

Kalakala Press Release for Immediate Release January 3, 2006 11:00am

The Kalakala Alliance Foundation, a federal Section 501 (c) (3) non-profit corporation, Tacoma, Washington has requested a total of \$5.483 million for the rehabilitation of the 1935 M/V Kalakala from a Federal Transportation Enhancement Grant Program and State of Washington \$50 million total 2006-2007 available fund. The M/V Kalakala is the World's First Streamlined Vessel, and is one of the last remaining vessels from the original Black BALL fleet that gave birth to our State of Washington's Ferry system in 1951. The foundation is in high hopes to be awarded the grant, and will wait for final release of the winning projects due in February or March, 2006. Funds could be appropriated and disbursed by June, 2006.

The M/V Kalakala project has progressed well within the year 2005, and has made progress towards establishing: final original ship designs and a homeport master plan project to be used for future Phased long term rehabilitation and construction contracts; temporary building lease to allow re-opening the Kalakala Museum by April 2006; recipient of the Association of King County Historic Associations (AKCHO is made up of 120 historical organizations within King County) "Best Long Term Project" award; State Department of Archaeology and Historic Preservation review January 27th for both the National and State of Washington historic registrations; The foundation has asked the City of Tacoma to become a local city sponsor for historic preservation; And, the foundation has been donated a 1934 3000HP Busch-Sulzer Engine that will be used as a museum element and parts for restoring the original engine onboard the Kalakala.

Having the M/V Kalakala registered in one or both of the historic registers is an honor. The National Register of Historic Places is a federal listing of historic properties throughout the United States worthy of recognition. The Washington Heritage Register is our state's listing of significant historic properties. Having the Kalakala listed within the registers gives other potential benefits. For commercial properties there is a federal tax credit program for rehabilitation, and also in some communities offer the special valuation program at the local level.

The Kalakala Alliance Foundation is excited About all the past years interest from public school students and other community members that have shown interests and willing to help save the Kalakala's worthy history. The foundation has a 2006 milestone to start construction by June 2006. Another public milestone is to become more active in the future public agendas and shoreline improvement projects related to the the cities of Tacoma and Seattle. Tacoma's Metro Parks Committee will be master planning and developing a future 702 acre Point Defiance Park, and Seattle is making major shoreline and dock improvements to Coleman dock. The foundation feels that the Kalakala would enhance Tacoma's and Seattle's local and state wide tourism along these waterfronts. The Foundation will propose temporary monthly moorage as ports of calls to attract and display a public-private combined state wide

and national maritime history of memorabilia and artifacts onboard the Kalakala while at port.

The 2006 Kalakala milestone is to become a towed floating historic landmark and visit Tacoma or Seattle for her 71st birthday celebration July 3, 2006. And, the foundation plans disclose other potential future public-private tourism and educational programs within the Puget Sound region.

We are happy to announce that we have a renewed vision, goals, and objectives for the Kalakala. And, we are happy to announce a newly expanded foundation organization including 4 Executive Officers, 6 Directors/Trustees, and over 20 Sub-Committees and Advisory Council members that have joined us and are willing to support the future Kalakala Alliance Foundation and Kalakala Project efforts during 2006.

You can visit our website www.kalakala.org for any current and future updated information. Also, our 41 page National and State registration form final report is available from a link near the top of our websites main page.

Sincerely,

Steve Rodrigues - Kalakala Alliance Foundation (President and Chairman of the Board)