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**MAYOR EMANUEL, GOVERNOR QUINN ANNOUNCE NEW PORT AUTHORITY
MANAGEMENT PLAN TO REVITALIZE CRITICAL TRANSPORTATION HUB, PROVIDING
\$500 MILLION INVESTMENT, CREATING UP TO 1,000 NEW JOBS**

*Long Underutilized Port Will Be Revamped, More Efficiently Managed in New Plan with Broe
Group, an International Leader in Transportation Logistics*

Mayor Rahm Emanuel, Governor Pat Quinn and Illinois International Port District Chairman Michael Forde today announced that the Broe Group has been selected to lead a revitalization of the Illinois Port Authority District, injecting \$500 million in new infrastructure investments and creating up to 1,000 new jobs while ensuring more efficient management and operations of the facilities. The new agreement is similar to what prosperous ports have done across the country. It will also create a new partnership with the nearby Olive Harvey College that includes an internship sponsorships, job placement opportunities, and training programs for new hires.

“Through smarter and efficient management of Chicago’s port, we will reinvigorate a critical asset for our City in the area of transportation and trade. We are taking what was an underutilized, run down port and turning it into an engine of opportunity through infrastructure investment and job creation that will benefit Chicago and its neighborhoods on the southeast side.”

The Illinois International Port District owns the Port of Chicago, which has facilities at Lake Calumet as well as on Lake Michigan. It is an entirely self-funded entity and relies primarily on revenues from its tenants in the form of rent and fee payments. The Port District has faced significant challenges in recent years and has operated at a loss in each of the 10 years prior to the Mayor’s appointment of Michael Forde to the board in 2011. The

Port's debt was roughly five times its annual revenue, and it had not undertaken a significant investment in its physical port facilities since 1981.

Due to significant reforms to the way that the Port operates, the Port operated in the black in 2012 for the first time in a decade. After requesting that the State's Auditor General conduct an audit of its operations, the Port brought in a professional management company to manage the Harborside golf facilities, guaranteeing that the Port will turn a profit on those facilities for the first time in years.

The Port also hired an independent consultant to study its unique combination of maritime, rail and road access. The study found that the Port has the potential for very significant job growth and expanded economic activity, but that its meager budget and difficult financial position made it difficult to invest to fulfill that potential.

The Port then conducted a competitive RFP process and accepted a proposal from the Broe Group to lease on a long-term basis most of the port facilities from the Port District. Under this plan, the Broe Group and other parties expect to invest \$500 million in Port facilities over the next 10 years.

“Mayor Emanuel made it very clear that his number one priority for the Port District was to create a competitive business model that creates jobs and maximizes economic growth here,” said Forde. “The Port District board got to work immediately determining the Port's strategic place in the regional and national economy and its potential for future growth. This partnership and commitment with Broe will finally put the Port on the path to becoming the world-class 21st century Port it should be.”

“A revitalized Port means a revitalized economy and critical job creation on the southeast side of Chicago,” said Alderman John Pope (Ward 10). “I am pleased the city, state and Port Authority board have come together and found an innovative way forward with this important partnership that will create an economic and transportation anchor for the region.”

The new partnership with Olive Harvey will include: Internship Programs, In-House Career Fairs, a New Hire Training Programs (Safety and Environmental Compliance), and assist in the identification and the coordination of curriculum development , curriculum partners, and development providers and partners.

The plan establishes a 62-year-lease to match the remaining 62-years on existing leases that are already in place at the Port. The term will assure a long-term partner committed to choices that are in the best interests of the Port, community and future growth and development.

The Broe Group is a private, family owned international investment and management company with substantial assets in transportation, real estate and energy, an extensive network of relationships, and significant business development expertise. Through its real estate affiliate, The Broe Group owns, manages and develops commercial and industrial real estate, leveraging its transportation expertise to focus on site selection and industrial development. OmniTRAX, Inc., its transportation affiliate, owns short line and regional railroads, ports and terminal operations throughout North America, and is actively engaged in stimulating industrial development and international trade. The Broe Group's energy affiliate, Great Western Oil and Gas Company is an independent exploration and production company focused on onshore resource development. For over 40 years, The Broe Group has been committed to operating and maintaining assets and infrastructure that are critical to North American industry. They have been a force for job creation in the communities where they operate. As a result, The Broe Group has developed a successful track record of creating value for its partners, customers, and the communities in which it operates.

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