

Exhibit "B"

Port Commission Special

Meeting of Jan. 27,2009

JAN 13 2009
PORT OF SEATTLE

January 7,2009

Governor Chris Gregoire Office of the Governor PO Box 40002 Olympia, WA 98504-0002

Cc: King County Executive Ron Sims, Seattle Mayor Greg Nickels

Dear Governor Gregoire:

We are writing on behalf of the Seattle Historic **Waterfront** Association, which consists of businesses, organizations and property owners on the piers and waterfi-ont property north of Colman Dock, all located at ground zero of the impact zone for the Alaskan Way Viaduct Replacement Project. We have been active on the Stakeholders Advisory Group and other public forums, and have **carefully** studied the three alternatives in final discussion, including potential mitigation scenarios for our businesses and homes. After thousands of hours of meetings with the stakeholders and the project team, along with independent analysis of the options, our conclusion is that only the tunnel hybrid option would allow our businesses to survive and our homes to remain livable, while serving the urgent needs and best interests of our community and state.

By way of background, our group consists of the privately owned piers and the businesses along the water including Ye Olde Curiosity Shop, Argosy, Victoria Clipper, Miner's Landing, Ivar's and the **gift** shops, hotels, restaurants and professional service firms – **plus** a number of condominium owners and the Seattle Aquarium Society, a non-profit that supports the Seattle Aquarium, a division of Seattle Parks on Piers 59 and 60. Among us, we employ about 1,500 people and serve between 2.5 and 3 million visitors per year. Our revenues are about \$60 million annually. We are both the historic core of **Seattle's** tourist industry and the most vulnerable businesses to the disruption caused during construction of a new elevated viaduct and the congestion caused by the **surface**-only option.

Recently we have been gratified by reports that the deep bore tunnel) **surface/transit** hybrid is back on the table after having earlier been eliminated by **officials**. There are many reasons for our concerns about the other two options and our support for a plan that includes the deep bore tunnel to provide capacity for **traffic** trying to bypass downtown Seattle:

• Pier 57, 1301 Alaskan Way, Seattle WA, 98101. Tel. 206.623.8600

The Elevated Hybrid Kills Us in Construction

The 5-to-7 years of construction, comprised of the demolition of the current viaduct, utility relocation and reconstruction of a new structure (along with the resulting **traffic** congestion), will virtually cut off our businesses from our customers, including residents, employees, tourists and shoppers and make homes on the **Waterfront** uninhabitable. It eliminates most of the parking our organizations **rely** on and there is no mitigation plan for this disruption. Our careful analysis shows that our businesses will not survive this process and our homes will **be** both uninhabitable and unsalable.

The Surface/Transit Option Kills Us in Operation

Eliminating the conduit for 110,000 trips a day on SR 99 will result in considerable traffic congestion along the surface option's arterials — Western Avenue and Alaskan Way, especially with 23 stoplights planned. Even with improvements to I-5 and transit, the Project Team's traffic model says trucks and other **traffic** will crowd the waterfront and Western Avenue. By adding between 19,000 and 22,000 trips a day along Alaskan Way — bringing the total to 30,000 vehicles each day— the **surface/transit** option creates an **insurmountable** barrier to our businesses for our customers. Our customers are not (primarily) commuters, who can rely on transit for their routine trips to work. We rely on family groups of customers being able to park and access our businesses. Like the elevated option, the **surface/transit** option, as it is now configured, eliminates most downtown parking and, again, there is no mitigation plan.

The Tunnel Hybrid Gives Us a Shot to Survive

This option least disrupts the waterfront and downtown during construction **and** provides the most capacity and quickest travel times for through traffic that needs to bypass downtown. It gets the 55-80% of the viaduct's **traffic** that currently bypasses the city off city streets, to make **urban** living easier and allow access to our businesses. That is true even during construction, because the tunnel can be built while **the** existing viaduct is still **functioning.**

In addition to allowing our businesses to survive and our homes to remain habitable, this option has significant regional advantages. It allows industrial **traffic** to pass through the area unimpeded, supporting operations by the Port of Seattle, freight, maritime, and aircraft industries. It also **fulfills** the goal of reuniting the waterfront with downtown, thus benefiting ow businesses and allowing the city to create a world-class pedestrian environment on the Waterfront.

According to outside experts, the concerns over cost of the tunnel may be exaggerated, given the improvements in tunneling technology. This is an issue that we know the state and project team are investigating carefully and urgently. However, the cost should be viewed in terms of tradeoffs. If you measure the capital cost of the tunnel against the advantages of saving **waterfront** and downtown businesses, aiding industrial truck users and the Port, and creating a unique urban space between the Market and the

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waterfront, it is easy to see that this could be the best investment for the state, county and city.

Finally, the tunnel could have the lowest lifetime costs—the nearest evidence being the Great Northern Tunnel now in its second century of operation. And, a tunnel is the safest option in a seismic zone.

We would be glad to meet with you at any time to share our findings and discuss our concerns, and we stand ready to help make this hybrid solution work.

Sincerely,

John Blackman

President

Seattle Historic Waterfront Association

Cc: The Hon. Lisa Brown, Majority Leader, Washington State Senate; The Hon. Bill Bryant, Commissioner, Port of Seattle; The Hon. Tim Burgess, Seattle City Councilmember; The Hon. Judy Clibbom, Washington State Representative; The Hon. Dow Constantine, King County Councilmember; The Hon. John Creighton, Commissioner, Port of Seattle; Ms. Grace Crunican, Director, Seattle Department of Transportation; The Hon. Jan Drago, Seattle City Councilmember; Mr. David Dye, Deputy Director, Washington State Department of Transportation; Mr. Harold S. Taniguchi, Director, King County Department of Transportation; The Hon, Gael Tarleton, Commissioner, Port of Seattle; Mr. **Tay** Yoshitani, Port of Seattle CEO

Seattle Historic Waterfront Association Members

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