

**THE NORTHWEST SEAPORT ALLIANCE**  
**MEMORANDUM**

**MANAGING MEMBERS**  
**STAFF BRIEFING**

Item No.	9A
Date of Meeting	September 7, 2022

**DATE:** September 7, 2022

**TO:** Managing Members

**FROM:** Tong Zhu, Chief Commercial & Strategy Officer

Project Managers: Erin DeBroux, NWSA Sr. Real Estate Manager; Deirdre Wilson, NWSA Senior Planning Manager; Tim Leonard, Port of Seattle Seaport Capital Project Manager

**SUBJECT:** Terminal 25 South Drayage Support Parking Briefing

**A. SYNOPSIS**

Drayage truck parking in Seattle is an ongoing topic. This briefing is intended to provide an update of current related efforts.

- Community and Stakeholder Engagement
- Coordination with the City of Seattle
- Technical Analysis of Terminal 25-South
- Coordination with Port of Seattle Clean-up and Habitat Project

**B. BRIEFING**

Community and Stakeholder Engagement

In 2017/2018, NWSA, on behalf of the Port of Seattle, collaborated with the Seattle Department of Transportation (SDOT) to complete a survey of truck drivers serving Seattle and Tacoma terminals. This report fulfills State Environmental Policy Act (SEPA) conditions for the Port of Seattle's Terminal 5 project, and a building permit requirement to complete a parking survey of truck drivers. It was intended to serve as baseline for a comparison survey once Terminal 5 is operating again.

The survey focused on determining the number of drivers parking on the street in five areas in the vicinity of Terminal 5, 1) SODO, 2) Georgetown, 3) South Park, 4) Duwamish, and 5) Delridge. In total, 143 surveys containing answers to questions about parking were returned by employee drivers and independent owner-operators. Prior surveys of the drayage community were completed by the Port of Seattle in 2006, 2008, and 2013, but with a more comprehensive focus than just about parking.

Coordination with City of Seattle

The South Harbor Truck Parking Work Group was initiated in 2008 by Commissioner Gael Tarleton, in response to neighborhood concerns about drayage truck operations and overnight parking. This work group was a joint effort with City of Seattle and co-led with Seattle City Council member Sally Clark. Work Group participation included community,

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environmental, regulatory, and industry representatives. The work group developed a final set of recommendations, which were grouped by truck parking, truck routing, and anti-idling.

The free truck parking site at Terminal 25-South was opened as a public service by the Port of Seattle in 2009 and further expanded in 2011 to keep trucks out of nearby residential areas in Seattle. The site was established as an outcome of Seattle's South Harbor Truck Parking Work Group.

The commitment to provide truck parking in the Seattle area was further documented in the "Safe and Swift Corridor Program" Memorandum of Understanding signed by the Port of Seattle and City of Seattle in 2017. The Safe and Swift Corridor Program commits the Port of Seattle to continue to maintain reduced impacts on surrounding residential communities by providing parking for short-haul trucks at T25-S or an alternate location. The City is currently striping additional parking areas near 11<sup>th</sup> Avenue SW and along 13<sup>th</sup> Avenue SW. In 2021, drayage parking was again noted in West Seattle Bridge MOU entered into between the Port of Seattle and City of Seattle. Collaboration on truck parking planning, development, and operations will continue.

Three public meetings were held in July 2022, coordinated by the City. In-person meetings were held in Georgetown and South Park, with a third virtual meeting option. SDOT and NWSA staff presented on the goals of the proposed right of way legislation, the status of the South Harbor Truck Parking Work Group's recommendations and listened to community feedback regarding both. Highlighted themes from these conversations were: Enforcement concerns, safety, property damage and community aesthetics, and RV considerations.

Low turnout and requests for further engagement led to an amendment of the city's right of way legislation that will lead to further outreach from SDOT with community on the right of way parking locations. As a result, NWSA, Port of Seattle and SDOT are considering future opportunities to further engage community around trucking issues.

The City of Seattle approved Ordinance 126647 on August 9, 2022. This legislation will increase established on-street overnight truck tractor parking locations, enhance neighborhood livability, and reduce vehicle miles traveled by drayage drivers. SDOT will issue a Director's Rule (which will include a public comment period) to implement the truck tractor parking zones.

### Technical Analysis of Terminal 25-South

Terminal 25-South is located along Seattle's East Waterway, at 3225 E. Marginal Way South. The NWSA and Port of Seattle staff are coordinating on planning and potential improvements at T25-S. The purpose of this effort is to determine the highest and best use of T25-S and increase the usability and marketability of a historically underutilized site. Coordination opportunities may exist with the Port of Seattle's Terminal 25-South Restoration program cleanup and habitat projects.

A Scenario Analysis is underway to evaluate near-term site improvements that could increase site usability for the purpose of drayage parking and storage, and longer-term development options for the site to better serve the needs of the Gateway and ensure compatibility with the Port of Seattle's adjacent cleanup and habitat site.

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The eastern half of T25-S is licensed to the NWSA. The site hosts several tenants including UPS, Alpha Intermodal, and PNW Pacific Maritime Association. The site also still provides free truck parking for drayage truck bobtails. Portions of the site are undeveloped and located in a floodplain. The western half of the site is managed by the Port of Seattle and has been identified as a potential habitat restoration site in the Port's proposed multi-site habitat mitigation bank program.



T25-S has active agreements with United Parcel Services (4.36 acres) which is due to terminate September 2024; a month-to-month lease with Alpha Intermodal (.41 acres) for chassis storage; a large gravel area (3.36 acres located in the 100-year floodplain) that has remained vacant since May 2020 and is being marketed for lease; and a License Agreement with the PMA (.62 acres) for labor parking. In addition, approximately two acres of T25-S are dedicated to free truck

parking for drayage trucks on a first-come, first-serve basis. Use agreements (lease, license, etc.) are not in place for the users of the free truck parking area, making it challenging to enforce rules and policies, and in particular those relating to the environment and safety.

Staff has evaluated potential options for the UPS location following the September 2024 sunset date and identified this location to be ideal for supporting the relocation of the Terminal 10 tenants in addition to the remainder of T25-S. This relocation will be feasible regardless of the results of the scenario analysis discussed in this memorandum. Until such time as relocation is possible and should the new lease with Ray-Mont Logistics be approved by the Managing Members, the Terminal 10 tenants will have the option to remain at Terminal 10 via a sublease with Ray-Mont Logistics on a reduced footprint. In consideration of the reduced footprint, Staff has offered the Terminal 10 tenants' usage of the currently available gravel area at T25-S. While none of the current tenants have indicated interest in moving to this area, Staff will work with any tenants to utilize this area if interest is shown in the future.

Staff has engaged a consultant to perform a truck parking scenario analysis of T25-S. This planning effort will identify multiple site layouts to accommodate a mixture of parking needs over the short, medium, and long-term. The analysis will also consider the feasibility of all the development alternatives. This will help staff better understand how much truck parking capacity can be generated on site, including how much capital investment it will require and the general development timeline. This will be helpful in better understanding the site's

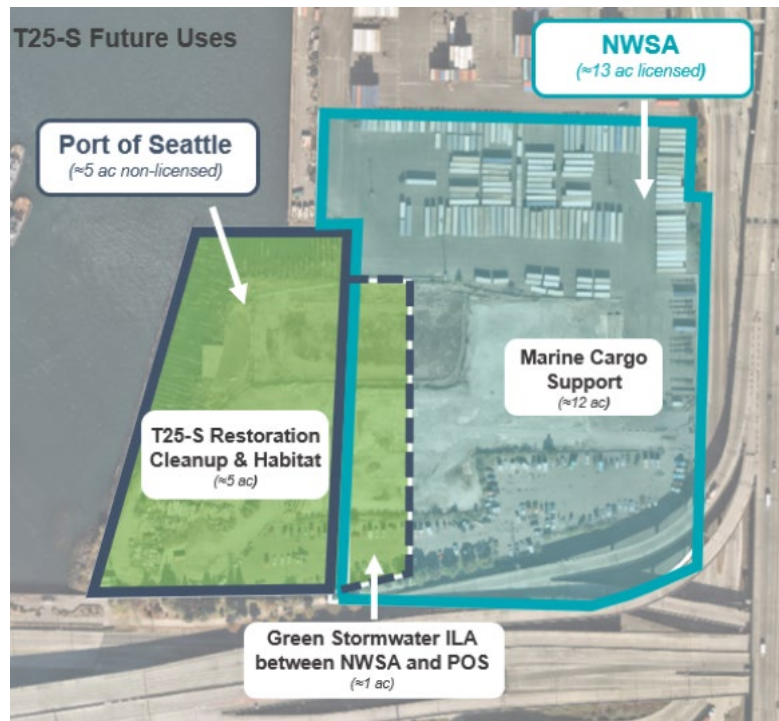
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ability to accommodate trucks from Terminal 10 in the near future while also considering the longer-term development of the site and planning for future on-site amenities.

The analysis will consider the mixture of parking needs including trucks with and without chassis, stormwater infrastructure and connection to green buffer zone, other utilities needed on site, and other on-site improvements. The consultant will provide input on the feasibility of the alternatives including a traffic analysis for the changing use at and number of trucks at the site and consider permitting needs. There are some known site constraints which may affect the development schedule that will be considered as part of the analysis.



The alternatives include a range of configurations for the near, mid, and long-term development.

- Near-Term – This alternative will look at the easiest development option for being able to accommodate trucks from Terminal 10. This will consider whether the unimproved area can be utilized and whether it needs to be paved.
- Mid-Term- This alternative will look at improving the site in the mid-term and will consider planning improvements across the larger T25-S area, including areas that are currently leased to customers.
- Long-Term – This alternative will look at additional amenities that could be included on-site such as charging stations, security cameras, and permanent bathroom structures.

### Coordination with Port of Seattle Clean-up and Habitat Project

The western portion of the Terminal 25-South site, managed by the Port of Seattle, has been identified as a potential habitat restoration site in the Port's proposed multi-site habitat mitigation bank program. This is a revenue-generating program that restores marginal properties for the purposes of creating 'mitigation credits' that can be reserved, sold, or serve as a component of a future settlement agreement to resolve claims related to Natural Resource Damages.

The site requires cleanup in accordance with an Administrative Order on Consent (AOC) executed by the Port in February 2022 with the U.S. Environmental Protection Agency. The AOC is a binding agreement requiring the Port to perform the process of determining the nature and extent of contamination at Terminal 25 South and identify the necessary cleanup

approach. Achieving a cleanup of the site, will advance the long-term protection of human health and the environment; reduce the Port's environmental liability; and enable the successful completion of the proposed habitat restoration.

The Terminal 25 South Restoration Habitat project will in turn create valuable off-channel habitat, which will help bridge the gap in the habitat network between the mouth of the Duwamish Estuary and the off-channel habitat upstream along this important fish migratory corridor. Importantly, the project will restore off-channel estuarine habitat important for feeding, rearing, and refuge for juvenile salmonids. The project site includes a combined total of approximately 9 acres of upland and aquatic area along the shoreline of the East Waterway which will benefit from restored nearshore habitat consisting of riparian habitat, off-channel marsh, enhanced intertidal, and shallow subtidal areas that will, in turn, improve adjacent existing deep subtidal habitat.

Another element of the proposed habitat restoration project is the construction of a green infrastructure buffer along its eastern boundary that will also benefit the NWSA licensed upland areas, to the north and east of the restored habitat area, by providing stormwater treatment capacity that will be required by their redevelopment. This buffer zone will require approximately 1-acre of NWSA licensed property to be addressed by an Inter Local Agreement (ILA) between the NWSA and POS. Additionally, the proposed habitat area regrading will provide mitigatory flood plain volume that will enable formal removal of the existing mapped flood plain on the NWSA property to the east via a Letter of Map Revision (LOMR) from the Federal Emergency Management Agency (FEMA).

### **C. OTHER RELATED WORK**

#### *Northwest Ports Clean Air Strategy*

- Clean Truck Program. Reducing/eliminating emissions from drayage trucks is a priority because those vehicles represent a significant percentage of the total seaport emissions nearly 10% of the DPM and nearly 30% of the GHG). In addition, drayage trucks travel through and near communities adjacent to the seaports and along major freight corridors (communities that are experiencing significant environmental health disparities according to the state Department of Health). The goal of our Clean Truck Program is to continuously reduce emissions from existing fleet of about 4,000 mostly diesel trucks while at the same time facilitating and accelerating the transition to zero-emission trucks.
- Puget Sound Zero Emission Truck Collaborative: Leading the formation of the Puget Sound Zero Emission Collaborative to bring together stakeholders from ports, the trucking industry, retailers, utilities, fuel providers, government agencies, and near-port communities to facilitate demonstration projects in the near-term and develop a longer-term strategy. (With funding support from the WA Department of Transportation.)
- Zero-emission drayage demonstration projects: We plan to bring some battery electric and hydrogen fuel cell trucks to our gateway and give our drayage service providers a chance to see them in action in order to help build support for these new technologies.

- “Decarbonizing Drayage” Roadmap: Transitioning to zero-emission trucking will be as challenging as it is urgent. The gap between where we are now and the future we envision is quite large. Truck manufacturers are beginning to produce battery electric and hydrogen-powered heavy-duty trucks--but they are limited in number and very expensive--8 to 10 times more than a used diesel truck.

*Drayage Truck Wait Time Awareness Program*

The Operation Service Center provides visibility of full terminal turn times to the port community with the long range goal of integrating the supply chain. The NWSA website offers robust information for truckers, including real time gate information.

**D. CURRENT STATUS**

The NWSA is committed to coordinating with the city, stakeholders, and the community on efforts to address drayage support needs. Staff continues to work with city staff on right of way options and other city owned properties for additional truck parking.

Furthermore, it is recommended that the highest and best use for Terminal 25-South is as a marine cargo drayage support yard based on demand, the property characteristics, and proximity of T25-S to the container terminals. Guided by the results of the pending scenario analysis, staff will evaluate short-term improvements to the unimproved area of T25-S to increase usability until long-term improvements are feasible. These interim improvements could accommodate short term leases for truck and trailer storage and drayage support parking.

Long term improvements envision reconfiguring T25-S to combine the paved areas and unimproved area into one contiguous site for drayage support. Under this scenario, the “free truck parking” portion of T25-S would be eliminated. The intent would be to enter into lease agreements with drayage and/or bobtail companies for specified areas of the site, similar to how Terminal 10 has historically been leased. Lease agreements will enable the NWSA to enforce environmental requirements and safety regulations not currently enforceable in the free truck parking area for which formal agreements are not in place.

Upon commencement of the Habitat Restoration Project, a portion of the NWSA-licensed unimproved and free truck parking area will be needed as a green stormwater infrastructure transition area (“GSI”) or buffer zone, in furtherance of the Habitat Restoration Project. This buffer zone area, approximately 1-acre, will be finalized as the Habitat Restoration Project design moves forward. At that time the NWSA and PoS Staff will work together to enter into an ILA to identify the terms of PoS’ use of NWSA-licensed property, and which will be subject to dual Managing Member and PoS Commission approval.

The long-term scenario will include the GSI area, as well as evaluate opportunities to overlap efforts with the PoS. While the NWSA’s timeline for improving T25-S may be able to commence prior to the Habitat Restoration Project, there may still be worthwhile opportunities to coordinate work, such as required permitted and requirements to fill the site area within the floodplain.

**D. FINANCIAL IMPLICATIONS**

There is no financial ask at this time. Work related to the T25-S scenario analysis is being supported by consultants using a task order not to exceed \$100,000.

**E. ATTACHMENTS TO THIS BRIEFING**

Presentation

**F. PREVIOUS ACTIONS OR BRIEFINGS**

- September 7, 2022: NWSA MM Meeting Terminal 10 Ray-Mont Logistics Lease
- August 2, 2022: NWSA MM Truck Working Group briefing
- February 8, 2022: PoS Commission Meeting, T25-S Restoration program EPA Order approval and Cleanup and Habitat projects Design Authorization
- July 1, 2020: NWSA MM Friday Packet, T25-S Truck Parking Update

**G. NEXT STEPS**

Staff will finalize the Scenario Analysis of Terminal 25-South. The scenarios include a range of configurations for the near, mid, and long-term development.

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