



# Marine Terminal Temporary Warehouse

Alex Smith  
Executive Director  
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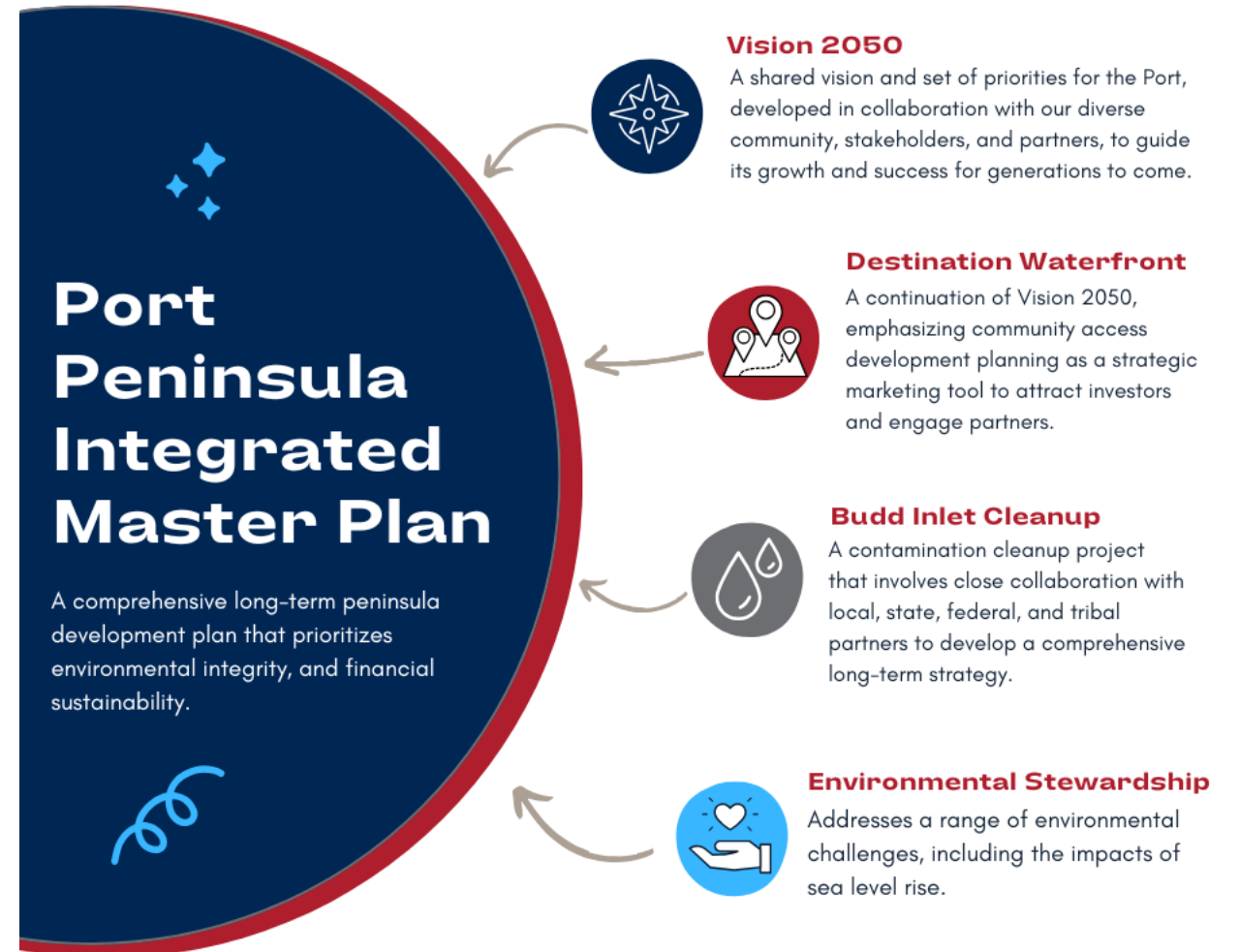


# Today's Presentation

- Port Peninsula Integrated Master Plan
- Proposed Temporary Warehouse
- How the Warehouse Fits into the Master Plan

# Peninsula Master Planning

- **What it Is –**
  - Part of the Port's Comprehensive Plan
- **Purpose –**
  - Identify the long-term vision for future land uses on the Peninsula
- **What it Does –**
  - Provides guidance for decision-making on development proposals







# Master Plan Area

- **Context area:** Areas for potential partnership
- **Primary area:** Master Plan Area
- **Transition area:** Areas for interlocal coordination



# Proposed Temporary Warehouse

## *Business Case*

- Existing 76,000 sq ft warehouse constructed in 1983
- Located just 175 feet from waterline
- Unique asset among ports in the region



# Proposed Temporary Warehouse

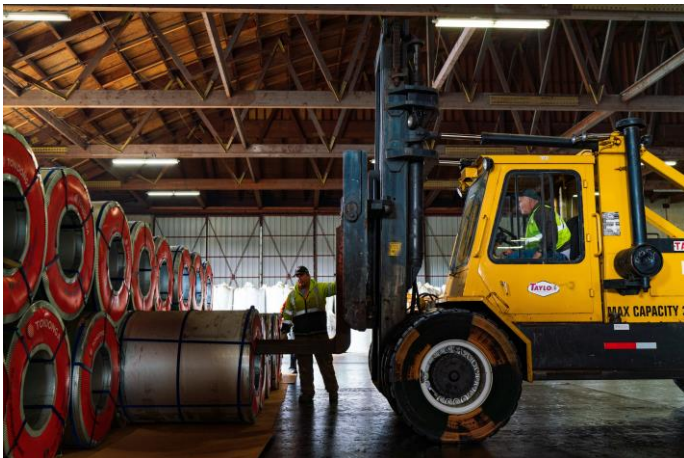
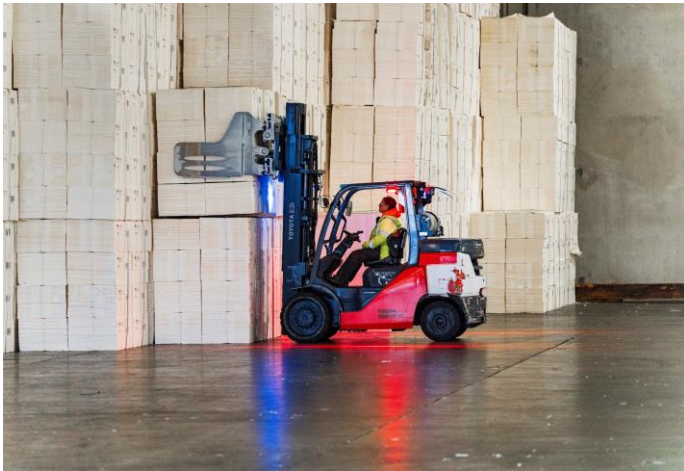
## *Business Case*

Terminal P&L											
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024*
Total Operating Revenue	\$ 7,428,039	\$ 3,989,718	\$ 4,832,755	\$ 4,809,676	\$ 4,221,759	\$ 4,030,091	\$ 4,656,922	\$ 5,283,148	\$ 8,761,812	\$ 6,552,758	\$ 5,447,326
Total Operating & Maintenance Expense	\$ (5,499,826)	\$ (2,911,566)	\$ (3,716,698)	\$ (3,849,252)	\$ (2,990,378)	\$ (3,148,236)	\$ (3,511,101)	\$ (3,816,231)	\$ (5,908,701)	\$ (3,941,415)	\$ (3,102,383)
Income before Depreciation, Interest Expense, & Overhead	\$ 1,928,213	\$ 1,078,152	\$ 1,116,057	\$ 960,424	\$ 1,231,381	\$ 881,855	\$ 1,145,821	\$ 1,466,917	\$ 2,853,111	\$ 2,611,343	\$ 2,344,943
Depreciation	\$ (1,429,815)	\$ (1,826,866)	\$ (1,934,808)	\$ (1,636,543)	\$ (1,703,704)	\$ (1,712,860)	\$ (1,707,300)	\$ (1,749,500)	\$ (1,793,868)	\$ (1,797,979)	\$ (1,204,351)
General & Admin	\$ (543,042)	\$ (655,953)	\$ (758,620)	\$ (668,217)	\$ (580,248)	\$ (741,416)	\$ (910,991)	\$ (564,891)	\$ (413,598)	\$ (910,921)	\$ (707,187)
Net Operating Income / (Loss)	\$ (44,644)	\$ (1,404,667)	\$ (1,577,371)	\$ (1,344,336)	\$ (1,052,571)	\$ (1,572,421)	\$ (1,472,470)	\$ (847,474)	\$ 645,645	\$ (97,557)	\$ 433,405
		*2024 figures through month end August									
Total Operating Income / (Loss) excluding G&A	\$ 498,398	\$ (748,714)	\$ (818,751)	\$ (676,119)	\$ (472,323)	\$ (831,005)	\$ (561,479)	\$ (282,583)	\$ 1,059,243	\$ 813,364	\$ 1,140,592



# Temporary Warehouse Business Case (cont'd)

## *Existing Warehouse Capacity Limits Port Revenue*



- Current customer's operational needs exceed existing capacity
- Additional capacity will generate significant additional revenue from existing customer right away
- Additional capacity will also provide opportunities for other customers

# Temporary Warehouse Proposal

## *Details*

- \$4 million total cost
- Source: Unrestricted cash reserves
- Breakeven period three to five years
- Material – rip stop fabric over a metal frame
- Will be built on a 4-6" concrete pad





# New Warehouse Location

*70,000 Sq Ft, Portable, Expandable*



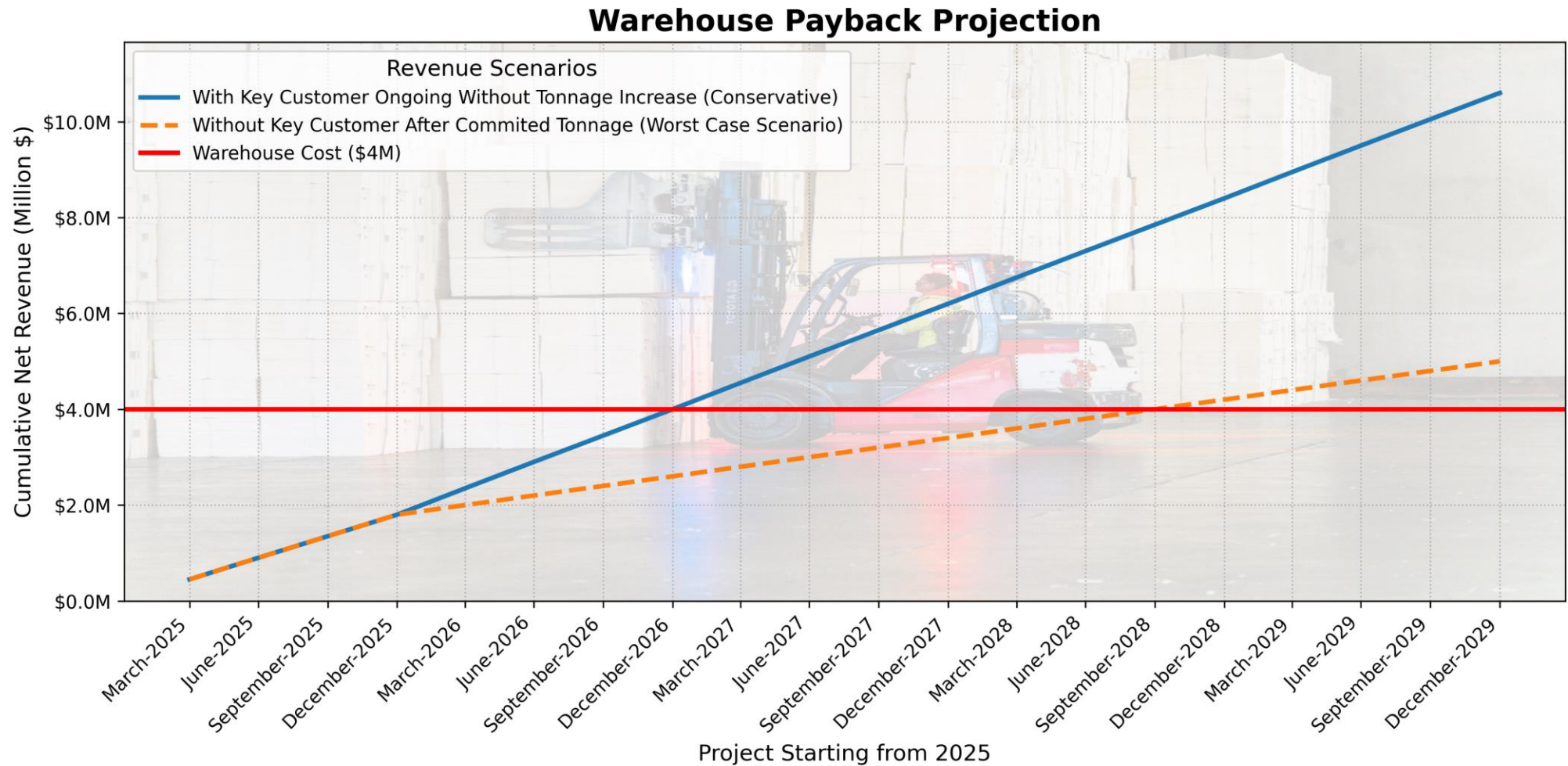
# New Warehouse Location *(con't.)*

*70,000 Sq Ft, Portable, Expandable*





# Projected Return on Investment



# How the Warehouse Fits with Master Planning

## *Details*

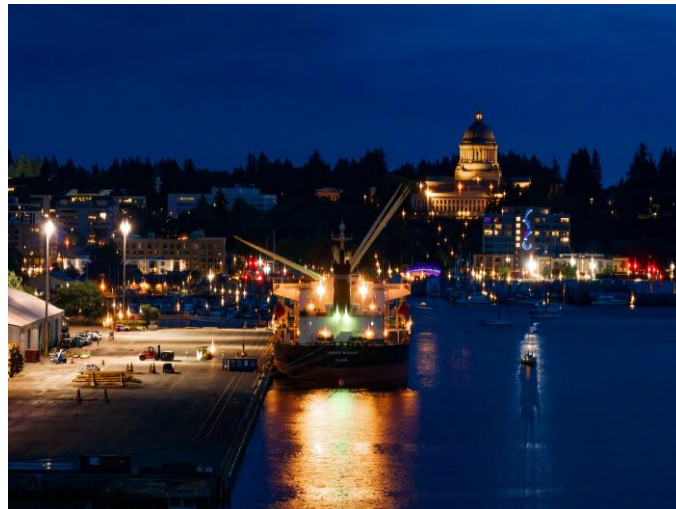
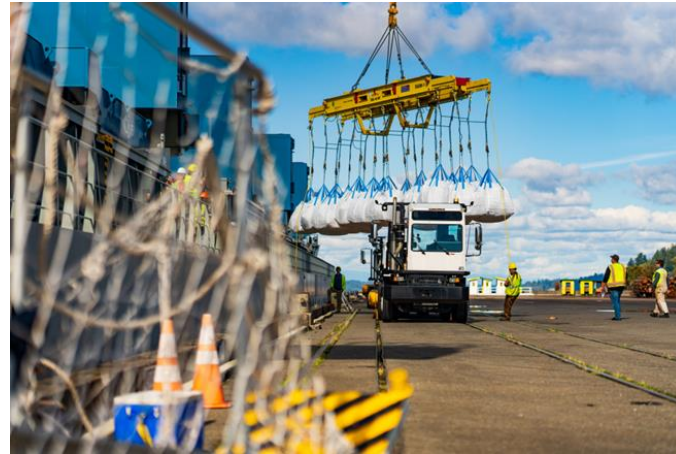


- The Master Plan is developing long-term vision for future uses on Marine Terminal
- We currently have contracts for operations on the terminal through 2032
- If decision is made for non-industrial future uses on the Marine Terminal, it will take time to make that transition
- While that happens, we want to try to generate revenue



# How the Warehouse Fits with Master Planning (*cont.*)

- The warehouse will **pay for itself in 3-5 years**, and be capable of generating revenue long after that
- The Port needs to **generate more revenue** for all Port initiatives and priorities
- If ultimately the Terminal transitions to non-industrial uses, the **warehouse can be taken down or repurposed**



# How the Warehouse Fits with Master Planning *(cont.)*



- Did we consider waiting until after the Master Plan was completed - **yes**
- Did we consider not building it - **yes**
- Did we consider how it fit with the Master Planning - **yes**



# Conclusion

- We recognize this is coming early in the Master Planning process
- Yet, staff presented us with a current revenue generating opportunity
- An opportunity that is compatible with whatever the outcome of the Master Plan
- In the meantime, it allows us to generate potentially significant revenue
- And it supports Marine Terminal staff who are finding ways to make the Marine Terminal profitable now, regardless of its long-term future

