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# City of Kirkland

## Planning and Building Department



### *Land Acknowledgment*

*We acknowledge that the Southern Salish Sea region lies on the unceded and ancestral land of the Coast Salish peoples, the Duwamish, Muckleshoot, Puyallup, Skykomish, Snoqualmie, Snohomish, Suquamish and Tulalip tribes and other tribes of the Puget Sound Salish people, and that present-day City of Kirkland is in the traditional heartland of the Lake People and the River People. We honor with gratitude the land itself, the First People – who have reserved treaty rights and continue to live here since time immemorial – and their ancestral heritage.*

### *Vision Statement*

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

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## Kirkland Planning Commission

### Agenda

#### Regular Meeting - Hybrid

Council Chamber and Virtual  
Thursday, August 8, 2024  
6:00 PM

#### **To join the meeting via Zoom:**

<https://kirklandwa-gov.zoom.us/j/84038812324?pwd=ajlnT01Fd2VHVmJvSE9SUXQ3ZDZaQT09>

Passcode: 114965

Webinar ID: 840 3881 2324

To join via telephone: +1 253 215 8782 US (Tacoma) US  
To provide public comment in advance of the meeting please email  
[planningcommissioners@kirklandwa.gov](mailto:planningcommissioners@kirklandwa.gov).

*If you have questions about an item on the agenda, please contact the project planner listed below.*

This meeting packet is also available online on the Planning and Building Department webpage:  
<https://www.kirklandwa.gov/Government/Departments/Planning-and-Building/Planning-Commission>

1. **Call to Order**
2. **Roll Call**
3. **Comments From the Audience - Limited to 3 Minutes**
4. **Special Presentations**
  - a. None
5. **Public Hearings**
  - a. Miscellaneous Code Amendments Public Hearing, File No. CAM24-00348, CAM22-00845

Purpose: Hold a public hearing to receive public testimony on the proposed draft miscellaneous Kirkland Zoning Code (KZC) Amendments, which include the Alavi Community-Initiated Amendment Request.

Action: At the conclusion of the public hearing, the Planning Commission (PC) should deliberate and make a recommendation to City Council (Council) on the proposed miscellaneous code amendments. Council is anticipated to consider and act on the recommendation of the PC on September 3, 2024.

Staff Contact: Lindsay Levine, AICP, Senior Planner, [llevine@kirklandwa.gov](mailto:llevine@kirklandwa.gov)  
LeAndra Baker-Lewis, Senior Planner, [llewis@kirklandwa.gov](mailto:llewis@kirklandwa.gov)  
Allison Zike, AICP, Deputy Planning & Building Director, [azike@kirklandwa.gov](mailto:azike@kirklandwa.gov)  
Adam Weinstein, AICP, Planning & Building Director, [aweinstein@kirklandwa.gov](mailto:aweinstein@kirklandwa.gov)

## 6. Study Session

### a. 2044 Comprehensive Plan - Housing Element Briefing #3, File No. CAM22-00023

Purpose: Receive a third briefing and hold a study session to discuss draft revisions to the Housing Element (see Attachment 1) and draft Housing Inventory and Analysis (see Attachment 2). Provide staff with direction to continue preparing the draft 2044 Comprehensive Plan Housing Element. The PC should focus on the below questions for discussion while reviewing the memorandum and attachments:

1. Do Commissioners have any questions or feedback about any revisions to Housing Element goals and policies (identified with strikethrough and underline text)?
2. Is there any additional information that Commissioners would find helpful for staff to provide prior to the Housing Element public hearing on September 26, 2024?

Staff Contact: Scott Guter, AICP, Senior Planner, [sguter@kirklandwa.gov](mailto:sguter@kirklandwa.gov)  
Allison Zike, AICP, Deputy Planning & Building Director, [azike@kirklandwa.gov](mailto:azike@kirklandwa.gov)  
Adam Weinstein, AICP, Planning & Building Director, [aweinstein@kirklandwa.gov](mailto:aweinstein@kirklandwa.gov)

### b. Houghton Village Development Plan Briefing

Purpose: Receive a briefing to discuss the Houghton Village Development Plan. While the Planning Commission (PC) does not have a formal role in the process for City Council (Council) to adopt a Development Plan (formerly referred to as a Master Plan), staff intends to keep the PC informed throughout the process and will include PC feedback in future briefings to Council on the project.

Staff Contact: Allison Zike, AICP, Deputy Planning and Building Director, [azike@kirklandwa.gov](mailto:azike@kirklandwa.gov)  
Adam Weinstein, AICP, Planning and Building Director, [aweinstein@kirklandwa.gov](mailto:aweinstein@kirklandwa.gov)

## 7. Reading and / or Approval of Minutes

- ### a. None

## 8. Administrative Reports and Planning Commission Discussion

- ### a. Public Meeting Calendar Update

## 9. Comments From the Audience

## 10. Adjournment

Note: If you would like more information on an item on this agenda, please call the Planning & Building Department at 425-587-3600. **Please refer to the file number and planner listed for that item.**

For more information on the Planning and Building Department public comment and rules and procedure, visit our **[Public Comments and Rules of Procedures](#)** webpage.

- [Planning Commission Rules of Procedure](#)

**English:**

To request information from this document in English, please contact the Title VI Coordinator at [titlevicoordinator@kirklandwa.gov](mailto:titlevicoordinator@kirklandwa.gov) or 425-587-3831.

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**Russian:**

Чтобы запросить перевод этого документа на по-русски, свяжитесь с координатором по вопросам Раздела VI по электронной почте [titlevicoordinator@kirklandwa.gov](mailto:titlevicoordinator@kirklandwa.gov) или по номеру 425-587-3831.

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Para pedir información sobre este documento en español, comuníquese con el coordinador del Título VI escribiendo a [titlevicoordinator@kirklandwa.gov](mailto:titlevicoordinator@kirklandwa.gov) o llamando al 425-587-3831.

**Portuguese:**

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해당 (언어)로 이 서류의 정보를 요청하려면, 타이틀 VI 코디네이터 타이틀 VI 코디네이터.

[예게titlevicoordinator@kirklandwa.gov](mailto:titlevicoordinator@kirklandwa.gov) 또는 425-587-3831로 연락하십시오.

**Vietnamese:**

Để yêu cầu thông tin từ tài liệu này bằng Tiếng Việt, vui lòng liên hệ với Điều Phối Viên Tiêu Đề VI theo địa chỉ [titlevicoordinator@kirklandwa.gov](mailto:titlevicoordinator@kirklandwa.gov) hoặc theo số 425-587-3831.

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People with disabilities may request materials in alternate formats.

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**City of Kirkland**  
**Planning and Building**  
123 Fifth Avenue, Kirkland, WA 98033  
425-587-3600 | [www.kirklandwa.gov](http://www.kirklandwa.gov)

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## MEMORANDUM

**To:** Planning Commission

**From:** Lindsay Levine, AICP, Senior Planner  
LeAndra Baker-Lewis, Senior Planner  
Allison Zike, AICP, Deputy Planning & Building Director  
Adam Weinstein, AICP, Planning & Building Director

**Date:** July 24, 2024

**Subject:** **Miscellaneous Code Amendments Public Hearing, File No. CAM24-00348, CAM22-00845**

### Recommendation

Hold a public hearing to receive public testimony on the proposed draft miscellaneous Kirkland Zoning Code (KZC) Amendments, which include the Alavi Community-Initiated Amendment Request. At the conclusion of the public hearing, the Planning Commission (PC) should deliberate and make a recommendation to City Council (Council) on the proposed miscellaneous code amendments. Council is anticipated to consider and act on the recommendation of the PC on September 3, 2024.

### Background

Staff keeps an ongoing list of miscellaneous code amendments that are necessary to reflect current practice, clarify sections of the Kirkland Zoning Code (KZC) and Kirkland Municipal Code (KMC), maintain consistency with relevant state and/or federal regulations, and promote good planning principles. The KZC and KMC are updated periodically to correct the issues that have been identified and are included on the list.

The proposed miscellaneous code amendment package consists of several minor KZC amendments that include administrative and non-policy items, along with two KZC amendments to apply commercial zones consistently across all parcels, per previous Planning Commission direction. Staff has followed all required public noticing steps for interested parties to learn more and participate.

### Proposed Amendments

To assist the PC in deliberating and making a recommendation on the amendments included in detail as Attachment 1, staff provides the following list of the proposed amendments, with brief descriptions of each.

1. KZC 51.08 (MSC 1, 4 General Regulations)



Description: Amend the text related to permitted uses in the MSC 1 zone (analysis provided in Alavi Community-Initiated Amendment Request subsection below).

Effect: Removes a use restriction that applies to only one parcel in the MSC 1 zone and ensure the zone's regulations apply consistently to all parcels in the zone.

2. KZC 52.42 (JBD 6, Use Zone chart)

Description: Remove the specific use restrictions that currently only restrict restaurant, tavern, retail, entertainment, cultural and/or recreational facility, and private lodge or club uses on parcels east of NE 120th Place in the JBD 6 zone.

Effect: Removes a use restriction that applies to only two parcels in the JBD 6 zone and ensures the zone's regulations apply consistently to all parcels in the zone.

3. KZC 117.40 (Macro Facility Permit Procedures)

Description: Remove subsection on macro facility<sup>1</sup> permit expiration and extension.

Effect: Permit procedure change. See proposed amendment 5, which would consolidate all language about permit expiration and extension under subsection 117.90, Lapse of Approval.

4. KZC 117.65 (Small Wireless Facility Permit Procedures)

Description: Remove subsection on small wireless facility permit expiration and extension.

Effect: Permit procedure change. See proposed amendment 5, which would consolidate all language about permit expiration and extension under subsection 117.90, Lapse of Approval.

5. KZC 117.90 (Lapse of Approval)

Description: Add language stating that a wireless service facility permit issued under this chapter shall expire after three years and that a wireless service facility permit may be renewed one time.

Effect: Improves clarity of requirements and consistency of code by consolidating all language about wireless service facility permit expiration and extension under this subsection. The change in wireless service facility permit validity from one to three years is consistent with the expiration regulations for building permits, per KMC 21.06.255(b), and provides applicants with more time to implement their projects before permit expiration.

6. Kirkland Zoning Map (Goat Hill Property)

Description: Add two properties (parcel numbers 9194100735 and 9194100740 – see Attachment 1) to the recently adopted Goat Hill Overlay Zone boundary (see

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<sup>1</sup> A Macro Facility is a large wireless service facility that provides radio frequency coverage for wireless services. Generally, macro facility antennas are mounted on ground-based towers, rooftops, and other existing structures, at a height that provides a clear view over the surrounding buildings and terrain.

July 16, 2024 Council meeting staff memo<sup>2</sup>). These parcels, which are accessed from the south (via 89<sup>th</sup> Avenue NE and NE 121<sup>st</sup> Street), were inadvertently left out of the Overlay Zone when it was presented to City Council for adoption on July 16, 2024.

Effect: Clarifies the application of the Goat Hill development standards and increases consistency in the inclusion of all properties zoned RSA 4 in the Goat Hill area.

### **Alavi Community-Initiated Amendment Request**

The City uses a systematic process to amend the Comprehensive Plan, and to make changes to the Zoning Map or Zoning Code that are necessary to implement such Comprehensive Plan amendments. There are two ways changes can be made. The City can initiate the change, or a Community-Initiated Amendment Request (CAR) may be initiated by the public.

CARs may be made by an individual, property owner, neighborhood organization, or other groups. The City accepts CAR applications in even-numbered years, and conducts review of CAR applications in the proceeding odd-numbered year; adoption may occur in the next even-numbered year. Each CAR that is submitted must go through a two-phase process as described below.

#### Phase 1 Summary

During the June 22, 2023 PC meeting<sup>3</sup>, the PC recommended to Council that the Alavi CAR proceed to Phase 2 review. During the July 18, 2023 City Council meeting<sup>4</sup>, the Council voted to advance the Alavi CAR to Phase 2 review. Since Zoning Code amendments to implement the Alavi CAR are minor, the public hearing is occurring as part of the Miscellaneous Code Amendments on July 25, 2024.

#### Alavi CAR Analysis

The property owner, Barry Alavi, submitted a CAR application for 545 17th Avenue W in the Market neighborhood (see Attachment 2).

Mr. Alavi requests that the City remove subsection (6) of KZC 51.08 (Market Street Corridor - MSC 1 and MSC 4 zones) in order to remove the restriction that limits this single parcel along 17th Ave W to be a detached residential or duplex development, even though the property is zoned MSC 1, Office. This very narrow restriction was added to KZC 51 when the subject property was rezoned in 2017 as a result of a prior CAR. The request at the time did not explicitly request that commercial use be allowed on the property, and staff also determined that commercial redevelopment was unlikely due to the relatively small size of the property, commercial parking requirements, and vehicular access constraints from Market Street. The removal of 51.08(6) from the KZC

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<sup>2</sup> [https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-council/agenda-documents/2024/july-16-2024/9a\\_business.pdf](https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-council/agenda-documents/2024/july-16-2024/9a_business.pdf)

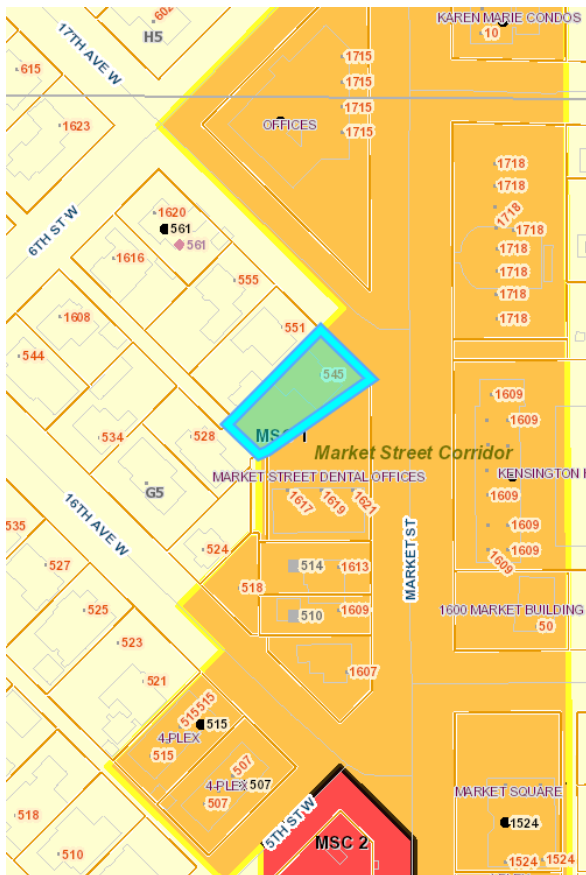
<sup>3</sup> <https://kirklandwa.primegov.com/Portal/Meeting?meetingTemplateId=451>

<sup>4</sup> [https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-council/agenda-documents/2023/july-18-2023/3c\\_study-session.pdf](https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-council/agenda-documents/2023/july-18-2023/3c_study-session.pdf)

The proposal requires removal of the following zoning text in KZC 51.08:

- ### Existing Conditions

Figure 1: 545 17th Avenue W Zoning Map



*Staff Recommendation*

See the staff memorandum for the July 18, 2023 Council meeting<sup>5</sup> for the staff analysis of relevant Comprehensive Plan goals and policies.

Staff recommends that the PC adopt the proposed zoning text amendment that the Alavi CAR requests. The removal of 51.08(6) from the Zoning Code would remove the restriction that limits only this parcel along 17th Ave W to be a detached residential or duplex development and would allow for this property to be developed with uses consistent with the current zoning designation, which is MSC 1, Office. This code amendment would enable allowed uses to be applied consistently within the MSC 1 zone. In addition, supporting office and retail uses in the Market Street corridor would contribute to the vibrancy of the neighborhood by generating additional commercial activity, enhancing walkability, and reducing the need for locals to drive to access their daily needs.

Staff notes that subsection (5) of KZC 51.08 states that the Giant Sequoia on the corner of 17th Avenue W and Market Street shall be retained (see Attachment 1). This application does not request to modify subsection (5) and the proposed zoning text amendment would not affect the Giant Sequoia tree on the property. In accordance with subsection (5), prior to the issuance of a development permit, the Planning Official may require site plan adjustments beyond the requirements of KZC 95.32 in order to protect the Giant Sequoia tree.

If the property develops or requests a change in use, the applicant would be required to address traffic and other environmental concerns as part of the development review process.

**Code Amendment Process and Criteria**

Pursuant to KZC 160.60 and KZC 135.25, the City may amend the text of the Zoning Code only if it finds that:

1. The proposed amendment is consistent with the applicable provisions of the Comprehensive Plan; and
2. The proposed amendment bears a substantial relation to public health, safety, or welfare; and
3. The proposed amendment is in the best interest of the residents of Kirkland; and
4. When applicable, the proposed amendment is consistent with the Shoreline Management Act and the City's adopted shoreline master program.

The proposed Zoning Code amendments are consistent with the Comprehensive Plan, bear a substantial relation to public health, safety, or welfare, and are in the best interest of the residents of Kirkland because they are intended to clarify the existing regulations and make them more effective.

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<sup>5</sup> [https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-council/agenda-documents/2023/july-18-2023/3c\\_study-session.pdf](https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-council/agenda-documents/2023/july-18-2023/3c_study-session.pdf)

**State Environmental Policy Act (SEPA)**

To fulfill environmental review requirements, the proposed code amendments require the City to issue a SEPA addendum to the City of Kirkland 2015 Comprehensive Plan Update Draft and Final Environmental Impact Statement. The SEPA addendum (File SEP24-00469), which was issued on July 19, 2024, concludes that the proposed code amendments would result in no new significant environmental impacts beyond those already identified in the 2015 Final Environmental Impact Statement.

The Goat Hill amendment is included as part of a separate SEPA addendum (File SEP24-00309), which was issued on June 17, 2024. This addendum encompasses the likely impacts of adding two additional parcels to the Goat Hill Overlay Zone.

**Next Steps**

At the conclusion of the public hearing, PC will deliberate on the proposed amendments and make a recommendation to Council. Council is tentatively scheduled to consider the Miscellaneous Code Amendments on September 3, 2024.

**Attachments**

1. Proposed KZC Amendments
2. Alavi Community-Initiated Amendment Request

**MISCELLANEOUS CODE AMENDMENTS – FILE NO., CAM24-00348; CAM22-00845**

For the following code subsections, proposed text changes are indicated by underlining for added text, and ~~striketrough for removed text~~. Any subsections of the KMC or KZC not shown are not proposed to be amended.

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## Chapter 51 – MARKET STREET CORRIDOR (MSC) ZONES

### Zone MSC-1, 4

#### Section 51.08 – GENERAL REGULATIONS

The following regulations apply to all uses in this zone unless otherwise noted:

1. Refer to Chapter 1 KZC to determine what other provisions of this code may apply to the subject property.
  2. Developments creating four or more new dwelling units shall provide at least 10 percent of the units as affordable housing units as defined in Chapter 5 KZC. Two additional units may be constructed for each affordable housing unit provided. In such cases, the minimum lot size listed in the Use Regulations shall be used to establish the base number of units allowed on the site, but shall not limit the size of individual lots. See Chapter 112 KZC for additional affordable housing incentives and requirements.
  3. For structures located within 30 feet of a parcel in a low density zone (or a low density use in PLA 17), KZC 115.136 establishes additional limitations on structure size.,
  4. Some development standards or design regulations may be modified as part of the design review process. See Chapters 92 and 142 KZC for requirements.
  5. The Giant Sequoia on the corner of 17th Avenue West and Market Street shall be retained. Prior to issuance of a development permit the Planning Official may require site plan adjustments that exceed the modifications otherwise authorized by KZC 95.32 in order to protect the Giant Sequoia.
  6. ~~Development on parcels fronting the south side of 17th Avenue West shall be limited to detached or duplex development.~~
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## CHAPTER 52 – JUANITA BUSINESS DISTRICT (JBD) ZONES

## Zone JBD-6

## Section 52.42 – USE ZONE CHART (table)

## 52.42.010 – Special regulations for restaurant or tavern use

- ~~1. This use is not allowed east of NE 120th Place.~~
- ~~2. 1.~~ Gross floor area for this use may not exceed 10,000 square feet.
- ~~3. 2.~~ Drive-in or drive-through facilities are prohibited.

## 52.42.030 – Special regulations for entertainment, cultural and/or recreational facility use

- ~~1. This use is not allowed east of NE 120th Place.~~
- ~~2. 1.~~ Gross floor area for this use may not exceed 10,000 square feet.

## 52.42.040 – Special regulations for any retail establishment uses other than those specifically listed in this zone, selling goods or providing services, including banking and related financial services

- ~~1. This use is not allowed east of NE 120th Place.~~
- ~~2. 1.~~ The following uses are not permitted in this zone:
  - a. Retail establishments providing storage services unless accessory to another permitted use.
  - b. Automobile or boat sales and/or rental facilities.
  - c. Automobile service station or center.
  - d. Boat service or repair.
  - e. Outdoor storage of bulk commodities, except in the following circumstances:
    - i. 1) If the square footage of the storage area is less than 20 percent of the total square footage of the retail structure; or
    - ii. 2) If the commodities represent growing stock in connection with horticultural nurseries, whether the stock is in open ground, pots, or containers.
  - f. f. Storage and operation of heavy equipment except normal delivery vehicles associated with retail uses.
- ~~3. 2.~~ Gross floor area for this use may not exceed 10,000 square feet.
- ~~4. 3.~~ Drive-through facilities are prohibited.
- ~~5. 4.~~ Ancillary assembly and manufacture of goods on the premises of this use are permitted only if:



- a. The assembled or manufactured goods are directly related to and are dependent upon this use, and are available for purchase and removal from the premises.
- b. The outward appearance and impacts of this use with ancillary assembly or manufacturing activities must be no different from other retail uses.

52.42.080 – Special regulations for private lodge or club use

- ~~1. This use is not allowed east of NE 120th Place.~~
- ~~2.~~ 1. Gross floor area for this use may not exceed 10,000 square feet.

## Chapter 117 – WIRELESS SERVICE FACILITIES

### 117.40 Macro Facility Permit Procedures

#### 5. Macro Facility Permit Conditions

~~g. A macro facility permit issued under this chapter shall be substantially implemented within 12 months from the date of final approval or the permit shall expire. The permittee may request up to four 12-month extensions, if the permittee cannot construct the macro facility within the original 12-month period.~~

~~hg.~~ hg. The permittee shall maintain the macro facilities in safe and working condition. The permittee shall be responsible for the removal of any graffiti or other vandalism and shall keep the site neat and orderly, including but not limited to following any maintenance or modifications on the site.

~~ih.~~ ih. All macro facilities shall meet current standards and regulations of the FAA, the FCC and any other agency of the federal government with the authority to regulate macro facilities. If such standards and regulations are changed, the owners of the macro facilities shall bring such facility into compliance with such changes in accordance with the compliance deadlines and requirements of such changes. Failure to bring macro facilities into compliance shall constitute grounds for permit revocation in accordance with KZC 117.30(7).

### 117.65 Small Wireless Facility Permit Procedures

#### 4. Permit Conditions

~~f. Permit Time Limit. Construction of the small wireless facility shall be completed within 12 months after the approval date by the City. The permittee may request up to four 12-month extensions.~~

gf. Site Safety and Maintenance. The permittee shall maintain the small wireless facilities in safe and working condition. The permittee shall be responsible for the immediate removal of any graffiti or other vandalism and shall keep the site neat and orderly, including but not limited to following any maintenance or modifications on the site.

hg. Operational Activity. The grantee shall commence operation of the small wireless facility no later than 12 months after installation and may request two extensions for additional six-month periods if grantee can show that such operational activity is delayed due to inability to connect to electrical or backhaul facilities.

ih. Modifications. If a grantee desires to make a modification to an existing small wireless facility, including but not limited to expanding or changing the antenna type, increasing the equipment enclosure, placing additional pole-mounted or ground-mounted equipment, or modifying the concealment elements, then the applicant shall apply for a small wireless facility permit.

ji. Exceptions to Modifications. A small wireless facility permit shall not be required for routine maintenance and repair of a small wireless facility within the rights-of-way, or the replacement of an antenna or equipment of similar size, weight, and height; provided, that such replacement does not defeat the concealment elements, designated as stealth techniques, used in the original deployment of the small wireless facility, does not impact the structural integrity of the pole, and does not require pole replacement. Further, a small wireless facility permit shall not be required for replacing equipment within the equipment enclosure or reconfiguration of fiber or power to the small wireless facility. If the small wireless facility is located in the right-of-way, a right-of-way permit may be required for such routine maintenance, repair or replacement consistent with KMC Title 26.

#### 117.90 Lapse of Approval

1. A WSF permit issued under this chapter shall expire in three years from the date of issuance. An existing WSF permit may be renewed one time, provided the permit has not been expired for more than one year.

- a. For development activity or other actions with phased construction, lapse of approval may be extended when approved under this chapter and made a condition of the notice of decision.

## Kirkland Zoning Map – GOAT HILL OVERLAY

# Community-Initiated Amendment Requests (CARs) to the Comprehensive Plan, Zoning Code and Zoning Code Map



Submission date: **8 November 2022, 4:08PM**  
 Receipt number: **22**  
 Related form version: **15**

## I. Contact Information

Applicant's Name	<b>Barry Alavi</b>
Applicant's Address	<b>545 17th Ave W</b>
Applicant's City	<b>Kirkland</b>
Applicant's State (Abbreviated: i.e. WA, CA, OR, etc.)	<b>WA</b>
Applicant's Zip Code	<b>98033</b>
Applicant's Phone Number	<b>4255019999</b>
Applicant's Email Address	<b>barryalavi@gmail.com</b>
Is Applicant the same as Property Owner (or Legal Representative)?	<b>Yes</b>
Property Owner's (or Legal Representative's) State (Abbreviated: i.e. WA, CA, OR, etc.)	<b>WA</b>

Note: If the applicant is the property owner or is representing the property owner, then the property owner must sign the last page. If the applicant is neither the property owner nor representing the property owner, then the affected property owner must be notified. Send or hand-deliver a copy of this completed application to all affected property owners. Complete an Affidavit of Service that this has been done.

Copies of staff reports and meeting agendas will be sent by email unless you request to the project planner that you want paper copies mailed to you.

## II. For Site Specific Proposal

A. Address of proposal (if vacant, provide nearest street names): **545 17th Ave W**

B. King County Tax Parcel number(s): **3885803395**

C. Describe improvements on property if any: **There is currently a three-bedroom one-bathroom 1,120 square-foot single family house on the property.**

D. Attach a map of site that includes adjacent street names: [\*\*IMapSite.JPEG\*\*](#)

E. Current Zoning on subject property: **Market street Corridor (MSC-1), Office**

F. Current land use designation & permitted density shown on appropriate neighborhood plan land use map: **Office/ Multifamily with a permitted density of 10-14 units per acre.**

## III. For All Proposals

A. Description of Proposal: **The applicant requests that KZC Chapter 51.08(6) is removed from the Zoning Code to support the development of a commercial or retail use. KZC Chapter 51.08(6) limits only this specific parcel along 17th Avenue West to be a duplex or detached dwelling unit.**

B. Description of the specific reasons for making the proposal:

**The intention of the Market Street Corridor zone is to maintain an eclectic, attractive, and economically healthy area with a mix of small-scale office and retail uses supported by various residential units in the vicinity. Compatible amenities support a convenient, walkable lifestyle for the Market neighborhood residents. The MSC-1 zone concentrates commercialized activities representing the central business area for the neighborhood and is surrounded by residential zones, including RS 6.3 and RS 7.2. The applicant proposes a change to the Kirkland Zoning Code that would only impact one property, APN 3885803395 or 545 17th Ave W. KZC Chapter 51.08(6) limits only this specific parcel along 17th Avenue West to be a duplex or detached dwelling unit despite its location at the SWC of Market Street and 17th Avenue West. The applicant intends to remove one (1) dwelling unit on the property to develop a retail use permitted in the MSC-1, Office zone. The parcel is located in a zone intended for retail uses and the applicant would like to participate in the same opportunities that other properties within MSC-1, Office zone can develop.**

C. Description of how the proposed amendment relates to the following criteria:

**The project meets the intent of the Kirkland Zoning Code, Market Street Corridor Plan, and the Kirkland Comprehensive Plan as described in the following responses.**

1. The proposal demonstrates a strong potential to serve the public interest by implementing specifically identified goals and policies of the Comprehensive Plan.

**The Kirkland 2035 Comprehensive Plan outlines the City's plan to create vibrant and livable communities. The plan includes policies that are applicable to the overall city and policies that are specific to the Market Street Corridor. The project meets the goals and policies of each of these sections of the Comprehensive Plan demonstrating that the project serves the public interest and implements the City's goals and policies. A revision to KZC 51.08(6) to allow for a retail use on the south side of 17th Avenue west would meet the goals and policies of the**

**Comprehensive Plan.** The following sections break down the consistency analysis into two distinctive portions: (1) General Goals and Policies and (2) Market Street Corridor Goals and Policies.

#### **General Goals and Policies**

The 2035 Comprehensive Plan's vision is to uphold Kirkland as one of the most livable cities in the county by implementing the principles of livability, sustainability, and connectivity. The Market Street Corridor is a component of this vision that implements each principle into a walkable, self-sufficient neighborhood with recreational activities, retail shopping, and visually attractive corridor. The project meets various goals and policies outlined in the Land Use chapter of the plan.

Goal LU-1 requires the management of community growth to ensure an orderly pattern of land uses. Market Street is designed to be for commercial or office uses, as demonstrated in Figure LU-2 showing the Market Street Corridor as a mixed use area. There are two corner lots at this SWC intersection because APN 3885803395 and 3885803370 effectively share the corner designation. APN 3885803370 operates as an office use.

There are a number of corner parcels with businesses that have their secondary frontage along Market Street, such as Kirkland Smiles Dental Care or the Kahan Law Firm. Permitting a commercial use on the subject site would reflect the existing pattern of development. Policy 1-4 addresses creating effective transitions between land uses, a natural concern for changing the permitted uses at the subject site. As the policy states, privacy between commercial and residential can be a concern but continues to state, "building and site design can act to minimize conflicts". The subject site can be designed to have



an enhanced buffer to reduce potential neighborhood impacts. The policy continues with, “mixing of land uses is encouraged to bring shops, services, and offices in close proximity to residential uses” to create immediate market areas and reduce reliance on cars by enhancing accessibility to said shops and services.

Goal LU-3 promotes land use patterns that enhance mobility, transportation choices, and convenient access to goods and services. Market Street achieves this goal with numerous businesses operating along the corridor, bicycle and pedestrian pathways, and transit services. Supporting neighborhood walkability requires the availability of desirable services that attract customers. A continuous effort is needed to provide these opportunities within the MSC-1 zone and Office/Multifamily land use designation. Policy LU-3.1 states neighborhoods should allow residents to walk places that meet their daily needs, and LU-4.5 allows neighborhoods to propose neighborhood-oriented commercial uses to meet such local needs.

The proposal for a neighborhood commercial use is proposing walkable development based on local demand, exemplary of policies LU-3.1 and LU4.5. Similarly, policy ED 1.2 encourages a broad range of businesses that provide goods and services to the community. Adding a commercial site would broaden the range of businesses available to the community in this location. Allowing a commercial use at this site is in line with the goals and policies of the land use element.

#### **Market Street Corridor**

The subject site is located in the Office/Multifamily designation of the Comprehensive Plan and is within the Market Street Corridor. Section XV.L of the Comprehensive Plan describes the Market Street

Corridor and has its own specific goals. Policy MS-4 encourages a variety of residential and neighborhood-oriented shops and services to promote neighborhood walkability. Under the policy description, the comprehensive plan specifies “neighborhood-oriented businesses located on the west side of Market Street, north of 14th Avenue West provide convenient shopping and services for residents in the area”.

The site is located north of 14th Avenue on the west side of Market Street and is appropriate for the development of a neighborhood retail use. A commercial use at this site would serve the public interest by creating a local business which provides a place to gather while reducing vehicle trips needed for residents to meet their daily needs. Allowing this use within this zone implements Policy MS-4 set forth in both the Kirkland Comprehensive plan and the Market Street Corridor Plan.

Additionally, Policy MS-7 encourages the enhancement of the community’s design for new commercial uses in the Market Street Corridor. New development at this parcel will be designed to reflect the community and align with the Market Street Corridor Plan and the Kirkland Zoning Code. A commercial use could help increase opportunities for walkable business uses within the community, as well as providing a better-defined aesthetic buffer between the commercial corridor and dwelling units per MS-14. This parcel’s location provides an opportunity to ease the visual transition from the low-density residential areas to mixed use along the market street frontage. Policy MS-15 requires that buildings are oriented toward Market Street, which the site will be able to achieve.

Policies MS-1 through MS-3 are related to historic preservation. The dwelling unit on-site was constructed in 1953 and would not be considered a historically significant.

2. The public interest would best be served by considering the proposal in the current year, rather than delaying consideration to a later neighborhood plan review or plan amendment process.

**The proposal should be considered this year since it is already within the Market Street Corridor, a subarea plan of the 2035 Comprehensive Plan and is only related to a single parcel's ability to propose retail or commercial use instead of only residential. This proposal is compliant to the comprehensive and existing subarea plan as described in the response above. It is imperative that the city consider this application prior to the 2024 Comprehensive Plan's adoption as to consider the change to available lands needed to meet housing and job growth projections.**

3. The proposal would correct an inconsistency within or make a clarification to a provision of the Comprehensive Plan.

**Neither the Comprehensive Plan nor the Market Street Corridor plan needs to be reviewed or revised to align with the proposed project. Rather, the Kirkland Zoning Code should be revised to appropriately align with the Comprehensive Plan and Market Street Corridor plan. KZC Chapter 51.08(6) regulates only one parcel within the Market Street Corridor, and the regulation contradicts the intended use of the site under the Market Street Corridor zone. There is no adopted definition within the KZC for the Market Street Corridor, however the overview statement within the Corridor plan describes the intent of the zone: "The Market Street Corridor is an eclectic, attractive, and economically healthy area that includes a mix of small-scale office and retail uses, along with various housing types. A few commercial buildings provide convenient retail shopping and services for nearby residents and visitors from other areas in the region. The corridor is generally one lot wide bordering Market Street and is bounded by established and highly valued single-family residential neighborhoods to the north, east and west and the Central Business District to the south".**

**The intent is for the zone to provide neighborhood scale goods and services or professional offices that are intended to serve the surrounding residents. Commercial uses are primarily located along Market**

Street with residential units in the adjacent streets. Per MS-6, commercial development should remain along Market Street and should not extend beyond 19th Avenue North. The site shares a corner with APN 3885803370 and is within the MSC-1 zone, which typically permits retail, commercial, or office uses along Market Street. This singular section of code does not align with the intent of the zone, otherwise the site would be zoned strictly as a low density residential (RS 7.2). This is a consistency issue within the adopted regulations that this application seeks to address.

There are similarly operating sites within the vicinity of APN 3885803370 that are: (1) located on a corner parcel along Market Street, (2) operate a retail business, and (3) are adjacent to a residential use or zone. A few examples of this would include 1720 Market Street (APN 1245001110, site is currently being converted from commercial to residential use), 906 Market Street (APN 3885804740), or 1209 Market Street (APN 3885803500, site is an office use).

It is possible that a commercial or retail use on the subject site is infeasible, however this would be up to the determination of a developer to propose a project that would meet the Comprehensive Plan, Market Street Corridor Plan, Kirkland Municipal Code, and the Kirkland Zoning Code. For example, impervious surface standards, parking requirements, or environmental requirements could ultimately determine that a commercial use is not feasible for a developer. Ultimately, the decision on the feasibility of a commercial use at this site is up to the developer, their consultants, and their creativity.

The applicant respectfully requests the City of Kirkland's consideration to repeal KZC Chapter 51.08(6) in order to reflect the intent of the Comprehensive Plan, Market Street Corridor Plan, and Kirkland Zoning Code.

#### IV. Property Owner's Signature or Service of Affidavit

A. If the applicant is the property owner, or is a legal representative of the property owner, then the property owner must sign below.

APPLICANT: If you are not the property owner, you will need to have the property owner sign this form electronically. Once you have completed all content, signed as applicant, and uploaded the any additional information, you will need to save this document by clicking the blue "SAVE" button below. You will then receive an email with a link to this form for you to forward to the property owner to sign online. The information you entered will be saved for the property owner to review prior to signing. Once they access the link and sign, they can submit the application, or sign it, save and allow you to submit the form. Keep the link for your records in case you need to access it again prior to the property owner submitting it. Contact the Planning and Building Department at 425-587-3600 if you have any questions.

Legal Declaration

**I certify and declare, under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.**

Applicant's Signature



[Link to signature](#)

Type Applicant's Name

**Barry Alavi**

Date Applicant Signed

**11/08/2022**

B. If the applicant is not the property owner or a legal representative of the property owner, then the affected property owner must be notified.

- Send or hand-deliver a copy of this completed application to all affected property owners.
- Complete the Affidavit of Service form (linked below).
- Upload the Affidavit of Service when you submit this application form. The Affidavit of Service confirms that a copy of the completed application form has been provided to all affected property owners.
- **Contact the Planning and Building Department at 425-587-3600 for fee amount due** and a planner will invoice you with the fee total for you to pay. **No work will be done on your permit until the fee is paid.**

Before submitting, upload attachment:

1. [Affidavit of Service](#)

Upload signed copy of Affidavit of Service, including [Affidavit - Unsigned.pdf](#)  
Exhibit A and/or Exhibit B.

**NOTE:**

Once you submit this form, you will receive an email confirmation from our third-party provider, OpenForms, along with a PDF copy of the form you submitted. Keep it for your records. Be sure to check your spam/junk folder so you don't miss it!

{{snippet-14}}

{{snippet-13}}



**City of Kirkland**  
**Planning and Building**  
123 Fifth Avenue, Kirkland, WA 98033  
425-587-3600 | [www.kirklandwa.gov](http://www.kirklandwa.gov)

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## MEMORANDUM

**To:** Planning Commission

**From:** Scott Guter, AICP, Senior Planner  
Allison Zike, AICP, Deputy Planning & Building Director  
Adam Weinstein, AICP, Planning & Building Director

**Date:** July 25, 2024

**Subject:** **2044 Comprehensive Plan - Housing Element Briefing #3, File No. CAM22-00023**

### Recommendation

Receive a third briefing and hold a study session to discuss draft revisions to the Housing Element (see Attachment 1) and draft Housing Inventory and Analysis (see Attachment 2). Provide staff with direction to continue preparing the draft 2044 Comprehensive Plan Housing Element.

The PC should focus on the below questions for discussion while reviewing the memorandum and attachments:

1. Do Commissioners have any questions or feedback about any revisions to Housing Element goals and policies (identified with strikethrough and underline text)?
2. Is there any additional information that Commissioners would find helpful for staff to provide prior to the Housing Element public hearing on September 26, 2024?

### Background

The City of Kirkland is in the process of conducting a major update of the existing Kirkland Comprehensive Plan<sup>1</sup> (Plan) adopted in 2015 for a planning horizon of 2035. The Plan is the primary citywide guide for how the community should evolve over the next twenty years (new horizon year of 2044) in terms of land use, transportation, and public facilities and services necessary to support expected growth. The Plan also includes goals and policies for how the City addresses housing, human services, sustainability, economic development, parks, open spaces, and other topics.

The K2044 Comprehensive Plan project webpage<sup>2</sup> has information to help the community learn more about the K2044 update. The webpage includes a landing page for key topic areas including: draft goals and policies for each Element; basic information about the Plan update; past staff presentations and memorandums; information on the

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<sup>1</sup> <https://www.codepublishing.com/WA/Kirkland/?html/KirklandZNT.html>

<sup>2</sup> <https://www.kirklandwa.gov/Government/Departments/Planning-and-Building/Planning-Projects/Kirkland-2044-Comprehensive-Plan-Update>



neighborhood plan updates; and a community engagement page detailing how to get involved in the process and how to submit comments.

### **Housing Element Update**

The Planning Commission (PC) has discussed the Housing Element at their September 28, 2023<sup>3</sup>, February 22, 2024<sup>4</sup>, March 28, 2024<sup>5</sup> meetings, and at the May 3, 2024 joint City Council (Council)/PC retreat. During these meetings staff provided background information on State-mandated updates to the Housing Element, the housing data gathered at that time, and the public feedback staff received during outreach and engagement activities. Staff also presented and received feedback from the PC on draft Housing Element goals and policies. This feedback together with information obtained from the draft Housing Inventory & Analysis, as well as feedback from A Regional Coalition for Housing (ARCH) staff on draft housing goals and policies, has been incorporated into the draft Housing Element.

During the August 8 PC meeting, staff will brief the PC on the draft Housing Element, draft Housing Inventory and Analysis, and staff's recommended housing-focused implementation strategies.

### **Next Steps**

A PC public hearing on the Housing Element amendments is scheduled for September 26, 2024. Prior to the hearing, the City will receive feedback on the draft Housing Element from King County's Affordable Housing Committee<sup>6</sup> (AHC). AHC will discuss Kirkland's Housing Element at their September 5, 2024 meeting. Staff will also present the draft Housing Element to Council<sup>7</sup> at their September 17, 2024 meeting. Staff will work on incorporating feedback from PC, AHC, and Council to finalize the Housing Element prior to the public hearing.

### **Attachments**

1. Draft Housing Element
2. Draft Housing Inventory and Analysis

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<sup>3</sup> <https://kirklandwa.primegov.com/Portal/Meeting?meetingTemplateId=529>

<sup>4</sup> <https://kirklandwa.primegov.com/Portal/Meeting?meetingTemplateId=895>

<sup>5</sup> <https://kirklandwa.primegov.com/Portal/Meeting?meetingTemplateId=1111>

<sup>6</sup> <https://kingcounty.gov/en/dept/dchs/about-king-county/about-dchs/boards-task-forces-forums-more/affordable-housing-committee>

<sup>7</sup> <https://www.kirklandwa.gov/Government/City-Council>

## VII. HOUSING ELEMENT

**DRAFT (last update August 1, 2024)**

### **Purpose**

Housing is recognized as a fundamental human need and plays a crucial role in the overall wellbeing of individuals and communities. It serves as a social determinant of health, influencing a wide array of health outcomes and quality of life. Quality housing can reduce the risk of chronic diseases, improve mental health, and enhance the sense of security and belonging. Moreover, stable housing can act as a platform for individuals to access education and employment opportunities, which are essential for economic stability and personal development. The benefits of adequate housing extend beyond the individual, contributing to the social fabric and economic vitality of communities.

In the Puget Sound Region, and across the state, the housing market has become increasingly unaffordable as demand has risen and supply continues to be constrained. Many residents are facing unprecedented challenges in finding and keeping housing they can afford. Housing availability is also a result of past and present public policies and private practices. Certain housing policies, such as exclusionary zoning, and private practices such as loan discrimination, restrictive covenants, and redlining have led to racial discrimination in the housing market, as these policies and practices have historically been used to segregate communities and limit opportunities and exacerbate economic disparities for people of color.

As Kirkland sits geographically in the heart of the region's economy, the city boasts a diverse suite of employers, and it enjoys the benefits of being in close proximity to many jobs in our neighboring cities. Together with our quality neighborhoods with their parks and open space, schools, and commercial amenities, the city provides an opportunity for current and future residents to thrive. Recognizing that housing access, affordability, equity, and choice are regional issues, Kirkland has a major role in locally addressing the many issues within the region's housing market.

The Housing Element ensures that Kirkland addresses the housing needs of current and future residents over the next 20 years. This chapter includes goals and policies intended to help the city to achieve its housing targets, meet the needs of current and future residents, and correct past wrongs for populations historically left out of the housing market and suffering from housing insecurity.

Under the Growth Management Act (GMA) described in RCW 36.70A.070(2) cities at minimum must:

- Analyze existing housing conditions;
- Plan for and accommodate the housing needs affordable to all economic segments of the population (moderate, low, very low and extremely low income, as well as emergency housing and permanent supportive housing);
- Provide for a variety of housing densities and options through preservation and development;
- Make adequate provisions for housing for current and future populations;

- Identify racially disparate impacts, displacement and exclusion in housing policies and regulations, and begin to undo those impacts; and
- Identify areas where households are at higher risk of displacement and establish anti-displacement policies.

### **Vision**

Kirkland recognizes that housing is the most basic of human needs. By 2044, our city has, and participates in, a robust housing market capable of meeting the demands of current and future residents. Housing is equitably accessed and dispersed throughout the city, is developed with sustainability in mind, is safe, and meets the needs of households regardless of income, configuration, ability, racial or ethnic makeup. Homelessness is rare and brief, and Kirkland together with its local and regional partners has developed sustainable support systems that continue to meet the needs of our unhoused population.

### **Existing Conditions**

The land that is now Kirkland has long been a place where people made their homes, beginning with Native people and their longhouses near Lake Washington. With settlement, Kirkland has a history of providing housing choices to meet the needs of its populations from homesteader cabins and farmhouses, to providing housing for an industrial workforce, to providing housing in suburban tracts served by automobiles. Today, Kirkland has grown into an urbanizing community of neighborhoods as the city and the region continues to gain population.

As of 2023, Kirkland's population estimate is 96,920 and ranks 6<sup>th</sup> in county by population. In 2011 the city experienced a significant population increase by annexing the last of its allocated unincorporated areas, the Finn Hill, North Juanita, and Kingsgate neighborhoods. With no more land annexation opportunities to incorporate future population, growth within the city will occur as infill urbanization.

#### *Jobs and Housing*

The median household income in Kirkland stands at \$130,620, a 148% increase since 2010 and the City has experienced a 23 percentage-point increase in professionals earning \$75,000 or more during that same period. These wage earners can afford higher rents or mortgages, leading to a focus on market-rate housing development for this group and exacerbating affordability issues for lower-income households. Kirkland offers limited housing options for households earning less than \$50,000 annually due to rising prices driven by demand. Additionally, Kirkland's job growth is starting to outpace housing development.

#### *Tenure and Housing*

The city's housing supply is still majority homeownership, 60% as of 2020, although the number of rental housing units has steadily increase since 2010, its share of the total inventory has decreased from 43% (2010) to 40% (2020). Renters are more likely than homeowners to be moderately or severely burdened by housing costs, 23% of owner-occupied households are moderately or severely burdened, compared to 38% of renter-occupied households.

### *Unit Size and Regulated Housing*

There are currently more 3- to 4-bedroom units than the number of 3- to 4-person households in the city, while there is less inventory of 1- bedroom units compared to the number of 1-person households. Kirkland offers a relatively high number of income- and price-restricted units for its size, due to a combination of inclusionary zoning, city funding, and public housing, although many more affordable units are needed to meet demand. In addition, the city does not yet have a significant supply of permanent supportive or emergency housing units.

### *Race, Ethnicity and Housing*

The city has seen a population growth of 13.9% since 2015, with a notable increase in the non-white population, now constituting 30.7% of the residents. While this increase in racial and ethnic diversity is notable, it is also notable that Kirkland's white population is the highest among neighboring cities and the county. Housing is needed at all affordability levels, but in greatest numbers below 80% of the area median income (AMI) and especially by Black and Hispanic/Latino households, who are disproportionately housing-cost burdened. Kirkland has a history of racial exclusion that should be addressed through expansion of affordable housing and home ownership opportunities to peoples of color.

### *Age and Housing*

Most Kirkland residents are of "working age populations", ages between 20 and 64 (64 percent), but that percentage is declining as the population 65 and older grows in proportion. At the other end of the spectrum, the community's school-age population has grown in percentage, but only slightly. Based on aging trends, there is a critical need to address housing accommodations tailored to the needs of an older population.

### *Future Housing Trends*

Between 2024 and 2044, the City is expected to accommodate a housing growth target of 13,200 new housing units. Under the Growth Management Act, planning policies must seek to direct growth to existing and emerging urban areas within the metropolitan region. The King County Growth Management Planning Council allocates housing growth targets to jurisdictions, and Kirkland is responsible for planning to meet its allocated needs for housing. Table H-1 shows Kirkland's allocated housing growth by income band. In addition to these housing growth targets Kirkland must accommodate 2,522 emergency housing units by 2044. The growth targets are calculated as Kirkland's percent share of the countywide housing growth.

*Table H-1: Housing Needs 2020-2044*

	<b>Existing (2020)</b>	<b>Need</b>	<b>2044 Total</b>
≤30% AMI; PSH	12 <1%	<b>2,546</b>	2,558 5%
≤30% AMI; non-PSH	1,040 3%	<b>4,842</b>	5,882 11%
>30 – 50% AMI	1,784 4%	<b>3,052</b>	4,836 9%

>50 – 80% AMI	3,734 9%	<b>1,022</b>	4,756 9%
>80 – 100% AMI	8,141 20%	<b>228</b>	8,369 16%
>100 – 120% AMI	5,213 13%	<b>259</b>	5,472 10%
>120% AMI	20,094 50%	<b>1,251</b>	21,345 40%
Total	40,018	<b>13,200</b>	53,218

*Table H-1: King County, 2023, Countywide Planning Policies.*

As noted above, Kirkland has experienced significant growth and changes in its community demographics and housing conditions. As the city plans to accommodate future growth it will need to plan for a 33% increase in housing units by 2044 along with a 52% increase in employment with a large portion of this growth, and at least 8,916 housing units affordable to households with incomes  $\leq 80\%$  AMI. These demographic shifts and housing trends are crucial for understanding the city's needs and planning for its future. More information on housing trends can be found in the Housing Inventory and Analysis in Appendix [X] and the 2023 Community Profile in Appendix [X].

### **Goals and Policies**

The following housing goals and policies help Kirkland address its role in meeting regional housing needs and local housing growth allocations and provide a framework for how the city will achieve its 2044 housing vision.

Housing goals and policies are organized into three sections: Housing Supply, Affordability, Equity, and Diversity; Fair and Equal Access to Housing; and Subsidy and Homelessness Prevention. These sections are aligned with Puget Sound Regional Council's Regional Housing Strategy. Policies are further divided into sections aligned with categories found in the Housing chapter of the King County Countywide Planning Policies.

### ***Housing Supply, Affordability, Equity, and Diversity***

To meet Kirkland's vision of a robust housing market capable of meeting the housing needs of the city it will need housing of different types, costs, and with access to jobs, transit, and services.

**Goal H-1** – Achieve a full range of affordable, accessible, healthy, and safe housing choices for all residents throughout the city.

### ***Increase housing supply, particularly for households with greatest need.***

Kirkland shall adopt best practices and innovative techniques to meet the city's housing needs, prioritizing housing for households making 30% or less of AMI. To meet the city's housing needs, multiple tools will be needed, including regulatory and permitting reform and programs that support housing production from private

for profit and non-profit housing developers, with an emphasis on the development of deeply affordable and supportive housing.

**Policy H-1.1** – Require affordable housing when increases to development capacity are considered.

**Policy H-1.2** – Enhance affordable housing incentives and city-wide inclusionary requirements to provide additional affordable housing units to meet current and future housing needs.

**Policy H-1.3** – Increase the amount of moderate- and high-intensity residential development in areas with infrastructure, services, and amenities to provide greater housing choice for people at all stages of life.

**Policy H-1.4** – Adopt development and environmental regulations that reduce the cost of building and stimulate the production of housing. ~~Reduce the cost of building housing by modifying development and environmental regulations, including but not limited to, reducing the number of residential zones, using simplified form-based code requirements, reducing or eliminating minimum lot sizes, reducing or eliminating parking standards, streamlining and incentivizing an objective-based design review process and design requirements, allowing for and providing pre-approved plans, undertaking administrative short plat approval, and modifying SEPA exemptions for infill development.~~

**Policy H-1.5** – Reduce the cost of building housing by speeding up, simplifying, and making permitting housing more predictable and transparent to permit applicants with expected permit review timelines and revision cycles.

**Policy H-1.6** – Develop specialized standards that enable and encourage production of housing for extremely low-income households, such as: prioritizing lands for the production of Permanent Supportive Housing (PSH); increasing allowable densities to maximize production of PSH; reducing taxes and permit and utility hookup fees for PSH; and employing cost reduction strategies identified in other housing policies.

**Policy H-1.7** – Support housing for the unhoused by removing regulatory barriers that prevent or obstruct the creation and equitable distribution of transitional housing, emergency shelters, permanent supportive housing and similar facilities.

**Policy H-1.8** – Support the siting and development of housing for extremely low-income households and those experiencing chronic homelessness by prioritizing local and regional resources, developing specialized development standards; employing cost-reduction strategies, including reductions in fees and taxes; and reducing or removing regulatory barriers that prevent or obstruct the creation and equitable distribution of transitional housing, emergency shelters, permanent supportive housing, and similar facilities.

**Policy H-1.9** – Develop a program that allows housing intensity bonuses for faith-based, or other non-profit and community-based organizations seeking to develop affordable housing on-site, prioritizing developments with income-restricted units prioritizing households making 30% or less AMI and projects that provide on-site services for households most impacted by shortages of affordable housing.

***Expanded housing options and increased affordability accessible to transit and employment.***

To create healthy, equitable, vibrant communities well-served by infrastructure and services Kirkland will direct much of its housing growth into its designated urban centers and transit corridors.

**Policy H-1.10** – ~~Expand the housing supply and ensure the most efficient use of land near transit by requiring minimum residential intensities with development. Maximize the efficient use of residential land near transit with transit-supportive residential intensities, development standards and infrastructure improvements appropriate for more urbanized infill development patterns.~~

**Policy H-1.11** – ~~Provide more mid-multi-unit housing choices including but not limited to duplexes, triplexes, fourplexes, fiveplexes, sixplexes, townhouses, stacked flats, courtyard apartments, and cottage housing within a ten-minute walkshed of transit to provide greater access to housing for more people.~~

**Policy H-1.11** – Ensure that affordable housing opportunities at a variety of income levels are not concentrated but are available throughout the City and especially in walkable areas with good access to transit, employment, parks, and neighborhood-serving retail, especially grocery stores.

**Policy H-1.13** – ~~Maximize the use of residential land near transit with smaller lot sizes, increased building height maximums and residential intensities, reduced or eliminate parking requirements, and modified access requirements, including adding alleys and through-block connections.~~

**Policy H-1.14** – ~~Support more affordable housing near transit and jobs through office to apartment conversions of underused office buildings through financial subsidy and regulatory reform, including but not limited to, property tax abatements, form-based code standards, reduced parking standards, simplifying and standardizing design review process and design requirements, and residential intensity bonuses.~~

**Policy H-1.12** – ~~Explore the use of transfer of development rights to retain existing unsubsidized affordable housing and a~~ Support a variety of regulatory and programmatic solutions for the preservation of affordable housing in areas near transit and employment and ensure no-net-loss in citywide residential capacity.

**Policy H-1.16** – ~~Increase housing diversity, including more 3+ bedroom multi-unit housing, and capacity near transit and employment by adjusting zoning to support additional residential intensity.~~



~~**Policy H-1.17**—Increase housing capacity near transit and employment by adjusting zoning standards that support building code standards that produce multi-unit residential buildings served by single exit stairways.~~

~~**Policy H-1.13** – Increase housing affordability and capacity in Kirkland’s Urban Centers with regulations that supports innovation in residential construction, by allowing for taller residential buildings, adjusting design standards, and allowing innovation in construction technologies including, but not limited to, mass timber construction.~~

### ***Collaborate regionally to increase housing production and address housing needs.***

Housing markets are regional and do not respect jurisdictional boundaries. Housing affordability is important to both local and regional economic vitality and sustainability. Cities with similar housing characteristics tend to be clustered geographically and provide opportunities for efficiency and greater impact through interjurisdictional cooperation and diverse partnership. The following policies support interjurisdictional coordination, collaboration, and partnerships to identify and meet the housing needs of households with extremely low-, very low-, and low-incomes. These policies are further supported by the goals and policies related to subsidy and homelessness.

**Policy H-1.14** – Cooperate at a regional level to increase the base of both public and private support necessary to address local housing needs.

**Policy H-1.15** – Collaborate with diverse partners (e.g., employers, financial institutions, philanthropic, faith, and community-based organizations) on provision of resources (e.g., funding, surplus property) and programs to meet Kirkland’s allocated housing need of households with extremely low-, very low-, and low-incomes.

**Policy H-1.16** – Cooperate with other jurisdictions, agencies, and housing organizations to increase regulatory consistency across jurisdictions and reduce regulatory and permitting complexity and reduce the cost of housing.

**Policy H-1.17** – Support the current and future building industry workforce by cooperating with other jurisdictions, agencies, trade organizations, and other public, private and non-profit partners to provide workforce training on new and emerging building technologies, regulatory requirements, and construction practices.

**Policy H-1.18** – ~~Support~~ Prioritize efforts to achieve a geographic balance in siting housing for those earning lower wages by collaborating with nearby jurisdictions in leveraging funding, supplying surplus public property, and maintaining and developing new partnerships and programs that aim to collectively meet housing needs and improve the jobs-housing balance.

### ***Fair and Equal Access to Housing***

As Kirkland is an expensive place to live, many households are at threat of being displaced. More housing options and strategies are needed to help people have the option to stay in their neighborhoods, with an emphasis on lower-income communities and BIPOC communities that have been systemically excluded from homeownership opportunities.

**Goal H-2** – Achieve racially and socially equitable ~~outcomes inaccessible to~~ housing, ~~that meets~~ the needs of all current and future residents and ensure people with the lowest incomes have quality housing that is accessible and affordable in the communities of their choice.

*Expand housing and neighborhood choice for all residents.*

Extremely low-, very low-, and low-income residents often have limited choices when seeking an affordable home and neighborhood. Many Black, Indigenous, and other People of Color communities and immigrant groups face disparities in access to opportunity areas with high quality schools, jobs, transit and access to parks, open space, and clean air, water, and soil.

Some of the same groups are significantly less likely to own their home as compared to the countywide average, cutting them off from an important tool for housing stability and wealth building. Further, inequities in housing and land use practices as well as cycles of public and private disinvestment and investment have also resulted in communities being vulnerable to displacement. Kirkland must adopt intentional actions to expand housing choices throughout its communities to help address these challenges.

**Policy H-2.1** – Plan for housing in areas that protect and promote the health and well-being of residents by supporting equitable access to parks and open space, safe pedestrian and bicycle routes, clean air, soil and water, fresh and healthy foods, high-quality education from early learning through K-12, affordable and high-quality transit options and living wage jobs and by avoiding or mitigating exposure to environmental hazards and pollutants.

**Policy H-2.2** – Provide access to affordable housing to rent and own throughout the city, with a focus on areas where the city is directing growth, in particular for those populations disproportionately impacted by past discriminatory land use and housing practices.

**Policy H-2.3** – Support affordable ~~workforce~~ housing and mitigate residential displacement by implementing commercial linkage fees for the development of new affordable housing to the extent enabled by State law.

**Policy H-2.4** – Ensure that land use, zoning, and regulations support housing options and supportive services for older adults, disabled persons, people with medical conditions, unhoused individuals and families, and displaced people.

**Policy H-2.5** – Support equitable home ownership assistance to Black, Indigenous, and People of Color communities and to prioritize ~~providing~~ more housing ownership options for moderate- and low-income households.

**Policy H-2.6** – Support housing options, programs, and services that allow older and differently abled adults to stay in their homes or neighborhood. Encourage universal design improvements in renovation and new construction that increase housing accessibility throughout the city.

**Policy H-2.7** – Support alternative homeownership models that lower barriers to ownership and provide long-term affordability, such as community land trusts, and limited or shared equity co-ops.

**Policy H-2.8** – Support no net loss in residential capacity through development incentives and flexible standards that encourage preservation of existing homes while allowing for infill residential development.

~~Increase residential capacity and housing choice in residential neighborhoods by exploring land use incentives including bonus residential intensities or flexible development standards for new construction that accommodate future on-site residential capacity or new dwelling units designed to accommodate future ADUs.~~

**Policy H-2.9** – Increase residential capacity and housing choice in residential neighborhoods through management promoting the redevelopment of public lands that accommodate affordable smaller/portable homes.

~~**Policy H-2.9**—Strive to retain existing unsubsidized affordable housing on properties being redeveloped through flexible zoning regulations including, but not limited to, exempting the existing home from intensity limits, development standards that allow for maximizing the development intensities of new housing while retaining the existing home onsite, or allowing for the relocation of the existing home either onsite or on a separate site.~~

**Policy H-2.10** – Address displacement of low-income households with redevelopment by adopting regulations that require landlords to offer tenants relocation assistance, consistent with State and Federal law.

**Policy H-2.11** – Protect fair and equal access to housing for all persons and prohibit any activity that results in discrimination in housing.

**Policy H-2.12** – Adopt incentive-based development standards and implement programs (such as High Performing Affordable Housing) that will provide housing with healthy indoor air quality and lower operating costs to low-income households.

**Policy H-2.13** – Develop healthy communities by supporting flexible development regulations, programs and development partnerships that open up opportunities to allow for housing and services for intergenerational communities, and affordable and mixed-income housing.

**Policy H-2.14** – Support the retention of existing unsubsidized affordable housing through home maintenance and retrofitting with the creation of and participation in weatherization programs, and energy efficiency retrofit programs and the adoption of regulations making it easier for property owners making these home improvements.

**Policy H-2.15** – Advocate amendments to the Washington State Building Code to assist in the rehabilitation of existing affordable housing, especially amendments that support healthy indoor air quality and non-carbon emitting energy upgrades with lower operating costs.

~~**Policy H-2.16** – Plan for residential neighborhoods that protect and promote the health and well-being of residents by supporting equitable access to parks and open space, safe pedestrian and bicycle routes, clean air, soil and water, fresh and healthy foods, high-quality education from early learning through K-12, affordable and high-quality transit options and living wage jobs and by avoiding or mitigating exposure to environmental hazards and pollutants.~~

### *Equitable processes and outcomes*

Taking intentional action to overcome past and current discriminatory policies and practices helps to reduce disparities in access to housing and neighborhoods of choice. Kirkland will work together with households most impacted by the affordable housing crisis to tailor solutions to best meet their needs.

**Policy H-2.17** – Collaborate with community members most impacted by housing cost burden in co-developing, implementing, and monitoring strategies that achieve the goals and policies in the Housing Element and actions in the Housing Strategy Plan.

**Policy H-2.18** – Adopt intentional and targeted actions in the Housing Strategy Plan to repair harms to populations disproportionately impacted by past discriminatory land use and housing practices.

**Policy H-2.19** – Coordinate with other departments, providers, and other key stakeholders to foster comprehensive, appropriate, and proactive responses for individuals and households experiencing homelessness or housing instability.

**Policy H-2.20** – Ensure equitable distribution of more housing types by removing exclusionary regulations and review processes from the zoning code.

**Policy H-2.21** – Preserve, maintain, and improve existing affordable housing by developing anti-displacement strategies in the city's Housing Strategy Plan that will plan for and respond to displacement pressures from rising rents and home prices.

### *Measure results and provide accountability.*

Kirkland is responsible to plan for and accommodate its share of the countywide housing need. The city will actively monitor its progress towards meeting its housing needs and make the necessary adjustments if it falls short of meeting these needs.

**Policy H-2.22** – Monitor the city's progress towards eliminating disparities in access to housing and neighborhood choices and meeting the allocated housing targets through the city's housing dashboard, annually reporting the city's progress to the King County Growth

Management Planning Council and making the necessary policy, program, or regulatory adjustments to achieve housing equity, access, and supply.

### ***Subsidy and Homelessness Prevention***

At the lowest income levels, the market is not capable of building housing at a cost that is affordable. Eliminating cost burden for households will require a major increase in funding from a wide range of private for profit, non-profit, and government entities to subsidize housing costs and to build more housing affordable for households with extremely low-, very low-, and low-incomes.

**Goal H-3** – Achieve sustainable subsidy and collaboration with local, regional, and state partners to build and preserve affordable housing and provide homelessness services for households experiencing housing insecurity or homelessness.

### ***Be an active partner in the regional effort to achieve housing security for those in the most need.***

Meeting the housing needs of the most vulnerable in our community will require actions, including a commitment of substantial financial resources, by a wide range of private for profit, non-profit, and government entities. The following policies support interjurisdictional coordination, collaboration, and partnerships to identify and meet the housing needs of households experiencing housing instability and homelessness. These policies are further supported by the goals and policies found in the Housing Supply, Affordability, Equity, and Diversity section of this chapter.

**Policy H-3.1** – Preserve, maintain, and improve existing affordable housing by developing anti-displacement strategies in the city's Housing Strategy Plan that will plan for and respond to displacement pressures from rising rents and home prices.

**Policy H-3.2** – Support housing acquisition and creation by private or nonprofit organizations, housing authorities, or other social and health service agencies for extremely low-, very low-, low- and moderate- income residents.

**Policy H-3.3** – Advocate for substantial federal and state funding to address affordability for very low- and extremely low-income households.

**Policy H-3.4** – Support a range of housing options and services to move people experiencing homelessness to long-term financial and housing stability. Support regional efforts to prevent homelessness.

**Policy H-3.5** – Identify and collaborate regionally and with diverse partners (e.g. employers, financial institutions, affordable housing providers, philanthropic, faith, and community-based organizations) on the provision of funding, use of surplus land, and programs to address local affordable housing needs.

~~**Policy H-3.6** – Identify and work with community and private organizations to establish safe parking areas and pursue new innovative models for supportive housing types including emergency, transitional, and permanent housing.~~

**Please note that this is a rough draft and formatting and other changes are being made to enhance readability (e.g., additional titles and labels on the charts).**

# Draft Housing Inventory and Analysis

## Kirkland 2044 Comprehensive Plan Update

### Introduction

Housing analysis is multifaceted and reflects a spectrum of services and factors that contribute to housing's overall value. Shelter, the most fundamental aspect, provides safety and security, while proximity to employment, retail, and leisure activities adds convenience and enhances quality of life. Amenities such as modern appliances, well-maintained landscaping, and scenic views can significantly increase a property's appeal and market value. The availability and quality of public services like education and recreational facilities are critical components that can influence a community's desirability. Each of these factors interacts with the others, creating a complex web of considerations for potential homeowners, investors, and jurisdictions. Furthermore, housing markets function at a regional scale, which makes it a challenge for individual jurisdictions to adequately address issues related to their housing supply—both for market-rate and public-supported housing.

The following section analyzes Kirkland's housing growth and key demographic trends to provide insight to guide policy decisions in the 2044 Comprehensive Plan update.

### Summary of Key Findings

Kirkland, Washington has experienced significant growth and changes in its community demographics and housing conditions. The city has seen a population growth of 13.9% between 2015 and 2023, with a notable increase in the non-white population, now constituting 30.7% of the residents. The median household income stands at \$130,620, and the city has been proactive in tracking housing developments, including affordable housing targets and the supply of various housing types. These demographic shifts and housing trends are crucial for understanding the city's needs and planning for its future. Below are some additional key findings from the housing needs assessment.

- The city of Kirkland needs to plan for a 33% increase in housing units by 2044 along with a 52% increase in employment.
- Housing is needed at all affordability levels, but in greatest numbers below 80% AMI and especially by Black and Hispanic/Latino households, who are disproportionately housing-cost burdened.
- The city's housing supply is still a majority homeownership, although rental housing has steadily increased its share.
- Kirkland offers a high number of income- and price-restricted units for its size, due to a combination of inclusionary zoning, city funding, and public housing.



- Like most ARCH cities, Kirkland does not yet have a significant supply of permanent supportive or emergency housing units.

## ARCH/East King County Subarea

The city of Kirkland is a founding member of A Regional Coalition for Housing (ARCH), a partnership of King County and 15 east King County cities. The map below illustrates current ARCH membership – colored-in city jurisdictions and the unincorporated area within the blue boundary.<sup>1</sup> ARCH formed so that members could share resources, including funding, and collaborate to address housing issues across their subarea housing market. To help Kirkland decision-makers with planning in this context, this report includes several data points that combine the city-member jurisdictions as “East King County Cities.”

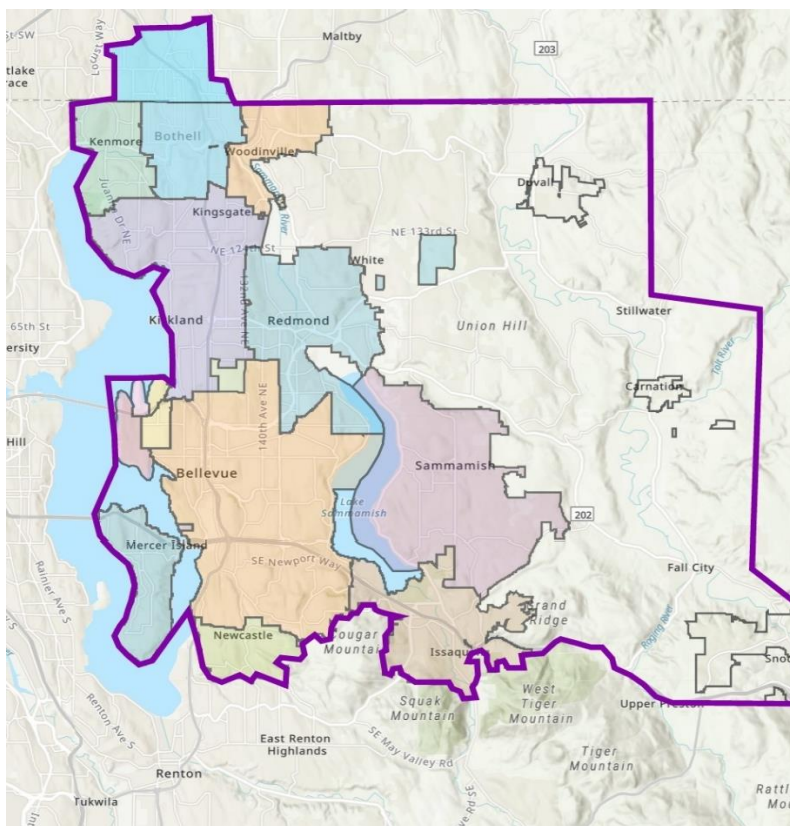


Figure 1 - Source: A Regional Coalition for Housing (ARCH).

## Income and Housing Affordability Reference

Much of the data in this report refers to household incomes or housing prices as a percentage of Area Median Income, or AMI. This section explains the use of AMI for housing needs inventory and analysis.

The Area Median Income means the midpoint of all family incomes in a geographic area defined by the U. S. Department of Housing and Urban Development (HUD). Kirkland is part of the area that HUD calls the Seattle-Bellevue HFMA, which comprises King and Snohomish counties. AMI is the standard from which affordable housing programs set income limits for household eligibility and the housing expense limits for affordable housing units. That is, “the AMI” means the median income for a four-person household. ARCH and most other affordable housing programs derive income limits and expense limits by adjusting this number up or down for the number of people in

<sup>1</sup> Those member cities are Beaux Arts Village, Bellevue, Bothell, Clyde Hill, Hunts Point, Issaquah, Kenmore, Kirkland, Medina, Mercer Island, Newcastle, Redmond, Sammamish, Woodinville, and Yarrow Point.

the household or number of bedrooms in the affordable home and for the affordability level the jurisdiction wants to achieve.

**Household Income Limits**

	<b>1 person</b>	<b>2 people</b>	<b>3 people</b>	<b>4 people</b>
30 AMI	\$30,954	\$35,376	\$39,798	\$44,220
50 AMI	\$51,590	\$58,960	\$66,330	\$73,700
80 AMI	\$82,544	\$94,336	\$106,128	\$117,920
100 AMI	\$103,180	\$117,920	\$132,660	\$147,400
120 AMI	\$123,816	\$141,504	\$159,192	\$176,880

For Kirkland and other ARCH members, the 2024 Area Median Income is \$147,400. A four-person household wishing to qualify for an affordable home that the city has set the affordability level at 100 percent of AMI will have to have an income less than \$147,400. If the city sets the affordability level at 80 percent of AMI (or “80 AMI”), the income limit would be \$117,920. Smaller households would have lower income limits to qualify.

**Housing Expense Limits**

	<b>No bedrms</b>	<b>1 bedrm</b>	<b>2 bedrms</b>	<b>3 bedrms</b>
30 AMI	\$774	\$829	\$995	\$1,150
50 AMI	\$1,290	\$1,382	\$1,658	\$1,916
80 AMI	\$2,064	\$2,211	\$2,653	\$3,066
100 AMI	\$2,580	\$2,764	\$3,317	\$3,832
120 AMI	\$3,095	\$3,317	\$3,980	\$4,599

Housing expenses in affordable housing are typically limited to 30 percent of an eligible household’s income. Some housing programs (public housing, mostly) allow residents to pay a percentage of their actual income, while others (usually those where affordable units are mixed with market-rate housing) allow landlords to charge up to 30 percent of the income limit for the number of people assumed, based on the number of bedrooms. For example, ARCH sets the maximum expense for a one-bedroom home assuming that, on average, 1.5 people occupy a one-bedroom unit. The 80 AMI income limit midway between one and two people is \$88,440. On a monthly basis, 30 percent for housing costs equals \$2,211; so, the maximum expense for an “80 AMI” one-bedroom unit is \$2,211.

The tables above may be useful to reference when reading some of the following data on wages and housing affordability. State law and some local programs use the following terms in conjunction with certain income and housing affordability levels:

- “Moderate income:” greater than 80 but not higher than 120 AMI.
- “Low-income:” greater than 50 but not higher than 80 AMI.
- “Very low-income:” greater than 30 but not higher than 50 AMI.
- “Extremely low-income:” 0 to 30 AMI.



An additional note about data reported in the following tables and charts: Percentages are rounded to integers for easy legibility. As a result, some totals do not equal 100%.

## Population Characteristics

### Population estimates and projections

As of 2023, Kirkland's population estimate is 96,920 (Washington Office of Financial Management). In 2011 the city experienced a significant population increase by annexing the last of its allocated unincorporated areas, the Finn Hill, North Juanita, and Kingsgate neighborhoods. With no more land to incorporate future population growth within the city will occur as infill urbanization.

Kirkland's 2023 Community Profile ([kirklandwa.gov](http://kirklandwa.gov)) details many demographic characteristics of the city's population in addition to those used here for evaluating housing needs.

#### Projections

According to projections by the Puget Sound Regional Council, by the end of this planning cycle (2044) Kirkland's population will rise 34 percent, to about 116,900. PSRC bases its forecast on land use modeling that incorporates housing and employment targets as well as regional data and forecasts.

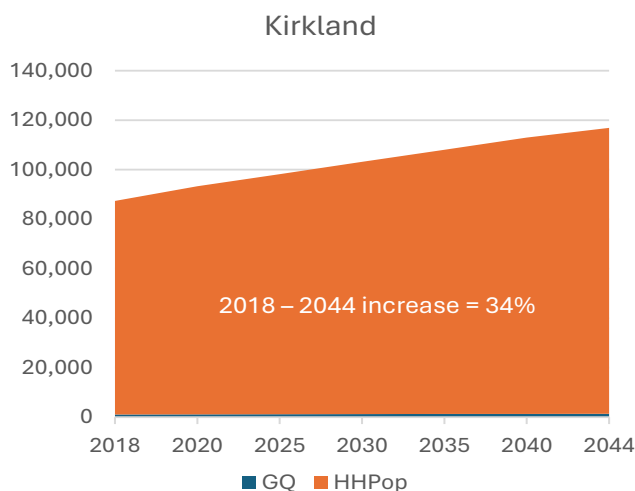


Figure 2 - Source: Puget Sound Regional Council, 2023 Land Use Vision - Implemented Targets.

Expected population growth in east King County cities is somewhat greater at a combined 44 percent.

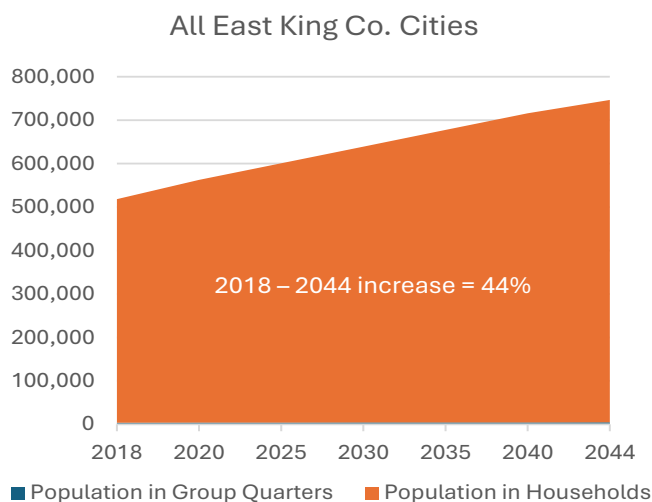


Figure 3 - Source: Puget Sound Regional Council, 2023 Land Use Vision - Implemented Targets.

## Race and Ethnicity

White residents make up the largest share of Kirkland's population, 69 percent in 2020; however, Kirkland's white population as decreased as a share of total population by 17 percentage points between 2000 and 2020, while Asian and Hispanic populations have nearly doubled their shares.

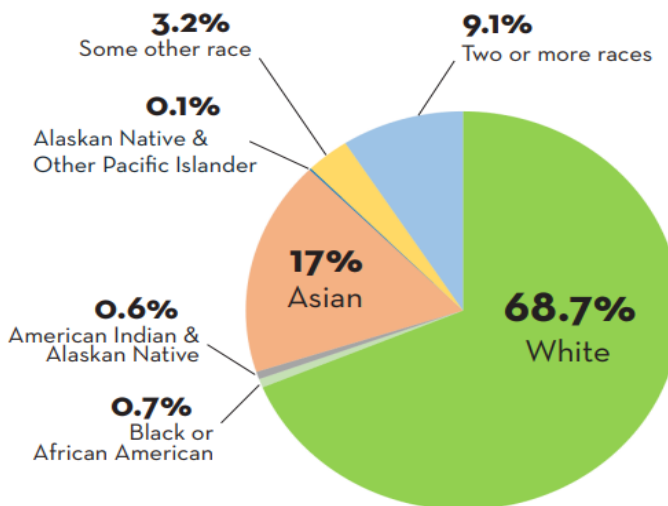


Figure 4 - City of Kirkland, 2023 Community Profile.

As shown to the right, concentrations of non-white residents generally increase with distance from Lake Washington, i.e., as property values decrease. Neighborhoods with the highest percentage of residents of color are Kingsgate, Juanita, North Rose Hill, Bridle Trails, and parts of Totem Lake.

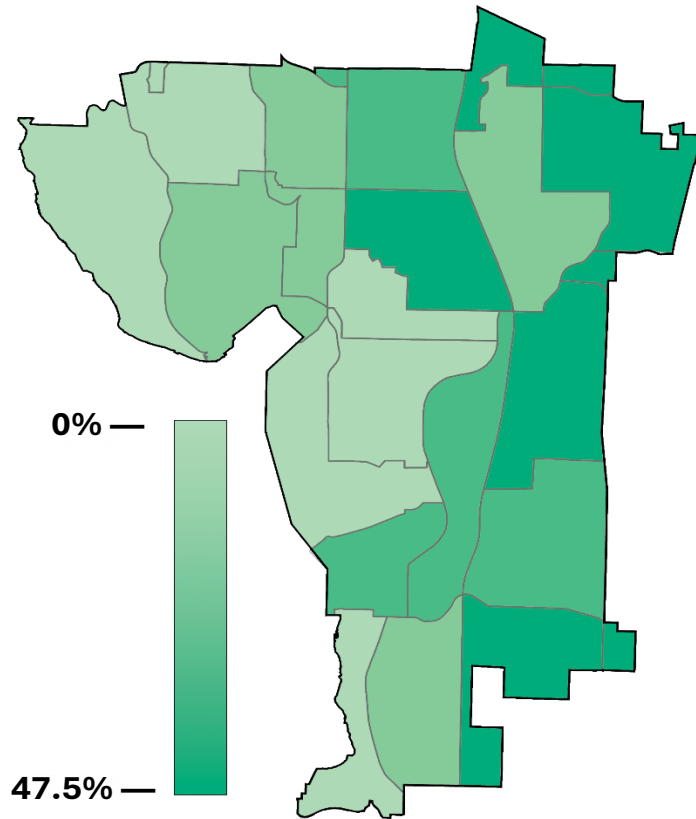


Figure 5 - Source: City of Kirkland, 2023 Community Profile.

## Age Distribution and Comparison

Most Kirkland residents are of “working age populations” (64 percent), ages between 20 and 64, but that percentage is declining as the population 65 and older grows in proportion. At the other end of the spectrum, the community’s school-age population has grown in percentage, but only slightly.

Kirkland has a similar age distribution as King County. (See Community Profile, Page 12, Figure 2-O - Regional Age Composition: % of Total.) Compared to surrounding municipalities, Kirkland has the highest growth of people under the age of 18 between the years 2000 and 2022 (18 percent) and the highest growth of people over the age of 65 (45 percent); much of this, however, occurred as a result of annexations.

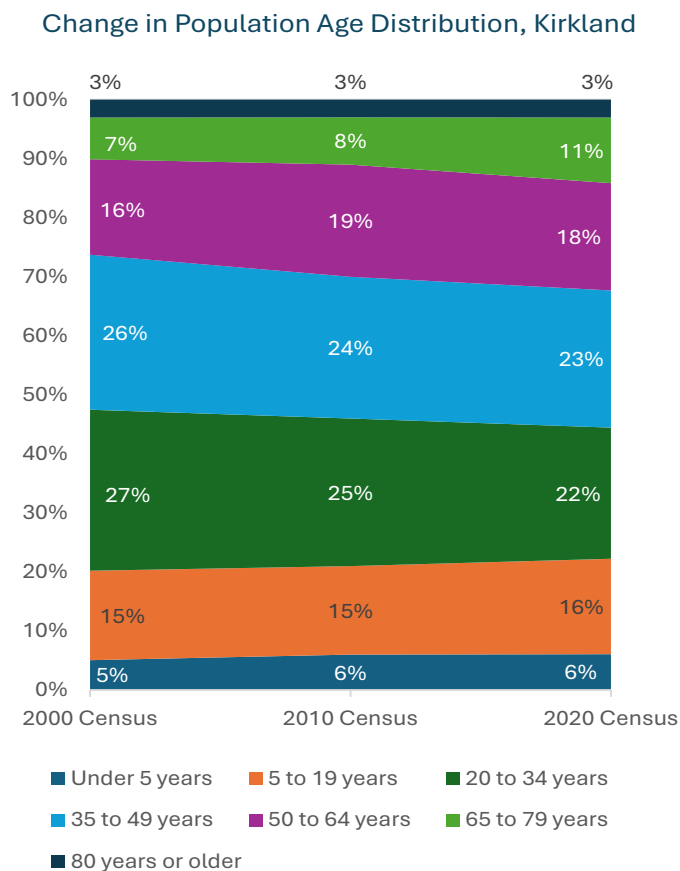


Figure 6 - U.S. Census Bureau, Decennial Censuses.

### ... and race/ethnicity

The working age group constitutes the majority across all racial and ethnic categories. Among people of color, the age groups of 5 to 19 years and 20 to 34 years are the most populous, except Native Hawaiians or other Pacific Islanders that have a predominantly portion of 65 to 74 years age range.

Other racial groups and those identifying with multiple races have a large proportion of younger populations, with a significant concentration in the 5 to 19 years age group. Higher populations in younger age groups indicate the potential racial and ethnic composition of the community in the future, depending on their ability to afford suitable housing.

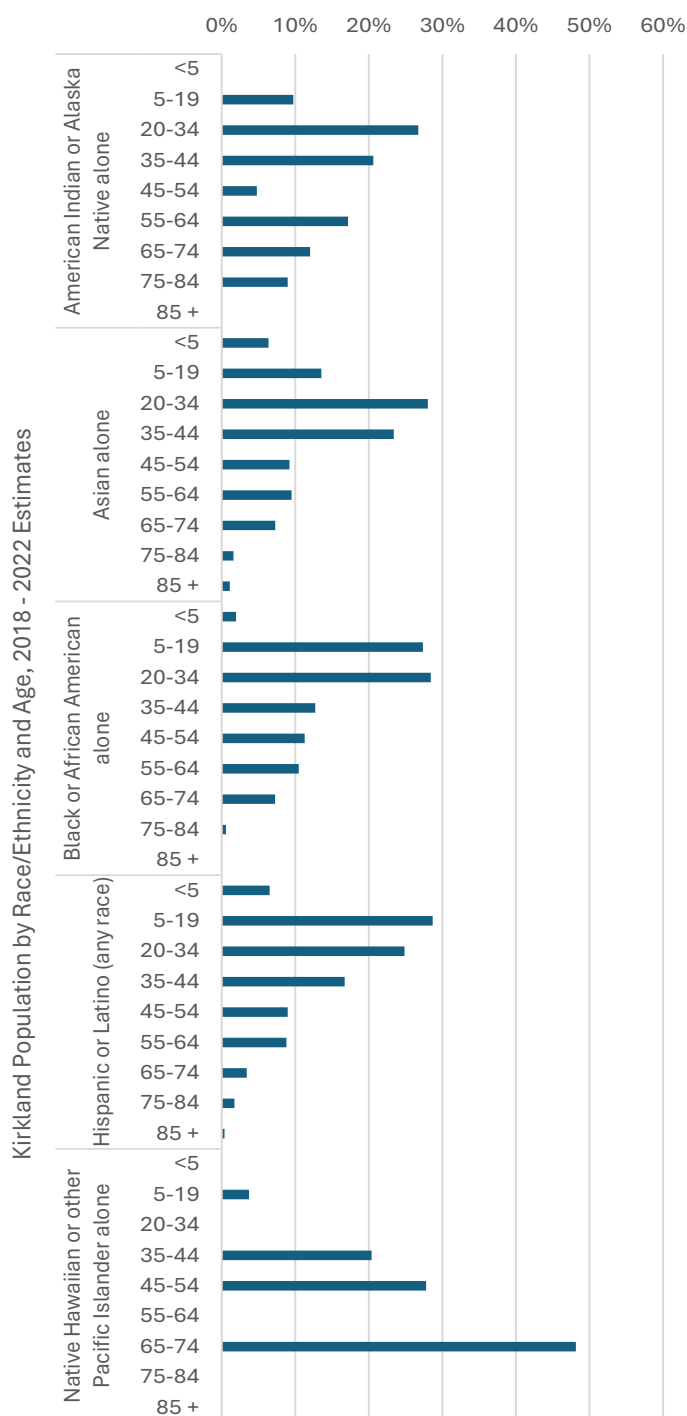


Figure 7 - Source: U.S. Census Bureau, 2022 American Community Survey 5-year Estimates.

The White population exhibits a more even distribution, with the 20 to 34 years age group being the largest, followed by progressively smaller groups in subsequent age ranges. This may reflect the longevity of White families in Kirkland.

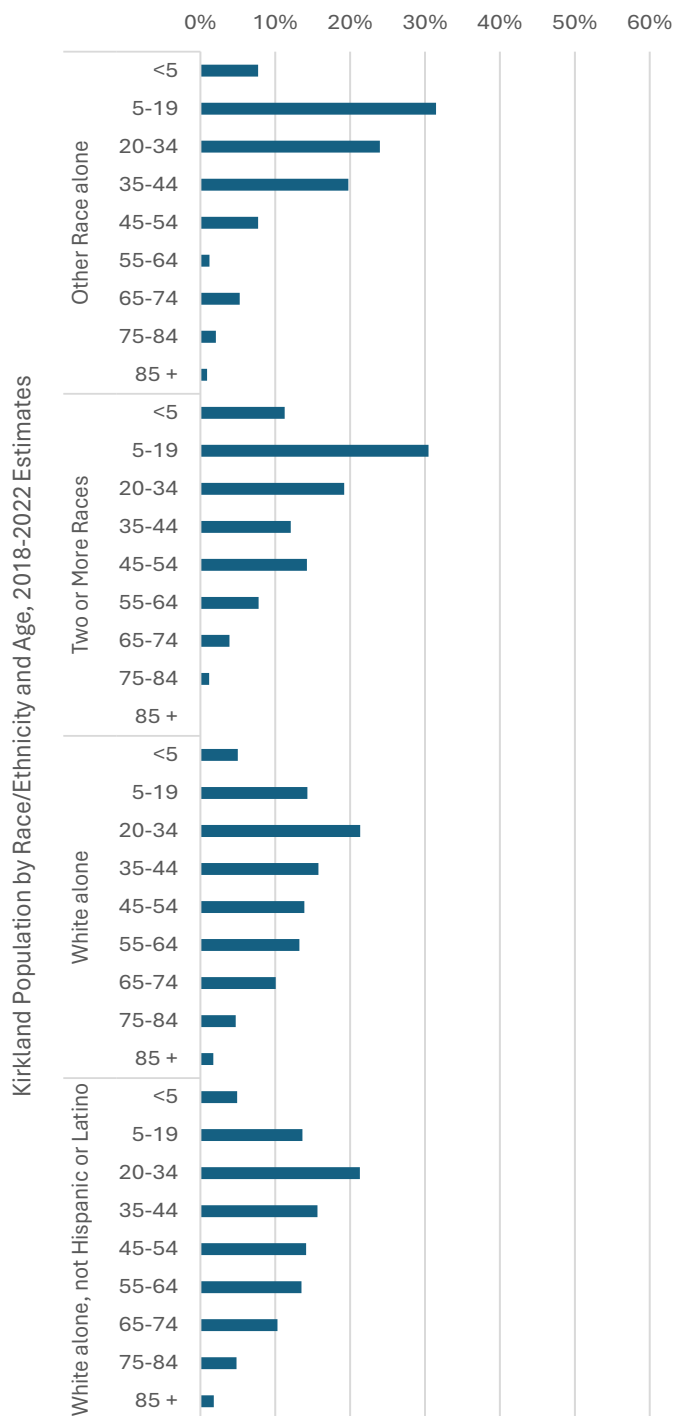


Figure 8 - Source: U.S. Census Bureau, 2022 American Community Survey 5-year Estimates.

### Population Age Forecast

The U. S. Census Bureau's National Population Projections forecast age distributions from 2022 to 2100. Staff applied the rates of change through 2044 in each age group to Kirkland's expected population growth.

The results reveal notable shifts. Overall, the working age population (20 to 64 years) would remain about the same at 62 percent. The school and pre-school populations (19 years or younger) is expected to fall gradually from 22 percent to 19 percent. The 65 to 79 years group would continue to grow as it has in the past decade and then begin to decline in the 2040s. Aging Baby Boomers will boost the 80 years or older group, doubling their percentage to 6 percent by 2044.

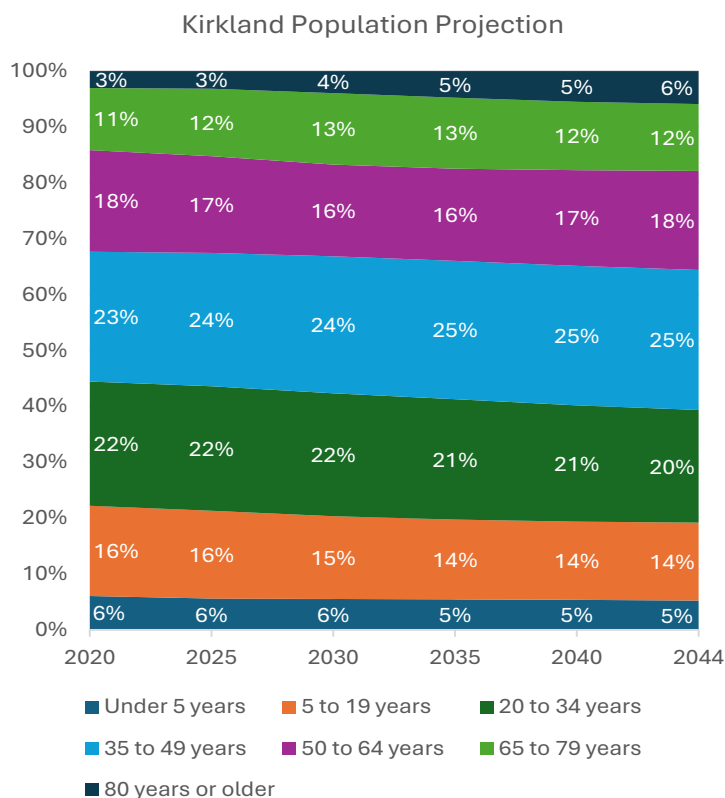


Figure 9 - Sources: U.S. Census Bureau, 2023 National Population Projections, and A Regional Coalition for Housing (ARCH).

## Populations with special housing needs

Kirkland has a slightly lower percentage of residents with disabilities (8 percent) than King County as a whole (10 percent) and both increased modestly on a percentage basis from 2012 to 2022. Numerically, however, the population with disabilities more than doubled for both, to over 7,400 people in Kirkland.

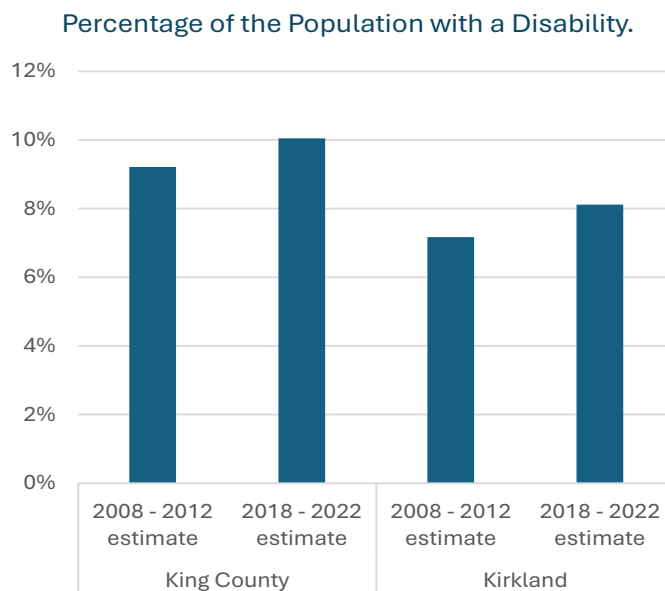


Figure 10- Source: U.S. Census Bureau, 2022 American Community Survey 5-year Estimates.

People aged 35 to 64 years and those aged 75 and older have the highest rates of disability in Kirkland, which projects to greater numbers in the future for those 65 and older.

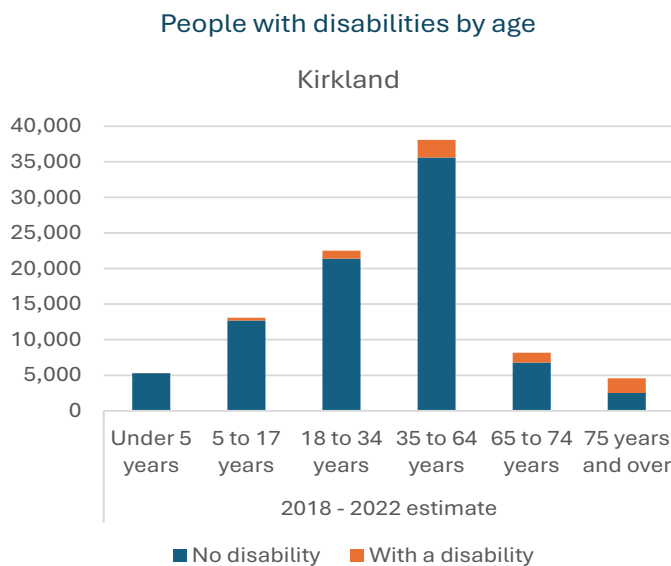


Figure 11 - Source: U.S. Census Bureau, 2022 American Community Survey 5-year Estimates.



### ***Population in group quarters***

Group quarters, according to the Census Bureau, are places where people live or stay, in group living arrangements, that are owned or managed by entities or organizations providing housing (and sometimes services) for the residents. This population is additional to the population living in households.

	Institutionalized population				Noninstitutionalized population			Total
	Correctional facilities for adults	Juvenile facilities	Nursing facilities	Other institutional facilities	College student housing	Military quarters	Other noninstitutional facilities	
Beaux Arts Village	-	-	-	-	-	-	-	-
Bellevue	-	-	223	-	200	-	1,017	1,440
Bothell	-	-	117	-	149	-	204	470
Clyde Hill	-	-	-	-	-	-	-	-
Hunts Point	-	-	-	-	-	-	-	-
Issaquah	36	-	374	-	-	-	118	528
Kenmore	-	-	-	-	67	-	139	206
Kirkland	-	36	85	-	622	-	402	1,145
Medina	-	-	-	-	-	-	-	-
Mercer Island	-	-	129	-	-	-	35	164
Newcastle	-	-	13	2	-	-	17	32
Redmond	-	-	230	-	-	-	192	422
Sammamish	-	-	-	-	-	-	116	116
Woodinville	-	-	-	-	-	-	43	43
Yarrow Point	-	-	-	-	-	-	-	-
<b>Total</b>	<b>36</b>	<b>36</b>	<b>1,171</b>	<b>2</b>	<b>1,038</b>	<b>0</b>	<b>2,283</b>	<b>4,566</b>

Table 1 - Source: U.S. Census Bureau, 2022 American Community Survey 5-year Estimates.

## Workforce Characteristics

Employment location and wages are among the most significant and fundamental factors of housing demand. All other things being equal, workers tend to try to live closer rather than farther from work.

### Jobs and earnings

As context for the Kirkland employment data that follows, Figure 2 illustrates wages for many public sector and support service jobs that policy makers often strive to help through affordable housing programs. It shows, for example, that a typical middle school teacher's salary is greater than 80 AMI if that teacher lives alone; but if that teacher is the only wage-earner in a family of four, their income is less than 80 AMI. The chart also shows several jobs which typically earn less than 50 AMI, even working full-time and living alone.

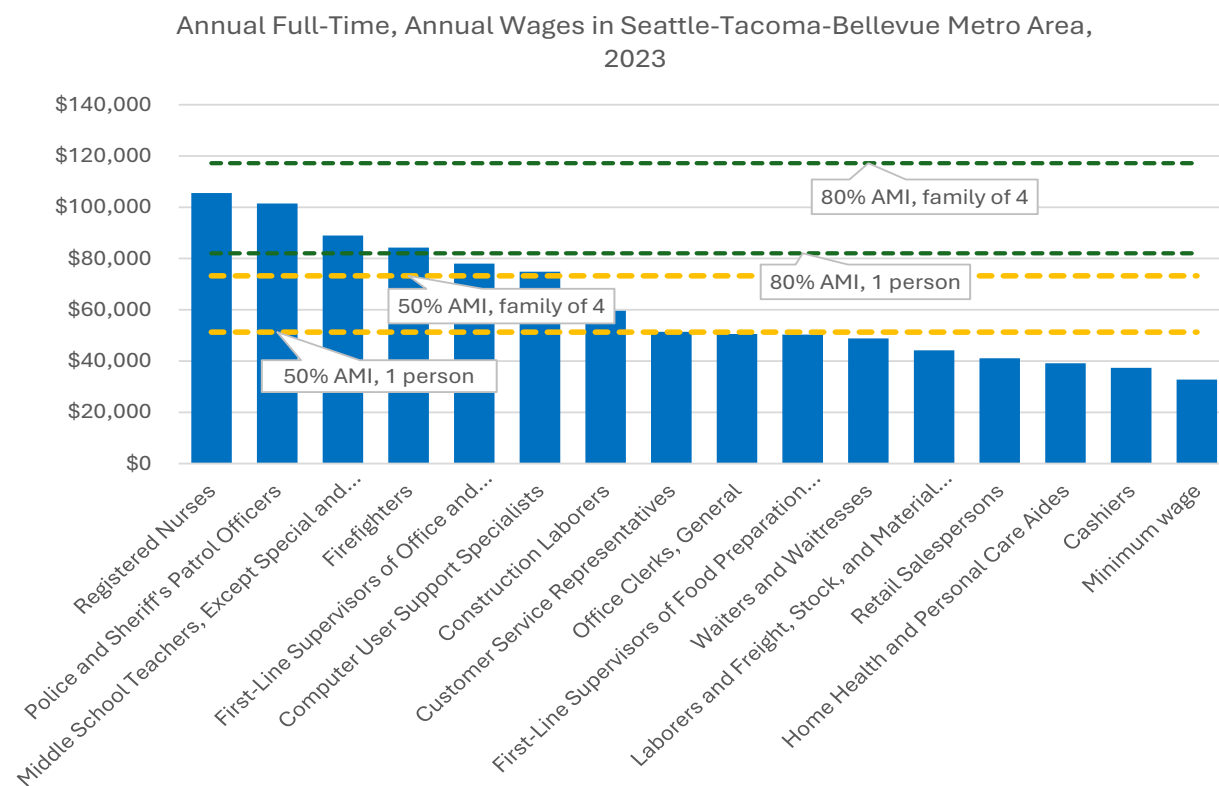


Figure 12 - Source: Washington State Employment Security Division, 2023, Occupational Employment and Wage Statistics.

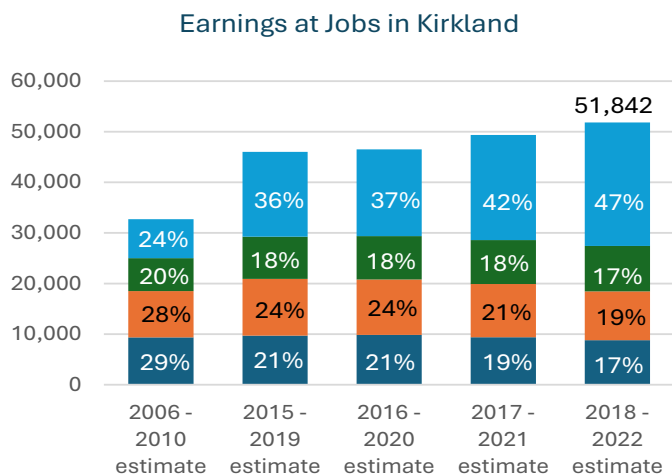


Figure 13 – Sources: U.S. Census Bureau, 2010 – 2022, American Community Survey 5-year Estimates.

Kirkland experienced a 23 percentage-point increase in jobs earning \$75,000 or more between 2010 and 2022.

(Wages are adjusted for inflation to the last year in each period.)

The number of Kirkland jobs paying less than \$50,000 (18,461) is nearly the same as 12 years before but has declined as a percentage of the total.

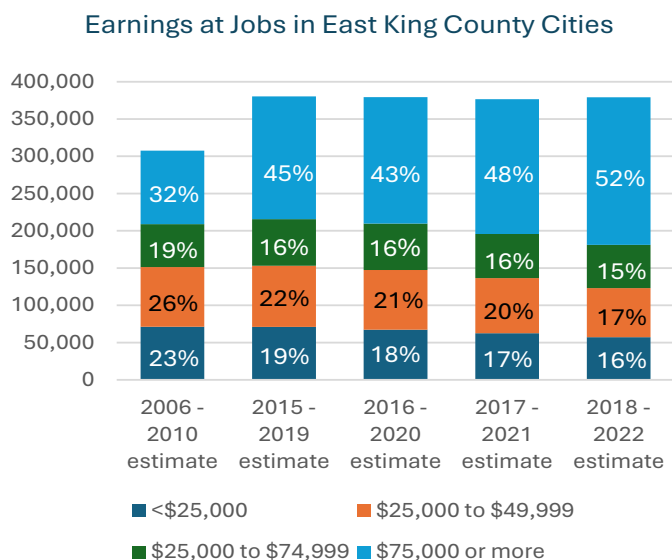


Figure 14 – Sources: U.S. Census Bureau, 2010 – 2022, American Community Survey 5-year Estimates.

Jobs paying more than \$75,000 now make up more than half of all employment across east King County. Jobs paying less than \$50,000 declined by about 28,000 in 12 years.

Because people tend to prefer living closer to work, higher wages usually contribute to higher housing prices.

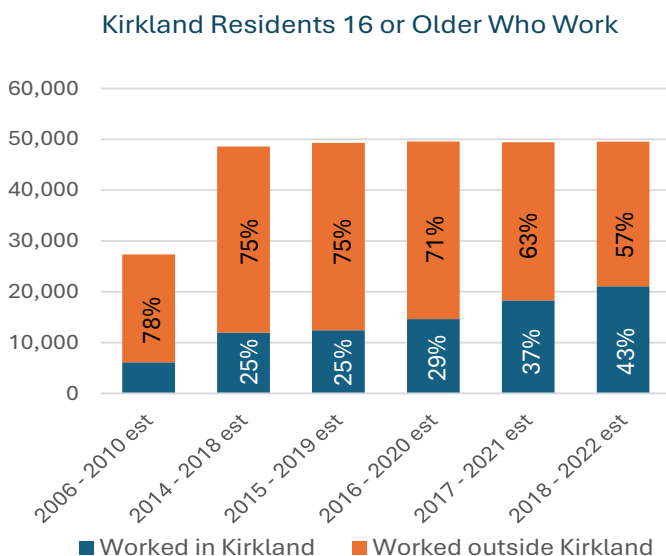
## Commute patterns

	Jobs	Pct
Total Kirkland employment	51,842	100%
Workers commuting into Kirkland	30,764	59%
Kirkland residents working in Kirkland	21,078	41%

A majority (59 percent) of workers commute into Kirkland, ...

Commute to work in Kirkland	8,747
Working at home	12,331

Table 2 – Source: U.S. Census Bureau, 2022 American Community Survey 5-year Estimates.



... but the portion of working Kirkland residents who commuted out of the city has fallen to 57 percent.

Figure 15 – Source: U.S. Census Bureau, 2010 - 2022, American Community Survey 5-year Estimates.

A major source for working locally has been the ability to work at home. Nearly one-quarter of working Kirkland residents worked from home during the period 2018 – 2022, as seen in the following chart.

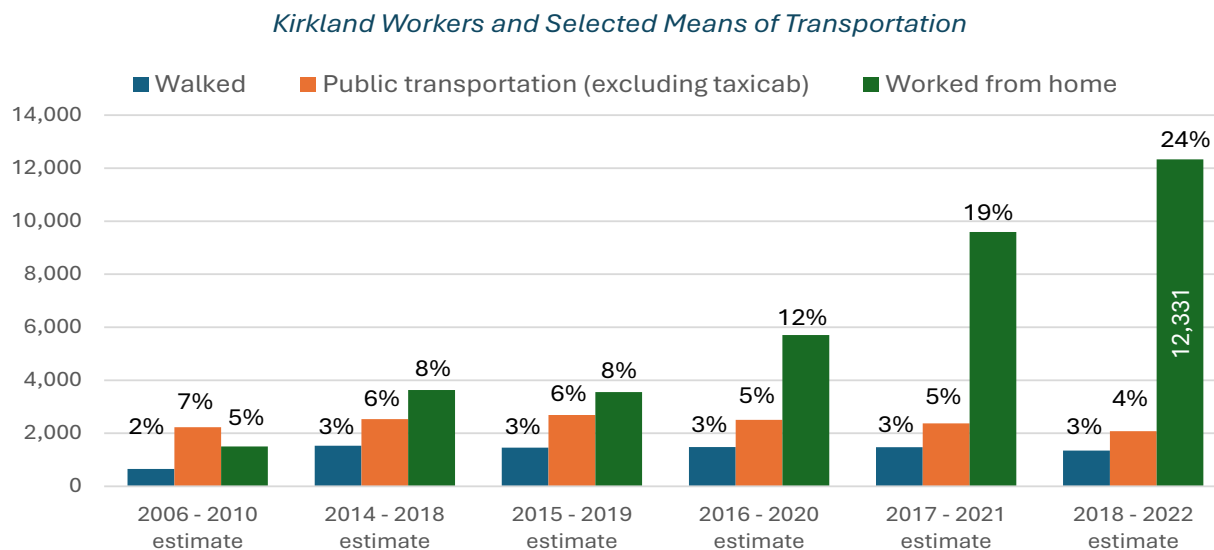


Figure 16: U.S. Census Bureau, 2010 - 2022, American Community Survey 5-year Estimates.

## Household Characteristics

### Growth in Households

As of 2023, Kirkland's total number of households is 39,983, nearly double that of the households in the city prior to the 2011 annexation of Finn Hill, North Juanita, and Kingsgate neighborhoods.

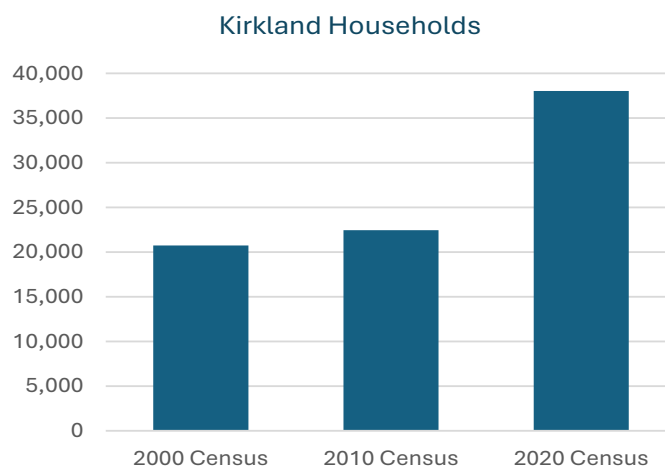


Figure 17 – Source: U.S. Census Bureau, 2000 - 2020 Decennial Census and 2016 - 2020 American Community Survey 5-year Estimates.

### ... and race/ethnicity

Between 2016 – 2020, 70 percent of Kirkland's heads of households were white compared to 60 percent in other east King County cities.

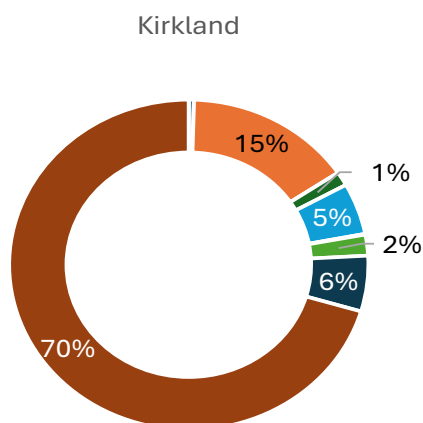
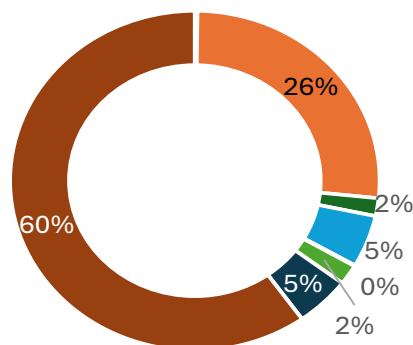


Figure 18– Source: U.S. Housing and Urban Development, 2020 Comprehensive Housing Affordability Strategy 5-year Estimates.

### Race/Ethnicity of Heads of Households

EKC Cities



- American Indian or Alaska Native alone
- Asian alone
- Black or African American alone
- Hispanic or Latino, any Race
- Native Hawaiian or other Pacific Islander
- Other Race alone
- Two or More Races
- White alone

### Household sizes

Larger households (three or more people) grew in proportion to others in Kirkland between 2010 and 2020 due largely to the annexation of Finn Hill, North Juanita, and Kingsgate neighborhoods, where most of the housing are single-family detached homes. On the other hand, one-person households dropped from 36 percent to 28 percent of total households in 2020 (while growing in number from 8,000 to 10,600).

Across east King County, household sizes kept about the same distribution as in 2010, with a smaller decline in one- and two-person households.

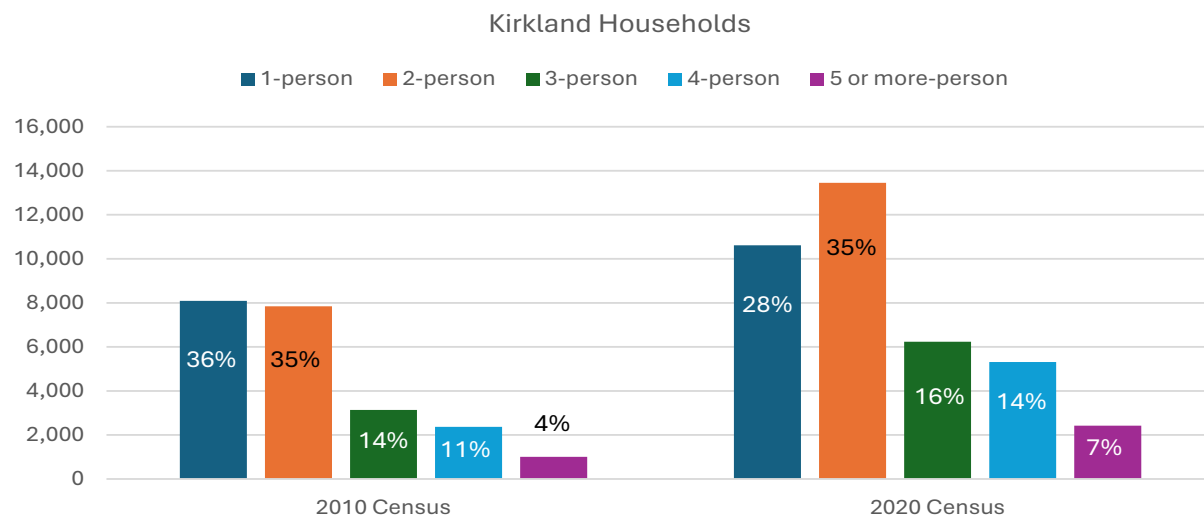


Figure 19 – Source: U.S. Census Bureau, 2022, American Community Survey 5-year Estimates.

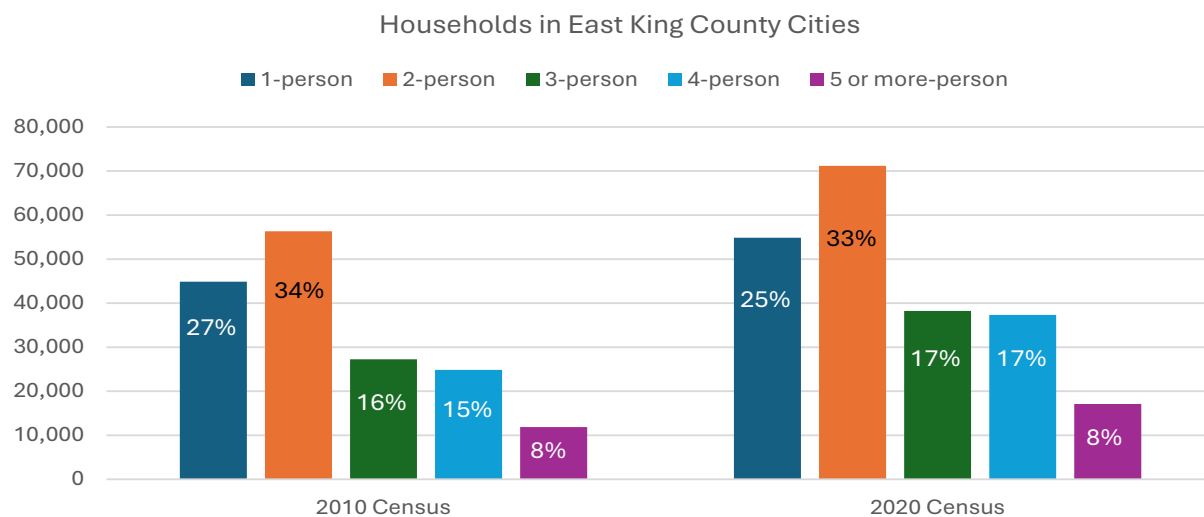


Figure 20 – Source: U.S. Census Bureau, 2022, American Community Survey 5-year Estimates.

## Household types

### Living arrangements

From 2010 and 2020 the share of households that identified as married with no children grew by 4 percentage points, equal in proportion to other east King County cities.

While households identifying as married with children has increased to 22 percent of total households, this household type is smaller in Kirkland than other east King County cities, which is 27 percent.

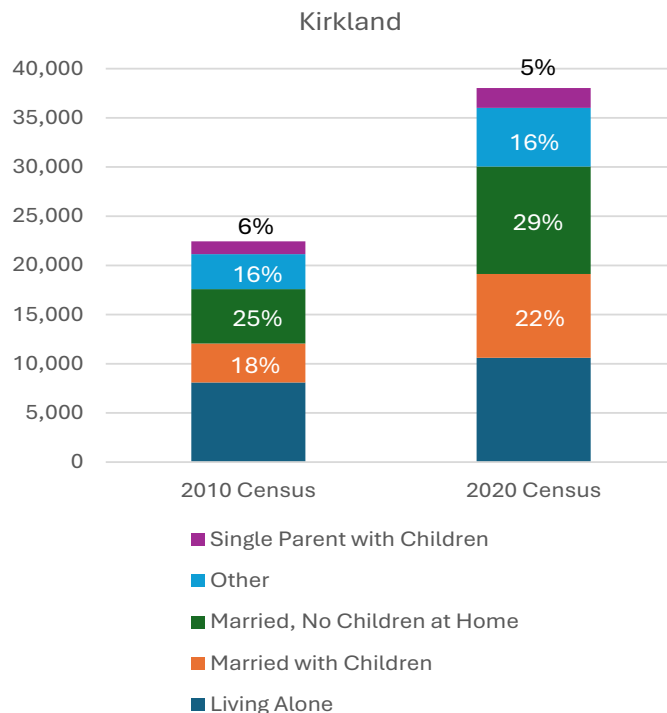
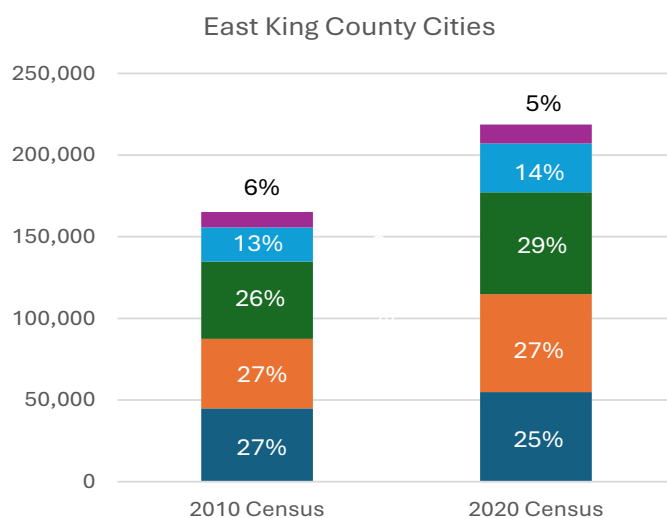


Figure 21 – Sources: U.S. Census Bureau, 2010 and 2020, U.S. Decennial Census.

Households that identified as living alone decreased by 8 percentage points in Kirkland, but this type still a higher percentage than other east King County cities, 28 percent to 25 percent respectively.





### Other types

Particularly interesting in the following table are the growth in “elderly, non-family” households (primarily living alone) who rent and “small families” (two to four people, none of them 62 years or older) who own homes. Some of the latter accrued through annexations in 2011. The former could be concerning when they have little or no income in retirement.

	2006 - 2010 estimate		2016 - 2020 estimate	
	HHs	Pct	HHs	Pct
<b>Elderly family (2 persons, with either or both age 62 or over)</b>	<b>1,894</b>	<b>9%</b>	<b>4,184</b>	<b>11%</b>
Owner occupied	1,509	80%	3,439	82%
Renter occupied	385	20%	745	18%
<b>Elderly non-family</b>	<b>2,360</b>	<b>11%</b>	<b>4,555</b>	<b>12%</b>
Owner occupied	1,610	68%	2,840	62%
Renter occupied	750	32%	1,715	38%
<b>Large family (5 or more persons)</b>	<b>670</b>	<b>3%</b>	<b>1,988</b>	<b>5%</b>
Owner occupied	450	67%	1,329	67%
Renter occupied	220	33%	659	33%
<b>Other household type (non-elderly non-family)</b>	<b>7,920</b>	<b>36%</b>	<b>8,905</b>	<b>24%</b>
Owner occupied	3,480	44%	3,170	36%
Renter occupied	4,440	56%	5,735	64%
<b>Small family (2 persons, neither person 62 years or over, or 3 or 4 persons)</b>	<b>9,324</b>	<b>42%</b>	<b>17,068</b>	<b>47%</b>
Owner occupied	6,115	66%	12,174	71%
Renter occupied	3,209	34%	4,894	29%
<b>Total</b>	<b>22,168</b>	<b>100%</b>	<b>36,700</b>	<b>100%</b>

Table 3 - Source: U.S. Housing and Urban Development, 2010 and 2020 American Community Survey 5-year Estimates.

## Median Household Incomes

In Kirkland, there are significant variations in household incomes among different racial and ethnic groups (Figure 21). All groups report median household incomes greater than \$100,000, yet disparities remain pronounced. Households headed by people identifying as Asian have a median income 25 percent above the city-wide median. Median incomes in households headed Black or Hispanic/Latino residents run 20 to 23 percent below the city-wide median.

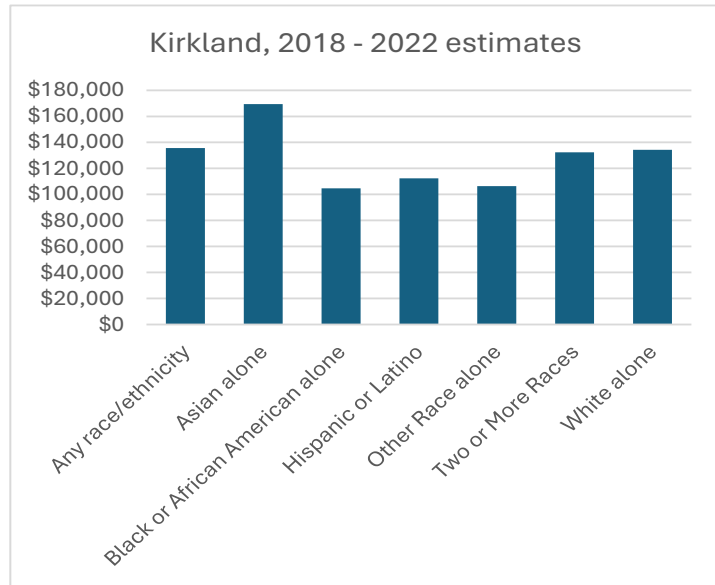


Figure 22 - Source: U.S. Census Bureau, 2022, American Community Survey 5-year Estimates.

The adjacent map shows median incomes for Census tracts in Kirkland overlaid by neighborhood boundaries. Household incomes are highest along Lake Washington and to the south, in Houghton and Bridle Trails.

**Median Household Income Levels, Census Tracts, Kirkland, 2022**

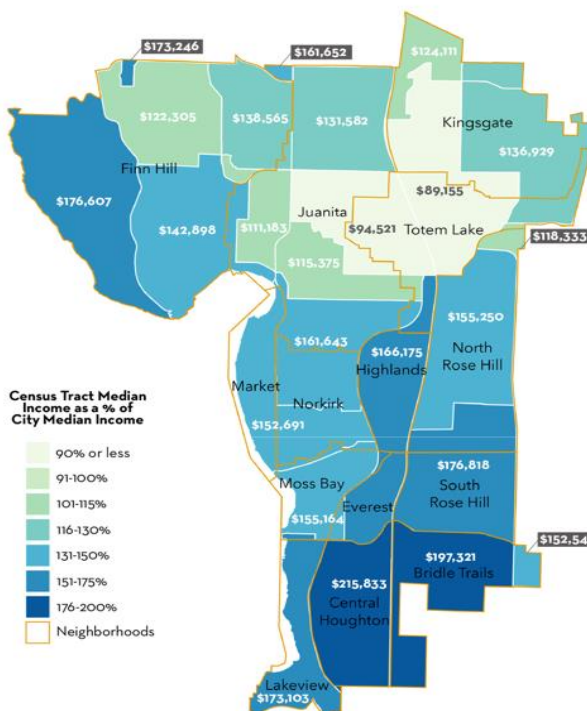


Figure 23 - U.S. Census Bureau, 2022 American Community Survey 1-year Estimates. Mapping by city of Kirkland.

## Household income distributions

Households earning 30 AMI or less increased to 11 percent in the latest estimates. In addition to 2011 annexations that added lower-income households to Kirkland, another factor may be population aging. Those with incomes greater than 120 AMI now account for 54 percent of Kirkland households, a slightly lower percentage but 7,200 more in number.

A table with greater detail, including east King County data, is found in the Appendix.

	2006 – 2010 estimate	2016 – 2020 estimate
<= 30% AMI	8%	11%
> 30% but <= 50% AMI	8%	7%
> 50% but <= 80% AMI	11%	11%
> 80% but <= 100% AMI	6%	9%
> 100% but <= 120% AMI	9%	8%
> 120% AMI	57%	54%

Table 4 - U.S. Housing and Urban Development, 2020 Comprehensive Housing Affordability Survey 5-year Estimates.

**... and race/ethnicity**

Most Kirkland households headed by White-alone (not Hispanic or Latinx) and Asian-alone (not Hispanic or Latinx) residents make more than 100 AMI. Black and Native-headed households, while small in number, tend to have much lower incomes.

**Household Incomes by Race/Ethnicity of Heads of Households, Kirkland, 2018 - 2022**

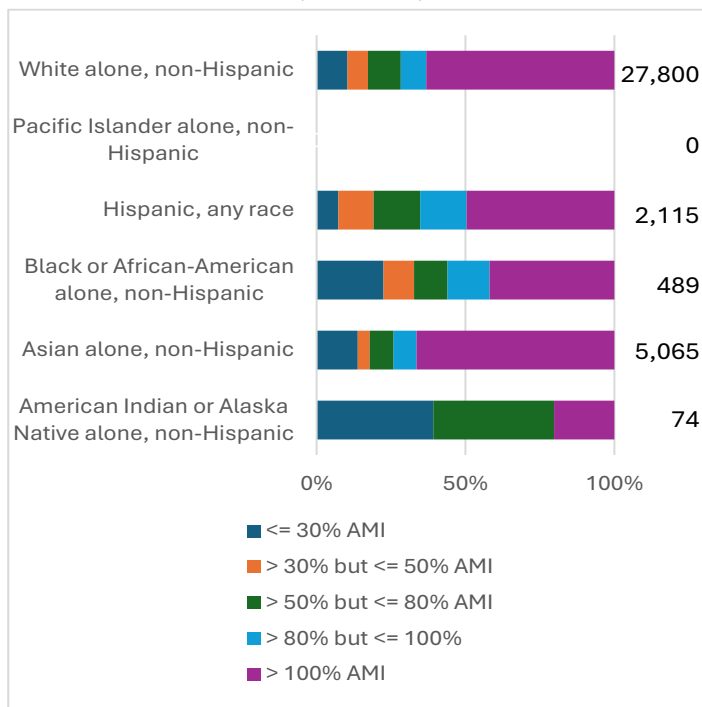


Figure 24 - Sources: U.S. Housing and Urban Development, 2022 Comprehensive Housing Affordability Strategy 5-year Estimates

## Displacement risk

Displacement risk means residents are vulnerable to involuntary relocation because their housing may become too expensive for them or redeveloped for new housing or other uses. Puget Sound Regional Council (PSRC) produced a displacement index using a composite set of risk indicators, including socio-demographics, transportation qualities, neighborhood characteristics, housing, and civic engagement.

Parametrix (a consulting firm whom the city hired) used PSRC's index to forecast Kirkland's potential housing displacement by 2044, illustrated in the adjacent map.

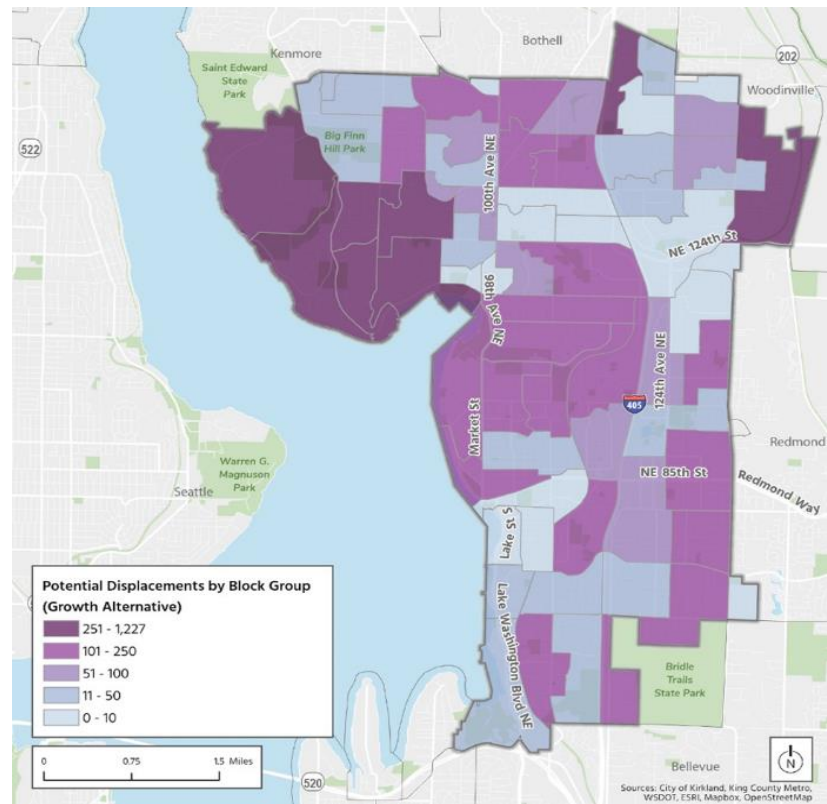


Figure 25 - Source: Parametrix P5-76, Figure 4.3-6. Direct Displacements by Census Block Group in the Growth Alternative.

Neighborhoods like Totem Lake, North Rose Hill, and Central Houghton are expected to see significant growth in multi-unit developments. However, the estimated displacement figures might be understated as they do not factor in the potential impact of specific large-scale projects. In addition, newly adopted upzoning policy for the North and South Rose Hill neighborhoods, along the NE 85th Street, may not be considered in both table and maps, which may lead to more housing opportunities but higher displacement risk in those areas.

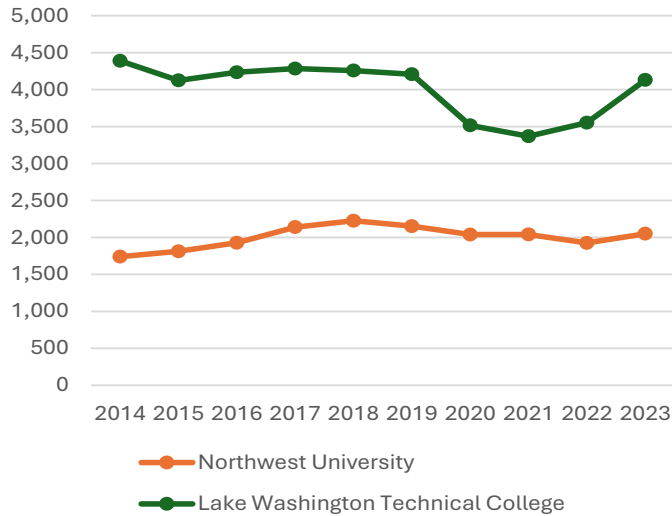
Forecast Growth Alternative, 2044

Neighborhood	Addi onal Housi ng Units by 2044	Estimated Net New Single- Family Units	Estimated Net New Multi-Unit Housing Units	Estimated Total Displace- ment
Bridle Trails	398	22	375	10
Central Houghton	1,133	24	1,109	12
Everest	130	4	125	2
Finn Hill	423	389	34	175
Highlands	37	25	12	11
Juanita	845	115	730	52
Kingsgate	310	121	189	55
Lakeview	487	5	482	3
Market	653	33	620	15
Moss Bay	470	-	470	-
Norkirk	496	22	475	10
North Rose Hill	1,493	44	1,448	21
South Rose Hill	732	25	707	12
Totem Lake	2,465	-	2,465	3
<b>Citywide Total</b>	<b>10,071</b>	<b>829</b>	<b>9,242</b>	<b>382</b>

Table 5 - Source: City of Kirkland, 2044 Comprehensive Plan Update and Transportation Strategic Plan: Development Capacity Analysis, 2024.

## Other Housing Demand Characteristics

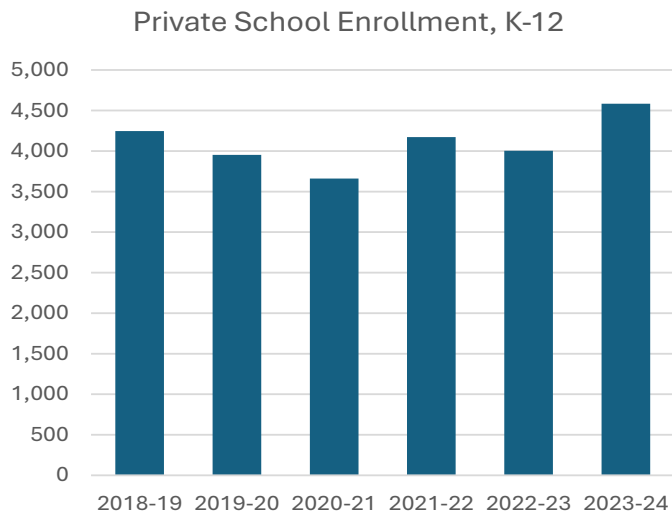
### College enrollment



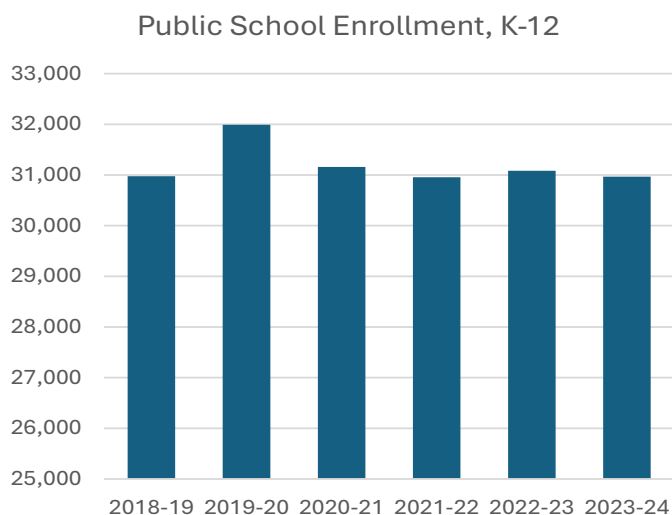
College students (especially full-time students) create housing demand both on and off-campus. College enrollment trends at Northwest University and Lake Washington Technical College show a dip around 2020-2021, potentially influenced by the pandemic, but a rebound in 2023 suggests a recovery, indicating that student housing demand could also be stabilizing or increasing after recent fluctuations.

Figure 26 - Source: Washington State Board of Community and Technical Colleges, 2024 Enrollment Data Dashboard; Northwest University, 2023 Fall Enrollment Report.

### Private school enrollment



Private elementary and secondary schools do not tend to affect housing demand the same way as colleges and universities but may attract families for various reasons. Kirkland private schools saw a decline (or inconsistent report) during the pandemic but have since rebounded, reflecting a recovery in housing interest near these schools.



Families often cite public school quality among their top reasons for choosing where to live. According to the Washington Office of Superintendent of Public Instruction, student enrollment of Lake Washington School District has remained stable, indicating consistent housing demand in this area.

*Figure 27 - Source: the Washington State Board of Education, Private School Enrollment, 2024; Washington Office of Superintendent of Public Instruction, 2024 Report Card Enrollment.*



## Housing Supply

### General Housing Inventory

#### Overall housing supply and building type

Kirkland's housing inventory rose to 42,956 homes in 2023. Single-family, detached homes still make up the majority of Kirkland's housing supply, but the percent of multi-unit housing has increased steadily.

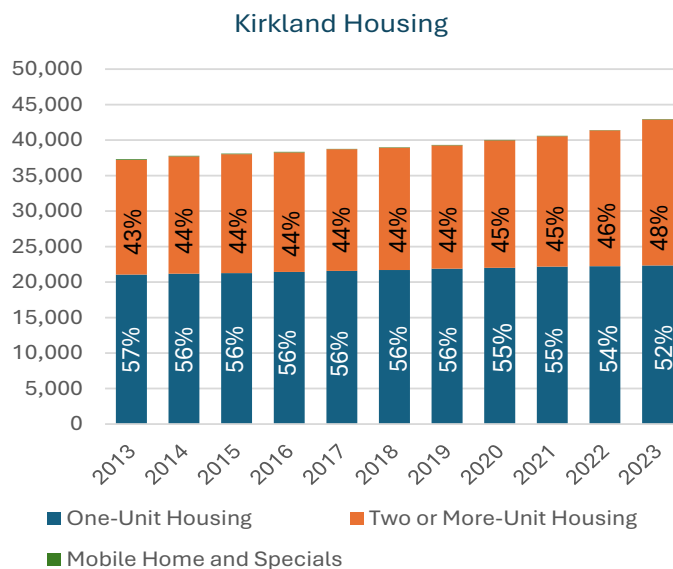


Figure 28 – Source: Washington Office of Financial Management, 2023, Postcensal Estimates of Housing.

#### Housing age

Kirkland has a larger share of housing built between 1970 – 1989 (42 percent) than other east King County cities (34 percent). Twenty-two (22) percent of the housing stock is 55 years old or older, i.e., built before 1970. Older homes tend to be smaller than newer homes and many are found on larger lots (e.g., 9,600 square feet or more), which make them candidates for addition or replacement.

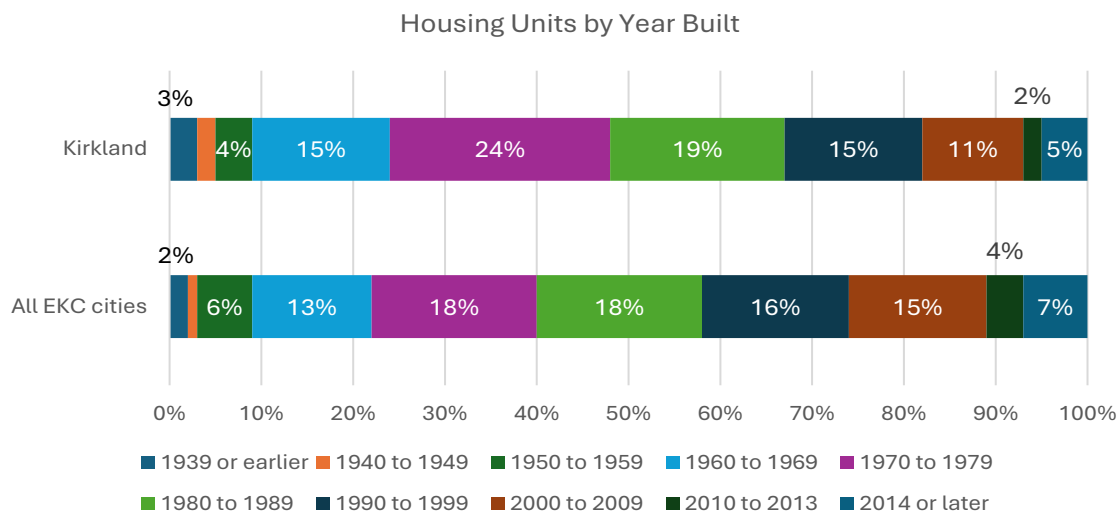


Figure 29 – Source: U.S. Census Bureau, 2022 American Community Survey 5-year Estimates.

### Unit Sizes; Bedrooms

Over the past ten to twelve years, the stock of four-or-more-bedroom homes has grown faster than smaller homes – for both owner- and renter-occupancy. Some of this, again, results from annexations and some from the larger sizes of new construction.

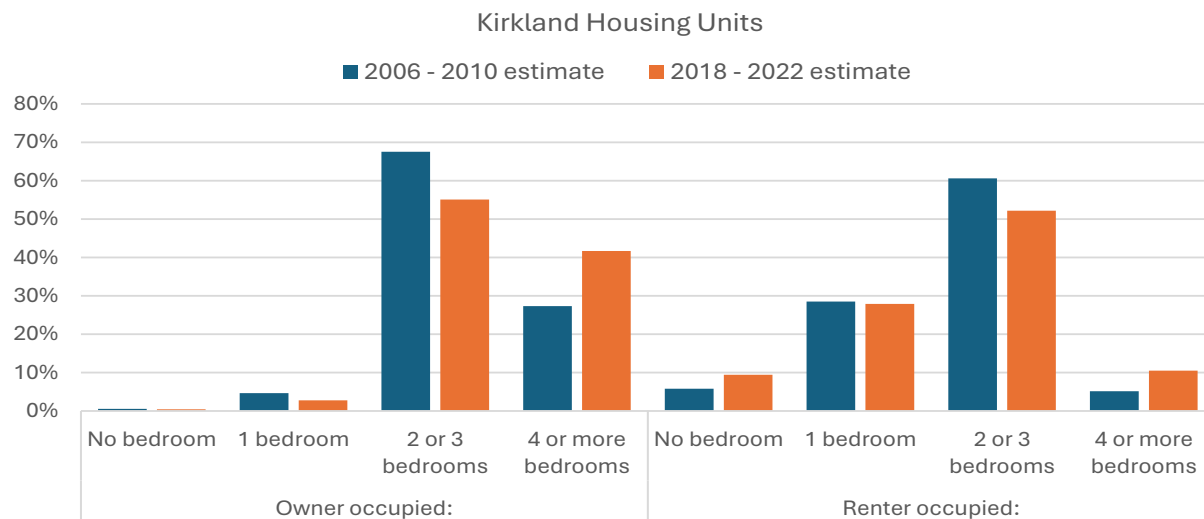


Figure 30 - Source: U.S. Census Bureau, 2010 and 2022 American Community Survey 5-year Estimates.

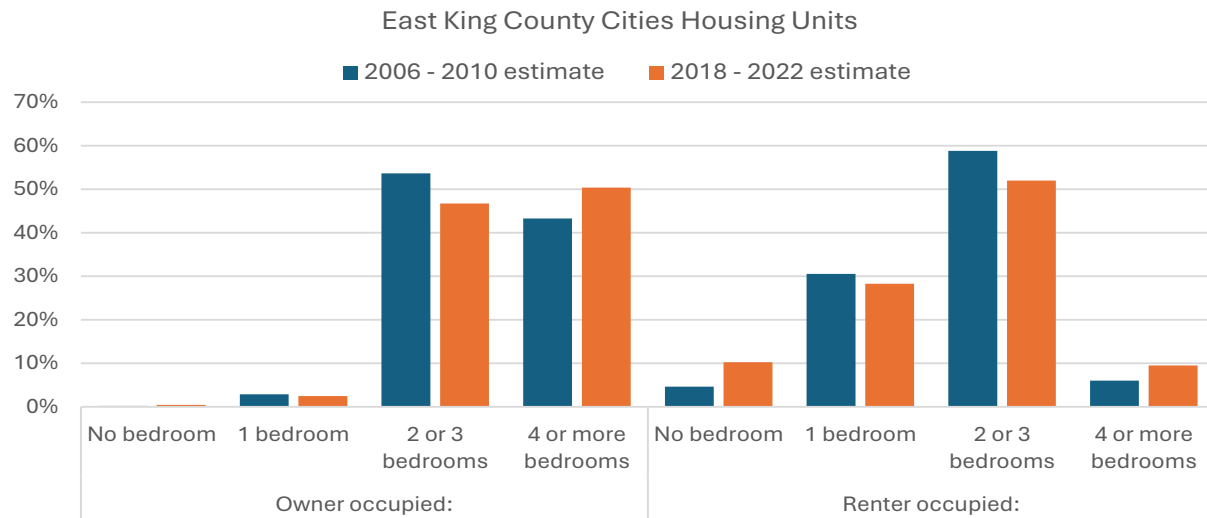


Figure 31 - Source: U.S. Census Bureau, 2010 and 2022 American Community Survey 5-year Estimates.

### Housing condition

Kirkland, as in east King County overall, has a very small number of homes lacking complete plumbing or kitchen facilities.

#### Housing Units Lack Plumbing or Kitchen Facilities<sup>1</sup>

Housing Units Lacking Plumbing Facilities	Owner occupied	Renter occupied
Kirkland	0.2%	0.3%
East King County	0.2%	0.4%

Table 6 –Source: U.S. Census Bureau, 2022 American Community Survey 5-year Estimates.

Housing Units Lacking Kitchen Facilities	Owner occupied	Renter occupied
Kirkland	0.3%	2.6%
East King County	0.3%	2.1%

### Housing tenure

Kirkland has experienced an increase in owner-occupied units due to the annexation of Finn Hill, North Juanita, and Kingsgate neighborhoods in 2011. Nevertheless, owner-occupied units continue to make up the majority of housing units in the area.

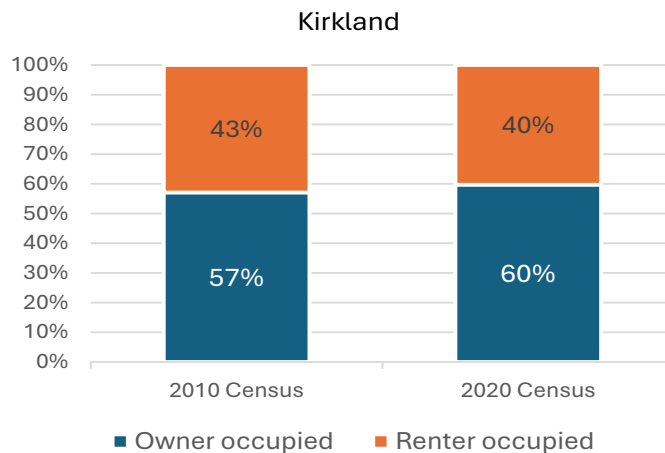


Figure 32 – Sources: U.S. Census Bureau, 2010 and 2020, U.S. Decennial Census.

Across King County region, there has been a considerable increase in renter-occupied units.

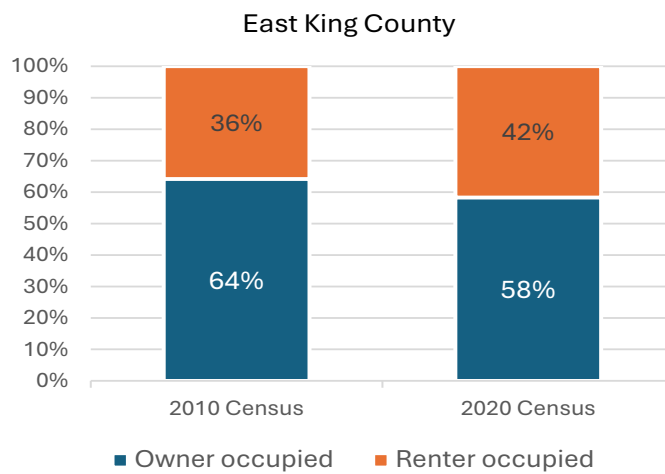
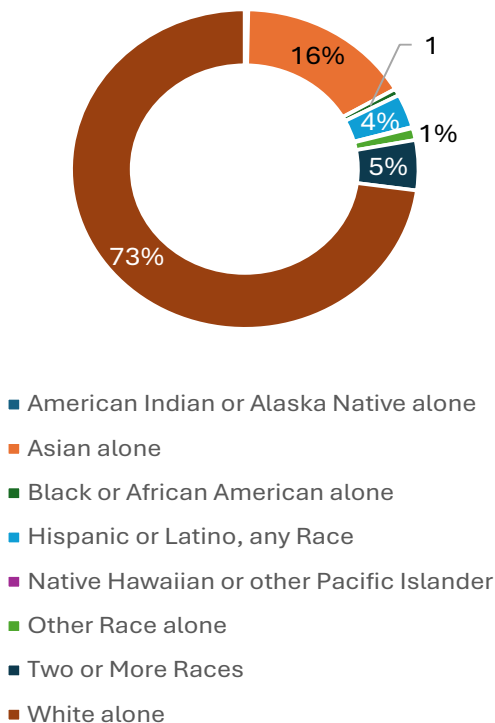


Figure 33 – Sources: U.S. Census Bureau, 2010 and 2020, U.S. Decennial Census.

*... and race/ethnicity*

The vast majority of homeowners are white alone population at 73 percent, followed by 16 percent from Asian-alone homeowners. The demographics of renters are slightly more dispersed, with 70 percent of the White-alone population, followed by 13 percent Asian-alone and 8 percent Hispanic/Latinx.

Heads of Kirkland Homeowner Households



Heads of Kirkland Renter Households

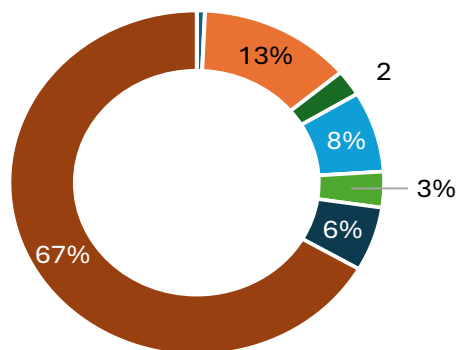


Figure 34 – Source: U.S. Housing and Urban Development, 2020 Comprehensive Housing Affordability Strategy 5-year Estimates.

## Special Housing Inventory

### *Income- or price-restricted units in Kirkland*

These are housing units with affordability connected to legally binding agreements between owners and the City of Kirkland, funders, or other parties. The Partnerships and Strategies section of this report describes in more detail the programs (land use, MFTE, funding) that the city employs to create these units.

Through a combination of regulations, incentives, and funding, the city has helped create 758 affordable homes for low- and very low-income residents throughout Kirkland, and that number increases each year.

The King County Housing Authority owns 217 units of public housing in Kirkland along with 348 other units they refer to as “workforce housing.”

The Appendix has a complete list of these properties.

Summary Table

	Land Use and/or MFTE	ARCH Trust Fund or Direct City Funding	King County Housing Authority <sup>1</sup>	Other Providers or Sources	Total
Subsidized Housing <sup>2</sup>	-	-	217	-	217
<=30 AMI	-	169	*	-	169
>30 – 49 AMI	-	73	*	-	73
50 AMI	138	160	*	45	343
60 – 70 AMI	39	87	136	75	337
80 AMI	75	-	212	-	287
>80 AMI – 100 AMI	17	-	-	-	17
>100 – 120 AMI	-	-	-	-	-
<b>Total</b>	<b>269</b>	<b>489</b>	<b>565</b>	<b>120</b>	<b>1,443</b>

Table 7 - Source: A Regional Coalition for Housing (ARCH), 2024.

<sup>1</sup> Excludes units funded by ARCH Trust Fund or city of Kirkland directly.

<sup>2</sup> KCHA uses the term “Subsidized Housing” for housing units where rents are determined by the occupant’s household income rather than a percentage of AMI.

\* KCHA does not report specific rent or income limits for Subsidized Housing, but most or all would qualify in these income categories.

Nine hundred (900), or 63 percent, of Kirkland’s income- and price-restricted units are reasonably accessible to transit service and represent about five (5) percent of the total housing units in those transit corridors.

### Within a half-mile walkshed of high-capacity or frequent transit service

Transit Corridor	Income- and cost-restricted units	All dwelling units
NE 124 <sup>th</sup> St/NE 128 <sup>th</sup> St from 100 <sup>th</sup> Ave NE to Totem Lake Transit Center	432	4,140
NE 68 <sup>th</sup> St/NE70th Pl from 6 <sup>th</sup> St S to 132 <sup>nd</sup> Ave NE	19	1,305

NE 85 <sup>th</sup> St from Downtown Transit Center to 132 <sup>nd</sup> Ave NE	76	4,116
Market St/98 <sup>th</sup> Ave NE from Downtown Transit Center to NE 124 <sup>th</sup> St	82	3,180
108 <sup>th</sup> Ave NE/6 <sup>th</sup> St/98 <sup>th</sup> Ave NE from Downtown Transit Center to S Kirkland Park & Ride	69	1,093
Lake St/Lake Washington Blvd NE from Downtown Transit Center to S Kirkland Park & Ride	63	2,916
124 <sup>th</sup> Ave NE/Totem Lake Blvd from NE 85 <sup>th</sup> St to Totem Lake Transit Center	159	1,861
<b>All Transit Corridors</b>	<b>900</b>	<b>18,611</b>

Table 8 - Sources: A Regional Coalition for Housing (ARCH) and City of Kirkland, March 26, 2024, Memorandum: 2044 Comprehensive Plan Update and Transportation Strategic Plan: Development Capacity Analysis.

Forty-two (42) percent of Kirkland's income- and price-restricted units are located within the city's two designated regional centers, composing five (5) percent of all the housing in those centers.

Within regional centers:		
Regional Center	Income- and cost-restricted units	All dwelling units
Greater Downtown Kirkland	130	9,700
Totem Lake	474	3,320
Elsewhere	839	29,940
<b>Total</b>	<b>1,443</b>	<b>42,960</b>

Table 9 - Sources: A Regional Coalition for Housing (ARCH) and Puget Sound Regional Council, 2024.

### **Emergency housing, shelters, and permanent supportive housing beds**

Kirkland has about 25 percent of the emergency housing and shelter beds available in east King County and six (6) percent of the permanent supportive housing (PSH) units, i.e., long-term housing with services addressing the needs of people experiencing homelessness, such as health care and case management.

		Beds
Kirkland	Emergency	149
	PSH	12
EKC cities	Emergency	605
	PSH	192
King County	Emergency	6,071
	PSH	6,168

Table 10 - Sources: King County, 2023 Countywide Planning Policies.

### Group homes or care facilities

Group homes are licensed by the state of Washington to provide housing and certain levels of care, depending on classification. Some of the homes in this table are income- or cost-restricted and counted in those tables as well. Many are not income- or cost-restricted.

Group Homes	Adult Family Home	Assisted Living	Nursing Home	Grand Total
Bellevue	765	934	69	1,768
Bothell	496	472	99	1,067
Issaquah	70	441	302	813
Kenmore	162	100	-	262
Kirkland	343	486	190	1,019
Mercer Island	31	337	43	411
Newcastle	60	225	-	285
Redmond	147	555	200	902
Sammamish	55	15	-	70
Woodinville	62	53	-	115
<b>Total</b>	<b>2,191</b>	<b>3,618</b>	<b>903</b>	<b>6,712</b>

Table 11 - Source: Washington Department of Social and Health Services, 2023.

### Other housing reserved for older adults

Independent living facilities are not licensed the way that assisted living facilities are. The properties shown in this table are not income- or cost-restricted. One used public funding, a state “80/20 bond program” for which the facility promises to set aside units for people with disabilities.

#### Independent Living Facilities in Kirkland

Neighborhood	Facilities	Units
Lakeview	1	76
Moss Bay	2	221
Totem Lake	3	282
<b>Total</b>	<b>6</b>	<b>579</b>

Table 12 - Source: City of Kirkland, 2024.

### Housing for homeless individuals; shelters, transition, etc.

Most of these have received funding from the city of Kirkland through the ARCH Trust Fund. (The counts vary from those in Table 9, above, due to the different sources and dates from which the information was gathered.)

	Emergency Shelter	Transitional Housing	Other Permanent Housing	Permanent Supportive	Total
Adult-Only Beds	-	-	27	21	<b>48</b>
Child-Only Beds	16	4	-	-	<b>20</b>
Chronic Beds	-	-	-	-	-
Family Beds	52	72	8	3	<b>135</b>
Overflow / Voucher	-	-	-	-	-
Seasonal	-	-	-	-	-
Veteran Beds	-	-	-	24	<b>24</b>



	Emergency Shelter	Transitional Housing	Other Permanent Housing	Permanent Supportive	Total
Youth Beds	51	4	-	-	55
Total Beds	103	76	35	24	238
Family Units	10	17	3	1	31

Table 13 - Source: U.S. Housing and Urban Development, 2023, Housing Inventory Count.  
 Note: Some beds are counted in more than one row.

## Housing Market Conditions

### Sales prices

Resale prices can be a better indicator of house price inflation than new home prices. Resale prices in all parts of Kirkland increased significantly in the past ten years, as they have across east King County. In 98033, the more expensive of Kirkland's two ZIP codes, sales prices were 150 percent higher in 2023 than in 2013. In 98034 the increase was 168 percent over the same period.

Prices rose 142 percent across all east King County cities.

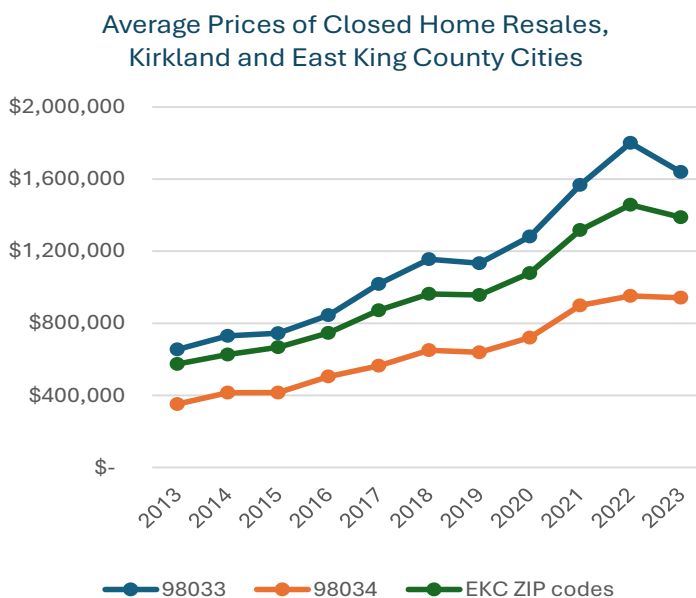


Figure 35 - Source: Redfin, 2024, custom tabulation.

In both areas of Kirkland, resale prices rose more for detached single-family homes than for condos and townhomes. In 98033, for example, detached homes sold for 43 percent more, on average, than condos and townhomes; but in 2023, this increased to 67 percent. No doubt this was affected by the difference in sizes and prices of newer homes during the period.

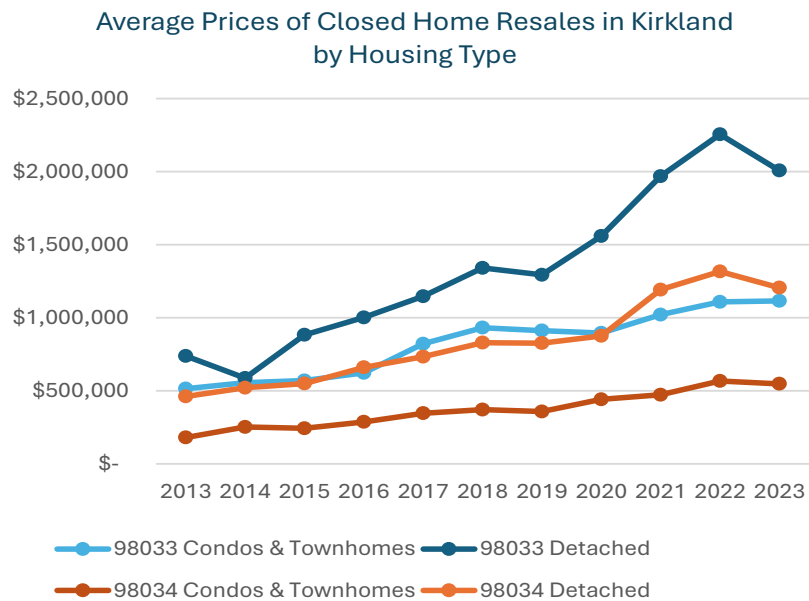


Figure 36 - Source: Redfin, 2024, custom tabulation.

## Land Capacity

### Land available to meet housing demand

#### ***Residential land zoned for moderate- and high-density housing and accessory dwelling units.***

Percent of Residential-Only-Zoned Land			
Area	Zoned for Medium- or High-Density		Zoned for Accessory Dwelling Units
	Pct of Area	Pct of City Total	
Bridle Trails	77%	16%	100%
Central Houghton	6%	2%	100%
Everest	28%	3%	100%
Finn Hill	4%	6%	100%
Highlands	8%	2%	100%
Juanita	21%	25%	100%
Kingsgate	10%	9%	100%
Lakeview	52%	7%	100%
Market	2%	0%	100%
Moss Bay	77%	8%	100%
Norkirk	8%	2%	100%
Rose Hill	14%	12%	100%
Totem Lake	96%	8%	100%
City Total		100%	100%

Kirkland's zoning strategies vary considerably by neighborhood to meet the diverse housing needs of our community. Totem Lake stands out with 96 percent of its area zoned for medium- or high-density. Bridle Trails and Moss Bay are heavily zoned for medium- or high-density residential use, with both areas accounting for 77 percent of their respective lands dedicated to such developments.

Table 14 – Source: City of Kirkland, 2024 Community Profile.

#### ***Existing housing development capacity within a half-mile walkshed of high-capacity or frequent transit service:***

Existing Development Capacity (Housing Units)	
Transit Corridor	
NE 124 <sup>th</sup> St/NE 128 <sup>th</sup> St from 100 <sup>th</sup> Ave NE to Totem Lake Transit Center	993
NE 68 <sup>th</sup> St/NE70 <sup>th</sup> Pl from 6 <sup>th</sup> St S to 132 <sup>nd</sup> Ave NE	100
NE 85 <sup>th</sup> St from Downtown Transit Center to 132 <sup>nd</sup> Ave NE	2,820
Market St/98 <sup>th</sup> Ave NE from Downtown Transit Center to NE 124 <sup>th</sup> St	372

108 <sup>th</sup> Ave NE/6 <sup>th</sup> St/98 <sup>th</sup> Ave NE from Downtown Transit Center to S Kirkland Park & Ride	86
Lake St/Lake Washington Blvd NE from Downtown Transit Center to S Kirkland Park & Ride	651
124 <sup>th</sup> Ave NE/Totem Lake Blvd from NE 85 <sup>th</sup> St to Totem Lake Transit Center	998
<b>All Transit Corridors</b>	<b>6,020</b>

*Table 15 - Source: City of Kirkland, March 26, 2024, Memorandum: 2044  
Comprehensive Plan Update and Transportation Strategic Plan: Development  
Capacity Analysis.*

## Gap analysis: Housing Needs

### Housing for Local Workers

For workers earning under \$50,000 annually, affordable housing options are limited. Ideally, these individuals should spend no more than 30% of their income on housing, equating to about \$1,350 per month. However, given the current housing market in Kirkland, finding suitable housing within this budget is increasingly difficult due to rising prices driven by demand from higher earners.

The influx of higher-paying jobs has escalated housing demand, pushing up prices and reducing affordable options. Professionals earning \$75,000 or more can afford higher rents or mortgages, leading to a focus on housing development for this group and exacerbating affordability issues for lower-income workers. This dynamic drives gentrification, reducing the availability of affordable housing and making it challenging for lower-income residents to find suitable accommodation.

### Jobs-housing balance

Kirkland's relatively high housing-job ratio indicates a better balance between jobs and housing compared to the entire east king county and surrounding cities like Bellevue and Redmond, with nearly 1.25 jobs for every housing unit. However, the slight decrease in this ratio over time in Kirkland suggests that job growth is starting to outpace housing development.

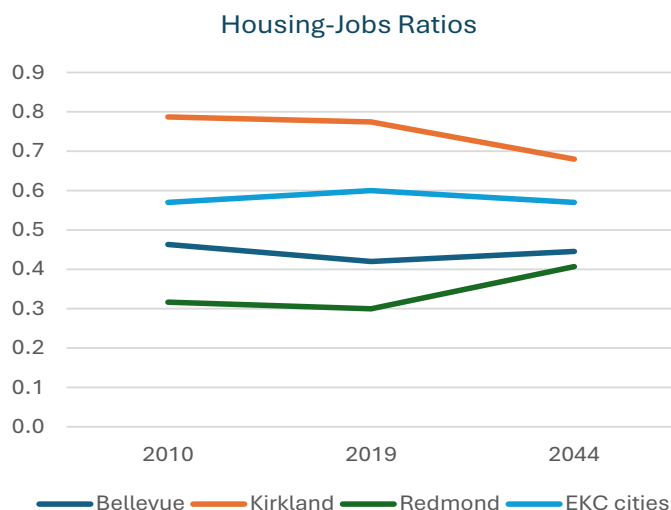


Figure 37 – Sources: King County, 2023, Countywide Planning Policies; Washington State Office of Financial Management, 2023, April 1 Housing Estimates; Puget Sound Regional Council, 2023, Covered Employment.

Simple housing-to-jobs ratios can be difficult to interpret. The adjacent chart uses workers per household data to convert the number of jobs to an estimate of the housing demand created by jobs. Dividing the housing demand by the housing supply gives a ratio for comparison to a “balanced” ratio of 1.0. Ratios greater than 1.0 mean that the jurisdiction has more housing demand from jobs than housing units to meet the demand. Ratios below 1.0 mean that the jurisdiction has more than enough housing units for the local workforce and probably has a relatively high percentage of workers commuting to other places for work. By this measure, Kirkland has a virtually ideal jobs-housing balance.

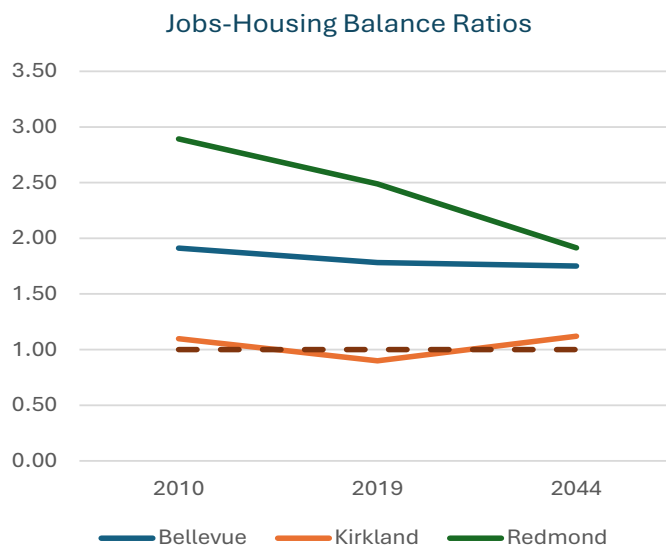


Figure 38 - Sources: King County, 2023, *Countywide Planning Policies*; Washington State Office of Financial Management, 2023, April 1 *Housing Estimates*; Puget Sound Regional Council, 2023, *Covered Employment*.

#### Alignment of household size to housing unit sizes

While Kirkland offers an array of housing options, there are notable misalignments between the availability of certain unit sizes and the demographics of household sizes. Simply on the basis of one person per bedroom, surpluses of three-bedroom and four-bedroom units exist in Kirkland, where smaller households may occupy larger homes than needed. Conversely, one-bedroom units are underrepresented, suggesting unmet demand.

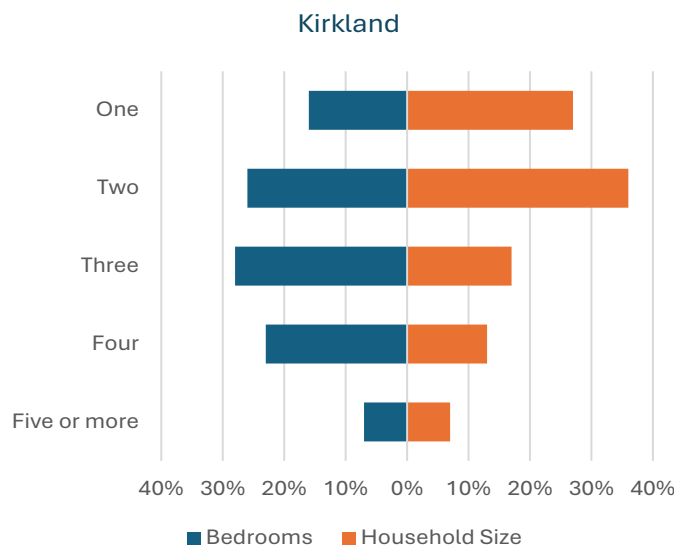


Figure 39 - Source: U.S. Census Bureau, 2022 American Community Survey 5-year Estimates.

The phenomenon is similar across east King County. A common cause is “empty nester” households; many of these can afford their current housing costs but not the alternatives in their present communities.

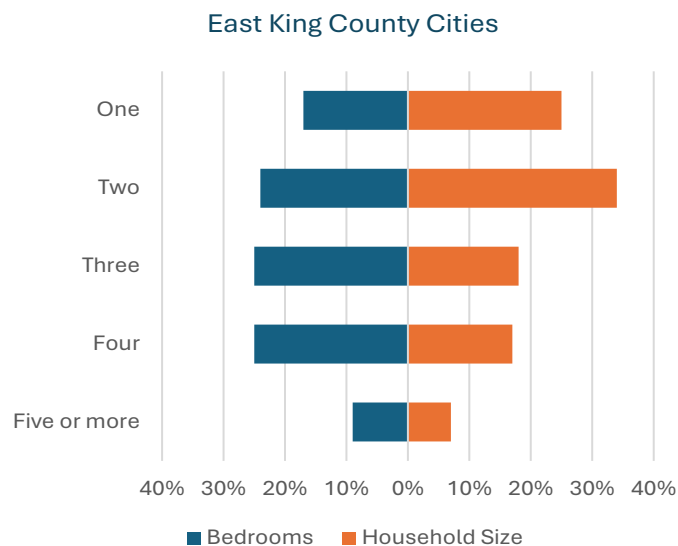


Figure 40 - Source: U.S. Census Bureau, 2022 American Community Survey 5-year Estimates.

Running counter to the idea of “right-sizing” homes to household sizes is the trend toward working at home. Extra bedrooms can be useful as home offices, for example. This may extend the demand for more bedrooms or, perhaps, new floor plans with work spaces designed in.

## Housing for Older Adults

As Kirkland's demographic projections indicate, the population aged 65 to 79 will increase to 13 percent by 2030, and those aged 80 and older will rise to 6 percent by 2044. This shift underscores a critical need to address housing accommodations tailored to the needs of an aging population.

The expansion of age-appropriate housing is imperative. There needs to be an increase in both quantity and variety of housing options such as single-level homes, senior living communities, and facilities that provide medical and daily living support. This expansion will ensure that seniors have the ability to remain in their community as their living needs evolve, thereby fostering a stable and supportive environment for this growing segment of the population.

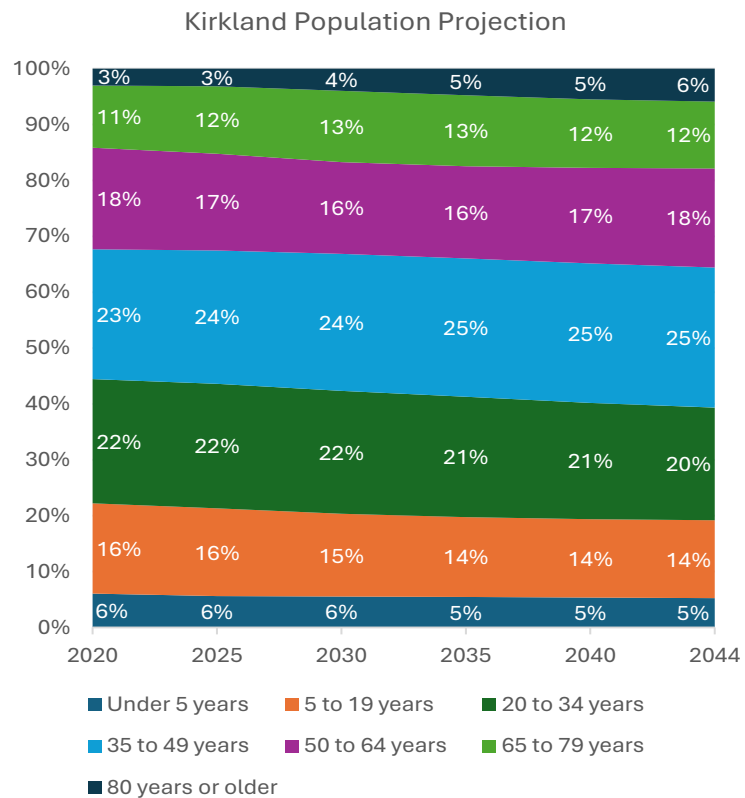


Figure 41 - Sources: U.S. Census Bureau, 2023 National Population Projections, and A Regional Coalition for Housing (ARCH).

## Local History of Racially Exclusive and Discriminatory Land Use and Housing Practices

Many of the racially exclusive and discriminatory land use and housing practices of the region existed well before Kirkland became a city. The following are some examples of racially exclusive and discriminatory practices, in the United States, in the Pacific Northwest, and in Kirkland, which impact land use, housing, and property. This list draws from selected sources of the Resources for Documenting the Local History of Racially Exclusive and Discriminatory Land Use and Housing Practices produced by King County. Additional sources are drawn from *Kirkland Yesterday, Today, Tomorrow*, by historian Dr. Lorraine McConaghy, produced for the 2044 Kirkland Comprehensive Plan, and located in [Appendix \[\[X\]\]](#).

### ***Treaties with Indigenous People and American Colonialism (1850-60s)***

In the mid-1800s, settlers – primarily from eastern America, Europe, and East Asia – arrived in areas of the Pacific Northwest where Indigenous Coast Salish peoples have lived since time immemorial. Present-day Kirkland is in the traditional heartland of the Lake People and the



River People. At least three indigenous village or longhouse sites existed in Kirkland, at Yarrow Bay, on the central waterfront of Kirkland, and at Juanita Bay.

The Treaties of Medicine Creek in 1854 and Point Elliot in 1855 resulted in the ceding of millions of acres of land previously used and occupied by Coast Salish peoples. These treaties recognized sovereign tribal nations and established reservation homelands and laid out a complex set of land use rights for federally recognized tribes. They established title to indigenous land and water to free it for newcomer settlement. The settlers' idea of land as a commodity to be bought, sold, and owned by individuals was unfamiliar to indigenous people, and the practice – codified by treaty – would eventually dispossess them. Since the signing of treaties federal and state policies also infringed upon tribal authority and destabilized tribal communities through assimilation or termination.

#### ***Black Exclusion Laws in Oregon Territory (1844-1853)***

Before territorial status in 1853 and statehood in 1889, Washington State was part of the Oregon Territory, which forbade Black people from settling in the area. Black exclusion laws covered what now encompasses King County until 1853 and stayed in place until the end of the American Civil War and the passage of the Fourteenth Amendment in 1868.

#### ***Chinese Exclusion and Alien Land Laws (1882-1965)***

Federal and state governments severely limited the ability of immigrants of Chinese, Japanese, and other East Asian descents to naturalize, own land, conduct business, and/or otherwise access the same rights offered to White Americans. Federal and state exclusion and alien land laws lasted well into the 20th century and affected all jurisdictions within King County. For example, first generation Japanese residents in Kirkland living on farms on Rose Hill, in Juanita, and in the Yarrow Bay wetlands were forbidden by law to become citizens or to own land and their “property” was lease-held.

#### ***Exclusionary Zoning (1910s-Present)***

Starting in the early 20th century, municipalities around the country began to use zoning as an explicit tool of racial segregation. Even upon the Supreme Court ruling in *Buchanan v. Wiley* (1917) that racial zoning was unconstitutional, city planners continued to use zoning restrictions that limited the types and density of buildings (e.g., minimum lot size requirements, minimum square footage, prohibitions on multifamily homes, and height limits) to covertly exclude low-income and BIPOC communities from wealthier and Whiter residential districts. In tandem with other racially exclusive and discriminatory practices, like racially restrictive covenants, exclusionary zoning policies produced systemic barriers to homeownership and educational opportunities for BIPOC, particularly Black residents. These practices also contributed to the racial wealth gap by limiting housing supply and excluding BIPOC communities from wealth generation opportunities that homeownership confers. Today, many exclusionary zoning restrictions developed as covert methods of racial exclusion in the early 20th century still exist in residential districts across King County.

While Kirkland has developed more multifamily in recent years, its history of single-family exclusionary zoning has made the city largely a lower-density residential community. Today, 56 percent of Kirkland land use is single-family residential.

***Racially Restrictive Covenants (1926-1948)***

Racially restrictive covenants refer to documents such as deeds, plats, and homeowners' association bylaws used by property owners to restrict the sale of a property to someone based on their race. Starting in the early 20th century, racial covenants on property deeds gained popularity as a tool for restricting racial mixing in residential neighborhoods. To date, it is known that at least three Kirkland-area housing subdivisions were racially restricted through property deed provisions or restrictive covenants: Kirkland Heights (1930), Gov. Lot 3, Sec. 17, Township 25, Range 5 (1939), and Juanita Crest (1947). These legal documents restricted the right of ownership and rental to those "only those of the Caucasian race."

***Federal Mortgage Discrimination and Redlining (1934-1968)***

Throughout the 1930s and 1940s, the federal government created several agencies and programs to encourage homeownership for American citizens, but largely refused to offer these homeownership opportunities to BIPOC borrowers. The Federal Housing Administration (FHA), created in 1934, encouraged racial segregation in a variety of ways such as using racially restrictive covenants and denying mortgages in areas with racially mixed populations. This federal action denied BIPOC communities the opportunity to participate in the wealth accumulation offered to White Americans, enforced racial segregation, fueled White flight and suburbanization, and set precedents for the devaluing of Black neighborhoods and assets in the present day.

After World War II the Servicemen's Readjustment Act of 1944 – better known as the G.I. Bill – opened the door to new home ownership for veterans. The Bill's opportunities were open to all veterans, by federal policy, but they were denied to some veterans, in local practice, as the Bill was administered state by state. Realtors colluded by racially steering Black veterans who were told that they wouldn't be comfortable in certain neighborhoods and effectively barring them in "redlining" from the opportunities of the G.I. Bill. Black home buyers, who qualified for the G.I. Bill, were often denied bank mortgages for capricious reasons, and they were often prohibited from purchasing a given home because of a racial covenant in the deed, that forbade sale to any "Asian, Jew, or Negro" purchaser. The G.I. Bill built middle-class America, training veterans for better jobs and bankrolling crucial home ownership, but the benefits were not equitably shared on racial grounds.

***Japanese Internment (1941-1946)***

Six months after the bombing of Pearl Harbor in 1941, President Roosevelt signed Executive Order 9066, which authorized the forced evacuation of citizen and non-citizen residents of Japanese ancestry living along the West Coast to internment camps in the interior of the continent. Overall, the federal government, with support from state and local governments, incarcerated 12,892 persons of Japanese ancestry in Washington State. On May 20 – 21, 1942, five hundred Japanese residents from the Eastside boarded the first passenger trains to depart the Kirkland station in sixteen years, bound for Fresno, California and then on to other internment camps.

Many of those interned did not return to their communities after internment and those who did often faced continued discrimination, along with property loss or damage.

***Urban Renewal and Transportation Infrastructure (1950s-1990s)***

Starting in the 1950s, the federal government sought to unite metropolitan areas across the United States with a federally subsidized highway system, as well as to alleviate dilapidation in

urban centers through a process known as “urban renewal.” Both transportation infrastructure and urban renewal projects at the time caused displacement in BIPOC communities.

### ***Suburbanization (1950s-1990s)***

Nationally, suburban migrants were primarily White, leading to the characterization of migration out of cities as “White flight.” This pattern was fueled in part by the racially selective availability of mortgage capital and by racial prejudice. In King County, mandatory school integration ordinances in Seattle in the 1960s spurred White flight to suburban cities.

In Kirkland, post-war suburbanization was largely embraced as the city and its neighboring communities dealt with the closing of the naval shipyards, located in what is today’s Carillon Point as well as the loss of the Lake Washington ferry system which stopped in 1950. The Houghton area thrived as a postwar residential suburb increasing its residential population by 141 percent between 1950 and 1960. Not all benefited from this suburban future. Stewart Heights, a wartime housing project and now the location of Northwest University, which in 1950 contained low-rent housing and included Black and Hispanic households, was torn down by 1952. With the opening of the Evergreen Point Floating Bridge in August, 1963, and Interstate-405, constructed between 1956 – 1965, Kirkland was well on its way in becoming a suburban city. Kirkland has since built out or incorporated through annexation many of its suburban neighborhoods.

### ***Gentrification and Displacement (1970s-Present)***

Gentrification refers to the process where neighborhoods previously disinvested in and/or occupied by low-income residents (particularly BIPOC residents) experience an influx of wealthy (usually White) residents moving in. This leads to an increase in housing costs. Displacement is a common consequence of gentrification. In King County, neighborhoods such as the Central District – a once majority Black neighborhood that received limited investment from public and private entities over the course of its history and that had been the site of urban renewal projects – started to experience gentrification and displacement pressures as early as the 1970s. Gentrification and displacement contributed to the relocation of many of the County’s Black residents to south King County cities. Today, gentrification pressures remain in neighborhoods throughout the King County, as economic growth continues to put upward pressure on the regional housing market.

### ***Predatory Lending and Foreclosure Crisis (1990s-2010s)***

Between 2007 and 2010, over 3.8 million households lost their homes to foreclosure throughout the United States, resulting in a widespread economic collapse known as the “Great Recession.” Nationally, the impact of the foreclosure crisis fell disproportionately on Black and Latinx neighborhoods and households, who, previously excluded from the mortgage market during the age of redlining, were targeted by lenders for subprime mortgage loans. These loans incurred high, variable interest rates and were often issued without consideration of the ability of a household to afford monthly payments. The Black-White wealth gap widened nationally to 26.7 percent from 2007 to 2015. While King County residents did not suffer as acutely from foreclosures compared to other areas of the country, research has found that south King County cities, which have higher BIPOC populations than other municipalities in the region, saw the highest rates of foreclosure.

***Devaluation of Black Assets and Racist Real Estate Appraisals (1940s-Present)***

Homeownership is a generator of wealth for many households in the United States. Although the 1968 Fair Housing Act outlawed racial discrimination in real estate transactions, racial bias is still present in the real estate industry through the devaluation of real estate assets in Black neighborhoods and racist real estate appraisals, which reduces the generational wealth of Black households.

***Evictions and Landlord-Tenant Relations (1960s-Present)***

Renters experience higher rates of housing instability than homeowners because renters are vulnerable to rent increases, change in use of the property, etc. In King County, BIPOC households are more likely to rent than White households, contributing to racial disparities in who experiences housing instability. Evictions disproportionately impact BIPOC tenants. For example, local research found that BIPOC tenants are more likely to be evicted for smaller amounts of money than White tenants.

The history of land use and housing regulations in Kirkland, like many other cities, is complex and often reflects broader societal attitudes. While explicit racist policies may not be evident in the city's documents, it is important to recognize that discriminatory practices can be subtle and systemic. Efforts to address and rectify these issues are ongoing, as seen in the discussions throughout the Kirkland 2044 Comprehensive Plan. Understanding the past, including the less explicit forms of exclusion, is crucial for creating more equitable and inclusive communities in the future.

There are many contributors to racial discrimination and inequality. The following are the greatest contributors within Kirkland today.

- The historical impacts of systemic racism as outlined above.
- Exclusionary development restrictions in portions of residential zoning that limit the types and density of buildings (e.g., minimum lot size requirements, minimum square footage, prohibitions on certain types of multi-unit homes, and height limits, etc.), which results in more expensive housing.
- The high cost of housing contributes to economic exclusion, particularly in areas of the city where development restrictions limit housing supply. This scarcity is exacerbated by the concentration of high-income jobs, which contribute to higher property values and rents, making it increasingly difficult for lower-income individuals to afford housing.

The historical context of racially discriminatory practices in land use and housing has had long-lasting effects, contributing to present-day racial inequities. These practices have led to issues like segregation and wealth disparities, which in turn affect homelessness, eviction rates, and access to resources. Acknowledgment of these historical injustices requires the implementation of policies aimed at healing and rectifying the long-standing disparities caused by systemic racism. Furthermore, addressing these complex challenges requires multifaceted solutions, including the creation of affordable housing and the strengthening of community ties, particularly in historically underserved areas. Such efforts are vital in working towards greater racial equity and inclusion in our society. Within Kirkland, efforts to produce more affordable housing and foster strong relationships with underserved communities can be one piece of addressing racially disparate impacts.

## Racial Displacement and Disparate Impacts Findings

While there is no evidence of explicit racial exclusion in official city documents that does not mean that none existed. There is plenty of evidence of racial displacement, exclusion, and disparate impacts in the history of Kirkland.

Research into Kirkland's history discovered some examples of racial displacement and culturally exclusive practices within current city limits. Such as the prohibition of Black Lake Washington Shipyards workers from housing by the King County Housing Authority during World War II. This housing did become integrated after the war but it was removed by 1952. "Black Kirkland residents Arline and Letcher Yarbrough, experienced discrimination when trying to move to Kirkland in 1950. Eastside realtors simply wouldn't show them houses; they would make appointments and not show up. The Yarbrough's found a Kirkland home on their own, bought it, and moved in. Some of their neighbors welcomed them; some circulated a petition to protest their presence in the home and the neighborhood" (McConaghy). These historic examples of racial exclusion show that Kirkland was indeed not immune from these discriminatory practices and likely contributes to the racial diversity in today's Kirkland which is 68.7 percent white, the highest among neighboring cities.

To this point, Kirkland has experienced minimal displacement of Black or African American and Native Hawaiian or Alaskan Native populations due to the low numbers of these populations. The number of residents identified as Black or African American in 2000, 2010, and 2020 represented 1.2, 1.8, and 1.9 percent of the total population, respectively. Native Hawaiian or Alaskan Native populations in 2000, 2010, and 2020 represented 0.6, 0.4, and 0.1 percent of the total population, respectively (Figure 2.H, Community Profile). Looking forward, however, areas in the city with a higher risk of displacement have higher populations of BIPOC households (see Race and Ethnicity and Displacement Index figures).

Economic exclusion is evident from the high cost of housing as shown in the average resale price of homes in the Kirkland areas which increased 150 percent from 2013 to 2023 (see Sale Price Figure).

Today, the disparities in homeownership and housing cost burdens among different racial and ethnic groups are a significant concern. This is evident in Kirkland which has lower homeownership rates of Black or African American households and higher rates of levels of housing cost burden.

The interplay between housing affordability and racial equity is a critical issue in many communities. In Kirkland, the economic factors, such as regional housing market trends and historical zoning practices, have contributed to racial disparities. Addressing these through the expansion of affordable housing can be a significant step towards fostering a more inclusive community. Increasing the supply of affordable housing is not only a matter of economic necessity for cost burdened BIPOC communities, but also a catalyst for advancing racial equity. This approach aligns with broader efforts to dismantle systemic barriers and promote equal opportunities for all residents.

## Housing cost-burden

### Housing Cost Burden by Tenure

Overall, renters are more likely than homeowners to be moderately or severely burdened by housing costs. In Kirkland, 23 percent of owner-occupied households are moderately or severely burdened, compared to 38 percent of renter-occupied households. In East King County, the figures are 22 percent for owner-occupied and 34 percent for renter-occupied households.

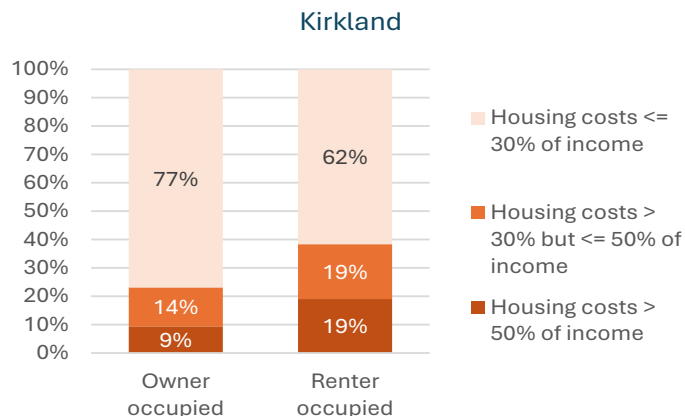


Figure 42 – Sources: U.S. Housing and Urban Development, 2010 and 2020, Comprehensive Housing Affordability Strategy 5-year Estimates.

Generally, Kirkland shows a similar pattern to East King County, albeit with slightly higher rates of households facing moderate and severe housing cost burdens.

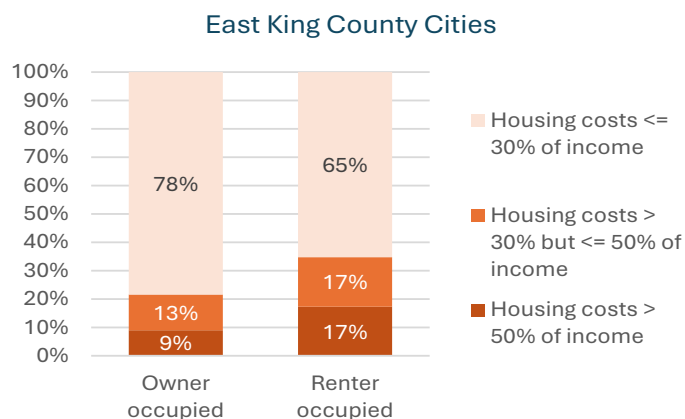


Figure 43 – Sources: U.S. Housing and Urban Development, 2010 and 2020, Comprehensive Housing Affordability Strategy 5-year Estimates.

### Housing Cost Burden by Household Income

Housing cost burden (i.e., when housing expenses exceed 30 percent of the household's gross income) is significantly more common as household income declines, particularly for renters. Of even greater concern are households spending more than 50 percent of their incomes for housing, known as "severely cost burdened."

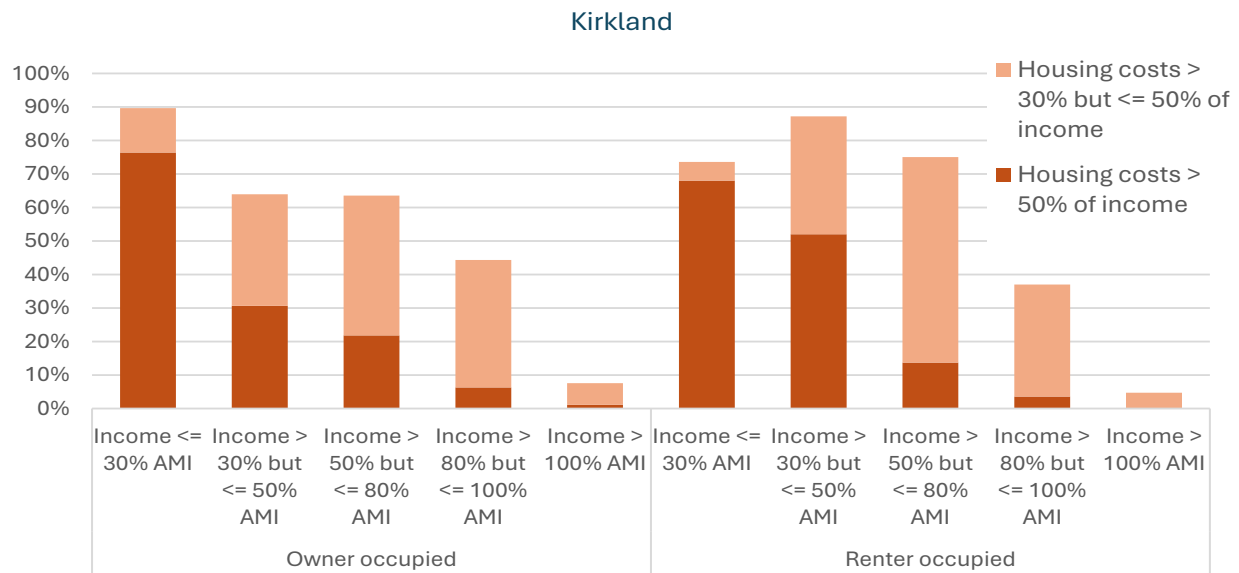


Figure 44 – Sources: U.S. Housing and Urban Development, 2010 and 2020, Comprehensive Housing Affordability Strategy 5-year Estimates.

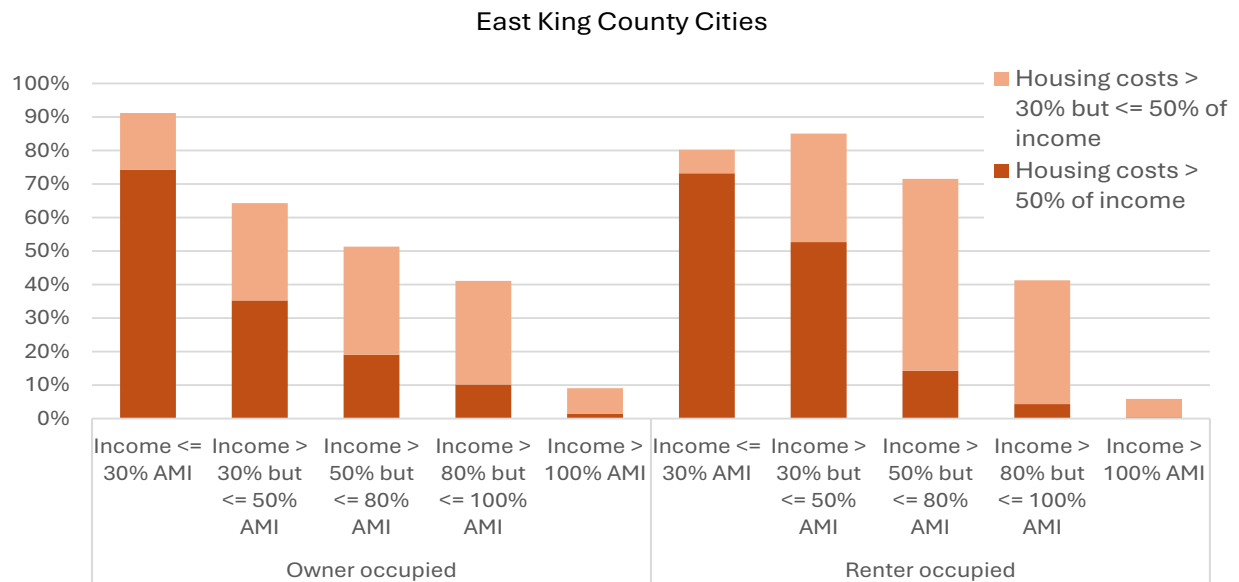


Figure 45 – Sources: U.S. Housing and Urban Development, 2010 and 2020, Comprehensive Housing Affordability Strategy 5-year Estimates.

### Housing Cost Burden by Race/Ethnicity

Kirkland has a larger percentage of its Black or African American rental households with housing costs greater than 50 percent of household income than other east King County cities.



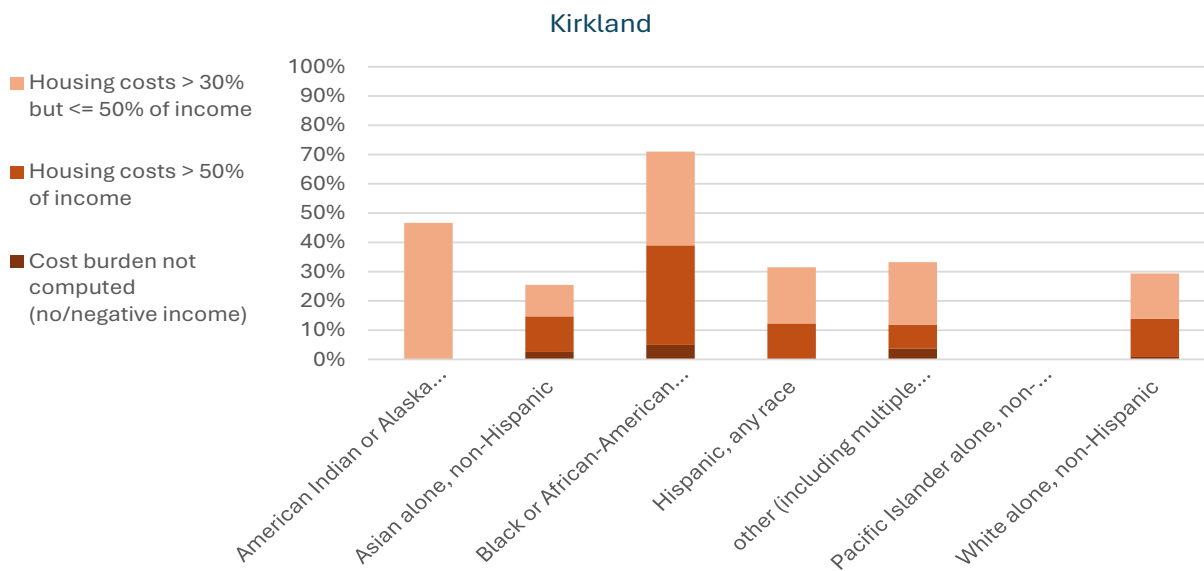


Figure 46– Sources: U.S. Housing and Urban Development, 2010 and 2020, Comprehensive Housing Affordability Strategy 5-year Estimates.

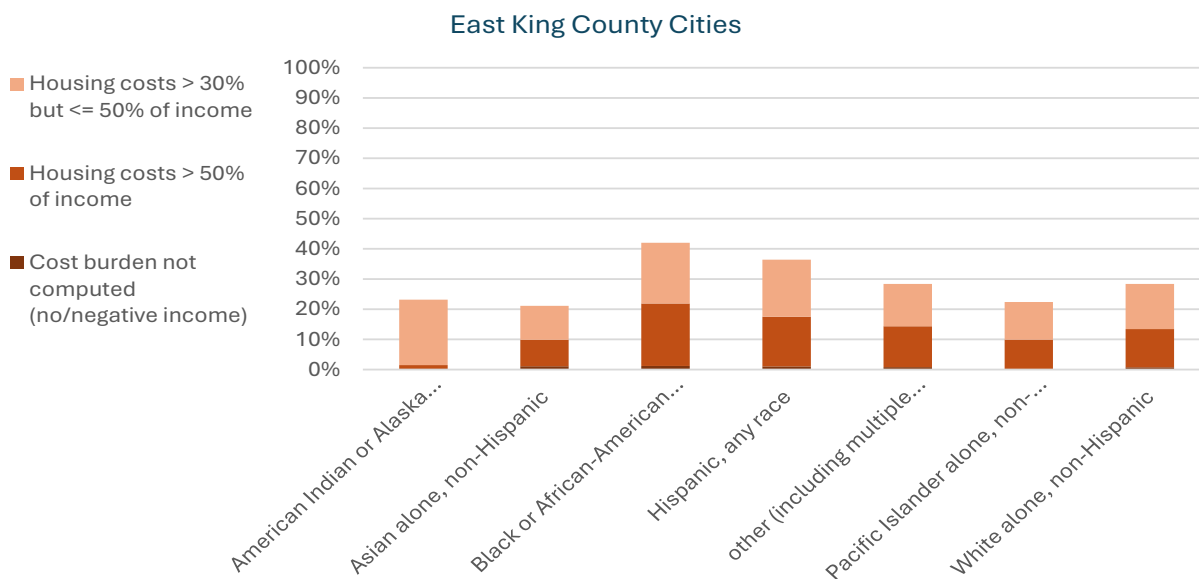


Figure 47 – Sources: U.S. Housing and Urban Development, 2010 and 2020, Comprehensive Housing Affordability Strategy 5-year Estimates.



### Explanation

The adjacent table helps explain the incidence of housing cost burden. Higher-income households, for several reasons including income growth after purchasing a home, often live in housing that is affordable to people with much lower incomes, shown in yellow-shaded cells of the table. The low supply of less expensive housing means that lower-income households have only housing choices that are unaffordable to them, highlighted in the red-shaded cells.

Buying-Down Matrix (2016 – 2020)

Household Incomes (Pct of AMI)	Housing Affordable to Incomes as a Pct of Area Median Income (AMI)				Total
	<= 30%	> 30% but <=50%	> 50% but <= 80%	> 80%	
<= 30%	750	390	740	2,160	4,040
> 30% but <=50%	105	285	625	1,385	2,400
> 50% but <= 80%	190	275	755	2,670	3,890
> 80% but <= 100%	70	260	655	2,345	3,330
> 100%	80	520	1,830	20,590	23,050
<b>Total Units</b>	<b>1,195</b>	<b>1,730</b>	<b>4,605</b>	<b>29,150</b>	<b>36,680</b>

Table 16: U.S. Housing & Urban Development, 2020 Comprehensive Housing Affordability Strategy 5-year Estimates.

### Permanent housing needs

Kirkland needs to plan for and accommodate nearly 9,000 housing units affordable to households with incomes at or below 80 AMI by 2044, 35 percent more than the existing supply.

Almost 5,900 of that need is for permanent supportive housing (PSH), i.e., long-term housing with services addressing needs of people experiencing homelessness, such as health care and case management.

These needs have been allocated in King County Countywide Planning Policies at the recommendation of the county's Affordable Housing Committee.

#### Existing and Needed Housing Units by Affordability.

	Existing (2020)	Need	2044 total need
<= 30 AMI; PSH	12 <1%	<b>2,546</b>	2,558 5
<= 30 AMI; non-PSH	1,040 3%	<b>4,842</b>	5,882 11%
>30 – 50 AMI	1,784 4%	<b>3,052</b>	4,836 9%
>50 – 80 AMI	3,734 9%	<b>1,022</b>	4,756 9%
>80 – 100 AMI	8,141 20%	<b>228</b>	8,369 16%
>100 – 120 AMI	5,213 13%	<b>259</b>	5,472 10%
>120 AMI	20,094 50%	<b>1,251</b>	21,345 40%
<b>Total</b>	<b>40,018</b>	<b>13,200</b>	<b>53,218</b>

Table 17: King County, 2023, Countywide Planning Policies.

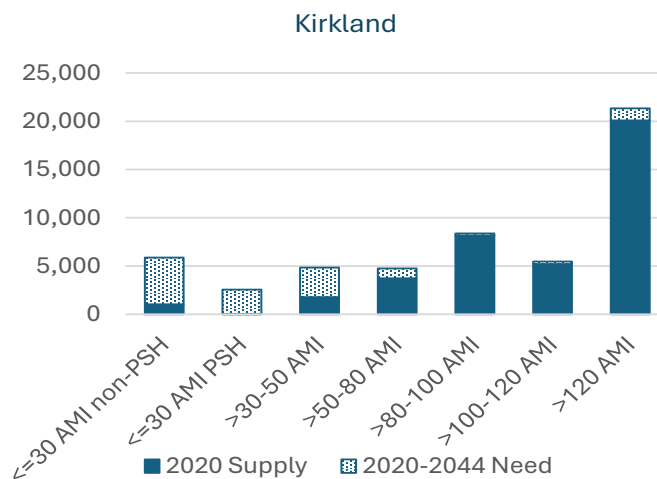


Figure 48 – Source: King County, 2023, Countywide Planning Policies.

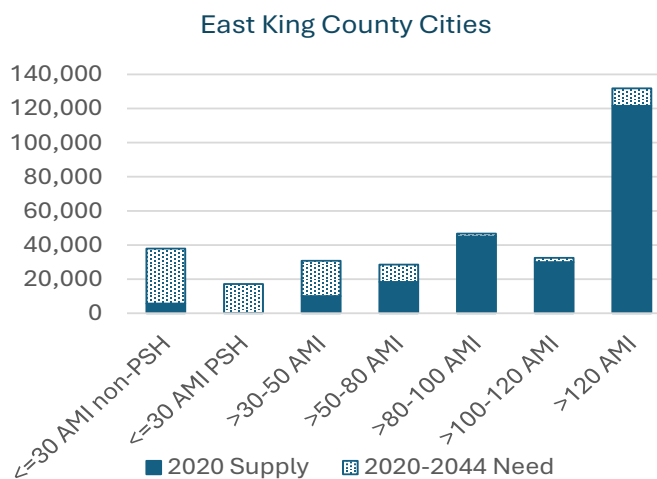


Figure 49– Source: King County, 2023, Countywide Planning Policies.

## Emergency Housing Needs

In addition to planning for permanent housing, cities and counties also need to plan for prescribed numbers of emergency housing and emergency shelter beds.

	Baseline Supply: 2020	Net New Need: 2020-2044
Kirkland	149	2,522
ARCH cities	605	17,145
King Co	6,071	58,983

Table 18: King County, 2023, Countywide Planning Policies.

## Partnerships and Strategies

### Dedicated resources

#### **ARCH funding**

Kirkland contributes cash annually to the ARCH Trust Fund for land acquisition, pre-development funding, and capital improvements of affordable housing projects in Kirkland and other ARCH communities. [More information to be added.]

#### **Other city expenditures**

[To be added.]

### Land use regulations and tax incentives

#### **Inclusionary zoning and MFTE**

Kirkland adopted inclusionary zoning (mandatory affordability) in 2009 in conjunction with a new multifamily tax exemption (MFTE) program. All medium and higher density zones are subject to inclusionary zoning except portions of Central Kirkland and Totem Lake, where voluntary incentives are available. These programs, detailed in the following table, have remained largely unchanged until 2023, when the city rezoned the 85<sup>th</sup> Street Station Area for greater housing and commercial growth capacity.

<b>KIRKLAND</b>	<b>Land Use Regulations</b>	<b>MFTE Regulations</b>
Height-limited zones (Totem Lake, North Rose Hill, CBD 5)	Rental—Mandatory 10% units affordable @ 50% AMI for life of project.	Rental—Voluntary 8-year tax exemption: 10% units affordable @ 50% AMI for life of the project.  12-year tax exemption: 10% units affordable @ 50% AMI <u>and</u> 10% @ 80% AMI for life of the project.
	Ownership—Mandatory 10% units affordable @ 80% AMI for 50 years.	Ownership—Voluntary 8-year tax exemption: 10% units affordable @ 80% AMI for life of the project.  12-year tax exemption: 10% units affordable @ 80% AMI <u>and</u> 10% @ 110% AMI for life of the project.
85 <sup>th</sup> Street Station Area zones (NMU, UF, CVU) where <u>allowed</u> height is 65 ft or greater (adopted 2023)	Rental—Mandatory 15% units affordable @ 50% AMI for life of project.	Rental—Voluntary 8-year tax exemption: 15% units affordable @ 50% AMI for life of the project.  12-year tax exemption: 10% units affordable @ 50% AMI <u>and</u> 10% @ 60% AMI for life of the project.

	Ownership—Mandatory 15% units affordable @ 80% AMI for 50 years.	Ownership—Voluntary 8-year tax exemption: 15% units affordable @ 80% AMI for life of the project.  12-year tax exemption: 10% units affordable @ 80% AMI <u>and</u> 10% @ 100% AMI for life of the project.
Density-limited zones	Rental—Mandatory 2 units bonus: 1 unit affordable @ 50% AMI for life of project, and at least 10% units affordable.	Rental—Voluntary 8-year tax exemption: 10% units affordable @ 50% AMI for life of the project.  12-year tax exemption: 10% units affordable @ 50% AMI <u>and</u> 10% @ 80% AMI for life of the project.
	Ownership—Mandatory 2 units bonus: 1 unit affordable @ 100% AMI for 50 years, and at least 10% units affordable.	Ownership—Voluntary 8-year tax exemption: 10% units affordable @ 100% AMI for life of the project.  12-year tax exemption: 10% units affordable @ 100% AMI <u>and</u> 10% @ 130% AMI for life of the project.
Zones where affordable housing isn't required	n/a	Rental & Ownership—Voluntary 8-year tax exemption: 10% units affordable @ 80% AMI for life of the project.  12-year tax exemption: 10% units affordable @ 50% AMI <u>and</u> 10% @ 80% AMI for life of the project.

A summary of affordable housing obtained since 2009:

	Homeownership Units	Rental Units	Total Affordable Units
<b>Mandatory</b>	<b>36</b>	<b>149</b>	<b>185</b>
No MFTE	36	1	37
8-year MFTE	-	148	148
<b>Voluntary</b>	<b>-</b>	<b>6</b>	<b>6</b>
8-year MFTE	-	2	2
12-year MFTE	-	4	4
<b>Development Agreement</b>	<b>-</b>	<b>3</b>	<b>3</b>
12-year MFTE	-	3	3
<b>No land use conditions</b>	<b>-</b>	<b>39</b>	<b>39</b>
8-year MFTE	-	16	16

	Homeownership Units	Rental Units	Total Affordable Units
12-year MFTE	-	23	23
<b>Total</b>	<b>36</b>	<b>197</b>	<b>233</b>

### ***ADU regulations***

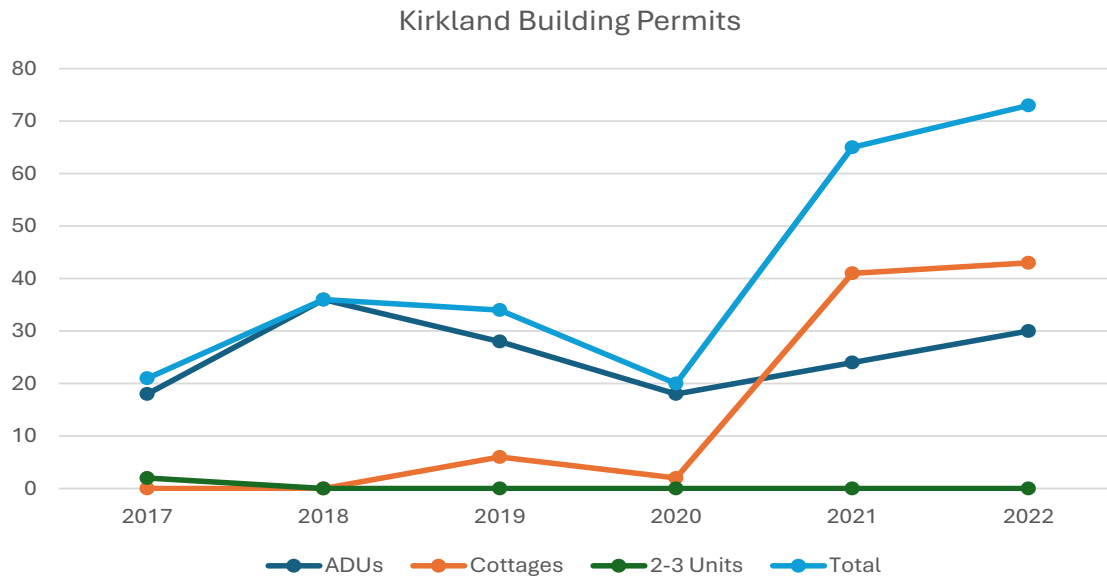
Seeing opportunity to enable homeowners to build accessory dwelling units (ADUs), Kirkland adopted zoning code amendments in 2019, as follows:

Regulation	Old	New
<b>Number allowed</b>	<b>1</b>	<b>2</b>
<b>Owner occupancy</b>	Required (either unit)	Not required
<b>Parking</b>	One off-street space	No requirement for first ADU; one space for second
<b>Size/Scale</b>		
Attached ADU	<=40% of primary residence and ADU combined	No restriction
12-year MFTE	<=40% of primary residence and ADU combined, and <= 800 sq ft	1,200 sq ft
<b>Entrance</b>	ADU entrance must appear secondary	No change
<b>Height</b>	Max height of zone but not more than 15 ft above primary residence	No change
<b>No. of unrelated residents</b>	<b>&lt;=5</b>	One ADU: <= 8 Two ADUs: <=12
<b>Separate ownership</b>	Not permitted	Allowed for detached ADU (condo, not subdivision)

### ***Duplex, Triplex, and Cottage regulations***

Following the ADU amendments, Kirkland amended its code again in 2020 to stimulate development of certain “middle housing types.”

The chart below, from Kirkland’s permit records, shows preliminary results from these code amendments, with a notable increase in cottage housing and accessory dwelling units (ADUs).



## Appendix

### Household Incomes

	2006 - 2010 estimate		2016 - 2020 estimate	
	Households	Pct	Households	Pct
<b>EKC cities</b>	<b>162,572</b>	<b>100%</b>	<b>210,789</b>	<b>100%</b>
<b>&lt;= 30% AMI</b>	<b>12,285</b>	<b>8%</b>	<b>19,365</b>	<b>9%</b>
<= 20%	7,385	5%	12,486	6%
> 20% but <= 30%	4,900	3%	6,879	3%
<b>&gt; 30% but &lt;= 50% AMI</b>	<b>11,703</b>	<b>7%</b>	<b>14,558</b>	<b>7%</b>
> 30% but <= 40%	5,502	3%	6,818	3%
> 40% but <= 50%	6,201	4%	7,740	4%
<b>&gt; 50% but &lt;= 80% AMI</b>	<b>16,445</b>	<b>10%</b>	<b>18,184</b>	<b>9%</b>
> 50% but <= 60%	6,456	4%	9,057	4%
> 60% but <= 65%	3,341	2%	4,396	2%
> 65% but <= 80%	6,648	4%	4,731	2%
<b>&gt; 80% but &lt;= 100% AMI</b>	<b>13,584</b>	<b>8%</b>	<b>17,574</b>	<b>8%</b>
> 80% but <= 95%	10,163	6%	12,695	6%
> 95% but <= 100%	3,421	2%	4,879	2%
<b>&gt; 100% but &lt;= 120% AMI</b>	<b>13,326</b>	<b>8%</b>	<b>16,198</b>	<b>8%</b>
> 100% but <= 115%	10,153	6%	12,390	6%
> 115% but <= 120%	3,173	2%	3,808	2%
<b>&gt; 120% AMI</b>	<b>95,229</b>	<b>59%</b>	<b>124,910</b>	<b>59%</b>
> 120% but <= 140%	13,365	8%	16,552	8%
> 140%	81,864	50%	108,358	51%
<b>Kirkland</b>	<b>22,205</b>	<b>100%</b>	<b>37,145</b>	<b>100%</b>
<b>&lt;= 30% AMI</b>	<b>1,770</b>	<b>8%</b>	<b>4,185</b>	<b>11%</b>
<= 20%	1,110	5%	2,500	7%
> 20% but <= 30%	660	3%	1,685	5%
<b>&gt; 30% but &lt;= 50% AMI</b>	<b>1,750</b>	<b>8%</b>	<b>2,470</b>	<b>7%</b>
> 30% but <= 40%	760	3%	1,080	3%
> 40% but <= 50%	990	4%	1,390	4%
<b>&gt; 50% but &lt;= 80% AMI</b>	<b>2,550</b>	<b>11%</b>	<b>4,010</b>	<b>11%</b>
> 50% but <= 60%	955	4%	2,200	6%
> 60% but <= 65%	525	2%	960	3%
> 65% but <= 80%	1,070	5%	850	2%
<b>&gt; 80% but &lt;= 100% AMI</b>	<b>1,435</b>	<b>6%</b>	<b>3,405</b>	<b>9%</b>
> 80% but <= 95%	1,035	5%	2,450	7%
> 95% but <= 100%	400	2%	955	3%
<b>&gt; 100% but &lt;= 120% AMI</b>	<b>1,970</b>	<b>9%</b>	<b>3,105</b>	<b>8%</b>
> 100% but <= 115%	1,555	7%	2,470	7%
> 115% but <= 120%	415	2%	635	2%

	2006 - 2010 estimate		2016 - 2020 estimate	
	Households	Pct	Households	Pct
<b>&gt; 120% AMI</b>	<b>12,730</b>	<b>57%</b>	<b>19,970</b>	<b>54%</b>
> 120% but <= 140%	1,765	8%	2,790	8%
> 140%	10,965	49%	17,180	46%

Table 19 - Source: U.S. Housing and Urban Development, 2020 Comprehensive Housing Affordability Strategy 5-year Estimates

### Created through Land Use and/or Multifamily Tax Exemption Programs and Currently in Service or Development:

	50 AMI	60 AMI	70 AMI	80 AMI	100 AMI	Total
<b>Homeownership</b>	-	-	5	30	17	52
128 Kirkland	-	-	-	-	1	1
Crosswater	-	-	-	-	1	1
Jade Residences	-	-	-	13	-	13
Kirkland Commons	-	-	-	-	1	1
Lakeview Park	-	-	-	2	-	2
Magnolia at Moss Bay	-	-	-	-	1	1
Parkside at Juanita [Kirkland Villas]	-	-	-	-	2	2
Plaza on State	-	-	-	7	-	7
Rosehaven at Bradford Place	-	-	-	-	2	2
Steeple Rock	-	-	-	-	2	2
Summer Grove II	-	-	-	-	2	2
The Walk	-	-	-	-	2	2
Vantage on Market	-	-	-	-	1	1
Vareze	-	-	5	-	-	5
Waterstone [Cobblestone Court]	-	-	-	8	-	8
Woodlands Reserve Townhomes	-	-	-	-	2	2
<b>Rental</b>	<b>138</b>	<b>16</b>	<b>18</b>	<b>45</b>	<b>-</b>	<b>217</b>
9040 NE Juanita Dr	2	-	-	-	-	2
Aspen Townhomes	1	-	-	-	-	1
Bayshore View Apartments	3	1	-	-	-	4
Bloom	14	-	-	-	-	14
Boardwalk	17	-	-	-	-	17
Grata at Totem Lake	88	37	-	-	-	125
Jefferson House	8	-	-	-	-	8
Kirkland Crossing	-	-	3	-	-	3
Morningstar	15	-	-	-	-	15
Plaza (Natural Built)	-	-	-	23	-	23
Rose Hill Cottages (City Ministries)	-	-	-	6	-	6
SK Apartments [Luna Sol]	-	-	-	5	-	5
Slater 116	-	-	-	11	-	11



	50 AMI	60 AMI	70 AMI	80 AMI	100 AMI	Total
The Bower	4	15	15	-	-	34
The Pine	14	-	-	-	-	14
Uptown at Kirkland Urban	19	-	-	-	-	19
Windsor Totem Lake (Uplund)	41	-	-	-	-	41
<b>Total</b>	<b>138</b>	<b>16</b>	<b>23</b>	<b>75</b>	<b>17</b>	<b>269</b>

Table 20 - Source: A Regional Coalition for Housing (ARCH).

Created through the ARCH Trust Fund and/or City of Kirkland Funding and  
 Currently in Service or Development:

	30 AMI	40 AMI	45 AMI	50 AMI	60 AMI	Total
<b>Renter-occupancy</b>						
<b>Beds</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>98</b>	<b>-</b>	<b>134</b>
Friends of Youth Campus	30	-	-	-	-	30
New Bethlehem Shelter	-	-	-	98	-	98
New Ground Kirkland	6	-	-	-	-	6
<b>Dwelling Units</b>	<b>133</b>	<b>67</b>	<b>6</b>	<b>62</b>	<b>361</b>	<b>635</b>
Athene	46	22	-	-	23	91
Crestline Apartments	-	-	6	-	15	21
FFC Group Home 7	4	-	-	-	-	4
FFC Group Homes II, 13311	4	-	-	-	-	4
FFC Group Homes II, 6515	4	-	-	-	-	4
FOY Foster Care Home	-	-	-	5	-	5
Francis Village	15	30	-	-	15	60
Houghton Apartments	-	-	-	-	15	15
Kirkland Heights	-	-	-	-	274	274
Kirkland Plaza Apartments	-	-	-	23	-	23
Petter Court	-	-	-	4	-	4
Plum Court Apartments	25	-	-	30	5	60
Porchlight Men's Home	6	-	-	-	-	6
Velocity	29	15	-	-	14	58
<b>Total</b>	<b>169</b>	<b>67</b>	<b>6</b>	<b>160</b>	<b>361</b>	<b>763</b>

Table 21 - Source: A Regional Coalition for Housing (ARCH).

Income- or Cost-Restricted through Sources Other than ARCH, the City of  
 Kirkland, and King County Housing Authority:

	50 AMI	60 AMI	70 AMI	80 AMI	100 AMI	Total
<b>Rental</b>						
Salisbury Court	12	-	-	-	-	12
Woodlands at Forbes Lake	33	75	-	-	-	108
<b>Total</b>	<b>45</b>	<b>75</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>120</b>

Table 22 - Sources: Washington State Housing Finance Commission.

### Housing for homeless individuals; shelters, transition, etc.

	Adult -Only Beds	Child -Only Beds	Chronic Beds	Family Beds	Over- flow / Voucher	Seasonal	Veteran Beds	Youth Beds	Total Beds	Family Units
<b>Emergency Shelter</b>	-	16	-	52	-	-	-	51	103	10
New Bethlehem Place	-	-	-	52	-	-	-	-	52	10
Willows Youth Services Center	-	-	-	-	-	-	-	35	35	-
Youth Haven Shelter	-	16	-	-	-	-	-	16	16	-
<b>Other Permanent Housing</b>	27	-	-	8	-	-	-	-	35	3
Athene Apartments	20	-	-	-	-	-	-	-	20	-
Salisbury Court	-	-	-	8	-	-	-	-	8	3
Velocity	7	-	-	-	-	-	-	-	7	-
<b>Permanent Supportive</b>	21	-	-	3	-	-	24	-	24	1
Francis Village	9	-	-	3	-	-	12	-	12	1
Velocity	12	-	-	-	-	-	12	-	12	-
<b>Transitional Housing</b>	-	4	-	72	-	-	-	4	76	17
Petter Court	-	-	-	36	-	-	-	-	36	8
Salisbury Court	-	-	-	36	-	-	-	-	36	9
Youth Haven Shelter	-	4	-	-	-	-	-	4	4	-
<b>Total</b>	<b>48</b>	<b>20</b>	<b>-</b>	<b>135</b>	<b>-</b>	<b>-</b>	<b>24</b>	<b>55</b>	<b>238</b>	<b>31</b>

Table 23 - Source: U.S. Housing and Urban Development, 2023, Housing Inventory Count.  
 Note: Some beds are counted in more than one column.



**City of Kirkland**  
**Planning and Building**  
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## MEMORANDUM

**To:** Planning Commission

**From:** Allison Zike, AICP, Deputy Planning and Building Director  
Adam Weinstein, AICP, Planning and Building Director

**Date:** July 28, 2024

**Subject:** Houghton Village Development Plan Briefing

### Recommendation

Receive a briefing to discuss the Houghton Village Development Plan. While the Planning Commission (PC) does not have a formal role in the process for City Council (Council) to adopt a Development Plan (formerly referred to as a Master Plan), staff intends to keep the PC informed throughout the process and will include PC feedback in future briefings to Council on the project.

### Background

The City purchased the Houghton Village Shopping Center in 2022 to help realize Council's vision for potential public purposes, such as affordable housing, school space, non-profit program space, arts and cultural space, and City recreational program space. The City used a three-year interfund loan to acquire the property with the intent to identify a development partner and a long-term financing plan by the time the interfund loan comes due in May 2025. Additional details of the purchase can be found in the staff memorandum from the January 18, 2022, City Council meeting<sup>1</sup>.

In 2023, Council directed staff to conduct an initial public engagement campaign to connect with the local community to accomplish a few key objectives. These community conversations included a diverse range of community members and groups and built upon various recent relationship-building efforts from the R-5434 process and others to help identify priorities within the Council's vision for the site, concepts for a potential redevelopment plan, and potential partners to help execute the plan. Details of phase one of the public engagement campaign can be found in the staff memorandum from the May 16, 2022, Council meeting<sup>2</sup>.

At the conclusion of phase one of the engagement process, Council directed staff to perform a second phase of outreach to include key stakeholders such as surrounding

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<sup>1</sup> [https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-council/agenda-documents/2022/january-18-2022/10a\\_business.pdf](https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-council/agenda-documents/2022/january-18-2022/10a_business.pdf)

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commercial property owners, the Lake Washington School District, Northwest University, developers, and others to determine interests and potential partnerships for the site. Details of phase two of the public engagement campaign can be found in the staff memorandum from the December 12, 2023 City Council meeting<sup>3</sup>.

At the December 12, 2023 meeting, staff recommended, and Council authorized, the City Manager to initiate a development plan process for the Houghton Village property to accomplish public benefits in alignment with Council's goals for purchasing the property. To complete that work, the City issued a Request for Qualifications in early 2024 and selected Seattle-based design firm Mithun, with subconsultants Transpo Group and ECONorthwest, to design a Development Plan for Houghton Village. Mithun recently assisted the City in the development of the NE 85<sup>th</sup> Street Station Area Plan.

On May 14, 2024, City staff and Mithun also held a one-day workshop with BLOXHUB, a Copenhagen-based hub for sustainable urbanization, which focused on identifying big-picture ideas for redevelopment of the site to help achieve community goals.

Currently, the former PCC space in the Houghton Village has undergone renovation to bring the space up to Building and Fire Code standards, and is serving as the temporary home to the nonprofit Studio East.

### **Opportunities and Challenges Analysis**

The report included as Attachment 1 to this memorandum provides an analysis of the current site conditions for the City-owned property (commonly known as Houghton Village) and the surrounding community and regulatory context. This analysis encompasses how existing zoning and Comprehensive Plan policies apply to the site, and existing and potential transportation conditions in the "area of consideration." The initial opportunities, including existing features and characteristics that should be leveraged to maximize value for the community, and potential benefits that can be achieved with redevelopment of the site, include:

- Central location near transit, the Cross Kirkland Corridor (CKC), and existing retail/services;
- Adequate access and ample dimensions for development of housing, commercial/community spaces, parking, and open space;
- Potential for pedestrian-oriented development;
- Improved pedestrian, biking, and rolling facilities;
- Strong demand for rental and for-sale housing of all types;
- Opportunities for restaurants, retail shops and/or community organizations at ground floor;
- Potential to develop as a sustainability showcase project; and
- Expanded opportunities if, or when, adjacent properties redevelop to achieve improved connections to the CKC and a more cohesive center.

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<sup>3</sup> [https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-council/agenda-documents/2023/december-12-2023/3c\\_study-session.pdf](https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-council/agenda-documents/2023/december-12-2023/3c_study-session.pdf)

The report also identifies potential challenges that should be further discussed and addressed in the Development Plan as follows:

- Optimal design of the City-owned parcel should include redevelopment of the adjacent parcels to the east and west, and a phasing plan should address redevelopment of just the City-owned parcel while identifying how it can be connected to future redevelopment of any neighboring parcels;
- Ground floor spaces could be challenging for smaller ground floor uses;
- Parking and traffic mitigation will need to be carefully designed and managed;
- Preservation of existing tree canopy will be difficult with potential construction of new streets; and
- High costs of undergrounding utilities, and new or widened street construction.

Lastly, Attachment 1 contains an initial Market Analysis. This analysis includes a study of the existing housing, commercial, and office markets in the area of Houghton Village. It also provides an overview of alternative housing-ownership models, with examples of new housing developments in nearby cities that have been established with community land trusts and cooperative ownership structures. This initial analysis provides the following high-level takeaways:

- Kirkland's housing market is unaffordable to many households, including median income earners;
- High rents in the study area, particularly in new commercial spaces, will make it difficult for small business, community organizations, and mission-driven industries to establish/maintain a presence in Kirkland; and
- The City's ownership of the site presents a unique opportunity to advance the City's goals related to housing affordability and equitable economic development.

Future phases of the development planning process will include additional market analysis, integrated with draft development plan options.

### **Public Participation Plan**

In addition to previous community outreach efforts in 2022 and 2023, staff from the Planning and Building Department and the City Manager's Office have started to implement a Public Participation Plan (PPP) developed in collaboration with Mithun. This plan includes several ways for staff to interact with the community: an Open House held on July 15, 2024, smaller focus groups aimed at encouraging participation from key groups and stakeholders, and staff attendance at meetings of various stakeholder and community organizations. The PPP document is accessible to the public on the Future of Houghton Village webpage.<sup>4</sup>

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<sup>4</sup> <https://www.kirklandwa.gov/Government/City-Managers-Office/Future-of-the-Houghton-Village-Property>

**Next Steps**

Staff will consider PC feedback provided in future phases of the Development Plan creation, continue implementation of the PPP, and will return in the fall to brief the PC on the draft Development Plan options.

**Attachments**

1. Houghton Village Opportunities and Challenges Analysis



**CITY OF KIRKLAND**  
**City Manager's Office**  
**123 Fifth Avenue, Kirkland, WA 98033**  
**425-587-3000**

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## MEMORANDUM

**To:** Kurt Triplett, City Manager

**From:** Jim Lopez, Deputy City Manager of External Affairs  
Allison Zike, Deputy Planning and Building Director  
Diana Hart, Government Affairs Manager

**Date:** July 8, 2024

**Subject:** **Houghton Village Development Plan Briefing**

### RECOMMENDATION:

Staff recommends that the City Council (Council) receives a briefing on the Houghton Village Development Plan process to-date.

### EXECUTIVE SUMMARY:

- The City purchased the Houghton Village Shopping Center in 2022 to support a variety of public purposes.
- Staff has conducted two phases of public engagement to understand the community's interests and to identify partnership opportunities to maximize the property's redevelopment. Staff implementation of a Public Participation Plan is ongoing.
- At the conclusion of an RFQ process in early 2024, the City selected Seattle-based design firm Mithun, with subconsultants Transpo Group and ECONorthwest, to complete the draft Development Plan for Council's consideration of adoption in late 2024.
- The initial Opportunities and Challenges Report, which serves as the first step in creating the Houghton Village Development Plan, has been completed and will be the focus of the July 16 study session. The report includes initial transportation and market analyses (see Attachment 1).
- Staff is requesting Council feedback at the July 16 study session; the item will not include any formal action.

### BACKGROUND:

The City purchased the Houghton Village Shopping Center in 2022 to help realize Council's vision for potential public purposes, such as affordable housing, school space, non-profit program space, arts and cultural space, and City recreational program space. The City used a

three-year interfund loan to acquire the property with the intent to identify a development partner and a long-term financing plan by the time the interfund loan comes due in May 2025. Additional details of the purchase can be found in the staff memorandum from the January 18, 2022, City Council meeting<sup>1</sup>.

City Council directed staff to conduct an initial public engagement campaign to connect with the local community to accomplish a few key objectives. These community conversations included a diverse range of community members and groups and built upon various recent relationship-building efforts from the R-5434 process and others to help identify priorities within the Council's vision for the site, a potential redevelopment plan, and potential partners to help execute the plan. Details of phase one of the public engagement campaign can be found in the staff memorandum from the May 16, 2022, City Council meeting<sup>2</sup>.

At the conclusion of phase one engagement, Council directed staff to perform a second phase of outreach to include key stakeholders such as surrounding commercial property owners, the Lake Washington School District, Northwest University, developers, and more to determine interests and potential partnerships for the site. Details of phase two of the public engagement campaign can be found in the staff memorandum from the December 12, 2023 City Council meeting<sup>3</sup>.

At the December 12, 2023, meeting, staff recommended, and Council authorized, the City Manager to initiate a development plan process for the Houghton Village property to accomplish public benefits in alignment with Council's goals for purchasing the property. To complete that work, the City issued a Request for Qualifications in early 2024 and selected Seattle-based design firm Mithun, with subconsultants Transpo Group and ECONorthwest, to design a Development Plan for Houghton Village.

Currently, the former PCC space in the Houghton Village has undergone renovation to bring the space up to Building and Fire Codes, and is serving as the temporary home to the nonprofit Studio East.

## DISCUSSION/ANALYSIS:

### Opportunities and Challenges Analysis

The report included as Attachment 1 to this memorandum provides an analysis of the current site conditions for the City-owned property (commonly known as Houghton Village) and the surrounding community and regulatory context. This includes how existing zoning and Comprehensive Plan policies apply to the site, and existing and potential transportation conditions in the "area of consideration." The initial opportunities, including existing benefits that

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<sup>3</sup> [https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-council/agenda-documents/2023/december-12-2023/3c\\_study-session.pdf](https://www.kirklandwa.gov/files/sharedassets/public/v/1/city-council/agenda-documents/2023/december-12-2023/3c_study-session.pdf)



should be leveraged to maximize value for the community and potential benefits that can be achieved with redevelopment of the site, include:

- Central location near transit, the Cross Kirkland Corridor (CKC), and existing retail/services;
- Adequate access and ample dimensions for development of housing, commercial/community spaces, parking, and open space;
- Potential for pedestrian-oriented development;
- Improved pedestrian, biking, and rolling facilities;
- Strong demand for rental and for-sale housing of all types;
- Opportunities for restaurants, retail shops and/or community organizations at ground floor;
- Potential to develop as a sustainability showcase project; and
- Expanded opportunities if, or when, adjacent properties redevelop to achieve improved connections to the CKC and a more cohesive center.

The report also identifies potential challenges that should be further discussed and addressed in the Development Plan as follows:

- Optimal design of the City-owned parcel should include redevelopment of the adjacent parcels to the east and west, and a phasing plan should address redevelopment of just the City-owned parcel while identifying how it can be connected to future redevelopment of any neighboring parcels;
- Ground floor spaces could be challenging for smaller ground floor uses;
- Parking and traffic mitigation will need to be carefully designed and managed;
- Preservation of existing tree canopy will be difficult with potential construction of new streets; and
- High costs of undergrounding utilities, and new or widened street construction.

Lastly, Attachment 1 contains an initial Market Analysis. This analysis includes a study of the existing housing, commercial, and office markets in proximity of Houghton Village. It also provides an overview of alternative housing-ownership models, with examples of new housing developments in nearby cities that have been established with community land trusts and cooperative ownership structures. This initial analysis provides the following high-level takeaways:

- Kirkland's housing market is unaffordable to many households, including median income earners;
- High rents in the study area, particularly in new commercial spaces, will make it difficult for small business, community organizations, and mission-driven industries to establish/maintain a presence in Kirkland; and

## Attachment 1\_Houghton Village Development Plan Briefing

- The City's ownership of the site presents a unique opportunity to advance the City's goals related to housing affordability and equitable economic development.

Future phases of the development planning process will include additional market analysis, integrated with the progress on the draft development plan options. At the July 16 Council meeting, staff will be joined by the consultant team to facilitate Council's discussion of the opportunities and challenges identified.

### Public Participation Plan

In addition to previous community outreach efforts in 2022 and 2023, staff has started to implement a Public Participation Plan (PPP) developed in collaboration with Mithun. This plan includes several ways for staff to interact with the community: an Open House scheduled for July 15, 2024, smaller focus groups aimed at encouraging participation from key groups and stakeholders, and staff attendance at meetings of various stakeholder and community organizations. Staff will share the feedback received from recent engagements completed to date during the study session on July 16, 2024. The PPP document is accessible to the public on the Future of Houghton Village webpage.<sup>4</sup>

### Project Name Considerations

Staff notes that the name "Houghton Village" for the project site was the name established by the previous owner(s) for the shopping center. While the name is a convenient reference for the project site, as many community members are familiar with it as "Houghton Village" or the former location of the PCC Market, the site is actually in the Everest Neighborhood (though within the Houghton-Everest Neighborhood Center). Council may decide it is appropriate to rename the site at some point during this planning process, or to involve the community or potential future residents in such a decision. In consideration of the desired community benefits for the future of the site, a new name may provide an opportunity for enhanced and inclusive community ownership of the future development.

### NEXT STEPS:

Staff will incorporate Council feedback provided into future phases of the Development Plan creation, continue implementation of the Public Participation Plan, and will return in the fall to evaluate the draft Development Plan.

### ATTACHMENTS:

**Attachment 1** – Houghton Village Development Plan Opportunities and Challenges Analysis, prepared by Mithun, July 2024

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<sup>4</sup> <https://www.kirklandwa.gov/Government/City-Managers-Office/Future-of-the-Houghton-Village-Property>







## OVERVIEW

### PROJECT OVERVIEW

The City purchased the Houghton Village Shopping Center to support a variety of potential public purposes, such as affordable housing, school space, non-profit program space, arts and cultural space, and City recreational program space. Mithun, together with sub-consultants Transpo Group and ECONorthwest, were hired by the City to create options for a future development that can best achieve these public benefits and also create a thriving, walkable, sustainable mixed-use development.

The City Council will consider public, community, and stakeholder feedback and decide on a preferred option for redevelopment in the fourth quarter of 2024. This will be documented in a Development Plan which will include possible future uses, guidelines for redevelopment, and possible recommended changes to land use and development standards. For more information about this project, please see the City website: [Future of the Houghton Village Property – City of Kirkland](#).

This Opportunities & Challenges Analysis document is the first step in creating that Development Plan. It includes analysis of the existing Houghton Village ("City Owned Parcel") and adjacent Houghton Plaza and Lakeview Center parcels--all of which make up the "Study Area" for the New Village Development Plan. Opportunities and challenges related to developing other parcels on the periphery of this area were also analyzed and are grouped into an Area of Consideration.

### OPPORTUNITIES ON CITY-OWNED PARCEL & STUDY AREA

There are many opportunities for redeveloping the existing Houghton Village and adjacent properties. The parcels are well located along transit, have wonderful proximity to the Cross Kirkland Corridor (CKC) trail for recreation, walking and biking, and are located in the heart of the Houghton-Everest retail core. All three sites have adequate access and ample dimensions for development of housing, commercial / community spaces, parking, and open space.

When redeveloped, the existing strip-mall style developments with parking in front of the buildings can give way to vibrant, pedestrian-oriented development with storefronts and community-oriented ground floor spaces activating improved and widened public sidewalks, with cars tucked to the rear of their sites. Improved bike facilities along NE 68th Street can improve safety for cyclists travelling west, and a safer crossing could be created along NE 68th Street at NE 106th Avenue.

There is currently a strong demand for all types of housing in the neighborhood. Huge opportunities exist on the City-owned parcel to create new housing units, including for-rent or for-sale multi-unit affordable housing. Long term economic opportunities could also be gained by creating ground-floor spaces for small business, in-home childcare units, or many other ideas that could be identified by the community at upcoming outreach events. The Houghton Village parcel also has potential to become an environmental sustainability showcase demonstrating best practices in urban stormwater management, tree canopy, and low-carbon, efficient, and possibly net-zero building systems.

With possible development of Lakeview Center, there is an opportunity to connect to the CKC and to extend Feriton Spur Park to the south. The redevelopment of this site and of Houghton Plaza will also unlock the potential to create new, finer-grained street connections, creating a new urban block that is more appropriately sized for walkability and for hiding loading and services away from the arterials. (See more information in the Transportation Analysis section.)

### CHALLENGES ON THE CITY-OWNED PARCEL & STUDY AREA

The optimal design of the City-owned parcel depends on the potential redevelopment of the two adjacent parcels, since the future street connections to the north and west of the site could serve all sides of the future buildings on the City-owned site. Redeveloping only Houghton Village in a first phase is possible, but will bring phasing challenges such as bringing temporary fire and parking access through the center of the site. Designing a flexible west edge to the project will be challenging and important, as it will serve as a temporary side yard and a future commercial front yard when the new street is built within the Lakeview Center site. The ground floor spaces in this location could work well for larger ground-floor uses, but challenging for smaller ground-floor uses.

Parking and traffic mitigation will need to be carefully designed and managed, and preservation of tree canopy (especially along the west and north lot lines) will be challenging with the creation of new streets. Steep grade at Lakeview Center must be overcome to create pedestrian-friendly frontage and to create the new extension of 106th Avenue NE. Also challenging in this location is the CKC bridge abutment which restricts future sidewalk widening and bike lane improvements.

There are also financial hurdles. The cost of under-grounding utilities and creating new or widened streets is above and beyond typical development and construction costs. Also, non-profit organizations typically need lower commercial space rents, which makes more challenging project financials.

### OPPORTUNITIES & CHALLENGES IN THE AREA OF CONSIDERATION

There are several large properties in the Area of Consideration that should be considered as important context for the Development Plan on the City-owned parcel, including the Western Pneumatic Tube Company, Houghton Court Apartments, and Houghton Center which includes Metropolitan Market. These properties could choose to participate in the planning process to help form the vision for a cohesive district in the future. The plan for the City-owned parcel will aim to identify opportunities

### KEY MAP



### LEGEND

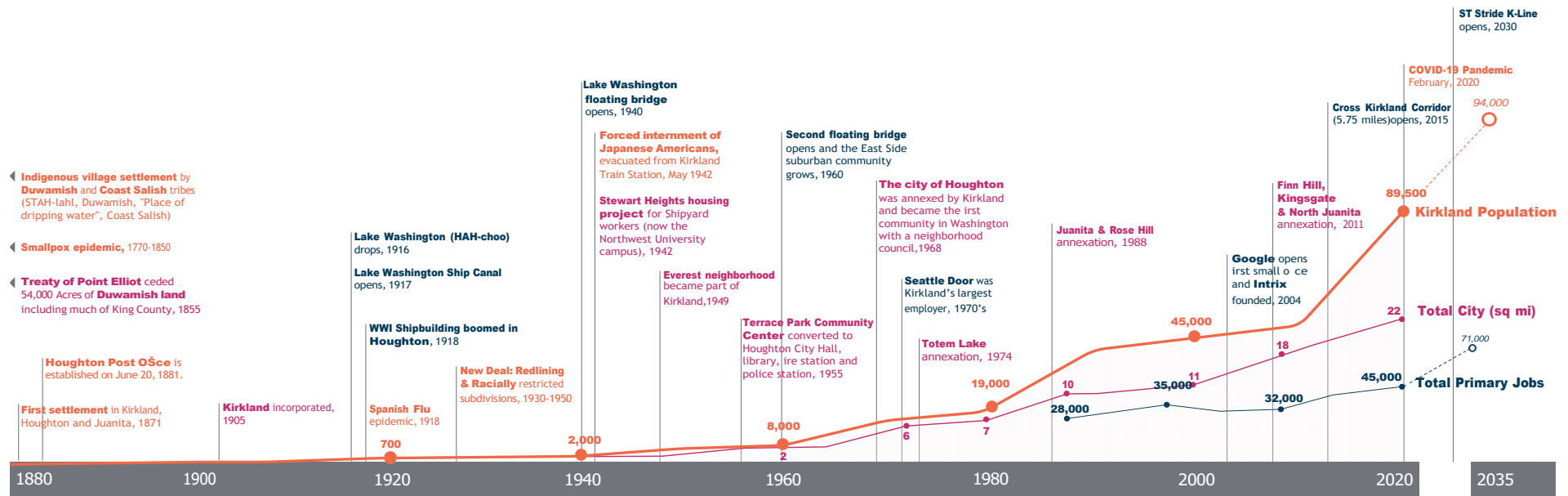
- CITY OWNED PARCEL
- STUDY AREA
- AREA OF CONSIDERATION

for future connections or other mutual benefits with these properties, Lakeview Elementary School, and other parcels identified in the community engagement process in the Area of Consideration. Improved and safe pedestrian and bicycle access to the school will be addressed.

With redevelopment comes more pressure on existing transportation and utility systems. But redevelopment of the Area of Consideration also represents an extraordinary opportunity for the neighborhood center, including: potential for greater connections to the CKC and surrounding pedestrian and bike network; more accessible housing choices in Kirkland which would include greater production of affordable housing under inclusionary zoning; better connections to the Google Campus, public parks, and other points to the north; Potential for connection at 9th Ave S.; more pedestrian-friendly and vibrant streetscapes with more opportunities for retail / businesses along street frontage; and new places for people to connect with each other and to feel a sense of belonging.

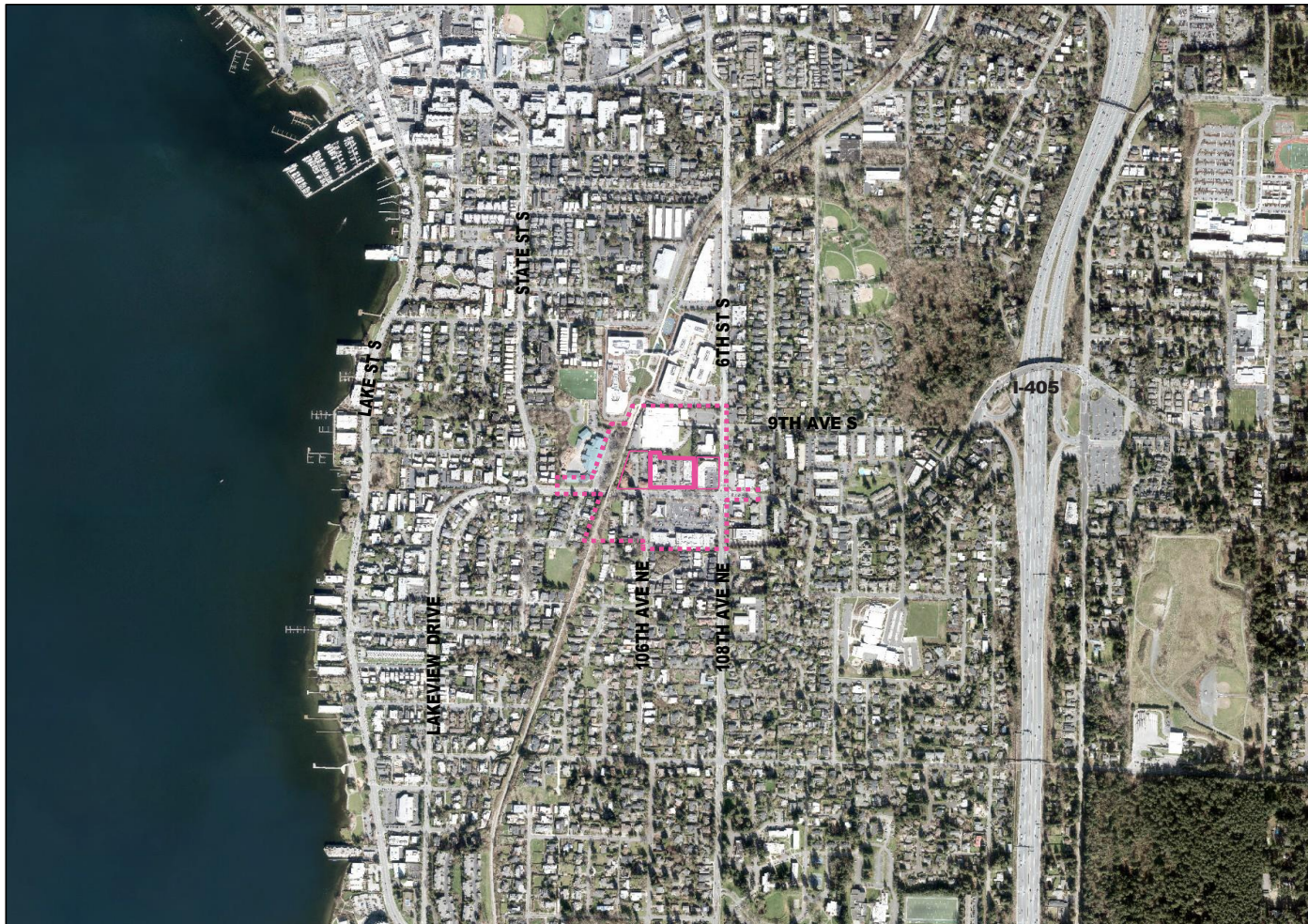
# Site Analysis—

## HISTORICAL TIMELINE

INDIGENOUS COMMUNITY &  
EARLY SETTLEMENTINDUSTRIAL ERA &  
REGIONAL DEVELOPMENTSUBURBAN GROWTH  
& ANNEXATIONINNOVATION &  
MOBILITY INVESTMENTHOUGHTON VILLAGE  
TODAY4  
SITE ANALYSIS



## EXISTING CONTEXT AERIAL



SOURCE: GOOGLE EARTH

HOUGHTON VILLAGE DEVELOPMENT PLAN / OPPORTUNITIES AND CHALLENGES ANALYSIS / JULY 8, 2024

### LEGEND

- CITY OWNED PARCEL
- STUDY AREA
- AREA OF CONSIDERATION



## EXISTING AND POTENTIAL TRANSPORTATION CONDITIONS\*



SOURCES: KING COUNTY ASSESSOR'S OFFICE, KING COUNTY GIS CENTER, KING COUNTY, PARCEL VIEWER; CITY OF KIRKLAND GIS DATA SET; CITY WIDE TRANSPORTATION CONNECTIONS MAP.

\*SUBJECT TO CHANGE

HOUGHTON VILLAGE DEVELOPMENT PLAN / OPPORTUNITIES AND CHALLENGES ANALYSIS / JULY 8, 2024

### ARTERIAL DESIGNATIONS

NE 68TH ST: Minor arterial between 132nd Ave. NE and Lake Washington Blvd.  
 6TH ST S/108TH ST NE: Minor arterial between Central Way and southern city limit

### PLANNED NORTH-BOUND "QUEUE JUMP" BUS LANE

City of Kirkland is re-designing a 15-block section of 108th Avenue NE to include transit-only lanes that will allow buses to bypass traffic back-ups. The project will create sidewalk-level bicycle lanes, new sidewalk and a landscaped median that separates people who are bicycling and walking from automobiles. Design is expected to be complete in Fall 2024; and should be reviewed to assess any potential affects on Study Area parcels.<sup>(1)</sup>

### PLANNED RAPID RIDE K LINE

King Country Metro is planning a bus rapid transit line along an 18-mile north-south corridor between Kirkland and Bellevue as part of Metro's long-range vision for the region. This RapidRide K Line is planned to open in 2030. It is anticipated to include a bus stop in the vicinity of NE 68th St and 6th Street S.<sup>(2)</sup>

Sources: 1. <https://www.kirklandwa.gov/Government/Departments/Public-Works-Department/Construction-Projects/108th-Avenue-Northeast-transit-queue-jump>. 2. <https://kingcounty.gov/en/dept/metro/travel-options/bus/rapidride/k-line>

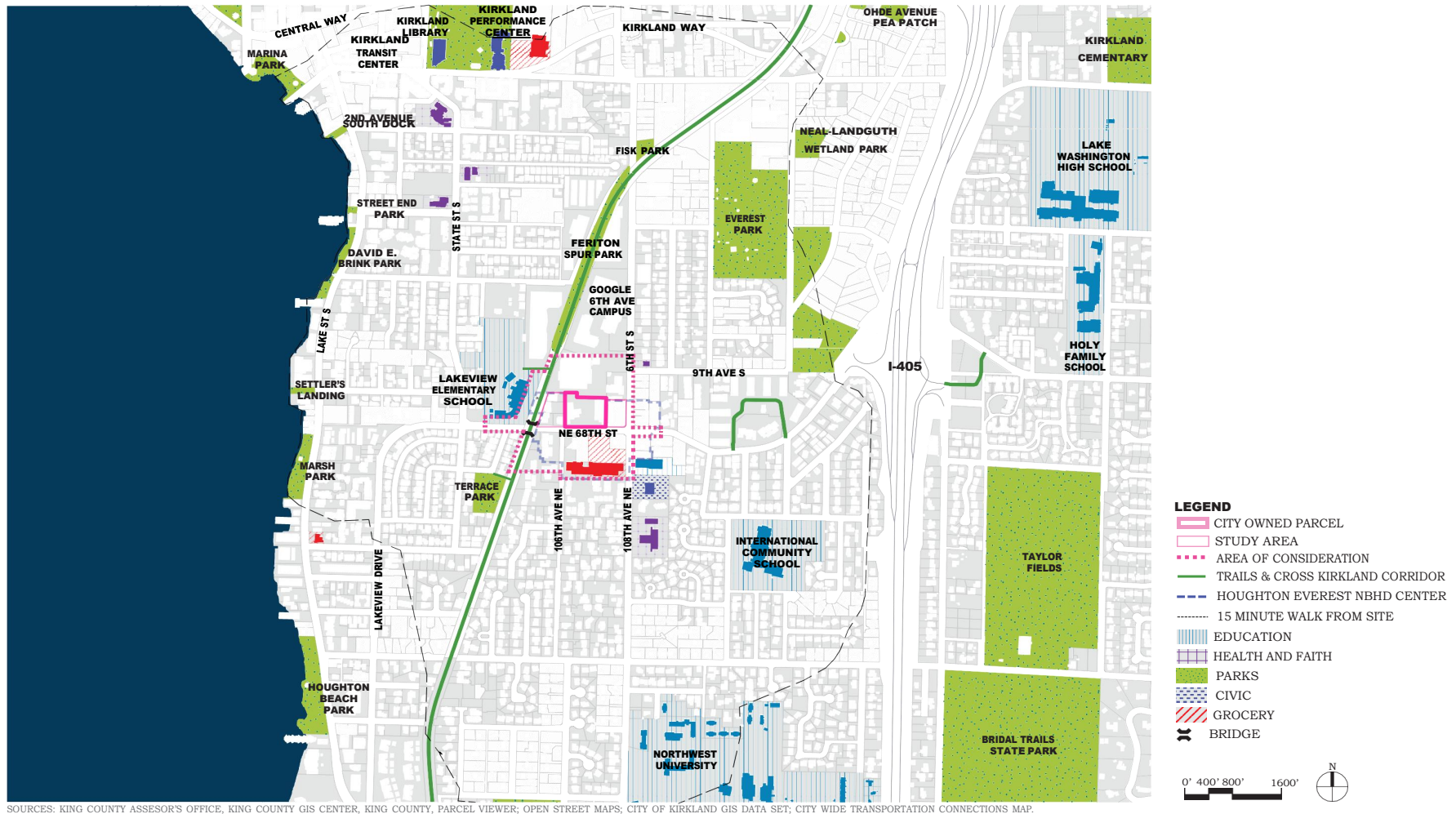
### LEGEND

- CITY OWNED PARCEL
- STUDY AREA
- AREA OF CONSIDERATION
- TRAILS & CROSS KIRKLAND CORRIDOR
- POTENTIAL PEDESTRIAN CONNECTION
- FUTURE STREET (APPROX. LOCATION)
- BICYCLE ROUTE
- POTENTIAL BIKE FACILITIES
- 15 MINUTE WALK FROM SITE
- BUS ROUTE
- FUTURE RAPID RIDE K LINE
- BUS STOP
- PARKS
- BRIDGE

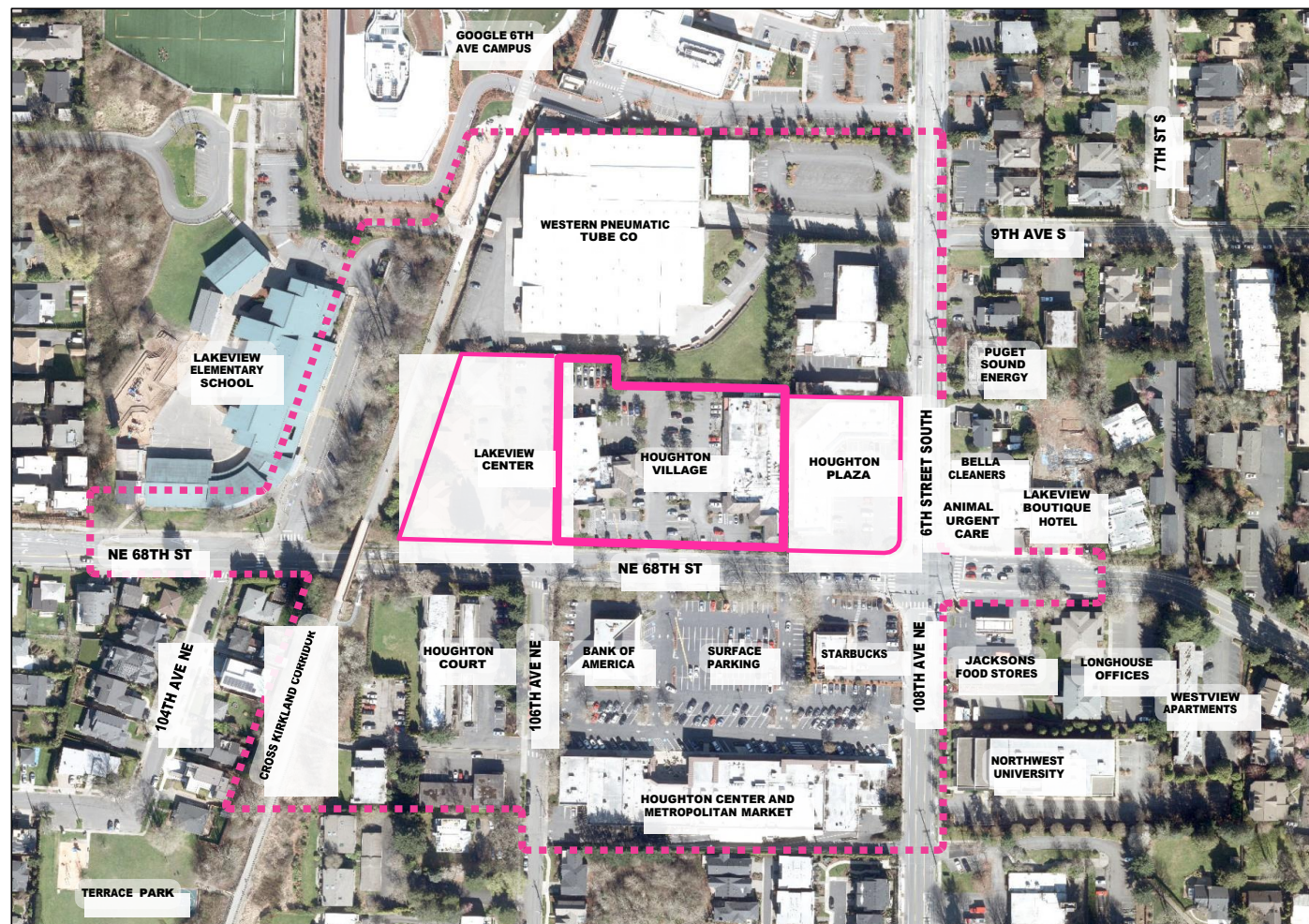




## EXISTING COMMUNITY ASSETS



## EXISTING PROJECT AREA AERIAL



SOURCE: GOOGLE EARTH

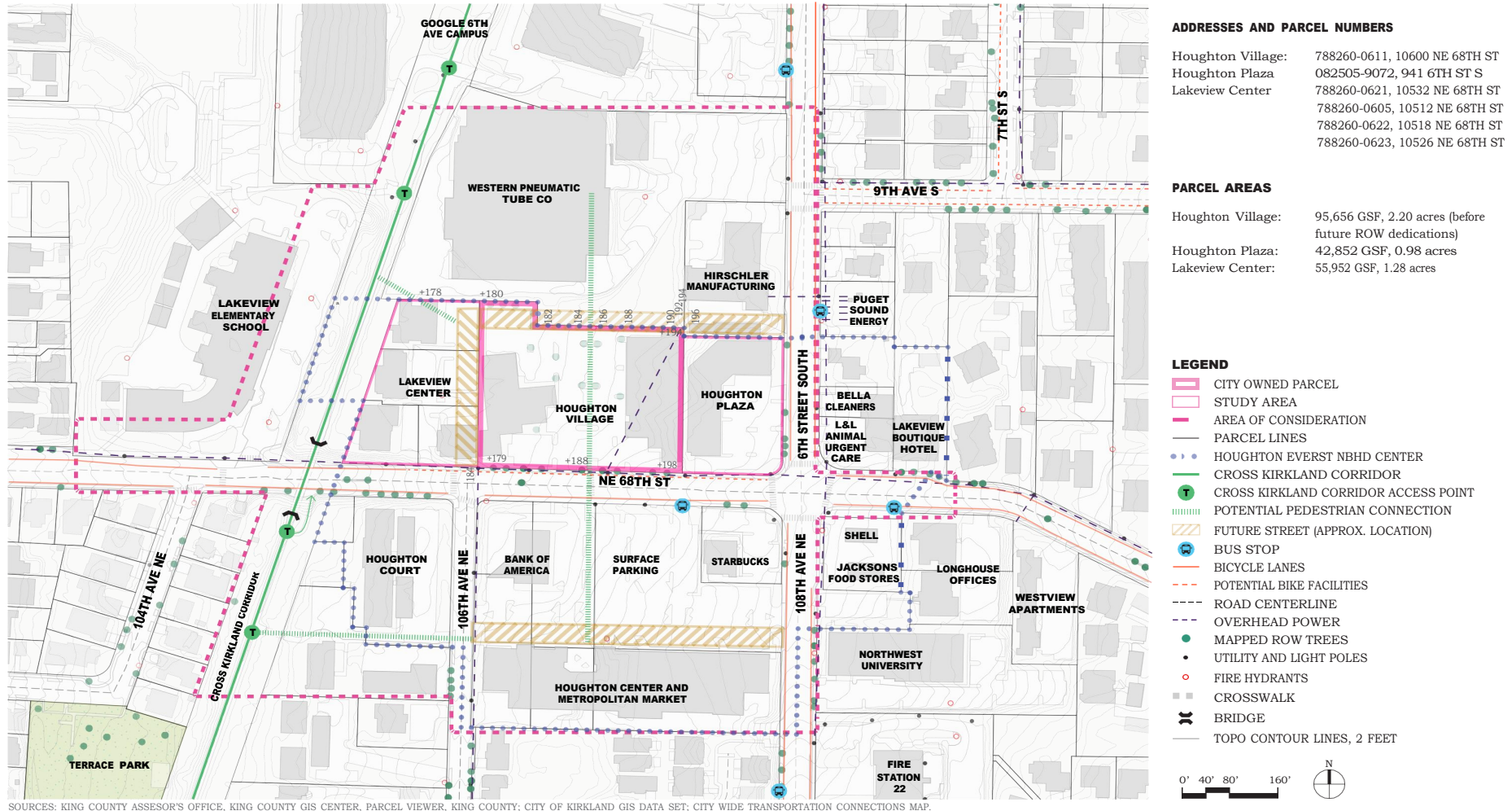
## LEGEND

- CITY OWNED PARCEL
- STUDY AREA
- AREA OF CONSIDERATION

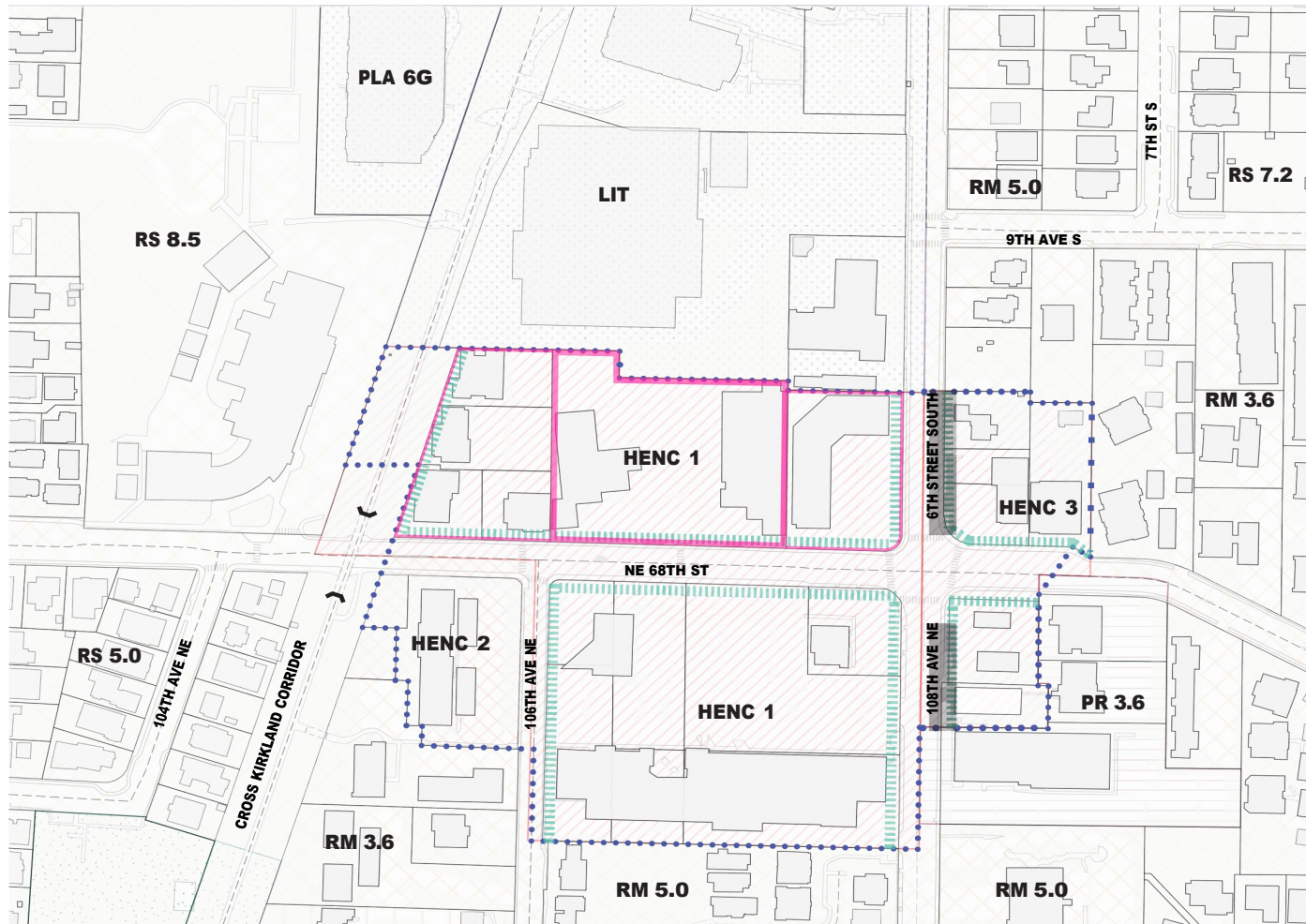




## EXISTING AND PLANNED PROJECT AREA



## EXISTING ZONING



SOURCES: KING COUNTY ASSESSOR'S OFFICE, KING COUNTY GIS CENTER, PARCEL VIEWER, KING COUNTY; CITY OF KIRKLAND GIS DATA SET; KIRKLAND ZONING CODE.

HOUGHTON VILLAGE DEVELOPMENT PLAN / OPPORTUNITIES AND CHALLENGES ANALYSIS / JULY 8, 2024

### PEDESTRIAN CIRCULATION REQUIREMENTS

NE 68TH ST: Pedestrian-Oriented Street (14' sidewalks both sides), Minor arterial

6TH ST S / 108TH AVE NE: Major Pedestrian Sidewalks (14' sidewalks west side), Minor arterial

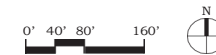
106TH AVE NE: Major Pedestrian Sidewalks (14' sidewalks east side)

### LEGEND

- CITY OWNED PARCEL
- STUDY AREA
- PARCEL LINES
- HOUGHTON EVEREST NBHD CENTER
- ROAD CENTERLINE
- STEPBACKS REQUIRED ABOVE 2ND STORY\*\*
- COMMERCIAL ZONES\*
- HIGH DENSITY RESIDENTIAL ZONES\*
- MEDIUM DENSITY RESIDENTIAL ZONES\*
- LOW DENSITY RESIDENTIAL ZONES\*
- OFFICE ZONES\*
- INDUSTRIAL ZONES\*
- PARKS\*

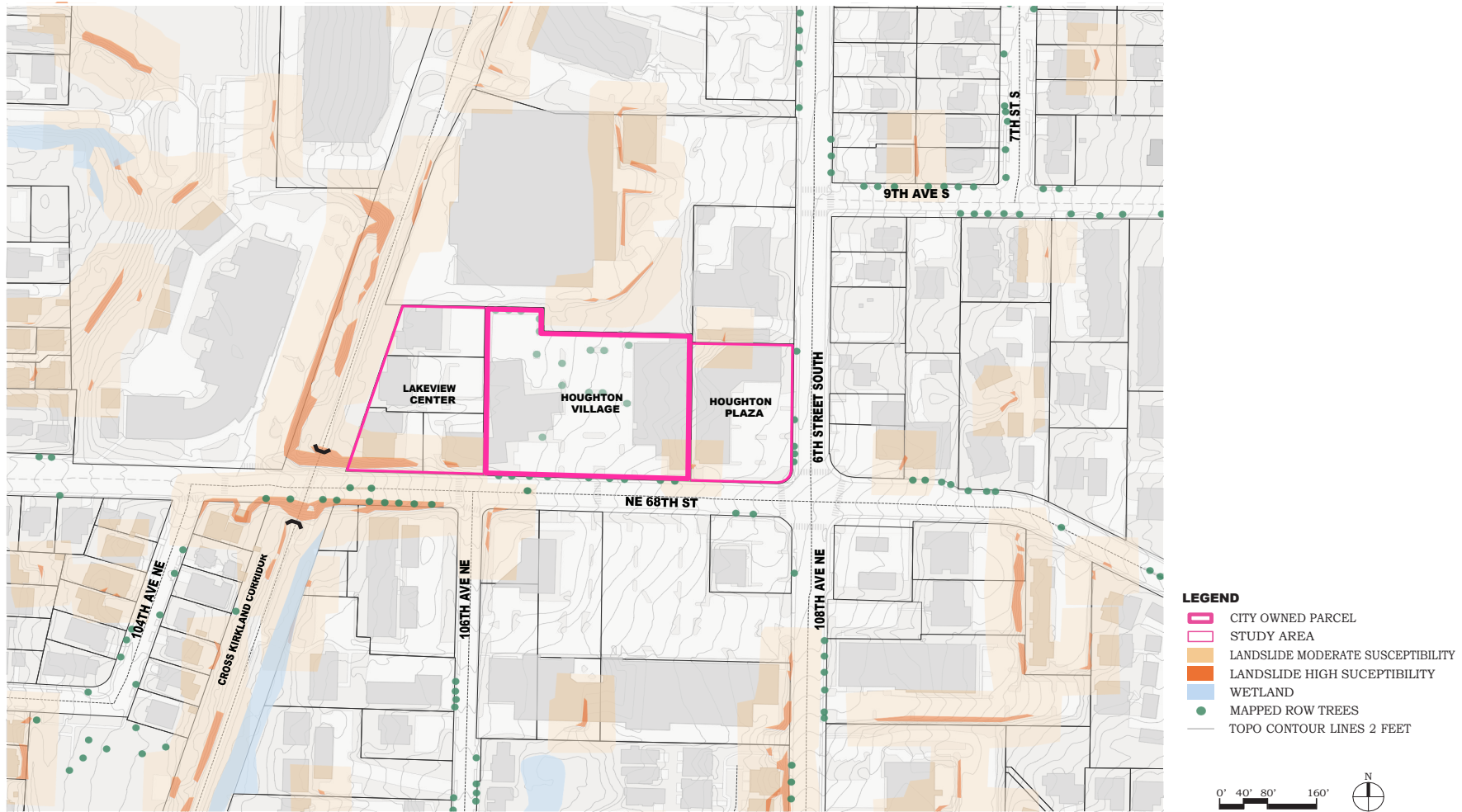
\* The land use designations denoting zones reflect the adopted land use designations in the Kirkland 2035 Comprehensive Plan, and are subject to change with adoption of the Kirkland 2044 Comprehensive Plan update.

\*\* In the HENC-1 and HENC-3 zones, 5' average and 5' min stepbacks are required for portions above 2 stories when adjacent to NE 68th Street, 106th Avenue NE, 108th Avenue NE, 6th Street South and CKC

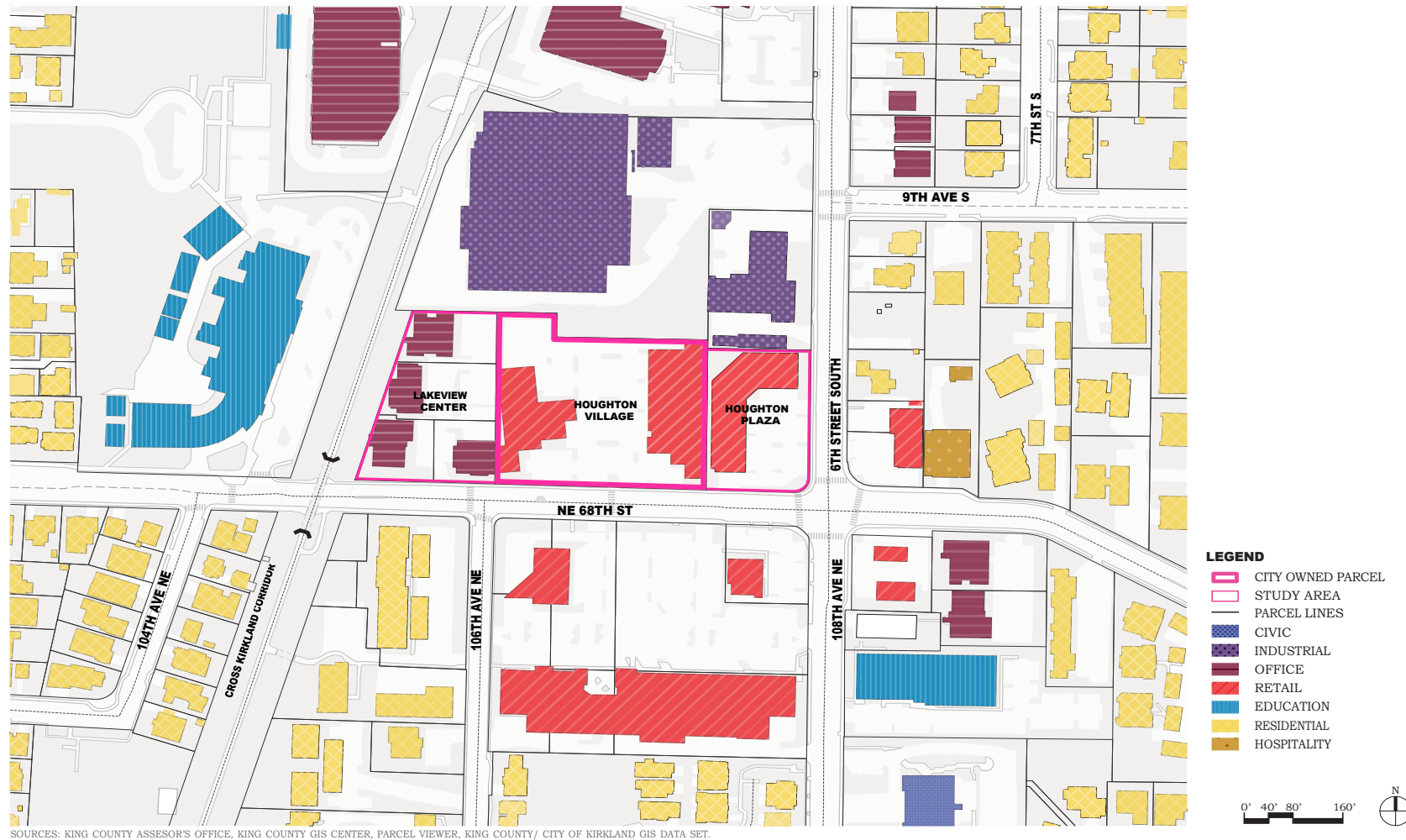




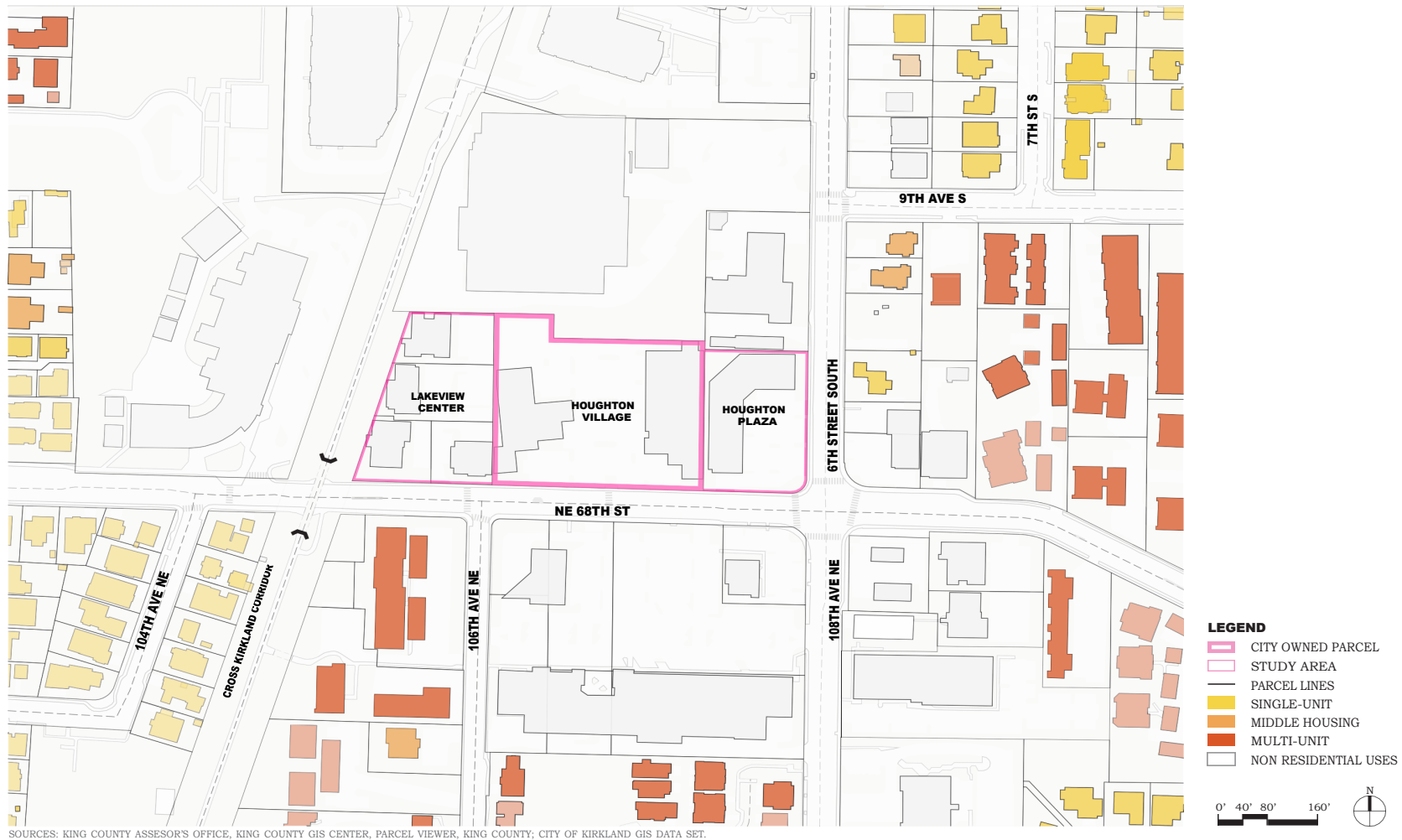
## EXISTING ENVIRONMENTAL CONDITIONS



## EXISTING LAND USE



## EXISTING RESIDENTIAL BUILDING TYPES



HOUGHTON VILLAGE DEVELOPMENT PLAN / OPPORTUNITIES AND CHALLENGES ANALYSIS / JULY 8, 2024

MITHUN



## EXISTING ARCHITECTURAL CHARACTER



Houghton Plaza



CKC Bridge over 68th Street



Lakeview Center



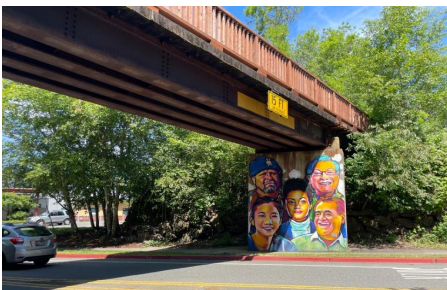
Feriton Park at Google Campus



Google 6th Street Campus



Houghton Village Retail



Street art at the CKC Bridge

SOURCES: PHOTOGRAPHY BY MITHUN, GOOGLE EARTH



Houghton Village Retail



Lakeview Elementary School



# Zoning Analysis—

## EVEREST NEIGHBORHOOD PLAN POLICY

Everest Neighborhood Plan Policy language states that buildings may go up to 5 stories with an approved Development Plan:

### POLICY EV-10

A plan for future development of the Houghton/Everest Neighborhood Center should help create a mixed-use neighborhood center that provides goods and services to the local community and should be coordinated with the Central Houghton Neighborhood.

The Land Use Element designates the Houghton/Everest Neighborhood Center as a commercial and mixed-use area. It spans the north and south sides of NE 68th Street and includes property on the east side of 6th Street and 108th Avenue NE. The Houghton/Everest Neighborhood Center located on the north side of NE 68th Street is located within the Everest Neighborhood. The Neighborhood Center should serve the needs for goods and services of the local community. Uses within the Neighborhood Center may include retail, restaurants, office, service businesses and housing, with grocery and drug stores a high priority anchor to serve the everyday needs of the community. Housing provides the opportunity for people to live close to shops, services, employment, transit and the Cross Kirkland Corridor. Redevelopment plans for properties on the west side of 6th Street South/108th Avenue should promote a coordinated strategy for redevelopment of the Neighborhood Center on both sides of NE 68th Street.

The following principles should be incorporated into development plans and standards for the area:

- Preserve and enhance neighborhood-serving retail, especially grocery stores;
- Promote a mix of complementary uses;
- Promote high quality design by establishing building, site and pedestrian design standards and guidelines;
- Foster walkable neighborhoods and increased transit service;
- Integrate affordable housing where possible;
- Create gathering places and opportunities for social interaction.

Properties along 6th Street South, 108th Avenue NE and NE 68th Street are impacted by heavy traffic volumes. Future redevelopment and transportation improvements should incorporate the recommendations from the 6th Street Corridor Transportation Study. A new east/west connection from 106th Avenue NE through the Neighborhood Center should also be considered.

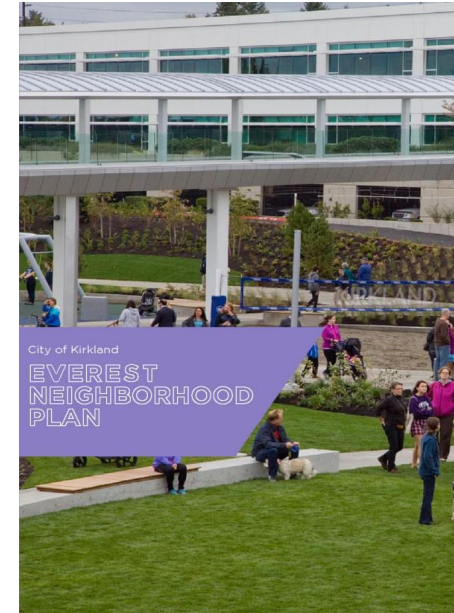
Properties to the east of 6th Street South should be encouraged to develop together with joint access off of 6th Street South.

Building heights should be allowed to step up to three stories if certain retail uses that primarily serve the neighborhood are provided. Careful attention should be given through the design review process to pedestrian orientation, building modulation, upper story setbacks, and use of materials to reduce the appearance of bulk and mass.

With regard to building height, an additional two stories (five stories maximum) may be authorized by a Master Plan, which is approved by the City Council after full legislative process with opportunities for public participation. The Master Plan should include the following:

- Provision for traffic mitigation as recommended in the 6th Street Corridor Transportation Study;
- Consolidation of the property on the northwest corner of NE 68th Street and 6th Street South and property or properties west of the corner property;
- Compliance with the principles outlined above for development in this commercial area; and
- A circulation plan and a driveway consolidation plan for the Everest portion of the Houghton/Everest Neighborhood Center north of NE 68th Street.

The Zoning Map designates this area on the north side of NE 68th Street as HENC 1 and HENC 3 zone. See the Zoning Code for allowed uses and development regulations, and the Design Guidelines for Pedestrian Oriented Development, which provide the design guidelines for future redevelopment of the HENC zones.



*The Houghton/Everest Neighborhood Center has evolved into a thriving, pedestrian-oriented mixed-use center, with businesses that meet the retail and service needs of the community, housing that supports these businesses and residents of the neighborhood. Attractive streetscapes, vehicular and pedestrian through-block connections, landscaping, pedestrian amenities and building design create a true neighborhood center for Everest and other adjoining neighborhoods.*

- Excerpt from the Everest Neighborhood Plan

## ZONING SUMMARY

### ZONING CODE USER GUIDE

The following analysis is based on review of the Kirkland Zoning Code and the Everest Neighborhood Plan. Codes were reviewed for relevance to the HENC-1 zone, the Houghton Everest Neighborhood Center overlay, and for specific streets or locations within the scope of this study area. Detailed requirements for architectural design (such as extent of window transparency) are beyond the scope of this study and not reviewed in detail.

Some requirements have been footnoted as candidates for potential modification to better:

- meet city and community goals for the site
- allow for more flexibility to produce affordable housing
- allow flexibility for changing uses over time
- create a more pedestrian-oriented environment
- clarify the intent of the code

Footnotes can be found on the last page of zoning analysis.

### ABBREVIATIONS

AMI: Area Median Income  
CKC: Cross Kirkland Corridor  
DRB: Design Review Board  
DUA: Dwelling Units per Acre  
GFA: Gross Floor Area  
GSF: Gross Square Feet  
KZC: Kirkland Zoning Code  
ROW: Right-of-Way (public road/path)  
SF: Square Feet

### GENERAL

#### ADDRESSES AND PARCEL NUMBERS

See Project Area Map

#### PARCEL AREAS

Houghton Village:	95,656 GSF, 2.20 acres (City-owned parcel) (before future ROW dedications)
Houghton Plaza:	42,852 GSF, 0.98 acres
Lakeview Center:	55,952 GSF, 1.28 acres

#### ZONE

HENC 1 (Houghton-Everest Neighborhood Center)

#### STREET DESIGNATIONS

NE 68TH ST: Pedestrian-Oriented Street, Minor Arterial

6TH ST S / 108TH AVE NE: Major Pedestrian Sidewalks, Minor Arterial

106TH AVE NE: Major Pedestrian Sidewalks, Neighborhood Access Street

### COMMERCIAL ZONES (CH 35)

#### USE LIMITS/REQUIREMENTS

20% max of the GFA for any building may include office uses. Excludes Lakeview Center parcels.

- 1 75% min GFA of ground floor must contain retail, restaurants, taverns, hotels or offices. Orient to a pedestrian-oriented street, major sidewalk, through-block pathway, or CKC
- 2 Attached dwelling units (except lobbies) [and presumably amenities] may not be located on the ground floor (PU-4)  
  
School and Daycare uses require a 6' fence along the property lines adjacent to outside play areas
- 3 Delis and bakeries may contain accessory seating if it doesn't exceed over % GFA and is designed to preclude an expansion of seating  
  
Development adjoining the CKC must comply with KZC 115.24. Safe ped paths to CKC are required.

#### MAX LOT SIZE

None for most uses

#### MAX HEIGHT

- 4 30'. May be increased to 35' if:
  - 2) Includes grocery, hardware, and/or drug stores. (One at 20,000 GSF min, and another at 10,000 SF min.)
  - 3) Site plan approved by DRB, and includes public gathering places and community plazas with public art (one must be at least 1,500 GSF and 30' wide.)
  - 4) 13' min commercial height
  - 5) Max 900 SF per unit, or 48 DUA
  - 6) Certified to achieve high performing building standards per KZC 115.62
  - 7) 10% affordable units

#### REQUIRED YARDS (SETBACKS)

- 5 Front: 0' for most uses. Except 10' front yards for Schools, Daycare, Offices, Banks, Community, Entertainment, Cultural, Recreational

Side: 0'

Rear: 0'

#### MIN STEPBACKS

15' average and 5' min required for portions above 2 stories when adjacent to NE 68th Street, 106th Avenue NE, 108th Avenue NE, 6th Street South and CKC.

#### MAX LOT COVERAGE

80% for most uses

#### REQUIRED SIDEWALKS

14' min along 106th Ave NE, 108th Ave NE, 6th Street S, NE 68th St where they abut HENC-1.

See Chapter 110 for sidewalk requirements at other streets.

### DESIGN REGULATIONS (CH 92)

#### BUILDING CORNERS

If one street is a ped-oriented street:

- 1 100 sf of additional open space at corner
- 2 Entry at corner
- 3 8' wide ped path connecting to another street, public feature or building
- 4 Certain architectural elements at the corner

#### PED ORIENTED SPACE & PLAZAS IN PARKING AREAS

175 SF min ped-oriented space at the main building entry

#### PED-ORIENTED SPACE & PLAZAS

Space between sidewalk and building (if any) has several requirements, including at least 2 linear feet of seating area, or 1 seat / 65sf of plaza/sidewalk. May not be adjacent to an unscreened parking lot.

#### PARKING GARAGES

Facades must provide ground floor area at least 10' deep for ped-oriented businesses (excluding access points)

Architectural screening required

#### HORIZONTAL DEFINITION

Differentiate a building's top, middle and base

#### ARCHITECTURAL SCALE

Use two of the listed elements for buildings over 3 stories or which have a footprint over 10,000 GSF:

- a. Stepback 10' above 2nd story on two facades
- b. Horizontal modulation if viewed from street: max 70' width before requiring 10' deep x 15' wide modulations
- c. Balconies
- d. Modulate roofline vertically (even flat roofs) after 50' (8' for <50' segments, 12' for > 50' segments)

#### HUMAN SCALE

Use at least three elements on street or ped-path facades if over 3 stories or facade is over 100' long

## ZONING SUMMARY

### TREE MANAGEMENT & REQUIRED LANDSCAPING (CH 95)

#### LANDMARK TREES - MITIGATION REQUIREMENTS

Removal of Landmark Trees must be mitigated. No landmark trees on site.

#### TREE RETENTION ASSOCIATED WITH DEVELOPMENT ACTIVITY

Development of Multifamily, Commercial and Mixed Use: Retaining High and Moderate Retention Value trees may offer variations to development standards

#### TREE REPLACEMENT STANDARDS RELATED TO DEVELOPMENT ACTIVITY

Not applicable

#### REQUIRED LANDSCAPING BASED ON ZONING DISTRICT

Landscape Category Per Chapter 35:

- Entertainments, Cultural, Recreation, Restaurant, Retail: B
- Community Facility, Office: C
- Schools, Daycare: D

#### LAND USE BUFFER REQUIREMENTS

Adjoining property use of office, commercial or industrial:

- No buffer at Landscaping Categories B, C, D

6 Adjoining property use of medium or high density residential:

- Buffer Standard 1 at Category B
- Buffer Standard 2 at Category C
- No buffer at Category D

Buffering Standards

- Standard 1: 15' wide strip, 6' solid fence/wall at property line, trees at 20' centers, 60% shrubs, groundcover
- Standard 2: 5' wide strip, 6' solid fence/wall at property line, trees at 10' centers, groundcover
- Provide least stringent buffer if adjoining property contains several uses

- Provide most stringent buffer if the subject property contains several uses
- (15'+15'=30' buffers required at east/west parcel lines if all 3 properties are developed as mixed use)

#### OUTDOOR USE, ACTIVITY & STORAGE

Must comply with buffers except:

- When abutting another outdoor use
- Within 5' of fence to max of 50% of facade or fence
- Beyond 5' if path included to max of 50% of facade or fence
- Outdoor dining areas

#### INTERNAL PARKING LOT LANDSCAPING REQUIREMENTS

25 SF landscaping per stall, including trees

### PARKING, VEHICLE & PED ACCESS (CH 105)

CH 92 or 110 supercede conflicts in Ch 105

#### ROADWAYS/DRIVEWAYS

6% max grade for first 20', then 15% max

Min 24' wide driveways in garages,

Min 20' wide driveways outside of garages

Shared access between lots is encouraged

#### PEDESTRIAN ACCESS

5' wide min, unless otherwise noted in Chapter 110

Separated from vehicular areas.

- Minimize length of path from sidewalks and transit facilities to primary entrances,
  - Provide between other entries on property and to other properties (except industrial). Requires easement.
- c., d. Provide through parking lots and garages

#### PUBLIC PEDESTRIAN WALKWAYS

(Through block pedestrian pathways as identified in Comp or Trans. Plans - see map within)

- 8' wide
- Trees at 30' spacing along parking with 4.5' planting strip
- Dedicate as ROW or easement
- Width determined by Public Works Preapproved Plans
- Structures must setback 5'
- Requires dedication or easement

#### MIN PARKING

Ped, bike, transit and garages not included in determining requirements

#### Stacked Units

- Studio: 0.75 / unit  
(reduced from 1.2 for transit or low income)
- 1BR: 1.0 / unit  
(reduced from 1.3 for transit or low income)
- 2BR: 1.6 / unit
- 3BR+: 1.8 /unit
- Senior housing: None, except staff per KZC 105.25
- Guest parking: 10% of required parking spaces in addition to the min required

Office & Retail 1/300 GSF

Restaurant 1/100 GSF

Other Non-specified Uses: Determined on a case-by-case basis based on parking demand of existing similar uses.

#### Reductions

- 1 stall can be reduced per 6 covered & secured bicycle spaces (max of 5% stalls).
- Shared parking between uses is conditionally allowed if the supply is equal to the max of peak parking demand for the uses. The reduction would most likely apply to commercial parking vs. residential.

#### PARKING STANDARDS

Prohibited between street and building.

May be allowed at side of building if occupies 30% max of the frontage and visibility is minimized

Turnaround clearances per 105.62

#### BIKE PARKING

1 bicycle space per 12 parking stalls

Locate within 50' of exterior and retail entries

Must be sheltered, but are not required to be interior, and Public Works Pre-approved Plans require long-term parking to be interior.

Parking requirements for other not specified uses including: Community, Entertainment, Cultural/ & Rec Centers, Schools or Daycare are determined on a case-by-case basis based on parking demand on existing similar uses.

*The community values the diverse population of people who live in the neighborhood and the sense of belonging. There is a sense of community and cohesiveness. Children know each other. People who are new to the community are welcomed at neighborhood gatherings. The neighborhood is maturing gracefully and is adapting to change in an inclusive way.*

- Excerpt from the Everest Neighborhood Plan

## ZONING SUMMARY

### REQUIRED PUBLIC IMPROVEMENTS (CH 110)

#### NEIGHBORHOOD ACCESS STREETS (R-28)

(106th St extension, new east-west street north of site)

- 28' pavement width
- 40-50' ROW
- Parking allowed both sides
- 4.5' planting strip both sides
- 5' sidewalks both sides, except where required to be 14' per Chapter 35

#### MINOR ARTERIAL STREETS

(68th, 6th/108th)

Standards per Public Works Director

#### SIDEWALKS

If improvements cannot be made up within existing ROW, the difference may be made up with a public easement provided that 5' min from curb is retained as public ROW. Building may cantilever over easement.

#### PED-ORIENTED STREETS IN DESIGN DISTRICTS

(68th Street)

10' min, except where required to be 14' per Chapter 35

#### MAJOR PED SIDEWALKS IN DESIGN DISTRICTS

(6th/108th Ave NE, 106th Ave)

8' wide, except where required to be 14' per Chapter 35

#### LANDSCAPE STRIPS

Planted strips with trees at 30' spacing and 2.5' behind sidewalk

#### UTILITIES

Power to be undergrounded unless deemed infeasible

### AFFORDABLE HOUSING INCENTIVES (CH 112)

#### REQUIREMENTS

10% min units as affordable housing

Calculate before bonus units are added

#### BASIC INCENTIVES

Bonus Units

2 bonus units for every affordable unit, to a max of 25% of allowed base units

Alternative Affordability Levels

Renter Occupied

- 60% AMI: 1.9 to 1 (bonus unit to affordable unit ratio)
- 70% AMI: 1.8 to 1

Owner-Occupied

- 90% AMI: 2.1 to 1
- 80% AMI: 2.2 to 1

Dimensional Standards Modification

Lot coverage - increased by 5%

Parking - reduced to 1.0 stall per affordable unit with covenant limited cars per unit. Guest parking waived.

Height - increase by 6' for portions 20' from property lines

Yards - may encroach 5' (if leave 5')

Common Rec Space - reduced by 50 sf per affordable unit

#### ADDITIONAL INCENTIVES

Density Bonus - more than 2 bonus units per affordable unit or exceed 25% up to 50%; review by Planning & Building Director

Dimensional Standards - more modifications allowed if cannot meet max density

#### AFFORDABILITY PROVISIONS

Intermix with other units

Same type of ownership as other units

Bedroom counts similar to other units

Size can only be 10% smaller than other units or:

- 1 BR 500 sf
- 2 BR 700 sf
- 3 BR 900 sf

### MISC USE, DEVELOPMENT & PERFORMANCE STDS (CH 115)

#### FAMILY CHILD-CARE HOME

Permitted use

#### CKC DEVELOPMENT STANDARDS

Min 10' yard from CKC parcel (or 1' if one-story retail)

Ped path connecting building entry to CKC

Bike parking: 1 space per 6 parking stalls; must be visible from the CKC

Design standards: essentially design as a front of the building. 120' max width divided by vertical definitions

#### GARBAGE & RECYCLING

Setbacks: 10' front, 5' side, 10' rear, or comply with zone setback

May not be located in landscape buffers, must screen

#### LOADING & SERVICE AREAS

- 7 May not be visible from street or ped walkway, or must be screened

#### HIGH PERFORMING BUILDINGS

Per KZC 115.62

#### OUTDOOR USE, ACTIVITY & STORAGE

Allowed in side and rear yards

- 8 6' fence required

Counts towards GFA if used over 2 months per year, except outdoor cafes may operate 6 months

May not exceed 6' above grade

### COMMON ROOFTOP AMENITY ROOMS

May exceed height limit by 15'

500 SF max or 10% of building footprint (whichever is less; does not include elevators)

Setback from roof edge same distance as height of the room

May not block views from adjoining property

Minimize visibility from adjoining properties and street

Public Benefit: landscaped area or plaza equal in size to room, or public use of the room

### ZONING AMENDMENTS FOR CONSIDERATION

1. Consider amending to allow community oriented uses. Intent seems to be active uses.
2. Consider amending to allow residential amenities such as lounges, community kitchens, teen rooms, management/leasing offices, and similar. Intent seems to be active uses.
3. Discuss intent of limiting seating.
4. Consider raising height limit to increase affordable housing feasibility.
5. Discuss simplification of front setbacks to allow mixed uses that change over time.
6. Consider minimizing buffer standards between mixed use projects.
7. Confirm that garage doors to loading areas are acceptable to be viewed from street.
8. Consider amending to reduce or eliminate fence at front and side yards to allow for activities to relate to street.

# Transportation Analysis—



## TRANSPORTATION ANALYSIS INTRODUCTION

The traffic analysis developed as part of this initial report focuses primarily on the following:

- Review of existing and potential conditions (see previous Transportation Map)

- Multi modal (pedestrian, bicycle, bus, automobile) infrastructure challenges and opportunities

- Existing vehicular trip generation and potential changes in future trip generation

While vehicular improvements and conditions are often described in terms of level of service, which is a letter grade applied to an intersection delay value, the analysis for non-motorized users focuses more on general connectivity and/or the quality of the network surrounding the site. The following table outlines the transportation challenges and opportunities existing in the Area of Consideration.

Challenge	Opportunity - City Property	Opportunity - Expanded Area
Missing segment of westbound bike lane on NE 68th Street	Widen along the project frontage to construct and connect to the existing westbound bike lane at NE 68 Street	Consistent with City Property opportunity
Vehicle congestion along NE 68th Street and 108th Avenue NE	Limited due to property extents	Construct southbound right-turn lane at NE 68th Street and 108th Avenue NE intersection
No direct connection to the Cross Kirkland Corridor from the north side of NE 68th Street	Consider an enhanced crossing at NE 68th Street @ intersection with 106th Avenue NE (connecting to the CKC stairs on south side of NE 68th St)	Direct connections to the Cross Kirkland Corridor trail can be provided without accessing NE 68th Street (via the Lakeview Business Center parcel)
Site access	Limited due to property extents	Future access aligned with 106th Avenue NE, improved traffic control at NE 68th Street/106th Avenue NE, as well as additional connectivity to 6th Street S along the north boundary
Height and quality of pedestrian connections along NE 68th Street at the Cross Kirkland Corridor bridge	Improving the east/west connection under the crossing would require regrading and potentially walls north and south of the existing piers.	Improving the east/west connection under the crossing would require regrading and potentially walls north and south of the existing piers. However access to the adjacent Elementary school could be achieved via a direct connection to the CKC and entering the school property on the north end.
Multiple curbs cuts into Houghton Village and Houghton Plaza properties	Consolidate into one (possibly temporary) curbcut along NE 68th Street to improve safety for pedestrians and cyclists	Eliminate curbcuts from arterials into Houghton Plaza and Lakeview Center properties and replace with consolidated curbcuts from new local streets to improve safety for pedestrians and cyclists



## TRIP GENERATION | EXISTING & PREVIOUS USES

All developments generate person trips throughout the course of the day with the peak periods typically occurring during the weekday AM (7-9) and PM (4-6) peak hours. Person trips can be made by vehicles, transit, walking, biking, or micro-mobility solutions such as scooters. As discussed previously, the general connectivity and quality of the non-motorized connections is considered when identifying needed improvements. Whereas the vehicular trip generation for the site is used to assess access needs, and identification of any transportation improvements needed in the area to support the future development. Trip generation for the site is determined based on the individual uses envisioned within the development. When considering the impacts of the future site development it is important to understand the change from existing conditions.

To estimate the existing and future trip generation of the site, AM and PM peak hour trip generation rates published in the ITE Trip Generation Manual, 11th Edition are utilized. Although the existing trips could be counted at the site access, uses previously operating on the site that generated traffic at a higher rate than what is current on-site should be considered. The ITE Trip Generation Manual identifies trip rates for hundreds of land uses and is used by the City of Kirkland and surrounding agencies in assessing impacts of future development as well as long range planning processes. Trip rates are presented for the one-hour peak traffic levels within the 7-9 AM and 4-6 PM periods.

Existing trip generation for the site is forecast to be 77 trips in the AM peak hour and 226 trips during the PM peak hour, of which 53 trips and 154 trips are considered new to the area during the AM and PM peak hours, respectively, and the remaining trips are pass-by trips (trips already in the area). This forecast reflects the activity associated with a supermarket use that was previously operating on the site. Commercial uses such as a Supermarket have a percentage of the total trips that were assumed to be traveling adjacent to the site and stopped for goods. These would not be considered new trips in the area.



NVDP Trip Generation

<b>Existing Use</b>																
Land Use	Setting	Size	Units	Model	Rate	Inbound %	Gross Trips			Pass-By Trips				Primary Trips		
							Inbound	Outbound	Subtotal	%	In	Out	Total	Inbound	Outbound	Total
<b>Supermarket (850)</b>		<b>12,822 sf</b>														
Daily	General Urban/Suburban			Rate	93.84	50%	602	602	1,204	24%	144	144	288	458	458	916
AM Peak Hour	General Urban/Suburban			Rate	2.86	59%	22	15	37	24%	4	4	8	18	11	29
PM Peak Hour	General Urban/Suburban			Rate	8.95	50%	58	57	115	24%	14	14	28	44	43	87
<b>Retail (822) - Building 1</b>		<b>4,708 sf</b>														
Daily	General Urban/Suburban			Rate	54.45	50%	128	128	256	40%	51	51	102	77	77	154
AM Peak Hour	General Urban/Suburban			Rate	2.36	60%	7	4	11	40%	2	2	4	5	2	7
PM Peak Hour	General Urban/Suburban			Rate	6.59	50%	16	15	31	40%	6	6	12	10	9	19
<b>Retail (822) - Building 2</b>		<b>12,127 sf</b>														
Daily	General Urban/Suburban			Rate	54.45	50%	330	330	660	40%	132	132	264	198	198	396
AM Peak Hour	General Urban/Suburban			Rate	2.36	60%	17	12	29	40%	6	6	12	11	6	17
PM Peak Hour	General Urban/Suburban			Rate	6.59	50%	40	40	80	40%	16	16	32	24	24	48
<b>Subtotal</b>																
Daily							1,060	1,060	2,120		327	327	654	733	733	1,466
AM Peak Hour							46	31	77		12	12	24	34	19	53
PM Peak Hour							114	112	226		36	36	72	78	76	154

**Notes:**

1. Trip rates based on Institute of Transportation Engineers' (ITE) *Trip Generation Manual* (11th Edition) equation and average trip rates as shown above.



## TRIP GENERATION | POTENTIAL FUTURE USES

Future development on the site are anticipated to include the residential and commercial uses. Estimates for the residential uses for a range of residential density includes the following:

Low end (89 units) : AM peak hour trips - 33, PM peak hour trips - 35  
 High end (170 units): AM peak hour trips - 63, PM peak hour trips - 66

As the future commercial uses are not known at this time, information on the AM and PM peak hour trip rates (including pass-by adjustments) is presented. Depending on the final mix of uses and requirements of the development further reductions in trip generation for "Internal Capture" could be applied. This reflects a reduction in trip generation for complementary site uses, such as residential trips accessing commercial services and not creating a vehicle trips. Any reductions are tied to the specific uses, so no information is presented at this time.

**Trip Generation Rate Summary Table**

NVDP Potential Land Uses	ITE Land Use	Unit assumed	ITE TG Rates			Pass-by %	Land Use Category for potential IC
			Weekday Daily	AM Peak Hour	PM Peak Hour		
<b>Residential</b>							
1. Midrise	Multifamily Housing (Mid-Rise) - Not Close to Rail Transit (22	dwelling	4.54	0.37	0.39	-	Residential
2. High Rise	Multifamily Housing (High-Rise) - Not Close to Rail Transit (2	dwelling	4.54	0.27	0.32	-	Residential
<b>Commercial</b>							
1. Non profit office	General Office Building (710)	1,000 sf	10.84	1.52	1.44	-	Office
	Small Office Building (712)	1,000 sf	14.39	1.67	2.16	-	Office
	Single Tenant Office Building (715)	1,000 sf	13.07	1.85	1.76	-	Office
2. Childcare	Day Care Center (565)	Students	4.09	0.78	0.79	To be considered	To be considered
3. Afterschool K-12 program	Junior/Community College (540)	Students	1.15	0.11	0.11	-	To be considered
4. Adult education / GED							
5. Community center							
6. Cultural center							
7. Art academy							
8. Neighborhood service center							
9. Social services							
10. Senior center							
11. Restaurant	Recreational Community Center (495)	1,000 sf	28.82	1.91	2.50	-	To be considered
	Fast Casual Restaurant (930)	1,000 sf	97.14	1.43	12.55	To be considered	Restaurant
	Fine Dining Restaurant (931)	1,000 sf	83.84	0.73	7.80	44%	Restaurant
	High-Turnover (Sit-Down) Restaurant (932)	1,000 sf	107.20	9.57	9.05	43%	Restaurant
	Fast-Food Restaurant without Drive-Through Window (933)	1,000 sf	450.49	43.18	33.21	To be considered	Restaurant
	Coffee/Donut Shop without Drive-Through Window (936)	1,000 sf	To be considered	93.08	32.29	To be considered	Restaurant
12. Small retail	Strip Retail Plaza (<40k) (822)	1,000 sf	54.45	2.36	6.59	40% per LU 821	Retail
13. Grocery store	Supermarket (850)	1,000 sf	93.84	2.86	8.95	24%	Retail
14. Art gallery	Museum (580)	1,000 sf	To be considered	0.28	0.18	-	To be considered
15. Fitness/yoga or martial arts studio	Health/Fitness Club (492)	1,000 sf	To be considered	1.31	3.45	-	To be considered
16. Health clinic	Clinic (630)	1,000 sf	37.60	2.75	3.69	-	Office
17. Mental health services	Medical-Dental Office Building - Stand-Alone (720)	1,000 sf	36.00	3.10	3.93	-	Office
18. Commissary kitchen	To be considered					-	To be considered
19. Public park	Public Park (411)	acres	0.78	0.02	0.11	-	To be considered
20. Playground	To be considered					-	To be considered
21. Play fields	Soccer Complex (488)	fields	71.33	0.99	16.43	-	To be considered
22. Skate park	To be considered					-	To be considered

# Market Analysis—

# Market Trends & Alternative Ownership Models

Houghton Village  
Development Plan  
Kirkland, WA

July 2024

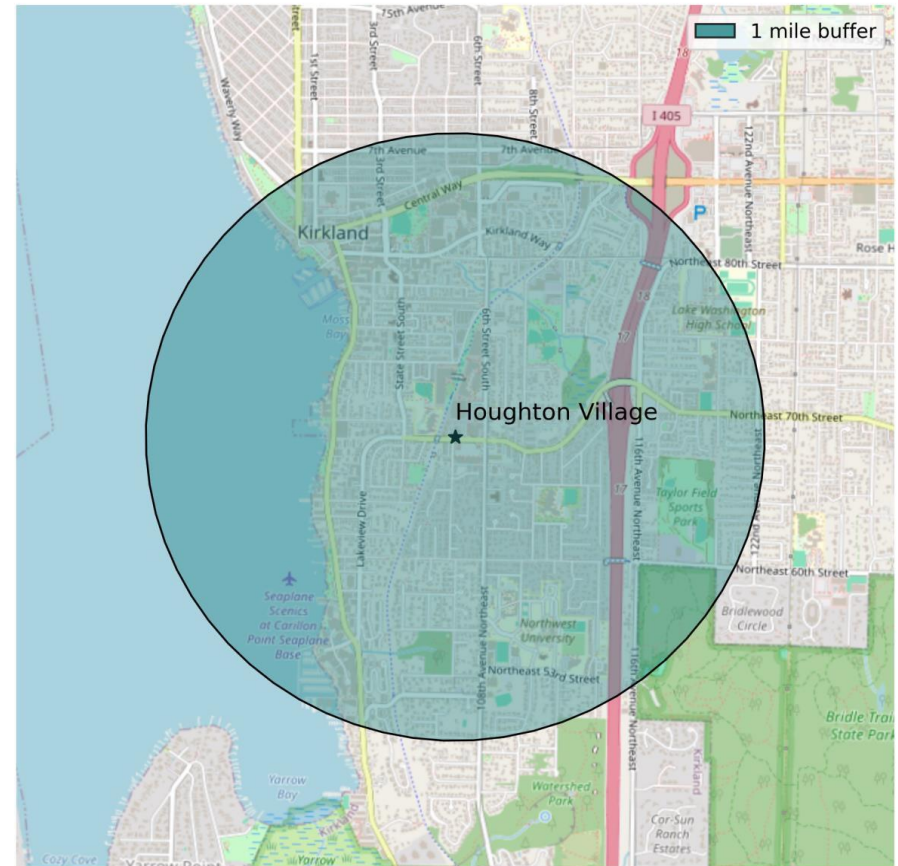


## Market Analysis Key Takeaways

- **Housing Affordability:** Kirkland's housing market is unaffordable to many households, including median income earners, and recent housing developments near the site demonstrate how expensive new housing in Kirkland has become.
- **Commercial Rent:** High rents in the study area, particularly in new commercial spaces, will make it difficult for small businesses, community organizations, and mission-driven industries to establish or maintain a presence in Kirkland.
- **Site Control:** The city's ownership of the site presents a unique opportunity to advance the city's goals related to housing affordability and equitable economic development by directly influencing its development. This could include both affordable housing units and below-market commercial spaces.

## Study Area

- Study area for market analysis is a **1-mile radius from New Village** site
  - ◆ Captures **retail commercial areas and multi-unit rentals** comparable to the area in and around Houghton Village
  - ◆ Includes areas such as downtown Kirkland, Kirkland Urban, Carillon Point, and the major residential districts between



## Overview of Analysis

- Market trends includes

- Residential

- Multi-unit rental - rent and vacancy trends, **study area**, 2019-2024 YTD
    - Condominiums and townhomes – sales price trends, **citywide**, 2019-2024 YTD
    - Single-unit - sales price trends, **citywide**, 2019-2024 YTD

Note: Market trends for ownership products were collected citywide, excluding waterfront areas to avoid major price outliers. Collecting citywide ownership data allows us to capture the diverse range of for sale housing types Kirkland has seen developed in recent years.

- Office

- Rent and vacancy trends between 2019-2024 YTD

- Retail

- Rent and vacancy trends between 2019-2024 YTD

- Data sources

- CoStar for multi-unit residential, office, and retail trends
  - Redfin for residential sales price trends

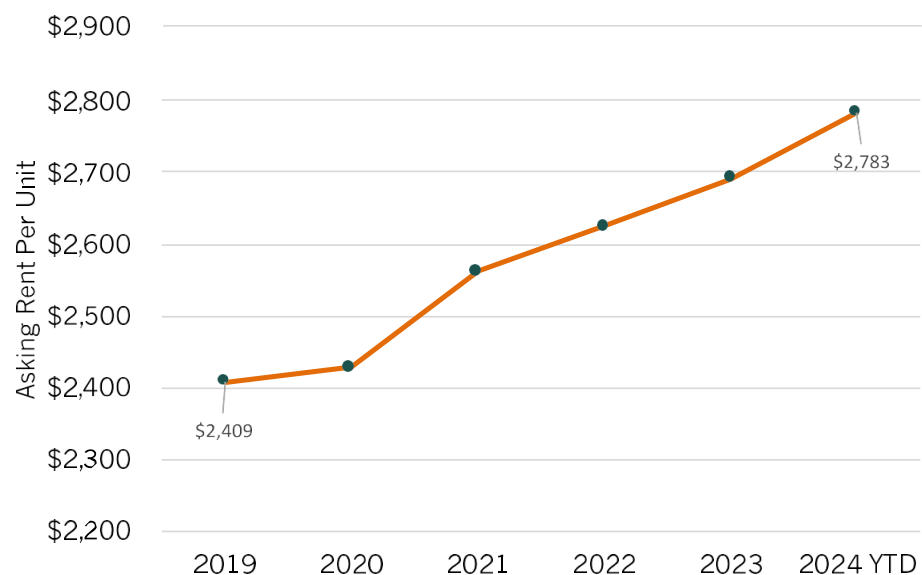


# Residential

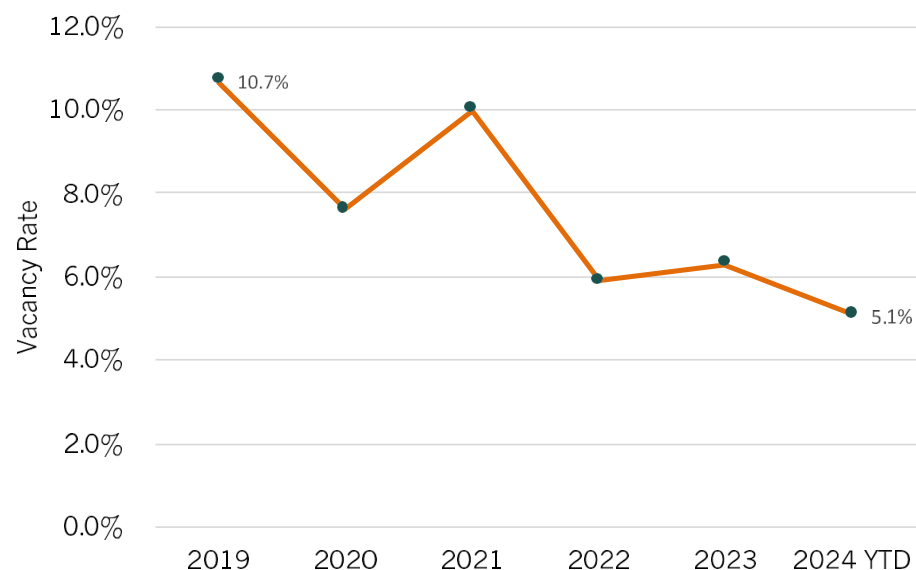


## Multi-Unit Rental

Average Asking Rent Per Unit



Annual Vacancy Rates



- Unit mix includes studios & 1–3 bedroom units



## Recent Development Examples



Image source: CoStar

**Vela Apartments - 40 Lake St S**  
**Built in 2023, Rental**  
**141 units, average asking rent \$4,041**

Note: Neither of these developments were subject to inclusionary zoning requirements.

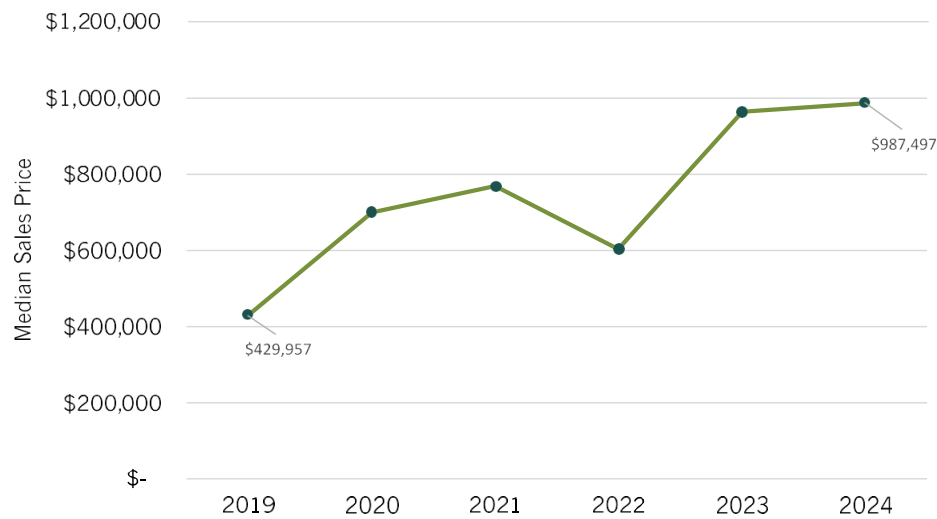


Image source: CoStar

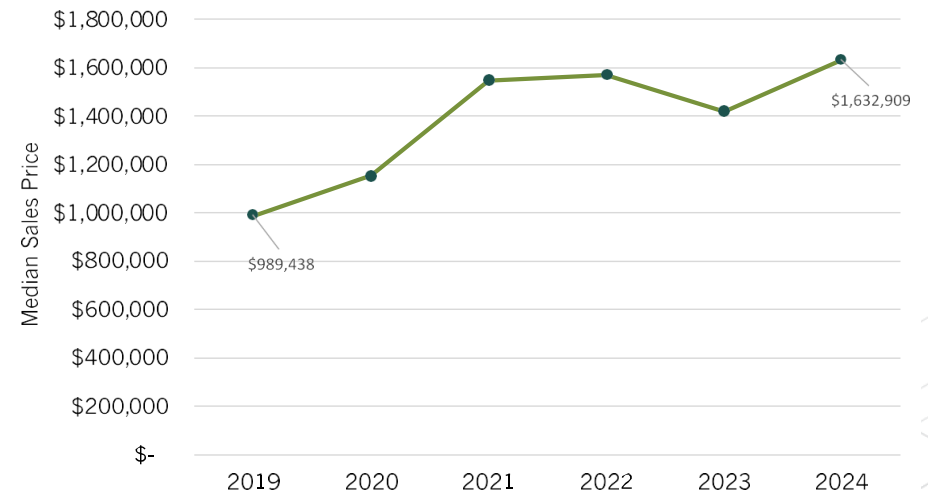
**Parque Kirkland - 312 Central Way**  
**Built in 2021, Rental**  
**70 units, average asking rent \$3,072**

## Sales Price Trends

### Condominiums & Townhomes



### Single Unit



- Unit mix includes studios & 1–4 bedroom units

## Recent Development Examples



Image source: Redfin

New single-unit near Houghton Village  
Built in 2023, sold for \$4.25 million  
5 beds, 5 baths – 5,000 square feet  
Ownership



Image source: Redfin

New townhome near Houghton Village  
Built in 2020, sold for \$2.3 million  
3 beds, 3.5 baths – 2,600 square feet  
Ownership





## Recent Development Examples



Image source: Redfin

Jade - New condominium development, Totem Lake  
Sample Unit: \$679,000 – 1 bedroom, 2 baths 789 square feet  
Built 2021, Ownership

## Residential Key Takeaways

- Multi-unit rents increase by 15% in the last 5 years.
- Average asking rent in 2024 (year to date) was \$2,783, which is unaffordable to those earning below 80% of the area median income (AMI).
- Multi-unit rents are rising, while vacancy rates are declining. This a strong demand for rental units and a growing lack of supply.
  - ♦ The combination of rising interest rates and escalating construction costs has put a damper on new housing supply in the last year. This economic uncertainty has also shifted preferences, with many potential buyers opting to rent instead, likely contributing to the tightening of Kirkland's rental housing market.
- Median home sale price in May 2024 was \$1,382,500, which is unaffordable to median income earners (100% AMI).
- Condo and townhome sale prices increased by 129% in the last 5 years and single-unit home sale prices increased by 65% in the last 5 years.
- New market-rate stacked condominiums offer a more affordable housing option compared to other recent attached development types but are still unaffordable to median income earners.

### For reference...

If your household earns...			
50% of AMI	80% of AMI	100% of AMI	120% of AMI
\$75,350	\$110,950	\$147,400	\$176,900
Then you can afford...			
\$2,100	\$3,100	\$4,100	\$4,900
monthly rent	monthly rent	monthly rent	monthly rent
or	or	or	or
\$226,000	\$333,000	\$442,000	\$531,000
\$264,000	\$388,000	\$516,000	\$619,000
home sales price	home sales price	home sales price	home sales price

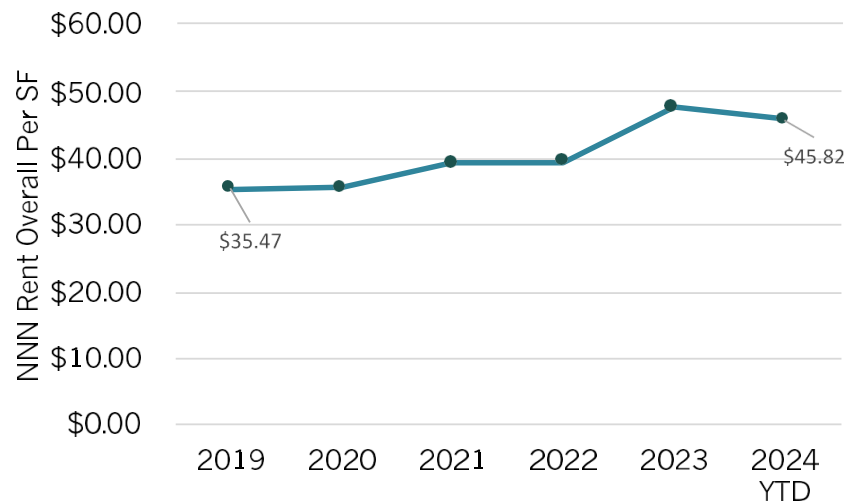
Source: HUD FY 2024 Income Limits Summary for a household of four, Seattle-Bellevue WA HUD Metro FMR Area

# Retail

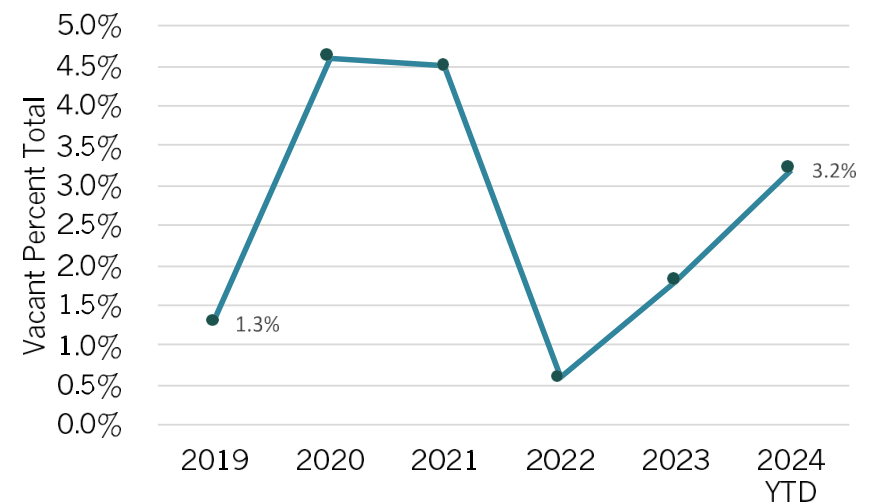


## Retail

Asking Rent Per Square Foot, annual



Annual Vacancy Rates



Note: "NNN" or "triple net" is a typical lease agreement owners/operators use to cover building expenses. Under a triple net lease, the tenant pays additional property expenses in addition to base rent. These expenses typically include property taxes, insurance, and maintenance costs.

## Recent Development Examples



Image source: CoStar

112-150 Lake St - Vela Apartments Retail  
Built in 2023  
5,100 square feet available, \$55 per square foot  
asking rent

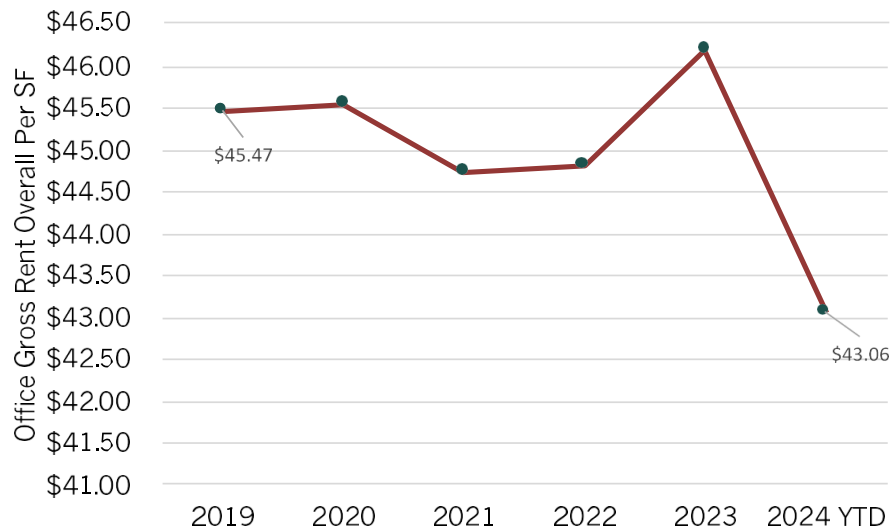


# Office

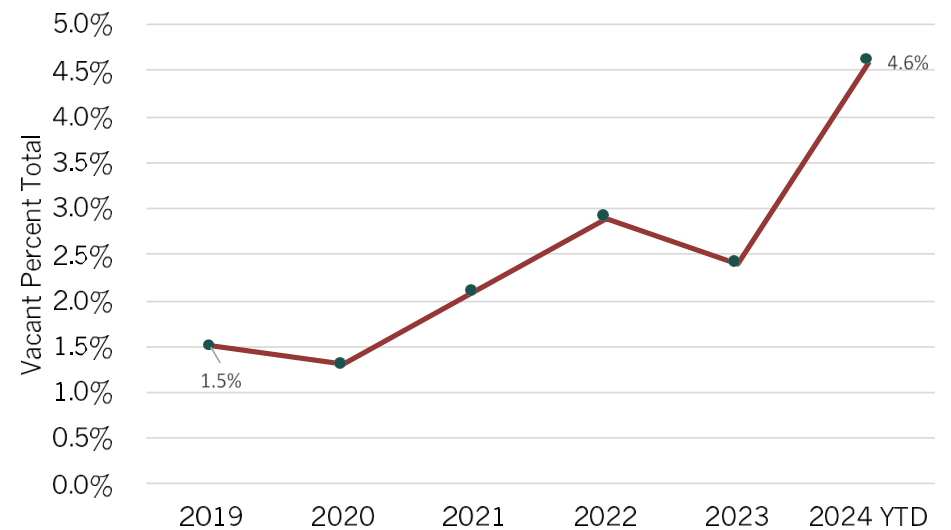


## Office

Gross Rent Overall Per Square Foot



Annual Vacancy Rates



Note: The data represented includes single and multiple tenant buildings in the study area.

## Recent Development Examples



Image source: Seattle DCJ

200 Peter Kirk Lane, Kirkland Urban South  
Built in 2023, 300,000 square feet



Image source: Sierra Construction

5501 Lakeview  
Built in 2021, 46,000 square feet

## Commercial Key Takeaways

- Asking retail rents rose from \$35.47 per square foot in 2019 to \$45.82 per square foot in 2024 and vacancy rates dropped to a low of 0.7% in 2022 before rising sharply to 3.2% in 2024.
  - ◆ The increase in vacancy rate between 2022-2024 could be attributed to new ground-floor commercial space deliveries in the study area, with approximately 350,000 square feet added during this period.
  - ◆ The increase in asking rent despite rising vacancy rates reflects the high-quality ground-floor retail space that was delivered which commands higher rents.
- The sharp rise in office vacancy rates and decrease in rents reflect the ongoing national and regional trend of office markets adjusting to pandemic-induced changes in work patterns.

### Implications for modeling development feasibility

- *Current asking commercial rents are likely too high for non-profits, community-based organizations, service providers, or small businesses.*
- *Typically, EConorthwest assumes 25-50% lower rents for these organizations. Qualitative research during the development feasibility analysis will help determine specific feasible rents, especially for community-based groups of interest to the city.*

## Market Analysis Key Takeaways

- **Housing Affordability:** Kirkland's housing market is unaffordable to many households, including median income earners, and recent housing developments near the site demonstrate how expensive new housing in Kirkland has become.
- **Commercial Rent:** High rents in the study area, particularly in new commercial spaces, will make it difficult for small businesses, community organizations, and mission-driven industries to establish or maintain a presence in Kirkland.
- **Site Control:** The city's ownership of the site presents a unique opportunity to advance the city's goals related to housing affordability and equitable economic development by directly influencing its development. This could include both affordable housing units and below-market commercial spaces.

# Alternative Ownership Models



## What do we mean by alternative ownership?

There are many creative approaches to financing, accessing, and owning housing across the country, from cohousing to fractional ownership, rent-to-own, and a renewed interest in publicly-owned social housing.

When we talk about **alternative ownership** we are primarily focused on non-conventional approaches to **owning housing units**.

Our recent work has focused on two models with a deep history in the U.S.—land trusts and cooperatives—which have the greatest potential to be successful in different community contexts.

### Key Questions for Alternative Models

- *Who owns the land?*
- *Who owns the housing units?*
- *What is the legal structure for these ownership arrangements?*
- *Who will be able to afford the housing?*
- *Are there opportunities for building wealth?*



## How do we define home ownership structures?

### Four primary legal structures for homeownership

#### CONVENTIONAL



##### FEE SIMPLE

This is the most common form of ownership, in which individuals own their home and the land underneath it outright.



##### CONDO

Condominium ownership involves owning individual units within a larger building or complex, with shared ownership of common areas and land.

#### ALTERNATIVE



##### LAND LEASE

Land leasing, often employed by land trusts, involves leasing the land while the household owns the structure on it.



##### COOPERATIVE

Cooperatives are a legal structure that allows shared ownership of real property in which individuals own shares in the cooperative corporation that owns buildings, land, or both.

Each structure offers different benefits and drawbacks for owners in terms of resident autonomy, ability to access loan products, and potential for building wealth, as well as for meeting public policy goals related to housing affordability and stability.

## What opportunities do alternative ownership models offer?

Many communities we work with are looking for more innovative programs and approaches to help meet housing needs, especially for lower barrier and lower cost ownership housing.

Policy Goal	Benefits of Alternative Models
<b>Affordability</b>	<ul style="list-style-type: none"> <li>Options to bring in other subsidy (such as land lease)</li> <li>Feasibility for moderate-income households (80%–100% of area median income)</li> </ul>
<b>Stability</b>	<ul style="list-style-type: none"> <li>Affordable ownership can offer greater stability compared to renting</li> <li>Predictable long-term housing costs—insulated from market escalation</li> <li>Many models involve nonprofit partners that support resident owners with financial counseling</li> </ul>
<b>Wealth Building</b>	<ul style="list-style-type: none"> <li>Full or partial equity capture through appreciating property values</li> <li>Greater potential for savings with reduced housing cost burden</li> <li>Increased household stability contributes to community wealth</li> </ul>

## Ground-Floor Commercial

How do alternative ownership models **relate to ground-floor commercial** spaces?

Example Options	Considerations
<b>Cooperative</b>	<ul style="list-style-type: none"> <li>Co-op maintains ownership of ground floor space and leases to tenants</li> <li>Offers potential for community input on tenant selection</li> </ul>
<b>Condominium</b>	<ul style="list-style-type: none"> <li>Ground floor space divided into condo units and sold separately from residential spaces above</li> <li>Allows for diverse ownership within the building, but offers less input and control over tenants</li> </ul>
<b>City Ownership</b>	<ul style="list-style-type: none"> <li>City owns, leases, and manages ground floor space</li> <li>Offers potential for prioritizing community-serving businesses by offering below-market rents</li> </ul>

Each structure offers different levels of community control. It's important to note that over-programming the ground floor with commercial space *can* create risk and undesirable outcomes under all options related to market saturation, financial strain, and vacant commercial spaces.

## What is different about alternative models?

### From a **development feasibility** perspective

- Different sources of permanent financing
  - ♦ Blanket mortgage
  - ♦ Leased land
- Support for owners can reduce risk for underwriting
  - ♦ Land trust homeowners had a foreclosure rate < 1% during the Great Recession

### From an **operational** perspective

- Different monthly costs for residents
  - ♦ Ground lease or stewardship fee
  - ♦ Co-op dues (mortgage, maintenance, reserves)
  - ♦ Potential property tax abatements

## What are some example projects?

### Community Land Trust – Homestead

#### Phinney Ridge, Seattle

- **Form:** two 19-unit buildings with permanently affordable condominium homes
- **Affordability:** 15 market-rate units with the remaining units at less than 80% area median income (AMI), targeting sales price at 60%–65% of AMI
- **Land:** surplus city property, land donation, low-cost land loan
- **Long-term financing:** mortgages, low-cost loans, and recoverable grants
- **Monthly costs:** stewardship fee, HOA, taxes
- **Wealth-building:** fixed 1.5% annual price appreciation to seller



Source: [schemataworkshop.com/paho](http://schemataworkshop.com/paho)



## What are some example projects?

### Shared-Equity Cooperative – Homesight

#### U-lex Housing Co-op, Seattle

- **Form:** one 68-unit building with 1–3 bedroom units for ownership
- **Affordability:** 80% AMI or less
- **Long-term financing:** blanket mortgage, shares (down payments), share loans
  - ♦ Share prices: \$104 per square foot (partnering with local credit union to offer share loans)
- **Monthly costs:** co-op fee
  - ♦ 1-bed: \$1,885
  - ♦ 2-bed: \$2,526
  - ♦ 3-bed: \$2,862
- **Wealth-building:** fixed 2% annual share price appreciation to seller



Source: SKL Architects

## What are some example projects?

### Deed Restricted Units – ARCH

#### Prototypical Example

- **Form:** townhomes, Condos
- **Affordability:** 60–100% area median income (based on local inclusionary and MFTE programs)
- **Land:** low cost or donation
- **Long-term financing:** mortgage, subsidy
- **Monthly costs:** HOA, taxes, etc.
- **Wealth-building:** appreciation factor based on the change in AMI since the previous sale



Source: [archhousing.org](http://archhousing.org)



## What questions do we ask about alternative models?

When we evaluate alternative housing models, we consider:

**Development costs**, including different financing and design possibilities

- What sources of financing and partnership might be available for alternative ownership that can lower development costs?
- What design options are possible with this form of housing that might not be standard for rental housing?

**Level of affordability**, including any subsidy required

- Low- to moderate-income (60–80+ area median income); starts becoming feasible with low-levels of subsidy (or no subsidy) at ~80% AMI
- Buying down development costs and/or down payment assistance
- Shared equity models have potential to become more deeply affordable over time

**Organizational capacity**

- What supports are needed to make this model successful for long-term operation?

## What does subsidy look like?

In previous work estimating feasibility for these models, we found that down payment assistance and the target level of affordability drive how much subsidy is needed for each unit

- At 80 percent of AMI, relatively small subsidies for construction can make projects feasible
- The potential for lower financing costs for co-op structures can reduce the subsidy required relative to other types, especially at deeper levels of affordability

	Deed- Restricted Condo	Community Land Trust Condo	Co-Op
80% AMI Multifamily	\$40,000	\$44,000	\$10,000
80% AMI Multifamily w/DPA	\$107,568	\$111,568	\$124,743
80% AMI Townhomes	\$58,500	\$62,500	\$1,000
80% AMI Townhomes w/DPA	\$130,572	\$134,572	\$126,776
50% AMI Multifamily	\$163,500	\$173,500	\$134,000
50% AMI Multifamily w/DPA	\$231,068	\$241,068	\$205,343
50% AMI Townhomes	\$182,500	\$192,500	\$150,000
50% AMI Townhomes w/DPA	\$254,572	\$264,572	\$223,626

*This model was feasible without subsidy.*

*We modeled a nominal public contribution to meet requirements for Washington's property tax exemption for shared equity cooperatives.*

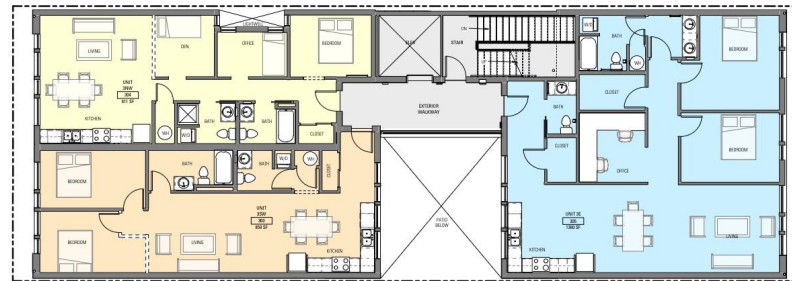
## What possibilities open for site programming?

Feasibility considerations for alternative ownership can inform site and building program choices, including allocating space for community uses, more family-sized units, and different ground-floor activation



32

May not have to maximize leasable area



Unit sizes and mixes that accommodate a wider range of households



Higher amenity value for direct access to ground-floor outdoor area in ownership products


NOTE: This calendar is subject to change on a daily basis. It does not constitute legal notice.

PLANNING DEPARTMENT ITEMS ONLY. CHECK WITH OTHER DEPARTMENTS FOR THEIR MEETING AGENDA ITEMS.

City of Kirkland - Planning & Building Department - Public Meeting Calendar				
Regular Meeting Times Unless Otherwise Noted:				
City Council: Study Session 5:30pm; Regular Meeting 7:30pm (1st & 3rd Tuesday)		City Council Webpage	(H) = Hearing	
Planning Commission: 6:00pm (2nd & 4th Thursday)		Planning Commission Webpage		
Hearing Examiner: 9:30am (1st & 3rd Thursday)		Hearing Examiner Webpage	(S) = Study Session	
Design Review Board: 7:00pm (1st & 3rd Monday)		Design Review Board Webpage		
August		2024		Last Updated: 8/1/24 9:00 AM
MEETING LOCATION: VIRTUALLY VIA ZOOM (UNLESS NOTED OTHERWISE)				
Monday	Tuesday	Wednesday	Thursday	Friday
			Hearing Examiner 9:30 AM  MEETING CANCELLED	
Design Review Board 7:00 PM  177 Central Way CDC (TL) DRV24-00376		*Special Meeting City Council 7:30 PM  Planning Implementation Report (DN)  K2044 Comprehensive Plan Update: Transit Corridors/Land Use(AW/AZ)	Planning Commission 6:00 PM  Houghton Village Development Plan Briefing (S) (AZ)  2044 Comprehensive Plan Housing Element (S) (SG)  *Minor Zoning Text Amendments Hearing (LL/LBL)	
			Hearing Examiner 9:30 AM	
Design Review Board 7:00 PM	CANCELLED City Council 7:30 PM  Minor Zoning Text Amendments- Adoption (LL/LBL)  2044 Comprehensive Plan Housing- Element (S) (SG)		Planning Commission 6:00 PM  *2044 Comprehensive Plan Update- Continued Public Hearing - Land Use Element (AZ)  *2044 Comprehensive Plan Update- Continued Public Hearing - Market St. Corridor Plan (LBL)	



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September		2024		Last Updated: 8/1/24 9:00 AM
MEETING LOCATION: VIRTUALLY VIA ZOOM (UNLESS NOTED OTHERWISE)				
Monday	Tuesday	Wednesday	Thursday	Friday
2  Design Review Board MEETING CANCELLED  LABOR DAY CITY HALL CLOSED 	3  City Council 7:30 PM  Houghton Village Development Plan Briefing (AZ)  *Misc. Code Amendments Adoption (LL/LBL/AZ)  Energy Smart Eastside Special Presentation (S) (DB)	4	5  Hearing Examiner 9:30 AM	6
9		11	12  Planning Commission 6:00 PM  Houghton Village Development Plan Briefing (S) (AZ)	13
16  Design Review Board 7:00 PM	17  City Council 7:30 PM  Housing Element Briefing (SG)  ARCH Rent Increases (DN)	18	19  Hearing Examiner 9:30 AM	20
23	24	25	26  K2044 Comprehensive Plan Open House 4:00 PM - 5:30 PM  Planning Commission 6:00 PM  *2044 Comprehensive Plan Public Hearing #4 Housing, Appendix, Community Profile (Senior Planners) (JS)	27
30				



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Hearing Examiner: 9:30am (1st & 3rd Thursday)		Hearing Examiner Webpage	(S) = Study Session	
Design Review Board: 7:00pm (1st & 3rd Monday)		Design Review Board Webpage		
October		2024		Last Updated: 8/1/24 9:00 AM
MEETING LOCATION: VIRTUALLY VIA ZOOM (UNLESS NOTED OTHERWISE)				
Monday	Tuesday	Wednesday	Thursday	Friday
	1 City Council 7:30 PM	2	3 Hearing Examiner 9:30 AM	4
7 Design Review Board 7:00 PM	8	9	10 Planning Commission 6:00 PM	11
14 Indigenous Peoples' Day 	15 City Council 7:30 PM <u>2044 Comprehensive Plan Update</u> <u>Joint CC-PC (S) (AZ,AW,JS)</u>	16	17 Hearing Examiner 9:30 AM	18
21 Design Review Board 7:00 PM	22	23	24 Planning Commission 6:00 PM	25
28	29	30	31 Halloween 	

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Design Review Board: 7:00pm (1st & 3rd Monday)		Design Review Board Webpage		
November2024				
Last Updated: 8/1/24 9:00 AM				
MEETING LOCATION: VIRTUALLY VIA ZOOM (UNLESS NOTED OTHERWISE)				
Monday	Tuesday	Wednesday	Thursday	Friday
				1
4Design Review Board 7:00 PM	5City Council 7:30 PM	6	7Hearing Examiner 9:30 AM	8
11VETERAN'S DAY CITY HALL CLOSED 	12	13	14Planning Commission 6:00 PM	15
18Design Review Board 7:00 PM	19City Council 7:30 PM	20	21Hearing Examiner 9:30 AM	22
25	26	27	28Planning Commission MEETING CANCELLED  THANKSGIVING HOLIDAY CITY HALL CLOSED 	29THANKSGIVING HOLIDAY CITY HALL CLOSED