CITY OF BELLEVUE
BELLEVUE PLANNING COMMISSION
RETREAT
MINUTES

July 20, 2010
6:30 p.m.

City Center Plaza Building
555 110th Ave NE, Bellevue, WA

COMMISSIONERS PRESENT:	Chair Ferris, Commissioners, Hamlin, Himebaugh, Lai, Mathews, Sheffels, Turner
COMMISSIONERS ABSENT:	None
STAFF PRESENT:	Paul Inghram, Dan Stroh, Carol Helland, Department of Planning and Community Development; Sheida Sahandy, City Manager's Office
GUEST SPEAKERS:	Mayor Davidson, Councilmember Wallace
RECORDING SECRETARY:	Gerry Lindsay

The retreat began at 6:15 p.m. with all Commission members present.

1. REMARKS FROM MAYOR DAVIDSON

Mayor Davidson said it was a pleasure to have been invited to address the Commission. He said it had been quite a year, thanks in large part to the Commission. The Bel-Red corridor work has received numerous awards locally by the Puget Sound Regional Council, at the state level by the Association of Washington Cities and the governor's Smart Communities, and nationally by Senator Patty Murray, Congressman Reichert, and by Money Magazine. The Commission is to be commended for its role in that work, and the timing could not be better given the plans the Obama administration has to focus on affordable housing and transportation infrastructure.

Mayor Davidson allowed that there are challenges ahead for the Commission, not the least of which is the Shoreline Master Program update. Anytime attempts are made to regulate the private ownership of land there will be differences of opinion. He said the Commission does not get the glory it deserves for all the work it does and the hearings it holds, but the work of the Commission is greatly appreciated by the City Council.

2. REMARKS FROM COUNCIL LIAISON COUNCILMEMBER WALLACE

Councilmember Wallace thanked the Commission members for being willing to serve and for providing such a valuable service to the city. He said the Council's plate is always full and it is very helpful to have the Commission doing so much of the necessary heavy lifting, particularly on challenging issues like the Shoreline Master Program update.

Councilmember Wallace commented on how far the city has come in a short time, from blueberry fields to highrises, from a bedroom community to a major employment center. Businesses choose to locate in Bellevue, and people choose to live in Bellevue because the planning for the city makes sense. There are both daunting challenges and great opportunities ahead. On the difficult side, the work will go on to find the right balance, particularly in the residential areas. There is also a gap between housing costs and incomes; there is clearly a need

to provide affordable housing for residents at all levels of the income scale. New ways need to be found to incentivize affordable workforce housing in the city. On the positive side, the Bel-Red plan has raised the bar. The area will serve to connect the downtown employment center with Microsoft's world headquarters with residential and commercial uses in a way that will meet the growth that is demanded of Bellevue under the Countywide Planning Policies. The plan is in place, and the next step will be to determine what it will take to deliver projects in the corridor. The upcoming work to focus on downtown zoning will provide yet another great opportunity to provide for additional density and more housing units.

Chair Ferris commented that the Commission's work with the Comprehensive Plan and the Land Use Code is focused on policies and regulations. Every piece of land in private ownership in the city is regulated. Clearly, as the intensity of uses increase in the city, there will be additional regulations. It simply will not be possible for things to continue as they are and still accommodate growth. The Commission must weigh the future needs of the city and balance them with the needs of the broader community. Mayor Davidson said the imposition of additional regulations by definition equates to walking a thin line, and that is because the private sector always has the right to bring suit against the city. When the city worked on zoning the area around Mercer Slough, the decision was made to simply purchase some of the surrounding land; that is a tool that can be used in conjunction with regulation. In the current economic environment, however, that tool is not readily available. The city values the private ownership of land, so zoning and regulations can be a tricky business.

Chair Ferris noted that when the Bel-Red corridor planning effort was first getting under way, the decision was made to bring all of the city's boards and commissions together. Throughout the process those groups fed comments to the Planning Commission and their thoughts and ideas were ultimately incorporated into the final package. The Commission was charged with developing plans without regard to cost; the issue of cost was reserved for the Council to wrestle with. However, as soon as the plan was done there were concerns over how the city could possibly afford it all. From the standpoint of the Commission, it would be helpful to have boundaries set on planning efforts. With limits in place, the Commission may choose to offer different recommendations and more affordable solutions. Mayor Davidson agreed that figuring out how to pay for things is a task the Council owns, but over the years the city's boards and commissions have developed plans that reflect an understanding of whether or not something can be accomplished given all the realities. The biggest challenge cities face when planning for growth is infrastructure. There can be no growth without the provision of infrastructure. The work of the Commission should continue to focus on planning alone to determine what will be best for a particular area, what roads are needed, how many housing units can be accommodated, and what the zoning should be, all without being constrained with questions about how it will all be paid for.

Councilmember Wallace agreed that having some notion of what things cost during the planning process would be helpful. He suggested that things have moved into a new era. The city's revenue streams are not going to grow like they have and it will be incumbent on everyone from the Council to each board and commission to look at ways to produce the outcomes the businesses and residents want at lower costs. Value engineering options should always be considered.

Commissioner Mathews suggested that when the Bel-Red steering committee was told to develop a vision without regard to what it would cost it was the right approach to take. To have done otherwise would have compromised the plan. The committee was fully aware of the fact that it was developing the ultimate plan for a quality city, and was also aware that the plan could be trimmed back down the road due to financial and political constraints. By producing a plan

without regard to cost, the result is something that is gaining national attention and as such may find it easier to generate outside funding.

Commissioner Sheffels concurred. The Commission is a planning entity, not a provider entity. Planners should be given free rein to dream big and plan big, always keeping an eye on the future. How plans get implemented is not the focus of the Commission.

Commissioner Himebaugh suggested the city will not be able to bank on the flow of money from the federal government staying the same over time. It is good to dream big, but when plans are finalized they should be feasible. With regard to the Shoreline Master Program, he said he was concerned about where to go in terms of regulations versus incentives. Giving property owners a freer hand will be important. The Commission has heard a great deal from the people who live along the shorelines about the solutions they would like to see, but it would be helpful to hear from the Council about the political realities. Mayor Davidson said the reality is Bellevue is mostly built out, and that includes the shorelines. The best option will be to seek improvements through incentives and disincentives. It simply will not be possible to tell people to tear their bulkheads out and get rid of their docks. Elements of the critical areas ordinance serve as good examples of the direction to take; there were concerns when that work was done, but in the end the city found a proper balance that allows for properties to be used and homes to be reconstructed if they are destroyed by fire or any other means. He said he was far more interested in the outcomes than in the regulations. Outreach and education will be the key to success.

Commissioner Lai said one thing the Commission has learned by going through the Shoreline Master Program update process is that environmental issues are always larger than a particular section of a community; it is not just about the shorelines, it is about the entire ecosystem in which each lake is situated. It is frustrating to some degree that in working through the issues the Commission is only allowed to focus on the shorelines. The Commission knows what it wants as an end result relative to improving the environment, but it is not able to give attention to all of the pertinent parameters.

Commissioner Himebaugh commented that in developing the Shoreline Master Program the Commission must color within the lines. The state has directed jurisdictions to focus on the goal of no net loss of ecological function to protect the salmon and the water quality. At the same time, the Commission is charged with representing all the people of the city, including those who live along the shorelines. Environmental protections for the shorelines should be viewed as social issue for the city, not individual property owners. To the greatest extent possible, the city should be looking at all methods for improving water quality and habitat using programmatic alternatives weighed against requiring people to limit their use of their properties. The fact is people who live along the shorelines are among the city's best environmental stewards; they have made significant investments and intend to protect them. The city should recognize that fact while trying to achieve a balance with what the law says jurisdictions must do. In making policy, the Commission must remember that there is no one standing up for the shoreline property owners except the Commission.

3. REVIEW OF 2009-2010 ACCOMPLISHMENTS

Commissioner Sheffels stated that in some respects the last year has been fairly light for the Commission. The Shoreline Master Program has been the primary focus. The Commission did work on the electric vehicle infrastructure issue, addressed some ped-bike issues, and did some work on neighborhood livability.

Commissioner Sheffels said the Commission has always tried to be as sensitive as possible to those who will be directly impacted by city policies and regulations. The work on the Shoreline Master Program update has proven that, especially given the innovative approaches the Commission has taken to making sure the positions of the shoreline property owners are being heard. The Commission cannot change its format drastically but it has shown that it can be modified.

The Commission should be pleased with its accomplishments over the past year. Every member has come to each meeting well prepared with questions, observations, and a willingness to hear the viewpoints of others.

Comprehensive Planning Manager Paul Inghram observed that while the Commission has primarily been focused for the past year on the Shoreline Master Program update, it has had to sift through mountains of information given the degree to which the issue is a complicated one.

Chair Ferris took a moment to thank Commissioner Sheffels for her leadership over the past year. He said he appreciated the dedication she gave to the task of keeping all the men on the Commission under control.

4. REMARKS FROM DAN STROH, PLANNING DIRECTOR, PCD

Planning Director Dan Stroh said the Mayor did a very good job of describing the recognition given the Bel-Red corridor plan. He added that just a week ago the state chapter of the American Planning Association bestowed yet another award on the plan. The local, state and federal recognition the plan has garnered is testimony to the good work done first by the steering committee and then the Planning Commission in concert with other boards and commissions.

Mr. Stroh commented that when the planning effort began the understanding was that Sound Transit would likely take the East Link line from the hospital area directly to SR-520 and bypass the corridor. The fact that their vision for the area has changed is attributable to the work in developing an excellent plan for the corridor. The opportunity to construct an entirely new transportation corridor does not come along very often. Additionally, the city would not be able to meet its adopted growth targets for both housing and jobs without the Bel-Red corridor.

The magnitude of the vision for the corridor is what attracted Wright Runstad to the Spring District. They will be making a huge investment in the corridor by bringing online 3.5 million square feet of office and 1000 residential units. Though development in the city has slowed, the Bel-Red plan is not sitting idle on the shelf; there is a great deal of behind-the-scenes work being done and decisions being made.

Mr. Stroh said he recently made a comparison of the number of jobs lost during the dot com bust of 2001 and the current economic recession. He said between 2000 and the peak employment year of 2004 the city lost 10,000 jobs citywide. The rate of growth that followed was much slower and most people thought it would take years to recover; in fact it took only two years, and by 2006 the total number of jobs matched the 2004 peak. It took the region as a whole longer to recover its losses. A new peak for the city was reached in 2008. The current economic recession has triggered job losses totaling only 5600. The job losses in the downtown were offset by job increases when Expedia and Microsoft moved into the downtown. The total number of jobs in the downtown stands at 40,000.

The city's unemployment rate during the recession peaked at 7.5 percent. By May of 2010 that figure had dropped to 6.9 percent citywide. In May 2007 the unemployment rate stood at 2.9

percent. In the greater Metro area, however, the unemployment rate has tracked about two points higher than Bellevue, and that is a reflection of Bellevue's economic engine and its relative economic health.

There has of course been a significant drop in housing prices as a result of the recession. The number of foreclosures is being tracked very closely as it has not yet reached its peak.

5. REVIEW OF KEY CITY INITIATIVES AND UPCOMING WORK PROGRAM

Mr. Stroh distributed to the Commissioners a list of some of the planning initiatives set to be tackled in the upcoming year. He said the Eastgate/I-90 commercial corridor study will focus on the health of the area and issues such as the residential areas surrounding Bellevue College, the college's interface with potential transit-oriented development near the park and ride facility, and the health of the neighborhood commercial in the area, and some of the King County sites. The study will include looking at the transportation needs of the corridor. The Council initiated the planning effort earlier in the year and approved appointing a citizen advisory committee. Much of the background work is under way so that once the CAC is appointed the process will be able to get under way very quickly.

To the south of the Eastgate/I-90 study area is the unincorporated area of Eastgate, which is all residential. The area represents the city's last large annexation area, though there are still some smaller annexation areas further to the south. The city believes that it will soon be in a position to annex all of the areas. There will be planning issues involved with bringing the new areas into the city limits. The city has in place a sales tax revenue sharing provision with King County that sunsets in 2015, so for areas not annexed by then the city will lose the potential to fill the funding gap.

Mr. Stroh said the coming of light rail to the Eastside will be transformational. The reason the discussions have been so intense can be credited to how important the additional infrastructure will be for the community. The time and effort being spent on what likely will be a hundred year investment will pay big dividends in the end. Once the final alignment is chosen and the Final Environmental Impact Statement is published, and once there is a record of decision from the federal government, it will be necessary to amend the Comprehensive Plan to incorporate the alignment. There will also be a variety of station-area planning efforts undertaken to determine and cement in place the right land uses and pedestrian connections.

Neighborhood shopping centers has been a planning topic for the city for many years. Mr. Stroh noted that the issue is of particular importance to Commissioner Mathews given his work with the neighborhood investment strategy and the Lake Hills Shopping Center. The Newport Hills neighborhood shopping center, also surrounded by residential, has most recently been given the focus following the loss of its anchor grocery store and the adjacent pharmacy. Neighborhood shopping centers tend to be owned by smaller investors who have not typically engaged in major redevelopment efforts and as such lean on what has worked in the past, namely bringing in and keeping anchor tenants to preserve their income streams. For such owners, redevelopment poses a significant risk. The city's role primarily is in working with the owners on visioning how to move things forward. Land Use Code changes, Zoning Code changes, and possibly Comprehensive Plan changes will come out of the planning effort. Neighborhood shopping centers are an integral part of neighborhood character and help to keep neighborhoods healthy.

Mr. Stroh said a lot of work is under way relative to Bel-Red implementation. The plan is in place, but there are a myriad of details to work out, including the NE 15th Street/NE 16th Street cross section and the resulting urban design and neighborhood character. The Council made it

clear that the earlier cross section was too wide and would not be comfortable for pedestrians to cross.

Another initiative the Commission will be dealing with soon is the element of Enatai tree preservation. Tree preservation is a topic that some communities focus on as much as Bellevue has on light rail. The topic can be controversial and divisive in that it touches on the city's role in regulating private property, especially in existing residential neighborhoods. Some members of the Enatai neighborhood came to the city asking if more could be done to protect trees in their neighborhood. Staff has focused its work to date on getting a better sense of what the neighborhood as a whole thinks. The Council has indicate a willingness to think about tailored tree preservation standards for that part of the city if there is a compelling and preponderant number of residents seeking stricter standards.

Mr. Stroh said the multifamily property tax exemption program is a significant tool cities can use to help bring online affordable housing units. However, because the issue has implications for the city's budget it has not yet been brought forward to the Council.

Chair Ferris commented that the Comprehensive Plan contains a lot of language about housing affordability. Many of the incentives that are embedded no longer fit. He said he would like to see those tools reviewed and updated, especially in the area of incentives.

Mr. Stroh said the downtown livability project will focus on taking the vision for the downtown to the next level. The work has been deferred for quite some time and will include the incentive and bonus system which has not been calibrated for 25 years. The study will also take into consideration building heights and the design guidelines. The study has yet to be approved by the Council, and it will have budget implications. The best time to do the work, however, will be before the market fully recovers.

The next major Comprehensive Plan update was mandated to occur before 2011, but the legislature extended the deadline owing to the budget crunch. Major Comprehensive Plan updates involve bringing local plans into full compliance with every Growth Management Act change, with all the Growth Management Hearings Board cases, with all of the Countywide Planning Policies, and the regional planning policies. The update work also includes adoption of the new growth targets. There are, however, some housekeeping changes that need to be made, and those may be brought forward in the interim.

Land Use Director Carol Helland said the work of the Commission has kept Development Services and the discretionary review group very busy all through the recession. There has been a focus on institutional development to a certain extent. The group has also been having discussions with Puget Sound Energy regarding transmission line infrastructure, both generally for the community and specifically with regard to the Bel-Red corridor. Overlake Hospital has one of its medical offices under construction, and the new Children's Hospital facility opened earlier in the day. In addition, Children's Hospital recently indicated it is ready to move ahead with its second phase of development. Several elementary and high school buildings are undergoing major renovation work.

Ms. Helland said Attachment A in the Commission's packet materials represented the docket of items that will be initiated with the Commission by the end of the year. The list includes a number of Land Use Code and Zoning Code issues, including those associated with the Sambica Comprehensive Plan amendments adopted in 2009; the electric vehicle infrastructure Land Use Code amendments; a code amendment regarding floor plate size and height limit for the PACE project, now called the Tateuchi Center; amendments resulting from the neighborhood livability

work, including daylight planes; an amendment to relax height restrictions to address a very old provision in the code that limits height on lots that do not meet width, depth or lot size standards; permit timeline and vesting flexibility; FEMA consistency updates; implementation of innovative housing policies; and requiring sufficient space for recycling and waste storage, especially in the downtown.

Commissioner Mathews pointed out that the Bel-Red corridor will provide a great opportunity to bring additional affordable housing units online. He said it will be essential to have policies and incentives in place that will actually work before redevelopment of the area moves ahead.

Chair Ferris said the need for affordable senior housing is a looming crisis for the Puget Sound region. Seniors have far different need from most other demographics; they live on fixed incomes and their housing needs do not easily fit the family demographics around which most residential zoning is built. The resulting units that can be constructed under what the zoning supports is often very expensive. That is an issue the Planning Commission should take on. Ms. Helland said some of those issues are included in the notion of innovative housing policies. Some provisions were added to the Bel-Red plan that may benefit senior housing, and they could be expanded citywide.

Ms. Helland said there are a number of Use Chart updates that are needed. She said there have been a range of uses come in that do not fit the categories very well. Additionally, the city has recently been seeing different deployments of telecommunications in the city. Staff is finding that the characteristics of telecommunications facilities are changing owing to changes in business models, and that has triggered a need to revise the telecommunications provisions.

6. FEEDBACK FOR STAFF

Commissioner Mathews asked if there had been any progress made with regard to the Kelsey Creek neighborhood shopping center. Mr. Stroh said the site is larger than most at about 15 acres. Neighborhood shopping center sites tend to be surrounded by residential; that is not the case for the Kelsey Creek site. Costco took out a long-term lease on the site intending to implement its Fresh Concepts store, which it subsequently abandoned. The lease complicates things by giving the property owner no incentive to redevelop or seek another tenant. Another complication is the fact that the property is obligated by a concomitant zoning condition that requires daylighting the stream as part of any redevelopment scheme.

Ms. Helland explained that the site was originally zoned Neighborhood Business. The subsequent rezone to Community Business retained most of the Neighborhood Business characteristic. That serves as a complicating factor. The city has received a check for $585,000 as mitigation for not requiring the stream to be reopened when the site rebuilds, which makes the rezone effective. The money will be used to pay for work on Kelsey Creek where it runs through the Larson Lake system. The culvert will also be improved. All of that is clearing the way to redevelopment of the site, though the Costco lease remains the top impediment.

Mayor Davidson asked if in any city the neighborhoods have chosen to buy into a neighborhood shopping center in the form of a co-op in which the members share the profits with the property owner. He commented that one of the biggest problems with neighborhood shopping centers is that local residents often do not support them by shopping at them. If they were to own a piece of the action, their shopping habits might be changed. Mr. Stroh said he was not aware of any situation in which a local neighborhood were involved to that degree. He noted, however, that for some time the Newport Hills Red Apple took contributions from the neighborhood association. That did prove effective in building loyalty, but in the end having a massive

Safeway nearby won out and Red Apple closed.

Commissioner Hamlin pointed out that the downtown livability and housing affordability work should dovetail nicely given that the one provides a great opportunity for thinking about the other. It will be the perfect opportunity for the Commission to begin looking at issues such as incentives for providing workforce housing and incentivizing growth opportunities in areas where the needs are the greatest.

Commissioner Turner asked if it would be a possibility to receive materials for each Commission meeting sooner. Mr. Inghram said it is a possibility, though much depends on the logistics of gathering the information and how much lead time is available. Commissioner Turner commented that often the amount of materials is staggering and more time is needed to review all of it. Mr. Inghram said the packets are typically completed and mailed out on Wednesdays and could be picked up at City Hall to save the mailing time.

Commissioner Himebaugh said if the Commissioners could be notified by email that the packets are ready, he would be willing to come and get his.

Commissioner Sheffels suggested the Commission may want to consider meeting more than twice a month, especially while the focus is on the Shoreline Master Program update. It would be better to have shorter meetings more often than very long meetings less often. Commissioner Himebaugh concurred.

Mr. Inghram said it might be appropriate to schedule additional meetings to cover the non-Shoreline Master Program items. There are two constraints to having more frequent meetings on the shorelines topic: public comment, and the staff preparations.

7. PRESENTATION ON ELECTRIC VEHICLE INFRASTRUCTURE

Sheida Sahandy with the City Manager's Office introduced Jim Billmaier with Charge Northwest, the local distributor for one of the charging technologies. She said the city has established several principles to guide its involvement in bringing the new technology online. First, the city will take steps to avoid being a market barrier for the developing technology when it comes to permitting and the like. Second, the city will act to have its voice heard in regional conversations. Third, the city will work to leverage outside resources, especially federal grants. Fourth, the city will work to support and ensure regional coordination to help in bringing about an effective regional system.

For the most part, people think about golf carts when asked about electric vehicles. Those vehicles have limited ranges and constraints on speeds. However, the next generation of electric vehicles will be one hundred percent battery driven; in other words, they are not hybrids and do not have gasoline engines.

Ms. Sahandy said there has been some work done on trying to determine how people will behave with all electric vehicles, especially with regard to how they will be used and where they will be charged. However, until the vehicles hit the market some of those answers will not be fully known. The current thinking is that most of the charging will happen at home during the overnight hours. The electric cars that are set to hit the market later in the year will have about a 100 mile range. Most commutes in King County average 14 miles, so an overnight charge likely will be sufficient to take the vehicles to and from work and allow for some side trips as well.

There is the concern on the part of some that they will need their vehicles to take them away

from their home charging stations and that they will need some place to recharge before going back home. A study done in Japan found that when only Level II chargers were available, which require an overnight charge, the drivers cautiously stayed within range of their home charging unit. However, when Level III chargers were introduced, which can fully charge the batteries on an electric vehicle in 20 to 30 minutes, the drivers began using their electric cars far more frequently and for more than just commuting; while the Level III chargers were not used that often, the drivers took comfort in the fact that if stranded they could quickly recharge.

Level I charge stations are the equivalent of plugging into a standard wall socket, and the charging time can be as long as 18 hours. Depending on the amperage used, Level II chargers can fully charge a vehicle in four to eight hours; Level II chargers are expected to be used most often. Level III charge stations are not yet commercially viable, but the technology is being honed. Charging stations come in models that charge from one to four cars at a time.

The Commissioners were shown pictures of Level II and Level III charge stations. Ms. Sahandy said a standardized connection has been developed for Level I and Level II stations, and she showed one to the Commissioners.

The new electric vehicles will have highly evolved onboard communication systems. It will be possible to use i-phones to identify where charging stations are located, if they are open or not, and if they are being used. Text messages will be sent to the phones when the batteries are fully charged. From a public policy point of view, that will raise questions about whether or not there should be standard ways to communicate the location of charge stations and the like.

Ms. Sahandy said the Environmental Protection Agency conducted a study to determine the equivalent miles per gallon for electric vehicles and determined that on average an electric vehicle gets 357 miles per gallon. The Prius hybrid gets about 50 miles per gallon. The Northwest benefits from having fairly inexpensive and primarily clean electricity. Even in areas where electricity is produced by less-than-clean methods, the batteries on electric vehicles are so efficient that the overall emissions per mile driven are far less.

Fully electric vehicles will be on the market soon, and there is a lot of infrastructure investment that will need to take place first. The Nissan Leaf and the Chevy Volt will probably be first on the scene. Ford is working closely with Microsoft on the onboard technology for its electric vehicle. The state has taken the position of encouraging electric vehicle technology by removing all barriers to make the transition much smoother. There is also guidance from the federal government.

The transportation sector is the largest emitter of greenhouse gases. The electric vehicle technology is feasible, and if it is embraced, the level of emissions can be reduced without any change in behavior.

Commissioner Mathews asked if electric vehicles are really cleaner given what it takes to manufacture the batteries. Ms. Sahandy said the lifecycle analyses that have been conducted have all determined that overall electric vehicles are significantly cleaner. Mr. Billmaier said the new battery packs are 95 percent recyclable; the only part that is not recyclable is the plastic coating that encases the batteries. In fact, about 95 percent of the entire Nissan Leaf vehicle is recyclable and is made of recycled materials.

Ms. Sahandy said energy supply and distribution is certainly an issue that applies to the acceptance of electric vehicles. She said staff are working closely with Puget Sound Energy which has a couple of people working almost exclusively on the rollout of electric vehicles.

Puget Sound Energy is not overly concerned about supply in the short term. On the distribution side, however, if several people on a large cul de sac all get electric vehicles and drive home and plug in at exactly the same time, there may be issues. Another issue that will need to be addressed is the matter of staff charging their electric vehicles at work, which is the equivalent of City Hall buying the gas for its employees' cars. Currently one city of Bellevue employee is charging his electric vehicle while he works at City Hall, and the state has taken the position that the amount of electricity used is so small that it does not violate the law relative to the gift of public funds. If electric vehicles catch on and their overall numbers increase, the amount of electricity used for charging will no longer be so small.

Some jurisdictions require sufficient electricity capacity, while others go so far as to require conduit and wiring to parking stalls for new buildings. Seattle requires capacity sufficient to serve 100 percent of all parking stalls. Vancouver, B.C. requires capacity and conduit run to 20 percent of all new parking stalls. Single family homes are relatively easy to retrofit to include charging stations, but multifamily developments can be far more complicated.

There are a number of issues for municipalities to work out, such as right-of-way issues related to the siting of charging stations, and who will own the charge spots and pocket the revenues. Seattle has created a new right-of-way use category for charging stations and will be leasing the spots to vendors who will install and operate them. The creation of a regional charging system will require local, state and federal coordination. Some systems offer the option of being membership based. The Puget Sound Regional Council has been contracted to do a study and gather data to inform the making of such decisions.

Ms. Sahandy said the city has been working very closely with the state, which has assumed that the larger cities will address all of the issues within the urban areas. The state is considering filling in the gaps by connecting the core urban areas with Level III charge stations, especially along the I-5 corridor between Vancouver, B.C. and Portland, Oregon at freeway rest stops.

The list of policy questions the city will need to address including the appropriateness of incentivizing charge stations and the degree to which the city should be proactive regionally. The city's fleet offers an opportunity to lead the way; the city already has begun transitioning its fleet to hybrids.

Mr. Billmaier said the Bellevue/Redmond area is on pace to the number one center for the entire country in terms of per capita ownership of electric vehicles. That is the reason the car companies are so interested in the region. The Nissan Leaf orders already placed from Bellevue and Redmond are second only to the entire state of California.

Mr. Billmaier shared with the Commissioners a map of the charging station system. He noted that the 15 stations will have both Level I and Level II facilities and will be smart grid enabled. The act of plugging in will connect the user to the internet so credit card information can be transmitted and the charging can begin. The stations are designed to be safe relative to the flow of electricity.

The models all show that 70 to 80 percent of all charging activities will happen at the home base. However, in major urban areas, such as San Francisco, 65 percent of the cars are parked at night on public streets; not everyone has a garage, especially at multifamily developments, so from a planning point of view that issue will need to be addressed.

Mr. Billmaier said Charge Northwest works with a company called Coulomb in providing the charging stations and the technology. When the consumer swipes his or her card at a charging

station, there is typically a fifty-cent charge that goes to the credit card company directly. Coulomb then takes 7.5 percent of the total charge, which is used to fund the operation and management of its network. The electricity is supplied by the local city which receives the bulk of the revenue stream.

Ms. Sahandy said entities other than regulated utilities are not allowed to sell electricity. Accordingly, cities cannot bill customers by the kilowatt hour, but they can charge a flat per-hour rate, they can bill for each charge session, and they can charge for the parking spot at which the charge station is located.

Commissioner Sheffels observed that a driver could park at a charge station and then go shopping for a couple of hours, even though the charging session may be concluded after only half an hour. She asked how the drivers can be charged for the time they take up that someone else could be using. Mr. Billmaier said charge stations are typically placed between two or more parking spots. Once a charging session is completed on one vehicle, the next driver could simply remove the connector from the first car and attach it to his own. The system sends text messages to the driver's i-phone indicating that the session has ended, and most people at that point go and move their cars. It is not possible to steal someone else's charge because the act of unplugging ends the session. The city of Hillsborough, Oregon, has a four-hour limit on parking at its charge stations and enforces the law the same way they do for any time-controlled parking or handicapped spot. Additionally, the system can be set up to send text messages to the traffic control division when a parking limit is exceeded.

Mr. Billmaier said there are currently some 30 charge stations in place throughout the state of Washington, and a few more than that in Oregon. However, Charge Northwest has some 400 units in process for Washington state.

Commissioner Himebaugh said he was under the impression when first asked to consider the necessary code changes that many if not most of the charge stations would be located at places like existing service stations. Mr. Billmaier said it makes the most sense to locate the charge stations in places where drivers will be parked for two hours or more, such as movie theaters, retail outlets, work places, and on public streets. Ms. Sahandy added that the city will not have a monopoly on the charging stations. They will serve as revenue sources for cities when located on public rights-of-way, but not when they are sited at movie theaters or retail establishments. Whoever owns a station will be in charge of its pricing model and will get most of the revenue. To date, revenue has not been the key driver behind the city's interest in the subject, but it is a benefit to assure cost recovery and a profit margin for any station put in with public or grant dollars.

8. ADJOURN

Chair Ferris adjourned the meeting at 9:15 p.m.

Paul Inghram
Staff to the Planning Commission

9/15/2010
Date

Hal Ferris
Chair of the Planning Commission

9/15/10
Date