Reason for the Study

• The Ballard Locks are 100 years old and need $30 to $60 million in new investment to make major systems reliable and safe.

• Loss of Congressional earmarks and increased competition for limited Corps funds.

• Army Corps budget process prioritizes investment on the basis of “Value to the Nation” (VTN), driven mainly by cargo tonnage.

• Value of the Locks is not accurately captured by Corps VTN formula.

• Ballard Locks provides many benefits not accounted for in the VTN; many are unique among USACE locks systems.

• Users needed to tell the story of the Locks and the economic value of the marine industrial network around the facility.
Ballard Locks Study Funders

Ballard Alliance
Ballard Oil Company
City of Kenmore
City of Kirkland
City of Seattle
Coastal Transportation
Covich-Williams
CSR Marine
Ferguson Terminal
Foss Maritime Company
Freezer Longline Coalition
Fremont Dock Company
Kirby Corporation
Lake Union Drydock Co.
Malone Law Group PS
Nautical Landing Marina
The Nordic Heritage Museum
Northwest Marine Trade Assn.
Northwest Yacht Brokers Assn.
O'Hara Corporation
Pacific Fishermen Shipyard
Port of Seattle
Puget Sound Ports Council, Maritime Trades Department
AFL-CIO
Seattle Marine Business Coalition
Stabbert Maritime
The American Waterways Operators
Western Towboat
United Catcher Boats
US Seafood
Vigor
Ballard Locks Budget and Funding

- **Routine Operations and Maintenance Budget**
  - Between $8.0 and $8.4 million/yr from 2011 through 2017.

- **Non-routine Repairs and Upgrades Expenditures**
  - Avg of $1.8 million/yr over the same period
  - Major projects remain unfunded
Locks Traffic

Recreational vs. Non-Recreational Vessels, 2015

- Recreational vessels, 33,087
- Non-recreational vessels, 7,471

Total Vessel Transits: 40,558
Total Tonnage: 1,088 KT

Non-Recreational Vessels by Type, 2015

- Towboats, 3,414
- Gov't, 792
- Commercial fishing, 1,542
- Passenger boats/ferries, 1,094
- Cargo/crew boats, 604
- Other, 25

Source: USACE
Value of the Ballard Locks

- Economic Value
- Environmental and Public Infrastructure Value
- Tribal Obligations
- Public Safety
Economic Value

- Busiest in nation in vessel transits – 40,000/yr
- 12th busiest in commercial transits – 7,500/yr
- Supports $1.2 billion in economic activity
- Tide-free, freshwater environment reduces maintenance costs and prolongs vessel life for 700 commercial and roughly 4,000 recreational vessels
Economic Value (cont.)

- Indirectly supports an estimated $785 million in seafood exports
  - 2016: 271 vessels 40’+ made ~1,600 transits of Locks
    - 200+ homeported in Washington
  - ~40% of active North Pacific fishing vessels over 58’ moored and/or serviced annually inside the Locks
  - Vessels that transited the locks earned over $500 million in 2016

- One of Seattle’s most popular visitor attractions
  - 1.25 million visitors annually
  - $38 million in visitor-related economic activity
Environmental and Public Infrastructure Value

- Locks, spillway, and fish ladder safeguard $125+ million in salmon habitat protection and restoration
- The only point of access and egress for salmon migrating in/out of the Lake Washington/Cedar/Sammamish watershed
- Controls water levels in Lake Washington and Lake Union to maintain SR 520, I-90, and 75 miles of shoreline in lakes and canal
- Access point for major infrastructure projects including 520 floating bridge and Ballard/Wallingford stormwater tunnel
Tribal Obligations

- Locks are key to meeting federal responsibilities under treaties with Muckleshoot and Suquamish tribes.
- Muckleshoot fishing boats use the Locks annually (range of 20-80 vessels/year).
- Muckleshoot biologists work in partnership with USACE to monitor and manage fish runs.
  - Coho (21k/year)
  - Sockeye (115k/year)
  - Chinook (11k/year)
Public Safety

• Rapid access between lakes and Puget Sound saves money and increases effectiveness for Seattle Fire Department, Seattle Harbor Patrol, U.S. Coast Guard, and King County Sherriff

• A major Locks failure due to earthquake or flooding could jeopardize billions of dollars in public infrastructure and threaten human life
  • Full extent of safety impacts currently under study by USACE
  • Report anticipated in Fall 2017
# Summary of Business Impacts

<table>
<thead>
<tr>
<th>Business Impacts</th>
<th>Value</th>
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<tbody>
<tr>
<td>Total annual gross revenues connected to the Locks</td>
<td>$1.2 billion</td>
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<tr>
<td>Direct locks-dependent annual payroll</td>
<td>$120 million</td>
</tr>
<tr>
<td>Direct locks-dependent jobs</td>
<td>3,000</td>
</tr>
<tr>
<td>Locks-dependent annual federal tax revenues</td>
<td>$15 million</td>
</tr>
</tbody>
</table>
The Locks are critical for marine firefighting and emergency response.... Without the Locks, it would significantly impact marine operations for firefighting.

– Seattle Fire Department

A long-term closure would be astronomical for us...Contracts would be lost. All of the shipyards would shut down. We would have to lay off workers.

– Tug and Barge Company

A three-month closure would mean laying off half of our workforce. Any longer, we would go out of business.

– Shipyard Owner

Quite frankly, if we didn’t have the facility inside the Locks, there are not many options to do business in the Seattle area.

– Construction Company

Honestly, we could not afford a three-month closure. I don’t think it would be viable. We are providing a critical interstate transportation service that would no longer exist.

– Tug and Barge Company
Economic Impact of the Hiram M. Chittenden Locks