

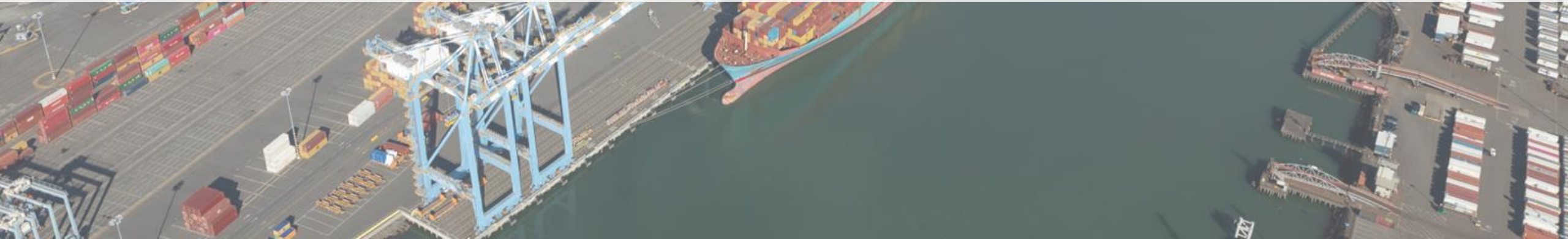


Puget Sound Regional Council



Industrial Lands Analysis Update Project Update

Growth Management Policy Board | November 2, 2023



Project background



- Regional Industrial Lands Analysis last updated in 2015
- VISION 2050 & 2022 Regional Economic Strategy called for:
 - Update of regional inventory of industrial lands
 - Evaluate supply and demand for industrial lands
 - Identify trends for industrial uses

INDUSTRIAL LANDS ANALYSIS



FOR THE CENTRAL PUGET SOUND REGION

Today's agenda



- Recap of stakeholder feedback
- Industrial lands inventory
- Industrial employment trends
- Demand for industrial spaces
- Workforce
- Timeline & next steps



Project timeline



2022

Project Scoping & Outreach

- PSRC Boards & Committees
- Local jurisdiction survey
- Direct engagement with local jurisdictions and agencies

2023

Data & Analysis

- Industrial lands inventory
- Industrial employment
- Demand indicators
- Workforce
- Impacts

Project Outreach

- PSRC Boards & Committees
- Local jurisdictions

2024

Project Completion

- Final report & materials

Stakeholder feedback



In 2022, PSRC engaged regional stakeholders to identify industrial trends in the region. Feedback fell into the following categories:

- Supply of Industrial Lands
- Positive Drivers of Demand
- Incompatible and Undesired Uses
- Impacts to Communities
- Maintenance Costs
- Workforce
- Transit Investments
- Goods Movement



Industrial lands inventory



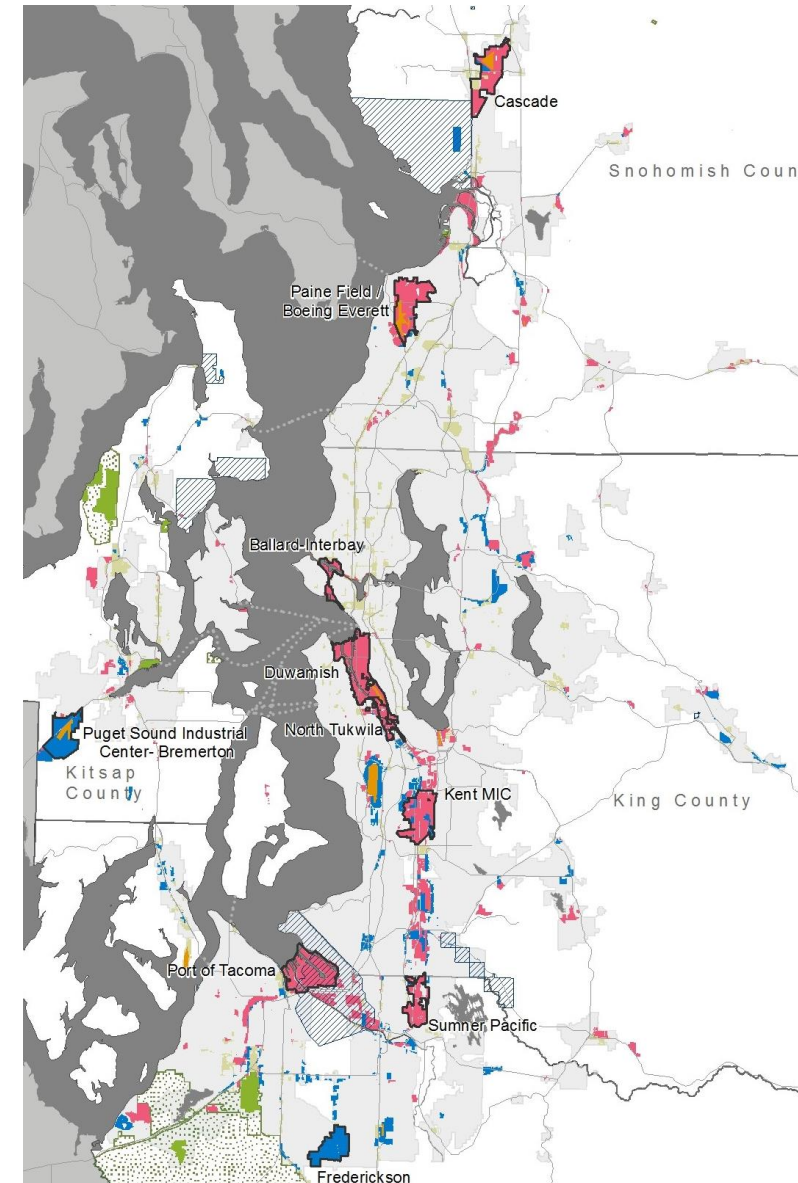
- Relies on PSRC's 2019 Future Land Use (FLU) dataset.
- Additional detail was added for where FLU data were not adequately granular.
- Uses a more detailed and precise examination of local zoning than 2015.
- Cross-compared with 2015 inventory and with local zoning maps and codes.

Primary inventory categories:

- **Core Industrial**
- **Industrial-Commercial**
- **Airport Operations**
- **Military Industrial**

New supplemental inventory category:

- **Limited Industrial**



Industrial lands inventory



Gross Industrial Acreage 2023

	Core Industrial	Industrial-Commercial	Airport Operations	Military Industrial	Total Industrial
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

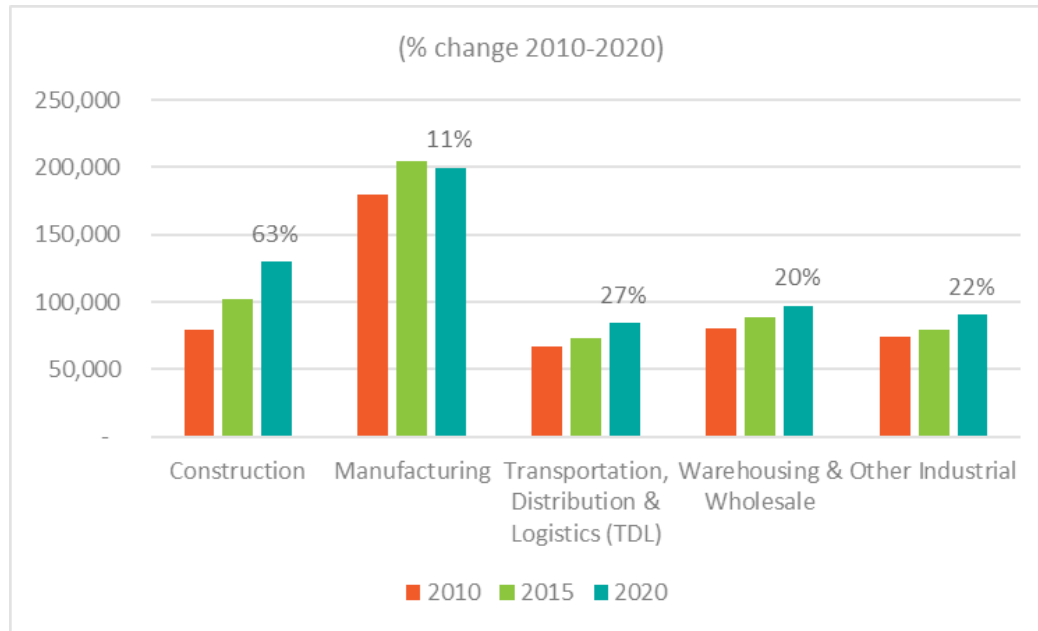
Source: WA Employment Security Department, PSRC

- Little change to the overall amount of industrial lands across the region.
- Regionally, there is a significant supply of vacant and redevelopable industrial land.
- Areas close to urban centers appear more constrained.
- Some cases of zoning adjustments that shift away from traditional manufacturing.

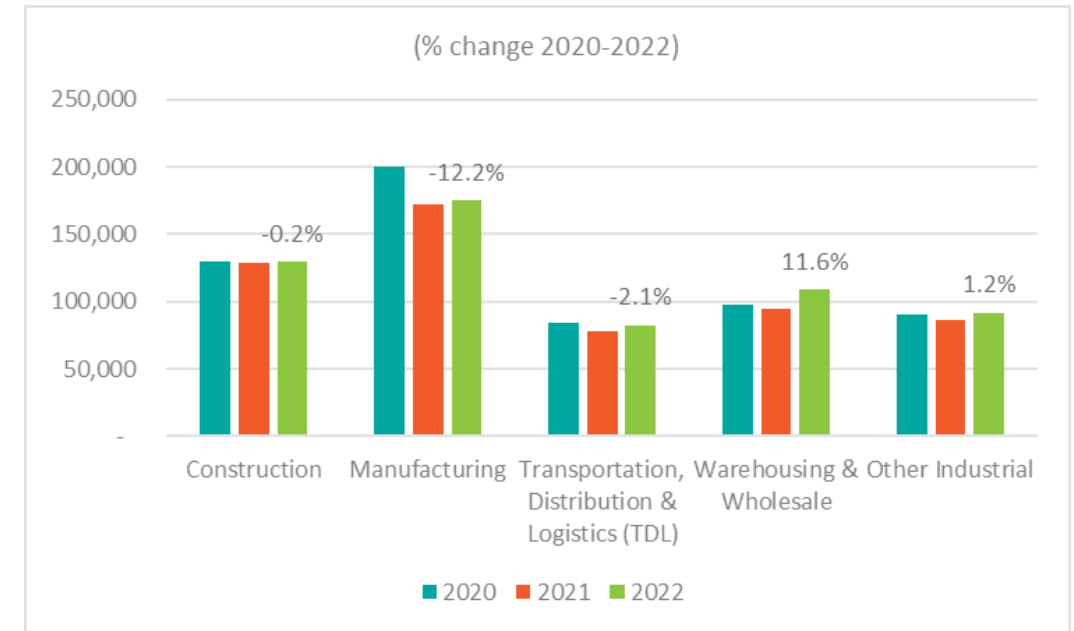
Industrial employment trends



Employment Changes: 2010-2020



Employment Changes: 2020-2022



Source: WA Employment Security Department, PSRC

- Jobs increased across all macro groupings of industrial industries from 2010-2020
- Manufacturing jobs dropped between 2020-2021, then increased slightly
- Warehousing & Wholesale jobs grew from 2020-2022

Industrial Employment Trends



		Change 2020-22	2022 jobs	% jobs on IL
Construction	Builders & Contractors	1%	116,316	52%
	Heavy & Civil Construction	-7%	13,462	62%
Manufacturing	Electronics & Components	-9%	13,314	87%
	Food & Bev Processing	1%	20,733	79%
	Machinery & Transportation Equipment	-17%	92,067	94%
	Metals & Fabrication	-15%	11,911	94%
	Other Manufacturing	-4%	15,954	74%
	Printing & Publishing	-13%	6,066	92%
	Refining, Chemicals & Plastics	0%	7,520	84%
	Textiles, Apparel & Leather	-16%	2,082	93%
	Wood & Paper Products	1%	5,745	80%
Transp., Dist. & Logistics	Transp., Dist. & Logistics	-2%	82,508	63%
Warehousing & Wholesale	Warehousing & Storage	84%	23,313	96%
	Wholesaling	1%	85,229	69%
Other Industrial	Building & Grounds Services	6%	41,622	42%
	Industrial Services	0%	7,017	82%
	Telecom, Broadcasting & Video Production	-12%	16,568	38%
	Utilities	0%	6,538	63%
	Waste Management & Remediation	12%	10,137	52%
	Other Industrial	0%	10,026	66%

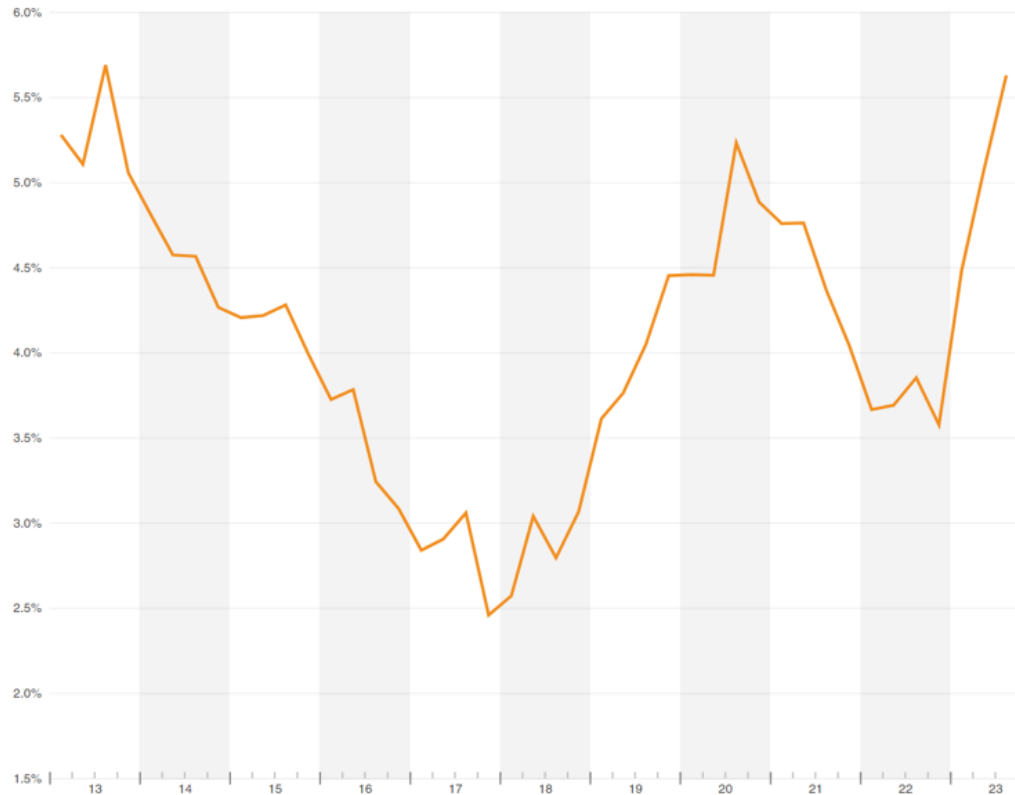
- Machinery & Transportation Equipment accounted for 75% of manufacturing losses in 2020-2021
- Warehousing & Storage jobs grew by 84% from 2020-2022

Source: WA Employment Security Department, PSRC

Demand for industrial spaces

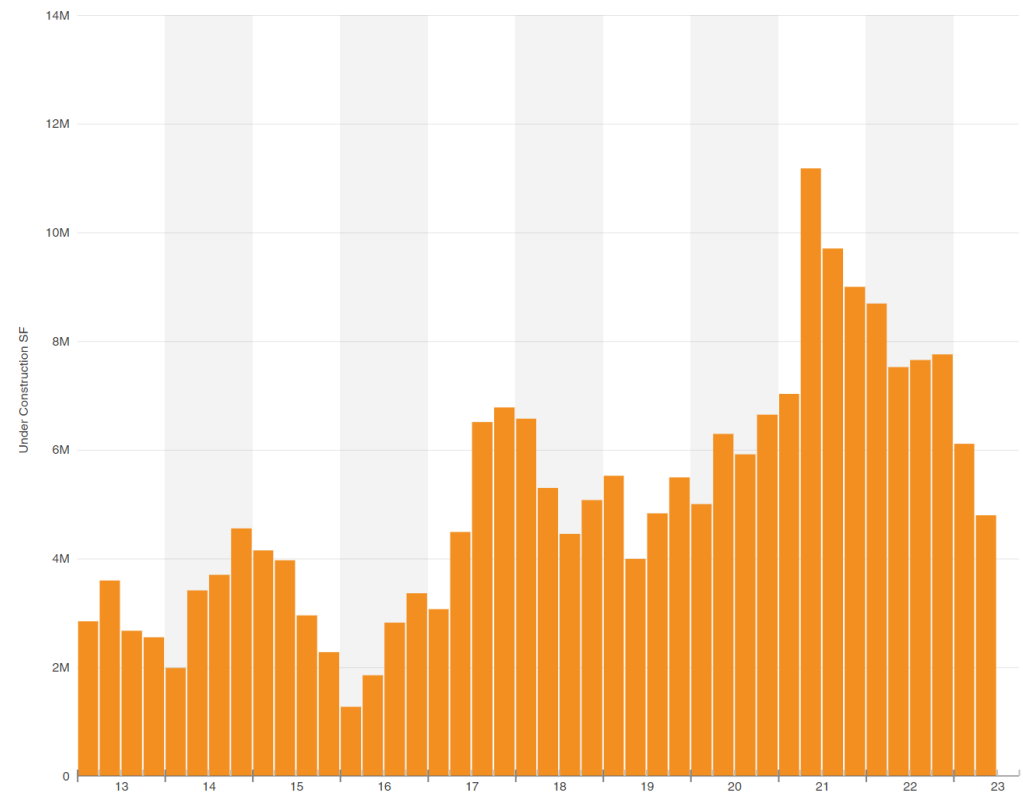


Vacancy Rate



Source: CoStar

Construction Pipeline



- Demand for space on industrial lands has continued to be strong
- Surge in new construction of industrial spaces after 2020

Workforce supply challenges



Share of workers in region in selected age groups

	55-64	65+	% Workers	# Workers
Construction	16%	7%	22%	40,500
Manufacturing	24%	9%	33%	63,800
Transportation, Distribution & Logistics (TDL)	19%	8%	27%	35,200
Warehousing & Wholesale	21%	9%	29%	18,600
Other Industrial	12%	5%	17%	25,800
All Regional Workers	16%	8%	24%	646,700

Source: Industrial Workers by Industrial Subcategory: 2017-21 Census PUMS tabulations

- Aging workforce in most regional industrial macro groups
- Nearly 64,000 manufacturing workers in the region are at or near retirement age
- Recent report projects 2.1 million industrial and manufacturing jobs unfilled nationwide from 2020-2030

Workforce demographics



Demographics of some parts of the industrial workforce do not match the region's employment base.

- The share of industrial workers who are **White Alone** matches that of the region (64%)
 - Construction is 70% White Alone
 - Manufacturing is 68% White Alone
- 24% of Industrial workforce is **Female**, compared to 47% of total workforce in region
 - Most stark gap is in Construction, where only 13% of workforce is female

Report overview & next steps



Report Overview

- Inventory
- Employment & Market Data
- Industrial Trends
 - Supply of Industrial Lands
 - Positive Drivers of Demand
 - Incompatible and Undesired Uses
 - Impacts to Communities
 - Maintenance Costs
 - Workforce
 - Transit Investments
 - Goods Movement
- Manufacturing Industrial Trends (MIC) Profiles

Next Steps

- Q4 2023: Presentations & outreach
- Q4 2023: Finalize inventory & other data
- Q1 2024: Develop & release Final Report

Questions



- How does local activity compare with regional trends?
- Are there key developments underway in your community?
- Have there been recent shifts in warehousing demand?
- What important employment or investment trends are you seeing?
- Anything else?



Thank you!

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Puget Sound Regional Council

