

**CITY COUNCIL AGENDA TOPIC**

Resolution authorizing execution of all documents necessary for the acquisition of property in the Coal Creek / Lakemont neighborhood area, at 7219 and 7331 Lakemont Blvd SE, including a purchase and sale agreement in an amount not to exceed \$19,100,000.00, plus related closing costs.

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*Parks & Community Services*

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**EXECUTIVE SUMMARY**

**ACTION** This Resolution authorizes acquisition of property in the Coal Creek/Lakemont neighborhood area, at 7219 and 7331 Lakemont Blvd SE, for open space conservation and possible future trail development.

**RECOMMENDATION**

Move to adopt Resolution No. 10461

**BACKGROUND/ANALYSIS**

The subject property, referred to as the Park Pointe PUD site, is located at 7219 and 7331 Lakemont Blvd SE. The site consists of two King County tax parcels that total about 12.2 acres of open space land, tributaries of Coal Creek, and is within the footprint of the Newcastle coal mining area. The City of Bellevue's Coal Creek Natural Area surrounds the property and King County Parks' regional Cougar Mountain Red Town trailhead is across the street on the southern edge of the property. The current owner has approved land use entitlements and is actively seeking development permits to construct 35 residential units on site.

King County, Issaquah Alps Trail Club, Save Coal Creek Group, and the surrounding community have reached out to the City of Bellevue with an expressed interest in conserving the natural environment, and preserving elements of the site associated with historic coal mining activity in the area. The Trust for Public Land (TPL) has assisted with engagement with the property owner on a potential transaction.

The City commissioned an independent appraisal to establish fair market value of the property as \$22,050,000 (\$22.05M). Staff met with the seller and provided a verbal offer of \$18.5M with an estimated closing date at the end of January 2025. The seller provided a counter-offer of \$19.1M and staff is seeking City Council approval to proceed with the acquisition for this purchase price.

In 2023, Parks & Community Services staff applied for and received a King County Conservation Futures (CFT) grant in the amount of \$9.2M for this project. In 2024, the City requested and has been recommended to receive an additional \$1.6M toward the purchase cost. King County Council approval

of this supplemental grant is anticipated in early 2025. If approved, Parks & Community Services will apply for additional state and county grants to help offset the total cost.

Acquisition of the Park Pointe PUD property aligns with the city's conservation goals of protecting the natural beauty, ecological function, historical and recreational value within the city.

## **POLICY & FISCAL IMPACTS**

### **Policy Impact**

Bellevue City Code: Under Bellevue City Code section 4.30.010, City Council approval is required for real property acquisitions when the purchase price exceeds \$350,000.

Comprehensive Plan:

- PA-1: Establish a coordinated and connected system of open space and greenways throughout the city that provide multiple benefits including preserving natural systems, protecting wildlife habitat and corridors, enhancing scenic character, and providing land for recreation.
- PA-6: Connect Bellevue's parks and trails to the regional system of nearby state, King County and neighboring city parks, greenways, trails and facilities.
- PA-7: Obtain, for preservation, natural areas that are sensitive to development or represent a valuable ecological resource to the community.
- LU-2: Retain the city's park-like character through the acquisition, preservation and enhancement of parks, open space and tree canopy throughout the city.
- CL-79: Anticipate and plan for increased demand in access to green and natural areas, including critical areas, in ways that protect the health and ecological function of those areas for future generations.

### **Fiscal Impact**

Adopting this Resolution obligates the City to a payment of \$19,100,000 for the property, plus related closing costs. The King County Conservation Futures Fund will provide a minimum of \$9,247,500 towards the costs. This acquisition is funded in part by the 2022 Parks Levy through the 2023-2029 General Capital Investment Program (CIP) Park & Open Space Acquisition program (CIP Plan No. P-AD-82). This expenditure was anticipated, and sufficient funding exists within the CIP project adopted budget. At least \$1.6 million of additional future regional grant funding will be sought to help offset the overall cost.

## **OPTIONS**

1. Adopt the Resolution authorizing execution of all documents necessary for the acquisition of property in the Coal Creek / Lakemont neighborhood area, at 7219 and 7331 Lakemont Blvd SE, including a purchase and sale agreement in an amount not to exceed \$19,100,000.00, plus related closing costs.
2. Do not adopt the Resolution and provide alternative direction to staff.

## **ATTACHMENTS**

- A. Property Map
  - B. CIP Project Description (P-AD-82)
- Proposed Resolution No. 10461

**AVAILABLE IN COUNCIL LIBRARY**

Copy of proposed Purchase and Sale Agreement signed by seller