

WATERFRONT REDEVELOPMENT PROJECT UPDATE:

I know many of you are anxious to hear the update on the proposed waterfront redevelopment project as the 2005 Option Agreement expiration date was last Friday. We have been working hard on this project and I'd like to read the following statement:

First, let me tell you what the Port has been working on. For the last 3 months, the Port has been discussing with the developers the possibility of narrowing the proposed waterfront project to a smaller footprint of 14.7 acres, often referred to as the 6th Street property.

This would involve a new agreement to replace the 2005 option agreement.

The Port also planned to take this revised development proposal to the Waterfront Advisory Committee, as well as make it available for public comment.

This smaller footprint was proposed for the following reasons:

- 1) The land is all port owned and previous studies have shown that mixed used is appropriate for this site.
- 2) It will establish an anchor project that will tie in with possible future waterfront expansion.
- 3) This will also allow for time to work out details of a larger overall project, specifically pertaining to real estate acquisitions needed for a full build out.

We believe that this smaller scale project would give the community a chance to work with the Port on fulfilling a waterfront vision that was more cost effective and manageable.

Despite all the hard work and good intentions to reach consensus, it is unfortunate that both parties were unable to arrive at a mutually acceptable agreement to proceed with the project.

We are committed to the Port's mission of improving economic and recreational benefits to our waterfront with our community partners.

On behalf of the Port Commissioners, I thank the WAC and the community for their participation, the port will determine future next steps in upcoming discussion.