

April 13, 2015

CITY COUNCIL STUDY SESSION ITEM

SUBJECT:

Public hearing on the proposed Amended and Restated Memorandum of Understanding with Sound Transit for the East Link light rail project.

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POLICY CONSIDERATION:

The purpose of this Public Hearing is to provide an opportunity for the public to provide comments to the Council on the proposed Amended and Restated MOU and companion agreements. Final action on the Amended MOU and other documents is anticipated on April 20, 2015.

DIRECTION NEEDED FROM COUNCIL:

- Action
- Discussion
- Information

BACKGROUND/ANALYSIS:

In November 2011, Council signed an umbrella Memorandum of Understanding with Sound Transit detailing City financial contributions toward the costs of a downtown light rail tunnel, and design modifications to minimize impacts of the rail line on neighborhoods. The City and Sound Transit entered in to a "collaborative design process" intended to reduce costs, comply with codes and regulations, and finish the project on time.

The East Link light rail project is proceeding through to final design, the process that advances design work from approximately 30% to 100% completion. The November 2011 MOU contemplated that the City and Sound Transit would confirm the MOU Baseline and make any adjustments to the City financial contingency in writing at the time of Sound Transit Project Baseline. The Sound Transit Board is expected to baseline the East Link project at their April 23, 2015 Board meeting.

Operations and Maintenance Satellite Facility

In July 2014, the Sound Transit Board identified a preferred site for a new light rail yard for storage and maintenance of a portion of the system's light rail fleet, called the Operations and Maintenance Satellite Facility (OMSF). The preferred site was one of three studied through the environmental review process, and is centered on the former International Paper site adjacent to the Eastside Rail Corridor in the City's Bel-Red area. According to Sound Transit, the facility is needed to support the expansion of the light rail system to the north, south and east through the Sound Transit 2 package of system expansions. Two of the three sites studied are in Bellevue's Bel-Red area. The City believes that comprehensive resolution of issues for both East Link and OMSF are intrinsically linked, and as such are viewed as one project that must be addressed together.

During the July 24, 2014 Sound Transit Board meeting that identified the International Paper site as the Preferred Alternative for the OMSF, the Board also directed staff to maximize transit oriented development on the site and in the vicinity, and to conduct a stakeholder engagement process during the Preliminary Engineering (PE) and Final Environmental Impact Statement (FEIS) phases of the project. The stakeholder group met four times in September and October 2014, and provided a letter to the Sound Transit Board at their November 20, 2014 meeting outlining their recommendations.

Amended and Restated MOU

Under the terms of the November 2011 MOU, at the time of Sound Transit's baseline budget for East Link, the parties were to confirm the City's Contingent Contribution in the project. Sound Transit is reaching the project baseline milestone, and for several months the two agencies have been working toward identifying resolutions to issues related to the MOU, project coordination, and the potential OMSF location in Bel-Red through amendments to the existing MOU.

Key elements that are addressed in the proposed Amended and Restated MOU include:

Operations and Maintenance Facility (OMSF)	If, after environmental review, Sound Transit selects the site in the Bel-Red Corridor, an amended MOU would address: <ul style="list-style-type: none">• Design modifications that allow for future transit oriented development (TOD)• Design integration of the OMSF with surrounding architecture and future development• Non-motorized connections along the future Eastside Rail Corridor (ERC) and connections from the ERC to 120th Avenue NE
Project Coordination	Identification of the most efficient delivery strategy for City projects that will be constructed by Sound Transit and certain aspects of the East Link project that will be constructed by the City.
Project and Construction Mitigation	Establish clear requirements to minimize disruptions to City businesses and residents, through techniques such as: <ul style="list-style-type: none">• Working collaboratively with both agencies, representatives of businesses and neighborhoods• Timing and location of noise mitigation• Goals for maintenance of traffic during construction

Project Permitting Fees	<p>The agencies recognize the important role that timely permit application and issuance plays in maintaining the overall project delivery</p> <ul style="list-style-type: none"> • Setting scope and responsibility of construction inspection • Setting parameters for what is and is not covered in permitting fees
Financial Reconciliation	<ul style="list-style-type: none"> • Identification of the City’s final contribution to the overall East Link Project • Identification of elements for reimbursement between the parties

Two companion legal agreements are packaged with the Amended and Restated MOU. First, the Second Amendment to Transit Way Agreement is proposed to update the definition of “MOU” in that document, and to include on-going track maintenance requirements to ensure that noise from a poorly maintained train or track is not a problem in future operations. Second, the City, Sound Transit and King County are proposed to enter into a document called the Three Party Agreement between the City of Bellevue, King County and Sound Transit for the Future Realignment of 120th Ave NE. This document implements a second phase of responding to a possible OMSF in Bel-Red. It allows the parties to plan for the re-alignment of 120th, creating additional development potential on the OMSF site, impacting King County’s bus facility. The re-alignment of the road helps maintain the active, urban neighborhood along 120th envisioned by the Bel-Red plan.

The agreements described in this memorandum do not affect other work already underway on the East Link project. Most notably, “design & mitigation” permits are currently under review by a Citizen’s Advisory Committee and City staff. That permit process and the City’s Light Rail Overlay requirements are unaffected by the terms of the proposed agreements.

ALTERNATIVES:

1. Hold the public hearing and, following the hearing and discussion, direct staff to bring back a Resolution approving the Amended and Restated MOU, Second Amendment to Transit Way Agreement, and Three Party Agreement for action on April 20, 2015.
2. Provide alternative direction to staff.

RECOMMENDATION:

Option 1. Hold the public hearing and, following the hearing and discussion, direct staff to bring back a Resolution approving the Amended and Restated MOU, Second Amendment to Transit Way Agreement, and Three Party Agreement for action on April 20, 2015.

MOTIONS:

1. Move to open the public hearing for comments on the proposed Amended and Restated MOU, Second Amendment to Transit Way Agreement, and Three Party Agreement.
2. Move to close the public hearing.
3. Move to direct staff to prepare a Resolution authorizing execution of the documents for final action on April 20, 2015.

AVAILABLE IN COUNCIL DOCUMENT LIBRARY:

Due to the size of the Amended and Restated MOU all documents have been uploaded to the City’s web site and to the Council’s Electronic Document Library.