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APPROVED MINUTES COMMISSION SPECIAL MEETING SEPTEMBER 24, 2018

The Port of Seattle Commission held a special meeting, Monday, September 24, 2018, as a commission retreat session. The retreat was held at the Conference Center at Seattle-Tacoma International Airport, Seattle, Washington. Commissioners Bowman, Calkins, Felleman, Gregoire, and Steinbrueck were present.

The meeting convened at 9:00 a.m.

Port staff participating in the retreat included Stephen P. Metruck, Executive Director; Stephanie Jones Stebbins, Maritime Division Managing Director; Kelly Zupan, Seaport Finance and Budget Director; Elizabeth Morrison, Corporate Finance Director; Dan Thomas, Chief Financial Officer; Dave McFadden, Economic Development Division Managing Director; Michael McLaughlin, Cruise Operations Director; Jeffrey Utterback, Real Estate and Economic Development Director; Pearse Edwards, Acting Public Affairs Senior Director; and Rosie Courtney, Public Affairs Program Manager.

A [packet](#) of supporting presentation materials was provided at the meeting.

Commissioners discussed prioritization of port capital projects and resources in relation to the 2019 port budget. Capital investment tradeoffs associated with cruise-related improvements and use of tax levy funds versus bond issuance supplemented by maritime revenue were discussed. Cost-sharing partnerships are an important consideration for capital investment in the cruise line of business.

Capital investment on the Terminal 91 uplands and Fishermen's Terminal redevelopment were discussed, as was potential cost and timing considerations to bring shore power to ships moored at port cruise facilities. Gentrification concerns and dynamics affecting appraisal of port real estate assets were considered.

The declining value of the port's assessed tax levy over time was presented. The port's levy assessment was as high as \$75.9 million in 2008 and has been steady at \$72 million since 2016. If adjusted for inflation since 2008, the value today is \$59 million. The statutory maximum assessment allowed the port is greater than \$100 million. Commissioners discussed strategies for maintaining tax levy value over time.

Public opinion survey results were presented indicating public perceptions about key regional issues, the reputation of the Port of Seattle, areas for improvement by the port, and potential support for proposed investment of tax levy funds.

Strategies for development of assets in the port's real estate portfolio were discussed. Properties considered included Fishermen's Terminal and the Terminal 91 uplands, as well as Terminal 106, Pier 2, and the CEM site adjacent to Terminal 5.

Commissioners and Executive Director Metruck reviewed proposed changes to the port's executive organizational structure.

Commissioners commented on individual priorities they would like to be reflected in the 2019 budget. Examples included the following:

- A desire to see integrated partnering for regional tourism efforts;
- Public access to the waterfront at the Department of Fish and Wildlife's fishing pier at Terminal 86;
- Expanded parental leave and other potential benefit expansions such as support for bringing infants to work and fertility and adoption coverage;
- Partnering with the Fair Work Center in 2019, especially as relates to ensuring benefit compliance under the City of SeaTac Ordinance 13-1020 (Proposition One);
- Funding for anti-human-trafficking efforts;
- Redevelopment or disposal of the port's Third Runway mitigation property in Auburn;
- Addressing lack of broadband service;
- Trade promotion and relationship building in Latin America;
- Development of a Port of Seattle export strategy;
- Pursuing development of a maritime high school;
- Promoting maritime careers to youth through experiential learning opportunities;
- Additional emphasis on ecology-tourism promotion;
- Support for a maritime innovation center;
- Support for port tree stewardship, including a non-aviation tree inventory and port tree policy;
- Broadening the port's art program and inventory;
- Implementation of Orca Task Force recommendations;
- Expansion of port internships to a year-round program;
- Application of an equity lens when promoting maritime careers to youth; and
- Increased participation in improving the health of Puget Sound program.

**PORT COMMISSION SPECIAL MEETING MINUTES
MONDAY, SEPTEMBER 24, 2018**

The commission retreat adjourned at 5:27 p.m.

Prepared:

Attest:

Paul J. White, Commission Clerk

Ryan Calkins, Commission Secretary

Minutes approved: October 23, 2018.