

**BEL-RED BUSINESS AND PROPERTY OWNER PANELS DISCUSSION GUIDE  
SUMMARY NOTES  
TUESDAY, MAY 16, 2006**

**BUSINESS/PROPERTY OWNER PANEL: 4:00 TO 6:00 PM**

Kevin O'Neill, Facilitator

**1<sup>st</sup> q: Participant introduce selves**

Sara Sena: Eastside Domestic Violence Program, director of community advocacy

Darin Croston: Coca-Cola plant manager

Linda James: Owner, Evergreen Center.

TJ Woolsey: Hal Woolsey properties; owner of Briarwood Center

Scott Hall: Burnstead Construction/Pine Forest Properties

Dick Loman: Lake Bellevue Water Quality Association.

Robb Johnson: Cadman, Inc.

Robin Hanson: Cadman, Inc.

Cesar Caycedo: Small business owner/ board of YMCA

Frank Spicer: Auto Logic

***Development Opportunities***

The Market Study indicated that there is market demand and development opportunities for some uses that are currently not in the corridor, such as mid-rise office uses and housing. They also thought there would be a market for more, expanded medical uses, home and design-oriented retail, and auto dealerships. **Tell us what development opportunities you see and how land use planning should best accommodate these.**

- Important to be flexible in the area—market demand will change over time.
- Can see future demand for higher density office, multifamily residential, and expansion of medical office
- Improvement values are low in the area—zoning has been a constraint
- Allow market flexibility in the future, but don't make existing uses nonconforming (from a zoning standpoint)
- Favor a mixed use approach, with residential, restaurants, businesses, etc.
- Need to keep adjoining residential areas in mind when planning this area
- Important to have a diversity of uses and diversity of jobs in the city—LI jobs contribute to that
- Could allow artists in LI area—Cultural Compass connection

***Light industrial Uses***

As described a bit in the background, one of the things the Bel-Red Market Study produced by Leland Consulting indicated is that economic development in much of the area could stagnate without new planning and land use opportunities. In particular, Leland indicated that the future market demand for light industrial uses (uses such as warehouse and distribution, manufacturing, etc.) is not as large as the amount of supply in the area. This is another really key crux issue the staff team and steering committee is grappling with. We know that there are some viable industrial/warehouse uses in the area, but in the past several years new development in that area has focused on other uses—car dealerships, Eagle Hardware, etc. **We'd like your opinions on whether there is some important**

or unique function that light industrial uses play in this particular part of Bellevue. If light industrial zoning changed, what do you think would be the impact on the local economy?

- The market will determine whether future LI uses are viable—important to maintain flexibility on uses
- There may not be new development that's light industrial in this area
- City can't mandate uses
- If we value diversity of jobs and family wage jobs we should keep light industrial uses
- There are many different categories of light industrial, with different impacts. Would like to see more people in the area.
- There is a need for warehouse uses; however, somewhat of a limited one.
- There is some need for warehouse/distribution in this area given the good access to I-405, etc. For Coca-Cola, the Bellevue location is a major hub—manufacture as well as distribute
- Cadman values easy access to Downtown Bellevue market (15 minutes away).
- Cadman can exist with other uses—have operations next to office or residential uses (cited Granville Island in Vancouver as a specific example)
- If change happens in LI area small businesses will be more impacted. More businesses will likely move south, like the Safeway warehouse did.
- City may have a budget shortfall—light industrial uses do not generate much in terms of tax revenue.
- We need to think about what will go into these light industrial areas in the long-term when businesses move out.
- Cadman sees interest out there in light industrial space (has been contacted by interested buyers).
- Need a diversity of jobs, and a diversity of services (like auto repair)

### *Service Uses*

As mentioned earlier one of the principles the Council adopted for this project is to build on existing assets of the area, including successful businesses, while identifying opportunities to catalyze future business development and economic growth in the corridor. Of course there are some difficult trade offs involved and it may be difficult to accomplish both of these principles fully and simultaneously in all areas of the corridor. Not all land use alternatives that accommodate current businesses in the area will catalyze future business development and visa versa. If new uses are allowed in the area to better match market-driven economic development opportunities, real estate prices and commercial rents may go up. **What types of services are key to preserve in the corridor, and what suggestions do you have for facilitating their preservation?**

- (Question from panel about definition of light industrial)
- Light industrial zoning was established in this area by Bellevue in the 1970s based on what was already there. Zoning designations get blurry (between LI and GC)
- Coca Cola wants to have more people in the area—more restaurants would be desirable.
- Auto repair should be a focus. Other important services include printing, car dealerships, boat sales and service, cabinet making, floor covering, and plumbing/contracting supply businesses.
- We will be using cars in the long term, so Bellevue will need auto service in the long term.
- Existing uses in Briarwood are service largely service uses; expect that market demand will change over time.
- Exercise studios on 130th; also florist.

### **Question about services in a mixed use scenario**

- A mixed use model (similar to Ballard) is a viable model for this area.
- Coca-Cola exists in environments with different uses in other cities—flexible about the type of environment they operate in.
- Redevelopment won't happen overnight—will be a long process. Uses can co-exist comfortably if there are the right types of development codes in place.
- Light industrial uses can have impacts on neighbors, but can also co-exist with other uses. Ballard a great example of that.

- Inevitable that there will be a blending of uses in the area over time; Pearl District a good example. Should still be cautious about some mixing (some uses have odors, such as auto body repair).
- Will likely be residential types in Bel-Red that are more dense, urban; won't be expensive homes. Residents will know the kind of area they're coming into.

### ***Land Use/Transportation Connection***

We have heard frustration from some that zoning in the area has been a “constraint” on future growth. However, the transportation system in and around this area is very limited--and, effectively, the area is “locked up” given these transportation constraints. We'll probably need to focus growth in certain areas and find ways to grow smarter; otherwise we'd risk having an unacceptable degree of congestion and unacceptable impacts on surrounding neighborhoods. **Given these constraints, what do you think is the smartest way for this area to grow in the future?**

- Better access to 520 a major issue; constraints now on 124<sup>th</sup>, for example.
- Traffic is as much an issue outside the study area as within it; development in the area, for example, could trigger concurrency concerns at 148<sup>th</sup>.
- City should try to fill in the grid system in the area—need to improve the choke points.
- The lack of access to/from 520 causes congestion in other parts of the city.
- Need to look at relationship between development and traffic—different types of development will have different traffic impacts.

### ***High Capacity Transit***

We know that there are likely a lot of different opinions around the table about Sound Transit and potential expansions of High Capacity Transit to Bellevue. However, the adopted Sound Transit long-range plan shows an HCT corridor through the Bel-Red area connecting DT Bellevue with Redmond. If Sound Transit makes the investment in an HCT corridor through Bel-Red, this will add transportation capacity to the area, and also create land use opportunities. It has also been demonstrated in other parts of the country that HCT stations often attract development. The City Council directed us to use this project to analyze both the impacts and opportunities presented by an HCT corridor through this area. **What are your thoughts about how this planning project might capitalize on opportunities that HCT could bring?**

- (Question: Do we need more density in the corridor to justify HCT?)
- (Question: Where does Sound Transit envision their stops in Overlake and near Overlake Hospital?)
- Difficult to think about best alignment—land getting increasingly expensive within the corridor.
- Some people would like to see the western half of the area developed with higher density housing, that would offer opportunities to live closer to work.
- Makes sense to have a transit system that can get people to Microsoft. Areas of opportunity include the western side of the planning area or the Journal American Building.
- Higher land values will make developing affordable housing difficult—also mixed use more expensive to develop than single use.
- The transit system should not take away any general purpose capacity. Many uses in the area not compatible with transit
- Planning for HCT should not be a huge issue in this project
- Need to reserve some space for low-income housing—immigrant populations are growing in this area. Also, affordable housing generally is a huge issue for Bellevue.

### ***Environment***

One of the themes that has come up through the project scoping and other public outreach is an interest in more green space and other environmental amenities in the area. There are also several stream corridors running through Bel-Red area as well as several major wetlands in the area and the Steering Committee is looking for ways that planning can support improving these environmental resources in the future. Council has asked the Steering Committee to consider the creation of new neighborhoods in establishing a vision for the area. More parks and open

space would likely be needed to support this. Many members of the public who commented during project scoping also mentioned they would like to see more parks or sports fields in the area **Do you see any types of amenities or additions of green space that would be benefit to the area as we think about the next 20-25 years as this area grows in the future?**

- Pretty impractical and uneconomical for city to purchase a large amount of land in the corridor; pocket parks, jogging trails make sense.
- None of the streams in the area seem critical for salmon spawning.
- If we have housing, we'll need parks and green spaces to support it.
- Storm drainage also a big issue.
- Doesn't seem to make sense to invest in opening up culverts in this area. Concerns expressed about critical areas ordinance restrictions and water quality improvements.

**Before we finish, we want to get from you all any additional ideas or key suggestions you would like to be considered in the development of the Project Alternatives.**

- Concern about big box stores in the area; future plans shouldn't allow them.
- High capacity transit important, but so is local bus system.
- If we put development nodes in the area, think about a hospital node, a residential node, and a Microsoft node.

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

May 16, 2006  
4:00 p.m.

Bellevue City Hall  
Room 1E-113

**PANELISTS:** Sara Sena, Darin Croston, Linda James, T.J. Woosley, Scott Hall,  
Richard Loman, Robb Johnson, Robin Hanson, Cesar Caycedo,  
Frank Spicer

**MODERATOR:** Kevin O'Neill

Mr. O'Neill: Let's get started, we may have others come and join us here, and if we get enough we'll get another panel going. This morning we had about 30 people in three groups going at the same time. I really appreciate you being here on a sunny afternoon. My name is Kevin O'Neill, I work for the city's Department of Planning and Community Development. I am co-project manager for the Bel-Red corridor project update. The first thing I want to do is – I realize a lot of you have been attending our meetings before and so probably have some familiarity with the project; other's might not have as much familiarity, so I'm just going to take like two minutes to sort of summarize what we're doing. And that really is we're doing a long-range, long-term land use/transportation update for about a 900-acre area in Bellevue. It's a very large subarea; the map there behind this group shows the study area, which stretches all the way up from I-405 to the Redmond city limits and between SR-520 and Bel-Red Road. We're doing the project for a couple of reasons, one is that the subarea plan for this area has not been updated in any kind of comprehensive manner since the late 80s. There's been a tremendous amount of change going on in the areas surrounding the project area, both in downtown Bellevue and Overlake Hospital on the west side, and the Overlake part of Redmond which, as many of you know, is where Microsoft is headquartered. There's also been some changes happening within the area in terms of some new development. But a lot of the new development that's been happening, particularly in the western end of the area zoned for light industrial, has been different kinds of uses, retail like the Eagle Hardware use, car dealerships, a lot of newer ones have gone in in the last ten years. So the area has been starting to transition but without any clear direction or focus.

And then another reason we're doing the project this time is that Sound Transit updated their long-range plan last year and has shown this corridor as being a potential extension of their high-capacity transit system connecting downtown Bellevue with Overlake. There could very well be a vote on the potential extension of HCT next November as part of a broader, regional transportation package. So that's another reason. In doing this project, the Council asked us to kind of look at opportunities from the potential HCT extension in this area.

So when we started the project, the Council gave us ten broad planning principles – some of you have seen this, and I can get copies for those of you who haven't – to help guide the project. One of those is to build on the existing assets in the area as we do our planning, which means the successful businesses that are already out there operating, which is one reason we're doing these panels with the business and property owners; we really want to hear from you. The reason we're doing these now – I mentioned we did several this morning – is because we're at a point where we're very close, probably in the next several weeks, actually, of releasing draft land use/transportation alternatives for consideration by our steering committee. We want to do this check-in with business and property owners in the area to get thoughts and make sure there's nothing key that we missed. It will really sort of help us in identifying what those alternatives could look like conceptually. After the alternatives are released to the steering committee, we plan on doing another round of these small business panels; tentatively we've planned that for June 6. So we'll get notices out to everybody. We're also planning to have a communitywide meeting on June 8 around the release of the alternatives. So you would all be invited to participate in that as well. Once the steering committee agrees on a set of alternatives, they'll be evaluated in the draft Environmental Impact Statement, with the idea that a preferred alternative could start to emerge later this year.

The format for this is essentially like a focus group, if any of you have ever participated in a focus group. I'm going to have kind of a series of questions about issues that frankly we've been grappling with as we've been working on this, and we really want to get your perspectives.

So the first question I'm going to ask is going to be a round robin, because I'm going to ask you all to introduce yourselves and say a little bit about why you're here. Then the subsequent questions will just be whoever wants to offer an opinion on it; we don't necessarily have to go around the table for every question. So before we start, because I'm actually looking forward to not saying much the rest of the afternoon and hearing from you, are there any questions you have about the format or why we're here today? Okay, great. Let's just ask you to go around and take a minute to introduce yourself and kind of why you're here and what business or property you represent.

Ms. Sena: My name is Sara Sena, I'm the director of the community advocacy program for Eastside Domestic Violence Program. I guess I kind of see myself as representing not only Eastside Domestic Violence Program but kind of human service interests in the Bel-Red corridor. We have a confidential location, but we are located in the area.

Mr. O'Neill: We'll just have to trust you on that then.

Mr. Croston: I'm Darin Croston, plant manager of Coca Cola on 124<sup>th</sup> Avenue NE and Bel-Red Road.

Ms. James: My name's Linda James and I'm one of the owners of Evergreen Center, which is located on 130<sup>th</sup> near 20<sup>th</sup>. It's where Angelo's Restaurant is, you

know where that is, and Flowers First, and Little Gym. I'm very interested to know what is happening with the zoning, and I'd like to talk later about one zoning problem one of the tenants had.

Mr. Woosley: I'm T.J. Woosley with Hal Woosley Properties in Bellevue. We're at the Brierwood Center on the corner of 120<sup>th</sup> and NE 12<sup>th</sup> just east of Lake Bellevue. My business is commercial real estate management and brokerage. I'm the designated broker and owner and I've done a lot of business location and property management in the Bel-Red corridor, probably started pulling weeds there when I was eight. I'm also a part owner in Brierwood Center, in that property there.

Mr. Hall: My name's Scott Hall, I'm with a company called Burnstead Construction. We have a separate company called Pine Forest Properties, Inc. which is a property owner in the corridor. Up until three or four weeks ago we were a business owner, but we moved just outside. That's my story.

Mr. Loman: My name is Dick Loman. I represent the non-profit organization called Lake Bellevue Water Quality Association. What that is is an association that represents all the private property owners around Lake Bellevue. That's approximately \$50 million in private investment. In terms of people, including the condominiums and the tenants, and the people that visit the restaurant, we indirectly represent thousands of people who have an interest in preserving the environmental quality of that location. We have a public/private partnership pilot program already organized with the city. The private sector has pledged \$100,000 over the next five years. The city has so far been great to work with; they're making contributions toward the restoration of the water in the lake. The interesting thing about our ownership is we don't own the water; we own the land under the water.

But as private citizens, we have a very deep interest in making sure that the degradation of that water, which has been going on for the last 30 years because of development around the lake, stops. I'm pleased to say we have through this public/private partnership reversed that effect. And I'm here today – oh, I might add we only borrow the water. It comes it, it pauses, and then it goes down the Mercer Slough on its way to Lake Washington. What this public/private partnership is all about is to ensure that when the water leaves Lake Bellevue it's in better condition than when it flowed in, which is mostly from surface runoff and from the watershed.

So I'm here today representing all those interests to make sure that the development standards that are ultimately adopted recognize that the continued improvement of the surface water runoff is very important to us, as well as the preservation of that watershed that's going to be eventually highly developed. Coca Cola is one of our neighborhoods, we got rid of Safeway – they're now Kent's problem, and I say that in a friendly way because they contributed \$50,000 in cash to this program. We were the recipient of several near disasters as far as hydrocarbon releases, milk and other pollutants. That's all been stopped now through this partnership that

we have. So that's kind of why we're here.

Mr. Johnson: I'm Robb Johnson here representing Cadman. We own a gravel site on 130<sup>th</sup>, ready mix plant. And basically I'm here in the interest of any zoning changes that may take place there. Our intent is to be there long term. We do run it kind of as a satellite plant because we do have plants in Redmond, Issaquah that service some of the same areas, but it is a critical site to us to service the downtown Bellevue area. As this project grows, we definitely want to supply materials for this project. So we're definitely interested. I did sit down in some meetings a few years ago when they were talking about different highway systems onto 405 and at one point was looking at 130<sup>th</sup>. So I have sat in some meetings in the past. But it is definitely our intent to be there long term and so we do have an interest in the improvement of transportation and a concern of things that go on there. But we do feel that we're very proactive environmentally and we should continue at that site.

Ms. Hanson: I'm Robin Hanson. I'm also here with Cadman. I came today with Robb. But just echoing everything that Robb said, the Bellevue location is a critical location for Cadman in being able to supply concrete to the downtown Bellevue core. It also reduces the transportation element in terms of transportation impacts of heavy trucks on the roadway in order to supply that.

Mr. Caycedo: Cesar Caycedo. We have a small business up between 405 and 116<sup>th</sup>, it's a house. We represent small business, accounting and IT consulting. I just realized that I'm also on the board for the Bellevue YMCA.

Mr. O'Neill: So you're a two-for. Well that's great, we really have a broad spectrum of interests here. That's great So two things I neglected to mention in my preamble, because I went off script. One is we want to really accurately convey all the comments we get from you today, so we're going to be preparing summaries of all these panels, but we're also taping and preparing transcripts of them. That's because we want to really accurately convey what we're hearing to the steering committee and other people involved. I just want to make sure you're all aware of that. And the second, probably equally important, issue is we're going to try to get through this without taking a break. So the bathrooms are right outside to the right, and coffee and cookies are out there as well. So if you feel at any point you just want to get up and take a quick break while we're going, please feel free to do that.

Ms. Berg: Bellevue TV will come in and film some of this also for future videos or programs about what we're doing for the Bel-Red corridor project process. Don't feel intimidated by that. They'll just come in and start filming some of the conversation that we have.

Mr. O'Neill: I'm going to ask a series of questions, and then at the end I'll ask if there is anything else you want to say that was not addressed in any of the questions. So if there's anything you want to say that none of the questions get at, you'll have sort of that general opportunity to give us any thoughts or comments you have at the end.

The first question I'm going to ask relates to development opportunities. This area has developed over the past 30 to 40 years. A lot of the buildings in the area were built in the 60s and 70s, although some of the buildings more toward the east end of the corridor are newer. When we started the process we did an market economic analysis, which is typically done at the beginning of any long-range planning process because you want to sort of understand what the market dynamics in any area are when you're doing land use planning. We hired Leland Consulting Group to do an economic market analysis, and they found that in addition to the uses that are there and have been there for some time there is also a potential market demand and development opportunities for some uses that currently aren't in the corridor. They specifically mentioned office, particularly mid-rise office, housing, and potentially medical office uses, some types of retail. So my question to all of you as business and/or property owners is what's your perspective on future development opportunities you see and how land use planning should best accommodate them.

Mr. Hall: Well, from our perspective, we own property at the corner of 120<sup>th</sup> and Bel-Red Road, and we are in the process of acquiring the property right next door to us. We also own property up by 124<sup>th</sup> and Northup. While both our – all those sites we feel certainly are redevelopable in the future, timing is still up in the air, certainly, until more of the downtown gets built out, but kind of like you said, our most important interest would be flexibility in the future. With the LI zone that's there now, we have had to turn away some businesses who have wanted to locate in our park, specifically medical being so close to the Overlake campus there. So in our minds, as the zoning gets changed our specific interest would be in the ultimate flexibility to allow high-density office, multifamily, residential, expansion of the Overlake campus if needed and if desired. And certainly the transportation part of that falls into a key category, not only with the Sound Transit corridor – I've not heard much about the existing rail corridor through there and how that might be realized. I know that's a much bigger picture task to swallow maybe, because that goes north/south, but I see that as a great – and it's not being maximized right now – it sure is a great link to something that the use is already accommodated for. And it's not being utilized. In the end those are probably our biggest concerns and comments and what we'd like to see happen there with the zoning and the ultimate flexibility to allow needs that are driven by the market to be accommodated.

Mr. O'Neill: The only thing I'm going to say as a clarifying comment is at this point in our process we're not so much fixated on zoning. We're fixated more on land use planning and visioning in terms of the uses. I appreciate that it's hard to talk about one without talking about the other.

Mr. Woosley: Repeat the question one more time so I can make sure I've got it framed well.

Mr. O'Neill: Sure, it's basically tell us what development opportunities you see in the future in this area and how land use planning should try to accommodate

those.

Mr. Woosley:

Well, I think looking at the history of the area is really important first, and the reason it is what it is. And this came out in one of the first Leland presentations, the ratio of land value on the assessor's rolls to improvement value on the assessor's rolls is way out of whack compared to a lot of other parts of town. The improvement values are pretty low as a ratio. A big part of that has been the constraints. Just like you talked about, Scott, you've had to turn away tenants. We've had to turn away tenants. In fact we went 33 years without ever having our multi-tenant property 100 percent occupied. Yet every time – and I wish I had kept a list of all the calls I received from people who wanted to locate their business there, and we wanted to have them, but it didn't fit the little file folder in the zoning code to allow them to come in there. And so expand that picture and that's why a lot of the older buildings exist there. There's a cap, a regulatory cap that disallows the market forces to progressively improve this area. The downtown plan has been in effect for about 25 years and it's just really now just starting to come to fruition. And I think that having the ability, like Scott said, the flexibility – we're not sure what our particular property, or most of those properties, are going to be best demanded for, but having the flexibility to put there what the market needs is really important. Certainly it's not going to happen right away, but at the same time I think that the uses that are there shouldn't be made to be legal nonconforming. Because a lot of these businesses, the properties, might be here for another 20 years, 30 years, who knows. But the flexibility to put in medical office, because we're within four blocks of the hospital campus, the flexibility to put in just campus office, mid-rise structures. The mixed use idea may have some – there may be a way to make the market cover that. I think flexibility is the key thing for all those uses, because it's a huge area and it's a very long period of time we're trying to vision for. And I think that given that, flexibility is the most important thing for any of these uses that you talk about.

Mr. Loman:

We definitely favor the mixed use approach. We're already an ambrial form, we have a mixed use community there with residential, car dealers, entertainment in the form of restaurants and so forth. We are looking at the 900-pound gorilla, which is the former Safeway site. It's going to happen, it's going to happen real quick from our view. We want to emphasize to the city that we definitely want to support a mixed use situation up there with the emphasis on residential. As far as the transportation issue, we really don't know enough about where that's headed to really have an opinion, other than we recognize that it's needed. We hope that it doesn't fall into the category of the monorail where there're condemning highly developed neighborhoods to run something on tracks through it. The obvious corridor is along 520 that would go up to Overlake, and would probably be the cheapest alternative for them.

Ms. Sena:

I think it's important to remember too that bordering the corridor is residential area, and kind of with the state of the economy as it stands right now we're seeing much higher usages of our services. And I know Hopelink has experienced the same thing, and EDVP and Hopelink are the two major service providers on the Eastside. It's really important to kind

of thing about having human services available near where residential areas are. And keep that in mind when you're doing it, too.

Ms. Hanson: I think just a comment that sort of echoes what everyone else's been saying. I think diversity of use and diversity of zoning, or planning, whatever you want to call it, is really important in the corridor. Light industrial use, although it's not usually at the top of everyone's list in terms of considering uses for properties, is a necessity in a diverse community. And being able to have those elements within your community as well. Cadman has a portion of its property that you wouldn't believe how many calls and how high prices people have offered to occupy portions of that property for light industrial use. So there's definitely a desire and a market within the city of Bellevue for light industrial. And designing that in a way that makes it compatible with the surrounding uses is very important.

Mr. Caycedo: I wonder if there is any consideration that has been done, because I took part in the Cultural Compass thing. So one of the things we discussed in that was mixed use to encourage artists to live in light industrial areas, like a loft idea. So I don't know if that has been one of those that has been considered for that area.

Ms. Sena: That has been really successful in Georgetown in south Seattle.

Mr. O'Neill: The next question – Robin's comment was actually a great segue – I want to ask a question that I'm sure there'll be strong opinions on around the table about light industrial uses in this area. Because as you all know this area developed historically, particularly the west end of the area, with a lot of manufacturing uses, large warehouse/distribution buildings. When the market study was done, one of the conclusions they reached was given land values, that was mentioned before, that it was difficult to develop new light industrial warehouse/distribution uses. So I think there's a crux issue there that we're dealing with, and the steering committee's dealing with, about – and it's already been sort of brought up – is the existing uses that are there and then the sort of demand for other uses that the market might want to put in there given its location. So I guess the question I'll put out there, and really want your opinions on, is is there – and I'm pretty sure it's already been addressed, but I want to ask it again – really like your opinions on whether there's an important or unique function that light industrial uses play in this particular part of Bellevue.

Mr. Woosley: The market will tell us the answer to that. As long as we don't tell people they can or can't be there with those kind of uses, then the answer will come throughout this 25 or 50 years that we're talking about. There'll be a time when it may not be the right place to that have that use there that you guys use, but whose job is it to determine that? It's you guys' job and the customers' information that's going to do that. The example I hearken back to with this, this kind of deals with the idea of shall we protect the ideas that are permitted in light industrial in this area, is that correct? This addresses the idea of shall we protect the uses that are now allowed in light industrial in this area so that they can always stay here, and to what extent shall they be protected.

Mr. O'Neill: Well again, I think that, again, I've been trying to make a distinction between planning and zoning. You can protect any existing use in your zoning code. I think this is sort of a question about in planning this area, shall we be planning for additional light industrial uses? Is this a part of Bellevue that should have those kind of uses?

Mr. Woosley: Okay, we'll I'll go back to my foundational statement. The market is going to determine that, because there's no way that we can mandate that they should stay there or not. I think it's really important to allow that flexibility. We've got a number of tenants in properties – and I've dealt with a number of people in all those kinds of properties around there – who fit in the light industrial area description. We don't think that we should, when we talk about a no damage policy as we go through this, nobody's use should be made legal nonconforming. I guess if you look at – and you said light industrial, in practicality, probably a property in this area any more won't be redeveloped as a light industrial property because there's almost a progression, they'll start off as vacant land, they'll go to light industrial, it'll be redeveloped into maybe some kind of office or some kind of residential, and it'll go for a couple of iterations over a 50- to 100- year period. So I think it's unlikely they'll be redeveloped, and the economics don't support, that they'll be redeveloped as most light industrial uses. The idea that we can mandate or protect some use – for example, who's lived in Bellevue for a long time? Does anybody remember Uncle Harold's? Uncle Harold's bicycle. You could buy your balsa wood models, you could buy your bikes, you could buy – well Uncle Harold's was down at what's now Crate and Barrel, just a little bit south of that on Bellevue Way and 8<sup>th</sup>. If the approach was, gosh, we've got to have these hobby shops that kids can ride their bikes to, we've got to keep that in downtown Bellevue, if that had been adopted 25 years ago, we would have had this ratty old hobby thing in the midst of watching Bellevue Square and Lincoln Center and Bellevue Place all develop around it. It would have – and you don't hear people complaining about not being able to buy their bicycles or their balsa wood models. So I think the same mindset needs to be applied to this light industrial stuff. The market's going to determine whether or not somebody can locate a business there and support it and serve the customer base. The customer base is going to determine what needs to be in there.

Ms. Hanson: Although I agree with the concept of the market determining light industrial, having worked through light industrial zoning and zoning issues and planning issues in a lot of jurisdictions, I think you can't mandate uses. But I think that a jurisdiction – it's important for a jurisdiction to set the value they see light industrial has with sort of the tapestry of city and the tapestry of the planning effort. If you value diverse jobs, if you value people being able to hold down different types of jobs, family wage jobs, within the city, those types of values come with light industrial. And I agree the market will really dictate whether light industrial makes sense in the city or it doesn't. I think it's important for the city to state that light industrial use is important within the city. It provides diverse economy, like I said, it also provides access to resource products and close-in so you don't have your trucks delivering them from

way down south or far up north. So you don't get the transportation impacts associated with importing absolutely everything you need into the city. There's certain values I guess that come with it, and I think that those are sort of important to include in the planning process, even if it isn't a mandated zoning.

Mr. Loman: There's so many different categories of light industrial. Let's take for example warehousing, which is a considerable use up there, and think about the economic impact broadly to the city. There's heavy truck use moving stuff in and out so that our streets and arterials are heavily impacted. And we've been in a position to know because – we don't see too many Coca Cola trucks, but Safeway used to run these big rigs 24/7 right past the project. I'm simply making an observation, I'm not trying to dictate zoning. And some of this is going to have to do with the city's own vision of its economic development for the future. Do we want – take warehouse, very low-paying jobs, hardly any people, and trucks that impact the hell out of our streets. And I'm speaking for the businesses around the lake. We thrive on people, and people who have some disposable income are eating at those restaurants. Residents eventually get to the point where they like to walk across the street to work. That's what our office buildings are providing right now. And so that's kind of our position on it. I agree the market's going to ultimately dictate what happens up there, but I have a suspicion that once this is cut loose the land values are going to skyrocket up there and they're not going to be able to afford redevelopment of existing – and I think that what's there now should be grandfathered. But again, we're speaking selfishly from the businesses that we have, which is an investment of \$50 million, not to mention environmental impact that we're trying to eliminate. So I guess I'd have to say our choice wouldn't be more light industrial up there.

Ms. James: I think that – I know there's some need for warehouse. We rent to Olympic Office Supply 14,000 square feet. Their trucks come in very early in the morning and then their delivery vehicles go out all during the day. But the trucks of size come in very, very early. And so they're not big trucks around there. Also, we rent to Definitive Audio some warehouse and office for the TVs and sound systems, so I know there's a need for some warehouse. I don't know how big. There probably should be some limitation on how large a warehouse is allowed. How large a warehouse do you need?

Mr. Croston: Big. The bigger – as we build, we fill them, so.

Mr. Loman: Just as a matter of interest – I don't have any alternative motives – how many trucks do you run a day out of that facility?

Mr. Croston: Well they're all different sizes and shapes. There are close to 100-plus vehicles that go in and out of there, but it could be anywhere from a van to a 45-foot flatbed with 80,000 pounds. I do have a comment. I think the question kind of hit a little bit on is there anything unique about that area that would require or allow for existing uses to stay; I think that's kind of what you touched on. With our facility, the way we operate, technically if transportation improves on 405 and the I-5 corridor and the bridges and all

that – which is a long time out – we can see some need for expansion in the Bellevue area for the simple fact that there is something unique about our facility compared to all our other facilities, and that is that we have a production facility there, whereas our other facilities are all sales centers. They are a little bit more flexible. We can move them from one end of town to the other, or eliminate them or add on to them. Whereas Bellevue is the main hub. So there is something unique about our situation there. If transportation gets worse and they put a squeeze on it, it makes it more painful for us to expand, but definitely not optional to pick up and move.

Mr. Johnson: Just a comment, too, on the trucking side. I mean our location there, typically our deliveries are within 15 minutes of that site. It's not like we're delivering from that site to Renton or Seattle or Woodinville. We're not, it's strictly to the downtown area and this corridor area that would be developed. But I think the other thing, too, with the diversity of mixed use – I mean we have other operations that sit right next to office buildings, or right next to residential, and we're able to operate and be good neighbors to those people. And so say if some of it does change, just because office space or residential comes in, that that means we have to leave. You know, an example that's within our same company is Granville Island, Vancouver. That whole Granville Island area has a huge ready mix operation right there, and it operates very effectively and is right in there with a very busy – I don't know how many people have been to Granville Island, but there's a huge ready mix site that's right there, one end of it. And so I think that's an issue as well.

Mr. Hall: I guess my comment would be somewhere along the lines of what this gentleman was talking about, and that's in our parks we do have office/warehouse-type facilities there. And we don't have any tenants that do any manufacturing, and we really haven't for a while. And I think as this process moves forward, and echo what he said, the little guy who's got the little small shop and the warehouse is going to be priced out of here pretty quick. Now a guy like Coke or Cadman with a little more substantial interest in the area and this strategic location, in my mind it's probably a little more advantageous to them to make them stay. But I think outside of the core services that you have more up in the Overlake part of this study area, which – and I think you're aware, and I think Leland touched on it in their report – you need them to stay, because there's nowhere else for those guys to go, certainly a large portion of them. So somehow you've got to accommodate them. But I think a lot of the little guys, when owners start looking at their alternative uses that they can accommodate, and playing the money shell game and the rents they want to charge to achieve what they want to achieve – you know, you've got to look at Safeway, where'd they go? They moved south for that very reason. So I think you're going to start seeing a lot more exodus in my mind.

Mr. O'Neill: Frank, do you want to quickly introduce yourself?

Mr. Spicer: I'm Frank Spicer, I own Auto Logic Auto repair located on 132<sup>nd</sup> in the area that we're discussing. Been there for 28 years.

- Mr. O'Neill: Well, your timing is good because I was going to ask a question about service uses. But before I go there, anything else on the light industrial uses?
- Mr. Loman: I just want to make a brief comment that's kind of an overview. The city is projecting, for example, a substantial shortfall in its current budget. Light industrial does not generate a lot of taxes, sales taxes, et cetera, et cetera, for the city to maintain the basic services that the citizens need. For example, at the Council last night the organization that represents the fire department was very eloquent in describing how thin they are. All I want to suggest, and I'm sure this is going to be considered when the city evolves the final plan, there has to be some consideration for the tax revenues that this area can potentially generate in order to maintain public services that we are all expecting. I'm not advocating more taxes, a broader tax base. Right now these warehouses and other things aren't generating a whole lot for the city, and they occupy a huge geographical area.
- Mr. Caycedo: My understanding is that light industrial is not being used to capacity, and as evidenced by the move by Safeway it is moving out of the area. So I think it's what are we going to do about when light industrial goes out. Maybe Coca Cola takes some part of it, but what are we going to do with the rest of the empty space?
- Ms. Hanson: I think from the number of offers we've gotten recently, there's a lot of people interested in light industrial space. I mean I don't know if it's just because we've open space and not warehouse space. There's definitely different – I mean I think that's important to keep, everybody's needs to keep in perspective there's different types of light industrial uses. A warehouse situation and a transporting facility is a completely different light industrial use than a ground-based activity, a top soil or a nursery, or someone who manufactures top soil. I mean those uses are just different altogether and they have different impacts, transportation as well as impacts to potential residential uses. So I don't know enough to know whether the limitations on certain light industrial properties within the city have prevented certain people from being able to pursue the uses on some of those properties, but certainly the open acreage that Cadman has has been a hot ticket item. We've been offered more money than we get in the city of Redmond.
- Ms. Sena: I think that something you mentioned, Robin, about having a diversity of jobs is really important about the light industrial area. Because I think a lot of people assume that the Bel-Red area is mostly upper, middle-class people, but it's not. And that's evidenced by how many people are accessing our services all the time. It is really important in pulling people out of poverty that there are a diversity of types of jobs available in the metro area.
- Ms. James: And a diversity of services, like car repair.
- Mr. O'Neill: That's actually a great segue to my next question, which is as mentioned in the principles that were handed us by the Council. One principle is to

build on existing assets of the area, including the large number of successful businesses, and also identifying opportunities for future development opportunities and economic growth. As you can imagine – and we’ve kind of heard some of that just in our conversations so far – there’s some difficult tradeoffs there sometimes. So in terms of trying to accomplish both of these principles – for example, if new uses are allowed based on people have talked about market flexibility, if the market wants to put new uses in, that can potentially displace some of the uses that are there now. And we’ve heard in the scoping comments and the comments we’ve gotten that the – and so now I’m sort of merging from the large warehouse/manufacturing-types of uses to the service uses, which are more focused in the center of the area, so my question is what types of those kinds of services are key to preserve in the corridor, and what suggestions do you have for facilitating the preservation of them over time?

Mr. Ceycedo: I have a question. There’s been a lot of discussion about light industrial. Can you give us the definition for light industrial?

Mr. O’Neill: Well I think it’s been sort of talked about before. I mean, I think light industrial planning and zoning designations in Bellevue and other cities is typically focused around uses where people are manufacturing things, or storing and distributing goods. Coke does both, for example; you’re making product and you’re delivering product. There are other uses that can be sometimes allowed in LI zones, like for example the light industrial zone in Bellevue allows car dealerships, although not right on Bel-Red Road. So consequently, some of the newer developments that have happened in that zoning district are car dealerships. But that’s typically not considered a light industrial use; it’s a retail use, they’re selling cars. Some of the service uses in the area, like auto repair, are in the light industrial zone, but those kinds of uses can go in other parts of Bellevue, they can go in commercial areas. They’re not manufacturing things, it’s a service use. So I don’t know if that answers your question.

Mr. Woosley: I think there’s something valuable to add to this. This whole area was developed before the city of Bellevue – by far, 90 percent of the buildings in there were developed before the city of Bellevue had this area and had zoning on this area. The Comprehensive Plan that put the zoning on this was adopted in 1976, I think, and this was annexed from the county. The county had some kind of overlay zoning, but it was pretty loose. It wasn’t as if the city of Bellevue said, okay, well, this should be light industrial and this should be general commercial and this should be community business. So here’s all the zones, you guys can build buildings accordingly. They kind of named the zoning after what was already there. And it is, it’s hard, Kevin, like you said, to – an auto dealer can be in a general commercial zone – I mean auto repair shops, service shop – can be in general commercial, light industrial, community business.

Mr. O’Neill: I’m not sure about community business.

Mr. Woosley: I can’t remember, but you’d almost, Cesar, have to look at the matrix and see, because it’s not completely intuitive, and there are a lot of different

uses that can be allowed in a lot of these different areas.

Mr. O'Neill: But the question is not delving into the archaic minutia of the Bellevue zoning code, because I don't think anybody wants to go there. Again, just sort of talking about uses, though, what kinds of uses should be in this area? And focusing in particular on the service uses, what do you see there being a kind of demand for and an ongoing demand for in this area?

Mr. Croston: I'd like to respond to that. From a Coca Cola perspective, I stated in my presentation last time, we love people, obviously, and we want to attract people. The more people, the better our business is obviously. It attracts the employment opportunities for people, which requires the services, automotive, you know, and obviously restaurants and that type of thing in the area. Which there's this kind of running joke around the facility that there are clearly are not enough of the restaurants and that type of thing available in that area; you've got to drive pretty far to get there. But that's just from our point of view. We like people.

Mr. Spicer: I'd like to comment on that. Having been in that area for a long time, obviously I own auto repair, so auto repair is one of my focuses of things that should remain in that area. The shops that are there that are auto repair and auto body, all of them have really large clientele. They've been there a long time and have established themselves, very credible shops. The landowners that lease those spaces have focused those spaces on auto repair, and the landowners that own their own body shops have also been focused on auto body. And they provide a very key service. A lot of the shops in that area service the bulk of Bellevue, a large majority of Redmond, some of downtown Redmond, they go even into the northern part of Renton and Newcastle over to Mercer Island. So there's a large customer base in there. And if they were to have to move it would affect many of those businesses.

Printing I think is very large in that area. There's a number of print shops. There's one that shares the space that we're in. I think that, you know, the car dealerships are in there. The boat guys are in there too; there's a couple of very nice boat facilities that do well. You know, those of us that do auto repair or retail where people are coming in, we're generating a lot of tax from sales tax revenue. We're also paying the property tax side of it, and – the county gets a lot of it, the property tax that we pay – and we pay to have materials go in and out that are not resold, we pay property tax on all those as well. So printing, auto repair, auto body, the boat. Plumbing and contracting supply business appears to be very important to that area. There's some plumbers, electricians, cabinet makers, countertop people, plastic specialty firms, marble, tile, carpeting, floor covering. We have a huge amount of growth going on. We're talking about putting more growth in the area with residential, and those suppliers are going to be very important. With the cost of fuel these days, having suppliers close to where the people using their services are I think is very important. Fuel costs are really starting to affect people right now.

Mr. O'Neill: So you envision – and this goes for anybody – do you envision looking 25 years out in the future there still being a strong market for those kinds of

services you mentioned, or others? Do you see that as a long-term need?

Mr. Spicer:

That is an interesting question, because we look back 25 years and where we were in all of those different industries, and then we try to look 25 years ahead, you know, where will we be on cars. You know, as we look at the alternative fuel situation and how people are trying to compensate for gasoline, and we have natural gas reserves, we have biodiesel that we're looking at, ethanol-based fuels, we have a large agricultural economy here that can produce ethanol. Bellevue has always been a single-occupancy car-type of town, and I think it will be very resistant to change over time. I think in the near term, the 25 years, which really is not all that far out, that we as a society will be very resistant to giving up our automobiles. I think the manufacturers will do everything that they can to make them remain affordable, lucrative, provide jobs, continue to break so that they can sell parts, and consume energy. I mean that's the way that industry has always been. We've got big oil that's going to control oil and still try and sell it to us for as long as they can get, and I think that looking at what I see driving every day is that there's going to be a lot of cars on the road in Bellevue. I think that transit is very important, but in the next 25 years this change is going to be very slow to occur.

Mr. Woosley:

We've got a number of businesses that are service businesses as tenants. Well, by far the majority. Probably 90 percent. And over the years they've evolved, have changed. And I think that's going to continue. I think that I'll use that word again, the market is going to determine what people are going to want. And people are going to choose to put businesses where those customers are going to demand that service. I've got a dog parlor, and a brake shop, and a transmission shop and a number of hair salons, and just all these different kinds of service businesses. To ask do I envision those being there? Probably, but I don't think it's mine or ours to determine whether they're going to be there or not, other than the vote we cast with our dollars every so often when we go to them. To allow that we accommodate them, I think absolutely. There shouldn't be any kind of exclusion. And it works to accommodate them. I think that's the natural progression of things. The service businesses – you're going to find hair salons in every part of any kind of zoning. You're going to find dog parlors and other – you're going to find car repair in another area, and they would tend to gravitate towards where they can fit the buildings, fit the rent, and the customer base will cover the cost of it and allow a profit. So yes I see them there, but at the same time I don't think it's appropriate to exclude or require that they're there.

Mr. O'Neill:

Other comments?

Ms. James:

Exercise studios are something new. Well, we have Curves for Women as one tenant. And I mentioned the Little Gym for children is really a thriving business. And a florist. A florist was on 20<sup>th</sup> ten years ago and she moved around the corner onto 130<sup>th</sup>. Then she tried to get a new business license, but she found the city told her she was in the light industrial zoning and they wouldn't give her a new business license. So she's been expecting someone from the city of Bellevue to ask her to

move for the last ten years. And all the time her business was getting better and better and better.

Mr. O'Neill: Do you want us to strike that from the transcription?

Ms. James: No, we found some special zoning for her. But I had to ask the city of Bellevue. And when I told them what she does, how she creates, and she's a shop, you know, she really was light industrial, because she's actually creating things. But all that stress she went through, and all the time the city – I mean the people, the residences – were coming down to buy her flowers and so on. So it's definitely a place that can work.

Mr. O'Neill: I want to ask one more question and then move on, and it's a question the steering committee asked some of you when you talked to them a week or so ago. I know it's something they are thinking about. One thing I've seen in my neighborhood – I live in Ballard, which is a traditional kind of working class neighborhood that has a lot of auto dealers and auto repair and service uses on 15<sup>th</sup> NW and Leary Way, you know that kind of backs an industrial area – and what you've seen there and in other parts of Seattle and Portland is a lot of redevelopment of new uses, typically mixed use and housing, happening cheek to jowl with some of those service uses. Is that a viable – so you talked before, Robb, about you manage to operate your business in mixed use environments, I'm just curious if that's a viable model for parts of this area or not.

Ms. Sena: I think absolutely. Especially as we're talking about rising fuel costs and alternative transportation, and alternative fuels, that it's important to develop areas, neighborhoods, where people live and they can walk easily to work. I think that's kind of a natural development in most cities. Even Seattle is really looking at wanting to bring more residential into the downtown area because more people could just walk to work and walk to services and things like that. There'd be a lot less transportation needs and fewer people on the road. I think that that's really important in planning places like this.

Mr. Croston: We were talking about this today, and have over the last couple of weeks, about you know we look at all our facilities throughout the country and we have a mix. We have Downy sits next to a hospital. Our Denver plant, there is residential on one side and a lumber yard on the other side. You look at our Egan facility that has some LI around it and then on the other side there's residential. As long as the barriers are built properly and they accommodate both residential and our type of use, we don't have the problems. And a lot of it is because we've worked through the problems over the years and have learned from the problems early on. But I see us as being able to – you know, there was one idea being thrown out there with the Sonics possibly moving to that area. Would it affect us one way or another, would we affect them one way or another? I don't know, other than maybe transportation during certain times. So we're very flexible when it comes to how we operate and the environment we operate within.

Mr. Woosley: You've heard me talk about the whole process being a long process. Nothing's going to happen, nothing's going to be plopped into this area.

It's going to be a long progression, it'll be one property here and one property there. Maybe a bigger development here and there. And I think that has that happens, to answer your question, yes, there's going to be all kinds of – can they coexist comfortably? Yes, absolutely, that's how things have always grown and changed. And I don't think there's a conflict as long as what you're talking about, Darin, is paid attention to. And our development codes pretty much require that. You can't – the idea of performance zoning, as long as something is not too bright or loud or smelly or creates too much vibration or too much traffic, like a stadium, then they should be able to coexist next to each other. I think it's integral to what's going to happen here, that we will be able to do that.

Ms. James: I'd just like to mention something, and I'm not trying to pick a fight with Cadman. But we are across the street from Cadman, and we have awnings. And some people say that some of the dust from your plant gets on our awnings rather quickly after we've had them washed. So that's something. I mean, I don't know how I would ever try to get it done, but if there's any way you could contain some of the dust any better than you do now, I'd like to see if it made a difference.

Ms. Hanson: There's always impacts. I mean, any light industrial or heavy industrial, or any industrial use, is always going to have impacts on users that aren't industrial uses. Ballard is a great example. Cadman also has an operation in Mill Creek that has a multiple hundred-person apartment complex directly adjacent to it, and a church on the other side. And I think we've operated with one complaint in the last ten years. They can be dealt with in a systematic approach, but you're always going to have impacts. And you have to look at those types of things. Light industrial – some light industrial – operations create dust. You wouldn't want a BMW dealership with nice parked cars next door to a ready mix plant. That would cause conflict in the wash. There's certain things you have to look at in a multilayered approach. And I know, for example, Ballard and the city of Seattle and the community of Ballard, really looked at a multiple layering approach when they looked at some zoning and some uses in that area. And they did really take a market approach to that. You'll notice in your neighborhood now there's a lot more bars than there ever were before.

Mr. O'Neill: I have noticed that. Just from a research standpoint, of course.

Ms. Hanson: Yes, of course. But that was something they sort of laid out as an opportunity in that area, and that's what the market sort of drove in certain parts of town. But they were able to do the zoning, I think, and some of the planning in that area in a way that really layers things on top of each other, so you didn't have a daycare that operated late night hours next to a bar, or something. They were very good at looking at possible uses. But in terms of our dust, we contain it in these bag houses. I can show you if want to come over sometime.

Ms. James: I think that would be good.

Mr. O'Neill: Any other comments?

Mr. Spicer: I think that it's inevitable that there's going to be a blending of the different types of businesses over time. I really appreciated the displays that you guys did about, or the presentation, about the Pearl District down in Portland. I thought that was very well presented how they had done a hybrid approach to zoning and as landowners decided they were ready for change they had the opportunity to change the zoning on their property when they sold, or if leases came up to be renewed on a whole entire property they could determine if they wanted to change, something to that nature. That seemed to be a good approach, so the landowners themselves wouldn't be stuck with something they couldn't change if they wanted to. But I think that it's inevitable that we're going to have residential going in next to the light industrial. I am concerned about odors. We don't generate a lot of odors, but I know that the body industry does. And I know that there's some printed circuit board industry in our area which also creates some pretty nasty odors that people are going to complain about. I worry a little bit about Coke with traffic noise. I think there's going to be some complaints about their trucks rolling up and down 124<sup>th</sup> if they put residential near them. Kind of like building – airports always have lots of open space around them, they fill in with all these beautiful housing developments, and then the phone starts ringing at the airport that the airplanes are too loud.

Mr. Woosley: Like the people didn't know that when they moved in.

Mr. Spicer: Right. It just seems to be a pattern. I'm a pilot so I see that occurring everywhere.

Mr. Woosley: Likewise.

Ms. Hanson: But I think it's also the type of residential use you should look at and the type of other uses that you look at. There's a difference between very high end, \$5 million residential use and artist lofts where people who move in that area are moving there either because the job base is more diverse, or they're moving in the area because they find living in an industrial area to have other benefits, studio space or whatever else. I think you need to look at some of those things. Again, Ballard I think is a great example. You can go to Ballard's traditional industrial area and find some of the best cafes in town, but you know that if you're going to be sitting out on the porch you're going to be listening to some industrial noise. That's just part of the whole flair of what's going on in that community. And people have really embraced that in some ways.

Mr. O'Neill: I'm going to move on to another question. It's somewhat prophetic because we wrote this actually before the panel started, but I'll just read it. We've heard some frustration that zoning in the area has been a constraint on future growth. Imagine that. So however, we've heard that already today. But however the transportation system in this area is also very limited and is also a constraint. So in some ways you could argue the area is sort of locked up in terms of ability to accommodate future growth based on the transportation constraints, both in terms of local network and access to the regional system, you know 520 and 405. So if we were to focus growth in certain areas, for example, as we think about – because

one of the things that's part of all the planning we do in Bellevue is that land use and transportation has to be thought of together. And you can't have an increase in one capacity without an increase in another capacity to accommodate it. So as we think about kind of the smart way to grow this area, what would be the best way to kind of focus growth, thinking about both the land use and transportation connections together.

Mr. Croston:

I can throw something out there as just a thought tickler. All our vehicles enter and exit off of 124<sup>th</sup> Avenue NE. When our trucks leave the facility they go out to Bel-Red and take Bel-Red to 116<sup>th</sup> and then eventually out to 405. The idea originally was to go north on 124<sup>th</sup> Avenue and head up to 520. There's a very steep hill right there as you're heading up to Northup that – and you see it now, they're not our trucks anymore, but a lot of the over-the-road carriers you'll see broke down on that hill right there with busted joints and that type of thing because it's so steep. Once they stop it's either back that thing down the hill and get a running start or break something. So we don't go that way because of that. If there's a decision to develop that area where our trucks are using for access right now, it would make sense to keep that in mind that maybe we do something with 124<sup>th</sup> Avenue NE to make it more usable to get our trucks out of that southern part of the corridor, the southwestern part of the corridor, and right up onto the highway and right back off the highway to minimize the impact that we have on the folks that are going into that area.

Mr. O'Neill:

Other thoughts?

Mr. Woosley:

I think a lot of the constraint on what can happen here in this Bel-Red area is going to be placed on it not by the constraints right in the Bel-Red area and the transportation infrastructure but the concurrency requirements. They'll come into play, for instance, on the Coke site. If you guys want to develop you'll have to do your concurrency plans, and where you'd probably have – or if we did ours – it's probably going to impact the level of service down below standards at 148<sup>th</sup> and Bel-Red, or it's going to mess up or congest it more on the outside on the periphery because this area is constricted with access. It's a large area and there's not very much access. I think the access, if I look at – if you look at where the real congestion is, it's maybe on 8<sup>th</sup> going westbound from 124<sup>th</sup> west to get across 116<sup>th</sup>. It's backed up probably as far as any other intersection in town it seems to me. But within the Bel-Red area there's not a lot of congestion. I think it's still incumbent upon the city and us as we plan this to fill in some of the grid system in there. There's an opportunity to do that. And I think we're missing some integral pieces of that grip system. I think access to and from the overall area can be improved. And it's been looked at, the 124<sup>th</sup> grade separation, the idea of getting rid of that hill. And so Northup went east-west across it, and you could come up 124<sup>th</sup> and never have to stop, you had a free run right onto the freeway. That would take all those Coke trucks away from your lake, my property, the hospital, and the 116<sup>th</sup> – I mean the NE 8<sup>th</sup> and 405 interchange. Because you guys swing down past our – and that's where I would go if I were you, if I was directing my guys. I wouldn't try to send them up that hill and break pieces off the trucks.

Mr. Loman: I've got to say this, we hardly ever see a Coke truck down there. And you like people, so that makes a good friend.

Mr. Croston: We like to be quiet.

Mr. Loman: You are. They're really not bad neighbors at all.

Mr. Woosley: I think as we look at this area, to accommodate the existing light industrial and to allow for – well, we're going to need to improve the choke points in our infrastructure – that 124<sup>th</sup> needs to be an entrance going both westbound and eastbound, and there needs to be a westbound 520 exit there. Because anybody going to or from their job or to pick up a service within the Bel-Red area, if they're coming from Redmond or anywhere east like that, they have to get off at 148<sup>th</sup>, come through the knot – unless they know the little secret down there, but not very many people do – or they come down and get off at 8<sup>th</sup> Street going eastbound at 405. Those are the only two places in this whole area. So I think we can mess with a lot of other things, but this we need to fix. This is broken. It's a broken, poorly designed, inadequate system. I think that's one of the best things we could do for the character of the area and just to make the rest of our city function well, is get rid of these choke points.

Mr. Spicer: That choke point at 124<sup>th</sup> also makes a lot of people go to 108<sup>th</sup> to get off, and then that area becomes a real disaster during rush hour. Nobody can move through there and everybody cheats the intersections, blocks the intersections, and gridlocks it so nobody can go. So the 124<sup>th</sup> interchange is definitely an integral part. I like the idea of going under Northup so Northup retains the flow across and people don't have to stop to get through.

Mr. Woosley: Kevin, do you know all the work that's been done on that? There were a number of options, and I think it got to the EIS and the favored option, and then, what, it didn't get funded? There was also the 36<sup>th</sup> Street option.

Mr. O'Neill: I think Kris Liljeblad knows the whole sorted history of that.

Mr. Liljeblad: I still have a lot of files on that one.

Mr. Woosley: Well let's open them up and get some pavement laid.

Mr. Liljeblad: Let me just brief you on that a little bit. I think it was – we called it the 520 added access study. And it was analyzed up to a point where it was about to move into the Environmental Impact Statement. The preliminary engineering suggested that from the traffic analysis there was very little benefit for the transportation system. With so much congestion in the system, the cost of the project – which was very large – would not really justify the investment, you might say. Because there just weren't enough benefits for the system. Now, that was an interchange – a bunch of solutions looked at primarily around 130<sup>th</sup>, as I recall.

Mr. Woosley: Yes, there was I believe 136<sup>th</sup> and 130<sup>th</sup> and 124<sup>th</sup>.

Mr. Liljebblad: But I think another thing to think about in terms of that study was that it was done essentially in isolation from the rest of the 520 corridor. Since then there's been a lot of work invested in looking at the whole corridor and also at the interchange with 405 and 520. And there may be some different results now if you look at it within the context of a larger system.

Ms. James: Well, I was on the citizens advisory group for that project. And the consultants tried to find a way to put a complete interchange at 124<sup>th</sup>, but they were never able to come up with a plan that would work. They talked about going under 20<sup>th</sup> but the rest of it, I mean – and I forget what was – there was some problem with that, with one lane going under and then other lanes had to go all sorts of other ways.

Mr. Woosley: It's spaghetti when it's done, but –

Ms. James: Yes, and –

Mr. Liljebblad: The topography there is somewhat challenging. There is the hillside that your described at 124<sup>th</sup> and Northup, and a lot of the demand is down the hill. So –

Ms. James: And we looked at 136<sup>th</sup> and – I mean, I preferred 130<sup>th</sup>, and or close to 130<sup>th</sup>, but the residents, the people who lived up on the hill, were so afraid of the cut-through traffic. And they were on the committee and they were very opposed to 130<sup>th</sup>. And then we realized as the business and property owners on 130<sup>th</sup> near 20<sup>th</sup>, we did not want to have an overpass that went over 20<sup>th</sup> because it would block access to a number of businesses that are near to 20<sup>th</sup>. But we liked the idea of having the interchange there at 130<sup>th</sup>, the other half of it.

Mr. O'Neill: Other comments?

Mr. Loman: I think until there's a clearer idea of what type of development is going to be taking place that the concurrency factor should be looked at at the time you guys are looking at the SEPA review, and what the traffic impact is going to be. And that way there would be a much more accurate determination of the relationship between development and traffic. Different projects are going to have different impacts. Peak hours for one business may not be the same for others. So there's a lot of variables that I don't think anybody can really figure out, much less what business is going to be like 25 years from now. When you look back, we didn't have a Microsoft 25 years ago; he was working out of the back of his car, in his driveway. So it would seem that's the logical thing to do is to take a look at it at the time development is taking place.

Mr. O'Neill: I'm going to move on to the next question. I'll just sort of state right off the top we know that there are probably a lot of different opinions around the table about Sound Transit and the potential expansion of high-capacity transit to this area, which is fair enough. However, as I mentioned at the beginning, the adopted Sound Transit long-range plan, which their board adopted late last year, shows out looking to 2030, which is their time horizon for their planning, high-capacity transit corridor connecting

downtown Bellevue to Overlake and then on to downtown Redmond. If there is that investment, and that would only be part of the overall transportation puzzle, as we talked about there's a lot of general purpose capacity that's needed, it would add transportation capacity to the area in terms of better regional connections. And it would also provide opportunities for land use, because looking at case studies around the country when high-capacity transit gets built station areas become focuses of development. So my question is, if HCT came to this area, what are your thoughts about how this planning project might capitalize on those opportunities?

Mr. Woosley: Does that not require more density in the corridor to justify that link?

Mr. O'Neill: I think what we're looking at is – one of the guiding principles we got from the Council is we need to think about land use planning in this area, and at the same time Sound Transit is thinking about this high-capacity transit corridor. So you'd ideally want the two, your land use concept and your high-capacity transit corridor concept, to match up. So typically where there are stations there should be the density to support it. So if a land use plan was adopted for Bel-Red that had no nodes of more intensity, for example, it's unlikely you'd have any stations in the corridor. So there typically is a link between one and another. But that said, that doesn't mean those are the only places that high density could go, or means that you have to do something. It means you try to think about them in sync with one another.

Mr. Spicer: Where does Sound Transit envision their Overlake hub and the hospital-area hub? Where do they picture their connections and where they'd like to go?

Mr. O'Neill: I think, you know, there's a lot of variables in this area. I think – and Kris, correct me if I'm wrong – but I mean probably the fixed – if you think about this whole corridor really from Redmond to downtown Bellevue, probably the fixed points are the Bellevue transit center in downtown Bellevue, and the Overlake transit center, which is at 520 and NE 40<sup>th</sup>. Because those are areas with major local transit service now, so it's areas that any regional transit system would want to serve. So Redmond is thinking about – because they want to create a sort of a mixed use housing area focus in this part of Overlake, south of the Microsoft campus – they're thinking about a station somewhere in this general vicinity. There's some that might want to put it closer to Microsoft, and others that might want to put it closer to down here. Because they've thought about this as a redevelopment. In fact, their adopted plan has this as a mixed use housing focus area. So, but I would say this is a variable, and anything in here is a variable. I mean I think that's part of what our process is thinking about. You know, serving the hospital area with all the redevelopment happening there is certainly that's something that's been talked about, but I think we want to look at options.

Mr. Spicer: So are they trying to find the path of least resistance from landowners, or the least amount of distance to build and travel to keep the cost of the line down?

Mr. O'Neill: I think that's an excellent question, and I think that's always a tradeoff in planning any transit system.

Mr. Spicer: You know Bel-Red has always looked to be the natural area, but there's a lot of homeowners on the south side of that. But if you look at property tax values on the homeowners side versus the property tax values on the business and landowners side north of it, the homes are less expensive. You could take the homes out and go up that side and have your corridor right there and not mess with the businesses that exist. And then people could walk into that area if they had high-density residential built in the corridor itself. Or you could go through the corridor. But a lot of the land values that I've recently been looking at through the middle of the corridor, they're significantly more valuable than the homes that are adjacent to it, homes and land combined. So that creates an interesting dilemma of where they decide to put that corridor. I look at what they've done down in SeaTac, and they've done a very nice job. The SeaTac area where the train's gone through. Anybody looked at that? That's really nicely done. Some of the business owners down in the Rainier area would have liked to have seen it done better, but I think their day will come with it's finished.

But I envision – you know, the people that I drive every day, the thing that they lament the most about is that they can't live in this area because they don't have enough wealth. It's gotten to the point where to live – to work at Microsoft, if you're an entry level employee, you have to be a long ways away. They're renting apartments in downtown Seattle, they're buying condominiums that they can afford. They're going out to past Carnation, they're going out to Index. Which are creating a lot of, you know, headaches for the drivers that want to drive on those roads. They're adding to the congestion. So everybody that I've asked, and I've been surveying a lot of people over the last few weeks, says they really want to see the western side of the Bel-Red area developed into a high-density housing they can afford to live in, with services that they would enjoy, parks that their kids can play in, a place to park their car – so underground parking is something that's come up quite a bit, because they want to be able to hop in their car and go to Mt. Rainier or go to Vancouver, take a trip over to Eastern Washington.

So they look at cars as being important, but they want the transit to run so they can step out of their condominium or their home or their apartment, hop on the transit, go to Microsoft. You know, they've got 30,255 employees. They're looking to add between 1600 and 2000 more, and those people want to have a place to live. There'll always be the group of Microsoft people that have great wealth and can live anywhere they want in that area and cost is no object. But then there'll be the large group that can't afford to live there, and they would really like to see Bellevue establish a growth pattern where they can have a place to live, get their services taken care of, have restaurants, laundry, hair salons, grocery stores, all the services that currently exist there, recreational activities, bike paths that interconnect them, that they can use for transit. A lot of the people who work at Microsoft even now will ride ten miles each way

to work on their bicycles if there's a path for them to go. So if there's a good interconnecting way from that residential area to ride the bike from Microsoft, they'll do it. A lot of those guys are really into physical fitness.

But the main thread I hear from everybody is make it be affordable, something that transit can haul them back and forth to. You know, they start seeing things like Woosley's property. Yeah, we can see that's on the ridge, there's views there. You've got the little stores down below and the condominiums up above, and we've got the views of the Olympics. It's fun to see how they start thinking about those things. So if I was a landowner, like the properties that you have, you know, those are the things people want to see appear there. They look at the *Journal-American*, I drive them by the *Journal-American* office everyday when we head up the street heading to Microsoft, and a lot of them look at that and go, oh, that would be a neat place. Look, there's a little river there and you know it's got the trees and it's a little green spot, and they wonder what would go there. So I've been trying to get them all to think about it. Of course, one of the problems that everybody that I've talked to or run into is the land values are so great in that area that they worry that whatever developments that go in have to be very upscale to create the cash flow to pay for the development. Have you guys done research as to where it would go if you were to put in housing into your areas, what the costs would be?

Mr. Woosley: No, I haven't done it specifically, but I think it's a valid point. The values are there, you can't end up with an inexpensive place to live if you start with expensive land. Because that's always the base. And there's that word again, the market.

Mr. Spicer: Yeah, it's like when you look in Bellevue, what is a low-income housing, you know, a \$380,000 condominium.

Mr. Woosley: Mixed use costs more to develop per square foot than a single use.

Mr. Hanson: But if you've got desirable tenants, that can pay higher price rents, don't you –

Mr. Woosley: Which takes away the affordability factor. So yeah, mixed use can be done, but the cost then has got to go out and be covered. And so yeah, mixed use is kind of fun and its cute, and its fun to interact within that field. But the economics are not affordable –

Mr. Spicer: You want a jewelry store –

Mr. Woosley: – you're paying for that. It's the fact that there have to be different kinds of electric service to the different kinds of uses. The different kinds of plumbing requirements, fire exits, all this stuff that just costs. We just heard a presentation on it a week or two ago on these challenges exactly.

You asked a question about transit alignment and transit stations, and I think we need to keep in mind the assumption that any kind of HCT does

not have to be fixed in concrete. The rubber-tired flexible buses can run a corridor down the existing pavement without taking away any of the general use capacity. I think that's fundamentally important. Transit – if Sound Transit wants to go through and increase capacity through this area and make it a corridor, I think it should absolutely not be at the detriment of any general purpose capacity. The kinds of uses that we talk about protecting, wanting to protect, in this area are not very compatible with transit when compared with high-density office uses, things like that. So I would venture to say that at the most you're going to get maybe one, maybe one-and-a-half percent of the person trips in this area on any kind of transit. So people want to go through on the Sound Transit stuff, I don't think it should be at the detriment of the other 99 people who need to go back and forth to your service, or your tenants or your lake or any of these things.

In terms of allowing zoning, were you also asking, Kevin, about zoning or how do we address where we should put a node? Because there will probably be a node in there?

Mr. O'Neill: It was just a general question about opportunities presented by HCT from a transportation and a land use side.

Mr. Woosley: I think when you talk about the mixed use or any of these things you're – what is it, maybe a quarter mile diameter tops in a non high-density urban area that you're going to get positive effect from a transit node? I think that when this alignment's decided, if there's going to be a node there, then we can address that zoning. But I think it's not a huge issue for the whole area. I think it shouldn't be blown up into a huge issue because it's not going to affect a lot of things.

Ms. Sena: I think we need to consider the need to reserve space for low-income housing. I feel like it's – this is what I advocate for all the time. There are low-income people on the Eastside. The Latino and Russian populations in this area are the fastest growing communities. I think the Russian community – I heard this statistic somewhere – in Bellevue is the third largest in the country right now. That's very significant. And looking at the needs of immigrant people moving to this area, we really need to think about reserving space for human services, and reserving space for low-income housing. And you look at kind of what the Springboard Alliance has done over on Avalon in Redmond – Avalon?

Ms. James: Avondale.

Ms. Sena: Avondale, sorry. And the other low-income housing facility that's over in Overlake close to the Microsoft campus. I recognize that there definitely have been some issues with those facilities, but it's still really important to consider keeping areas like that in this part of the conversation because any time you have those – one of the biggest problems with the Avondale site is that there is not the back-and-forth transportation access that there needs to be to make it an attractive space for people of a variety of incomes to live in who maybe don't have the means to have cars all the time. And so here's this housing that's set way back here with no

facilities or other services or things like that close to them, especially not services geared toward lower-income people. And so while I'm always in favor of high-capacity transit, I think that the bus system also needs to grow with it so that people can get back and forth from those nodes. And that's been one of the biggest complaints about the whole monorail thing. Especially, I read something from a guy from Ballard who said I would have to ride my bike two miles to get to the monorail in the first place. So maybe the bus system needs to actually keep up with it and make it convenient.

Mr. Caycedo: I'm all for affordable housing. I mean – and I think Bellevue overall has done a decent job maintaining a variety of housing, a variety of businesses within the city. The city of Bellevue is unique, it has a downtown, it has residential areas, it has industrial areas. It's a great city and I love living here and working here. But the only way we're going to get affordable housing is if we have – I grew up in New York – not rent control, because that's terrible, but rent stabilization where you limit how much you can increase the rents. In New York if somebody leaves, and then the next tenant, you can't raise it 100 percent higher. And over here I see in Washington in general – when we first got here we used to rent, and it's like okay, we'll raise your rent, and you have a lease but okay so if you don't want to pay more you can break the lease. That's their attitude. So I know that the price of land, the price the market bears, is way up there. But if you have some controls that will minimize how much rent goes up, that will help.

Ms. Sena: Wages have not kept pace with rents in this area either. So for people who are very comfortable, that's not really an issue. But for people who are kind of living on that line, it really is an issue.

Mr. O'Neill: So I'm going to ask one more question before my general any-other-thoughts question. One of the themes that has come up – it came up a lot in our project scoping we did back in November-December, we got comments from the public and business owners – was a lot of interest in – and you've already brought it up with your Lake Bellevue example – one of the things that distinguishes this corridor, and you can kind of see it when you look on the map, is sort of an absence of green areas. And this is an area that lacks a lot of parks and open space, for example, other than the Highland Center, which is a major facility. It's an area that also has four stream corridors running through it in addition to Lake Bellevue that are largely hidden, or in some cases paved over. So I guess my question to you as business owners and/or property owners is do you see any types of amenities or adding green spaces or any other frankly kinds of amenities that would be a benefit to the area as we think about the next 20-25 years as this area grows in the future?

Mr. Woosley: I think it's probably impractical and uneconomical for the city to purchase a pretty big chunk of land and create a big central park of any kind within the area. It's nice to have the Highland facility, and it is a good-sized facility there. I can see as maybe some of the larger parcels are redeveloped if they get redeveloped into say some multi-building mid-rise office campuses there's going to be some public space, open space, built

within those. Courtyards and the like as part of the development standards that we already have in place. And so it'll also provide the opportunity as things get developed for little pocket park pieces here and there. With regard to the streams that go through there, I think it's economically impractical to try to daylight very much of this and comply with the sensitive areas ordinance setback requirements. It's been determined that these are not – none of these streams – critical to salmon spawning. We might see a little bit here and there, but – I'm not savvy on all the gradation of these different parcels, the different streams as spawning grounds, but my understanding is it's a whole lot more economical to protect something that's not in an already developed urban area than it is to clear out something that's already culverted. As a property owner, it would be very detrimental – we don't have one through out property, but it would be very detrimental to have something that's currently in a culvert and has been for 40 years have to be daylighted with a 150 feet of green space on each side of it. That could pretty much wipe out the value in a lot of property. And I don't think the value's there in this area to make that happen. If it was, it should certainly be looked at, but according to the studies of spawning it's not viable there.

Mr. O'Neill: Other comments?

Ms. James: I'm sure that if we have housing, and which we probably will, we'll have to have some kind of parks for the children, and even for the adults, to get out in, like a jogging trail for physical fitness. And the people won't want to come and live there unless there's some areas they can walk to and unless it's a good place for kids. So, I mean, we have to. If the whole housing goes in, there has to be some decent-sized parks near it. We own – the commercial property we own does have a creek running right through it. And it's a very nice atmosphere. We have a bridge that connects the two properties. Sometimes people take their lunch out there when it's nice. There were some fish – I think somebody stalked it with trout, but a heron came by every morning and took one until there were none left. But it's quite lovely there and I like the atmosphere. It's just always been there. So I can see that it's nice to be able to step out of your office area and walk across the blacktop and come to a stream.

Mr. O'Neill: Other comments?

Mr. Loman: Yeah, we agree with Linda that it would seem logical that the city should be concentrating as it's growth happens on acquiring private property and turning it into parks. As far as the storm drainage, I know everyone's tired of hearing about storm drainage, but that's our environment at the lake. And there are ways of scrubbing the storm drainage without opening up streams that are in pipes. And the technology just keeps getting better and better. So we would want to make sure that as this new development happens that the state of the art scrubbers go in before this water goes into the street and ultimately into the streams. This is something that Bellevue did 25 years ago was to create the storm drainage, but no way of cleaning it. And it goes into the streams sort of untreated. We're taking care of that at the lake in terms of stuff that's coming in. But if anyone wants to see the state of the art they should go to Seatac airport and look at what

they did to control the quality of the water while the third runway is being built. They have this big million dollar facility and they have an engineer standing there. And the water goes in at one end and he has a drinking glass, and it's really muddy and crappy. And when it comes out the other end it's crystal clear and he drinks it.

Mr. O'Neill: Brave man.

Mr. Loman: Yeah. I mean, well he designed this thing. He's still alive. And it goes through an element that's made from, of all things, crab shells. I mean, it sounds silly, but it's a filter system that the water goes through. It's just a question of money. We can clean this up. It's going to be a tradeoff between is it going to be the environment or the cost of construction. We would be advocating something in the middle where the development standards would require in this storm drainage shed that we're in that there be some consideration of that before it reaches the stream.

Mr. O'Neill: Other comments?

Mr. Spicer: I'd like to agree with Mr. Woosley about pocket parks and agreed with Linda that where there's going to be housing put in families are going to want to have parks. That's a common comment I've received from the customers that I've driven. As far as water quality goes, one thing that the Bellevue biologist was saying is that one of the reasons the fish have a hard time around here is we have so much blacktop. When it rains and when it's been sunny, the streams spike about 20 degrees. And that really impacts the ecosystems around them adversely. So I would comment that one of the things Bellevue should be really on top of is that whatever development does go in, keeping the parking enclosed, covered with tree canopies, underground, so that it's under the buildings and avoiding getting more blacktop into that area would be a good thing to do. I agreed that not opening up the culverts is a good plan. There are quite a few – I mean the property across the street from us, if they were to have to open that stream up, they would lose almost the entire piece of property, because under Olympic Boats and Maaco the culvert goes right through there. And 150 feet each side – is that what the regulation is now?

Mr. O'Neill: I don't know if it's 150 feet. I could be 100.

Mr. Spicer: I heard 135.

Mr. Woosley: It's a lot.

Mr. Spicer: That would pretty much eliminate his property there, which I think would be sad from a businessman's standpoint. From a stream lover's standpoint, 30 years ago we fished for trout in that creek by Linda's, and they weren't stocked, they were the ones that lived there. But with all of the runoff from the parking lots, it's killed the fish off. I think that the area around the Safeway plant and where the lake starts and the creek kind of goes down, and then there's the other little lake where they have a lot of wetlands, I think those are really natural park areas that could be developed further into park and wetlands. I haven't really seen the people

from the storage facilities here. I've always been told that storage facilities are just buying the land and using it until it's developed, and I wonder what their goals might be since they're backed right up there. And what is Metro bus think about their area since they have a big wetland right behind. You know, those natural wetlands make great parks. The land's already there, the setbacks can be utilized. Take advantage of what already exists. Did I understand there's also a really nice stream system that runs down behind Fred Meyer and in that location?

Mr. O'Neill: Yes.

Mr. Spicer: And I understand that's been kept in really good order.

Mr. O'Neill: Yes.

Mr. Spicer: I know the one across the street from us is in reasonably good condition as well where it goes down through the homes that are in there. I don't know what the name of that stream is. It looks like the people that have built those homes have done a really good job of trying to take good stewardship of that area.

Mr. O'Neill: Well, it's ten to six and I want to honor our commitment to get you out of here at six. I also want to thank you again for coming and offering your perspectives. It's been really helpful. As I said, before I finish I just want to offer one more opportunity for any other thoughts or suggestions or things you haven't had chance to talk about that you'd like to mention before we break up.

Ms. James: Well, one thing that concerns me is the big box stores. I haven't heard that mentioned, but I know that Overlake Photo was on 130<sup>th</sup> for probably at least 25 years, and they have gone out of business. And I was told by one man that worked there that it was because of the competition. It could even be Bartells that develops the films now. But that worries me because I know how hard these tenants that I have work at their business. I think anybody who wants to go to a big box store can drive there; it's not that far away from Bellevue. So I would like to not see them come in.

Ms. Sena: I echo that.

Mr. Spicer: The rumor mill says that Costco, Target, Wal-Mart have all been eying the Safeway property, because they look at that as the natural place for a huge building and parking lot.

Mr. Sena: There's a Target in Factoria and there's a Target in Redmond. It's not that far to drive. And Wal-Mart is horrible; it's the last thing that area needs.

Mr. Loman: Wait a minute, we've shifted from the free market to strict control of what's going on. That's not for the record.

Mr. Spicer: One nice thing about the majority of the businesses that currently exist in that area is that they pay for their employees medical and dental benefits,

as opposed to our tax dollars paying for them. Which is Target and Wal-Mart.

Mr. O'Neill: More comments? I'm staying out of this debate.

Mr. Spicer: I was going to comment about high-capacity transit. Mr. Woosley was commenting that buses are very important in this area, I believe that you made a comment about that. And that's true. We notice that a lack of buses affect a lot of people that are trying to get around there. They don't run often enough for people to feel secure that they can drop off their car, run down to the bus stop, and get the next bus. They feel like they're going to be waiting for a very long time. I see people standing there longingly looking for a bus, and I come back after I've made my 20-minute run and they're still standing there.

Mr. Woosley: We don't have the density to support it, the higher frequency, yet. But the two have to go hand in hand.

Mr. Spicer: People do ask for trains, and people look for trains and wish we had them, but we've put it off for so long we've got that hurry up and wait mentality on trains. If they were to put nodes in that area, I think it would be wonderful to have a hospital node, and then a residential node in wherever they decide to start plunking down the high-density residential combined with office, mixed use and park land. And then a node for the Microsoft people that is in the shopping area before they go to the Microsoft campus. Personally, I would use the train to go down to the bus thing, over to Seattle, I'd go down to the airport if I was heading out of town. I would utilize it if it was there. When I go to Portland I always use the train.

Mr. O'Neill: Other comments? Thank you all for coming. Enjoy the evening, and we hope to see you at future events.