

SEATTLE/KING COUNTY BUILDING & CONSTRUCTION TRADES COUNCIL

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CHRIS MCCLAIN, President

MONTY ANDERSON, Executive Secretary



September 4, 2018

Metropolitan King County Council Members
516 Third Avenue, Suite 1200
Seattle, WA 98104

Re: Hotel/Motel Tax Allocation

Dear Honorable King County Council Members:

I am writing on behalf of the Seattle Building & Construction Trades Council, our 19 affiliates and over 15,000 members to express our support for Executive Constantine’s recommendation to allocate a portion of future Hotel/Motel Tax revenue to help pay for capital maintenance at Safeco Field.

The Building Trades believe that major civic assets such as Safeco Field – which thousands of Building Trades workers helped build – hold tremendous pride for the state and region and should be maintained properly. We urge the Council to take a reasoned approach to fund both low-income housing and the \$180 million over 25 years that is necessary to pay for a portion of capital needs at the publicly-owned ballpark.

We firmly believe the County is responsible for maintaining its publicly-owned assets, including Safeco Field. The Executive’s proposal follows nearly two years of negotiations between the Public Facilities District (PFD) and the Mariners. The PFD was represented by experts in the relevant fields, including an economist who determined that during the proposed lease period Safeco Field will generate over \$3 billion in economic activity and 3,300 jobs each year. The ballpark’s major capital projects funded in part by lodging tax dollars will create jobs for people of color, women, veterans and the disadvantaged through our apprenticeship programs which provide a powerful pathway out of poverty.

The PFD and Mariners agree that the estimated maintenance and capital costs over the next 25 years will top \$800 million, with the Mariners committing to pay over \$600 million and any overruns. Under the existing proposal, the Mariners are responsible for an average of \$24 million per year toward necessary capital improvements, maintenance, and upgrades required by the PFD to maintain the ballpark in first-class condition for the next 25 years. For a tenant to pay 75% of costs for a facility it does not own is a very good deal for the taxpayers.

We urge you to rise above divisive politics, avoid “either/or” traps you are presented with and take a broad, fact-based view of the Executive’s lodging tax allocation proposal. Please approve this reasonable approach to two important priorities, maintaining and strengthening Safeco Field and investing in affordable housing.

Sincerely,

Monty Anderson
Executive Secretary

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COW 9/5/18
Public Comment

Testimony to the King County Council on September 5, 2018:

As I walked past some homeless tents on my way to a Mariners game, I was reminded of two recent Seattle Times editorials - one regarding our need to create permanent solutions to the affordable housing crisis; and one regarding our need as landlord to spend more millions on Safeco Field as part of a new lease to keep our tenant, the Seattle Mariners.

Two questions came to mind:

1. If the original basis for this public-private partnership with the Mariners has been satisfied, how is another long-term, sweetheart lease justified?
2. How could we repurpose the \$500 million (or so) of equity we have in Safeco Field to address the affordable housing crisis?

Public-private partnerships are valuable to achieve desired community goals which cannot be met by the ordinary operations of government or the unaided efforts of private enterprise.

In this case, we came together after the 1995 season because the Mariners needed a new field (the Kingdome was failing) and we wanted to keep the Mariners in Seattle.

Together we acquired land and changed zoning...formed the Seattle Public Facilities District, a municipal corporation...dedicated tax revenues for low interest bonds to fund construction...built highway off-ramps, Light Rail station, and other major transportation improvements... provided funds to address neighborhood impacts added a garage...threw in the naming rights.....and we gave the Mariners a long-term lease on very favorable terms.

After two decades, the bonds are paid off... 2,000 jobs created... the hotel taxes a defined source of revenue ... the team franchise is profitable, with substantially increased value. Together we proved the long-term viability of professional baseball in Seattle; and the Mariners have a home field to be proud of.

We achieved our original mutual goals from 1995. Another long-term, sweetheart lease is no longer justified. Going forward, our best way to keep the team in Seattle is for the Mariners to own and operate Safeco Field, and reap for itself the revenue from concessions, parking, concerts, and naming rights.

And we have different priorities in 2018. How do we apply all our experience and resources to address permanent solutions to the affordable housing crisis in our communities?