

Appendix A: Racially Disparate Impacts, Displacement, and Exclusion Analysis

Overview

Washington’s Growth Management Act requires cities to plan for and accommodate people of different income levels and to consider the historical effects of land use policies on non-white populations. In accordance with the Act, King County staff provided an extensive review and analysis of the zoning and land use history of what is now King County’s jurisdiction in their comprehensive plan. Newcastle was part of King County until 1994. Therefore, it is important to understand what decisions had been made prior to 1994 that may have created any barriers to alternative housing types within what is current-day Newcastle and the surrounding areas.

This appendix captures portions of the King County analysis that are relevant to Newcastle. It is broken out in three sections, each providing a portion of the conversation relating to providing housing at different income levels as well as those who have historically had barriers to obtaining housing. Each section is followed by a synopsis with main take-aways. The sections are as follows:

1. History of Zoning and Land Use in the Newcastle Area
2. Data Analysis
3. Areas Prone to Displacement Risk

History of Zoning and Land Use in the Newcastle Area

A “Role in Promoting Housing”

The ability of the private and public sector to develop housing is affected by a wide range of market forces. However, local government actions such as land use policies, funding, regional coordination, development regulations, community engagement, and infrastructure financing significantly impact the capacity to increase housing supply for all incomes, including affordable housing. Public funding, incentive programs, and mandatory programs are essential to increasing the redevelopment capacity in King County, which will increase the land available for new, higher-density housing that is affordable to a wider range of incomes than in the current housing market.¹⁵

King County Specific Notes:

- *Historically, private property owners, lending institutes, and federal state, and local governments implemented strategies to restrict access to housing and neighborhoods to people based on their race*

¹⁵ Executive Recommended 2024 King County Comprehensive Plan (December 2023). Chapter 4 p 4-3.

and sometimes religions.¹⁶ ...These policies and practices included Indigenous land dispossession, the Alien Land Law, Japanese internment and incarceration, racial restrictive covenants, and discriminatory lending practices that led to disproportionate access to homeownership...¹⁷

- In 1790 the federal government enacted the HR 40 Naturalization Bill, which allowed only white foreign-born individuals to become US residents.¹⁸¹⁹
- In 1862 the Homestead Act was federally adopted, allowing settlers to claim “free” land.²⁰
- In 1887 the Dawes Act was federally adopted, allowing government to divide Native reservations to “individual tribal members with the intention to assimilate them as ‘responsible farmers,’” despite this not being the way indigenous people interacted with the land. Over subsequent years, the government would create “treaties” with local indigenous people which took their land.²¹
- In 1889 Washington adopted an amendment to the state constitution that restricted non-residents from owning land.²²
- In 1921 Washington adopted the Alien Land Law, which prohibited non-residents from leasing or renting land²³. (Repealed in 1967²⁴)
- Many of these acts were created in response to prosperity of non-white cultures in the region.²⁵
- Racial Restrictive Covenants were created to reduce changes in the demographic make-up within neighborhoods. The federal government endorsed the practice, with the Federal Housing Administration (FHA) recommending the use of racial restrictive covenants to safeguard neighborhoods from declining property values because they believed the presence of non-White residents in a neighborhood would lower its property values²⁶.

¹⁶ Ibid. Appendix B. B-110.

¹⁷ Ibid. B-111.

¹⁸ Ibid. B-113.

¹⁹ Visitthecapitol.gov “H.R. 40, Naturalization Bill, March 4, 1790” <https://www.visitthecapitol.gov/artifact/h-r-40-naturalization-bill-march-4-1790#:~:text=This%201790%20act%20set%20the,born%20abroad%20to%20U.S.%20residents.> Accessed June 5, 2024

²⁰ Ibid. B-112.

²¹ Ibid. B-112.

²² Ibid. B-113.

²³ Ibid. B-114.

²⁴ Ibid. B-115.

²⁵ Ibid. B-114.

²⁶ Ibid. B-115.

- King County did not pass fair housing legislation which prohibited racial restrictive covenants until 1964.²⁷ The federal government adopted the Fair Housing Act in 1968²⁸.
- In 1974, fair housing laws were updated to include sex and familial status.²⁹ Until this time, people who had children were able to be evicted, charged higher rent, or denied housing.³⁰
- Local, State and Federal Governments have since outlawed these practices at different times in history, but the effects of restrictive strategies can still be observed in incorporated and unincorporated King County cities to this date.³¹
- “Homeownership has consistently been the primary, most effective mechanism for wealth building in the U.S.³²” Therefore, by the time these laws were repealed, white land-owners had amassed more wealth than was possible for communities of black, indigenous, and people of color (BIPOC).

Single Family Housing, Large Lot Development and Suburbanization

Formed in 1934, the Federal Housing Administration incentivized (in its early years) racial restrictive covenants and single-family homes. King County’s first zoning code was created in 1937, with “most of its urban residential areas zoned for low-or medium-density, which are predominately developed with single detached homes.³³” This zoning code allowed up to two dwellings on a single one-acre lot, although distance requirements were enacted which made attached dwellings prohibited.³⁴

The next zoning update was in 1964, at which time “Urban Center Development Concepts” were introduced. This focused “economic activity and cultural services in *existing* cities and towns, with low density development and open space between them.”³⁵

In the 1985 update, the “Urban Center Development Concept... added specificity about where housing and urban growth should exist and where open space, rural and resource lands should be preserved.³⁶” (Note, the Newcastle area had a Community Plan in 1979 that designated the central shopping area where it is in current day Newcastle.)

²⁷ Ibid. B-116.

²⁸ Ibid. B-117.

²⁹ Ibid. B-121.

³⁰ Ibid. B-122.

³¹ Ibid.

³² Ibid. B-117.

³³ Ibid. B-127

³⁴ Ibid. B-128.

³⁵ Ibid. B-129

³⁶ Ibid. B-132-133.

According to King County, “The minimum lot area for residential zones between 1979 and 1988 are almost identical to that of 1964’s zoning code.”³⁷ Due to population increases and the absolute nature of a jurisdiction’s urban growth area (UGA) boundary³⁸, the lack of variety in housing stock has created a lack of choice in the market. While the Growth Management Act was passed in 1992, jurisdictions, including King County, did little to accommodate the new requirements in terms of changing zoning from past practices to encourage and/or allow for more small single family, middle, and multifamily housing.

The high cost of housing in King County creates housing instability for thousands of households, in particular for people who are Black, Indigenous, and other People of Color; seniors; veterans; people experiencing homelessness; people with behavioral, physical, cognitive, or developmental disabilities; immigrants; refugees; LGBTQIA+ residents; and households with extremely low-, very low-, and low-incomes. Housing instability contributes to high levels of stress as well as difficulty securing and maintaining employment. Unaffordable housing may also contribute to homelessness or overcrowding. Cost burdened households are more likely to experience food insecurity, delay or not seek medical care, have difficulty paying other bills, and be evicted.³⁹

Newcastle’s History

The City of Newcastle has had two major growth periods: first, due to coal mining in Cougar Mountain, where the first town of “New Castle Hills⁴⁰” was founded in the second half of the 19th century. Prior to then, the area Newcastle is in was used for hunting and foraging by the Duwamish tribe, who had settlements along what is now Lake Washington⁴¹. In 1864, coal was found by King County surveyor Edward Richardson. For over 100 years, Newcastle, centered further north-east than the current downtown, adjacent to where the current day golf course is, was a coal mining town. Much of the land was owned by the coal mining companies, where small cabins and local amenities (e.g. a church, saloon, market, and post office) were built for the miners and their families.⁴²

The mines, which were Seattle and King County’s earliest large industry, formed the basis for transforming Seattle from a small but ambitious village in the 1860s into the dominant port city on Puget Sound by the 1880s. Prospectors and coalminers worked the Newcastle Hills for 100 years, mining nearly 11 million tons of coal from under the surface of Cougar Mountain.⁴³

As a result, two mining towns grew from rural, agricultural villages to bustling company towns almost overnight: Between 1880 and 1890, the economy of Newcastle went the way of its mineral resource. The coal was

³⁷ Ibid. B-133.

³⁸ UGA is the Urban Growth Area. They generally do not increase unless there is a planned area of annexation.

³⁹ Executive Recommended 2024 King County Comprehensive Plan (December 2023). Chapter 4 pp 4-27&28.

⁴⁰ McDonald, L. S., McDonald, R., et al. (2020). *The Coals of Newcastle: A Hundred Years of Hidden History* Newcastle Historical Society. 1.

⁴¹ Ibid.

⁴² Ibid.

⁴³ Ibid.

relatively low quality compared with other coal producing areas of the United States and the Newcastle mines operated on a marginal economic basis throughout their history.⁴⁴

Union confrontations between 1880 and 1890 and the breaking of the unions later resulted in the deterioration of the coal mining industry. When the Pacific Coast Coal Company left in 1929, the coal dependent towns disappeared too. Except for abandoned mines and one miner's residence that is in near-original condition, little evidence remains of the coal mining towns on cougar mountain, which once had as many as 600 houses between them.⁴⁵

Historical Unrest

In the 1880's, as result of trying to unite unemployed workers, white workers united against Chinese workers who had started working in the mines in the late 1870's⁴⁶. The first attack in the mines against Chinese workers occurred in 1880 when "White works ran Chinese workers off the job at Newcastle mine, causing the company to fire White ringleaders and guarantee Chinese workers their jobs.⁴⁷" The economy was in recession, causing resentment of skilled and yet less expensive Chinese labor, who still composed approximately 15% of the workforce.⁴⁸

After a fire in the last tunnel in Newcastle in 1929, Pacific Coast Coal Co., which had taken over operations, closed all its big mines. Employees were laid off and their houses were sold for \$25 apiece. The mining village was razed except for any cabins which were purchased by their tenants⁴⁹, such as the Pacific Coast Coal Company House Number 75, which was purchased by the Baima family and later entered in local and national historic registries.

Rail had been built to Newcastle in the late 1800's, but was discontinued in 1933. Independent mining remained in the area, but heavy trucks were used to haul coal rather than rail. In 1932, Baima & Rubattion Coal Co. was formed. They would operate until 1963, but employed at its peak approximately 75 workers.⁵⁰

Between 1963 and 1990, development was slow paced. Palmer Coking Coal Co. purchased the land from Pacific Coast Coal Co. hoping to building housing where the coal mines had been, but King County rejected the permit due to safety concerns. Alternatively, the developer submitted a permit to operate a 350-acre landfill for permitted demolition waste disposal. In 1985, Coal Creek Development Corp. purchased the site and in 1992, the site stopped receiving waste. A private developer purchased the site in 1994 and constructed two 18-hole golf courses⁵¹.

⁴⁴ Ibid.

⁴⁵ Ibid.

⁴⁶ Ibid. 51.

⁴⁷ Ibid.

⁴⁸ Ibid.

⁴⁹ Ibid. 121.

⁵⁰ Ibid. 132-133.

⁵¹ Ibid. 143.

Mutual Materials Brick Plant

From 1957 to 2011 Mutual Materials operated a brick plant in the north portion of Newcastle just east of Coal Creek Parkway.⁵² The land was sold to a developer and has been redeveloped as the “Newcastle Commons” mixed use development, which included for-sale townhomes, and rental townhomes and flats, as well as retail and commercial space.

County Zoning and Community Area Plan

The current land uses in Newcastle largely reflect development patterns and land use plans from county community plans, although development has occurred where it appears none were considered possible before. Much of the area around western Newcastle was zoned 2-dwelling units per acre in the county’s 1964 Comprehensive Land Use Plan, and areas in present day Newport Hills and Hazelwood neighborhoods down to May Creek were zoned 8 dwellings per acre.

In the 1979 Community Plan, the existing zoning map shows the Mutual Materials Brick Plant area as industrial, with some multi-family residential surrounding neighborhood business centers Quarrying and mining are still reflected in the zoning map (Figure 1) as MP and QM.

⁵² Washington Department of Ecology [Mutual Materials Newcastle Lot 4 Cr - \(15081\) \(wa.gov\)](#). Accessed 5/30/2024

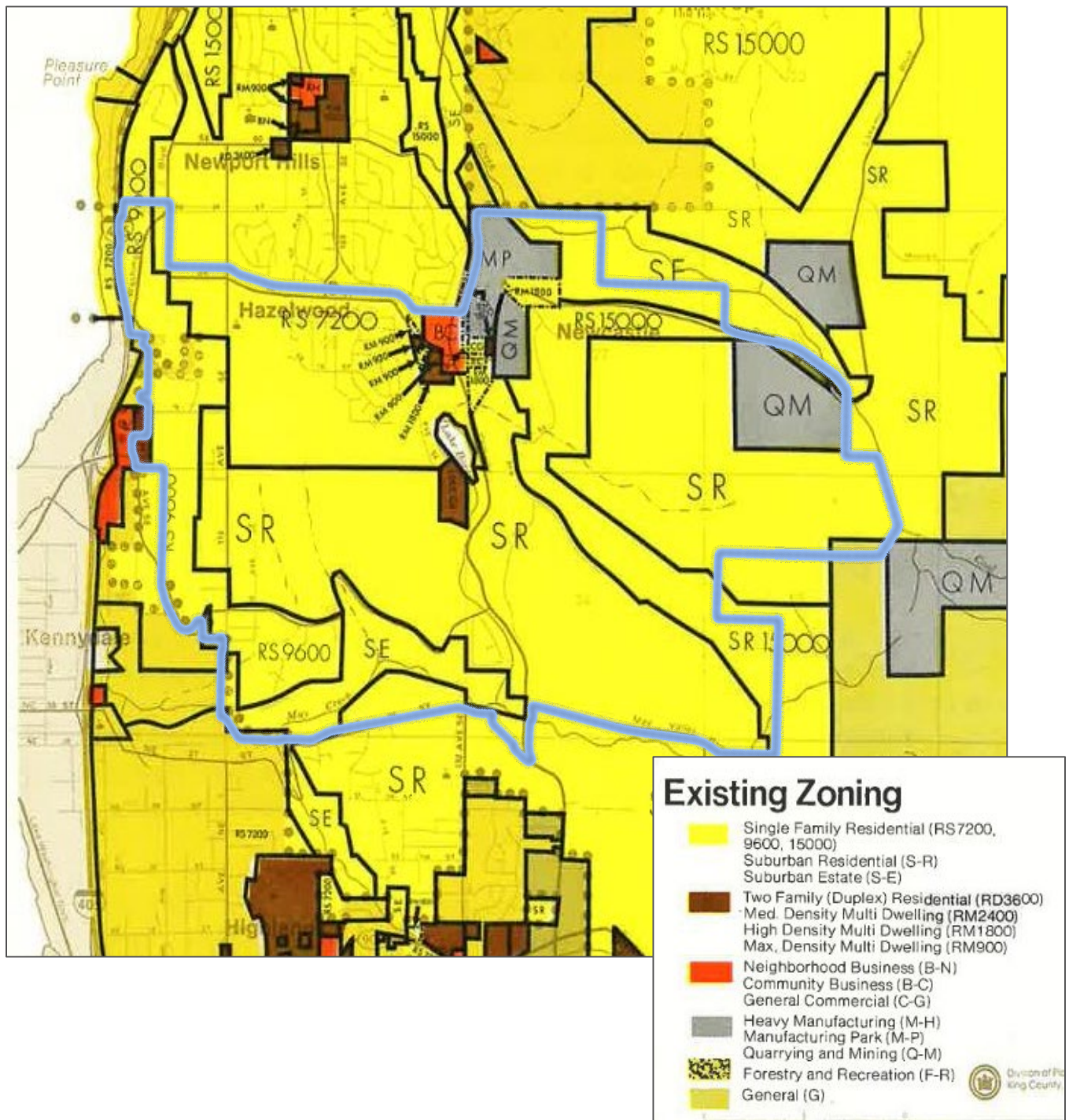


Figure 17: Zoning Map from the King County “Newcastle Community Plan,” January 1979. Gray outline depicts the approximate location of current day Newcastle.

Residential zones, however, are still quite large. The “RS” zone and “S-R” zone dominate the map. Lot sizes ranged from 7,200-35,000 square feet, depending on the designation.

Newcastle As City

The current day City of Newcastle would not incorporate until 1994, during the City's second growth period in the 1990's. The City changed over the course of a generation from a King-County semi-rural urban growth area with two mobile-home parks, and single and a few multi-family homes dating from the 1930's-60's dotting the landscape, to an incorporated community with multi-family housing along Coal Creek parkway and single-family housing development spreading out along its 4.4 square mile hilly terrain.

To date, Newcastle staff have been unable to find examples of deeds with racial restrictions or evidence of redlining in Newcastle. That said, there were properties in Newcastle subdivided by CD Hillman in the early 20th century⁵³. CD Hillman's other developments in nearby Renton had restrictive based covenants. However, in the existing uses map (Figure 2) and in the population distribution map (Figure 3) from the 1979 King County Newcastle Community Plan, it appears the City had a relatively small population and was largely undeveloped until its second growth period in the 1980's and 90's, which would have reduced blatant discriminatory practices, such as redlining and restrictive covenants. However, there were communities built in the 1990's which had restrictions on the number of unrelated people that could live together under the same roof.

It is not clear in Newcastle that any group has been subject to disproportionate housing impacts because of race, although in Section 2, you will see that there are populations that are experiencing more cost burdens than others.

⁵³ University of Washington Civil Rights Consortium, "Seattle and King County Racial Restrictive Covenants," the Racial Restrictive Covenants Project Washington State. Retrieved January 2023 from https://depts.washington.edu/covenants/county_king.shtml

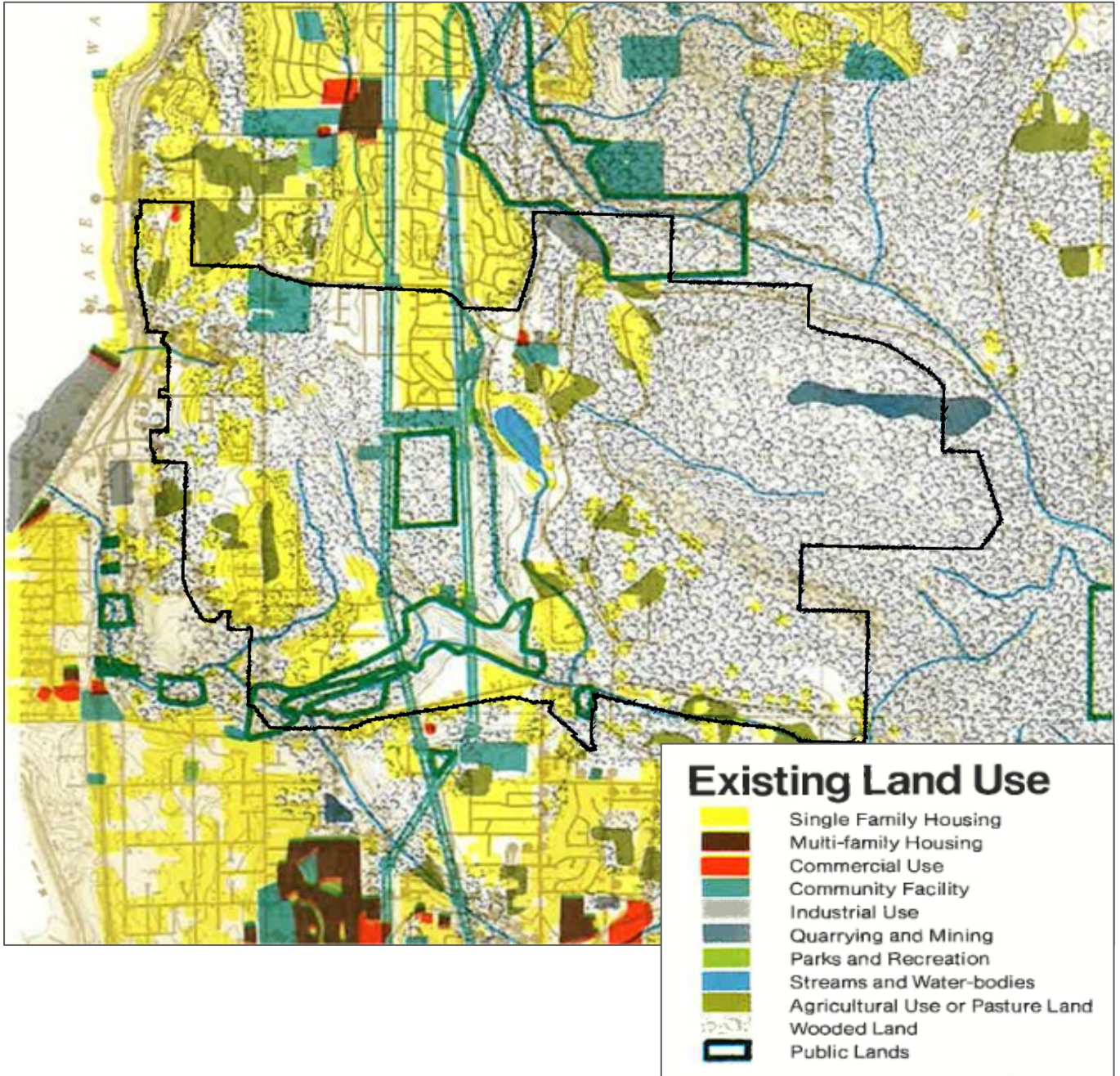


Figure 18: Existing Land Use Map from the King County "Newcastle Community Plan," January 1979. The black outline depicts the approximate location of current day Newcastle.

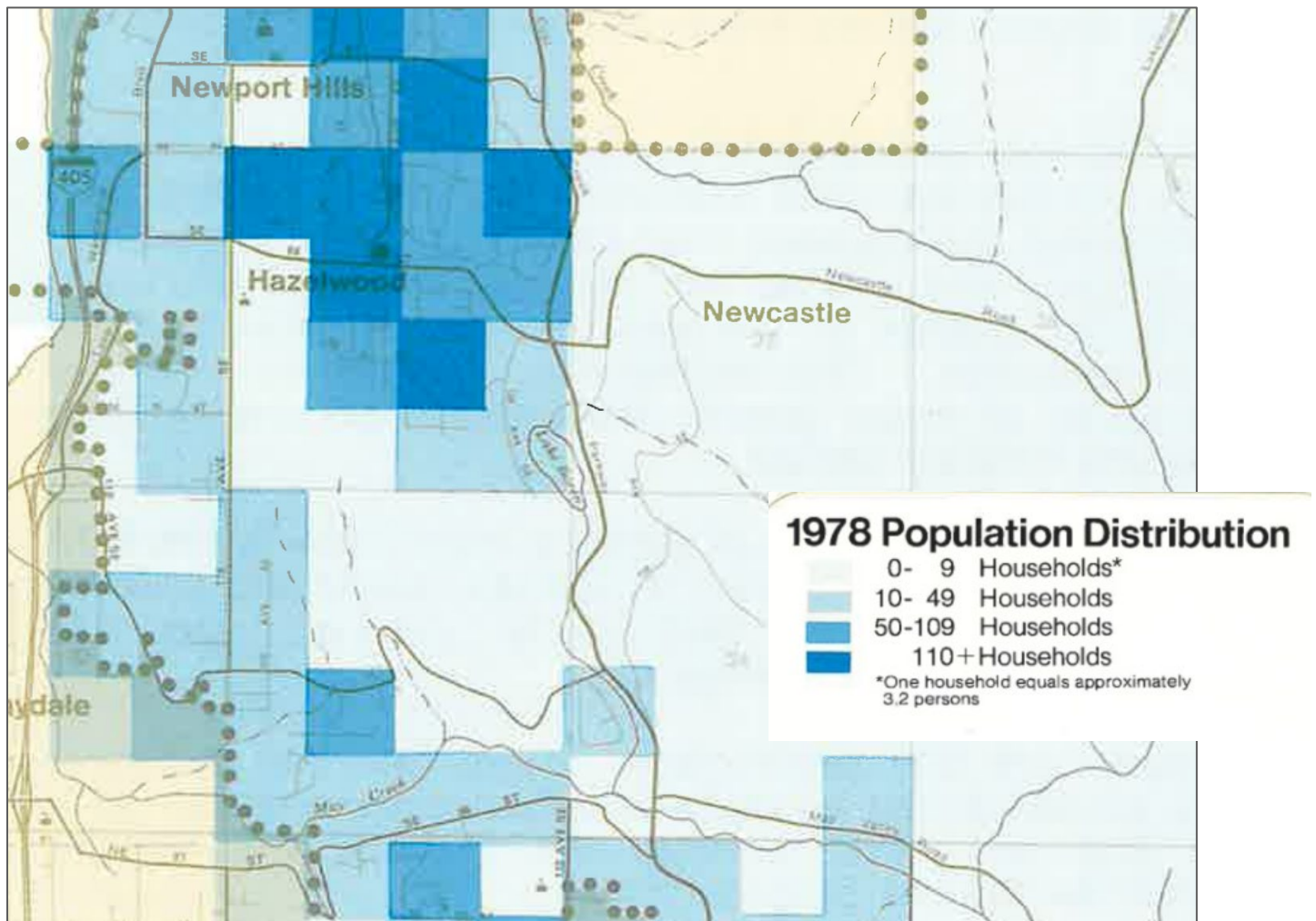


Figure 19: Population Distribution Map from the “Newcastle Community Plan”, January 1979. The area shown is the approximate area of current day Newcastle.

Analysis

Attainable and Affordable Housing

New state legislation and King County’s Countywide Planning Policies mandate that cities develop specific policies for more attainable housing, with policies specific to different income brackets. The City’s challenge is to seek affordable housing strategies that strike a balance between the need for affordable housing and the preservation of existing neighborhoods and Newcastle’s quality of life.

Affordability concerns all households, regardless of income. It pertains to the balance between a household’s financial means and its desire for acceptable housing and amenities. Following a long-standing principle, this analysis housing is assumed to be “affordable” when no more than 30 percent of a renter’s income goes toward housing expenses, including utilities. Local affordable ownership programs determine affordable home prices by using the conventional lending assumption that no more than 30 percent of a homeowner’s income goes towards mortgage payments, property taxes, insurance and if applicable, homeowners’ dues. If a household expends a larger share of its income on dwelling costs, then the household may find it necessary to redirect monies that are normally spent for other basic needs such as food, health care, childcare, and education.

Income

The median income in Newcastle is approximately \$139,000 per year, and the ethnic makeup is approximately 46% white, 18% Asian, 4% Hispanic or Latino, 7% Other Race, and 50% persons of color⁵⁴. All categories have increased over the past 5 years with the exception of the City’s white population, which has decreased by 14 percentage points (Figure 4).

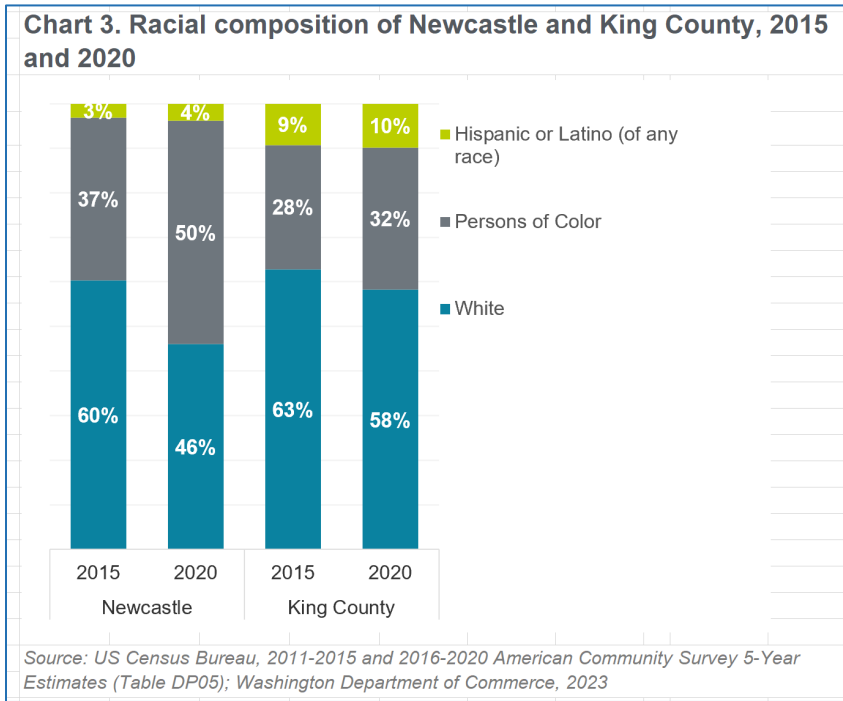


Figure 20: Racial Composition of Newcastle 2015 and 2020. Source: Department of Commerce RDI Toolkit 20230316

Newcastle ranks high on the Puget Sound Regional Commission (PSRC) opportunities map, meaning, there is high opportunity for people to “succeed and excel.”⁵⁵ The PSRC report says “...census tracts that are considered “high or “very high” opportunity areas have relatively more resources than the regional average..... The “Opportunity Index” uses data from multiple sources collected at the neighborhood level. These data represent a comprehensive index of indicators grouped into five key elements of neighborhood opportunity and positive life outcomes: education, economic health, housing and neighborhood quality, mobility and transportation, and health and environment.⁵⁶”

Overall, Newcastle households tend to make above the area median income (AMI) of \$139,000, although that is not to say that it does not have residents who are cost burdened by housing and other costs of living. Table 1,

⁵⁴ Department of Commerce RDI Toolkit 20230316

⁵⁵ Puget Sound Regional Council, “Opportunity Mapping.” <https://www.psrc.org/our-work/opportunity-mapping>

⁵⁶ *Ibid.*

below, shows the count of households in Newcastle who are living within 5 different income levels of AMI based on the US Housing and Urban Development's categories:

- Extremely Low Income (<30% of AMI)
- Very Low Income (30% - 50% of AMI)
- Low Income (50% - 80% of AMI)
- Moderate Income (80% - 100% of AMI)
- Above Median Income (>100% of AMI)

	Extremel y Low- Income (≤30%)	Very Low- Income (30-50%)	Low- Income (50-80%)	Moderat e Income (80- 100%)	Above Median Income (>100%)	All
All Households						
2015	240	345	295	240	3,065	4,185
2020	304	360	410	280	3,150	4,504
Asian						
2015	100	110	40	45	695	990
2020	104	100	170	120	1,010	1,504
Black or African American						
2015	30	-	-	-	70	100
2020	30	-	15	-	95	140
Hispanic or Latino (of any race)						
2015	-	45	85	-	70	200
2020	35	40	-	14	100	189
Other Race						
2015	10	5	25	5	95	140
2020	-	5	(5)	1	75	76
White						
2015	99	185	145	190	2,135	2,754
2020	135	215	230	145	1,870	2,595
<i>Sources: US HUD, 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) (Table 1)</i>						

Table 1: Newcastle five-year change in distribution of households by income and race, 2014-2019. Source: Department of Commerce RDI Toolkit 20230316 (Income, Table 8)

Rates of Housing Burden by Race or Ethnicity Group

Newcastle largely consists of homeowners at 76% ownership, vs. 57% ownership in King County. Of those, all categories of race or ethnicity have more homeowners than in King County except for Pacific Islander, which appears to have no resident population in Newcastle per the Department of Commerce RDI Toolkit (Table 2). Similar to King County, Newcastle has more Hispanic/Latino and Other Race renters than owners of the same category. Conversely, there are more Black or African American residents who own vs. rent than in King County.

	Newcastle		Newcastle		King County	
	Owner Households	Renter Households	Percent Owner	Percent Renter	Percent Owner	Percent Renter
American Indian or Alaska Native	0	0	0%	0%	37%	63%
Asian	1,135	365	76%	24%	59%	41%
Black or African American	85	55	61%	39%	28%	72%
Hispanic or Latino (of any race)	80	100	44%	56%	35%	65%
Other Race	40	45	47%	53%	41%	59%
Pacific Islander	0	0	0%	0%	23%	77%
White	2,075	525	80%	20%	63%	37%
Total	3,415	1,090	76%	24%	57%	43%

Sources: US HUD, 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) (Table 9)

Table 2: Newcastle count of owner and renter households by racial group, 2019. Source: Department of Commerce RDI Toolkit 20230316 (Tenure, Table 9)

Overall, renters in Newcastle experience more cost burden than homeowners, with 36% of the renter population burdened vs. 24% of homeowners (Table 3, below). Hispanic/Latino and Black/African American residents are more cost burdened compared to non-cost burdened renter households of the same race or ethnicity, and they are shown to have a higher percentage of severely cost burdened (greater than 50% of their income going towards housing) households than in any other category.

		Racial Subgroups					
		Persons of Color	White	Asian	Black or African American	Hispanic or Latino (of any)	Other Race
Total Households							
Not Cost Burdened		70%	73%	70%	68%	65%	100%
Total Cost-Burdened		28%	26%	28%	32%	35%	0
<i>Cost-Burdened (30-50%)</i>		13%	17%	16%	0%	5%	0%
<i>Severely Cost-Burdened (>50%)</i>		14%	10%	11%	32%	30%	0%
Not Calculated		2%	0%	3%			
Owner							
Not Cost Burdened		76%	77%	73%	82%	100%	100%
Total Cost-Burdened		24%	23%	27%	18%	0%	0%
<i>Cost-Burdened (30-50%)</i>		13%	17%	15%	0%	0%	0%
<i>Severely Cost-Burdened (>50%)</i>		11%	6%	11%	18%	0%	0%
Not Calculated							
Renter							
Not Cost Burdened		57%	58%	58%	45%	40%	100%
Total Cost-Burdened		36%	39%	30%	55%	65%	0%
<i>Cost-Burdened (30-50%)</i>		14%	16%	19%	0%	10%	0%
<i>Severely Cost-Burdened (>50%)</i>		22%	23%	11%	55%	55%	0%
Not Calculated			2%	11%			

Source: US HUD, 2015-2019 Comprehensive Housing Affordability Strategy (CHAS) (Table 9); Washington Department of Commerce, 2023

Table 12: Newcastle percentage of households by housing cost burden, 2019 Source: Department of Commerce RDI Toolkit 20230316 (Cost Burden, Table 4)

Age Impacts

The City is also reviewing impacts of housing burdens on residents by age. The data compares 2015 and 2020 data for both Newcastle and King County as a whole, for ranges of ages. For example, it shows that in 2020, 29% of those 65 or older in Newcastle spent 30% or more of their income on home-ownership costs. For owners and especially renters, data shows that as people age, the costs of owning a home becomes more burdensome.

Figure X shows the difference in income at that age bracket is significantly lower than the next age bracket down.

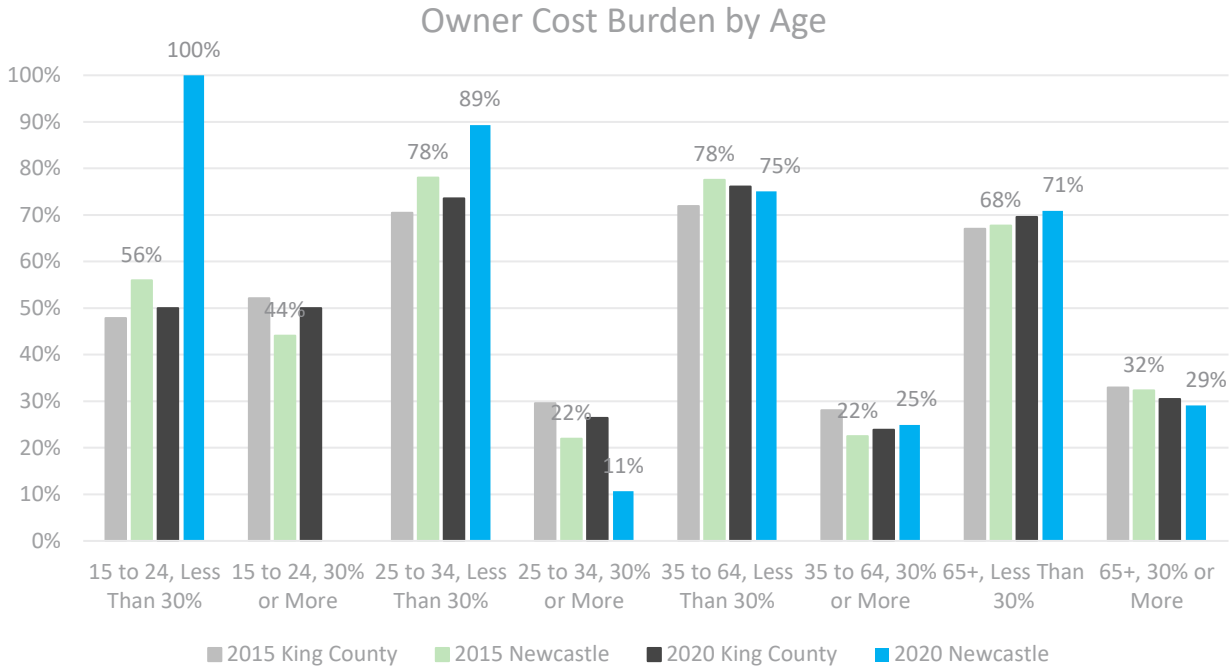


Figure X: Owner Cost Burden by Age. Source: 2015 and 2020 American Community Survey (ACS) 5 Year datasets

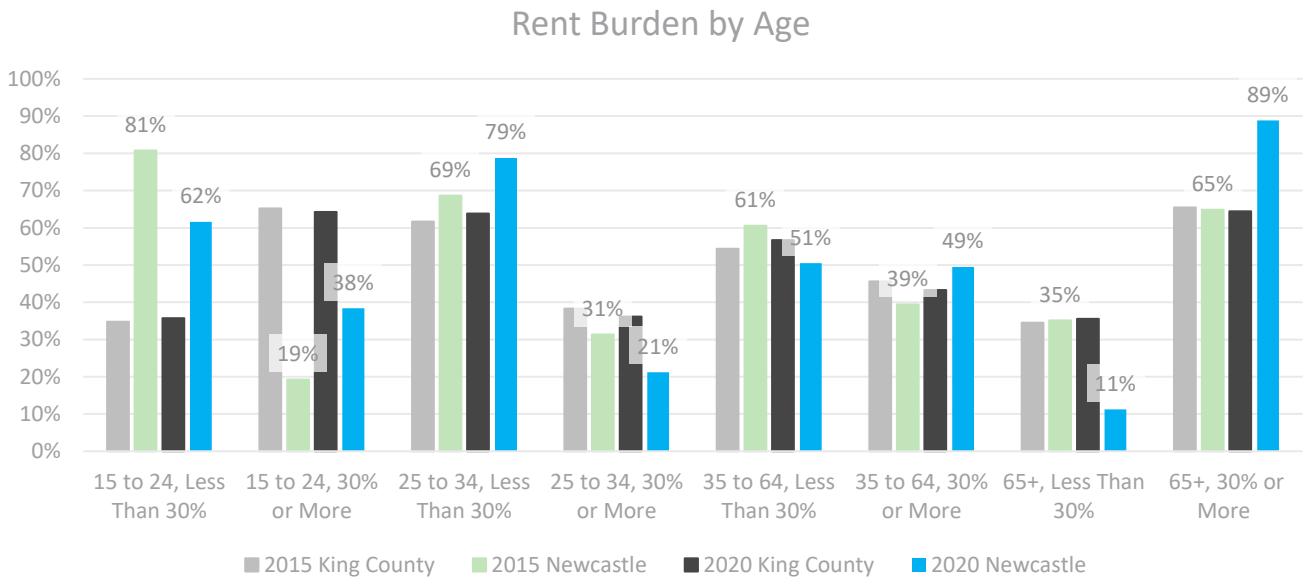


Table 13: Rent Burden by Age. Source: 2015 and 2020 American Community Survey (ACS) 5 Year datasets

Income by Age Bracket

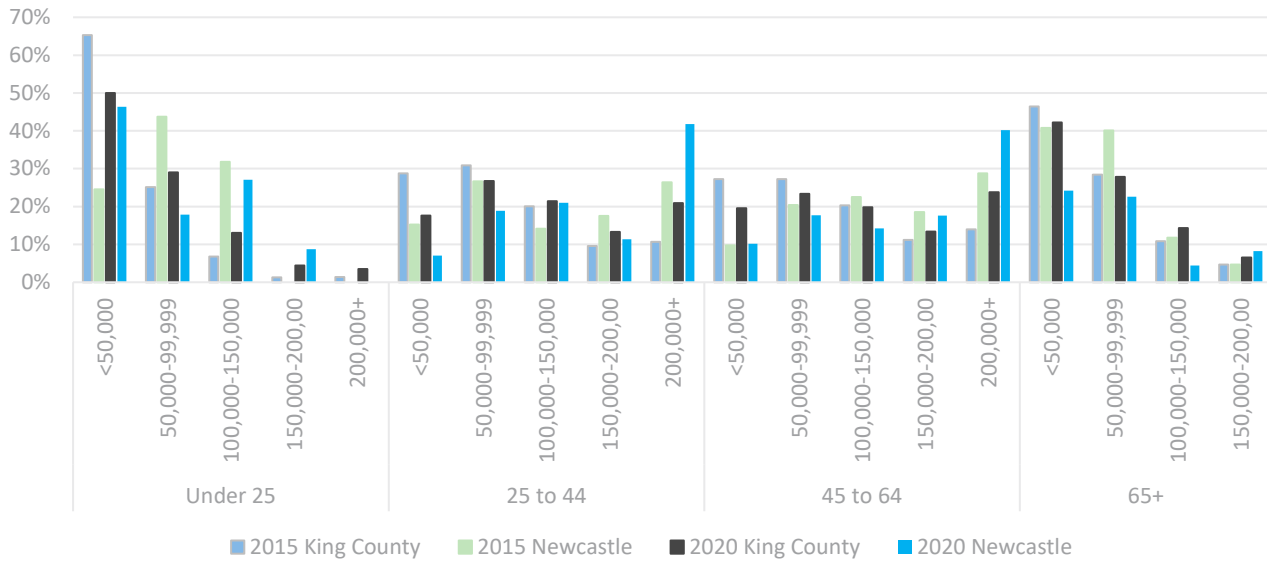


Table 14: Income by Age Bracket. Source: 2015 and 2020 American Community Survey (ACS) 5 Year datasets

Synopsis:

- Approximately ¾ of City’s population are homeowners
- Asian, White, and Black populations tend to have more homeowners than renters. Hispanic/Latino and Other Race populations have more renters.
- Newcastle is becoming more diverse, with a 14 percentage point decrease in the white population over the 2015-2020 timeframe.
- Newcastle households tend to make as much or more than the average median income: in 2020, 70% of the City’s households make above the median income, although that is a decrease from 73% in 2015. Only Hispanic/Latino and Other Race categories show an increase in the percentage of households making above median income.
- Newcastle’s renters are more cost-burdened than owners. Of those cost-burdened renters, Black/African American and Hispanic/Latino populations have more severely cost burdened households than non-cost-burdened households.
- Older renters in Newcastle are experiencing a large amount of cost burden.

Areas Prone to Displacement Risk

The Puget Sound Regional Council’s (PSRC) Displacement Risk analysis⁵⁷ shows Newcastle in the “lower” displacement risk category. That said, the areas most likely to be redeveloped are along Coal Creek Parkway and where there is older housing stock in the northwest portion of the City. The City has a downtown plan which envisions new multi-family and mixed-use development in the area, which is also the location of a majority of the City’s current rental housing and former mobile-housing. If those areas were to be redeveloped, or if nearby properties were redeveloped and overall property values were to increase, it could increase rents in the area, causing displacement of those residents.

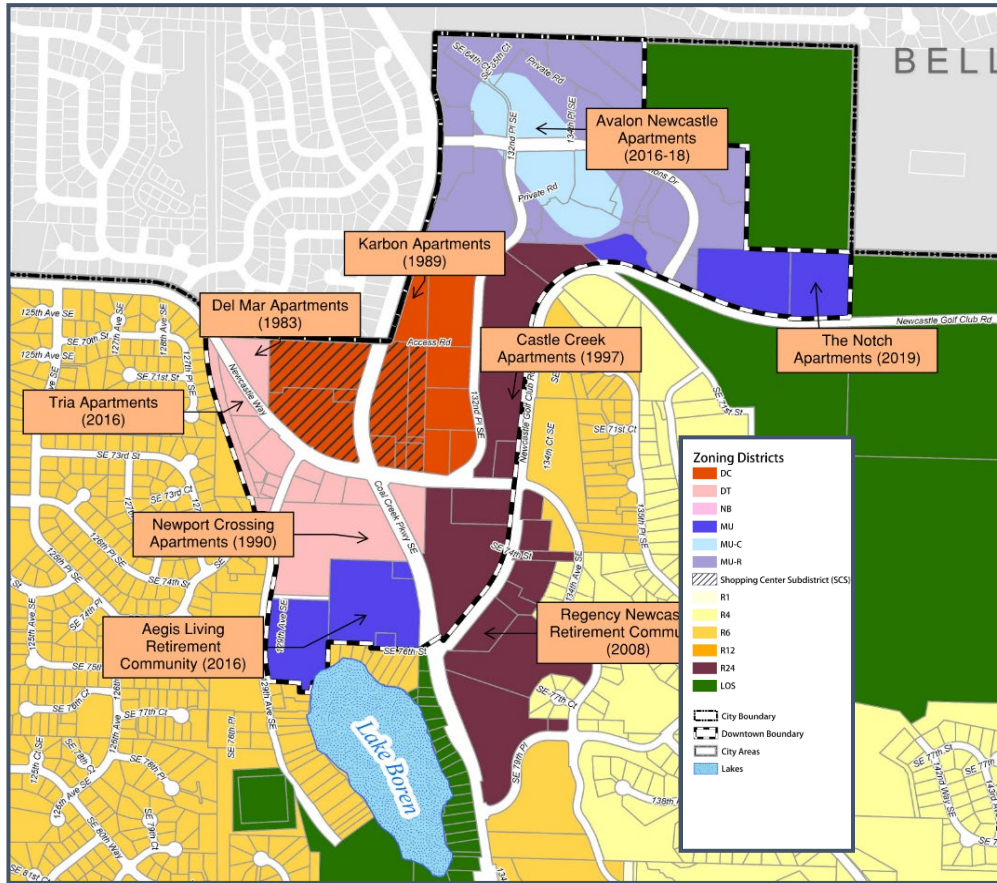


Figure 21: Newcastle Zoning Map with Rental Apartment Housing and Age of Construction

Figure 5 shows the locations and construction date of the City’s rental apartment complexes along Coal Creek Parkway where the Downtown Strategic Plan is in effect. Figure 6 shows a majority of the City’s Hispanic/Latino

⁵⁷ Puget Sound Regional Council, “Displacement Risk Mapping.” <https://www.psrc.org/our-work/displacement-risk-mapping>

population live in many of the larger multi-family units (shown towards the top of each column), followed by White, then Asian, then Black residents.

Regarding homeowners, Newcastle staff currently suspects that the housing burden on seniors is partially due to property tax increases and the quickly increasing home values (and therefore higher assessed property values) throughout the region over the past decade.

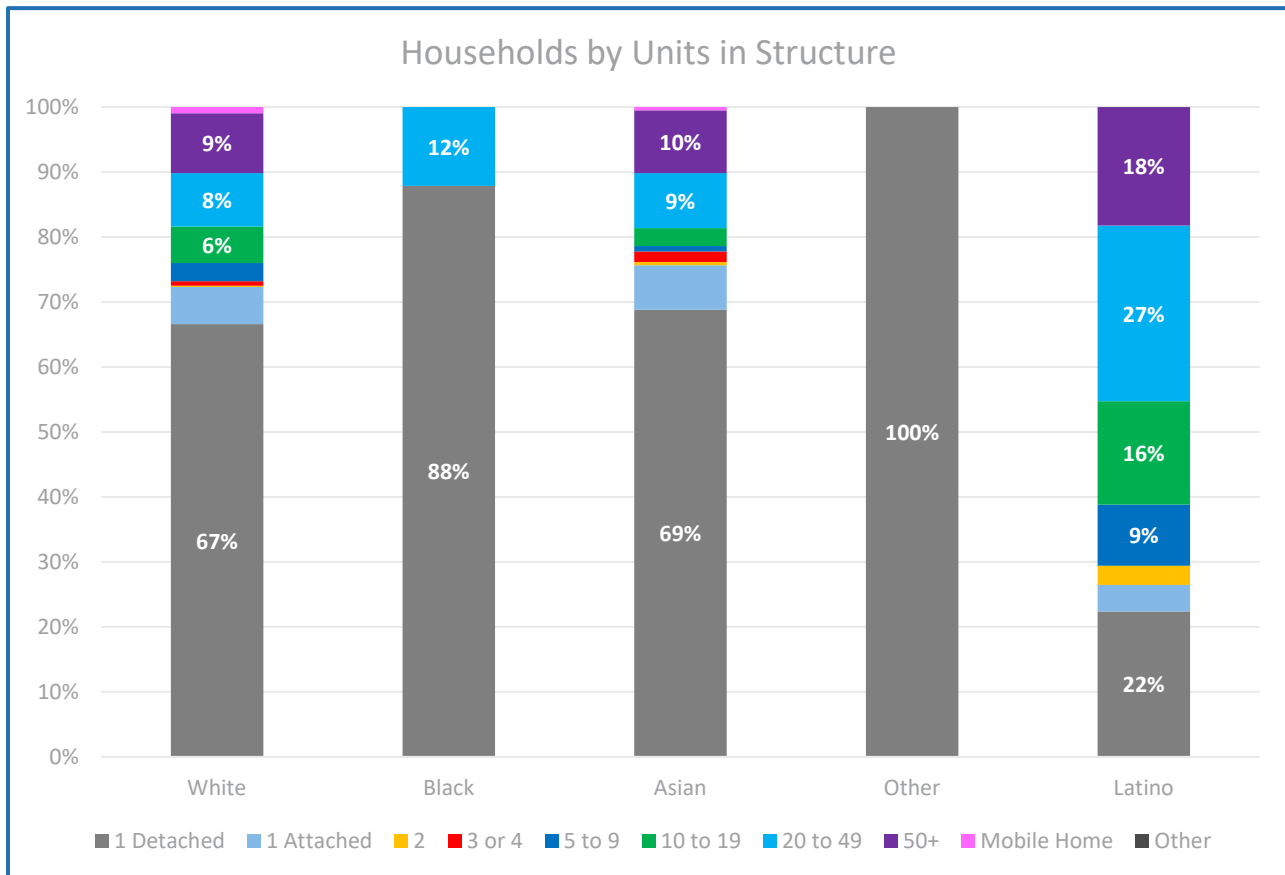


Figure 22: Households by Number of Units in the Structure of Residence (2020). Source: 2020 American Community Survey (ACS) 5 Year datasets

Synopsis:

- The oldest multi-family units along Coal Creek Parkway are within the City’s Downtown Strategic Plan Areas. Those areas may also be more prone to redevelopment as undeveloped tracts become obsolete. This means property values and costs of renting or homeownership could increase, placing more burden on the City’s most vulnerable populations.

Appendix B: Capital Facilities & Utilities

Introduction

Part One: Capital Facilities & Utilities Inventories.

This Appendix section presents summaries of existing inventories and needs projections for capital facilities and utilities. Capital facilities are split into municipal facilities and other public facilities while utilities are split by service type. The primary responsibility for planning for private utilities rests with the utility providers. Clearly, however, this planning cannot take place without open lines of communication between the City of Newcastle and the utility providers.

Municipal facilities are those that are owned and operated by the City, or for which the City has a capital plan, such as a community center, City offices, maintenance facilities, and stormwater facilities. Municipal capital facilities such as parks, trails, and recreation facilities, and the City's transportation system are addressed at length in their respective Elements. Their capital requirements are summarized in Table CF-1.

Other public facilities or services are those that may not be owned and operated by the City, or that are provided through contractual arrangements with the City, such as Police, Fire, Sewer, Water, and Schools. These are also presented in this section.

The City acknowledges that some private utility providers are not willing to provide capacity or future construction plans, as some of this information may affect their competitiveness or be considered proprietary. The utilities, however, must recognize that this may hinder the City's ability to assist them in their projects.

Some utilities are regulated by the Washington Utilities and Transportation Commission (WUTC). The Washington Utilities and Transportation Commission is a three-member board with an associated staff who regulate the rates, services, and practices of privately-owned utilities and transportation companies, including electric, telecommunications, natural gas, water, and solid waste collection companies. The Commission regulates utilities under authority granted in Title 80, and transportation companies under Title 81, of the Revised Code of Washington (RCW). Most utilities under the WUTC's jurisdiction must provide suitable facilities to supply service on demand. State law regulates the rates, charges, services, facilities, and practices of these utilities. Any changes in policies regarding these aspects of utility provision require WUTC approval.

Part Two: Capital Facilities Revenue and Sources.

This section provides a description followed by a summary discussion comparing projected capital facilities needs against funding capacity. The Growth Management Act requires that a balance be maintained between needs and funding.

The Capital Facilities goals and policies, which provide overall direction for capital facilities decisions, are presented in the Capital Facilities Element.

General Growth Projections

According to the growth projections and targets established in the King County Countywide Planning Policies, which form the basis of the Land Use Element of the Comprehensive Plan, the City of Newcastle could experience an increase of up to approximately 2,040 additional residents by 2044.

Growth will not occur precisely as projected over a six- year or even a 20-year period. Local governments have the opportunity to re-evaluate their forecast in light of the actual growth experienced, revise their forecast if necessary, and adjust the number or timing of capital facilities that are needed

This Capital Facilities Plan is anticipated to be updated annually as part of the City's budget process, thereby ensuring that the Plan reflects the most current actual statistics related to growth in Newcastle, and that capital facilities are slated for implementation in accordance with both the level of service standards and the City's concurrency policies.

Method for Using Level of Service

Levels of service (LOS) usually are quantifiable measures of the amount of public facilities that are provided to the community. Levels of service also may measure the quality of some public facilities. Typically, measures of LOS are expressed as ratios of facility capacity to demand (i.e., actual or potential users). LOS standards for trails and for traffic flow can be found in the Parks and Transportation elements, respectively, of this Comprehensive Plan. These are for information purposes only, but may be useful for projecting some capital facilities needs.

Because the need for capital facilities is determined largely by the adopted LOS, the key to influencing the Capital Facilities Plan is to influence the selection of the LOS standards. LOS standards are measures of the quality of life of the community. The standards should be based on Newcastle's vision of its future and its values. Traditional approaches to capital facilities planning rely on technical experts to determine the need for capital improvements. In the scenario-driven approach, these experts play an important advisory role, but they do not control the determination. Their role is to define and implement a process for the review of various scenarios, to analyze data, and to make suggestions based on technical considerations.

The final, legal authority to establish a LOS rests with the City Council because the City Council enacts the LOS that reflects the community's vision. The City Council's decision should be influenced by 1) formal recommendations of the Planning Commission; 2) providers of public facilities; 3) formal advisory groups; 4) the general public through workshops and other public involvement programs and 5) staff with appropriate experience and expertise.

Part One: Capital Facilities & Utilities Inventory

Capital Facilities Inventory-Public Facilities

Newcastle City Hall

The city owns a three-story office building at 12835 Newcastle Way, which covers about 18,304 square feet in total. The property occupies approximately 0.80 acres of land. City Hall is located on the entire second floor, taking up around 7,491 square feet. The first and third floors are leased to businesses and non-city entities, totaling approximately 8,673 square feet of leased space. The City Hall property provides 54 outdoor parking spaces, three of which are designated as ADA accessible spaces. There are 16 additional covered parking spaces. The property also features a small, thoughtfully landscaped plaza with a variety of trees and shrubs. The plaza also includes benches that provide visitors with seating options to relax and enjoy the surroundings. The building does not currently have backup power.

Maintenance Buildings

The city owns two permanent maintenance facilities, the Public Works Annex Building and the Lake Boren Maintenance garage. All city maintenance (streets, parks, and surface water management) is performed from these facilities. These buildings do not currently have backup power.

The Annex Building, located at 7415 129th Ave SE, is a 4,348 square-foot, two-story office building constructed in 1982. The city purchased the building from Coal Creek Utility District in 2015. It served as their former District Offices before construction of their current facility on 132nd Ave SE. The building features a single high-bay garage and a detached garage building used for equipment and supply storage. One of the garage bays is used by the Newcastle Police for evidence storage. The detached garage is not climate controlled.

The Lake Boren Maintenance Garage is located at the northwest corner of Lake Boren Park at the south end of 129th Ave SE. The 1,296 square foot pole building was constructed in 2013. It features two ten-foot bay doors and a half bath.

Additionally, the city utilizes a small portion of the proposed SE 95th Park site for storage of snow response equipment and materials.

Parks

Information regarding parks, trails, and recreation facilities is located in the Parks, Trails, and Recreation Element and Appendix of this plan.

Public Works

The majority of maintenance work within the City is performed by City staff; though some work is contracted out. As of 2024, an LOS for public works/maintenance functions had not been established.

Stormwater Management Facilities

The City adopted a comprehensive surface water management plan update in 2017. The plan evaluated the City's storm and surface water system, updated the Stormwater Capital Improvement Plan (CIP), and performed a financial rate study. The next plan update is scheduled for 2025.

Other Public Facilities and Services

Police Facilities

The King County Sheriff's Office contracts with Newcastle to provide police services. Included are several public safety services on a regional basis, such as homicide investigations, child find, and search and rescue.

Sheriff's deputies are assigned to the Newcastle Police Department and are considered part of the City staff. The Chief of Police is a sergeant with King County Sheriff's Office and reports to both the Newcastle City Manager and the Sheriff's local precinct commander. The City provides office space for police functions.

Fire Facilities

The City of Newcastle contracts with the City of Bellevue for fire and emergency services. Fire and emergency services staff are under the direction and control of the Bellevue Fire Chief and are not considered part of Newcastle staff. Bellevue Fire Station #9 is located just outside Newcastle's city limit on Newcastle Way.

Sewer Facilities

The City of Newcastle receives sanitary sewer service from the Coal Creek Utility District (formerly known as King County Water District No. 107). The sources for the information in this section are the 2013 Comprehensive Sewer System Plans, which are adopted by reference within the City of Newcastle Comprehensive Plan.

Coal Creek Utility District (the District) collects wastewater and conveys it to King County Metro (Metro - which provides wastewater treatment and disposal as well as interception/transmission of collected wastewater). The District's sanitary sewer system flows into Metro's Eastside Interceptor and the wastewater is treated at the Renton treatment facility. Currently, Metro's wastewater treatment consists of primary treatment, secondary treatment, and bio-solids processing.

Water Facilities

The City of Newcastle receives its potable water service from Coal Creek Utility District (formerly King County Water District No. 7). The District currently provides water service to eight square miles of land including most of the Newcastle city limits and potential annexation areas. The City of Newcastle geographically makes up more than ninety-five percent of the total district water service area.



School Facilities

Two School Districts, Renton and Issaquah, currently provide school facilities within the City of Newcastle. Issaquah plans for facility expansion, and Renton anticipates exceeding school capacities, however it indicates that capacity issues will be addressed through the use of portables. Bellevue School District provides school service to the Del Mar Apartments, but does not currently have any facilities within Newcastle. The City annually adopts by reference the most recently adopted Capital Facility Plans for both the Renton and Issaquah School Districts.

Electricity

Puget Sound Energy (PSE) provides electrical service throughout the City of Newcastle and its potential annexation areas. PSE is an investor-owned utility, regulated by the Washington Utilities and Transportation Commission, that serves approximately 1.2 million residential, commercial, and industrial customers in portions of a eight county, 4,500 square mile service territory in Western and Central Washington. PSE owns, operates, and maintains electrical generation, transmission, and distribution systems. Power is generated from renewable energy facilities, including a variety of solar programs and facilities, wind farms, and hydroelectric generating facilities on the Columbia, Baker, Snoqualmie, White and Puyallup rivers, as well as from other sources including coal, gas, and oil fired plants.

Electric utility services and facilities have undergone a transformation to focus on energy efficiency and renewable energy generation. Utility policies should be updated regularly to take into consideration changes in utility system technology, facilities, and services. For more detailed information on facilities, see PSE's most current Clean Energy Implementation Plan and Integrated Resource Plan.

Facilities

PSE locates and operates electrical transmission and distribution system facilities within public rights-of-way in accordance with state law and a franchise agreement with the City of Newcastle. Facilities are also located on property owned by PSE and in easements across other private property.

Electrical power is supplied to the Newcastle area from PSE's Talbot Hill and Sammamish transmission substations, located in Renton and Redmond respectively, which are connected to the regional transmission grid. Transmission lines carry the power to distribution substations where transformers further reduce the voltage to PSE's standard distribution voltage of 12kV. Distribution lines distribute the power throughout the community from the distribution substations to the customers.

PSE has two 230kV transmission lines located within and serving the Newcastle area. A single distribution substation is located within the City with additional service provided from distribution substations located in Bellevue and Renton. Two Seattle City Light 230kV transmission lines (on steel towers) run through Newcastle,

but do not serve the City. Both of these lines are leased to and operated by the Bonneville Power Administration as part of the regional transmission grid.

Future Capacity

Electrical load (consumption) is directly related to (driven by) both local and regional land use development. As local and regional development and therefore electrical demand grows, additional generation, transmission, and distribution capacity will be needed. PSE projects that the existing distribution substation in Newcastle can accommodate projected growth in electrical demand within the City through 20XX. Additional commercial development within the Newcastle area may require future review of the existing electrical system capacity.

Existing and proposed electrical system facilities are shown in Figure UT-1.

Natural Gas

Puget Sound Energy provides natural gas service throughout the City of Newcastle and its potential annexation areas. PSE is an investor-owned utility regulated by the Washington Utilities and Transportation Commission serving approximately 900,000 residential, commercial, and industrial customers in portions of Snohomish, King, Kittitas, Pierce, Thurston, and Lewis Counties. PSE is a Local Distribution Company (LDC) certificated to own, operate, and maintain natural gas distribution systems to serve customers. PSE does not own or operate natural gas interstate pipeline facilities.

Facilities

PSE operates under a franchise with the City of Newcastle, which allows PSE to locate facilities within the public street right-of-ways of the City. Facilities are also located on property owned by PSE and in easements across other private property. The natural gas distribution system consists of a network of distribution mains and smaller lines that convey natural gas throughout the Newcastle area. Natural gas is provided to PSE by Williams, a company which operates a high-pressure interstate transmission pipeline system extending from Canada to New Mexico. PSE takes delivery of natural gas to serve Newcastle from two parallel Williams pipelines in Renton for distribution locally through a series of smaller lines and pressure regulators. Through a series of reduction valves, natural gas is delivered to homes at pressures of from 0.25 to 2 pounds per square inch. Figure UT-1 shows the location of these major facilities.

Future Capacity

Natural gas consumption is directly related to (driven by) both local and regional land use development. As local and regional development and therefore natural gas demand grows, additional supply and distribution capacity will be needed. The natural gas distribution system serving the Newcastle area is primarily supplied from the South Seattle Gate Station located in Renton. The capacity of the distribution system is generally a function of pipe size, operating pressure, and consumer load size and location within the system.

Based on current trends, PSE projects that the existing natural distribution system serving the Newcastle area can accommodate projected growth in natural gas demand within the City through 2022 without major system improvements. Future extensions of the natural gas distribution system within the City will occur on an as-needed basis as development warrants. Additional commercial development within the Newcastle area may require future review of the existing natural gas supply and distribution system capacity. Future demand for natural gas may also change with pressures from state and local policies on decarbonization of space and water heating. PSE is monitoring these changes along with future growth projections.

Telecommunications

Conventional telephone, fiber optic cable, cellular telephone, and cable television are addressed in this section. Interstate and international telecommunication activities are regulated by the Federal Communications Commission (FCC), an independent United States government agency.

Conventional Telephone

Service to Newcastle is provided by CenturyLink. CenturyLink is an investor-owned corporation, whose holdings include companies serving regional, national, and international markets. Other providers include Comcast, Frontier, and Exede Internet, which either offer traditional phone service or Voice Over Internet Phone (VOIP) service.

All cities within the State of Washington fall within a particular Local Access and Transport Area (LATA). These LATAs are telephone exchange areas that define the area in which a provider is permitted to transport telecommunications traffic

Facilities

Telephone services within Newcastle and its planning area include switching stations, trunk lines, and distribution lines. Switching stations, also called "Central Offices" (CO), switch calls within and between line exchange groupings. The CO serving Newcastle is located in a building on 3rd Avenue South in downtown Renton.

Four main "feeder" cable routes generally extend from each CO, heading to the north, south, east, and west. Connected to these main feeder routes are branch feeder routes. The branch feeder routes connect with thousands of local loops that provide dial tone to every subscriber. These facilities may be aerial, or buried, copper or fiber optic. Local loops can be used for voice or data transmission. A variety of technologies are utilized including electronics, digital transmission, fiber optics, and other means to provide multiple voice/data paths over a single wire. Methods of construction are determined by costs and local regulations.

Future Capacity

Ample capacity exists in the Newcastle/Renton area CO to accommodate growth projected in the Land Use Element.

Cellular Telephone

Cellular telephone service is provided by broadcasting and receiving radio signals to and from cellular facilities and cellular phone handsets. Cellular telephone service is licensed by the FCC for operation in Metropolitan Service Areas (MSAs) and Rural Service Areas (RSAs). The FCC grants several licenses within each service area. Current licensed cellular service providers for the Newcastle area include AT&T Wireless, Verizon, and T-Mobile.

Facilities

Cellular facilities consist of one to several base station antennas that serve a local area and connect cellular phones to the regional phone network. Cellular antennas must be placed at a height that allows them to broadcast throughout their local area. Antennas are often located on building tops, water tanks, utility towers, and freestanding communication towers. Siting of cellular facilities depends on how the system is configured. The cell sites must be designed so that channels can be reused, because the FCC allocates a limited number of channels to each cellular telephone company. Topography and other built features can effect signal transmission, so the cell is configured to locate the cell site at an appropriate place to provide the best transmission conditions.

Future Capacity

Expansion of cellular facilities is demand driven. Raising the density of transmission/ reception equipment to accommodate additional subscribers follows, rather than precedes, increase in local system load. Therefore, cellular companies must maintain a short response time and a tight planning horizon.

Cable

Cable or CATV (Community Antenna Television) provides television and other broadband data services, including internet and telephone, to users via a network of coaxial cables. Comcast currently holds a cable television franchise to serve the City of Newcastle. The service area includes the entire incorporated City and potential annexations. Most residential neighborhoods within the City are currently served. Service is still unavailable in some commercial areas due to conditions that presently preclude line extensions.

Facilities

Comcast facilities supplying Newcastle with cable television and data service are composed of a receiver, a headend, a trunk system, and a feeder system. The receiver and the headend, which amplifies, processes, and combines signals for distribution by the cable network, are located in Bellevue, Washington. Signal strength is maintained by amplifiers placed at intervals along the cables. The amplifiers also serve as junction points where the feeder system taps into the trunk cables. Service drops then provide the final connection from the feederline to the subscriber.

Generally following street right-of-ways, the present network encompasses residential neighborhoods within the City of Newcastle to the east, north, and south. Future extension of cable service to unserved areas of the City will occur on an as-needed basis as development warrants.

Future Capacity

According to the provisions of Comcast agreement with the City, the company and any successor must continue to make cable service available upon request when reasonable for any residential property within the current or future city limits. Therefore, under the current terms of this franchise, Comcast would be required to provide cable service to projected growth within the City and the remainder of the Planning Area with the understanding that some areas may be subject to Comcast's line extension policy. In some circumstances, costs associated with a line extension may be borne by the service recipient.

Part Two: Capital Facilities Revenue and Sources

Summary of Six and Twenty Year Capital Facilities Costs

The City's Six Year CIP is included in the City's annual budget, which is available for review through the City Clerk's Office and is considered a part of this Capital Facilities Plan. A summary of the City's 20-year Capital Facilities Plan is presented in CF-1 at the end of this chapter.

Capital Facilities Revenue and Sources

A wide range of revenue sources is available to the City of Newcastle for use in addressing capital facilities. There are three types of revenue sources for capital facilities, Multi-use, Single Use, and, less commonly, General Fund, described below.

1. Multi-use: taxes, fees, loans, and grants which may be used for virtually any type of capital facility (but which may become restricted if and when adopted for a specific type of capital facility);
2. Single use: taxes, fees, loans, and grants which may be used only for a particular type of capital facility; and

3. General fund: these monies are typically used for operations, rather than capital improvements. No further discussion of this fund is provided in the appendix.

Multi-Use Revenue Sources

Property Tax

Property tax levies are most often used by local governments for operating and maintenance costs. They are not commonly used for capital improvements.

The maximum rate allowed by state law is \$3.60 per \$1,000 of assessed value (AV). The City has the option to set its rate at any level up to the maximum.

Under state law, local governments are prohibited from raising the property tax levy more than six percent of the highest amount levied in the last three years (before adjustments for new construction and annexations). However, the state authorizes temporary or permanent increases above this lid, up to a statutory limit under local voter approval. The City of Newcastle has not proposed a temporary lid lift.

General Obligation Bonds & Lease-Purchase (Property Tax Excess Levy)

There are two types of General Obligation (GO) bonds: voter-approved and Councilmanic.

Voter-approved bonds increase the property tax rate, with increased revenues dedicated to paying principal and interest on the bonds. Local governments are authorized in “excess levies” to repay voter-approved bonds. Excess levies are increased in the regular property tax levy above statutory limits. Approval requires a 60 percent majority vote in favor and a turn-out of at least 40 percent of the voters from the preceding general election.

Councilmanic bonds are authorized by a jurisdiction's legislative body without the need for voter approval. Principal and interest payments for Councilmanic bonds come from general government revenues, without a corresponding increase in property taxes. Therefore, this method of bond approval does not utilize a dedicated funding source for repaying the bond holders. Lease-purchase arrangements are also authorized by vote of the legislative body and do not require voter approval.

The amount of the local government debt allowable for GO bonds is restricted by law to 7.5 percent of the taxable value of the property within the City limits. This may be divided as follows:

General Purpose Bonds	2.5 percent
Utility Bonds	2.5 percent
Open Space and Park Facilities	2.5 percent

Of the 2.5 percent for General Purpose Bonds, the City may issue up to 1.5 percent in the form of Councilmanic bonds.

The City can double that ceiling for essential public facility expenditures. See Essential Public Facilities section following Implementation and Amendments section.

If Bonds were used to fund capital facilities, the impact on the individual taxpayer would vary widely depending upon the amount and term of the bonds.

Real Estate Excise Tax

RCW 82.46 authorizes local governments to collect a real estate excise tax levy of 0.25 percent of the purchase price of real estate within the city limits. The Growth Management Act authorizes collection of another 0.25

percent. Both the first and second 0.25 percents are required to be used for financing capital facilities specified in local governments' capital facilities plans.

The first and second 0.25 percent may be used for the following capital facilities:

1. The planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, and storm and sanitary sewer systems.
2. The planning, construction, repair, rehabilitation, or improvement of parks and recreational facilities.

In addition, the first 0.25 percent may be used for the following:

- a. The acquisition of parks and recreational facilities.
- b. The planning, acquisition, construction, repair, replacement, rehabilitation, or improvement of law enforcement facilities, protection of facilities, trails, libraries, administrative and judicial facilities, and river and/or floodway/flood control projects and housing projects subject to certain limitations.

The City of Newcastle has enacted both of the 0.25 percent real estate excise taxes. The King County Assessors Office determines the value of the property and the seller of the property is responsible for the payment of these assessed taxes. The total 2002 budget estimate is \$515,000 allocated to capital facilities.

Business and Occupation Tax

RCW 35.11 authorizes cities to collect this tax on the gross or net income of businesses, not to exceed a rate of 0.2 percent. Revenue may be used for capital facilities acquisition, construction, maintenance, and operations. Voter approval is required to initiate the tax or increase the tax rate. The City has not utilized this revenue source.

Local Option Sales Tax (Retail)

Local governments may collect a tax on retail sales of up to 1.0 percent. Counties, with voter approval, may collect an additional 0.1 percent which may be used only for criminal justice purposes (public transportation-benefit authorities may levy up to 0.6 percent). Voter approval is required for all local option sales tax increases.

Business License Fees

The City currently requires all businesses operating within the city limits to have a business license. The cost is posted in the City's fee schedule, which is updated annually.

State Retail Sales Tax

In 2002, Newcastle budgeted \$710,000 in retail sales tax to be expended on maintenance and operating costs. Criminal justice tax revenues (one percent) totals \$172,400.

Utility Tax

RCW 35A.52 authorizes cities to collect a tax on gross receipts of electrical, gas, garbage, telephone, cable TV, water, sanitary sewer, and stormwater management providers. Service users pay the tax as part of their utility bill.

State law limits the utility tax to 6 percent of the total receipts for cable TV, electricity, gas, steam (not applicable to Newcastle), and telephone, unless a majority of the voters approved a higher rate. There are no restrictions on the tax rates for City-owned sewer, water, solid waste, and stormwater. Revenue can be used for capital facilities acquisition, construction, and maintenance. Currently the City does not collect any utility taxes.

Community Development Block Grants

Approximately \$8.5 million in community development block grant (CDBG) funding is available annually statewide through the federal Department of Housing and Urban Development for public facilities, economic development, and housing projects which benefit low- and moderate-income households. Funds may not be used for maintenance and operations.

The City has not utilized this funding source. It is not possible to accurately forecast revenues from CDBG loans or grants.

Public Works Trust Fund Grants and Loans (PWTF)

The state Department of Community, Trade, and Economic Development provides low-interest loans for capital facilities planning, emergency planning, and construction of bridges, roads, domestic water, sanitary sewer, and storm sewer. Applicants must have a capital facilities plan in place and must be levying the original 0.25 percent real estate sales tax (see real estate excise tax, above). Construction and emergency planning projects must be for reconstruction of existing capital facilities only. Capital improvement planning projects are limited to planning for streets and utilities.

Loans for construction projects require a local match generated only from local revenues or state-shared entitlement (gas tax) revenues. The required local match is 10 percent of a 3 percent loan, 20 percent for a 2 percent loan, and 30 percent for a 1 percent loan. The City utilized PWTF Loans to fund construction of the Coal Creek Parkway SE widening improvements. The final loan will be paid off in 2028.

Emergency planning loans are at a 5 percent interest rate. If state or federal disaster funds are received, they must be applied to the loan for the life of the project (20 years). Future PWTF funding cannot be reliably forecast.

Surface Water Management Funds

The Surface Water Management (SWM) Division of the Public Works Department manages all aspects of surface water within the City. This division continuously works toward maintaining and improving the quality of Newcastle's natural waterways as well as addressing flooding concerns.

The majority of the SWM Divisions expenses are funded by a surface water management fee. The SWM fee for commercial properties based on a property's total impervious surface area. Single family residential properties are assessed a flat rate. The City contracts with King County to provide SWM fee collections. The annual fee is billed along with property tax statements. The rest of SWM's funding comes from federal state, and local grants.

Surface water management fees are used to:

- Replace, upgrade and maintain drainage facilities and systems;
- Restore streambanks and fish habitat damaged by uncontrolled runoff;
- Protect lakes, streams and wetlands and try to prevent future problems by implementing watershed management plans
- Respond to citizen complaints about drainage or water pollution problems and to provide technical assistance where needed;
- Encourage community stewardship of water resources through streamside plantings, storm drain stenciling, educational workshops and small grants to citizen groups and businesses;

The Surface Water Management Fund transfers money internally to the General Fund for related administration functions. Related administrative functions can include records management, payroll costs, budgeting, accounts

payable, management costs, salaries and benefits, and debt service. This is in addition to the cost of repairs and improvements to the Storm/Surface Water systems in the City.

Storm Drain Utility Fee

The state authorizes cities and counties to charge a fee to support storm drain capital improvements. The fee is usually a flat rate per residential equivalency. Residential equivalencies are based on average amount of impervious surface. Commercial property is commonly assessed a rate based on a fixed number of residential equivalencies. Newcastle does not currently have a storm drain utility.

Single-Use Revenue Sources

Cultural Arts, Stadium/Conventional Facilities

Special-Purpose Districts

RCW 67.38.130 authorizes cultural arts, stadium/convention special purpose districts with independent taxing authority to finance capital facilities. The District requires a majority voter approval for formation, and has a funding limit of \$0.25 per \$1,000 of assessed valuation.

Typically, such a special-purpose district would serve a larger geographical area than the single city. Revenue would be based on the tax base of the area within the special service district. If Newcastle were to propose a cultural arts or stadium/convention special purpose district with the same boundaries as the City, at a maximum allowable levy rate of \$0.25 per \$1,000 AV, estimated revenues would amount to \$766,501 from 1996-2002 and \$1,788,503 from 2003-2016, for a 20-year total of \$2,555,004.

Fire Protection and Emergency Medical Services

EMS Levy

The state authorizes a \$0.50 per \$1,000 AV property tax levy which may be enacted by fire and hospital districts, cities and towns, and counties.

Newcastle has not enacted an EMS levy because it is serviced by the county-wide Medic One. According to state law, if the County's EMS levy applies to the City, then the City cannot enact an EMS levy for the City itself.

Fire Impact Fees

RCW 82.02.050-090 authorizes a charge (impact fee) to be paid by new development for its "fair share" of the cost of fire protection and emergency medical facilities required to serve the development. Impact fees must be used for capital facilities necessitated by growth, and not to correct existing deficiencies in levels of service. Impact fees cannot be used for operating expenses. Newcastle does not currently collect fire impact fees because it does not directly operate fire protection capital facilities.

A fire impact fee for the City of Newcastle can be generated by multiplying the current level of service by the cost of related capital facilities to determine the cost per capita, then multiplying by the number of persons per dwelling unit to determine the cost per dwelling unit.

Transportation

Motor Vehicle Fuel Tax

RCW 82.36 authorizes this tax, which is administered by the state Department of Licensing and paid by gasoline distributors. Cities and counties receive 11.53 percent and 22.78 percent, respectively, of motor vehicle fuel tax receipts. Revenues must be spent for "highway purposes" including the construction, maintenance, and

operation of City streets, county roads, and highways. In 1996, \$175,000 in fuel tax revenue is budgeted in Newcastle, of which \$100,000 is for operating, maintenance, and debt service costs, and \$75,000 is for capital facilities.

Local Option Fuel Tax

RCW 82.80 authorizes this county-wide local option tax equivalent to 10 percent of the state-wide motor vehicle fuel tax and a special fuel tax of 2.3 cents per gallon. Revenues are distributed back to the county and its cities on a weighted per capita basis (1.5 for population in unincorporated areas and 1.0 for population in incorporated areas). Revenues must be spent for “highway purposes.” King County has not enacted this local option fuel tax.

Commercial Parking Tax

RCW 82.80 authorizes a tax for commercial parking businesses, but does not set rates. Revenues must be spent for “general transportation purposes” including highway purposes, public transportation, high-capacity transportation, transportation planning and design, and other transportation-related activities.

Newcastle does not have a commercial parking tax..

Transportation Benefit District

RCW 35.21.225 authorizes cities to create transportation districts with independent taxing authority for the purposes of acquiring, constructing, improving, providing, and funding any city street, county road, or state highway improvement within the district. Special district's tax base is used to finance capital facilities.

The District may generate revenue through property tax excess levies, general obligation bonds (including Councilmanic bonds), local improvement districts, and development fees (see related discussions, above, for background on each of these). Voter approval is required for bonds and excess property tax levies. Council approval is required for Councilmanic bonds, special assessments, and development fees.

Transportation improvements funded with district revenues must be consistent with state, regional, and local transportation plans; necessitated by existing or reasonable foreseeable congestion levels attributable to economic growth; and partially funded by local government or private developer contributions, or a combination of such contributions.

A transportation benefit district may address specific transportation projects as prioritized by the City provided they are included in the community’s transportation improvement program (TIP).

Transportation Impact Fees

RCW 82.02.050-090 authorizes cities and counties to exact road impact fees from new development for its “fair share” of the system improvement costs of roads necessary to serve the development. Impact fees must be used for capital facilities necessitated by growth and not to correct existing deficiencies in level of service. Impact fees cannot be used for operating expenses.

Newcastle currently collects transportation impact fees based on an adopted ordinance and fee schedule. Transportation Impact fees were last updated in 2020, and the fees are increased annually based on the Seattle region’s cost index.

Local, State, and Federal Grants

There are numerous grant programs available for improving, expanding, and maintaining transportation facilities. The specific eligibility, intended uses, and applicability to Newcastle are beyond the scope of this discussion. Sources for additional information include the following:

- Washington State Department of Transportation (WSDOT)
wsdot.wa.gov/business-wsdot/grants/public-transportation-grants/grant-programs-and-awards
- U.S. Department of Transportation
www.transportation.gov/grants
- Washington State Transportation Improvement Board (TIB)
www.tib.wa.gov/grants/grants.cfm

Solid Waste

Department of Ecology Grants

The state awards grants to local governments for a variety of programs related to solid waste, including a remedial action grant to assist with local hazardous waste sites, moderate risk/hazardous waste implementation grants, and waste composting grants. It is not possible to forecast revenue from this source.

Surface Water Management

Flood Control Special Purpose Districts

RCW 86.15.160 authorizes flood control special purpose districts with independent taxing authority (up to 50 cents per \$1,000 assessed value property tax levy limit without voter approval) to finance flood control capital facilities. In addition, the district can, with voter approval, use an excess levy to pay for general obligation debt. Newcastle does not have a flood control special district.

Water Supply

Water Districts

Coal Creek Utility District serves Newcastle's planning area. Water districts have independent taxing authority, with a property tax levy limit of 50 cents per thousand of assessed value. Tax revenue is restricted to uses related to the purpose for which the water district was created.

User Fees

The state authorizes cities, counties, and special purpose utility districts to charge for water consumption, usually on the basis of volume of water consumed. Revenue may be used for capital facilities, operations, and maintenance. In Newcastle, Coal Creek Utility District charges and collects these fees.

Grants and Loans

Grants and loans are additional sources of revenue that may be used for capital projects.

The State Community Economic Revitalization Board (CERB) provides low-interest loans, and occasionally grants to finance sewer, water, access roads, bridges, and other facilities for specific private sector development. Funding is available only for projects which support specific private developments or expansion which promotes the trading of goods and services outside the state. The average requirement is to create one job per \$3,000 of CERB financing.

The Federal Economic Development Administration (EDA) provides grants for improvements that benefit economic development and reduce unemployment.

List of Appendix Figures

Figure CF-1 Twenty-Year Capital Facility Program
Figure UT-1. City of Newcastle Utilities