

ProvPort is a model for R.I.'s future growth

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REVIVING THE RHODE ISLAND economy won't be done overnight and it cannot be accomplished through the growth of just one segment of the economy. We have to leverage all of the state's assets to drive job growth in our fragile economy. One such asset is the Port of Providence, our working waterfront, now known as ProvPort.

Port of Providence operations were privatized in 1994 after some years of failed public management. The hope was that the port could continue to be operational and no longer be a drain on the city's coffers. Now, nearly 15 years later, ProvPort has surpassed every expectation and stands as a model for our collective effort to spark Rhode Island's economic growth.

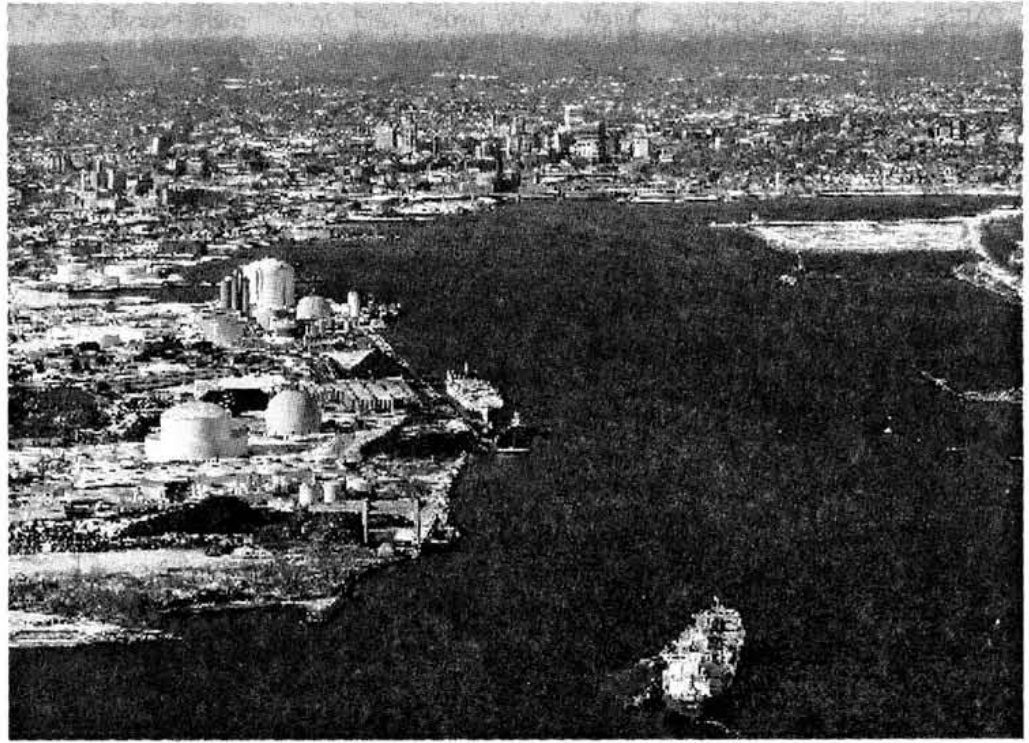
ProvPort has quietly and consistently been a public-private partnership that has created jobs and millions of dollars in revenue for the City of Providence. To date, the city has received more than \$23 million in income for the operating rights. The city also receives annual payments averaging more than \$1.5 million a year in increased real-estate and personal-property taxes, as well as a percentage of ProvPort's gross revenues. ProvPort has contributed another \$360,000 for community purposes within Ward 10 and has adopted the Cooley High School, contributing another \$60,000 for textbooks, computers and scholarships.

ProvPort has also been the impetus for tremendous capital investment from private sources within the 100-plus acre facility: \$8 million in direct capital improvements at the port; more than \$40 million in construction to erect fuel and cement facilities; and more growth is projected.

The growth at ProvPort can be measured in two main ways: tonnage shipped and the number of jobs retained and grown. First, the tonnage shipped in 2008 continued a history of annual increases for the various commodities handled at ProvPort.

ProvPort is Rhode Island's gateway to the world. On any given day the facility may be receiving materials from Colombia, China and Finland and shipping to Turkey, South Korea, Lebanon and Kenya. More than 3 million tons were shipped through the port this past year, making it second only to Boston as the largest port in New England.

Correspondingly, ProvPort has been a suc-



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The Port of Providence

cess in retaining and creating jobs. Thanks to labor and management cooperation, work rules have been adapted to meet the needs of ProvPort, the needs of workers and the demands of today's economy. Make no mistake about it, ProvPort jobs are high-paying, skilled positions that average \$25 an hour in wages and \$12 an hour in benefits.

There have been no layoffs at the port. Few industries in this state can match these compensation and growth patterns. In this economy these jobs need to be highly valued and strategies need to be developed to continue this growth. That is why as part of Operation Opportunity, the city's 18-month economic-action plan, the city will make a significant new investment in the port. It will create good jobs.

Unknown to most is that there are more than 1,000 workers directly employed by port activities and the facilities' activities produce an additional 1,500 indirect jobs. Combined direct and indirect jobs create one of the most significant opportunities for Rhode Island to grow its job base.

A study completed in 2006 by the national consulting firm Martin Associates found that

ProvPort's impact on the region was nearly \$180 million. In the three years since this study was completed ProvPort's business has grown an additional 30 percent.

For this facility to continue to serve southeastern New England's economy, ProvPort, in conjunction with the City of Providence, will:

- Continue to work cooperatively with tenants, customers, and labor to preserve and continue to expand its economic contribution to the region, including, of course, to labor.
- Expand its footprint by linking adjacent under-used properties.
- Continue to market itself locally, regionally and nationally to provide flexible solutions for importing and exporting goods globally.

In 2009, many businesses are reeling and for many the solutions seem distant and intangible. ProvPort is a strong model for how government, business and labor can work together to expand the Rhode Island economy.

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