

OFFICE OF THE CITY CLERK
2006 JUL 18 PM 5:35

CITY OF OAKLAND

AGENDA REPORT

TO: Office of the City Administrator
ATTN: Deborah A. Edgerly
FROM: Community and Economic Development Agency
DATE: July 18, 2006

RE: **Supplemental Report Requesting City Council Direction Regarding Adaptive Reuse of the Henry J. Kaiser Convention Center with Regard to a Proposal by the Trade Center Development Corp. and the Bay Area World Trade Center to Execute a Long-Term Lease for the Henry J. Kaiser Convention Center, Located at 10 Tenth Street, Oakland, for the Purpose of Developing a World Trade Center at the Site**

SUMMARY

At the June 27, 2006 Community and Economic Development Committee (CEDC) meeting, committee members reviewed a proposal (see Attachment "A") to consider adaptive reuse of the Henry J. Kaiser Convention Center for development of a World Trade Showcase Center. The following options were presented to the Committee:

1. **Option #1:** That the City Council direct staff to develop a resolution authorizing a 120-day exclusive negotiating agreement ("ENA") with Trade Center Development Corp. ("TCDC"), a State of Florida C-corporation, and the Bay Area World Trade Center (BAWTC) to develop and execute a long-term lease with the City of Oakland to renovate the Henry J. Kaiser Convention Center ("Center"), located at 10 Tenth Street, for the purpose of developing a World Trade Center. The resolution also authorizes the City Administrator to extend the ENA for an additional 120 days if the developer is diligently pursuing the project but is unable to complete the entitlements and negotiate a disposition and development agreement ("DDA") within the first 120 days.

If staff is directed to pursue this option, a supplemental report and a resolution requesting authorization to negotiate, execute and enter into an Exclusive Negotiating Agreement would be completed prior to presentation to the full Council for approval on July 18, 2006.

In exchange for investing approximately \$65-70 million into renovation of the Center, TCDC requests the following from the City: (1) A market rate, long-term lease of not less than 50 years; and (2) staff assistance to fast-track the permitting

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process in order to meet the 18-month construction to notice-of-completion time frame required by the developer.

2. **Option #2:** That the City Council delay consideration of the TCDC proposal until after the final cost and feasibility analysis for the new Main Library is completed and presented to the City Council in July 2006, and the Council makes a determination whether or not to proceed with the Library Plan. Library staff is currently working on finalizing cost estimates for adapting the Kaiser Center as a new Main Library, and the July report will include reuse recommendations and a proposal regarding implementation of the full Master Plan for the Library system city-wide, including financial analysis, capital costs, operational costs, funding strategies and project phasing.
3. **Option #3:** Direct staff to obtain more information on the financial capacity of TCDC, project funding, and market assessment, resulting in the development of a comprehensive feasibility analysis. Additionally, staff would review other potential Oakland real estate sites, developed and undeveloped, to determine the feasibility of locating the WTC elsewhere, primarily in the downtown. This analysis would be conducted simultaneously with finalization of the Library Master Plan analysis, with recommendations and final report to Council in July 2006.
4. **Option #4:** Reject the TCDC/BAWTC proposal in favor of moving forward with the proposed plan for conversion of the Kaiser Center into the new Oakland Main Library.

The CED Committee directed staff to continue to research the proposed project as provided for under Option #3. This supplemental report is provided in response to that request.

Should the City Council direct staff to proceed with an Exclusive Negotiating Agreement as identified under Option #1 of the original report, staff requests that City Council direct staff to develop a resolution authorizing a 120-day exclusive negotiating agreement ("ENA") with Trade Center Development Corp. ("TCDC"), a State of Florida C-corporation, and the Bay Area World Trade Center (BAWTC) to develop and execute a long-term lease with the City of Oakland to renovate the Henry J. Kaiser Convention Center ("Center"), located at 10 Tenth Street, for the purpose of developing a World Trade Center. The resolution also would authorize the City Administrator to extend the ENA for an additional 120 days if the developer is diligently pursuing the project but is unable to complete the entitlements and negotiate a disposition and development agreement ("DDA") within the first 120 days.

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The report and resolution would be brought to the City Administrator for approval on behalf of the City Council during the Mayor's Summer Recess in order to meet the development timelines requested by the developer and BAWTC, and to minimize the time under which the Kaiser Convention Center remains empty and subject to deterioration and potential vandalism.

FISCAL IMPACT

Fiscal impacts remain unchanged from original June 27, 2006 report.

BACKGROUND

World Trade Center Assn. and the World Trade Center License

A. *The Mission of the World Trade Center Association*

The mission of a World Trade Center is to bring together businesses and government agencies involved in foreign trade. It is a one-stop trade information hub where an international business person is offered the full range of services such as market research, WTCA OnLine, trade shows & exhibit space, business services, trade education, group trade missions and WTC clubs. World Trade Center licenses are sold and managed by the World Trade Center Assn. (www.world.wtca.org) located in New York.

At present, there are 288 WTC's worldwide. On the west coast, these include locations in Long Beach, Los Angeles, Vancouver (Canada), Orange County, Anchorage (Alaska), Honolulu (Hawaii), San Diego, Sacramento, Inland Empire (Palm Dessert). Only the Long Beach, Vancouver, San Diego, and Los Angeles locations have facilities; and of the four, only the Long Beach and Vancouver WTC's are located in Class A office buildings.

WTC's in North America are typically developed by an individual commercial developer through purchase of a license to operate a for-profit or non-profit World Trade Center organization, which in turn enables the new building to be identified as a World Trade Center. Municipalities often partner with these developers as the World Trade Center identification is viewed as an economic development catalyst, enabling a city to position itself internationally, primarily as a business development tool for its own businesses. Secondly, the WTC trademark attracts international businesses because of the credibility offered by the WTC name. Office space typically makes up these new buildings, and tenancy is not necessarily restricted to organizations dealing in import or export trade.

B. *The Proposed World Trade Showcase Center*

The proposed project is not a typical WTC. TCDC and the BAWTC are proposing to develop a World Trade *Showcase* Center. Oakland's WTSC would be the first of its kind in North America, and is modeled on the Taipei WTC in Taiwan (see Attachment "B"). At the Taipei WTC, 1567 display booths exhibit made-in-Taiwan items, offering a comprehensive look at what local manufacturers are producing. On the upper floors, 898 office/showrooms permit buyers to look at import product displays, talk with company representatives, collect samples, and receive quotations – without having to leave the World Trade Center.

The WTC proposal envisioned for the Kaiser Convention Center, while not quite as large, would follow the Taipei model. The entrance to the WTSC would feature an open atrium, from the floor of the existing Convention Center to the newly restored skylights at the ceiling. The first level would contain 27,000 s.f. of Exhibition Space. The second and third levels would contain showroom suites, with a total available space of approximately 65,000 s.f. The fourth level would contain approximately 27,000 s.f. of office space (see Attachment "C"). In addition the two club rooms would be renovated for business use, and the symphony hall would be available for use by international speakers, cultural venues and other local, public events.

Consulates from a number of countries have expressed interest to TCDC and BAWTC representatives regarding tenancy in the Oakland WTSC space, including China (including Hong Kong), Japan, Vietnam, Turkey, and Mexico. The Chinese consul has informed BAWTC that several European countries are interested in working with the Chinese entities to foster a trade cooperation program between the U.S., China and the European Union. The Oakland WTSC would be a natural participant in this program, potentially adding another 25 European countries to the list of interested tenants.

The exhibition and showcase venues, unlike other World Trade Centers that primarily feature office space, are proposed to draw people from throughout North America interested in increasing international business opportunities through its unique, direct, hands-on contact with suppliers in the exhibition and showcase areas. Additionally, Importers and Exporters, Wholesalers, Retailers, etc. from the participating International countries could come to the Center to take advantage of increased business opportunities in Oakland and the United States in general. The Center should also attract foreign trade delegations, consul generals, trade representatives, diplomats, and general international tourism.

The location of the World Trade Showcase Center at the Kaiser Center is envisioned by the developers to be the first of several phases of World Trade Center development. TCDC

representatives envision development of an additional 300,000 s.f. of showcase and office space in Oakland, preferably at sites close to the Kaiser WTSC.

How would the WTSC directly benefit the citizens of Oakland?

- The exhibition and showcase centers would be open to the public to enjoy the cultural and business opportunities afforded by the immediate connection with both Oakland and international businesses.
- The WTSC would be a place for Oaklanders interested in seeing the latest in consumer products. As proposed, individuals throughout Oakland and the region would be drawn by the trade shows for electronics, apparel, toys, software and video games, computers, appliances, etc.
- The restored Center, located alongside the restored Lake Merritt park area, adjacent to the new outdoor amphitheater, would attract art enthusiasts and other interested parties to view the proposed art galleries inside the WTSC. Fans of theater and music events, with both events and audience drawn to Oakland through the World Trade Association network, and people who are interested in hearing international speakers on various topics, will enjoy the restored Symphony Hall.
- The club rooms, similar to the New Orleans WTC Business Club and WTC's with business clubs, would provide comfortable and elegant meeting spaces for both local and international visitors, as well as a venue too showcase Lake Merritt's beauty, enhanced under the Measure DD improvements.

The multiple uses of the space will provide plenty of opportunity for Oakland residents to find a reason to visit the WTSC and the legacy Kaiser Center building.

Staff Research

A. Existing West Coast World Trade Center Associations in North America

The following is a list of existing West Coast World Trade Centers in North America. Those WTCA's with locations in actual World Trade Center buildings are identified in the column on the right:

World Trade Center Association	Location within a World Trade Center Building?
Anchorage WTC, Alaska	Facility Planned
Honolulu WTC, Hawaii	Facility planned, RFP currently out
Inland Empire WTC, Palm Desert	Facility Planned
Long Beach WTC, CA	One World Trade Center, Long Beach, class A office building with 573,300 SF of rentable building area
Los Angeles WTC, CA	World Trade Center Los Angeles, 350 S. Figueroa, Los Angeles, class B office building with 372,790 SF of rentable building area
Northern California WTC, Sacramento, CA	Facility Planned
Orange County WTC, CA	Facility Planned
San Diego WTC, CA	World Trade Center San Diego, 1250 Sixth Ave., San Diego, CA, class C office building with 50,000 SF of rentable building area
Seattle WTC, Washington	World Trade Center Seattle, 2200 Alaskan Way, Seattle, WA, class A office building with 69,507 SF of rentable building area
Vancouver, British Columbia, Canada	World Trade Centre Vancouver, 999 Canada Place, Vancouver, B.C., Canada, class A office space with hotel and convention center

None of the existing west coast WTC's include a showcase center, although the Vancouver WTC is included on TCDC's list of second-tier development sites.

B. References

While researching this project, staff had the opportunity to speak at length to Greg Moore of the Long Beach WTC; Bella Juele, Director Executive Director of the San Diego WTC; and Bob Dichiaro, Executive Vice-President of the World Trade Center Association (WTCA) in its New York headquarters.

Long Beach has its own World Trade Center, containing about 573,000 s.f. of office space, and has talked about developing a showcase at this site but has no plans yet. The San Diego Director emphasized in our discussion the importance of a World Trade Center building to provide credibility to a City's visibility on an international platform – that the existence of the building announces that “We Mean to Operate on an International Level”. While the San Diego WTC has only a Class C office facility at present, Ms. Juele is committed to upgrading her facility, and is very interested in the concept of a World Trade Showcase Center.

Staff's conversation with Bob Dichiaro, EVP at the New York WTC, revealed that the World Trade Center Association was originally created as part of the local Port Authority in 1970, and spun off as a non-profit organization in 1987. Mr. Dichiaro has been with the

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New York WTCA since inception. He expressed tremendous enthusiasm for the proposed project in Oakland, and offered the following key points during the conversation:

1. Mr. Dichiara is very familiar with the intent of TCDC and some of the individuals involved in the formation and implementation of this company, particularly Fred Frankel, Randy Avon and Edward Oppel, and endorses the experience level of the TCDC Board of Directors as supportive of TCDC's mission.
2. The original New York World Trade Center was funded by the Port Authority of New York and New Jersey through tax-free bonds as an economic development platform for international trade. The purpose was to introduce small and medium sized businesses to international trade, an opportunity that would be virtually impossible for them without the business assistance and centralized place offered by the World Trade Center.
3. The WTCA has financed studies that:
 - provide empirical evidence that World Trade Centers as real estate projects perform better than similar real estate projects in the same market;
 - provide case study and anecdotal information on how World Trade Centers have been developed and how they positively impact their neighborhoods;
 - provide standards for economic impacts and other informational tools that individual WTC's can use in their markets to calculate and communicate their value to their respective markets

Mr. Dichiara confirmed that WTCA studies have found that WTC's have a significant positive economic impact on their communities. The publication called *World Trade Centers: An Analysis of the Role They Play in Their Markets*, dated November 2001, discusses the results of those studies in six cities around the world: Boston, Dresden, Macau, New York, Sao Paulo and Taipei. This report was provided to staff by the BAWTC and referenced in the original report to Council dated June 27, 2006. Two of these cities, Sao Paulo and Taipei, are cities identified by Mr. Dichiara as having exhibition and showcase centers similar to those proposed for Oakland's WTSC. He also informed staff that WTCA has continued to measure the ongoing impact of these WTC's, and the updated information is expected to be published in a new report within three months.

4. Mr. Dichiara stated, "The whole goal is to maintain and increase the economic base. If you can take a company that has never had any contact with the international market, and show it how to reach this larger market, and provide a platform that makes it easier for it to do so, then you increase wealth, both for the business and its community, including the creation of jobs."

5. Mr. Dichiara also opined that, "Each World Trade Center created responds to its own market". There is no cookie-cutter formula for a WTC. The closest example to what is being proposed in Oakland is the former New York WTC, which had exhibition halls, conference center, offices, and a World Trade Institute that taught the business of world trade to students from around the world. The new Ronald Reagan WTC in Washington D.C. has convention facilities and trade facilitation, but does not showcase businesses. The Boston WTC has extensive office space, as does Long Beach, Vancouver, Los Angeles and others, but none have showcase centers.
6. The Seoul (Korea) WTC, which was not discussed in the 2001 World Trade Center report, also was identified by Mr. Dichiara as having exhibition and showcase space that could serve as a model for the Oakland WTSC, in addition to Taipei and Sao Paulo.
7. "Every Trade Center we have strengthens our network", Mr. Dichiara pointed out. The Bay Area is a critical component of the WTC network, yet the benefits to its network members are limited without a building to act as an international "home" for its world-wide membership. He stated unreserved support for the proposed World Trade Showcase Center in Oakland.

Trade Center Development Corp.

A. *Company Mission and Projects*

This Florida-based C corporation is pursuing its transformation into a real estate investment trust (REIT) for the primary purpose of developing World Trade Showcase Centers.

"These facilities are designed for trade shows and permanent exhibitions so that manufacturers based any place in the world may showcase their products in virtually every region where there are World Trade Centers.

WTC exhibitions allow for 2-way trading, buy/sell, as well as specialized procurement shows. In many instances World Trade Showcase Centers include trained personnel to represent the manufacturer and to act as interpreters and sales agents."

From the TCDC web site, www.tcdconline.com

The company has identified first and second tier corporate destinations. Oakland was not originally in the its first tier, but after touring Oakland, meeting with the Port of Oakland director and identifying the Kaiser Convention Center site as an ideal location, Oakland

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has moved into the first tier of development projects along with the following cities (see Attachment "D" for more details on these first-tier projects).

1. **Kunshan, China:** The new manufacturing capital of China is home to over 3000 manufacturing companies from 55 countries. The Trade Center Development Corp's strategic alliance partner in Asia, the WTC International Group, Ltd., has an agreement with the Kunshan Economic & Technical Development Zone (KETD). Under this agreement the Kunshan World Trade Center and China's first World Trade Showcase Center will be housed in the new KETD tower.

The new building that will house the Kunshan World Trade Center and World Trade Showcase Center is currently under construction and will be completed by September 2007. The agreement between WTCI Group and KETD allocated over 140,000 square feet to the Kunshan World Trade Center Showcase facilities.

2. **Charleston, South Carolina:** This project is a joint venture with the South Carolina World Trade Center and will be located at the Charleston Area Convention Center in North Charleston. The development team is finalizing the plan for an appropriate World Trade Center complex that will be a compliment to the region. This aggressive region has been taking quantum steps toward the development of a full multi-modal system that will include post-Panamex first call shipping from Asia. The master plan for this WTC calls for initial construction of a 200,000 s.f. World Trade Complex, to include as many as four World Trade Showcase buildings on the site. Final negotiations are underway, and the results will be announced by the development team at the City Council meeting on July 18th.
3. **Honolulu, Hawaii:** TCDC has responded to an RFP issued by the City and County of Honolulu to build a World Trade Center. TCDC has structured a strategic alliance with one of Hawaii's strongest and oldest premier builders, Hawaiian Dredging Construction Company (A Kajima USA, Inc. company) and KUD International. Selection of the finalists is expected to be announced sometime in July.
4. **Tianjin, China:** Tianjin is one of the largest industrial and port cities in China. The city covers an area of 11,000 square kilometers (4,200 square miles) and has a population in excess of 10 million people. Located in the northeast of the North China Plain, Tianjin is the closest seaport to Beijing. This proposed WTC Complex is projected to be 200,000 square feet and will contain a World Trade Showcase Center, a WTC private club, WTC Tianjin corporate offices, a WTC executive center, offices for diplomats, U.S. commercial services, shipping companies, freight forwarders, full and executive office space for global companies, trade and commerce operations, and other WTC related services. This

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project will be a joint venture with either the Tianjin Economic- Technology Development Area Administration Commission (TEDA), the Tianjin Municipal Government, the port of Tianjin or a combination. It is projected to be a self-contained free trade zone in this port city for Beijing. The PRC government is highly motivated to open this complex in advance of the 2008 Olympic games.

Other projects identified on the TCDC website as currently in discussion or negotiation include:

London - England Jamaica St. Louis - US Fort Lauderdale - US Penn's Northeast - US Buenos Aires - Argentina Washington Dulles - US Venice - Italy	Mexico (2) Las Vegas - US Dhaka - Bangladesh Salt Lake City - US Managua - Nicaragua Honduras Dominican Republic Aruba Vancouver - British Columbia
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B. TCDC Board of Directors

Trade Center Development Corp. (TCDC) was formed as a C corporation under the laws of the State of Florida on October 5, 2005.

It is the intent of TCDC to operate as a REIT in order to pass 90% of its income through to its shareholders. The company is privately owned, and investment in the proposed project would be made from private investments in this company.

TCDC's Board of Directors includes a local, California member, Steve Beinke, President of California's Blackhawk Development Corp. The entire board includes (see Attachment "E" for more detailed biographies):

Fred Frankel and Henrietta Frankel -- Commercial developers and Florida's first World Trade Center license holders (1984);

Thomas Patrick -- Commercial developer and former President of Grubb & Ellis of Florida;

Randy Avon -- CEO of WTC Ft. Lauderdale Inc. and special envoy and Trustee for the Florida Free Trade Area of the Americas (FTAA);

Edward Oppel -- Port Commissioner and Former Executive Director of the Port of Palm Beach;

Sen. George Firestone -- Former Florida Secretary of State and author of Florida's Foreign Trade Zone legislation;

Charles Lin -- Chairman of Sun-On Technologies Corp, Taiwan and CEO of China Agritech Group Limited, China and Hong Kong;
Rep. Jerry Chang -- International businessman, developer and Majority Whip of the Hawaii Legislature;
Steve Beinke -- President of BlackHawk Development, developer of over 14,000 homes in California;
Marty Kurtz -- CPA, President of Sister Cities International and Chairman of TCDC's audit and finance committee;
Robert Cash -- International attorney and general counsel for Asia Pacific Development Corp; and
Pablo Guzman, MD -- Chief of the Department of Cardiology and Pulmonary Medicine, North Ridge Medical Center, Fort Lauderdale, Florida.

C. TCDC Financials

As this is a privately held company, the principals are willing to release financial information to staff once the Council has provided clear direction to proceed with an ENA. Accordingly, staff researched industry leads, as identified throughout the report, to provide reasonable confirmation regarding the experience of the TCDC principals and the feasibility of the project.

The Bay Area World Trade Center

The Bay Area World Trade Center has long established roots in the Bay Area and the City of Oakland. In 1992, under the leadership of former Mayor Elihu Harris, the BAYTRADE initiative was established. The BAYTRADE initiative was designed to facilitate the creation of six international trade organizations charged with promoting international trade and commerce throughout the Bay Area. One of the most successful international trade organizations that emerged from BAYTRADE was that of the Greater Oakland International Trade Center (GOITC). The success of the GOITC was due in part to the fact that the City and Port of Oakland were founding partners in the organization. The GOITC eventually emerged as the most successful international trade organization in the area by focusing on the stimulation of small and medium sized business in an international context. The GOITC made tremendous strides in positioning the City of Oakland in the emerging global market place of the 1990's.

In the booming economy of the late 1990's the City of Oakland attempted to purchase the license of the Bay Area World Trade Center (BAWTC), one of the BAYTRADE partners. After nearly one year of unfruitful negotiations for the WTC license it was determined that the BAWTC and the GOITC should merge to allow the organizations to further promote international trade by leveraging the WTC name. The spring 2000 merger created one of the most dynamic World Trade Centers in the region and the world by combining the diverse skill sets and extensive networks of the two organizations. One of the primary

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objectives of the merger was to take the cachet that the WTC name brings to create a World Trade Center in Oakland.

The Bay Area World Trade Center (BAWTC) provides professional services and expertise to local and international businesses engaged in export and import of manufactured good and services. Founded in 1980 the BAWTC has supported member businesses and public sector organizations representing a wide spectrum of industries and interests.

By tapping into our extensive network of business, economic and political resources, we have helped over 1,109 exports worth \$161 millions reach more than 100 foreign markets. We have also worked with approximately 2,000 foreign business visitors and 159 diplomatic delegations from 46 countries who have come to explore the Bay Area's nine counties seeking international trade and commerce opportunities.

The Bay Area World Trade Center can help propel your business into the international markets and compete effectively in the increasingly challenging global economy.

From the BAWTC website, www.bawtc.com

As a member of the World Trade Center Association, BAWTC and its members have access to resources and services at all of the 288 operating World Trade Center Associations around the world. The following services and facilities are offered to companies seeking to expand international markets, from the WTCA website:

Trade Information & Market Research - WTCs provide up-to-date information about their respective regions, including local products and services, market conditions, government regulations and business culture. WTCs furnish detailed profiles of local business contacts, including manufacturers, distributors and services providers. They also perform market research tailored to specific needs.

WTCA OnLine - The WTCA's internet website (<http://www.wtca.org>) is a one-stop trade information hub for posting and reviewing trade opportunities, and communicating easily with newly found business prospects. Its strength comes from the combined power of nearly 300 WTCs producing trade leads and other vital information. Learn more about WTCA On-Line's services through our Guest Area.

Trade Shows & Exhibit Space - Supported by highly professional staff and geared to take advantage of the prime location that a WTC provides. WTCs take a leading role in hosting trade-oriented events. In addition, WTCs have year round display space for local products and services.

Business Services - WTCs offer state of the art support facilities. This includes video conferencing, Internet access, word processing and more. Flexible arrangements for temporary office space, meeting rooms, secretarial services and translation capabilities are also available.

Trade Education Services - There are also regular speaker programs on timely topics chosen by WTCs. WTCs offer practical international trade courses about key local and global business issues. Interactive discussions about international topics are offered through a series of seminars and workshops.

Group Trade Missions - Includes taking part in outbound missions to explore new markets and receiving incoming business groups.

WTC Clubs - Promote business networking by providing comfortable lounge and dining services for members and their guests. Offer private rooms with general office services for various types of business gatherings. Networking forums are arranged on specialized subjects to facilitate business contacts.

BAWTC's proposed adaptive reuse of the Henry J. Kaiser Convention Center will allow the BAWTC to fulfill its mission of providing the City of Oakland with a world class facility that will catapult Oakland to the forefront of trade in all of North America and Asia.

KEY ISSUES AND IMPACTS

1. The Kaiser Center Site

TCDC's interest in Oakland as a first-tier development site is focused on the specific attributes offered by the Kaiser Convention Center and its location adjacent to Lake Merritt, Laney College, the Museum of California and the untapped development potential around the site as the WTSC expands into future phases:

- The configuration of the Kaiser Center ideally supports the signature architecture for the Exhibition and Showcase components of the proposed WTC. A typical office building with its limited ceiling heights and building length would not be suitable.
- The ability to bring this project to completion and occupancy in a short time frame is an essential component of the first tier projects selected by the TCDC investors. New construction of large commercial projects can take 3-5 years, or more, from conception through completion. It is anticipated that construction of the Kaiser World Trade Center can be completed within 18 months.

- The picturesque location of the WTSC on Lake Merritt, the adjacent location of other cultural (Chinatown, the Oakland Museum of California) and educational (Laney College) opportunities for partnership, the beauty of the façade, and the potential for future phased expansion of the WTSC to adjacent sites (up to 300,000 additional square feet of developed space is proposed) adds to the specific suitability of the Kaiser Center for this project.

See Attachment “D-2” from the TCDC web site showcasing the proposed Oakland project at the Henry J. Kaiser Convention Center.

2. Other Potential Development Sites:

The only other existing downtown building that could be suitable for this type of development would be the Scotlan Convention Center. As the Scotlan Center continues to be actively used as Oakland’s convention center, is it assumed that exclusive use as a WTSC is not a viable option.

Other sites currently available for commercial development in the downtown/Broadway corridor area include:

- **California Harvest Hall project, Jack London Square (Ellis Partners):** A site at this multi-phased commercial development project, currently planned to include 1.2 million s.f. of mixed-use retail, commercial and office space, a 1,700 seat movie theater, 250 room hotel, supermarket and restaurants, is the most likely candidate for an alternative first-tier WTSC development site, and certainly for future phases of the WTSC. The developer has talked to TCDC representatives about development, and there is interest on both sides to continue the conversation. The major drawback for TCDC at this site is the timeframe for development – although entitlements are in place for the project, new construction would require significantly more investment and a longer time-frame to building occupancy and lease revenue generation.
- **1930 Broadway, (Encinal Jackson LLC):** Currently in the entitlement process for a 63 story commercial building, to include 40,000 s.f. of retail, 11 floors of parking, 1 million s.f. of office and a 150 room hotel. This project could be a potential location for future phases of the WTSC, but it is unknown whether development is far enough along in the entitlement or development process to be considered eligible for first-tier development.
- **1100 Broadway and Key System Building(East End, LLC):** This development site was originally selected as the finalist in response to an RFP issued by the University Office of the President for consolidation and expansion of its downtown

office space. Although UCOP has since rescinded its decision to expand into this site, the developer is proceeding with the entitlement process with the intent to rehabilitate the Key System Building and build 200,000 s.f. of office and retail on the adjacent lot. This site is not considered eligible for the WTSC as the footprint of the new building cannot exceed 17,000 s.f., limited by the size of the lot, and the minimum floor plate required for the WTSC is 20,000 s.f.

- **City Center T5/T6 (Shorenstein Realty Investors):** There are no development plans for this site at present. Discussions could be initiated; however, the time frame for new construction likely would not permit this site to be considered for a first-tier TCDC project.
- **Oakland Army Base:** There is the possibility that a site suitable for the WTSC may be identified on the Army Base. It is unknown whether the relatively undeveloped nature of the army base, with some distance from downtown amenities, would be attractive to TCDC.

Summary

The City's best opportunity to retain TCDC's attention for a first-tier development World Trade Showcase Center is at the Henry J. Kaiser Convention Center. Given TCDC's focus on the Kaiser Convention Center, the company's emphatically stated primary goal of minimizing the construction period to completion, and the potential distraction of more quickly realizable projects in other cities, the Council's approval for staff to negotiate and execute an ENA regarding the Kaiser Convention Center is the most reasonable path to retaining TCDC's interest in Oakland as a first-tier development site.

PROJECT DESCRIPTION

(this section has been modified from the original June 27, 2006 report)

The proposal is for conversion of the Henry J. Kaiser Convention Center into a World Trade Center and World Trade Showcase Center. Plans include reconstruction of the interior of the building while preserving the exterior beauty of the Center's historical structure. The conceptual plans include the construction of four floors of exhibition, showroom and office space, totaling 119,000 s.f. Vendors would include local trade exhibitors (include Oakland-based businesses) and businesses from countries around the world interested in selling in the international and U.S. markets.

The new exhibition, showcase and office space would be leased to world-trade related businesses and agencies, including the Bay Area World Trade Center (now located at 530 Water Street, in the Port of Oakland). In this phase of development as a World Trade

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Showcase Center, primary tenants would include local manufacturing businesses and international countries and businesses showcasing their goods for import and export. The offices will house the Bay Area World Trade Center, and could include other tenants such as customs brokers, Consular Corps (Embassy representatives), government agencies, freight forwarders, exporters, importers, manufacturers, economic development offices, Ambassadors, shipping companies, etc.

The original skylight, now boarded up, will be restored to illuminate the planned atrium style entrance and glass elevators that will frame the exhibition space entrance. The exhibition and showcase areas, as well as the hallways surrounding the exhibition space (which is expected to be used to display local and international art exhibits), will be open to the public. It is important to note that Oakland citizens will be able to connect with many different cultures in this WTSC, generating business opportunities, connecting with people of other countries, and experiencing cultural and educational events in the Symphony Hall. Public access to the Exhibition, Showcase and other display areas will maximize public use of the beautiful and historic Kaiser Convention Center.

TCDC envisions up to an additional 300,000 s.f. of future showcase and office development in Oakland if this project is approved.

In return, TCDC is requesting a long-term lease with a minimum 50-year term, at market rates (which will be governed by the covenants under the existing 2001 Lease Revenue Refunding Bond), and expedited handling of the permits required to develop and operate the proposed World Trade Center (see Attachment "A"). The developer has also expressed a willingness to negotiate with the City regarding City use of the Center, specifically the Symphony Hall, and the Olympic and Club Rooms, for business and civic purposes.

SUSTAINABLE OPPORTUNITIES

Economic:

- *Job Creation:* The developer estimates 700-800 construction jobs will be created during the construction period. Approximately 100 full-time, permanent positions are projected to be created to staff the World Trade Center.
- *Elimination of Overhead and Management Expenses for Kaiser Center:* The developer would assume all O & M costs related to the Kaiser Center. Minimal maintenance of the Kaiser Center, while closed, is projected at \$100,000 per year. O & M funds for the Kaiser Center have been budgeted for the 2006-07 budget year only.
- *Elimination of Capital Expenses to Restore the Historical Integrity and Economic Vitality of this Landmark Building:* The developer has proposed reconstruction of

Item: _____
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the Kaiser Center with \$65-70 million of private capital with no cost to taxpayers or the City.

- *Business Attraction:* The new office space and vendor showrooms would generally attract businesses to the Center that want to participate in the international marketplace. This would result in increased Business License Taxes directly to the City's General Fund, and increased allotments of Personal Property and Possessory Interest Taxes through Alameda County.
- *Increased regional and international economic activity in Oakland's downtown:* Regional and international businesses will want to take advantage of the services and direct access to international trade professionals at Oakland's World Trade Center and Showcase. This will increase market demand for office space in Oakland's downtown. At present, Class A space is hovering at about 8% vacancy rate, with 215,000 s.f. of new space under construction at Center Twenty-One (Brandywine Properties) and several other new office buildings in the entitlement process. Class B space presently has a 17% vacancy rate.
- *Visitor Spending:* The programs and services supported by WTC facilities tend to attract visitors from throughout the world. These visitors spend money in the local market area during their stay on hotel rooms, restaurants, retail goods and various attractions and activities¹.

Environmental:

- Reinvestment in and restoration of a historically rated A1 +, City-owned Landmark building.
- The proposed adaptive reuse of the building will complement the 12th Street Reconstruction Project, funded by Bond Measure DD. The 12th Street redesign will:
 - 1) Replace the existing high-speed expressway adjacent to the Kaiser center with a new, reduced-width road away from the shoreline to create a new, four-acre park at the south end of Lake Merritt.
 - 2) Contain an event plaza, arc pier, restroom, turf areas and multi-use paths, potentially drawing Trade Center exhibitions out into the public spaces.
 - 3) Retain and reconfigure the existing parking lot to accommodate a similar number of parking spaces as exists today in a smaller area.

¹ World Trade Centers, An Analysis of the Role They Play in Their Markets, C.H. Johnson Consulting Inc., A. Ilan Consulting, November 2001, Section 3, pg. 14

Social Equity:

- The creation and maintenance of public spaces in a landmark building, including the Symphony Hall and the Olympic and Club rooms, would once again allow access to one of Oakland's dominant and beautiful historic sites.
- As with other World Trade Centers, such as Boston and the former New York Trade Center, the long corridors and open space areas would be available for local artists to display their art to the world.

DISABILITY AND SENIOR CITIZEN ACCESS

Building restoration will be completed in compliance with all relevant ADA requirements, ensuring equal access.

RECOMMENDATION

Staff requests that the Council provide direction for the proposed project, choosing one of the following three options:

1. Direct staff to develop a resolution authorizing a 120-day exclusive negotiating agreement ("ENA") with Trade Center Development Corp. ("TCDC"), a State of Florida C-corporation, and the Bay Area World Trade Center (BAWTC) to develop and execute a long-term lease with the City of Oakland to renovate the Henry J. Kaiser Convention Center ("Center"), located at 10 Tenth Street, for the purpose of developing a World Trade Center. The resolution also authorizes the City Administrator to extend the ENA for an additional 120 days if the developer is diligently pursuing the project but is unable to complete the entitlements and negotiate a disposition and development agreement ("DDA") within the first 120 days.

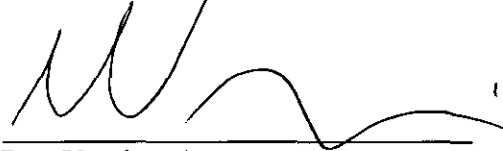
The report and resolution would be brought to the City Administrator for approval on behalf of the City Council during the Mayor's Summer Recess. This process is requested in order to meet the development timelines requested by the developer and BAWTC, and to minimize the time under which the Kaiser Convention Center remains empty and subject to deterioration and vandalizing.

2. The Council delay consideration of the TCDC/BAWTC proposal until after the final cost and feasibility analysis for the new Main Library is completed and presented to the City Council in July 2006, and the Council makes a determination whether or not to proceed with the Library Plan.

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City Council
July 18, 2006

3. The Council reject the TCDC/BAWTC proposal in favor of moving forward with the proposed plan for conversion of the Kaiser Center into the new Oakland Main Library.

Respectfully submitted,



Dan Vanderpriem

Director of Redevelopment, Economic
Development, Housing and Community
Development

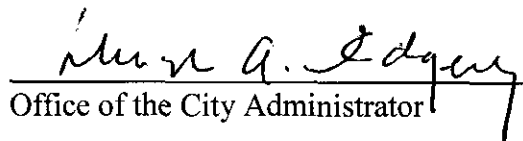
Reviewed by:

Aliza Gallo, Business Development Manager

Prepared by:

Deborah V. Acosta, UEA III
Business Development

APPROVED AND FORWARDED TO THE
COMMUNITY AND ECONOMIC DEVELOPMENT
COMMITTEE:



Office of the City Administrator

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ATTACHMENTS

1. **Attachments A1-A6:
Letter Proposal Regarding Development of a World Trade Showcase Center
for the City of Oakland from Trade Center Development Corp.**
2. **Attachments B1-B3:
Copy of Taipei World Trade Center Home page (www.twtc.org) and Picture
of Exhibition and Showcase areas**
3. **Attachments C1-C7
Schematics of proposed layout for the Oakland World Trade Showcase Center
at the Henry J. Kaiser Convention Center**
4. **Attachments D1-D6:
Copy of TCDC web pages identifying and describing First Tier Projects
(www.tcdonline.com)**
5. **Attachments E1-E7:
Trade Center Development Corp. Executive Committee and Board of
Directors – Biographies.**



Trade Center Development Corp.

Phone: (954) 771-0711
Fax: (954) 229-9990
E-mail: info@TCDCOnline.com
Website: www.TCDCOnline.com

2700 Cypress Creek Rd, Suite C-104, Fort Lauderdale, Florida 33309

JUN 13 2006

New

June 7, 2006

Mr. Dan Vanderpriem
Director of Housing, Economic Development and Redevelopment
Community & Economic Development Agency
City of Oakland
250 Frank Ogawa Plaza, Suite 3330
Oakland, Ca 94612

Dear Mr. Vanderpriem

The representatives of the Trade Center Development Corp. (TCDC) and the Bay Area World Trade Center (BAWTC) would like to take this opportunity to thank the Business Development staff members, Aliza Gallo and Deborah Acosta for meeting with our development team two weeks ago. It was a real pleasure sharing with them our vision for the Henry J. Kaiser Convention Center as a World Trade Showcase Center for the City of Oakland and we look forward to working closely with you and staff in the future to make this vision a reality.

At this time, TCDC has completed its preliminary due diligence for the adaptive re-use of the Henry J. Kaiser Center into a World Trade Center and World Trade Center Showcase facility. TCDC, in partnership with the BAWTC requests the City of Oakland to grant a One-Hundred and Twenty (120) day Exclusive Negotiating Agreement (ENA) to further along this exciting project.

The private funding for the adaptive re-use and renovation of the Henry J. Kaiser, World Trade Showcase Center will be underwritten by TCDC. We seek and require no government funding for this project. Therefore, TCDC is requesting from the City of Oakland, in exchange for investing \$65-\$70 million in the project:

- (1) A long-term lease of not less than 50 years, which TCDC is willing to enter into at current market rates
- (2) To expeditiously assist in the fast track permitting process in order for the partners to meet the 18-month construction time frame.

In order for the City of Oakland to make a more informed decision regarding this request we are providing the following information.

TCDC began operations October 5, 2005. The Company's legal structure was formed as a C corporation under the laws of the State of Florida. TCDC is a Real Estate Investment Trust (REIT) in formation, that is pioneering a value added investment strategy specifically to fund selected World Trade Center (WTC) buildings, World Trade Showcase Centers (WTSCs), global trade related facilities, and WTC exhibition centers. The TCDC development team has over 200

years experience, collectively, in developing large-scale real estate development projects, and the Board of Directors brings an incredible breadth and depth of development and business experience. The Board of Directors information will be detailed in the submission of the final proposal to be delivered to the City of Oakland prior to the City Council meeting.

TCDC is currently working in cooperation with current World Trade Center license holders to develop additional World Trade Showcase Centers worldwide. The concept behind the Showcase Centers is to provide a permanent venue for overseas businesses and exporters to exhibit their products to potential buyers. The benefit of such a showcase center is to enable buyers and sellers to more easily access one another without having to travel great distances to do so.

There are many reasons that TCDC chose Oakland for the site of a West Coast World Trade Showcase Center. The primary driving force behind our choice is the location that Oakland and the Bay Area have, as the gateway to Asia, the largest growing global market. Secondly, the relationship that TCDC has developed with Mr. Jose Duenas, President and CEO of the Bay Area World Trade Center has played a prominent role in our decision. We met Mr. Duenas in February 2006 at the North American World Trade Center meeting in Seattle. At that time, TCDC had already made its decision regarding the location of the proposed first tier WTSC operations; at that time, Oakland was not included in that first tier, however, after talking with Mr. Duenas, we were persuaded to take a closer look at Oakland. After reviewing potential Oakland locations, then touring these sites, the unique architecture, configuration and location offered by the Henry J. Kaiser Convention Center quickly made it our first choice. Upon assessing the feasibility of renovating the Henry J. Kaiser Convention Center, by engaging a world class architect and structural engineer, TCDC now views Oakland as the clear choice for the location of the first World Trade Showcase Center of the West Coast.

As mentioned above, we conducted an extensive site search within the City of Oakland that included the Oakland International Airport, The Port of Oakland, and Jack London Square, as well as downtown Oakland. It became apparent that the Henry J. Kaiser Convention Center was the most suitable and feasible location for a new WTC facility. The Henry J. Kaiser Convention Center is located within an existing redevelopment area, and is the only identifiable existing site with suitable size and geographic features. The Convention Center is ideally located near BART, Downtown/Chinatown and the Port of Oakland. In addition, the Henry J. Kaiser Convention Center's beautiful architecture and historic background gave the facility unmatched appeal to our development team who wish to preserve and restore the original grandeur of the building. This combination of geographical and esthetic features makes the Henry J. Kaiser Convention Center an ideally suited location for our proposed WTC.

The plan for the adaptive re-use of the Henry J. Kaiser center is to renovate the interior of the building while preserving the exterior beauty of the building's historic architecture. The conceptual plans call for the construction of a "building within a building" inside the existing arena floor. The structure to be built will provide four floors of exhibition space with a total of 119,000 square feet of module space for showrooms. The symphony hall as well as space in the "Olympic" and "Club" rooms will be renovated. In addition, the original skylight, now boarded up, will be restored to illuminate the planned atrium style entrance and glass elevators that will adorn the exhibition space entrance.

The planned timeline requires a 10 - 11 month design and permitting phase. Once this phase is completed, the construction phase will take only 12 months. When this timeline is to commence is up to the City of Oakland and its elected representatives. The reason TCDC wishes to expedite the design and permitting phase is due to the fact that TCDC is currently working on several other first tier projects around the World. In order to include the proposed Bay Area project in the first tier, the commencement of the project requires expeditious planning and political cooperation.

The BAWTC is the current franchise owner of the WTC license issued by the World Trade Center Association and has exclusive rights under its license for the operation of a WTC within a 75-mile radius of its office. The 35-year-old World Trade Center Association located in New York City currently has approximately 287 WTC locations established in 100 countries around the globe. TCDC is a privately held REIT in formation that is endorsed by the World Trade Center Association. Foreseeing the growing market for such facilities and the crucial role that the Bay Area has in international trade, the TCDC will initiate a partnership with the BAWTC upon the approval of the 120-day ENA.

The BAWTC will manage the facility as the existing WTC franchise owner for the Bay Area and will relocate its office there. The Bay Area World Trade Center (BAWTC) serves the greater nine-county San Francisco Bay Area, one of the most powerful regional economies in the world. Headquartered in Oakland, the Bay Area World Trade Center promotes and supports regional economic growth through international trade and commerce. The Bay Area World Trade Center assists small and medium-sized firms with their import and export needs. Providing a voice to larger firms, the Bay Area World Trade Center is an advocate for policies that encourage international trade. Contracting with municipal governments, the Bay Area World Trade Center works closely with economic development agencies to promote international trade as a viable means of supporting local economies. By tapping into Bay Area World Trade Center's extensive network of business, economic and political resources, they have helped over 1,109 exports worth \$161 millions reach more than 100 foreign markets. Have also worked with approximately 2,000 foreign business visitors and 159 diplomatic delegations from 46 countries who have come to explore the Bay Area's nine counties seeking international trade and commerce opportunities and conducted over 20 international trade missions. A new WTC facility such as the one being proposed will allow the BAWTC to expand the services it offers to Bay Area businesses and will position the BAWTC to be the primary provider for international trade services in the Bay Area. For more information on the Bay Area World Trade Center, visit www.bawtc.com.

The branding of the WTC has been widely accepted around the world by leading manufacturers, importers, exporters, industrialists, bankers and world leaders. This "Proof of Concept" has been a major component that has stimulated a projected 40 requests for new WTC facilities in the next two years. World Trade Centers are perfectly positioned to assist and accelerate the exploding global trade market. These organizations provide the venue for new and established companies and manufacturers to initiate and complete international transactions. A great majority of the current WTC facilities already provide the complete international setting with their buildings occupied by customs brokers, Consular Corps, government agencies, freight forwarders, exporters, importers, manufacturers, economic development offices, Ambassadors, and shipping companies. A new and restored Henry J. Kaiser, World Trade Center would provide the complete international setting and business center that the Bay Area needs. It is expected that upon completion of the WTC, tenants such as the ones mentioned above will move into the new facility immediately. TCDC and

the BAWTC are agreeable to working with the City of Oakland to make the renovated Henry J. Kaiser Convention Center open to the City of Oakland. We also envision the City of Oakland utilizing the symphony hall as well as the "Olympic Room" and "Club Room" within the new World Trade Center facilities for business purposes.

TCDC and BAWTC have agreed to initiate a long-term lease agreement with the City of Oakland that will create new revenue for the City over many years. Businesses located at the new WTC facility would also generate new Business License Tax revenues for the City, and Personal Property Tax and Possessory Interest Taxes for the County of Alameda, which Oakland receives some part of. The City of Oakland would enjoy these tax revenues at no cost to taxpayers as TCDC has agreed to fully fund all renovation, maintenance and operational cost of the proposed adaptive re-use of the Henry J. Kaiser Convention Center.

The proposed adaptive re-use of the Henry J. Kaiser Convention Center and the subsequent operation of the WTC facility would prove to be an effective job creation catalyst for the city of Oakland. The renovation and construction is projected to create approximately 700 - 800 local construction jobs. In addition to construction jobs, the facility is also projected to create approximately 100 local permanent, full-time international trade jobs. The World Trade Showcase Center will also create additional revenues for existing and new downtown businesses such as hotels, restaurants, and retail.

The development of a World Trade Showcase Center in the City of Oakland will also help accelerate the transformation of Oakland from an industrial and transportation hub into a true international trade hub, where trade and business professionals from all corners of the World will come to transact business with one another. This project will also aid the City of Oakland in its deliberate efforts to reinvigorate the Downtown/Lake Merritt area through Measure DD's 12th Street Reconstruction Project, and adjacent 10-Acre development opportunities currently underway by the Oakland Unified School District, quickly establishing a world-class venue to facilitate international trade.

Trade between China and North America is valued at \$260 billion dollars per year and is expected by experts to double by the year 2020, and imports into the US from the region are expected to triple in that same time period. Recognizing this, the Bay Area World Trade Center is working closely with the Consul General of the People's Republic of China to develop a premier exhibition venue for Chinese businesses within the Henry J. Kaiser Convention Center. The Concept behind such a venue is to create a "China House", in which North American buyers can meet directly with Chinese businesses in Oakland, without having to travel overseas to do so. By creating this "China House" venue, the City of Oakland will quickly become the regional center point of doing business directly with Chinese industry representatives. In addition, the "China House" venue will complement the Port of Oakland's China efforts, aimed at increasing the role that the Port of Oakland has in U.S.-China trade. The Port of Oakland fully supports the proposed WTC facility at the Henry J. Kaiser Convention Center and has offered the Chinese Consul a temporary space for vendors within the Port Building that can be occupied prior to the completion of the new WTC facility. Currently the Port of Oakland and the BAWTC are negotiating lease terms for this temporary space. The Consul General has explicitly expressed interest in the proposed WTC facility and is currently working with the BAWTC to further the negotiations for leasing a sizable portion of the proposed WTC at the Henry J. Kaiser Convention Center.

Not only will a new World Trade Center foster greater economic development for the City of Oakland, but the venue at the Henry J. Kaiser Convention Center will also allow the World Trade Center to develop community outreach programs. The Henry J. Kaiser Convention Center is perfect location for the displaying of local art. The long corridors and ample open space will provide a perfect area for local artists to display their work to the World. In addition, the proposed World Trade Center could foster outreach programs to Oakland youth organizations. The incredible cultural and language diversity that the City of Oakland has is an underutilized asset that could flourish with the development of a new World Trade Center in Downtown Oakland. Programs that could provide young people in Oakland a venue to interact with international trade and business professionals, possibly in other languages could further the long-term economic development of the City of Oakland while simultaneously providing youth with positive activities.

A new and prominent development of this nature will also serve as a catalyst for attracting other real estate investments and economic activities in the surrounding Lake Merritt neighborhood, furthering the City's efforts to redevelop the area. A new and prominent World Trade Center will also serve the needs of the City of Oakland by increasing regional and international economic activity in Oakland's downtown by providing services and exhibition venues for international trade and business professionals. *In a 2001 report prepared by C.H. Johnson Consulting, Inc. entitled, World Trade Centers: An Analysis of the Role They Play in Their Markets, six case studies of new WTC facilities illustrate the economic and development impacts that have occurred as a result of WTC expansions. The report quantifies the ability of such facilities to attract development and increased business in the areas surrounding the WTC facilities. The report primarily notes that increases in demand for office space, retail and restaurant space and residential areas. The report additionally notes substantial technology improvements in the area as well as increased tourism. For instance, the report estimated a \$33 million dollar annual fiscal impact in the neighborhood surrounding the facility from visitor and WTC operations spending alone (not including construction spending) for the new WTC in Boston. The other case studies included in the report include; Dresden, Macau, New York, Sao Paulo and Taipei. While there is regional variation among the case studies, there is overwhelming quantitative evidence that demonstrates the positive effects those WTC facilities have on their surrounding neighborhoods. This report is available for review by the City of Oakland and can be accessed by contacting Mr. Jose Duenas, President and CEO of the BAWTC. As Oakland builds its reputation as an international trade and business center, it will encourage the attraction of foreign and international firms that prefer to be associated with international business and trade.*

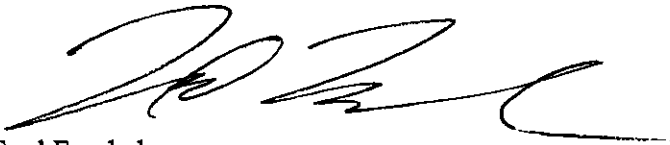
The adaptive re-use of the Henry J. Kaiser Convention Center will provide the City with a renewed and reinvigorated world class and historic facility that will complement the surrounding neighborhood. The proposed project is a reinvestment in, and restoration of, an Oakland A1+ rated, City owned building, which will be complimentary to Lake Merritt Park improvements. The Convention Center is a well known historic landmark that many Bay Area residents have a personal stake in seeing restored as a symbol of not only history but of commerce and progress as well. By preserving the architectural beauty of the Henry J. Kaiser, the City of Oakland can better maintain its historic and cultural heritage for generations to come while simultaneously increasing its economic activity and redevelopment.

June 7, 2006

The proposed development of the World Trade Center at the Henry J. Kaiser Convention Center will provide the City of Oakland with diverse and long-term benefits. Not only will the local and Bay Area economies benefit from the World Trade Center, but the residents of the City of Oakland will also be able to see tangible benefit from such a project. With a premier venue such as the one being proposed by the Trade Center Development Corporation, the City of Oakland will be able to take its place among the Worlds great international trade centers. By doing so, not only will trade and economic activities in the City of Oakland be expanded, but social and cultural activities will be augmented within the City of Oakland as well.

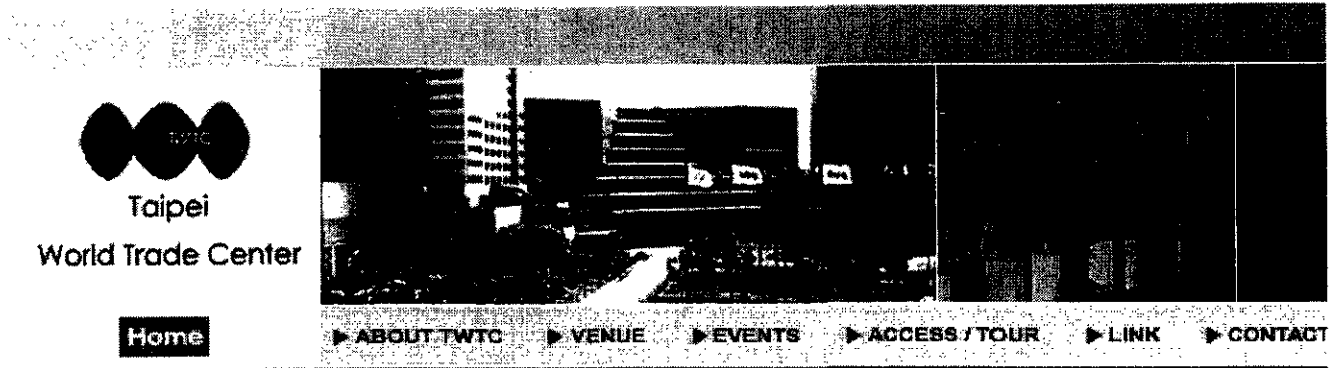
For the reasons outlined above, the TCDC and the BAWTC request an Exclusive Negotiating Agreement from the City of Oakland. TCDC and the BAWTC will provide a more detailed proposal for the City of Oakland to review, within the next two weeks. TCDC and the BAWTC appreciate the City of Oakland's affirmative and timely response to this matter. Thank you for taking the time to review the information provided and for your consideration of this matter.

Sincerely,



Fred Frankel
Chairman of the Board
Trade Center Development Corp.

cc: Aliza Gallo, Business Development Manager
Jose Duenas, Executive Director, Bay Area World Trade Center
Deborah Acosta, Downtown Office & Business Development Specialist
Simon Bryce, International Trade & Protocol, Office of the Mayor
Board of Directors, TCDC
Charles Davis, EHDD



Introduction ▶

Introduction

Exhibition Hall 1 ▶

Int'l Convention Center ▶

Int'l Trade Building ▶

Grand Hyatt ▶

The TWTC was started in January, 1986 by Taiwan's foremost trade promotion organ Taiwan External Trade Development Council (TAITRA), to provide a single, modern venue combine exhibition space, conference facilities, offices, and hotel accommodation for business. TWTC combines every possible service that brings together a vast consulting trade-related issues, trading partners, suppliers, and markets.

At the TWTC, you will be put in touch with import and export opportunities, local and investment, and the latest direction in technology transfer.

This four-in-one complex is designed to accommodate the needs of the international community, which is why there is not just one, but four structures at the TWTC. The Exhibition Hall 1, Int'l Convention Center, Int'l Trade Building and Grand Hyatt, all comprise one integrated complex. The TWTC stands at the forefront of world trade while serving as a model for trade centers.

TWTC is the nucleus of the programs and services offered by the Taiwan External Trade Development Council (TAITRA), Taiwan's foremost trade promotion organization. The services include:

·Trade Shows

TWTC and TAITRA host more than 20 Taipei International Trade Shows each year, Taiwan's most important import and export industries. TAITRA also organizes Taiwan to prestigious overseas events.

·Permanent Displays

The International Trade Mart within the Exhibition Hall offers more than 300,000 products in permanent display.

·Trade Library

Asia's most complete collection of trade publications, periodicals and database info
it easy with computer-linked branches in Taipei, Taichung, Tainan, and Kaohsiung.

·Journals

Multilingual publications detail trade opportunities and business developments. The
publications are available at the TAITRA Bookstore, located on the main floor of the
Hall.

·Consultancy

TAITRA trade specialists are available for consultation on all aspects of doing busi

·Market Surveys



Customized reports can be prepared on any industry.

·Trade Service Center

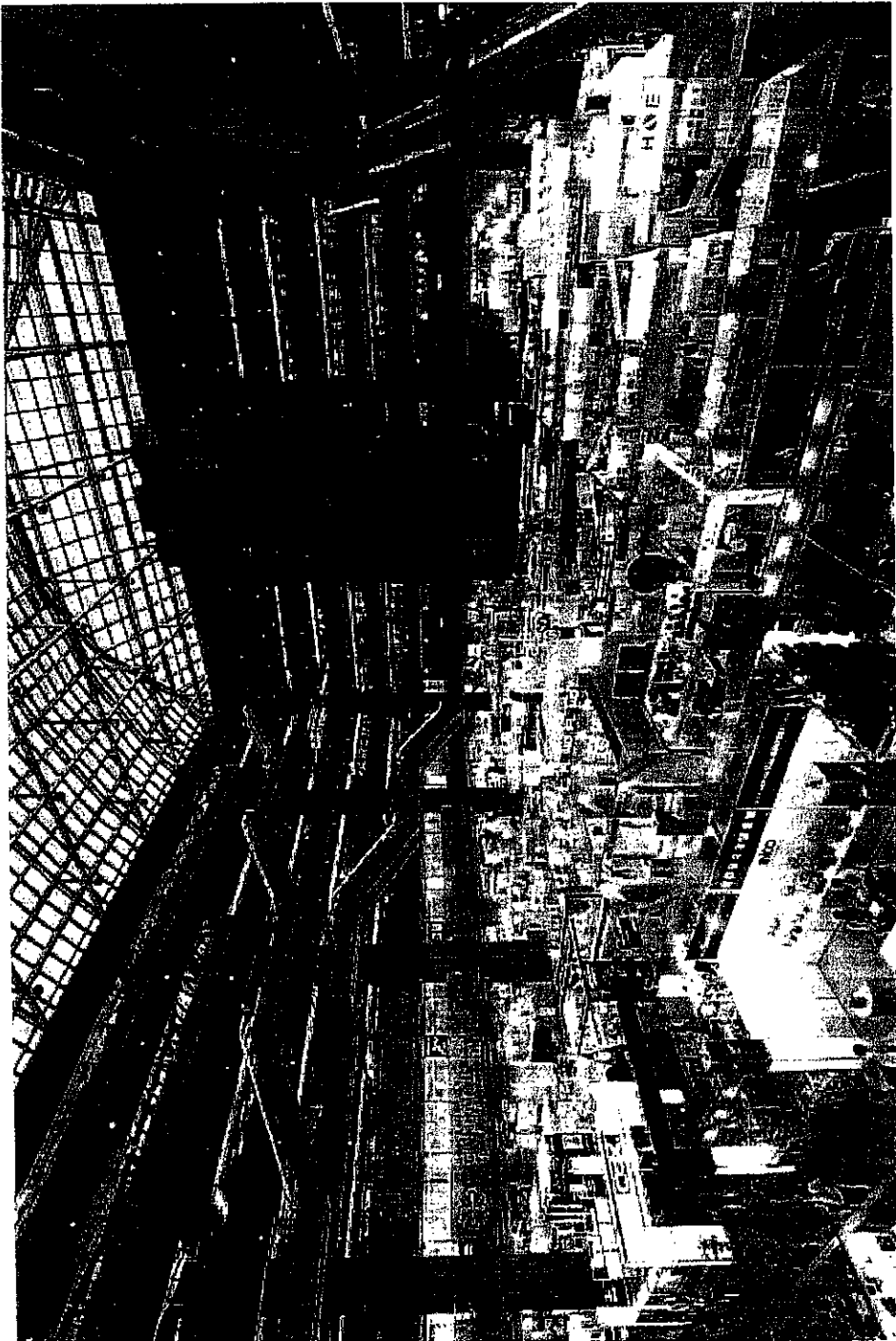
A walk-in trade information center is located on the 5th floor of the International Tra

·Trade Education

Seminars, conferences and workshops on trade-related topics are frequently held t
year.

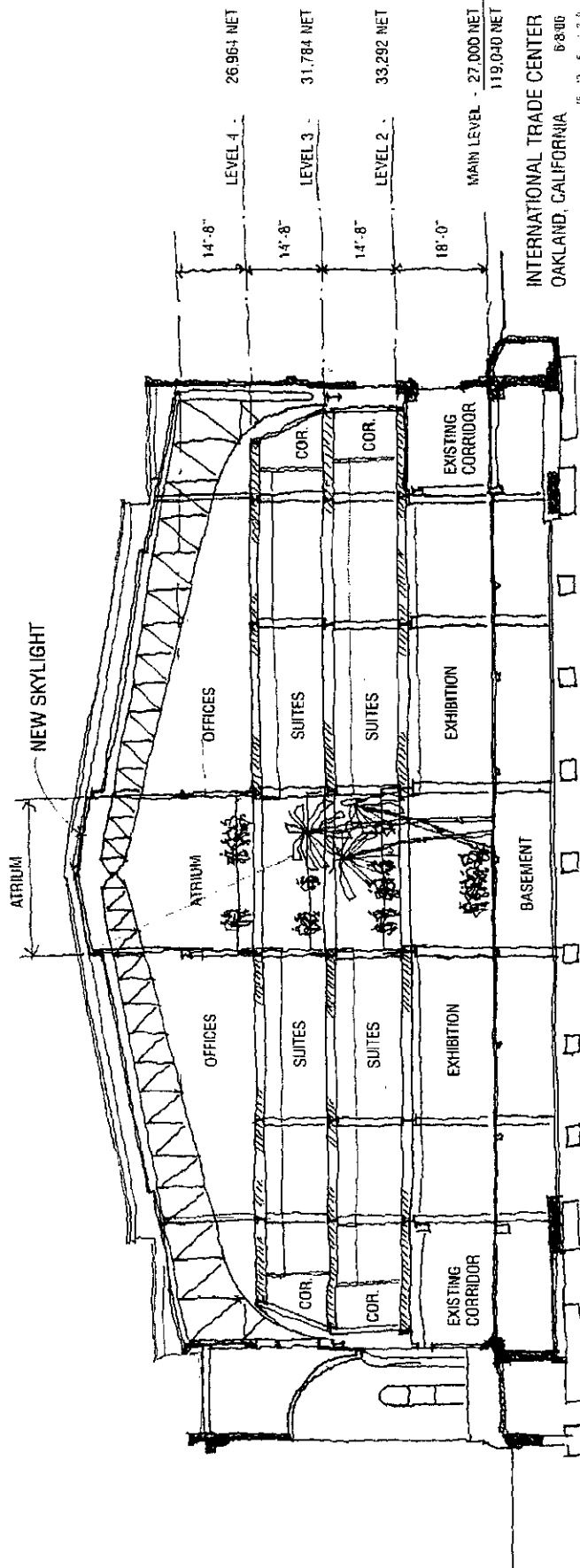
 Taiwan External Trade Development Council (TAITRA)  Taipei World Trade Center (TW

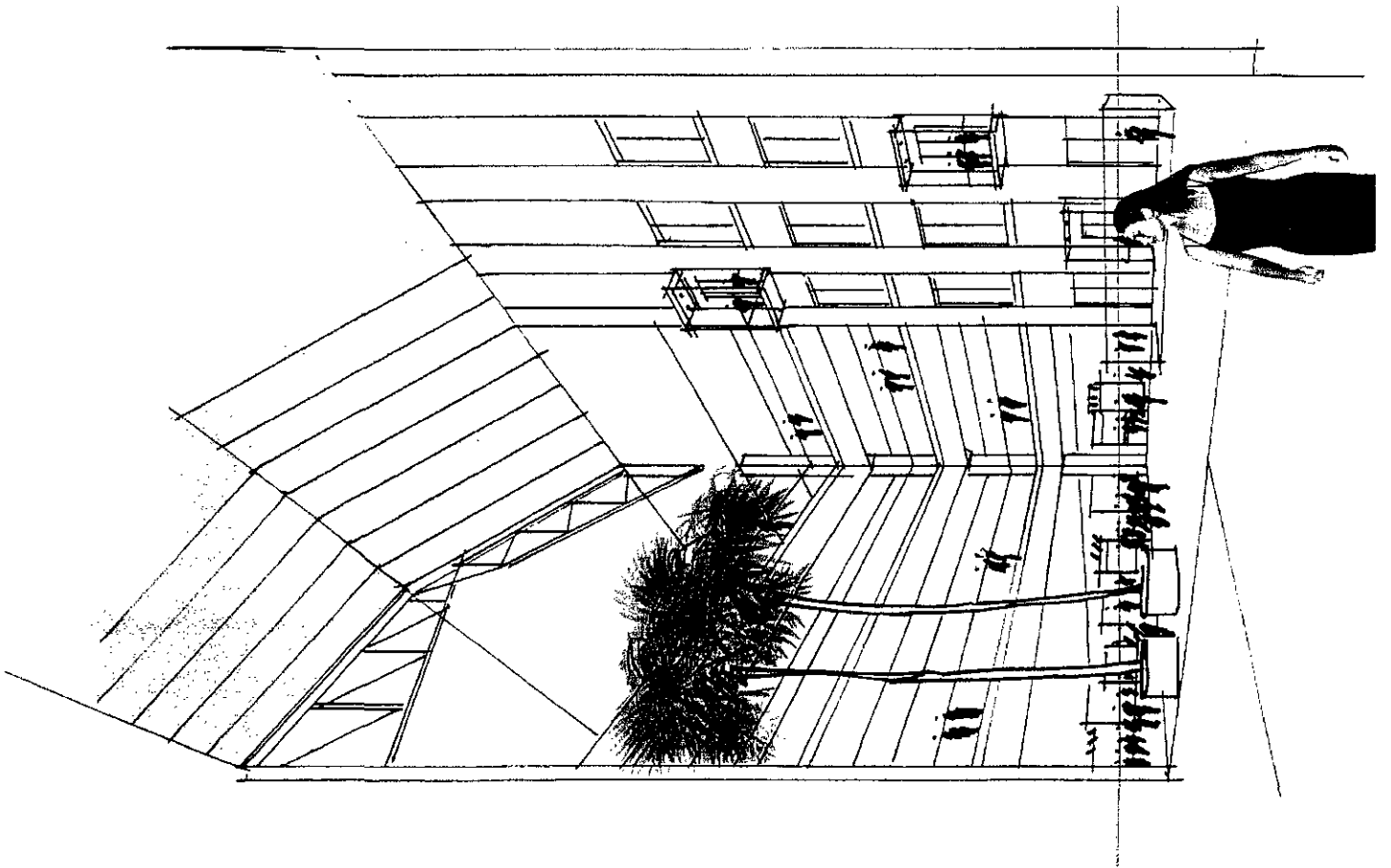
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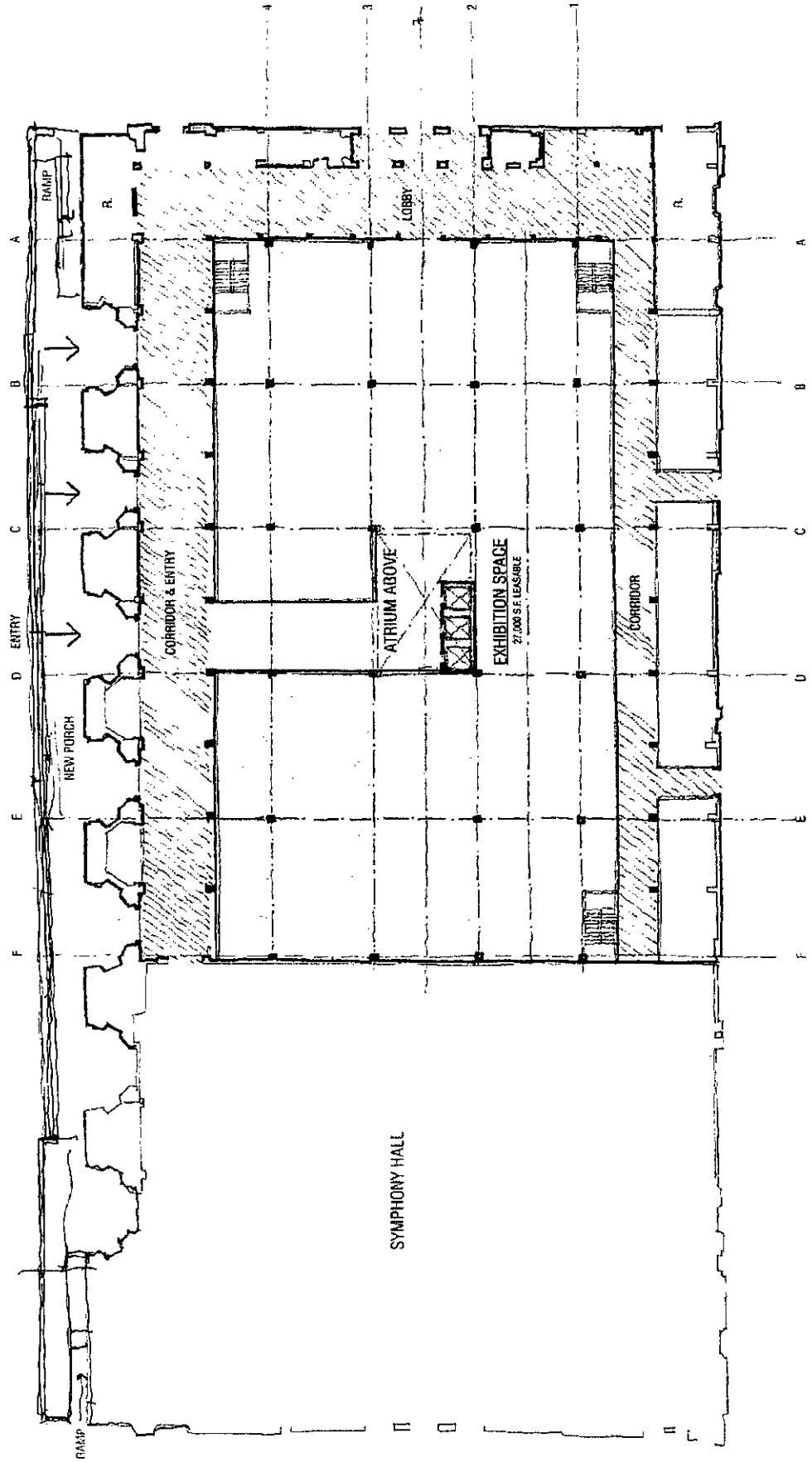


ATTACHMENT C-1

BAY AREA WORLD TRADE CENTER
KAISER CONVENTION CENTER

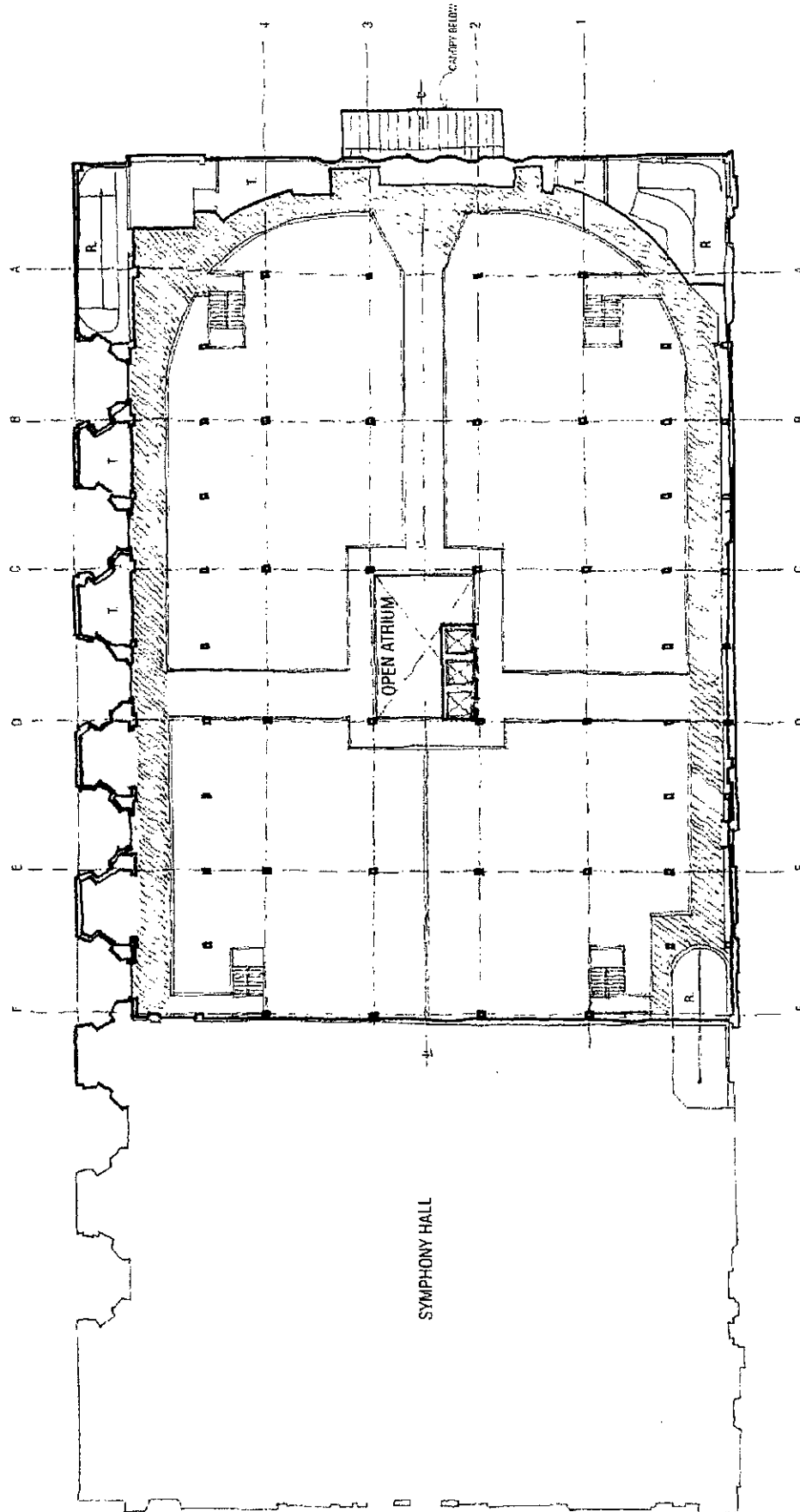




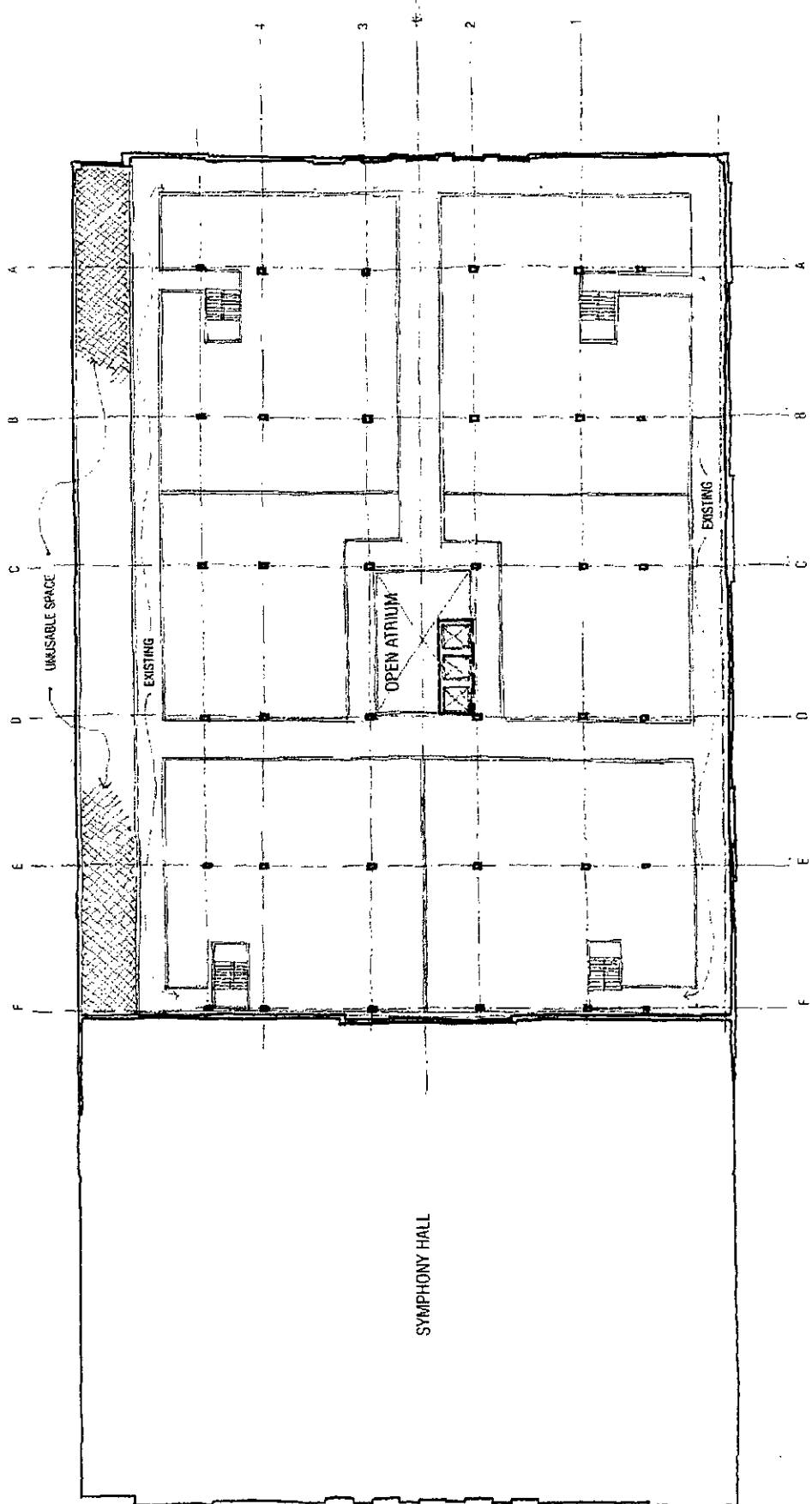


FIRST LEVEL
1/16" = 1'-0"
5.8.06



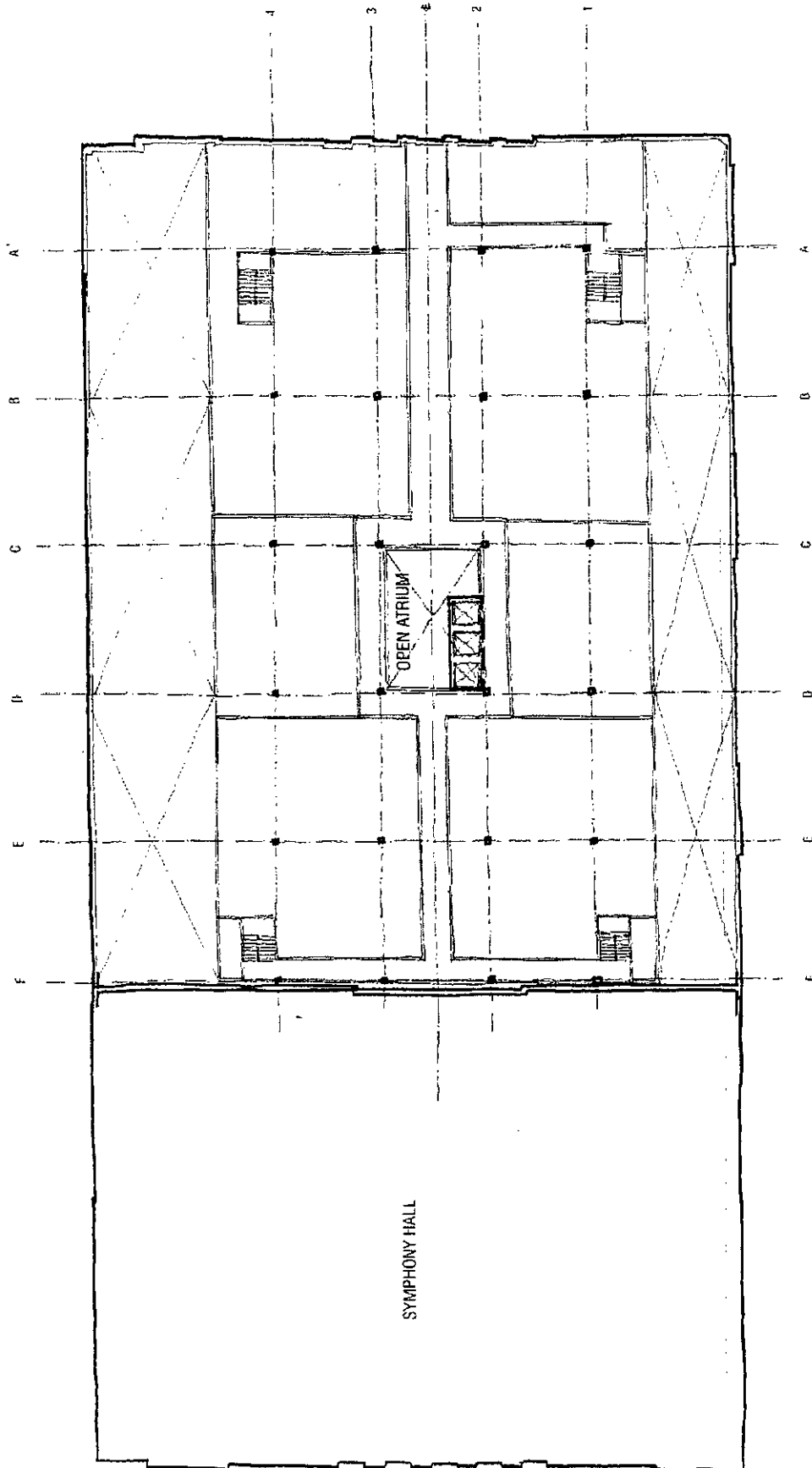


SECOND LEVEL
33,292 S.F. LEASABLE
1/16" = 1' 0"
6.2.56

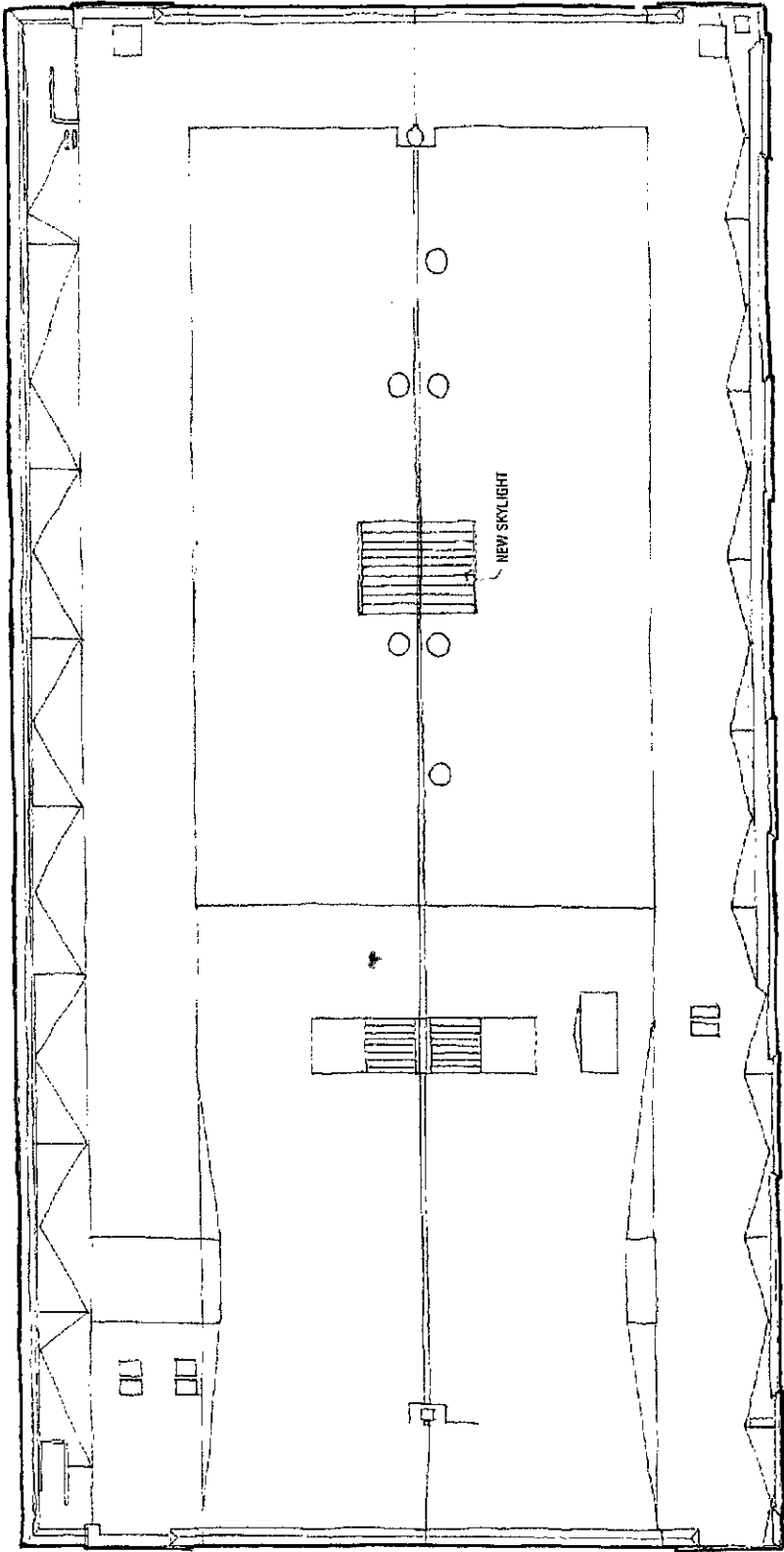


THIRD LEVEL
31,784 S.F. LEASABLE
116' x 110'
5.8.05



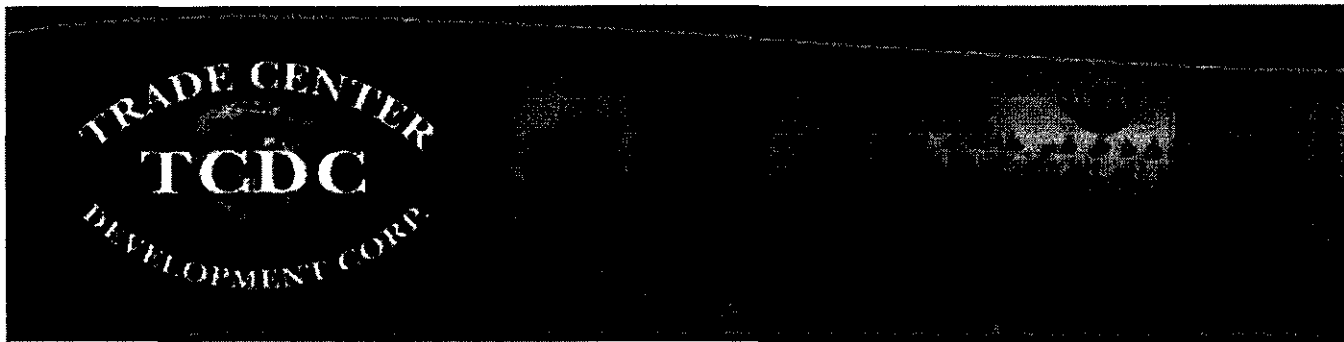


FOURTH LEVEL
26,864 S.F. LEASABLE
1.18' 1.0'
6.325



ROOF PLAN
1/8" = 1'-0"
BET



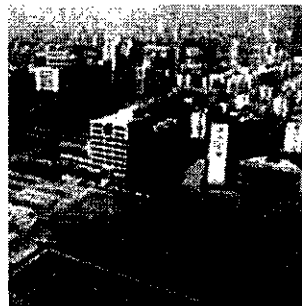


Home Page
About Us
Investments
First Tier Projects
Kunshan - China
Bay Area, CA - US
Charleston, SC - US
Honolulu, HI - US
Tianjin - China
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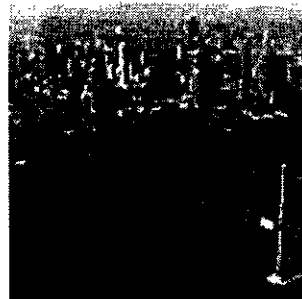
TCDC - First Tier Projects

The following news update information identifies our selected "First Tier" World Showcase project destinations, the corporate purpose for those selections, and information about each destination.

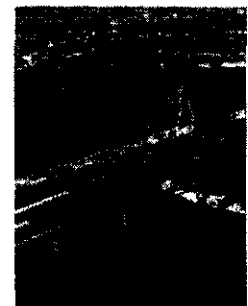
Click on the image below to learn more about TCDC Project for the selected location.



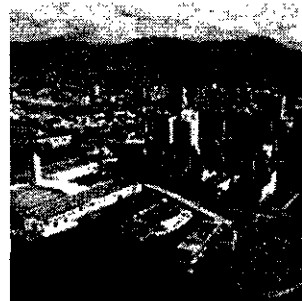
[Kunshan, China](#)



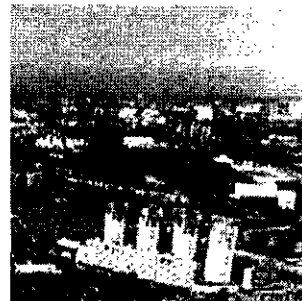
[Bay Area, California](#)



[Charleston, South Carolina](#)



[Honolulu, Hawaii](#)



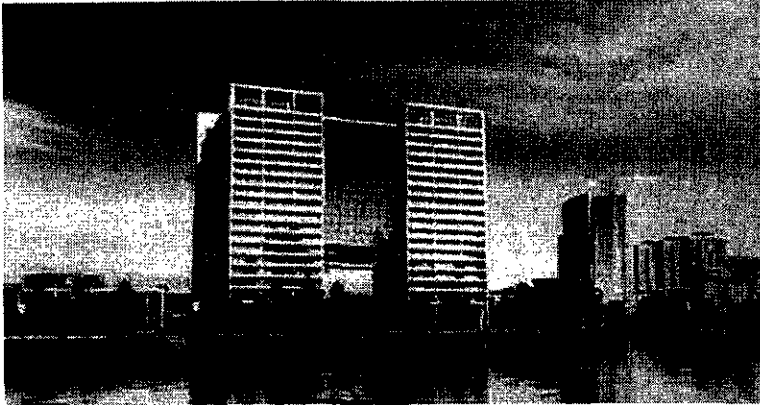
[Tianjin, China](#)



[Orlando, Florida](#)



2700 Cypress Creek Road, Suite C-104 :: Fort Lauderdale, FL:: Phone: (954) 771.07

Kunshan - China**Kunshan, China World Trade Center -- A joint venture between TCDC and WTC International Group, Ltd.****Kunshan WTC Building - Scheduled to Open Fall 2007**

Kunshan China is the new manufacturing capital of China and is home to over 3,000 manufacturing companies from 55 countries. It is strategically located only 40 minutes from Shanghai, which is rapidly emerging as the global financial capital of the 21st century. The government recently announced that the new high speed rail system will soon connect Kunshan with Beijing and the Shanghai PuDong airport. Six of the world's ten largest laptop manufacturing factories are located in Kunshan and their collective annual output accounts for one fourth of the production of all laptops sold in the world. The total foreign direct investment in Kunshan exceeds \$ US 20 Billion in the last five years.

The Trade Center Development Corp's strategic alliance partner in Asia, the WTC International Group. Ltd., have an agreement with the Kunshan Economic & Technical Development Zone (KETD). Under this agreement the Kunshan World Trade Center and China's first *World Trade Showcase Center will be housed in the new KETD tower. Kunshan Mayor Zhang Guo Hua stated at a meeting in Kunshan on June 19th 2006, "We welcome the World Trade Center and Trade Center Development team to Kunshan and commit to take all steps necessary to help make this project a success." He further stated... "With the new high speed train coming to Kunshan, we will be connected to Beijing and other China cities which will allow your clients to have access to all of China". This high speed rail will connect the airport at Shanghai and the TCDC Showcase Center with a short 22 minute ride.

**TCDC, WTCI Group, Chinese National Federal and KETD Officials
View Kunshan Building Progress - July 2006**

The building that will house the Kunshan World Trade Center and World Trade Showcase Center is currently under construction and will be completed by September 2007. The agreement between WTCI Group and KETD allocated over 140,000 square feet to the Kunshan World Trade Center Showcase facilities.

TCDC and WTCI Group executives were in Kunshan recently completing planning for the first 140,000 square feet of TCDC exhibition space and a World Trade Center Club that will be housed in the 800,000 square foot KETD tower and adjoining building. In addition, meetings were held with Berry P.C. Hung, head of the Chinese National Federation of Industries. He has indicated that he believes over 100 of his companies will be interested in opening exhibition operations in our World Trade Showcase Centers. He stated... "My manufacturing associates, who have opened operations here from Taiwan, have indicated a strong interest in being involved in the Kunshan World Trade and Showcase Center."



TCDC Executives discuss Kunshan
World Trade Center with Mayor of Kunshan

WTCI Group

CEO Charles Lin, projected that the 140,000 square feet will be fully leased by international tenants in advance of the completion of the building. He continued... "The initial demand from international manufacturers and showcase tenants has been so strong that TCDC has committed to invest in a phase two building that may double the current capacity for the exhibition space." He continued... "Many international manufacturers trying to penetrate China and the Asia market understand that these strategically located World Trade Showcase Centers will instantly allow Asian buyers to view their goods without traveling 25 hours".

Further negotiations are projected to include a world class hotel, a convention center, and additional prime international office space in phase two of the joint venture. Guy Hollis, director of the Asian-Pacific capital group at Jones Lang LaSalle, stated in a recent Wall Street Journal article... "the price of prime office space in China will continue to grow... and we project the price of this prime space to grow as much as 40% in the Shanghai region this coming year."

KETD Director, Xuan Bing Long stated... "Kunshan is now the most successful Economic Zone in China and with the addition of the Trade Center Development World Trade Showcase Center, we will give global clients an opportunity to showcase and distribute their products to all of Asia." The KETD organization accounted for over \$US 30 Billion in imports and exports in 2005.

A meeting this June in Shanghai between Lin, TCDC Senior Vice President Randy Avon and the head of Asian investment operations for Goldman Sachs, Zoe Chang, was extremely productive. She stated " We are very interested in working closely with the Trade Center Development Corp. as you develop World Trade Centers across China". Discussions will continue next month in Hong Kong with Chang and others about a possible international \$US 250 million REIT later this year or early 2007. Meng Xiaosu, President of the China National Real Estate Development Group stated recently in a China Daily feature story... "The real estate sector in China is ushering in a new phase of expansion which includes the introduction of a new financial product -- real estate investment trusts (REITS)". He further stated... "This era of buoyant property development offers new opportunities in the form of REITS and I believe China's real estate sector will embrace a market which promises to expand 10 years in a row."

TCDC and WTCI Group, Ltd. control the license for the Kunshan World Trade Center and Tianjin World Trade Center (Beijing's port city) as they continue to expand World Trade Centers and World Trade Showcase Centers across China.

Bay Area, California - United States

Bay Area World Trade Center -- A cooperative efforts between the San Francisco World Trade Center /the Oakland World Trade Center -(Now the Bay Area World Trade Center), the Port of Oakland, the City of Oakland, and Trade Center Development Corp. (TCDC)



Proposed Site for Phase One Bay Area World Trade Center

Bay Area World Trade Center joint venture was an easy decision for the TCDC Board of Directors. When we contacted our Asian Trade Councils, trade show administrators, and international companies who desired to have an entry port to and from Asia and the United States, the Bay Area was the choice of over 58%. The Trade Center Development Corp. (TCDC) has been working closely with government officials in Oakland, the Port of Oakland, San Francisco, and other officials in the Bay Area to fund, design, and build the first U.S. mainland west coast *World Trade Showcase Center. Negotiations have been moving briskly along to locate World Trade Center buildings in the Oakland/San Francisco Bay area. Thorough research by our TCDC development team made Oakland the obvious business choice for many

important reasons which include:

Jack London Square at the Port of Oakland

- 1) The Port of Oakland does 90% of the international container business in the region;
- 2) Grubb and Ellis ranked Oakland as the 6th strongest office market and 10th strongest industrial market in the U.S. in their 2006 North American Real Estate report;
- 3) Port of Oakland is the 4th busiest cargo port in the United States;
- 4) Port now dredging to 50 feet which will permit all size ships;
- 5) Rated by Forbes among top 15 cities for business in the U.S.;
- 6) Bart and other rapid rail systems in place for the entire region;
- 7) \$900 Million expansion program underway at Oakland airport;
- 8) 5th Largest regional economy in the United States.

Full architectural designs have been completed by the prominent bay area architectural firm of EHDD (Please see their profile in our strategic alliance partners section of the website). A full presentation will be made by the TCDC development team to the Oakland City Council on July 18th 2006. TCDC is working with the Bay Area WTC team to possibly long term lease the historic Henry J. Kaiser Convention Center and convert it into a 120,000 square foot World Trade Showcase Center. Plans include reconstruction of the interior of the building while preserving the exterior of the Center's historical structure. Community leaders have praised this approach and have urged city officials to move rapidly forward. TCDC officials have indicated that the first phase of the building could be fully leased prior to the completion of the renovations.

Executive Director of the Port of Oakland, Jerry Bridges, has been very supportive of the overall plan and has opened some opportunities for the second building to be located at the Jack London

Center located at the growing Port of Oakland ([see link](#)). In a recent letter to the Chair of the Economic Development committee of the Oakland City Council, Bridges wrote... "I hope that you and your colleagues will be able to assist TCDC and BAWTC in the creation of the West Coast World Trade Showcase by endorsing the concept of establishing such a center in Oakland." He continued... "I appreciate your consideration of their efforts to further the national and international prominence of Oakland as an international gateway." Ed Oppel, Sr. Vice President for construction and development for TCDC, is personally handling the Bay Area project and indicated recently... "This wonderful historical property could be ready as early as the end of 2007 for tenants." Mr. Oppel oversaw all of the inner harbor development for Baltimore and believes that this project could have similar impact for Oakland and the Bay area. Oakland officials and staff have been extremely cooperative in an effort to fast tract this public/private partnership project.

Jose Duenas, CEO of the Bay Area WTC stated this past week... "The Bay Area WTC is pleased to be working with the Trade Center Development Corp. in the development of a series of WTC buildings for the Oakland/San Francisco Bay area. Our first project will include a *World Trade Showcase Center and is projected to be the home of thousands of imported products from China, India, Latin America, Europe, the Middle East, and the United States. The World Trade Showcase Center will be a one stop international business center for exporters and importers to do businesses from around the world."

TCDC Senior Vice President Randy Avon returned recently from meetings with PRC officials to discuss the possible opening of a large scale "China House" as a part of the new BAWTC operation. With the strong Asian interest in the development of a key west coast exhibition center for goods, this operation could house as many as four buildings in the Bay Area WTC. Traditionally, regional, national, and international businesses follow the opening of WTC complexes. The WTC in Taipei has used the same business model and currently has almost 6 million square feet of facilities. Public benefits that are projected include a world class international library, utilization of the symphony hall, the presence of global Diplomats and major international companies, the development of a WTC business club and restaurant, local artists exhibitions, and the operation of one of America's premiere WTC organizations on premise.

TCDC CEO, Fred Frankel, stated... "We are very pleased with the cooperation that we have received from the City of Oakland, the Port of Oakland, and the business leaders in the Bay Area. We have committed to make this project a showcase for the global World Trade Showcase Centers."

Charleston, SC - United States

South Carolina World Trade Center/A joint venture with TCDC and the South Carolina World Trade Center



More than 8 million tons of cargo pass through the Port of Charleston each year. As the largest containerized cargo port on the S.E. Atlantic and Gulf Coasts and the 7th largest nationwide, the port annually handles over 6.8 million tons of cargo and employs an estimated 17,000 people (directly and indirectly). The Port of Charleston promises to be a cornerstone of the area's future economic growth.

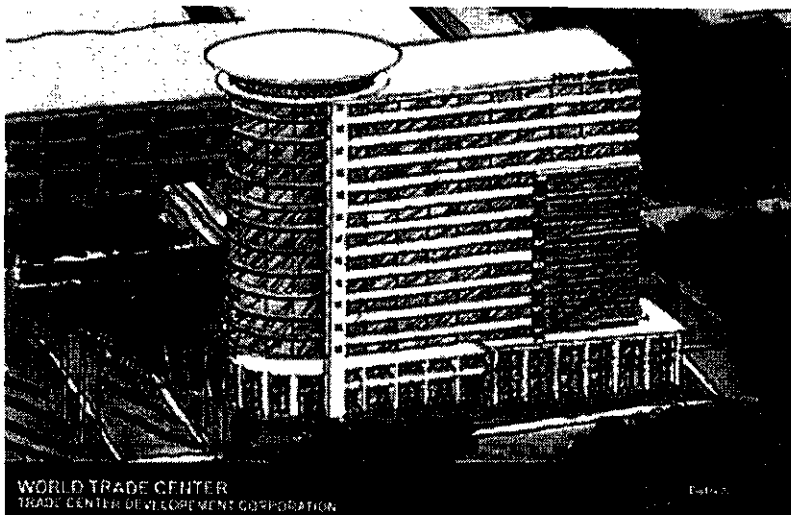
This project is a joint venture with the **South Carolina World Trade Center** and will be located at the Charleston Area Convention Center in North Charleston. Our development team is finalizing the plan for an appropriate World Trade Center complex that will be a compliment to the region. This aggressive region has been taking quantum steps towards the development of a full multi-modal

system that will include post-Panamax first call shipping from Asia. This global business model fits perfectly with the TCDC global plan to develop World Trade Showcase Centers in key geographical ports around the world.

The South Carolina State Ports Authority has been instrumental in the leadership for the development of a signature World Trade Center building and World Trade Showcase Center. The Port of Charleston now has eclipsed many of the larger east coast ports as they have a 45 foot deep shipping channel that is wide enough for post-Panamax ships to pass and have implemented programs that have produced dockside crane productivity that tops 40 moves per hour per crane, and has container terminals that are less than two hours from the open sea. Ed Oppel, former Port Director of the Port of Palm Beach, is working closely with the President and CEO of the South Carolina Ports Authority. Mr. Oppel is a member of the TCDC Board of Directors and handles all construction management for all U.S. TCDC projects. He stated recently... "We strongly believe that South Carolina's global credentials, combined with the World Trade Center 35 year branded name will allow this World Trade Center complex to easily motivate global companies to showcase their products from all the world at this venue."

TCDC officials have been working closely with Mark Condon, Executive Director of the South Carolina World Trade Center, and a Board Member of the World Trade Centers Association, putting this very viable project together. Mr. Condon stated...

"The South Carolina World Trade Center is very excited to be working with Trade Center Development Corp. in the development of a world class 200,000 square foot World Trade Center complex in South Carolina. We are fine tuning our design and plans for the series of WTC buildings that will house the first *World Trade Showcase Center (WTSC) in the eastern United States."



Another component that has rocketed South Carolina to the front of International Trade has been the \$250 Million Carolinks Intermodal public/private project that will begin complete operations this summer.

ATTACHMENT D-3

Mr. Fred Frankel, Chairman of the Board of TCDC is personally handling this project. Current planning calls for the construction of as many as four World Trade Center buildings in this master plan that is being designed by our world class architect Ken Betch in cooperation with city, county, and state leaders.

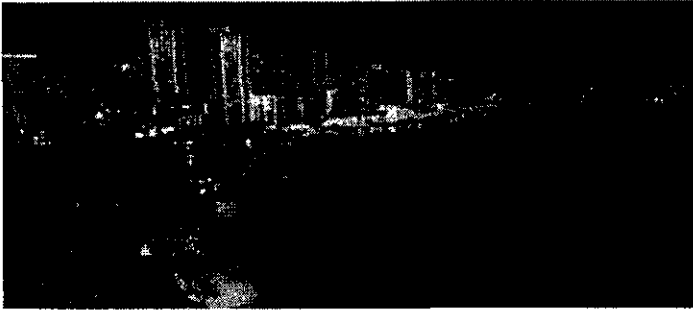
Mayor Keith Summey and the City of North Charleston have shown remarkable leadership in their quest to be the site of America's first World Trade Showcase Center. This phased project will contain a World Trade Showcase Center, a WTC Private Club and restaurant, the offices of the South Carolina WTC, trade offices, offices for Diplomats, offices for shipping company offices, WTC Executive Center international private sector offices, and possibly an "India House" section.

The South Carolina WTC has one of the most success trade mission programs in the entire 300 member World Trade Center network. This network fits nicely with TCDC plans to implement a universal exchange program that will allow all *WTSC Center exhibitors to belong to the exclusive WTCA network. In addition, all exhibitors will have the opportunity to be involved in the WT-PERC program being coordinated by the South Carolina World Trade Center. This World Trade Park and Education Research Center program increases international trade by increasing product distribution, providing educational training, and conducting research and advanced technology.

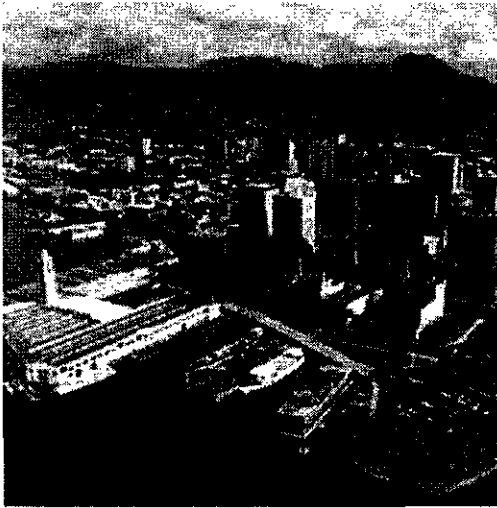
Discussions are on-going with South Carolina and TCDC to possibly utilize a portion of the existing convention center into a showcase destination.

Honolulu, Hawaii - United States

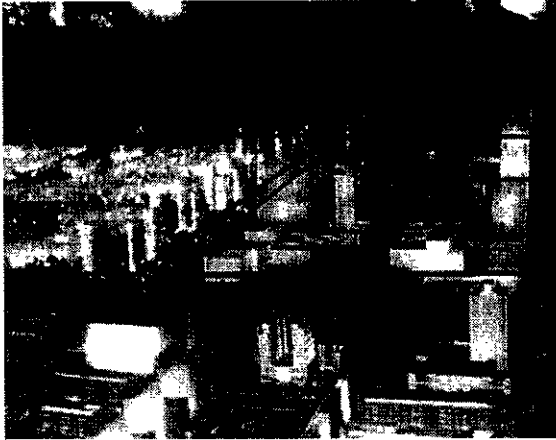
Honolulu World Trade Showcase Center -- A joint venture with the city and county of Honolulu.



In addition to serving as the business and trading hub of the Hawaiian Islands, Honolulu is the transportation crossroads of the Pacific, connecting East with West. Its location in the mid-Pacific makes it a major stopover for trans-Pacific sea and air shipments. Honolulu Harbor has a highly successful Foreign Trade Zone and 10 major shipping companies serving the port. The harbor also has terminals for commercial fishing, cruise ships, and ferries. Other important elements of Honolulu's economic base include tourism, military defense, research and development, and manufacturing. With millions of visitors coming each year to enjoy Honolulu's climate and beaches, tourism contributes \$10 billion annually to the local economy. The city and county of Honolulu also contain many commercial, industrial and retail properties.



We have structured a strategic alliance with one of Hawaii's strongest and oldest premier builders, Hawaiian Dredging Construction Company (A Kajima USA, Inc. company) and KUD International. Hawaiian Dredging is a 100 year old Hawaii firm whose projects include the construction of the Ala Moana shopping center (the world's largest at the time of construction), Aloha Stadium, hotels, resorts, industrial projects, military housing, office buildings, and condominiums. KUD International coordinates all facets of financing, planning, design, construction of large-scale real estate development projects around the world. They are currently doing the largest mixed-use redevelopment project in Europe.

Tianjin - China**Tianjin China World Trade Center -- A joint venture between TCDC and WTC International Group, Ltd.**

Tianjin is one of the largest industrial and port cities in China and is known as "the diamond of the Bohai Gulf". The city covers an area of 11,000 square kilometers (4,200 square miles) and has a population in excess of 10 million people. Located in the northeast of the North China Plain, Tianjin is the closest seaport to Beijing. Its Tianjin port links a dozen provinces and cities in the north with the sea. With more than 30 navigation routes leading to more than 300 international ports, it serves as a major channel linking the continents of Asia and Europe by sea. Tianjin's geographical position and strategic importance is unmatched.

This proposed WTC Complex is projected to be 200,000 square feet and will contain a World Trade Showcase Center, a WTC private club, WTC Tianjin corporate offices, a WTC executive center, offices for diplomats, U.S. commercial services, shipping companies, freight forwarders, full and executive office space for global companies, trade and commerce operations, and other WTC related services. This project will be a joint venture with either the Tianjin Economic- Technology Development Area Administration Commission (TEDA), the Tianjin Municipal Government, the port of Tianjin or a combination. It is projected to be a self-contained free trade zone in this port city for Beijing. The PRC government is highly motivated to open this complex in advance of the 2008 Olympic games.

Orlando, Florida - United States

Orlando World Trade Center -- A joint venture between TCDC and the Orlando World Trade Center

With global shipping opportunities via air, land, sea, and space, Metro Orlando is one of the world's few quadramodal transportation centers. Orlando International Airport is the 15th largest in the U.S.



and 23rd largest in the world. It offers non-stop service to 72 domestic cities, more than any other airport in Florida. The airport is also the site of Foreign Trade Zone #42, an area that permits foreign goods to be stored or processed without import duty. The Orlando/Sanford International Airport is the site of Foreign Trade Zone #250, the largest trade zone in Florida. Interstates 4 and 95 provide access to many areas

throughout the state and the Southeast, and 62 motor freight carriers have local terminals or warehouses. Amtrak provides commercial rail service, and CSX Transportation and Florida Central Railroad transport cargo. CSX Intermodal has a terminal located in Orlando. Orlando's nearest navigable waterways are at Sanford, 20 miles away, Port Canaveral, 40 miles away, and Port of Tampa, 84 miles away. The nearby Kennedy Space Center offers deep water ports as well as launch facilities.

CORPORATE GOVERNANCE

The Trade Center Development Corp. is committed to establishing best practices for corporate governance. A portion of the members of the Board of Directors will be independent from management. The Board of Directors will monitor management's compliance with laws, regulations and corporate policies. The Board will appoint an audit committee comprised of individuals who have relevant education and financial experience to oversee the audit process, raise accounting and reporting issues and resolve any disagreements between management and the company's independent auditing firm. The Board will also establish a conflict of interest policy that will clearly define the boundaries and relationships that could potentially result in a conflict of interest. The Board of Directors and the Executive Committee will foster and maintain a culture that values and rewards ethical conduct, through attitude and behavior that conveys their commitment to ethical excellence.

Executive Committee and Board of Directors

At the present time, all 11 principals are actively involved in the management of the Company. The Company has established a Board of Directors, which includes highly qualified business and industry professionals. The Board of Directors will assist the Executive Committee in making appropriate decisions and taking effective action; however, they will not be responsible for management decisions. Currently there are 11 members of the Board of Directors:

- Fred Frankel, Chairman of the Board, Vice Chairman of the Executive Committee and Member of the Board of Directors
- Senator George Firestone, Chairman of the Executive Committee and Member of the Board of Directors
- Thomas M. Patrick, Vice Chairman of the Board, Member of the Executive Committee and Member of the Board of Directors
- Steve P. Beinke, Member of the Executive Committee and Member of the Board of Directors
- Randy Avon, Member of the Executive Committee, Sr. Vice President of Joint Ventures and Strategic Alliances, and Member of the Board of Directors
- Mr. Charles Lin, Member of the Board and Standing Chairman of Asian Operations for the Company.
- Mr. Edward R. Oppel, Member of the Board and Standing Chairman of all new TCDC/World Trade Center port and airport development projects

- Rep. Jerry Chang, Member of the Executive Committee, Member of the Board of Directors, and Liaison for Tianjin, China
- Marty Kurtz, CPA, Member of the Board of Directors, and Chairman of the Finance Committee.
- Henrietta Frankel, Member of the Executive Committee and Member of the Board of Directors
- Robert O. Cash, Esquire, Member of the Executive Committee and Member of the Board of Directors

Fred Frankel, Chairman of the Board, Vice Chairman of the Executive Committee, President of the Fort Lauderdale World Trade Center and Member of the Board of Directors

Mr. Frankel was a founding partner in the first Florida World Trade Center franchise approved. He has served as the President of the World Trade Center of Fort Lauderdale, Florida for over twenty years. Before, and during that time, he has had an extremely successful 40-year career in the building and development arena and has been involved in the design, approval, and development process for hundreds of millions of dollars of projects in Pennsylvania and Florida. Mr. and Mrs. Frankel formed a small business investment company in 1962, which was operated quite successfully for almost 10 years. They liquidated the company when the Frankels moved to Florida. During the time that the company was in existence and including the final liquidation distribution each of the original \$5,000 investor had received a total of \$93,000. Mr. Frankel designed, built, and developed the original World Trade Center/Fort Lauderdale office building in Port Everglades and had it designated as a Foreign Trade Zone.

He has been honored as a Senior Fellow in Electronics Communications and was a member of the Florida Atlantic University Foundation. He was one of the original producers of the CD Rom used for product showcasing with Internet access for international trade shows. He has been a guest Lecturer at Nova University teaching areas of International Trade and global opportunities. He is a respected international visionary and is the primary organizer of the World Trade Center Showcase and other international programs.

Senator George Firestone, Chairman of the Executive Committee and Member of the Board of Directors

Senator Firestone has had a long and distinguished career in both the public and private sectors. He has a broad base of real estate, finance, and corporate management. He has co-developed and acquired real estate for his own portfolio and others for over thirty years. He has served as Vice President, Public Finance Division of Smith, Barney, Harris Upham & Company. He was the co-founder of Tecton International Group. Tecton was established in 1984 to serve banks, thrifts, insurance companies, pension plans, government agencies, and private investors. Tecton's commercial and residential management activities encompasses specialized assets such as planned unit developments, mixed office-hotel-retail projects as well as office buildings, multi family residential projects and industrial parks throughout the United States. As Chairman of Tecton, Senator Firestone

oversaw over One Billion dollars of real estate assets on behalf of their contract with the Resolution Trust Corporation.

Senator Firestone has served as an honored member of the Florida House and Senate, and as a Cabinet official as three term Florida Secretary of State. He has served on bank boards and many international business boards. He was appointed by Secretary of State Katherine Harris to serve as the official liaison to the Consular Corps. He authored Florida's original Foreign Trade Zone Legislation. He is a licensed Real Estate Broker and a Licensed Mortgage Broker.

Thomas M. Patrick, Vice Chairman of the Board, Member of the Executive Committee and Member of the Board of Directors

Mr. Patrick has been an active community and business leader all of his life. He was an adjunct Professor at Penn State University and also at Schlicher Kratz Real Estate Institute where he taught Real Estate and Finance. He owned his own company and developed tract and custom homes, light commercial properties, and provided brokerage, financial, management and consulting services for the industry. As an investment specialist with Coldwell Banker (NYSE, now CB/Richard Ellis) in Philadelphia, he led the operation in production and moved to Florida to become a Managing Director with the company and to help grow its commercial and residential business into the market leader it has become since the early 80's.

Mr. Patrick became the President of Grubb & Ellis of Florida (NYSE), in the early 90's and was instrumental in negotiating, coordinating and executing major asset disposition programs on behalf of the federal government (FDIC and RTC). After helping to restructure and sell controlling interest in the company to Prudential Insurance Company and Warburg Pincus Investment Bankers, Mr. Patrick pursued development opportunities and interests in the eastern United States, where he was active in projects from New York to Florida. Projects included office buildings, condominium conversions, build to suit projects for institutional tenants, work out arrangements for failed properties, and financial structuring (debt and equity), as well as mortgage paper discounting and sales for real estate transactions. He has represented and partnered with many domestic and foreign high net worth individuals and institutions. A licensed real estate and mortgage broker in Florida, Mr. Patrick has held licenses in multi states and is an active member of National Association of Realtors, Florida Association of Realtors, Greater Miami and the Beaches Association of Realtors, and Florida Mortgage Bankers.

Steve P. Beinke, Member of the Executive Committee and Member of the Board of Directors

Mr. Beinke has served as President of Blackhawk Development since 1990 and was Executive Vice President since 1975. Over the past 30 years, Blackhawk has developed six master-planned communities totaling over 14,000 residential units located in the northern California Bay Area. Mr. Beinke has been instrumental in the development, sales and marketing of Blackhawk (a 2,500 unit community located on 5,000 acres in Danville, California - which has been recognized as one of the premier master-planned golf and country club communities development in the United States); Canyon Lakes (a golf course community located in San Ramon, California on 1,100 acres, including approximately 3,500 units ranging from apartments, condos, town homes and single-family homes); Apple Hill

Estates (located in Brentwood, California is the largest custom-home community in Brentwood); Summerset at Brentwood, consisting of 2,000 units, and Summerset at Rio Vista, 4,000 units - are two amenity-oriented active adult communities offering affordable lifestyles for today's active adults; and the newly entitled "Vineyards at Marsh Creek", also located in Brentwood, California. In the State of Washington, he was involved in the development, sales and marketing of Grand Ridge, Blakely Ridge and Montreux - residential communities in the Seattle area.

Randy Avon, Member of the Executive Committee, CEO of the Fort Lauderdale World Trade Center, and Member of the Board of Directors

Mr. Avon is an international investment banker with deep ties to the diplomatic community. He is the former CEO of Florida Fixed Income Securities Corp., Eagle Affordable Housing, P.A., and Asian Pacific Development Corp, S.A. His companies have completed over one billion dollars in infrastructure development projects and fundings in the United States and abroad. He is a former member of the Florida Legislature and past Chairman of the Florida/Columbia Alliance. He has been listed in "Who's Who in American Politics, Community leaders of America, Outstanding Young Men of America and Who's Who in Finance and Industry. He was recently named as one of South Florida's "100 Most Powerful International Leaders" by South Florida CEO Magazine. He is a former State President of the Florida Jaycees and charter President of the Florida JCI Senate. He is a former International Vice President of Sister Cities International and serves as special envoy and Trustee for the Florida Free Trade Area of the America's (FTAA). He was deeply involved with the CAFTA agreement and has unique relationships with key Heads of State. He recently served as VIP Chair of the Organization of American States (OAS) meetings in Fort Lauderdale.

Edward R. Oppel, Member of the Board and Standing Chairman of new TCDC/WTC port and airport development projects

Ed Oppel is a Port Commissioner of the Port of Palm Beach and its former Executive Director. He is currently the president of a consulting firm that specializes in Port Development and fostering International Trade. Mr. Oppel began his business career in the private sector working with such esteemed companies as Getty Oil and WR Grace. He moved on to Maryland as the Head of Construction for the City of Baltimore. Among his noted accomplishments were the building of the National Aquarium, the Baltimore Convention Center and the Restoration of the City Hall that earned him an award from the National Historical Society. As the president of the Oppel Company, Mr. Oppel was honored as the man who contributed to the renaissance of the Inner Harbor of Baltimore. His accomplishments on this nationally acclaimed project have brought him international consulting opportunities worldwide. Mr. Oppel is the former president of The Tega Cay Development Company in South Carolina, a 1,600 acre site located on Lake Wylie, 10 miles from Charlotte, NC. During Mr. Oppel's 35 year career he has overseen development of real estate and construction valued in excess of 2 billion dollars. Mr. Oppel received his Bachelor of Science degree in Accounting, emphasis on financial operations and economics, and his Doctorate of Law degree, emphasis on corporate accounts, from the University of Baltimore. With more than 20 years experience as an executive director working with various government bodies across the United

States, Edward Oppel brings strategic planning, operations and financial analysis, and effective communication to the Board of the Trade Center Development Corp.

Charles Lin, Member of the Board and Standing Chairman of Asian Operations for the Company.

Mr. Lin has a long and distinguished development career in his homeland of Taiwan. He has been involved in many multi national projects and is currently an executive committee member of the Board of the World Trade Center International Group, Ltd and the proposed Tianjin World Trade Center. Mr. Lin is currently the chairman of Sun-On Technologies Corp.(Taiwan) and the CEO of China Agritech Group Limited (China and Hong Kong). He has developed several major global companies and has very strong business, financial, and governmental connections in China, Hong Kong and Taiwan.

Prior to establishing his own companies, Mr. Lin was a top corporate executive for the largest industrial group in Taiwan, Formosa Plastics Group. He headed all international divisions and was recognized as "A Top Corporate Executive" and received numerous other awards. Mr. Lin comes from a very prominent Taiwan family and graduated from a top university in Taiwan majoring in Economics with many awards and honours. He received his MBA from the University of California.

Henrietta Frankel, Member of the Executive Committee and Member of the Board of Directors

Mrs. Frankel has a deep background in the fields of finance and development and is respected for her involvement in the international business community. As Executive Vice President of World Trade Center of Fort Lauderdale since 1984, and co-owner, she was responsible for all programming and events. She is credited by top state officials as being one of the original international movers and shakers in South Florida.

A Temple University graduate of the School of Business she was extensively involved with the Philadelphia University for many years, including being a commencement speaker. She also created and funded the first center for business ethics and created the initial programs. She was deeply honored when the "Henrietta L. Frankel Center for Business Ethics" at Temple University was named in her honor as has served as a model at other Colleges and Universities across the United States. This center was utilized as the impactive vehicle for the complete study of the operation of the Bank of Credit and Commerce.

She utilized her business background to help make Mr. Frankel's projects successful for decades. Her design concepts and practical features are in all of the Frankel projects and her hands on involvement included the management of Camino Del Mar Country Club for 11 years. She has served on business, University, and community boards her entire adult life.

Rep. Jerry Chang, Member of the Executive Committee Member of the Board of Directors, and Tianjin, China and Asia Liaison

Rep. Chang is a respected member of the Hawaii Legislature, developer, and international businessman. He currently serves as a Majority Whip in the Hawaii House of Representatives and as Chair of the Tourism and Cultural Committees. He has led numerous international trade missions over the years from Hawaii to countries throughout Asia. He is a Licensed Real Estate Broker, developer, and President of Pacific Homes Unlimited. He is a past President of the Hawaii Island Board of Realtors and is an honored military veteran.

He serves, or has served, on the boards of the Hawaii County Economic Opportunity Council, the Special Forces Assn., Big Island Substance Abuse Council, Big Island Business Council, and the American Marketing Association. Honored as one of America's Outstanding Young Men and listed in "Prominent People of Hawaii". He has received numerous awards for his accomplishments in the Hawaii Legislature.

Robert O. Cash, Esq., Member of the Executive Committee and Member of the Board of Directors

Mr. Cash is an international attorney with a deep community and international background. He is a graduate in Economics from the University of Missouri and the University of Colorado Law School in the areas of Estate planning, taxation, and international law. He has a Masters Degree in Financial Services and was an instructor for the American College Masters Program. He was the General Agent for Massachusetts Mutual for 27 years and is a Million Dollar Round Table Life and Qualifying member and a life member for 36 years. He is the former Chairman of the United Way of Broward, recipient of the John Newton Russell Award, and Past President of the of the Miami and Fort Lauderdale CLU Chapters. He is an internationally renowned lecturer at insurance, banking, and estate planning meetings. He currently serves as the General Counsel for Asian Pacific Development Corp. with offices in Latin America and Asia.

Marty Kurtz, CPA, Member of the Board of Directors and Standing Chairman of the Finance Committee

Mr. Kurtz is a financial professional and has been a practicing CPA for over 40 years. He is a shareholder in the Fort Lauderdale, Florida certified public accounting firm of London Witte & Company, P.A. Mr. Kurtz received a Bachelor of Business Administration degree with honors from the University of Miami with a major in accounting. He has also obtained the designation of Accredited in Business Valuation (ABV) from the American Institute of Certified Public Accountants. He is past President of the Estate Planning Council of Fort Lauderdale and currently serves as President of Sister Cities International in Fort Lauderdale. He has also had leadership roles in the Fort Lauderdale Downtown Development Authority, the Fort Lauderdale Downtown Council, the International Business Council of South Florida and other civic and community organizations.

Management Compensation

There is no compensation that is due any member of the Management Team with the exception of expenses and funds advanced by principals for Company business as approved by the Board of Directors. Such approved "advanced funds" will be re-imbursed as first funds are available. No directors who are members of Management Team will receive any director's fees with the exception of a stipend for attendance at official meetings of the Board of Directors. In addition, ~~each director will be entitled to reimbursement of expenses incurred while~~ conducting Company business. Each director may also be a shareholder in the Company and as such will share in the profits of the Company when and if dividends are paid. Management reserves the right to reasonably increase their salaries assuming the business is performing profitably and Company revenues are growing on schedule. Any augmentation of these salaries will be subject to the profitability of the Business and the effect on the Business cash flows. Projected Management remuneration for the next 12 months will not exceed 2% of the capital assets as approved by the Board of Directors.

Principal Shareholders (To be completed)

The following table contains certain information as of January 31st, 2006 as to the number of shares of Common Stock beneficially owned by (i) each person known by the Company to own beneficially more than 5% of the Company's Common Stock, (ii) each person who is a Director of the Company, (iii) all persons as a group who are Directors and Officers of the Company, and as to the percentage of the outstanding shares held by them on such dates and as adjusted to give effect to this Offering.

AFTER OFFERING

Name and Position Shares Options Percentage

Fred Frankel, C.O.B.			
George Firestone, C.E.C.			
Thomas Patrick, V.C.O.B			
Steve Beinke, Ex.Comm.			
Randy Avon, Ex.Comm.			
Marty Kurtz, Chr. Fin.			
Henrietta Frankel, Ex.C.			
Jerry L. Chang, E.C.			
Robert O. Cash, E.C.			
Edward Oppel, BOD			
Charles Lin, BOD			
WTC- Fort Lauderdale			