



Mississippi State Port Authority at Gulfport Five Year Strategic Plan

Fiscal Years 2027-2031

THE VISION OF THE PORT OF GULFPORT

1. COMPREHENSIVE MISSION STATEMENT

The mission of the Port of Gulfport is to provide world-class maritime terminal services to our customers, to facilitate economic growth, and to foster job growth for the people of Mississippi through the promotion of domestic and international trade.

2. STATEMENT OF AGENCY PHILOSOPHY

The Port of Gulfport is committed to leveraging the assets of the Port and the State to sustainably assist Mississippi companies in reaching global markets and create well-paying jobs on the Gulf Coast. The philosophy of the Port is to adhere to the highest ethical standards to be transparent and accountable to our local community and citizens of the State.

3. RELEVANT GOALS AND BENCHMARKS

ECONOMIC DEVELOPMENT

Goal #1: To develop a robust state economy that provides the opportunity for productive employment for all Mississippians.

Relevant Benchmarks #1:

1. Number of new tenant leases and jobs resulting from recruitment of businesses to the State of Mississippi
2. Volume of cargo activity at the Port, measured in forty-foot equivalent units (FEUs) and tonnage
3. Number of employees of the International Longshoreman's Association (ILA) and the number of hours worked as a direct contribution to our local economy
4. Number of externally funded capital investments, leases signed, and jobs created

EDUCATION: HIGHER EDUCATION

Goal #2: To make available an accessible and quality public higher education at an affordable cost that prepares Mississippians to become productive, financially self-sufficient members of society while meeting the human resource needs of Mississippi and its employers, including the creation of new jobs through the commercialization of university-based research.

Relevant Benchmarks #2:

1. Number of partnerships and further development with local schools, institutions, and the University of Southern Mississippi on education activities at the Port of Gulfport Marine Research Center and Roger F. Wicker Center for Ocean Enterprise, which are utilized by USM's School of Ocean Science and Engineering
2. Number of students trained, certified, and employed through our partnerships with universities and institutions
3. Number of workforce development sessions and training hours of ILA employees

PUBLIC SAFETY AND ORDER

Goal #3: To protect the public's safety, including providing timely and appropriate responses to emergencies and disasters, and to operate a fair and effective system of justice.

Relevant Benchmarks #3:

1. Number of containers scanned by United States Department of Homeland Security to monitor all imports for public health and safety
2. Number of United States Military training exercises completed, and vessel activity to include equipment import and export
3. Number of attendees at hurricane preparedness meetings
4. Average emergency response time to evacuate tenants and secure the Port in case of natural disaster.
5. Average time for the Port and businesses located on the Port site to recover following a natural or man-made disaster

NATURAL RESOURCES

Goal #4: To ensure that current and future generations have access to the State's abundant natural resources through restoration, protection, conservation, and wise development of those resources.

Relevant Benchmarks #4:

1. Number of inspections to ensure quality of air and water standards in and around the Port are up to national standards
2. Percentage of port real estate pledged to economic development
3. Number of electric vehicles, equipment, and cranes
4. Number of 'Green Marine' initiatives improved upon
5. Number of hours contributed to The University of Southern Mississippi's 'Gulf Blue' program

INFRASTRUCTURE

Goal #5: To ensure the construction and maintenance of infrastructure (including roadways, waterways, railways, airports, water and sewer systems, pipelines, electricity lines, broadband connections, public buildings) adequate to meet the needs of citizens and the business community and to foster economic growth.

Relevant Benchmarks #5:

1. Number of tenants utilizing the Port's facilities
2. Number of companies, especially Mississippi companies, that are directly and indirectly associated with the Port
3. Amount of money spent on new construction
4. Amount of money spent on repairs and maintenance
5. Amount of money spent on mitigation projects

4. OVERVIEW OF THE PORT OF GULFPORT'S 5-YEAR STRATEGIC PLAN

The Port of Gulfport is a deep-water, international seaport located in Gulfport, Mississippi. The Port receives more than 160 deep draft vessels, over 2 million tons of cargo and about 200,000 TEUs (twenty-foot equivalent unit containers) annually. The strategic location of the Port allows customers to distribute products to much of the U.S. market within 24 hours, with cargo reaching as far west as El Paso, TX, north to Chicago, IL, and east to Charleston, NC. As a key gateway for Central America, the Port of Gulfport is one of the leading importers of green fruit in the United States.

Encompassing nearly 300 acres, the Port of Gulfport has ample berthing space, plentiful warehousing and laydown areas, and access to on-dock rail service. There is also a specialized ramp built for roll-on/roll-off vessels, and the Port is equipped with three ship-to-shore gantry cranes, with the fourth crane expected in the Fall of 2025. The Port's centralized location on the Gulf of Mexico makes it an ideal partner for inbound and outbound maritime commerce, providing customers with a short 18-mile transit from sea buoy to dock.

The Port's leadership and staff are diligently focused on economic development and pursuing opportunities in strategic industries that are strong within Mississippi's economic focus. In addition to maritime commerce recruiting efforts, the Port has leveraged the presence of multiple military installations throughout Southern Mississippi into additional throughput opportunities. In November 2015, the Port became one of only 18 United States Strategic Seaports. This designation has allowed the Port to participate in the loading and unloading of military equipment, resulting in more labor hours for the I.L.A. - Local 1303. Additionally, the Port's location has been designated as a Qualified Opportunity Zone (QOZ), which allows for the creation of tax incentives for investors in certain areas.

In 2018, the Port of Gulfport completed the Port of Gulfport Restoration Program (PGRP) which was developed to re-establish a sustainable port facility capable of positioning the Port advantageously within the maritime industry and providing jobs to Mississippi residents. As a result of the Restoration Project, the Port of Gulfport entered into a long-term agreement with Ports America, the largest terminal operator and stevedore in the United States. Ports America is implementing a \$43 million investment to develop Terminal 4 as well as purchasing new cargo-handling equipment, a fourth crane (expected in August 2026), and enhanced training of local labor.

In recent years, the Port has experienced a significant increase in privately funded projects outside of the PGRP. Many of the Port's tenants have invested private capital to further establish their operations in Gulfport, such as Ports America, Island View Casino Resort, The Chemours Company, and Ocean Aero. Additionally, the Port continues to pursue grant money to support expansion efforts for further development in and around the Port site.

In September of 2021, the Port of Gulfport welcomed Ocean Aero, Inc., who transferred their headquarters and manufacturing from San Diego, CA to Gulfport, MS for the construction, testing, and demonstration of Autonomous Underwater and Surface Vehicles (AUSVs) at the Port of Gulfport. This relocation has created more than 60 new jobs, and it is expected to create more in

the future. In 2023, Ocean Aero completed a multi-million-dollar renovation of warehouse space on the East Pier, transforming it into their new operations and manufacturing headquarters. Ocean Aero has also partnered with the University of Southern Mississippi to provide training and career opportunities to students.

Partners such as Ocean Aero, Dole, and Ports America have remained active participants in the coastal community by connecting with local leadership organizations, participating in city events, and investing in the educational community.

The Port has been working with the Gulf Regional Planning Commission (GRPC) to conduct a Port of Gulfport Traffic Mitigation and Congestion Study. The initial study is scheduled to include industrial traffic feeding into 30th Ave in Gulfport from Canal Road and Highway 49 and then passenger traffic on Cowan Lorraine in Gulfport. This study will assist in determining the best mitigation, safety, technology, and congestion improvement alternatives to make necessary improvements in traffic coming to and going from the Port. The Project is funded by a \$200,000 federal grant administered by the GRPC and a \$50,000 match made by the Port of Gulfport.

In 2024, GRPC, in partnership with the Port of Gulfport, was awarded a USDOT \$275,000 Safe Streets for All Grant to plan for safer and more efficient transportation network in the areas surrounding the Port properties. The study will focus on strategies to improve safety and access for all road users.

In June 2022, the Port of Gulfport was announced as the recipient of a \$650,000 MDOT multimodal grant. These funds were used to rehabilitate the East Pier rail infrastructure. The Project included repairing approximately 4,100 track feet of rail and replacing sole plates and other track material inside an East Pier warehouse. This project has been completed and is opening the East Pier to transport break-bulk goods. These rail movements help alleviate stress on the supply chain and provide lower carbon emissions compared to transporting by truck.

In April 2024, the Port was awarded a \$2.6 million grant from the Mississippi Strategic Multimodal Investment Fund (SMIF). The SMIF funding will enhance intermodal service at the Port, ensuring it remains competitive in a global market while continuing to support regional economic growth and create opportunity for the Mississippi Gulf Coast community. Both projects support the Port of Gulfport's goal of increasing cargo entering and leaving the port via railroad. The Port has been working with class one railroads to develop intermodal and breakbulk volume to the hinterlands.

The Port of Gulfport currently updated its Strategic Master Plan aimed at outlining business development focuses for future growth. From this plan, seven lines of effort were developed to focus the Port's efforts. Chief among the lines of effort is deepening and widening the federal navigation channel to Gulfport. Also listed is the development of terminal four, revitalization of the East Pier, advancement in the blue economy and developing cold chain infrastructure. The Port is actively working on all seven lines of effort and seeing incremental success in each area.

As part of the Strategic Master Plan, an economic impact study was completed. The study found that in 2022, the Port of Gulfport provided \$3.8 billion in economic value to the region and

contributed \$62.5 million in local and state taxes. The study also found that the Port directly supports 3,600 jobs and 5,300 jobs indirectly.

Deepening and widening the navigational channel is a key part of the broader strategic plan to create a more competitive port. Currently, the channel is dredged to its full operational depth of 36 feet. In April of 2023, the Port entered into an agreement with the U.S. Army Corps of Engineers to complete a three-year Feasibility Study to consider the impacts of deepening the channel to 46-feet. This study is ongoing, has met numerous milestones, and is expected to be completed in early 2026 in time for authorization by Congress in the Water Resources Development Act of 2026.

Through the Port's partnership with The University of Southern Mississippi, the Port has developed a roadmap that will build new capacity for Mississippi's Blue Economy. Already serving as the homeport for USM's R/V *Point Sur*, the Port has completed rehabilitating portions its East Pier to house additional research vessels – two NOAA research vessels and a National Science Foundation vessel operated by USM. Currently, NOAA's R/V *Nancy Foster* is housed at the new pier facility.

The Roger F. Wicker Center for Ocean Enterprise facility, completed in 2023, opens the door for further investments in high-end engineering and advanced technology development in Mississippi. Encompassing nearly 62,000 square feet, the facility is in the Port's North Harbor area near the East Pier and allows operations to have secure access to an ocean testing environment. The building includes administrative offices, classrooms, laboratories, and storage areas. Leases with NOAA have been signed and additional tenants are expected in the coming months.

As the Port's business portfolio continues to grow, it is necessary to evaluate those future expansion options at the deep-water terminal that will allow for even greater throughput potential. In November 2017, the Army Corps of Engineers released the Record of Decision (ROD) for the Port of Gulfport Expansion Project (PGEP). The ROD detailed the Corps of Engineers' decision on all the issues discussed in the Final Environmental Impact Statement (FEIS), including the environmental impacts associated with the PGEP.

The Project is expected to include a 200-acre dredge and fill program, which will allow for further expansion of the West Pier, North Harbor, East Pier, and the construction of a 4,000-linear foot breakwater system. The ROD provided the Port with the opportunity to further diversify business development activities, while also establishing the Port as a catalyst for economic development on the Mississippi Gulf Coast.

The Port of Gulfport has created and is implementing a business development plan that focuses on the use of data and understanding of global economic trends to target successful business development opportunities.

The Port of Gulfport is essentially an economic development agency with transportation at the core of its daily operations. While the Port is often locally associated with cargo container operations, through enhancing existing sources of revenue and identifying new opportunities for business development, the Port has quickly become a microcosm of South Mississippi's economy.

Hard work and dedication over the years have created a diverse mix of industries presently at the Port, featuring not only cargo operations, but also tourism, education, and manufacturing.

It should be noted that these plans are dynamic and may be altered and revised depending upon market demands, the economy, and environmental regulatory agency reviews and approvals.

5. EXTERNAL/INTERNAL ASSESSMENT & INTERNAL MANAGEMENT SYSTEMS

The following are significant external factors which may impact the Port of Gulfport's performance:

- 1) Changes in global economic conditions may impact the performance of the Port.
- 2) The Port's economic return assumes that gaming operations on port property will provide less than 40 percent of revenue per year for the Port. In 2009, gaming revenue accounted for 60 percent of the Port's revenue.
- 3) Damage resulting from hurricanes and other natural disasters can severely impact existing and future port facilities. Damage to port facilities could also impact trading partners, resulting in negative performance.
- 4) In general, the competitive nature and environment of operating a port can have impacts (negative and positive) on operations and revenue.

The Port of Gulfport's Finance Department prepares monthly managerial financial and informational reports comparing actual performance and management objectives. The Port has effectively managed operations, ensuring the occurrence of timely debt payments. In September 2018, the Port extinguished all long-term debt.

The Port's Board of Commissioners meets monthly to conduct business, establish policy, and discuss management efforts in meeting all policy and program objectives. The Port has an annual audit performed by an independent, licensed CPA firm which is conducted in accordance with the Government Auditing Standards. The Port has had clean audits with no findings in the last 14 years.

6. AGENCY GOALS, OBJECTIVES, STRATEGIES, AND MEASURES BY PROGRAM for FY 2027–FY 2031:

PROGRAM 1: PORT OPERATIONS

GOAL A: Develop and implement a diverse, effective, and engaging business recruitment strategy to benefit overall port operations

Objective A.1. Port management will actively collaborate with current tenants to ensure their business needs are met, while also proactively recruiting new businesses to the Port of Gulfport

Outcome: Increase (Decrease) Number of Vessel Calls (%)

Outcome: Increase (Decrease) Tons of Cargo Shipping (%)

Outcome: Increase (Decrease) Number of Containers Handled (%)

Outcome: Increase (Decrease) Number of Intermodal Tons Shipped (5)

A.1.1. STRATEGY: Maintain current tenant agreements and recruit new tenants to the Port of Gulfport

Output: Number of Vessel Calls, Number of Short Tons, Number of TEUs, Tons of Intermodal Cargo

Efficiency: Percentage of port property that is actively utilized for maritime and non-maritime activity with a corresponding yield of revenue

Explanatory: Availability of property, timeliness of infrastructure build-out, global pressures on tenant activities

PROGRAM 2: DEBT SERVICES

GOAL A: Extinguish any outstanding debt at the Port of Gulfport

Objective A.1. Effectively manage port operations so that timely debt payments occur

Outcome: Bonded debt was eliminated in Fiscal Year 2019.