

# Regional Staff Committee | Remote Only Date: Thursday, October 19, 2023 from 9:30-11:00 am

- 1. Welcome and Introductions (9:30) Kelly Snyder, Snohomish County
- 2. Reports (9:35)
  - a. Meeting Summary for September 21, 2023\*
  - b. PSRC Announcements and Updates
- 3. Discussion Item (9:40)
  - a. 2023 Housing Monitoring Report\* Eric Clute & Paul Inghram, PSRC
- 4. Discussion Item (10:10)
  - a. Industrial Lands Analysis Update\* Jason Thibedeau & Paul Inghram, PSRC
- 5. Discussion Item (10:40)
  - a. Climate Pollution Reduction Grant Program\* Kelly McGourty, PSRC
- 6. Next meeting: November 16, 2023
- 7. Adjourn (11:00)

# **Zoom Remote Connection Details**

- To join via a smart device or web browser, go to <a href="https://psrc-org.zoom.us/j/83024474518?pwd=dbkHJBNbzRNsZAJexjVV38ShUyl9Bw.1">https://psrc-org.zoom.us/j/83024474518?pwd=dbkHJBNbzRNsZAJexjVV38ShUyl9Bw.1</a> and enter Meeting ID: 830 2447 4518 and Passcode: 364762.
- To join by phone, call 877 853 5257 US Toll-free or 888 475 4499 US Toll-free and enter Meeting ID: 830 2447 4518 and Passcode: 364762.
- العربية | Arabic, 中文| Chinese, Deutsch | German, Français | French, 한국어 | Korean, Русский | Russian, Español | Spanish, Tagalog, Tiếng việt | Vietnamese, visit <a href="https://www.psrc.org/contact/language-assistance">https://www.psrc.org/contact/language-assistance</a>.

<sup>\*</sup>Supporting materials attached.



**Regional Staff Committee Meeting Summary** 

Date: September 21, 2023 Location: Hybrid Meeting

Presentations from the meeting are available on the PSRC website:

https://www.psrc.org/rsc-meetings.

Audio recording of the meeting is available by request.

#### Introductions and Announcements

Kelly Snyder, Co-Chair, called the meeting to order at 9:30 am. Participants were asked to view the meeting attendance on the "chat" feature on Zoom, and phone-in participants were asked to identify themselves verbally. Those attending in person signed the attendance sheet and identified themselves at the table by their corresponding table tents.

#### Reports

Co-Chair Kelly Snyder welcomed the committee members and explained that PSRC staff would provide short updates on upcoming policy and Executive Board meetings and review the status of ongoing projects in the work program.

Ben Bakkenta reminded members that PSRC will host an annual hybrid TOD event, "Pandemic to Prosperity: Downtowns Reimagined," on Friday, September 29. Part one will be held in the morning online, and part two will be in-person walking tours. Those interested can register <a href="here">here</a>. Ben also shared that PSRC is preparing to move offices to 1201 3<sup>rd</sup> Avenue at the end of 2023, and the hybrid meeting held on September 21 will be the last RSC hybrid meeting held at the Waterfront Place office.

#### **Discussion: Black Home Initiative**

Marty Kooistra, with Civic Commons, briefed the committee on the Black Home Initiative (BHI), a new regional effort that seeks to target the racial inequities at the core of the housing ecosystem in an effort to increase homeownership among Black households.

You can view the presentation <u>here</u>.

For more information, contact Ben Bakkenta, Director of Regional Planning, at <a href="mailto:bbakkenta@psrc.org">bbakkenta@psrc.org</a>.

#### **Discussion: Regional Centers Monitoring and Redesignation**

Liz Underwood-Bultmann and Maggie Moore updated the RSC on the regional centers work program, including new data profiles and early planning for redesignation and monitoring called for by the Regional Centers Framework.

You can view the presentation here.

For more information, contact Liz Underwood-Bultmann, Principal Planner, at <a href="mailto:lunderwood-bultmann@psrc.org">lunderwood-bultmann@psrc.org</a>, or Maggie Moore, Senior Planner, at <a href="mailto:mmoore@psrc.org">mmoore@psrc.org</a>.

# **Discussion: Equity Advisory Committee Update**

Charles Patton shared the progress the committee has made co-creating various resources within the Regional Equity Strategy. Additionally, since January of 2023, the Equity Advisory Committee (EAC) has worked with PSRC staff to review PSRC's current project selection process as it relates to equity, to ultimately develop an equity pilot program to distribute approximately \$6 million of PSRC's 2025-2026 Federal Highway Administration (FHWA) funds. The EAC will also develop recommendations for potential further equity improvements in future PSRC project selection processes. Charles also shared the progress the committee has made preparing to design the Equity Pilot.

You can find the presentation <u>here</u>.

For more information, contact Charles Patton, Program Manager – Equity Policy and Initiatives, at <a href="mailto:cpatton@psrc.org">cpatton@psrc.org</a>.

# **Adjourn**

The meeting adjourned at 11:30 am.

#### Members and Alternates Represented at the Table

See attached attendance roster.

# **PSRC Staff and Other Guests Present**

Maggie Moore, PSRC Charles Patton, PSRC Kathryn Johnson, PSRC Erika Harris, PSRC Jason Thibedeau, PSRC Kristen Holdsworth, City of Kent Shaun Kuo, PSRC Marty Kooistra, Civic Commons Carol Naito, PSRC Liz Underwood-Bultmann, PSRC Pauline Mogilevsky, Kitsap Regional Coordinating Council Jesse London, City of Seattle Paul Inghram, PSRC Craig Helmann, PSRC Josh Brown, PSRC GAH

# **PSRC Regional Staff Committee - Attendance Roster**

Jurisdiction		Member		Jurisdiction Member				
King County	2	Ivan Miller, King County Executive Office	1			tate, Tribal & Other Agencies		
		McCaela Daffern, King County		FHWA	1	Matthew Pahs, Community Planner	L	
		Rebecca Maskin, Demographer Alt				Vacant Alt		
		Valerie Kendall, King County Alt	R	FTA	1	Ned Conroy, Community Planner		
At-Large	2	Arun Sambataro, Equity & Social Justice				Vacant Alt		
-		Kwame Simmons, Policy Advisor Alt	R	Health	1	Vacant		
		Dan Cardwell, King County	1			Richard Gelb, King County Alt 1		
		Vacant Alt				Jennifer Halverson Kuehn, Tacoma/Pierce Health		
						Alt 2		
Transit	1	Peter Heffernan, King Co Metro Gov. Relations	1	Ports	1	Geri Poor, Port of Seattle, Gov. Affairs	1	
		Chris Arkills, King Co Metro Gov. Relations Alt				Deirdre Wilson, Northwest Seaport Alliance Alt	R	
Economic Dev.	1	Ashton Allison, King Co Exec Office, Econ Dev	Р	PSCAA	1	Amy Fowler, Policy Manager	+	
Economic Dev.		ASTROIT AIRSOIT, KING CO EXEC OTRICE, ECON DEV	Г	PSCAA	-	Arriy Fowler, Folicy Manager	-	
İ		Hugo Garcia, King County Exec Office, Econ Dev				Kathy Strange, Air Quality Programs Director Alt		
Seattle	2	Michael Hubner, Long Range Planning		Puget Sound	1	Larry Epstein, Deputy Director	+	
	ΗĒ	Jonathan Lewis, SDOT		Partnership	Ė	Dan Stonington, Planning Manager Alt		
		Patrice Carroll, Planning & Comm Dev Alt	1	Sound Transit	1	Matt Shelden, Planning & Innovation	+	
		Joanna Valencia, SDOT Alt	Ť		Ė	Alex Krieg, Planning & Integration Alt	R	
Bellevue	1	Thara Johnson, Planning Manager, Comm Dev	R	Tribal	1	Vacant	+	
200140	Ť			Representatives			+	
		Katie Kuciemba Halse, Transportation, Alt	R			Vacant Alt		
Cities/Towns	3	Vacant	+	US EPA	1	Susan Sturges	R	
Cities/TOWIIs	Ť	Bob Sterbank, City of Snoqualmie, Alt	1	1	Τ.	Erik Peterson Alt	+:'	
	$\top$	Brian Davis, City of Federal Way	+	US HUD	1		+	
	$\top$	Jeff Churchill, City of Redmond, Alt	R	1	Τ.	Vacant Alt	+	
		Diana Hart, City of Kirkland, Alt		WA Dept. of	1		+	
		Andrea Snyder, City of Issaquah, Alt		Commerce		Marie Davis	+	
Kitsap County	1	Eric Baker, Policy	<u> </u>	WSDOT	1	Thomas Noyes, WSDOT	+	
oup County	+ -	Jeff Rimack, Alt		110001	T.	April Delchamps, WSDOT Alt	R	
At-Large	1	Heather Wright, Planning Director	P	PSRC Committe	06	Typin Belonamps, Webe True		
	- '	Patty Charnas, Bainbridge Island Alt	11	PSRC Co-Chair	1	Ben Bakkenta, Director of Regional Planning	1	
Transit	1	Edward Coviello, Kitsap Transit		BPAC		Thomas Noves, WSDOT	+-	
Halloit	+ '	Vacant Alt		BEAC	-	Eric Goodman, Community Transit, Alt	+-	
Economic Dev.	1	Joe Morrison, KEDA		FAC	1	Geri Poor, Port of Seattle, Gov. Affairs	1	
Economic Dev.	- '	Vacant Alt		FAC	-	Vacant Alt	+-	
Bremerton	1	Andrea Spencer, Comm Dev, Co-Chair	P	RPEC	1	Doug McCormick, RPEC Chair	R	
Dicinciton	+ '	Garrett Jackson, Planning Manager, Alt	- ' '	THI LO	+ '	Shane Weber, RPEC Vice Chair	R	
Cities/Towns	1	Nick Bond, Comm Dev., Port Orchard		SNTC	1	Susan Carter, SNTC Chair	- '`	
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At-Large	2	Tiffany Speir, Lakewood, Planning	Ь	RTOC	1	Vacant	+	
Al-Large	- 2	Jason Sullivan, Bonney Lake, Planning	1 .			Vacant Alt		
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		Ryan Windish, Sumner, Alt  Angelie Stahlnecker, Milton, Alt	-	R = Remote attenda		nce	_	
Transit	1	Vacant	+				_	
Transit	+	Darin Stavish, Pierce Transit, Alt					_	
Economic Dov	1	Rob Allen, Economic Development	R				_	
Economic Dev	++	Vacant Alt	1	1	1		+	
Tacomo	1	Peter Huffman, Planning & Dev Srvcs	+	-	1		+	
Tacoma	+-	Vacant	1		1		+	
Cities/Towns	1	Kendall Wals, Puyallup	Р	-	1		+	
Cities/Towns	+1	Chris Larson, Fife, Alt	R		1		+	
Snohomish	+	OIIIIS LAISUII, FIIE, AIL	+		-		+	
	1	Mike McCrary, PDS Director	R					
County	+	David Killingstad, Discrete 9 David	-		-		_	
A	-	David Killingstad, Planning & Development	-	1	1		+	
At-Large	2	Kelly Snyder, Director, <b>Co-Chair</b>	1				-	
	$\perp$	Ken Klein, Executive Director	1				4	
	1	Jay Larson, Public Works Supervisor, Alt	1				4	
	1.	Joshua Dugan, Exec Operations Officer, Alt	1		1		4	
Transit	1	Roland Behee, Director of Planning	_	-	1		4	
	1.	Melinda Adams, Everett Transit Alt	R				4	
Economic Dev	1	Neepaporn Boungjaktha, Economic Dev	1	<b>_</b>			4	
		James Henderson, Economic Dev Alt	1	1			4	
Everett	1	Yorik Stevens-Wajda, Planning Director	1				$\perp$	
		Becky Ableman McCrary, Long Range Planning Mgr	R					
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Cities/Towns	1	Russ Wright, Lake Stevens, Comm Dev. Director	R				+	
	51	Patricia Love, Stanwood, Comm Dev. Director, Alt.  Attended		<u> </u>			+	
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**DISCUSSION ITEM** October 19, 2023

**TO:** Regional Staff Committee

**FROM:** Eric Clute, Associate Planner, and Paul Inghram, Director of Growth

Management

**SUBJECT: 2023 Housing Monitoring Report** 

#### **IN BRIEF**

Following up on the committee's discussion of the Regional Housing Strategy monitoring program in 2022, this presentation will review monitoring work for 2023, including data and case studies to look at how the strategy is being implemented and identify gaps and opportunities for future work. Staff will look for committee feedback about how this data can help local plan updates and monitoring of the Regional Housing Strategy.

#### DISCUSSION

The <u>Regional Housing Strategy</u> is a playbook of regional and local actions to preserve, improve and expand housing stock in the region. The aim is to make a range of affordable, accessible, healthy and safe housing choices available to every resident and to promote fair and equal access to housing for all people.

The strategy calls for PSRC to track performance and outcomes over time and identify challenges or barriers in consultation with jurisdictions and other stakeholders. Performance measures support the housing goal in VISION 2050 to meet the region's housing and affordability needs.

Monitoring provides a snapshot of key housing measures in the region and captures longer-term trends. It helps focus regional housing assistance and local work, with an emphasis on eliminating racial disparities in access to housing.

The 2023 Housing Monitoring Report follows the 2022 Housing Monitoring Report and the 2021 Regional Housing Needs Assessment. PSRC will continue to review these measures annually and periodically, depending on data type and source.

# Data Measures & Key Findings

Data analysis shows that more is being done to address housing access and affordability than past decades but given the scale and scope of the housing crisis, the region needs to do even more. Historic investments and changes are needed to see

significant improvements and get the region closer to the VISION 2050 goal of providing a range of affordable, accessible, healthy, and safe housing choices to every resident. At the October meeting the committee will be briefed on key findings centered around general affordability measures and the three "S's" of the Regional Housing Strategy – Supply, Stability, and Subsidy.

# Housing affordability

General affordability measures include median rent and home price, cost burden, average mortgage rates/payments and racial disparities in renter income. The most recent data for these measures provide more information on the impacts of the pandemic, rising mortgage rates, and the continued supply shortage on housing costs and production.

# Supply: Build more housing of different types.

Supply measures include housing production in relation to population growth, housing production near transit and job centers, production of middle density housing, and the availability of rental and ownership units.

**Stability:** Provide opportunities for residents to live in housing that meets their needs.

Stability measures include the production of income-restricted housing and access to homeownership for BIPOC households, specifically home loan denials by race/ethnicity.

**Subsidy:** Create and sustain long-term funding sources to create and preserve housing for very low-income households and unhoused residents.

Subsidy measures will highlight historic investments made by the State Legislature, as well as a case study exploring the Maureen Howard Affordable Housing Act, passed by Pierce County Council earlier this year.

#### Questions for the committee:

- Are these data helpful for local jurisdictions to understand housing need?
- Given what was discussed today, do jurisdictions have the tools and support to address Supply, Stability, and Subsidy? What is needed?

#### **Next Steps**

As stated in the Regional Housing Strategy, PSRC will publish an annual update on housing data monitoring efforts. The finalized 2023 report will be available later this year. Looking ahead, some data measures may be updated more or less frequently based on data availability.

#### **Lead Staff**

For more information, contact Eric Clute, Associate Planner, at <a href="mailto:eclute@psrc.org">eclute@psrc.org</a>.



**DISCUSSION ITEM** October 19, 2023

**TO:** Regional Staff Committee

**FROM:** Jason Thibedeau, Economic Development Program Manager

**SUBJECT: Industrial Lands Analysis Update** 

#### **IN BRIEF**

PSRC is continuing to develop the regional <u>Industrial Lands Analysis</u> update and will provide the committee with a project update including findings from the industrial lands inventory, demand analysis, employment data, and demographic data, as well as the next steps and updated timeline for completion of the project.

#### DISCUSSION

In 2015, PSRC developed an Industrial Lands Analysis that assessed economic activity on industrial lands in the region and analyzed the region's ability to accommodate economic growth on industrial lands. VISION 2050 and the 2022 Regional Economic Strategy (RES) both include calls to update the Regional Industrial Lands Analysis to update the inventory of industrial lands, evaluate supply and demand for industrial land across all industry sectors, and research trends for industrial uses as technology and markets evolve.

# Stakeholder Outreach

In 2022, PSRC staff performed stakeholder outreach to help identify trends in regional industrial lands and gather insights into the development of the Industrial Lands Analysis update. The outreach consisted of an industrial trends survey, a series of discussions with local jurisdictions with industrial lands, and discussions with PSRC boards and committees.

PSRC administered a survey of local jurisdictions and other governments with industrial land assets in February 2022 to gather their perspectives on trends that are impacting industrial lands. The survey asked about trends and issues related to industrial lands, improving equitable access to employment, relevant data and information, needed priorities for industrial lands, and recent related work. Thirteen respondents participated in the survey, each identifying priorities for their jurisdiction or organization. In early 2022, PSRC interviewed staff from regional cities, counties, ports, and tribal governments, as well as peer regional governments in California and British Columbia

to better understand recent trends impacting industrial lands. Staff also led a discussion with the Transportation Choices Coalition's Community Partners group to gather input on the topic.

In June 2022, PSRC held a virtual event focused on the Industrial Lands Analysis Update. Guest speakers from Everett, Seattle, and Tacoma presented their local industrial lands planning projects. The event provided an opportunity to highlight local work on planning for industrial lands and to solicit feedback from attendees, which included local jurisdiction planners, private sector planners, and others involved in planning for industrial lands. More than sixty people attended the event, with many tuning in from outside the region and state.

Throughout 2022, staff provided updates on the Industrial Lands Analysis Update to PSRC's Growth Management Policy Board, Economic Development District Board, Freight Advisory Committee, and the Regional Staff Committee. These board and committee discussions provided an opportunity to hear from elected officials and local staff on the industrial trends that their communities are experiencing.

During this time, feedback from stakeholder outreach was shared during board and committee presentations and fell into the following categories:

- **Supply of Industrial Lands:** Concerns regarding the availability of industrial lands to meet the current and future needs of industry.
- **Positive Drivers of Demand:** Historic industries continue to drive demand on industrial lands, as well as the emergence of newer sectors.
- **Incompatible and Undesired Uses:** Continued pressure for incompatible and less desirable uses on industrial lands.
- **Impacts to Communities:** Activities on industrial lands having impacts on regional residents, tribes, and the environment.
- **Maintenance Costs:** Challenges that jurisdictions face related to the costs of maintenance of industrial lands.
- **Workforce:** Current and projected shortages of workers for industrial activities and demographic representation in this workforce.
- **Transit Investments:** Potential benefits and challenges of new high-capacity transit investments.
- Goods Movement: The impact of increasing traffic on the region's industrial supply chains.

# Industrial Lands Inventory

As part of the 2015 Industrial Lands Analysis, an inventory of industrial lands was developed. This included an analysis of gross industrial lands, which refers to all industrial land, including active sites, vacant land, and physically redevelopable land. It also included net industrial land supply, which refers to a subset of the gross supply that may be available for growth, including vacant land, and physically redevelopable land. PSRC staff are working to update this inventory for the Industrial Lands Analysis update. The update defines industrial lands based almost entirely on allowed use as

reflected in local zoning codes. The primary inventory intends to reflect all land within the region in which manufacturing and industrial uses are welcome to occur without conditional permits or special applications. This study relies on PSRC's 2019 Future Land Use (FLU) dataset, a compilation of jurisdictional zoning codes and geometries. Additional detail was added for industrial zones where data provided in the FLU were not adequately granular. The resulting draft inventory was reviewed for accuracy and cross-compared with the 2015 inventory and with local zoning maps and codes to identify and correct potential errors.

The updated inventory includes the primary inventory categories that were defined in the previous analysis:

- **Core industrial:** Includes zoning designations on lands dominated by a broad range of manufacturing and traditional industrial uses.
- **Industrial-commercial:** Includes zoning designations on lands with a significant component of both industrial and commercial uses.
- **Airport Operations:** Includes land devoted to aviation operation areas, such as runways and taxi ways.
- **Military Industrial:** Includes areas within federal military bases with industrially related uses.

The updated inventory introduces a new supplemental category of lands where limited or conditional industrial uses are permitted:

Limited Industrial: Includes commercial and mixed-use zones throughout the
region where some manufacturing or industrial activities are allowed, along with
other uses, although where there are often restrictions on the size or intensity of
the industrial use. These spaces may be well suited for newer, lower-impact
activities that are more compatible with neighboring uses.

The new inventory uses a more detailed and precise examination of local zoning that results in a greater overall supply of gross industrial lands than reported in 2015. In total, the region has about 78,200 acres of land zoned for industrial activity with the supply spread across each county.

	Core Industria	Industrial- Commerci	Airport Operation	Military Industria	Total Industrial
		al	S		
King County	19,500	8,600	1,200	-	29,300
Kitsap County	1,900	4,100	400	3,700	10,100
Pierce County	11,300	8,100	300	2,500	22,300
Snohomish County	13,200	2,000	1,000	300	16,500
Region	45,900	22,800	2,900	6,500	78,200

Broadly, there have been few changes to the overall amount of lands zoned for industrial uses across the region. The region continues to maintain large industrial areas, such as the Duwamish Valley, Paine Field, and Port of Tacoma. However, as use changes occur and jurisdictions seek to support economic potential there are several anecdotal cases of adjusting zoning that shifts away from traditional manufacturing. For example, Redmond adopted the Marymoor Design District to allow for living, employment, and retail in proximity to Marymoor Park and the future light rail station. Kenmore's zoning reflects a potential evolution of the concrete premix site to future uses. And, in Seattle, the city has studied how allowing limited amounts of office and residential uses in select locations near transit may support continued industrial and manufacturing activity. In some cases, the primary intent of the zone remains industrial and manufacturing. In other cases where the intent of the zone becomes more focused on newer, mixed uses, while allowing only restricted industrial activity, PSRC has reclassified the land as Limited Industrial.

Traditionally, industrial zoning has been the most permissive of zoning regulations, often allowing a wide range of uses. Over time, some jurisdictions have narrowed allowed uses to prevent incompatibilities with industrial activity and others have adjusted the allowed uses to better reflect economic opportunities. Some have increased allowance for non-industrial uses, such as retail storefronts, gas stations, restaurants, which are important components of industrial areas.

While the analysis of net supply is under development, jurisdictions have indicated that there is increased development in industrial areas, especially for warehouse and distribution facilities. Regionally, there remains a significant supply of vacant and redevelopable industrial land. The inventory will look at how this varies across the region. Areas close to urban centers appear to be more constrained, have greater competition of uses, and may have more involved permitting challenges. The lowest levels of net supply are found in the North Tukwila, Ballard-Interbay, and Kent Manufacturing Industrial Centers (MICs). More net space is available in outlying industrial areas, although some of these areas lack utility infrastructure or access to transportation corridors and key users.

# **Demand for Industrial Spaces**

Analysis of regional CoStar data on market rents and vacancy rates shows that demand for space on industrial lands has continued to be strong. In addition, the market is continuing to invest in the development of industrial spaces. New industrial supply continues to come to market, with the most recent quarter seeing the delivery of the highest volume of new square footage in decades. Warehousing space accounts for most new industrial spaces coming online and these spaces are making up an increasing share of overall inventory.

#### **Industrial Employment Trends**

The update will include analysis of employment trends since the last report across six macro groupings of industrial-related industries. Thes groupings include Construction, Manufacturing, Transportation, Distribution & Logistics, Warehousing & Wholesale, and

Other Industrial. Each macro grouping consists of one or more industry groups. For the 10-year period up to 2020, all macro groupings of industrial job categories showed employment growth. However, noticeable shifts occurred after March 2020. This included a loss of Machinery & Transportation Equipment jobs within the Manufacturing group, and increases in Warehousing & Storage, and Wholesaling jobs within the Warehousing & Wholesale group.

The region's 590,000 industrial jobs make up about 28% of the region's total covered employment of about 2,130,000 jobs. While industrial employment has grown and has largely recovered from pandemic job losses, it has grown at a slower pace than employment in other sectors. Since 2005, industrial employment grew by 15% while overall employment, including industrial jobs, grew by 30%.

# **Industrial Worker Demographics**

Future projections for industrial and manufacturing jobs remain strong. According to a recent report from the U.S. Chamber of Commerce, there could be as many as 2.1 million industrial and manufacturing jobs unfilled nationwide from 2020-2030 due to skill gaps in the workforce. Stakeholders expressed concerns about the region's ability to meet current and future workforce demands across industrial sectors. Data show that there is a larger percentage of workers at or nearing retirement age in the Manufacturing sector than the region, which may exacerbate challenges in maintaining this workforce.

Demographic analysis highlights that the region's industrial workforce has some notable differences to the region's total workforce. Approximately 24% of the region's industrial workforce is female, much lower than the 47% of total workforce in region, a difference that has been consistent in recent years. The share of industrial workers who are White Alone is comparable to the share in the overall regional workforce. However, that share is higher in the Construction and Manufacturing macro groups. Regional stakeholders identified that addressing this underrepresentation of certain demographic groups in the industrial workforce could be doubly beneficial: supplying the workforce needs of local employers as well as meeting the region's equity goals.

## Manufacturing Industrial Centers

Manufacturing Industrial Centers (MICs) are locations for more intensive commercial and industrial activity. MICs are designated based on an existing minimum employment threshold, land planned specifically for industrial and/or manufacturing uses, protection from incompatible land uses, efficient size and shape, planning for transportation facilities and services and urban design standards. Unlike regional growth centers, MICs have greater total employment as well as greater heavy industrial employment and are typically not appropriate for housing. VISION 2050 discourages other non-supportive land uses such as retail or non-related offices in MICs. The region is home to 10 designated MICs located across each of its four counties. They include Ballard-Interbay, Cascade Industrial Center, Duwamish, Frederickson, Kent, North Tukwila, Port of Tacoma, Paine Field/Boeing Everett, Puget Sound Industrial Center-Bremerton, and

Sumner-Pacific. Land inventory and employment data will be provided for each of the region's MICs, in addition to that of regional and county levels.

# **Next Steps**

Throughout the fourth quarter of 2023, PSRC staff will provide project updates to the Regional Staff Committee, the Growth Management Policy Board, the Economic Development District Board, and the Freight Advisory Committee. A final report will be developed and released in the first half of 2024.

#### **Lead Staff**

For more information contact Jason Thibedeau, Economic Development Program Manager, at jthibedeau@psrc.org or (206) 389-2879.



**DISCUSSION ITEM** October 19, 2023

**TO:** Regional Staff Committee

**FROM:** Kelly McGourty, Director of Transportation Planning

**SUBJECT: Climate Pollution Reduction Grant Program** 

#### **IN BRIEF**

The Puget Sound Clean Air Agency (PSCAA) is leading an effort in collaboration with PSRC and several other organizations to develop a Regional Climate Action Plan. This work is funded by the U.S. Environmental Protection Agency (EPA) under the Climate Pollution Reduction Grants (CPRG) program authorized under the Inflation Reduction Act, passed in August of 2022.

Staff will provide an overview of these planning efforts, upcoming milestones, and funds available from this program for implementation activities to reduce greenhouse gas emissions.

#### DISCUSSION

Under the CPRG program, funds were made available to states, Metropolitan Statistical Areas (or regions), and tribal governments around the country for climate planning. The State of Washington received \$3 million and the Puget Sound region received \$1 million for this planning work. A consortium of agencies is working collaboratively under the leadership of PSCAA on developing the required elements for the region.

The requirements of the CPRG funding include the following:

- Development of a Priority Climate Action Plan (PCAP) by March 1, 2024, to include identification of near-term, implementation-ready, priority greenhouse gas emission reduction measures across all sectors. Implementation grant funding is tied to completion of the PCAP and to the measures identified within.
- Development of a Comprehensive Climate Action Plan (CCAP) by 2025. The CCAP will include more detailed information on significant sources of greenhouse gas emissions from all sectors, and include both near- and long-term emission reduction goals and strategies.
- By 2027 a progress report and next steps must be developed, including any updated analyses and plans.

EPA recently released the Notice of Funding Opportunity for the CPRG implementation grant funding. A total of \$4.6 billion is available nationwide for this competitive grant program, and as noted above, the grants are tied to implementation of measures identified in the PCAP. EPA anticipates awarding individual grants between \$2 million and \$500 million, within five tiers of funding levels. Applications will be due in April of 2024.

# **Next Steps**

Additional details on the regional planning work and the available implementation grant funding will be provided at the October 19 meeting. More information on the CPRG program may be found on EPA's website here.

### **Lead Staff**

Kelly McGourty, Director of Transportation Planning, at 206-971-3601 or <a href="mailto:kmcgourty@psrc.org">kmcgourty@psrc.org</a>.