

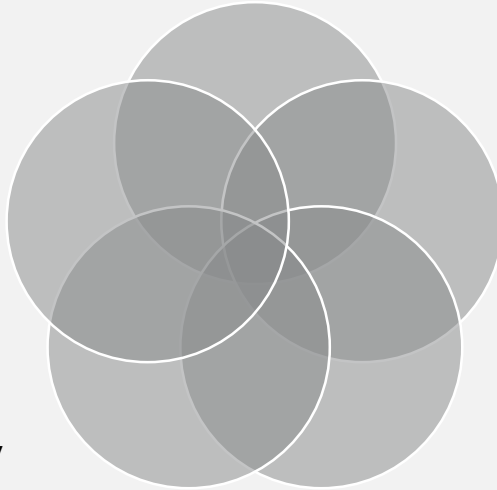
Southport – A Unique Perspective on P3s



Snapshot in Time 2014 - 2015

Expansion Considerations

Container capacity peaking



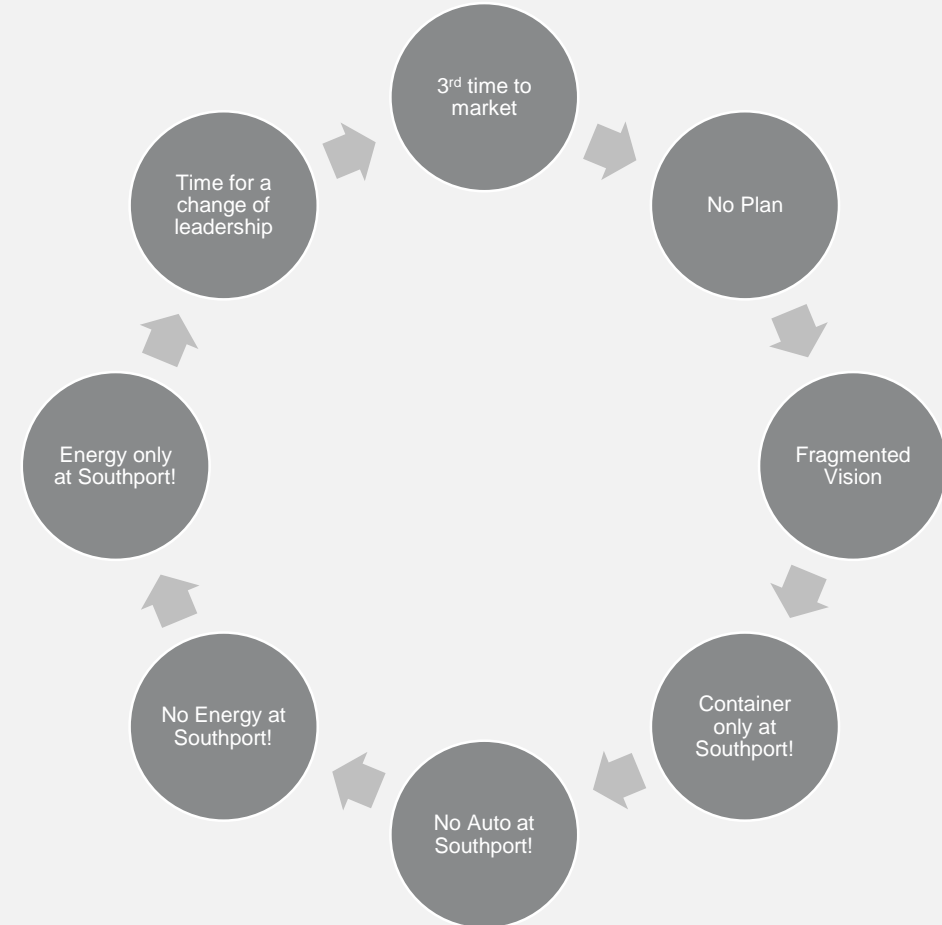
Energy industry looking to develop an "Energy Hub"

Channel deepening nearing completion

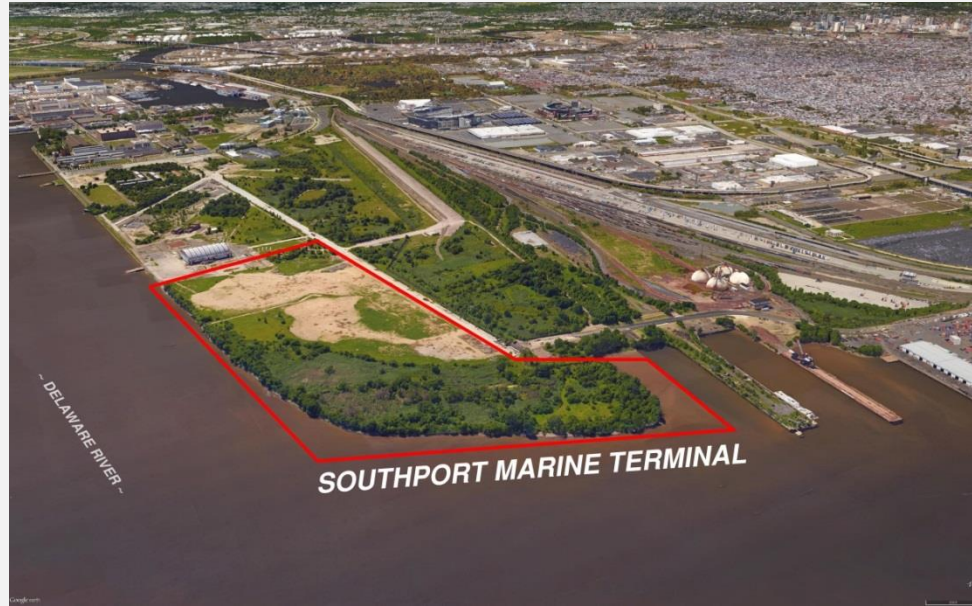
Panama Canal expansion nearing completion

Auto capacity peaking

Background Noise



Southport – An Ambitious Project!



Considerations

Competing visions

- Container
- Auto
- Energy
- Warehousing

Managing P3 perceptions

- Private sector pay for everything
- Public sector provides land
- 3rd time to market

Change in administration

Change in port leadership

Minimizing risk

Managing timeframes

Balancing flavor of solicitation

- Technical/Financial/Legal

Outside constraints to revenue streams

Understanding site specific challenges

Sovereign matters

- Ownership
- Indemnification
- Venue
- Election & Funding cycles

Mitigation Methodology

Internal team stability

Hire the right outside consultants

Establish goals

Manage message

- Public sector
- Private sector
- Public at large
- Market

Market study

Dynamic planning

Financial modeling

Strong procurement structure

Effective communication to bidders

- Public procurement constraints

Stipend program

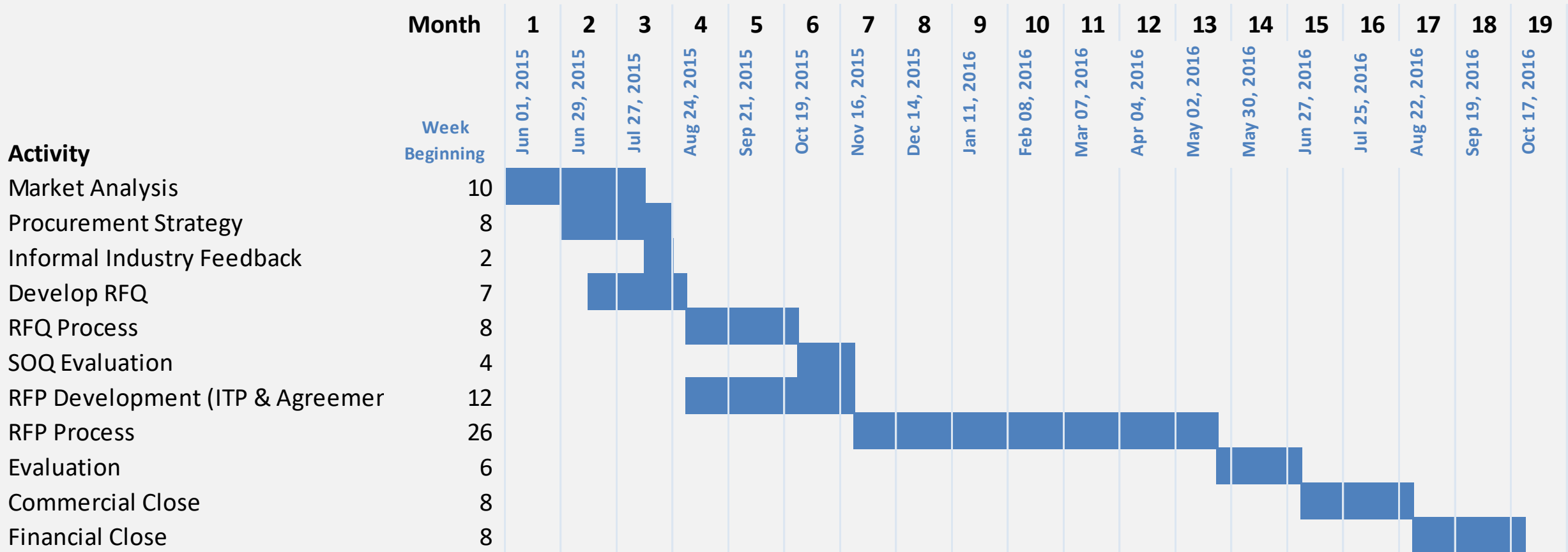
Non disclosure agreements

Stay organized

Manage expectations

- Realistic timeframes
- Realistic funding expectations
- Realistic forecasting

Preliminary Procurement Schedule



Effective Use of Public Private Partnerships

Core structure of solicitation:

Request for Expression of Interest

Request for Qualifications

Shortlisting

Request for Proposals

-> Things go sideways

Suspension of solicitation

Governor commits \$300 million

Port Development Plan is born!

Key Points:

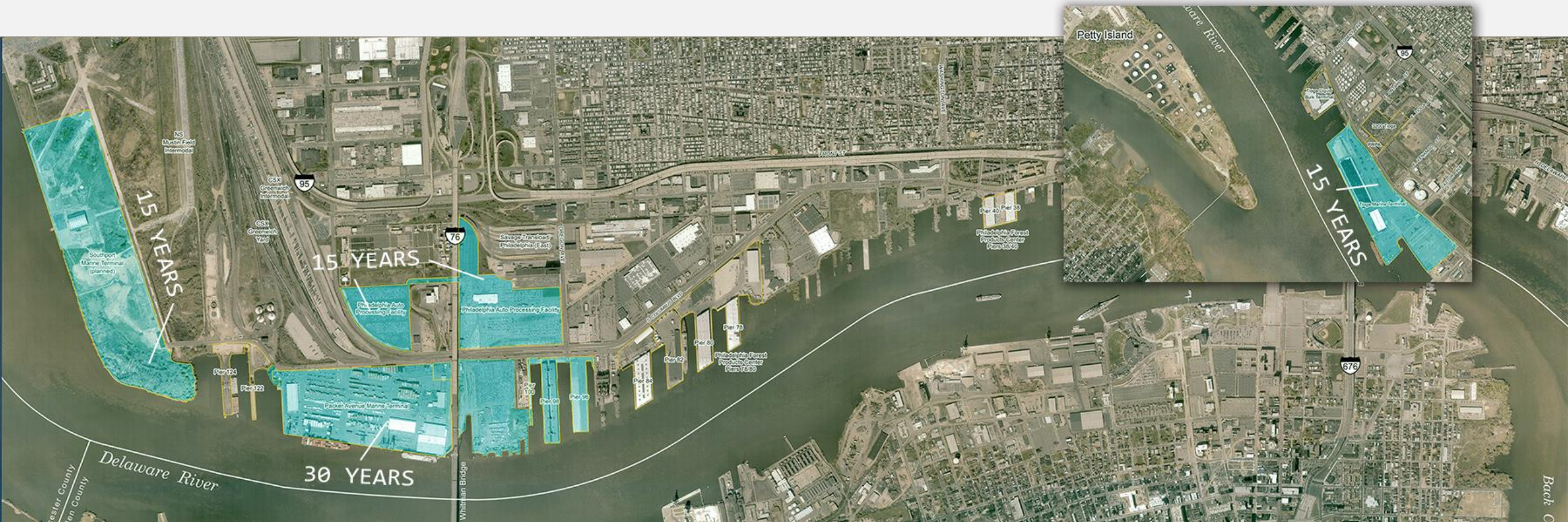
Not for the faint of heart

Deviation was not taken lightly

- Preservation of cargo to the port
- Quickest way to position the port
- Competition is fierce
- Cost to borrow

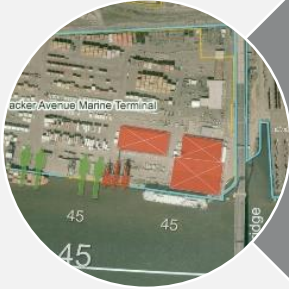
Fundamental shift from Commonwealth

- REI – October 1, 2014
- PDP – November 22, 2016



Philadelphia Regional Port Authority Port Development Plan

Development Stage | Port Development Plan



Packer Avenue Marine Terminal

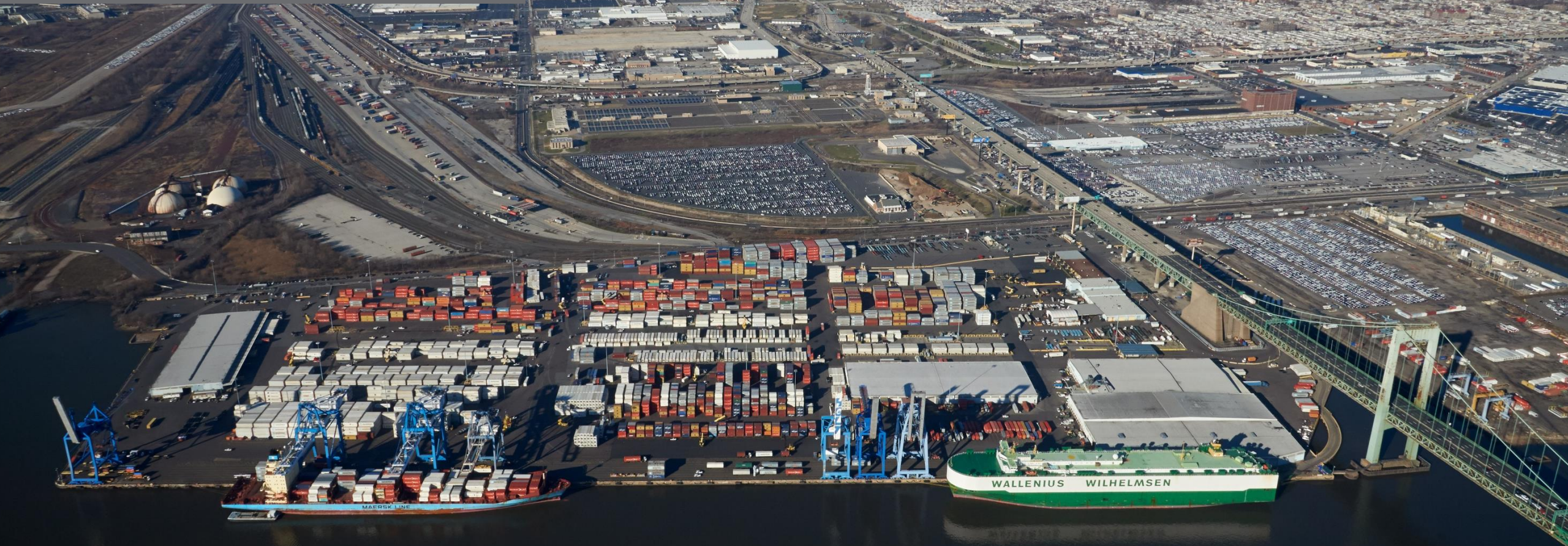


Philadelphia Auto Port



Tioga Marine Terminal

PACKER AVENUE MARINE TERMINAL



Current Vessel Capability | 9,000 TEUs

August 2016 > Neo-panamax vessels begin calling PRPA's Packer Avenue Marine Terminal.



Inbound Philadelphia Hinterland Cargo*

Total inbound loaded containers moving within 200 miles of the Port of Philadelphia.

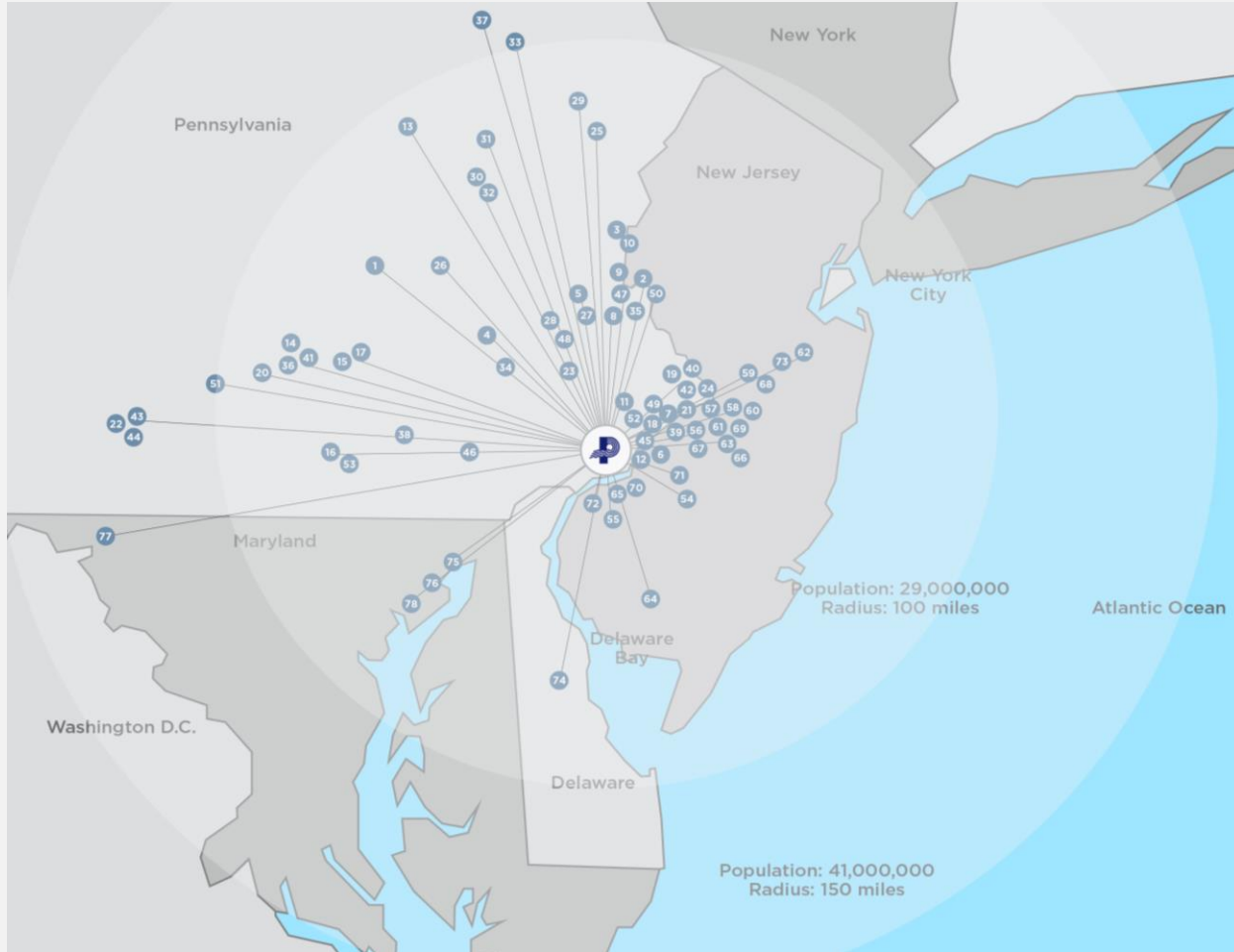
Serviced by two class-one railroads:



*Year 2015

**Mid-Atlantic Ports include New York, Newark, Delaware, Philadelphia, Baltimore and Boston.

Distribution Centers | Imports



“Lehigh Valley is the inland empire of the East Coast.”

- David Eagen

Head of Industrial & Logistics Research for the Americas, CBRE
(Real Estate services)

The Journal of Commerce - Oct. 17, 2016 edition

- 5th Largest Metropolitan Area
- Over 300 Distribution Centers within the PRPA's immediate hinterland

PACKER AVENUE MARINE TERMINAL

\$266 Million Investment
\$188 Million Commonwealth Investment



	Present
Terminal Area	106 acres
Capacity	480,000 TEUs
Warehouse Capacity	460,000 sq. ft. (on-dock)
Reefer Plugs	2210
Cranes	2 · Post-Panamax container cranes (17 wide) 2 · Panamax container cranes (14 wide) 2 · Panamax container cranes (13 wide) 1 · Heavycontainer crane
Number/Size of Berths	3 · 1,000 ft. Berths 1 · Ro/Ro Berths
Berth Depth at MLW	3 · 42 ft. 1 · 38 ft. Ro/Ro
Channel Depth*	40 ft.

*The Delaware River has a 6 foot (1.83 meter) tide

PACKER AVENUE MARINE TERMINAL

\$266 Million Investment

\$188 Million Commonwealth Investment



Green= New Super Post-Panamax cranes; Red= Removal of old cranes and warehouses.

	2017
Terminal Area	146 acres (+40 acres)
Capacity	552,000 TEUs
Warehouse Capacity	460,000 sq. ft. (on-dock)
Reefer Plugs	2210
Cranes	2 · Super Post-Panamax container cranes (23 wide) 2 · Post-Panamax container cranes (17 wide) 2 · Panamax container cranes (14 wide) 1 · Panamax container cranes (13 wide)
Number/Size of Berths	3 · 1,000 ft. Berths 1 · Ro/Ro Berths
Berth Depth at MLW	1 · 45 ft. 2 · 42 ft. 1 · 38 ft. Ro/Ro
Channel Depth*	45 ft.

*The Delaware River has a 6 foot (1.83 meter) tide

PACKER AVENUE MARINE TERMINAL

\$266 Million Investment

\$188 Million Commonwealth Investment



Green= New Super Post-Panamax cranes; Red= Removal of old cranes and warehouses.

	2018-2019
Terminal Area	170 acres (+24 acres)
Capacity	900,000 TEUs
Warehouse Capacity	90,000 sq. ft. (on-dock) 365,000 sq. ft. (on-dock)
Reefer Plugs	2210+
Cranes	4 · Super Post-Panamax container cranes (23 wide) 2 · Post-Panamax container cranes (17 wide) 1 · Panamax container cranes (14 wide)
Number/Size of Berths	3 · 1,000 ft. Berths 1 · Ro/Ro Berths
Berth Depth at MLW	3 · 45 ft. 1 · 38 ft. Ro/Ro
Channel Depth*	45 ft.

*The Delaware River has a 6 foot (1.83 meter) tide

TIOGA MARINE TERMINAL



Port Development Plan | Tioga Marine Terminal \$12 Million



TIOGA MARINE TERMINAL

\$12 Million Investment | Tioga Marine Terminal



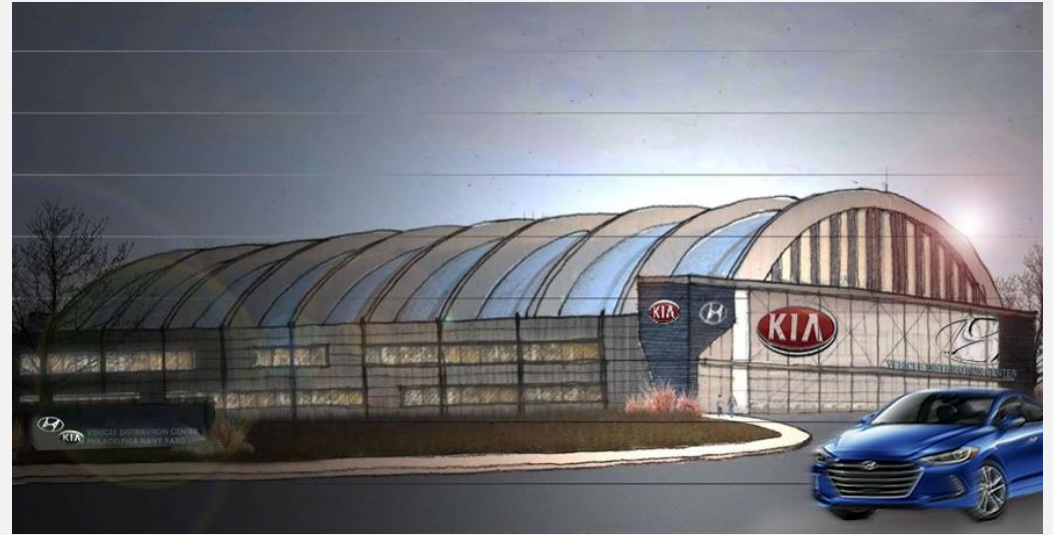
	Present	2017	Future
Warehouse Capacity	300,000 sq. ft. (food grade)	397,500 sq. ft. (food grade)	397,500 sq. ft. (food grade)
Cranes	2 · Panamax container cranes (13 wide) 1 · Mobile Harbor Crane	2 · Panamax container cranes (13 wide) 2 · Mobile Harbor Cranes	2 · Mobile Harbor Crane
Support Structure	Trailer Park	Modular Building	Modular Building

Port Development Plan | Philadelphia Auto Port \$93 Million



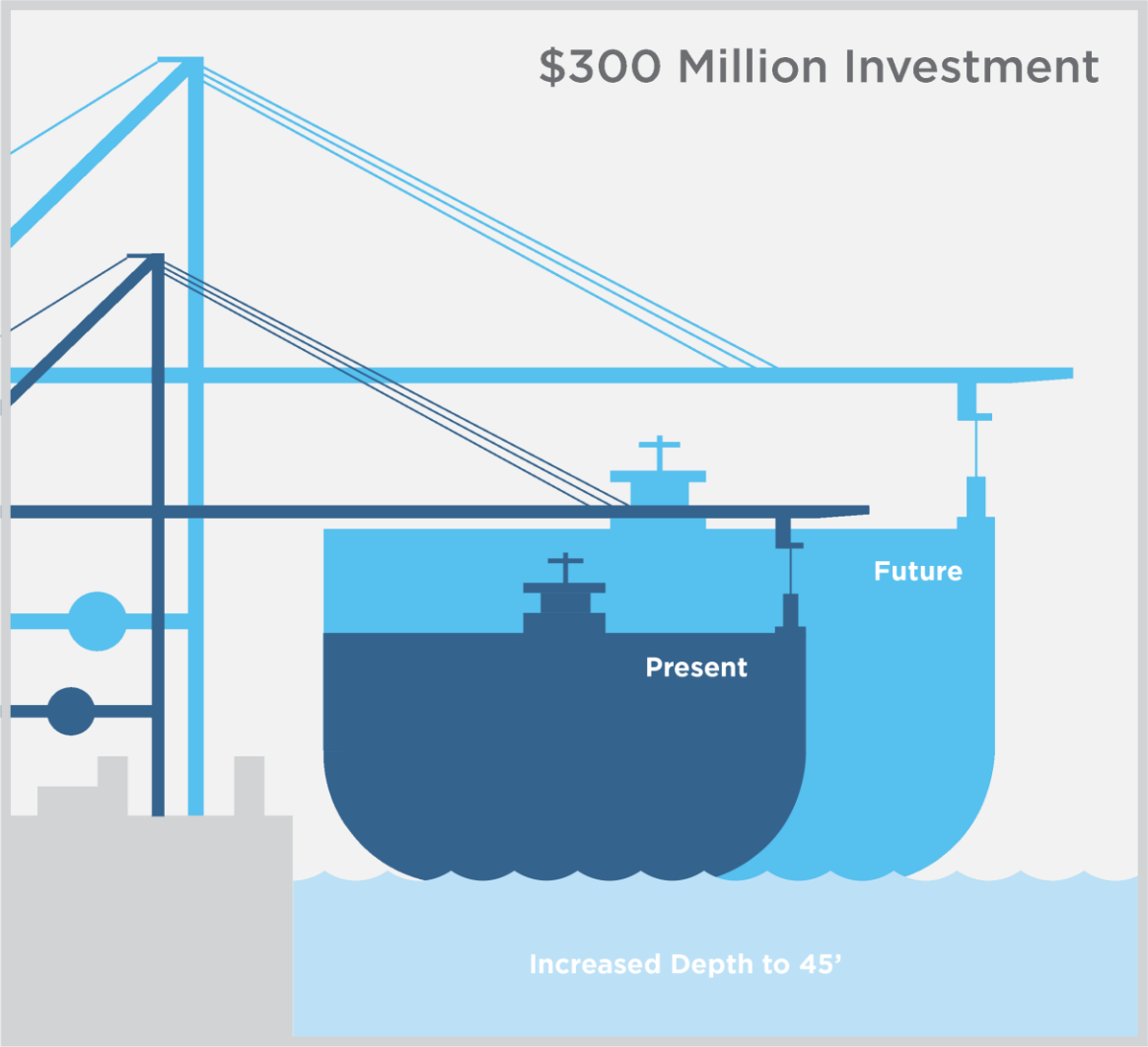
PHILADELPHIA AUTO PORT








\$93 Million Investment | Philadelphia Auto Port



	Present	2017	Future
Capacity	155,000 Autos (Import)	300,000 Autos (Import/Export)	350,000 Autos (Import/Export)
Terminal Area	149 acres	235 acres (+116 acres)	240 acres (+5 acres)
Number/Size of Berths	1 Ro/Ro Berths	2 Ro/Ro Berths	2 Ro/Ro Berths

PORT DEVELOPMENT PLAN

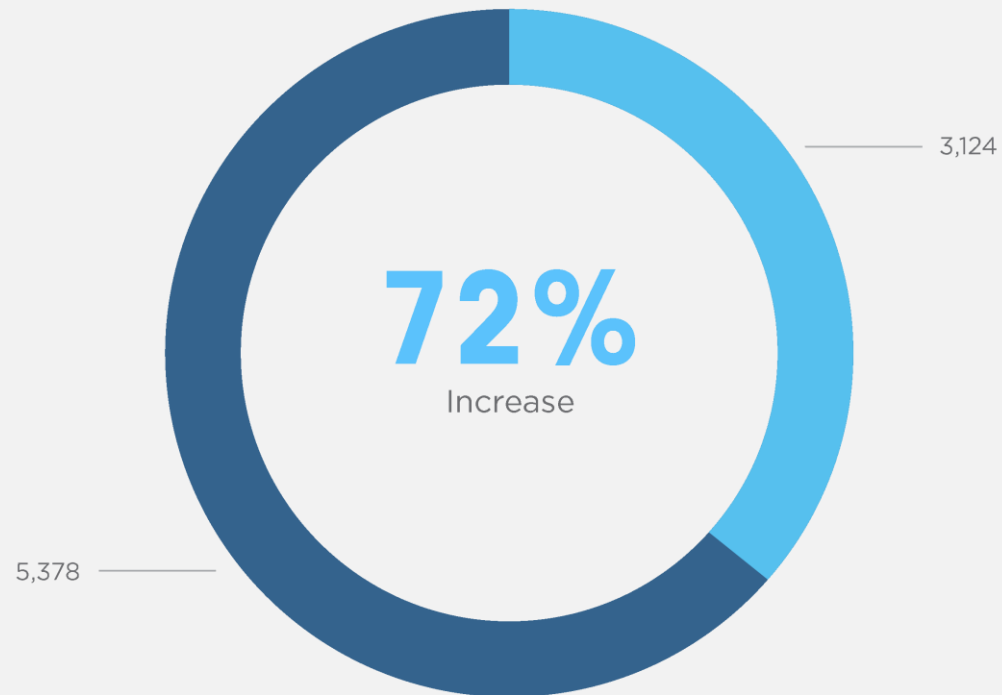


	Present	Future
 Containers	455,900 TEUs	900,000 TEUs
 Jobs	10,341	17,020 65% Increase
 Clean Air	Diesel Operated	Diesel to Electric
 Cars	155,000 Units	350,000 Units
 Cranes	Small Panamax	Large Super Post Panamax
 Tax Benefit	\$69.6m Annually	\$108.4m Annually
 Forest Products	350,000mt	425,000mt

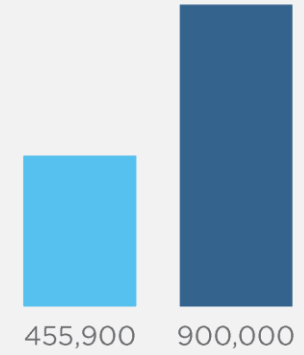
Growth at Capacity

● Future ● Current

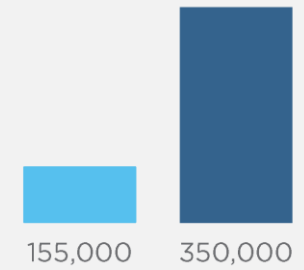
Direct Jobs



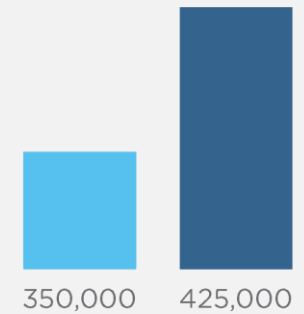
Containers



Automobiles



Breakbulk



Key Metrics of Success

\$300 Million Investment

Preserved Cargo

Generated Capacity

Foundation for sustained expansion



Thank you!