

CITY OF BELLEVUE
BEL-RED CORRIDOR PROJECT
PROPERTY OWNER PANEL
VERBATIM TRANSCRIPT

March 14, 2007
4:30 p.m.

Bellevue City Hall
Room 1E-109

PANELISTS: Darin Croston, Lorna Faxon, Ron Coe, Suzi Parker-Dixon, Dave Peek, Christopher Lang, Frank Spicer

MODERATORS: Mr. O'Neill, Emil King

Mr. O'Neill: What I wanted to do first before we actually start getting into some of the questions is just ask you to just go around the table and introduce yourself and explain what your interest is in the project and the corridor and where your business is located.

Panelist: My name is Darin Croston. I'm the director of many facets of the operation over there at the Coca Cola in Bellevue on 24th Avenue and Bel-Red Road. I guess our interest would be – Frankly the thought is that we want to preserve some form of light industrial in that area for our use and the uses around us. We've been involved in this process from the beginning and have taken a great interest in it. We have some pretty valuable input here.

Panelist: My name is Laura Faxon, I represent Safeway. We obviously have an interest as well with acreage there with our plants that currently exist. We want to protect that light industrial use as well.

Panelist: My name is Ron Coe. I'm a physician with Belgrove OBGYN. We're in that little medical office area. This is the first of our involvement in this. In fact we hadn't even heard anything about the process prior to this. We're brought in because somebody showed up on our property a few weeks ago and said we're going to be reclaiming this property for widening of the grades of the 405. This is a surprise both as a property owner and as a business person in there. This was the first we had heard about it.

Panelist: I'm Susie Parker-Dickson. I'm here with Dr. Coe. I'm the administrator for the office. We don't know if we were at fault, or if by design we were left out of the loop on this.

Panelist: My name's Dave Peek. I own three small offices in the medical office space. I'm just trying to find out what's going on and what's the plan for the future.

Panelist: My name's Christopher Lang. I'm the president of the company called Group One. We're located on Northup Way at 120th. Really just interested in participating in the process a little bit and educating myself in terms of what will happen in the corridor. I think it's a very interesting project.

Mr. King: I'm Emil King. I'm a planner here at the city. I'm going to help capture everything that's being said today both on paper and then try and map out as many things that are site specific as well.

Panelist: My name's Frank Spicer. We have Autologic Auto Repair which is located on 132nd Avenue NE in the area that is designated on one of the plans as a services core. My interest is to be able to stay in business in this area since I have been there for 30 years now. And looking towards maintaining both a light industrial presence and a services core is my interest.

Mr. O'Neill: Thank you very much. One thing I wanted to talk today before I start, just to sort of clarify what we are doing. I'm glad you brought up the issue of the braided ramp project. The Bel-Red corridor project is a planning effort that the city of Bellevue has initiated working in conjunction with some other agencies, like Sound Transit for example. We can talk more about that. The braided ramp project is a WSDOT project that is being done as part of the I-405 rebuild. I'm guessing the folks you guys talked to were from WSDOT.

Panelist: Yes.

Mr. O'Neill: That is definitely an overlay on this effort, but just is one of the many transportation projects that we've identified as part of our planning effort. The braided ramp project is sort of a separate effort in that its being driven by the WSDOT 405 expansion. That's not to say your interests aren't obviously relevant to this project since you're in the corridor. But I just wanted to make that distinction between what we're doing as part of Bel-Red and what WSDOT's doing. That said, we have tried to reach out to business property owners and so I'm glad you're here today and I'm sorry you haven't been involved in the past.

Mr. O'Neill: With regard to the first question we wanted to ask, as Kevin referenced we have some actual commonalities across the various alternatives, even if you include the no action alternatives. One that Mr. Coe mentioned, for example, is the office along 116th which could be many different kinds of offices, but there are a lot of medical offices there now and the plans are to contemplate that continuing. We have low-density office uses or development along the south end of Bel-Red Road. That's essentially continuing the existing development pattern. We have the idea of kind of

a retail focus along NE 20th, essentially continuing what that area now is zoned, Community Business or General Commercial. So in some alternatives we introduce the idea of housing along with retail along some of that area. But those are essentially commonalities around. And then the other one is that mixed use housing/retail focus at the far eastern end of the corridor that's common to all the action alternatives. With regard to those sort of common elements, I guess the question is do people agree more or less that those seem to make sense, or should be part of a preferred option, or do people have issues or questions about any of them?

Mr. King: Let me just point out the notes you see up here are notes from this morning's meeting where we had about twelve people in each room that were primarily property owners. So we just left these up here because we thought you might be interested in seeing what we were talking about this morning.

Mr. O'Neill: Any comments about any of those elements?

Panelist: I'd just like to get into a little bit. My interest, of course, is in the medical office area and at this point I'd just like to know what is going on there and how is this going to impact me and so on. So I know that that area was all residential at one time. About fifteen years ago there were fifty-one neighbors, or I don't know how many people. They all got together and signed a deal and changed into an office. It's low. Some of the people are still living there, but mostly there's offices, one story. And from what I understand the code is today we can do potentially underground parking and one level for offices and then we could even do residential on the top floor. And that area is so close to the freeway there's a lot of highrises around it. What does this medical office mean?

Mr. O'Neill: What's contemplated in all this is that these aren't intended in any way to be zoning detail level maps. They are more sort of overall vision maps. So what's contemplated in all those is the continuation of the office zoning with the contemplation that there'd be a concentration of medical office due to the hospital expansion. Overlake Hospital is in the process of adding over five hundred thousand square feet to their facility. Then what's contemplated in addition on the intensity standpoint is as you can see in Alternative 2 is the thought that Sound Transit may be wanting to have that alternative as part of their planning a light rail station right by the hospital. They've actually identified different areas including right at NE 12th and 405 as a light rail station. So if that was the case, we'd probably be looking at a continuation of the office designation, but with more intensity. So perhaps allowing buildings more like six stories or so in that area that would be more compatible with transit service. So that's kind of the general concept. Other questions or comments on any of those features?

Panelist: I'm a total neophyte to this, but it would seem to me that the transportation component is so vital that it would be very advantageous to have some kind of long-term commitments in place. But I guess that's very difficult to do in the Puget Sound area.

Mr. O'Neill: When you say long-term commitments, what are you looking for?

Panelist: In terms of LRT. This is a critical function. Where these transport hubs are going to be located I think would have a very significant bearing on what takes place in those areas.

Mr. O'Neill: Well you're exactly right, and what Sound Transit is in the process of doing right now is the environmental review stage on what they are calling the East Link project, which would be bringing light rail from downtown Seattle, across I-90 up through south Bellevue to downtown Bellevue and then coming through the corridor in some fashion connecting downtown Bellevue with Overlake. So part of what this process is trying to identify working with Sound Transit is what's the best way to do that and where should the stations be. And where those stations are will very much influence land use around them.

Panelist: Who drives that decision-making process?

Mr. O'Neill: Sound Transit is the ultimate decision maker on the light rail alignment and stations, but Bellevue is the decision maker on local transportation and land use planning. So really the idea is that both agencies would be working together on this. The Sound Transit board will be the ultimate decision maker on the light rail line and stations.

Panelist: Question real quick on the alternative number three, the housing, is there a transit station underneath that?

Mr. O'Neill: Yes, there is.

Emil: That was a comment this morning, that one of the property owners brought up the fact that in this particular alternative there wasn't housing on that transit node area.

Panelist: Who brought that out, do you know?

Emil: We can check on that in the minutes. I think they actually suggested that maybe housing should be an option for that site but not necessarily required.

Panelist: Is it safe to say the areas you just pointed out are already pretty much a part of the corridor anyway?

Mr. O'Neill: You mean the specific sort of constant?

Panelist: Yes. We're just trying to I guess phase them into one area. For example, office is more focused or concentrated in one area of the corridor, rather than spread out. I think the only thing we're missing currently is housing, right?

Mr. O'Neill: Within the corridor itself?

Panelist: Yes:

Mr. O'Neill: Yes. That's kind of a missing use right now. The reason we asked this question first, then we'll get into some of the other issues that are on there, is one of the challenges of doing planning in an area that's this big, because 900 acres is a big area – it's twice the size of downtown Bellevue – is if you make everything a variable, then it makes decision making even more difficult. So if the committee can settle on a least some decisions early – In many cases these features that we've identified are very consistent with the existing plan. Then it makes that decision making easier because there are hard choices that have to be made here. Like where light rail stations and areas of intensity will be. That's one of the questions we'll get to on the next topic. But you're right, Darin. Overall this area, corridor, accommodates lots of different uses, and housing is the one that isn't accommodated so much.

Panelist: Did I pick up on one of the discussions that Bellevue is kind of between a rock and a hard spot that they have to develop residential in this area to keep within a plan that they've put together that they have to adhere to regarding housing density versus job availability? Is that correct?

Mr. O'Neill: Well it's a little more complicated than that, but it's a good question. We have a Comprehensive Plan that the City Council adopted that shows that we're able to accommodate housing out to the year 2020 within the existing land use regulatory framework. That contemplates that about eighty percent of the future housing between now and then will go into downtown Bellevue because there's very few places outside of downtown Bellevue that can accommodate housing in the city, either because they are built out, or they're zoned single family. So as we look to the future, 2030 and beyond, it will get increasingly difficult to find places in Bellevue to accommodate housing outside of this corridor, frankly, and places like Crossroads, who are also thinking about adding housing to that shopping center for the same reason.

Panelist: Does that housing ratio have federal funding tied to it?

Mr. O'Neill: No. There's no mandated jobs-housing balance. One of the things that was contemplated when the four-county regional plan was adopted was almost those kinds of mandates on jobs-housing balance for cities.

Panelist: The next thought was about transit. Didn't Redmond say that no matter what happens with what Bellevue decides that they are going to make sure that a Sound Transit terminal ends up kind of where it says Overlake Village? Wasn't their plan going to put something in that area no matter what we decided to do in Bellevue?

Mr. O'Neill: Yes, I think that is right. Two of the three action plans assume that there is a station here, and that's very consistent with Redmond's planning.

Panelist: That's where they have to cut the grade to go up?

Mr. O'Neill: Yes, the challenge is how to get there, either the NE 20th corridor or 520 to here. It's likely – We put this as an alternative for our own planning purposes. I think its likely that this will probably come off the table as an option. But the committee and Council have to see.

Panelist: But one and three have the one that Redmond's going to put on.

Mr. O'Neill: Yes, that is correct.

Panelist: But Sound Transit's stuff, whenever they print anything, they never show it going through 16th. They always show it following 520.

Mr. O'Neill: Well, the Sound Transit EIS has an alignment along NE 16th.

Panelist: They do?

Mr. O'Neill: Yes.

Panelist: It must be old stuff that I keep seeing then.

Mr. O'Neill: Before we get to some of the other land use and transportation, any other comments on the specific 116th Bel-Red Road/NE 20th land use? Any other questions?

Panelist: I think it's a great idea to develop medical along 116th. I think that's a really good plan. Keeping it all kind of generalized in one area makes it less headache for consumers that need to go get care. Overlake is such a good hospital. As far as mixed use and retail housing being consistent along 156th, I don't really have a comment on that. The retail on Northrup

– you made a comment that it was going to be shifting into all automotive, or it was the other fellow. He said Northup will become all automotive retail and I had a question about that because right now Northup does have a lot of automotive retail, but you’ve got like the Columbia Park that’s up for sale right now?

Mr. O’Neill: Yes, truthfully I don’t know what he meant by that. I’m thinking probably what that meant was just auto-oriented retail where on NE 20th you’ve got retail with parking right out in front where it’s convenient as opposed to a pedestrian-oriented street. So I don’t think that means retail that’s just focused on auto type uses. I think it means more auto-oriented retail as opposed to pedestrian-oriented retail.

Panelist: Ok, so now I think I realize what I was wondering about on 156th. They made a comment earlier that the Uwajamaya/Angelo's nursery area was going to become mixed housing and retail. So, you’ve got to wonder what those guys that own that property are wondering. If you look at Uwajamaya for sale for like sixteen million dollars just for the business, but you don’t get to own the property. The property is owned by Walgreens. So is Bellevue planning on a business proposition?

Mr. O’Neill: Well, my understanding is the Angelo’s – You’re all familiar with the Angelo’s Nursery?

Panelist: Sure. It’s out on the tail end of the corridor there.

Mr. O’Neill: That site has been for sale for some time and the people who bought it are a group out of Vancouver. In fact, they were here this morning. Their intention is to do housing, with probably some retail. They want to have a housing focus. They’re very interested in this process. The Uwajamaya site is a different site with different ownership. I know that Walgreens has had plans to improve their store. How that gets redeveloped and the timing of it is more of an unknown. But the city is not going in with composing a master plan on any of that.

Panelist: How do these different alternatives affect the tax revenues?

Mr. O’Neill: I think that different types of land uses produce different types of revenue. For example, we have a strong, as Frank knows because he works on cars – there’s a lot of people who sell cars here in this part of the corridor on NE 20th/Northup. Those are extremely high-tax generating uses generally. Darren, Lauren, I don’t know what your take is on payable taxes to the city. It’s a really good question. We haven’t done that sort of fiscal impact analysis of the different kinds of uses.

Panelist: Without having that analysis, that is, then, not part of this decision-making process?

Mr. O'Neill: Land use planning is based on a whole bunch of things. But it's not based exclusively on tax revenues, because if it was you'd have a city full of 7-Elevens and car dealerships, probably, because those are the types of uses that per capita generate the most. You make land use plan decisions for a whole host of reasons, not just tax generation. But it is something the city looks at.

Panelist: I got the impression that market survey was the real heavyweight in decision starting.

Mr. O'Neill: Yes, well what Frank is referencing is at the beginning of the process we hired a consultant group out of Portland who did a market economic study for us. They signaled that there would be a strong market here for certain types of land uses here in the future. Office, housing, some retail and I think they signaled there'd definitely be a strong need and interest for a lot of the existing businesses, whether they are service or LI or whatever to continue, but less of a market for probably new types of those uses coming in the next twenty-five to thirty years.

Panelist: The next thing on here was the stream and open space enhancements, whether we're for or against that, whether we're agreeing with constants. Is it true that Bellevue passed, settled upon, a one-hundred-fifty-foot setback from wetlands? Wasn't it, didn't it used to be like 75 feet, then they doubled it?

Mr. O'Neill: That's actually not my impression. When the critical areas ordinance was adopted I know they looked at some broader setbacks. I don't think they went that extensive. The CAO also grandfathers existing buildings in terms of setbacks. So if you've got a building in place you don't have to change.

Panelist: That question came up because a fellow the other day was commenting to me that he was racing to have his plans approved so that he could get his house built before it was too late. So in general I would say that is it a very good idea to do whatever stream and open space enhancements that they can. We've always enjoyed the stream north of us. It says no trespassing all over it now but when I was young and first moved there we fished for trout in that stream. Don't see any fish in there now but we certainly have tried to be good stewards of that.

Panelist: Where is that located, Frank, that you're referring to?

Panelist: That's just north of us, north of 16th on 132nd.

Mr. O'Neill: We can come back to any of these, but what I'd like to do is move on to some of the frankly tougher challenges here as we sort of take these four plans and merge into one. The question really is what components or would you either really like to see in a preferred alternative. A couple of ideas have been mentioned, the services core was one, or what would you really not like to see? You know you just think that's a terrible idea, you don't want to see it, you'd like to see it go away. That can be anything on the list, it can be a location of where those nodes are, it can be any of the specific features on the plan. Really anything you want to talk about. We'll just sort of open it up. Darren?

Panelist: Well I think just looking at it in general there's really nothing extreme about either one of the alternatives, as far as changes go. With maybe the exception of housing. Other than the light rail nodes. I think that right there is what really just sets everything into motion when it comes to change in the corridor. So what comes first the chicken or the egg? Do we place the nodes first and then decide what goes where, or decide whether office and housing go together in one section and then put the nodes after that? But I think somebody has to make that tough decision on what goes where first. What is it first? Is it node, or is it housing and, for example, office?

Mr. O'Neill: Well I guess the answer is both, because you don't want to put a node and assume housing/office unless it's a good place for those uses to begin with. I think that's part of the trade-off here. I think you're right, both of those decisions have to work together or else it doesn't make sense in the long-term, it won't work.

Panelist: Can you explain a little about a node and what transportation goes into that? I see them up on the chart up there, but is it like a place where everybody comes and gets on, is it park, or what?

Mr. O'Neill: As most of you know now, the land use pattern in the corridor is pretty uniform and there's nothing much above two or three stories really anywhere, whether it's retail or office or light industrial. So the idea behind the action alternatives is if light rail comes, and the question is will it serve the corridor or not. It will either by-pass it and go along 520 to Redmond, or it will serve this area. If it is going to serve the area, you want to take advantage of that because that's transportation capacity we don't have in the city right now. Also, when you have a light rail station, the ridership for the station works the best if you have a lot of office or housing close by. It doesn't have to be those uses, but those are very transit-supportive land uses. So you can ride the train to work, get off and you're there. You can live someplace, walk down the street, get on the light rail, you're off. So the idea is that in none of these alternatives will

you see the entire corridor intensify, because first of all that would just be way too much development for that area to handle. But in all the action alternatives you intensify some of it. So in this alternative you have really intensified this area. You maybe make some changes over here, but not too much to be quite honest with you. In this alternative you intensify these areas more, and in this alternative you intensify these areas more. So think of them as areas that instead of two-story buildings you've got six-story buildings, or eight-story buildings, or whatever. So it's not a downtown –

Panelist: But it's a hub.

Mr. O'Neill: – density. Exactly. Mixed use, you've got higher buildings, you've got a transit station.

Mr. King: And how those areas are drawn is you take the stop and draw a quarter-mile radius around it, which is sort of the state of the art for figuring out the nodal area. So from here to here is kind of the walking distance. It's about the same distance of one end of Bellevue Square to the other, on that order of magnitude. So the area within that node is roughly about 125 acres in total.

Mr. O'Neill: That said, in Alternative 3, even though we assume a lot of redevelopment going on there, we assumed that the Coke plant is also still there, because you guys have come in and said we want to stay. So it's not like even within that node everything is assumed to redevelop. That will happen based on a whole bunch of things. Safeway is probably thinking about the same thing with the different parcels that it controls.

Panelist: So let's assume that Safeway or Coca Cola or whatever had that big chunk of property there and you put a node designation there and they just keep it as just that. Isn't that node representative of a lot of people? There's residential and offices and all that stuff. But if you just have Coca Cola, which is a lot of trucks coming in and delivering stuff, why would you put a node there?

Mr. O'Neill: That's a good question. Part of the reason the alternatives assume a node there in a couple of cases, not all the cases, is that you had large parcels with a single owner who was interested in doing something more intensively on part of their site.

Panelist: Safeway is in the process of selling thirty-six acres of that site, and they'll probably use it for mixed use.

Panelist: Now that would make sense.

Panelist: Yeah, so that's why that property is shown like that. And we plan to keep our plants, our dairy, our ice cream, our bread and our beverage. They are all in that area. We plan to keep those operating for some time.

Panelist: Are those thirty-six acres the ones that Wright-Runstad wants to develop?

Panelist: Yes.

Panelist: Okay, that was one of my questions.

Panelist: Is there a requirement for a minimum, I guess head count, to place a node?

Mr. O'Neill: You mean place a station?

Panelist: Yes,

Mr. O'Neill: Well Sound Transit obviously wants to maximize the ridership and efficiency of their system. In looking at putting stations anywhere, there's not a minimum threshold, but there essentially needs to be transit-supportive land uses. Either there or contemplated to be there. So right now, the only place in the corridor that would qualify would be here, because Overlake Hospital has so much being built here that you could probably support a station there in five or ten years without anything else changing. You could serve the argue and maybe part of the downtown, too, depending on where it is. So any decision of putting other stations out in the corridor would be dependent on the assumption that some land use would change over time. It doesn't mean that the whole thing has to change, but there would have to be enough of a change to justify it.

Panelist: So on Alternative 3, it has three nodes going across that are too close together. This one over here has one closer to the hospital, whereas that one there, I don't know it, it would be pretty hard to get to the hub from the hospital, or would it?

Mr. O'Neill: This doesn't contemplate that there's just going to be one here. There would be one in downtown Bellevue and one here, so they would be relatively close. But that's part of your question, too, Darin. From a system standpoint – like in Seattle there's probably not any light rail stations that are closer than a mile apart except in downtown where its very intense – so that's another thing we have to look at is station spacing, what you're serving by putting the station there, and those parts of the equation. But in answer to Darren's question, no, it's not like they've come to us and said you need X million square feet or you need Y number of housing units. So there could arguably be, depending on what Wright Runstad wants to build, and depending on if they get the signal by the committee and the Council to go ahead, that they're comfortable with that,

that there might be enough intensity just there to supply enough ridership to justify a station there.

Panelist: We've heard that Coke wants to keep their property, Safeway wants to keep their facility. Has Metro stated what their intentions are? You've got Metro in Alternative 2, are they intending to stay in their location?

Mr. O'Neill: They have signaled that while they support the idea of intensifying the corridor, like a lot of other people they would like to stay there, but only because it's probably such a tough use to try to locate anywhere else. I mean, they own a lot of property there on both sides of 124th. They use that as really the base for their whole Eastside operations. It's pretty close to the Bellevue transit center, which is the hub for bus service. That's not to say they are maybe not open in the long-term to relocating, but what they've told us is they plan on being there for some time to come.

Panelist: Is that wetlands at the head of that little creek down there – is that on Safeway's property?

Panelist: We own some property kind of behind Coca Cola where Kelsey Creek is.

Panelist: Is this a wet area?

Mr. O'Neill: Yes. It's a big detention pond.

Panelist: I think the city wants that.

Mr. O'Neill: Okay, so these are all really good questions. I want to make sure we are getting your comments and opinions too. So, other thoughts?

Panelist: Well, as a business owner that has an automotive repair shop, I'm all for Alternative 1 with the services core. But I really feel that a blend between one and two would best serve the area. What I would like to see for the future of the area – When I look one and two as a blend, I see the services core so that a lot of the existing automotive facilities that have huge client bases, like Aamco and ourselves and the body shops that are in there – those shops are some of the best shops in the state as far as customer satisfaction goes. And having them leave the area would be a detriment to any of the consumers that utilize those facilities. And I'd like to see light industrial remain so that Coke and Metro and Safeway can continue to do what they do. When I look at our automotive facility like in Alternative 2, we would be in the mixed use housing/commercial higher density. We could remain as an automotive facility I'm assuming. I would envision us becoming a different building that would fit more in with the urban style. But I think a blend of a services core and a light industrial would be a good idea, for both the business owners that are there, because that's us,

and for the consumers that will still be using those products for a long time.

Mr. O'Neill: Other thoughts, opinions?

Panelist: I think Frank brings up a good point in that as we increase traffic through there with more office and housing, those services will be necessary.

Panelist: A lot of the automotive, its not like go the way of buggy whips as fast as it may seem. As we work on less and less gasoline-filled vehicles it's more and more biodiesel and hybrids. We service a lot of hybrids, and a lot of our customers are using biodiesel. Just yesterday I was working on an alcohol-based Chevrolet that was made to run on ethanol. They're shifting to products that are being made available as times change as opposed to going away from cars.

Mr. King: Frank, do you think that services core kind of adequately captures the area?

Panelist: It does capture a lot of the shops that I see as very important to the consumers in this area that utilize them. I mean you've got ourselves in there, Olympic Boat Center would be on one area – and that's an area where Goff Creek goes underground through there. And then you've got some of the best body shops in the area on 130th. And you've got LVR Automotive. Those are all really good facilities right in there. And a major parts distributor is located right next to us that supplies a huge number of automotive facilities in the Bellevue area. Having them go away would be really a problem for a lot of the businesses that rely on them.

Mr. King: And you brought up boat services?

Panelist: Olympic Boat Center is right across the street from us, and they are located in that services core you have on the map.

Mr. O'Neill: So just a question for Darren and Laura and Frank, and anybody else that wants to weigh in, but as you sort of look through your long-term operations, and thinking about other things coming in next to you or adjacent to you, what are the concerns you have about transition issues? You're dealing with it as a landowner by selling one piece but keeping another, and that's always a challenge with any kind of land use planning. As things transition around you, what are some of your concerns?

Panelist: Well, we'll be concerned about the noise from our facility and from Coke and Safeway, both their plants running and trucks coming and going. Automotive produces fumes of some sort. Really, we're not very bad.

We very rarely create much odor. Diesel trucks do, but I've never noticed Coke or Safeway being bad neighbors. It's amazing how stealthy they are. Like you were saying, they time those truck routes so carefully so as not to annoy people. I just think noise and odor are going to be concerns.

Panelist: Safeway has been there for almost fifty years, so I think we've probably got it down. Transportation, obviously, would be a concern.

Mr. O'Neill: I guess I was trying to frame the question to go beyond just your impact on others but their impact on you as well.

Panelist: Well if you get a lot of housing, you've got a lot of people there and the transportation system will be stretched thin. We want to be a good neighbor, but we have trucks that come and go. With reducing the size of the warehouse, we are down to just a few plants, and that has reduced our traffic flow. But our concern would be transportation. One comment I was wanting to make, though, was I know in the past the committee and the city has looked at other communities. One example is the Pearl District in Portland. Is that still a good example they are looking at? It seems like they made that happen pretty quickly, the integration of old and new and light rail.

Mr. O'Neill: Right, exactly. We brought the steering committee to Portland to look at their light rail system, and we took a tour of the Pearl District. I think they are interested in models like that where planning is very sensitive to existing businesses and uses, but still accommodates other new things coming in. I think they are very interesting in those kind of models.

Panelist: The one comment I have is if we had to have it our way we would prefer to kind of keep the development around there somewhere minimal. But housing would probably be the toughest to match up. We create traffic, though we try to time our routes for off-peak times to get in and out of the area and through the highway system. But for the most part, that area there is already congested. So I think there would be a challenge there. The other thing is, you know, high density housing near us would be – I know we have that in a lot of areas where we have plants, but bringing in new just makes you wonder if the folks that would be moving to that area would really have a good understanding of what they're up against.

Panelist: You have a lot of trucks going at night?

Panelist: Yeah.

Panelist: We have trucks at night, too. So that would be a concern.

Panelist: The transportation improvements are going to be really important.

Panelist: We have facilities, such as my old facility in Denver, that has a whole neighborhood sitting one side, and there is somewhat high-density housing on another side, and we don't get complaints. They know we're here, though.

Panelist: Well, when I look at – I mean, this is all kind of new to me, and when I look at kind of what's going on, if I was thinking thirty years down the road, I don't know that I'd want Safeway and Coca Cola, big plants, in the middle of the city. I would rather see that more, you know, mixed use housing or commercial stuff. Smaller stuff. I mean, if you had your druthers, and we have the opportunity to maybe do that, maybe that's the plan down the road that Coca Cola and Safeway are both going to change all that to retail. That's what it's zoned for right now is mixed use and housing. Is that not true?

Mr. O'Neill: It is zoned light industrial.

Panelist: Alternatives 1 and 2 both have housing moving into that area. I'm looking at this whole prospect from two standpoints, both as a business owner and where I'm going to go with my business as we continue to expand, and frankly secondly as a real estate investor, which is a whole different thing. But it seems to be that neither option one nor option two with the housing going into that west side really makes a lot of sense to me. With the way things are now, I think it would be a mistake. I think Alternative 3 is the best alternative.

Mr. O'Neill: So you think there's a stronger market for housing as you move to the eastern side?

Panelist: Right. I think it would make more sense, you know. One way or another, on the far west side, the medical office, that's a fixed, that's a given, right? So when you have that, I'm thinking as you go a little east then it would be wise to maintain that as office campuses and the light industrial folks and Safeway and whatnot, and then let the housing stay further to the east side of the area.

Mr. O'Neill: Other comments? We're going to move to transportation in a minute, so any more comments on the land use side?

Panelist: What about the civic/arts idea? I thought that was a good idea. Does Pacific Northwest Ballet own that property or do they rent it?

Mr. O'Neill: I believe – Well, that's a good question. I don't know if they own the land or not, but they've put millions of dollars into that building. I don't know

who owns the land that they sit on. But yeah, that's the concept, to sort of build on that for that area.

Panelist: The reason I ask that is I have relatives that live in San Francisco, and they had put together arts programs and different things in different buildings. As San Francisco went through its big surge where it gentrified, they all lost all of their businesses because there was no way they could afford the rent in the space. So if Pacific Northwest Ballet didn't own that property, then they might have a hard time staying there as the gentrification of this area occurs and the land values and rents escalate. But if they owned it, then that would be a whole different ballgame, and it would be easier to grow around it with housing in places where people would want to go and hang out before they go to the ballet or whatever theater is going on in an art center. It's happening in Seattle right now in the South Lake Union area where people are having all their arts taken away because they are tearing down buildings there.

Mr. O'Neill: So I want to move to the transportation system. As you saw in the presentation, this planning effort can't accommodate new land use without adding transportation capacity to the area. So in addition to light rail that Sound Transit would be building, we've contemplated a whole series of improvements that could include extending NE 16th further to the west, adding lane capacity to 124th and 120th, adding potentially an eastbound onramp at 520 which doesn't exist now, potentially widening 116th, potentially bringing NE 10th to 120th to help relieve some of the congestion on NE 8th. So the question is, of those ideas, or any other ones you see up there, are there ones that A, you think are really critical or crucial that you support, or B that you really question the need for.

Panelist: On 124th, I guess it makes sense to eventually widen that. There is a bit of a challenge there going from Bel-Red to 520. It dips down and then there's a – I don't know what the grade is there but it's extreme, so much that a lot of the contract carriers from both Coca Cola and Safeway and some of the other delivery trucks are discouraged from going that way. They end up going back into the neighborhood to find a way to 405. So I think those types of things need to be considered when looking at this. If we had housing on the north end of 124th closer to 520, I guess that would probably be – I guess there wouldn't be a need to change that and try and encourage the trucks to go that way. But if you keep it where it's more office and light industrial, it might be a good idea to do something there to get them out of the neighborhood and just onto the highway as soon as possible. And I'm not just speaking about 124th. I'm saying as you go through this, look for those kind of things.

Mr. O'Neill: So if there was access to eastbound – even when you're going westbound, your trucks are going westbound, that 124th is difficult so people tend to go out the other way to get onto –

Panelist: That's right, they drop down onto NE 8th.

Mr. O'Neill: And then when you are going eastbound on 520, do they do the same thing?

Panelist: It's usually down NE 8th onto 405.

Panelist: One way or another that SR-520 eastbound ramp has to happen, I'm sure. And it would seem to me when that happens, maybe something could be done with the grade there. It'll be a big job, but we do need to have big trucks moving through there long term.

Mr. O'Neill: And the idea would be finish the interchange there so would be access to eastbound 520 and from eastbound 520.

Panelist: Well, the grade would be extremely difficult to deal with because if they did anything elevated, it would just be another Lakemont Boulevard where everybody slides down the hill every time it gets icy out.

Mr. O'Neill: Other questions or comments on the transportation program.

Panelist: Well, you've got quite a list here.

Panelist: On 116th there's no room to widen it from what I see. They've got three lanes, two going north now and one going back south. Some of the spaces that are office right on 116th on the west side are real close to the road. Short of taking their land away, which you probably would have to do, I don't know. Looks like that chunk's been taken away on the freeway side. But that's a key road right there, so it looks like it needs to be probably widened, but that's a problem for a lot of people.

Panelist: Does 116th get congested a lot? I don't drive on that street very much.

Panelist: Not north of our office it doesn't too much.

Panelist: When I turn south off of Bel-Red Road, yes it's congested on 116th. But when I'm going north on 116th I don't really notice it being that congested.

Panelist: Are they thinking of using 116th to feed people up and over the hill and down to get onto 520 from a different onramp?

Mr. O'Neill: Well, yeah, there's no onramp up there. So – where is your place?

Panelist: We're just a block north of the hospital.

Mr. O'Neill: Okay, so you have as that traffic feeds north, let's see.

Panelist: You know, north of 12th it's really not –

Panelist: You know, one thing about it, if it did get wider road and stuff, it's still going to be stopped at Northrup, at the light there. So you can only go so far unless you can find a way of getting over to the 116th on the other side.

Panelist: It does congest by the hospital, just south of 12th.

Mr. O'Neill: Yeah, it seems like to me that between the hospital and auto row it probably is more of the – at least now.

Other comments?

Panelist: I have a question with regard to going back to Sound Transit. I'm still hung up in this a little bit. Do you have any idea, you know we go over 405 here with the transit, but are they going to perhaps go down interstate 405, or is it going to go through Bellevue, or what?

Mr. O'Neill: Are you talking about just to the south?

Panelist: I'm talking about these stations that would go in here for light rail. So what will happen west of this area? Any concept?

Mr. O'Neill: Oh yes, like I said Sound Transit is going through their own environmental process right now, they are going through their EIS. So they've identified a desire to serve downtown Bellevue from a variety of different alignments, tunnel, elevated and surface. But they clearly would like to have a station at the Bellevue transit center for obvious reasons. It's sort of in the core of the downtown, it's the main bus hub. So, coming from downtown into this area, it would either – there are two options they are looking at in their environmental work. It's either coming across at NE 6th, which is where the transit center is, crossing 405, somehow then getting to the BNSF corridor – Burlington Northern-Santa Fe, which is a hundred-foot right-of-way with tracks on it. They would take it up part of the corridor and extend east from there. The other option they are looking at is they would, after serving the Bellevue transit center station, they would keep moving north through downtown, cross at NE 12th, which is where a bridge is now, across 405 there and then actually continue out east somehow through the corridor. They're also looking at alignments along 520 the whole way, so if they went through 520 they would just continue moving north on the Burlington Northern-Santa Fe corridor and then

extend out that way. So that's part of the what the environmental process is about, is vetting those different alternatives and looking at preliminary engineering and cost and all those factors. And that's the process they are managing.

Panelist: If they were to use that Burlington Northern right-of-way, that would lower their costs substantially. And I'm wondering where it would leave your plans, though.

Mr. O'Neill: Well, they obviously want to look at a cost-effective way to build their system, but they also want ridership on the system. So if you went up the BNSF corridor all the way to 520 and then out along 520 – they haven't done detailed cost estimates – that probably is from a cost standpoint the most efficient way to do it. But it doesn't allow for the same kind of ridership opportunities within the corridor that bringing it through the middle of the corridor might. So that's going to be one of the big tradeoffs they are looking at and that we are interested in working with them on.

Panelist: Do you know what their timeframe is in terms of making these plans?

Mr. O'Neill: Yeah. They've started their environmental review process right now. They're expected to release a draft Environmental Impact Statement for the whole East Link project, which again is all the way from Seattle to Redmond, in the summer of 2008. They're then expected to pick a preferred alignment sometime in early to mid 2009.

Panelist: But the City Council will have made its decision probably a year in advance of that.

Mr. O'Neill: Yeah, the City Council will, based on the steering committee guidance, and their own vetting – and by the way, Earl Overstreet is a member of the committee and he's joined us, thanks, Earl – they will have made a recommendation, a decision, about how we change our own individual Comprehensive Plan to deal with land use and stations and alignments in the Bel-Red Road. Sound Transit will certainly consider that, because they tend to consider local preferences when making final decisions, but the decision will be made by the Sound Transit board, that's made up of elected officials from all over the region.

So there are a lot of other transportation projects up there, road widenings, et cetera. So any other – and we don't have to go through the list of every single one, but if there's anything there that pops out at you as either yeah, you ought to do it, or no, please don't do that, that's what we're looking for.

Panelist: I really think they need to do something with that Burlington Northern-Santa Fe rail bed and keep it as something they can use for light rail. I know it needs improvement to be able to handle light rail, but once they give that up they'll never get it back as a light rail corridor. And there're so many potential uses for the light rail. It doesn't matter to me, really, where it cuts off, because yes, I agree that feeding it through here will be better if this becomes residential and retail. Because people will want to be able to go there and that sort of thing. But when you look at what's south of here and what can be fed up for people going out the Microsoft to go to work. You know, The Landing is going in down in Renton, and that rail goes right next to where The Landing is. You've got a place by Home Depot where the rail goes right by a huge area of Home Depot that's not really heavily utilized, in their parking lot. There's so many potential things. Even people who live in Wilburton said they'd get on the train if there was a stop there. That's such a potential high-use area that they just want to turn into a trail. I've not met one person who dreams of having a trail there. Everyone wants it to go into a rail line. So that's my two cents on the rail situation.

Panelist: Do you know how many people utilize that rail now? I know we do. We've used it for years to have certain deliveries coming to our plant. Not a lot anymore, but –

Mr. O'Neill: Well, in terms of freight, I know Boeing has used it for a long, long time. I think they are still using it. And there are spurs that serve businesses in the corridor, but I think they don't run more than four or five trains a day for freight. But then there's the dinner train.

Panelist: That's about a done deal, though.

Mr. O'Neill: Yeah. What Frank is referring to is the negotiations between the Port of Seattle and King County about swapping the trail and development of the trail for the King County airport. I don't know that it's a done deal. The King County Council's making it sound like maybe it isn't.

Other comments on the transportation components?

Panelist: What's the 124th Avenue at Bel-Red Road improvement all about? What do they plan on doing there?

Mr. O'Neill: I think what you are talking about here is – that's an existing city of Bellevue CIP project. I think that's just looking at turn lanes, just intersection improvements.

Panelist: Oh, helping people make a left onto 124th. Okay, I understand. And then you were saying on 10th they're going to go across 405 here?

Mr. O'Neill: Yeah, that's already under construction. It will actually go right through the hospital campus. When the hospital did its redevelopment plan they had to work with the city on actually accommodating that easement. So it'll come across and connect onto 116th.

Panelist: So then the next idea was do they take it on through here?

Mr. O'Neill: Right, continue it through to hook up eventually to 124th somehow to both improve mobility for the general area and take some of the traffic congestion off of NE 8th. And that's the same idea as the NE 4th extension to the south, which is also part of the plan assumptions, looking at increasing east-west capacity.

Panelist: So 4th would go up through where the auto dealers are and go up and over the ridge there?

Mr. O'Neill: Yes. Okay, so coming back to the land use alternatives. I have two or three more questions I want to ask everybody and then we'll get you out of here by six, or maybe earlier. Kevin sort of posed a question in his presentation that if you – Is there an alternative that you would see wanting to work off of as a preferred alternative? Frank already mentioned the idea of elements of mixing one and two. Anyone else have any thoughts about them as you see them.

Panelist: I didn't see one that I really liked, because I felt that the west side should be more heavily maintained as office/industrial type, and then the east side more residential type of thing. I would, however, speak very strongly in favor of doing whatever can be done to support PNB and a civic/arts center there, which I think would form a very strong hub for an east side residential-type development.

Mr. O'Neill: Other thoughts?

Panelist: I have to agree with the gentleman with having housing be more to the east, because there's just so much more potential Microsoft employees looking for a place to live. If the housing is affordable. At one point in one of the meetings we had a real discussion about if these homes are going to be affordable for the people that live and work nearby. If they are affordable, there are a lot of potential employers in that area for those people. Whereas the closer you get over to Bellevue – A lot of the people that work in the stores in downtown Bellevue can't live there because they aren't paid enough to be able to live in this area.

Mr. O'Neill: Other comments?

Okay, are there any other general comments that you haven't made so far? Anything else we haven't talked about today? Parks, streams, other issues you'd like to weigh in on?

Panelist: I'll go back to the stream thing. I think the largest possible setbacks are necessary to rehabilitate the waterways. And I would be very much in favor of seeing small parks.

Panelist: Yeah, that's the thing I think I miss in our office area is that we really don't have a – I guess you can go into the heart of the city and there's a park there, but it's nice to have smaller parks that are close enough to walk to or do something. I mean, parks are really important for people who are working all the time. And they don't have to be large. I've spent a lot of time in small parks and just thoroughly enjoyed them. Mostly back East.

Mr. O'Neill: So are you interested in urban plaza-type of parks, or small green spaces?

Panelist: Green spaces. It's just that if you have to get in your car and drive to it, there's not time most of the time. But if there's little spots you can just walk to that're close. I always think it's a shame that that little lake that's right there, it's too bad it's built all the way around it. That would have been the best place to walk to for a park.

Panelist: When our guys take off and go for a walk, they'll go up and sit by the no trespassing signs in a little green space along the stream corridor. I think they just labeled it so people wouldn't go there and fish anymore. But pocket parks are a real good idea. I would utilize a sidewalk over to a little park and enjoy the sunshine, get away from work, turn off the cell phone. They are cool. I've been in cities that have them and you can just walk along and there's a little green space with a tree and a bench and a little bit of grass. Just a little spot to stop and relax.

Mr. O'Neill: Other general comments?

Panelist: I think they should utilize the wetlands and the spaces where the creeks are to form parks around. As long as the setbacks from these creeks doesn't make it so that you can't develop park space on it. If they can just use the setback as park space, that would be the best of both worlds.

Mr. O'Neill: You are referring to some of the major wetlands?

Panelist: Any place there's already a wetland or a creek running through that's already open. If they could have little park spaces involved with those, then they've covered both areas. They've got the space that they want for greenery and park and they've got the wetland taken care of, or the water taken care of, and there's no building sitting on top of it.

Mr. O'Neill: Okay. So the last question is this. This is being recorded and transcribed for the steering committee and the Council, so what I'd like to do is just ask the group if there are just two or three main points of consensus or messages, or more, that this group would like to pass on to the Council. I think I heard a couple of things, but just to see if anybody caught anything I didn't. Anyone have anything based on the discussion we've had that really captures some key points?

Panelist: I think would might be – and hopefully I'm not speaking out of turn for everyone else – is having the office/hospital more toward the western end, kind of lead into some light industrial services, and then housing as you head further out east. That makes a lot of sense.

Mr. O'Neill: Is that kind of a point of agreement?

Panelist: I would agree with that. I don't know how you would marry housing with the Coca Cola plant right next door. So I agree.

Panelist: Especially if you have the option to set it up.

Panelist: I'd like to see the parks looked at as pedestrian-oriented, not parks to drive to and park your car at. A park you can walk to from where you work or live.

Mr. O'Neill: Yeah, and the other point of consensus I thought I heard was just the notion of support for the small spaces around the corridor that people can use. Is there general agreement on that?

Panelists: Yes.

Panelist: I think there has to be a focus on stewardship, too, of the land and the streams. I mean, we're in a new world, and I think that needs to be at the heart of anything that's done.

Panelist: I think minimizing parking lot space should be really considered in the zoning changes that they allow. One of the things that Bellevue has a lot of issues with is stream water temperature rises after rainfalls because we have so much blacktop. If they are going to allow these mixed use housing and commercial developments to come in, I think they should really consider underground parking for a lot of these facilities so they don't increase the blacktop space and runoff into the creeks.

Mr. O'Neill: And then another big point of consensus that I heard several people articulate was the importance of services, both in terms of existing uses

out there but also services that will be needed to serve new housing and office development as well. Is there general agreement on that?

Panelists: Yes.

Mr. O'Neill: So, any other comments for the good of the order?

Well, I really appreciate everybody coming. Your time is really valuable to us, and your comments too. We will create minutes and post them on our website and feed them to the steering committee. They always use them as part of their deliberations.

Panelist: Something I just thought of regarding the good of the order. I think they should not think about the eastern transit area like in Alternative 2 since they pretty much know where they are going to put it. They should work in concert with Sound Transit, that's really important.

Mr. O'Neill: Okay. Thank you.