

G O V E R N O R
RICK SCOTT

FLORIDA PORTS

LET'S KEEP WORKING



FLORIDA PORTS LET'S KEEP WORKING

Governor Rick Scott Commits to \$1 Billion Investment in Florida Ports and Trade Infrastructure During Term

GOVERNOR SCOTT'S PORT LEADERSHIP AND INVESTMENT

Under Governor Rick Scott's leadership, Florida has positioned itself as a major force in international trade and job creation through support for our seaports. According to the Florida Ports Council, cruise and cargo activity at Florida ports generate more than 680,000 direct and indirect jobs and \$96.6 billion in total economic value.¹ For every \$1.00 invested in Florida seaports, the state's economy sees an additional \$6.90 in economic activity.² For Governor Scott, this focus on Florida's seaport and related freight infrastructure is about creating long-lasting, quality careers for Florida families.

According to an August 2012 report on North American Ports by Colliers International, "[t]he expansion of the Panama Canal will alter global trade routes and is already promoting the advancement of the science of logistics. The expansion will impact more than just shipping companies: Retail supply chains, manufacturers and commodity traders will each feel the effects of new access to eastern ports."³ This expected dynamic shift in global trade presents Florida, uniquely positioned as a gateway to North, Central and South America, a generational opportunity to create a new economy and new jobs in the Sunshine State.

*"Governor Scott's leadership and focus on making wise investments in our ports, as recommended by the Florida Chamber's Trade & Logistics Study, has positioned Florida to become a global hub for trade, boosted economic growth and put our state in line to create 150,000 good paying jobs in the next five years. It's clear we need **four more years of this kind of leadership** that puts Florida's long-term interests ahead of short-term politics."*

Mark Wesson, President and CEO – Florida Chamber of Commerce

These related industries are a major source of jobs for Floridians. In addition to Florida's 15 public seaports, Florida is home to 19 airports with commercial service. This includes "the nation's top hub for international air cargo," more than 2,700 miles of roads and 12,000 miles of state highways that help provide the infrastructure to support 60,000 exporting businesses, 20,000 importing businesses and hundreds of thousands of "jobs in transportation, trade and logistics" that "pay 30 percent more than the statewide average."⁴

Florida is already a leader in trade with Latin America and the Caribbean. With the expected growth of the global economy, particularly in Central and South America, Florida is positioned, geographically and strategically, to continue to create great jobs for Florida families in trade industries. Further investments in Florida's trade infrastructure can help build our leadership in trade with Latin America and the Caribbean. Additionally, these investments can help create new opportunities with trading partners as our ports become more competitive in new markets such as Asia and other parts of the world.

Since his election in 2010, Governor Scott has remained focused on the significant impact investments in Florida's trade infrastructure have had on jobs and economic growth. Under his watch, Florida has seen historic investments in its seaports and expedited funding for major ports projects. These investments are critical to making Florida a leader in handling new mega cargo ships that will come with the expansion of the Panama Canal. But, the job growth potential for Florida does not end with the Panama Canal expansion. Because of Governor Scott's efforts, Florida is poised to lead the nation in expanded international trade opportunities as all of its ports are strategically positioned to gain new business.

GOVERNOR SCOTT'S LEADERSHIP DID NOT WAIT ON FEDS

When the federal government dragged its feet, Governor Scott stepped up to ensure that Florida did not miss out on a generational opportunity with PortMiami's Deep Dredge project. Because of the Governor's efforts, "The *Deep Dredge* will make PortMiami the only U.S. port south of Norfolk, Virginia, that can accommodate the new, mega cargo vessels that will pass through the expanded Panama Canal," paving the way for 33,000 new jobs in the region and \$34 billion in annual economic impact.⁵

"The Florida Chamber of Commerce has had the good fortune to travel on many of the ten trade missions Governor Scott has led around the world since he was elected, and I can say from firsthand experience he is a great cheerleader and promoter for the state of Florida and all the things we are doing right in our state. After all, the proof is in the results. Florida companies that participated in those missions have seen an increase in \$474 million in their exports."

David Hart, Executive Vice President – Florida Chamber of Commerce

His support didn't end there. Since 2011, Governor Scott pushed for funding for major projects throughout the state, ensuring Florida has the chance to capitalize on new trading opportunities throughout its seaports. With these continued investments under Gov. Scott's leadership, the state's entire port system is poised to transform Florida into a shipping and logistics leader not only in the United States, but around the world.

To further prioritize the improvement of Florida's seaport infrastructure, Gov. Scott also signed legislation in 2012 creating Florida's Strategic Port Investment Initiative (SPII). This initiative, housed within the Department of Transportation, helped to create a dedicated funding source for Florida seaport investment. This program provides a minimum of \$35 million per year from the State Transportation Trust Fund, to further Florida's efforts to become the number one state for international trade and port infrastructure.

In December 2011, the Department of Transportation created Florida's first office of Freight, Logistics, and Passenger Operations adding another dimension to Florida's future in trade and logistics. Working closely with industry, the Office has made Florida a national wide leader in the United States in the development of a comprehensive freight plan to guide the state's trade- and logistics-related economic development decisions into the future. Additionally, Governor Scott has also focused on advancing Florida's logistics capabilities through the Intermodal Logistics Center (ILC) Support Program. The program's previous awardees that helped support and create a total of 1,213 direct and indirect jobs, include: Port Manatee Commerce Center, Keystone ILC Terminal (Jacksonville), South Florida Logistics Center (Miami) and the Port Panama City Intermodal Distribution Center. This program offers economic benefits to all Floridians by supporting job creation at ILCs that are responsible for moving freight through our ports, manufacturing and the seamless transfer of freight.

*"Governor Scott's commitment to seaport infrastructure and growing Florida's economy began on day one of his administration and this year marks four years of **historic appropriations** (over \$100 million annually) to seaport projects across the state."*

– Val Schwec, chairman of the Florida Ports Council

BECOMING THE TOP STATE FOR INTERNATIONAL TRADE AND PORT INFRASTRUCTURE—HOW WILL WE GET THERE?

1 Continue investing in Seaport Infrastructure

- Invest more than \$1.1 billion in Florida trade infrastructure over eight years
- Continue support for Florida Seaport Transportation and Economic Development Program and Strategic Port Investment Initiative at the current, historic levels
- Ensure that Miami Deep Dredge is completed on time
- Support new dredge and infrastructure projects at other Florida ports to continue to elevate the competitiveness of the entire Florida ports system

2 Develop and Execute Florida's Freight and Logistics Capabilities

- Continue support of the Intermodal Logistics Center support program, which provides a \$5 million annual allocation to help construct access improvements for centers planned and funded with private sector funds
- Highlight Florida's freight strengths so that shipping companies, freight consumers and international trading partners see Florida as a state competitive and cost-effective partner that can handle their freight needs and get goods quickly to market
- Ensure that transportation infrastructure and regulatory requirements allow for the development of major national distribution centers for companies after their freight enters through our ports

3 Market Florida Ports In-State to Capture the Florida Inbound Cargo Market

- Highlight and market recent advances in Florida's trade infrastructure that make our ports a new and better option for Florida companies to receive their cargo
- Work with our ports, their boards, and local and regional economic development offices to ensure that as many Florida businesses as possible receive their cargo through Florida ports

4 Market Florida Ports Around the Nation and the World to Develop New Trading Partners for Florida and its Ports

- Market Florida ports' infrastructure improvements and increased capabilities to handle the business of existing and new US trading partners, and major shipping companies
- Pursue opportunities to further increase its share of Asian imports by focusing its efforts through its Japan and China Trade Offices, which received recurring funding in the Legislature this year, to ensure that Florida ports and companies are visible to major shipping companies handling Asian cargo

5 Manufacture More Goods in Florida to Create Jobs and Fix the "Empty Container" Problem

- Fix Florida's "empty container problem" by growing Florida origin exports
- Continue to focus on developing advanced manufacturing opportunities so that Florida businesses can maximize their global trading potential and become a source of further international trading opportunities through Florida ports

DESTINATION OPPORTUNITY: THE FUTURE OF FLORIDA PORTS

Port Everglades Southport Turning Notch

- Lengthen the deepwater turnaround area for ships, allowing a single-berth slip to accommodate five ships
- Expand capacity to 730,000 TEU once fully completed
- 2,227 construction jobs, 5,529 direct and indirect jobs once completed by 2027

PortMiami Tunnel

- Tunnel project that will connect MacArthur Causeway (SR-A1A) to Dodge Island, connecting the port with I-95 and I-395, a major development in transportation connectivity for the region
- Part of the 33,000 new jobs estimated by the Port

PortMiami Deep Dredge

- Major construction to deepen cargo shipping channel to 50 feet
- 33,000 new jobs, on top of 207,000 jobs already supported in region directly and indirectly, increase economic impact to region to \$34 billion from \$27 billion annually

Port Tampa Bay

- Major project that will provide new berthing facilities, dredging, warehouse space, cargo handling and storage capabilities, helping to support expansion of current container terminal facility
- 525 construction jobs, retain 2,500 existing jobs and up to 1,400 new permanent jobs

Port of Palm Beach Slip Redevelopment

- Redevelopment of port slips improve overall cargo operations
- 570 jobs

Port Panama City

- Container terminal expansion to improve internal capacity and circulation for the ports growing cargo opportunities
- 400 jobs

JAXPORT Blount Island Terminal

- Redevelopment of major terminal facilities allowing the port to improve infrastructure and handle heavier cargo

Port Manatee Berth Reconstruction

- Renovation of existing berths that handle 50% of Port Manatee cargo
- 595 construction jobs, 180 permanent new jobs

Port Canaveral Northside Development Container Yard

- Rehab North Cargo Berth 5&6 to create a state-of-the-art container terminal at Port Canaveral
- 400 total jobs

Port Everglades Intermodal Container Transfer Facility

- Intermodal hub to transfer ship and rail cargo, international and domestic

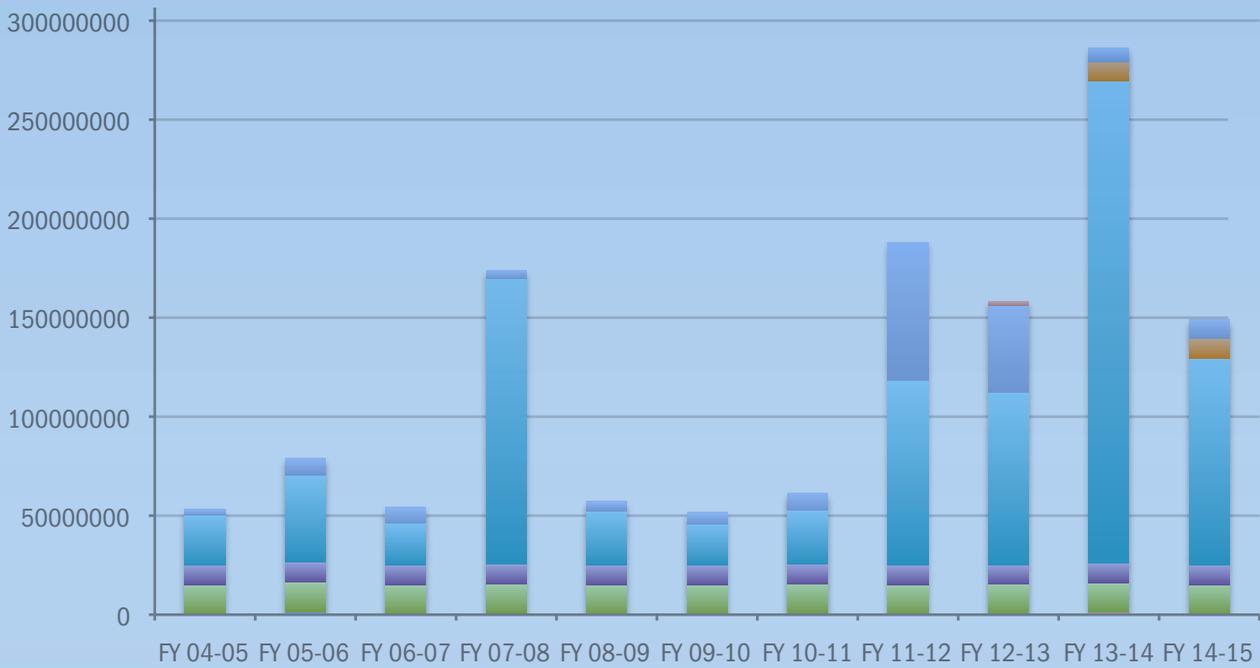
Port Manatee Cold Storage Warehouse

- Construction of state-of-the-art, nearly 200,000 square foot cold storage facility

Port Manatee Intermodal Container and Cargo Transfer Yard

- Creation of new outside storage locations to handle additional cargo

FLORIDA TRADE INFRASTRUCTURE FUNDING 10-YEAR HISTORY



- Economic Development Transportation Projects
- Intermodal Development/Grants
- Seaport Investment Program
- Seaport Grants
- Seaports Access Program
- Seaport - Economic Development
- Transportation Planning Consulting
- County Transportation Programs



GOVERNOR SCOTT CUT TAXES ON MANUFACTURERS

The Governor's continued effort to grow manufacturing jobs in Florida will fuel the investments Florida has made in its ports. When Gov. Scott took office, Florida was one of only a few states that charged a sales tax on manufacturing machinery and equipment. Working with the Legislature, Governor Scott pushed to eliminate this tax, making clear to new and existing manufacturers Florida was open for their businesses to grow. This focus is critical in maximizing port investments in Florida as well. According to the Florida Chamber Foundation's *Florida: Made for Trade*, "the total tonnage of good moving into Florida from both U.S. and international sources is nearly twice the tonnage leaving the state—suggesting that a large number of ships, containers, cars, and trucks leave the state empty or less than fully loaded." Governor Scott's focus on fixing Florida's "empty container problem" by increasing Florida origin exports will ensure that Floridians have more opportunities for jobs in both manufacturing and as a result of increased activity in our ports.

RESULTS ARE SHOWING ALREADY

A Florida Chamber study produced in 2011 indicated that only 55% of containerized waterborne imports bound for Florida is directly handled through Florida ports. Recent investments, however, have already dramatically shifted the playing field in favor of Florida ports.⁶ In the past four years, the share of Florida Asian containerized cargo imports directly handled by Florida ports has increased by 9 percentage points (from 38% to 47%), or 145,000 containers (TEUs). These goods are consumed in Florida, but previously moved into Florida through non-Florida ports like Savannah and Los Angeles/Long Beach. This capture of additional Florida-bound freight represents 1,377 direct, induced and indirect jobs, \$9.4 million in state and local tax revenues and \$74 million in direct business revenue.⁷

This growth in jobs and trade in Florida is a direct result of investments made by the state and local seaports in transportation infrastructure. These investments have made Florida's seaports more competitive with other ports such as Savannah, Mobile, Houston and Charleston. Now a vessel movement from Hong Kong to a deepwater Florida port, such as PortMiami, via a post-Panamax container ship will be much faster and cheaper than movements through other seaports.

Further, Florida is beginning to capitalize on its long-stated goal of capturing more of the market for Florida bound imports. For instance, in 2012 Walt Disney World made a historic shift and began importing goods destined for its parks in Orlando through JAXPORT, a major victory demonstrating the progress that Florida ports have made. As infrastructure upgrades at Florida ports continue, more Florida companies will find it beneficial to use our ports instead of going through other out-of-state ports.

Together, all of these investments and improvements are critical to creating good jobs and long lasting careers for Florida families.

"Economic data shows that maritime jobs and economic benefits in Florida have returned to pre-recession levels and in many cases have increased. Governor Scott's leadership has resulted in a strategic statewide economic focus that has notified the global business community of Florida's commitment to freight infrastructure and improving their ability to get goods to market."

— Doug Wheeler, President and CEO of the Florida Ports Council

Endnotes

1 *Fast Facts 2013*, Florida Ports Council. 2 Cambridge Systematics, Inc. study for Florida Department of Transportation, July 2006. 3 Colliers International White Paper, "North American Port Analysis," August 2012. 4 Florida Chamber Foundation, *Florida Trade and Logistics Study 2.0*, "Florida: Made for Trade," 2013. 5 Port Miami website: <http://www.miamidade.gov/portmiami/deep-dredge.asp> 6 Florida Chamber Foundation, *Florida Trade and Logistics Study*, 2010. 7 The Florida Ports Council

RICK SCOTT



www.RickScottforFlorida.com

Political Advertisement Paid For
and Approved By Rick Scott,
Republican, For Governor.