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Puerto Rico Ports Authority

Economic development public corporation governed by a Board of Directors chaired by DTOP Secretary.

In charge of the following services:

- **Regional Airports**
- **Cruise ships port**
- **Cargo Seaport**
Vision
Promote the Ports Authority as one of the main promoters of the Puerto Rican economy, with new and improved business strategies and a more coordinated and harmonious interrelationship with the national and international economic sectors.

Mission
Promote, manage and oversee the process of operational development of the island's maritime and air facilities, both nationally and internationally, to position the Authority as one of the main pillars in the country's economic development.
Port of San Juan
Port of San Juan

1. Located at the harbor of San Juan
2. Serves cargo and passenger movement
3. 33 docks
4. Operated by the PR Ports Authority
Tourism Ports in Port of San Juan

**Pier 1**
In transit cruise ships and limited passenger capacity home-port. Also used by military.

**Pier 2 - Ferry Terminal**
Operated by Maritime Transportation Authority.

**Pier 3**
In transit cruise ships, Royal Caribbean has preferential use.

**Pier 4**
In transit cruise ships and home-port. Carnival and its subsidiaries have preferential use.

**Panamericanos I (East) & II (West) Piers**
In transit cruise ships and home-port, Royal Caribbean and preferred use for subsidiaries.

**Navy Frontier**
No home-port. In transit only for mega yachts.
# Main Passenger Ports Needs

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<th>Modernize our Facilities</th>
<th>Piers and terminal upgrades</th>
<th>Dredging</th>
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<td>There is a need to upgrade terminal facilities to enhance the passenger processing operations.</td>
<td>The cruise lines are moving to bring mega cruise ships, therefore, upgrades are needed to handle these types of vessels.</td>
<td>The San Juan harbor is in need of dredging to accommodate depth requirements of larger ships. Some dredging efforts will be held on August 2018.</td>
<td>Maintenance of the facilities is required. This cost is to be transferred to the private entity.</td>
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The Port Authority’s goal is to increase amount of passengers and vessel calls by improving port infrastructure and maximizing San Juan Harbor waterfront.
Cruise Capital of the Caribbean

3% of global cruise embarkations

1.34M Average yearly passenger count

21.529MM Revenue from cruise ship
Project Goals

- Provide savings to the government by optimizing operations and maintenance services.
- Provide better infrastructure for expansion of maritime cruise passenger base tourism.
- Enhance dredging to accommodate meet industry demands.
What Do We Need?

**DESIGN**
Capital improvements including, in-dock and channels dredging to accommodate larger ships and optimize passengers transit, and dock optimization.

**BUILD**

**OPERATE**
Ship transit, passenger disembarks and embarks.

**MAINTAIN**
Existing facilities and new capital improvements.

**FINANCE**
Capital Improvements.
Miami-Dade signs a P3 contract with Royal Caribbean for the construction of a $247 million new terminal.

Royal Caribbean will finance most of the cost, plus pay $9.5 million in annual rent.

It is expected to generate more than $500 million and add at least 4,000 jobs.

Miami Dade expects an increase of 30% on their cruise ship tourism, or 1.9 million passengers.

Precedent: Miami Dade New Terminal
REGIONAL AIRPORTS
The Puerto Rico Ports Authority (PRPA) owns 13 airports (10 fully operational and 3 that are shutdown). All 10 operational regional airports are operated by the PRPA.

Air cargo and passenger traffic in Puerto Rico is dominated by San Juan’s Luis Muñoz Marín International Airport (LMM). LMM is operated through a public-private concession for a 40 year term.
Main Regional Airports

Rafael Hernández International Airport

Mercedita Airport
Rafael Hernández Airport, Aguadilla

- Former Ramey Air Force Base located in a 1,100-acre site.
- Has an 11,700-foot runway that is capable of handling the largest cargo aircraft in the world.
- Projected as an international air cargo hub and logistics center for the Caribbean and possibly Latin America.
- Free Trade Zone No. 61 designation as cargo super hub has increased air traffic.
- 423,000 average annual passengers.
- 218 million average annual landed pounds.
Rafael Hernández Airport agreement with Lufthansa Technik Puerto Rico, LLC

1. 30 year lease agreement of areas at Rafael Hernández Airport in Aguadilla
2. Establishment of aircraft maintenance, repair and overhaul operation
3. Establishes PR as a hub for aircraft maintenance
4. The facility is expected to become a key driver of economic development in the North West Region.
Mercedita Airport, Ponce

- Public use airport located six kilometers east of Ponce’s central business district. Puerto Rico's largest airport in terms of military personnel volume and the second largest in terms of military freight.

- The airport has been enlarged on various occasions. Most recently, it’s runway has been extended to accommodate additional air traffic operations.

- 214,000 average annual passengers.

- 20 million average landed pounds.
Average of passengers and landed pounds

**PASSENGERS**

- Ceiba
- Ponce
- Isla Grande
- Aguadilla
- Culebra
- Vieques

**LANDED POUNDS**

- Ceiba
- Ponce
- Isla Grande
- Aguadilla
- Culebra
- Vieques
PROJECT OBJECTIVES

Enhance operation and maintenance.

Better alignment of existing airport infrastructure with airport business plan.

Incentivize economic growth outside of the Metropolitan area.

Attract more tourists and cargo transactions to the Island.
What Do We Need?

- **OPERATE**
  Air traffic operations, concessionaires agreements.

- **MAINTAIN**
  Existing facilities.

- **FINANCE**
  All operation and maintenance costs.
Global P3- Private Investment Trends

A significant number of international airports have private participation.

More synergies from both the public and private sectors.

Developing market in US
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Thank You

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