



April 19, 2017

Dear Executive Constantine,

The expansion of the Washington State Convention Center (WSCC) represents a \$1.7 billion investment of public dollars into our region's tourism industry. In our vision, the WSCC Addition has the potential to connect and improve the surrounding neighborhoods and transform our region's tourism sector into a world class industry where workers thrive and businesses succeed. The Addition project has the potential to directly and indirectly foster family supporting hotel and food-service jobs, protect all immigrant hospitality workers, and create ample affordable housing for those workers to live in our community.

Unfortunately, much work remains to be done to ensure that the WSCC Addition project lives up to this vision and benefits the whole community rather than simply subsidizing the hospitality industry. In addition to creating family wage construction jobs, the WSCC Addition should also benefit the mostly immigrant, predominantly female hotel housekeepers, cooks, dishwashers, servers and others who will fill new permanent operational jobs in surrounding hotels. These are members of our community who work hard every day to guarantee that visitors to our region have the best experience possible. We believe strongly that, rather than further contributing to the overwhelming challenges facing our community, this publicly-funded project must play an active role in combatting income inequality and resolving the housing and homelessness crisis in King County.

WSCC backers, chief among them those in the Seattle hotel industry who stand to benefit financially from this project, should negotiate around tangible, agreed-upon public benefits to result from this massive public investment.

We believe the following issues must be considered:

- The WSCC Addition will create new demand for affordable housing upwards of 1,000 units affordable to service workers and their families. The proposed mitigation of \$9 million, or just over 0.5% of the project cost, falls woefully short of adequately mitigating that additional demand.
- Seattle's hotels stand to reap a massive windfall if the WSCC expansion gets built as proposed while hotel service workers are left with more low-wage jobs and without a seat at the table. In its first twenty years of stabilized operations, hotels will see an increase in revenues of more than \$2 billion, translating into operating profits of more than \$600 million. While lobbying for the WSCC's publicly funded subsidy to the

industry, the Seattle Hotel Association is fighting additional worker protections by suing the City of Seattle to overturn the voter approved hotel initiative, I-124.

- Seattle, King County, and Washington State have all taken steps to protect immigrant communities from the new federal enforcement regime under President Trump and to keep communities safe and families intact. Given the industry's reliance on the contributions of immigrant workers and on the support of Local, County and State governments, the hospitality industry must commit to do the same.
- The "Community Package" coalition has asked the WSCC to address livability concerns by enhancing existing public parks and creating new public open spaces; improving safety and enhancing the pedestrian realm for walkers and bikers near the Addition project; and building more homes for workers earning hospitality industry wages.


Please see the attached summary of issues and findings for additional background.

The proposed public investment behind the WSCC Addition is massive, and could more than cover the combined cost of the \$290 million "Housing Levy," the \$930 million "Levy to Move Seattle," and the \$410 million seawall replacement. In an effort to raise an additional \$150 million for the Addition, the WSCC is currently lobbying the state legislature to pass HB 2015, which would extend the lodging tax to smaller boutique hotels, bed and breakfasts, and short-term rentals such as Airbnb.

With key approvals for the project on the horizon, the time is now for all stakeholders to seriously commit to building a sustainable hospitality industry in King County. We believe that the hotel industry, as the main beneficiary of the expansion, must commit to living wage jobs, benefits such as family health care, and a seat at the table for workers without being subjected to harassment and intimidation by their employers. To achieve these goals, a community benefits agreement should be negotiated between the WSCC, the Seattle hotel industry, and impacted labor and community stakeholders.

We ask that you convene that negotiation before selling the Convention Place Station property to the WSCC.

Sincerely,



Stefan Moritz

Director of Strategic Affairs
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Howard Greenwich

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