



King County

Department of Natural Resources and Parks
Water and Land Resources Division

Memo

Date: August 28, 2008

To: Dan Stroh, Planning Director, City of Bellevue

From: Darren Greve, King County TDR Program Manager

RE: Proposed Terms for a City of Bellevue – King County TDR Interlocal Agreement

Dan,

This letter follows up on our August 26th meeting where I indicated I would send you an outline of the specifics surrounding a TDR proposal.

In this regards, King County offers the following terms to the City of Bellevue to establish a City-County TDR interlocal agreement:

1. King County will provide the City of Bellevue with a \$750,000 TDR Amenity payment to go towards the creation of parks and open space inside the Bel-Red Corridor per the Bel-Red Sub Area Plan;
2. In exchange for the TDR Amenity payment, the City agrees to allow up to 75 *Rural* transferable development rights (TDRs) to be purchased by developers for Bel-Red redevelopment.¹
 - a) These Rural TDRs shall originate from private properties in Rural King County that are of compelling interest for the City to protect;

¹ The development potential that a Rural TDR translates into (i.e. the “TDR ratio”) will need to be determined. That is, 1 TDR = some amount of additional commercial/residential sf. The number of TDRs may be adjusted depending upon the agreed-upon TDR ratio. The goal here being to make the TDR meaningful enough to the developer such that he/she will be willing to pay a competitive / market-rate TDR price.

examples include: rural farm properties that sell in Bellevue's Farmers Market and/or priority properties that lie within the Mountains to Sound Greenway.

- b) The City and the County will work jointly to determine where the rural development rights originate; however the City can hold the ultimate decision
 - c) The County would work to enroll these lands into the TDR program
3. To receive **full** payment up-front (\$750,000), the City agrees to prioritize Rural TDRs as a Tier 1 option, along side "parks and streams", in its Bel-Red FAR Amenity Incentive System in commercial and residential nodes.
- a) The time horizon of the agreement shall be until 75 TDRs have been purchased and used for Bel-Red redevelopment

The up-front Amenity money, triggered by the use of Rural TDRs, will reduce developer costs and will help the City to put park infrastructure in place now rather than later – that is, at some later time when a developer must do so through the FAR Incentive System. This reduction in developer costs, together with the infrastructure timing, will act to encourage an early pioneering development in the Bel-Red Corridor which is often the catalyst for large redevelopment projects like Bel-Red.

Considering these points together with the preservation of rural lands important to Bellevue's residents should create a win-win and overall net benefit to the City.

I look forward to discussing the terms of this City-County TDR proposal with you,



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