

Board of County Commissioners

Countywide Study of Industrial Lands

December 6, 2023

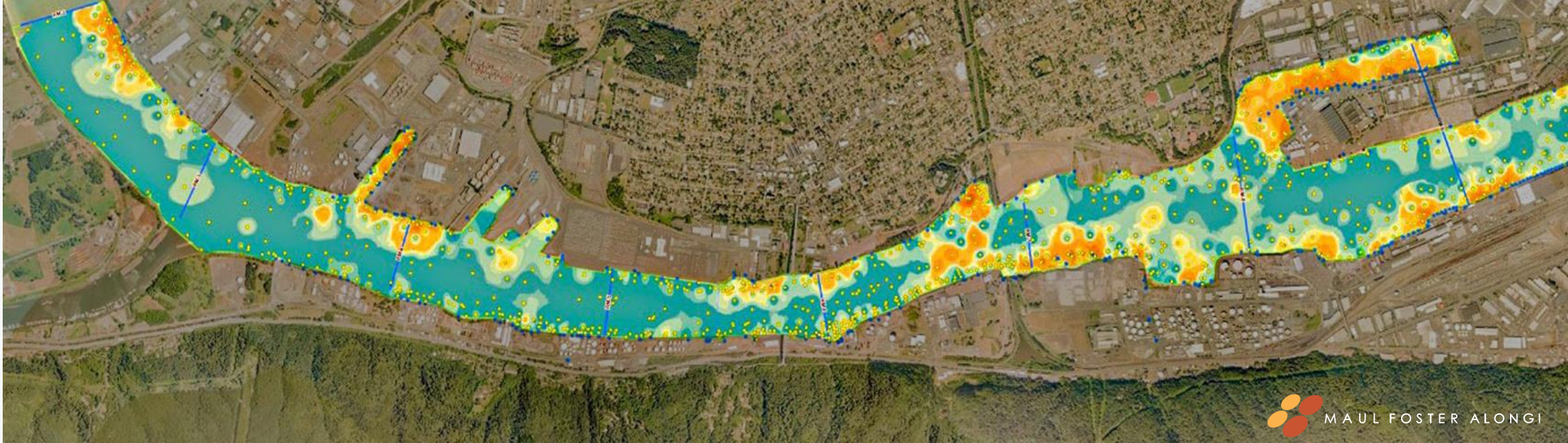


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Meeting Agenda

- ❖ Planning Team
- ❖ Background & Purpose
- ❖ Project Process
 - ❖ Industrial Employment Assessment
 - ❖ Industrial Building Trends
 - ❖ Industrial Land Inventory
 - ❖ Reconciliation
- ❖ Recommendations



Planning Team.



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Background & Purpose

Background

There is unprecedented demand for industrial development throughout Thurston County.

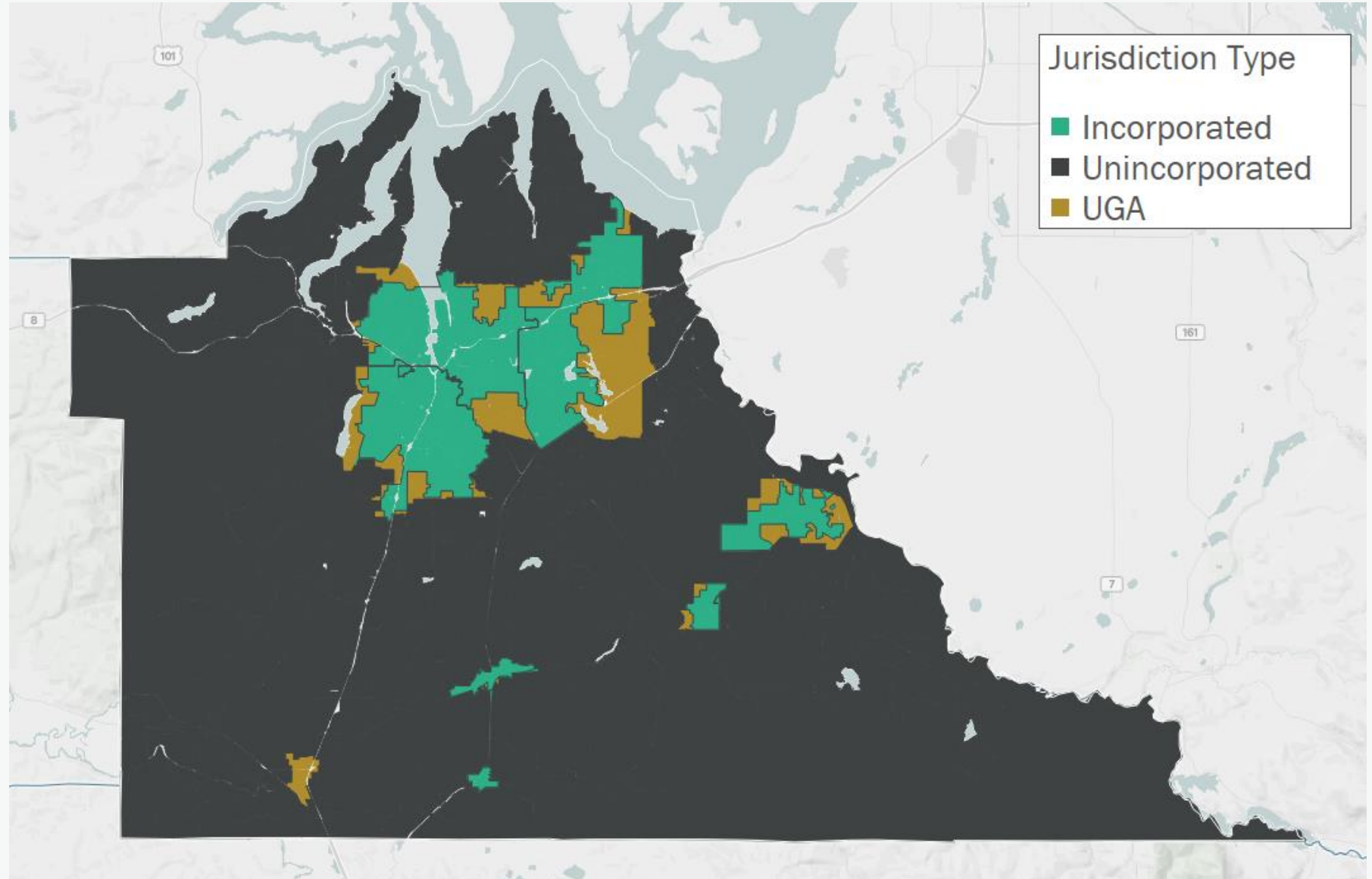
Purpose

- ❖ Assess supply of industrial lands
- ❖ Analyze trends and policy
- ❖ Provide policy recommendations

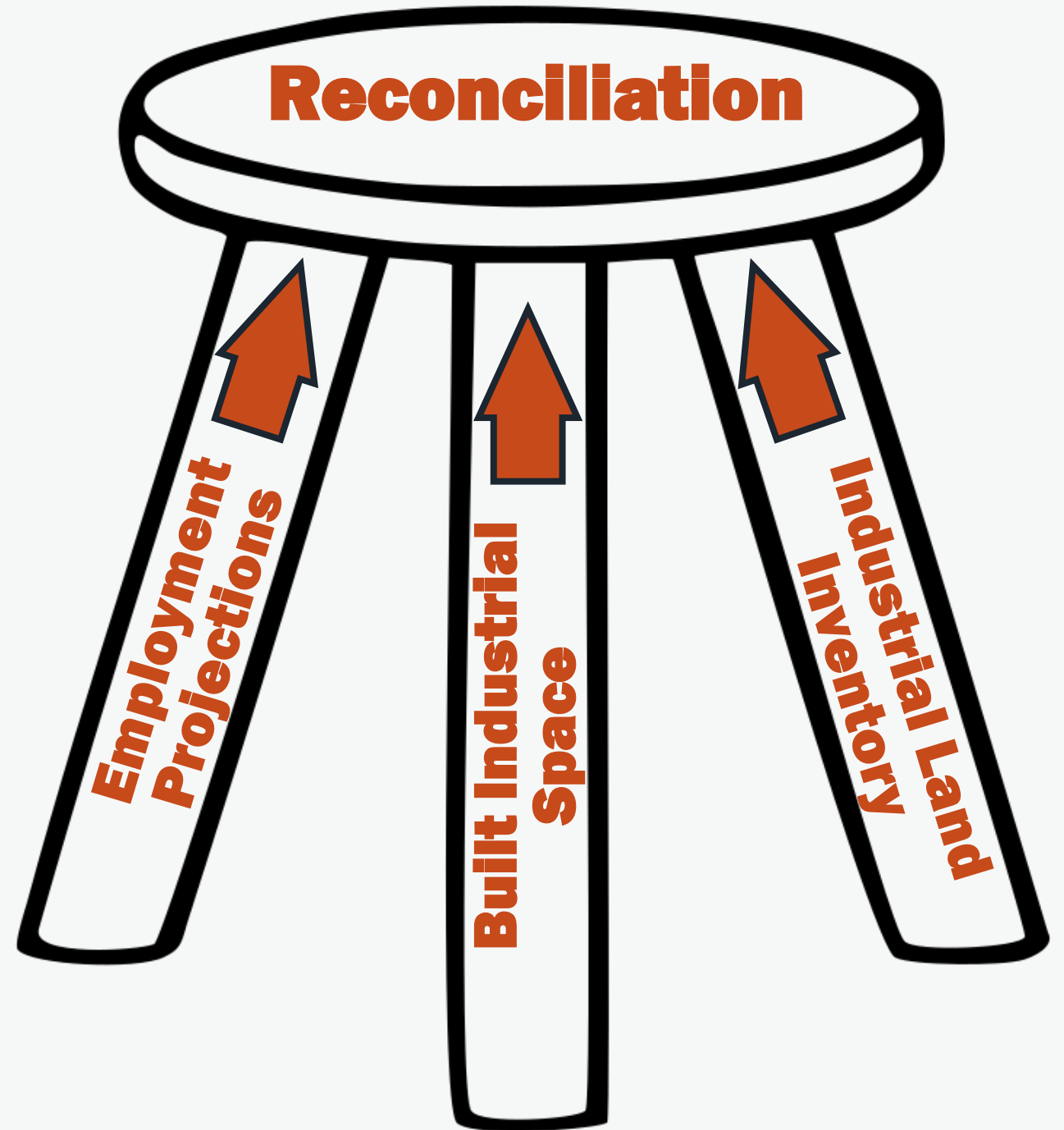


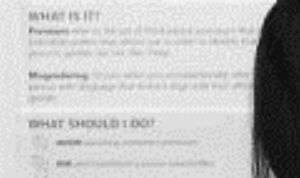
Photo: Crexi

Project Area



Primary Study Components





Industrial Employment Assessment

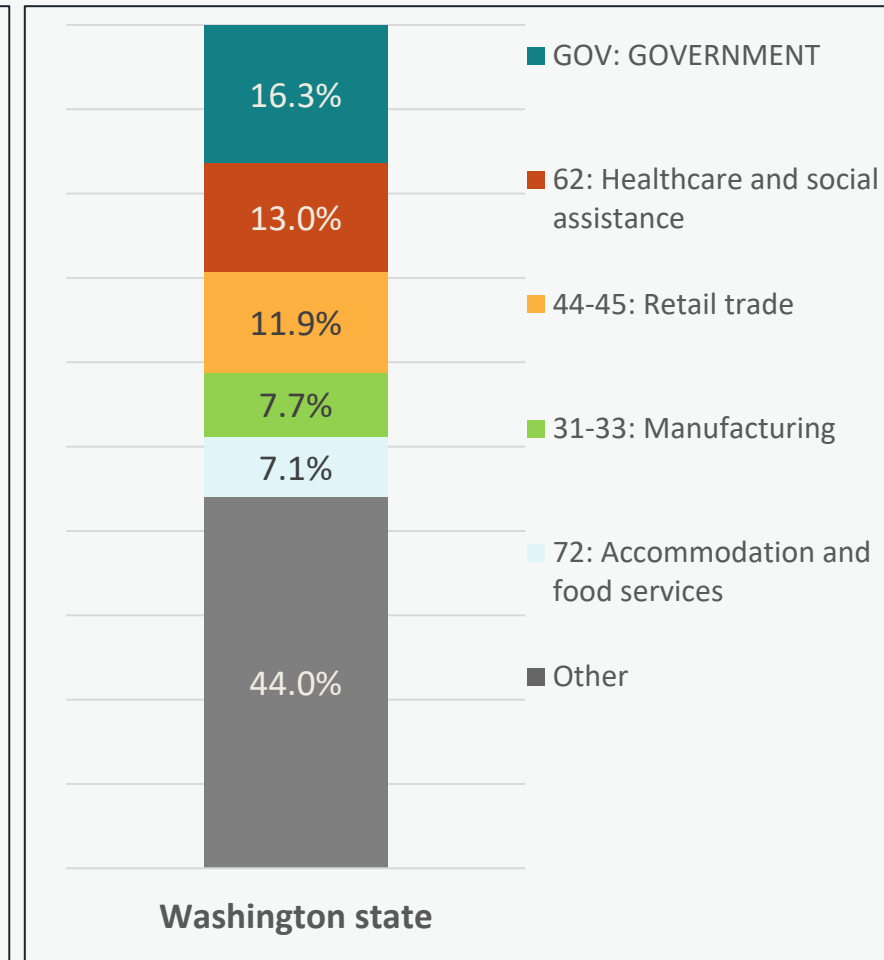
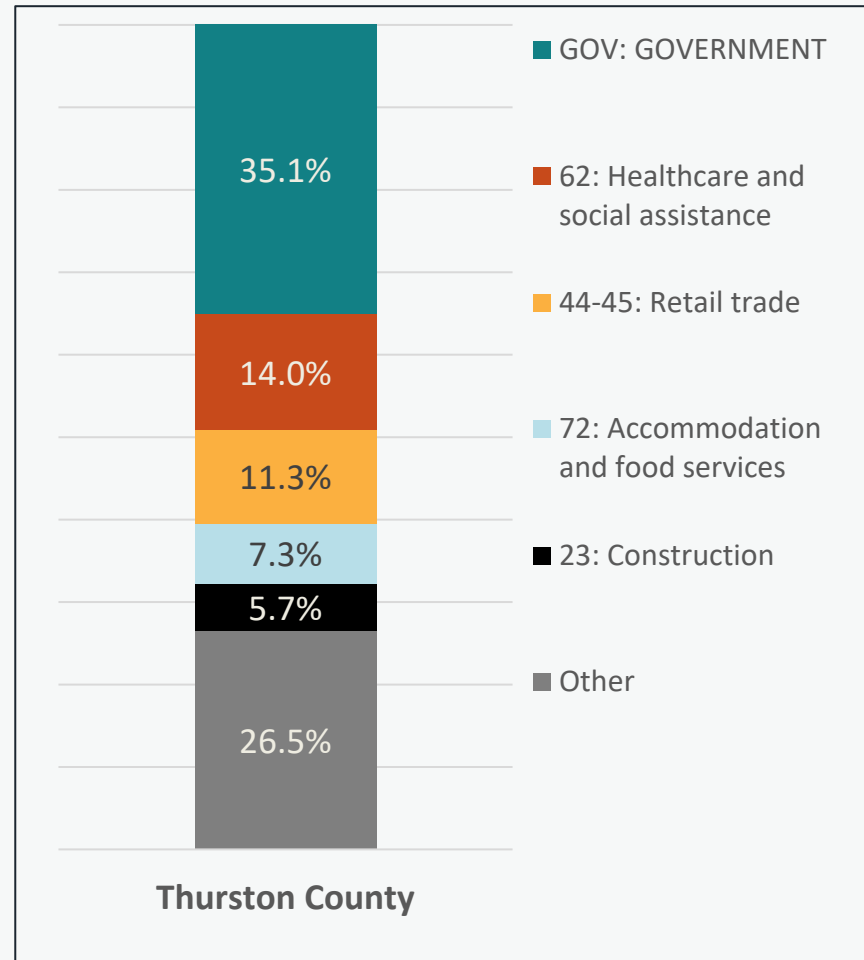
Photo: Shanna Paxton Photography

Share of Industrial Jobs.

Industrial Jobs Share of
Total (2022):

Thurston County: 5.2%

Washington State: 11.2%

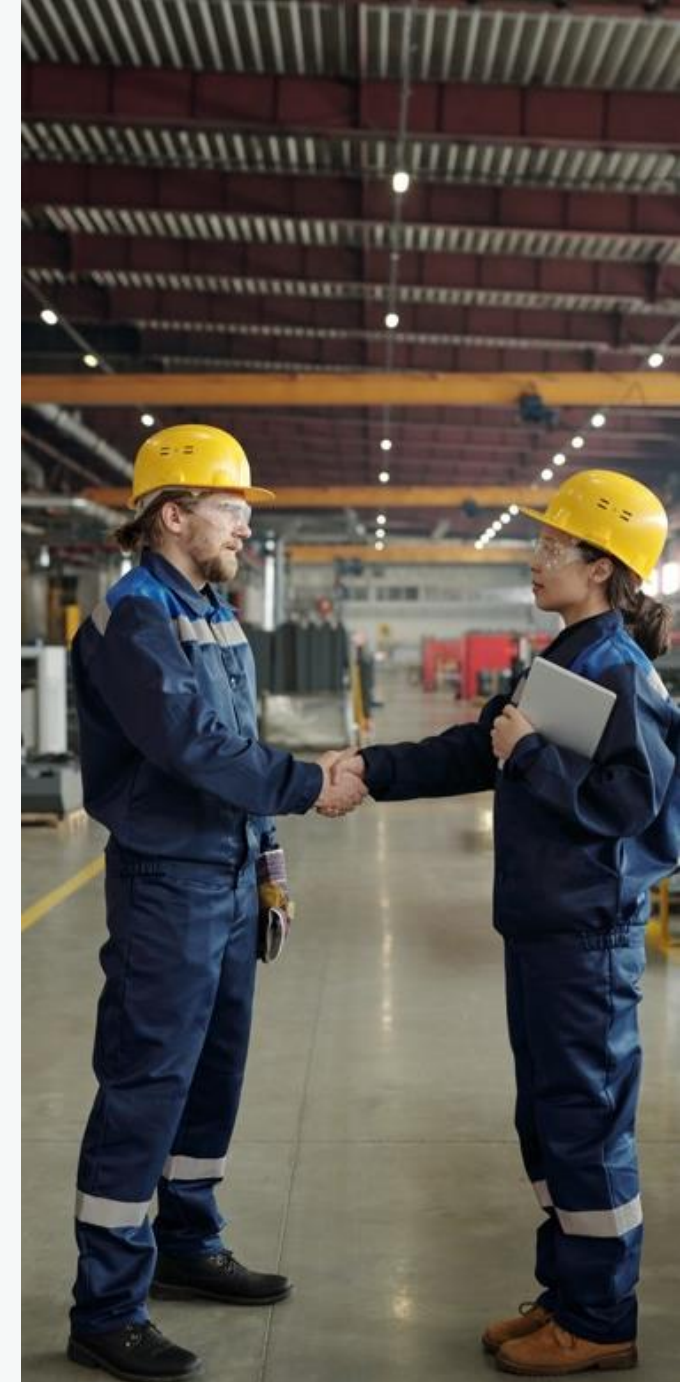


Industrial Employment Growth Trends.

Employment in the industrial sector is growing in the county and across the state. Thurston County had the highest growth rate of manufacturing jobs in the region between 2010 and 2022.

❖ Industrial Employment Annual Growth Rate from 2010 – 2022

Area	Manufacturing	Transportation and Warehousing	Total Industrial Jobs
State Total	0.4%	4.0%	1.3%
Thurston County	0.9%	5.5%	2.8%
Pierce County	0.3%	6.2%	3.0%
Lewis County	0.7%	1.8%	1.0%





Industrial Sector Employment Forecast Scenarios.

Modeled Scenarios: 2022-2045

- ❖ **Mid Manufacturing/Mid Transportation and Warehousing**
 - ❖ Manufacturing employment annual rate of growth: **1.09%**
 - ❖ Transportation and warehousing employment annual rate of growth: **4.43%**
- ❖ **Low Manufacturing /High Transportation and Warehousing**
 - ❖ Manufacturing employment annual rate of growth: **0.90%**
 - ❖ Transportation and warehousing employment annual rate of growth: **5.47%**
- ❖ **High Manufacturing /Low Transportation and Warehousing**
 - ❖ Manufacturing employment annual rate of growth: **1.15%**
 - ❖ Transportation and warehousing employment annual rate of growth: **2.30%**
- ❖ **Max Manufacturing /Max Transportation and Warehousing**
 - ❖ Manufacturing employment annual rate of growth: **1.36%**
 - ❖ Transportation and warehousing employment annual rate of growth: **5.54%**

Employment Based Land Need Forecast.

Based on the employment projections between 2022 and 2045, the following is estimated:

❖ Mid Manufacturing/Mid Transportation and Warehousing

- ❖ Estimated job growth from 2022 – 2045: **3,829**
- ❖ Total Building Square Feet Estimate: **17.0 million**
- ❖ Total acres needed: **1,313**

❖ Low Manufacturing /High Transportation and Warehousing

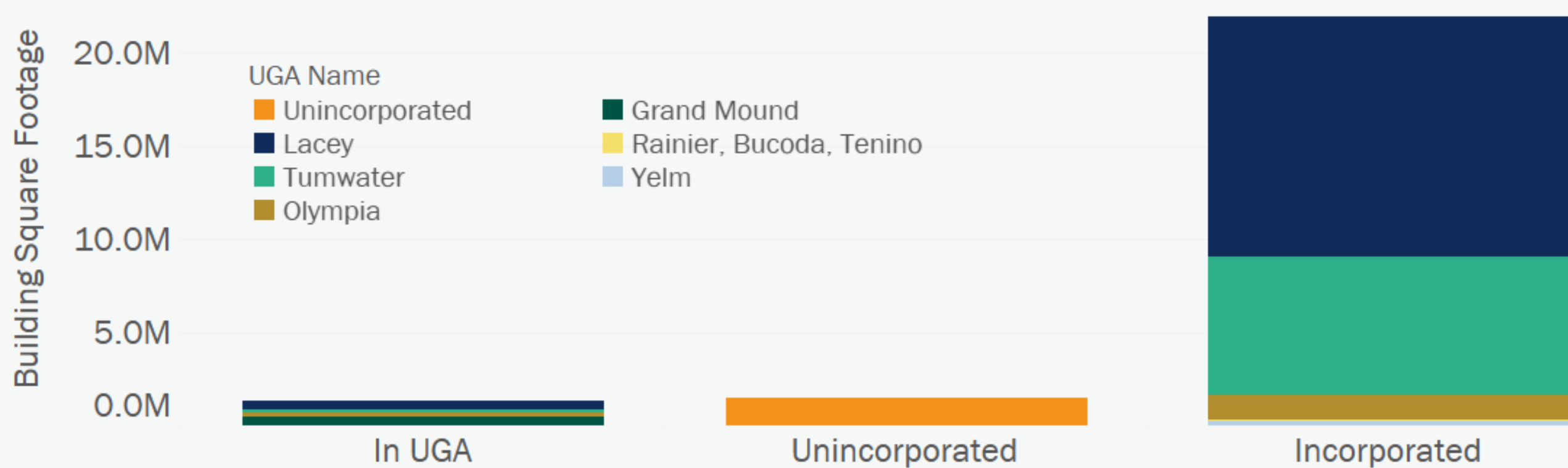
- ❖ Estimated job growth from 2022 – 2045: **5,336**
- ❖ Total Building Square Feet Estimate: **24.3 million**
- ❖ Total acres needed: **1,876**



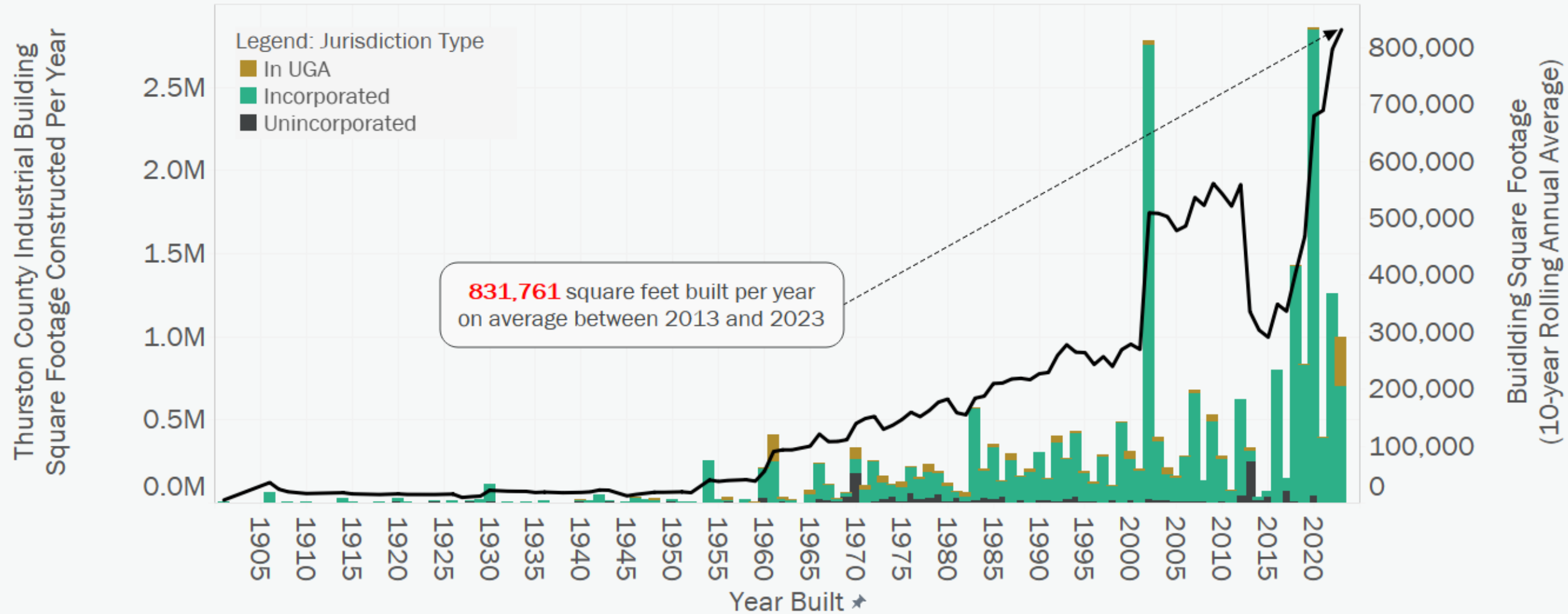


Industrial Building Trends

Built Industrial Space by Jurisdiction.



Construction Trends.

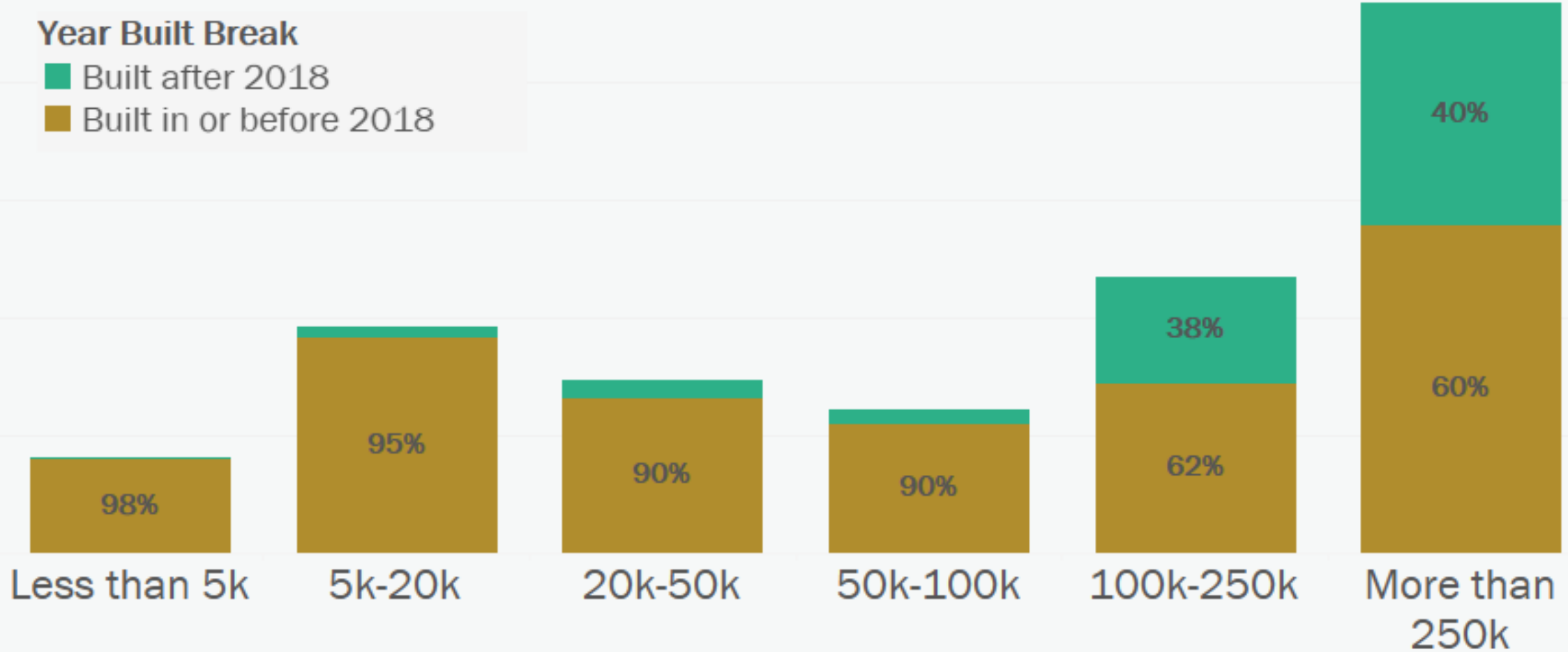


Size Range Trends.

Industrial Building
Square Footage

Year Built Break

- Built after 2018
- Built in or before 2018



Hawks Prairie Development Activity

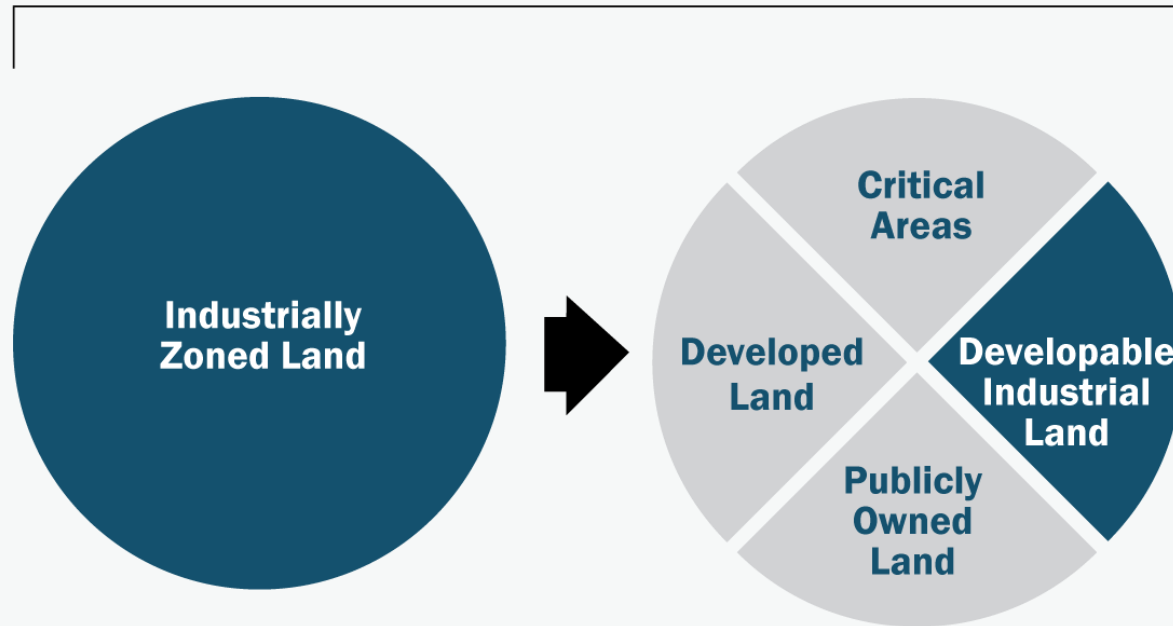




Industrial Land Inventory

Industrial Land Inventory Development Process.

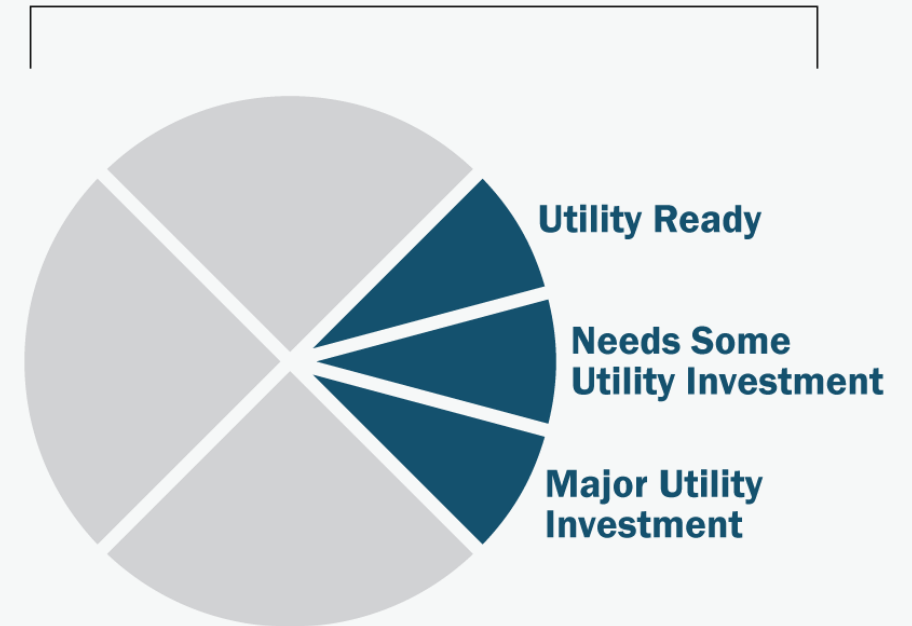
LAND INVENTORY PHASE



Identify all industrially zoned land.

Identify developable industrial land.

DEVELOPABLE INDUSTRIAL LAND ASSESSMENT PHASE



Identify developable land by utility proximity and acreage range. Inventory suitable industrial land.

Industrial Land Inventory.

Inventory of Industrial Zoned Land



approximately 6,550 acres

UGA Name	In UGA	Unincorporated	Incorporated	Total
Tumwater	527	--	3,022	3,549
Grand Mound	328	--	--	328
Lacey	182	--	1,497	1,680
Yelm	94	--	162	256
Olympia	27	--	357	384
Tenino	--	--	9	9
Rainier	--	--	7	7
Bucoda	--	--	2	2
Outside UGA	--	337	--	337
Total	1,158	337	5,056	6,550

Source: Thurston County Assessor, MFA

Developable Baseline.

Utilization Category	In UGA	Unincorporated	Incorporated	Total
Developed	285	103	1,745	2,133
Underutilized	396	42	1,404	1,842
Vacant	476	192	1,907	2,575
Total	1,157	337	5,056	6,550
Developable Land	872	234	3,311	4,417

Source: Thurston County Assessor 2022, MFA

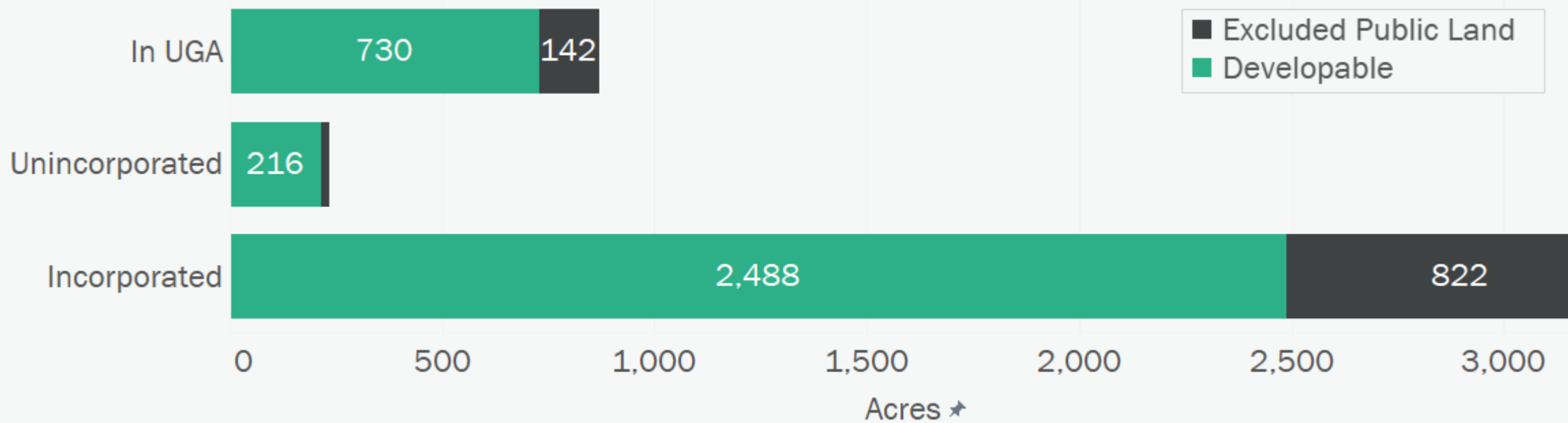
Note: Developable land is defined as land that is categorized as vacant or underutilized.

Publicly Owned Land.

Excluded Public Land



983 acres



Activity Survey.

Recently Developed Land & Planned Activity

A comprehensive survey of projects on land zoned to support industrial development was conducted.

- ❖ Developed
- ❖ Developable with Planned Development
- ❖ Developable



Planned Projects.

Underutilized Land

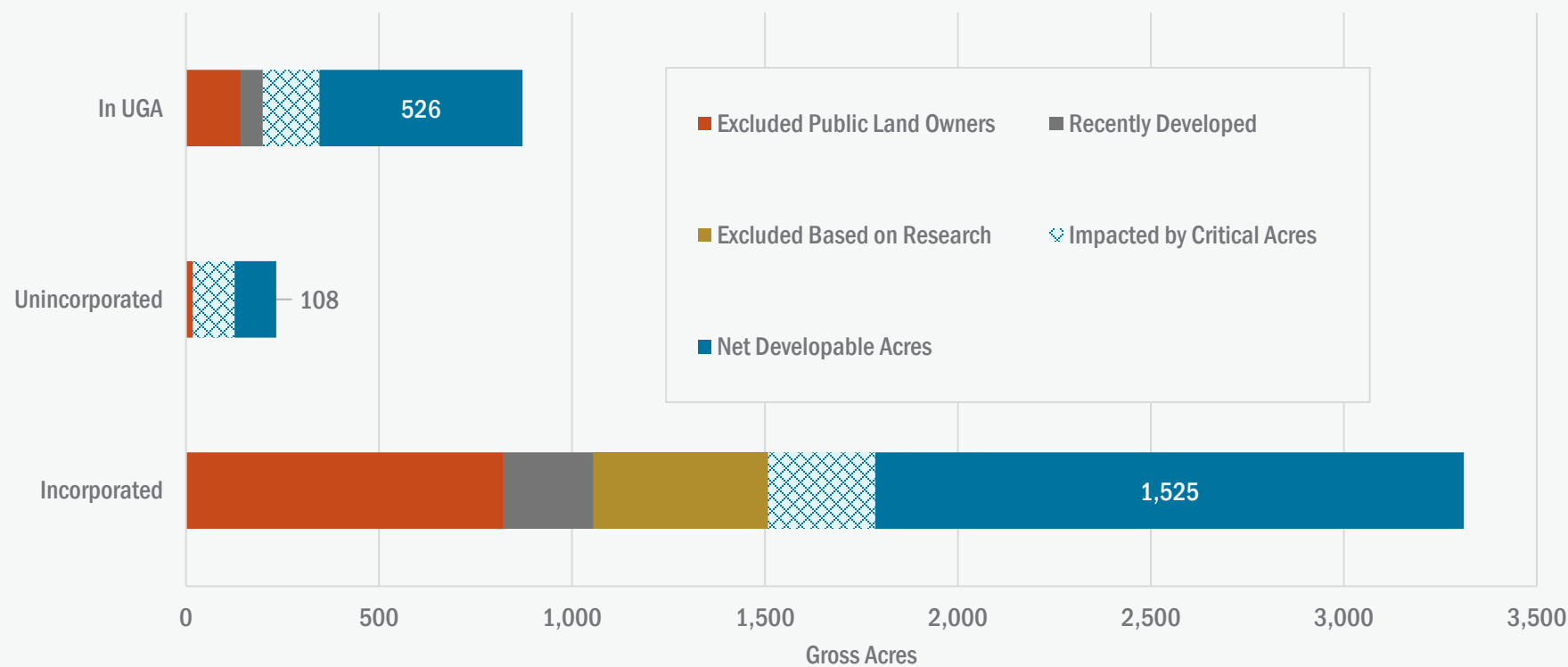


290 acres



Land Inventory.

Developable Land





Reconciliation

2023 Development Activity Accounting.

2022-2045 Forecast

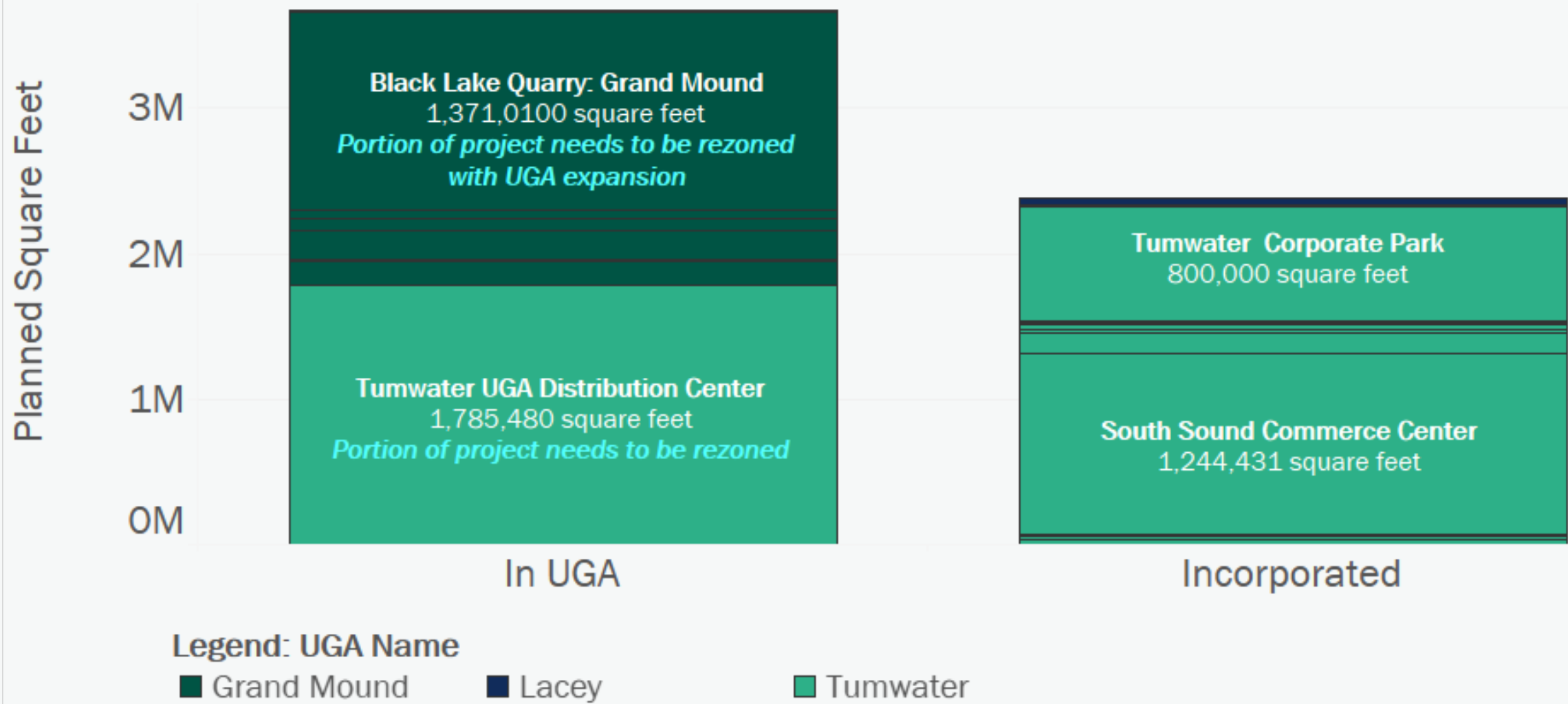
- ❖ Industrial square footage: 17 million to 24.3 million
- ❖ Total acres needed: 1,313 to 1,876

Adjusted Forecast Accounting for 2023 Activity

- ❖ Industrial square footage: 16.0 million to 23.3 million
- ❖ Total acres needed: 1,229 to 1,792

Accounting for Planned Development.

Planned Square Footage  6.1 million but....



Modified Land Needs 2024-2045.

	Industrial Square footage	Developable Acres Needed
Mid Manu/Mid TW Employment Growth Scenario		
Modified Forecasted Needs (Table 5-1)	15,970,638	1,230
Impacts from Assumed Planned Development	(2,901,661)	256
Updated Targets	13,068,977	973
Low Manu/High TW Employment Growth Scenario		
Modified Forecasted Needs (Table 5-1)	23,313,346	1,793
Impacts from Assumed Planned Development	(2,901,661)	256
Updated Targets	20,411,685	1,537

Access to Utilities.

County-wide, there are 1,150 acres (out of 1,903 acres) that are utility ready or need some level of investment. **Only 156 acres are in a UGA.**

❖ Utility Ready:

❖ **628 Acres | 130 acres in the UGA**

❖ Needs one primary utility:

❖ **522 Acres | 26 acres in the UGA**

❖ Lacks at least two utilities:

❖ **753 Acres | 317 acres in UGA | 102 acres are unincorporated**

Parcel Acreage Bins.

An analysis of the land by acreage groups was conducted to further characterize the remaining 1,903 acres of industrially zoned land.

- ❖ Parcels of 40 acres+:

 - ❖ 0 Acres in UGA or unincorporated Thurston County

- ❖ Parcels 20 acres – 39.99 acres:

 - ❖ Total of 96 acres in the Tumwater UGA | no utilities

- ❖ Parcels under 20 acres:

 - ❖ 456 acres in UGA or unincorporated Thurston County | 130 acres are utility ready

Reconciliation.

Overview

- ❖ From 2024 to 2045, between 973 acres and 1,537 acres are needed to support the remaining anticipated employment growth.
- ❖ Out of 1,903 developable acres that are industrially zoned county-wide, there are 1,150 acres that are utility ready or need some level of investment. Only 156 acres are in a UGA.
- ❖ It is important for the overall industrial land inventory to be greater than the anticipated demand so that there is choice.



Summary of Recommendations

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Recommendations. Excerpts

Industrial Lands Inventory Management

- ❖ Maintain and enhance the industrial land inventory by:
 - ❖ Prioritizing and highlighting identified parcels that are utility-ready for development
 - ❖ Tracking development on industrially zoned land and corresponding job growth annually to help ensure there is a variety of industrial land to meet a range of needs
 - ❖ Identifying potential new parcels through brownfield inventories and analysis. Thurston County can “create” new land by investing in brownfield cleanup and development.

Recommendations. Excerpts

Manufacturing Uses

- ❖ Recommend adding this policy to Objective ED-1A: Help expand new, and strengthen existing, Economic Development Programs
- ❖ Develop an equity oriented economic development policy to support entities that provide light industrial space for early-stage manufacturing companies and to support mission-driven non-profit stewardship

Recommendations. Excerpts

Distribution Warehouse Uses

- ❖ Create policies that focus on warehouse locations and require access from a primary arterial
- ❖ Require conditional use permits to address public health and equity concerns in high-risk areas

Recommendations. Excerpts

UGA Expansion

- ❖ Identify suitable areas for UGA expansion while considering environmental and community factors
- ❖ This study demonstrates that additional land will likely be needed to support projected industrial development based on employment projections. Other requirements outlined in the County's policies that will need to be met include access to municipal water, sewer, and transportation, and that the urbanization of the expansion area is compatible with the use of designated resource lands and with critical areas

Recommendations. Excerpts

Climate (HB 1181)

- ❖ Provide renewable fuel facilities at loading docks Find opportunities to create parcels
- ❖ Provide a substantial number of parking stalls (e.g., 20 percent) with alternative fuel sources for employees and visitor vehicles
- ❖ Require a substantial portion of onsite energy to be from renewable sources (e.g., 75 percent)
- ❖ Develop a policy to evaluate equity impacts that proposed development may have on the surrounding community



Questions

