



Wes Moore | Governor
Aruna Miller | Lt. Governor
Harry Coker, Jr. | Secretary of Commerce

October 1, 2025

The Honorable Guy J. Guzzone
Senate Budget and Taxation Committee
3 West Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

The Honorable Ben Barnes
House Appropriations Committee
121 Taylor House Office Building
6 Bladen Street
Annapolis, MD 21401

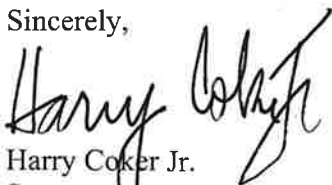
RE: Report on plans to mitigate the impact of dredging operations on yacht clubs – 2025 JCR, page 267

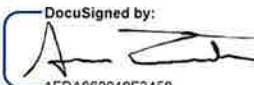
Dear Chairs Guzzone and Barnes:

In accordance with page 267 of the 2025 Joint Chairmen's Report, the Maryland Department of Commerce and Tradepoint Atlantic are pleased to submit the report on plans to mitigate the impact of dredging operations on yacht clubs. As required, the report provides an update on the mitigation efforts taken to reduce or avoid impacts on the Pleasant Yacht Club and the North Point Yacht Club from dredging operations related to TPA's Sparrows Point Container Terminal Project.

If you have any questions or need additional information, you can contact Secretary Harry Coker at 410-767-6301 or Aaron Tomarchio at 410-709-1289.

Sincerely,


Harry Coker Jr.
Secretary

DocuSigned by:

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Aaron Tomarchio
Executive VP, Tradepoint Atlantic

Enclosure

cc: Members, Senate Budget and Taxation Committee
Members, House Appropriations Committee
Elizabeth Waibel, Department of Legislative Services

OFFICE OF THE SECRETARY

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**Report on Mitigation of Impacts from Dredging Related to
Sparrows Point Container Terminal Project**

As required by the 2025 Joint Chairmen's Report, page 267

Respectfully submitted by the Maryland Department of Commerce and
Tradeport Atlantic

October 2025

Background:

The Joint Chairmen's Report of 2025 requires the Maryland Department of Commerce (Commerce) to provide a report in conjunction with Tradepoint Atlantic (TPA) on the mitigation measures that will be taken to reduce or avoid impacts on the Pleasant Yacht Club (PYC) and the North Point Yacht Club from dredging operations related to TPA's Sparrows Point Container Terminal Project.

Status Update:

TPA has worked with engineers to find alternative dredge placement capacity. The mitigation requirement was significantly reduced and as a result there is no need to utilize the yacht club properties for this purpose. Considering that Pleasant Yacht Club wanted to secure a long-term lease commitment with TPA, TPA met with the Pleasant Yacht Club leadership on August 7th, 2025. Please see a summary of this meeting below as well as a response from Lafon Porter, Captain Pleasant Yacht Club and Derrick Jones, Commodore Pleasant Yacht Club.

Meeting Summary from Aaron Tomarchio, Executive Vice President of Corporate Affairs at Tradepoint Atlantic:

After receiving feedback on the Draft Environmental Impact Statement, and hearing concerns from interested members on a preliminary plan that proposed to use a portion of the yacht club property as a community amenity with public boat ramp access and mitigation for the Sparrows Point Container Terminal project, we re-evaluated those plans and were able to find an alternative approach to dredge material placement which no longer required the type of mitigation or community amenity being contemplated for the yacht club property. Understanding the desire of PYC as a private member driven yacht club to achieve long-term operational certainty, Tradepoint Atlantic is prepared to offer and discuss a long-term lease arrangement.

With our experience primarily in commercial and industrial real estate, it would be unfair for Tradepoint to apply those standards or suggest long-term lease terms based on that market. Given the uniqueness of private yacht club operations, we ask that PYC leadership consult with relevant industry associations and experts in the Maryland boating community what a "fair market" rate should be for a long-term lease of the property in the current as is, where is condition. Tradepoint will also conduct diligence of its own. This determination will help inform an earnest private commercial negotiation from which to structure an agreeable proposal. Tradepoint is entirely flexible with how to structure an agreement, knowing that a transitional period will be needed given club finances and member expectations are based on the current nominal \$1 per year land rent. Tradepoint does not have any particular timetable at this time in which a long-term lease agreement must be reached and that a reasonable timetable to reach an agreement should be proposed by the club's leadership.

Tradepoint Atlantic recognizes and respects the historic ties of the club to the former steel mill and will endeavor to work with PYC leadership to sustain its story and legacy. We stand at the ready to work with PYC leadership to develop a mutually agreeable long-term lease arrangement that will provide clarity and a level of certainty for the club's continued operation. I hope this captures the highlights of our conversation and the starting point for continued discussions with PYC leadership. Should you have any questions or wish to set a date to discuss next steps, please reach out at any time. We are here to support you through this process.

Response from Lafon Porter, Captain Pleasant Yacht Club and Derrick Jones, Commodore Pleasant Yacht Club, August 27, 2025:

As shared during the meeting on August 7, thank you for carving out time to meet with Commodore Jones and I and discussing the possibilities of securing long-term operational certainty for the Pleasant Yacht Club (PYC). We are grateful Tradepoint Atlantic (TPA) reconsidered the initial preliminary proposal that would have eliminated PYC including offering a portion of PYC property as a community amenity with public boat ramp access. Although we are supportive of community amenities such as public boat ramp access, we are confident this can be accomplished without eliminating over 70 years of local African American history.

Furthermore, PYC's leadership was relieved that the PYC property which was original provided by Bethlehem Steel to the local African American steel workers during segregation and the Jim Crow era was no longer targeted for elimination and part of TPA's mitigation plans.

While Commodore Jones and I appreciate TPA's offer to discuss a long-term lease, TPA offering PYC a long-term lease conditioned upon a "fair market" rate as TPA's remedy for preserving PYC's long term future was "shocking to the system". Commodore Jones and I believe PYC is unique in its history, membership and facilities. As Commodore Jones shared, PYC and its land characteristics substantially differ from an average yacht club facility. PYC lacks public water even after unsuccessfully attempting to have water well drilled as well as no septic. PYC has paid for potable water and septic pump out service for over 30 years.

When compared to a typical marina, PYC does not have standard amenities such as fuel, public water or pump out stations generally found at many marinas. I shared during our meeting and will re-state that PYC has a slip capacity of 40 and could not sustain the membership capacity to support a "fair market" lease.

Commodore Jones and I re-read the Maryland 2025 General Assembly session "Report of Senate Budget and Taxation Committee Narrative bullet 1 (p. 47) extracted below:

".... In addition to discussions on mitigating impacts for both clubs, the report should detail either:

(1) how the planned dredging operations will be adjusted to **preserve the Pleasant Yacht Club property and pier in a manner that will allow the operations of the yacht club to continue onsite;**

(2) how the yacht clubs will be compensated in the event the planned dredging operations cannot be adjusted."

Mr. Tomarchio, Commodore Jones and I do not believe our discussions subsequent to the meeting orchestrated by Baltimore County Senate delegation (in Annapolis) that resulted in the above language was intended to require the longer-term future and preservation of PYC and a long-term lease subject to PYC agreeing to a long-term lease at "fair market" rates.

PYC will do what TPA has asked: 1) perform research and 2) perform due diligence, however as shared we do not believe our small facility and membership could realistically afford a "fair

market” rate lease. If the preservation of PYC is contingent upon having a long-term lease with a fair market rate, this may be a futile effort, however, PYC’s leadership is willing to do whatever is necessary to have a chance at preserving PYC.

PYC truly appreciates Tradepoint Atlantic recognizing and respecting the 70+ years of African American historic ties of the club to the former steel mill, the impact it has in the local African American Community and willingness to work with PYC leadership to sustain its story and legacy.

We are also grateful TPA stands ready to work with PYC leadership to develop a mutually agreeable long-term lease arrangement that will provide clarity and a level of certainty for the club’s continued operation. As TPA requested, PYC will research an appraiser to solicit data to further our discussion, however, we hope PYC’s long-term preservation and existence is not conditioned upon having a fair market lease.

Thank you in advance for including PYC’s response (by sending it to Department of Commerce) along with your summary when completing the Maryland General Assembly reporting obligations.

Thank you,
Lafon Porter
Captain Pleasant Yacht Club

Derrick Jones
Commodore Pleasant Yacht Club

Summary:

To summarize the specific updates requested from this report: the mitigation requirement was removed from TPA’s dredging project and TPA was therefore able to find alternative dredge placement options. TPA is constructively working with the yacht clubs to come to a long-term lease agreement. There will be no impact on either Pleasant Yacht Club or the North Point Yacht Club from dredging operations related to TPA’s Sparrows Point Container Terminal Project.