

**DRAFT MOTION
OF THE PORT OF SEATTLE COMMISSION
REGARDING AIRPORT DINING AND RETAIL
REDEVELOPMENT**

**PROPOSED
OCTOBER 28, 2014**

TEXT OF THE MOTION

The Commission hereby reaffirms its commitment to the program principles articulated in the Commission motion of February 14, 2012, as clarified and expanded upon in the Statement in Support of the Motion and Statement of Policy Direction below.

The Commission further directs staff to:

- Provide the Commission with regular reporting on the financial performance of the program as well as on the number of employees retained in Airport employment and the growth of such employment; and
- Establish job quality reporting requirements in new leases for Airport operators similar to other common financial reporting requirements.

STATEMENT IN SUPPORT OF THE MOTION

In the last decade, the Port of Seattle has developed a model for its dining and retail offering at Seattle-Tacoma International Airport (Airport) that is characterized by a combination of national “prime” lessee operators and direct leases with local, small, and disadvantaged operators.

This model has supported the growth of concession sales at the Airport, as well as Airport concessions revenues, by more than 100 percent – as well as doubled employment – since 2003. It is the intent of the Port of Seattle Commission (the “Commission”) to reaffirm its commitment to this management model as the best suited for the Airport and the broader community.

In its motion of February 14, 2012, the Port Commission “identified ... preliminary Concessions Program Goals as the basis for the Airport concessions program.” Staff has used these goals, and ongoing Commissioner feedback, as the basis for the Airport Dining and Retail (ADR) master planning work of the past two and a half years. Staff believes these goals continue to provide excellent guidance for program implementation.

STATEMENT OF POLICY DIRECTION

As specific reaffirmation of the Commission's guidance articulated in the 2012 motion, the principles for the program redevelopment are:

1. Strengthening of a local Pacific Northwest sense of place;
2. Encouragement of broad business participation by creation of opportunities attractive to all types of businesses;
3. Use of flexible competitive leasing processes to accommodate both large and small businesses;
4. Maximized employment continuity for qualified employees;
5. Creation of new opportunities for small, disadvantaged, and local businesses and the facilitation of such businesses' success in the sometimes challenging operating environment at an airport;
6. Continuation of 'street pricing' of products and services; and
7. Greater efficiency and affordability in dining and retail unit build-out processes.

As a part of a new dining and retail master plan, the Port also has developed a number of more specific, ambitious goals for the program in the next decade. The Commission firmly believes that its commitment to increased job quality can be achieved in tandem with the achievement of these goals by 2025:

- Grow sales per enplanement by at least 40 percent.
- Reach and remain within the top 10 North American airports as ranked by sales per enplanement.
- Grow gross ADR revenues to the Port by 50 percent.
- Grow employment by 40 percent.
- Grow the share of sales generated by small, disadvantaged, and/or local businesses.

The Commission supports the creation of business opportunities that foster economic prosperity, entrepreneurial initiative, increased job opportunity and job security. In addition, the Commission is committed to the creation of job opportunities that offer wage compensation and other benefits that allow employees to thrive and the empowerment to seize opportunities for personal and professional growth.