

AAPA 2015 Cruise Seminar

Cruise Terminal Development
New vs. Renovate
Port Canaveral Prospective



Aerial View Port Canaveral



Cruise Terminal Conditions: 2012

Terminal	Berth Length	Square Feet	Use
<u>CT#2</u>	600' Berth	24,000 SF	Older terminal used by Victory Casino twice daily
<u>CT#3</u>	650' Berth	24,000 SF	Older terminal used by Port of Calls – Fast Expansion to Home Port 3 rd Carnival Ship at Port Canaveral
<u>CT#4</u>	650' Berth	26,000 SF	Older terminal – useless as Berth, is needed to use CT#3
<u>CT#5</u>	950' Berth	56,000 SF	Built 1976, functional but at end of useful life
<u>CT#8</u>		Just expanded to 75,000 SF	Disney exclusive
<u>CT#10</u>	1100 Berth	65,000 SF	Served RCCL

Two New Terminals 2013 - 2014

Cruise Terminal #6



- 110,000 SF, 1200' Berth
- Dual Use Building
- Carnival Cruise Primary Use
- Modern, efficient, expandable
- Two TEAM Gangways
- Serve ships up to 4500-5000 passengers
- 1000 Car Parking Garage

Cruise Terminal #1



- 188,000 SF, 1400' Berth
- Dual Use Building
- RCCL Partnerships – Priority
- Very modern, highly efficient
- Expanded Ground Transportation
- Serve ships up to 6500 passengers
- Home Port and Port of Call Use



Next Steps – New vs. Renovate

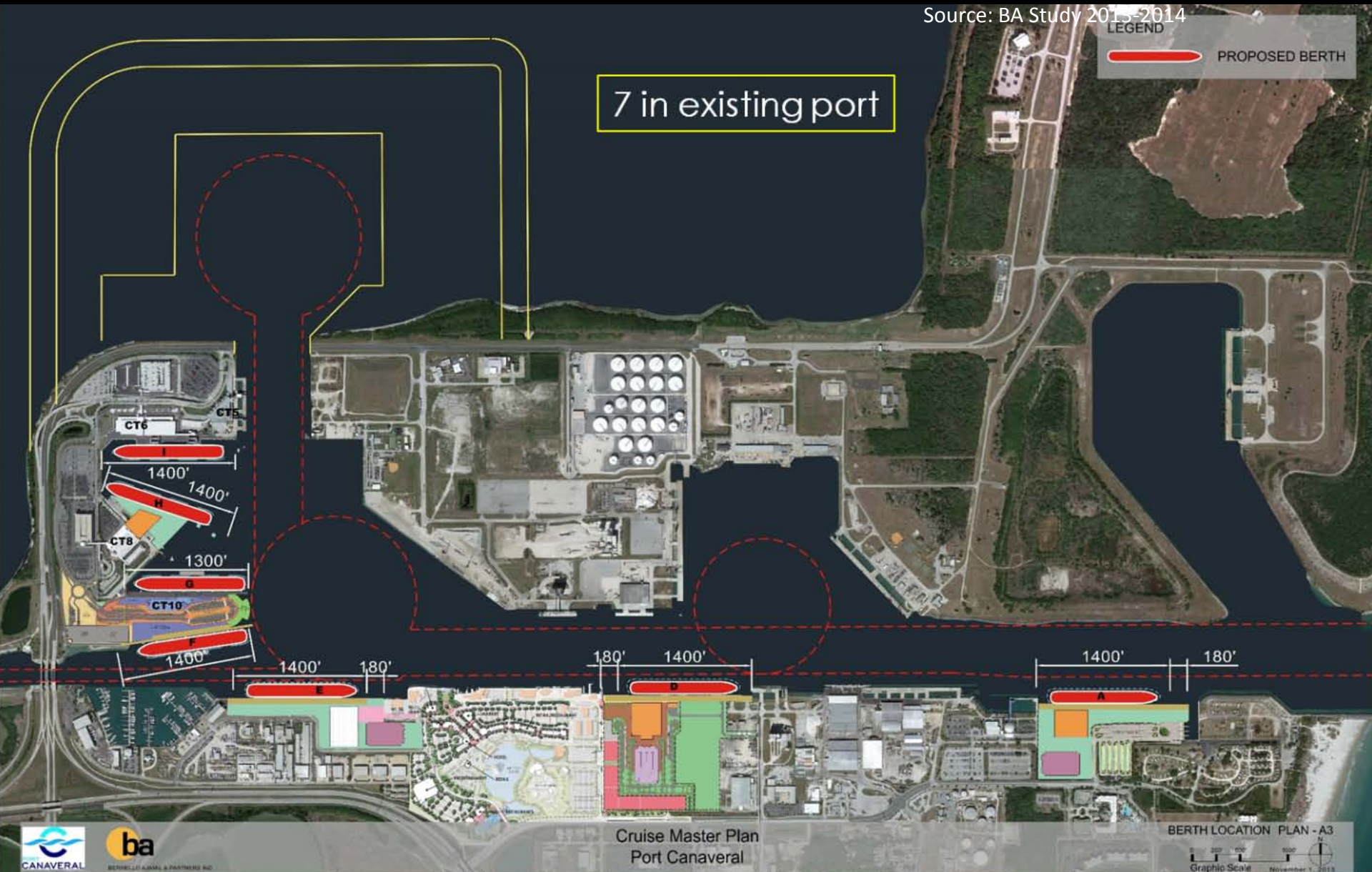
- ❖ Good challenge – Terminals are used heavily
- ❖ Renovating while in use – challenge
- ❖ Building code upgraded since original
- ❖ CBP Post 911 requires larger facilities
- ❖ Ship sizes continue to press expansions
- ❖ Challenges water side with berth length
- ❖ We are lucky to have places to grow
- ❖ Schedule drives new priority to renovate
- ❖ Cost of new can be less than major expansion and renovation of terminal and water side



View of Expansion Areas

South Side

Source: BA Study 2013-2014



BA Study (Still in Progress)

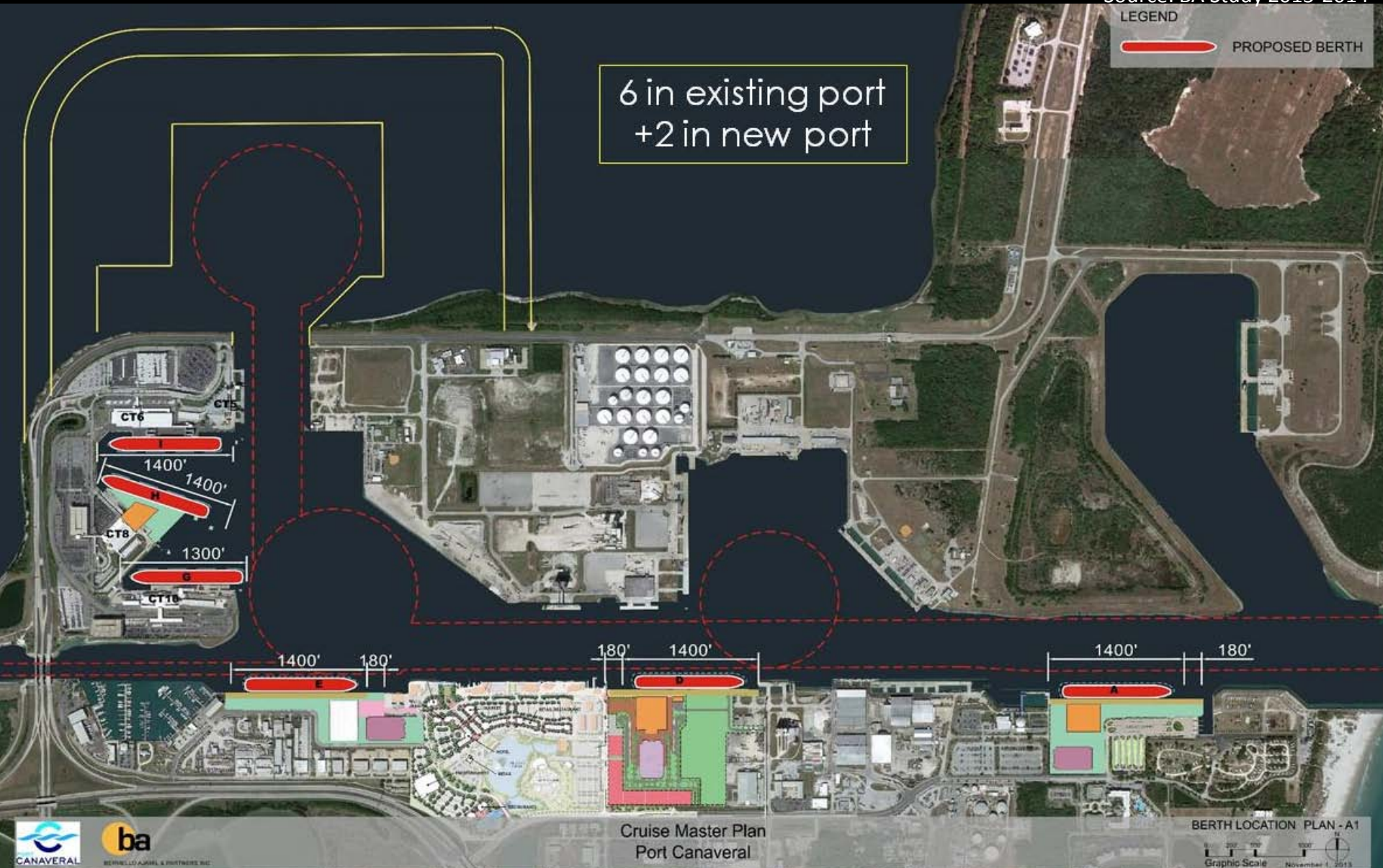
- ❖ South Side could position 3 more berths and terminal beyond CT#1
- ❖ Only 1 North Side Expansion located with existing Port line
- ❖ Port Expansion will be expensive and challenging with environmental approvals
- ❖ South Side cruise blends with city/people
- ❖ North Side cargo expansion critical – Rail
- ❖ Next 1-2 New Terminals are warranted in next 1-2 and 3-4 years – then look at renovations or replacement



Map of Expansion Areas w/o North Exp

Strategy 1a – Growth within current leases + new port

Source: BA Study 2013-2014



Map of Expansion Areas w North Exp

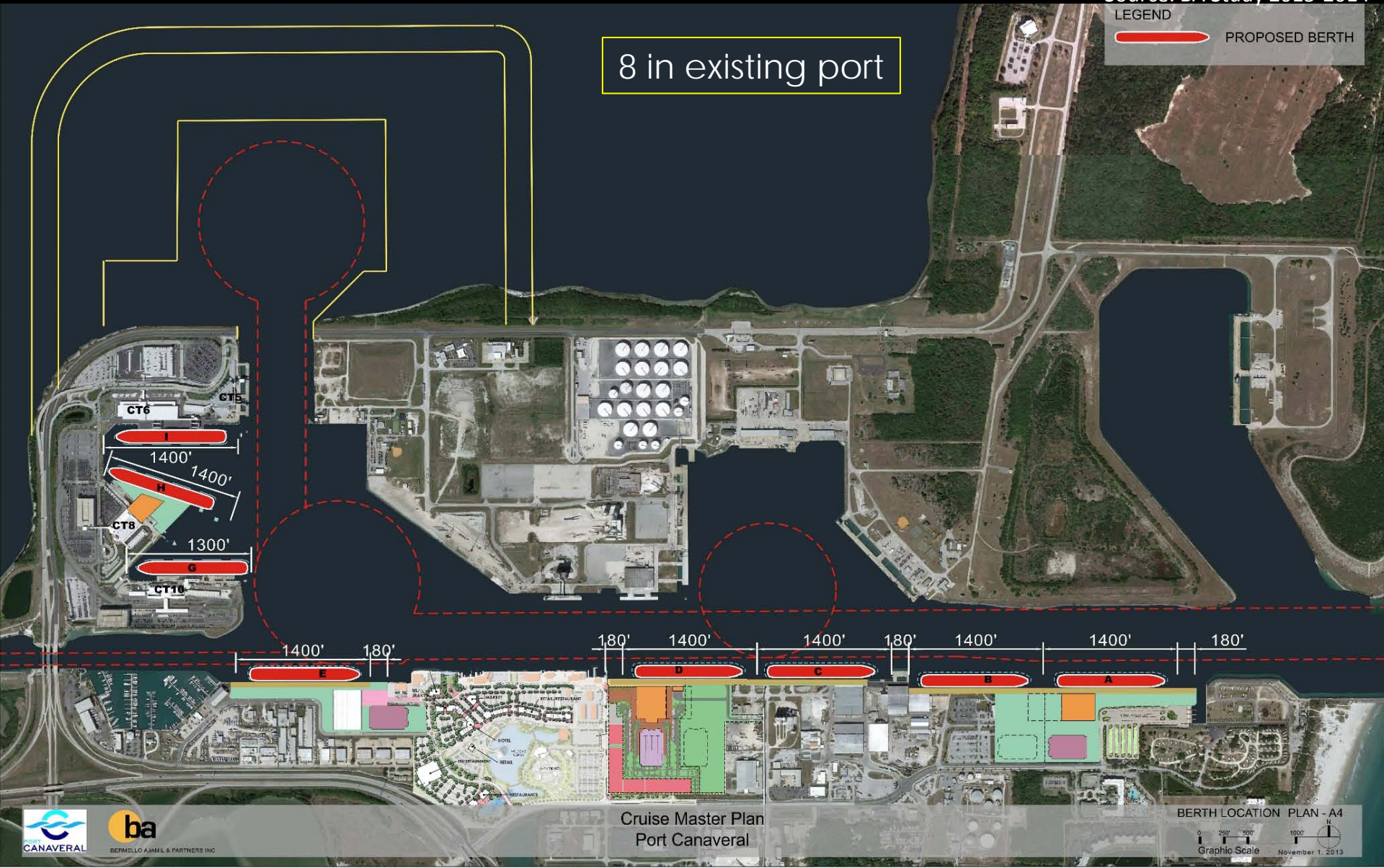
Strategy 2b – All growth within current footprint

Source: BA Study 2013-2014

LEGEND

PROPOSED BERTH

8 in existing port



Other Factors

- ❖ NASA Rail for cargo will feed north side – bulk customer
- ❖ EUL Air Force land – north side and allows long term cargo berth
- ❖ Break bulk volumes down (south)
- ❖ Container Terminal and Expansion (north)
- ❖ Cove development and recreation are on south side and blend with cruise
- ❖ Hotel development and beach (south)
- ❖ Some existing port uses are not highest and best use in deep water port
- ❖ Some current leases impact moves



Next Steps

- ❖ One added large ship terminal is warranted based on current business to replace CT#5 and supplement CT#10
- ❖ South Side location
- ❖ CT#1 design or mirror image west of Cove
- ❖ Replace CT#3 on east side is easiest next to move but will impact Port of Call use now there
- ❖ 185,00 – 200,000 SF with 1400' berth planned



Discussion of Cost

New 1400' berth with combi-wall	\$35 million
Terminal building 188,000 SF	\$50.1 million
1000 car parking deck overflow ground transportation center	\$14 million
Two FMT flexible gangways (any ship)	\$3.5 million
Select demo on site	\$1.5 million
Community Plaza-Park	\$1.5 million
Community Boat Ramp-Relocated	\$4.4 million

TOTAL PROJECT: \$110 million

Land use: 20 acres site south side

Financing \$110 million tax exempt bond; 3.4%, 20 yrs

Guarantee: Cruise Line use agreement 10 year + 25 years
based on annual passenger volume + capx

Build or Renovate ?

- ❖ *It depends ?*
- ❖ *What is the program ?*
- ❖ *What are your restrictions ?*
- ❖ *Scheduled uses / conflicts ?*
- ❖ *Expansion needs ?*
- ❖ *Age, size, condition of buildings ?*

