

The ports of Seattle and Tacoma have formed **The Northwest Seaport Alliance** to manage the two ports' marine cargo terminal investments, operations, planning and marketing to strengthen the Puget Sound gateway and attract more marine cargo for the region.



What's at Stake

Combined, the ports of Seattle and Tacoma are the third-largest container gateway in North America. A recent analysis performed by Martin Associates estimates that the two ports' marine cargo operations supported more than 48,000 jobs, which generated nearly \$4.3 billion in economic activity in 2013.



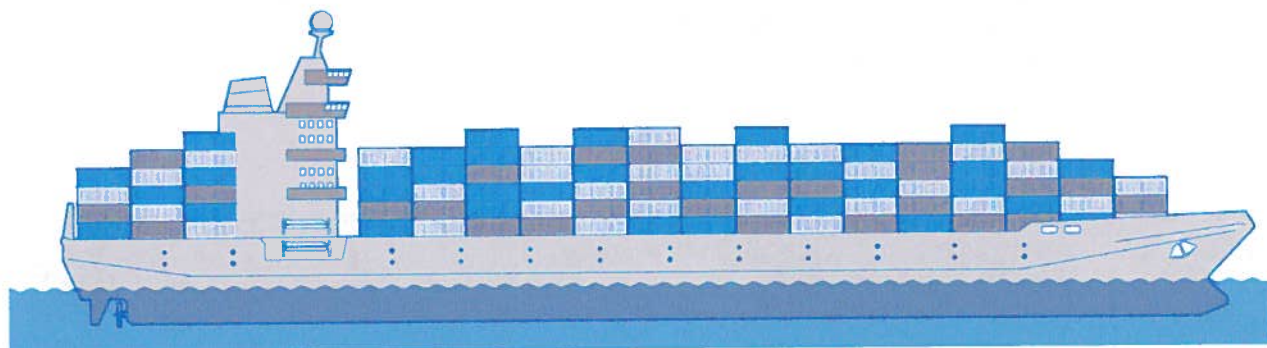
Competitive Pressures

Industry consolidation, an increase in use of the Panama and Suez canals, constant pressure to lower costs and improve efficiencies, fuel costs and future growth are all driving significant changes in the shipping industry. The ships in use today are more than double the capacity calling our ports just a few years ago, and many foresee demand for even larger ships in the near future. The ports of Tacoma and Seattle currently have limited capacity to handle these larger cargo carriers. We must work together to better coordinate investments to meet the changing industry needs.



Alliance Benefits

Key benefits of the Alliance include the ability to deploy efficient, critical infrastructure investments at a regional level, better meet customer needs and demands for increased flexibility, and a focus on meeting Washington exporters' needs, growing middle-class jobs and our regional economy.



Here's How it Would Work



Governance. While the ports will remain separate organizations that retain ownership of their respective assets, they will form a port development authority (PDA) to manage marine cargo facilities and businesses in Seattle and Tacoma.



Leadership. The Northwest Seaport Alliance will be governed by the two ports as equal members, with each port acting through its elected commissioners. Each commissioner will continue to stand for election by the citizens of their respective county. The commissioners expect to hire John Wolfe, current Port of Tacoma chief executive officer, as the CEO of the Seaport Alliance following the Federal Maritime Commission's (FMC) approval of the agreement. Wolfe would lead both The Northwest Seaport Alliance and Port of Tacoma through a transition period of up to five years.



What's Included. Container and support facilities, breakbulk and other properties are included in the Alliance to maximize success of planning and investment strategies. Each port will make an equitable investment in the joint operating entity and will share equally in the resulting revenue. Seattle-Tacoma International Airport; the cruise business; marinas, such as Fisherman's Terminal; grain terminals; and industrial real estate facilities, such as Northwest Innovation Works, Puget Sound Energy and Terminal 91 uplands, will remain outside the Alliance.



Competitive Advantages. The Northwest Seaport Alliance allows the ports to leverage our position as the third-largest container gateway in North America. Our proximity to Asia, naturally deep harbors, strong rail and highway connections to the U.S. Midwest and Ohio Valley, access to the second-largest concentration of distribution centers on the West Coast and room to grow poise us as an attractive gateway.

Next Steps for the Northwest Seaport Alliance

After releasing a draft of the final agreement for public review, the two port commissions expect to consider submitting the final agreement package to the FMC at a joint public meeting June 5 at Auburn City Hall. Citizen and stakeholder public review of this agreement will be undertaken throughout May, building on the extensive outreach since last October, when the proposal was announced. The draft agreement, information about public meetings, how to submit written comments and other related news will continue to be updated regularly on the Port of Tacoma and Port of Seattle websites.