STATEMENT OF PRINCIPLES
Sound Transit Light Rail Proposal, Federal Way Link Extension

“Economic Development: a set of theories, policies, and practices aimed at building a geographic area’s long-term structural capacity for economic growth, by fostering a skilled workforce, strong infrastructure, and an inter-related network of firms.” CTOD

The Greater Federal Way Chamber of Commerce identifies transportation infrastructure as a legislative priority, recognizing the necessary investment of mass transit/light rail to meet the growing demands of a growing residential and business community. We welcome Sound Transit’s investment in South King County and encourage Sound Transit to evaluate an alignment that is favorable to economic development and commuter demands.

The business leaders at that Chamber have evaluated both the station locations and the proposed routes and have four guiding principles: economic development, regional workforce connection, cost of strategic growth, and long-range vision.

ECONOMIC DEVELOPMENT

As a Chamber of Commerce, economic development is our highest priority. As we look to grow and diversify our business base, the Chamber does not see Light Rail as a transportation mechanism to pump people from Federal Way to other cities. We see it as a way to transport to Federal Way those future employers who may live in Burien, SeaTac, Seattle, Tacoma, or even Olympia. In its long range vision, the Chamber sees the future of Federal Way as a hub, a destination for business and commerce which is linked east to west with bus lines and north to south with light rail. We urge Sound Transit to view the Federal Way Link Extension similarly.

The Chamber understands that Transit Oriented Development (TOD) as presented in the EIS Draft delineates the potential availability for economic growth and that actual development remains the purview of our local stakeholders. The Chamber looks to national statistics which show business and industry tends to locate in higher density, transit-served locations, making transportation a critical economic development component for the South Sound region.

The study, “Transit and Regional Economic Development” from the Center for Transit Oriented Development (CTOD), notes a number of key summary findings which apply to not only Federal Way but also the South Sound. Seattle was one of the 34 regions with U.S. metropolitan areas with fixed guideway transit which were studied.

“Although employment has been sprawling away from central business districts for the past century, jobs have not dispersed evenly, either in terms of geography or industry. Certain high skill “knowledge-based” industries, which include Professional, Scientific and Technical services, Information, Finance, and Insurance sectors are more likely to locate in central business districts and higher density regional employment areas.

Approximately one quarter of the jobs in the 34 transit regions studied were located near transit. In 2008, 23 percent of all employment in the transit regions was located within a half-mile of existing fixed-guideway transit stops. This accounts for more than 14 million transit accessible jobs nationwide.
System size is a critical factor driving the share of employment located near transit. The greater the number of stations in a region’s transit system, the greater the share of its jobs were accessible by transit... This finding suggests the benefits of a transit-oriented location for businesses are strongly related to the extent of the accessibility that the system can confer.

There appears to be a relationship between employment density and the sectorial mix found in a transit area. The sectorial mix of jobs within a station area skews to more knowledge based firms when the stations areas have a higher employment densities. Knowledge-based industries compose 45 percent of jobs in transit zones with a very high employment density.

Employers value access to transit, and this is reflected in the growth of jobs in the transit areas. The number of jobs in transit locations is growing, especially in high-skill sectors like knowledge based industries. This suggests that there continues to be demand for infill locations, especially in downtowns and higher density employment centers. Therefore, there may be further opportunities for planners and policy makers to capitalize on this demand and work to encourage specific types of businesses to locate and expand near transit. This effort will require strong coordination between metropolitan planning organizations, regional economic development agencies, transit agencies, and local jurisdictions to enact policies that can support and encourage both existing and future employment uses in transit-rich locations.” (Center for Transit-Oriented Development, 5-6).

**REGIONAL WORKFORCE CONNECTION**

The Chamber believes the proposals be evaluated within the context of regional connection because it is our vision for economic prosperity. In fact, businesses located near each other in urban areas can take advantage of specialized labor, share local suppliers, and benefit from interactions that promote new ideas and entrepreneurship. 2 Transit is particularly impactful for greater Federal Way as US Census data notes roughly 42% of existing businesses categorized as knowledge-based—a prime employment sector related to transit systems.

Transit decisions should maximize regional employment access. The Draft EIS notes that 2/3 of the light rail ridership emanates from Federal Way. Ridership in the plan notes a difference of more than 200,000 riders annually, between the two proposed routes, indicating where a density of employees commuting to work reside. In terms of workforce connection, the Draft EIS notes that even a two block separation from the transit center reduces ridership by 5-10%. From the Chamber’s perspective all of this indicates the need to consider the Light Rail proposals within the enhanced perspective of its own connection with other transportation systems, including such organizations as King County Metro and the Northwest Seaport Alliance, as part of a comprehensive, integrated, transportation system for the South Sound region.

The Greater Federal Way Chamber believes that Federal Way is an economic engine which is a centrally-located, vision-oriented, result-driven business hub, supporting a range of enhanced development opportunities in supply chain delivery, recreation, performing arts, retail, as well as technology, medical, professional services—and more. Diversifying the business base in the greater Federal Way requires not only land available for development, but also a strategic understanding of what our current economic base needs for steady, sustainable growth.

The efficient movement of employees, goods, and services will free resources to develop a stronger transportation corridor for freight and other intermodal opportunities. We see this clearly in our region as greater Federal Way encompasses two working ports whose related economic activity is affiliated with $138 billion in total economic activity in the state, which is 1/3 of Washington’s GDP. In fact, the ports have a direct jobs impact of 18,900 and 5,500 of those are related to surface transport.3 According to the study, “The Economic Impact of Marine Cargo at the Ports of Tacoma and Seattle,” surface transportation is one of the four economic impactor sectors for the ports.
“The surface transportation sector consists of both the railroad and trucking industries. These sectors are responsible for moving the various cargoes between the marine terminals and their inland origins and destinations. Two mainline railroads serve the Ports of Tacoma and Seattle, the Burlington Northern/Santa Fe and the Union Pacific railroads. In general, the railroads play a key part in the Port’s ability to function as leading internal ports. Furthermore, the railroads are integral in the movement of grain and autos from Midwestern states to the Ports.

Many local and national trucking firms serve the marine terminals, as do numerous individual owner-operators. Trucking firms are involved in distributing local containerized cargo (both full container loads, as well as less-than-container load (LCL) cargo). Typically, trucks distribute the imported containers moving locally, as well as to Canada, and move to export containers originating the Tacoma/Seattle area to the marine terminals for export. Truck transportation is also the major mode used for moving Alaskan-bound cargo to the marine terminals; trucks are also a primary mode to distribute the dry bulk products, as well as logs.” (Martin Associates: 4)

**COST OF STRATEGIC GROWTH**

The Chamber weighed the cost versus the potential disruption as it relates to transformative business growth. Investment in transportation infrastructure is a shared investment in a future that builds a long-term structural capacity for economic development in the South Sound region.

No matter which route or station location is chosen, businesses will be inconvenienced—directly and indirectly. The Chamber recognizes that Sound Transit will provide a full-suite of relocation services to mitigate disruption of affected businesses. Those resources also provide the opportunity to develop new, strategically sustainable business densities throughout the business corridors.

**LONG RANGE VISION**

For the Chamber of Commerce, it is paramount that the proposals be evaluated for their long range impact for business development. We believe any decision of this magnitude should be made for the long term—30 or 50 years out, not the immediate five or 10 year plan. The Chamber understands that the continued viability of business requires a strategic vision that lasts far beyond the tenure of those making the decision today.

As the Light Rail project moves forward, the Chamber encourages Sound Transit to take an accessibility-based approach in its long-range planning for transportation in the South Sound, incorporating opportunities for intermodal development. In his report, “Evaluating Transportation Economic Development Impacts,” 4 for the Victoria Transport Policy Institute, Todd Litman notes that an accessibility approach provides efficiency and value for transportation resources.

“Accessibility-based planning expands the range of solutions that can be applied to solve transport problems, including some strategies that reduce total vehicle travel, for example, by improving alternative modes (walking, cycling, ridesharing, public transit, etc.), encouraging more efficient use of existing transport resources (such as more efficient road, parking, insurance, and fuel pricing, and roadway management that favors more efficient modes and higher value trips, such as high-occupant and freight vehicles), more accessible (more compact, mixed, connected, multi-modal) land use development, and improved mobility substitutes (telecommunications and delivery services). These strategies can result in more efficient use of transport resources, for example, by encouraging travelers to shift to more resource efficient modes (walking, cycling, ridesharing, public transit, telework) when feasible, so higher value vehicles (freight, service, bus, urgent personal errands, etc.) can travel unimpeded by congestion.” (Litman: 8)

Developing the economic potential of the Federal Way business hub is in the best, long-range interest of the Chamber of Commerce. The Chamber has worked with our stakeholders to identify a myriad of challenges and a systemic way to consider the potential for our future success. We believe the framework as delineated above is a
strong evaluative guide for proposed light rail routes and station and offer it for consideration as Sound Transit addresses light rail in a manner which the allows the most businesses and riders to be served as we work together for our mutually beneficial, long-term, regional strategic vision.

Submitted for consideration to the Sound Transit Board of Directors as part of the public comment for the Draft EIS Summary, Federal Way Link Extension, by the Greater Federal Way Chamber of Commerce, Inc., on this 19th day of May, 2015.

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