

From the Puget Sound Business Journal:

<https://www.bizjournals.com/seattle/news/2021/01/08/amazon-distribution-center-arlington-wa-panattoni.html>

Sources: Amazon is tenant behind \$356M 'Project Roxy' near Arlington Municipal Airport

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Development company Panattoni has filed plans to build a \$356 million, 2.8 million-square-foot distribution center across the street from Arlington Municipal Airport, and real estate industry and other sources say Amazon will be the tenant.



CITY OF ARLINGTON | PANATTONI DEVELOPMENT CO.

The five-story structure would be erected on a 75-acre property, which city of Arlington planning documents state is owned by Everett-based National Food Corp. and its employee 401K retirement plan. The site address is at 16900 51st Ave. NE., not far from Interstate 5 and State Route 531.

Dubbed "Project Roxy," the distribution facility would create 1,000 jobs in the Snohomish County city of 20,000, which is located inside a state-approved tax incentive zone, but the project doesn't qualify for incentives because no manufacturing is involved. The zoned designation is meant to spur the construction of industrial/manufacturing facilities in Arlington or Marysville by offering property tax exemptions for 10 years.

The project will have approximately 1,250 parking stalls, 51 truck loading docks and 314 trailer parking stalls. Renderings of the

building submitted to the city show a towering structure featuring Amazon Air-like light blue colors.

The scope of this project is larger than similar Amazon facilities in the region.

Panattoni Development applied to the city on Sept. 30 for permission to develop the facility, public records show. A Dec. 2 city staff report to the city's Design Review Board says the 2.8 million square feet will include a 100-foot tall building and auxiliary structures.

In Kent, by contrast, Amazon operates a 1 million-square-foot distribution center next door to the four-story "Project Wulff," which is 885,000 square feet.

Travis Hale, a partner at Panattoni's Seattle-area office, said the company plans to begin construction in early spring but declined to provide other details.

Panattoni developed a similar, though much smaller "last mile" distribution center for Amazon next to Bremerton National Airport in Kitsap County.

In a statement, Amazon said it is "constantly exploring new locations and weighing a variety of factors when deciding where to develop sites to best serve customers, however, we don't provide information on our future roadmap."

National Food has not yet responded to an inquiry from the Business Journal.

Despite the new facility's location near Arlington Municipal, air cargo operations are not expected to be part of Project Roxy's operations, according to three sources familiar with the project who declined to be named to protect business relationships.

Arlington Municipal, a recreational and business aviation airport, has for years wanted to extend its runway as part of its longer-term master plan filed with the Federal Aviation Administration.

Last summer, Mayor Barb Tolbert, herself a pilot, and City Council members visited Washington, D.C., to lobby lawmakers for \$17

million in grants that would fund an extension of the main runway by 677 feet.

That isn't necessarily because of a future design for air cargo operations, but rather a measure to help corporate and other airport users reduce their insurance premiums. The shorter the runway, the higher the premiums.

Long term, it's unclear what the future will hold for the Arlington Airport, a non-towered airport whose main runway is 5,332 feet long.

In October, the Puget Sound Regional Council studied the region's aviation needs and identified Arlington Municipal as meeting key criteria for future expansion, saying the facility "is capable of supporting a runway that is 7,000 to 9,000 feet long."

"Adding commercial service would not negatively impact aerospace manufacturing," the PSRC's report stated. "Arlington Municipal has interstate and state highway access, and potential for arterial access and high-capacity transit service."

In terms of airspace, "Arlington Municipal does not have existing airspace constraints or conflicts, and adding commercial service would not impact (Seattle-Tacoma International) operations," the PSRC officials added in their report.