

Seattle City Council, Parks and Seattle Center Committee

Seattle Center Director Reconfirmation – Questions for Written Responses

1. What are the most notable accomplishments of your agency over the past four years that you helped to achieve?

Seattle Center “creates exceptional events, experiences and environments that delight and inspire the human spirit to build stronger communities.” This purpose statement gives direction to our actions, guides our decisions and forms the basis for strategic business planning at the department. I am very proud of what we have achieved at Seattle Center and the important role this iconic and vital institution plays in the community.

During my last four years as Director, Seattle Center has marked a number of milestone accomplishments and undergone transformational changes that can be seen and felt across our campus. In 2012 we commemorated the 50th anniversary of the 1962 World’s Fair by launching a six-month community celebration we called the Next 50. With hundreds of community partner organizations, 410 events and over 400 volunteers, the Next 50 was truly an opportunity to honor the past, celebrate the present and envision the next 50 years. By seizing this important moment in our city’s history. We reminded the entire region of the rich legacy of Seattle Center as a hub for arts and entertainment -- and as a “home base” for honoring our rich cultural diversity. We have successfully used the Next 50 as a springboard to move Seattle Center forward and to position the department to remain vibrant, relevant, and necessary for generations to come.

Looking back, I am honored to have played a part in bringing Chihuly Garden and Glass to our campus and as a result the Artist at Play playground coming this year, pleased that our success at returning KeyArena to profitability has been recognized, taken joy in watching diverse communities mingle in Seattle Center Armory and on our grounds, and am humbled to have provided an opportunity for nearly 3,400 people to receive free medical, dental and vision clinic services through the Seattle/King County Clinic. Our ability to achieve the successes highlighted above is a demonstration of our commitment to sound business practices. We have strived to be prudent fiscal managers by controlling our expenses while working to maximize revenues. We diligently pursue operational excellence by managing our facilities in the most efficient and effective ways. We are always looking for ways to develop new revenues and expand existing resources.

The bread and butter of what we do is public and commercial programming. Seattle Center produces and/or supports more than 5,000 events each year. It is important that we stay fresh in our offerings while also ensuring high value to our patrons and partners. The principles set forth in the Seattle Center Public Programming Plan have served us well, enabling Seattle Center to deliver more than 400 free and affordable public programs annually, even during difficult economic times. Likewise, the commercial events we have been able to attract to our campus have contributed to our rich programming portfolio and our financial bottom line. We celebrated the 10th anniversary of Marion Oliver McCaw Hall in 2013,

and KeyArena activity is very robust. This means people are coming to Seattle Center and that our programs are assets to the community.

I am proud too of the way in which Seattle Center faces controversy and challenging issues with creativity, ingenuity, and an open heart. The spirited community dialogue that Seattle Repertory Theatre hosted (with a big assist from SOCR and OACA) addressing artistic freedom vs. artistic responsibility regarding racial stereotypes in *The Mikado* is an excellent example of why Seattle Center is vital in building a strong community. The 23 Seattle Center Festál cultural festivals also highlight the distinct cultures and common threads of the ethnic communities in our region, creating a unique opportunity to embrace and influence race and social justice through sharing a community's arts and culture. Seattle Center touches the souls of people, drawing them in and inviting them to connect with one another.

I am most proud of the dedicated and talented Seattle Center staff. I am so privileged to work alongside an incredible group of people who work hard every day to deliver uplifting and professional service to our guests, clients, partners and each other. Creating an environment where we can all do our best work is not only a personal value of mine, it is also smart business. Two years ago we adopted an internal organizational development focus, and I dedicated staff to help guide us through culture change efforts to create ways to support employee growth and performance. In 2012 we established *Seattle Center Speaks!*, an employee engagement process that includes an online survey and follow-up "Listening Tour." We repeated this in 2014, and results show that we are a healthy organization making progress in areas that matter to staff. This has helped us to prioritize and be more intentional about employee development and performance management investments. We also launched *Leadership @ the Center*, an internally designed leadership development program. This program is grounded in six core leadership competencies and provides both training and practical application opportunities.

As Seattle Center Director, I am eager to build on the successes of the last four years and to lead the department toward continuing to fulfill our organizational purpose. As stated in the 2013-2015 Seattle Center Strategic Business Plan, our four primary business objectives are:

Programs: create, support, and deliver compelling public events that draw in our diverse community as a core line of business;

Place: undertake maintenance and redevelopment projects that support Seattle Center Century 21 Master Plan principles, enhance the vibrancy of this unique civic space and sustain it for many years to come;

Financial Performance: set and meet prudent financial goals to build reserves, leverage private investment and seize new opportunities; and

Capacity Building: maximize all internal and external assets, services and resources that help us to meet our business objectives and thrive long into the future.

Through the efforts of our highly effective staff, I am proud of the successes we have already achieved in these areas. Because of these accomplishments, we are poised to move into the next generation of our business planning efforts and to pursue several new opportunities.

My personal vision for leading the department forward in this next phase of my tenure is best captured using the following themes:

I. Innovative and Diverse Events and Activities

Our ability to add new attractions and enhance the program mix at Seattle Center is done through partnerships. The partnerships with private business, non-profit arts organizations, sponsors, and the community at large is critical to accomplishing our goals and leveraging public investment.

II. Financial Stability

Our ability to pivot from paying off “the loan” to creating a more sustainable financial model that enables Seattle Center to absorb the ups and downs of the economy is at the top of my priority list.

I. Innovative and Diverse Events and Activities

Our ability to leverage private investment through public-private partnerships has maintained the vitality of the campus over the past 25 years. In fact over that time for every dollar of public capital investment in Seattle Center there has been three dollars of value created (or two dollars of private investment). Going forward we will continue to look for ways to use the assets of the Center to attract, engage and support new investment in the campus.

The new attractions, investments and partnerships listed below provide a snapshot of how and why I believe these themes are important for Seattle Center’s current and future success:

Current Successes:

- Chihuly Garden and Glass

Chihuly Garden and Glass, as a new Seattle Center attraction, has brought new energy and enthusiasm to the heart of the campus and has served as the connector between the Armory, Seattle Center Monorail, Space Needle and EMP Museum. Now when a patron disembarks the Monorail, instead of facing empty pavement and looking for interesting attractions, they are greeted by towers of glass, the garden and Collections Café. It is the kind of addition that lifts up all the things around it. Mural Amphitheatre benefits from the landscaping improvements, the Armory benefits from the food service synergies and Pacific Science Center upped its game with its “Solar Garden” adjacent to the Chihuly entrance. Yes, it was a difficult process and included an interesting community discussion about bringing this to our campus, yet the payoff has been great.

- Seattle Center Armory

In the spring of 2012, we completed an ambitious remodel of the Center House as well as rebranding it as the Seattle Center Armory. By maximizing a very modest CIP allocation, we were able to reclaim the original character of the building and transform the space to align with the goals of the Century 21 Master Plan. The upgrade included adding “openings” for new windows and doors (which brings more light into the space) and peeling back years of add-ons to reveal the historic architecture. During the Master Plan development process, the community input clearly revealed a desire to have more fresh and local food options available in this building. This served as a key design principle, and as a result we have added many new merchants including: Skillet: Counter, MOD Pizza, Blue Water Taco Grill & Cantina and Plum Pantry. Programmatically, we have added the very successful Seattle’s Best Damn Happy Hour, Polish Festival Seattle, Festival of Light, and Indigenous Cultures Day. In addition, we have completed a five-year Armory Business Plan that will guide us to future success.

- KeyArena

In response to the departure of the Sonics in 2008, we collectively rolled up our sleeves and developed a five-year strategic business plan for KeyArena. We then partnered with the largest arena management firm in the country, AEG Facilities, to help fill the marketing and promotions, premium seating sales and servicing, sponsorships, and technology and operations needs previously provided by the Sonics. Our plans focused on growing the concert line of business and developing or reengaging our partnerships with the Seattle Storm, Rat City Roller Girls, Seattle University and LiveNation. All of these efforts have enabled KeyArena to exceed the annual profit goals in the business plan for 2010, 2011, 2012 and 2013 (going from a loss of \$1.1 million in 2009 to a profit of \$1.2 million in 2013). It was gratifying to see our success with KeyArena recognized by The Seattle Times in a front page article in October 2014.

- The Seattle/King County Clinic with RAM (Remote Area Medical)

The Seattle/King County Clinic took place over four days, October 23-26, 2014, in KeyArena. Seattle Center led more than 75 partner organizations and hundreds of individual volunteers to produce the largest free health clinic of its kind in Washington State. Ultimately, 1,400 volunteers provided almost \$2.4 million in free dental, vision and medical care to 3,400 individuals. The clinic received exceptionally high satisfaction ratings from volunteers and patients alike and achieved its goal of attracting and serving a racially diverse and economically disadvantaged patient population. The clinic transformed the typical function of KeyArena, allowing the department to make use of the venue for an initiative with far-reaching social justice benefits. The event was deemed a success by stakeholders and the community and was one of the most special experiences of my public sector career.

- Seattle Center Monorail

In 2014, we successfully negotiated a new 10-year concessions agreement which begins in January 2015 with Seattle Monorail Services (SMS) for operation, maintenance, marketing, and administration of the Monorail system. This agreement was unanimously approved by the City Council on December 15, 2014. The Monorail's story is truly one of success. Originally constructed for the 1962 World's Fair to carry fairgoers from downtown to the fairgrounds, the Monorail is now recognized as an integral part of Seattle's transportation system. Monorail ridership has increased significantly in the last few years with over 2 million riders per year since 2012. Today, the Monorail provides a public transportation link between downtown Seattle, Seattle Center, and Uptown as well as being a connector to light rail, buses and the South Lake Union trolley. In 2015 we will complete an analysis on what it would take to implement the ORCA card as a payment option for Monorail riders. This step, should it move forward, will further integrate the Monorail into our regional transportation system.

Some Known Successes in 2015 and beyond:

- KEXP 90.3FM

The former Seattle Center conference center known as the Northwest Rooms will soon transform into the new home of KEXP. KEXP refers to itself as "a dynamic arts organization that provides rich music experiences on the air, online, and in the streets." We have enjoyed a long standing partnership with KEXP over the years with our *Concerts at the Mural* program. We are excited to expand this relationship and welcome KEXP to our campus as a new resident organization. Construction is scheduled to begin this month and KEXP will be open for business in the northwest corner of the campus in early 2016. In this new location KEXP will enliven the campus and the Uptown neighborhood with a public gathering space that will house regular concerts and activities. Seattle Center will be able to enhance our outreach and marketing by reaching the KEXP audience through trade for on-air time as part of our agreement.

- Artists at Play

Artists at Play, the artist-designed playground will open in the second quarter of 2015. This is the realization of a long-held vision for a true children's play area at Seattle Center. In the Century 21 Master Plan, placement of this new feature is envisioned as another free, active, dynamic open space connector between the Armory and the EMP Museum. Our partnership with Center Art LLC and the Chihuly Garden and Glass proposal gave us a way to fund this Master Plan initiative. The proposal included a \$1 million gift to fund an artist-design play area. The site construction wraps up in March,

and the artists and playground equipment begin installation in March and April, with the opening to follow.

The site improvements include a number of additional amenities such as lighting, a water fountain, furnishings, and better connections of the site to its surrounding areas. Following the successful mix we have started on Thomas St., we have also left space for programming, food trucks, and other amenities. We expect this area to truly enhance the “Center of the Center” in the summer of 2015.

- Seattle Opera at Mercer Arena

In 2008, Seattle Opera entered into a lease option for the Mercer Arena to construct and operate its administrative offices and rehearsal and technical support facilities at the site and to use the area in a manner that actively engaged the public. The Mercer Arena has been closed to public assembly use since 2003 due to code issues that need to be addressed, including major structural and seismic improvements, life safety system modifications, and significant upgrading of the building’s electrical, mechanical, and accessibility systems. The Opera, which has been paying an annual option fee, had until June 30, 2014 to commence the ground lease and begin paying rent for the premises. The Opera notified Seattle Center that it will start the lease and is in the process of designing the facility and raising funds for the project with plans to complete the improvements and obtain a certificate of occupancy by the end of 2019.

The adaptive reuse of the 1927 facility continues the Seattle Center tradition of creative reuse of existing structures such as the transformation of the Coliseum to KeyArena and the Opera House to Marion Oliver McCaw Hall. Not only will the department’s long-term maintenance obligations be reduced, but the City’s standards for environmental sustainability are furthered by Seattle Opera’s proposed stewardship of this aging structure.

What are some of the things you hoped to accomplish but didn’t?

The two things I had hoped to accomplish during my tenure that I have not are:

- Getting a deal with Seattle Public Schools on the shared used and/or redevelopment of Memorial Stadium. Continuing to have nine acres of property in the heart of Seattle Center that are under used, cut off from the public, and showing all of the signs of being almost 70 years old remains a major disappointment of mine. As the central piece of the Century 21 Master Plan, redeveloping Memorial Stadium (or even simply knocking the walls down) is THE most transformative concept we have for the campus.
- Creating a plan for the long-term sustainability of Seattle Center. As the number one attraction in our state, a treasured public asset with numerous examples of successful public-private partnerships, and an economic engine that pumps over \$1 billion into our community, I am driven to make sure Seattle Center has an opportunity to continue to be the gathering place for our community for the next 50 years.

2. What do you believe will be Seattle Center's greatest opportunities and challenges over the next four years?

The greatest opportunity and challenge for Seattle Center is that it is over 50 years old. The opportunity is to create a path that leads the Center through the next 50 years, and the challenge is to remain relevant, valued, and treasured from generation to next generation. Neither one of these things is guaranteed.

Looking forward to a path that leads to the next 50 years brings me back to the Planning and Design Principles of the Century 21 Master Plan. These principles have helped guide the Center over the last seven years and are the foundation of its future. Recently I based an entire public presentation on the Century 21 Planning and Design Principles, and I was delighted to see how well received they were and how relevant they remain. The Planning and Design Principles are attached for your reference.

With these principles as our guide, the opportunities I see over the next four years are almost limitless. A few examples of opportunities are:

- Determining the future for KeyArena – with Councilmember Godden's study due out at the end of April, we will then have the opportunity to set the future of KeyArena (with or without a new arena in SODO).
- Determining the future of Memorial Stadium – with a new superintendent there may be a new possibility to reengage the discussions with the School District about the future use of the Memorial Stadium site.
- With Seattle Opera going ahead on its development of the Mercer Arena site, the number of other blocks on the northeast corner of the campus that could become available for development after all of the dominos fall is eight (Teatro, KCTS, Mercer Garage, Memorial Stadium).
- Completion of the Uptown Urban Design Framework process will lead directly to discussions and advocacy for new up-zoning on the north, east and west sides of the campus (delivering a lot of new neighbors).
- Following up on our pending partnerships to bring enhanced Wi-Fi and cellular technology to the campus, we may be able to leverage new partnerships to bring other enhancements or serve as a laboratory to test new forms of technology on the campus.
- With the completion of the bored tunnel, the number of east-west connections between South Lake Union and Seattle Center will quadruple from one to four. These new access points will connect Uptown, South Lake Union, Belltown, and the Waterfront in ways that will open up new partnerships, projects, sponsors and advocates for Seattle Center.

- With the success of Chihuly Garden and Glass, we will look at a few more private partners to activate spaces like the International Fountain Pavilion, Next 50 Pavilion and the former gift shop on Thomas Street.

A few examples of challenges are:

- Funding, funding, funding is always a challenge for any public place.
- Construction of a new arena in SODO will force us to address the long-term future of KeyArena.
- The long-term financial health of our resident non-profit organizations is always a challenge.
- City Investment in higher priorities like the Waterfront may limit opportunities for the Center.
- Talking about Memorial Stadium with anyone outside of Seattle Center is a challenge.

3. Seattle is one of the fastest growing big cities in the country and the South Lake Union and Uptown neighborhoods that border Seattle Center are both attracting a great deal of new development. How do you plan to balance Seattle Center’s growing function as outdoor open space for nearby residents with its position as a regional destination for entertainment and cultural programming? Is Seattle Center adjusting or expanding any of its programs to respond to demographic changes in adjacent neighborhoods? How does Seattle Center work with and conduct outreach to the residents, businesses, and institutions that surround it?

Seattle Center lies at the heart of a dynamic area stretching from the waterfront along Elliott Bay to South Lake Union. The neighborhood has seen impressive growth and change over the past decade. Ubiquitous surface lots and boarded buildings have given way to new residential and commercial developments, which in turn, bring new neighbors and opportunities to the Center, while presenting new challenges in regard to balancing the activities of the campus with the demands of an increasingly dense urban core.

On the program side, the new arrivals patronize and support the resident organizations and the campus as a whole, make use of the grounds for company events, enjoy the park-like spaces, and regularly walk through on their way to work and recreation. We outreach especially to close-in areas for our monthly third Thursday happy hours and Mural series. To all of these users, Seattle Center is their nearby entertainment destination, open space, and convenient restaurant destination. However, our new neighbors are also impacted by the road congestion and noise that accompany some Center activities.

Several years ago, Seattle Center began a semi-annual Good Neighbors meeting to learn about neighborhood impacts, listen to concerns, and derive solutions. In recent years, the effort has evolved to focus more on information sharing than trouble shooting as improvements have been implemented. The effort has demonstrated to participants that Seattle Center is responsive and eager to partner on enhancing the livability of our neighborhood.

The department has also increased its visibility in surrounding areas by participating in community organizations including the South Lake Union Chamber of Commerce, Uptown Alliance, Queen Anne Community Council, and Mercer Stakeholder Group, where we attend and communicate at meetings and host events at our facilities.

Several stakeholder groups (Lake2Bay, Uptown Alliance, Downtown Seattle Association, Seattle Opera, North Portal and Mercer Corridor groups, etc.) have organized around multiple planning and redevelopment initiatives. In fact, the groups are creating their own vision of the area in and around Seattle Center. They see Seattle Center as vital to the realization of their varied visions, from:

1. social equity to economic development;
2. artistic excellence to cultural accessibility;
3. arts and learning innovation to preservation of the things we value in Seattle;
4. a gathering place to an active open space in an intensely densifying area.

This heightened interest in the future of this part of our city provides a unique opportunity to create a collective impact in and around this area and serve the greater community long into the future. The momentum around the development of the whole area, and the potential for uniting the disparate efforts of the multiple stakeholders, provides a strategic opportunity for the City to ensure that development in and around Seattle Center occurs in a cohesive and coordinated manner that is in the best interests of the surrounding neighborhoods, Seattle Center, and the community at-large.

Opportunities in the heart of a city are rare and present an intriguing way to redefine this area, create a successful urban design process, and address the long-term future, structure and health of Seattle Center that responds effectively to increasing density, changing demographics and transforming character of the surrounding and close-in neighborhoods. The City, as leader, has the power to convene these disparate groups around a clear and consistent direction on the City's priorities, to create an example of how collaboration and public-private partnerships can improve and transform a city, and to begin some critical conversations on the long-term role of Seattle Center as part of an affordable, innovative, collaborative, safe and connected city.

4. What opportunities do you see for improving collaboration between Seattle Center and other City departments?

First, I believe that Seattle Center has good and productive working relations with other City departments, and I will use last year's health clinic as a prime example. The success of the clinic was a result of the 75 partner entities we were able to bring together including DON, SFD, SPD, SPU, FAS (Animal Shelter), Parks, OIRA, HSD, and Public Health. The clinic was inspirational on a variety of levels with the number of public-private partners being one of its best attributes. With the decision to repeat the success of the clinic in 2015, we have another great opportunity to build partnerships and collaborations both inside and outside of City government.

Additional opportunities lie in:

- The Uptown Urban Design Framework process managed by DPD, in which a number of Center staff (including myself) have participated in three charrettes, numerous advisory committee meetings, and are now helping create the draft report. This process to create a framework for the growth and development of the Uptown neighborhood has been a successful collaboration both inside and outside the City.

- The number one issue facing the majority of resident organizations at Seattle Center right now is the ability of their patrons to get into and out of Seattle Center for their events. The combination of construction projects for the Mercer Corridor, Alaska Way Viaduct North Portal, new bike paths, new lighting and power connections along 5th Avenue North, Denny Way, Roy and Mercer streets has and will continue to create a traffic nightmare for years to come. For the first time since all of these construction projects began, patrons of Pacific Northwest Ballet, Seattle Repertory Theatre, Seattle Opera, Pacific Science Center, Seattle Children’s Museum, EMP Museum, Seattle Children’s Theatre, Cornish, etc. have told these organizations that the hassles with traffic may prevent them from coming again. As a result, we have put together an internal traffic mitigation and communications team that works directly with SDOT and WSDOT on a weekly basis to keep our resident organizations and all of our patrons informed of the latest lane closures, detours, and event impacts. We have also partnered with SDOT on numerous traffic mitigation solutions like the increased use of SPD traffic officers, adjusting signalization at critical intersections, and communicating more ingress and egress options. Although we remain committed to working these concerns until the traffic issues no longer exist, our efforts will mean very little unless we have the continued support and cooperation of SDOT and WSDOT.
- With limited funding to invest in technology, we have had to get creative in leveraging the assets of Seattle Center. We continue to partner internally with Department of Information Technology (DoIT) and the Office of Policy and Innovation (OPI) as well as externally through partners looking for ways to showcase new technologies and pilot projects that could be duplicated in the City. For example we are working with a local service provider to provide free Wi-Fi in public open spaces and facilities including the Armory, Fisher Pavilion, Fountain Lawn, Next 50 Plaza, Mural Amphitheatre and walkways and spaces along Thomas Street and the Broad Street green. To showcase the technology, the company will have the promotional rights to present “Wi-Fi at Seattle Center” and will provide a cash sponsorship for those rights and donate approximately \$500,000 in equipment and services to run the system for three years.
- We are also working with DoIT on projects with multiple cellular carriers and outside partners to bring enhanced coverage to the campus and facilities by developing an agnostic Distributed Antenna System (DAS) that can provide the backbone for all carriers to upgrade their signals to 4G/LTE and potentially allow us to expand free Wi-Fi service in our facilities. All of these projects require limited City investment and leverage the value of the 12 million visitors that come to Seattle Center annually.
- As the Center’s cash position continues to improve, we look forward to working with Council staff, the City Budget Office, and FAS to determine when the Center’s loan is officially paid off. Although the legislation anticipated Seattle Center paying off the loan in 2017 we are on a path to pay it off as soon as this year. Formally paying off the loan will allow the dialogue about the

Center's finances to change from being "structurally flawed" to how we create some new financial structures and policies (i.e., reserve fund) to help sustain the Center.

5. How do you work with Seattle Center's tenant organizations to ensure they contribute to the vibrancy of the campus?

We use a multi-layered approach to establish deep and successful partnerships with our resident organizations.

- First, we host all of the Resident Directors at quarterly meetings where we share information on pressing issues, potential changes in policies, programs, people or places, and invite individuals or entities that can have a major impact on the campus (e.g., construction project mitigation with SDOT/WSDOT).
- Second, we stay in regular contact through our well received monthly newsletter that our communications director sends out to the staffs of the resident organizations.
- Third, each member of our Executive Team is assigned to be the official liaison from Seattle Center to at least a couple of organizations.
- Fourth, we seek information with most of our resident organizations so we can promote the activities of the entire campus on our marketing platform (MarCom).
- Fifth, we partner with our resident organizations when possible and prudent in the production of events and activities (e.g., Concerts at the Mural with KEXP).
- Sixth, working with our Advisory Commission, we created new lease guidelines for non-profit organizations. The new guidelines have effectively created a consistency of approach and expectations (certainty) for all negotiations going forward.

6. Given that demands on the City's finances often exceed the value of available resources, can you identify potential ways to increase the amount of revenue generated by programs and facilities on the Seattle Center campus? What more could the City do to capitalize on the campus' assets while still providing important public benefits and a variety of low- and no-cost attractions?

Seattle Center is funded primarily through non-city revenue sources and partially through support from the City's General Fund. In our case, non-City revenues are generated from commercial activities such as leasing payments, parking operations, Monorail revenues and event rentals. In 2014 approximately 64% of the department's revenue came from these commercial activities while the remaining 36% came from the General Fund. The exact split between City and non-City sources is not mandated and typically fluctuates from year to year.

In recent years, we have faced the twin financial challenges of an economic downturn and the departure of a major anchor tenant (Seattle Sonics). These events could have done permanent damage. But through an intentional approach to management, we have been able to weather this storm and come out a financially healthier organization. As a case in point, 2013 was a huge success for Seattle Center. In 2012, we finished the year with a slight loss of \$116,000. By contrast, we ended 2013 in the black with a profit of nearly \$1.4 million. This is an improvement of over \$1.5 million in a single year. In that

year, both McCaw Hall and KeyArena had net operating profits. More importantly, our campus operations also ended the year with a profit of \$100,000 for the first time during my tenure. Not every year will see such results. But 2013 highlights the fact that Seattle Center's financial model can work and work well. (Note: the books haven't closed on 2014 but it looks like the Center will once again be in the black with a profit of over \$900,000)

The recent financial challenges did severely impact several of our non-profit resident organizations. As a result, Seattle Center has run with a cash deficit for the past few years. In 2011, an inter-fund loan was authorized in recognition of the ongoing negative cash position. With intentional choices to maximize profits, reduce expenses, and take the opportunity presented by the World's Fair 50th anniversary year, Seattle Center has managed to make strong progress towards eliminating its negative cash position. In 2014 we ended 11 of the 12 months with a positive cash position. But it is a reality of our business environment that our cash position fluctuates daily.

Seattle Center's operations involve a certain, measured amount of business risk. We operate in a market place subject to changing consumer tastes, new industry offerings, technology advances, and competitive venues. Even the weather can play a role in our financial performance. This is why we are, and must be, intentional in our strategies to manage the risk inherent in such an entrepreneurial venture. Some examples of the intentional risk management strategies currently in place include:

- maximizing our commercial revenues whenever and wherever possible;
- developing a diversity of revenue streams to help mute the impact of the business cycle;
- capping our financial exposure in contracts (i.e. Folklife expense limits, tenants pay for maintenance);
- active lease management (payment plans, renegotiation, termination);
- investing in our assets to remain competitive (Armory); and
- use of flexible staffing to match event loads.

As I look ahead I can see additional strategic areas which can help enhance our resilience and increase our financial stability. These include:

- **Sponsorships:** leveraging the 50th anniversary of the 1962 World's Fair/Next 50 celebration, we developed a long-term strategy to bring on corporate partners in major categories. We have successfully grown the program to yield almost \$500,000 net revenue annually, and have a goal to raise this revenue to \$800,000 annually. Some of our current partners include: Microsoft, Starbucks, Alaska Airlines, Coca-Cola and T-Mobile.
- **Leasing Strategies:** Seattle Center needs to operate like any other property manager. This means seeking market based valuations for our facilities and having a consistent approach to our lease negotiations. For-profit tenants should be expected to pay market based rents. Non-profit tenants should also pay at market rates, but not necessarily be required to pay only with cash. In 2014, in conjunction with the Seattle Center Advisory Commission, we have adopted new non-profit long term lease guidelines. These guidelines provide a consistent approach to defining lease terms, value, and responsibilities. These will help ensure we get appropriate value from the City assets we manage.

- **Expanded Event Revenues:** We continue to expand our programming by leveraging KeyArena events such as DOTA2 (gaming competition) and Oprah’s The Life You Want (speaking tour) by extending activities related to these events on to the campus grounds, creating a festival like atmosphere and utilizing multi-campus facilities. We also have worked to attract new commercial festivals like ChiveFest, a one-day music festival that utilized Fisher Pavilion and the Fountain Lawn.

Despite these efforts, we will never be able to eliminate all risk at Seattle Center. That is why we have adopted the practice of establishing “reserve” funds to help anticipate the fluctuations in the business cycle. The idea of a financial reserve or “cushion” is nothing new. Families rely on this technique as do many businesses. For Seattle Center it means that during a “soft patch” there is a mechanism in place to help manage the downturns without undue reliance on the City’s General Fund. We have already used this technique successfully at McCaw Hall. You will recall that the management structure for McCaw Hall establishes an interest bearing Reserve Fund into which operating profits are held in reserve for unanticipated needs. To date, that facility has been able to make contributions to its Reserve Fund each year since it opened in 2003.

It is my belief that we need to extend this reserve fund model to both KeyArena and our campus as a whole. Unlike the legislated structure in McCaw Hall, Seattle Center does not have authority to retain earnings from the rest of its operations. My vision is to create a “financial bubble,” which encompasses the department and serves as a cushion for all its operations. As we go forward, I will be seeking a mechanism to enable the establishment of such a fund. In the long run, I believe that creating a departmental reserve fund would be a prudent approach to preparing the department to weather such economic downturns in the future.

7. How is Seattle Center addressing evolving workforce issues, including filling positions vacated by aging City workers and welcoming more people of color, women, and individuals with disabilities into roles where they may not have been previously represented in large numbers? What is your agency doing to become an employer of choice?

The need for workforce planning, with a specific focus on succession planning, has become very apparent for Seattle Center over the last 18 months. We’ve begun to analyze workforce data to help us understand our risks and opportunities. The average age of Seattle Center staff is 51.8, and we anticipate retirements in several key positions over the next few years. Women make up 37% of our workforce, while people of color represent 41.8%. We are developing a succession planning approach that reaches toward skill replacement, race and gender equity, targeted recruitment, and employee development. We anticipate our most significant skill gaps to occur in our skilled trades titles, where we stand to lose years of institutional knowledge and specialized talent that is critical to our unique lines of business. We are effectively partnering with SDHR to help us address this issue on many fronts including talent acquisition, classification/compensation, and employee development. We hope to expand this into meaningful dialogue around potential apprenticeships and pre-apprenticeship programs for underrepresented groups. Our partnership with SDHR is also key to our ongoing effort to be an

employer of choice. We support the goal of the City as one employer, and we participate in the work of achieving consistency in employment practices across all departments. At the same time we recognize that Seattle Center is a special place to work. Our purpose statement declares that *Seattle Center creates exceptional events, experiences, and environments that delight and inspire the human spirit to build stronger communities*. This is not achieved without the unique gifts, talents, and commitment of our staff. We implemented an employee survey and listening tour process entitled *Seattle Center Speaks!* as a way to assess employee engagement and satisfaction. The results from this process in 2012, and again in 2014, indicated that we have a healthy work environment where people feel valued. We have work to do to build on those positive results, including increasing our investment in employee development and improving communication throughout the organization. It is also important to be creative about identifying upward mobility opportunities to grow our people. In 2011 I established an internal organizational development function with dedicated staff to help lead and support many of these efforts. I am confident that we are now, and will continue to be, diligent about pursuing a safe, healthy, and diverse workforce.

As Seattle Center Director, I embrace the challenges and opportunities involved with being a steward of this community jewel, and I look hopefully to the reconfirmation of my appointment to this role so that I can continue working with all stakeholders, partners and staff who care about it. Peace

CENTURY 21 MASTER PLAN PLANNING AND DESIGN PRINCIPLES

- The mission is sound and the future is bright
 - Seattle Center should treasure its unique mix of programs, attractions and open spaces.
 - Long-term investments should enhance the Center's ability to meet its mission, bringing people together to share our communal artistic, civic and cultural expressions.
 - The future of Seattle Center should be as sparkling and dynamic as its past. Diversity is the Center's hallmark strength. Seattle Center should continue to bring together young and old, rich and poor, arts patrons and sports fans, tourists and Northwest residents, festival revelers and conference attendees.
- Drawn to the Center
 - The campus should be designed to draw people into the center of the grounds to discover attractions, and be exposed to new programs, people and activities.
 - Visitors should be encouraged to move through the campus through thoughtfully placed and inviting landscaping, outdoor dining and cafes, children's play areas, water features, public art, and dynamic signage.
Future development should maximize the green space at the "Center of the Center" as a place of refuge from the surrounding city.
- Open Spaces
 - Open spaces and gardens contribute to Seattle Center's unique identity. They should feature diversity both in size and character, providing for the needs of major festivals as well as quiet enjoyment of green space.
 - Open spaces should feature a mix of active and passive programmatic uses and be available to all regardless of ability to pay.
 - The amount of open space should be increased wherever possible. Open spaces should build on existing program uses while providing flexibility for future program needs.
The International Fountain and the open space around it should be preserved as the "heart" of Seattle Center.
- Leader in Sustainable Design and Operations
 - All planning and design work should promote environmental sustainability.
 - Seattle Center should be used as a compelling and highly visible model to showcase emerging green technology in its buildings and landscape and should help demonstrate ways to reduce the City's carbon footprint.

Seattle Center should reach LEED Silver certification or better in all new buildings and adaptive reuse of existing buildings. The site itself should serve as a laboratory for sustainable landscape and infrastructure.

- Arrivals and Visual Connections
 - Visual access into and through the campus should draw people to the center of the grounds.
 - Pathways and pedestrian connections into and through the campus should convey a sense of discovery and be clearly legible.
 - Sightlines to key attractions, such as the International Fountain, Space Needle and Armory should be respected as they give Seattle Center its unique sense of place and assist in campus navigation.
Campus edges should open to the community and entries should be inviting and festive and clearly convey that one has arrived at Seattle Center.
- A Mix of Activities and Amenities for Diverse Populations
 - The mix of activities and amenities should be inviting to the diversity of Seattle Center users.

- The campus should provide programs, services and attractions for people of every age, background, heritage, culture and ability as well as for neighborhood residents and workers who may visit every day and for those who travel distances to get here.
- Seattle Center should strive to enliven the campus throughout the hours of the day and the days of the year, balancing out the peaks and valleys of programs and activities. Development should invigorate and update the campus to appeal to the next generation of users, yet changes should honor the campus' historic character.
- Pedestrians First
 - Pedestrian friendly planning should unify the campus, enhancing the comfort and safety of people on foot.
 - Pedestrian drop-off points should be located strategically around the perimeter of the campus and vehicular access should not segment the site.
 - Lighting, signage, a coordinated system of direction and information graphics, and street furniture should reinforce the primary pedestrian corridors and facilitate pedestrian access. Green technology and materials should be emphasized.
 - The design of the campus should enhance a sense of personal safety and be sensitive to human scale design elements.
 - The campus should be intentionally designed to be accessible to people of all abilities.
- Design should emphasize:
 - Flexibility – To continually adapt to changing needs and opportunities, design flexible multipurpose indoor and outdoor spaces.
 - Vibrancy – Buildings, programs and landscaping all should work together to create a sense of excitement and discovery, attracting people to the Center and encouraging them to extend their stay.
 - Legibility – Design, signage and sightlines should work together to create a unified sense of place where visitors can easily find their way to multiple destinations.
 - Artistic Expression – Artistic expression should be integrated into the design and construction of new campus facilities, and public art should be featured prominently, compatible with current and future campus uses.
- Getting here:
 - Transportation planning must be a central element of any development. Alternate modes of transportation (bus, bicycle, Monorail, streetcar and pedestrian paths) should be planned for and encouraged, connecting Seattle Center to adjacent neighborhoods and other cultural destinations.
 - Seattle Center should disperse peak period event impacts by promoting increased public mass transit service, distributing parking supply and encouraging new uses, programs and events that spread visitor activity throughout the day and year.
 - Seattle Center should maintain adequate parking capacity, sized to accommodate the majority of visitors who travel by car or other vehicle for a high average event day.
- Good Neighbor:
 - Future Seattle Center development should build on the tradition of being a good neighbor to surrounding residents and businesses.
 - Design elements should reach out to the neighborhood and forge stronger pedestrian connections.
 - Seattle Center should continue to work with neighbors and inform them at regular intervals of substantial changes proposed for the site, recognizing the impacts will extend beyond the

campus. Design, programming and operations should all strive to mitigate impacts on surrounding neighborhoods.