

Item No.:  
Meeting Date:

7b\_Supp  
August 5, 2014

# 2015 Real Estate Business Plan

August 5, 2014

Port of Seattle®



# Outline

- Industry/business context
- Summary of Real Estate strategies
- Major and new initiatives
  - Major ongoing
  - New
- Policy issues/challenges



# Business/Industry Context

- Recovery from the Great Recession
  - Expansion phase of the cycle
  - New construction starts
  - Rent growth pending new deliveries
- Shorelines Master Plan Update
- Establishment of the stadium/entertainment district
- Comp plan amendment in Interbay



# Summary of Real Estate Strategies

- Manage our finances responsibly – Increase Real Estate Division’s Net Operating Income
  - Maintaining occupancy levels and rental rates at or favorable to the broader market
  - Increasing property utilization by offering and executing long term ground leases for land redevelopment
  - Acquiring or disposing of assets as circumstances warrant



# Major and New Initiatives

- Implement projects from Fishermen's Terminal 25 Year Plan
- Increase utilization of Terminal 91 uplands acreage
- Des Moines Creek Business Park build out
- Ongoing – Evaluation of properties/facilities and recommend long-term strategies



# Major and New Initiatives (continued)

## Implement Key Capital and Expense Projects:

- Shilshole Bay Marina
  - Design of Customer Service Buildings  
(restrooms, showers, laundry, storage)
  - Design of paving improvements
  - Fuel Float Building (1962)
- Bell Harbor Marina – Pile Wraps and Wavebreak Panels
- Pier 69 – Complete Beam Rehabilitation



# Policy Issues/Challenges

- Bond maturities
- Infrastructure projects
- Land use protections
- Capital requirements—leasing and repairs
- Labor aspects of 3<sup>rd</sup> party ground lease development

