

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA**

**Item No.** 6c

**Date of Meeting** July 12, 2011

**DATE:** July 6, 2011

**TO:** Tay Yoshitani, Chief Executive Officer

**FROM:** Tom Barnard, Research and Policy Analyst  
Geri Poor, Regional Transportation Manager

**SUBJECT:** Century Agenda Committee: Approval of Goals and Monthly Briefing

**ACTION REQUESTED:**

- Approval of Century Agenda Committee preliminary goals for “Moving People.” Current recommendations include:
  - Fully meet the region’s air transportation needs for the next 25 years
  - Make Seattle-Tacoma International Airport the West Coast “Gateway of Choice” for international travel
  - Double the number of international flights and destinations
  - Double the economic value of cruise traffic to Washington State
  - Be a catalyst for establishing this region as a premier destination for tourists from Asia, Europe, and other targeted international areas

**SYNOPSIS:**

In June, the Century Agenda Committee activities continued with both internal and external meetings, including the June 14 public roundtable discussion on “Moving People: Airport, Cruise Ships & Tourism.” The Century Agenda Committee recommends that the Commission approve the preliminary goals developed from the “Moving People” roundtable. Planning continues around refining future roundtable topics, participants and questions for the July roundtable of Attracting Next Generation Industries, and August and September roundtables on our environmental goals and community values.

Roundtable topics include:

- 1) Fostering Economic Growth – April
- 2) Moving Cargo: Logistics & Growing Exports – May
- 3) Moving People: Airport, Cruise Ships, & Tourism – June
- 4) Attracting Next Generation Industries – July
- 5) Achieving our Environmental Goals – August
- 6) Achieving our Community Values – September
- 7) Putting Real Estate to Work – October
- 8) Funding Our Strategic Goals – November

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### **MOVING PEOPLE: AIRPORT, CRUISE SHIPS, AND TOURISM**

Panelists at the Moving People: Airport, Cruise and Tourism panel included diverse representatives of the airline, cruise and tourism industries in Seattle. All agreed on the large economic impact that travel and tourism have on our region. They commended the port's growing partnerships over the last decade with the cruise industry, which serves as an important economic driver for the region. Panelists discussed issues of efficiency, increasing and accommodating international passengers, and regional hospitality across all sectors. Panelists were unified in their closing discussions of the Port needing to take a leadership role in supporting travel and tourism for the region, specifically in the following areas:

- Increased airport and cruise terminal efficiency
- Increasing the numbers of international travelers to Seattle
- A holistic approach to marketing Seattle as a tourist friendly destination

At the June 28<sup>th</sup> internal meeting, the Century Agenda Planning Committee and senior Port staff reviewed first, the success of the Moving People Roundtable, and second, the themes and questions for future panels. Both participants and staff regarded the roundtable as a success. The recommended 25-year goals are:

- Fully meet the region's air transportation needs for the next 25 years
- Make Seattle-Tacoma International Airport the west coast "Gateway of Choice" for international travel
- Double the number of international flights and destinations
- Double the economic value of cruise traffic to Washington State
- Be a catalyst for establishing this region as a premiere destination for tourists from Asia, Europe, and other targeted international areas

At this point, the Century Agenda Planning Committee recommends that the Commission approve preliminary "Moving People" goals. We anticipate that future panels will continue to generate more specific objectives complementary to these preliminary goals. Once these goals are approved, staff will report back on preliminary work necessary to meet these goals, expected at the next Century Agenda briefing, on August 2, 2011.

At the conclusion of all panels this fall, the Commission will review the preliminary goals and approve a final set of Century Agenda strategic goals.

### **FIVE-YEAR OBJECTIVES FROM THE "MOVING CARGO" PANEL**

At the June 7, 2011, meeting, the Port Commission approved the following goals that arose from the "Moving Cargo" panels and subsequent discussion. Those goals were:

- Position the Puget Sound region as a premier international logistics hub.
- Grow seaport annual container volume in a sustainable manner to more than 3.5 million TEUs.
- Triple air cargo volume to 750,000 metric tons.

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- Triple the value of our export cargo to over \$50 billion.

Since that time, the Airport and Seaport divisions have created 5-year objectives to meet those goals. The following are elements of the plan to consider, subject to funding and environmental review:

### **Capacity Enhancements:**

- At the airport, add 2 international main-deck air cargo freighter services, and facilitate acquisition of 3 international wide-body passenger services supported by belly-cargo.
- With seaport, retain existing container vessel customers and vessel liner services. Successfully negotiate agreements to retain existing tenants through lease renewals.

### **Facilities:**

- On the airfield, expand two existing multi-freighter aircraft parking ramps to accommodate larger freighter aircraft using nose-load configurations and construct a new freighter ramp. Add approximately 25,000 square feet of airfield warehouse space, an increase of 4.2%.
- At the seaport, expand T-30 to incorporate T-25 South, and deploy T-10 for off-dock container support yard. Complete T-46 improvements associated with SR-99 Alaskan Way Viaduct Replacement & Tunnel Program. Modernize T-86 grain facility.

### **Associated development:**

- Off airfield development: Begin development of as much as 700,000 square feet of buildings at L-Shape and NERA 3. Develop additional logistics facilities south of the airport, as needed.
- Off-dock development: Acquire off-dock container yard properties in close proximity to container facilities and easily accessible to warehouse district to support container growth. Facilitate development of partnerships with intermodal service providers to identify site(s), and complete a feasibility study of a new intermodal logistics hub in the Puget Sound area.

### **Freight Mobility:**

- Complete East Marginal Way Grade Separation, Spokane Street Viaduct, and SR-99 Alaskan Way Viaduct Replacement Program. Maintain existing freight routes and road capacity. Break ground on SR-509 construction. Break ground on 28<sup>th</sup>/24<sup>th</sup> Avenue South extension from SeaTac to Des Moines.

## **NEXT PANEL: "ATTRACTING NEXT GENERATION INDUSTRIES"**

The next panel discussion will be held on July 12, 2011, from 9:00 AM - 11:00 AM, and is entitled "Attracting Next Generation Industries." Key questions to be considered will be:

- What is the role of the Port in advancing your industries?
- What mutual collaborations support the region's economy?
- What benefits does the Port provide to emerging industries?
- How does the Port help you grow jobs in your industry for the benefit of the region?

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The panelists include private sector stakeholders from the fields of medical technology, alternative energy, and composite materials, and from the University of Washington.

### **BACKGROUND:**

Starting in 2008, the Port of Seattle began creating a “Century Agenda” — a comprehensive vision and strategic plan that focuses on the Port’s next quarter-century. The goal of the Century Agenda is to refresh the Port’s strategic plan, using a process that builds upon the accomplishments of the past century with a visionary look forward to the emerging challenges and opportunities of the 21st century.

The Commission completed the first stage of the Century Agenda’s work on August 4, 2009, by adopting the “*Century Agenda: Expert Panels’ Recommended Guiding Principles.*” Since that time, both the Commission and Port staff have engaged in iterative discussions to develop strategic goals to further work on the principles embodied in that report. The need for a formal process to finalize these goals prompted a proposal to form a temporary Port of Seattle Commission Committee, as provided for in the Commission’s Bylaws, to oversee the next steps in the Commission’s strategic planning process. On January 4, 2011, the Commission approved the Century Agenda Committee, made up of Commissioner Albro and Commissioner Creighton.

### **PREVIOUS COMMISSION ACTIONS AND BRIEFINGS:**

- On January 4, 2011, the Port of Seattle Commission established a temporary Century Agenda Committee to further engage in a strategic planning process to develop quantifiable overarching strategic goals for the Port of Seattle to pursue over the course of the next twenty-five years.
- On March 8, 2011, the Port of Seattle Commission authorized for up to \$145,000 to meet the costs of the Century Agenda, including \$20,000 for a part-time intern to assist with organization and logistics, and \$30,000 to \$40,000 for audio-visual taping services. The funds come from the Commission’s contingency funds. The Commission also received a monthly update briefing.
- On April 5, 2011, the Port of Seattle Commission received its second monthly briefing.
- On May 10, 2011, the Port of Seattle Commission approved a preliminary strategic goal to “Add 100,000 Port-related jobs in the next 25 years.”
- On June 7, 2011, the Port of Seattle Commission approved the preliminary goals for “Moving Cargo” and approved a refined Century Agenda goal for “Fostering Economic Growth” of “Add 100,000 new Port-related jobs to the existing 200,000 jobs in the region that are attributable to the economic activity created by the Port of Seattle.”