



Port Everglades plans \$2 billion, 20-year expansion

By Doreen Hemlock, Sun Sentinel, March 2, 2010

(FORT LAUDERDALE) Broward County's seaport is undertaking a \$2 billion expansion to prepare for an expected increase in cargo, fuel and cruise passenger traffic over the next 20 years, a massive investment that will help rev up the economy and create jobs in the area, Port Everglades Director Phil Allen said.

Major projects over decades include adding and replacing bulkheads for expanded docks at a cost of about \$500 million and dredging to handle bigger, deeper cargo ships for about \$300 million.

Through 2014, plans call for \$338 million in capital projects. They include \$11 million for a bridge to ease trucking within the port, \$30 million to expand cruise terminals and \$55 million to elevate Eller Drive and bring a railroad close to the docks to better integrate transportation. The \$55 million project alone, slated for bids this summer, should create 1,000 construction jobs, Allen said.

The expansion comes as ports nationwide vie for a greater share of what's expected to be fast-growing world trade. While commerce shrunk during the global recession, it had been soaring before and should resume growth in decades to come, as the world population increases and emerging nations develop middle classes that will consume more goods and services, trade specialists say.

A recent update to the 20-year vision plan for Port Everglades sees port cargo volumes rising by 4 percent a year, spurred largely by growing business with Brazil and other nations in Latin America and the Caribbean. It also forecasts cruise traffic to exceed 5 million passengers yearly by 2029.

The seaport just completed its largest capital project ever: a \$75 million expansion of a cruise terminal to host the world's largest cruise ship, Royal Caribbean's 5,400-passenger Oasis of the Seas.

South Florida already shines as an export hub to nations southward. It's the only U.S. area to post 15 straight years of trade surpluses, with more exports than imports, thanks to sales of cell phones, jet engines, medical devices and other goods to Central and South America and the Caribbean.

"In the next 20 years, Brazil, Chile and other Latin American countries are going to become more important to our economy," Allen said. "To rebuild Haiti, we're in a central location. And Cuba, with its highly educated work force, could become a significant trading partner," once the U.S. embargo ends.

Key to the freight growth is a compromise reached in February between the port and environmentalists over wetlands and mangroves. The agreement calls for the port to create a far larger swath of wetlands elsewhere than it would harm by building new docks for more cargo.

Margaret Kempel, a spokeswoman for businesses operating at the seaport, calls the accord "brilliant." Many other ports in the country have seen growth hamstrung by conflicts with environmentalists.

"This compromise increases mangrove reserves and opens up the opportunity for the port to build more berths," said Kempel, executive director of the Port Everglades Association.

Port Everglades now produces an estimated \$18 billion a year economic impact in South Florida, supporting 10,000 direct jobs and contributing to 185,000 jobs from stores that sell imported items to factories that export their goods from the seaport, according to a 2008 study by Martin Associates.

Allen said he wants to increase that impact but only in ways "sustainable" for the economy, community and environment. His administration revises its plan every two years, as it looks out 20 years to prepare for longer-term trends, seeking input from business, civic groups, environmentalists and others.

Among revisions under study: When to dredge the port to 50 feet deep to host the super-freighters expected to cross an expanded Panama Canal starting 2014, amid competition for funds and cargo.

Projects being built include a 41-acre shipping-container yard to handle more freight, slated to cost \$12 million and support 300 jobs when complete later this year, port officials said.

"The future of Florida is significantly dependent on foreign trade," said Allen. "We view our role as being an economic engine for this region as vital."

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