City of Seattle Seattle Planning Commission

July 13 2021

Honorable Mayor Durkan and Director Quirindongo via e-mail

RE: Industrial and Maritime Strategy

Mayor Durkan and Director Quirindongo:

The Seattle Planning Commission is pleased to provide our comments and recommendations on the Mayor's Industrial and Maritime Strategy. Our comments are offered as stewards of the Seattle Comprehensive Plan and are based on discussions related to this topic over the past two years during the development of the final recommendations by the Citywide and Neighborhood Advisory Groups.

Unique and Challenging Characteristics of Seattle's Industrial Lands

Seattle's industrial lands are complex. They support manufacturing and maritime activities that contribute to city and regional identity, support family-wage jobs, and promote economic diversity. Industrial areas of the city contain unique environmental assets including shoreline, tidal areas, and other natural areas. Industrial areas are also part of the ancestral lands of the Duwamish Tribe. Future land use policy should consider and balance these aspects of industrial lands to increase the City of Seattle's resiliency and ability to meet multiple policy goals.

The importance of our industrial areas is highlighted by positive economic indicators such as low vacancy rates and ongoing high demand for industrial property. We are in a rapidly changing industrial environment with diverse challenges ranging from an ongoing need for a variety of industrial facilities and large-scale freight mobility to providing affordable housing for living wage workers and their families. Interest in industrial land in Seattle has increased in recent years as the proliferation of e-commerce deliveries has led to additional demand for warehouse and distribution facilities. Non-industrial development pressure has led to erosion of industrial lands along the edges of our Manufacturing/Industrial Centers (M/ICs) and displacement of non-industrial businesses that support our industrial and maritime uses. The industrial labor market has shifted due to increased automation and the growing role of small-scale manufacturing, local production, and supporting services.

Several of Sound Transit's West Seattle and Ballard Link Extension light rail stations are proposed to be built in or adjacent to industrially zoned areas. This calls for careful equitable policy consideration that strikes a balance between the potentially competing demands of protecting industrial lands while ensuring that the city leverages the

Commissioners Rick Mohler, Co-Chair Jamie Stroble, Co-Chair Mark Braseth McCaela Daffern **Roque** Deherrera David Goldberg Matt Hutchins Patience Malaba Radhika Nair Alanna Peterson Dhyana Quintanar Julio Sanchez Lauren Squires Kelabe Tewolde Rose Lew Tsai-Le Whitson

Staff

Vanessa Murdock Executive Director

Olivia Baker Policy Analyst

John Hoey, Senior Policy Analyst

Robin Magonegil Administrative Analyst

Seattle Planning Commission, 600 4th Ave, Floor 5; PO Box 94788 Seattle, WA. 98124-7088 Tel: (206) 684-8694, TDD: (206) 684-8118 www.seattle.gov/planningcommission region's light rail transit investment by promoting robust ridership at all station locations. The potential impacts to industrial and maritime lands from this project alone raise a significant series of regional considerations including development pressure, economic impacts, and the need for proactive station area planning.

Previous Seattle Planning Commission Reports and Recommendations

The Planning Commission has historically been supportive of policies and plans that protect Seattle's industrial lands. Overarching themes of previous Planning Commission work include the vital role industrial lands play in the local and regional economy, and the need for strong land use and zoning policies to protect industrial areas from redevelopment. The Commission published an independent report in 2007 titled <u>The Future of Seattle's Industrial Lands</u>. One key statement from that report is "Industrial zoned land is a vital civic asset. Because Seattle's industrial businesses are critical to our city's overall economic health and global competitiveness, the City should strengthen its industrial policies." The Planning Commission was supportive of policies proposed in the July 2015 Draft Seattle 2035 Comprehensive Plan that were more restrictive for protection of industrial lands. However, those policies were not included in the final Seattle 2035 Comprehensive Plan adopted in 2016.

The Planning Commission has not had the opportunity to review new industrial lands policies in several years. However, we have reviewed numerous proposed amendments through the annual Comprehensive Plan amendment process that would change industrial zoning and remove land from the M/ICs. These amendments have been waiting years for decisions pending a comprehensive industrial lands policy review process. The next Major Update to the Comprehensive Plan is an opportunity for connecting issues such as Seattle's growth strategy, land use, equity, and transportation that are relevant to the future of industrial lands.

Ongoing Evolution of Industrial Lands Policy

The Mayor's Industrial and Maritime Strategy is broader than a land use issue. Future policies related to Seattle's industrial and maritime lands will require a holistic perspective that considers racial equity, complete communities, and environmental justice while preserving industrial uses, reasonable accommodations for access to industrial businesses, and promoting equitable access to living-wage jobs. The Planning Commission has been briefed several times and has held working sessions with the Industrial and Maritime Strategy City staff project team. Below is a summary of our comments, concerns, and recommendations for consideration during adoption and implementation of the final recommendations. The subject headings reference the latest titles of the potential strategies reviewed by the Citywide and Neighborhood Advisory Groups.

Workforce Investments to Support Access to Opportunity for BIPOC, Youth, and Women

This strategy is aimed at the importance of retaining diverse employment sectors in Seattle. The future of industrial lands includes emerging trends in labor and workforce development. Successful implementation of this strategy will require a holistic view that considers diverse employers and jobs

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that can be integrated with existing and future uses. The Planning Commission has observed that the industrial sector is still very white, and male dominated. We recommend that this strategy be implemented to increase maritime and industrial opportunities for women, people of color, youth, and people with special needs and disabilities.

The Commission encourages City staff to conduct an equity analysis and develop a strategy to provide access to industrial and maritime jobs. Community outreach will be important for Black, Indigenous, and People of Color (BIPOC) communities, as there is an ongoing need to raise awareness of these jobs. Employers, local improvement districts, and/or community-based organizations should participate in job readiness and other workforce training. We also suggest coordinating with the City's Green New Deal workforce development efforts.

Public Safety Partnership to Support Maritime and Industrial Areas

The Planning Commission recognizes the stakeholders' concern with unhoused communities in industrial areas. We call upon the City and partners to vet and develop multiple strategies to address the complex issues of those who are unhoused. We also support this particular strategy to develop and implement a proactive public safety response to elevated levels of crime within industrial and maritime lands as part of a more comprehensive suite of strategies and action to address the crisis of unhoused individuals.

Transportation Priorities to Improve the Movement of People and Goods

Freight mobility and access for workers are of critical importance in this strategy. The Planning Commission is aware of the tension between meeting the transportation needs of industrial and maritime uses and that of others. This tension will be increased through the realization of the planned Sound Transit West Seattle to Ballard Link Extensions light rail line, part of the region's \$56 billion investment in light rail transit. Of the fourteen planned stations along this line, six are either within industrial zones or capture a significant amount of industrial zoned land within their walksheds.

Different types of industrial land uses, such as heavy industry, will have conflicts between freight traffic and other modes, especially non-motorized transportation such as pedestrians and bikes. Planning for multi-modal access and facilities in industrial areas requires a level of intentionality to accommodate all modes. Industrial and maritime areas can still be maintained while enhancing safe multi-mode routes. We recommend a context-sensitive approach to multi-modal planning for walking and biking facilities in industrial areas, with a particular focus on future light rail station areas. A higher level of design and investment is required to separate modes around and along truck streets to increase access and safety for people in these areas.

It is important that the City continue to make investments in and enhancements to quality multimodal access, connections, and infrastructure including sidewalks, transit access, bike lanes, and trails that get workers to their jobs. King County Metro's recently published <u>Mobility Framework Report</u> uses a travel time metric to determine job accessibility for several priority populations, including low- and no-income households and BIPOC communities. This metric could be used to think about how to reduce travel times for low-income workers in the industrial and maritime areas. The Commission recommends transportation demand management strategies and involvement by industrial business associations in providing alternatives to single-occupancy vehicle use. We suggest strategies such as electrifying vehicle fleets, incentivizing car share programs, small vans or other forms of micro-transit, and providing transit subsidies, electric bikes, scooters, and other mobility options, in addition to infrastructure improvements.

The City should prioritize investments in sidewalks, bikeshare, and last mile connections in specific places within industrial areas, especially considering proximity to future transit stations. Conflicts between freight movement and pedestrian and bicycle traffic will start to occur in light rail station areas once stations open. An equity perspective should be applied to this prioritization, as some communities do not have sufficient infrastructure or resources.

Environmental Justice and Climate Action

The Planning Commission recommends recognition of and attention to the cultural and historic importance of indigenous land as part of this strategy. Seattle's shoreline is a critical part of native tribes' livelihood and culture. The Shoreline Management Act requires coordination with tribes on issues related to water quality and fisheries. Previous industrial land policy strategies have avoided shoreline issues in industrial areas given tribal rights to natural resources in adjacent waterways. We encourage consultation with the Duwamish Tribe and other tribes that claim fishing rights to waterways as part of their "usual and accustomed" territories. These tribes should be consulted to identify areas of cultural significance, industrial uses that could create physical or economic impacts to tribal fisheries, natural or cultural resources, as well as help develop appropriate mitigation strategies.

The Commission recommends increased attention to restoration of lands and shorelines that have been contaminated by industrial activities. There are public health concerns related to contaminants in fish from waterways adjacent to industrial areas. These same fish are a significant food source for indigenous and some immigrant populations. Restoration sites near industrial areas should improve water quality and habitat and treat ongoing sources of polluted runoff.

Residential areas near industrial zones such as South Park and Georgetown have ongoing pollution issues, including dust, noise, and chemical odors, that should be addressed by this strategy. The changing nature of the industrial and maritime sectors may reduce these impacts over time, regardless, the experience of those communities should be considered in prioritizing short- and long-term environmental justice strategies.

The Commission recommends both capital investments and regulatory tools be implemented to reduce direct and indirect environmental impacts in industrial and maritime areas. The City and partners including the Port of Seattle, Army Corps of Engineers, and non-profit environmental organizations should identify opportunities for increasing green infrastructure in the industrial zones to protect water quality, support the health of our waterways, and serve as a climate mitigation

strategy. Development of onsite stormwater management practices for industrial property owners would lead to increased utilization of green roofs and similar green infrastructure.

We encourage the City, private businesses, and community organizations to increase and/or improve parks, open space, trees, and green landscaping in and near the M/ICs where appropriate in an industrial context. Landscaping in industrial areas should consider clear zones for trucks for safe freight movement and should avoid obstruction of sightlines. It is understood that use of industrial land for open space could be challenging given the potential costs of remediation that could create economic impacts on landowners. One potential solution is pooling funding from property owners through a local improvement district or partnering with organizations such as community foundations or environmental non-profits to fund these projects. Allowing commercial office and research uses above ground floor industrial space may also be a strategy to fund the significant investment this infrastructure requires.

The industrial and maritime sectors will have to play an important role in a transition to a carbonneutral economy. This will require potentially large changes, maybe even to land use. The Planning Commission recognizes the potential impacts of sea level rise on key industrial and maritime areas, as well as on freight mobility. Industrial areas of SODO, South Park, Ballard, and Interbay are at risk for sea level rise. This risk will require land use codes to be revised. We recommend that the City and other stakeholders including the Port of Seattle, Washington State, and the Army Corps of Engineers partner on a coordinated strategy to address sea level rise and protect vulnerable industrial areas.

In addition to land use changes, industrial areas can adopt a range of tools to reduce their carbon footprint. Increased electrification, changes to fuels used for processes, and other strategies should be explored. As the city and region transition to renewable sources of energy, there may be land use needs that can be accommodated in industrial areas. The land use framework used to permit and prohibit uses in industrial areas should be flexible so that these emerging uses can be accommodated.

Stronger Protections for Industrially Zoned Land

The Port of Seattle and the two Seattle M/ICs play a very important role in the economic vitality of the Puget Sound region. The productivity and resilience of our industrial and maritime businesses are reflected by ongoing low industrial vacancy rates. Once industrial land is changed to another use, it is very difficult to restore it to industrial use for a variety of economic reasons. The Planning Commission has historically advocated for protection of industrial and maritime lands and the jobs that are created within those sectors. We strongly support this strategy to strengthen protections for industrially zoned lands within Seattle by establishing higher thresholds to remove industrial land designations and closing loopholes that have allowed significant non-industrial development within industrially zoned lands.

Many industrial and maritime businesses require water access, access to highways, and affordable rent and ownership. The Commission recommends that lands with water and rail access and areas not within a high-capacity transit walkshed should have the highest focus for protection of industrial and maritime land uses. This will preserve critical economic activities and help to avoid conflicts between freight mobility and other transportation modes. We suggest the City conduct an analysis of land around shorelines to identify any vacant lands and possibilities for expanding industrial lands. This analysis could determine opportunities for future maritime, manufacturing, and logistics uses.

Industrial lands near high-capacity transit are at the highest risk for development pressure to convert to non-industrial and maritime uses. Even piecemeal changes could result in incremental adverse impacts to the industrial sector. The Commission supports eliminating the potential to remove land from the M/ICs during the annual Comprehensive Plan amendment process and removing existing zoning loopholes, especially for auto-dependent uses such as big box stores, storage facilities, strip commercial development, and surface parking lots. Interim strategies should be implemented for stronger protection of industrial land while these broader strategies are being analyzed and considered for adoption. We recommend interim land use actions to close existing loopholes in the zoning code until major changes are adopted.

High Density Industrial Development

Industrial uses and the nature of industrial production are changing, especially with the integration of manufacturing, high-tech research, e-commerce, and logistics. This is especially true in Seattle where there are a significant number of technology-related businesses. Many who study the future of industry have identified the need for collaborative spaces for a mix of innovations including prototyping, research, and development. The High-Density Industrial Development strategy represents this future of industry. The Planning Commission endorses the intent of this concept to encourage modern industrial development that supports high-density employment near transit stations. However, we have some concerns and recommendations for further consideration.

We are concerned that the construction costs for modern multi-story industrial buildings may result in higher rents in the short-term compared with current industrial spaces. If older industrial buildings are demolished, ground floor industrial spaces in new multi-story buildings may experience vacancies for a while after construction is completed. The Commission also recognizes the potential pollution generated by industrial uses and encourages consideration of this if locating other uses in existing industrial zones, including the public health implications of co-locating offices above industrial spaces. While locating office space above industrial uses may be necessary to fund the bicycle, pedestrian, open space, and green stormwater infrastructure outlined above, care must be taken to ensure that office workers are not adversely impacted by industrial emissions through filtration systems or other strategies. Businesses or organizations that serve any vulnerable populations such as childcare facilities, senior centers, homeless shelters, and emergency housing should not be allowed in buildings with industrial uses. We recommend that land use policies and code requirements be developed to address these potential hazards.

Many industrial and maritime businesses are in locations that are currently only accessible by car. This land use strategy is centered around the potential for transit-oriented <u>industrial</u> development and takes into consideration the needs of both workers and freight mobility. The potential

implementation of this strategy will be particularly timely with the development of Sound Transit's West Seattle and Ballard Extensions light rail project and stations in or adjacent to industrial areas. These future transit system investments will place a premium on industrial lands. There will be new pressure to create "complete" and "high-opportunity" places in the vicinity of each new light rail station.

The Planning Commission recommends that the City proactively identify desired and allowed land uses around the light rail stations. This station area planning should clearly identify how these stations will interact with the surrounding and/or adjacent industrial and maritime lands. Successful development of a station area planning process that incorporates high-density industrial development must ensure coordination between the City and Sound Transit to identify final station locations, maximize economic development opportunities, and address freight mobility issues. Given the region's significant investment in light rail and the need to maximize its benefits and ridership, and considering the evolving nature of the industrial economy, the City should carefully consider and monitor opportunities to create the most dense, complete and compatible mix of uses practicable, in close proximity to high-capacity transit stations.

The Commission encourages a comprehensive approach that considers the future walkshed around stations and optimizes the light rail investments while not diminishing the functionality and viability of existing industrial and maritime lands. A data-driven approach is needed to determine what types of uses around the future light rail stations would not compromise the viability of industrial lands. This approach warrants flexibility within the walkshed and recognition that the future station areas should not remain exactly as they are today. We recommend gathering information from business owners and workers to determine the most desired amenities and transportation options.

The Commission plans to spend time discussing nuances of the station areas and will pay specific attention to the contexts of those station areas that include industrial and maritime uses. We acknowledge the tension between adding light rail to industrial areas and the kind of development investment needed to improve those areas. The ten-minute walkshed around those stations will be areas of high job concentrations, including living wage jobs, and should include a range of viable spaces for both large and small businesses, as well as multi-modal connections to access those areas. Industrial lands present physical challenges including missing infrastructure, contamination, liquefaction areas, and sea level rise risk that will need to be addressed during station area planning. Placemaking investments including public spaces in industrial and maritime areas should be prioritized to create and enhance a people-oriented environment for workers and others.

Healthy Transitional Areas near Urban Villages

This strategy aims to foster increased employment and entrepreneurship opportunities with a vibrant mix of affordable, small-scale places for light industry, makers, and creative arts, as well as industry-supporting ancillary retail. The Planning Commission supports this concept, especially as it presents the potential to allow dedicated space for creative industries and provide access to opportunities. We encourage consideration of maximum business size limits, as this strategy would be implemented to

encourage creation of small and independent businesses. This strategy also presents an opportunity to include historic and cultural elements in industrial areas by adapting and reusing buildings. We recommend that this strategy ensure livability by including public spaces and amenities and address any potential concerns about public health impacts in industrial zones.

Existing zoning regulations are intended to create a buffer between industrial and other urban uses. The Commission has concerns that this strategy may require more stringent provisions for successful transitions between industrial and maritime lands and others zoned for commercial and residential uses. Industrial zones are not the only areas that can accommodate light industrial uses. We recommend exploring the potential for these uses within non-industrial neighborhoods, urban villages, and transition zones. Makerspaces represent a "do it yourself" culture and opportunities for people to start businesses in their communities. An affordable commercial space strategy could encourage integration of those uses in urban villages and mixed-use zones.

No New Residential Uses

This strategy recommends no new residential uses on industrial and maritime lands with limited adjustments to existing allowances in transitional zones to support industry and arts entrepreneurship opportunities. The Planning Commission has significant concerns around allowing residential uses in industrial areas and agrees with the intent of this strategy. We understand that this strategy's current proposal only includes expansion of residential uses such as caretaker units where workers can live onsite. Residential uses would need to be part of an industrial facility and would have to be consistent with the industrial nature of the area.

Seattle is experiencing an ongoing housing affordability crisis that has skewed the city's jobs/housing balance. Many industrial workers will continue to commute long distances while housing affordability challenges in Seattle are so difficult to address. However, we are concerned that allowing even minimal residential uses into industrial areas could further increase pressure on these lands and increase the likelihood of more encroachment into the industrial zones. The Commission has reviewed several Comprehensive Plan amendment applications in recent years requesting changes to industrial designations to allow other uses, including housing. We have consistently expressed our support for maintaining the M/IC boundaries and opposition to encroachment by other uses.

Residential uses in industrial areas raise serious concerns of environmental justice and possible disenfranchisement. Industrial areas may not be suitable for residential uses, considering both current and future conditions. There are environmental and public health impacts associated with allowing residential uses in or adjacent to industrial areas, as people could be living very close to freight traffic, noxious fumes, contaminants, and noise. Portions of SODO, South Park, Ballard, and Interbay will experience sea level rise. Environmental review of this strategy should provide detailed analyses of these environmental impacts.

The Planning Commission strongly recommends that affordable housing and family-sized housing should not be in located in industrial areas. Active industrial sites can have poor air quality and

conflict with children's safety. We encourage the City to not repeat past mistakes by adding housing to areas associated with negative health impacts rather than in neighborhoods with access to opportunity and amenities such as schools and parks. The Commission recommends that the City conduct a comprehensive community and stakeholder engagement effort for this strategy. Environmental, housing, public health, and community-based organizations should be involved in discussions on this issue and need to have opportunities to share their perspectives regarding housing in industrial areas.

Georgetown and South Park Neighborhood Goals

The Planning Commission has not specifically reviewed this strategy in detail. However, we would like to highlight ongoing environmental justice issues in both neighborhoods related to their proximity to industrial facilities and freight corridors. These communities are disproportionately affected by issues including poor air quality and lack of access to opportunity. The South Park community raised concerns about proposed upzoning and potential consequences of displacement during the Mandatory Housing Affordability process. We suggest referencing strategies identified in the Duwamish Valley Action Plan and generating a gap analysis of ongoing issues that have yet to be addressed.

Master Planning for WOSCA and Armory Sites

The Planning Commission has not been briefed in recent years on any development plans for the WOSCA site specifically but has reviewed a proposed amendment to the Comprehensive Plan for creation of a Stadium District that would include this site. We will look forward to learning more about this site as the master planning process evolves.

The Commission followed the recent stakeholder advisory committee process for the future of the Interbay Armory site currently owned by the State. The southern portion of the Ballard/Interbay/Northend M/IC has seen a significant amount of development in recent years including big box stores, storage facilities, and other auto-dependent commercial uses. The Commission encourages the City to ensure that the master planning process for the Armory site does not allow any additional uses of this type. Sound Transit's Ballard Link Extension project proposes to locate two future light rail stations in Interbay less than a mile apart. The Armory site is within the walkshed of both future light rail stations. The Planning Commission will review station area plans for these stations and will pay particular attention to any plans for the Armory site. We encourage environmental review to consider a range of significant issues including public health impacts related to the site's proximity to an active rail yard, liquefaction risk, sea level rise impacts, and emergency access during a tsunami.

Ongoing Stewardship Entities to Champion this Vision

The Planning Commission supports this strategy to identify and grow ongoing stewardship entities with a complete range of stakeholders to champion the vision of the Industrial and Maritime Strategy,

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ensure its long-term implementation, and develop appropriate assessment metrics to help guide future policy decisions. We recommend the stewardship strategy engage a broad and comprehensive constituency of stakeholders, not only industrial users. This strategy should also include Women and Minority Business Enterprise (WMBE) stakeholders.

We appreciate the opportunity to provide our comments and recommendations. If you have any questions, please do not hesitate to contact Vanessa Murdock, Seattle Planning Commission Executive Director.

Sincerely,

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Rick Mohler and Jamie Stroble Co-Chairs, Seattle Planning Commission

Cc: Seattle City Councilmembers Emily Alvarado, Office of Housing Pamela Banks, Office of Economic Development Sam Zimbabwe, Seattle Office of Housing