



Port NOLA Forward: Strategic Master Plan FAQs

Master Plan Overall

1. What is included in the Strategic Master Plan?

The Strategic Master Plan outlines a vision and provides a broad roadmap to capture market opportunities so we remain competitive as a region over the next 20 years as the global shipping market evolves.

The Plan includes a market analysis for our cargo, cruise, and real estate lines of business and shows how we plan to optimize existing facilities, including the newly acquired Public Belt Railroad and extend our reach to benefit Orleans, Jefferson, and St. Bernard Parishes, as well as the state and nation.

The Plan is intended to be flexible and adaptable – it does not assign land use on a parcel by parcel basis.

2. When will the Plan be released?

A draft copy of the Plan is online as part of a 30-day review period. We plan to ask for Board approval at our May meeting.

3. Does the Plan include a list of planned projects?

The Port NOLA Gateway Action Plan proposes a menu of strategies to optimize existing facilities and extend our capacity so we are ready to accommodate business needs for the next 20 years.

However, and more importantly, the Plan proposes a broad vision of regional collaboration for economic prosperity and introduces the concept of Regional Freight-Based Economic Development. This framework is cohesive and collaborative. It considers the supply chain as a whole to ensure we are able to attract and grow freight-based businesses on and off Port property throughout our three-parish jurisdiction.

Our action plan, though organized by business line, relies on partnerships including Port NOLA and the railroad, regional, state, and federal partners, and private sector investors. With a cohesive united effort, this plan drives a regional freight-based economy.

4. What is the timeline for proposed projects?

Near-term strategies that are supported by customers and the community are currently being assessed and prioritized. Implementation will require investment by government entities and industry partners.

Long-term capital strategies have a 10 to 20 year horizon. Some infrastructure improvements and bridge replacements are essential for Port operations, partner obligations and public safety. Investments for business expansion will be driven by both market demand and public/private financial support.

5. How did you include input from stakeholders and the public?

Robust public engagement has been part of the process from the start. Initial input from stakeholders helped ensure the final document addresses opportunities and challenges from multiple perspectives

In early 2016, the Port held focus groups and interviewed a wide range of stakeholders, including maritime industry service providers, tenants, ocean carriers, barge operators, and elected officials, among others.

In April 2017, the general public was invited to contribute through a survey and a series of educational open houses called Dock Talks.

Beginning late last year, Port NOLA leadership began an extensive campaign of presentations, meetings and focus group discussions with a broad spectrum of organizations.

The Draft Strategic Master Plan is available on the Port website for a 30-day public review period. Port NOLA Staff will review comments for inclusion in the final draft.

6. Is public access to the riverfront addressed in the Master Plan?

The Mississippi River is an incredible asset to all of us, both as a critical economic corridor and beautiful natural resource. Our servitude recognizes the importance of maritime activity to the economy and the Master Plan reflects the Port's focus on maximizing the flow of international trade.

However, if our property is not suitable for maritime activity, the Port has a history of supporting public access to the river. Most recently, the Port transferred the Governor Nicholls Street and Esplanade Avenue wharfs to the City of New Orleans so residents and visitors can enjoy more than three miles of contiguous public space along the River. The property that is now Crescent Park was once managed by the Port and used for commerce.

7. How will projects in the Master Plan be funded?

Over the next five years, the Port hopes to expend more than \$366 million for identified projects that are supported by market need, customers, and the community. Depending on the initiative, investments will be funded by a mix of the Port's operating revenue, bonding, Federal and/or State grant funding, and Public-Private Partnerships.

Port Terminal

8. Does the Master Plan address Last Mile traffic issues?

Yes. The Port and Convention Center – two of the State’s largest economic engines – use Tchoupitoulas Street to access their facilities. Residents and local businesses also use the road and congestion is a significant issue. If we do not address the issue in partnership with state and regional entities, both Convention Center expansion plans and the Port’s projections for growth are at risk.

The Master Plan prioritizes enhancing our multi-modal capabilities, including rail and barge services, which can help mitigate some of the Last Mile traffic issues.

In addition, the Port and RPC have jointly funded an I-10 study to evaluate findings from previous traffic analyses and assess potential short, medium, and long term solutions to reduce congestion on the corridor. A draft report, which is expected to be completed within the next several months, will provide more targeted direction for further study and implementation.

Container Cargo Specific

9. What is the capacity of the Napoleon Avenue Container Terminal?

The current capacity is 840K Twenty-Foot Equivalent Units (TEUs). With strategic investments, that capacity can be increased up to 1.5M TEUs within the same footprint.

10. When are we getting upgraded cranes and where will you put the 100’ cranes mentioned in the Plan?

For several years, we have recognized the need for upgraded cranes. We have progressed from “want to have” in the future to “plan to acquire” in the near term.

We do not have all the answers, and are working with our tenants to find the optimal location for cranes and rail for operational efficiencies. We are also finalizing funding sources for the first two cranes.

11. Where will you expand the container yard?

We will work with our tenants as we study options for expanding our container facilities to maximize operational efficiencies and ensure we are meeting the needs of our tenants, carriers, and shippers. We consider this a near term project for the proposed buildout at the Napoleon Avenue Container Terminal.

12. Does the Port plan to dredge deeper for larger vessel access at the Napoleon Avenue Container Terminal?

Short-term improvements at Napoleon include expanding the area that can be dredged to 45 feet. To ensure the Mississippi River can continue to meet long-term commerce needs, the Army Corps of Engineers is currently studying a proposed deepening of the Mississippi River channel to 50 feet. A draft report shows significant benefits for this project.

13. How will you accommodate the bigger ships being built today?

As a deepwater port with container terminal facilities at its uptown terminals, the Port currently serves post Panamax vessels. We can accommodate the next two to three generations of larger vessels as well.

However, if we want to continue to compete on a global scale as an in-demand container port, we will need an additional, modern container facility with the infrastructure and configuration to service the industry's Neopanamax ships within the next 10 years.

We are actively preparing to be able to meet future need and are currently assessing a number of sites, including a 675-acre greenfield site in St. Bernard Parish. That particular site could be appropriate for a modern container terminal and adjacent logistics related businesses if road and rail traffic issues are addressed.

14. Why are you considering a container terminal in St. Bernard Parish?

Industry trends reinforce the opportunity for additional container capacity and complimentary business activity along the Mississippi River to ensure that the region captures both existing and emerging business. The Port of New Orleans is the only port in Louisiana that can currently handle container cargo, having invested significantly over time in necessary infrastructure, specialized labor, and relationships with global container carriers.

Port NOLA will continue to invest in and utilize existing container facilities in New Orleans – this project envisions supplemental capacity and the ability to have adjacent logistics and value-added activity.

We are assessing the Sinclair Site in St. Bernard Parish, which is LED-certified for industrial use. Container terminal and logistics activity is classified as light industrial, well within the site's accepted range of use.

The property appears to meet criteria necessary for a major intermodal shipping facility: sufficient waterfront acreage to accommodate current and future ships, navigable deep water, a strong foundation of existing transportation, including access to Class I rail service and major highway routes, along with a capable local workforce. Investments in rail and road infrastructure to accommodate industry and community traffic will be necessary for this major project to be considered viable.

15. What studies will be done on the Sinclair Site?

Feasibility studies will include wharf assessment and navigation, local economic impact, construction appraisals, traffic and transportation impacts to the Parish, utilities and drainage assessment, environmental due diligence, and cost analysis. If study results are positive, additional studies would follow: geotechnical evaluations, rights of way and servitude analysis, yard layout and technology, onsite transportation alternatives (road and rail), and a capacity analysis.

16. When will the Sinclair studies be finished?

We expect to be able to share findings of various studies within eight or nine months.

Breakbulk Cargo Specific

17. What are the Port's plans for breakbulk cargo?

Market trends indicate that breakbulk will continue to represent an important revenue stream for the Port and an economic driver for the region. Breakbulk provides more direct employment in terms of cargo handling, especially discharging cargo from ships to barges.

We are already investing in the maintenance and load-bearing capacity of our wharves. Our current capacity to handle breakbulk is sufficient for our needs and projected growth, we will be modernizing our lease policies to incentivize capital investment and remain competitive in the Gulf.

18. What is the plan for the former Avondale Shipyard?

We understand that Hilco Real Estate plans to redevelop the site as a privately owned multi-modal shipping terminal with cargo that would be additive for the region. The Port has worked collaboratively with Hilco, LED, and Jefferson Parish as Hilco moves closer to purchasing the property.

Rail Specific

19. What strategic projects are planned for the New Orleans Public Belt?

The Port and Belt are working together to identify short and long term projects to improve fluidity and operations. Examples with near term benefits include: fully automating mainline and yard switches, removing constraints at the Almonaster Bridge, and more.

We will be working with local customers, Class 1 railroads, and Federal and State partners to identify funding possibilities for projects.

20. What improvements and technologies are you considering to mitigate community impacts?

As operations are made more efficient with greater system fluidity and resilience, community issues will be reduced. We are currently assessing community issues to be able to prioritize solutions.

21. How long will it take to address community issues?

We are already working more closely with the community on safety and other issues. The Belt hired a community engagement professional in February 2018. Ailsa Vondobeneck has already developed a website and hosted meetings with community members as part of an effort to serve as a responsible urban neighbor. The Public Belt plans to host an educational Open House on May 24 from 4-7 at 4822 Tchoupitoulas St, New Orleans, so the community can learn more about the railroad, safety initiatives, and plans.

Industrial Real Estate Specific

22. What are your plans for the Port's industrial real estate?

The Port's more than 1,000 acres of industrial real estate, much of it rail served and located along the Inner Harbor, represents a tremendous opportunity to target freight-based business and increase cargo throughput.

We are currently engaged in a two-year planning project with the City of New Orleans and other partners to revitalize properties, though also plan to think beyond Port owned property and work collaboratively with the City and others to maximize opportunity throughout New Orleans East. The area is well-suited for value-added industries such as manufacturing, fabrication, distribution, and logistics cluster development.

Cruise Specific

23. Are you planning to build a cruise terminal on the Poland Avenue Wharf?

For nearly 20 years, Port leadership expressed an interest in building a cruise terminal at Poland Avenue. More recently, local neighborhood groups have expressed their opposition to that project.

At the moment, the Port has capacity at the Julia and Erato St. terminals and has no immediate plans for a third or fourth cruise terminal. However, we expect to need additional capacity in the not too distant future and we are beginning to plan for that eventuality.

The Port is conducting an independent market assessment including multiple sites that could accommodate ocean-going cruise ships downriver of the Crescent City Connection on both sides of the river, mostly Port-owned properties. A final decision on both site location and timing will be driven by market demand, traffic considerations, parking availability, and input from the cruise lines, among other criteria.

The Poland Avenue Wharf is a valuable Port asset that actively serves as an overflow wharf for breakbulk cargo and cruise ship port of calls. We expect to commence a bank stabilization and wharf repair project in the near future. This work is needed to extend the lifespan of the wharf.

24. Is Viking coming to the Port?

We believe Viking still plans to bring ships to Port NOLA, though we do not have a current time frame from the company.

25. What about riverine cruises?

Riverine cruises are increasingly popular and we already recognize the need for more berthing space. We are considering potential locations including the Robin and Orange Street Wharves and additional sites throughout the jurisdiction, including Jefferson Parish. That said, proximity to walkable tourist attractions is a major consideration so it will take time to market sites that are further from downtown New Orleans.

Environmental

26. What environmental initiatives are included in this plan?

Developing sustainably is a primary goal of the Strategic Master Plan.

Port NOLA is Green Marine Certified, which means that our environmental efforts are third party audited and that we have committed to continuous improvement in environmental impact management. This commitment to sustainability is integral for each of our projects and across all lines of business.

Port NOLA will continue to embrace promising emerging technologies for greater efficiency, resiliency, and adaptability. We will also invest in efficiency and environmental improvements as opportunities arise. For example, upgrading the locomotive fleet to reduce emissions is under consideration.

27. Does the Port plan to use LNG fueling or shore power for docked vessels?

At this time, Port NOLA is not planning to implement shore power at its wharves. The small percentage of US ports with LNG or shore power are providing it in response to regulatory mandates in areas of poor air quality. We meet all Federal and State air quality requirements in New Orleans. With no regulatory driver, there is not a market demand for investment in the vessels or landside infrastructure.

International MARPOL rules for ultra-low sulfur content fuels within the North American Emission Control Area (ECA) effectively continue to lessen marine vessels' impact on air quality.

Many ship lines are reducing air emissions of their vessels with the installation of scrubber technology. This removes sulfur and substantially reduces particulate matter and black carbon from air emissions. Once the scrubbers are operating, this new technology will enable cruise ships to exceed the stricter air emission standards established for operation within the ECA.