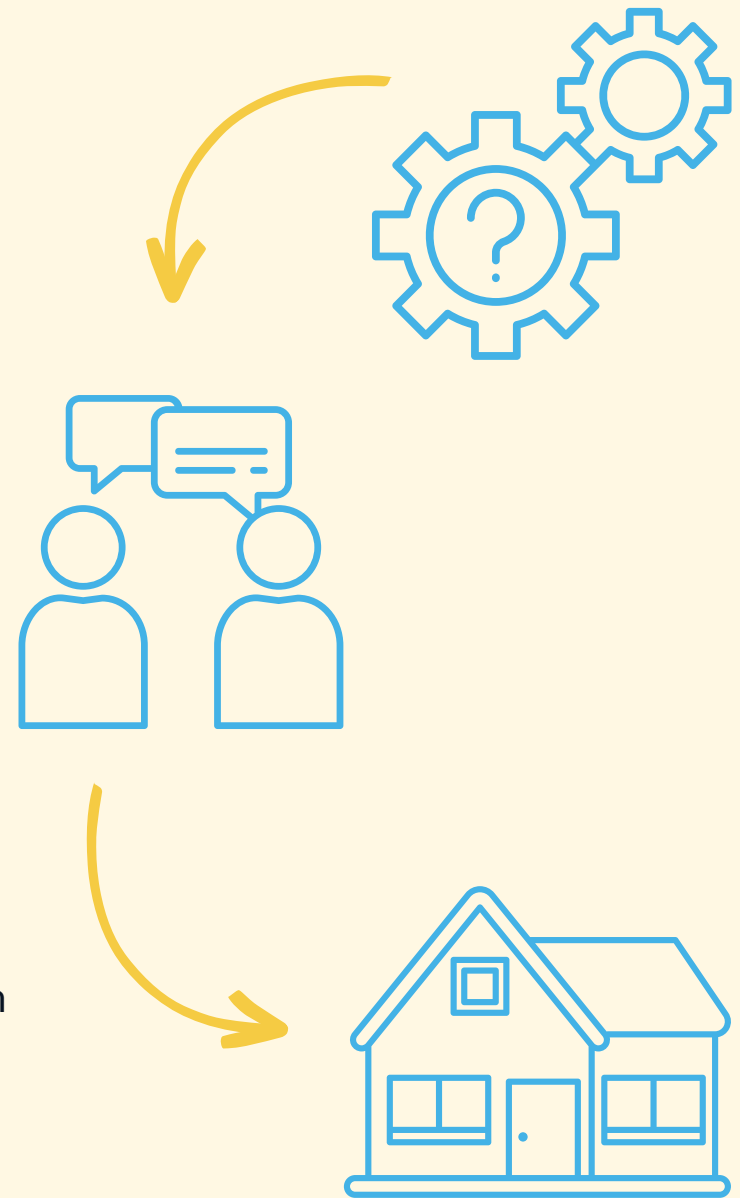


**LISC PUGET SOUND**

**SKYWAY**

- 03** • Context Setting and Introduction
- 04** • Background
- 05** • Methodology:
  - 05** ◦ Literature Review and Market Analysis
  - 07** ◦ Location and Demographics
  - 09** ◦ Housing
  - 13** ◦ Land Use
  - 15** ◦ Transportation
  - 17** ◦ Economic and Workforce Development
- 19** • Community Engagement
- 20** • Themes of Stakeholder Interviews
- 21** • Recommendations
- 22** • Strategies:
  - 22** ◦ Grow Organizational Capacity
  - 23** ◦ Organize the Retail Corridor
  - 24** ◦ Invest in Community and Generational Wealth
- 25** • Acknowledgments



## Introduction

In February 2022, following conversations with community leaders, organizations, and elected officials, two communities Skyway and Casino Road were identified as areas for engagement and funding. Both communities face increasing pressures of displacement and affordability, have limited organizational capacity for economic development activities, and lack sustainable funding for these programs. In May 2022, LISC Puget Sound engaged BDS Planning and Urban Design as lead consultant to develop the Economic Inclusion Agendas for each community. The recommendations listed below are the result of a multi-month effort in Skyway, listening to community leaders to hear their aspirations for economic opportunity and community development, understand where specific capacity and resource gaps exist, where additional funding could meet the most immediate community and organizational needs and plan for long term family and community resilience.

### Project Strategies:

#### Short term

- Grow Organizational Capacity

#### Mid term

- Organize the Retail Corridor

#### Long term

- Invest in Community and Generational Wealth

The Local Initiative Support Corporation in Puget Sound (LISC Puget Sound) is committed to supporting economic development initiatives which create equitable opportunities for Black, Indigenous, People of Color (BIPOC) to participate in and benefit from the economic growth of their neighborhoods. Since 2019, LISC Puget Sound has partnered with Kaiser Permanente to advance health and wealth using a place-based and people-centered approach to district, business, and talent development throughout the Puget Sound.

### Project Objectives:

- To provide an actionable economic development agenda in Skyway that uplifts existing residents and businesses.
- Support organizational capacity of local non-profits to implement and sustain this work

### Project's Guiding Principles:

- Move at the speed of trust and operate in relationship
- Respect community expertise and honor previous planning and organizing efforts
- Be responsive to community needs and feedback
- Recognize and build on community strengths and assets

## Plan Review

### Documents Reviewed

- [Skyway-West Hill Subarea Plan Public Review Draft](#)
- [King County 2021-22 Biennial Budget Proposal](#)
- [Comprehensive Plan Land Use Designations 2021, Skyway-West Hill Catalog of Community Requests](#)
- [Skyways Local Food Local Places Action Plan](#)

To better understand past projects and ongoing work, BDS Planning conducted a review of recent or current plans focused on Skyway. This included Skyway-West Hill Subarea Plan Public Review Draft, King County 2021-22 Biennial Budget Proposal, Comprehensive Plan Land Use Designations 2021, Skyway-West Hill Catalog of Community Requests, Skyways Local Food Local Places Action Plan. Through this review our team highlighted the following key findings:

### **Tensions around development, gentrification, & displacement.**

The zoning and incentives created by King County are favorable for development. Additionally, Skyway has a history of strong and organized community participation. The clear strength and asset of organized community participation and leadership mean external engagement must be intentional and thoughtful when proposing action and work in the community. As an external party, LISC should be very sensitive to the community's concerns and be cognizant of the potential impacts, positive and negative, of development.

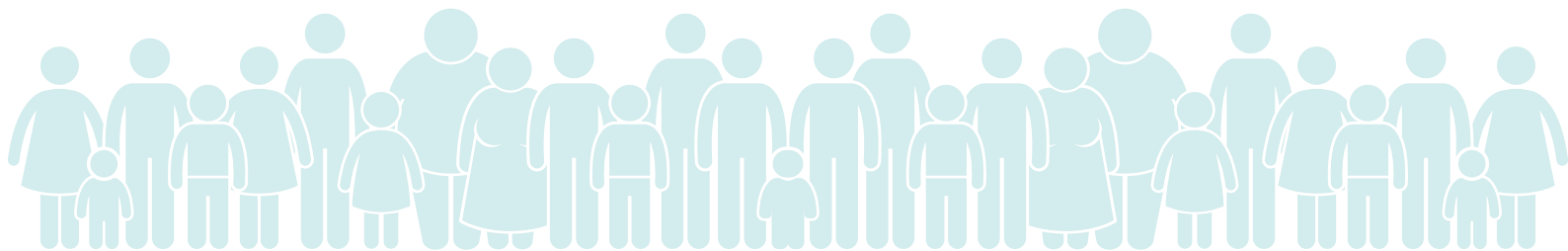
### **Transportation mode choice and public transit access are key desires.**

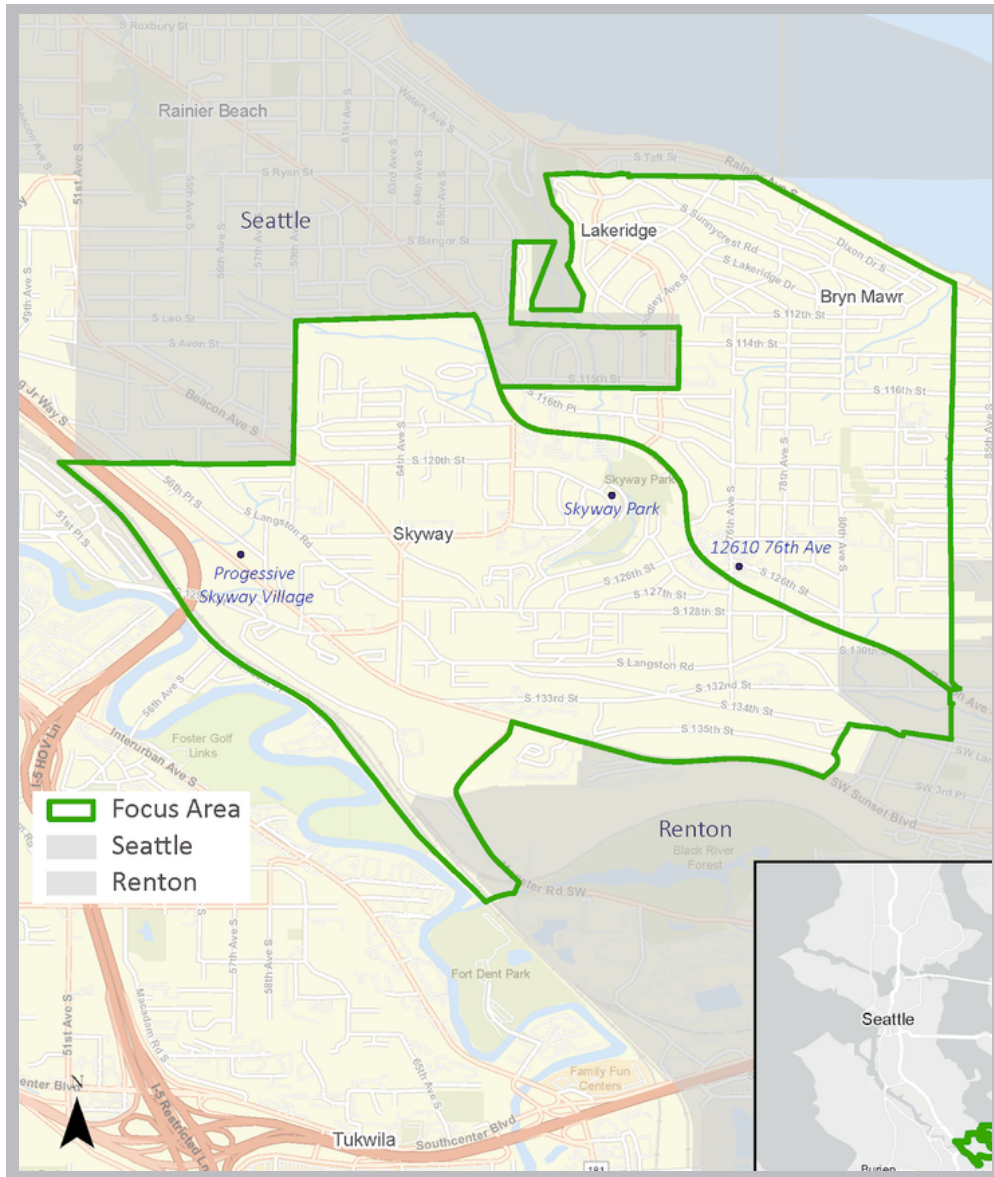
Inadequate public transit service and the lack of walkability and bike-ability in the community create challenges for those who cannot access a personal vehicle. Improvements to pedestrian and bicycle infrastructure can improve access along with countywide investments in public transit.

### **Strong community-based organizations.**

As an unincorporated area in King County, the Skyway area does not have its own municipal governing body. A lack of a localized government unit means there are fewer localized planning documents and likely to be less local knowledge applied to plans that affect the community, written at the County level. However, the community is very active in planning and development processes through collaborative community-based partners

Through our teams review eight major areas came to the forefront as areas for opportunities: housing, urban planning, transportation, economic & workforce development, cultural planning & community groups, and food access. These were aided by a market analysis conducted by ECO Northwest.





## Key Takeaway

The Skyway community, a self-described island of unincorporated King County, Washington, between neighboring cities Seattle, Renton, and Tukwila has historically been a place of opportunity for those looking for affordable housing and living options in the region. However, more recently this highly diverse community has faced years of disinvestment with the loss of affordability and reduction in public services, making it an ideal site for a community-centered economic development project supported by LISC and other partners.

Demographic Characteristic	Tract 260.01	Tract 261.01	Tract 261.02	City of Tukwila	Study Area
Population	5,464	4,372	4,009	20,265	13,845
Median age	45.0	38.8	40.7	36.0	NA
Median household income	\$103,818	\$63,867	\$57,500	\$63,053	NA
% share renter	22.6%	51.8%	42.0%	61.4%	36.9%
% share owner	77.4%	48.2%	58.0%	38.6%	63.1%
Cost burdening					
• Overall cost burden	31.9%	44.0%	53.7%	39.4%	41.6%
• Renters that are cost burdened	44.6%	42.0%	76.9%	50.7%	53.8%
• Owners that are cost burdened	28.3%	46.3%	37.3%	21.7%	34.6%
Race/Ethnicity					
• American Indian Alaskan Native alone	0.9%	0.0%	0.0%	0.3%	0.4%
• Asian alone	20.0%	33.1%	35.9%	26.1%	28.7%
• Black alone	25.1%	21.1%	9.3%	20.1%	19.3%
• Hispanic/Latino	7.6%	13.1%	10.1%	17.6%	10.0%
• Multiracial	7.6%	4.0%	6.1%	5.2%	6.0%
• Native Hawaiian Pacific Islander alone	0.0%	4.1%	0.5%	2.2%	1.4%
• Some other race alone	0.0%	0.0%	3.8%	0.8%	1.1%
• White alone	38.8%	24.8%	34.3%	27.8%	33.1%

## Key Takeaway

As a regional point of reference, this research compares Skyway to Tukwila - a city of similar size and demographics to unincorporated Skyway. Compared to Tukwila, this area has a slightly smaller percentage of non-White residents and much smaller percentage of residents that rent.

In Skyway, 73% of residents identify as Black, Indigenous, or People of Color (BIPOC), with 31% of residents identifying as Asian, 28% as Black or African American, which, according to the Skyway Urban Food Systems Pact, is the highest in any community in Washington State, and 27% as White. Additionally, 8% of residents identify as Hispanic. This population is more diverse than near-neighbor Seattle, and significantly more than King County generally.



## HOUSING

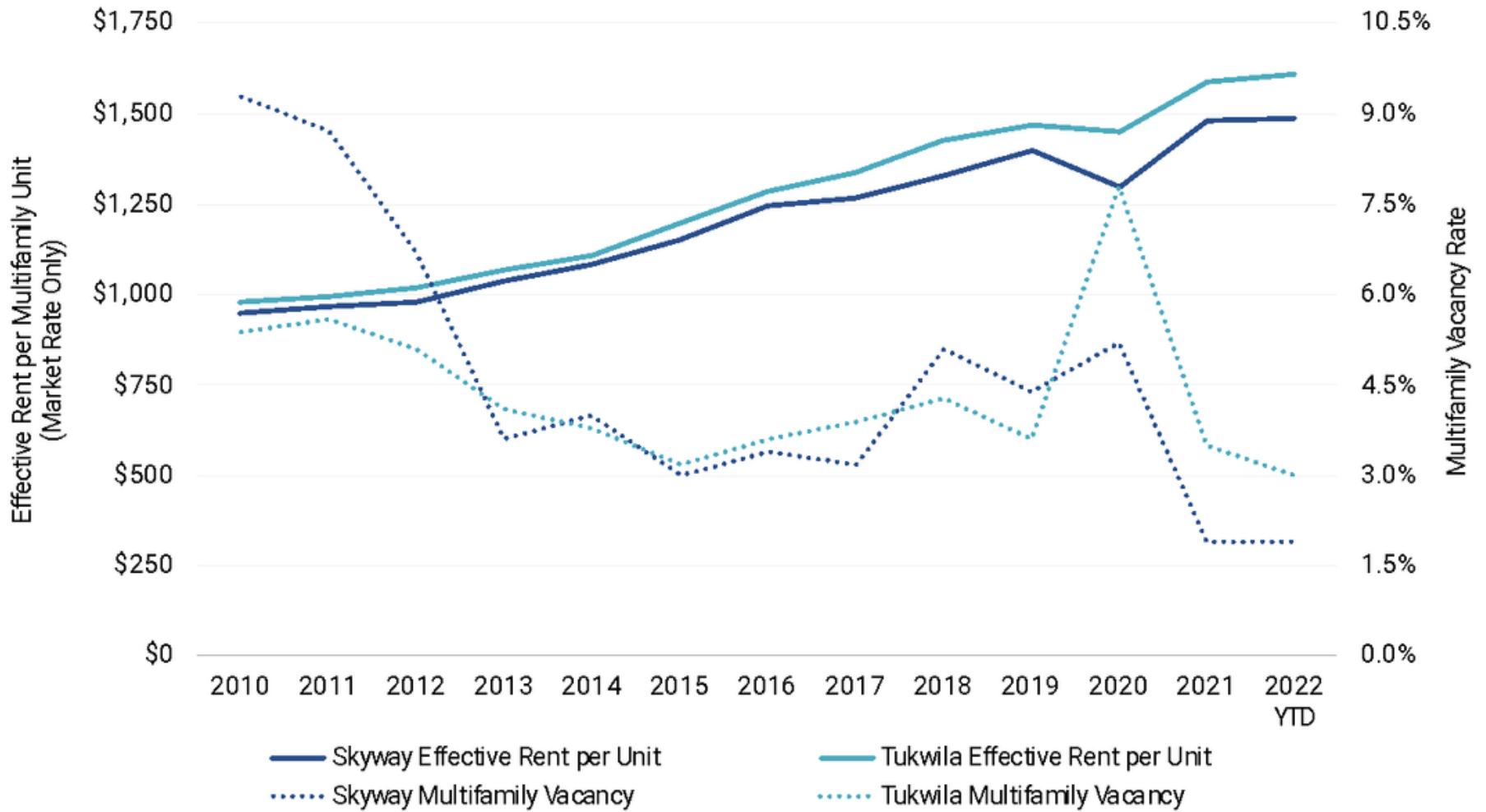
In Skyway, 57% of homes are owner-occupied, with the median house value at \$720,000 and the median rent for a one-bedroom is \$1,505 per month. According to these indicators, the average mortgage holding homeowner in Skyway is cost-burdened, spending over one-third of their income on their mortgage. The average single-person household in Skyway is severely cost-burdened, spending nearly 50% of their income on rent. This trend is likely to be exacerbated by recent real estate price hikes throughout the region.

The median household income in 2019 was \$70,968. Skyways overall poverty rate sits at 12%, which is higher than King Countys 8%, with higher rates of poverty among BIPOC residents. The median price of a home in Skyway in 2022 is \$720,000 up 16% since 2021. As a suburban community, most of the area is dedicated to residential buildings, with commercial uses concentrated along transportation corridors of Renton Ave. and Interstate 900. There is also a diversity of industrial development along Interstate 900 including industrial supply and engineering businesses. There are great opportunities for redevelopment for affordable housing and commercial space. It will be important to facilitate conversations between residents, developers, and funders to take advantage of these opportunities.

### Key Takeaway

As a regional point of reference, this research compares Skyway to Tukwila - a city of similar size and demographics to unincorporated Skyway. Since 2020, vacancy rates in Skyway have fallen below Tukwila's average. As of May 2022, vacancy rates reached 1.9% in Skyway relative to Tukwila's 3.0% citywide.





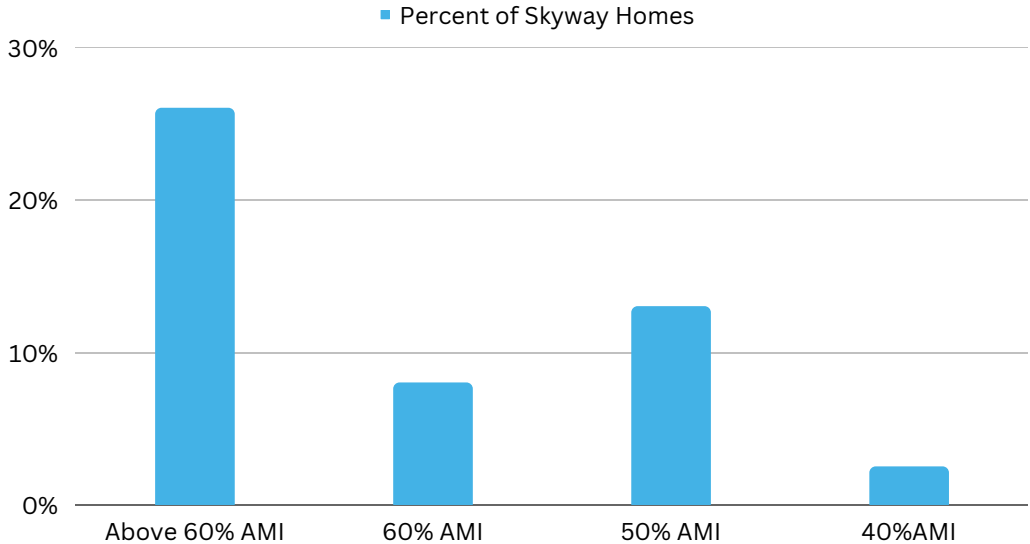
### Key Takeaway

As of May 2022, rents in Skyway reached \$1,485 per unit, about \$124 (or 8%) lower than Tukwila’s average of \$1,609 per unit. In both areas, multifamily rents have increased about 4% per year, on average, since 2010.

The Skyway-West Hill and North Highline Anti-displacement Strategies Report outlines some specific examples that could be useful in preventing displacement including:

- Community Preference
- Property Tax Exemptions
- Priority Hire
- Community Land Trust
- Affordable Development Incentives
- Tenant Relocation Assistance
- Down Payment Assistance
- Redevelopment Assistance

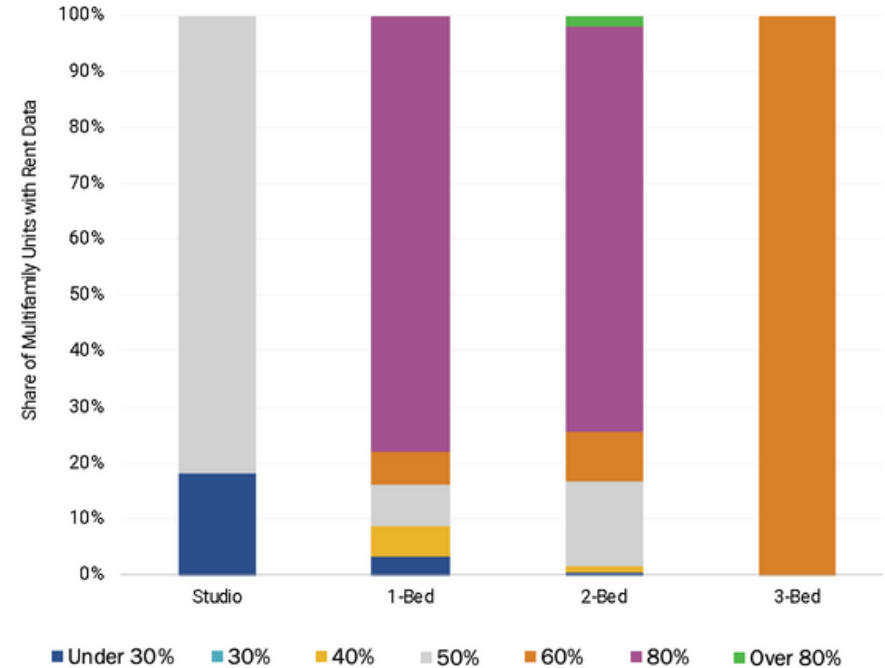
In total, approximately 26% of Skyway’s market-rate units are naturally occurring affordable housing (60% AMI or below). Only, about 8% of Skyway’s market-rate units are affordable to persons earning 60% AMI, 13% are affordable to 50% AMI, and 2.5% are affordable to 40% AMI.



The median price of a home in Skyway in 2022 is \$720,000 up 16% since 2021. The market is extremely competitive now with over half of homes selling 6% over the asking price in 5 days. Two recently sold homes in the area received over 70 offers and sold for \$300K above the asking price. Many households in Skyway are considered low-income or live below the poverty line and have limited access to essential resources like healthy food and community centers, due to the lack of pedestrian, bicycle, and public transit infrastructure in the area.

### Market Rate Rental Units

Affordability Category	Studio	1-Bed	2-Bed	3-Bed	Total
Under 30%	2	9	3	3	14
30%	0	0	0	0	0
40%	0	16	6	6	22
50%	9	21	86	86	116
60%	0	17	51	51	70
80%	0	223	413	413	636
Over 80%	0	0	11	11	11
Total	11	286	1,673	246	869



### Key Takeaway

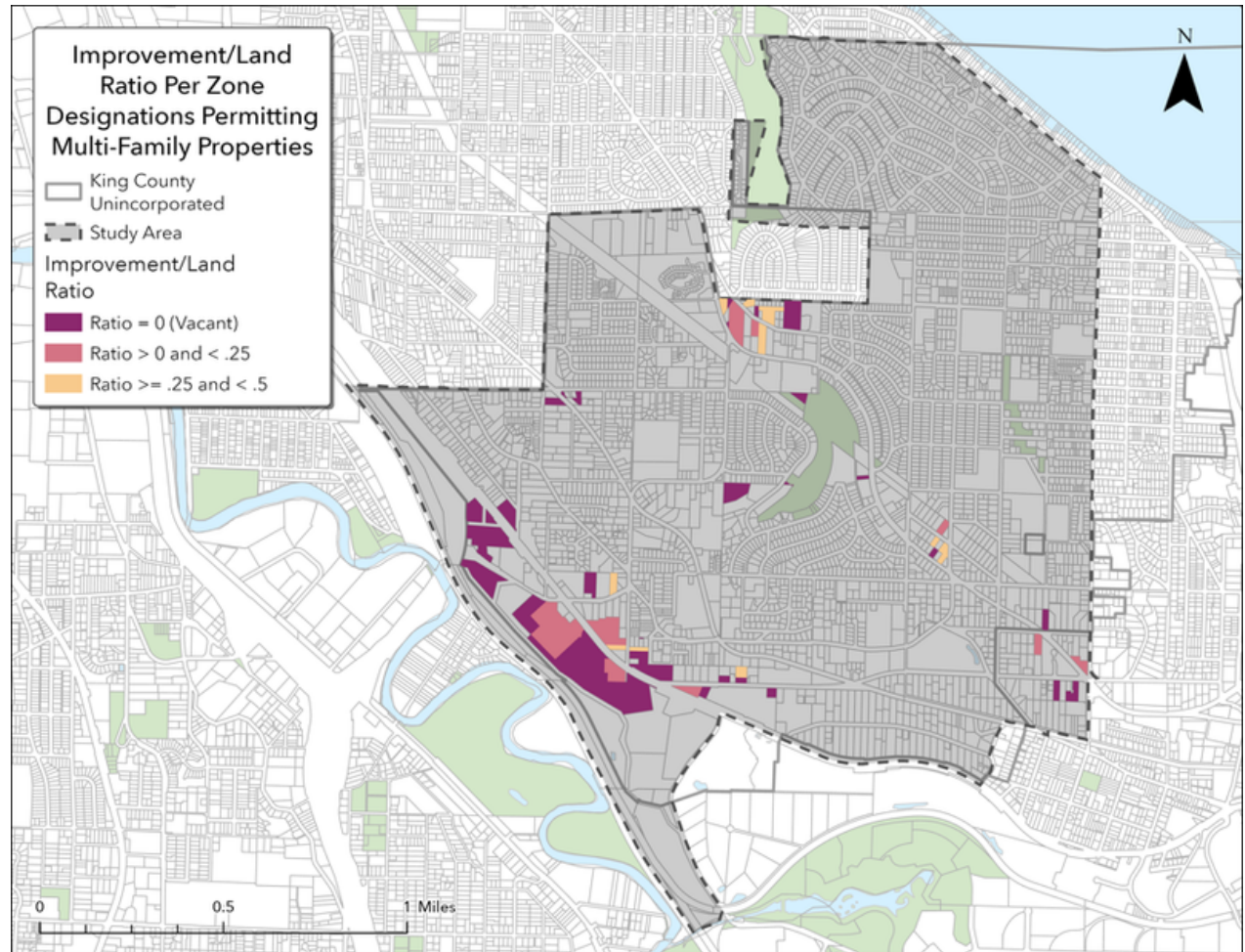
In total, approximately 26% of Skyways market-rate rental units are naturally occurring affordable housing (60% AMI or below).

## LAND USE

Much of Skyway is occupied by single-family homes (50%), which can decrease affordability for all housing types by reducing the availability of land to produce multi-family residences, especially during a regional housing shortage. Skyway has the potential for continued development and densification of housing, which can be beneficial for housing affordability in Skyway. The concept of Missing Middle Housing describes a range of housing typologies of medium, middle, density, including cottage homes, duplexes, and ADUs (accessory dwelling units) that are generally nonexistent, missing, in cities due to the rigidity of zoning codes. Creating opportunities to develop Missing Middle housing can be an effective strategy against gentrification and to maintain housing affordability.



Skyway's zoning maps were amended to remove affordable housing requirements, which would require developers to set aside 20% of constructed units as affordable for potential residents earning 60% or less than King County's Area Median Income (AMI). This requirement was stricken because the affected area would already require significant expense to become connected to the public sewer. It was determined that an additional requirement on the developers would render the area less financially feasible for developers. While developers will not be required to provide affordable units, housing affordability incentives remain available in this area if a developer chooses to include them. An affordability requirement was removed from a second area in the amendments to increase the financial feasibility of development, however, this area remains responsible for meeting pedestrian-oriented development and mixed-use development standards,

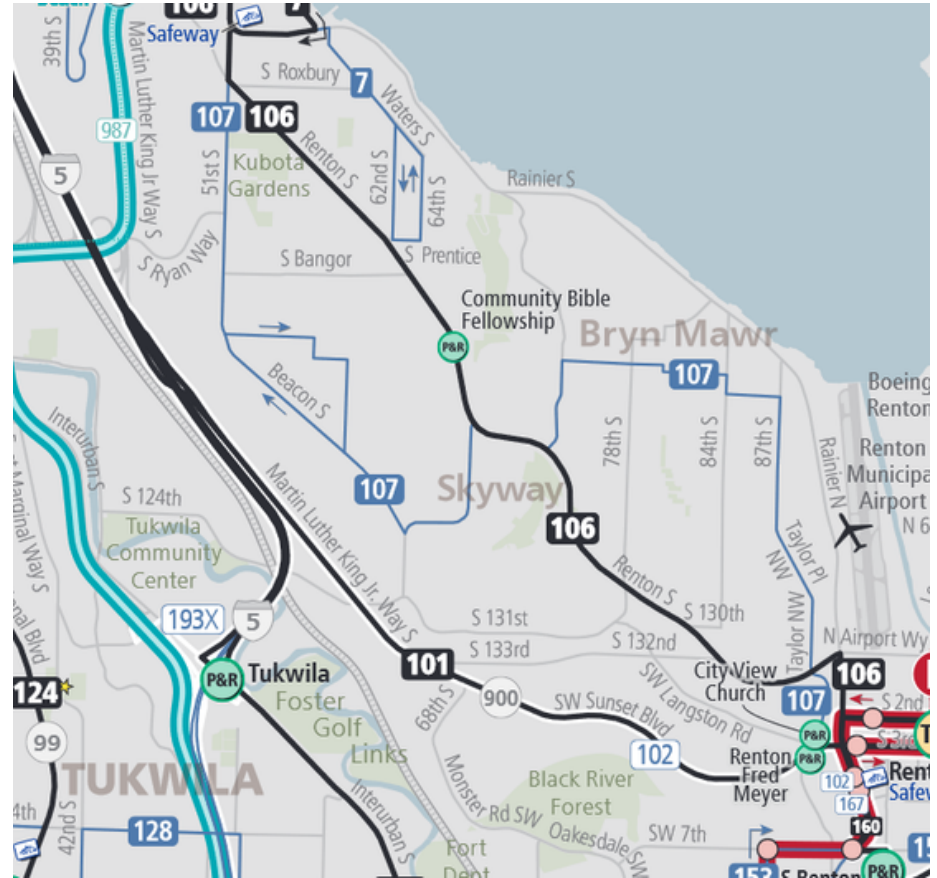


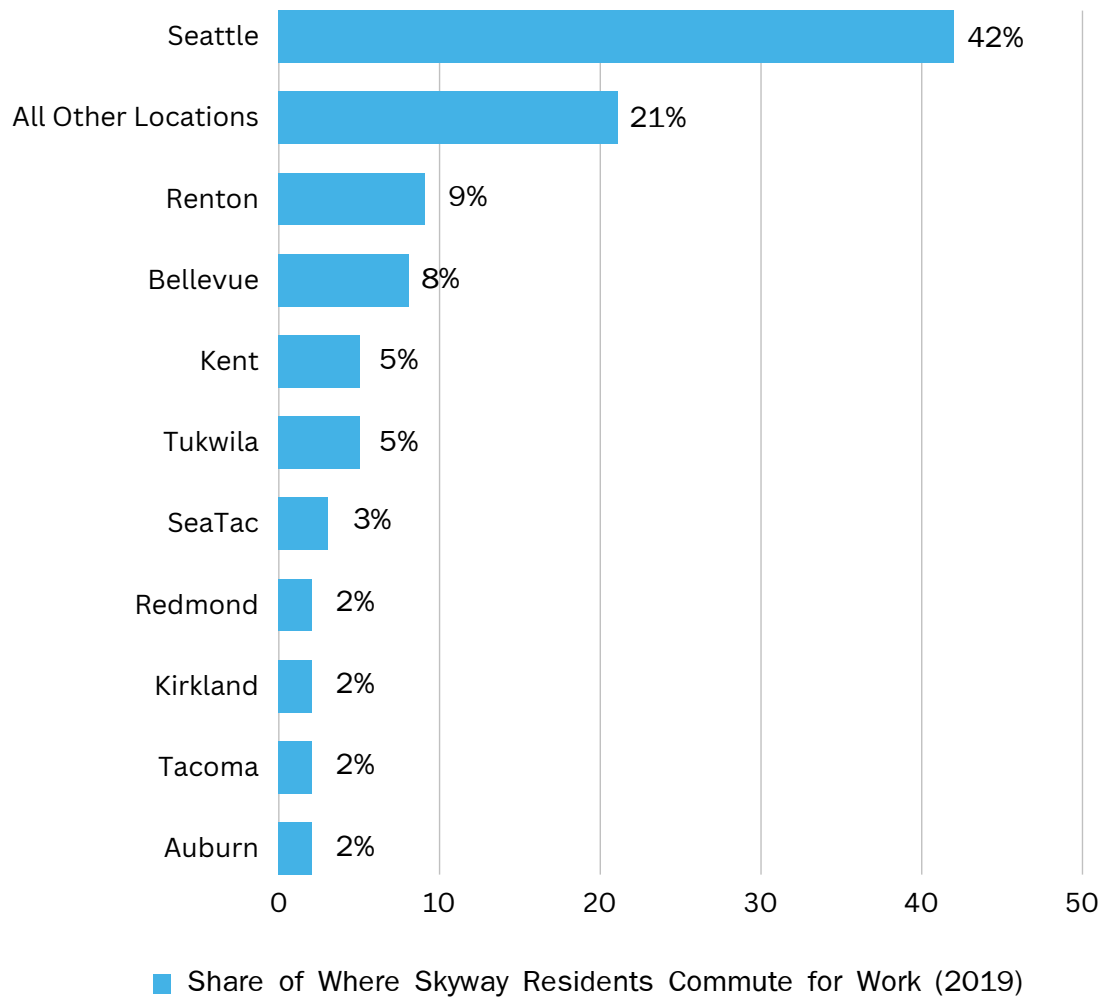
One way to identify properties that are candidates for re-development is to relate their current condition (improvement value) to the value of the land and represent it as a ratio. Lower ratios have a higher development propensity.



## TRANSPORTATION

Transportation and transit can be challenging in the Skyway area. Currently, King County Metro runs four bus lines through the Skyway area. Two lines run down Interstate 900 and one down Renton Ave, covering the main thoroughfares with 15-minute all-day service from 6 AM to 7 PM and 30-minute service during most other times. The average Skyway resident has a median commute time to work of 31.1 minutes alone in a personal vehicle. Increased frequency of current routes and the addition of new routes would greatly improve the transit accessibility of the Skyway area. In addition, improved pedestrian and bicycle infrastructure could be a valuable capital investment in the Skyway area that would greatly increase accessibility to transportation mode choice. This could increase access to possible future retail and grocery locations, as well as to the nearby Light Rail stop.





## Key Takeaway

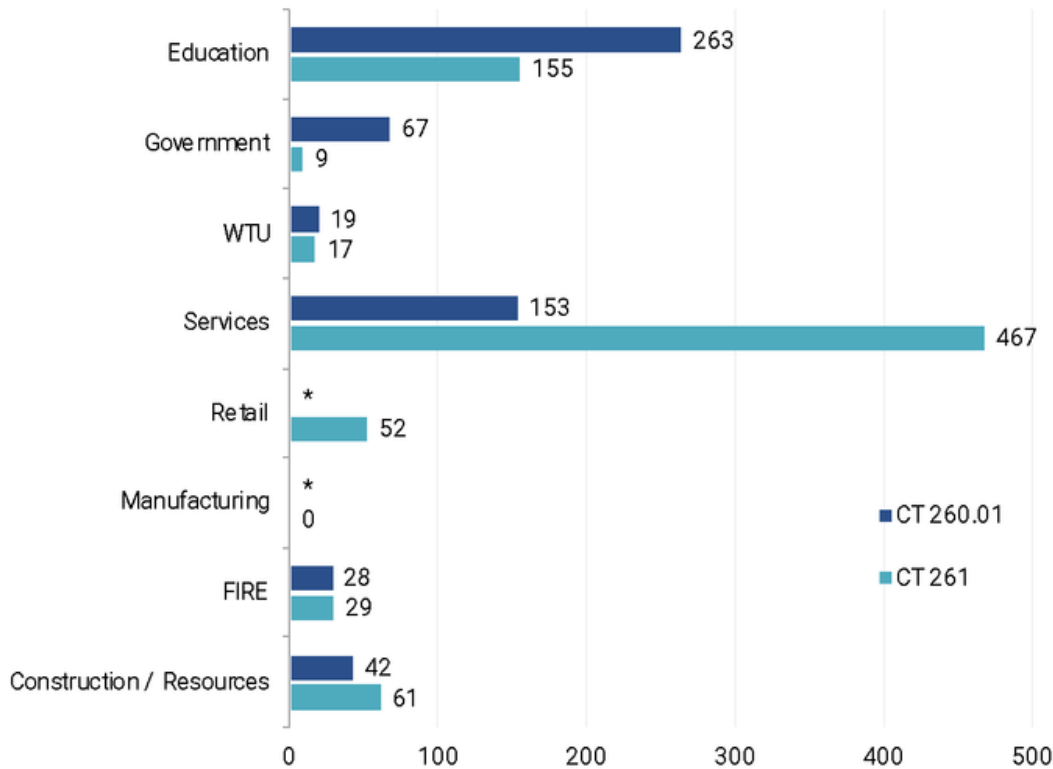
Approximately 42% of Skyway residents commuted to Seattle for work in 2019. Other top city destinations for work include Renton (9%), Bellevue (8%), and Kent (5%).

Approximately 46% of employees in Skyway resided in cities beyond Skyway (and nearby cities). 21% of Skyway residents commuted to other cities in the broader area for work.

About 6% of Skyway workers both worked and lived in Skyway in 2019. Nearly one-fifth (18%) of Skyway workers commuted from Seattle to work in Skyway. 15% of Skyway residents do not commute out of the area for work.



# ECONOMIC & WORKFORCE DEVELOPMENT



Employment Count by Major Sector - Census Tracts

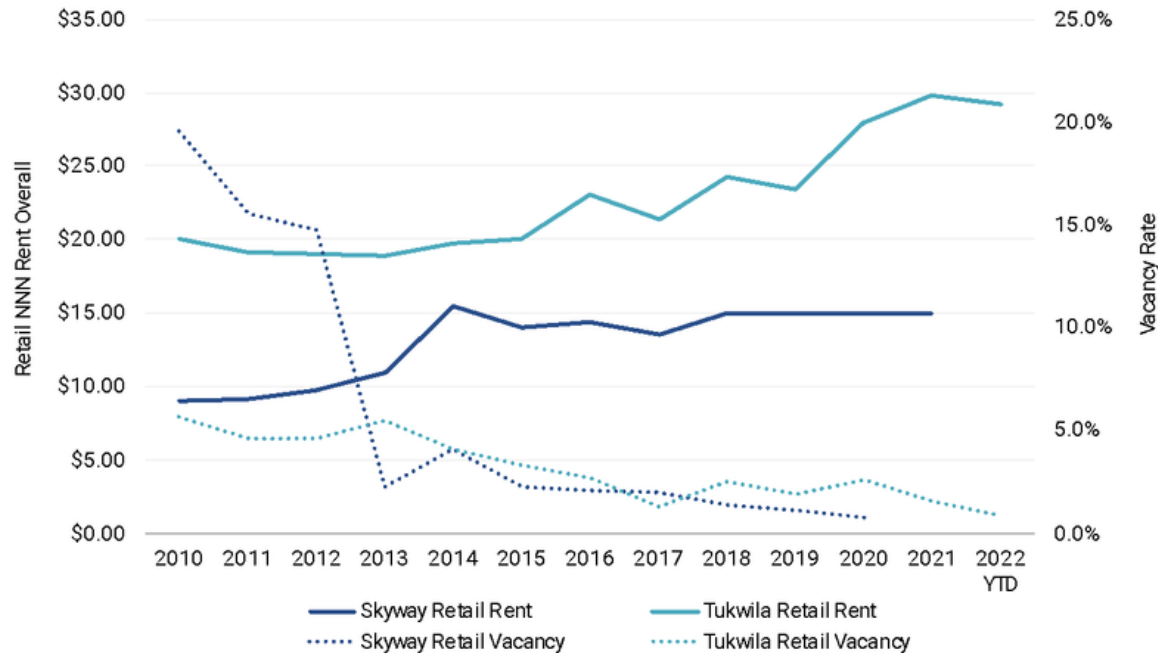
Note: FIRE stands for Finance, Insurance, and Real Estate; WTU stands for Wholesale Trade, Transportation, and Utilities; and, CT stands for Census Tract.

Skyways economy is predominantly centered around health care and social services, retail, and industry. The area is home to several industrial supplies and engineering firms while being near to two Boeing locations. It is well situated for those commuting to nearby south Seattle industrial areas. Additionally, the retail in Westfield mall, the surrounding retail, and office park sites, and the Seatac airport are accessible by personal vehicle and public transit for employment. The retail and commercial core is somewhat fragmented with key services and basic needs found outside of Skyway. Dedicated support to organizing legacy and new business owners including coordinated advertising, placemaking, marketing and traditional business support services could be an important step in ensuring that Skyway residents can meet their retail needs locally, bringing additional customers to the area and recruiting new businesses. The employment distribution of Skyway residents and Tukwila residents is quite similar.

## SERVICES SECTOR

The largest share, about 51% of Skyway residents, were employed in the Services sector.

Manufacturing comprised the second-largest share of sector employment for workers in Skyway, and the third largest for Tukwila workers. In total, the Census estimates that approximately 8,360 Skyway residents were employed in 2019, about 78% the size of Tukwilas resident workers (10,800). This research compares Skyway to Tukwila - a city of similar size and demographics to unincorporated Skyway.



### Key Takeaway

Retail rents in Skyway have remained around \$15, per square foot, from 2018 until 2021. At the same time, retail rents in Tukwila increased from \$24.33 to \$29.85 (or, by 23%) over the same period.

Retail vacancies have remained quite low in both Skyway and Tukwila. In 2020, the latest year with data available for Skyway, retail vacancies reached a low of 0.8% compared to Tukwilas 2.6%.

# Community Engagement

The Skyway community is diverse and rich in cultural groups, churches, and community-driven organizations. These groups represent a variety of cultural backgrounds, immigrant and migrant populations, religious affiliations, and interests. Skyway residents are very active in their community and have formed several groups to advocate for their interests and improve the area for themselves and their neighbors. Skyway is currently planning for the development of a new community center in which to situate its local food distribution program and to house a variety of community services.

Skyway communities have expressed significant concern about food access, especially among youth. Just over two thirds (67.8%) of Skyways children are on the free and reduced lunch program, which is nearly double the county average (34%). Skyway has very few grocery stores including Grocery Outlet and Skyway Mart on the main thoroughfare of Renton Ave. and two bodegas, Why? Grocery and Feleg Food Mart on Rainier Ave. Community members have taken action on this challenge by creating their Community Action Plan through the Environment Protection Agency (EPA)'s Local Foods, Local Places technical assistance program.

BDS Planning partnered with the Skyway Coalition, a lead organization that has been at the forefront of planning and organizing efforts, as well as other local organizations including the Skyway Resources Center and the West Hill Community Association. Through these conversations, community leaders focused on requests to help grow organizational capacity and investment in the Skyway retail corridor and in relationship building with business owners.



Exterior of former U.S. Bank at 12610 76th Avenue South in Skyway.

## Bank to Become Skyway Resource Center

A local campaign led by [Renton Innovation Zone Partnership \(RIZP\)](#) convinced U.S. Bank to [donate their building and land to the community](#) (currently under the experienced stewardship of [King County Housing Authority](#)).

The property, located at 12601 76th Avenue South, will eventually become a [HUD EnVision Center](#), replacing the mobile resource center.

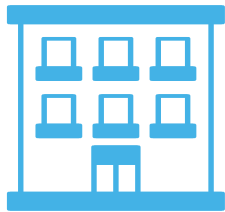
What **businesses or services** would you like to see in Skyway to meet your family needs?

- A) Restaurants & Cafes
- B) Financial Services
- C) Automotive Service
- D) Clothing & Apparel
- E) Health & Beauty
- F) Other

LISC

Skyway Resource Center

## What the community is asking for



BDS Planning also conducted a series of stakeholder interviews in smaller group or one-on-one settings to gain additional insight into issues that are affecting the community. Key themes of these interviews were:

**Organizational Capacity** - Organizations in Skyway have worked for decades to bring resources, information and to advocate for the needs of the community. By and large, much of this has been done by dedicated community volunteers. Permanent staffing and sustainable funding for these organizations is essential to support the Skyway community.

**Affordable Housing** - Housing costs have risen over the last decade with little new affordable housing options. A range of housing options is preferred including increasing the ability to develop land for affordable uses. New policy tools such as expanding the MFTE could incentivize permanently affordable housing development.

**Small Business Development** - Business areas are fragmented. The community would benefit from increased alignment between residents retail needs and business type. Strengthening the sense of place, retail mix and supporting existing business owners will require providing technical assistance, market research and other services to legacy businesses in the area. Helping to organize the businesses together for mutual support and to align on a vision for the commercial district.

**Reliable Transit and Transportation** - Additional bus service that can more reliably connect Skyway residents to the surrounding areas, and investment pedestrian and bicycle improvements will increase transportation choices.

## Grow Organizational Capacity

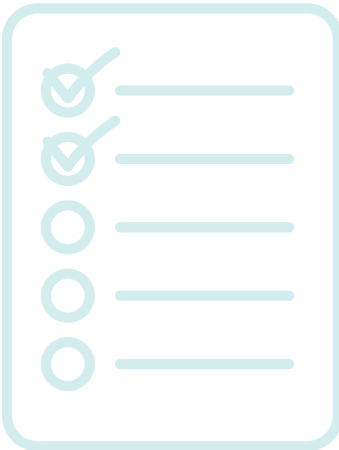
Skyway has strong community-based organizations with sustainable staff capacity that can actively engage in economic development opportunities and expand partnerships.

# DRAFT RECOMMENDATIONS

## STRATEGY AREAS:

## Organize Retail Corridor

Skyway understands the needs of its small businesses and has a strong organization that can provide technical assistance, connect business owners to resources to support a thriving neighborhood business district.



## Invest in Community and Generational Wealth

Skyway residents thrive in their community, can develop assets, and fully participate in empowerment programs



## GROW ORGANIZATIONAL CAPACITY

- Invest in and expand staff capacity in Skyway Coalition focused on building business district relationships and economic development programming
- Grow connection between community-based programs (i.e., Community Center, Parks, Skyway Resource Center and Farmers Market)
- Grow and sustain advocacy roles on issues that impact Skyway residents and businesses
- Host ongoing information fairs, community sessions to bring resources and information to communities
- Implement and integrate recommendations of the Skyway-West Hill Community Service Area Subarea Plan

### Goal

Skyway has strong community-based organizations with sustainable staff capacity that can actively engage in economic development opportunities and expand partnerships.

## METRICS OF SUCCESS

# of events per year

# of residents / businesses served

Issue papers and meetings on advocacy issues

Information one-pagers

## POTENTIAL PROJECT PARTNERS

Skyway Coalition

King County

Skyway Resource Center

Urban Food Systems Pact

Renton Innovation Zone Partnership

## ORGANIZE THE RETAIL CORRIDOR

- Engage residents to identify consumer needs
- Create a database of business owners to track business needs and other goals and objectives for investment
- Develop and administer regular business owner outreach and engagement
- Complete market analysis and retail leakage study to better understand retail needs, recruitment, and other areas investment
- Conduct commercial and industrial analysis considering office recruitment and vacancies
- Develop business marketing materials and business organization prospectus
- Create and implement program which provides technical assistance, placemaking and marketing services for businesses with a particular focus on legacy businesses
- Support commercial affordability policies and affordable commercial ownership opportunities including master lease opportunities and other community ownership models
- Create sustainable, vibrant, and walkable business districts that provide opportunities for local businesses to succeed

### Goal

○ Skway understands the needs of its small businesses and has a strong organization that can provide technical assistance, connect business owners to resources.

## METRICS OF SUCCESS

- # of businesses engaged
- Developed and distributed marketing materials
- Business Organization prospectus
- Completed Roster of Businesses along corridor
- # business by sectors
- Types of services needed

## POTENTIAL PROJECT PARTNERS

Skyway Coalition

Ventures

King County Economic Development Program

NW Business Impact

## INVEST IN COMMUNITY AND GENERATIONAL WEALTH

- Continued funding and advocacy for resources for Community Center
- Continued funding and advocacy for affordable housing resources
- Complete community ownership of the US Bank building
- Expand community benefit agreements as needed and appropriate with developers
- Continue land use study to look at additional zoning changes that could bring in additional affordability
- Partner with community-based organizers and developers on homeownership opportunities and other lease to own models
- Build community cohorts focused on new economy learning
- Advocate co-location of services integral to community health (i.e., childcare, education, healthcare, financial services, meeting spaces, and other shared spaces)
- Expand tenant and eviction right programs
- Complete study of underutilized land for generational wealth investments (detached dwellings).

### Goal



Skyway residents thrive in their community, can develop assets and fully participate in empowerment programs.

## METRICS OF SUCCESS

- # of permanently affordable 2 and 3 bedroom units for family
- # of asset growth in community control
- Land Use and zoning changes

## POTENTIAL PROJECT PARTNERS

Skyway Coalition

Brooks Village

Skyway Resource Center

Renton Innovation Zone Partnership

West Hill Community Association

Homestead Community Land Trust

Community Land Conservancy

Urban Family

Homesight



Communities of Opportunity: *Andrea Akita, Yasmeen Perez*  
King County Department of Local Services: *David Daw, Hugo Garcia, Kristin Pula, John Taylor*  
King County Councilmember Girmay Zahilay  
People's Economy Lab: *Njuguna Gishuru*  
Renton Innovation Zone Partnership: *Ryan Quigtar*  
Renton School District: *Cherryl Jackson-Williams*  
Skyway Coalition: *Rebecca Berry*  
Urban Family Center: *Paul Patu*  
West Hill Community Association: *Devin Chicras, Fin Hardy*

Childhaven  
Housing, Homelessness and County Development, King County  
Skyway Resources Center  
Supporting Partnership in Education and Beyond (SPEB)  
Urban Food Systems Pact

—  
BDS Planning & Urban Design: *Andres Mantilla, Ishmael Nunez, Jacqueline Robinette, David Garcia, Malena Magallanez*  
Document Layout by *Natalie Scott GreyScott.com*



**LLSC PUGET SOUND**