

# Sound Transit Operations and Maintenance Satellite Facility (OMSF) Stakeholder Committee

*Transmittal of Stakeholder Recommendations to the Sound Transit Board*

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Dow Constantine, Chair  
Members of the Board  
Sound Transit  
401 S. Jackson Street  
Seattle WA 98104-2826

November 20, 2014

**RE: OMSF Stakeholder Committee Recommendations**

## OMSF Stakeholders Committee Recommendations to the Sound Transit Board

1. Support OMSF Alternate Site Plan A2
2. Modify the scope of the OMSF project to include items necessary to enable the realization of Alternative A2, these include, but are not limited to, utilities to support future development, internal streets to provide circulation other design elements required to support TOD; and, direct ST staff to negotiate and execute a three party agreement with the City of Bellevue and King County within the next six months (prior to issuance of the OMSF FEIS) that results in a phased OMSF A2 site plan in its entirety
3. Provide an on-going role for Stakeholders to ensure accountability of all three agencies to achieve the benefits attributed to Alternative Site Plan A2

Dear Chair Constantine and Members of the Board:

On May 18, 2009, the Bellevue City Council unanimously adopted a set of new zoning and development code regulations for the Bel-Red Corridor that would implement the community's vision to transform Bel-Red into an 'extraordinary and unique place.'<sup>1</sup> The Bel-Red Plan, was the culmination of a three year planning effort that included a 15 member Steering Committee, five City of Bellevue Boards and Commissions, and input from hundreds of businesses, residents and other stakeholders. The Bel-Red Plan has gone on to receive national recognition and multiple awards as a model for smart growth in urban areas.

Incompatible with the direction of these adopted land use policies and the community's vision, on December 20, 2012, the Sound Transit Board authorized inclusion of the BNSF site to be considered in the DEIS as a potential site for Sound Transit's Operations and Maintenance Facility (OMSF). The BNSF site sits within the ½ mile radius of the 120<sup>th</sup> Spring District station within the heart of the Bel-Red Corridor. The removal of 25+ acres of high density zoned land within a half mile of a planned light rail station is inconsistent with and counter to the Transit Oriented Development (TOD) policies adopted by both Sound Transit and the City of Bellevue.

On July 24, 2014, the Sound Transit Board selected the BNSF site as the preferred alternative for the OMSF to move forward for consideration in the FEIS and for five percent preliminary design.

Recognizing the incompatibility of this decision with adopted land use codes, the Board took additional action to mitigate the impact of siting the OMSF at the BNSF site by directing staff to minimize the effect of the OMSF on TOD potential; maximize TOD on the site itself and in the vicinity; provide opportunities to activate TOD concurrent with project implementation; consider site modifications recommended by ULI; consider value engineering; and obtain and carefully consider input from Stakeholders with the goal of developing a preliminary design that integrates the OMSF with the surrounding land uses.

As Stakeholders we remain deeply concerned about the impact of the OMSF in Bel-Red. However, our interactions with staff and the consultant team since July have given us hope that a solution can be found for a design and siting of the OMSF that will achieve Stakeholder priorities and meet agency requirements.

With this transmittal we are pleased to present our recommendation for that design. We appreciate and commend the time commitment and creativity the Sound Transit Board, staff and consultant team have already contributed to addressing the challenges of siting the OMSF in a half mile of the Bel-Red Spring District station area. And we thank you in advance for the continued effort that achieving this solution will take.

Our recommendation as transmitted here represents just the beginning of what will be required to make the OMSF work in Bel-Red. Considerable effort remains for all involved, and we pledge our continued commitment to work with all parties to ensure a timely solution that works for the community and the agency. Thus, concurrent with our support for Alternative A2 site design is our recommendation for an on-going role for Stakeholders to ensure accountability that the benefits of this design are ultimately achieved.

The Sound Transit appointed Stakeholders Committee consists of a broad group of Stakeholders representing development, business, affordable housing, health, environment, pedestrian and bicycle interests, and local community members. The Stakeholders are supportive of the Bel-Red vision. Of primary importance to Stakeholders is ensuring both significant and high-quality development in the station area to achieve high transit ridership while successfully implementing the place-making, multi-modal transportation connectivity, and urban development represented in the Bel-Red Plan.

The 120<sup>th</sup> Spring District Station Area is an extraordinary opportunity to implement the TOD vision and policies set forth by the City of Bellevue, Sound Transit Board, and the Puget Sound Regional Council. It is an area of local, regional and statewide significance given the projected transit investment. We firmly believe that what happens at Bel-Red could become a model for effective long-term transit-oriented planning and development throughout the Puget Sound region and Washington State. The Bel-Red Steering Committee said it best in its Vision Statement<sup>ii</sup>:

*The Bel-Red corridor in 2030 will be an area that is unique within the city of Bellevue and the entire Puget Sound region. It will be an area where thriving businesses will be adjacent to, and sometimes mixed with, livable neighborhoods, all served by a multi-modal transportation system that connects the area to the greater city and region. The area will also be distinguished by environmental and community amenities that will serve residents and employees in the area, as well as residents from surrounding neighborhoods and the entire city. The area will transition gracefully over time, with existing businesses being accommodated while new types of development occur as conditions warrant.*

**Economic Impact of the OMSF at the BNSF site**

The Bel-Red vision is transformational. Under the Bel-Red Corridor Plan, the corridor is expected to generate 4.5 million square feet of commercial development, 10,000 new jobs and 5, 000 new housing units by 2030. In addition to transforming the area into a dynamic, livable neighborhood, the Bel-Red vision and plan will generate considerable economic growth and revenues for the City and region.

Siting the OMSF at the BNSF site comes with an economic cost to the City, Sound Transit and the region. An opportunity study of the BNSF site identified the expected development opportunity for 1.6 million sq. ft. of commercial space and 1,110 housing units of which approximately 90 would be affordable. In total, the 30-year net present value of local revenues foregone from assumed development on the OMSF site is estimated to be roughly \$140 million. This excludes the State’s portion of the sales tax which would approach \$75 million alone. Below are estimated summary opportunity costs to the City of Bellevue.

<b>FISCAL ANALYSIS (Foregone Benefits)</b>	
<b>Local Portion of Sales Tax (30yr NPV)</b>	
One-Time Construction Sales Tax	~\$19,100,000
Cumulative Annual Sales Tax Collections	~\$14,900,000
<b>Property Tax (30yr NPV)</b>	
City Portion	~\$8,669,615
Remainder	~\$60,596,384
<b>Business &amp; Occupation Taxes</b>	
City B&O Tax Collections	~\$13,501,327
<b>Transportation Impact Fees</b>	
Impact Fees	~\$6,973,865
<b>Incentive Fees</b>	
Parks	~\$14,006,949
Affordable Housing	~\$3,337,753

*Heartland 6-23-2014*

<b>OPPORTUNITY COST SUMMARY of the OMSF at the BNSF</b>	
Additional Jobs Created (excluding construction jobs)	4,921
Annual City of Bellevue (COB) Property Tax lost	\$1,004,000
Annual COB B&O Tax lost	\$ 3,706,000
Annual COB Sales Tax	\$1,392,000
<b>Total Annual COB Tax Revenue lost</b>	<b>\$ 6,102,000</b>
One-time COB Construction sales tax revenue lost because property not developed	\$ 19,100,000

*Heartland 6-23-2014, Bellevue PCD*

OMSF siting affects adjoining parcels to the south and Sound Transit must take the Bel Red vision, codes and regulations into account in these areas as well, even though they are outside of the immediate OMSF site.

**Stakeholder Committee Recommendations: Support OMSF Site Plan Alternative A2**

Of the three site plan alternatives offered to Stakeholders for consideration by Sound Transit and City of Bellevue staff and consultants – A 1, A2, and B – we recommend continued work on A2.

Alternative A1 offered little (or no) opportunity to recoup lost TOD or achieve key elements as prioritized by Stakeholders, and thus, had no support. Alternative B had significant support from several Stakeholders but was ultimately rejected as unachievable within the parameters of Sound Transit and King County Metro Transit’s planning timeframes. Stakeholders felt Alternative B was the type of option that should have been considered at the beginning rather than at the end of the Sound Transit process when it was too late to be given merit given Sound Transit timetables.

Alternative A2, as presented to Stakeholders on October 27 by Sound Transit consultant Christof Spieler, PE, VP, Huitt Zollars/Morris, offers a phased approach which ultimately would accomplish Stakeholders’ priorities of 1) returning the target 1.5 million square foot of TOD to the southern portion of the site, 2) identifying developable lots, 3) delivering streets and utilities to ensure marketability of those lots, 4) creating effective bike and pedestrian connectivity, open space and more. Mr. Spieler described the following elements in each of the two phases of A2:

<p><b>OMSF Alternate Site Plan A2 - Phase 1</b></p> <ol style="list-style-type: none"> <li>1. Identifies two developable parcels</li> <li>2. Results in approximately 1.3 million square feet</li> <li>3. Incorporates many ‘key elements’</li> <li>4. Does not require 120th relocation</li> <li>5. Does not require King County Metro East Base relocation</li> </ol>	<p><b>OMSF Alternative Site Plan A2 - Phase 2</b></p> <ol style="list-style-type: none"> <li>1. Identifies two additional developable parcels (four total)</li> <li>2. Results in approximately 2.1 million square feet total</li> <li>3. Incorporates all ‘key elements’</li> <li>4. Facilitates development on both sides of 120th</li> <li>5. Requires 120th relocation</li> <li>6. Requires partial King County Metro East Base relocation for approximately 90 buses</li> </ol>
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The presentation and A2 site plan alternative was compelling and demonstrated considerable creativity and hard work on the part of the consultants and staff to respond to Stakeholder priorities. For this work, and for the added commitment and presence of King County Metro Transit at the Oct 27 meeting, we are very appreciative. These efforts build upon the earlier work of the ULI panel in April to work outside the box to make the OMSF facility work in the Bel-Red Corridor.

**Accountability**

Our concern, however, is this: how can Stakeholders and the community be assured the benefits presented in Alternative A2 are anything more than wishful thinking and creative drawings? Alternative A2 is complicated. It involves three separate jurisdictions – Sound Transit, the City of Bellevue, and King County – each with its own mission, board of elected officials, limits of authority, governing processes, timelines, regulations, budgets, operations and cultures. It was heartening to hear each agency pledge to work together toward A2 on October 27, despite the complexity of such an agreement.

Considerable portion of A2 can be realized by modifying the Sound Transit scope of the OMSF now, however implementing the entire A2 alternative will require all three agencies to commit to a series of

actions through a development or other agreement that spells out in detailed language the steps required to achieve this phased development. Perhaps most critically, the agreement must address who pays for what. Without such a detailed and binding agreement, neither Stakeholders nor the community can be satisfied or begin to believe that the outcomes offered in Alternative A2 will be achieved.

For these reasons, the Stakeholders support Alternative A2 with an agreement between Sound Transit, the City, and Metro King County in place within the next six months, in advance of the FEIS.

An initial set of jurisdictional commitments required to do this includes, but may not be limited to:

<b>Jurisdictional Commitments Required for OMSF Alternate Site Plan A2</b>		
<b>Sound Transit</b>	<b>King County</b>	<b>City of Bellevue</b>
Modify the scope of the OMSF at the earliest date possible to include provisions that accomplish Phase 1 and Phase 2 of OMSF Alternative A2	Enter into a development agreement with the City and Sound Transit that spells out the necessary steps to implement Phase 1 and Phase 2	Enter into a project development agreement with Sound Transit and King County.
Jointly with the City of Bellevue realign 120 <sup>th</sup> Street		Jointly with Sound Transit realign 120 <sup>th</sup> Street
Design and construct the infrastructure backbone to serve the commercial and residential development that will be situated on the OMSF site.	Relocate bus parking on the west side of the bus maintenance facility to accommodate the relocation of 120 <sup>th</sup> by Sound Transit.	Modify the Bel Red Plan and zoning to reflect the changes need to support Alternative A2
Provide podiums to support development above active portions of the OMSF so that the future development can be economically feasible. Design these podiums to foster connectivity to and welcoming shared open space with the immediately adjacent Eastside Rail Corridor trail area.		
Ensure that at a minimum the same number of affordable housing units be made available that would have been achieved under the Bel-Red Plan without siting of the OMSF. To help achieve this, use a land disposition process that seeks developers that would leverage other public fund sources to maximize affordable housing.		Work with Sound Transit to prioritize the relocation of 120 <sup>th</sup>
Integrate and provide a welcoming “front door” to the Eastside Rail Corridor within the OMSF development, for example by connecting the ground floor and open space of the TOD directly with the Eastside Rail Corridor trail area and by enabling construction of the trail segment and the City of Bellevue’s planned trail and bicycle routes along 116th Ave NE, 120th Ave NE, and Spring Blvd.		

Table 1

And an initial summary of processes specific to developing the OMSF project area development plan includes:

What	Responsible Agency:		
	Sound Transit	King County	City of Bellevue
<b>Conditional Use Permit (CUP)</b> for OMSF in Bel-Red Office/Residential Zoning	Applicant	-	Approval Agency – requires a public hearing before the Hearing Examiner
<b>Master Development Plan (MDP)</b> for Development Area – vests land use for up to 10 years. Requires planning-level SEPA and public process. Include explicit goals for square footage of office/commercial and residential use, with a significant portion of residential development.	Applicant – provide planning-level design for 2.1M SF of development		Approval Agency. Provides coordination, review, and Conditions of Approval (Administrative). Recorded with County. Appeals to Hearings Examiner.
<b>Binding Site Plan (BSP)</b> to create legal lots for development and tracts for utilities, vehicular access, regional trail	Applicant		Approval Agency. Reviews and signs BSP (Administrative). Recorded with County.
<b>Design Review</b> requires project-specific SEPA and public process <b>Development Permits</b> for construction	Applicant – provide plans and permit packages for construction permits		Approval Agency. Provide coordination, review, approval of Design Review and Permits (Administrative)
<b>120<sup>th</sup> Realignment</b>	Responsibility of OMSF mitigation		Revise Transportation CIP program to include permitting, design and construction of 120 <sup>th</sup> realignment
<b>East Base Planning and CUP</b>		Provide planning of East Base facility for relocation and vacation of west side bus parking. Applicant for CUP	Approval agency of CUP

Table 2

We are aware that all three agencies are already in conversation about the many elements of such an agreement. This three-party agreement should be executed within the next six months and prior to issuance of the OMSF DEIS.

While the details of such an agreement are beyond the role of Stakeholders, Stakeholders must have an on-going role in ensuring accountability of the agencies.

Finally, the Stakeholders strongly recommend that action be taken immediately to:

**Modify the scope of the OMSF project to include items necessary to enable the realization of Alternative A2 , these include, but are not limited to, utilities to support future development, internal streets to provide circulation other design elements required to support TOD; and, direct ST staff to negotiate and execute a three party agreement with the City of Bellevue and King County within the next six months (prior to issuance of the OMSF FEIS) that results in a phased OMSF A2 site plan in its entirety**

This recommendation is in accordance with actions taken by the Board on July 24 of this year and would serve to strengthen the Board's stated intention to mitigate the OMSF siting by giving staff clear direction to take necessary action to execute OMSF Alternative Site Plan A2.

We close by restating our interest in working with Sound Transit to make the OMSF work at the BNSF site. There are many reasons to believe that it is possible. Stakeholders will be assured of this outcome when the Board of the Sound Transit Regional Transit Agency:

1. Supports OMSF Alternate A2 as the preferred site plan;
2. Modifies the scope of the OMSF project to include items necessary to enable the realization of Alternative A2, these include, but are not limited to, utilities to support future development, internal streets to provide circulation other design elements required to support TOD; and, directs ST staff to negotiate and execute a three party agreement with the City of Bellevue and King County within the next six months (prior to issuance of the OMSF FEIS) that results in a phased OMSF A2 site plan in its entirety
3. Provides an on-going role for Stakeholders to ensure accountability

Thank you for the opportunity to present these recommendations; we look forward to your response.

Sincerely,

*Representing neighborhood and business stakeholders and the ST Stakeholder Committee*



Member, Board of Directors  
**Bridle Trails Community Club**



Vicki Orrico, Past Chair  
**Bellevue Planning Commission**



Hal Ferris, Former Commissioner  
**Bellevue Planning Commission**



Arthur Sullivan, Program Manager  
**ARCH**



Lisa Quinn, Executive Director  
**Feet First**



Hilary Franz, Executive Director  
**Futurewise**



John Hempelmann, Immediate Past Chair,  
**Quality Growth Alliance**



Michael J. Link, President  
Lake Bellevue Sub Basin Alliance



Matt Wickens, President  
**Pine Forest Properties, Inc.**



Former Planning & Community Development  
Director (Retired), City of Bellevue



Gregory K. Johnson, President  
**Wright Runstad & Company**  
**The Spring District**

CC: Claudia Balducci, Mayor, City of Bellevue  
Dow Constantine, Executive, King County  
Rep. Adam Smith, 9<sup>th</sup> Congressional District  
Washington State Legislators Sen. Rodney Tom (48), Sen. Steve Litzow (41),  
Rep. Ross Hunter (48), Rep. Cyrus Habib (48). Rep. Tana Senn (41), Rep. Judy Clibborn (41)

CCs (cont.)

Rick Krochalis, Regional Administrator, Federal Transit Administration, Region X  
Brad Miyake, City Manager, City of Bellevue  
Mike Harbour, Acting CEO, Sound Transit  
Ric Ilgenfritz, Executive Director Planning, Environment, & Project Development, Sound Transit  
Michael Williams, Dep. Exec Director Planning Environment and Project Dev. (OMSF PM)

Attached: Bel-Red Corridor Final Report, Sept 2007

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<sup>i</sup> Bell-Red Corridor Project Final Report, Sept 2007, page 5: *As outlined in our vision statement, we believe that the Bel-Red corridor has the opportunity to be an area unique within Bellevue, and within the Puget Sound region generally—an area that combines vibrant neighborhoods, a strong economic base, a multi-modal transportation system, and environmental/open space amenities. Positioned as it is between Downtown Bellevue and Microsoft, this area offers unparalleled opportunity for high-quality office and residential development. The City should expect the best that the private sector can offer for its redevelopment.*

<sup>ii</sup> Bell-Red Corridor Project Final Report, Sept 2007, page 22