



**STATE OF DELAWARE
EXECUTIVE DEPARTMENT
DELAWARE ECONOMIC DEVELOPMENT OFFICE**

Alan B. Levin
Cabinet Secretary

May 28, 2013

The Honorable Ray LaHood
Secretary
U.S. Department of Transportation
1200 New Jersey Avenue, S.E
Washington, D.C. 20590

Dear Secretary LaHood:

As the Cabinet Secretary in charge of the Delaware Economic Development Office, as well as the Chairman of the Diamond State Port Corporation (DSPC), I am writing to express my full support for a \$10 million grant application through the Transportation Investments Generating Economic Recovery (TIGER) V program. This grant would go toward rehabilitating two berths at the Port of Wilmington – the busiest port on the Delaware River and the top port in the country for handling imported bananas and handling imported fruit and concentrated juices. This funding, combined with \$3.4 million allocated by the DSPC, would not only address safety concerns over berths that have exceeded initially exceeded service life but would also improve cargo-handling capability and open the port up to new business.

Of chief concern is the viability of these two berths, which comprise the original wharf constructed circa 1922. Engineers' reviews found missing or deteriorated timber piles, steel spur piles in critical condition, corroded steel parts and spalled concrete. Failing to upgrade the berths poses serious risk of injury and environmental damage, not to mention a threat to the serviceability of the port, which is critical to the health of the state's economy.

Simply put, Delaware relies on the Port of Wilmington. In a given year, the port handles enough cargo to generate more than \$330 million in direct business revenue and \$30 million in tax, and its operations provide more than 4,300 direct jobs and roughly 12,500 related jobs. Expanding the port will increase its cargo-handling capability, which will be key during the peak Chilean cargo season, which takes place between December and May each year.

Rehabilitating these two berths would also allow the port to take advantage of a planned federal investment exceeding \$300 million to deepen the Delaware River channel.

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As director of the Delaware Economic Development Office, I take great pride in any project that brings a significant number of jobs to Delaware. During construction, the project will generate 188 additional jobs in the region, with 295 permanent jobs preserved once construction is complete.

The rehabilitation project will also generate significant revenue within and around the state, producing \$13.5 million in regional construction revenue, as well as more than \$7 million of personal income with \$0.7 million in corresponding local and state tax revenue. The construction phase will also generate \$1.3 million in Federal Taxes; reducing the net Federal cash outlay by that extent to \$8.7 million.

A successful award will provide a much-needed jolt of jobs and revenue to our economy, greatly benefiting Delaware and the region as a whole. If you have any questions, I can be reached personally at 302-672-6809.

Sincerely,



Alan B. Levin

Cabinet Secretary

Delaware Economic Development Office