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## **Philadelphia applying \$300 million state investment in seaport**

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Lest there be any doubt about the Port of Philadelphia in the future of the international produce business, consider that the port is now working with a \$300 million investment from the Commonwealth of Pennsylvania.

“We are in the middle of spending those funds on infrastructure improvements,” Sean Mahoney said in June. Mahoney, who is Director of Marketing for PhilaPort, said the initial improvements should be



completed by late 2019.

Of the total Pennsylvania investment, \$266 million is going to the development of the Packer Avenue Marine terminal, known as PAMT. The money public private agreement with the majority of the money coming from the state of Pennsylvania.

“Greenwich Terminals is putting up money, too,” Mahoney noted. Greenwich Terminals is owned by

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the Holt family, which is contracted to operate PAMT. The Holts also own and operate Gloucester City Marine Terminal and other facilities on the New Jersey side of the Delaware.

PAMT has added two new Super Panamax cranes and will be operating three more by the end of 2019. The cranes cost \$12.5 million each.

The new cranes serve the world's largest containerships. Three additional cranes will arrive in the first quarter of 2019.

PAMT's container capacity will increase from 550,500 TEUs to 900,000. A TEU is a twenty-foot equivalent unit; or, the volume held by a 20-foot shipping container.

The huge containerships have become a possibility for all the ports of the Delaware River because Pennsylvania, New Jersey and Delaware cooperated to deepen the Delaware River channel to 45 feet.

Vivid evidence of this progress docked at PAMT in February, with the arrival of the largest vessel to ever call on the seaport. MSC's massive reefer containership, arriving via the expanded Panama Canal with products from Chile and Peru, has a 12,200 TEU capacity.

"It wouldn't have come if we were not proficient in cold storage," said Sean Mahoney, director of marketing for PhilaPort. "Investments in the terminals are paying off."

Mahoney said perishable cargo is increasingly moving toward maritime reefer containers and away from break bulk shipping. The development of PAMT and other Delaware seaport facilities reflect that trend.

Old produce market part of new plan

An interesting improvement for the port relates directly to Philadelphia's produce industry. Since the ultra-modern Philadelphia Wholesale Produce Market opened in 2011, the previous home of Philadelphia wholesalers, the Philadelphia Regional Produce Market, has been abandoned. This old facility — which was recently flattened — was built in 1959 as part of Philadelphia's Food Distribution Center, which was a global model for modern food handling at the time. The food distribution center was only a couple of blocks from what is now the PAMT.

Although there is a great deal of private cold warehousing space available up and down the Delaware River, there is still a need for more space.

So, as part the Philadelphia port improvements, new refrigeration warehouses are being built by PhilaPort on the old market's site. "It will mostly be refrigerated space but there will be some refrigeration for frozen beef," Mahoney noted.

The port development project is spending \$93 million to develop an automobile facility on the Southport Marine Terminal location, which between PAMT and the Philadelphia International Airport.

