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## Terminal 46 makeover? Port says it's not likely

*Commissioner Paige Miller said the port might have considered the idea before it decided to spend \$70 million upgrading the shipping terminal, but that opportunity has passed.*

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A new report commissioned by a Seattle developer shows redeveloping Terminal 46 into office, housing and retail would create nearly nine times more jobs than continuing to operate it as a cargo facility.

Frank Stagen, chief executive officer of Nitze-Stagen & Co., released the report to the Port of Seattle Commission on Tuesday.

Officials of the port, which owns the 89-acre terminal, said that while the terminal might one day be redeveloped, it won't happen anytime soon.

The port is spending \$70 million to upgrade T-46 for the agency's largest shipping customer, Hanjin. Last year, Hanjin signed a 10-year lease for the property and has an option to extend that by five years, according to a port spokesman.

Stagen is part of a group of developers that has proposed a massive redevelopment of areas along the waterfront, and in the Pioneer Square and Sodo neighborhoods. Among the other developers are Greg Smith and William Justen.

When the group released its proposal last year, port officials were surprised and miffed.

"I think I was told, 'You don't own one spoonful of the dirt and (asked) what are you doing with it?'" Stagen recalled.



Nitze-Stagen wants to build a "sustainable urban community" on the T-46 site.

He and port officials exchanged some barbs, with port Chief Executive Officer Mic Dinsmore saying that Stagen "berated" him and other port officials for their reactions.

But at yesterday's meeting, conviviality reigned.

"You have helped us to think about our property," said a smiling Paige Miller, commission president.

She said that before the port decided to invest \$70 million to upgrade the shipping terminal, it might have considered the developers' concept. But that opportunity has passed, Miller said, and, "It won't be considered in the near future."

Other commissioners concurred, questioning whether the people of King County want to see the area turned into a boutique waterfront.

Nitze-Stagen has proposed what it is calling a sustainable urban community that would total 7.4 million square feet.

Included are nearly 2.2 million square feet of high-end condos; 2.3 million feet of market rate condos and apartments; 150,000 feet of retail; 1.8 million feet of office, including some 20-story buildings; a "luxury, iconic" hotel; an arena for the Sonics basketball team and other events; a state "trade conservatory;" a new cruise ship terminal; and 32 acres of parks.

Stagen, who thinks it would take 12 to 15 years to complete the redevelopment, has proposed relocating Hanjin's operations to another part of the waterfront.

Nitze-Stagen hired Paul Sommers to conduct the study, which is at [www.vision-46.com](http://www.vision-46.com). Sommers, who is with the Institute of Public Service and Seattle University's Albers School of Business, concluded Nitze-Stagen's plan would generate 5,400 temporary construction jobs and 33,866 permanent jobs, including spinoffs. This is nearly nine times that what the port projects from future Hanjin operations.

The annual payroll from the Nitze-Stagen concept would surpass \$1.35 billion, or almost 7.5 times the payroll from Hanjin's activities.

The annual leasehold income to the port for a redeveloped terminal would be \$50 million compared with \$6.8 million from Hanjin.

The commissioners were unmoved. They noted T-46 is a natural deep-water port. "I can't move Terminal 46 to North Bend," Commissioner Lawrence T. Molloy said. He added the terminal should remain a section of working waterfront.

Stagen called the commission's reaction "traditional and predictable." He said redevelopment will occur and stood by his 12- to 15-year projection, even though Commissioner Alec Fisker called that "very aggressive and optimistic."

"I think it will happen before that," Stagen said. "At least I dream about it happening before that."

