City of Bellevue

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June 23, 2014

Mr. Kent Hale
Senior Environmental Planner
Sound Transit
401 South Jackson Street
Seattle, WA 98104

RE: Bellevue City Council Response to Draft Environmental Impact Statement (DEIS) for Sound Transit Link Operations and Maintenance Satellite Facility

Dear Mr. Hale:

For almost a decade the City of Bellevue has endeavored to partner with Sound Transit on a plan to route light rail through the heart of the Bel-Red Corridor and realize a land use vision that enables *light rail*-oriented development. The product of this collaboration is the Bel-Red Plan, a 900 acre land use and multi-modal transportation vision which has earned national acclaim. Already the Plan is bearing fruit, with hundreds of apartments and half a million square feet of office space underway near the future Spring District Station. Near term private sector plans call for thousands of multi-family homes for the citizens of the Puget Sound region and millions of square feet of sustainable, transit-oriented office space that will provide the infrastructure to enable the creation of American jobs for the next generation.

We have had our differences with respect to the alignment and mitigation of impacts in other areas of the City, but we continued to work to resolve those differences and agreed on an alignment that enables high ridership for the region and exceptional mitigation for our community. This effort culminated in the Memorandum of Understanding (MOU) signed between our two organizations in November of 2011.

Sound Transit's proposal to site a 96 car, 25 acre Operations and Maintenance Satellite Facility (OMSF) in the Bel-Red corridor threatens to derail this decade of effort. A decision to site the OMSF in any of the proposed Bellevue locations with the configuration and features included in the DEIS delivers a direct threat, and a potentially more dangerous indirect threat, to the long-term success of our transit-oriented, smart-growth Bel-Red vision. The proposed Bel-Red OMSF alternatives:

- Ignore the Bel-Red planning effort that was crafted to guide the light rail alignment to maximize transit oriented development. Light rail is a fixed-guideway mode that can attract strong redevelopment in a way that moveable bus routes do not;

- Are inconsistent with the community vision, Bellevue's comprehensive planning, and current zoning;
- Do not support the considerable public and private investment that is already occurring in the Bel-Red corridor consistent with local and regional planning;
- Send the wrong message to the market should one of the first large developments in Bel-Red be an expanded industrial use; and
- Will result in the loss of tens of millions of dollars in local revenue based on the anticipated Bel-Red transformation, particularly in the areas around the stations. This undercuts the City's ability to fund the infrastructure needed for the plan and further puts the redevelopment of this area at risk.

The Bel-Red site alternatives may look like a one-time savings to Sound Transit, but it undermines the value of building light rail in the first place.

The timing of the OMSF study and proposed alternatives runs counter to our good-faith negotiations on the MOU. Sound Transit's 2012 proposal for a facility the size of the SODO maintenance facility was not disclosed in any proposal or analysis of Sound Transit's East Link project. The maintenance facility alternatives that were included in the East Link environmental analysis and the FTA Record of Decision were facilities of 10 to 14 acres that would provide storage and maintenance for 40 to 50 vehicles. The OMSF now proposed is not the facility considered and analyzed with East Link, and the land use, economic, noise, vibration and ecosystem impacts are not the impacts that were considered and analyzed in the East Link FEIS and FTA Record of Decision. Based on the information in this Draft EIS and the East Link FEIS, it appears that additional mitigation may be necessary along the East Link alignment to address the impacts of locating a 96-car OMSF within the Bel-Red area.

Under the City's SEPA authority, those impacts, to the extent they occur along areas of the alignment outside of the physical boundaries of the OMSF, will need to be addressed. For example, additional noise impacts between the hours of 1 a.m. and 5 a.m. may potentially require mitigation along sensitive areas of the alignment beyond that addressed in the East Link FEIS and Record of Decision. In addition, more frequent train trips, as Sound Transit "charges the line" for morning service from cars maintained or stored at an OMSF in Bel-Red, may require different treatment of the currently proposed three at-grade East Link street crossings. We expect Sound Transit's cooperation in reviewing these issues throughout the East Link permitting process to ensure that effective mitigation can be incorporated into the East Link facility without entailing additional cost for retrofit or reconstruction.

The City of Bellevue is also submitting a detailed technical comment letter that outlines as many of the flaws in the OMSF analysis. We encourage your thorough review of that letter, but a few of the more significant issues are as follows:

<u>Specific to BNSF Alternative 2</u>, the DEIS does not begin to adequately address the opportunity cost of the OMSF impacting redevelopment within the Spring

District Station node, which is planned for dense, mixed-use neighborhoods with heights up to 150'.

Alternative 2 would remove more than 23 acres from potential redevelopment. The opportunity cost of the intended future redevelopment to Bellevue revenues alone (property tax, B & O tax, and sales tax) is estimated at more than $6 million per year, just for the 23 acres occupied by the OMSF. In addition, Bellevue could lose up to $50 million in impact and incentive fees that are earmarked for traffic and environmental mitigation in the area. The net present value of the fiscal benefits foregone from the assumed development over a 30 year period is estimated to be roughly $140 million. This excludes the State's portion of the sales tax which would approach $75 million alone during this period.

The BNSF alternative is adjacent to a 25 acre Metro bus parking and maintenance facility. In planning Bel-Red, the existing Metro site was seen as the City's share of regional transportation infrastructure at present, with the potential of future relocation. The OMSF represents a much greater impact, a permanent timeframe and, when combined with the Metro site, puts a total of more than 50 acres into inactive, flat surface parking and maintenance use. This has immense impacts on the potential for TOD redevelopment in the area.

<u>The BNSF Modified Alternative 3</u> OMSF would create impacts similar to those named above. In addition, it would displace 25 businesses with an estimated 420 employees and impact other private businesses in the City's Medical Office district, including new development and planned expansion of Seattle Children's Bellevue Clinic and Surgery Center. The BNSF Modified alternative would also displace Bellevue's Public Safety Training Facility, a regional training center for police and fire professionals, as described in Bellevue's DEIS technical comments.

<u>Specific to the SR 520 Alternative 4</u>, the DEIS does not adequately address the impacts of displacing a vital intact commercial district with more than 100 businesses and 1,000 employees. Although the DEIS concludes that "there is little to no community character in the areas south of SR 520" (Sec. 3.5.2.3) these uses comprise a coherent and positive community character of a vibrant retail corridor supporting a plethora of small independent businesses that serve community needs. Unfortunately, many of these businesses could not survive relocation.

The land use impacts of the SR 520 alternative would be exacerbated by an additional 4.5 acre East Link construction staging site to the east. Except for 2 small parcels, Sound Transit's full and partial takes of property for these 2 uses would stretch over 30 acres from 130th Ave. NE to 136th Place NE.

On the SR 520 alternative's west end, Goff Creek would be piped beneath the facility. The City has a vision for opening and restoring this stream and

connectivity to downstream habitats. Piping Goff Creek is inconsistent with the Comprehensive Plan vision to re-open and restore streams in the Bel-Red Subarea.

The opportunity cost of the SR 520 OMSF displacing existing and future development to Bellevue revenues (property tax, B & O tax, and sales tax) is estimated at more than $1 million per year, just for the 25 acres occupied by the OMSF. The net present value of the fiscal benefits foregone from the assumed development over a 30 year period is estimated to be roughly $64 million. This excludes the State's portion of the sales tax which would approach $115 million alone during this period.

Further, the OMSF does not work well operationally at this location. Modifications to the profile and geometry of this portion of the East Link mainline would be required to accommodate the lead track connection to the OMSF, which would result in a reduction in operating speed on the mainline.

In late 2012 when these OMSF site alternatives were forwarded for environmental review, both the Sound Transit Capital Committee (December 13, 2012) and Sound Transit Board (December 20, 2012) charged staff to be creative and flexible in reducing the OMSF impacts, particularly in the Bel-Red area that is zoned for dense, mixed use development. However, the DEIS does not include any fully developed alternatives that address the potential to minimize impacts by redesigning or reducing the size of the facility. Also, there are no alternatives that redesign or reduce the size of the facility included in the decision package that will be taken to the Sound Transit Board. While we do not suggest that the facility designs and modifications included in the Urban Land Institute (ULI) Panel's review of the OMSF sites are adequate to address all of our concerns, the ULI Panel's work in its entirety should be included in the environmental record for this project.

The OMSF proposals in Bel-Red undermine a light rail alignment that can attract strong transit oriented redevelopment. They are inconsistent with Bellevue's Bel-Red Plan, with Sound Transit's own TOD Policy, K4C efforts to address climate change, and FTA guidance for transit oriented development. The OMSF is inconsistent with direction to focus development in centers around transit adopted in the Countywide Planning Policies, the regional Vision 2040 with its Growing Transit Communities Strategy, and the Growth Management Act (GMA).

We believe that a reevaluation of the Link Light Rail operation and maintenance need is warranted. We recognize that the operation and maintenance functions are vital to the system and that they need to be located appropriately. However, the scale, configuration and placement of the Bellevue options described in the DEIS are inappropriate. Sound Transit needs to re-evaluate alternative sites and system options and take a more creative approach to identifying solutions that work for Sound Transit and fit in the community. New concepts, such as splitting portions of the maintenance facility to reduce the impact in any one area, should also be considered.

Perhaps most importantly, Sound Transit's selection of any of the Bel-Red OMSF Alternative sites would (1) undermine the foundation of the City's previous agreements with Sound Transit; (2) would be inconsistent with local, regional and state policies including GMA; and (3) would be extremely damaging to the hard-won partnership we have developed over the last two years, in fact, risking a move backward.

Regardless of the OMSF site selection, there is still much work to be done, and the timely completion of the system requires that Bellevue and Sound Transit continue to work together. Pursuing the siting of the OMSF in Bellevue as described in the DEIS without abiding by the Board's own direction to explore creative solutions means that Sound Transit is working at cross-purposes against a decade's worth of collaborative planning. Our hope is that we can continue to work together to see Eastside light rail through to the finish line, and that the OMSF will not become a severe obstacle working against that end. We hope you agree.

Sincerely,

Claudia Balducci
Bellevue Mayor

Kevin Wallace
Bellevue Deputy Mayor

CC: Sound Transit Board of Directors
Bellevue City Council
Brad Miyake
David Berg
Mike Brennan
Chris Salomone