THREE-PARTY AGREEMENT
BETWEEN THE CITY OF BELLEVUE, KING COUNTY AND SOUND TRANSIT FOR THE FUTURE REALIGNMENT OF 120TH AVE NE

1. Purpose

Sound Transit, the City of Bellevue, and King County agree to work together collaboratively to plan and determine the feasibility of a project that would re-align 120th Avenue NE north of the 120th Link Station to increase efficiency of traffic circulation, to keep the character of the neighborhood consistent with the City of Bellevue's Bel-Red Plan, including encouraging the development of Transit Oriented Development ("TOD") on both sides of the re-aligned street, and to meet regional objectives relating to maximizing opportunities for high density residential and commercial growth in the vicinity of high capacity transportation corridors. In addition, the parties contemplate future agreements depending on the outcome of the planning and feasibility work described in this agreement.

2. Background

a) Central Puget Sound area voters approved the Sound Transit 2 plan, which, among other projects, included the proposed expansion of link light rail to the north and east, including from Downtown Seattle to Mercer Island, downtown Bellevue, and the Overlake Transit Center ("East Link").

b) Both before and since the public vote on Sound Transit 2, Bellevue engaged in extensive planning efforts for deploying light rail, including but not limited to the Bel-Red Plan, the Light Rail Best Practices Report, and amendments to its Comprehensive Plan.

c) The Bel-Red Plan is an award-winning example of planning for regional growth in housing and jobs in and around efficient transportation corridors, and represents a key tool in meeting regional growth targets.

d) As part of the transportation system needed to achieve the Bel-Red vision, 120th from NE 16th to Northup is planned to be rebuilt and widened from its existing two lanes to four lanes, with sidewalks, landscaping and a multipurpose pathway. The design of this portion of 120th has yet to be completed and will be refined and modified to address the needs defined by the City as part of its transportation planning process.

e) Prior to both Sound Transit 2 and the Bel-Red Plan, King County Metro Transit has established and operated transit service since from two transit bases in the Bel-Red area of Bellevue: East Base at 1975 124th Avenue NE since 1979 and Bellevue Base at 1790 124th Avenue NE since 1986. East Base is east of the OMSF and is bordered on the west by 120th Avenue NE as depicted in Attachment A.

f) On July 24, 2014, the Sound Transit Board identified the BNSF site (Motion No. M2014-51) as the preferred alternative for a new Link Operations and Maintenance Satellite Facility ("OMSF") to be evaluated in a Final Environmental Impact Statement. This option would occupy land that, under current Bel-Red zoning, could be developed with roughly 1,100 multifamily units (1.11 million square feet) and roughly 1.6 million square feet of office/commercial development.

g) The parties acknowledge that environmental review of the OMSF sites is ongoing and that the Sound Transit Board has not made a final decision regarding the OMSF site. The parties agree

to abide by this Agreement to address items of mutual concern in the event that the Sound Transit Board ultimately selects an OMSF site in Bellevue after completion of the Final EIS.

h) Motion No. M2014-51 specified that during the preliminary engineering phase of work on the OMSF, staff would prioritize and incorporate Agency and Community Transit-Oriented Development consistent with the Sound Transit TOD policy (Resolution No. R2012-24).

i) Sound Transit hosted a series of stakeholder workshops that included area developers and landowners, citizens, and other interested parties with the goal of developing a preliminary engineering design that integrates the OMSF with the surrounding land uses.

j) Sound Transit and the City of Bellevue hosted, and King County participated in, three stakeholder workshops on September 18, 2014, October 9, 2014, and October 27, 2014. During the course of these workshops a number of TOD options were identified, some of which included the re-alignment of 120th Ave NE to improve traffic circulation and to keep the character of the neighborhood consistent with the City of Bellevue's Bel-Red Plan, including allowing for TOD to meet growth objectives. The stakeholder workshops were attended by the OMSF Stakeholder group.

k) In a letter to the Sound Transit Board dated November 20, 2014, the stakeholder group recommended that Sound Transit pursue a development scenario for the OMSF site. The development scenarios proposed by Sound Transit are as shown on the "Development Scenarios Phase 1 and 2" graphic, Attachment B, attached and incorporated herein. Phase 1 would maintain 120th Ave NE in its current location, resulting in the potential for three development parcels associated with the OMSF. Phase 2 assumes 120th Ave NE is re-aligned to the east, resulting in two additional development parcels adjacent to the OMSF and west of 120th Ave NE.

l) The parties recognize the importance of maximizing development potential in and around East Link and other efficient transportation corridors, including the potential future high-capacity transit corridor along I-405, rapid ride routes, and other planned transportation improvements for the benefit of meeting regional growth and transportation objectives as outlined in Sound Transit planning documents, King County countywide planning policies, and other policies affecting the site previously adopted by the signatory jurisdictions.

m) King County Metro has initiated its Long Range Plan update and Sound Transit completed its Long Range Plan update in 2014. Both transit agencies have stated goals related to the importance of integrating TOD considerations in early phases of system and capital project planning.

3. King County's Roles and Responsibilities

a) Within twelve (12) months of execution of this Agreement, King County, at its sole expense, will begin a planning process to consider modifications to the East Base facility. At a minimum, this effort will include:

i. Planning for a "least cost" alternative that involves relocating, with little or no reinvestment in East Base, the portion of the East Base bus parking that would be impacted by the re-alignment of 120th Ave NE;

ii. Planning for an alternative that involves relocation of all of East Base, or that portion of the East Base facilities inside the ¼ mile walk shed, to a location outside of the walk shed; and

iii. Planning for an alternative that involves implementing transit-oriented development policies in conjunction with re-design of the East Base facility that does not require relocation of the facility.

b) King County shall coordinate with the City and Sound Transit throughout the planning process described in this paragraph 3. Such coordination shall include, at a minimum:

i. Consultation with Sound Transit and the City to finalize the scope of the planning work;

ii. Consultation with the City and Sound Transit regarding technical feasibility of alternatives, impacts of alternatives, and consistency with the purposes of this Agreement;

iii. Review of draft documents and an opportunity for feedback and clarifications prior to any final planning document or conclusions; and

iv. Public review and feedback on the process shall at a minimum include presentations to and opportunity for feedback from the OMSF Stakeholder group on the scope of the planning work prior to commencement, and on the conclusions, in addition to any public participation required by King County, City of Bellevue, or other applicable rules and regulations.

c) King County and Sound Transit will cooperate to agree on a location for an interim trail within the Eastside Rail Corridor ("ERC") consistent with the County's Public Multipurpose Easement, any other binding legal agreements, and the County's trail master plan within the area of Sound Transit's ownership, which is generally located between approximately milepost 12.4 and milepost 13.5.

d) King County will timely provide information regarding its current East King and Bellevue bus bases at the reasonable request of the City to facilitate the road design work described in paragraph 4 below.

e) King County will collaborate with the City of Bellevue and Sound Transit to identify funding strategies for the relocation of 120th Ave NE and related work on the East Bus base site, as informed by the above planning process.

f) The parties will jointly support state and federal grant applications that may be identified as a funding source for the road re-alignment or the related bus base work necessary to address buses displaced by the road re-alignment, as further described in paragraph 6 below.

4. City of Bellevue Roles and Responsibilities

a) The City of Bellevue will design the realignment of 120th Ave NE (approximately the length of the OMSF frontage on 120th Avenue NE), utilizing up to $1M in funds, to complement the Phase 2 development to the extent necessary to support the planning work described in paragraph 3 above. The street realignment design will address the purposes set forth in this Agreement, along with City of Bellevue design standards.

b) The 120th Ave NE project is separate from the OMSF project and would be subject to separate environmental analysis by the City to be completed when appropriate for the stages of a road project.

c) Subject to Sound Transit's obligations in Section 5(c) below, the City of Bellevue will complete the open space and stream daylighting improvements on its property adjacent to and under the relocated 120th Ave NE identified in Attachment B (Development Scenario – Phase 2) concurrent with other landscaping work associated with a the 120th Ave NE project.

d) The City of Bellevue will collaborate with King County and Sound Transit to identify funding strategies for the relocation of 120th Ave NE.

e) The parties will jointly support state and federal grant applications that may be identified as a funding source for the road re-alignment or the related bus base work necessary to address buses displaced by the road re-alignment, as further described in paragraph 6 below.

5. Sound Transit Roles and Responsibilities

a) Sound Transit will timely provide information regarding its property and design of the OMSF at the reasonable request of the City to facilitate the road design work described in paragraph 4 above.

b) Sound Transit understands the re-alignment of 120th envisioned by this Agreement would require modifications to the driveway from the re-aligned 120th Avenue NE to the OMSF facility.

c) Sound Transit will accommodate the City's open space and stream daylighting improvements on city property adjacent to the OMSF identified in Attachment B (Development Scenario – Phase 2) concurrent with other landscaping work associated with the 120th Ave NE project. Sound Transit will complete improvements on its property and property it owns at the time the OMSF is developed, regardless of ownership at the time of relocation of 120th associated with daylighting the stream.

d) Sound Transit will cooperate with King County regarding an interim trail within the ERC as outlined in paragraph 3(c) above. Pedestrian and bicycle access will also be considered between the ERC and the 120th Station area north and south of the OMSF. The designs of the interim trail and trail connections will consider future transit service in the area, rail service in the area and non-motorized uses in the ERC. Sound Transit will collaborate with King County and the City of Bellevue to identify funding strategies for the relocation of 120th Ave NE.

e) The parties will jointly support state and federal grant applications that may be identified as a funding source for the road re-alignment or the related bus base work necessary to address buses displaced by the road re-alignment, as further described in paragraph 6 below.

6. Coordination

a) The parties will coordinate activities and perform their respective responsibilities in good faith consistent with the terms of this Agreement.

b) Funding Strategies: The parties shall develop a coordinated funding strategy within 6 months of completion of either 1) the planning work described in paragraph 3, or 2) the design work described in paragraph 4, whichever occurs later. Such strategy shall, at a minimum identify:

i. Estimated costs to complete the re-alignment of 120th Avenue NE, considering all additional design, permitting, and construction through completion;

ii. Identify potential sources of grant funds to contribute to those costs, and necessary work required of each agency to best position the project to compete for those identified grants; and

iii. Tactics and responsibilities for pursuing identified grants and other identified funding strategies.

c) Other Implementation Steps: The parties recognize that additional steps, including acquisition of right of way, exchange of property between the City and King County/Sound Transit, and

other steps, would be required to allow re-alignment of the road as contemplated by this Agreement. The parties agree to work in good faith to develop the information needed to evaluate opportunities for exchanging such property and performing those other steps needed to further the goals of this Agreement and to bring such information to the parties' respective governing boards in a timely manner to facilitate the funding strategy developed in paragraph 6.b. These steps include, at a minimum, identification of development parcel boundaries adjacent to and potentially over the OMSF site, and evaluation of options for consolidation of property with the potential portions of 120th Avenue N.E. that may be vacated after relocation.

d) Future Trail Connections: In addition to the connections to the ERC described in this Agreement, the parties will work cooperatively to maximize the public's use and enjoyment of an interim trail, as well as interim investments made in other portions of the ERC. Such cooperation would include, at a minimum, exploring opportunities to develop a connection between the interim trail described in this Agreement and the interim trail within the City of Kirkland, as well as a connection between Sound Transit's hospital station, across NE 8th Street in Bellevue, to future trail connections or pedestrian/bicycle facilities south of NE 8th Street.

7. Communication and Outreach

a) The three parties commit to have regular meetings to discuss their progress on their respective commitments under this Agreement. The parties designate the staff identified on Attachment C as the main points of contact for facilitation of these meetings (the "Designated Representatives").

b) Upon commencement of the planning work described in this Agreement, the three parties commit to meet with OMSF Stakeholder group quarterly to keep them apprised of the OMSF project, and the planning work described in paragraph 3, and to solicit their feedback on the progress of the preliminary design of the re-alignment of 120th Avenue NE. Should changes to the OMSF Stakeholder group be required to ensure adequate representation or due to inability of a participant to continue, the County, City and Sound Transit shall select additional stakeholders by mutual agreement of their respective executives. Sound Transit shall take the lead role in convening these OMSF Stakeholder group meetings and perform any necessary support functions for the group.

c) The three parties will jointly report progress to their respective policy makers as needed.

8. General Provisions

a) Dispute Resolution. In the event of a dispute about the terms of this Agreement, the parties agree that neither party shall take or join any action in any judicial, or administrative forum to challenge the actions of the other party(ies) associated with this Agreement, except as set forth herein:

i. Any disputes or questions of interpretation of this Agreement that may arise between the parties shall be governed under the dispute resolution provisions of this section. The parties agree that cooperation and communication are essential to resolving issues efficiently.

ii. The parties agree to use their best efforts to prevent and resolve potential sources of conflict at the lowest level. Should disputes arise, the parties agree to use their best efforts through good faith negotiations and by engaging in the following escalation process:

A. Level One – the parties Designated Representatives shall meet to discuss and attempt to resolve the dispute in a timely manner. If they cannot resolve the

dispute within fourteen (14) calendar days after referral of that dispute to Level One, any party may refer the dispute to Level Two.

B. Level Two – Sound Transit's Executive Director of Planning and Environmental Design, King County Metro's Director, and the City of Bellevue's Transportation Department Director shall meet to discuss and attempt to resolve the dispute in a timely manner. If they cannot resolve the dispute within fourteen (14) business days after referral of that dispute to Level Two, any party may refer the dispute to Level Three.

C. Level Three – Sound Transit's Chief Executive Officer or Designee, King County's Executive or Designee, and the City of Bellevue's City Manager or Designee shall meet to discuss and attempt to resolve the dispute in a timely manner.

b) Term; Termination. This Agreement shall be effective as of the date the last party signs. Unless terminated sooner pursuant to the terms hereof, this Agreement shall remain in effect until completion of the tasks described herein; provided it may be extended by agreement of the parties.

c) Timeliness and Implementation. The parties shall not unreasonably withhold requests for information, approvals or consents provided for in this Agreement; provided, however, that approvals or consents required to be given by the parties' respective legislative bodies are recognized to be legislative actions. The parties agree to take further actions and execute further documents, either jointly or within their respective authority, to implement the intent of this Agreement, provided, however, that where such actions or documents required must be first approved by vote of the parties' respective legislative authority, such actions are recognized to be legislative actions. While the parties are agreeing to take certain feasibility, planning and design actions to evaluate the re-alignment of 120th Avenue N.E. and the other projects described in this Agreement, each acknowledges that such work will be undertaken only to the extent each party has appropriation authority. Any decision to implement the 120th realignment project and associated modifications, if any, to East Base and the other projects described in this Agreement will be subject to future agreements between the parties and applicable regulatory and legislative approval requirements.

d) Jurisdiction and Venue. This Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of Washington. Venue for any action under this Agreement shall be King County, Washington.

e) No Third-party Beneficiary. This Agreement is made and entered into for the sole protection and benefit of the parties hereto and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

f) No Partnership. No joint venture or partnership is formed as a result of this Agreement. No employees, agents or subcontractors of one party shall be deemed, or represent themselves to be, employees of any other party.

g) Entire Agreement. This Agreement constitutes the entire agreement of the parties with respect to the subject matters of this Agreement. Nothing in this Agreement shall be deemed to amend or alter the terms of that separate Amended and Restated Memorandum of Understanding by and between the City of Bellevue and Sound Transit with respect to East Link and the OMSF, and in the event of a conflict between the two agreements, the Amended and Restated Memorandum of Understanding shall prevail.

SOUND TRANSIT

Michael Harbour, Acting Chief Executive Officer — 5-6-15 Date

CITY OF BELLEVUE

Brad Miyake, City Manager — 5-6-15 Date

KING COUNTY

Dow Constantine, King County Executive — 5-28-15 Date

Approved as to form:

Stephen G. Sheehy, Legal Counsel

Approved as to form:

Monica Buck, Assistant City Attorney

Approved as to form:

Peter G. Ramels, Senior Deputy Prosecuting Attorney

Attachment A Vicinity Map
Attachment B OMSF Development Scenarios
Attachment C Designated Representatives