

**Commission September Retreat**  
**September 24**  
**8:30 am – 5:30 pm**

- 8:30 – 9:00 Light Breakfast
- 9:00 – 11:15 Budget Study Session
- CIP review and recommendation
  - Levy options analysis
  - Public Affairs capital program strategies
- 11:15 – 11:30 Break
- 11:30 – 2:00 FMC and Lunch
- 2:00 – 2:20 Break
- 2:20 – 3:20 Real Estate Portfolio Overview and Project Deep Dive
- T-91 Uplands and Fisherman’s Terminal
  - Bell Harbor International Conference Center and WTC
- 3:25 - 4:25 Executive Director Metruck
- Organizational changes
  - Executive and commission issue prioritization processes
- 4:30 - 5:30 Commissioner budget and 2019 priorities
- 5:30 - 7:30 Optional After Hours

September 24 Port of Seattle Commission Retreat  
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**Section 1**

**Capital Investment Plan Study Session**

- CIP Review Slide Deck
- CIP Project Descriptions
- Complete CIP List

**Section 2**

**July 25 Travel To and From Airport Study Session Follow-ups.**

- July 10 Notes and Questions
- Slide Deck with responses not included in CIP slide deck.

**Section 3**

FMC

**Section 4**

**Real Estate Portfolio Overview and Project Deep Dive**

**Section 5**

**Executive Director Metruck Discussion Items**

- Proposed Organizational Changes

**Section 6**

**Commission Budget and Priority Discussion**

**Section 7**

**Q3/4 Key Commission Dates  
2018 Community Outreach**

# Commission Budget Retreat (Non-Aviation Capital)

September 24, 2018



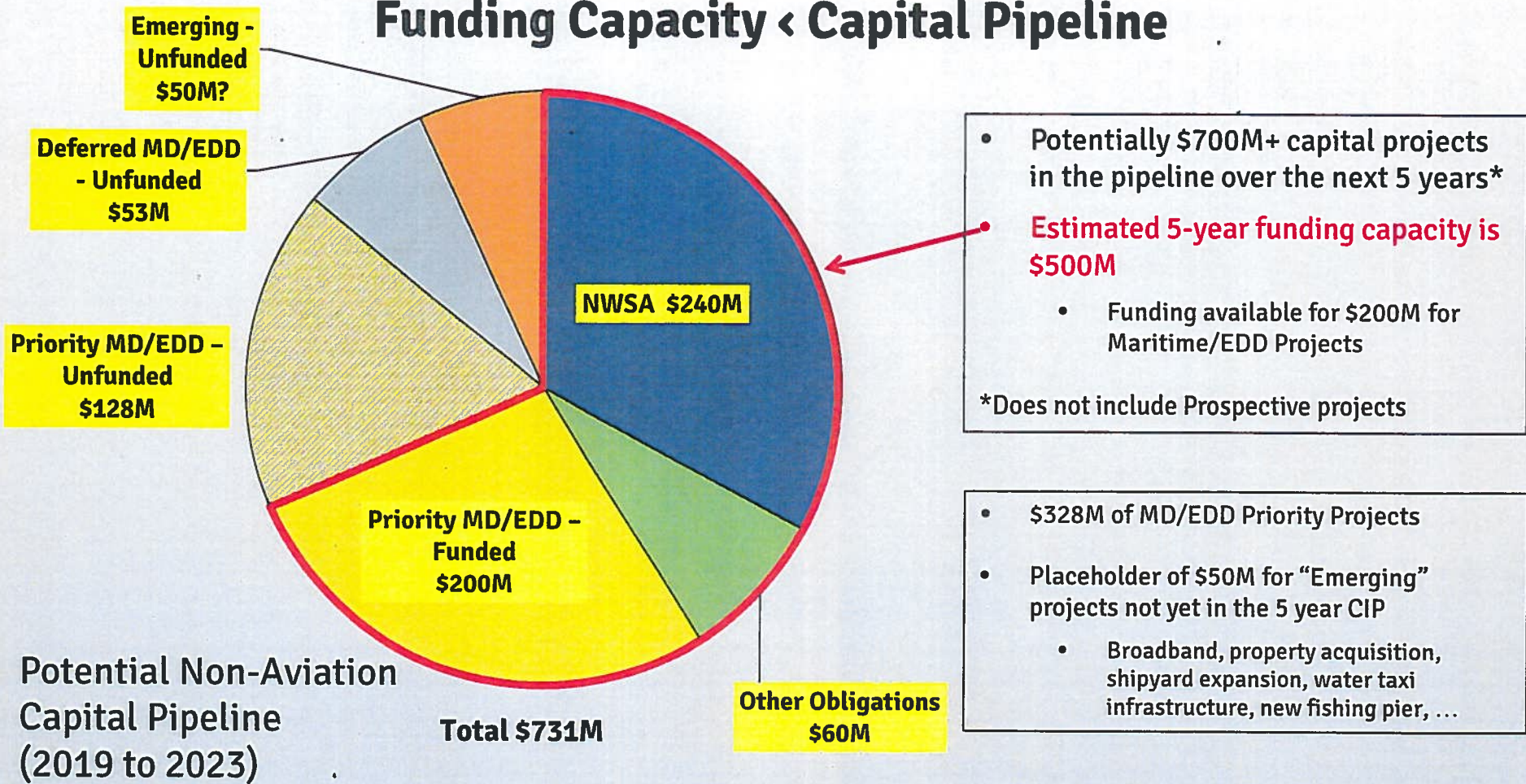
Port of Seattle

# Objectives

- Overview of the MD/EDD 2019-2023 CIP
  - Prioritization of projects
  - Project analysis
- Seek Commission comments on CIP priorities and funding constraints
- Provide options to increase funding capacity



# Funding Capacity < Capital Pipeline



## Preliminary Estimates and Forecasts



Funding capacity, project costs, and financial returns are based on forecasts, industry trends, and other factors. Staff cannot guarantee the of accuracy preliminary financial projections.

## Criteria for Determining Priorities

Staff used the following criteria for scoring MD and EDD projects in the pipeline based on:

- New Revenue
- Asset Preservation
- Community and Environment
- Century Agenda



## MD/EDD CIP 2019 - 2023

Priority Projects	Asset Preservation	New Revenue	Environment & Community	Century Agenda	\$millions
New Cruise Facility (Assumes 50% Tenant Cost Share)	x		x		\$100.0
Terminal 91 Uplands Development	x		x		\$39.0
Terminal 117 Restoration	x	x	x		\$17.9
Bell Harbor Conference Center Modernization	x				\$9.9
FT Docks 3, 4 & 5 Fixed Pier Improvements	x		x		\$6.1
Pier 66 HVAC Systems Upgrade	x				\$2.9
T91 Pier Stormwater System Improvements Phase I			x	x	\$1.0
Contingency/Small Projects/Projects Underway	-	-	-	-	\$23.2
<b>Projects Funded at Current Estimated Funding Capacity</b>			<b>Total Funded</b>		<b>\$200.0</b>
Terminal 91 Berth 6 & 8 Redevelopment	x		x		\$35.0
Fishermen's Terminal Redevelopment Phase I		x	x		\$33.5
Pier 66 Shore Power			x	x	\$40.0
Salmon Bay Marina Docks D&E Replacement	x	x			\$5.9
Terminal 5 N Mooring Dolphins		x	x		\$3.6
Contingency/Small Projects	-	-	-	-	\$9.5
			<b>Total Unfunded</b>		<b>\$127.5</b>
<b>Total 2019-2023 CIP (Funded + Unfunded)</b>					<b>\$327.5</b>

## Revenue Generating Projects

Capital Project	Cost (\$Ms)	IRR	NPV (\$Ms)	Payback (years)	Operational	Est. NOI per year <sup>1</sup> (\$Ms)	Funded at Current Capacity
New Cruise Facility <sup>2</sup>	\$100.0	10-11%	\$267.3	9	Q2 2022	\$5.03	Yes
T91 Uplands Development	\$39.0	5.5-6%	(\$8.7)	17	Q3 2021	\$1.50	Yes
FT Redevelopment Phase I	\$33.5	4-5%	(\$12.1)	23	Q3 2021	\$0.85	No
BHICC Interior Modernization <sup>3</sup>	\$9.9	7-8%	\$2.2	9 10	Q3 2020	\$0.23	Yes
T5 N Mooring Dolphins	\$3.6	6.5-7%	\$1.8	11	Q3 2020	\$0.20	Yes

<sup>1</sup>Initial Net Operating Income after Depreciation (does not include Allocations)

<sup>2</sup>Assumes 50% cost share of non-port investment, does not include PoS lease payments for terminal property

<sup>3</sup>Based on CHI proforma, assumes modernization will double NOI of BHICC

## Asset Preservation Analysis

Capital Project	Cost (\$Ms)	Life/Safety Related	Operational	Financial Return or Revenue Preservation	Funded at Current Capacity
Terminal 91 Berth 6 & 8 Redevelopment	\$35.0	No	Q4 2021	New Revenue	Yes
Salmon Bay Docks D & E Replacement	\$5.9	Yes	Q3 2020	Preserve/TBD	No
FT Docks 3, 4, & 5 Fixed Pier Improvement	\$6.1	No	Q1 2021	Preserve	Yes
P66 HVAC Systems Upgrade	\$2.9	Yes	Q4 2021	N/A	Yes

## Environment and Community Benefits

Capital Project	Cost (\$Ms)	Operational	Financial Return or Revenue Preservation	Funded at Current Capacity
Pier 66 Shorepower	\$40.0	2022	N/A	<del>Yes</del> No
Terminal 117 Restoration*	\$17.9	Q2 2020	TBD	Yes
Terminal 91 Pier Stormwater System Improvements Phase 1	\$1.0	Q3 2020	N/A	Yes

\*Does not represent the full project cost

## Projects Underway, Small Projects, & Contingency

Capital Project(s)	Cost (\$Ms)	Description/Examples
Projects Underway*	\$8.2	SBM Restrooms, SBM Paving, SBM Restaurant Site
Maritime Small Projects*	\$4.8	P91 Bollards, Cruise Rideshare Canopy, T91 Liftstations, T91 Paint/Oil Containment Units, MIC Yard Lighting, T91 Lighting Upgrades, MIC A1 Building Renovation, HIM Hazmat enclosure, SBM Wireless Meter Reading System, SBM Dinghy Racks, HIM E Dock Power Improvements, SBM Paving, SBM dry storage expansion, HIM Cameras
EDD Small Projects*	\$2.6	P66 Elevators, Conference Center Lighting Controls, P66 Garage EV Charging
MD Contingency**	\$6.0	Funds set aside for cost increases and unanticipated projects
EDD Contingency**	\$3.0	
Fleet & Technology Projects	\$5.9	Vehicle and equipment replacements (Maintenance, MD, EDD)
Tenant Improvements	\$2.2	Capitalized tenant improvements for Portfolio Management
<b>Total</b>	<b>\$32.7</b>	<b>\$23.2M funded at current capacity (unfunded: \$9.5M)</b>

\*Only projects with total cost of \$150K+ shown

\*\* 2018 to 2022 Contingency: \$29M for MD and \$11M for EDD

## Emerging Projects

- Projects not yet incorporated into CIP/included:
  - New fishing pier
  - Broadband
  - Shipyard expansion
  - Water taxi infrastructure
  - Property acquisition

# **Increasing Funding Capacity: Near Term Options**

- **Sale of Existing Assets**
- **Tax Levy**

## Consideration: Sale of Existing Assets

### Tsubota

- Acquired in 2005 \$5.5M
- Appraised value at current zoning \$7.5M (\$50 per/SF)
- Offer to purchase as-is 3/2017 \$15M
- Up-zoned from IG1 to MF \$25-30M (\$175-200 per/SF)

With the renewed attention on the adjacent Armory, this property will become more valuable. It is very likely the Armory site will be up-zoned from IG1-U45.



### World Trade Center - West

- WTC North sold for \$65M (\$488 per/SF) in 2017
- WTC East sold for \$74.5M (\$402 per/SF) in 2014
- Unsolicited offer for \$24M (\$345 per/SF) in 2018
- Using 69,507 SF, the probable range of value is between \$345 to \$488 or \$24M up to \$34M.



\*Acquisition and potential sale estimates do not include related transaction costs



## Consideration: Sale of Existing Assets continued

### Harbor Marine Corporate Center (T102)

- 4 buildings of approximately 137k SF
- Current value is approx. \$12M or \$88 per/SF
- Current value well below replacement cost
- Property is heavily impacted by two possible ST3 West Seattle rail alignments



### Summary of Potential Asset Sales

Tsubota  
World Trade Center – West  
Harbor Marine Corporate Center

**TOTAL**

### \$ Value Range

\$7.5 - \$30M

\$24 - \$34M

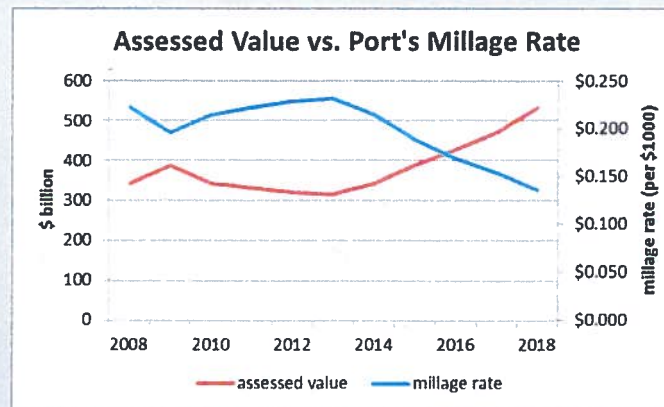
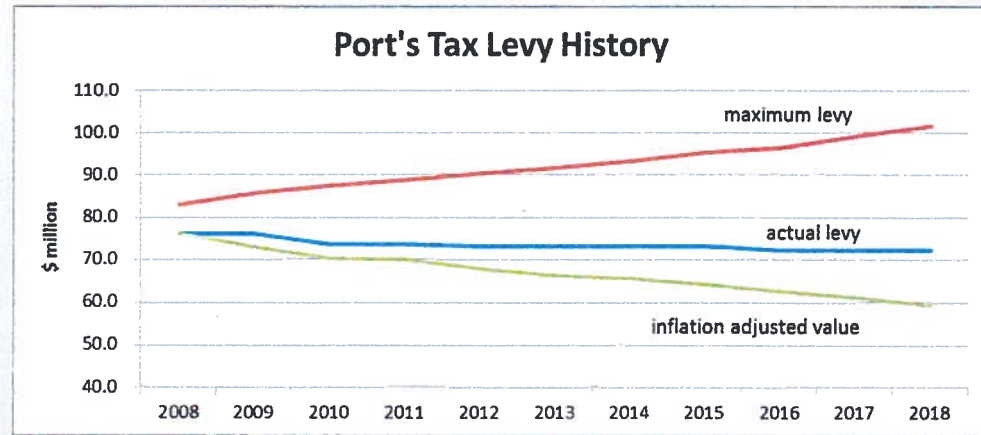
\$12 - \$20M

**\$43.5 - \$84M**

\*Acquisition and potential sale estimates do not include related transaction costs

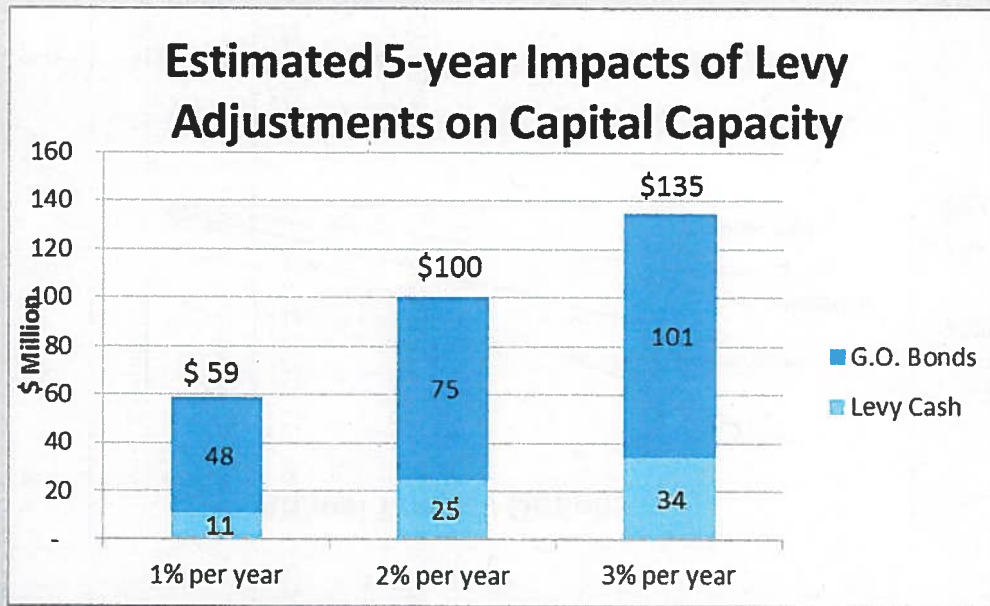
# Tax Levy History Since 2008

- Most recent decision to increase the levy was in 2008 to \$75.9 million
- Tax levy is now \$72 million (2018)
  - Due to inflation since 2008, the real value of the tax levy is now worth \$59 million
  - Levy decreases and inflation reduced purchasing power since 2008 by \$100 million



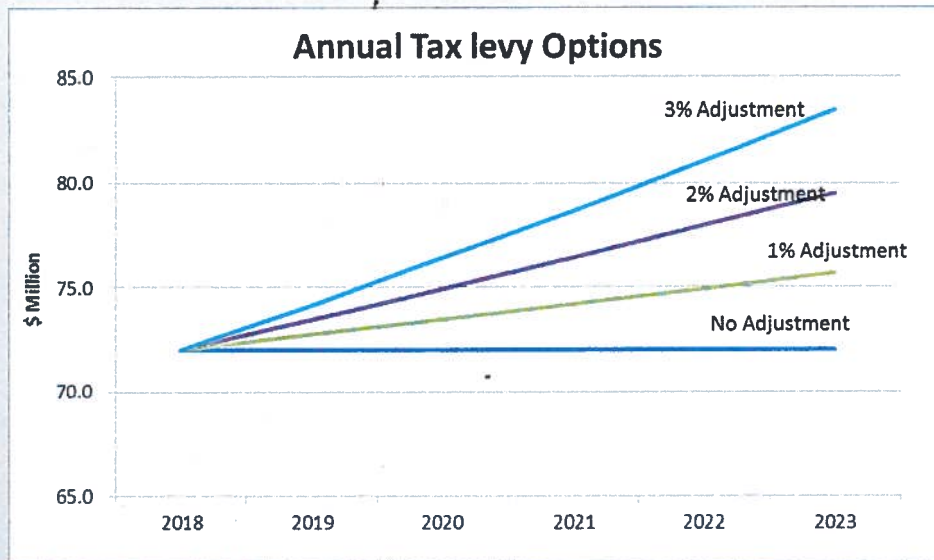
As assess value increased, the millage rate declined

# Options to Maintain Value



- **Seattle inflation**
  - averaged 2% per year over the past decade
  
- **Median King County home value is \$631,000**
  - Port levy is approximately \$86
  - A levy adjustment would add
    - 1% adjustment - 86 cents
    - 2% adjustment - \$1.71
    - 3% adjustment - \$2.57

# Impact of Levy Options



	Annual Adjustment			
	<u>None</u>	<u>1%</u>	<u>2%</u>	<u>3%</u>
2019 Levy Amount	72.0	72.7	73.4	74.2
2023 Levy Amount	72.0	75.7	79.5	83.5
2019 millage rate based on current assessed value	\$ 0.136	\$ 0.137	\$ 0.139	\$ 0.140

# Next Steps & Considerations

- CIP Priority
- Asset Sales
- Tax Levy

# MD/EDD CIP 2019 - 2023

Priority Projects	Asset Preservation	New Revenue	Environment & Community	Century Agenda	Millions
New Cruise Facility (Assumes 50% Tenant Cost Share)		x		x	\$100.0
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				<b>Total Unfunded</b>	<b>\$127.5</b>
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## **CIP Project Description**

The following project descriptions are in the process of receiving updates from Project Managers. The descriptions are intended to give Commissioners enough information to develop questions about the projects.

Commissioners will receive finalized project descriptions in the Preliminary Budget document that is distributed on October 23<sup>rd</sup>.

1. T91 Uplands
2. Bell Harbor ICC
3. T117 Restoration
4. FT Dock 3,4,5 Fixed Pier Improvements
5. P66 HVAC Systems Upgrade 2019
6. T91 Pier Stormwater System Improvements Phase 1
7. T91 Berth 6&8 Redevelopment 2019
8. Fisherman's Terminal Redevelopment Phase 1
9. P66 Shore Power
10. SaBM Docks DE Replacement 2019
11. T5 North Mooring Dolphins

## TERMINAL 91 UPLANDS

### PROJECT SUMMARY

Develop two 50,000 square foot light industrial buildings and associated site infrastructure improvement including, but not necessarily limited to: paving, water, sanitary sewers, storm sewers, lighting, electrical power, natural gas, communications, and landscaping.

**TOTAL COST: \$39,000,000**

### CENTURY AGENDA/LONG RANGE PLAN

- The new facilities will support fishing and maritime supply chain companies needing to expand within the Ballard/Interbay Manufacturing Industrial Center.
- The Port has received strong interest from expanding fishing equipment manufacturers and maritime manufacturing companies who want to locate new facilities proximate to the fishing fleet and maritime supply chain.
- These new facilities will be part of the Port's maritime innovation center where companies collaborate to grow and modernize operations.

### BUSINESS PLAN OBJECTIVES

Support new jobs, generate new revenue, and advance maritime innovation

### FINANCIAL ANALYSIS SUMMARY

PROJECTED IRR/NPV/PAYBACK: 5.8% / **(8.71MM)** NPV/17 YEAR PAYBACK / 8.4% DISCOUNT

### ANALYSIS:

The market for light industrial real estate is still strong. Current rents are climbing +3% per year and vacancy rates are under 2% across the region. The Port has received numerous inquiries from established fishing and maritime suppliers many of which are well established and creditworthy. Strong markets and tenant interest is offset by possibility of recession over next five years. The Port will may face lower occupancy rates at these facilities during the downtown especially if they are leased to multiple tenants.

### PROFORMA

CASH FLOWS (000'S)							
	2019	2020	2021	2022	2023	2024	TOTAL
Capital Out	(3,520)	(19,520)	(16,000)				(39,040)
Gross Revenues			1,175	2,223	2,279	2,336	8,013
Total Expenses			(85)	(278)	(36)	(37)	
NOI				1,944	2,243	2,299	



## Terminal 91 Uplands Development Phase I



## TERMINAL 91 Overview

### HISTORY:

Late 1800's -	Intertidal marsh land
1913 to 1917 -	Piers 90 & 91 constructed (originally called pier 40 & 41)
WWII -	Navy acquires for Supply depot
1974 -	Port re-acquires terminal from Navy
1974 to Present -	Facility used to support a number of maritime cargo and fishing related services such as cold storage, moorage, automobile imports, fish processing, light manufacturing, fuel tanks, open storage and a cruise terminal

### ZONING AND DEVELOPMENT

Zoning is IG1 – U45 -	This means the facility is allowed to support any industrial activity.
Critical Areas (ECA) -	T91 lies within the liquefaction and Steep Slope geography of the ECA.

### NAC Agreement -

This is a legal agreement between the Port and the neighborhoods of Queen Anne and Magnolia.

### Key components:

- Copies of Port permits applications must go to the NAC
- Establishes noise parameters
- Establishes light parameters
- Establishes certain building design criteria such as type of roofing
- Establishes need to provide traffic counts and potential mitigation for increases in traffic.

Sub-surface geological conditions will likely require pile driven, supported foundations for any structure taller than one story. Single story or high bay single story may get by with spread footing foundation. Pile driven foundations add significant cost.

Though the industrial market remains robust in the BINMIC, industrial lease rates are nonetheless limited by the ability of industry to bear the higher lease rates of say commercial businesses. In short, lease revenues from our industrially zoned land are limited.

**TANK FARM** - Located on the Uplands. Tanks were previously used as a dangerous waste treatment, fuel storage and distribution facility under a Resource Conservation and Recovery Act (RCRA) permit from the 1970s until 1995. The above-ground portion of the tank farm was demolished by the Port in 2005. The cleanup and capping was completed in 2015. It is possible to build on this cap.

**INFRASTRUCTURE COST ESTIMATES** – For installation of basic infrastructure north of the bridge the cost estimate is \$20 - \$24 million (**\$ calculated in 2010 – these improvements are now estimated at \$30 Million**). This cost estimate was based on a 10% concept design but substantial overhead was included. Basic infrastructure includes:

- New perimeter road
- Site wide storm water system
- Electrical, water and sewer upgrades

These cost estimates do not include the new Garfield Street/Magnolia Bridge replacement (\$200+ MM).

**MAIN UPLANDS - OLDER INDUSTRIAL BUILDINGS** - All cold storage, seafood processing tenants have long term ground leases with the Port (City Ice, Trident and ASC). In late 1980s and early 1990s, the Commission approved a number of long term ground leases with predecessors of nowadays Lineage/City Ice and Trident (W-39, 40, 390, 391, 392). Buildings C-155 and C-156 have recently been master-leased on a 5-year term with a Port option to terminate early in case of future development needs.

**MAREL BUILDING ON P91** - The Port designed and built the pre-manufactured steel framed and metal sided building in 2006. It contains 34k SF of manufacturing space, 6k SF of office space and 10k SF of expansion area. Currently the lease has a 10-year option to renew until 2027.

**CRUISE TERMINAL ON P91** - T91 cruise terminal was completed in May 2009 and relocated from T30 which was converted back into a container terminal. Cruise parking is identified as an integral part of the Cruise facility (1. Leased area, 2. Parking & pref use area 3. T91 Access area) per Lease with CTA.

The Port has approximately \$100 million in bonded debt for improvements to Piers 90 and 91 (cruise terminal improvements primarily).

**SMITH COVE PARK** – Property was sold to the City of Seattle. Currently being redeveloped into sports facilities and a recreational area

**PREVIOUS T91 STUDIES** - Over the years, there have been numerous T91 studies produced. The last Port study (2012) looked at four options for the property. For the Uplands (the area north of bridge):

- Positive Net Present Value ('NPV') for Port constructed buildings proved difficult
- One option looked at building a garage which effectively frees up an additional 8-acres parcel of land. The ground lease revenue from the 8-acres of land and revenues from the garage was forecasted to produce a slightly positive NPV of \$0.8 million.
- Ground leasing north of the bridge at best roughly broke even when the cost of new utilities and other infrastructure was factored in. NPV ranged from \$0 to negative \$5million.
- The studies generally recommended a mix of light industrial buildings and related ground leases. One study also included office buildings as an option (former Smith Cove property).

**OTHER PREVIOUS STUDY TAKEAWAYS** – Maintaining the light industrial area with limited new investment (just on-going maintenance) appeared to be the best option for T91 Uplands. The studies generally recommended a mix of light industrial buildings and related ground leases.

It is difficult for the Port to invest and produce a positive NPV. The potential economic impact of job creation , revenues, taxes, etc. should the Port invest in new infrastructure were as follows:

<b>Options</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>Port Investment</b>	\$120.4	\$125.8	\$169.7	\$235.6
<b>NPV</b>	(\$43.2)	(\$44.4)	(\$56.9)	(\$111.5)
<b>Jobs</b>	929	1,238	1,890	10,185

## BELL HARBOR INTERNATIONAL CONFERENCE CENTER MODERNIZATION

### PROJECT SUMMARY

Modernize Bell Harbor International Conference Center by improving both aesthetics and functionality of space. Preliminary scope items include creation of break-out meeting rooms; operable/stacking walls and access control/separation of areas for event use; reconfiguration of front lobby/reception and conference room areas; replacement of carpet; upgrade of audio/visual equipment and installation of energy efficient lighting and new lighting controls; upgrade electrical power, wireless infrastructure and mechanical systems, reconfigure spaces/adding seating in Bay Auditorium, and installation of new window coverings.

**TOTAL COST: \$11,000,000**

### CENTURY AGENDA/LONG RANGE PLAN

- Supports the Port's Century Agenda goal of advancing this region as a business gateway by fostering collaboration, ideas exchange and relationship building among attendees.

### BUSINESS PLAN OBJECTIVES

- Maintain existing assets and improve their flexibility of use to ensure optimal financial performance is achieved.
- Invest in technological improvements to increase effectiveness and enable this facility to provide the same audio visual and digital wayfinding services its competitors provide.

### FINANCIAL ANALYSIS SUMMARY

PROJECTED IRR/NPV/PAYBACK: 7-8% IRR/\$2.2M NPV/8.9 YEAR PAYBACK

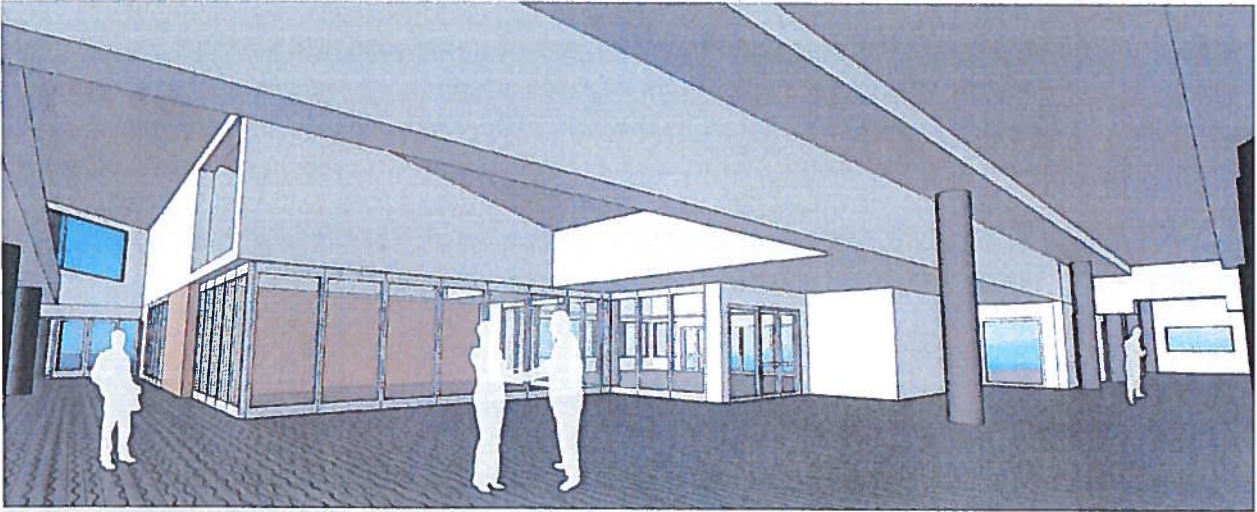
### ANALYSIS:

BHICC occupies a niche position in the local conference and event market as a mid-sized, flexible event space. This market is strong and projected to remain strong. Strong markets and user interest could be offset by the risk over time of economic downturn and possible decline in demand for events.

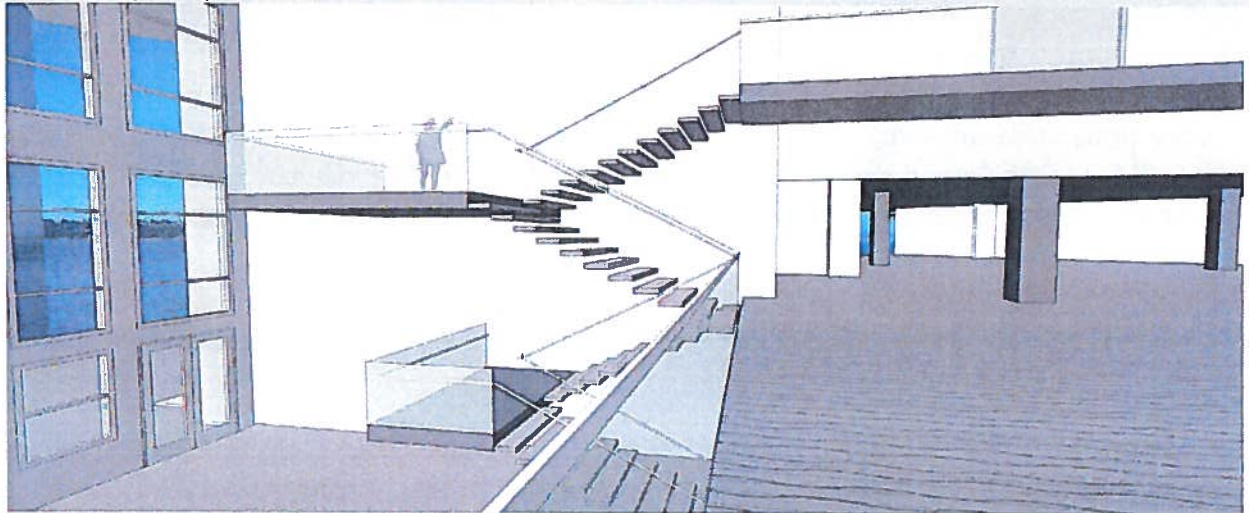
### PROFORMA

CASH FLOWS (\$000'S)								
	18/Prior Years	2019	2020	2021	2022	2023	2024	TOTAL
Capital Out	(164)	(900)	(9,936)					(10,800)
Gross Rev			6,101	10,193	10,601	11,025	11,466	49,386
Cost of Sales			1,390	2,322	2,414	2,511	2,612	11,249
Direct Exp			1,956	3,253	3,365	3,463	3,573	15,610
Overhead			1,992	2,874	2,947	3,026	3,106	13,945
Capital Reserve			92	153	159	165	172	741
Total Expenses			5,430	8,602	8,885	9,165	9,463	41,545
NOI			671	1,591	1,716	1,860	2,003	7,841

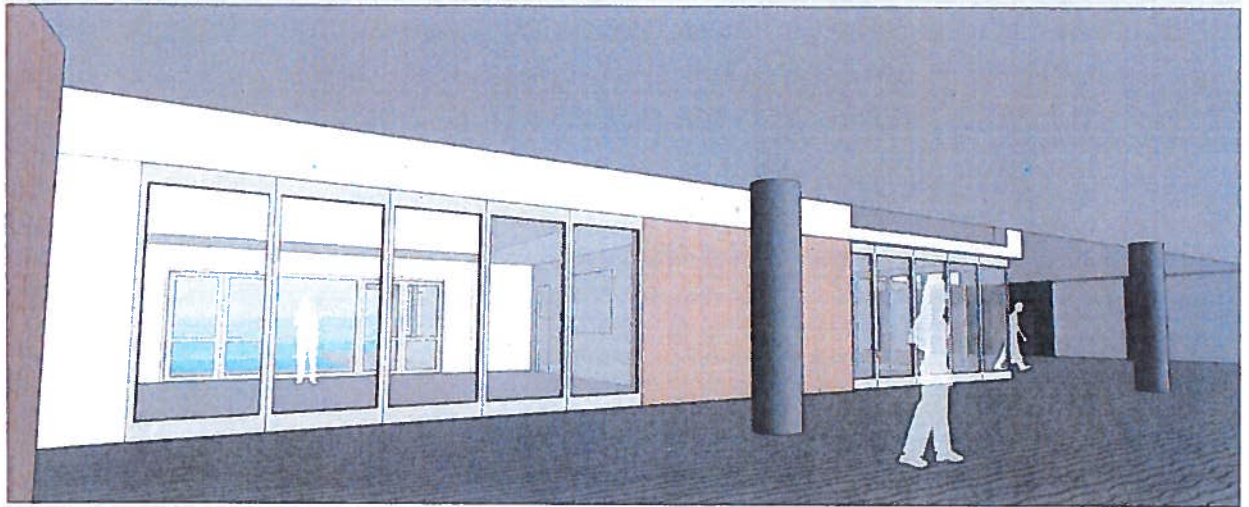
**CONCEPTS**



**Flexible Open Space with Water Views.**



**Creating New Connections**



**Flexibility to create new meeting spaces.**

## **Overview of Bell Harbor International Conference Center**

Bell Harbor International Conference Center (BHICC) has been a major success over the past twenty-two years. It has helped anchor Seattle's waterfront revitalization, generated significant international interest in the region, contributed significant economic impacts to the region and become an asset that contributes to the Port's bottom line.

### **Achievements**

BHICC has achieved multi-faceted success beyond the successes described above. Its contribution to the local economy over the past twenty-two years is estimated at \$250M. Efforts to support the Port's green initiatives resulted in being awarded the 4 Star Envirostar Rating and Code of Sustainability Award – Gold Tier. In addition, because of its operational success, BHICC is a two time recipient of the National Planners Choice Award.

### **International Visitors**

Validating the "International" in its name, BHICC has garnered exposure all over the world. The World Trade Center Seattle (WTCSE) also welcomes guests from many different countries on an ongoing basis:

- Hosted guests from over 96 different countries
- Staged almost \$15 million in international business (10% of the total revenue from groups with attendees from all over the world)

### **Strong Partnership**

The Port and Columbia Hospitality (CHI) have been strong partners from the beginning. They were initially selected to help the Port develop the unique business model of a non-residential conference center. While they had many years' experience in event production and management, the Port was their first client in the role of conference center manager. Together, a successful and profitable business was developed that met the Port's goals and objectives.

In advance of the initial contract expiration in 2012, Port staff (in conjunction with well-known consultant David Smith & Co) initiated a national Request for Proposal for a management company. It was a very competitive process and the Port received multiple credible proposals but ultimately Columbia Hospitality was unanimously selected for another term.

Since its inception, CHI has steadily grown its portfolio, creating one of the largest hospitality management companies based in the Northwest. Columbia employs more than 3,000 team members at properties in Washington, Idaho, Montana, California, Arizona and Hawaii. In addition to expanding their management portfolio, CHI has consulted on over 200 hospitality projects worldwide. The Port's role in their growth is always front and center in their story.

## History of Financial Performance

- The Port of Seattle's Conference and Event Centers have welcomed over 2 million local, regional, national, and international visitors (**Well over 100,000 guests per year**).
- Hosted over 30,000 events (**Over 1,500 every year**).

### Revenue & Net Income

Our conference and events centers have generated \$178M in Gross Revenue and have been profitable every year since opening. BHICC has exceeded projections consistently. Net Operating Income over this period was \$24M.

<b>Total Gross Revenues 1996-2018</b>			
<b>Property</b>	<b>Budget</b>	<b>Actual</b>	<b>% Variance</b>
Bell Harbor Conference Center	\$144,016,647	\$153,905,236	107%
Smith Cove Cruise Terminal	\$1,445,384	\$1,611,376	111%
World Trade Center Seattle	\$23,682,070	\$23,004,673	97%
<b>Total CEC</b>	<b>\$169,144,101</b>	<b>\$178,521,285</b>	<b>106%</b>

<b>Total Net Income 1996-2018</b>			
<b>Property</b>	<b>Budget</b>	<b>Actual</b>	<b>% Variance</b>
Bell Harbor Conference Center	\$14,445,615	\$20,439,053	141%
Smith Cove Cruise Terminal	\$692,816	\$693,635	100%
World Trade Center Seattle	\$1,832,335	\$3,210,920	175%
<b>Total CEC</b>	<b>\$16,980,766</b>	<b>\$24,343,608</b>	<b>143%</b>

## **Competitive Environment**

Bell Harbor occupies a niche position in the local market as a mid-sized flexible event space. It is smaller and more intimate than the Washington State Convention Center (WSSC) and Century Link Field Event Center but larger than most large hotel conference venues. BHICC does not directly compete with the Convention Center and, in fact, fulfills an otherwise missing component for mid-sized flexible event space in the market.

Columbia Hospitality (CHI), our manager, presents a detailed marketing plan each year for our approval and they regularly refine it as the year progresses. In order to protect the privacy of our customer base, the Port does keep a copy of this plan.

## **Post Modernization Net Revenue Growth over Twenty Years**

As part of the BHICC Modernization Project, we maintain a 20-year proforma and update it as new information (e.g. costs, known market changes) occur. We compare two scenarios, Status Quo (no modernization) and Growth (Post-Modernization Investment).

Currently, our Modernization proforma projects a stabilized average annual Net Operating Income (NOI) growth rate of 2% over twenty years. Cumulative NOI from the modernized facility is projected to be \$40.3 million over twenty years and the cumulative incremental NOI (differential between Status Quo and Growth Scenarios) from this modernization is projected to be \$26.7 million over the same period.

If the Port does not renovate BHICC, staff estimates that NOI will decline on average 2.5% per year due to the market challenges arising from operating an outdated facility.



<b>Bell Harbor International Conference Center - Modernization Scenario</b>											
	<b>Budget 2018</b>	<b>Year 0 2019</b>	<b>Year 1 2020</b>	<b>Year 2 2021</b>	<b>Year 3 2022</b>	<b>Year 4 2023</b>	<b>Year 5 2024</b>	<b>Year 6 2025</b>	<b>Year 7 2026</b>	<b>Year 8 2027</b>	<b>Year 9 2028</b>
Revenue	7,902,039	9,182,862	6,101,475	10,192,977	10,600,696	11,024,724	11,465,713	11,809,684	12,163,974	12,528,894	12,904,761
Cost of Sales	1,857,288	2,063,919	1,389,715	2,321,624	2,414,489	2,511,068	2,611,511	2,689,856	2,770,552	2,853,669	2,939,279
Direct Expenses	2,632,120	2,907,837	1,956,062	3,252,759	3,365,497	3,462,552	3,572,661	3,670,623	3,760,392	3,863,613	3,958,125
Overhead/Fixed Expenses	2,736,056	2,759,576	1,992,496	2,874,312	2,947,482	3,026,037	3,105,777	3,144,443	3,212,236	3,280,169	3,351,628
Capital Reserve	237,061	275,486	91,522	152,895	159,010	165,371	171,986	354,291	364,919	375,867	387,143
<b>Net Operating Income</b>	<b>439,514</b>	<b>1,176,043</b>	<b>671,680</b>	<b>1,591,388</b>	<b>1,714,218</b>	<b>1,859,696</b>	<b>2,003,778</b>	<b>1,950,471</b>	<b>2,055,876</b>	<b>2,155,576</b>	<b>2,268,585</b>
	<b>Year 10 2029</b>	<b>Year 11 2030</b>	<b>Year 12 2031</b>	<b>Year 13 2032</b>	<b>Year 14 2033</b>	<b>Year 15 2034</b>	<b>Year 16 2035</b>	<b>Year 17 2036</b>	<b>Year 18 2037</b>	<b>Year 19 2038</b>	<b>Year 20 2039</b>
Revenue	13,291,903	13,358,363	13,425,155	13,492,280	13,559,742	13,627,541	13,695,678	13,764,157	13,832,977	13,902,142	13,971,653
Cost of Sales	3,027,457	3,042,594	3,057,807	3,073,096	3,088,462	3,103,904	3,119,424	3,135,021	3,150,696	3,166,449	3,182,282
Direct Expenses	4,066,892	4,102,492	4,138,576	4,175,151	4,212,227	4,249,813	4,287,917	4,326,548	4,365,717	4,405,432	4,445,703
Overhead/Fixed Expenses	3,423,232	3,509,936	3,551,378	3,593,574	3,636,542	3,680,297	3,724,858	3,770,242	3,816,469	3,863,556	3,911,524
Capital Reserve	398,757	400,751	402,755	404,768	406,792	408,826	410,870	412,925	414,989	417,064	419,150
<b>Net Operating Income</b>	<b>2,375,566</b>	<b>2,302,590</b>	<b>2,274,639</b>	<b>2,245,690</b>	<b>2,215,719</b>	<b>2,184,701</b>	<b>2,152,610</b>	<b>2,119,421</b>	<b>2,085,107</b>	<b>2,049,641</b>	<b>2,012,994</b>

### Assumptions and Notes:

- If construction authorization is approved, the facility will close for six months in early 2020 for construction
- 75% of Revenue is comprised of event services (food, beverage, A/V, etc.)
- Direct Expenses are costs that can be attached to a specific event.
- Capital Reserve is 3% of Gross Revenue that is spent on replacement of Furniture, Fixtures and Equipment (FF&E)

## **Terminal 117 Shoreline Public Access & Habitat Restoration Project**

### **Project Summary**

Construct shoreline public access and habitat restoration at Terminal 117 in the South Park neighborhood, including a hand-carry boat launch, pier, viewpoints, seating, bike rack, lighting, public art, environmental interpretation features, trails, and fish/wildlife habitat, as an integral component of the Port's proposed NRD settlement.

### **Total Cost**

Privileged and confidential as it relates to ongoing legal negotiations. Staff intends to request Commission authorization for \$17.9M in 2019.

### **Century Agenda/ Long Range Plan**

- The project will create approximately 13 acres of fish and wildlife habitat that can be credited towards the Century Agenda goal to "create, restore or enhance 40 additional acres of habitat in the Green-Duwamish Watershed and Elliott Bay."
- Shoreline public access features will benefit an environmental justice community, South Park, along the Port's fenceline.
- The project will support LRP objectives related to greenhouse gas emission reductions by sequestering carbon in upland and wetland plants.

### **Business Plan Objectives**

The project may generate saleable credits which could be transacted with potentially responsible parties in the Lower Duwamish, Harbor Island and Lockheed West Superfund Sites. These credits can be used to resolve natural resource damage liabilities.

### **Analysis**

A robust market for NRD credits may develop as state, federal and tribal trustees move through ~~begin~~ the formal Natural Resource Damage Assessment process, although that process may take many years. More than 100-parties have been notified of potential NRD liability, but there have been few settlements to date. In addition to potential use as marketable NRD settlement credits, components of the project will support shoreline public access required by the City of Seattle's Shoreline Master Program, helping to entitle the Port's maritime industrial developments.

### **Proforma**

Privileged and confidential as it relates to ongoing legal negotiations.

**CAPITAL IMPROVEMENT PROJECT (CIP)**

**2019 CAPITAL PLAN**

\$s in 000s

<b>CLASS:</b> 5522	<b>SUBCLASS:</b> FT Commercial Fish Operations	<b>BUSINESS GROUP:</b> Fishing & Operations	<b>DIVISION:</b> Maritime			
<b>DEPT:</b> 5520 - FT Operations		<b>DEPT SERVICE:</b> Fishermen's Terminal - Water	<b>BUSINESS MANAGER:</b> Kenny Lyles			
<b>CIP NAME: (30 character maximum)</b> FT Docks 3 4 5 Fixed Pier Imp		<b>PROJECT MANAGER:</b> Jackson, Rod (RGJ)				
<b>CIP LONG NAME:</b> FT Docks 3, 4, and 5 Fixed Pier Improvements						
<b>CIP NUMBER:</b> C800531	<b>CURRENT CIP STATUS CODE:</b> 4 - Committed - Authorized	<b>PROJECT LOCATION:</b> FT				
<b>SCOPE OF WORK:</b> Install structural pile jacket on FT Docks 3 and 4 steel piling from the splash zone to 2 feet below the mudline to prevent corrosion and enhance pile capacity. Install pile wrap in the splash zone and cathodic protection system on Dock 5 steel piling.						
<b>JUSTIFICATION:</b> Asset preservation			<b>ICT Component:</b> No			
<b>SMALL BUSINESS OPPORTUNITIES:</b> Resolution 3737 (Diversity in Contracting) was adopted by Port of Seattle Commission on January 2018. Goals for the next 5 years include: tripling the number of minority and women-owned firms doing business with the Port and increasing the total Port spend to 15% for minority and women-owned firms. Diversity in contracting will be addressed for each project during the panning for procurement of both professional services and construction contracting.						
<b>CENTURY AGENDA / LONG-RANGE PLAN</b> Asset preservation						
<b>BUSINESS PLAN OBJECTIVES:</b> Improve and maintain facilities to provide compelling value to customers.						
<b>TOTAL COST AND PROJECT COST BREAKDOWN:</b> Cost estimated by POS Engineering for FT asset condition assessment.						
<b>CASH FLOWS (000'S)</b>						
	Q1	Q2	Q3	Q4	TOTAL	
Prior Years					\$46	Enter prior year total
2018				\$274	\$274	Enter future cash flows by quarter
2019				\$5,544	\$5,544	
2020				\$522	\$522	
2021					-	
2022					-	
2023					-	
2024					-	
2025					-	
2026					-	
2027					-	
2028					-	
Total					\$6,386	
<b>TOTAL COST:</b> \$6,386		<b>FUNDING SOURCE:</b> Tax Levy				

## CAPITAL IMPROVEMENT PROJECT (CIP)

### **SUSTAINABILITY AND LIFE CYCLE COSTS** (Required for Status 2 & 3 Projects)

To comply with EX-15 (Sustainable Asset Management Policy and Procedures), sustainability design considerations such as energy conservation and consumption, including initial and ongoing requirements, will be included in selection of the proposed materials. Items will be selected, to the extent practical, with regard to environmental best practices.

### **ALTERNATIVES CONSIDERED AND IMPLICATIONS** (Required for Status 2 & 3 Projects)

Alternatives will be reevaluated as the project start date gets closer but this area is expected to remain in same use. In order to maintain the asset and keep it viable, a replacement is needed.

### **FINANCIAL ANALYSIS SUMMARY** (Required for Status 2 & 3 Projects)

**CIP Category:** Renewal/Enhancement

**Project Type:** Renewal & Replacement

**Risk Adjusted Discount Rate:** 7.50%

**Project Cost for Analysis:** \$6,310,000

**Preliminary Effect on Business Performance:**

Preserves revenues of approximately \$371K per year (2016 Actuals)

Annual depreciation of 420,000 for 15 years.

**Preliminary IRR/NPV/Payback:**

NPV (\$2,536K)

IRR 3.2%

Payback NA

**PROJECT MANAGER:** Jackson, Rod (RGJ)

**DATE:** 9/18/2018

**Finance Contact:** Zhou, Yuling

**DATE:** 9/20/2018

**Review Status:** Pick from list

**CAPITAL IMPROVEMENT PROJECT (CIP)**

**2019 CAPITAL PLAN**

\$s in 000s

<b>CLASS:</b> 5446/29	<b>SUBCLASS:</b> Pier 66 Cruise/Conference & Event Center	<b>BUSINESS GROUP:</b> Cruise & Portfolio Management	<b>DIVISION:</b> EDD			
<b>DEPT:</b> Pier 66 - BHICC and Cruise		<b>DEPT SERVICE:</b> BHICC and Cruise	<b>BUSINESS MANAGER:</b> Melinda Miller/Mike McL			
<b>CIP NAME: (30 character maximum)</b> P66 HVAC Systems Upgrade		<b>PROJECT MANAGER:</b> Jackson, Rod (RGJ)				
<b>CIP LONG NAME:</b> P66 HVAC Systems Upgrade						
<b>CIP NUMBER:</b> C801006	<b>CURRENT CIP STATUS CODE:</b> 2 - Business Plan Prospective	<b>PROJECT LOCATION:</b> PIER_66				
<b>SCOPE OF WORK:</b> Comprehensive upgrade to replace remaining outdated HVAC controls, including one existing Cooling Tower, VFD's and other miscellaneous equipment as noted in the latest HVAC assessment for the facility.						
<b>JUSTIFICATION:</b> Upgrading the HVAC system is critical to tenants and customers while preserving the revenue of two significant business units.			<b>Images Attached:</b> no <b>ICT Component:</b> Yes			
<b>SMALL BUSINESS OPPORTUNITIES:</b> Resolution 3737 (Diversity in Contracting) was adopted by Port of Seattle Commission on 9 January 2018. Goals for the next 5 years include: tripling the number of minority and woman-owned firms doing business with the Port and increasing the total Port spend to 15% for minority and woman-owned firms. Diversity in contracting will be addressed for each project during planning for procurement of both professional services and construction contracting.						
<b>CENTURY AGENDA / LONG-RANGE PLAN</b> Retain existing business by providing much needed modernization to the 24 year old international conference and event center areas that occupies the 3rd floor and the newly expanded cruise terminal. Maintain existing assets and improve their flexibility of use to ensure optimal financial performance is achieved. Invest in technological improvements to increase effectiveness and enable this facility to provide the same services our competitors are able to provide. Support the Port's Century Agenda goal of advancing this region as a business gateway by fostering collaboration, ideas exchange and relationship building among attendees.						
<b>BUSINESS PLAN OBJECTIVES:</b> Ensure facility meets meet the expectations of occupants and is able to compete with other new or recently updated similar facilities in Seattle. Protect local jobs; maintain facility at a standard that retains existing customers and attracts new customers.						
<b>TOTAL COST AND PROJECT COST BREAKDOWN:</b> \$2,915,000. This is a conservative placeholder amount.						
<b>CASH FLOWS (000'S)</b>						
	Q1	Q2	Q3	Q4	TOTAL	
Prior Years						Enter prior year total
2018				\$40	\$40	Enter future cash flows by quarter
2019	\$150	\$100	\$200	\$725	\$1,175	
2020			\$50	\$50	\$100	
2021	\$150	\$100	\$200	\$1,050	\$1,500	
2022	\$100				\$100	
2023					-	
2024					-	
2025					-	
2026					-	
2027					-	

**CAPITAL IMPROVEMENT PROJECT (CIP)**

2028					-
Total					\$2,915

**TOTAL COST:** \$2,915      **FUNDING SOURCE:** General Fund

## CAPITAL IMPROVEMENT PROJECT (CIP)

### **SUSTAINABILITY AND LIFE CYCLE COSTS** (Required for Status 2 & 3 Projects)

The Port is in the process of implementing improvements to its project review and design process to integrate sustainability and equity into project development for capital development projects. Sustainable design principles in the design and review for most projects may include the ability to optimize site potential, minimize non-renewable energy consumption, use environmentally preferable products, protect and conserve water, protect air quality and reduce GHG emissions, enhance indoor environmental quality, and optimize operational and maintenance practices.

This project may require environmental permitting and review. Likely permits/approvals include: SEPA Exemption, Shoreline Exemption, and ECA compliance. We are assuming that there will be no ground disturbance or increase in footprint. Permitting effort is expected to be minor. Contractor will be responsible for any Over-the-Counter permits (mechanical, electrical, etc).

### **ALTERNATIVES CONSIDERED AND IMPLICATIONS** (Required for Status 2 & 3 Projects)

Alternative 1: Maintain Status Quo – Though capital funds would not be expended with this option, maintenance cost will increase. The conference center and cruise terminal would likely lose potential business and revenue would also be affected. Staff could proceed with implementing upgrades to only portions of the facility, and complete the remaining improvements at a later time. Staff believes this would affect customer experience and the costs to implement the remaining upgrades would only increase due to inflation/escalations. This is not the recommended alternative.

Alternative 2: Proceed with the design and replacement of the HVAC control systems including the replacement and installation of various controls equipment and one cooling tower. This will reduce future risks and consequences to the HVAC system, including tenant and staff disruptions, should a failure occur. This is the recommended alternative.

### **FINANCIAL ANALYSIS SUMMARY** (Required for Status 2 & 3 Projects)

CIP Category: Renewal/Enhancement  
Project Type: Renewal & Replacement  
Risk Adjusted Discount Rate: TBD  
Project Cost for Analysis: \$2.9M  
Preliminary Effect on Business Performance:  
TBD  
Preliminary IRR/NPV/Payback:  
TBD

<b>PROJECT MANAGER:</b> Jackson, Rod (RGJ)	<b>DATE:</b> 9/19/2018
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<b>Finance Contact:</b> Peter Suppipat	<b>DATE:</b> 5/8/2018
<b>Review Status:</b> Review Complete	

**CAPITAL IMPROVEMENT PROJECT (CIP)**

**2019 CAPITAL PLAN**

\$s in 000s

<b>CLASS:</b> 5311	<b>SUBCLASS:</b> T-91 Operations Overhead	<b>BUSINESS GROUP:</b> Fishing & Operations	<b>DIVISION:</b> Maritime			
<b>DEPT:</b> 5310 - T-91 Docks		<b>DEPT SERVICE:</b> Maritime Ops - T91	<b>BUSINESS MANAGER:</b> Kenny Lyles			
<b>CIP NAME: (30 character maximum)</b> Terminal 91 Pier Stormwater System Improvements Phase I		<b>PROJECT MANAGER:</b> Chu, Catherine (YL)				
<b>CIP LONG NAME:</b> Terminal 91 Pier Stormwater System Improvements Phase I						
<b>CIP NUMBER:</b> C801028	<b>CURRENT CIP STATUS CODE:</b> 3 - Committed - Division Approved	<b>PROJECT LOCATION:</b> T-91				
<b>SCOPE OF WORK:</b> Potentially required structural BMPs, i.e., contained equipment cleaning station and covered		<b>Images Attached:</b>	<b>No</b>			
<b>JUSTIFICATION:</b> The Phase I structural BMPs will improve stormwater regulatory compliance for tenant activities on Piers 90 and 91. The effort is to support our maritime tenants so they can perform routine maintenance processes at our facility.		<b>ICT Component:</b> No				
<b>SMALL BUSINESS OPPORTUNITIES:</b> Resolution 3737 (Diversity in Contracting) was adopted by Port of Seattle Commission on 9 January 2018. Goals for the next 5 years include: tripling the number of minority and woman-owned firms doing business with the Port and increasing the total Port spend to 15% for minority and woman-owned firms. Diversity in contracting will be addressed for each project during planning for procurement of both professional services and construction contracting.						
<b>CENTURY AGENDA / LONG-RANGE PLAN</b> Under Century Agenda Strategy 1 Objective 5 Priority Actions 3 and 4, the Port recognizes the North Pacific Fishing Fleet is vibrant, growing and in need of well maintained berth space for their time in Port. Having assets in good repair also will help the Port work toward its goal of diversifying the Maritime Cluster. High Performance Organization Strategy 1 Objective 1 will be met by this project by improving customer service to our Fleet and other maritime users by having good repair moorage available when ships come to call. Strategy 4 Objective 13 to meet or exceed agency requirements for storm water leaving Port-owned or operated facilities. High Performance Organization Strategy 1 Objective 1 - Improve Customer Satisfaction by maintaining ability for ships to maximize their abilities to prepare for the next season while in Port.						
<b>BUSINESS PLAN OBJECTIVES:</b> Maintain environmental stormwater compliance as well as customer satisfaction.						
<b>TOTAL COST AND PROJECT COST BREAKDOWN:</b> Total costs include planning and design starting in 2018 and construction in 2019.						
<b>CASH FLOWS (000'S)</b>						
	Q1	Q2	Q3	Q4	TOTAL	
Prior Years						Enter prior year total
2018			\$25	\$50	\$75	Enter future cash flows by quarter
2019	\$100	\$200	\$300	\$300	\$900	
2020	\$100	\$25			\$125	
2021					-	
2022					-	
2023					-	



**CAPITAL IMPROVEMENT PROJECT (CIP)**

2024					-
2025					-
2026					-
2027					-
2028					-
<b>Total</b>					<b>\$1,100</b>

**TOTAL COST:** \$1,100

**FUNDING SOURCE:** General Fund

**SUSTAINABILITY AND LIFE CYCLE COSTS** (Required for Status 2 & 3 Projects)

The Port is in the process of implementing improvements to its project review and design process to integrate sustainability and equity into project development for capital development projects. Sustainable design principles in the design and review for most projects may include the ability to optimize site potential, minimize non-renewable energy consumption, use environmentally preferable products, protect and conserve water, protect air quality and reduce GHG emissions, enhance indoor environmental quality, and optimize operational and maintenance practices.

This project requires environmental permitting and review. Likely permits/approvals include: SEPA Exemption, City of Seattle Shoreline Substantial Development Permit, City of Seattle construction permit, and Port of Seattle stormwater/grading approval. Permitting effort is expected to be moderate. This scope assumes all work would remain above Ordinary High Water or Mean Higher High Water. If work extends below these water lines, a JARPA (USACE, DFW, Ecology) application would be submitted and the permitting effort would be considered more involved.

**ALTERNATIVES CONSIDERED AND IMPLICATIONS** (Required for Status 2 & 3 Projects)

1) Do nothing: Industry will have increased restricted activities allowed on the piers. Some tenants will move to other moorages that are less restrictive. 2) Do Nothing: Continue operations as they are. 3) Obtain ISGP for all Terminal 91. 4) Obtain ISGP for Terminal 91 Piers only. Estimated cost for Phase I structural BMPs: \$1.1M.

**FINANCIAL ANALYSIS SUMMARY** (Required for Status 2 & 3 Projects)

**CIP Category:** Compliance  
**Project Type:** Environmental  
**Risk Adjusted Discount Rate:** 7.60%  
**Project Cost for Analysis:** \$1,100,000  
**Preliminary Effect on Business Performance:**  
 Annual depreciation expense will depend on the useful life of the specific assets identified in the project asset plan  
**Preliminary IRR/NPV/Payback:**  
 NPV is the present value of the project cost to the Port

<b>PROJECT MANAGER:</b> Chu, Catherine (YL)	<b>DATE:</b> 5/9/2018
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<b>Finance Contact:</b> Yuling Zhou	<b>DATE:</b> 5/14/2018
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<b>Review Status:</b> Review Complete	
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**CAPITAL IMPROVEMENT PROJECT (CIP)**

**2019 CAPITAL PLAN**

\$s in 000s

<b>CLASS:</b> 5311	<b>SUBCLASS:</b> T-91 Operations Overhead	<b>BUSINESS GROUP:</b> Fishing & Operations	<b>DIVISION:</b> Maritime
<b>DEPT:</b> 5310 - T-91 Docks		<b>DEPT SERVICE:</b> Maritime Ops - T91	<b>BUSINESS MANAGER:</b> Kenny Lyles
<b>CIP NAME:</b> (30 character maximum) T-91 Berth 6 & 8 Redev		<b>PROJECT MANAGER:</b> Chou, Fred (FZC)	
<b>CIP LONG NAME:</b> P90 Berths 6 & 8 Redevelopment			
<b>CIP NUMBER:</b> C102475	<b>CURRENT CIP STATUS CODE:</b> 2 - Business Plan Prospective	<b>PROJECT LOCATION:</b> T_91	
<b>SCOPE OF WORK:</b>		<b>Images Attached:</b> Yes	
<p>Redevelop the vessel pier moorings and adjoining apron areas of Berths 6 and 8 along the northeast side of Pier 90 at Terminal 91 to help meet fishing fleet and commercial vessel demand. Redevelopment includes: Demolition of approximately 62,250 sf of condemned existing timber apron and 830 LF of seawall (northerly portion of Berth 6 and entire Berth 8), removal and relocation of existing gangway, floats and boathouses, small offic structure, and reconstruct approximately 830 LF concrete apron structure at 600 pounds per square foot. Project assumes no additional overwater coverage and new dock configuration will greatly affect overall project costs. Dredging would be under a separate project, covered by C800431 -- Dredge P90 East.</p>			
<b>JUSTIFICATION:</b>		<b>ICT Component:</b> Yes	
<p>Asset and revenue preservation.</p>			
<b>SMALL BUSINESS OPPORTUNITIES:</b>			
<p>Resolution 3737 (Diversity in Contracting) was adopted by Port of Seattle Commission on 9 January 2018. Goals for the next 5 years include: tripling the number of minority and woman-owned firms doing business with the Port and increasing the total Port spend to 15% for minority and woman-owned firms. Diversity in contracting will be addressed for each project during planning for procurement of both professional services and construction contracting.</p>			

**CAPITAL IMPROVEMENT PROJECT (CIP)**

**CENTURY AGENDA / LONG-RANGE PLAN**

This project supports the Port's Century Agenda by restoring capabilities of Pier 90 structure similar to the remaining Terminal 91 aprons.

**BUSINESS PLAN OBJECTIVES:**

Work with the terminal operators, fishing industry, tug boats and other dock users to maximize the use of docks and upland buildings providing net income to the Port. Invest in strategic capital improvements to attract new business and enhance revenue opportunities from Port facilities.

**TOTAL COST AND PROJECT COST BREAKDOWN:**

\$35,000,000.00

**CASH FLOWS (000'S)**

	Q1	Q2	Q3	Q4	TOTAL
Prior Years					
2018					-
2019	\$100	\$100	\$100	\$200	\$500
2020				\$3,000	\$3,000
2021				\$30,000	\$30,000
2022				\$1,500	\$1,500
2023					-
2024					-
2025					-
2026					-
2027					-
2028					-
<b>Total</b>					<b>\$35,000</b>

Enter prior year total

Enter future cash flows by quarter

**TOTAL COST:** \$35,000

**FUNDING SOURCE:** General Fund

## CAPITAL IMPROVEMENT PROJECT (CIP)

### **SUSTAINABILITY AND LIFE CYCLE COSTS** (Required for Status 2 & 3 Projects)

The Port is in the process of implementing improvements to its project review and design process to integrate sustainability and equity into project development for capital development projects. Sustainable design principles in the design and review for most projects may include the ability to optimize site potential, minimize non-renewable energy consumption, use environmentally preferable products, protect and conserve water, protect air quality and reduce GHG emissions, enhance indoor environmental quality, and optimize operational and maintenance practices.

This project requires environmental permitting and review. Likely permits/approvals include: State Environmental Policy Act (SEPA) review, City of Seattle Shoreline Substantial Development Permit, and City of Seattle Construction Permit. Potential approvals from the U.S. Army Corps of Engineers and the Washington Department of Fish and Wildlife may also be required. Very complex permitting effort required.

### **ALTERNATIVES CONSIDERED AND IMPLICATIONS** (Required for Status 2 & 3 Projects)

Maintain Status Quo – The dock cannot be fully utilized - loss of revenue opportunity.

Reconstruct apron – This alternative would replace the existing timber apron with new concrete apron, allowing full utilization of this portion of Pier 90.

## CAPITAL IMPROVEMENT PROJECT (CIP)

### FINANCIAL ANALYSIS SUMMARY (Required for Status 2 & 3 Projects)

<b>CIP Category:</b> Renewal/Enhancement
<b>Project Type:</b> Renewal & Replacement
<b>Risk Adjusted Discount Rate:</b> NA
<b>Project Cost for Analysis:</b> \$35,000,000
<b>Preliminary Effect on Business Performance:</b> Depreciation of \$700,000 per year for 50 years
<b>Preliminary IRR/NPV/Payback:</b> NPV is the present value of the project cost.

<b>PROJECT MANAGER:</b> Chou, Fred (FZC)	<b>DATE:</b> 4/11/2018
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<b>Finance Contact:</b> Yuling Zhou	<b>DATE:</b> 5/14/2018
<b>Review Status:</b> Review Complete	

## FT REDEVELOPMENT PHASE I

### PROJECT SUMMARY

- New "Gateway" Building (in the area of the existing vacant bank building and Net Sheds 7 & 8) providing approximately 60k SF of new light industrial space for complementary maritime businesses. LEED Certification is targeted for the proposed building.
- Renovation of the existing Seattle Ship Supply Building to a core & shell level of completion to support Maritime Innovation Center.
- General associated FT facility improvements including parking restriping, lighting upgrades, wayfinding signage, and new public interpretive displays.

**TOTAL COST: \$35,000,000**

### CENTURY AGENDA/LONG RANGE PLAN

- Continue to grow the economic value of the fishing and maritime cluster including the number of local jobs and business revenue
- Prioritize uses that support the commercial fishing industry, with a focus on anchoring the North Pacific fishing fleet

### BUSINESS PLAN OBJECTIVES

Develop new light industrial space and create new jobs; generate new revenue and ensure FT's economic viability; advance maritime industry innovation; enhance public awareness of the terminal and fishing industry; and modernize overall property.

### FINANCIAL ANALYSIS SUMMARY

PROJECTED IRR/NPV/PAYBACK: 4-5% IRR/(\$12.1MM) NPV/23 YEAR PAYBACK

### ANALYSIS:

The market for light industrial real estate is still strong. Current rents are climbing x % per year and vacancy rates are 3 percent across the region. The Port has received numerous inquiries from established fishing and maritime suppliers many of which are well established and creditworthy. Strong markets and tenant interest is offset by possibility of recession over next five years.

# FT REDEVELOPMENT PHASE I

Phase I includes renovation of the Historic Ship Supply building and the development of the Gateway building.



**CAPITAL IMPROVEMENT PROJECT (CIP)**

**2019 CAPITAL PLAN**

\$s in 000s

<b>CLASS:</b> 5446	<b>SUBCLASS:</b> Bell Street Cruise Operations	<b>BUSINESS GROUP:</b> Cruise Operations	<b>DIVISION:</b> Maritim
<b>DEPT:</b> 5446 - Pier 66 Cruise		<b>DEPT SERVICE:</b> Cruise	<b>BUSINESS MANAGER:</b> Mike McLaughlin
<b>CIP NAME: (30 character maximum)</b> P66 Shore Power		<b>PROJECT MANAGER:</b> Chou, Fred (FZC)	
<b>CIP LONG NAME:</b> Pier 66 Bell Street Cruise Terminal Shore Power			
<b>CIP NUMBER:</b> C800120	<b>CURRENT CIP STATUS CODE:</b> 2 - Business Plan Prospective	<b>PROJECT LOCATION:</b> Pier_66	
<b>SCOPE OF WORK:</b> <span style="float: right;">Images Attached: Yes</span> Perform on-site and off-site work to create dual voltage 20 MW shore power system for the single cruise ship berth at Pier 66. Off-site costs will dominate and are necessary to upgrade the utility's grid feeder to adequate capacity for 20 MW of load. This work amounts to more than one mile of trenching through busy downtown streets to lay new conduits, ductbanks and cables. On-site work includes new conduits and cables, and installation of new equipment such as transformers, switchgears, cables and a cable positioning device at the bullrail. The feasibility and availability of using renewable energy or combination there of, and lower cost alternatives would be explored during design.			
<b>JUSTIFICATION:</b> <span style="float: right;"><b>ICT Component:</b> Unknown</span> Be the greenest, and most energy efficient port in North America: Shore power is emerging as the most effective technique to reduce Port-related maritime air emissions here in the Northwest. Now that Norwegian Cruise Lines has invested in a few vessels to accept shore power, the Port of Seattle will appear to be non-competitive without the shore-side facilities. The Pier 66 cruise ship berth has perhaps one of the highest benefit in shore power utilization of all Port of Seattle ocean going vessel berths because it has the highest density of employment and residences in its proximity.			
<b>SMALL BUSINESS OPPORTUNITIES:</b> Resolution 3737 (Diversity in Contracting) was adopted by Port of Seattle Commission on 9 January 2018. Goa for the next 5 years include: tripling the number of minority and woman-owned firms doing business with the Port and increasing the total Port spend to 15% for minority and woman-owned firms. Diversity in contracting will be addressed for each project during planning for procurement of both professional services and construction contracting.			
<b>CENTURY AGENDA / LONG-RANGE PLAN</b> This project assists the Port in being the greenest and most energy efficient port in North America: Shore pow is emerging as the most effective technique to reduce Port-related maritime air emissions here in the Northwest. Now that Norwegian Cruise Lines has invested in retrofitting a vessel of theirs to accept shore power, the Port of Seattle will appear to be non-competitive without the shore-side facilities. The Pier 66 crui ship berth has perhaps the highest benefit in shore power utilization of all Port of Seattle ocean going vessel berths because it has the highest density of employment and residences in its proximity.			
<b>BUSINESS PLAN OBJECTIVES:</b>			



**CAPITAL IMPROVEMENT PROJECT (CIP)**

The 1st goal of the Seaport Cruise and Industrial Properties business plan is to determine customer needs and deliver. Since Norwegian Cruise Lines has now retrofitted some of their vessels with shore power, the Port of Seattle will become less competitive without the shore-side equipment for the vessel to connect to. Reliability of shore power is important to our customers and higher capacity equipment would allow the Port to meet customer needs for the upcoming years as vessels electrical demands increase.

**TOTAL COST AND PROJECT COST BREAKDOWN:**

\$40M

**CASH FLOWS (000'S)**

	Q1	Q2	Q3	Q4	TOTAL
Prior Years					
2018					-
2019				\$1,000	\$1,000
2020				\$15,000	\$15,000
2021				\$24,000	\$24,000
2022					-
2023					-
2024					-
2025					-
2026					-
2027					-
2028					-
Total					\$40,000

Enter prior year total

Enter future cash flows by quar

**TOTAL COST:** \$40,000

**FUNDING SOURCE:** Pick from list

**SUSTAINABILITY AND LIFE CYCLE COSTS (Required for Status 2 & 3 Projects)**

The Port is in the process of implementing improvements to its project review and design process to integrate sustainability and equity into project development for capital development projects. Sustainable design principles in the design and review for most projects may include the ability to optimize site potential, minimize non-renewable energy consumption, use environmentally preferable products, protect and conserve water, protect air quality and reduce GHG emissions, enhance indoor environmental quality, and optimize operation and maintenance practices.

This project requires environmental permitting and review. Likely permits/approvals include: State Environmental Policy Act (SEPA) Review, City of Seattle Shoreline Substantial Development Permit, and City of Seattle Construction Permit. Approvals from the U.S. Army Corps of Engineers and the Washington Department of Fish and Wildlife may also be required depending on location and the need for equipment. Complex permitting effort required.

**ALTERNATIVES CONSIDERED AND IMPLICATIONS (Required for Status 2 & 3 Projects)**

An alternative to shore power is a requirement for the vessels to burn cleaner fuels while in the harbor. However, the air quality and economic benefits are not as great, and we now find ourselves in the situation of a customer having invested considerable capital into making the vessel ready to accept shore power.

**FINANCIAL ANALYSIS SUMMARY (Required for Status 2 & 3 Projects)**

**CAPITAL IMPROVEMENT PROJECT (CIP)**

**2019 CAPITAL PLAN**

\$s in 000s

<b>CLASS:</b> 5530	<b>SUBCLASS:</b> Salmon Bay Marina Operations	<b>BUSINESS GROUP:</b> Fishing & Commercial Vessels	<b>DIVISION:</b>			
<b>DEPT:</b> 5530 - Salmon Bay Marina Operations		<b>DEPT SERVICE:</b> Salmon Bay Marina - Water	<b>BUSINESS MANAGER:</b> Delmas Whittaker			
<b>CIP NAME:</b> (30 character maximum) SaBM Docks DE Replacement		<b>PROJECT MANAGER:</b> Leonard, Tim (TL1)				
<b>CIP LONG NAME:</b> Salmon Bay Marina Docks D&E Replacement						
<b>CIP NUMBER:</b> C801070	<b>CURRENT CIP STATUS CODE:</b> 1 - Prospective	<b>PROJECT LOCATION:</b> Salmon Bay Marina				
<b>SCOPE OF WORK:</b> Images Attached: Yes						
<p>NOTE (9-18-18): The scope, estimated cost, and schedule (shown below) no longer meet the newly determined Maritime business objective of providing moorage for commercial fishing vessels. Achieving this objective is anticipated to require replacement of the existing float docks with a fixed pier, increasing the full depth dredge area, and dredging to a deeper depth. Accordingly, these improvements will require new in-water permits, additional time, and a higher capital investment. Revised scope, schedule, and cost TO BE DETERMINED yet upon further direction from Maritime. Prior scope from the property purchase and sale agreement: Replacement of floating docks D&amp;E with new dock configuration permitted under the existing master use permit (MUP). Work includes demolition of existing docks, dredge of area to 16' draft and replacement of docks with 12' wide concrete floating docks approximately 170' and 150' long respectively. Estimate breakdown as follows:</p> <p>Demolition: \$200K  Dredging: \$2,225K  Dock Construction: \$2,475K</p>						
<b>JUSTIFICATION:</b>		<b>ICT Component:</b> Unknown				
The SaBM site inspection report concluded existing docks have limited useful life remaining. Docks currently have seasonally limited water depth and are listing.						
<b>SMALL BUSINESS OPPORTUNITIES:</b>						
Resolution 3737 (Diversity in Contracting) was adopted by Port of Seattle Commission on 9 January 2018. Goals for the next 5 years include: tripling the number of minority and woman-owned firms doing business with the Port and increasing the total Port spend to 15% for minority and woman-owned firms. Diversity in contracting will be addressed for each project during planning for procurement of both professional services and construction contracting.						
<b>CENTURY AGENDA / LONG-RANGE PLAN</b>						
<b>BUSINESS PLAN OBJECTIVES:</b>						
<b>TOTAL COST AND PROJECT COST BREAKDOWN:</b>						
Cost estimate based on preliminary estimate from Seaport Project Management, dated 8/30/17.						
<b>CASH FLOWS (000'S)</b>						
	Q1	Q2	Q3	Q4	TOTAL	
Prior Years						Enter prior year total
2018						- Enter future cash flows by quarter
2019	\$25	\$25	\$150	\$200	\$400	
2020	\$150	\$200	\$850	\$1,300	\$2,500	
2021	\$2,000	\$750	\$250		\$3,000	

**CAPITAL IMPROVEMENT PROJECT (CIP)**

2022					-
2023					-
2024					-
2025					-
2026					-
2027					-
2028					-
<b>Total</b>					<b>\$5,900</b>

**TOTAL COST:** \$5,900

**FUNDING SOURCE:** General Fund

**SUSTAINABILITY AND LIFE CYCLE COSTS** (Required for Status 2 & 3 Projects)

The Port is in the process of implementing improvements to its project review and design process to integrate sustainability and equity into project development for capital development projects. Sustainable design principles in the design and review for most projects may include the ability to optimize site potential, minimize non-renewable energy consumption, use environmentally preferable products, protect and conserve water, protect air quality and reduce GHG emissions, enhance indoor environmental quality, and optimize operational and maintenance practices.

This project has an existing environmental review and Master Use Permit from the seller. Likely permits/approvals include a City of Seattle Construction Permit and recency determination for dredging. Moderately complex permitting effort required.

**ALTERNATIVES CONSIDERED AND IMPLICATIONS** (Required for Status 2 & 3 Projects)

**FINANCIAL ANALYSIS SUMMARY** (Required for Status 2 & 3 Projects)

**CIP Category:** Renewal/Enhancement

**Project Type:** Property Redevelopment

**Risk Adjusted Discount Rate:** 8.4%

**Project Cost for Analysis:** \$5,900,000

**Preliminary Effect on Business Performance:**

Preliminary estimate was incorporated into the Salmon Bay Marina acquisition. A more detailed estimate of the impact of the new docks will be completed upon completion of the marina acquisition and design of new moorage.

**Preliminary IRR/NPV/Payback:**

TBD

**PROJECT MANAGER:** Leonard, Tim (TL1)

**DATE:** 9/18/2018

**Finance Contact:** Yuling Zhou

**DATE:** 5/16/2018

**Review Status:** Review Complete

## TERMINAL 5 NORTH MOORING DOLPHINS

### PROJECT SUMMARY

Construct four new steel dolphins approximately 50' from the shore line, identical in nature to T18 N Dolphins, at T5 N. This location in the harbor is very desirable due to the protection from south winds and proximity to the mouth of the river.

**TOTAL COST: \$3,600,000**

### CENTURY AGENDA/LONG RANGE PLAN

- The new dolphins will help continue to position the Puget Sound as a premier logistics hub by providing additional capacity for maritime barges and commercial vessels.
- Dolphins will help Port increase value of fishing and maritime cluster.
- The new dolphins will accommodate fuel barges that are in higher demand due to the continued growth of Cruise operations in our harbor.

### BUSINESS PLAN OBJECTIVES

- Maintaining an adequate supply of functional Industrial moorage for barges and other commercial vessels is essential to a healthy working port and harbor. The supply of industrial moorage in our harbor has declined, while demand for such moorage has grown.
- Federal security requirements for moorage of fuel barges have exacerbated the shortage of suitable moorage for that sector.
- This project would restore moorage capacity that was removed from service due to age and deterioration.

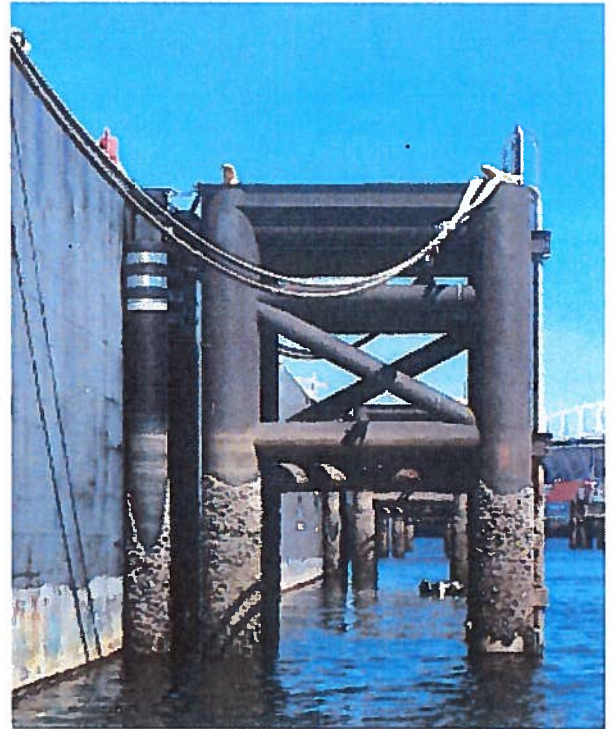
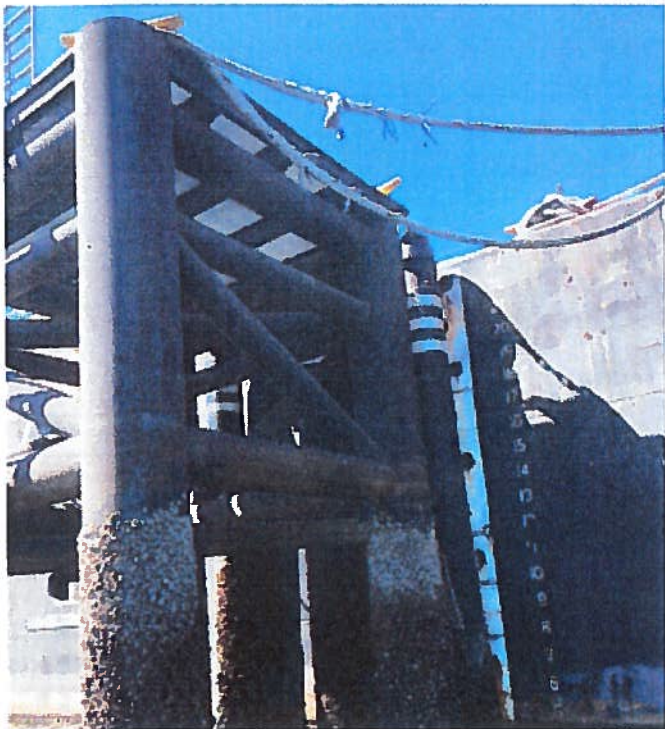
### FINANCIAL ANALYSIS SUMMARY

PROJECTED IRR/NPV/PAYBACK: 6.5-7% IRR/\$1.8MM NPV/11 YEAR PAYBACK

#### ANALYSIS:

The market for dolphins in the harbor has been increasing. With the likely decommissioning of the dolphins at Pier 2, there will be a shortage of barge moorage near the mouth of the river. This area is a key staging area for barges awaiting harbor tugs to transport into the river and for loaded barges waiting to be picked up for long-haul runs to Alaska and elsewhere. Additionally, with the continued increase in size and numbers of cruise vessels calling at the Port of Seattle, we have seen an increase in fuel barge demand locally.

# Moorage Dolphin



## TERMINAL 5 NORTH MOORING DOLPHINS

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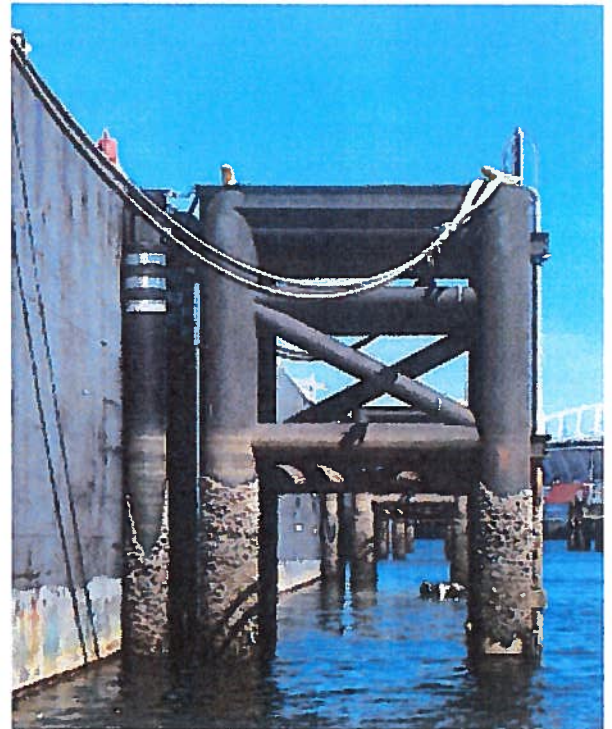
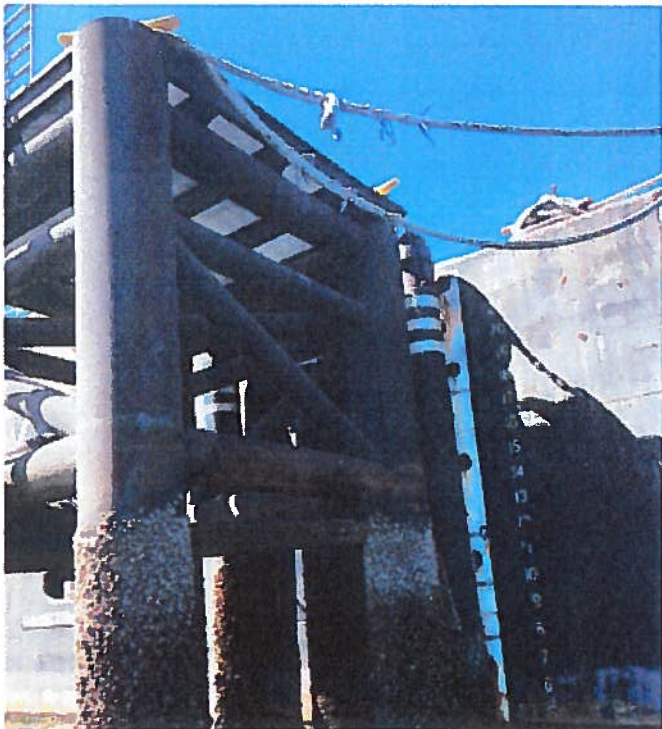
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# Moorage Dolphin



Maritime/EDD CIP 2019 to 2023

24-Sep-18

Prioritization Grouping	CIP Number	Project Description	Prior Yr	Year						2019-23 Total	Cumulative 2019-2023	
				2018	2019	2020	2021	2022	2023			
Projects Underway	SBM Restrms/Service Bldgs Rep		1,189	1,843	6,532						6,532	6,532
Projects Underway	SBM Paving		175	640	1,082						1,082	7,614
Projects Underway	SBM Pad Site Development		54	25	421						421	8,035
Projects Underway	Cruise Cap Allow - CTA Lease		239	200	200						200	8,235
Projects Underway	P69 Solar Panel System		13	492	10						10	8,245
Small Projects/Fleet	Maritime Fleet Replacement			1,735	1,277	1,187	1,038	998	821		5,321	13,566
Small Projects/Fleet	MD: 2019 & Beyond Small Proj			-	1,300	765	500	500	500		3,565	17,131
Small Projects/Fleet	ED: 2019 & Beyond Small Proj			110	586	500	500	500	500		2,586	19,717
Small Projects/Fleet	MD: 2018 Small Projects			1,217	835	200	-	-	-		1,035	20,752
Small Projects/Fleet	MD: 2016 Small Projects			687	199	-	-	-	-		199	20,951
Small Projects/Fleet	ED Fleet Replacement			30	-	30	-	30	-		60	21,011
Contingency	Contingency Renewal & Replace.				2,000	1,000	1,000	1,000	1,000		6,000	27,011
Contingency	ED: Contingency Renew.&Replace			1,000	1,000	500	500	500	500		3,000	30,011
Contingency	Tenant Improvements -Capital			574	300	300	300	300	300		1,500	31,511
Contingency	MD Tenant Improvements			300			250	250	250		750	32,261
Contingency	Maritime Technology Projects			250	65	65	65	65	65		325	32,586
Contingency	ED Technology Projects			250	30	30	30	30	30		150	32,736
Priority Funded	New Cruise Terminal				1,300	15,000	80,000	3,400	300		100,000	132,736
Priority Funded	T91 Uplands Development		258	150	3,520	19,520	16,000	-	-		39,040	171,776
Priority Funded	T117 Restoration		-	1,140	8,000	9,851					17,851	189,627
Priority Funded	BHICC Interior Modernization		164	900	1,600	8,316	20				9,936	199,563
Priority Funded	FT Docks 3,4,5 Fixed Pier Imp		46	274	5,544	522					6,066	205,629
Priority Funded	P66 HVAC Systems Upgrade			40	1,175	100	1,500	100			2,875	208,504
Priority Funded	T91 Pier Stormwater Sys Improv Ph1			75	900	125					1,025	209,529
Priority Unfunded	T-91 Berth 6 & 8 Redev				500	3,000	30,000	1,500			35,000	244,529
Priority Unfunded	FT Redevelopment Phase 1		649	851	1,750	16,750	15,000				33,500	278,029
Priority Unfunded	P66 Shore Power				1,000	15,000	24,000				40,000	318,029
Priority Unfunded	SaBM Docks DE Replacement				400	2,500	3,000				5,900	323,929
Priority Unfunded	T5 N Mooring Dolphins				150	3,450					3,600	327,529
<b>Total Priority</b>					<b>41,676</b>	<b>98,711</b>	<b>173,703</b>	<b>9,173</b>	<b>4,266</b>			<b>327,529</b>
Deferred - Unfunded	HIM E Dock Rehabilitation				100	3,550	250				3,900	331,429
Deferred - Unfunded	Dredge P90 East						3,000				3,000	334,429
Deferred - Unfunded	Pier 66 Fender Upgrade			20	520	1,200					1,720	336,149
Deferred - Unfunded	T91 P91W Slope Stabilization		189	80	619						619	336,768
Deferred - Unfunded	T106 Mooring Dolphins								100		100	336,868
Deferred - Unfunded	New Cruise Gangway at T91			30	450	4,000	20				4,470	341,338
Deferred - Unfunded	Salmon Bay Marina Uplands			500	1,500	8,000	8,000	3,000			20,500	361,838
Deferred - Unfunded	T10 Dolphins				100	50	2,500	450			3,100	364,938
Deferred - Unfunded	WTC HVAC Replacement			160	1,506	30					1,536	366,474
Deferred - Unfunded	C3 West Wall Bldg Roof Replace			55	664	33					697	367,171
Deferred - Unfunded	FT S Wall Wt End Improvements								50		50	367,221
Deferred - Unfunded	FT W Wall N Sht Pile Crsn Prtn								50		50	367,271
Deferred - Unfunded	FT W Wall N Fender Replacement								50		50	367,321
Deferred - Unfunded	Maritime Video Camera Project				1,800	1,400					3,200	370,521
Deferred - Unfunded	Garage Elevator Modernizations						50	1,750	130		1,930	372,451
Deferred - Unfunded	SBM X Dock Pier Replacement				60	1,355	200				1,615	374,066
Deferred - Unfunded	SBM Fuel Float Rehabilitation				470	780					1,250	375,316
Deferred - Unfunded	CW Elevator Modernizations			100	650	500					1,150	376,466
Deferred - Unfunded	SBM Lower A Dock Impr.					100	725				825	377,291
Deferred - Unfunded	P66 Anthony's Mech Roof				25	675	50				750	378,041
Deferred - Unfunded	SaBM Fire Suppression Upgrades			50	400	50					450	378,491
Deferred - Unfunded	SaBM Security Upgrades			50	350						350	378,841
Deferred - Unfunded	T-102 Outdoor Lighting		13	37	173						173	379,014
Deferred - Unfunded	FT Net Shed 11 Roof Overlay								40		40	379,054
Deferred - Unfunded	FT Net Shed 10 Roof Overlay								40		40	379,094
Deferred - Unfunded	MIC West & Central Piers Resur							70	853		923	380,017
Deferred - Unfunded	FT C15 Window Replacement			130	545						545	380,562
								<b>Total Deferred</b>	<b>53,033</b>			
								<b>Total All Projects</b>	<b>380,562</b>			



Pre-Budget Study Session Discussion Notes  
July 24, 2018

The following bullets contain the questions raised at the July 10 Commission Study Session. Some of the answers will be addressed in the CIP presentation. Other questions are addressed in the following slide deck.

**2019 – 2023 Capital Investment Plan Prioritization**

- **Timeline - See following slides.**
  - Willing to accept prioritization based on a project timelines.
    - Which projects have moved off CIP? How has CIP evolved?
    - How are projects spread out over five years?
  - Update on status of T-91 uplands redevelopment
  - Show year by year NWSA cash flow, T-5 investments and forecast
  - Include cash flow year by year
  - When are our major debt service paid offs?
- **New Revenue – In 9.24 presentation**
  - Are there potential revenue projects over time that could buoy our NOI?
  - Potential new revenue projects need at least a WAG to help Commissioners prioritize
  - Break out revenue guesstimate by year
  - What do potential revenue projects look like over the five year period?
  - What properties should we look at selling or ground leasing to generate revenue?
  - Risk vs Return – how speculative? How far out?
    - Risk is key for project approval, more details in project approval
- **Renew/replace projects – In 9.24 presentation**
  - Which are most critical?
  - Which will be even more costly if deferred?
- **Economic Development Division – See following slides**
  - Separate community program elements from real estate and other lines of business that have revenue potential - show cash flow impact over five years
  - What are the non-aviation programs that support airport?
- **Levy**
  - Levy-setting options – **In 9.24 presentation**
    - What would levy be if inflation adjusted?
    - Tacoma model of maintaining flat millage rate – **See following slides**
    - Incremental additions
    - Bonding capacity per \$\$ of tax levy
  - Messaging: Emphasize how investments benefit entire county but also do better job explaining how neighbor communities of air/sea port benefit
- **Cruise Industry - FMC**
  - Modeling on cruise
  - PPP vs self-funded vs private proposal
  - Trade-offs for 4<sup>th</sup> berth
  - Desire to see spreadsheet on projects even if in negative – that includes cruise

# Follow-up to July 24, 2018 Commission Work Session

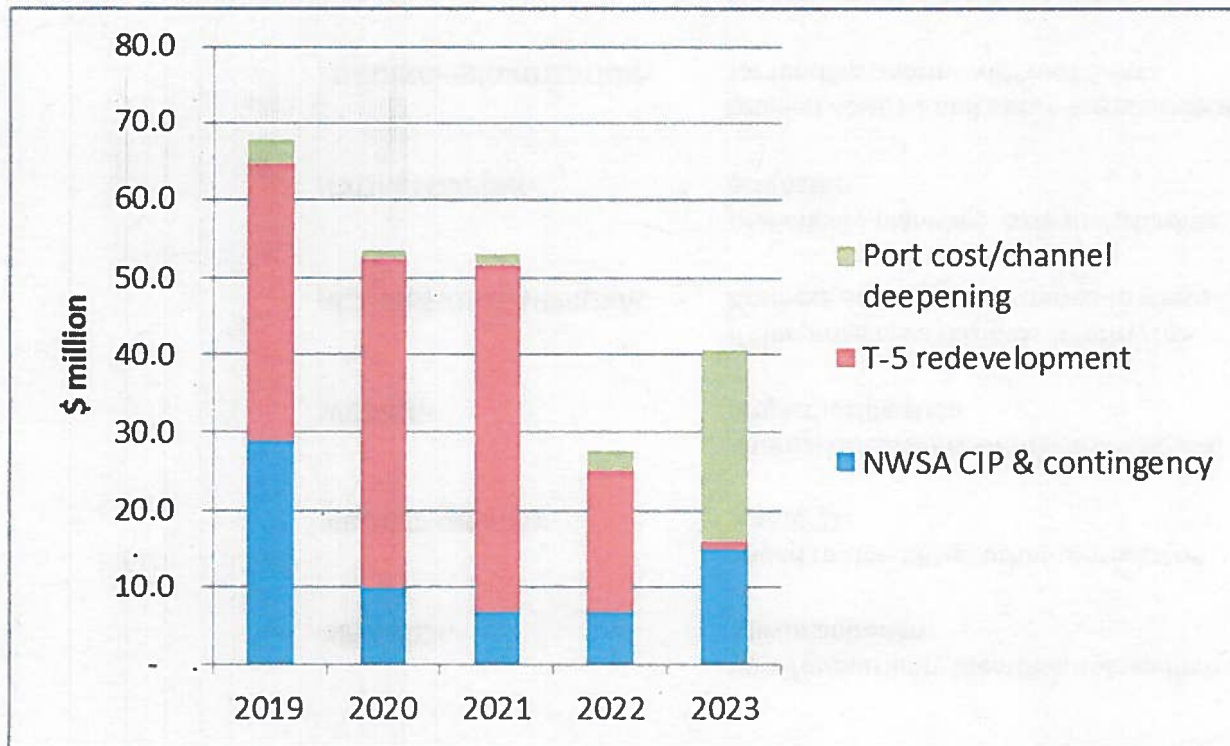


# Cash Flow from Operations Available for Capital

\$ million

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>TOTAL</u>
Income from NWSA	45	50	57	59	59	269
Maritime net income	6	7	9	12	13	46
EDD net income	(12)	(11)	(12)	(11)	(11)	(56)
Debt service and adjustments	(33)	(34)	(35)	(35)	(30)	(167)
<b>TOTAL</b>	<b>6</b>	<b>11</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>92</b>

# Port's Capital Spending for NWSA



Port costs are primarily channel deepening for the T-5 project

- Total cost estimate is \$37 million
- \$7 million of which occurs in 2024 & 2025

# Capital Pipeline Process

<b>NEW IDEA</b>	need/opportunity identified somewhere in the organization	<b>For consideration if helpful</b>
<b>PROJECT CREATED</b>	added to the CIP as "other prospective" (status 1)	
<b>VETTING</b>	internal discussions within business unit, project justification	
<b>BUSINESS UNIT APPROVAL</b>	If the project is a business priority, the business unit approves, moves to status 2	
<b>INITIAL SCOPING</b>	preliminary planning: cost and schedule estimates	
<b>FUNDING PRIORITIZATION</b>	projects status 2 and above are considered for funding priority with next 5-yrs.	
<b>PROJECT AUTHORIZATION</b>	funded projects can begin next steps towards scoping and authorization	

# 3-Year CIP History and Completed Projects

## 5-Year CIP History

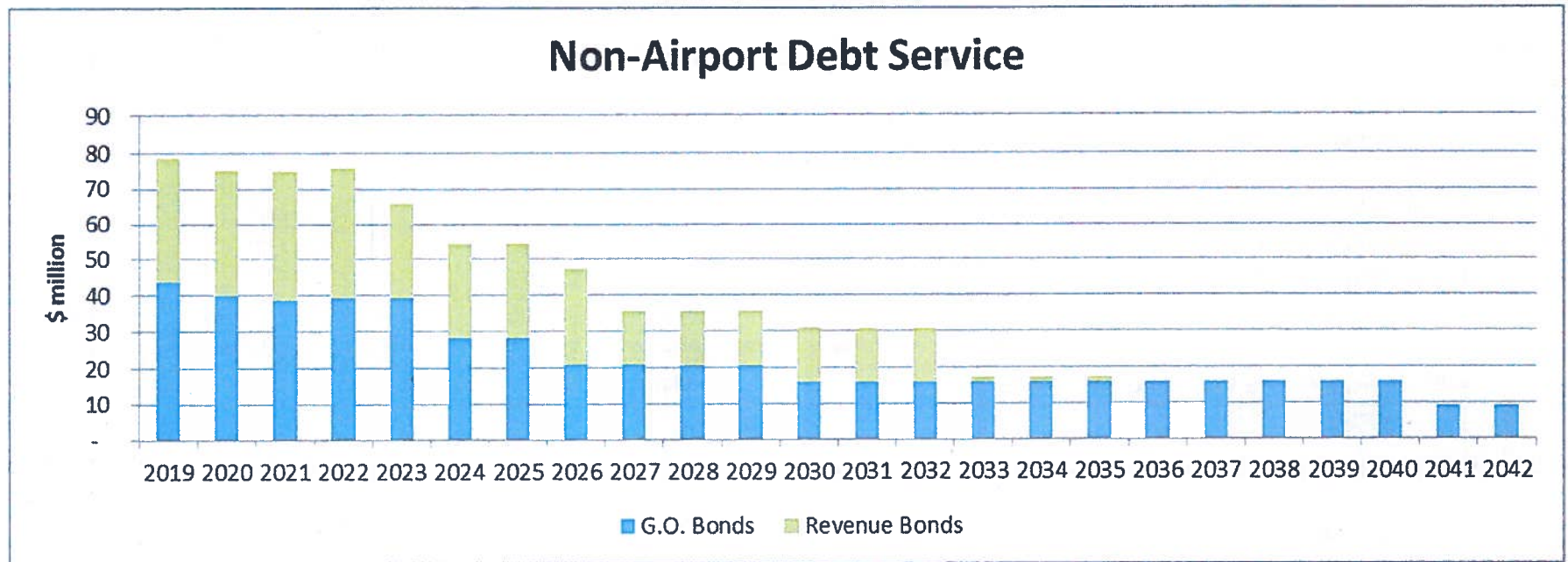
CIP 2016 to 2020		\$136,247	CIP 2017 to 2021		\$246,252	CIP 2018 to 2022		\$223,614
Maritime		\$111,646	Maritime		\$164,635	Maritime		\$158,797
Economic Development		\$24,601	Economic Development		\$81,617	Economic Development		\$64,817

## Completed Projects\*

2016		2017		2018	
T91 Substation Upgrades	\$2,145	BSCT Imp Staff Oversight	\$279	Net Sheds 3, 4, 5, 6 Roof Replacement	\$2,507
T18 S Gate Rail Spur Westway	\$1,205	T102 HMCC Roof HVAC Replacement	\$4,762	T-18 Dock Rehabilitation	\$1,369
P69 Roof Beam Rehabilitation	\$1,311	BHICC Fit & Finish Improvement	\$494	Salmon Bay Marina ACQ	\$15,920
		P69 Elevator Mechanical Room	\$81	Cruise Terminal Tenant Improvement	\$13,871
		T91 Building C-173 Roof Overlay	\$1,376	T-91 Cruise Camel Replacements	\$932
				Bell Harbor Marina Outdoor Lighting	\$41
				P69 Solar Panel System	\$106
				T18 Stormwater Outfall Renewal	\$502

\* Does not include spending on ongoing projects

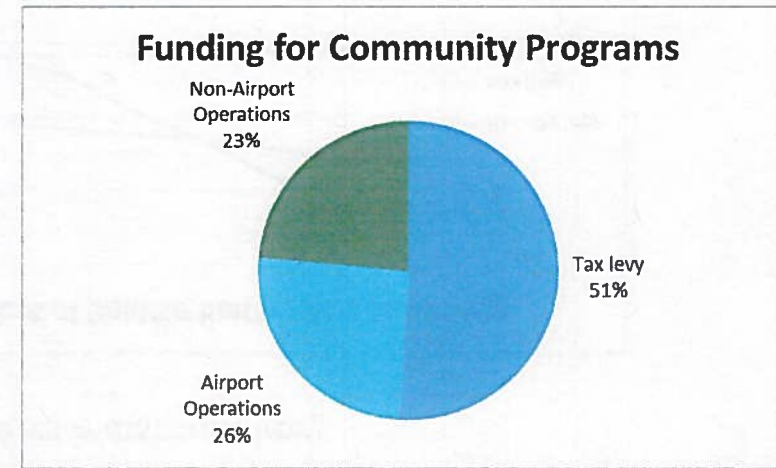
# Non-Airport Existing Debt Service



# Funding for Community Programs

## Community Support Programs (\$'000)

	Source of Funding			TOTAL
	Tax levy	Airport Operations	Non-Airport Operations	
<u>EDD Programs</u>				
WMBE & Small Business		1,207	302	1,509
Workforce Development	1,630	925	362	2,917
Tourism			1,460	1,460
Economic Development Partnership Grants	960			960
<u>Other Programs</u>				
Airport Community Ecology (ACE) Fund	400			400
Energy & Sustainability (E&S) Fund	200			200
Energy & Sustainability Program		200	55	255
High School Internship Program		516	118	634
Equity Program		45	10	55
Priority Hire		100	27	127
SeaTac Security ILA Support	1,400			1,400
Port and Local Community Advertising (1)	460	(460)		-
<b>TOTAL</b>	<b>5,050</b>	<b>2,533</b>	<b>2,334</b>	<b>9,917</b>



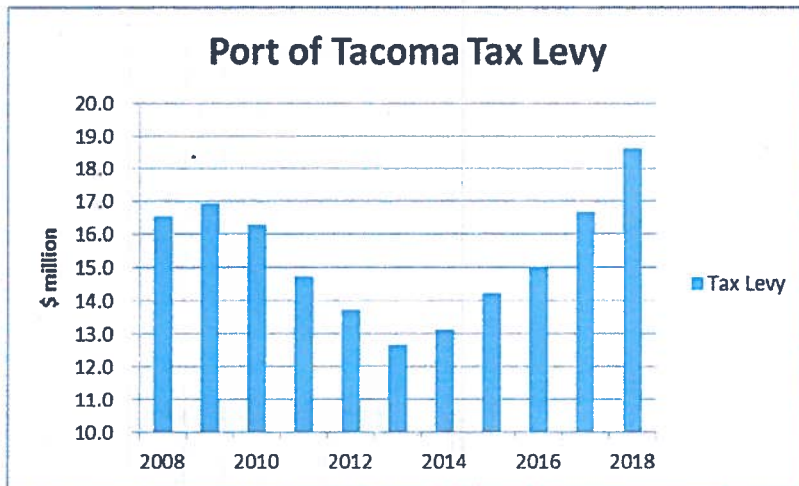
(1) Free advertising space provided at the Airport. FAA requires that lost revenue be reimbursed to the Airport



# Tacoma Flat Rate Levy: Staff Does Not Recommend

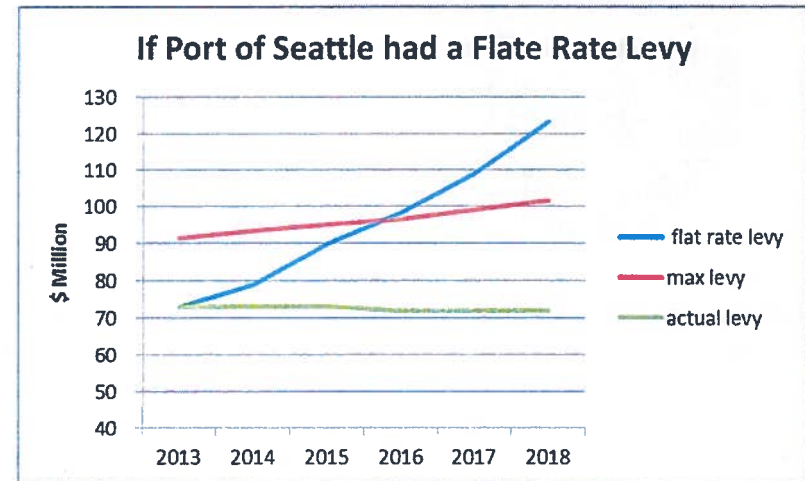
Levy becomes volatile making levy planning difficult

- Port of Tacoma lost 25% of its levy, then it grew by 47%



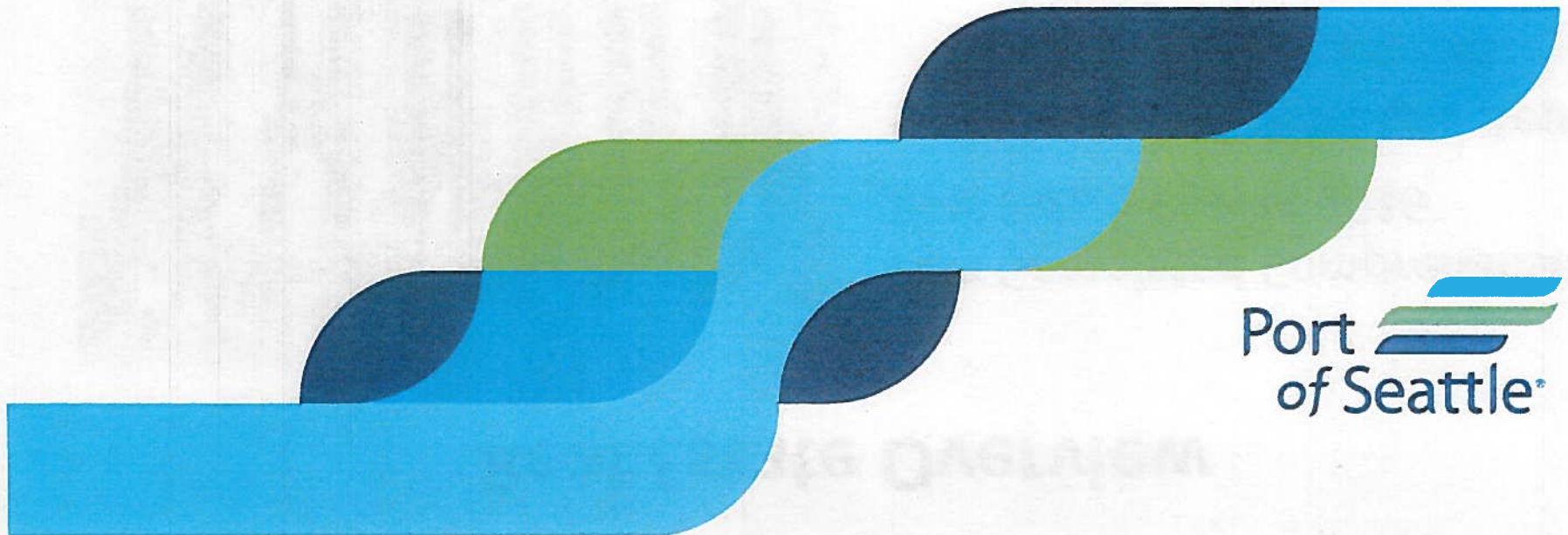
Growth in Assessed Value can outpace the annual increase in the maximum levy

- If the Port held it's rate flat, it would have reached its maximum levy



# Port of Seattle Real Estate Development Initiatives

September 24, 2018



# Real Estate Overview



Groundbreaking – Des Moines Creek North



Des Moines Creek Business Park

Port Completed Comprehensive Real Estate Plan in 2016

- Looked at Highest and Best Uses for Port Properties
  - ✓ Airport
  - ✓ Seaport
- Evaluated Properties for Future Acquisition
- Outlined plans to develop Port real estate over a fifteen-year period

# Evaluating Port Owned Properties

Properties selected based on industrial development or redevelopment potential\*

## Being Evaluated

### Real Estate Plan

55-acre site (SeaTac)

L-Shape (SeaTac)

13-acre site (SeaTac)

200<sup>th</sup> Street (SeaTac)

Terminal 91

Terminal 91 Uplands

Terminal 106

CEM Property

Terminal 2

### SAMP

South Airport (SASA)

### Fisherman's Terminal

## Evaluation Complete or Fully Developed

### Shovel Ready

Des Moines Creek Phase 2 (Des Moines)

Des Moines Creek Phase 3 (SeaTac)

NERA 2 and 3

### Fully Developed

Manufacturing Industrial Center

Harbor Corporate Marine Center (90% occupied)



\* Does not include a few sites under 2 acres with little industrial development or redevelopment potential

**Evaluated Aviation, Maritime & ED Properties for Highest & Best Use**

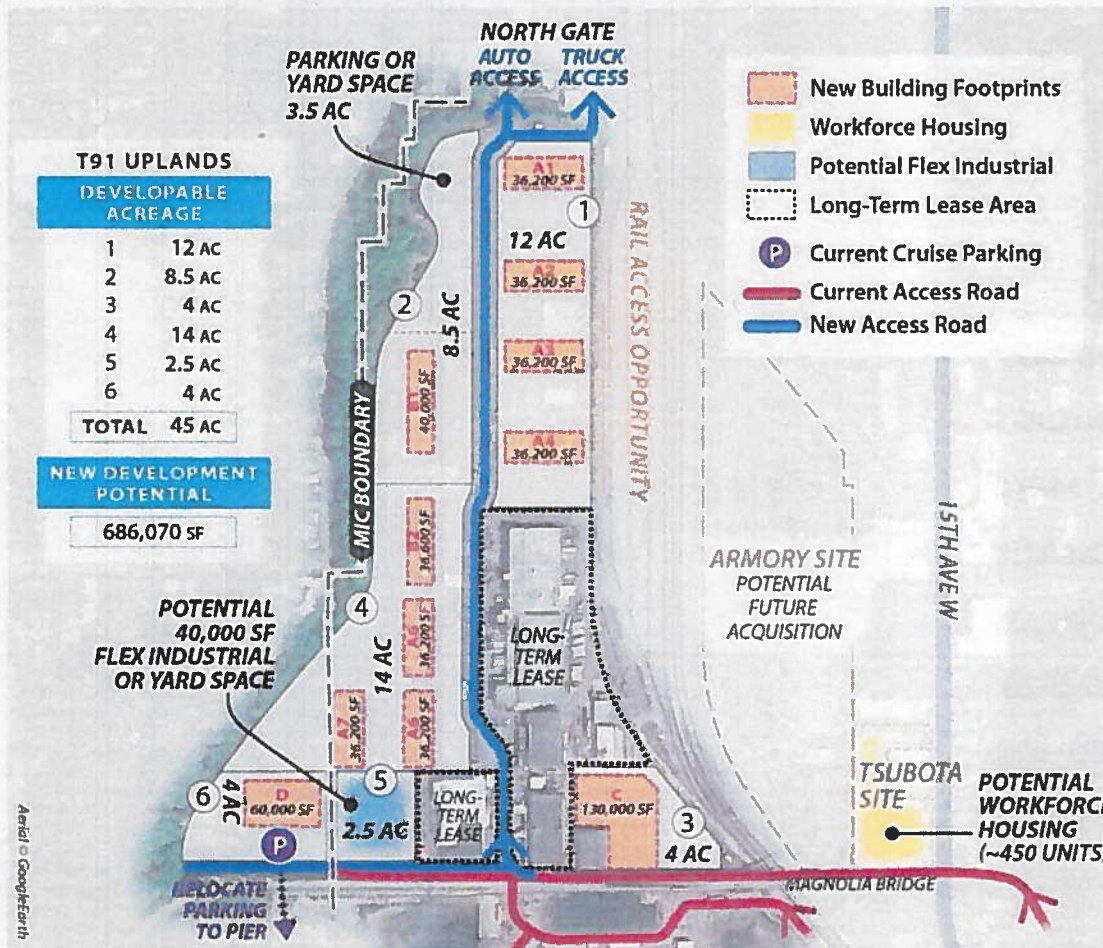
# Terminal 91 Properties



Image Credit: Heartland

# T91 Uplands – Maker District

50/50 Ground Lease/Build-to-Suit providing 460K-700K SF Flex Industrial



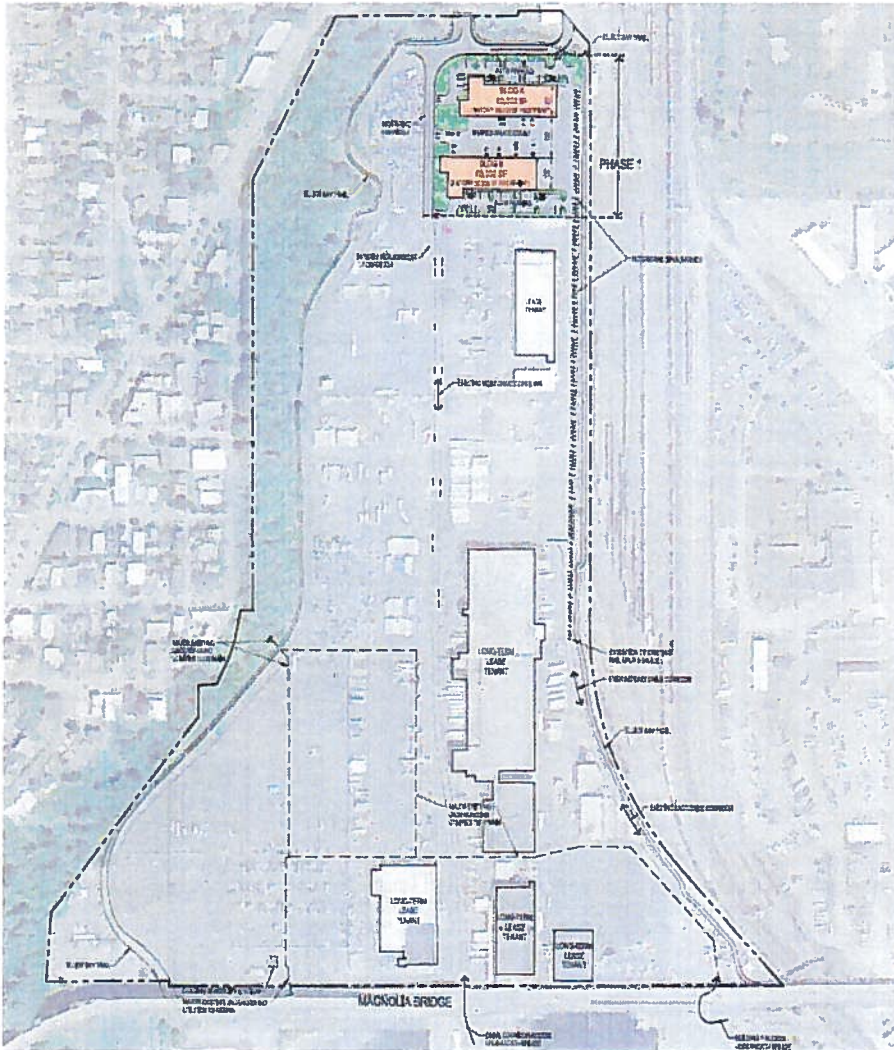
## Actions

- Focus on **maritime industrial** users.
- Eventually relocate cruise parking to Pier 91 or short fill area.
- Work with stakeholders allow for the opening of the north gates.
- Option: Workforce housing on Tsubota Site

Image Credit: Heartland

**Developing Light Industrial Buildings to Support Maritime Cluster**

# T91 Uplands – Phase 1 Redevelopment

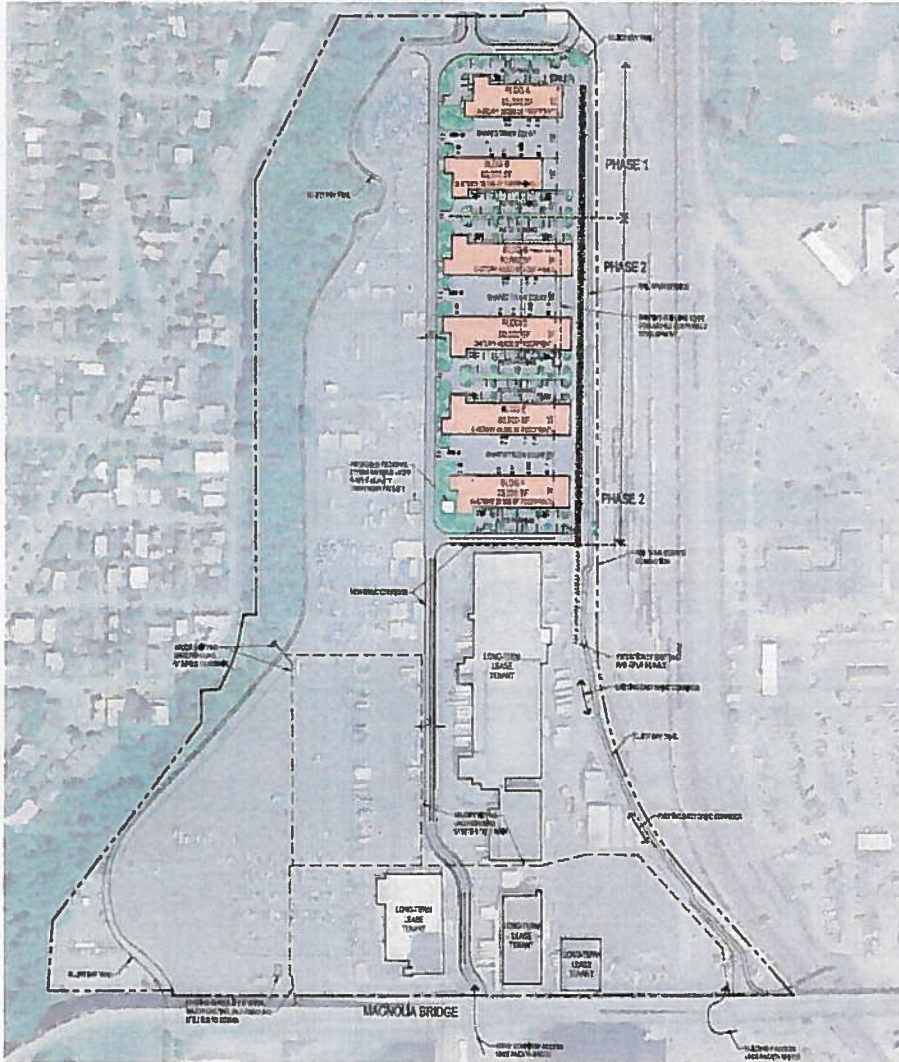


Completed comprehensive infrastructure analysis in 2/2018:

- **Phase I (\$39 million total cost)** allows for development of 100k SF at north end of Uplands with minimal infrastructure/\$700k.
- Improvements include off-site sewer, new Port electrical transformer and comms pedestal, and natural gas relocation.



# T91 Uplands – Phase 2 Redevelopment



- **Phase II (\$110 million total cost)** allows for development of 300k SF with \$5MM infrastructure
- Will require demolition of existing C-155 and C-156 buildings.
- Improvements include full upsized sanitary sewer main, regional storm drain water treatment facility, and new electrical transformer.





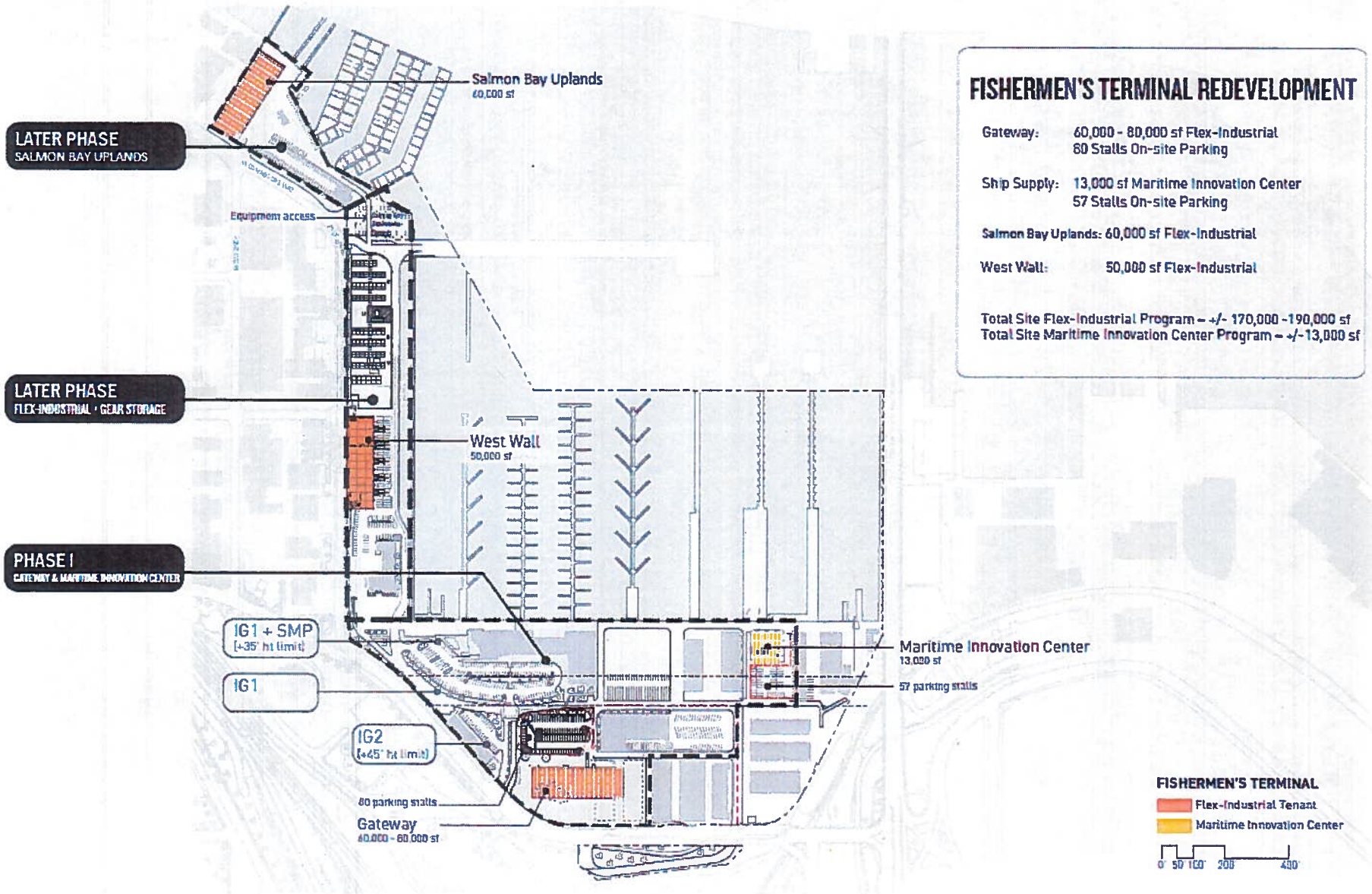
# Market and Prospects for Port Industrial Buildings

- Ballard/Interbay industrial vacancy rate stands at less than 2% and existing product is poor.
- Regional demand for industrial property continues to be strong with rents at all time highs and exit cap rates below 5%.
- Port properties are the most desired Interbay locations
- Both existing tenants and other maritime companies have approached the Port about space options at Fishermen's Terminal and Terminal 91 Uplands.

# Fishermen's Terminal



# Fishermen's Terminal



# Appendix

# South Harbor Properties



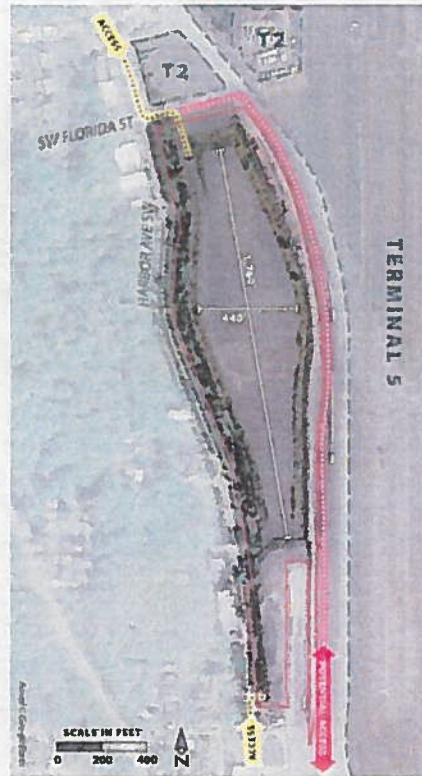
# T106



## Recommendation

- Ground lease redevelopment for manufacturing/logistics facility & 60k SF incubator

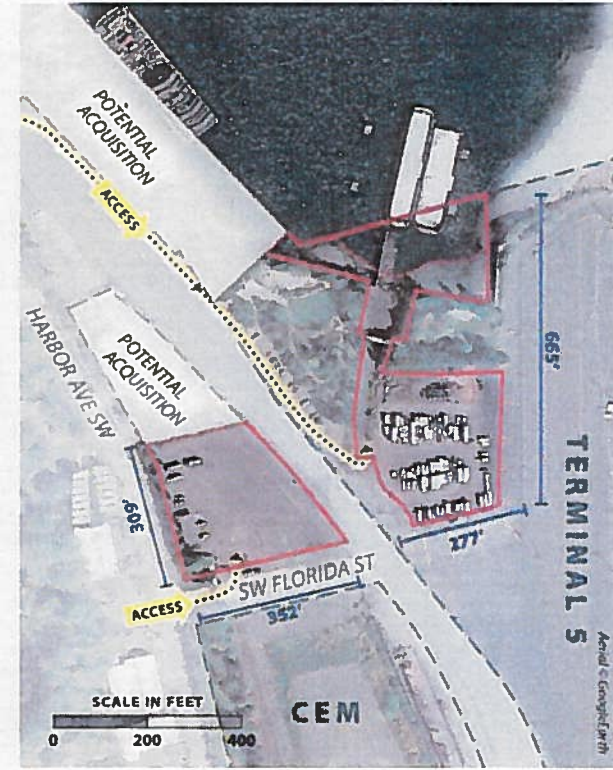
# CEM



## Recommendation

- Ground lease RFP

# Pier 2

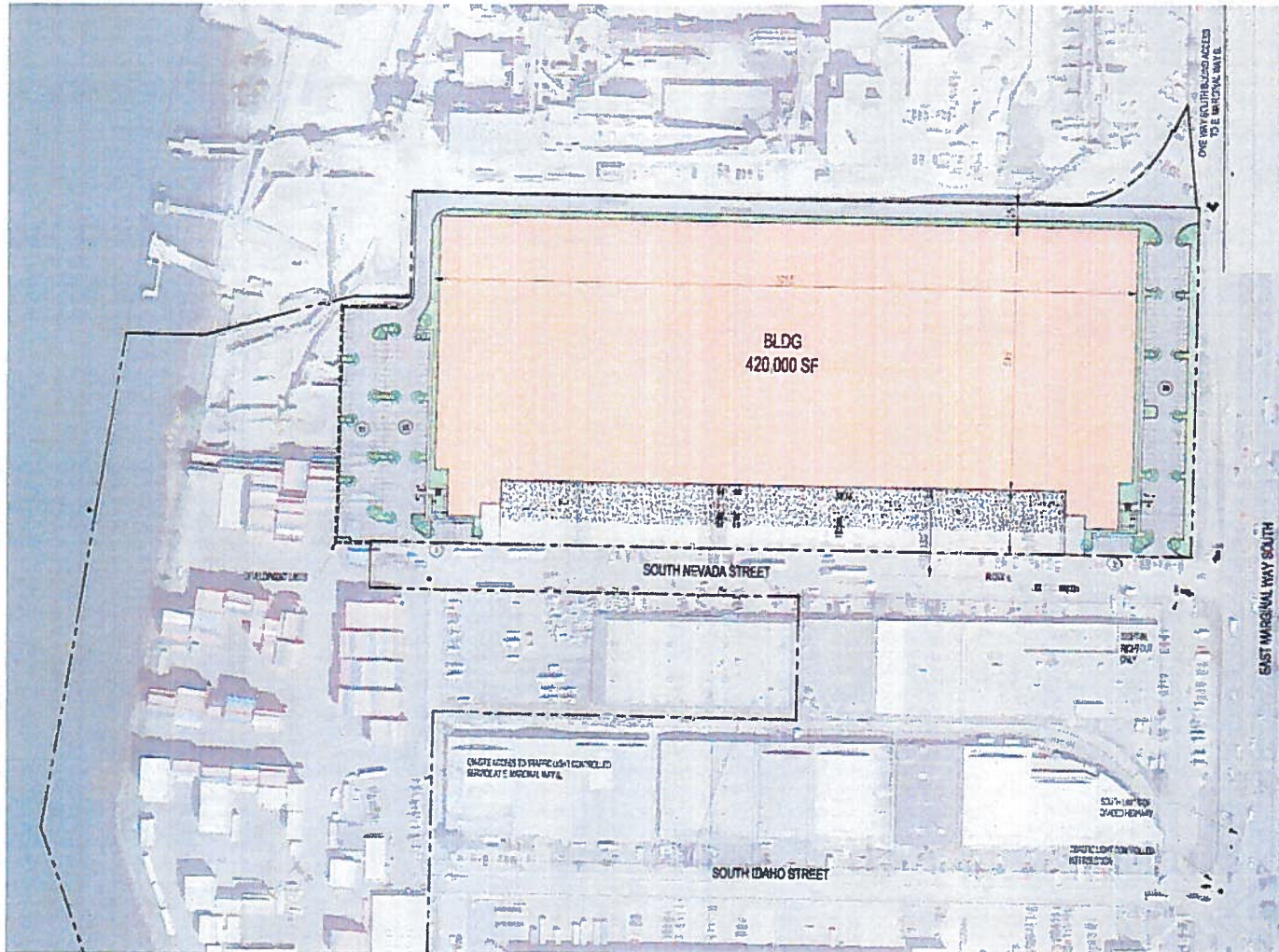


## Recommendation

- Ground lease RFP for appropriate maritime use

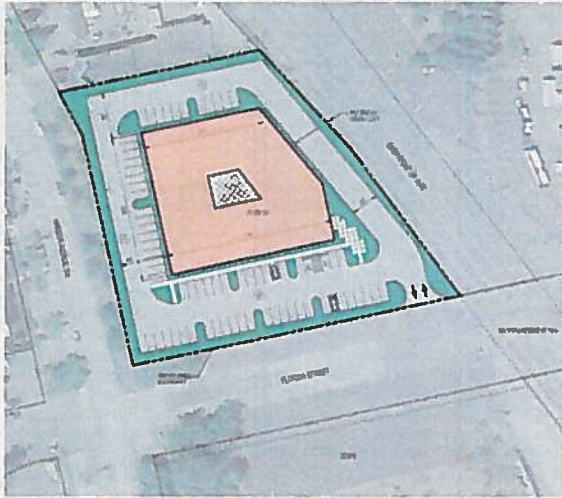
**South Harbor Properties Primed for Redevelopment**

# T106 – RFP and Redevelopment



- RFP to be issued in 3Q2018
- High development potential

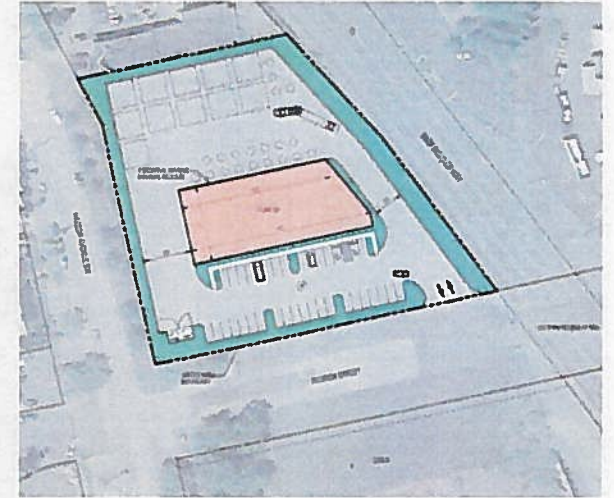
# CEM 'A' – Site Development Options



Work/Loft Industrial



Flex/Industrial Work Space

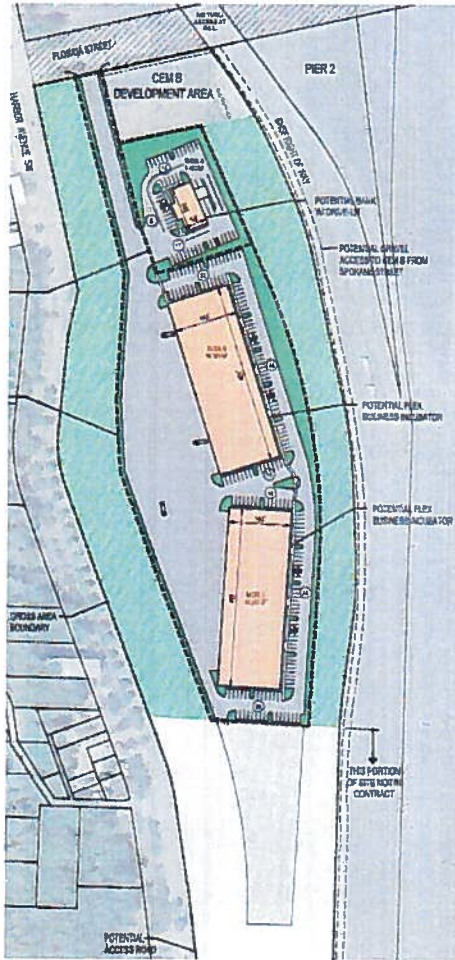


Maritime Research  
and Training

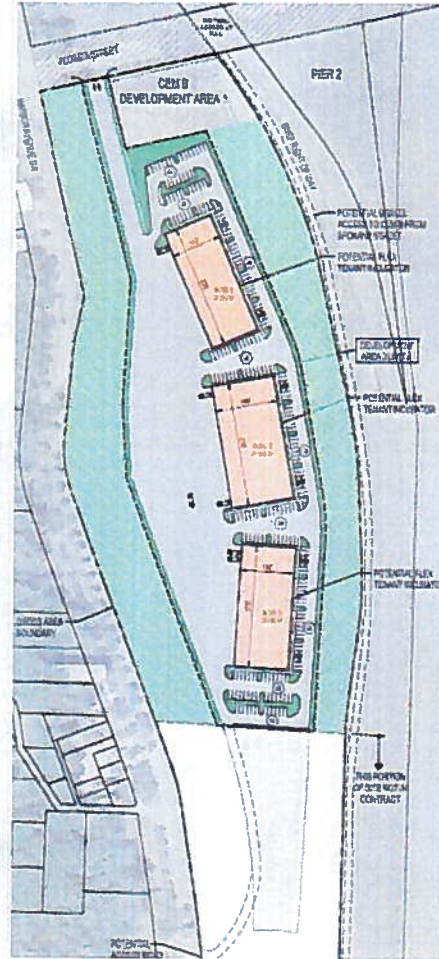
- RFP to be issued 3Q2018
- No land fill issues/1.95 acres
- High development potential



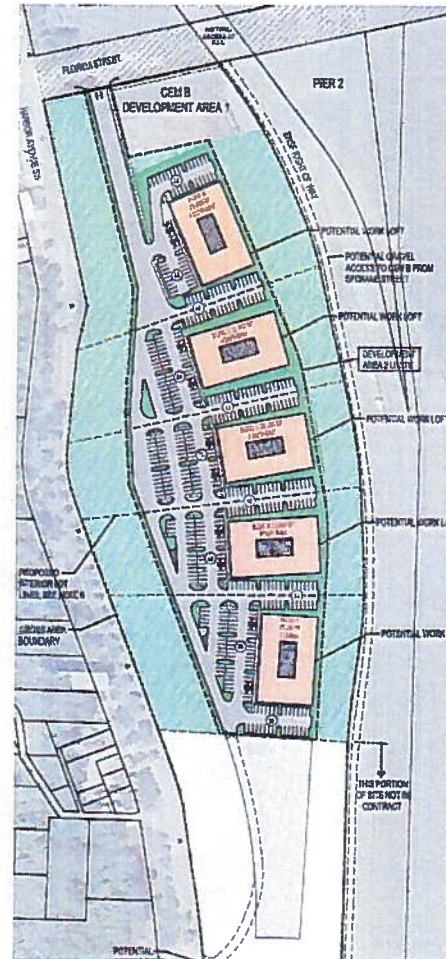
# CEM 'B' – Hilltop Options



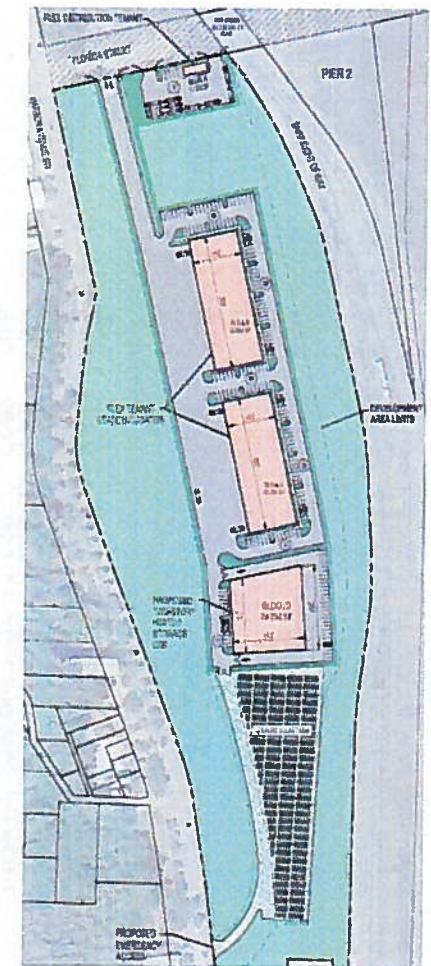
Logistics/Light Industrial  
1.42 acres + 8.97 acres



Flex/Industrial  
Work Space



3-Story Work Loft



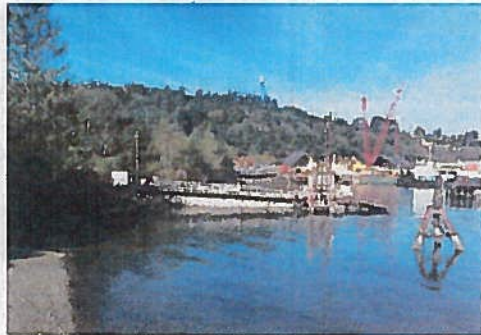
Hybrid w/solar

Complicated Site - RFP to be issued Q12019

# Pier 2 - RFP

## Property Overview

### SUBMERGED LANDS



### NORTHERN PARCEL



	DESCRIPTION	ACRES	SF	PARCEL #	ZONING	OVERLAY
A	Submerged Lands	6.64	289,238	7666705342	-	Duwamish Manufacturing & Industrial
B	Northern Parcel	2.23	97,139	7666705340	IG1 U/85	Center Overlay
C	Southern Parcel	1.57	68,389	7666706435	IG2 U/85	Center Overlay
	<b>TOTAL</b>	<b>10.44</b>	<b>454,766</b>			

# Port Assets That May Be Less Strategic

## Tsubota

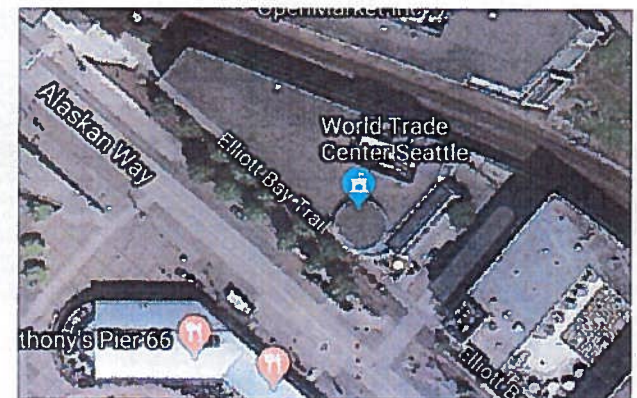
- Acquired in 2005 \$5.5M
- Appraised value at current zoning \$7.5M (\$50 per/SF)
- Offer to purchase as-is 3/2017 \$15M
- Up-zoned from IG1 to MF \$25-30M (\$175-200 per/SF)

With the renewed attention on the adjacent Armory, this property will become more valuable. It is very likely the Armory site will be up-zoned from IG1-U45.



## World Trade Center - West

- WTC North sold for \$65M (\$488 per/SF) in 2017
- WTC East sold for \$74.5M (\$402 per/SF) in 2014
- Unsolicited offer for \$24M (\$345 per/SF) in 2018
- Using 69,507 SF, the probable range of value is between \$345 to \$488 or \$24M up to \$34M.



## Harbor Marine Corporate Center (T102)

- 4 buildings of approximately 137k SF
- Current value is approx. \$12M or \$88 per/SF
- Current value well below replacement cost
- Property is heavily impacted by two possible ST3 West Seattle rail alignments

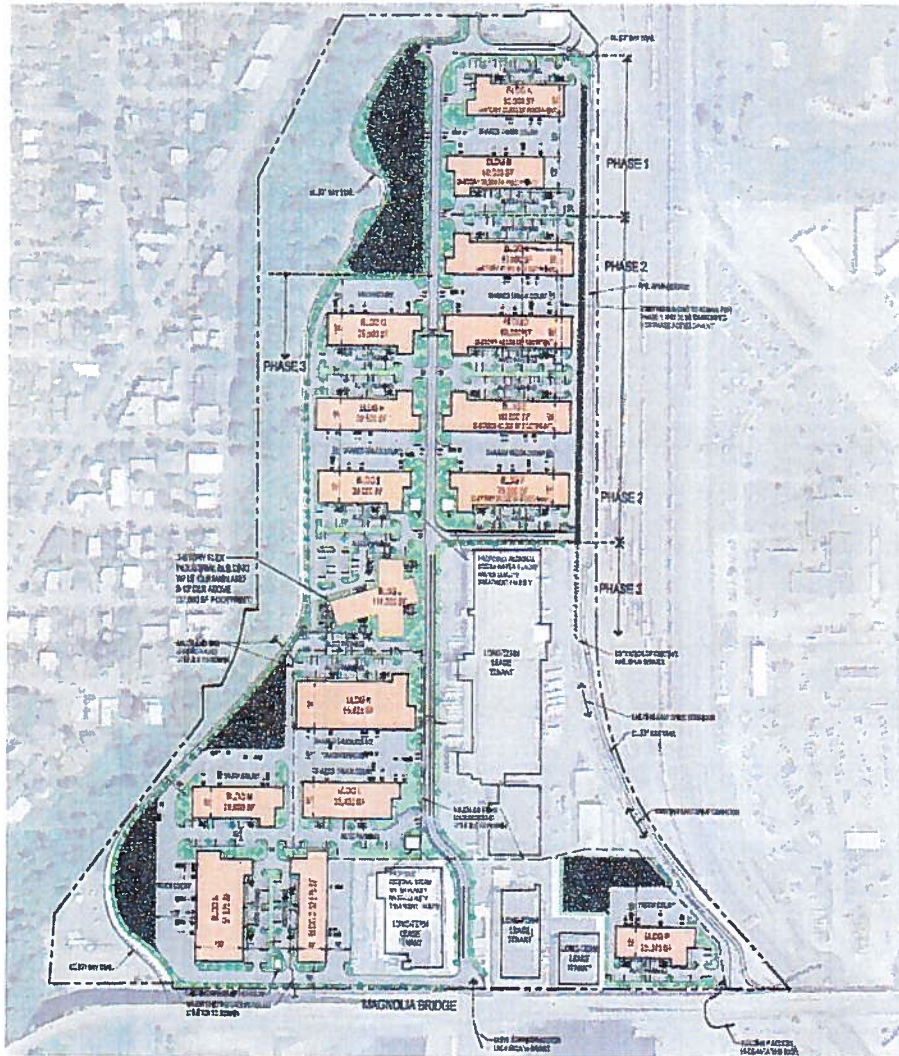


## Summary of Potential Asset Sales

## \$ Value Range

Tsubota	\$7.5 - \$30M
World Trade Center – West	\$24 - \$34M
Harbor Marine Corporate Center	\$12 - \$20M
<b>TOTAL</b>	<b>\$43.5 - \$84M</b>

# T91 Uplands – Phase 3 Redevelopment

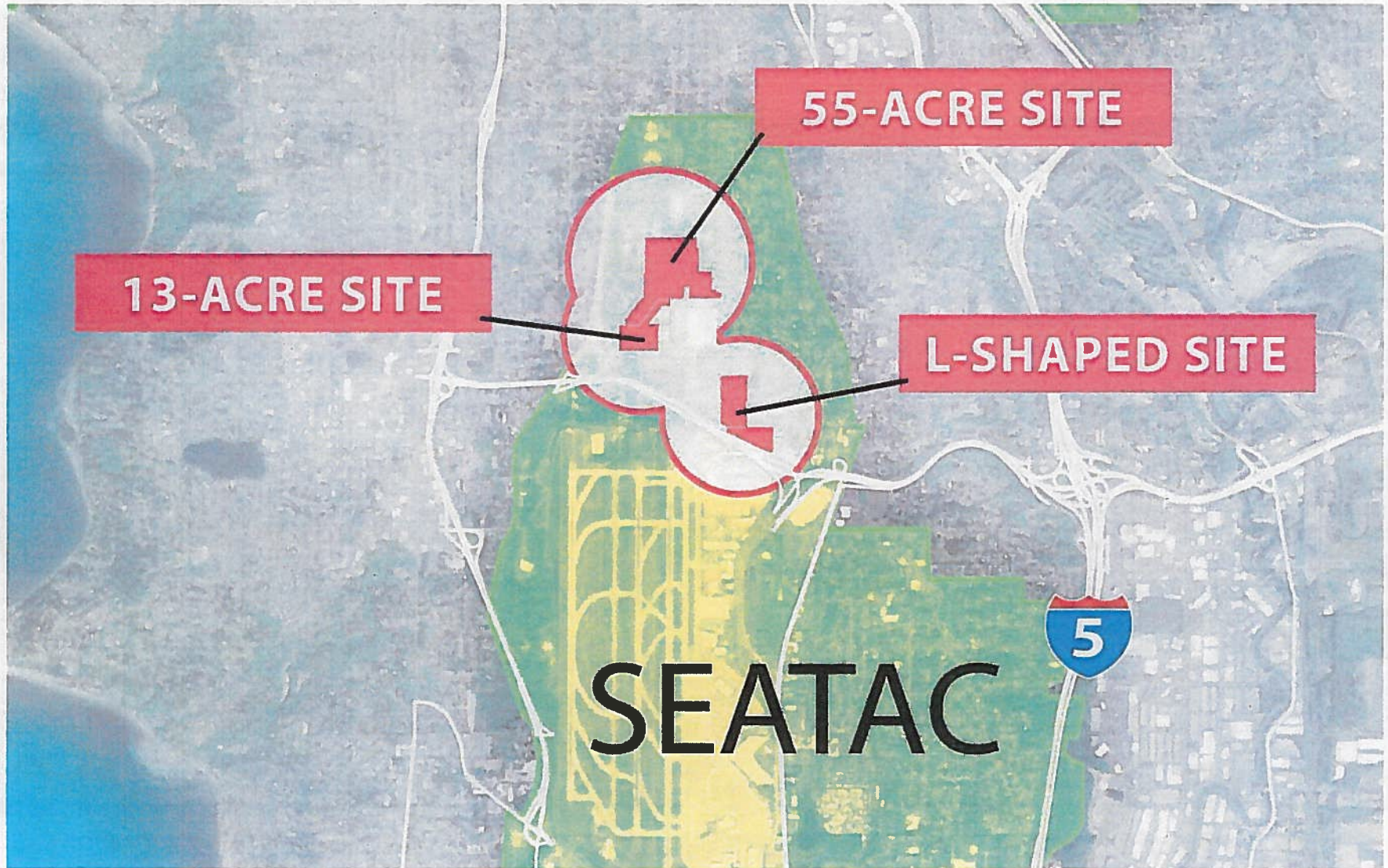


- Phase III (\$200+ MM) allows for development of 600k SF with \$28MM infrastructure.
- Full infrastructure upgrades required for 1M SF of light industrial development
- Works include central access road, utility corridor, replacement of existing storm drain, and upsized SCL capacity.

**Total infrastructure cost of \$34MM for 1M SF of light industrial development**



# North SeaTac Properties



## 55-Acre

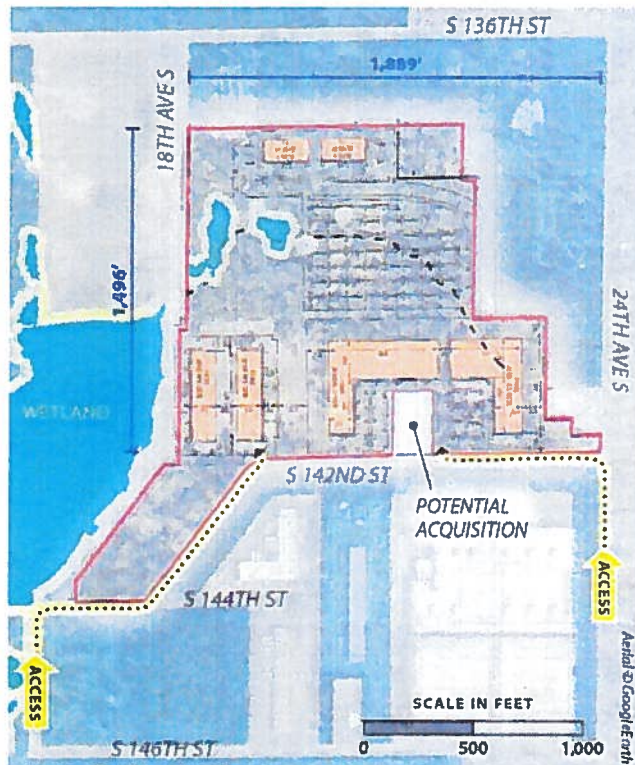


Image Credits: Heartland

### Recommendation

- Ground lease for 340,000 SF of aviation supportive use.
- Consider development of new Food Innovation Center.

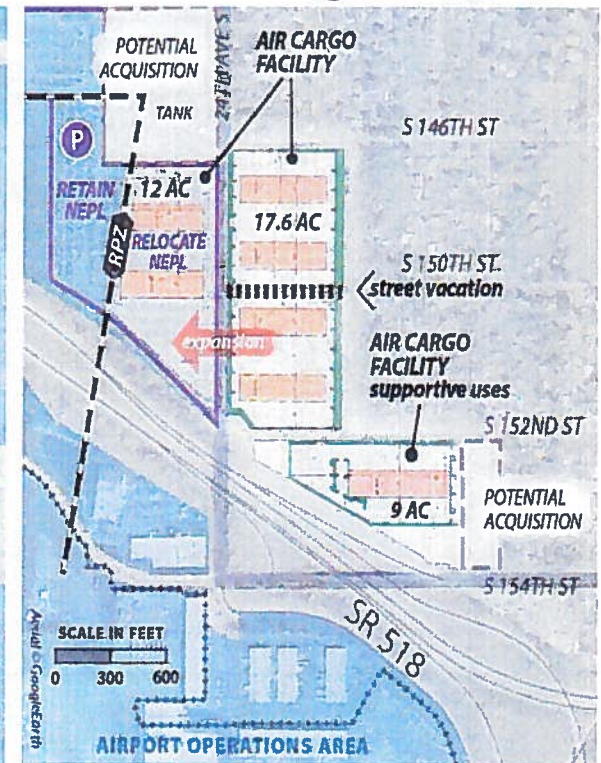
## 13-Acre



### Recommendation

- Relocation site for employee parking.
- Ground lease for 150,000 SF aviation supportive use.

## L-Shaped

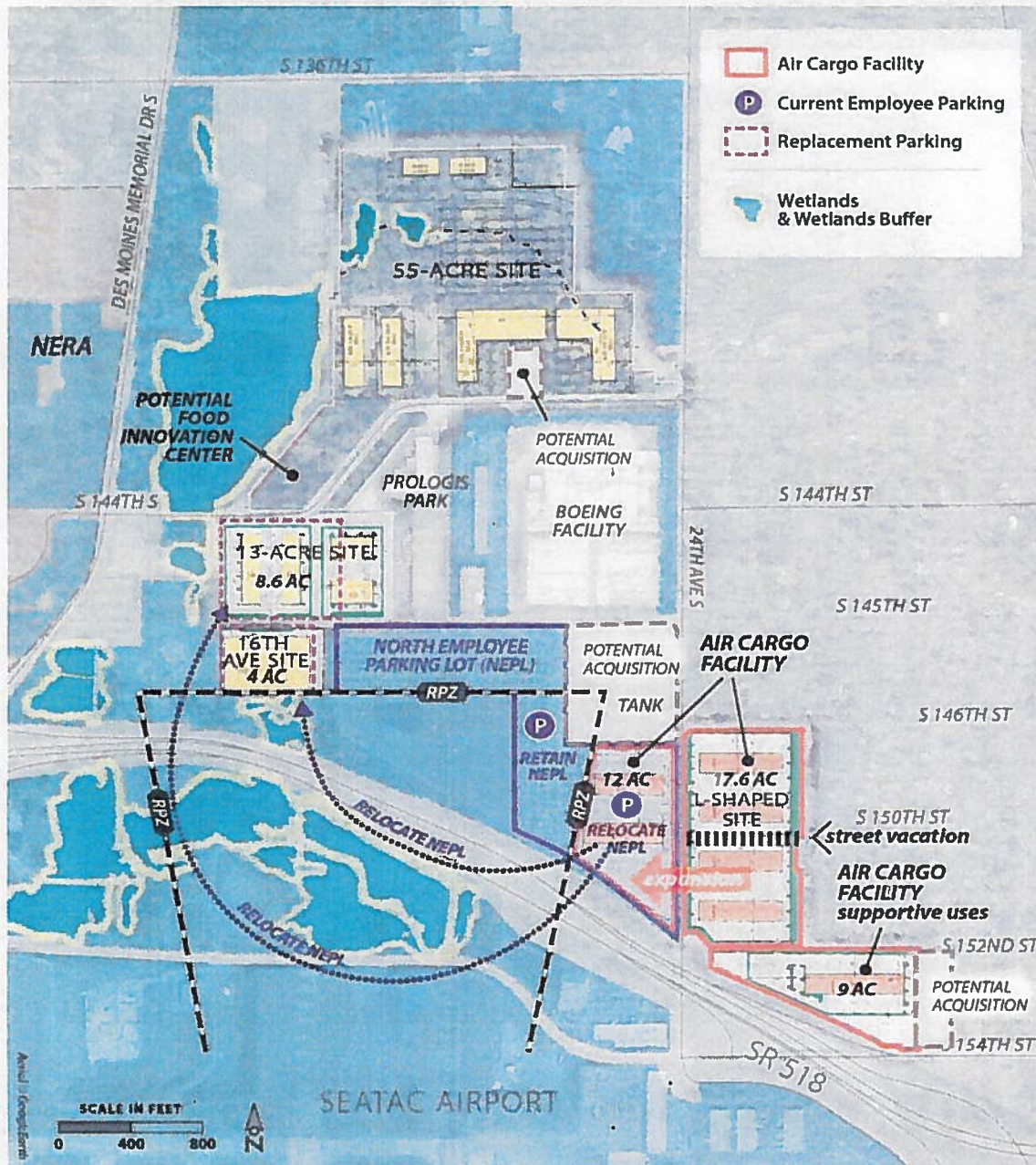


### Recommendation

- Develop 289,200 SF class-A air cargo facility
- Create opportunity to expand by add'l 100,000 SF.

**Accommodating SAMP and Supporting New Developments and Jobs**

# North SeaTac Real Estate Strategy



## Development Alternative

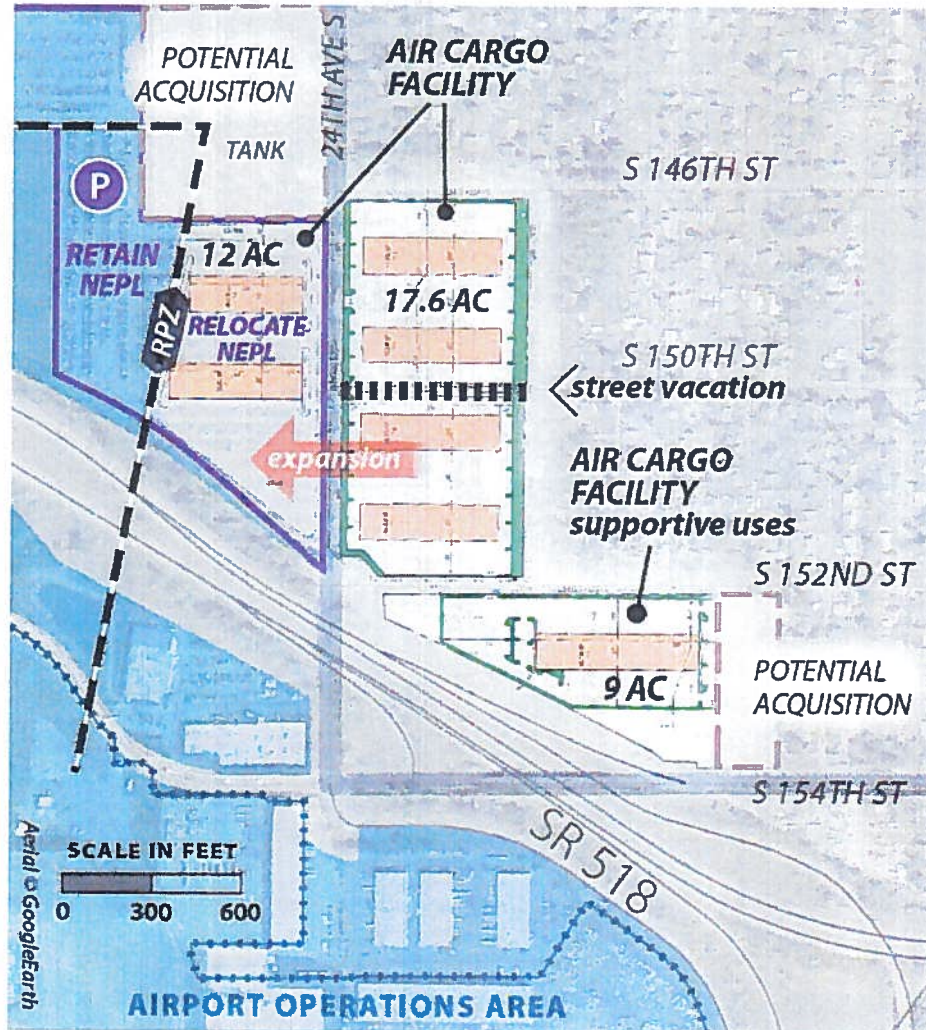
- 300,000 SF new air cargo facility with expansion potential.
- Re-locate employee parking lots
- Up to 390,000 SF on 55-Acre 13-acre depending on final parking configuration.

## Site Specific Strategies

1. Support air cargo growth
2. Provide parking for air cargo
3. Facilitate additional development



# SeaTac Properties - Air Cargo Strategy



## Actions

- Prepare due diligence materials for L-Shape and NEPL site.
- Investigate FAA limitations on development of employee parking lot and the 16<sup>th</sup> Ave South Site.
- Pursue S 150<sup>th</sup> Street vacation.
- Prepare cost estimates for relocating employee parking.
- Coordinate air cargo development with current AOA operations.
- Evaluate acquisition feasibility for L-Shaped site expansion

Portfolio Approach to Optimizing Development Potential

# Port of Seattle Community Tracker

Preliminary Survey Results

# Methodology and Questions

- On-line Tracker
- 1,000 Participants to Date
- Tested
  - Agency Qualities and Perception
  - Current and Future Agency Focus, Levy Investment Support and Uses

# Region's Top Issues

No Surprises!

- Housing Affordability
- Homelessness
- Healthcare
- Crime
- Education
- Drugs

# Port of Seattle Qualities

As compared with other public agencies in the region, the Port of Seattle is/has:

- Reliable and Dependable
- Efficient
- Capable and Competent Leadership
- Strong Customer Service
- Fiscally Responsible

# Port of Seattle Perceptions

- Popular and Well-Known
- High Quality Organization
- Supports Economic Development
- Supports Diversity
- Dependable
- Operationally Efficient
- Capable and Competent
- World Class

# Where There is Room for Improvement

- Visionary
- Adaptive
- Transparency
- Show More Concern about the Environment

# Levy Investments

## Overwhelming Support

When provided a list of current levy uses and proposed future uses and asked if these are good and proposed uses of the property tax by the Port of Seattle, responses were:

- 85% Yes, these are good investments
- 15% No, these are poor investments



# Future Investment Priorities

- Future Transportation Investments that Keep Goods, Services and People Moving
- New Environmental Initiatives
- Economic and Workforce Development
- Sustain and Grow Cargo Shipping
- Support Maritime Industries
- Improving Environmental Health in Near Port Communities
- New Cruise Facilities

# Importance of Continued Growth

Investments in both Sea-Tac and Maritime are High Priorities

Future Growth – “Full Speed Ahead”

# Agency Focus

- Improve Airport Efficiencies
- Support Local Economies and Workforce Development
- Environmental Initiatives
- Improve Transportation
- Support Mass Transit and other Travel Options to Sea-Tac
- Sustain and Grow Maritime Cargo
- Near Port Community Focus on Environmental Health
- Increase Travel Options at Sea-Tac (more gates, more destinations)

# Takeaways

- Robust Public Support for Port's Work in Both Aviation and Maritime
- Solid Backing for Current and Future Levy Investments
- Strong Value Proposition
- Customer Experience Shapes the Perception of the Port
- Transportation, Workforce Development, Environment are Shared Concerns
- Increase Emphasis on Environment
- Continue to Communicate About What We Do

Q3/4 Key Dates	September	October	November	December
Key Commission Items	<ul style="list-style-type: none"> <li>• 9/11               <ul style="list-style-type: none"> <li>○ IAF Exec. Rev. Panel</li> <li>○ After-Action Report</li> <li>○ ST3</li> <li>○ IAF Executive Panel and Briefing</li> </ul> </li> <li>• 9/15 – 9/22               <ul style="list-style-type: none"> <li>○ Oslo, Rotterdam Study Mission</li> </ul> </li> <li>• Retreat (9/24)</li> <li>• 9/25               <ul style="list-style-type: none"> <li>○ IAF GMP</li> <li>○ GTAP Briefing</li> <li>○ Budget Briefing</li> </ul> </li> <li>• 9/28               <ul style="list-style-type: none"> <li>○ Audit Committee (Pier 69)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• 10/2 NWSA (Airport)</li> <li>• 10/7 – 10/10               <ul style="list-style-type: none"> <li>○ Chile Study Mission</li> </ul> </li> <li>• 10/9               <ul style="list-style-type: none"> <li>○ Restroom Renovations Briefing</li> <li>○ Fisherman’s Terminal Development Authorization</li> <li>○ NEPL Improvements Authorization</li> <li>○ Baggage Briefing</li> <li>○ Budget Briefing</li> </ul> </li> <li>• 10/17 – 10/19               <ul style="list-style-type: none"> <li>○ Chamber Regional Leadership Conference</li> </ul> </li> <li>• 10/23               <ul style="list-style-type: none"> <li>○ Salary &amp; Benefits Briefing</li> <li>○ Gender Inclusive Restroom Plan</li> <li>○ Budget Briefing</li> <li>○ Stormwater Policy Briefing</li> <li>○ LRP Briefing</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• 11/6 NWSA (Fabulich Center)               <ul style="list-style-type: none"> <li>○ Possible Action on T5</li> </ul> </li> <li>• 11/13               <ul style="list-style-type: none"> <li>○ Budget Briefing</li> <li>○ NORStar Briefing</li> <li>○ State Legislative Agenda Briefing</li> <li>○ NWSA Service Directives</li> <li>○ Possible Action on Waterfront</li> </ul> </li> <li>• 11/27               <ul style="list-style-type: none"> <li>○ Budget Adoption</li> <li>○ Adoption of Salary and Benefits</li> <li>○ After-Action Report Briefing</li> <li>○ State Legislative Agenda Approval</li> <li>○ Possible Action on Waterfront</li> </ul> </li> </ul> <p>Taxi RFP?</p>	<ul style="list-style-type: none"> <li>• DATE NWSA (Airport)               <ul style="list-style-type: none"> <li>○ ACTION</li> </ul> </li> <li>• 12/11               <ul style="list-style-type: none"> <li>○ Widen Arrivals Approach</li> <li>○ Federal Legislative Agenda Briefing</li> </ul> </li> <li>• 12/14               <ul style="list-style-type: none"> <li>○ Budget Released to Public</li> </ul> </li> </ul>
ELT/Executive Items				
Key Dates	<ul style="list-style-type: none"> <li>• NW Ports Clean Air Strategy Outreach (9/4-7)</li> <li>• SAMP Scoping               <ul style="list-style-type: none"> <li>○ Des Moines (9/10)</li> <li>○ Beacon Hill (9/12)</li> <li>○ Federal Way (9/17)</li> <li>○ SeaTac (9/19)</li> </ul> </li> <li>• SAMP Tabling (six location dates)</li> <li>• T5 Military Shipment</li> <li>• 38 Cities               <ul style="list-style-type: none"> <li>○ KC City Managers (9/5, SM)</li> <li>○ West Seattle Chamber (9/13, RC)</li> </ul> </li> <li>• PORT U               <ul style="list-style-type: none"> <li>○ Duwamish 101 Boat Tour (9/6, CG)</li> <li>○ Ship Canal 101 (9/12, RC)</li> <li>○ Airport 101 (9/20)</li> <li>○ Cargo 101 (9/27, FF, RC)</li> </ul> </li> <li>• Chambers               <ul style="list-style-type: none"> <li>○ Seattle Southside, Sea-Tac Tour (9/7, LL)</li> <li>○ Queen Anne @P66 (9/14, CG)</li> </ul> </li> <li>• Neighbors Advisory Committee Meeting (9/19)</li> <li>• StART Noise Working Group (9/24)</li> <li>• Highline Forum (9/27)</li> <li>• Burien Brat Trot (9/30)</li> </ul>	<ul style="list-style-type: none"> <li>• 38 Cities               <ul style="list-style-type: none"> <li>○ Kirkland Chamber State of the Port (10/11, PS)</li> <li>○ Consular Corps (10/16, CG)</li> <li>○ Ballard Alliance (10/16, PS)</li> </ul> </li> <li>• NWSA Clean Truck Fair</li> <li>• Community Giving Charity Expo (P69, 10/10 &amp; STIA, 10/18) and Luncheon (10/24)</li> <li>• Neighbors Advisory Committee Meeting at Pier 69 (10/17)</li> <li>• StART               <ul style="list-style-type: none"> <li>○ Community Roundtable (10/24, PS, LL)</li> <li>○ Noise Working Group (10/29)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Legislator Briefings (on-going, post-Election Day)</li> <li>• 38 Cities – Mercer Island Chamber (11/1, SB)</li> <li>• Engineering Career Awareness Event for High School Students (11/15)</li> <li>• Neighbors Advisory Committee (11/21)</li> <li>• StART Noise Committee Meeting (11/26)</li> <li>• Highline Forum (11/28)</li> <li>• Public Safety Career Awareness Event for High School Students (11/29)</li> </ul>	<ul style="list-style-type: none"> <li>• Legislator Briefings (on-going)</li> <li>• 38 Cities, CEO to CEO (12/13, SM)</li> <li>• Annual POS Customer Holiday Reception (12/13)</li> <li>• Washington AgForestry Meeting (12/13, CG)</li> <li>• StART Community Meeting (12/19, LL)</li> </ul>

Other Key Dates (Associations, Conferences, etc.)	<ul style="list-style-type: none"> <li>• Fisherman’s Fall Festival (9/15, RC, CG)</li> <li>• ACE Submission Deadline (9/24)</li> <li>• SCA Legislative Dinner (9/5)</li> <li>• Congressional Recess (end-September)</li> </ul>	<ul style="list-style-type: none"> <li>• Crosscut Annual Awards Breakfast (10/10)</li> <li>• Salish Sea Expeditions Fall Breakfast (10/17)</li> <li>• APPA Conference (10/22)</li> <li>• Soundside Alliance Policy Committee Meeting (10/24)</li> </ul>	<ul style="list-style-type: none"> <li>• Election Day (11/6)</li> <li>• Bellevue Chamber Eastside Economic Forecast Breakfast Sponsorship and Table (11/16)</li> <li>• Symphony of Seafood Industry Product Showcase Sponsorship (11/13)</li> <li>• Clean Tech Alliance Luncheon (TBD)</li> <li>• Pacific Marine Expo Breakfast (11/20)</li> <li>• CityClub Civic Bootcamp Sponsorship and Program:- Airport as International Gateway (11/30, LL)</li> </ul>	<ul style="list-style-type: none"> <li>• Federal Way Chamber Luncheon (12/5, LL)</li> <li>• Soundside Alliance Breakfast Sponsorship (12/6)</li> <li>• City Club Year in Review Luncheon Sponsorship and Table</li> </ul>
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On-Going

- Duwamish Valley Near-Port Community Capacity Building Project/Port-Community Action Team Meetings
- NWSA Clean Truck Program Implementation – Driver communications and outreach
- Northwest Ports Clean Air Strategy update stakeholder outreach

**Port of Seattle Community Engagement Activities - 2018**

Updated 8/31/18

	A	B
1	Timeframe	Event
2	4-Jan	Northwest Marine Trade Assn./American Waterways Operators Legislative Tee-off (Felleman)
3	5-Jan	UW Ultrafine Particulate Study (now called MOV-UP) kickoff meeting (Gregoire)
4	6-Jan	Sustainable Seattle Climate Resilience Summit presentation (Leavitt)
5	9-Jan	Commission's Oath of Office Ceremony and Reception
6	10-Jan	Duwamish Valley/EPA Pilot Port-Community Action Team meeting
7	11-Jan	FAA HQ Tour at Des Moines Creek Business Park
8	12-Jan	Seattle Southside Chamber Economic Forecast Luncheon table sponsorship
9	17-Jan	Sound Cities Association Networking Dinner (Bowman)
10	17-Jan	Neighbors Advisory Committee Meeting
11	17-Jan	Propeller Club Luncheon Maritime Division Update (Jones Stebbins)
12	18-Jan	Port of Seattle State of the Port Breakfast (Gregoire)
13	19-Jan	Cruise Connections Conference @ BHICC (Calkins)
14	22-Jan	ACE Fund Update - City of SeaTac Airport Advisory Committee presentation
15	23-Jan	ACE Fund Community Drop-In Session, City of SeaTac
16	24-Jan	Highline Forum at City of SeaTac (Felleman, Calkins)
17	1-Feb	US-China-Japan Trade Relations - JASSW, WSCRC, Port Event (Calkins)
18	3-Feb	NWSA Clean Truck Update and Open House - North and South Harbors (Calkins, Felleman)
19	7-Feb	38 Cities: Eyes on Renton Business Forum (McFadden)
20	7-Feb	ACE Fund Community Drop-In Session, City of Burien
21	9-Feb	Green Infrastructure Summit - Duwamish Industry & Habitat Panel (Blomberg)
22	13-Feb	Young Entrepreneur Career Awareness Event for Highline High School Students
23	14-Feb	Downtown Seattle Association State of Downtown Breakfast table sponsorship
24	20-Feb	Magnolia Community Club T91 Uplands Update (McFadden, Utterback)
25	21-Feb	Neighbors Advisory Committee Meeting
26	21-Feb	Seattle Propeller Club Luncheon - USCG Presentation/Metruck Introduction
27	22-Feb	SAMP Briefing to Puget Sound Regional Council Executive Board
28	24-Feb	Clean Street Weekend Volunteer Program - Waterfront Cleanup
29	24-Feb	M.L. King County Labor Council Awards Gala sponsorship (Felleman)
30	26-Feb	Green-Duwamish Watershed Symposium presentation (Blomberg, Sloan & ACE Fund Table)
31	27-Feb	POS Business and Community Welcome Reception for new E.D. (Gregoire, Metruck)
32	28-Feb	ACE Fund Community Drop-In Session, City of Des Moines
33	1-Mar	ACE Fund Community Drop-In Session, City of SeaTac
34	1-Mar	Women's Transportation Seminar Annual Awards table sponsorship
35	2-Mar	Sustainable Seattle Leadership Awards Dinner (Steinbrueck, Felleman)
36	3-Mar	Town Hall's "Talk of the Town" Luminary Dinner (Bowman)
37	7-Mar	Skilled Trades Career Awareness Event for Highline Students
38	8-Mar	SAMP Briefing to Airline Airport Affairs Committee

Port of Seattle Community Engagement Activities - 2018

Updated 8/31/18

	A	B
1	Timeframe	Event
39	8-Mar	Economic Development Council Economic Forecast Conference table sponsorship
40	8-Mar	NW Mountain MSDC 2018 Annual Awards Dinner table sponsorship
41	8-Mar	Seattle Marine Business Coalition Board Meeting presentation (Calkins)
42	14-Mar	Governor Inslee meeting for ED Metruck intro (Metruck and Gregoire)
43	17-Mar	WA Environmental Council Annual Scholarship and Awards Gala table sponsorship
44	18-Mar	Annual Blessing of the Fleet @ Fishermen's Terminal (Steinbrueck)
45	19-Mar	SAMP Briefing to City of SeaTac Airport Committee
46	20-Mar	Duwamish Valley Port-Community Action Team meeting (EPA Pilot)
47	21-Mar	Neighbors Advisory Committee Meeting
48	22-Mar	Maritime Air Emissions Forum press conference with community involvement
49	24-Mar	Seattle Propeller Club Maritime Gala table sponsorship
50	28-Mar	Highline Forum at City of Federal Way (Felleman, Calkins)
51	28-Mar	WA State China Relations Council (WSCRC) Annual Meeting (Calkins)
52	4-Apr	GoGreen Conference sponsorship and presentation (Leavitt)
53	4-Apr	NWSA Annual Customer Breakfast (Bowman)
54	5-Apr	Puget Sound Gateway (SR 509/167) Exec Committee meeting (Steinbrueck)
55	6-Apr	Airport Career Awareness Tour for Chinook Middle School
56	9-Apr	Joint Transportation Committee's Air Cargo Study Stakeholder Panel (Bowman)
57	10-Apr	Commission Meeting - Duwamish Valley EPA Near-Port Pilot Extension
58	11-Apr	SAMP Briefing to Alaska Airlines
59	11-Apr	POS Veteran's Program Anniversary Dinner @ P69
60	12-Apr	Visit Seattle Annual Meeting table sponsorship
61	14-Apr	Sustainable Airport Tour for the public
62	16-Apr	Airport Environmental Challenge for Raisbeck Aviation High School - Kick-off
63	18-Apr	Airport Tour & Presentation for Great Western Travel Tourism Research Association
64	18-Apr	Neighbors Advisory Committee Meeting
65	19-Apr	38 Cities: Bellevue Chamber Membership Luncheon (Metruck)
66	19-Apr	Airport Environmental Challenge for Raisbeck Aviation High School - Tour
67	20-Apr	Highline Schools Foundation Gold Star Fundraising Breakfast table sponsorship (Metruck)
68	20-Apr	One America Annual Celebration Dinner
69	21-Apr	Duwamish Alive! Community Restoration Event @ T107 (Metruck)
70	23-Apr	Airport Environmental Challenge for Raisbeck Aviation High School - Curriculum Day 1
71	23-Apr	SAMP Briefing to South Transit
72	24-Apr	Airport Environmental Challenge for Raisbeck Aviation High School - Curriculum Day 2
73	25-Apr	ICT Career Awareness Event for Highline High School students
74	26-Apr	Kent Chamber CEO Roundtable sponsorship
75	26-Apr	Forterra Annual Breakfast table sponsorship
76	1-May	West Seattle Chamber Annual Awards Breakfast table sponsorship



**Port of Seattle Community Engagement Activities - 2018**

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	A	B
1	Timeframe	Event
77	2-May	38 Cities: Kent Chamber of Commerce State of the Port (Bowman)
78	2-May	Transportation Club of Seattle presentation (Lyttle)
79	2-May	Meeting with Sen. Karen Keiser (D-33rd LD) re: airport issues (Bowman)
80	3-May	Norway and WA State Delegation-- Maritime Sustainability and Climate Change (Felleman)
81	4-May	Young Professionals in Transportation presentation
82	4-May	SAMP Briefing to International Blvd. Business Community with Seattle Southside Chamber
83	8-May	Seattle Metropolitan Chamber Board Meeting and tour at STIA
84	9-May	Climate Solutions 10th Annual Breakfast table sponsorship
85	10-May	Stories of the Sea @ Fishermen's Terminal
86	11-May	Seattle Maritime Festival Fishermen's Terminal public walking tour
87	11-May	SAMP Briefing to Trade Development Alliance & Airport tour (Calkins/Lyttle)
88	11-May	Alaska Pollock Catcher tour with American Seafood and Rep. Tarleton lunch (Metruck, Steinbrueck, Calkins)
89	12-May	Duwamish Valley EPA EJ Project training session for Port Community Action Team
90	12-May	Seattle Maritime Festival Family Fun Day and Ship Canal boat tours
91	15-May	38 Cities: Seattle Chamber Executive Business Forum (Metruck)
92	16-May	Neighbors Advisory Committee Meeting
93	18-May	Seattle Maritime Festival Annual Industry Breakfast table sponsorship (Calkins)
94	22-May	Airport Noise 101 Workshop for Highline Forum/StART members
95	23-May	Highline Forum at Port of Seattle (Calkins, Felleman)
96	30-May	NCL Bliss Inaugural Sailing Celebration
97	30-May	SAMP Planning Public Open House and Presentation - Burien
98	1-Jun	38 Cities/SAMP: SeaShore Transportation Board (Steinbrueck)
99	6-Jun	Connect@Amazon Airport Tour (Lyttle)
100	6-Jun	Federal Way Chamber Membership Luncheon - Economic Development spotlight (Delcino)
101	6-Jun	NWSA Clean Air Update presentation to Southwest District Council
102	7-Jun	Des Moines Creek North Business Park Groundbreaking (Metruck)
103	7-Jun	Hainan Airlines 10th Anniversary Celebration (Gregoire)
104	8-Jun	38 Cities/SAMP: Eastside Transportation Partnership (Steinbrueck)
105	8-Jun	Des Moines Elementary School Groundbreaking Event
106	8-Jun	Seattle Southside Chamber State of the Cities Luncheon table sponsorship
107	9-Jun	ACE Fund Grantee: Ecotech in the Urban Garden at Midway Park, Des Moines
108	9-Jun	NWSA Clean Truck Program Truck Compliance Workshop, Georgetown
109	12-Jun	Sustainable Seattle Greendrinks Reception @ P69 (Gregoire, Felleman)
110	13-Jun	SAMP Briefing to City of SeaTac Hotel/Motel Advisory Committee
111	14-Jun	SAMP Planning Public Open House and Presentation - South Seattle
112	16-Jun	SAMP Tabling at Discover Burien Wild Strawberry Days
113	16-Jun	Salmon Bay Marina Tenant Gathering

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	A	B
1	Timeframe	Event
114	18-Jun	38 Cities/SAMP: SeaTac Airport Advisory Board (Calkins)
115	19-Jun	38 Cities/SAMP: South County Area Transportation Board, ScATBd (Calkins)
116	19-Jun	38 Cities: Bellevue Downtown Association (Steinbrueck)
117	19-Jun	Hosted Legislative Committee on Economic Development and International Relations, led by Lt. Gov Cyrus Habib (Metruck opening remarks)
118	20-Jun	Maritime Picnic at Seattle Maritime Academy presentation (Metruck)
119	20-Jun	Neighbors Advisory Committee Meeting
120	20-Jun	SAMP Planning Public Open House and Presentation - City of Bellevue
121	21-Jun	NWSA Clean Truck Program Truck Compliance Workshop, Georgetown
122	21-Jun	Hosted Climate Solutions staff at Energy and Sustainability Committee meeting re: Clean Fuels Standard (Calkins, Felleman)
123	22-Jun	SAMP Tabling at Bellevue Chamber Eastside Leadership Conference with table sponsorship
124	24-Jun	Seattle Pride Parade sponsorship and Port presence
125	26-Jun	38 Cities/SAMP: Normandy Park City Council (Calkins)
126	27-Jun	StART Round Table Meeting
127	27-Jun	JTC Air Cargo Study Stakeholder Panel Meeting #3 (Bowman)
128	28-Jun	MIC Maritime Industrial Summit Mayor Town Hall and BBQ @ Fishermen's Terminal
129	28-Jun	Japanese Consul General Reception (Calkins, Metruck)
130	29-Jun	EPA Duwamish Valley Equitable Development Training for POS staff
131	29-Jun	Special Olympics Athlete Arrivals @ STIA
132	30-Jun	SAMP Tabling at Live in District 5 (CM Juarez's District), Hubbard Homestead Park
133	Jul 1-6	Special Olympics USA Games sponsorship and volunteer support
134	4-Jul	SAMP Tabling at SeaTac Family 4th of July Celebration
135	5-Jul	Growth Management Policy Board meeting at PSRC (Steinbrueck)
136	10-Jul	Neighbors Advisory Committee Annual Report @ Commission Meeting
137	12-Jul	Connect@Amazon Sustainable Port presentation and reception at P69 (Calkins)
138	12-Jul	WA State China Relations Council (WSCRC) Women's Leadership Event (Gregoire)
139	12-Jul	PSRC's Transportation Policy Board meeting (Calkins)
140	14-Jul	SAMP Tabling at City of Kent Cornucopia Days
141	15-Jul	SAMP Tabling at Chinatown/I.D. Dragon Fest
142	17-Jul	38 Cities/SAMP: Federal Way City Council (Calkins)
143	18-Jul	38 Cities/SAMP: Kent City Council (Gregoire)
144	18-Jul	Neighbors Advisory Committee Meeting
145	18-Jul	Seattle Propeller Club Business After Hours at Fishermen's Terminal
146	19-Jul	SAMP Briefing to Joint Transportation Committee
147	19-Jul	SAMP Briefing to Congressional staff
148	19-Jul	Highline Schools STIA Charity Golf Tournament Dinner
149	21-Jul	SAMP Tabling at Vashon Island Strawberry Festival
150	22-Jul	SAMP Tabling at Des Moines Waterland Festival
151	25-Jul	SAMP Tabling at Seattle Mariners Game
152	25-Jul	Lunch keynote at Pacific Northwest Economic Region Spokane Summit (Metruck)
153	26-Jul	38 Cities: Port Unplugged presentation and reception with Eastside Chambers (Gregoire)

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	A	B
1	Timeframe	Event
154	26-Jul	Special Olympics USA Games Sponsor Recognition Reception @ Pier 69
155	27-Jul	SAMP Tabling at Renton River Days
156	28-Jul	SAMP Tabling at Bellevue Arts Museum ARTSFair
157	31-Jul	Seafair Fleet Week begins with Parade of Ships and Navy events
158	1-Aug	SAMP Tabling at Seattle Mariners Game
159	2-Aug	38 Cities: China Relations Council Board (Calkins)
160	2-Aug	NWSA Clean Truck Program Truck Compliance Workshop, Georgetown
161	Aug 2-5	Seafair Fleet Week public tours of Navy vessels at POS terminals
162	13-Aug	ACE Fund 1-Year Anniversary Grantee Event/Forterra Community Launch (Felleman)
163	14-Aug	Tour of Tacoma cargo facilities for Rep. Rick Larsen
164	14-Aug	NWSA Working Waterfront Boat Tour for King & Piece Co. Elected Officials (Calkins, Steinbrueck, Felleman)
165	15-Aug	Neighbors Advisory Committee Meeting
166	18-Aug	SAMP Tabling and Duwamish River Festival sponsorship (Calkins)
167	18-Aug	SAMP Tabling at Federal Way Multicultural Festival
168	18-Aug	SAMP Tabling at Celebrate Shoreline Festival
169	20-Aug	SAMP Briefing to Burien City Council (Felleman)
170	22-Aug	AMAC Conference, Welcome Reception @ BHICC
171	23-Aug	NWSA Clean Truck Program Truck Compliance Workshop, Georgetown
172	25-Aug	Connect@Amazon Working Waterfront Boat Tour with Starbucks & Boeing (Felleman)
173	29-Aug	SAMP Tabling at Columbia City Farmers Market
174	31-Aug	SAMP Tabling at Phinney Ridge Farmers Market
175	31-Aug	Friends of the Waterfront Environmental Kayak Tours with REI at Pier 66
176	Sep 1-30	Seafood 101 Industry Promotion and Meet a Mariner Campaign
177	4-Sep	Northwest Ports Clean Air Strategy Update Stakeholder Outreach
178	5-Sep	38 Cities: King County City Managers Meeting (Metruck)
179	5-Sep	West Edge Neighborhood Association cruise presentation
180	5-Sep	SAMP Tabling at Kirkland Farmers Market
181	5-Sep	Friends of the Waterfront Environmental Kayak Tours with REI at Pier 66
182	6-Sep	PORT U Adult Education Series: Duwamish River 101 Boat Tour (Gregoire)
183	6-Sep	Port U: Duwamish River 101 Boat Tour
184	6-Sep	SAMP Agency Scoping Meeting at STIA
185	7-Sep	SAMP Tabling at Juanita Farmers Market
186	7-Sep	Seattle Southside Chamber Membership Luncheon and STIA Tour (Lyttle)
187	8-Sep	SAMP Tabling at Seattle Mariners Game
188	10-Sep	SAMP Public Scoping Open House and Meeting in Des Moines
189	12-Sep	PORT U Adult Education Series: Ship Canal 101 (Calkins)
190	12-Sep	SAMP Public Scoping Open House and Meeting in Beacon Hill
191	12-Sep	SAMP Tabling at Crossroads Farmers Market

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	A	B
1	Timeframe	Event
192	12-Sep	Friends of the Waterfront Environmental Kayak Tours with REI at Pier 66 (Calkins)
193	13-Sep	38 Cities: West Seattle Chamber Luncheon @ Jack Block Park (Calkins)
194	13-Sep	SAMP Briefing at Bellevue Chamber Public Relations Committee
195	14-Sep	Queen Anne Chamber Monthly Luncheon @ P66 (Gregoire)
196	14-Sep	Friends of the Waterfront Environmental Kayak Tours with REI at Pier 66
197	15-Sep	Fishermen's Fall Festival @ Fishermen's Terminal & Public Ship Canal Boat Tours (Gregoire, Calkins)
198	15-Sep	SAMP Tabling at Magnolia Farmers Market
199	17-Sep	SAMP Public Scoping Open House and Meeting in Federal Way
200	17-Sep	Tour of Tacoma cargo facilities for Rep. Derek Kilmer and Rep. Steve Womack (R-AR)
201	19-Sep	Port Table at WCIT Fall Luncheon
202	19-Sep	Neighbors Advisory Committee Meeting
203	19-Sep	SAMP Public Scoping Open House and Meeting in SeaTac
204	20-Sep	PORT U Adult Education Series: Airport 101
205	20-Sep	Port U: Sea-Tac Airport 101 Bus Tour
206	23-Sep	SAMP Tabling at West Seattle Farmers Market
207	23-Sep	Japan-America Society (JASSW) Grassroots Summit Closing Ceremony (Gregoire)
208	24-Sep	ACE Fund Small Matching Grants Submission Deadline
209	24-Sep	StART Aviation Noise Working Group Meeting
210	25-Sep	Port Sponsorship of WCIT DC Fly-in (9/25&26)
211	26-Sep	Highline Forum (Calkins, Felleman)
212	27-Sep	Port table at Seattle Metropolitan Chamber Annual Meeting
213	27-Sep	PORT U Adult Education Series: Cargo 101 (Felleman, Calkins TBC)
214	27-Sep	Seattle Metropolitan Chamber Annual Meeting table sponsorship
215	30-Sep	SAMP Tabling and Burien Brat Trot Sponsorship
216	Oct	NWSA Clean Truck Program Driver Resource Fair (North Harbor and South Harbor)
217	2-Oct	Cruise Team Appreciation BBQ at T91 for Industry & Agency Partners
218	3-Oct	Port Sponsorship of World Affairs Council Event on US-Mexico Relations
219	10-Oct	Crosscut Annual Awards Breakfast table sponsorship
220	10-Oct	POS Community Giving Campaign Charity Expo at P69
221	10-Oct	Friends of the Waterfront Environmental Kayak Tours with REI Wrap Up event (Soike)
222	11-Oct	38 Cities: Kirkland Chamber State of the Port Luncheon (Steinbrueck)
223	Oct 12-14	Friends of Art at P86: Let There Be Light projection exhibit
224	16-Oct	38 Cities: Ballard Alliance Luncheon (Steinbrueck)
225	16-Oct	38 Cities: Consular Corps Luncheon (Gregoire)
226	17-Oct	Neighbors Advisory Committee Meeting
227	17-Oct	Salish Sea Expeditions Fall Breakfast sponsorship
228	18-Oct	POS Community Giving Campaign Charity Expo at STIA

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	A	B
1	Timeframe	Event
229	24-Oct	POS Community Giving Campaign Luncheon
230	24-Oct	Soundside Alliance Policy Committee Meeting
231	24-Oct	StART Community Roundtable Meeting at STIA (Lyttle)
232	29-Oct	StART Aviation Noise Working Group Meeting
233	Nov	Bellevue Chamber Eastside Economic Forecast Breakfast Sponsorship and Table
234	Nov	Clean Tech Alliance Annual Luncheon table sponsorship
235	1-Nov	38 Cities: Mercer Island Chamber Luncheon (Bowman)
236	13-Nov	Symphony of Seafood Industry Product Showcase sponsorship
237	15-Nov	Highline Forum (Calkins, Felleman)
238	20-Nov	Pacific Marine Expo Breakfast table sponsorship and speaking role
239	21-Nov	Neighbors Advisory Committee Meeting
240	26-Nov	StART Aviation Noise Working Group Meeting
241	28-Nov	Highline Forum Meeting
242	29-Nov	Public Safety Career Awareness Event for High School Students
243	30-Nov	CityClub Civic Bootcamp Sponsorship and Program:- Airport as International Gateway (Lyttle)
244	5-Dec	Federal Way Chamber Membership Luncheon presentation (Lyttle)
245	6-Dec	Soundside Alliance Outlook Breakfast Sponsorship and Table
246	13-Dec	38 Cities: CEOtoCEO Breakfast (Metruck)
247	13-Dec	Annual POS Customer Holiday Reception (Metruck, Gregoire)
248	13-Dec	Washington AgForestry Presentation at Pier 69 (Gregoire)
249	14-Dec	City Club Year in Review Luncheon Sponsorship and Table
250	Dec 14-21	Friends of Art at P86: Let There Be Light projection exhibit
251	19-Dec	Neighbors Advisory Committee Meeting
252	19-Dec	StART Community Roundtable Meeting at STIA (Lyttle)