

# Welcome

## Thank You For Coming!

Tonight we are asking for your input on recommended Comprehensive Plan policies that are intended to preserve industrial land in designated M/ICs and limit conversion of these areas to non-industrial uses.

### Program

**6:00pm - 6:30pm:**

Open House - visit stations and talk with staff

**6:30pm - 7:30pm:**

Brief presentation, questions and comments

**7:30pm - 8:00pm:**

Wrap-up - Make sure you complete a comment form before you leave this evening.

### Tonight We Are Here To:

- ▶ Hear your opinions and ideas on the proposed manufacturing/industrial land use policies
- ▶ Discuss the unique qualities of your neighborhood as it relates to the proposed policies
- ▶ Share information from the Local Production Study and Freight Master Plan

### What Happens Next?

City staff will collect your comments and feedback, and:

- ▶ Use the feedback on the Industrial Lands to inform recommendations on the proposed comp plan amendments
- ▶ Take the input we hear back to the Mayor and City Council
- ▶ Report back to the community on the City's website

# Comments

## Please Share Your Thoughts

### Recommended Comprehensive Plan New Urban Village Policy:

Allow land to be removed from a manufacturing/industrial center only when all of the following criteria are met:

- ▶ A specific use for that land is proposed
- ▶ There is insufficient appropriately-zoned land elsewhere in the city for the proposed use
- ▶ The proposed use would not displace an existing industrial use; and
- ▶ The proposed use would not adversely affect nearby industrial operations

What do you think? (Your comment below)

### Recommended Comprehensive Plan New Land Use Policy:

Apply the industrial commercial zone to areas where there are planned concentrations of employment mostly in moderate-scale structures and only to areas outside designated manufacturing/industrial centers.

What do you think? (Your comment below)

# Ballard/Interbay Industrial Lands: Policy Context and Zoning

## County-wide Planning Policies for King County

**DP-35:** Adopt in city comprehensive plans a map and employment growth targets for each Manufacturing/Industrial Center and adopt policies and regulations for the Center to . . . strictly limit residential uses and discourage land uses that are not compatible with manufacturing and industrial uses, such as by imposing low maximum size limits on offices and retail uses that are not accessory to an industrial use.

## Seattle's Comprehensive Plan

**UV-21:** Promote manufacturing and industrial employment growth, including manufacturing uses, advanced technology industries, and a wide range of industrial-related commercial functions, such as warehouse and distribution activities, in manufacturing/ industrial centers.

**UV-24:** Limit in manufacturing/industrial areas those commercial or residential uses that are unrelated to the industrial function, that occur at intensities posing short- and long-term conflicts for industrial uses, or that threaten to convert significant amounts of industrial land to non-industrial uses.

## Ballard/Interbay (BINMIC) Neighborhood Plan - adopted land use-related policies

**B1-P2:** Preserve land in the BINMIC for industrial activities such as manufacturing, warehousing, marine uses, transportation, utilities, construction and services to businesses.

**B1-P3:** Retain existing businesses within the BINMIC and promote their expansion.

**B1-P4:** Attract new businesses to the BINMIC.

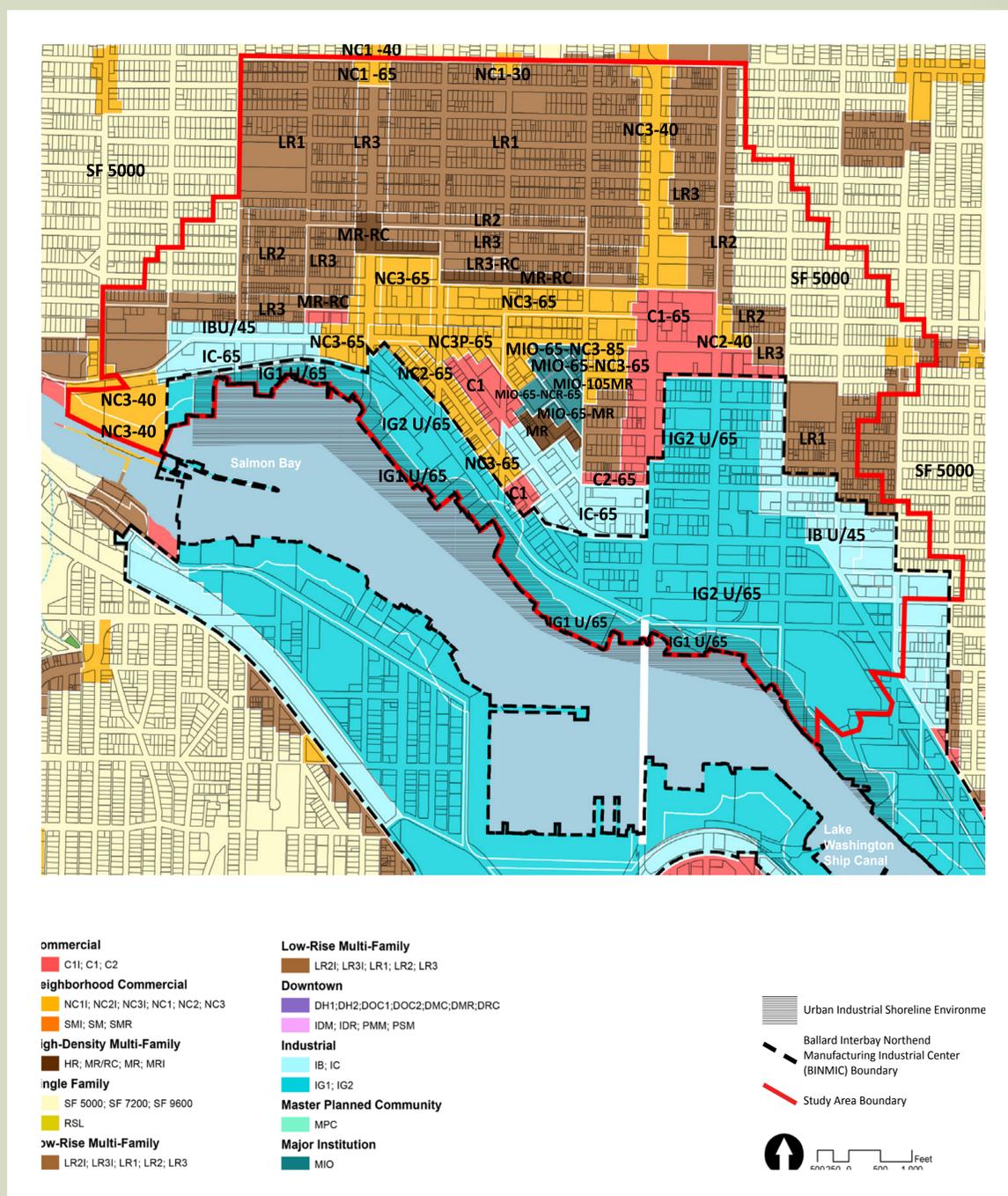
**B1-P8:** Maintain the BINMIC as a industrial area and work for ways that subareas within the BINMIC can be better utilized for marine/ fishing, high tech, or small manufacturing industrial activities.

**B1-P12:** Within the BINMIC, water-dependent and industrial uses shall be the highest priority use.

**B1-P18:** Recognize the interdependence of maritime and fishing industries and related businesses and their special requirements for transportation, utilities, pier space and chill facilities. Encourage retention of this cluster of businesses and facilitate attraction of related businesses.

**B1-P21:** Strive to retain shorelines for water dependent uses by enforcing waterfront and shoreline regulations in industrial areas.

**B1-P22:** Strive to provide a physical and regulatory environment



that fosters the continued health of the maritime and fishing industries in the BINMIC.

**B1-23:** Encourage land assembly on the BINMIC waterfront to accommodate commercial fishing and other heavier maritime uses.

**B1-P26:** Strive to provide opportunities for industrial reuse of vacant governmentally owned property within the BINMIC.

## Puget Sound Regional Council Industrial Lands Analysis

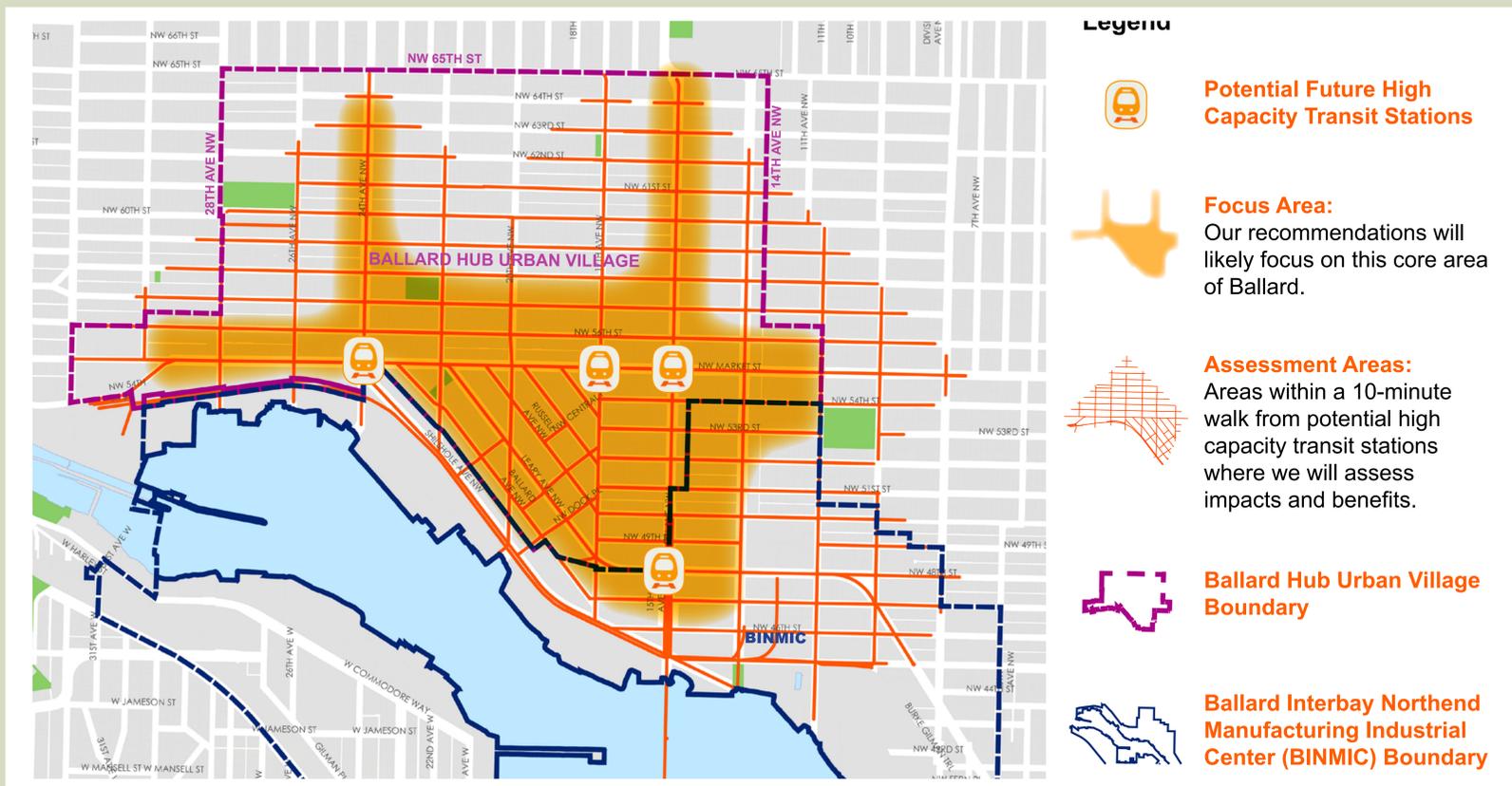
Released in December 2014, this study looked at the projected regional need for industrial lands. The study included a market analysis which highlighted low vacancy rates for industrial land within the BINMIC.

The study concluded with recommended regional industrial lands strategies that include limiting non-industrial uses on industrial lands.

# Ballard M/IC Planning Context

The Ballard M/IC area lies just south of the Ballard Hub Urban Village. The map below highlights the area that is the focus of the Urban Design Framework study area and also indicates potential light rail station locations. The five route options are shown at the bottom of this board.

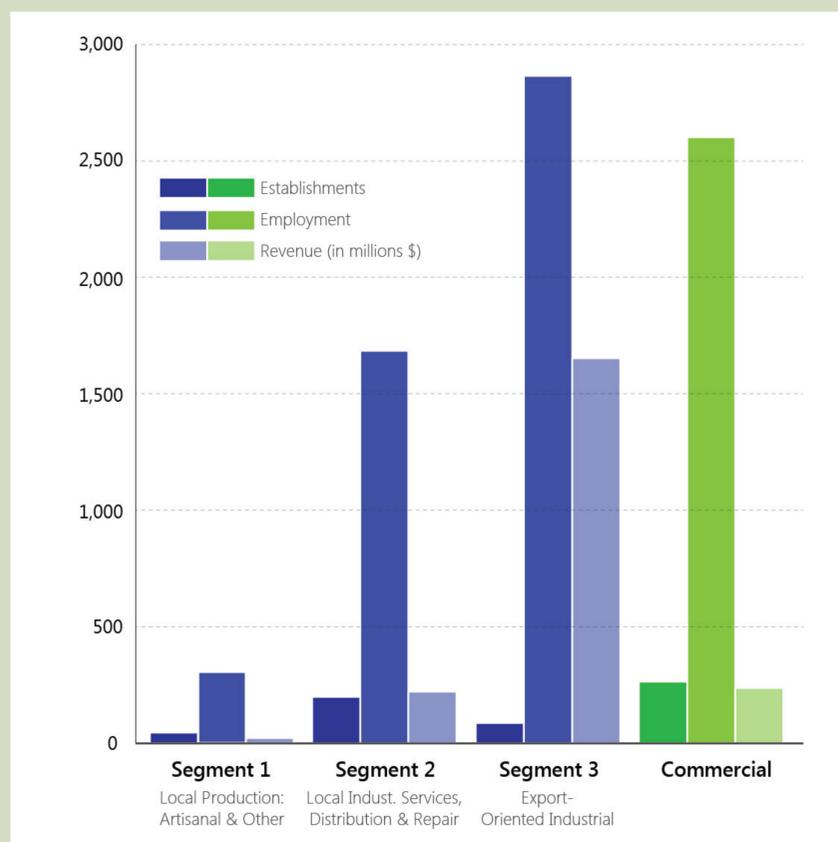
Depending on whether light rail expansion comes to Ballard, and where stations are located, there could be additional pressure for non-industrial land uses within part of the designated M/IC. In particular, note the areas located within a 10-minute walk of potential station locations.



# Local Production Study

In 2014 DPD conducted a study to better understand business activity in industrial areas to inform future land use decisions. The study considered three sub segments of industrial uses:

- ▶ Segment 1: Local Production.
  - i. Artisanal and Craft businesses
  - ii. Other Local Production Businesses
- ▶ Segment 2: Local Industrial Services – Distribution and Repair
- ▶ Segment 3: General / Export Oriented Industrial

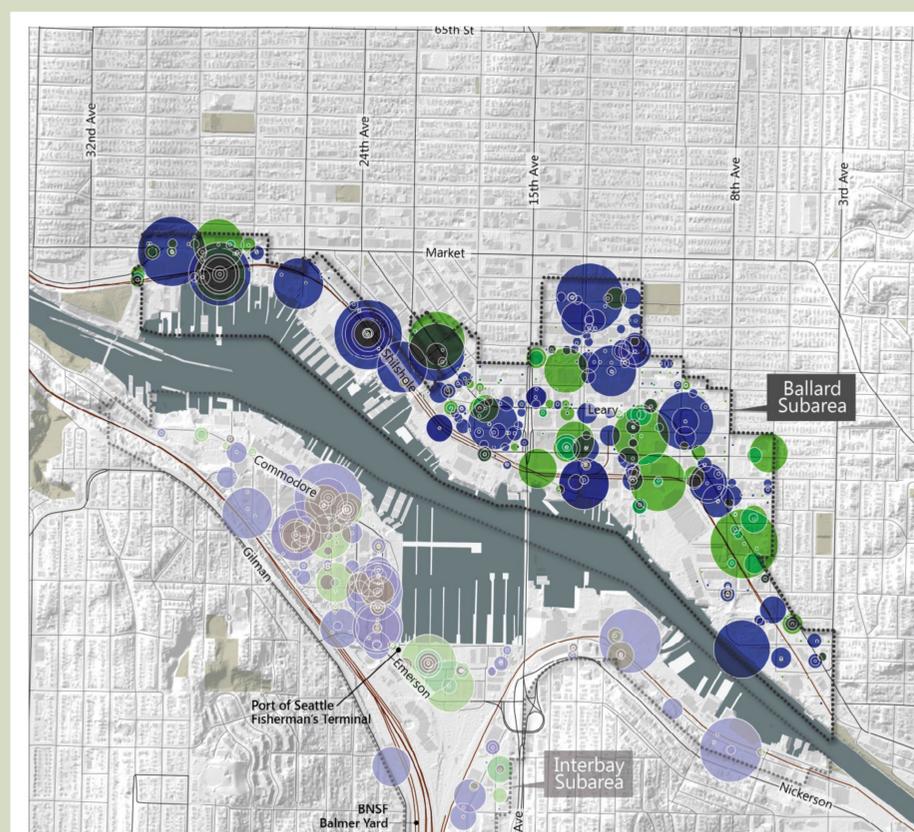


## Establishments, Employment & Revenue by Segment

In the Ballard Subarea, business activity in terms of revenue and employment is dominated by Export-Oriented industrial activities. In terms of employment only, Commercial activities and Local Industrial Services, Distribution & Repair are also significant with 2,602 and 1,685 employees respectively.

While employment levels are similar for Segment 3 and Commercial activities, revenues generated are far higher for Segment 3 Industrial.

Local Production is a smaller presence in terms of all three categories, employing only 192 in Ballard.



Local Production Inventory  
Ballard Subarea:  
Commercial & Industrial

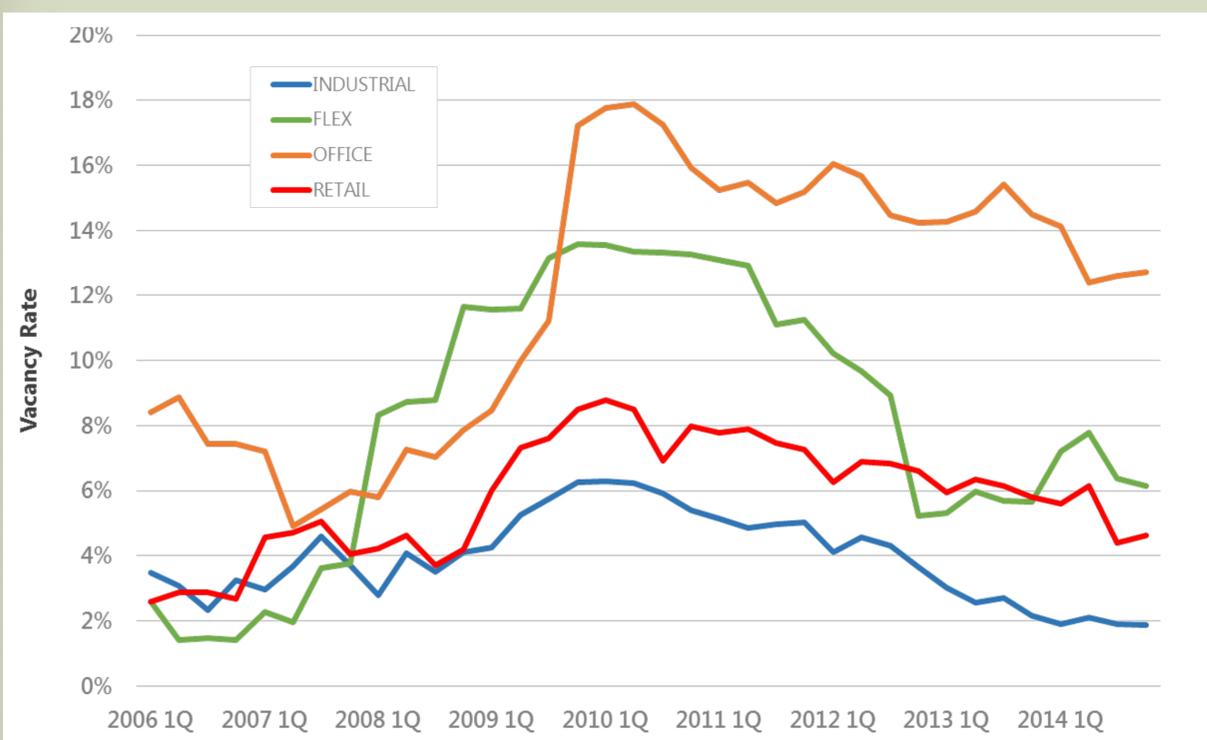


## Commercial & Industrial Establishment Locations

# Local Production Study

The local production study inventoried industrial and non-industrial real estate market conditions. Findings show that in industrial areas, industrial uses tend to be more stable with lower vacancy rates. However, market rents are much higher for non-industrial uses in these areas, suggesting that for new development office or commercial uses are economically more viable than new industrial uses

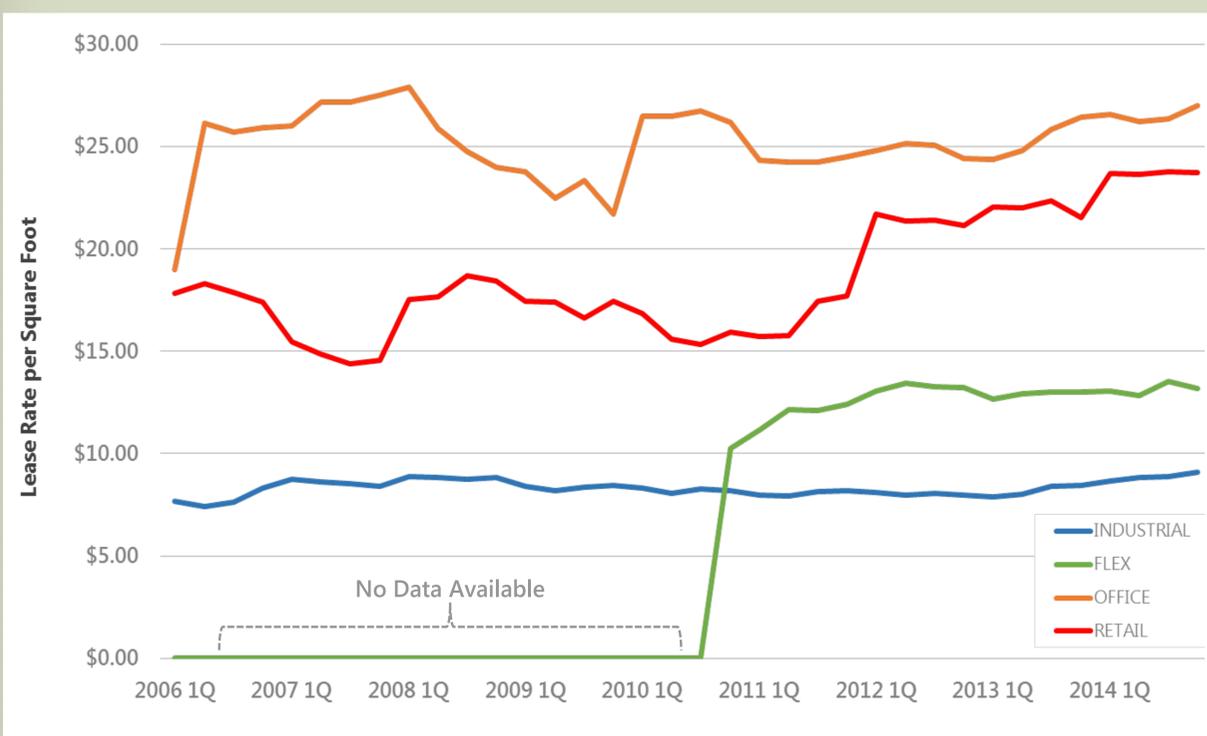
## Vacancy Rates by Development Type (All Subareas)



Vacancy rates for all four development types peaked in late 2009 or early 2010, at the height of the recession. For most uses, vacancy rates increased by a factor of three or four from their pre-recession low in 2006 or 2007.

However, you can see from this chart that industrial vacancy rates have been, and continue to be, consistently lower than other development types.

## Lease Rates (All Subareas)



Office and Retail uses pay significantly higher lease rates, on average, across the selected subareas. Flex space appears to command a premium over industrial rents, which are the lowest of the four development types. However, industrial lease rates appear to be more stable than other uses, which show some volatility over time.

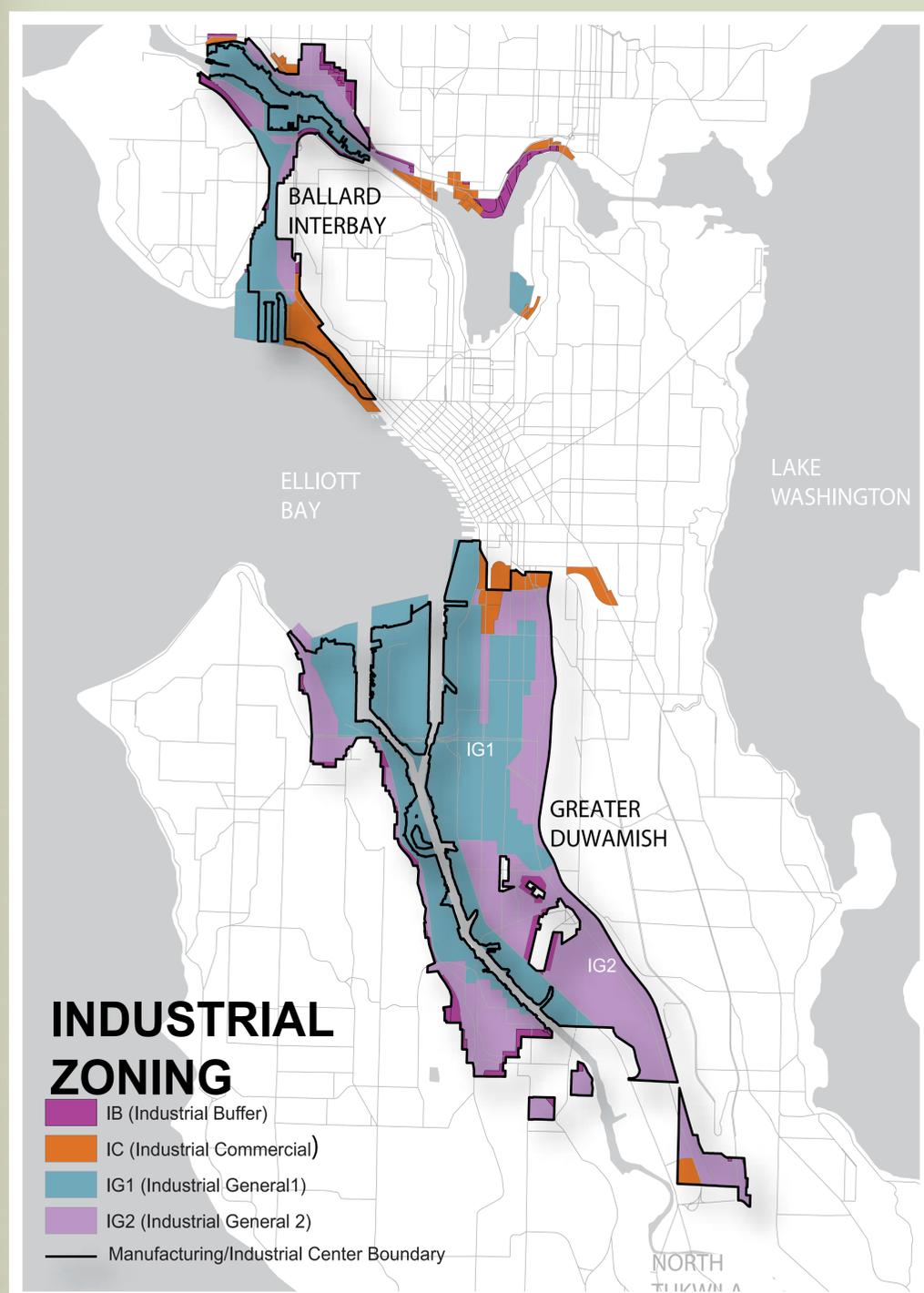
# Industrial Lands

## Draft Comprehensive Plan Amendments

### Why Should City Policies Protect Industrial Land?

- ▶ Protect and promote family wage jobs
- ▶ Provide for economic resilience
- ▶ Industrial land area is limited & vacancy rates are low
- ▶ Support international trade
- ▶ Industrial lands generate 1/3 of City's sales tax revenue and B&O tax revenue

In December 2013 we released a study of the Greater Duwamish Manufacturing and Industrial Center (M/IC) that reevaluates our policies regarding future uses in the M/IC. Our recommendations focus on changes to the City's Comprehensive Plan and Land Use Code to limit activities that could interfere with industry and port operations in the M/IC.



#### Concern:

Industrial land may erode or transition to non-industrial use.

#### Recommendation:

Adopt specific policies in the Comprehensive Plan that will restrict removal of land from the Duwamish M/IC. Do not remove land from a designated Manufacturing/Industrial Center unless:

- ▶ the proposed use for the land is identified
- ▶ there is insufficient appropriately zoned land elsewhere in the city for the proposed use
- ▶ the proposed use would not displace an existing industrial use; and
- ▶ the proposed use would not adversely affect nearby industrial operations

*This policy would provide clear criteria for making future decisions about reducing the amount of land in the M/ICs. This policy reinforces the Comp Plan's urban village strategy of concentrating office, retail and residential growth in walkable urban neighborhoods. It also recognizes the existing significant zoning capacity in the City's designated urban centers and urban villages.*

#### Concern:

Over the past years, Industrial Commercial (IC) zoning has mainly produced large, single-use office buildings, due to its generous allowances for office and retail uses.

#### Recommendation:

Do not allow any new IC zoning in the M/IC.

*Because the M/ICs are the industrial areas where the City wants to direct and maintain the most intensive industrial uses, this policy would prevent use of this zone in those areas that helps achieve that objective, while still allowing the IC zone to be applied in other locations outside of the M/IC.*