



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

APPROVED MINUTES COMMISSION SPECIAL MEETING JULY 23, 2019

The Port of Seattle Commission held a special meeting, Tuesday, July 23, 2019, at Kirkland City Hall, 123 Fifth Avenue, Kirkland, Washington. Commissioners Bowman, Calkins, Felleman, and Steinbrueck were present. Commissioner Gregoire was excused.

1. CALL TO ORDER

The meeting was called to order at 11:39 a.m. by Commission President Stephanie Bowman, who led the flag salute.

2. OPENING REMARKS

Commissioner Bowman thanked the City of Kirkland for hosting the port's meeting and commented on the rapid economic growth of King County's east side, notable in the cities of Redmond, Bellevue, and Kirkland.

Kirkland Mayor Penny Sweet welcomed the commissioners and remarked on the port's investment in the region through acquisition of the Eastside Rail Corridor from the BNSF Railroad and more recently through economic development and tourism promotion grants. She commented on growth and development in Kirkland and thanked the port for making itself accessible to eastside communities by holding meetings and events there.

Executive Director Steve Metruck reviewed the history of the port's acquisition of the Eastside Rail Corridor in 2009 for \$81 million and its subsequent transfer to agency partners including King County, Kirkland, Bellevue, Redmond, Woodinville, Sound Transit, and Snohomish County. He previewed items on the day's agenda and offered announcements.

3. UNANIMOUS CONSENT CALENDAR

[Clerk's Note: Items on the Unanimous Consent Calendar are not individually discussed. Commissioners may remove items for separate discussion and vote when approving the agenda.]

At the request of Commissioner Felleman, agenda item 3c was removed from the unanimous consent calendar for separate consideration.

3a. Approval of the minutes of the special meeting of June 25, 2019.

3b. Authorization for the Executive Director to execute the Maritime Blue Partnership Memorandum of Understanding substantially in the form attached between Washington

Maritime Blue, a Washington 501(c)(6) nonprofit organization, and the Port of Seattle to clarify partnership opportunities and responsibilities in implementing Washington state's Strategy for a Blue Economy.

Request document(s) included an agenda [memorandum](#), [presentation slides](#), draft [memorandum and understanding](#), and Maritime Blue [Strategy report](#).

As noted above, agenda item 3c was temporarily postponed.

3d. Authorization for the Executive Director to advertise and execute a contract with General Contractor/Construction Manager "Heavy Civil," to assist with completion of design and permitting work associated with the Terminal 117 Habitat Restoration and Duwamish Shoreline Access Project. No funding is requested as part of this authorization since the work is covered under an existing design and permitting authorization approved June 7, 2011.

Request document(s) included an agenda [memorandum](#).

The motion for approval of consent items 3a, 3b, and 3d carried by the following vote:

In favor: Bowman, Calkins, Felleman, Steinbrueck (4)

Absent for the vote: Gregoire

4. PUBLIC COMMENT

Public comment was received from the following individual(s):

- Joshua Berger, Governor's Maritime Sector Lead, in support of the Maritime Blue memorandum of understanding (agenda item 3b).
- Anne Kroeker, Des Moines resident, regarding the impact of Eastside economic development on airport growth and airport communities. Ms. Kroeker submitted written materials, which are attached as minutes [Exhibit A](#).

5. PANEL DISCUSSION: TOURISM MARKETING SUPPORT and SPOTLIGHT AIRPORT ADVERTISING

Presentation document(s) included a combined agenda [memorandum](#) for agenda items 5 and 6, [presentation slides](#), [program update](#), [marketing program recipient list](#), and [airport advertising recipients list](#).

Presenter(s): Ron Peck, Port of Seattle Tourism Development Director; Brad Jones, Visit Bellevue Director; and Toby Nixon, Kirkland City Council Member.

The role of the port's tourism partnership program in advancing state tourism and use of port facilities was summarized. In 2019, there were 47 applications from across Washington of which 30 were awarded funding. Of these, 17 were new applicants. In 2019, \$200,000 was available for award, of which \$50,000 was to be used to promote eco-sustainable, cultural/historical, outdoor, or public land activities. Ultimately, over \$160,000 was awarded in these categories. The return-on-

investment requirements for grant awards were described. Staff shared statistics on increases of non-resident participation in Washington tourism activities.

Examples of the Spotlight Airport Advertising program were described. In its two years, the program, which sets aside about 10 percent of airport advertising space to promote local and state destinations, has provided promotional opportunities for 53 participants. The tourism economic impact on the Bellevue area was summarized, including impact related to cruises to Alaska.

City of Kirkland tourism development efforts and participation in the Spotlight Airport Advertising program were highlighted.

Commissioners commented on the ecotourism component of the tourism marketing support program. They noted the importance of marketing efforts to business and asked about other local or state funding sources for tourism promotion. It was reported that there is \$1.5 million available from the state. To take advantage of this funding, matching funding of \$3 million is required. This funding level is the lowest state tourism promotion budget in the U.S. Commissioners commented on the opportunity for other port districts in the state to join in promoting tourism in their communities.

6. PANEL DISCUSSION: ECONOMIC DEVELOPMENT PARTNERSHIP PROGRAM

Presentation document(s) were included with agenda item 5 above.

Presenter(s): Joe Meyer, Port of Seattle Economic Development Coordinator; Alex Herzog, City of Woodinville Assistant to the City Manager; and Ellen Miller-Wolfe, City of Kirkland Regional Business Partnership Manager.

The role of the port's economic development partnership program in providing economic stimulus for King County cities was summarized. In 2019, \$795,900 was awarded to 25 cities. The matching funding and in-kind contribution provisions of the program were described, and the categories of uses of funding by the cities were summarized. These included business recruitment, business retention efforts, planning and feasibility studies, tourism development, and buy-local initiatives.

Examples of economic efforts in Woodinville and Kirkland were presented. Woodinville's economy is noted for about 130 wineries, breweries, and distilleries that serve about 800,000 visitors annually. The city is conducting a feasibility study in preparation for establishing an adult beverage business incubator. Kirkland currently administers an interlocal alliance called Startup 425 that includes the cities of Kirkland, Renton, Bellevue, Redmond, and Issaquah and supports entrepreneurs and business start-ups. This includes business-related educational programs, mentoring services, and other efforts to lower barriers to entry for new entrepreneurs.

Commissioners asked about the role of diversity and inclusion in city business incubator programs. They also asked about the perspective of eastside cities on regional mobility as it relates to potential for water taxis on the east side and airport remote baggage check-in. Supplemental funding for Startup 425 was discussed.

7. PANEL DISCUSSION: EASTSIDE BUSINESS GROWTH AND PORT PARTNERSHIPS

Presentation document(s) included [presentation slides](#) provided at the time of the meeting.

Presenter(s): Joe Fain, Bellevue Chamber of Commerce President and CEO, and Chris Johnson, Bellevue Chamber of Commerce Government Relations Director.

Eastside business growth statistics were presented, including downtown employment by major sector, workforce comparisons to other technology hubs, and downtown commercial real estate development in Bellevue and other eastside cities. Retail employment has dropped over time while services employment has grown. The largest divisions within the services sector are accommodations and food service, professional and technical services, and information services. Siting of companies is affected by a desire for presence in major markets, availability of transportation options, affordable workforce housing, among other factors. Policy interests of the eastside chambers of commerce were outlined.

Commissioners commented on the port's foresight in investing in procurement of the Eastside Rail Corridor for the benefit of eastside communities and their related economic development. They asked about the role of workforce development and workforce readiness to the economic growth on the county's east side. Commissioners remarked on the need to broaden a coalition around facilitating development of sustainable fuels.

Commissioner Bowman noted the port's intention to create a new full-time position for port external relations in the county's east side.

The Commission advanced to consideration of –

ITEMS REMOVED from CONSENT

3c. Authorization to expend capital funds for project definition and preliminary design on Sustainable Airport Master Plan Near-Term Projects in an amount not to exceed \$10,000,000; procure and execute professional service contracts; and enter into reimbursable agreements with the Federal Aviation Administration in relation to the relocation and adjustment of the Runway 34R glideslope antenna as part of the Taxiways A and B Extension project (CIP #C801109).

Request document(s) included an agenda [memorandum](#) and [presentation slides](#).

Presenter(s): Keri Stephens, Manager, Aviation Capital Programs, and Pete Ramels, General Counsel.

Previously, a presentation on this subject was provided to commissioners on July 9, 2019, during agenda item 9b.

It was reported that the authorization would only support preliminary design work, does not presuppose determinations on Sustainable Airport Master Plan environmental review, and is therefore considered at-risk design work. No construction for the covered projects would begin prior to completion of the environmental review. The five airport projects covered by the preliminary design work to be authorized include the following:

- The Westside Maintenance Campus

- Aircraft Rescue and Fire-Fighting Relocation
- Roadway Improvements
- Taxiway A/B Extension
- Main Terminal North Ground Transportation Lot

Commissioners commented on the need for some of the listed projects regardless of any airport expansion contemplated in the Sustainable Airport Master Plan and on the inclusion of work to relocate the necessary antennas in order to accommodate increased glide slope for approaching aircraft.

The motion for approval of agenda item 3c carried by the following vote:

In favor: Bowman, Calkins, Felleman, Steinbrueck (4)

Absent for the vote: Gregoire

8. PRESENTATIONS, REPORTS, and STAFF BRIEFINGS

8a. Briefing on the Main Terminal Optimization Plan for Seattle-Tacoma International Airport.

Presentation document(s) included an agenda [memorandum](#) and [presentation slides](#).

Presenter(s): Mandy Xiggores, Aviation Capital Programs Development Manager, and Tucker Field, Aviation Terminal Planner.

The objectives of the project, which does not include an extension of the Main Terminal footprint, were summarized. The plan is driven by passenger growth and resulting congestion within the Main Terminal and has a large reconfiguration component. Determining appropriate levels of service for the Main Terminal was explained. The analysis considered conditions during peak demand times. It was reported that the need for optimization is accelerating faster than expected.

Commissioners asked about the evaluation process for proposing a middle-of-the-road optimization option. They inquired about airline consultation on the plan and asked for more information about the capital projects included in Main Terminal Optimization, which do not include any Sustainable Airport Master Plan projects. Commissioners asked about various uses of space within the Main Terminal.

9. ADJOURNMENT

There was no further business, and the meeting adjourned at 2:13 p.m.

Prepared:

Attest:

Paul J. White, Commission Clerk

Peter Steinbrueck, Commission Secretary

Minutes approved: September 10, 2019.