

Community Question and Answer Session

What are the community benefits and potential fiscal impacts of transit-oriented growth for the Station Area?



MITHUN

BERK

ECONorthwest
ECONOMICS • FINANCE • PLANNING

FEHR & PEERS

HERRERA

NE 85th Station Area Plan

City of Kirkland
BERK and Mithun

01 November 2021



Session Purpose

- An additional opportunity for you to learn more about the Fiscal Impact and Community Benefits study results

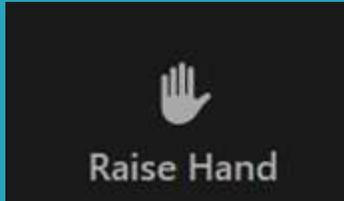
Schedule for this Evening

- 5 min - Welcome and review session purpose
- 10-15 min - Presentation on Results of Fiscal Analysis and Community Benefits Study - Mithun and BERK
- 90 min - Community Questions and Answers
- 10 min - Recap on Next Steps, Meeting Close

Next Steps in Planning

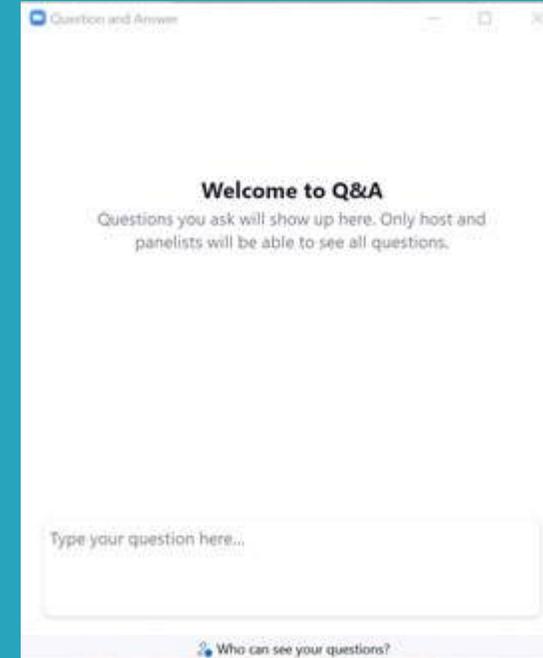
- November 16 City Council update with Planning Commission;
December 14 Council action on Preferred Plan Direction

How to Ask A Question



Raise your
(virtual) hand to
join the queue for
speaking

OR



Type a question in
the Q&A Box

- Project team will alternate answering verbal and written questions
- If time does not allow written questions to be addressed, they will be included in a follow-up FAQ document to be published.

Station Area Plan Q&A: Project Team

City Staff

- Kurt Triplett, City Manager
- Tracey Dunlap, Deputy City Manager
- Adam Weinstein, Director of Planning & Building
- Jeremy McMahan, Deputy Director of Planning & Building
- Allison Zike, Senior Planner
- George Dugdale, Financial Planning Manager
- Kevin Pelstring, Budget Analyst
- Joel Pfundt, Transportation Manager

Consultant Team

- Erin Ishizaki, Mithun
- Brad Barnett, Mithun
- Brian Murphy, BERK
- Kristin Mardt, BERK

Station Area Plan Background

The Opportunity

The Station Area and Rose Hill have always been a crossroads.

The new WSDOT / Sound Transit Bus Rapid Transit station at I-405 and NE 85th will connect Kirkland regionally to light rail at Bellevue, Lynnwood, and to SeaTac with frequent bus service every 10-15 minutes.

The Station Area has good potential for residential development and a strong location advantage for office development, shops, services, affordable housing, and new jobs.

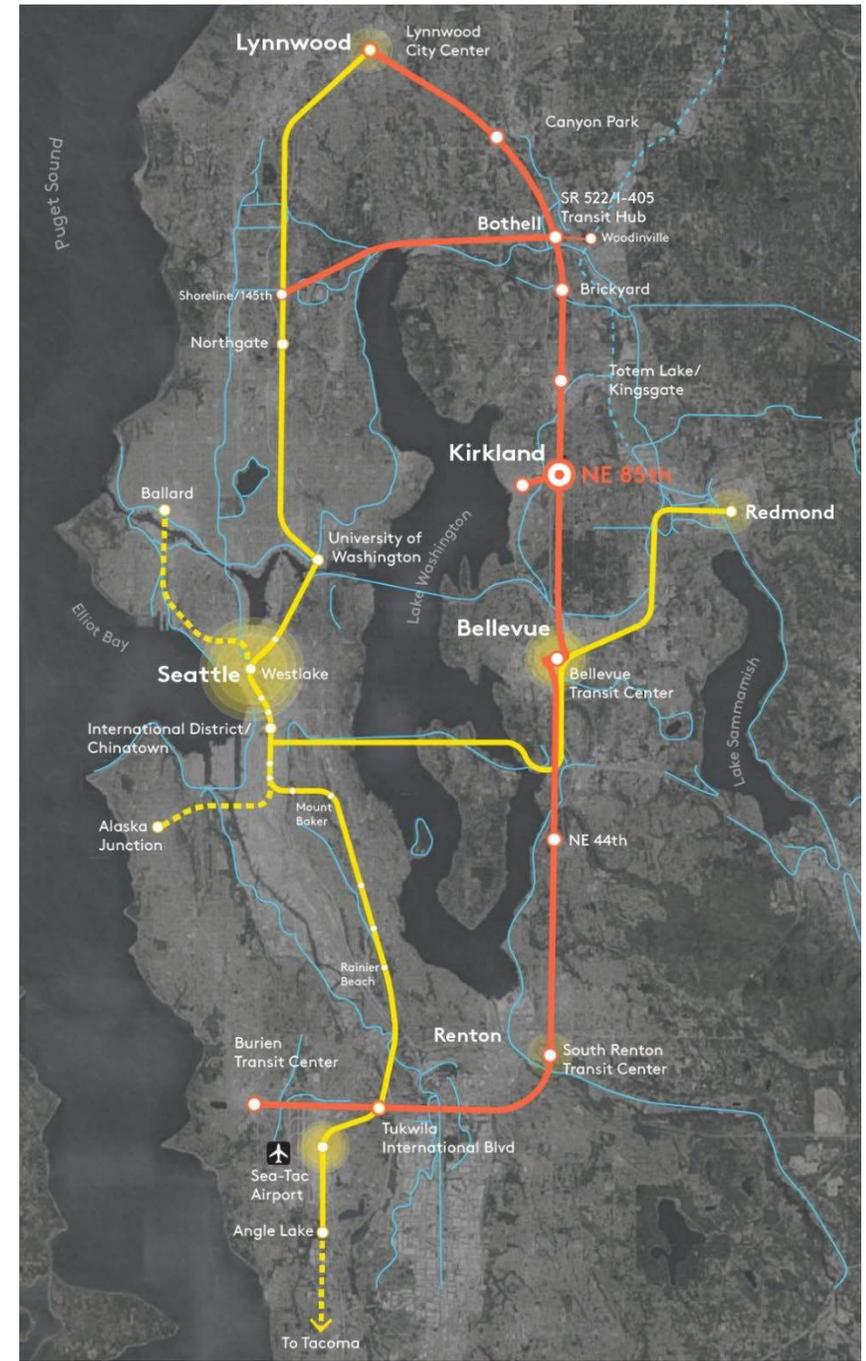
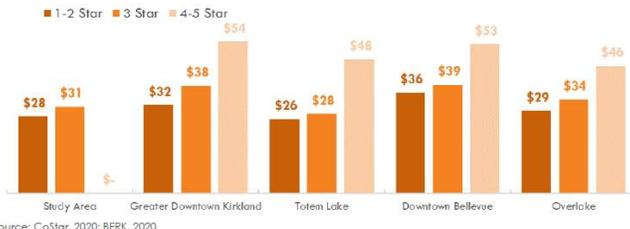


Exhibit 11. Rent per Square Foot by Construction Class, Office Commercial, Study Area and Peer Geographies 2019.



Source: CoStar, 2020; BERK, 2020.

SAP Planning Process

PREFERRED PLAN DIRECTION

Engagement

Community Workshop, Survey, Interviews, Stakeholder Briefings, Planning Commission & City Council

Community Open House, Surveys, Stakeholder Briefings, Written Comments, Student Project, Planning Commission & City Council

Supplemental City Council, Community Listening Session, Transportation Commission, Q & A Session, and Planning Commission

Community Workshop, Surveys, Stakeholder Sessions, Planning Commission & City Council

Public Hearings Planning Commission & City Council

VISION & CONCEPTS

ALTERNATIVES

DRAFT PLAN

FINAL PLAN

VISION & CONCEPTS

Spring 2020
Completed

ALTERNATIVES

Winter 2021
Completed



Fiscal Impacts & Community Benefits Study
May – October 2021

DRAFT PLAN

~~Spring 2021~~
Fall – Winter 2022

FINAL PLAN

~~Summer 2021~~
Spring 2022

Key Decisions

- Project Objectives
- Study Area Growth framework
- Establish a range of 'bookends' for alternatives to study
- Confirm **scope** & topics for EIS to study

- **Amount, mix, type of growth**
- Elements to include in preferred alternative, e.g.:
 - Growth/Land Use
 - Affordable Housing Options
 - Open Space Strategies
 - Height & Massing Strategies
 - Mobility
 - Etc

- Development requirements or incentives, e.g.:
 - Affordable Housing
 - Sustainability/Green Bldg
 - Other Community Benefits
- **Form Based Code draft**
 - Transitions between types
 - Urban Design Concepts
- Draft Planned Action with Specific Mitigation measures
- City investments & Projects

- Policy & Regulatory Details, **Form Based Code details**
- Finalize boundaries of character areas/transects
- **Final Planned Action**

The Vision

Compact, transit-oriented growth around the new regional BRT and trail connections is a chance to grow smart, increase access to opportunity, and benefit the station area and Kirkland as a whole.

The City's Objective

Leverage the BRT station regional transit investment.

Maximize transit-oriented development and create the most...

- Opportunity and Inclusion,
- Value for the City,
- Community Benefits, including affordable housing, and
- Quality of life.



We heard you!

DSEIS Comment Period: January 5 – February 19, 2021

We heard from over 600 stakeholders of all ages who live and work here!

| Engagement Opportunity | # of Participants | Audience |
|---|---------------------|--|
| Real-time online open house | 140 | Public* |
| Online survey | 408 | Public* |
| Written comment | 114 | Public* |
| Service provider work group | 4 service providers | People with low incomes or experiencing homelessness |
| Meetings-in-a-Box | 26 | People with low incomes or experiencing homelessness |
| Student project at LWHS | 41 | Youth |
| Presentations at Virtual Community Org Meetings | 10 meetings | Neighborhood & Business Associations |

*included outreach via multifamily housing buildings, ethnic groceries, Chinese-language materials and messaging via the Chinese Information Service Center, senior housing facilities, unions, community groups and organizations, service providers, and Lake Washington High School

柯克兰 (Kirkland) NE 85th Street 车站区域计划
备选方案

柯克兰市正在制定一个车站区域计划，该计划将指导设立在 NE 85th Street 交汇处的全新快速公交站之未来 15-20 年的发展。

有想法或意见？诚邀各位在 2021 年 2 月 19 日前发表公众意见。

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 姓名: Allison Zhan
 City of Kirkland Planning
 121 5th Avenue
 Kirkland, WA 98033
 网站: <https://kirklandwa.gov/StationAreaPlan>
 如需帮助或有任何疑问，请与柯克兰市规划及发展部联系。电话: 425-587-3259 或 Allison Zhan。

车站区域计划概述
 NE 85th Street 车站区域计划为公共交通发展，为所有人创造机会并能提升柯克兰市之经济及生活质量。

如果您想参与项目或有任何疑问，请与柯克兰市规划及发展部联系。请发送邮件至 AZhan@kirklandwa.gov 或拨打电话 425-587-3259 联系 Allison Zhan。

计划时间表
 2020 年 8 月 完成
 2021 年 1 月 开始
 2021 年 8 月 完成
 2021 年 12 月 完成

三个备选方案
 柯克兰市进行了广泛的公众咨询，为车站区域计划制定了三个备选方案。每个方案均包含不同的车站设计、步行和自行车设施、以及新的开发项目。我们将根据公众意见选择最佳方案。

调查: <https://kirklandwa.gov/StationAreaPlan> 了解更多详情

NE 85th Street Station Area Plan
Which alternative is best?

Online workshop January 7 from 6-8 pm.
 Submit comments January 5 - February 5.
 More info: kirklandwa.gov/stationareaplan

We heard that mobility, infrastructure, and inclusion are some of the greatest opportunities and challenges of the NE 85th Station Area Plan Vision.

The City Council took action by:

- 1 requesting a Supplemental Study of benefits and impacts.**
- 2 lowering the intensity of allowed development in the options studied.**

Focus of Analysis

If the city were to implement its vision of the Station Area as a thriving, new walkable urban center with new jobs, plentiful affordable housing, sustainable buildings, shops and restaurants linked by transit:

Fiscal Impact

Can the City afford the investments necessary to address increased demand on infrastructure and public services?

Community Benefits

How can the public receive the benefits of growth?

How can development advance the City's priority objectives?

Is the Vision Feasible?

Supplemental Study Results

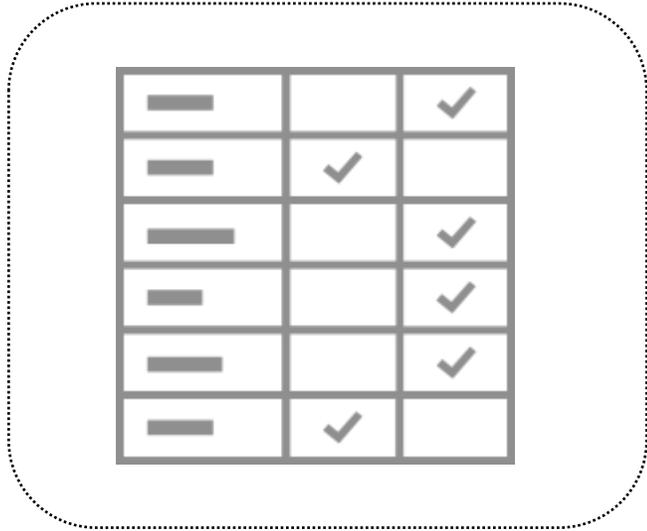
The City must make significant capital investment under **Current Trends (Alt A)**, which does not generate much development contribution to required infrastructure.

Transit-Connected Growth (Alt B) is feasible to serve, but the City will have to recognize that a variety of strategies will be required to balance the City's overall budget and station area needs.



Setting Priorities Together: Fiscal Impacts and Community Benefits Study

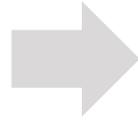
Fiscal Impacts & Community Benefits Study



June Alternatives for Study

Narrow growth bookends and balance type and mix of allowed development

Understand minimum representative infrastructure needs for alternatives



Fiscal Impacts analysis to test if we can support infrastructure and service needs and

Community Benefits analysis to maximize affordable housing and access to opportunity, better ways to walk and bike, parks, schools and environmental benefits



Recommended Public Infrastructure and Services Investment Strategies and

Community Benefits Strategies

Preliminary tools and strategies to address infrastructure funding gaps and support growth and quality of life over the next 23 years



Public Infrastructure and Services Investment Strategies

Value for the City

Sustainable service provision and fiscal responsibility

Quality of Life

Mobility for all ages and abilities



Community Benefits Strategies

Opportunity and Inclusion

Affordable housing and workforce development, parks, schools

Community Benefits

Sustainability, resilience, and health

Investment to support today's residents and catalyze transit-connected development

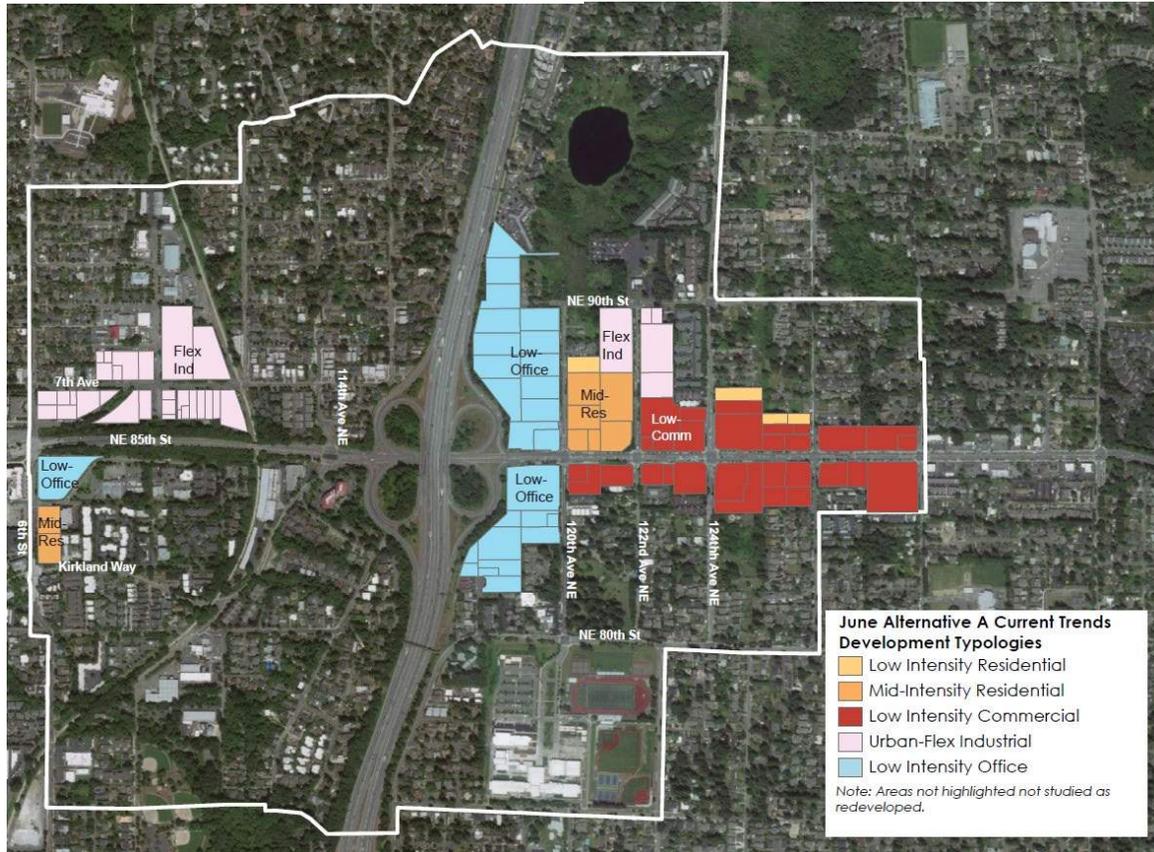


Helps achieve Value Capture for Community Benefits

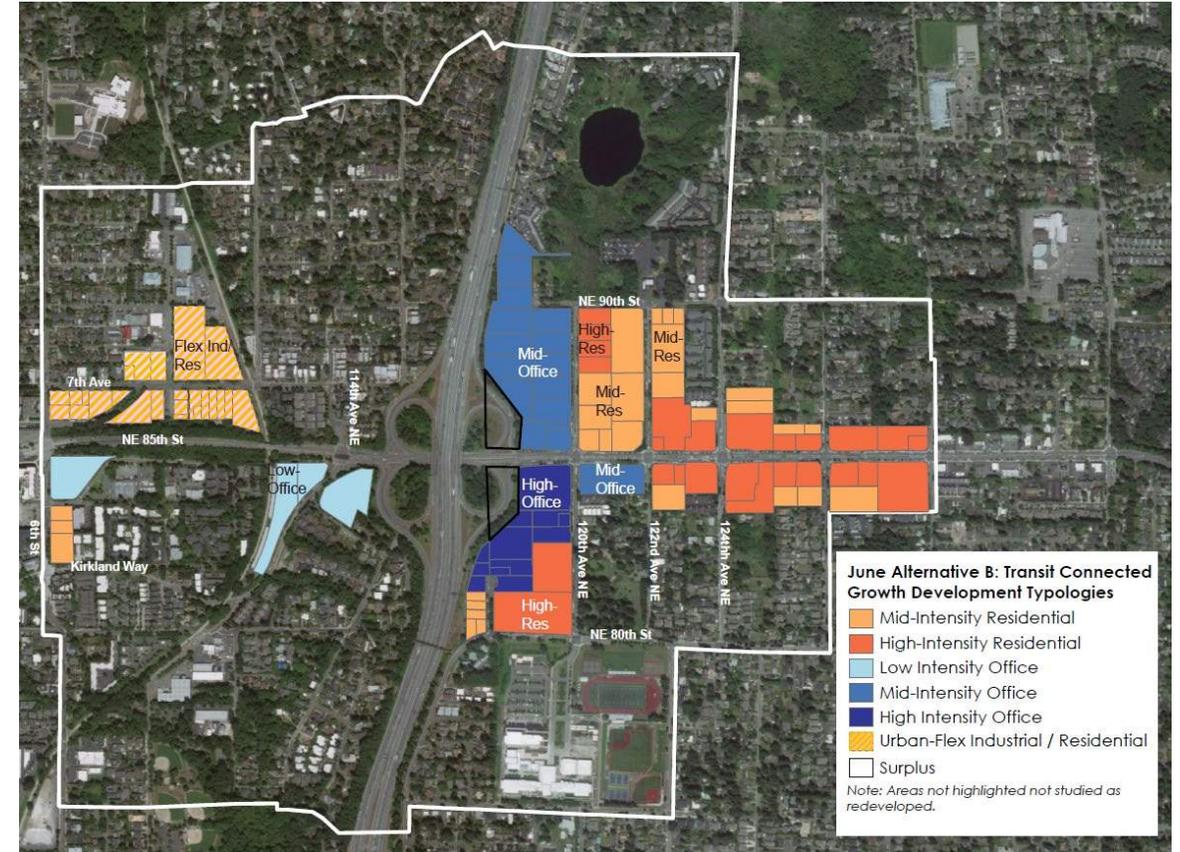
June Alternatives, Key Assumptions, and Fiscal Impact Analysis

Growth Analysis: Narrowed growth bookends, with buildout estimates for next 23 years, comparing Current Trends to Transit-Connected Growth

June Alt A: Current Trends



June Alt B: Transit-Connected Growth



- Based on current zoning and DSEIS Alt 1
- Adjusts growth to reflect recent development trends which exceed 2015 Comprehensive Plan projections

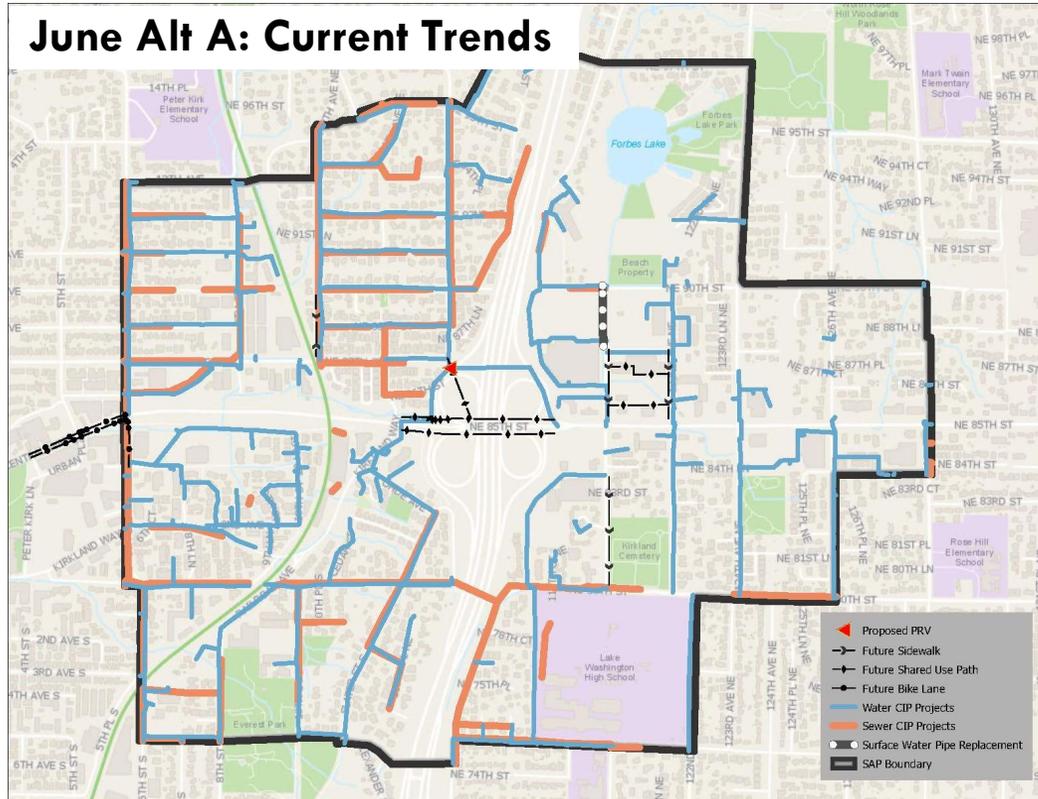
- Based on DSEIS Alt 2: Guiding Transit-Oriented Growth
- Lowers overall growth and redistributes growth from NE to SE quadrant to reflect infrastructure needs
- Includes transitions to reflect public comments

Growth Analysis: Narrowed growth bookends, with buildout estimates for next 23 years, comparing Current Trends to Transit-Connected Growth

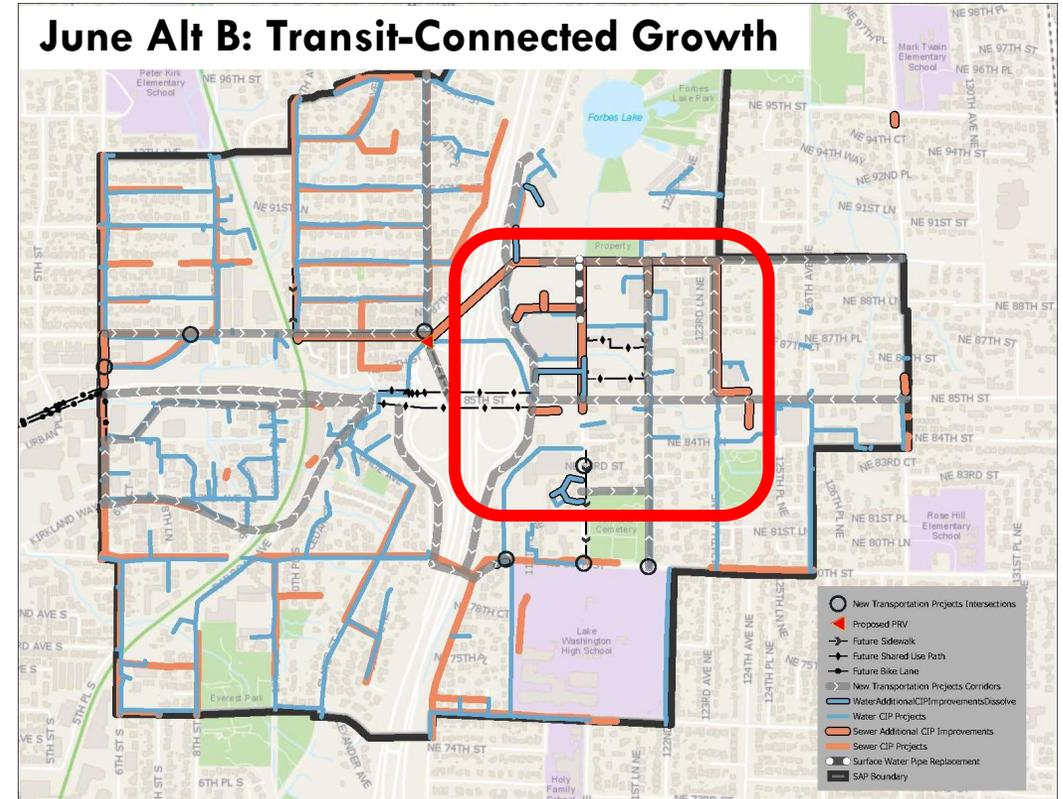
| | DSEIS No Action | June Alternative A | June Alternative B | DSEIS Alternative 2 | DSEIS Alternative 3 |
|------------|--------------------|--------------------|--------------------|------------------------|------------------------|
| Households | 2,782 | 2,929 | 8,152 | 8,509 | 10,909 |
| Employment | 10,859 | 12,317 | 22,751 | 28,688 | 34,988 |

Representative Infrastructure Analysis for next 23-year build-out, comparing Current Trends to Transit-Connected Growth

Planning level studies were used to determine representative investments needed to maintain service levels for conceptual cost estimates for fiscal modeling. They are not intended to show a preferred plan or final project configurations, which will be developed in later stages of planning and are subject to City Council approval.



Much like the rest of Kirkland and many suburban communities, the City will face significant capital investments and demands for services if the area continues to develop under current trends. The analysis estimates **-\$164.0M** capital shortfalls under June Alt A.



While more infrastructure is needed, concentrated transit-growth in the Station Area will enable the City to serve concentrated growth more efficiently the analysis estimates less shortfall, **-\$117.7M** under June Alt B.

SUMMARY OF NET FISCAL IMPACT

With population growth and redevelopment in the Station Area Plan, can the City afford the investments necessary to address increased demand on infrastructure and public services?

- Under either Alternative, general government operating revenues are projected to cover general government operating needs by 2044
- Significant capital needs are anticipated, with the City projected to see large shortfalls in covering capital needs under either Alternative unless other funding strategies are implemented
- **While restrictions on certain revenue sources exist, on a total surplus/deficit basis, Alternative B shows a significantly smaller deficit for the City than Alternative A**

Total Cumulative Surplus/Deficit Comparison (YOES\$)

| Surplus/Deficit | Alt A | Alt B |
|--|------------------|-----------------|
| General Gov't Operating Surplus/Deficit* | \$26.8M | \$82.2M |
| Capital Surplus/Deficit | -\$164.0M | -\$117.7M |
| Total Surplus/Deficit | -\$137.2M | -\$35.5M |

*Excludes development services costs and revenues

Recommendations to Council and Results

Is the Vision Feasible?

Supplemental Study Results

The City must make significant capital investment under **Current Trends (Alt A)**, which does not generate much development contribution to required infrastructure.

Transit-Connected Growth (Alt B) is feasible to serve, but the City will have to recognize that a variety of strategies will be required to balance the City's overall budget and station area needs.

Analysis found that:

- Generally, development-funded capital projects and capital-related revenues generated east of I-405 are important to funding improvements west of I-405, particularly the multimodal improvements west of the BRT station.
- The majority of the incremental revenues are generated by the commercial components of the eastern quadrants.
- The greatest potential for value capture for community benefit is with non-residential development, increasing with height.



Preliminary tools and strategies to address infrastructure funding gaps and support growth and quality of life over the next 23 years



Community Benefits Policy Strategies

Opportunity and Inclusion

Affordable housing and workforce development, parks, schools

Community Benefits

Sustainability, resilience, and health

- **Parks.**
 - Consider offsetting deficit with a portion of general government operating surplus
 - Consider policy change appropriate for urban centers
 - For larger Community Parks:
 - Consider a Tax Increment Financing (TIF) strategy
 - Leverage existing public assets and partnerships for shared use agreements
 - For Neighborhood, small scale and linear parks:
 - Multi-benefit TIF project for NE 120th including a linear park
 - Consider development requirements/bonuses
 - Creative adaptation of existing assets like Forbes Lake, the future interchange surplus right of way, and existing right of way
- **Affordable housing.**
 - Pursue a commercial linkage program
 - Consider allocating a portion of the Linkage Fees toward a workforce development program
- **Mobility.**
 - Develop a TIF strategy, prioritizing multi-benefit project opportunities where infrastructure needs overlap
 - Development requirements/bonuses: mobility and parking programs and policies

Preliminary tools and strategies to address infrastructure funding gaps and support growth and quality of life over the next 23 years



Community Benefits Policy Strategies (continued)

Opportunity and Inclusion

Affordable housing and workforce development, parks, schools

Community Benefits

Sustainability, resilience, and health

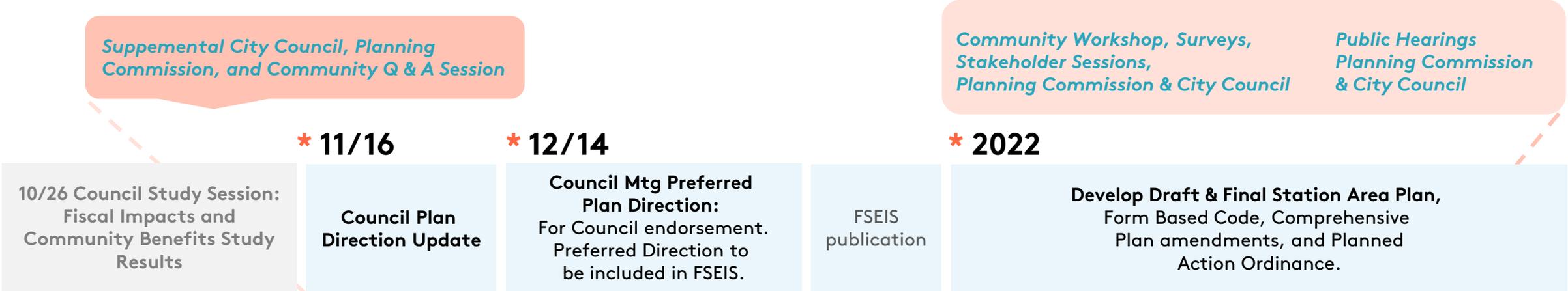
- **Sustainability.**
 - Development requirements/bonuses
 - Explore partnerships around sustainability, climate action, health and well-being initiatives
- **Schools.** Support LWSD and the community need for childcare and early education with:
 - Development requirements/bonuses for integrated educational or childcare space
 - Explore partnership opportunities such as Joint/Shared Use Agreements
 - Consider policy changes to define active frontages to include uses for schools, childcare, or other community-serving uses
 - Consider increasing allowed development capacity on existing underutilized public parcels to support future development of new school space

Council Direction from 10/26 Study Session

- *Should staff and the consulting team focus on drafting a Preferred Plan Direction around June Alternative B, or a modified alternative?*
 - **Yes, the staff and consulting team should focus on drafting a Preferred Plan Direction around June Alternative B.**
- *Should the proposed solutions to capital funding for future infrastructure projects continue to be developed?*
 - **Yes, proposed capital funding solutions for future infrastructure projects should continue to be developed.**
- *Should staff continue to refine the proposed community benefits strategies for consideration in the final plan?*
 - **Yes, staff should continue to refine the proposed community benefits strategies for consideration in the final plan.**

Next Steps in Station Area Planning

Next Steps in Station Area Planning



PREFERRED PLAN DIRECTION

DRAFT & FINAL PLAN



What will the Preferred Plan Direction include?

Based on June Alternative B and direction from Council

Long Range Vision for the Station Area

- Description of growth expectations
- Framework for community benefits and recommended strategies
- District Long Range Conceptual Vision Graphic

Implementation Framework for the Station Area

- Future character zones map and table that will become the basis for the form-based code
 - Broad intent for character zones, including allowed building types, transition locations, and future zoning capacity.
 - Table will identify parameters for character zones including maximum heights, maximum development area (measurement TBD), building placement and upper level step-backs, site design requirements, and permitted uses.
- Future street and frontage types map and table
 - Will map street types appropriate to areas and specify characteristics including intent for applicable adjacent allowed development, frontage types, and representative right-of-way (ROW) sections.

“Civic engagement, innovation and diversity are highly valued. We are respectful, fair, and inclusive.”

-City of Kirkland Vision 2035

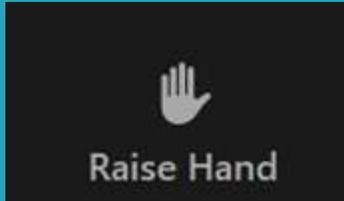
Questions and Answers

- An additional opportunity for you to learn more about the Fiscal Impact and Community Benefits study results
- Q&A session will end at 7:50 pm

Ground Rules

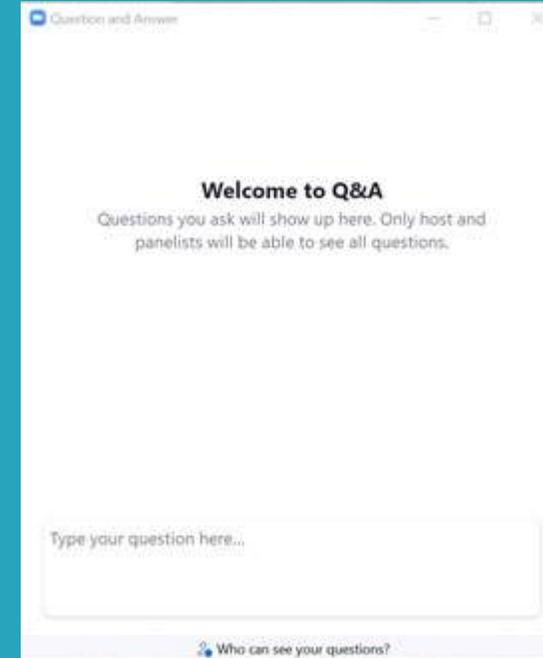
- Everyone is welcome, all viewpoints need to be shared and heard
- Respect the views of others
- Be ready to expand on your viewpoint so that it can best be understood
- Hate speech is not tolerated

How to Ask A Question



Raise your
(virtual) hand to
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Type a question in
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