



Port of Seattle Commission

**SPECIAL MEETING
COMMISSION RETREAT**

June 3, 2021 – 12 p.m.

To be held remotely in accordance in accordance with Senate Concurrent Resolution 8402 and Governor Inslee's [Proclamation 20-28](#). To listen live, call in at +1 (425) 660-9954 and Conference ID 502 154 670#.

Port of Seattle Commissioners:

Stephanie Bowman; Ryan Calkins; Sam Cho; Fred Felleman; Peter Steinbrueck

ORDER OF BUSINESS

- I. Call to Order (p.2)
- II. 2022 Budget Guidance and Analysis (p.4)
- III. Listening Sessions Report Overview (p.21)
- IV. Budget Request Package Development Discussion (p. 50)
- V. Adjournment

Founded in 1911 by a vote of the people as a special purpose government, the Port of Seattle's mission is to promote economic opportunities and quality of life in the region by advancing trade, travel, commerce, and job creation in an equitable, accountable, and environmentally responsible manner.



Port of Seattle **Commission Retreat**

June 3, 2021

SECTION I.
PROGRAM OF RETREAT AND CALL TO ORDER

June Budget Retreat
June 3, 2021, 12:00pm-4:00pm
Via Microsoft Teams

To listen live, call in at +1 (425) 660-9954 and Conference ID 502 154 670#.

Purpose	Brief Commissioners on Initial Portwide SWOT Analysis and Budget Process; Discuss Review and Prioritize Listening Session Economic Recovery Report Recommendations; Commissioner 2022 Budget Requests
Desired outcomes	Gain Understanding of Port 2022 Budget Development; Discuss Commissioners' Budget Requests

Time	Min (Presentation / Q&A)	Agenda Item	Speakers
12:00 PM 5 min break	1 hour 25 min (45/40)	<ul style="list-style-type: none"> 2022 Budget Guidance (10) 2022 Budget Strength, Weakness, Opportunity, Threats (SWOT) Analysis (25) 	<ul style="list-style-type: none"> Steve Metruck, Executive Director Michael Tong, Director of Corporate Budget & Finance Marin Burnett, Strategic Planning Manager
1:30 PM 10 min break	60 min (20/40)	<ul style="list-style-type: none"> Listening Session Report Overview and Recommendations (20) Commissioner Discussion (40) 	<ul style="list-style-type: none"> Barb Wilson, Commission Chief of Staff and Tyler Emsky, Specialist
2:40 PM	1 hour 20 min 5 (10/6)	<ul style="list-style-type: none"> Commissioner Budget Request Package Development Discussion 16 minutes per Commissioner 	<ul style="list-style-type: none"> Aaron Pritchard, Deputy Chief of Staff Commissioners
4:00 END			

SECTION II.
2022 BUDGET GUIDANCE AND ANALYSIS



Building on Strong Fundamentals

Commission Budget Retreat

Stephen P. Metruck

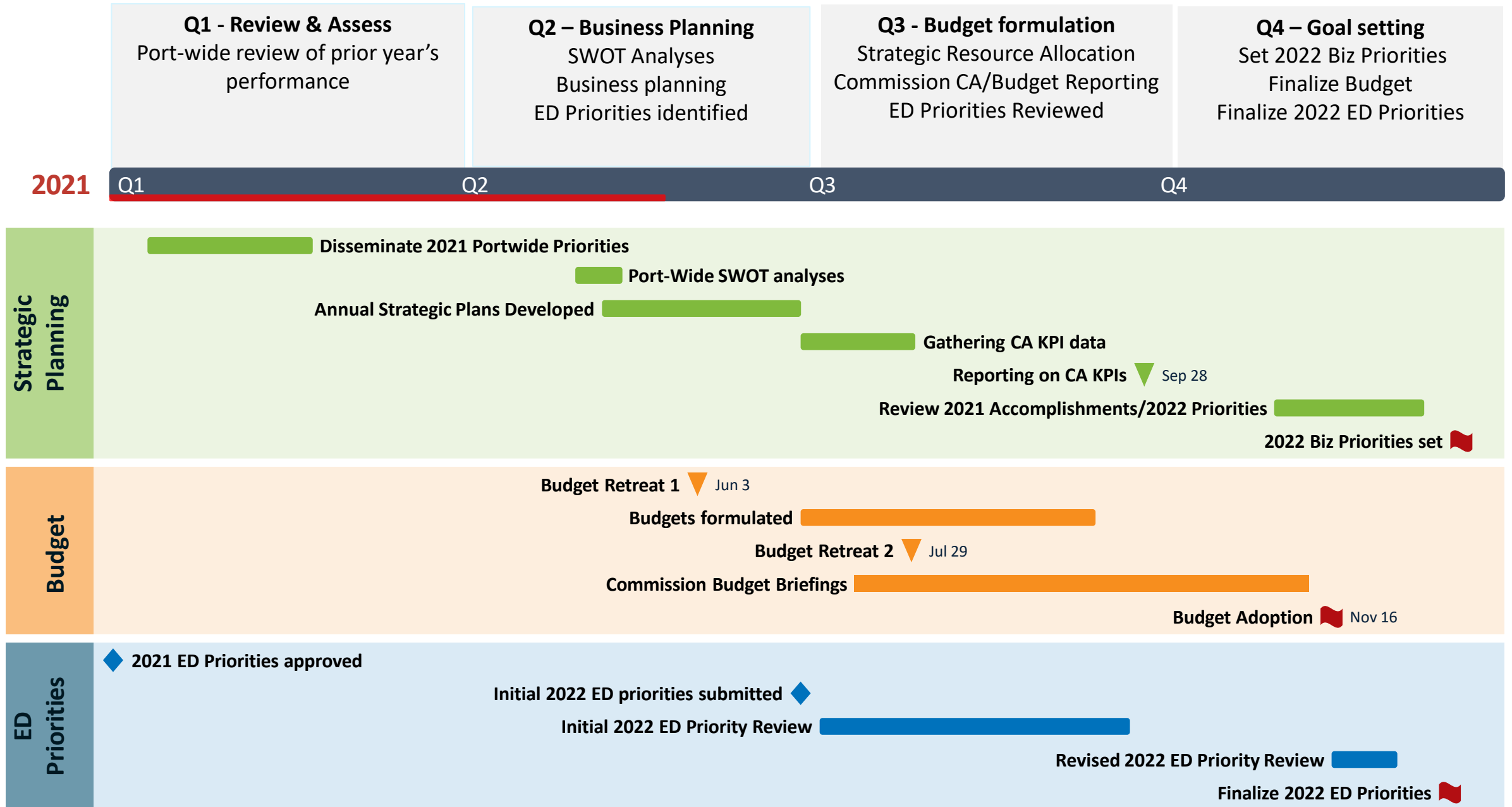
June 3, 2021

Agenda

- Planning Timeline
- Port wide SWOT Analysis
 - Context for budget development
- Budget Guiding Principles
- Strategies
- Process Overview
- Calendar
 - Upcoming retreats/ public presentations

Port-wide Planning Timeline

Port-wide Budget & Planning Timeline



SWOT Analysis Overview

SWOT Analysis

In 2020, the Port began assessing the overall health of the organization and overall strategic planning priorities through a **Port-wide SWOT analysis**.

Each Operating Division, COE and Central Services Department submits its **review of current Strengths, Weaknesses, Opportunities and Threats**.

They are then **synthesized into a high-level, comprehensive snapshot** of the factors that will **drive strategic planning and resource allocation for the organization**.

Port-wide Strengths

Port has an adaptable knowledgeable workforce

- Knowledgeable, highly-trained, specialized staff well versed in the Knowledge, Skills and Abilities necessary to be effective and efficient across all departments

Our diverse portfolio of assets and essential businesses

- SEA (Both hub airlines are recovering well in comparison to their peers), recreational boating, commercial fishing, new and updated facilities (IAF, NSAT, Bell Harbor)
- Diversity of locations and increased demand for real estate held by the Port

Relationships, Reputation & Community Support

- Positive reputation, great partnerships and relationships with tenants, customers and regulatory agencies
- Strong partnerships with external stakeholders and public support for initiatives (FlyHealthy@SEA, public support for COVID initiatives, public support for E&S work)

Adaptability

- Internal processes adapted quickly to COVID with functional and efficient teleworking; productivity remains high despite challenges of global pandemic

Port-wide Weaknesses

Field work impacting customer service and maintenance suffering

- Construction negatively impacting customer service at SEA;
- Lack of capacity to take on new projects and maintain existing ones; starting to get behind on critical infrastructure maintenance

Inefficient processes/competing priorities

- Internal systems are overly complex making collaboration with some external partners difficult
- Unplanned and shifting priorities divert resources from established workplans

Decreased/uncertain capital capacity

- In recovery from COVID, POS is experiencing fluctuating debt service coverage and cash balances

Facility/business growth capacity is diminishing

- Some SEA and MT properties not designed for customer needs or volumes; growth and customer needs exceed financial resources

Staffing challenges

- Current operational demands are exceeding staff capacity to meet the need
- Multiple vacancies, inability to hire and pre-COVID reliance on consultants is creating large gaps in the Port's ability to be productive; existing employees are over-worked
- Need to improve skill redundancy among staff, plan for natural attrition and maintain institutional knowledge

Resiliency

- Lack of comprehensive port-wide mitigation strategies for all potential threats to the Port including, natural disasters, climate change, cyber attacks and more...

Port-wide Opportunities

Innovation

- Technological advancements such as new digital communications techniques, banking technologies, automation and more can be leveraged to aid in productivity and serve customer needs

Cruise

- Rebound of a more sustainable cruise industry; increased safety protocols could feed regional COVID recovery
- Pause of Cruise Terminal development creates opportunity to rethink development into a multi-use facility

COVID regional recovery has opened new doors

- More competitive construction costs
- Increased real estate investment opportunities
- Multiple opportunities to apply for grant funding for infrastructure, COVID recovery and more

Virtual teleworking environments opens new strategic possibilities

- Reduced commute time, emissions, costs to the Port
- Increased staff satisfaction, marketability for hiring, participation in training and development, efficient use of unused workspaces

Increase diversity

- The Port can prioritize increasing the diversity of its workforce and infuse EDI into its day-to-day operations

Port-wide Threats

Uncertain Costs and Revenue Projections

- Ongoing COVID related uncertainty in the travel industry
- Escalation & inflation high, probability of big variability in construction pricing for raw materials
- Slower rebound of cruise and travel industry is constraining key resources to continue operations
- Slower and inequitable regional recovery impacts Port ability to collaborate externally; influence “return to better”

Staff, the Port’s greatest asset, is increasingly overworked and under-resourced

- Aging workforce, unexpected attrition, hiring challenges, understaffed, overworked
- Reduced person-to-person contact is creating challenges with morale, on- and off-boarding, mental health
- COVID economic situation makes hiring and staff capacity uncertain for the foreseeable future

Climate Change moves inexorably forward

- Impact on fisheries from sea temperature changes and acidification and port infrastructure is inevitable

Cyber Security must be a priority

- Malicious cyber activity has increased dramatically during the pandemic
- In a telework environment, staff and the Port are more vulnerable to attack

Port of Seattle 2022 Budget Planning **Building on Strong Fundamentals**



2022 Budget Guiding Principles

- Continue to focus on the **health and safety of employees, customers and the public** with increased utilization of Port facilities
- Ensure the **efficient operation of Port business gateways** as business volumes recover
- **Support regional equitable economic recovery** through advancing the Port's capital improvement plan and continued investment in community programs
- Assess the **longer-term effects of COVID-19** on Port operations and facility needs
- **Invest in employee** development, retention, and recruitment
- Need to be **adaptable and flexible** to the changing business environment

2022 Budget Strategies

- Maintain expense growth in line with projected revenue growth
- Reassess staffing needs considering projected increases in business activity
- Restore merit pay increases for non-represented staff and increase expenditures for training and development
- Begin to incorporate an equity lens in developing and reviewing budgets and operational plans

2022 Budget Process Overview

Environmental Assessment

- Assess business environment and needs
- Update operating and capital forecasts
- Conduct SWOT analysis

Budget Preparation

- Develop budget assumptions and drivers
- Identify key financial metrics and budget targets
- Issue budget calendar and departmental guidelines
- Prepare operating and capital budgets in accordance with principles and guidelines

Budget Reviews and Approvals

- Conduct internal department and division budget reviews
- Publish the preliminary budget document to the public
- Commission review and approval of budgets/capital plans

Final Steps

- File the Statutory Budget with King county
- Publish the final budget document to the public

2022 Budget Calendar

(Commission Items in Blue)

5/21 – 2022 Budget Planning Discussion with ELT

6/03 – Commission Budget Retreat

7/13 – 2022 Budget Process and Schedule Commission Briefing

7/14 – 2022 Budget Guidelines available

7/29 – Commission Budget Retreat

8/06 – Central Services Department new budget requests due to F&B

8/18 – 08/25: Executive review of Central Services Department Budgets/New Requests

9/01 – Executive review of combined Central Services Budget

9/13 – Executive review of Maritime and EDD Operating & Capital Budgets

9/14 – 2022 North Harbor Budget to the NWSA

9/15 – Executive review of Aviation Operating & Capital Budgets

2022 Budget Calendar

(Commission Items in Blue)

09/28 – Central Services Budget and Port wide Budget Overview Commission briefing

10/12 – Operating Divisions Commission Budget Study Session

10/15 – POS/NWSA ILA Service Directives due to the NWSA

10/19 – 2022 Preliminary Budget Document available to Commission

10/21 – 2022 Preliminary Budget Document available to the public

10/26 – Tax Levy & Draft Plan of Finance Commission briefing

10/28 – NWSA Budget study session with Managing Members

11/09 – NWSA Budget adoption by Managing Members

11/09 – Introduction of preliminary 2022 Budget and public hearing

11/16 – Adoption of 2022 Budget

12/01 – File the 2022 Statutory Budget with King county

12/15 – Publish the 2022 Final Budget to the public

[RETURN TO AGENDA](#)

SECTION III.
LISTENING SESSION REPORT OVERVIEW AND
RECOMMENDATIONS

Commission Economic Recovery Listening Sessions Draft Summaries

May 28th, 2021

Eastside Business Leaders Listening Session Summary

Commissioners Bowman and Cho hosted this session on April 29th, 2021.

Attendees

Kristina Hudson – OneRedmond
 LeAnne Moss - Renton Regional Community Foundation
 Brad Jones - Visit Bellevue
 Joe Fain – Bellevue Chamber of Commerce
 Patrick Bannon – Bellevue Downtown Association
 Debbie Lacy – Eastside for All
 Samantha St. John - Kirkland Chamber of Commerce

Summary

This session painted a portrait of an economically dynamic locale in a state of flux. One top issue identified by the participants is how elected and civic leaders will manage the explosive wage and population growth in the area. This includes the attendant housing supply and transportation investments needed to serve this growth along with finding ways to distribute the benefits of growth amongst every member of the Eastside community.

Keywords

Growth, Access to Recovery Resources, Reopening

Identified Issues Impacting the Community

- There is a need for a clear statewide roadmap to reopening for conventions, events and local businesses, including a clear reopening date.
- Small- and immigrant-owned businesses have had a lot of trouble accessing PPP loans and other economic relief resources due to language, digital literacy, and capacity barriers.
- Affordability issues such as the cost of commercial leases and keeping and finding employees in a costly housing market are some of the on-going concerns for small businesses in the area.
- There is a need for increased mental healthcare services, including culturally appropriate services, and childcare services in the Eastside community.

Ideas for How the Port Can Support Economic Recovery and Partnerships

- There is strong support for Port grants and programs that support economic development efforts in Eastside cities (i.e. Startup 425).
- Expanded workforce development efforts are key to economic recovery.
- The Port should serve as a catalyst to bring industry together to present the airport and by extension the Eastside to potential customers as open for business, safe, and attractive. The Port can support vertical marketing partnerships to promote the Eastside.

- There has been a long-time desire to work with the Port to launch an Eastside visitor center with airport security and ticketing.
- Invest in outreach, translation services, and capacity building for small and immigrant owned businesses on the Eastside, including text message communication services.

Seattle Business Listening Session Summary

Commissioners Calkins and Steinbrueck hosted this session on April 20th, 2021.

Attendees

Lisa Howard – Alliance for Pioneer Square

Mike Stewart – Ballard Alliance

Mark Rosen – GSBA

Brian McGowan– Greater Seattle Partners

Rachel Smith– Seattle Metropolitan Chamber of Commerce

Tom Norwalk – Visit Seattle

Jon Scholes – Downtown Seattle Association

Monisha Singh - Chinatown International District BIA

Summary

Participants were largely speaking in one voice during this listening session, as they were aligned on the handful of issues that they considered to be top priorities as well as their suggested actions for the Port. They noted that the Port’s mission and purpose is promoting economic development for the region and we do that well through capital projects and safely and effectively managing gateways for the supply chain, travel, and tourism. This session was especially noteworthy in the type of action that the participants suggested the Port take, as they urged the Port to assume a prominent role as an advocate and a convener.

Keywords

Advocate and Convener, Downtown and Neighborhood Business Recovery, Tourism Promotion

Additional Issues Impacting the Community

- Seattle’s recovery is impacted by public safety, especially the deteriorating crime/public disorder situation in downtown Seattle which is exacerbated by the lack of many downtown office workers due to COVID workplace restrictions and the related lower number of downtown residents.
- The loss of tourism due to the pandemic is a major issue with impacts rippling throughout the hospitality and small business community. The cruise industry brings lots of benefits to small business recovery.
- Lack of guidance and certainty regarding the future of large gatherings and events in the state means Seattle is losing out on conventions, nineteen of which are still scheduled for the end of this year and face tremendous uncertainty.

- There is a need for small business relief funds and workforce development efforts are also a huge priority.
- The current dynamics of elected city leaders are hindering functional decision making in crucial recovery efforts.
- The rise in anti-API hate crimes is a major issue.

Ideas for How the Port Can Support Economic Recovery and Partnerships

- The Port is an important and effective partner that should make its voice heard on issues such as public safety, regional transportation, and others in conversations between business and the City.
- Maritime Blue and business incubators should be scaled up and can promote important business sector recovery.
- There is universal strong support for the Port's tourism and economic development grant programs.
- Support the enhanced regional connections being formed with the Kitsap Peninsula and promote waterfront accessibility to bolster these new bonds.
- Promote a truly equitable recovery, and center diverse voices in the recovery conversation.

South King County Listening Session Summary

Commissioners Cho and Calkins hosted this session on April 7th, 2021.

Attendees

Nyambura Ruhu-Mboggo - African Chamber of Commerce- PNW
 Hamdi Abdulle - African Community Housing & Development
 Providence Kamana - Congolese Integration Network
 Rebecca Martin – Federal Way Chamber of Commerce
 Mar Brettmann - BEST- Businesses Ending Slavery
 Andrea Reay - Seattle Southside Chamber of Commerce
 Heather Worthley - Port Jobs
 Tony Ogilvie - Filipino Chamber of Commerce
 Hien Kieu - Partners in Employment
 Caitlyn Shearer - Seattle Southside Regional Tourist Authority

Summary

This listening session reflected the challenges that communities of color are currently facing across this nation. Top of mind was the need for basic services in these communities, especially food and affordable housing. Participants identified several areas where they would like the Port to take a more active role and/or make additional investments.

Keywords

Basic Needs, Capacity-Building, Workforce Development

Additional Issues Impacting the Community

Insufficient access to jobs and loss of income are major issues.

- BIPOC businesses have been disproportionately impacted by the pandemic (60 percent loss of income, vs 50 percent loss for all businesses).
- Businesses run by immigrants have had a harder time accessing federal relief funding due to language barriers, informal bookkeeping practices, and insufficient digital literacy.
- Immigrant schoolchildren have had a harder time adjusting to online learning during the pandemic, which is exacerbated by the underlying issues of systemic injustice and racism.
- Lack of affordable childcare is a jobs and employment issue.
- Access to vaccines and mental healthcare services in these communities needs improvement.

Ideas for How the Port Can Support Economic Recovery and Partnerships

- Expand its support of the existing community-based organizations currently doing the work of providing basic services, as these organizations are overwhelmed with demand.
- Create additional family-wage jobs and pathways to these jobs, especially for youth.
- Devise plan to better share information on travel trends with communities.
- Consider ways the Port can help close the digital literacy gap.

Sound Cities Association Listening Session Summary

Commissioners Felleman and Steinbrueck hosted this session on May 6th, 2021.

Attendees

Conrad Lee - Bellevue City Council
 Nancy Backus – Mayor of Auburn
 Dana Ralph – Mayor of Kent
 Ed Prince – Renton City Council
 Angela Birney – Mayor of Redmond
 Amy Ockerlander – Mayor of Duvall
 Jeff Wagner - Mayor of Covington
 Deanna Dawson – Sound Cities Association

Summary

The Sound Cities Association Listening Session brought together a diverse selection of mainly elected leaders from communities across King County. Given this diversity, it is remarkable but not surprising that housing affordability was identified as a key issue by a majority of the participants. The meeting participants were very interested in the Port taking a more prominent role as a convener of regional interests and governments, so as to better align economic development spending and programming.

Keywords

Affordable Housing, Port as Convener, Capacity-Building

Additional Issues Impacting the Community

- There is a lack of affordable housing across all the income bands. The lack of housing for those making under 30 percent of the area median income is one of the drivers of homelessness.
- Small and minority-owned businesses in these communities are struggling as evidenced by three hundred businesses one participant's city that did not renew their business license this year.
- Transportation infrastructure is a major issue and in some areas roads have worn down due to heavy usage by warehousing operations.
- There is a need for forward-thinking economic development in these communities including coordinating federal recovery dollars with other entities to maximize the lasting benefits of these funds.

Ideas for How the Port Can Support Economic Recovery and Partnerships

- Conduct a gap analysis to find where the Port can fit in to the regional economic coordination puzzle. Center equity anytime the Port assumes the role of convener.
- Make corresponding investments in capacity-building in smaller governments in the county including through the Port's economic development grant program.
- Put more resources into sharing information regarding the implementation of equity initiatives, as many smaller governments do not have an FTE devoted to this work.
- Explore adding an Eastside boarding and luggage pre-check system for passengers traveling through the airport.

Duwamish Listening Session Summary

Commissioners Felleman and Calkins hosted this session on April 26th, 2021.

Attendees

Greg Ramirez - Georgetown Community Council
 Andrew Schiffer – DIRT Corps
 Paulina Lopez - Duwamish River Clean-up Coalition
 Jolene Haas – Duwamish Tribe
 Rosario Maria Medina – Friends of Georgetown History
 Aley Thompson – South Park Neighborhood Association
 Angel Garcia Guillen – Villa Comunitaria
 Edwin Hernandez - Duwamish Valley Port Community Action Team
 Michelle Benetua - Seattle Parks Foundation (submitted online)

Summary

The feedback the Port received during the Duwamish Economic Recovery Listening session was centered around two main themes: the need to develop additional pathways to good jobs as well as the desire to improve the relationship and communication between the Port and the Duwamish community.

Keywords

Career Pathways, Port/Duwamish Communication, Contracting Barriers

Additional Issues Impacting the Community

- Economic concerns were top of mind for meeting participants including the aforementioned lack of opportunities for career development, particularly for undocumented folks.
- Duwamish communities are particularly impacted by displacement, gentrification, housing affordability, homelessness, and joblessness.
- One attendee stated their organization missed out on Port opportunities due to poor communication.
- The West Seattle Bridge closure is a major issue and has big impacts on the community.

Ideas for How the Port Can Support Economic Recovery and Partnerships

- Commit to increasing economic opportunity for those who live in the Duwamish Valley by creating entry level jobs with advancement potential, dedicating funding for community capital projects, and reducing barriers to participation in Port grants and contracts for community-based organizations and small businesses.
- Set aside a certain percentage of Port internships for Duwamish community residents.
- Do more to activate and promote hāʻapus Village Park as a tourist destination.
- Add adult career training facilities to the Maritime High School.
- Work to highlight tourism in the Valley by emphasizing the unique history of the area.
- Find ways to improve transparency and communication with Duwamish community members, including those who can't participate in community groups on a regular basis.
- Ensure Port contractors treat their employees well.

Aviation Listening Session Summary

Commissioners Calkins and Cho hosted this session on May 24th, 2021.

Attendees

Nat Stratton Clarke – Floret by Café Flora
 James Reynolds – CLEAR
 Bill Dewey – Taylor Shellfish
 Darin Lang – Doug Fox
 Ryan Lynd – Prospect Air
 Joshua Welter – Teamsters 117
 Loren Kosloske - Uber
 David Fukuhara – Concourse Concessions
 Dana Debel – Delta Air Lines
 Shane Jones - Alaska Airlines

Summary

The session succeeded in bringing the views of a diverse selection of stakeholders in the airport's economic ecosystem to the fore. A majority of session participants expressed their satisfaction with the Port's economic relief initiatives as well as the Port's distribution of federal relief funds, and several stated that the Port's actions were a difference maker in the financial viability of their businesses. Meeting participants were united in their desire to work more closely and collaboratively with the Port in the future.

Keywords

Relief Initiatives, Re-staffing, Port as Coordinator

Additional Issues Impacting the Community

- Several businesses are in the process of staffing up to meet the demands of a rebounding economy in an increasingly competitive hiring environment and the airport's badging office is nearing capacity in processing these new and returning employees.
- The lack of business and international travelers has hurt their bottom line while also contributing negatively to the airport customer experience.
- Businesses are still hurting from the decline in travel and there is a need for additional financial assistance moving forward.

Ideas for How the Port Can Support Economic Recovery and Partnerships

- Urge the Port to open the IAF in September of 2021, so that the facility will be open in advance of the anticipated resurgence of international travel.
- Workforce development efforts could align with an eye toward alleviating staffing shortages.
- Expedite federal relief distribution to small businesses in the airport and also continue the practice of granting concessionaires flexibility in customer seating arrangements.
- The Port should serve as a coordinator between airlines and concessionaires, so concessionaires can precisely align their staffing plans with peak passenger volumes.
- Take a prominent role in clarifying the discordant regulatory landscape around COVID safety.
- In contrast with the general tone of the meeting, one participant signaled displeasure with the Port's relief efforts for their community and called for additional relief to match the airport concessionaires timewise, debt relief, and a posture of collaboration.

Maritime Industry Sector Listening Session Summary

Commissioners Felleman and Steinbrueck hosted this session April 8th, 2021.

Attendees

Eleanor Kirtley - Green Marine
 Eugene Wasserman - North Seattle Industrial Association
 Mike Moore - Pacific Merchant Shipping Association (PMSA)
 Sarah Scherer - Seattle Propeller Club
 Joshua Berger - WA Maritime Blue
 Jon Hie, Seattle Marine Business Coalition
 George Harris - Washington Maritime Federation
 Dean Paglialunga - Fishermen's Terminal Retail Tenants Association

Summary

This session brought together a broad cross-section of the Seattle maritime ecosystem. Given this variety of backgrounds, it is notable that two issues were mentioned by most/all meeting participants: the crucial importance of and demand for maritime workforce development efforts, and a desire for the Port to serve as an advocate and lobby the City of Seattle to improve public safety and reduce crime and disorder in Seattle's manufacturing and industrial areas.

Keywords

Workforce Development, Public Safety/Public Order Advocacy, Regulations

Identified Issues Impacting the Community

- Some participants are facing difficulty coming into compliance with the Department of Ecology's recently strengthened copper regulations.
- Conflicts with the City on right-of-way issues persist.
- West Coast port congestion and the lack of rail capacity need to be addressed.
- State environmental regulations and red tape are creating challenges for the industry.
- Lack of affordable industrial space and the threat of losing industrial space to other land uses must finally be addressed.
- There needs to be more alignment on key priorities/projects for the industry.

Ideas for How the Port Can Support Economic Recovery and Partnerships

- Continue and expand maritime workforce development efforts and advocate for better public safety.
- Focus on actions that will assist the cruise industry recovery and help regrow tourism in the city.
- Explore offshore wind opportunities.
- Advocate and take actions that increase certainty around regulatory costs.
- Make quicker decisions on projects within the NSIA.
- Do more to promote the maritime industry to the public (i.e. Maritime Matters campaign).

- The Port had already successfully partnered with these organizations in several areas. Continue to look for opportunities where the Port can be partner, advocate and convenor.
- Keep lines of communication open and coordinate with industry.
- Help with advocacy with SDOT re: the proposed West Marginal Way bike lane.
- Elevate the successes of environmental initiatives at the Port.

Represented Labor Listening Session Summary

Commissioners Bowman and Cho hosted this session on April 15th, 2021

Attendees

Monty Anderson – Seattle Building and Construction Trades
 Rich Austin - ILWU Local 19
 Katie Garrow – MLK Labor
 Dustin Lambro – Teamsters 117
 Stefan Moritz – Unite HERE

Summary

This session brought a variety of different, specific concerns and suggestions for Port action/partnership to the table. There were some common themes, however, including addressing the disproportionately negative financial impacts of the pandemic on lower-wage communities and workers as well as gratitude that the Port is pushing forward on job-creating capital projects when other agencies have had to slow down on projects. The group also pressed Commissioners to push the Port to revisit its policy around the Juneteenth holiday for represented employees.

Keywords

Disproportionate Impacts of Pandemic, Job Creation through Investment in Capital Projects

Additional Issues Impacting the Community

- There is a great systemic challenge and need in their communities for additional childcare services.
- Need to extend worker retention policy to airline caterers (building on the recent minimum wage victory) given the current elevated turnover in contractors for airline kitchens.
- Concern regarding Port department-driven initiatives to revisit labor standards in order to enhance small business.

Ideas for How the Port Can Support Economic Recovery and Partnerships

- Give all represented employees at the Port Juneteenth as a paid holiday (in addition to non-represented employees receiving the same benefit).

- Continue spending money on capital investments to help avoid layoffs and speed up the pace of economic recovery.
- Tie any relief the Port provides to employers to keeping people employed and require that employers spend relief funds on wages and benefits.
- Support pre-apprenticeship programs with placements into actual apprenticeships.
- Considering not always using outside counsel during collective bargaining negotiations.
- Continue to create opportunities for dialogue in order to build a two-way, trust-based relationship moving forward.

Contractors Listening Session Summary

Commissioners Cho and Steinbrueck hosted this session on May 27th, 2021.

Attendees

Sonja Forster - AGC of Washington
 Vicky Schiantarelli - Schiantarelli & Associates
 Shannon Gustine- Hensel Phelps
 Jeff Arviso - Manson Construction
 John Salinas - Salinas Construction
 Ray Riojas - Walsh Construction
 James Faison - Faison Construction, Inc/National Association of Minority Contractors
 Washington Chapter
 Brett Earnest - Clark Construction

Summary

Participants in the session offered focused and specific feedback regarding the Port's contracting process, contractual approaches to cost uncertainties, and workforce development efforts. The main suggestion for Port action was continued, even increased levels of capital spending to sustain jobs, stimulate regional growth, and support the recovery. The participants detailed actions that will help remove barriers to participation for small and WMBE firms including: mix of project sizes, improved protocols on advertisements, adding badging capacity, lowering bonding requirements, and changing payment structures to better account for the needs of subs.

Keywords

Capital Spending, Growth Trajectory, Cost Escalators, Design-Build, Minority Contracting

Additional Issues Impacting the Community

- Contractors identified a significant issue with the recent explosive and unpredictable cost increases of certain raw materials, including lumber, steel, and fuel.

- Need to ensure that contracting processes and procedures don't create barriers for participation for WMBEs as outlined above.
- There is a lack of apprentices and younger workers entering the skilled labor job pipeline.
- There are several risks in the port bidding process such as accounting for inflation, change orders and other contingencies.
- Primes need flexibility to keep their own core workers employed on a consistent basis and flexibility in negotiation of fixed PLAs with unions since each project and contractor is different.

Ideas for How the Port Can Support Economic Recovery and Partnerships

- Keep capital program on a growth trajectory.
- Keep talking with contractors and convene unions, primes, and WMBEs together to improve efficiency, labor pool, and coordination.
- Account for cost increases in materials in contracts, whether through cost escalation clauses or tying contracts to a materials price index. This is especially relevant for longer term contracts stretching out for several years.
- A design-build delivery method is the preferred approach and allows more WMBEs, while GCCM model does not.
- Expand priority hire zip codes outside of King County, and work with high schools to get youth interested and engaged in a career in the skilled labor workforce.
- Detail project scope more thoroughly in the pre-solicitation period to minimize the potential for change orders later in the construction process.
- Hold regular outreach sessions where smaller contractors can both be trained on how to do work with the Port and offer their feedback on how the Port contracting process can be improved.
- Maximize notification time and the number of venues where notices of work are posted.

Arts Listening Session Summary

Commissioners Bowman and Cho hosted this session on May 20th, 2021.

Attendees

Kelly Pajek – 4Culture

Tyna Ontko - SOIL

Rachel Cook - On the Boards

Kate Becker – King County

Weston Lambert – Artist

June Sekiguchi – Artist

Summary

The session was notable in that participants were able to both identify clear needs for their communities as well as point to recent investments by the Port that were aiding economic recovery for the arts. The most pressing issue that was raised by participants was the lack of both affordable housing for artists (one participant reported being displaced from Seattle to Tacoma due to this issue) and affordable studio space.

Keywords

Affordability, Paid Opportunities, Arts Ecosystem

Additional Issues Impacting the Community

- A major studio space, Inscape Arts, is under threat of redevelopment, which would exacerbate the regionwide shortage of studio space.
- There is a decline in paid work and fundraising opportunities due to the pandemic.
- Artists have created a lot of art over the last year, but haven't been able to show or sell it and as a result have large amounts on hand.
- It's important to bring attention to the issue of mental health in the arts community, especially for artists who don't live with family.

Ideas for How the Port Can Support Economic Recovery and Partnerships

- Inject additional dollars into the creative economy by expanding the number of paid opportunities for local artists at the Port.
- Last year's arts stimulus program is an ideal approach to investment and these investments in artists support a whole secondary economy of fabricators, architects, etc.
- Consider and explore providing studio spaces for artists in public-facing areas of the Port, perhaps as a part of an artist residency.
- Consider partnering on two projects: adding parking and apprenticeship opportunities to the Harbor Island sound stage.
- Tommy Gregory's work reaching out to artists is wonderful. Expanding the Port's arts staff would allow Tommy to do more.
- Provide bridge funding to the non-profit that schedules musical performances at the airport, as it is at risk of financial collapse.
- Make investments in arts organizations across King County (but especially in underserved areas like airport cities) as a means of showcasing our regional values of supporting the arts.

Environmental Non-Profit Listening Session Summary

Commissioners Felleman and Steinbrueck hosted this session on April 15th, 2021.

Attendees

Heather Trim - Zero Waste Washington
 Joanna Nelson des Florres – Forterra
 David Han – ECOSS
 Miranda Marti – 350.org
 Maria Batayola – Front and Centered
 Gregg Small, Climate Solutions
 Alyssa Macy – Washington Environmental Council
 Esther Handy – Puget Sound Sage (submitted online)

Summary

This session brought up an interesting mix of global environmental topics and desire for localized action. While the dangers of climate change were raised, the need for improved air quality was actually cited as the top community concern.

Keywords

Port as Advocate, Electrification, Air Quality

Additional Issues Impacting the Community

- There is a need for a “just transition” to a clean energy future, where indigenous and other communities of color are engaged at every step of the transition process.
- BIPOC youth need more opportunities to secure sustainable jobs as a strategy to power this massive shift.
- One meeting participant raised a strong disagreement with the Port’s MSW to jet fuel plans.

Ideas for How the Port Can Support Economic Recovery and Partnerships

- Take action on air quality issues through electrification of the waterfront, buildings, and trucks/freight.
- Expand and increase Port’s advocacy for clean fuels as a follow on to the Port’s great LCFS advocacy.
- Partner with impacted communities on noise, air quality, etc. advocacy with the federal government.
- Replicate our Duwamish environmental initiative for communities surrounding the airport.
- Lower barriers to contracting with the Port for small businesses/non-profits.
- Create pathways to green jobs and promote sustainable job opportunities to BIPOC communities.
- Broaden Port’s enabling statutes to include environmental issues.

- Explore practices in our facilities such as banning plastic bottles banned at the airport (like SFO.)

Equity-Focused Listening Session Summary

Commissioners Cho and Bowman hosted this session on April 22nd, 2021.

Attendees

Michael Byun – Asian Counseling & Referral Services
 Anne Xuan Clark - Chief Seattle Club
 Marcos Wanless – Latino Chamber of Commerce
 Fernando Martinez – Northwest Mountain MSDC
 Tabor 100 – Ollie Garrett
 Amesha Lawton - Urban League of Seattle
 Manhaz Eshetu - Refugee Women's Alliance REWA

Summary

The Equity Economic Recovery Listening Session brought together local leaders who have been on the front lines of the pandemic response in some of the most heavily-impacted communities in the region. It followed that many participants advocated for a focused distribution of relief resources and economic recovery efforts in these communities.

Keywords

Equitable Recovery, Port Contracting Improvements, Investments in Youth

Additional Issues Impacting the Community

- There is a perception that Port contracting requirements can be extremely challenging (i.e. one participant said the Port South King County Fund grant process was by far the most onerous of the one thousand grants they had participated in over the past year.)
- Rising levels of homelessness among indigenous peoples and the lack of access to relief resources for immigrants were both raised as top issues.
- There is a lack of jobs for their clientele/communities as well as trouble finding workers.
- Problematic situation where majority-owned companies are moving into market segments where WMBEs are predominant, including by buying out minority-owned businesses and folding them into their operations.
- Port RFP language itself can discourage minority-owned small businesses from competing for work at the Port.
- There are reports of escalating physical violence against youth and a need to connect youth summer internships with the next step in the career ladder.

Ideas for How the Port Can Support Economic Recovery and Partnerships

- Find a way to lower the contractual and administrative barriers currently discouraging non-profits and WMBEs from working with the Port.
- Invest in developing the pipeline of WMBE contractors and suppliers.
- Continue and expand investments in youth, especially programs that involved youth earning a wage.
- Develop programming for youth in the South End as well as the Central District, given the ongoing conflict between youth in the two areas.
- Explore why people of color do not represent a higher percentage of senior leadership positions at the Port.

Workforce Development Listening Session Summary

Commissioners Bowman and Calkins hosted this session on May 6th, 2021.

Attendees

Ann Avary – Center of Excellence for Marine Manufacturing & Technology

Rich Stolz - OneAmerica

Krist Grassman - Construction Center of Excellence

Linda Faaren – Puget Sound Welcome Back Center

Marie Kurose – Workforce Development Council of Seattle KC

Dale Bateman - Seattle Colleges Seattle Maritime Academy

Summary

The most commonly-cited major issue raised in this session was the disproportionate impact of the pandemic on participants' communities. Housing, lack of childcare, and lack of healthcare were also identified as pre-existing disparities that have been exacerbated during the pandemic due to declining wages, benefits, and jobs. Participants were excited about the Port's support of the Maritime Innovation Center and Maritime Blue and suggested that the Port continue to do more work along these lines.

Keywords

Career Pathways, Port as Convener, Pandemic Impacts

Additional Issues Impacting the Community

- The pandemic has created barriers for internationally-educated professionals who were not able to find the entry-level jobs that serve as the first step towards rebuilding professional careers in a new country.
- There is difficulty finding qualified marine technicians in the current environment. There is a need to create pathways for workers from disadvantaged communities to gain technical skills and get connected to employers.
- Suicide safety trainings, mentorship, and safety culture relationship training is needed in the construction industry.

- There is a need for additional CDL drivers and ways to support women in the trades.
- Struggles to find ways to diversify the maritime workforce and introduce the concept of a maritime career to a younger and more diverse audience when there are not many people who look like this audience already at sea.
- The Coast Guard's burdensome sea-time requirements for aspiring mariners are posing significant barriers for training level credentials, and thus entry-level jobs in the maritime industry.

Ideas for How the Port Can Support Economic Recovery and Partnerships

- Play a role as a convener with the goal of developing a regional strategy for workforce development (with specialized accommodations like translation services).
- Work with the state Centers of Excellence to cross-promote workforce development strategies.
- Utilize priority hire in other industries beyond construction.
- Create additional entry points (jobs and internships) for educated immigrant workers so they can prove what they know.
- Build additional connections between short-term pre-apprenticeships and internships and full-time, sustainable careers.



Commission Economic Recovery Listening Sessions

Port of Seattle Commission

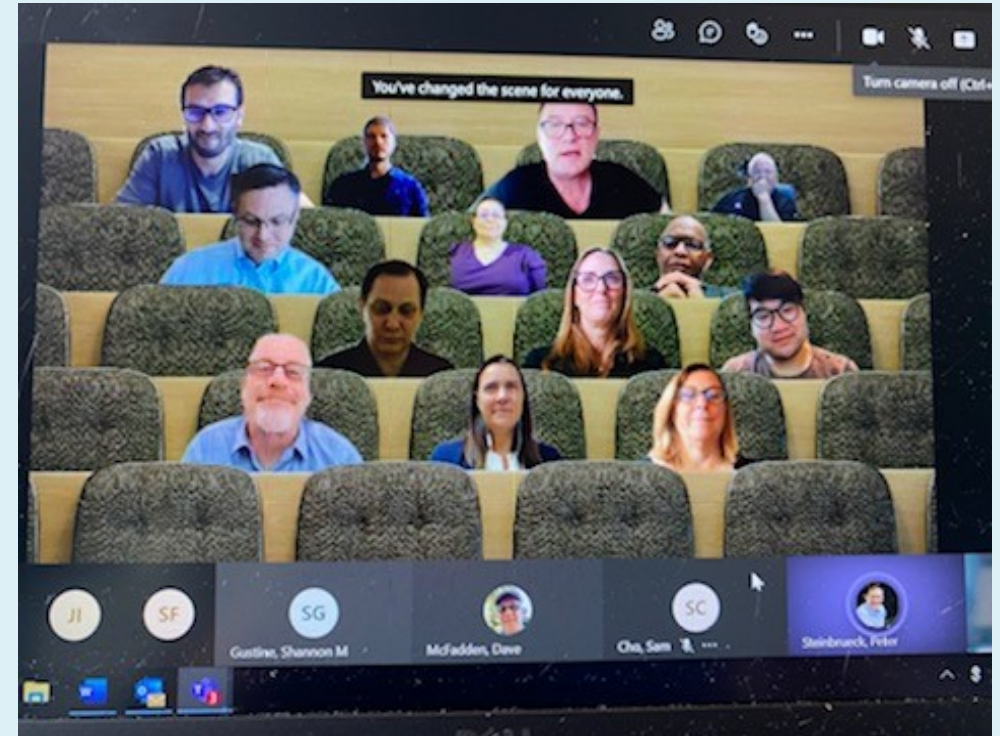
Introduction

- COVID disruption impacts
- National recovery progress
- Port Commission response



Listening Tour

- Commissioner Cho initiates listening tour for Port Stimulus
- 13 sessions 101 participants
- Leaders and stakeholders from around King County
- Key sectors and interest areas



What we heard

Seattle Business

Advocate and Convener, Downtown
and Neighborhood Business
Recovery, Tourism Promotion

Eastside Business

Growth, Access to
Recovery Resources,
Reopening

Sound Cities Association

Affordable Housing, Port as
Convener, Capacity-building

Duwamish

Career Pathways, Port/Duwamish
Communication, Contracting Barriers

South King County

Basic Needs, Capacity-building,
Workforce Development

What we heard



Aviation

Relief initiatives, Re-staffing,
Port as Coordinator



Maritime

Workforce Development,
Public Safety/Public Order
Advocacy, Regulations



Represented Labor

Disproportionate Impacts of
Pandemic, Jobs Creation
through Investment in
Capital Projects



Contractors

Capital Spending, Growth
Trajectory,
Cost Escalators, Design-
Build, Minority
Contracting

What we heard



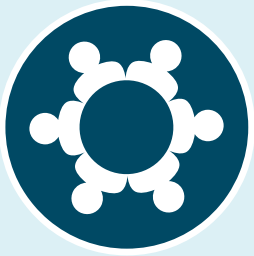
Environmental

Port as Advocate,
Electrification, Air Quality



Arts

Affordability,
Paid Opportunities,
Arts Ecosystem



Equity

Equitable Recovery, Port
Contracting Improvements,
Investments in Youth

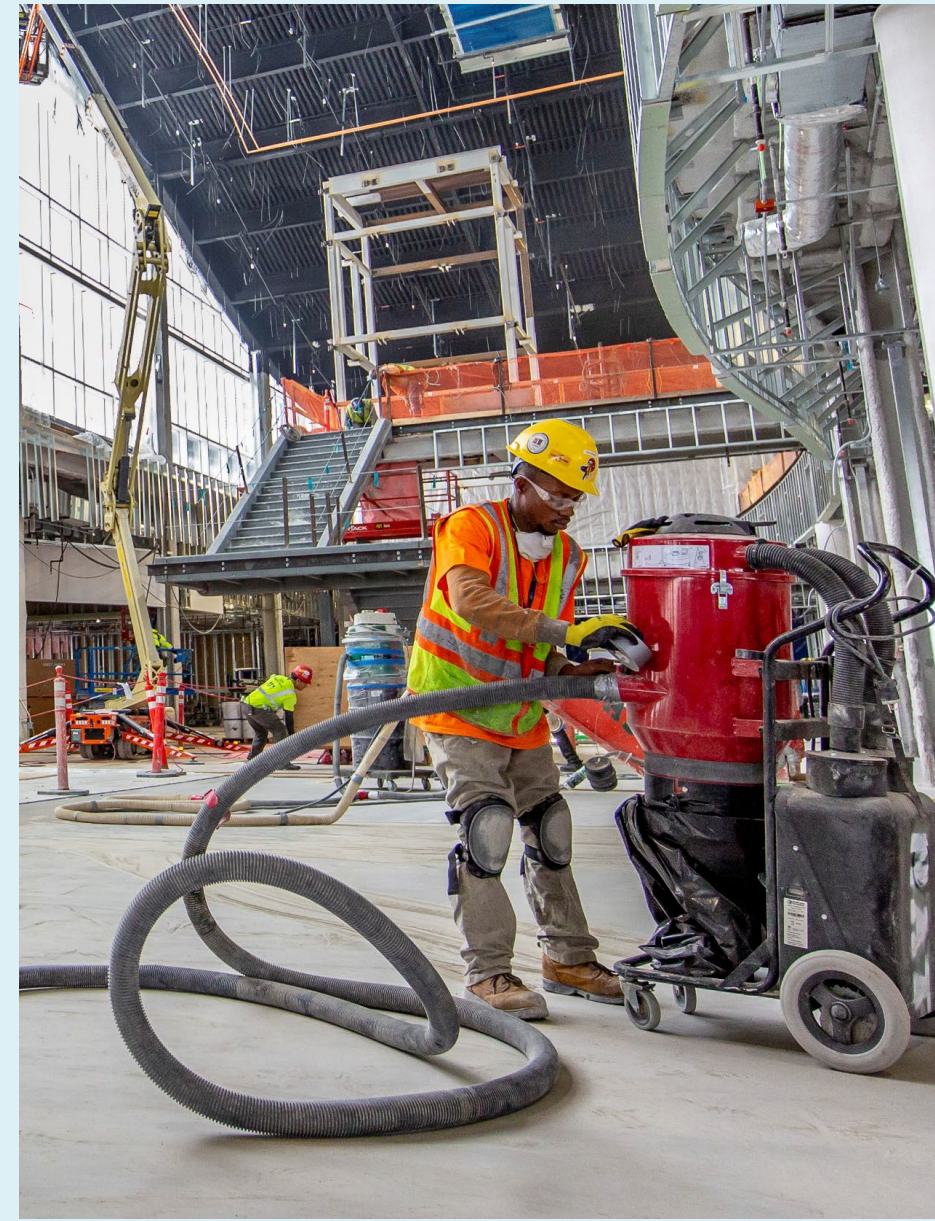


Workforce Development

Career Pathways, Port as
Convener, Pandemic Impacts

Takeaways

- The Port is a key economic engine for the region.
- Keep this engine running and step on the accelerator - Do more, go faster, go further.
- We are going in the right direction.
- We have more work to do and are poised to help lead the region's recovery.



Issues

- Disproportionate impacts of pandemic
- Contracting and grant processes
- Strategic economic rebound
- Job losses and lack of opportunities
- Uncertainties driven by pandemic



Actions

- Invest in capital programs and operations
- Support jobs and workforce development
- Invest in community programs and tourism
- Convene and advocate with our partners
- Equitable, sustainable, inclusive recovery
- Include communities at Port tables
- Simplify contracting to serve equity



Outcomes



2022 Budget Priorities



Medium and Longer-Term Efforts



Policy Changes



Partnerships



Questions for Commissioners



What were your key takeaways from these listening sessions?



How did this process influence your 2022 budget priorities?



Was this a valuable process that you would like to repeat in the future (perhaps next year for the 2023 budget)?

[RETURN TO AGENDA](#)

SECTION IV.

BUDGET REQUEST PACKAGE DEVELOPMENT DISCUSSION

(There are no handout materials associated with this section.)