



Summary of Economic Evaluation of Potential Central Waterfront Scenarios

Study completed by ECONorthwest

December 4, 2008 Preliminary Findings – Subject to Change

Guiding Principle 3. *Maintain or improve downtown Seattle, regional, the port and state economies.*

Any solution to the Alaskan Way Viaduct must sustain the city, region, port and state's economic vitality during and after construction.

There is little change to the region's economy across the eight scenarios. While some scenarios replace more of the viaduct's capacity than others, the relative differences in travel times have little impact on the region's economy.

- The study area makes up 20 percent of the four-county regional economy, which has economic output worth \$350 billion a year. Thirty percent of the economic output is goods and 70 percent is services. There are 2.3 million jobs in the four-county region; 15 percent are related to goods and 85 percent are related to services.
- Transportation-related factors that drive the economy are related to capacity, travel times, transit access, and construction. All of the scenarios replace most of the viaduct's capacity for person trips in the overall transportation system. Where travel times increase, the number of trips affected is a small part of the total regional trips.
- All scenarios assume the south mile of the viaduct is replaced, which improves access for the critical east-west connections from the seaport to I-5 and I-90, and to the nearby rail yards. This means that regardless of the scenario, the traffic model predicts only small changes in travel times from Harbor Island, Pier 107, Central Duwamish, and Safeco Field area to distant locations on I-5 and I-90 across the scenarios.
- Manufacturing companies that rely on I-5 to move goods, such as Boeing, are not expected to be significantly affected by any of the scenarios. This is due to the fact that travel times on I-5 vary only slightly among the eight scenarios, given the I-5 improvements associated with the most of the surface scenarios. Improvements to I-5 by themselves are important to improve the freeway's operation.
- Professional services, which make up a large share of downtown Seattle's business sectors, are unlikely to move out of the region due to the selected option. These businesses tend to rely less on movement of goods, and more on the value of business clustering, high-status locations, and the ability of customers to reach their offices. These businesses rely heavily on transit, which will increase across all the scenarios. They will also benefit from amenities provided by an open waterfront, similar to the benefits seen with the Embarcadero project in San Francisco, and Millennium Park in Chicago.

- Tourists are unlikely to avoid Seattle because of viaduct construction. The waterfront is an important tourist destination, but not the only one. Business visitors are motivated by their companies' needs and are unlikely to avoid Seattle due to waterfront construction.
- Increases in property value due to less noise, more open space, and the opportunity for new development range from \$50 million to \$250 million (present day value) after construction is completed. The highest benefits come from the six-lane couplet, bored tunnel, and cut-and-cover tunnel scenarios (C, F, and G). The four-lane surface and transit scenarios and lidded trench scenario are in the mid-range (A, B, and H), and the independent and integrated elevated viaduct scenarios would have the fewest benefits (D, E).

Local industries that rely on the viaduct for travel through downtown Seattle will experience longer travel times with the surface and transit scenarios.

- Through trips that continue to use SR 99 experience an increase of 10 to 15 minutes in their travel times compared to today in any of the surface and transit scenarios (A, B, and C). These through trips represent a small percentage of all trips within the study area. Major industries north and south of downtown are not expected to relocate outside the four-county area due to other competitive advantages of being located in the Seattle area.

Construction will happen regardless of which scenario is selected and will affect some local industries and businesses on the central waterfront. Some of these effects can be addressed through mitigation and others are unavoidable.

- Central waterfront retail and restaurants will be most affected by construction, but may benefit the most from a new waterfront. Impacts during construction include access changes, parking loss, noise, and dust. During construction there will be some lost and closed businesses, primarily retail and tourism businesses on the waterfront. Some of these businesses might relocate within the region.
- Loss of on-street parking on the central waterfront during construction can be mitigated.
- Conventions may be affected by construction, but meetings and events that need to take place in the region will occur, albeit some may move out of downtown. National events are more vulnerable, but are not the majority of conventions held in the area.
- While changes to SR 99 are not anticipated to impact the aerospace industry in the long-term, disruption during construction may affect the industry by raising costs and interfering with production and delivery schedules. This is not predicted to have a significant effect on regional employment in the industry.
- The bored tunnel scenario (F) may offer the greatest opportunity to minimize construction impacts on the Port of Seattle and central waterfront if the viaduct remains open during construction. The cut-and-cover tunnel and lidded trench scenarios (G, H) offer the least opportunity.