



Eastside Rail Corridor We bought it! Now what?

PFEC Presentation December 13, 2011

Process of Negotiation

Date	Action
Fall 2010	Council authorizes talks with Port
February, 2011	Council adopts 2011 City Work Program – includes evaluating purchase of corridor
March, 2011	Port and City reach tentative agreement for Kirkland segment at \$5 million
March 9, 2011	Park Board recommends corridor purchase/CIP reallocation
April, 2011	Council adopts multi-modal vision for the corridor
April-October 2011	Kirkland waits to see if Port and County can reach deal on corridor. Council receives periodic updates from City Manager during CM report
October-November 2011	Kirkland negotiates Purchase and Sale agreement with Port
December 7, 2011	Transportation Commission recommends corridor acquisition/CIP reallocation

Agreement will be covered later in the presentation



Kirkland's Economic Development Interest

- Yarrow Bay Business District
- LIT Zone
- Totem Lake Business District

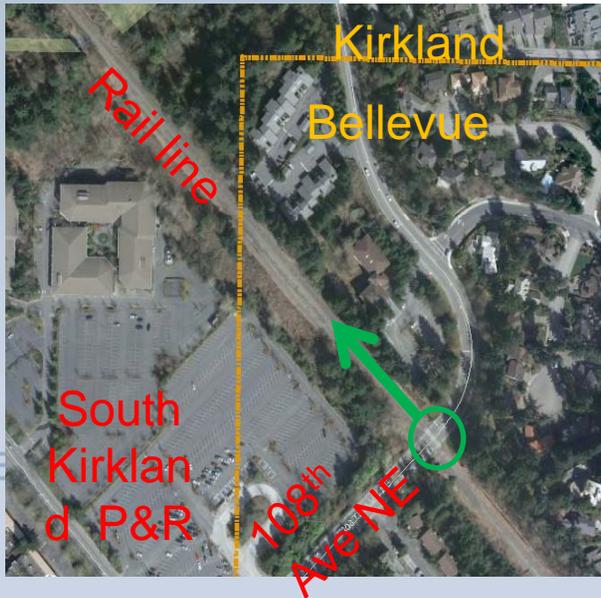
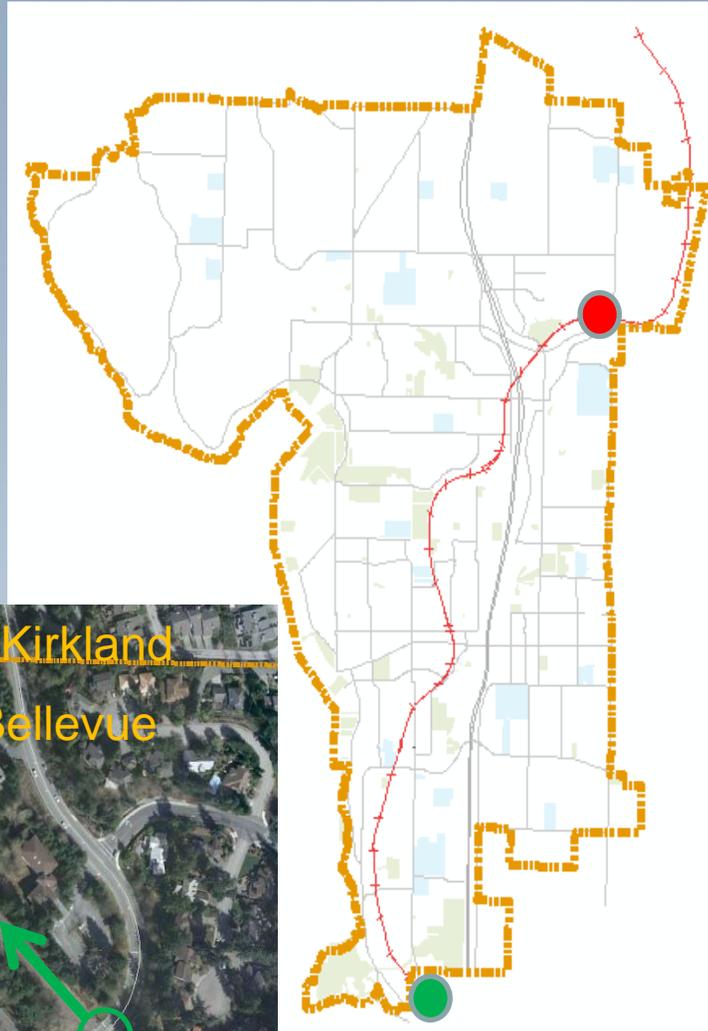
Kirkland's Park and Transportation Interest

- Park and School connections
- Bicycle connections
- Multi-modal capacity to address future congestion from growth and tolling impacts



The segment

- 5.75 miles this purchase
- 2.8 miles in Kirkland, not in purchase
- 670 feet in Bellevue
- 17 trail or street crossings at grade
- Numerous informal trail crossings
- 5 spur tracks
- 2 bridges



Initial actions



This corridor is now owned by the City of Kirkland. For more information visit kirklandwa.gov (425) 587-3800



Some facility types



Source: Marin County Bicycle Coalition

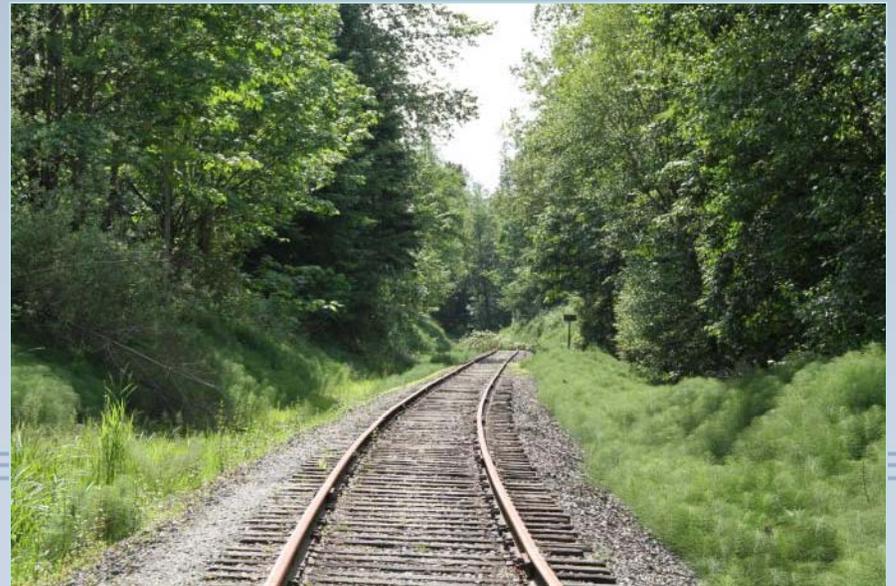
Costs for various types of trails

Type	Per mile cost	Corridor Cost
Rail removal (net)	\$86,000	\$500,000
No action	\$22,000	\$126,000
Rough Trail	\$123,000	\$707,000
Interim Trail	\$450,000	\$2.6 million
Paved Trail	\$4.3m - \$14.3m	\$25 - \$82m
Paved/w separate transit	\$20m	\$115m

- Rough and interim different from memo
- Rail removal based on salvage value which may vary



Cross-sections



Funding for Acquisition

- Purchase is proposed to be funded by:
 - Use of \$1 million from related Surface Water Utility projects (in exchange for easement)
 - \$4 million short-term interfund loan, while long-term funding is secured



Interfund Loan

- Approved by ordinance, loan executed at closing
- Maximum term: 3 years
- Interest charged at rate that the loaning fund would have earned (0.5%)
- Proposed borrowing:
 - \$2 million from Water/Sewer Utility
 - \$2 million from Surface Water Utility
- Ordinance on regular agenda contains not-to-exceed amount of \$5 million, in case there are other transaction costs



Potential Loan Repayment

A combination of the following resources could be used to re-pay the interfund loan for acquisition:

- Repurposing existing CIP resources:
 - \$1.54 million from previously funded Parks projects
 - \$1.0 million from Annual Non-Motorized CIP (leaving \$250,000 per year for other projects)
 - \$1.0 million in REET 2 reserves
 - Building and Property reserve set aside for open space or transportation projects (up to \$500,000)
- Repurposing reviewed and approved by Park Board and Transportation Commission



Potential Loan Repayment and Development

- Grants
- Councilmanic bond (approx. \$285,000 per year for 20-year bond)
- Corporate sponsorships or contributions
- State and Federal grants/potential tolling mitigation



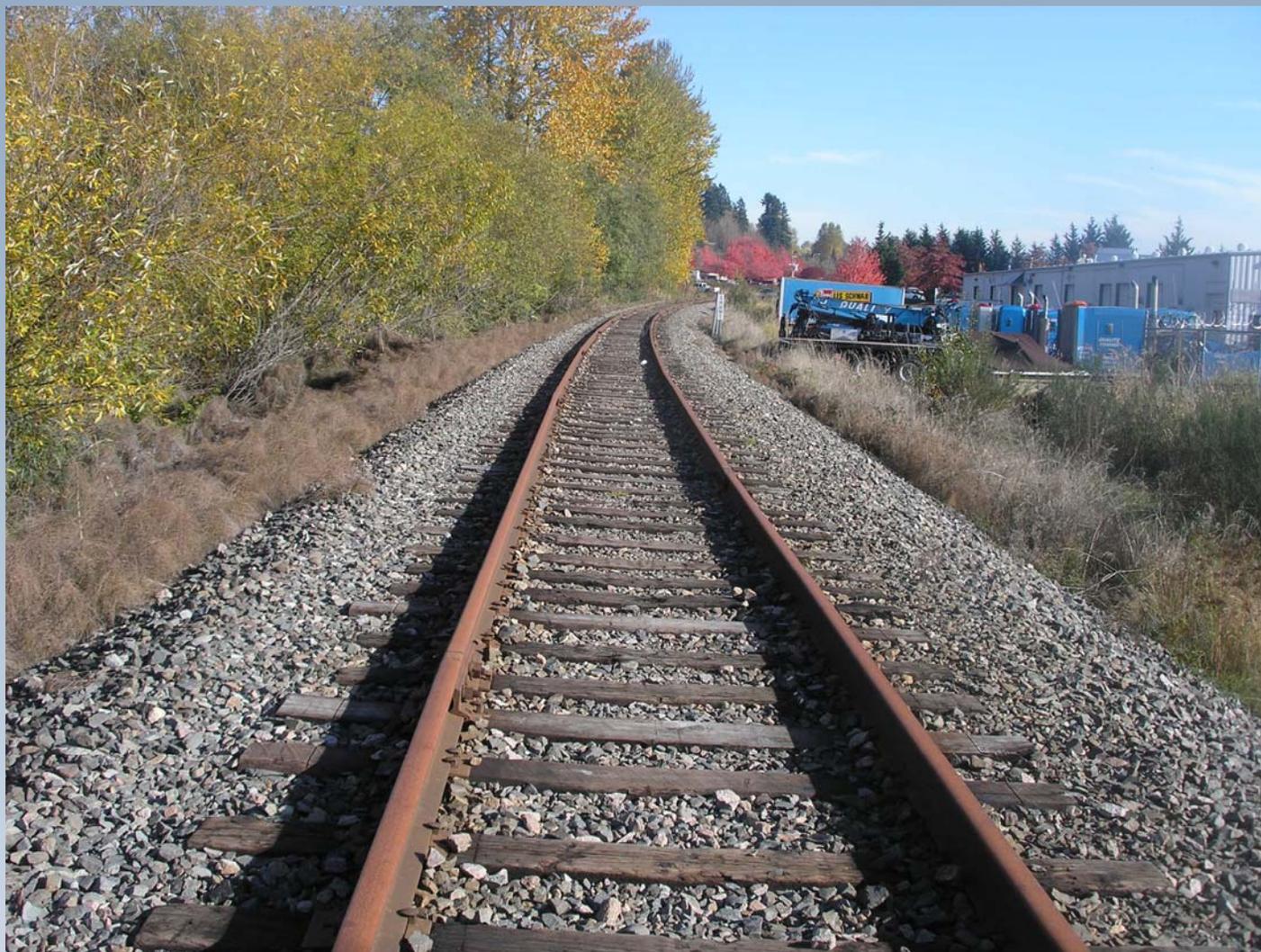
Role of bond or levy

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Should the ballot measure be considered for loan repayment?



What does PFEC recommend?



For loan
repayment?

For trail
development?

Additional
outreach?

