

PHILADELPHIA REGIONAL PORT AUTHORITY

PORT DEVELOPMENT PLAN

\$300 MILLION EXPANSION



PRPA focused on the following goals as it evaluated market demand, land utilization and current cargo needs in crafting the proposed development plan:

- Achieve a regional competitive position.
- Expand capacity to meet current market demand and capitalize on growth potential within the industry (Panama Canal).
- Enhance the port as an economic engine for job growth of family sustaining jobs that reflect the composition of our community.
- Increase and sustain port profitability.
- Generate significant Commonwealth and City Tax revenues.
- Create and maintain a diverse commodity base.
- Support continued business expansion and modernization of the port.

The proposed development plan addresses the following challenges:

- Current Infrastructure does not meet current market demand
- There is remaining limited capacity for food grade breakbulk.
- No container improvements creates a risk of loss of container volumes and prevents the port from becoming an industry leader in the container market.
- No auto improvements likely risk of loss of auto accounts.
- Need for immediate improvements to create capacity for sustained growth.
- Limited funding focused on maximizing growth for the port.
- Sustainable budget model which reduces reliance on public subsidy

The proposed development plan effectively:

- Serves as the foundation for the Master Plan and accelerates its implementation.
- Improves competitive position for breakbulk cargoes with a focus on wood pulp.
- Provides increased container capacity in least amount of time.
- Retains and grows auto business.
- Provides demand driven allocation of acreage and incorporates future “flex” space determined by market forces.
- Builds upon Delaware River Channel Deepening & Panama Canal expansion.
- Provides the foundation for future revenue growth.

Summary:

Investment Breakdown:

Packer Avenue Marine Terminal: Approximately \$200 million
 Tioga Marine Terminal: Approximately \$12 million
 Auto Processing Facility: Approximately \$90 million

	Current	Future
Capital - Estimated	--	\$300M
Growth in Container Capacity	--	86%
Growth in Breakbulk Capacity	--	21%
Growth in Automotive Capacity	--	166%
Annual Revenue @ Capacity	\$5.7m	\$18.9m
Direct Jobs (70% Increase)	3,124	5,378
<i>Total Employment(65% Increase)</i>	10,341	17,020
State/Local Taxes (56% Increase)	\$69.6m	\$108.4m

Proposed Development Plan:

- I. **Tioga Marine Terminal**
21% growth in Breakbulk capacity

Approximately \$12 million



A. Proposed Improvements:

- 1. Improvements to Tioga 3 warehouse.
 - a. Improvements include a concrete pad adjacent to the berth area, a new roof, floor upgrades, the construction of a loading dock canopy, rail track improvements.
- 2. Mobile harbor crane acquisition.
- 3. Erection of a modular office building.

B. Business Need:

The improvements will provide Tioga Marine Terminal sufficient competitive advantage to expand and secure the wood pulp as the base cargo while providing versatility to compete for additional breakbulk cargoes.

Time Frame	Direct Jobs	Total Jobs
Current (assuming at capacity)	622	2,469
Forecasted at year 15	807	3,208

II. Packer Avenue Marine Terminal
86% growth in container capacity

Approximately \$200 million
new capacity: 900,000 TEUs*



A. Proposed Improvements:

1. PRPA Improvements:

- a. Berth infrastructure improvements
- b. New fendering to handle larger ships
- c. New berths at 45'
- d. Enhance terminal electric grid to support additional load
- e. Purchase of three new electric post-Panamax ship to shore gantry cranes
- f. Relocation of 365,000 sq. feet of warehouse space off the terminal
- g. Installation of electrical hook ups for ships while in port (Cold ironing)
- h. Removal of outmoded cranes
- i. Conversion of two Hyundai cranes from diesel to electric

2. Tenant contribution:

- a. Dedication, improvement and utilization of 40 acres of the Publicker site for container expansion.
- b. Purchase of one new electric post-Panamax ship to shore gantry crane

B. Business Need:

The improvements will double capacity for containers at the Packer Avenue Marine Terminal providing sufficient capacity and capability to aggressively compete for container market share.

Time Frame	Direct Jobs	Total Jobs
Current (assuming at capacity)	2,167	6,663
Forecasted at year 15	3,711	10,707

*Capacity is scalable to 1.2 million TEUs with additional funding.

III. Auto Processing Facility
 166% growth in auto capacity

Approximately \$90 million



A. Proposed Improvements:

1. Grading, paving, fencing and lighting of 155 additional acres for automobile use.
2. Erection of a second processing location.
3. Installation of new car wash station.
4. Relocation of the existing employee parking lot.

B. Business Need:

The improvements will create a cost competitive world class auto port that will meet the needs of Hyundai and Kia as well as providing the ability to expand into auto exporting.

Time Frame	Direct Jobs	Total Jobs
Current (assuming at capacity)	335	1,209
Forecasted at year 15	860	3,105