

APPENDIX J

Frequently Asked Questions

Draft Downtown & Little Bear Creek Corridor Master Plan
Frequently Asked Questions
June 2003

Question 1: Will the plan increase my property taxes?

Probably not - property taxes go to the City's General Fund. General Fund revenue is not normally used for capital projects. Capital projects are mainly funded by restricted revenue. By law, these sources of revenue can only be spent on capital projects. These sources include (see Figure 3):

- Real estate excise taxes
- Capital Reserve Funds (Street and Storm Water Reserve)
- Admission, Gas & Utility taxes
- Mitigation & Impact fees
- Grants

These sources do not include the revenues that could be available through partnerships with other jurisdictions or funds raised by a voter approved bond issue. One exception to the above is if the City Council determines that certain General Fund revenue is "surplus" it can be dedicated to capital projects. Every year, all potential capital improvement projects undergo a rating process that determines funding priorities that is used to establish the annual six-year Capital Improvement Plan. The City's available revenue is allocated to the highest rated projects.

Question 2: City services are paid for by my property taxes, aren't they?

For the most part, property taxes are used in City operations such as planning, police, parks, permits and administration costs. Property taxes paid to the City of Woodinville represent about 11 percent of the total property tax assessment, as shown in Figure 1. This presently equals \$1.46 for every \$1,000 of assessed value. In contrast to property taxes, sales taxes provide the largest share of city revenues, (see Figure 2). Sales and property tax sources combined provide approximately 85 percent of the General Fund (GF) revenue. As a result of voter-approved initiative 747, cities can only raise property taxes at a maximum of one percent per year, unless a higher amount is approved by citizen votes.

Figure 1

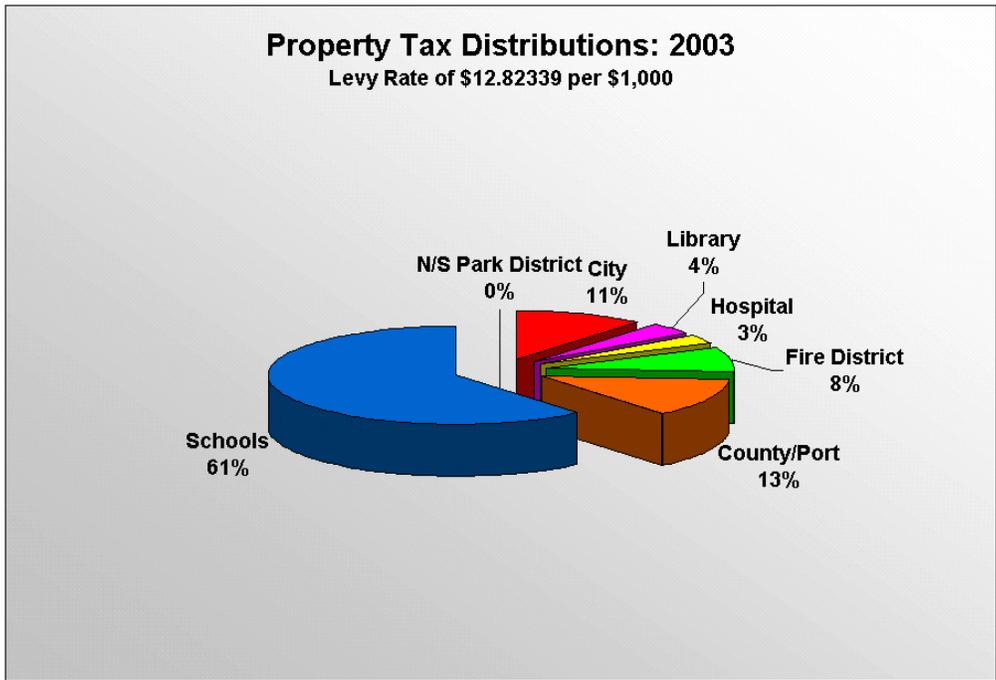


Figure 2

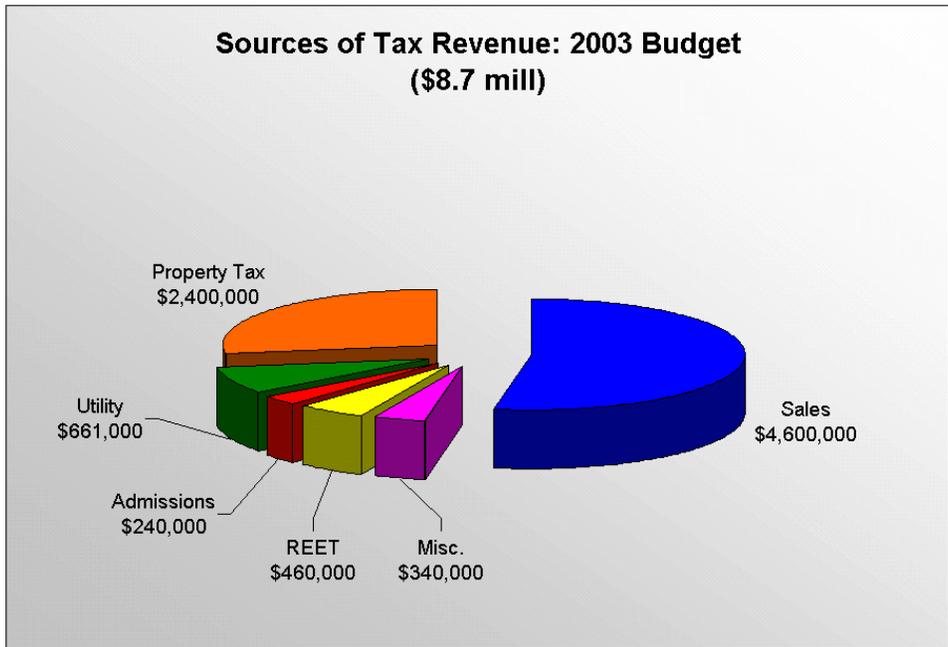
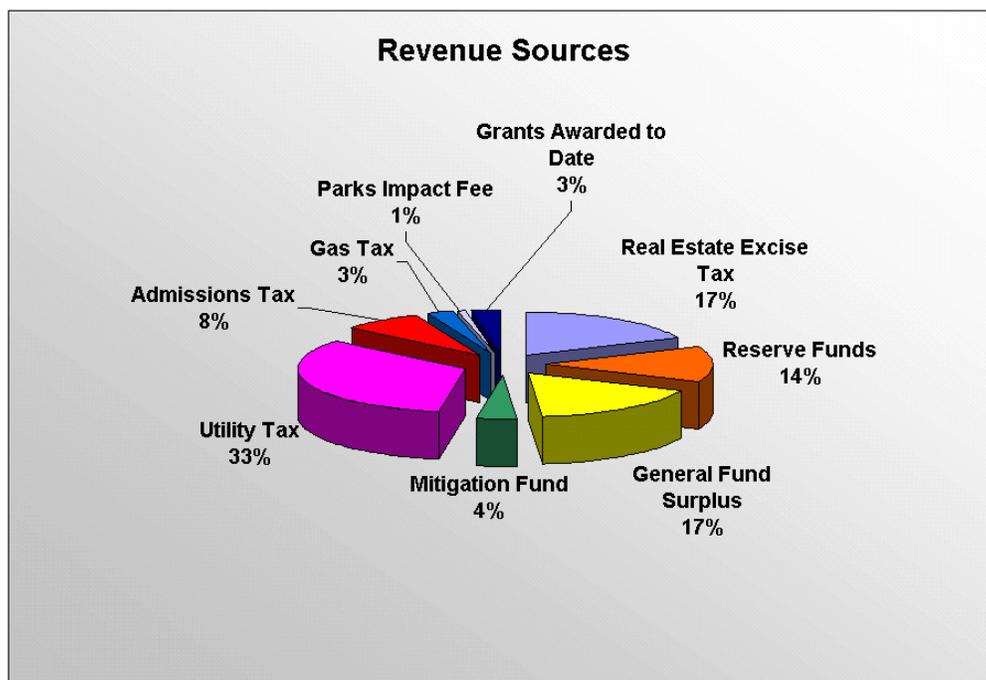


Figure 3



Question 3: What will be the financial benefit to the City from the Master Plan?

The amount and timing of any future financial benefits are dependent on numerous factors that are beyond the control of the City and difficult to predict. However, the following presents estimates based on potential development scenarios and present tax and fee rates.

Property Tax Estimates

Future development as a result of the master plan will increase tax revenues to the City. Although the amount depends on future development, it is estimated that the increased assessed value could be \$680 million (in 2003 dollars). New residential projects would create most of this increase in assessed value. Assessed values were assumed to be equal to property market values, which were based on estimates for current land, hard and soft costs and developer profit margins. The typical residential unit of 800-1000 square feet would be valued at about \$225,000, office space at about \$200 per square foot of rentable area and retail space at about \$175 per square foot. Based on these estimates, the total annual property tax receipts to the City would be about \$1,000,000.

Sales Tax Projection

The approximately 150,000 square feet of new retail space identified in the master plan would generate these revenues. The City receives 0.85 percent of retail sales as its share of the sales tax. Average retail sales volumes were assumed to be \$250 per square foot per year, which would generate sales tax receipts to the City of about \$300,000 per year.

Utility Taxes Projection

The City currently receives approximately \$500,000 per year in utility taxes from the existing base of residential, industrial, office and retail space, which is estimated at about 8.2 million square feet. This equates to a tax rate of about \$0.06 per square foot of space. The master plan identifies about 2.5 million square feet of new space, which would generate about approximately \$150,000 per year at the effective tax rate.

Real Estate Excise Taxes Projection

The Capital Project and Special Capital Project funds each receive a tax of 0.25 percent on the sales proceeds of each real estate transaction. Under the assumption that each newly developed property eventually sold, the City would receive a total of about \$3.4 million from this revenue source. This estimate probably understates the revenue potential from REET because commercial and residential properties typically change hands on average at least every 7-10 years.

Park Impact Fee Projection

The City receives a one-time fee of \$1,796 per unit for each new residential unit.

Traffic Mitigation Fee Projection

The City currently collects these fees from developers through the SEPA process. Between 1993 and 2001, these fees averaged around \$50,000 per year. During this period of time, there was an annual average of about 167,000 square feet developed. Thus, the average traffic mitigation fee per square foot of built area was about \$.30 per square foot. Based on the total building program under the master plan of about 2.5 million square feet, the City would receive one-time traffic mitigation fees of approximately \$750,000.

Question 4: How will traffic be affected?

For both the downtown and Little Bear Creek Corridor areas, studies* show that the proposed future land use types produce fewer peak hour auto trips than the present land use patterns.

In both the Little Bear Creek Corridor and downtown, the current landuse pattern and zoning emphasize auto-oriented retail and commercial uses. The master plan proposes increased office uses in the Little Bear Creek Corridor and increased housing, office and neighborhood retail uses in downtown.

The Little Bear Creek Corridor traffic analysis found that future landuse emphasizing additional office landuse would produce fewer peak hour trips than the auto-retail landuse pattern.

The downtown traffic analysis found that future landuses emphasizing housing and office uses in a compact urban design pattern would produce fewer peak hour trips than the present auto-retail land use pattern.

Public Works Department Comments:

Existing City roads have the capacity to operate at an acceptable level. Bottlenecks (intersections, interchanges, etc.) represent the choke points in the system. There is capacity for full build out within the existing downtown road network. Identified projects in the 20 year Transportation Facilities Plan (TFP) will improve these bottlenecks to facilitate traffic. The major choke point, the SR 202 Trestle area, is currently funded for improvements that are expected to provide significant capacity. In the long-term, CCRP is anticipated to be constructed. This improvement will remove a high volume of traffic away from the downtown area, again adding capacity to the downtown area.

Comprehensive Plan Policy: The City's adopted road Level of Service (LOS) is "E" throughout the City. Development will not be allowed to degrade the LOS level below "E". It is expected that the grid roads will improve mobility in the City even with increased densities downtown. Improved circulation as a result of the grid roads would relieve pressure on the principal arterials. With the improved circulation options provided by grid roads, LOS are expected to improve in the downtown area.

The DT/LBC Master Plan proposes a mixed-use concept that would have several beneficial attributes in regards to traffic: a strictly retail/commercial land use has a concentrated peak period, while a mixed-use land use with residential reduces the peak

The City's transportation system is not only impacted by local traffic but also by significant regional traffic. Projects are identified in the 20 year TFP to address the regional pass-through trips:

1. The influence of regional facilities, such as I-405, SR-522, and SR-202, impact local traffic.
2. Woodinville-Duvall Road and Woodinville-Snohomish Road also impact the local system with regional pass-through traffic.
3. Due to the confluence of these corridors, Woodinville is a crossroad for traffic in north King County.

The Public Works department can model the increased density as set forth in the downtown master plan. In order to increase the accuracy of the model output, it is necessary to update land use and traffic count data in the model. The City anticipates performing this model update and conducting modeling of the master plan by the fall of 2003.

**Little Bear Creek Corridor Redevelopment Alternatives Traffic Impact Analysis, Earth Tech, April 22, 2002, and; Downtown Woodinville Master Plan Transportation Overview, DKS Associates, August 19, 2002.*

Question 5: How will the City's emergency response be affected?

Police: According to former Police Chief Wardstrom, the City presently has 12 full-time equivalent (FTE) police personnel. This includes six uniformed officers (eight if the Chief and Sergeant are included). In order to maintain the current level of service (LOS), an additional six officers would be needed for general patrol and investigation to serve a population increase of 8,000. This does not include duties such as a dedicated traffic officer and block watch and administrative support personnel. There is no easy formula for service needs, which depends on what the community wants. A general formula for level of service is one officer per 1,000 residents.

Fire: The primary impact will be an increased call volume. The only difficulty is in determining what that call volume increase will be. Although the population increase numbers certainly suggest an increase in call volume, there is no linear correlation between population and call volume. The downtown fire station has been designed to accommodate additional staffing, i.e., four more personnel. Our downtown station presently is staffed with five to six personnel plus the duty Battalion Chief. The additional personnel would allow the staffing of an aid car (very likely two aid cars) and engine simultaneously. With two (possibly three) apparatus capable of responding independently of one another, the Fire District should be able to handle most calls for service. In the event the call volume exceeded the downtown station resources, outlying station would then be called in. This is how the situation is currently handled. In conclusion, the Fire District will adjust staffing as the call volume dictates and revenue allows.

Another other impact (depending on street design) may be the challenge in responding to these areas. Hopefully these challenges can be addressed in the design phase to provide for sufficient emergency access/operations and a pedestrian friendly design.

The third concern is with multistory structures that have a significant portion dedicated to single-family dwellings. The Fire District is presently working on this issue with the purchase of a tillered ladder truck. The primary Fire District response to the multistory building will be to establish target hazard (prefire plan) plans and contingencies for each of these new buildings. Additionally, built-in fire safety and response features such as fire sprinklers, alarms, and aid car access (i.e. designated parking) to name a few will help the Fire District in their response to these structures.

Question 6: How will City services be affected?

Water/Sewer: According to the Woodinville Water District, they can supply whatever demand occurs. In some cases, developer extensions may be required.

Parks: The City presently has a deficit of park resources. The Master Plan contains proposed increases or improvements to park and open space. Increases in park resources tend to have operating costs associated with them.

Permits: Cities usually respond to increased permitting activity by either adding staff or contracting for permit review services. Additional permit fees tend to support these additional resources.

Staff: Additional staff would likely be needed in most City departments. The increase from additional employees and other operating costs would have to be paid from the increases to GF revenue as described in Question 3. City Hall has enough space for the additional staffing that would be required.