



2024 State of the Port Program & Keynote Remarks Outline

Welcome and Introductions

- Good morning!
- And thank you to everyone for joining us here in Bellevue for our 2024 State of the Port presentation.
- It is great to see such a turn out with so many familiar faces.
- I would like to begin by acknowledging that we are hosting this event on the Indigenous Land of the Coast Salish people.
- We are grateful to respectfully live and work as guests on these lands with the Native people who call these lands this home.
- We call this the State of the Port, but actually, it is the State of YOUR Port.
- The work of the Port touches everyone in King County, the region, and the state... whether people know it or not...and we are serious about our responsibility to deliver benefits to you, for you, and with you.
- Although there is a lot of positive news as we head into 2024, there continues to be a lot of uncertainty and apprehension, as well... regionally, nationally and globally...
- Globally, there is political conflict and instability which poses very tangible threats to our trade and travel industries, and personally affects us and brings new challenges to our communities.
- Although its rate has lessened, inflation continues to have impacts across the broader economy, and our construction purchasing power continues to decline...
- Here at the Port, employees are our greatest asset, however, being an employer of choice takes more resources than ever. I am sure that is true for many of your organizations as well.
- Technological advances are coming faster than ever, particularly innovations in artificial intelligence... they can make our operations safer, more

sustainable, and more efficient. But they can also become a threat, particularly in the realm of cyber security.

- In every case we work to overcome these challenges by adapting to the environment we are in, and leading the way to build the future we want and all need.
- Today we want to update you on where we are and how the Port is working to be ADAPTIVE in the face of constant change and LEADING into the future...
- You will hear from each of our Commissioners on their vision for how the Port can better connect you to opportunity.
- This is the first time that we have hosted our State of the Port event here in Bellevue at the Maydenbauer Center.
- Thank you to all the staff, particularly those assisting this morning and those who helped plan and prepare this event...
- Port employees have made all the things we are talking about today possible.
- A special thanks to the Rangeela [Run GHEE la] Dance Company for that incredible performance.
- We are thrilled to be here....
- ...AND to be joined by many **Elected officials** and staff representatives, and members of the **Consular Association of Washington**.
- I would like to ask elected officials and staff representatives in the room today to please wave or stand to be recognized.
- Thank you for being here this morning, and for being valued partners.
- I would like to especially recognize our Port Commissioners, Ryan Calkins, Sam Cho, Fred Felleman, Toshiko Hasegawa and Hamdi Mohamed.
I value your leadership, support, partnership... and everything you bring to the Port.
- Successfully operating as a triple bottom line organization...one that creates opportunity, increases sustainability, and expands equity requires partnership with leaders who share a vision ... and we have that here at the Port of Seattle.
- This is also true for our partners – community members, tenants, vendors, contractors, and neighbors.
- Your success is our success

2023 Recap

- And 2023 was all about success.
- That is evident in the milestones.
 - Four months of record-breaking passenger volumes at S-E-A.
 - The highest single day in our airport's history for passenger volume, topping 198,000 passengers.
 - The highest day in our International Arrivals Facility's history
- Last Year, the airport served 50.8 million people last year, officially the second highest year for passenger volume in 75 years of history at S-E-A. Just below our volumes in 2019.
- Our cruise terminals had their BEST year ever in 25 years of operating, serving 1.7 million revenue passengers in a six month period.
- Operations matter because this is where we deliver the most economic impact.
- The 289 cruise ships calls meant (\$900 million) in local economic activity.
- Our Port facilities are some of the largest job sites in King County because hundreds of private businesses with tens of thousands of employees help move those people and goods.
- When we talk about volume it is not just a measurement of activity, but the **ECONOMIC** impact of that activity.

2024 Look Ahead

- Forecasting for 2024, we look for volumes to climb.
- Seattle and Washington state continue to be at the epicenter of the global economy.... International travel is up 101 percent compared to 2019 levels...and that is before a full recovery of travel to Asia.
- By the end of this year, we will have added 14 new international services since the pandemic...
- Last year we welcomed new flights from WestJet, Air Tahiti Nui and Alaska to Edmonton, Paris, and Nassau.
- This year, Alaska begins a new flight to Toronto, Lufthansa begins a new flight to Munich, and Delta begins a new flight to Taipei.
- Not all airports recovered international travel as quickly as S-E-A.
- This is rare and reflects the uniqueness of our region.

- And while we would like to take all the credit, the truth is airlines want to be here because of YOU...because of the strength and diversity of our local economy, our community, and the exceptional opportunities that Washington offers.
- Our community continues to ATTRACT people AND grow.
- King County forecasts another 1.5 million people will live here by 2040.
- As your Port, we have to continue to look ahead, adapt and prepare for that future. This is important...
- If we fail, YOU will not realize future opportunities.
- So, in 2024, we have the largest capital plan in our history, with plans to spend \$5.2 billion over the next five years.
- The Upgrade SEA capital program makes our airport ready for the future, going higher and wider everywhere you experience congestion today...on the drives, in the ticketing lobby, at security, and starting this year in the C Concourse.
- This is important work, and we are focused on completing these key airport project, to be ready to welcome the world to Seattle in 2026 for the FIFA World Cup.
- On the waterfront, this year we will make improvements at Fishermen's Terminal and will break ground on our long-awaited Maritime Innovation Center.
- This year we will also complete and bring online a logistics center in SODO at Terminal 106, start a new industrial project at Des Moines Creek West near the airport, and advance planning for needed maritime industrial space at Terminal 91 in Seattle.
- All of these projects provide jobs and economic opportunity today, while adapting to serve the future of your industry, businesses, and community for decades.

Adapt and Lead

- But we do not stop at ADAPTING for the future, we are also LEADING to shape the future according to our values.
- We all know that addressing Global Climate Change and becoming more sustainable are the greatest challenges of our time.

- I am proud to say that reducing greenhouse gas emissions and transitioning to zero emission fuels is an area where the Port of Seattle continues to be a global leader.
- Here are some examples of our efforts...
- This year of operations will start at the second berth of Terminal 5, including the use of shore power by visiting vessels.
- Terminal 5 will be THE FIRST container terminal in the state of Washington to have shore power at not just one, but two berths, which means ships can run on clean electricity while at port.
- This project is possible because of the strong partnership with the Port of Tacoma through The Northwest Seaport Alliance.
- N-W-S-A Chief Executive Officer, John Wolfe, continues to be a fantastic partner and I want to recognize him and the success of our endeavor.
- Providing clean electric shore power has been a practice for even longer at our cruise terminals.
- This year we will celebrate 25 years of cruising in Seattle AND will commission our third cruise berth (with shore power), making us an undisputed world leader in offering clean electricity for ships while at berth.
- In fact, we might be the first homeport in the world to electrify three cruise berths... We are in a race with Miami...we will see who comes out ahead this year!
- While we are pleased to lead on shore power... clean electricity at berth only decarbonizes part of a vessel's journey.
- So, we also led on the formation of a Cruise Green Corridor for the Pacific Northwest to Alaska to explore decarbonizing the entire cruise itinerary route, the first such effort for cruise in the world.
- The Green Corridor First Mover group, which is made up of more than 14 partners in ports and cities in Alaska and British Columbia, cruise lines and their global trade association, NGO's as well as energy leaders, is looking at the potential role of alternative maritime fuels in decarbonizing cruise.
- We also have partnered with the Maersk McKinney Moeller Center... the world's premier experts on green corridors... to explore green methanol as a zero-carbon alternative to current fossil fuels.

- And through our partnership with the Northwest Seaport Alliance, we are supporting a shipping led Green Corridor from the west coast to South Korea...
- We are moving towards our commitment to phase out emissions from our own operations by 2040, to phase out emissions at our seaport by 2050, and to help all industries operating at our airport to be carbon neutral or better by 2050 as well.
- Many of the partners in this room are taking their own actions in support of these efforts, and we appreciate that partnership.
- I do not want to sugar coat this, we know this transition from hydrocarbons will be hard with many challenges along the way.
- The path to the sustainable maritime and aviation fuels has not been determined, but we approach this work with commitment and urgency.
- This transition is challenging and resource intensive....and personal...and is important for the quality of life in our community.
- Our sustainability agenda is part of our equity agenda.
- This is why we created an environmental justice position at the Port and are defining an environmental justice framework to guide our future work.

Close – Priorities for the year

- In closing, what stands out for me this year, as you heard in the opening video, is that the Port and the region is at the beginning of a new chapter...a new post-pandemic chapter.
- Reflecting on the last few years, we have come through a crisis that required many of us to focus on the day-to-day.
- Now we need to focus on investments in capital and programs that build to a vision of the future.
- It is our job to look ahead...to ADAPT and LEAD...to position YOU and YOUR PORT for tomorrow's opportunities...with an approach that reflects the unique values of this very special region.
- That is what makes the State of YOUR Port strong and enduring.
- Thank you.

Introduce Commissioner Perspectives segment

- It is my privilege as Executive Director to work daily with your elected representatives at the Commission.
- Each Commissioner brings to the Port the values of the community they represent, as well as incredibly rich lived and professional experience.
- The diversity and experience of our Commission is one of our greatest strengths.
- Last year, Commissioner Sam Cho, as Commission president, guided one of the most successful years in the Port's history.
- I give him great credit for his strong leadership and helping the Port reinvigorate its relationships with customers and partners around the world.
- Thank you for giving it your all...
- It is my pleasure to introduce Commissioner Sam Cho.

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