

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

In \$ Thousands	2008	2009	2009	2009 Bu	d Var
	Actual	Forecast	Budget	\$	%
Operating Revenue	34,875	30,381	30,961	(580)	-2%
Environmental Grants	<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%
Net Operating Income (NOI)	(3,943)	(2,925)	(4,279)	1,354	32%
NOI Excl Envir Grants/Reserve	(3,340)	(1,950)	(3,304)	1,354	41%



2010 Preliminary Capital Budget

Committed & Business Plan Prospective

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Renewal/Enhancement Revenue/Capacity Growth Environmental/Safety

Total

2010

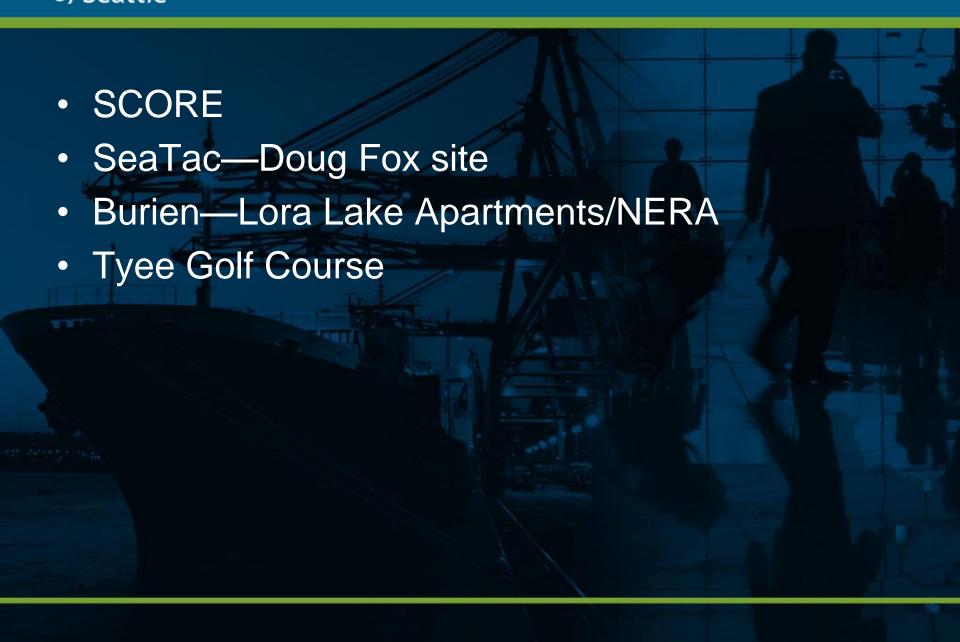
16,151 2,920

2,675

21,746

Port Real Estate Development and Planning

- 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





Portfolio Management and Leasing

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

Port Portfolio Management and Leasing

- 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



Harbor Services

- 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



Harbor Services





P69 Facilities Management

- 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