
Introduction of a Feasibility Study for Kingston Incorporation

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01 STUDY INTRODUCTION

Kitsap County contracted with CAI to conduct the **Kingston Incorporation Analysis Study**, to highlight key data points and factors regarding the potential incorporation of Kingston, and to provide stakeholders with a brief report to summarize findings.

This **study IS NOT:**

- A **formal initiation** of an incorporation process.
 - No petition has been filed.
- **Recommendation or Determination**
 - The study will not make a recommendation or determination on whether incorporation should or should not move forward.
- **Inevitable Change**
 - Does not mean incorporation is inevitable.

01 STUDY INTRODUCTION

The study is designed to provide a clear picture of the services that are provided in the region, and analysis of selected data for potential city costs and revenues.

This **study** set out to achieve the following objectives:

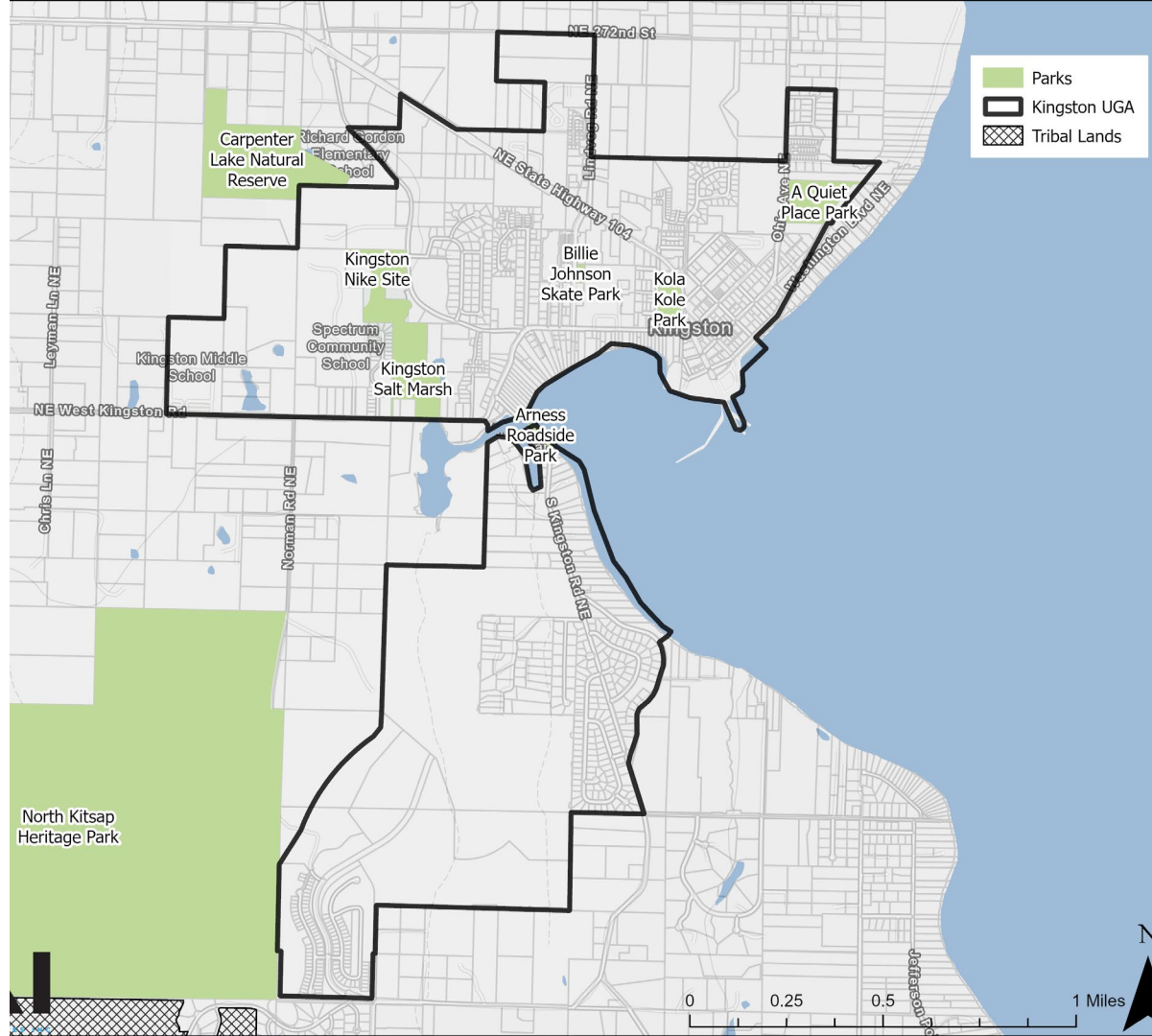
- Identify current service providers and their current costs, to the extent possible
- Assess Kingston's capacity to generate revenues
- Summarize comparable city costs and revenues
- Provide high-level incorporation boundary analysis

02 STUDY AREA OVERVIEW

Kingston Urban Growth Area

2025 Summary Figures

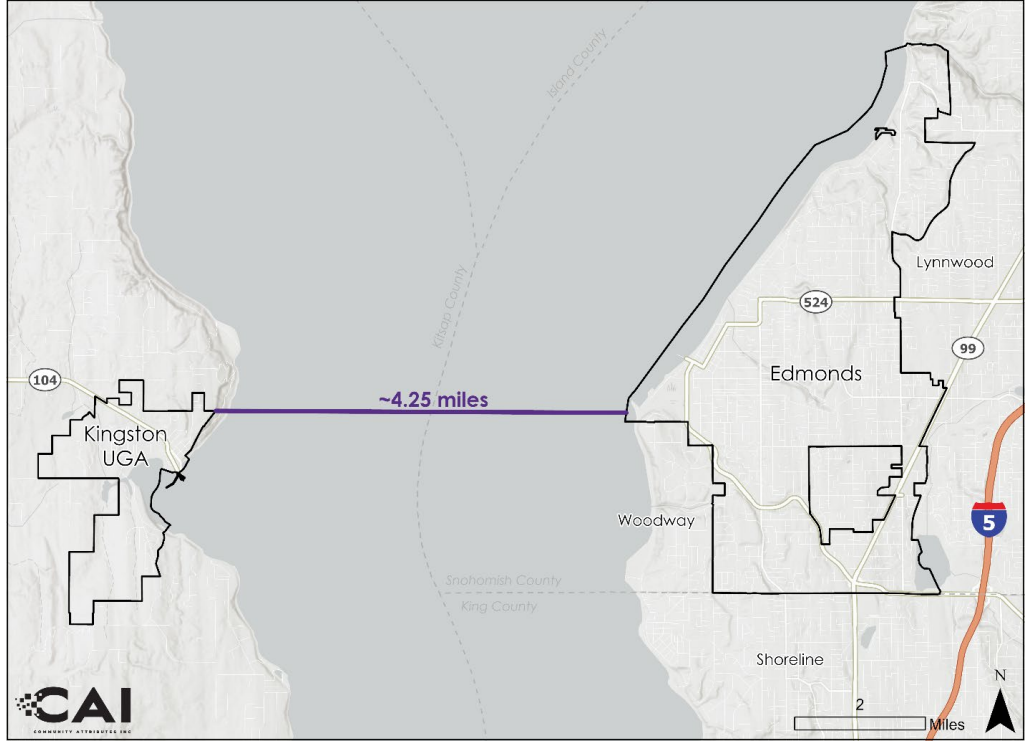
- Acreage: Approximately 1,400
- Population: 2,644
- Housing Units: 1,271
- Employment (2024): 1,100



03 BOUNDARY ANALYSIS

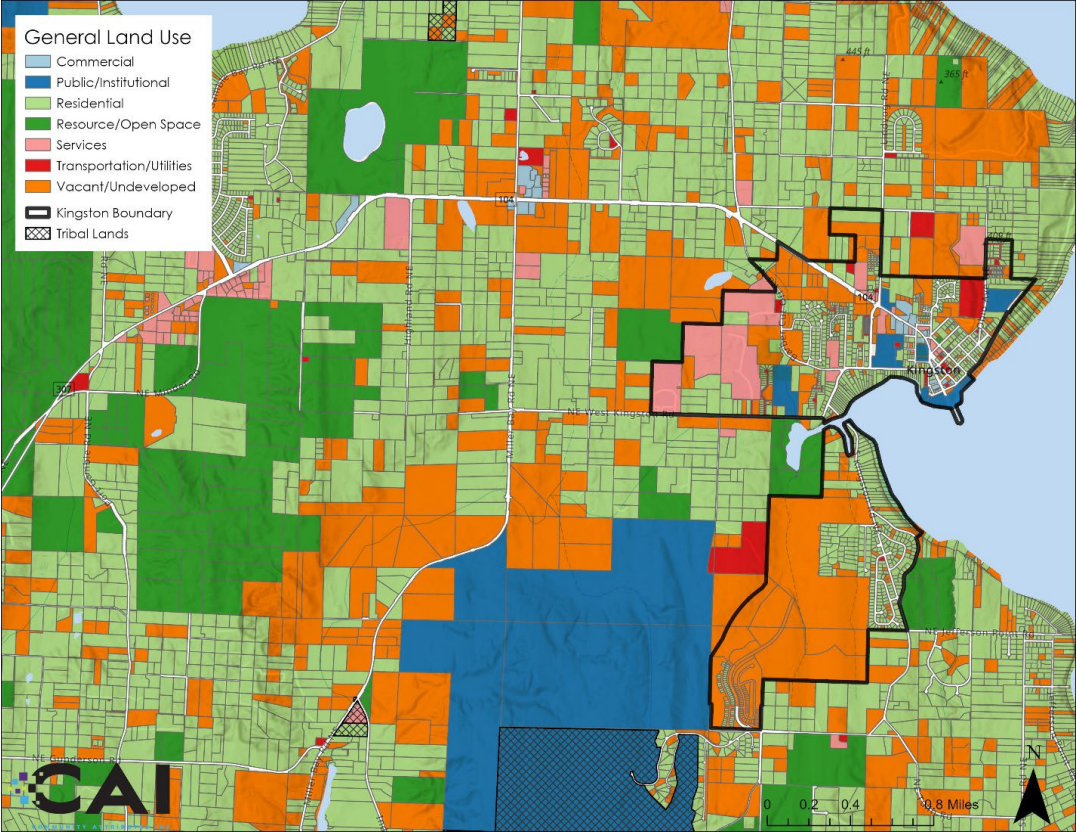
- **Temporary eligibility:** Under HB 1620, areas within 5 air miles of a 15,000+ city may incorporate with as few as 1,500 residents through June 30, 2028
- **Post-2028:** Requirement reverts to 3,000 residents — Kingston (~2,600) would no longer qualify under current boundaries

Kingston UGA to Edmonds City Limits



Sources: Kitsap County, 2026; Washington State Department of Transportation, 2026; Community Attributes Inc., 2026.

03 BOUNDARY ANALYSIS



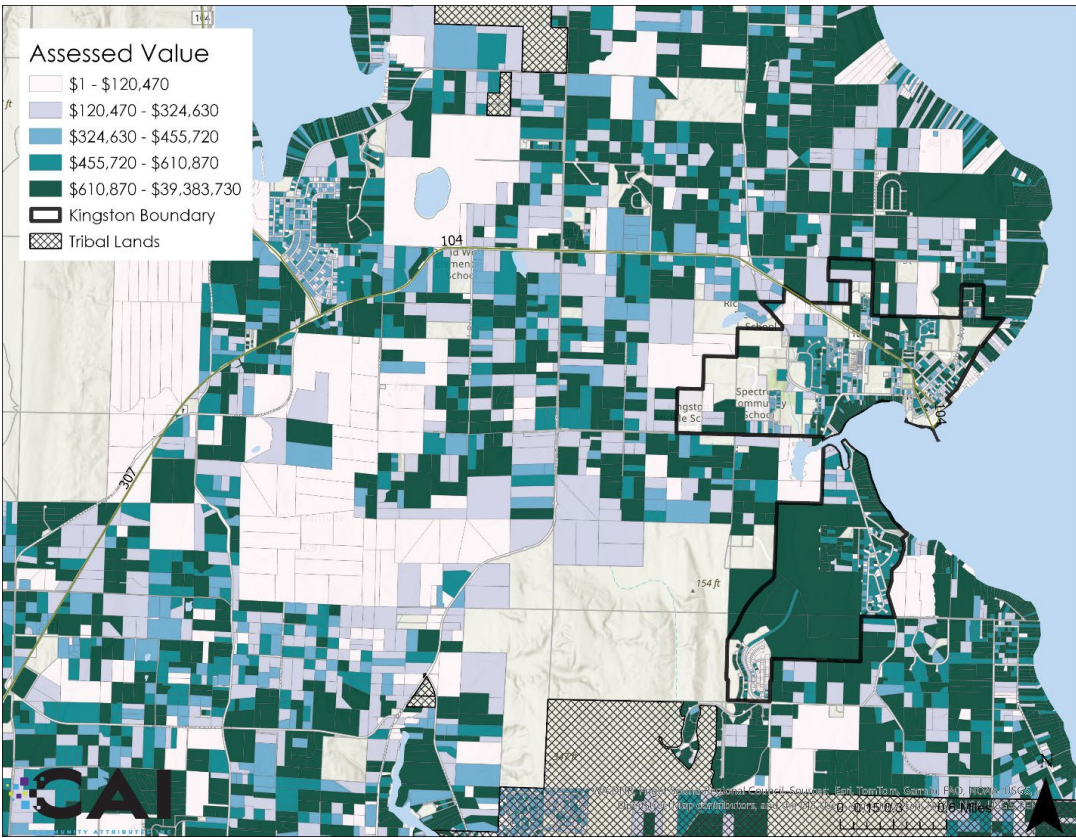
Land Use by Parcel

- Commercial activity is concentrated within the UGA.
- Limited commercial space outside UGA falls at intersection between Hwy 104 and Hansville/Miller Bay Rd NE

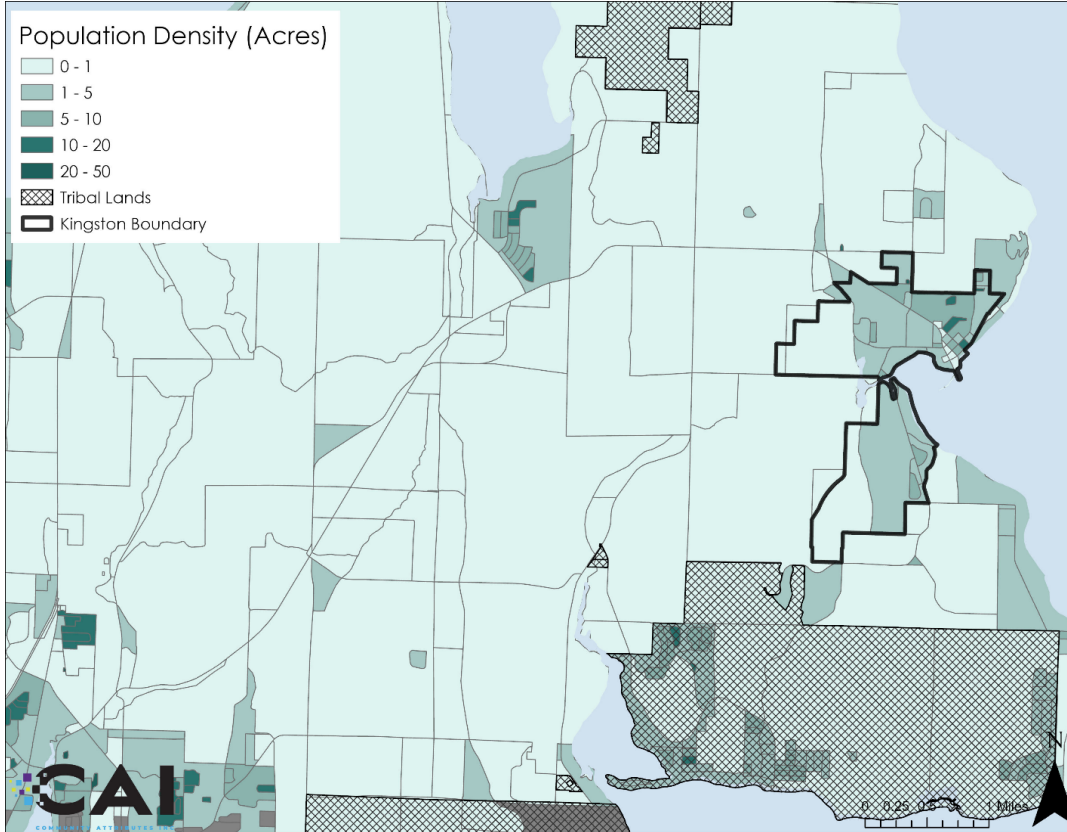
03 BOUNDARY ANALYSIS

Assessed Value per Acre by Parcel

- Assessed values are relatively consistent inside and outside of the UGA
- Shoreline parcels typically carry higher values per acre



03 BOUNDARY ANALYSIS



Population Density by Block Group

- Population density is highest along shorelines, within UGA, and within tribal lands to the south of the UGA
- Surrounding areas are predominantly low-density

04 REVENUES AND EXPENDITURES ANALYSIS

Selected Cities

- Town of Friday Harbor
- City of Westport
- City of McCleary
- City of Tenino
- Town of Coupeville

Potential Comparable Cities

Location	Population	Housing Units	Total Acreage
Kingston	2,644	1,271	1,400
<u>Kitsap County Cities</u>			
Port Orchard	19,260	8,070	6,200
Poulsbo	13,110	5,740	3,100
<u>Other Cities</u>			
Port Angeles	20,440	9,760	6,900
Port Townsend	10,580	6,020	4,400
Ocean Shores	7,755	6,440	5,500
Raymond	3,155	1,410	2,600
Westport	2,360	1,600	2,400
Coupeville	2,030	1,050	800
South Bend	1,735	760	1,100
Langley	1,200	780	600

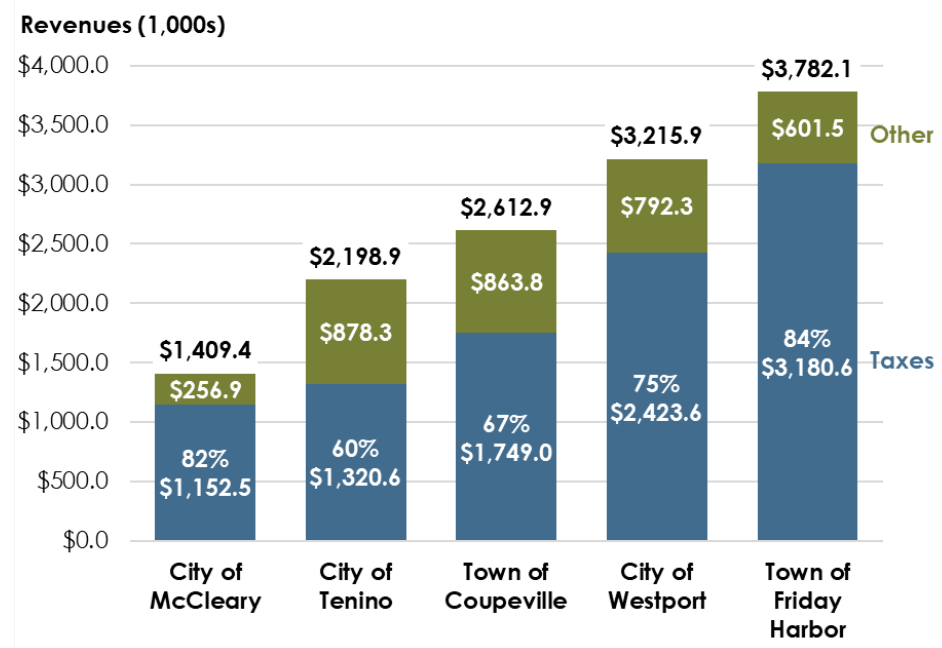
Sources: Washington State Office of Financial Management, 2026; Community Attributes Inc., 2026.

04 REVENUES AND EXPENDITURES ANALYSIS

Capacity to Generate Revenue

- Taxes are an important funding source of a city's general fund.
- Four key tax revenue sources for comparison cities include:
 - Property taxes
 - Sales and Use Taxes
 - Business and Occupation (B&O) Taxes
 - Utility Taxes

Taxes and Other General Fund Revenues, Select Cities, 2024



Sources: Washington State Auditor Financial Intelligence Tool, 2026; Community Attributes Inc., 2026.

04 REVENUES AND EXPENDITURES ANALYSIS

Total and Per Acre Assessed Value, Kingston UGA and Select Cities, 2025

Geography	Total	Per Acre
Town of Friday Harbor	\$940,387,200	\$671,700
Town of Coupeville	\$516,634,900	\$645,800
Kingston	\$600,652,400	\$429,000
City of Tenino	\$274,158,200	\$304,600
City of Westport	\$640,034,500	\$266,700
City of McCleary	\$266,911,500	\$205,300

Total and Per Capita Taxable Retail Sales, Kingston UGA and Select Cities, 2025

Geography	Total	Per Capita
Town of Friday Harbor	\$201,070,000	\$74,100
Town of Coupeville	\$85,820,000	\$43,000
City of Westport	\$86,630,000	\$37,700
City of Tenino	\$49,870,000	\$24,400
Kingston	\$50,700,000	\$20,300
City of McCleary	\$23,420,000	\$11,000

Capacity to Generate Revenue

- An incorporated Kingston would be more reliant on property taxes than sales and use taxes, due to relatively low taxable retail sales base.

Sources: Kitsap County, 2026; MRSC, 2026; Community Attributes Inc., 2026.

04 REVENUES AND EXPENDITURES ANALYSIS

Property Tax Rates

- Current total levy rate in Kingston UGA is roughly \$9.00 per \$1,000 of assessed value (AV)
- County road tax represents roughly 9% of total tax rate
- State school tax rate represents single largest rate at ~\$2.50 per \$1,000 of AV

Property Tax Levy Rates per \$1,000 of Assessed Value, Unincorporated Kitsap County, 2025

Levy	Rate
State School Part 1	\$1.6087
State School Part 2	\$0.8673
County General	\$0.6215
Conservation Futures	\$0.0259
County Road	\$0.8092
County Road Diverted	\$0.0770
No Kitsap #400 Enrichment	\$1.2626
No Kitsap #400 Cap Proj	\$1.0776
Kitsap Rural Library	\$0.2744
Fire Dist #10 North Kitsap	\$1.5000
Metro Park-Village Green	\$0.1611
Port of Kingston	\$0.1197
Public Utility Dist	\$0.0444
EMS FD Dist #10 North Kitsap	\$0.5000
Total	\$8.9495

Sources: Kitsap County, 2026; Community Attributes Inc., 2026.

04 REVENUES AND EXPENDITURES ANALYSIS

Property Taxes for Average Kingston Home (\$565,000 AV)

	Unincorporated County/City Portion	All Other Property Taxes	Kingston's Total Property Tax
<u>Current County Road</u>	Rate: \$0.8092 Per \$1,000 AV Est. Tax: \$457		Rate: \$8.9495 Per \$1,000 AV Est. Tax: \$5,056
<u>~25% Rate Increase</u>	Rate: \$1.000 Per \$1,000 AV Est. Tax: \$565	+ Rate: \$8.1403 Per \$1,000 AV Est. Tax: \$4,599	= Rate: \$9.1403 Per \$1,000 AV Est. Tax: \$5,164
<u>~25% Rate Decrease</u>	Rate: \$0.600 Per \$1,000 AV Est. Tax: \$339		Rate: \$8.7403 Per \$1,000 AV Est. Tax: \$4,938

04 REVENUES AND EXPENDITURES ANALYSIS

Kitsap County–provided services

- Core government functions
 - General services
 - Executive
 - Legislative
 - Judicial
 - Legal
- Public safety (non-fire and EMS)
- Planning and development
- Roads and transportation
- Parks and recreation
- Sewer and Stormwater

Services provided by other agencies/districts

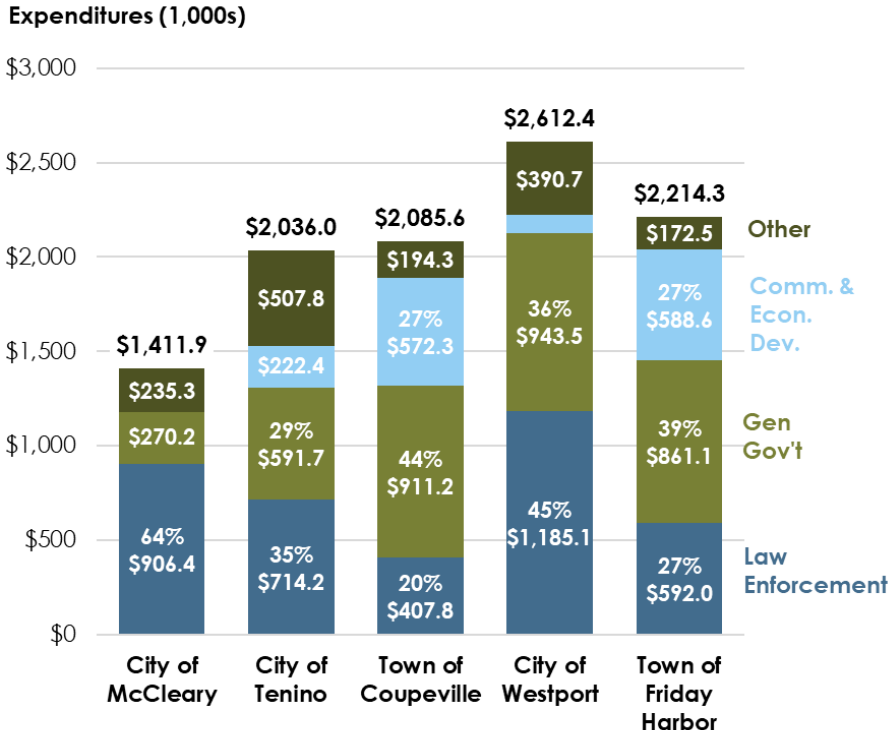
- Fire and EMS
- Library services
- Public transit
- Water
- Garbage
- Electricity
- Schools
- Animal control

04 REVENUES AND EXPENDITURES ANALYSIS

Key Expenditures

- Law enforcement is typically single largest expenditure for local governments
- Municipal court can also be a large expenditure

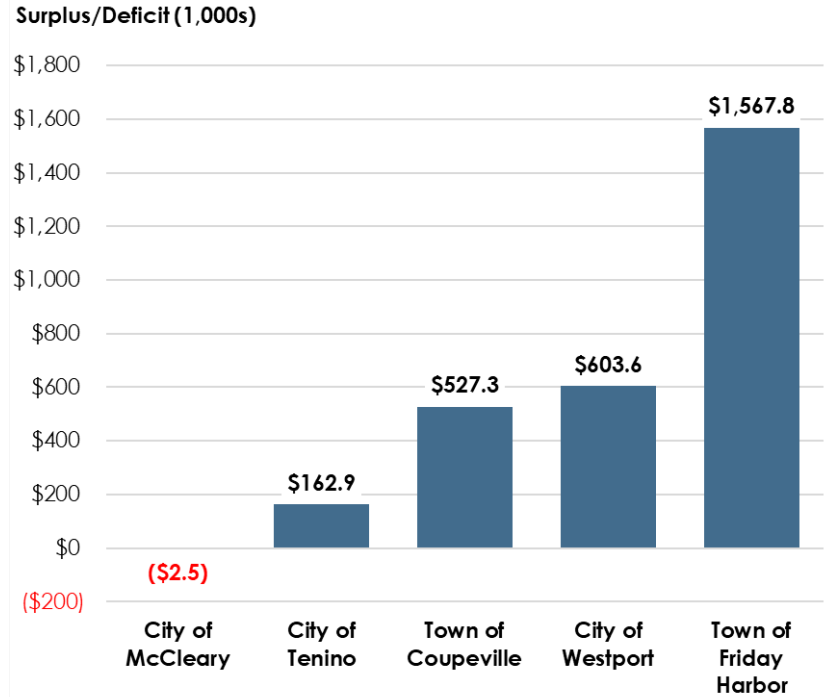
General Fund Expenditures, Select Cities, 2024



Sources: Washington State Auditor Financial Intelligence Tool, 2026; Community Attributes Inc., 2026.

04 REVENUES AND EXPENDITURES ANALYSIS

General Fund Budget Surplus/Deficit, Select Cities, 2024



Sources: Washington State Auditor Financial Intelligence Tool, 2026; Community Attributes Inc., 2026.

Kingston Ranges

- Revenues would largely be driven by property and sales taxes
- Utility taxes could expand revenue base
- Estimated revenues:
 - ~\$1.0M–\$2.0M (up to ~\$4.3M with utility taxes)
- Estimated expenditures:
 - ~\$1.0M–\$4.3M, depending on service levels

05 INCORPORATION COMPARISONS

Recent Incorporations

- Spokane Valley was latest Washington city to incorporate
- It took a phased approach with a heavy reliance on contracted services early on
- Spokane Valley incorporation illustrates that incorporation studies provide a framework, but budget outcomes are ultimately driven by community and local government decision making.

Recent Incorporations by Year and Jurisdiction, Washington State, 1990 – Present

Jurisdiction	County	Incorporation Year	Population (Incorporation Year)
SeaTac	King	1990	22,700
Federal Way	King	1990	67,400
Bainbridge Island*	Kitsap	1991	13,400
Woodinville	King	1993	7,800
Burien	King	1993	29,000
Newcastle	King	1994	7,100
University Place	Pierce	1995	28,300
Shoreline	King	1995	45,900
Lakewood	Pierce	1996	55,400
Edgewood	Pierce	1996	8,800
Maple Valley	King	1997	13,200
Covington	King	1997	13,600
Kenmore	King	1998	18,500
Sammamish	King	1999	34,100
Liberty Lake	Spokane	2001	4,500
Spokane Valley	Spokane	2003	83,000

Sources: MRSC, 2026; Washington State Office of Financial Management (OFM), 2026; Community Attributes Inc., 2026.

06 OTHER CONSIDERATIONS

- As an unincorporated UGA, Kingston is planned and zoned by Kitsap County under the GMA, with broad density allowances ($\approx 9\text{--}60$ du/acre) intended to demonstrate long-term capacity rather than drive near-term urbanization
- Incorporation would shift land use authority to a locally elected city government, requiring Kingston to adopt its own comprehensive plan and zoning code tied directly to infrastructure and capital facilities planning
- City-led planning typically produces more place-specific zoning, higher realized densities in town centers and corridors, and a more diverse housing stock (multifamily, ADUs, middle housing) than is typical under county UGA zoning

QUESTIONS?



THANK YOU!