

## VandenBerghe, Alissa (Consultant)

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**From:** Claus, Emily (Consultant)  
**Sent:** Tuesday, July 29, 2008 10:40 AM  
**To:** 'bailey@portland.econw.com'; 'moore@eugene.econw.com'  
**Cc:** 'ron.posthuma@kingcounty.gov'; 'bob.chandler@seattle.gov'; Paananen, Ron; Grotefendt, Amy (Consultant); 'Tracie Sunday'; 'Hannah McIntosh'; 'OClaire, Christina'; Van Ness, Kristy  
**Subject:** FW: Survey Questions for Economic Impact Analysis of Scenarios

Jules -

Please find a survey response below from Argosy Cruises. Please let me know if you have any questions.

Thanks,  
Emily

**Emily Claus**  
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**From:** Kevin Clark [mailto:kevinc@ARGOSYCRUISES.COM]  
**Sent:** Monday, July 28, 2008 2:09 PM  
**To:** Alaskan Way Viaduct  
**Subject:** Survey Questions for Economic Impact Analysis of Scenarios

### **Alaskan Way Viaduct and Seawall Replacement Program Central Waterfront Survey Questions for Economic Impact Analysis of Scenarios**

- 1) Please describe your business or community organization.

Argosy Cruises operates 11 vessels primarily in Elliott Bay and Lake Washington. It also operates a 180' dinner ship (Royal Argosy) with two full state-of-the-art kitchens onboard. To support the dinner ship and the fleet with customer food service, Argosy also owns and operates a full prep kitchen at Pier 56, along the Seattle Central Waterfront.

Further, we provide critical passenger ferry services to Tillicum Village, a restaurant which provides authentic wood-fired cooked salmon meals, along with a native American historical program in their long house on the Washington State Park's Department owned Blake Island. This northwest icon has been successfully operating for nearly 50 years. Key to their success is their guests

being able to arrive and depart our docks at Pier 55.

Most important for the viaduct project are the extensive water-related venues we operate on Piers 54, 55, 56 & 57. All of which are six inches from the seawall at the base of Madison Street, dead center of “the mile in the middle:”

#### Seattle Harbor Tours

Locks Tours

Argosy Visitor’s Center

Royal Argosy (dinner ship)

Waterfront Catering

West Seattle Water Taxi Service

Argosy Cruises (charter services)

Primary moorage for 9 vessels

Argosy’s offices on Pier 55

West Seattle Water Taxi (King County Metro)

Tillicum Village

Together, our operations on Piers 54 through 57 employ 85 year-round with seasonal employment over 250 people and generate over \$15M in annual revenue.

2) From your perspective, what key points should an economic impact analysis consider? (E.g., effect on businesses, community, the environment, etc.)

This is an Economic Impact analysis and should concern itself with

--Impacts of construction on local organizations (businesses, arts, schools, the port, the community) and residences

--Impacts of delays during construction, and gains from eliminating delays after the project is completed

--Effects on employment—jobs created by the project and jobs lost by the project or its effects

--Effects on capital capacity of the project team to finance it (does it consume excessive debt capacity?)

--Disruption caused by the project, which makes the region less attractive for employers, tourists, and visitors to, cruises, Olympics in Vancouver

--Effects on our critical industries: Port, tourism, Boeing, Microsoft, health research and care, professional services downtown, retail & services

Except as can be quantified, it should not concern itself with environmental impacts or social impacts. Those should be measured by Environmental Impact or Cultural Impact analysis.

The analysis should look at similar projects completed around the country and identify results, models for programs that worked to mitigate economic impact, and long term economic consequences.

2) 2) What kinds of transportation are most important to your organization or business and how dependent are you on those modes? For example, what mode of transportation? From where and for what reason?

Three factors are important for us:

Delivery systems for food and supplies. Each of our vessels receives all of their supplies and food/beverage products that we sell on-board each ship on a daily basis. In addition, the Royal Argosy and Waterfront Catering operate large kitchens whose food and related supplies are being delivered on a daily basis. Those trucks range from 60-ft semi trailers to cargo vans.

Transportation by our customers to our location. On Piers 54-57 between 59 and 69% of our customers arrive by personal car, since they come in family groups with elderly or young—therefore strollers or walkers and wheelchairs. The rest come by ferry, walking, taxi. Very few come by bus (since there is no transit service to the waterfront) or bike.

Workers on the pier and office. The bulk of our employees come by mass transit—busses and ride-share programs, but with ferry, carpool, bike, walk thrown in. The Argosy management and operations people who primarily operate out of our central office drive alone most days as they are required to travel to various locations to deal with the fleet kept at other waterfront locations. An efficient transportation system is CRITICAL to getting them around the region to our various King County points of operations and to our vendors quickly.

4) How dependent is your organization or business on its current location? Are there other areas that are potential locations for your organization or business?

Piers 54-57 and the businesses on it are not movable. We are a water dependent business. We operate ships for tours, charters, dining and passenger ferry service. It's success and ability to stay in business has been predicated on having a healthy and vibrant waterfront. We must maintain access to the 3 million tourists and 400,000 employees of local organizations and 30,000 downtown residents (and 2 million residents of the Sound) to stay in business. We have been operating as a family run business now for nearly 60 years.

Our current location is critical. There is no other waterfront moorage that can provide such prime Puget Sound access to the volume of tourists and residents that we serve.

5) Do you have any other comments?

Disruption on waterfront as envisioned by cut and cover tunnel/viaduct rebuild over period of years would put most waterfront businesses out of business and would kill the aquarium. Our typical customers—office dwellers, downtown and Puget Sound residents, and tourists will not come to a construction zone to relax with dinner or a cruise or a visit to the sea otters.

In addition, closing or partially closing viaduct would create bottlenecks in Seattle that would make Seattle businesses and organizations unattractive for employers, arts organizations, sports teams and would result in people shifting out of downtown and into the suburban ring.

A surface/transit option that cannot handle the 120,000 vehicles that now use the viaduct AND the growth from 1M more residents that the Puget Sound Regional Council says are coming would reduce accessibility to the waterfront and shut down transportation through the region.

Furthermore, parking is a critical requirement for our success and the city and the viaduct project propose to eliminate 3,700 public parking spaces under the viaduct and on downtown streets without replacement. The annual studies that Ivar's, the Aquarium and Argosy perform indicate that between 59 and 69% of our customers come to the waterfront by car, in family groups—the median occupancy rate is about three pax per vehicle. They must park “within sight” of their destination and will not park at the Columbia Tower, Convention Center, or stadium parking lots and walk to the water. The elimination of visitors due to elimination of parking by the project should be measured as an economic impact.

When asked what is our “preferred” option for replacing the viaduct? Of the various studies presented, but yet to be fully vetted, is a deep bore tunnel similar to the light rail tunnel under Beacon Hill. An option that appears to fit within the construction budget provides the lowest economic disruption cost and can provide for current and projected future traffic volume needs.

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