

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.

The Port of Seattle budget advances community priorities and improves the experience of individuals and organizations who rely on our services. Our investments make travel and trade more efficient, expand community-based economic development and environmental programs, and reduce our own environmental impact. Unique and strategic investments by the Port make our region more competitive, more economically resilient, and better connected to markets near and far.

## PORT FUNDING

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The Port of Seattle is primarily funded by fees, bond proceeds, and operating revenue. Funds from King County's property tax levy makes up just 4.8 percent of Port funds. The airport is primarily self-funded and not supported by taxpayer dollars. Capital projects make up the largest share of the Port's expenditures. As a financially responsible institution, the Port was able to invest \$617.2 million on capital development projects in 2019.

## COVID-19 RECOVERY STRATEGY

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COVID-19 caused unprecedented loss in our community. The Port experienced severe declines in activity across all our lines of business, significantly reducing revenue to the Port and our partners. Our recovery strategy focused first on the health and well-being of our community, employees, and customers. We invested in new measures to safely maintain essential services, provided relief to Port partners so they could survive the crisis and thrive in the recovery, continued our investments in capital projects to support economic activity and jobs, and directed community investments where they were needed.

The Port also took immediate and realistic actions to adjust our 2020 budget. We reduced spending by \$70 million through a hiring freeze, freeze, capital projects deferral, and cuts to discretionary spending. The Commission also increased commitments to communities. The Port committed \$1.5 million to our Youth Opportunity Initiative, an emergency effort to support up to 200 jobs for youth most impacted by COVID-19, and \$1.5 million to a regional tourism recovery effort.

Our 2021 budget continues on a realistic spending path in preparation for a long and uncertain recovery. We based our budget on forecasts showing that some of our key industries will need up to four years to return to 2019 activity levels.

Despite the immediate challenges due to COVID-19, the Port is prepared to help lead the recovery. Years of careful financial stewardship put us in a position where we can continue strategic investments that support significant economic activity throughout our region.

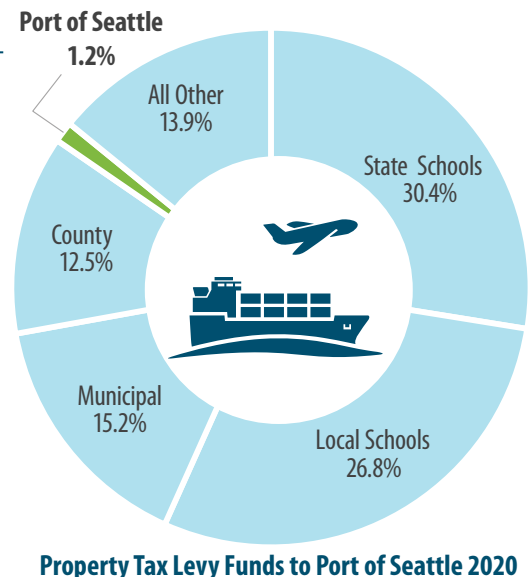


## TAX LEVY

The Port is permitted to levy up to \$0.17 per \$1,000 of Assessed Valuation for general Port purposes under Washington State law. For the average King County home, the Port levy amounts to \$72 per year. During the annual budget process, the Commission reviews and approves the use of the tax levy. The levy has not traditionally been used at SEA Airport, but it has been dedicated to noise mitigation improvements at certain Highline School District schools near the airport.

## TAX LEVY USES

- Investments in maritime infrastructure
- Environmental sustainability
- Regional transportation mobility
- Community: workforce development, partnerships, grants, airport communities, and tourism



## EXPENDITURES

### Capital Projects

Capital projects make up the largest share of the Port's expenditures. In the second quarter of 2020, the Port actively managed 98 construction or information technology projects: 61 under construction or in implementation and 37 in design or planning.

The Port plans to invest over \$3.7 billion in the next 5 years for the region. Those investments are funded by bond proceeds, cash on hand, and other sources of revenue.

### Operating costs

The proposed 2021 total operating expenses are \$421.2 million, \$48.6 million or 10.3% lower than the 2020 budget.

### Community Programs

The Port plans to invest \$13.5 Million to support community programs and partnerships in 2021

- Supports economic development, workforce development, equity, diversity and inclusion, and sustainability initiatives

Examples of programs include

- The South King County Fund
- Duwamish Valley Community Benefits Program
- Internship Program
- Tourism Marketing Support
- Economic Development Grants
- Diversity in Contracting
- Community Relief to the City of SeaTac



## HIGHLIGHTS

- In the second quarter of 2020, the Port actively managed 98 construction or information technology projects: 61 under construction or in implementation and 37 in design or planning
- Just 1.2 percent of the \$5.6 billion that King County collected in property taxes went to the Port of Seattle in 2019
- In 2020, the median King County homeowner property tax payment for the Port came to \$72