



City of Seattle
Seattle Planning Commission

Michael Austin, Chair
Vanessa Murdock, Executive Director

SEATTLE PLANNING COMMISSION

Thursday, December 12, 2019

Meeting Minutes

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- Commissioners Present:** Michael Austin, Sandra Fried, David Goldberg, Grace Kim, Rick Mohler, Kelly Rider, Julio Sanchez, Lauren Squires, Jamie Stroble, Rian Watt, Patti Wilma
- Commissioners Absent:** Amy Shumann
- Commission Staff:** Vanessa Murdock, Executive Director; John Hoey, Senior Policy Analyst; Connie Combs, Policy Analyst
- Panelists:** Chase Kitchen, Office of the Mayor, City of Seattle; Dave Gering, Manufacturing Industry Council; Erin Goodman, SODO Business Improvement Association; Mike Stewart, Ballard Alliance Business Improvement Area; Rod Stevens, Business Street.
- Guests:** Geoff Wentlandt, Office of Planning and Community Development; Joseph Gellings, Port of Seattle; Justin Clark, WSP; Suzie Burke, Fremont Dock Company

Seattle Planning Commission meeting minutes are not an exact transcript and represent key points and the basis of discussion.

Referenced Documents discussed at the meeting can be viewed here:

<http://www.seattle.gov/planningcommission/when-we-meet/minutes-and-agendas>

Chair's Report & Minutes Approval

Chair Michael Austin called the meeting to order at 3:05 pm and recognized that we are on indigenous land, the traditional and current territories of the Coast Salish people. Land acknowledgement is a traditional custom dating back centuries for many Native communities and nations. For non-Indigenous communities, land acknowledgement is a powerful way of showing respect and honoring the Indigenous Peoples of the land on which we work and live. Acknowledgement is a simple way of resisting the erasure of Indigenous histories and working towards honoring and inviting the truth. Chair Austin then announced several upcoming Commission meetings.

ACTION: Commissioner Rian Watt moved to approve the October 24, 2019 meeting minutes. Commissioner David Goldberg seconded the motion. The motion to approve the minutes passed.

Panel: Perspectives on Seattle's Industrial Lands Policies

Vanessa Murdock, Seattle Planning Commission Executive Director, welcomed the panelists for a discussion on potential futures of Seattle's Industrial Lands. She stated the intent of the panel is to share with Planning Commissioners a variety of perspectives on potential futures for Seattle's industrially zoned lands. The panel will serve as an impetus for the Commissioners' discussion in the last hour of the meeting. The Commission will be reviewing the station area plans to be developed by the City for the fourteen new light rail stations – three of which will be in industrially zoned areas. The Commission will also be reviewing the Mayor's Industrial and Maritime Strategy. Three of the panelists sit on the stakeholder group that is currently developing that strategy in partnership with City staff.

The panelists participating in today's discussion are:

Chase Kitchen, Policy Advisor, Office of the Mayor

Dave Gering, Executive Director, Manufacturing Industrial Council

Erin Goodman, Executive Director, SODO Business Improvement Area

Mike Stewart, Executive Director, Ballard Alliance

Rod Stevens, Principal, Business Street

The Commissioners introduced themselves, followed by the panelists introducing themselves. Below is a brief summary of each panelist's comments:

Chase Kitchen, Policy Advisor, Office of the Mayor

Mr. Kitchen described the impetus for the Mayor's Industrial and Maritime Strategy, including a series of Comprehensive Plan amendments and the Sound Transit West Seattle and Ballard Link Extensions project, which would involve siting light rail alignments and stations in industrial areas. He stated Mayor Durkan thought it was necessary to have a comprehensive approach to industrial and maritime lands in recognition of the economic value and opportunities those lands provide. It is important to the Mayor to have deep stakeholder perspectives on these issues. The intent is to incorporate stakeholder knowledge and work of the stakeholder advisory group to help develop the strategy. The overarching goal is to grow the industrial sector in Seattle for success in the next 25 years. Mr. Kitchen listed four objectives for the Mayor's Industrial and Maritime Strategy: 1) provide access to ladders of opportunity, including transit access and racial equity; 2) improve movement of people and goods while also increasing safety; 3) align the Strategy with key climate and environmental goals (for example, significant portions of Seattle Manufacturing/Industrial Centers – or MICs – are in low lying areas subject to sea level rise); and 4) develop a proactive land use agenda to ensure the viability of industrial and maritime lands for the future.

Dave Gering, Executive Director, Manufacturing Industrial Council

Mr. Gering stated the Mayor's Industrial and Maritime Strategy is the fourth industrial land use effort in twenty years. The SODO neighborhood is dominated by heavy industrial uses. He stated he was proud to be part of the effort to defeat the planned SODO arena. The Strategy needs to focus on zoning but also other related issues. He suggested the need for Seattle Public Schools to be involved due to the high demand for labor. Students coming out of high school job training programs can start many

industrial jobs at \$16-17 per hour. Mr. Gering cited local examples of manufacturing and industrial products. The Nucor steel plant in West Seattle produces rebar used in Amazon buildings. He also cited the “geographic capital” of the region. For example, Puget Sound is home to more than 50,000 Navy jobs and 50,000 additional related jobs. There is a lot of potential for job growth in the maritime sector.

Erin Goodman, Executive Director, SODO Business Improvement Area

Ms. Goodman stated the Business Improvement Area (BIA) is a financial program for the benefit of property owners and businesses. SODO has a wide variety of traditional industrial jobs as well as event spaces, breweries, distilleries, and cannabis businesses. She noted that SODO has suffered in recent years and cited the failures of the last industrial lands process as a contributor. She stated that Sound Transit’s recent planning process did not anticipate what SODO may look like in twenty years. The neighborhood is not well served by transit. Many employees do not work standard 9-5 jobs, as some businesses operate continuously over 24 hours. The BIA worked with King County Metro on a SODO employment/transportation study. The study determined that SODO employees come from all over the region. 10,000 of the 47,000 total employees work on 1st Avenue and the transit is located on 5th Avenue. Lack of last-mile connectivity is a significant issue. Single-occupant vehicle users are increasing. A latest study determined that as many as 83 percent of local employees drive alone. Public safety is also a significant issue in the neighborhood. The BIA is neutral on land use issues. The neighborhood has experienced a lot of zoning by variance.

Ms. Goodman stated she is excited to work with Mayor on the Industrial Maritime Strategy. She stated workforce development will be a critical part of the Strategy, as will how to create spaces for small manufacturers and creator space. She said a common myth about SODO is that the neighborhood has a large number of empty warehouses. The neighborhood has a three percent vacancy rate. This is not obvious because many of the local warehouse activities are inward facing and do not have an external retail focus. SODO has many existing businesses that have no plans to move. Some local businesses combine a hybrid use of their space. For example, more than 75 percent of Westland Distillery’s space is industrial and the remaining space is dedicated to retail operations (tasting room and event space). Several new developments are expected in the coming months, including multi-story maker spaces.

Mike Stewart, Executive Director, Ballard Alliance

Mr. Stewart stated the Ballard Alliance is not only a BIA but also a membership organization. The BIA does not include industrial properties in its assessment area, but these lands are adjacent to the BIA boundary. The neighborhood has changed from cedar shake manufacturing in the late 1800’s to its current home for the Pacific fishing fleet, including a lot of offseason businesses for supporting the fleet. Like SODO, Ballard also has seen new businesses, such as eleven breweries. The available space is the right size and affordable for diverse businesses. These new businesses often start out small, then begin to evolve and grow. There is a unique interplay of maritime and industrial uses directly next to residential uses in Ballard. The BIA is working to create an 18-hour economy. As a hub urban village, commercial and residential density allows a variety of activities and services in Ballard. The Ballard Alliance supports preservation of industrial lands and industrial buffer lands. It is felt that industrial and residential uses can coexist. Sound Transit’s pending decisions are very important to the neighborhood. Sound Transit is very interested in using 14th Avenue, which was a former trolley line and has one

landowner (SDOT). Any potential bridge decisions are almost non-starters for the neighborhood, as both a movable bridge and fixed bridge alternatives are problematic. Proponents of a tunnel want the station to be located as close to the center of Ballard as possible. They feel this location would have the best service for people who are already there. The Rapid Ride D Line is the only transit option now. A 14th Avenue alignment would create a “new” Ballard that many are not sure they want. East-west connectivity is very challenging. Hopefully the next Sound Transit planning process will identify how to connect to the University of Washington.

Rod Stevens, Principal, Business Street

Mr. Stevens stated that only five cities nationwide are producing tech jobs. The “3 A’s” are important: Access, Amenities, and Affordability. He showed a map of Seattle where hardware firms are located. He noted that Amazon and Microsoft are building data farms in various locations. Seattle has sixty percent of new companies but is increasingly competing with locations on the Eastside. Modern industrial clusters include aerospace, maritime, life sciences, and recreation products. He stated that the Port of Seattle owns properties that equal four times the size of downtown. Companies tend to be in Ballard and SODO because those areas are accessible by bicycle. Interbay and other locations are better suited for entrepreneurs. He stated that light rail is not likely to serve the industrial areas for another fifteen years and the City can and needs to take other, shorter-term actions to improve access to these areas.

Questions from Commissioners

- Commissioners asked Mr. Stevens to clarify the premise of his presentation. He stated there is a large inventory of available space in Georgetown and SODO. Businesses can grow into those spaces with a mix of artisanal and other uses. Commissioners asked for clarification on what types of uses he is recommending in industrial zones, and why certain uses could not be located in Neighborhood Commercial zones. Mr. Stevens stated that manufacturing operations are noisy and should not be located near residential areas.
- Commissioners asked the panelists for their opinions on what a successful outcome of the Mayor’s Industrial and Maritime Strategy process would be. Mr. Gering stated that educating this generation of City leadership on industrial and maritime issues would be a success. Ms. Goodman stated that this process should be focused on desired outcomes for the industrial and maritime sectors, not just land use. Mr. Stewart stated that transportation and transit, as well as the interconnectedness of the industrial and maritime areas, is an important consideration. This process should consider the transportation mechanisms between these areas.
- Commissioners asked for clarification on earlier comments about poor transit in SODO and stated that it could be a good transit service area with future light rail investments. Mr. Gering stated SODO is not currently served well by transit connections. Ms. Goodman stated it is important to grow the industrial sector in SODO and not replace it with something else.
- Commissioners inquired about the rationale for future transportation investments that serve the MICs. Are these investments meant to serve employment, housing, or customers? Ms. Goodman stated that transportation investments that serve the MICs should be for employees and customers, and especially to ensure that trucks can move to and through the MICs. There is an additional need for transportation between the BINMIC and SODO. Transportation planners should look at where the industrial employees both live and work. Mr. Stevens stated cities too often think

about where people live and need to think about where people both live and work. Mr. Kitchen stated there is a need for transit to get people to businesses that are both making and selling (for example, breweries).

- Commissioners inquired about the need for more technical education and training programs. Ms. Goodman stated that there is a need for state and local investment in these programs.
- Commissioners asked the panelists about the 20-30-year vision for a sustainable, healthy industrial economy considering climate change. Ms. Goodman stated that manufacturers are very concerned about climate change and are innovating in response. She noted that SODO contains a superfund site with ongoing efforts to clean up a legacy of industrial contamination. Mr. Gering noted the positive benefits of hydropower. Mr. Stewart cited an example of a company in Ballard that is using a grain digester to convert grains from Fremont Brewing into methane gas. Commissioners noted that many industrial areas are in areas subject to future sea level rise. Ms. Goodman stated many industrial businesses in SODO are very aware of these issues. Pacific Iron and Metal is located in a building that was built on piers. The rising tide often enters the lower level.
- Commissioners asked which perspectives were not included in the previous industrial lands stakeholder advisory group and which perspectives are not included in the current stakeholder advisory group. Mr. Gering stated that Seattle Public Schools has not been included in either the previous or current group. Ms. Goodman noted that industrial and maritime stakeholders have been very vocal about having the right people at the table for this process. She noted that the Mayor has done a good job selecting stakeholders for the current group. She specifically acknowledged the importance of including the cannabis business sector and representatives from small businesses. She recently attended an Urban Manufacturing Alliance conference where a focus was on zoning changes to allow diverse manufacturers into areas where they have not been previously allowed.
- Commissioners acknowledged the changing context of the BINMIC, where three separate dynamics are competing – golf, industrial uses, and transit. It was noted that all of Interbay will be in the walkshed of the two future light rail stations.

Commission Discussion

The Commissioners thanked the panelists for their comments. Chair Austin encouraged the Commissioners to discuss their reactions to the panelists.

- Commissioners noted that it would have been helpful to include at least one business owner and an employee on the panel. Executive Director Murdock reminded the Commissioners that this is the beginning of a longer discussion that will continue through the Major Update to the Comprehensive Plan process.
- Commissioners commented that the panel discussion was provocative, similar to the ongoing discussion related to single-family zoning. It was noted there seems to be a perception that any small adjustments to industrial zoning will create a significant wave and destroy the existing conditions. This is not an all or nothing conversation; there are no winners or losers. There is potential for win-win solutions including connectivity, first/last mile solutions, and placemaking.
- Commissioners acknowledged that it is difficult for business owners and workers to attend regularly scheduled Planning Commission meetings. It was suggested that perhaps the

Commission can meet with industrial and maritime businesses/stakeholders at a more convenient place and time. Mr. Gering offered to organize a tour of industrial and maritime businesses.

- Commissioners expressed appreciation to the panelists for characterizing the Mayor's Industrial and Maritime Strategy as broader than a land use issue. The future of Seattle's industrial lands needs a holistic perspective that includes complete communities and workforce development. Industrial lands can be leveraged for ladders of opportunity.
- Commissioners stated Seattle may have a need for more industrial capacity, acknowledging Ms. Goodman's comment about the current three percent vacancy rate in SODO. Commissioners noted the need for a more sustainable employee base. Executive Director Murdock noted ongoing pressure on Seattle's industrial lands, citing recent Comprehensive Plan amendments aimed at converting industrial land to other uses. The Mayor's Industrial and Maritime Strategy intends to take a holistic look at these issues, considering both our current robust economy and significant future transit investments in and adjacent to industrial areas.
- Commissioners noted the future of industrial lands includes emerging trends in labor and workforce development. Future transit system investments will place a premium on industrial lands. There will be new pressure to create "complete" places. Ideally people working in the area would live near those stations.
- Commissioners noted that station areas in industrial lands have missing infrastructure, contamination, and are subject to liquefaction. If we lose existing industrial lands, we won't be able to get them back. Industrial spaces are \$0.40 per square foot, compared with \$5.00 for residential.
- Commissioners questioned the need for a second future Sound Transit SODO light rail station, stating it would be a waste of money if it will not bring ridership. Commissioners commented on current connectivity to jobs and workplaces, noting that it is difficult to bus to SODO. Ms. Goodman stated 83 percent of SODO employees drive to work. Eliminating the future SODO station would make it more difficult to get workers out of their cars.
- Commissioners stated that the southern portion of the BINMIC mostly consists of storage and strip commercial. The worst case for the future of this area would be auto-dependent commercial use.
- Commissioners expressed the need for a holistic view of land use that considers compatible uses and jobs that can be integrated with existing and future uses.
- Commissioners acknowledged that the panel changed their impression that industrial jobs were decreasing. The panelists demonstrated ongoing demand for industrial and maritime jobs that are likely to stay as they are or grow with increases in light industrial uses. The associated challenges are with transportation and education. Perhaps there is a need for some flexibility to allow creative industries. Commissioners noted that a closer relationship between living and working spaces is not always necessarily positive. This has been observed by outcomes in South Park.
- Commissioners stated the previous Comprehensive Plan update included an equity analysis and associated equity indicators. This focus was on residential areas and jobs, but not necessarily on industrial areas. City staff are encouraged to consider an equity analysis for industrial lands and health, looking at a range of indicators including productivity and jobs.
- Commissioners expressed interest in learning more about the current and future utilization of the Port of Seattle properties that Mr. Stevens highlighted in his presentation. Commissioners stated interest in learning more from the Port about their future plans for these properties.
- Commissioners asked how they can best use their collective voice to inform this conversation. It was noted that the next major update to the Comprehensive Plan is an opportunity for connecting issues such as land use, transportation, and education that are relevant to the future of industrial lands. The Commission's 2020 workplan includes review of the Major Update to the Comprehensive Plan and the station area plans associated with the Sound Transit light rail extensions. In

anticipation of the next round of Comprehensive Plan amendments, perhaps it is possible to identify compatible and equitable uses for industrial lands that could be a win-win.

Public Comment

There was no public comment.

The meeting was adjourned at 5:30 pm.