



City of Kenmore - 18120 68th Avenue NE - Kenmore, WA 98028
Phone: 425-398-8900 - E-mail: cityhall@kenmorewa.gov

City of Kenmore
City Council Special and Regular Meeting Agenda
6:00 p.m., Monday, September 9, 2019
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. 6:00 p.m. - CALL SPECIAL MEETING TO ORDER

II. EXECUTIVE SESSION

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

III. POSSIBLE ACTION RELATING TO EXECUTIVE SESSION

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

V. ROLL CALL

VI. FLAG SALUTE

VII. AGENDA APPROVAL

VIII. PRESENTATION

- A. Introduce Maura Query, Administrative Assistant
- B. Kenmore Village Downtown Creation VISION 2040 Award - Josh Brown, Executive Director, PSRC

IX. PROCLAMATION

- A. National Recovery Month - September, 2019
[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. Total Check #s 42999 through 43096 in the amount of \$1,192,115.35.
Total Payroll/Taxes/Flexible Spending/Retirement & Health Savings Account
Electronic Deposits Dated: 8/2/19 in the amount of \$165,494.81.
And 8/2/19 Payroll Check #10146 in the amount of \$77.17.
[Checks](#)
- B. Authorize the City Manager to Execute Contract 19-C2092 with Department of
Ecology to Accept 2019-2021 Solid Waste Management Local Solid Waste
Grant Funds
[Agenda Item](#)
- C. Ordinance 19-0495 Repealing KMC Section 3.35.170 Utility Tax Relief
Program
[Agenda Item](#)
- D. Ordinance 19-0497 Amending the 2019-2024 Capital Improvement Program
for Parks, Transportation and Surface Water
[Agenda Item](#)
- E. Authorize the City Manager to Execute Contract 19-C1976, Amendment No. 1
with Red Barn Engineering for Development Engineering Inspection Services
[Agenda Item](#)
- F. Authorize the City Manager to Execute Contract 19-C2061 Amendment No. 1
with Washington State Parks and Recreation Commission, Regarding
Reimbursement for Costs for an Environmental Impact Statement (EIS) for the
St. Edward Ballfield Improvement Project
[Agenda Item](#)

XII. BUSINESS AGENDA

- A. Resolutions 19-327 and 19-328 Providing for Support or Opposition to
Initiative 976, Limits on Motor Vehicle Excise Taxes and Fees Measure - Rob
Karlinsey, City Manager and Joanne Gregory, Finance and Administration
Director
Additional Opportunity for Public Comment: Pursuant to RCW 42.17.A.555,
members of the public and councilmembers will receive an approximately equal
opportunity to express an opposing view.
[Agenda Item](#)
- B. School Impact Fees - Debbie Bent, Community Development Director; Lauri
Anderson, Principal Planner and Traci Rogstad, Northshore School District
[Agenda Item](#)
[Presentation](#)
- C. Receive and File June 2019 Financial Report for the City of Kenmore,
Washington - Joanne Gregory, Finance and Administration Director

[Agenda Item](#)

XIII. STAFF REPORT

- A. Engrossed Second Substitute House Bill 1923 (2019), Increasing Residential Building Capacity - Debbie Bent, Community Development Director and Lauri Anderson, Principal Planner
[Agenda Item](#)
- B. City Council Candidate Forum - October 8, 2019, 6:00 p.m. to 8:00 p.m., at Bastyr University (Sponsored by Bothell-Kenmore Chamber of Commerce)

XIV. COUNCILMEMBER REPORTS & COMMENTS & INITIATIVES

XV. ADJOURNMENT

Upcoming Meetings:

- A. Thursday, September 12, 2019 - 7:00 to 9:00 p.m. Strong Towns Event - City Hall
Monday, September 16, 2019 - Regular Council Meeting
Monday, September 23, 2019 - Regular Council Meeting
Monday, October 7, 2019 - Special Council Meeting (Time to be determined)
Monday, October 14, 2019 - Dinner at NUD at 5:30 p.m./7:00 p.m. Regular Council Meeting
Monday, October 21, 2019 - Regular Council Meeting
Monday, October 28, 2019 - Regular Council Meeting - Joint Meeting with the Cities of Shoreline and Lake Forest Park

City of Kenmore, Washington Proclamation

WHEREAS, behavioral health is an essential part of one's overall health and wellness; and

WHEREAS, prevention of mental and substance use disorders works, treatment is effective, and people recover in our area and around the nation; and

WHEREAS, preventing and overcoming mental and substance use disorders is essential to achieving healthy lifestyles, both physically and emotionally; and

WHEREAS, an estimated 400,000 people in King County are affected by these conditions; and

WHEREAS, we must encourage relatives and friends of people with mental and/or substance use disorders to implement preventive measures, recognize the signs of a problem, and guide those in need to appropriate treatment and recovery support services; and

WHEREAS, we recognize four dimensions of recovery from mental health and substance use disorders: health, home, purpose, and community; and

WHEREAS, to help more people achieve and sustain long-term recovery, the U.S. Department of Health and Human Services (HHS), the Substance Abuse and Mental Health Services Administration (SAMHSA), the White House Office of National Drug Control Policy (ONDCP), King County, and the City of Kenmore invite all residents of City Kenmore to participate in ***National Recovery Month*** and

NOW, THEREFORE, I David Baker, Mayor of the City of Kenmore, on behalf of the City Council, do hereby proclaim the month of September 2019 as

National Recovery Month

in the City of Kenmore and call upon the citizens to observe this month with appropriate programs, activities, and ceremonies to support this year's *National Recovery Month* theme, "***Join the Voices for Recovery: Together We Are Stronger.***"

IN WITNESS WHEREOF, signed this 9th day of September, 2019.



Signed: _____
David Baker, Mayor

Attested: _____
Kelly M. Chelin, City Clerk



Voucher Certification and Approval

City of Kenmore

DATE RANGE:

07/27/2019-08/09/2019

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, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and the the claim is a just, due and unpaid obligation against the City of Kenmore and that I am authorized to authenticate and certify to said claim. The following checks and electronic payments are approved for payment:

Total Check #s 42999 through 43096: \$1,192,115.35

Total Payroll/Taxes/Flexible Spending/Retirement & Health Savings Acct. Electronic Deposits Dated: 08/02/2019: \$165,494.81

08/02/2019 Payroll Checks # 10146: \$ 77.17

RK Kalgj 8/12/19
City Manager / Date

Jennifer Gregory
Finance Director / Date

Vendor Name	Check #	Date	Description	Amount
CEDRIC BURNSIDE	42999	08/01/2019	Rental Equipment Charge for 8/1/19 Concert	250.00
ICMA RETIREMENT C/O ALLFIRST BANK - 109964	43000	08/02/2019	City of Kenmore 401a	16,916.75
ICMA RETIREMENT TRUST 457 - 304745	43001	08/02/2019	ICMA 457 Deferred Comp	5,141.09
STATE OF FLORIDA DISBURSEMENT UNIT	43002	08/02/2019	Employee Deduction	275.00
UNITED WAY OF KING COUNTY	43003	08/02/2019	Employee Charitable Contribution	68.50
STEWART TITLE COMPANY	43004	08/06/2019	T37-0404 Six Foot Land Conversion	958.13
ALPHAGRAPHICS	43005	08/09/2019	Police Dept. Business Cards	93.13
AM TEST, INC	43006	08/09/2019	Swamp Creek Water Testing	200.00
AMERICAN SOCIETY OF COMPOSERS	43007	08/09/2019	Annual Music Licensing Fees 8/15/19-8/14/20	362.64
BEST PARKING LOT CLEANING INC.	43008	08/09/2019	18-C1957 Vacuum Truck/Sweeping	759.00
BRIEN, GAYLYNN	43009	08/09/2019	May Sales Tax Data Conversion Svcs	50.00
C.R. CONTRACTING	43010	08/09/2019	19-C2026 Retainage for Crack Seal Project	5,290.00
CANON FINANCIAL SERVICES, INC.	43011	08/09/2019	July 2nd Floor Copier Lease	265.84
CASCADE PEST CONTROL	43012	08/09/2019	Monthly Rhododendron Park Pest Control	143.00
CHANCERY CIVIC LLC	43013	08/09/2019	Customer Service Consulting 7/18-7/31	1,560.00
CITY OF BELLEVUE	43014	08/09/2019	Quarterly Pooled Human Svcs Billing	13,236.25
COLUMBIA RIDGE LANDFILL	43015	08/09/2019	Street Sweeper Debris Disposal	1,725.40
COMCAST BUSINESS	43016	08/09/2019	Hangar Bldg. Cable 7/19-8/18/19	131.59
DIGITAL REPROGRAPHICS SERVICES INC.	43017	08/09/2019	Maps for City Hall & Public Works	622.55
EARTHWORKS	43018	08/09/2019	17-C1780 SR522 & 153rd-155th ROW Landscaping	4,722.55
ELECTRONIC BUSINESS MACHINES	43019	08/09/2019	July 2nd Floor Copier Charges	215.61
EMPLOYMENT SECURITY DEPT	43020	08/09/2019	Employer Portion of Paid Family Medical Jan. -June	2,677.40
EVER-MARK, LLC	43021	08/09/2019	S. Roeun Logo Wear Shirt	28.54
FERGUSON ENTERPRISES INC #3011	43022	08/09/2019	Equipment for Backhoe	109.65
FERGUSON ENTERPRISES INC #3011	43023	08/09/2019	Materials for Drainage Projects	8,395.46
FERGUSON ENTERPRISES INC #3011	43024	08/09/2019	Materials for Surface Water Projects	437.34
FERGUSON ENTERPRISES INC #3011	43025	08/09/2019	Materials for SW Work Order #8797	255.18
FRONTIER	43026	08/09/2019	7/28-8/27 City Hall Phone Svc.	656.36
FRONTIER	43027	08/09/2019	7/28-8/27 City Hall Phone Svcs	465.63
GALLATIN PUBLIC AFFAIRS	43028	08/09/2019	July Media Relations/Consulting	3,500.00
GRADE, INC.	43029	08/09/2019	19-C2015 NE Arrowhead Drainage Improvements	99,218.97
GRAINGER	43030	08/09/2019	Marking Wand for Streets	48.05
GRAINGER	43031	08/09/2019	Chlorine for Hangar Water Feature	28.50
GRAINGER	43032	08/09/2019	Probes/Tools	
HAULAWAY STORAGE CONTAINERS, INC.	43033	08/09/2019	6/26-7/23 Logboom Park Storage Container Rental	
HDR ENGINEERING, INC	43034	08/09/2019	16-C1625 5/26-6/29 Juanita Dr. Ped/Bike Proj.	
HONEY BUCKET	43035	08/09/2019	Honey Bucket Rentals for 7/11 Concert	
HONEY BUCKET	43036	08/09/2019	Squire's Landing Rental 7/13-8/9/19	

HUIZENGA ENTERPRISES, LLC	43037	08/09/2019	18-C1852 & 18-C1855 Retainage Payment	5,857.22
INSLER, BEST, DOEZIE & RYDER, P.S.	43038	08/09/2019	June Legal Services	18,287.60
INTERNATIONAL PUBLIC MGT ASSOC FOR HR	43039	08/09/2019	Membership 10/1/19-9/30/20	149.00
KAMINS CONSTRUCTION INC.	43040	08/09/2019	19-C1990 July 153rd/Juanita Sidewalk Const.	238,365.93
KENMORE ELEMENTARY PTA	43041	08/09/2019	19-C2008 Kenmore Elem.Human Svcs Funding	1,250.00
KING COUNTY ANIMAL SVCS	43042	08/09/2019	New & Renewal Pet Licenses	575.00
KING COUNTY BAR ASSOCIATION	43043	08/09/2019	19-C2000 Qtrs 1 & 2 Human Svcs Funding	500.00
KING COUNTY FINANCE	43044	08/09/2019	June Adult/Juvenile Detention Community Work Prog.	4,575.20
KING COUNTY FINANCE	43045	08/09/2019	July Dump Fees	20.21
KING COUNTY SHERIFF	43046	08/09/2019	July Police Services	294,993.00
KING COUNTY SHERIFF	43047	08/09/2019	June School District Overtime Charges	9,201.93
KING COUNTY SHERIFF	43048	08/09/2019	June Overtime Chgs for Parking Enforcement	820.24
KPFF CONSULTING ENGINEERS	43049	08/09/2019	June 68th Ave Ped/Bike Improvements Prof. Svcs	43,138.86
LIGHTHOUSE CONSULTING INC	43050	08/09/2019	July Backup/Protection/Web Hosting/Archiving Svcs	3,291.20
LIGHTHOUSE CONSULTING INC	43051	08/09/2019	July IT Services	3,178.18
MULTICARE CENTERS OF OCCUPATIONAL MEDICINE	43052	08/09/2019	DOT Exam	100.00
NAMI EASTSIDE	43053	08/09/2019	1st Qtr Human Services Funding	250.00
NAMI EASTSIDE	43054	08/09/2019	2nd Qtr Human Services Funding	250.00
NATIONAL BARRICADE CO., LLC	43055	08/09/2019	Bump Signs for Streets	143.31
NC Machinery	43056	08/09/2019	Forks for Backhoe	3,005.20
NORTHSHORE SENIOR CENTER	43057	08/09/2019	19-C2002 2nd Qtr Human Services Funding	1,650.00
NORTHSHORE UTILITY DIST	43058	08/09/2019	5/31-7/31 Logboom Park Irrigation	20,116.14
NORTHSHORE UTILITY DIST	43059	08/09/2019	Balance Due for Irr. Meter Between Juanita & 70th	50.00
NORTHSHORE YOUTH & FAMILY SERVICES	43060	08/09/2019	19-C2006 2nd Qtr Human Services Funding	4,000.00
OFFICE DEPOT	43061	08/09/2019	Dry Erase Pens	5.37
OFFICE DEPOT	43062	08/09/2019	Office Supplies	401.61
OFFICE DEPOT	43063	08/09/2019	Event Supplies	19.21
OFFICE DEPOT	43064	08/09/2019	Printer Toner	73.69
OFFICE TEAM	43065	08/09/2019	Temporary Services Week Ending 7/26	1,280.81
OFFICE TEAM	43066	08/09/2019	Temporary Services Week Ending 7/19	1,551.59
OLYMPIC ENVIRONMENTAL RESOURCES INC	43067	08/09/2019	Fall Recycling Event Implementation	1,120.00
PACE ENGINEERS, INC.	43068	08/09/2019	15-C1483 May Surface Water/Parks On-Call Svcs	3,026.25
PACIFIC TOPSOILS	43069	08/09/2019	Materials Purchased & Disposal/Dump Fees	932.95
PHSI PURE HEALTH SOLUTIONS INC.	43070	08/09/2019	City Hall Filtered Water Systems	101.09
PUGET SOUND ENERGY	43071	08/09/2019	6/13-7/15 City Hall Gas	4,238.25
QUALITY WATER FINANCIAL LLC	43072	08/09/2019	Filtered Water System @ Public Works & Incubator	131.90
REPUBLIC SERVICES	43073	08/09/2019	July Rhododendron Park Solid Waste	731.68
REPUBLIC SERVICES	43074	08/09/2019	July City Hall Solid Waste	525.82
SCORE	43075	08/09/2019	June Outside Health Services	375.00
SEATTLE TIMES	43076	08/09/2019	Legal Notice Ord. #19-0494	64.67
SEATTLE TIMES	43077	08/09/2019	SEPA Notice/Red Barn Engineering	428.76
SEATTLE TIMES	43078	08/09/2019	Legal Notice/Ordinance Summary	60.21
SEATTLE TIMES	43079	08/09/2019	Notice of Application RAKZ Properties	187.32
SMS CLEANING, INC.	43080	08/09/2019	Monthly City Hall & Hangar Bldg. Janitorial Svcs	6,495.00
SOUND PUBLISHING, INC.	43081	08/09/2019	June Advertising Legislative & Special Events	1,520.55
STAPLES ADVANTAGE	43082	08/09/2019	City Hall Maintenance Supplies	26.68
STAPLES ADVANTAGE	43083	08/09/2019	City Hall & Hangar Bldg. Maint. Supplies	237.34
STAPLES ADVANTAGE	43084	08/09/2019	City Hall & Hangar Bldg. Maint. Supplies	151.61
STAPLES ADVANTAGE	43085	08/09/2019	Parks Supplies/Toilet Tissue	148.24
STAPLES ADVANTAGE	43086	08/09/2019	Trash Liners for Parks	58.59
STARDOM SERVICES, INC.	43087	08/09/2019	July Incubator Bldg. Janitorial Svc.	555.00
T-MOBILE USA, INC.	43088	08/09/2019	6/21-7/20/19 Cell Services	767.38
TOTAL LANDSCAPE CORP	43089	08/09/2019	July City Hall & Parks Landscape Maintenance	5,025.45
TRUGREEN	43090	08/09/2019	Lawn Fertilizing @ Moorlands Field	302.50
TYLER TECHNOLOGIES, INC.	43091	08/09/2019	9/1/19 - 8/31/20 Annual Maintenance	17,853.40
UPS STORE	43092	08/09/2019	May & July Printing & Scanning Charges	35.11
UTILITIES UNDERGROUND LOCATION CTR	43093	08/09/2019	July Utility Locates	248.97
VERIZON WIRELESS	43094	08/09/2019	7/27-8/26 Cell Phones & I-Pad	263.49
WELWEST CONSTRUCTION INC.	43095	08/09/2019	19-C1991 65th-67th/NE 181st Sidewalk Project	216,806.29
CHECK RIDE	43096	08/09/2019	CDL Tuition & Drug Test Anna Arnett	3,450.00
DRS 457	DFT0000449	08/02/2019	DRS 457 Deferred Comp	242.82
DRS 457	DFT0000450	08/02/2019	DRS 457 Deferred Comp	650.00
DEPARTMENT OF RETIREMENT SYSTEMS	DFT0000451	08/02/2019	Public Employees Retirement	2,171.82
DEPARTMENT OF RETIREMENT SYSTEMS	DFT0000452	08/02/2019	Public Employees Retirement	23,386.41
DEPARTMENT OF RETIREMENT SYSTEMS	DFT0000453	08/02/2019	Public Employees Retirement	1,067.53
DEPARTMENT OF RETIREMENT SYSTEMS	DFT0000454	08/02/2019	Public Employees Retirement	147.00
DEPARTMENT OF RETIREMENT SYSTEMS	DFT0000455	08/02/2019	Public Employees Retirement	930.72
DEPARTMENT OF RETIREMENT SYSTEMS	DFT0000456	08/02/2019	Public Employees Retirement	2,617.48
NAVIA	DFT0000457	08/02/2019	Employee Flexible Spending Account	368.15
BANK OF AMERICA 941	DFT0000458	08/02/2019	Federal Taxes	19,707.43
SHIRLEY LAM	10146	08/02/2019	Payroll Check	77.17
PAYROLL	Direct Deposit	08/02/2019	Payroll	114,205.45
Total				<u>1,357,687.33</u>



City of Kenmore

Vendor Purchasing Report

For Date Range 01/01/2019 - 08/09/2019

Vendor Set: Vendor Set 01

Vendor	Name	Volume
0002	ACTION ENTERTAINMENT	550.00
0014	AMERICAN PLANNING ASSOCIATION	1,818.00
0022	ASSOCIATION OF WA CITIES	22,400.00
0024	BAKER, DAVID	2,027.76
0037	BASTYR UNIVERSITY	50,000.00
0050	BRUCE C ALLEN & ASSOC INC	9,250.00
0054	BULGER SAFE & LOCK, INC.	7,303.37
0064	CASCADE PEST CONTROL	1,001.00
0067	CENTER FOR HUMAN SERVICES	5,250.00
0076	CITY OF BELLEVUE	63,280.25
0081	CITY OF KENMORE	600.00
0083	CITY OF LAKE FOREST PARK	120,373.83
0092	CODE PUBLISHING COMPANY	1,503.77
0099	CONSOLIDATED PRESS	8,688.74
0106	CROWN PRODUCTS LLC	985.25
0109	DAILY JOURNAL OF COMMERCE	1,998.90
0111	DEPARTMENT OF ECOLOGY	10,561.00
0121	REPUBLIC SERVICES	11,465.72
0130	EMPLOYMENT SECURITY DEPT	8,072.65
0134	EVERGREEN PRINT SOLUTIONS	215.06
0137	FERGUSON ENTERPRISES INC #3011	12,381.55
0145	FRUHLING SAND & TOPSOIL	380.62
0147	FUN RENTALS	902.25
0151	CALPORTLAND COMPANY	2,700.77
0152	GOVERNMENT FINANCE OFFICERS ASSOC	190.00
0173	HOME DEPOT CREDIT SERVICES	9,475.43
0184	INSLEE, BEST, DOEZIE & RYDER, P.S.	164,053.72
0189	INTERNATIONAL CITY/CNTY MGMT ASSOC	1,400.00
0197	JET CITY PRINTING	2,083.68
0201	KCDA PURCHASING COOP	2,377.06
0205	KENMORE HERITAGE SOCIETY	125.00
0206	KENMORE MIDDLE SCHOOL	8,000.00
0212	KING COUNTY FINANCE W.L.R.D.	7,936.00
0213	KING COUNTY ANIMAL SVCS	2,773.00
0216	KING COUNTY REAL ESTATE SVCS	2,500.00
0218	KING COUNTY FINANCE	3,125.84
0219	KING COUNTY FINANCE	162,547.83
0224	SOUND PUBLISHING, INC.	4,094.65
0229	KING COUNTY OFFICE OF FINANCE	6,096.61
0230	KING COUNTY RADIO COMM SERVICES	600.60
0233	KING COUNTY SHERIFF	2,063,797.42
0235	KING COUNTY TREASURY	31,017.97
0251	LIGHTHOUSE CONSULTING INC	50,711.42
0260	MEEHAN, NANCY	576.83
0261	PENDLETON CONSULTING LLC	4,046.80
0265	MORGAN SOUND INC	2,146.10
0267	MR. T'S TROPHIES	117.32
0280	NEOPOST USA INC.	197.99
0285	NORTHSHORE FIRE DEPT	1,580.00
0286	NORTHSHORE SCHOOL DISTRICT	42,292.00
0287	NORTHSHORE SENIOR CENTER	23,050.00
0288	NORTHSHORE UTILITY DIST	148,441.78

Vendor Purchasing Report

For Date Range 01/01/2019 - 08/09/2019

Vendor Set: Vendor Set 01

Vendor	Name	Volume
0289	NORTHSHORE YMCA	4,125.00
0290	NORTHSHORE YOUTH & FAMILY SERVICES	12,000.00
0292	HONEY BUCKET	4,138.47
0299	PERSONAL BEST	118.27
0300	OFFICE DEPOT	6,683.41
0304	OLYMPIC ENVIRONMENTAL RESOURCES INC	21,282.00
0310	PACIFIC TOPSOILS	6,618.40
0314	PETTY CASH CUSTODIAN	401.94
0327	PUGET SOUND CLEAN AIR AGENCY	18,505.00
0328	PUGET SOUND ENERGY	105,434.41
0329	PUGET SOUND FINANCE OFFICERS ASSOC	50.00
0345	SEATTLE TIMES	9,820.29
0350	SIGN UP, SIGN CO, INC	1,342.00
0355	STAPLES ADVANTAGE	11,460.67
0357	STEWART MACNICHOLS HARMELL, INC.	35,000.00
0359	SOUND CITIES ASSOC	15,017.45
0365	TOTAL LANDSCAPE CORP	57,728.15
0370	UNITED RENTALS NW, INC	1,115.05
0371	UNITED STATES POSTMASTER	3,612.24
0375	US POSTAL SERVICE (HASLER)	3,779.16
0385	WA ASSOC OF BUILDING OFFICIALS	125.00
0386	WA ASSOC OF CODE ENFORCEMENT	40.00
0387	WA CITIES INSURANCE AUTHORITY	290,060.00
0389	WASHINGTON CITY/COUNTY MGMT ASSOC	315.00
0401	WA STATE DEPT OF TRANSPORTATION	12,395.80
0405	WASHINGTON STATE OFFICE CASH MGMT	1,719.50
0412	COLUMBIA RIDGE LANDFILL	13,152.33
0416	WETLANDS & WOODLANDS INC	5,073.20
0419	WONDERLAND DEVELOPMENT	750.00
0424	ICMA RETIREMENT TRUST 457 - 304745	78,365.60
0425	DRS 457	14,746.22
0426	AFLAC	2,289.70
0428	BANK OF AMERICA 941	278,968.55
0429	AWC EMPLOYEE BENEFITS	395,885.93
0431	DEPARTMENT OF RETIREMENT SYSTEMS	446,276.60
0432	DEPARTMENT OF LABOR AND INDUSTRIES	28,902.77
0434	UNITED WAY OF KING COUNTY	1,186.00
0436	NATIONAL LIFE OF VERMONT	862.19
0441	DANSOUND INC	8,400.00
0448	UPS STORE	143.47
0450	AURORA RENTS	4,971.39
0473	ARTS OF KENMORE	1,132.54
0484	CITY WIDE FENCE COMPANY, INC	28,765.00
0501	MACLEOD RECKORD	4,135.80
0510	AA ASPHALTING, INC	8,343.52
0515	NATIONAL LEAGUE OF CITIES	1,533.67
0542	AMERICAN SOCIETY OF COMPOSERS	362.64
0550	KING COUNTY RECORDER'S OFFICE	214.00
0575	FUNRENT	250.00
0586	MAIL FINANCE	1,419.00
0588	ENVIRONMENTAL SYSTEMS RESEARCH INST	5,720.00
0594	RANDALL, BRIAN	1,209.99
0610	WA STATE DEPT OF TRANSPORTATION	5,591.58
0617	KING COUNTY FINANCE	750.00
0639	KONICA MINOLTA BUSINESS SOLUTIONS	659.38
0685	PACE ENGINEERS, INC.	128,324.28
0689	DIGITAL REPROGRAPHICS SERVICES INC.	732.45
0690	BUILDERS EXCHANGE OF WASHINGTON INC	681.60

Vendor Purchasing Report

For Date Range 01/01/2019 - 08/09/2019

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Vendor	Name	Volume
0692	HDR ENGINEERING, INC	519,740.27
0696	AMERICAN GENERAL LIFE GPO-400S	2,484.80
0699	BANNER BANK DB	5,765.63
0743	BANNER BANK NO	6,348.68
0764	OUSLEY, NANCY	1,298.90
0781	QUALITY BUSINESS SYSTEMS INC.	8,148.96
0788	CURTIS, DR. MILTON	193.68
0791	NORTHSHORE ROTARY CLUB	498.00
0800	BANNER BANK JG	11,426.78
0817	GRAINGER	11,234.57
0831	NORTHSHORE PARK & REC SERVICE AREA	2,567.00
0834	BANNER BANK KENMORE	22,647.91
0837	INGLEWOOD GOLF COURSE	5.20
0851	EVER-MARK, LLC	1,690.89
0852	GREGORY, JOANNE	385.18
0858	A+ CONFERENCING	228.10
0864	COLUMBIA FORD	130,979.72
0868	JAYMARC - AV	646.25
0869	BANNER BANK JGORDON	20,938.39
0892	JACOBS ENGINEERING GROUP	146,768.52
0898	ZONAR SYSTEMS	527.73
0899	SHRED-IT USA LLC	607.52
0912	ALCALDE & FAY	30,296.15
0913	KENMORE ELEMENTARY PTA	2,500.00
0937	ZUMAR	10,759.78
0964	J&K ASSOCIATES	28,263.40
0981	COMCAST BUSINESS	17,769.65
0994	GORDON THOMAS HONEYWELL	24,158.62
1003	IWORQ SYSTEMS	2,800.00
1010	TOWN CENTER HARDWARE	2,415.05
1032	SAWYER, RICHARD	217.80
1045	HORIZON DISTRIBUTORS INC	1,048.79
1047	SARAH ROBERTS	80,538.99
1052	FIRE PROTECTION, INC	5,574.85
1068	WA STATE DEPT OF LABOR & INDUSTRIES	147.20
1114	PHSI PURE HEALTH SOLUTIONS INC.	707.63
1116	FRONTIER	8,174.32
1123	AM TEST, INC	1,550.00
1140	PAWS	1,908.00
1148	QUALITY WATER FINANCIAL LLC	1,041.54
1161	INDEPENDENT STATIONERS	261.24
1168	SCHINDLER ELEVATOR CORPORATION	2,407.09
1177	WELLS FARGO FINANCIAL	1,859.19
1192	HOPKINS, CRAIG	307.98
1197	MILLER STEPHENS, MARY	7,500.00
1212	MCALLISTER, TERESA	19.62
1215	STATE OF FLORIDA DISBURSEMENT UNIT	4,400.00
1216	ADVANCE TESTING & SERVICE INC	1,512.00
1248	KENMORE AIR	3,037.40
1258	SESAC	470.85
1267	AUTOMATED CONTROLS	3,639.68
1269	KAMINS CONSTRUCTION INC.	238,365.93
1299	VERIZON WIRELESS	1,884.23
1304	HAMPSON, BRYAN	103.67
1309	BANNER BANK BAKER	7,352.31
1311	WASHINGTON STATE PATROL	4,104.90
1313	BOTHELL KENMORE CHAMBER OF COMMERCE	3,300.00
1331	KBA INC.	26,341.71

Vendor Purchasing Report

For Date Range 01/01/2019 - 08/09/2019

Vendor Set: Vendor Set 01

Vendor	Name	Volume
1333	WELWEST CONSTRUCTION INC.	508,672.09
1339	STATE OF WA DEPARTMENT OF LICENSING	30.00
1342	PETERSON, JANET	750.00
1345	SHERWIN-WILLIAMS CO. #8099	112.14
1356	KARLINSEY, ROB	994.00
1357	KENMORE COMMERCIAL LLC	26,936.32
1358	ALPHAGRAPHS	1,096.47
1359	EVERGREEN FIRE AND SAFETY, INC.	96.80
1363	INNOVAC	4,182.65
1372	AAA PRINTING	1,398.72
1385	CITYWORKS/ AZTECA SYSTEMS INC.	22,000.00
1390	UTILITIES UNDERGROUND LOCATION CTR	1,424.16
1402	NORTHWEST MARINE TRADE ASSOCIATION	460.00
1403	OSBORN CONSULTING INC.	38,484.83
1412	SKAGIT GARDENS	2,920.28
1420	SAUVE, GAYLEN	400.00
1425	FASTSIGNS	910.80
1431	BRIEN, GAYLYNN	350.00
1437	VOLGISTICS, INC	540.00
1452	CITY OF KENT	500.00
1456	HESTON VISUAL ARTS	506.00
1457	LANGUAGE LINE SERVICES, INC.	9.85
1459	FLEMINGS HOLIDAY LIGHTING LLC	5,739.02
1478	HERBIG, NIGEL	86.66
1485	WA ASSOC OF PUBLIC RECORDS OFFICERS	200.00
1500	MARINE FLOATS CORPORATION	2,422.73
1504	SCORE	236,419.98
1544	METROPOLITAN TRANS. COMMISSION	1,500.00
1550	THE EVP GROUP	39,251.31
1555	LINCOLN NATIONAL LIFE INSURANCE	8,680.68
1577	MUMMA, RYAN	197.58
1581	STARDOM SERVICES, INC.	3,885.00
1584	STUDIO 3 SIGNS	165.15
1590	HERMANSON COMPANY, LLP	401.59
1591	ULINE	2,642.59
1596	NW ENVIRONMENTAL TRAINING CENTER	3,225.00
1605	ALL CITY FENCE CO.	14,412.20
1606	GALLATIN PUBLIC AFFAIRS	24,500.00
1629	WESTERN DISPLAY FIREWORKS, LTD.	18,000.00
1647	MASTEC NETWORK SOLUTIONS	1,523.55
1657	STEWART TITLE COMPANY	958.13
1661	WHITEMAN, TELA	395.67
1673	KPFF CONSULTING ENGINEERS	291,802.98
1678	VICENTE, JOHN	2,434.00
1689	MOTT MACDONALD GROUP, INC.	193,004.49
1690	SITTS & HILL ENGINEERS, INC.	5,730.00
1693	SKYWARD CONSTRUCTION	33,000.00
1698	WRIGHT, MARCI	1,000.00
1704	BANNER BANK RK	7,526.06
1711	SOFTWAREONE, INC.	11,052.93
1718	RESOURCE EXPLORATION, LLC	20,000.00
1738	MUNIMANAGE, LLC	71,775.00
1759	CORT PARTY RENTAL	55.00
1762	BAKER, BRIDGIT	452.36
1774	OWEN EQUIPMENT COMPANY	1,305.30
1782	SWANK MOTION PICTURES, INC.	2,213.20
1786	TYLER TECHNOLOGIES, INC.	17,853.40
1787	M M COMFORT SYSTEMS	36.75

Vendor Purchasing Report

For Date Range 01/01/2019 - 08/09/2019

Vendor Set: Vendor Set 01

Vendor	Name	Volume
1789	BLUEBEAM, INC.	493.90
1798	OLBRECHTS & ASSOCIATES, PLLC	2,255.50
1811	CAMPBELL SCIENTIFIC	624.00
1814	YSI INCORPORATED, A XYLEM BRAND	1,738.55
1816	NAVIA	19,640.40
1828	QUALITY BUSINESS SYSTEMS - WELLS FARGO	5,325.32
1829	SHI INTERNATIONAL CORP.	882.20
1832	EASTSIDE HOMES, INC.	1,670.10
1835	INC4INC, INC.	11,500.00
1846	AWCPD	100.00
1863	HAULAWAY STORAGE CONTAINERS, INC.	932.80
1879	HOLMBERG COMPANY	3,628.70
1885	NATIONAL BARRICADE CO., LLC	1,793.43
1889	WILLIAMS, KASTNER & GIBBS PLLC	26,221.19
1892	HEARTH MUSIC	3,850.00
1900	ASPECT CONSULTING LLC	1,447.42
1901	NORTH COAST ELECTRIC COMPANY	157.91
1913	GRAND EVENT RENTALS	3,039.02
1914	MCNAMARA SIGNS	440.40
1930	T-MOBILE USA, INC.	5,154.98
1932	U.S. BANK N.A. - CUSTODY	268.00
1933	VALLEY, CHRIS & BETH	7,500.00
1944	OHNO CONSTRUCTION	5,454.03
1945	GLASS MASTERS LLC	3,415.00
1946	FALL PROZ INC	896.50
1947	MCMILLAN, RANDY	500.00
1948	MULTICARE CENTERS OF OCCUPATIONAL MEDICINE	1,290.00
1955	HUIZENG ENTERPRISES, LLC	5,857.22
1960	WALTER E. NELSON CO.	1,233.87
1962	BANNER BANK SKROGH	2,359.98
1964	EARTHWORKS	37,780.40
1970	CROSSROAD SIGN	2,074.60
1978	GOVDELIVERY, LLC	33,005.91
1979	MSPT XXII, LLC	10,954.00
1980	HRA VEBA TRUST	32,640.87
1981	U.S. BANK	300.00
1985	CONTRACT LAND STAFF LLC	11,479.81
1993	HYAS GROUP, LLC	7,500.00
1994	LAKE CITY PARTNERS ENDING HOMELESSNESS	2,000.00
1995	REY TRANSLATIONS	220.00
1998	JOHNSTON GROUP, LLC	20,405.00
1999	KING COUNTY POLICE CHIEFS ASSOCIATION	50.00
2004	RED BARN ENGINEERING, INC.	40,771.50
2007	HYDROPOINT DATA SYSTEMS, INC.	705.00
2019	EMERALD CITY STATEWIDE	727.10
2021	GEOTERRA, INC.	9,220.00
2024	DFR LAW GROUP, LLC	900.00
2028	PRIDE ELECTRIC INC.	1,287.00
2048	SMS CLEANING, INC.	41,072.75
2054	BLUE FLAME HEATING, AIR & ELECTRIC	264.60
2063	French Touchup LLC	5,929.00
2064	Bud Clary Dodge/Chevrolet	66,956.52
2065	AMY LUCK	200.00
2073	HOOPSMILES	275.00
2078	WA RECREATION & PARK ASSOC.	85.00
2081	SHANNON & WILSON, INC.	56,484.20
2095	TRANSPO GROUP USA INC.	85.00
2097	ROBINSON AND NOBLE, INC.	2,850.00

Vendor Purchasing Report

For Date Range 01/01/2019 - 08/09/2019

Vendor Set: Vendor Set 01

Vendor	Name	Volume
2113	WA ASSOC. OF SHERIFFS & POLICE CHIEFS	180.00
2114	NC Machinery	112,126.05
2126	SCHWARZWALTER, MARK	54.68
2128	SUNDANCE ENERGY SERVICES	619.27
2129	CHELIN, KELLY	84.87
2130	CGINI	4,925.00
2132	FUELCARE	660.00
2138	HORVATH, PETER	185.25
2142	ICMA RETIREMENT C/O ALLFIRST BANK - 109964	256,512.56
2144	MODUS TECHNOLOGY, INC.	2,996.58
2147	SOD SPOT LLC	17,700.00
2148	Town and Country Fence Inc.	2,337.51
2157	SOUND SAFETY PRODUCTS CO.	2,025.74
2159	TRAILER BOSS	8,181.90
2160	ALLWEST UNDERGROUND INC.	1,980.60
2161	BENNETT-GOLD, TOBIN	282.17
2162	ESWO, LLC	15,000.00
2163	CORNERSTONE ARCHITECTUAL GROUP	13,106.00
2164	RANKIN, BRUCE	418.95
2166	BARKER MARTIN, P.S.	9,505.50
2167	APWA-WA CHAPTER	1,500.00
2168	FRED PRYOR SEMINARS	149.00
2169	ETC INSTITUTE	18,750.00
2171	BELRED ENERGY SOLUTIONS	329.28
2172	TCF ARCHITECTURE	2,500.00
2173	TRI-COUNTY LAND SURVEYING	3,800.00
2174	TUCKER, NATHAN	300.00
2175	ELECTRONIC BUSINESS MACHINES	1,552.42
2176	CANON FINANCIAL SERVICES, INC.	1,595.04
2177	ELYSIUM DEVELOPMENT, LLC	7,500.00
2178	STRIPE-A-LOT	2,822.88
2179	NC CAT RENTAL	3,553.00
2180	BUNTTING INC.	131,302.62
2181	CONNER HOMES AT SOLIRE LLC	187,241.00
2182	CUZ CONCRETE PRODUCTS	909.13
2183	SISKUN POWER EQUIPMENT	8,691.19
2184	DIVERSIFICATION INC.	1,866.70
2185	CRIMINAL JUSTICE TRAINING COMMISSION	1,450.00
2187	CORAL SALES CO.	9,553.50
2188	DIJULIO DISPLAYS, INC	5,174.98
2189	OFFICE TEAM	26,137.57
2190	PACIFIC INDUSTRIAL SUPPLY	984.39
2192	STEWART TITLE	103,308.00
2193	FENCING COMPANY, LLC	1,265.00
2194	CONFLUENCE ENVIRONMENTAL COMPANY	10,470.00
2195	CITY SOURCED	3,600.00
2196	Engaged Public	6,500.00
2197	BEST PARKING LOT CLEANING INC.	12,599.40
2198	CITY OF BOTHELL	50,000.00
2199	HALALILO, PAULA	34.56
2200	CHASE WALKER	209.75
2201	WA CHAPTER AMERICAN SOCIETY OF LANDSCAPE ARC	75.00
2202	ROGER WIGGINS	7,500.00
2203	KENMORE CLEANERS	36.30
2204	KING COUNTY	200.00
2205	MUNICIPAL MANAGEMENT SERVICES	5,000.00
2206	CHECK RIDE	6,900.00
2207	APA Washington	100.00

XI. A. Total Check #s 42999 through 43096 in the amount of \$1,192,115.35...

Vendor Purchasing Report

For Date Range 01/01/2019 - 08/09/2019

Vendor Set: Vendor Set 01

Vendor	Name	Volume
2208	FLUENT LANGUAGE SOLUTIONS	395.59
2209	MORUP SIGNS, INC.	913.02
2210	PACWEST MACHINERY	300.00
2211	PRECISION FUEL SOLUTIONS	1,452.00
2212	WEDENIG, MARK	7,500.00
2213	HELEN C. FORBES FAMILY TRUST	1,623.30
2215	INTERSECTION MEDIA, LLC	1,000.00
2216	SEVERSON, ROBERT	13,732.35
2217	TOURNESOL SITEWORKS, LLC	473.02
2218	NORTH CREEK ROOFING, INC.	215.45
2219	C.R. CONTRACTING	105,800.00
2220	SAFETY-SOURCE LLC	2,765.00
2221	O'REILLY/FIRST CALL	136.33
2222	GRADE, INC.	131,765.97
2223	JAIN, VAIBHAV	250.00
2224	BROWN, STEPHANIE	385.85
2225	THE COLOR GROUP, INC.	563.31
2226	QUANTUM HOMES	47,510.50
2227	EARTHCORPS	2,112.00
2229	ALIA PRODUCTIONS	2,000.00
2230	COMPASS NORTHWEST, INC	30,800.00
2231	A WORKSAFE SERVICE, INC	55.00
2232	DANNY BARNES INC.	1,500.00
2233	GARY HALEAMAU	2,425.00
2234	BRETT BENTON	250.00
2235	CEDRIC BURNSIDE	2,350.00
2236	COMCAST	2,611.38
2237	CREATIVE HOUSE BRANDING	1,031.17
2238	EVENT EXPERIENCE	500.00
2239	THE STORYMAKERS	250.00
2240	TAMAR LLANA & VENTANAS	1,900.00
2241	VIBE INC.	3,517.94
2242	MARY'S PLACE	7,333.00
2244	NGSSA	132.00
2245	JULIET HOWARD	1,250.00
2246	LYDIA RAMSEY	250.00
2248	INTERNATIONAL PUBLIC MGT ASSOC FOR HUMAN RES	149.00
2249	KING COUNTY BAR ASSOCIATION	500.00
2250	NAMI EASTSIDE	500.00
2252	TRUGREEN	302.50
2253	CHANCERY CIVIC LLC	1,560.00
Vendor Set Vendor Set 01 Total:		10,200,545.52

Subject/Topic:

For Council Meeting Agenda of: 9/9/19

Prepared by: Jennifer Gordon, Public Works
Operations Manager

Initial & Date
Approved by Department Head: [Signature] 8/13/19
Approved by City Attorney: _____
Approved by Finance Director: [Signature] 8/13/19
Approved by City Manager: [Signature] 8/13/19

Exhibits/Attachments:
Contract No. 19-C2092

The City of Kenmore has been able to host two residential recycling events annually supported by 100% funding from three separate grants:

- King County Waste Reduction and Recycling Grant
- King County/Public Health Local Hazardous Waste Management Grant
- Department of Ecology Solid Waste Management Local Solid Waste Financial Assistance Grant.

The funds from the Solid Waste Management Local Solid Waste Financial Assistance Agreement from the Department of Ecology will help support the next four residential recycling events (Fall 2019, Spring and Fall of 2020 and Fall of 2021) in coordination with the City of Lake Forest Park. Organics, household hazardous waste and other hard to recycle items will be collected along with 'usual' recyclables at each City hosted event. Educational materials about reducing waste and recycling will also be handed out during the events.

Due to declining availability of grant funds the City has partnered up with the City of Lake Forest Park to be able to continue to host two residential recycling events annually, serving both communities.

100% grant funding; no local City funds will be used to support the residential recycling events.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

Effective and efficient services.

Kenmore Contract No. 19-C2092



Agreement No. SWMLSWFA-2019-Kenmor-00055

SOLID WASTE MANAGEMENT LOCAL SOLID WASTE FINANCIAL ASSISTANCE AGREEMENT

BETWEEN

THE STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

AND

CITY OF KENMORE

This is a binding Agreement entered into by and between the state of Washington, Department of Ecology, hereinafter referred to as "ECOLOGY," and CITY OF KENMORE, hereinafter referred to as the "RECIPIENT," to carry out with the provided funds activities described herein.

GENERAL INFORMATION

Project Title:	2019-21 LSWFA City of Kenmore IMP
Total Cost:	\$66,470.96
Total Eligible Cost:	\$19,354.67
Ecology Share:	\$14,516.00
Recipient Share:	\$4,838.67
The Effective Date of this Agreement is:	07/01/2019
The Expiration Date of this Agreement is no later than:	06/30/2021
Project Type:	Planning/Implementation

Project Short Description:

In coordination with the City of Lake Forest Park, the RECIPIENT (City of Kenmore) will spend \$19,354.67 to host up to four (4) residential recycling collection events, collecting and managing approximately 68,000 lbs. of recyclable material, 10,500 lbs. of organics, and 7,500 lbs. of household hazardous waste (HHW).

Project Long Description:

See the Scope of Work section for more detailed information related to individual Tasks.

Overall Goal:

Provide regional solutions and intergovernmental cooperation; prevent or minimize environmental contamination through planning and project implementation; and comply with state and local solid and hazardous waste management plans and laws.

State of Washington Department of Ecology
Agreement No: SWMLSWFA-2019-Kenmor-00055
Project Title: 2019-21 LSWFA City of Kenmore IMP
Recipient Name: CITY OF KENMORE

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RECIPIENT INFORMATION

Organization Name: CITY OF KENMORE

Federal Tax ID: 91-1912254

DUNS Number: 041752978

Mailing Address: 18120 68th Ave NE
Kenmore, Washington 98028

Physical Address: 18120 68th Ave NE
Kenmore, Washington 98028

Organization Email: rkarkinsey@kenmorewa.gov

Contacts

State of Washington Department of Ecology

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Agreement No: SWMLSWFA-2019-Kenmor-00055
 Project Title: 2019-21 LSWFA City of Kenmore IMP
 Recipient Name: CITY OF KENMORE

Project Manager	Jennifer Gordon 18120 68th Ave NE Kenmore, Washington 98028 Email: jgordon@kenmorewa.gov Phone: (425) 984-6160
Billing Contact	Paul Devine General Manager 4715 SW WALKER ST Seattle, Washington 98116 Email: pauldevine@msn.com Phone: (206) 938-8262
Authorized Signatory	Rob Karlinsey City Manager 18120 68th Ave NE Kenmore, Washington 98028 Email: rkarlinsey@kenmorewa.gov Phone: (425) 398-8900

State of Washington Department of Ecology

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Agreement No: SWMLSWFA-2019-Kenmor-00055
 Project Title: 2019-21 LSWFA City of Kenmore IMP
 Recipient Name: CITY OF KENMORE

ECOLOGY INFORMATION

Mailing Address: Department of Ecology
 Solid Waste Management
 PO BOX 47600
 Olympia, WA 98504-7600

Physical Address: Solid Waste Management
 300 Desmond Drive SE
 Lacey, WA 98503

Contacts

Project Manager	Vicki Colgan 3190 - 160th Ave SE Bellevue, Washington 98008-5452 Email: vcol461@ecy.wa.gov Phone: (425) 649-7224
Financial Manager	Vicki Colgan 3190 - 160th Ave SE Bellevue, Washington 98008-5452 Email: vcol461@ecy.wa.gov Phone: (425) 649-7224

State of Washington Department of Ecology

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Agreement No: SWMLSWFA-2019-Kenmor-00055
 Project Title: 2019-21 LSWFA City of Kenmore IMP
 Recipient Name: CITY OF KENMORE

AUTHORIZING SIGNATURES

RECIPIENT agrees to furnish the necessary personnel, equipment, materials, services, and otherwise do all things necessary for or incidental to the performance of work as set forth in this Agreement.

RECIPIENT acknowledges that they had the opportunity to review the entire Agreement, including all the terms and conditions of this Agreement, Scope of Work, attachments, and incorporated or referenced documents, as well as all applicable laws, statutes, rules, regulations, and guidelines mentioned in this Agreement. Furthermore, the RECIPIENT has read, understood, and accepts all requirements contained within this Agreement.

This Agreement contains the entire understanding between the parties, and there are no other understandings or representations other than as set forth, or incorporated by reference, herein.

No subsequent modifications or amendments to this agreement will be of any force or effect unless in writing, signed by authorized representatives of the RECIPIENT and ECOLOGY and made a part of this agreement. ECOLOGY and RECIPIENT may change their respective staff contacts without the concurrence of either party.

This Agreement shall be subject to the written approval of Ecology's authorized representative and shall not be binding until so approved.

The signatories to this Agreement represent that they have the authority to execute this Agreement and bind their respective organizations to this Agreement.

Washington State
 Department of Ecology

CITY OF KENMORE

By: _____

By: _____

Laurie Davies
 Solid Waste Management
 Program Manager

Date

Rob Karlinsey
 City Manager

Date

Template Approved to Form by
 Attorney General's Office

State of Washington Department of Ecology

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Agreement No: SWMLSWFA-2019-Kenmor-00055
 Project Title: 2019-21 LSWFA City of Kenmore IMP
 Recipient Name: CITY OF KENMORE

SCOPE OF WORK

Task Number: 1 Task Cost: \$19,354.67

Task Title: Recycling Operations

Task Description:

The RECIPIENT, in coordination with the City of Lake Forest Park and together with a contractor, will spend \$19,354.67 by hosting up to four (4) residential recycling collection events for City residents during the LSWFA Agreement period. Organics, household hazardous waste (HHW), and other large or hard-to-recycle items will be collected along with 'usual' recyclables at a convenient City location. Educational materials, which describe how to reduce waste and recycle more using City-sponsored or private sector recycling programs, will also be distributed.

These events require advertising, organizing, staging, staffing, distribution of the outreach materials, scheduling and paying vendors, and calculating and reporting outcomes of each event to Ecology. Costs for these activities and associated salaries and benefits are eligible for LSWFA reimbursement. Costs incurred by contractors to implement work identified in this Task are subject to the same eligibility and reimbursement requirements as those for the RECIPIENT, and also require ECOLOGY approval.

The RECIPIENT will report program progress each Quarter, whether or not eligible costs or progress related to these events have occurred.

ECOLOGY now requires the RECIPIENT verify, to the best of their knowledge, that materials handled under this Task as recyclables are, in fact, recycled and not disposed. To meet this requirement, the RECIPIENT will complete and upload into EAGL the Recycling Verification Form(s) provided. ECOLOGY also asks the RECIPIENT upload verification form(s) voluntarily for all others in the chain-of-custody that handle these materials. When any collection or vendor changes occur during the Agreement period, the RECIPIENT will upload amended verification in EAGL.

Task Goal Statement:

Convenient capture and diversion of organic waste, household hazardous waste (HHW), and other hard-to-recycle items from City residents to avoid landfilling and environmental pollution constitute the primary goals of this Task. To foster additional diversion and recycling opportunities, educational materials will also be distributed at each event.

Task Expected Outcome:

The collection events proposed are expected to net an approximate total of 68,000 lbs. of recyclable material, 10,500 lbs. of organics, and 7,500 lbs. of HHW. These metrics represent the total percentage that LSWFA pays of the total project cost.

The RECIPIENT may charge user fees for some items or may drop user fees to increase volume of materials collected. The RECIPIENT will also credit this grant for any revenue received from fees or commodity sales on items this grant is directly supporting. Please note: LSWFA does not pay for costs covered by existing product stewardship programs or any new ones implemented during this Agreement.

Fees for membership in civic, business, technical and or professional organizations must be pre-approved by Ecology and are reimbursable through costs reimbursed for indirect. When a RECIPIENT does not charge indirect, such fees, with prior

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State of Washington Department of Ecology

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Agreement No: SWMLSWFA-2019-Kenmor-00055
 Project Title: 2019-21 LSWFA City of Kenmore IMP
 Recipient Name: CITY OF KENMORE

approval, may be billed directly under two conditions: 1. Membership is for staff who work 100% of their time on the Task; and 2. Membership is determined reasonable and necessary to complete the Task.

The RECIPIENT agrees to obtain an ECOLOGY review before printing promotional or other materials to be paid for by monies granted under this Agreement. The full text of this requirement can be found in Provision #19 in the General Terms and Conditions below.

Recipient Task Coordinator: Paul Devine

Recycling Operations

Deliverables

Number	Description	Due Date
1.1	Work as defined in the Scope of Work for this Agreement is implemented.	06/30/2021

State of Washington Department of Ecology
 Agreement No: SWMLSWFA-2019-Kenmor-00055
 Project Title: 2019-21 LSWFA City of Kenmore IMP
 Recipient Name: CITY OF KENMORE

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Funding Distribution Summary

Recipient / Ecology Share

Funding Distribution Name	Recipient Match %	Recipient Share	Ecology Share	Total
City of Kenmore IMP	25.00 %	\$ 4,838.67	\$ 14,516.00	\$ 19,354.67
Total		\$ 4,838.67	\$ 14,516.00	\$ 19,354.67

AGREEMENT SPECIFIC TERMS AND CONDITIONS

N/A

SPECIAL TERMS AND CONDITIONS

RECIPIENT shall update the Spending Plan and Outcomes Data Collection form at least quarterly. The Spending Plan and Outcomes Data Collection form must be submitted along with a Payment Request/Progress Report. By checking the box provided in the Outcomes Data Collection section of the form, the RECIPIENT certifies that the outcomes reported for that quarter represent ONLY what was achieved with LSWFA (Ecology share plus local contribution). RECIPIENT shall not report outcomes achieved with funds that exceed the LSWFA Agreement's total budget.

RECIPIENT must submit within thirty (30) days after the expiration date of this Agreement, all financial (including payment requests), performance, and other reports required by this Agreement. ECOLOGY shall have the right to deny reimbursement of payment requests received after this date.

GENERAL FEDERAL CONDITIONS

If a portion or all of the funds for this agreement are provided through federal funding sources or this agreement is used to match a federal grant award, the following terms and conditions apply to you.

A. CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY

EXCLUSION:

1. The RECIPIENT/CONTRACTOR, by signing this agreement, certifies that it is not suspended, debarred, proposed for debarment, declared ineligible or otherwise excluded from contracting with the federal government, or from receiving contracts paid for with federal funds. If the RECIPIENT/CONTRACTOR is unable to certify to the statements contained in the certification, they must provide an explanation as to why they cannot.
2. The RECIPIENT/CONTRACTOR shall provide immediate written notice to ECOLOGY if at any time the RECIPIENT/CONTRACTOR learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
3. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact ECOLOGY for assistance in obtaining a copy of those regulations.
4. The RECIPIENT/CONTRACTOR agrees it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under the applicable Code of Federal Regulations, debarred, suspended,

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State of Washington Department of Ecology

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declared ineligible, or voluntarily excluded from participation in this covered transaction.

5. The RECIPIENT/CONTRACTOR further agrees by signing this agreement, that it will include this clause titled "CERTIFICATION REGARDING SUSPENSION, DEBARMENT, INELIGIBILITY OR VOLUNTARY EXCLUSION" without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
6. Pursuant to 2CFR180.330, the RECIPIENT/CONTRACTOR is responsible for ensuring that any lower tier covered transaction complies with certification of suspension and debarment requirements.
7. RECIPIENT/CONTRACTOR acknowledges that failing to disclose the information required in the Code of Federal Regulations may result in the delay or negation of this funding agreement, or pursuance of legal remedies, including suspension and debarment.
8. RECIPIENT/CONTRACTOR agrees to keep proof in its agreement file, that it, and all lower tier recipients or contractors, are not suspended or debarred, and will make this proof available to ECOLOGY before requests for reimbursements will be approved for payment. RECIPIENT/CONTRACTOR must run a search in <http://www.sam.gov> and print a copy of completed searches to document proof of compliance.

B. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA) REPORTING REQUIREMENTS:

CONTRACTOR/RECIPIENT must complete the FFATA Data Collection Form (ECY 070-395) and return it with the signed agreement to ECOLOGY.

Any CONTRACTOR/RECIPIENT that meets each of the criteria below must report compensation for its five top executives using the FFATA Data Collection Form.

- Receives more than \$25,000 in federal funds under this award.
- Receives more than 80 percent of its annual gross revenues from federal funds.
- Receives more than \$25,000,000 in annual federal funds.

Ecology will not pay any invoices until it has received a completed and signed FFATA Data Collection Form. Ecology is required to report the FFATA information for federally funded agreements, including the required DUNS number, at www.fsrs.gov <http://www.fsrs.gov> within 30 days of agreement signature. The FFATA information will be available to the public at www.usaspending.gov <http://www.usaspending.gov>.

For more details on FFATA requirements, see www.fsrs.gov <http://www.fsrs.gov>.

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GENERAL TERMS AND CONDITIONS

Pertaining to Grant and Loan Agreements With the state of Washington, Department of Ecology

GENERAL TERMS AND CONDITIONS AS OF LAST UPDATED 7-1-2019 VERSION

1. ADMINISTRATIVE REQUIREMENTS

- a) RECIPIENT shall follow the "Administrative Requirements for Recipients of Ecology Grants and Loans – EAGL Edition." (<https://fortress.wa.gov/ecy/publications/SummaryPages/1701004.html>)
- b) RECIPIENT shall complete all activities funded by this Agreement and be fully responsible for the proper management of all funds and resources made available under this Agreement.
- c) RECIPIENT agrees to take complete responsibility for all actions taken under this Agreement, including ensuring all subgrantees and contractors comply with the terms and conditions of this Agreement. ECOLOGY reserves the right to request proof of compliance by subgrantees and contractors.
- d) RECIPIENT's activities under this Agreement shall be subject to the review and approval by ECOLOGY for the extent and character of all work and services.

2. AMENDMENTS AND MODIFICATIONS

This Agreement may be altered, amended, or waived only by a written amendment executed by both parties. No subsequent modification(s) or amendment(s) of this Agreement will be of any force or effect unless in writing and signed by authorized representatives of both parties. ECOLOGY and the RECIPIENT may change their respective staff contacts and administrative information without the concurrence of either party.

3. ACCESSIBILITY REQUIREMENTS FOR COVERED TECHNOLOGY

The RECIPIENT must comply with the Washington State Office of the Chief Information Officer, OCIO Policy no. 188, Accessibility (<https://ocio.wa.gov/policy/accessibility>) as it relates to "covered technology." This requirement applies to all products supplied under the agreement, providing equal access to information technology by individuals with disabilities, including and not limited to web sites/pages, web-based applications, software systems, video and audio content, and electronic documents intended for publishing on Ecology's public web site.

4. ARCHAEOLOGICAL AND CULTURAL RESOURCES

RECIPIENT shall take reasonable action to avoid, minimize, or mitigate adverse effects to archeological and historic resources. The RECIPIENT must agree to hold harmless the State of Washington in relation to any claim related to historical or cultural artifacts discovered, disturbed, or damaged due to the RECIPIENT's project funded under this Agreement.

RECIPIENT shall:

- a) Contact the ECOLOGY Program issuing the grant or loan to discuss any Cultural Resources requirements for their project:
 - For capital construction projects or land acquisitions for capital construction projects, if required, comply with Governor Executive Order 05-05, Archaeology and Cultural Resources.
 - For projects with any federal involvement, if required, comply with the National Historic Preservation Act.
 - Any cultural resources federal or state requirements must be completed prior to the start of any work on the project site.
- b) If required by the ECOLOGY Program, submit an Inadvertent Discovery Plan (IDP) to ECOLOGY prior to implementing any project that involves ground disturbing activities. ECOLOGY will provide the IDP form.

RECIPIENT shall:

- Keep the IDP at the project site.

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- Make the IDP readily available to anyone working at the project site.
- Discuss the IDP with staff and contractors working at the project site.
- Implement the IDP when cultural resources or human remains are found at the project site.
- c) If any archeological or historic resources are found while conducting work under this Agreement:
 - Immediately stop work and notify the ECOLOGY Program, the Department of Archaeology and Historic Preservation at (360) 586-3064, any affected Tribe, and the local government.
- d) If any human remains are found while conducting work under this Agreement:
 - Immediately stop work and notify the local Law Enforcement Agency or Medical Examiner/Coroner's Office, and then the ECOLOGY Program.
- e) Comply with RCW 27.53, RCW 27.44.055, and RCW 68.50.645, and all other applicable local, state, and federal laws protecting cultural resources and human remains.

5. ASSIGNMENT

No right or claim of the RECIPIENT arising under this Agreement shall be transferred or assigned by the RECIPIENT.

6. COMMUNICATION

RECIPIENT shall make every effort to maintain effective communications with the RECIPIENT's designees, ECOLOGY, all affected local, state, or federal jurisdictions, and any interested individuals or groups.

7. COMPENSATION

- a) Any work performed prior to effective date of this Agreement will be at the sole expense and risk of the RECIPIENT. ECOLOGY must sign the Agreement before any payment requests can be submitted.
- b) Payments will be made on a reimbursable basis for approved and completed work as specified in this Agreement.
- c) RECIPIENT is responsible to determine if costs are eligible. Any questions regarding eligibility should be clarified with ECOLOGY prior to incurring costs. Costs that are conditionally eligible require approval by ECOLOGY prior to expenditure.
- d) RECIPIENT shall not invoice more than once per month unless agreed on by ECOLOGY.
- e) ECOLOGY will not process payment requests without the proper reimbursement forms, Progress Report and supporting documentation. ECOLOGY will provide instructions for submitting payment requests.
- f) ECOLOGY will pay the RECIPIENT thirty (30) days after receipt of a properly completed request for payment.
- g) RECIPIENT will receive payment through Washington State's Office of Financial Management's Statewide Payee Desk. To receive payment you must register as a statewide vendor by submitting a statewide vendor registration form and an IRS W-9 form at website, <https://ofm.wa.gov/it-systems/statewide-vendorpayee-services>. If you have questions about the vendor registration process, you can contact Statewide Payee Help Desk at (360) 407-8180 or email PayeeRegistration@ofm.wa.gov.
- h) ECOLOGY may, at its sole discretion, withhold payments claimed by the RECIPIENT if the RECIPIENT fails to satisfactorily comply with any term or condition of this Agreement.
- i) Monies withheld by ECOLOGY may be paid to the RECIPIENT when the work described herein, or a portion thereof, has been completed if, at ECOLOGY's sole discretion, such payment is reasonable and approved according to this Agreement, as appropriate, or upon completion of an audit as specified herein.
- j) RECIPIENT must submit within thirty (30) days after the expiration date of this Agreement, all financial, performance, and other reports required by this agreement. Failure to comply may result in delayed reimbursement.

8. COMPLIANCE WITH ALL LAWS

RECIPIENT agrees to comply fully with all applicable federal, state and local laws, orders, regulations, and permits related to this Agreement, including but not limited to:

- a) RECIPIENT agrees to comply with all applicable laws, regulations, and policies of the United States and the State of

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Washington which affect wages and job safety.

- b) RECIPIENT agrees to be bound by all applicable federal and state laws, regulations, and policies against discrimination.
- c) RECIPIENT certifies full compliance with all applicable state industrial insurance requirements.
- d) RECIPIENT agrees to secure and provide assurance to ECOLOGY that all the necessary approvals and permits required by authorities having jurisdiction over the project are obtained. RECIPIENT must include time in their project timeline for the permit and approval processes.

ECOLOGY shall have the right to immediately terminate for cause this Agreement as provided herein if the RECIPIENT fails to comply with above requirements.

If any provision of this Agreement violates any statute or rule of law of the state of Washington, it is considered modified to conform to that statute or rule of law.

9. CONFLICT OF INTEREST

RECIPIENT and ECOLOGY agree that any officer, member, agent, or employee, who exercises any function or responsibility in the review, approval, or carrying out of this Agreement, shall not have any personal or financial interest, direct or indirect, nor affect the interest of any corporation, partnership, or association in which he/she is a part, in this Agreement or the proceeds thereof.

10. CONTRACTING FOR GOODS AND SERVICES

RECIPIENT may contract to buy goods or services related to its performance under this Agreement. RECIPIENT shall award all contracts for construction, purchase of goods, equipment, services, and professional architectural and engineering services through a competitive process, if required by State law. RECIPIENT is required to follow procurement procedures that ensure legal, fair, and open competition.

RECIPIENT must have a standard procurement process or follow current state procurement procedures. RECIPIENT may be required to provide written certification that they have followed their standard procurement procedures and applicable state law in awarding contracts under this Agreement.

ECOLOGY reserves the right to inspect and request copies of all procurement documentation, and review procurement practices related to this Agreement. Any costs incurred as a result of procurement practices not in compliance with state procurement law or the RECIPIENT's normal procedures may be disallowed at ECOLOGY's sole discretion.

11. DISPUTES

When there is a dispute with regard to the extent and character of the work, or any other matter related to this Agreement the determination of ECOLOGY will govern, although the RECIPIENT shall have the right to appeal decisions as provided for below:

- a) RECIPIENT notifies the funding program of an appeal request.
- b) Appeal request must be in writing and state the disputed issue(s).
- c) RECIPIENT has the opportunity to be heard and offer evidence in support of its appeal.
- d) ECOLOGY reviews the RECIPIENT's appeal.
- e) ECOLOGY sends a written answer within ten (10) business days, unless more time is needed, after concluding the review. The decision of ECOLOGY from an appeal will be final and conclusive, unless within thirty (30) days from the date of such decision, the RECIPIENT furnishes to the Director of ECOLOGY a written appeal. The decision of the Director or duly authorized representative will be final and conclusive.

The parties agree that this dispute process will precede any action in a judicial or quasi-judicial tribunal.

Appeals of the Director's decision will be brought in the Superior Court of Thurston County. Review of the Director's decision will not be taken to Environmental and Land Use Hearings Office.

Pending final decision of a dispute, the RECIPIENT agrees to proceed diligently with the performance of this Agreement and in

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accordance with the decision rendered.

Nothing in this Agreement will be construed to limit the parties' choice of another mutually acceptable method, in addition to the dispute resolution procedure outlined above.

12. ENVIRONMENTAL DATA STANDARDS

- a) RECIPIENT shall prepare a Quality Assurance Project Plan (QAPP) for a project that collects or uses environmental measurement data. RECIPIENTS unsure about whether a QAPP is required for their project shall contact the ECOLOGY Program issuing the grant or loan. If a QAPP is required, the RECIPIENT shall:
 - Use ECOLOGY's QAPP Template/Checklist provided by the ECOLOGY, unless ECOLOGY Quality Assurance (QA) officer or the Program QA coordinator instructs otherwise.
 - Follow ECOLOGY's Guidelines for Preparing Quality Assurance Project Plans for Environmental Studies, July 2004 (Ecology Publication No. 04-03-030).
 - Submit the QAPP to ECOLOGY for review and approval before the start of the work.
- b) RECIPIENT shall submit environmental data that was collected on a project to ECOLOGY using the Environmental Information Management system (EIM), unless the ECOLOGY Program instructs otherwise. The RECIPIENT must confirm with ECOLOGY that complete and correct data was successfully loaded into EIM, find instructions at: <http://www.ecy.wa.gov/eim>.
- c) RECIPIENT shall follow ECOLOGY's data standards when Geographic Information System (GIS) data is collected and processed. Guidelines for Creating and Accessing GIS Data are available at: <https://ecology.wa.gov/Research-Data/Data-resources/Geographic-Information-Systems-GIS/Standards>. RECIPIENT, when requested by ECOLOGY, shall provide copies to ECOLOGY of all final GIS data layers, imagery, related tables, raw data collection files, map products, and all metadata and project documentation.

13. GOVERNING LAW

This Agreement will be governed by the laws of the State of Washington, and the venue of any action brought hereunder will be in the Superior Court of Thurston County.

14. INDEMNIFICATION

ECOLOGY will in no way be held responsible for payment of salaries, consultant's fees, and other costs related to the project described herein, except as provided in the Scope of Work.

To the extent that the Constitution and laws of the State of Washington permit, each party will indemnify and hold the other harmless from and against any liability for any or all injuries to persons or property arising from the negligent act or omission of that party or that party's agents or employees arising out of this Agreement.

15. INDEPENDENT STATUS

The employees, volunteers, or agents of each party who are engaged in the performance of this Agreement will continue to be employees, volunteers, or agents of that party and will not for any purpose be employees, volunteers, or agents of the other party.

16. KICKBACKS

RECIPIENT is prohibited from inducing by any means any person employed or otherwise involved in this Agreement to give up any part of the compensation to which he/she is otherwise entitled to or receive any fee, commission, or gift in return for award of a subcontract hereunder.

17. MINORITY AND WOMEN'S BUSINESS ENTERPRISES (MWBE)

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RECIPIENT is encouraged to solicit and recruit, to the extent possible, certified minority-owned (MBE) and women-owned (WBE) businesses in purchases and contracts initiated under this Agreement.

Contract awards or rejections cannot be made based on MWBE participation; however, the RECIPIENT is encouraged to take the following actions, when possible, in any procurement under this Agreement:

- a) Include qualified minority and women's businesses on solicitation lists whenever they are potential sources of goods or services.
- b) Divide the total requirements, when economically feasible, into smaller tasks or quantities, to permit maximum participation by qualified minority and women's businesses.
- c) Establish delivery schedules, where work requirements permit, which will encourage participation of qualified minority and women's businesses.
- d) Use the services and assistance of the Washington State Office of Minority and Women's Business Enterprises (OMWBE) (866-208-1064) and the Office of Minority Business Enterprises of the U.S. Department of Commerce, as appropriate.

18. ORDER OF PRECEDENCE

In the event of inconsistency in this Agreement, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence in the following order: (a) applicable federal and state statutes and regulations; (b) The Agreement; (c) Scope of Work; (d) Special Terms and Conditions; (e) Any provisions or terms incorporated herein by reference, including the "Administrative Requirements for Recipients of Ecology Grants and Loans"; (f) Ecology Funding Program Guidelines; and (g) General Terms and Conditions.

19. PRESENTATION AND PROMOTIONAL MATERIALS

ECOLOGY reserves the right to approve RECIPIENT's communication documents and materials related to the fulfillment of this Agreement:

- a) If requested, RECIPIENT shall provide a draft copy to ECOLOGY for review and approval ten (10) business days prior to production and distribution.
- b) RECIPIENT shall include time for ECOLOGY's review and approval process in their project timeline.
- c) If requested, RECIPIENT shall provide ECOLOGY two (2) final copies and an electronic copy of any tangible products developed.

Copies include any printed materials, and all tangible products developed such as brochures, manuals, pamphlets, videos, audio tapes, CDs, curriculum, posters, media announcements, or gadgets with a message, such as a refrigerator magnet, and any online communications, such as web pages, blogs, and twitter campaigns. If it is not practical to provide a copy, then the RECIPIENT shall provide a description (photographs, drawings, printouts, etc.) that best represents the item.

Any communications intended for public distribution that uses ECOLOGY's logo shall comply with ECOLOGY's graphic requirements and any additional requirements specified in this Agreement. Before the use of ECOLOGY's logo contact ECOLOGY for guidelines.

RECIPIENT shall acknowledge in the communications that funding was provided by ECOLOGY.

20. PROGRESS REPORTING

- a) RECIPIENT must satisfactorily demonstrate the timely use of funds by submitting payment requests and progress reports to ECOLOGY. ECOLOGY reserves the right to amend or terminate this Agreement if the RECIPIENT does not document timely use of funds.
- b) RECIPIENT must submit a progress report with each payment request. Payment requests will not be processed without a progress report. ECOLOGY will define the elements and frequency of progress reports.
- c) RECIPIENT shall use ECOLOGY's provided progress report format.
- d) Quarterly progress reports will cover the periods from January 1 through March 31, April 1 through June 30, July 1 through

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September 30, and October 1 through December 31. Reports shall be submitted within thirty (30) days after the end of the quarter being reported.

e) RECIPIENT must submit within thirty (30) days of the expiration date of the project, unless an extension has been approved by ECOLOGY, all financial, performance, and other reports required by the agreement and funding program guidelines. RECIPIENT shall use the ECOLOGY provided closeout report format.

21. PROPERTY RIGHTS

a) Copyrights and Patents. When the RECIPIENT creates any copyrightable materials or invents any patentable property under this Agreement, the RECIPIENT may copyright or patent the same but ECOLOGY retains a royalty free, nonexclusive, and irrevocable license to reproduce, publish, recover, or otherwise use the material(s) or property, and to authorize others to use the same for federal, state, or local government purposes.

b) Publications. When the RECIPIENT or persons employed by the RECIPIENT use or publish ECOLOGY information; present papers, lectures, or seminars involving information supplied by ECOLOGY; or use logos, reports, maps, or other data in printed reports, signs, brochures, pamphlets, etc., appropriate credit shall be given to ECOLOGY.

c) Presentation and Promotional Materials. ECOLOGY shall have the right to use or reproduce any printed or graphic materials produced in fulfillment of this Agreement, in any manner ECOLOGY deems appropriate. ECOLOGY shall acknowledge the RECIPIENT as the sole copyright owner in every use or reproduction of the materials.

d) Tangible Property Rights. ECOLOGY's current edition of "Administrative Requirements for Recipients of Ecology Grants and Loans," shall control the use and disposition of all real and personal property purchased wholly or in part with funds furnished by ECOLOGY in the absence of state and federal statutes, regulations, or policies to the contrary, or upon specific instructions with respect thereto in this Agreement.

e) Personal Property Furnished by ECOLOGY. When ECOLOGY provides personal property directly to the RECIPIENT for use in performance of the project, it shall be returned to ECOLOGY prior to final payment by ECOLOGY. If said property is lost, stolen, or damaged while in the RECIPIENT's possession, then ECOLOGY shall be reimbursed in cash or by setoff by the RECIPIENT for the fair market value of such property.

f) Acquisition Projects. The following provisions shall apply if the project covered by this Agreement includes funds for the acquisition of land or facilities:

1. RECIPIENT shall establish that the cost is fair value and reasonable prior to disbursement of funds provided for in this Agreement.

2. RECIPIENT shall provide satisfactory evidence of title or ability to acquire title for each parcel prior to disbursement of funds provided by this Agreement. Such evidence may include title insurance policies, Torrens certificates, or abstracts, and attorney's opinions establishing that the land is free from any impediment, lien, or claim which would impair the uses intended by this Agreement.

g) Conversions. Regardless of the Agreement expiration date, the RECIPIENT shall not at any time convert any equipment, property, or facility acquired or developed under this Agreement to uses other than those for which assistance was originally approved without prior written approval of ECOLOGY. Such approval may be conditioned upon payment to ECOLOGY of that portion of the proceeds of the sale, lease, or other conversion or encumbrance which monies granted pursuant to this Agreement bear to the total acquisition, purchase, or construction costs of such property.

22. RECORDS, AUDITS, AND INSPECTIONS

RECIPIENT shall maintain complete program and financial records relating to this Agreement, including any engineering documentation and field inspection reports of all construction work accomplished.

All records shall:

- a) Be kept in a manner which provides an audit trail for all expenditures.
- b) Be kept in a common file to facilitate audits and inspections.
- c) Clearly indicate total receipts and expenditures related to this Agreement.

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d) Be open for audit or inspection by ECOLOGY, or by any duly authorized audit representative of the State of Washington, for a period of at least three (3) years after the final grant payment or loan repayment, or any dispute resolution hereunder. RECIPIENT shall provide clarification and make necessary adjustments if any audits or inspections identify discrepancies in the records.

ECOLOGY reserves the right to audit, or have a designated third party audit, applicable records to ensure that the state has been properly invoiced. Any remedies and penalties allowed by law to recover monies determined owed will be enforced. Repetitive instances of incorrect invoicing or inadequate records may be considered cause for termination.

All work performed under this Agreement and any property and equipment purchased shall be made available to ECOLOGY and to any authorized state, federal or local representative for inspection at any time during the course of this Agreement and for at least three (3) years following grant or loan termination or dispute resolution hereunder.

RECIPIENT shall provide right of access to ECOLOGY, or any other authorized representative, at all reasonable times, in order to monitor and evaluate performance, compliance, and any other conditions under this Agreement.

23. RECOVERY OF FUNDS

The right of the RECIPIENT to retain monies received as reimbursement payments is contingent upon satisfactory performance of this Agreement and completion of the work described in the Scope of Work.

All payments to the RECIPIENT are subject to approval and audit by ECOLOGY, and any unauthorized expenditure(s) or unallowable cost charged to this Agreement shall be refunded to ECOLOGY by the RECIPIENT.

RECIPIENT shall refund to ECOLOGY the full amount of any erroneous payment or overpayment under this Agreement.

RECIPIENT shall refund by check payable to ECOLOGY the amount of any such reduction of payments or repayments within thirty (30) days of a written notice. Interest will accrue at the rate of twelve percent (12%) per year from the time ECOLOGY demands repayment of funds.

Any property acquired under this Agreement, at the option of ECOLOGY, may become ECOLOGY's property and the RECIPIENT's liability to repay monies will be reduced by an amount reflecting the fair value of such property.

24. SEVERABILITY

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, and to this end the provisions of this Agreement are declared to be severable.

25. STATE ENVIRONMENTAL POLICY ACT (SEPA)

RECIPIENT must demonstrate to ECOLOGY's satisfaction that compliance with the requirements of the State Environmental Policy Act (Chapter 43.21C RCW and Chapter 197-11 WAC) have been or will be met. Any reimbursements are subject to this provision.

26. SUSPENSION

When in the best interest of ECOLOGY, ECOLOGY may at any time, and without cause, suspend this Agreement or any portion thereof for a temporary period by written notice from ECOLOGY to the RECIPIENT. RECIPIENT shall resume performance on the next business day following the suspension period unless another day is specified by ECOLOGY.

27. SUSTAINABLE PRACTICES

In order to sustain Washington's natural resources and ecosystems, the RECIPIENT is fully encouraged to implement sustainable practices and to purchase environmentally preferable products under this Agreement.

a) Sustainable practices may include such activities as: use of clean energy, use of double-sided printing, hosting low impact meetings, and setting up recycling and composting programs.

b) Purchasing may include such items as: sustainably produced products and services, EPEAT registered computers and

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imaging equipment, independently certified green cleaning products, remanufactured toner cartridges, products with reduced packaging, office products that are refillable, rechargeable, and recyclable, 100% post-consumer recycled paper, and toxic free products.

For more suggestions visit ECOLOGY's web page, Green Purchasing,
<https://ecology.wa.gov/Regulations-Permits/Guidance-technical-assistance/Sustainable-purchasing>.

28. TERMINATION

a) For Cause

ECOLOGY may terminate for cause this Agreement with a seven (7) calendar days prior written notification to the RECIPIENT, at the sole discretion of ECOLOGY, for failing to perform an Agreement requirement or for a material breach of any term or condition. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

Failure to Commence Work. ECOLOGY reserves the right to terminate this Agreement if RECIPIENT fails to commence work on the project funded within four (4) months after the effective date of this Agreement, or by any date mutually agreed upon in writing for commencement of work, or the time period defined within the Scope of Work.

Non-Performance. The obligation of ECOLOGY to the RECIPIENT is contingent upon satisfactory performance by the RECIPIENT of all of its obligations under this Agreement. In the event the RECIPIENT unjustifiably fails, in the opinion of ECOLOGY, to perform any obligation required of it by this Agreement, ECOLOGY may refuse to pay any further funds, terminate in whole or in part this Agreement, and exercise any other rights under this Agreement.

Despite the above, the RECIPIENT shall not be relieved of any liability to ECOLOGY for damages sustained by ECOLOGY and the State of Washington because of any breach of this Agreement by the RECIPIENT. ECOLOGY may withhold payments for the purpose of setoff until such time as the exact amount of damages due ECOLOGY from the RECIPIENT is determined.

b) For Convenience

ECOLOGY may terminate for convenience this Agreement, in whole or in part, for any reason when it is the best interest of ECOLOGY, with a thirty (30) calendar days prior written notification to the RECIPIENT, except as noted below. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

Non-Allocation of Funds. ECOLOGY's ability to make payments is contingent on availability of funding. In the event funding from state, federal or other sources is withdrawn, reduced, or limited in any way after the effective date and prior to the completion or expiration date of this Agreement, ECOLOGY, at its sole discretion, may elect to terminate the Agreement, in whole or part, or renegotiate the Agreement, subject to new funding limitations or conditions. ECOLOGY may also elect to suspend performance of the Agreement until ECOLOGY determines the funding insufficiency is resolved. ECOLOGY may exercise any of these options with no notification or restrictions, although ECOLOGY will make a reasonable attempt to provide notice.

In the event of termination or suspension, ECOLOGY will reimburse eligible costs incurred by the RECIPIENT through the effective date of termination or suspension. Reimbursed costs must be agreed to by ECOLOGY and the RECIPIENT. In no event shall ECOLOGY's reimbursement exceed ECOLOGY's total responsibility under the agreement and any amendments. If payments have been discontinued by ECOLOGY due to unavailable funds, the RECIPIENT shall not be obligated to repay monies which had been paid to the RECIPIENT prior to such termination.

RECIPIENT's obligation to continue or complete the work described in this Agreement shall be contingent upon availability of funds by the RECIPIENT's governing body.

c) By Mutual Agreement

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ECOLOGY and the RECIPIENT may terminate this Agreement, in whole or in part, at any time, by mutual written agreement.

d) In Event of Termination

All finished or unfinished documents, data studies, surveys, drawings, maps, models, photographs, reports or other materials prepared by the RECIPIENT under this Agreement, at the option of ECOLOGY, will become property of ECOLOGY and the RECIPIENT shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

Nothing contained herein shall preclude ECOLOGY from demanding repayment of all funds paid to the RECIPIENT in accordance with Recovery of Funds, identified herein.

29. THIRD PARTY BENEFICIARY

RECIPIENT shall ensure that in all subcontracts entered into by the RECIPIENT pursuant to this Agreement, the state of Washington is named as an express third party beneficiary of such subcontracts with full rights as such.

30. WAIVER

Waiver of a default or breach of any provision of this Agreement is not a waiver of any subsequent default or breach, and will not be construed as a modification of the terms of this Agreement unless stated as such in writing by the authorized representative of ECOLOGY.



City Council Consent Agenda Item
City of Kenmore, WA

Subject/Topic: Ordinance No. 19-0495 repealing section 3.35.170 Utility Tax Relief Program of Kenmore Municipal Code Proposed Council Action/Motion: Motion to adopt Ordinance No. 19-0495 repealing section 3.35.170 Utility Tax Relief Program of Kenmore Municipal Code	For Council Meeting Agenda of: September 9th, 2019 Department: City Manager's Office Prepared by: Ryan Lancaster, Graduate Intern <table style="width: 100%;"> <tr> <td style="width: 70%;"></td> <td style="width: 30%; text-align: center;"><u>Initial & Date</u></td> </tr> <tr> <td>Approved by Department Head:</td> <td></td> </tr> <tr> <td>Approved by City Attorney:</td> <td style="text-align: center;"><u>A.R. via Email</u></td> </tr> <tr> <td>Approved by Finance Director:</td> <td></td> </tr> <tr> <td>Approved by City Manager:</td> <td style="text-align: center;"><u>RLK</u></td> </tr> </table> Exhibits/Attachments: Exhibit A: Ordinance No. 19-0495 Exhibit B: Low-income Rebate Policy Paper		<u>Initial & Date</u>	Approved by Department Head:		Approved by City Attorney:	<u>A.R. via Email</u>	Approved by Finance Director:		Approved by City Manager:	<u>RLK</u>
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Approved by Finance Director:											
Approved by City Manager:	<u>RLK</u>										
<u>INFORMATION/BACKGROUND:</u> On September 27, 1999 Ordinance No. 98-0037 was amended to increase the utility tax levied on electric and natural gas to 6% in preparation for some potential budget shortfalls. This ordinance did not provide for any relief from the increased tax for low-income families. So, the Council determined that a relief program was necessary and was adopted in Ordinance No. 00-0084. Since then the utility tax on natural gas and electricity has been lowered down to 4%. The program states that the provider of electric and natural gas (PSE) will administer the discount once the City Clerk has determined eligibility. The issue is that PSE would most likely not be able to accomplish this due to their policies and the City does not have adequate staff to process applications. Essentially the City has a program on the books with no way to administer it. In a meeting on July 22, 2019 the City Council was briefed on the issue (See Exhibit B) and directed City Staff to prepare an ordinance to repeal the program with two main considerations: 1. That the City in the meantime make an effort to educate residents of existing low-income utility assistance programs, including the recent lift for income thresholds for property tax relief. This will most likely take the form of information in the City newsletter and the City's other media channels, which staff is working on currently. 2. That if an increase in the Utility Tax is considered at a future date, much like in Ordinance No. 98-0037, a revised Utility Tax Relief Program that would be functional be brought before the council for consideration.											
<u>FISCAL CONSIDERATION:</u> Currently, this program is having no effect on the City's budget.											
<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:</u>											

3. Increase and preserve options for affordable housing. Even though this Ordinance is repealing a program it is a step in the right direction in addressing low-income assistance.

Exhibit A

**CITY OF KENMORE
WASHINGTON
ORDINANCE NO. 19-0495**

**AN ORDINANCE OF THE CITY OF KENMMORE, WASHINGTON,
REPEALING SECTION 3.35.170 OF THE KENMORE MUNICIPAL
CODE, THE UTILITY TAX RELIEF PROGRAM, AND ESTABLISHING
AN EFFECTIVE DATE**

WHEREAS, in 2000, the City Council adopted Ordinance No. 00-0084 and established a Utility Tax Relief Program to provide relief to low-income individuals and families from utility taxes levied on electricity and natural gas; and

WHEREAS, the current program adopted under Section 3.35.170 of the Kenmore Municipal Code (KMC) is not being administered by the City due to procedural and substantive challenges in its implementation; and

WHEREAS, other agencies in the surrounding area offer a multitude of low-income utility discount programs that could be beneficial but are not being fully utilized by Kenmore residents; and

WHEREAS, the City Council wishes to inform its citizens about discount program opportunities available to them through other agencies, to repeal KMC 3.35.170 and consider a potential updated relief program in the future;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON ORDAINS AS FOLLOWS:

Section 1. Repealed. The City Council repeals Section 3.35.170 of the Kenmore Municipal Code, entitled "Utility Tax Relief Program" in its entirety.

Section 2. Assistance programs. City staff is authorized and directed to inform Kenmore residents of existing low income utility assistance programs, in a manner established by staff.

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 the publication.

PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 9th DAY OF SEPTEMBER, 2019.

CITY OF KENMORE

David Baker, Mayor

ATTEST/AUTHENTICATED:

Kelly M. Chelin, City Clerk

Approved as to form:

Dawn Reitan, City Attorney

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
ORDINANCE NO.:
DATE OF PUBLICATION:
EFFECTIVE DATE:



Exhibit B

City of Kenmore, Washington

Date: 7/11/2019

To: Rob Karlinsey, City Manager

From: Ryan Lancaster, Graduate Intern

Re: Low-income Utility Tax Relief Program

It has been brought to Staff's attention that a low-income utility discount exists in City code that cannot be administered as it currently stands. This policy paper covers the current program and alternatives that could be pursued to remedy the situation since the current program could be considered a liability.

The utility tax is a tax upon the business, and not upon the customer. It is calculated as a flat percent of the company's gross revenues. Companies that operate within the City that provide utilities are subject to this tax including other municipalities. Kenmore currently levys a 4% tax on electric and gas services and a 6% tax on telecommunication and cell services. In total, the utility tax is projected to bring in \$2,968,793.30 of revenue in the 2019-2020 biennium, or 10% of general fund revenue.

Kenmore Existing Programs

Kenmore currently has a codified (KMC 3.35.170) utility tax relief program. The program was originally adopted in 1998 and edited in 2000. The program is available to all those whose income is below 125% of poverty levels established by the U.S. Government. Families or individuals need to submit documentation to the City Clerk who then notifies the respective billing agency to discount the bill for all utility taxes normally charged. The discount only exists for electricity and natural gas, which are provided by Puget Sound Energy (PSE).

As currently written the program is not used and would most likely not work well if the City attempted to implement it. An individual could walk into City Hall today and request this relief and the City would not be able to deliver because PSE would not know how—or may not want to—cooperate with us. A couple issues exist in the program that would need to be cleaned up before use.

- An update on the qualification criteria to the Federal Poverty Guidelines
- A detailed list of what qualifies as appropriate documents to prove eligibility
- An application form

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- The method established by PSE through which the discount would be received
- Time table for applications
- Staff resources to administer

The circumstances under which the utility tax relief program was originally adopted was right after the utility tax was raised in 2000 and the Council was concerned with the impact on low-income families. The City Council subsequently lowered the electric and gas utility tax back down to 4% in 2004.

The City also has a surface water fee discount program operated by King County. The discount is for low-income seniors and is for a complete waiver of the fee. The County also determines eligibility requirements and other administrative decisions regarding the program.

Other Local Existing Discounts and Programs

Kenmore residents already have access to multiple local and federal low-income utility discounts through their various service providers. In Kenmore, utilities are provided by the following companies:

- Comcast; internet, phone, and cable
- Frontier; internet, phone, and cable
- CenturyLink; internet, phone, and cable
- Puget Sound Energy; electric and natural gas
- Republic Services; solid waste and recycling
- Northshore Utility District; water and sewer
- [We also get utility taxes from cell phones]

Following is a list of programs that each agency offers and mentions on their websites that Kenmore residents could use to help alleviate utility costs. Following is a table and descriptions of programs available to Kenmore residents:

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Provider	Service	Discount
Comcast	Television, Internet, and Phone	Lifeline Program - discounted phone and broadband services in the form of \$9.25 package each month.
Frontier	Television, Internet, and Phone	Lifeline Program - discounted phone and broadband services in the form of \$9.25 package each month.
CenturyLink	Television, Internet, and Phone	Lifeline Program - discounted phone and broadband services in the form of \$9.25 package each month.
Puget Sound Energy	Electric and Natural Gas	HELP - grants from \$100 - \$1000 based on cost, income, # of people in household. Weatherization Assistance for ventilation improvements, insulation installs, furnace repairs, and air sealing to prevent drafts.
Republic Services	Garbage	None
Northshore Utility District	Water and Sewer	LIPD - Sewer and water utility bill discounts of 45% and 50% respectively for those 50% of the area median income
Federal Programs	Energy Utilities	LIHEAP - \$100 - \$1,000 in addition to HELP programs for the same purposes

Internet, Phone, and Cable Programs

All of the three main providers of internet, phone, and cable in the City work with and let customers use the federal Lifeline Program. This program can be used for broadband (can include mobile phone service) and landline services but not both. The assistance comes in the form of a stimulus package of \$9.25 each month to pay for landline or broadband services. The program is only available on a per household basis and multiple individuals from the same household cannot apply for benefits.

Households can qualify for the program in two ways: government programs or by income. If a household is already a recipient of certain government programs they may be eligible for Lifeline. Examples of such government programs include SNAP, Medicaid, Security Income (SSI), and Federal Public Housing Assistance (FPHA). A household may qualify through income if their gross annual income is at or below 135 percent of the Federal Poverty Guidelines. The average household/family size in Kenmore is between

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2.3 and 2.6, depending on if you own or rent. So for the average family that would be between \$1,902.38 and \$2,399.63 a month.

Electric and Natural Gas

Puget Sound Energy offers two main programs: PSE HELP and PSE Weatherization Assistance. The HELP program offers grants to qualified households from \$100 - \$1,000 per year based on cost of utilities, household size, and income. The weatherization program provides free assistance to qualified households to help them reduce the cost of heating and cooling their home in an effort to reduce their energy bill. This includes ventilation improvements, insulation installs, furnace repairs, and air sealing to prevent drafts. LIHEAP, a federal program, can be used in addition to the HELP program for additional assistance. Both programs use the Federal Poverty Guidelines to determine eligibility. Hopelink administers the HELP and LIHEAP programs on behalf of PSE, and customers can learn more and schedule an appointment at hopelink.org/energy.

So, the average family in Kenmore would need a gross income between \$2,058 and \$2,598 a month to qualify for the HELP program. The weatherization assistance program has slightly higher thresholds and the average family would need a gross income between \$2,994 and \$3,698 a month to qualify.

Water and Sewer

Recently, Northshore Utility District implemented a low-income water and sewer discount/rebate of 45% on water base charges and 50% on sewer base charges. The average family in Kenmore would have to make between \$3,692 and \$4,154 a month, which is 50% of the King County area median income, to qualify for this discount. For single-family residences this would take the form of a discount since they are billed directly and a rebate for multi-family residences since they are billed indirectly. The schedule for income thresholds and family size is shown below:

Occupants	1	2	3	4	5	6	7	8
Income	38750	44300	49850	55350	59800	64250	68650	73100

In a recent interview with Steve Hamilton, finance director of Northshore Utility District, we learned the following information. The main issue with starting the program was figuring out how to reach rental customers, who are often those most in need of a discount. The way they solved this was by using a rebate. Instead of trying to discount the whole complex's bill, individuals can come get refunded for what the complex charged them. The second hurdle for them was how to determine eligibility. Currently, the only thing they accept is an income tax return to verify income levels and proof of residence. In the future, if they determine anything sufficient, they may allow other documents to prove eligibility.

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In the first year of the program they expect to have 1.2% (or 18% of eligible families) of their total customers actually sign up for the discount. This initial low participation rate is mainly because of the difficulty of informing customers of the discount when they are not directly billed. The average base bill for a multi-family home is \$126.71 bi-monthly and the average base bill for a single-family home is \$148.79 bi-monthly.

Type	Multi	Single	Discount Multi	Discount Single
Base Water	28.70	30.20	12.92	13.59
Base Sewer	98.01	118.59	49.01	59.30
Total Bi-monthly	126.71	148.79	61.92	72.89
Total Monthly	63.355	74.395	30.96	36.44

That would mean the average discount for families in Kenmore would be \$30.96 monthly for a multi-family residence and \$36.44 monthly for a single-family residence. They have not yet issued any rebate checks yet, so he could not speak to whether the program has been having its intended effect yet.

Qualified Families in Kenmore

Even though discount programs are available for most utilities in the City they are limited in scope. Thresholds may be too low for people that need the service. According to the American Community Survey, Kenmore has approximately 298 families (5.1% of all Kenmore families) within its boundaries at or below the poverty level.

Currently, households must be at or below 125% of the Federal Poverty Guidelines to qualify for LIHEAP, at or below 150% of the Federal Poverty Guidelines to qualify for PSE HELP, and at or below 135% of the Federal Poverty Guidelines to qualify for the Lifeline program. At those rates approximately 129 families would qualify for the above programs. Therefore, somewhere between 129 and 298 families in Kenmore would be eligible to receive rebates depending on the thresholds set by Council.

Additional assistance may be required, especially for the utilities that currently do not have discounts like garbage. Kenmore cannot offer discounts on services they do not provide, but they may be able to offer rebates on taxes that they charge.

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Poverty Ratio	Estimate of Households
Total:	5,846
Under .50	87
.50 to .74	97
.75 to .99	117
1.00 to 1.24	11
1.25 to 1.49	129
1.50 to 1.74	166
1.75 to 1.84	27
1.85 to 1.99	69
2.00 to 2.99	422
3.00 to 3.99	531
4.00 to 4.99	817
5.00 and over	3,373

Examples of Low-income Utility Discounts

If Kenmore were to amend its low-income utility discount or rebate, the best place to start researching would be programs that other cities in the area are using today.

Mountlake Terrace

Mountlake Terrace currently offers those 62 years of age and older, or low-income and disabled homeowners a 30% reduction on their utility bill and free garbage services. Mountlake Terrace defines low-income as 140% of the Federal Poverty Guidelines or between \$1,973 and \$2,489 a month for an average family in Kenmore. To prove eligibility, residents need to provide either their tax return, social security disability benefits, rental property income, child support or alimony or a copy of an EBT award letter and have their total income be less than the guideline. Deductions can be made for Medicare and child support. Some exceptions can be made for unemployment and long-term illnesses.

Sammamish Plateau Water

Northshore Utility District modeled their program after Sammamish Plateau. This program is not extended to people on any basis except income. Their program is not based off the Federal Poverty Guidelines but 50% of King County area median income. In 2019, a household income between \$3,692 and \$4,154 is at 50% of King County median income for an average family in Kenmore.

Seattle Public Utility

Seattle offers discounts on their electric bills of 60% and discounts on water, sewer, and garbage bills of 50% if enrolled. Seattle bases income eligibility on 70% of the state's median income which is between \$3,677 and \$4,542 for an average Kenmore family in

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2019. This threshold is slightly higher than Sammamish but based off a larger geographical area. Seattle also only offers the discount based on income and no other qualifications. Applicants can deduct Medicare from their income and can use SNAP benefits to verify their gross income. Seattle also has one of the largest lists of documents that are required to verify income if not a SNAP recipient.

Renton

Renton is probably most like Kenmore in that they offer a rebate for those that are not billed directly by the city for utilities and offer a rebate on a portion of the tax residents pay and not just a discount. The tax rebate is automatically issued to anyone who is approved for a discounted rate and those not directly billed for utility services can apply for the tax rebate with income documentation and proof of payment to other utilities within the city. Last year the average rebate was about \$130 per family and the income threshold is \$2,916.67 per month plus an additional \$416.67 per family member.

Bothell

Bothell's discount and rebate is available to low-income residents and low-income seniors (62 years or older). To qualify residents must provide proof of age like a driver's license or social security statement, copies of utility bills, and proof of income designated as "very low income", which is about 50% of the area median income according to HUD. A "very low income" is between \$3,692 and \$4,154 a month for an average Kenmore family in 2019.

The rebate is simply found by looking at the bill provided by the resident and the City rebates that amount. Bothell provides an example on their website of an electric bill with the tax separated out for calculation.

Your Electric Charge Details (30 days)	Rate x Unit	=	Charge
603 kWh used for service 2/14/2018 - 3/15/2018			
Basic Charge	\$7.49 per month	\$	7.49
Electricity			
Tier 1 (First 600 kWh Used)	0.097104 600 kWh		58.26
Tier 2 (Above 600 kWh Used)	0.116939 3 kWh		0.35
Energy Exchange Credit	-0.007406 603 kWh		-4.47
Other Electric Charges & Credits	0.003203 603 kWh		1.93
Subtotal			63.56
Taxes			
State Utility Tax (\$2.63 included in above charges)	3.873%		
Effect of Bothell/King County City Tax	6.650% \$83.56		4.23
Current Electric Charges		\$	67.79

University Place

University Place used to have a low-income utility tax refund program but discontinued it in 2015 because they considered it duplicative of other services. Almost half of their

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applicants were receiving some other form of assistance from PSE or other organizations. So, considering the staff time it took to administer and the small size of the rebate they determined that the other programs in the area were sufficient and what they were doing was not an efficient use of funds.

Leslie Blaisdell, an employee for University Place, detailed what she felt the main problems with a rebate/refund program were. "The refund program morphed into a social service program and it was difficult to fairly administer. City staff is not trained to deal with situations the applicants presented. In order to determine someone's eligibility we could not get adequate documentation. Over the years we attempted to change the documentation requirements to make it easier to determine eligibility. However, we found that with the introduction of EBT cards; online banking; banks charging for statements; and individuals privacy concerns we were unable to find a manageable way to control this refund program. Many applicants do not file a tax return due to their income level, many do not have a bank account, and many do not want to provide what they believe to be personal information on income and sources of their income" Leslie said. "Additionally, it was extremely time consuming to review all the paperwork submitted and to follow up with those that do not provide all required documents. We estimated that from April to June it consumed the equivalent of half of an FTE to administer the program in finance. This does not include the time spent by the front desk receptionist in answering phone calls and handling applicants who come to the counter."

The rebate rate was only \$56 plus \$9 for gas if it was paid the last year of the program. Overall, it seems the largest problems are staff time and documentation. Also, the funds they spent administering the program could have been used to educate the other half of participants in the program of discounts available to them accomplishing the same purpose.

Summary of What Most Programs have in Common

Normally, most programs require yearly renewal and have start and end application dates that coincide with when applicants would be filing or receiving their tax returns. Most municipalities did not openly list the size of the rebate, just the qualifications. Assuming most systems work like Seattle, Northshore Utility District's programs, and Renton a rebate would most likely be a flat percentage of how much an average family pays in utility taxes.

Residents mainly qualify based on some objective income standard like the area median income or Federal Poverty Guidelines. Other qualifications include age and disability. Any program has to define what the thresholds are for these two areas. The age threshold is often defined as 62 years or older and disabilities are set forth and defined in the program paperwork. Often, programs require that applicants must be both poor and infirm. For example, most programs use the statement "If you are a low-income senior citizen or low-income disabled citizen" meaning that you must be old or disabled as well as low-income to qualify for their programs. This combination of poor and infirm is not

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essential because of the court case *Washington Health Care Facilities Authority v. Dixy Lee Ray*. This case defined that citizens can be poor or infirm—not both—and still qualify for assistance.

Proof of being poor or infirm often comes in the form of specific paperwork like tax returns, utility bills, and social security checks. Sometimes SNAP benefits and other low-income federal/state government programs can also be used for these purposes. Medicaid and other social security income can often be deducted from gross income calculations.

Administrative Burden

Implementing a program like this would create some administrative burden and additional staff resources would be needed. For example, staff would have to review applications; potentially for around 298 families or more if the City Council sets a higher income threshold. Educating residents about what paperwork is required to qualify and about the existence of the discount could take a long time. Additionally, staff would have to cut checks for each rebate that year and would have to monitor whether they were received and cashed. This would take time around tax season every year for staff to review re-applications. This time could be cut significantly if the City were to pursue an option that allowed for automatic qualification of residents that are currently receiving benefits from another utility entity within the City. But, additional training may need to be provided to staff to assist them in dealing with the social problems and issues they may encounter when working with the families that apply for the discount.

Gift of Public Funds

The Washington State Constitution has strict restrictions on the ability of local governments to gift funds to private individuals or entities. One exemption exists for the assistance of the “poor or infirm”. Infirm has a range of definitions and can in part be determined by the municipality within reason. For example, developmental disabilities, old age, and mental illness all qualify as infirm and are used by various different cities in Washington. “Poor” is also free to define by municipalities as they see fit. Often, this is done by comparing a household’s income to some objective standard like the area median income or federal poverty measures.

Any tax relief program must be careful not to violate this statute. In a recent conversation with MRSC Laura Crandall said, “With regard to the utilities that the city does not impose a tax on, if they are not city utilities, the city may not issue a rebate or refund.” Meaning, that the City only has authority to have relief programs for utilities taxed. The tax relief then must be issued to the direct bill payer. For example, in a City similar to ours the Council wanted to issue a rebate to residents in a mobile home park to alleviate with a stormwater rate increase. Laura Crandall told them “If a person does not pay the stormwater service fee directly, such as a person who rents an apartment or a space in a trailer court, you suggest that they be given a rebate. In my opinion, this would be a gift and would not be possible under Art. VIII sec. 7 of the constitution. They are not the

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ratepayer, they are the renter. It would presumably be rent relief and this would not be a city service.” Therefore, the safest options legally would be to allow tax relief directly to those who are billed within the city of Kenmore. If they cannot produce a bill for services that were taxed a rebate would be unwise. That is why Kenmore’s current ordinance on the issue has the provider remove the tax charge from the bill of the low-income families and not a rebate. When asked about Kenmore specifically she also said, “These accounts [electricity and gas] are not direct-billed by Kenmore. The utility tax is a tax upon the business, and not upon the customer, and therefore cannot be ‘refunded’ to the customer.”

In researching what cities have done in the area about this issue the closest resembling Kenmore is Renton. Bothell also does something similar as shown earlier. The way Renton deals with this is by having applicants provide a bill from another utility company (like PSE) to prove residence and then they offer a tax rebate based off of that bill. The thought is that a Renton resident is paying the utility tax through that other provider. The service provider is passing on the burden of the tax to customers, which is eventually received by the City. This does not include those in apartments who do not pay utilities individually but to a complex. A person must be able to prove that they are billed directly by a utility provider within the city. If the bill states how much of the payment is going towards that tax the City could then issue a rebate check based on that amount, or as Renton does, a base rate with cost of living increases over time. Renton’s base rebate is \$110 per family and over the past few years has been increased to approximately \$130 per family and was given to about 100 families over the past year.

Rebate Projections

A reasonable rebate rate for Kenmore would be anywhere from 20% - 50% of the average tax burden paid by a family. For example, say Kenmore offered a 20% rebate on all utility taxes for those who are low-income. Also, under the assumption that 5.1% of households would qualify for this rebate and only 18% of them applied within the first year of the program (a similar estimate to Northshore Utility Districts program’s first year) Kenmore would pay out approximately \$3,372.65 in rebates. At 50% the City would issue \$46,842.62 in rebates.

If the total revenue from utility taxes paid by businesses (who calculate the cost of the tax into their prices) is divided between Kenmore households, each family is responsible for approximately \$314.38 of tax. If the revenue is divided by individual the share of tax is \$122.66 per person. Depending on the rate the general rebate values are shown below.

Total Utility Tax Revenue	\$2,717,486	Rebate Rate				
Population	22,154	10%	20%	30%	40%	50%
Share of Tax	\$122.66	\$12.27	\$24.53	\$36.80	\$49.07	\$61.33
# of Households	8,644	10%	20%	30%	40%	50%
Share of Tax	\$314.38	\$31.44	\$62.88	\$94.31	\$125.75	\$157.19

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At first, a rebate of \$31 to \$157 dollars may not seem like a lot, and compared to a yearly income of around \$30,000 it's not. But, in a family with children struggling to cover all their expenses a rebate like this could be used to buy groceries one week when money is tight.

Discussion of Options

Any rebate or discount would be based on family size and gross income. Proof of income, disability, age, and residence would need to be provided. Proof of income could be a tax return or SNAP benefits paperwork. Proof of age and disability could be a driver's license or other documents and proof of residence could be utility bills. Other proof could be qualification for other programs like Northshore Utility District's as long as a residence can still be established. Medicaid and social security income could be deducted before calculating eligibility. A rebate could be a check cut once a year to applicants for a flat amount determined by the average tax paid by each household in the city.

Education

One option is to repeal the existing discount program and educate residents about the programs already available to them. Currently, every utility provider within the city except Republic Services offers some sort of low-income assistance. Many citizens most likely do not know about these opportunities and an education campaign is a relatively low cost way for the City to help its citizens. Additionally, if Kenmore decides to start a rebate program, education can still be a part of it. Either way, this option should be pursued in some way, even if it's just listing programs on the City website. City staff would have no additional burden other than directing individuals to additional programs.

The problem is that most existing programs for Kenmore residents have such a low income threshold that it wouldn't be meaningful to a lot of families like households who really need the discount, but are just above set thresholds. Kenmore could establish a higher threshold, like that of Northshore Utility District, and have a greater impact than existing programs.

Rebate

If Council feels current programs are not sufficient they could amend the current discount program and allow rebates through a process similar to that of Renton. This would allow Kenmore to administer the program without relying on any other agencies. City Staff would create and collect application materials to determine eligibility and once a year send out a rebate check to those that qualify. Important to this rebate would be the proof of residence and proof that an applicant paid utility taxes in some form to a utility provider within the City. Staff would need to dedicate significant time to training, processing applications, and issuing rebates.

Keep in mind that MRSC has said that this type of rebate could be a gift of public funds, the thought is that because they are billed directly by a service provider in the City that a direct link to the utility tax charged can be established. Renton has been able to run a program like this successfully but it may be operating in more of a gray area and Kenmore would need to do everything possible to make sure the program is legally defensible.

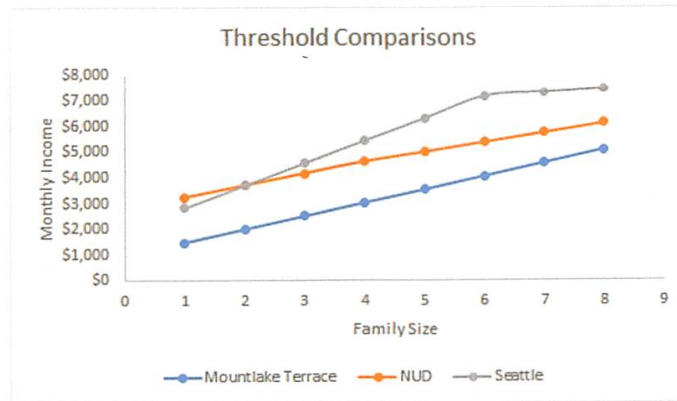
Discount

If Council feels it is necessary and wants to avoid any legal conflicts, the City can update the existing discount program and make it functional. This option would rely heavily on the help of other organizations like Hopelink, PSE, and others to administer discounts on behalf of the City. This would reduce the risk of a gift of public funds because only direct billers are issuing discounts and would save the City administrative burdens associated with determining eligibility. It is unknown whether direct billers are willing or able to provide a discount. This method would most likely take time to negotiate any contracts between organizations and would limit the City's ability to have direct oversight.

Threshold Type

With both a rebate and discount program the City would have to decide on a type of threshold for qualification. The Federal Poverty Guidelines are based off the nation at large and are maintained by the federal government. This would make calculations easy for staff, but would lose some nuance because it does not account for local cost of living and income. The Federal Poverty Guidelines are also the lowest threshold of income determinants in the researched programs. Area median income calculations would be based off of King County's Housing and Urban Development data or American Community Survey data and would require some additional calculations by staff to determine. The main benefit of this method is that it takes into account the local cost of living and local income and is therefore better tailored to resident's needs.

Following is a graph showing the thresholds by program and family size across three different programs:



As well as the actual thresholds set by each of these various agencies:

140% of Federal Poverty Guidelines like Mountlake Terrace		
Household Size	Yearly Thresholds	Monthly Thresholds
1	\$17,486	\$1,457
2	\$23,674	\$1,973
3	\$29,862	\$2,489
4	\$36,050	\$3,004
5	\$42,238	\$3,520
6	\$48,426	\$4,036
7	\$54,614	\$4,551
8	\$60,802	\$5,067
50% of King County AMI like NUD		
Household Size	Yearly Thresholds	Monthly Thresholds
1	\$38,750	\$3,229
2	\$44,300	\$3,692
3	\$49,850	\$4,154
4	\$55,350	\$4,613
5	\$59,800	\$4,983
6	\$64,250	\$5,354
7	\$68,650	\$5,721
8	\$73,100	\$6,092
70% of States median income like Seattle		
Household Size	Yearly Thresholds	Monthly Thresholds
1	\$33,744	\$2,812
2	\$44,124	\$3,677
3	\$54,504	\$4,542
4	\$64,884	\$5,407
5	\$75,264	\$6,272
6	\$85,644	\$7,137
7	\$87,588	\$7,299
8	\$89,544	\$7,462

Staff Recommendation

Staff recommends that Council repeal the existing program and direct residents to programs offered by other service providers. This would give time for Staff to better evaluate options while still assisting those in need by dedicating more resources to the education of the public. If in the future council wishes to address the issue they still can.

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The important issue right now is dealing with the liability of the current program while still assisting those who need help.

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2018 as well as adjustments to project budgets based on bids, construction estimates, funding, and other factors impacting the projects.

Also, at the time of adoption of the 2019-2024 CIP, the Surface Water Program Fee Analysis was not complete and the impact on various Surface Water, Transportation, and Park projects was not determined. The Analysis was completed and presented to the City Council in November 2018.

Although the Fee Analysis anticipated that the fee increase would provide funding for surface water components of transportation and park projects, it also recognized that cash flow within the next few years would be insufficient. Based on the recommended rate increases, a cash flow gap of up to \$8.2M was anticipated between 2019 and 2021. The rate increases adopted by the City Council were less than the recommendation.

At the time of adopting the rates, no determination was made as to how to solve the cash flow issue. Therefore, to avoid incurring additional debt, Staff is recommending that the Surface Water components of the Parks capital projects be funded with available park impact fees where appropriate. Staff is also recommending that the Surface Water components of the two Walkways and Waterways capital projects be funded with available Strategic Opportunity funds. Only the West Sammamish River Bridge project would be allocated \$1.2M of surface water fees. These actions result in reducing the cash flow gap to \$3.4M needed to fund new Surface Water projects identified in the Fee Analysis. Staff recommends applying for a Public Works Trust Fund Loan in 2020 for that purpose should no other funding resources become available. One or more of the Surface Water projects may qualify for grant funding which could potentially reduce the \$3.4M.

Complete Proposed Park, Transportation, Surface Water, and City Facility Capital Improvement Programs are illustrated with cash flow projections for Park Impact Fees, Transportation Impact Fees, Real Estate Excise Tax, and the Strategic Opportunities Fund. No changes are currently proposed for the City Facility Program. Revisions to this CIP may result in Budget Amendments to the 2019-2020 Biennial Budget during the Mid-Biennium review this fall.

Projects added to the proposed CIP or substantially changed include:

TRANSPORTATION

- **T35 Pavement Preservation (Overlay).** This ongoing project includes a federal grant request in 2019 (\$355,351). Requests for 2021 (\$65,750) and 2022 (\$753,650) were not awarded. City Real Estate Excise Taxes are programmed to this project in the amount of \$450,000 annually. \$442,000 was identified from 2019-2020 budget savings and has been allocated to this program.
- **T37 West Samm Bridge.** This project has been updated for current budget estimates as previously presented to the City Council. This project is funded by a Federal BRAC Grant, Federal STP Grant, WA State Connecting WA Grant (including \$4M additional previously programmed for SR522 West B), TIB Grant, City Transportation Impact Fees and Surface Water Management Fees. The SR522 West B project reflects the \$4M reduction.
- **T41 Juanita Drive Pedestrian & Bicycle Safety.** This project is funded with Walkways and Waterways Bonds, WSDOT Grants, a DOE Grant, TIB Grant (requested), Sound Transit Grant (requested), City Real Estate Excise Taxes, Transportation Impact Fees, and Strategic Opportunity Funds.
- **T42 68th Ave Pedestrian & Bicycle Safety.** This project is funded with Walkways and Waterways Bonds, a DOE Grant, City Real Estate Excise Taxes and Strategic Opportunity Funds.
- **T43 SR522 Pedestrian Crossing Study.** This \$500,000 project is funded by the State of Washington supplemental transportation budget.

- Other transportation projects such the Sidewalk projects are relatively unchanged from the prior CIP.

PARKS

- **P 1 Twin Spring Interim Use.** The adopted CIP (Ordinance 18-0469) includes \$100,000 of park impact fees allocated in 2019 to develop a plan and minimal improvements for opening the park. The proposed CIP includes an additional allocation in 2020 of \$151,900 state appropriation funds. Total budget in the 2019-2024 CIP is \$251,900, with an additional \$53,269 spent prior to 2019, giving a total project budget of \$305,169.
- **P27 Squires Landing Park Waterfront and Mitigation.** The 2016 Walkways & Waterways bond measure estimated a \$5.1 million total project cost. The estimated total project cost presented to Council 3/19/18 was \$6.6 million (\$6.2 million project cost through construction plus \$400,000 for project mitigation monitoring through 2034). The adopted 2019-2024 CIP (Ordinance 18-0469) allocated \$5.75 million, with an additional \$538,287 spent prior to 2019, giving a total project cost of \$6.3 million.

The total project cost is now estimated at \$7.9 million which includes: \$538,287 spent prior to 2019; \$6,985,533 proposed allocation in the 2019-2024 CIP; and \$382,500 for mitigation monitoring allocated in future CIPs 2025-2034, potentially Swamp Creek Basin Funds.

The proposed 2019-2024 CIP allocation of \$6,985,533 includes: \$500,000 RCO grant funding; \$5,005,464 bond funds; \$185,000 King County Conservation District grant funds (unsecured, application 2020); \$651,968 Swamp Creek Basin Funds; \$393,101 Park Impact Fee funds; \$250,000 state appropriation (unsecured, application 2020) or Park Impact Fees.

- **P28 Log Boom Park Waterfront Access and Mitigation.** The 2016 Walkways & Waterways bond measure estimated a \$3.2 million total project cost. The estimated total project budget presented to Council 2/12/18 was \$3.34 million (\$2.94 million project cost through construction plus \$400,000 for project mitigation monitoring). The adopted CIP 2019-2024 (Ordinance 18-0469) allocated \$2.74 million, with an additional \$447,227 spent prior to 2019, giving a total project cost of \$3.18 million.

The total project cost is now estimated at \$3.9 million which includes: \$447,227 spent prior to 2019; \$3,122,535 proposed allocation in the 2019-2024 CIP; and \$340,000 for mitigation monitoring allocated in future CIPs 2025-2032, potentially REET funds or King County Park Levy funds.

The proposed 2019-2024 CIP allocation of \$3,122,535 includes: \$2.43 million bond funds; \$316,112 RCO ALEA grant funds; King County Trail Levy funds; \$80,000 REET funds; \$193,888 Park Impact fee funds.

- **P29 St Edward Ballfield Improvement.** The adopted CIP Ordinance (18-0469) allocates \$300,000 in 2019 for an Environmental Impact Statement (EIS) funded by Park Impact Fee Funds and an RCO grant. \$500,000 of REET funds allocated in 2024 as a placeholder to begin the project. The estimated project cost presented to council 5/18/18 was \$5.4 million.

The proposed 2019-2024 CIP allocation of \$700,000 includes: \$200,000 in 2019 for an EIS funded by Park Impact Fees and RCO grant. Phase 1 of the EIS is estimated to cost \$64,000, Phase 2 is estimated to be \$136,000. \$500,000 of Park Impact fee funds remains allocated in 2024 as a placeholder to begin the project.

- **P30 Rhododendron Park Boathouse Pavilion.** The adopted CIP Ordinance (18-0469) allocates \$487,000, with an additional \$56,800 spent prior to 2019, giving a total project cost estimate of \$543,800.

At the 10/5/18 Council meeting, Council direction to staff was to pursue a 20' x 70' building (\$479,959) plus a concrete pad that could accommodate a larger 40' x 70' building (\$50,000). Project cost estimate of \$529,959. Total cost estimate including prior year expenditures (\$56,800) was \$586,759.

At the 1/14/19 Council meeting, Council direction to staff was to seek reallocation of the \$611,000 King County Youth and Amateur Sports grant funding from the St. Edward Ballfield Project to the Rhododendron Boathouse project to support construction of the 40' x 70' foot boathouse. The project cost estimate provided to Council 10/15/18 for the 40' x 70' boathouse was estimated at \$850,000. The current project cost estimate is \$1,185,019 plus \$56,800 spent prior to 2019 giving a total project cost estimate of \$1,241,819.

The proposed 2019-2024 CIP allocation of \$1,185,019 includes: \$46,094 Park Impact Fee Funds; \$611,000 King County grant funds; \$242,500 state appropriation funds; \$250,000 Northshore School District Funds; \$22,625 RCO grant funds; \$12,800 REET funds.

- **P31 Squires Landing Park Land Acquisition.** As a condition of the P26 Squires Landing Park Waterfront Project, land acquisition was needed to satisfy the RCO Land Conversion requirements. The adopted CIP Ordinance (18-0469) allocates \$1.7 million including \$850,000 King County Conservation funds and \$850,000 REET funds.

The total project cost is now estimated at \$1,205,690 which includes: \$50,959 spent prior to 2019; and \$1,154,731 proposed allocation in the 2019-2024 CIP.

The proposed 2019-2024 CIP allocation of \$1.25 million includes: \$850,000 King County Conservation funds and \$400,000 Swamp Creek Basin funds.

SURFACE WATER

- **SW8 Surface Water Project 190th Culvert at 61st.** This \$1.6 Million project will install a new box culvert at NE 190th ST and 61st AVE NE, repair sections of sidewalk along 61st AVE NE and repair/enhance sections of Tributary 0056. The project will be funded with a Public Works Trust Fund (PWTF) Loan, which has been approved. Design is planned to commence in 2019 with construction in 2021, depending on environmental permitting requirements. Annual repayments of approximately \$81,650 are anticipated and will be included in the Surface Water Management Fund beginning in 2020.
- **SW 17 Little Swamp Creek Relocation.** In 2002, City Council passed Resolution 02-061, which directed staff to create a 100 foot stream buffer along the west side of 80th AVE NE so that Little Swamp Creek could eventually be relocated to the center of the buffer thereby enhancing the stream environment and completing installation of sidewalks along the west side of 80th AVE NE between NE 198th ST and NE 193rd PL. Since that time, multiple developments have created the necessary tracts and easements needed to complete the stream relocation project and only three properties remain which require acquisition of either land or easements. Staff have begun the process of acquiring the remaining area of land needed for the project. Design and construction of the project is scheduled for 2022-2024 at an estimated cost of \$1,364,300.
- **SW28 Northlake Heights LID Retrofit.** A 2015 grant provided by the Department of Ecology provided funds to design a stormwater project that incorporated the use of low impact development (LID) techniques. The City used the funds to design a project that incorporated LID to manage surface water on NE 185th ST between 64th AVE NE and 68th AVE NE, which currently has little to no surface water management in place. The project would provide flow control and water quality treatment to a 65-acre basin that

discharges to Muck Creek and eventually Swamp Creek. Construction of the project is scheduled for 2024-2025 at an estimated cost of \$1,587,863.

- **SW29 Infiltration Tank Retrofit at 61st Ave NE/NE 190th St.** A 1970's stormwater detention system is deteriorating and near failure. A design to replace the existing system is underway with construction scheduled in 2020 at an estimated cost of \$500,000. The new system will improve flow control capabilities and include water quality treatment. Additionally, access for operation and maintenance of the facility will be improved.
- **SW30 Drainage Improvements at 153rd/NE Arrowhead Dr.** The existing stormwater conveyance system on NE Arrowhead Dr. is undersized resulting in periodic flooding during heavy rain storms. The City is increasing the capacity of the existing system in order to eliminate flooding during heavy rain storms. Design of the project is complete, and construction will be completed in July 2019 at an estimated cost of \$175,000 funded by Surface Water Management fees.
- **SW31 Drainage Improvements and Street Repair at 66th Ave NE/195th Pl.** Road settlement issues, largely due to groundwater issues, will require repairs and upgrades to the existing stormwater system. This project is still under design with construction anticipated for 2020 in the amount of \$115,000 funded by Surface Water Management fees.
- **SW32 61st Ave Stabilization.** Road settlement issues, largely due to groundwater issues, will require upgrades to the existing stormwater system and slope stabilization of the adjacent steep slopes next to the road. This project is at 5% design stage with an anticipated budget of \$150,000 programmed for 2019-2020 funded by Surface Water Management fees.
- **SW33 Drainage Improvements & Facility Retrofit.** The City has many aging surface water management facilities which are reaching their expected life span, which need to be repaired or replaced. There are also areas of the City which currently have no surface water management facilities providing flow control or treatment. The City reserves funds to address these areas and facilities, which are identified through annual inspections. The location for SW33 will be determined in 2019/2020 with design and construction scheduled for 2020/2021 at an estimated cost of \$600,000.
- **West Sammamish River Bridge.** Construction costs related to the Surface Water components of the West Sammamish River Bridge project have been included in this revised CIP update. The funds will be needed within the next four years and will not yet be available in the Surface Water Fund. The Surface Water Management contribution is currently estimated to be \$1,200,000 and will be updated once the formal bidding process is complete in late 2019.

FISCAL CONSIDERATION:

The City's goal is to adopt and maintain a fiscally balanced Capital Improvement Program that can be used by staff to prioritize and pursue projects. The CIP balances City resources including Park and Transportation Impact Fees, Real Estate Excise Tax, General Fund revenues, Surface Water Utility fees, Strategic Opportunity Fund balances, and grant funds. While a project may show need in future years for grant funds to complete, the project and budget is considered "balanced" and provides a tool to pursue outside funding. The CIP should be considered a programming document with the City of Kenmore adopted budget being the document that actually appropriates funds for project expenditures.

The updated Capital Improvement Program includes 30 individual projects which total \$103,275,154 over the six- year planning horizon. The project costs and funding sources are displayed in Exhibits B through E. Also attached are projections of Impact Fees, Real Estate Excise Taxes and the Strategic Opportunity Fund which are Exhibits F, G, H and I.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

The proposed Capital Improvement Program is consistent with Council Goals, specifically:

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

Implement the Sidewalk Plan

To implement the Walkways and Waterways projects.

To update and continue to implement the Economic Development Plan, with an emphasis on the following key points:

Advance public access to water

Create a vibrant, walkable downtown

To continue to implement a Parks Improvement Plan.

To protect and enhance the climate, water, air and forest environment.

**CITY OF KENMORE
WASHINGTON
ORDINANCE NO. 19-0497**

**AN ORDINANCE OF THE CITY OF KENMORE,
WASHINGTON, RELATING TO THE 2019-2024
SIX-YEAR CAPITAL IMPROVEMENT
PROGRAM; AMENDING THE 2019-2024 SIX-
YEAR CAPITAL IMPROVEMENT PROGRAM;
PROVIDING FOR SEVERABILITY; AND
ESTABLISHING AN EFFECTIVE DATE.**

WHEREAS, on September 17, 2018, the City Council adopted Ordinance No. 18-0469, which adopted the 2019-2024 Six-Year Capital Improvement Program ("CIP"); and

WHEREAS, on July 22, 2019, at a regularly scheduled meeting, the City Council was presented with information regarding the proposed amendments to the 2019-2024 Capital Improvement Program; and

WHEREAS, the City Council desires to amend the 2019-2024 CIP to reflect a change in project budgets and funding for Transportation Project T-8 SR522 West B, 57th to 61st; Project T-35 Pavement Preservation; Project T-37 the West Sammamish Bridge Replacement; Project T-41 Juanita Dr Pedestrian & Bicycle Safety; Project T-42 68th Ave Pedestrian & Bicycle Safety; Project P-1 Twin Springs Interim Use Plan; Project P-27 Squires Landing Park Waterfront and Natural Open Space Access; P-28 Log Boom Park Waterfront Access and Viewing; P-29 St. Edward Ballfield Improvements; P-30 Rhododendron Park Boathouse Pavilion; P-31 Squires Landing Park Land Acquisition; SW-33 Drainage Improvement & Facility Retrofit; SW-17 Little Swamp Creek Relocation; SW-28 Northlake Heights LID Retrofit; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Amendment. The 2019-2024 Capital Improvement Program is amended to reflect the adjustments set forth on Exhibit "A," entitled "City of Kenmore, Washington Capital Improvement Program for the Years 2019-2024," attached hereto and incorporated by reference.

Section 2. Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be preempted by State or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

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.

ADOPTED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON
THE 9th DAY OF SEPTEMBER 9, 2019.

CITY OF KENMORE

Mayor David Baker

ATTEST/AUTHENTICATED:

Kelly Chelin, City Clerk

Approved as to form:

Dawn Reitan, City Attorney

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:

EXHIBIT A

**CITY OF KENMORE, WASHINGTON
CAPITAL IMPROVEMENT PROGRAM
AS AMENDED FOR THE YEARS 2019-2024**

EXPENDITURES	2019 Adopted	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Adopted	2019-2024 Totals
<u>PARKS</u>							
P 1 Twin Springs Interim Use	\$100,000	\$151,900	\$0	\$0	\$0	\$0	\$251,900
P 6 Moorlands Park Improvements	50,000	-	-	-	-	-	50,000
P 18 Rhododendron Park Waterfront & Open Space Mitigation	72,000	8,000	8,000	8,000	0	0	96,000
P 18a Rhododendron Park Float Mitigation	2,000	2,000	2,000	2,000	0	0	8,000
P 26 Squires Landing Float Mitigation	4,000	4,000	4,000	4,000	0	0	16,000
P 27 Squires Landing Park Waterfront & Mitigation	716,058	158,000	5,736,098	272,877	60,000	42,500	6,985,533
P 28 Log Boom Park Waterfront Access & Mitigation	337,008	192,605	2,453,872	49,050	47,500	42,500	3,122,535
P 29 St Edward Ballfield Improvements EIS	200,000	0	0	0	0	500,000	700,000
P 30 Rhododendron Park Boathouse Pavilion	193,783	973,436	8,200	3,200	3,200	3,200	1,185,019
P 31 Squires Landing Park Land Acquisition	1,250,000	0	0	0	0	0	1,250,000
Total Parks	\$2,924,849	\$1,489,941	\$8,212,170	\$339,127	\$110,700	\$588,200	\$13,664,987
<u>TRANSPORTATION</u>							
T 8 SR 522 West B 57th to 61st	\$0	\$0	\$0	\$0	\$8,000,000	\$0	\$8,000,000
T 27 Sidewalk Program:							
Sidewalk Gaps	100,000	100,000	100,000	100,000	100,000	100,000	600,000
T 47 Arrowhead Dr	11,100	132,800	1,038,281	0	0	0	1,182,181
T 45 NE 153rd Pl	612,500	0	0	0	0	0	612,500
T 46 NE 181st (65th -67th)	681,413	0	0	0	0	0	681,413
T 35 Pavement Preservation	1,317,351	450,000	550,000	550,000	550,000	550,000	3,967,351
T 37 West Samm Bridge	295,340	11,729,101	12,332,216	8,088,027	282,141	0	32,726,825
T 41 Juanita Dr Pedestrian & Bicycle Safety All Segments	1,298,507	8,162,952	5,711,682	0	0	0	15,173,141
T 42 68th Ave Pedestrian & Bicycle Safety All Segments	324,292	5,346,451	4,057,082	0	0	0	9,727,825
T 43 SR 522 Pedestrian Crossing Study	250,000	250,000	0	0	0	0	500,000
Total Transportation	\$4,890,503	\$26,171,304	\$23,789,261	\$8,738,027	\$8,932,141	\$650,000	\$73,171,236
<u>SURFACE WATER</u>							
SW 8 190th Culvert at 61st	\$1,632,450	\$0	\$0	\$0	\$0	\$0	\$1,632,450
SW 8 Trust Fund Loan Repayment	0	81,650	81,650	81,650	81,650	81,650	408,250
SW 20 Small Works Projects	50,000	50,000	50,000	50,000	50,000	50,000	300,000
SW 29 Infiltration Tank Retrofit at 61st Ave NE/NE 196th St	500,000	0	0	0	0	0	500,000
SW 30 Drainage Improvements at 153rd/NE Arrowhead Dr	175,000	0	0	0	0	0	175,000
SW 31 Drainage Impr & Street Repair at 66th Ave NE /196th P	115,000	0	0	0	0	0	115,000
SW 32 61st Ave Stabilization	0	0	150,000	0	0	0	150,000
SW 33 Drainage Improvement & Facility Retrofit	0	100,000	500,000	100,000	500,000	100,000	1,300,000
SW 17 Little Swamp Creek Relocation	0	0	0	550,000	814,300	0	1,364,300
SW 28 Northlake Heights LID Retrofit	0	0	0	0	0	793,931	793,931
Surface Water Component of West Samm Bridge	0	465,240	415,240	319,520	0	0	1,200,000
Total Surface Water	\$2,472,450	\$696,890	\$1,196,890	\$1,101,170	\$1,445,950	\$1,025,581	\$7,938,931
<u>CITY FACILITIES</u>							
F 1 Public Works Shop Land Acquisition & Development	\$0	\$2,000,000	\$4,500,000	\$0	\$0	\$0	\$6,500,000
F 2 Debt Repayment	0	0	500,000	500,000	500,000	500,000	2,000,000
Total City Facilities	\$0	\$2,000,000	\$5,000,000	\$500,000	\$500,000	\$500,000	\$8,500,000
TOTAL EXPENDITURES	\$10,287,802	\$30,358,135	\$38,198,321	\$10,678,324	\$10,988,791	\$2,763,781	\$103,275,154

EXHIBIT A

**CITY OF KENMORE, WASHINGTON
CAPITAL IMPROVEMENT PROGRAM
AS AMENDED FOR THE YEARS 2019-2024**

REVENUES	2019 Adopted	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Adopted	2019-2024 Totals
Real Estate Excise Tax (Transportation)	\$620,000	\$1,229,401	\$4,015,649	\$650,000	\$650,000	\$650,000	\$7,815,050
Real Estate Excise Tax (Parks)	56,000	6,000	9,200	9,200	43,200	543,200	666,800
Transportation Impact Fee Revenue	315,677	1,298,745	2,604,920	247,386	282,141	0	4,748,869
Park Impact Fee Revenue	301,570	37,625	429,425	155,000	5,000	0	928,620
General Fund	21,053	0	125,000	125,000	125,000	125,000	521,053
Street Fund	0	0	130,000	130,000	130,000	130,000	520,000
Surface Water Utility Funds	797,450	862,130	757,130	614,040	339,300	468,931	3,838,981
Surface Water General Utility Charges	175,000	300,000	300,000	201,650	201,650	201,650	1,379,950
Federal Preservation Grants	355,351	0	0	0	0	0	355,351
TIB Grant - Sidewalks	435,410	0	0	0	0	0	435,410
WSDOT Safe Routes to School - Sidewalks	581,846	99,670	959,293	0	0	0	1,640,809
BRAC Grant West Samm Bridge Replacement	159,149	5,290,250	3,455,104	369,039	0	0	9,273,542
TIB Grant: West Samm Bridge Replacement	0	2,578,157	2,743,504	1,578,339	0	0	6,900,000
STP Grant: West Samm Bridge Replacement	0	144,830	147,835	129,215	0	0	421,880
Connecting WA Funds West Samm Bridge Replacement	104,271	1,735,577	4,185,158	5,444,528	8,000,000	0	19,469,534
Walkways & Waterways Bonds: Juanita and 68th Ave	1,622,799	6,155,889	500,000	0	0	0	8,278,688
WSDOT Grants: Juanita Drive	0	2,525,600	0	0	0	0	2,525,600
State Grant: Juanita Drive	0	0	1,500,000	0	0	0	1,500,000
Washington State LEAP Transportation Bill	250,000	250,000	0	0	0	0	500,000
State Department of Commerce Award: Twin Springs	0	151,900	0	0	0	0	151,900
State Capital Budget: Boathouse	154,993	82,507	5,000	0	0	0	242,500
Utility Reimbursement: West Samm Bridge Replacement	4,000	1,515,047	1,385,375	0	0	0	2,904,422
DOE Grant: Juanita and 68th Ave	0	1,457,250	1,054,950	0	0	0	2,512,200
RCO Park Grants	140,000	140,125	853,075	0	0	0	1,133,200
King County Conservation Futures Trust Grant	850,000	0	0	0	0	0	850,000
King County Park Levy	0	50,000	50,000	0	0	2,500	102,500
King County Conservation District, Unsecured	0	0	185,000	0	0	0	185,000
King County Youth Activities Grant	0	611,000	0	0	0	0	611,000
Public Works Trust Fund Loan: 190th Culvert	1,500,000	0	0	0	0	0	1,500,000
Walkways & Waterways Bonds: Log Boom, Squires	970,912	191,105	6,253,879	52,050	2,500	0	7,470,446
Northshore School District: Rhododendron Park Boathouse	30,321	219,679	0	0	0	0	250,000
Street Fund	442,000	0	0	0	0	0	442,000
City Swamp Creek Basin Funds	400,000	0	426,591	122,877	60,000	42,500	1,051,968
Strategic Opportunity Fund	0	1,425,648	822,233	0	0	0	2,247,881
Grants, Low Interest Debt, Other Resources	0	0	800,000	850,000	1,150,000	600,000	3,400,000
20 year Note Public Works Shop	0	6,500,000	0	0	0	0	6,500,000
TOTAL REVENUES	\$10,287,802	\$34,858,135	\$33,698,321	\$10,678,324	\$10,988,791	\$2,763,781	\$103,275,154

EXHIBIT B

**CITY OF KENMORE, WASHINGTON
PARK CAPITAL IMPROVEMENT PROGRAM
AS AMENDED FOR THE YEARS 2019-2024**

Project Description	2019 Adopted	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Adopted	2019-2024 Totals	Project Total 2013-2024
P 1 Twin Springs Interim Use	\$100,000	\$151,900	\$0	\$0	\$0	\$0	\$251,900	\$305,169
P 6 Moorlands Park Improvements	50,000	0	0	0	0	0	\$50,000	\$2,176,341
P 18 Rhododendron Park Waterfront & Open Space Mitigation	72,000	8,000	8,000	8,000	0	0	96,000	1,215,419
P 18a Rhododendron Park Float Mitigation	2,000	2,000	2,000	2,000	0	0	8,000	444,209
P 26 Squires Landing Float Mitigation	4,000	4,000	4,000	4,000	0	0	16,000	177,054
P 27 Squires Landing Park Waterfront & Mitigation	716,058	158,000	5,736,098	272,877	60,000	42,500	6,985,533	7,871,205
P 28 Log Boom Park Waterfront Access & Mitigation	337,008	192,605	2,453,872	49,050	47,500	42,500	3,122,535	3,736,195
P 29 St Edward Ballfield Improvements EIS	200,000	0	0	0	0	500,000	700,000	1,118,603
P 30 Rhododendron Park Boathouse Pavilion	193,783	973,436	8,200	3,200	3,200	3,200	1,185,019	1,203,019
P 31 Squires Landing Park Land Acquisition	1,250,000	0	0	0	0	0	1,250,000	1,250,000
Total Project Costs	\$2,924,849	\$1,489,941	\$8,212,170	\$339,127	\$110,700	\$588,200	\$13,664,987	\$19,497,214

	2019 Adopted	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Adopted	2019-2024 Totals
Funding As Proposed:							
Park Impact Fees	\$301,570	\$37,625	\$429,425	\$155,000	\$5,000	\$0	\$928,620
Real Estate Excise Taxes	56,000	6,000	9,200	9,200	43,200	543,200	666,800
City Swamp Creek Basin Funds	400,000	0	426,591	122,877	60,000	42,500	1,051,968
In Lieu Fees: Rhododendron Park Waterfront	21,053	0	0	0	0	0	21,053
Northshore School District: Rhododendron Park Boathouse	30,321	219,679	0	0	0	0	250,000
RCO Grants	140,000	140,125	853,075	0	0	0	1,133,200
King County Park Levy	0	50,000	50,000	0	0	2,500	102,500
King County CFT Grant: Squires Land Acquisition	850,000	0	0	0	0	0	850,000
King County Conservation District, unsecured	0	0	185,000	0	0	0	185,000
King County Youth Activities Grant	0	611,000	0	0	0	0	611,000
State Department of Commerce Award: Twin Springs	0	151,900	0	0	0	0	151,900
State Capital Budget: Boathouse	154,993	82,507	5,000	0	0	0	242,500
Walkways & Waterways Bonds: Log Boom, Squires	970,912	191,105	6,253,879	52,050	2,500	0	7,470,446
Total Project Funding	\$2,924,849	\$1,489,941	\$8,212,170	\$339,127	\$110,700	\$588,200	\$13,664,987

This program update assumes a St Edward Ballfield EIS in 2019 and project start in 2024

EXHIBIT C

**CITY OF KENMORE, WASHINGTON
TRANSPORTATION CAPITAL IMPROVEMENT PROGRAM
AS AMENDED FOR THE YEARS 2019-2024**

Project Description	2019 Adopted	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Adopted	2019-2024 Totals	Project Total 2013-2024
T 8 SR 522 West B 57th to 61st	\$0	\$0	\$0	\$0	\$8,000,000	\$0	\$8,000,000	\$8,000,000
T 27 Sidewalk Program								
Sidewalk Gaps	100,000	100,000	100,000	100,000	100,000	100,000	600,000	907,564
T47 Arrowhead Dr	11,100	132,800	1,038,281	0	0	0	1,182,181	1,182,181
T45 NE 153rd Pl	612,500	0	0	0	0	0	612,500	749,865
T46 NE 181st (65th -67th)	681,413	0	0	0	0	0	681,413	805,205
Subtotal	1,405,013	232,800	1,138,281	100,000	100,000	100,000	3,076,094	3,644,815
T 35 Pavement Preservation	1,317,351	450,000	550,000	550,000	550,000	550,000	3,967,351	6,835,906
T 37 West Samm Bridge	295,340	11,729,101	12,332,216	8,088,027	282,141	0	32,726,825	36,919,092
T 41 Juanita Dr Pedestrian & Bicycle Safety All Segments	1,298,507	8,162,952	5,711,682	0	0	0	15,173,141	16,585,654
T 42 68th Ave Pedestrian & Bicycle Safety All Segments	324,292	5,346,451	4,057,082	0	0	0	9,727,825	10,346,106
T 43 SR 522 Pedestrian Crossing Study	250,000	250,000	0	0	0	0	500,000	500,000
Total Project Costs	\$4,890,503	\$26,171,304	\$23,789,261	\$8,738,027	\$8,932,141	\$650,000	\$73,171,236	\$82,831,573

	2019 Adopted	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Adopted	2019-2024 Totals
Funding as Proposed:							
Real Estate Excise Taxes	\$620,000	\$1,229,401	\$4,015,649	\$650,000	\$650,000	\$650,000	\$7,815,050
Transportation Impact Fees	315,677	1,298,745	2,604,920	247,386	282,141	0	4,748,869
Federal Preservation Grant: Simonds Road	355,351	0	0	0	0	0	355,351
TIB Grant: Sidewalks	435,410	0	0	0	0	0	435,410
WSDOT Safe Routes to School Grant: Sidewalks	581,846	99,670	959,293	0	0	0	1,640,809
BRAC Grant: West Samm Bridge Replacement	159,149	5,290,250	3,455,104	369,039	0	0	9,273,542
STP Grant: West Samm Bridge Replacement	0	144,830	147,835	129,215	0	0	421,880
Connecting WA Funds: West Samm Bridge, West B	104,271	1,735,577	4,185,158	5,444,528	8,000,000	0	19,469,534
TIB Grant: West Samm Bridge Replacement	0	2,578,157	2,743,504	1,578,339	0	0	6,900,000
Walkways & Waterways Bonds: Juanita and 68th Ave	1,622,799	6,155,889	500,000	0	0	0	8,278,688
WSDOT: Juanita Drive	0	525,600	0	0	0	0	525,600
WSDOT Ped/Bicycle: Juanita Drive	0	2,000,000	0	0	0	0	2,000,000
State Grant: Juanita Drive	0	0	1,500,000	0	0	0	1,500,000
DOE Grant: Juanita and 68th Ave	0	1,457,250	1,054,950	0	0	0	2,512,200
Street Fund	442,000	0	0	0	0	0	442,000
Surface Water Utility Funds	0	465,240	415,240	319,520	0	0	1,200,000
Strategic Opportunity Fund	0	1,425,648	822,233	0	0	0	2,247,881
Washington State LEAP Transportation Bill	250,000	250,000	0	0	0	0	500,000
Utility Reimbursement: West Samm Bridge Replacement	4,000	1,515,047	1,385,375	0	0	0	2,904,422
Total Project Funding	\$4,890,503	\$26,171,304	\$23,789,261	\$8,738,027	\$8,932,141	\$650,000	\$73,171,236

EXHIBIT D

**CITY OF KENMORE, WASHINGTON
SURFACE WATER CAPITAL IMPROVEMENT PROGRAM
AS AMENDED FOR THE YEARS 2019-2024**

Project Description	2019 Adopted	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Adopted	2019-2024 Totals	Project Total 2013-2024
SW 8 190th Culvert at 61st	\$1,632,450	\$0	\$0	\$0	\$0	\$0	\$1,632,450	\$1,636,965
SW 8 Public Works Trust Fund Loan 20 year Repayment	0	81,650	81,650	81,650	81,650	81,650	\$408,250	\$408,250
SW 20 Small Works Projects	50,000	50,000	50,000	50,000	50,000	50,000	300,000	\$679,359
SW 29 Infiltration Tank Retrofit at 61st Ave NE/NE 196th St	500,000	0	0	0	0	0	500,000	\$500,000
SW 30 Drainage Improvements at 153rd/NE Arrowhead Dr	175,000	0	0	0	0	0	175,000	\$175,000
SW 31 Drainage Impr & Street Repair at 66th Ave NE /196th Pl	115,000	0	0	0	0	0	115,000	\$115,000
SW 32 61st Ave Stabilization	0	0	150,000	0	0	0	150,000	\$150,000
SW 33 Drainage Improvement & Facility Retrofit	0	100,000	500,000	100,000	500,000	100,000	1,300,000	\$1,300,000
SW 17 Little Swamp Creek Relocation	0	0	0	550,000	814,300	0	1,364,300	\$1,364,300
SW 28 Northlake Heights LID Retrofit	0	0	0	0	0	793,931	793,931	\$793,931
T 37 West Samm Bridge (SWM Component)	0	465,240	415,240	319,520	0	0	1,200,000	1,200,000
Total Project Costs	\$2,472,450	\$696,890	\$1,196,890	\$1,101,170	\$1,445,950	\$1,025,581	\$7,938,931	\$4,414,574

	2019 Adopted	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Adopted	2019-2024 Totals
Funding As Proposed:							
Public Works Trust Fund 20 Year 1.66% Loan (SW8)	1,500,000	0	0	0	0	0	1,500,000
General Facility Charge	175,000	300,000	300,000	201,650	201,650	201,650	1,379,950
Surface Water Utility Funds	797,450	396,890	96,890	49,520	94,300	223,931	1,658,981
Grants, Low Interest Debt, Other Resources	0	0	800,000	850,000	1,150,000	600,000	3,400,000
Total Project Funding	\$2,472,450	\$696,890	\$1,196,890	\$1,101,170	\$1,445,950	\$1,025,581	\$7,938,931

EXHIBIT E

**CITY OF KENMORE, WASHINGTON
CITY FACILITY CAPITAL IMPROVEMENT PROGRAM
FOR THE YEARS 2019-2024**

Project Description	2019 Adopted	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Adopted	2019-2024 Totals	Project Total 2013-2024
F 1 Public Works Shop Land Acquisition & Development	\$0	\$2,000,000	\$4,500,000	\$0	\$0	\$0	\$6,500,000	\$6,500,000
F 2 Debt Repayment	0	0	500,000	500,000	500,000	500,000	\$2,000,000	2,000,000
Total Project Costs	\$0	\$2,000,000	\$5,000,000	\$500,000	\$500,000	\$500,000	\$8,500,000	\$8,500,000

	2019 Adopted	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Adopted	2019-2024 Totals
Bank Note, 20 Years, 4.5% Interest	0	6,500,000	0	0	0	0	6,500,000
Transfer from SWM Fund	0	0	245,000	245,000	245,000	245,000	980,000
Transfer from Street Fund	0	0	130,000	130,000	130,000	130,000	520,000
Transfer from General Fund	0	0	125,000	125,000	125,000	125,000	500,000
Total Project Funding	\$0	\$6,500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$8,500,000

Exhibit F

CITY OF KENMORE, WASHINGTON

Transportation Impact Fee Fund Projection Worksheet
For The Years 2019-2024

DESCRIPTION	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024
Beginning Cash	\$2,711,967	\$2,923,410	\$2,153,899	\$20,518	\$223,337	\$393,429
Revenues:						
Interest Earnings	27,120	29,234	21,539	205	2,233	3,934
Transp. Impact Fees	500,000	500,000	450,000	450,000	450,000	450,000
Total Revenues	\$527,120	\$529,234	\$471,539	\$450,205	\$452,233	\$453,934
Transfers Out for Roads:						
T 37 West Samm Bridge	27,920	0	0	247,386	282,141	0
NE 202nd Sidewalk*	0	0	0	0	0	0
Arrowhead Sidewalk	6,100	33,130	78,988	0	0	0
NE 153rd Sidewalk	35,654	0	0	0	0	0
T 42 68th Ave Ped & Bicycle Safety	0	0	0	0	0	0
NE 181st 65-67 Sidewalk	246,003	0	0	0	0	0
T 41 Juanita Ped & Bicycle Safety	0	1,265,615	2,525,932	0	0	0
Subtotal - Transfers for Roads	\$315,677	\$1,298,745	\$2,604,920	\$247,386	\$282,141	\$0
Net Income/(Loss)	\$211,443	(\$769,511)	(\$2,133,381)	\$202,819	\$170,092	\$453,934
Total Ending Cash	2,923,410	2,153,899	20,518	223,337	393,429	847,364

Exhibit G

CITY OF KENMORE, WASHINGTON

REET Fund Projection Worksheet
For The Years 2019-2024

DESCRIPTION	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024
Beginning Cash	\$771,264	\$3,407,977	\$3,051,655	\$62,323	\$208,746	\$422,634
Revenues:						
REET 1	500,000	500,000	500,000	500,000	500,000	500,000
REET 2	500,000	500,000	500,000	500,000	500,000	500,000
Interest Earnings	12,713	39,080	35,517	5,623	7,087	9,226
Total Revenues	\$1,512,713	\$1,039,080	\$1,035,517	\$1,005,623	\$1,007,087	\$1,009,226
Transfers Out for Parks :						
P 6 Moorlands Park Imp	50,000	0	0	0	0	0
P 29 St Edward Ballfield	0	0	0	0	0	500,000
P 30 Rhododendron Boathouse Pavilion	0	0	3,200	3,200	3,200	3,200
P 18a Rhody Park Float Mitigation	2,000	2,000	2,000	2,000	0	0
P 26 Squires Landing Float Mitigation	4,000	4,000	4,000	4,000	0	0
P 28 Log Boom Mitigation	0	0	0	0	40,000	40,000
Subtotal - Transfers for Parks	56,000	6,000	9,200	9,200	43,200	543,200
Transfers Out for Roads:						
T27 Sidewalks						
Sidewalk Gaps	100,000	100,000	100,000	100,000	100,000	100,000
T 42 68th Ave Ped & Bicycle Safety	0	679,401	2,165,649	0	0	0
T 37 West Samm Bridge	-2,000,000	0	0	0	0	0
T 41 Juanita Dr Pedestrian & Bicycle Safety	0	0	1,200,000	0	0	0
Preservation + carryover	520,000	450,000	550,000	750,000	650,000	650,000
Subtotal - Transfers for Roads	-1,380,000	1,229,401	4,015,649	850,000	750,000	750,000
Repayment to Strategic Opps Fund 2015/16 sidewalks	200,000	160,000	0	0	0	0
Net Income/(Loss)	2,636,713	(356,321)	(2,989,332)	146,423	213,887	(283,974)
Ending Cash	\$3,407,977	\$3,051,655	\$62,323	\$208,746	\$422,634	\$138,660

Exhibit H

CITY OF KENMORE, WASHINGTON

Park Impact Fee Fund Projection Worksheet
For the Years 2019-2024

DESCRIPTION	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024
Beginning Cash	\$590,514	\$391,846	\$528,916	\$100,317	\$86,320	\$222,184
Revenues:						
Interest Earnings	2,902	2,070	5,289	1,003	863	2,222
Park Impact Fees	100,000	150,000	150,000	140,000	140,000	140,000
Total Revenues	102,902	152,070	155,289	141,003	140,863	142,222
To be Transferred Out for Parks :						
P 1 Twin Springs Interim Use	100,000	0	0	0	0	0
P 29 St Edward Ballfields EIS	100,000	0	0	0	0	0
P 30 Rhododendron Park Boathouse	8,469	15,000	0	0	0	0
P 27 Squires Landing	93,101	0	400,000	150,000	0	0
P 28 Log Boom Park	0	0	183,888	5,000	5,000	0
Subtotal - Transfers to Park Capital	301,570	15,000	583,888	155,000	5,000	0
Net Income/(Loss)	(\$198,668)	\$137,070	(\$428,599)	(\$13,997)	\$135,863	\$142,222
Ending Cash Balance	\$391,846	\$528,916	\$100,317	\$86,320	\$222,184	\$364,405

Exhibit I

CITY OF KENMORE, WASHINGTON
Strategic Opportunities Fund Projection Worksheet
For The Years 2019 - 2024

REVENUES

DESCRIPTION	2019 Projected	2020 Projected	2021 Projected	2022 Projected	2023 Projected	2024 Projected
Beginning Fund Balance	\$2,235,924	\$3,903,463	\$2,696,367	\$1,914,579	\$1,943,298	\$1,972,447
Beginning Fund Balance	2,235,924	3,903,463	2,696,367	1,914,579	1,943,298	1,972,447
Investment Interest	33,539	58,552	40,446	28,719	29,149	29,587
Repayment from REET for Sidewalks	200,000	160,000	0	0	0	0
Transfer from General Fund	1,434,000	0	0	0	0	0
Revenues	1,667,539	218,552	40,446	28,719	29,149	29,587
Total Strategic Opportunities Fund	\$3,903,463	\$4,122,015	\$2,736,812	\$1,943,298	\$1,972,447	\$2,002,034

EXPENDITURES

	2019 Projected	2020 Projected	2021 Projected	2022 Projected	2022 Projected	2022 Projected
Ending Fund Balance	\$3,903,463	\$2,696,367	\$1,914,579	\$1,943,298	\$1,972,447	\$2,002,034
Total Ending Fund Balance	3,903,463	2,696,367	1,914,579	1,943,298	1,972,447	2,002,034
Transfer to Park Capital Projects	0	0	0	0	0	0
Transfer to Transportation Capital Projects	0	1,425,648	822,233	0	0	0
Expenditures	0	1,425,648	822,233	0	0	0
Total Strategic Opportunities Fund	\$3,903,463	\$4,122,015	\$2,736,812	\$1,943,298	\$1,972,447	\$2,002,034

**CITY OF KENMORE
WASHINGTON
ORDINANCE NO. 18-0469**

**AN ORDINANCE OF THE CITY OF KENMORE, WASHINGTON,
ADOPTING A SIX-YEAR CAPITAL IMPROVEMENT PROGRAM;
PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN
EFFECTIVE DATE.**

WHEREAS, a Proposed 2019-2024 Six-Year Capital Improvement Program was submitted to the City Council and the City Clerk on September 10, 2018, and

WHEREAS, the City Council scheduled and held a Public Hearing on the Proposed 2019-2024 Six-Year Capital Improvement Program on September 10, 2018,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Adoption of City of Kenmore, Washington, Capital Improvement Program. The City of Kenmore hereby adopts a new City of Kenmore, Washington, Capital Improvement Program, attached as Exhibit "A."

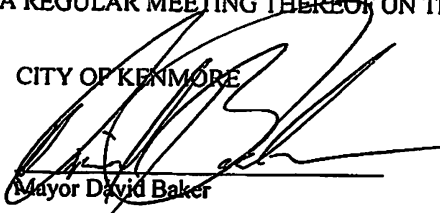
Section 2. City of Kenmore, Washington, Capital Improvement Program. To the extent the City of Kenmore, Washington, Capital Improvement Program ("Capital Improvement Program") is different from the Capital Facilities Element of the City's Comprehensive Plan, including but not limited to the Capital Facilities Plan portion thereof ("Capital Facilities Element"), the Capital Improvement Program shall supersede and amend the Capital Facilities Element accordingly.

Section 3. Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be preempted by State or federal law or regulation, such decision or preemption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 4. 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.

ADOPTED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 17th DAY OF SEPTEMBER, 2018.

CITY OF KENMORE


Mayor David Baker

ATTACHMENT 1

Six-Year Capital Improvement Program

ATTEST/AUTHENTICATED:



Kelly Chelin, City Clerk

Approved as to form:



Rod P. Kaseguma, City Attorney

FILED WITH THE CITY CLERK: 9/17/18
PASSED BY THE CITY COUNCIL: 9/17/18
PUBLISHED: 9/20/18
EFFECTIVE DATE: 9/25/18
ORDINANCE NO. 18-0469

ATTACHMENT 1

EXHIBIT A

**CITY OF KENMORE, WASHINGTON
CAPITAL IMPROVEMENT PROGRAM
FOR THE YEARS 2019-2024**

EXPENDITURES	2019 Adopted	2020 Adopted	2021 Adopted	2022 Adopted	2023 Adopted	2024 Adopted	2019-2024 Totals
<u>PARKS</u>							
P 1 Twin Springs Interim Use Plan	\$100,000	\$0	\$0	\$0	\$0	\$0	\$100,000
P 6 Moorlands Park Improvements	50,000	0	0	0	0	0	50,000
P 18 Rhododendron Park Waterfront Mitigation	72,000	8,000	8,000	8,000	0	0	96,000
P18a Rhododendron Park Float Mitigation	2,000	2,000	2,000	2,000	0	0	8,000
P 26 Squire Landing Float Mitigation	4,000	4,000	4,000	4,000	0	0	16,000
P 27 Squires Landing Park Waterfront & Open Space	500,000	220,000	690,000	3,940,000	40,000	360,000	5,750,000
P 28 Log Boom Park Waterfront Access and Viewing	300,000	120,000	590,000	1,330,000	40,000	360,000	2,740,000
P 29 St Edward Ballfield Improvements	300,000	0	0	0	0	500,000	800,000
P 30 Rhododendron Park Boathouse Pavilion	474,000	3,000	3,000	3,000	3,000	1,000	487,000
P 31 Squires Landing Park Land Acquisition	1,700,000	0	0	0	0	0	1,700,000
Total Parks	\$3,502,000	\$357,000	\$1,297,000	\$5,287,000	\$83,000	\$1,221,000	\$11,747,000
<u>TRANSPORTATION</u>							
T 8 SR 522 West B 57th to 61st	\$0	\$0	\$600,000	\$7,400,000	\$4,000,000	\$0	\$12,000,000
T 27 Sidewalk Program:							
Sidewalk Gaps	100,000	100,000	100,000	100,000	100,000	100,000	600,000
T 47 Arrowhead Dr	11,100	132,800	1,038,281	0	0	0	1,182,181
T 45 NE 153rd Pl	612,500	0	0	0	0	0	612,500
T 46 NE 181st (65th -67th)	681,413	0	0	0	0	0	681,413
T 35 Pavement Preservation	805,351	450,000	550,000	550,000	550,000	550,000	3,455,351
T 37 West Snmm Bridge	11,539,791	10,083,265	7,160,152	229,290	20,923	20,923	29,054,344
T 41 Juanita Dr Pedestrian & Bicycle Safety All Segments	1,510,431	9,663,492	3,221,164	0	0	0	14,395,087
T 42 68th Ave Pedestrian & Bicycle Safety All Segments	6,701,494	2,180,400	0	0	0	0	8,881,894
T 43 SR 522 Pedestrian Crossing Study	250,000	250,000	0	0	0	0	500,000
Total Transportation	\$22,212,080	\$22,859,957	\$12,669,597	\$8,279,290	\$4,670,923	\$670,923	\$71,362,770
<u>SURFACE WATER</u>							
SW 8 190th Culvert at 61st	\$1,632,450	\$0	\$0	\$0	\$0	\$0	\$1,632,450
SW 8 Trust Fund Loan Repayment	0	81,650	81,650	81,650	81,650	81,650	408,250
SW 20 Small Works Projects	50,000	50,000	50,000	50,000	50,000	50,000	300,000
SW 25 Strawberry Hills SW Tank Retrofit	0	0	0	0	0	0	0
SW 29 Infiltration Tank Retrofit at 61st Ave NE/NE 196th St	500,000	0	0	0	0	0	500,000
SW 30 Drainage Improvements at 153rd/NE Arrowhead Dr	175,000	0	0	0	0	0	175,000
SW 31 Drainage Impr & Street Repair at 66th Ave NE /196th P	115,000	0	0	0	0	0	115,000
SW 32 61st Ave Stabilization	0	0	150,000	0	0	0	150,000
SW 33 Drainage Improvement & Facility Retrofit	0	100,000	500,000	0	0	0	600,000
Total Surface Water	\$2,472,450	\$231,650	\$781,650	\$131,650	\$131,650	\$131,650	\$3,880,700
<u>CITY FACILITIES</u>							
F 1 Public Works Shop Land Acquisition & Development	\$0	\$2,000,000	\$4,500,000	\$0	\$0	\$0	\$6,500,000
F 2 Debt Repayment	0	0	500,000	500,000	500,000	500,000	2,000,000
Total City Facilities	\$0	\$2,000,000	\$5,000,000	\$500,000	\$500,000	\$500,000	\$8,500,000
TOTAL EXPENDITURES	\$28,186,530	\$25,448,607	\$19,748,247	\$14,197,940	\$5,385,573	\$2,523,573	\$95,490,470



Subject/Topic: Public Hearing on the 2019-2024 Capital Improvement Program for Parks, Transportation, Surface Water, and City Facilities	For Council Meeting Agenda of: September 10, 2018 Departments: City Manager, Finance and Administration, Community Development, Public Works Prepared by: Rob Karlinsey, City Manager Joanne Gregory, Finance and Administration Director Debbie Bent, Community Development Director John Vicente, interim Public Works Director Richard Sawyer, Surface Water Manager
Proposed Council Action/Motion: Public Hearing on the 2019-2024 Capital Improvement Program for Parks, Transportation, Surface Water, and City Facilities	Initial & Date Approved by Department Head: _____ Approved by City Attorney: _____ Approved by Finance Director: _____ Approved by City Manager: _____ Attachments/Exhibits: Exhibit A: Proposed Capital Improvement Program Exhibit B: Proposed Park CIP Exhibit C: Proposed Transportation CIP Exhibit D: Proposed Surface Water CIP Exhibit E: Proposed City Facility CIP Exhibit F: Transportation Impact Fees Projection Exhibit G: REET Projection Exhibit H: Park Impact Fees Projection
INFORMATION/BACKGROUND: The Public Hearing will be held to receive public comment on the Proposed Six -Year Capital Improvement Program (CIP) for the period 2019-2024. The proposed CIP was first presented for the City Council's review and discussion on May 7, 2018. The City Council again reviewed the CIP at the Council Budget Retreat May 21 and 22, 2018. The most significant addition to the CIP is a Public Works Shop Project. At the end of 2018 the City of Lake Forest Park will no longer provide public works services to Kenmore. A temporary site will likely be identified for the interim until the City can identify and purchase property for a permanent shop which would house maintenance workers and equipment. With a total project cost estimated to be \$6,500,000 for land acquisition and construction, outside funding will be necessary and this project has been incorporated into the six- year plan.	

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This additional significant capital project required Planning Commission consideration of a Comprehensive Plan amendment to add the Public Works shop to the Capital Facilities Element. The Juanita Drive project expansion (to NE 170th St.) was also a significant change necessitating an amendment. The Commission held a public hearing on these matters on July 24, 2018 and unanimously recommends approval the amendments by the City Council.

The complete proposed Park, Transportation, Surface Water, and Facilities Capital Improvement Program is illustrated with cash flow projections for Park Impact Fees, Transportation Impact Fees, and Real Estate Excise Tax and includes the following projects.

TRANSPORTATION

- **T8 SR 522 West B.** This project will widen Highway SR522 to the south between west City limits and 61st Avenue NE to provide dual eastbound to northbound left turn lanes and U-turn capability at the 61st Avenue NE intersection (0.28 miles). Other project improvements include sidewalk (both sides between 60th and 61st Avenues NE, then south side only), retaining walls, utility conversion to underground, street lighting, landscaping, drainage, utility relocations, asphalt pavement overlay and striping. Design is approximately 60% complete and is scheduled to resume in 2019-20. Construction is anticipated for 2021-22. \$12M in funding is provided by Washington State Department of Transportation Connecting Washington funds.
- **T27 Sidewalk Gap-Replacement Program.** This program fills short gaps in the City's sidewalk network, replaces sidewalk panels that restrict access or improves accessibility at curb ramps. The City currently allocates \$100,000 of Real Estate Excise Tax annually to fund this program.
- **T47 Arrowhead Sidewalk.** This project will add sidewalk on west/south side of NE Arrowhead drive from NE 151st Street to 64th Avenue NE (1,000 feet). Other project improvements include storm drainage, landscaping, retaining walls, utility relocations and striping. Preliminary design layouts have been developed however design is 0% complete. The City has requested 2018 WSDOT Safe Routes to School program grant funds to complete this project. The total project cost is estimated at \$1.1 Million. If funded, design and construction would occur in 2020 and 2021 respectively. City Impact Fees of \$118,000 are included.
- **T45 NE 153rd Place Safe Routes to School Sidewalk Project.** This project will add sidewalk along the south side of NE 153rd Place between Juanita Drive NE and 70th Avenue NE (800 feet). Other project improvements include storm drainage, angled street parking, landscaping, utility relocations and striping. Design is currently 60% complete. Construction is anticipated to begin in the first quarter of 2019. The total project cost is estimated at \$748,000. Funding is provided by a Washington State Department of Transportation Safe Routes to School grant and City Impact Fees of \$74,844.
- **T46 NE 181st Street Sidewalks (65th – 67th Avenues NE).** This project will add sidewalk along the north side of NE 181st Street between 65th Avenue NE and 67th Avenue NE (500 feet). Other project improvements include storm drainage, street and pedestrian lighting, parallel parking, landscaping, retaining walls, utility relocations and striping. Design is currently 45-60% complete. Construction is anticipated to begin in the second quarter of 2019. The total project cost is estimated to be \$805,000. Funding is provided by Washington State Transportation Improvement Board grant and City Impact fees of \$270,073.
- **T35 Pavement Preservation Program.** This program includes all grind and overlay and crack and seal projects within the City. Typically grind and overlay projects are completed on roadways with pavement ratings between 60 and 70, while crack and seal operations are completed on roadways with ratings between 70 and 80. This program also upgrades curb ramps within project limits to comply with the

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American's with Disabilities Act (ADA) and includes major pavement repairs, utility adjustments and pavement markings. The City currently allocates \$450,000 of Real Estate Excise Tax annually to fund this program, increasing to \$550,000 in 2021.

- **T37 West Sammamish River Bridge.** This project replaces the West Sammamish River Bridge (southbound traffic) on 68th Avenue NE and includes 68th Avenue NE corridor improvements between NE 170th Street and NE 175th Street (0.43 miles). Other project improvements include new sidewalk (both sides), shared use path across the bridge, storm drainage, traffic signal upgrades, utility conversion to underground, street lighting, landscaping, retaining walls, asphalt pavement overlay and striping. Design is currently complete and final permitting is being secured. Construction is anticipated to begin in the second quarter (Q2) of 2019. The total project cost is estimated at \$33 Million. Funding is provided by the Federal Highways Bridge Program, Federal Surface Transportation Program, WSDOT Connecting Washington, Transportation Improvement Board (TIB) and City funds.
- **T41 Juanita Drive Pedestrian & Bicycle Safety.** This project will add sidewalk (one side) and buffered bike lanes (both sides) along Juanita Drive NE between NE 143rd Street and NE 170th Street (1.46 miles). Other project improvements include addition or extension of left turn pockets at side streets, new storm drainage system, improved street lighting, landscaping, retaining walls, utility relocations, asphalt pavement overlay and striping. Design is currently 60% complete. The project is grant dependent and is estimated to be construction ready by 2020. The total project cost is estimated at \$15.8 Million. Funding is provided by Walkways and Waterways Bonds, WSDOT Grant, DOE Grant (agreement pending), TIB Grant (requested), City funds (Interfund Loan) and pending additional grant requests.
- **T42 68th Ave Pedestrian & Bicycle Safety.** This project will add sidewalk (one side) and bike lanes (both sides) along 68th Avenue NE between NE 185th Street and 61st Place NE (1.32 miles). Other project improvements include filling existing sidewalk gaps between NE 182nd Street and NE 187th Street, new storm drainage system, improved street lighting, landscaping, retaining walls, utility relocations and striping. Design is currently 60% complete. Construction is anticipated to begin in the second quarter (Q2) of 2019. The total project cost is estimated at \$9.6 Million. Funding is provided by Walkways and Waterways Bonds, DOE Grant (agreement pending), City Real Estate Excise Taxes, Transportation Impact Fees and pending additional grant requests.
- **T43 SR522 Crossing Study.** This project will evaluate potential Highway SR 522 crossing options (type, size and location) between 61st and 68th Avenues NE. The alternatives will include both grade-separation and at-grade crossing improvements. All facilities analyzed will consider walking and biking as priority modes. Consultant selection is scheduled for the fall of 2018 and the study will be completed in 2019-20. This \$500,000 project is funded by the State of Washington supplemental transportation budget.

PARKS

- **P 1 Twin Spring Interim Use.** On 5/14/18, Council adopted the Twin Springs Park master plan which included a phasing plan and cost estimate for a Phase 1 trail project. \$100,000 is allocated in the 2019 budget for a first phase project funded by Park Impact Fees.. The first phase of the project will explore options and the feasibility of improving drainage to improve the usability of the open grass field area. An additional \$20,000 is allocated in the City's park operation budget for park opening expenses (including park rules signage, trash cans, and improving the NE 192nd entrance/access).
- **P 6 Moorlands Park Improvements.** In July of 2018 park improvements were complete including new playground, renovated athletic field, picnic shelter, restroom, landscaping and pathways. In 2019 \$50,000 of Real Estate Excise Tax funds are allocated to complete additional items including 81st Ave storm drain repair, athletic field net poles/warning track/pipes and truncated domes at the 84th Ave crosswalk.

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- **P18 Rhododendron Park Waterfront & Open Space.** In 2017 construction completed of a new boardwalk connecting the existing park improvements through the wetland to the Sammamish River. Improvements to the access driveway, parking and environmental enhancements were also part of this project. In 2019 \$72,000 is allocated to complete park signage and related mitigation plantings. \$8,000 of the \$72,000 is for monitoring/maintenance of the plantings as well as \$8,000 per year until 2022 (total \$24,000). Project funding includes \$21,053 of in lieu fees received by the City, \$40,000 of RCO ALEA grant funds and \$34,947 of bond funds.
- **P18a Rhododendron Park Float Mitigation.** In 2017 construction of a new float/dock for hand carry watercraft access to the Sammamish River was completed. \$2,000 each year is allocated between 2019-2022 (total of \$8,000) of Park Impact Fee funds for monitoring/maintenance of required mitigation plantings.
- **P26 Squires Landing Float Mitigation.** In 2017 construction completed of a replacement dock for hand carry watercraft access to the Sammamish River. \$4,000 is allocated each year between 2019-2022 (total of \$16,000) of Park Impact Fee funds for monitoring/maintenance of required mitigation plantings.
- **P27 Squires Landing Park Waterfront and Mitigation.** A refined conceptual design and cost estimates were presented to Council and at a public open house in March 2018. Waterfront and park improvements include new boardwalks/trails, new boating facilities for hand carry watercraft, new parking lot, restroom and environmental enhancements. \$720,000 of bond funds are allocated in the 2019-2020 budget for costs associated with permit applications and review. \$4.63 million is allocated in the 2021-2022 biennium for project construction including \$500,000 of RCO funds and \$4.13 million bond funds. \$400,000 of bond funds are allocated for ten years of monitoring/maintenance of required mitigation plantings (\$40,000 assumed each year beginning in 2023 and continuing for 9 more years through 2033).
- **P28 Log Boom Park Waterfront Access and Mitigation.** A refined conceptual design and cost estimate were presented to Council and at a public open house in March 2018. Waterfront and park improvements include beach expansion, new trails, picnic shelter, boating facilities, and environmental enhancements. \$420,000 of bond funds are allocated in the 2019-2020 budget for costs associated with permit applications and review. \$1.92 million is allocated in the 2020-2021 biennium for project construction including \$500,000 of RCO funds (City applied for RCO funds in 2018, funding award not yet known) and \$1.42 million bond funds. \$400,000 of bond funds are allocated for ten years of monitoring/maintenance of required mitigation plantings (\$40,000 assumed each year beginning in 2023 and continuing for 9 more years through 2033).
- **P29 St Edward Ballfield Improvement.** In July 2017 a critical area buffer variance permit application and SEPA application were submitted. In May 2018 Council direction was to proceed with an Environmental Impact Statement (EIS). SEPA, permit review and lease negotiations with Washington State Parks anticipated to be ongoing in 2019 and beyond. Improvements may include field renovation, field lighting, perimeter pathways, dugouts and covered bleachers, parking and wetland/buffer enhancement. Construction timing is dependent on obtaining a long-term lease with the Washington State Park Commission and required permits. \$300,000 is allocated in the 2019 budget for costs to complete an EIS, including \$75,000 of RCO grant funds and \$225,000 of Impact Fee funds. \$500,000 of Real Estate Excise Tax funds are allocated in the 2024 budget as a placeholder for future design and permitting.
- **P30 Rhododendron Park Boathouse Pavilion.** A preliminary design and cost estimate were presented to council in fall 2018 for a boatshed to serve hand carry watercraft needs including adult and Northshore School District high school rowing programs. \$474,000 is allocated in 2019 for costs to complete design,

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permitting and construction. \$255,000 of the total project cost is assumed to be Northshore School District funds, \$222,000 is State budget funding and \$10,000 would be Park Impact Fees (a required match).

- **P31 Squires Landing Park Land Acquisition.** \$1.7 million is allocated in the 2019 budget for property acquisition. Several Squire's Landing Park parcels east of the lagoon were originally acquired with Recreation Conservation Office (RCO) funding that restricts active recreation use. To allow for more active uses associated with the Walkways and Waterways project (See project P27 Squires Landing Park Waterfront & Natural Open Space project), the City will be acquiring land to replace the converted areas of the Park. The RCO land conversion process requires replacing land based on current appraised value. The conversion process began in 2017 and is expected to be complete before the end of 2019. An appraisal of the area of Squire's Landing that is being converted out of the Deed Restriction is being conducted. An estimate of between \$750,000 to \$1.3 million is anticipated for property acquisition costs plus other associated costs such as Escrow, closing and recording costs, land brokerage, appraisal, survey, wetland delineation and environmental assessment fees. Up to \$850,000 assumed King Conservation Funds (City applied for funds in 2018, award not yet known) and \$850,000 of City funds such as Real Estate Excise Tax.

SURFACE WATER

- **SW8 Surface Water Project 190th Culvert at 61st.** This \$1.6 Million project will install new box culvert and related improvements near 61st Ave NE and NE 190th and will be funded with a Public Works Trust Fund (PWTF) Loan. The City was notified that the loan application had been approved. Design is planned to commence in 2018 with construction in 2019-2020. Annual repayments of approximately \$81,650 are anticipated and will be included in the Surface Water Management Fund beginning in 2020.
- **SW29 Infiltration Tank Retrofit at 61st Ave NE/NE 190th St.** Design is underway with construction in 2019, estimated at \$500,000 funded by Surface Water Management fees.
- **SW30 Drainage Improvements at 153rd/NE Arrowhead Dr.** Design is complete and construction is anticipated in 2019, estimated at \$175,000 funded by Surface Water Management fees.
- **SW31 Drainage Improvements and Street Repair at 66th Ave NE/195th Pl.** This project is still under design with construction anticipated for 2019 in the amount of \$115,000 funded by Surface Water Management fees.
- **SW32 61st Ave Stabilization.** This new project is at 5% design stage with an anticipated budget of \$150,000 programmed for 2021 funded by Surface Water Management fees.
- **SW 33 Drainage Improvement and Facility Retrofit Design** for this project will begin in 2020, estimated at \$100,000 with construction anticipated in 2021 and estimated to be \$500,000. Prioritization and selection of the specific facility will occur after 2019 inspections are complete in order to select the facility with the highest need for retrofit at that time.

Completion of a Surface Water Fee Analysis in 2018 may result in additions or amendments to the CIP at a later date. Included in the Fee Analysis is review and consideration of a potential Surface Water General Facilities Charge for new construction (similar to an impact fee). Revenue from this potential (not adopted) revenue source is assumed as a funding source in this CIP.

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FISCAL CONSIDERATION:

The City's goal is to adopt and maintain a fiscally balanced Capital Improvement Program that can be used by staff to prioritize and pursue projects. The CIP balances City resources including Park and Transportation Impact Fees, Real Estate Excise Tax, General Fund revenues, Surface Water Utility fees, Strategic Opportunity Fund balances, and grant funds. While a project may show need in future years for grant funds to complete, the project and budget is considered "balanced" and provides a tool to pursue outside funding. The CIP should be considered a programming document with the City of Kenmore adopted budget being the document that actually appropriates funds for project expenditures.

The updated and proposed 2019-2024 Capital Improvement Program includes 29 individual projects which total \$95,490,470 over the six- year planning horizon. \$53,635,137 would be programmed for the upcoming 2019-2020 biennium and, if later adopted, would be incorporated into the biennial budget. The project costs and funding sources are displayed in Exhibits A through E. Also attached are projections of Impact Fees and Real Estate Excise Tax which are Exhibits F, G and H.

At the conclusion of the Public Hearing, an Ordinance 18-0467, amending the Capital Facilities Element of the Comprehensive Plan will be presented for Council approval. If approved, an ordinance to adopt the proposed 2019-2024 Capital Improvement Program for Parks, Transportation, Surface Water, and City Facilities will be presented to the City Council for adoption at a subsequent meeting in September.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

The proposed Capital Improvement Program is consistent with Council Goals, specifically:

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

Implement the Sidewalk Plan

To implement the Walkways and Waterways projects.

To update and continue to implement the Economic Development Plan, with an emphasis on the following key points:

Advance public access to water

Create a vibrant, walkable downtown

To continue to implement a Parks Improvement Plan.

To protect and enhance the water, air and forest environment.



City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Red Barn Engineering Consulting Contract Proposed Council Action/Motion: Authorize City Manager to execute Contract No. 19-C1976, Amendment No. 1 with Red Barn Engineering to continue to perform development engineering inspection services	For Council Meeting Agenda of: <u>September 9, 2019</u> Department: <u>Development Services</u> Prepared by: <u>Bryan Hampson, Director</u> <table style="width: 100%;"> <tr> <td style="width: 70%;"></td> <td style="width: 30%; text-align: center;"><u>Initial & Date</u></td> </tr> <tr> <td>Approved by Department Head:</td> <td style="text-align: center;"><u>BA 8-28-19</u></td> </tr> <tr> <td>Approved by City Attorney:</td> <td style="text-align: center;"><u>N.A.</u></td> </tr> <tr> <td>Approved by Finance Director:</td> <td style="text-align: center;"><u></u></td> </tr> <tr> <td>Approved by City Manager:</td> <td style="text-align: center;"><u>RJK</u></td> </tr> </table> Exhibits: <u>Contract No. 19-C1976 with Amendment No 1</u>		<u>Initial & Date</u>	Approved by Department Head:	<u>BA 8-28-19</u>	Approved by City Attorney:	<u>N.A.</u>	Approved by Finance Director:	<u></u>	Approved by City Manager:	<u>RJK</u>
	<u>Initial & Date</u>										
Approved by Department Head:	<u>BA 8-28-19</u>										
Approved by City Attorney:	<u>N.A.</u>										
Approved by Finance Director:	<u></u>										
Approved by City Manager:	<u>RJK</u>										
<u>INFORMATION/BACKGROUND:</u> The City needs engineering inspection support due to the vacancy of its Development Review Engineer. While in the recruitment process, Red Barn Engineering has been providing this support to the City on an as needed basis since January 2019. The original contract amount was up to the maximum amount the City Manager could approve, \$50,000. This amount is nearly exhausted. While we continue with the recruitment process, additional funding is needed to continue the support until the position is filled. Amendment No. 1 increases the maximum contract amount to \$100,000. Council approval is required because it exceeds the maximum amount the City Manager can approve. Specific tasks the support services include are inspections for grading, erosion control, stormwater systems, infrastructure, and other activities associated with development projects within the City.											
<u>FISCAL CONSIDERATION:</u> The 2019-2020 Biennial Budget included a full-time development review engineer position and \$50,000 general consultant expenditure.											
<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:</u> These services address City Council Goal #'s 1 & 10: 1. Focus and emphasize multimodal transportation safety in the City of Kenmore with a specific focus on pedestrian, bicycle, and other means of travel. 10. Protect and enhance the climate, water, air and forest environment.											

**CITY OF KENMORE CONTRACT NO. 19-C1976
AMENDMENT NO. 1**

The following section of the Contract executed January 4, 2019, between the City of Kenmore and Red Barn Engineering is amended to read in its entirety as set forth (i.e. below or in attachment). All other terms and conditions of the underlying Contract shall remain in full force and effect.

Exhibit A

- 1) The maximum Contract amount is \$100,000.00

DATED this ____ day of _____, 20__.

CONSULTANT:

BY: _____

Title: _____

Address: _____

Phone No.: _____

CITY OF KENMORE:

BY: _____

Rob Karlinsey

Title: City Manager _____

City of Kenmore Contract No. 19-C1976

CONTRACT FOR PROFESSIONAL SERVICES

This Agreement is entered into by and between the City of Kenmore, Washington, a municipal corporation ("City"), and Red Barn Engineering, Inc., ("Consultant") whose principal office is located at 6610 NE 181st Street, Ste 2, Kenmore WA 98028.

WHEREAS, the City has determined the need to have certain services performed for its citizens but does not have the manpower or expertise to perform such services, and

WHEREAS, the City desires to have the Consultant perform such services pursuant to certain terms and conditions,

NOW THEREFORE, in consideration of the mutual benefits and conditions hereinafter contained, the parties hereto agree as follows:

1. **Scope and Schedule of Services to be Performed by Consultant.** The Consultant shall perform those services described in Exhibit "A" of this Agreement. In performing such services, the Consultant shall at all times comply with all Federal, State, and local laws and regulations applicable to the performance of such services. The Consultant shall perform the services diligently and completely and in accordance with professional standards of conduct and performance. The Consultant shall request and obtain prior written approval from the City if the scope or schedule is to be modified in any way.

2. **Compensation and Method of Payment.** The Consultant shall request payment for work performed using the billing invoice form at Exhibit "C."

The City shall pay Consultant [Check applicable method of payment]:

X According to the rates set forth in Exhibit "B."

 A sum not to exceed \$ per year.

____ Other (describe): _____

The Consultant shall complete and return to the City Exhibit "D," federal tax Form W-9, prior to or along with the first billing invoice. The City shall pay the Consultant for services rendered within ten (10) days after City Council voucher approval.

3. **Duration of Agreement.** This Agreement shall be in full force and effect for a period commencing January 1, 2019 and ending, December 31, 2019, unless sooner terminated under the provisions of this Agreement. Time is of the essence of this agreement in each and all of its provisions in which performance is required.

4. **Ownership and Use of Documents.** Any records, files, documents, drawings, specifications, data or information, regardless of form or format, and all other materials produced by the Consultant in connection with the services provided to the City, shall be the property of the City, whether the project for which they were created is executed or not.

5. Independent Consultant. The Consultant and the City agree that the Consultant is an independent Consultant with respect to the services provided pursuant to this Agreement. The Consultant will be solely responsible for its acts and for the acts of its agents, employees, subconsultants or representatives during the performance of this Agreement. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the parties. Neither Consultant nor any employee of Consultant shall be entitled to any benefits accorded City employees by virtue of the services provided under this Agreement. The City shall not be responsible for withholding or otherwise deducting federal income tax or social security or contributing to the State Industrial Insurance Program, or otherwise assuming the duties of an employer with respect to the Consultant, or any employee of the Consultant.

6. Indemnification.

A. Consultant shall protect, defend, indemnify and hold harmless the City, its officers, officials, employees, agents and volunteers from any and all costs, claims, injuries, damages, suits, losses or liabilities of any nature, including attorneys' fees, arising out of or in connection with the acts, errors or omissions of the Consultant, its officers, employees and agents in performing this Agreement.

B. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence.

C. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties.

D. The provisions of this section shall survive the expiration or termination of this Agreement.

7. Insurance. The Consultant shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

A. Minimum Scope of Insurance. Consultant shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent Consultants and personal injury and advertising injury. The City shall be named as an additional insured under the Consultant's Commercial

General Liability insurance policy with respect to the work performed for the City.

3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Professional Liability insurance appropriate to the Consultant's profession.

B. Minimum Amounts of Insurance. Consultant shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

C. Other Insurance Provision. The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Professional Liability, and Commercial General Liability insurance:

1. The Consultant's insurance coverage shall be primary insurance as respects the City. Any insurance, self-insurance or insurance pool coverage maintained by the City shall be in excess of the Consultant's insurance and shall not contribute with it.
2. The Consultant's insurance shall be endorsed to state that coverage shall not be canceled by either party except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

D. Verification of Coverage. The Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to, the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work.

8. Record Keeping and Reporting.

A. The Consultant shall maintain accounts and records, including personnel, property, financial and programmatic records which sufficiently and properly reflect all direct and indirect costs of any nature expended and services performed pursuant to this Agreement. The Consultant shall also maintain other such records as may be deemed necessary by the City to ensure proper accounting of all funds contributed by the City to the performance of this Agreement.

B. The foregoing records shall be maintained for a period of seven (7) years after the termination of this Agreement unless permission to destroy them is granted by the Office of the Archivist in accordance with RCW Chapter 40.14 and by the City.

9. **Audits and Inspections.** The records and documents with respect to all matters covered by this Agreement shall be subject at all times to inspection, review or audit by the City during the performance of this Agreement.

10. **Termination.** This Agreement may at any time be terminated by the City giving to the Consultant thirty (30) days written notice of the City's intention to terminate the same. Failure to provide products on schedule may result in contract termination. If the Consultant's insurance coverage is canceled for any reason, the City shall have the right to terminate this Agreement.

A. The City reserves the right to terminate or suspend this Agreement at any time, with or without cause, upon thirty (30) days prior written notice. In the event of termination or suspension, all finished or unfinished documents, data, studies, worksheets, models, reports or other materials prepared by the Consultant pursuant to this Agreement shall promptly be submitted to the City.

B. In the event this Agreement is terminated or suspended, the Consultant shall be entitled to payment for all services performed and reimbursable expenses incurred to the date of termination.

C. This Agreement may be canceled immediately if the Consultant's insurance coverage is canceled for any reason, or if the Consultant is unable to perform the services called for by this Agreement.

D. The Consultant reserves the right to terminate this Agreement with not less than thirty (30) days written notice, or in the event that outstanding invoices are not paid within sixty (60) days.

E. This provision shall not prevent the City from seeking any legal remedies it may otherwise have for the violation or nonperformance of any provisions of this Agreement.

11. **Discrimination Prohibited.** The Consultant shall not discriminate against any employee, applicant for employment, or any person seeking the services of the Consultant under this Agreement, on the basis of race, color, religion, creed, sex, sexual orientation, age, national origin, marital status, presence of any sensory, mental or physical disability, or other circumstance prohibited by federal, State or local law or ordinance, except for a bona fide occupational qualification.

12. **Assignment and Subcontract.** The Consultant shall not assign or subcontract any portion of the services contemplated by this Agreement without the written consent of the City.

13. **Conflict of Interest.** The Consultant represents to the City that it has no conflict of interest in performing any of the services set forth in Exhibit "A." In the event that the Consultant is asked to perform services for a project with which it may have a conflict, Consultant will immediately disclose such conflict to the City.

14. **Confidentiality.** All information regarding the City obtained by the Consultant in performance of this Agreement shall be considered confidential. Breach of confidentiality by the Consultant shall be grounds for immediate termination.

15. **Non-appropriation of Funds.** If sufficient funds are not appropriated or allocated for payment under this Agreement for any future fiscal period, the City will so notify the Consultant and shall not be obligated to make payments for services or amounts incurred after the end of the current fiscal period. This Agreement will terminate upon the completion of all remaining services for which funds are

allocated. No penalty or expense shall accrue to the City in the event that the terms of the provisions are effectuated.

16. Entire Agreement. This Agreement contains the entire agreement between the parties, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind either of the parties. If there is a conflict between the terms and conditions of this Agreement and the attached exhibits, then the terms and conditions of this Agreement shall prevail over the exhibits. Either party may request changes to the Agreement. Changes which are mutually agreed upon shall be incorporated by written amendments to this Agreement.

17. Notices. Notices to the City of Kenmore shall be sent to the following address:

City Clerk
City of Kenmore
P.O. Box 82607
Kenmore, Washington 98028-0607

Notices to the Consultant shall be sent to the following address:

Red Barn Engineering, Inc.
6610 NE 181st Street Ste 2
Kenmore WA 98028
Phone No.: 425-419-4979

18. Applicable Law: Venue: Attorney's Fees. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. In the event any suit, arbitration, or other proceeding instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be exclusively in King County, Washington. The prevailing party in any such action shall be entitled to its attorney's fees and costs of suit, which shall be fixed by the judge hearing the case, and such fee shall be included in the judgment.

19. Severability. Any provision or part of this Agreement held to be void or unenforceable under any law or regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon the City and the Consultant, who agree that the Agreement shall be reformed to replace such stricken provision or part with a valid and enforceable provision that comes as close as reasonably possible to expressing the intent of the stricken provision.

CONSULTANT:

BY: [Signature]
Rebekah J. Weston, PE
Title: Owner, Red Barn Engineering, Inc
Date: 12/17/2018

CITY OF KENMORE:

BY: [Signature]
Rob Karlinsey
Title: City Manager
Date: 1-4-19

City of Kenmore

Contract for Professional Services

List of Exhibits

Exhibit A Scope of Services

Exhibit B Red Barn Engineering Rates

Exhibit C Billing Invoice Form

Exhibit D W-9, Request for Taxpayer Identification Number

Exhibit E Non Discrimination Agreement

Exhibit F Certificates of Insurance

Exhibit A

Scope and Schedule of Services to be Performed by Consultant

City of Kenmore Contract No. 19-C1976

This scope of work is for on call inspection services for projects and/or permits located within the City of Kenmore.

Scope of Work

When the Consultant's services are required, the City will provide notice to the Consultant. The Consultant will visit the site, perform the inspection and generate a report. Following the inspection, a report will be sent as soon as possible, but not later than 24 hours after the City submits its request.

Additional Provisions

- 1) The maximum Contract amount is \$50,000.00
- 2) Services will be utilized as needed basis.
- 3) Invoices will be sent on monthly basis.

EXHIBIT B: Red Barn Engineering Rates

19-C1976

RED BARN ENGINEERING, INC.
6610 NE 181st Street, Ste 2 Kenmore WA 98028
www.redbarn-engineering.com | 425-419-4979

The rates listed below include all applicable overhead. Rates are valid for the year 2019.

Employee Name	Job Classification	Billing Rate
<i>Last name, First name</i>	<i>Classification</i>	<i>Rate</i>
Bauder, Tom	PE Construction Inspector	\$135
Hansen, Debi	Admin	\$84
Miller, J. Nick	Principal Licensed Surveyor; CAD Drafter	\$120
Rackley, Seth	EIT Construction Inspector	\$90
Vanderburg, Brian	PE Construction Inspector	\$126
Weston, Rebekah	Principal Construction Inspector Emergencies	\$210
Wissler, Brian	PM	\$84

EXHIBIT C

**CITY OF KENMORE
BILLING INVOICE**

To: City of Kenmore
18120 68th Ave. NE
Kenmore, Washington 98028
Phone: (425) 398-8900
Fax: (425) 481-3236

Specific Project: _____

Contract No.: _____

Invoice Number: _____ Date of Invoice: _____

Contractor: _____

Mailing Address: _____

Telephone: () _____

Contract Period: _____ Reporting Period: _____

Amount requested this invoice: \$ _____

Attach itemized description of services provided.

Authorized signature

For Department Use Only

BUDGET SUMMARY

Total contract amount	\$ _____
Previous payments	\$ _____
Current request	\$ _____
Balance remaining	\$ _____

Approved for Payment by: _____ Date: _____

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. Individual. Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. Sole proprietor or single-member LLC. Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. Partnership, LLC that is not a single-member LLC, C corporation, or S corporation. Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. Other entities. Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. Disregarded entity. For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(ii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual	Individual/sole proprietor or single-member LLC
• Sole proprietorship, or	
• Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	
• LLC treated as a partnership for U.S. federal tax purposes,	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or	
• LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4: Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947



City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Interagency Agreement between the City of Kenmore and the Washington State Parks and Recreation Commission, regarding reimbursement for costs for an Environmental Impact Statement (EIS) for the St. Edward Ballfield Improvement Project Proposed Council Action/Motion: Authorize City Manager to execute Contract No. 19-C2061, Amendment No. 1 with Washington State Parks and Recreation Commission, regarding reimbursement for costs for an Environmental Impact Statement (EIS) for the St. Edward Ballfield Improvement Project	For Council Meeting Agenda of: <u>September 9, 2019</u> Department: <u>Development Services</u> Prepared by: <u>Bryan Hampson, Director</u> Initial & Date Approved by Department Head: <u>SA 8/28/19</u> Approved by City Attorney: _____ Approved by Finance Director: _____ Approved by City Manager: <u>pk</u> Exhibits: <u>Contract No. 19-C2061 with Amendment No 1</u>
<u>INFORMATION/BACKGROUND:</u> Additional materials were needed for the Open House scheduled on August 13, 2019. Amendment No. 1 increases the original contract \$7,300. The total, not to exceed amount, is now \$72,405.	
<u>FISCAL CONSIDERATION:</u> The adopted Park Capital Improvement Program (Ordinance 18-0469) includes \$300,000 allocated in 2019 for completion of a SEPA EIS for the St. Edward Ballfield Project. Up to 50% of EIS costs may be eligible for reimbursement through the 2016 State RCO grant for the ballfield project.	
<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:</u> Goal #8 Continue to implement a parks improvement plan.	

Don Hoch, Director



City of Kenmore Contract No. 19-C2061

STATE OF WASHINGTON
WASHINGTON STATE PARKS AND RECREATION COMMISSION

1111 Israel Road SW • PO Box 42650 • Olympia, WA 98504-2650 • (360) 902-8500
Internet Address: <http://www.parks.wa.gov>

July 30, 2019

Bryan Hampson
Development Services Director
City of Kenmore
18120 68th Ave NE
Kenmore WA 98028-2701

Re: **Agreement No. IA 719-424 – Saint Edward State Park – Kenmore Ballfield EIS – Amendment No. One (1)**

Dear Mr. Hampson:

Due to our request for additional environmental consulting services from the Watershed Company, State Parks hereby *modifies* the above agreement as follows:

EXHIBIT A - SCOPE OF WORK

Add the following task to Phase 1. EIS Scoping and Refinement of Alternatives:

1.8 Prepare information and graphics to be presented at the Open House scheduled for August 13, 2019. Eight (8) 36" x 48" boards are planned on the following topics:

- Site overview & ecological context
- Ballfield lighting information
- Synthetic turf information
- Stormwater management information
- Parking information
- Proposed schedule of ballfield play times
- EIS process board
- List of environmental elements

Draft boards and graphics will be presented to State Parks; one round of revisions to the boards will be made following the review. It is anticipated that two sets of boards (16 total) plus one public comment sheet (400 copies) will be provided for the Open House.

COMPENSATION

Compensation for the additional work shall not exceed Seven Thousand Three Hundred and No/100 Dollars (\$7,300.00) Total compensation payable to Consultant for satisfactory performance of the work under this contract shall not exceed **Seventy-Two Thousand Four Hundred Five and No/100 Dollars (\$72,405.00).**

City of Kenmore

Mark Bibeau
Chief Financial Officer, State Parks

Date

Date

wk

cc: Lis Lantz, Approval Supervisor
Jessica Logan, Project Representative
Fiscal

#19-C2061



**INTERAGENCY AGREEMENT
Between
WASHINGTON STATE PARKS AND RECREATION COMMISSION
And
CITY OF KENMORE**



AGREEMENT NO. IA 719-424

THIS AGREEMENT is made and entered into by and between the Washington State Parks and Recreation Commission, hereinafter referred to as "State Parks," and City of Kenmore, hereinafter referred to as the "City".

IT IS THE PURPOSE OF THIS AGREEMENT to have the City reimburse State Parks for an Environmental Impact Statement for the Saint Edward State Park – City of Kenmore Ballfields development proposal (EIS) in connection with the New SEPA Lead Agency Agreement between the City and State Parks Regarding the Proposed Ballfield Development at Saint Edward State Park.

THEREFORE, IT IS MUTUALLY AGREED THAT:

STATEMENT OF WORK

The City shall reimburse State Parks for the EIS work performed by The Watershed Company, State Parks contract # SC 719-302. The scope of work for the contract, also known as "first phase of the EIS process," is attached and made part of this Agreement as Exhibit A.

PERIOD OF PERFORMANCE

Subject to its other provisions, the period of performance of this Agreement shall commence on the date signed by State Parks and shall be completed on December 31, 2019, unless terminated sooner as provided herein. This Agreement shall automatically expire on December 31, 2019, unless otherwise extended by amendment.

PAYMENT

Reimbursement for the work provided in accordance with this Agreement is authorized by RCW 39.34.030 and 39.34.080. The parties have estimated that the cost of accomplishing the work will not exceed **Sixty-Five Thousand, One Hundred Five and No/100ths Dollars (\$65,105.00)**. Reimbursement for satisfactory performance of the work shall not exceed this amount unless the parties mutually agree to a higher amount prior to the commencement of any work which will cause the maximum payment to be exceeded.

BILLING PROCEDURE

State Parks shall submit invoices no more often than monthly. The reimbursement to State Parks for approved and completed work will be made by check by the City within 30 days of receipt of the invoice. Upon expiration of the contract, any claim for reimbursement not already made shall be submitted within 30 days after the expiration date or the end of the fiscal year, whichever is earlier. The invoices from State Parks shall include copies of The Watershed Company's invoices to State Parks that are the basis for the invoices to the City.

RECORDS MAINTENANCE

The parties to this Agreement shall each maintain books, records, documents and other evidence which sufficiently and properly reflect The Watershed Company charges, the invoices from State Parks and the reimbursement from the City for such. These records shall be subject to inspection, review or audit by personnel of both parties, other personnel duly authorized by either party, the Office of the State Auditor, and federal officials so authorized by law. All books, records, documents, and other material relevant to this Agreement will be retained for six years after expiration and the Office of the State Auditor, federal auditors, and any persons duly authorized by the parties shall have full access and the right to examine any of these materials during this period.

Records and other documents, in any medium, furnished by one party to this Agreement to the other party, will remain the property of the furnishing party, unless otherwise agreed.

INDEPENDENT CAPACITY

The employees or agents of each party who are engaged in the performance of this Agreement shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of the other party.

AGREEMENT ALTERATIONS AND AMENDMENTS

This Agreement may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

TERMINATION

Either party may terminate this Agreement upon 30 days' prior written notification to the other party. If this Agreement is so terminated, the parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.

INDEMNIFICATION

Each party shall be responsible for the actions and inactions of itself and its own officers, employees, and agents acting within the scope of their authority.

TERMINATION FOR CAUSE

If for any cause, either party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either party violates any of these terms and conditions, the aggrieved party will give the other party written notice of such failure or violation. The responsible party will be given the opportunity to correct the violation or failure within fifteen (15) working days. If failure or violation is not corrected, this Agreement may be terminated immediately by written notice of the aggrieved party to the other.

DISPUTES

In the event that a dispute arises under this Agreement, it shall be determined by a dispute board

in the following manner: Each party to this Agreement shall appoint one member to the dispute board. The members so appointed shall jointly appoint an additional member to the dispute board. The dispute board shall review the facts and Agreement terms and applicable statutes and rules, and shall make a determination of the dispute. The determination of the dispute board shall be final and binding on the parties hereto.

GOVERNANCE

This Agreement is entered into pursuant to and under the authority granted by the laws of the State of Washington and any applicable federal laws. The provisions of this Agreement shall be construed to conform to those laws.

In the event of an inconsistency between the terms of this Agreement, the scope of work, and/or any applicable statute or rule, the inconsistency shall be resolved by giving precedence in the following order:

- a. applicable statute or rule;
- b. scope of work; and
- c. any other provisions of the Agreement, including materials incorporated by reference.

ASSIGNMENT

The work to be provided under this Agreement, and any claim arising thereunder, is not assignable or delegable by either party in whole or in part, without the express prior written consent of the other party, which consent shall not be unreasonably withheld.

WAIVER

A failure by either party to exercise its rights under this Agreement shall not preclude that party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by an authorized representative of the party and attached to the original Agreement.

SEVERABILITY

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

ALL WRITINGS CONTAINED HEREIN

This Agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

PROJECT MANAGEMENT

The project representative for each of the parties shall be responsible for and shall be the contact

person for all communications and billings regarding the performance of this Agreement.

The Project Representative for City is: Bryan Hampson, Development Services Director, (425) 398-8900

The Project Representative for State Parks is: Jessica Logan, Environmental Planner 5, (360) 902-8679

IN WITNESS WHEREOF, the parties have executed this Agreement.

City of Kenmore

By: RJ Kelly

Title: City Manager

Date: 6-13-19

Washington State Parks and
Recreation Commission

By: Mark J. Dwyer

Title: Chief Financial Officer

Date: 6/21/19

Approved As To Form:
William Van Hook
Asst. Attorney General
02/20/07

RECEIVED ON

JUN 20 2019

CONTRACTS AND
PROCUREMENT

EXHIBIT A
THE WATERSHED COMPANY
SCOPE OF WORK
SC 719-302

This Scope of Work is limited to the first phase of the EIS process, Scoping and Refinement of Alternatives. Once this work is complete, costs will be applied to the tasks of completing the PDEIS, DEIS, and FEIS.

Scope of Services:

Phase 1. EIS Scoping and Refinement of Alternatives	\$45,175
1.1 Data gap analysis, base map, research	
1.2 Site visit with Washington State Parks (Client) and City of Kenmore (Applicant)	
1.3 EIS Scope Development	
1.4 Public Participation Approach	
1.5 Scoping Notice, Public Meeting/Open House/Workshop, and Scoping Report	
1.6 Refine Alternatives	
1.7 Develop/Coordinate Definitions of up to Five Levels of Impact	
Phase 5. EIS Consultant Team Coordination & Project Administration	\$17,920
5.1 Project development, management, coordination	
5.2 Invoicing and progress reports	
Phase 6. Expenses (mileage, copies, GPS, other)	\$2,010

Note: Phases 2, 3 and 4 to be authorized by future contract amendments.
Phases 5 and 6 to be expanded in future contract amendments, to support work performed in Phases 2, 3 and 4.

The total cost for Phases 1, 5, and 6 will not exceed **\$65,105**.

PHASE 1. EIS SCOPING AND REFINEMENT OF ALTERNATIVES

- 1.1 Data gap analysis, base map, and research.** The EIS consultant team will collect and review background information, assemble available mapping data, and identify additional data needs. Propose additional data collection and/or additional analysis to Parks if warranted.
- 1.2 Site Visit with Washington State Parks (Client) and City of Kenmore (Applicant).** The EIS consultant team will attend one site visit with State Parks and City representative(s) to review existing conditions and potential effects of the alternatives.
- 1.3 EIS Scope Development.** The EIS consultant team will develop a preliminary scope for the EIS based on project understanding and available information. The EIS consultant team will attend one EIS scope development meeting with State Parks and City of Kenmore representatives (in-person or via conference call) to confirm the EIS preparation process. The public participation process to be led by State Parks will also be defined during this task. Preliminary alternatives will be defined for inclusion in the EIS scoping

notice. It is our understanding at this time that these will include those listed below (or similar). The EIS consultant team will discuss with State Parks during this task whether a preferred alternative will be described at this time, or later in the EIS process.

- Field lighting with artificial turf
- No field lighting with artificial turf
- Field lighting with an improved natural turf field
- No field lighting with an improved natural turf field
- No action – how the field is used now (no lighting, existing grass)

1.4 Public Participation Approach. The EIS consultant team will assist State Parks with developing a robust public participation approach that will include opportunities for review and comment on the alternatives, as well as review and comment on the elements of the environment to be addressed in the EIS. The approach may include development of a formal public participation plan to specify outreach methods (e.g. postcards, meetings, website) and a preliminary schedule for the EIS process.

1.5 Scoping Notice, Public Meeting/Open House/Workshop, and Scoping Report.

- Prepare a draft Scoping Notice for review and use by State Parks. Include a list of preliminary alternatives to be considered and the list of elements of the environment to be addressed in the EIS.
- *Review and comment on presentation materials developed by State Parks and attend one public meeting during the EIS scoping process. The EIS consultant team will prepare notes for use by State Parks and City of Kenmore following the public meeting.*
- Optional: Prepare a Scoping Report summarizing the EIS scoping process and comments received, as well as how these comments will be used in the SEPA process.

1.6 Refine Alternatives. Participate in one meeting with State Parks and City of Kenmore to refine project alternatives (if appropriate) based on input received during the EIS scoping process. Confirm whether additional discipline reports are needed based on scoping comments received and final definition of the alternatives to be evaluated in the EIS.

1.7 Develop Definitions for up to Five Levels of Impact. Draft language will be developed to aid the consultant team in analyzing the issues consistently. Includes team coordination and communication with the goal of agreement on what constitutes a significant impact and what constitutes reasonable mitigation before proceeding to Phase 2. Includes one round of review and revision if necessary.

Work Products:

- One Draft Scoping Notice *for use by State Parks and City of Kenmore.*
- Public meeting summary notes (one meeting, one version).
- Scoping Report (one version) that captures both public comments and refinements to project alternatives/refinements to the EIS analysis (if any) developed at the follow-up meeting with State Parks and City of Kenmore.
- Definitions for up to five levels of impact (one revision).

5. EIS Consultant Team Coordination and Project Administration

5.1 Project management and coordination. *This task assumes 1.5 hours per week for up to 4 months from Notice-to-Proceed for the Phase 1 work.*

5.2 Invoicing and progress reports. *This task assumes monthly invoices and brief 1-2 page progress reports for up to 4 months from Notice-to-Proceed for the Phase 1 work.*

Assumptions for overall EIS process:

- The overarching assumption is that site-specific technical studies have been completed and provide adequate information to summarize in the EIS with only additional qualitative analysis. If additional studies are determined to be necessary, State Parks will decide whom shall prepare these. If the EIS consultant team is tasked with preparing additional technical studies, this would fall outside of this scope, budget, and preliminary schedule.
- It is assumed that State Parks will lead the public participation process and maintain the website for the Saint Edward Park/City of Kenmore Athletic Fields EIS. The EIS consultant team will support the public participation process through reviewing and commenting on presentation materials developed by State Parks; participating in one public scoping meeting/open house/workshop; one public meeting/open house/workshop during the Draft EIS comment period; and providing one summary for each of these meetings of the discussion and comments received.
- *Comments from State Parks and City of Kenmore on each deliverable will be compiled by State Parks into a single document for delivery to the consultant team.*
- Cost estimate assumes receipt of approximately 100 written public comments on the DEIS (letters or email communication), identifying an average of five issues each.
- Preparation of more than one PDEIS and/or PFEIS for internal review by State Parks/City of Kenmore can be accommodated, provided that the EIS consultant team receives authorization for additional budget and extension of the preliminary schedule.
- If formal public hearings become necessary, participation by members of the EIS consultant team would be contracted separately.
- This scope of work and cost estimate may be affected by factors unknown at this time that may arise in response to public or agency comments or requests at any stage of EIS preparation.
- Time may be transferred from one task to another due to greater or lesser level of effort, provided that each task shall be completed and the total budget shall not be exceeded.
- This proposal includes general coordination with State Parks via email and phone. In-person meetings beyond those specified above are not included. Additional coordination can be added if necessary, under a separate agreement.



City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Resolutions 19-327 and 19-328 providing for support or opposition to Initiative 976, Limits on Motor Vehicle Excise Taxes and Fees Measure.

Proposed Council Action/Motion: Motion to take a position either adopting resolution 19-327 in support of the Initiative or adopting resolution 19-328 in opposition of the Initiative.

Councilmembers and members of the public will be afforded an approximately equal opportunity for the expression of an opposing view.

For Council Meeting Agenda of: September 9, 2019

Department: City Manager's Office

Prepared by: Ryan Lancaster, Graduate Intern

Initial & Date

Approved by Department Head:

Approved by City Attorney:

Approved by Finance Director:

Approved by City Manager:

D.R. via email.

RK for J.G.

RJK

Exhibits/Attachments:

Attachment A: Initiative 976

Proposed resolutions 19-327 and 19-328

INFORMATION/BACKGROUND:

RCW 42.17A.555 states that a legislative body can take action to express a collective decision, or to actually vote upon a motion, proposal, resolution, order, or ordinance, or to support or oppose a ballot proposition so long as (a) any required notice of the meeting includes the title and number of the ballot proposition, and (b) members of the council or members of the public are afforded an approximately equal opportunity for the expression of an opposing view.

Under this statute, the City Council may consider taking a position on the upcoming Initiative 976, Limits on Motor Vehicle Excise Taxes (MVET) and Fees Measure. If City Council chooses to take a position on the initiative it could send a message to residents and voters and help educate them on the issue. Following is a discussion of the facts relating to the measure.

A YES vote would:

- Limit license fees for vehicles under 10,000 pounds to \$30 a year
- Change the assessment base for MVET from manufactures suggested retail price (MSRP) to Kelley Blue Book values
- Repeal Sound Transit's authority to assess a MVET
- Repeal Kenmore's and other agencies authority to establish a transportation benefit district (TBD) and collect fees
- Repeal other various fees and taxes on motor vehicles charged by other agencies

A NO vote would:

- Keep in place current standards for taxes and fees on motor vehicles

History

In 2005 RCW 36.73.170 became effective. This legislation found that citizens of the state could benefit and address transportation needs by forming a transportation benefit district (TBD) that could be a separate taxing entity established by local governments. Kenmore established one in 2012 and has been collecting a car tab of \$20 since. Subsequent legislation allowed cities like Kenmore to dissolve the TBD and keep the \$20 fee in place.

In November of 2008 voters approved the Sound Transit 2 ballot measure. This measure gave authority to Sound Transit to levy a tax to help fund a multitude of projects ranging from express bus services, commuter rail, and 36 miles of light rail. Many of these projects benefit Kenmore residents and are underway, completed, or still being paid off. In 2016 voters approved Sound Transit 3, another ballot measure for increased authority to tax and additional projects. This includes 62 new miles of light rail, bus rapid transit improvements, and sounder train capacity expansion. Sound Transit charges vehicle fees to help fund ST2 and ST3.

In 1999 and 2002 voters capped vehicle registration fees to \$30, but additional legislation like Sound Transit 3, Senate Bill 5987, and the 2005 TBD law allowed for additional car tab fees, property tax on vehicles, and sales tax on vehicle sales to finance additional transportation improvements.

Tim Eyman—the main sponsor of the Initiative—feels that legislation in 1999 and 2002 has been disregarded and that a \$30 cap should be enforced and any other form of vehicle fees and taxes should have to get a two-thirds vote in the legislature to pass. He has filed multiple versions of initiatives related to this issue every year between 2003 and 2018.

Arguments for

Proponents believe registering and owning a car would become more affordable since fees would be capped at \$30. This way voters could not be surprised by large fees when trying to keep their own vehicles. Also, the system for taxation for those that still have authority to levy a tax on cars would be cheaper and more equitable. Instead of being based off of MSRP (more expensive and often not what owners could make if they sold their car) to Kelley Blue Book values (less expensive and what used cars are often appraised by). Proponents also feel that this would help motivate Sound Transit and other agencies to get out of debt and make paying off bonds that were financed with the tax money a priority. Kenmore residents would not have to pay the additional \$20 car registration fee and would not have to pay a yearly tax on their vehicle and could use their money for other things.

Arguments against

Those opposed to the Initiative are afraid that voters will repeal these taxes without thinking about the impact of services and agency budgets. The appeal of a tax break may garner a large amount of votes but citizens will be surprised to find projects they are expecting will not be funded. Kenmore specifically would lose money that funds pavement improvements and potentially bus rapid transit systems. The opposition believes this cut overtime will lead to increased traffic and a reduction in sustainable alternatives to driving. Kenmore residents would also feel the effects of regional transit projects that would not be funded like light rail. Opposition also believes that a tax on the weight of a vehicle is more equitable than a fuel tax because heavier vehicles damage the road, that is why the fee system exists as it does currently and should not be changed.

FISCAL CONSIDERATION:

If the initiative were to pass the City anticipates a loss of approximately \$350,000 a year in car tab fees. These funds are used to pay for road maintenance. This would also impact any projects that the City partners with Sound Transit for because their budget will be significantly impacted. Sound Transit forecasts a loss of 6.95 billion dollars.

<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:</u>
--

5. Support Bus Rapid Transit on 522

**CITY OF KENMORE
WASHINGTON
RESOLUTION NO. 19-327_____**

**A RESOLUTION OF THE CITY COUNCIL OF KENMORE,
WASHINGTON, EXPRESSING SUPPORT FOR INITIATIVE
976, LIMITS ON MOTOR VEHICLE TAXES AND FEES
MEASURE.**

WHEREAS, the City of Kenmore currently has a transportation benefit district and assesses a \$20 car tax on vehicles each year that brings in about \$350,000. This fee is in addition to already imposed state fees and taxes; and

WHEREAS, the continuation of this tax is not in the public interest of Kenmore because car registration fees and motor vehicle excise taxes have become inflated beyond the \$30 fee previously established by voters; and

WHEREAS, the ways and methods through which the motor vehicle excise tax is assessed is unfair and using Kelly Bluebook Values would ensure that any further taxes on vehicles would be reasonable and fair; and

WHEREAS, residents believe Sound Transit does not need to collect said tax and should focus on retiring existing bonds before financing future projects. As well as it being in the public interest to cap any future taxes and fees on motor vehicles at \$30,

WHEREAS, RCW 42.17A.555 states that a legislative body can take action to express a collective decision, or to actually vote upon a motion, proposal, resolution, order, or ordinance, or to support or oppose a ballot proposition so long as (a) any required notice of the meeting includes the title and number of the ballot proposition, and (b) members of the council or members of the public are afforded an approximately equal opportunity for the expression of an opposing view; and

WHEREAS, consistent with RCW 42.17A.555, councilmembers and the public received an approximately equal opportunity to express an opposing view at the September 9, 2019, Regular Meeting,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Kenmore City Council adopts this resolution to express support for Initiative 976 Limits on Motor Vehicle Taxes and Fees Measure.

PASSED BY THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON, AT
A REGULAR MEETING THEREOF THIS 9th DAY OF SEPTEMBER, 2019.

CITY OF KENMORE

David Baker, Mayor

ATTEST/AUTHENTICATED:

Kelly M. Chelin, City Clerk

APPROVED AS TO FORM:

Dawn Reitan, City Attorney

**CITY OF KENMORE
WASHINGTON
RESOLUTION NO. 19-328 _____**

**A RESOLUTION OF THE CITY COUNCIL OF KENMORE,
WASHINGTON, EXPRESSING OPPOSITION FOR
INITIATIVE 976, LIMITS ON MOTOR VEHICLE TAXES AND
FEES MEASURE.**

WHEREAS, the City of Kenmore currently has a transportation benefit district and assesses a \$20 car tax on vehicles each year that brings in about \$350,000 for road maintenance. This fee is in addition to already imposed state fees and taxes; and

WHEREAS, the discontinuation of this tax is not in the public interest because car registration fees and motor vehicle excise taxes have become an integral part of Kenmore's and other agencies budgets. Projects that would improve the quality of life of residents are funded by this tax and would not be completed if the initiative passes; and

WHEREAS, the funds from this tax are used to fund road maintenance and roads could fall in to disrepair without them or a revenue source to replace them; and

WHEREAS, the weight tax and fee system currently in place is more equitable than other alternatives like a fuel tax; and

WHEREAS, voters approved Sound Transit initiatives 2 and 3 previously giving the authority to levy said taxes and fees with the expectation of receiving public transportation improvements,

WHEREAS, RCW 42.17A.555 states that a legislative body can take action to express a collective decision, or to actually vote upon a motion, proposal, resolution, order, or ordinance, or to support or oppose a ballot proposition so long as (a) any required notice of the meeting includes the title and number of the ballot proposition, and (b) members of the council or members of the public are afforded an approximately equal opportunity for the expression of an opposing view; and

WHEREAS, consistent with RCW 42.17A.555, councilmembers and the public received an approximately equal opportunity to express an opposing view at the September 9, 2019, Regular Meeting,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Kenmore City Council adopts this resolution to express opposition for Initiative 976 Limits on Motor Vehicle Taxes and Fees Measure.

PASSED BY THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON, AT A REGULAR MEETING THEREOF THIS 9th DAY OF SEPTEMBER, 2019.

CITY OF KENMORE

David Baker, Mayor

ATTEST/AUTHENTICATED:

Kelly M. Chelin, City Clerk

APPROVED AS TO FORM:

Dawn Reitan, City Attorney



City Council Business Agenda Item City of Kenmore, WA

Subject/Topic: School Impact Fees

Proposed Council Action/Motion:

Direct staff to include/not include the School District's proposed increased school impact fees in the Fee Resolution.

For Council Meeting Agenda of: September 9, 2019

Department: Community Development

Prepared by: Debbie Bent, Community Development Director and Lauri Anderson, Principal Planner

Approved by Department Head: Initial & Date
LA GV DB, 8/14/19

Approved by City Attorney:

Approved by Finance Director:

Approved by City Manager:

JG/EC
RJK

Exhibits/Attachments:

1. Northshore School District - 2019 Capital Facilities Plan
2. School impact fees in other districts
3. Other Kenmore fees for new development

INFORMATION/BACKGROUND: Traci Rogstad with the Northshore School District (NSD) will be present at your meeting on September 9 to request increases in school impact fees and to answer Councilmember questions about those fees. Although the District may request school impact fees, it is a City Council decision to approve or not approve them through adoption of the City's annual fee resolution.

Current school impact fees are: Single-family: \$10,573
 Multifamily: \$0

Proposed school impact fees based on the Northshore School District's 2019-2025 Capital Facilities Plan (see Attachment 1) are:

Single-family: \$20,092
Townhome and Multifamily (2+ bedroom): \$3,540

The District's Capital Facilities Plan (CFP) provides more detail on the fee calculations beginning on page 31.

King County, Snohomish County and the City of Bothell have adopted the school impact fees recommended in the District's 2018 CFP: \$16,038 for single-family and \$1,818 for multifamily. King County and the City of Bothell will be considering the District's 2019 request this fall. Snohomish County will review their school impact fees in 2020.

The City of Woodinville adopted school impact fees of \$10,573 based on the 2017 CFP. They also will be considering adoption of the 2019 fees this fall.

The City of Kirkland, while technically within the District's boundaries, has no undeveloped residential land that sits within the District's boundaries and no school impact fees are proposed.

Attachment 2 provides information on school impact fees assessed in other school districts.

After NSD's presentation, staff is looking for direction from the Council on how to amend the 2020 fee schedule for school impact fees. The fee schedule resolution is scheduled for City Council consideration in November and the new fees would be effective January 1, 2020.

Options for the Council include:

I:/City Clerk/Agenda Items/Templates

- Adopt the fee increases as proposed
- Modify the fee increases as proposed
- Retain the existing fees.

While the City cannot charge a school impact fee greater than that resulting from the impact fee calculation, the City does have the ability to lower the fee. During recent consideration of the City's park impact fees, the Council chose to adopt a lower fee for new (additional) mobile homes in a mobile home park. (Replacement mobile homes are not assessed a fee and new manufactured homes outside of mobile home parks are assessed the single-family rate.) In the case of park impact fees, fees for new mobile homes added to a mobile home park were reduced 50% from the fee charged for new single-family residences.

Along with school impact fees, the City imposes impact fees for parks and roads. An additional charge for surfacewater improvements is assessed. Attachment 3 shows these other fees and how the Northshore School District's recommended changes would impact the total assessments.

Background:

The City Council adopted school impact fees for single-family residences and townhomes in May 2018. At that time, the District did not propose a fee for multifamily development. In February 2019, the City Council revised the school impact fee regulations to place townhomes into the "multifamily development" category.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

- Comprehensive Plan Policy PS-4.1.2: "Coordinate and communicate with the appropriate school districts on issues of mutual interest including school facility location/expansion, impacts of new development, impacts of school facilities and activities on the community, parks and recreation programs, population and growth projections, and school involvement in the community."

CAPITAL FACILITIES PLAN 2019 - 2025

NORTHSHORE SCHOOL DISTRICT NO. 417
3330 MONTE VILLA PARKWAY BOTHELL, WASHINGTON 98021-8972

"STRENGTHENING OUR COMMUNITY THROUGH EXCELLENCE IN EDUCATION"

BOARD OF DIRECTORS

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Amy Cast	Director
Bob Swain	Director
Jacqueline McGourty	Director

Dr. Michelle Reid, Superintendent

Adopted by NSD School Board July 8, 2019

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SECTION 1 -- INTRODUCTION

Purpose of the Capital Facilities Plan

The Washington State Growth Management Act outlines thirteen broad goals including the adequate provision of necessary public facilities and services. Public schools are among these necessary facilities and services. Public school districts adopt capital facility plans to satisfy the requirements of RCW 36.70A.070 and to identify additional school facilities necessary to meet the educational needs of the growing student populations in their districts.

The Northshore School District (District) has prepared this six-year Capital Facilities Plan (CFP) in accordance with the Washington State Growth Management Act, the Codes of King and Snohomish Counties, and the cities of Bothell, Kenmore, and Woodinville. This CFP is intended to provide these jurisdictions with a description of projected student enrollment and school capacities at established levels of service over the six-year period 2019-2025. It also provides longer-term enrollment projections. The role of impact fees in funding school construction is addressed in **Section 9** of this report.

The District updates its Capital Facilities Plan on an annual basis and the most recent update was adopted by the Board of Directors in June 2018. The annual update is submitted to King County for its annual review and adoption. Snohomish County updates school district CFP's on a biennial basis – the next scheduled review will be the 2020 CFP update

Summary

Over the past six years, District enrollment has grown by 2,694 students – averaging 449 new students each year - the equivalent of one average-size new elementary school each year for the last six years. In the last two years alone, the District grew by 1,337 students and projects another 1,232 new students over the next six years. Overall enrollment is tracking a bit above last year's projection and the long range projection models of the last few years, at a time when some neighboring districts are, more recently, experiencing flattening or declining enrollment. This last year, kindergarten and first grade enrollment came in above projection. The District's share of the King County kindergarten population is the largest it has been in over two decades.

Similar to the 2018 CFP, there are questions about future growth and whether or not it will continue at a rate at or above projections, or if growth will begin to stabilize. Many of the housing projects in the North end are reaching completion and the pipeline of new single family housing is currently shrinking. There are however, multiple townhome and some multi-family projects that could produce enrollment gains. The District does not have a reliable statistical history with townhome development to

project student generation rates accurately. At the present time, student generation rates from townhome units more closely resemble student generation rates from apartments and condominiums. Since this type of development is new to this area, and new projects tend to have at least 3-bedrooms, the District is very closely monitoring the actual student generation within each service area. There are 2,493 active multi-family units, including townhomes in the pipeline as compared to 1,631 active single family units. As long as these units sell and become occupied in the next few years, we anticipate growth at or above mid-range projections. Very few of the townhomes or multi-family developments are studio or 1-bedroom units and most boast at least 3-bedrooms.

The sale of new homes in the District in both 2016 and 2017 were the highest totals experienced since 2007. In 2017-2018, the District grew at a faster rate than the rest of King County, increasing its share of the K-12 population from 7.5% to 7.7% - for the first time in six years. Continued growth in elementary enrollment has resulted in capacity deficits at most schools in the northern and central service areas of the District.

Approval by the community of a 2014 bond measure allowed the District to construct a new high school and implement District-wide grade reconfiguration (K-5, 6-8 and 9-12) to provide some elementary capacity relief. That transition was successfully implemented in time for the beginning of the 2017 school year. Grade reconfiguration, construction and opening of the new North Creek High School, and other associated actions were part of a set of recommendations made by the community based Enrollment Demographics Task Force (EDTF) and unanimously adopted by the School Board at its October 23, 2012 board meeting to address capacity issues and take advantage of instructional program benefits. ***See section 5 for more information on EDTF.***

The 2018 capital bond and 2018 CFP included new projects to add elementary capacity at the "Maltby Road" site (ES#21) and a 30-classroom addition at the existing Skyview Middle/Canyon Creek Elementary site to serve both schools. Additionally, the 2018 bond proposal included a new concert hall with added instruction space at Inglemoor High School. The District's voters approved funding for these projects in February 2018. All three of these 'growth' related projects are currently at varying stages between design development and construction.

This 2019 CFP includes the addition of a middle school at the "Maltby Road" site (MS #7) to be funded from a future bond proposal. The EDTF and bond task force both recommend this project as a means to accommodate growth in the north end of the District as the larger elementary class sizes move through the District grade levels. While state projections of birthrate growth are leveling off from a recent high, the birth rates in King County are projected to remain at current or slightly increasing levels. In addition, the recent and continued new home development in District may continue to necessitate further increases in elementary or middle school capacity.

The 2018 CFP projected a sizeable and growing capacity deficit in the high school

grade band. More recent projections and this 2019 CFP identify a similar capacity deficit as the larger K-5 enrollment works its way through the grade bands. The District has publically discussed and evaluated multiple approaches to address this deficit. Due to opportunity and timing demands, available land-use options/constraints and cost, the District moved forward with purchasing a 3-story (66,000 SF) commercial building located in the Canyon Park Business Park (CPBP) and will minimally renovate the structure for use as a Choice-Program High School beginning fall of 2020. The District currently houses an alternative high school (SAS) and our administrative support services building and warehouse within the business park. The central location of facilities will provide additional economies of scale and other advantages to the proposed location. Additionally, the CPBP Association has approved residential development within the park, placing increased capacity demands on the District in years to come.

As school attendance area adjustments and transportation options continue to be prohibitive in rehousing students to areas of available capacity, the enrollment growth challenge becomes even greater. Continued new development and growth in District has largely been accommodated through limiting waivers at most schools, converting special-use portables and non-classroom spaces into classroom space, placement of additional portable classrooms, and bussing of kindergarten students to schools with available space (taking them away from their home school).

The 2017 CFP included implementation of full-day Kindergarten. This CFP addresses legislatively required K-3 class size changes. There is no specific funding for added capacity needs of the K-3 class size implementation and the District will likely use a combination of staffing calculations and adjustment of space allocation and utilization in elementary schools to meet this requirement. K-3 reduced class sizes do affect the overall capacity demands and calculations for planning.

Overview of the Northshore School District

The Northshore School District spans 60 square-miles and **primarily** serves five jurisdictions: King County, Snohomish County, the City of Bothell, the City of Kenmore, and the City of Woodinville. There are some addresses located in the cities of Brier, Kirkland and Redmond, but they are either in areas not expected to experience any new residential development or in very small areas with previously developed residential areas. For the purposes of the District's CFP and long-term projections, those areas are considered de minimis impacts on the District's grade bands. The King-Snohomish county line divides the District such that roughly two-thirds of District are in King County and one-third in Snohomish County. The District has a population of approximately 140,000 and a 2018 student enrollment of 22,622. As of fall 2018, the District has the 8th largest enrollment in Washington State. There are presently twenty elementary schools, six middle schools, four comprehensive high schools, one alternative high school program, and one early childhood center. The current grade configuration is K-5, 6-8 and 9-12.

The Urban Growth Area boundary (UGA) divides the District, creating capacity

utilization challenges. As new residential development continues to occur even at more moderate rates, land for potential new school sites continues to be scarce. King County does not allow for school siting outside the Urban Growth Boundary, but Snohomish County does provide for school siting via a Conditional Use Permit (CUP) process. The "Maltby Road" site (ES#21) is located outside the UGB and is a very complicated and expensive site to locate a school due to needed extension of utilities, large on-site sewer/septic, complicated easements, and storm water management.

SECTION 2 -- STUDENT ENROLLMENT TRENDS AND PROJECTIONS

Background

Elementary enrollment has been growing over the past several years, primarily due to larger birth cohorts and a consistent increase in new single-family home development. This wave of elementary enrollment growth is beginning to move into the middle and high school grades and is anticipated to continue over the next 5 to 10 years. For the last six years, growth and enrollment have outpaced mid-range projections. The District grew at a faster rate than the rest of King County, increasing its share of the K-12 population from 7.5% to 7.7%.

Projections, based on data provided by state and local jurisdictions, indicate that this trend of a still, relatively-strong real estate market and continued strong birth cohorts will fuel higher enrollments over the next decade. The birth cohorts since 2006 have been substantially larger than the cohorts between 1996 and 2005. As a result, continued growth is expected in K-12 enrollment between 2018 and 2025.

Similar to past years, this year's projections considered regional and local trends in population growth, birth rates, and housing development, analyzing corresponding projections down to the school feeder pattern level. Growth rates were adjusted based on permit information specific to those respective areas. The resulting trends were used to further refine the projection methodology for enrollment forecasts used in this document. The following section describes in more detail the assumptions used to develop the forecast and compares the result of this projection to other available methodologies.

Methodology

Numerous methodologies are available for projecting long-term enrollments. The most common method is known as:

- **Cohort survival** which tracks groups of students through the system and adjusts the populations to account for the average year-to-year growth. For example, this year's fourth grade is adjusted based on the average enrollment trend of the past in order to estimate next year's fifth grade enrollment. This calculation method considers the past five years' trends to determine the average adjustment factor for each grade, or cohort.

The method works well for all grades except kindergarten, where there is no previous year data. For kindergarten, two methodologies are generally used:

- A linear extrapolation from the previous five years of kindergarten enrollment, assuming that there is a trend;
- Or, alternatively, a comparison of the kindergarten enrollment to births from five years prior can be used to calculate a “birth-to-K” ratio. For example, kindergarten enrollment in 2017 is divided by the total births in King and Snohomish counties in 2012 to produce a “birth-to-K” ratio. The average ratio for the last five years can then be applied to births in subsequent years to estimate kindergarten enrollment.

The **cohort survival** method has been used by OSPI to predict enrollment for all school districts in the state for the limited purpose of the School Construction Assistance Program. In past years, OSPI has used a 6-year cohort average for grades 1-12 and a **linear extrapolation** method at kindergarten. In 2008, OSPI commissioned a study to evaluate the effectiveness of this method for predicting enrollment. The report recommended the use of the “birth-to-K” method for predicting kindergarten enrollment and the use of a housing adjustment factor for districts that are likely to be impacted by large numbers of new housing developments.

The **cohort survival** method generally works well for districts that have a consistent trend of gradual increases or declines in enrollment. It is less reliable in districts where spikes in demographic trends (especially a marked increase or decrease in new housing) can lead to dramatic swings in enrollment from one year to the next. In addition, the use of the linear extrapolation method at the kindergarten level can result in a distorted trend since it does not consider changes in birth rate trends. Combining cohort survival with other information about births, housing, regional population trends, and even trends in service area and private school enrollment can sometimes provide for a more accurate forecast.

Trends/Projections

There are currently 1,631 new single family homes in the pipeline in the District and 2,493 multi-family units. While there are still enrollment pressures due to active, recent and continued growth in the north-end of the District (the Fernwood, Kokanee, Crystal Springs and Canyon Creek Elementary service area), the multi-family development is beginning to spread throughout the District, which could eventually place capacity demands on schools that have historically been able to assist in absorbing growth from areas with heavier development or alternative program space.

On average, the District saw over 500 new home sales per year (District-wide) over the past five years. Building permit information that the District has received from the jurisdictions show continuing strong new home construction and resulting enrollment gains over the six-year period in this forecast. While many of the larger housing developments in the north end are reaching completion and available land is shrinking

for new single family homes, the sale of new homes in 2016 and 2017 were the highest in the District since 2007. The market has softened, and there is a slight reduction in the pipeline for new single family homes (although still strong), yet the District is experiencing a relatively large increase in active townhome construction and planned townhome developments. From a student generation perspective, it could take a few years for enrollment numbers to be impacted, as those townhomes complete construction, sell and become occupied.

The District's K-5 enrollment has steadily increased in recent years, with kindergarten and first grade enrollment above projections in the fall of 2018, and continued increases projected over the next three years. The medium range projections then show a slight decline in the later years of the planning period. The District intends to watch K-5 enrollment closely and will update the projections and related planning as necessary based on actual experience. However, given recent trends and knowledge of development within the pipeline, the District expects to see continued growth at the K-5 level throughout the six year planning period and beyond.

TABLE 2-1**FTE Enrollment Projections (medium range), incl. housing permit & birth rate data**

Grade	Actual	Projections					
	18/19*	19/20	20/21	21/22	22/23	23/24	24/25
K	1714	1721	1748	1761	1709	1736	1748
1	1793	1860	1752	1757	1747	1702	1729
2	1747	1861	1901	1801	1796	1786	1740
3	1872	1774	1862	1912	1801	1797	1786
4	1801	1913	1786	1884	1924	1813	1808
5	1890	1825	1909	1791	1880	1920	1809
6	1776	1922	1854	1940	1820	1910	1952
7	1815	1777	1920	1852	1938	1818	1909
8	1707	1834	1793	1937	1869	1956	1835
9	1720	1750	1871	1819	1986	1916	2005
10	1784	1720	1750	1871	1819	1997	1926
11	1477	1695	1643	1663	1778	1738	1907
12	1526	1436	1656	1597	1616	1737	1698
Total K-5	10,817	10,954	10,958	10,905	10,856	10,754	10,622
Total 6-8	5,298	5,533	5,567	5,730	5,627	5,684	5,697
Total 9-12	6,507	6,601	6,920	6,950	7,200	7,387	7,535
Total	22,622	23,088	23,445	23,585	23,683	23,825	23,854

Table 2-1 above, shows the enrollment forecast that combines cohort survival methodology with information about new housing, the District's predicted share of the King and Snohomish County births, and any predicted gains or losses in the District's market share. Market share refers to the District's share of the K-12 public school

population in the region as well as any expected effect from private schools. For this forecast, the average rollup at existing grades was combined with estimates of growth expected from new housing, and assumptions about market share gains or losses that the District is likely to see at certain grade levels. Estimates of housing growth for this model were obtained from building permit information provided by the respective jurisdictions. Overall enrollment is predicted to increase between 2019 and 2025. Middle School and High School enrollment are projected to grow more strongly in the forecasted period as the larger elementary classes from recent years roll up through the grades.

Middle School (6-8) enrollment is projected to increase from 5,298 in October 2018 to 5,697 by October 2024. High School enrollment (9-12) is projected to increase from 6,507 in October 2018 to 7,535 by October 2024. In total, the projected K-12 increase in enrollment is 1,232 over the six-year period. While elementary enrollment is expected to level off some during the next six years, the grade span continues to show overall enrollment growth beyond the six-year planning period.

Long Range Projections

The methodology described above was extrapolated to 2028 to produce a longer-range forecast. (**Table 2-2**) In general, this model assumes that enrollment in the period between 2024 and 2028 will grow at a rate that is similar to the overall growth in Snohomish County. Similar to the methodology used above, the average cohort survival rollup-rate for each grade was calculated and applied at each grade level to predict the growth in each subsequent year. Kindergarten was projected using the "birth-to-K" ratio method described *in section 2*.

Longer-range birth forecasts were arrived at by applying the most recent average of the birth rates in each county (two-year average) to the projected number of women expected to reach their child-bearing years over the next decade (using forecasts from the Office of Financial Management at the State of Washington). The average "birth-to-K" ratio for the last 5 years was then applied to the projected births to predict kindergarten enrollment. A growth factor was then applied to each of the grade level projections (K-12) to account for expected K-12 population growth between 2026 and 2035 (**Table 2-2.1**). This factor was based on a forecast of Snohomish County K-12 enrollment that used cohort survival trends, birth forecasts, and projected population growth for the county (again using the medium range county forecast obtained from OFM).

Using this methodology, the District's enrollment shows continued growth from 2024 to 2028. Enrollment in 2024 is projected to be 23,854 and 24,089 in 2028. This longer range model assumes that the State forecasts of births, K-12 growth, and continued population growth for the Puget Sound are reasonably accurate.

Future growth trends are uncertain. Changes in population growth, fertility rates, new housing development slowdown, or a sharp downturn in the economic conditions in the Puget Sound region could have a major impact on long term enrollment, making it significantly lower or higher than the current estimate. Given this uncertainty, the

current projection should be considered a reasonable estimate based on the best information available, but subject to change as newer information about trends becomes available.

TABLE 2-2**Projected FTE Enrollment**

grade band	2019	2025	2028
Elementary:	10,954	10,670	10,863
Middle School:	5,533	5,719	5,631
High School:	6,601	7,599	7,595
Total:	23,088	23,988	24,089

TABLE 2-2.1**Projected FTE Enrollment - 2035 OFM Estimates***

grade band	2019	2025	2035
Elementary:	10,954	10,670	11,756
Middle School:	5,533	5,719	5,753
High School:	6,601	7,599	7,503
Total:	23,088	23,988	25,012

*Assumes that percentage per grade span will remain constant through 2035;

SECTION 3 -- DISTRICT STANDARD OF SERVICE

Primary Objective

Optimizing student learning is the heart of what the Northshore School District strives for in establishing its service standard for classroom capacity utilization. This requires a constant review and assessment of programs, curriculum and instructional changes, student learning behaviors, learning environments, technological innovations and program development. Equitable access to programs for all students is also a school board driven goal and the District is continually striving for process and methods in which all students have the ability to access the best learning environment. Additional variables include changes in mandatory requirements dictated by the state, such as the implementation of full day kindergarten, Core 24 graduation requirements and the 2019 fall implementation of K-3 class size ratios. These elements as well as demographic projections are weighed when determining service levels.

Grade Reconfiguration and Instructional Program Changes

In the fall of 2017, the District implemented a reconfiguration of its instructional model to a four-year (9-12) high school, a (6-8) middle school and a (K-5) elementary school model. The District has been successful in generating high graduation rates and test scores, but the developmental needs and maturity level of students are more effectively met by providing fewer transitions between critical grades and a more effective match of resources with the needs of students. Additionally, grade reconfiguration provided some capacity relief at the elementary grade span.

Existing Programs and Standards of Service

The District currently provides traditional educational programs and nontraditional programs (**See Table 3-1**) such as special education, expanded dual language education, intervention programs (social/emotional and academic), alcohol and drug education, preschool and daycare programs, home school, computer labs, music programs, movement programs, etc. These programs are regularly reviewed to determine the optimum instructional methods and learning environments required at each school, with added attention to equitable access across the District. The required space for these programs as well as any supporting space is determined by noise, level of physical activity, teacher to student ratios, privacy and/or the need for physical proximity to other services/facilities. Adequate space must exist for program flexibility, differing learning styles, program changes, project/problem based learning and pre- and post-school activities. For example, service level capacities in rooms utilized for programs such as special education would reflect lower capacities of the defined service levels (**See Table 3-2**), eight students per classroom instead of 24 students per classroom. Table 3-2 is representative of 2018 class sizes and will change for 2019 with implementation of K-3 class size ratios.

Special teaching stations and programs offered by the District at specific school sites are included in **Table 3-1**.

TABLE 3-1
Programs and Teaching Stations

	Elementary	Secondary
Computer Labs	X	X
Group Activities Rooms	X	
Early Childhood Headstart (Federal) ECEAP (State) Elementary Advanced Placement (EAP)	X	
Advanced Academic Placement (AAP)		X
All Day Kindergarten	X	
Parents Active in Cooperative Education (PACE)	X	
Special Education: • Learning Centers (LC) • Mid-Level (Sensory; Social Emotional at elementary. Positive Behavior Support at secondary) • Blended • Functional Skills & Academics • Adult Transitions Program (ATP) for 18-21 year olds	X	X
Learning Assistance Program (LAP)/Title I (Elementary & Middle School)	X	X
English Language Learners (ELL)	X	X
Title I	X	
Dual Language (DL)	X	
Highly Capable	X	
Home School Northshore Networks Parent Partnership	X	X
Alternative School Program		X
Career Technical Education (CTE) – including specialized programs such as Automotive, Composites, Culinary Arts, Robotics, Sustainable Engineering and Design, Project Lead the Way)		X
International Baccalaureate (IB) & Advanced Placement (AP)		X
Running Start		X
College in the High School		X

A number of the programs affect the capacity of some of the buildings housing these programs. Special programs usually require space modifications and frequently have lower class sizes than other, more traditional programs; this potentially translates into greater space requirements. These requirements affect the utilization of rooms and result in school capacities varying from year to year (as programs move or grow, depending on space needs, capacity can change or decline in a school).

Teaching station loading is identified in **Table 3-2**. Class sizes are averages based on actual utilization as influenced by state funding and instructional program standards. The District's standard of service is based on state and/or contractual requirements. As previously discussed, this 2019 CFP update fully implements K-3 mandated class size ratios in projections beginning fall of 2019, as required by state law. This impact will be discussed in more detail in Section 4 & Section 5.

TABLE 3-2
Standard of Service –Class Size (Average-2018)

Classroom Type	Elementary – Average Students Per Classroom	Middle School – Average Students Per Classroom	High School – Average Students Per Classroom
Kindergarten	22	NA	NA
Regular, Alternative, EAP, AAP, AP, IB	24	24	27
Regular (portables)	24	24	27
Special Education – Mid Level	12	12	12
Special Education – Functional Skills and Academics	8	8	8
Blended (15 regular & 6 special education students)	21	NA	NA
Special Education Preschool	8	NA	NA
CTE	NA	24	27

SECTION 4 – CAPITAL FACILITIES INVENTORY

Inventory

Under the Growth Management Act, a public entity must periodically determine its capacity by conducting an inventory of its capital facilities.

Table 4-1 summarizes the capacity owned and operated by the District. Information is also provided on relocatable classrooms (portables), school sites and other District owned facilities or land.

Variations in student capacity between schools are often a result of the number of specialized programs offered at specific schools. These programs require classroom space, which can reduce the permanent capacity of the school. Further, capacities will change from year-to-year based on changes to existing instructional programs, projected future programs and the resulting required space needed to deliver the instructional model at each specific site. To monitor this, and for use in preliminary capacity planning, the District establishes classroom capacities for planning purposes. This is the maximum number of students a school can accommodate based on a standard room capacity. These figures are then compared to the actual room utilization rate on a regular basis.

Capacity takes into consideration the specific programs that actually take place in each of the rooms. For example, capacities in rooms utilized for programs such as special education would reflect the defined service levels (*see Table 3-2*), ranging from 8 to 24 students per room. Because of the need to provide planning time and space for teacher preparation or other required services, some facilities will only support a capacity utilization of 85%. In secondary schools, the utilization percentage may be higher. Capacities are updated annually in the CFP to reflect current program needs and classroom utilization.

Implementation of voter & legislatively mandated K-3 class size ratios becomes effective in fall of 2019. While the District expects to address this demand with a combination of class utilization adjustments and staff ratios, it is important to identify the overall impact on classroom capacity for planning purposes. **Table 4-3** shows the impacts of class utilization adjustments on regular classroom capacity.

Schools

The District currently operates twenty elementary schools, six middle schools, and four comprehensive high schools. The District also has one alternative secondary school program, a home school program and an early childhood center. In September of 2017, the District opened its fourth comprehensive high school, North Creek High School, but it did not house a 12th grade level for the first year of operation as a transition plan. Beginning in fall of 2018, all four comprehensive high schools were fully operable and housed all four grade levels, 9-12.

TABLE 4-1
2018-19 School Capacity Inventory

School	Year Built	Last Modernization or addition	Permanent Classroom Capacity	Portables	Interim Capacity	% of Total	Total Capacity
Arrowhead	1957	1994/2011	432	3	72	14%	504
Bear Creek	1988	2011	384	0	0	0%	384
Canyon Creek	1977	1999/2008	504	9	216	30%	720
Cottage Lake	1958	2005	288	0	0	0%	288
Crystal Springs	1957	2002/2010	432	8	192	31%	624
East Ridge	1991		384	0	0	0%	384
Fernwood	1988	2002/2010	552	14	336	38%	888
Frank Love	1990		456	11	264	37%	720
Hollywood Hill	1980	2001	360	0	0	0%	360
Kenmore	1955	2002/2011	360	8	192	35%	552
Kokanee	1994		552	12	288	34%	840
Lockwood	1962	2004/2011	528	5	120	19%	648
Maywood Hills	1961	2002	456	9	216	32%	672
Moorlands	1963	2002/2011	552	7	168	23%	720
Shelton View	1969	1999/2011	432	3	72	14%	504
Sorenson ECC *	2002			2	0		-
Sunrise	1985		336	0	0	0%	336
Wellington	1978	2000/2011	480	0	0	0%	480
Westhill	1960	1995/2011	384	5	120	24%	504
Woodin	1970	2003	432	6	144	25%	576
Woodmoor	1994		768	0	0	0%	768
Subtotal			9,072	100	2,400	21%	11,472
Canyon Park	1964	2000/2005	960	2	48	5%	1,008
Kenmore	1961	2002/2008/2012	840	1	24	3%	864
Leota	1972	1998	840	7	168	17%	1,008
Northshore	1977	2004	936	4	96	9%	1,032
Skyview	1992		912	4	96	10%	1,008
Timbercrest	1997		888	0	0	0%	888
Subtotal			5,376	18	432	7%	5,808
Bothell	1953	2005	1,600	0	0	0	1,600
Inglemoor	1964	1993/95/98	1,700	6	162	9%	1,862
Woodinville	1983	1994/08/11/16	1,700	0	0	0	1,700
North Creek	2016	2016	1,550	0	0	0	1,550
SAS	2010		180	0	0	0	180
Subtotal			6,730	6	162	2%	6,892
Total K-12 All			21,178	124	2,994	12%	24,172

*Sorenson Early Childhood Center serves students age 3-5yrs and does not provide any capacity for K-5 grades

Relocatable Classroom Facilities (Portables)

Portable classrooms provide temporary/interim classroom space to house students until permanent facilities can be constructed and to prevent over-building of permanent capacity. Traditionally, the District has aimed to keep its total capacity provided by portables at or below 10% to a maximum of 15% percent of its total capacity. However, growth and resulting enrollment increases have resulted in a current utilization of 21% at the elementary grade level being housed in portable or interim classroom space. This percentage fluctuates, impacted by growth and changes in instructional program needs. The 2017 opening of the new high school and the grade re-configuration created some additional permanent capacity at the elementary level, but recent growth for 2017 used that space up quickly and caused only a small reduction in portable/interim space use.

Portables are utilized to help achieve efficient facility utilization and balance economic costs while encouraging innovation and new approaches, particularly for non-core or pilot programs. As funding for permanent capacity is secured through bond financing, or other changes occur, such as the revision of instructional programs or lower enrollment projections; the need for portables is reassessed. While some portables may be removed from sites or re-assigned to non-classroom space, as new schools come online, the District anticipates a continued need at this time, to utilize portables as a critical component of student capacity. In addition, as a part of the District's capacity solution, portables may be moved from one grade band to another grade band to address interim capacity needs. These decisions are made on an annual basis as enrollment demands and future updates to the CFP would note such adjustments.

A typical portable classroom provides capacity for 24 students at the elementary level or 27 at the secondary level. Portables are used to meet a variety of instructional needs. Of the 154 portable classrooms that the District owns, 124 are currently being used as classrooms for scheduled classes. EDTF has recommended that the District begin to phase out older portables as capacity allows, but with recent growth trends, the District continues to be reliant on this interim capacity. All portables are inspected regularly and upgraded as needed, or as systems require.

Within the financial capabilities of the District, the intent has been to minimize the use of portables for scheduled classes. However, as **Table 4-1** indicates, continued growth in the District has pushed reliance on portables for scheduled classrooms to a higher than desired percentage. Not included in the interim classroom capacity are portables that are used for daycare, PTA, conference rooms/resource rooms, OT/PT, LAP, science or other labs, ASB or music or other non-instructional uses. A summary of interim portable capacity and a summary of permanent classroom capacity is presented in **Table 4-2 and Table 4-2.1, respectively**

TABLE 4-2

2018-2019 Interim Classroom Capacity

	Portables	Grades 4-5	Grades K-3	2018 Interim Student Capacity	2019 Interim Student Capacity*
<i>Elementary School</i>					
Arrowhead	5	3		72	72
Bear Creek	-	-		-	-
Canyon Creek	12	9		216	216
Cottage Lake	-	-		-	-
Crystal Springs	10	5	3	192	171
East Ridge	-	-		-	-
Fernwood	17	12	2	336	322
Frank Love	14	7	4	264	236
Hollywood Hill	2	-		-	-
Kenmore	9	4	4	192	164
Kokanee	12	8	4	288	260
Lockwood	6	2	3	120	99
Maywood Hills	10	8	1	216	209
Moorlands	9	7		168	192
Shelton View	4	1	2	72	58
Sorenson ECC**	2	-		-	-
Sunrise	2	-		-	-
Wellington	4	-		-	-
Westhill***	5	3	2	120	202
Woodin	6	6		144	144
Woodmoor	-	-		-	-
Subtotal	129	75	25	2,400	2,345
<i>Middle School</i>		<i>Grades 6-8</i>			
Canyon Park	2	2		48	48
Kenmore	1	1		24	24
Leota	7	7		168	168
Northshore	4	4		96	96
Skyview	4	4		96	96
Timbercrest	1	-		-	-
Subtotal	19	18		432	432
<i>High School</i>		<i>Grades 9-12</i>			
Bothell	-	-		-	-
Inglemoor	6	6		162	162
Woodinville	-	-		-	-
SAS	-	-		-	-
Subtotal	6	6		162	162
Total K-12	154	124			2,939

* capacity changes due to legislatively mandated K-3 class size reduction

**Sorenson ECC serves ages 3-5yrs & does not provide capacity for K-5 grades

***Westhill will have 4 new portables fall 2019

Table 4-2.1

2018-2019 Permanent Classroom Capacity

	Classroom teaching stations	Grades 4-5	Grades K-3	2018 Permanent Student Capacity	2019 Permanent Student Capacity*
<i>Elementary School</i>					
Arrowhead	19	5	13	432	341
Bear Creek	19	8	8	384	327
Canyon Creek	25	2	19	504	371
Cottage Lake	22	4	8	288	232
Crystal Springs	19	3	15	432	327
East Ridge	21	5	11	384	307
Fernwood	25	0	23	552	391
Frank Love	21	0	19	456	323
Hollywood Hill	21	5	10	360	290
Kenmore	21	3	12	360	276
Kokanee	25	3	20	552	412
Lockwood	25	8	14	528	430
Maywood Hills	21	0	19	456	323
Moorlands	26	6	17	552	505
Shelton View	19	5	13	432	341
Sorenson ECC**	0	0	0	-	-
Sunrise	20	5	9	336	273
Wellington	23	7	13	480	389
Westhill	19	3	13	384	293
Woodin	22	2	16	432	320
Woodmoor	34	13	19	768	635
Subtotal	447	87	291	9,072	7,035
<i>Middle School</i>					
		<i>grades 6-8</i>			
Canyon Park	40	40		960	960
Kenmore	36	35		840	864
Leota	35	35		840	840
Northshore	39	39		936	936
Skyview	38	40		912	912
Timbercrest	36	37		888	864
Subtotal	224	226		5,376	5,376
<i>High School</i>					
		<i>grades 9-12</i>			
Bothell	69	66		1,600	1,600
Inglemoor	65	70		1,700	1,700
North Creek	63	63		1,550	1,550
Woodinville	68	74		1,700	1,700
SAS	17	15		180	180
Subtotal	282	288			6,730
Total K-12	953	601	291		19,141
* capacity changes due to legislatively mandated K-3 class size reduction					
**Sorenson ECC serves ages 3-5yrs & does not provide capacity for K-5 grades					

Other Facilities

In addition to 32 school sites, the District owns and operates sites that provide transportation, administration, maintenance and operational support to schools. The District also holds undeveloped properties that were acquired for potential development of a facility for instructional use. An inventory of these facilities is provided in **Table 4-3** below.

The District's new elementary school and eventual middle school is being constructed on the 4709 Maltby Road site.

Table 4-3

Inventory of Support Facilities & Undeveloped Land

Facility Name	Building Area (Sq. Feet)	Site Size (Acres)
Administrative Center (Monte Villa)	49,000	5
Support Services Building	41,000	5
Warehouse	44,000	2
Transportation	39,000	9
4709 Maltby Road: ES#21 & MS#7		33
CP4 – Canyon Park 3-story Commercial Bldg - Renovation to Choice Program High School 2020 224th st SE Bothell, WA	68,000	6
Paradise Lake Site*		26
Wellington Site**		104

**Note: Paradise Lake property is located in King County, outside the Urban Growth Area. In 2012, King County prohibited the siting of schools outside the UGA; although the property was purchased prior to that change, it is not currently useable as a potential school site.*

***Note: The Wellington property is located in Snohomish County, adjacent to the Maltby Urban Growth Area. In 2015, a purchase and sale agreement was signed and entered into between Snohomish County and Northshore School District, but legal challenges ensued and closing of the property sale was delayed until October 2017. The Parties are various stages of mediation/discussion, in hopes of determining a path forward for eventual siting of a school. There is currently no active project at this site, nor are there definitive short or long-term plans for a school siting, at this location.*

SECTION 5 – GROWTH AND PROJECTED FACILITY NEEDS

In 2001, Northshore School District Board of Directors established a board policy to create a standing, community-based taskforce to study District-wide enrollment and demographic changes and the resulting impacts on school capacity needs, instructional programs, or other variables. The Enrollment Demographic Task Force (EDTF) examines enrollment projections, capacity considerations, student impacts, cost impacts, program needs, etc., and boundary adjustments based upon the above. The committee recommends potential solutions to the school board. If approved by the board, these recommended actions are implemented by the District and incorporated into the Capital Facilities Plan.

Over the past six years, District enrollment has grown by over 13% or 2,694 new students. The elementary grade span has grown by 1,750 new students in that time; an equivalent of 3-4 new elementary schools. To accommodate that growth, EDTF identified the following strategies (in order of priority) for the District to employ when addressing existing and future capacity needs. However, by 2017, these strategies had been utilized or maximized, resulting in the need for new school construction recommendations.

Capacity Mitigation Tools Used		
Shorter lead time	Utilize existing spaces more creatively	✓
	Adjust waiver policies	✓
	Adjust program placements	✓
	Move classes to another schools	✓
	Move existing portables	✓
	Install new portables	✓
	Lease space	✓
Longer lead time	Adjust service areas	✓ 2017
	Adjust feeder patterns	✓ 2017
	New construction (North Creek High School)	✓ 2017
	Acquire new property	
	New construction (Maltby site & Skyview/CC)	2020

Since 2006, the District has implemented the following specific, growth-related strategies and continued to-date, where possible:

- Maximized available spaces for classrooms (e.g., moved pre-school and before/after care programs out of classrooms/portables, minimized or eliminated computer labs (replaced with mobile labs), etc.)
- Revised the District's waiver process to help address enrollment growth issues by closing 19 elementary and 3 (then junior high) schools to in- and out-of-District waivers, and moving three-year waivers to one-year-only waivers.
- Restricted the number of full-day kindergarten classes at several schools (until grade-reconfiguration in 2017)
- Moved kindergarten classes to other elementary schools with space to help manage growth (since 2013-2014 school year) (undesired approach)
- **46 portable classrooms** have been placed at elementary schools to accommodate growth in the north/north-central region of the District, the majority of which were placed since 2013 as follows:
 - 2006-2012: 11 portables placed @ 5 elem. schools & 1 Jr.High
 - 2013: 10 portables placed at 3 elementary schools
 - 2014: 10 portables placed at 4 elementary schools
 - 2015: 7 portables placed at 4 elementary schools
 - 2016: 8 portables placed at 5 elementary schools
 - 2018: 1-double portable relocated from middle to elementary school
 - 2019: 4 portables to be placed at 1 elementary school
- **2007 adjusted school service area boundaries** for 10 elementary schools
- **2008-2012 modernization projects** completed at 4 secondary schools
(Canyon Park Jr High, Kenmore Jr High, Bothell HS, Woodinville HS)
- **2009-2011 permanent capacity additions** to 3 elementary schools (Canyon Creek, Fernwood, and Lockwood)
- **2010 property purchase** of 33 acres on Maltby Rd (future school construction site – elementary & middle))
- **2012 property purchase** of 61 acres (now the North Creek High School site)
- **2016 implementations included:**
 - Northshore Primary Center (short-term leased space for Kindergarten)
- **2017 Implementations included:**
 - Opening of North Creek High School
 - District-wide grade reconfiguration (K-5; 6-8; 9-12)
 - District-wide school service area boundary changes
 - District-wide adjustments to feeder patterns
 - District-wide full day Kindergarten implementation
 - Property purchase of Wellington site

In May 2016, the school board approved the following EDTF recommendations specific to accommodating growth:

“Provide flexible capacity to accommodate continued growth and program access by constructing facilities at the “Maltby Road” site (capable of supporting 500 elementary and 700 middle school students) as well as a 24+ classroom wing at the Skyview/Canyon Creek campus. Fund these projects using the 2018 bond for potential opening in fall of 2020; and continue to look for and acquire property to address future anticipated growth in the north/central portions of the District.”

In the fall of 2016 the Capital Bond Planning Task Force (CBPTF) was selected and convened. The CBPTF met over the course of several months to analyze the Board approved EDTF recommendations, including construction of the projects above, as well as capital infrastructure and modernization needs across all schools and District facilities using data collected through a state required facility assessment. The CBPTF made recommendations to the school board for projects included in the 2018 bond measure.

A long-term projection of unhoused students and facilities needs is shown in **Table 5-1**. The capacity shown includes North Creek High School; new elementary capacity in 2020 on the District’s “Maltby Road” site; a classroom addition at Skyview/Canyon Creek (Board approved and 2018 bond approval by voters), new middle school capacity on the “Maltby Road” site in 2023-2024, new high school capacity at Inglemoor, along with the new concert hall (also to be utilized for added instructional space), and a newly planned Choice-Program High School for 400-600 students in 2020/2021. As with any long-term projections, many assumptions and estimates on housing must be made, increasing the risk associated with the accuracy of the projections. However, the District has trended above mid-range projections in years past and with a relatively continued strong real estate and development market, the District needs to plan for continued growth as projected. The legislatively mandated fall 2019 class-size implementation sets a new capacity baseline for elementary schools. There are projected growth and capacity deficits at all grade bands, even with newly planned construction projects to accommodate continued growth in the District.

TABLE 5-1
School Enrollment & Classroom Capacity

	2018-19*	2019-20**	2020-21	2021-22	2022-23	2023-24	2024-25
Elementary Enrollment	10,817	10,954	10,958	10,905	10,856	10,754	10,622
Permanent Capacity	9,072	7,035	7,035	7,735	7,735	7,735	7,735
New Permanent Capacity – Maltby Site			500				
New Permanent Capacity – SV/CC			200				
Capacity in Portables	2,400	2,345	2,345	2,345	2,345	2,345	2,345
Total Capacity including Portables	11,472	9,380	10,080	10,080	10,080	10,080	10,080
Permanent Capacity over/(short)	(1,745)	(3,919)	(3,223)	(3,170)	(3,121)	(3,019)	(2,887)
Total Capacity (w/portables)	655	(1,574)	(878)	(825)	(776)	(674)	(542)
Middle School Enrollment	5,298	5,533	5,567	5,730	5,627	5,684	5,697
Permanent Capacity - Existing	5,376	5,376	5,376	5,576	5,576	5,576	5,576
New Permanent Capacity – Skyview MS			200				700
Capacity in Portables	432	432	432	432	432	432	432
Total Capacity with Portables	5,808	5,808	6,008	6,008	6,008	6,008	6,708
Permanent Capacity over/(short)	78	(157)	9	(154)	(51)	(108)	(121)
Total Capacity (w/portables)	510	275	441	278	381	324	1,011
High School Enrollment	6,507	6,601	6,920	6,950	7,200	7,387	7,535
Permanent Capacity - Existing	6,730	6,730	6,730	6,730	7,330	7,330	7,330
New Perm. Capacity – CHS#5 & Inglemoor				600			
Capacity in Portables	162	162	162	162	162	162	162
Total Capacity with Portables	6,892	6,892	6,892	7,492	7,492	7,492	7,492
Permanent Capacity over/(short)	223	129	(190)	(220)	130	(57)	(205)
Total Capacity (w/portables)	385	291	(28)	542	292	105	(43)
Total Enrollment	22,622	23,088	23,445	23,585	23,683	23,825	23,854
Permanent Capacity - Existing	21,178	19,141	19,141	20,041	20,641	20,641	20,641
Capacity in New Permanent Facilities		-	900	600	-		
Capacity in Portables	2,994	2,939	2,939	2,939	2,939	2,939	2,939
Total Capacity with Portables	24,172	22,080	22,980	23,580	23,580	23,580	23,580
Permanent Capacity over/(short)	(1,444)	(3,947)	(3,404)	(3,544)	(3,042)	(3,184)	(3,213)
Total Capacity (w/portables)	1,550	(1,008)	(465)	(5)	(103)	(245)	(274)

* Actual October 2018 enrollment

**capacity changes due to legislatively mandated K-3 class size changes beginning fall 2019

**TABLE 5-2 –
Year 2028 - Long-term Projection of Enrollment and Capacity**

Assumes added new capacity projects included in this CFP in 2020 based 2018 bond approval & future bond projects

Grade Level	Enrollment	Permanent Capacity	Total Capacity	Permanent surplus/(short)	Total surplus/(short)
Elementary	10,863	7,735	10,080	(2,887)	(542)
Middle School	5,631	5,624	6,756	(73)	1059
High School	7,595	7,330	7,492	(882)	(736)
Total	24,089	20,689	23,628	(3,165)	(226)

SECTION 6 -- GROWTH RELATED PROJECTS

Planned Improvements - Construction to Accommodate New Growth

The continued increase in enrollment has fully exhausted capacity increases from relocating building programs, portable additions and boundary changes. While some elementary capacity relief occurred from grade reconfiguration in the fall of 2017. Growth continues to outpace school capacity. Growth has been concentrated in northern and central portions of the District. In the past 6 years, Fernwood Elementary (FW) and Kokanee Elementary (KO) have received the largest number of new students generated from new home development.

Fernwood Elementary, the District's northern-most elementary school, has experienced growth pushing its total enrollment to nearly 1,000 students; a figure double the size of the permanent capacity the school was built to serve. Currently, the FW campus contains 17 portable classrooms placed to mitigate the rapid growth in the area. Kindergarten classes are currently being bussed to Frank Love, due to capacity constraints. Given the District's northern boundary is less than 1 mile away, constructing a new elementary with proximity to FW and KO, to accommodate the existing student population and continued and projected growth is essential.

In 2010, the District purchased a 33 acre site along State Route 524, referred to as the "Maltby Road" site. The 2018 CFP update reflected:

- Construction of new elementary school capacity at the "Maltby Road" site
- A 30-classroom addition project at the adjacent sites of Skyview Jr. High/MS and Canyon Creek Elementary
- The fall 2017 opening of North Creek High School
- The added concert hall and instructional space at Inglesmoor High School.

This 2019 CFP update also includes construction of the middle school at the “Maltby Road” site, as phase II of the project, - which will be included in a future bond. The middle school will add growth related capacity of 700 students. Additionally, this 2019 CFP update includes the purchase and renovation of the 3-story commercial building and 6-acre lot, in the Canyon Park Business Center, as a future choice-program high school. This high school will provide additional growth related capacity of 400-600 students.

Long-term projections indicate growth of 1,467 new students in the next ten years. The District will continue to monitor the multitude of factors that shape our capacity needs, i.e.; statewide legislative changes, instructional delivery requirements, the economy, changes in planned land use, changes in mandated program requirements, equitable access to programs, building permit activity, and birth rates, in order to help ensure needed instructional space is available when/where needed and will pursue additional land acquisition should construction of additional sites be necessary to accommodate those needs.

Planned Improvements – Existing Facilities (Building Improvement Program)

In a number of other sites where the existing facility layout (building envelope) meets instructional needs and building structural integrity is good, individual building systems (such as HVAC, mechanical, flooring, roofing) are identified for replacement or modernization to extend the life of the overall site and ensure optimal learning environment for students. The 2018 Capital Bond Planning Task Force (CBPTF) made recommendations to the school board for potential building improvement projects to include in the capital bond measure. **See Section 7.**

When North Creek High School was permitted and constructed, there existed a small SE area of the campus – between NCHS and Fernwood Elementary - outside the Urban Growth Boundary (UGB). Through a docket and review process in Snohomish County, that District-owned area has now been brought within the UGB in 2018. The District is evaluating the potential for a small building addition to support the sport fields further away from the main campus building to provide a restroom, storage and potential for weather protected concessions. The District will continue its evaluation of this area for planned improvements to support the District's growth and overall program needs as appropriate. Jurisdictional and environmental review will be conducted as required.

Portable Location Adjustments

Where growth results in capacity deficits at a specific grade band, portables may be relocated from one grade band to another to assist with meeting enrollment projections. **See Section 6** for more detail regarding portables.

Modernizations

The relocations of the alternative program (SAS) and Transportation were completed in fall of 2010. In 2012, modernizations were completed at Woodinville High School (Phase II) and Kenmore Junior High (now Middle School) (Phase III). Phase III of Woodinville High School was completed by fall of 2016.

New Facilities and Additions

Table 6-1		
Planned Construction Projects - Growth Related		
Growth Project	Estimated Completion Date	Projected Student Capacity Added
4709 Maltby Rd "Maltby" Site		
New Elementary Capacity Phase I	2020	500
New Middle School Capacity - Phase II	2023-2024	700
21404 35th Ave SE, Bothell Skyview MS/Canyon Creek		
Elementary & MS expansion	2020	200 K-5, 200 6-8
15500 Simonds Rd NE, Kenmore - Inglemoor High School		
Concert Hall & Instructional Space	2021-2022	100
2020 224th St SE, Bothell - Canyon Park Business Park		
New Choice Program High School	2020-2022	400-600
Portable Facilities	2019-2025	TBD
Small Works Projects to add capacity system wide	2019-2025	TBD

SECTION 7 – CAPITAL INSTRUCTIONAL FACILITIES PLAN

Six Year Capital Instructional Facilities Construction Schedule (Projects in Bold are Growth Related)

School Year	Projects
2019/2020	BIP – Building Improvement Projects Field Improvements Technology Improvements Special Projects Safety/Security • Portable or Modular Additions • Elementary Modernization/Capacity Addition (Maltby & Canyon Creek) • Middle School Modernization/Capacity Addition (Skyview MS) • Inglemoor Concert Hall & Instructional Space • New Small/Choice Program High School – Business Park Commercial Renovation
2020/2021	BIP – Building Improvement Projects Field Improvements Technology Improvements Special Projects Safety/Security • Portable or Modular Additions • Elementary Modernization/Capacity Addition (Maltby & Canyon Creek) • New Middle School (Maltby Phase 2) • Middle School Modernization/Capacity Addition (Skyview MS) • Inglemoor Concert Hall & Instructional Space • New Small/Choice Program High School – Business Park Commercial Renovation
2021/2022	BIP – Building Improvement Projects Field Improvements Technology Improvements Special Projects Safety/Security • Portable or Modular Additions • Elementary Modernization/Capacity Addition (Maltby & Canyon Creek) • New Middle School (Maltby Phase 2) • Middle School Modernization/Capacity Addition (Skyview MS) • Inglemoor Concert Hall & Instructional Space • New Small/Choice Program High School – Business Park Commercial Renovation
2022 - 2028	BIP – Building Improvement Projects Field Improvements Technology Improvements Special Projects Safety/Security • Portable or Modular Additions • New Middle School (Maltby Phase 2) • Inglemoor Concert Hall & Instructional Space • New Small/Choice Program High School – Business Park Commercial Renovation • Growth related 2022 bond projects as identified by EDTF, Capital Bond Task Force and NSD School Board approved

SECTION 8 -- CAPITAL FACILITIES FINANCING PLAN

Funding of school facilities is typically secured from a number of sources including voter-approved bonds, state matching funds, impact fees, and mitigation payments. Each of these funding sources is discussed below.

General Obligation Bonds

Bonds are typically used to fund construction of new schools and other capital improvement projects. A 60% voter approval is required to pass a bond issue. Bonds are sold as necessary to generate revenue. They are then retired through collection of property taxes. Voters approved a bond of \$177.5 million in February 2014 to construct North Creek High School, complete Phase III of Woodinville High School and implement the Building Improvement Projects and other capital infrastructure needs outlined by the Capital Bond Planning Task Force and approved by the school board. The District's Board of Directors, upon the recommendation of the Capital Bond Planning Task Force, sent a \$275 million bond measure to the voters, in February 2018 to provide funding for growth-related projects included in this Capital Facilities Plan as well as other District-wide Building Improvement or capital infrastructure needs, as identified in Table 8-1. The voters approved the bond measure by 60.78%.

State School Construction Assistance

State financial assistance comes from the Common School Construction Fund. Bonds are sold on behalf of the fund then retired from revenues accruing predominantly from the sale of renewable resources (i.e. timber) from state school lands set aside by the Enabling Act of 1889. If these sources are insufficient to meet needs, the Legislature can appropriate General Obligation funds or the Superintendent of Public Instruction can prioritize projects for funding.

State financial assistance is available for qualifying school construction projects, however these funds may not be received until two to three years after a matched project has been completed. This requires the District to finance the complete project with local funds. Site acquisition and site improvements are not eligible to receive matching funds. These funds, as with all state funded programs, have been reduced and given the current state budget, could be eliminated or eligibility criteria and funding formulas revised. Also, if no changes to existing capacity are made, District demographics are projected to result in a loss of eligibility for state match at the secondary level. Eligibility for state match is continually reviewed. The school impact fee formula assumes that the District may receive some portion of state funding assistance for the Inglemoor Concert Hall and added instructional space project, but currently no other projects on the planned construction list, that are adding capacity to meet growth demands were eligible for state school construction assistance. Future updates to this plan will include updated information, as it becomes available.

K-3 Class Size Reduction Grants

In 2015 the Washington State Legislature provided \$234M in funding available for the construction of new elementary classrooms to aid Districts in the need to provide additional space for both full-day Kindergarten and K-3 class size reduction. OSPI administered the grant program and validated the District's need for 64 additional classrooms in order to meet the K-3 class size reduction effort. The District applied for grant funding, but because of prioritization criteria used by OSPI, did not receive any. There is no indication of any future grants being made available.

Impact Fees (See Section 9 for background, detail, and methodology)

The Washington State Growth Management Act (GMA) authorizes cities and counties that plan under RCW 36.70A.040 to collect impact fees to supplement funding of additional system improvements (e.g., public facilities such as schools) needed to accommodate growth from new development. The statute is clear that the financing of needed public facilities to serve growth cannot be funded solely by impact fees but rather must be balanced with other sources of public funds.

Budget and Financing Plan

Table 8-1 is a summary of the budget that supports the Capital Facilities Plan. Each project budget represents the total project costs which include; construction, taxes, planning, architectural and engineering services, permitting, environmental impact mitigation, construction testing and inspection, furnishings and equipment, escalation, and contingency.

Table 8-1
6-Year Capital Expenditures Finance Plan

2019 - 2025 CAPITAL FACILITIES EXPENDITURES PLAN							
\$\$ in 000's	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
PROJECTS ADDING CAPACITY							
SMS/CC Elem & MS Capacity Addition	28,000	8,000	5,000	1,000			
New Elementary capacity – Maltby – 2020	40,000	20,000	5,000	5,000			
New Middle School capacity - future bond		1,000	1,000	50,000	12,000	40,000	40,000
Inglemoor HS concert hall & instructional space	3,000	7,000	18,000	5,000	3,000		
CP4 - choice high school (not bond funded)	20,000	7,000	2,000	1,000			
TOTAL PROJECTS ADDING CAPACITY:	91,000	43,000	31,000	62,000	15,000	40,000	40,000
PROJECTS NOT ADDING CAPACITY:							
Building Improvement Program	20,000	15,000	8,000	5,000	15,000	20,000	20,000
Technology	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Fields	7,000	1,000	2,000	1,000		1,000	2,000
Code Compliance/Small Works	1,000	1,000	1,000	2,000		1,000	1,000
Site Purchase/Circulation			2,000	2,000	1,000	1,000	1,000
Overhead/bond expenses	1,000	4,000	3,000	2,000	1,000	2,000	1,500
Security	1,000	9,000	3,000	1,000		5,000	3,000
TOTAL PROJECTS NOT ADDING CAPACITY:	32,000	32,000	21,000	15,000	19,000	32,000	30,500
CPF & Bond Expenditures	123,000	75,000	52,000	77,000	34,000	72,000	70,500

SECTION 9 -- IMPACT FEES

School Impact Fees under the Washington State Growth Management Act

As described in Section 8, the Growth Management Act (GMA) authorizes jurisdictions to collect impact fees to supplement funding of additional public facilities needed to accommodate growth/new development. Impact fees cannot be used for the operation, maintenance, repair, alteration, or replacement of existing capital facilities used to meet existing service demands. The basic underlying assumption is that growth pays for growth.

Enrollment declines beginning around 2002 kept the District from meeting the required eligibility criteria to collect school impact fees. The District is spread across two counties and also across the urban growth boundary. While development picked up on the north end of the District, there was still ample capacity in the south east area of the District. Because of the statutes and ordinances governing school District eligibility criteria to be able to collect school impact fees, the District was not able to re-establish eligibility for collection of school impact fees until 2016. King County, Snohomish County and the City of Bothell, have all adopted the District's 2018 CFP and are collecting impact fees identified in that plan. The City of Woodinville and the City of Kenmore only began adopting this last year, with the adoption of the District's 2017 CFP, and are collecting impact fees associated with that plan. We anticipate all the above jurisdictions to consider and adopt this 2019 CFP this fall, with their regular budget cycle, except for Snohomish County which will consider the 2020 CFP, as part of their biennial schedule.

Methodology and Variables Used to Calculate School Impact Fees

Impact fees may be calculated based on the District's cost per dwelling unit to purchase/acquire land for school sites, make site improvements, construct schools and purchase/install temporary facilities (portables). The costs of projects that do not add capacity are not included in the impact fee calculations. The impact fee formula calculates a "cost per dwelling unit". New capacity construction costs addressing the District's growth-related needs, are used in the calculation

A student factor (or student generation rate) is used to identify the average cost per NEW dwelling unit by measuring the average number of students generated by each NEW (sold and occupied) housing type (single family dwelling and multi-family dwellings of two bedrooms or more – including townhomes). The student generation rate used is an actual generation of students by grade level that came from new development over a period of five (5) years. The student factor analysis for the District is included in Appendix B. The student factors in *Appendix B* are based on all newly constructed, sold, and occupied units. The District is continuing to use its 2018 student factor analysis for purposes of this update. The District plans to update the 2018 data for the 2020 CFP update.

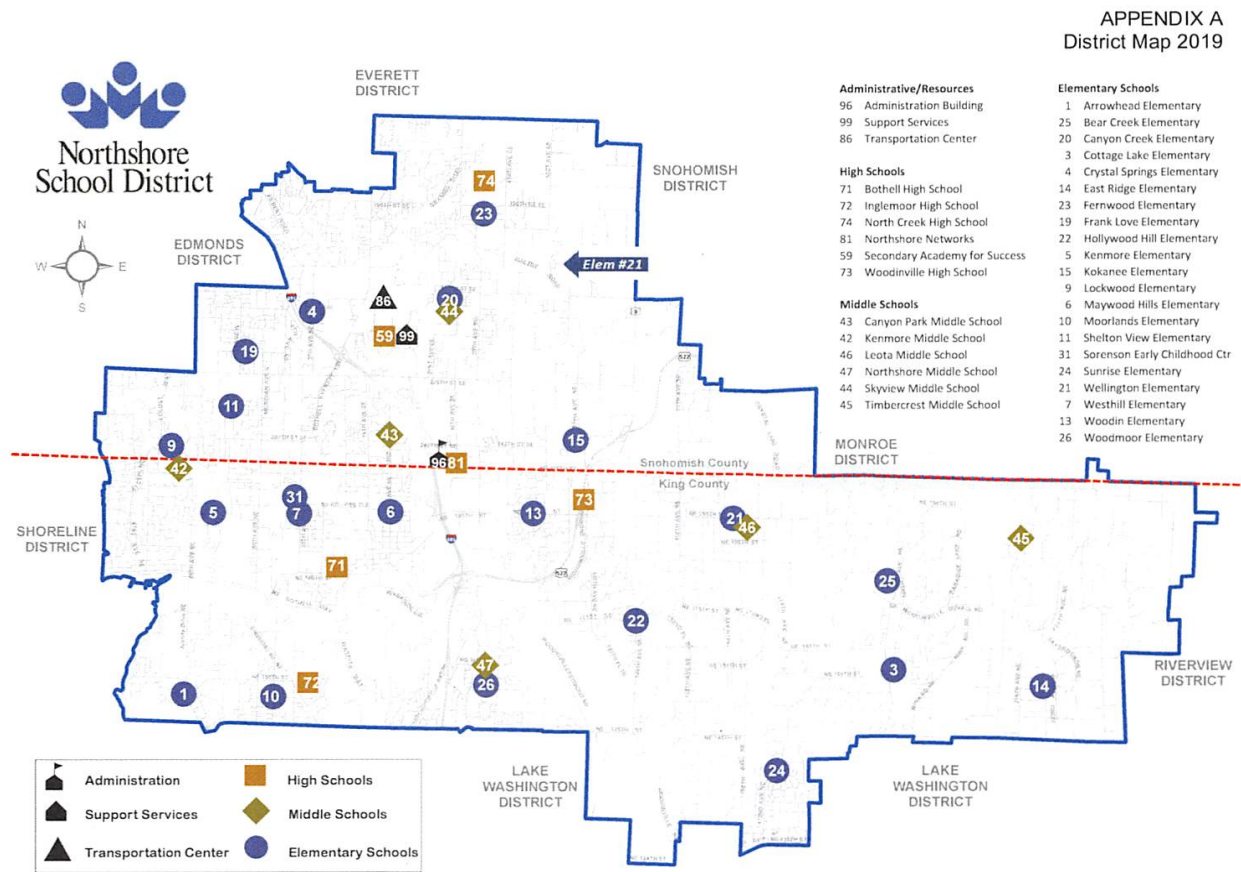
The District's student-generation rate for multi-family dwelling units is much lower than the student generation rate for single-family homes. This likely reflects, in part, that recent new development in the District has been in single family homes. Yet, as available land for single family development is beginning to be constrained, and multi-family development – most notably townhomes, is increasing, we anticipate continued increases in student generation rates from those units over time.

As required under GMA, credits are applied for State School Construction Assistance Funds to be reimbursed to the District, where expected, and projected future property taxes to be paid by the dwelling unit toward a capital bond/levy funding the capacity improvement. Formula driven fees are identified on **table 9-1**.

Snohomish County Code (30.66C) and King County Code (21A.43) establish each jurisdiction's authority to collect school impact fees on behalf of the District. The formula for calculating impact fees is substantively identical in each code. The codes of each of the cities are similar to those of the counties. These codes establish the conditions, restrictions, and criteria for eligibility to collect impact fees. Both counties in District define a school District's "service area" to be the total geographic boundaries of the school District.

The District updates the Capital Facilities Plan on an annual basis and carefully monitors enrollment projections against capacity needs. If legally supportable, the District requests its local jurisdictions to collect impact fees on behalf of the District.

The impact fees requested in this year's Capital Facilities Plan are based on growth related construction projects, including: the new elementary school capacity (500), at the "Maltby Road" site; the added capacity project at Skyview Middle School (200) and Canyon Creek Elementary (200); phase II at the "Maltby Road" site, adding 700 students at the middle school grade band; the addition of instructional space and capacity (100) at Inglemoor High School; and the newly acquired land and commercial building that will be undergoing improvements to house an additional 400-600 high school students.



APPENDIX B
New Development Student Generation

NSD Student Generation Summaries			
Permit Years:		2012-2017	
Permitted Units Districtwide			
	Total Units	Students Generated*	Generation Rate
SF Units	2934	1682	0.573
MF Units	2227	300	0.135
Student Generation Rates by Grade			
GRADE	SF Units Students Generated		SF Generation Rate
K	211		0.072
1	189		0.064
2	203		0.069
3	164		0.056
4	149		0.051
5	136		0.046
6	129		0.044
7	112		0.038
8	111		0.038
9	95		0.032
10	69		0.024
11	68		0.023
12	44		0.015
TD	2		0.001
Total	1682		0.573
GRADE	MF Units Students Generated		MF Generation Rate
K	19		0.008
1	28		0.012
2	18		0.008
3	16		0.007
4	30		0.013
5	26		0.011
6	26		0.011
7	24		0.011
8	19		0.008
9	35		0.015
10	20		0.009
11	15		0.007
12	23		0.010
TD	1		0.000
Total	300		0.131

Level	Rate
K-5	0.359
6-8	0.120
9-12	0.094
<i>Total</i>	0.573

Level	MF Rate
K-5	0.062
6-8	0.031
9-12	0.042
<i>Total</i>	0.135

APPENDIX C
School Impact Fee Calculation
 Single Family Dwelling Unit
 Northshore School District
 2019 CFP

School Site Acquisition Cost:

	Site Size	Cost/	Facility	Site Cost/	Student	Cost/
	<u>Acreage</u>	<u>Acre</u>	<u>Size</u>	<u>Student</u>	<u>Factor</u>	<u>DU</u>
Elementary	10	\$0	700	\$0	0.359	\$0
Middle	20	\$0	200	\$0	0.120	\$0
HS (SFDU)	5.92	\$3,108,108	500	\$36,800	0.094	\$3,459

School Construction Cost:

	Sq. Ft. %	Facility	Facility	Bldg Cost /	Student	Cost/
	<u>Permanent</u>	<u>Cost</u>	<u>Size</u>	<u>Student</u>	<u>Factor</u>	<u>SFDU</u>
Elementary	94.55%	70,969,060	700	\$101,384	0.359	\$ 34,413
Middle	94.55%	68,466,745	900	76,074	0.120	\$ 8,631
HS	94.55%	23,000,000	600	\$38,333	0.094	\$ 3,407

Temporary Facility Cost:

	Sq. Ft. %	Facility	Facility	Bldg. Cost /	Student	Cost/
	<u>Temporary</u>	<u>Cost</u>	<u>Size</u>	<u>Student</u>	<u>Factor</u>	<u>SFDU</u>
Elementary	5.91%	\$0	25	\$0	0.359	\$0
Middle	5.91%	\$0	25	\$0	0.120	\$0
Senior	5.91%	\$0	25	\$0	0.094	\$0

State School Construction Funding Assistance Credit

	Const. Cost	OSPI Sq.Ft/	Funding	Credit/	Student	Cost/
	<u>Allocation</u>	<u>Student</u>	<u>Assist</u>	<u>Student</u>	<u>Factor</u>	<u>SFDU</u>
Elementary	225.97	90	%	\$0	0.359	\$0
Middle	225.97	108	%	\$0	0.120	\$0
Senior	225.97	130	43.65%	\$12,823	0.094	\$1,205

APPENDIX C
School Impact Fee Calculation
 Single Family Dwelling Unit
 Northshore School District
 2019 CFP

Tax Payment Credit Calculation

Average SFR Assessed Value	\$689,645
Current Capital Levy Rate/\$1000	\$1.53
Annual Tax Payment	\$1,055.15
Years Amortized	10
Current Bond Interest Rate	4.09%
Present Value of Revenue Stream	\$8,530

Impact Fee Summary - Single Family Dwelling Unit:

Site Acquisition Cost	\$3,459
Permanent Facility Cost	\$46,452
Temporary Facility Cost	\$0
State SCFA Credit	(\$1,205)
Tax Payment Credit	(\$8,530)
Unfunded Need	\$40,176
50% Required Adjustment	\$20,092
Single Family Impact Fee	\$20,092

APPENDIX C
School Impact Fee Calculation
Multi Family Dwelling Unit
Northshore School District
2019 CFP

School Site Acquisition Cost:

	Site Size	Cost/	Facility	Site Cost/	Student	Cost/
	<u>Acreage</u>	<u>Acre</u>	<u>Size</u>	<u>Student</u>	<u>Factor</u>	<u>MFDU</u>
Elementary	10	\$0	700	\$0	0.0620	\$0
Middle	20	\$0	200	\$0	0.0310	\$0
HS	5.92	\$3,108,108	500	\$36,800	0.0420	\$1,546

School Construction Cost:

	Sq. Ft. %	Facility	Facility	Bldg. Cost /	Student	Cost/
	<u>Permanent</u>	<u>Cost</u>	<u>Size</u>	<u>Student</u>	<u>Factor</u>	<u>MFDU</u>
Elementary	94.55%	\$70,969,060	700	\$101,384	0.0620	\$5,943
Middle	94.55%	\$68,466,745	900	\$76,074	0.0310	\$2,230
Senior	94.55%	\$23,000.000	600	\$38,3330	0.0420	\$1,522

Temporary Facility Cost:

	Sq. Ft. %	Facility	Facility	Bldg. Cost /	Student	Cost/
	<u>Temporary</u>	<u>Cost</u>	<u>Size</u>	<u>Student</u>	<u>Factor</u>	<u>MFDU</u>
Elementary	5.45%	\$0	25	\$0	0.0620	\$0
Middle	5.45%	\$0	25	\$0	0.0310	\$0
Senior	5.45%	\$0	25	\$0	0.0420	\$0

State School Construction Funding Assistance Credit

	Const. Cost	OSPI Sq. Ft/	Funding	Credit/	Student	Cost/
	<u>Allocation</u>	<u>Student</u>	<u>Assistance</u>	<u>Student</u>	<u>Factor</u>	<u>MFDU</u>
Elementary	225.97	90	0%	\$0	0.0620	\$0
Middle	225.97	108	0%	\$0	0.0310	\$0
Senior	225.97	130	43.65%	\$12,823	0.0420	\$539

APPENDIX C
School Impact Fee Calculation
Multi Family Dwelling Unit
Northshore School District
2019 CFP

Tax Payment Credit Calculation

Average MFR Assessed Value	\$292,843
Current Capital Levy Rate/\$1000	\$1.53
Annual Tax Payment	\$448.04
Years Amortized	10
Current Bond Interest Rate	4.09%
Present Value of Revenue Stream	\$3,622

Impact Fee Summary - Multi Family Dwelling Unit:

Site Acquisition Cost	\$1,546
Permanent Facility Cost	\$9,695
Temporary Facility Cost	\$0
State SCFA Credit	(\$539)
Tax Payment Credit	(\$3,622)
Unfunded Need	\$7,080
50% Required Adjustment	\$3,540

Multi-Family Impact Fee	\$ 3,540
--------------------------------	-----------------

ATTACHMENT 2

School Impact Fees in Surrounding School Districts

School District	2018 Fee Single-Family	2018 Fee Multifamily	2019 Fee Single-Family	2019 Fee Multifamily
Lake Washington (Kirkland, Redmond, etc.)	12,294	624	13,633	1,388
Issaquah	15,276	4,399	14,501	9,583
Riverview (Carnation, Duvall)	8,492	2,265	10,271	5,757
Everett	14,250	9,125	Next review 2020	Next review 2020
Monroe	3,956	6,276	Next review 2020	Next review 2020
Mukilteo	4,257	5,768	Next review 2020	Next review 2020

Proposed Northshore School District Fees

School District	Current Fee Single-Family	Current Fee Multifamily	Proposed 2019 Fee Single-Family	Proposed 2019 Fee Multifamily
Northshore	10,573	0	20,092	3,540

The varying fees between districts are due to the numbers within each district that go into the calculation: current construction due to growth; actual student generation rates from new development; local assessed housing value and tax credits from real estate taxes; and 6-year outlook and enrollment projections.

ATTACHMENT 3

Table 1: 2019 Rates Collected by Type of Dwelling Unit

Unit Category	Park Impact Fees	Traffic Impact Fees	School Impact fees	Surface Water Rates	Total
Single-Family	\$2,737.11	\$9,945.64	\$10,573	\$3,500	\$26,755.75
Townhome***	\$1,789.17	\$6,181.12	\$0	\$3,500	\$11,470.29
Apartment***	\$1,789.17	\$7,369.79	\$0	\$*	\$9,158.96 **
Mobile Home****	\$850.56	\$6,647.28	\$10,573	\$3,500	\$21,570.84

* Not based on unit fee, calculation based on percentage of impervious.

** Does not include surface water rates

***Owned or leased

****New mobile home in a Mobile Home Park

Table 2: 2020 Rates Collected by Type of Dwelling Unit with NSD Recommendations

Unit Category	Park Impact Fees (1)	Traffic Impact Fees (2)	School Impact fees (3)	Surface Water Rates (4)	Total
Single-Family	\$3,885	\$9,945.64	\$20,092	\$3,500	\$37,422.64
Townhome***	\$2,980	\$6,181.12	\$3,540	\$3,500	\$16,201.12
Apartment***	\$2,980	\$7,369.79	\$3,540	\$*	\$13,889.79**
Mobile Home****	\$1,942	\$6,647.28	\$20,092	\$3,500	\$32,181.28

* Not based on unit fee, calculation based on percentage of impervious.

** Does not include surface water rates

***Owned or leased. For school impact fees, only 2+ bedroom units are subject to the fee.

****New mobile home in a Mobile Home Park

1. Based on recently approved changes, effective 1/2/2020.
2. Assumes no increase in 2020. However, the fee may be adjusted annually in accordance with a five-year rolling average of the Washington State Department of Transportation Construction Cost Index.
3. Based on Northshore District's 2019 Capital Facilities Plan
4. Assumes no increase in 2020.



Northshore School District

Capital Facilities Plan 2019 Update

Capital Facilities Plan - Background

- The Capital Facilities Plan (CFP) is a 6-year plan that is updated annually.
 - Required under the Washington State Growth Management Act
 - Outlines projected student enrollment, trends and projections over the six-year period 2019-2025
 - Discusses the district's standard of service and capital facilities inventory of capacity
 - Identifies the district's facility needs, growth projects, facilities and financing plan
 - If legally eligible, describes the amount and role of impact fees in funding school construction



Student Enrollment Trends and Projections

- Enrollment grew by 2,694 students over the past six years - 1,377 in the last two years alone
- Projected growth of 1,232 students over the next six years
- Share of King County K-12 population grew from 7.5% to 7.7%



Student Enrollment Trends and Projections

- 1,631 single family homes and 2,493 multi-family units in the pipeline
- Forecast methodology
 - Cohort survival
 - Birth-to-K
 - Housing adjustment for new developments



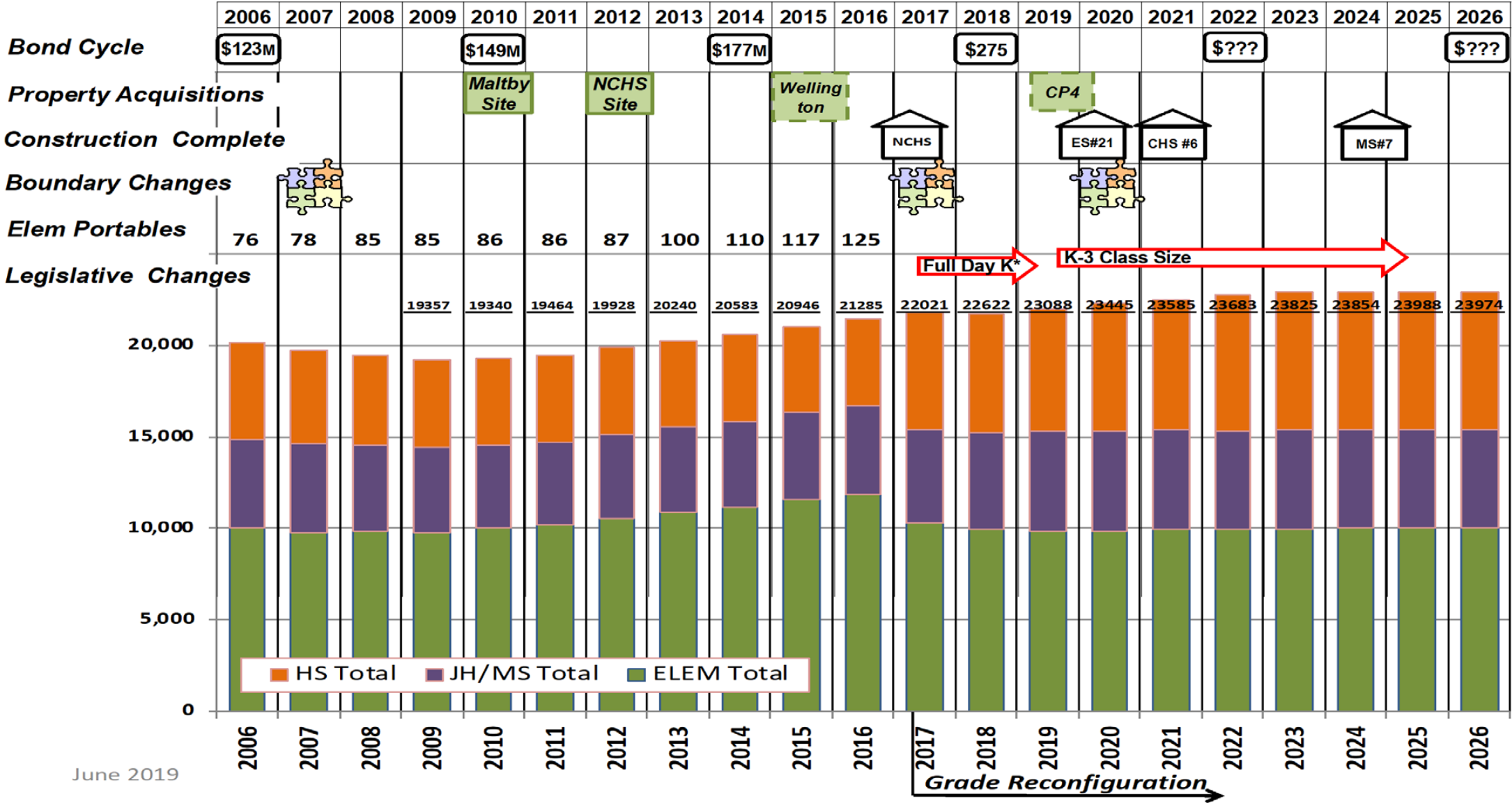
Urbane Village, Bothell

District Standard of Service

- Optimizing student learning
- Capacity impacts
 - Programs offered
 - Core 24
 - K-3 class size



Enrollment Trends, Projections and Capacity Mitigation



Capital Facilities Inventory

- 20 elementary schools and the Early Childhood Center
 - o 11,472 total capacity, 9,072 in 447 permanent classrooms and 2,400 in 100 portables (21%)
- 6 middle schools
 - o 5,808 total capacity, 5,376 in 224 permanent classrooms and 432 in 18 portables (7%)
- 4 comprehensive high schools one alternative high school
 - o 6,892 total capacity, 6,730 in 282 permanent classrooms and 162 in 6 portables (2%)

Capital Facilities Inventory

- Non-school facilities
 - o Administrative Center
 - o Support Services Building
 - o Transportation
- School sites in development
 - o ES #21 site
 - o Canyon Park (CP4) high school site
- Undeveloped site in inventory (no current plans)
 - o Paradise Lake site (26 acres outside King County UGB)
 - o Wellington Hills site (104 acres)



Impact Fee - Eligibility

- Requirements for eligibility
 - Projected enrollment growth from new residential development over the 6-years period of the CFP by grade span (*district-wide*)
 - Capacity need at that grade span (*district-wide*)
 - Construction project(s) in the 6-year plan to address the capacity need
 - School impact fee formula must generate a fee

Impact Fee – Legal Framework

- Governed by Growth Management Act - RCW 82.02.050 -.110
- Applicable to new residential development
- Must be expended for growth-related capacity projects within ten years of receipt
- Cannot be used to:
 - Address existing building and/or system deficiencies; or
 - Completely fund system improvements needed to serve new development

Impact Fee – Fee Calculation

- Formula adopted by ordinance in each jurisdiction and used by all school districts in that jurisdiction to calculate school impact fees
- The formula is consistent with RCW 82.02.050-.060 and the Growth Management Act
- Calculates the per dwelling unit impact to address capacity needs



Impact Fee – Formula

- Uses a “student generation rate” to identify the proportionate impact of a dwelling unit
 - Single family residences treated differently than multi-family or townhomes
- Includes only growth-related capacity costs
 - District uses construction-only costs
 - Provides credits for any state matching funds & for taxes that a new homeowner will pay toward a school construction bond
- Discounts the calculated impact fee by 50%

Impact Fee – 2019 CFP

Based on construction costs, of the following growth project costs were used:

- New elementary school capacity (500) (ES#21)
- Middle school and elementary school capacity project at Skyview Middle School (200) & Canyon Creek Elementary (200)
- Phase II at the Maltby Road site for middle school capacity (700)
- Addition of instructional space and capacity (100) at Inglemoor High School (apportioned)
- Newly acquired CP4 improved land and construction/improvements to house an additional 400-600 high school students

Impact Fee – 2019 CFP and Prior Years

The impact fee calculations in accordance with the required formulas are:

- **\$ 20,092 Single Family Dwelling Units**
- **\$ 3,540 Multi-Family (2+ bedroom)**

As a comparison, recent NSD fees as based on the adopted CFP:

	2018	2017	2016
• Single Family	\$16,038	\$10,573	\$10,563
• Multi-Family	\$ 1,818	0	0



City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: June 2019 Financial Report Presentation Proposed Council Action/Motion: Receive and File June 2019 Financial Report for the City of Kenmore, Washington	For Council Meeting Agenda of: September 9, 2019 Department: Finance and Administration Prepared by: Joanne Gregory <table style="width: 100%;"> <tr> <td style="width: 70%;"></td> <td style="width: 30%; text-align: center;"><u>Initial & Date</u></td> </tr> <tr> <td>Approved by Department Head:</td> <td style="text-align: center;">Jmg 8/13/19</td> </tr> <tr> <td>Approved by City Attorney:</td> <td style="text-align: center;">[Signature]</td> </tr> <tr> <td>Approved by Finance Director:</td> <td style="text-align: center;">Jmg 8/13/19</td> </tr> <tr> <td>Approved by City Manager:</td> <td style="text-align: center;">[Signature]</td> </tr> </table> Exhibits/Attachments: June 2019 Financial Report for the City of Kenmore, Washington.		<u>Initial & Date</u>	Approved by Department Head:	Jmg 8/13/19	Approved by City Attorney:	[Signature]	Approved by Finance Director:	Jmg 8/13/19	Approved by City Manager:	[Signature]
	<u>Initial & Date</u>										
Approved by Department Head:	Jmg 8/13/19										
Approved by City Attorney:	[Signature]										
Approved by Finance Director:	Jmg 8/13/19										
Approved by City Manager:	[Signature]										
<u>INFORMATION/BACKGROUND:</u> The June 2019 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 2019-2020 adopted biennial budget. The budget was adopted on November 19, 2018.											
<u>FISCAL CONSIDERATION:</u> June is the sixth month of the 2019-2020, 24-month biennium. As of June, revenues exceeded expenditures in the General Fund by \$707,641. A new investment report is also attached for your review. This detailed report gives a more precise picture of the City's investment portfolio, maturities and yields.											
<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:</u> <u>Kenmore Budget Policy 9a:</u> 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. <u>Priority Based Budgeting Result:</u> Governance: Supports decision-making with timely and accurate short-term and long-range analysis that enhances vision and planning.											



18120 68TH AVE. NE
KENMORE, WASHINGTON 98028

MEMORANDUM

TO: Rob Karlinsey, City Manager
FROM: Joanne Gregory, Finance Director
DATE: July 15, 2019
RE: June 2019 Financial Reports for the City of Kenmore, Washington

June 2019 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
- Cash and Investment Report
- Investment Schedule
- Sales Tax Receipts by Business Type
- Retail Sales and Use Tax Distribution
- Real Estate Excise Tax Report
- Report for Transportation Benefit District

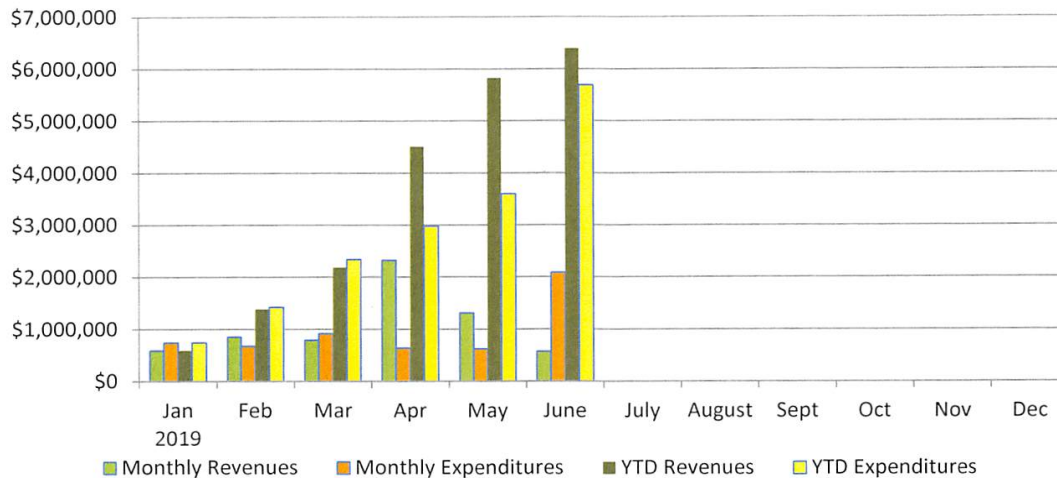
If you would like additional information or have any questions regarding the financial reports, please feel free to contact me.

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, June is the sixth month (24%) of the 2019-2020 biennial budget period. For the month of June, expenditures exceeded revenues in the General Fund by \$1,517,699. This is primarily due to the King County Sheriff's Jan. – May 2018 police services contract invoices being paid in June. Biennium to date revenues exceed expenditures by \$707,641.

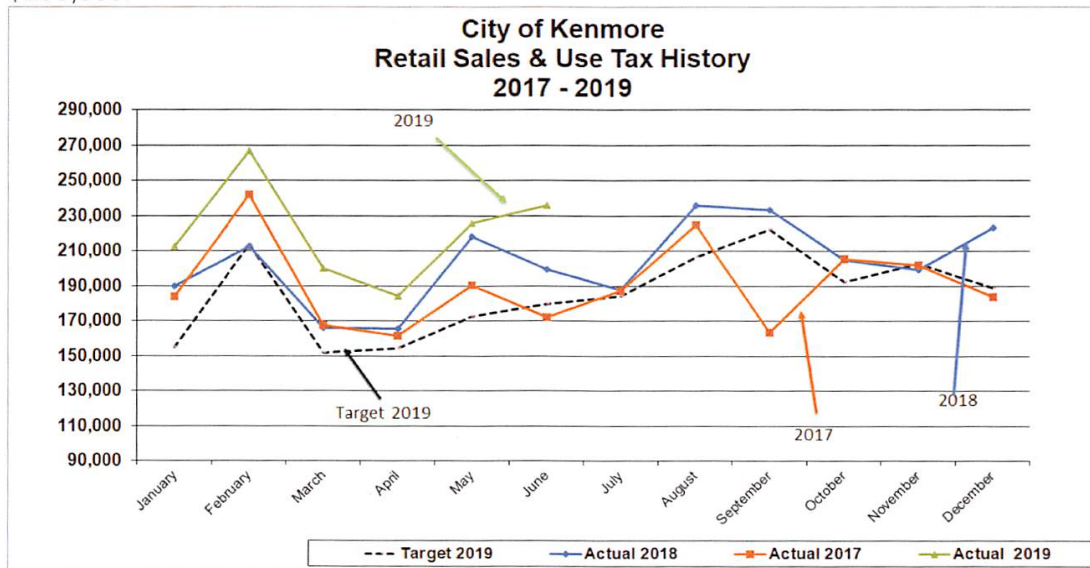
The following chart illustrates the monthly revenue and expenditure activity in the General Fund through June 2019.

City of Kenmore, Washington
Monthly Financial Report
June 2019



Total **revenues** for the month were **\$570,529**. Biennium to date revenues are \$6,395,848, which is 24.7% of the budgeted revenues of \$25,927,872. Primary sources of revenue for the month included property taxes in the amount of \$28,994, development fees & permits in the amount of \$66,115, retail sales and use taxes in the amount of \$236,078, and utility taxes in the amount of \$77,467.

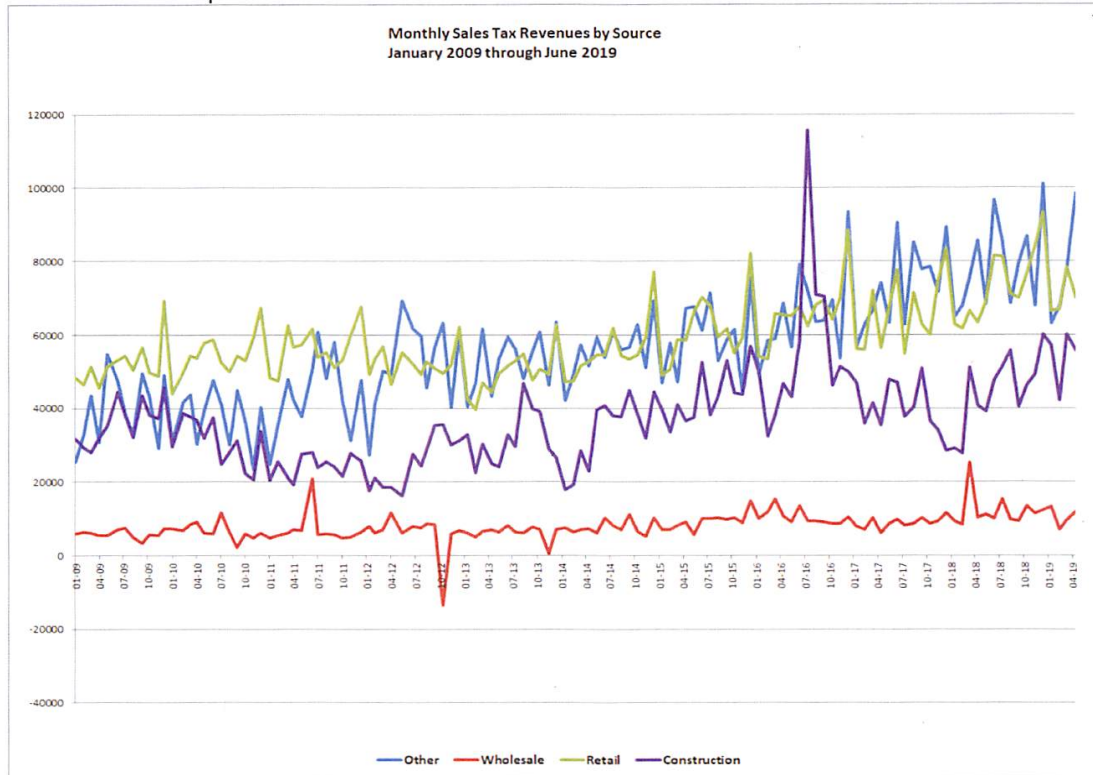
A summary of sales tax revenues received in June is attached. These receipts are based on April sales activity. The chart below gives a historical perspective of monthly sales tax receipts over the last several years. The black dotted Target 2019 line is a monthly average of actual receipts during 2016, 2017, and 2018. The green line represents 2019 actual receipts, which are \$172,917 above 2018 and ahead of the 2019 target by \$298,086.



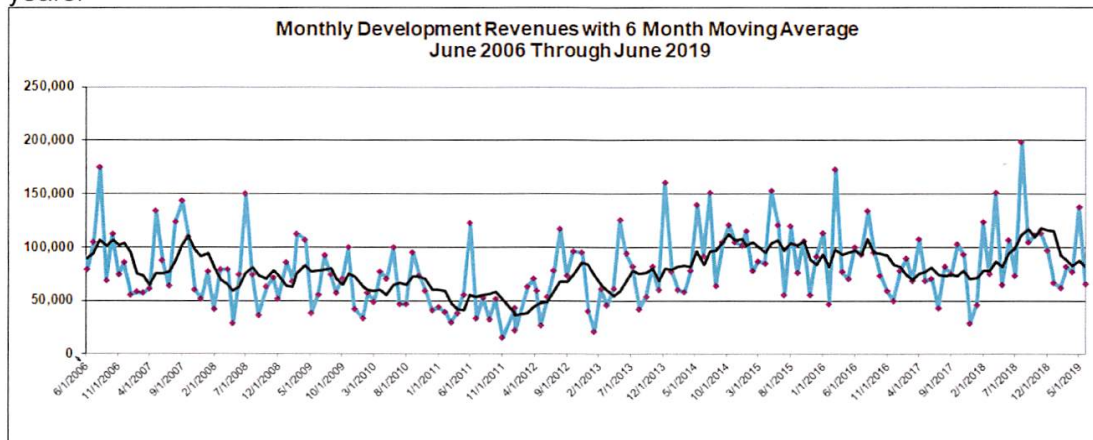
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City of Kenmore, Washington
 Monthly Financial Report
 June 2019

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 June 2019. Retail and Other are on a favorable upward trend.



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



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City of Kenmore, Washington
Monthly Financial Report
June 2019

June 2019 expenditures were **\$2,088,228**. The General Fund expenditures are higher this month due to the Jan. – May 2019 King County Sheriff's invoice being paid this month. Biennium to date expenditures are \$5,688,207, which is 22% of the biennial budget expenditures of \$25,927,872.

Total City cash (\$19,766,399) and long-term investments (\$10,061,330), at the end of June, totaled \$29,827,729. Proposition 1 levy funds of \$8M are included in this cash balance. The Other Funds Monthly Activity graphs compare biennium to date revenues and expenditures to the 2019-2020 biennial budget.

Total non-General Fund revenues were \$398,810 and total non-General Fund expenditures were \$819,818.

In the **Street Fund** revenue from gas tax distributions were \$44,416. \$50,096 was expended for maintenance and operations during the month.

In the **Transportation Capital Fund**, there were expenditures in the amount of \$318,831 on pedestrian safety projects and \$108,158 in street overlay. The fund received \$25,863 in grant reimbursements during the month.

The **Park Impact Fee** fund received \$0 in revenues during the month.

There was \$0 in revenues for the **Transportation Impact Fee** fund during the month.

The **Real Estate Excise Tax** Fund received \$201,667 of real estate excise taxes (REET) in June from sales activity that occurred in May. 52 transactions were reported during the month. The 2019 year to date revenue is lower than the 2018 revenue by \$102,454, and the 2019 target by \$155,723.

The **Park Capital** fund had expenditures in the amount of \$37,855 on park improvement projects.

The **Walkways & Waterways Debt Service** Fund collected \$7,136 in property taxes related to the Prop 1 Bond for a biennium to date total revenue of \$643,918.

The **Transportation Benefit District** Fund received \$34,690 in vehicle license fees during the month.

SUMMARY

This concludes the financial report for the City of Kenmore as of **June 30, 2019**. I appreciate your feedback and encourage you to contact me if you have any questions prior to the City Council meeting.

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City of Kenmore, Washington
General Fund Summary Report
June 30, 2019



	CURRENT PERIOD 2019-2020				PREVIOUS PERIOD 2017-2018			
	MONTH June 2019	BIENNIUM TO DATE 2019-2020	% of BUDGET	BIENNIUM BUDGET 2019-2020	MONTH June 2017	BIENNIUM TO DATE 2017-2018	% of BUDGET	BIENNIUM BUDGET 2017-2018
REVENUES								
Beginning Fund Balance		4,934,368		4,934,368		3,138,914		3,131,687
Property Taxes	28,994	2,665,669	26.1%	10,224,205	121,115	2,502,483	26.4%	9,491,704
Sales and Use Taxes	291,651	1,666,385	29.4%	5,662,000	219,036	1,414,459	23.9%	5,906,291
Utility Taxes	77,467	609,980	24.7%	2,466,355	96,363	734,068	27.0%	2,717,485
Other Taxes	997	67,981	37.4%	181,868	785	38,899	17.8%	218,113
Development Fees & Permits	66,115	491,649	26.5%	1,854,042	70,717	482,823	23.5%	2,050,518
Franchise Fees	0	438,724	23.9%	1,831,835	0	425,607	24.4%	1,743,476
Intergovernmental and Grants	75,595	253,048	23.9%	1,057,677	71,224	226,540	26.9%	841,615
Investment Interest	10,329	41,490	43.5%	95,300	46,133	86,604	166.5%	52,000
Fines and Forfeitures	0	0	n/a	0	524	-161	0.0%	0
Transfers and Other Revenues	19,380	160,923	6.3%	2,554,590	3,782	166,427	10.4%	1,600,972
Total Revenues	570,529	6,395,848	24.7%	25,927,872	629,678	6,077,749	24.7%	24,622,174

Total Revenues & Beginning Fund Balance		11,330,216		30,862,240		9,216,663		27,753,861
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	CURRENT PERIOD 2019-2020				PREVIOUS PERIOD 2017-2018			
	MONTH June 2019	BIENNIUM TO DATE 2019-2020	% of BUDGET	BIENNIUM BUDGET 2019-2020	MONTH June	BIENNIUM TO DATE 2017-2018	% of BUDGET	BIENNIUM BUDGET 2017-2018
EXPENDITURES								
Cost Center								
City Council	10,464	95,204	23.8%	400,337	9,494	101,705	30.9%	329,426
City Manager	139,232	741,459	22.3%	3,331,467	131,556	674,090	20.3%	3,328,297
City Clerk	11,661	176,052	20.5%	856,966	10,582	134,561	31.6%	425,368
Finance	43,095	539,645	29.1%	1,851,887	56,512	530,546	31.7%	1,672,775
Legal	52,705	146,975	27.7%	530,000	14,984	114,760	23.0%	500,000
Interfund Transfers	0	0	0.0%	1,602,484	0	0	0.0%	1,403,228
Public Safety	1,503,863	1,751,151	19.2%	9,133,991	1,390,909	1,647,260	18.7%	8,806,304
Engineering & Environmental Services	43,462	374,066	22.6%	1,658,620	46,647	320,683	22.7%	1,415,011
Community Development	65,374	391,375	23.0%	1,698,893	54,073	268,408	15.6%	1,715,510
Developmental Services	115,502	536,548	22.0%	2,436,502	67,046	545,646	25.6%	2,131,288
Parks & Facility Maintenance	102,870	935,732	38.6%	2,426,725	111,779	462,101	16.2%	2,854,489
Total Expenditures	2,088,228	5,688,207	21.9%	25,927,872	1,893,581	4,799,760	19.5%	24,581,696

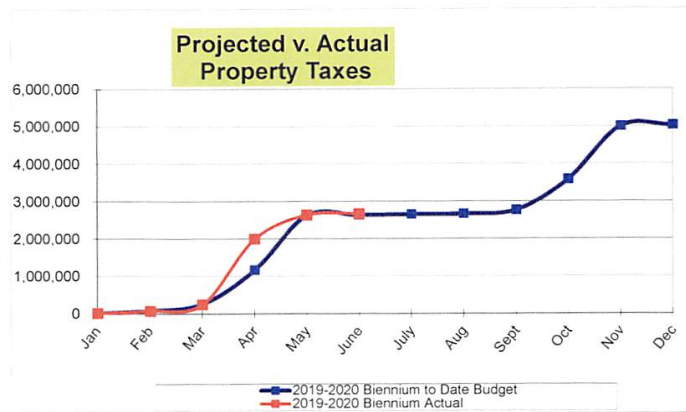
Ending Fund Balance	-1,517,699	5,642,009	0	4,934,368		4,416,903		3,172,165
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Total Expenditures and Ending Fund Balance		11,330,216		30,862,240		9,216,663		27,753,861
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*Non-Departmental expenditures have been moved to other General Fund Cost Centers

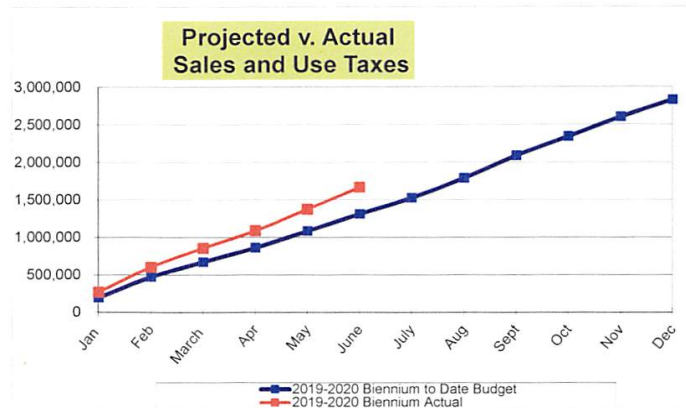
City of Kenmore, Washington
General Fund Revenue Graphs
June 30, 2019
PROPERTY TAXES

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	16,142	15,956
Feb	78,314	72,268
Mar	262,932	245,480
Apr	1,163,061	1,997,487
May	2,621,823	2,636,674
June	2,635,867	2,665,669
July	2,649,793	
Aug	2,664,592	
Sept	2,765,669	
Oct	3,581,266	
Nov	4,995,859	
Dec	5,024,414	
2019-20	10,224,205	
Year To Date		
Actual v. Projected		101%



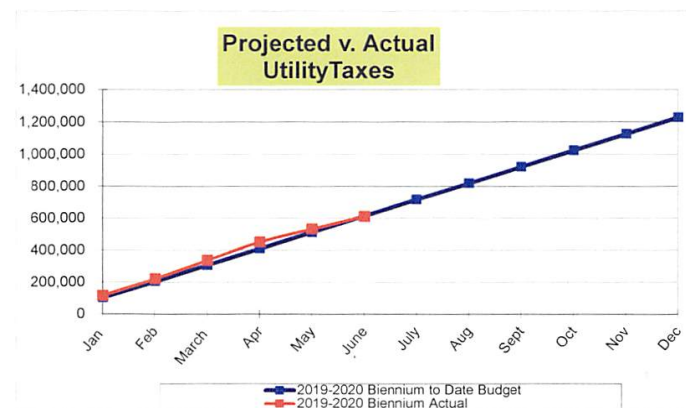
SALES, USE, CRIM JUSTICE TAXES

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	193,303	269,980
Feb	471,720	604,138
March	669,878	856,863
Apr	861,174	1,088,185
May	1,081,140	1,374,734
June	1,310,286	1,666,385
July	1,523,681	
Aug	1,787,898	
Sept	2,086,187	
Oct	2,340,752	
Nov	2,598,277	
Dec	2,827,000	
2019-20	5,662,000	
Year To Date		
Actual v. Projected		127%



UTILITY TAXES

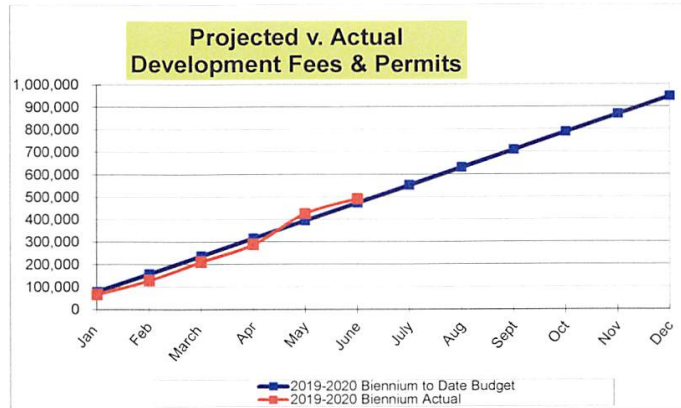
	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	102,250	116,230
Feb	204,500	222,289
March	306,750	336,885
Apr	409,000	451,726
May	511,250	532,513
June	613,500	609,980
July	715,750	
Aug	818,000	
Sept	920,250	
Oct	1,022,500	
Nov	1,124,750	
Dec	1,227,000	
2019-20	2,466,355	
Year To Date		
Actual v. Projected		99%



**City of Kenmore, Washington
General Fund Revenue Graphs
June 30, 2019**

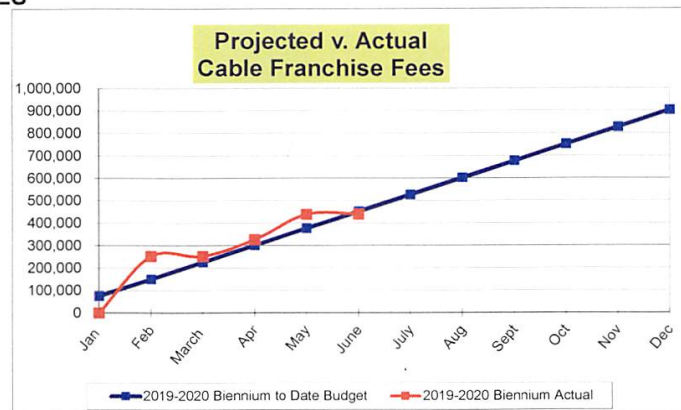
DEVELOPMENT FEES & PERMITS

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	78,798	66,225
Feb	157,596	128,413
March	236,394	210,056
Apr	315,192	287,371
May	393,990	425,533
June	472,788	491,649
July	551,586	
Aug	630,384	
Sept	709,182	
Oct	787,980	
Nov	866,778	
Dec	945,576	
'2019-20	1,854,042	
Year To Date		
Actual v. Projected		104%



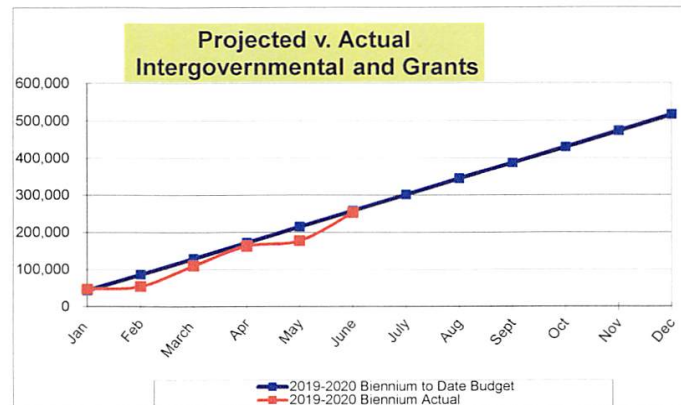
CABLE/WATER/SEWER FRANCHISE FEES

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	75,199	0
Feb	150,397	252,172
March	225,596	252,172
Apr	300,794	326,352
May	375,993	438,724
June	451,191	438,724
July	526,390	
Aug	601,588	
Sept	676,787	
Oct	751,985	
Nov	827,184	
Dec	902,382	
'2019-20	1,831,835	
Year To Date		
Actual v. Projected		97%



INTERGOVERNMENTAL & GRANTS

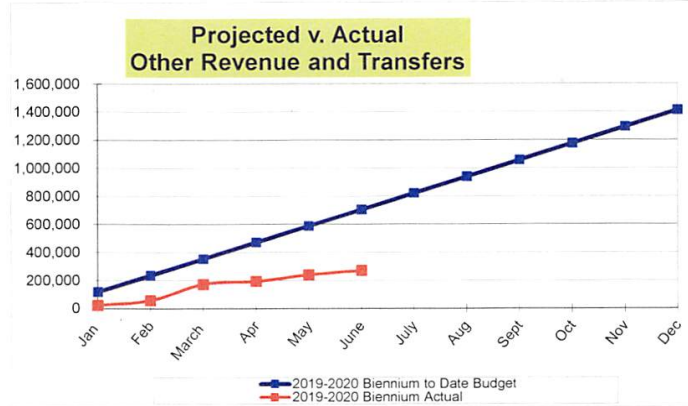
	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	42,971	47,201
Feb	85,942	54,089
March	128,913	109,670
Apr	171,884	163,004
May	214,855	177,453
June	257,826	253,048
July	300,796	
Aug	343,767	
Sept	386,738	
Oct	429,709	
Nov	472,680	
Dec	515,651	
'2019-20	1,057,677	
Year To Date		
Actual v. Projected		98%



**City of Kenmore, Washington
General Fund Revenue Graphs
June 30, 2019**

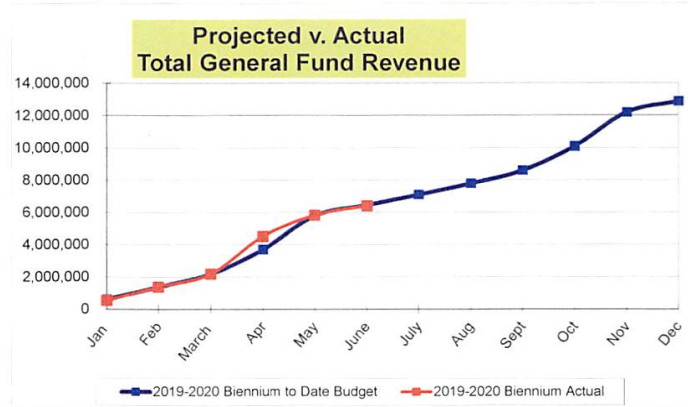
OTHER REVENUES AND TRANSFERS

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	117,537	24,088
Feb	235,074	58,157
March	352,611	173,597
Apr	470,148	194,013
May	587,685	239,688
June	705,222	270,394
July	822,759	
Aug	940,296	
Sept	1,057,833	
Oct	1,175,370	
Nov	1,292,907	
Dec	1,410,444	
2019-20	2,831,758	
Year To Date		
Actual v. Projected		38%



TOTAL GENERAL FUND REVENUE

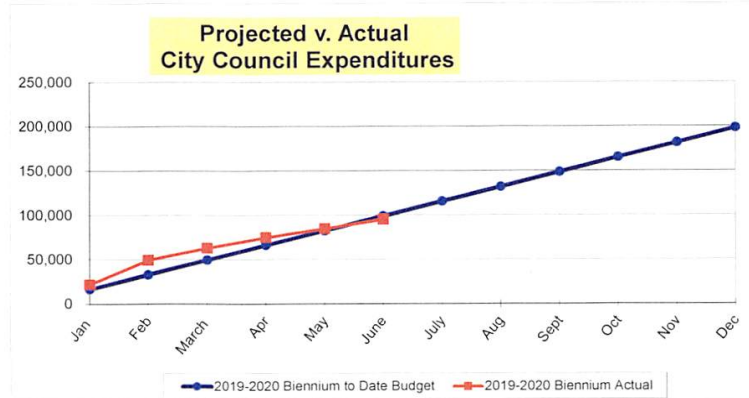
	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	626,199	539,680
Feb	1,383,543	1,391,527
March	2,183,074	2,184,723
Apr	3,691,252	4,508,138
May	5,786,734	5,825,319
June	6,446,680	6,395,848
July	7,090,755	
Aug	7,786,525	
Sept	8,602,645	
Oct	10,089,562	
Nov	12,178,435	
Dec	12,852,467	
2019-20	25,927,872	
Year To Date		
Actual v. Projected		99%



City of Kenmore, Washington
General Fund Expenditure Graphs
June 30, 2019

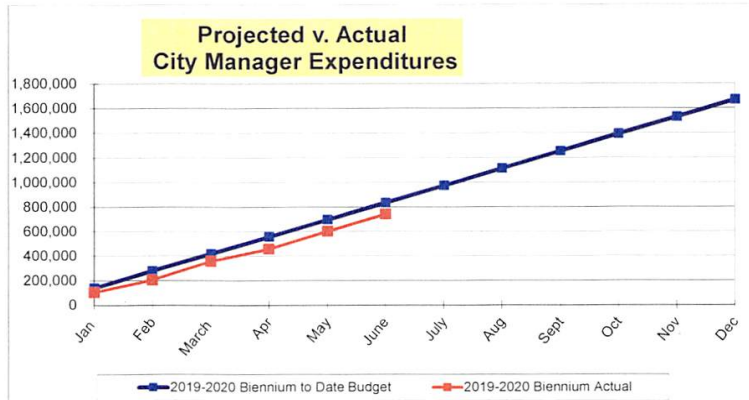
CITY COUNCIL

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	16,496	22,063
Feb	32,992	49,221
March	49,488	62,792
Apr	65,984	75,001
May	82,480	84,740
June	98,977	95,204
July	115,473	
Aug	131,969	
Sept	148,465	
Oct	164,961	
Nov	181,457	
Dec	197,953	
2019-20	400,337	
Year To Date		
Actual v. Projected		96%



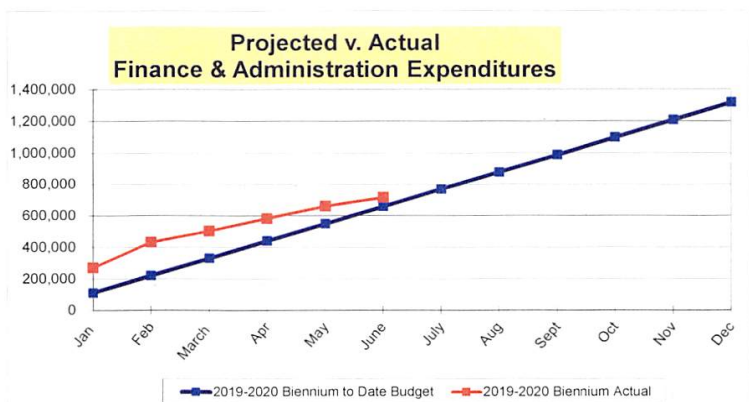
CITY MANAGER

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	139,070	104,052
Feb	278,140	205,694
March	417,210	356,226
Apr	556,280	457,138
May	695,350	602,227
June	834,421	741,459
July	973,491	
Aug	1,112,561	
Sept	1,251,631	
Oct	1,390,701	
Nov	1,529,771	
Dec	1,668,841	
2019-20	3,331,467	
Year To Date		
Actual v. Projected		89%



FINANCE & ADMINISTRATION

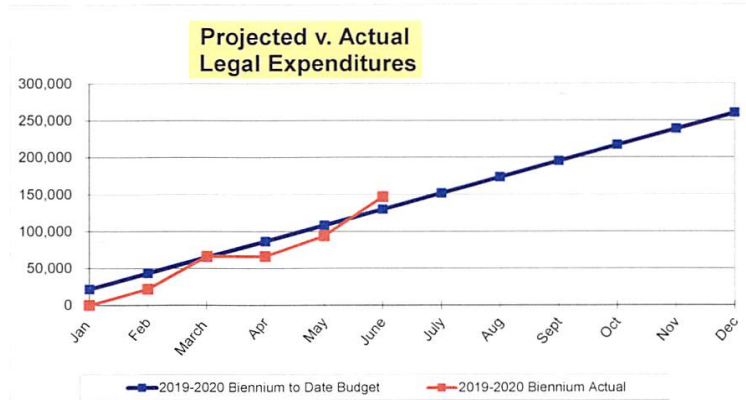
	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	109,736	269,600
Feb	219,471	431,276
March	329,207	503,061
Apr	438,942	582,217
May	548,678	660,942
June	658,414	715,697
July	768,149	
Aug	877,885	
Sept	987,620	
Oct	1,097,356	
Nov	1,207,091	
Dec	1,316,827	
2019-20	2,708,853	
Year To Date		
Actual v. Projected		109%



City of Kenmore, Washington
General Fund Expenditure Graphs
June 30, 2019

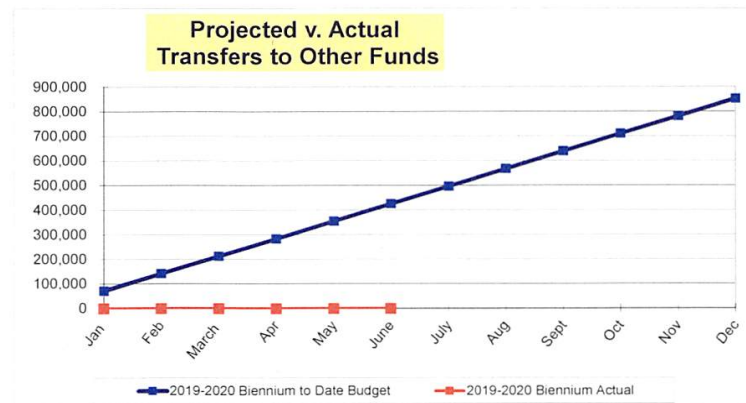
LEGAL

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	21,667	0
Feb	43,333	22,119
March	65,000	66,212
Apr	86,667	66,212
May	108,333	94,270
June	130,000	146,975
July	151,667	
Aug	173,333	
Sept	195,000	
Oct	216,667	
Nov	238,333	
Dec	260,000	
2019-20	530,000	
Year To Date		
Actual v. Projected		113%



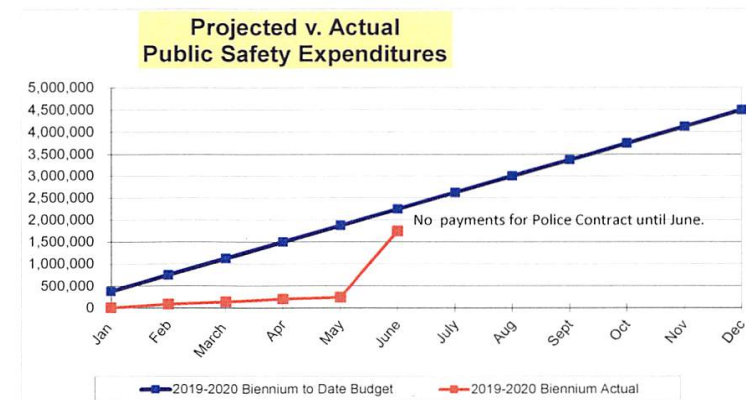
TRANSFERS TO OTHER FUNDS

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	70,991	0
Feb	141,983	0
March	212,974	0
Apr	283,966	0
May	354,957	0
June	425,949	0
July	496,940	
Aug	567,931	
Sept	638,923	
Oct	709,914	
Nov	780,906	
Dec	851,897	
2019-20	1,602,484	
Year To Date		
Actual v. Projected		0%



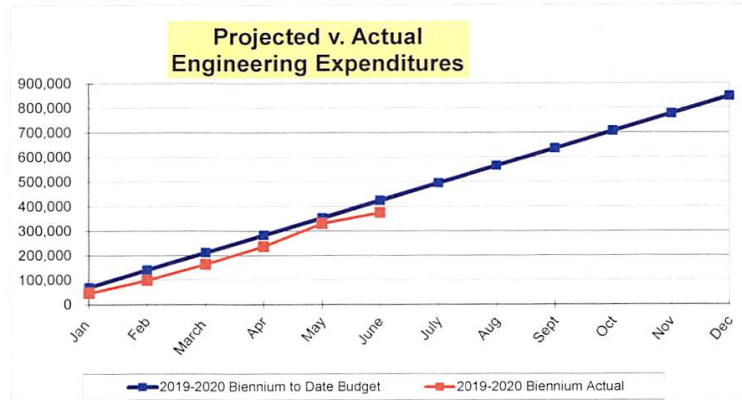
PUBLIC SAFETY

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	374,381	4,167
Feb	748,763	83,327
March	1,123,144	139,422
Apr	1,497,525	206,168
May	1,871,906	247,288
June	2,246,288	1,751,151
July	2,620,669	
Aug	2,995,050	
Sept	3,369,431	
Oct	3,743,813	
Nov	4,118,194	
Dec	4,492,575	
2019-20	9,133,991	
Year To Date		
Actual v. Projected		78%



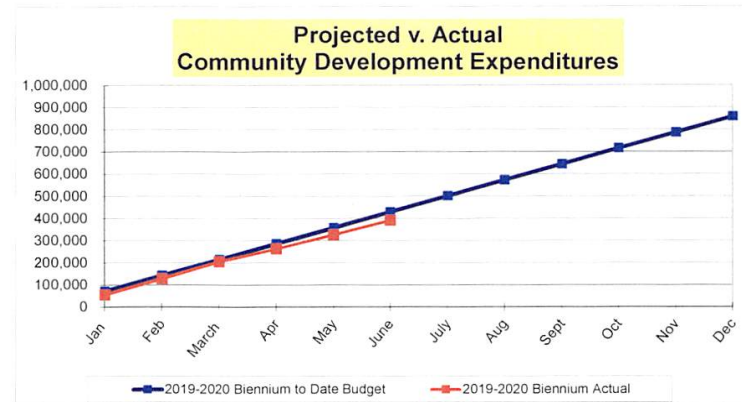
City of Kenmore, Washington
General Fund Expenditure Graphs
June 30, 2019
ENGINEERING

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	70,640	46,711
Feb	141,281	99,615
March	211,921	164,832
Apr	282,562	237,584
May	353,202	330,604
June	423,843	374,066
July	494,483	
Aug	565,123	
Sept	635,764	
Oct	706,404	
Nov	777,045	
Dec	847,685	
2019-20	1,658,620	
Year To Date		
Actual v. Projected		88%



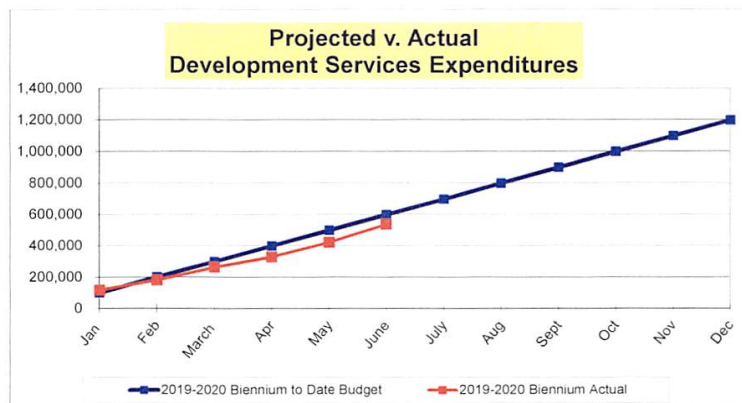
COMMUNITY DEVELOPMENT

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	71,551	55,205
Feb	143,102	128,125
March	214,653	205,773
Apr	286,203	263,084
May	357,754	326,000
June	429,305	391,375
July	500,856	
Aug	572,407	
Sept	643,958	
Oct	715,508	
Nov	787,059	
Dec	858,610	
2019-20	1,698,893	
Year To Date		
Actual v. Projected		91%



DEVELOPMENT SERVICES

	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
Jan	99,642	118,215
Feb	199,283	179,150
March	298,925	263,769
Apr	398,567	328,719
May	498,208	421,046
June	597,850	536,548
July	697,492	
Aug	797,133	
Sept	896,775	
Oct	996,417	
Nov	1,096,058	
Dec	1,195,700	
2019-20	2,436,502	
Year To Date		
Actual v. Projected		90%



**City of Kenmore, Washington
General Fund Expenditure Graphs
June 30, 2019**

PARKS & FACILITY MAINTENANCE

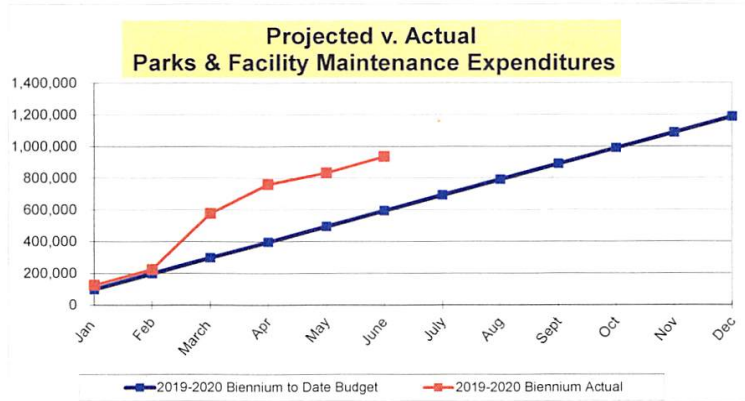
	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
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Jan	98,948	126,627
Feb	197,897	225,820
March	296,845	577,287
Apr	395,793	760,555
May	494,742	832,862
June	593,690	935,732
July	692,638	
Aug	791,587	
Sept	890,535	
Oct	989,483	
Nov	1,088,432	
Dec	1,187,380	
2019-20	2,426,725	

Year To Date

Actual v. Projected

158%



TOTAL GENERAL FUND EXPENDITURES

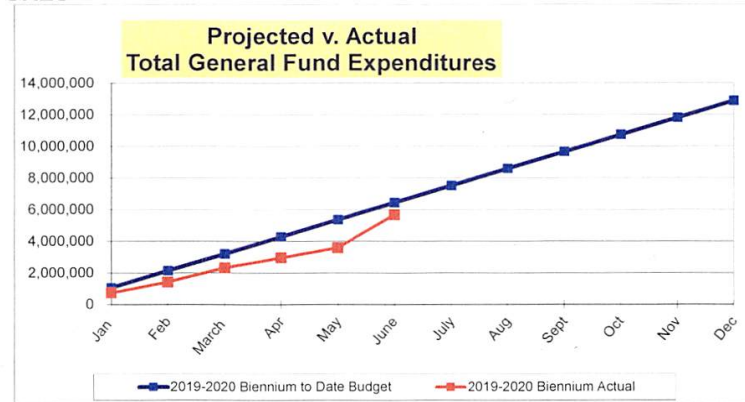
	2019-2020 Biennium to Date Budget	2019-2020 Biennium Actual
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Jan	1,073,122	746,640
Feb	2,146,245	1,424,346
March	3,219,367	2,339,375
Apr	4,292,489	2,976,679
May	5,365,612	3,599,979
June	6,438,734	5,688,207
July	7,511,856	
Aug	8,584,979	
Sept	9,658,101	
Oct	10,731,223	
Nov	11,804,346	
Dec	12,877,468	
2019-20	25,927,872	

Year To Date

Actual v. Projected

88%



City of Kenmore, Washington
Street Fund Summary Report
June 30, 2019



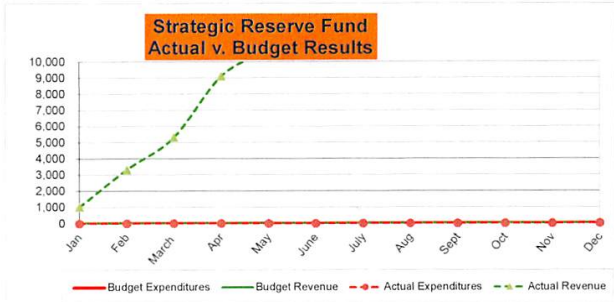
	<u>MONTH</u> <u>June 2019</u>	<u>BIENNIUM TO DATE</u> <u>2019-2020</u>	<u>% of</u> <u>BUDGET</u>	<u>BUDGET</u> <u>2019-2020</u>
<u>REVENUES</u>				
Beginning Fund Balance		926,962		926,962
Fuel Tax	44,416	224,887	22.3%	1,006,385
Investment Interest	930	5,807	116.1%	5,000
Miscellaneous	176	8,478	423.9%	2,000
ROW Permit Fees/Inspections	2,337	100,099	41.7%	240,000
Multimodal Transportation	7,933	15,867	25.2%	62,910
Transfer from General Fund	0	0	0.0%	1,602,484
Transfer from TBD	0	0	0.0%	716,000
Total Revenues	55,792	355,137	9.8%	3,634,779
Total Revenues & Beginning Fund Balance		1,282,099		4,561,741

		<u>BIENNIUM TO DATE</u> <u>2019-2020</u>	<u>% of</u> <u>BUDGET</u>	<u>BUDGET</u> <u>2019-2020</u>
<u>EXPENDITURES</u>				
Salary and Benefits	50,576	310,525	23.5%	1,320,880
Maintenance & Operations	50,096	294,452	13.6%	2,163,899
Capital	424	144,221	96.1%	150,000
Total Expenditures	101,097	749,199	20.6%	3,634,779
Ending Fund Balance		532,901		926,962
Total Expenditures and Ending Fund Balance		1,282,099		4,561,741

City of Kenmore, Washington
Other Funds Monthly Activity
June 30, 2019

STRATEGIC RESERVE FUND

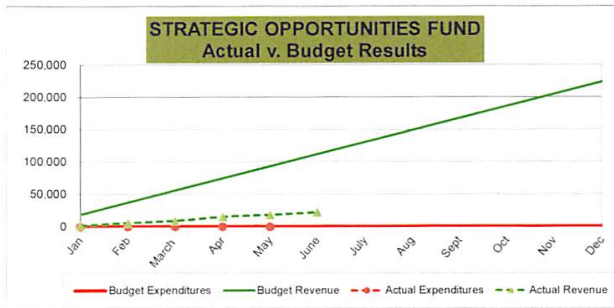
	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	0	0	0	1,020
Feb	0	0	0	3,310
March	0	0	0	5,314
Apr	0	0	0	9,101
May	0	0	0	10,806
June	0	0	0	13,114
July	0	0	0	
Aug	0	0	0	
Sept	0	0	0	
Oct	0	0	0	
Nov	0	0	0	
Dec	0	0	0	
2019-20	0	0	0	
Total Actual 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

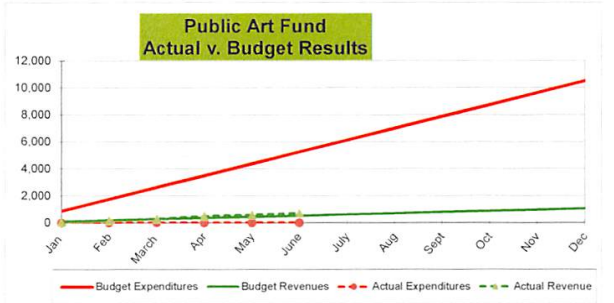
	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	0	0	18,583	1,714
Feb	0	0	37,167	5,561
March	0	0	55,750	8,880
Apr	0	0	74,333	15,152
May	0	0	92,917	17,977
June	0	(14,897)	111,500	21,809
July	0		130,083	
Aug	0		148,667	
Sept	0		167,250	
Oct	0		185,833	
Nov	0		204,417	
Dec	0		223,000	
2019-20	0		407,000	
Total Actual to Date vs Total Budget		0%		5%



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.

PUBLIC ART FUND

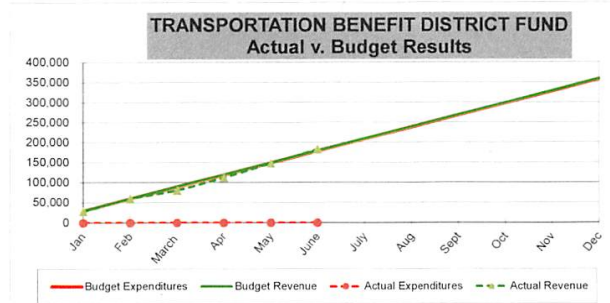
	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	875	0	85	54
Feb	1,750	0	171	176
March	2,625	0	257	282
Apr	3,500	0	342	483
May	4,375	0	428	574
June	5,250	0	514	696
July	6,125		599	
Aug	7,000		685	
Sept	7,875		770	
Oct	8,750		856	
Nov	9,625		941	
Dec	10,500		1,027	
2019-20	21,000		2,062	
Total Actual to Date vs Total Budget		0%		34%



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.

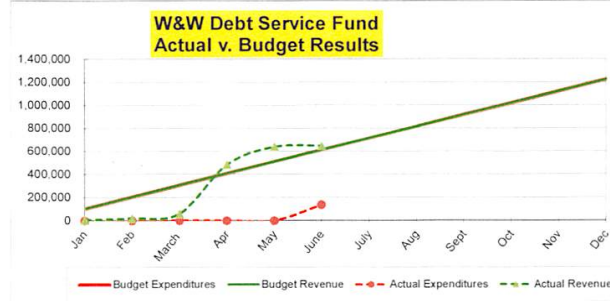
City of Kenmore, Washington
Other Funds Monthly Activity
June 30, 2019

TRANSPORTATION BENEFIT DISTRICT FUND				
	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	29,833	0	29,917	27,793
Feb	59,667	0	59,833	59,139
March	89,500	0	89,750	80,409
Apr	119,333	0	119,667	112,036
May	149,167	0	149,583	147,598
June	179,000	0	179,500	182,806
July	208,833		209,417	
Aug	238,667		239,333	
Sept	268,500		269,250	
Oct	298,333		299,167	
Nov	328,167		329,083	
Dec	358,000		359,000	
2019-20	716,000		718,000	
Total Actual to Date vs Total Budget		0%		25%



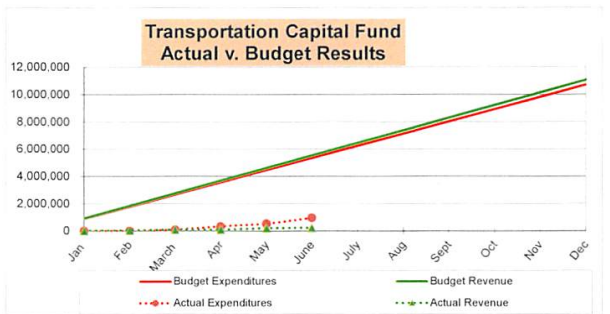
The Transportation Benefit District fund accounts for the \$20 vehicle license tab fees levied on vehicles located in the Kenmore city limits. The revenue generated will be used in maintaining the City's transportation system.

W & W DEBT SERVICE FUND				
	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	101,929	0	101,929	3,594
Feb	203,858	0	203,858	17,174
March	305,788	0	305,788	58,986
Apr	407,717	0	407,717	482,485
May	509,646	0	509,646	636,781
June	611,575	136,575	611,575	643,918
July	713,504		713,504	
Aug	815,433		815,433	
Sept	917,363		917,363	
Oct	1,019,292		1,019,292	
Nov	1,121,221		1,121,221	
Dec	1,223,150		1,223,150	
2019-20	1,752,800		1,752,800	
Total Actual to Date vs Total Budget		8%		37%



This fund accumulates the voted property tax levy receipts for the Walkways and Waterways Bonds which are used to make the principal and interest repayments on the bonded debt.

TRANSPORTATION CAPITAL FUND				
	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	892,471	5,406	921,329	0
Feb	1,784,942	5,406	1,842,658	24,595
March	2,677,413	103,142	2,763,986	83,716
Apr	3,569,884	341,972	3,685,315	86,761
May	4,462,355	541,325	4,606,644	187,018
June	5,354,826	968,314	5,527,973	212,881
July	6,247,297		6,449,301	
Aug	7,139,768		7,370,630	
Sept	8,032,239		8,291,959	
Oct	8,924,710		9,213,288	
Nov	9,817,181		10,134,616	
Dec	10,709,652		11,055,945	
2019-20	23,880,759		23,863,257	
Total Actual to Date vs Total Budget		4%		1%



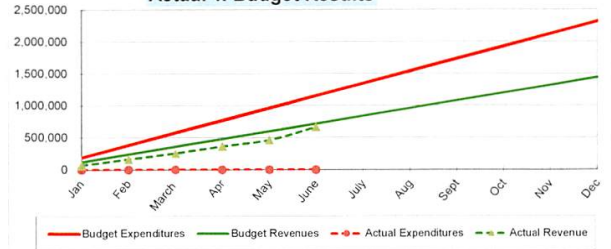
The Transportation Capital Fund accounts for capital improvements to the City's streets and SR 522, funded by various grants plus City resources from real estate excise tax and transportation impact fees. All phases of improvements to SR 522 are now accounted for in this fund. There is a time lag between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

City of Kenmore, Washington
Other Funds Monthly Activity
June 30, 2019

REAL ESTATE EXCISE TAX FUND

	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	192,888	0	119,820	70,148
Feb	385,775	0	239,640	161,379
March	578,663	0	359,461	255,124
Apr	771,550	0	479,281	362,810
May	964,438	0	599,101	461,157
June	1,157,325	0	718,921	665,114
July	1,350,213		838,741	
Aug	1,543,100		958,561	
Sept	1,735,988		1,078,382	
Oct	1,928,875		1,198,202	
Nov	2,121,763		1,318,022	
Dec	2,314,650		1,437,842	
2019-20	5,205,050		2,665,916	
Total Actual to Date vs Total Budget		0%		25%

REET
Actual v. Budget Results

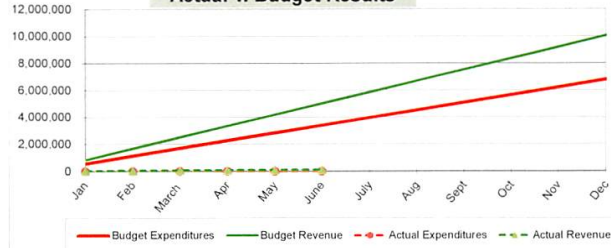


The Real Estate Excise Tax Fund accounts for the 1/2% real estate excise taxes levied by the City which are restricted to capital projects and improvements. Expenditures include transfers to the Park Capital Fund for park improvements and Transportation Capital Fund for transportation improvements.

W & W BOND PROCEEDS FUND

	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	566,481	0	835,833	17,110
Feb	1,132,963	0	1,671,667	32,728
March	1,699,444	0	2,507,500	50,121
Apr	2,265,925	0	3,343,333	67,106
May	2,832,406	0	4,179,167	84,381
June	3,398,888	0	5,015,000	101,206
July	3,965,369		5,850,833	
Aug	4,531,850		6,686,667	
Sept	5,098,331		7,522,500	
Oct	5,664,813		8,358,333	
Nov	6,231,294		9,194,167	
Dec	6,797,775		10,030,000	
2019-20	8,685,794		10,045,000	
Total Actual to Date vs Total Budget		0%		1%

W & W Bond Proceeds Fund
Actual v. Budget Results

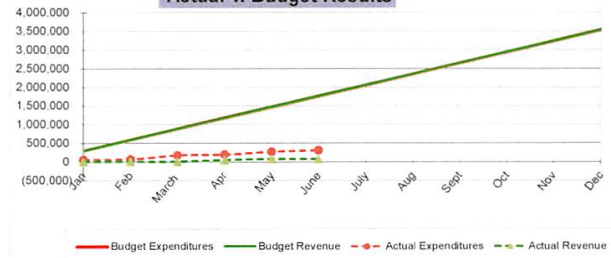


This fund holds the receipts from the December 2016 sale of the Walkways and Waterways Bonds and transfers money to the Transportation and Park Capital Funds to pay for the specific Walkways and Waterways projects.

PARK CAPITAL FUND

	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	293,917	56,429	294,412	0
Feb	587,833	67,965	588,825	0
March	881,750	174,777	883,237	0
Apr	1,175,667	192,774	1,177,649	41,390
May	1,469,583	269,541	1,472,061	67,952
June	1,763,500	307,395	1,766,474	67,952
July	2,057,417		2,060,886	
Aug	2,351,333		2,355,298	
Sept	2,645,250		2,649,710	
Oct	2,939,167		2,944,123	
Nov	3,233,083		3,238,535	
Dec	3,527,000		3,532,947	
2019-20	3,909,000		3,886,947	
Total Actual to Date vs Total Budget		8%		2%

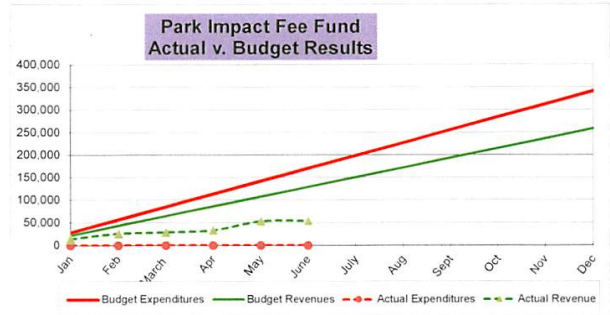
PARK CAPITAL FUND
Actual v. Budget Results



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

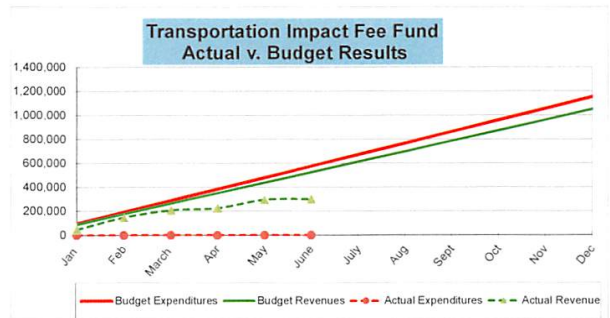
City of Kenmore, Washington
Other Funds Monthly Activity
June 30, 2019

PARK IMPACT FEE FUND				
	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	28,417	0	21,485	13,951
Feb	56,833	0	42,971	25,532
March	85,250	0	64,456	28,400
Apr	113,667	0	85,942	32,927
May	142,083	0	107,427	52,704
June	170,500	0	128,913	53,828
July	198,917		150,398	
Aug	227,333		171,883	
Sept	255,750		193,369	
Oct	284,167		214,854	
Nov	312,583		236,340	
Dec	341,000		257,825	
2019-20	347,000		491,864	
Total Actual to Date vs Total Budget		0%		11%



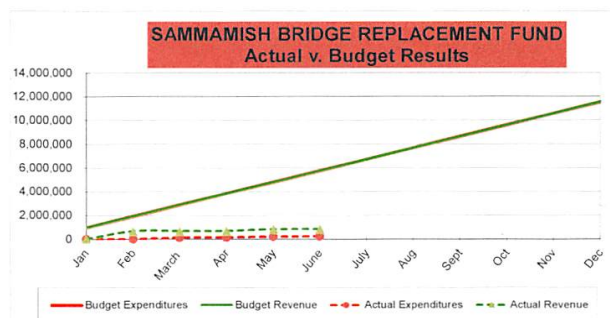
This fund accounts for City imposed park impact fees on new development. Expenditures are for public park acquisitions and improvements.

TRANSPORTATION IMPACT FEE FUND				
	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	96,076	0	87,431	45,894
Feb	192,152	0	174,861	145,768
March	288,228	0	262,292	205,238
Apr	384,304	0	349,723	223,612
May	480,380	0	437,153	293,866
June	576,457	0	524,584	299,119
July	672,533		612,015	
Aug	768,609		699,445	
Sept	864,685		786,876	
Oct	960,761		874,307	
Nov	1,056,837		961,737	
Dec	1,152,913		1,049,168	
2019-20	1,216,663		1,981,991	
Total Actual to Date vs Total Budget		0%		15%



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

SAMMAMISH BRIDGE REPLACEMENT FUND				
	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	961,649	453	961,649	7,133
Feb	1,923,299	7,971	1,923,299	656,221
March	2,884,948	141,937	2,884,948	666,906
Apr	3,846,597	157,001	3,846,597	682,103
May	4,808,246	220,265	4,808,246	820,854
June	5,769,896	243,311	5,769,896	837,428
July	6,731,545		6,731,545	
Aug	7,693,194		7,693,194	
Sept	8,654,843		8,654,843	
Oct	9,616,493		9,616,493	
Nov	10,578,142		10,578,142	
Dec	11,539,791		11,539,791	
2019-20	21,623,056		21,623,056	
Total Actual to Date vs Total Budget		1%		4%



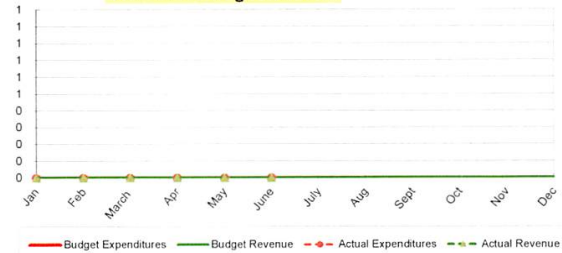
The Sammamish Bridge Replacement fund is a fund used to put money aside for the replacement of the West Sammamish bridge.

City of Kenmore, Washington
Other Funds Monthly Activity
June 30, 2019

Public Works Shop Fund

	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
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	0	0	0	0
2019-20	2,000,000		6,500,000	
Total Actual to Date vs Total Budget		0%		0%

**Capital Projects Fund
Actual v. Budget Results**

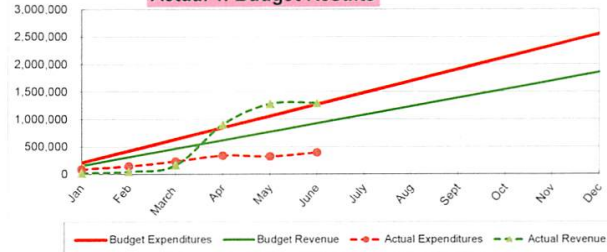


The Kenmore Village Fund accounts for leasing activity and property transactions within Kenmore Village

SURFACE WATER MANAGEMENT FUND

	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	212,421	88,968	154,333	15,456
Feb	424,841	144,035	308,667	39,020
March	637,262	231,736	463,000	158,570
Apr	849,682	338,280	617,333	905,368
May	1,062,103	323,235	771,667	1,280,684
June	1,274,523	393,807	926,000	1,293,571
July	1,486,944		1,080,333	
Aug	1,699,364		1,234,667	
Sept	1,911,785		1,389,000	
Oct	2,124,205		1,543,333	
Nov	2,336,626		1,697,667	
Dec	2,549,046		1,852,000	
2019-20	4,354,469		3,727,000	
Total Actual to Date vs Total Budget		9%		35%

**Surface Water Fund
Actual v. Budget Results**

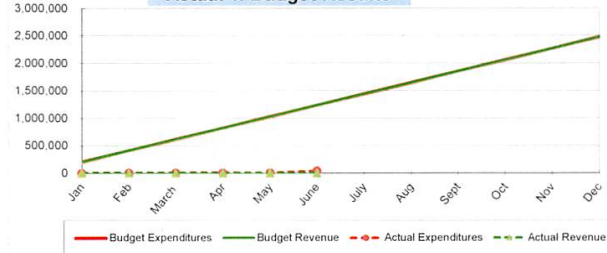


This fund accounts for receipts from surface water assessments. The assessments are collected through the property tax billings; the majority of the receipts are collected in May and November. Expenditures are for surface water maintenance activities such as sweeping and drainage as well as capital improvements.

SURFACE WATER CAPITAL FUND

	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	206,038	1,302	206,038	0
Feb	412,075	6,531	412,075	0
March	618,113	6,531	618,113	0
Apr	824,150	7,953	824,150	0
May	1,030,188	8,358	1,030,188	0
June	1,236,225	40,905	1,236,225	0
July	1,442,263		1,442,263	
Aug	1,648,300		1,648,300	
Sept	1,854,338		1,854,338	
Oct	2,060,375		2,060,375	
Nov	2,266,413		2,266,413	
Dec	2,472,450		2,472,450	
2019-20	2,704,100		2,702,450	
Total Actual to Date vs Total Budget		2%		0%

**Surface Water Fund Capital
Actual v. Budget Results**

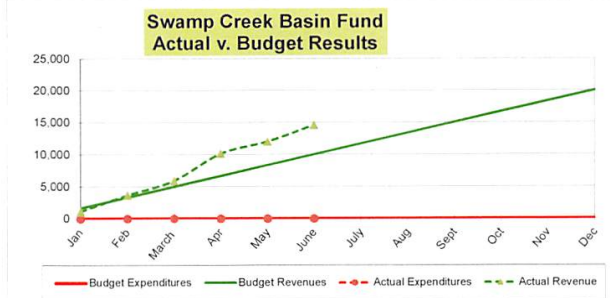


This fund accounts for the expenditures for Surface Water Capital Improvements. Revenue sources for this fund include a variety of federal, state, or local grants, surface water management fees transferred from the Surface Water Management Fund and real estate excise taxes.

City of Kenmore, Washington
Other Funds Monthly Activity
June 30, 2019

SWAMP CREEK BASIN FUND

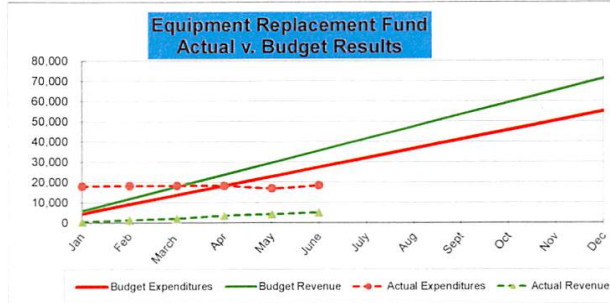
	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	0	0	1,667	1,133
Feb	0	0	3,333	3,678
March	0	0	5,000	5,904
Apr	0	0	6,667	10,112
May	0	0	8,333	12,007
June	0	0	10,000	14,571
July	0		11,667	
Aug	0		13,333	
Sept	0		15,000	
Oct	0		16,667	
Nov	0		18,333	
Dec	0		20,000	
2019-20	0		40,000	
Total Actual to Date vs Total Budget		0%		36%



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

	2019-2020 Budget Expenditures	2019-2020 Actual Expenditures	2019-2020 Budget Revenue	2019-2020 Actual Revenue
Jan	4,583	18,068	5,928	396
Feb	9,167	18,263	11,857	1,284
March	13,750	18,263	17,785	2,061
Apr	18,333	18,263	23,714	3,529
May	22,917	17,075	29,642	4,192
June	27,500	18,538	35,571	5,086
July	32,083		41,499	
Aug	36,667		47,427	
Sept	41,250		53,356	
Oct	45,833		59,284	
Nov	50,417		65,213	
Dec	55,000		71,141	
2019-20	110,000		142,282	
Total Actual to Date vs Total Budget		17%		4%



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
Cash and Investment Report
June 30, 2019



<u>Fund</u>	<u>Beg. Cash & Inv.</u> <u>from Prev. Mo.</u>	<u>Monthly</u> <u>Revenues</u>	<u>Monthly</u> <u>Expenditures</u>	<u>End. Cash & Inv.</u> <u>Current Month</u>
General	\$7,159,707	\$570,529	\$2,088,228	5,642,009
Street	578,205	55,792	101,097	532,900
Transportation Capital	953,563	25,863	426,990	552,437
Public Art	70,088	122	0	70,211
Park Impact Fee	643,215	1,124	0	644,339
Transportation Impact Fee	3,005,828	5,252	0	3,011,081
Swamp Creek Basin	1,467,286	2,564	0	1,469,850
Transportation Benefit District	261,958	35,208	0	297,166
Sammamish Bridge Replacement	2,023,559	16,575	23,046	2,017,088
Walkways & Waterways Debt Service	826,744	7,136	136,575	697,305
Real Estate Excise Tax	1,232,422	203,957	0	1,436,380
Kenmore Village	3	0	0	3
Park Capital	-71,384	0	37,855	(109,239)
Walkways & Waterways Bond	6,878,172	16,824	0	6,894,996
Surface Water Management	1,886,987	12,888	70,572	1,829,302
Surface Water Capital	-8,357	0	32,547	(40,904)
Public Works Shop Fund	0	0	0	0
Strategic Reserve	1,320,583	2,308	0	1,322,891
Strategic Opportunities	2,187,338	3,832	-14,897	2,206,067
Equipment Replacement	513,243	894	1,463	512,674
Trust & Agency	836,976	8,471	4,570	840,876
Totals	\$31,766,138	\$969,340	\$2,908,046	\$29,827,432

<u>Fund</u>	<u>Cash, Savings,</u> <u>Local Govt Investment Pool</u>	<u>(> One Year)</u> <u>Fixed</u> <u>Investments</u>	<u>Total</u>
General	\$715,979	\$4,926,330	5,642,309
Street	-317,099	850,000	532,901
Transportation Capital	552,437	0	552,437
Public Art	55,210	15,000	70,210
Park Impact Fee	-285,659	930,000	644,341
Transportation Impact Fee	2,981,084	30,000	3,011,084
Swamp Creek Basin	69,851	1,400,000	1,469,851
Transportation Benefit District	297,166	0	297,166
Sammamish Bridge Replacement	2,017,088	0	2,017,088
Walkways & Waterways Debt Service	697,305	0	697,305
Real Estate Excise Tax	1,436,378	0	1,436,378
Kenmore Village	0	0	0
Park Capital	-109,240	0	(109,240)
Walkways & Waterways Bond	6,894,996	0	6,894,996
Surface Water Management	1,319,304	510,000	1,829,304
Surface Water Capital	-40,905	0	(40,905)
Public Works Shop Fund	0	0	0
Strategic Reserve	472,892	850,000	1,322,892
Strategic Opportunities	2,206,068	0	2,206,068
Equipment Replacement	62,674	450,000	512,674
Trust & Agency	740,872	100,000	840,872
Totals	\$19,766,399	\$10,061,330	\$29,827,729

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City of Kenmore, Washington
Investment Schedule
June 30, 2019



		Average Yield to Maturity-Securities					Overall Average Yield		1.99%
Report by Security	Investment #	Type	Maturity	Purchase	Rate	Yield	Principal or	Yield	
			Date	Date					Balance
Morgan Stanley									
	3134G9GR2	FHLMC	8/18/2020	8/7/2017	1.60%	1.62%	999,500.00	16,191.90	
	3130ACTL8	FHLB	11/25/2020	12/22/2017	1.95%	1.95%	997,650.00	19,454.18	
	3134GSEU5	FHLB	2/24/2021	5/23/2018	2.62%	2.62%	996,714.35	26,153.78	
	3133EHXL2	FHLB	3/5/2020	9/19/2017	1.54%	1.54%	999,000.00	15,384.60	
	3130AB3N4	FHLB	10/29/2019	4/28/2017	1.55%	1.55%	1,000,750.00	15,511.63	
Total Morgan Stanley Purchases							4,993,614.35	92,696.08	
Time Value Investments									
	3130A7RL1	FHLB	4/19/2021	1/26/2017	1.80%	1.80%	992,893.00	17,872.07	
	3133EJSU4	FFCB	12/26/2019	7/11/2018	2.53%	2.53%	1,001,561.00	25,339.49	
	76116FAG2	RFCSP	1/15/2021	5/31/2018	2.50%	2.50%	999,718.18	24,992.95	
	3136G4ED1	FNMA	10/25/2021	4/22/2019	2.36%	2.36%	1,073,543.26	25,335.62	
Total TVI Purchases							4,067,715.44	93,540.14	
Opus Bank CD's									
	11495975	CD	8/10/2019	8/10/2018	2.37%	2.40%	1,000,000.00	24,000.00	
Total Cascade Bank CD's							1,000,000.00	24,000.00	
TOTAL ALL SECURITIES							\$ 10,061,329.79	\$ 210,236.23	
Banner Checking and Savings						0.07% Banner	4,622,887.40	3,236.02	
Opus Savings						2.54% Opus	3,096,840.63	78,659.75	
LGIP - Primary Account						2.51% LGIP	3,861,367.19	96,762.00	
LGIP - Bond Proceeds Account						2.51% LGIP	8,185,303.96	205,115.53	
Total Accounts							\$ 29,827,728.97	594,009.53	

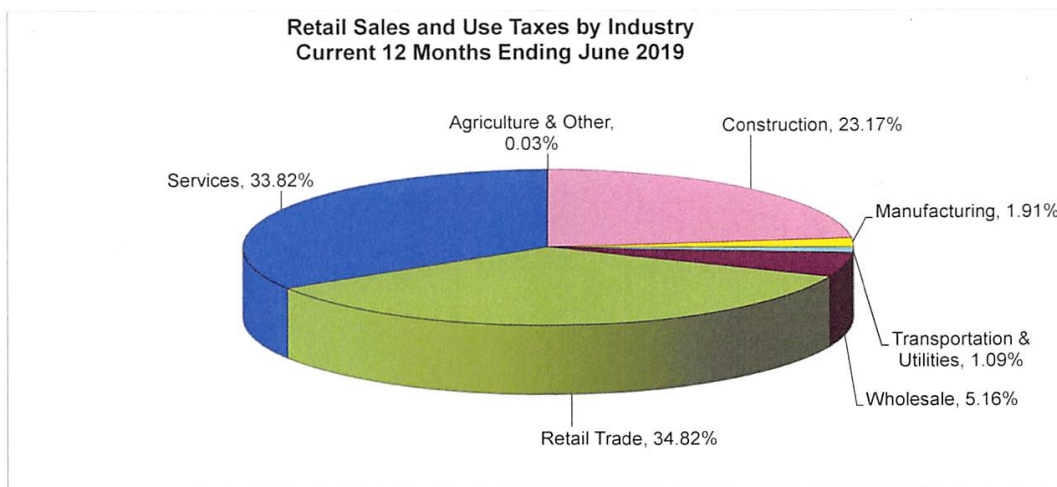
City of Kenmore, Washington
SALES TAX RECEIPTS BY BUSINESS TYPE
 June 2019

	SALES TAX	USE TAX	TOTAL	PERCENT
AGRICULTURE & OTHER	35.71	0.00	35.71	0.0%
CONSTRUCTION	55,164.24	473.82	55,638.06	23.6%
MANUFACTURING	4,422.85	3.08	4,425.94	1.9%
TRANSPORTATION & UTILITIES	1,659.75	661.27	2,321.01	1.0%
WHOLESALE	11,794.91	18.93	11,813.85	5.0%
RETAIL TRADE	69,972.02	122.21	70,094.23	29.7%
SERVICES	70,144.12	1,724.98	71,869.09	30.4%
INFORMATION	9,369.20	77.38	9,446.58	4.0%
PUBLIC SERVICES	6.27	10,426.84	10,433.11	4.4%
	<u>222,569.06</u>	<u>13,508.52</u>	<u>236,077.58</u>	<u>100.0%</u>

City of Kenmore, Washington
Retail Sales and Use Tax Distribution
June 30, 2019

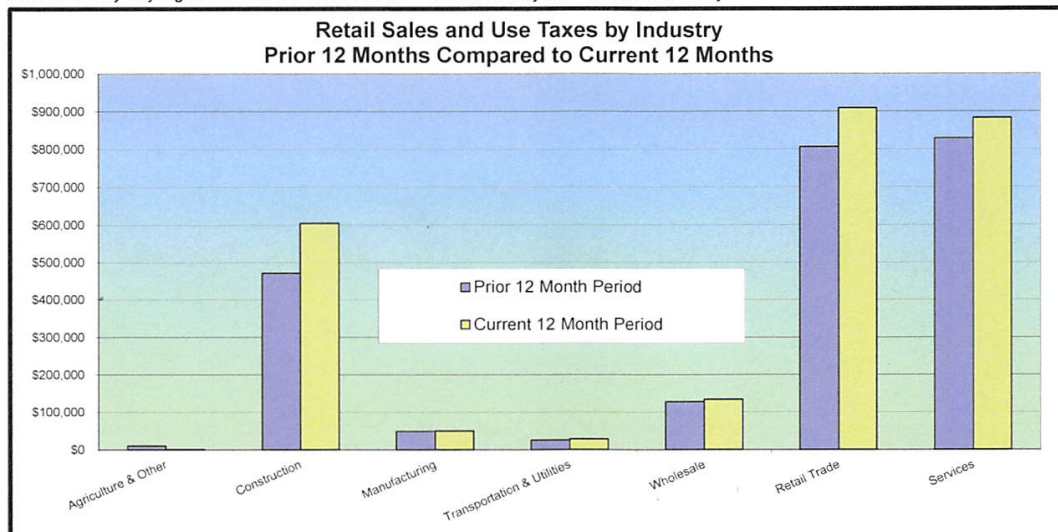


Industry	Prior 12 Months ending June 2018	Current 12 Months ending June 2019	% Increase/ (Decrease)	% of Total
Agriculture & Other (Landscaping, Animal Hospitals)	\$10,200	\$674	-93.39%	0.03%
Construction	471,337	604,803	28.32%	23.17%
Manufacturing (Printing, Publishing, Other Manuf.)	48,756	49,848	2.24%	1.91%
Transp/Comm/Utilities (Telecomm., Air Transport.)	25,410	28,507	12.19%	1.09%
Wholesale (Lumber, Other Wholesale)	127,964	134,599	5.19%	5.16%
Retail Trade (Eating, Merchandise, Food Stores)	806,495	908,848	12.69%	34.82%
Services (Auction, Recreation, Auto Repair, Financial)	828,999	882,805	6.49%	33.82%
Totals	\$2,319,161	\$2,610,085	12.54%	100%
Increase/(Decrease)		\$290,924	12.54%	



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



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City of Kenmore, Washington
Real Estate Excise Tax Report
June 30, 2019



Real Estate Excise Taxes (REET)
2016 - 2019 Monthly Receipts

	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Target 2019
January	122,819	176,657	99,205	67,141	132,894
February	70,146	94,134	82,263	84,215	82,181
March	110,066	170,086	89,698	89,106	123,284
April	133,161	126,245	148,514	104,430	135,973
May	129,599	139,422	144,906	96,756	137,976
June	167,575	211,430	181,182	201,666	186,729
July	177,426	163,138	181,974		174,179
August	165,397	114,754	115,421		131,857
September	136,176	221,719	128,704		162,200
October	150,786	186,805	97,998		145,196
November	124,437	150,187	102,373		125,666
December	131,651	146,159	112,490		130,100
	\$1,619,239	\$1,900,736	\$1,484,728	\$643,314	\$1,668,234

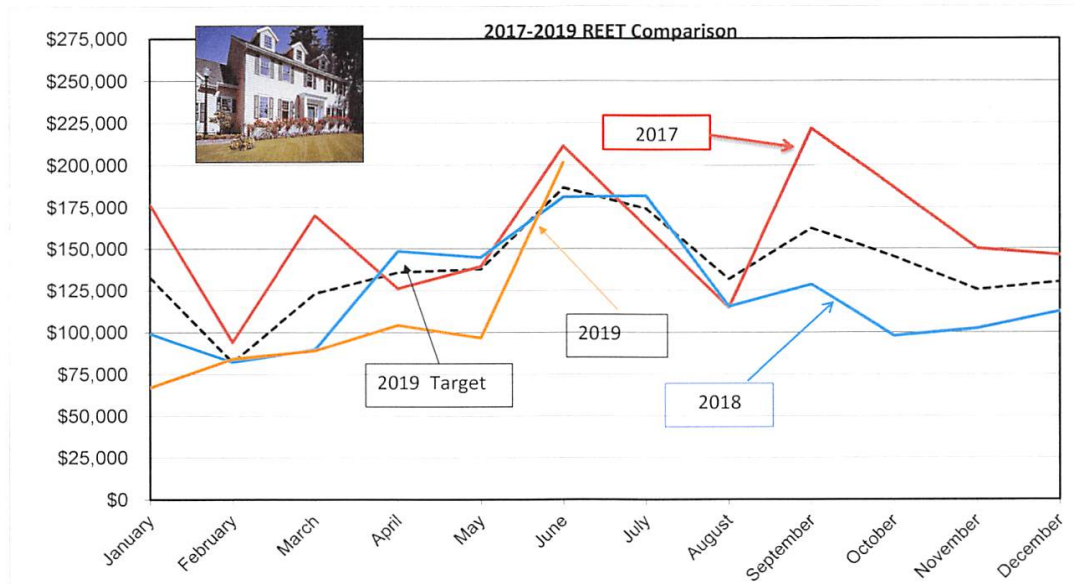
For 2019, REET is \$102,454
less than the same period
last year and less than the 2019
target by \$155,723

* NOTE THE 2019 target
is computed on a 3 year average
(2016-2018) of actual receipts

Real Estate Excise Taxes (REET)
2016 - 2019 Property Sales > \$500,000

sales actually occur in the prior month; there is a 30 day lag between sales and when the City receives the rev.

	2016	2017	2018	2019	2016	2017	2018	2019
January	18,590,517	27,548,430	17,379,581	12,424,500	92,023	136,365	86,029	61,501
February	9,701,034	19,017,050	15,277,640	14,286,900	48,020	94,134	75,624	70,720
March	15,147,174	29,692,641	13,818,387	15,106,888	74,979	146,979	68,401	74,779
April	21,160,913	19,953,544	23,896,450	19,671,000	104,747	98,770	118,287	97,371
May	19,813,122	24,277,456	25,710,632	16,722,738	98,075	120,173	127,268	82,778
June	26,065,161	36,414,050	31,816,871	36,281,428	129,023	180,250	157,494	179,593
July	24,020,546	28,779,145	32,800,185		118,902	142,457	162,361	0
August	21,648,781	18,859,991	19,693,600		107,161	93,357	97,483	0
September	16,950,242	38,431,272	22,172,221		83,904	190,235	109,752	0
October	21,157,409	31,278,148	14,697,849		104,729	154,827	72,754	0
November	16,916,011		16,347,581		83,734	0	80,921	0
December	20,607,695	25,603,889	19,908,284		102,008	126,739	98,546	0
	\$231,778,605	\$299,855,616	\$253,519,281	\$114,493,454	1,147,305	\$1,484,286	\$1,254,920	\$566,742

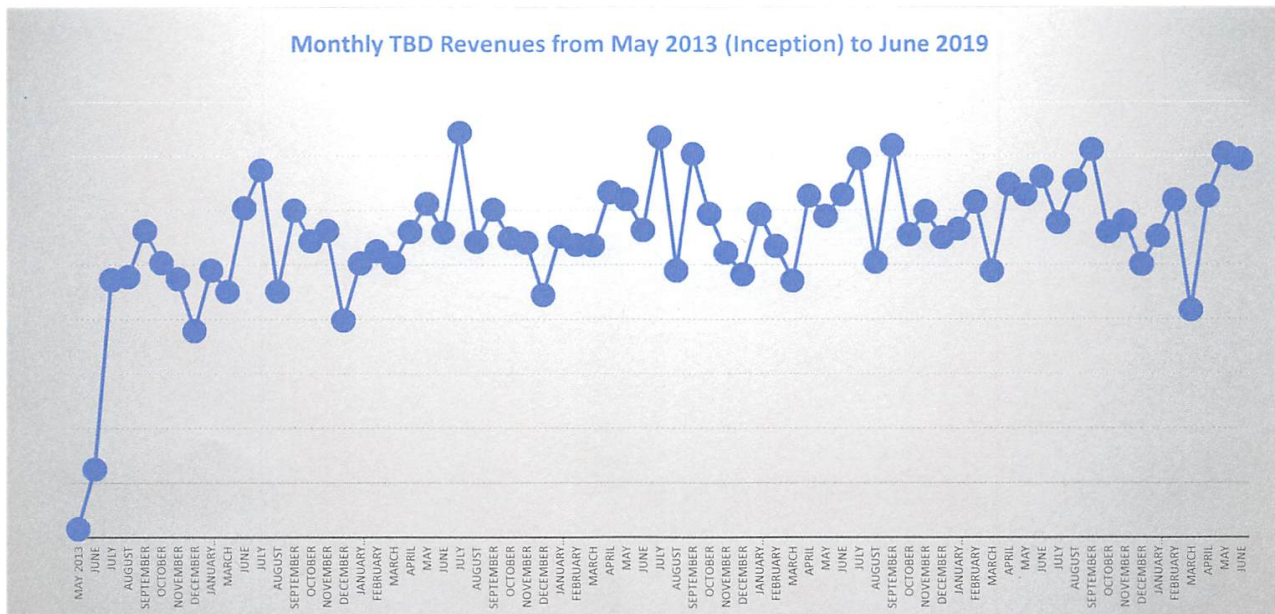


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**Kenmore Transportation Benefit District
Monthly Report
June 30, 2019**



<u>Revenues</u>	<u>June 2019</u>	<u>Biennium-to-Date</u>	<u>Percent of Budget</u>	<u>Biennium Budget</u>
Vehicle Fees	34,690	180,715	25.45%	710,000
Investment Interest	518	2,091	26.14%	8,000
Total Revenues	<u>\$35,208</u>	<u>\$182,806</u>	25.46%	<u>\$718,000</u>
<u>Expenditures</u>				
Reimbursement to Street Fund	0	0	0.00%	716,000
Total Expenditures	<u>0</u>	<u>0</u>	0.00%	<u>716,000</u>
Net Income (Loss)	<u>\$35,208</u>	<u>\$182,806</u>		<u>\$2,000</u>



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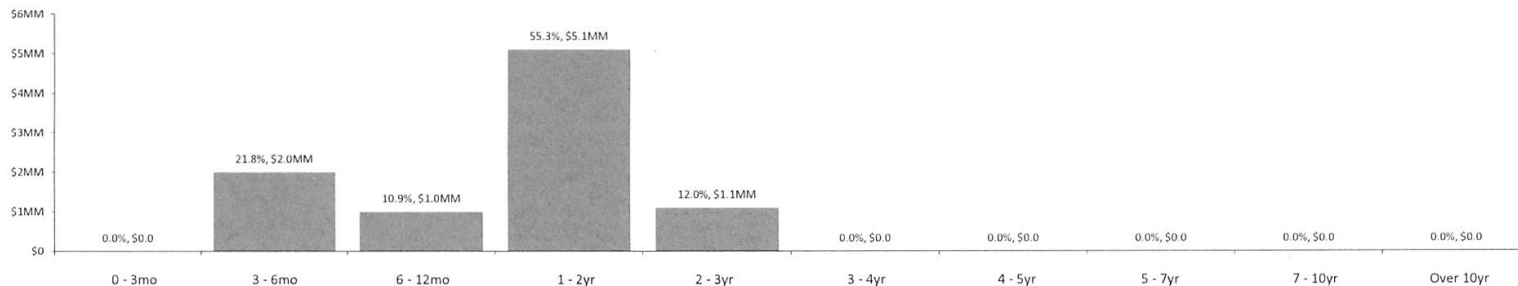
City Of Kenmore

Portfolio Summary		Portfolio Composition (incl. Liquid Balances)				Portfolio Ratings (Best****)	
Wgt'd Avg YTM *	2.05%	Sector	Par Value	YTM *	Weight		
Wgt'd Avg YTM with Liq. Bal.*	2.00%	Agencies	9,162,000	2.05%	30.6%		
Wgt'd Avg YTW **	2.05%	Treasuries					
Wgt'd Avg Mat (no call)	1.28 yrs	Certificates of Deposit					
Wgt'd Avg Mat with Liq. Bal.	0.39 yrs	Municipal Bonds					
Wgt'd Avg Mat (all called)	0.34 yrs	Corporate Bonds					
		Mortgages					
Market Value 5/31/2019	9,079,418	Commercial Paper					
Market Value 6/28/2019	9,111,816	Total	9,162,000	2.05%	30.6%		
Difference	32,398						
Par Value	9,162,000	Account Name	Balance	Rate	Weight	**** All ratings are shown in S&P format. Ratings Do Not Include Liquid Balances.	
Liquid Balances	20,766,399	Bank	4,622,887	0.07%	15.4%		
Total Par with Liquid Bal.	29,928,399	Bank	4,096,841	2.54%	13.7%		
Current MV with Liquid Bal.	29,878,215	LGIP - Primary	3,861,367	2.51%	12.9%		
		LGIP - Bond Proceeds	8,185,304	2.51%	27.3%		
		Total Liquid Balances	20,766,399	1.97%	69.4%		

* Purchase Yield to Maturity

** Purchase Yield to Worst

Maturity Distribution



Performance versus Benchmark as of 6/28/2019

	1Yr Average	As of 6/28/2019	1Mo Ago	3Mos Ago	6Mos Ago	9Mos Ago	As of 12/31/2018	1Yr Ago	3Yrs Ago	5Yrs Ago	Cusip	Par Amount
Yield to Maturity:												
Portfolio	1.94%	2.05%	2.05%	1.94%	1.94%	1.85%	1.94%	1.79%	1.35%	n/a		
2-Year Treasury	2.49%	1.74%	2.12%	2.23%	2.52%	2.81%	2.48%	2.52%	0.50%	0.45%		
Fed Funds	2.34%	2.50%	2.50%	2.50%	2.50%	2.25%	2.50%	2.00%	0.50%	0.25%		
LGIP (per most recent month end)	2.33%	2.50% (06/19)	2.49% (05/19)	2.52% (03/19)	2.37% (12/18)	2.06% (09/18)	2.37% (12/18)	1.87% (06/18)	n/a	n/a		
											0.98%	
Total Return:												
Portfolio **			0.34%	1.77%	2.23%	2.35%	1.78%	1.61%	n/a	n/a		
Benchmark Index - Barclay's 1-3Yr US Govt			0.79%	1.37%	2.53%	3.78%	2.43%	3.98%	3.98%	n/a		

* Annualized Total Return

** Total return calculation uses Modified Dietz formula per GIPS standards

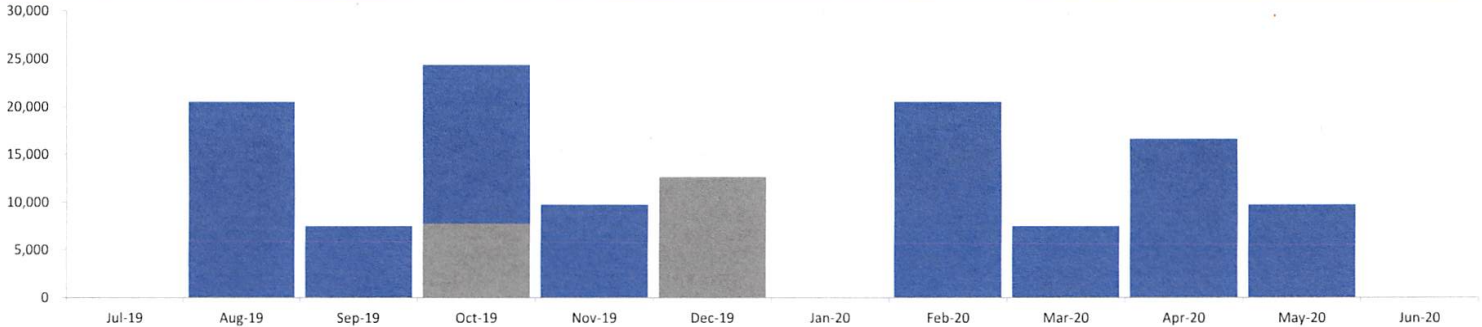
Excluded Securities



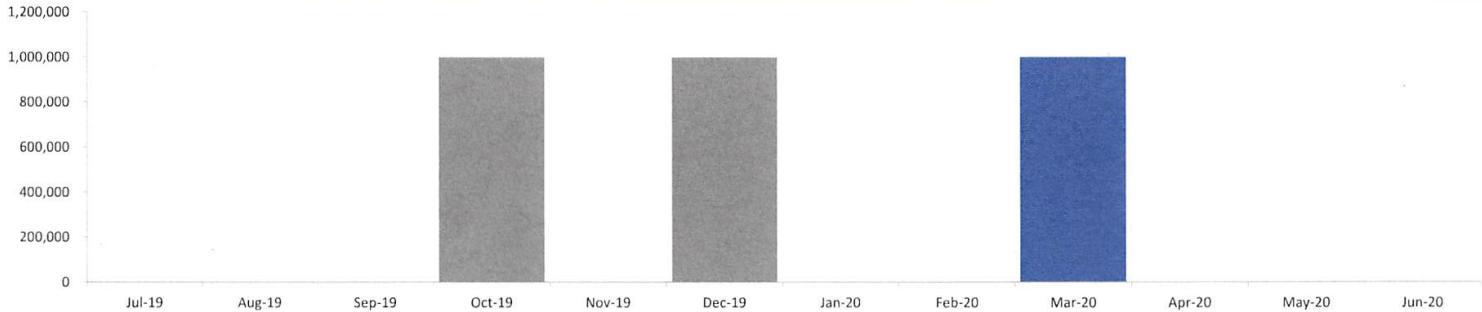
Cash-Flows - from 07/2019 to 06/2020 - Assuming None Called

Type	Par Value	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
Callable	6,095,000	0	20,500	7,500	16,611	9,750	0	0	20,500	1,007,500	16,611	9,750	0
Non-Callable	3,067,000	0	0	0	1,007,750	0	1,012,650	0	0	0	0	0	0
TOTAL	9,162,000	0	20,500	7,500	1,024,361	9,750	1,012,650	0	20,500	1,007,500	16,611	9,750	0

Interest Payments



Principal Payments



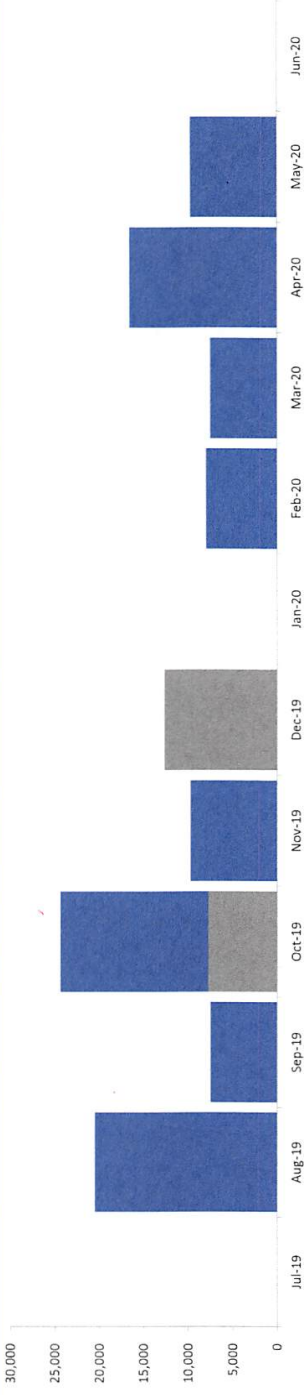
City Of Kenmore



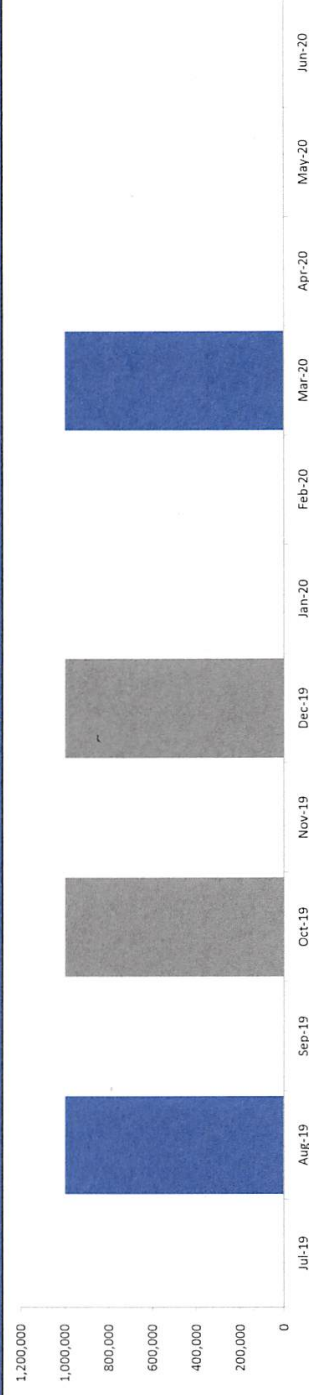
Cash-Flows - from 07/2019 to 06/2020 - Recognizing Likelihood of Call*

Type	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
Callable	0	1,020,500	7,500	16,611	9,750	0	0	8,000	1,007,500	16,611	9,750	0
Non-Callable	0	0	0	1,007,750	0	1,012,650	0	0	0	0	0	0
TOTAL	0	1,020,500	7,500	1,024,361	9,750	1,012,650	0	8,000	1,007,500	16,611	9,750	0

Interest Payments



Principal Payments



* Likelihood based on 06/28/2019 market rates

Report Date: 6/28/2019



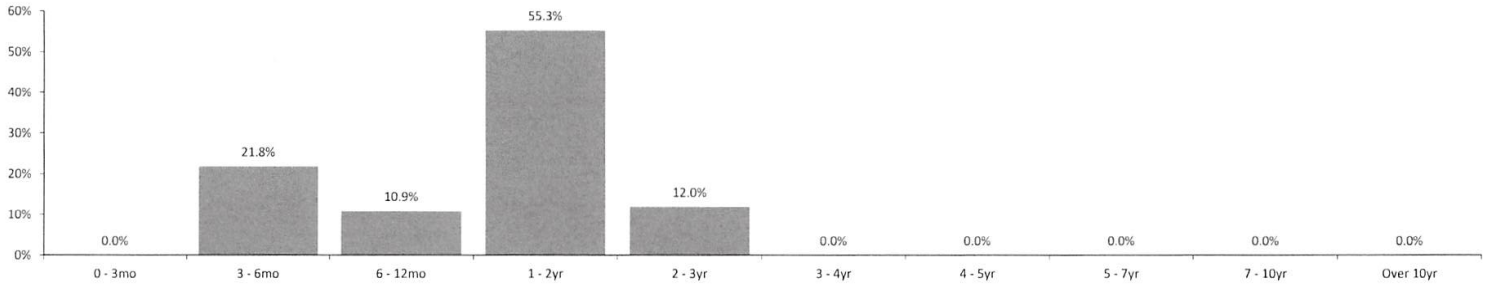
Extended Cash-Flows															
#	Cusip	Par Value	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Year 1 Total
1	3130AB3N4	1,000,000	0	0	0	1,007,750	0	0	0	0	0	0	0	0	1,007,750
2	3133EJSU4	1,000,000	0	0	0	0	0	1,012,650	0	0	0	0	0	0	1,012,650
3	3133EHL2*	1,000,000	0	0	7,500	0	0	0	0	0	1,007,500	0	0	0	1,015,000
4	3134G9GR2*	1,000,000	0	8,000	0	0	0	0	0	8,000	0	0	0	0	16,000
5	3130ACTL8*	1,000,000	0	0	0	0	9,750	0	0	0	0	0	9,750	0	19,500
6	76116FAG2	1,067,000	0	0	0	0	0	0	0	0	0	0	0	0	0
7	3134GSEU5**	1,000,000	0	1,012,500	0	0	0	0	0	0	0	0	0	0	1,012,500
8	3130A7RL1*	1,000,000	0	0	0	8,125	0	0	0	0	0	8,125	0	0	16,250
9	3136G4ED1*	1,095,000	0	0	0	8,486	0	0	0	0	0	8,486	0	0	16,973
TOTAL		9,162,000	0	1,020,500	7,500	1,024,361	9,750	1,012,650	0	8,000	1,007,500	16,611	9,750	0	4,116,623

* Callable - currently not likely to be called
** Callable - currently likely to be called

See Cash-Flows graph above "Recognizing Likelihood of Call" for current projected cash-flows



Maturity Distribution



Portfolio Details - Sorted by Maturity

#	CUSIP/Sec-ID	Sec Desc 1	Weight	Par Value	Coupon *	Settle Dt	Mat Dt	Nxt Call Dt	Rating ***	YTM **	YTW **	Duration	Call Type	Estimated Bps to Call	Estimated Redem. Date
1	3130AB3N4	FHLB 1.55 10/29/19	10.9%	1,000,000	1.55	4/28/2017	10/29/2019		AAA	1.52	1.51	0.33	Onetime		10/29/2019
2	3133EJSU4	FFCB 2.53 12/26/19	10.9%	1,000,000	2.53	7/11/2018	12/26/2019		AAA	2.42	2.42	0.49			12/26/2019
3	3133EHXL2	FFCB 1 1/2 03/05/20	10.9%	1,000,000	1.50	9/19/2017	3/5/2020	7/5/2019	AAA	1.54	1.54	0.67	Anytime	(89)	3/5/2020
4	3134G9GR2	FHLMC 1.6 08/18/20	10.9%	1,000,000	1.60	8/7/2017	8/18/2020	8/18/2019	AAA	1.62	1.62	1.11	Quarterly	(62)	8/18/2020
5	3130ACTL8	FHLB 1.95 11/25/20	10.9%	1,000,000	1.95	12/22/2017	11/25/2020	8/25/2019	AAA	2.03	2.03	1.18	Quarterly	(34)	11/25/2020
6	76116FAG2	RFCSP 0 01/15/21	11.6%	1,067,000	0.00	6/1/2018	1/15/2021		NR AGY	2.50	2.50	1.53			1/15/2021
7	3134GSEU5	FHLMC 2 1/2 02/24/21	10.9%	1,000,000	2.50	5/25/2018	2/24/2021	8/24/2019	AAA	2.62	2.62	1.08	Quarterly	15	8/24/2019
8	3130A7RL1	FHLB 1 5/8 04/19/21	10.9%	1,000,000	1.63	1/26/2017	4/19/2021	7/19/2019	AAA	1.80	1.80	1.70	Quarterly	(79)	4/19/2021
9	3136G4ED1	FNMA 1.55 10/25/21	12.0%	1,095,000	1.55	4/23/2019	10/25/2021	7/25/2019	AAA	2.36	2.36	2.25	Quarterly	(90)	10/25/2021
TOTAL and AVERAGES				9,162,000	1.63		1.28 yrs	0.34 yrs		2.05	2.05	1.16			

* Semi-Annual interest payment

** Yields calculated using cost price, at settlement date

*** NR AGY = Non-Rated U.S. Government Agency



City Of Kenmore

Portfolio Details - Sorted by Call															
#	CUSIP/Sec-ID	Sec Desc 1	Weight	Par Value	Coupon *	Settle Dt	Mat Dt	Nxt Call Dt	Rating ***	YTM **	YTW **	Duration	Call Type	<u>Estimated</u> Bps to Call	<u>Estimated</u> Redem. Date
1	3133EHXL2	FFCB 1 1/2 03/05/20	10.9%	1,000,000	1.50	9/19/2017	3/5/2020	7/5/2019	AAA	1.54	1.54	0.67	Anytime	(89)	3/5/2020
2	3130A7RL1	FHLB 1 5/8 04/19/21	10.9%	1,000,000	1.63	1/26/2017	4/19/2021	7/19/2019	AAA	1.80	1.80	1.70	Quarterly	(79)	4/19/2021
3	3136G4ED1	FNMA 1.55 10/25/21	12.0%	1,095,000	1.55	4/23/2019	10/25/2021	7/25/2019	AAA	2.36	2.36	2.25	Quarterly	(90)	10/25/2021
4	3134G9GR2	FHLMC 1.6 08/18/20	10.9%	1,000,000	1.60	8/7/2017	8/18/2020	8/18/2019	AAA	1.62	1.62	1.11	Quarterly	(62)	8/18/2020
5	3134GSEU5	FHLMC 2 1/2 02/24/21	10.9%	1,000,000	2.50	5/25/2018	2/24/2021	8/24/2019	AAA	2.62	2.62	1.08	Quarterly	15	8/24/2019
6	3130ACTL8	FHLB 1.95 11/25/20	10.9%	1,000,000	1.95	12/22/2017	11/25/2020	8/25/2019	AAA	2.03	2.03	1.18	Quarterly	(34)	11/25/2020
7	3130AB3N4	FHLB 1.55 10/29/19	10.9%	1,000,000	1.55	4/28/2017	10/29/2019		AAA	1.52	1.51	0.33	Onetime		10/29/2019
8	3133EJSU4	FFCB 2.53 12/26/19	10.9%	1,000,000	2.53	7/11/2018	12/26/2019		AAA	2.42	2.42	0.49			12/26/2019
9	76116FAG2	RFSCP 0 01/15/21	11.6%	1,067,000	0.00	6/1/2018	1/15/2021		NR AGY	2.50	2.50	1.53			1/15/2021
TOTAL and AVERAGES				9,162,000	1.63		1.28 yrs	0.34 yrs		2.05	2.05	1.16			

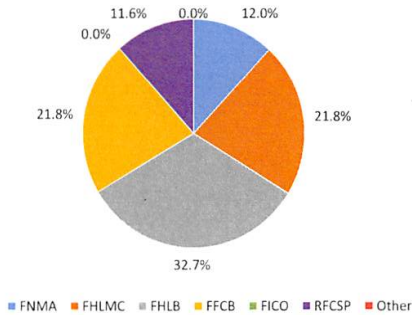
* Semi-Annual interest payment

** Yields calculated using cost price, at settlement date

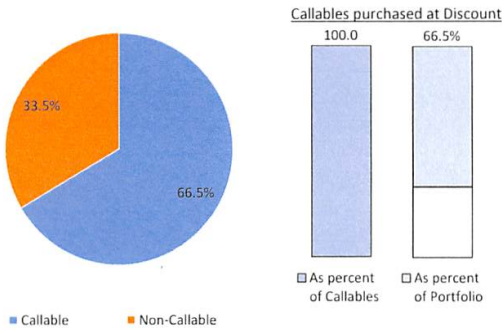
*** NR AGY = Non-Rated U.S. Government Agency



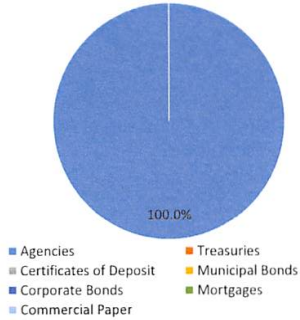
Agency Distribution



Callable Breakdown



Portfolio Composition *



* Securities only

Amortization/Accretion Book Calculations														Unrealized
#	CUSIP/Sec-ID	Sec Desc 1	Cpn	Mat Dt	Par Value	Cost	Purch Px	Book Val	Book Px	Book YTM	Mkt Val	Mkt Px	Mkt YTM	Gain/Loss
1	3130AB3N4	FHLB 1.55 10/29/19	1.55	10/29/2019	1,000,000	1,000,750	100.08	1,000,000	100.00	1.55	997,767	99.78	2.21	(2,233)
2	3133EJSU4	FFCB 2.53 12/26/19	2.53	12/26/2019	1,000,000	1,001,561	100.16	1,000,536	100.05	2.49	1,001,768	100.18	2.17	1,232
3	3133EHXL2	FFCB 1 1/2 03/05/20	1.50	3/5/2020	1,000,000	999,000	99.90	999,711	99.97	1.51	996,645	99.66	1.99	(3,066)
4	3134G9GR2	FHLMC 1.6 08/18/20	1.60	8/18/2020	1,000,000	999,500	99.95	999,803	99.98	1.61	996,566	99.66	1.91	(3,237)
5	3130ACTL8	FHLB 1.95 11/25/20	1.95	11/25/2020	1,000,000	997,650	99.77	998,846	99.88	1.99	999,495	99.95	1.99	649
6	76116FAG2	RFCSP 0 01/15/21	0.00	1/15/2021	1,067,000	999,718	93.69	1,026,768	96.23	1.47	1,034,655	96.97	2.00	7,887
7	3134GSEU5	FHLMC 2 1/2 02/24/21	2.50	2/24/2021	1,000,000	996,714	99.67	997,986	99.80	2.58	1,000,855	100.09	2.45	2,869
8	3130A7RL1	FHLB 1 5/8 04/19/21	1.63	4/19/2021	1,000,000	992,893	99.29	996,891	99.69	1.70	996,100	99.61	1.84	(791)
9	3136G4ED1	FNMA 1.55 10/25/21	1.55	10/25/2021	1,095,000	1,073,543	98.04	1,075,037	98.18	2.30	1,087,965	99.36	1.83	12,928
TOTAL					9,162,000	9,061,330		9,095,579		1.91	9,111,816		2.04	16,237



City Council Business Agenda Item City of Kenmore, WA

Subject/Topic: E2SHB 1923 (2019), Increasing Residential Building Capacity

Proposed Council Action/Motion:
Provide direction on staff's recommendation not to apply for E2SHB 1923 funding.

For Council Meeting Agenda of: September 9, 2019

Department: Community Development

Prepared by: Debbie Bent, Community Development Director and Lauri Anderson, Principal Planner

Initial & Date
Approved by Department Head: LA GW DB, 8/15/19
Approved by City Attorney: _____
Approved by Finance Director: _____
Approved by City Manager: [Signature]

Exhibits/Attachments:

1. E2SHB 1923
2. Department of Commerce Guidance

INFORMATION/BACKGROUND:

E2SHB 1923 (see Attachment 1) offers an opportunity for cities with populations of more than 20,000 to apply for up to \$100,000 to assist in accomplishing two actions (out of 13) to increase residential building capacity. The grant application is due on September 30, 2019.

Attachment 2 provides information from the Department of Commerce on the grant opportunities. Although staff has reviewed all of the 13 actions, and has talked with Commerce about a number of ideas, we do not believe that Kenmore has a project that both meets the grant criteria and warrants the time that would be spent taking the action given other priorities. Following is a brief description of the 13 actions. Four potential actions for Kenmore are identified; two of these would have to be selected to apply for a grant. The other 9 actions are described, along with a brief description of why staff does not believe they are suitable. The question before the City Council is: Do you wish to commit to any of these items (assuming the City receives a grant) or instead follow staff's recommendation against applying for these funds?

Potential actions that Kenmore could take, but staff recommends against:

1. Authorize cluster zoning or lot size averaging in all zoning districts that permit single-family residences. Staff analysis: The City already has opportunities for cluster zoning and lot size averaging in areas constrained by critical areas. Going beyond these allowances may cause significant community concern over small lots.

2. Adopt a form-based code (no density limits) for one or more zoning districts. Staff analysis: The City has not moved toward a form-based code and this approach was specifically rejected a few years ago with the commercial rezoning project. This project could be interesting, but would require more than \$100,000 given the intensive design/architectural work that must be completed.

3. Authorize a duplex on each corner lot within all zoning districts that permit single-family residences. Staff analysis: The effort needed to accomplish this project doesn't seem worth the end result (probably very few additional units).

4. Authorize a minimum net density of six dwelling units per acre in all residential zones. Staff analysis: This might work for the R-6 zone where the base density is 6 dwelling units per acre, but could be problematic for the R-1 and R-4 zones where densities are 1-4 dwelling units per acre to acknowledge critical areas.

Actions that Kenmore is not eligible for or staff does not believe are achievable:

I:/City Clerk/Agenda Items/Templates

<u>5. Increase residential densities in a designated area of at least 500 acres near commuter or light rail stations.</u> Staff analysis: Kenmore does not have and does not anticipate a station for commuter rail or light rail in the immediate future. <u>6. Increase residential density along 250-acres of high frequency transit corridors to 25 dwelling units per acre, including areas with a 10 to 15-minute walk of transit stops, with reduced parking requirements.</u> Staff analysis: 250 acres would encompass the entire SR-520 corridor in the City and the 10 to 15-minute walkshed would impact existing single-family areas. Most of the commercial/multifamily part of the corridor is zoned for more than 25 dwelling units per acre. Single-family areas would have to be rezoned. Taking this action would also reduce parking requirements downtown. <u>7. Authorize at least one duplex, triplex, or courtyard apartment on all parcels in one or more single-family zoning districts.</u> Staff analysis: This would be very controversial and may not be the City's highest priority. <u>8. Authorize ADUs that meet specific standards, including the requirement that owner occupancy requirements are eliminated.</u> Staff analysis: The Planning Commission currently is considering changes to ADU standards. Staff recommends that development of these standards proceed under local control. <u>9. Adopt a subarea plan for an area within half-mile of a major transit stop that would be zoned for 15 dwelling units per acre. An EIS must be done.</u> Staff analysis: The half-mile radius would extend well into the City's single-family neighborhoods, necessitating rezoning. Too, this project, including an EIS, would cost more than \$100,000. <u>10. Adopt a planned action (SEPA exemption) for a subarea within a half-mile of a major transit stop.</u> Staff analysis: Same issues as with #9. <u>11. Adopt an infill exemption under SEPA for residential or mixed use development.</u> Staff analysis: This can only be done if a Comprehensive Plan EIS has been completed to assess impacts. This has not been done. The end result of this action would only be a SEPA exemption. <u>12. Allow for 9-lot short subdivisions.</u> Staff analysis: Kenmore has already done this. <u>13. Prepare a Housing Action Plan.</u> Staff analysis: Kenmore has already done this.
<u>COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:</u> • Comprehensive Plan 20-Year Vision Statement: "As we look into the future, we see Kenmore as a place that residents, businesses and visitors find welcoming, with courteous people, and that offers a high quality of life to live, raise children, shop, work, recreate, and socialize. In 2035, we see Kenmore as a fun, vibrant waterfront community that (among other things) supports the character of its single family residential neighborhoods." • "Goal H-1: "Promote and maintain strong residential neighborhoods."

Attachment 1

CERTIFICATION OF ENROLLMENT

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1923

Chapter 348, Laws of 2019

66th Legislature
2019 Regular Session

URBAN RESIDENTIAL BUILDING CAPACITY

EFFECTIVE DATE: July 28, 2019—Except for section 11, which becomes effective July 1, 2019.

Passed by the House April 24, 2019
Yeas 75 Nays 19

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 22, 2019
Yeas 33 Nays 16

CYRUS HABIB

President of the Senate

Approved May 9, 2019 3:12 PM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1923** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

Chief Clerk

FILED

May 13, 2019

**Secretary of State
State of Washington**

ENGROSSED SECOND SUBSTITUTE HOUSE BILL 1923

AS AMENDED BY THE SENATE

Passed Legislature - 2019 Regular Session

State of Washington 66th Legislature 2019 Regular Session

By House Appropriations (originally sponsored by Representatives Fitzgibbon, Macri, Appleton, Doglio, Dolan, Santos, and Frame)

READ FIRST TIME 03/01/19.

1 AN ACT Relating to increasing urban residential building
2 capacity; amending RCW 36.70A.030, 43.21C.420, and 36.70A.490; adding
3 new sections to chapter 36.70A RCW; adding new sections to chapter
4 43.21C RCW; adding a new section to chapter 35.21 RCW; adding a new
5 section to chapter 35A.21 RCW; adding a new section to chapter 36.22
6 RCW; providing an effective date; and declaring an emergency.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 NEW SECTION. **Sec. 1.** A new section is added to chapter 36.70A
9 RCW to read as follows:

10 (1) A city planning pursuant to RCW 36.70A.040 is encouraged to
11 take the following actions in order to increase its residential
12 building capacity:

13 (a) Authorize development in one or more areas of not fewer than
14 five hundred acres that include at least one train station served by
15 commuter rail or light rail with an average of at least fifty
16 residential units per acre that require no more than an average of
17 one on-site parking space per two bedrooms in the portions of
18 multifamily zones that are located within the areas;

19 (b) Authorize development in one or more areas of not fewer than
20 five hundred acres in cities with a population greater than forty
21 thousand or not fewer than two hundred fifty acres in cities with a

1 population less than forty thousand that include at least one bus
 2 stop served by scheduled bus service of at least four times per hour
 3 for twelve or more hours per day with an average of at least twenty-
 4 five residential units per acre that require no more than an average
 5 of one on-site parking space per two bedrooms in portions of the
 6 multifamily zones that are located within the areas;

7 (c) Authorize at least one duplex, triplex, or courtyard
 8 apartment on each parcel in one or more zoning districts that permit
 9 single-family residences unless a city documents a specific
 10 infrastructure of physical constraint that would make this
 11 requirement unfeasible for a particular parcel;

12 (d) Authorize cluster zoning or lot size averaging in all zoning
 13 districts that permit single-family residences;

14 (e) Authorize attached accessory dwelling units on all parcels
 15 containing single-family homes where the lot is at least three
 16 thousand two hundred square feet in size, and permit both attached
 17 and detached accessory dwelling units on all parcels containing
 18 single-family homes, provided lots are at least four thousand three
 19 hundred fifty-six square feet in size. Qualifying city ordinances or
 20 regulations may not provide for on-site parking requirements, owner
 21 occupancy requirements, or square footage limitations below one
 22 thousand square feet for the accessory dwelling unit, and must not
 23 prohibit the separate rental or sale of accessory dwelling units and
 24 the primary residence. Cities must set applicable impact fees at no
 25 more than the projected impact of the accessory dwelling unit. To
 26 allow local flexibility, other than these factors, accessory dwelling
 27 units may be subject to such regulations, conditions, procedures, and
 28 limitations as determined by the local legislative authority, and
 29 must follow all applicable state and federal laws and local
 30 ordinances;

31 (f) Adopt a subarea plan pursuant to RCW 43.21C.420;

32 (g) Adopt a planned action pursuant to RCW 43.21C.440(1)(b)(ii),
 33 except that an environmental impact statement pursuant to RCW
 34 43.21C.030 is not required for such an action;

35 (h) Adopt increases in categorical exemptions pursuant to RCW
 36 43.21C.229 for residential or mixed-use development;

37 (i) Adopt a form-based code in one or more zoning districts that
 38 permit residential uses. "Form-based code" means a land development
 39 regulation that uses physical form, rather than separation of use, as
 40 the organizing principle for the code;

1 (j) Authorize a duplex on each corner lot within all zoning
2 districts that permit single-family residences;

3 (k) Allow for the division or redivision of land into the maximum
4 number of lots through the short subdivision process provided in
5 chapter 58.17 RCW; and

6 (l) Authorize a minimum net density of six dwelling units per
7 acre in all residential zones, where the residential development
8 capacity will increase within the city.

9 (2) A city planning pursuant to RCW 36.70A.040 may adopt a
10 housing action plan as described in this subsection. The goal of any
11 such housing plan must be to encourage construction of additional
12 affordable and market rate housing in a greater variety of housing
13 types and at prices that are accessible to a greater variety of
14 incomes, including strategies aimed at the for-profit single-family
15 home market. A housing action plan may utilize data compiled pursuant
16 to section 3 of this act. The housing action plan should:

17 (a) Quantify existing and projected housing needs for all income
18 levels, including extremely low-income households, with documentation
19 of housing and household characteristics, and cost-burdened
20 households;

21 (b) Develop strategies to increase the supply of housing, and
22 variety of housing types, needed to serve the housing needs
23 identified in (a) of this subsection;

24 (c) Analyze population and employment trends, with documentation
25 of projections;

26 (d) Consider strategies to minimize displacement of low-income
27 residents resulting from redevelopment;

28 (e) Review and evaluate the current housing element adopted
29 pursuant to RCW 36.70A.070, including an evaluation of success in
30 attaining planned housing types and units, achievement of goals and
31 policies, and implementation of the schedule of programs and actions;

32 (f) Provide for participation and input from community members,
33 community groups, local builders, local realtors, nonprofit housing
34 advocates, and local religious groups; and

35 (g) Include a schedule of programs and actions to implement the
36 recommendations of the housing action plan.

37 (3) If adopted by April 1, 2021, ordinances, amendments to
38 development regulations, and other nonproject actions taken by a city
39 to implement the actions specified in subsection (1) of this section,
40 with the exception of the action specified in subsection (1)(f) of

1 this section, are not subject to administrative or judicial appeal
2 under chapter 43.21C RCW.

3 (4) Any action taken by a city prior to April 1, 2021, to amend
4 their comprehensive plan, or adopt or amend ordinances or development
5 regulations, solely to enact provisions under subsection (1) of this
6 section is not subject to legal challenge under this chapter.

7 (5) In taking action under subsection (1) of this section, cities
8 are encouraged to utilize strategies that increase residential
9 building capacity in areas with frequent transit service and with the
10 transportation and utility infrastructure that supports the
11 additional residential building capacity.

12 (6) A city with a population over twenty thousand that is
13 planning to take at least two actions under subsection (1) of this
14 section, and that action will occur between the effective date of
15 this section and April 1, 2021, is eligible to apply to the
16 department for planning grant assistance of up to one hundred
17 thousand dollars, subject to the availability of funds appropriated
18 for that purpose. The department shall develop grant criteria to
19 ensure that grant funds awarded are proportionate to the level of
20 effort proposed by a city, and the potential increase in housing
21 supply or regulatory streamlining that could be achieved. Funding may
22 be provided in advance of, and to support, adoption of policies or
23 ordinances consistent with this section. A city can request, and the
24 department may award, more than one hundred thousand dollars for
25 applications that demonstrate extraordinary potential to increase
26 housing supply or regulatory streamlining.

27 (7) A city seeking to develop a housing action plan under
28 subsection (2) of this section is eligible to apply to the department
29 for up to one hundred thousand dollars.

30 (8) The department shall establish grant award amounts under
31 subsections (6) and (7) of this section based on the expected number
32 of cities that will seek grant assistance, to ensure that all cities
33 can receive some level of grant support. If funding capacity allows,
34 the department may consider accepting and funding applications from
35 cities with a population of less than twenty thousand if the actions
36 proposed in the application will create a significant amount of
37 housing capacity or regulatory streamlining and are consistent with
38 the actions in this section.

39 (9) In implementing this act, cities are encouraged to prioritize
40 the creation of affordable, inclusive neighborhoods and to consider

1 the risk of residential displacement, particularly in neighborhoods
2 with communities at high risk of displacement.

3 **Sec. 2.** RCW 36.70A.030 and 2017 3rd sp.s. c 18 s 2 are each
4 amended to read as follows:

5 Unless the context clearly requires otherwise, the definitions in
6 this section apply throughout this chapter.

7 (1) "Adopt a comprehensive land use plan" means to enact a new
8 comprehensive land use plan or to update an existing comprehensive
9 land use plan.

10 (2) "Agricultural land" means land primarily devoted to the
11 commercial production of horticultural, viticultural, floricultural,
12 dairy, apiary, vegetable, or animal products or of berries, grain,
13 hay, straw, turf, seed, Christmas trees not subject to the excise tax
14 imposed by RCW 84.33.100 through 84.33.140, finfish in upland
15 hatcheries, or livestock, and that has long-term commercial
16 significance for agricultural production.

17 (3) "City" means any city or town, including a code city.

18 (4) "Comprehensive land use plan," "comprehensive plan," or
19 "plan" means a generalized coordinated land use policy statement of
20 the governing body of a county or city that is adopted pursuant to
21 this chapter.

22 (5) "Critical areas" include the following areas and ecosystems:
23 (a) Wetlands; (b) areas with a critical recharging effect on aquifers
24 used for potable water; (c) fish and wildlife habitat conservation
25 areas; (d) frequently flooded areas; and (e) geologically hazardous
26 areas. "Fish and wildlife habitat conservation areas" does not
27 include such artificial features or constructs as irrigation delivery
28 systems, irrigation infrastructure, irrigation canals, or drainage
29 ditches that lie within the boundaries of and are maintained by a
30 port district or an irrigation district or company.

31 (6) "Department" means the department of commerce.

32 (7) "Development regulations" or "regulation" means the controls
33 placed on development or land use activities by a county or city,
34 including, but not limited to, zoning ordinances, critical areas
35 ordinances, shoreline master programs, official controls, planned
36 unit development ordinances, subdivision ordinances, and binding site
37 plan ordinances together with any amendments thereto. A development
38 regulation does not include a decision to approve a project permit
39 application, as defined in RCW 36.70B.020, even though the decision

1 may be expressed in a resolution or ordinance of the legislative body
2 of the county or city.

3 (8) "Forestland" means land primarily devoted to growing trees
4 for long-term commercial timber production on land that can be
5 economically and practically managed for such production, including
6 Christmas trees subject to the excise tax imposed under RCW 84.33.100
7 through 84.33.140, and that has long-term commercial significance. In
8 determining whether forestland is primarily devoted to growing trees
9 for long-term commercial timber production on land that can be
10 economically and practically managed for such production, the
11 following factors shall be considered: (a) The proximity of the land
12 to urban, suburban, and rural settlements; (b) surrounding parcel
13 size and the compatibility and intensity of adjacent and nearby land
14 uses; (c) long-term local economic conditions that affect the ability
15 to manage for timber production; and (d) the availability of public
16 facilities and services conducive to conversion of forestland to
17 other uses.

18 (9) "Freight rail dependent uses" means buildings and other
19 infrastructure that are used in the fabrication, processing, storage,
20 and transport of goods where the use is dependent on and makes use of
21 an adjacent short line railroad. Such facilities are both urban and
22 rural development for purposes of this chapter. "Freight rail
23 dependent uses" does not include buildings and other infrastructure
24 that are used in the fabrication, processing, storage, and transport
25 of coal, liquefied natural gas, or "crude oil" as defined in RCW
26 90.56.010.

27 (10) "Geologically hazardous areas" means areas that because of
28 their susceptibility to erosion, sliding, earthquake, or other
29 geological events, are not suited to the siting of commercial,
30 residential, or industrial development consistent with public health
31 or safety concerns.

32 (11) "Long-term commercial significance" includes the growing
33 capacity, productivity, and soil composition of the land for long-
34 term commercial production, in consideration with the land's
35 proximity to population areas, and the possibility of more intense
36 uses of the land.

37 (12) "Minerals" include gravel, sand, and valuable metallic
38 substances.

39 (13) "Public facilities" include streets, roads, highways,
40 sidewalks, street and road lighting systems, traffic signals,

1 domestic water systems, storm and sanitary sewer systems, parks and
2 recreational facilities, and schools.

3 (14) "Public services" include fire protection and suppression,
4 law enforcement, public health, education, recreation, environmental
5 protection, and other governmental services.

6 (15) "Recreational land" means land so designated under RCW
7 36.70A.1701 and that, immediately prior to this designation, was
8 designated as agricultural land of long-term commercial significance
9 under RCW 36.70A.170. Recreational land must have playing fields and
10 supporting facilities existing before July 1, 2004, for sports played
11 on grass playing fields.

12 (16) "Rural character" refers to the patterns of land use and
13 development established by a county in the rural element of its
14 comprehensive plan:

15 (a) In which open space, the natural landscape, and vegetation
16 predominate over the built environment;

17 (b) That foster traditional rural lifestyles, rural-based
18 economies, and opportunities to both live and work in rural areas;

19 (c) That provide visual landscapes that are traditionally found
20 in rural areas and communities;

21 (d) That are compatible with the use of the land by wildlife and
22 for fish and wildlife habitat;

23 (e) That reduce the inappropriate conversion of undeveloped land
24 into sprawling, low-density development;

25 (f) That generally do not require the extension of urban
26 governmental services; and

27 (g) That are consistent with the protection of natural surface
28 water flows and groundwater and surface water recharge and discharge
29 areas.

30 (17) "Rural development" refers to development outside the urban
31 growth area and outside agricultural, forest, and mineral resource
32 lands designated pursuant to RCW 36.70A.170. Rural development can
33 consist of a variety of uses and residential densities, including
34 clustered residential development, at levels that are consistent with
35 the preservation of rural character and the requirements of the rural
36 element. Rural development does not refer to agriculture or forestry
37 activities that may be conducted in rural areas.

38 (18) "Rural governmental services" or "rural services" include
39 those public services and public facilities historically and
40 typically delivered at an intensity usually found in rural areas, and

1 may include domestic water systems, fire and police protection
2 services, transportation and public transit services, and other
3 public utilities associated with rural development and normally not
4 associated with urban areas. Rural services do not include storm or
5 sanitary sewers, except as otherwise authorized by RCW 36.70A.110(4).

6 (19) "Short line railroad" means those railroad lines designated
7 class II or class III by the United States surface transportation
8 board.

9 (20) "Urban governmental services" or "urban services" include
10 those public services and public facilities at an intensity
11 historically and typically provided in cities, specifically including
12 storm and sanitary sewer systems, domestic water systems, street
13 cleaning services, fire and police protection services, public
14 transit services, and other public utilities associated with urban
15 areas and normally not associated with rural areas.

16 (21) "Urban growth" refers to growth that makes intensive use of
17 land for the location of buildings, structures, and impermeable
18 surfaces to such a degree as to be incompatible with the primary use
19 of land for the production of food, other agricultural products, or
20 fiber, or the extraction of mineral resources, rural uses, rural
21 development, and natural resource lands designated pursuant to RCW
22 36.70A.170. A pattern of more intensive rural development, as
23 provided in RCW 36.70A.070(5)(d), is not urban growth. When allowed
24 to spread over wide areas, urban growth typically requires urban
25 governmental services. "Characterized by urban growth" refers to land
26 having urban growth located on it, or to land located in relationship
27 to an area with urban growth on it as to be appropriate for urban
28 growth.

29 (22) "Urban growth areas" means those areas designated by a
30 county pursuant to RCW 36.70A.110.

31 (23) "Wetland" or "wetlands" means areas that are inundated or
32 saturated by surface water or groundwater at a frequency and duration
33 sufficient to support, and that under normal circumstances do
34 support, a prevalence of vegetation typically adapted for life in
35 saturated soil conditions. Wetlands generally include swamps,
36 marshes, bogs, and similar areas. Wetlands do not include those
37 artificial wetlands intentionally created from nonwetland sites,
38 including, but not limited to, irrigation and drainage ditches,
39 grass-lined swales, canals, detention facilities, wastewater
40 treatment facilities, farm ponds, and landscape amenities, or those

1 wetlands created after July 1, 1990, that were unintentionally
 2 created as a result of the construction of a road, street, or
 3 highway. Wetlands may include those artificial wetlands intentionally
 4 created from nonwetland areas created to mitigate conversion of
 5 wetlands.

6 (24) "Affordable housing" means, unless the context clearly
 7 indicates otherwise, residential housing whose monthly costs,
 8 including utilities other than telephone, do not exceed thirty
 9 percent of the monthly income of a household whose income is:

10 (a) For rental housing, sixty percent of the median household
 11 income adjusted for household size, for the county where the
 12 household is located, as reported by the United States department of
 13 housing and urban development; or

14 (b) For owner-occupied housing, eighty percent of the median
 15 household income adjusted for household size, for the county where
 16 the household is located, as reported by the United States department
 17 of housing and urban development.

18 (25) "Extremely low-income household" means a single person,
 19 family, or unrelated persons living together whose adjusted income is
 20 at or below thirty percent of the median household income adjusted
 21 for household size, for the county where the household is located, as
 22 reported by the United States department of housing and urban
 23 development.

24 (26) "Low-income household" means a single person, family, or
 25 unrelated persons living together whose adjusted income is at or
 26 below eighty percent of the median household income adjusted for
 27 household size, for the county where the household is located, as
 28 reported by the United States department of housing and urban
 29 development.

30 (27) "Permanent supportive housing" is subsidized, leased housing
 31 with no limit on length of stay, paired with on-site or off-site
 32 voluntary services designed to support a person living with a
 33 disability to be a successful tenant in a housing arrangement,
 34 improve the resident's health status, and connect residents of the
 35 housing with community-based health care, treatment, and employment
 36 services.

37 (28) "Very low-income household" means a single person, family,
 38 or unrelated persons living together whose adjusted income is at or
 39 below fifty percent of the median household income adjusted for
 40 household size, for the county where the household is located, as

1 reported by the United States department of housing and urban
 2 development.

3 NEW SECTION. **Sec. 3.** A new section is added to chapter 36.70A
 4 RCW to read as follows:

5 The Washington center for real estate research at the University
 6 of Washington shall produce a report every two years that compiles
 7 housing supply and affordability metrics for each city planning under
 8 RCW 36.70A.040 with a population of ten thousand or more. The initial
 9 report, completed by October 15, 2020, must be a compilation of
 10 objective criteria relating to development regulations, zoning,
 11 income, housing and rental prices, housing affordability programs,
 12 and other metrics relevant to assessing housing supply and
 13 affordability for all income segments, including the percentage of
 14 cost-burdened households, of each city subject to the report required
 15 by this section. The report completed by October 15, 2022, must also
 16 include data relating to actions taken by cities under this act. The
 17 report completed by October 15, 2024, must also include relevant data
 18 relating to buildable lands reports prepared under RCW 36.70A.215,
 19 where applicable, and updates to comprehensive plans under this
 20 chapter. The Washington center for real estate research shall
 21 collaborate with the Washington housing finance commission and the
 22 office of financial management to develop the metrics compiled in the
 23 report. The report must be submitted, consistent with RCW 43.01.036,
 24 to the standing committees of the legislature with jurisdiction over
 25 housing issues and this chapter.

26 NEW SECTION. **Sec. 4.** A new section is added to chapter 43.21C
 27 RCW to read as follows:

28 If adopted by April 1, 2021, amendments to development
 29 regulations and other nonproject actions taken by a city to implement
 30 section 1 (1) or (4) of this act, with the exception of the action
 31 specified in section 1(1)(f) of this act, are not subject to
 32 administrative or judicial appeals under this chapter.

33 NEW SECTION. **Sec. 5.** A new section is added to chapter 36.70A
 34 RCW to read as follows:

35 In counties and cities planning under RCW 36.70A.040, minimum
 36 residential parking requirements mandated by municipal zoning

ordinances for housing units constructed after July 1, 2019, are subject to the following requirements:

(1) For housing units that are affordable to very low-income or extremely low-income individuals and that are located within one-quarter mile of a transit stop that receives transit service at least four times per hour for twelve or more hours per day, minimum residential parking requirements may be no greater than one parking space per bedroom or .75 space per unit. A city may require a developer to record a covenant that prohibits the rental of a unit subject to this parking restriction for any purpose other than providing for housing for very low-income or extremely low-income individuals. The covenant must address price restrictions and household income limits and policies if the property is converted to a use other than for low-income housing. A city may establish a requirement for the provision of more than one parking space per bedroom or .75 space per unit if the jurisdiction has determined a particular housing unit to be in an area with a lack of access to street parking capacity, physical space impediments, or other reasons supported by evidence that would make on-street parking infeasible for the unit.

(2) For housing units that are specifically for seniors or people with disabilities, that are located within one-quarter mile of a transit stop that receives transit service at least four times per hour for twelve or more hours per day, a city may not impose minimum residential parking requirements for the residents of such housing units, subject to the exceptions provided in this subsection. A city may establish parking requirements for staff and visitors of such housing units. A city may establish a requirement for the provision of one or more parking space per bedroom if the jurisdiction has determined a particular housing unit to be in an area with a lack of access to street parking capacity, physical space impediments, or other reasons supported by evidence that would make on-street parking infeasible for the unit. A city may require a developer to record a covenant that prohibits the rental of a unit subject to this parking restriction for any purpose other than providing for housing for seniors or people with disabilities.

NEW SECTION. **Sec. 6.** A new section is added to chapter 43.21C RCW to read as follows:

(1) A project action pertaining to residential, multifamily, or mixed use development evaluated under this chapter by a city or town planning under RCW 36.70A.040 is exempt from appeals under this chapter on the basis of the evaluation of or impacts to transportation elements of the environment, so long as the project does not present significant adverse impacts to the state-owned transportation system as determined by the department of transportation and the project is:

(a) (i) Consistent with a locally adopted transportation plan; or
 (ii) Consistent with the transportation element of a comprehensive plan; and

(b) (i) A project for which traffic or parking impact fees are imposed pursuant to RCW 82.02.050 through 82.02.090; or

(ii) A project for which traffic or parking impacts are expressly mitigated by an ordinance, or ordinances, of general application adopted by the city or town.

(2) For purposes of this section, "impacts to transportation elements of the environment" include impacts to transportation systems; vehicular traffic; waterborne, rail, and air traffic; parking; movement or circulation of people or goods; and traffic hazards.

Sec. 7. RCW 43.21C.420 and 2010 c 153 s 2 are each amended to read as follows:

(1) Cities with a population greater than five thousand, in accordance with their existing comprehensive planning and development regulation authority under chapter 36.70A RCW, and in accordance with this section, may adopt optional elements of their comprehensive plans and optional development regulations that apply within specified subareas of the cities, that are either:

(a) Areas designated as mixed-use or urban centers in a land use or transportation plan adopted by a regional transportation planning organization; or

(b) Areas within one-half mile of a major transit stop that are zoned to have an average minimum density of fifteen dwelling units or more per gross acre.

(2) Cities located on the east side of the Cascade mountains and located in a county with a population of two hundred thirty thousand or less, in accordance with their existing comprehensive planning and development regulation authority under chapter 36.70A RCW, and in

1 accordance with this section, may adopt optional elements of their
 2 comprehensive plans and optional development regulations that apply
 3 within the mixed-use or urban centers. The optional elements of their
 4 comprehensive plans and optional development regulations must enhance
 5 pedestrian, bicycle, transit, or other nonvehicular transportation
 6 methods.

7 (3) A major transit stop is defined as:

8 (a) A stop on a high capacity transportation service funded or
 9 expanded under the provisions of chapter 81.104 RCW;

10 (b) Commuter rail stops;

11 (c) Stops on rail or fixed guideway systems, including
 12 transitways;

13 (d) Stops on bus rapid transit routes or routes that run on high
 14 occupancy vehicle lanes; or

15 (e) Stops for a bus or other transit mode providing fixed route
 16 service at intervals of at least thirty minutes during the peak hours
 17 of operation.

18 (4) (a) A city that elects to adopt such an optional comprehensive
 19 plan element and optional development regulations shall prepare a
 20 nonproject environmental impact statement, pursuant to RCW
 21 43.21C.030, assessing and disclosing the probable significant adverse
 22 environmental impacts of the optional comprehensive plan element and
 23 development regulations and of future development that is consistent
 24 with the plan and regulations.

25 (b) At least one community meeting must be held on the proposed
 26 subarea plan before the scoping notice for such a nonproject
 27 environmental impact statement is issued. Notice of scoping for such
 28 a nonproject environmental impact statement and notice of the
 29 community meeting required by this section must be mailed to all
 30 property owners of record within the subarea to be studied, to all
 31 property owners within one hundred fifty feet of the boundaries of
 32 such a subarea, to all affected federally recognized tribal
 33 governments whose ceded area is within one-half mile of the
 34 boundaries of the subarea, and to agencies with jurisdiction over the
 35 future development anticipated within the subarea.

36 ~~(c) ((In cities with over five hundred thousand residents, notice~~
 37 ~~of scoping for such a nonproject environmental impact statement and~~
 38 ~~notice of the community meeting required by this section must be~~
 39 ~~mailed to all small businesses as defined in RCW 19.85.020, and to~~
 40 ~~all community preservation and development authorities established~~

~~under chapter 43.167 RCW, located within the subarea to be studied or within one hundred fifty feet of the boundaries of such subarea. The process for community involvement must have the goal of fair treatment and meaningful involvement of all people with respect to the development and implementation of the subarea planning process.~~

~~(d))~~ The notice of the community meeting must include general illustrations and descriptions of buildings generally representative of the maximum building envelope that will be allowed under the proposed plan and indicate that future appeals of proposed developments that are consistent with the plan will be limited. Notice of the community meeting must include signs located on major travel routes in the subarea. If the building envelope increases during the process, another notice complying with the requirements of this section must be issued before the next public involvement opportunity.

~~((e))~~ (d) Any person that has standing to appeal the adoption of this subarea plan or the implementing regulations under RCW 36.70A.280 has standing to bring an appeal of the nonproject environmental impact statement required by this subsection.

~~((f))~~ ~~Cities with over five hundred thousand residents shall prepare a study that accompanies or is appended to the nonproject environmental impact statement, but must not be part of that statement, that analyzes the extent to which the proposed subarea plan may result in the displacement or fragmentation of existing businesses, existing residents, including people living with poverty, families with children, and intergenerational households, or cultural groups within the proposed subarea plan. The city shall also discuss the results of the analysis at the community meeting.~~

~~(g))~~ (e) As an incentive for development authorized under this section, a city shall consider establishing a transfer of development rights program in consultation with the county where the city is located, that conserves county-designated agricultural and forestland of long-term commercial significance. If the city decides not to establish a transfer of development rights program, the city must state in the record the reasons for not adopting the program. The city's decision not to establish a transfer of development rights program is not subject to appeal. Nothing in this subsection ~~(4)~~ ~~((g))~~ (e) may be used as a basis to challenge the optional comprehensive plan or subarea plan policies authorized under this section.

1 (5)(a) Until July 1, ~~((2018))~~ 2029, a proposed development that
2 meets the criteria of (b) of this subsection may not be challenged in
3 administrative or judicial appeals for noncompliance with this
4 chapter as long as a complete application for such a development that
5 vests the application or would later lead to vested status under city
6 or state law is submitted to the city within a time frame established
7 by the city, but not to exceed the following time frames:
8 (i) Nineteen years from the date of issuance of the final
9 environmental impact statement, for projects that are consistent with
10 an optional element adopted by a city as of the effective date of
11 this section; or
12 (ii) Ten years from the date of issuance of the final
13 environmental impact statement, for projects that are consistent with
14 an optional element adopted by a city after the effective date of
15 this section.
16 (b) A proposed development may not be challenged, consistent with
17 the timelines established in (a) of this subsection, so long as the
18 development:
19 (i) Is consistent with the optional comprehensive plan or subarea
20 plan policies and development regulations adopted under subsection
21 (1) or (2) of this section;
22 (ii) Sets aside or requires the occupancy of at least ten percent
23 of the dwelling units, or a greater percentage as determined by city
24 development regulations, within the development for low-income
25 households at a sale price or rental amount that is considered
26 affordable by a city's housing programs. This subsection (5)(b)(ii)
27 applies only to projects that are consistent with an optional element
28 adopted by a city pursuant to this section after the effective date
29 of this section; and ((that))
30 (iii) Is environmentally reviewed under subsection (4) of this
31 section ((may not be challenged in administrative or judicial appeals
32 for noncompliance with this chapter as long as a complete application
33 for such a development that vests the application or would later lead
34 to vested status under city or state law is submitted to the city
35 within a time frame established by the city, but not to exceed ten
36 years from the date of issuance of the final environmental impact
37 statement)).
38 ~~((b))~~ (c) After July 1, ~~((2018))~~ 2029, the immunity from
39 appeals under this chapter of any application that vests or will vest
40 under this subsection or the ability to vest under this subsection is

1 still valid, provided that the final subarea environmental impact
 2 statement is issued by July 1, ~~((2018))~~ 2029. After July 1, ~~((2018))~~
 3 2029, a city may continue to collect reimbursement fees under
 4 subsection (6) of this section for the proportionate share of a
 5 subarea environmental impact statement issued prior to July 1,
 6 ~~((2018))~~ 2029.

7 (6) It is recognized that a city that prepares a nonproject
 8 environmental impact statement under subsection (4) of this section
 9 must endure a substantial financial burden. A city may recover or
 10 apply for a grant or loan to prospectively cover its reasonable
 11 expenses of preparation of a nonproject environmental impact
 12 statement prepared under subsection (4) of this section through
 13 access to financial assistance under RCW 36.70A.490 or funding from
 14 private sources. In addition, a city is authorized to recover a
 15 portion of its reasonable expenses of preparation of such a
 16 nonproject environmental impact statement by the assessment of
 17 reasonable and proportionate fees upon subsequent development that is
 18 consistent with the plan and development regulations adopted under
 19 subsection (5) of this section, as long as the development makes use
 20 of and benefits ~~((from))~~ from, as described in subsection (5) of
 21 this section, ~~((from))~~ the nonproject environmental impact statement
 22 prepared by the city. Any assessment fees collected from subsequent
 23 development may be used to reimburse funding received from private
 24 sources. In order to collect such fees, the city must enact an
 25 ordinance that sets forth objective standards for determining how the
 26 fees to be imposed upon each development will be proportionate to the
 27 impacts of each development and to the benefits accruing to each
 28 development from the nonproject environmental impact statement. Any
 29 disagreement about the reasonableness or amount of the fees imposed
 30 upon a development may not be the basis for delay in issuance of a
 31 project permit for that development. The fee assessed by the city may
 32 be paid with the written stipulation "paid under protest" and if the
 33 city provides for an administrative appeal of its decision on the
 34 project for which the fees are imposed, any dispute about the amount
 35 of the fees must be resolved in the same administrative appeal
 36 process.

37 (7) If a proposed development is inconsistent with the optional
 38 comprehensive plan or subarea plan policies and development
 39 regulations adopted under subsection (1) of this section, the city

1 shall require additional environmental review in accordance with this
2 chapter.

3 **Sec. 8.** RCW 36.70A.490 and 2012 1st sp.s. c 1 s 309 are each
4 amended to read as follows:

5 The growth management planning and environmental review fund is
6 hereby established in the state treasury. Moneys may be placed in the
7 fund from the proceeds of bond sales, tax revenues, budget transfers,
8 federal appropriations, gifts, or any other lawful source. Moneys in
9 the fund may be spent only after appropriation. Moneys in the fund
10 shall be used to make grants or loans to local governments for the
11 purposes set forth in RCW 43.21C.240, 43.21C.031, ~~((or))~~ 36.70A.500,
12 section 1 of this act, for costs associated with section 3 of this
13 act, and to cover costs associated with the adoption of optional
14 elements of comprehensive plans consistent with RCW 43.21C.420. Any
15 payment of either principal or interest, or both, derived from loans
16 made from this fund must be deposited into the fund.

17 NEW SECTION. **Sec. 9.** A new section is added to chapter 35.21
18 RCW to read as follows:

19 A city may not prohibit permanent supportive housing in areas
20 where multifamily housing is permitted.

21 NEW SECTION. **Sec. 10.** A new section is added to chapter 35A.21
22 RCW to read as follows:

23 A code city may not prohibit permanent supportive housing in
24 areas where multifamily housing is permitted.

25 NEW SECTION. **Sec. 11.** A new section is added to chapter 36.22
26 RCW to read as follows:

27 (1) Except as provided in subsection (2) of this section, a
28 surcharge of two dollars and fifty cents shall be charged by the
29 county auditor for each document recorded, which will be in addition
30 to any other charge or surcharge allowed by law. The auditor shall
31 remit the funds to the state treasurer to be deposited and used as
32 follows:

33 (a) Through June 30, 2024, funds must be deposited into the
34 growth management planning and environmental review fund created in
35 RCW 36.70A.490 to be used first for grants for costs associated with

1 section 1 of this act and for costs associated with section 3 of this
2 act, and thereafter for any allowable use of the fund.

3 (b) Beginning July 1, 2024, sufficient funds must be deposited
4 into the growth management planning and environmental review fund
5 created in RCW 36.70A.490 for costs associated with section 3 of this
6 act, and the remainder deposited into the home security fund account
7 created in RCW 43.185C.060 to be used for maintenance and operation
8 costs of: (i) Permanent supportive housing and (ii) affordable
9 housing for very low-income and extremely low-income households.
10 Funds may only be expended in cities that have taken action under
11 section 1 of this act.

12 (2) The surcharge imposed in this section does not apply to: (a)
13 Assignments or substitutions of previously recorded deeds of trust;
14 (b) documents recording a birth, marriage, divorce, or death; (c) any
15 recorded documents otherwise exempted from a recording fee or
16 additional surcharges under state law; (d) marriage licenses issued
17 by the county auditor; or (e) documents recording a federal, state,
18 county, or city lien or satisfaction of lien.

19 (3) For purposes of this section, the terms "permanent supportive
20 housing," "affordable housing," "very low-income households," and
21 "extremely low-income households" have the same meaning as provided
22 in RCW 36.70A.030.

23 NEW SECTION. **Sec. 12.** Section 11 of this act is necessary for
24 the immediate preservation of the public peace, health, or safety, or
25 support of the state government and its existing public institutions,
26 and takes effect July 1, 2019.

Passed by the House April 24, 2019.
Passed by the Senate April 22, 2019.
Approved by the Governor May 9, 2019.
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Department of Commerce

Increasing Residential Building Capacity E2SHB 1923 Grant Opportunity Overview

Growth Management Services

Local Government Division

E2SHB 1923 (2019) encourages all cities planning under the Growth Management Act (GMA) to adopt actions to increase residential building capacity. Cities are especially encouraged to increase residential building capacity in areas that have supportive transportation and utility infrastructure, and are served with frequent transit service. Cities are also encouraged to prioritize the creation of affordable, inclusive neighborhoods and to consider the risk of residential displacement, particularly in neighborhoods with communities at high risk of displacement.

This bill provides a total \$5,000,000 in grants assistance, prioritized by the legislature for cities over 20,000 in population. A city may receive up to \$100,000 in grant funds must take at least two of the actions to increase residential building capacity listed below, or develop a housing action plan.

Commerce will reach out directly to eligible cities to apply for the funding. Those cities will be asked to complete a survey about eligible actions, specifically if they already have them, and for which ones they intend to apply for funding. The survey will be open until July 10, after which date, Commerce will use the information to make decisions about the grant program. Applications will be available after July 22, and will be due ~~August 30~~ *September 30*. Until July 22, we recommend that eligible jurisdictions work with decision makers to review the list of eligible activities below, and decide which ones they may pursue for funding. If your city has not received notification of the survey, please contact Paul Johnson at (360) 725-3048 or paul.johnson@commerce.wa.gov.

After the first round of grants, if funding allows, Commerce may consider accepting and funding applications from cities with a population of less than 20,000 if the actions proposed will result in significant housing capacity or regulatory streamlining.

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Activities eligible for E2SHB 1923 funding

1. Select at least two of the actions listed below:

- a) *Increase residential density near commuter or light rail stations to 50 dwelling units per acre. Designated areas should be at least 500 acres in size.***

This may be done in the form of a sub-area plan or rezoning within a designated area in response to or anticipation of commuter or light rail stations. Special attention should be paid to prioritize bicycle, pedestrian, and transit access to station areas. Regulations should require *no more than an average of one on-site parking space per two bedrooms* in multifamily areas.

- b) *Increase residential density along high frequency transit corridors to 25 dwelling units per acre. Designated areas should be at least 250 acres for cities with a population of less than 40,000 people, or 500 acres for cities with a population over 40,000.***

This may be done in the form of a sub-area plan or rezoning along a transit corridor in response to or in anticipation of high frequency transit corridors. *High frequency transit service is defined as bus service at least four times per hour, at least 12 hours per day.* Rezoning should include higher density residential development within a 10- to 15-minute walk of transit stops, with special attention to considerations for road crossings to transit service. Regulations should require *no more than an average of one on-site parking space per two bedrooms* in multifamily areas.

- c) *Authorize at least one duplex, triplex, or courtyard apartment on each parcel in one or more zoning districts that permit single-family residences unless a city documents a specific infrastructure or physical constraint that would make this requirement unfeasible for a particular parcel.***

This option would allow much more diversity in housing stock within single family zoning districts. Documentation of specific infrastructure or physical constraints should go beyond whether sewer or other services currently exist at the location. Documentation should describe how specific geographic features of the land, such as water bodies or critical areas make it extremely difficult to develop, or serve isolated parcels with urban services.

- d) *Authorize cluster zoning or lot size averaging in all zoning districts that permit single-family residences;***

Cluster zoning is a zoning method in which development density is determined for an entire specified area, rather than on a lot-by-lot basis. Within the specified cluster

zone, a developer can exercise greater flexibility in designing and placing structures, as long as the total density requirement is met.

Lot size averaging allows the size of individual lots within a development to vary from the zoned maximum density, provided that the average lot size in the development as a whole meets that maximum. Housing can then be developed on lots smaller than otherwise permitted in a zone, allowing for greater densities in some areas and more diversity throughout the development.

These tools can be especially useful in lands encumbered by critical areas or other constraints that point to a more flexible approach.

- e) ***Authorize attached accessory dwelling units (ADUs) on all parcels containing single-family homes where the lot is at least 3,200 square feet in size, and permit both attached and detached ADUs on all parcels containing single-family homes, provided lots are at least 4,356 square feet in size. Qualifying city ordinances or regulations may not provide for on-site parking requirements, owner occupancy requirements, or square footage limitations below 1,000 square feet for the accessory dwelling unit, and must not prohibit the separate rental or sale of accessory dwelling units and the primary residence. Cities must set applicable impact fees at no more than the projected impact of the accessory dwelling unit. To allow local flexibility, other than these factors, accessory dwelling units may be subject to such regulations, conditions, procedures, and limitations as determined by the local legislative authority, and must follow all applicable state and federal laws and local ordinances.***

All jurisdictions planning under the GMA over 20,000 in population and all counties over 125,000 in population are already required to allow accessory dwelling units (ADUs) in single family zones.¹ To be eligible for funding under E2SHB 1923, eligible jurisdictions must adopt an ADU ordinance that is consistent with these specifications for lot size, unit size, no parking requirement, no owner occupancy requirement, reduced impact fees, and subsequent separate sale of separate units. Beyond these items, local governments may choose to waive utility connection fees, building or permit fees, or address design. For more information please review [MRSC's guidance](#) on this topic, except that the 1994 CTED ADU guidance is superseded by these requirements.

- f) ***Adopt a subarea plan pursuant to RCW 43.21C.420.***

Cities with populations over 5,000 may adopt optional elements of comprehensive plans of development regulations that apply within subareas for areas that are either:

- a. Areas designated as mixed use or urban centers in a land use or transportation plan adopted by a regional transportation planning organization; or

¹ See RCW 36.70A.400 and RCW 43.63A.215(3) (laws of 1993)

- b. Areas within one half mile of a major transit stop, zoned for an average minimum density of 15 units per gross acre. A major transit stop is defined as a stop on a high capacity transportation service funded under RCW 81.104, commuter rail stops, stops on rail or fixed guideways, stops on bus rapid transit routes or routes that run on high occupancy vehicle lanes; or stops for a bus or other transit mode providing fixed route service at intervals of at least thirty minutes during the peak hours of operation.

The plan must be accompanied by an environmental impact statement (EIS) assessing and disclosing the probable significant adverse environmental impacts. Any development proposed within 10 years of the EIS, which is consistent with the plan and regulations may not be challenged under SEPA.²

g) Adopt a planned action pursuant to RCW 43.21C.440(1)(b)(ii).

A planned action is an adopted plan and environmental review on a sub-area within an urban growth area, consistent with a comprehensive plan adopted under the Growth Management Act. The plan and environmental review are completed before projects are proposed. Project-level significant impacts must be addressed in a State Environmental Policy Act (SEPA) document, unless the impacts are specifically deferred for consideration at the project level. The SEPA document may be a determination of non-significance (DNS), a mitigated determination of significance (MDNS), or an environmental impact statement (EIS). To be eligible for funding, the planned action area should:

- Contain mixed use or residential development; and
- Encompasses an area that is within one-half mile of a major transit stop; or will be within one-half mile of a major transit stop no later than five years from the date of the designation of the planned action. Major transit stop means a commuter rail stop, a stop on a rail or fixed guideway or transitway system, or a stop on a high capacity transportation service funded or expanded under chapter 81.104 RCW.

For more information see <http://mrsc.org/Home/Explore-Topics/Planning/Land-Use-Administration/Planned-Action.aspx>

h) Adopt an infill exemption under RCW 43.21C.229 for residential or mixed-use development

This section allows for exemptions from SEPA evaluation if the city or county's applicable comprehensive plan was previously subjected to environmental analysis and if the local government considers the specific probable adverse environmental impacts of the proposed action and determines they are adequately addressed by the development regulations or other requirements.

² See RCW 43.21C.420 (amended by E2SHB 1923, laws of 2019)

Such an exemption categorically exempts government action related to development proposed to fill in an urban growth area, where current density and intensity of use in the area is lower than called for in the goals and policies of the applicable comprehensive plan and the development is either (i) Residential development, (ii) Mixed-use development, or (iii) Commercial development up to 65,000 square feet, excluding retail development. It does not exempt government action related to development that is inconsistent with the applicable comprehensive plan or would exceed the density or intensity of use called for in the comprehensive plan.

- i) *Adopt a form-based code in one or more zoning districts that permit residential uses. "Form-based code" means a land development regulation that uses physical form, rather than separation of use, as the organizing principle for the code;***

The purpose of a form-based code is to control the size and bulk of buildings, instead of regulating by the number of units. This can help a local government encourage development that meets the desired community character, but encourages a greater number of units of a given parcel, as the number of units are not restricted. For more information see mrsc.org/Home/Explore-Topics/Planning/Development-Types-and-Land-Uses/Form-Based-Codes.aspx.

- j) *Authorize a duplex on each corner lot within all zoning districts that permit single-family residences.***

A duplex on a corner lot can have the advantage of looking like a single-family housing unit with a front-facing door on each corner. This approach can add density in single-family areas without appearing to add a traditional duplex, but provides the benefit of additional smaller units which can be more affordable.

- k) *Allow for the division or redivision of land into the maximum number of lots through the short subdivision process provided in chapter 58.17 RCW;***

RCW 58.17.020(6) defines a short subdivision as "the division or re-division of land into four or fewer lots, tracts, parcels, sites, or divisions for the purpose of sale, lease, or transfer of ownership. However, the legislative authority of any city or town may by local ordinance increase the number of lots, tracts, or parcels to be regulated as short subdivisions to a maximum of nine. This applies in all cities and for counties within urban growth areas. By increasing the number of lots in short plat, more development may be permitted by the quicker short plat process, which can be processed administratively, rather than the longer subdivision process, which generally requires approval of the legislative body. Local governments may also wish to review RCW 58.17.100 which allows for delegation of final plat approval to the planning commission or staff rather than going back to council.

- l) Authorize a minimum net density of six dwelling units per acre in all residential zones, where the residential development capacity will increase within the city.***

This option is applicable where net density in residential zones is less than six dwelling units per acre. Net density is the gross acreage minus public right of ways, divided by the number of units. Where areas are encumbered by critical areas, clustering can help achieve the target density.

2. Cities may instead adopt a Housing Action Plan

The goal of any such housing plan must be to encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes, including strategies aimed at the for-profit single-family home market. The housing action plan should:

- (a) Quantify existing and projected housing needs for all income levels, including extremely low-income households, with documentation of housing and household characteristics, and cost-burdened households; and c) Analyze population and employment trends, with documentation of projections;***

Data should document the type and age of housing within the community, and the demographics of the households within the communities. It should look across income segments and identify how many households in each income segment are paying more than 30 percent of their income for housing costs. The analysis should also project population demographics and income levels for the planning period and identify the types and densities of housing that are needed for housing suitable and affordable for all demographic and economic segments. This analysis should specifically consider multifamily and attached housing types. For more information see WAC 365-196-410.

- (b) Develop strategies to increase the supply of housing, and variety of housing types, needed to serve the housing needs identified in (a) of this subsection;***

Data gathered in the previous section should point to the types of housing that should be allowed by local zoning, and the types of incentives and regulations that will be needed to encourage the development of appropriate housing affordable to all income segments of the community. Trade-offs in parking requirements, setbacks, and open space considerations may be reviewed as they affect the yield in housing. Strategies to encourage and support the development of subsidized housing, such as fee waivers and free land should be considered, along with options for creating more housing. For a full menu of strategies, see www.ezview.wa.gov (Affordable Housing

Planning Resources). Policy actions can be evaluated on the whether they are short term, or long term, how effective they are, or whether they have a fiscal impact.

(d) Consider strategies to minimize displacement of low-income residents resulting from redevelopment;

Economic displacement occurs where low-income residents are forced out of traditional low-cost areas as redevelopment occurs and rents rise. Strategies to minimize displacement include preserving existing affordable housing, encouraging greater housing development, including, but not limited to affordable housing (so more housing is available for all income segments), using collective ownership of housing, engaging existing residents in identifying strategies, and taking a broader look using regional rather than localized strategies. For more information consider US Department of Housing and Urban Development (HUD) resources such as: www.huduser.gov/portal/sites/default/files/pdf/DisplacementReport.pdf

(e) Review and evaluate the current housing element adopted pursuant to RCW 36.70A.070, including an evaluation of success in attaining planned housing types and units, achievement of goals and policies, and implementation of the schedule of programs and actions;

The housing element of the comprehensive plan should be evaluated for how well development is implementing policies, specifically whether the community is on track to accommodate the portion of the countywide population allocated to the community within the planning period, and whether the housing types are affordable to all economic segments. If these metrics are not met, new comprehensive plan policies should be proposed to support zoning that allow the size and types of housing that can be affordable to most economic segments of the population. Policies may also encourage or incentivize the development of subsidized affordable housing. Action strategies or housing metrics can help the plan stay on track over time.

(f) Provide for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups; and

Broad participation from all parts of the community can help to understand and communicate the housing need. Members of the public can provide information and perspective on how the community can meet the state requirements to plan for housing affordable to all economic segments.

(g) Include a schedule of programs and actions to implement the recommendations of the housing action plan.

The housing action plan should cumulate in a broad array of potential programs and actions that the jurisdiction has committed to pursue, or can partner with other organizations to implement. The actions should include an update to policies in the comprehensive plan, along with actions to update regulations to implement selected strategies. The schedule should include a timeline for actions and funding, if required to implement the plan.

Actions protected from appeal

If adopted between July 28, 2019, and April 1, 2021, ordinances, amendments to development regulations, and other nonproject actions taken by a city are not subject to administrative or judicial appeal under the State Environmental Policy Act (SEPA).³ This excludes the adoption of a sub-area plan adopted pursuant to RCW 43.21C.420. In addition, any action taken by a city prior to April 1, 2021 to amend their comprehensive plan, or adopt or amend ordinances or development regulations to enact any of the twelve actions to increase residential building capacity is not subject to appeal to the Growth Management Hearings Boards.⁴

³ E2SHB 1923, Section 1(3)

⁴ E2SHB 1923, Section 1 (4)