

CITY OF KIRKLAND

REQUEST FOR QUALIFICATIONS FISCAL ANALYSIS OF ANNEXATION

Background

The City of Kirkland is studying the financial implications of annexing all or a portion of its potential annexation area (PAA) as identified in the City's Comprehensive Plan. For the purposes of this study, the PAA is divided into three sub-areas as shown on the attached map. The City is seeking a firm qualified to conduct a detailed analysis of revenue potential and expenditure needs for the three sub-areas within the PAA.

The goal of this project is to gain an understanding of the financial implications of annexing all or some of the sub-areas and to identify strategies that facilitate annexation without causing an undue financial burden on the existing citizens of Kirkland or on the residents in the annexed area. Based on this analysis, the City Council will have the financial data necessary to further evaluate the feasibility and/or appropriate timing for annexing all or a portion of the PAA.

Kirkland's potential annexation area extends north from the City limits at NE 132nd Street to approximately NE 145th Street, and from Lake Washington east to the Burlington Northern railroad right-of-way located near the base of the plateau. The area contains three sub-areas which include the Kingsgate neighborhood east of I-405; the Juanita neighborhood in the middle; and the Finn Hill neighborhood on the west (see attached map).

The estimated population of this area for year 2000 is 33,500 people. This is expected to increase to approximately 34,600 persons by the year 2010. For comparison, Kirkland's population in 1999 is estimated at 44, 800. In 1997, there were approximately 12,300 housing units in the PAA. About 70% of the housing units are single-family dwellings.

Residential use is the predominant land use in the area. The Kingsgate and Juanita neighborhoods have community commercial retail shopping districts. The Finn Hill area has a few neighborhood commercial centers.

The Kirkland Fire Department serves the area within the boundaries of the King County Fire District #41. It is in the Lake Washington School District. There are over 300 acres of publicly owned parks and open space with Big Finn Hill Regional Park alone accounting for over 200 acres of the total. Water and sewer utilities are primarily the responsibility of the Northshore utility with a small area provided by the Woodinville Water District. Transportation, law enforcement, parks and stormwater are the responsibility of King County.

Project Description

The project consists of conducting a detailed analysis of the fiscal impacts of annexation and an assessment of alternative implementation scenarios and/or revenue sources that influence the financial viability of annexation. The study is to be conducted individually for the three identified sub-areas within the PAA and includes an analysis of a variety of combinations of these geographic areas. There are four major tasks associated with this study:

1. Analysis of current levels of service by sub-area (both operating and capital) provided by King County as compared to service levels within the City of Kirkland.
2. Development of revenue projections and revenue potential for each sub-area including:
 - a. Detailed revenue projections based on Kirkland's current authorized revenue sources;
 - b. An analysis of current taxation and fee levels in the annexation area compared with the City's existing tax and fee levels (includes revenue implication for the fire district under a variety of scenarios);
 - c. An analysis of economic trends affecting future revenue streams, and;
 - d. Identification of potential new income sources currently not utilized by the City of Kirkland and estimated revenue potential in the annexation area.
3. Development of operating, maintenance and capital expenditure projections (including staffing levels) for each sub-area needed to attain a level of service consistent with City of Kirkland levels of service.
4. Analysis of alternative implementation strategies that enhance the economic viability of the annexation (e.g. use of new or enhanced revenue sources, strategic agreements with King County or other agencies, phased implementation of services, etc.).

Project Time Frames and Products

A draft report is to be completed by the end of 1999. A final report and meetings with the City Council will take place the first quarter of 2000. The final product will include a detailed report depicting revenues and expenditures by sub-area and in total and the overall cost/benefit of the annexation and implementation options. The report will include an executive summary. All supporting data used to develop revenue and expenditure will be provided to the City.

Selection Criteria and Process

The City is looking for a firm or team that can demonstrate competency and experience in the following areas:

- Understanding of annexation law in Washington State, the Growth Management Act and King County annexation procedures.
- Demonstrated experience in conducting technical financial studies for similar annexations.
- Thorough understanding of municipal service systems and infrastructure needs and related funding sources.
- Understanding of the political environment related to working with other units of government and the public.
- Demonstrated ability to develop feasible and achievable implementation strategies and action plans.

A pre-submittal briefing will be held on July 13, 1999 at 2:00 p.m. in the Kirkland City Council Chambers, 123 Fifth Avenue. The top three to five firms will be contacted for an interview and listed references will be contacted for finalist firm(s) after the interview.

Selection Timelines

Notice of RFQ	July 1
Pre-submittal Briefing	July 13
Statement of Qualifications Due	July 26
Short List Selection	July 30
Interviews	Week of August 9
Consultant Selection	August 18

Submittal Requirements

Each submittal must include:

1. A brief letter of introduction.
2. A statement of qualifications and relevant experience of each of the firms to be involved, the project manager and individuals who will be involved in the project.
3. A general description of the firm's proposed approach to the project including roles and responsibilities of the firm(s) and individuals that will be undertaking the project and the percentage of time for each firm (please limit this section of the proposal to three pages).
4. A summary of hourly billing rates.
5. Names and phone numbers of five references for each firm including a minimum of two references for the principle firm from cities where similar work was performed.
6. Samples of similar work (can be returned).

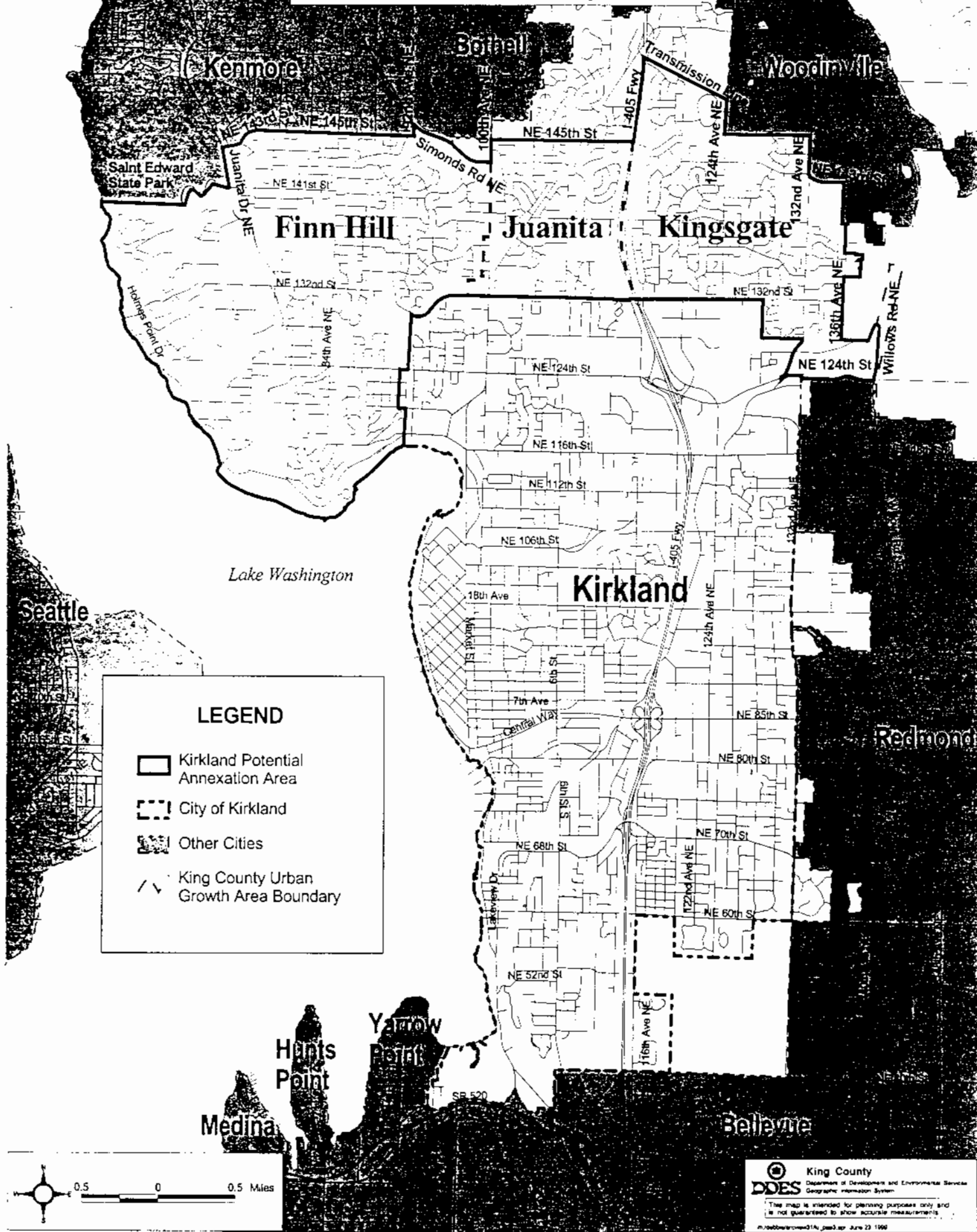
The firm or team should be able to identify a project manager who will coordinate the project to a timely completion of all work products within budget. The project manager must be available for the interview. The firm or team should be available to begin immediately upon selection.

The deadline for submittals of qualifications is 5:00 p.m. on July 26, 1999. Six copies of the packet should be submitted to:





Marilynne Beard, Finance Director
City of Kirkland
123 5th Avenue
Kirkland, WA 98033

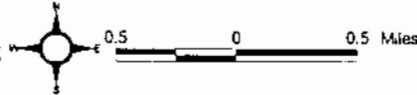
For more information, contact Marilynne Beard at (425) 828-1112 or Paul Stewart, Deputy Planning Director at (425) 828-1252.

Kirkland Planning Area



LEGEND

-  Kirkland Potential Annexation Area
-  City of Kirkland
-  Other Cities
-  King County Urban Growth Area Boundary



King County
 Department of Development and Environmental Services
 Geographic Information System
 The map is intended for planning purposes only and is not guaranteed to show accurate measurements.
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