

City of Bellevue
East Link Tunnel Funding
Open House Boards
September 20, 2011

Financial Elements in East Link Term Sheet

- Pursuant to bridging the cost difference between tunnel and at-grade alignment through Downtown
- Non-binding commitment to negotiate in good faith toward future binding MOU
- Up-front commitment to take certain actions to reduce Sound Transit's costs by \$100M
 - Permanent and temporary easements
 - Utility relocates
 - Tax give-back
 - Other potential actions
- Depending on total Project costs and other considerations, City to bring total contribution up to \$160M

Draft Principles

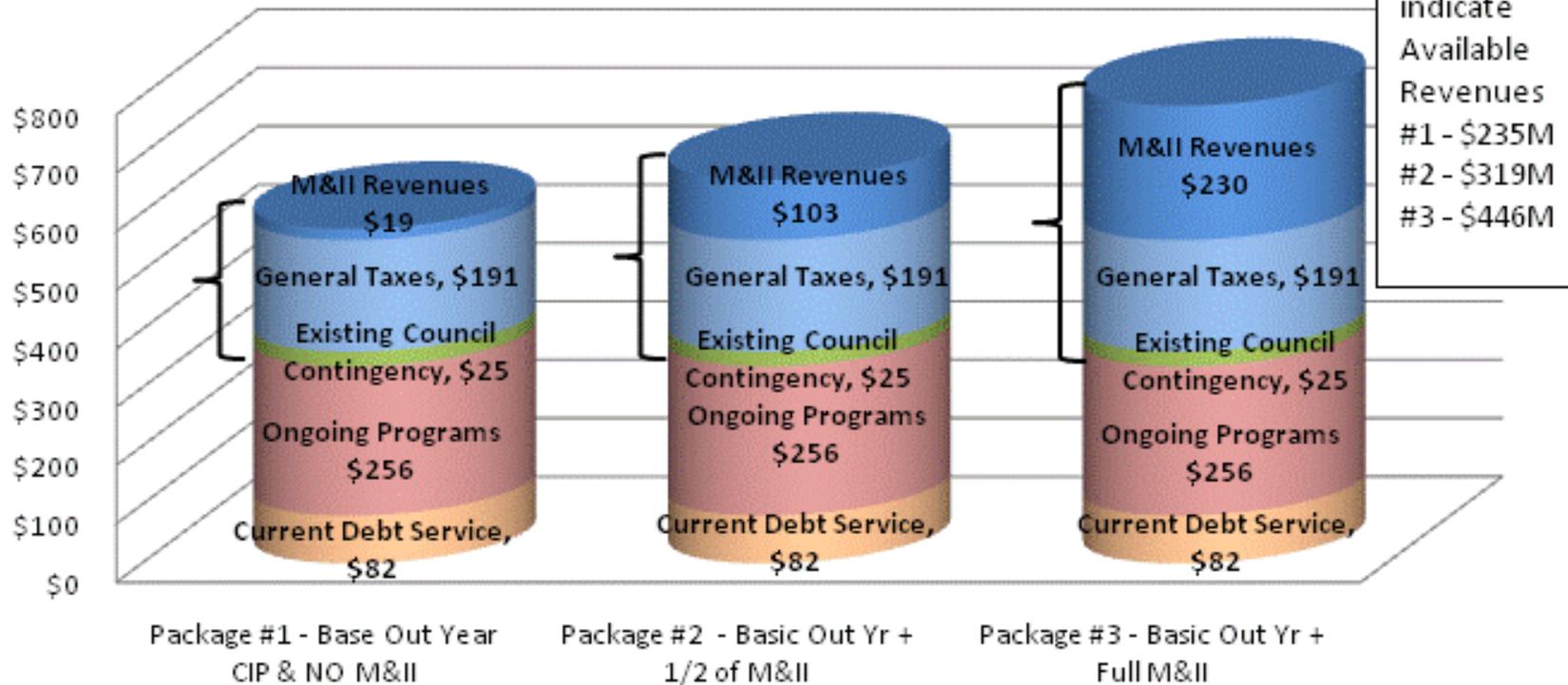
1. Work cooperatively with Sound Transit to reduce costs/seek outside financial resources
2. Reduce City's contribution if funding gap closes, or if unanticipated costs savings
3. City's contribution is contingent on cooperative alignment
4. City participation in risk and benefit sharing must reflect areas within the City's control or influence
5. City must participate in design and oversight if it is to be financial partner
6. Determining affordability requires consideration of level and timing of \$ contribution, implications on budget and tax policy, other capital needs
7. City contributions should reduce Project costs at lowest cost to City:
 - First, ST value requiring no cash expenditures
 - Second, collateral benefits
 - Third, contingent contribution

Proposed List of East Link Contributions, with Timing

Item	Value for East Link Contribution	City Cost—New General CIP	Project in Mobility & Infrastructure Initiative?	Additional City Benefits/Values	Timing	Notes
<p>Category 1: No Cost or Low Cost to the City</p> <ul style="list-style-type: none"> • NE 2nd pocket parks easement • Bel-Red utilities property easement • Mercer Slough easement • Surrey Downs Park easement • City Hall easement • Public utilities relocation • Help with private utilities relocation • Sales tax credit 	\$40.4 million	\$2.5 million	No	No	2014	<p>Addl. costs to Utilities of \$7.6 million—not part of balancing General CIP</p> <p>Assumes “interim” approach to City Hall parking replacement</p>
<p>Category 2: Provide Corollary City Benefits</p> <ul style="list-style-type: none"> • Metro site and other specific property acquisitions 	59.6 million	\$58 million	Metro site is included in M&I. Other properties may also be included in M&I.	City will accrue significant added benefits from the property acquisitions. All are needed for City ROW or park uses.	2014	<p>City cost reduced by selling excess NE 12th ROW</p> <p>City cost may also be reduced if less than full parcels are permanently needed.</p>
<p>Category 3: Contingent Contribution <u>Currently under discussion with Sound Transit staff; no agreement at this time</u> Menu of items; e.g.:</p> <ul style="list-style-type: none"> • HOV lane on Bellevue Way • Code amendments that provide Sound Transit with greater certainty • Permit processing that saves time and reduces the project schedule • Construction mitigation • Cost reductions as a result of value engineering and/or reductions in project scope • Grant funding or partnerships that provide additional funding for the Project 	Up to \$60 million Final number depends upon the cost of the Project within Bellevue, benefit and risk sharing allocations and Project cost reconciliation	\$25 million for HOV lane Other costs TBD	No	City gains long-term benefit of south-bound HOV lane on Bellevue Way	HOV lane design 2012; construction 2013-14 Other credits accrue over time	

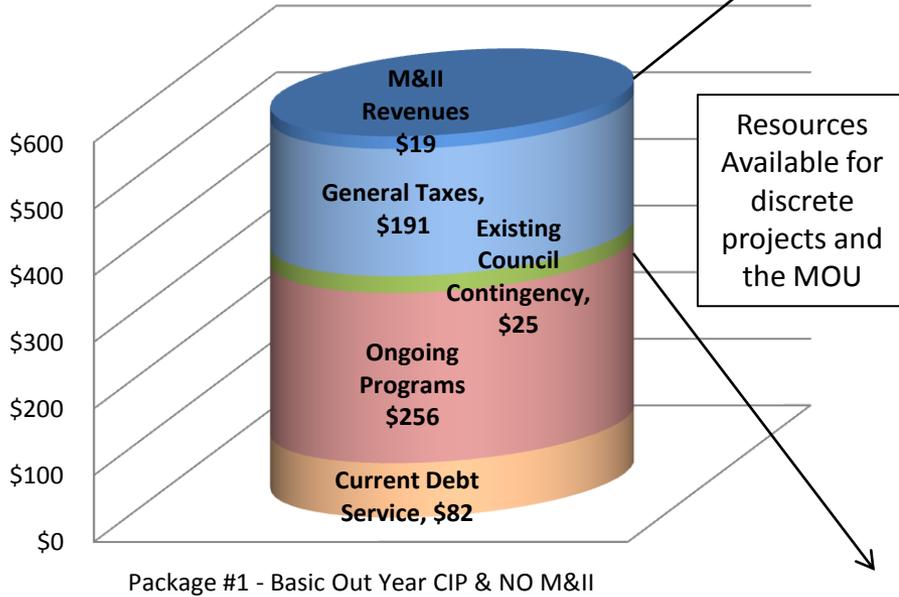
Future CIP Revenue Scenarios

Funds Available 2018-2030
(\$ millions)



REVENUE AND PROJECT SCENARIOS -- FOR ILLUSTRATIVE PURPOSES ONLY

Package #1 - Basic Out Year CIP & NO M&II 2018-30 (\$ in millions)



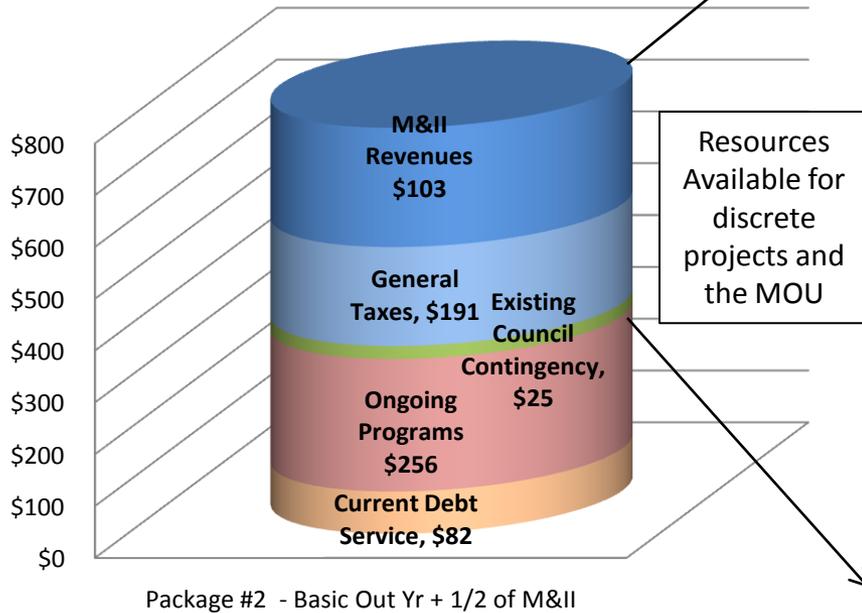
Potential Project Expenditures

General Taxes	M&II Revenues
2008 Parks Levy Match Commitment (\$17.5M)	120 th Avenue Stage 3 (\$19.0M)
W Lk Samm– complete Phase 2 to Weowna Park (\$5.7M)	
Backup Cooling System in City Hall (\$0.1M)	
Left Turn Restrictions Downtown (\$0.3M)	
Northup Way /Bellevue Way to NE 24 th St (\$1.0M)	
Intersection Improv Downtown (\$7.5M)	
Chism/Clyde Park Restoration/Redevelopment (\$5.0M)	
Sidewalk and Other Ped Improv Dntwn (\$5.0M)	
Neighborhood Sidewalks (\$20M)	
NE 2 nd St Park Row, north of 2 nd 108 th -111 th (\$14.0M)	
Downtown Fire Station (\$6.5M)	
124 th Ave NE at SR-520 (\$0.3M)	
Category 1 MOU: No Cost to Low Cost (\$2.5M)	
Category 2 MOU: Property Acquisitions – (\$58M)	
Category 3MOU: Bellevue Way HOV (\$25M)	
Finance Cost Placeholder (\$48M)	Finance Cost Placeholder (minimal)

These scenarios are intended as an exercise to illustrate how far revenues may go towards funding the MOU investment and other city needs. These are not meant to represent conclusions as to whether any particular project should be in or out of future CIPs, nor have these scenarios been endorsed by the City Council.

REVENUE AND PROJECT SCENARIOS -- FOR ILLUSTRATIVE PURPOSES ONLY

Package #2 - Basic Out Year CIP & 1/2 M&I 2018-30 (\$ in millions)



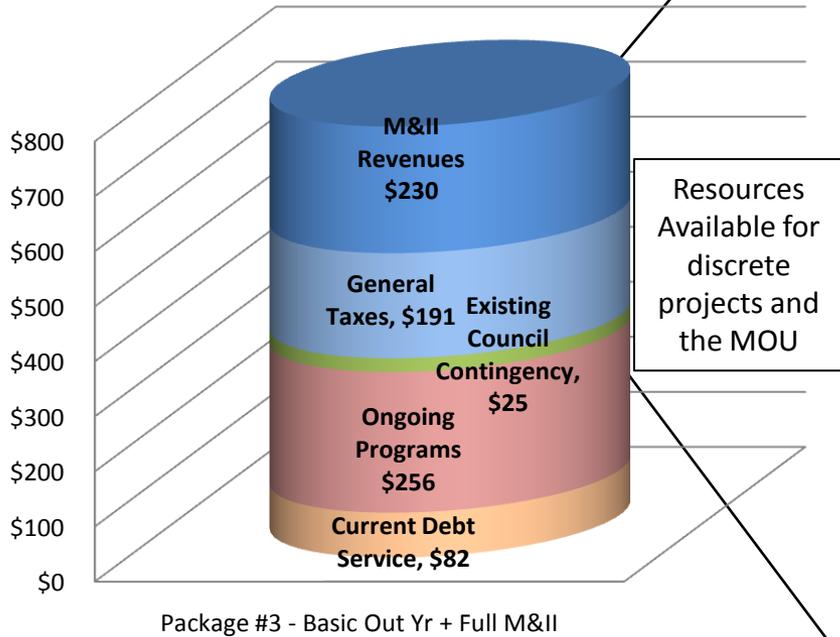
Potential Project Expenditures

General Taxes	M&I Revenues
2008 Parks Levy Match Commitment (\$17.5M)	120 th Avenue Stage 3 (\$20.7M)
W Lk Samm— complete Phase 2 to Weowna Park (\$5.7M)	NE 15 th St –Segment 1 (\$75.3M) • partial Category 2 MOU Property Acquisition
Backup Cooling System in City Hall (\$0.1M)	
Left Turn Restrictions Downtown (\$0.3M)	
Northrup Way /Bellevue Way to NE 24 th St (\$1.0M)	
Intersection Improv Downtown (\$7.5M)	
Chism/Clyde Park Restoration/Redevelopment (\$5.0M)	
Sidewalk and Other Ped Improv Dntwn (\$5.0M)	
Neighborhood Sidewalks (\$20.0M)	
NE 2 nd St Park Row, north of 2 nd 108 th -111 th (\$20.7M)	
Downtown Fire Station (\$6.5M)	
124 th Ave NE at SR-520 (\$0.3M)	
Mid-Block Crossings (\$4.0M)	
Bel-Red Park Acquisition/Development (\$20.0M)	
Category 1 MOU: No Cost to Low Cost (\$2.5M)	
Category 2 MOU: Property Acquisitions (balance)	
Category 3MOU : Bellevue Way HOV (\$25.0M)	
Finance Cost Placeholder (\$30M)	Finance Cost Placeholder (\$7M)

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REVENUE AND PROJECT SCENARIOS FOR ILLUSTRATIVE PURPOSES ONLY

Package #3 - Basic Out Year CIP & Full M&I 2018-30 (\$ in millions)



Package #3 - Basic Out Yr + Full M&I

Potential Project Expenditures

General Taxes	M&I Revenues
2008 Parks Levy Match Commitment (\$17.5M)	120 th Avenue Stage 3 (\$20.7M)
W Lk Samm – complete Phase 2 to Weowna Park (\$5.7M)	NE 15 th St –Segment 1 (\$92.8M) •Partial Category 2 MOU Property Acquisitions
Backup Cooling System in City Hall (\$0.1M)	Other Category 2 MOU Property Acquisitions
Left Turn Restrictions Downtown (\$0.3M)	124 th Ave NE/NE 15 th /16 th St to Northup (\$17.2M)
Northup Wy /Bellevue Wy to NE 24 th (\$1.0M)	Neighborhood Sidewalks (\$20.0M)
Intersection Improv Downtown (\$7.5M)	Bel-Red Land Acquisitions (\$27.0M)
Chism/Clyde Park Restoration/Redevel (\$5.0M)	Downtown Fire Station (\$6.5M)
Sidewalk and Other Ped Improv Dntwn (\$5.0M)	Pedestrian Corridor Improvements (\$3.0M)
NE 2 nd St Park Row, north of 2 nd 108 th -111 th (\$20.7M)	
124 th Ave NE at SR-520 (\$0.3M)	
Mid-Block Crossings (\$4.0M)	
Meydenbauer Bay Park & Connection (\$30.6M)	
Bel-Red Park Acquisition/Development (\$20.0M)	
Northwest Village Neighborhood Park (\$10.0M)	
NE 2 nd St Widening from Bellevue Way to 112 th (\$20.8M)	
Ashwood Park Development (\$10.0M)	
Business Intelligence/Performance Management System (\$0.5M)	
108 th Ave NE from Main St to NE 12 th (\$6.5M)	
Category 1 MOU: No Cost to Low Cost (\$2.5M)	
Category 3 MOU: Bellevue Way HOV (\$32.0M)	
Finance Cost Placeholder (\$23M)	Finance Cost Placeholder (\$10M)

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