

## RESOLUTION NO. R2013-28

**To Acquire Real Property Interests in Bellevue Required for the East Link Extension**

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:	PHONE:
Capital Committee	11/14/13	Recommendation to the Board	Ahmad Fazel, DECM Executive Director	206-398-5389
Board	11/21/13	Final Action	Don Billen, East Link Deputy Project Director <b>Roger Hansen, Real Property Director</b>	206-398-5052  206-689-3366

## PROPOSED ACTION

Authorizes the chief executive officer to acquire, dispose, or lease certain real property interests in the South Bellevue/Downtown neighborhood of Bellevue, including acquisition by condemnation, and pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary for the East Link Extension.

## KEY FEATURES SUMMARY

- Authorizes the acquisition, disposal or lease of seven parcels in the South Bellevue/Downtown neighborhood in the City of Bellevue for construction of light rail facilities for the East Link Extension.
- The properties are needed for construction, maintenance and operation of the light rail guideway in the south Bellevue corridor.
- Sound Transit will pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary.
- The real properties identified in this requested action are included in Exhibit A.

## BACKGROUND

East Link extends light rail to east King County via I-90 from downtown Seattle to downtown Bellevue and the Overlake area of Redmond, with stations serving Rainier Avenue/I-90, Mercer Island, South Bellevue, Downtown Bellevue, Overlake Hospital, the Bel-Red Corridor, Overlake Village, and the Overlake Transit Center. The ST2 plan provides for environmental review for a future expansion between the Overlake Transit Center and downtown Redmond.

Sound Transit initiated East Link environmental and preliminary engineering work in 2006. The East Link final environmental impact statement was published in July 2011, in compliance with the State Environmental Policy Act (SEPA) and the National Environmental Policy Act (NEPA). The East Link route, profiles, and station locations were selected by the Sound Transit Board on July 28, 2011. The Federal Transit Administration and Federal Highway Administration issued a NEPA Record of Decision (ROD) for the project on November 16, 2011 and November 17, 2011, respectively. On November 17, 2011, the Sound Transit Board authorized the chief executive officer to advance the East Link Extension into final design. On March 26, 2013 the East Link Extension 2013 SEPA Addendum was issued. On April 22, 2013 the Bellevue City Council passed Resolution No. 8576 approving the East Link Project and on April 25, 2013 by Resolution No. R2013-09 the Sound Transit Board amended the route, profiles, and station locations for the East Link Extension. Revenue service between Seattle and the Overlake Transit Center is forecasted to begin in 2023.

Certain property interests have been identified as necessary for construction of the East Link Extension. The proposed action would authorize the acquisition of seven property interests from commercial properties, by condemnation, if necessary, to the extent permitted by law, as needed for the construction, operation and maintenance of the East Link Extension and the payment of relocation benefits to eligible affected owners and tenants. Sound Transit's authorizing legislation grants the agency the power of eminent domain to accomplish such acquisitions when efforts to reach agreement with property owners are unsuccessful.

The parcels identified in Exhibit A are in the vicinity of Main Street and 112<sup>th</sup> Ave SE extending to NE 6<sup>th</sup> Street near the Bellevue Transit Center Station along the light rail alignment identified in the East Link Extension.

## FISCAL IMPACT

This action is within the adopted budget and sufficient funds remain after approval of this action to fund the remaining work in the Right of Way Phase as contained in the current cost estimates.

East Link Extension	2013 TIP	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Agency Administration	66,539	20,059	0	20,059	46,480
Preliminary Engineering	61,123	55,123	0	55,123	6,000
Final Design	223,685	147,347	0	147,347	76,338
Right of Way	365,408	17,717	0	17,717	347,691
Construction	0	0	0	0	0
Construction Services	0	0	0	0	0
Third Party Agreements	40,064	5,110	0	5,110	34,954
Vehicles	0	0	0	0	0
<b>Total Current Budget</b>	<b>756,819</b>	<b>245,357</b>	<b>0</b>	<b>245,357</b>	<b>511,462</b>

<b>Phase Detail - Right of Way</b>					
ROW Phase	365,408	17,717	0	17,717	347,691
<b>Total Phase</b>	<b>365,408</b>	<b>17,717</b>	<b>0</b>	<b>17,717</b>	<b>347,691</b>

<b>Property Acquisition Details</b>				
	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Property Acquisition Contract	0	0	0	0
Contingency	0	0	0	0
<b>Total Contract Amount</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Percent Contingency	0%	0%	0%	0%

### Notes:

Amounts are expressed in Year of Expenditure \$000s.

Board Approvals to Date includes amounts through September 30th 2013, plus any pending Board Actions.

Project Budget is located on page 38 of the 2013 Transit Improvement Plan (TIP), plus any pending Board Action.

Board Approvals = Committed to-date + Contingency.

In accordance with Sound Transit policy, budgets for specific parcels will be discussed with the Board in executive session. Consistent with the current estimate at completion for real property acquisition, this action and acquisitions of remaining certified properties are affordable within the adopted project budget.

## SMALL BUSINESS PARTICIPATION

Not applicable to this action.

## EQUAL EMPLOYMENT WORKFORCE PROFILE

Not applicable to this action.

## PUBLIC INVOLVEMENT

Public outreach on the East Link Extension has taken place over the last six years. Outreach activities have included meeting with communities, property owners, businesses, stakeholders, local jurisdictions, and agencies. Since the project kickoff in 2006, Sound Transit has hosted 35 public meetings, while also holding nearly 300 briefings to property owners and stakeholders.

Sound Transit has utilized an extensive community outreach effort to ensure that potentially affected property owners and community members have had opportunities to be engaged in the decision-making process.

In compliance with state law regarding public notification, Sound Transit mailed certified letters to property owners affected by this action on November 5, 2013. Legal notices of this proposed Board action will be published in the Seattle Times newspaper on November 8 and 15, 2013.

## TIME CONSTRAINTS

Board authorization to acquire these properties is needed in order to be able to apply for permits from the City of Bellevue. Moving forward with the Board authorization and property acquisition at this time will facilitate securing construction permits in a timely manner.

## PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R2013-21: Authorized the chief executive officer to acquire, dispose, or lease certain real property interests, including acquisition by condemnation and pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary for East Link Extension.

Resolution No. R2013-22: Authorized the chief executive officer to acquire, dispose, or lease certain real property interests, including acquisition by condemnation and pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary for East Link Extension.

Resolution No. R2013-16: Authorized the chief executive officer to acquire, dispose, or lease certain real property interests including acquisition by condemnation, and pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary for the East Link Extension.

Resolution No. R2013-14: Authorized the chief executive officer to acquire, dispose, or lease certain real property interests including acquisition by condemnation, and pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary for the East Link Extension.

Resolution No. R2013-11: Authorized the chief executive officer to acquire, dispose, or lease certain real property interests including acquisition by condemnation, and pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary for the East Link Extension.

Resolution No. R2013-09: Selected the route, profiles, and station locations for the East Link Extension and superseding Resolution No. R2011-10.

Motion No: M2012-67: Authorized the chief executive officer to execute an Agreement with the City of Bellevue, HEI Bellevue LLC, and White/Peterman Properties Inc., to support construction, operation, and maintenance of the East Link Extension.

Motion No: M2011-81: Implemented the East Link Light Rail Extension.

Resolution No: R2011-10: Selected the route, profiles, and station locations for the East Link Extension.

Motion No: M2010-44: Modified the preferred light rail routes and stations previously identified in Motion No. M2009-41 for the East Link Light Rail Project Final Environmental Impact Statement.

## ENVIRONMENTAL REVIEW

JI 11/7/2013

## LEGAL REVIEW

JW 11/8/2013

**RESOLUTION NO. R2013-28**

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to acquire, dispose, or lease certain real property interests in the South Bellevue/Downtown neighborhood of Bellevue, including acquisition by condemnation, and pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary for the East Link Extension.

WHEREAS, the Central Puget Sound Regional Transit Authority, hereinafter referred to as Sound Transit, has been created for the Pierce, King, and Snohomish Counties region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, Sound Transit is authorized to plan, construct, and permanently operate a high-capacity system of transportation infrastructure and services to meet regional public transportation needs in the Central Puget Sound region; and

WHEREAS, in general elections held within the Central Puget Sound Regional Transit Authority district on November 5, 1996 and November 4, 2008, voters approved local funding to implement a regional high-capacity transportation system for the Central Puget Sound region; and

WHEREAS, environmental compliance pursuant to the State Environmental Policy Act (SEPA) for East Link was completed with the East Link Project Final Environmental Impact Statement (EIS) issued on July 15, 2011 and the East Link Extension 2013 SEPA Addendum issued March 26, 2013; the Federal Transit Administration and Federal Highway Administration issued a Record of Decision (ROD) for the project on November 16, 2011 and November 17, 2011, respectively, completing the National Environmental Policy Act (NEPA) process; and

WHEREAS, in order to acquire the properties determined to be necessary for the construction, operation and maintenance of project improvements required under Sound Move and ST2, it is necessary for Sound Transit to acquire by negotiated purchase or to condemn certain rights in the property for public purposes, and to pay eligible relocation and re-establishment benefits to affected parties; and

WHEREAS, Sound Transit has identified certain real properties as necessary for the construction and permanent location of the East Link Project that are reasonably described in Exhibit A of this resolution; and

WHEREAS, in order to acquire the properties determined to be necessary for the light rail construction, operation and maintenance in the South Bellevue/Downtown neighborhood of Bellevue, it is necessary for Sound Transit to acquire by negotiated purchase or to condemn certain lands and rights in property for public purposes, and to pay eligible relocation and re-establishment benefits to affected parties; and

WHEREAS, Sound Transit has commissioned or will commission appraisals to determine the fair market value of the properties, and will continue to negotiate in good faith with the owners of the properties authorized to be acquired by negotiated purchase or condemned, with the intent of reaching agreements for the voluntary acquisition of the property for fair market value; and

WHEREAS, the funds necessary to acquire the property by voluntary purchase or to pay just compensation adjudged due after condemnation and the funds necessary to pay eligible relocation and re-establishment costs shall be paid from Sound Transit general funds.

NOW THEREFORE BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority as follows:

SECTION 1. The chief executive officer is hereby authorized to execute such agreements as are customary and necessary for the acquisition, lease, or disposal of the real property interests described in Exhibit A (said property to be used for the East Link Extension) and incorporated herein by reference, and for the payment of eligible relocation and re-establishment costs. In accordance with Sound Transit's adopted Real Property Acquisition and Relocation Policies, Procedures and Guidelines, the acquisition price of the properties shall not exceed the fair market value to be determined through the appraisal process; provided that in the event the total of the acquisition, relocation, and re-establishment costs of the properties for the East Link Extension

exceeds Sound Transit's approved budget for right-of-way acquisition (plus contingency), then the chief executive officer shall obtain approval from the appropriate committee or the Board, per Resolution No. 78-2, before the acquisition of the property for the East Link Extension by purchase or by condemnation and the payment of eligible relocation and re-establishment costs.

SECTION 2. The chief executive officer or her designee is hereby authorized to settle condemnation litigation or enter administrative settlements (a settlement in lieu of initiating condemnation litigation) for the acquisition of the real property interests described in Exhibit A. Such settlements shall be made only upon the finding of legal counsel that the settlement is consistent with the law and is reasonable, prudent, and in the public interest. Such settlements shall not exceed established project budgets. For all other settlements proposed, the chief executive officer shall obtain prior approval of the appropriate committee or the Board, per Resolution No. 78-2.

SECTION 3. The Sound Transit Board deems the East Link Extension, to be a public use for a public purpose. The Board deems it necessary and in the best interests of the citizens residing within Sound Transit's boundaries to acquire the property identified in Exhibit A as being necessary for the construction, operation, and permanent location of the East Link Extension, parties be paid relocation and re-establishment costs associated with displacements from the properties.

SECTION 4. The Sound Transit Board of Directors finds that the public health, safety, necessity, convenience, and welfare demand and require that the properties described in Exhibit A be immediately acquired, condemned, appropriated, taken and damaged for the construction, operation, and permanent location of the East Link Extension.

SECTION 5. In addition to the authority granted the chief executive officer in Section 1 above, condemnation proceedings are hereby authorized to acquire all, or any portion thereof, of the properties and property rights and/or rights in those of the properties described in Exhibit A to the extent permitted by law, for the purpose of constructing, owning, and operating a permanent

location of the East Link Extension and light rail guideway. The chief executive officer is also authorized to make minor amendments to the legal descriptions of the properties described in Exhibit A, as may be necessary to correct scrivener's errors and/or to conform the legal description to the precise boundaries of the property required for the Project.


SECTION 6. The funds necessary to acquire the property by purchase or to pay just compensation adjudged due after condemnation shall be paid from Sound Transit general funds.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on November 21, 2013.



Pat McCarthy  
Board Chair

ATTEST:



Marcia Walker  
Board Administrator

**RESOLUTION NO. R2013-28  
EAST LINK EXTENSION  
E330 SEGMENT**

**EXHIBIT A**

<b>R/W No</b>	<b>Tax Parcel No</b>	<b>Owner</b>
EL170	0662880010	W2007 Seattle Office Bellefield Office Park Realty LLC
EL201	8146100645	Robert A Grella & Sharon K Grella
EL203	8146100650	Main Street Business, LLC
EL204	8146100655	Paradise Holdings, LLC
EL207	8146100660	Mac Lane Investments, LLC
EL209	6729700005	Rose Property Management Corp.
EL212	3225059089	CBD Properties, LLC

**RESOLUTION NO. R2013-28  
EAST LINK EXTENSION  
E330 SEGMENT**

**EXHIBIT A**

<b>R/W No.</b>	<b>Owner/Contact</b>	<b>Parcel #</b>	<b>Address</b>
EL170	W2007 SEATTLE OFFICE BELLEFIELD OFFICE PARK Realty LLC	0662880010	11201 SE 8 <sup>th</sup> St. Bellevue, WA 98004

LOT 1 TOGETHER WITH UNDIVIDED INTEREST IN TRACTS A, B, C, D, E, F, G, H, I AND J, ALL IN BELLEFIELD OFFICE PARK, ACCORDING TO THE BINDING SITE PLAN RECORDED IN VOLUME 138 OF PLATS, PAGES 25 THROUGH 29, INCLUSIVE, IN KING COUNTY, WASHINGTON.  
TOGETHER WITH AND SUBJECT TO EASEMENT OF RECORD, RECORDED UNDER RECORDING NO. 8211300188.

TOGETHER WITH AN EASEMENT FOR INGRESS, EGRESS AND UTILITIES OVER TRACT A AS DELINEATED ON THE PLAT OF BELLEFIELD OFFICE PARK, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 119, PAGES 81 THROUGH 90, IN KING COUNTY, WASHINGTON AND RECORDED NOVEMBER 3, 1977 UNDER RECORDING NO. 7711030797.

<b>R/W No.</b>	<b>Owner/Contact</b>	<b>Parcel #</b>	<b>Address</b>
EL201	Robert A Grella and Sharon K Grella	8146100645	11121 Main St. Bellevue, WA 98004

LOT 16, BLOCK 7, SURREY DOWNS ADDITION NO. 1, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 50 OF PLATS, PAGE(S) 32, IN KING COUNTY, WASHINGTON;  
EXCEPT THOSE PORTIONS THEREOF CONVEYED TO THE CITY OF BELLEVUE BY DEEDS RECORDED UNDER RECORDING NUMBERS 6551569 AND 20051216002698.

<b>R/W No.</b>	<b>Owner/Contact</b>	<b>Parcel #</b>	<b>Address</b>
EL203	Main Street Business, LLC	8146100650	11113 Main St. Bellevue, WA 98004

LOT 17, BLOCK 7, SURREY DOWNS ADDITION NO. 1, ACCORDING TO THE PLAT RECORDED IN VOLUME 50 OF PLATS, PAGES 32, 33, AND 34, IN THE CITY OF BELLEVUE, COUNTY OF KING, STATE OF WASHINGTON.

<b>R/W No.</b>	<b>Owner/Contact</b>	<b>Parcel #</b>	<b>Address</b>
EL204	Paradise Holdings, LLC	8146100655	11105 Main St. Bellevue, WA 98004

LOT 18, BLOCK 7, SURREY DOWNS ADDITION NO. 1, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 50 OF PLATS, PAGE(S) 32, 33 AND 34, IN KING COUNTY, WASHINGTON.

R/W No.	Owner/Contact	Parcel #	Address
EL207	Mac Lane Investments, LLC	8146100660	11041 Main St. Bellevue, WA 98004

LOT 19, BLOCK 7, SURREY DOWNS ADDITION NO. 1, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 50 OF PLATS, PAGE(S) 32, 33 AND 34, IN KING COUNTY, WASHINGTON.

R/W No.	Owner/Contact	Parcel #	Address
EL209	Rose Property Management Corp.	6729700005	106 110th Pl. S.E. Bellevue, WA 98004

LOT 1, PETERSONS ADDITION TO BELLEVUE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 49 OF PLATS, PAGE(S) 48, IN KING COUNTY, WASHINGTON.

R/W No.	Owner/Contact	Parcel #	Address
EL212	CBD Properties, LLC	3225059089	11100 Main St. Bellevue, WA 98004

THAT PORTION OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32, TOWNSHIP 25 NORTH, RANGE 5 EAST, WILLAMETTE MERIDIAN, IN KING COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:  
BEGINNING AT THE SOUTHEAST CORNER OF SAID SUBDIVISION;  
THENCE NORTH 88°01'42" WEST ALONG SOUTHERLY LINE THEREOF 569.30 FEET TO THE TRUE POINT OF BEGINNING;  
THENCE NORTH 0°12'48" EAST PARALLEL WITH THE EASTERLY LINE OF SAID SUBDIVISION 177.50 FEET;  
THENCE NORTH 88°01'42" WEST 107.50 FEET;  
THENCE SOUTH 0°12'48" WEST 177.50 FEET TO THE SOUTHERLY LINE OF SAID SUBDIVISION;  
THENCE SOUTH 88°01'42" EAST ALONG SAID SOUTHERLY LINE 107.50 FEET TO THE TRUE POINT OF BEGINNING;  
EXCEPT THE SOUTHERLY 30.00 FEET IN WIDTH THEREOF FOR STREET; AND  
EXCEPT THE WEST 30 FEET THEREOF CONVEYED TO THE CITY OF BELLEVUE FOR STREET PURPOSES BY DEED RECORDED UNDER RECORDING NUMBER 5282770.