



# Port of Seattle Real Estate Division 2010 Business Plan

August 11, 2009

# Real Estate Division Structure

- Real Estate Development and Planning
- Portfolio Management and Leasing
- Harbor Services
- P69 Facilities Management
- Marine Maintenance

# Real Estate Division Full Year Forecast

<i>In \$ Thousands</i>	2008	2009	2009	2009 Bud Var	
	Actual	Forecast	Budget	\$	%
Operating Revenue	34,875	30,381	30,961	(580)	-2%
<u>Environmental Grants</u>	<u>1</u>	<u>150</u>	<u>150</u>	<u>0</u>	0%
Total Revenue	34,877	30,531	31,111	(580)	-2%
Direct Expenses	36,375	30,599	31,821	1,222	4%
Environmental Reserve	604	1,125	1,125	0	0%
<u>Allocations</u>	<u>1,840</u>	<u>1,732</u>	<u>2,445</u>	<u>713</u>	29%
Total Expense	38,819	33,456	35,391	1,934	5%
<b>Net Operating Income (NOI)</b>	<b>(3,943)</b>	<b>(2,925)</b>	<b>(4,279)</b>	<b>1,354</b>	<b>32%</b>
<b>NOI Excl Envir Grants/Reserve</b>	<b>(3,340)</b>	<b>(1,950)</b>	<b>(3,304)</b>	<b>1,354</b>	<b>41%</b>

## Committed & Business Plan Prospective

**\$'s in 000's**

Renewal/Enhancement  
 Revenue/Capacity Growth  
 Environmental/Safety  
**Total**

<b>2010</b>
16,151
2,920
2,675
<b>21,746</b>

- Master planning and land development:
  - North Bay
    - Planned Action Ordinance
    - Draft and issue developer RFP
    - Select developer
  - Des Moines Creek
    - Segment retail
    - Street vacation
    - Plat vacation
    - Draft and issue developer RFP
    - Select developer

- SCORE
- SeaTac—Doug Fox site
- Burien—Lora Lake Apartments/NERA
- Tyee Golf Course

- Property management
  - Achieve net operating income and occupancy targets
  - Fishermen's Terminal—Ship supply building/condition assessment.
- Lease & utilities administration
  - SAO audit
  - Utilities audit

- WBE/MBE target: 10%
- Commission Smith Cove Cruise Terminal event space
- Strategic Asset Assessment and Planning
  - CEM
  - Tsubota
  - MIC
  - FT
- Real estate policy review and recommendations



- Financial performance:
  - Achieve net operating income target
  - Weighted average occupancy
    - Slip moorage: 90%
    - Lineal moorage: 85%
- Fishermen's Terminal:
  - Complete a condition assessment of all landside and remaining waterside assets
  - Commence planning 20 year asset plan
- Maritime Industrial Center:
  - Commence seawall replacement project

- WBE/MBE target: 15%
- Maintain Clean Marina Washington/EnviroStar Certification

- Maintain focus on energy conservation—ensure flat utility consumption over 2009
- WBE/MBE target: 10%
- Perform space planning forecast for 2011
- Continue improvement of emergency operations & business continuity program
- Conduct three communication drills and one tabletop exercise

# Marine Maintenance

- WBE/MBE target: 15%
- Manage expense budgets within 2%
- Reduce landfill waste by 10%
- Stormwater compliance
- Parks and public access—22 sites, 63 acres
- Deferred maintenance

# Critical Questions

- To become self sustaining:
  - Establish rental rates at market
  - Address deferred maintenance and return assets to service
  - Commit to pre-development to return vacant land to service
- Disposition
  - Sale of existing assets
  - Privatization of recreational marinas