

MOTION NO. M2010-94
Approve full funding for the First Hill Link Streetcar Project

| MEETING: | DATE: | TYPE OF ACTION: | STAFF CONTACT: | PHONE: |
|----------|----------|-----------------|---|----------------------------------|
| Board | 10/28/10 | Final Action | Ric Ilgenfritz Executive Director Val Batey Senior Transportation Planner | 206-398-5239 206-398-5117 |

PROPOSED ACTION

Approves full funding for the First Hill Streetcar project per the funding and cooperative agreement between the City of Seattle and Sound Transit in an amount not to exceed \$132,780,000.

KEY FEATURES

- The funding and cooperative agreement with the City of Seattle on the First Hill Streetcar project requires the Sound Transit Board to make a final decision on funding the project once the City has selected a streetcar route and completed environmental review pursuant to SEPA.
- The agreement provided up to \$5.4M for the City to prepare environmental documentation, conceptual engineering and any other activities that had no adverse environmental impact, did not limit the choice of reasonable alternatives and were otherwise consistent with SEPA.
- The City selected the route for the First Hill Streetcar by Seattle City Council action on May 3, 2010.
- The City, with Sound Transit as a co-lead agency, published a Mitigated Determination of Non Significance on October 4, 2010.
- Board approval of full funding is necessary to implement the project as outlined in the funding and cooperative agreement. Funding will be paid quarterly to the City of Seattle according to a payment schedule established by the agreement.

PROJECT DESCRIPTION

Provides funding for planning, design and construction of the First Hill Streetcar, through a funding and cooperative agreement with the City of Seattle. The agreement caps Sound Transit's capital contribution to the project at \$120 million (2007 dollars), less Sound Transit's costs to administer payments to the City, review the design and contract documents, and to monitor progress and adherence to the agreement. Per the agreement Sound Transit reimburses the City when invoiced on a payment schedule.

FISCAL INFORMATION
Budget Table

(Year of Expenditure \$000)

| First Hill Streetcar | Proposed 2011 Budget (A) | Committed To Date (B) | This Action (C) | Total Committed & Action (D) | Uncommitted (Shortfall) (E) |
|-----------------------------|--------------------------------|-----------------------------|--------------------|------------------------------------|-----------------------------------|
| Agency Administration | 3,867 | 6 | - | 6 | 3,861 |
| Third Party Agreements | 128,913 | 128,913 | - | 128,913 | 0 |
| Total Current Budget | 132,780 | 128,919 | - | 128,919 | 3,861 |

(B) COMMITTED TO DATE amounts are from Link WBS Report as of September 2010 + approved and pending board actions not recorded as of 9/30/10, or submitted after that date, and include allocated contingencies.

(C) THIS ACTION does not have any budget impact.

BACKGROUND

On July 28, 2005, the Sound Transit Board adopted Resolution No. R2005-20, which modified the preferred route and station locations for the North Link project and removed the First Hill Station from the preferred alternative. This Board decision was based on technical findings and a Sound Transit staff recommendation related to the engineering, geology, construction risks, and other challenges associated with the First Hill Station.

The Board determined that improved regional transit service to First Hill should be provided and directed staff to complete the First Hill Work Plan. On January 26, 2006, the Sound Transit Board authorized staff to proceed with the second phase of the First Hill Work Program including technical work on a potential First Hill transit connector (streetcar and bus) and improvements in the Broadway and Madison corridors. Additionally, this effort included conceptual engineering (five percent design completion), preparation of cost estimates, and consideration of environmental issues. The First Hill Work Program was completed on April 17, 2007 by Sound Transit staff, in cooperation with City of Seattle and King County Metro staff, and with the support of the ST2 engineering design team.

The ST2 plan adopted by the Board on July 24, 2008 included capital and operating contributions to “a new streetcar connector line between downtown Seattle, First Hill, and the future Capitol Hill light rail station.” The adopted ST2 plan states that the new connector will also provide convenient access to the Sounder commuter rail system and regional bus service.

In November 2009 Sound Transit and the City of Seattle signed a funding and cooperative agreement for the implementation of the First Hill Link Connector project. The City has experience in the design, construction and operation of modern streetcar connectors and will design, construct and operate the streetcar that is being funded by Sound Transit.

The agreement defines the First Hill Link Connector as streetcar service operating between the Chinatown/International District Station and the Link station on Capitol Hill every ten minutes during peak periods and every 20 minutes during off peak. Sound Transit will retain the fare box revenues unless the City contributes to the cost of operations and maintenance, then revenues can be proportionally shared. Sound Transit can assume operations of the First Hill Streetcar if the City and King County Metro cannot reach an agreement for initial operation or after the initial five years of operation by Metro King County. The City of Seattle will be in charge of design construction, equipping and operating the First Hill Streetcar Project. The City will also handle community outreach and customer service, and will pay for any cost overruns beyond Sound Transit’s maximum funding obligation. The City will own the facilities and vehicles but will acknowledge Sound Transit’s funding and incorporate Sound Transit’s logo on the vehicles. The agreement will remain in effect through December 31, 2023, unless otherwise terminated with the provisions of the agreement.

The agreement provided up to \$5.4M for the City to prepare environmental documentation, conceptual engineering and any other activities that had no adverse environmental impact, did not limit the choice of reasonable alternatives and were otherwise consistent with SEPA.

The proposed First Hill Streetcar links First Hill employment centers to the regional transit system via connections at the Capitol Hill light rail station and in the International District. The First Hill Streetcar will link the Capitol Hill, First Hill and International District/Chinatown neighborhoods while serving medical, higher education and employment centers. The route, approximately 2.5 miles long, will operate in the street right-of-way on Broadway, E Yesler Way, 14th Avenue S, S Jackson Street and Second Avenue S. There are ten proposed stops located in the vicinity of Broadway and E Denny Way, Broadway and E Union Street, Broadway and Marion Street, Broadway and E Terrace Street, E Yesler Way and Broadway, 14th Avenue S and E Yesler Way, S Jackson Street and 12th Avenue S, S Jackson Street and 7th Avenue S, S Jackson Street and 5th Avenue S, and 2nd Avenue S and S Jackson St.

The preferred route is substantially the same as the route proposed by Sound Transit and included in the 2007 First Hill Work Program, with a few of exceptions:

- The preferred route is on Broadway rather than Boren Avenue S between E Yesler Way and E Alder Street. Broadway is preferred because it is less congested and better serves the Yesler Terrace neighborhood.

- The preferred route is on 14th Avenue S rather than 12th Avenue S between S Jackson Street and E Yesler Way. This routing avoids an issue revealed earlier in Sound Transit's 2007 conceptual design: an aging 42" water main, the Cedar River pipeline, lies in the 12th Ave right-of-way, which would require in additional protect and/ or avoidance of the pipeline.
- The preferred route extends west on S Jackson Street to 2nd Avenue S in the Pioneer Square neighborhood. This provides a means of streetcar turn-back that does not adversely affect traffic and transit in the transit-intensive hub area around the International District Station.

Two alternative sites for the maintenance yard and barn have been carried through the environmental review process. One is the City's existing Charles Street Shops (at S Dearborn Street and 8th Avenue S). The other on the block bounded by E Yesler Way, Boren Avenue, E Fir Street and 12th Avenue. This property is owned by the Seattle Housing Authority and requires an agreement and coordination with that agency.

ENVIRONMENTAL COMPLIANCE

The City of Seattle issued a SEPA Mitigated Determination of Non Significance (MDNS) for the First Hill Street Car project on October 4, 2010. Sound Transit is a co-lead agency and has approved the MDNS. Pursuant to City of Seattle SEPA rules, the 14-day comment period on the MDNS expired on October 18, 2010. The appeal period expired on October 25, 2010.

JL 10/25/2010

PRIOR BOARD/COMMITTEE ACTIONS

Motion No. M2009-77 – Authorized the chief executive officer to execute a funding and cooperative agreement with the City of Seattle for the First Hill Link Connector Project.

Resolution No. R2009-19 – Amending the Adopted 2009 Budget and authorizing the annual capital budget of \$2.5 million for the First Hill Link Connector.

Resolution No. R2008-10 - Adopted a revised Sound Transit 2 Regional Transit System Plan.

Motion No. M2006-13 - Authorized staff to proceed with the next phase of the First Hill Work Program.

Resolution No. R2005-20 - Modified the preferred route and station locations for the North Link light rail project and removed the First Hill station from the preferred alternative.

TIME CONSTRAINTS

A one month delay would not create a significant impact to the project schedule.

PUBLIC INVOLVEMENT

The City of Seattle has held numerous public outreach forums in the affected neighborhoods from December 2009 through April 2010 leading up to the City Council's selection of the route for the First Hill Streetcar.

As part of the First Hill Work Program in 2005 - 2006, an extensive community outreach effort was Undertaken by Sound Transit. Staff met with and briefed diverse groups throughout the potential project area, held an open house, and mailed a fact sheet on First Hill Alternatives to approximately 24,000 addresses in the potential project area prior to the open house. In addition, Sound Transit distributed 2,000 copies of the fact sheet to community centers and other public facilities. The fact sheet was translated into four languages for use at the open house and other neighborhood briefings. Two additional fact sheets were produced containing corridor specific information. All materials and project information are posted on Sound Transit's website.

LEGAL REVIEW

JW 10/20/10

MOTION NO. M2010-94

A motion of the Board of the Central Puget Sound Regional Transit Authority approving full funding for the First Hill Streetcar project per the funding and cooperative agreement between the City of Seattle and Sound Transit in an amount not to exceed \$132,780,000.

BACKGROUND:

On July 28, 2005, the Sound Transit Board adopted Resolution No. R2005-20, which modified the preferred route and station locations for the North Link project and removed the First Hill Station from the preferred alternative. This Board decision was based on technical findings and a Sound Transit staff recommendation related to the engineering, geology, construction risks, and other challenges associated with the First Hill Station.

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Board approval of full funding is necessary to implement the project as outlined in the funding and cooperative agreement. Funding will be paid quarterly to the City of Seattle according to a payment schedule established by the agreement.

MOTION:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that full funding for the First Hill Streetcar project per the funding and cooperative agreement between the City of Seattle and Sound Transit in an amount not to exceed \$132,780,000 is approved.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 28, 2010.



Aaron Reardon
Board Chair

ATTEST:



Marcia Walker
Board Administrator