

Ensure Maximum Impact from Freight Mobility Investments

POLICY FACTSHEET

Why it matters to WASHINGTON

Washington state is a gateway to and from the global economy, and our international competitiveness depends on our ability to reliably and quickly transport goods through our ports and across the state and country.

At least 70 percent of the freight coming through the ports of Seattle and Tacoma is destined for the rest of the U.S., meaning that shippers only choose our ports if they can efficiently get their goods from here to the rest of the country. Thousands of Washington jobs, from ports and logistics companies to retailers and manufacturers, depend on the efficient movement of freight.

Currently, traffic congestion on Washington highways costs businesses \$3.3 billion per year. If traffic congestion and poor infrastructure do not stand in the way, Washington state freight tonnage is projected to grow 86 percent by 2040¹. We must invest in our freight mobility infrastructure to reach our full potential.



Traffic congestion on I-5. Photo courtesy of The Lens and Sounder Bruce

Washington's transportation system moves more than 52 tons of freight, worth nearly \$46 billion every day.²

POLICY RECOMMENDATIONS

1. Invest in strategic, multi-modal freight projects

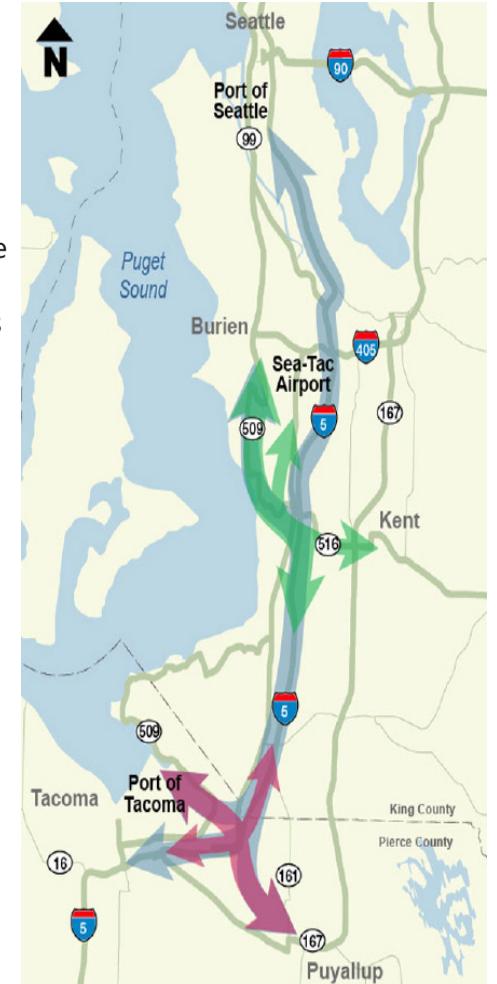
All too often transportation projects fail to look at the big picture and don't holistically address challenges. While many projects address specific chokepoints, bottlenecks are often just pushed further down the road. Investments must be more strategic and address long-term challenges, not short-term fixes. In addition, any solution to improve freight movement needs to recognize the multi-modal nature of freight - a single shipment often moves by multiple modes of transportation, such as water, rail and truck.

2. Complete the Puget Sound Gateway and other key freight corridors

The Puget Sound Gateway is an important freight corridor that will connect the ports of Seattle and Tacoma to key distribution centers and the rest of the state. Two projects make up the Puget Sound Gateway - SR 509 and SR 167. These projects, which were left unfunded for years, will finally receive direly needed funds through the Washington state transportation package. In addition, S Lander Street just received federal funding to complete a freight rail overpass to speed up movement of freight and ease traffic congestion in Seattle's busy SODO neighborhood. WSDOT and the City of Seattle must undertake both of these projects with due diligence to make sure they addressing the top needs and priorities in the most efficient and sustainable way.

3. Remain competitive for federal funding

The FAST Act and TIGER program provide grants to fund projects that will improve critical freight movements. Washington state has already done well, being granted \$50 million for the South Lander Street project and Strander Boulevard project in Tukwila through the FAST Act, and receiving multiple TIGER grants for projects at ports of Seattle, Tacoma and Everett. We must ensure we remain competitive for increased funding in the future by delivering on current projects and developing effective plans for other high-priority freight projects.



Map of Puget Sound Gateway Project

THE IMPORTANCE OF FREIGHT RAIL IN WASHINGTON

A significant portion of our state's imported and exported goods are carried by Washington's 3,000 miles of railroad lines. In 2011, the state rail system carried 105 million tons of freight, compared with 64 million tons in 1991.

The state's rail network has extended across much of the state; now 32 of the state's 39 counties are served by one of the state's freight railroads. 342,000 jobs in Washington state are dependent on freight rail. While the majority of the state's rail development is driven by private investment, public investment is critical at multimodal transportation junctures, such as ports.

Freight rail contributes at least \$28.5 billion, which is 7.5% of state GDP, to the Washington state economy



2015 Washington State Rail System



Map courtesy of WSDOT

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ENSURE MAXIMUM IMPACT FROM FREIGHT MOBILITY INVESTMENTS



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Background

In an increasingly interconnected economy, the ability to move goods reliably and quickly is essential for both consumers and businesses. Unfortunately, freight bottlenecks and other forms of congestion cost U.S. businesses about \$200 billion a year – due to the increased price to ship goods as well as transportation costs for raw materials and other inputs. Without addressing these issues, we are hindering economic growth and threatening to risk the United States' global competitive edge. Our competitors already significantly outspend the U.S. on freight mobility: while the U.S. only spends 1.7 % of GDP on transportation investment and maintenance, Canada spends 4% of GDP and China spends 9%.

In 2015, President Obama signed the FAST Act into law, which provides long-term funding for surface transportation, and the Washington State Legislature passed the Connecting Washington transportation funding package. These investments have the potential to significantly improve Washington's freight mobility infrastructure. We need to ensure these investments are made in the most effective ways on projects that achieve maximum impact for our state's residents.