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The Eastside's edge

Around the country, local economies are decelerating and home foreclosures are at a record high. Federal Reserve Chairman Ben Bernanke is wearing a groove into the marble floors of Congress, appeasing skittish lawmakers with rate cuts.

But a different mood pervades the cities ringing Seattle — Bellevue, Kirkland, Redmond, Issaquah and Renton — one of hopeful anticipation. Call it the Jimmy Choo effect.

The high-end shoemaker is opening a boutique at the Bravern, a \$500 million retail-office project in Bellevue that is the latest sign of the Eastside's dizzying economic status. Those \$820 buckled boots represent a recession-defying leap from Manhattan to Puget Sound. Plans for a full-scale Neiman Marcus at the Bravern add to Bellevue's cachet as glamorous retail rival to Seattle.

But even more is going on. What we are witnessing is a geographic shift of the region's power center, to the point of — dare we hope? — regional balance and rapprochement.

The new dynamic isn't reflected in consumer confidence alone. Microsoft, having squeezed every square inch from Redmond, for example, is leasing the entire 740,000-square-foot office portion of the Bravern.

The 28-floor office and retail tower, Lincoln Square, Bellevue Place and numerous other commercial and residential developments are bolstering the city's assertion that it has more construction cranes in the air than any city west of the Mississippi.

"What you're seeing on the Eastside is a natural occurrence of a robust region," says local economist Dick Conway.

Bellevue offers Eastsiders a sophisticated, skyline city of their own — minus the bridge traffic. Bedroom communities today vie to revolve around Bellevue, much as they once responded to the orbital tug of Seattle.

Seattle long held the upper hand, even holding suburban communities close to it by supplying their water. Now Eastside cities have formed the Cascade Regional Water Alliance and have gone their own way in developing a 100-year regional water supply. Expect this edgier attitude to show up in other issues as well.

At a recent Bellevue Chamber of Commerce luncheon, Mayor Grant Degginger and Redmond Mayor John Marchione teamed up over a new Highway 520 Bridge, the lane configuration of which Seattle and the Eastside have been wrangling for years.

Degginger pointed out that taxable retail sales from Redmond, Bellevue, Kirkland, Issaquah and Sammamish were \$11 billion in 2006, compared with slightly more than \$15 billion in Seattle. Chamber luncheons are polite affairs, so his larger point of approaching parity was left unsaid, but unmistakably clear: The Eastside will not be ignored.

But what about recession? Retail makes for a shaky economic foundation, and, in our sales-tax-dependent state, retail developments in suburban communities are unavoidable signposts of how the area is, and will be, doing.

If there is a recession, some expect it to be mild and short, similar to economic downturns in 1990-91 and 2001.

Conway, the co-author of "The Puget Sound Economic Forecaster" newsletter, predicts this area will weather a recession better than most regions because of a strong local job market and robust population growth, both running at twice the national average.

Local per-capita income, expected to be \$46,356 this year, is 19.7 percent above the national average. All but one of the top 10 wealthiest Puget Sound ZIP codes are located on the Eastside.

Recessions, another economist told me, are like tornadoes. They may wipe out one economic sector but leave others standing. The sectors still standing strong in this region are our two biggest engines, Eastside-based Microsoft, and pan-Puget Sound Boeing.

The former is adding employees at a rate of 3,000 a year. Boeing has an army-sized work force and robust airplane orders. Indeed, the weak dollar may be hurting the rest of America, but it makes our products more competitive. Our exports are twice the national average.

Economic jitters also appear to be skirting the Eastside's residential- and commercial-development sectors. The housing market here continues to mushroom.

Drive east on Interstate 90 to the Issaquah Highlands, a planned community expected to top out at just under 4,000 residences. The side of a forested mountain was leveled to make way for a mix of income-regulated housing, urbane cottages, live-work lofts and palatial homes spread on two acres. Transit, shopping and restaurants are within walking distance.

Construction workers dot rooftops, and cars pass slowly by, filled with potential buyers unfazed by wary lenders reeling from the subprime-mortgage mess.

The Highlands is one of the many edge communities anchoring the more-urban cities they ring, both economically and socially. The term was coined by Washington Post journalist and author Joel Garreau in his 1991 book, "Edge City: Life on the New Frontier."

Garreau sees these enormous live/work/play places, situated at the juncture of major suburban freeway interchanges, as an American transformation of how we live.

University of Washington professor and architect Doug Kelbaugh described the challenge of outlying areas accepting growing migration without ruining the qualities that brought people there in the first place.

"It will be hard for us to give up private space for common place and private worlds for the public realm ...," Kelbaugh warned in a 1997 Seattle Times column. "It will be painful to give up automobility for more shared means of conveyance."

It hasn't been that difficult at all. The Highlands and similar communities ease the pain with amenities typically found in cities: wine bars, coffee houses and a community center with a stone fireplace and professional-chef-inspired kitchen for an array of clubs — from wine to cuisine to film and photography.

While the Eastside is emerging — make that bounding — from Seattle's historic shadow, the two sides of the lake retain commonalities, from their shared environment to their young people holding the key to the future.

On the environmental front, the trend toward "green" buildings has crossed our floating bridges. With only about 2,000 zero-energy homes having been built around the country since 2003, the Highlands, for instance, is one of many new communities promoting a green image.

But, on a more sober note, news of milk and honey flowing down Eastside streets past glittering high-rises is interrupted by news that school districts from Bellevue to Issaquah are pinching pennies, thanks in significant part to lagging state funding.

The districts could partner more with businesses. Seattle has had much success teaming up with heavy-hitters from Boeing to WaMu. A long-term solution might involve the cities boosting their commitment to local education through something similar to Seattle's Families and Education Levy, the well-received city-school district partnership to prepare children for school and academic success.

From an economic standpoint, the growing confidence on the Eastside is a welcome sign of health and vitality. The beginning of the reverse commute was a palpable marker that the Eastside's time was arriving, and is upon us.

But when it comes to some of the region's protracted problems, such as growth and density, conservation and transportation, it will help to move beyond old and convenient divisions of Eastside and Westside — and imagine us all in this together.

Two powerhouses working together, instead of against one another. How profitable might that be?

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