



City of Kenmore - 18120 68th Avenue NE - P.O. Box 82607 - Kenmore, WA 98028
Phone: 425-398-8900 - Fax: 425-481-3236 - E-mail: cityhall@kenmorewa.gov

City of Kenmore
REVISED City Council Special & Regular Meeting Agenda

6:30 p.m., Monday, July 20, 2015

Kenmore City Hall, Council Chambers
18120 68th Ave. NE, Kenmore, WA 98028

If you have any questions or to confirm agenda items prior to the meeting, or if you require special accommodations, please call the City Clerk at 425-398-8900. You may also stop by City Hall at 18120 68th Avenue NE, Kenmore. Council agendas are also available on our website at www.kenmorewa.gov.

I. 6:30 p.m. - CALL SPECIAL MEETING TO ORDER

II. EXECUTIVE SESSION

Pursuant to RCW 42.30.110(1)(i), Potential Litigation

III. POSSIBLE ACTION RELATING TO EXECUTIVE SESSION

IV. ADJOURN SPECIAL MEETING

V. 7:00 p.m. - CALL REGULAR MEETING TO ORDER

VI. ROLL CALL

VII. FLAG SALUTE

VIII. AGENDA APPROVAL

IX. PROCLAMATION

- A. National Recovery Month - September 2015
[Proclamation](#)

X. CITIZEN COMMENTS

- A. This is an opportunity to express your views on issues that are important to you and to the community. Please limit your comments to three (3) minutes.

XI. CONSENT AGENDA

- A. Adopt Minutes for the June 29, 2015 City Council Meeting
[DRAFT 06 29 2015 Minutes](#)

- B. Approve Check Nos. 32385 - 32465 Totaling \$376,354.70 and Electronically Transferred Payroll Funds in the Amount of \$80,826.44 and Payroll Check No. 7631 in the Amount of \$418.06 for the Period Ending July 2, 2015
[Checks for Approval](#)
- C. Cancel All Regular Council Meetings for the Month of August 2015
- D. Receive and File April 2015 Financial Report for the City of Kenmore, Washington
[Agenda Bill & Attachment](#)
- E. Approve Contract No. 15-C1451 with Berk & Associates for Parks & Transportation Community Conversation Project
[Agenda Bill & Attachment](#)

XII. PUBLIC HEARING

- A. Public Hearing to Receive Public Testimony Regarding a Development Agreement with MSPT XI LLC for the Commercial Portion of Kenmore Village, "Spencer Square" - Bryan Hampson, Development Services Director
[Agenda Bill & Attachments](#)

XIII. BUSINESS AGENDA

- A. Road Standards Discussion - Kris Overleese, Director of Public Works/City Engineer, and Zack Richardson, Capital Projects Manager
[Agenda Bill & Attachment](#)
[PowerPoint Presentation](#)
- B. Neighborhood Transportation Plans - Kris Overleese, Director of Public Works/City Engineer, and Brett Schock, Traffic Engineer
[Agenda Bill & Attachment](#)
[PowerPoint Presentation](#)
- C. Business Incubator Update - Nancy Ousley, Assistant City Manager
[Agenda Bill](#)
[PowerPoint Presentation](#)
- D. Review of the Transit-Oriented Development (TOD) District Overlay - Debbie Bent, Director of Community Development, and Lauri Anderson, Senior Planner
[Agenda Bill & Attachments](#)
[PowerPoint Presentation](#)

XIV. STAFF REPORT

XV. COUNCILMEMBER REPORTS & COMMENTS

XVI. COUNCILMEMBER INITIATIVES

XVII. ADJOURNMENT

Upcoming Meetings:

July 27, 2015	7:00 p.m.	City Council Regular Meeting
July 27, 2015		Transportation Benefit District Board Mtg. CANCELED
September 14, 2015	7:00 p.m.	City Council Regular Meeting

**City of Kenmore, Washington
Proclamation**

**National Recovery Month - September 2015
"Join the Voices for Recovery: Visible, Vocal, Valuable!"**

WHEREAS, mental and/or substance use disorders affect all communities nationwide, but with commitment and support, people with these disorders can achieve healthy lifestyles and lead rewarding lives in recovery; and

WHEREAS, by seeking help, people who experience mental and/or substance use disorders can embark on a new path toward improved health and overall wellness; and

WHEREAS, the focus of National Recovery Month this September is to celebrate their journey by spreading the message that behavioral health is essential to overall wellness, and that prevention works, treatment is effective, and people recover; and

WHEREAS, mental and/or substance use disorders affect people of all ethnicities, ages, genders, geographic regions and socioeconomic levels; and

WHEREAS, often individuals who experience a mental and/or substance use disorder feel isolated and alone; yet every year millions of Americans experience these conditions; and

WHEREAS, we need to make more people feel like recovery is possible, and they need to know that help is available; and

WHEREAS, these individuals can get better, both physically and emotionally, with the support of a welcoming community,

NOW, THEREFORE, I, David Baker, Mayor of the City of Kenmore, Washington, on behalf of the City Council, hereby proclaim **September 2015** to be **National Recovery Month in the City of Kenmore**. *I urge all community members and organizations to become change agents to help make recovery possible by offering support to those experiencing mental and/or substance use disorders. Together we can help others realize the promise of recovery.*

IN WITNESS WHEREOF, signed this 20th day of July, 2015.

Signed: _____
David Baker, Mayor

Attested: _____
Patty Safrin, City Clerk

**City of Kenmore, Washington
City Council Special Meeting
Minutes
June 29, 2015**

CALL TO ORDER – The special meeting of the Kenmore City Council was called to order by Mayor David Baker at 5:31 p.m.

Councilmembers present: Mayor David Baker, Deputy Mayor Allan Van Ness and Councilmembers Brent Smith, Laurie Sperry, Milton Curtis, Nigel Herbig and Stacey Denuski

Staff present: Rob Karlinsey, City Manager; Nancy Ousley, Assistant City Manager; Debbie Bent, Community Development Director; Rod Kaseguma, City Attorney; and Patty Safrin, City Clerk

PUBLIC HEARING

Public Hearing to Receive Public Testimony on Ordinance No. 15-0400, Approving a Development Agreement with Bastyr University (Contract No. 15-C1446) - Debbie Bent, Community Development Director

Mayor Baker opened the public hearing to receive public testimony on this issue at 5:31 p.m.

As there was no one wishing to testify, Mayor Baker closed the public hearing at 5:32 p.m.

BUSINESS AGENDA

Adopt Ordinance No. 15-0400, Approving a Development Agreement with Bastyr University (Contract No. 15-C1446) - Debbie Bent, Community Development Director, was present to answer any questions.

Councilmember Curtis moved to Adopt Ordinance No. 15-0400, Approving a Development Agreement with Bastyr University (Contract No. 15-C1446). Councilmember Smith seconded the motion. The motion passed 7-0.

Adopt Resolution No. 15-254, Approving Amendment No. 1 to Bastyr Ball Field Lease Agreement (Contract No. 09-C824) - Debbie Bent, Community Development Director, and Rob Karlinsey, City Manager, were present to answer any questions.

It was Council direction to add to the agenda packet three pages currently missing from an attachment for this agenda item.

Rod Kaseguma, City Attorney, gave a brief overview of what is missing from the agenda packet attachment. There was discussion regarding a track which is in the lease agreement but has never been constructed. City Manager Karlinsey stated that he and Attorney Kaseguma would

follow up on that and determine if that portion of the lease is enforceable and then report back to Council. Karlinsey stated for the record that it is the full lease that was originally adopted which is being extended now.

Councilmember Smith moved to Adopt Resolution No. 15-254, Approving Amendment No. 1 to Bastyr Ball Field Lease Agreement (Contract No. 09-C824). Councilmember Denuski seconded the motion. The motion passed 7-0.

Adopt Resolution No. 15-262, Authorizing Grant Funding Application to the Recreation and Conservation Office Youth Athletic Facilities Program - Debbie Bent, Community Development Coordinator, stated that in order for this application to go forward, it requires that the City pass a Resolution. As the deadline to submit application is July 1st, this is Council's last opportunity for approval. She was available to answer any questions.

Councilmember Herbig moved to Adopt Resolution No. 15-262, Authorizing Grant Funding Application to the Recreation and Conservation Office Youth Athletic Facilities Program. Councilmember Smith seconded the motion. The motion passed 7-0.

STAFF REPORT

City Manager Karlinsey thanked Director Bent & Attorney Kaseguma for producing these agreements and other documents so quickly. He noted that this is an example of our organization's agility.

CITY COUNCILMEMBER REPORTS & COMMENTS

Councilmember Smith stated that it is good to be back. He thanked Bastyr for everything they've done and the fast timeline in getting these agreements done.

Councilmember Sperry offered her thanks to the citizen co-creators for the #whyIloveKenmore event which took place on Saturday, June 27th.

Councilmember Herbig reported on a Vision Zero workshop, put on by Cascade Bicycle Club, that he attended last week and also the Sound Transit 3 meeting he attended.

Councilmember Denuski stated that it was a great #whyIloveKenmore summer party.

Deputy Mayor Van Ness reported on the Association of Washington Cities (AWC) meeting last week in Wenatchee. He noted that the City received the Municipal Excellence award, for the third year in a row, for "Coolest City Hall." We also received a 2015 Well City Award. He stated that the Mayor participated in a program about the First Lady's Let's Move initiative and Kenmore's accomplishments.

Mayor Baker gave credit to Councilmember Denuski for all her work on Let's Move and receiving Playful City grant money from KaBOOM! He stated that he met with the Bellevue

City Manager as well as their City Engineer and Government Affairs person. He went to Olympia today and met with Representatives Pollet and Clibborn regarding the transportation bill. He reported on the races Saturday for the #whyI loveKenmore event.

ADJOURNMENT

Mayor Baker adjourned the regular meeting at 5:59 p.m.

David Baker, Mayor

ATTEST:

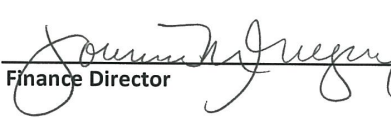
Patty Safrin, City Clerk

City of Kenmore Voucher Certification and Approval

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the following claims, paid by checks 32385-32465 which total \$376,354.70, and electronically transferred payroll funds totalling \$80,826.44 and payroll check #7631 in the amount of \$418.06 are just, due and unpaid obligations against the City of Kenmore/KingCounty/Washington, and that I am authorized to autenticate and certify to said claims.


7/6/15

 City Manager Date


7/6/15

 Finance Director Date

Check #	Vendor Name	Description	Check Amount
32385	CITY OF KENMORE	PERS Retro Reimbursement	26.87
32386	NATIONWIDE FINANCIAL 401a	Social Security Replacement Plan	12,390.92
32387	NATIONWIDE RETIREMENT SOLUTIONS 457	Deferred Comp Payroll Deduction	285.00
32388	ICMA RETIREMENT TRUST 457 - 304745	Deferred Comp Payroll Deduction	2,835.43
32389	DRS 457	Deferred Comp Payroll Deduction	1,120.00
32390	AFLAC	Private Medical/ Disability Plans	438.51
32391	CITY OF KENMORE FS	Flexible Spending Medical Plans	334.21
32392	BANK OF AMERICA 941	Payroll Taxes	17,064.41
32393	WA GUARANTEED EDUCATION TUITION	WA Pre-Tax Education Plan	100.00
32394	DEPARTMENT OF RETIREMENT SYSTEMS	WA State Retirement	15,046.29
32395	DEPARTMENT OF LABOR AND INDUSTRIES	Worker's Compensation	2,523.50
32396	UNITED WAY OF KING COUNTY	Employee Charitable Contribution	513.24
32397	NATIONAL LIFE OF VERMONT	Life Insurance	123.17
32398	AMERICAN GENERAL	Life Insurance	443.72
32399	STATE OF FLORIDA DISBURSEMENT UNIT	Payroll Deduction	275.00
32400	LINCOLN NATIONAL LIFE INSURANCE	Life/Long Term Disability/AD&D	1,020.41
32401	AWC EMPLOYEE BENEFITS	Employee Health Insurance	42,246.72
32402	BANNER BANK JGORDON	Signs/Supplies/Plants	2,086.97
32403	BANNER BANK LD	Special Events, Firework Show,Supplies	370.52
32404	BANNER BANK CS	Life Jackets, Teen Dance, & Equipment	871.51
32405	BANNER BANK KENMORE	Conf. Reg, Computers, Supplies	4,522.88
32406	BANNER BANK KENMORE	Computers, Supplies, Monitor	780.84
32407	BANNER BANK BH	Inspection Equipment	144.16
32408	BANNER BANK VAN NESS	Airline Baggage Fee	25.00
32409	BANNER BANK BAKER	Hotel, Meals, Parking, & Bus Meetings	715.08
32410	CITY OF SHORELINE	Police Services	960.00
32411	EVERGREEN PRINT SOLUTIONS	Treasurer's Receipt Books Printing	482.48
32412	FERGUSON ENTERPRISES INC #1539	Asphalt to Raise Catch Basin Frames	243.09
32413	FRUHLING SAND & TOPSOIL	Catch Basin Clean Out Dump Fee	25.00
32414	GEOENGINEERS INC	Kenmore Village Environmental Services	1,088.75
32415	JET CITY PRINTING	Envelope Printing	372.30
32416	KING COUNTY FINANCE W.L.R.D.	WLRD WRIA 8 1st Trimester 2015	2,338.67

XI. B. Approve Check Nos. 32385 - 32465 Totaling \$376,354.70...

32417	KING COUNTY REAL ESTATE SVCS	Special Use Permit Fees	500.00
32418	KING COUNTY FINANCE	May King County Road & Jail Services	16,080.14
32419	MORGAN SOUND INC	Why I Love Kenmore Event Sound Services	1,447.59
32420	MR. T'S TROPHIES	Council Photo Name Plates	42.54
32421	OFFICE DEPOT	Office Supplies	1,024.89
32422	PACIFIC TOPSOILS	Log Boom Park Mulch	437.56
32423	PUGET SOUND ENERGY	5/14-6/12 Electric/Street Lights/Signals	819.44
32424	CEMEX	Asphalt for Raising Catch Basins	40.35
32425	SEATTLE TIMES	June Legal Advertising	1,000.89
32426	SIGN UP, SIGN CO, INC	Construction Hours Sign/Skate Park	405.15
32427	TOTAL LANDSCAPE CORP	June City Hall & Parks Landscaping	6,732.71
32428	W.S.S.O. Advanced Training	Police Training 7/20-7/23 Kennewick, WA	500.00
32429	UPS STORE	April & May Copying Charges	58.96
32430	WASHINGTON TREE SERVICE INC	Rhododendron Park Pest Control	1,533.00
32431	VAN NESS, ALLAN	June Mileage/Parking Reimbursent	296.93
32432	SAFRIN, PATTY	Mileage Reimbursement	58.80
32433	GRAINGER	Measuring Wheel	88.54
32434	A+ CONFERENCING	June Teleconference Calls	16.40
32435	JACOBS ENGINEERING GROUP	West Sammamish Bridge Services	4,587.64
32436	SHRED-IT	6/26 Shredding Service	52.72
32437	ALCALDE & FAY	June Government Affairs Consulting	5,133.12
32438	COMCAST	6/30-7/29 Incubator Internet/Voice	179.81
32439	SARAH ROBERTS	May Prosecution Services	10,508.04
32440	FIRE PROTECTION, INC	City Hall Sprinkler Inspection	2,847.99
32441	PHSI PURE WATER FINANCE	Incubator Filtered Water	50.31
32442	FAZZARI MARKETING	T-Shirt Printing-#WhyILoveKenmore	82.13
32443	PROTECTION TECHNOLOGIES, INC	City Hall Door Repair	374.95
32444	INDEPENDENT STATIONERS	Office Supplies	58.33
32445	WELLS FARGO FINANCIAL	6/21-7/20 1st & 2nd Floor Copier Leases	1,041.25
32446	HOPKINS, CRAIG	Police Volunteer Mileage Reimbursement	85.11
32447	DEVRIES, DENIS	Police Volunteer Mileage Reimbursement	50.03
32448	PERTEET INC.	May 2015 On Call Engineering Services	36,125.43
32449	GOVERNMENT FINANCE RESEARCH GROUP	MuniCast Maintenance Agreement	1,995.00
32450	WASHINGTON STATE PATROL	May Sammamish River Bridge Enforcement	550.76
32451	GREATER BOTHELL CHAMBER OF COMMERCE	Kenmore Business Alliance Exp. & Dues	1,562.09
32452	WAGE WORKS	May Flex Plan Administrative Fee	50.00
32453	INNOVAC	Vactor Services	209.42
32454	MOBILE MINI, INC.	Log Boom Park Container Rentals	226.16
32455	BRIEN, GAYLYNN	April Sales Tax Data Management	50.00
32456	V2WORKS	Kenmore Village Signs	3,544.42
32457	MARINE FLOATS CORPORATION	Log Boom Park Float Removal	2,444.04
32458	SCORE	May Additional Billing & Health Services	1,117.90
32459	HEWITT	May Kenmore Town Green & Skate Park	150,099.51
32460	STARDOM SERVICES, INC.	June Incubator Janitorial Service	510.00
32461	INDUSTRIAL PHYSICAL CAPABILITY SVCS	New Employee Testing	170.00
32462	KIEWIT/GENERAL/MANSON	Cash Deposit Release-PRJ 2011-	7,500.00
32463	SARA CAHOONE	7/16 Summer Concert Performer	750.00
32464	LEE BRIANTE	7/16 Summer Concert Performer	1,000.00
32465	BOTTLEROCKET	#whyilovekenmore Entertainment	500.00
7631	BENSON, GARRETT	Payroll	418.06
6/26/2015	PAYROLL	Direct Deposit	80,826.44
			<u>\$ 457,599.20</u>

2015	PRIOR VENDOR ACTIVITY	TOTAL	FOR 2015
	A & A AIRPORT LIMOUSINE SERVICE		798.00
	A+ CONFERENCING		110.84
	A-1 LANDSCAPING & CONSTRUCTION, INC.		7,177.73
	AA ASPHALTING, INC		16,583.78
	AA PARTY RENTALS		370.07
	AAA FLAG & BANNER MFG. CO., INC.		5,620.28
	AAA PRINTING		723.80
	AABCO BARRICADE COMPANY INC.		849.78
	ACTION ENTERTAINMENT		395.00
	ACTIVE SHOOTER TRAINING LLC		184.52
	ADVANCE TESTING & SERVICE INC		702.00
	AFLAC		2,192.55
	ALCALDE & FAY		25,640.87
	ALEXANDER, JEFF		250.00
	ALL CITY FENCE CO.		4,089.83
	ALLISON & PARTNERS		9,600.00
	ALPHA SUPPORTED LIVING SERVICES		250.00
	ALPHAGRAPHS US718		1,304.42
	AMERICAN GENERAL		2,218.60
	AMERICAN PLANNING ASSOCIATION		2,111.00
	AMERICAN PUBLIC WORKS ASSOCIATION		960.00
	ANCHOR QEA, LLC		4,118.00
	APPLIED TECHNOLOGIES NW INC.		8,700.25
	ARC - PACIFIC NORTHWEST		675.46
	ARTS OF KENMORE		1,742.75
	ASSOCIATION OF WA CITIES		16,925.94
	AURORA RENTS		836.13
	AV CAPTURE ALL		2,757.43
	AWC EMPLOYEE BENEFITS		204,732.45
	BAKER, DAVID		1,719.94
	BANK OF AMERICA 941		165,898.99
	BANNER BANK BAKER		6,031.86
	BANNER BANK BH		2,231.27
	BANNER BANK CS		1,102.74
	BANNER BANK DB		1,397.50
	BANNER BANK JG		3,025.40
	BANNER BANK JGORDON		9,789.67
	BANNER BANK KENMORE		13,053.51
	BANNER BANK LD		5,112.82
	BANNER BANK NO		2,015.23
	BANNER BANK PS		144.11
	BANNER BANK VAN NESS		4,076.09
	BASTYR UNIVERSITY		50,200.00
	BECKER, THEODORE J		1,675.00
	BLACKBAUD		6,283.89
	BORROMEO, ALEXANDER		75.00
	BRIEN, GAYLYNN		300.00
	BUILDERS EXCHANGE OF WASHINGTON INC		183.85
	CALPORTLAND COMPANY		666.22

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CAPITAL ONE COMMERCIAL/ COSTCO	577.23
CASCADE PEST CONTROL	854.10
CEMEX	2,241.67
CENTER FOR HUMAN SERVICES	5,000.00
CENTER FOR PRIORITY BASED BUDGETING	12,500.00
CHAVEZ, FRANCISCO	1,500.00
CITY OF BELLEVUE	65,451.29
CITY OF KENMORE	160.46
CITY OF KENMORE FS	3,676.31
CITY OF LAKE FOREST PARK	368,062.75
CITY OF SHORELINE	1,452.30
CITYWORKS/ AZTECA SYSTEMS INC.	20,074.64
CLK CONSTRUCTION LLC	9,811.11
COASTAL WEAR PRODUCTS INC	1,356.71
COASTWIDE LABORATORIES	3,751.12
CODE PUBLISHING COMPANY	6,226.04
COLUMBIA RIDGE LANDFILL	3,890.89
COMCAST	1,921.50
CONSOLIDATED PRESS	3,036.14
CONYERS, JODY	54.63
CROWN PRODUCTS LLC	1,021.30
CURTIS, DR. MILTON	1,326.64
DAILY JOURNAL OF COMMERCE	2,083.80
DENUSKI, STACEY	150.00
DEPARTMENT OF ECOLOGY	6,370.50
DEPARTMENT OF LABOR AND INDUSTRIES	11,370.53
DEPARTMENT OF RETIREMENT SYSTEMS	149,775.32
DEVRIES, DENIS	174.30
DIGITAL REPROGRAPHICS SERVICES INC.	95.28
DLT SOLUTIONS	1,600.67
DRS 457	5,840.00
DURRANT, JEFF	152.50
EAGLE EYE CONSULTING ENGINEERS	125.00
ECONOMIC DEV COUNCIL OF SEATTLE/KC	5,000.00
EE-NA ENTERPRISES LLC	13,593.15
EMERGENCY SERVICE COORDINATING AGCY	50,559.00
EMPLOYMENT SECURITY DEPT	3,643.50
ENVIRONMENTAL SYSTEMS RESEARCH INST.	7,008.00
EVERGREEN PRINT SOLUTIONS	298.76
EVERGREEN SAFETY COUNCIL	299.00
EVER-MARK, LLC	346.73
FASTSIGNS	210.61
FERGUSON ENTERPRISES INC #1539	6,078.83
FIRE PROTECTION, INC	2,761.56
FISHER, ALENE	290.53
FRONTIER	6,139.96
FRUHLING SAND & TOPSOIL	1,623.76
G & H PRINTING	244.75
GA JORGENSEN CO. INC.	253.81
GALLATIN PUBLIC AFFAIRS	1,750.00
GATES, JANICE	40.74
GENERAL DYNAMICS	890.00

GEOENGINEERS INC	2,203.50
GORDON THOMAS HONEYWELL	18,731.58
GOVDELIVERY, INC.	10,500.00
GOVERNMENT FINANCE OFFICERS ASSOC	190.00
GRABER MANUFACTURING, INC.	2,525.00
GRAINGER	1,930.56
GRAKLANOFF, ANNA	75.00
GREATER BOTHELL CHAMBER OF COMMERCE	1,890.00
GREGORY, JOANNE	1,558.84
HANSEN, COREY	17,125.00
HARRIS & SMITH PUBLIC AFFAIRS	1,581.25
HARRIS COMPUTER SYSTEMS	7,390.06
HAVESON, CRAIG	7,500.00
HAWTHORNE LANE LLC	7,500.00
HDR	189,964.28
HELMETS R US INC	296.75
HERMANSON COMPANY, LLP	2,908.00
HESTON VISUAL ARTS	383.25
HEWITT	92,670.27
HOME DEPOT CREDIT SERVICES	967.66
HONEY BUCKET	1,315.90
HOPELINK	7,750.00
HOPKINS, CRAIG	344.96
ICMA RETIREMENT TRUST 457 - 304745	31,869.73
INDEPENDENT STATIONERS	1,851.51
INGLEMOOR HIGH SCHOOL MUSIC BOOSTERS	1,600.00
INNOVAC	15,653.41
INSLEE, BEST, DOEZIE & RYDER, P.S.	70,930.83
INTEGRA TELECOM	4,916.79
INTERNET DOMAIN NAME SERVICES INC.	180.00
iWORQ SYSTEMS	2,800.00
JACOBS ENGINEERING GROUP	3,003.39
JAYMARC - AV	897.90
JET CITY PRINTING	1,536.01
JOHNSON, WES	530.00
JOYCE ZIKER PARKINSON	7,477.50
KARLINSEY, ROB	374.54
KENMORE COMMERCIAL LLC	20,696.00
KENMORE ELEMENTARY PTA	1,500.00
KENMORE JR HIGH SCHOOL	75.00
KING CO. UTILITY COORDINATION COUNCIL	75.00
KING COUNTY ANIMAL SVCS	1,420.00
KING COUNTY FINANCE	155,440.61
KING COUNTY FINANCE W.L.R.D.	2,241.83
KING COUNTY MUNICIPAL CLERKS ASSOC	25.00
KING COUNTY OFFICE OF FINANCE	3,232.42
KING COUNTY PARKS	72.41
KING COUNTY RADIO COMM SERVICES	567.22
KING COUNTY RECORDER'S OFFICE	107.00
KING COUNTY SHERIFF	1,219,906.93
KING COUNTY SUPERIOR COURT CLERK	141,200.00
KING COUNTY TREASURY	13,507.11

KING CTY EASTSIDE TRANSP PARTNERSH	200.00
KONICA MINOLTA BUSINESS SOLUTIONS	2,404.49
KUKER-RANKEN INC	29.51
KUSTOM SIGNALS, INC.	18.00
LAW OFFICE OF JOHN RUNGERUDE, PS	900.00
LIGHTHOUSE CONSULTING INC	20,908.15
LINCOLN NATIONAL LIFE INSURANCE	4,128.19
MACDONALD MILLER FACILITY SOLUTIONS	744.83
MAIL FINANCE	1,406.00
MANTLE INDUSTRIES INC	3,277.34
MARSHBANK CONSTRUCTION	977,685.60
MEEHAN, NANCY	135.37
MIGHTY BISON BOOKING	1,750.00
MILLER STEPHENS, MARY	5,000.00
MILLS, VIC	250.00
MINZGHOR, NICHOLAS	341.94
MOBILE ELECTRICAL DISTRIBUTORS INC	13.47
MOBILE MINI, INC.	1,227.58
MR. T'S TROPHIES	3,048.00
MUMMA, RYAN	60.95
NATIONAL BUSINESS INCUBATION ASSOC.	525.00
NATIONAL LIFE OF VERMONT	727.57
NATIONAL NEIGHBORHOOD WATCH INSTITUTE	345.00
NATIONWIDE FINANCIAL 401a	125,327.63
NATIONWIDE RETIREMENT SOLUTIONS 457	3,135.00
NEOPOST NORTHWEST	274.82
NORTHSHORE FIRE DEPT	3,526.25
NORTHSHORE PARK & REC SERVICE AREA	1,360.00
NORTHSHORE ROTARY CLUB	714.00
NORTHSHORE SCHOOL DISTRICT	2,500.00
NORTHSHORE SENIOR CENTER	7,150.00
NORTHSHORE UTILITY DIST	24,267.53
NORTHSHORE YOUTH & FAMILY SERVICES	4,000.00
NORTHWEST ATHLETICS	350.00
NORTHWEST LANDSCAPE SERVICES	7,620.44
NORTHWEST MARINE TRADE ASSOCIATION	425.00
NORTHWEST TROPHY	189.44
NW ENVIRONMENTAL TRAINING CENTER	1,325.00
OFFICE DEPOT	4,186.42
OFFICE MAX	3,849.29
OFFICE TEAM	9,042.70
OfficeMax Workplace Interiors	6,489.89
OLYMPIC ENVIRONMENTAL RESOURCES INC	20,913.92
OSBORN CONSULTING INC.	109,603.40
OUSLEY, NANCY	501.05
PACIFIC TOPSOILS	2,546.05
PARADISE AMUSEMENTS	100.00
PART WORKS INC	461.93
PAWS	1,521.00
PENDLETON, MICHAEL	3,523.84
PEOPLES STORAGE	1,140.00
PERSONAL BEST/ TOPHEALTH	197.77

PERTEET INC.	81,766.66
PETERSON, JANET	600.00
PETTY CASH CUSTODIAN	446.14
PHSI PURE WATER FINANCE	875.33
PIEDMONT DIRECTIONAL	953.52
PIPERS CREEK NURSERY	188.34
PLANNING ASSOCIATION OF WASHINGTON	80.00
PUBLIC HEALTH DEPT. OF KING COUNTY	100.00
PUGET SOUND BUSINESS JOURNAL	97.00
PUGET SOUND CLEAN AIR AGENCY	14,740.00
PUGET SOUND ENERGY	92,382.95
PUGET SOUND REGIONAL COUNCIL	7,416.00
PURE WATER TECHNOLOGY OF PUGET SOUND	336.39
QUALITY BUSINESS SYSTEMS	4,253.41
RANDALL, BRIAN	124.06
REDMOND, MICHAEL	61.25
REPUBLIC SERVICES	4,355.78
RICHMOND AMERICAN HOMES OF WA	60.00
RM HOMES LLC	412.01
RODGERS, DEUTSCH & TURNER PLLC	69,850.00
ROGERS, GLENN	20.91
RONGERUDE, JOHN	900.00
SAFRIN, PATTY	42.55
SAMYN, DR. JEFFREY	250.00
SANDRA OWEN DESIGN	1,605.00
SARAH ROBERTS	42,032.16
SAUVE, GAYLEN	300.00
SAWYER, RICHARD	1,379.83
SCHINDLER ELEVATOR CORPORATION	1,151.52
SCHOCK, BRETT	227.04
SCORE	253,465.40
SEATTLE TIMES	6,169.70
SEES TREES AND EXCAVATION INC	1,029.30
SESAC	360.00
SEXTANT MARKETING GROUP	6,940.61
SHELTON, CINDY	42.55
SHERWIN-WILLIAMS CO. #8099	154.79
SHRED-IT	323.92
SIGN UP, SIGN CO, INC	657.00
SILVER KITE COMMUNITY ARTS CONSULT.	300.00
SNOHOMISH COUNTY	5,977.00
SNOHOMISH COUNTY HEARING EXAMINER	500.00
SOUND CITIES ASSOC	12,798.49
SOUND PUBLISHING, INC.	6,898.43
SPERRY, LAURIE	91.95
STARDOM SERVICES, INC.	2,550.00
STATE OF FLORIDA DISBURSEMENT UNIT	3,025.00
STEWART MACNICHOLS HARMELL, INC.	33,055.00
STOPTECH, LTD.	4,544.25
STUDIO 3 SIGNS	2,299.50
TELESYSTEMS WEST	2,219.85
TERREBONNE LIMITED	337.34

THE KIPLINGER LETTER	99.00
THOMAS, MICHAEL	133.36
TIKOR CONSULTING	52.79
TOPIA TECHNOLOGY/ BIS	3,090.00
TOTAL LANDSCAPE CORP	31,112.20
TOWN CENTER HARDWARE	1,025.60
TWEDT, CHARLES	1,500.00
TWO BROTHERS' TREES	600.00
ULINE	1,544.27
UNITED RENTALS NW, INC	923.37
UNITED STATES POSTMASTER	3,173.04
UNITED WAY OF KING COUNTY	2,822.82
UPS STORE	232.99
URBAN LAND INSTITUTE	215.00
US POSTAL SERVICE (HASLER)	2,118.03
U-SAVE OIL CO	2,150.00
UTILITIES UNDERGROUND LOCATION CTR	957.18
VAN NESS, ALLAN	1,416.68
VAUGHAN, KENT	116.00
VERIZON WIRELESS	6,000.53
WA ASSOC OF BUILDING OFFICIALS	950.00
WA ASSOC OF PUBLIC RECORDS OFFICERS	140.00
WA CITIES INSURANCE AUTHORITY	212,891.00
WA FINANCE OFFICERS ASSOCIATION	150.00
WA GUARANTEED EDUCATION TUITION	500.00
WA STATE CONSOLIDATED TECH SVCS	700.00
WA STATE DEPT OF CORRECTIONS	230.50
WA STATE DEPT OF ENTERPRISE SVCS	175.00
WA STATE DEPT OF LABOR & INDUSTRIES	141.60
WA STATE DEPT OF TRANSPORTATION	6,386.35
WA STATE DEPT OF TRANSPORTATION	1,198.09
WAGE WORKS	250.00
WALL, JOHN	454.43
WASHINGTON CITY/COUNTY MGMT ASSOC	365.00
WASHINGTON STATE PATROL	1,063.97
WAYNE'S ROOFING INC.	72,027.98
WELLS FARGO FINANCIAL	6,247.50
WELWEST CONSTRUCTION INC.	4,868.03
WETLANDS & WOODLANDS INC	183.96
WONDERLAND DEVELOPMENT	1,250.00
ZONAR SYSTEMS	525.33
ZUMAR	1,813.37
	<u>\$5,885,224.25</u>



**City Council Business Agenda Item
City of Kenmore, WA**

Subject/Topic: April 2015 Financial Report Presentation		For Council Meeting Agenda of: July 20, 2015	
		Department: Finance and Administration	
		Prepared by: Joanne Gregory	
		Initial & Date Approved by Department Head: <u>Greg 7/9/15</u> Approved by City Attorney: _____ Approved by Finance Director: <u>Greg 7/9/15</u> Approved by City Manager: _____	
Proposed Council Action/Motion: Receive and File April 2015 Financial Report for the City of Kenmore, Washington		Exhibits/Attachments: April 2015 Financial Report for the City of Kenmore, Washington.	
Expenditure Required N/A	Amount Budgeted \$52,089,453 Revenues \$59,750,318 Expenditures	Appropriation Required N/A	
<u>INFORMATION/BACKGROUND:</u> The April 2015 monthly financial report is presented for Council review. This provides the opportunity for the City Council and the community to receive information on the City of Kenmore's biennium to date revenues and expenditures in comparison to the City's 2015-2016 adopted biennial budget. The budget was adopted on December 8, 2014. It also provides an opportunity to identify any potential variances or fluctuations from the budget.			
<u>FISCAL CONSIDERATION:</u> April is the fourth month (16%) of the 24 month 2015-2016 biennium. The monthly schedules attached include the Transportation Benefit District Fund for informational purposes although it is a separate entity. Development revenues, real estate excise taxes and sale tax from construction are all trending better than budget at this point. The national unemployment rate dropped to 5.4% and the Dow Jones closed higher than March at 17,823.			
<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:</u> Kenmore Budget Policy 9a: A revenue/expenditure report will be produced monthly so that it can be directly compared to the actual results of the fiscal year to date. Kenmore Budget Policy 9b: All budget amendments, both revenues and expenditures, will be noted in the monthly report.			



The City of Kenmore

PO Box 82607
KENMORE, WASHINGTON 98028

MEMORANDUM

TO: Rob Karlinsey, City Manager
FROM: Joanne Gregory, Finance Director
DATE: July 9, 2015
RE: April 2015 Financial Reports for the City of Kenmore, Washington

April 2015 financial information is presented for your review and delivery to the City Council. Attached you will find the following reports:

- General Fund Summary
- General Fund Revenue Graphs
- General Fund Expenditure Graphs
- Street Fund Summary
- Other Funds Monthly Activity
- Schedule of Investments
- Sales Tax Receipts by Business Type
- Retail Sales and Use Tax Distribution
- Real Estate Excise Tax Report
- Monthly Report for Kenmore Village
- Report for Transportation Benefit District

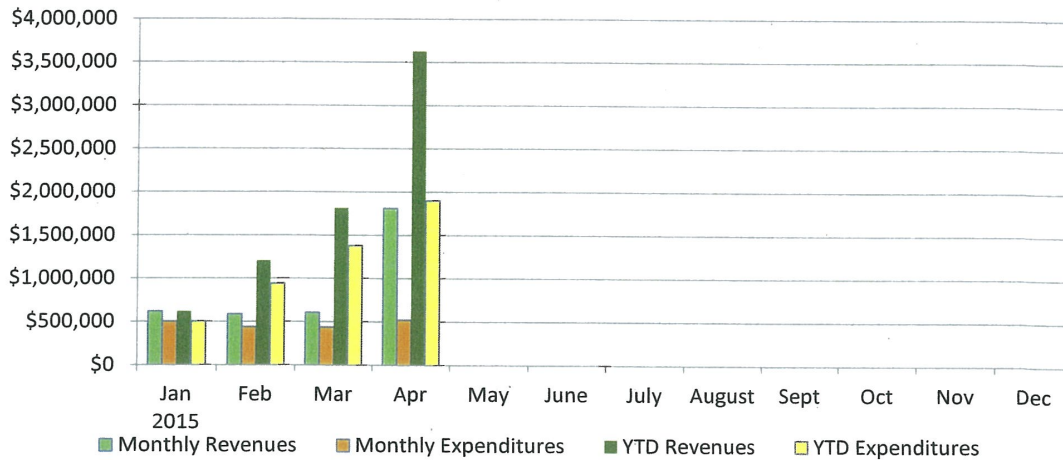
If you would like additional information or have any questions regarding the financial reports, please feel free to contact me.

GENERAL FUND

The first section of the monthly financial report is a review of the General Fund. This fund accounts for operational activities and includes all financial resources except those required or elected to be accounted for in another fund. Revenues include various taxes, per capita distributions from the State, fines and forfeitures, permits and licenses, and fees for service. In the context of the biennial budget, April is the fourth month (16%) of the 2015-2016 biennial budget period. For the month of April, revenues exceeded expenditures in the General Fund by \$1,290,271. Biennium revenues exceed expenditures by \$1,724,994.

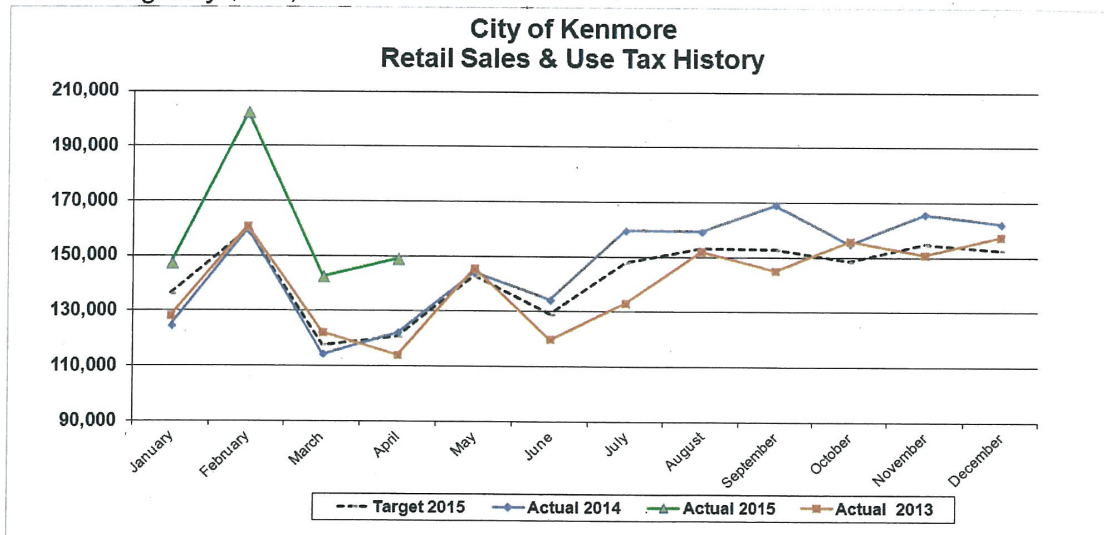
The following chart illustrates the monthly revenue and expenditure activity in the General Fund through April 2015.

City of Kenmore, Washington
Monthly Financial Report
April 2015



Total **revenues** for the month were **\$1,811,838**. Biennium to date revenues are \$3,625,860, which is 17.6% of the budgeted revenues of \$20,553,270. Primary sources of revenue for the month included property taxes in the amount of \$1,202,393, development fees & permits in the amount of \$84,928, retail sales and use taxes in the amount of \$149,181, franchise fees in the amount of \$170,408, and utility taxes in the amount of \$117,860.

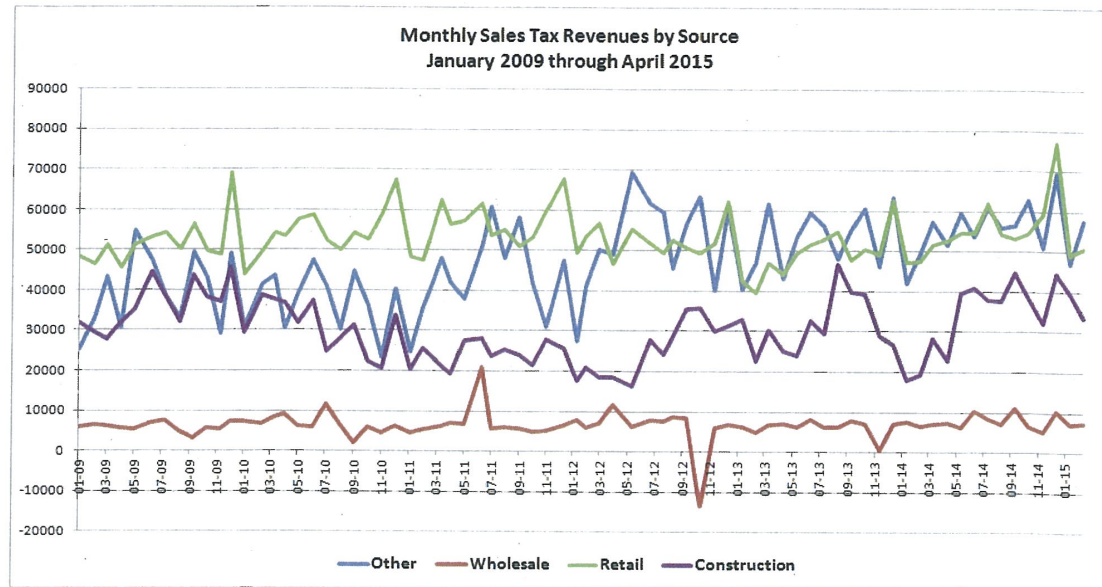
A summary of sales tax revenues received in April is attached. These receipts are based on February sales activity. The chart below gives a historical perspective of monthly sales tax receipts over the last several years. The black dotted Target 2015 line is a monthly average of actual receipts during 2012, 2013, and 2014. The green line (triangle) represents 2015 actual receipts, which are \$120,000 above 2014, and ahead of 2015 target by \$107,319.



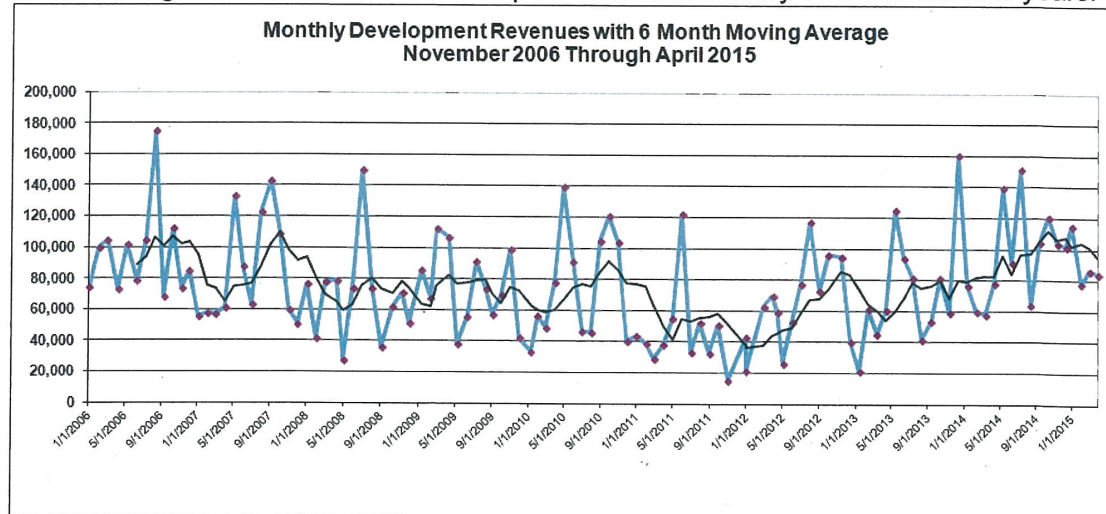
The following chart illustrates the historical trends of sales tax receipts from the major segments: construction, retail, wholesale, other (agriculture, services, manufacturing, transportation and utilities) from January 2009 through April 2015.

I:\Admin & Finance\Monthly Reports\2015\April.docx

City of Kenmore, Washington
Monthly Financial Report
April 2015



The following chart illustrates the development revenue activity over the last nine years.



April 2015 expenditures were **\$521,567**. Biennium to date expenditures are \$1,900,866, which is 9.3% of the biennial budget expenditures of \$20,538,934.

The April cash activity for all funds is presented on the attached All Funds Cash Summary. Total City cash (\$11,954,853) and long term investments (\$10,823,574), at the end of April, totaled \$22,778,427. The Other Funds Monthly Activity graphs compare biennium to date revenues and expenditures to the 2015-2016 biennial budget.

City of Kenmore, Washington
Monthly Financial Report
April 2015

Total non-General Fund revenues were \$815,997 and total non-General Fund expenditures were \$345,222.

In the **Street Fund** revenue from gas tax distributions was \$32,734. \$67,604 was expended for maintenance and operations during the month.

In the **Transportation Capital Fund** expenditures were \$102,054 for SR 522 West A design, purchasing ROW & easements in the construction area.

The **Park Impact Fee** fund received \$40,592 in revenues during the month.

There was \$158,596 in revenues for the **Transportation Impact Fee** fund during the month.

The **Real Estate Excise Tax** Fund received \$104,280 of real estate excise taxes (REET) in April from sales activity that occurred in March. 47 transactions were reported this month. Biennial to date revenue exceeds the 2015-16 target by \$167,890.

The **Transportation Benefit District** Fund received \$28,057 in vehicle license fees during the month.

SUMMARY

This concludes the financial report for the City of Kenmore as of **April 30, 2015**. I appreciate your feedback and encourage you to contact me if you have any questions prior to the City Council meeting.

City of Kenmore, Washington
General Fund Summary Report
April 30, 2015



	CURRENT PERIOD 2015-2016				PRIOR PERIOD 2013-2014			
	MONTH April 2015	BIENNIUM TO DATE 2015-2016	% of BUDGET	BIENNIUM BUDGET 2015-2016	MONTH April 2013	BIENNIUM TO DATE 2013-2014	% of BUDGET	BIENNIUM BUDGET 2013-2014
REVENUES								
Beginning Fund Balance		4,233,568		5,539,954				4,941,884
Property Taxes	1,202,393	1,418,413	15.9%	8,948,766	1,402,020	1,622,899	19.0%	8,542,053
Sales and Use Taxes	187,904	814,216	18.5%	4,400,532	146,617	674,402	17.0%	3,960,331
Utility Taxes	117,860	469,798	17.0%	2,763,390	122,911	540,614	18.4%	2,942,395
Other Taxes	682	14,123	12.5%	112,720	19	11,889	19.4%	61,300
Development Fees & Permits	84,928	365,040	20.8%	1,756,432	60,846	189,092	12.9%	1,465,185
Franchise Fees	170,408	386,005	27.1%	1,422,160	74,977	150,633	15.2%	992,405
Intergovernmental and Grants	31,331	111,592	15.8%	707,370	-698	112,627	17.6%	639,866
Investment Interest	9,820	23,853	47.0%	50,700	5,961	75,545	129.4%	58,400
Fines and Forfeitures	-255	-1,132	0.0%	0	0	50	n/a	0
Transfers and Other Revenues	6,767	23,952	6.1%	391,200	56,462	64,914	11.3%	572,536
Total Revenues	1,811,838	3,625,860	17.6%	20,553,270	1,869,114	3,442,666	17.9%	19,234,471
Total Revenues & Beginning Fund Balance		7,859,428		26,093,224	1,869,114			24,176,355

	CURRENT PERIOD 2015-2016				PRIOR PERIOD 2013-2014			
	MONTH April	BIENNIUM TO DATE 2015-2016	% of BUDGET	BUDGET 2015-2016	MONTH April 2013	BIENNIUM TO DATE 2013-2014	% of BUDGET	BIENNIUM BUDGET 2013-2014
EXPENDITURES								
Cost Center								
City Council	5,143	60,496	18.4%	328,435	13,494	38,240	17.6%	217,644
City Manager	126,636	381,774	12.3%	3,108,222	72,852	358,096	19.9%	1,796,600
City Clerk	8,226	43,498	15.7%	277,683	7,923	30,360	5.7%	536,261
Finance	50,450	342,154	25.5%	1,342,155	23,882	101,719	15.9%	639,213
Legal	12,995	24,461	5.6%	440,000	20,646	83,627	16.9%	494,285
Non-Departmental *	0	0	0.0%	0	13,412	290,644	19.0%	1,532,818
Interfund Transfers	0	0	0.0%	1,033,885	3,316,000	3,316,000	212.0%	1,564,000
Public Safety	70,110	207,056	2.6%	8,076,115	43,029	130,739	1.8%	7,179,563
Engineering & Environmental Services	59,614	206,113	13.5%	1,527,950	50,724	192,328	18.4%	1,045,741
Community Development	30,775	125,079	15.1%	830,030	34,258	128,628	18.0%	712,632
Developmental Services	104,826	285,010	17.6%	1,620,050	47,311	184,360	12.3%	1,501,147
Parks & Facility Maintenance	52,792	225,225	11.5%	1,954,409	54,657	210,704	12.4%	1,695,042
Total Expenditures	521,567	1,900,866	9.3%	20,538,934	3,698,187	5,065,445	26.8%	18,914,946
Ending Fund Balance		5,958,562		5,554,290			0.0%	5,261,409
Total Expenditures and Ending Fund Balance		7,859,428		26,093,224				24,176,355

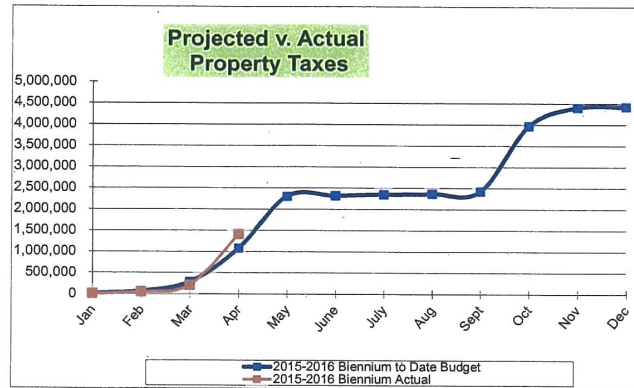
*Non-Departmental expenditures have been moved to other General Fund Cost Centers

City of Kenmore, Washington
General Fund Revenue Graphs
April 30, 2015

PROPERTY TAXES

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	17,139	12,908
Feb	74,507	57,705
Mar	290,770	216,020
Apr	1,086,108	1,418,413
May	2,309,669	
June	2,326,027	
July	2,352,486	
Aug	2,370,314	
Sept	2,431,283	
Oct	3,974,382	
Nov	4,406,741	
Dec	4,427,247	

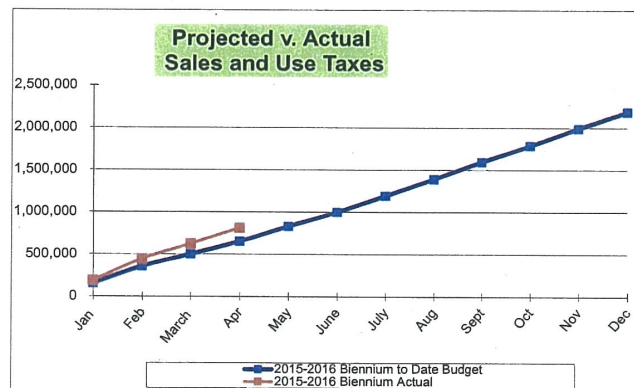
Year To Date
 Actual v. Projected 131%



SALES, USE, CRIM JUSTICE TAXES

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	157,906	188,575
Feb	359,267	444,278
March	504,776	626,312
Apr	656,687	814,216
May	834,808	
June	1,002,181	
July	1,195,463	
Aug	1,392,737	
Sept	1,597,816	
Oct	1,789,295	
Nov	1,993,635	
Dec	2,191,685	

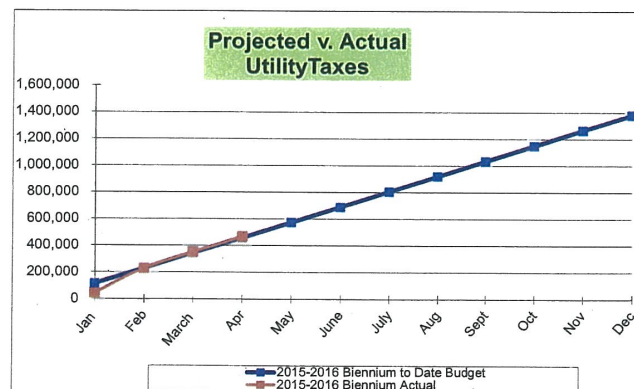
Year To Date
 Actual v. Projected 124%



UTILITY TAXES

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	115,141	43,746
Feb	230,283	228,713
March	345,424	351,937
Apr	460,565	469,798
May	575,706	
June	690,848	
July	805,989	
Aug	921,130	
Sept	1,036,271	
Oct	1,151,413	
Nov	1,266,554	
Dec	1,381,695	

Year To Date
 Actual v. Projected 102%

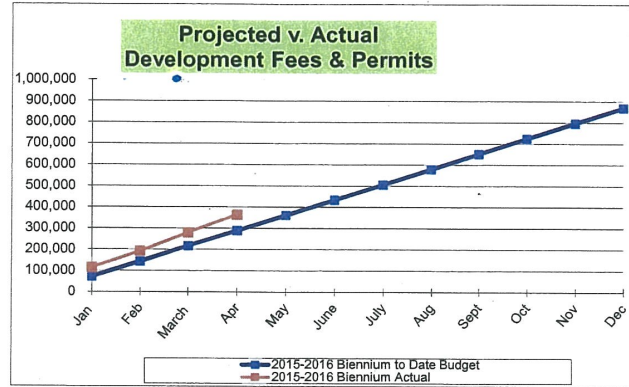


**City of Kenmore, Washington
General Fund Revenue Graphs
April 30, 2015**

DEVELOPMENT FEES & PERMITS

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	72,467	115,397
Feb	144,934	193,365
March	217,402	280,112
Apr	289,869	365,040
May	362,336	
June	434,803	
July	507,270	
Aug	579,737	
Sept	652,205	
Oct	724,672	
Nov	797,139	
Dec	869,606	

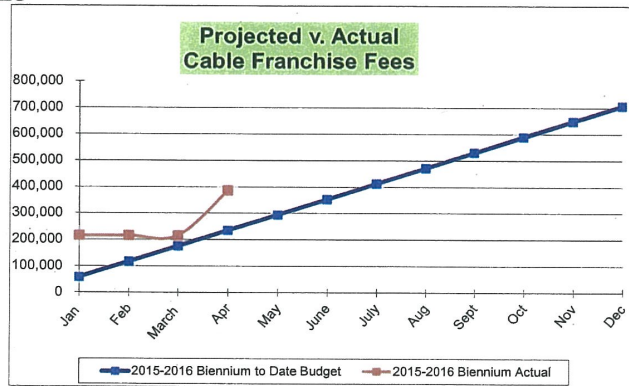
Year To Date
Actual v. Projected 126%



CABLE/WATER/SEWER FRANCHISE FEES

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	59,000	215,597
Feb	118,000	215,597
March	177,000	215,597
Apr	236,000	386,005
May	295,000	
June	354,000	
July	413,000	
Aug	472,000	
Sept	531,000	
Oct	590,000	
Nov	649,000	
Dec	708,000	

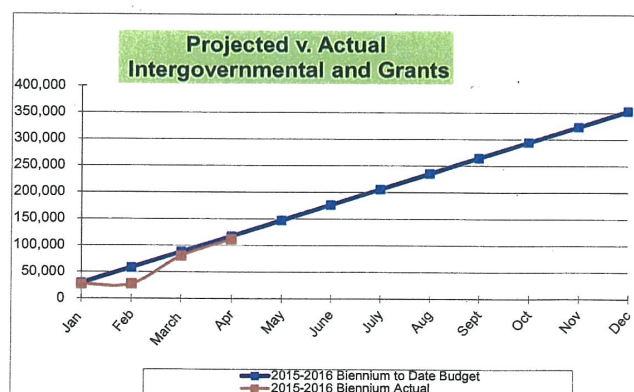
Year To Date
Actual v. Projected 164%



INTERGOVERNMENTAL & GRANTS

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	29,474	27,218
Feb	58,948	27,436
March	88,421	80,262
Apr	117,895	111,592
May	147,369	
June	176,843	
July	206,316	
Aug	235,790	
Sept	265,264	
Oct	294,738	
Nov	324,211	
Dec	353,685	

Year To Date
Actual v. Projected 95%

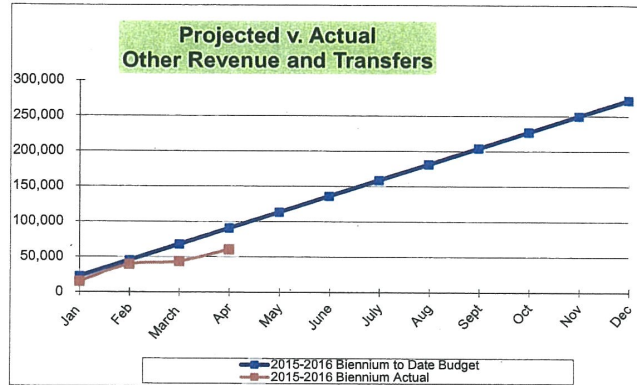


**City of Kenmore, Washington
General Fund Revenue Graphs
April 30, 2015.**

OTHER REVENUES AND TRANSFERS

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	22,734	15,307
Feb	45,468	39,274
March	68,203	43,782
Apr	90,937	60,796
May	113,671	
June	136,405	
July	159,139	
Aug	181,873	
Sept	204,608	
Oct	227,342	
Nov	250,076	
Dec	272,810	

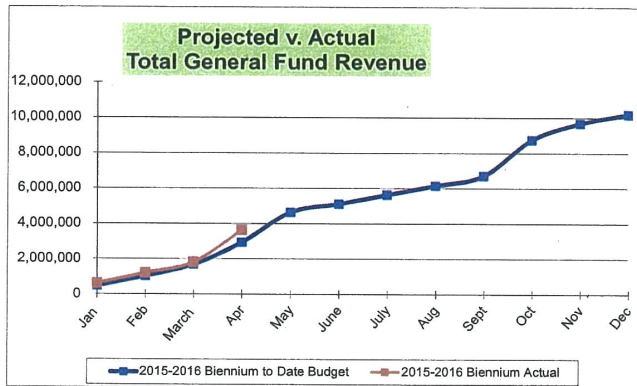
Year To Date
Actual v. Projected 67%



TOTAL GENERAL FUND REVENUE

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	473,861	618,747
Feb	1,031,406	1,206,368
March	1,691,995	1,814,022
Apr	2,938,060	3,625,860
May	4,638,558	
June	5,121,106	
July	5,639,663	
Aug	6,153,582	
Sept	6,718,446	
Oct	8,751,840	
Nov	9,687,356	
Dec	10,204,728	

Year To Date
Actual v. Projected 123%

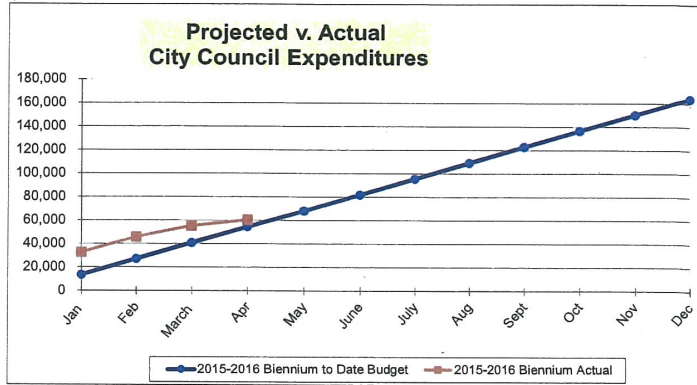


**City of Kenmore, Washington
General Fund Expenditure Graphs
April 30, 2015**

CITY COUNCIL

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	13,666	32,767
Feb	27,332	45,956
March	40,997	55,353
Apr	54,663	60,496
May	68,329	
June	81,995	
July	95,660	
Aug	109,326	
Sept	122,992	
Oct	136,658	
Nov	150,323	
Dec	163,989	

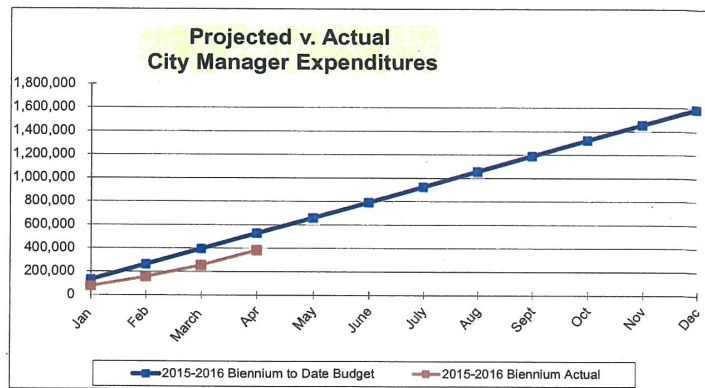
Year To Date
Actual v. Projected 111%



CITY MANAGER

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	132,317	76,658
Feb	264,635	155,562
March	396,952	255,138
Apr	529,269	381,774
May	661,587	
June	793,904	
July	926,221	
Aug	1,058,539	
Sept	1,190,856	
Oct	1,323,173	
Nov	1,455,491	
Dec	1,587,808	

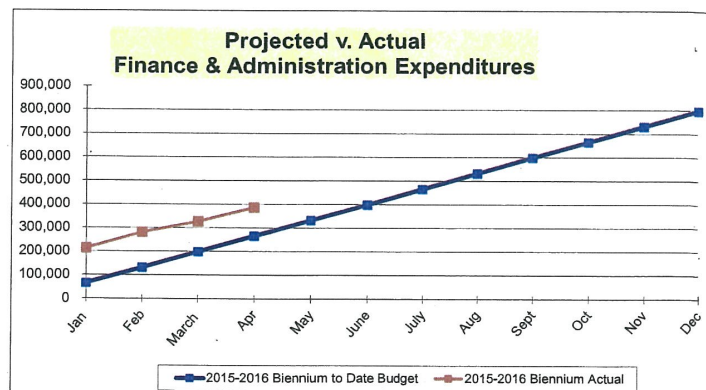
Year To Date
Actual v. Projected 72%



FINANCE & ADMINISTRATION

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	66,530	213,423
Feb	133,061	280,981
March	199,591	326,975
Apr	266,121	385,652
May	332,651	
June	399,182	
July	465,712	
Aug	532,242	
Sept	598,772	
Oct	665,303	
Nov	731,833	
Dec	798,363	

Year To Date
Actual v. Projected 145%

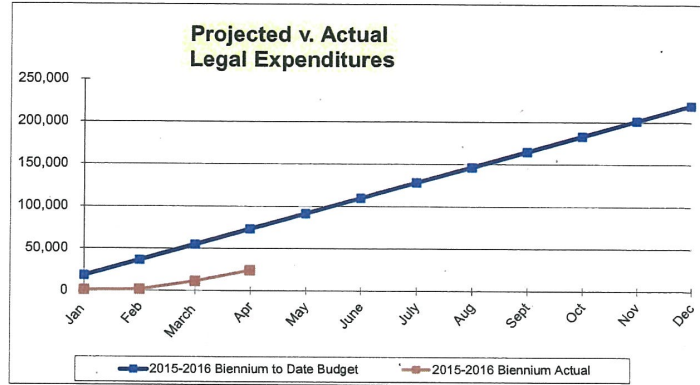


**City of Kenmore, Washington
General Fund Expenditure Graphs
April 30, 2015**

LEGAL

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	18,333	1,163
Feb	36,667	1,695
March	55,000	11,466
Apr	73,333	24,461
May	91,667	
June	110,000	
July	128,333	
Aug	146,667	
Sept	165,000	
Oct	183,333	
Nov	201,667	
Dec	220,000	

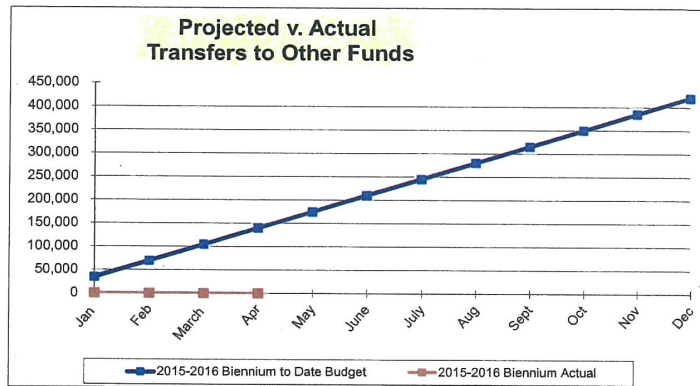
Year To Date
Actual v. Projected 33%



TRANSFERS TO OTHER FUNDS

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	35,000	0
Feb	70,000	0
March	105,000	0
Apr	140,000	0
May	175,000	
June	210,000	
July	245,000	
Aug	280,000	
Sept	315,000	
Oct	350,000	
Nov	385,000	
Dec	420,000	

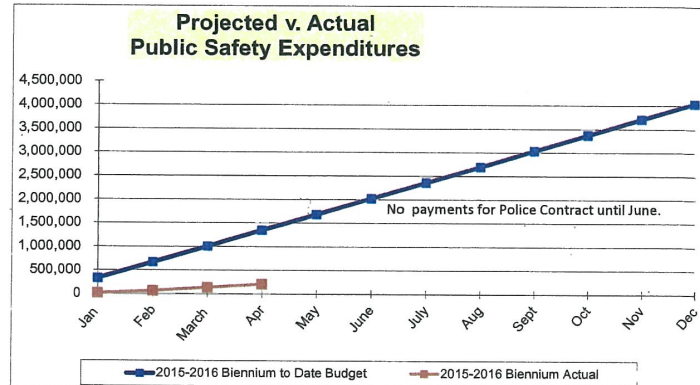
Year To Date
Actual v. Projected 0%



PUBLIC SAFETY

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	337,598	14,009
Feb	675,196	66,499
March	1,012,794	136,946
Apr	1,350,392	207,056
May	1,687,990	
June	2,025,589	
July	2,363,187	
Aug	2,700,785	
Sept	3,038,383	
Oct	3,375,981	
Nov	3,713,579	
Dec	4,051,177	

Year To Date
Actual v. Projected 15%

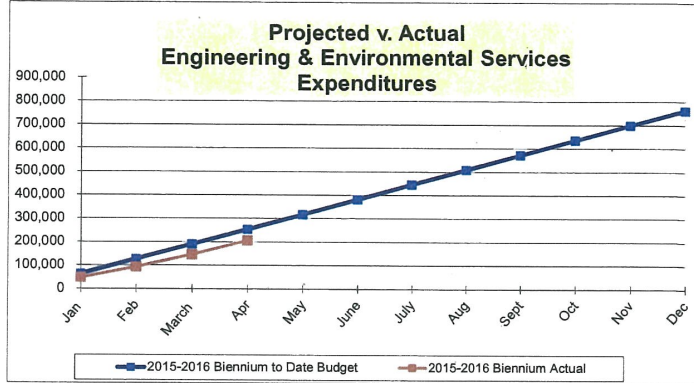


City of Kenmore, Washington
General Fund Expenditure Graphs
April 30, 2015

ENGINEERING & ENVIRONMENTAL SERVICES

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	63,594	47,876
Feb	127,188	93,035
March	190,782	146,499
Apr	254,376	206,113
May	317,970	
June	381,565	
July	445,159	
Aug	508,753	
Sept	572,347	
Oct	635,941	
Nov	699,535	
Dec	763,129	

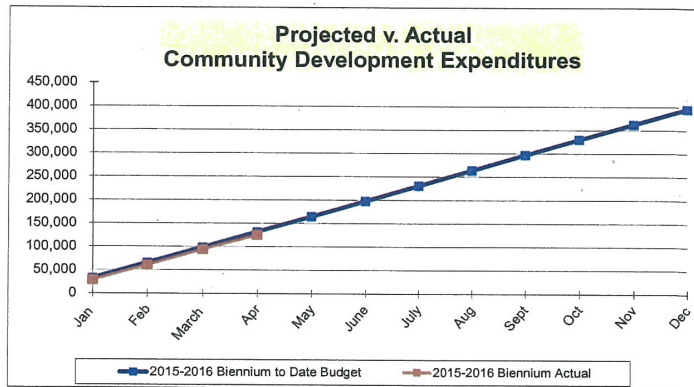
Year To Date
 Actual v. Projected 81%



COMMUNITY DEVELOPMENT

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	32,986	28,737
Feb	65,972	60,625
March	98,959	94,305
Apr	131,945	125,079
May	164,931	
June	197,917	
July	230,903	
Aug	263,889	
Sept	296,876	
Oct	329,862	
Nov	362,848	
Dec	395,834	

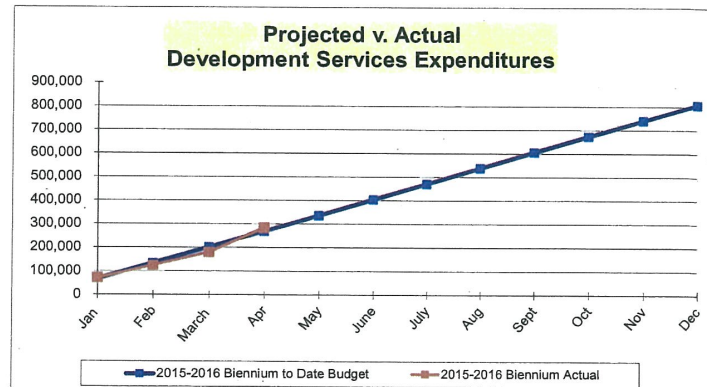
Year To Date
 Actual v. Projected 95%



DEVELOPMENT SERVICES

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	67,375	70,605
Feb	134,749	125,016
March	202,124	180,184
Apr	269,499	285,010
May	336,873	
June	404,248	
July	471,623	
Aug	538,997	
Sept	606,372	
Oct	673,747	
Nov	741,121	
Dec	808,496	

Year To Date
 Actual v. Projected 106%

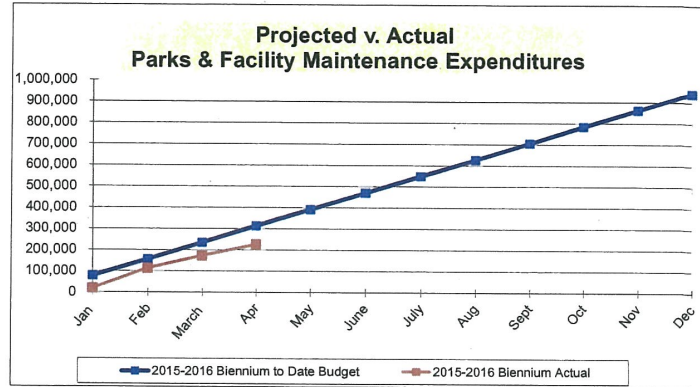


**City of Kenmore, Washington
General Fund Expenditure Graphs
April 30, 2015**

PARKS & FACILITY MAINTENANCE

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	78,452	18,648
Feb	156,905	113,289
March	235,357	172,433
Apr	313,809	225,225
May	392,261	
June	470,714	
July	549,166	
Aug	627,618	
Sept	706,070	
Oct	784,523	
Nov	862,975	
Dec	941,427	

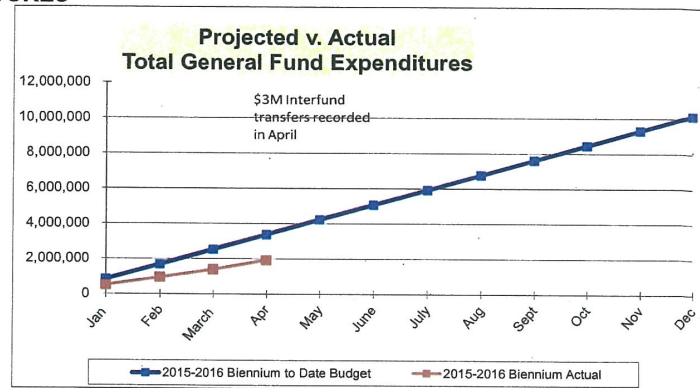
Year To Date
Actual v. Projected 72%



TOTAL GENERAL FUND EXPENDITURES

	2015-2016 Biennium to Date Budget	2015-2016 Biennium Actual
Jan	845,852	503,885
Feb	1,691,704	942,657
March	2,537,556	1,379,298
Apr	3,383,408	1,900,866
May	4,229,260	
June	5,075,112	
July	5,920,963	
Aug	6,766,815	
Sept	7,612,667	
Oct	8,458,519	
Nov	9,304,371	
Dec	10,150,223	

Year To Date
Actual v. Projected 56%



City of Kenmore, Washington
All Funds Cash Summary
April 30, 2015



	2013-2014			2015-2015
	BIENNIUM TO DATE	BUDGET	APRIL	BIENNIUM TO DATE
GENERAL FUND				
Beginning Cash	4,337,249			4,233,568
Interfund Loan Repayment	1,200,000	0		0
Revenues	20,328,886	20,553,270	1,811,838	3,625,860
Total Sources	25,866,135	20,553,270	1,811,838	7,859,428
Interfund Loans	0	0		0
Expenditures	21,739,551	20,538,934	521,567	1,900,866
Ending Cash	4,233,568	14,336		5,958,563
Total Uses	25,973,120	20,553,270	521,567	7,859,428
STREET FUND				
Beginning Cash	1,513,938			901,073
Interfund Loan	0	0		0
Revenues	2,878,346	2,359,531	32,734	137,487
Total Sources	4,392,284	2,359,531	32,734	1,038,560
Expenditures	3,491,211	2,371,277	67,604	243,098
Ending Cash	901,073	-11,746		795,463
Total Uses	4,392,284	2,359,531	67,604	1,038,560
TRANSPORTATION CAPITAL FUND				
Beginning Cash	427,539			394
Revenues	4,276,059	17,208,172	0	73,426
Total Sources	4,703,598	17,208,172	0	73,820
Expenditures	4,915,204	17,308,172	106,693	268,570
Ending Cash	394	-100,000		-194,750
Total Uses	4,915,598	17,208,172	106,693	73,820
PUBLIC ART FUND				
Beginning Cash	68,540			67,847
Revenues	864	200	0	0
Total Sources	69,404	200	0	67,847
Expenditures	2,050	1,000	0	0
Ending Cash	67,847	-800		67,847
Total Uses	69,896	200	0	67,847
PARK IMPACT FEE FUND				
Beginning Cash	1,610,440			752,771
Revenues	538,332	234,063	40,592	149,781
Total Sources	2,148,771	234,063	40,592	902,552
Expenditures	1,396,000	490,000	0	0
Ending Cash	752,771	-255,937		902,552
Total Uses	2,148,771	234,063	0	902,552
TRANSPORTATION IMPACT FEE FUND				
Beginning Cash	240,535			1,162,929
Revenues	1,170,394	1,397,257	158,596	520,381
Total Sources	1,410,929	1,397,257	158,596	1,683,310
Expenditures	248,000	2,760,000	0	0
Ending Cash	1,162,929	-1,362,743		1,683,310
Total Uses	1,410,929	1,397,257	0	1,683,310
SWAMP CREEK BASIN FUND				
Beginning Cash	1,581,067			1,397,662
Revenues	18,960	20,000	0	0
Total Sources	1,600,027	20,000	0	1,397,662
Expenditures	202,365	0	-4,868	0
Ending Cash	1,397,662	20,000		1,397,662
Total Uses	1,600,027	20,000	-4,868	1,397,662
TRANSPORTATION BENEFIT DISTRICT FUND				
Beginning Cash	0			8,927
Revenues	474,427	630,200	28,057	104,722
Total Sources	474,427	630,200	28,057	113,650
Expenditures	465,500	630,000	0	2,500
Ending Cash	8,927	200		111,150
Total Uses	474,427	630,200	0	113,650
SAMMAMISH BRIDGE REPLACEMENT FUND				
Beginning Cash	0			514
Revenues	80,514	0	0	0
Total Sources	80,514	0		514
Expenditures	80,000	0	0	0
Ending Cash	514	0		514
Total Uses	80,514	0	0	514

City of Kenmore, Washington
All Funds Cash Summary
April 30, 2015



	2013-2014 BIENNIUM TO DATE	BUDGET	APRIL	2015-2015 BIENNIUM TO DATE
REAL ESTATE EXCISE TAX FUND				
Beginning Cash	1,965,806			2,414,214
Revenues	2,033,509	1,827,000	104,280	350,945
Total Sources	3,999,314	1,827,000	104,280	2,765,160
Expenditures	1,305,100	3,528,719	0	0
Ending Cash	2,414,214	-1,701,719		2,765,160
Total Uses	3,719,314	1,827,000	0	2,765,160
KENMORE VILLAGE FUND				
Beginning Cash	163,588			2,398,750
Interfund Loan	0			0
Revenues	4,665,960	1,326,900	559	901,861
Total Sources	4,829,548	1,326,900	559	3,300,612
Interfund Loans	1,200,000	0		0
Expenditures	1,359,681	3,517,240	6,061	49,778
Ending Cash	2,398,750	-2,190,340		3,250,834
Total Uses	4,958,431	1,326,900	6,061	3,300,612
PARK CAPITAL FUND				
Beginning Cash	0			567
Revenues	1,867,190	1,240,400	0	2,161
Total Sources	1,867,190	1,240,400	0	2,729
Expenditures	1,805,739	1,238,000	9,212	18,183
Ending Cash	567	2,400		-15,454
Total Uses	1,806,306	1,240,400	9,212	2,729
SURFACE WATER MANAGEMENT FUND				
Beginning Cash	1,419,392			1,482,379
Revenues	4,003,002	3,540,000	433,486	502,497
Total Sources	5,422,394	3,540,000	433,486	1,984,876
Expenditures	3,115,152	4,652,276	107,323	291,141
Ending Cash	1,482,379	-1,112,276		1,693,735
Total Uses	4,597,531	3,540,000	107,323	1,984,876
SURFACE WATER CAPITAL FUND				
Beginning Cash	0			-16,350
Revenues	493,045	2,139,500	0	157,000
Total Sources	493,045	2,139,500	0	140,650
Expenditures	1,232,027	2,209,500	27,959	27,959
Ending Cash	-16,350	-70,000		112,691
Total Uses	1,215,677	2,139,500	27,959	140,650
STRATEGIC RESERVE FUND				
Beginning Cash	1,264,464			1,264,464
Interfund Loan Repayment	0			0
Revenues	0	0	0	0
Total Sources	1,264,464	0	0	1,264,464
Interfund Loans	0			0
Expenditures	0	0	0	0
Ending Cash	1,264,464	0		1,264,464
Total Uses	1,264,464	0	0	1,264,464
STRATEGIC OPPORTUNITIES FUND				
Beginning Cash	0			2,146,886
Revenues	3,332,010	37,160	915	3,795
Total Sources	3,332,010	37,160	915	2,150,681
Expenditures	1,185,124	911,200	11,269	36,127
Ending Cash	2,146,886	-874,040		2,114,555
Total Uses	3,332,010	37,160	11,269	2,150,681
EQUIPMENT REPLACEMENT FUND				
Beginning Cash	490,603			454,675
Revenues	156,798	206,000	0	0
Total Sources	647,401	206,000	0	454,675
Expenditures	187,481	224,000	0	1,347
Ending Cash	454,675	-18,000		453,328
Total Uses	642,155	206,000	0	454,675
TRUST AND AGENCY (NON BUDGETED FUND)*				
Beginning Cash	247,209			404,652
Revenues	216,855	0	16,779	26,681
Total Sources	464,064	0	16,779	431,333
Expenditures	59,413	0	13,968	14,928
Ending Cash	404,652	0		416,404
Total Uses	464,064	0	13,968	431,333
TOTALS				
Beginning Cash	15,330,369	0		0
Interfund Loan	1,200,000	0	0	0
Revenues	46,535,151	52,719,653	2,627,835	6,556,598
Total Sources	63,065,520	52,719,653	2,627,835	6,556,598
Interfund Loan	1,200,000	0	0	0
Expenditures	42,789,597	60,380,318	866,789	2,854,496
Ending Cash	19,075,923	-7,660,665		22,778,025
Total Uses	63,065,520	52,719,653	866,789	25,632,521

I:\Admin & Finance\Monthly Reports\2015\April.xlsx All Funds

**City of Kenmore, Washington
Street Fund Summary Report
April 30, 2015**



	Month	BIENNIUM TO DATE	% of	BUDGET
	<u>April 2015</u>	<u>2015-2016</u>	<u>BUDGET</u>	<u>2015-2016</u>
<u>REVENUES</u>				
Beginning Fund Balance		901,073		
Fuel Tax	32,734	136,571	15.7%	871,531
Miscellaneous	0	916	-	0
ROW Permit Fees	0	0	0.0%	180,000
Transfer from General Fund	0	0	0.0%	833,000
Transfer from TBD	0	0	0.0%	475,000
Total Revenues	32,734	137,487	5.8%	2,359,531

Total Revenues & Beginning Fund Balance	1,038,560	2,359,531
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	Month	BIENNIUM TO DATE	% of	BUDGET
	<u>April 2015</u>	<u>2015-2016</u>	<u>BUDGET</u>	<u>2015-2016</u>
<u>EXPENDITURES</u>				
Salary and Benefits	14,480	60,983	10.6%	577,783
Maintenance & Operations	53,124	178,746	10.2%	1,760,494
Overlay	0	0	0.0%	0
Capital	0	3,369	10.2%	33,000
Total Expenditures	67,604	243,098	10.3%	2,371,277

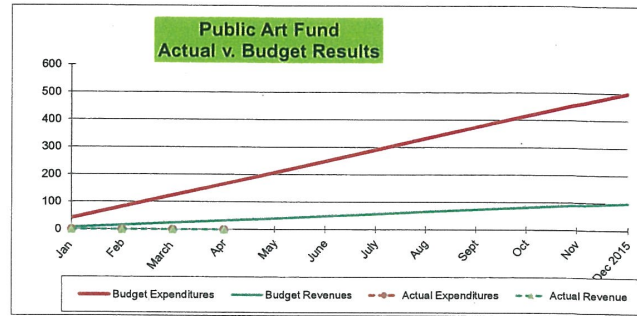
Ending Fund Balance	795,463	-11,746
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Total Expenditures and Ending Fund Balance	1,038,560	2,359,531
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City of Kenmore, Washington
Other Funds Monthly Activity
April 30, 2015

PUBLIC ART FUND

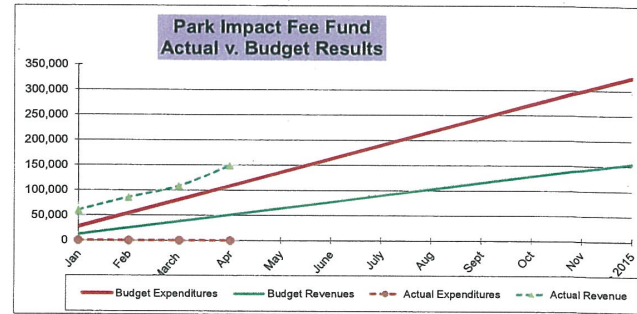
	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
Jan	42	0	8	0
Feb	83	0	17	0
March	125	0	25	0
Apr	167	0	33	0
May	208		42	
June	250		50	
July	292		58	
Aug	333		67	
Sept	375		75	
Oct	417		83	
Nov	458		92	
Dec 2015	500		100	
2015-16	1,000		200	
Total Actual to Date vs Total Budget		0%		0%



This fund accounts for public art authorized by Ordinance 01-0115. One percent (1%) of public project construction contracts is contributed to this fund to provide for public art displays or performing arts events as authorized by the City Council.

PARK IMPACT FEE FUND

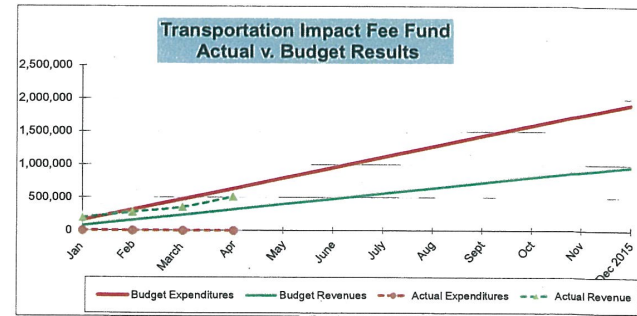
	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
Jan	27,083	0	12,907	60,986
Feb	54,167	0	25,813	86,356
March	81,250	0	38,720	109,189
Apr	108,333	0	51,626	149,781
May	135,417		64,533	
June	162,500		77,439	
July	189,583		90,346	
Aug	216,667		103,252	
Sept	243,750		116,159	
Oct	270,833		129,065	
Nov	297,917		141,972	
Dec 2015	325,000		154,878	
2015-16	490,000		234,063	
Total Actual to Date vs Total Budget		0%		64%



This fund accounts for City imposed park impact fees on new development. Expenditures are for public park acquisitions and improvements.

TRANSPORTATION IMPACT FEE FUND

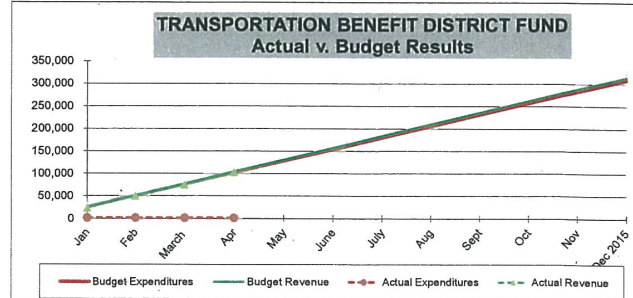
	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
Jan	158,732	0	81,271	201,539
Feb	317,463	0	162,543	285,879
March	476,195	0	243,814	361,785
Apr	634,927	0	325,086	520,381
May	793,658		406,357	
June	952,390		487,629	
July	1,111,122		568,900	
Aug	1,269,853		650,171	
Sept	1,428,585		731,443	
Oct	1,587,317		812,714	
Nov	1,746,048		893,986	
Dec 2015	1,904,780		975,257	
2015-16	2,760,000		1,397,257	
Total Actual to Date vs Total Budget		0%		37%



This fund accounts for City imposed transportation impact fees on new development. Expenditures are for public transportation improvements.

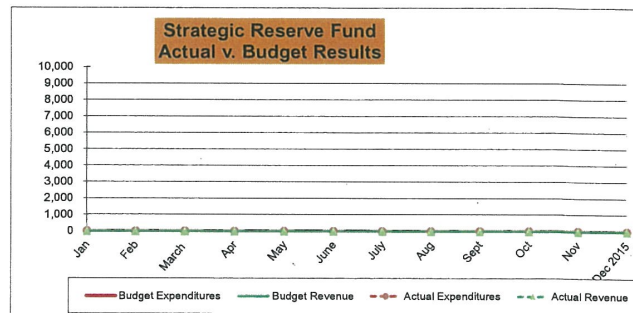
**City of Kenmore, Washington
Other Funds Monthly Activity
April 30, 2015**

TRANSPORTATION BENEFIT DISTRICT FUND				
	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
Jan	25,792	2,500	26,258	25,166
Feb	51,583	2,500	52,517	51,441
March	77,375	2,500	78,775	76,666
Apr	103,167	2,500	105,033	104,722
May	128,958		131,292	
June	154,750		157,550	
July	180,542		183,808	
Aug	206,333		210,067	
Sept	232,125		236,325	
Oct	257,917		262,583	
Nov	283,708		288,842	
Dec 2015	309,500		315,100	
2015-16	630,000		630,200	
Total Actual to Date vs Total Budget		0%		17%



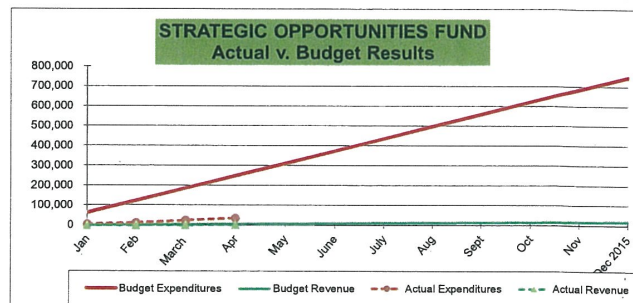
The Transportation Benefit District fund accounts for the \$20 vehicle license tab fees levied on vehicles located in the Kenmore city limits. The revenue generated will be used in maintaining the City's transportation system.

STRATEGIC RESERVE FUND				
	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
2015	0	0	0	0
Jan	0	0	0	0
Feb	0	0	0	0
March	0	0	0	0
Apr	0	0	0	0
May	0	0	0	0
June	0	0	0	0
July	0	0	0	0
Aug	0	0	0	0
Sept	0	0	0	0
Oct	0	0	0	0
Nov	0	0	0	0
Dec 2015	0	0	0	0
2015-16	0	0	0	0
Total Actual to Date vs Total Budget		0%		0%



This fund was created to serve as the City's emergency reserve fund. Per State Statute, the fund cannot exceed \$.375 per \$1,000 of the City's assessed value and is fully funded at \$1,264,464 for 2011. No expenditures are anticipated or have been budgeted at this time.

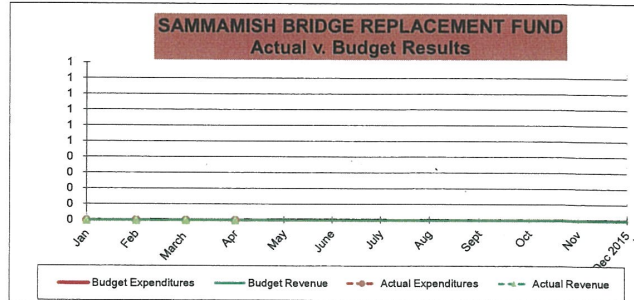
STRATEGIC OPPORTUNITIES FUND				
	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
Jan	62,183	4,565	1,745	780
Feb	124,367	12,302	3,491	1,380
March	186,550	24,857	5,236	2,880
Apr	248,733	36,127	6,981	3,795
May	310,917		8,726	
June	373,100		10,472	
July	435,283		12,217	
Aug	497,467		13,962	
Sept	559,650		15,707	
Oct	621,833		17,453	
Nov	684,017		19,198	
Dec 2015	746,200		20,943	
2015-16	911,200		37,160	
Total Actual to Date vs Total Budget		4%		10%



The purpose of the Strategic Opportunities Fund is to have funds available for the City to make key investments or take advantage of strategic opportunities as they present themselves. For 2015-16, the Business Incubator expenditures are budgeted in this fund.

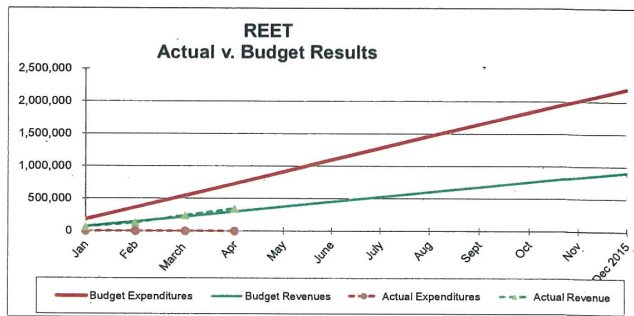
City of Kenmore, Washington
Other Funds Monthly Activity
April 30, 2015

SAMMAMISH BRIDGE REPLACEMENT FUND				
	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
Jan	0	0	0	0
Feb	0	0	0	0
March	0	0	0	0
Apr	0	0	0	0
May	0			
June	0			
July	0			
Aug	0			
Sept	0			
Oct	0			
Nov	0			
Dec 2015	0			
2015-16	0		0	
Total Actual to Date vs Total Budget		0%		0%



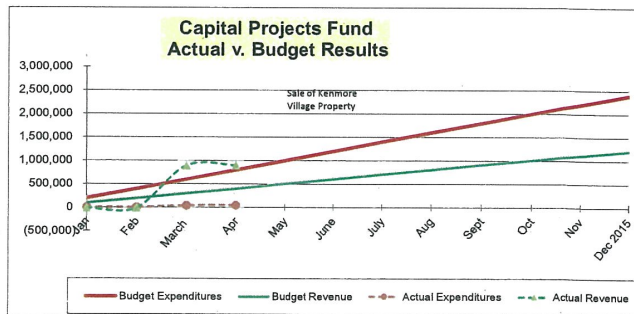
The Sammamish Bridge Replacement fund is a fund used to put money aside for the replacement of the West Sammamish bridge.

REAL ESTATE EXCISE TAX FUND				
	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
Jan	182,604	0	76,167	74,259
Feb	365,208	0	152,333	135,329
March	547,813	0	228,500	246,666
Apr	730,417	0	304,667	350,945
May	913,021		380,833	
June	1,095,625		457,000	
July	1,278,229		533,167	
Aug	1,460,833		609,333	
Sept	1,643,438		685,500	
Oct	1,826,042		761,667	
Nov	2,008,646		837,833	
Dec 2015	2,191,250		914,000	
2015-16	3,528,719		1,827,000	
Total Actual to Date vs Total Budget		0%		19%



The Real Estate Excise Tax Fund accounts for the 1/2% real estate excise taxes levied by the City which are restricted to capital projects and improvements. Expenditures include transfers to the Park Capital Fund for park improvements and Transportation Capital Fund for transportation improvements.

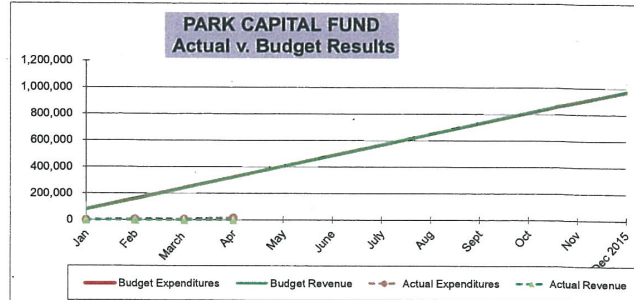
KENMORE VILLAGE FUND				
	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
Jan	199,125	8,042	101,600	0
Feb	398,250	8,042	203,200	0
March	597,375	43,717	304,800	901,302
Apr	796,500	49,778	406,400	901,861
May	995,625		508,000	
June	1,194,750		609,600	
July	1,393,875		711,200	
Aug	1,593,000		812,800	
Sept	1,792,125		914,400	
Oct	1,991,250		1,016,000	
Nov	2,190,375		1,117,600	
Dec 2015	2,389,500		1,219,200	
2015-16	3,365,000		1,054,500	
Total Actual to Date vs Total Budget		1%		86%



The Kenmore Village Fund accounts for leasing activity and property transactions within Kenmore Village

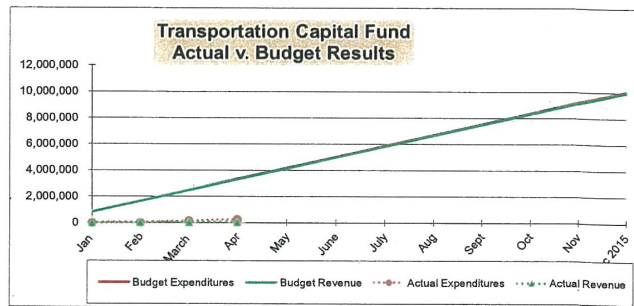
**City of Kenmore, Washington
Other Funds Monthly Activity
April 30, 2015**

PARK CAPITAL FUND				
	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
Jan	81,167	2,087	81,267	2,161
Feb	162,333	7,298	162,533	2,161
March	243,500	8,971	243,800	2,161
Apr	324,667	18,183	325,067	2,161
May	405,833		406,333	
June	487,000		487,600	
July	568,167		568,867	
Aug	649,333		650,133	
Sept	730,500		731,400	
Oct	811,667		812,667	
Nov	892,833		893,933	
Dec 2015	974,000		975,200	
2015-16	1,238,000		1,240,400	
Total Actual to Date vs Total Budget		1%		0%



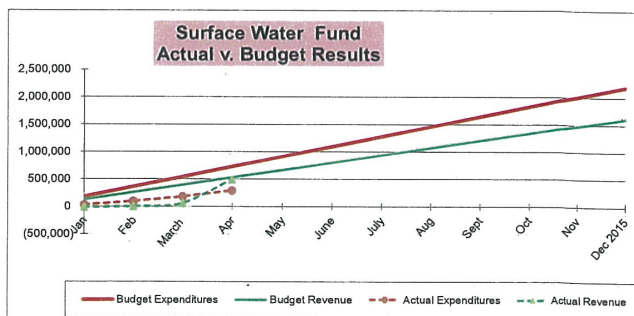
The Park Capital fund will account for Park Capital Projects formerly included in the Municipal Capital fund. In addition, distributions from the King County Proposition 2 Parks Expansion Levy will be receipted into this fund

TRANSPORTATION CAPITAL FUND				
	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
Jan	836,651	61	832,443	42,708
Feb	1,673,302	18,952	1,664,885	73,426
March	2,509,953	161,877	2,497,328	73,426
Apr	3,346,603	268,570	3,329,770	73,426
May	4,183,254		4,162,213	
June	5,019,905		4,994,665	
July	5,856,556		5,827,098	
Aug	6,693,207		6,659,540	
Sept	7,529,858		7,491,983	
Oct	8,366,508		8,324,425	
Nov	9,203,159		9,156,868	
Dec 2015	10,039,810		9,989,310	
2015-16	17,308,172		17,208,172	
Total Actual to Date vs Total Budget		2%		0%



The Transportation Capital Fund accounts for capital improvements to the City's streets and SR 522, funded by various grants plus City resources from real estate excise tax and transportation impact fees. All phases of improvements to SR 522 are now accounted for in this fund. There is a time lag between project expenditures and reimbursements from grants; this accounts for the lower revenues compared to the expenditures.

SURFACE WATER MANAGEMENT FUND				
	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
Jan	182,359	33,733	135,000	(5,221)
Feb	364,718	99,852	270,000	10,469
March	547,077	183,818	405,000	69,011
Apr	729,436	291,141	540,000	502,497
May	911,795		675,000	
June	1,094,154		810,000	
July	1,276,513		945,000	
Aug	1,458,872		1,080,000	
Sept	1,641,231		1,215,000	
Oct	1,823,590		1,350,000	
Nov	2,005,949		1,485,000	
Dec 2015	2,188,308		1,620,000	
2015-16	4,652,276		3,540,000	
Total Actual to Date vs Total Budget		6%		14%

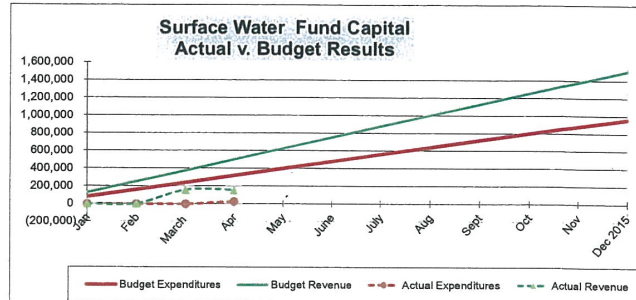


This fund accounts for receipts from surface water assessments. The assessments are collected through the property tax billings; the majority of the receipts are collected in May and November. Expenditures are for surface water maintenance activities such as sweeping and drainage as well as capital improvements.

City of Kenmore, Washington
Other Funds Monthly Activity
April 30, 2015

SURFACE WATER CAPITAL FUND

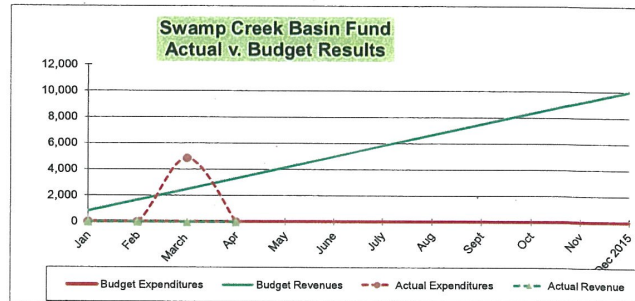
	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
Jan	80,051	0	125,522	0
Feb	160,102	0	251,044	0
March	240,153	0	376,567	157,000
Apr	320,204	27,959	502,089	157,000
May	400,255		627,611	
June	480,306		753,133	
July	560,356		878,655	
Aug	640,407		1,004,177	
Sept	720,458		1,129,700	
Oct	800,509		1,255,222	
Nov	880,560		1,380,744	
Dec 2015	960,611		1,506,266	
2015-16	2,209,500		2,139,500	
Total Actual to Date vs Total Budget		1%		7%



This fund accounts for the expenditures for Surface Water Capital Improvements. Revenue sources for this fund include a variety of federal, state, or local grants, surface water management fees transferred from the Surface Water Management Fund and real estate excise taxes.

SWAMP CREEK BASIN FUND

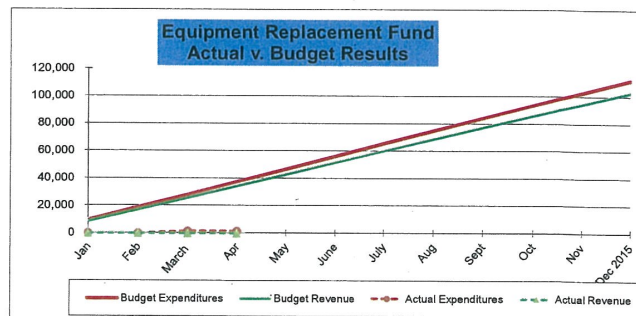
	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
Jan	0	0	833	0
Feb	0	0	1,667	0
March	0	-4,868	2,500	0
Apr	0	0	3,333	0
May	0		4,167	
June	0		5,000	
July	0		5,833	
Aug	0		6,667	
Sept	0		7,500	
Oct	0		8,333	
Nov	0		9,167	
Dec 2015	0		10,000	
2015-16	0		20,000	
Total Actual to Date vs Total Budget		0%		0%



This fund accounts for the Memorandum of Agreement with King County which provided funds reserved for surface water projects, improvements, and maintenance within the Swamp Creek Basin.

EQUIPMENT REPLACEMENT FUND

	2015-2016 Budget Expenditures	2015-2016 Actual Expenditures	2015-2016 Budget Revenue	2015-2016 Actual Revenue
Jan	9,333	0	8,583	0
Feb	18,667	0	17,167	0
March	28,000	1,347	25,750	0
Apr	37,333	1,347	34,333	0
May	46,667		42,917	
June	56,000		51,500	
July	65,333		60,083	
Aug	74,667		68,667	
Sept	84,000		77,250	
Oct	93,333		85,833	
Nov	102,667		94,417	
Dec 2015	112,000		103,000	
2015-16	224,000		206,000	
Total Actual to Date vs Total Budget		1%		0%



This fund is used to maintain a reserve for future replacement of equipment, including, but not limited to furniture, computers and vehicles. Payments are received from various operating departments and funds that benefit from or use the assets.

City of Kenmore, Washington
Schedule of Investments
April 30, 2015



Average Yield to Maturity-Securities							Overall Average Yield	0.54%	
Report by Security	Investment #	Type	Maturity Date	Purchase Date	Rate	Yield	Possible Call Date	Principal or Balance	Yield Equivalents
Piper Jaffray									
	31771J4M9	FICO	9/26/2017	8/14/2012	1.13%	1.13%	non callable	894,731.88	10,137.31
Total Piper Jaffrey Purchases								894,731.88	10,137.31
Time Value Investments									
	3136G1BT5	FNMA	8/7/2017	7/2/2013	1.30%	1.30%	8/7/2013	982,099.00	12,767.29
	3135G0XK4	FNMA	5/25/2018	11/25/2013	1.38%	1.38%	2/25/2014	985,750.00	13,583.64
	3135G0XK4	FNMA	5/25/2018	2/27/2014	1.30%	1.30%	2/25/2014	989,691.00	12,865.98
	31771EAL5	FICO	2/8/2018	1/13/2015	1.15%	1.15%		999,114.48	11,489.82
	3134G43V8	FHLB	5/15/2018	7/23/2014	1.36%	1.36%	8/15/2014	988,450.00	13,462.69
	3133EA5T1	FFCB	1/23/2019	7/23/2014	1.59%	1.59%	7/28/2014	984,270.00	15,689.26
	31359MEL3	FNMA	4/22/2017	10/22/2012	0.86%	0.86%	no call	999,468.08	8,595.43
Total TVI Purchases								6,928,842.56	88,454.10
Banner Bank CD's									
	5740005425	CD	2/6/2016	2/6/2014	0.32%	0.32%		1,000,000.00	3,200.00
Total Banner Bank CD's								1,000,000.00	3,200.00
Sound Community Bank CD's									
	18299229	CD	2/11/2016	2/14/2014	0.80%	0.80%		1,000,000.00	8,000.00
Total Sound Community Bank CD's								1,000,000.00	8,000.00
Opus Bank CD's									
	11495975	CD	8/10/2015	2/10/2014	0.35%	0.35%		1,000,000.00	3,500.00
Total Cascade Bank CD's								1,000,000.00	3,500.00
TOTAL ALL SECURITIES								\$ 10,823,574.44	\$ 113,291.41
Banner Checking and Savings						0.07% Banner		6,205,898.31	4,344.13
Cash								1,005.00	-
Local Government Investment Pool						0.09% LGIP		5,747,950.01	5,420.32
Total Accounts								\$ 22,778,427.76	123,055.86

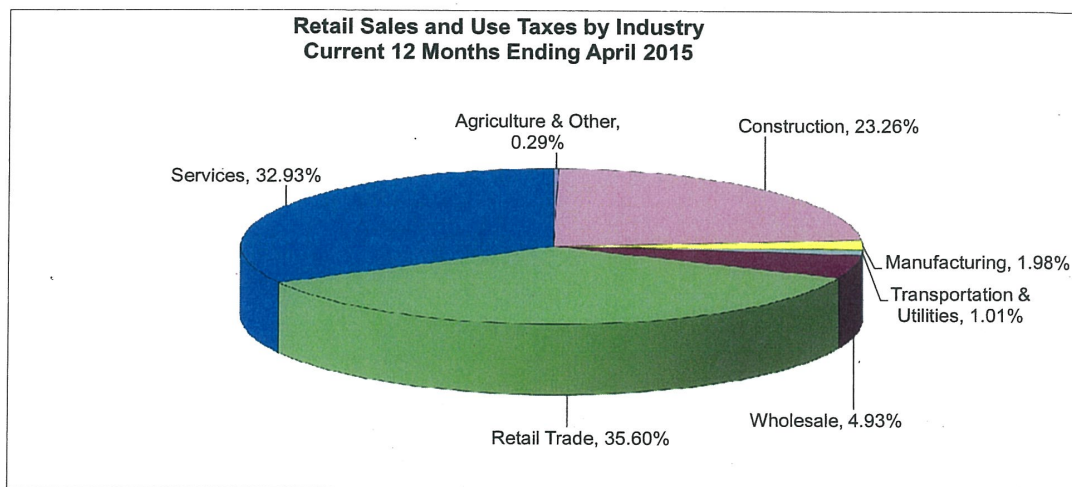
City of Kenmore, Washington
SALES TAX RECEIPTS BY BUSINESS TYPE
 April 2015

	SALES TAX	USE TAX	TOTAL	PERCENT
AGRICULTURE & OTHER	37.14	0.00	37.14	0.0%
OTHER	0.00	1,449.39	1,449.39	1.0%
CONSTRUCTION	33,576.42	44.34	33,620.77	22.5%
MANUFACTURING	2,789.94	12.10	2,802.04	1.9%
TRANSPORTATION & UTILITIES	616.72	286.44	903.16	0.6%
WHOLESALE	6,973.00	158.54	7,131.54	4.8%
RETAIL TRADE	50,458.37	209.84	50,668.21	34.0%
SERVICES	47,265.61	-849.39	46,416.22	31.1%
INFORMATION	4,335.36	46.45	4,381.81	2.9%
PUBLIC SERVICES	3.20	1,767.53	1,770.73	1.2%
	<u>146,055.77</u>	<u>3,125.24</u>	<u>149,181.01</u>	<u>100.0%</u>

City of Kenmore, Washington
Retail Sales and Use Tax Distribution
April 30, 2015

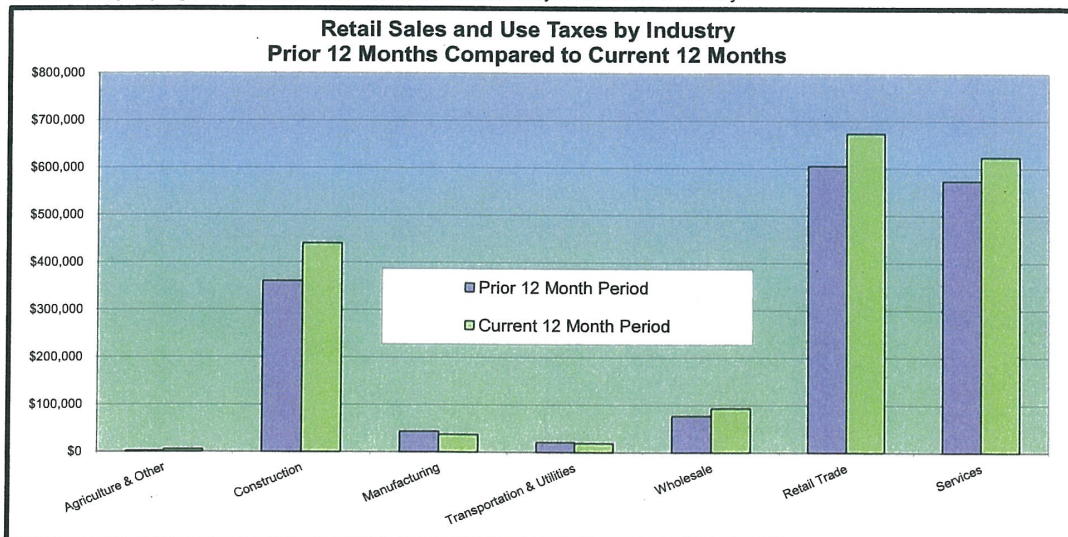


Industry	Prior 12 Months ending April 2014	Current 12 Months ending April 2015	% Increase/ (Decrease)	% of Total
Agriculture & Other (Landscaping, Animal Hospitals)	\$1,744	\$5,479	214.22%	0.29%
Construction	360,335	439,987 *	22.10%	23.26%
Manufacturing (Printing, Publishing, Other Manuf.)	43,667	37,382	-14.39%	1.98%
Transp/Comm/Utilities (Telecomm., Air Transport.)	20,987	19,089	-9.04%	1.01%
Wholesale (Lumber, Other Wholesale)	76,742	93,279	21.55%	4.93%
Retail Trade (Eating, Merchandise, Food Stores)	604,787	673,474	11.36%	35.60%
Services (Auction, Recreation, Auto Repair, Financial)	573,033	622,835	8.69%	32.93%
Totals	\$1,681,294	\$1,891,523	12.50%	100%
Increase/(Decrease)		\$210,229	12.50%	



NOTE: Due to the City's Confidentiality Agreement with the Department of Revenue, specific business information cannot be disclosed.

There is a sixty-day lag between sales taxes collected and when they are remitted to the City



City of Kenmore, Washington
Real Estate Excise Tax Report
April 30, 2015

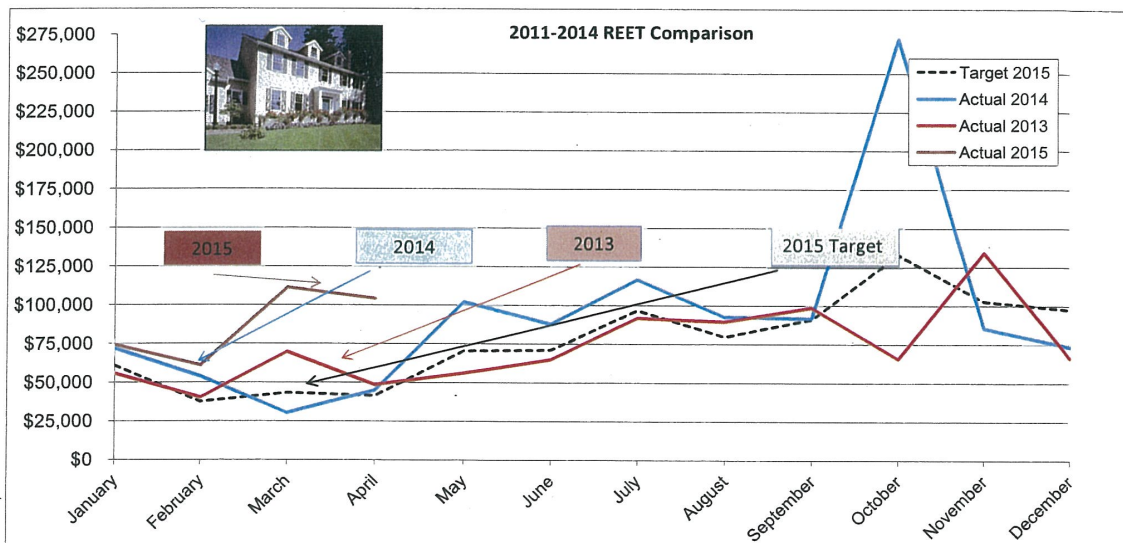


Real Estate Excise Taxes (REET) 2012 - 2015 Monthly Receipts					
	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Target 2015
January	54,359	55,801	72,106	74,259	60,756
February	18,064	40,281	54,038	61,070	37,461
March	29,691	69,946	30,426	111,337	43,354
April	30,662	48,671	45,118	104,280	41,484
May	52,575	56,178	102,257		70,337
June	60,408	64,938	88,070		71,139
July	81,316	91,779	116,858		96,651
August	56,626	89,496	92,932		79,685
September	82,785	98,573	91,812		91,057
October	60,265	65,596	272,842		132,901
November	88,057	134,286	85,748		102,697
December	152,262	66,342	73,582		97,395
	\$767,070	\$881,886	\$1,125,790		\$924,916

For 2015, REET is \$149,257 more than the same period last year and more than the 2015 target by \$167,890

* NOTE THE 2015 target is computed on a 3 year average (2012-2014) of actual receipts

Real Estate Excise Taxes (REET) 2012 - 2015 Property Sales > \$500,000								
The sales actually occur in the prior month; there is a 30 day lag between sales and when the City receives the revenue								
Taxes from > \$500,000 Sale Amounts								
	2012	2013	2014	2015	2012	2013	2014	2015
January	5,515,283	3,380,165	4,699,850	7,418,000	27,301	16,732	23,264	36,719
February	1,152,000	3,417,500	3,930,920	6,607,900	5,702	16,917	19,458	32,709
March	750,000	3,514,000	2,175,430	7,874,934	3,713	17,394	10,768	38,981
April	870,000	1,570,450	4,266,725	14,291,370	4,307	7,774	21,120	70,742
May	2,796,250	3,634,210	12,347,730		13,841	17,989	61,121	0
June	1,215,000	2,761,500	7,353,999		6,014	13,669	36,402	0
July	4,196,500	8,478,706	15,071,601		20,773	41,970	74,604	0
August	1,756,200	6,131,455	5,882,306		8,693	30,351	29,117	0
September	4,859,500	10,911,500	8,437,700		24,055	54,012	41,767	0
October	3,087,500	5,568,400	44,456,605		15,283	27,564	220,060	0
November	8,334,960	18,620,230	8,922,100		41,258	92,170	44,164	0
December	23,033,200	4,606,450	7,142,900		114,014	22,802	35,357	0
	\$57,566,393	\$72,594,566	\$124,687,866	\$36,192,204	284,954	359,344	617,202	179,151



City of Kenmore, Washington
Monthly Report for Kenmore Village Fund
April 30, 2015



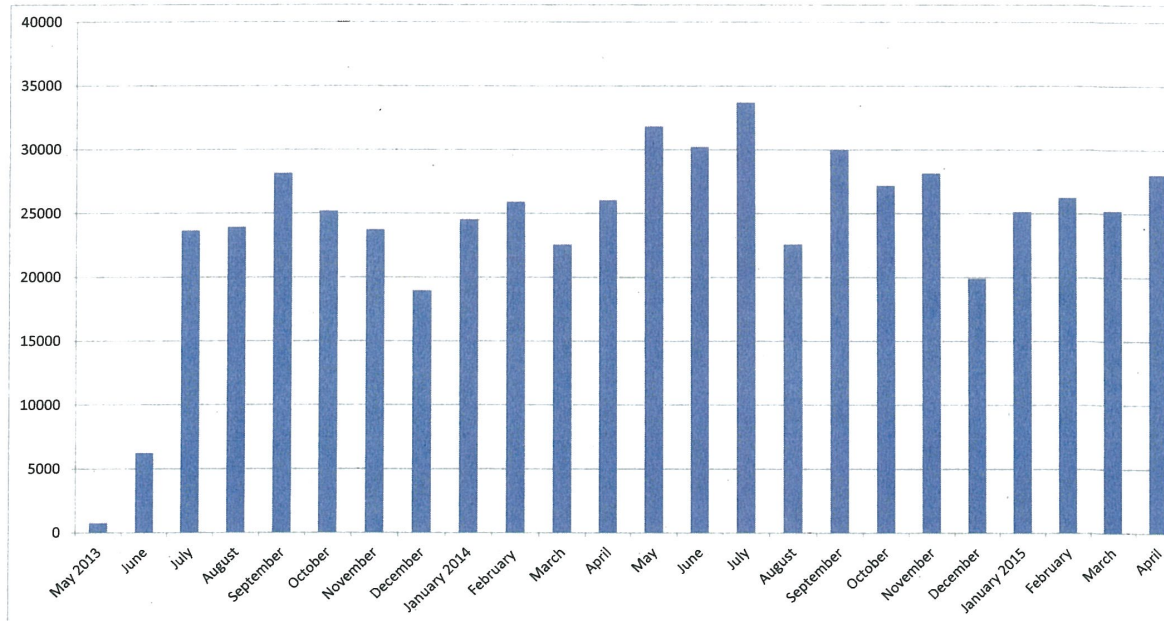
<u>Revenues</u>	<u>April 2015</u>	<u>Biennium-to- Date</u>	<u>Biennium Budget</u>
Lease Income (USPS & Kenmore Village)	0	0	67,000
Return of Security Deposit	0	0	0
Other Rent Income	0	0	0
Landlord Expense (CAM*) Reimbursement	0	0	0
Investment Interest	0	0	23,000
Sale of Property	0	901,302	903,000
Event Sponsorship	0	0	1,500
Grant for Public Square	0	0	270,000
Transfer From General Fund	0	0	60,000
Leasehold Excise Returned	559	559	2,400
Total Revenues	559	901,861	1,326,900
<u>Expenditures</u>			
6700 Building Improvements	0	0	0
Downtown Plan Services	2,117	38,168	0
Property Management	0	0	19,000
Utilities and Insurance - Kenmore Village	0	2,349	0
Repairs, Maintenance, Other Services	0	5,318	133,240
Surface Water and Fire Benefit Fees	3,944	3,944	0
Kenmore Village Public Square	0	0	3,365,000
Transfers to Other Funds	0	0	0
Total Expenditures	6,061	49,779	3,517,240
Net Income (Loss)	-5,502	852,082	-2,190,340

NOTE: This schedule only reflects activity occurring on the City books and does not include the lease revenue and expenditures accounted for by the property management firm.

Kenmore Transportation Benefit District
Monthly Report
April 30, 2015



<u>Revenues</u>	<u>April 2015</u>	<u>Biennium-to-Date</u>	<u>Biennium Budget</u>
Vehicle Fees	28,057	104,722	630,200
Total Revenues	<u>\$28,057</u>	<u>\$104,722</u>	<u>\$630,200</u>
<u>Expenditures</u>			
WCIA Insurance	0	2,500	5,000
Reimbursement to Street Fund	0	0	475,000
Overlay	0	0	150,000
Total Expenditures	<u>0</u>	<u>2,500</u>	<u>630,000</u>
Net Income (Loss)	\$28,057	\$102,222	\$200





City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Parks and Transportation Community Conversation Project Proposed Council Action/Motion: Authorize the City Manager to Execute Agreement 15-C1451 with Berk for the Implementation of the Parks and Transportation Community Conversation Project in the amount of \$200,000.	For Council Meeting Agenda of: July 20, 2015 Department: City Manager's Office Prepared by: Rob Karlinsey, Joanne Gregory, Debbie Bent, Leslie Harris, Kris Overleese <table style="width: 100%;"> <tr> <td style="width: 70%;">Approved by Department Head:</td> <td style="width: 30%; text-align: center;"><u>Initial & Date</u></td> </tr> <tr> <td>Approved by City Attorney:</td> <td style="text-align: center;">NA</td> </tr> <tr> <td>Approved by Finance Director:</td> <td style="text-align: center;">[Signature] 7/7/15</td> </tr> <tr> <td>Approved by City Manager:</td> <td style="text-align: center;">[Signature]</td> </tr> </table> Exhibits/Attachments: Attachment A: Project Schedule	Approved by Department Head:	<u>Initial & Date</u>	Approved by City Attorney:	NA	Approved by Finance Director:	[Signature] 7/7/15	Approved by City Manager:	[Signature]
Approved by Department Head:	<u>Initial & Date</u>								
Approved by City Attorney:	NA								
Approved by Finance Director:	[Signature] 7/7/15								
Approved by City Manager:	[Signature]								
<table style="width: 100%;"> <tr> <td style="width: 33%;">Expenditure Required \$200,000</td> <td style="width: 33%;">Amount Budgeted \$250,000</td> <td style="width: 33%;">Appropriation Required \$0</td> </tr> </table>		Expenditure Required \$200,000	Amount Budgeted \$250,000	Appropriation Required \$0					
Expenditure Required \$200,000	Amount Budgeted \$250,000	Appropriation Required \$0							
<u>INFORMATION/BACKGROUND:</u> During the creation of the 2015/2016 budget, Council and staff discussed having a conversation with the community to gauge the community's desire to fund and construct parks and multimodal transportation projects beyond what existing City resources can bear. To that end, the existing budget includes \$250,000 to fund a formal community conversation process about parks and transportation projects (the Project). Should the community desire to finance projects beyond what our existing budget can support, formal funding mechanisms must be evaluated to meet the identified need. To assist with this Project, staff led a formal consultant selection process and chose the diverse team led by Berk. Staff believes the services needed for the community conversation includes: community engagement specialists, engineering and landscape architect expertise for project scoping and cost estimates, opinion survey specialists, and financial guidance. Staff created a small contract with Berk to support staff for the June 15 Council meeting where staff and Council discussed the community conversation strategy (Project). The Project schedule and associated tasks are shown in Attachment A and would begin upon execution of Berk's contract. As determined at the June 15 Council meeting, staff and consultant team will work to be prepared for an August 2016 election should Council decide to take a project funding package to the community for a vote.									
<u>FISCAL CONSIDERATION:</u> The Project budget is \$250,000 of which \$6,200 was utilized for Berk's research and support of the June 15, 2015 Council meeting. The proposed Berk work as outlined in this report will be \$200,000 (\$185,000 base agreement with a \$15,000 contingency).									

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

This project has the potential to support many Council goals including:

1. To focus on and emphasize multimodal transportation safety in the City of Kenmore with a specific focus on pedestrian, bicycle, and other means of travel
4. Create a vibrant, walkable downtown
6. Advance the City's connection to the waterfront
8. To accelerate implementation of the Sidewalk Plan and pursue various funding options.
12. To continue to implement a Parks Improvement and Financial Plan.

Page 45 of 254

firms continued follow up meetings and conversations with the finalists for each property. Based on price offered for the properties, financial wherewithal, experience, reputation, ability to deliver in a timely manner, and alignment with the goals and position statement, the team began direct negotiations with Real Property Investors (RPI)/Benaroya for the lower commercial lots and with Main Street Property Group LLC (MainStreet) for the upper lot (former park & ride).

At the June 10, 2013 City Council meeting, the City Council adopted a resolution approving a purchase and sale agreement with RPI/Benaroya (BCC-RPI Kenmore LLC for the project) for the Kenmore Village shopping center properties (the commercial portion), including the post office, but not including the upper lot known as the former King County Park & Ride (current location of the interim skate park and across 68th Avenue from City Hall). At that same meeting, Main Street Property Group LLC was announced as the likely buyer for the upper lot (former King County Park & Ride), and a purchase and sale agreement between MainStreet and the City was approved in July of 2013 for the upper lot.

In late 2013, the City approved amendments to the upper lot purchase and sale agreement and finalized a development agreement for MainStreet to purchase and develop the former King County Park & Ride (upper lot). MainStreet closed on the upper lot in May of 2014 and construction of 138 residential units (phase I), called Spencer68, is now underway. Two of the Spencer68 buildings are ready for occupancy or are in the process of being occupied. The remaining buildings should be ready for occupancy by the end of this summer or early fall. In May of this year we received a Site Plan application for Phase II of Spencer68. Phase II includes 4 new multifamily buildings, similar construction to Phase I, consisting of up to 90 residential units.

Furthermore, in 2013 the City sold 1.25 acres of Kenmore Village commercial property to Kenmore Camera to facilitate Kenmore Camera's relocation and expansion. Kenmore Camera subsequently moved into the 17,000 square foot commercial space next to and east of the veterinarian, remodeled the building, and held their grand re-opening in February of 2014.

Commercial Portion – Spencer Square

Going back to the remaining Kenmore Village commercial portion, after a six month due diligence period, neither the City nor RPI/Benaroya elected to extend the due diligence period or move forward to closing, so the two parties ended the arrangement in December 2013/January 2014.

Soon thereafter, the City reached out to other potential buyers who had made offers for the commercial portion of the property, including MainStreet Property Group. Because MainStreet's investment in the upper lot made them a motivated stakeholder in the overall success of Kenmore Village, and because MainStreet had been one of several potential buyers that made an offer on both the residential and commercial portions of Kenmore Village, the city manager began more earnest discussions and negotiations with MainStreet. These negotiations resulted in the purchase and sale agreement that the City Council and MainStreet approved in early November 2014. The City and MainStreet closed on the purchase and sale agreement in March of this year; as a result, MainStreet is now the owner of approximately two acres of the commercial portion of Kenmore Village. MainStreet plans on calling this portion of Kenmore Village "Spencer Square."

The City Council November 3, 2014 agenda bill, full purchase and sale agreement, and supporting exhibits are attached. The major deal points the City Council approved in the purchase and sale agreement for the commercial portion of Kenmore Village are as follows:

- I. Total purchase price of \$1,150,000. MainStreet paid \$970,667 upon closing for the area north of the Town Green (identified in Exhibit B to this agenda bill as Parcels D and B) and will pay, at MainStreet's option, \$179,333 for the Option Parcel C (the future parcel next to and on the west side of the town green)." See Section 29. Option Property of the PSA. MainStreet has two years until March 2017 to exercise this option but may extend the option for an additional six months for a fee of \$10,759.98. MainStreet may only exercise the option when it can produce a lease for a "sit down" restaurant to be located on the site.

2. Earnest Money: \$48,533, applicable to and 5% of the purchase price of Parcels D and B.
3. At MainStreet's cost, MainStreet must demolish the back building (NE corner of the property) by August 1, 2016. MainStreet will demolish the southeast building within 90 days notice from the City or date of MainStreet's choosing, whichever is sooner (the City gave notice to MainStreet to demolish the southeast building on May 13, 2015). The City and MainStreet will share in the cost of demolishing the southeast building, based on how much of the building overlaps onto the town green property.
4. Construction Timeline: MainStreet must obtain a certificate of occupancy for a new building on Parcel B within three years of the closing date of this agreement.
5. New construction minimum: MainStreet must construct 10,000 square feet on Parcel B and another 4,000 square foot minimum to be constructed on the Option Property if the option is exercised.
6. MainStreet cannot sell or transfer the property north of the town green until they've completed the 10,000 square feet of new construction on Parcel B. MainStreet cannot sell the Option Property until they've constructed 4,000 square feet of new construction on the Option Property.
7. Utility undergrounding along MainStreet property street frontage is required and the cost is born by MainStreet.
8. Certain uses (conforming to or in addition to what our current zoning code prohibits) permanently prohibited (see Exhibit M of the PSA for the full list).
9. The property the City will retain includes the Town Green Parcel and the "Pavilion" Parcel on the corner.
10. Subdivision: Prior to and as a condition of closing, the property will be subdivided into the following parcels: 1) the Post Office property Parcel B-1 (not to be purchased by MainStreet), 2) the Option Parcel C (west side of the Town Green), 3) Town Green/Pavilion Parcels, 4) Parcel D, and 6) Parcel B (see Exhibit B to this Agenda Bill). This subdivision was finalized in March of 2015.
11. Closing Date: The Closing is triggered by the recording of the subdivision and will occur five days after the subdivision has been completed. We closed on the property in March of this year.
12. Development Agreement. Exhibit N of the PSA contemplates a future development agreement. Potential deal points for the development agreement include such items as phasing, building heights, setbacks, uses, density, parking, property tax abatement for residential, bicycle storage and parking, etc.

"Meet the Developer" Open House: Several days prior to City Council consideration of the purchase and sale agreement on November 3, 2014, the City held a "Meet the Developer" Open House at City Hall on October 30, 2014. This open house was open to the public and was an opportunity for citizens to meet with the MainStreet principals and ask them about the purchase and sale agreement and their proposed project.

Town Green

As referenced in deal point #10 above, the City will retain and continue to own property fronting the north side of NE 181st Street, including at the northwest corner of 181st Street and 68th Avenue. On this property, the City will construct a town green and community building for public use, depicted as follows:

Continued on next page



The City expects to start construction on the town green in October of this year. Completion is expected in the summer of 2016.

Proposed Spencer Square Development Agreement

MainStreet has been designing and engineering proposed new construction for the Spencer Square portion of Kenmore Village, and they have been in development agreement negotiations with City staff. MainStreet plans on constructing a six story mixed use building on parcel D (northeast corner) with a level of structured parking, one story of office/medical, and four floors of residential units. In a later phase, MainStreet intends to construct, at minimum a one story, 18,000 square foot commercial building on parcel B, with a possibility of providing additional commercial or residential floors if the market is right. MainStreet has not exercised its option on the restaurant parcel C (they have until March of 2017 to do so), but if/when they do, MainStreet will construct a sit-down restaurant in a separate phase of construction.

Meanwhile, the City's Town Green and community building for the town green parcel and the pavilion parcel, respectively, are making progress. Town Green and community building construction along NE 181st Street should begin in the fall (mid October) of this year and be complete in the summer of 2016.

We plan on holding the first of two Public Hearings on July 20, 2015. Two Public Hearings are required if deviating from uses, residential densities, floor area ratio limitations, or maximum building height. MainStreet is requesting to deviate from the maximum building height.

July 20, 2015 is the first of two Public Hearings. Two Public Hearings are required if deviating from uses, residential densities, floor area ratio limitations, or maximum building height. MainStreet is requesting to deviate from the maximum building height.

We intend to hold the second Public Hearing and bring a development agreement forward for City Council consideration and approval on July 27, 2015. Main components of the proposed Spencer Square development agreement are outlined below. MainStreet is requesting the following in the proposed development agreement:

1. Deviations from some of the City's development regulations, such as certain building design standards,

parking minimums, building setbacks, and landscaping. The purpose of these deviations is to maximize and/or enhance both the investment as well as the intensity of the uses in the core of the City's downtown. Some deviations are also requested due to topography challenges.

2. Ten-year vesting on the site development permit.
3. Easement to install water and sewer utility lines under the Town Green parcel.
4. Impact fee vesting, meaning MainStreet will pay current impact fee rates for the duration of the development agreement.
5. Development Agreement Term: 10 years.

In return for MainStreet's requests listed above, the City has negotiated the following into the proposed development agreement. MainStreet will:

1. Pay impact fees at building permit issuance rather than at certificate of occupancy.
2. Sponsor Town Green events each year.
3. Along 68th Ave NE, MainStreet will construct and install enhanced building facade features, to improve the look and design of the building, and will also provide wayfinding signage and maps showing amenities such as nearby complementary designations, parks, trails, and walking/jogging routes.
4. Design for and restripe 68th Avenue between NE 181st Street and NE 182nd Street to create more on-street parking and potentially new bicycle lane(s). City will review and approve any such changes in advance.
5. Pay for and construct the new driveway entrance to Kenmore Village on the north side of NE 181st Street at 67th Avenue. City will be responsible for funding and installing landscaping, lighting, and irrigation at this driveway entrance.
6. Upon construction of the sit-down restaurant, complete the west edge of the Town Green to match the rest of the Town Green treatment (currently, this west edge of the Town Green is designed for temporary turf treatment until the restaurant building is constructed).
7. Demolish the remaining buildings on parcels B and D by October 1, 2015. (The purchase and sale agreement requires demolition of the structure on parcel D by August 1, 2016)
8. Install water and sewer utility lines under the Town Green parcel by October 1, 2015.
9. Grade the Spencer Square site and Town Green site by October 1, 2015. MainStreet will provide fill material from the Spencer Square site for the Town Green site.

The estimated dollar value to the City that MainStreet is providing for such items as the 67th Avenue driveway entrance, filling and grading the Town Green site, and re-striping one block of 68th Avenue is approximately \$120,000 - \$140,000.

Other benefits to the City from MainStreet's overall investment in Kenmore Village will include increased residential and commercial density and activity for our downtown, provision of new/additional services to meet the needs of our citizens (medical office and provision of quality housing near amenities and transit lines, for example), new taxes and development fees from construction, new ongoing property and utility taxes post-construction, undergrounding of utility lines along the east edge of Kenmore Village, new sidewalks along the west side of 68th Avenue (fronting the Spencer Square site), and removal of blighted buildings in the downtown core.

We look forward to discussing this important milestone in the progress toward creating a more identifiable downtown Kenmore and sense of place for our community.

Kenmore Village
Positioning Statement
(September 2012)

"Kenmore Village is a walkable place with a public square where Kenmore-area residents and workers can meet their daily needs and see one another face-to-face."

FISCAL CONSIDERATION: See above.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED: To continue to implement the Economic Development Plan, promote the image of Kenmore and to create a vibrant, walkable downtown



City Of Kenmore, Washington

Memorandum

TO: Mayor and City Council

FROM: Rob Karlinsey, City Manager

DATE: July 16, 2015

SUBJECT: Recommendation of Approval of Development Agreement between City of Kenmore and MSPT XI, LLC for the Commercial Portion of Kenmore Village, "Spencer Square"

Recommendation: The City Manager recommends that the City Council authorize approval of the Development Agreement between the City and MSPT XI, LLC "MainStreet" for the Commercial Portion of Kenmore Village, "Spencer Square". Council approval of Ordinance 15-0401 at the July 27, 2015 Council meeting would give the City Manager the authority to execute the Development Agreement. The Development Agreement is attached to Ordinance 15-0401. Kenmore Municipal Code (KMC) Chapter 18.110 outlines Development Agreement requirements including the authority, general provisions, standards, and processing procedures. The proposed Development Agreement is in conformance with KMC 18.110. The Development Agreement sets forth the development standards and other provisions that apply and govern and vest the development, use, and mitigation of the development of the property for the duration specified in the agreement.

The Development Agreement and the approved Site Plan and Phasing Plan provide the requirements for project development (Section 1 of the Development Agreement). The duration of the agreement outlined in Section 6 of the Development Agreement is for 10 years with potential for a 5 year extension. The Development Agreement includes development requirements and procedures with respect to: development standards including design standards and other land use regulations and permit processing (Sections 1 through 4, and Sections 8 through 11), impact fees (Section 8.3), phasing (Section 8.4), and vesting (Section 7).

On November 3, 2014 City Council approved and authorized a purchase and sale agreement with the MainStreet for a portion of the Kenmore Village commercial parcel. The purchase and sale agreement included authorization for the City to execute a Development Agreement with the MainStreet for the Kenmore Village Commercial project. On May 13, 2015, the City received a proposed Development Agreement and associated Site Plan application from MainStreet for the first Phase of the development. Both applications were reviewed concurrently. The approved

Site Plan and Phasing Plan is an exhibit to the Development Agreement.

MainStreet has been designing and engineering proposed new construction for the Spencer Square portion of Kenmore Village. MainStreet plans on constructing a six story mixed use building on parcel D (northeast corner) with a level of structured parking, one story of office/medical, and four floors of residential units. In a later phase, MainStreet intends to construct, at minimum a one story, 18,000 square foot commercial building on parcel B, with a possibility of providing additional commercial or residential floors if the market is right. MainStreet has not exercised its option on the restaurant parcel C (they have until March of 2017 to do so), but if/when they do, MainStreet will construct a sit-down restaurant in a separate phase of construction. Future phases will include a separate Site Plan review and Council approval if the future proposed buildings deviate from development standards.

Development Standard Departures: Per KMC 18.110, a development agreement shall be consistent with applicable development regulations to the fullest extent possible. Provided, a development agreement may allow for development standards that are different from those standards otherwise imposed in order to provide flexibility to achieve public benefits, respond to changing community needs, or authorize modifications which provide the functional equivalency or adequately achieve the purposes of otherwise applicable development standards.

MainStreet, has requested departures from several development regulations which are offset by public benefits. The approved Site Plan application reflects the requested departures. However, the development standard departures are subject to Council approval as part of the Development Agreement. Viewing the project as a whole, one of the more significant public benefits to be provided by the applicant in return for these departures is a higher level of architectural quality—the proposed buildings exceed the requirements of the City's design standards. Another significant public benefit is the applicant's construction schedule, bringing many millions of dollars of new investment to the City's downtown in a timely manner.

MainStreet is also providing various public improvements, including but not limited to a new stairway mid-block along 68th Ave NE, full-width overlays on 68th Avenue NE, and undergrounding utilities along 68th Ave NE. Below are further public benefits MainStreet is providing:

1. Paying impact fees at building permit issuance rather than at certificate of occupancy.
2. Sponsoring Town Green events each year.
3. Along 68th Ave NE, MainStreet will construct and install enhanced building facade features, to improve the look and design of the building, and will also provide wayfinding signage and maps showing amenities such as nearby complementary designations, parks, trails, and walking/jogging routes.

Recommendation of Approval of Development Agreement between City of Kenmore and MSPT XI LLC for the for the Commercial Portion of Kenmore Village, "Spencer Square" cont.
6/16/2015
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4. Design for and restripe 68th Avenue between NE 181st Street and NE 182nd Street to create more on-street parking and potentially new bicycle lane(s). City will review and approve any such changes in advance.
5. Pay for and construct the new driveway entrance to Kenmore Village on the north side of NE 181st Street at 67th Avenue. City will be responsible for funding and installing landscaping, lighting, and irrigation at this driveway entrance.
6. Upon construction of the sit-down restaurant, complete the west edge of the Town Green to match the rest of the Town Green treatment (currently, this west edge of the Town Green is designed for temporary turf treatment until the restaurant building is constructed).
7. Demolish the remaining buildings on parcels B and D by October 1, 2015. (The purchase and sale agreement requires demolition of the structure on parcel D by August 1, 2016).
8. Install water and sewer utility lines under the Town Green parcel by October 1, 2015.
9. Grade the Spencer Square site and Town Green site by October 1, 2015. MainStreet will provide fill material from the Spencer Square site for the Town Green site.

Below are the departures requested by MainStreet:

1. Maximum building height. The building height is measured from the average finished grade to the highest point of the roof. The Downtown Commercial (DC) Zone allows a maximum building height of 65 feet for mixed use developments containing dwellings at a minimum 50 percent of square footage to a maximum of 75 percent square footage. The mixed-use building contains approximately 62 percent of residential square footage to commercial. The applicant has proposed a departure from the maximum building height on the mixed-use building (Phases B and C). The proposed height of the mixed-use building will not exceed 85 feet from the average finished grade.
2. Upper level stepbacks. Upper level stepbacks are required on buildings over two stories. The applicant has proposed a departure from the upper level stepbacks. The mixed use building will extend to five stories, plus a loft level, on 68th Avenue NE without providing stepbacks.
3. Horizontal Building Modulation. A minimum modulation depth of six feet is required on large building facades. The mixed use building will utilize a combination of modulation, balconies, and recesses to provide variation to the façade, but has requested to a departure to allow modulation less than six feet in depth.

Recommendation of Approval of Development Agreement between City of Kenmore and MSPT XI LLC for the for the Commercial Portion of Kenmore Village, "Spencer Square" cont.
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4. Commercial & Restaurant Building Designs. The applicant has requested the building design review for the commercial and restaurant buildings be deferred to a later date. The final designs of each building will require City Council authorization prior to building permit issuance if the final designs deviate from code.
5. Landscaping. Provided that Developer provides an amount of landscaping that, in the aggregate, equals or exceeds the total amount of landscaping required by KMC 18.35.045, the Project shall not be subject to KMC 18.35.040, KMC 18.35.070, or the locational requirements of KMC 18.35.045
6. Signage. Wall signs are permitted, provided they do not total more than 10 percent of the building façade on which they are located and provided they are limited to building façades with street frontage. Furthermore, a projecting sign may be used in place of a wall sign or freestanding sign. Such projecting signs shall not exceed 12 square feet in sized if unlit or externally lit, or six square feet if internally lit. The applicant has requested to install a wall sign on the south façade, which is not facing the street frontage and a 70 square foot projecting sign along 68th Ave NE.
7. Building Entrance. Phase A Due to the topography of the Phase A Property, Developer cannot practicably provide a primary building entrance on 68th Avenue NE as part of the improvements during Phase A; however, Developer shall provide a secondary entrance on 68th Avenue NE, with architectural treatment and details similar in nature to the requirements applicable to the primary entrance.
8. Pedestrian Walkway. Minimum pedestrian walkway (not including sidewalks on the perimeters of the site) widths for buildings greater than 3 stories in height is 8 feet, while the minimum average width is 12 feet in accordance with KMC 18.52.100.B.2.b. The applicant has requested a departure to allow pedestrian walkways to vary between 6-15 feet in width.

In addition the applicant is requesting the following in the proposed Development Agreement:

1. Ten-year vesting on the site development permit.
2. Easement to install water and sewer utility lines under the Town Green parcel.
3. Impact fee vesting, meaning MainStreet will pay current impact fee rates for the duration of the development agreement.

Recommendation of Approval of Development Agreement between City of Kenmore and MSPT XI LLC for the for the Commercial Portion of
Kenmore Village, "Spencer Square" cont.
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4. Development Agreement Term: 10 years.
5. Elimination of minimum parking space requirements.
6. Additional signage at Spencer 68.

CITY OF KENMORE
WASHINGTON
ORDINANCE NO. 15-0401

**AN ORDINANCE OF THE CITY OF KENMORE,
WASHINGTON, APPROVING A DEVELOPMENT
AGREEMENT WITH MSPT XI LLC, FOR DEVELOPMENT OF
THE COMMERCIAL PORTION OF THE KENMORE VILLAGE
PROPERTY.**

WHEREAS, on November 3, 2014 the City Council adopted Resolution 14-250, which authorized the City Manager to execute on behalf of the City a Purchase and Sale Agreement with MSPT XI LLC (the "Developer") for the commercial portion of the Kenmore Village Property (the "Property"); and

WHEREAS, on July 16, 2015 the City Manager issued a final decision approving the Site Plan and Design Standard review (Project Number: CSP201-107) for development of the Property by the Developer, which decision becomes effective July 27, 2015; and

WHEREAS, on July 16, 2015, the City Manager prepared a recommendation to the City Council on a proposed Development Agreement with the Developer; and

WHEREAS, a development agreement for the Property is authorized by RCW 36.70B.170 and Chapter 18.110 of the Kenmore Municipal Code; and

WHEREAS, as required by RCW 36.70B.200 and KMC 18.110.050, and pursuant to notice published in the Seattle Times on July 13, 2015, the City Council held a public hearing on July 20, 2015 and July 27, 2015 regarding the development of the Property pursuant to the Development Agreement; and

WHEREAS, (1) having considered the testimony and comments made at the public hearing, having considered the documents introduced at the hearing and having reviewed the Development Agreement, (2) having determined that the Development Agreement is consistent with applicable development regulations to the fullest extent possible, while allowing for development standards that are different from those standards in order to provide flexibility to achieve public benefits, respond to changing community needs, and provide the functional equivalent or adequately achieve the purposes of those standards, and (3) having determined that the Development Agreement is in compliance with the requirements of RCW 36.70B.200 and KMC 18.110, the City Council desires to approve the Development Agreement as being in the best interests of the City and its residents as a whole;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KENMORE,

WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Approval of Development Agreement. The Development Agreement with MSPT XI, LLC in the form attached to this Ordinance is approved.

Section 2. Execution of Agreement. The City Manager is authorized and directed to execute a Development Agreement with MSPT XI, LLC substantially in the form of the Development Agreement attached to this Ordinance.

Section 3. Effective Date. This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 27th DAY OF JULY, 2015.

CITY OF KENMORE

David Baker, Mayor

ATTEST/AUTHENTICATED:

Patty Safrin, City Clerk

Approved as to form:

Rod P. Kaseguma, City Attorney

Filed with the City Clerk:
Passed by the City Council:
Ordinance No. 15-0401
Date of Publication:
Effective Date:

City of Kenmore Contract No. 15-C1449

**DEVELOPMENT AGREEMENT
BY AND BETWEEN THE CITY OF KENMORE
AND MSPT XI LLC, FOR THE
SPENCER SQUARE DEVELOPMENT**

THIS DEVELOPMENT AGREEMENT ("**Agreement**") is made and entered into this ____ day of _____, 2015, by and between the CITY OF KENMORE, a Washington municipal corporation, hereinafter the "**City**," and MSPT XI LLC, a limited liability company organized under the laws of the State of Washington, hereinafter the "**Developer**."

RECITALS

WHEREAS, RCW 36.70B.170 authorizes the execution of a development agreement between a local government and a person having ownership or control of real property within its jurisdiction;

WHEREAS, a development agreement must set forth the development standards and other provisions that shall apply to, govern and vest the development, use and mitigation of the development of the real property for the duration specified in the agreement;

WHEREAS, this Agreement relates to the mixed-use residential, commercial and retail development referred to in this Agreement for identification purposes as Spencer Square (the "**Project**") to be constructed by Developer on the Property described in Section 2 of this Agreement;

WHEREAS, the Project is further described in Site Plan Application No. CSP2014-107 filed by the Developer with the City (the "Application");

WHEREAS, the Developer and the City envision the Project as being an integral part of the overall "Kenmore Village" development of real property formerly owned by the City, with the Project forming a part of the commercial and residential component of Kenmore Village;

WHEREAS, the City and the Developer are providing mutual benefits as described herein; and

WHEREAS, the following events have occurred as of the date of this Agreement with respect to the processing of the Application:

(a) The City Manager issued a final decision dated July 16, 2014 approving the Site Plan (Project No. PRJ2014-107) and, if the City Council passes the ordinance approving this Agreement, on the date such ordinance passes: (i) the City Manager's final decision on the Site Plan shall become effective, and (ii) the period for appeal of such decision shall commence;

City of Kenmore Contract No. 15-C1449

(b) The SEPA decision was issued on July 27, 2015; and

(c) After two public hearings, by Ordinance No. 15-0401, the City Council authorized the City Manager to sign this Agreement with the Developer;

NOW, THEREFORE, the City and the Developer hereby agree as follows:

GENERAL PROVISIONS

Section 1. The Project. The “Project” means the development and use of the Property contemplated in this Agreement and as shown on the Approved Site Plan and Phasing Plan, attached as Exhibit B (the “Approved Site Plan and Phasing Plan,” the “Approved Site Plan,” or the “Phasing Plan”). The Project may include residential, commercial and retail (including restaurant) uses.

Section 2. The Property. The “Property” means approximately two (2.0) acres of real property located near the northwest corner of the intersection of NE 181st Street and 68th Avenue NE and legally described on Exhibit A hereto. The Property is zoned Downtown Commercial (DC). In the event that Developer purchases the Phase D Property from the City, the Property shall be deemed to include the Phase D Property for all purposes of this Agreement from and after the date that Developer takes title to the Phase D Property.

Section 3. Definitions. In addition to such other terms as are defined throughout this Agreement, as used in this Agreement, the following terms, phrases and words shall have the following meanings:

3.1 “Adopting Ordinance” means the ordinance which approves this Agreement as required by RCW 36.70B.200.

3.2 “Certificate of Occupancy” means either a certificate issued after inspections by the City authorizing a person(s) in possession of property to dwell or otherwise use a specified building or dwelling unit, or the final inspection if a formal certificate is not issued. Temporary or phased occupancy of the Project may be authorized before the completion of the entire work covered by the Project pursuant to KMC 15.30.510. “Certificate of Occupancy” as used herein does not include a temporary or phased certificate of occupancy.

3.3 “Certificate of Satisfaction” has the meaning stated in Section 8.4 of this Agreement.

3.4 “City” means the City of Kenmore.

3.5 “City Council” means the City Council of the City.

City of Kenmore Contract No. 15-C1449

3.6 "City Manager" means the City Manager of the City or, to the extent within the City Manager's authority, his or her designee.

3.7 "Development Requirements" has the meaning stated in Section 8.1 hereof.

3.8 "Development Standards" includes, but is not limited to, all of the standards listed in RCW 36.70B.170(3) and, except as specifically deviated from as shown on the Approved Site Plan and Phasing Plan, Exhibit B hereto or as otherwise provided by this Agreement, all applicable standards in KMC Titles 12 through 21, the terms and conditions of which, as in effect on the Effective Date, are hereby incorporated into and made a part of the terms and conditions of this Agreement.

3.9 "Effective Date" means the effective date of the Adopting Ordinance.

3.10 "Existing Land Use Regulations" means the ordinances adopted by the City Council in effect on the Effective Date, the terms and conditions of which are hereby incorporated into and made a part of this Agreement, and which include the adopting ordinances that govern the permitted uses of land, the density and intensity of use, and the design, improvement, construction standards and specifications applicable to the development of the Property, including, but not limited to: the Comprehensive Plan; the City's Official Zoning Map; applicable standards in KMC Titles 12 through 21 including development standards, street standards, surface water and utility requirements; SEPA; and all ordinances, KMCs, rules and regulations of the City establishing subdivision and other development standards. Existing Land Use Regulation does not include taxes or permit review fees or any fees or other amounts required by or payable to any governmental entity other than the City.

3.11 "Force Majeure" means "acts of God" or the public enemy; civil war; insurrection or riots; fires; explosions or serious accidents; strikes or labor disputes; inability to obtain necessary materials, accessories, equipment, or parts from the manufacturers thereof not caused or contributed to by the party claiming delay for such reason; abnormal weather or unforeseen, abnormal soils conditions which necessitate delays; or other abnormal and unforeseen event or condition not caused by or contributed to and beyond the reasonable control of the party claiming excused delay for such reason.

3.12 "Impact Fee" has the meaning stated in KMC 20.47.020(O), hereby incorporated into and made a part of this Agreement.

City of Kenmore Contract No. 15-C1449

3.13 “Kenmore Village” means the integrated development of real property formerly owned by the City, comprised of commercial, retail and residential components, and located at the northwest corner of the intersection of NE 181st Street and 68th Avenue NE.

3.14 “Spencer Square” means the mixed-use residential, retail and commercial development proposed to occur on the Property, and that will constitute the commercial and retail component and a portion of the residential component of Kenmore Village.

3.15 “Spencer 68” means the residential development on the property adjoining the Property to the north of the Property, which does or will constitute a residential component of Kenmore Village.

3.16 “KMC” means the Kenmore Municipal Code.

3.17 “Phase” means any of Phase A, Phase B, Phase C, Phase D, or an additional Phase, as defined in Section 8.4 of this Agreement.

3.18 “Phase A” means the improvements to be constructed on the Phase A Property.

3.19 “Phase A Property” means certain real property legally described as Parcel E of Kenmore Binding Site Plan, BSP2015-002, recorded February 6, 2015, under Recording No. 20150206000972, in Volume 268 of Plats, pages 54 and 55, records of King County, Washington.

3.20 “Phase B” means the structured parking to be constructed on certain real property legally described as Parcel D of Kenmore Binding Site Plan, BSP2015-002, recorded February 6, 2015, under Recording No. 20150206000972, in Volume 268 of Plats, pages 54 and 55, records of King County, Washington.

3.21 “Phase C” means the improvements, other than structured parking, to be constructed on certain real property legally described as Parcel D of Kenmore Binding Site Plan, BSP2015-002, recorded February 6, 2015, under Recording No. 20150206000972, in Volume 268 of Plats, pages 54 and 55, records of King County, Washington.

3.22 “Phase D” means the sit-down restaurant to be constructed on the Phase D Property. For the purposes of this Agreement, “sit-down restaurant” does not include (i) a restaurant that operates any kind of drive-through, (ii) a “fast food” restaurant, or (iii) a bar that serves people solely over the age of twenty-one (21) without an affiliated sit-down restaurant.

City of Kenmore Contract No. 15-C1449

3.23 “Phase D Property” means that certain real property legally described as Parcel C of Kenmore Binding Site Plan, BSP2015-002, recorded February 6, 2015, under Recording No. 20150206000972, in Volume 268 of Plats, pages 54 and 55, records of King County, Washington. The Phase D Property is, as of the Effective Date, owned by the City of Kenmore.

3.24 “Post Office Parcel” means that certain real property legally described as vacated lots 8 and 9 in Block 12 of Northlake Terrace, according to plat recorded in Volume 33 of Plats at page 20, in King County, Washington; together with the south half of vacated Northeast 182nd Street adjacent thereto; and together with all of that portion of vacated 67th Avenue NE that lies west of a line drawn 390 feet west of the east line of Block 13 of said addition and south of the center line of Northeast 182nd Street extended east. The Post Office Parcel is, as of the Effective Date, owned by the City of Kenmore.

3.25 “Post-Termination Obligations” means the respective obligations of either or both of the parties hereto expressly stated in Section 14 hereof.

3.26 “Project” shall have the meaning given to it by Section 1 above.

3.27 “Property” shall have the meaning given to it by Section 2 above.

3.28 “SEPA” means the Washington State Environmental Policy Act of 1971, RCW Ch. 43.21C.

3.29 “Temporary or Phased Certificate of Occupancy” means a certificate of occupancy authorizing occupancy of a portion of the Project issued pursuant to KMC 15.30.510.

3.30 “Town Green” means that certain real property located at the corner of NE 181st Street and 68th Avenue NE owned by the City, which is intended for development as a public space, and which is legally described as Parcels F and G of Kenmore Binding Site Plan, BSP2015-002, recorded February 6, 2015, under Recording No. 20150206000972, in Volume 268 of Plats, pages 54 and 55, records of King County, Washington.

Section 4. Exhibits. The following exhibits to this Agreement (the “Exhibits”) are attached hereto and by this reference incorporated into and made a part of this Agreement:

Exhibit A – Legal description of the Property

Exhibit B – Approved Site Plan and Phasing Plan

City of Kenmore Contract No. 15-C1449

- Exhibit C – Certificate of Satisfaction Form
- Exhibit D – Notice of Termination
- Exhibit E – Project Renderings
- Exhibit F – Spencer Square Signs
- Exhibit G – NE 181st St and 67th Ave NE Improvements
- Exhibit H– Expedited Building Permit Review and Submittal Time Periods
- Exhibit I – Spencer68 Building Identification Sign

Consistent with Section 8.5(c) hereof, Developer agrees that it will comply with the sign requirements of Exhibit I, even though the Spencer 68 residential development is not the subject of this Agreement, and that the City may enforce compliance in accordance with the enforcement provisions of this Agreement.

Section 5. Project is a Private Undertaking. It is agreed between the parties that the Project is a private development and that the City has no interest therein except as authorized in the exercise of its governmental functions.

Section 6. Term of Agreement. This Agreement shall commence on the Effective Date and, subject to Section 15.1 hereof, shall continue in force for a period of ten (10) years from the Effective Date unless sooner terminated or extended for a period of up to five (5) years as provided herein. Any extension must be requested by Developer at least 90 days prior to the expiration of the term of this Agreement. Because this Agreement is associated with land use decisions, the City Manager may grant such an extension of up to five (5) years if, at the end of the ten (10)-year period referred to above, those actions described in this Agreement to be completed by Developer during those first ten (10) years have been completed. All other requests for extensions shall be reviewed by the City Council. Following the termination hereof, this Agreement shall have no force and effect, subject to the Post-Termination Obligations of the parties. The Approved Site Plan and Phasing Plan shall be valid for the term of this Agreement. Any modification to the terms of KMC 18.110.060(C)(3) after the Effective Date shall not alter the terms of this Section.

Section 7. Vested Rights of Developer. Except as otherwise expressly stated in this Agreement, during the term of this Agreement, in developing the Property consistent with Development Standards and Existing Land Use Regulations specified in this Agreement, the development rights, obligations, terms and conditions expressly stated in this Agreement are fully vested in the Developer and may not be changed or modified by the City, except (1) by mutual consent of all the parties hereto and in accordance with the process established by law for the adoption of a development agreement; or (2) to the extent required by a serious threat to public health and safety. For avoidance of doubt, the City hereby reserves, and shall at all times have, authority to impose new or different regulations, conditions or requirements for development of the Property (including regulations, conditions or requirements that may be inconsistent with the Development Standards and Existing Land Use Regulations specified in this Agreement) to the extent required by a serious threat to public health and safety. Building permits and other permits subject to

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KMC Titles 15 (Buildings and Construction) and 20 (Development Permits) (excluding 20.47 and 20.50, which are covered by this Agreement) shall be considered under the provisions of KMC Titles 15 and 20 (excluding 20.47 and 20.50) in effect at the time of submittal of a valid and fully complete application, which requirements shall apply in place of, and not be subject to, Section 7 (Vesting) of this Agreement. Notwithstanding the foregoing, no changes to either of the International Building Code or International Fire Code or state adoption thereof, taking effect after the date of this Agreement, shall require redesign or modification of any Project utilities, facilities or other infrastructure permitted, approved (including any of the foregoing approved in the Approved Site Plan and Phasing Plan) or installed previous to or in accordance with this Agreement unless, and except to the extent redesign or modification is required to avoid a serious threat to the public health or safety.

Section 8. Development Standards.

8.1 Permitted Uses and Code Deviations. The permitted uses, the density and intensity of use, the maximum height and size of proposed buildings, provisions for reservation and dedication of land or payment of fees in lieu of dedication for public purposes, the construction, installation and extension of public improvements, development guidelines and standards for development of the Property shall be, to the extent expressly stated herein or therein, those set forth in this Agreement, the permits and approvals identified herein, and all exhibits incorporated herein (collectively, the “**Development Requirements**”), including, but not limited to, Exhibit B – Approved Site Plan and Phasing Plan, and the Development Standards and Existing Land Use Regulations. The Development Requirements set forth in this Agreement are hereby adopted and, to the fullest extent allowed by applicable law and, subject to the qualifications and provisions stated in Sections 7 and 8.3 hereof, shall govern and control all development in the Project. For purposes of construction and interpretation, the City and Developer acknowledge and agree that the Development Requirements are intended to be compatible with the Kenmore Downtown Plan, dated April 2003, which provides the City’s vision for the Downtown area in which this development is located.

(a) **Downtown Design Standards.** The Project may deviate from the Downtown Design Standards, KMC Ch. 18.52, as necessary to provide an aesthetically pleasing project and accommodate site conditions in the manner identified or otherwise reflected in the Approved Site Plan and Phasing Plan; provided, however, that the Project shall meet the intent and purpose of the standards, provide equal or higher quality materials than those required by KMC Ch. 18.52, and be compatible with the City’s overall vision and goals for the Downtown area. City and Developer acknowledge and agree that the Project, as reflected in the Approved Site Plan and Phasing Plan, meets the foregoing

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requirements. Such deviations may include, but are not limited to: (i) building materials; (ii) building setbacks, modulation, and articulation; (iii) weather protection for pedestrians; (iv) building mass and bulk; and (v) building height.

(b) **Building Entrances.** Due to the topography of the Phase A Property, Developer cannot practicably provide a primary building entrance on 68th Avenue NE as part of the improvements during Phase A; however, Developer shall provide a secondary entrance on 68th Avenue NE, with architectural treatment and details similar in nature to the requirements applicable to the primary entrance.

(c) **Landscaping.** Provided that Developer provides an amount of landscaping that, in the aggregate, equals or exceeds the total amount of landscaping required by KMC 18.35.045, the Project shall not be subject to KMC 18.35.040, KMC 18.35.070, or the locational requirements of KMC 18.35.045.

(d) **Signage.** The Project may incorporate signs identifying tenants of the Project and/or the name of the Project or components thereof, including but not limited to the signage depicted on Exhibit E. Such signs shall be constructed of high-quality materials and shall be consistent in appearance with the signage depicted on Exhibit E and with the signage provided for other Class A commercial developments in the City. The Project shall not be subject to KMC 18.42.100(A).

8.2 Parking. The City and Developer acknowledge and agree that Developer has provided, in connection with the Project, certain parking rights that benefit the City and the public. Such parking rights are further described in the Amended and Restated Reciprocal Grant of Easements and Agreement for Joint Maintenance of Real Property, recorded in the real property records of King County, Washington, as recording number 20141114000894. Therefore, the City agrees to eliminate the minimum number of parking spaces required by KMC 18.40.030 for all Phases of the Spencer Square project, including the Phase D Property if the Developer acquires the Phase D Property in the time frame established in the Agreement for Purchase, Sale and Development of Real Property between Developer and the City.

8.3 Land Use Fees, Impact Fees, and Offsets.

(a) **Development Agreement Application Fee.** In consideration of the covenants and agreements of Developer in this Agreement, the Development Agreement application fee is waived.

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(b) **Land Use Permit Review Fees.** Notwithstanding the terms of Section 7 hereof, land use permit review fees adopted by the City by ordinance or resolution as of the Effective Date are not waived and may be increased by the City from time to time and are applicable to permits and approvals for the Property as long as such fees apply to similar applications and projects in the City.

(c) **Road Impact Fees.** Road Impact Fees shall be collected and paid at issuance of a building permit for each building in the Project. For the residential units in the Project, Road Impact Fees shall be assessed and charged at a rate not greater than the maximum of the Road Impact Fee rate for multi-family residential developments in effect as of the Effective Date, which is \$5,462.31 per unit. For commercial (including retail, office and restaurant) portions of the Project, Road Impact Fees shall be assessed and charged at a rate for shopping center developments in effect as of the date a complete application for a building permit or occupancy permit is submitted to the City for each Phase of the Project that includes a commercial component. All Road Impact Fees shall be subject to the following credit, as to which City and Developer hereby agree the requirements of KMC 20.47.050 have been satisfied:

- (i) Credit in the amount of \$7,667.29 per trip for the 125 existing PM peak trips as calculated by Developer's Transportation Engineer with the concurrence of the City's Transportation Engineer.

Such credits shall be applied to the first Phase of the Project.

(d) **Park Impact Fees.** Park Impact Fees shall be collected and paid at issuance of a building permit for each building in the Project. For the residential units in the Project, Park Impact Fees shall be assessed and charged at a rate not greater than the maximum of the Park Impact Fee rate for multi-family residential developments in effect as of the Effective Date, which is \$1,658.82 per unit. The commercial and retail portions of the Project shall not be subject to any Park Impact Fee.

(e) **School Impact Fees.** School Impact Fees collected by the City for the benefit of Northshore School District No. 407 (the "School District") shall be assessed collected, and paid on a per-unit basis in accordance with KMC Chapter 20.50. For the residential units in the Project, School Impact Fees shall be charged at no greater than the maximum of the rate in effect as of the Effective Date for multi-family residential units within the boundaries of Northshore School District No. 407, subject to such

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exemptions as may apply to the Project. The commercial and retail portions of the Project shall not be subject to any School Impact Fee.

8.4 Phasing of Project Development and Permitting.

(a) **Completion in Phases.** Subject to the terms and conditions of this Agreement, and in consideration of various factors which may impact the ability to develop the Project in the most efficient and economically feasible manner, the Project may be developed in phases, as shown on Exhibit B (Approved Site Plan and Phasing Plan) with Temporary Certificate of Occupancy available at the completion of each Phase (subject to all other requirements then in effect for issuance of a certificate of occupancy under the KMC and other governing requirements, further subject to the vesting provisions of this Agreement). Developer may, at Developer's discretion, develop each Phase separately or may develop multiple Phases simultaneously. Developer may develop Phases in such order as Developer deems prudent and desirable in Developer's discretion. All Phases shall be similar in design, materials and appearance. Upon issuance of a certificate of occupancy for any Phase of the Project, the City shall issue and Developer shall record a Certificate of Satisfaction, in a form substantially similar to that notice attached as Exhibit C for that Phase.

(b) **Identification of Phases.** For the avoidance of doubt, the letters used to identify each Phase (A, B, C, D, and so on) are for identification purposes only. The sequential nature of such identifiers shall not be interpreted to require that any Phase must be developed before or after any other Phase.

(c) **Site Plan Approval for Phase D.** The City and Developer acknowledge that Developer does not presently own the Phase D Property and that the Approved Site Plan and Phasing Plan attached as Exhibit B does not include details for development of the improvements that may be included as Phase D of the Project (the "Phase D Elements"). Developer acknowledges, as a condition to permits to be issued for construction or installation of buildings and improvements in Phase D of the Project, that the proposed Phase D Elements will be subject to design review and will be subject to the Development Agreement amendment processes as described in KMC Chapter 18.110.060 (E), if deviations from the KMC are proposed for Phase D Elements. As a condition to any approval for Phase D, Phase D must be proposed for development as a commercial space intended to be operated as a sit-down restaurant, as defined in Section 3.22 hereof, and when

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completed shall be compatible with the buildings and improvements constructed during the other Phases of the Project. The City hereby agrees that the criteria used for such review shall be consistent with the criteria used for review of the Site Plan for the Phases described on Exhibit B hereto, subject only to any changes as may be necessitated for purposes of public health and safety, and the provisions of this Agreement pertaining to traffic capacity, parking ratios, stormwater discharge (Section 11.2 hereof), impact fees (Section 8.2), permitting standards (Section 8.4), minor modifications (Section 9), and discretionary decisions (Section 10) shall be deemed vested and applicable to Phase D.

- (i) **Use of Town Green.** In the future the City and Developer may agree, pursuant to the terms of a separate agreement or program to be negotiated and agreed to by City and Developer, to allow outdoor restaurant seating on a portion of the Town Green. If such agreement is reached, then the City agrees to waive the permit fees and permit application requirements associated with such outdoor restaurant seating and related uses, except that Developer shall not be exempt from the requirement to provide to the City an insurance certificate showing that the City has been named as an additional insured.

(d) **Subdivision or Boundary Line Adjustment Applications.** The City shall be the permitting agency to review all subdivision or boundary line adjustment applications, as applicable, which will be subject to requirements in effect at the time of any such applications (and are not subject to Section 7 of this Agreement). However, in the event of a subdivision or boundary line adjustment affecting the Property, the terms and conditions of this Development Agreement shall continue to apply to all properties of which any portion of the Property is a part.

(e) **Declaration of Covenants.** The Project phasing shall be consistent with Developer's obligation under the Declaration of Covenants Regarding Transfer recorded in the real property records of King County, Washington, on March 10, 2015, under recording number 20150310001417, to commence construction of Phase A of the Project not later than March 9, 2018, unless commencement of construction is delayed by reason of Force Majeure or such development timelines are extended by the City.

(f) **Site Plan Approval for Phase A.** The City and Developer acknowledge that the Approved Site Plan and Phasing Plan attached as Exhibit B does not include details for development

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of the improvements that may be included as Phase A of the Project (the "Phase A Elements"). Developer acknowledges, as a condition to permits to be issued for construction or installation of buildings and improvements in Phase A of the Project, that the proposed Phase A Elements will be subject to design review and will be subject to the Development Agreement amendment processes as described in KMC Chapter 18.110.060 (E), if deviations from the KMC are proposed for Phase A Elements.

8.5 Permitting Standards. Applications for permits and/or approvals made pursuant to this Agreement shall be made on such terms and under such conditions as are consistent with Development Requirements. Developer acknowledges, pursuant to KMC Section 18.110.020.C, any material deviation from applicable permitting requirements (except to the extent already provided for in this Agreement) must be matched with a provision of a benefit to the City or to the public of equal or greater value relative to the deviation requested, as determined by the City Manager. The deviations requested are offset by the public benefits described in this Agreement and as follows:

(a) Developer shall sponsor community events in the Town Green;

(b) Developer shall provide enhanced façade treatments and wayfinding signage along 68th Avenue NE;

(c) Developer shall provide on-street parking, bike lane striping and new centerline, striping and other markings along both sides of 68th Avenue NE between NE 181st St and NE 182nd St if Developer's traffic engineer and the City's transportation engineer determine pursuant to a traffic study that the existing right of way has sufficient width to accommodate on-street parking. Developer shall bear the cost of the traffic study, of design, striping and removal of striping, and any other costs associated with providing on-street parking, bicycle lane(s), and markings. If on-street parking is extended to NE 182nd Street in front of the Spencer68 project, Developer may install a building identification sign at the Spencer68 project, as shown on Exhibit I attached hereto;

(d) Developer shall reconstruct the Kenmore Village entrance at the north portion of the NE 181st St and 67th Ave NE intersection to the City's specifications, as depicted in Exhibit G, by December 31, 2016. Such improvements shall not include irrigation, landscaping, lighting, utilities or utility vaults. However, Developer shall provide a minimum of two (2) four-inch conduits to extend to the adjacent landscaping area;

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(e) Should Developer acquire Phase D, Developer shall complete as part of Phase D the construction of the western 14' portion of the Town Green to the City's specifications, which shall be developed by the City in the City's reasonable discretion and in cooperation with Developer, should Developer exercise its purchase option;

(f) Developer agrees to locate all electric power transmission and other utility lines along 68th Ave NE underground between the north property line to the south property line;

(g) Developer agrees to locate all electric power transmission and other utility lines running east to west between the Project and the Spencer 68 Project in the area between 68th Avenue NE and the "Speedy Reedy" parcel;

(h) Developer agrees to provide the accessible parking stalls for the Town Green as outlined in the Agreement for Purchase, Sale and Development of Real Property, City of Kenmore Contract Number 14-C1254; and

(i) Developer agrees to provide for and allow access for consolidated solid waste pick-up and deliveries as outlined in the Agreement for Purchase, Sale and Development of Real Property, City of Kenmore Contract Number 14-C1254.

Section 9 Minor Modifications. Minor modifications from the approved permits or the Exhibits may be approved in accordance with the procedures of the KMC as in effect at the time of request for any such minor modification and shall not require an amendment to Approved Site Plan and Phasing Plan or this Agreement. For the purposes of this Agreement, "minor modifications" means any change which does not deviate materially from the scope or intention of the Approved Site Plan and Phasing Plan, such as changes to paint color, substitution of landscaping materials with comparable materials, and "field changes" necessitated by site inspections; and further includes any of the following: (a) rearrangement of existing lot lines or creation of lots (e.g., through short plat or boundary line adjustment) consistent with the Approved Site Plan, as the same may be amended or otherwise modified in accordance with KMC Ch. 18.105; or (b) changes involving the location or dimensions of buildings or landscaping, provided no such rearrangement or changes: (i) decrease the amount of perimeter landscaping, (ii) decrease parking ratios; or (iii) change the locations of any points of ingress and egress to the Property. For avoidance of doubt, and without limitation, modifications that will cause any of the following results are not considered minor: (a) an increase in traffic circulation problems (i.e., reduction in Level of Service for applicable roads or intersections); or (b) a reduction in the amount of total approved landscaping, off-street parking, loading zones, right-of-way or pavement width. Any modification to a permit or Exhibit

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that is not a minor modification shall require express consent of the City Manager and Developer, and any modification to an Exhibit that is deemed a modification to this Agreement shall require approval in the same manner as approval of any amendment to this Agreement (presently KMC 18.110.060 and any amendment or successor to that Section).

Section 10. Further Discretionary Actions (Including SEPA Review).

Developer acknowledges the Development Requirements contemplate the exercise of further discretionary powers by the City. These powers include, but are not limited to, SEPA review of additional permit applications. Nothing in this Agreement shall be construed to limit the authority or the obligation of the City to hold legally required public hearings, or to limit the discretion of the City and any of its officers or officials in complying with or applying Existing Land Use Regulations. The parties agree that SEPA applies to permits that will be issued during the term of this Agreement. Development conditions recommended in the City's Determination of Nonsignificance or, as applicable, Mitigated Determination of Nonsignificance issued in connection with the City's action to review and approve this Agreement are incorporated in the approval of the Approved Site Plan. The City shall not exercise its substantive SEPA authority to impose conditions on Project approvals issued during the term of this Agreement in a manner that is inconsistent with this Agreement or the Existing Land Use Regulations.

Section 11. Improvements Required for Issuance of Certificates of Occupancy. Notwithstanding the phased approach to development of the Project, Developer acknowledges and agrees, to the extent that certain amenities associated with the Project are required by the KMC to be available to all phases of the Project for reasons including health, safety and welfare of residents, tenants, occupants and others using or visiting the Project, such amenities shall be constructed and completed prior to issuance of any certificate of occupancy for any phase of the Project. To the extent that certain amenities associated with the Project are not required by the KMC to be available to all phases of the Project, such amenities shall be constructed and completed for each phase individually prior to issuance of any certificate of occupancy for such phase. The fact that any such amenity has not been provided shall not preclude the issuance of a Temporary Certificate of Occupancy so long as all amenities required for the phase for which a Temporary Certificate of Occupancy is sought have been completed in accordance with the Development Requirements. In accordance with KMC Section 21.20.050, no temporary certificate of occupancy for a completed phase may be issued until: (i) drainage facility improvements are functional, (ii) required parking for such phase is provided, and (iii) safe access for such phase is provided. The following amenities, as shown on the Approved Site Plan and Phasing Plan, shall be constructed in accordance with the following schedule:

11.1 Drainage Standards; Surface Water Runoff Policies; Surface Water Drainage Facilities. The City will permit a reduction in

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flow control standards to "Reduced Basic Flow Control Standards" as permitted in KCSWDM 1.2.3.B and 1.2.3.A, in lieu of the standard stated in KMC 13.35.025.B.4, provided Developer shows, to City's satisfaction, that flooding as a result of the Project will not be worsened along the downstream corridor and that the Project can meet all conditions of the exception allowed by KCSWDM 1.2.3.B and 1.2.3.A. Allowed discharge rates from the Project will be established based on the discharge rates from the existing onsite detention facility. King County Runoff Time Series hydrologic model or Western Washington Continuous Simulation Hydrology Model (WWHM) will be used to calculate the flows. The existing ground cover conditions as existing today will be used to generate the flows tributary to the existing detention facility, provide that all conditions of the exception are met. The flow control BMP (LID) requirement per KCSWDM 1.2.3.3 (and Section 5.2) will still be applicable for the Project.

11.2 Phase D. In the event that Phase D is constructed before any other Phase, Developer shall be required to provide only such parking, drainage facilities, landscaping, and street frontage improvements as are required by the KMC to serve Phase D.

Section 12. Coordination with Adjacent Property Owners. Developer acknowledges that the Project is part of the "Kenmore Village" properties and that the real property adjoining the Property to the north is under development and/or planned for development as residential units commonly known as Spencer 68, and that such development is planned to occur on an essentially contemporaneous basis with the Project; *provided*, neither the foregoing nor any other statement in this Section is intended as a representation, warranty or guarantee, express or implied, of any particular development and is stated solely for background purposes. Developer acknowledges the Project is also located adjacent to the Town Green, which the City owns and intends to develop with public space and a community building, and adjacent to an existing retail business to the west of the Property. Developer shall work cooperatively with the existing retail business owner to the west of the Property on the parking lot improvements. Developer and the City shall work cooperatively in the development of their respective properties and shall make commercially reasonable efforts to avoid conflicts in the respective construction schedules for the Town Green and the Project. Such coordination shall include (i) consistent development and common area standards; and (ii) site plan designs which take into account and seek to minimize adverse impacts of improvements (e.g., loading docks) on their respective adjacent properties. Developer and the City shall further cooperate in good faith to negotiate and grant access, utility, and construction easements that are reasonably necessary or desirable in connection with the development of the Project, and to construct utilities to serve the Project and the Phase D Property, to the extent that utilities are practicable and commercially reasonable, provided the Project utilities proposed within the Town Green must be in place prior to October 1, 2015, and provided further that the

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City issues a permit for the utilities prior to August 17, 2015. This date may be extended at the sole discretion of the City Manager. The City will not grant a utility easement or allow the Town Green improvements to be removed once the Town Green improvements are installed. The Developer agrees to demolish and dispose of the buildings and asphalt on the Phase A, Phase B/C, and Town Green Properties by October 1, 2015, provided demolition permits have been issued on or prior to August 17, 2015. The Agreement for Purchase, Sale and Development of Real Property between Developer and the City outlines the cost allocation to demolish the existing structure on the Town Green. The Developer further agrees to place fill dirt, (grade and compact it) on the Town Green Property to the City's Town Green site design specifications, provided the quality of the fill dirt is tested for compaction and suitability by the City's geotechnical consultant during the grading and determined to be suitable for such use by the consultant. City is also responsible for providing a licensed surveyor to certify and confirm final grades and compaction. If during excavation the fill dirt is determined not to be suitable, the Developer is responsible for the fill dirt and/or exporting costs. Developer further agrees that if Phase C is not under construction by July 1, 2017, unless date is extended by the City Manager, Developer shall provide a temporary parking surface, such as asphalt, gravel or other suitable material, on the Phase C property subject to construction and shoring constraints of the site.

12.1 Parking Lot Maintenance. Pursuant to that certain Amended and Restated Reciprocal Grant of Easements and Agreement for Joint Maintenance of Real Property recorded in the real property records of King County, Washington, as recording number 20141114000894, the owner of the Post Office Parcel is responsible to pay for the maintenance and repair of the surfaces, structures and capital improvements located on the Post Office Parcel. The City shall, at the City's expense, seal coat and restripe the parking lot located on the Post Office Parcel within sixty (60) days of Developer's completion of the parking lot on the Parcel A Property. If the Post Office Parcel is sold prior to Developer's completion of the parking lot on the Parcel A Property, the City shall record an instrument against the Post Office Parcel requiring the owner of the Post Office Parcel to resurface and restripe the parking lot located on the Post Office Parcel within sixty (60) days of Developer's completion of the parking lot on the Parcel A Property.

Section 13. Termination.

13.1 This Agreement shall expire and be of no further force and effect if the development contemplated in this Agreement and all of the permits and/or approvals issued by the City for such development are not substantially underway prior to expiration of such permits and/or approvals.

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13.2 Nothing in this Agreement shall extend the expiration date of any permit or approval issued by the City for the Project or any portion thereof. The Approved Site Plan and Phasing Plan shall be in full force and effect during the term of this Agreement, provided that Developer meets the conditions and time schedules specified in the Phasing Plan, as such time schedules may be extended in accordance with KMC section 18.105.060.

13.3 Covenants of the City and Developer expressed in this Agreement shall run with the land and shall be binding on each of Developer and City and their respective successors and assigns. Any covenant expressed in this Agreement which, by its terms states that it shall survive termination of this Agreement, shall remain in effect beyond and shall not be deemed terminated by termination of this Agreement. This Agreement shall terminate upon the expiration of the term identified in Section 6 or upon issuance of the certificate of occupancy for the final Phase of the Project, whichever first occurs. Upon the occurrence of either event identified in the immediately preceding sentence, the City shall record a notice of termination in a form substantially similar to that notice attached as Exhibit C.

Section 14. Effect of Termination on Developer Covenants and Obligations. Termination of this Agreement shall not affect, cancel or result in termination of any of the Developer's obligations under applicable law (i) to comply with the City Comprehensive Plan and the terms and conditions of any applicable zoning or land use regulation or other land use entitlements approved with respect to the Property, or (ii) to pay assessments, liens, fees or taxes (all of the foregoing, collectively, "Post Termination Obligations"). The Post Termination Obligations shall continue to run with the land comprising the Property and shall be binding on Developer and successors and assignees of Developer and all others acquiring any interest in the Property or any portion thereof by or through Developer.

Section 15. Default.

15.1 Subject to extensions of time by mutual consent in writing, failure or delay by either party to perform any legal requirement of this Agreement shall constitute a default. In the event of alleged default or breach of any terms or conditions of this Agreement, the party alleging such default or breach shall give the other party not less than thirty (30) days' notice in writing, specifying the nature of the alleged default, the manner of cure, and a reasonable cure period in which said default may be cured. During this reasonable cure period, the party charged shall not be considered in default for purposes of termination or institution of legal proceedings.

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15.2 After notice and expiration of the reasonable cure period, if such default has not been cured or is not being diligently cured in the manner set forth in the notice, the other party to this Agreement may, at its option, institute legal proceedings pursuant to this Agreement. In addition, the City may decide to file an action to enforce the KMC, and to obtain penalties and costs as provided in the KMC for violations of this Agreement and the KMC.

Section 16. Annual Review. The Developer shall provide a report to the City Manager regarding the status of the Project implemented under this Agreement at least every twelve (12) months during the term of this Agreement.

Section 17. Effects upon Termination on City. Upon any termination of this Agreement as to Developer or any portion of the Property, the entitlements, conditions of development, limitations on fees and all other terms and conditions of this Agreement, shall no longer be vested hereby with respect to the property affected by such termination (provided that vesting of such entitlements, conditions or fees may then be established for such property pursuant to then-existing planning and zoning laws).

Section 18. Assignment and Assumption. This Agreement shall be subject to the limitations on the sale, transfer and change of ownership of the Property set forth in the Declaration of Covenants Regarding Transfer recorded in the real property records of King County, Washington, on March 10, 2015, as recording number 20150310001417; provided, that Developer shall not be restricted or prohibited from entering into (i) a residential lease of any unit in the Project (except Developer cannot enter into a ground lease of all or substantially all of the Property or any substantial portion thereof with any person or entity not a resident of the Property); (ii) any mortgage, deed of trust, security agreement or security instrument granted or entered by Developer to provide financing for Developer's purchase of the Property or performance of its obligations to the City with regards to the Project; or (iii) a Transfer, or series of Transfers which in the aggregate, does not or do not result in a change of control of the Developer's interests in the Property or in Developer. The foregoing is intended to allow Developer to add debt and/or equity-related investment partners to the ownership of the Property or any Phase thereof, within the limits expressed in this Section 18. These provisions can be reasonably modified or waived by the City Manager from time to time upon request of Developer.

Section 19. Covenants Running with the Land. The conditions and covenants set forth in this Agreement and incorporated herein by the Exhibits, including, but not limited to the Post-Termination Obligations, shall run with the land and the benefits and burdens shall bind and inure to the benefit of the parties, their respective heirs, successors and assigns. Developer and its successors and assigns and every purchaser, assignee or transferee of an interest in the Property, or any portion thereof (whether such purchase, assignment or transfer is voluntary or involuntary, by foreclosure, judicial sale,

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operation of law or otherwise), shall be obligated and bound by the terms and conditions of this Agreement, and shall be the beneficiary thereof and a party thereto, but only with respect to the Property, or such portion thereof, sold, assigned or transferred to it. Any such purchaser, assignee or transferee shall observe and fully perform all of the duties and obligations of Developer contained in this Agreement, as such duties and obligations pertain to the portion of the Property sold, assigned or transferred to it.

Section 20. Amendment to Agreement; Effect of Agreement on Future Actions. This Agreement may be amended by mutual consent of all of the parties, provided that any such amendment shall follow the process established by law for the adoption of a development agreement (see, RCW 36.70B.200). Nothing in this Agreement shall prevent the City Council from amending its Comprehensive Plan, Zoning KMC, Official Zoning Map or development regulations affecting the Property during the term of this Agreement, to the extent such amendment is required by a serious threat to public health and safety. Nothing in this Agreement shall prevent the City Council from making any amendments of any type to the Comprehensive Plan, Zoning KMC, Official Zoning Map or development regulations relating to the Property after termination of this Agreement.

Section 21. Notices. Notices, demands, correspondence to the City and Developer shall be sufficiently given if dispatched by pre-paid certified mail, commercial courier or package delivery service, or by hand delivery to the party being notified, at its address as follows:

If to the Developer: MSPT XI LLC Attn: Kelly Price 12332 NE 115 th Place Kirkland, WA 98033	If to the City: City of Kenmore Attn: Rob Karlinsey, City Manager 18120 68 th Ave. N.E. Kenmore, WA 98028
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Notice shall be deemed received on the date of delivery to the recipient's address stated in this Section or, if sent via certified mail, on the second business day after mailed; or if by commercial courier or package delivery service, on the first business day after placed therewith; or on the date of actual delivery if hand delivered. Notice to any successor of either party shall be required to be given to such successor only after such successor has provided notice to the other party of its name and address for notice. Either party may from time to time advise the other of a new address for such notices, demands or correspondence by giving notice of such new address in the same manner as providing other notice.

Section 22. Reimbursement for Agreement Expenses of the City. Developer agrees to reimburse the City for certain actual expenses incurred by City directly relating to this Agreement, including reasonable recording fees, publishing fees and any additional staffing employees and third-party consultant

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expenses necessary for expedited review. Such payment of all fees shall be made, at the latest, within thirty (30) days from the City's presentation of a written statement of charges to the Developer, which such statement (and supporting documentation) shall provide, in reasonable detail, an accounting of all actual expenses incurred by the City in the performance of its obligations within the above-noted cost categories.

Section 23. Relationship of Parties. Developer and the City shall not be construed as joint venturers or general partners, and neither shall have the power to bind or obligate the other party except as set forth in this Agreement. Developer shall have no right or authority, express or implied, to commit or otherwise obligate the City in any manner whatever except to the extent specifically provided herein or specifically authorized in writing by the City. The City shall have no right or authority, express or implied, to commit or otherwise obligate Developer in any manner whatever except to the extent specifically provided herein or specifically authorized in writing by Developer.

Section 24. No Third Party Rights. The provisions of this Agreement are intended for the benefit of, and may only be enforced by, the parties hereto and their respective successors and permitted assigns. None of the rights or obligations of the parties herein set forth (or implied) is intended to confer any claim, cause of action, remedy, defense, legal justification, indemnity, contribution claim, set-off, or other right, whatsoever upon or otherwise inure to the benefit of any contractor, architect, consultant, subcontractor, worker, supplier, mechanic, insurer, surety, guest, member of the public, or other third parties having dealing with either of the parties hereto or involved, in any manner, in the Property or the Project.

Section 25. Applicable Law and Attorneys' Fees. This Agreement shall be construed and enforced in accordance with the laws of the State of Washington. If litigation is initiated by any party to this Agreement to enforce the terms of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs from the non-prevailing party. Venue for any action shall lie in King County Superior Court or the U.S. District Court for the Western District of Washington. The parties hereto consent to the personal jurisdiction of each of such courts and waive the right to file suit elsewhere.

Section 26. Third Party Legal Challenge. In the event any legal action or special proceeding is commenced by any person or entity other than a party to challenge this Agreement or any provision herein, each party shall be responsible for payment of legal fees of its counsel and related expenses to defend this Agreement or any provision hereof.

Section 27. Force Majeure.

27.1 Each party shall notify the other promptly of the occurrence of any Force Majeure event, occurrence or condition, as a condition to

City of Kenmore Contract No. 15-C1449

claiming such event, occurrence or condition constitutes Force Majeure and shall act promptly to proceed with its performance as soon as practicable after such cause for delay ceases or is terminated.

27.2 This Agreement relates to Project permit applications and approvals, such as building permits, right-of-way construction, and encroachment permits. In the event of an appeal, if this Agreement is upheld by final judicial decision, the term established in this Agreement shall commence on the date of entry of a final order upholding this Agreement.

Section 28. Specific Performance. The parties specifically agree that damages are not an adequate remedy for breach of this Agreement, and that the parties are entitled to compel specific performance of this Agreement by any party in default hereof. All terms and provisions of this Development Agreement are material.

Section 29. Developer Indemnification. Developer shall defend, indemnify and hold harmless the City, its officers, officials, employees, and agents, from any and all damages, claims, demands, suits, actions, costs, fines, penalties and liability of any kind, including attorneys' fees (collectively referred to as "Damages"), arising in whole or in part from any negligent acts, errors or omissions of Developer in the performance of this Agreement. However, if any Damages are caused by or result from the concurrent negligence of Developer and the City, Developer's liability shall be only to the extent of Developer's negligence. The foregoing indemnity is specifically and expressly intended to constitute Developer's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated. The provisions of this section shall survive the expiration or termination of this Agreement.

Section 30. City Indemnification. The City shall defend, indemnify and hold harmless Developer, its officers, officials, employees, and agents, from any and all damages, claims, demands, suits, actions, costs, fines, penalties and liability of any kind, including attorneys' fees (collectively referred to as "Damages"), arising in whole or in part from any negligent acts, errors or omissions of the City in the performance of this Agreement. However, if any Damages are caused by or result from the concurrent negligence of the City and Developer, the City's liability shall be only to the extent of the City's negligence. The foregoing indemnity is specifically and expressly intended to constitute the City's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated. The provisions of this section shall survive the expiration or termination of this Agreement

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Section 31. Severability. If any phrase, provision or section of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, or if any provision of this Agreement is rendered invalid or unenforceable according to the terms of any statute of the State of Washington which became effective after the effective date of the Adopting Resolution, such invalidity shall not affect the validity of the remainder of this Agreement.

Section 32. Complete Agreement. This Agreement together with the exhibits annexed hereto or referred to herein is intended to be the entire agreement of the parties with regard to the subject matter hereof and may only be amended with the written consent of both parties.

Section 33. Captions and Headings. Captions and headings used in this Agreement are for convenience of reference only and are not part of the terms of this Agreement or to be used to construe, interpret, modify, qualify, vary or supplement any term, condition, covenant or provision of this Agreement.

Section 34. Counterparts. This Agreement may be executed in more than one counterpart, each of which shall be deemed an original, and all of which shall constitute one and the same instrument. Facsimile or .pdf signatures on this Agreement shall constitute original signatures of the parties.

Section 35. Recording Required. This Agreement shall be recorded with King County at Developer's expense. Upon termination of the Agreement, a notice of termination, in a form substantially similar to that notice attached as Exhibit D, shall also be executed by the City in accordance with Section 16 above and provided to Developer or, at Developer's option, recorded at Developer's expense.

[Signatures Next Page]

City of Kenmore Contract No. 15-C1449

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the dates set forth below:

DEVELOPER:
MSPT XI LLC

By: _____
Name: _____
Its: _____
Date: _____

CITY:
CITY OF KENMORE

By: _____
Name: _____
Its: City Manager
Date: _____

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

City of Kenmore Contract No. 15-C1449

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the _____ of _____, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: _____

Printed: _____
NOTARY PUBLIC in and for
Washington
Residing at: _____
My appointment expires: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the City Manager of the City of Kenmore to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: _____

Printed: _____
NOTARY PUBLIC in and for
Washington
Residing at: _____
My appointment expires: _____

EXHIBIT A
[The Real Property]

Parcels D and E of Kenmore Binding Site Plan, BSP2015-002, recorded February 6, 2015, under Recording No. 20150206000972, in Volume 268 of Plats, pages 54 and 55, records of King County, Washington.

EXHIBIT B
[Approved Site Plan and Phasing Plan]



City of Kenmore Development Services
Findings, Conclusions, and Conditions of Approval

July 16, 2015

Spencer Square Site Plan Approval – File CSP2014-107

I. SUMMARY OF PROPOSAL:

Proposal to construct 3 new buildings with associated parking and site improvements on a 2.34 acre site within the Downtown Commercial (DC) zone. The development will include a 20,000 square foot single-story commercial building; a 5 story mixed use building with structured parking, commercial space at-grade on 68th Ave NE, and 94 residential units on upper floors; a 5,000 square foot restaurant building adjacent to NE 181st Street. Access to the site will be from the existing driveway on NE 181st Street and structured parking access to the mixed use building on 68th Avenue NE. Three existing commercial/retail buildings will be demolished to make way for the development.

II. PROJECT INFORMATION:

Applicant/Owner	MSPT XI LLC 12332 NE 115 th Place Kirkland, WA 98033
Site Address	6728 & 6750 NE 181 st Street
Parcel ID Numbers	3820200020; 3820200030; 3820200010
Site Area	2.34 acres
Zoning	Downtown Commercial (DC)
Environmentally Critical Areas	None
Proposed Uses	Professional/Medical Office; Multifamily; Eating & Drinking; Commercial uses listed as permitted in the DC zone
Surrounding Uses	Multifamily (north) Future Town Green & Pavilion (south) City Hall (east) Retail & Post Office (west)
Number of Dwelling Units	100
Number of Buildings	3
School District	Northshore School District
Water/Sewer	Northshore Utility District
Fire District	Northshore – King County Fire District #16

III. REVIEW PROCESS:

The Site Plan application has been processed as a Type 2 administrative decision pursuant to Kenmore Municipal Code (KMC) 19.25. An associated Development Agreement authorized under KMC 18.110 has been reviewed concurrently with the Site Plan application. Pursuant to KMC 18.110.050.F, an application for a Type 2 land use decision shall be reviewed and processed

Spencer Square (CSP2014-107)
Findings, Conclusions, & Conditions of Approval
Page 1 of 13

concurrently with the Development Agreement. The 7/16/15 final decision on the Site Plan shall become effective on the date that the City Council passes an ordinance for the Development Agreement. A final SEPA determination will be issued upon the effective date of the Site Plan. The Development Agreement, City Manager recommendation on the Development Agreement, and Ordinance #15-0401 is scheduled for City Council consideration on 7/27/15.

The key milestones on the Site Plan application to date are as follows:

- 5/13/15: Application filed.
- 6/10/15: Application determined complete pursuant to KMC 19.25.050.
- 6/18/15: Notice of Application and Optional SEPA Notice with 21 day comment period issued pursuant to KMC 19.25.060.
- 6/24/15: Revised plans and information submitted by applicant.
- 7/7/15: City's first review comments sent to applicant.
- 7/9/15: Notice of Application and SEPA comment period ended.
- 7/16/15: Applicant's response to City's first review comments received.
- 7/16/15: Final decision on the site plan issued.

IV. FINDINGS AND CONCLUSIONS:

In accordance with KMC 18.105.050, the City may approve, deny, or approve with conditions an application for a Site Plan. The decision shall be based on the approval criteria stated therein and are intended to be satisfied by the findings, conclusions, and conditions within this report.

The Site Plan application has been reviewed for compliance with the Kenmore Zoning Code (KMC Title 18), the 2009 King County Surface Water Design Manual (KCSWDM) as adopted in KMC 13.35, the 1993 King County Road Standards (KCRS) as adopted in KMC 12.50, and other applicable City regulations.

Departures from Development Standards: Departures from development standards may be requested and approved for properties in the DC zone through the development agreement process provided they are offset by the provision of a benefit to the City of equal or greater value relative to the departure requested. The applicant requested departures from several development regulations which are offset by public benefits related to those identified in both the Development Agreement and the City Manager recommendation to the City Council on the Development Agreement. The Site Plan findings and conclusions reflect the requested departures. However, the development standard departures are subject to Council approval of the Development Agreement.

The following are findings and conclusions:

1. Property Description

The site is located directly south of Phase 1 of the Spencer68 multifamily development currently under construction. It fronts 68th Avenue NE on the east, the future Town Green and pavilion building and a portion of NE 181st Street on the south, and Kenmore Camera on the west. The site is relatively flat and contains 3 single-story commercial/retail buildings with paved parking. The building at 6734 NE 181st Street crosses the shared property line with the property planned for the future pavilion building (parcel 3820200040) and will be demolished in conjunction with all other improvements on site. A portion of the grading and parking lot reconfiguration will occur on the Kenmore Camera property (parcel 6181700456) and a portion of the utility and grading work will occur on the Town Green and pavilion site (parcels 3820200040; 3820200050).

2. Kenmore Comprehensive Plan

- a. The Site Plan application has been reviewed for compliance with the adopted policies of the Kenmore Comprehensive Plan. KMC Title 18 "Zoning," and other applicable City development regulations have been adopted to ensure consistency with and implement the Kenmore Comprehensive Plan. The application is consistent with the following objectives and policies of the Comprehensive Plan, among others not listed:
 - i. Policy LU-5.1.3 of the Downtown Sub-Element of the Comprehensive Plan is to "provide routes for pedestrian, auto, bicycle, transit and truck travel with convenient access to each major destination. Buildings should be close to sidewalks to promote walking and browsing, with parking areas located on the side or rear of buildings." The development will promote walking by locating buildings close to the new 10 foot wide sidewalks along 68th Avenue NE and by providing a new pedestrian walkway onto the site from 68th Avenue NE. Parking areas will be located on the interior of the site behind, to the sides of, and under the mixed use building.
 - ii. Policy LU-5.2.6 of the Downtown Sub-Element of the Comprehensive Plan is to "promote pedestrian-friendly streets with street furniture and trees. Develop street trees and vegetation standards that unify the Downtown, define Downtown streets, and allow for appropriate business visibility. Incorporate street furniture and art into Downtown street standards, including benches, trash and recycling receptacles, tree grates, street lamps, and other amenities." The development will provide new 10 foot wide sidewalks on 68th Avenue NE. Other street improvements will include street trees, pedestrian lighting, utility undergrounding, electrical receptacles for street trees, light pole brackets for banners and flower baskets, as well as drip irrigation for street trees and hanging flower baskets.
 - iii. Objective LU-5.4 of the Downtown Sub-Element of the Comprehensive Plan is to "provide housing and commercial development that supports transit." The residential density will be 43 dwelling units per acre (total of 100 dwelling units) and is within less than one-quarter mile of multiple regional bus transit routes on NE Bothell Way providing service to future residents of the development.

CONCLUSION: The application has been reviewed for compliance with the Kenmore Comprehensive Plan as well as applicable development regulations which implement the policies of the Comprehensive Plan. The application meets the objectives and policies of the Comprehensive Plan.

3. Public Notification & SEPA (KMC 19.25, RCW 43.21C, KMC 19.35)

- a. The application exceeds the categorical exemptions from the State Environmental Policy Act (SEPA) pursuant to KMC 19.35.060 and WAC 197-11-800. A SEPA Environmental Checklist was completed by the applicant and filed with the application.
- b. The Optional Determination of Non-Significance (DNS) process was used to combine the 21 day Notice of Application comment period for the Site Plan application and SEPA comment period pursuant to WAC 197-11-355. The comment period ended 7/9/15. No comments were received during the comment period.
- c. A final Notice of Decision and SEPA DNS will be issued upon the effective date of the Site Plan, following approval of the Development Agreement by the City Council in accordance with KMC 18.110.050.F. The SEPA Environmental Checklist will be attached to the SEPA DNS and mailed

to SEPA agencies in conjunction with Notice of Decision requirements in KMC 19.25.090.

CONCLUSION: The application exceeds the SEPA exemption thresholds. A SEPA Environmental Checklist has been completed and reviewed by the City. A SEPA DNS will be issued in accordance with KMC 19.35 and WAC 197-11. In addition, public notification requirements in KMC 19.25 have been implemented.

4. Downtown Commercial Zone (KMC 18.25)

- a. The site is zoned Downtown Commercial (DC) and will consist of 3 new buildings:
 - i. A 5 story mixed use building in the NE corner of the site will contain 1 story of structured parking below the grade of 68th Avenue NE, 19,975 square feet of professional/medical office and parking at-grade with 68th Avenue NE, and 4 stories of multifamily residential units above. These proposed uses are permitted outright in the DC zone pursuant to KMC 18.25.020.
 - ii. Directly south of the mixed use building will be a 1-2 story commercial building with a maximum size of 20,000 square feet. The land uses within this building are yet to be determined, but will be consistent with the permitted uses within the DC zone pursuant to KMC 18.25.020.
 - iii. A single-story restaurant building will be located in the SW corner of the site and will be approximately 5,000 square feet in size. Eating and drinking places are permitted outright in the DC zone pursuant to KMC 18.25.020.
- b. Pursuant to KMC 18.25.020, Table A Footnote #5, multifamily developments fronting on 68th Avenue NE shall have a minimum of 80 percent of the structures street front façade at street level and it shall be occupied by nonresidential uses and shall be extend in depth to at least 30 feet. The first floor of the mixed use building will be 154'11" in length and will be at-grade with 68th Avenue NE. Over 80 percent of the total façade at the street level will consist of nonresidential uses (professional/medical office) and will exceed a depth of 30 feet. The mixed use building complies.
- c. The DC zone allows a maximum residential density of 72 dwelling units per acre and a minimum residential density of 36 dwelling units per acre in accordance with KMC 18.25.040. The mixed use building will contain 94 dwelling units, putting the density for the overall development at approximately 40 dwelling units per acre and within the maximum allowable density. The development complies with the maximum allowable residential density.
- d. Pursuant to KMC 18.25.040, the street setback may be a minimum of 0 feet and a maximum of 10 feet. The City may authorize intrusions of structural elements into the public right-of-way, including awnings, columns, bay windows, or others through the design review, site plan review, building permit review, or right-of-way use permit processes, if such intrusions would not impede safe travel by pedestrians, solar access is not significantly diminished, and City liability is limited. The development of the mixed use building will include projections into the 68th Avenue NE right-of-way of up to 4 feet. These projections into the right-of-way are allowed. Projections will not be allowed to be less than 7 feet in vertical clearance. Projections for the commercial and restaurant buildings will be reviewed during the building design review process.
- e. Pursuant to KMC 18.25.040, the minimum interior setback is 0 feet and increases to 20 feet when

the site is adjoining a property zoned R-1 to R-12. The site is not adjoining any R-1 to R-12 zoned properties and complies with the minimum allowable interior property line setback.

- f. The maximum allowable building height for developments providing structured parking is 65 feet in accordance with KMC 18.25.040. Pursuant to KMC 18.30.050.A, building height is measured from the “average finished grade” to the highest point of the roof. The building elevations for the mixed use building indicate the building height will be 73’10”. The proposal to exceed the maximum allowable height is being authorized by the associated Development Agreement.
- g. The allowable base height in the DC zone is 35 feet. Preliminary plans for the commercial and restaurant buildings indicate they will be within the allowable height limit. The final designs and building plans for these buildings will be reviewed for compliance with the allowable height limits.
- h. The maximum allowable impervious surface coverage in the DC zone is 90 percent of the lot area. The proposed impervious surface coverage for the site is 85 percent. The impervious surface coverage complies.

CONCLUSION: The application has been reviewed for compliance with the DC zone development standards and will comply with the applicable development standards. Departures from the DC zone development standards have been identified as part of the associated Development Agreement and approval of such departures are subject to final approval of the Development Agreement.

5. Landscaping (KMC 18.35)

- a. The development is subject to the landscape requirements in KMC 18.35. A conceptual landscape plan (Dahlin, dated received 7/16/15) was submitted and reviewed as part of the Site Plan application.
- b. The conceptual landscape plan provides an amount of landscaping on the site which meets the minimum requirements pursuant to KMC 18.35.045. However, the applicant has requested a departure from the landscape standards with regard to the landscape locational requirements. The departures to landscape requirements have been identified as part of the Development Agreement and the conceptual plan (Dahlin, dated received 7/16/15) is authorized by the Development Agreement. A final detailed landscape plan identifying plant types, quantities, locations, etc. will be conditioned to be submitted during engineering/building permit review.

CONCLUSION: The application has been reviewed for compliance with landscape requirements outlined in KMC 18.35 and will comply with applicable standards. Departures from the landscape requirements have been identified as part of the associated Development Agreement and approval of the departure is subject to final approval of the Development Agreement.

6. Downtown Design Standards (KMC 18.52)

- a. The site is subject design review under the Downtown Design Standards pursuant to KMC 18.52.070. Applications subject to design review shall be reviewed and processed following the permit procedures for the primary permit application consistent with KMC 19.25, as stated in KMC 18.52.075.A. Design review for the site plan and mixed use building was conducted concurrently with the Site Plan application. As authorized by the Development Agreement, design review for the commercial building and the restaurant building will occur at the time of building permit submittal for each respective building and will require compliance with KMC

18.52 and the associated provisions of the Development Agreement prior to building permit issuance.

- b. The site is located within the “northwest quadrant” of the downtown subarea. As required in KMC 18.52.100.B.1, through block connections are required in the northwest quadrant. A pedestrian walkway will be provided north from the Town Green/NE 181st Street and will connect to the existing pedestrian staircase for the adjacent Spencer 68 apartments. A walkway will also be provided on 68th Avenue NE abutting the south side of the mixed use building and will provide an east-west walkway onto the site. The walkway will extend through the site where it will intersect with the north-south walkway and connect with the existing walkway extending through the adjacent Kenmore Camera site. The proposed pedestrian walkways comply with design standards.
- c. Minimum pedestrian walkway (not including sidewalks on the perimeters of the site) widths for buildings greater than 3 stories in height is 8 feet, while the minimum average width is 12 feet in accordance with KMC 18.52.100.B.2.b. As shown on the site plan, the proposed pedestrian walkways abutting the mixed use building will vary from 8-12 feet in width, meeting the minimum requirement. Walkways throughout the remainder of the site will vary between 6-15 feet in width. Minimum pedestrian walkway widths comply.
- d. A conceptual level of detail has been submitted for lighting elements to demonstrate compliance with the lighting standards in KMC 18.52.140. Lighting will be provided with a combination of pedestrian-scaled lighting (e.g. bollards, in-ground lighting), while additional lighting will be provided on the buildings, throughout the parking lot, and on the site’s frontage in the form of street lighting. A final comprehensive lighting plan will be required during building/engineering permit review and will be required to comply with minimum lighting standards in KMC 18.52.140.
- e. Outdoor service and storage areas, mechanical equipment, and trash enclosures are required to comply with the screening requirements in KMC 18.52.200. Additional detail to verify compliance with applicable screening requirements will be required on subsequent architectural and civil plans. Final review for compliance with the screening requirements will occur during building/engineering permit review.
- f. Corner feature elements described in KMC 18.52.210.A.3 are required at the intersection of the mixed use building and the pedestrian walkway entering the site from 68th Avenue NE (abutting the mixed use building). The site plan identifies features to demonstrate compliance with these standards. Final construction plans will be verified to ensure compliance with the corner feature requirements.
- g. KMC 18.52.230 requires that structured parking be visually integrated into a building. The mixed use building elevations generally demonstrate compliance with the structured parking design requirements. Final building plans will be reviewed for compliance with the structured parking requirements prior to building permit issuance.
- h. Blank walls and side walls shall be detailed or treated architecturally to maintain visual interest. Additional details related to the interim condition between phases on the pedestrian walkway and stairs abutting the mixed use building and the west elevation of the mixed use building will be required during engineering/building permit review to ensure compliance with blank wall and side wall screening.

- i. Weather protection is required pursuant to KMC 18.52.290. Weather protection is being provided on the mixed use building's property frontage abutting 68th Avenue NE. The applicant has requested a departure from the weather protection standards as part of the Development Agreement. Departures from weather protection requirements is authorized by the Development Agreement.
- j. The applicant has requested a departure from the building materials requirements in KMC 18.52.300 as part of the Development Agreement. Departures from the building materials requirements is authorized by the Development Agreement.
- k. Pursuant to KMC 18.52.310, buildings over two stories in height are required to provide upper level setbacks. A departure from this standard is authorized by the Development Agreement.
- l. Horizontal building modulation at a depth of at least 6 feet is required on facades over 100 feet in length. While the mixed use building provides modulation in the form of recesses, balconies, and overhangs, it does not meet the minimum 6 foot depth. A departure from this standard is authorized by the Development Agreement.

CONCLUSION: The application was reviewed for compliance with KMC 18.52. The application complies with the applicable standards provided in the Downtown Design Standards, KMC 18.52. Departures from the Downtown Design Standards have been identified and are authorized subject to final approval of the associated Development Agreement.

7. Road Standards, Traffic, & Parking (KMC 12.50, 1993 KCRS, & KMC 18.40)

- a. The portion of 68th Avenue NE fronting the site is classified as a downtown collector arterial (urban) street which requires a minimum 44 foot pavement width, vertical curb and gutter, 10 foot sidewalk utilizing a 2 foot by 2 foot scoring pattern, irrigated tree wells at the back of curb at 40 foot on center with above ground electrical receptacles, specialized street lighting with banner brackets, specialized pedestrian lighting with hanging flower pot brackets, undergrounded utilities, and a full-width 2 inch overlay for the entire length of the project frontage.
- b. The curb line along the City Hall site across 68th Avenue NE to the east may vary in width to exceed 44 feet total pavement width, however, the development shall align the face of curb 22 feet off of the right-of-way centerline; this placement would align with the current (and future) alignment of the curb to the south.
- c. The portion of 68th Avenue NE abutting the development site shall be improved to City standards except that the curb face shall be placed 22 feet west of the right-of-way centerline.
- d. A right-of-way dedication along 68th Avenue NE will be required for the development to meet the minimum right-of-way width. The new right-of-way line shall be drawn at the back of the required frontage improvements.
- e. The 68th Avenue NE improvements shall generally be consistent with the improvements on the City Hall site on the east side of the 68th Avenue NE.
- f. The applicant has provided a Traffic Impact Analysis (TIA) (prepared by Transpo Group dated received 5/13/15) which is in alignment with the previous report for the Spencer 68 development to the north (CSP2013-073) and includes a Level of Service analysis of the intersection of 67th Avenue NE and 181st Street NE, an independent impact fee calculation, and shared parking

analysis. The City takes no exception to the report's findings.

- g. The TIA (Transpo, dated received 5/13/15) demonstrates the development impacts to 67th Avenue NE and NE 181st Street will maintain an acceptable Level of Service with the current configuration of one travel lane in each direction at each leg of the stop-controlled intersection.
- h. The applicant requested a departure from all minimum parking requirements in KMC 18.40. The development is not subject to parking minimums as authorized by the Development Agreement.
- i. All parking stalls and access aisles shall comply with KMC 18.40.110; compliance with these regulations shall be verified during engineering permit review.
- j. Per KMC 18.40.030.E, the development shall provide 1 bicycle parking space per every 12 vehicle parking spaces and 1 indoor bicycle parking space per 2 apartment units, unless otherwise reduced or waived by the City Manager. Bicycle parking requirements will be conditioned to be verified during engineering permit review.
- k. The TIA (Transpo, dated received 5/13/15) demonstrates the development will generate 28 new PM peak-hour trips compared to the previous use. Accordingly, the development shall be required to pay traffic impact fees for 28 trips in accordance with KMC 20.47.120. The per trip fee value and timing of payment shall be in accordance with the associated Development Agreement.

CONCLUSION: The application was reviewed for compliance with the road standards and parking requirements as outlined in the 1993 KCRS, KMC 12.50, and KMC 18.40. The application complies with applicable standards. Departures from the standards have been identified as part of the associated Development Agreement and are authorized subject to final approval of the development agreement.

8. Surface Water (KMC 13.35 & 2009 KCSWDM)

- a. Based on the project scope the project will require Full Drainage Review per KMC 13.35 and 2009 King County Surface Water Design Manual (KCSWDM).
- b. The applicant has submitted conceptual civil plans and Preliminary Technical Information Report (TIR) (BlueLine, dated received 7/16/15) to demonstrate that the project will comply with drainage requirements.
- c. The development has proposed to address *KCSWDM Core Requirement #3: Flow Control* by utilizing the *direct discharge exemption* per KCSWDM page 1-37. The project is an adequate candidate for use of the exemption but additional calculations to verify the downstream capacity is adequate for full build out conditions are still needed. Additional information is required and shall be reviewed in further detail prior to engineering permit approval. If, for any reason, the project cannot demonstrate full compliance with the requirement for the *direct discharge exemption*, a flow control facility designed to meet Level 2 flow control standards will be required.
- d. The development is a "redevelopment" project which will result in more than 5,000 new plus replaced pollution generating impervious surface and that drains to a major receiving water as defined in *KCSWDM Table 1.2.3.B*. Accordingly, per the Intent section on KCSWDM page 1-68, the project must provide a water quality treatment facility meeting the requirements for *Basic Water Quality Treatment* per KCSWDM 1.2.8.1.A.

- e. The development is a non-subdivision project which will be subject to the Flow Control Best Management Practice (BMP) Requirement per KCSWDM 5.2 and the applicant has provided a preliminary design which fully complies with the requirement. However, upon further review and information regarding contaminated soils on the adjacent parcel to the west, the City determined it is best to limit and restrict infiltration on the development site. Accordingly, the development will not be required to meet the *Flow Control BMPs Requirement* per KCSWDM 5.2. For additional information refer to the memo from City of Kenmore Civil Engineer Zack Richardson, PE, dated 6/30/15.

CONCLUSION: The application was reviewed for compliance with KMC 13.35 and the 2009 KCSWDM. The application will be conditioned to be reviewed for final compliance during construction permit review.

9. Fire Protection & Emergency Access (KMC Title 15 & KMC 18.45)

- a. Fire protection and emergency access requirements are outlined in KMC 18.45.080 and KMC Title 15. The Northshore Fire District Fire Marshal reviewed the application for compliance with applicable requirements and determined the application complies (exhibit 23).
- b. The application will be conditioned so that a final Fire Marshal review of construction plans will occur prior to issuance of any construction permits to ensure the development and buildings within the development comply with necessary fire protection and emergency access requirements.

CONCLUSION: The application meets the requirements for emergency access and applicable fire protection requirements. The application will be conditioned so that applicable fire protection and emergency access standards are incorporated into necessary plans and verified prior to project completion.

10. Water & Sewer (KMC Title 13 & KMC 18.45)

- a. The Northshore Utility District will serve the site with water and sewer. The application was reviewed for compliance with KMC 18.45.030 and 18.45.040 for adequate water and sewer services. Certificates of water and sewer availability were completed by the Northshore Utility District for the development and note that adequate water and sewer is available to serve the development.
- b. Sewer and water developer extensions with the Northshore Utility District will be required. Sewer service for the existing buildings, including the adjacent Kenmore Camera building, are provided by a common 6 inch side sewer. The stubs for the existing buildings to be demolished will need to be located and capped outside of the building. The 6 inch common line will need to remain in service for Kenmore Camera or will need to be re-routed during construction. New water and sewer extensions are depicted on the preliminary utility plan and will include extensions through the future Town Green site to the south and connecting into the main lines in the NE 181st Street right-of-way. The application will be conditioned so that final water and sewer requirements will be identified during construction permit review.

CONCLUSION: The application meets the water and sewer requirements in KMC Title 13 and KMC 18.45. The application will be conditioned to ensure all requirements related to water and sewer are met prior to completion of the project.

11. Schools

- a. Residents living within the mixed use building will be served by the Northshore School District. The site plan was sent to the school district for review and completion of a Request for School Information form. According to the school district, all school-aged children will be expected to walk to the school bus stop located at the intersection of NE 185th Street and 68th Avenue NE.
- b. The Northshore School District notes that safe walking pathways to schools and bus stops are essential. Walking pathways will be provided from the mixed use building to the school bus stop location via new and existing sidewalks along 68th Avenue NE and the crosswalk at the intersection of NE 182nd Street and 68th Avenue NE. The crosswalk is delineated with pavement markings, signage, and flashing lights. As part of the development, 68th Avenue NE will be re-stripped and the turn lane at the crosswalk location will be eliminated, narrowing the roadway section to travel lanes thereby limiting the number of lanes children must cross. The new sidewalks and re-stripping to be completed as part of the development, in conjunction with existing walking conditions to the school bus stop location, provide acceptable walking paths for school-aged children.

CONCLUSION: The development will be served by the Northshore School District. A combination of new improvements to be completed as part of the development and existing public sidewalks in the project vicinity will provide adequate walking paths for school-aged children walking to the school bus stop at the intersection NE 185th Street and 68th Avenue NE.

V. **CONDITIONS OF APPROVAL:**

Based upon the above Findings and Conclusions, the above referenced Site Plan application complies with KMC Title 18, as well as other adopted City regulations. The Site Plan application is hereby **approved**, subject to the following conditions:

A. General Conditions

1. The Site Plan approval shall not become effective until the City Council passes an ordinance authorizing the associated Development Agreement to be executed.
2. Departures from development regulations are subject to approval of the associated development agreement.
3. Separate City permits are required prior to beginning any construction activity and shall include, but not be limited to, engineering permit for all site work and a building permit for each proposed structure on the site. All construction permit plans shall comply with the approved site plan, conditions of approval, and the Development Agreement. Revisions and/or modifications to the site plan or construction permits shall be consistent with KMC 18.105, KMC 19.25.080, and as otherwise may be authorized by the Development Agreement.
4. Unless otherwise authorized by the Development Agreement, all engineering and building permit plans shall comply with the minimum required development standards of the DC zone.
5. Site Plan approval does not limit the applicant's responsibility to obtain any required permit or license from the State or other regulatory body.

B. Conditions of Approval Required for Engineering and/or Building Permit Issuance

1. The project shall comply with all provisions of Full Drainage Review per KMC 13.35 and the 2009 King County Surface Water Design Manual as adopted by the City.
2. Prior to engineering permit approval, the applicant shall provide additional calculations to demonstrate the development has met all requirement of the direct *discharge exemption* per KCSWDM page 1-37. If the development cannot demonstrate full compliance with the requirement for the exemption, a flow control facility designed to meet *Level 2 flow Control Standard* per KCSWDM 1.2.3.B will be required.
3. The development shall provide a water quality treatment facility meeting the requirements for *Basic Water Quality Treatment* per KCSWDM 1.2.8.1.A.
4. The portion of 68th Avenue NE which fronts the development site shall be improved to provide a of minimum 22 feet of pavement measured between the face of curb and right-of-way centerline, vertical curb and gutter, 10 foot sidewalk utilizing a 2 foot by 2 foot scoring pattern, irrigated tree wells at the back of curb at 40 feet on center with above ground electrical receptacles, specialized street lighting with banner brackets, specialized pedestrian lighting with hanging flower pot brackets, undergrounded utilities, and a full-width 2 inch overlay for the entire length of the project frontage.
5. All parking stalls and access aisles shall comply with KMC 18.40.110; compliance with these regulations shall be verified during engineering permit review.
6. Per KMC 18.40.030.E, the development shall provide 1 bicycle parking space per every 12 vehicle parking spaces and 1 indoor bicycle parking space per 2 apartment units unless otherwise reduced or waived by the City Manager.
7. Copies of all easements and/or written property owner permissions for all off site work shall be submitted to the City prior to beginning any construction activities within off site locations.
8. No projections or obstructions with a vertical clearance less than 7 feet will be permitted within public walkways and/or right-of-ways.
9. All construction details and/or specifications of design elements shall be provided during engineering and/or building permit review as necessary to demonstrate compliance with required Downtown Design Standards in KMC 18.52 and to ensure construction of such elements.
10. The mixed use building plans shall comply with the approved building elevations and project renderings and shall incorporate all required features and elements required for compliance with the Downtown Design Standards in KMC 18.52, except for those departures authorized by the Development Agreement.
11. All pedestrian walkway requirements in KMC 18.52.100 and those identified on the approved site plan shall be incorporated into final engineering/building permit plans.
12. A final lighting plan in compliance with the minimum lighting standards in KMC 18.52.140 shall be approved prior to engineering/building permit issuance.
13. Final screening of outdoor service and storage areas, mechanical equipment, and trash enclosures shall be identified on all applicable plans and meet the screening requirements in KMC

18.52.200.

14. Parking garage integration requirements in KMC 18.52.230 shall be incorporated into the engineering/building plans.
15. Engineering and building plans shall address blank wall screening requirements in KMC 18.52 as necessary to screen blank walls throughout the development site.
16. A final landscape plan shall be filed for review as part of the engineering/building permit review. The plan shall be consistent with the approved site plan and deviations authorized by the Development Agreement.
17. The applicant is responsible for payment of park impact and traffic impact fees as identified and authorized by the Development Agreement.
18. Engineering and building plans shall be reviewed for compliance with emergency access, fire alarm, and fire sprinkler requirements.
19. The applicant shall coordinate directly with the Northshore Utility District for final water and sewer requirements.

C. Conditions of Approval Required Prior to Certificate of Occupancy

1. Minimum required improvements, as identified by the City, associated with each building and phase shall be installed and approved by the City prior to issuance of a certificate of occupancy or temporary certificate of occupancy on each building.
2. The required right-of-way dedication on the 68th Avenue NE property frontage shall be completed and recorded prior to issuance of any final certificate of occupancy.
3. All required landscaping and elements required as part of the compliance with KMC 18.52, Downtown Design Standards, shall be completed and approved by the City prior to final certificate of occupancy.
4. Compliance with the bicycle parking requirements shall be verified prior to issuance of any final certificate of occupancy.
5. All fire department conditions related to emergency access, fire sprinklers, and fire alarms shall be satisfied for each certificate of occupancy issued for each building within all phases. All final fire department conditions shall be satisfied prior to final certificate of occupancy for any phase.
6. Final approval from the Northshore Utility District (NUD) shall be provided for all required water and sewer improvements prior to issuance of a final certificate of occupancy.

VI. APPEALS:

Pursuant to KMC 18.110.050.F, the final decision of the Development Services Director on the Site Plan and SEPA Determination shall become effective on the date that the City Council passes the ordinance for the Development Agreement. The period for appealing such final decision, as provided in KMC 19.25.020, shall commence on the date that the City Council passes such ordinance.

In accordance with KMC 19.25.020, the Site Plan decision and/or SEPA Determination may be appealed to the City of Kenmore Hearing Examiner. A Notice and Statement of appeal must be filed with the Kenmore City Clerk within 21 days from the effective date of this decision. The Notice and Statement of appeal shall state: 1) Specific reasons why the decision should be reversed or modified; and 2) The harm suffered or anticipated by the appellant and the relief sought. The scope of an appeal shall be based on matters or issues raised in the Statement of Appeal. Failure to file a Notice and Statement of appeal deprives the Hearing Examiner jurisdiction to consider the appeal.

The Notice and Statement of appeal must be submitted to the City Clerk at Kenmore City Hall no later than 21 days from the effective date (noted below), and be accompanied with a filing fee of \$125 payable to the City of Kenmore.

Date of Site Plan Administrative Decision: July 16, 2015

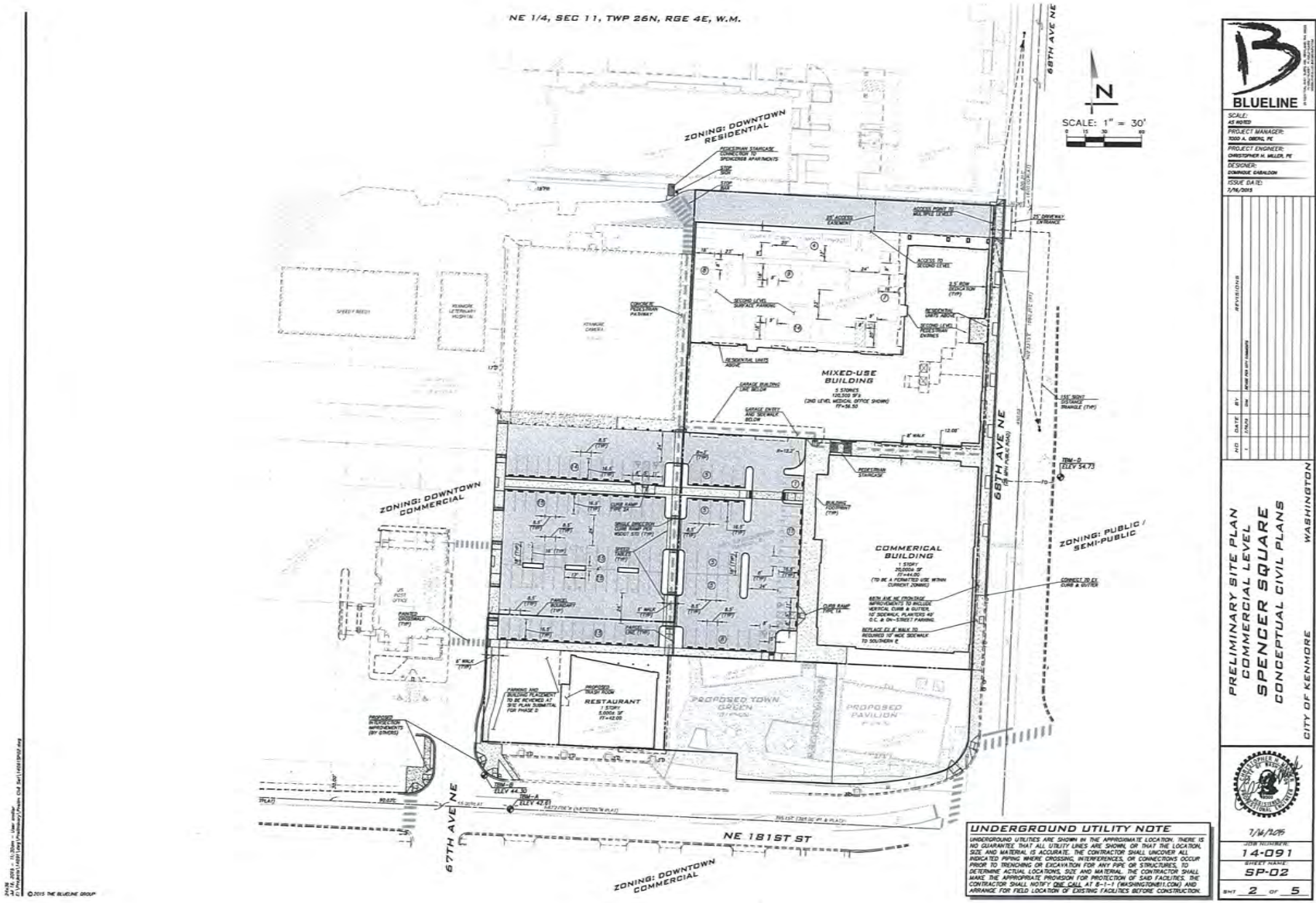
Decision issued by: 
Bryan Hampson
Development Services Director

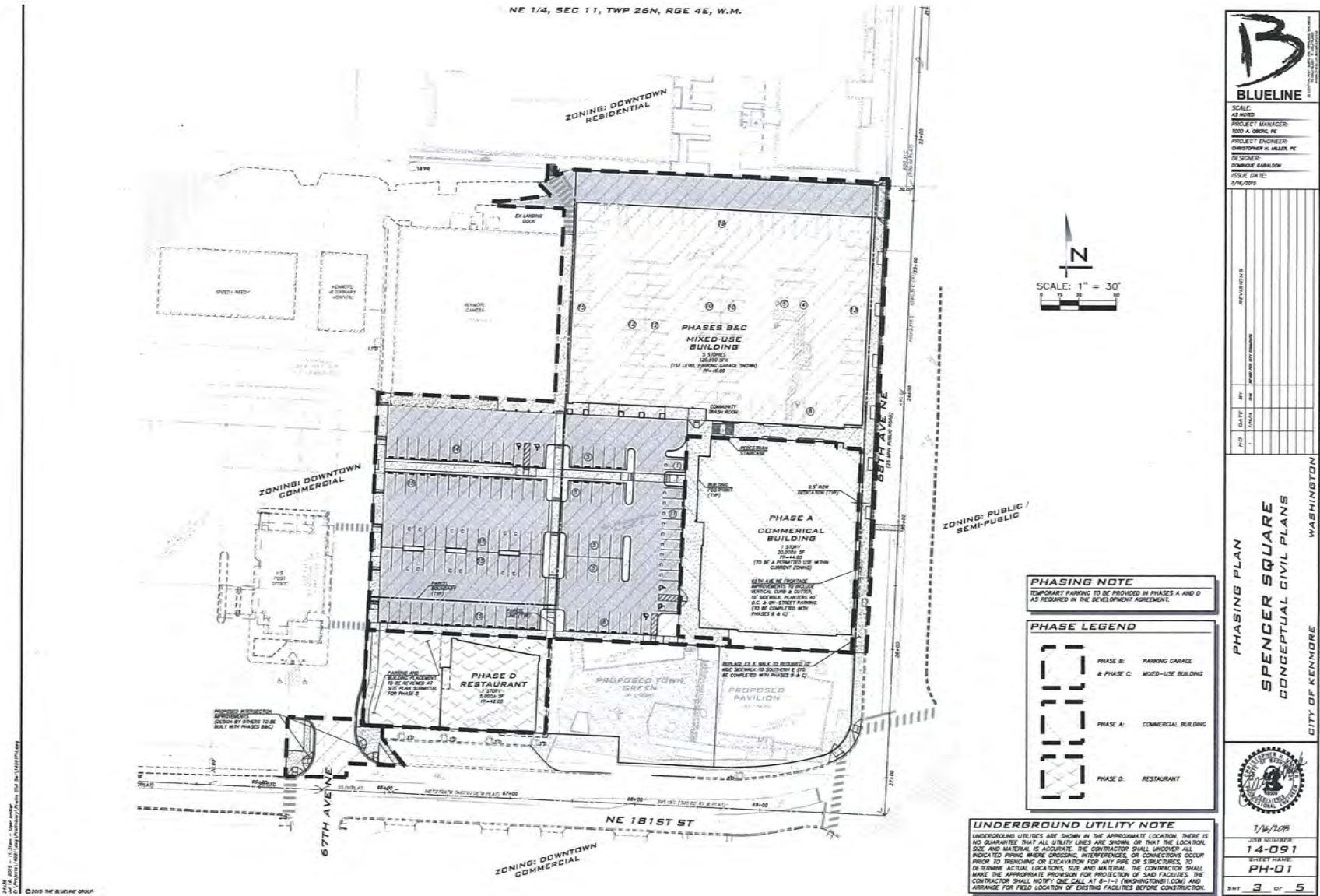
Development Agreement Ordinance: #15-0401

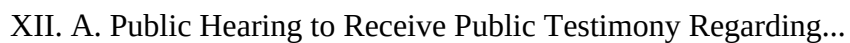
Effective Date of Site Plan Approval and SEPA Determination: _____

Site Plan and SEPA Determination Appeal Deadline (21 days after effective date): _____

SNT 1 OF 5







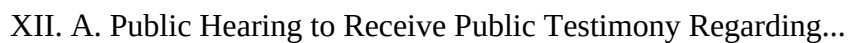


EXHIBIT C
[Certificate of Satisfaction Form]

EXHIBIT D
[Notice of Termination]

EXHIBIT E
[Project Renderings]



FINAL COLOR PALATTE TO BE MUTUALLY AGREED UPON

SPENCER SQUARE

KENMORE, WA | MSPT XI LLC

DAHLIN GROUP ARCHITECTURE | PLANNING | 1130.017 | JULY 2015



NORTH EAST VIEW

A3



SPENCER SQUARE
KENMORE, WA | MSPT XI LLC

DAHLIN GROUP ARCHITECTURE | PLANNING | 1130.017 | JULY 2015



SOUTH EAST VIEW

A4



SPENCER SQUARE
KENMORE, WA | MSPT XI LLC

DAHLIN GROUP ARCHITECTURE | PLANNING | 1130.017 | JULY 2015

DAHLIN
group
SOUTH WEST VIEW

A5



SPENCER SQUARE
KENMORE, WA | MSPT XI LLC

DAHLIN GROUP ARCHITECTURE | PLANNING | 1130.017 | JULY 2015

DAHLIN
group
FRONT ENTRY VIEW

A6



68TH STREET ELEVATION

SPENCER SQUARE
KENMORE, WA | MSPT XI LLC

DAH LIN GROUP ARCHITECTURE | PLANNING | 1130.017 | JULY 2015



STREETSCAPE

A7

0 16 32 64
1/16"=1'-0" SCALE





68TH STREET ELEVATION

ELEVATION KEYNOTES

- 1 COMPOSITE SHINGLE ROOFINGS
- 2 SMOOTH WALLBOARD W/ REVEALS
- 3 HORIZONTAL LAP SIDING
- 4 COMPOSITE WINDOWS AND DOORS
- 5 METAL BALCONY
- 6 ARCHITECTURAL SCREEN
- 7 STOREFRONT WINDOW/DOOR ASSEMBLY
- 8 MIXED STAINED SIDING



SOUTH ELEVATION

SPENCER SQUARE
KENMORE, WA | MSPT XI LLC

DAHLIN GROUP ARCHITECTURE | PLANNING | 1130.017 | JULY 2015



ELEVATIONS

A8

0 16 32 64
1/16"=1'-0" SCALE





ELEVATION KEYNOTES

- 1 COMPOSITE SHINGLE ROOFINGS
- 2 SMOOTH WALLBOARD W/ REVEALS
- 3 HORIZONTAL LAP SIDING
- 4 COMPOSITE WINDOWS AND DOORS
- 5 METAL BALCONY
- 6 ARCHITECTURAL SCREEN
- 7 STOREFRONT WINDOW/DOOR ASSEMBLY
- 8 MIXED STAINED SIDING



SPENCER SQUARE
KENMORE, WA | MSPT XI LLC

DAHLIN GROUP ARCHITECTURE | PLANNING | 1130.017 | JULY 2015



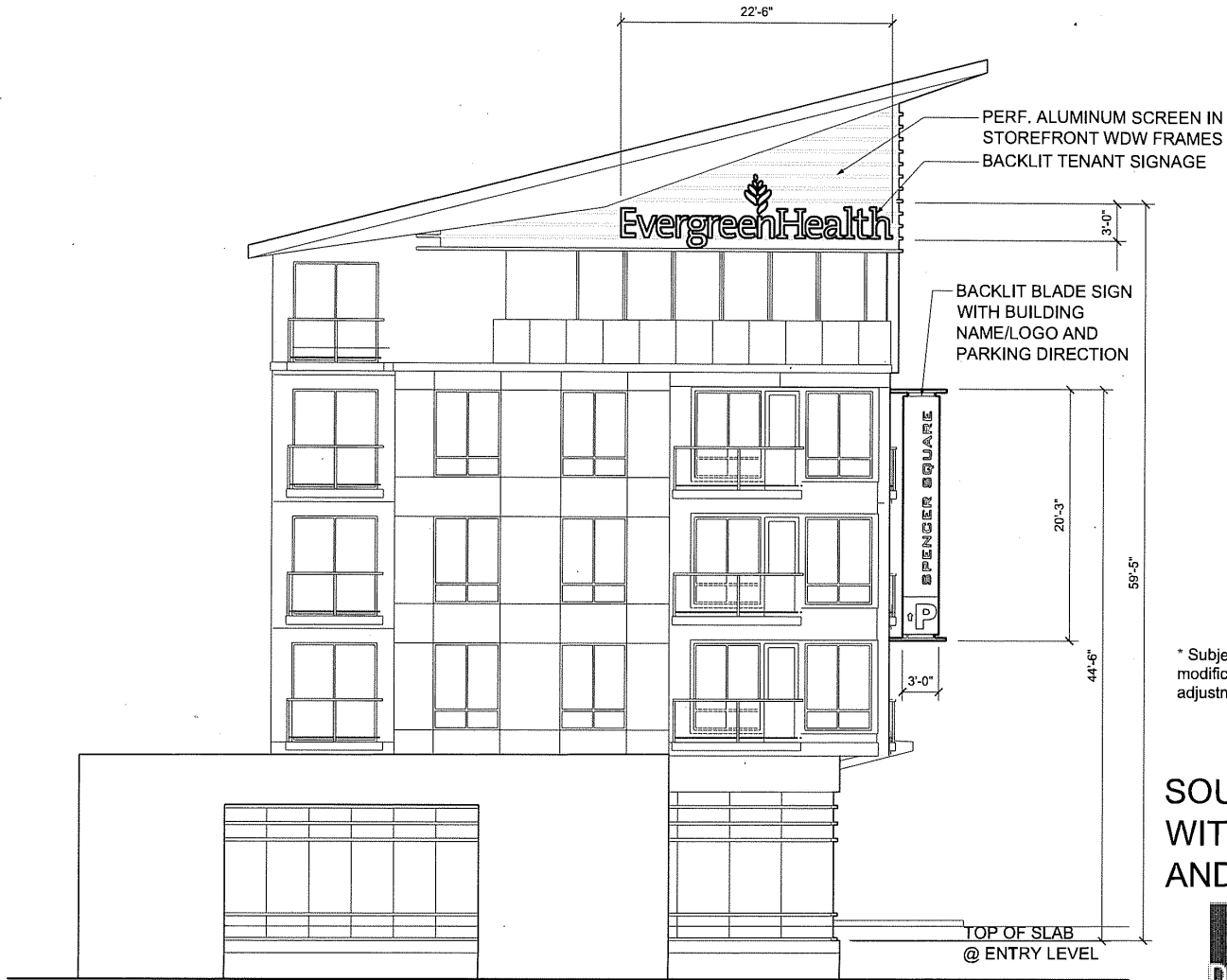
ELEVATIONS

A9

0 16 32 64
1/16"=1'-0" SCALE



EXHIBIT F
[Spencer Square Signs]



* Subject to final signage design which could include modifications to text, locations and reasonable size adjustments.

SOUTHEAST CORNER WITH TENANT SIGNAGE AND BUILDING BLADE SIGN



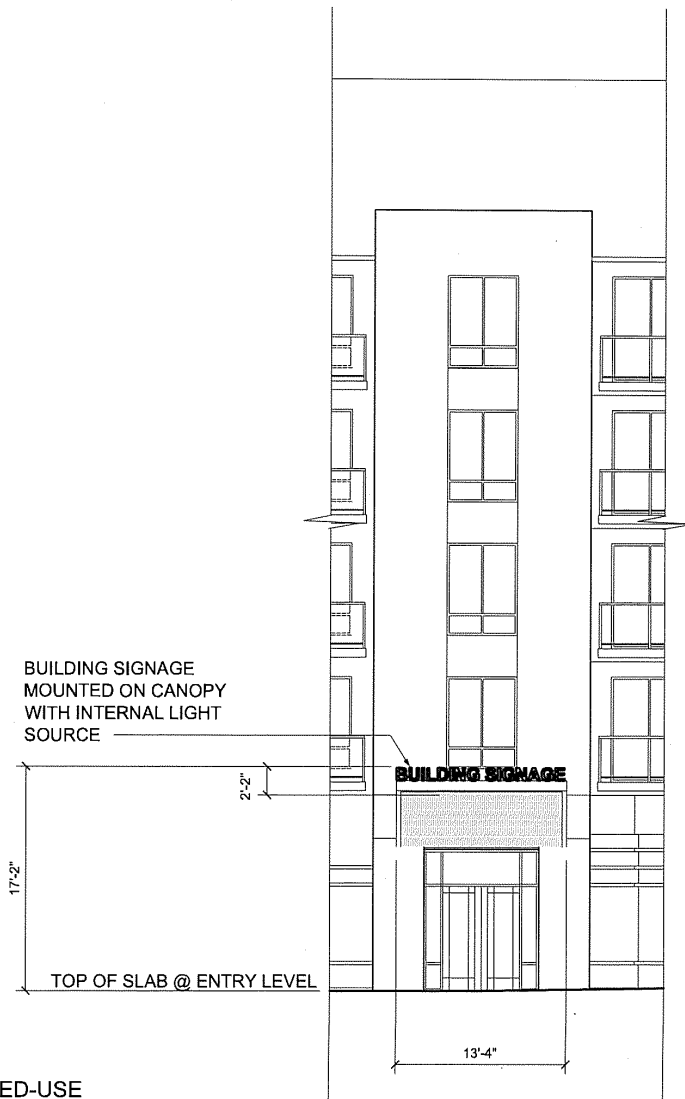
JOB NO. 1130.017

DATE 7-15-2015

X.1

SPENCER SQUARE- MIXED-USE

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SPENCER SQUARE- MIXED-USE

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* Subject to final signage design which could include modifications to text, locations and reasonable size adjustments.

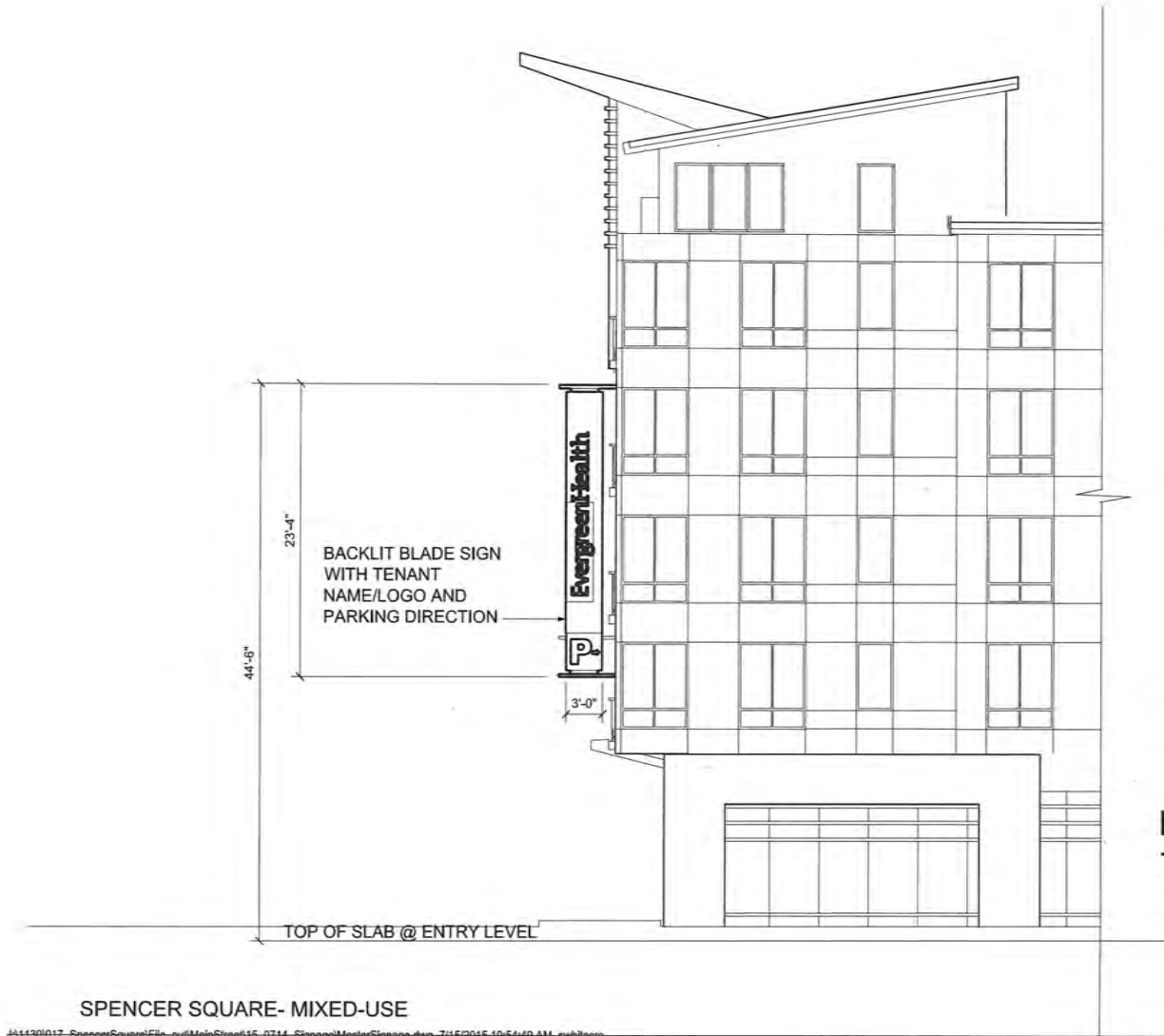
BUILDING ENTRY CANOPY
SIGNAGE OFF 68TH STREET



JOB NO. 1130.017

DATE 7-15-2015

X.2



* Subject to final signage design which could include modifications to text, locations and reasonable size adjustments.

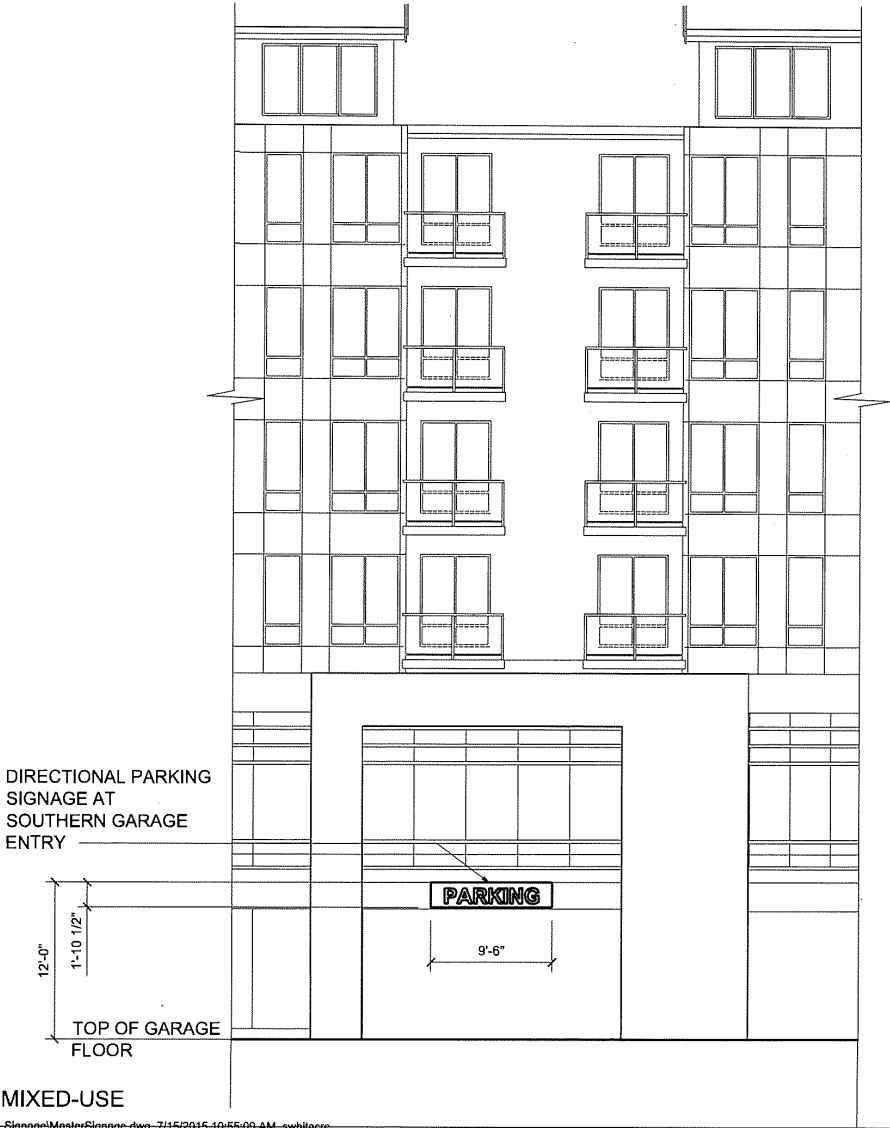
NORTHEAST CORNER WITH TENANT BLADE SIGN



JOB NO. 1130.017

DATE 7-15-2015

X.3



SPENCER SQUARE- MIXED-USE

J:\1130\017_SpencerSquare\File_out\MainStreet\15_0714_Signage\MasterSignage.dwg, 7/15/2015 10:55:09 AM, swhitacre

* Subject to final signage design which could include modifications to text, locations and reasonable size adjustments.

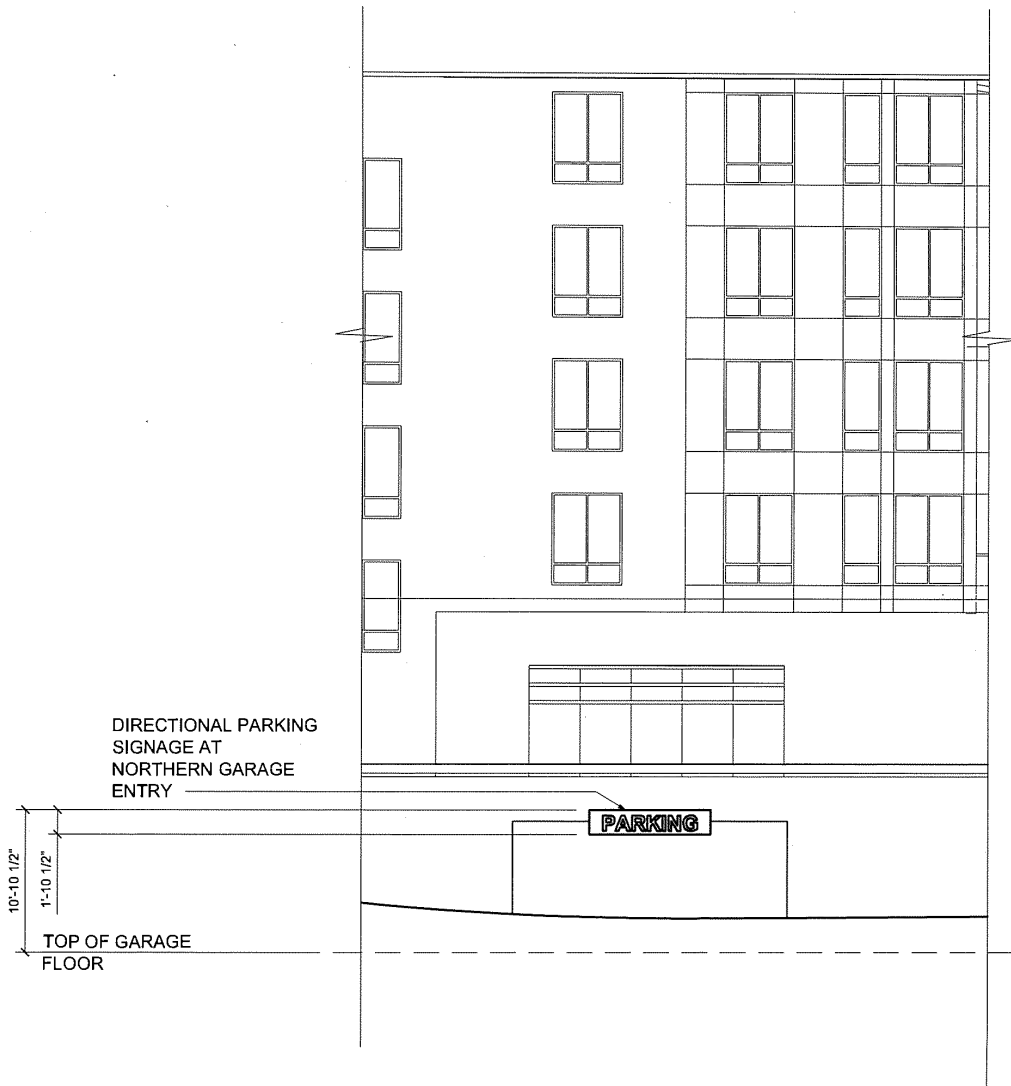
SOUTHERN PARKING
ENTRANCE



JOB NO. 1130.017

DATE 7-15-2015

X.4



* Subject to final signage design which could include modifications to text, locations and reasonable size adjustments.

NORTHERN PARKING ENTRANCE



JOB NO. 1130.017

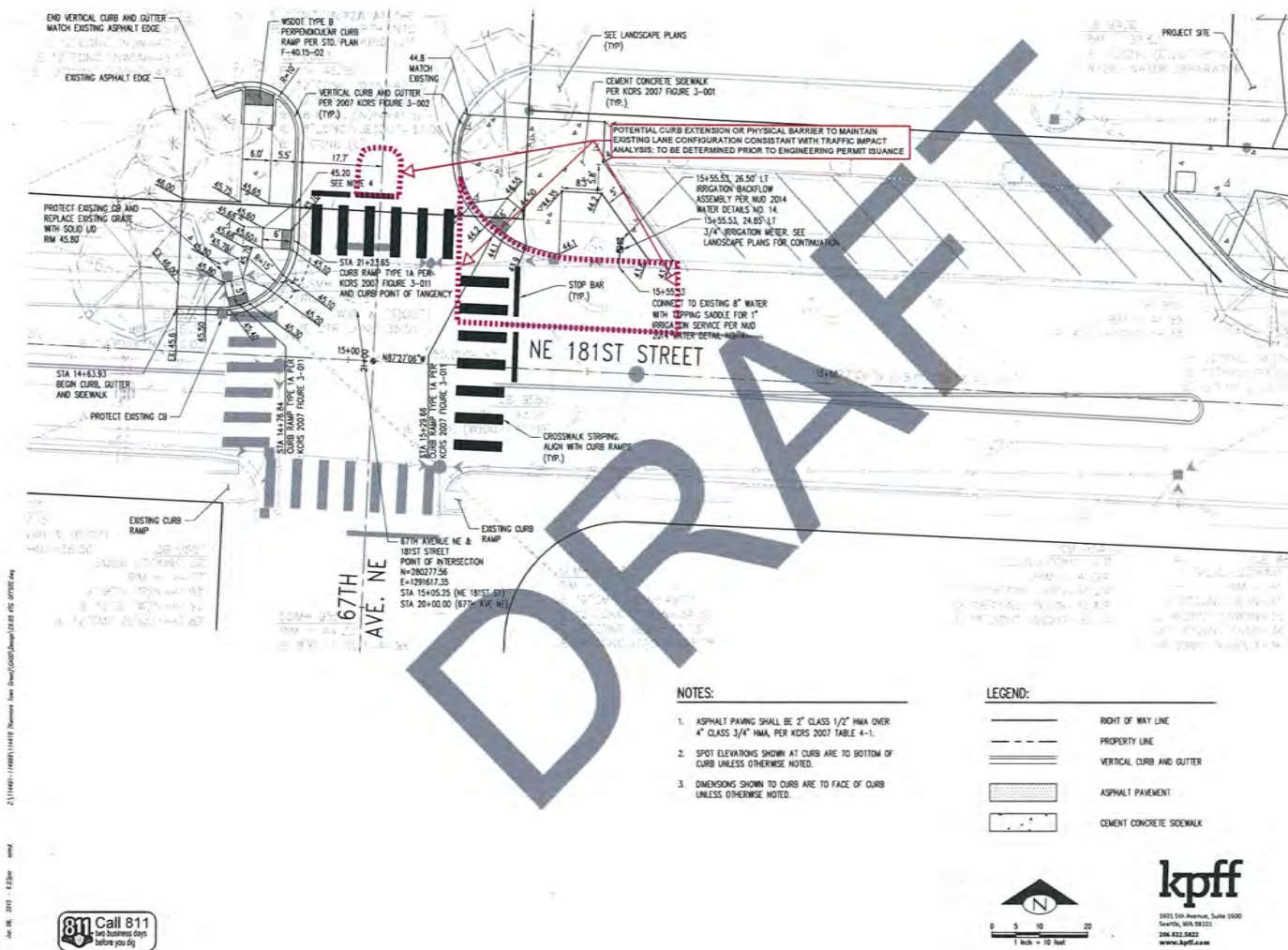
DATE 7-15-2015

X.5

SPENCER SQUARE- MIXED-USE

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EXHIBIT G
[NE 181nd ST and 67th Ave NE Improvements]



NOTES:

1. ASPHALT PAVING SHALL BE 2" CLASS 1/2" HMA OVER 4" CLASS 3/4" HMA, PER KORS 2007 TABLE 4-1.
2. SPOT ELEVATIONS SHOWN AT CURB ARE TO BOTTOM OF CURB UNLESS OTHERWISE NOTED.
3. DIMENSIONS SHOWN TO CURB ARE TO FACE OF CURB UNLESS OTHERWISE NOTED.

LEGEND:

- RIGHT OF WAY LINE
- PROPERTY LINE
- VERTICAL CURB AND GUTTER
- ASPHALT PAVEMENT
- CEMENT CONCRETE SIDEWALK



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HEWITT architecture
landscape architecture
urban design

101 steuart street
suite 200
seattle, washington
98101
(206) 824-8154 phone
(206) 626-0541 fax

**KENMORE
TOWN GREEN**
6734 NE 181ST STREET
KENMORE, WA 98028

OWNER
**CITY OF
KENMORE**
18120 68TH
AVENUE NE

REVISIONS
NO. DESCRIPTION BY DATE

DOCUMENT SET TYPE:
PERMIT DRAWINGS

DRAWN BY: CHECKED BY:



SHEET TITLE:
**OFFSITE
IMPROVEMENTS
PLAN**

PROJECT NO.
114410
DATE:
AS NOTED
DATE: 6/28/15

DRAWING NO.
C6.00
SCALE:
10' = 10'

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1. REFER TO CIVIL DRAWINGS FOR ALL EXISTING AND PROPOSED UTILITY LINES, POLES, METERS, VAULTS, AND STRUCTURES LOCATED IN THE R.O.W. AND ON SITE.
2. REFER TO CIVIL DRAWINGS FOR ALL GRADING INFORMATION IN THE R.O.W. AND ON SITE.
3. REFER TO LAYOUT PLANS FOR ALL PLANTER DIMENSIONS (FORTHCOMING).
4. REFER TO LAYOUT PLANS FOR ALL SCORING AND JOINTING OF PAVEMENT.
5. REFER TO SLOPE PORTALS.
6. REFER TO SLOPE 1:1 - 1.5:1 FOR SITE SECTION AND DETAILS.
7. ALL SITE FURNISHINGS INCLUDING BUT NOT LIMITED TO TABLES, CHAIRS, AND SEATINGS ARE TO BE OBTAINED, FURNISHED, AND CONTRACTOR TO BE INSTALLED. FINAL LOCATIONS AND QUANTITIES TO BE DETERMINED.
8. REPORT ANY DISCREPANCIES BETWEEN THESE DRAWINGS AND ACTUAL FIELD CONDITIONS TO LANDSCAPE ARCHITECT PRIOR TO CONSTRUCTION BEGINNING LAYOUT.
9. REFER TO ELECTRICAL PLANS FOR GFCI LOCATIONS.

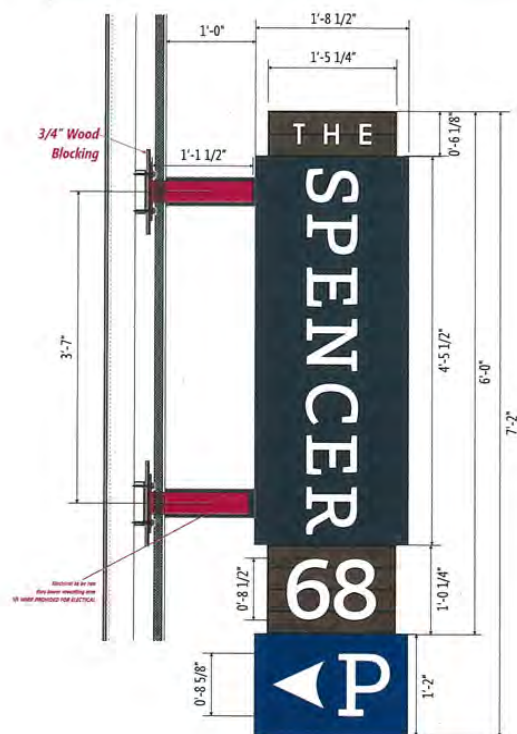
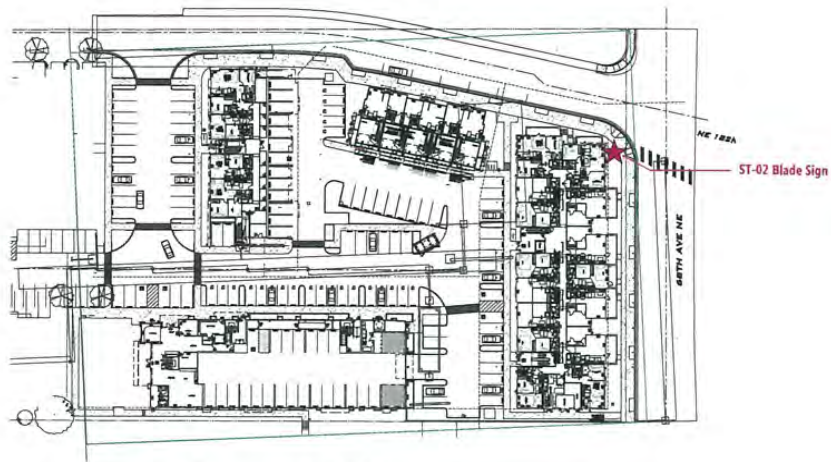
approved for construction.

EXHIBIT H**Expedited Review Times**

Phase B/C Mixed Use Building

Permit Type	Submittal Date	Kenmore 1st Review Date	MSPG Response Time and Resubmittal	Kenmore 2nd Review/ Permit Issuance
Demolition	Complete	N/A	N/A	8/17/2015
Grading/Engineering	Complete	Complete	Complete	8/17/2015
Foundation Permit	Approx 9/16/15	2 Weeks	1 Week	1 Week
Building Permit	Approx 10/21/15	3 Weeks	2 Weeks	2 Weeks

EXHIBIT I
[Spencer68 Building Identification Sign]





**City Council Business Agenda Item
City of Kenmore, WA**

Subject/Topic: Road Standard Policy Discussion #1 Policy 1: Frontage Improvements Policy 2: Frontage Definition on Flag Lots Policy 3: Sidewalks Policy 4: Amenity Zones Policy 5: Utility Undergrounding Proposed Council Action/Motion: No formal action; provide guidance only	For Council Meeting Agenda of: July 20, 2015 Department: Engineering Prepared by: Zack Richardson, PE To Be Presented By: Zack Richardson, PE Initial & Date Approved by Department Head: <u>KMO 7/9/15</u> Approved by City Attorney: <u>N/A</u> Approved by Finance Director: <u>[Signature] 7/9/15</u> Approved by City Manager: <u>[Signature]</u> Exhibits/Attachments: A – Defining Partial Single Family Traffic Impacts			
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Expenditure Required NA</td> <td style="width: 33%; text-align: center;">Amount Budgeted NA</td> <td style="width: 33%; text-align: right;">Appropriation Required NA</td> </tr> </table>		Expenditure Required NA	Amount Budgeted NA	Appropriation Required NA
Expenditure Required NA	Amount Budgeted NA	Appropriation Required NA		
<u>INFORMATION/BACKGROUND:</u> Staff is in the process of creating the first <i>City of Kenmore Road Standards</i> (herein referred to as Standards) which will control the way in which roads and frontage are constructed by development in the City. Until now the City has adopted and utilized the <i>1993 King County Roads Standards</i>. The Standards seek to balance vehicle, pedestrian, and bicycle safety needs while promoting quality development within the City. This presentation is to provide information to Council and seek Council input on key policy revisions within the proposed Standards which will impact the way in which private development is conducted within the City. Council feedback and guidance provided at this meeting will be incorporated into official draft Standards that will be provided to Council for approval later this year. The policies presented for discussion this evening include: - Policy 1: Frontage Improvements - Policy 2: Frontage Definition on Flag Lots - Policy 3: Sidewalks - Policy 4: Amenity Zones - Policy 5: Utility Undergrounding For each policy discussion, the format is arranged in the following manner: 1) Description of Proposed Standard 2) Description of Existing Standard 3) Potential Impacts 4) Staff Recommendation 5) Council Feedback Request				

Policy #1 – Frontage Improvements:

Description of Proposed Standard: Staff proposes to require frontage improvements (curb, gutter, sidewalk, amenity zones, and storm drain as needed) on all projects which are determined to have traffic impact. This includes new stand alone single family residential projects which do not include a subdivision component. It also includes any addition or re-build project which adds 2 or more bedrooms (see Attachment A for justification of traffic impact).

Staff also proposes to establish a fee-in-lieu of program which would allow applicants to pay a fee in place of physically constructing the frontage improvements. The proposed fees will be based on the linear foot cost estimates which are incorporated into City's sidewalk program; generally between \$400 and \$700 per linear foot of frontage. The fee paid by the applicant is currently proposed to supplement the sidewalk program budget, but is limited by restrictions which dictate how and when the City must use the funds. The use of the fee-in-lieu option would be limited and would be at the discretion of the City Manager.

The revisions to the Standards would expand the City's sidewalk network in association with proposed development by assessing the requirement on several project types which previously did not have to provide frontage improvements. Additional sidewalk will create a safer, more walkable City. Additionally, this change would result in shorter segments of roadway which do not include sidewalk and may make wholly complete sections of sidewalk more feasible within the City sidewalk program budget. Where the fee-in-lieu option is approved for a development/project, it would increase the funds available for the City to construct sidewalk in more desirable or higher priority locations.

Description of Existing Standard: Single family projects are not required to provide frontage improvements. An exemption also exists for 2-lot short plats which retain an existing structure.

Potential Impacts: The proposed revision to frontage improvement requirements will have several potential impacts:

- Increased pedestrian safety by creating additional sidewalks where they would not have been provided previously.
- Reduced demand on City sidewalk budget; expands City ability to provide complete sidewalk connections.
- Potential increase in home values; increased "walkability" is generally associated with increased home values.
- Additional sidewalk maintenance needs; maintenance designated to adjacent property owners per KMC 12.70.
- Additional development cost for small plat projects.
- Additional construction cost for individual property owners with projects that generate a traffic impact.

Staff Recommendation: Staff recommends requiring frontage improvements on all projects which generate a traffic impact, including single family projects which add or create 2 or more bedrooms. Staff strongly recommends that the 2-lot short plat no longer be exempt from frontage improvements; staff believes the additional cost of the frontage improvements would not be a significant barrier to development. For single family home projects, the cost of frontage improvements could be cost prohibitive for individual property owners. Given current Council goals, staff believes that the public benefit of more sidewalks outweigh the impacts of the additional cost.

Council Feedback Request: Staff seek Council direction to proceed with one of the following options:

1. Proceed as recommended; require frontage improvements on all projects which generate a traffic impact, including single family residential projects which add or create 2 or more bedrooms.
2. Proceed with no change from current practice; do not require frontage improvements on 2-lot short plats or single family residential projects.
3. Proceed with requiring frontage improvements on 2-lot short plats, but not on single family residential

project (including new homes).

4. Proceed with requiring frontage improvements on 2-lot short plats and new homes, but not on single family additions or tear-down-rebuilds.

Policy #2 – Frontage Definition on Flag Lots:

Description of Proposed Standard: Staff proposes to change the definition of the frontage of a “flag lot” or “panhandle lot” to include the full width of the widest portion of the lot (measured parallel to the roadway) rather than just the portion that abuts the public right-of-way. See Figure 2.1 below for an example.

This modification would be applied to all project types requiring frontage improvements (consistent with Council direction to policy #1). In cases where right-of-way widths prohibit the construction of the required improvements, the City would permit a fee to be paid in lieu of the frontage improvements.

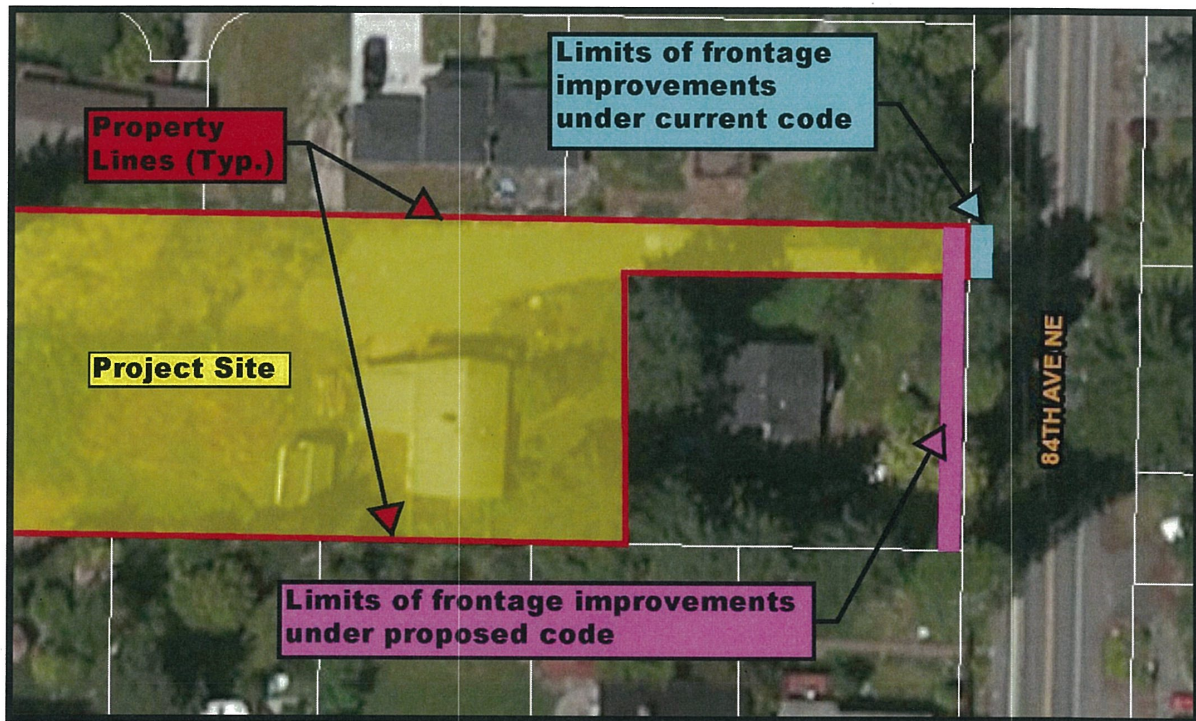


Figure 2.1

Description of Existing Standard: The frontage of a project is defined as only the portion which directly abuts the public right-of-way; for flag lots and panhandle lots the frontage is the width of the panhandle or narrow access stem, usually 30' or less in width.

Potential Impacts: The proposed revision to frontage requirement will have several potential impacts:

- Increased pedestrian safety by creating additional sidewalks where they would not have been provided.
- Increased accessibility on public walkways; longer segments of sidewalk.
- Potential increase in home values; increased “walkability” is generally associated with increased home values.
- Additional sidewalk maintenance needs; maintenance designated to adjacent property owners per KMC 12.70
- Additional development costs for flag or panhandle lots.

Staff Recommendation: Staff recommends revising the definition of the frontage on flag or panhandle

lots to be the full width of the widest portion of the lot, measured parallel to the roadway. Staff believes that panhandle lots previously fell in a “loop-hole” in the current code and could create significant impacts without appropriate mitigation. These types of projects could result in a condition where the land was fully developed without an improved frontage, and without any further potential to require frontage improvements of private development. Staff believes the costs for frontage improvements are a ‘cost of doing business’ for the development community and that this change still remains within the reasonably expected cost for development.

Council Feedback Request: Staff seek Council direction to proceed with one of the following options:

1. Proceed as proposed; define the flag and panhandle frontage to be equal to the widest part of the lot width, measured parallel to the roadway.
2. Proceed with no change from current practice; leave flag and panhandle lot frontage as only the narrow portion directly abutting the public right-of-way.

Policy #3 - Sidewalks:

Description of Proposed Standard: Staff proposes to require sidewalks on *all* sides of *all* public roads and private commercial roadways which will have structures, homes, or driveways that access that side of the street. Arterials roads are identified in the City’s Transportation Element and will all include sidewalk but will have unique road sections specifically designed to meet specific City goals within existing right-of-way constraints. The sidewalk requirement would apply to all non-arterial roads except 1) private residential roads providing access to 6-lots or less (which do not require a sidewalk), or 2) private multi-family roads (which require a walkway that may deviate from the roadside in order provide access to the main entrances of buildings).

Under the new standard, a cul-de-sac built in the middle of a development (homes on either side of the road) would include sidewalk on both sides. A roadway built adjacent to a property line (so that it borders an adjacent parcel), would only include sidewalk on the near side of the roadway where homes were proposed until such time that the adjacent parcel developed; when the adjacent parcel developed, they would be required to complete the second sidewalk on the other side of the street.

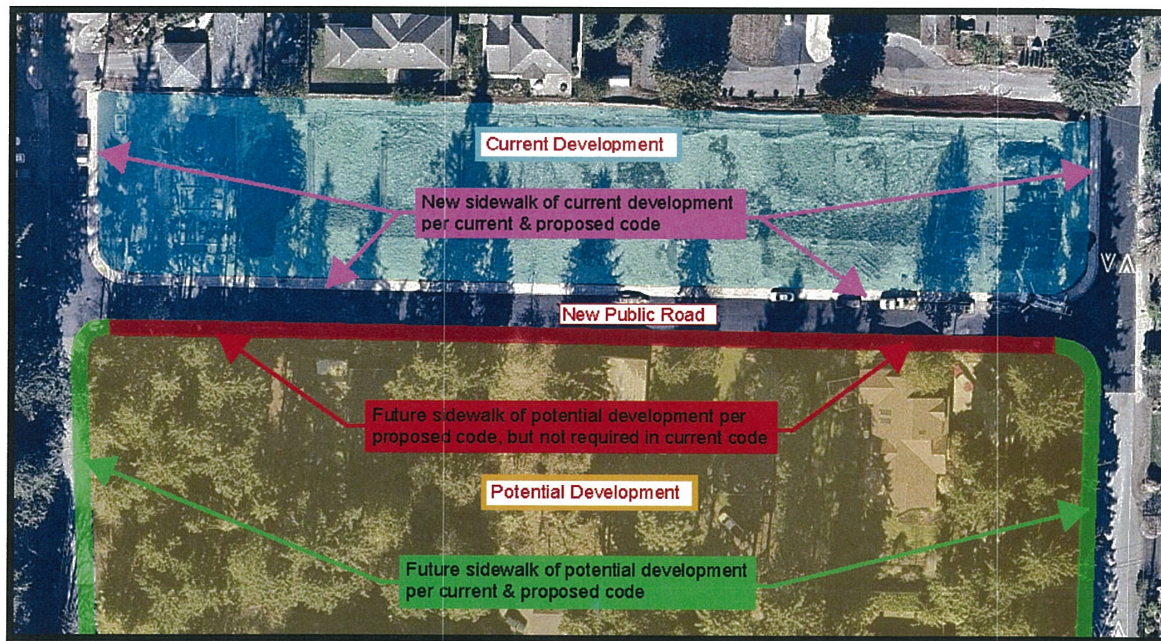


Figure 3.1

Description of Existing Standard: Smaller residential roadway types, serving 50 lots or less only required sidewalk on one-side of the roadway. Larger residential roadways and most commercial roadways have always required sidewalk on both sides.

Potential Impacts: The proposal to require sidewalk on both sides will have several potential impacts:

- Increased impervious surfaces resulting in associated storm water impacts. *Note: Pervious sidewalks are permitted and could be used to offset this impact.*
- Increase in the land required for developments; increases the right-of-way widths required for new roads which typically results in fewer lots in same space.
- Increase in development costs for mid-sized residential projects; additional cost of sidewalk and storm water mitigation
- Increased pedestrian safety; raised sidewalks provided on all new developments
- Potential increase in home values; increased “walkability” is generally associated with increased home values.
- Additional sidewalk maintenance needs; maintenance designated to adjacent property owners per KMC 12.70

Staff Recommendation: Staff recommends requiring sidewalks on *all* sides of *all* public roads and private commercial roadways which will have structures, homes, or driveways that access that side of the street. The additional sidewalk requirement is consistent with Council direction to provide a walkable and safe community and serves to promote the *Target Zero* initiative. The negative impacts are generally limited to the developer/applicant, and Staff believes that the additional costs are within reason and will not be so high as to prohibit development.

Council Feedback Request: Staff seek Council direction to proceed with one of the following options:

1. Proceed as proposed; require sidewalk on all side of all roadways with accessing lot and/or structures
2. Proceed with no change from current practice; require sidewalk on only one side for smaller residential roads

Policy #4 - Amenity Zones:

Description of Proposed Standard: Staff proposes requiring amenity zones on all roadways which require a sidewalk. Amenity zones are strips of land between the back of curb and the pedestrian sidewalk. Staff proposes that amenity zones be a minimum of 4' in width. These strips are typically landscaped; however, in the downtown areas, the amenity zone will be the front 4' of the required 8' wide sidewalk. The downtown amenity zones will vary between being sidewalk and landscaped tree wells, similar to the sidewalks around City Hall.

The amenity zones serve several purposes as shown in Figure 4.1 below. They provide separation between the vehicle travel way and pedestrian facilities, and therefore increase pedestrian safety and comfort. They allow the sidewalk to remain level at driveways crossing; this eliminates the need for driveway wings which result in a constant up and down movement for pedestrians along the path of travel. They provide a space for other required above ground improvements that are associated with roadways; the amenity zone is an ideal location for street trees, fire hydrants, street signs, street lighting, and other utility facilities to be placed without impacting the pedestrian pathway. Lastly, amenity zones *can* be designed to provide storm water mitigation in the form of linear bio-filtration swales (small rain gardens), though this could require a greater width than 4'.

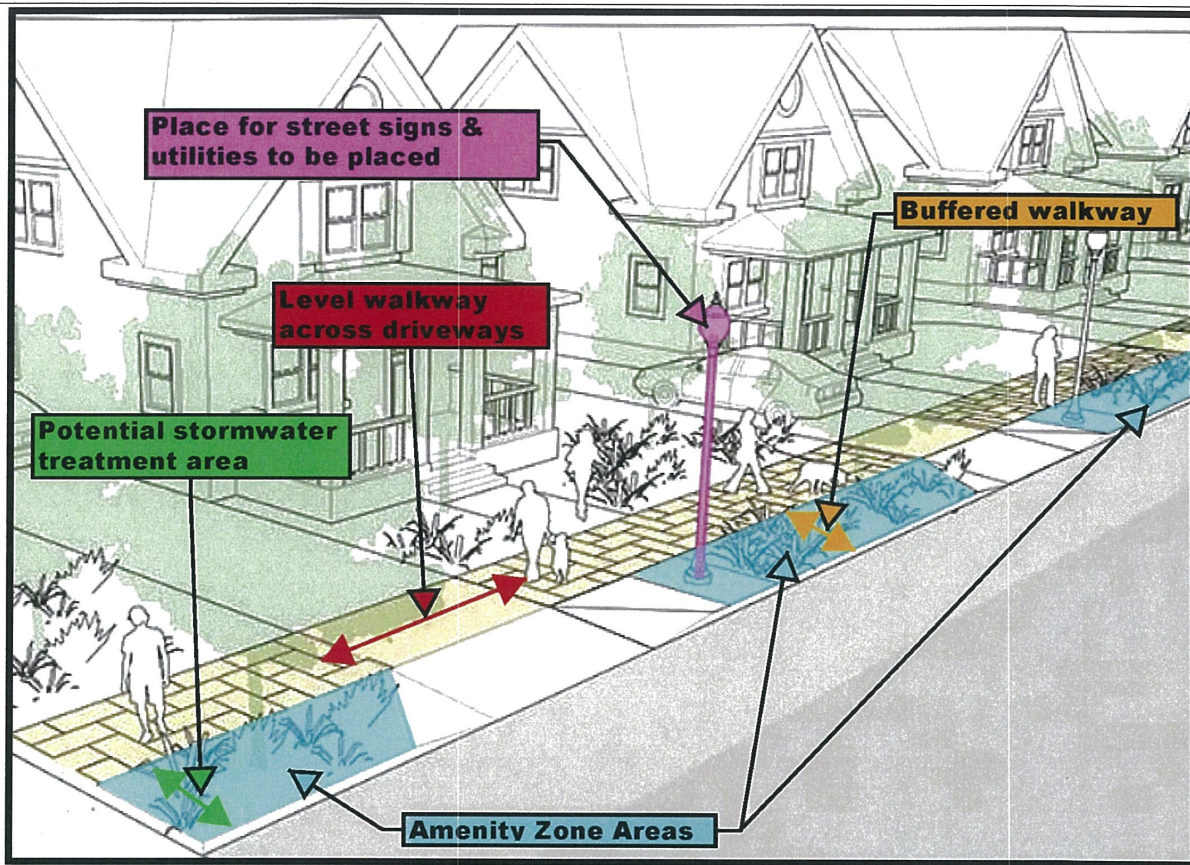


Figure 4.1: Amenity Zones

Description of Existing Standard: The road standards did not require any amenity zones. For arterials streets, amenity zones were optional in-lieu of providing a wider sidewalk width.

Potential Impacts: The requirement for amenity zones on all roadways will have several potential impacts:

- Increase in the land required for developments; increases the right-of-way widths required for new roads which typically results in fewer lots in same space.
- Increased pedestrian safety; all walkways would be buffered by the amenity zone.
- Increased accessibility on public walkways; a level sidewalk which does not dip at each driveway and does not include utility obstructions is a more pleasant experience for all users, but most notably for disabled users.
- Improved street sign placement; signage would no longer have to be placed behind the sidewalk, allowing improved sign visibility from the travel way.
- Potential increase in home values; amenity zones are generally associated with improved aesthetics (curb appeal) and home values.
- Additional landscape maintenance needs; maintenance designated to adjacent property owners per KMC 12.70

Staff Recommendation: Staff recommends that the City require amenity zones on all roadways which require a sidewalk. Developments will require more right-of-way width as a result of this requirement; however, staff feel that the additional space is well utilized. The numerous positive benefits noted above, most notably the level sidewalk across driveway crossings, appear to significantly outweigh the potential negative impacts.

Council Feedback Request: Staff seeks Council direction to proceed with one of the following options:

1. Proceed as proposed; require amenity zones on all roadway types with sidewalk
2. Proceed with no change from current practice; no requirement for amenity zones

Policy #5 – Utility Undergrounding

Description of Proposed Standard: Staff proposes that the City require undergrounding of existing overhead lines in the right-of-way within the downtown area. The undergrounding requirement would apply to all design standard areas identified in KMC Figure 18.52.070.A.1 and to the 2 parcels adjacent to 68th Ave NE which lie north of the Sammamish River, as shown below as Figure 5.1. Existing overhead utilities along project frontages on streets outside of the downtown area would be permitted to remain in place, provided that they do not interfere with required frontage improvements. *Note: The City has already undergrounded utilities along a majority of the SR-522 corridor.*

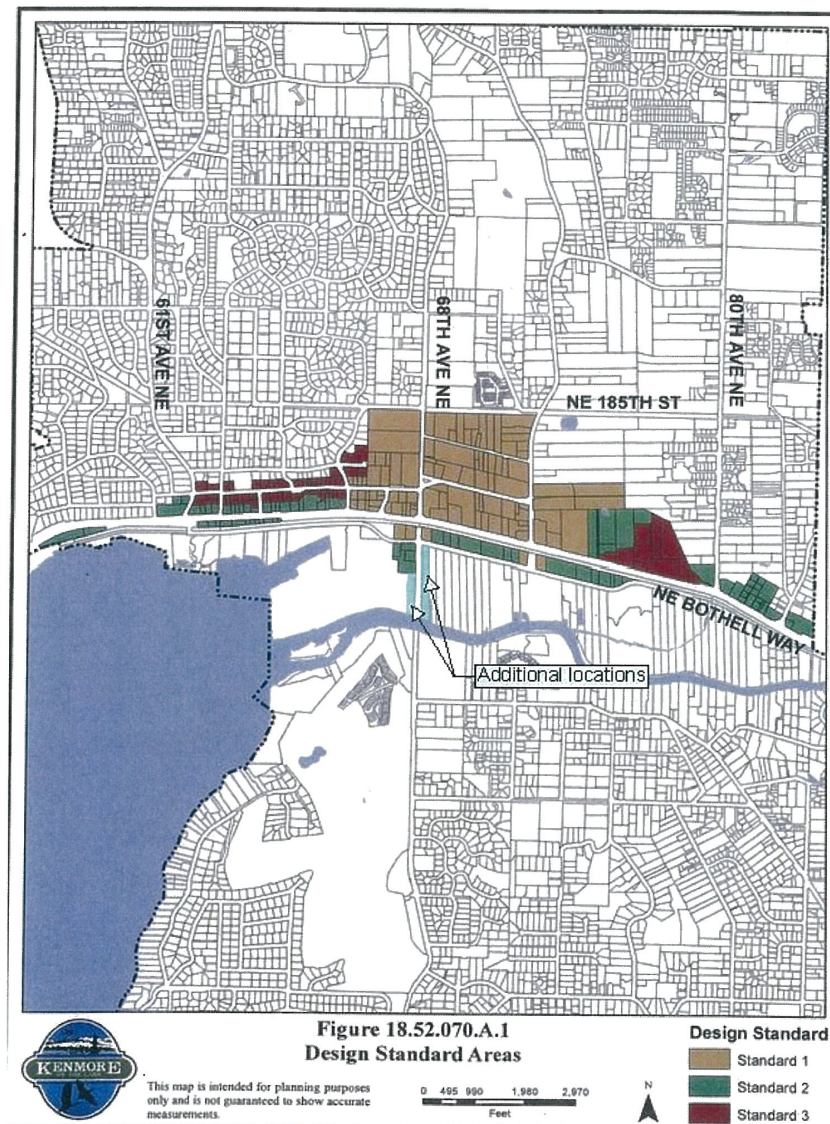


Figure 5.1

Description of Existing Standard: KMC 13.50 requires that all *new* utility extensions be installed underground, but does not provide guidance on existing utilities along project frontages.

Potential Impacts: The requirement for undergrounding existing utilities on all roadways will have several potential impacts:

- Additional costs for developments in the downtown area; potentially significant.
- Improved aesthetics within downtown area; overhead lines will slowly be reduced until gone.
- Increased service reliability within downtown area; undergrounded lines less likely to be impact by storms.
- Increased construction complications; increased potentially for utility and improvement conflicts.

Staff Recommendation: Staff recommends requiring undergrounding of existing utilities in the downtown area only. The potential costs and project delays typically associated with undergrounding and utility coordination can be burdensome on developers and property owners, especially for smaller projects or single family projects (depending on Council recommendation on Policy #1). Staff believes that requiring undergrounding in the downtown areas is consistent with the intent, goals, and aesthetic standards developed in the City's downtown plan and KMC 18.52, which are already imposed on developments in this area. Additionally, projects in the downtown area are expected to be of higher value and able to absorb the additional costs. Staff did not believe that the general aesthetics of non-downtown areas were enough to justify the additional cost on development and, therefore, did not recommend requiring undergrounding of existing utilities on projects outside of downtown.

Council Feedback Request: Staff seek Council direction to proceed with one of the following options:

1. Proceed as proposed; require utility undergrounding in the downtown areas only
2. Proceed with no change from current practice; do not require any undergrounding of existing utilities within the ROW
3. Proceed with requiring undergrounding of existing utilities on all development projects in all areas of the City.

Next Steps

1. Road Standard Policy Discussion #2 - 7/27/2015
2. Submittal of entire draft Road Standards ~ 9/2015
3. Department of Commerce review ~ 9/2015 – 11/2015
4. Submittal of revised KMC 12.50 and final Road Standards for adoption ~12/2015

FISCAL CONSIDERATION:

All work is being completed by City staff within the existing City budget and requires no further fiscal consideration.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

Staff believes that the proposed revisions to the Standards, including those before you, have been aimed at directly addressing several Council goals, including:

1. To focus on and emphasize multimodal transportation safety in the City of Kenmore with a specific focus on pedestrian, bicycle, and other means of travel.
2. To continue to implement the Economic Development Plan with an emphasis on the following key points:

3. - Promote the image of Kenmore
4. - Create a vibrant, walkable downtown
10. To accelerate implementation of the Sidewalk Plan and pursue various funding options.
11. To identify, develop, and actively promote a walkable area in downtown.



City Of Kenmore, Washington

Attachment A

Defining Partial Single Family Traffic Impacts

Prepared By: Zack Richardson, PE
Capital Projects Manager, City of Kenmore

The *Institute of Transportation Engineers Trip Generation Manual - 8th Edition* (ITE manual) provides trip generation information for detached single family homes based on number of dwelling units, number of persons, number of vehicles, and number of acres of the development. These categories provide poor guidance for defining the traffic impact of an addition or alteration project which utilize the existing structure but also represent an expanded use of the property. Staff believes that the most logical connection between the available data and the way that traffic impacts can be assessed on such permits, is to link it to the number of bedrooms in the single family home. It seems appropriate to assume that a new bedroom likely represents an new person at the residence. In assuming the relationship between bedrooms and number of people, staff are able to review traffic impacts based on the ITE manual data for number of persons.

Traffic Impact are assessed using the *Peak Hour of Adjacent Street Traffic, One Hour between 4 and 6 pm* data which is available in the ITE manual; this is more simply referred to as the "PM peak hour traffic". Using the formal in the ITE manual, 1 person represents 0.70 PM peak-hour trips. Accordingly, staff has proposed that any addition or demolish-and-rebuild single family residential project which results in 2 or more additional bedrooms represents a measurable traffic impact which should be mitigated.

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City of Kenmore Road Standard Policy Discussion #1



City Council Meeting
July 20, 2015

Presented By: Zack Richardson, PE



City of Kenmore Road Standards

- **Brief description of Road Standards**
- **5 Policy Discussions today**
 1. Frontage improvements
 2. Frontage Definitions on Flag Lots
 3. Sidewalks
 4. Amenity Zones
 5. Utility Undergrounding
- **3 Policy Discussions next week**



City of Kenmore Road Standards

What are the Road Standards for?

- Guidance for how roads shall be constructed in the City.
- Define what public improvements developments must provide.
- Ensure that public improvements are maintainable.
- Guidance for utilities within public roadways.



City of Kenmore Road Standards

The Standards promote:

- Safe & efficient vehicle travel
- Safe & usable facilities for pedestrians
- Safe & usable facilities for bicyclists
- Quality development and aesthetics
- Council goals
- Compliance with State and Federal requirements



City of Kenmore Road Standards

What the Road Standards are not.

- Not a replacement for engineering judgment and detailed design
- Do not mandate automatic improvement of existing facilities
- Not a plan of where traffic calming measures are to be applied
- Cannot provide for all situations or circumstances
- Do not address on-site parking on private property



City of Kenmore Road Standards

Plan For Standards Update

Completed:

- *Preliminary* draft of road standard
- Internal review by all departments

Next Steps:

- Review select policies with Council for guidance
- Prepare complete draft version of Standards
- Present draft Standards to council & all departments
- Complete Department of Commerce & SEPA Review
- Prepare final Standards
- Present final Standards for Council approval



City of Kenmore Road Standards

Policy Discussion Format

1. Proposed Standard
2. Existing Standard
3. Potential Impacts
4. Staff Recommendation
5. Council Guidance Request



Policy #1: Frontage Improvements

Proposed Standard:

Require frontage improvements on all projects which generate a traffic impact.

- Establishes a fee-in-lieu of program

Existing Standard:

Do not require frontage improvements for:

- 2 lot short plats which retain the existing structure
- Individual single family residential projects



Policy #1: Frontage Improvements

Potential Impacts:

- Increased pedestrian safety
- Reduced demand on City sidewalk budget
- Potential increase in home values
- Additional sidewalk maintenance needs
- Additional development cost for smaller plat projects
- Additional development cost for individual property owners



Policy #1: Frontage Improvements

Staff Recommendation:

Require frontage improvements on all projects which generate a traffic impact, including single family projects which create or add 2 or more bedrooms.

- Maximizes potential for increased walkability
- Likely not cost prohibitive on 2-lot short plats
- Possibly cost prohibitive to individual property owners



Policy #1: Frontage Improvements

Council Guidance Request:

1. Proceed as recommended
2. Proceed with no change from current practice
3. Require frontage improvements on 2-lot short plats, but not on single family residential projects.
4. Require frontage improvements on 2-lot short plats and new homes, but not on single family additions or rebuilds.



Policy #2: Frontage Definition on Flag Lots

Proposed Standard:

Change the definition of the frontage on flag lots or pan handle lots to be the widest part of the lot width, measured parallel to the roadway

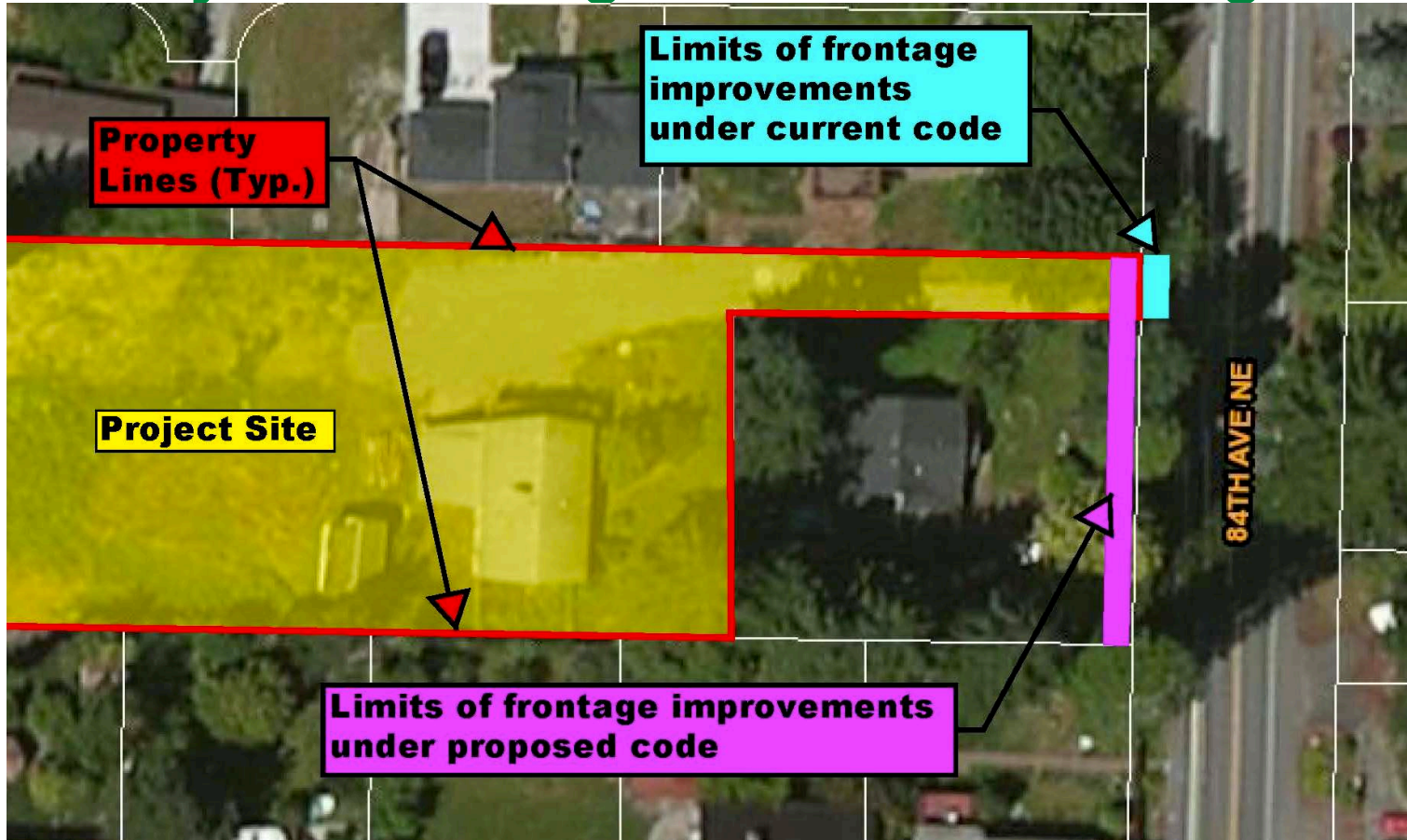
Existing Standard:

Frontage of flag lots is defined only as the portion which directly abuts the public right-of-way.

- Usually 30' or less in width



Policy #2: Frontage Definition on Flag Lots





Policy #2: Frontage Definition on Flag Lots

Potential Impacts:

- Increased pedestrian safety
- Increased accessibility
- Potential increase in home values
- Additional sidewalk maintenance needs
- Additional development cost for flag lots
- Additional impervious surfaces & storm water impacts



Policy #2: Frontage Definition on Flag Lots

Staff Recommendation:

Change the definition of the frontage on flag lots or pan handle lots to be the widest part of the lot width, measured parallel to the roadway.

- Believe flag lots fell into a 'loop-hole' in current code
- Potential to never get sidewalk along front parcel
- Staff believe additional cost is reasonable mitigation given development impacts.



Policy #2: Frontage Definition on Flag Lots

Council Guidance Request:

1. Proceed as proposed
2. Proceed with no change from current practice



Policy #3: Sidewalks

Proposed Standard:

Require sidewalk on all sides of all public & commercial roads which will have structures, homes, or driveways accessing that side of the roadway.

Two exceptions:

- Private access tracts
- Private multi-family roads

Existing Standard:

Residential roads providing access to 50 lots or less only require sidewalk on 1-side of the roadway



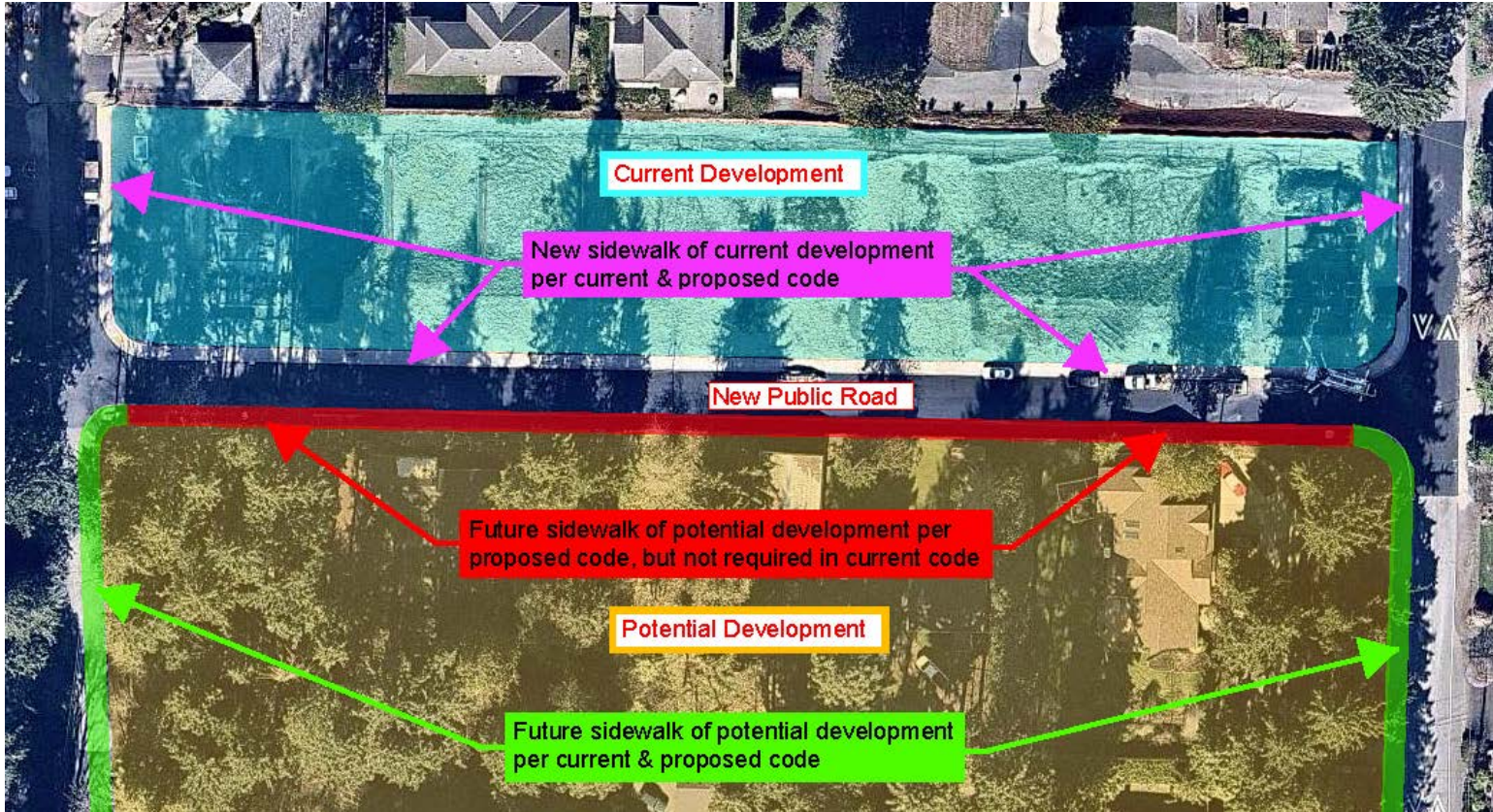
Policy #3: Sidewalks



Homes on 2 sides = sidewalk on 2 sides



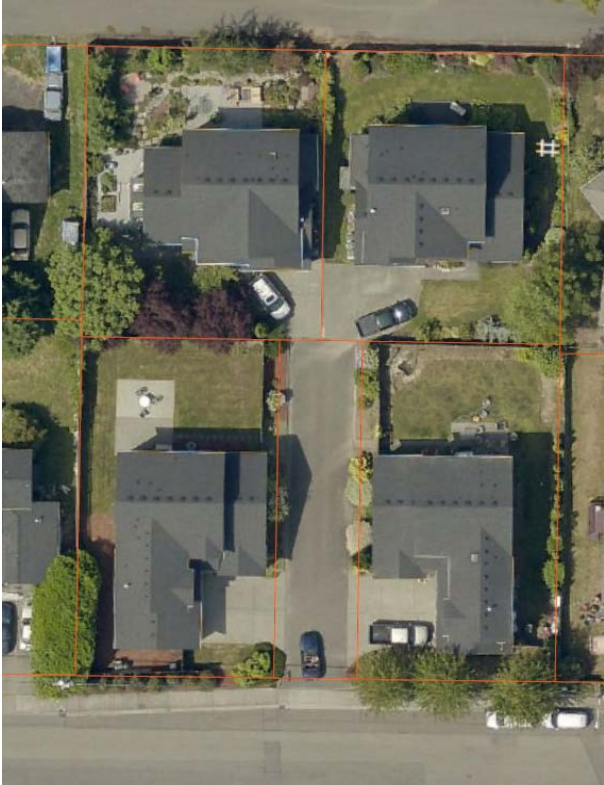
Policy #3: Sidewalks



Policy #3: Sidewalks



Policy #3: Sidewalks



Exceptions to sidewalk



Policy #3: Sidewalks

Potential Impacts:

- Increased pedestrian safety
- Increased accessibility
- Potential increase in home values
- Additional sidewalk maintenance needs
- Additional development cost for smaller plats
- Additional land required for development of small plats
- Additional impervious surfaces & storm water impacts
 - Pervious sidewalk permitted



Policy #3: Sidewalks

Staff Recommendation:

Require sidewalk on all sides of all public & commercial roads which will have structures, homes, or driveways accessing that side of the roadway.

- Consistent with Council goals & Target Zero
- Impacts typically limited to developer/applicant
- Staff believe additional cost is reasonable mitigation given development impacts.



Policy #3: Sidewalks

Council Guidance Request:

1. Proceed as proposed
2. Proceed with no change from current practice



Policy #4: Amenity Zones

Proposed Standard:

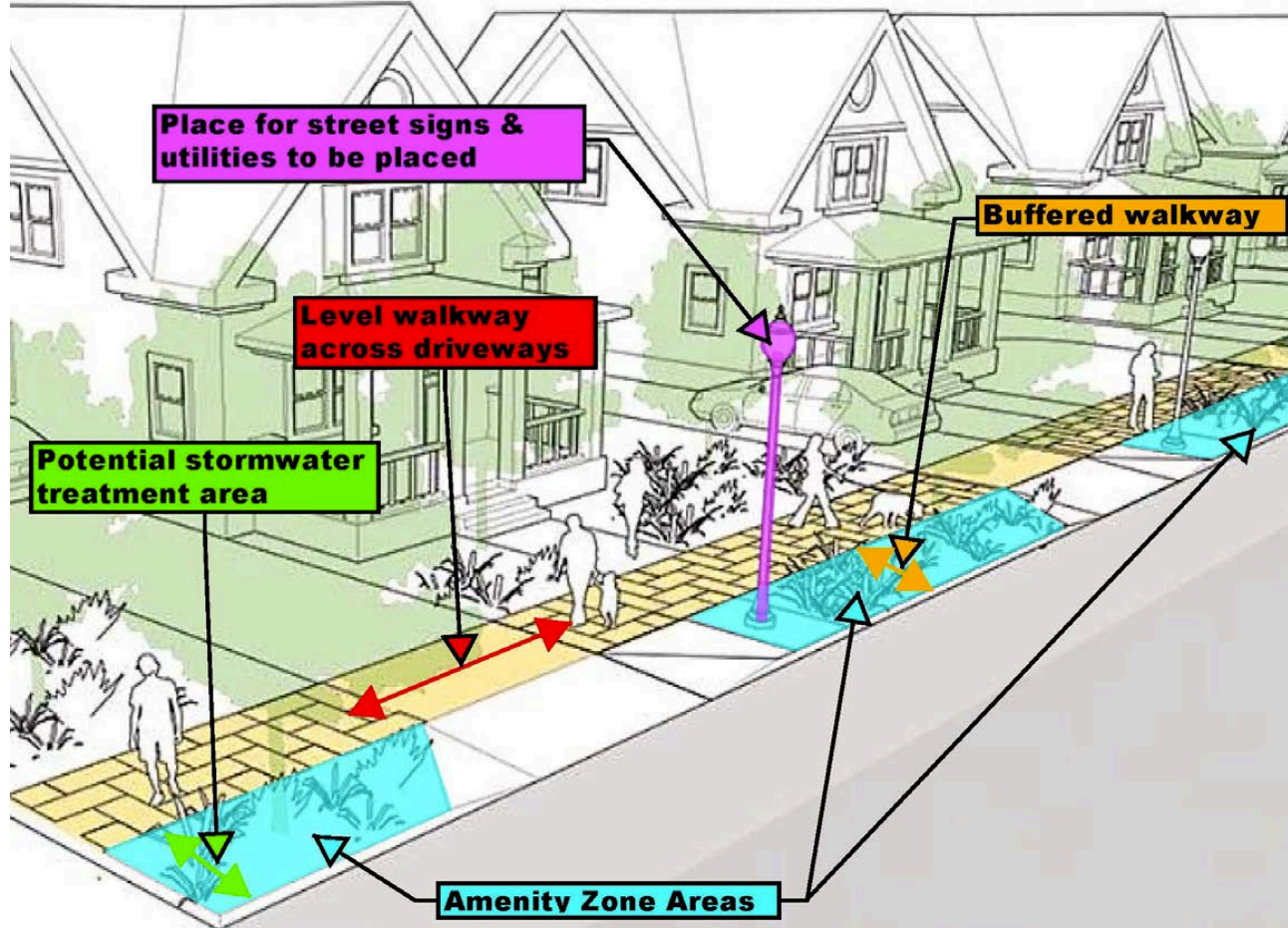
Require amenity zones on all roadways which require a sidewalk.

Existing Standard:

No requirement for amenity zones except for as an option to reduce sidewalk width along arterials.



Policy #4: Amenity Zones



Policy #4: Amenity Zones



Policy #4: Amenity Zones

Potential Impacts:

- Increased pedestrian safety
- Increased accessibility; level walkway
- Improved street sign placement/visibility
- Potential increase in home values
- Additional landscaping maintenance needs
- Additional development cost (minor)
- Additional land required for development



Policy #4: Amenity Zones

Staff Recommendation:

Require amenity zones on all roadways which require a sidewalk.

- Numerous benefits
- Minimal cost or negative impacts



Policy #4: Amenity Zones

Council Guidance Request:

1. Proceed as proposed
2. Proceed with no change from current practice



Policy #5: Utility Undergrounding

Proposed Standard:

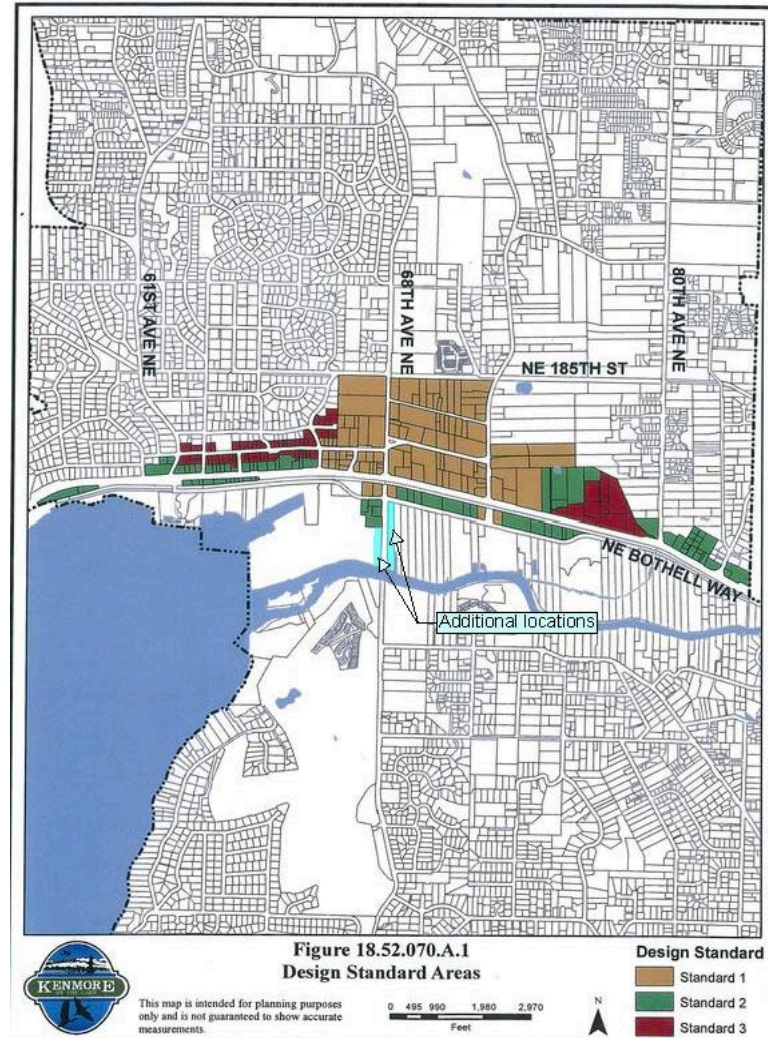
Require undergrounding of existing overhead lines in the right-of-way within the downtown areas identified in KMC Figure 18.52.070.A.1 and to the 2 parcels adjacent to 68th Ave NE which lie north of the Sammamish River.

Existing Standard:

KMC 13.50 requires that all *new* utility extensions be installed underground, but no guidance on *existing* utilities.



Policy #5: Utility Undergrounding



Policy #5: Utility Undergrounding

Potential Impacts:

- Additional costs for developments in the downtown area.

Underground and overhead transmission lines Estimated cost comparison		
	Construction and relocation	O & M ¹
Underground	\$4-10 million per mile	\$300 per mile per year
Overhead	\$500k-\$1 million per mile	\$1,100-1,900 per mile per year

Source: PSE's *Overhead vs. underground transmission lines fact sheet*

- Improved aesthetics within downtown area.
- Increased service reliability within downtown area.
- Increased construction complications; potential conflicts.



Policy #5: Utility Undergrounding

Staff Recommendation:

Require undergrounding of existing overhead lines in the right-of-way within the downtown areas identified in KMC Figure 18.52.070.A.1 and to the 2 parcels adjacent to 68th Ave NE which lie north of the Sammamish River.

- Aesthetics consistent with Downtown Plan and KMC 18.52
- Aesthetics in non-downtown not as critical
- Potential complications of construction
- Cost could be significant



Policy #5: Utility Undergrounding

Council Guidance Request:

1. Proceed as proposed
2. Proceed with no change from current practice
3. Require undergrounding of existing utilities on all development projects in all areas of the City.
4. Require undergrounding of existing utilities only in select areas of downtown.



XIII. B. Neighborhood Transportation Plans - Kris Overleese,...

Neighborhoods not meeting the minimum number of attendees at the first meeting will be given a second opportunity in Spring of 2016, and those that meet the criteria at this time will be advanced through the program with a targeted completion of the end of 2016.

Attachment A includes a map of Kenmore neighborhoods with budgets.

Conversation topics for the July 20 meeting:

- Feedback on the draft Neighborhood Transportation Plan Program scope and outreach efforts (Attachment A)
- Feedback on the Kenmore neighborhoods and budgeting on a per capita basis (Attachment A)
- Does Council wish to have each neighborhood present their reports?
- Any additional Council guidance?

SCHEDULE:

Staff anticipates completing the final Program following the July 20 Council meeting, with the first community meetings to be held in the Fall of 2015. Projects from active neighborhoods could be identified and ready for implementation by Summer 2016. Vegetation maintenance, education and enforcement and simple construction could be implemented sooner.

Council feedback on July 20 will help guide the final completion of the NTPP, followed by initiation of meeting scheduling and notifications.

FISCAL CONSIDERATION:

The City's adopted 2015-2016 Biennium Budget included \$350,000 for this project. No funding has currently been obligated from this budget.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

This program has direct support for Council goals of:

1. To focus on and emphasize multimodal transportation safety in the City of Kenmore with a specific focus on pedestrian, bicycle, and other means of travel
3. Promote the image of Kenmore



Neighborhood Transportation Plan Program

The City of Kenmore desires to proactively review and address the transportation needs and concerns in the neighborhoods throughout the city. During the 2015-16 budgeting process, the City set aside funds to create and implement Neighborhood Transportation Plans. This work will be performed collaboratively with the citizens who live, work and play in Kenmore's neighborhoods. Quick-build, fundable and effective enhancements will be identified to help enhance mobility and safety while developing a sense of community. This Neighborhood Transportation Plan Program (NTPP) will;

- Define the neighborhoods of Kenmore based on the existing transportation network
- Hold public involvement meetings and outreach to solicit public input
- Develop and screen operational and physical enhancements
- Recommend an implementation program for each neighborhood within the budget provided

Scope of the Program

The NTPP's goals are to identify and prioritize low cost, quick-build enhancements that neighborhoods believe will improve safety and multimodal transportation on each neighborhood's residential streets. Tools may include short sidewalk segments, mobility and access connections, traffic calming and physical devices on public residential streets, education and enforcement campaigns, streetscaping or combinations of these within the right of way. The actual program of tools used will be developed in collaboration with citizens and city staff through a series of public meetings, tool selection and prioritization.

The program seeks improvements to mobility in the city's "layered network" of roadway users within the constraints of budget, topography and right of way. Layered networks balance and optimize the users of a roadway while maintaining the safety and realistic construction goals. A focus will be on improving residential neighborhood walkability and walkable connections across Kenmore.

The arterials in Kenmore are generally outside the scope of the NTPP. Problems and barriers related to those arterials may be identified at public meetings, but changes to arterials are not within the scope of this program. Arterial suggestions from this program would be reviewed as part of the City Capital Improvement Program (CIP). Private roads are also outside of the scope of the program, as they are not owned by the City.

Other existing city programs, such as the existing Sidewalk Plan and other elements of the Transportation Improvement Program (TIP), are outside of the scope of the NTPP. There may be chances to leverage the two programs together, and those would be identified during the community outreach phase of the NTPP.

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Neighborhood Transportation Plan Program

Examples of Tools the NTPP Includes

The program can include a wide variety of tools to enhance transportation within a neighborhood. Tools may be selected from this list, or may be outside of this list if the neighborhood shows strong support for a safe and feasible enhancement not listed.

- Physical devices including traffic islands, circles, mounds, chicanes, signage, and speed humps.
- Missing walkway connections, gravel walkways, stairs, added roadway markings, lighting, signage, roadway delineators and short sidewalk segments
- Crosswalk markings, signage, flashing beacons, lighting, islands, curb extensions, and other refuges and ADA ramps
- Added bicycle lanes, markings and bike signage
- Parking restrictions for sight distance, at crosswalks, or for traffic calming
- Pavement marking changes or colored pavement treatments
- Education including speed watch, school outreach, newsletters and temporary signing
- Operational changes including one-way streets, parking coordination discussions, and temporary lowered speed limits, as described below
- Vegetation maintenance

Tools the NTPP Discourages

The program discourages three specific tools for the reasons outlined below;

- **Speed limit lowering** – Without accompanying enforcement and roadway changes, speed limit lowering is discouraged in the NTPP. However, temporary trial lowered speed limits, without supplementary enforcement and roadway changes, are an option for streets with low volumes, and connectivity and high community support. Research has shown speeds of drivers are governed by the physical environment of a street, rather than posted limits¹. An unrealistic speed limit invites violations and does not result in slowing of the 85th percentile speeds².
- **Stop signs** – Research shows that when stop signs are installed without engineering warrants there is an increase in driver disregard for signage, and a false sense of security. Intersections should meet thresholds for traffic volume on both crossing streets or have limits on sight distance to require a stop sign. Research indicates a trend for higher speeds in between stop signs when placed in short intervals.
- **Children At Play signs** – these types of signs, both official city signs and those sold in retail stores, are discouraged. Research³ indicates little changes in driver behavior due to these signs, and they contribute to driver confusion, disregard of excessive signage and a false sense of security. Children should feel safe to use the street for transportation, but play should occur outside of the street. Existing “Slow Down For Our Children’s Sake” signage will be unaffected.

¹ FHWA Publication FHWA-RD-97-084, *Effects of Raising and Lowering Speed Limits on Selected Roadway Segments*, 1997

² 85th percentile speeds are an engineering roadway design threshold. This is the speed at which 85 percent of vehicles are at or below. This limit is used to set and evaluate speed limits on roads of all types and volumes.

³ Wisconsin DOT, 2007 report “*Effectiveness of Children at Play Warning Signs*”



Neighborhood Transportation Plan Program

Definition of Kenmore Neighborhoods

Several sources of guidance were combined to define the neighborhoods for the program;

- Primary access and ingress/egress routes for residents
- Transportation Element of the Kenmore Comprehensive Plan
- Identified arterials network within Kenmore
- Census tracts
- Traffic analysis zones, used in traffic modeling and forecasting.

Based on the goals of this program, the primary ingress/egress routes for each neighborhood were given highest priority in defining neighborhood boundaries. Each constraint map can be found in the Appendix B. A total of sixteen neighborhoods were identified, including downtown. They are named by color and location north or south of the Sammamish River. The Kenmore downtown area is defined as the area north of the Sammamish River not otherwise included in other neighborhoods. Downtown has few public residential streets that fit the scope of this program. A map of all the Kenmore neighborhoods can be found in Appendix A.

The seven neighborhoods north of the Sammamish River are defined by access to 61st Pl NE, 55th Ave NE, NE 181st St, 68th Ave NE, 73rd Ave NE, and 80th Ave NE. Two neighborhoods, surrounding 73rd Ave NE and the southern section of 80th Ave NE consist of primarily short dead-end streets, and may see limited benefit from the program. These neighborhoods may identify issues with the arterials through their neighborhoods for future capital project consideration.

The eight neighborhoods south of the Sammamish River are defined by access to Juanita Dr, NE 170th St/Simonds Rd and NE 155th St. Neighborhood boundaries are strongly linked to the shortest route to a nearby arterial, with an east-west dividing line just north of NE 155th St. Neighborhood divisions for the communities surrounding NE 169th St and 88th Ave NE are disconnected from other streets in the vicinity without using Simonds Rd.

Existing Plans and Demographics

To provide context and a starting point for discussion, City staff will assemble data and background in each neighborhood prior to public meetings. Background will include demographic census data, existing engineering data such as volume counts or speed studies, calming projects and outreach history. Staff will identify any "hot spots" based on historical records of citizen action requests. Existing city programs such as the Sidewalk Plan, Pedestrian and Bicycle Safety report, and the Transportation Element of the city's Comprehensive Plan will be available for consideration. This data and background information will be summarized in the technical memorandum for each neighborhood.

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Neighborhood Transportation Plan Program

Involving the Community

Collaboration between neighborhood citizens and city staff is a key to the success of the program. Citizens will be encouraged to lead the discussion, educating city staff about what they view as the most pressing transportation issues facing their neighborhood and what form they would like to see solutions take. A minimum of two meetings for identification of concerns will take place. These will be held once at City Hall and once near each neighborhood. Electronic and direct-mail outreach will be a continuing process over the time that the in-person meetings are held. Citizens near neighborhood borders will be included in a neighborhood based on the street that their property fronts on. Maps will be available for citizens with questions on which neighborhood they belong to, or comments on the neighborhood boundaries. Comments received on the boundaries may be incorporated into the definition of the neighborhoods for future meetings.

A successful proactive program is one that ensures everyone in the neighborhood has a chance to voice their concerns and have input. Outreach will primarily take the form of public meetings at City Hall and within the neighborhood. Other tools for outreach and community engagement may include;

- Multi-platform outreach tools including web-based surveys and comment forms, direct-email, direct-mail, door-to-door flyer placement, public announcement at City Hall, community bulletin board sites, and use of homeowners associations in Kenmore.
- In recognition of the diverse languages spoken within Kenmore, use of the City website that can translate materials drafted and printed in english.
- Opportunities for citizens to submit anonymous feedback and suggestions to include those not comfortable with presenting ideas in a public forum, or attaching their personal information to the public record.

The results of feedback from the first two meetings with the neighborhood citizens and online sources will be aggregated into a list of identified issues and suggested enhancements. Using this list, other public stakeholders operating within Kenmore will be invited to give input where applicable.

- King County Metro would be included in any discussion of enhancements related to transit stops, or traffic calming on existing bus routes that may affect their vehicles' ability to navigate.
- WSDOT would be included in any discussion related to signal timing on SR522 and adjoining streets on which signals are under their management. While arterial changes are not a focus of the program, there may be traffic issues within the neighborhoods that are related to signals under WSDOT management and their input will be solicited.
- King County would be included for discussions related to other signals within neighborhoods.
- The Kenmore Police and Northshore Fire Department would be contacted to comment on enhancements from an emergency access perspective, especially on any traffic calming physical devices that are proposed.

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Neighborhood Transportation Plan Program

- Northshore School District schools within Kenmore would be advised of enhancements, especially those on Safe Routes to School, and there may be opportunities for educational outreach.
- Other stakeholders, such as bicycle advocacy groups could be contacted for advice on tools and enhancements.



Developing and Screening Enhancements

Existing traffic calming thresholds will be relaxed when considering physical devices under this program. Data may be collected for evaluation purposes, and physical changes designed to calm traffic will require neighborhood residents to collect field data prior to implementation. The radar trailer and radar guns can be used to collect data on suspected high volume or high speed roads. At a minimum, residents of a neighborhood would be required to use and monitor the radar devices for;

1. One continuous hour in the AM peak (7:00 – 9:00 am) on two different weekdays
2. One continuous hour in the PM peak (4:00 – 6:00pm) on two different weekdays
3. One continuous off-peak hours on two separate weekdays

Through the data collection process, some citizen concerns about speed and volume may be alleviated without the need for physical or operational changes. The use of temporary physical devices is encouraged to help evaluate the effectiveness of tools available in the NTPP.

Following the two meetings to identify concerns, suggest enhancements, and data collection efforts by residents, city staff will evaluate physical changes for sound engineering design and safety. This review may result in redesign or rejection of some enhancements. Internal discussion of feasibility and any wider impacts, as well as an assessment of costs will be developed for each tool identified by the neighborhood. The city will develop lists of pros and cons for each, and suggest some preliminary screening measures to objectively rank enhancements.

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www.kenmorewa.gov
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Neighborhood Transportation Plan Program

Screening criteria could include, but are not limited to;

- Safety enhancements in the immediate vicinity of one of the five schools in Kenmore, especially along a designated Safe Routes to School walking path
- Enhanced mobility and intra-neighborhood connectivity for non-motorized modes of travel
- Physical changes accompanied by speed studies or crash data indicating an otherwise qualified project for traffic calming or safety modifications
- Encouragement of additional travel modes and accommodation of a wide range of users safely within the right of way
- Value of enhancement to residents of adjacent neighborhoods

A final public meeting for screening and prioritizing of enhancements will be held at City Hall. At this meeting, the city will present the results of engineering analysis and internal evaluation as starting points for discussion. Neighborhood residents will develop their pros and cons of each enhancement, and their desired screening criteria. This third meeting will conclude with a final ranking of enhancements and identification of those that fit the neighborhoods' per-capita budget. Other enhancements will be identified for future years if additional budget is identified for the program.

Neighborhood Report

The final product of the program will be a map of prioritized enhancements, accompanied by a technical memorandum for each neighborhood. The memorandum will document characteristics, boundary descriptions, summaries of outreach, discussion, tool selection and screening for the neighborhood. The final map and report for some neighborhoods may be presented by the Traffic Engineer to City Council with the support of the neighborhood citizens for informational purposes. Implementation of physical changes will not require City Council approval, as that authority has been granted as part of the NTPP.

The plans will be revisited at a later date, no less than two years after completion. The effectiveness of enhancements implemented with future funding will be added to the technical memorandum. Additional outreach may occur to update neighborhood citizen concerns, and develop additional enhancements as resources allow.

Program Timing and Schedule

Following approval of this program by the Kenmore City Council, City staff will begin the process of gathering background data, and notifying the public of the process and meetings. City staff will utilize HOAs and other existing neighborhood organizations to spread information on the NTPP as much as possible. The schedule will consist of three meetings;

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Neighborhood Transportation Plan Program

1. The first meetings for each neighborhood will be scheduled in Fall of 2015 at City Hall, with each neighborhood invited over an eight week period to kick off the program and start the discussion. This will be the first opportunity to identify neighborhood concerns. Neighborhoods that do not meet a participation threshold of 15 in-person households at the first meeting, or other thresholds deemed appropriate by City staff, will be revisited in the late Spring of 2016 with a second meeting opportunity. Those not meeting the threshold at the second opportunity will not be included in the program for this biennium.
2. After a review of the level of participation among the neighborhoods and feedback received through electronic sources, City staff will schedule a second, shorter meeting to finalize and prioritize concerns. These will be held in or near each neighborhood before the end of 2015. Stakeholder outreach and aggregation efforts will be undertaken by City staff following the second meeting.
3. A third meeting with participating neighborhoods for screening and prioritizing of enhancements will be held in the first quarter of 2016. This will be followed by the creation of the final map and memorandum for each participating neighborhood. Construction of physical devices and implementation of operational changes will be scheduled following completion of the map for each neighborhood.

Enhancement Implementation

Funding for this program is provided in the 2015-2016 biennial budget of the City of Kenmore. Depending on the characteristics of the physical and operational enhancements developed through the program, funding may be leveraged or supplemented with donations and volunteer time from the neighborhood.

The total budgeted funds will be divided among the neighborhoods on a per capita basis by number of households. The budgets for each neighborhood range from just over \$5,000 for small neighborhoods to over \$50,000 for larger neighborhoods. Neighborhoods not meeting participation thresholds in this biennium's program will have their funding allocated, per capita, to other participating neighborhoods. Any remaining funding could be rolled into future years at council discretion.

The initial per capita calculation, assuming all neighborhoods participate, can be found in the table below and in map form in Appendix A.

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Neighborhood Transportation Plan Program

Neighborhood	Total Households*	Per capita percentage	NTPP Funding
Grey North	395	6.1%	\$21,400
Teal North	311	4.8%	\$16,900
Orange North	423	6.6%	\$22,900
Yellow North	997	15.5%	\$54,000
Blue North	280	4.3%	\$15,200
Green North	419	6.5%	\$22,700
Purple North	546	8.5%	\$29,600
Green South	513	8.0%	\$27,800
Orange South	537	8.3%	\$29,100
Yellow South	95	1.5%	\$5,200
Pink South	323	5.0%	\$17,500
Teal South	369	5.7%	\$20,000
Grey South	555	8.6%	\$30,100
Blue South	527	8.2%	\$28,600
Purple South	162	2.5%	\$8,800

* - households calculated based on 2007 Traffic Analysis Zone (TAZ), and 2014 parcel divisions for TAZs spanning multiple neighborhoods

Successful completion of the physical and operational enhancements within the provided budget may lead to future funding increases. Success for enhancements will be viewed in terms of;

- Positive feedback from the neighborhood after construction/implementation
- Data-driven documentation of the desired goal; lower vehicle volumes or a decrease in 85th percentile speed
- An increase in physical connectivity for walking and biking through a neighborhood

Summary

The Neighborhood Transportation Plan Program will be a proactive community engagement tool to gather feedback from citizens on the barriers they experience in their neighborhoods. With strong support from the City Council, enhancements will be implemented that greatly enhance the Kenmore neighborhoods and develop a closer sense of community. Through community outreach and the use of data-driven methods, citizens and city staff will be educated in the needs and solutions that make the most sense for Kenmore. The result will be a part of realizing the goals of the Kenmore City Council to promote the image of Kenmore and focus on multimodal transportation safety.

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Neighborhood Transportation Plan Program

Appendix A

Kenmore Neighborhood Map
Kenmore Neighborhood Map with Initial Per Capita Budgets

18120 68th Ave NE

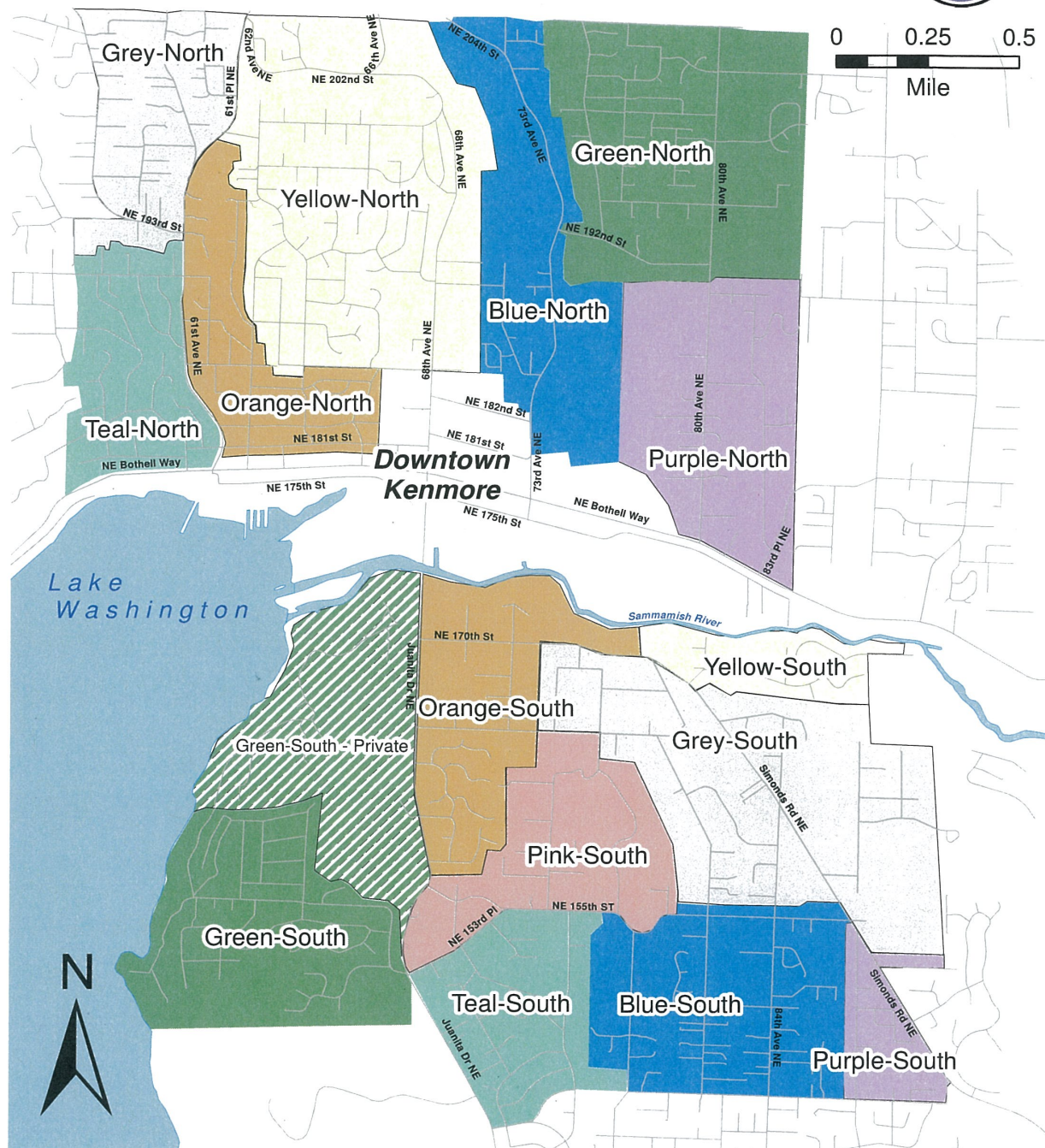
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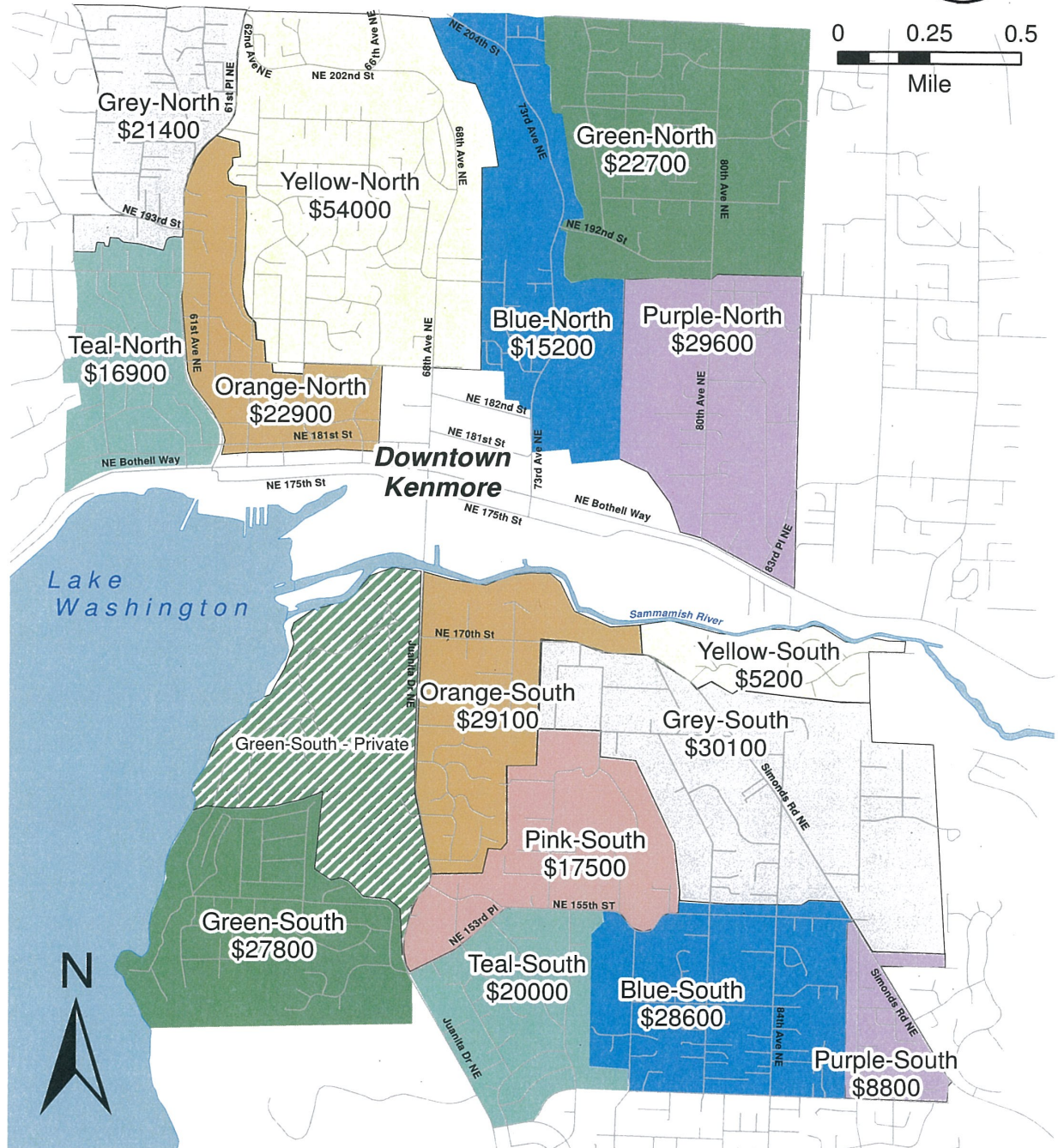
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City of Kenmore

Neighborhood Transportation Plan

Initial Funding (Per Capita)





Neighborhood Transportation Plan Program

Appendix B

City of Kenmore Comprehensive Plan – Transportation Element – Arterials
City of Kenmore Comprehensive Plan – Transportation Element – Traffic Analysis Zones (TAZs)
Northshore School District 2017 Draft Boundaries

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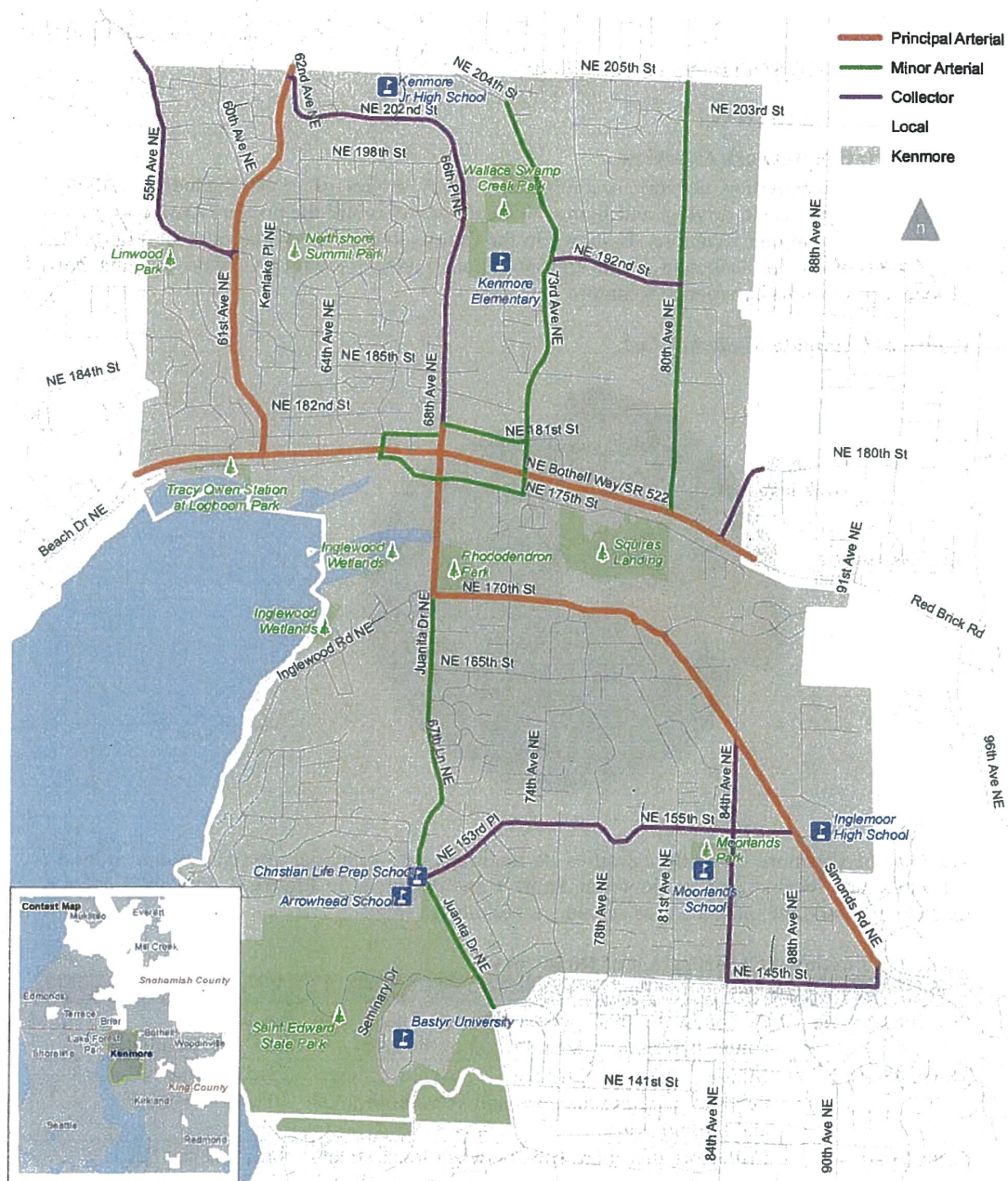
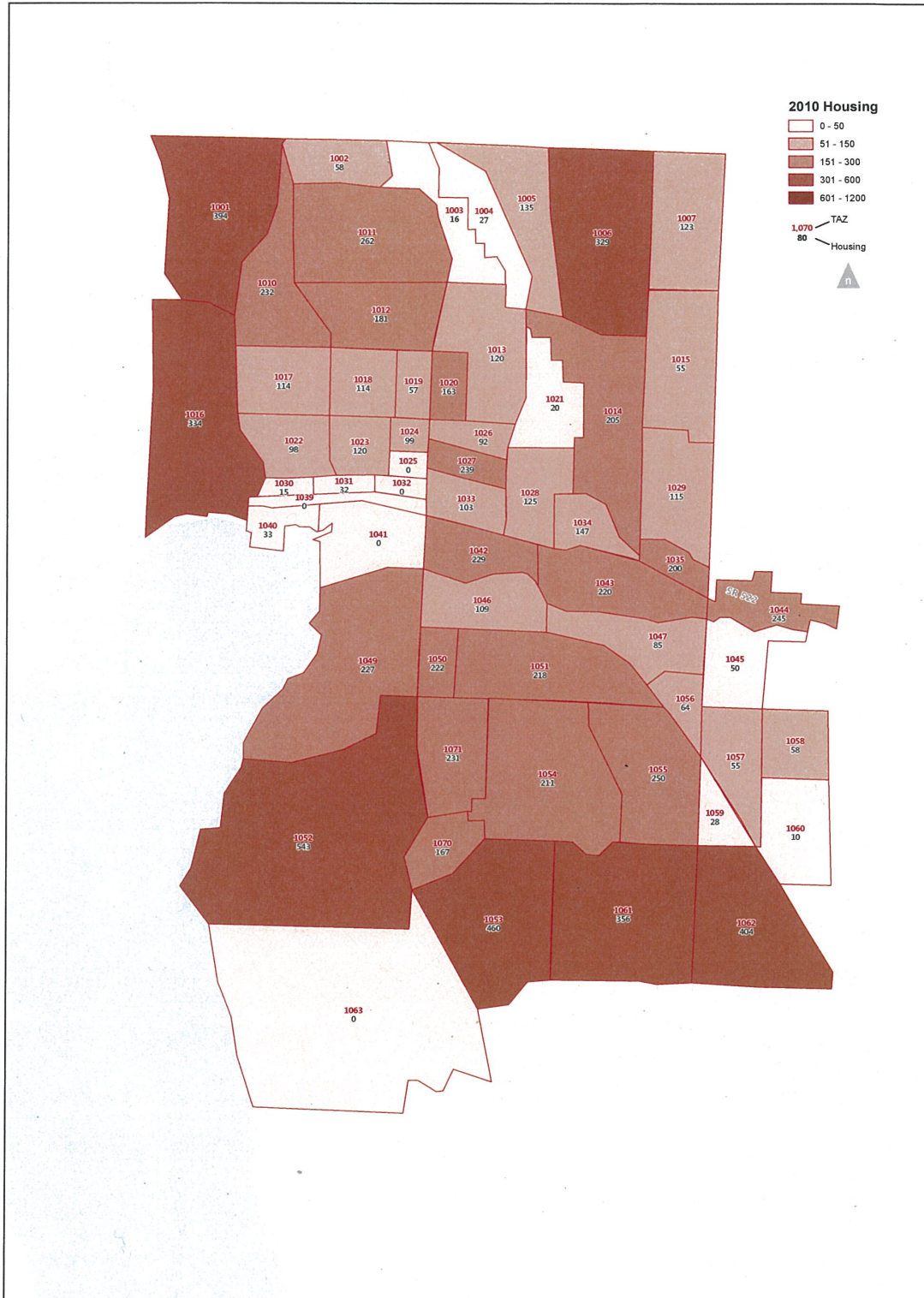


Figure 3.

Existing Roadway Functional Classification

Document Path: \\Fpse03\Fpse2\Data2\2013\Projects\SE13-0301.04_Kanmore_TE_TO4\Graphics\WXD\Fig03_RoadClass.mxd





Kenmore Model Housing 2010

Document Path: I:\pse03\pse2\2013\Projects\SE13-0301-04_Kenmore_TE_TO4\Graphics\MXD\Peter\HU_2010.mxd

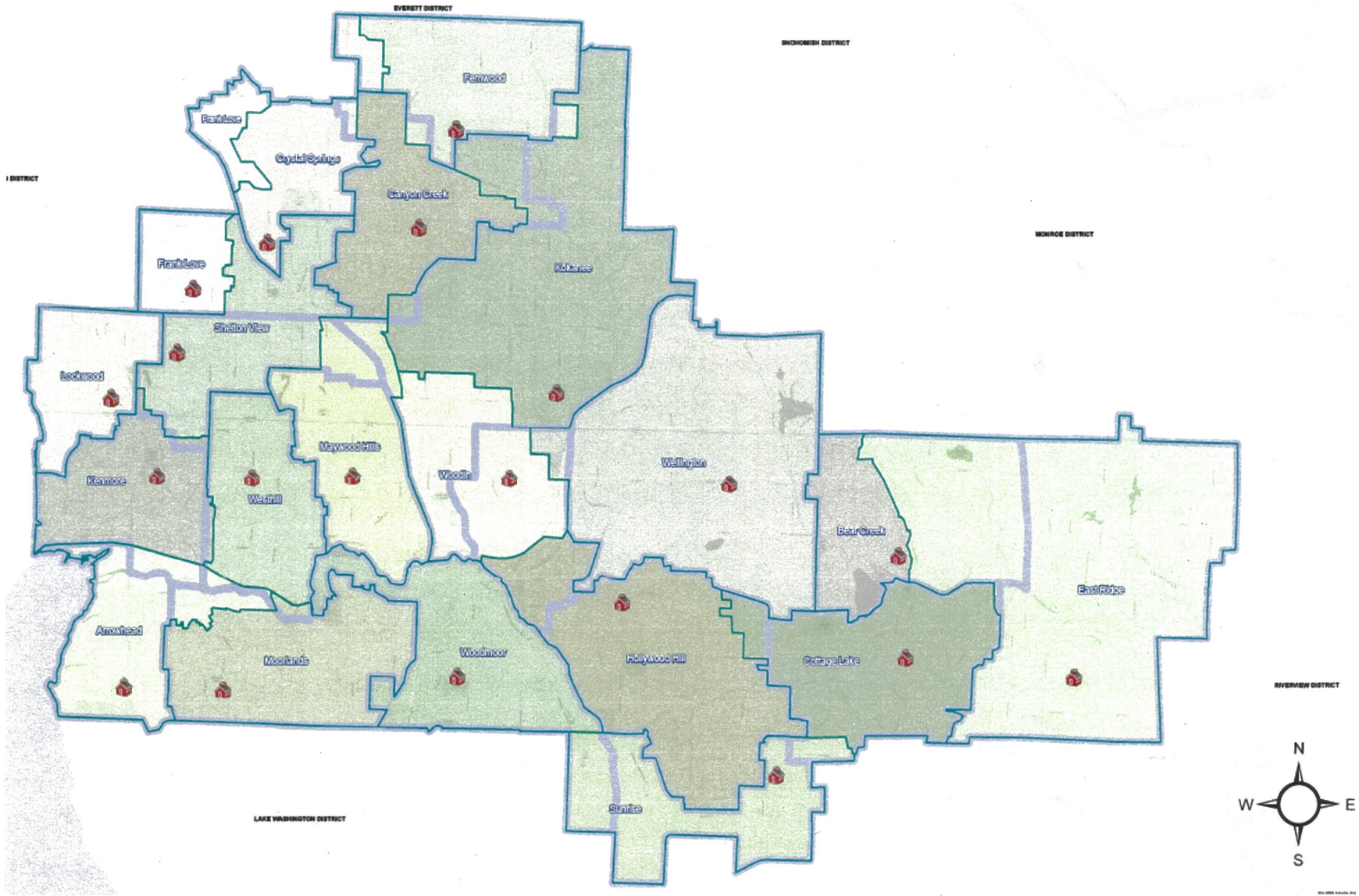




Elementary School Service Areas

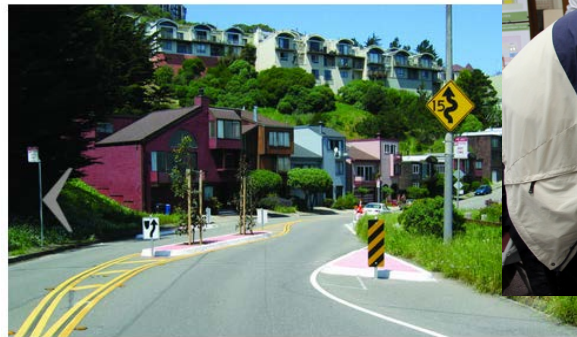
Current Boundaries

2017 Proposed Boundaries



Program Scope

- Proactive
- Extensive community outreach
- Funding in place
 - Per capita allocation



Program Tools

- In-road physical devices
 - Require citizen data collection
- Striping, signing and operational changes
- Roadside improvements and maintenance

Physical Devices

- Islands, circles and mounds
- Chicanes
- Humps, pillows and raised crosswalks

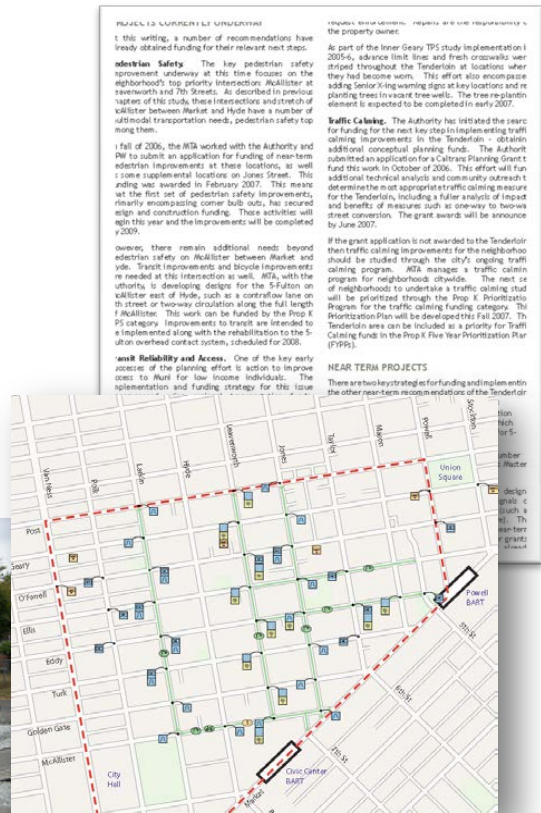


- Embrace Temporary!



Product

- Map identifying projects and priorities
- Technical memorandum describing “How We Got Here”
- Implementation!



Kenmore's Neighborhoods

- Arterial boundaries
- Access to arterials
- Funding allocated on per-capita by population



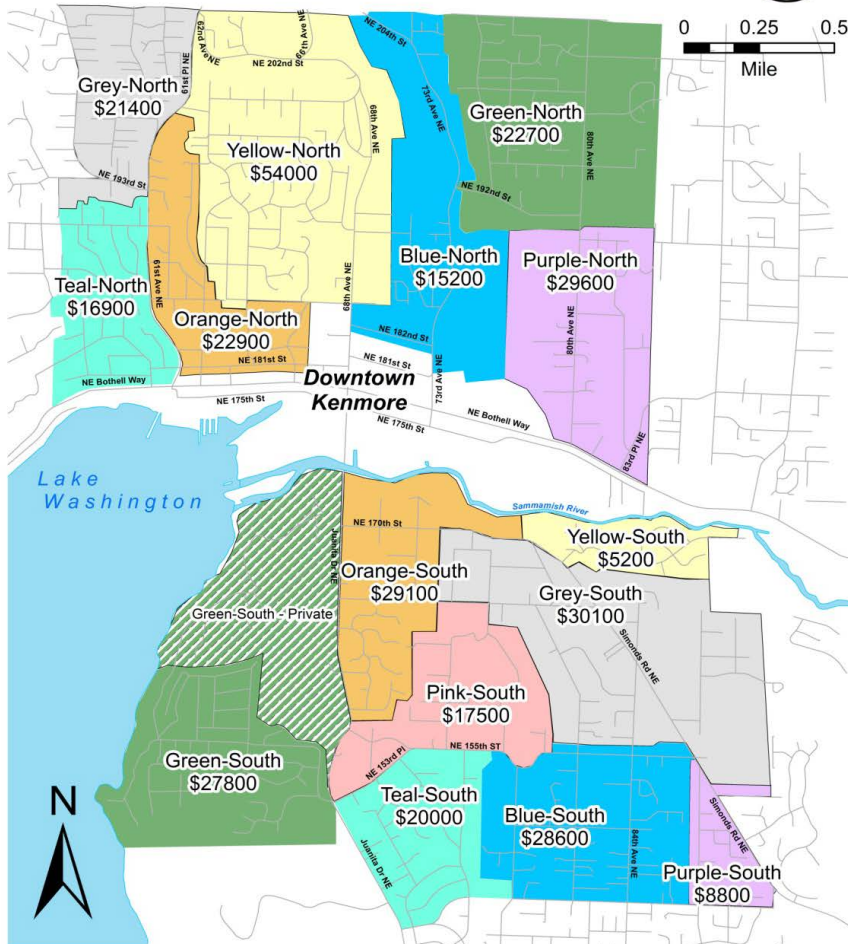
Kenmore's Neighborhoods

- Arterial boundaries
- Primary access route to arterials
 - Some isolated neighborhoods
- Physical divides

City of Kenmore Neighborhood Transportation Plan Initial Funding (Per Capita)



0 0.25 0.5
Mile



Neighborhood Funding

- Per capita budgets
- Based on Traffic Analysis Zones (TAZs) and lot boundaries
- TAZs from Comprehensive Plan

Outreach Process

- Advertising in advance
- Three City hall and on-site meetings
- Online, print and in-person feedback

A screenshot of a client satisfaction survey form. The form is titled "Client satisfaction survey" and includes a description: "This is a sample customer satisfaction survey created by Wareprise.com". It contains three questions with rating scales and a dropdown menu for selecting a salesperson. The questions are: "How would you rate your recent experience with us?", "Will you recommend our services to your friends?", and "Which salesperson did you deal with?". The rating scales are 1 to 5, with "Bad" and "Good" for the first question, and "Not likely" and "Very likely" for the second. The dropdown menu for the third question lists "Joe", "Bob", "Sally", and "June". At the bottom, there is a link to view the published form: "http://iprxsdxhweid.google.com/websurfs/".

Meeting #1 – Identify Issues

- One per neighborhood, held at City Hall
 - Must meet minimum participation threshold
 - Second opportunity “Meeting #1” or funding distributed per capita to other neighborhoods
- Identify and locate barriers, problems and opportunities
- Identify preferred tools to address issues

Meeting #2 – How To Help

- Held nearer to neighborhoods
- Only for those meeting participation threshold
- Finalize list of barriers, problems, opportunities, and tools to be used
- City staff will identify screening criteria that will be applied to finalized list

Engineering Evaluation

- City staff evaluates for safety, sound design, unforeseen consequences, stakeholder input
 - Cost estimates
- City staff evaluate against screening criteria, develop recommended priority list
- Schedule baseline data acquisition

Meeting #3 – Make A Plan

- City staff will present results of screening criteria and prioritized list of projects
- Neighborhood will be able to comment on and modify prioritized list
- Final map will be created from results of this meeting

Next Steps

- Implement projects based on per capita budgets
- Future data collection to evaluate effectiveness





The NTPP will proactively address the mobility,
connectivity and safety concerns of those who
know Kenmore's neighborhoods best

Questions?



City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Kenmore Business Incubator Update Proposed Council Action/Motion: Discussion, no action requested	For Council Meeting Agenda of: 20 July 2015 Department: Executive Prepared by: Nancy Ousley, Assistant City Manager <u>Initial & Date</u> Approved by Department Head: <u>NKO 9 July 2015</u> Approved by City Attorney: _____ Approved by Finance Director: _____ Approved by City Manager: _____ Exhibits/Attachments: Presentation Slides
Expenditure Required \$n/a Amount Budgeted \$226,200 for 2015-2016 Appropriation Required \$0	
<u>INFORMATION/BACKGROUND:</u> Staff and Program Consultant Corey Hansen will provide an update on the activities of the Kenmore Business Incubator. There are currently five companies in residence at the Incubator, and a growing number of Virtual Incubator companies who receive business development mentoring services but do not require dedicated work space. Mr. Hansen recently concluded a five-session Business Seminar series that was very successful and has resulted in three new Virtual Incubator clients. The briefing will highlight the incubator companies and their progress since joining the Incubator.	
<u>FISCAL CONSIDERATION:</u> Program operations are on track with the adopted budget.	
<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:</u> Continue to implement the Economic Development Strategy.	

Kenmore Business Incubator

July 2015



What's New

- ▶ Five Companies at the Incubator
- ▶ Three companies headed by Kenmore residents
- ▶ Virtual Incubator Program Launched
- ▶ 5x Entrepreneur Series May–June 2015
- ▶ Advisory Group
- ▶ StartUp Weekend Events



Metrics

	2013				2014				2015	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Total Businesses	1	2	3	3	3	3	4	6	7	11
Employees at KBI current*	5	10	13	15	15	15	12	13	8	11
% of base rent offset by fees**	40	56	71	85	71	71	71	82	37	71

*In-house companies only

**All program fees



Budget

2013 – 2014

- ▶ Budget: \$238,100
- ▶ Expenditures: \$214,372
- ▶ Program Revenue: \$36,892
- ▶ Net Expenditures: \$177,480

2015–2016

- ▶ Budget: \$226,200
- ▶ Expenditures (as of July 3): \$47,157
- ▶ Program Revenue (through May 2015): \$4240

In-House Companies



LIFESTYLES EXPRESS
HAVE IT ALL



Virtual Incubator Companies



Endeavor Family Counseling



STARTING POINT ACUPUNCTURE & WELLNESS

- ▶ Pending Applications
- ▶ All are Kenmore Businesses

Companies Who Have Graduated/Moved on

CONNECTEDDEVICE
LTD

Feb 2013–Dec 2014



August 2014–January 2015



Sept 2013–July 2014





City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Review of the Transit Oriented Development (TOD) District Overlay Proposed Council Action/Motion: Discuss the recommendations and provide direction on any desired changes. Determine whether an additional public hearing is required.	For Council Meeting Agenda of: 07/20/15 Department: <u>Community Development</u> Prepared by: <u>Debbie Bent, Community Development Director and Lauri Anderson, Senior Planner</u> Initial & Date Approved by Department Head: <u>DA 7/15</u> Approved by City Attorney: <u>[Signature]</u> Approved by Finance Director: <u>[Signature]</u> Approved by City Manager: <u>[Signature]</u> Exhibits/Attachments: 1. Map of original TOD District boundaries 2. Map of proposed revised TOD District boundaries 3. Proposed TOD District code amendments 4. TOD District informational flyer
Expenditure Required \$0 Amount Budgeted: \$0 Appropriation Required \$0	
INFORMATION/BACKGROUND: In February 2011, final action by the City Council on a Transit Oriented Development (TOD) District Overlay was put on hold so that the proposed boundaries of the area (see Attachment 1) could be reconsidered in light of the Regional Business rezoning project. In 2014, the Planning Commission recommended a revised TOD District boundary (see Attachment 2). This recommendation was presented to the Council at a joint meeting on 6/16/2014. Action on the TOD District Overlay proposal is now again before the City Council. In the years since initial Council review, several other Zoning Code amendments have been made, including a complete restructuring and simplification of the Code that included the restructuring of the Downtown Design Standards as recommended in the original TOD proposal. Land use definitions also have been reassessed and refined. For these reasons, staff is recommending additional changes to the original TOD District Code as recommended by the Downtown Task Force for consistency (see Attachment 3). Changes are shown in strikethrough and underline and highlighted in yellow. After discussion on July 20, the City Council should direct staff to address any issues or make any changes to the proposal. A new public hearing will be required this fall if the Council wishes to change the TOD District boundaries as the Planning Commission has recommended or make any other substantive amendments to the original proposal, including some of the changes recommended by staff (i.e., adopting standards about clustering away from critical areas in the R1 zone as is currently required by code, and clarifying that tree grove bonus units are not subject to affordability requirements). <u>Background</u> Between 2008 and 2010, the Downtown Task Force (DTTF), a City-Council appointed citizen group similar to the Planning Commission, developed regulations for a Transit Oriented Development (TOD) District Overlay. The TOD District was to be an <u>optional</u> set of development standards for a specific area that an applicant could pursue in place of the underlying zoning. TOD is focused on providing higher density housing to support transit usage—particularly high capacity transit. As residential development is the indispensable component to TOD, standalone commercial development is prohibited under the TOD District Overlay rules. Benefits of TOD, generally, include reducing traffic volumes and greenhouse gas emissions, increasing transit ridership, satisfying housing demand, and improving the	

I:/City Clerk/Agenda Items/Templates

pedestrian environment. The DTTF held numerous meetings, heard from transit agency staff, worked with A Regional Coalition for Housing (ARCH) staff, held a public open house, and conducted a public hearing. An informational flyer originally developed for the public open house and providing answers to frequently asked questions is included as Attachment 4.

The DTTF recommendation for the TOD District was presented to the City Council on 7/19/10. Council requested minor amendments and conducted its own public hearing on 9/27/10. Three people spoke at the public hearing; two of the speakers were DTTF members. At that same meeting, staff recommended that the district boundaries be reevaluated as part of the Regional Business zoning project. On 2/28/11, Council deferred action on the TOD District proposal. The Regional Business zoning project was assigned to the Planning Commission by Council as a “docket” (work program) item in 2013, including an assessment of the TOD District boundaries. The Planning Commission considered the TOD District boundaries and made their recommendation at their 5/20/14 meeting.

The City's Comprehensive Plan calls for a mixed-use, active, central place in Kenmore and the Plan supports transit, including eventual light rail along SR-522. The Vision Statement for the TOD project (developed by the DTTF) is as follows:

“Consider density increases to create walkable neighborhoods, support housing choice and affordability, expand transportation choices, cut infrastructure costs, and improve security. The aging of the population and the desire to live in urban areas make this a desirable choice.”

Proposed DTTF code amendments address incentives to using the TOD District Overlay. These incentives include:

- increased residential density (up to 120 dwelling units per acre),
- increased height (up to 65' in areas not adjacent to single-family zoning), and
- reduced parking requirements.

They also identify requirements that developments proposed under the TOD District Overlay must satisfy, including:

- affordable housing,
- more stringent design standards (in some cases), and
- pedestrian walkways and waterfront pedestrian trails.

The TOD District proposal includes standards designed to encourage preservation of significant tree groves in exchange for even greater density and further reduced parking. Too, “pioneer projects”—the first application(s) for the TOD District Overlay—are granted special parking incentives and a reduction in affordable housing requirements.

The Planning Commission's recommended revised boundaries for the TOD District eliminate properties south of SR-522. This is consistent with the “jobs” focus for this area and with the City's economic development strategy that seeks to support existing businesses and pursue opportunities to expand employment. The TOD District Overlay's restriction on standalone commercial development was perceived as incompatible with the broader purpose of the Regional Business district: “to provide for the broadest mix of retail, office, wholesale, and service uses, with compatible storage and light manufacturing uses, serving regional market areas and offering significant employment opportunities.”

The Planning Commission's recommendation to expand the TOD District Overlay opportunity eastward to include additional multifamily-zoned areas on the north side of SR-522 still would allow for the possibility of increased residential densities within walking distance of the Park and Ride and other transit stops along the SR-522 corridor.

Underlying zoning districts in the area proposed for the TOD District as recommended by the Planning Commission include: the R1 single family zoning district, the R12, R18, and R24 multifamily zoning districts, the Public and Semi-Public zone (Park and Ride lot), the Urban Corridor east subarea, and the Downtown Commercial zone. Existing base residential densities in these zones range from 1 dwelling unit per acre (R1) to 48 dwelling units per acre (Urban Corridor east subarea and Downtown Commercial). Allowable base heights

l:/City Clerk/Agenda Items/Templates

range from 35' (R1, Downtown Commercial and Public and Semi-Public) to 60' (R12, R18, R24). Heights in the Downtown Commercial zone without the TOD Overlay may be increased up to 65' for mixed use buildings or developments providing structured parking.

The R1 underlying zoning is applied to large properties that include both Swamp Creek wetlands to the east as well as multifamily zoning to the west along 73rd Avenue NE (R12 and R18). Staff is recommending addition of a footnote to the allowable density standards in the TOD District to clarify that any allowable development density from the R1 zone must be clustered away from the wetlands, as is required in the R1 zone. This same footnote also would require that at least 50% of these sites be retained in permanent open space—an additional standard from the R1 zone.

FISCAL CONSIDERATION:

None at this time.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

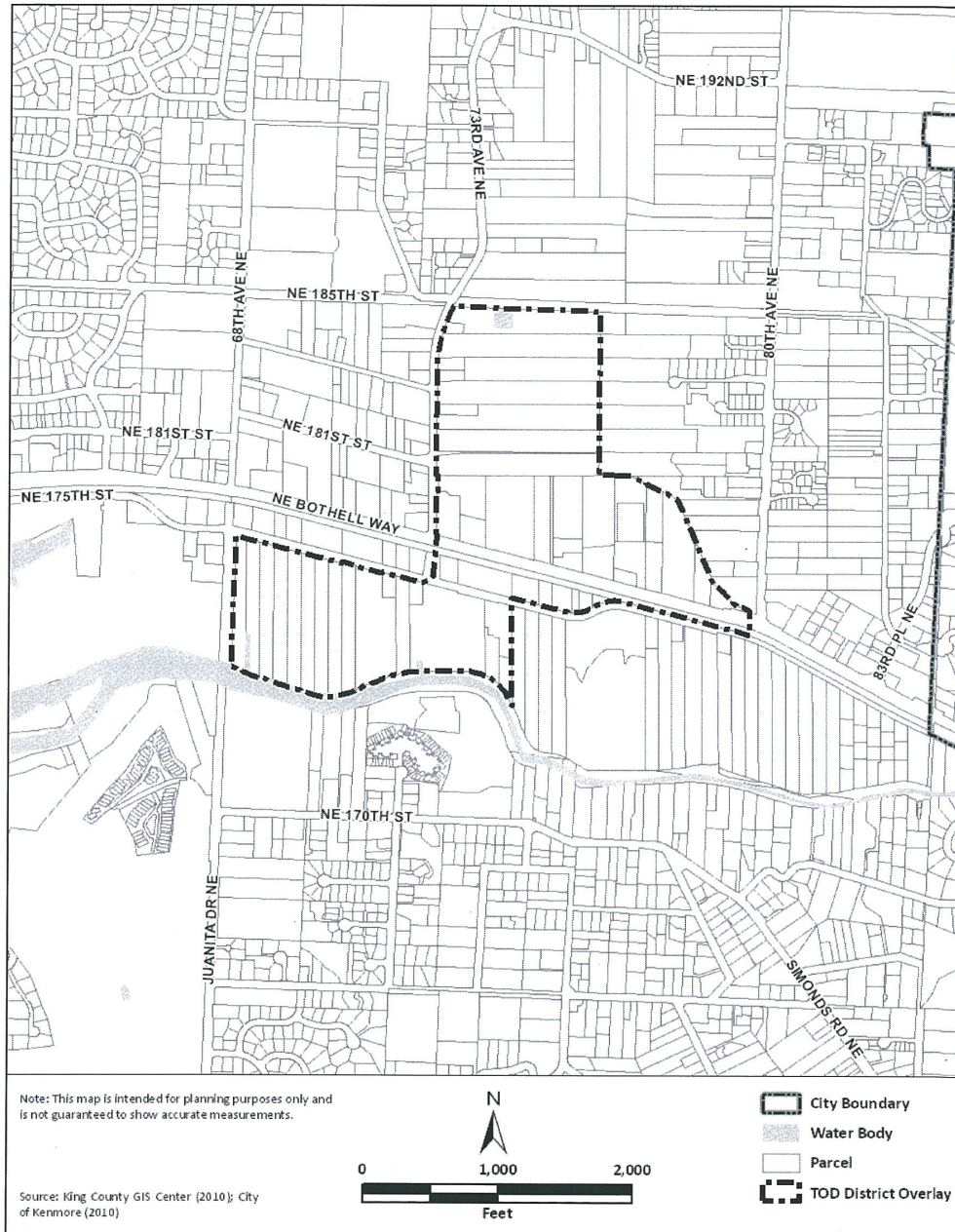
Goal 1: To focus on and emphasize multimodal transportation safety in the City of Kenmore with a specific focus on pedestrian, bicycle, and other modes of travel.

Goal 4: To continue to implement the Economic Development Plan with an emphasis on the following key points:
Create a vibrant, walkable downtown.

Goal 10: To identify, develop, and actively promote a walkable area in downtown.

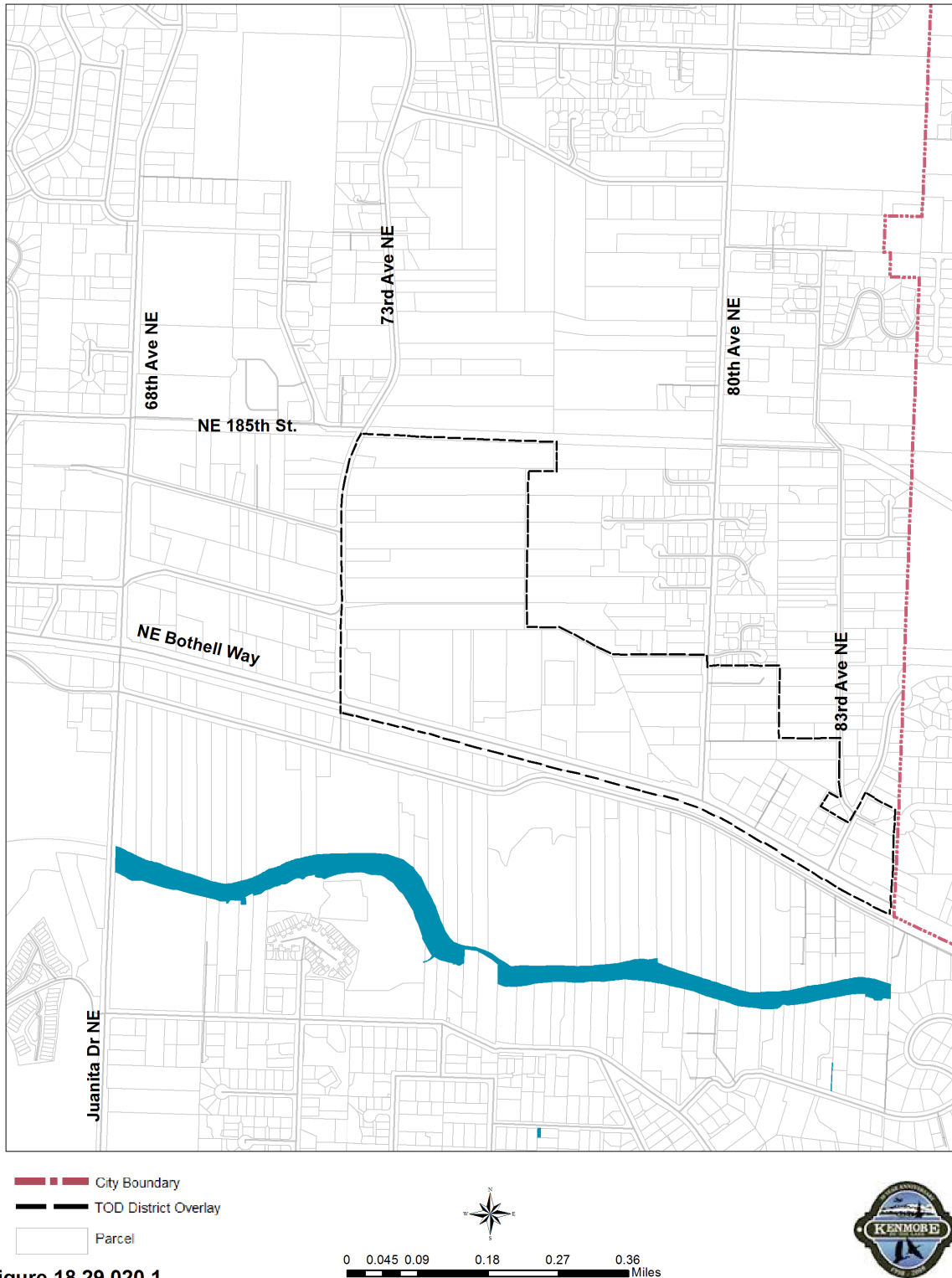
Attachment 1

Original TOD District Map as Recommended by the Downtown Task Force in 2010



Attachment 2

TOD District Overlay



Attachment 3



DRAFT TRANSIT-ORIENTED DEVELOPMENT (TOD) DISTRICT OVERLAY CODE

(2015 updates recommended by staff)

[NEW DRAFT CODE SECTION]

Chapter 18.29 ~~Section 18.82.120~~ Transit Oriented Development (TOD) District Overlay

A.18.29.010 Purpose/Intent

The purpose of the TOD District Overlay is to reinforce the City's planned concentration of pedestrian-oriented mixed-use development at intensities that supports and ~~is~~are supported by multi-modal transportation options, including high capacity transit. The TOD District Overlay revitalizes the City's core by creating incentives and opportunities for a mix of jobs and residences, cultivates a respectful relationship among development within the District, the natural environment, and nearby traditional neighborhoods, and provides a framework for future infrastructure and service decisions. The TOD District provides public benefits in the form of encouraging housing affordable to all economic groups, increased pedestrian connectivity, quality design, and incentive to preserve significant tree groves where they exist.

B.18.29.020 ~~Kenmore TOD District Overlay Established Area~~

~~There is hereby established pursuant to Section 18.82.120 of the Kenmore Municipal Code, the~~
~~area of the Kenmore~~ TOD District Overlay ~~is~~ shown on Figure 18.82.120.B29.020.1. In order to
develop under the TOD District Overlay, at least 50% of a parcel shown on ~~Map A~~Figure 18.29.020.1
~~must~~shall be located within the TOD District Overlay.

Figure 18.82.120B29.020.1. TOD District Overlay

Replace figure originally recommended by the Downtown Task Force in 2010 (see Attachment 1) with figure recommended by the Planning Commission in 2014 after review of the Regional Business zoning district (see Attachment 2).

Kenmore Draft TOD District Overlay
 July 2, 2015
 Page 2 of 16

C.18.29.030 Applicability

- 1A.** The TOD district is an incentive-based zoning overlay. Applicants who elect to develop under the provisions of the TOD District Overlay shall adhere to all development standards set forth in this ~~Section~~**Chapter**; except that development standards not addressed in this ~~Section~~**Chapter** shall be governed by provisions of the underlying zone.
- 2B.** In order to be eligible to develop under the TOD District Overlay regulations, a development application ~~must~~**shall** meet the following criteria:
- a1.** The property must be located within the TOD District Overlay ~~area~~ as ~~indicated~~**described** in ~~Subsection B of this Section 18.29.020~~;
- b2.** The proposed development must either:
- be considered a mixed-use development as defined in KMC 18.20.1740; or
 - be a residential-only development or mixed-use development with commercial permitted only on the ground floor if located in the R-12, R-18, or R-24 underlying zones, which are areas designated as primarily residential.
- 3C.** Eligible properties within the TOD District Overlay that do not choose to develop under the provisions of this ~~section~~**Chapter** ~~must~~**shall** comply with the provisions of the underlying zone in their entirety.

D.18.29.040 Land Use allowances

- 1.** ~~The following uses listed in Table A are identified as permitted, conditionally permitted or prohibited uses Table 18.82.120D-3 lists land uses that are permitted, conditionally permitted, and prohibited for properties electing to develop under provisions of the TOD District Overlay.~~
- 2.** ~~All uses not specifically listed in this section shall be prohibited.~~
- 3.** ~~Land Uses Permitted, Conditionally Permitted, and Prohibited.~~

Table 18.82.120D-3A. ~~Permitted, Conditional, and Prohibited Uses~~TOD District Overlay Use Allowances

Permitted	Conditionally Permitted	Prohibited
Artist Studio ¹	Church, Synagogue, or Temple	Automotive Rental and Leasing
Arts and Crafts School 1	College/University ²	Automotive Repair
Bed and Breakfast Guesthouse	Nursing and Personal Care Facilities ²	Automotive Service
Cultural Facilities ¹	Public Agency or Utility Office- Noncity	Bulk Retail
Day Care Centers I and II	Schools, elementary and middle/junior high	Car Wash

Kenmore Draft TOD District Overlay

July 2, 2015

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Permitted	Conditionally Permitted	Prohibited
Dwelling, multiple family	Schools, secondary or high school	Construction and Trades
Eating and Drinking Places ¹	Specialized Instruction School ²	Gasoline Service Station
Government Facilities, City		Manufacturing
Hotel ¹		Motel
Medical/Dental Office/Outpatient Clinic ¹		Motor Vehicle, and Boat, and Mobile Home Dealer
Mobile Food Vendor ⁴		Recreational Facilities, Outdoor
Outdoor Performance Center ³		Recycling Facility
Outdoor Retail Display/Sidewalk Sale		Rental Services, with outdoor storage
Professional Office ¹		Retail Sales, Outdoor
Park		Self Service Storage Facility
Recreational Facilities, Indoor ¹		Social Service, Correctional
Rental Services, no outdoor storage ¹		Storage, Indoor
Retail Sales, Indoor ¹		Storage, Outdoor
Services, Off-Site ¹		Tow Truck Operation/Auto Impoundment Yard
Services, On-Site ¹		Trucking and Courier Service
Social Services, Noncorrectional ¹		
Theater ³		
Trails		
Transit Center ³		
Veterinary Offices/Clinics: no outdoor kennels or facilities ¹		

Kenmore Draft TOD District Overlay
 July 2, 2015
 Page 4 of 16

Permitted	Conditionally Permitted	Prohibited
<u>Arts, entertainment, indoor</u> <u>1,3</u>	<u>Ambulatory surgery</u> <u>center</u> ²	<u>Adult entertainment</u> <u>business</u>
<u>Business service,</u> <u>standard</u> ^{1,3}	<u>Animal kennel/shelter</u> ^{2,5}	<u>Air transportation service</u>
<u>Day-care</u>	<u>College/university</u> ²	<u>Arts, entertainment, outdoor</u>
<u>Eating and drinking place</u> ¹	<u>Communication facility</u>	<u>Auction house</u>
<u>Educational service</u> ¹	<u>Fire or police facility</u> ²	<u>Automotive sales and</u> <u>service, marine</u>
<u>Health care and social</u> <u>assistance</u> ^{1,3}	<u>Laboratory</u> ²	<u>Automotive sales and</u> <u>service, non-marine</u>
<u>Manufacturing, light</u> ^{1,3,5}	<u>Park</u>	<u>Business service, intensive</u>
<u>Mobile food service</u> ⁴	<u>Regional land use</u>	<u>Cemetery, columbarium or</u> <u>mausoleum</u>
<u>Multiple family dwelling</u>	<u>Religious institution</u> ²	<u>Community residential</u> <u>facility</u>
<u>Office</u> ¹	<u>Supportive living facility</u> ²	<u>Construction and trade</u>
<u>Personal service</u> ^{1,3}		<u>Family child-care home</u>
<u>Recreational facility, indoor</u> <u>1,3</u>		<u>Funeral home/crematory</u>
<u>Retail sales</u> ^{1,3,5}		<u>Hospital</u>
<u>Temporary lodging</u> ^{1,3}		<u>Manufacturing, heavy</u>
		<u>Marijuana business</u>
		<u>Mobile home park</u>
		<u>Recreational facility, outdoor</u>
		<u>Resource land use</u>
		<u>Retail sales, bulk</u>
		<u>Secure facility</u>
		<u>Single detached dwelling</u> <u>unit</u>
		<u>Standalone parking</u>
		<u>Transportation</u>
		<u>Utility facility</u>
		<u>Vehicle or equipment rental</u>
		<u>Vehicle refueling station</u>
		<u>Warehousing</u>
		<u>Wholesale trade</u>

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4. Notes:

- (1)¹ Commercial use limitations in residentially-oriented underlying zones: If these uses are proposed for property with underlying zoning of R-12, R-18, or R-24, then each use is limited to maximum 5,000 square feet per use and 15,000 square feet total contiguous non-residential area within the development.
- (2)² Conditional use permit required in underlying Regional Business Urban Corridor, Downtown Commercial, and Public/Semi-Public zones. Prohibited in all other underlying zones within the TOD District Overlay district area.
- (3)³ Conditional use permit required in underlying R-12, R-18, R-24 zones. Permitted in underlying Regional Business Urban Corridor, Downtown Commercial, and Public/Semi-Public zones within the TOD District Overlay district area.
- (4)⁴ Mobile food vendors are permitted subject to the following requirements:
 - a. TheFor a stand, location shall be is located on a sidewalk or near a storefront consistent with barrier-free regulations;
 - b. TheFor a stand, location on the sidewalk or near a storefront shall provides for at least four feet of unobstructed sidewalk between the stand and the sidewalk edge for pedestrian movement;
 - c. No permanent fencing, walls, or other structures are installed which hinder removal of the structure from the site;
 - d. No required parking stall shall be blocked or rendered unusable as a result of the mobile vendor;
 - e. Safe ingress and egress to the site shall be maintained. Visibility for transportation and pedestrian access shall be maintained;
 - f. The limited duration of the mobile vendor shall be established as a condition of approval of any applicable permits; if accessory to a use, such operation is removed daily at the time of or prior to the close of business hours;
 - g. A sign permit is required for exterior signage in accordance signage in accordance with the sign code, Chapter 18.5042 KMC.

⁵ No outdoor storage of materials shall be permitted.

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E.18.29.050 Residential Density Zoning standards

The following development standards in Table B apply to properties electing to develop under provisions of the TOD District Overlay:

Table B. TOD Overlay District Development Standards

1. Minimum Residential Density

The minimum residential density within the TOD overlay district shall be 40 dwelling units per acre.

2. Maximum Residential Density

a. Development electing to use the TOD District Overlay in development shall not exceed 120 dwelling units per acre.

b. Development shall provide affordable housing as described under Subsection J. Development choosing to develop under the TOD District Overlay may not utilize the provisions of Residential Density Incentives found in KMC 18.80 to achieve maximum densities.

STANDARD	REQUIREMENT
Minimum Density: Dwelling Units/Gross Acre	40 ¹
Maximum Density: Dwelling Units/Gross Acre	120 ¹
Maximum Height	65' ²

¹ Portions of any property developing under the TOD District Overlay regulations with an underlying zoning of R-1 shall cluster development away from critical areas or corridors such as urban separators or the wildlife habitat network to the extent possible and the open space shall be placed in a separate tract that includes at least 50 percent of the site. The open space tract shall be permanent and meet the provisions of KMC 17.20.130.B.

² Portions of any property developing under the TOD District Overlay regulations that are within 50 feet of a single family zone (R-1, R-4, R-6) shall have a maximum height of 35 feet within that area to provide a transition in height to the lower intensity uses.

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18.29.060 Affordable housing requirements.

~~For properties choosing to develop under the TOD District Overlay, d~~Development shall provide affordable housing as described under subsection J. Development choosing to develop under the TOD District Overlay ~~may~~shall not utilize the provisions of Residential Density Incentives found in KMC 18.80 to achieve maximum densities.

- A. Definitions: For purposes of the TOD District Overlay, the following affordable housing definitions shall apply:
 1. Affordable Housing Unit: Housing reserved for occupancy by eligible households and affordable to households whose annual income does not exceed the following percent of the Median Income, adjusted for household size, and no more than thirty percent of the monthly household income is paid for monthly housing expenses (Housing expenses for ownership housing includes mortgage and mortgage insurance, property taxes, property insurance, and homeowners dues. Housing expenses for rental housing includes rent and appropriate utility allowance.)
 2. Bonus units: Dwelling units achieved through the TOD District Overlay that exceed the number of units allowed by the base density of the underlying zoning district.
 - ~~B3.~~ Moderate Income Affordable Housing. For rental housing, moderate income affordable housing ~~is~~ defined as affordable at 70% of Median Income, adjusted for household size. For ownership housing, moderate income affordable housing is defined as affordable at 80% of Median Income adjusted for household size.
 - ~~C4.~~ Low Income Affordable Housing. For rental housing, moderate income affordable housing ~~is~~ defined as affordable at 50% of Median Income, adjusted for household size. For ownership housing, moderate income affordable housing is defined as affordable at 65% of Median Income adjusted for household size.
 - ~~D5.~~ Median ~~if~~ income means the median income for the Seattle MSA as most recently determined by the Secretary of Housing and Urban Development under Section 8(f)(3) of the United States Housing Act of 1937, as amended, or if programs under said Section 8(f)(3) are terminated, median income ~~is~~ determined under the method used by the Secretary prior to such termination. In the event that HUD no longer publishes median income figures for the Seattle MSA or King County, the City may use any other method for determining the King County median income, adjusted for household size.
 - ~~E6.~~ Definition of Affordability for Pioneer Projects. For purposes of this code section, a pioneer project consists of the first 100 bonus housing units provided under the TOD District Overlay regulations. For pioneer projects, the definition of moderate income affordable units is modified to be 80% of Median Income for rental housing, and 100% of median income for ownership housing.
 - ~~F.~~Pursuant to the authority of RCW 36.70A.540, the City finds that the higher income levels specified in the definition of Affordable Housing under Subsection ~~J.1. of this Section~~

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18.29.060.A, rather than those stated in the definition of “low-income households” in RCW 36.70A.540, are needed to address local housing market conditions in the City.

2. Applicability: Any project that is eligible to develop and elects to develop under the provisions of KMC 18.82.120 shall be required to provide a number of affordable housing dwelling units as described in Section J4.

3B. Cap on Total Number of Affordable Housing Units Required: Affordable housing requirements shall be capped at 10% of the total number of dwelling units being provided.

4C. Number of Affordable Housing Units Required: Affordable housing units shall be provided for any development exceeding the base density of the underlying zone as follows:

a1. Tier 1: If the number of bonus units is less than or equal to thirty percent of the total number of dwelling units, then for every three additional dwelling units above the underlying base density bonus units, one dwelling unit must shall be a moderate income affordable housing unit and two bonus dwelling units will may be bonus market rate dwelling units. Tier 1 affordability requirements apply until 10% of the total dwelling units in the development are moderate income affordable housing units.

B2. Tier 2: If the number of bonus units is greater than thirty percent of the total number of dwelling units, then a combination of low income affordable housing units and moderate income affordable housing units shall be provided as follows: Tier 2 affordability requirements begin once the 10% of all affordable housing is achieved at moderate income. Once that occurs, then for every four bonus units allowed beyond that point needed to achieve the 10% moderate income affordable housing units, one of the existing moderate income dwelling affordable housing units allowed in Tier 1 must shall be made into a low income affordable housing unit up to a maximum of. Tier 2 is in effect until 33% of the affordable income dwelling housing units are affordable at the Low Income level (or 3.3% of the total dwelling units in the development).

c. Tier 3: Once Tier 1 has been achieved and Tier 2 triggered, projects will be required to provide additional affordable housing units in order to maintain the overall requirement of 10% of the total units affordable and 1/3rd of the affordable units affordable to Low Income.

D3. Determination of Number of Affordable Housing Units Required: See KMC 18.30.060D 18.30.020.D for method of rounding to determine the number of affordable housing units required.

E4. Affordable housing example:

Example is a 1.5-acre property with a base density of 3648 dwelling units (du)/acre. Without the TOD District Overlay, the property could achieve up to 72 dwelling units.

Tier 1 example: Proposed TOD development would achieve 5193 dwelling units on site for 5162 du/acre. This provides 1521 “bonus” dwelling units above the 3648 du/acre base density of the zone. Five Since the number of bonus units (21) is less than 30% of the total units (93), seven of the 1521 bonus units are must be affordable to moderate income households, meeting Tier 1

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affordability requirements. At 51 dwelling units, the 10% cap on moderate affordable housing units is triggered. Above this amount of development, Tier 2 affordable housing would be required.

Tier 2 example: Proposed TOD development would achieve 59 dwelling units on site for 59 du/acre. This provides 23 "bonus" dwelling units above the 36 du/acre base density of the zone. Since the number of bonus units (41) is greater than 30% of the total units (113), 11 of the 23 bonus units must be affordable housing units, meeting the 10% affordability cap. Three of these are affordable to moderate income households, meeting Tier 1 affordability requirements, and 2 are affordable to low income households (33 of the bonus units used toward achieving 10% affordable units (11*3) plus 8 of the bonus units applied toward making two of the affordable units low income affordable units (8*.25=2). At 59 dwelling units, the 2 low-income dwelling units constitute 1/3 of the affordable housing units, meeting the requirements for Tier 2.

Tier 3 example: Proposed development would achieve 120 dwelling units on site for 120 du/acre. This provides 84 "bonus" dwelling units above the 36 du/acre base density of the zone. Twelve of the dwelling units are affordable, meeting the 10% affordability cap that is maintained under Tier 3. Eight of these are affordable to moderate income households, meeting Tier 1 affordability requirements, and 4 are affordable to low income households (1/3 of the 12 affordable dwelling units).

5D. Alternative Compliance: The Director/city manager may approve a request for satisfying all or part of the affordable housing requirements with alternative compliance methods if they meet the following requirements:

- a1. The project proponent may propose an off-site alternative, and must demonstrate that any alternative compliance method achieves a result equal to or better than providing affordable housing onsite.
- b2. Affordable Housing Units provided through the alternative compliance method must be based on providing the same type of units as the units in the project which give/gave rise to the requirement.
- c3. Affordable Housing Units may be provided offsite if the location chosen does not lead to undue concentration of affordable housing in any particular area of the Transit Oriented Development District or Downtown.
- d4. Priority is for the project to be located within the Transit Oriented Development District as described in Subsection B. However, the Director/city manager may approve a project located outside the Transit Oriented Development District if it can demonstrate the location has access to commercial uses, transit, and does not result in an undue concentration of affordable housing,
5. The proposal by the project proponent must demonstrate that the affordable units provided off-site will be completed before or within the same time period as the development generating the affordable housing requirement, or provide such other assurances as approved by the Director/city manager.

Applications for alternative compliance shall be submitted at the time of application, and must be approved prior to issuance of any building permit. The proposal must describe a specific location,

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type, and amount of affordable housing and how and when it will be developed. Any proposal for providing off-site affordable housing must also address the timing for providing the off-site housing, which, unless otherwise approved by the City, shall be built simultaneously with or prior to the construction of housing for the subject property. For projects approved for off-site affordable housing, there will be a recorded agreement on both the "sending" property and the "receiving" property. The covenant on the sending site will be released once the affordable housing is completed on the receiving property.

6E. Affordability Agreement. Prior to issuing any building permit, an agreement in a form approved by the **Directorcity manager** that addresses price restrictions, homebuyer or tenant qualifications, phasing of construction, monitoring of affordability, duration of affordability, and any other applicable topics of the Affordable Housing Units shall be recorded with King County Department of Records and Elections. This agreement shall be a covenant running with the land and shall be binding on the assigns, heirs and successors of the applicant. The City may agree, at its sole discretion, to subordinate any affordable housing regulatory agreement for the purpose of enabling the owner to obtain financing for development of the property.

7F. Implementation Provisions. The following requirements shall be met for all affordable units:

a1. Duration. Housing shall serve only income-eligible households for a minimum period of 50 years from the **laterlatter** of the date when the Affordability Agreement between the housing owner and the City, as referenced in Subsection **1.6E** is recorded, or the date when the affordable housing becomes available for occupancy as determined by the City.

b2. Designation of Affordable Housing Units. Prior to the issuance of any permit(s), the City shall review and approve the location and unit mix of the Affordable Housing Units consistent with the following standards:

ia. Location. The location of the Affordable Housing Units shall be approved by the City, with the intent that they generally be intermingled with all other dwelling units in the development.

iiib. Tenure. The tenure of the Affordable Housing Units (ownership or rental) shall be the same as the tenure for the rest of the housing units in the development.

iiic. Size (bedroom). The Affordable Housing Units shall consist of a range of number of bedrooms that are comparable to units in the overall development.

ivd. Size (square footage). The size of the Affordable Housing Units, if smaller than the other units with the same number of bedrooms in the development, **mustshall** be approved by the **Directorcity manager**. If there is a proposal that the affordable units be smaller than the market rate units, in no case shall the Affordable Housing Units be less than 500 square feet for a studio unit, 600 square feet for a one bedroom unit, 800 square feet for a two bedroom unit, or 1,000 square feet for a three bedroom unit.

ve. Design. The exterior design of the Affordable Housing Units **mustshall** be compatible and comparable with the rest of the dwelling units in the development and **mustshall** comply with

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design standards specified in **Subsection HKMC 18.29.080**. The interior finish and quality of construction of the Affordable Housing Units shall at a minimum be comparable to entry level rental or ownership housing in the City.

c3. Timing/Phasing. The Affordable Housing Units shall be available for occupancy in a time frame comparable to the availability of the rest of the dwelling units in the development.

8G. Monitoring and fees. The City reserves the right to establish in the Affordability Agreement referred to in Subsection **J-6E**, monitoring fees for the Affordable Housing Unit, which can be adjusted over time to account for inflation. The purpose of any monitoring fee is for the review and processing of documents to maintain compliance with income and affordability restrictions of the Affordability Agreement.

9. Administrative Official. The Director shall be responsible for administration of this section. The Director may adopt administrative procedures for implementation of this section.

18.29.070 Parking.

Parking in the TOD District Overlay should be sufficient to support local businesses and residential development, while at the same time promoting transit ridership, walkable streets, and efficient use of land. Proposed development **choosing to develop underin** the TOD **overlay dD** District **Overlay** shall provide parking as follows:

- 1A.** Minimum parking requirements for non-residential uses may be reduced to 75% of the minimum requirement computed according to the provisions of Chapter 18.4540.030.
- 2B.** Minimum residential parking shall be supplied at the following ratios:
 - a1.** 1.0 parking spaces per market-rate dwelling unit, except as **noted in Subsection F.2.a.i., below follows:**
 - ia.** Pioneer Project Incentive. **T**he first 100 bonus housing units provided under KMC 18.82.12029.050, may elect to provide parking spaces for market rate **dwellingbonus** units above the underlying base density at 0.6 parking spaces per dwelling unit **as an incentive for pioneer projects.**
 - b2.** 1.0 additional parking space per every 5 market rate dwelling units shall be provided and designated as guest parking for use by all guests.
 - c3.** 0.6 parking spaces per dwelling unit for affordable or senior dwelling units.
 - d4.** **For purposes of Subsection F2c, aA** affordable housing shall be as defined under **provisions of Section J of the TOD District overlayKMC 18.29.060**. Senior housing shall be defined as housing restricted to those meeting the definition of senior citizen as found in KMC 18.20.2500.
- 3C.** The following factors shall count towards minimum parking standards for residential and nonresidential development:
 - a.** On-street parking immediately adjoining a property proposed for development or provided as part of the proposed development may be counted toward the minimum parking requirement.

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- b. Minimum on-site parking may be reduced further by provisions of KMC 18.4540.090B for properties within the TOD District Overlay that meet the requirements of KMC 18.4540.090B for accessibility to high frequency transit service.
- c. Shared parking among uses is encouraged within the TOD District Overlay. Developments that propose shared parking arrangements shall submit a parking management plan as defined in KMC 18.20.1995 that describes the terms and conditions of shared parking arrangements on site.
- 4D. Parking Provided in Excess of Minimum: Provision of parking in excess of the minimum parking requirements outlined in F.1. and F.2 subsections A. and B. above shall require the excess parking be included in a structured parking garage, or under building and screened from the street frontage, unless the additional parking is associated with a phased, mixed use development, and is interim in nature, per KMC 18.35.130 and is temporarily located on land reserved for future phases not yet built.
- 5E. Maximum parking within the TOD overlay district shall not exceed 100% of the minimum requirement calculated under the provisions of KMC 18.4540.030.
 - a. Applicants may be allowed to exceed the maximum parking if the applicant can produce a parking study that demonstrates probable on-site parking needs that are significantly higher than similar uses. This traffic study shall be subject to review by the Planning Director/city manager before approval for additional parking is granted. All parking granted in excess of the maximum shall be provided in a structured parking garage or under building and screened from the street frontage.
- 6F. All other parking requirements shall be as provided in Chapter 18.4540 KMC.

18.29.080 Design Requirements.

Development within the TOD District Overlay shall comply with Standard 1 provisions of the Downtown Design Standards, as set forth in Chapter 18.52 KMC.

In addition, the following design requirements shall apply:

- 1A. Relational Setback Requirements: Any proposed development within the TOD District Overlay adjacent to an existing single-family zone (R-1, R-4, or R-6) shall be required to provide an interior ground-level setback of 15 feet on the side of the property facing the single-family zone, unless a larger setback is required in the underlying zone. In that event, the larger of the two setback requirements shall govern. The setback required by this Subsection shall be landscaped as with Type II landscaping as defined in KMC 18.4035.040B to provide a visual buffer.

18.29.090 Connectivity Requirements.

The TOD District Overlay should remove impediments to pedestrian use of the district and the downtown area by fostering the creation of an extensive network of sidewalks and pedestrian walkways.

Development proposals within the boundaries of the TOD District Overlay that elect to develop under the provisions of KMC Chapter 18.82.12029 shall:

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- 1A. Provide any direct pedestrian connections between proposed development and transit facilities, or arterials providing transit access in order to minimize walking distances to transit.
- 2B. Comply with the Downtown Design Standards pertaining to pedestrian walkways, as set forth in KMC Chapter 18.52.100.
- 3C. Properties abutting water bodies (i.e., wetlands, rivers, lakes, or streams) ~~must~~shall provide a public access trail paralleling the water body from one property line to the next with setbacks that are consistent with the ~~buffer~~ requirements of ~~the Shoreline Code for the subject water body and public access to the trail paralleling the water body from a public right-of-way~~KMC Title 16, Division I, and KMC Chapter 18.55. The public access trail shall connect to a public right-of-way.
 - a1. Where a development proposal abuts a property with a public access trail segment, the public access segment on the subject property shall connect to abutting property public access segment(s).
 - b2. The public access easement for public access trails shall be documented on the face of the plat or plan and recorded with the King County Assessor's Office, or equivalent authority. Public access easements shall run with the land ~~for the life of the project in perpetuity~~.

K18.29.100 Significant Tree Grove Retention

- 1A. Definitions:
 - a1. Significant Tree Grove Definition: A significant tree grove shall consist of 2 or more trees with a minimum of 5.5 tree units total. A qualifying tree has 2 tree units minimum. The minimum distance between qualifying trees in order to qualify as a significant tree grove shall be equal to ½ of the critical root zone. The maximum distance measured in feet between qualifying trees shall be equal to 2 times the critical root zone in order to be defined as a significant tree grove. For example a 24-inch d.b.h. tree must be between 12 feet and 24 feet from another tree in the grove to be included in the significant tree grove. A tree of any size that is topped or considered a "hazard tree" as defined in KMC ~~18.42.020(11)~~18.20.3084 may not qualify as part of a significant tree grove as herein defined. A significant tree grove is not the same as a "grove," as defined in KMC ~~18.42.020(10)~~18.20.1273.
 - b2. Tree Units: See KMC 18.42.060A57.060.A for translation of ~~diameter at breast height (d.b.h.) to~~ tree units ~~to diameter at breast height (d.b.h.)~~.
 - c. ~~Other Definitions: See KMC 18.42.020 for other tree-related definitions used in Subsection K.~~
- 2B. Applicability:
 - a1. If the underlying zone within the TOD District Overlay requires tree retention as provided in KMC ~~18.42~~Chapter 18.57, then the provisions of KMC ~~18.42~~Chapter 18.57 shall be retained.

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If KMC ~~18.42~~Chapter 18.57 exempts a property from tree retention then it shall remain exempt.

b2. Development proposals within the boundaries of the TOD District Overlay that elect to develop under the provisions of KMC Chapter ~~18.82.120~~18.29 shall be eligible to benefit from providing less parking or more dwelling units or any combination of the two if the development retains one or more significant tree grove(s) as defined in this Section in perpetuity. A development may be able to benefit from both reduced parking and additional dwelling units by preserving a significant tree grove so long as the same tree credits are not counted towards both reduction in parking and additional bonus dwellings. Trees or groves retained through the provision of KMC 18.4257 may count towards the significant tree grove retention if they meet the definitions found in KMC ~~18.82.120K1~~18.29.100.A.

e3. Tree on Property Line: In instances where one or more trees that would qualify as part of a significant tree grove is located on a property line such that the tree is on more than one property, and the properties are in separate ownerships, the tree shall qualify to be counted as part of a separate tree grove by each property owner.

3C. Reduced Parking: In order to retain qualifying significant tree groves, required parking may be reduced at the maximum rate of one stall per each 5.5 Tree Units. Parking quantities may be reduced up to a maximum of 20% from the parking requirement after other reductions are applied, if any.

4D. Residential Bonus Units:

a. In order to retain qualifying significant tree groves, residential units are offered at the rate of one bonus unit per each 11 Tree Units preserved. Grove bonus units are not included in maximum unit density calculations. Grove bonus units are not subject to the affordability requirements of KMC 18.29.060.

5E. Significant Tree Grove Preservation Requirements:

a1. Tree Protection Plan Required. A tree protection plan as identified in KMC 18.4257.050 shall be required for any development application proposing to protect one or more significant tree groves through this Section.

b2. Recorded on Title. The map of Ssignificant tree groves preserved through this Section, along with a covenant preventing removal, shall be recorded and shown on the property title.

e3. Subject to Tree Protection Measures of KMC 18.4257. Significant tree groves protected under this Section shall be subject to the tree protection measures during construction found in KMC 18.4257.090, the post-construction replacement, financial guarantee, and maintenance requirements of KMC 18.4257.100, and the penalties and enforcement of KMC 18.4257.110.

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[OTHER RELEVANT CODE SECTIONS]

DOWNTOWN DESIGN STANDARDS

18.52.070 Applicability.

- A. Design standards shall apply as depicted in Figure 18.52.070.A.1.
- B. A property owner or developer electing to develop under KMC 18.29, Transit-Oriented Development District Overlay, shall comply with Standard 1 as described in Subsection C. below.
- ~~B.C.~~ The components of the design standards shall apply as follows: (X = design component required under the specific standard)

(Relabel rest of code sections in consecutive letter order...)

18.52.100 Pedestrian walkways.

- A. Intent.
 - 1. Pedestrian Network. To create on-site pedestrian networks from streets and drives to building entrances, through parking lots to connect buildings to the street (see surface parking location standards), and between sites.
 - 2. Through Block Connections. To create through block connections between blocks of development, between streets, and connecting streets to public spaces.
- B. Standards – Required.
 - 1. Locations. Clear and visible pedestrian walkways shall be provided in the following locations:
 - a. Through Block Connections.
 - (1) Northwest Quadrant. If the property abuts a proposed pedestrian route designated in the Northwest Quadrant circulation plan, see KMC 18.52.110. In areas not identified on the circulation plan, one pedestrian walkway shall be provided for an average of every 300 feet or less of street frontages in the north-south and east-west directions to create a linked pedestrian walkway system around and through the Northwest Quadrant. Distances may vary from exactly 300 feet to accommodate linking adjacent development on a case-by-case basis.
 - (a) Public spaces shall be linked to adjacent streets and developments.
 - (b) Exact locations of pedestrian walkways shall be determined at the time of development to accommodate linkages between adjacent developments.

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(2) Northeast Quadrant and TOD District Overlay. In the Northeast Quadrant and for properties electing to develop under KMC Chapter 18.82.12029 in the TOD District Overlay, one pedestrian walkway shall be provided between the north and south end of the property, spaced an average of every 300 feet or less of street frontages. The walkway must connect with walkways located on other properties established in accordance with this condition. Distances may vary from exactly 300 feet to accommodate linking adjacent developments on a case-by-case basis. The comprehensive plan downtown circulation concept shall be a general guide to priority pedestrian links.

(a) Public spaces shall be linked to adjacent streets and developments.

(b) Exact locations of pedestrian walkways shall be determined at the time of development to accommodate linkages between adjacent developments.

b. Street to Building Entrances. Between a public right-of-way and building entrances where the building is set back from the street, sidewalk, or parking area.

c. Parking Lots to Building Entrances. Between parking lots and building entrances.

d. Building to Building. Between buildings where multiple structures are a part of a single development project.

e. As identified on the Northwest Quadrant circulation plan, which is located in KMC 18.52.110.

...

18.20.1995 Parking management plan.

"Parking Management Plan" means a plan developed by a property owner or applicant that clearly identifies the short- and long-term parking management methods used to ensure that on-site parking provided on a property is adequate to meet anticipated parking demands. Parking management methods can include but are not limited to transportation demand methods that include on-site parking enforcement, signage, and parking fees.

Attachment 4



FREQUENTLY ASKED QUESTIONS

Proposed Transit-Oriented Development District Overlay

VISION STATEMENT

The Kenmore TOD District Overlay reinforces the City's planned concentration of pedestrian-oriented mixed-use development at densities that would support and be supported by multi-modal transportation options, including high capacity transit. The TOD District revitalizes the City's core by creating incentives and opportunities for a mix of jobs and residences, cultivates a respectful relationship between the district, the natural environment in which it exists, and nearby traditional neighborhoods, and provides a framework for future infrastructure and service decisions.

1 What is transit-oriented development?

The literature on transit-oriented development (TOD) is extensive, and although definitions vary, most include:

- Compact, mixed-use development that is close to frequent transit service
- Pedestrian-friendly environment
- Public and civic spaces near transit stations or stops.

This type of development is reminiscent of many older city or town commercial districts.

TOD is typically considered as either:

- a single development or group of developments on a single site
- a general development type

The proposed Kenmore TOD district overlay is the general development type.

2 What is the proposed Kenmore TOD District Overlay?

The proposed Kenmore TOD is a district overlay, meaning it does not replace existing zoning, but provides a set of optional regulations that can be applied within a designated geographic area. This designated area may cover multiple zoning designations; in Kenmore's case, the overlay covers portions of six zoning designations. The overlay typically amends only a portion of a zoning designation's regulations. The TOD regulations are optional; they are considered incentive based regulations, because they contain incentives intended to make TOD attractive to property owners.

3 What is the purpose of the proposed Kenmore TOD District Overlay?

The TOD district overlay would help achieve the City's plans for the downtown area by:

- Creating high-density housing and commercial services within walking distance
- Providing a built-in market for future downtown growth
- Reducing dependency on automobiles by providing services within walking distance and access to high-frequency transit

DEFINITIONS

Transit-oriented development

Public and private development supporting transit use by emphasizing pedestrian and transit access, clustering development, and mixing land uses and activities

— *Sound Transit, the regional transit agency serving urbanized parts of King, Pierce, and Snohomish counties*

Mixed use

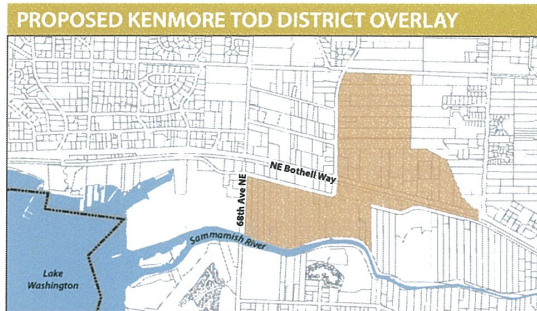
Combining residential and nonresidential uses within one project, site, or district

Bonus Dwelling Unit

Any dwelling unit allowed through the TOD district overlay regulations above the base density of the underlying zone

FAQ

PROPOSED TRANSIT-ORIENTED DEVELOPMENT DISTRICT OVERLAY



4 How were the district boundaries determined?

The TOD overlay district boundaries were chosen based on the following factors:

- **Proximity to existing and future transit service.** The district includes an area that is mostly within a 0.25-mile radius, but no further than a 0.5 mile radius of Bothell Way, where high-frequency express and local bus transit is provided.
- **Inclusion of park-and-ride facility.** The King County Metro Park-and-Ride is the center of transit service in Kenmore. Its inclusion in the district would encourage a future public-private partnership to redevelop the park-and-ride as a TOD.
- **Support for Downtown Kenmore.** Providing compact housing and commercial development in the downtown area could produce a ready market for existing and new retail and services located in the downtown core.
- **Minimizing adjacency with low-density zones.** The proposed boundaries minimize areas where TOD could abut low-density single-family development.
- **Proximity to natural features.** The proposed boundaries take advantage of Kenmore's natural amenities, creating opportunities for views of and, in some cases, access to the Sammamish River and Swamp Creek.
- **Promoting redevelopment.** The proposed boundaries include properties that have redevelopment potential. Proposed incentives would encourage new investment in the community.

5 How would the proposed TOD district overlay benefit the citizens of Kenmore?

In addition to encouraging future downtown growth, creating a more walkable district with local amenities, and reducing dependency on automobiles, the proposed TOD district would include provisions for:

- Improved and direct pedestrian connections, including pathways parallel to significant water bodies, when present
- Inclusion of housing that is affordable to multiple income levels as part of new development
- Improving aesthetics and quality of development and the pedestrian environment
- Preserving mature tree groves

6 How would the proposed TOD district overlay benefit property owners?

Property owners and interested developers would benefit from a reduction in minimum parking required on site and an increase in the number of dwelling units or households allowed on a site. Specifically, the proposal includes:

- A reduction in residential parking requirements from 1.2–2.0 to 0.6–1.0 spaces per dwelling unit
- A 25% reduction in the minimum required commercial parking spaces, with additional reductions offered within 660 feet of Bothell Way (depending on commercial use type)
- An increase of allowable density up to 120 dwelling units per acre
- A wider variety of allowed land uses in some zones

7 How can a TOD district attract economic development?

The compact mixed-use form of a TOD development creates interconnected, pedestrian-oriented places and a built-in market of residents that help create and support businesses and jobs in the district. The proposal itself is designed to provide incentives for development in and near Downtown Kenmore. Property owners and potential developers are offered the option of developing under existing land use

PROPOSED TRANSIT-ORIENTED DEVELOPMENT DISTRICT OVERLAY

FAQ

regulations or the new TOD regulations. Also, as a district rather than a site-specific proposal, potential developers have options on finding the right site for a potential TOD development.

8 How do the affordable housing provisions work?

The proposed TOD district allows higher densities than those allowed under the existing zoning. If a development proposes a density higher than the underlying base density, it must provide affordable housing. Because the minimum density allowed under the TOD regulations (40 dwelling units/acre) is higher than the base density in most underlying zones, affordable housing will be required as a component for most TOD developments.

The affordable housing requirement under TOD regulations would be capped at 10% for any single development. Affordable housing requirements under the TOD regulations are tiered as follows:

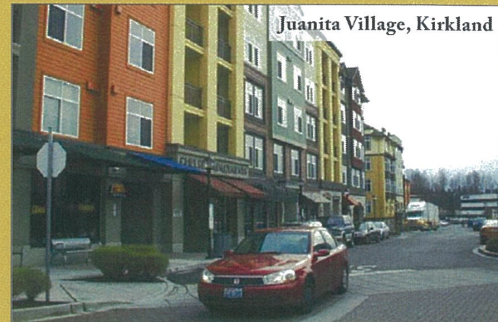
- Tier 1. For every 3 bonus units, 1 unit must be affordable at the moderate income level.*
- Tier 2. Once 10% of a project's total dwelling units are affordable at the moderate income level, for every 4 additional bonus units, 1 of the moderate income units must be made affordable at the low income level.** This occurs until 33% of the affordable dwelling units are affordable at the low income level.
- Tier 3. Once Tier 1 has been achieved and Tier 2 triggered, a project must maintain an overall 10% affordable units, and 33% of the affordable units must be affordable at the low-income level.

* *Ownership housing:* 80% of median income adjusted for household size. *Rental housing:* 70% of median income adjusted for household size.

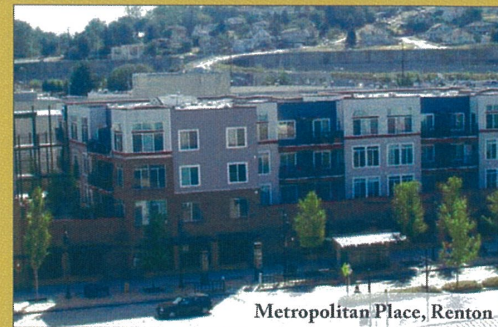
** *Ownership housing:* 65% of median income adjusted for household size. *Rental housing:* 50% of median income adjusted for household size.

TOD

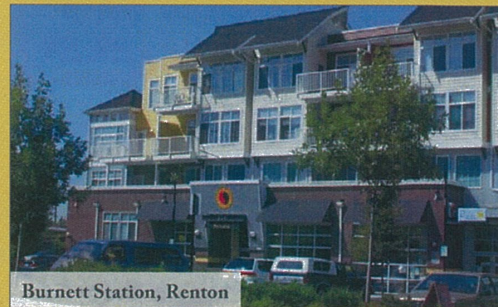
LOCAL EXAMPLES



Juanita Village, Kirkland



Metropolitan Place, Renton



Burnett Station, Renton

FAQ

PROPOSED TRANSIT-ORIENTED DEVELOPMENT DISTRICT OVERLAY

9 Will the TOD district attract affordable housing?

Ensuring the availability of housing affordable to persons at all income levels is a stated objective of the Kenmore Comprehensive Plan (Objective 28.3). Addressing the existing and future need for affordable housing is essential to achieving this objective. Affordable housing helps to attract and retain a skilled workforce. To thrive, every community, even the most affluent, requires workers at a variety of income levels, including civil servants, educators, public safety professionals, and service industry employees. Inclusion of affordable housing reduces commutes that contribute to traffic congestion, enables employers to recruit and retain workers, and provides option for young adults and families.

The TOD district encourages integration of affordable and market rate housing at 10% of total dwelling units in the district. Under this proposal, a moderate-income unit would be affordable to a single-person household earning \$41,307 per year (e.g., an automobile mechanic or bookkeeper) and a low-income unit would be affordable to a single-person household earning \$38,357 (e.g., an entry-level teacher or bank teller).

**FOR ADDITIONAL INFORMATION
ON THE PROPOSED TOD DISTRICT OVERLAY,
CONTACT:**

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425-398-8900
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10 How do I know that a tall mixed-use building will not overshadow my single-family home?

If you live in a single-family home, it is likely that you do not live in an area zoned for higher-density development, such as the TOD district. In addition, the TOD district has been designed to minimize areas where the district abuts single-family zones. If you do live in a single-family home that is adjacent to the TOD district, the proposal includes provisions:

- Any building in the TOD district must be set back at least 15 feet from a single-family zone and provide a landscaped setback.
- No portion of a building within 50 feet of a single-family zone may be built any taller than 35 feet (similar to the maximum height in a single-family zone) to help prevent tall buildings from casting shadow on existing single-family development.

11 How can I make comments on the proposal?

In 2009, the City Council assigned the Downtown Task Force, an advisory body, the task of developing a recommendation for a proposed TOD. The public provided comments at the regular Downtown Task Force meetings and at an open house on March 10, 2010. A public hearing on the Task Force TOD proposal was held on June 16, 2010. The Task Force accepted comments at the hearing and made a recommendation to the Council. Council will hold an additional public hearing, which is scheduled for September 27, 2010, at 7:00 p.m., at City Hall. Written and/or verbal comments will be accepted at the hearing.



Transit-Oriented Development District Overlay Proposal

City of Kenmore
City Council

Transit-Oriented Development (TOD)

- ▶ Public and private development supporting transit use by emphasizing pedestrian and transit access, clustering development, and mixing land uses and activities

(Definition provided by Sound Transit)



Background

- ▶ Part of the 2009 docket of comprehensive plan and development code amendments
- ▶ Downtown Task Force Public Hearing (June 16, 2010)
- ▶ City Council Public Hearing (September 27, 2010)
- ▶ Project deferred until completion of the Regional Business zoning project (2011)
- ▶ Part of the 2014 docket. Planning Commission reviewed the TOD boundaries.



TOD Purpose Statement

The purpose of the TOD District Overlay is to reinforce the City's planned concentration of pedestrian-oriented mixed-use development at intensities that support and are supported by multi-modal transportation options, including high capacity transit...



Basic Elements of Draft Proposal

- ▶ Overlay district that applies to multiple zones
- ▶ Incentive based
 - Property owners/developers not required to use proposal when developing within the overlay district
 - Proposal includes incentives that would attract a developer to use draft proposal
 - Higher residential densities than underlying zone
 - Lower onsite parking requirements than underlying zone
- ▶ Includes specified public benefits
 - Public pathways
 - Design standards
 - Incentives to preserve mature tree groves
 - Housing affordable to multiple income levels

Zoning Code Proposal

- ▶ Consistent with the Comprehensive Plan
- ▶ New Chapter 18.29 of Kenmore Municipal Code
- ▶ Applicability
 - Must be in district
 - Commercial development must be mixed-use
 - Residential-only development still allowed in underlying R-1, R-12, R-18, R-24 zones



TOD District

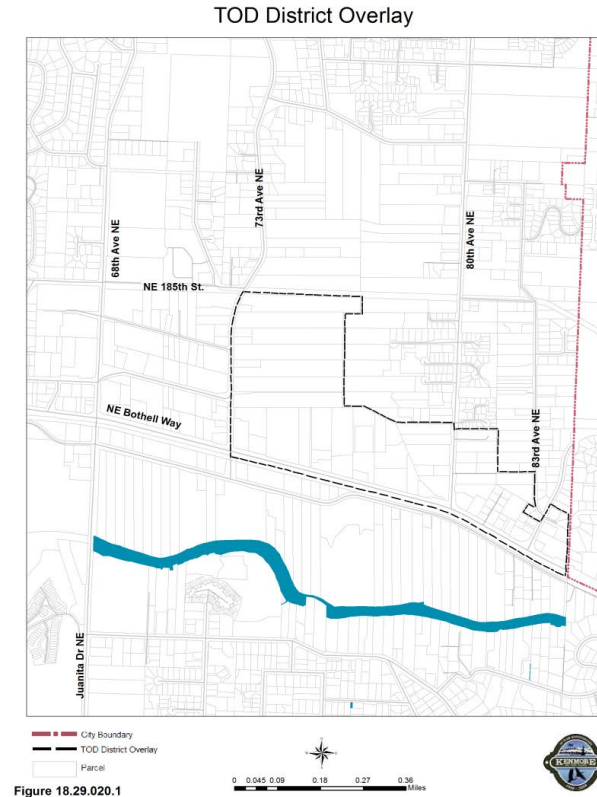
- ▶ The TOD overlay district boundaries were chosen based on the following factors:
 - Proximity to existing and future transit service
 - Inclusion of park-and-ride facility
 - Support for Downtown Kenmore
 - Minimizing adjacency with low-intensity zones
 - Proximity to natural features
 - Promotion of redevelopment
 - The Planning Commission adjusted the boundaries to reflect the Regional Business zoning amendments



TOD District Location: 2010 Task Force Recommendation



TOD District Location: 2014 Planning Commission Recommendation



Land Use

- ▶ Must comply with list of uses in TOD proposal
- ▶ Land uses based on Downtown Commercial zone but uses new land use definitions (developed with Regional Business zone project)
- ▶ Promotes uses that attract pedestrian activity
- ▶ Prohibits automobile-oriented uses
- ▶ Limits commercial component of mixed-use development in residentially-oriented zones



Residential Density

- ▶ Minimum 40 dwelling units/acre
- ▶ Maximum 120 dwelling units/acre
- ▶ Density range consistent with TOD literature and experts' presentations to Task Force
- ▶ Required to include affordable housing as a component of overall residential



Height and Design

- ▶ Maximum building height up to 65 feet
 - Maximum height within 50 feet of single-family zone is 35 feet
- ▶ Requires compliance with Downtown Design Standards
- ▶ Amends KMC 18.52 Downtown Design Standards to clarify applicability



Minimum Parking

- ▶ **Residential**
 - 1 space/market-rate dwelling unit
 - 0.6 space/dwelling unit for senior or affordable housing
- ▶ **Commercial**
 - 75% of City's standard minimum requirement for land use
 - Maintains existing code provision that allows up to 20% reduction for retail, general services, and recreation uses, and up to 40% for government/business services within 660 feet of transit service



Additional Elements Related to Parking

- ▶ On-street parking abutting property counted toward minimum parking
- ▶ Allows shared parking through submittal of an approved parking management plan
- ▶ Parking provided in excess of minimum shall be structured
- ▶ Establishes a maximum parking requirement equal to 100% of the standard minimum parking in KMC 18.40



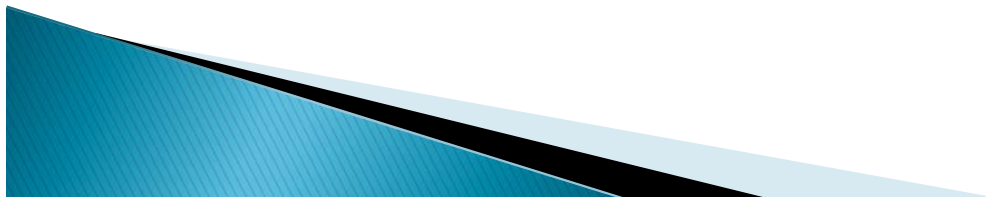
Pedestrian Connectivity

- ▶ Requires development to provide public pedestrian connectivity as follows:
 - Direct connections to transit facilities or public right-of-way connecting transit facilities
 - For properties abutting water bodies
 - Public access parallel to water body
 - Provide access from public right-of-way



Significant Tree Groves

- ▶ Incentives to preserve significant tree groves
 - Significant tree groves defined
 - Includes number of trees, distance between trees, and size of trees
 - Hazard trees or topped trees do not qualify
 - Incentives
 - One bonus dwelling unit per 11 tree units preserved
 - Reduce one parking stall per 5.5 tree units preserved
 - Require a tree protection plan and recording protected groves on property title.



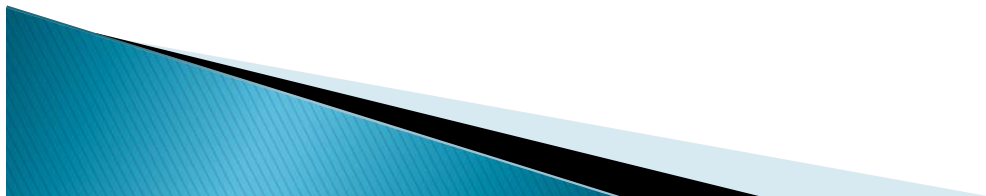
Affordable Housing

- ▶ Use an incremental approach. Base affordability requirements on the number of units above the base density.
- ▶ Cap affordable units at 10% of the total units.
- ▶ Provide some affordable units at 50% of median income.
 - Need a larger incentive to achieve this affordability.
- ▶ Good to have a range of affordability –
 - Cap units at 50% of median income to one third of affordable units.
- ▶ To encourage higher density, incentive system should be somewhat more beneficial to developer at higher density. (i.e. more bonus per affordable unit).
 - Acknowledges increased cost with higher density.



Pioneer Projects

- ▶ Draft Code has incentive for first developments to use the TOD District Overlay
 - Purpose is to stimulate transit-oriented development and to provide further incentive to try the code.
- ▶ Affordable Housing
 - First 100 bonus units built may use a less restrictive definition for moderate income
- ▶ Parking
 - First 100 market-rate bonus units
 - Use 0.6 parking spaces/unit rather than 1.0 space/unit otherwise required by TOD code.



Next Steps

- ▶ July 20: Council direction on proposal
- ▶ Public hearing
- ▶ Adoption

