

## CITY COUNCIL STUDY SESSION ITEM

### **SUBJECT:**

East Link: City Workplan, At-Grade Analysis, Funding Sources for Tunnel Alternative, Funding to Accomplish Workplan

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### **FISCAL IMPACT:**

The East Link work program will require consultant assistance in a number of areas (described below). Staff propose to reallocate and/or program funds from the existing operating budget and CIP to accomplish this work.

A total of \$50,000 will be programmed from the operating budget in Transportation, and \$1,020,000 will be committed from various CIP projects described below. Staff will return to Council on July 20, 2009, for action on a CIP amendment to accomplish these funding changes.

### **POLICY ISSUES:**

The Bellevue Council has adopted a body of light rail policy (including light rail best practices policies adopted by Council in August 2008, other Comprehensive Plan policies, and Council interest statements) that articulates the community values related to the benefit and development of light rail in Bellevue. This policy body provides guidance and support for light rail transit investment in Bellevue and is complementary to the information provided in the East Link Draft Environmental Impact Statement (DEIS).

On February 23, 2009 the Council selected a preferred East Link alignment and recommended it to the Sound Transit Board of Directors for its consideration. On May 14, 2009 the Sound Transit Board of Directors identified a Locally Preferred Alternative (LPA) for the East Link project. The Sound Transit LPA, which City staff discussed with Council on May 18, along with all other alternatives that have been studied to date will continue to be evaluated in the East Link Final Environmental Impact Statement (FEIS), which is expected to be complete in late summer

2010. Concurrently, the LPA will be advanced through preliminary engineering, which will also be complete by summer 2010.

Sound Transit's Motion No. M2009-41 adopting the LPA includes several items that require City of Bellevue action. As discussed on May 18, specific to the Sound Transit motion, the City is expected to:

- Identify funding sources with Sound Transit for the cost increment of the downtown tunnel alternative (C3T 108<sup>th</sup> Tunnel);
- Join Sound Transit in a peer review of the downtown at-grade alternative (C4A Couplet);
- Jointly evaluate a south Bellevue B3 side running alternative (modified 112<sup>th</sup> Bypass Alternative), which is consistent with the Council's preference; and
- Consider an alternative 124<sup>th</sup> station design.

Additionally, Sound Transit committed to further work on evaluation of the C2T tunnel option to allow responses to questions posed by the City. The City Council has articulated its preferences and policy concerns regarding the East Link project through its communications to Sound Transit, amendments to the Comprehensive Plan, and other actions. These City actions provide the basis for addressing project issues cooperatively with Sound Transit. The overall proposed work program contemplates addressing work items associated with the Sound Transit motion and other tasks necessary for the City to address anticipated project issues.

**DIRECTION NEEDED FROM COUNCIL:**

- X Action
- X Discussion
- X Information

**BACKGROUND/ANALYSIS:**

The Bellevue Council recommended its preferred East Link light rail transit alignment and station locations to the Sound Transit Board of Directors on February 25, 2009. This recommendation was based on extensive City Council review and discussion in late 2008 and early 2009. This decision making process included the following major components:

1. Technical information provided by the Draft Environmental Impact Statement;
2. Review of city policy that provided guidance for the development of light rail in Bellevue; and
3. Consideration of public input provided at Sound Transit and Council public hearings to help understand public preferences and considerations.

Council's preferred alternative was detailed in a letter to the Sound Transit Board of Directors.

During the May 18, 2009 Council meeting staff summarized the May 14, 2009 Sound Transit's Locally Preferred Alternative decision. The summary compared the Bellevue City Council and Sound Transit's preferences. Staff also discussed anticipated next steps for the project, through issuance of the FEIS in late summer 2010.

Based the May 18 City Council discussion, staff have developed a proposed approach to address priority issues through the end of 2009. Providing adequate analysis of these issues will require significant staff resources, supplemented by consultant expertise. The following briefly discusses the proposed approach:

### ***Overall City Work Program***

Sound Transit will finalize the East Link project environmental review and will complete 30 percent preliminary engineering by summer 2010. During the coming year, City staff anticipates being extensively involved in supporting the environmental review and in analyzing the suitability of engineering options. As such, staff is evaluating a shift in work assignments to ensure East Link is provided adequate resources. This will require a significant shift of staff priorities in several city departments.

Environmental work will involve working with Sound Transit to resolve issues identified during review of the draft environmental impact statement (DEIS). The City of Bellevue submitted over 700 unique technical comments related to the DEIS in February that ranged from minor editorial corrections to major substantive issues. Bellevue staff seeks resolution of these issues prior to Sound Transit's FEIS issuance. City staff also anticipates being involved in the environmental review of new alternatives such as the B3 side running concept in south Bellevue.

Engineering efforts will focus on the Sound Transit LPA. There are several outstanding design issues to be resolved through preliminary engineering. City staff anticipates close collaboration with Sound Transit and their contractors as design progresses. A major focus in south Bellevue will be the viability of the Council-preferred B3 side running concept. Considerable design work will also be necessary in the Bel-Red segment where new 124<sup>th</sup> station concepts will be developed and evaluated. Bellevue and Sound Transit will also seek to advance the design of the combined Northeast 15<sup>th</sup>/16<sup>th</sup> Street light rail and roadway corridor. Conceptual engineering will be completed by the end of 2009, which will provide the basis for environmental review and cost estimating.

Bellevue and Sound Transit expect to continue to have a collaborative relationship. Over the past several years the two agencies have worked closely to ensure high quality analyses and project progress. The City and Sound Transit seek to advance the project according to its aggressive schedule. In order to maintain the schedule and to ensure issues are addressed satisfactorily, the two agencies believe that a more formalized working relationship should be established through an interlocal agreement. This agreement, envisioned to be drafted during the coming months, will clearly articulate project expectations, establish the respective project responsibilities of each agency, and formalize a mechanism for conflict resolution. Staff anticipates that the interlocal agreement will be supplemented as the project advances into future phases. For example, the agreement will likely become more specific as the City and Sound Transit agree on a final preferred alignment and mitigation strategy. Future supplements will likely be needed as advanced design is completed and construction is planned and executed. An operating agreement will also be needed. The City will seek to apply lessons learned during the *Light Rail Best Practices Project* during the formation and execution of this interlocal agreement.

City staff also anticipates that as the project progresses through environmental review, design, and ultimately construction various policy level decisions will be needed by the City Council. During the coming year the City may be requested to make procedural, policy, and financial

commitments. Staff support will be required from multiple departments. This staff support will be incorporated into the City work plan.

As the project progresses specialized skills will likely be required to supplement City staff capabilities. As discussed in this memorandum, staff has identified a need for the following types of consultant assistance:

- Traffic modeling and analysis assistance;
- The City will require engineering assistance to advance design on the Northeast 15<sup>th</sup>/16<sup>th</sup> Street corridor;
- Design and engineering assistance to participate meaningfully with Sound Transit in the design of the B3 side running concept and downtown segment;
- Geotechnical expertise to fully evaluate downtown Bellevue tunneling issues; and
- The City may require the assistance of consultants to determine appropriate environmental mitigation along the alignment and later to ensure an efficient and effective permitting process;
- Financial and local tax consultant assistance to develop and analyze local tax and revenue options; and
- Public outreach and information sharing.

#### ***Downtown At-Grade Traffic Analysis***

As part of Sound Transit's work on the East Link DEIS, they prepared a VISSIM Model to analyze the impacts to street operations with the C4A at-grade alignment as a supplement to the DEIS analysis. The City identified several concerns about this analysis in our DEIS comment letter, and also reviewed these with Council at the February 2 study session. Specific comments made by the City in the comment letter related to the following issues are summarized below:

- 1) Signal phasing: Comments were made about signalization assumptions that were made in the DEIS analysis for NE 4<sup>th</sup> and NE 8<sup>th</sup> Streets. Implementing the C4A alternative would result in less flexibility in signal timing policy development because both 108<sup>th</sup> and 110<sup>th</sup> would demand a significant amount of green time to service the LRT trains.
- 2) Not all volumes in the Build and No Build scenarios were assumed in the model.
- 3) The limited geographic scope of the model does not capture the full impacts of at-grade light rail. The downtown street network is impacted by streets and major intersections outside of downtown.
- 4) The Sound Transit model did not fully reflect the impact of closing driveway access to parking garages and residential buildings in order to eliminate potential vehicle/light rail conflicts.
- 5) The model did not fully account for the impact of traffic congestion on at-grade light rail operations. Traffic volumes are projected to increase with or without light rail which will result in more frequent intersection delays along NE 8th and NE 4th Streets, the major east-west routes connecting downtown to I-405.
- 6) The model did not test future expansion of the light rail system. Long-term expansion of the system should be considered, and such expansion would increase the frequency of trains operating through downtown Bellevue; the increase in light rail frequency will impact signal timing, phasing and may limit the flexibility of the street system to accommodate increasing traffic congestion.

In order to address these concerns and others, the City is updating the Downtown BKR model platform to 2030 and acquiring VISSIM software to undertake its own operational analysis of the C4A alternative. **Purchase of the VISSIM software is on tonight's Consent agenda for approval.** The key questions/issues we plan to address are:

- Ensure that the analysis of surface LRT covers more of the Downtown and areas outside of the Downtown (including portions of the Wilburton and Bel-Red areas, plus I-405 operations on the ramps and mainline).
- Ensure that the analysis of surface LRT fully incorporates the City's land use assumptions for the Downtown as assigned by Bellevue in 2030 (using our detailed Transportation Analysis Zone structure), and includes up to date land use assumptions for the Wilburton and Bel-Red areas.
- Ensure that peak-hour traffic loads from garage and parking entries onto 108<sup>th</sup> and 110<sup>th</sup> Streets are tested, and identify specific mitigation (including potential closures of garage entrances/exits) which would be required.
- Ensure that signal phasing assumptions take into account the needs for all modes: LRT, cars, buses, and pedestrians, and that the trade-offs necessary to maintain LRT operations are clearly identified.
- Ensure that the overall transportation network is accurately modeled (based on currently adopted plans), and that all mitigation necessary for surface LRT is identified.
- Ensure that the analysis considers pedestrian intersection flows and some midblock crossings, and that resulting impacts to LRT operations (and pedestrian access) are fully identified. Finally, while the City currently does not have a model platform that extends beyond 2030, we would like to better understand the impacts of LRT in the longer-term, particularly as LRT headways decrease over time.

It is expected that the City's results, and additional work to be performed by Sound Transit on C4A will be reviewed by a peer review panel convened by Sound Transit later this year.

### **Identifying Funding Resources for a Tunnel Alternative**

As noted above, the Sound Transit LPA calls for an at-grade system on 108th and 110th Ave NE. The LPA also calls for further consideration of a tunnel alternative (C3T) if additional funding sources are identified and thus make the C3-T option financially feasible. The C3T tunnel option is currently estimated by Sound Transit to cost approximately \$500 million (stated in 2007 dollars) more than the C4-A, at-grade option.

Sound Transit's Motion No. M2009-41 indicated that they will advance design on the at-grade and deep-bore tunnel alternatives (C3T) through the end of 2009. Additionally, the Motion directs staff to conduct limited additional review to either revise or validate the draft EIS conclusions that C2-T option would be more expensive than the C3-T option and that C2-T would have the potential for substantial construction impacts.

Further, the Motion directs the Sound Transit staff to work with the City of Bellevue to identify additional external funding sources for a tunnel option that the Sound Transit Board may consider prior to the completion of the final EIS. It further states that a tunnel option may offer

higher ridership than the at-grade or elevated alternatives, but the tunnel alternative is not financially feasible at this time without additional funding sources. The motion includes the following requirements:

- Any additional funding sources should be formally identified by the City of Bellevue within one month after the completion of the 15% design cost-estimates, which Sound Transit estimates to be completed in early 2010.
- The Board requests interim reports from Sound Transit staff and the City of Bellevue identifying a list of potential additional funding sources by the third quarter of 2009 and
- The Board requests a second interim report stating the potential value of such sources by the fourth quarter of 2009.

To meet the requests of the Sound Transit Board and to continue to further the Council's preferred alternative of a tunnel option for Downtown Bellevue, staff proposes a three-pronged approach to developing options for additional funding to make the overall East Link project affordable with a tunnel alternative. Initially, the target amount of the "gap" will be the difference in cost (expressed in 2007 dollars) of the at-grade (C4-A) alternative and the C3-T tunnel alternative (\$500 million).

It is expected that the "gap" will be modified as additional information is developed that would affect the total cost of the East Link alternatives and/or the revenues available, so the three prongs will be pursued concurrently.

**Proposed three-pronged approach to identifying additional resources for East Link with a tunnel alternative:**

- Working with Sound Transit, narrow the gap for the overall project through identification of project cost savings and value analysis.
- Work to jointly develop a grants and revenue strategy with Sound Transit to seek additional outside revenues and an advocacy plan to achieve the strategy. This would include consideration of additional federal resources and evaluation of financing and revenue assumptions made by Sound Transit.
- Identify potential local revenue options and local contributions that could be considered for the project.

To meet the requested timeline established in the Sound Transit Board motion, a list of potential options would need to be developed by the end of September; the potential values of the options would be identified by the end of December and a plan for additional resources should be formally provided to the Sound Transit Board sometime in early 2010 (triggered by the completion of the 15% design cost estimates).

Staff believes that all three components of the approach will need to be utilized in some form to reach a reasonable funding proposal.

***Funding to Accomplish City Workplan***

The consultant resources expected to be required to deliver the City's work plan exceed currently programmed resources for the East Link project. As a consequence, the City proposes allocating existing operating budget and CIP resources to accomplish this work plan. Staff currently

estimates a total of nearly \$1.1 million will be required for specialized consultant assistance and tools such as VISSIM traffic modeling software.

Staff proposes to allocate \$50,000 from the Transportation Department operating budget to fund this work. Staff further proposes to allocate or reallocate funds from existing CIP projects as follows:

- Allocate \$200,000 from PW-R-153 for work on NE 15/16<sup>th</sup> and the 122<sup>nd</sup> LRT station/street interface
- Reallocate \$300,000 from ED-2 (Downtown Parking Initiative)
- Allocate \$320,000 from PW-R-147 (DIP Implementation)
- Allocate \$50,000 from PW-R-130 (HCT Study)
- Allocate \$150,000 from PW-R-44 (Transportation Planning Studies)

Reallocation of resources from the CIP and operating fund sources cited above will have implications for other work that the City will not be able to accomplish during the 2009-2010 period. For example, reallocation of funds from the downtown parking project will consume resources that would have been used to address Downtown parking issues, such as loss of parking associated with the Downtown park expansion. Staff will return on July 20, 2009 with an ordinance amending the CIP to accomplish this project.

At the July 6 meeting, staff is seeking Council direction to proceed with East Link work as outlined above.

### **OPTIONS**

1. Provide direction to proceed with the proposed East Link work program as outlined.
2. Provide alternative direction to staff.

### **RECOMMENDATION**

Staff recommends Option 1.