

Tradepoint Atlantic granted \$20M from federal government toward port upgrades



This file photo shows the Sparrows Point steel mill as it looked in 2014 before redevelopment of the site got underway. Tradepoint Atlantic is redeveloping the site with distribution centers, port operations and other uses. (File photo / Baltimore Sun)



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Tradepoint Atlantic — the massive redevelopment project at the former Sparrows Point steel mill in Baltimore County — will get \$20 million from the federal government to upgrade its port facilities, officials announced Wednesday.

The money comes from a U.S. Department of Transportation program that funds projects that can spur economic development.

The project will include upgrades to Tradepoint's port — specifically, the east-west berth — to make it easier

to bring in ships with bulk cargo and transfer the goods to trucks or railroad cars for shipping, the company said.

The project also includes **dredging to allow larger ships to use the berths at Tradepoint**. State and federal regulators are reviewing Tradepoint's request to deepen channels from 36 feet to 47 feet.

"This helps greatly," said Aaron Tomarchio, a senior vice president for Tradepoint. "There are substantial infrastructure requirements on a site of this size."

As the steel industry suffered and the mill closed down, much of the 3,100-acre property's utilities and infrastructure — including the port — was neglected. All of it needs to be upgraded, Tomarchio said.

"It's a repositioning of an industrial site for the 21st century," he said. "It was a blighted industrial site that needed reinvestment."

The \$20 million grant will pay for only part of the work. Tradepoint will pay the rest — about \$30 million.

Even without the port upgrades, Tradepoint handled 1.7 million tons of bulk material at its port in 2016 and 2.5 million tons in 2017. The cargo included lead ingots, organic feed grain, coal, gypsum and zinc.

The company's grant application had the support of the county and state governments and the entire Maryland delegation to Congress.

"This is exactly the jobs-producing investment that our constituents want and expect from the federal government," said Rep. C.A. Dutch Ruppersberger, a Democrat whose district includes Sparrows Point.

Republican Gov. Larry Hogan called the announcement "tremendous news."

"We look forward to seeing the jobs that will be created because of it," he said.

Baltimore County Executive **Kevin Kamenetz**, a Democrat who is running for governor, said the federal grant will help in "speeding up the turnaround of Sparrows Point from a shuttered steelmaking site into a modern hub for global commerce."

After the Sparrows Point steel mill closed for good in 2012, Kamenetz convened a group to evaluate options for the property. The Sparrows Point Partnership laid out a blueprint for using the site for shipping, manufacturing and distribution. Tradepoint Atlantic is largely following the plan.

Baltimore County Councilman Todd Crandell said he was pleased to see federal investment in an area that suffered from the decline of manufacturing.

“We felt ignored for such a long time,” the Dundalk Republican said. “We just saw no major investments and we saw no major help — and it’s finally coming.”

Tomarchio said the grant and port upgrades will help not only the local economy, but also the businesses that send and receive goods through the port.

“If we have efficient movement of material that reduces cost, then it helps reduce costs for American manufacturing,” Tomarchio said.

The \$20 million grant comes from the \$500 million Transportation Investment Generating Economic Recovery program, or TIGER.

The Tradepoint project is called MAMMOTH: Mid-Atlantic Multi-Modal Transportation Hub. Company officials have said that the port upgrades and dredging would happen regardless, but that receiving the federal grant would speed up the pace of the work.

The grant will be awarded to the Baltimore County government, which will administer the money over four years. The county is not offering any county taxpayer dollars to the Tradepoint marine improvements project.

The county government and Tradepoint **had asked for a \$25 million grant**, which the company said would be matched by \$25.5 million of its own money.

For more than a century, the Sparrows Point peninsula was home to a mill that operated for most of that time under the ownership of Bethlehem Steel. After a series of ownership changes, the mill shut down in 2012 when then-owner RG Steel went bankrupt.

The 3,100-acre property was bought in 2014 by a joint venture of the local investment firm Redwood Capital Investments and the Chicago-based liquidation and redevelopment firm Hilco.

Initially branded as Sparrows Point Terminal, **it became Tradepoint Atlantic in 2016.**

Tradepoint Atlantic aims to transform the into an industrial and transportation hub. Most of the old mill buildings have been demolished, replaced by vast warehouses for companies such as **Under Armour, Amazon and FedEx.**

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