



MARITIME & INDUSTRIAL STRATEGY

BASELINE DATA ANALYTICS PART I
INTERIM WORK IN PROGRESS
FOR ADVISORY PANEL DISCUSSION
DECEMBER 20, 2019

DISCUSSION DRAFT



Scope and schedule review



Jobs and industry trends - Interim findings



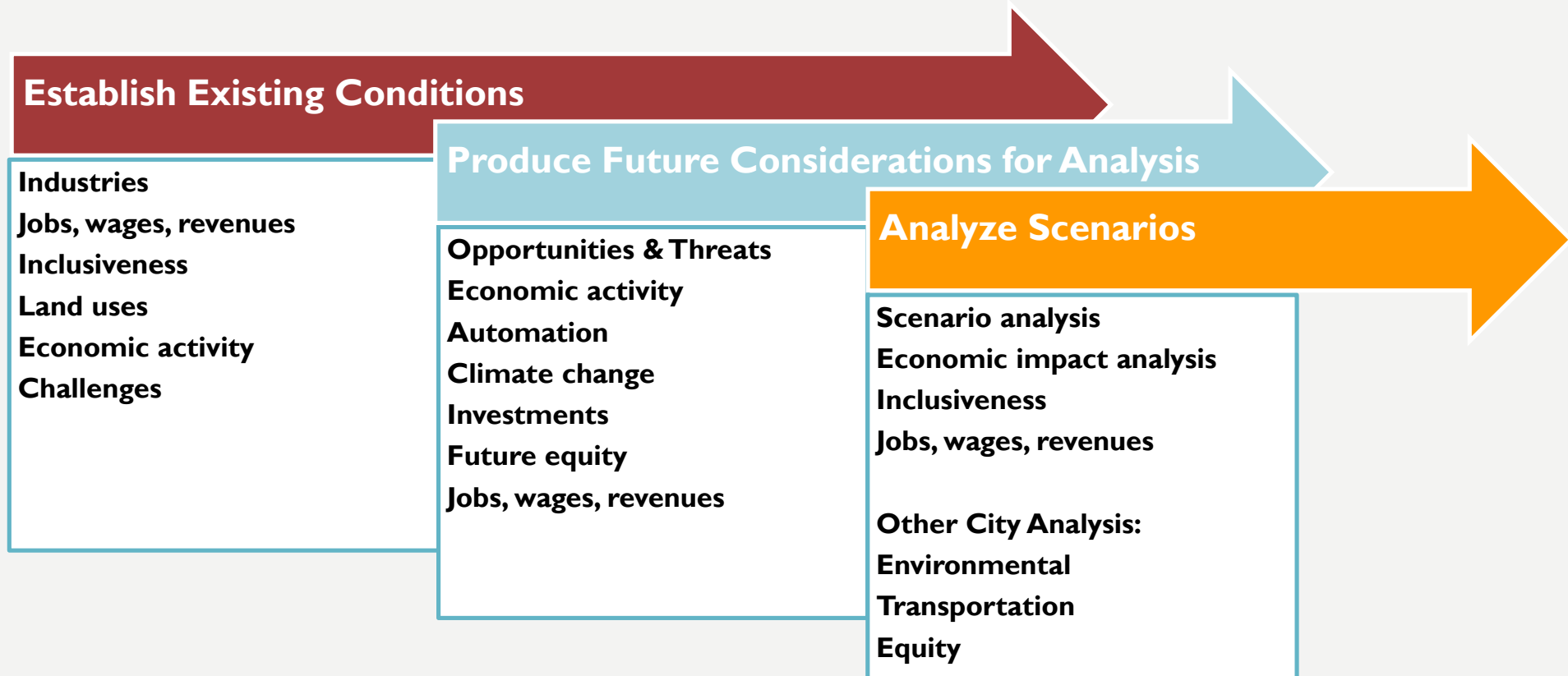
Occupations and workforce trends - Interim findings



Some equity analysis

CONTENTS

SCOPE OF WORK: LINK TODAY'S ACTIVITY AND INDUSTRY OPPORTUNITIES WITH FUTURE LAND USE SCENARIOS



GUIDING PRINCIPLES

- Uses the power of **local workers and companies** to chart a blueprint for the future
- Strengthens and grows Seattle's **industrial and maritime sectors**
- Promotes **equitable access to family-wage jobs** through an inclusive industrial economy and **ladders of economic opportunity**
- Improves the **movement of people and goods** to and within industrial zones and increases safety for all travel modes
- Aligns Seattle's industrial and maritime strategy with **climate and environmental protection** goals
- Develops a proactive **land use policy agenda** that **harnesses growth and economic opportunities** to ensure **innovation and industrial jobs** are a robust part of our future economy

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PRINCIPLES → PROJECT WORK

| Principle Topics | Project Work |
|--|---|
| <ul style="list-style-type: none"> • Local workers and companies • Industrial and maritime sectors • Innovation | <ul style="list-style-type: none"> • Provide employment and industry cluster updates <ul style="list-style-type: none"> – By MIC, citywide, countywide and regionwide • Review and summarize trends and assess the long term economic and employment outlook for industry clusters • Surveys and interviews of local companies and leaders |
| <ul style="list-style-type: none"> • Family wage jobs | <ul style="list-style-type: none"> • Provide occupational and workforce analysis, including racial and geographic equity data analysis • Surveys and interviews of local companies and leaders |
| <ul style="list-style-type: none"> • Equitable access | <ul style="list-style-type: none"> • Produce commute trip analysis • Analyze transportation access for workers and commuters • Evaluate affordable housing access • Showcase workforce and training programs • Discuss procurement and hiring practices • Additional work by City staff |

PRINCIPLES → PROJECT WORK

| Principle Topics | Project Work |
|--|---|
| <ul style="list-style-type: none">• Land use policy that harnesses growth and economic opportunities | <ul style="list-style-type: none">• Refresh and update the land uses by parcel data• Provide real estate market data analysis for MICs and related land uses• Land use scenario analysis• Industry and land use trends for demand for industrial lands |
| <ul style="list-style-type: none">• Movement of people and goods | <ul style="list-style-type: none">• CAI interviews, survey• Additional work by transportation consultants |
| <ul style="list-style-type: none">• Climate and environmental protection goals | <ul style="list-style-type: none">• Informed by CAI Interviews• EIS planned for 2020• Primarily led by City staff or environmental consultants |

DATA GLOSSARY

| Topics | Primary Sources |
|---|---|
| Business sectors and industries Employment (place of work) | Washington State Employment Security Department US Bureau of Labor Statistics |
| Business activity | Fieldwork |
| Occupations | US Bureau of Labor Statistics Custom analysis |
| Land Use (actual) | Fieldwork to improve King County Assessors |
| Zoning MIC / Subareas Future Land Use | City of Seattle |
| Residences of workers | US Census Bureau Surveys |

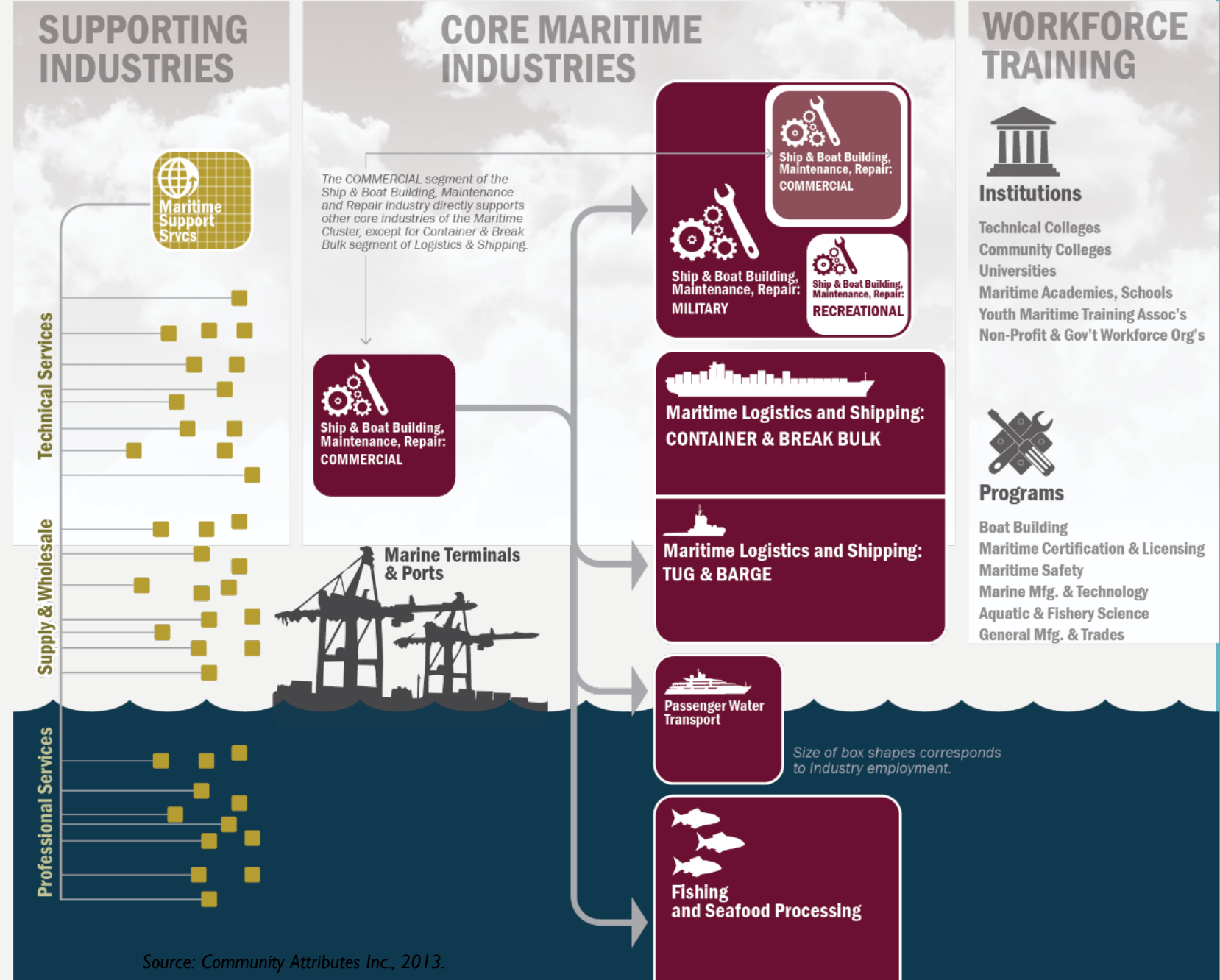
INDUSTRIES OF INTEREST

- Maritime
- Transportation & Logistics
- Construction and Utilities
- Distribution & E-commerce
- Food & Beverage Production
- Medical & Consumer Product Manufacturing
- Metalworking, Automotive & Machinery Manufacturing
- Other Manufacturing
- Paper & Packaging, Printing & Publishing Services
- Aerospace & Supply Chain
- Vulcanized Materials Manufacturing
- Chemical Manufacturing & Biopharmaceuticals
- Hospitality & Tourism
- ICT
- All Other Retail
- All Other Services
- Government
- Education (public-sector portion)
- All Other Education

MARITIME

Key Factors

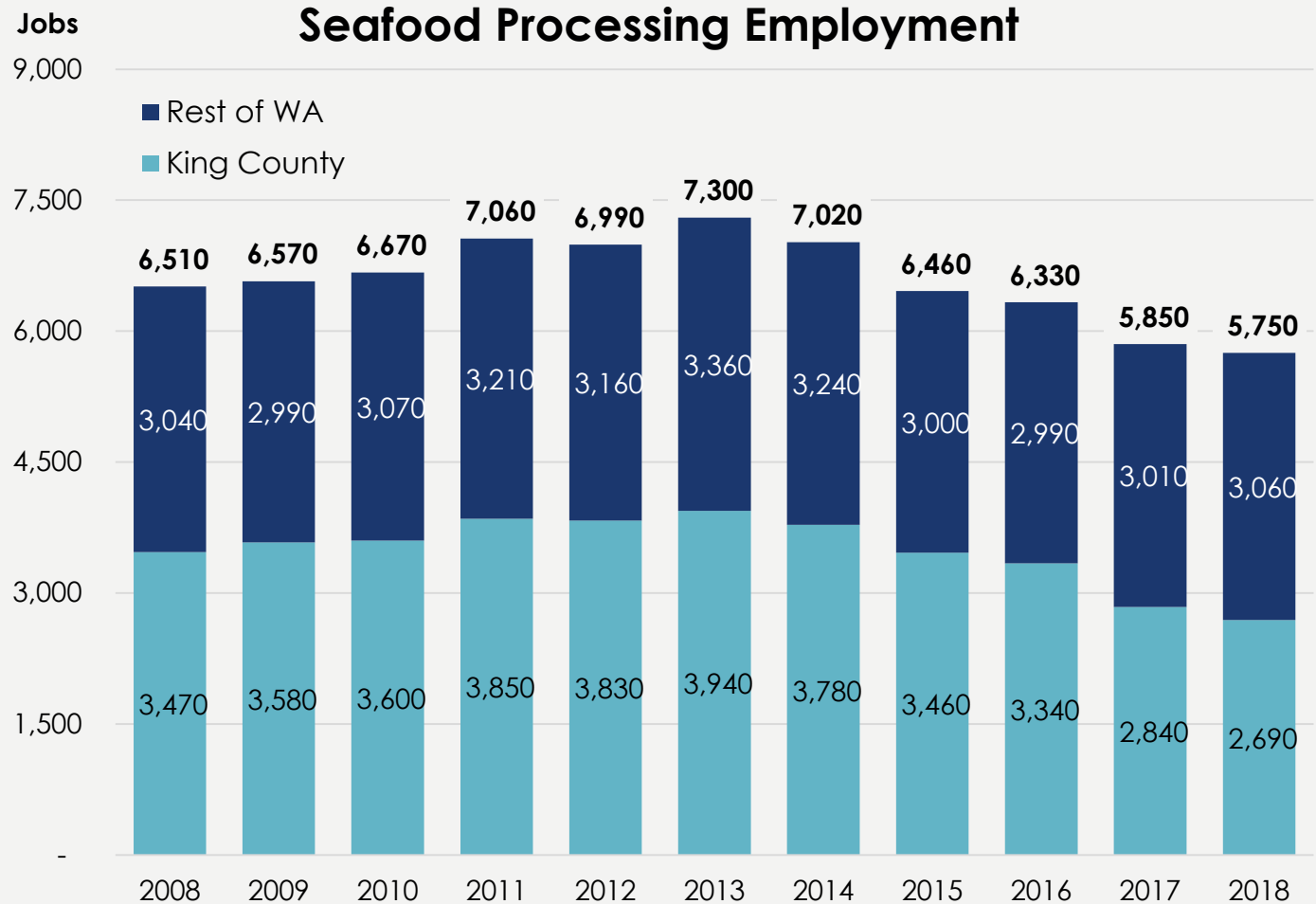
- **Connections** beyond City Limits
- **Recapitalization** of the fishing fleet
- Access to **shoreline**
- **Strong synergies** amongst maritime businesses
- **Climate change** impact on fishing



SEAFOOD PROCESSING

Large seafood processors with operations in Seattle

- American Seafoods Company (headquarters)
- Trident Seafoods (processing facilities)
- Ocean Beauty Seafoods (value-added seafood plant)

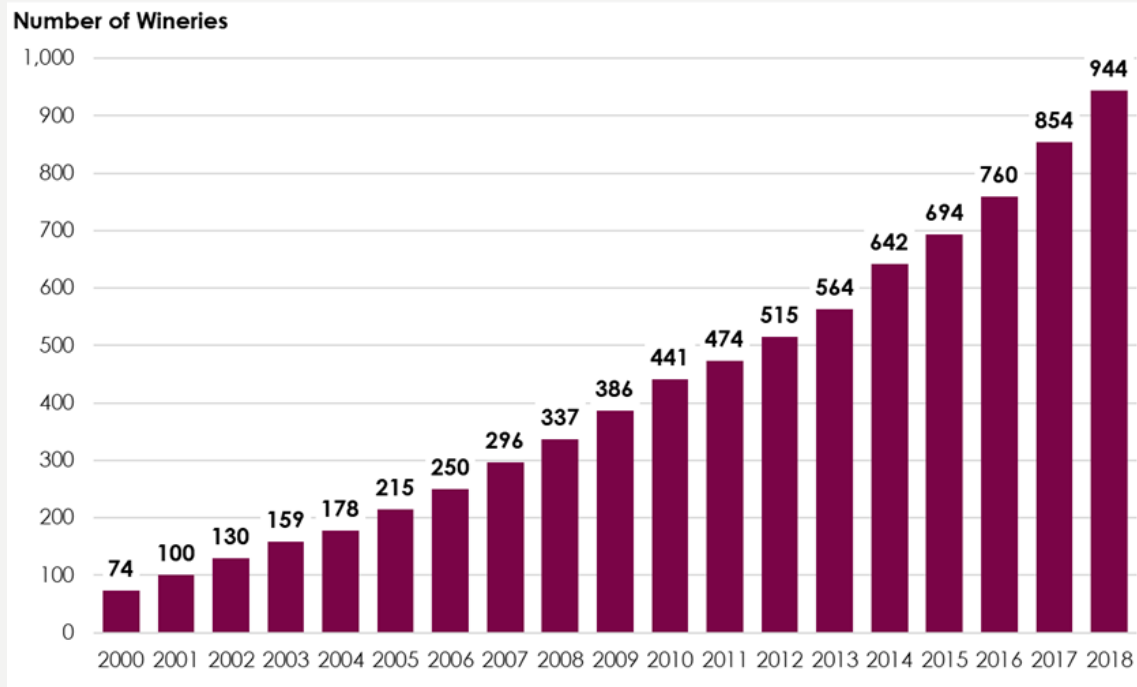


Source: Washington State Employment Security Department, 2019.

WINERIES AND BREWERIES

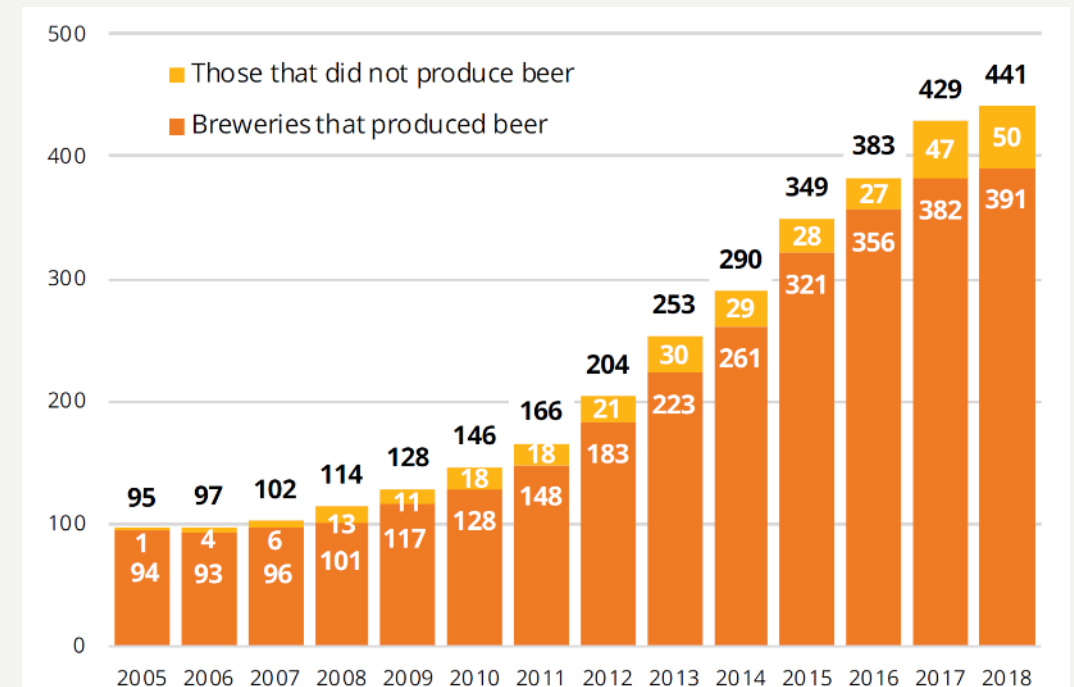
- **Small business** employment (beer and wine)
- Strong local and national demand for **Washington-made products**
- Growth is dependent on access to **industrial space and equipment**

Wineries



Source: Washington State Wine Commission; Community Attributes Inc., 2019.

Breweries

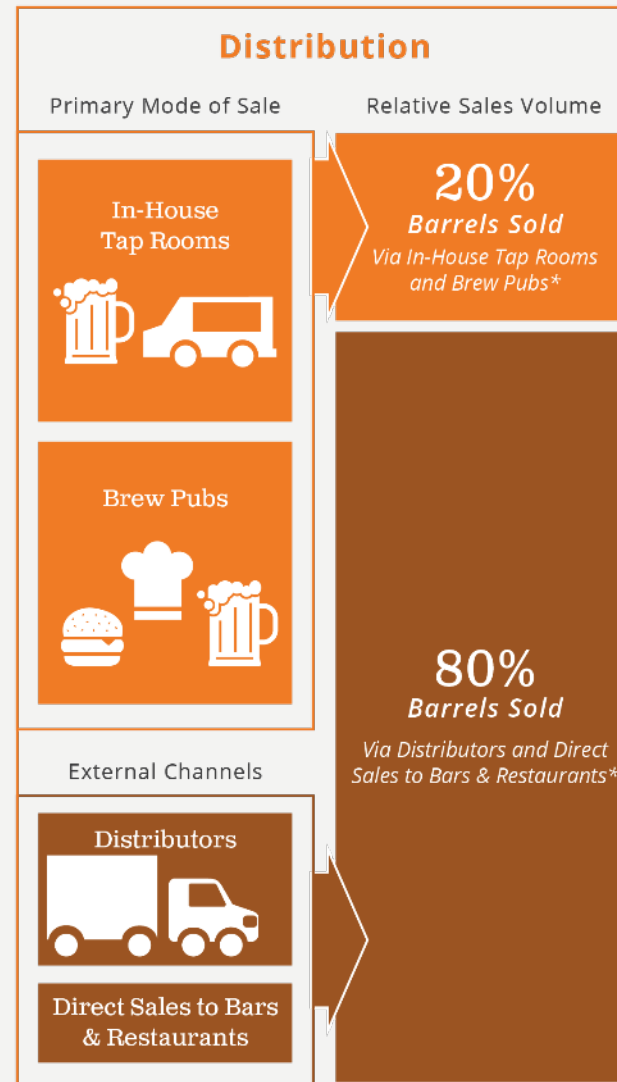


Source: Washington State Beer Commission; Community Attributes Inc., 2018.

BEER

Key Factors

- **Growing**
- Small, Medium, and Large throughout the region and city
- Distribution, Exports, Retail activities vary among brewers



Washington State Beer Commission; Community Attributes Inc., 2019.

*Sized to represent proportion of market

This meal brought to you by Seattle's regional freight networks!

This meal has to travel nearly **2,000 FREIGHT MILES** to get to your plate

(and that doesn't even include the glass, paper plate and more!)



SDOT is updating the city's Freight Master Plan and we want your input. Please visit seattle.gov/transportation/freight_fmp.htm to learn more.



TRANSPORTATION AND LOGISTICS

Statewide, the **Global Trade & Supply Chain Management System** directly employed **94,000 workers in 2017**, including in warehousing, logistics, intermodal operations, and freight forwarding. Many of these activities are concentrated in SODO.

Key Factors

- Strong connection to other industries, such as retail and technology
- Growth driven by Asia Pacific connections; migration to the region and market demands
- **Diverse array of occupations** tied to transportation and logistics (not just truck drivers)
- Dependent on industrial lands because of **negative externalities** (traffic, noise)

Source: *Community Attributes, 2018.*

CONSTRUCTION AND UTILITIES

Key Factors

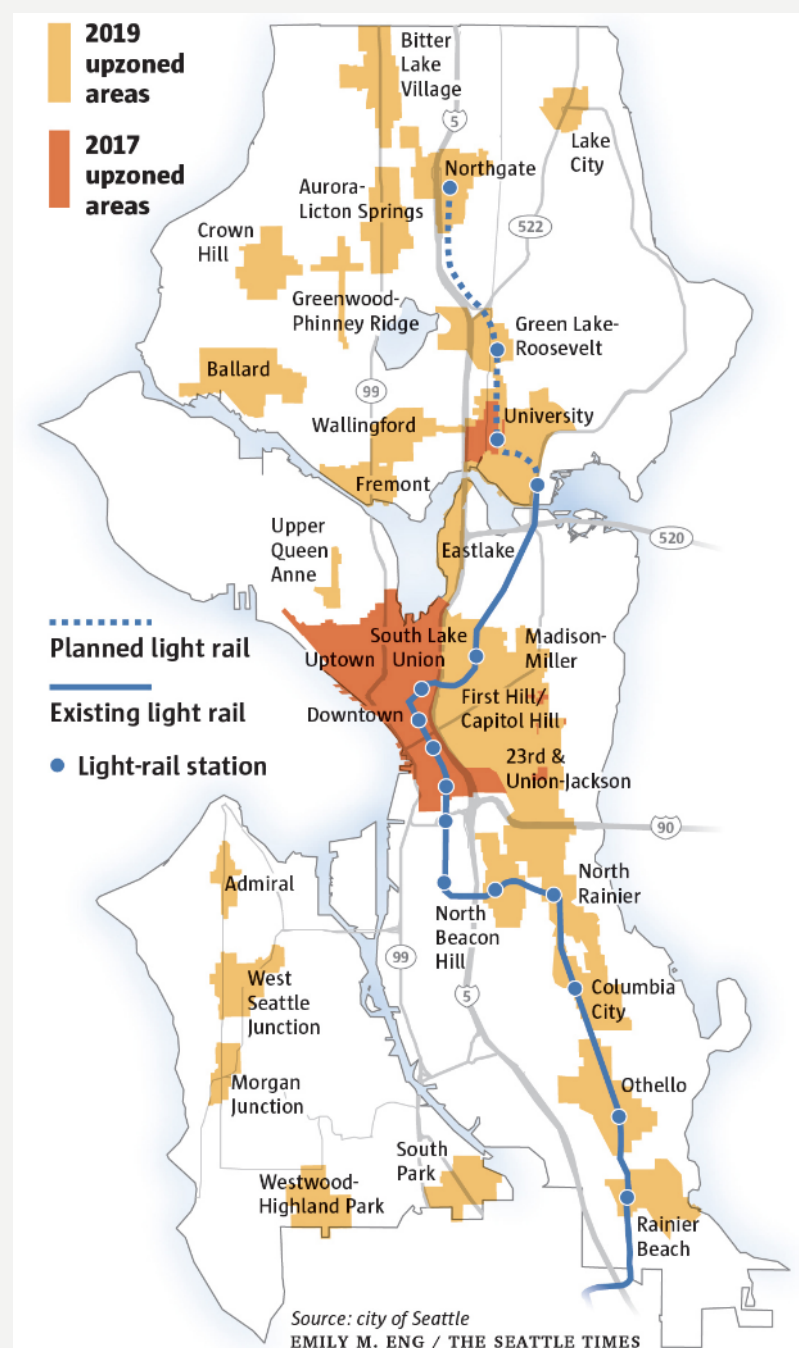
- Reliant on industrial lands for assembly areas, production space, home offices, and vehicle and equipment storage
- Continued regional growth drives demand
- High demand for new construction with **upzoning**

In **2018**, the Construction & Utilities sectors employed **34,400 workers** in Seattle, including self-employed individuals.

Source: Washington State Employment Security Department, 2019.

December 17, 2019

Seattle Maritime and Industrial Strategy ~ DRAFT Analysis

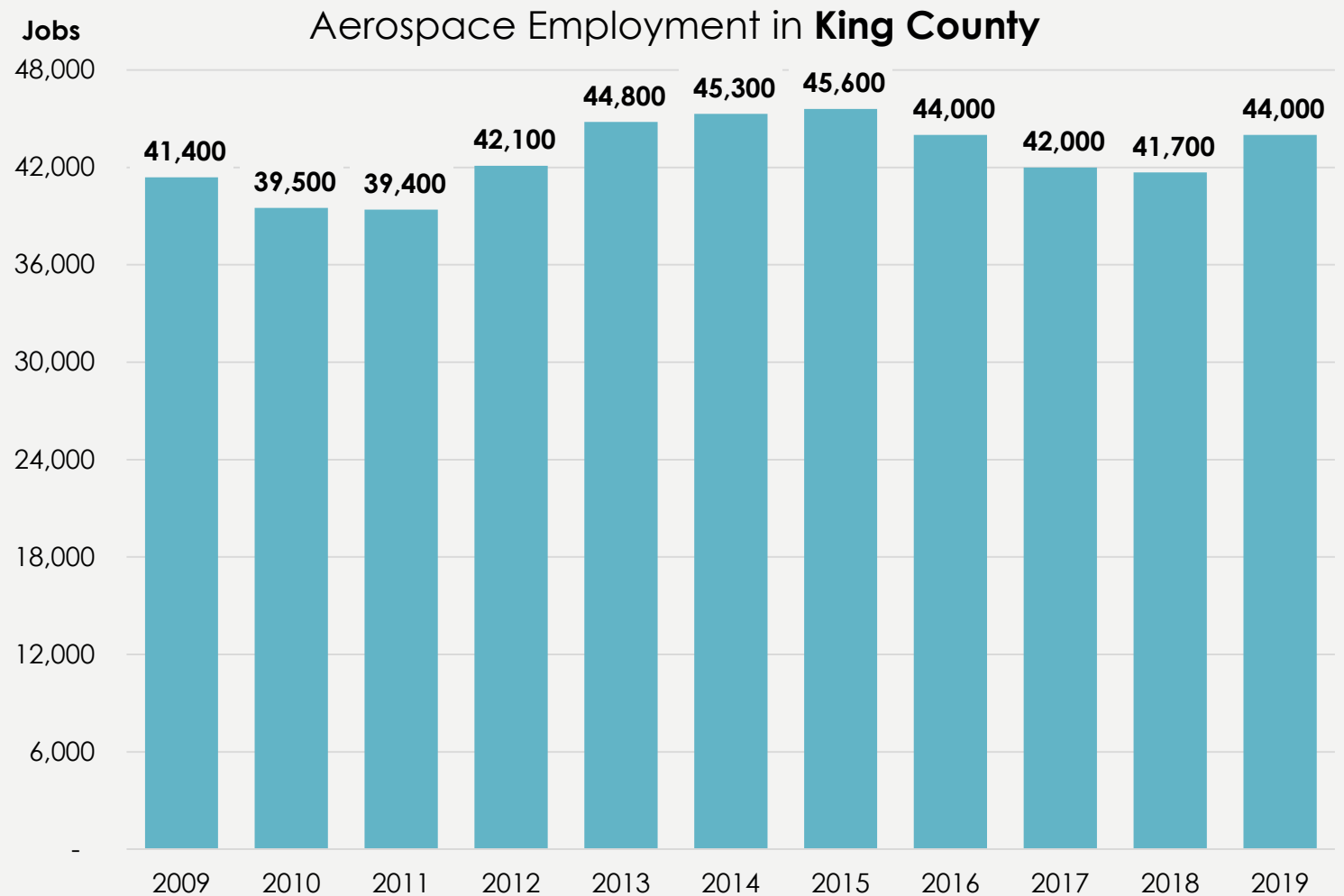


AEROSPACE

Key Factors

- Source of **many well-paid jobs**
- Large industrial lands footprint
- Aircraft testing, storage
dependent on industrial lands

In addition to Boeing, there are **numerous aerospace suppliers in Seattle**, such as Machinists, Inc., Pioneer Industries, Spaceflight Industries, and GMN Aerospace.



Source: Washington State Employment Security Department, 2019.

EMPLOYMENT TRENDS

Employment Estimates, 2018

| | King County | City of Seattle | Industrial Areas |
|------------------------------|------------------|--------------------|---------------------|
| Industrial Sectors | 364,600 | 113,300 | 55,000 |
| Non-Industrial | 1,208,200 | 543,500 | 43,400 |
| Total | 1,572,900 | 656,800 | 98,400 |
| <i>Industrial % of total</i> | 23% | 17% | 56% |
| <i>2010-2018 CAGR</i> | | | |
| Industrial Sectors | 2.6% | 1.4% | 1.7% |
| Non-Industrial | 2.8% | 3.4% | 1.8% |
| Total | 2.8% | 3.0% | 1.7% |

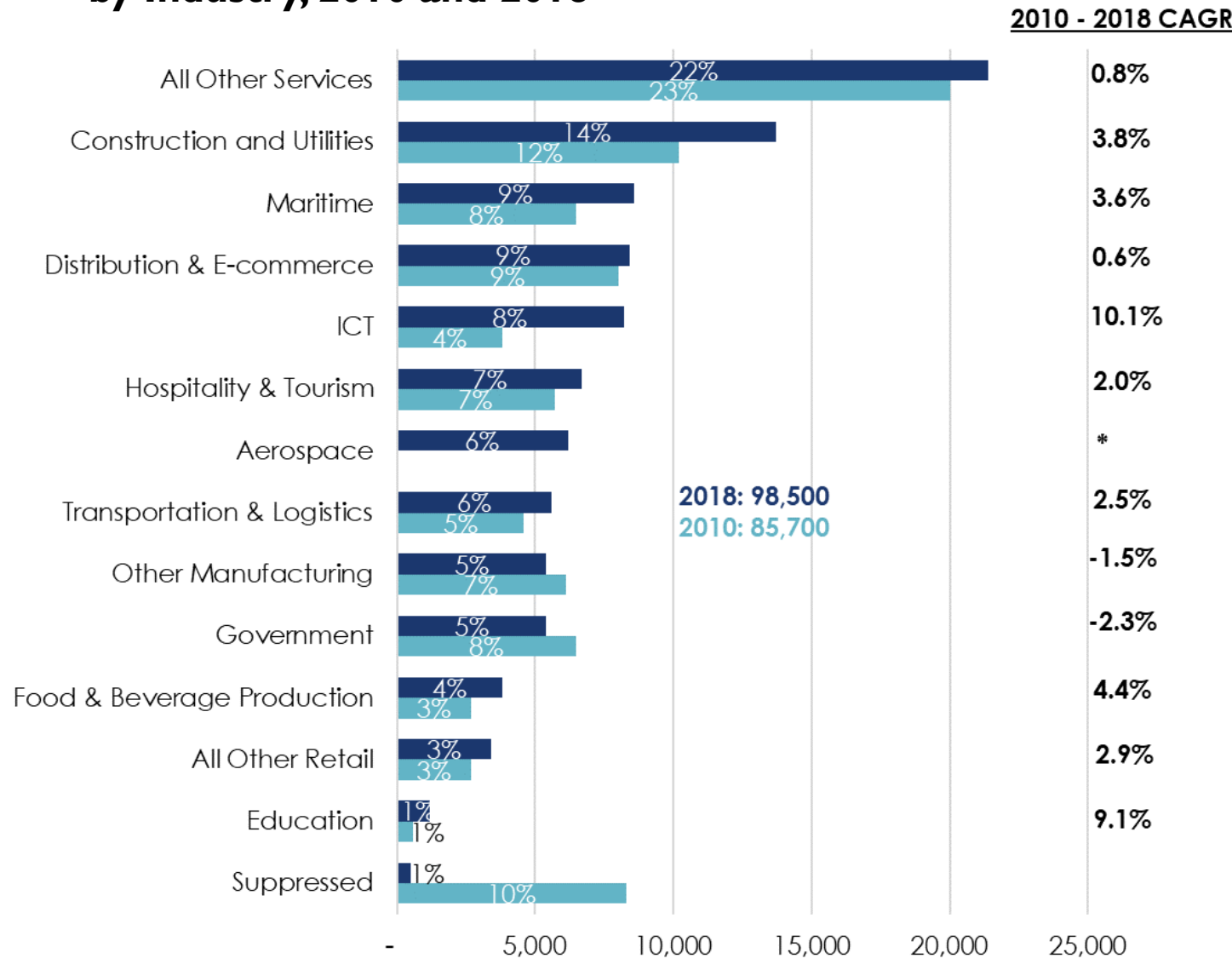
- Jobs in Seattle industrial sectors grew by 1.4% per year from 2010 to 2018.
- In 2018, total employment in industrial areas represented 15% of total city employment.

Sources: Puget Sound Regional Council, 2019; Bureau of Labor Statistics, 2019; Community Attributes, 2019.

Notes: Industrial job estimates are based on the list of industry sectors and NAICS codes included in the 2017 City of Seattle Industrial Lands Land Use and Employment Study. Industrial areas include the Duwamish MIC, BINMIC and other industrial areas adjacent to the MICs (north and east sides of Lake Union).

EMPLOYMENT TRENDS

Industrial Areas Employment by Industry, 2010 and 2018



- Seattle industries which experienced significant growth in employment from 2010 to 2018 include:
 - Distribution & E-commerce (14.5%)
 - ICT (9.8%)
- Roughly 22% of jobs in industrial areas are service jobs, while the 2nd largest category is construction and utilities jobs.
- Several industries have a significant share of their Seattle employment located in industrial areas:
 - Aerospace (78%)
 - Transportation & Logistics (62%)
 - Maritime (55%)
 - All Other Manufacturing (51%).

Notes: Industrial areas include the Duwamish MIC, BINMIC and other industrial areas adjacent to the MICs (north and east sides of Lake Union).

Sources: Puget Sound Regional Council, 2019; Bureau of Labor Statistics, 2019; Community Attributes, 2019.

OCCUPATIONS DATA UPDATE

King County Employment by Occupation, 2018

| Occupational Categories | % of King County Employment | Total King County Employment | Annual Growth Rate, King County, 2022-2027 | Total Openings, King County, 2022-2027 |
|--|-----------------------------|------------------------------|--|--|
| Office and Administrative Support | 12% | 167,128 | 1.2% | 63,590 |
| Computer and Mathematical | 10% | 143,488 | 2.8% | 60,209 |
| Business and Financial Operations | 10% | 133,037 | 2.1% | 50,828 |
| Sales and Related | 9% | 122,843 | 1.0% | 54,021 |
| Food Preparation and Serving Related | 8% | 112,443 | 1.2% | 59,163 |
| Management | 7% | 97,942 | 2.2% | 48,510 |
| Transportation and Material Moving | 6% | 87,899 | 1.0% | 34,603 |
| Construction and Extraction | 4% | 58,253 | 0.6% | 35,223 |
| Production | 4% | 56,045 | 0.3% | 17,201 |
| Healthcare Practitioners and Technical | 4% | 55,552 | 2.0% | 24,412 |
| <i>Other</i> | 25% | 338,093 | | 152,831 |
| TOTAL | 100% | 1,372,722 | 1.5% | 600,591 |

Notes: Industrial areas include the Duwamish MIC, BINMIC and other industrial areas adjacent to the MICs (north and east sides of Lake Union).

Sources: Puget Sound Regional Council, 2019; Bureau of Labor Statistics, 2019; Community Attributes, 2019.

OCCUPATIONS DATA UPDATE

Industrial Areas Employment by Educational Requirement, 2018

| Educational Requirement | % of King County Employment |
|-----------------------------------|-----------------------------|
| No formal educational credential | 21% |
| High school diploma or equivalent | 32% |
| Postsecondary nondegree award | 5% |
| Some college, no degree | 2% |
| Associate's degree | 2% |
| Bachelor's degree | 33% |
| Master's degree | 2% |
| Doctoral or professional degree | 2% |
| Total | 100% |

Industrial Areas Employment by Median Wage, 2018

| Median Wage | % of King County Employment |
|------------------|-----------------------------|
| Less than \$45K | 31% |
| \$45k to \$85K | 41% |
| \$85K to \$125K | 12% |
| More than \$125K | 7% |
| <i>Supressed</i> | 9% |
| Total | 100% |

Sources: Puget Sound Regional Council, 2019; Bureau of Labor Statistics, 2019; Community Attributes, 2019.

Two-thirds of jobs in Seattle's industrial areas are obtainable without a college degree (estimated).

RESEARCH QUESTIONS: FUTURE OF WORK

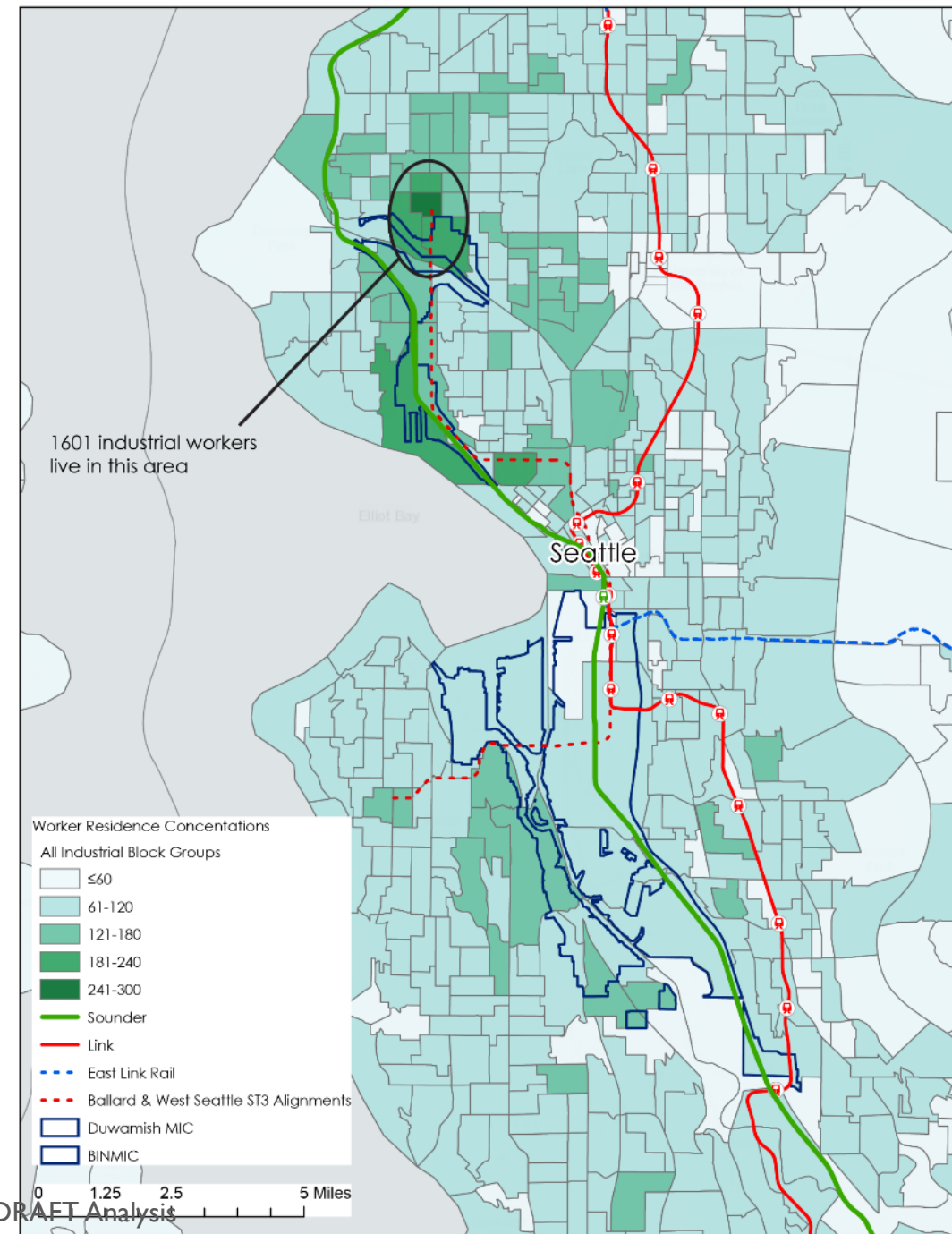
- What do **automation**, new technology, and expanded use of robots mean to manufacturing in Seattle?
- What does that mean to **jobs based in Seattle**?
- What industries can Seattle target that will **employ people**, and still **foster innovation**?
- What industries can Seattle recruit that will employ displaced labor?
- What transferrable skills will workers bring from companies that displace labor?

WORKER RESIDENCES

- Industrial workers favor living near where they work
- The areas around Ballard and Interbay generally have the most workers living there
 - Significant concentration around Delridge in West Seattle
- Ballard and West Seattle lines could make rail transit more useful to industrial workers
- Most workers' residences are thinly spread throughout the region

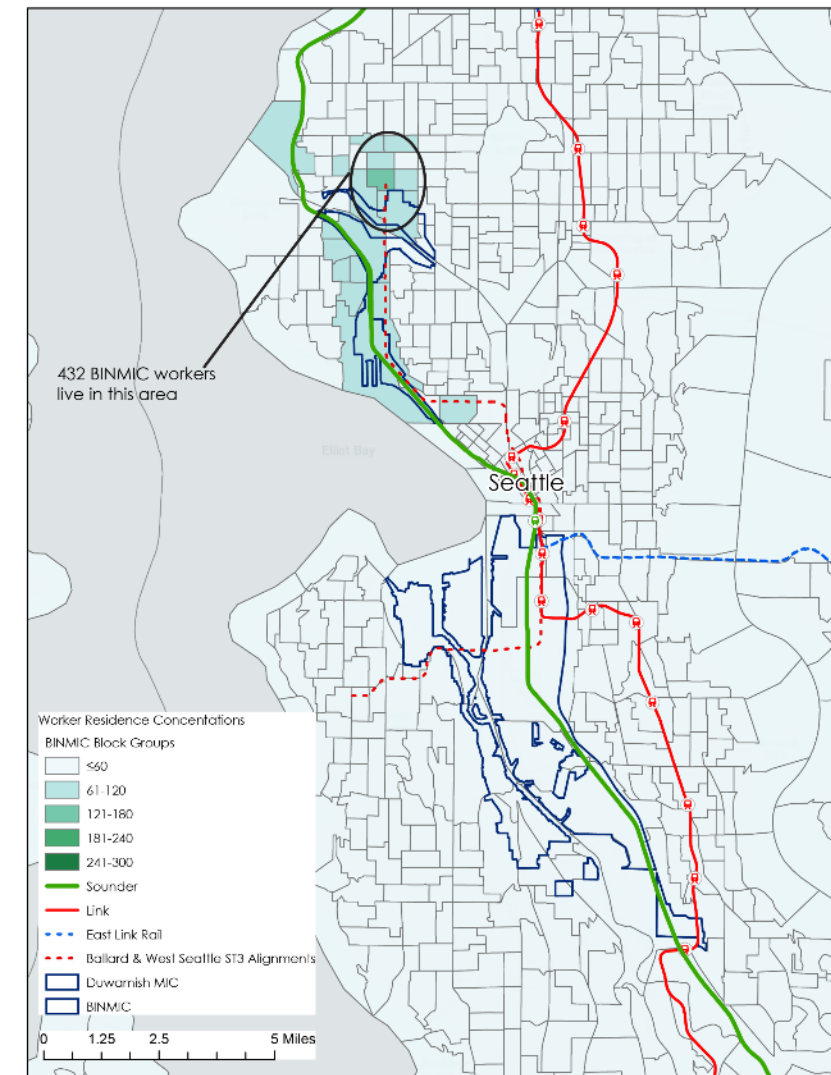
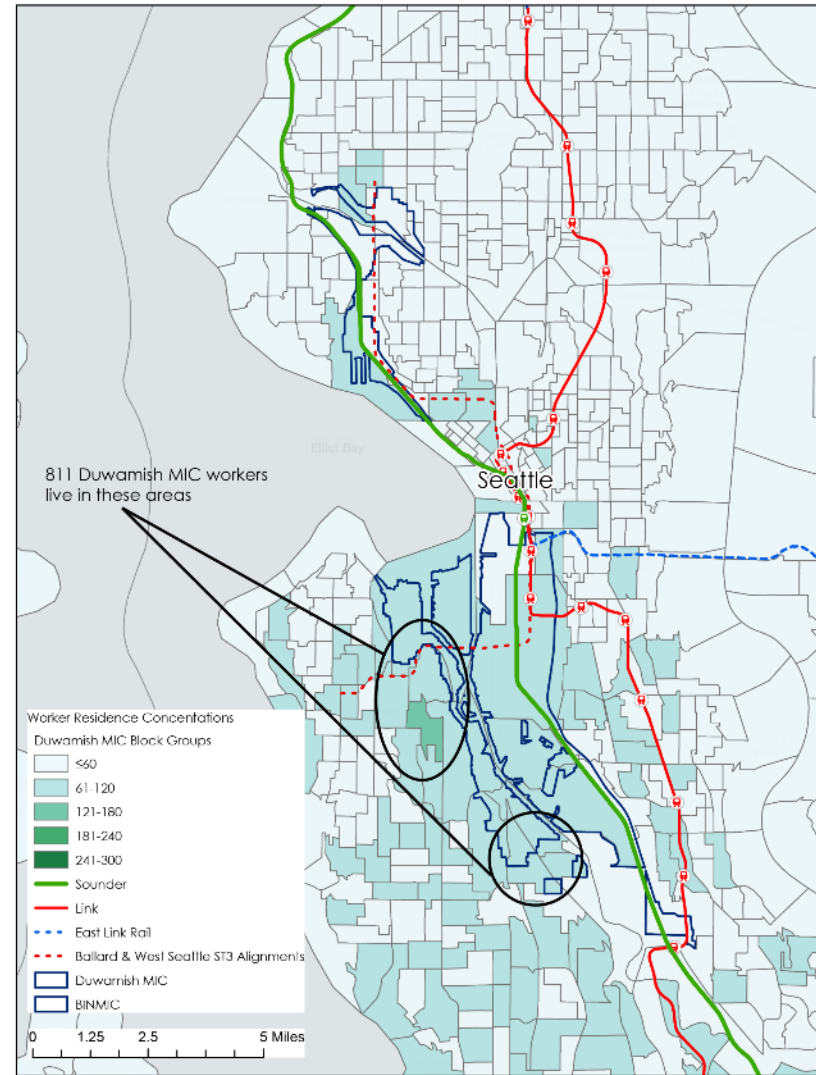
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Seattle Maritime and Industrial Strategy ~ DRAFT Analysis



WORKER RESIDENCES BY SUBAREA

- BINMIC and other northern industrial workers cluster around Ballard
- Duwamish MIC workers tend to cluster in the south and West Seattle
- Many workers live dispersed in areas outside the city



ADDITIONAL EQUITY ANALYSIS CONSIDERATIONS

Data by race and gender:

- Jobs and occupations
- Participation in training and education
- Participation in career pathways and procurement practices

NEXT STEPS

February

- Real estate and land use review (2017 outcomes)
- Future of work discussion
- More equity and workforce analysis
- Industry surveys and interview findings

March – May

- Analysis of land use scenarios