

ORDINANCE O-4895

AN ORDINANCE OF THE CITY OF KIRKLAND ADOPTING THE BIENNIAL BUDGET FOR 2025-2026.

1 WHEREAS, the Kirkland City Council conducted duly noticed
2 public hearings on November 6, 2024 and November 19, 2024, to take
3 public comment with respect to the proposed Biennial Budget of the City
4 of Kirkland for 2025-2026 transmitted to the City Council by the City
5 Manager on October 24, 2024, and all persons wishing to be heard were
6 heard; and

7
8 WHEREAS, as a result of such hearings the City Council
9 requested specified amendments be made to the proposed Biennial
10 Budget; and

11
12 WHEREAS, the proposed Biennial Budget and the amendments
13 thereto remain matters of public record; and

14
15 WHEREAS, the City Council finds that the proposed Biennial
16 Budget and the amendments thereto reflect revenues and expenditures
17 that are intended to ensure the provision of vital municipal services at
18 acceptable levels;

19
20 WHEREAS, final budget documents reflecting the 2025-2026
21 Biennial Budget as amended and adopted by the Council will be
22 available to the public during the first quarter of 2025.

23
24 NOW, THEREFORE, the City Council of the City of Kirkland do
25 ordain as follows:

26
27 Section 1. The Biennial Budget of the City of Kirkland for 2025-
28 2026, as summarized in Exhibit "A" attached and incorporated by this
29 reference as though fully set forth, is adopted as the Biennial Budget of
30 the City of Kirkland for 2025-2026.

31
32 Section 2. In summary form, the totals of estimated revenues
33 and appropriations for each separate fund and the aggregate totals for
34 all such funds combined are as follows:

35

<u>Funds</u>	<u>Estimated Revenues</u>	<u>Appropriations</u>
General	327,555,201	327,555,201
Lodging Tax	1,086,651	1,086,651
Street Operating	29,864,791	29,864,791
Development Services	56,629,237	56,629,237
Cemetery Operating	1,641,747	1,641,747
Parks Levy	14,299,276	14,299,276
Contingency	7,210,246	7,210,246
Limited General Obligation Bonds	16,371,880	16,371,880

General Capital Projects	93,294,668	93,294,668
Transportation Capital Projects	113,771,850	113,771,850
REET 1	14,349,293	14,349,293
REET 2	14,140,622	14,140,622
Transportation Impact Fees	6,002,441	6,002,441
Park Impact Fees	6,558,658	6,558,658
Fire Impact Fees	1,356,421	1,356,421
Water/Sewer Operating	85,856,856	85,856,856
Water/Sewer Debt Service	567,367	567,367
Water/Sewer Utility Capital Projects	56,512,912	56,512,912
Surface Water Management	34,175,379	34,175,379
Surface Water Debt Service	1,337,736	1,337,736
Surface Water Capital Projects	23,328,680	23,328,680
Solid Waste	70,487,319	70,487,319
Health Benefits	29,815,984	29,815,984
Equipment Rental	29,393,413	29,393,413
Information Technology	23,657,658	23,657,658
Facilities Maintenance	18,135,212	18,135,212
Firefighter's Pension	1,944,768	1,944,768
	1,079,346,266	1,079,346,266

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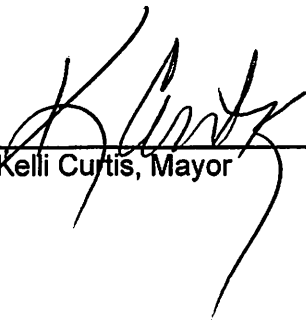
Section 3. The total number of Citywide Full Time Equivalent (FTE) positions is 771.25, across all funds and departments.

Section 4. The REET Report of the City of Kirkland for 2025-2026, as set out in Exhibit "B" attached and incorporated by this reference as though fully set forth, is adopted as the REET Report of the City of Kirkland for 2025-2026, including with respect to the use by the City of Kirkland of REET revenues.

Section 5. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication pursuant to Section 1.08.017, Kirkland Municipal Code in the summary form attached to the original of this ordinance and by this reference approved by the City Council.

Passed by majority vote of the Kirkland City Council in open meeting this 10th day of December, 2024.

Signed in authentication thereof this 10th day of December, 2024.



 Kelli Curtis, Mayor

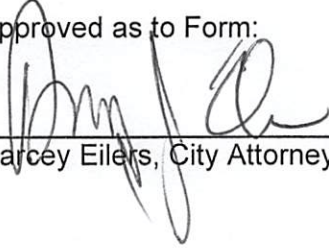
Attest:



Elizabeth Adkisson, Acting City Clerk

Publication Date: December 16, 2024

Approved as to Form:



Darcey Eilers, City Attorney

PUBLICATION SUMMARY
OF ORDINANCE NO. 4895

AN ORDINANCE OF THE CITY OF KIRKLAND ADOPTING THE
BIENNIAL BUDGET FOR 2025-2026.

1 SECTION 1. Adopts the 2025-2026 Biennial Budget of the City
2 of Kirkland.
3

4 SECTION 2. Sets forth, in summary form, the totals of
5 estimated revenues and appropriations for each separate fund and the
6 aggregate totals for all such funds combined.
7

8 SECTION 3. States the total number of citywide full time
9 equivalent positions.
10

11 SECTION 4. Adopts the REET Report of the City of Kirkland
12 for 2025-2026.
13

14 SECTION 5. Authorizes publication of the ordinance by
15 summary, which summary is approved by the City Council pursuant to
16 Section 1.08.017 Kirkland Municipal Code and establishes the effective
17 date as five days after publication of summary.
18

19 The full text of this Ordinance will be mailed without charge to
20 any person upon request made to the City Clerk for the City of Kirkland.
21 The Ordinance was passed by the Kirkland City Council at its meeting
22 on the 10th day of December 2024.
23

24 I certify that the foregoing is a summary of Ordinance O-4895
25 approved by the Kirkland City Council for summary publication.



Elizabeth Adkisson, Acting City Clerk

CITY OF KIRKLAND
2025-26 BUDGET - Preliminary to Final Adjustments

Exhibit A

General Government Operating Funds

Fund	2023-24 Revised Budget	2025-26 Prelim Budget	Adjustments	2025-26 Final Budget	Percent Change
General Fund					
010 General	310,331,814	326,512,162	1,043,039	327,555,201	5.55%
Governmental Funds					
117 Street Operating	29,650,829	30,334,791	(470,000)	29,864,791	0.72%
119 Development Services	55,619,683	57,054,757	(425,520)	56,629,237	N/A
Total Governmental Funds	85,270,512	87,389,548	(895,520)	86,494,028	1.43%
Special Revenue Funds					
112 Lodging Tax	952,728	1,086,651	-	1,086,651	14.06%
122 Cemetery Operating	1,421,877	1,641,747	-	1,641,747	15.46%
125 Parks Maintenance	2,776,343	-	-	-	N/A
128 Parks Levy	11,272,199	14,280,876	18,400	14,299,276	26.85%
Total Special Revenue Funds	16,423,147	17,009,274	18,400	17,027,674	3.68%
Internal Service Funds					
511 Health Benefits Fund	25,415,968	29,815,984	-	29,815,984	17.31%
521 Equipment Rental	22,202,501	29,393,413	-	29,393,413	32.39%
522 Information Technology	21,609,719	23,657,658	-	23,657,658	9.48%
527 Facilities Maintenance	17,119,868	18,135,212	-	18,135,212	5.93%
Total Internal Service Funds	86,348,056	101,002,267	-	101,002,267	16.97%
Total General Government Operating Funds	498,373,529	531,913,251	165,919	532,079,170	6.76%

General Government Non-Operating Funds

Fund	2023-24 Revised Budget	2025-26 Prelim Budget	Adjustments	2025-26 Final Budget	Percent Change
Governmental Funds					
152 Contingency	6,959,697	7,210,246	-	7,210,246	3.60%
610 Firefighter's Pension	1,685,562	1,944,768	-	1,944,768	15.38%
Total Governmental Funds	8,645,259	9,155,014	-	9,155,014	5.90%
Special Revenue Funds					
156 Impact Fees	8,270,086	-	-	-	N/A
190 Excise Tax Capital Improvement	40,445,307	-	-	-	N/A
Total Special Revenue Funds	48,715,393	-	-	-	N/A

General Government Non-Operating Funds (Continued)

Fund	2023-24 Revised Budget	2025-26 Prelim Budget	Adjustments	2025-26 Final Budget	Percent Change
Debt Service Funds					
210 LTGO Debt Service	13,115,843	16,371,880	-	16,371,880	24.83%
220 UTGO Debt Service	-	-	-	-	N/A
Total Debt Service Funds	13,115,843	16,371,880	-	16,371,880	24.83%
Capital Projects Funds					
310 General Capital Projects	106,396,055	94,194,168	(899,500)	93,294,668	-12.31%
320 Transportation Capital Projects	143,807,217	111,940,850	1,831,000	113,771,850	-20.89%
351 REET 1	-	14,349,293	-	14,349,293	N/A
352 REET 2	-	14,140,622	-	14,140,622	N/A
371 Transportation Impact Fees	-	6,002,441	-	6,002,441	N/A
372 Park Impact Fees	-	6,558,658	-	6,558,658	N/A
373 Fire Impact Fees	-	1,356,421	-	1,356,421	N/A
Total Capital Projects Funds	250,203,272	248,542,453	931,500.00	249,473,953	-0.29%
Total General Government Non-Op Funds	320,679,767	274,069,347	931,500	275,000,847	-14.24%

Water/Sewer Utility Funds

Fund	2023-24 Revised Budget	2025-26 Prelim Budget	Adjustments	2025-26 Final Budget	Percent Change
Operating Fund					
411 Water/Sewer Operating	82,068,293	85,856,856	-	85,856,856	4.62%
Total Operating Fund	82,068,293	85,856,856	-	85,856,856	4.62%
Non-Operating Funds					
412 Water/Sewer Debt Service	687,971	567,367	-	567,367	-17.53%
413 Water/Sewer Utility Capital Projects	53,815,842	56,512,912	-	56,512,912	5.01%
Total Non-Operating Funds	54,503,813	57,080,279	-	57,080,279	4.73%
Total Water/Sewer Utility Funds	136,572,106	142,937,135	-	142,937,135	4.66%

Surface Water Utility Funds

Fund	2023-24 Revised Budget	2025-26 Prelim Budget	Adjustments	2025-26 Final Budget	Percent Change
Operating Fund					
421 Surface Water Management	34,597,716	34,175,379	-	34,175,379	-1.22%
Total Operating Fund	34,597,716	34,175,379	-	34,175,379	-1.22%
Non-Operating Fund					
422 Surface Water Debt Service	-	1,337,736	-	1,337,736	N/A
423 Surface Water Capital Projects	28,759,681	22,878,680	450,000	23,328,680	-18.88%
Total Non-Operating Funds	28,759,681	24,216,416	450,000.00	24,666,416	-14.23%
Total Surface Water Utility Funds	63,357,397	58,391,795	450,000	58,841,795	-7.13%

Solid Waste Utility Fund

Fund	2023-24 Revised Budget	2025-26 Prelim Budget	Adjustments	2025-26 Final Budget	Percent Change
<i>Operating Fund</i>					
431 Solid Waste Utility	61,815,207	70,487,319	-	70,487,319	14.03%
Total Operating Fund	61,815,207	70,487,319	-	70,487,319	14.03%
Total Solid Waste Utility Fund	61,815,207	70,487,319	-	70,487,319	14.03%
TOTAL ALL FUNDS	1,080,798,006	1,077,798,847	1,547,419	1,079,346,266	-0.13%



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

MEMORANDUM

To: Kurt Triplett, City Manager

From: Michael Olson, Director of Finance and Administration
 Kevin Pelstring, Interim Financial Planning Manager

Date: November 27, 2024

Subject: **RCW 82.46.015 Real Estate Excise Tax Funding Report**

RECOMMENDATION:

Staff recommends this report be referenced as an attachment to the 2025-2026 budget adoption ordinance presented to the City Council on December 10, 2024.

EXECUTIVE SUMMARY:

- The purpose of this memo is to report on Real Estate Excise Tax (REET) usage in the operating and capital budgets.
- RCW 82.46.015 requires REET usage information to be reported with the operating budget to qualify the City to use REET for maintenance of capital projects in the 2025-2026 Operating Budget.

BACKGROUND:

In the 2015 state legislative session, legislation was approved to allow the use of REET for maintenance of REET-eligible capital projects, up to the greater of \$100,000 or twenty-five percent of available funds, but not to exceed \$1,000,000 per year. Unlike prior legislation providing for expanded uses, this authority is ongoing, but it comes with specific reporting conditions.

Additionally in 2019, the legislature expanded the use of REET 2 revenues for affordable housing and homeless services projects through January 1, 2026. While the RCW does allow cities to use up to \$1,000,000 for this purpose, the dollar limits do not apply to any city that used REET 2 for homeless housing prior to June 30, 2019; Kirkland meets this exemption.

DISCUSSION/ANALYSIS:

Each year a city using REET for maintenance of capital projects must adopt a report that satisfies four requirements. The requirements, and data to meet each requirement for the City of Kirkland, are included below.

- 1) Demonstrate that a city “has or will have adequate funding from all sources of public funding to pay for all capital projects, as defined in RCW 82.46.010, identified in its capital facilities plan for the succeeding two-year period”.

The City of Kirkland's Preliminary Capital Budget for 2025-2026, the “succeeding two-year” time period covered by the reporting requirement, totals \$104.9 million as shown in the table on the following page.

2025 - 2026 Adopted Capital Budget (in thousands)			
Program	2025	2026	2-YEAR TOTAL
Transportation	14,016	13,769	27,785
Surface Water	10,903	3,017	13,920
Water/Sewer	5,385	11,385	16,770
Parks	5,779	5,668	11,447
General Government	28,881	6,122	35,003
Total	64,963	39,961	104,925

The planned revenue sources to fully fund the Capital Program in 2025 and 2026 are detailed in the table on the following page.

2025 – 2026 Adopted Capital Improvement Program Revenue Sources (in thousands)

2025-2026 Capital Improvement Program Revenue Sources (in thousands)			
Dedicated Revenue (in thousands)	2025	2026	2-YEAR TOTAL
General Government - Facilities Funding	25,003	2,296	27,299
FACILITIES SINKING FUND	2,511	1,315	3,826
GENERAL FUND	295		295
GENERAL GOV DEBT	14,674		14,674
SURFACE WATER RATES	185	185	370
WATER/SEWER RATES	370	370	740
REET 2 RESERVES	550		550
REET 1	2,170	426	2,596
GENERAL GOV PROJECT TRANSFER	4,248		4,248
General Government - IT Funding	2,957	3,291	6,247
GENERAL FUND	56	35	91
SURFACE WATER RATES	8	5	13
TECHNOLOGY SINKING FUND	2,119	741	2,860
WATER/SEWER RATES	16	10	26
DEVELOPMENT SERVICES RESERVES	758	2,500	3,258
Parks Funding	5,779	5,668	11,447
KING COUNTY PARK LEVY	550		550
KIRKLAND PARK LEVY	400	400	800
PARK FACILITIES SINKING FUND	172	129	301
PARK IMPACT FEES	3,120	3,180	6,300
PARKS REET 1	1,409	1,409	2,818
PARKS UNSECURED EXTERNAL		550	550
PARKS PROJECT TRANSFER	128		128
Public Safety Funding	921	535	1,456
FIRE SINKING FUND	210	321	531
GENERAL FUND	80		80
POLICE SINKING FUND	131	215	345
FIRE IMPACT FEES	500		500
Transportation Funding	14,016	13,769	27,785
BUSINESS LICENSE FEES (RGRL)	270	270	540
GAS TAX	531	531	1,062
GAS TAX (TRANSPORTATION PACKAGE)	225	225	450
STREET LEVY	1,929	2,002	3,931
SURFACE WATER RATES	500	500	1,000
TRANSPORTATION IMPACT FEES	2,000	2,000	4,000
TRANSPORTATION REET 1	813	1,664	2,477
TRANSPORTATION REET 2	3,411	5,391	8,801
TRANSPORTATION SECURED GRANTS	1,665	986	2,651
TRANSPORTATION UNSECURED GRANTS & EXTERNAL	1,000		1,000
SCHOOL ZONE SAFETY CAMERA RESERVE	200	200	400
TRANSPORTATION PROJECT TRANSFER	1,473		1,473
Utilities Funding	16,288	14,402	30,690
CONNECTION FEES	907		907
SURFACE WATER RATES	2,953	3,017	5,970
WATER/SEWER PROJECT TRANSFER	1,000		1,000
WATER/SEWER RATES	2,138	7,252	9,390
WATER/SEWER RESERVES	1,340	4,133	5,473
SURFACE WATER SECURED EXTERNAL	450		450
SURFACE WATER DEBT	7,500		7,500
Total Revenues	64,963	39,961	104,925

2) Identify how REET revenues were used by the city or county during the prior two-year period.

The following table shows 2023 actual and 2024 projected uses of REET 1:

REET 1 Uses	2023 Actual	2024 Budgeted	Two Year Total
Operating & Maintenance Uses			
Parks Maintenance	169,589	177,455	347,044
Median Maintenance	-	400,000	400,000
Street Maintenance Staffing	223,047	234,076	457,123
CKC Maintenance	63,500	63,500	127,000
Debt Service	476,825	476,700	953,525
Subtotal O&M Uses	932,961	1,351,731	2,284,692
Capital Uses			
Transportation Program			
NMC 00621 - STREET LEVY - NEIGHBORHOOD SAFETY PROGRAM IMPROVEMENTS	25,000	-	25,000
NMC 08720 - NE 131ST WAY/90TH AVE NE NONMTRZD IMPR. SCOPE & DESIGN	165,000	-	165,000
NMC 11300 - STORES TO SHORES	55,330	-	55,330
NMC 13100 - 116TH AVENUE NE CROSSWALK IMPROVEMENTS AT KINGSGATE PARK AND RIDE	-	35,000	35,000
NMC 13500 - NE 124TH STREET SLATER AVENUE CROSSING IMPROVEMENTS	75,000	-	75,000
NMC 13600 - CKC TO EASTRAIL CROSSING AT 132ND AVE/SLATER	521,500	281,500	803,000
NMC 13700 - WILLOWS ROAD AT EAST TRAIL NONMOTORIZED IMPROVEMENTS	15,180	-	15,180
NMC 13800 - STATE STREET AT 7TH AVENUE CROSSWALK IMPROVEMENTS	-	165,000	165,000
PTC 00400 - 108TH AVENUE NE TRANSIT QUEUE JUMP - PHASE I	-	100,000	100,000
PTC 00500 - 108TH AVENUE NE TRANSIT QUEUE JUMP - PHASE II	-	60,000	60,000
STC 00600 - ANNUAL STREET PRESERVATION PROGRAM	-	40,000	40,000
STC 05913 - 124TH AVENUE NE ROADWAY IMPROVEMENTS (NORTH SECTION) CONSTRUCTION	325,000	-	325,000
STC 08000 - ANNUAL STRIPING PROGRAM	185,510	-	185,510
STC 08313 - 100TH AVENUE NE ROADWAY IMPROVEMENTS - NORTH SECTION	870,000	-	870,000
STC 08314 - 100TH AVENUE NE ROADWAY IMPROVEMENTS - MID-NORTH SECTION	1,305,000	375,000	1,680,000
STC 08900 - JUANITA DRIVE INTERSECTION AND SAFETY IMPROVEMENTS	540,880	-	540,880
STC 99990 - REGIONAL INTER-AGENCY COORDINATION	41,000	41,000	82,000
TRC 09800 - NE 132ND STREET / 116TH WAY NE (I-405) INTERSECTION IMPROVEMENTS	1,060,000	-	1,060,000
TRC 11600 - ANNUAL SIGNAL MAINTENANCE PROGRAM	-	100,000	100,000
TRC 11702 - VISION ZERO SAFETY IMPROVEMENT	25,000	50,000	75,000
TRC 11703 - NEIGHBORHOOD TRAFFIC CONTROL	50,000	50,000	100,000
TRC 12000 - KIRKLAND INTELLIGENT TRANSPORTATION SYSTEM PHASE 3	83,000	500,000	583,000
TRC 13700 - KIRKLAND AVE/LAKE ST INTERSECTION	318,660	-	318,660
TRC 13800 - NE 100TH STREET/132ND AVENUE NE INTERSECTION IMPROVEMENTS	300,000	450,000	750,000
Subtotal Transportation Program	5,961,060	2,247,500	8,208,560
Facilities Program			
GGC 05500 - PW MC SALT AND SAND STORAGE	200,000	-	200,000
GGC 15000 - HOUGHTON VILLAGE CAPITAL IMPROVEMENTS	800,000	104,440	904,440
GGC 17000 - KIRKLAND PERFORMANCE CENTER THEATRICAL RIGGING	-	1,184,207	1,184,207
GGC 18000 - HOUGHTON PARK & RIDE PURCHASE	500,000	-	500,000
GGC 21000 - KIRKLAND PERFORMANCE CENTER HVAC REPLACEMENT	-	85,000	85,000
GGC 23000 - EV CHARGING INFRASTRUCTURE OPPORTUNITY FUND	-	120,000	120,000
Subtotal Facilities Program	1,500,000	1,493,647	2,993,647
Parks Program (and associated Surface Water projects)			
PKC 13310 - DOCK AND SHORELINE RENOVATIONS	-	300,000	300,000
PKC 13400 - 132ND SQUARE PARK PLAYFIELDS	100,000	-	100,000
SDC 10700 - 132ND SQ PARK SURFACE WATER IMPROVEMENTS	230,000	-	230,000
PKC 15600 - PARK RESTROOM ADDITIONS, RENOVATIONS & REPLACEMENT PROGRAM	1,409,000	1,109,000	2,518,000
Subtotal Parks Program	1,739,000	1,409,000	3,148,000
Subtotal Capital Uses	9,200,060	5,150,147	14,350,207
TOTAL REET 1 USES	10,133,021	6,501,878	16,634,899

The following table shows 2023 actual and 2024 projected uses of REET 2, and summarizes total REET uses in 2023 and 2024:

REET 2 Uses	2023 Actual	2024 Budgeted	Two Year Total
Operating & Maintenance Uses			
Debt Service	476,825	476,700	953,525
Subtotal O&M Uses	476,825	476,700	953,525
Capital Uses			
Transportation Program			
NMC 05700 - ANNUAL SIDEWALK MAINTENANCE PROGRAM	100,000	-	100,000
NMC 08720 - NE 131ST WAY/90TH AVE NE NONMTRZD IMPR. SCOPE & DESIGN	165,000	-	165,000
NMC 08750 - PEDESTRIAN CROSSING AT LWIT	-	52,848	52,848
NMC 09010 - JUANITA DRIVE MULTI-MODAL	-	264,000	264,000
NMC 11300 - STORES TO SHORES	187,170	-	187,170
NMC 12900 - PEDESTRIAN SAFETY IMPROVEMENTS (DOWNTOWN & NE 124TH STREET)	217,800	-	217,800
NMC 13500 - NE 124TH STREET SLATER AVENUE CROSSING IMPROVEMENTS	75,000	-	75,000
NMC 13600 - CKC TO Eastrail Crossing at 132nd Ave/Slater	528,500	285,500	814,000
NMC 13700 - WILLOWS ROAD AT EAST TRAIL NONMOTORIZED IMPROVEMENTS	15,000	-	15,000
NMC 30000 - TRANSPORTATION BENEFIT DISTRICT IMPLEMENTATION	400,000	26,000	426,000
PTC 00400 - 108TH AVENUE NE TRANSIT QUEUE JUMP - PHASE I	100,000	119,000	219,000
PTC 00500 - 108TH AVENUE NE TRANSIT QUEUE JUMP - PHASE II	100,000	59,000	159,000
STC 00600 - ANNUAL STREET PRESERVATION PROGRAM	464,000	243,000	707,000
STC 05913 - 124TH AVENUE NE ROADWAY IMPROVEMENTS (NORTH SECTION) CONSTRUCTION	2,311,125	-	2,311,125
STC 08000 - ANNUAL STRIPING PROGRAM	750,490	750,000	1,500,490
STC 08313 - 100TH AVENUE NE ROADWAY IMPROVEMENTS - NORTH SECTION	1,705,238	-	1,705,238
STC 08314 - 100TH AVENUE NE ROADWAY IMPROVEMENTS - MID-NORTH SECTION	1,457,883	375,000	1,832,883
STC 08900 - JUANITA DRIVE INTERSECTION AND SAFETY IMPROVEMENTS	645,000	10,540	655,540
STC 99990 - REGIONAL INTER-AGENCY COORDINATION	641,000	41,000	682,000
TRC 11600 - ANNUAL SIGNAL MAINTENANCE PROGRAM	100,000	-	100,000
TRC 12000 - KIRKLAND INTELLIGENT TRANSPORTATION SYSTEM PHASE 3	161,100	963,455	1,124,555
TRC 13500 - 100TH AVENUE NE/SIMONDS ROAD INTERSECTION IMPROVEMENTS	639,520	-	639,520
TRC 13600 - 100TH AVENUE NE/NE 145TH STREET INTERSECTION IMPROVEMENTS	648,519	-	648,519
TRC 13700 - KIRKLAND AVE/LAKE ST INTERSECTION	318,660	-	318,660
TRC 13800 - NE 100TH STREET/132ND AVENUE NE INTERSECTION IMPROVEMENTS	300,000	516,500	816,500
Subtotal Transportation Program	12,031,005	3,705,843	15,736,848
General Government Program			
GGC 13000 - PERMANENT SUPPORTIVE HOUSING	500,000	300,000	800,000
GGC 16000 - AFFORDABLE HOUSING PROJECT IN KIRKLAND	250,000	250,000	500,000
GGC 23000 - EV CHARGING INFRASTRUCTURE OPPORTUNITY FUND	-	200,000	200,000
Subtotal General Government Program	750,000	750,000	1,500,000
Subtotal Capital Uses	12,781,005	4,455,843	17,236,848
TOTAL REET 2 USES	13,257,830	4,932,543	18,190,373
TOTAL REET 1 & 2 USES	23,390,851	11,434,421	34,825,272

3) Identify how funds authorized for allowed expanded purposes will be used during the succeeding two-year period.

The 2025-2026 Operating Budget includes amounts for approved maintenance and affordable housing as shown in the following table:

REET Expanded Uses	2025 Budgeted	2026 Budgeted	Total
Subtotal REET 1 Maintenance	479,923	504,773	984,696
Parks Maintenance	178,785	183,296	362,081
CKC Maintenance	63,500	63,500	127,000
Street Maintenance	237,638	257,977	495,615
Subtotal REET 2 Flexibility	550,000	-	550,000
Permanent Supportive Housing Improvements - GGC 01300	300,000	-	300,000
Affordable Housing Project in Kirkland - GGC 01600	250,000	-	250,000
Total	1,029,923	504,773	1,534,696

- 4) Identify what percentage of funding for capital projects within the city or county is attributable to REET compared to all other sources of capital project funding.

As shown in the Program Revenue Sources table, years 2025 and 2026 in the Capital Budget includes \$104.9 million from all sources. Of this amount, 16.4% is from REET revenue either projected for 2025-2026 or collected in prior years.

NEXT STEPS:

As stated earlier, this report must be adopted as part of the regular, public budget process. To meet this requirement, staff recommends this report be referenced as an attachment to the 2025-2026 budget adoption ordinance presented to the City Council on December 10, 2024. Though the City operates using a biennial budget, the law makes no distinction. Therefore, updated reports will be provided annually during regular budget and mid-biennial budget processes.

It is worth noting that staff consulted with the Municipal Research and Services Center concerning the format for this report. In brief, it is the MRSC position that the various reporting elements may be already covered through the adoption of the operating budget, the capital budget and the capital facilities plan. Though the pieces of information included in this report, by their very nature, are drawn from these separate documents, staff opted for a format that ties them together in one place.

ATTACHMENTS:

N/A