

Minutes

Washington State Convention Center
Public Facilities District

Regular Meeting of the Board of Directors
January 24, 2017

I. CALL TO ORDER

Frank K. Finneran, Board Chairman, convened a regular meeting of the Washington State Convention Center Public Facilities District (WSCC) at 2:00 p.m., in Room 206, of the Convention Center.

MEETING ATTENDANCE

Board Directors in Attendance

Frank K. Finneran, Chair
Deryl Brown-Archie, Vice Chair
Robert Flowers
Susana Gonzalez-Murillo
Nicole Grant
J. Terry McLaughlin
Craig Schafer

Board Directors Absent

Jerry Hillis
Karen Wong

Officers in Attendance

Jeffrey A. Blosser, President / CEO
Linda Willanger, Vice President of Administration / AGM
Ed Barnes, Vice President of Operations
Chip Firth, Director of Finance and Administration / CFO

Consultants / Vendors in Attendance

Brian McFadin, ARAMARK
Keith Hedrick, ARAMARK
Randall Walker, ARAMARK
Becky Bogard, Bogard & Johnson, LLC, (by teleconference)
Matthew Hendricks, Hendricks - Bennett, PLLC
Mark Reddington, LMN Architects
Matt Griffin, Pine Street Group
Fred Eoff, Public Financial Management, Inc.
Brock Bradley, PSAV
Johnny Baca, PSAV
Colin Green, PSAV
Rob Hampton, Visit Seattle
Patrick Smyton, Visit Seattle
Kelly Saling, Visit Seattle
Kris Cromwell, Visit Seattle

Staff in Attendance

Krista Daniel	Daniel Johnson
Donald Lane	Michael McQuade
Michael Murphy	Paul Smith
Lorrie Starkweather	Ron Yorita

Visitors in Attendance

Jennifer Bacon, IATSE #15
Riisa Conklin, Freeway Park Association
Kyle Daley, IATSE #15
John Hickey, IATSE #15
Gordon Padelford, Seattle Neighborhood Greenways
Chris Persons, Capitol Hill Housing
Mylor Treneer, IATSE Local 15

Scott Bonjukian, Lid I-5
McCaela Daffern, Capitol Hill Housing
B. Hane
Edin McNamara, IATSE #15
Sal Ponce, IATSE #15
Eric Torres, IATSE #15

II. APPROVAL OF MINUTES

December 20, 2016 WSCC PFD Regular Meeting

Mr. McLaughlin made a motion to approve the minutes of the December 20, 2016 Regular Board meeting as presented. Mr. Schafer seconded and the motion was carried by the unanimous affirmative vote of all Directors present.

III. PUBLIC COMMENTS

Mr. Finneran advised that anyone wishing to speak before the Board, either as an individual or as a member of a group, may do so at this time. Individuals desiring to speak shall give their name, address, and the group they represent, if any. A speaker is limited to three (3) minutes unless granted an extension of time. To facilitate the public comments section of the meeting, we ask that if you wish to speak please sign-in.

Members of the public wishing to address the WSCC PFD Board were:

- 1) Mr. Mylor Treneer, representing IATSE Local 15
- 2) Mr. Chris Persons, representing Capitol Hill Housing
- 3) Ms. Riisa Conklin, representing Freeway Park Association
- 4) Mr. Gordon Padelford, representing Seattle Neighborhood Greenways

Verbatim transcription of the comments are attached to these minutes as Appendix "A". Mr. Finneran thanked those who spoke to the Board, and being no further public comments, the meeting was brought back on to the agenda.

IV. CHAIRMAN'S REPORT

A. Introduction of Ms. Denise Moriguchi

Mr. Finneran introduced Ms. Denise Moriguchi. Ms. Moriguchi is the President and incoming CEO of Uwajimaya, Inc., a family-owned Asian specialty grocery retailer and wholesaler serving the Pacific Northwest since 1928. Mayor Murray has appointed Ms. Moriguchi to the WSCC PFD Board of Directors and WSCC is awaiting the official confirmation by the full City Council, expected in the next month.

B. Approval of Selection for WSCC General Legal Services Contractor

WSCC PFD issued a Request for Qualifications (RFQ) for general legal services several months ago. Six proposals were received and the responses were reviewed by an ad hoc Selection Committee of Board members and WSCC staff. The Committee short-listed the group to three of the most responsive firms: K & L Gates; McNaul Ebel Nawrot & Helgren; and Hendricks & Bennett. The Committee determined that the firm of Hendricks & Bennett was the most qualified and is being recommended at the apparent successful submitter.

Ms. Brown-Archie moved approval of the selection of the firm of Hendricks & Bennett as the WSCC General Legal Services Contractor, and to authorize the President / CEO to negotiate and execute a final contract for these services. Ms. Grant seconded and the motion was carried by the unanimous affirmative vote of all Directors present.

C. Consent Agenda

Mr. Finneran presented the Consent Agenda to the Board. The following action items and informational reports had been sent to the Board for review prior to today's meeting:

Action Items:

1. Ratification of Additional Facility Project Contract List
2. Approval of Additional Facility Project Draw Schedule Payment

Informational Items:

1. WSCC Sales Productivity Report
2. WSCC Monthly Expenditures Auditing Officer Certification
3. WSCC Outreach Report, 2016 Year-end (Q4)

Mr. McLaughlin made a motion to approve the Consent Agenda as presented. Mr. Flowers seconded and the motion was carried by the unanimous affirmative vote of all Directors present.

VI. PFD COMMITTEE REPORTS

A. Addition Committee

1. Design Development Phase Update

Mr. Reddington advised that they are at the end of Design Development. The package was submitted on December 23, 2016, just before the end of the year. This package was prepared by the collaborative team; contains just over 1,800 drawings, as well as specifications, booklets, and a lot of background. The Clark-Lewis construction team, in conjunction with the LMN design team, are now tasked with performing the cost evaluation of all the design details, such as examining all the systems and all materials, doing a very detailed cost analysis to ensure alignment with the budget as the final construction documents are prepared. At the same time there is a lot of detail development that is still ongoing because we are on a fairly efficient schedule to complete construction document packages in order to facilitate the start of construction. Mr. Reddington reported that in addition to the model the Board members have seen previously, LMN has been building a similar model that's twice as big (approximately 7 feet long X 4 feet wide X 3 feet high), and contains a lot more details. Mr. Reddington provided a brief demonstration of the process, revisions to some areas, and the current stages of the interior and exterior design elements.

2. Update

Mr. Finneran requested Mr. Griffin provide the Board with an update on the Addition Project. Mr. Griffin reported that as they've said from the beginning, the critical path to getting started on this project is working through the entitlements. Next step from the entitlements is the publication of the Final EIS, which should happen in February. That will then tie in with the work with the Design Commission for the alley and street vacations. We are in the process of assessing what public benefits are appropriate and what we should propose to the Design Commission that will then go onto the City Council for final decision this summer. LMN completed the Design Development drawings in December and those are now being priced by Clark-Lewis. We should have a good understanding on where we stand on the budget late February/early March, but are hopeful to be consistent with what was put into the financials previously. Mr. Griffin spoke to some of the proposed design ideas for the pedestrian experience and its importance to the Convention Center, its customers, and the surrounding neighborhood, and the positive impact it will bring. The WSCCAddition.com website is starting to be populated with a section specifically for the co-development package information for the proposed 400-unit apartment building and the 500,000 square foot office building, to be constructed above the loading dock.

3. Approval of Fifth Amendment to the Facility Addition Architectural/Engineering Services Contract, Resolution # 2017-3

A RESOLUTION of the Washington State Convention Center Public Facility District approving the Fifth Amendment to the Facility Architectural/Engineering Services Contract.

Mr. Finneran requested Mr. Griffin provide comment on the fifth amendment to the Facility Addition Architectural/Engineering Services Contract. Mr. Griffin advised that this amendment to the agreement with LMN Architects is to increase the compensation provided under the Agreement of a net effect of \$1,664,354, for an extension of Design Development Phase services through December 2016; the addition of Design Development estimating support and supporting design studies; terrace landscape

design; and the addition of King County Metro site work, including the 9th Avenue ramp and communications room design scope. Mr. Finneran advised that the Addition Committee had reviewed and adopted a motion to recommend this to the full Board for approval.

Ms. Brown-Archie made a motion to approve Resolution #2017-3 approving the fifth amendment to the Facility Addition Architectural/Engineering Services Contract with LMN Architects. Mr. Schafer seconded and the motion was carried by the unanimous affirmative vote of all Directors present.

4. Discussion and Possible Action regarding Clark-Lewis Mini-MACC contract

Mr. Finneran requested Mr. Griffin provide comment on the Clark-Lewis Mini-MACC contract. Mr. Griffin advised that on major construction projects such as the Addition Project, there are at times utilities that go through the site that need to be relocated. In this particular project, there are utilities under Terry Avenue and Olive Way. This contract provides the ability to relocate those utilities before we start construction. The contract has been negotiated with the Clark-Lewis team. The final amount will not exceed \$5.5 Million dollars, and it is work that would start in the next 30 to 60 days. Mr. Griffin stated that the team has worked hard in the engagement of diversity in our contractor. The Addition Committee believes it is important to get this work underway and get it off the critical path. Mr. Finneran advised that the document has been reviewed by all legal counsel involved in the Addition Project. The Addition Committee is seeking the approval of the full Board.

Mr. Schafer made a motion to authorize the Board Chair to finalize and execute the Howell/Boren Utility Major Permit General Contractor/Construction Manager Agreement in substantially the form presented in the Board Packet with Clark-Lewis in an amount not to exceed \$5.5 Million dollars. Mr. Flowers seconded and the motion was carried by the unanimous affirmative vote of all Directors present.

B. Finance Committee

1. Investment Funds, 2016 Year End Report

Mr. Flowers reported that the Finance Committee reviewed the WSCC portfolio of investments currently managed by Government Portfolio Advisors and Mr. Clark provided an outlook on finances for 2017.

2. Approval of Investment Policy, superseding Resolution 2010-15, Resolution # 2017-1

A RESOLUTION revising the Investment Policy for the Washington State Convention Center Public Facilities District And Authorizing The President/CEO Or His Designee To Deposit Funds Into The Local Government Investment Pool, Superseding Resolution 2010-15.

Mr. Flowers advised that there is a modification to Resolution 2010-15, to allow WSCC to add corporate bonds to our investment policy. The Finance Committee recommends approval of Resolution # 2017-.

Mr. Flowers made a motion to approve Resolution #2017-1, approving the revision to the Investment Policy for the Washington State Convention Center Public Facilities District, and authorizing the President/CEO or his designee to deposit funds into the Local Government Investment Pool, superseding Resolution # 2010-15. Ms. Brown-Archie seconded and the motion was carried by the unanimous affirmative vote of all the Directors present.

C. Government Affairs Committee

1. Update

Ms. Brown-Archie reported that the Government Affairs Committee met earlier today to discuss any potential items, issues or actions necessary with respect to City, County, or State legislation relating to the Convention Center.

2. Consultant Update Report

Ms. Brown-Archie advised that the consultant update report from Ms. Bogard is contained within the Board packets.

D. Operating Goals Committee

1. Completion of 2016 Operating Goals, Resolution # 2017-2

A RESOLUTION Approving Recommendation of the Operating Goals Committee Regarding Completion of the 2016 Goals for the District.

The Board feels that it is in the best interest of WSCC to adopt annual operating goals and to review end of the calendar year performance for those goals. Mr. McLaughlin advised that the WSCC Board Operating Goals Committee reviewed the FY 2016 Operating Goals Year End Report, attached as Exhibit A to Resolution #2017-2, and has determined that all goals for fiscal year 2016 have been completed or are moving forward as anticipated. The Operating Goals Committee recommended approval by the full Board.

Mr. McLaughlin made a motion to approve Resolution #2017-2, approving the satisfactory completion of the 2016 Calendar Year Operating Goals. Ms. Gonzalez-Murillo seconded and the motion was carried by the unanimous affirmative vote of all the Directors present.

VI. VISIT SEATTLE & WSCC Sales Reports

A. Visit Seattle Destination Overview

Mr. Hampton reported that Smith Travel Research report for December 2016 YTD provides comparisons for revenue per available room (RevPAR), average daily room rate (ADR) and occupancy variances for hotels in Seattle Downtown, San Francisco Market Street, Denver Downtown, Portland Central City, Austin CBD, San Diego CBD, Boston CBD/Airport, Nashville CBD and Los Angeles CBD. Downtown Seattle finished December with an occupancy rate of 82.7%, down 0.1% from the same period in 2015; RevPAR saw an increase of 3.1% and ADR had an increase of 2.9% as compared to the same period last year. In December 2016, San Francisco Market Street topped the competitive set for the month with an ADR of \$256.90. Downtown Seattle ADR's (\$211.19) finished the month in the fourth spot. Year to-date, San Francisco remains in the lead in the categories of Occupancy, Average Room Rate, and RevPar. Seattle numbers continued to track strongly with the eight other cities in the group.

B. Visit Seattle Sales Report

Mr. Hampton reported that Visit Seattle WSCC sales production combined for the months of November and December 2016 was 114.77% of goal and Hotel Production was 108.46% of goal. 2016 year-to-date room night production through December for WSCC is at 111.92% of goal and Hotel Production is at 85.93% of goal.

Mr. Hampton reviewed year-to-date WSCC lost and waived room nights. Year-to-date; 695,105 room nights were lost (business bid on, but was not awarded) and 729,954 room nights were waived (business that wanted Seattle to bid, but we were unable to bid for various reasons.)

Lost opportunities:

- Tessitura Network Inc. User Conference – August 2019:
2,800 delegates, 13,205 room nights, \$5.5 million economic impact
- EDUCAUSE – September 2026:
4,200 delegates, 14,952 room nights, \$15 million economic impact

Waived opportunities:

- Harley-Davidson Motorcycle Co. – August 2019:
5,000 delegates, 10,828 room nights, \$14.5 million economic impact
- Citrix Systems, Inc. – May 2020:
6,000 delegates, 11,595 room nights, \$18 million economic impact

C. WSCC Sales Report

Mr. McQuade reported that for December YTD, WSCC & Visit Seattle Sales staff combined top-line rent totaled \$5,740,876 for Convention Center contracted bookings. Groups hosted December YTD realized 15,230 in hotel room night bookings, with 203,659 delegates, and an estimated \$8,700,630 in top-line revenues.

During December, WSCC Sales staff booked 13 new events into the Center to infill around convention business booked by Visit Seattle. Cumulatively, these 13 WSCC booked events represent over 3,973 in estimated attendance, 618 associated room nights, and combined topline revenues of over \$580,054 for rent, food & beverage, parking and subcontractor services.

VII. PRESIDENT'S REPORT

A. Wild Rye: Year End 2016

Mr. Blosser provided a review of Wild Rye business in 2016. Wild Rye total revenues for 2016 were \$150,886. This represents approximately \$12,575 in monthly sales at Wild Rye, WSCC's public food operation. We are looking to increase the Wild Rye revenues going forward and are reviewing the current menu offerings and customer service procedures. Mr. Hedrick and Mr. McFadin are working with the Executive Chef and Director of Operations through a series of protocols, quality assessments and managerial oversight to ensure consistency and quality at every level of the operation. For 2017, Aramark has hired a new manager for Wild Rye; has done a menu overhaul which launched on January 16; and created new menu boards that present a cleaner, more contemporary look and feel to the restaurant. Aramark will be extending the Wild Rye brand through WSCC by using the brand in all of our grab-and-go sandwiches, salads, wraps, and snack boxes at other retail locations during public events; this will launch at the upcoming Northwest Flower & Garden Show in February. Recommendations for physical improvements to the Wild Rye Café Bakery space are also being developed.

B. Retail Report: Year-End 2016

Mr. Blosser reported on the Retail Summary for the year ending December 2016. WSCC has 17 retail spaces, totaling 21,962 square feet. There are 12 retail spaces currently leased, totaling 15,704 square feet. Rental revenues for 2016 were less than 2015 due to vacancies. During 2016, the Facility Committee approved the planning effort to turn the former salon space as a flexible area for client uses, as the first step in a potential development of Level 1. In order to not foreclose future opportunities, the focus has been on short-range opportunities which are compatible with the longer-term vision to reconfigure and upgrade the area to improve the experience for convention and meeting attendees as well as for the general public. Negotiations were conducted with Romio's Pizza & Pasta (currently in the Kollias building on the Addition property) to relocate to the vacant retail space on Pike Street between 8th and 9th Avenues, but the owner recently decided to move the business to an alternate location. A new tenant for the space will be sought, for occupancy following the move-out of MidMountain Contractors, which has used the vacant space as a construction office for the Pike Street renovation project. Over the coming 6 months, staff will be seeking tenants for currently vacant retail spaces and will ensure all tenancies are compatible with the potential redevelopment of Level 1 and with the likely retail mix for the Addition facility. As well, pending the Level 1 project outcomes and completion of the sidewalk improvements, prepare the new streetfront retail spaces (adjacent to the WSCC administrative offices on Pike Street between 8th and 9th Avenues) for leasing during 2017. These are currently undeveloped spaces.

VIII. STAFF REPORTS

A. WSCC Parking Report

1. Parking Report

In Mr. Tesfaye's absence, Mr. Firth reported that parking revenues for December 2016 were down 5% from the revenues reported December 2015; and December YTD revenues were down 1.0% from the same period in 2015, mainly due to the event mix in the building. WSCC's monthly parking for the main garage is currently at full capacity. There is a small wait-list for both garages.

Mr. Finneran requested that, going forward on a monthly basis, Mr. Firth provide a report showing the average income per stall / per category / per month – public versus monthly parking per building and employee parking.

Mr. Firth provided a "Year in Review" glance at the results from both the WSCC Garage and the Freeway Park Garage. Of the \$3,588,647 total parking revenues collected in 2016, 64% was from the WSCC Garage, while 36% was from Freeway Park Garage; 58% of revenues was derived from daily parking, while 42% was from monthly parking; approximately 72% of the transactions are being conducted

at the machines as opposed to 28% at the cashiers; 197,349 transactions occurred during 2016 with 62% using a debit/credit card, 18% paying with cash, 20% utilizing the event-related validations, and less than 1% paying by check. Mr. Firth reported on the usage of the EV Charging Stations for the date range of November 28, 2016 to January 13, 2017. During these 47 days, the stations have seen 58 transactions; averaging 1.23 transactions per day; total energy per day 8.45 kWh; total energy for the 47 days 397/0527 kWh; revenue from the charging stations for these 58 transactions totaled \$216.20 plus the parking fees.

B. Food Service Report

Mr. McFadin reported total sales for December 2016 were up \$60,880 from re-forecast, however down \$184,243 from prior year. Total costs for December 2016 were less than re-forecast by \$251,343 primarily due to the event mix in-house. December 2016 total WSCC PFD profit was up \$190,472 over prior year and \$312,259 better than re-forecast. Year-to-date sales are \$2,405,777 above re-forecast and \$2,332,293 above prior year or an increase of 10.6%. Food service return to WSCC PFD year-to-date is up \$1,814,536 from forecast and up \$1,434,666 from prior year. ARAMARK continues to focus on the Food Management and Labor Management programs and reports are showing positive results.

X. FINANCIAL REPORT

Mr. Firth reported that the format for the financial report was revised in March to isolate the Marketing Revenues and Expenses from the Operating and Non-Operating categories. The In-House Marketing Expenses are now also included under the Marketing Expenses category.

December 2016 total operating revenues were down 15.1% compared to the same period in 2015, and ahead of budget by 27%. For the month of December 2016, Food Service revenues were ahead of budget by 56%. Retail revenue was down 21.1%, Building Rent revenue was down 42% due to food and beverage discount, Parking revenue was down 14.7%, and Facility Services revenue was up 101.8%. Year-to-date Operating Revenues were 8.7% ahead of budget at \$35,722,616, and ahead of prior year by 8.5%.

Operating expenses for December 2016 were below budget for the month by 31%; and the corresponding sales were up 27%. Staff continued to conservatively manage expenses in FY2016. Operating loss for December 2016 was \$547,354, a decrease of 30.6% over the same period in 2015. Year-to-date the operating surplus through December totaled \$1,893,186.

For the month of December 2016, marketing revenues were below budget by 11.4%; and the monthly marketing expenses totaled \$984,113, below budget by 11.8%. Year-to-date December 2016 total Marketing revenues were up 5.4% compared to the same period in 2015, however under budget by 5.4%. Marketing expenses for year-to-date 2016 totaled \$11,907,500, below budget by 5.3%. Marketing surplus for December was \$81,249, a decrease of 44.3% over the same period in 2015. Year-to-date the marketing surplus through December totaled \$852,528, below budget by 6.8%.

In 2013, the Board authorized a funding mechanism to support efforts necessary to explore expansion feasibility, now called Addition Budget. Addition Project Fund expenditures for December 2016 were \$3,790,345.

Non-Operating Revenues for the month of December was \$6,944,941, below budget by 9.2%. Non-Operating Revenues year-to-date through December 2016, for regular and additional lodging taxes, totaled \$82,668,404. Non-Operating Expenses during the month for transfer of additional lodging tax, debt service, capital improvement projects, and addition budget totaled \$7,988,465, below budget by 2.1%. Non-Operating Expenses year-to-date through December 2016, which includes transfer of additional lodging tax, debt service, capital improvement projects and the addition budget, totaled \$95,615,460, below budget by 30%.

Mr. Firth advised that the forecast for the 2017 fiscal year is tracking positively for WSCC.

XI. ADJOURNMENT

Ms. Gonzalez-Murillo moved to adjourn the January 24, 2017 Board meeting at 4:15 p.m. Mr. Flowers seconded and the motion was carried by the unanimous affirmative vote of all Directors present.

Appendix "A"

The public comments section is time set aside for members of the public to speak to the Board about subjects of concern or interest. To ensure your comments record properly, please state your name clearly. Please limit your comments to three (3) minutes. Public comment may be ended or modified if the comments become disruptive and are not germane to business at hand. Input requiring more lengthy comment is best submitted in writing. Mr. Finneran called upon the individuals in the order in which they signed in.

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1. Mylor Treneer, representing IATSE Local 15¹

Mr. Treneer: My name is Mylor Treneer. I am the business agent for Local 15 here in Seattle. I'm speaking on behalf of Local 15. We represent the audio visual technicians, riggers and event production personnel that make events happen here at the Convention Center. I'm here to update you on our progress in negotiating a first contract with PSAV to cover all of PSAV's full and part-time audio visual technicians. You may remember last year a letter that you received from the Seattle City Council. That letter made you aware of the fact that two (2) companies that operate within the Convention Center were violating labor laws by refusing to bargain with their employees. The two companies were Rhino Northwest and PSAV. Now Rhino Northwest is still a bad actor, but there's good news and bad news on the PSAV front. The good news is that last June, PSAV did come to the table and began bargaining with us. But the bad news is that since those many months past, that there's been absolutely no progress at negotiations. PSAV has refused to offer a living wage to its employees or to provide a path to ensure that all workers get raises over time. They've brushed off employee demands for fair benefits for all employees and they've balked at providing family-friendly predictive scheduling. Where does this refusal come from? Local 15 and PSAV have had a problem-free industry standard contract covering theatrical riggers for some years now. With annual revenues of close to \$2 Billion dollars, we know that PSAV can afford to pay their professional technicians a professional wage. Now on the one hand I'm fully aware that this Board has no legal standing in this specific confrontation between PSAV employees and their employer. But on the other hand, these technicians are PSAV employees but they are working in your house. This is your house that was built with public monies. Your house that's being expanded with public monies. These technicians work on the same team with you and help this house generate \$375 Million dollars of economic impact in 2015. Providing fair pay for the workers that helped generate that kind of economic impact seems a clear public benefit. Now I

¹ Verbatim transcription from recording: Mr. Mylor Treneer

Appendix "A"

30 appreciate that as stewards of a public facility you are under constant pressure from
31 a variety of constituencies. I think it can feel a little bit like being nibbled to death by
32 ducks, and I may be just another one of those ducks with three minutes of speaking
33 time. But I would like to leave you with a statement and a question. The statement is
34 pretty simple, as members of the Board of this institution you have the policy making
35 means, you have the authority to ensure that all workers who are employed in your
36 house are compensated at prevailing industry standards. And my question is why do
37 you abdicate this basic civic responsibility? Thank you for your time.

38 Mr. Finneran: Thanked the speaker, and stated that we appreciate your perspective and we get, you
39 know, a lot of give and take from a lot of different people. So we don't have the item
40 on the agenda, and I'm going to take the liberty of meeting with the President and
41 referring your comments and observations to the appropriate standing committee so
42 that they may deal with it at some time in the future.

43 2. Chris Persons, representing Capitol Hill Housing²

44 Mr. Persons: My name is Chris Persons. I am the CEO of Capitol Hill Housing. We're a PDA
45 located in the Capitol Hill neighborhood. I would like to respectfully request a very
46 brief addition of time because I will be introducing a group of people, a coalition
47 that's making a request of the Board, and if part of that coalition would also like to
48 speak about housing. So if I could have just a little addition of time.

49 Mr. Finneran: What does that little addition mean?

50 Mr. Persons: If I could have 7 minutes and 9 seconds total, I can get through my

51 Mr. Finneran: How about 7 & a half?

52 Mr. Persons: Ok that'd be good. Thank you very much. We support and are here to comment on
53 the Convention Center Addition. Our growing coalition of non-profit community
54 organizations, advocacy organizations, and a public entity includes Lid I-5, Cascade
55 Bicycle Club, Freeway Park Association, First Hill Improvement Association, the
56 Melrose Promenade, Seattle Neighborhood Greenways, Capitol Hill Housing, and the
57 Housing Development Consortium. We are optimistic about the Addition. It will
58 create new jobs; contribute to the urban life of downtown; and expand our city's
59 capacity for hosting large events; that urban design elements have evolved well and
60 the project will be a great addition to the downtown cityscape. Our coalition also
61 believes that the scale cross location and public ownership of this project compels a
62 broad investment in local communities. You have an opportunity to make such an

² Verbatim transcription from recording: Mr. Chris Persons

Appendix "A"

63 investment in the form of public benefits in exchange for multiple street and alley
64 vacations the Addition proposes. We have reviewed previous large projects and
65 conferred with the city policy experts estimating the monetary of the exchange to be
66 between \$64 and \$75 million dollars. This investment will enable the Convention
67 Center to grow with the stewardship of the city center neighborhoods in mind,
68 balancing its growth with the impact of that growth. We request that the Board adopt
69 in full the proposed community package of public benefits. This community package
70 is not new to the Board but was introduced at the December 7th open house. The
71 community package addresses shortages in public open space, safe active
72 transportation routes, and affordable housing. The package is proportional to the
73 scale and impact of the requested vacations and each element is interconnected.
74 Adoption of the entire package should be proposed to the Design Commission next
75 month. We acknowledge that the Convention Center and others have proposed
76 additional public benefits such as art, preservation and streetscape enhancement. We
77 do not believe that the community package precludes these other investments,
78 however the community package represents the strongest public support of any of the
79 proposed benefits. We are happy to work with you to refine and expand this
80 necessary community package. There are multiple aspects to the community
81 package. I'd like to talk very briefly about the Affordable Housing component, and 2
82 of our coalition members will summarize the Open Space and Transportation
83 schemes. Capitol Hill Housing was established in 1976, 40 years ago, and as a
84 Public Development Authority we are a public entity, not dissimilar to the
85 Convention Center Public Facilities District. We, unlike the Convention Center,
86 develop, own and operate affordable housing throughout the city and currently
87 manage 1, 408 apartment units. We developed 12th Avenue Arts in response to
88 community demands for affordable housing and affordable art space. We are
89 currently developing the Liberty Bank Building with community partners to create
90 affordable housing to thwart the total displacement of the historic African-American
91 community, and to empower the community with ownership and business
92 development opportunities. As a PDC, we are keenly focused on preserving
93 opportunity and equity in our communities, and our projects provide affordable
94 housing as well as broad community benefits. We appreciate and support the
95 economic benefit of the development, but it is clear that those benefits do not accrue
96 equally to all. In fact, the benefit of development is greatly skewed exacerbating the
97 already intractable problem of wealth inequality. The Addition will generate

Appendix "A"

98 thousands of new jobs but will also continue great upward pressure on land and
99 housing costs thereby aggravating the plague of displacement. One does not have to
100 walk far to see evidence of the most visible impact of high housing costs and
101 displacement. The homeless crisis in our city is deeply saddening. I am sure that you
102 share my depth of sorrow every time you drive by a cluster of dingy tents along the
103 freeway. We share the Mayor's view that the only way to defeat homelessness and
104 displacement is in the creation of more affordable housing. We estimate a need for
105 over 500 affordable housing units to support households gaining employment
106 through the Addition. Without new housing, more displacement will occur and
107 homelessness and inequity will grow. We propose an "in lieu" contribution to the
108 Seattle Office of Housing for at least 300 of those homes, homes with a short
109 commute to downtown, affordable to households employed by the Convention Center
110 and local hospitality industry. This investment will leverage many millions of dollars
111 in additional public and private financing. Because of this great need and
112 opportunity, we are asking the Convention Center Board to support our proposal.
113 And finally, as a Public Development Authority we are granted certain specified
114 powers. These powers are delineated in the Seattle Municipal Code, Section
115 3.110.050, and include authority to formally submit recommendations to City
116 Council and the Mayor regarding public improvement expenditures and financing to
117 maximize public purpose. Over the upcoming days and weeks we will be making
118 those recommendations. Thank you again for the opportunity to introduce the
119 community package and the housing element. Thanks.

120 Mr. Finneran: Thank you. Riisa Conklin? Are you going to speak on the same subject matter? Yes,
121 ok.

122 3. Riisa Conklin, representing Freeway Park Association³

123 Ms. Conklin: Thank you for the opportunity to comment, and thank you Chris for the introduction
124 to our coalition. My name is Riisa Conklin. I live at 100556 Phinney Ave N in
125 Greenwood and I'm here representing the community package as well as the
126 Executive Director of the Freeway Park Association. I'm here to share the
127 community package proposal for critical open space benefits across First Hill,
128 Capitol Hill, Downtown and South Lake Union. First of all we request improvements
129 to Freeway Park which is as you know Washington State Convention Center's back
130 yard. It is also downtown Seattle's largest public park at just shy of 5.5 acres.
131 However Freeway Park remains one of our city's best kept secrets. It's a gem of open

³ Verbatim transcription from recording: Ms. Riisa Conklin

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132 space and a piece of property that we're never going to see again in downtown unless
133 we can realize our I-5 Lid, but right now it's the largest open space that we have and
134 we want to make sure that people discover it. So we are asking that the public
135 benefits go towards our Finding Freeway Park campaign. We are already leveraging
136 a Department of Neighborhood's Neighborhood Streets Fund to address a right-of-
137 way connections to Freeway Park, making our connection from the city grid to the
138 park more safe and accessible. And then we're also leveraging a Department of
139 Neighborhood's Small & Simple Grant this summer to hire a landscape architect to
140 take us through a community design process that will lead towards design
141 recommendations to enhance the park's entrances, to create a robust wayfinding
142 strategies throughout the park, and to update our outdated pedestrian lighting and
143 electrical system, as well as create a destination within Freeway Park for people to go
144 to. And that can be a playground, it can be an opportunity for retail; but we will have
145 those specific recommendations before the City Council votes on the public benefits
146 package this summer. We also endorse the Pike/Boren Lid Project which builds on
147 the legacy of Freeway Park with a new freeway lid that directly is across from this
148 Addition Project, on the east corner of Pine Street & Boren Avenue. This would
149 leverage the existing Plymouth Pillars Park and expand it approximately 14,000 sq.
150 ft. The Seattle Department of Transportation also officially supports this proposal to
151 create critical new open space in a rapidly growing Capitol Hill. This project will
152 similarly have an indirect benefit to the Convention Center itself by providing
153 passive recreation space for visitors, employees and residents alike. The Pine/Boren
154 Lid Park is a proof of concept for another proposed benefit, a technical study of
155 lidding I-5 through the city center and beyond. The study would be funded with an in
156 lieu contribution to the City of Seattle. The study will look at the economics and the
157 engineering of lidding I-5 for parks, affordable housing, and downtown elementary
158 school, new street connections to offset right-of-way loss from the street vacation,
159 and other, many, many other civic uses. The original convention center itself
160 suspended over the freeway will provide an excellent case study for us to discover
161 what is possible in the rest of this corridor. Also addressing the freeway condition is
162 the Melrose Promenade, and all these projects are on the map that you have in your
163 packet. We propose funding a series of walking, bicycling, open space and public art
164 improvements along Melrose Avenue, in Capitol Hill, to reduce the noise and visual
165 impact of I-5 on adjacent homes and to expand upon the views of the Seattle skyline.
166 We also propose the Terry Avenue Promenade, a 2 block pedestrian woonerf in First

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167 Hill between Cherry Street and Marion Street. First Hill is one of the most densely
168 developed neighborhoods in the entire city and continues to grow. It has a major
169 shortage of public parks and open space. Converting part of Terry Avenue to a calm
170 and green pedestrian street will be an innovative way to address open space needs in
171 this neighborhood. Lastly but not least, we endorse the City's similar proposal for a
172 one block woonerf on Virginia Street in South Lake Union between Boren Avenue
173 and Minor Avenue. This neighborhood has also grown rapidly and the woonerf will
174 provide appropriate traffic calming, tree canopy and space for passive recreation.
175 Thank you very much for the opportunity.

176 Mr. Finneran: Thank you. Mr. Padelford? Are you going to speak on the same subject matter?

177 Mr. Padelford: Yes

178 Mr. Finneran: Ok. Welcome.

179 4. Gordon Padelford, representing Seattle Neighborhood Greenways⁴

180 Mr. Padelford: Hello, good afternoon. My name's Gordon Padelford. I'm the policy director with
181 Seattle Neighborhood Greenways and we are a coalition of 20 neighborhood groups
182 across the city that works on walking and biking and safe streets. And I'm here to
183 sort of elaborate on the transportation part of your packets that are in front of you
184 now. So just diving right in. We propose the implementation of protected bike lanes
185 along the Pike/Pine Corridor; safe connected east/west bicycle routes between
186 downtown and Capitol Hill have been a long-standing desire. The current conditions
187 are neither safe nor encourage use of it as a mobility corridor. And this connection
188 would connect our sort of 2 pieces of stranded key infrastructure and the center city
189 right now which is Broadway and 2nd Avenue. That's a really critical connection.
190 And then in addition, we are backing the proposal for a northbound bike lane on 8th
191 Avenue which works as a couplet with 7th, so sort of getting you from the Convention
192 Center area into the South Lake Union area. And moving on to the pedestrian realm,
193 as you may know if you read the Seattle Met, people walking to work increased by a
194 stunning 50% between 2010 and 2015, growing from 29,000 people to 43,000 people
195 walking in the center city which is nearly 11% of all commuters, which is fantastic,
196 and we know we can do more if we enhance the pedestrian environment as well. So
197 to that end, the community package endorses the I-5 overpass kit of parts which is
198 proposed by the Department of Transportation and probably needs a rebranding
199 because no one knows what that means, but that's neither here nor there. So the kit

⁴ Verbatim transcription from recording: Mr. Gordon Padelford

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200 will include development of pedestrian upgrades such as landscaping, lighting, and
201 buffers to make walking over I-5 safer and more pleasant. I'm sure you have been
202 walking over I-5 one evening and really felt like it was not particularly fun or
203 dignified or the sort of experience that would encourage you to walk over I-5 if you
204 were commuting or going to an event. So this proposal is really to enhance that
205 experience to make it an actual enjoyable walking experience. And then in addition,
206 we support the roadway configuration of the Olive Way overpass, a number of
207 different options that the City is looking at just to make that overpass experience also
208 more pleasant and safer for people walking. And I don't think we've come to quite
209 the final design on that, but the City is looking into it and has a number of ideas, and
210 regardless we know that it is a need and that's why we're including it in the package.
211 So thank you for this opportunity to comment. We've provided copies on our
212 comment letter with a detailed explanation of the package. We anticipate the
213 community package being adopted for its benefits to housing, open space,
214 transportation and some of Seattle's densest neighborhoods. We look forward to
215 working with you and the Seattle Design Commission, City Staff, City Council and
216 the Mayor over the coming months. Thank you so much for your time.

217 Mr. Finneran: Thank you. So I will say somewhat similar words on this one. We'll take your
218 comments and advice under advice and refer it, I think, it may go to the Addition
219 Committee or something like that, or it might be divided between Committees, but
220 we appreciate your input and we'll get to it in the due course of time. Thank you
221 very much.