

MARE ISLAND

Monthly Report to the City of Vallejo

August 2026

Prepared from the Mare Island Company monthly report

Executive briefing

Development
Operations
Leasing
Environment
Financials

August at a glance

Key items reported by the Mare Island Company

Q4 2026

Draft EIR targeted for Q4 2026

2

New leases executed

500+

Art Experience attendance

\$858,527

Preliminary net operating income

Development status

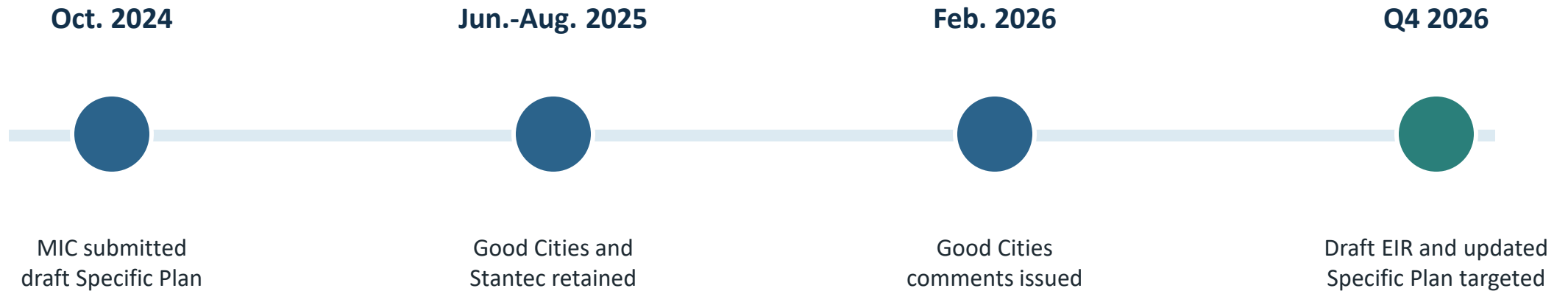
- Specific Plan update and draft EIR remain targeted for the fourth quarter.
- MIC reports that infrastructure issues continue to hold the Connolly Corridor project.
- Phase 1 beautification depends on the City finalizing Building 571 cleanup contracting and schedule.

Operating activity

- Property teams completed repairs, security work, dumping removal and weed abatement.
- Lind Marine and Red Barn Productions signed new leases; two tenants moved out.
- August arts programming brought significant activity to the waterfront and historic core.

Specific Plan and environmental review

The current schedule points to coordinated Q4 2026 deliverables



Management watchpoint: the updated Specific Plan must address Good Cities comments and issues raised through the draft environmental impact report.

Connolly Corridor remains paused

MIC cites unresolved infrastructure, process and mediation questions

Project concept

- Phase 1 includes food and beverage uses, retail, open space and a waterfront promenade.
- The City provided pre-application design comments in December 2024.

Current constraint

- MIC reports the project is paused pending discussions with the City.
- The central issue concerns responsibility for replacement and refurbishment of existing infrastructure.

Next milestones

- MIC indicated a draft infrastructure plan would be submitted in fall 2026.
- MIC requested more detail before deciding whether to participate in City-VFWD mediation.

City perspective for follow-up

Clarify the mediation framework, confirm infrastructure-plan timing, and distinguish MIC positions from City or VFWD determinations.

Beautification and property operations

Phase 1 timing depends on Building 571 cleanup

Beautification plan

- MIC submitted the plan in June 2023 and detailed design drawings in April 2024.
- City Council approved Building 571 cleanup in February 2026.
- City and MIC staff identified further contractor-scope revisions in June 2026 to meet DTSC standards.
- MIC expects to begin Phase 1 after the City finalizes the cleanup contract and schedule.

August property work

Security / access	Windows, doors, locks and perimeter fencing
Building systems	Elevators, plumbing, electrical and irrigation
Site conditions	25 cubic yards of dumping removed; 28 linear feet of cattle fencing repaired
Routine upkeep	Graffiti coverage, debris removal, road clearance and weed abatement

Leasing and community activity

Two new leases and a month-long arts program

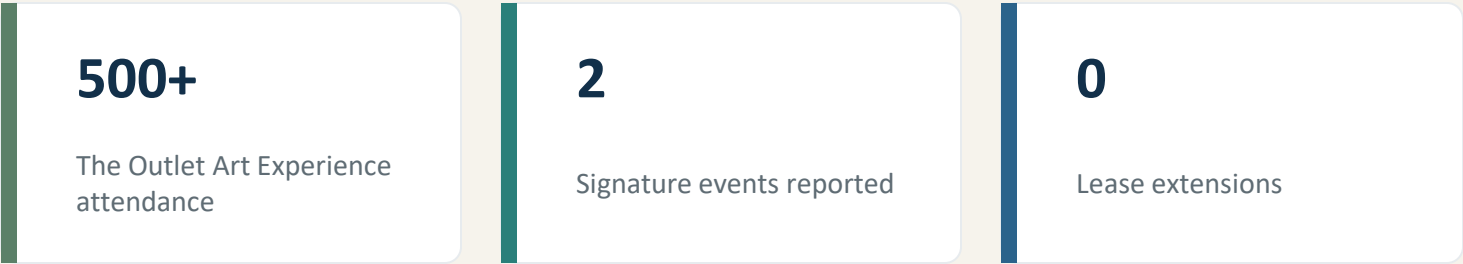
New leases

- Lind Marine: Berth 15
- Red Barn Productions: Building 744

Move-outs

- Dees Design and Engineering: Building 112
- North Bay Site Services: Building 100

Art Month



- The Outlet Art Experience supported first-responder mental health.
- Dockside Dazzle featured live art and the unveiling of Farmer the Rigger by Zulu Heru.
- Mare Island Art Studios hosted additional exhibitions throughout August.

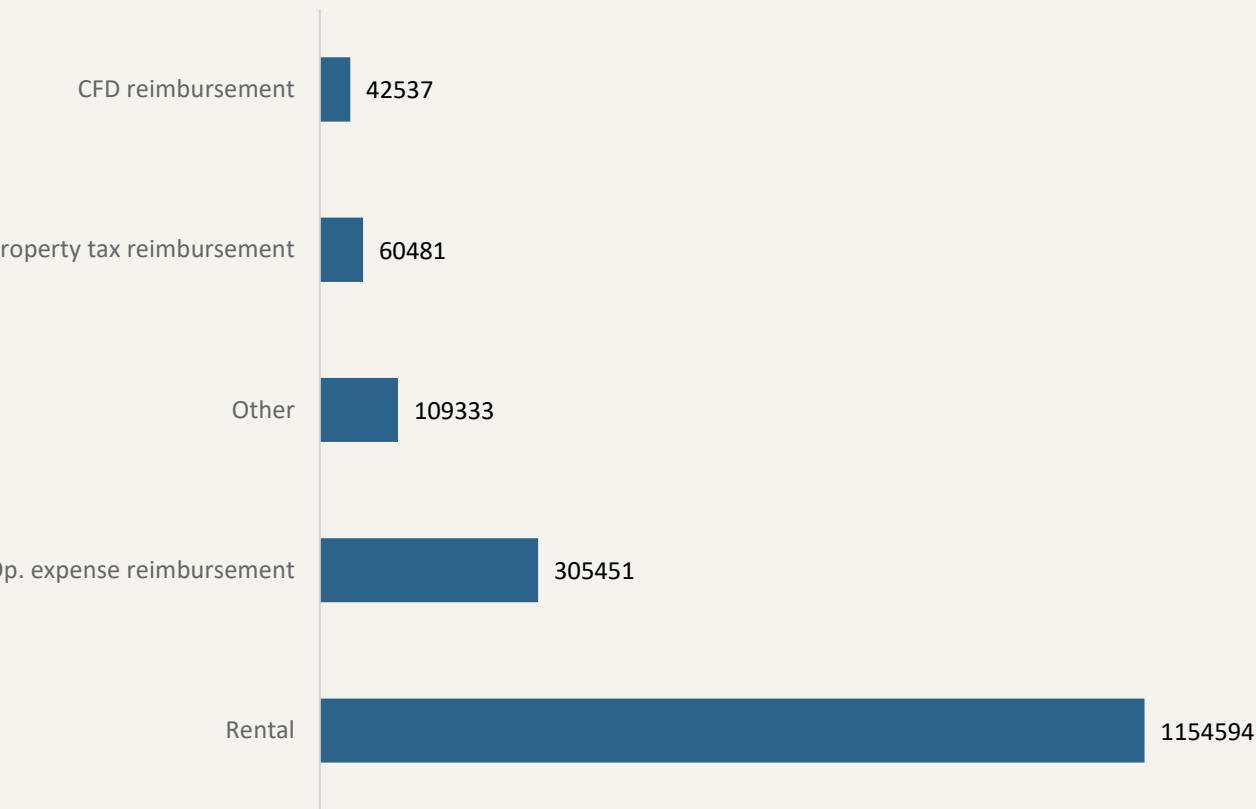
Environmental stewardship continues

Cleanup reporting, land-use controls and tenant compliance remain active

Cleanup status	LMI and the Navy completed cleanup and obtained regulatory closure for all investigation areas in the Eastern Early Transfer Parcel.
Ongoing reporting	LMI will continue reimbursement-related progress reports; the Navy is expected to report on cleanup outside the EETP.
Land-use controls	MIC continues Land Use Covenant operation and maintenance, soil-disturbance monitoring and DTSC alert responses.
Tenant compliance	MIC continues hazardous-material abatement and periodic industrial and commercial tenant surveys.

Preliminary August operating performance

Total revenue of \$1.67 million produced reported NOI of \$858,527



\$1,672,396

Total revenue

\$813,869

Property operating expenses

\$858,527

Net operating income

Preliminary portfolio results reported by MIC