

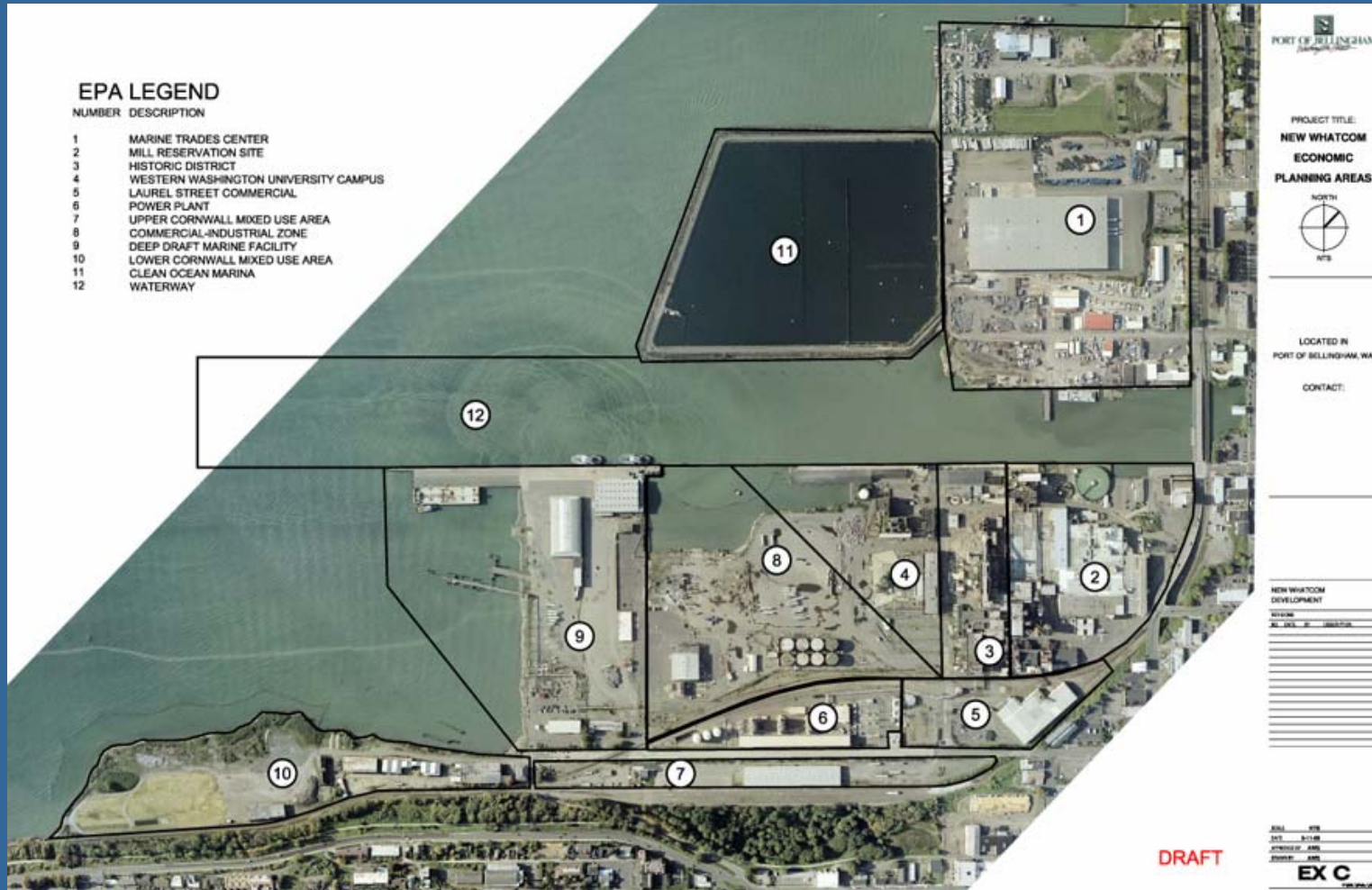
## **PORT FINANCIAL ANALYSIS**

**Under the terms of the Port/City Interlocal Agreement, the Port is charged with performing the environmental cleanup of the Whatcom Waterway and most properties in the New Whatcom development area. In addition, the Port also will pay for construction of all marine infrastructure including: docks, marina, boat launches, bulkheads and breakwaters. The Port agreed to provide the City with about 63 acres of land, at no charge, for the City to use for streets, utilities, parks and trails.**

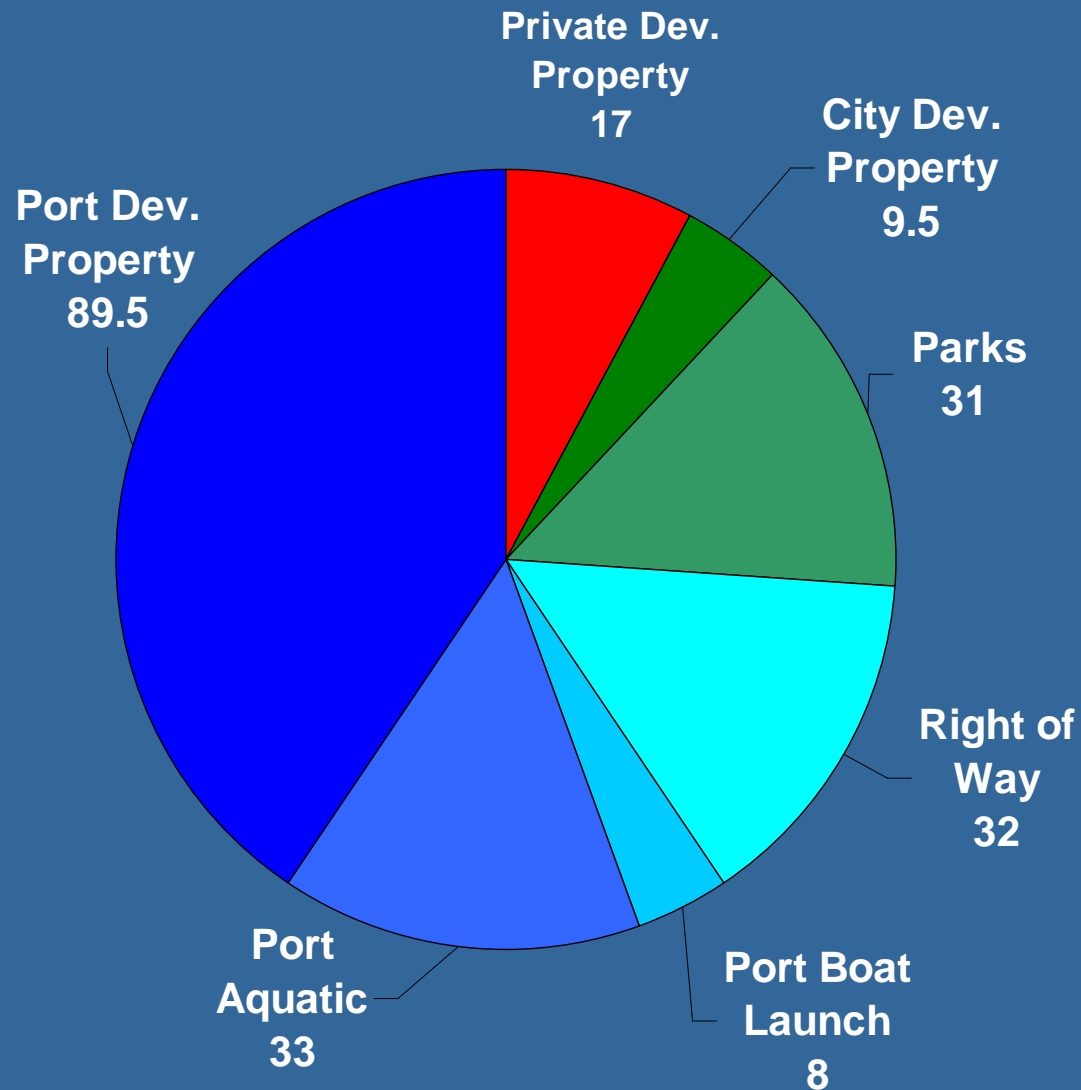
**In today's dollars, the Port estimates its capital costs to be about \$137 million, more than half of that is in environmental clean up expenses. The Port anticipates paying for these costs through the sale and lease of property for redevelopment, general grants, Department of Ecology grants and marina revenues. The costs for the development of the new marina will be entirely paid for by the boaters. All of the Port's marinas charge fees that fully cover their operating and capital costs.**

**Already the Port has invested \$37 million on this project by investing its prior land holdings, by purchasing environmental cost-cap insurance and by paying for planning and acquisition costs. The Port is confident that this major waterfront redevelopment project is feasible as long as the partnerships that are in place with the City and Ecology remain strong. Clearly this project is of a scale that no one local government could successfully do it alone.**

# Economic Model Planning Areas

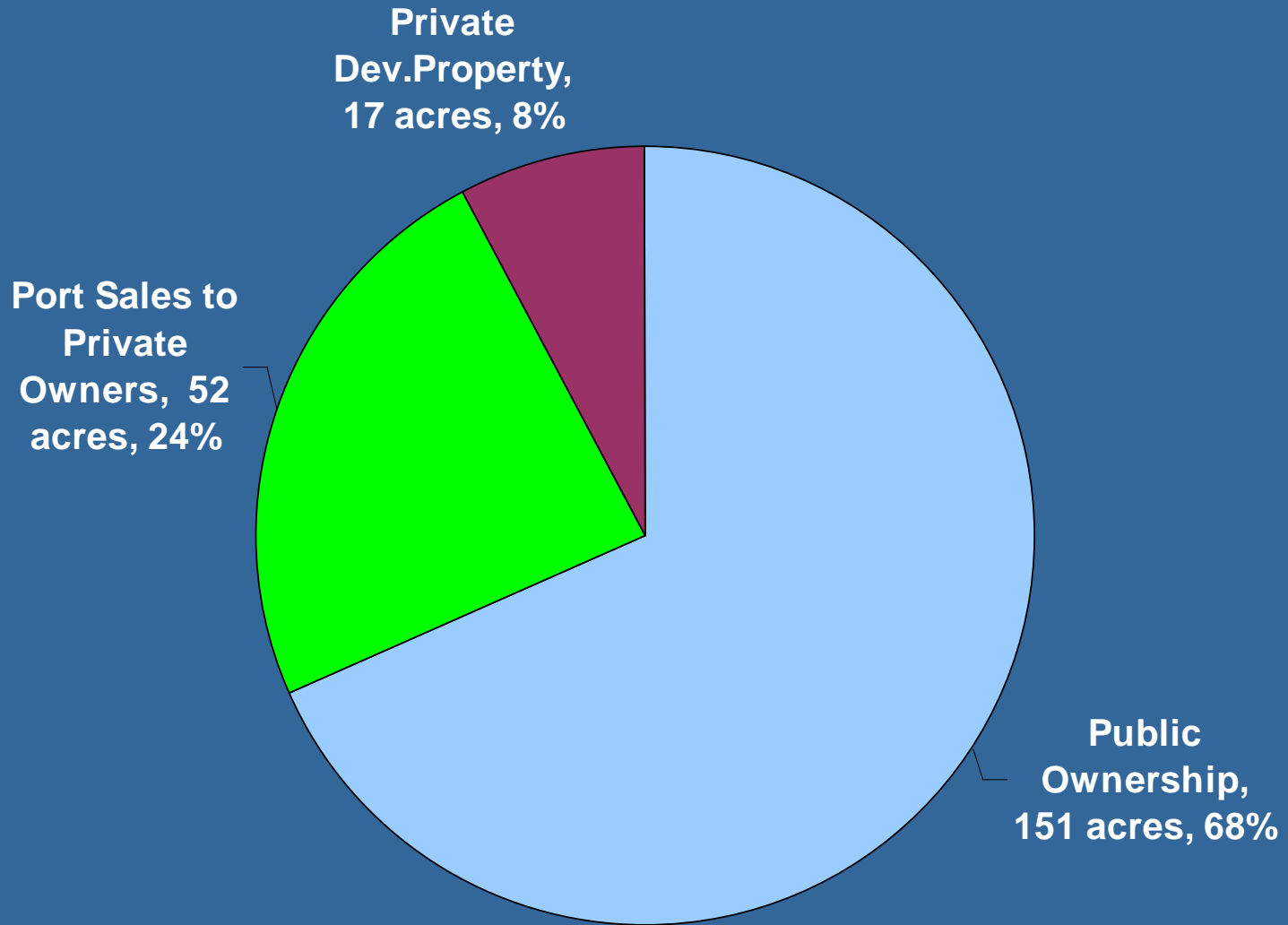


# Land Use in New Whatcom – 220 acres

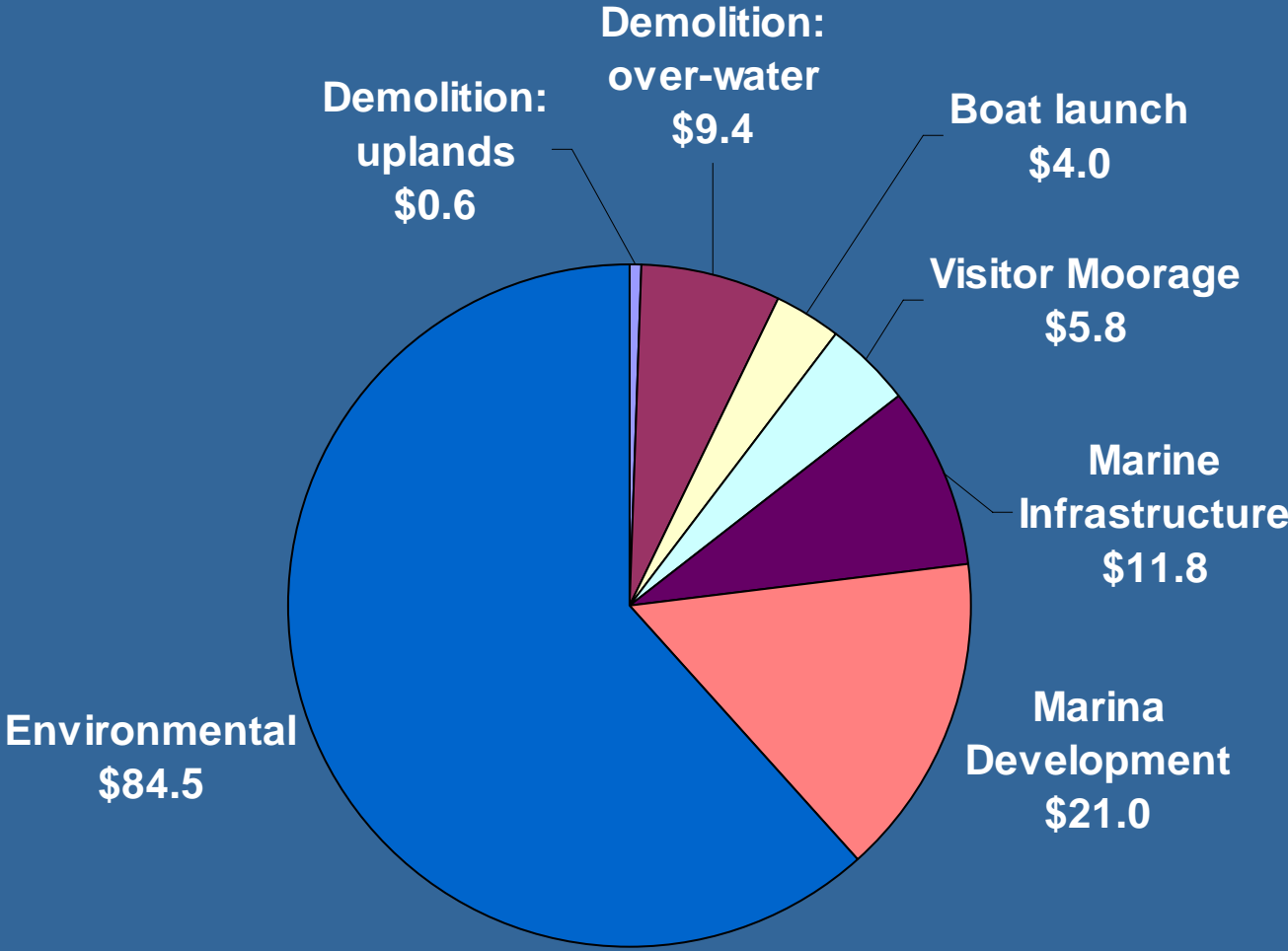


Acres, Rounded to .5

# Land Ownership



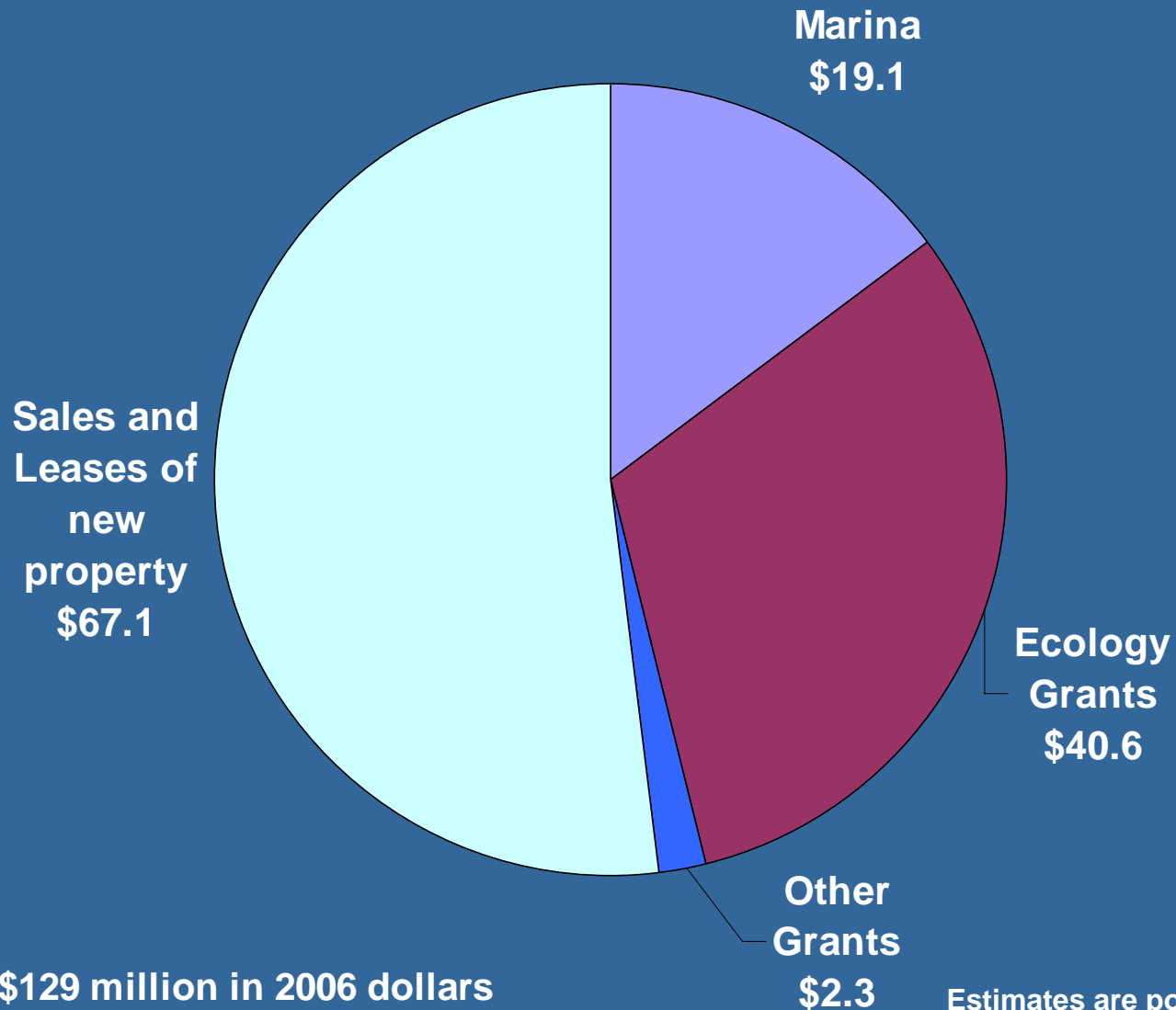
# Port Estimated Capital Costs



Estimates do not include inflation, or financing.

\$137 million in 2006 dollars

# Port Estimated Revenues



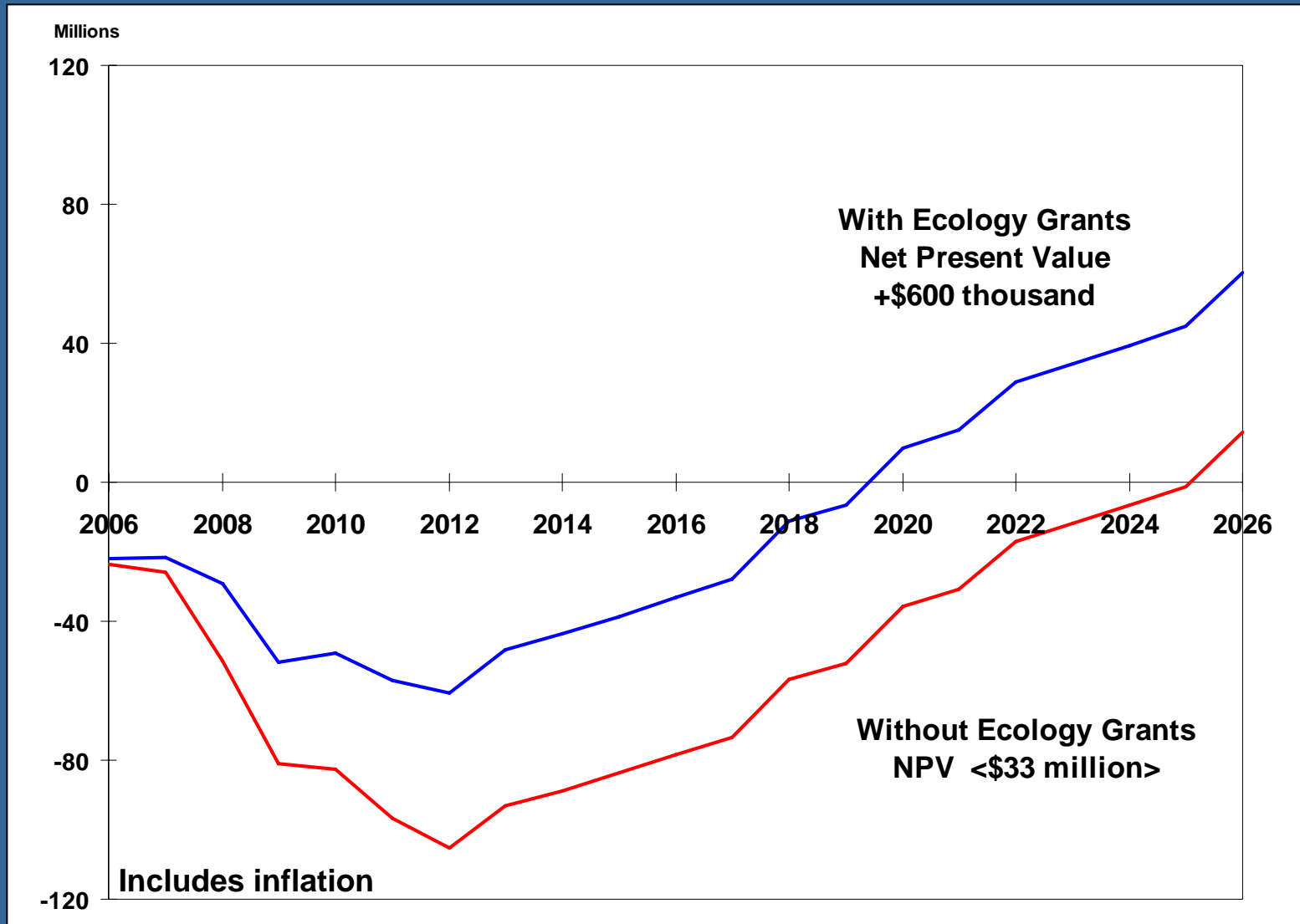
**\$129 million in 2006 dollars**

Estimates are potential revenues for modeling purpose, excluding inflation

# Economic Model Assumptions

- **The Port assumes fair market values on its property for sales and leases based on recent local transactions and appraisals**
- **Does not include future transactions by the city or private owners for their property**
- **Values ranges from \$8-\$35 per square foot depending on use. Blended rate of \$25/s.f.**

# Accumulated Cashflow (no financing)



# Sources of Financing Investment

- Marina revenues pay marina costs
- All other costs paid using:
  - Land sales and leases
  - Port cash reserves
  - State and federal grants
  - General Obligation and Revenue bonds
  - Portion of property tax receipts