



## CITY OF KIRKLAND

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### MEMORANDUM

**To:** Transportation Commission

**From:** Joel Pfundt, Transportation Manager  
Allison Zike, AICP, Senior Planner  
Jeremy McMahan, Deputy Planning & Building Director

**Subject:** NE 85<sup>th</sup> St Station Area Plan  
File No. CAM20-00153

### **STAFF RECOMMENDATION**

Receive a briefing on the current status of the Station Area planning process, including the ongoing Fiscal Impacts and Community Benefits Analysis. Discuss the supplemental transportation analyses included within the additional scope for the Station Area Plan.

### **BACKGROUND**

Transportation Commission last discussed the Station Area Plan at their [January 27, 2021 meeting](#), where staff reported out the [Draft Supplemental Environmental Impact Statement \(DSEIS\)](#) alternatives analysis and the received public comments on the DSEIS.

Staff discussed the above items with City Council at January and April 2021 study sessions, where Council requested that the project team complete work to analyze the fiscal components of infrastructure and public service provision, and the potential for community benefits to be realized through potential growth. The Council also provided comments to consider for additional transportation network analysis, including a desire for a more robust analysis of transit and multi-modal transportation networks.

In the first quarter of 2021, the project team spent considerable time considering how to best address input from the community, the Planning and Transportation Commissions, and the Council comments received after reviewing the DSEIS and public comments. This entailed working with the lead consultant, Mithun, and subconsultants to assess the project scope and consider what additional analysis would be necessary to provide the information requested prior to Council making any decisions about a “preferred alternative” for the final Station Area Plan. This period of planning was not in the original project scope and has resulted in an additional process “step” for project scope reassessment. This has resulted in a scope of work for supplemental tasks described in the below section.

### **ADDITIONAL COMMUNITY INPUT - CITY COUNCIL LISTENING SESSION**

In addition to community input provided during the Draft SEIS public comment period, a special meeting of the City Council was held on May 26, 2021. The special meeting was a virtual Council Listening Session on the Station Area Plan to provide an opportunity for community members to share their thoughts about the Station Area Plan directly with City Councilmembers. The session was recorded and is available for viewing at the [City Council video archive webpage](#).

### **FISCAL IMPACT AND BENEFIT ANALYSIS & SUPPORTIVE MODELING - FINAL SCOPE**

Based on community input, Planning and Transportation Commission feedback, and City Council direction, the project team has determined additional analysis is required to advance project decisions towards designating a preferred alternative and final Station Area Plan. This additional analysis falls into the interrelated categories described in the following subsections. Each component informs the Fiscal Impacts and Community Benefits Analysis, which, in turn, informs the overall Station Area Plan. The summary below of the supplemental scope was finalized based on Council feedback at their April 6, 2021 study session; see Attachment 1 for the detailed scope and schedule.

#### **Task 1: Station Area Plan Integration**

Includes tasks necessary to develop inputs for the Fiscal Impacts and Benefits Analysis. Includes work to establish narrowed and revised low and high project alternative “bookends,” identified hereinafter as “June Alternatives,” and evaluation measures for the fiscal analysis, conduct additional transportation analysis as requested by Council, and conduct additional project management and community engagement tasks necessitated by the expanded scope and project schedule. Additionally, this task will supplement previous transportation modeling with a more refined approach to help understand impacts on specific intersections and how existing travel patterns may change with additional growth around the Station Area. *Note: the project team has recently completed work to arrive at a staff recommendation for the June Alternatives as part of this task.*

#### **Task 2: Community Benefits and Tradeoffs**

Includes fiscal impact and benefits analysis to evaluate the outcomes of various policy decisions such as bonus or incentive zoning, commercial linkage fees (to offset affordable housing impacts) or other fees, on-site community amenities or fee in-lieu programs, and special district designations (e.g., Transportation Benefit District). This task includes additional transportation analysis for non-vehicular modes of travel with supplemental transit capacity, bikeshed, and walkshed analyses.

The final scope in Attachment 2 includes transportation network-related additions to the core scope of work, which were presented as optional in the draft scope. The additions to the final scope include an interchange analysis for I-405/NE 85<sup>th</sup> St (responsive to DSEIS comments from WSDOT), study of transit improvements that may be necessary in the future to accommodate growth, and analysis of additional intersections not currently included in the project model if deemed necessary as work progresses.

### Task 3: Fiscal Impacts and Benefits Analysis

Assesses the City's revenues and cost of service, including operations and capital investments required to serve the anticipated level of growth. Key questions to be answered in this analysis include:

- What revenues can the City expect associated with the proposed redevelopment of the area?
- What will it cost the City and its partners to most efficiently serve this area with infrastructure and municipal services?
- How would changes in the magnitude, location, and mix of residential and commercial uses affect net fiscal impacts and non-fiscal policy goals?
- What is the relationship between levels of growth among the alternatives and the types and amounts of public benefits provided?

The tasks listed above add a number of complex elements to the previously-established scope for the Station Area Plan and extend the planning process timeline. The tasks have been incorporated at this point in recognition of the large scale of the project, in order to respond to community and Council feedback related to forthcoming decisions for the final plan, and to provide the best information possible to make decisions that promote the project values of livability, sustainability, and equity. A summary schedule for the supplemental tasks is included in Attachment 1.

### **"JUNE ALTERNATIVES" FOR FISCAL IMPACTS AND COMMUNITY BENEFITS ANALYSIS**

The project team utilized several resources to provide a recommendation to City Council for the June Alternatives to be utilized in the Fiscal Impacts and Community Benefits Analysis (referred to in previous packets and presentations as "narrowed bookends"). These resources include:

- Community and Council input as detailed above;
- Analysis previously completed and published in the Station Area Plan [Opportunities and Challenges Report](#), [Market Analysis Report](#), and [DSEIS](#); and
- City Staff Charette held on May 24, 2021, which included staff representatives from the Planning & Building, Public Works, Finance and Administration, and Parks and Community Services Departments.
- City Council direction on June 15 to move forward with the Fiscal Impacts and Community Benefits Analysis, utilizing June Alternatives A and B as described in the following section, with the specific feedback outlined in the 'Council Direction' section below.

### Evaluation Criteria and Goals for June Alternatives Development

To guide staff's work towards a recommendation for June Alternatives A and B (a range of options narrowed from the DSEIS alternatives), the project team utilized the below evaluation criteria and goals. These criteria and goals were informed by the above-mentioned sources of information.

- Maximize the regional Sound Transit investment in BRT and the 85th Station Area Plan by prioritizing changes that create a transit-connected district that provides real value to the community.
- Optimize affordable housing and economic development potential to support community benefits.
- Growth assumptions should take into account phasing considerations for land use types, infrastructure needs, and schools.
- Maximum allowable zoning heights should include height transitions to existing residential areas.
- The June Alternatives should preserve the functionality of NE 85<sup>th</sup> St, while enhancing and expanding its new role as an urban, multimodal street.
- Transportation improvements should preserve community character, including minimizing significant changes such as road widening in areas outside of where proposed growth is occurring.
- Transit should be able to operate effectively along NE 85<sup>th</sup> and other streets in the study area.
- Establish a low-stress priority bike and pedestrian network that serves the full study area.
- Growth assumptions should remove critical areas from the total developable area.

#### June Alternatives for Study in the Fiscal Impacts and Community Benefits Analysis

Details of the June Alternatives for study are provided in Attachment 2 (the same document was presented to City Council in June). The June Alternatives being utilized in the Fiscal Impacts and Community Benefits Analysis are: June Alternative A (Current Trends) and June Alternative B (Transit Connected Growth). The June Alternatives present a narrower range of bookends than the alternatives analyzed in the DSEIS. These June Alternatives narrow the range of alternatives for study in the following ways:

- Remove the level of growth shown in DSEIS Alternative 3 from further consideration
- Use a revised version of DSEIS Alternative 1 as the lower limit of growth to be studied (June Alternative A: Current Trends)
- Use a reduced version of DSEIS Alternative 2 as the upper limit of growth to be studied (June Alternative B: Transit Connected Growth)

The Mithun memorandum includes an explanation of the contributing factors to the June Alternative recommendations, including a summary of additional transportation analysis completed as part of Task 1 of the Station Area Plan supplemental scope, growth projections for the June Alternatives by study area quadrant, and exhibits showing revised recommended development typologies and maximum building heights. Table A, below, compares the projected household and employment growth under the studied DSEIS alternatives and the June Alternatives currently being studied in the supplemental scope.

**Table A: Comparison of DSEIS and Recommended June Alternatives 2044 Growth Projections**

Alternative	Total Projected Households	Total Projected Employment
DSEIS No-Action Alternative	2,782	10,859
<b>June Alternative A: Current Trends</b>	<b>3,669</b>	<b>11,821</b>
<b>June Alternative B: Transit Connected Growth</b>	<b>8,003</b>	<b>20,151</b>
DSEIS Alternative 2	8,509	28,688
DSEIS Alternative 3	10,909	34,988

June Alternative A (Current Trends) is based on the DSEIS No-Action Alternative, but reflects an upward adjustment of growth targets more in line with current growth trends in Kirkland (e.g. pipeline projects under construction or in permit review) that have already outpaced the growth assumptions made for the area in the 2015 Comprehensive Plan. In general, June Alternative B (Transit Connected Growth) represents a reduced-growth version of DSEIS Alternative 2, to respond to community feedback requesting a more balanced approach to growth while still leveraging the significant Bus Rapid Transit investment and promoting the City's sustainability goals. Table B, below, describes some of the key adjustments made to DSEIS Alternative 2 to arrive at recommended June Alternative B. The memo in Attachment 2 provides additional details for each recommended Alternative for study.

**Table B: Summary Comparison of DSEIS Alternative 2 and Recommended June Alternative B**

*Please note the below numbered descriptions correspond with the exhibit seen in Attachment 2, page 12.*

Description	DSEIS Alt 2 Maximum Allowed Height*	June Alt B Maximum Allowed Height*
2. Lower allowable height in SW Quadrant	65'	60'
3. Reduce development capacity in NE Quadrant	85'-150', see note**	85'-150', see note**
4. Increase allowable height SE Quadrant	150'	250'**
5. Reduce development capacity along NE 85 <sup>th</sup> St between 122 <sup>nd</sup> Ave NE and 128 <sup>th</sup> Ave NE	85', see note**	85', see note**

\*All heights shown are maximum heights, and do not include additional potential restrictions on height through transitions to existing residential areas, setback requirements, etc.

\*\*Note: reduced development capacity reflects changes to development assumptions that affect overall development potential, including additional transitions to existing residential areas, reduced allowed lot coverage, and increased on-site parking requirements.

The June Alternatives described in Attachment 2 will be analyzed to provide Council and Commissions with more information on the fiscal impacts and community benefits of potential rezoning and planning changes within the Station Area.

#### Council Direction for June Alternatives

Council largely moved forward the above-described June Alternatives for study, and provided the below additional direction for the June Alternatives in response to specific staff questions and Planning Commission input.

- For June Alternative B, in the following two sub-areas (see Attachment 2), Council requested that the supplemental study examine a range of maximum allowed height from 85' to 150'.
  - Sub-area A. Block bounded by I-405, NE 90th St, 120th Ave NE, and NE 85th St.
  - Sub-Area B. Commercial lots fronting onto NE 85th St between 122nd Ave NE and 126th Ave NE.
- Council directed staff to continue analysis of the Norkirk LIT area in June Alternative B as an Urban Flex Industrial area, with a possibility of allowing upper floor residential uses and a maximum allowed height of 45'.
- Council maintained that the long-term goal to incorporate the excess WSDOT ROW into the Station Area Plan remain, but that because of the near-term regulatory hurdles to acquire these parcels, the excess WSDOT ROW should be shown as potential parks or open space and therefore be excluded from the housing unit and jobs growth analysis at this stage.

#### **CURRENT WORK, NEXT STEPS, & TRANSPORTATION COMMISSION ROLE**

The project team is currently working on the Fiscal Impacts and Community Benefits Analysis, including the supplemental transportation-related items described in Attachment 1. Staff anticipates some initial results from the supplemental transportation tasks may be available to share with Transportation Commission at the July 28 meeting.

The Fiscal Impacts and Community Benefits Analysis is anticipated to be completed in October 2021. That analysis is intended to be utilized in City Council's decisions in directing staff to draft a Preferred Plan direction to include in the Final SEIS, which is anticipated to be issued by the end of this year. The project team will use the Preferred Plan direction to begin drafting a Final Station Area plan which will establish a 20-year plan capacity for households and jobs growth in the Station Area, and will include the Form-based Code and Planned Action Ordinance.

The bulk of process to draft a Final Plan and associated zoning code amendments will occur through the Planning Commission, within the bounds of the Preferred Plan direction established by the City Council. The Transportation Commission is expected to discuss the aspects of the analysis and plan drafts that relate specifically to Transportation and indicate areas of focus and opportunities for prioritization among those elements to the Council. The final adoption of the Station Area Plan will be by City Council, anticipated in Late Spring or Early Summer 2021.

**ATTACHMENTS:**

1. Final Fiscal Impact Analysis Scope & Draft Revised Project Schedule, prepared by Mithun
2. Station Area Plan June Alternatives for Study Memorandum, prepared by Mithun

cc: File Number CAM20-00153

## Attachment A: Services

**Date:** May 11th, 2021  
**Project #:** City of Kirkland Job Number 45-19-PB  
**Project:** NE 85<sup>th</sup> ST BRT Station Area Plan  
**Re:** Supplemental Fiscal Impacts and Benefits Analysis Scope and Schedule

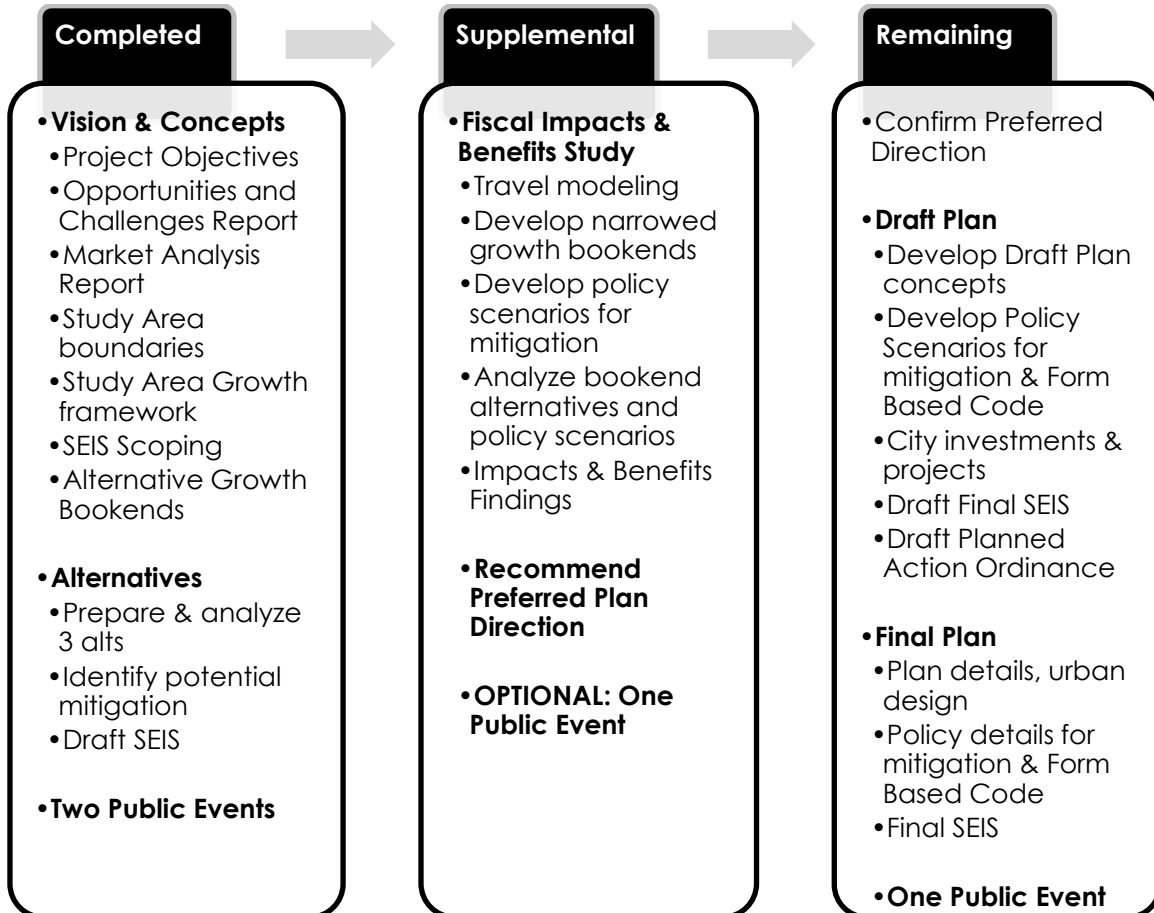
### Executive Summary

The Northeast 85th St Station Area Plan (SAP) is developing a vision and plan to guide development and investment in the study area surrounding a future BRT Station at NE 85th St and I-405. The project objective is to leverage the WSDOT/Sound Transit I-405 and NE 85th St Interchange and Inline Stride BRT station regional transit investment to maximize transit-oriented development and create the most opportunity for an inclusive, diverse, and welcoming community; value for the City of Kirkland; community benefits including affordable housing; and quality of life for people who live, work, and visit Kirkland.

The SAP project has completed Vision & Concepts as well as Alternatives up to the Draft Supplemental Environmental Impact Statement (DSEIS) stage. Prior to confirming a Preferred Direction in late 2020, the City Council and Planning Commission requested supplemental information to understand the community benefits, tradeoffs, and fiscal impacts of different alternatives. In response, this Scope document describes a proposed approach and workplan for a Supplemental Fiscal Impacts and Benefits Analysis. This supplemental scope is intended to inform the Preferred Direction decision. After that point, the remaining SAP scope, including the Draft and Final Plan, would resume. See the Planning Process Summary below for reference.

This scope of work is designed as a supplement to the Station Area Plan For I-405/NE 85<sup>th</sup> Street BRT Station Area (City of Kirkland Job Number# 45-19-PB). Additional detail on ongoing SAP tasks, including the development of a Final EIS, can be found in the original contract #32000058. This supplemental scope of work supports and modifies the original contract, including modifying the schedule to develop the Final EIS and preferred plan direction by the end of 2021 and extending the contract completion date to June 1, 2022 at the latest.

## Planning Scope Summary



This supplemental scope of work is a response to that request, and is organized into the following elements:

- **Station Area Plan Integration** activities which support overall progress of this supplemental scope of work and integration with other SAP tasks such as the Final SEIS (FSEIS)
- **Community Benefits & Tradeoffs Analysis** that can assess the feasibility and potential community benefits associated with mitigation strategies and policy scenarios including code and regulatory concepts for the FSEIS, SAP and Form Based Code (FBC)
- **Fiscal Impacts Analysis** that can assess the City's revenues and cost of service, including operations and capital investments required to serve the anticipated level of growth

## Supplemental Fiscal Impacts and Benefits Analysis Scope Summary

This supplemental scope of work is designed to support ongoing SAP tasks, including the development of a **Final SEIS** and **preferred plan direction** by the end of 2021. Key activities are summarized for each major phase of work below.

### May-June 2021: Create Upper and Lower Bookend Alternatives for Analysis

During this initial phase of work, the consultant team will conduct additional travel modeling for DSEIS Alternative 2. This step will expand the scope of analysis to include regional travel decisions (eg: drivers finding new routes that go outside the current study area). Based on this more precise understanding of future transportation conditions and summary of public comment to date including potential mitigation strategies, the consultant team and City staff will create two alternatives that reflect upper and lower growth “bookends”. These bookend alternatives will build on the DSEIS alternatives, and will be used in the fiscal impacts and community benefits analysis. The project team will present recommended bookend alternatives to City Council and Planning Commission prior to studying them as part of the fiscal impacts and community benefits.

### June-October 2021: Fiscal Impacts & Community Benefits Analysis

This phase of work will analyze the upper and lower bookend alternatives in two parallel tracks. The Community Benefits & Tradeoffs analysis will respond to City Council's request to better understand how development can contribute to the goals of the Plan. It will also be a critical point to confirm mitigation strategies for the final EIS and identify opportunities for reduced fiscal impacts. Each bookend alternative will be tested to explore the potential value capture associated with development and relevant policy options. In parallel, the fiscal impacts analysis will assess the City's revenues and cost of service, including operations and capital investments required to serve the anticipated level of growth. The two efforts will be coordinated so that opportunities for community benefits that reduce fiscal impacts are identified. For instance, policies for development to provide open space or more efficient water management may reduce the need for park acquisitions costs or infrastructure upgrades. These studies will culminate with a presentation to City Council and Planning Commission summarizing the findings.

### October-December 2021: Final EIS & Preferred Plan Direction

Based on the findings of the Community Benefits & Tradeoffs analysis and Fiscal Impacts analysis, the consultant team will begin developing the final SEIS (FSEIS). This FSEIS will incorporate public comment as well as the findings of recent analysis. Based on FSEIS results and external engagement, the project team will present a staff recommendation for a preferred plan direction to City Council and Planning Commission for review. The preferred plan direction will further refine the bookend alternatives and establish a narrowed range of heights, land use mix, major infrastructure investments, and other urban design concepts that have been studied to date. This will provide the foundation for the development of a final plan, code, and implementation strategies.

**END OF EXECUTIVE SUMMARY**

## Supplemental Fiscal Impacts and Benefits Analysis Scope and Workplan Proposal

### Proposed Approach & Summary of Need

The Station Area Plan For I-405/NE 85<sup>th</sup> Street BRT Station Area (SAP) is developing a vision and plan to guide development and investment in the study area surrounding a future BRT Station at NE 85<sup>th</sup> St and I-405. As part of that process, DSEIS alternatives were presented to City Council in late 2020. City Council as well as Planning Commission requested additional information to understand the community benefits, tradeoffs, and fiscal impacts of alternatives. This scope of work is a response to that request, and is organized into the following elements:

- **Station Area Plan Integration** activities which support overall progress of this supplemental scope of work and integration with other SAP tasks such as the EIS, including development of two “bookend alternatives” for further study (see Task 1.3 below).
- **Community Benefits & Tradeoffs Analysis** that can assess the feasibility and potential community benefits associated with mitigation strategies and policy scenarios including regulatory concepts for the FSEIS, SAP and Form Based Code (FBC).
- **Fiscal Impacts Analysis** that can assess the City's revenues and cost of service, including operations and capital investments required to serve the anticipated level of growth.

This scope of work is designed as a supplement to the Station Area Plan For I-405/NE 85<sup>th</sup> Street BRT Station Area (City of Kirkland Job Number# 45-19-PB). Additional detail on ongoing SAP tasks, including the development of a Final EIS, can be found in the original contract #32000058. This supplemental scope of work supports and modifies the original contract, including modifying the schedule to develop the Final EIS and preferred plan direction by the end of 2021 and extending the contract completion date to June 1, 2022 at the latest.

### Task 1: Station Area Plan Integration

This task will integrate this supplemental scope of work with ongoing work on the SAP, including the development of upper and lower growth “bookend alternatives” that can inform the Fiscal Impacts Analysis as well as the Community Benefits & Tradeoffs Analysis. Task 1.2 will conduct additional transportation modeling to develop a more precise project list for fiscal impact analysis, and Task 1.3 will establish updated upper and lower bookend alternatives using the results of Task 1.2 as well as feedback from the DSEIS public comment period.

#### Task 1.1 Project Management & SAP Coordination

Mithun will lead project management and coordination between the supplemental scope the overall SAP. It is anticipated that this will include regular meetings as described in the “Proposed Revised Schedule/Workplan” on page 18:

Attachment A - Services

NE 85<sup>th</sup> Station Area Plan – Supplemental Fiscal Impacts and Benefits Analysis Scope  
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- **Core Team** one 30 minute, biweekly meeting, focused on overall plan integration. Attendees: Representatives from Mithun, BERK, the Kirkland Planning Department, and Finance Department.
- **Working Groups** one meeting ahead of key deadlines to discuss the SAP, Fiscal Impacts, and Community Benefits & Tradeoffs. Attendees: Representatives from BERK, Mithun, Kirkland Planning Department, Kirkland Finance Department, and City Manager's Office. Representatives from Public Works, Transportation, and subconsultant will join as necessary (anticipated to be no more than 3-4 meetings, substituted for a regularly occurring Core Team meeting).

### Task 1.2 Additional Transportation Modeling

Fehr & Peers will participate in a meeting with City Staff to kick-off this task. Afterwards, Fehr & Peers will first modify the 2035 BKR travel demand model to evaluate DSEIS Alternative 2. This re-model will enable the project team and City staff to refine our understanding of the alternative's transportation impacts and how much traffic is expected on NE 85<sup>th</sup> Street in the larger regional transportation context. The previous DSEIS analysis, by primarily studying the local effects within the study area, provided a conservative estimate that didn't account for potential rerouting or other regional travel behavior that might occur in response to changing land use and travel demand. The application of the model will also allow the project team to document changes in traffic volumes beyond the intersections evaluated in the DSEIS and to understand how existing travel patterns change with the additional growth around the station area.

Fehr & Peers will coordinate with the City and the project team on the most efficient methodology to implement these changes. As part of the land use update, the Transportation Analysis Zones (TAZ) boundaries and centroid connectors around the station area may be adjusted to better reflect how trips would load onto the roadway network and where the growth is occurring.

After rerunning the model, Fehr & Peers will develop updated intersection forecasts at up to five study intersections along NE 85<sup>th</sup> to re-evaluate Level of Service in Synchro. Fehr & Peers preliminarily recommends the following intersections, which had impacts in the DSEIS analysis and are well-represented in the BKR model:

- NE 85<sup>th</sup> St & 6<sup>th</sup> St
- NE 85<sup>th</sup> St & Kirkland Way/114<sup>th</sup> Ave NE
- NE 85<sup>th</sup> St & 120<sup>th</sup> Ave NE
- NE 85<sup>th</sup> St & 124<sup>th</sup> Ave NE
- NE 90<sup>th</sup> St & 124<sup>th</sup> Ave NE

The intersection-specific mitigations identified in the DSEIS will be applied to these locations as necessary in order to determine if the strategies fully mitigate the impacts, using the criteria established in the DSEIS. The model results could also be used to evaluate changes in roadway volumes and travel speeds outside of the study area, if requested by the City. The results from the BKR model and Fehr & Peers' MainStreet trip

generation tool, will also be used to estimate the growth in person trips and any changes in mode of access for project trips. Note that neither tool directly forecasts person trips, but each can be used to estimate changes in mode splits within the project area.

The Project Team would then participate in the Staff Charrette as part of Task 1.3 with City staff to discuss the analysis results and develop an approach to define additional alternatives to evaluate. The Project Team will also discuss with City staff which transportation demand management (TDM) policies and strategies that should be incorporated into the final plan to reduce the number of trips generated. A potential menu of strategies and their effectiveness was previously identified in the DSEIS, and Fehr & Peers would come to the meeting with a recommended package of TDM strategies and what is needed to implement those strategies.

Following the meeting, Fehr & Peers will coordinate with the consultant team to update the City's model and run the bookend alternatives in the model when ready. The intersection forecasts and Level of Service (LOS) calculations will be updated for the five intersections identified above, and any necessary mitigations will be suggested to meet the performance thresholds. The analysis will be summarized in a short technical memo.

### **Task 1.3 Prepare Bookend Alternatives and Establish Evaluation Measures**

With DSEIS public comment summary and Task 1.2 results as inputs, Mithun will organize and facilitate a City staff charrette to explore adjustments to the DSEIS alternatives to establish upper and lower bookend alternatives to study in Task 2 and Task 3. The goal of this charrette will be to define broad direction for a reduced range of growth that will be studied in the fiscal impacts analysis and community benefits & tradeoffs analysis. Following the charrette, Mithun will further refine the upper and lower bookend alternatives to account for neighborhood transitions, allowable construction types, transportation, and other factors. This refinement will limit itself to the level of detail necessary for Tasks 2 and 3 to begin. These bookend alternatives will set the assumptions for land use mix and development locations that will be held constant for the fiscal impacts study. Mithun will create materials necessary to convey this refinement and the growth intent of the bookend alternatives.

The consultant team will work with City staff to determine the growth assumptions to be modeled in two bookend alternatives:

- **Lower Bookend Alternative**, with continued development of the planning area under current zoning, which will its own requirements for capital and operating investments.
- **Upper Bookend Alternative**, which assumes:
  - EIS Alternative 2 as a starting point for development, mobility strategies, and environmental concepts.
  - A jobs/housing mix optimized to work within the estimated future capacity of the transportation network.
  - Growth that can support the City's regional growth target and absorb known development applications and market interest.

The consultant team will also work with the City staff to establish fiscal and non-fiscal measures by which the bookend alternatives will be evaluated, including net fiscal impact, housing affordability, greenhouse gas emissions, and other considerations. This subtask will conclude with a brief memo summarizing the proposed bookend alternatives recommended for study in Task 2 and Task 3. A presentation based on this memo will be developed for Planning Commission and City Council review.

#### **Task 1.4 Additional Engagement**

As part of Task 2 and Task 3, the consultant team will organize a series of additional engagement activities. In addition to these activities, City staff will complete additional engagement. Current activities anticipated as part of this task will include:

- **Planning Commission & City Council Presentations**

This task includes preparation and participation in 3 meetings with City Council & Planning commission as part of the review and approval of materials.

*Note: One public open house is possible as an addition for approximately \$11,500. This is described at the bottom of Attachment B: Compensation, but not included in the current budget total.*

#### **Task 1.5 Phased Planned Action Ordinance**

Under this task, BERK will develop an alternative version of the Planned Action Ordinance developed for the study area as a whole that addresses phasing of growth and mitigation should the City decide to phase zoning changes and growth levels. The task assumes that the cumulative analysis and land use mix developed for the Final EIS and Preferred Alternative will be the basis for the mitigation measures, and new modeling is not needed. It is also assumed that Fehr & Peers will provide trips applicable to the study area overall and the subset of trip levels that reflect different tiers of mitigation measures or subsets of growth at a scale that fits the scope for supplemental fiscal analysis.

#### **Task 1.6 Decision Support**

This task will provide for additional resources to support integration of the results of Tasks 2 and 3 with the creation of the final Station Area Plan, Form-based Code, and Planned Action Ordinance. This task will include additional team coordination and engagement activities. This task refers to activities completed after the final EIS is approved (anticipated to be completed by the end of 2021), and does not cover engagement, coordination, or other activities happening as part of Task 2 or Task 3. Specific engagement activities associated with Task 1.6 include:

- **Public Open House**

BERK will reach out to existing project contacts to invite the public to attend a public open house, including designing outreach materials. Mithun will design and lead facilitation of the public open house event. This open house will focus on the draft plan. BERK will consolidate public meeting input into a concise meeting summary.

- **Supplement to Public Open House**

BERK will collaborate with City staff to design supplementary engagements around the public open houses. This will be geared toward gathering deeper,

more focused input on the preferred plan direction and expanding the diversity of stakeholders engaging with the project. Depending on how project timing progresses, there may be an opportunity to collaborate once again with students from Ms. Bethany Shoda's economics classes at Lake Washington High School. BERK will invite and recruit participants, facilitate the engagements, and consolidate input into a concise summary.

- **Planning Commission & City Council Presentations**

This task includes preparation and participation in 3 meetings with City Council & Planning commission as part of the review and approval of materials.

**Task 1 Deliverables:** *Transportation Analysis Technical Memo, Proposed Bookend Alternatives memo and associated graphics, one set of Presentation materials for preferred plan direction discussion with Planning Commission and City Council, Phased Planned Action Ordinance*

## **Task 2. Community Benefits & Tradeoffs Study**

This task responds to the City Council's request for additional information identifying the potential and methods to realize community benefits in each alternative through policies and codes, and the tradeoffs involved in securing these community benefits. This effort will inform preferred mitigation strategies in Task 3 and the development of conceptual code/plan framework. Key activities in this task will involve the development of 2-3 Policy Scenarios that test different packages of community benefits and the physical characteristics of these Policy Scenarios. Each of these policy scenarios will be tested for the bookend alternatives to understand which set of policies performs best for each bookend alternative.

### **Task 2.1 Task Management**

Mithun and ECONorthwest will define two initial Policy Scenarios that can test the interlinked tradeoffs and feasibility of community benefit strategies relative to current policy. These Policy Scenarios will consist of a "package" of bundled policy options, including incentives, regulatory tools, and partnership/delivery models such as:

- Bonus/Incentive zoning
- Commercial linkages or other fees
- On-site provision of community amenities
- Special districts like Transportation Benefits Districts or District Parking

Given the wide range of topics, the focus of this analysis will be to identify which strategies have the most benefit and any "thresholds" that may impact overall feasibility of development under different Policy Scenarios. As part of this task, 1 workshop will be conducted with key stakeholders to shape Policy Scenarios to be studied, including City staff and potentially developers and large landowners.

Following the analysis in Task 2.2, Mithun and ECONorthwest will work with staff to define an additional, refined policy package for testing.

### **Task 2.2 Community Benefits & Tradeoffs Analysis**

Attachment A - Services

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The consultant team will work with City staff to refine the scope of community benefits to study as part of this task. These will draw from project objectives and potential mitigation strategies identified in the DSEIS. Topics anticipated to be included are:

- Schools and Civic Amenities
- Housing Choices and Affordability
- Parks, Trails, and Public Realm [incl. tree canopy, habitat]
- Sustainability [incl. building and site performance], Visual Character, and Transitions

Once the topics are refined, Mithun and ECONorthwest will evaluate each bookend alternative to understand the potential for value capture based on a residual land value (RLV) analysis of the development described in each bookend alternative. Based on the results of this analysis, Mithun and EcoNorthwest will develop materials that summarize policies, programs, or other strategies that could support SAP goals and maximize value capture potential for community benefits. This summary will focus on describing the range of strategies and how they can be applied; it will not provide quantify the potential community benefits associated with each policy or strategy.

Examples of questions that will be addressed through this analysis will include:

- What are different funding and delivery models for accommodating the demand for additional school facilities?
- How could affordable housing be supported through modifications to incentives and/or inclusionary requirements while maintaining development feasibility?
- To what extent could commercial linkage fees support community benefits while maintaining development feasibility?
- How could sustainability policies such as green building incentives or requirements reduce resource usage that impacts municipal fiscal impacts (water consumption, wastewater handling)?
- What are the opportunities for new delivery models that provide community needs such as public realm improvements, community gathering space, recreation, or parks/open space?

### **Task 2.2b Share Initial Findings, Revise & Re-evaluate Results**

A review of initial findings will include a summary (in slide deck form) of implications and viability of each Policy Scenario. This will be shared with City staff as well as Planning Commission and City Council and coordinated with the fiscal impacts schedule. As part of this task, 2 workshops will be conducted with key stakeholders to evaluate feasibility, including developers, large landowners, and City staff. These workshops will help inform refinement the policies associated with the upper bookend alternative that will be re-evaluated for physical and financial feasibility, and will also be modeled as part of the revision and refinement of Fiscal Impacts analysis (**Task 3.4**). Final results will be packaged into a Community Benefits & Tradeoffs Study memo which will also incorporate highlighted results from Walkshed and Bikeshed Analysis (**Task 2.4**).

### **Task 2.3 Transit Analysis**

Fehr & Peers will lead a meeting with City Staff which will:

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- Recap the bicycle, pedestrian, and transit projects recommended for the study area as part of this project.
- Identify multimodal performance measures/measures of effectiveness for each mode. Fehr & Peers will come with some options for how the City could approach this to serve as a starting point for discussion (e.g. Bike and Pedestrian Level of Traffic Stress 3 or 4 is not acceptable).
- Determine if any additional bicycle, pedestrian, or transit projects are needed to meet the City's desired targets and achieve its multimodal vision.

In preparation for the workshop, Fehr & Peers will review guidance in Kirkland's TMP, ATP, Transit Implementation Plan, and other best practice guides (such as NACTO) for what types of accommodations would be needed to realize the City's multimodal vision for this subarea. Fehr & Peers will also recommend how this workshop interfaces with **Task 1.2**.

After running the modified version of the 2035 BKR model, Fehr & Peers will develop a short memo that summarizes current transit run times and average operating speeds in the study area, how those change under one alternative (either Alternative 2 or a modified Alternative), and what impacts that would have on speed and reliability for transit. The memo will build upon the text already included in the DSEIS to better tell the story about how transit is impacted by increased transportation trips in the study area as a result of the proposed development.

The consultant team will participate in a meeting with City staff and key transit agencies, such as King County Metro and Sound Transit, to discuss concerns, brainstorm additional mitigations, and identify next steps.

#### **Task 2.4 Walkshed and Bikeshed Analysis**

Fehr & Peers will conduct additional analysis and craft additional narrative that builds on the DSEIS in order to better tell the story of how the proposed development benefits people walking and biking in Kirkland.

Fehr & Peers will develop one low-stress bicycle map and one low-stress pedestrian map to show cyclist and pedestrian comfort on every street in the study area under existing conditions. The low-stress bicycle map will be based on OpenStreetMap data, and the low-stress pedestrian map will be based on available City data to be determined in collaboration with City Staff but could include presence of sidewalks and buffers, the number of travel lanes and posted speed limit of the adjacent street, and the presence of commercial driveways. Fehr & Peers will develop one low-stress bicycle map and one low-stress pedestrian map under the upper bookend alternative to show how gaps in connectivity are filled by this project.

Fehr & Peers will incorporate this narrative and the Level of Travel Stress (LTS) maps in a short memo. We would qualitatively analyze the LTS network and call out destinations that would now be able to be reached as a result of this project.

### Task 2.5 Interchange Analysis

This task will perform additional analysis to understand the potential benefits and tradeoffs of the transportation network under different land use and growth conditions. Specific activities for this task will include:

- **Interchange Analysis**

As part of this task, Fehr & Peers would evaluate traffic operations at the interchange with I-405 for the upper bookend alternative. This analysis would use the microsimulation model that WSDOT has already developed at this location, and the project team would update the demand inputs to reflect the growth associated with the upper bookend alternative. The model would be used to calculate changes in delay and queuing along 85th Street as well as on the ramps to and from I-405.

*Note: Analysis of up to 5 additional intersections under existing conditions, future no action conditions, and the upper bookend alternative is possible as an addition for \$12,390. This is described at the bottom of Attachment B: Compensation. The analysis would consider delay and LOS, queuing, safety, and non-motorized performance. The additional analysis could include entirely new intersections or evaluating AM peak hour operations at some intersections that we already studied during the PM peak hour. Studying a new intersection during the AM and PM peak hours would be considered two additional intersections.*

**Task 2 Deliverables:** Graphics and materials for multimodal meeting with City staff, one memo and set of presentation graphics for both Planning Commission and City Council on interim Community Benefits results (to be presented alongside Fiscal Analysis presentation materials and collated in the Report produced by BERK)\*, Existing/ Upper Bookend Alternative LTS analysis graphics and memo, Additional Interchange and Intersections memo\*, one packaged Community Benefits Study memo and presentation graphics for Planning Commission and City Council\*, Project lists for likely improvements associated with Task 2.3-2.5

### Task 3: Fiscal Impacts Study

This task will focus on assessing the City's revenues and cost of service, including operations and capital investments required to serve the anticipated level of growth. Key questions to be answered in this analysis include:

- What revenues can the City expect associated with the proposed redevelopment of the area?
- What will it cost the City to most efficiently serve this area with infrastructure and municipal services?

The following assumptions guide our proposed approach:

- Modeling must be Kirkland- and planning area-specific.
  - Revenues in the first round of fiscal analysis will be based on Kirkland's tax and fee structure, using the best available information for comparable

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- development. As noted below, the model will be based on existing fee and rate schedules and existing tax rates but will allow for manual modifications to the current rates.
- Costs should not be based only on simple FTE or per capita formulas but reflect Kirkland's actual anticipated costs to serve the area as well as be relevant to adopted levels of service (LOS). This should be derived from the City's costs to serve comparable geographies and by engaging staff to identify opportunities to serve the area as efficiently as possible by leveraging existing and planned capacity.
- Land use assumptions (type, scale, and total amount of new development) will not be easily modified, and the model will not predict when capital or operations investments will be needed to respond to growth. The model will allow manual shifts in key revenue and cost drivers over time, producing an updated phased estimate of anticipated revenues and costs for different development scenarios.
- The model will allow modification of key assumptions including pace of development/rate of growth, tax and fee policies, and consideration of the impact of timing of 1-3 significant individual developments and development by study area quadrant.
- As noted above, the fiscal analysis will be informed by growth assumptions established in **Task 1.3**, above, including a Lower Bookend Alternative, with continuation of current growth trends, and an Upper Bookend Alternative, which will be a modified version of Alternative 2.
- The model should be designed for use by City staff and will be transmitted to City ownership at the conclusion of this effort.
- The analysis will be a multi-team effort requiring coordination among consultants and the City.

### Stepwise Approach

**Task 3.2** will lead with revenue analysis, followed by cost analysis. Costing and strategies for providing City services in **Task 3.3** will be informed by anticipated revenue levels. Costs for infrastructure investments in **Task 3.4** will be informed by modeling of growth impacts on transportation, water/wastewater, and stormwater/surface water systems. Results of these the first round of modelling will be shared at the third meeting of the Working Group at the end of August in **Task 3.5**. Based on review of projected revenues, costs, and the net fiscal impact of growth, additional analysis will consider adjustments to the key levers noted above (pace/timing of development and/or adjustments to tax and fee policy), as well as city-driven strategies to respond to growth through the more efficient use of resources. This second round of analysis will be completed in September, with **Task 3.6** report development and presentation of draft fiscal findings to Council in October. As noted above, the model will be designed to be transmitted to City staff at the conclusion of the consulting engagement.

### Task 3.1 Task Management

Task Management includes time for technical coordination between City staff and consultant teams to support deliverable production.

### **Task 3.2 Revenue Analysis**

The consultant team will create a parameterized, dynamic model to estimate City tax and fee revenues affected by development in the area. The model will estimate revenue generated by the different types of new development that are included in the bookend alternatives. The model will account for existing revenues from existing land uses in the study area that will/could get redeveloped in the planning horizon (not everything in the study area). Estimated revenues from existing land uses will be based on the same typical assumptions applied to comparable new development unless staff can provide detailed revenue data for the existing land uses. The model will not automatically link new development and redevelopment / removal of existing businesses or structures but will allow for manual adjustments to the timing of loss of existing revenues due to redevelopment. The model will be based on existing fee and rate schedules and existing tax rates, but will allow for manual modifications to the current rates.

ECONorthwest will analyze the list of revenues below, which focuses on the primary revenue sources anticipated in the station area that are likely to be affected by the bookend alternatives. Should the City request analysis of other revenues (e.g., lodging tax, EMS levy, gas tax, emergency transport fee, franchise fees), these will be considered on a case-by-case basis for whether they can be accommodated within the existing budget. The final list of revenues to evaluate and proposed approach will be confirmed with the project Working Group and coordinated with the Policy Scenarios developed as part of the Community Benefits & Tradeoffs Study.

- Sales Tax on New Construction
- Property Tax (Current Expense Levy)
- Sales Tax
- Revenue Generating Regulatory License Fee ("Head Tax")
- Utility Tax—gross operating revenues generated in the station area for electric, natural gas, water, sewer, surface water, solid waste, telephone, and cable TV utilities using Kirkland-specific tax rates
- Real Estate Excise Tax
- Transportation Impact Fee
- Parks Impact Fee
- Lake Washington School District Impact Fee
- Cascade Water Alliance Regional Capital Facilities Charge
- Water, sewer, and surface water connection charge revenues
- Water, sewer, and surface water utility rate revenues
- Building Permit & Review Fee Revenues

ECONorthwest will conduct the revenue analysis and create the dynamic revenue model. ECONorthwest will provide revenue inputs to BERK to integrate into the overall fiscal impacts analysis and will provide the dynamic revenue model to staff at the conclusion of this effort.

### **Task 3.3 Cost Analysis: City and Partner Services**

BERK will coordinate with City departments to determine the most cost-effective ways to provide services under the bookend alternatives. This will include consideration of

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ongoing operating costs and upfront capital investments. Consideration of each functional area is shown on the following pages.

In general, the consulting team will meet three times with staff of departments responsible for each service:

**Meeting 1**

- Review growth assumptions and anticipated revenues (based on projected revenue generation for dedicated funds and historical share of City General Fund)
- Discuss how to serve and approach to cost modeling.

**Meetings 2 & 3**

- Review cost model results and solicit feedback for refinement, including how revenues and costs could be shifted through time in the model to consider different development scenarios and city-driven, cost-efficient strategies for responding to growth in population and demand for City services.

## General Government

### Key Questions

- How will redevelopment affect staffing and costs for the City's general government functions, including staff at City Hall, Public Works staff responsible for operations and maintenance of the area, and others?

### Inputs and Analysis

- Consultants will facilitate discussions with leadership from affected departments, as well as budget staff who focus on these areas. These discussions will consider:
  - The actual cost to serve portions of the Kirkland community with comparable land uses.
  - Whether City Hall and other existing City facilities can absorb the additional increment of staffing required to serve the area.
  - The actual cost to establish programmatic mitigation measures, e.g. expanded transportation demand management program using comparable examples.
- BERK will model anticipated operations and capital costs and share the analysis with the above team for review.

### Outputs

- Phased estimates of anticipated operating and capital costs required to serve the area.

### City Staff Obligations

- Consultation and review of draft analysis by department leadership and appropriate budget staff.

## Police & Fire

### Key Questions

- What level of additional public safety staffing will be required to serve the area, e.g. to address increased calls for service?
- Will new or expanded facilities or equipment be required e.g. to meet response time objectives?

### Inputs and Analysis

- Consultants will facilitate discussions with police and fire leadership and support planning staff, as well as budget staff who focus on public safety issues. These discussions will consider:
  - The actual cost to serve portions of the Kirkland community with comparable land uses.
  - Opportunities to serve the area as efficiently as possible, including shifting capacity from elsewhere in the community.
  - Facility and equipment needs.
- BERK will model anticipated operations and capital costs and share the analysis with the above team for review.

### Outputs

- Phased estimates of anticipated operating and capital costs required to serve the area.
- Identification of opportunities to manage costs by adjusting the timeline planned for.

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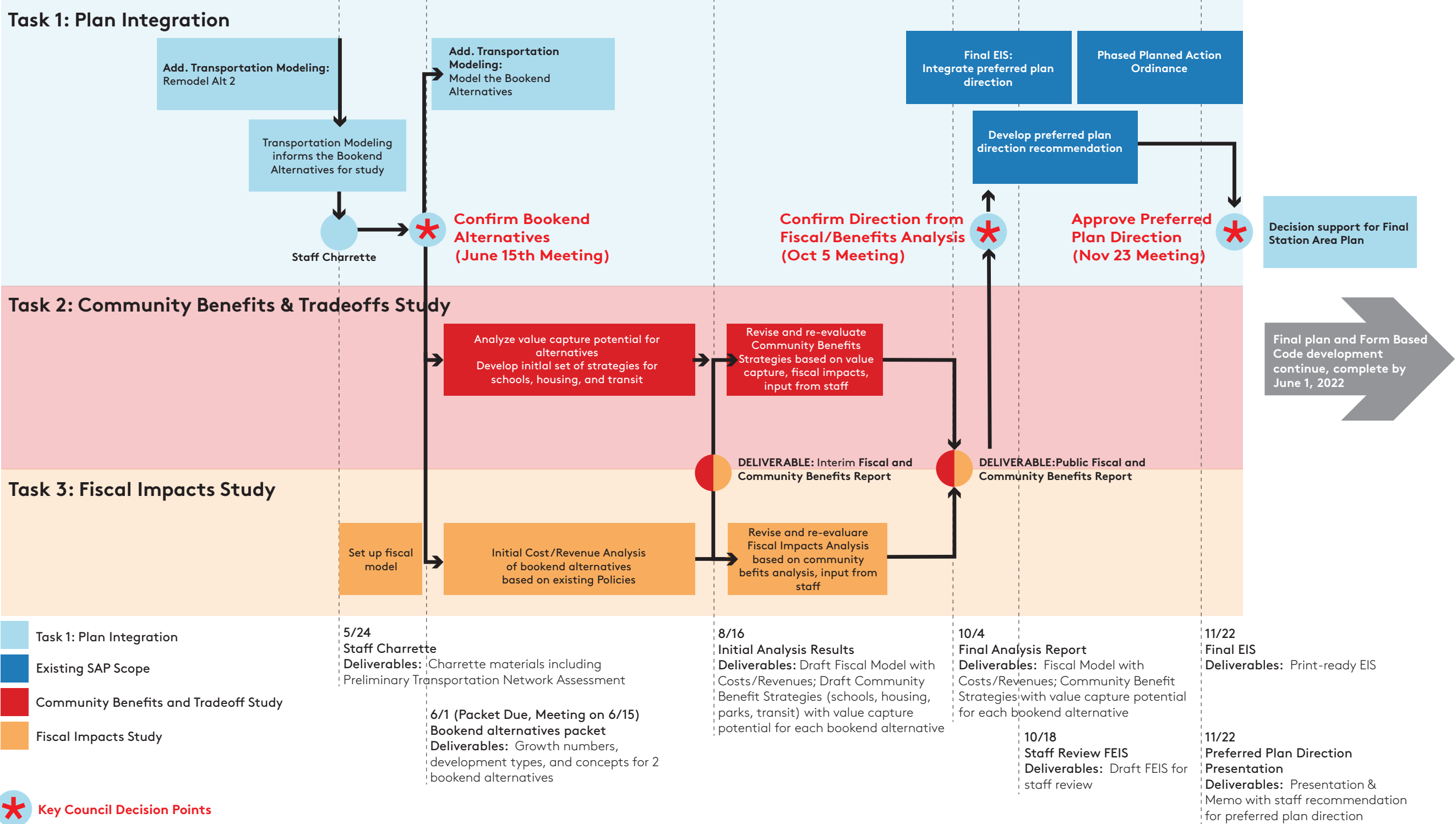
<b>City Staff Obligations</b>	<ul style="list-style-type: none"> <li>▪ Consultation and review of draft analysis by public safety leadership, planning staff, and budget staff.</li> </ul>
<b>Parks</b>	
<b>Key Questions</b>	<ul style="list-style-type: none"> <li>▪ What acquisition of additional parks space and facilities will be required to maintain adopted LOS in the Parks, Recreation, and Open Space (PROS) Plan and pending LOS of the PROS Update? How can this space be created efficiently given current and planned redevelopment in the area?</li> <li>▪ How would capital costs compare to anticipated parks impact fees and other potential revenue sources, including potential developer investment through incentive programs as identified in scenarios developed in the Community Benefits study?</li> <li>▪ How will this increase affect parks department maintenance and operations staffing and costs?</li> </ul>
<b>Inputs and Analysis</b>	<ul style="list-style-type: none"> <li>▪ Consultants will facilitate discussions with Parks and Community Services staff, as well as appropriate budget staff. These discussions will consider the above key questions.</li> <li>▪ BERK will model anticipated operations and capital costs and share the analysis with the above team for review.</li> <li>▪ Coordination with Mithun and Community Benefits &amp; Tradeoffs Study to identify strategies that will lead to multi-benefits solutions.</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>▪ Phased estimates of anticipated capital and ongoing operating and maintenance costs required to serve the area.</li> <li>▪ Potential mix of revenue with impact fee and potential fee in lieu foregoing a portion of onsite open space.</li> <li>▪ Identification of opportunities to manage costs by adjusting the timeline planned for.</li> </ul>
<b>City Staff Obligations</b>	<ul style="list-style-type: none"> <li>▪ Consultation and review of draft analysis by Parks and Community Services staff, as well as appropriate budget staff.</li> </ul>

### Task 3.4 Cost Analysis: Infrastructure Topics

BERK will coordinate with City departments and infrastructure consultants to determine the most cost-effective ways to provide infrastructure and related services under the bookend alternatives. This will include consideration of ongoing operating costs and upfront capital investments, engaging the City's infrastructure consultants as necessary to model infrastructure requirements needed to meet the City's established levels of service. Consideration of each functional area is shown on the following pages. As with City services, we anticipate three meetings with staff for each infrastructure topic.

**Transportation and transit** infrastructure are addressed under **Task 1**, above.

<b>Water &amp; Wastewater</b>	
<b>Key Questions</b>	<ul style="list-style-type: none"> <li>What infrastructure investment will be required to serve the anticipated level of growth? How does it differ from adopted capital plans? How would necessary investments affect growth phasing?</li> <li>What is the best way to capture the added costs from new development?</li> </ul>
<b>Inputs and Analysis</b>	<ul style="list-style-type: none"> <li>Consultants selected by the City will model the anticipated impacts of planned redevelopment to identify necessary investment in water and wastewater infrastructure.</li> <li>Mithun to provide sustainability Policy Scenarios from Community Benefits Study for modeling potential reduced impacts</li> <li>The results of preliminary analysis will be workshopped with City staff to identify potential strategies to optimize investments and maintain LOS.</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Investment requirements for water and wastewater infrastructure to achieve desired level of service.</li> </ul>
<b>City Staff Obligations</b>	<ul style="list-style-type: none"> <li>Consultation and review of draft analysis.</li> </ul>
<b>Stormwater &amp; Surface Water</b>	
<b>Key Questions</b>	<ul style="list-style-type: none"> <li>What is the cost/benefit of the proposed blue and green streets in the bookend alternatives?</li> <li>Would new areawide surface water infrastructure investment be required to serve the anticipated level of growth beyond what is anticipated in applicable basin plans onsite implementation of surface water management per adopted manuals?</li> </ul>
<b>Inputs and Analysis</b>	<ul style="list-style-type: none"> <li>Consultants selected by the City will model the anticipated impacts of planned redevelopment to identify necessary investment in stormwater and surface water infrastructure.</li> <li>Coordination with Mithun to identify cross-cutting strategies that will lead to benefits across topics, included developing blue street design.</li> <li>Mithun to provide sustainability Policy Scenarios from Community Benefits Study for modeling potential reduced impacts</li> <li>The results of preliminary analysis will be workshopped with City staff to identify potential strategies to optimize investments and maintain LOS.</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Investment requirements for stormwater and surface water infrastructure to achieve desired level of service.</li> </ul>
<b>City Staff Obligations</b>	<ul style="list-style-type: none"> <li>Consultation and review of draft analysis.</li> </ul>



Note: Deliverable dates refer to the start of the week of delivery. Specific due dates will be finalized as part of the workplan refinement with City staff

## RECOMMENDED TEST CASES FOR STUDY MEMORANDUM

**MITHUN****Seattle**  
Pier 56, 1201 Alaskan Way #200  
Seattle, WA 98101**San Francisco**  
660 Market Street #300  
San Francisco, CA 94104**Los Angeles**  
Mithun | Hodgetts + Fung  
5837 Adams Boulevard  
Culver City, CA 90232

## Memorandum

<b>To:</b>	Allison Zike, Senior Planner, City of Kirkland	<b>Date:</b>	Thursday, June 3 <sup>rd</sup> , 2021
		<b>Project #:</b>	193000
<b>From:</b>	Erin Christensen Ishizaki, Mithun	<b>Project:</b>	NE 85 <sup>th</sup> Street BRT Station Area Plan
<b>Att:</b>	Attachment 1: Existing Zoning; Attachment 2: Test Case B development typologies; Attachment 3: Test Case A development typologies; Attachment 4: Test Case B maximum allowable zoning heights Attachment 5: Test Case A maximum allowable zoning heights; Attachment 6: Changes from EIS Alt 2 to Test Case B		
<b>Re:</b>	Community Benefits and Fiscal Impacts Study		

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We heard from the Kirkland community about the NE 85<sup>th</sup> Station Area Plan Draft SEIS. Over six hundred locals of all ages who live and work here shared their comments, questions and concerns during the DSEIS Comment Period. The Community Benefits and Fiscal Impacts Study will help us set priorities together – and take a practical approach to maximizing community benefits and the regional transit investment in the Bus Rapid Transit station for years to come.

The Study is designed to help Council understand the real-world implications of the options that are being considered – both the fiscal impacts to the City, and the likely community benefits that could result from new development. After hearing from the community, the team proposes using “Test Cases” instead of the DSEIS Alternatives for the basis of the study. These Test Cases will focus on current trends and realistic, transit-connected growth.

This memo gives a description of these Test Cases for the Study, how they were developed, and how they will be used.

The attached exhibits provide information on the recommended narrowed range of “Test Cases” to be analyzed in the Community Benefits and Fiscal Impacts Study. These scenarios represent a range of possibilities to be studied for the Station Area, defined by the total potential growth in employment and residential housing units that the City of Kirkland could plan for over the next two decades. The results of these studies are scheduled to be presented to Council in October 2021, to help inform Council's decision on a preferred plan direction.

The recommended Study Test Cases presented here are based on the Draft Supplemental Environmental Impact Statement (DSEIS) Alternatives presented to Council in January 2021. The project team recommends these refined Test Cases based on community and City Council feedback, additional traffic modeling and a City Staff Charette held on May 24<sup>th</sup> representing Planning & Building, Parks & Community Services, Finance & Administration, Public Works Departments, and the City Manager's Office. These recommended Test Cases adjust the proposed development typologies (Att. 2 and 3) and maximum allowable building heights (Att. 4 and 5) based on the following considerations:

- Prioritize changes that provide real value to the Station Area and the Kirkland community.
- Maximize affordable housing and economic development potential to support community benefits.
- Growth assumptions should take into account phasing considerations for land use types, infrastructure needs, and community amenities including parks.

- Maximum allowable zoning heights (Att. 4 and 5) should create height transitions to existing residential areas.
- The Upper and Lower Bookend Alternatives should preserve the existing functionality of NE 85th St while enhancing and expanding its role as an urban, multimodal street.
- Transportation improvements should preserve community character, including minimizing significant changes such as road widening in areas outside of where proposed growth is occurring.
- Transit should be able to operate effectively along NE 85th without relying on new, dedicated transit facilities such as bus lanes or transit queue jumps.
- Establish a low-stress priority bike & pedestrian network that serves the full study area.
- Growth assumptions should remove critical areas from the total developable area.

The resulting staff recommendation is summarized below, and in Attachments 2-5. Multiple options for allowable height are under consideration for areas indicated with a dashed white outline in Attachment 4.

### Test Case A: Current Trends

The Test Case A: Current Trends (Illustrated in Att. 3 and 5) is based on the starting point of DSEIS Alternative 1: No Action. A 'No Action' Alternative showing growth in line with Kirkland's Comprehensive Plan is a requirement of the DSEIS process. For A: Current Trends, City Staff recommend adjusting these growth targets upward for a more realistic study of fiscal impacts and community benefits, as growth in the past six years has outpaced the assumptions in the 2015 Comprehensive Plan.

#### More About Current Trends

As noted in DSEIS Pages 3-31 and 3-32, under current plans and zoning, and associated regional traffic modeling, about 873 new housing units were anticipated by 2035 in the Station Area, a fraction of the City's target and capacity. As of 2020, there are 1,145 units anticipated in two proposed mixed use developments ("pipeline development") on properties in the Study Area, exceeding the planned housing by 2035.

With the two currently proposed mixed use development projects (or "pipeline development"), there would be another nearly estimated 190 jobs, although that is still a fraction of the anticipated 5,900 new jobs planned by the year 2035 in the Study Area. See DSEIS Exhibit 317.

#### DSEIS Exhibit 317. 2035 Growth Targets and Capacity: City and Station Area

	Housing	Jobs
<b>Citywide Growth Target: 2012-2035</b>	8,361	22,435
<b>Citywide Growth Capacity: 2016*</b>	13,664 to 23,817	22,984 to 57,155
<i>Totem Lake Urban Center Capacity Share of Citywide Capacity</i>	25%-55%	30%-70%
<b>Station Area Planned Growth 2019-2035</b>	873	5,871
<b>Station Area Pipeline Development: 2020</b>	1,145	193 (est)

Sources: King County, 2014; City of Kirkland, 2016; OFM, 2019.

Test Case A: Current Trends maintains existing zoning heights throughout the district and slightly adjusts the assumed 2044 growth projections to reflect these current trends, showing more jobs, and only slightly more housing than DSEIS Alternative 1. These additional jobs are captured by focusing new development primarily in portions of the study area currently zoned for development up to 67' in height in zones RH-1A, RH-2A, and RH-2B.

#### Revised Test Case A: Current Trends Preliminary 2044 Growth

<b>Quadrant</b>	<b>Households</b>	<b>Employment</b>
NW	515	1,164
NE	1,844	3,468
SW	710	3,787
SE	600	3,403
<b>Totals</b>	<b>3,669</b>	<b>11,821</b>

Source: Mithun/ EcoNW, 2021

#### DSEIS Alternative 1 Housing and Employment Growth

<b>Quadrant</b>	<b>Households</b>		<b>Employment</b>	
	<b>Existing</b>	<b>Growth</b>	<b>Existing</b>	<b>Growth</b>
NW	484	515	898	1,164
NE	453	957	906	3,252
SE	305	600	913	2,657
SW	667	710	2,270	3,787
<b>Total</b>	<b>1,909</b>	<b>2,782</b>	<b>4,988</b>	<b>10,859</b>

Source: DSEIS Exhibits 2-21 and 2-23

#### Test Case B: Transit Connected Growth

Test Case B: Transit Connected Growth (Illustrated in Att. 2 and 4) incorporates elements shown in the commercial zones of DSEIS Alternative 3 into the overall land use pattern established in DSEIS Alternative 2. The intent of this strategy is to:

- Optimize for workforce and affordable housing, in particular the number of units provided through linkage fees and/or inclusionary zoning.
- Attract new jobs to foster economic activity and meet Citywide targets.
- Balance the distribution of commercial-focused development across the study area.
- Foster an environmentally-sound land use pattern that helps achieve the City's sustainability goals.

Test Case B: Transit Connected Growth responds to the public comment heard during the DSEIS comment period and the May 26, 2021 Council Listening Session. Although a wide range of comments were shared, many participants reiterated a desire to maintain existing Low Density residential character, and concerns regarding the maximum allowable zoning heights proposed in DSEIS Alternative 3.

City staff recommends that the Station Area Plan only increase allowable heights in areas that provide clear benefits to the community and take advantage of regional transit connections. To that end, several areas where height increases had been proposed as part of DSEIS Alternative 2 and 3 have been removed from consideration in B: Transit Connected Growth (Attachment 4). These include areas that are unlikely to redevelop due to market forces, are limited by common

construction methods, or are constrained by other considerations B: Transit Connected Growth results in similar household growth numbers as DSEIS Alternative 2, but lower employment numbers, showing more of a jobs-housing balance. The Southwest Quadrant has lower growth numbers, closer to what was proposed for DSEIS Alternative 1. See Attachment 6 for a summary of key changes that led to Test Case B: Transit Connected Growth.

**Revised Test Case B Preliminary 2044 Growth**

<b>Quadrant</b>	<b>Households</b>	<b>Employment</b>
NW	538	1,241
NE	2,915	7,571
SW	710	3,338
SE	3,839	8,001
<b>Totals</b>	<b>8,003</b>	<b>20,151</b>

Matrix produced by Mithun/ EcoNW

**DSEIS Alternative 3 Housing and Employment Growth**

<b>Quadrant</b>	<b>Households</b>	<b>Employment</b>
NW	537	1,145
NE	4,559	23,761
SE	4,112	6,794
SW	1,701	3,288
<b>Total</b>	<b>10,909</b>	<b>34,988</b>

Source: DSEIS Exhibits 2-21 and 2-23

**Initial BKR Model Results from Additional Transportation Analysis**

A key input into the Study Test Cases was additional transportation analysis of DSEIS Alternative 2 run by project subconsultant, Fehr and Peers. Fehr and Peers considered additional variables not required for the DSEIS analysis, most notably the impact of automobiles choosing a different route due to proposed changes in the transportation network.

The initial results from the additional transportation analysis suggest that the Southeast Quadrant of the study area has the capacity to handle more growth than shown in DSEIS Alternative 2 without causing significantly more traffic congestion. Therefore, staff recommended that the maximum allowable zoning height on specific parcels closest to the interchange be increased to allow heights up to 250'.

The Initial BKR Model Results also suggest that the growth proposed on the Northeast Quadrant in DSEIS Alternative 2 will generate a substantial amount of delay at the NE 85<sup>th</sup> St & 120<sup>th</sup> Ave NE and NE 90<sup>th</sup> St & 124<sup>th</sup> Ave NE intersections. Staff and Consultants reviewed options to address this issue including:

- Reduce overall growth in this quadrant.
- A greater mix of land uses in this quadrant that would enable residents and employees to meet needs on site, meaning fewer car trips and more walking and biking trips.
- Implement aggressive Transportation Demand Management (TDM) strategies.

After a discussion of these options, City Staff instructed the consultant team to reduce the growth proposed on portions of the Northeast Quadrant (see Att. 4) and investigate all potential TDM (transportation demand management) strategies, focusing on reducing the 'drive alone'

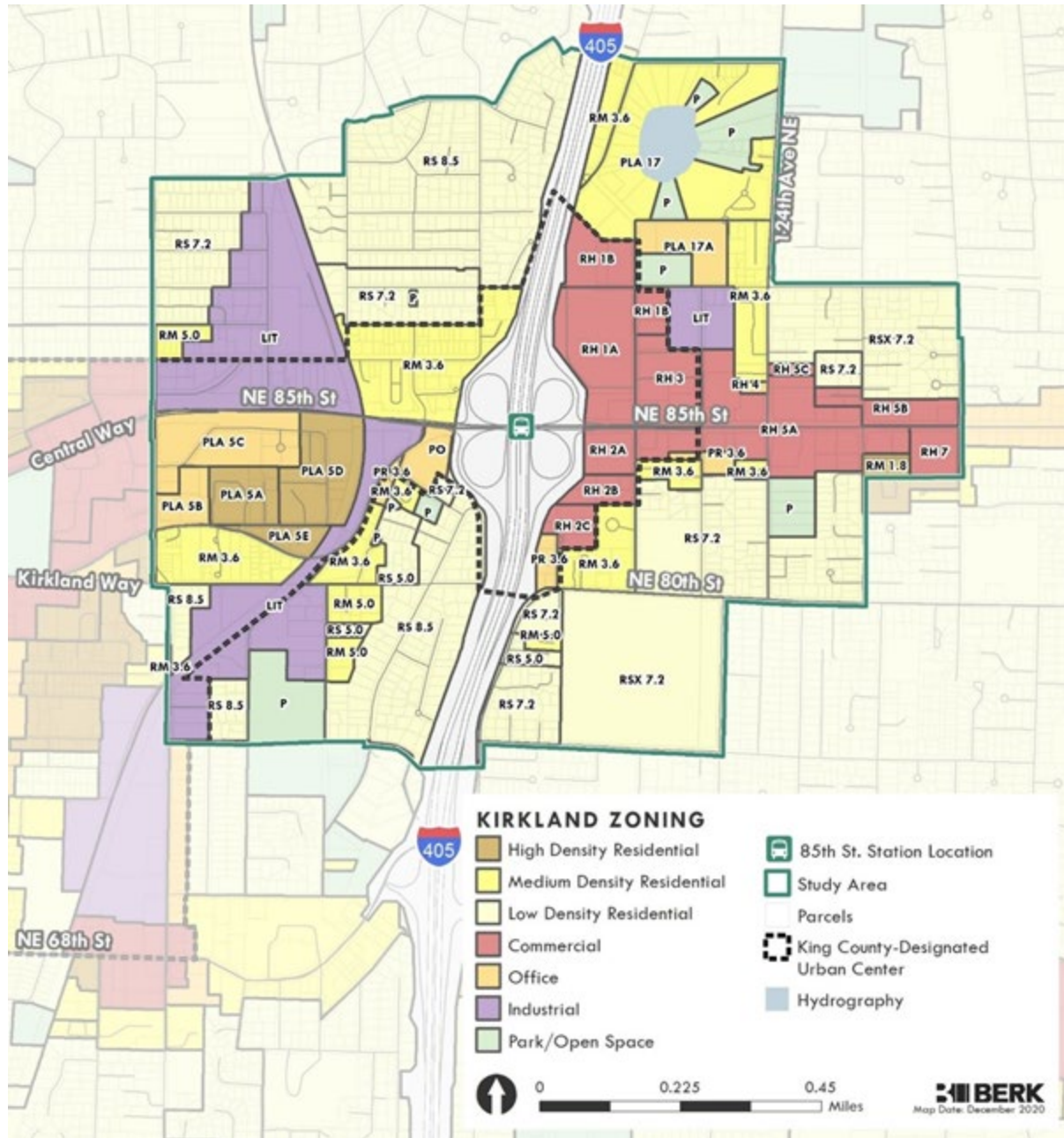


NE 85<sup>th</sup> St BRT Station Area Plan – Memorandum  
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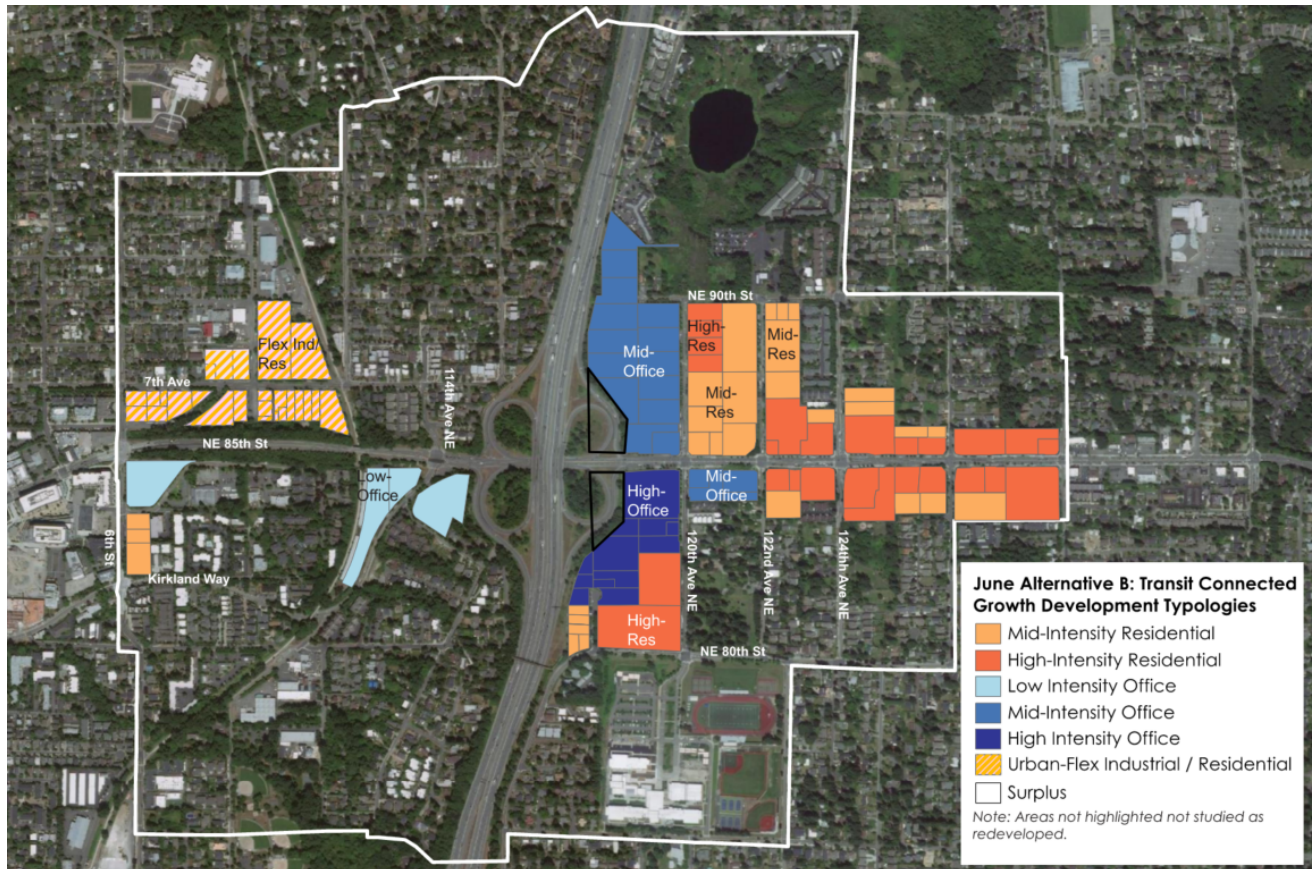
mode share and considering possible options for investment in multimodal transportation. The Fiscal Impact Study will provide additional information on the efficacy of these TDM strategies by comparing avoided costs (due to reducing the amount of auto infrastructure required) to incurred costs (including improvements to bike, pedestrian, transit infrastructure, and TDM Policies including managing parking).

## Attachment 1: Existing Zoning



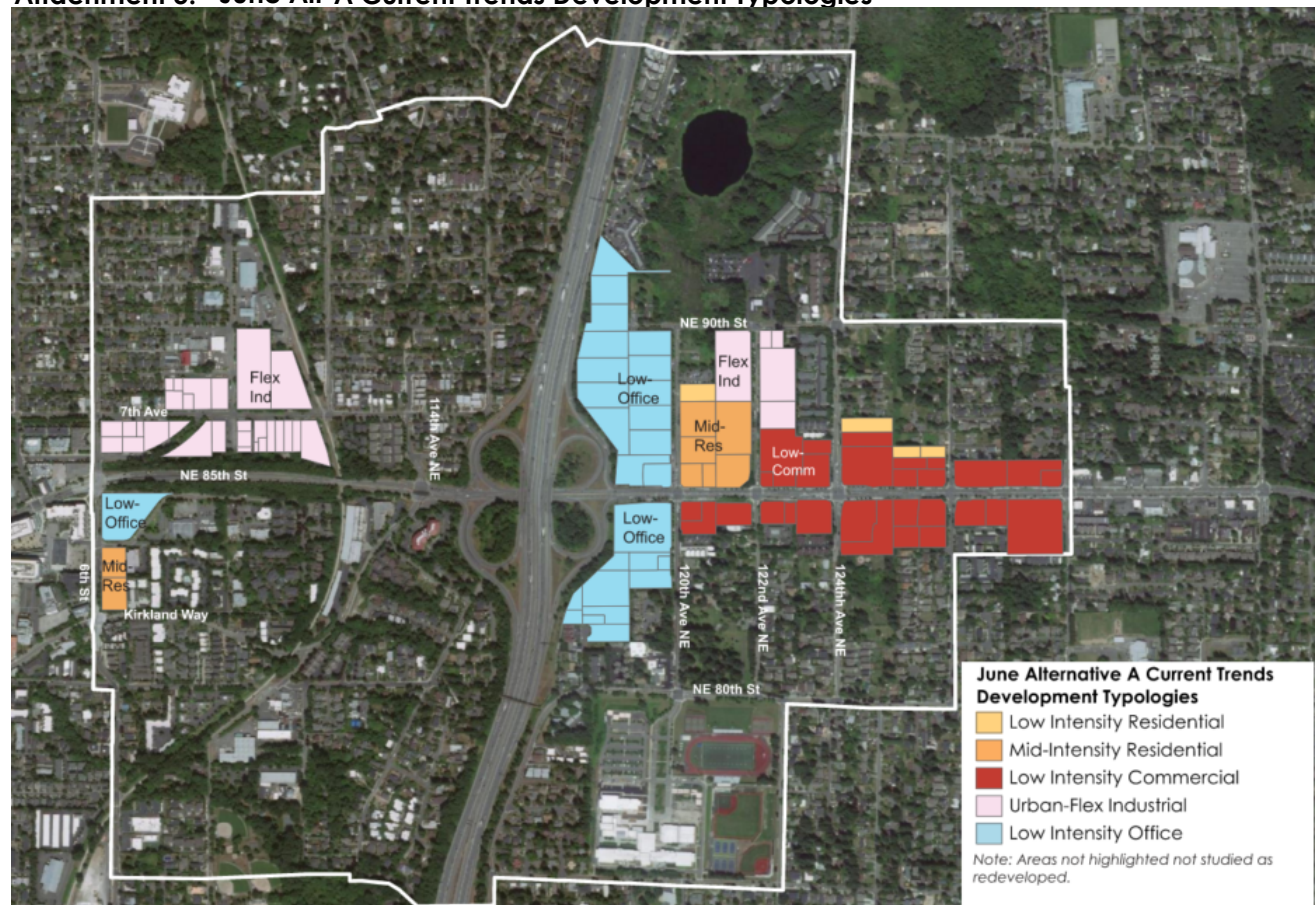
Source: City of Kirkland, 2020; BERK, 2020.

**Attachment 2: June Alt B Transit Connected Growth Development Typologies**



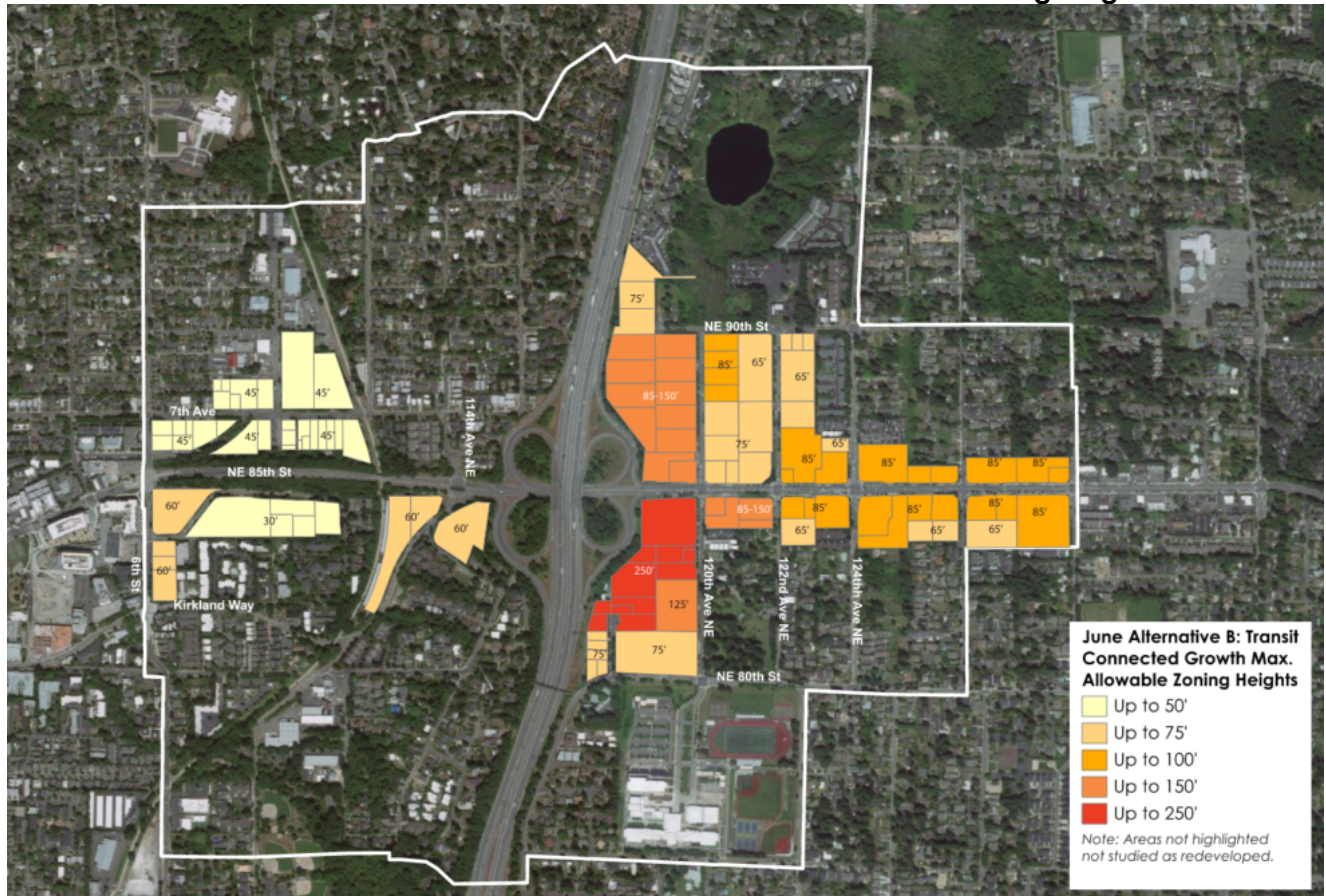
Source: Mithun, 2021.

**Attachment 3: June Alt A Current Trends Development Typologies**



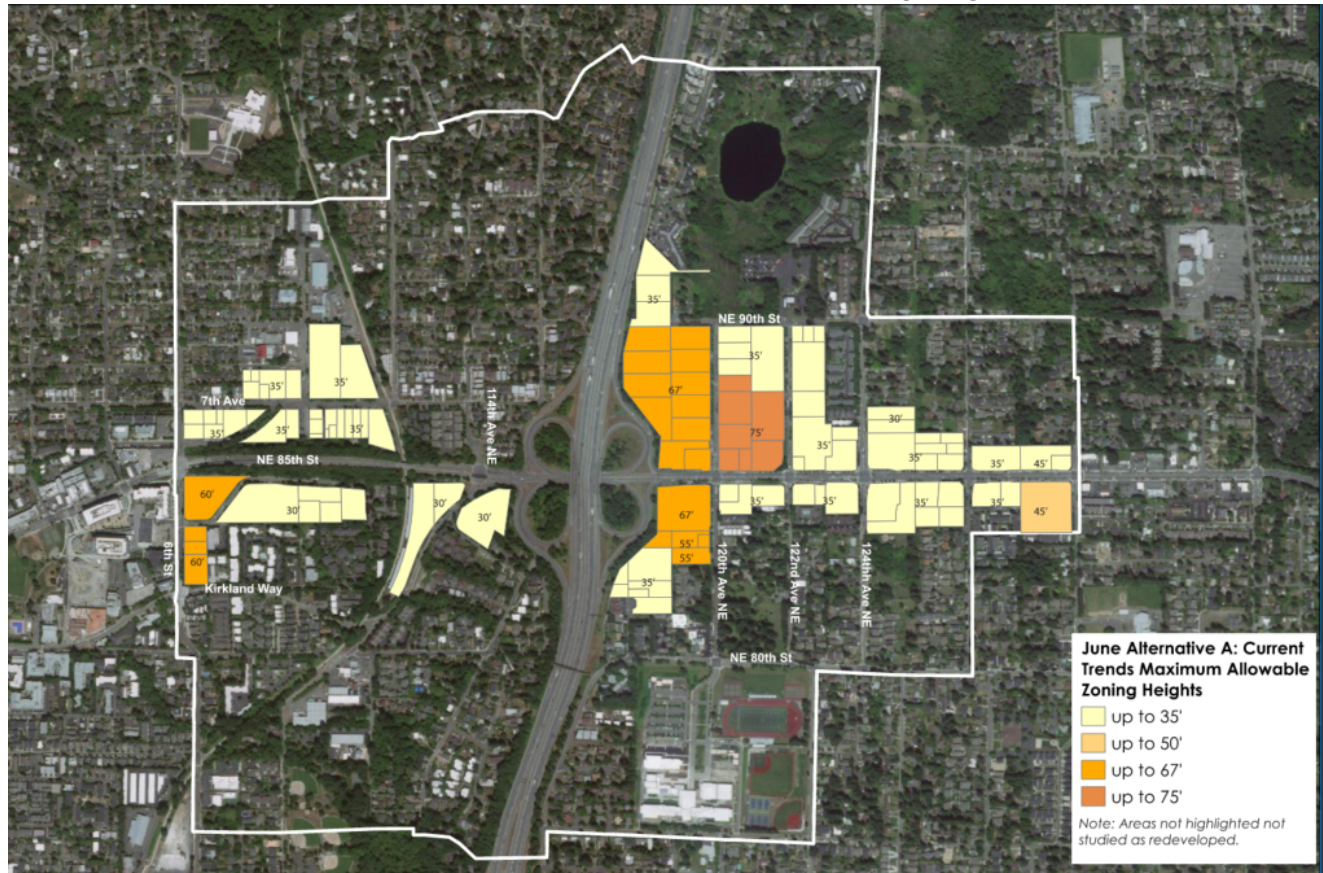
Source: Mithun, 2021

**Attachment 4: June Alt B: Transit Connected Growth Maximum Allowable Zoning Heights**



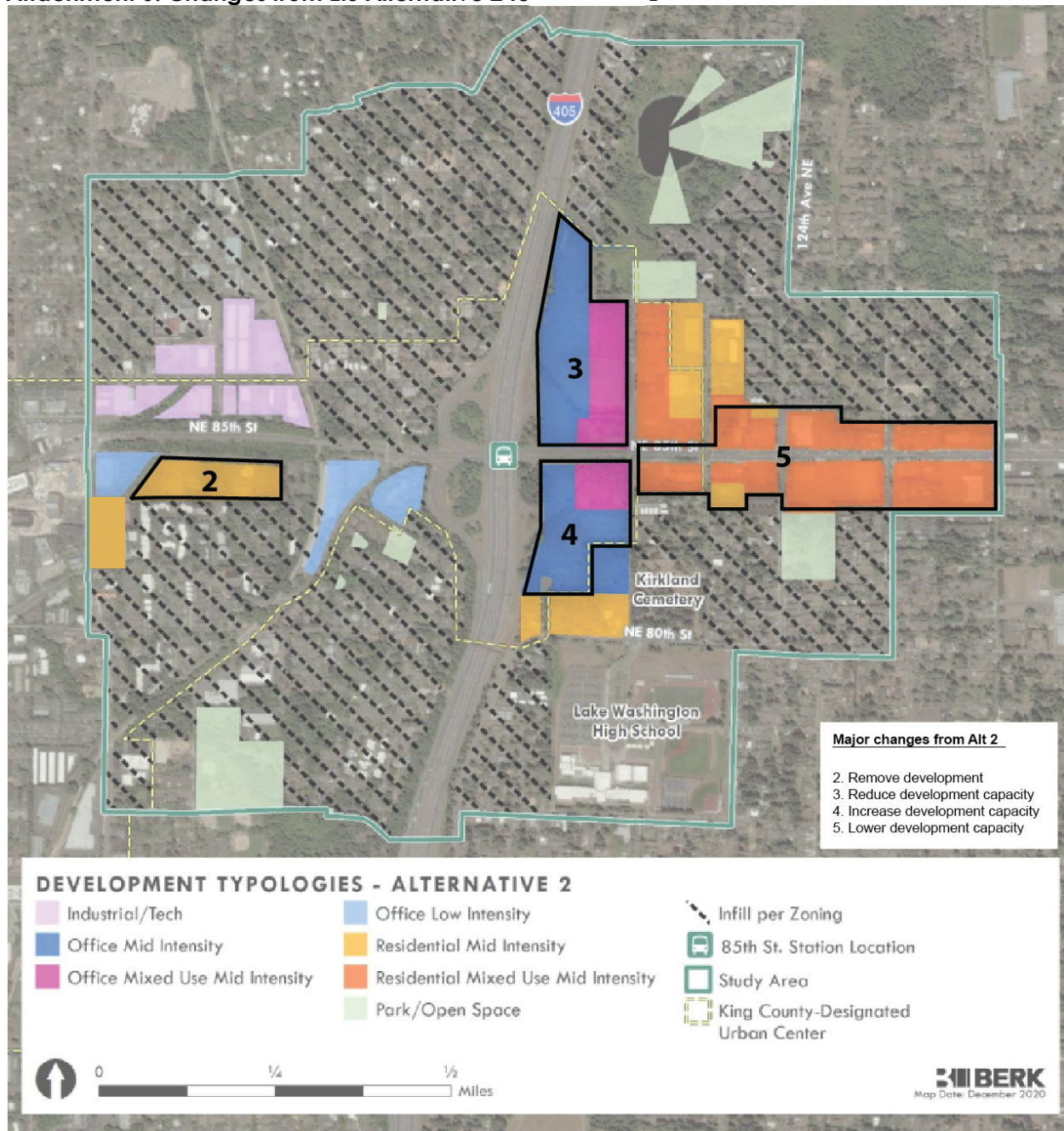
Source: Mithun, 2021

**Attachment 5: June Alt A Current Trends Maximum Allowable Zoning Heights**



Source: Mithun, 2021.

**Attachment 6: Changes from EIS Alternative 2 to June Alt B**



Source: Mithun, 2021.

## Attachment A: Services

**Date:** May 11th, 2021  
**Project #:** City of Kirkland Job Number 45-19-PB  
**Project:** NE 85<sup>th</sup> ST BRT Station Area Plan  
**Re:** Supplemental Fiscal Impacts and Benefits Analysis Scope and Schedule

### Executive Summary

The Northeast 85th St Station Area Plan (SAP) is developing a vision and plan to guide development and investment in the study area surrounding a future BRT Station at NE 85th St and I-405. The project objective is to leverage the WSDOT/Sound Transit I-405 and NE 85th St Interchange and Inline Stride BRT station regional transit investment to maximize transit-oriented development and create the most opportunity for an inclusive, diverse, and welcoming community; value for the City of Kirkland; community benefits including affordable housing; and quality of life for people who live, work, and visit Kirkland.

The SAP project has completed Vision & Concepts as well as Alternatives up to the Draft Supplemental Environmental Impact Statement (DSEIS) stage. Prior to confirming a Preferred Direction in late 2020, the City Council and Planning Commission requested supplemental information to understand the community benefits, tradeoffs, and fiscal impacts of different alternatives. In response, this Scope document describes a proposed approach and workplan for a Supplemental Fiscal Impacts and Benefits Analysis. This supplemental scope is intended to inform the Preferred Direction decision. After that point, the remaining SAP scope, including the Draft and Final Plan, would resume. See the Planning Process Summary below for reference.

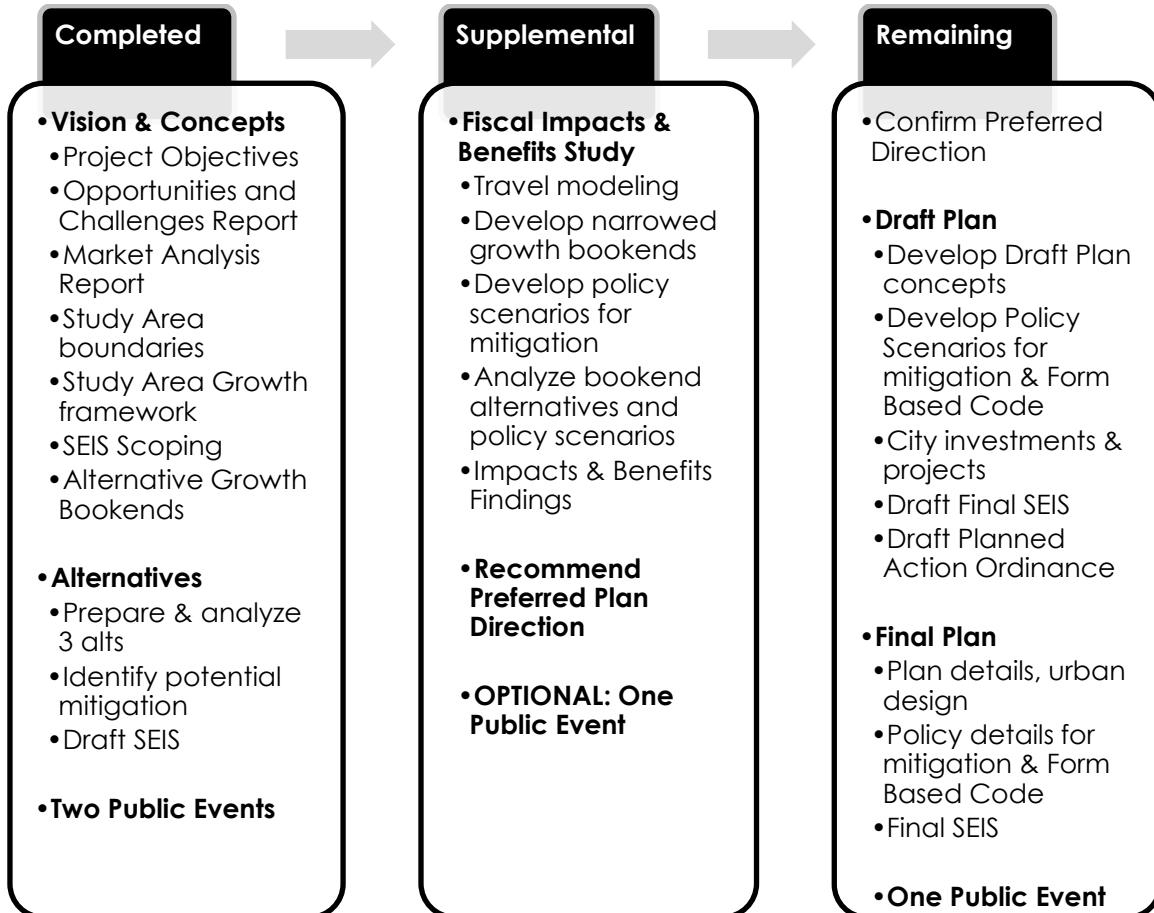
This scope of work is designed as a supplement to the Station Area Plan For I-405/NE 85<sup>th</sup> Street BRT Station Area (City of Kirkland Job Number# 45-19-PB). Additional detail on ongoing SAP tasks, including the development of a Final EIS, can be found in the original contract #32000058. This supplemental scope of work supports and modifies the original contract, including modifying the schedule to develop the Final EIS and preferred plan direction by the end of 2021 and extending the contract completion date to June 1, 2022 at the latest.

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NE 85<sup>th</sup> Station Area Plan – Supplemental Fiscal Impacts and Benefits Analysis Scope  
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## Planning Scope Summary



This supplemental scope of work is a response to that request, and is organized into the following elements:

- **Station Area Plan Integration** activities which support overall progress of this supplemental scope of work and integration with other SAP tasks such as the Final SEIS (FSEIS)
- **Community Benefits & Tradeoffs Analysis** that can assess the feasibility and potential community benefits associated with mitigation strategies and policy scenarios including code and regulatory concepts for the FSEIS, SAP and Form Based Code (FBC)
- **Fiscal Impacts Analysis** that can assess the City's revenues and cost of service, including operations and capital investments required to serve the anticipated level of growth

## Supplemental Fiscal Impacts and Benefits Analysis Scope Summary

This supplemental scope of work is designed to support ongoing SAP tasks, including the development of a **Final SEIS** and **preferred plan direction** by the end of 2021. Key activities are summarized for each major phase of work below.

### May-June 2021: Create Upper and Lower Bookend Alternatives for Analysis

During this initial phase of work, the consultant team will conduct additional travel modeling for DSEIS Alternative 2. This step will expand the scope of analysis to include regional travel decisions (eg: drivers finding new routes that go outside the current study area). Based on this more precise understanding of future transportation conditions and summary of public comment to date including potential mitigation strategies, the consultant team and City staff will create two alternatives that reflect upper and lower growth “bookends”. These bookend alternatives will build on the DSEIS alternatives, and will be used in the fiscal impacts and community benefits analysis. The project team will present recommended bookend alternatives to City Council and Planning Commission prior to studying them as part of the fiscal impacts and community benefits.

### June-October 2021: Fiscal Impacts & Community Benefits Analysis

This phase of work will analyze the upper and lower bookend alternatives in two parallel tracks. The Community Benefits & Tradeoffs analysis will respond to City Council's request to better understand how development can contribute to the goals of the Plan. It will also be a critical point to confirm mitigation strategies for the final EIS and identify opportunities for reduced fiscal impacts. Each bookend alternative will be tested to explore the potential value capture associated with development and relevant policy options. In parallel, the fiscal impacts analysis will assess the City's revenues and cost of service, including operations and capital investments required to serve the anticipated level of growth. The two efforts will be coordinated so that opportunities for community benefits that reduce fiscal impacts are identified. For instance, policies for development to provide open space or more efficient water management may reduce the need for park acquisitions costs or infrastructure upgrades. These studies will culminate with a presentation to City Council and Planning Commission summarizing the findings.

### October-December 2021: Final EIS & Preferred Plan Direction

Based on the findings of the Community Benefits & Tradeoffs analysis and Fiscal Impacts analysis, the consultant team will begin developing the final SEIS (FSEIS). This FSEIS will incorporate public comment as well as the findings of recent analysis. Based on FSEIS results and external engagement, the project team will present a staff recommendation for a preferred plan direction to City Council and Planning Commission for review. The preferred plan direction will further refine the bookend alternatives and establish a narrowed range of heights, land use mix, major infrastructure investments, and other urban design concepts that have been studied to date. This will provide the foundation for the development of a final plan, code, and implementation strategies.

**END OF EXECUTIVE SUMMARY**

## Supplemental Fiscal Impacts and Benefits Analysis Scope and Workplan Proposal

### Proposed Approach & Summary of Need

The Station Area Plan For I-405/NE 85<sup>th</sup> Street BRT Station Area (SAP) is developing a vision and plan to guide development and investment in the study area surrounding a future BRT Station at NE 85<sup>th</sup> St and I-405. As part of that process, DSEIS alternatives were presented to City Council in late 2020. City Council as well as Planning Commission requested additional information to understand the community benefits, tradeoffs, and fiscal impacts of alternatives. This scope of work is a response to that request, and is organized into the following elements:

- **Station Area Plan Integration** activities which support overall progress of this supplemental scope of work and integration with other SAP tasks such as the EIS, including development of two “bookend alternatives” for further study (see Task 1.3 below).
- **Community Benefits & Tradeoffs Analysis** that can assess the feasibility and potential community benefits associated with mitigation strategies and policy scenarios including regulatory concepts for the FSEIS, SAP and Form Based Code (FBC).
- **Fiscal Impacts Analysis** that can assess the City's revenues and cost of service, including operations and capital investments required to serve the anticipated level of growth.

This scope of work is designed as a supplement to the Station Area Plan For I-405/NE 85<sup>th</sup> Street BRT Station Area (City of Kirkland Job Number# 45-19-PB). Additional detail on ongoing SAP tasks, including the development of a Final EIS, can be found in the original contract #32000058. This supplemental scope of work supports and modifies the original contract, including modifying the schedule to develop the Final EIS and preferred plan direction by the end of 2021 and extending the contract completion date to June 1, 2022 at the latest.

### Task 1: Station Area Plan Integration

This task will integrate this supplemental scope of work with ongoing work on the SAP, including the development of upper and lower growth “bookend alternatives” that can inform the Fiscal Impacts Analysis as well as the Community Benefits & Tradeoffs Analysis. Task 1.2 will conduct additional transportation modeling to develop a more precise project list for fiscal impact analysis, and Task 1.3 will establish updated upper and lower bookend alternatives using the results of Task 1.2 as well as feedback from the DSEIS public comment period.

#### Task 1.1 Project Management & SAP Coordination

Mithun will lead project management and coordination between the supplemental scope the overall SAP. It is anticipated that this will include regular meetings as described in the “Proposed Revised Schedule/Workplan” on page 18:

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NE 85<sup>th</sup> Station Area Plan – Supplemental Fiscal Impacts and Benefits Analysis Scope  
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- **Core Team** one 30 minute, biweekly meeting, focused on overall plan integration. Attendees: Representatives from Mithun, BERK, the Kirkland Planning Department, and Finance Department.
- **Working Groups** one meeting ahead of key deadlines to discuss the SAP, Fiscal Impacts, and Community Benefits & Tradeoffs. Attendees: Representatives from BERK, Mithun, Kirkland Planning Department, Kirkland Finance Department, and City Manager's Office. Representatives from Public Works, Transportation, and subconsultant will join as necessary (anticipated to be no more than 3-4 meetings, substituted for a regularly occurring Core Team meeting).

### Task 1.2 Additional Transportation Modeling

Fehr & Peers will participate in a meeting with City Staff to kick-off this task. Afterwards, Fehr & Peers will first modify the 2035 BKR travel demand model to evaluate DSEIS Alternative 2. This re-model will enable the project team and City staff to refine our understanding of the alternative's transportation impacts and how much traffic is expected on NE 85<sup>th</sup> Street in the larger regional transportation context. The previous DSEIS analysis, by primarily studying the local effects within the study area, provided a conservative estimate that didn't account for potential rerouting or other regional travel behavior that might occur in response to changing land use and travel demand. The application of the model will also allow the project team to document changes in traffic volumes beyond the intersections evaluated in the DSEIS and to understand how existing travel patterns change with the additional growth around the station area.

Fehr & Peers will coordinate with the City and the project team on the most efficient methodology to implement these changes. As part of the land use update, the Transportation Analysis Zones (TAZ) boundaries and centroid connectors around the station area may be adjusted to better reflect how trips would load onto the roadway network and where the growth is occurring.

After rerunning the model, Fehr & Peers will develop updated intersection forecasts at up to five study intersections along NE 85<sup>th</sup> to re-evaluate Level of Service in Synchro. Fehr & Peers preliminarily recommends the following intersections, which had impacts in the DSEIS analysis and are well-represented in the BKR model:

- NE 85<sup>th</sup> St & 6<sup>th</sup> St
- NE 85<sup>th</sup> St & Kirkland Way/114<sup>th</sup> Ave NE
- NE 85<sup>th</sup> St & 120<sup>th</sup> Ave NE
- NE 85<sup>th</sup> St & 124<sup>th</sup> Ave NE
- NE 90<sup>th</sup> St & 124<sup>th</sup> Ave NE

The intersection-specific mitigations identified in the DSEIS will be applied to these locations as necessary in order to determine if the strategies fully mitigate the impacts, using the criteria established in the DSEIS. The model results could also be used to evaluate changes in roadway volumes and travel speeds outside of the study area, if requested by the City. The results from the BKR model and Fehr & Peers' MainStreet trip

generation tool, will also be used to estimate the growth in person trips and any changes in mode of access for project trips. Note that neither tool directly forecasts person trips, but each can be used to estimate changes in mode splits within the project area.

The Project Team would then participate in the Staff Charrette as part of Task 1.3 with City staff to discuss the analysis results and develop an approach to define additional alternatives to evaluate. The Project Team will also discuss with City staff which transportation demand management (TDM) policies and strategies that should be incorporated into the final plan to reduce the number of trips generated. A potential menu of strategies and their effectiveness was previously identified in the DSEIS, and Fehr & Peers would come to the meeting with a recommended package of TDM strategies and what is needed to implement those strategies.

Following the meeting, Fehr & Peers will coordinate with the consultant team to update the City's model and run the bookend alternatives in the model when ready. The intersection forecasts and Level of Service (LOS) calculations will be updated for the five intersections identified above, and any necessary mitigations will be suggested to meet the performance thresholds. The analysis will be summarized in a short technical memo.

### **Task 1.3 Prepare Bookend Alternatives and Establish Evaluation Measures**

With DSEIS public comment summary and Task 1.2 results as inputs, Mithun will organize and facilitate a City staff charrette to explore adjustments to the DSEIS alternatives to establish upper and lower bookend alternatives to study in Task 2 and Task 3. The goal of this charrette will be to define broad direction for a reduced range of growth that will be studied in the fiscal impacts analysis and community benefits & tradeoffs analysis. Following the charrette, Mithun will further refine the upper and lower bookend alternatives to account for neighborhood transitions, allowable construction types, transportation, and other factors. This refinement will limit itself to the level of detail necessary for Tasks 2 and 3 to begin. These bookend alternatives will set the assumptions for land use mix and development locations that will be held constant for the fiscal impacts study. Mithun will create materials necessary to convey this refinement and the growth intent of the bookend alternatives.

The consultant team will work with City staff to determine the growth assumptions to be modeled in two bookend alternatives:

- **Lower Bookend Alternative**, with continued development of the planning area under current zoning, which will its own requirements for capital and operating investments.
- **Upper Bookend Alternative**, which assumes:
  - EIS Alternative 2 as a starting point for development, mobility strategies, and environmental concepts.
  - A jobs/housing mix optimized to work within the estimated future capacity of the transportation network.
  - Growth that can support the City's regional growth target and absorb known development applications and market interest.

The consultant team will also work with the City staff to establish fiscal and non-fiscal measures by which the bookend alternatives will be evaluated, including net fiscal impact, housing affordability, greenhouse gas emissions, and other considerations. This subtask will conclude with a brief memo summarizing the proposed bookend alternatives recommended for study in Task 2 and Task 3. A presentation based on this memo will be developed for Planning Commission and City Council review.

#### **Task 1.4 Additional Engagement**

As part of Task 2 and Task 3, the consultant team will organize a series of additional engagement activities. In addition to these activities, City staff will complete additional engagement. Current activities anticipated as part of this task will include:

- **Planning Commission & City Council Presentations**

This task includes preparation and participation in 3 meetings with City Council & Planning commission as part of the review and approval of materials.

*Note: One public open house is possible as an addition for approximately \$11,500. This is described at the bottom of Attachment B: Compensation, but not included in the current budget total.*

#### **Task 1.5 Phased Planned Action Ordinance**

Under this task, BERK will develop an alternative version of the Planned Action Ordinance developed for the study area as a whole that addresses phasing of growth and mitigation should the City decide to phase zoning changes and growth levels. The task assumes that the cumulative analysis and land use mix developed for the Final EIS and Preferred Alternative will be the basis for the mitigation measures, and new modeling is not needed. It is also assumed that Fehr & Peers will provide trips applicable to the study area overall and the subset of trip levels that reflect different tiers of mitigation measures or subsets of growth at a scale that fits the scope for supplemental fiscal analysis.

#### **Task 1.6 Decision Support**

This task will provide for additional resources to support integration of the results of Tasks 2 and 3 with the creation of the final Station Area Plan, Form-based Code, and Planned Action Ordinance. This task will include additional team coordination and engagement activities. This task refers to activities completed after the final EIS is approved (anticipated to be completed by the end of 2021), and does not cover engagement, coordination, or other activities happening as part of Task 2 or Task 3. Specific engagement activities associated with Task 1.6 include:

- **Public Open House**

BERK will reach out to existing project contacts to invite the public to attend a public open house, including designing outreach materials. Mithun will design and lead facilitation of the public open house event. This open house will focus on the draft plan. BERK will consolidate public meeting input into a concise meeting summary.

- **Supplement to Public Open House**

BERK will collaborate with City staff to design supplementary engagements around the public open houses. This will be geared toward gathering deeper,

more focused input on the preferred plan direction and expanding the diversity of stakeholders engaging with the project. Depending on how project timing progresses, there may be an opportunity to collaborate once again with students from Ms. Bethany Shoda's economics classes at Lake Washington High School. BERK will invite and recruit participants, facilitate the engagements, and consolidate input into a concise summary.

- **Planning Commission & City Council Presentations**

This task includes preparation and participation in 3 meetings with City Council & Planning commission as part of the review and approval of materials.

**Task 1 Deliverables:** *Transportation Analysis Technical Memo, Proposed Bookend Alternatives memo and associated graphics, one set of Presentation materials for preferred plan direction discussion with Planning Commission and City Council, Phased Planned Action Ordinance*

## **Task 2. Community Benefits & Tradeoffs Study**

This task responds to the City Council's request for additional information identifying the potential and methods to realize community benefits in each alternative through policies and codes, and the tradeoffs involved in securing these community benefits. This effort will inform preferred mitigation strategies in Task 3 and the development of conceptual code/plan framework. Key activities in this task will involve the development of 2-3 Policy Scenarios that test different packages of community benefits and the physical characteristics of these Policy Scenarios. Each of these policy scenarios will be tested for the bookend alternatives to understand which set of policies performs best for each bookend alternative.

### **Task 2.1 Task Management**

Mithun and ECONorthwest will define two initial Policy Scenarios that can test the interlinked tradeoffs and feasibility of community benefit strategies relative to current policy. These Policy Scenarios will consist of a "package" of bundled policy options, including incentives, regulatory tools, and partnership/delivery models such as:

- Bonus/Incentive zoning
- Commercial linkages or other fees
- On-site provision of community amenities
- Special districts like Transportation Benefits Districts or District Parking

Given the wide range of topics, the focus of this analysis will be to identify which strategies have the most benefit and any "thresholds" that may impact overall feasibility of development under different Policy Scenarios. As part of this task, 1 workshop will be conducted with key stakeholders to shape Policy Scenarios to be studied, including City staff and potentially developers and large landowners.

Following the analysis in Task 2.2, Mithun and ECONorthwest will work with staff to define an additional, refined policy package for testing.

### **Task 2.2 Community Benefits & Tradeoffs Analysis**

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The consultant team will work with City staff to refine the scope of community benefits to study as part of this task. These will draw from project objectives and potential mitigation strategies identified in the DSEIS. Topics anticipated to be included are:

- Schools and Civic Amenities
- Housing Choices and Affordability
- Parks, Trails, and Public Realm [incl. tree canopy, habitat]
- Sustainability [incl. building and site performance], Visual Character, and Transitions

Once the topics are refined, Mithun and ECONorthwest will evaluate each bookend alternative to understand the potential for value capture based on a residual land value (RLV) analysis of the development described in each bookend alternative. Based on the results of this analysis, Mithun and EcoNorthwest will develop materials that summarize policies, programs, or other strategies that could support SAP goals and maximize value capture potential for community benefits. This summary will focus on describing the range of strategies and how they can be applied; it will not provide quantify the potential community benefits associated with each policy or strategy.

Examples of questions that will be addressed through this analysis will include:

- What are different funding and delivery models for accommodating the demand for additional school facilities?
- How could affordable housing be supported through modifications to incentives and/or inclusionary requirements while maintaining development feasibility?
- To what extent could commercial linkage fees support community benefits while maintaining development feasibility?
- How could sustainability policies such as green building incentives or requirements reduce resource usage that impacts municipal fiscal impacts (water consumption, wastewater handling)?
- What are the opportunities for new delivery models that provide community needs such as public realm improvements, community gathering space, recreation, or parks/open space?

### **Task 2.2b Share Initial Findings, Revise & Re-evaluate Results**

A review of initial findings will include a summary (in slide deck form) of implications and viability of each Policy Scenario. This will be shared with City staff as well as Planning Commission and City Council and coordinated with the fiscal impacts schedule. As part of this task, 2 workshops will be conducted with key stakeholders to evaluate feasibility, including developers, large landowners, and City staff. These workshops will help inform refinement the policies associated with the upper bookend alternative that will be re-evaluated for physical and financial feasibility, and will also be modeled as part of the revision and refinement of Fiscal Impacts analysis (**Task 3.4**). Final results will be packaged into a Community Benefits & Tradeoffs Study memo which will also incorporate highlighted results from Walkshed and Bikeshed Analysis (**Task 2.4**).

### **Task 2.3 Transit Analysis**

Fehr & Peers will lead a meeting with City Staff which will:

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- Recap the bicycle, pedestrian, and transit projects recommended for the study area as part of this project.
- Identify multimodal performance measures/measures of effectiveness for each mode. Fehr & Peers will come with some options for how the City could approach this to serve as a starting point for discussion (e.g. Bike and Pedestrian Level of Traffic Stress 3 or 4 is not acceptable).
- Determine if any additional bicycle, pedestrian, or transit projects are needed to meet the City's desired targets and achieve its multimodal vision.

In preparation for the workshop, Fehr & Peers will review guidance in Kirkland's TMP, ATP, Transit Implementation Plan, and other best practice guides (such as NACTO) for what types of accommodations would be needed to realize the City's multimodal vision for this subarea. Fehr & Peers will also recommend how this workshop interfaces with **Task 1.2.**

After running the modified version of the 2035 BKR model, Fehr & Peers will develop a short memo that summarizes current transit run times and average operating speeds in the study area, how those change under one alternative (either Alternative 2 or a modified Alternative), and what impacts that would have on speed and reliability for transit. The memo will build upon the text already included in the DSEIS to better tell the story about how transit is impacted by increased transportation trips in the study area as a result of the proposed development.

The consultant team will participate in a meeting with City staff and key transit agencies, such as King County Metro and Sound Transit, to discuss concerns, brainstorm additional mitigations, and identify next steps.

#### **Task 2.4 Walkshed and Bikeshed Analysis**

Fehr & Peers will conduct additional analysis and craft additional narrative that builds on the DSEIS in order to better tell the story of how the proposed development benefits people walking and biking in Kirkland.

Fehr & Peers will develop one low-stress bicycle map and one low-stress pedestrian map to show cyclist and pedestrian comfort on every street in the study area under existing conditions. The low-stress bicycle map will be based on OpenStreetMap data, and the low-stress pedestrian map will be based on available City data to be determined in collaboration with City Staff but could include presence of sidewalks and buffers, the number of travel lanes and posted speed limit of the adjacent street, and the presence of commercial driveways. Fehr & Peers will develop one low-stress bicycle map and one low-stress pedestrian map under the upper bookend alternative to show how gaps in connectivity are filled by this project.

Fehr & Peers will incorporate this narrative and the Level of Travel Stress (LTS) maps in a short memo. We would qualitatively analyze the LTS network and call out destinations that would now be able to be reached as a result of this project.

### Task 2.5 Interchange Analysis

This task will perform additional analysis to understand the potential benefits and tradeoffs of the transportation network under different land use and growth conditions. Specific activities for this task will include:

- **Interchange Analysis**

As part of this task, Fehr & Peers would evaluate traffic operations at the interchange with I-405 for the upper bookend alternative. This analysis would use the microsimulation model that WSDOT has already developed at this location, and the project team would update the demand inputs to reflect the growth associated with the upper bookend alternative. The model would be used to calculate changes in delay and queuing along 85th Street as well as on the ramps to and from I-405.

*Note: Analysis of up to 5 additional intersections under existing conditions, future no action conditions, and the upper bookend alternative is possible as an addition for \$12,390. This is described at the bottom of Attachment B: Compensation. The analysis would consider delay and LOS, queuing, safety, and non-motorized performance. The additional analysis could include entirely new intersections or evaluating AM peak hour operations at some intersections that we already studied during the PM peak hour. Studying a new intersection during the AM and PM peak hours would be considered two additional intersections.*

**Task 2 Deliverables:** Graphics and materials for multimodal meeting with City staff, one memo and set of presentation graphics for both Planning Commission and City Council on interim Community Benefits results (to be presented alongside Fiscal Analysis presentation materials and collated in the Report produced by BERK)\*, Existing/ Upper Bookend Alternative LTS analysis graphics and memo, Additional Interchange and Intersections memo\*, one packaged Community Benefits Study memo and presentation graphics for Planning Commission and City Council\*, Project lists for likely improvements associated with Task 2.3-2.5

### Task 3: Fiscal Impacts Study

This task will focus on assessing the City's revenues and cost of service, including operations and capital investments required to serve the anticipated level of growth. Key questions to be answered in this analysis include:

- What revenues can the City expect associated with the proposed redevelopment of the area?
- What will it cost the City to most efficiently serve this area with infrastructure and municipal services?

The following assumptions guide our proposed approach:

- Modeling must be Kirkland- and planning area-specific.
  - Revenues in the first round of fiscal analysis will be based on Kirkland's tax and fee structure, using the best available information for comparable

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- development. As noted below, the model will be based on existing fee and rate schedules and existing tax rates but will allow for manual modifications to the current rates.
- Costs should not be based only on simple FTE or per capita formulas but reflect Kirkland's actual anticipated costs to serve the area as well as be relevant to adopted levels of service (LOS). This should be derived from the City's costs to serve comparable geographies and by engaging staff to identify opportunities to serve the area as efficiently as possible by leveraging existing and planned capacity.
- Land use assumptions (type, scale, and total amount of new development) will not be easily modified, and the model will not predict when capital or operations investments will be needed to respond to growth. The model will allow manual shifts in key revenue and cost drivers over time, producing an updated phased estimate of anticipated revenues and costs for different development scenarios.
- The model will allow modification of key assumptions including pace of development/rate of growth, tax and fee policies, and consideration of the impact of timing of 1-3 significant individual developments and development by study area quadrant.
- As noted above, the fiscal analysis will be informed by growth assumptions established in **Task 1.3**, above, including a Lower Bookend Alternative, with continuation of current growth trends, and an Upper Bookend Alternative, which will be a modified version of Alternative 2.
- The model should be designed for use by City staff and will be transmitted to City ownership at the conclusion of this effort.
- The analysis will be a multi-team effort requiring coordination among consultants and the City.

### Stepwise Approach

**Task 3.2** will lead with revenue analysis, followed by cost analysis. Costing and strategies for providing City services in **Task 3.3** will be informed by anticipated revenue levels. Costs for infrastructure investments in **Task 3.4** will be informed by modeling of growth impacts on transportation, water/wastewater, and stormwater/surface water systems. Results of these the first round of modelling will be shared at the third meeting of the Working Group at the end of August in **Task 3.5**. Based on review of projected revenues, costs, and the net fiscal impact of growth, additional analysis will consider adjustments to the key levers noted above (pace/timing of development and/or adjustments to tax and fee policy), as well as city-driven strategies to respond to growth through the more efficient use of resources. This second round of analysis will be completed in September, with **Task 3.6** report development and presentation of draft fiscal findings to Council in October. As noted above, the model will be designed to be transmitted to City staff at the conclusion of the consulting engagement.

### Task 3.1 Task Management

Task Management includes time for technical coordination between City staff and consultant teams to support deliverable production.

### **Task 3.2 Revenue Analysis**

The consultant team will create a parameterized, dynamic model to estimate City tax and fee revenues affected by development in the area. The model will estimate revenue generated by the different types of new development that are included in the bookend alternatives. The model will account for existing revenues from existing land uses in the study area that will/could get redeveloped in the planning horizon (not everything in the study area). Estimated revenues from existing land uses will be based on the same typical assumptions applied to comparable new development unless staff can provide detailed revenue data for the existing land uses. The model will not automatically link new development and redevelopment / removal of existing businesses or structures but will allow for manual adjustments to the timing of loss of existing revenues due to redevelopment. The model will be based on existing fee and rate schedules and existing tax rates, but will allow for manual modifications to the current rates.

ECONorthwest will analyze the list of revenues below, which focuses on the primary revenue sources anticipated in the station area that are likely to be affected by the bookend alternatives. Should the City request analysis of other revenues (e.g., lodging tax, EMS levy, gas tax, emergency transport fee, franchise fees), these will be considered on a case-by-case basis for whether they can be accommodated within the existing budget. The final list of revenues to evaluate and proposed approach will be confirmed with the project Working Group and coordinated with the Policy Scenarios developed as part of the Community Benefits & Tradeoffs Study.

- Sales Tax on New Construction
- Property Tax (Current Expense Levy)
- Sales Tax
- Revenue Generating Regulatory License Fee ("Head Tax")
- Utility Tax—gross operating revenues generated in the station area for electric, natural gas, water, sewer, surface water, solid waste, telephone, and cable TV utilities using Kirkland-specific tax rates
- Real Estate Excise Tax
- Transportation Impact Fee
- Parks Impact Fee
- Lake Washington School District Impact Fee
- Cascade Water Alliance Regional Capital Facilities Charge
- Water, sewer, and surface water connection charge revenues
- Water, sewer, and surface water utility rate revenues
- Building Permit & Review Fee Revenues

ECONorthwest will conduct the revenue analysis and create the dynamic revenue model. ECONorthwest will provide revenue inputs to BERK to integrate into the overall fiscal impacts analysis and will provide the dynamic revenue model to staff at the conclusion of this effort.

### **Task 3.3 Cost Analysis: City and Partner Services**

BERK will coordinate with City departments to determine the most cost-effective ways to provide services under the bookend alternatives. This will include consideration of

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Attachment A - Services

NE 85<sup>th</sup> Station Area Plan – Supplemental Fiscal Impacts and Benefits Analysis Scope  
City of Kirkland Job Number 45-19-PB

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May 11th, 2021

ongoing operating costs and upfront capital investments. Consideration of each functional area is shown on the following pages.

In general, the consulting team will meet three times with staff of departments responsible for each service:

**Meeting 1**

- Review growth assumptions and anticipated revenues (based on projected revenue generation for dedicated funds and historical share of City General Fund)
- Discuss how to serve and approach to cost modeling.

**Meetings 2 & 3**

- Review cost model results and solicit feedback for refinement, including how revenues and costs could be shifted through time in the model to consider different development scenarios and city-driven, cost-efficient strategies for responding to growth in population and demand for City services.

## General Government

### Key Questions

- How will redevelopment affect staffing and costs for the City's general government functions, including staff at City Hall, Public Works staff responsible for operations and maintenance of the area, and others?

### Inputs and Analysis

- Consultants will facilitate discussions with leadership from affected departments, as well as budget staff who focus on these areas. These discussions will consider:
  - The actual cost to serve portions of the Kirkland community with comparable land uses.
  - Whether City Hall and other existing City facilities can absorb the additional increment of staffing required to serve the area.
  - The actual cost to establish programmatic mitigation measures, e.g. expanded transportation demand management program using comparable examples.
- BERK will model anticipated operations and capital costs and share the analysis with the above team for review.

### Outputs

- Phased estimates of anticipated operating and capital costs required to serve the area.

### City Staff Obligations

- Consultation and review of draft analysis by department leadership and appropriate budget staff.

## Police & Fire

### Key Questions

- What level of additional public safety staffing will be required to serve the area, e.g. to address increased calls for service?
- Will new or expanded facilities or equipment be required e.g. to meet response time objectives?

### Inputs and Analysis

- Consultants will facilitate discussions with police and fire leadership and support planning staff, as well as budget staff who focus on public safety issues. These discussions will consider:
  - The actual cost to serve portions of the Kirkland community with comparable land uses.
  - Opportunities to serve the area as efficiently as possible, including shifting capacity from elsewhere in the community.
  - Facility and equipment needs.
- BERK will model anticipated operations and capital costs and share the analysis with the above team for review.

### Outputs

- Phased estimates of anticipated operating and capital costs required to serve the area.
- Identification of opportunities to manage costs by adjusting the timeline planned for.

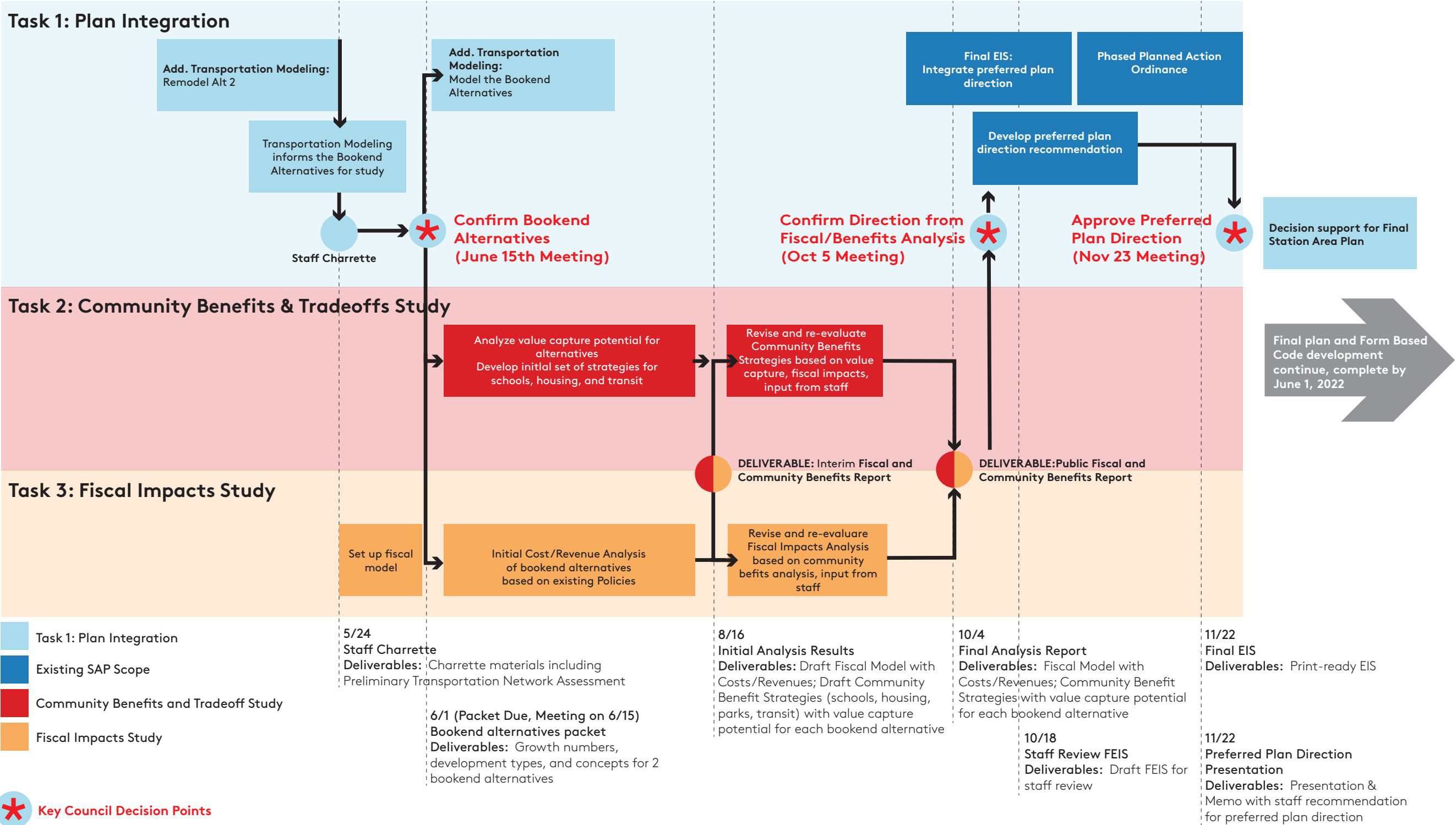
<b>City Staff Obligations</b>	<ul style="list-style-type: none"> <li>▪ Consultation and review of draft analysis by public safety leadership, planning staff, and budget staff.</li> </ul>
<b>Parks</b>	
<b>Key Questions</b>	<ul style="list-style-type: none"> <li>▪ What acquisition of additional parks space and facilities will be required to maintain adopted LOS in the Parks, Recreation, and Open Space (PROS) Plan and pending LOS of the PROS Update? How can this space be created efficiently given current and planned redevelopment in the area?</li> <li>▪ How would capital costs compare to anticipated parks impact fees and other potential revenue sources, including potential developer investment through incentive programs as identified in scenarios developed in the Community Benefits study?</li> <li>▪ How will this increase affect parks department maintenance and operations staffing and costs?</li> </ul>
<b>Inputs and Analysis</b>	<ul style="list-style-type: none"> <li>▪ Consultants will facilitate discussions with Parks and Community Services staff, as well as appropriate budget staff. These discussions will consider the above key questions.</li> <li>▪ BERK will model anticipated operations and capital costs and share the analysis with the above team for review.</li> <li>▪ Coordination with Mithun and Community Benefits &amp; Tradeoffs Study to identify strategies that will lead to multi-benefits solutions.</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>▪ Phased estimates of anticipated capital and ongoing operating and maintenance costs required to serve the area.</li> <li>▪ Potential mix of revenue with impact fee and potential fee in lieu foregoing a portion of onsite open space.</li> <li>▪ Identification of opportunities to manage costs by adjusting the timeline planned for.</li> </ul>
<b>City Staff Obligations</b>	<ul style="list-style-type: none"> <li>▪ Consultation and review of draft analysis by Parks and Community Services staff, as well as appropriate budget staff.</li> </ul>

### Task 3.4 Cost Analysis: Infrastructure Topics

BERK will coordinate with City departments and infrastructure consultants to determine the most cost-effective ways to provide infrastructure and related services under the bookend alternatives. This will include consideration of ongoing operating costs and upfront capital investments, engaging the City's infrastructure consultants as necessary to model infrastructure requirements needed to meet the City's established levels of service. Consideration of each functional area is shown on the following pages. As with City services, we anticipate three meetings with staff for each infrastructure topic.

**Transportation and transit** infrastructure are addressed under **Task 1**, above.

<b>Water &amp; Wastewater</b>	
<b>Key Questions</b>	<ul style="list-style-type: none"> <li>What infrastructure investment will be required to serve the anticipated level of growth? How does it differ from adopted capital plans? How would necessary investments affect growth phasing?</li> <li>What is the best way to capture the added costs from new development?</li> </ul>
<b>Inputs and Analysis</b>	<ul style="list-style-type: none"> <li>Consultants selected by the City will model the anticipated impacts of planned redevelopment to identify necessary investment in water and wastewater infrastructure.</li> <li>Mithun to provide sustainability Policy Scenarios from Community Benefits Study for modeling potential reduced impacts</li> <li>The results of preliminary analysis will be workshopped with City staff to identify potential strategies to optimize investments and maintain LOS.</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Investment requirements for water and wastewater infrastructure to achieve desired level of service.</li> </ul>
<b>City Staff Obligations</b>	<ul style="list-style-type: none"> <li>Consultation and review of draft analysis.</li> </ul>
<b>Stormwater &amp; Surface Water</b>	
<b>Key Questions</b>	<ul style="list-style-type: none"> <li>What is the cost/benefit of the proposed blue and green streets in the bookend alternatives?</li> <li>Would new areawide surface water infrastructure investment be required to serve the anticipated level of growth beyond what is anticipated in applicable basin plans onsite implementation of surface water management per adopted manuals?</li> </ul>
<b>Inputs and Analysis</b>	<ul style="list-style-type: none"> <li>Consultants selected by the City will model the anticipated impacts of planned redevelopment to identify necessary investment in stormwater and surface water infrastructure.</li> <li>Coordination with Mithun to identify cross-cutting strategies that will lead to benefits across topics, included developing blue street design.</li> <li>Mithun to provide sustainability Policy Scenarios from Community Benefits Study for modeling potential reduced impacts</li> <li>The results of preliminary analysis will be workshopped with City staff to identify potential strategies to optimize investments and maintain LOS.</li> </ul>
<b>Outputs</b>	<ul style="list-style-type: none"> <li>Investment requirements for stormwater and surface water infrastructure to achieve desired level of service.</li> </ul>
<b>City Staff Obligations</b>	<ul style="list-style-type: none"> <li>Consultation and review of draft analysis.</li> </ul>



Note: Deliverable dates refer to the start of the week of delivery. Specific due dates will be finalized as part of the workplan refinement with City staff

## RECOMMENDED TEST CASES FOR STUDY MEMORANDUM

**MITHUN****Seattle**  
Pier 56, 1201 Alaskan Way #200  
Seattle, WA 98101**San Francisco**  
660 Market Street #300  
San Francisco, CA 94104**Los Angeles**  
Mithun | Hodgetts + Fung  
5837 Adams Boulevard  
Culver City, CA 90232

## Memorandum

<b>To:</b>	Allison Zike, Senior Planner, City of Kirkland	<b>Date:</b>	Thursday, June 3 <sup>rd</sup> , 2021
		<b>Project #:</b>	193000
<b>From:</b>	Erin Christensen Ishizaki, Mithun	<b>Project:</b>	NE 85 <sup>th</sup> Street BRT Station Area Plan
<b>Att:</b>	Attachment 1: Existing Zoning; Attachment 2: Test Case B development typologies; Attachment 3: Test Case A development typologies; Attachment 4: Test Case B maximum allowable zoning heights Attachment 5: Test Case A maximum allowable zoning heights; Attachment 6: Changes from EIS Alt 2 to Test Case B		
<b>Re:</b>	Community Benefits and Fiscal Impacts Study		

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We heard from the Kirkland community about the NE 85<sup>th</sup> Station Area Plan Draft SEIS. Over six hundred locals of all ages who live and work here shared their comments, questions and concerns during the DSEIS Comment Period. The Community Benefits and Fiscal Impacts Study will help us set priorities together – and take a practical approach to maximizing community benefits and the regional transit investment in the Bus Rapid Transit station for years to come.

The Study is designed to help Council understand the real-world implications of the options that are being considered – both the fiscal impacts to the City, and the likely community benefits that could result from new development. After hearing from the community, the team proposes using “Test Cases” instead of the DSEIS Alternatives for the basis of the study. These Test Cases will focus on current trends and realistic, transit-connected growth.

This memo gives a description of these Test Cases for the Study, how they were developed, and how they will be used.

The attached exhibits provide information on the recommended narrowed range of “Test Cases” to be analyzed in the Community Benefits and Fiscal Impacts Study. These scenarios represent a range of possibilities to be studied for the Station Area, defined by the total potential growth in employment and residential housing units that the City of Kirkland could plan for over the next two decades. The results of these studies are scheduled to be presented to Council in October 2021, to help inform Council's decision on a preferred plan direction.

The recommended Study Test Cases presented here are based on the Draft Supplemental Environmental Impact Statement (DSEIS) Alternatives presented to Council in January 2021. The project team recommends these refined Test Cases based on community and City Council feedback, additional traffic modeling and a City Staff Charette held on May 24<sup>th</sup> representing Planning & Building, Parks & Community Services, Finance & Administration, Public Works Departments, and the City Manager's Office. These recommended Test Cases adjust the proposed development typologies (Att. 2 and 3) and maximum allowable building heights (Att. 4 and 5) based on the following considerations:

- Prioritize changes that provide real value to the Station Area and the Kirkland community.
- Maximize affordable housing and economic development potential to support community benefits.
- Growth assumptions should take into account phasing considerations for land use types, infrastructure needs, and community amenities including parks.

- Maximum allowable zoning heights (Att. 4 and 5) should create height transitions to existing residential areas.
- The Upper and Lower Bookend Alternatives should preserve the existing functionality of NE 85th St while enhancing and expanding its role as an urban, multimodal street.
- Transportation improvements should preserve community character, including minimizing significant changes such as road widening in areas outside of where proposed growth is occurring.
- Transit should be able to operate effectively along NE 85th without relying on new, dedicated transit facilities such as bus lanes or transit queue jumps.
- Establish a low-stress priority bike & pedestrian network that serves the full study area.
- Growth assumptions should remove critical areas from the total developable area.

The resulting staff recommendation is summarized below, and in Attachments 2-5. Multiple options for allowable height are under consideration for areas indicated with a dashed white outline in Attachment 4.

### Test Case A: Current Trends

The Test Case A: Current Trends (Illustrated in Att. 3 and 5) is based on the starting point of DSEIS Alternative 1: No Action. A 'No Action' Alternative showing growth in line with Kirkland's Comprehensive Plan is a requirement of the DSEIS process. For A: Current Trends, City Staff recommend adjusting these growth targets upward for a more realistic study of fiscal impacts and community benefits, as growth in the past six years has outpaced the assumptions in the 2015 Comprehensive Plan.

#### More About Current Trends

As noted in DSEIS Pages 3-31 and 3-32, under current plans and zoning, and associated regional traffic modeling, about 873 new housing units were anticipated by 2035 in the Station Area, a fraction of the City's target and capacity. As of 2020, there are 1,145 units anticipated in two proposed mixed use developments ("pipeline development") on properties in the Study Area, exceeding the planned housing by 2035.

With the two currently proposed mixed use development projects (or "pipeline development"), there would be another nearly estimated 190 jobs, although that is still a fraction of the anticipated 5,900 new jobs planned by the year 2035 in the Study Area. See DSEIS Exhibit 317.

#### DSEIS Exhibit 317. 2035 Growth Targets and Capacity: City and Station Area

	Housing	Jobs
<b>Citywide Growth Target: 2012-2035</b>	8,361	22,435
<b>Citywide Growth Capacity: 2016*</b>	13,664 to 23,817	22,984 to 57,155
<i>Totem Lake Urban Center Capacity Share of Citywide Capacity</i>	25%-55%	30%-70%
<b>Station Area Planned Growth 2019-2035</b>	873	5,871
<b>Station Area Pipeline Development: 2020</b>	1,145	193 (est)

Sources: King County, 2014; City of Kirkland, 2016; OFM, 2019.

Test Case A: Current Trends maintains existing zoning heights throughout the district and slightly adjusts the assumed 2044 growth projections to reflect these current trends, showing more jobs, and only slightly more housing than DSEIS Alternative 1. These additional jobs are captured by focusing new development primarily in portions of the study area currently zoned for development up to 67' in height in zones RH-1A, RH-2A, and RH-2B.

#### Revised Test Case A: Current Trends Preliminary 2044 Growth

<b>Quadrant</b>	<b>Households</b>	<b>Employment</b>
NW	515	1,164
NE	1,844	3,468
SW	710	3,787
SE	600	3,403
<b>Totals</b>	<b>3,669</b>	<b>11,821</b>

Source: Mithun/ EcoNW, 2021

#### DSEIS Alternative 1 Housing and Employment Growth

<b>Quadrant</b>	<b>Households</b>		<b>Employment</b>	
	<b>Existing</b>	<b>Growth</b>	<b>Existing</b>	<b>Growth</b>
NW	484	515	898	1,164
NE	453	957	906	3,252
SE	305	600	913	2,657
SW	667	710	2,270	3,787
<b>Total</b>	<b>1,909</b>	<b>2,782</b>	<b>4,988</b>	<b>10,859</b>

Source: DSEIS Exhibits 2-21 and 2-23

#### Test Case B: Transit Connected Growth

Test Case B: Transit Connected Growth (Illustrated in Att. 2 and 4) incorporates elements shown in the commercial zones of DSEIS Alternative 3 into the overall land use pattern established in DSEIS Alternative 2. The intent of this strategy is to:

- Optimize for workforce and affordable housing, in particular the number of units provided through linkage fees and/or inclusionary zoning.
- Attract new jobs to foster economic activity and meet Citywide targets.
- Balance the distribution of commercial-focused development across the study area.
- Foster an environmentally-sound land use pattern that helps achieve the City's sustainability goals.

Test Case B: Transit Connected Growth responds to the public comment heard during the DSEIS comment period and the May 26, 2021 Council Listening Session. Although a wide range of comments were shared, many participants reiterated a desire to maintain existing Low Density residential character, and concerns regarding the maximum allowable zoning heights proposed in DSEIS Alternative 3.

City staff recommends that the Station Area Plan only increase allowable heights in areas that provide clear benefits to the community and take advantage of regional transit connections. To that end, several areas where height increases had been proposed as part of DSEIS Alternative 2 and 3 have been removed from consideration in B: Transit Connected Growth (Attachment 4). These include areas that are unlikely to redevelop due to market forces, are limited by common

construction methods, or are constrained by other considerations B: Transit Connected Growth results in similar household growth numbers as DSEIS Alternative 2, but lower employment numbers, showing more of a jobs-housing balance. The Southwest Quadrant has lower growth numbers, closer to what was proposed for DSEIS Alternative 1. See Attachment 6 for a summary of key changes that led to Test Case B: Transit Connected Growth.

#### Revised Test Case B Preliminary 2044 Growth

<b>Quadrant</b>	<b>Households</b>	<b>Employment</b>
NW	538	1,241
NE	2,915	7,571
SW	710	3,338
SE	3,839	8,001
<b>Totals</b>	<b>8,003</b>	<b>20,151</b>

Matrix produced by Mithun/ EcoNW

#### DSEIS Alternative 3 Housing and Employment Growth

<b>Quadrant</b>	<b>Households</b>	<b>Employment</b>
NW	537	1,145
NE	4,559	23,761
SE	4,112	6,794
SW	1,701	3,288
<b>Total</b>	<b>10,909</b>	<b>34,988</b>

Source: DSEIS Exhibits 2-21 and 2-23

#### Initial BKR Model Results from Additional Transportation Analysis

A key input into the Study Test Cases was additional transportation analysis of DSEIS Alternative 2 run by project subconsultant, Fehr and Peers. Fehr and Peers considered additional variables not required for the DSEIS analysis, most notably the impact of automobiles choosing a different route due to proposed changes in the transportation network.

The initial results from the additional transportation analysis suggest that the Southeast Quadrant of the study area has the capacity to handle more growth than shown in DSEIS Alternative 2 without causing significantly more traffic congestion. Therefore, staff recommended that the maximum allowable zoning height on specific parcels closest to the interchange be increased to allow heights up to 250'.

The Initial BKR Model Results also suggest that the growth proposed on the Northeast Quadrant in DSEIS Alternative 2 will generate a substantial amount of delay at the NE 85<sup>th</sup> St & 120<sup>th</sup> Ave NE and NE 90<sup>th</sup> St & 124<sup>th</sup> Ave NE intersections. Staff and Consultants reviewed options to address this issue including:

- Reduce overall growth in this quadrant.
- A greater mix of land uses in this quadrant that would enable residents and employees to meet needs on site, meaning fewer car trips and more walking and biking trips.
- Implement aggressive Transportation Demand Management (TDM) strategies.

After a discussion of these options, City Staff instructed the consultant team to reduce the growth proposed on portions of the Northeast Quadrant (see Att. 4) and investigate all potential TDM (transportation demand management) strategies, focusing on reducing the 'drive alone'

mode share and considering possible options for investment in multimodal transportation. The Fiscal Impact Study will provide additional information on the efficacy of these TDM strategies by comparing avoided costs (due to reducing the amount of auto infrastructure required) to incurred costs (including improvements to bike, pedestrian, transit infrastructure, and TDM Policies including managing parking).

**KIRKLAND ZONING**

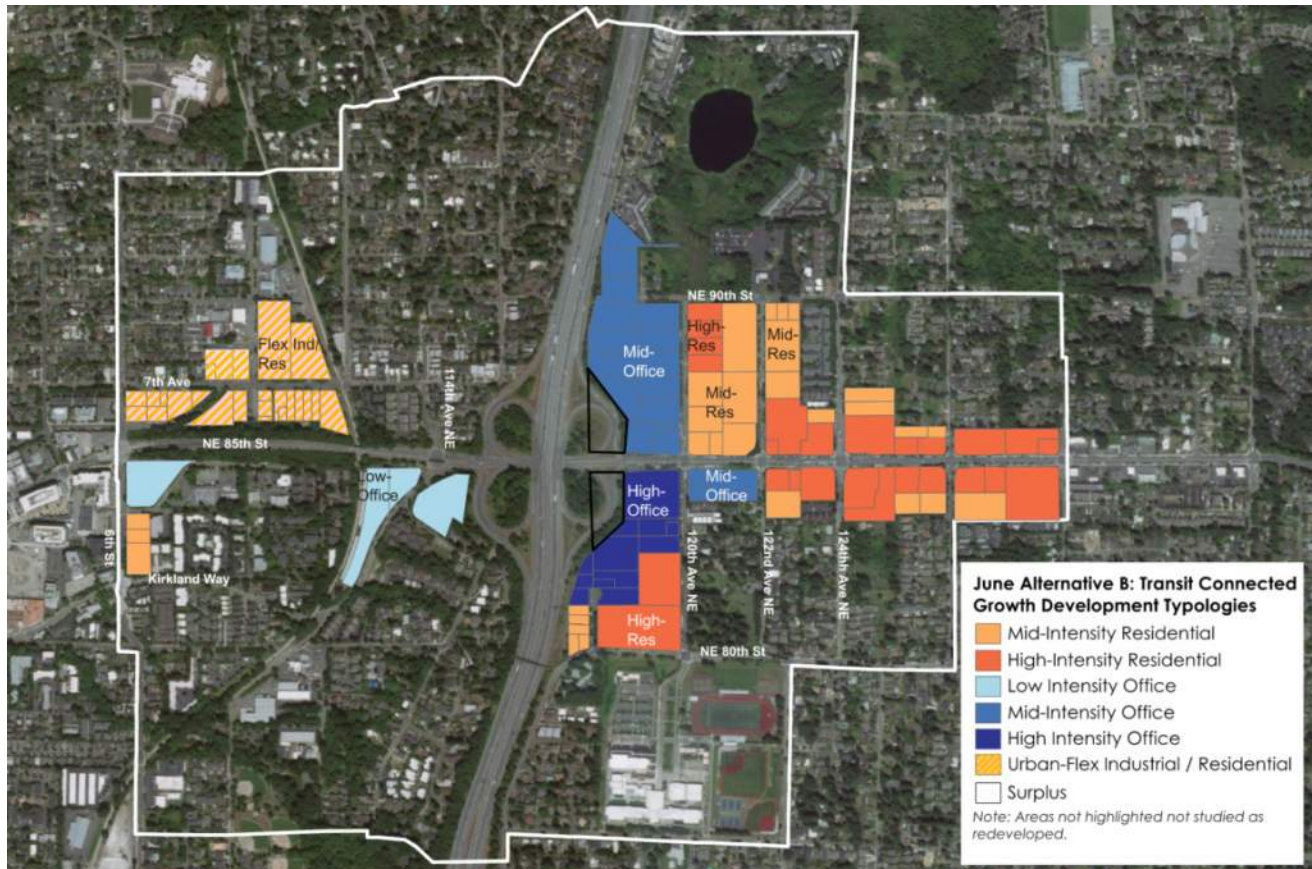
- High Density Residential
- Medium Density Residential
- Low Density Residential
- Commercial
- Office
- Industrial
- Park/Open Space
- 85th St. Station Location
- Study Area
- Parcels
- King County-Designated Urban Center
- Hydrography

0 0.225 0.45 Miles

**BERK**  
May 2016; December 2020

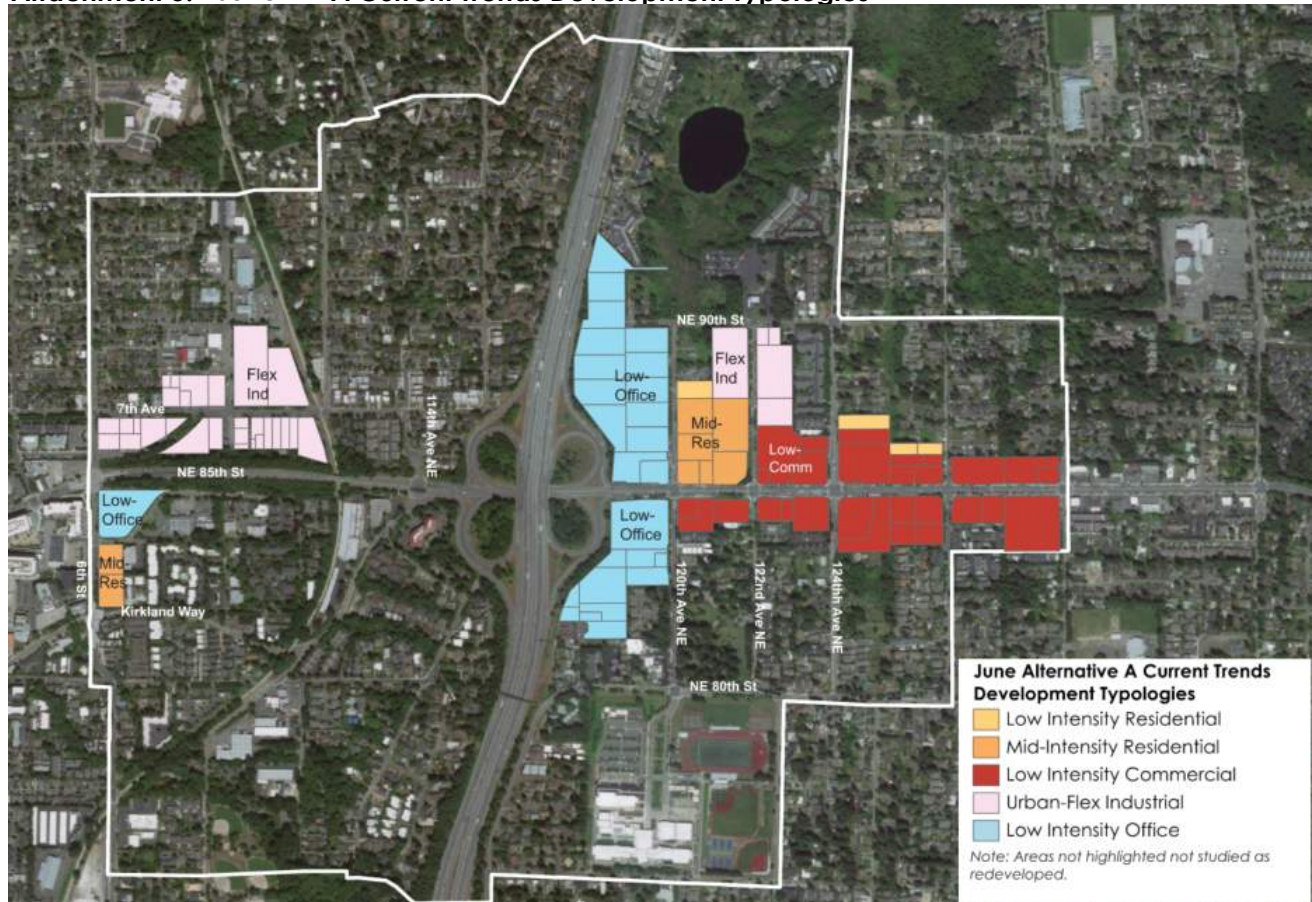
Source: City of Kirkland, 2020; BERK, 2020.

## Attachment 2: June Alt B Transit Connected Growth Development Typologies



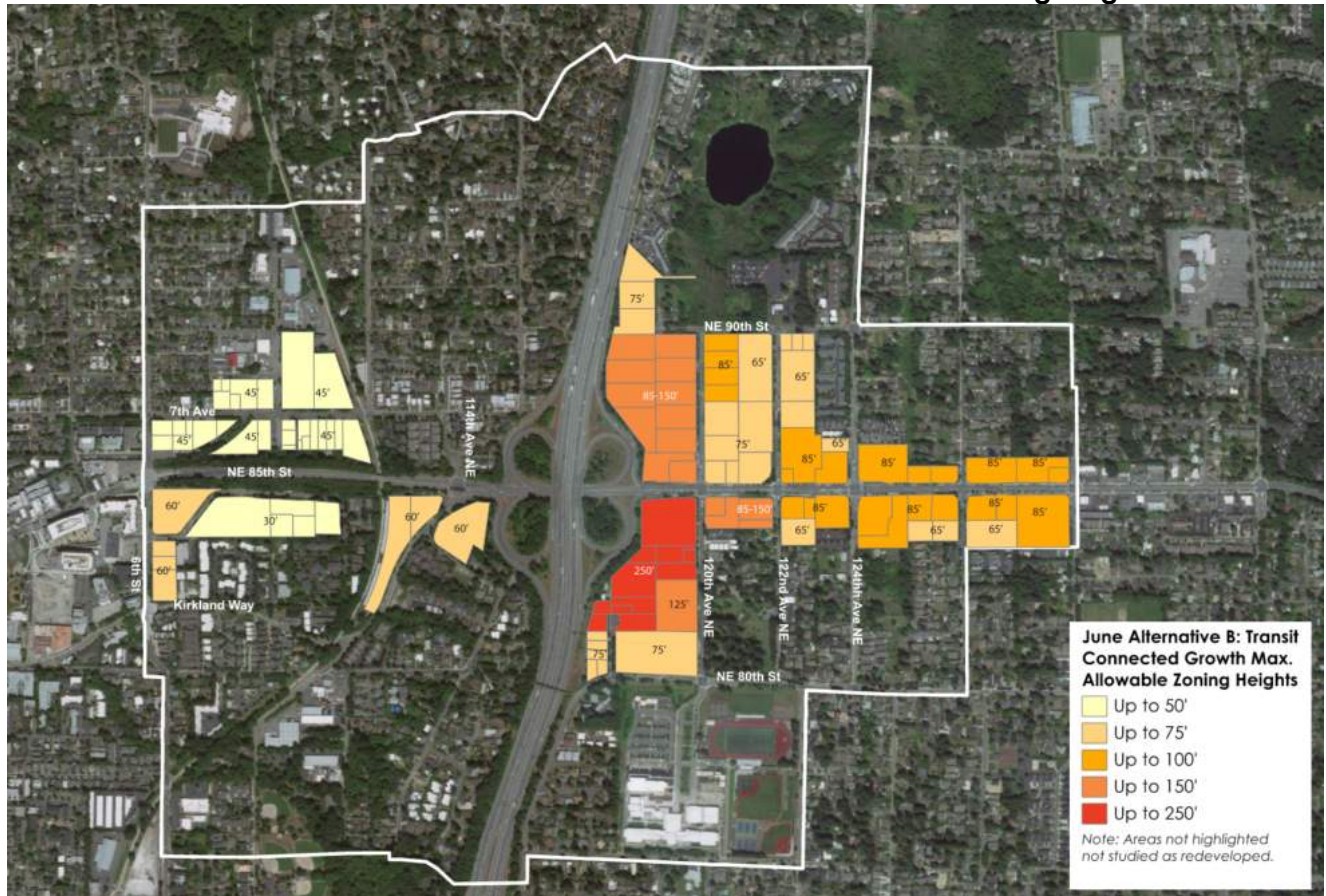
Source: Mithun, 2021.

**Attachment 3: June Alt A Current Trends Development Typologies**



Source: Mithun, 2021

**Attachment 4: June Alt B: Transit Connected Growth Maximum Allowable Zoning Heights**



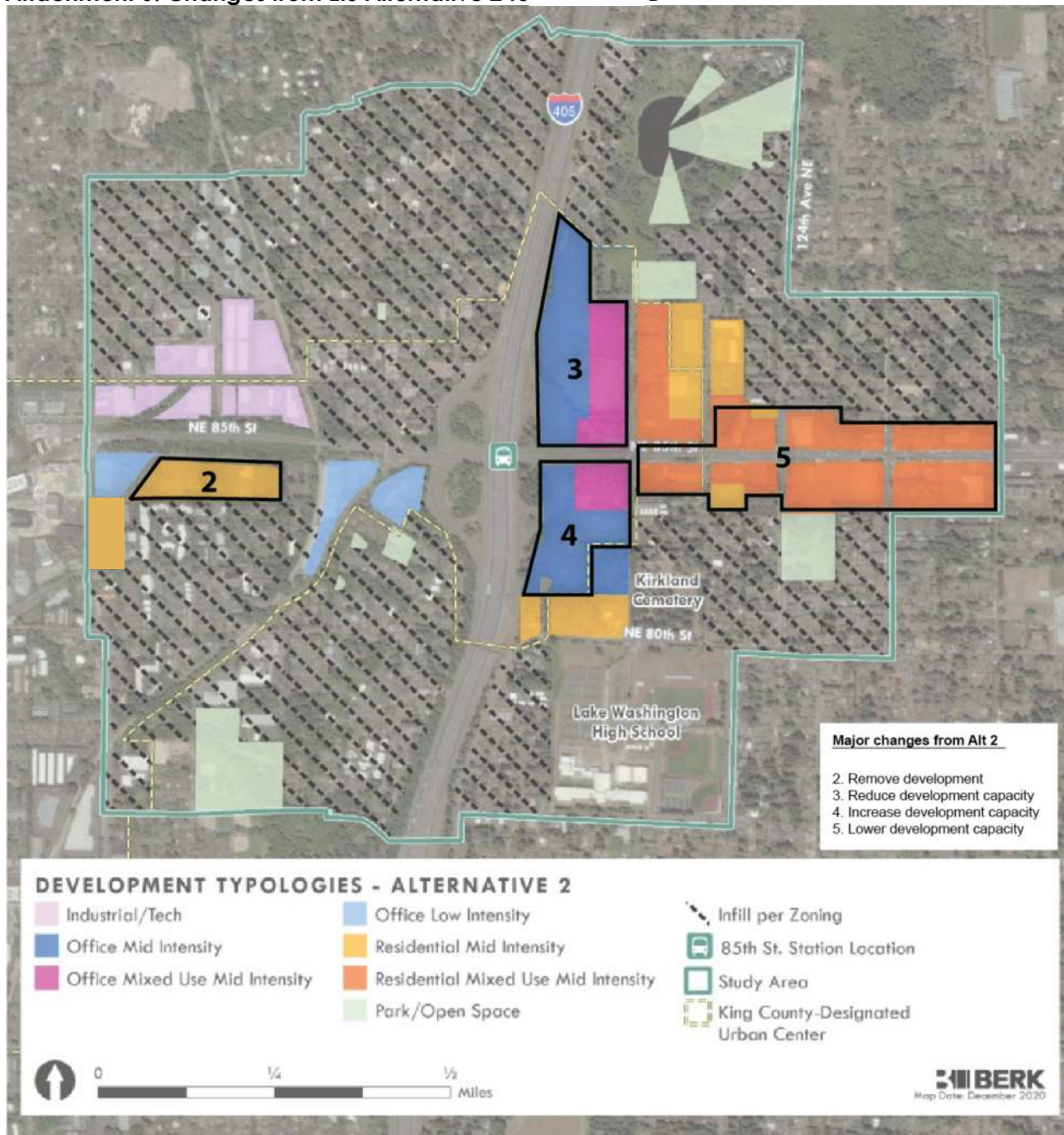
Source: Mithun, 2021

**Attachment 5: June Alt A Current Trends Maximum Allowable Zoning Heights**



Source: Mithun, 2021.

**Attachment 6: Changes from EIS Alternative 2 to June Alt B**



Source: Mithun, 2021.