

# West Hayden Island Financial Overview



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# Agenda

Financial Considerations

Analysis and Assumptions

Scenario Results

Risk Mitigation Concept

Questions

# Financial Considerations

Market risk and uncertainty

Long permitting and site preparation lag time makes WHI an  
“opportunity for the future”

Port has limited investment capital – need for public and  
private partners

Timing of investments v. revenues

# Port Financial Analysis

Multiple scenarios

Discount rate sensitive

Cost estimates provided by City consultant

Revenues based on today's market for similar Port tenancy

Port/public investment = site prep + mitigation ~\$97-\$140M

Private investment = terminal/rail ~\$164M

# Different Scenarios

## Port Base

- 10 year site prep/mitigation

- Cost of \$97M for development

- Revenues begin years 2025-31

## Consultant comments

- Lower discount rate

- Revenue and cost escalations 3%

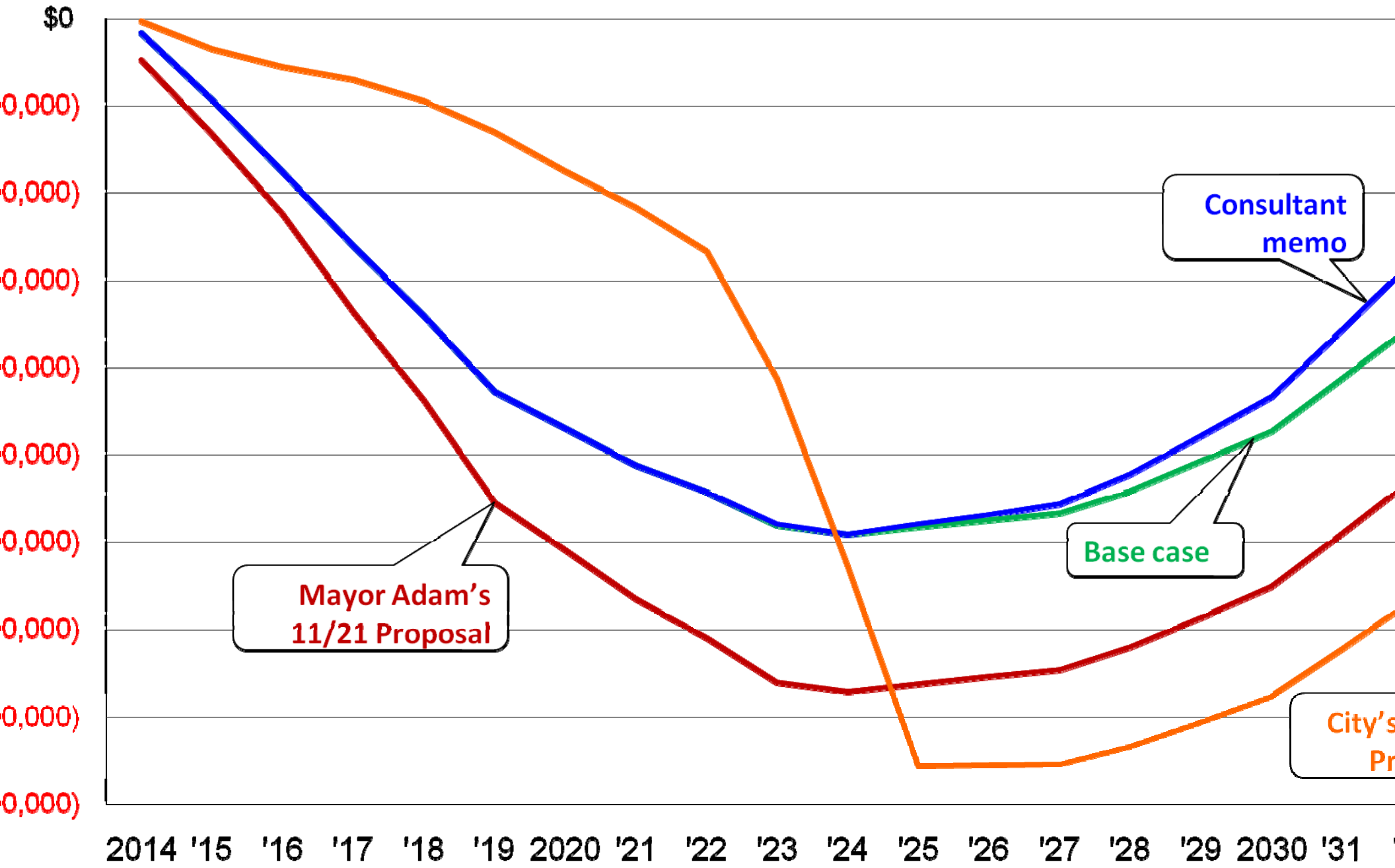
## Mayor Adams

- \$128M site prep/mitigation

## City Proposal

- \$139M site prep/mitigation

# 20 Year Cumulative Cash Flow



# Key Issues

All scenarios confront the same financial constraint— timing of costs relative to timing of revenues

• Payback range: 23 years (Consultant) to 32 years (City)

• Financial feasibility increases as risk/uncertainty decreases

• Port must successfully leverage Non-Aviation available capital with other public funding sources to cover site prep/mitigation costs

# Risk Mitigation Concept

Align site prep and mitigation investments with key planning/development milestones

Create mitigation fund to be capitalized by Port investments when milestones are met

Key milestones:

- Annexation

- Launch EIS process

- Lease agreements in place but prior to terminal construction



