



P.O. Box 1209
Seattle, Washington 98111
www.portseattle.org
206.787.3000

APPROVED MINUTES COMMISSION SPECIAL MEETING JULY 29, 2020

The Port of Seattle Commission held a special meeting, Wednesday, July 29, 2020, as a commission retreat session. The retreat was held remotely in accordance with the governor's 'Stay at Home' order and Proclamation 20-28. Commissioners Bowman, Calkins, Cho, Felleman, and Steinbrueck were present.

The meeting convened approximately at 8:30 a.m.

Presentation materials included a [packet](#) containing the following documents:

- Aviation Industry News Articles
- Studies not Included in the Packet (online links provided)
 - Air Traveler Response to COVID-19
 - Survival and Revival of Airport Shopping and Dining
- Delta Airlines Presentation
- SEA and the Aviation Industry: Managing the Uncertain Recovery
- Cruise Industry News Articles
- Studies not Included in the Packet (online links provided)
 - Silver Spending – Long-Term Investments
- Bermello Ajamil Partners Presentation – State of the Cruise Industry
- Real Estate Industry Background Articles
- Madison Bay Presentation - Fisherman's Terminal Market Study
- Heartland Presentation – Real Estate Outlook
- Non-Airport Financial Performance and CIP Funding Capacity Analysis

Commissioners and staff met in a retreat to discuss updates to the 2020 budget, industry analysis, analysis of non-airport financial performance and CIP funding capacity, and Commission priorities for the remainder of the budget year.

Members of the Commission, staff, and presenters discussed:

- the need to be conservative in this budget cycle due to the pandemic and economic challenges facing the Port;
- supporting health and safety;
- ensuring service at our gateways;
- preserving employment of Port staff;
- continuously assessing COVID-19 and its impacts;
- investing wisely and taking a long-term strategic view;
- uncertainty in budgeting;

- measures taken to-date to meet the challenges;
- economic recovery outlook;
- cost reductions and capital preservation for airlines in the near-term being key to overcoming economic impacts;
- reductions in airlines' workforces;
- roadway issues, being able to address airport projects, and acceleration of projects;
- restoring traveler confidence;
- return to business travel;
- capacity constraints at airports;
- cruise industry projections for rebound by 2023-2024;
- cruise industry slowly coming back to operation;
- working to establish cruise COVID-19 protocols;
- projections for northern bound cruises in the coming season and Center for Disease Control and Canadian travel restrictions;
- the current lack of international standards available to the cruise industry with respect to addressing COVID-19 and resuming operations;
- the need to develop guiding principles for the Port for cruise;
- real estate impacts and economic development;
- types of port-supporting industry use for businesses that are doing well and seeking more space;
- impacts on suppliers supporting port-related industries;
- anticipating significant drops in cash flow for maritime;
- looking at cash on hand relative to the Port's debt service;
- constraints on possible increase of the tax levy and benefits relative to increase; and
- current thinking on budgeting for capital improvement projects and looking for adjustments to the CIP based on budget shortfalls.

Members of the Commission concluded the discussion by expressing their priorities in the coming budget year and budgetary impacts that may result. Commission President Steinbrueck encouraged Commissioners to continue their conversations and to work together to make the necessary decisions for the 2021 budget, while thinking about the organization and its core mission.

The retreat concluded and the meeting adjourned at 12:45 p.m.

Prepared:

Attest:

Michelle M. Hart, MMC, Commission Clerk

Sam H. Cho, Commission Secretary

Minutes approved: September 8, 2020.