239							1								1
BSF19-03969															N/A: ADU
BSF19-03856															1 non-viable tree
BSF19-03563	2	5		2	1	1			3		1				1 non-viable tree
BSF19-03352															1 shrub, 1 non-viable tree
BSF19-02829															5 palm trees
BSF19-02686															No significant trees on site
BSF19-02618	1							1							1 mediocre cherry tree retained
BSF19-02290	7	5						3	3						
BSF19-02125		2		1					2		1				Grove?
BSF19-01995		3					2		1						1
BSF19-01862	1	1		1	1	1	2					1	1	2	Groves?
BSF19-01860	2	2		2		2	1	1			2		2	1	Groved?
BSF19-01811							3								1
BSF19-01482	3							2							
BSF19-01281															No trees on site
BSF19-00941															All palm and non-viable trees
BSF19-00905															N/A: multi family
BSF19-00903															N/A: multi family
BSF19-00801															N/A: multi family
BSF19-00800															N/A: multi family
BSF19-00796	6	12	1	1	1			5	11		1	1			Grove
BSF18-08913															2 invasives, 1 non-viable tree
BSF18-07823															1 non-viable tree
BSF18-07385															No trees on site
BSF18-07258															No trees on site
BSF18-06937	4	1		1			1	4	1		1			1	2 poor condition, 1 invasive, HPO
BSF18-06825															3 non-viable trees
BSF18-06624	5	7					1	5	3	1					
BSF18-06303															3 non-viable trees
BSF18-05231	1	1						1							
BSF18-04896															N/A: part of a short plat
BSF18-04352	1														1 non-viable tree
BSF18-03608															N/A: lot line adjustment associated with subdivision
BSF18-03299															1 non-viable tree
BSF18-01152							1								4 non-viable trees
BSF17-07735	9	2		1				3							
Total	48	48	3	10	4	7	15	28	31	3	7	3	5	11	



CITY OF KIRKLAND
PLANNING AND BUILDING DEPARTMENT
123 FIFTH AVENUE, KIRKLAND, WA 98033
425.587.3225 - www.kirklandwa.gov

MEMORANDUM

Date: February 7, 2020

To: Kurt Triplett, City Manager

From: Adam Weinstein, Planning and Building Director
Jeremy McMahan, Deputy Planning and Building Director

Subject: RESPONSE TO WRITTEN FEEDBACK BY PSRC ON GREATER
DOWNTOWN KIRKLAND REGIONAL GROWTH CENTER APPLICATION

On August 15, 2019, the City Council adopted the Greater Downtown Plan. The City then submitted the plan to King County for designation as an Urban Center as the Greater Downtown Plan meets the King County and PSRC Urban Center criteria. On November 5, 2019, King County designated Greater Downtown Kirkland as an Urban Center in the King County Countywide Planning Policies. Following the County's designation of the Urban Center, on December 30, 2019, the City submitted an application to Puget Sound Regional Council (PSRC) to designate Greater Downtown as a Regional Growth Center. PSRC responded in writing to the City on January 29, 2020, indicating plans to "vest" the City's application under existing rules, while requiring a new subarea plan and environmental review to substitute for the existing Greater Downtown Plan adopted by City Council. The PSRC letter is attached to this memo.

Staff evaluation of the PSRC request has identified that the additional work would require changes to the Planning Work Plan, impact planning staff capacity and incur significant costs with no discernible change to the underlying land-use codes and zoning designations. The requested work would also be redundant to the multiple planning and community engagement efforts that have already been implemented for the Greater Downtown and surrounding neighborhood plans. As importantly, staff has concluded that the request would be inconsistent with PSRC's Regional Centers Framework. A letter responding to PSRC request is attached. Staff is seeking City Council's review and feedback on the letter and direction on whether to send the letter to the PSRC.

ATTACHMENT A: Response to January 29, 2020 PSRC Letter

February 18, 2020

Puget Sound Regional Council
c/o President Bruce Dammeier and Vice President Claudia Balducci
1011 Western Avenue, Suite 500
Seattle, WA 98104-1035

Re: Greater Downtown Kirkland Regional Growth Center Application

Dear Puget Sound Regional Council:

This letter is in response to written feedback provided by PSRC staff on the City of Kirkland's application to designate Greater Downtown as a Regional Growth Center, particularly the request that substantial additional planning work – primarily a brand new subarea plan – be completed as part of the application.

First, we would like to thank PSRC staff for their work with the City of Kirkland on our application. PSRC staff have been forthcoming and helpful in working with us on meeting the procedural requirements of the application, and have invested a great deal of their time in doing so. We also appreciate the ability for our Regional Growth Center application to be vested under PSRC's existing rules.

While we are grateful for PSRC staff's assistance and respect their perspective on the application requirements, the request to prepare a new, stand-alone subarea plan to substitute for the comprehensive plan for the center adopted by Council on August 15, 2019 strikes us as needlessly redundant and inconsistent with PSRC's own Regional Centers Framework. The plan that PSRC staff is requesting would amount to at least \$150,000-\$250,000 of additional staff and consultant work and would displace other major progressive planning priorities linking land-use and transit that are consistent with PSRC goals for the region. The effort would yield a center plan that would almost certainly be substantively indistinguishable from the plan adopted just months ago. The submitted Greater Downtown plan already meets PSRC's numerical criteria for center designation. Following is our response to the key points raised in PSRC staff's January 29 letter (Attachment 1):

- *The adopted Greater Downtown Kirkland Urban Center Plan is not a subarea plan.* The January 29 letter notes that the Urban Center Plan adopted by City Council on August 15 is not actually a subarea plan, ostensibly because the plan did not "include public participation and outreach, undergo environmental review, and [was not] . . . adopted by ordinance and submitted to the Washington Department of Commerce." We disagree with this assessment. As noted on page 4 of the City's application to PSRC, the plan "is considered to be and is functionally equivalent to a subarea plan in that it establishes a broad land use pattern, urban design character, environmental protection measures, transportation and public facilities networks, and housing and economic development strategies in the Greater Downtown." While the adopted plan was created from existing neighborhood plans (last updated in 2018) and applicable policies in the Comprehensive Plan (updated in 2015), every single policy in the Greater Downtown Kirkland Urban Center Plan underwent public outreach and environmental review, was adopted by

ordinance, and was submitted to the Department of Commerce as part of the Comprehensive Plan Update in 2015 and neighborhood plan adoption in 2018.

- *Adopted population and employment targets are need[ed] for the defined subarea.* On page 8 of the PSRC application ("Planned Activity Levels"), the City identifies the population and employment targets for the Greater Downtown subarea, which are: 8,561 people, 15,031 employees, and 25,589 total activity units. This yields a target density of 45.5 activity units per acre, exceeding PSRC's threshold. As noted in the application to PSRC, this represents approximately 21 percent of the overall growth target for the City. The January 29 letter notes that: "Targets should be reviewed and updated to demonstrate that a significant share of the city's growth will be accommodated in the proposed center." It is unclear why review and update of population and employment targets adopted in 2015 (and extending to 2035) and incorporated into the Greater Downtown Plan would be desirable, particularly since the Greater Downtown already meets the planned activity unit thresholds established by PSRC. If the City receives expanded targets as part of "the upcoming target setting process," we will amend our existing plans (including the Greater Downtown Plan) to accommodate them.
- *Describe the vision and strategies specific to the Greater Downtown area, including policies and goals specific to the new Greater Downtown Kirkland geographical subarea that represent the full extent of the downtown center.* The City believes that these requirements have been met in the adopted Greater Downtown Plan. Page 3 of the Greater Downtown Plan (Attachment A to the City's PSRC application), "Vision Statement," describes the vision for the Greater Downtown, which includes: a district with a lakefront setting, highly-walkable downtown, and a human scale, that is well-connected to the planned Bus Rapid Transit (BRT) station at I-405/NE 85th Street, is filled with a collection of new and old buildings and great urban design, and where many people choose to live and work. The Land Use section, starting on page 5 of the plan, establishes subarea-specific policies for how growth should be customized, and range from promoting focused/higher-intensity development near the planned BRT Station (see Policy RH 7 on page 14 of the plan) to lower-scale/finer-grained development in the "Core Area" near the Lake Washington shoreline (see Policy MB 7 on page 10 of the plan). Land use, the environment, transportation, housing, economic development, and public services are all addressed in specific elements of the plan included in Attachment A of the PSRC application (see Table of Contents on the second page of the plan).
- *The center plan should document how housing tools, programs, and policies will provide a variety of housing types for all levels of income in the regional center.* Chapter 7 ("Housing") of the Greater Downtown Plan identifies subarea-specific housing policies, ranging from requiring affordable housing set-asides (Policy H-3.2 on page 83 of the plan) to inventorying and preserving multi-family properties affordable to low and moderate income households (Implementation Strategy H.2 on page 84 of the plan). As noted on page 11 of the City's PSRC application, in 2018 the City adopted its Housing Strategy Plan, which documents housing need City-wide and identifies policies to aggressively increase housing supply, choice and affordability. Many of these policies have already been implemented with tangible effects in the Greater Downtown. With

126 affordable units in Greater Downtown in the pipeline, 339 efficiency units that are priced at 80 percent of Area Median Income recently built in Greater Downtown, and pending rules establishing minimum densities in the City's medium- and high-density residential zones, the City is puzzled as to why PSRC staff believe that "Current housing policies that apply citywide are unclear as to how and whether the Greater Downtown area will address housing needs in the context of accommodating significant growth." Empirical data show that the City-wide housing policies are working effectively in Greater Downtown and elsewhere.

- *The plan should include an environmental review that demonstrates the center area is appropriate for dense development.* The January 29 letter notes that additional State Environmental Policy Act (SEPA) review is needed because "the Greater Downtown Kirkland subarea boundary did not exist when this review was done and the 2015 environmental review does not specifically address downtown." With Downtown identified as a targeted growth center in the 2015 Comprehensive Plan Update Environmental Impact Statement (EIS), the City does not believe that the presence of precise subarea boundaries in the EIS should have any bearing on whether planned development in the Greater Downtown was adequately analyzed for environmental impacts. In other words, the environmental impacts of Greater Downtown development (along with other City-wide development) are analyzed and disclosed within the 2015 EIS regardless of whether mapped subarea boundaries are shown. It is unclear why this valid, holistic approach to evaluating City-wide environmental impacts in an EIS is inadequate for the purposes of considering a Regional Growth Center designation, as the environmental impacts of dense, planned development in Greater Downtown are identical with or without a map showing Greater Downtown's discrete boundaries.
- *The market analysis provided is inadequate.* The City's market analysis of Greater Downtown was prepared by CBRE on September 25 and included as Attachment O to the City's application to PSRC. The January 29 letter from PSRC staff simply notes that "a market study done for Greater Downtown Kirkland should demonstrate the market potential, not merely development capacity," and should analyze the relationship to growth expectations in the Totem Lake Regional Growth Center. The City believes the existing market analysis, which identifies market trends across various land uses (page 3), market potential (page 4), and relationship to the Totem Lake Urban Center (page 6) meets these requirements. While PSRC staff have indicated concern that a Greater Downtown Regional Growth Center could siphon off growth from the Totem Lake Center, the facts on the ground show that development in both centers is well on its way to fulfilling the visions of our adopted centers plans. In the case of Greater Downtown, this means a planning pipeline of almost 1,849 residential units, 900,000 square feet of commercial space, and the second of two Downtown supermarkets. While the market analysis provided could always be more exhaustive, we believe that in-progress and recently-concluded development in Greater Downtown definitively shows that the market potential for the area is substantial, even in the context of Totem Lake (with its hundreds of new residential units expected to come online in the next several months, two grocery stores, and over 200,000 square feet of new retail space). We would also point out that PSRC provides very little guidance on what constitutes an adequate market analysis.

We write this letter with a great deal of respect for the important work of PSRC in planning a sustainable, integrated region with a vital economy, thriving cities, and protected natural resources. The City of Kirkland has been and will continue to be committed to these values, and is currently working on several progressive planning initiatives that would advance them, including a new Station Area Plan around the I-405/NE 85th Street BRT Station, a Sustainability Master Plan, and allowing duplexes, triplexes, and cottage projects in all single-family zones City-wide. Every square foot of the City is encompassed by one of 16 neighborhood plans last updated between 2015 and 2018. Kirkland does not shirk from new planning initiatives, but like all cities, needs to use our limited resources wisely. Preparing a new subarea plan to replace our already-adopted Greater Downtown Plan would de-prioritize one or more of our progressive planning initiatives with no tangible benefit.

The Greater Downtown Plan adopted by Council on August 15, 2019 constitutes a plan that is "functionally equivalent" to a subarea plan (see page 5 of PSRC's Regional Centers Framework) and the existing plan for Downtown growth enjoys widespread community support (and has received positive press coverage: <https://seattletransitblog.com/2019/09/03/downtown-kirkland-urban-center/>, <https://www.theurbanist.org/2019/12/19/king-county-designates-downtown-kirkland-a-regional-growth-center/>).

We would also note King County's adoption of Greater Downtown as an Urban Center in the King County Countywide Planning Policies on November 5, 2019, based on a unanimous recommendation of the Growth Management Planning Council (GMPC). GMPC's recommendation came with comments from GMPC members such as: "I thought Downtown Kirkland was already an Urban Center" and "I hope our urban center will be as well-planned as Kirkland's." King County and the GMPC hold all local jurisdictions to rigorous planning standards and we are proud that the Greater Downtown Plan met their high expectations and received such enthusiastic support.

With appreciation for PSRC's work in establishing regional planning priorities, we would urge you to consider Kirkland's existing Greater Downtown Plan as "functionally equivalent" to a subarea plan and appropriate for supporting a Regional Urban Center designation, while vesting our application under the established rules.

Sincerely,
CITY OF KIRKLAND

Penny Sweet
Mayor

cc: Kirkland City Council
Paul Inghram, Growth Management Director, PSRC
Liz Underwood-Bultmann, Principal Planner, PSRC
Andrea Harris-Long, Senior Planner, PSRC

Attachment 1: January 29, 2020 PSRC Letter



Puget Sound Regional Council

1011 WESTERN AVENUE, SUITE 500 ||| SEATTLE, WA 98104-1035 ||| psrc.org ||| 206-464-7090

January 29, 2020

Adam Weinstein
Director of Planning and Building
City of Kirkland
123 5th Avenue
Kirkland, WA 98033

Subject: Center Designation Application

Dear Mr. Weinstein,

Thank you for the application received December 30, 2019, regarding regional growth center designation for the Greater Downtown area. Downtown Kirkland has long been recognized as an important community gathering place, job center, and regional attraction. It is exciting to see the city take this new step to advance Greater Downtown as a Regional Growth Center.

Regional growth centers are a cornerstone of regional planning, and PSRC welcomes Kirkland's commitment to accommodating new growth in the downtown center and supporting the county and regional vision for centers. Helping grow walkable communities that are served by transit advances regional environmental, land use, and mobility goals, and we appreciate Kirkland's interest in expanding its role. PSRC's [Regional Centers Framework](#) provides information on regional centers and underscores the agency's commitment to a coordinated system of regional centers that meets shared expectations.

PSRC staff reviewed the city's Greater Downtown Kirkland center designation application for completeness against the eligibility and designation criteria contained in the adopted [Designation Procedures for New Centers](#). The application demonstrates that Downtown Kirkland is a growing urban hub that meets many of the criteria to be designated a regional growth center, but that additional work on center planning is needed.

A major change in the Regional Centers Framework, adopted in 2018, was to require newly-designated centers to complete center planning in advance of designation, resulting in plan certification happening concurrent with center designation. This local planning step recognizes that all communities with regional growth centers need to consider how the center will accommodate new growth into the future; address common challenges in centers of housing affordability, mobility, and public services; and provide an opportunity for meaningful public engagement. Application review finds the city has completed some aspects of the planning required by the framework through the preparation of the consolidated plan but that a complete center plan equivalent to a subarea plan is needed to meet eligibility requirements and provide a complete application. Key requirements for

completing a center plan from the Designation Procedures and Plan Review Manual are highlighted in the following section.

A new feature of the Regional Centers Framework is limiting applications to a fixed application window every five years so that PSRC's board can review changes comprehensively across the region and not in isolation. PSRC closed applications for new centers at the end of 2019 and will not open the application process for new centers again until 2024. Staff recognize that a significant amount of work went into preparing and submitting an application by the 2019 deadline, but more work is needed. To keep the process moving ahead, staff will recommend that the Growth Management Policy Board vest Kirkland's application until the city can fully meet the application requirements by completing a center plan consistent with the Growth Management Act and PSRC's Plan Review Manual. The Growth Management Policy Board will be asked to take action on this recommendation at their March 5, 2020, meeting. If this process is approved, PSRC will review the complete application and center plan for designation and plan certification once Kirkland adopts and submits a center plan.

Completing a Center Plan

In past meetings with the city, PSRC staff outlined the expectations for all new regional centers, including a center plan that meets GMA and PSRC requirements. Typically, center plans take the form of a subarea plan, although some jurisdictions adopt separate chapters to their comprehensive plans. GMA requires subarea plans to include public participation and outreach, undergo environmental review, and are adopted by ordinance and submitted to the Washington Department of Commerce.

The Greater Downtown Kirkland consolidated plan creates a valuable reference source of policies and plan elements from other various neighborhood plans and the city's comprehensive plan, but does not meet the requirement outlined by the [Regional Center Plans Checklist](#) in the Plan Review Manual. We understand that more planning work is anticipated for the downtown Kirkland area. The consolidated plan and the upcoming work the city is doing may provide a foundation to complete a center plan.

PSRC is happy to assist Kirkland as center planning gets underway. As the city works to prepare a center plan, we have noted a few considerations below, in addition to items in the Regional Centers Plans Checklist, based on our review of the city's designation application and other planning work:

- Adopted population and employment growth targets are need for the defined subarea. The designation application notes growth targets from the 2015 Comprehensive Plan for a subset of the proposed center boundary. Targets should be reviewed and updated to demonstrate that a significant share of the city's growth will be accommodated in the proposed center. The city may wish to do this as part of the upcoming target setting process that will extend targets to 2043. Doing so would provide a more holistic and long-term vision for growth in the center.
- Describe the vision and strategies specific to the Greater Downtown area, including policies and goals specific to the new Greater Downtown Kirkland geographical subarea that represent the full extent of the downtown center. These policies and goals should direct where and how adopted growth targets will be accommodated in the subarea; and address land use, environment, transportation, housing, economy, and public services specific to the downtown subarea.

- Document the total existing and targeted housing units and assess housing needs, including displacement risk. The center plan should document how housing tools, programs, and policies will provide a variety of housing types for all levels of income in the regional center. Current housing policies that apply citywide are unclear as to how and whether the Greater Downtown area will address housing needs in the context of accommodating significant growth.
- Additional SEPA environmental review is needed that is specific to the Greater Downtown center plan. The consolidated plan relies on the 2015 Final Environmental Impact Statement for the Comprehensive Plan. However, the Greater Downtown Kirkland subarea boundary did not exist when this review was done and the 2015 environmental review does not specifically address downtown. Per the Designation Procedures, the plan should include an environmental review that demonstrates the center area is appropriate for dense development.
- The Plan Review Manual requires a market analysis of the center's development potential prior to designation of new centers to understand the growth potential of the regional center. Attachment O of the designation application, a document completed by CBRE, provides a partial market assessment for the proposed center. As we discussed in the past, a market study done for Greater Downtown Kirkland should demonstrate the market potential, not merely development capacity, for a center to accommodate additional growth, and it should analyze its relationship to the growth expectations for the Kirkland Totem Lake Regional Growth Center. Attachment O does not provide sufficient data or research on either issue.

We recognize that Kirkland has engaged in meaningful local planning with the neighborhoods that comprise the Greater Downtown Kirkland subarea. We look forward to working with the city on a center planning effort that demonstrates the future of this proposed new urban center. We are happy to provide centers planning resources and review drafts of center plan materials as it is developed and look forward to working with you on the designation process for Greater Downtown Kirkland.

Please do not hesitate to contact us with any questions.

Sincerely,

Paul Inghram

Paul Inghram, AICP
Growth Management Director
Puget Sound Regional Council

cc: Growth Management Services