

REQUEST FOR PROPOSALS

International Container Cargo Support Facility

24.5 Acres in the Port of Tacoma

New Turn-key Facility – Ready in 2024

Responses Due by November 13, 2023



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INTRODUCTION AND BACKGROUND

OFFERING HIGHLIGHTS

- **Rare opportunity to lease and operate a fully-developed 24.5-acre yard space owned by the Port of Tacoma in support of Northwest Seaport Alliance cargo business.**
- **Five international and domestic container terminals nearby**
- **Easy access to major North-South/East-West freight corridors (I-5, I-90, SR-509, SR-167, SR-16) and within minutes of the 2nd largest concentration of warehousing on the US West Coast**
- **Available for occupancy in 4th Quarter 2024 (estimated)**

PORT OF TACOMA

Founded in 1918, the Port of Tacoma is located in Pierce County, Washington. The Port serves Pierce County citizens by promoting trade, supporting family-wage jobs, and improving the environment. The Port supports more than 42,100 jobs and generates nearly \$3 billion in economic activity annually.

Five Port Commissioners, elected by Pierce County voters, serve as the Port's board of directors. The Commission sets the Port's strategic direction and delegates the implementation of the Strategic Plan to the Port's Executive Director who, in turn, works closely with Port staff to carry out the plan's goals and strategies.

The Port of Tacoma has licensed management of its five container terminals, along with other marine cargo related facilities, to The Northwest Seaport Alliance (NWSA). The Port's other business activities include a grain terminal and industrial real estate.

THE NORTHWEST SEAPORT ALLIANCE

The Northwest Seaport Alliance (NWSA) is a port development authority in Washington State acting on behalf of the Port of Seattle and Port of Tacoma. It is the first port development authority of its kind in North America.

The NWSA is governed by the two ports as equal members ("Managing Members"), with each Managing Member acting through its elected commissioners. The Ports remain separate entities and retain ownership of their respective assets, with management and operations of marine cargo terminals licensed to the NWSA.

The NWSA manages and operates a total of 8 international and domestic container terminals in the Seattle (3) and Tacoma (5) harbors on behalf of the homeports, along with a number of other cargo facilities that support non-container (breakbulk, bulk, RO/RO, autos) and intermodal cargo operations.

CONTAINER OPERATIONS

The NWSA is North America's 7th largest container gateway and a primary West Coast gateway for the Transpacific trade. It is also a major gateway to Alaska and Hawaii; more than 80% of trade between Alaska and the lower 48 states moves through NWSA harbors. In 2022, the NWSA handled nearly 3.4 million TEUs of containerized cargo.

Total Container Volume 2022 (TEUs)

	EASTBOUND	WESTBOUND	TOTAL
International	1,330,184	1,319,358	2,649,542
Domestic (Alaska/Hawaii)	357,199	377,278	734,477
TOTAL	1,687,353	1,696,636	3,384,018

Seattle-Tacoma is the closest US container gateway to Asia, making it a frequent choice for first and last port of call transpacific ocean services because of the shorter ocean transit times. International ocean carriers offer 16 international vessel services via NWSA terminals with direct calls at 53 major trading ports in NE and SE Asia, Latin America, Europe & The Mediterranean, Oceania, and the Middle East.

The NWSA continues to grow in importance for importers as a location for warehousing and distribution activities. NWSA terminal facilities are located within a short distance of the 2nd largest concentration of industrial warehousing on the West Coast and part of a robust regional supply chain eco-system of over 100 transload warehouses and other logistics service providers. Efficient on-dock rail facilities and rail service via two Class 1 railroads also make the NWSA a primary gateway for intact intermodal cargo destined for major distribution centers and consumer markets in the Midwest and beyond.

The NWSA is the nation's leading export gateway for a variety of dry and refrigerated containerized agricultural commodities. The NWSA is the second largest U.S. export gateway for refrigerated containerized cargo (fourth largest overall) due to its proximity to Eastern Washington agricultural markets and the abundance of warehouse capacity for storage of frozen and chilled commodities near port facilities (2022). The NWSA also has more near-terminal transload capacity for agricultural products than any other U.S. West Coast port gateway. Export volumes are supported by a growing network of inland rail hubs connecting the Port with agricultural shippers in Minot, ND, Pocatello, ID, and Millersburg, OR.

RFP OVERVIEW AND SITE SPECIFICATIONS

RFP SUMMARY

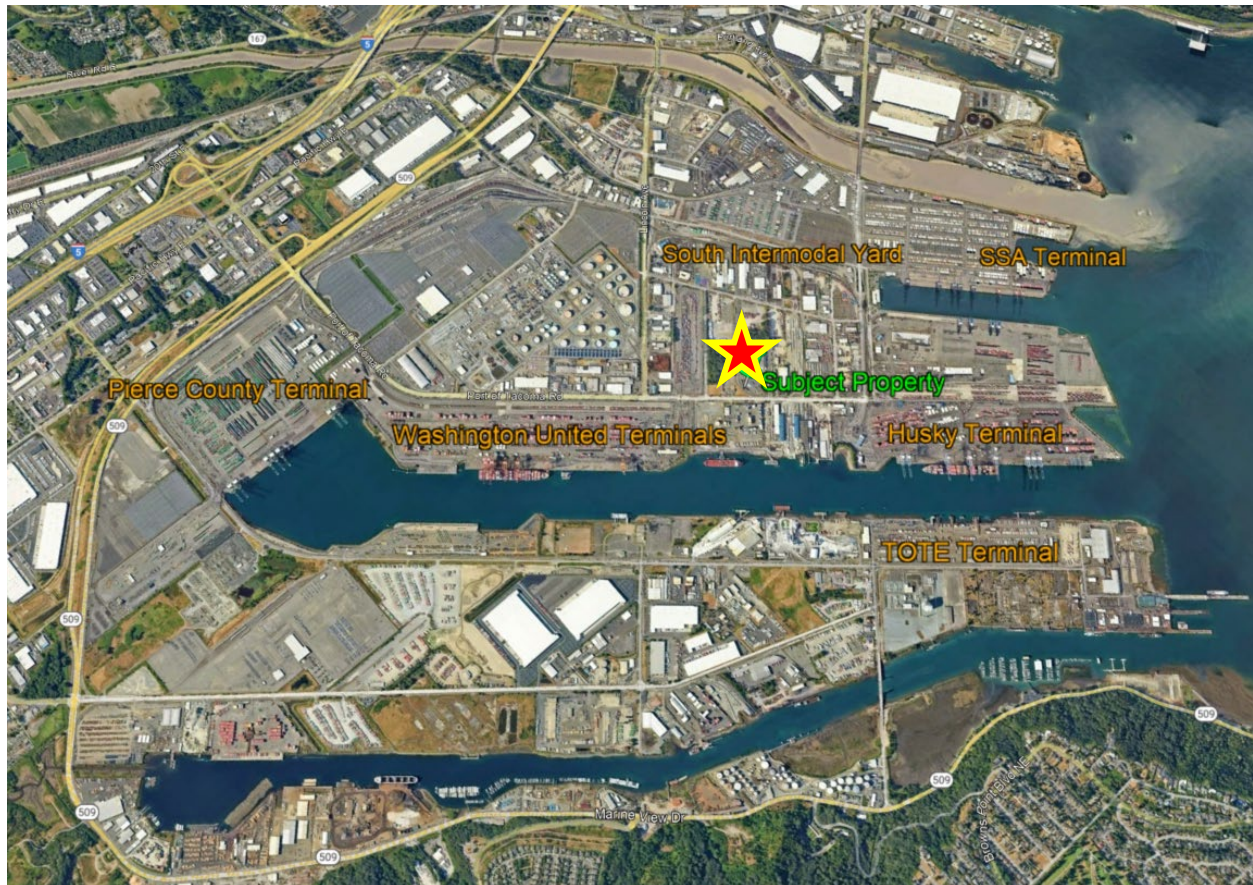
This is a Request for Proposals to lease and operate a 24.5-acre Facility supporting INTERNATIONAL CONTAINER CARGO operations in Tacoma. The Port of Tacoma is investing approximately \$50 Million to develop the Facility. **The Facility is intended to increase fluidity of marine terminals by providing a non-waterside area for storage, staging, prepping, and processing containers and chassis.**

Additional objectives for this unique opportunity include:

- Support water-borne marine cargo growth and increase economic activity in the region.
- Improve the fluidity, efficiency, and reliability of containerized cargo movement.
- Maximize the use of the NWSA's deep-water facilities and industrial lands for maritime industrial uses while demonstrating continued commitment to the environment.
- Create a positive economic impact for the region – jobs, business revenues, and tax base increase.
- Enhance logistics capabilities and the overall supply chain eco-system in the gateway and for Washington State.

Transaction Type: The Port of Tacoma is seeking a lease term of 5 to 10 years for a single operator of the entire site. A longer-term lease may be considered should significant capital investment be required of the Respondent.

SITE OVERVIEW



Location: Four parcels located between Port of Tacoma Road and Thorne Road, north of Maxwell Way.

Address: 1702 Port of Tacoma Road (Parcel Number 6965000380)
2339 Maxwell Way (Parcel Number 6965000390)
1721 Thorne Road (Parcel Number 6965000400)
1451 Thorne Road (Parcel Number 6965000350)

Acreage: Approximately 24.5 acres

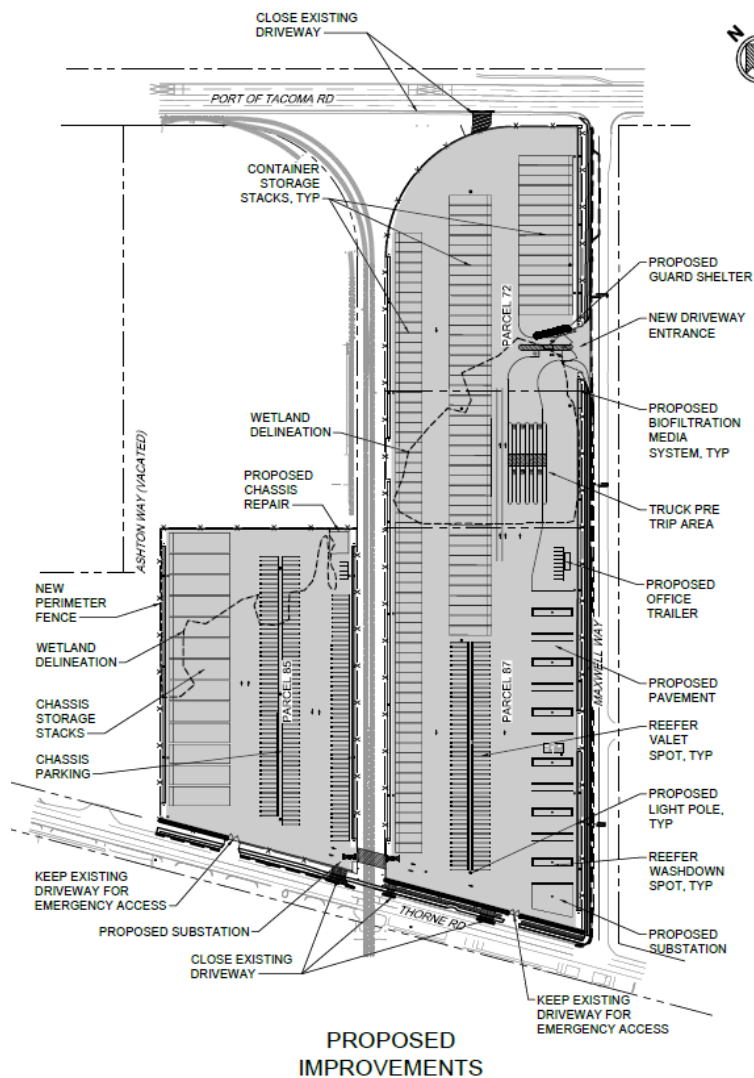
Site Highlights: Level, street grade, paved site on a heavy-haul corridor in close proximity to Washington United Terminals, Husky Terminal, and Pierce County Terminal, West Sitcum Terminals (SSA/Matson). All improvements will be completed in 2024, in compliance with all current development regulations.

DEVELOPED SITE DESCRIPTION

The developed site will accommodate:

- Empty container and chassis storage
- Wheeled reefer valet drop-off location
- Office trailer
- Site lighting and power
- Single-high reefer pre-trip wash facility
- Guard shelter (Maxwell Way)
- Perimeter security fencing
- Security infrastructure (Camera-ready)

Facility Site Plan



Access and Transportation

Primary vehicle access: Main access to the Site will be from Maxwell Way.

Rail access: The Site is located within a half mile of the BNSF and UP's domestic rail operations at the South Intermodal Yard (SIM).

Highway access: The Site benefits from close proximity and grade-separated access to SR-509 and the key north-sound roadway corridors of I-5 and SR-167.

Heavy Haul Corridor: Located with the City of Tacoma's Heavy Haul Network:



LEGEND

- HEAVY HAUL CORRIDOR ROUTES
- SR 509 (A STATE PERMIT IS REQUIRED FOR SR 509)
- SUBJECT PROPERTY

Utilities

The Site is located within a region known for its inexpensive electricity and water. Utilities are provided to the Site. The Facility is supported by major utility infrastructure, and will be serviced by:

Electrical: Electrical service is provided by Tacoma Public Utilities (TPU). There is a substation nearby that will feed into a dedicated transformer serving the entire facility.

Water/Sewer: Water service is provided by TPU, and sewer is provided by the City of Tacoma. The water/sewer services are billed directly by TPU.

Stormwater: Stormwater support is provided by the Port of Tacoma Environmental and Planning Department, which helps with surface water and stormwater management and pollution control at Port of Tacoma facilities.

Telecommunications: This Site has several potential telecommunications service providers.

Zoning and Regulatory Review

The facility will be delivered ready for the proposed use, which is consistent with the City of Tacoma's Port Maritime Industrial zoning. A variety of commercial, industrial and logistics uses are permitted outright in the zone and are expected to include extended operating hours, heavy truck traffic and higher than average levels of intensity. The purpose of the zone is to allow sufficient flexibility to support cargo shipping demands and schedules.

Environmental

Both the NWSA and the Port of Tacoma have adopted the 2021 Northwest Ports Clean Air Strategy, setting the direction for air quality and sustainability for the next 30 years. The expected air emissions related to the operation of the International Container Cargo Support Facility such as emissions from cargo handling equipment and trucks must be minimized using cleaner fuel technologies and best practices to reduce seaport-related emissions that contribute to air pollution in the surrounding area. The NWSA has implemented a Clean Truck Program to reduce air emissions from trucks servicing the NWSA international cargo container terminals which may be expanded to include other facilities such as the International Container Cargo Support Facility.

Respondents must demonstrate how they will comply with the Clean Air Strategy, which can be found here: [Northwest Ports Clean Air Strategy](#).

Stormwater

Many marine industrial operations require an Industrial Stormwater General Permit ("ISGP") administered by the State of Washington Department of Ecology to meet Federal Clean Water Act requirements. This Site is currently covered by the Port of Tacoma's Municipal Storm Separate Storm Sewer (MS4) permit under the Federal National Pollutant Discharge Elimination System (NPDES) program. The respondent will provide the Port of Tacoma with a Stormwater Pollution Prevention Plan (SWPPP) to meet the MS4 Permit requirement. Activities such as vehicle maintenance, mobile fueling, and equipment may trigger additional permits such as an ISGP for the Facility. In the event that the respondent's proposed use requires ISGP coverage, respondent shall be fully responsible for permit compliance.

Noise

All industrial activities must meet City of Tacoma, Washington noise ordinances. Please refer to [Tacoma Municipal Code Chapter 8.122](#).

PROPOSAL REQUIREMENTS AND SUBMISSION PROCESS

SUBMISSION OF RESPONSES

Responses to this RFP are due **on or before November 13, 2023**

REQUIRED: Electronic responses are required.

Electronic responses must include in the subject line “RFP – Thorne Road Container Support Facility” and should be sent to realestate@nwseaportalliance.com

E-mail responses should be no larger than 10MB or sent in separate responses clearly labeled email 1 of 3, email 2 of 3, email 3 of 3, etc. DO NOT submit .ZIP files or “Drop Box” documents as they will be rejected. Proposals shall be formatted in searchable PDF format. Neither NWSA nor the Port of Tacoma is responsible for the Respondent’s technical difficulties in submitting responses electronically. Late submissions of responses may not be evaluated.

OPTIONAL: Written paper responses, in addition to the required e-mailed response, are optional and should be mailed to the P.O. Box or delivered to the Reception Desk at the address shown below:

The Port of Tacoma & The Northwest Seaport Alliance Administrative Building
Attn: RFP – International Container Cargo Support Facility
P.O. Box 1837
1 Sitcum Way
Tacoma, WA 98421

All costs associated with the preparation, submittal and delivery of a response and any presentation materials are the responsibility of the respondent.

Proposers shall promptly notify NWSA of ambiguities, inconsistencies, or errors, if any, which they may discover upon examination of the RFP terms and conditions. Said notification should be sent to: realestate@nwseaportalliance.com with the subject line “RFP-Thorne Road Container Support Facility”.

RESPONSE REQUIREMENTS

Responses must include the following:

Respondent Qualifications:

- Name and entity type of the Respondent, including business ownership and organizational governance structure. Include name of person who is authorized to submit the proposal on behalf of the firm.
- Company history and relevant background information.

- Leadership team experience and certifications. Describe each team members anticipated role in the operation of this facility.
- Summarize your company's Diversity, Equity, and Inclusion policies and initiatives.

Proposed Business Model:

- Include a narrative description of how you intend to operate this Facility. This description must include an overview of your organization and a detailed business plan for initiating and sustaining operations throughout the lease term including, but not limited to:
 - Relevant management and operational qualifications, including certifications;
 - Financial overview of respondent's current facilities, if any;
 - Pro-forma financial statements of proposed Facility operations;
 - Intended source of capital required for the operation of this site

Proposed Lease and Financial Terms:

- Desired length of initial lease term and any extension options;
- Lease commencement date;
- Annual rent (may be fixed, or fixed and variable);
- Annual escalation

Estimated Economic and Environmental Impact:

- Describe the estimated economic impact of the proposed business activity, including but not limited to:
 - Number of jobs expected on site;
 - Types of jobs on site;
 - Estimated annual salary and benefits expense
- Describe the estimated environmental impact of the proposed business activity, including but not limited to:
 - Estimated electricity and water usage;
 - Estimated air emissions footprint

RESPONSE GUIDANCE

The following comments are intended to assist in the formulation of the proposal:

Lease Terms Guidance

- **Condition of Site:** The site will be delivered as shown above. Any additional improvements will be the responsibility of the Lessee.
- **Lease Term:** The initial lease term will be a minimum of 5 years with consideration of up to two (2) 5-year options to extend, subject to mutual agreement of the parties. Significant capital investment by lessee will be a consideration for the term of lease.
- **Expenses:** The Port of Tacoma desires an "absolute net" lease structure in which the lessee is responsible for all capital, operating and maintenance costs related to the site.
- **Rent:** The Port of Tacoma will consider proposals for a rent structure based upon current market rents. The Port of Tacoma considers a minimum of \$.25 per square foot per month.

- **Leasehold Excise Tax:** In lieu of property taxes, lessee will pay Washington State leasehold excise tax, which is currently equal to 12.84% of applicable base monthly rent.
- **Security Deposit:** Lessee will pay a security deposit equal to twelve-months base rent *plus leasehold excise tax*. The form of payment is subject to the Port of Tacoma’s approval.
- **Brokerage Commission:** The Port of Tacoma is not represented by a broker in this transaction and lessee is responsible for any commissions to brokers that it hires. The Port of Tacoma prefers direct engagement with the lessee.
- **Insurance:** The lessee shall be required to secure and maintain liability and other appropriate insurances during the term of the lease and extensions thereof. The Port of Tacoma and the NWSA shall be named as additional insured and be provided at least forty-five (45) days prior written cancellation notice.

Desired Qualifications and Business Activities

The Port of Tacoma and the NWSA seek respondents with good financial standing, experience with international marine cargo businesses and a commitment to strengthening and growing the Pacific Northwest economy.

The Port of Tacoma and the NWSA desire support for marine cargo business activity for this Site. Though not exhaustive, the following are examples of desired cargo activities:

- International container staging
- Off-dock international container yard operations
- Transloading
- Other international container cargo support services

Other Guidance

Respondents are responsible for determining the appropriate labor jurisdictions affecting the Facility and for avoiding labor disruptions arising from respondent’s activities at the Facility.

SELECTION PROCESS

Schedule*

EVENT	ANTICIPATED DATE
RFP Issue Date	September 15 th , 2023
Site Tour	October 17 th , 2:30pm; Registration required
Questions Due to NWSA/Port	Oct. 17 th , 2023
NWSA/Port Answers to Questions	Oct. 25 th , 2023
Proposals Due	November 13 th , 2023
Agreement Execution	First Quarter 2024 with anticipated effective date of Fourth Quarter 2024

**This Schedule is subject to change by the NWSA at its sole discretion. All Respondents will be notified of any changes and/or modification made to this schedule.*

Rating Scale

The selection process is based upon the “Response Requirements” section above and weighted in terms of importance as follows:

ITEM	CATEGORY	POINTS
1	Respondent Qualifications	30
2	Proposed Business Activity	30
3	Proposed Lease and Financial Terms	20
4	Expected Economic Impact	10
5	Expected Environmental Impact	10
TOTAL POINTS		100

The Port of Tacoma intends to enter a non-binding Letter of Intent (“LOI”) with the RFP awardee while lease terms are finalized. In the event that a non-binding LOI cannot be finalized with the top ranked respondent within 60 days after the RFP award date the Port of Tacoma reserves the right, at its sole discretion, to enter into negotiations with the next-highest-ranked respondent, call for new proposals, or discontinue this selection process.

Any term lease resulting from this RFP shall be subject to Final Approval by the Port of Tacoma Commission.

Communication and Questions

Respondents are strongly encouraged to submit any and all questions and requests as soon as practical. **All questions and requests for clarification and/or interpretation regarding this RFP shall be submitted by email to The Northwest Seaport Alliance, realestate@nwseaportalliance.com, by no later than 12:00 noon (PST) on Monday, October 16th, 2023.** Questions received after this date will not be considered. Written responses to questions from Respondents will be provided to all Respondents who have registered to receive e-mail correspondence for this RFP via the Port of Tacoma web site (<https://www.#####6>). **Final questions concerning the RFP must be received by the Northwest Seaport Alliance no later than 12:00 noon (PST), on Monday, October 16th, 2023.** Final responses to questions will be provided by November 13, 2023.

Competitive Integrity

The NWSA and the Port of Tacoma maintain a neutral competitive environment for all respondents to protect the integrity of the selection process. A potential respondent, or anyone on its behalf, may only contact the authorized Port of Tacoma representative concerning this RFP from the release date until the Port of Tacoma executes an agreement. Any communication concerning the content of this RFP by a potential or actual respondent, or anyone on its behalf, with any NWSA, Port of Tacoma, or Port-elected official or employee other than the Port of Tacoma representative may result in the rejection of that respondent’s response.

Port of Tacoma Rights

The Port of Tacoma reserves the right to accept or reject any or all responses in their entirety or in part and to waive informalities and minor irregularities and to contract as the best interest of the Port of Tacoma may require. During the evaluation process, if the Port of Tacoma determines that a particular requirement may be modified or waived and still allow the Port of Tacoma to substantially meet its needs, then the requirement(s) may be modified or waived. The Port of Tacoma reserves the right to contact any Respondent to seek clarification, to ask any or all Respondents to submit additional information, or to request modified responses after the submission deadline.

Public Disclosure

As a public agency, the Port of Tacoma is subject to the Washington State Public Records Act, Chapter 42.56, Revised Code of Washington (RCW). As such, the Port of Tacoma may be required to disclose information provided in respondent's response. If Respondent seeks to prevent the disclosure of its documents as part of a public disclosure request, Respondent shall be responsible for and bear all costs of taking legal action to prevent the disclosure. In no event shall the Port of Tacoma be liable to Respondent for disclosure of Respondent's documents the Port of Tacoma deems disclosable under Chapter 42.56 RCW.