

Company town? In Seattle, some fret over Amazon's growth

July 3 2015, by Gene Johnson

Seattle, notorious for boom-and-bust cycles stretching back to the 19th century Alaska gold rush, is booming once again.

Thickets of yellow cranes have crowded the skyline, where new glass-sided [office buildings](#), hotels and apartment towers blot out views of the mountains and the Space Needle. Food trucks dot the streets and young software engineers with disposable income fill the bars.

But the boom has brought handwringing, as residents fret over whether Seattle has become a traffic-snarled city for the rich with soaring rental rates, overly dependent on the company behind it all: Amazon.

The online retail giant has brought tens of thousands of workers to its campus in the South Lake Union neighborhood, overtaken the University of Washington as Seattle's biggest employer and lined up enough office space to roughly triple its headcount here.

"A lot of people who have lived in Seattle for 10 or 20 years are getting pushed out," says Jeff Reifman, a former Microsoft programmer who has criticized the ways Amazon is changing Seattle, including in a well-read essay last year on how the influx of male tech workers has skewed the dating scene.

To some, the complaints sound like trying to find the dark cloud in the silver lining.

"Cleveland would be doing cartwheels for this type of situation," commercial real estate expert Jim Allison said.

He suggests such talk would have been unthinkable five years ago, when Seattle's biggest private employer, Washington Mutual, collapsed. He credits Amazon for Seattle's turnaround, and credits the city with being a model for the "right type of growth"—urban, young, educated and transit-oriented.

Nevertheless, growing pains are undeniable. Seattle, one of the nation's fastest growing cities, is expected to gain another 120,000 residents and 115,000 new jobs over the next 20 years. It's not just Amazon: Facebook, Google, Expedia and other tech giants have opened or are opening offices.

Those extra workers are putting pressure on rents, which have skyrocketed more than 37 percent in Seattle since mid-2010, according to Tom Cain of Apartment Insights Washington.

The median rental price for all homes in Seattle in May was \$2,289 a month, Zillow reports, compared to a national average of \$1,367.

Mayor Ed Murray, who has a special committee seeking ways to provide affordable housing and avoid displacing longtime residents, last week announced another step: An agency to coordinate public investments in transportation, parks and housing around new development.

Amazon says it has more than 20,000 workers in Seattle, and estimates suggest it has enough office space built or planned to grow to more than 70,000, taking up a huge chunk of the city's commercial real estate. That raises the specter among some residents of Boeing's bust in the early 1970s, when two real estate professionals put up a billboard reading, "Will the last person leaving Seattle turn out the lights."

Boeing's downturn led to thousands of lost jobs, with ripple effects throughout Seattle.

While City Councilman Mike O'Brien said he loves that Amazon is hiring, it "can't continue to grow at the pace they're growing at."

"When it has a major hiccup—and it will—it will be a major shock to our system," O'Brien said.

Building in Seattle, Amazon has helped remake an old warehouse district into a hub of glass-paneled office buildings, along with new restaurants and a Tesla dealership.

Some businesses were kicked out when their buildings sold for Amazon or related projects, but Monty Holmes still runs his family-owned trophy shop, Athletic Awards, one of the few remaining enterprises from South Lake Union's days as a blue-collar neighborhood. He says business is great, thanks in part to Amazon, which buys employee awards and emblazoned clothing from him.

FareStart, a restaurant and catering business that trains homeless people for food-service careers, is across the street from a building under construction for Amazon. When the company moves in, FareStart expects to see more Amazon workers at lunchtime.

"It's more success for everyone," FareStart marketing director Tina Gonsalves said.

Amazon says 55 percent of its workers bus, bike or walk to work, and it notes it has given the city tens of millions of dollars for affordable housing, paid for a new street car and has contributed to nearly 100 charitable organizations.

"We made a decision to invest in our hometown and build an urban campus in the heart of Seattle," spokesman Ty Rogers said in an email.

But the company has also brought a lot of people into an area that has relatively little housing or public transportation, though the city has added bus service and street cars, and light rail lines are being expanded.

Some of Seattle's new arrivals have spread out, driving up rents in far flung neighborhoods. That's prompted concern about the effect on seniors, low-wage workers, artists and others.

Even app-economy workers have felt the pinch. Jen Joyce, a marketing manager for a ride-service company, was startled to learn the rent for her one-bedroom apartment was going up \$200 a month.

Urban planner Alon Bassok was inspired by Seattle's growth challenges to run for City Council this year.

"We as a city have to figure out how to accommodate and rise to the occasion of something like Amazon rather than saying something's their fault," Bassok said.

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