

New Seagirt berth will bring ships, jobs to the port

Last month, Gov. Martin O'Malley and Baltimore Mayor Stephanie Rawlings-Blake led a groundbreaking to begin construction on a new 50-foot berth at the Port of Baltimore's Seagirt Marine Terminal.

Adding a 50-foot berth will attract more cargo and allow some of the largest cargo vessels in the world to visit the Port of Baltimore. This project will also support thousands of new jobs during one of the worst economic times in the history of our country.

The 50-foot berth is a key element of the recently announced 50-year agreement between the Maryland Port Administration (MPA) and Ports America Chesapeake to lease and operate the 200-acre Seagirt Marine Terminal.

Under the partnership, the State of Maryland continues to own Seagirt, while Ports America has full operational and day-to-day control.

When the Panama Canal expansion project is completed in 2014, it is widely expected that larger numbers of ships, including new mega-ships, will travel to East Coast ports to reach customers more quickly and less ex-



On the waterfront

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Currently, a large percentage of those ships use West Coast ports because the Panama Canal is not big enough to transit through. Going to West Coast ports also requires manufacturers to send products long distances by rail to markets throughout the country.

With a 50-foot berth here in Baltimore, the mega-ships that are becoming the norm in the maritime industry will have enough water depth to dock and bring additional business to the Port of Baltimore. Since our port is the most inland and is closer to the Midwest than other East Coast ports,

those larger ships will also be much closer to their customers.

We expect the berth to be completed in 2012, a full two years before the Panama Canal project is completed. At that time, we will be only the second East Coast port to have both a 50-foot channel and a 50-foot berth.

Our unique 50-year partnership with Ports America Chesapeake is more than just a new, state-of-the-art container berth, however. Under the agreement, Ports America will also invest in other necessary infrastructure at Seagirt, saving the state hundreds of millions of dollars it would have had to invest in capital improvements.

Ports America will also make annual payments to the state and provide ongoing revenues to the MPA during the life of the agreement.

Additionally, as part of the transaction, the Maryland Transportation Authority (MTA), as the previous owner of Seagirt, re-



The volume of container traffic at Seagirt Marine Terminal may increase once a new 50-foot berth opens. photo courtesy Maryland Port Administration

ceived a payment of over \$100 million that it will invest in the preservation of its existing road, bridge and tunnel facilities.

The total investment and revenue to the state of Maryland has the potential to reach \$1.8 billion over the life of the agreement. It will also generate \$15.7 million per year in new taxes for Maryland.

As this partnership between the MPA and Ports America began to form, Gov. O'Malley recognized and fully supported what this agreement would mean as a job generator for Maryland.

Of all the positives, from the immense dollar value

to the new tax revenue, clearly the best aspect of this maritime-industry changing agreement is the 5,700 new jobs it has already started to create.

Of those 5,700 jobs, 3,000 of them will be one-time construction jobs over the next three years for port and MTA highway improvements. Another 2,700 permanent direct, indirect and induced jobs will come from the increased and sustainable container business that we expect to see upon completion of the 50-foot berth and the completion of the Panama Canal project.

During one of the most depressed economic times

in the history of our country, we have taken a giant step forward to ensuring that the future is very bright for the Port of Baltimore and for the thousands of men and women who work here everyday. This new berth, and on a larger scale this new agreement, will help guarantee that the Port of Baltimore will continue its role for many years to come as one of Maryland's leading economic generators.

Articles by Maryland Port Administration executive director James J. White will appear occasionally in *The Eagle*.