

 **Florida East Coast**  
RAILWAY

5/29/2019

Via UPS Overnight

Mr. Glenn Wiltshire  
Acting Port Director  
Port Everglades  
1850 Eller Drive  
Ft. Lauderdale, FL 33316-4201

Mr. Mark Gale  
Airport Director  
Ft. Lauderdale Hollywood International Airport  
2200 SW  
45<sup>th</sup> Street Suite 101  
Dania Beach, FL 33312

Re. Florida East Coast Railway Request to Negotiate long Term  
Leases

Dear Mr. Wiltshire and Mr. Gale,

The Florida East Coast Railway (FEC) has an interest in negotiating with Broward County a long term lease and development agreement for property known as the former Dynegy property. Broward County has held the property undeveloped for years. The FEC has looked at several sites and we believe the former Dynegy property meets the need for space near Port Everglades and the Ft. Lauderdale --Hollywood Airport that can be rail served. Specifically, FEC has a desire to build a three hundred thousand square foot temperature controlled warehouse on the property. The facility will have repack and restyling services, irradiation and fumigation capability, multi-modal capacity and flexibility to handle a variety of food products. In addition, FEC will build track off the existing Port Everglades access track to the facility in order to provide rail service. The FEC believes that this is an outstanding opportunity to expand imports and exports of perishable goods at Port Everglades.

The warehouse operations will provide additional capacity and efficiency utilizing existing rail and port assets. We expect an immediate reduction in truck congestion on Florida's freeways and local surface roads to and from the Port; improvement in the quality of life for state and local residents; reduced fuel consumption and emissions; lowered wear and tear on already taxed public infrastructure; improved competitiveness of our joint customers through rapid and reliable end-to-end service; and increased food safety and visibility between producer and consumer.

The project will require FEC to have more than \$40M invested on the former Dynegy property. The plan will create at least 300 temporary jobs and more than 100 direct jobs in Broward County.

Once fully operational, FEC estimates more than 60,000 truckload equivalents of goods moving through the facility. The facility will create additional work at the Port and potentially the Airport as cold storage food and perishable products move in and out of Broward County. Upon completion of the Lease and Development Agreement, FEC will immediately proceed with developing the property and will complete construction within twenty four months.

FEC appreciates your interest in our project and requests you obtain the necessary approvals for us to proceed in the process of negotiating the Long-Term Lease and Development agreement for the Dynegy property under general terms as we set forth herein.

The FEC has also looked at growing our import and export auto business. Broward County has the largest density of car dealerships and moves more autos than any other County in South Florida. FEC has an immediate opportunity to move 20,000 VINS from Mexico through Port Everglades on FEC rail cars for final distribution. FEC's owner is GMXT and they own the largest railroad in Mexico with 8 of the 10 largest auto facilities being rail served. FEC believes we can generate significant volume for Port Everglades for both import and export autos. The County-owned property under the FPL power lines adjacent to Port Everglades is the perfect location to park new autos until they are moved to the local market or shipped out of state. FEC will be providing rail service moving autos in both directions for import as well as export. FEC plans to spend \$10M initially to build this facility and has a Florida Department of Transportation SIS grant in the amount of \$7.5M to help fund the development of this facility. FEC requests to negotiate with Broward County for a long term Lease and Development Agreement for land adjacent to the existing ICTF to develop an auto transloading facility. FEC is ready to proceed with construction that will take less than twelve months to complete. This facility will generate at least 100 temporary positions and 50 full time jobs in Broward County.

FEC appreciates your interest in our project and requests you obtain the necessary approvals for us to proceed in the process of negotiating the Long-Term Lease and Development agreement for the property adjacent to the ICTF under general terms as we set forth herein.

Very truly yours,

Florida East Coast Railway LLC



Nathan Asplund

Chief Executive Officer & President