STATUS REPORT
ON THE PORT OF GULFPORT
RESTORATION PROJECT

September 2013

GOVERNOR PHIL BRYANT

mississippi development authority
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OVERVIEW

After Hurricane Katrina, the infrastructure and economy of south Mississippi was devastated, and the storm had a crippling effect on the Port of Gulfport's infrastructure, equipment and storage facilities. Governor Haley Barbour recognized the importance of the Port to stimulating the region's economy and worked with the state's congressional delegation to secure funds to restore and revitalize the port in the aftermath of the hurricane.

In 2007, Governor Barbour directed state officials to submit a plan to the U.S. Department of Housing and Urban Development (HUD) that would provide for the restoration of the port's public infrastructure and publicly owned facilities that were destroyed by Hurricane Katrina. This plan initiated years of design work and environmental and regulatory review and approval, and in May 2011 HUD finally released the full allocation of funding for this project, thus allowing the state to begin the Port of Gulfport Restoration Project in earnest.

Early in Governor Phil Bryant's administration, he assessed the status of some of the State's most critical development activities, including the $570 million Port of Gulfport restoration and revitalization project. The Governor recognized the essential role the Port plays in the Mississippi Gulf Coast economy and the lasting impact it has on the state, the region and the nation. From his first days in office, he has devoted a significant amount of time and energy on the port restoration project to ensure the once-in-a-generation investment would effectively restore this tremendous asset, create needed jobs for area residents and continue to be a major economic driver for decades to come.

While the hurricane caused extensive damage to the port's infrastructure, it is important to note, however, that the Mississippi State Port Authority (the Port) has made significant progress toward recovery to date. Final design and construction is well underway, and more than $237 million in design, engineering and construction contracts have been issued in relation to the restoration project. The Port has completed the filling of 84 acres in the Mississippi Sound and is currently developing 50 acres on the West Pier that will provide additional available space for new tenants to use. As part of the project, at least 330,000 cubic yards of unsuitable materials have been dredged from the Mississippi Sound and, through coordination with the Mississippi Department of Marine Resources, have been used to help reconstruct Deer Island and nourish the island's marshes.

OVER $237 MILLION
IN DESIGN, ENGINEERING, **&**
CONSTRUCTION CONTRACTS

330,000
CUBIC YARDS
DREDGED

84 ACRES
FILLED

Still, at the time the Governor took office, much remained to be done. The Governor tasked the Mississippi State Port Authority's commissioners and staff, the Mississippi Development Authority (MDA) and Governor's Office staff with conducting a thorough evaluation of the project. He directed the Port's commissioners, staff, MDA and the Governor's Office to focus on the following objectives going forward to ensure the Port restoration project's success:

CREATE THE REQUIRED NEW JOBS	DEEPEN THE PORT CHANNEL	MAINTAIN CURRENT TENANTS	INCREASE THE PORT'S CAPACITY	FOSTER COMMERCIAL DEVELOPMENT

In just over a year, the Port Commission and staff have made remarkable progress on each of these objectives, signaling a clear shift and positive momentum. The Port has laid the groundwork to execute the restoration project in a way that delivers on the Governor's directives, increases job creation and growth opportunities and is completed on a much faster timetable.

All parties involved evaluated the project's progress and the strategies in place for accomplishing its overarching goals, consulted with leading industry experts and questioned all previous assumptions with an eye toward making sure the complex and highly technical project is a success. The Port Commission should be commended for their leadership on these complicated and sometimes difficult decisions.

Governor Bryant, the Port's commissioners and staff, and MDA recognize that the Port restoration and revitalization project represents a critical investment in one of our state's most indispensable assets. The project is and will create needed jobs on the Gulf Coast, allowing for future growth opportunities and maintaining the port's competitiveness over the long term. This transformative infrastructure investment project is vital not only to the Gulfport area and south Mississippi but also to the state's economy as a whole. Having efficient and competitive deepwater port facilities with access to major international shipping channels is critical to Mississippi's existing businesses and to the state's ability to grow its economy for decades to come. As a result, the project continues to be a major focus of Governor Bryant's administration.

WHAT HAS CHANGED

In June 2012, Governor Bryant held a planning session at the Governor's Office in Jackson with the Port Commission, Port staff and MDA. At the meeting, the Governor shared his goals for the restoration project. He also outlined his expectations that the project would meet its federal job creation requirements on a more aggressive timeframe and that the port would be restored with the capacity to create the required jobs, meet the needs of current tenants and be strongly positioned for future growth. The Governor requested that the meeting attendees evaluate the project's status and provide recommendations on how to achieve these goals.

Subsequently, the commissioners, Port staff, and MDA and Governor's Office staff began their analysis of the port project as it stood. They reviewed the project's expectations and assumptions in light of the Governor's objectives and looked at current market conditions and future growth opportunities. They also consulted with R.K. Johns & Associates, a maritime industry-leading firm with extensive, worldwide experience in port and carrier management, operations and business development. Experts from R.K. Johns made a series of recommendations that refocused restoration funds on job creation activities and gave insight into long-term trade opportunities and how to best position the port for future growth.

IN JULY 2012, THE PORT COMMISSION RESPONDED BACK TO THE GOVERNOR WITH ITS RECOMMENDATIONS AND SET THE PORT ON A NEW COURSE. THE CHANGES THEY HAVE IMPLEMENTED, FULLY SUPPORTED BY R.K. JOHNS' RECOMMENDATIONS, FOCUS ON SEVERAL AREAS, INCLUDING:

- Revisiting the restored port's elevation to provide more marketable space for tenants while still ensuring adequate mitigation against future storms
- Working to arrange long-term leases with existing tenants to provide long-term stability for both the Port and its tenants

FUTURE AVAILABILITY:

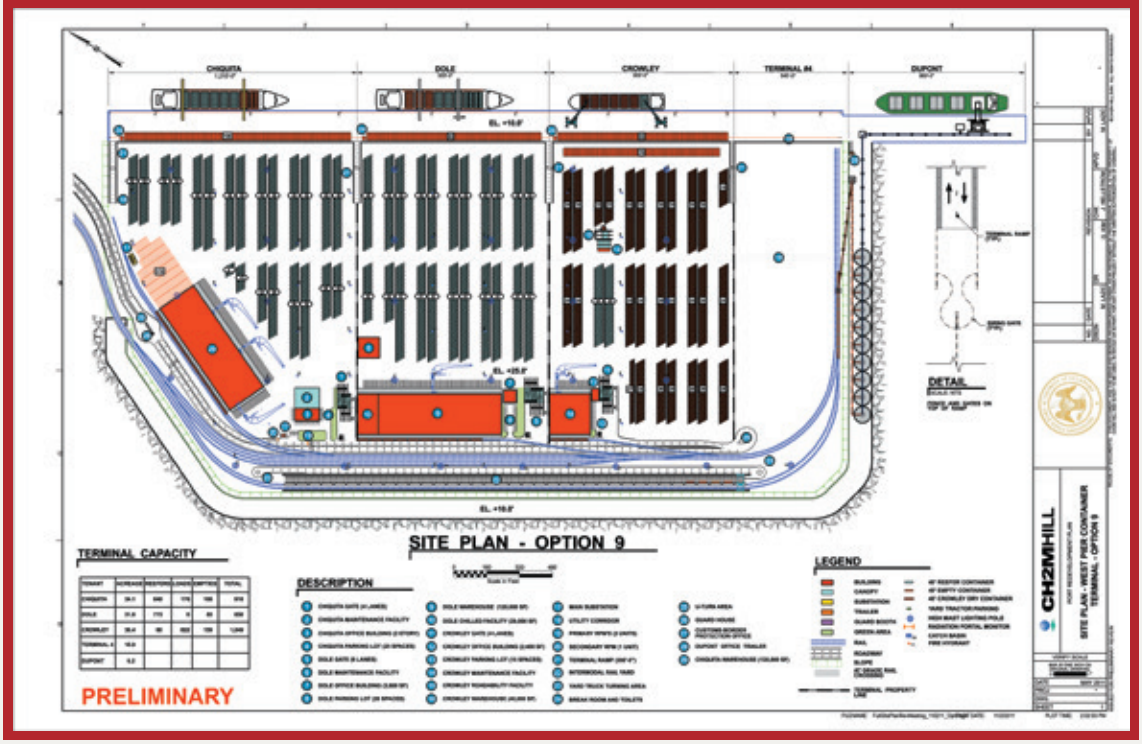
50 ACRES ON THE WEST PIER FOR NEW TENANTS

& more than **25 ACRES** IN THE PORT'S NORTH HARBOR AREA

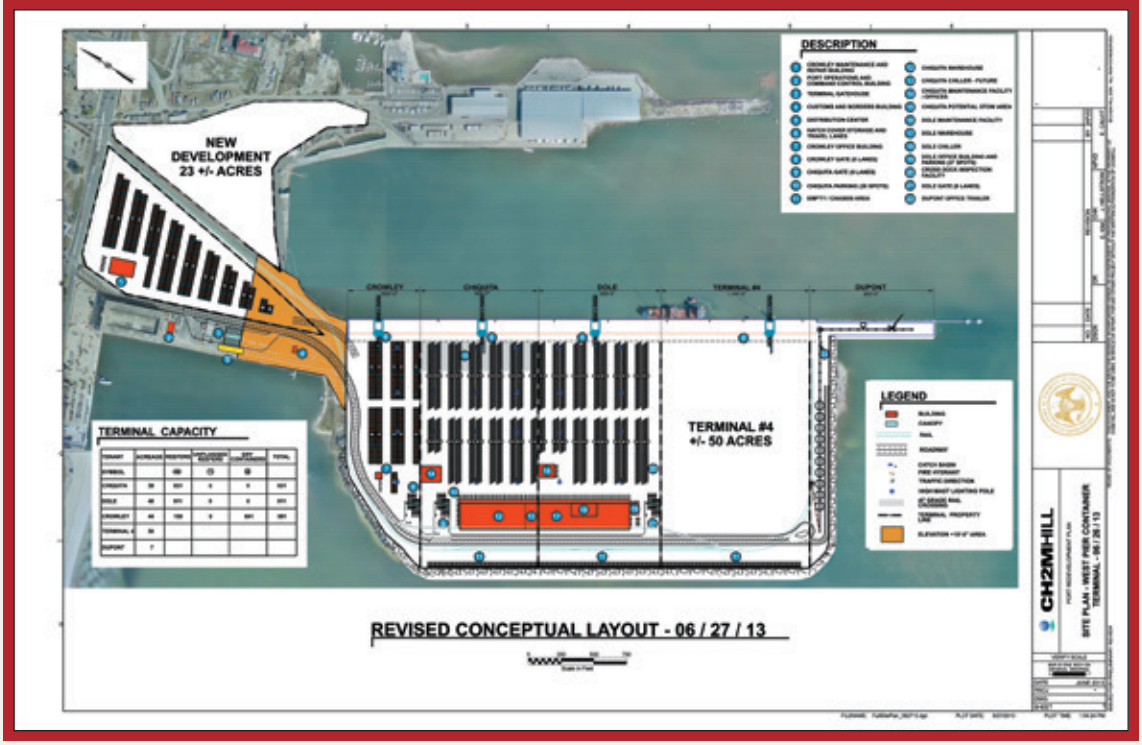
Approximately **25 ACRES** ON THE EAST PIER

These strategic modifications have resulted in major improvements to the restoration project and will expedite the completion of the project by almost two years. The changes will create roughly an additional 100 acres of marketable space on West Pier, East Pier and North Harbor. The changes allow new tenants to be recruited and new jobs to be created for Coast residents on a significantly faster timeline.

ORIGINAL PLAN



NEW PLAN



The new course also dramatically increases the acreage available for business development. The Port has completed the conceptual phase of the project and adopted a very different final land use plan that will increase both efficiencies at the port and the acreage available to business development. Instead of the 15 additional acres originally planned for new tenants on the West Pier, the project now provides 50 acres of available space on the West Pier for new tenants. The 15 acres of additional land that the project originally called for would have been difficult to market, but the ample space now available and the large and modern facility that will occupy it are already generating interest among prospective businesses. Additionally, the changes will allow the development of more than 25 acres in the Port's North Harbor area, along with new development on the Port's East Pier, which further increases the amount of marketable space at the port and increases its capacity for new job creation.

These changes also led to a change in Port leadership. After conducting a national search, the Port Commission hired Jonathan Daniels as the new Port director. Jonathan came to the Port after serving as executive director of the Port of Oswego, one of the most productive ports in North America. He previously served as managing director of the Port of Greater Baton Rouge and has worked in various economic development organizations. Jonathan was the best fit possible to complete the port restoration project and lead the Port going forward. He has energized Port staff and aggressively marketed the Port among prospective tenants. Already the Port is seeing the fruits of his labor.

While many changes have been made to expedite the project, its goals have remained unchanged and its economic benefits have been magnified. The Port's new land use plan will increase capacity, which will in turn produce more jobs. Bringing more shipping activity into the port means more manpower will be needed to load, unload, process and transport the additional cargo. Furthermore, the new approach means that the project's goals will be met almost two years earlier than previously projected.

THE PORT'S NEW LAND USE PLAN **WILL INCREASE CAPACITY,** WHICH WILL IN TURN **PRODUCE MORE JOBS.**

STATUS OF PROGRESS

The Governor's five directives have driven the reevaluation and redirection of the port restoration project over the past year. The Port Commission and staff have continued to lead the port project in a direction that will accomplish the ultimate goal of restoring and revitalizing this critical state asset.

Tremendous progress has been made toward accomplishing the Governor's five objectives for the project and moving the large-scale and complex restoration project forward:

GOVERNOR'S OBJECTIVE: CREATE THE REQUIRED JOBS

The Port restoration project is intent on laying the groundwork for economic growth for a generation to come, and it has major implications for the long-term growth of the state's economy. The Port currently supports approximately 1,000 direct jobs with an estimated payroll of $30 million and contributes approximately $11.4 million in state and local tax revenues.

FINAL RELEASE OF FUNDS FROM HUD:	**MAY 2011**
FILL COMPLETE (+14 FOOT ELEVATION):	**APRIL 2013**
WHARF UPGRADE BEGINS:	**JUNE 2013**
CONSTRUCTION CONTRACTS AWARDED TO DATE:	**$167M**
ADDITIONAL CONSTRUCTION CONTRACTS AWARDED BY END OF 2013:	**$40 – $50M**
ADDITIONAL CONSTRUCTION CONTRACTS AWARDED BY END OF 2014:	**$140 – $200M**
ADDITIONAL CONSTRUCTION CONTRACTS AWARDED BY END OF 2015:	**$54 – $61M**

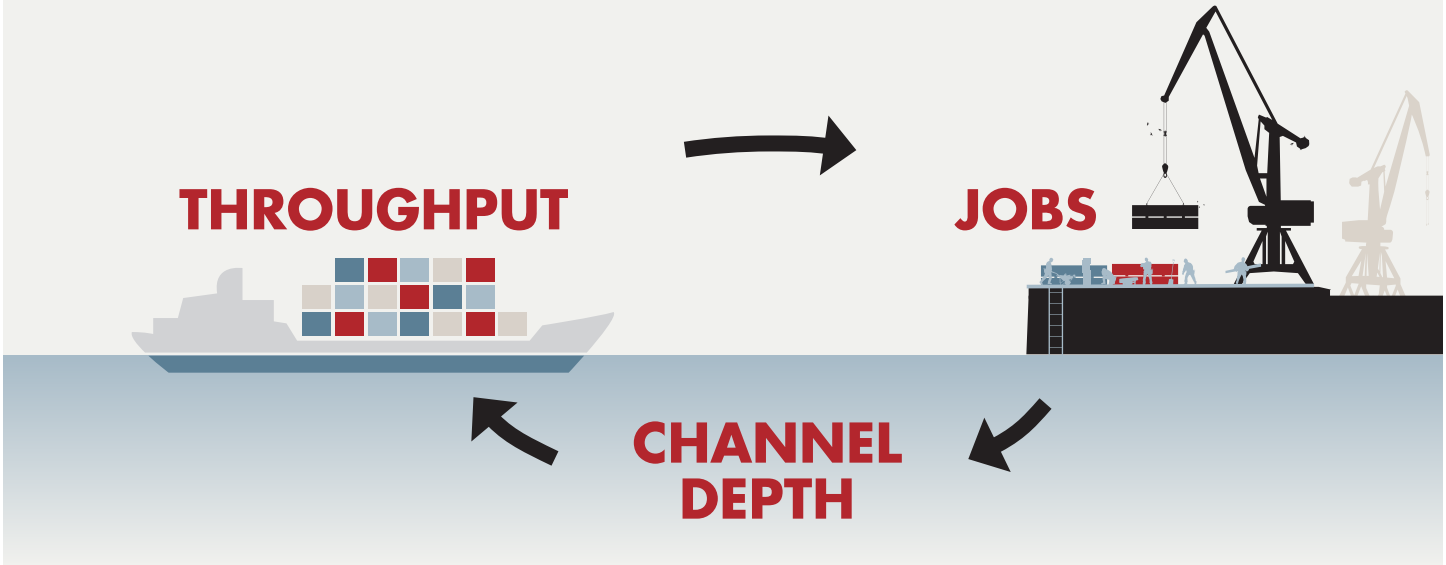
Currently
THE PORT
supports approximately
1,000
DIRECT JOBS

With restoration project
THE PORT
will create approximately
1,200
NEW JOBS

As with all economic development projects, job creation is critical to the Port restoration project. The State has committed that the port restoration project will create approximately 1,200 new jobs, and substantial progress has been made toward achieving that goal.

The changes the commissioners approved to the Port restoration project allow the Port to increase the efficiency with which it operates, thus improving its competitiveness while still providing the necessary mitigation against future weather events. The Port will be able to move cargo faster, achieve higher freight turnover, and handle greater frequency in ship calls. As a result, more employment opportunities will be created for International Longshoremen's Association (ILA) members, transportation workers and other port operators.

More throughput results in more jobs, and more throughput and more jobs creates the foundation and justification for federal support for a deeper port channel. A deeper channel, in turn, creates more opportunities for the port to increase its throughput and create more jobs.



PROGRESS TOWARDS REALIZING THESE NEW JOBS HAS BEEN MADE IN THE FOLLOWING AREAS IN RECENT MONTHS:

A. RECRUITING NEW TENANTS – Port staff are actively working to promote the Port among other prospective tenants. Since new Port director Jonathan Daniels arrived earlier this summer, the Port has entered into memorandums of understanding with **two prospective new tenants**. The prospective tenants are in industry sectors that play a strong role in Mississippi's economy. Their operations at the Port of Gulfport will open up trade lanes with northern Europe and Asia for the Port and capitalize on the increase in trade with Asia that the Gulf Coast region will see as a result of the Panama Canal expansion.

Port staff members also are pursuing ways that the Port can further support existing Mississippi industries. They are in discussions with economic development professionals throughout the state, as well as with Mississippi companies across a range of sectors – including poultry producers, other agricultural businesses and forest products firms – to determine ways the Port can best support businesses in the state. The Port also is looking at other opportunities related to aluminum, steel and related products.

Furthermore, the Port is pursuing bulk and break bulk tenants in addition to container operations, where it has focused in the past. Bulk and break bulk operations can allow the Port to diversify its tenant base and have the potential to create a sizeable number of jobs. Bulk and break bulk operations are more labor-intensive than container operations, requiring nearly double the manpower per shipment. With its prime location and proximity to multi-modal transportation options, the port offers considerable logistical advantages to businesses that ship bulk or break bulk cargo, as well.

B. PROVIDING EXISTING TENANTS ROOM TO GROW – The Port is not simply looking to new tenants for job creation. Current tenants already operating at the Port have the potential to create a significant number of new jobs, as well. The restoration project now provides expanded space and modernized facilities for current tenants, along with improved transportation infrastructure that will allow them to grow their Gulfport operations and increase their throughput. As current tenants increase the amount of cargo they are able to ship through the Port, they will provide more employment opportunities for ILA members, transportation workers and others.

C. CONNECTING WORKERS WITH OPPORTUNITIES – The Pathways to the Port jobs program connects workers interested in port-related jobs with information about both current and future job opportunities and provides workers with workforce training. The Port has hired a workforce development coordinator who is responsible for the successful implementation and execution of the Pathways to the Port jobs program. Already, Pathways to the Port has made significant progress in putting participation agreements in place with direct job providers, identifying future job skill needs and developing training agreements with an extensive network of workforce development partners. The Port continues to reach out to involve, educate and inform the community about current and future employment opportunities.

D. BENEFITING LOCAL BUSINESSES – It is important that the port restoration project hire local contractors who employ area workers reflective of the community the port calls home. In 2012, 42% of new workers hired by construction, design and engineering firms under contract with the Port were local residents of low to moderate income. In addition, in 2012, 32.6% of the construction contracts awarded and 4.5% of the design and engineering contracts awarded went to firms owned by or employing low to moderate income individuals. These figures far exceed U.S. Department of Housing and Urban Development goals for local and low to moderate income participation. Progress has continued in 2013; in the second quarter of the year, 59% of new workers hired by construction, engineering and design firms on contract with the Port were local residents of low to moderate income. In addition, MDA has conducted a number of capacity-building training events to help local, small and minority businesses take advantage of available contracting opportunities.

2012

42% hired were local residents (low to moderate income)

32.6% construction contracts awarded to firms owned by or employing low to moderate income individuals

4.5% design and engineering contracts awarded to firms owned by or employing low to moderate income individuals

2013

59% new workers hired by construction, engineering and design firms were local residents of low to moderate income

E. IDENTIFYING RELEVANT COMMERCIAL OPPORTUNITIES – The port restoration project takes a holistic approach when it comes to job creation and complementing the local economy. While the Port is primarily a maritime operation, its location, design and proximity to other non-maritime entities means that commercial development activities can be important engines for port-related job creation, as well. For instance, the Island View Casino Resort, a port tenant, recently announced a $50 million revitalization project that will create additional jobs for area residents. Downtown Gulfport includes retail establishments, tourist attractions and commercial enterprises, and the port is an integral part of downtown Gulfport and the area's economic mix. Port officials are currently developing plans to fully integrate the port into the immediate vicinity as a good neighbor in a way that enhances the downtown area.

GOVERNOR'S OBJECTIVE: DEEPEN OUR CHANNEL

Maintaining the channel at its currently authorized depth is a critical priority for the Port to accomplish its current restoration and revitalization plans. Furthermore, in looking ahead at what will be necessary to ensure the port's long-term competitiveness for decades to come, further channel deepening beyond the currently authorized depth of 36 feet will be needed in the future. Getting to a deeper channel will require continued close coordination between the state and federal levels, and the support of federal officials, especially the state's congressional delegation, has been critical to the success of the port and the restoration project to date.

A. REESTABLISHING THE CURRENTLY AUTHORIZED CHANNEL DEPTH – Due to budget constraints at the federal level, the port's channel has not been maintained at its fully authorized depth in recent years. The U.S. Army Corps of Engineers (USACE) recently completed a $2.4 million maintenance dredging project which improved the port channel's current depth limits. However, the port channel still falls short of its fully authorized 36-foot depth. The Port has submitted a proposal that outlines a viable solution for bringing the channel depth to 36 feet to USACE. At a depth of 36 feet, much larger ships carrying significantly greater tonnage will be able to enter the Port, thus meeting the Port's obligations to its current tenants and increasing its marketability among prospective tenants.

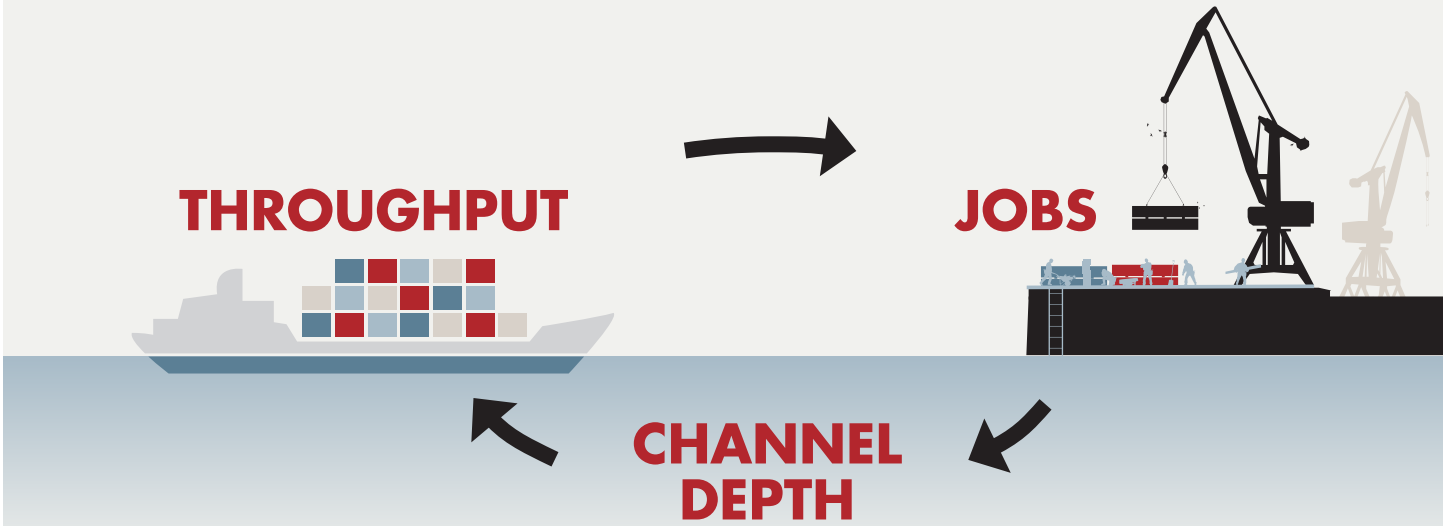
SHIPS THAT CAN OPERATE IN 36-FOOT CHANNEL

	LENGTH	DRAFT	TEUs
CONVERTED CARGO VESSEL	135 m	< 30 ft	500
CONVERTED TANKER	200 m		800
CELLULAR CONTAINERSHIP	215 m	33 ft	1,000 - 2,500
PANAMAX CLASS	250 m	36-40 ft	3,000
	290 m		4,000

SHIPS CURRENTLY MAKING PORT CALLS

B. SECURING CHANNEL MAINTENANCE FUNDING – Mississippi's congressional delegation has been tremendously supportive of the Port of Gulfport and instrumental in helping obtain funding for needed maintenance dredging projects at the port and elsewhere that are critical to Mississippi's economy and the nation's commerce. All have supported providing a stable source of funding for needed maintenance dredging projects at the Port of Gulfport through the Water Resources Development Act reauthorization. The legislation is essential to the construction and maintenance of critical water infrastructure projects across the country, including the Port of Gulfport, and recognizes that deeper channels to accommodate larger ships are among the most urgent challenges facing current port infrastructure in the United States. It recently was approved by the Senate and has been sent to the House of Representatives for consideration.

C. ACHIEVING A DEEPER CHANNEL: THE LONG-TERM GOAL – To secure federal funding for a deeper channel in the years to come, the Port must demonstrate continued growth in the volume of cargo it handles. Progress has been made by our congressional delegation to expand funding for channel dredging in the future, but that funding will be allocated based on a complicated formula that emphasizes a port's throughput and the volume of cargo handled. The more efficiencies that can be put into place at the port, and the more tenants the port has, the more cargo can be moved through the port each year, the more jobs will be created and the more funding the port will be eligible to receive to meet current and future maintenance needs.



It is important to note that the Port is not waiting. Achieving funding for a deeper channel involves a two-pronged approach: ports must demonstrate increased throughput and must also receive regulatory approval and funding. The Port has already begun the permitting and environmental processes required and expects to have permits in place within the next two years.

GOVERNOR'S OBJECTIVE: MAINTAIN THE PORT'S CURRENT TENANTS

The port's current tenants are essential to the port today and will remain at the heart of its continued success in the years to come. Maximizing the potential of the restoration project's land use plan to best support current tenants and their future growth needs is a critical goal of the project. The restoration project aims to not only provide the port's current tenants with greater efficiencies, state-of-the-art, modernized facilities and substantial rail improvements, but also to give them room to grow. With room to grow, these companies are much more likely to consider Gulfport a prime location for any future growth plans they may have and the logical choice for their operations in the decades ahead.

TENANT SPACE IMPROVEMENTS	CURRENT LEASED ACREAGE	NEW ACREAGE	% CHANGE	CURRENT TOTAL SLOTS	NEW SLOTS	% CHANGE	CURRENT REFER SLOTS	NEW REFER SLOTS	% CHANGE	CURRENT TRANSIT WAREHOUSE	NEW TRANSIT WAREHOUSE	% CHANGE
CHIQUITA	22.74	35	53.91%	573	846	47.64%	365	846	131.78%	105,000	120,000	14.29%
DOLE	24.2	35	44.63%	750	831	10.80%	440	831	88.86%	120,240	157,500	30.99%
CROWLEY	18	40	122.22%	500	863	72.60%	40	150	275.00%	0	0	0%

The Port has made enormous progress developing new site layouts that enable more efficient operations for current tenants to maximize the use of the new terminal spaces and provide for future growth. By increasing acreage, adding modern cranes and improving site road and rail access, the Port has given these businesses operational efficiencies that will result in their ability move more cargo at less cost. When tenants can move more cargo faster, they are able to increase throughput at the port and create more job opportunities for area residents.

Current tenants are already demonstrating their confidence in the Port as a long-term location. As mentioned earlier, DuPont recently signed a 30-year lease with three 10-year options and guaranteed volume increases of 29 percent, and other current tenants are negotiating long-term leases with the Port, as well. With additional space, modernized facilities and room to grow in the future, the port's existing tenants (such as Dole, which is currently celebrating 50 years of operations at the port this year) can look ahead to a bright and stable future in Gulfport.

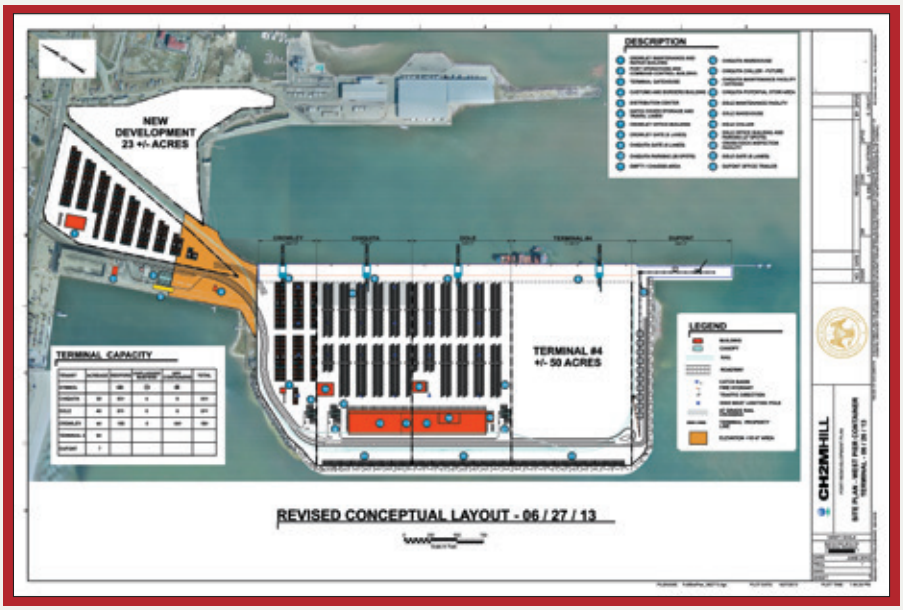
GOVERNOR'S OBJECTIVE: INCREASE CAPACITY

For the Port to be as efficient as possible and maintain its long-term competitiveness, it must increase its capacity for cargo handling. The Governor has called for the Port to ensure it is building to a capacity of one million TEUs.

The Port's preparations for additional capacity began with the completion of 84 acres of fill, which expanded the port's West Pier. This additional acreage allowed the Port to develop a new, fourth terminal on the West Pier. While the new terminal was originally designed with approximately 15 acres, the Governor asked the Port to amend the design plan to maximize new tenant space and ensure the plan supported the greatest development potential. The design changes resulted in 50 acres for the fourth terminal, which will provide a new tenant with modern, efficient cranes and facilities, enhanced intermodal transportation and new warehouse space. The West Pier will be able to handle containerized or bulk or break bulk cargo, and the pier's design incorporates multimodal facilities that allow enhanced loading/unloading to multiple modes of transportation. Rail improvements to the West Pier include better all-weather access to warehouse and transit space, higher-capacity bulk handling and shipside loading/unloading capabilities, all of which make the Port a more attractive place to do business.

Improvements to the East Pier will offer similar capabilities, though the East Pier will focus on handling bulk and break bulk cargo. The East Pier currently offers 300,000 square feet of covered transit storage, and significant rail improvements on the pier will provide all-weather loading and unloading capabilities so these storage facilities can be fully utilized.

When the new 50 acres of terminal space available on the West Pier is combined with space opened up on the North Harbor and East Pier, the Port will have approximately 100 acres of available space to market. When utilized by future tenants, this space will allow the Port to more than double its operations. With additional efficiencies in cargo handling, the Port can move higher volumes of cargo faster, which in turn will raise throughput and the Port's overall volume capacity. As capacity is increased, so, too, is the Port's ability to recruit additional businesses, which will create additional jobs and further increase the volume of cargo handled at the Port.



With $70 million being invested in rail improvements to the Kansas City Southern Railway line, the Port now will have the ability to move more cargo at higher speed to a broader market. These improvements provide better access to multiple Class I rail lines and markets north, south, east and west of Mississippi, opening up market potential beyond the state and providing access to much of the U.S. business population and Canada.

Not only is the Port adding the latest in cargo handling capability but it is also doing so with the guiding principle that is must be a good neighbor. New equipment and cranes will be electric, and new policies such as the Port's proposed new Diesel Emissions Reduction Policy will help minimize emissions impacts while still providing growth and economic opportunity for the surrounding area.

GOVERNOR'S OBJECTIVE: COMMERCIAL DEVELOPMENT

While maritime activities are critical to the Port's mission, the port restoration project must look to business development opportunities that offer the maximum economic benefits and allow the Port to best integrate with the community surrounding the port. The Port continues to talk with prospective tenants – both maritime and commercial – to evaluate the best use for all port property and continues to consider some level of commercial development on these sites as part of these discussions. The Island View Casino Resort's recently announced $50 million hotel revitalization is a prime example of the types of commercial development projects that can benefit the area, and the Port continues to identify ways it can support business growth in the area and help create a vibrant downtown community.

CONCLUSION

The Governor's vision for the port focuses on creating jobs, building capacity, supporting current tenants, fostering future growth opportunities and maintaining the port's competitiveness and it has led to dramatic improvements in the port restoration project. The Port Commission and staff are to be commended for the leadership they have taken in pursuing that course of action.

To get the port restoration project where it is today, extensive regulatory and environmental approvals were needed, along with a significant amount of design and planning. It is not always possible to see progress being made on a project of this size and scope, but that is about to change.

The second phase of the Port's construction bid documents will be finalized over the next several months and will be available for bid in early 2014. Once these contracts are bid, construction activity at the port will dramatically increase, and the majority of the project's construction phase will be completely underway in 2014.

Port commissioners have played a critical role throughout this process, working with the Governor to evaluate the restoration project, its progress and ways in which the project could be improved and expedited so that jobs could be created sooner. They revisited old assumptions and considered ways the project could be improved upon to ensure its success and to achieve the broad goals the Governor had outlined, and they have shepherded the project forward in the months since these changes were implemented. Today, the Port staff is equipped to execute on the restoration plan and complete the restoration project in a way that meets the project's objectives and ensures the port prospers for decades to come, bringing economic benefit to the Mississippi Gulf Coast, the state and the region and contributing to national and international commerce.

PORT DIRECTOR'S VISION FOR THE FUTURE

The Port of Gulfport provides cargo handling service and access to world markets for companies in Mississippi and beyond, and is a significant asset for the State of Mississippi for economic transportation development. With progress being made on an aggressive timeline for completion of the restoration project, the Port stands poised to significantly enhance its impact as a catalyst for development throughout the state.

JONATHAN DANIELS

The plan for development centers around the agency's "Four Port Policy," which is "Import, Export, Gulfport, Your Port." The policy creates local and global brand awareness that the Port of Gulfport strives to be the premier port facility in the hypercompetitive environment for ports within the Gulf of Mexico.

"IMPORT, EXPORT"...

For far too long the Port has suffered from a significant identity crisis on the Gulf Coast, as well as in global shipping circles. Sitting equidistant between New Orleans and Mobile, Gulfport has traditionally served as a second tier facility while losing cargo to larger facilities. While the size of the operations located east and west may provide them with some advantages, the Port of Gulfport has fallen behind the times in actively seeking cargo opportunities and going head-to-head for business consideration.

We are intent on changing that perception, and are not waiting on the completion of this restoration project to aggressively market the port to new opportunities. There will be approximately 100 acres available to new development in the coming years and there is significant capacity available on the East Terminal today. With nearly 300,000 square feet of covered storage with rail access, a multitude of cargoes can be accommodated.

CURRENT CARGO TARGET MARKETS INCLUDE:				
ALUMINUM INGOTS AND SOWS	FOREST PRODUCTS	MILITARY CARGO	STEEL PIPE AND COILS	AGRICULTURE PRODUCTS

Carrier route development will be a critical component to the success of landing business within our target cargo markets. Since the Port of Gulfport has long been strong in the North-South trade routes, we are working to develop relationships with carriers that will enable new regional and global markets to be explored. In addition to strengthening trade into Central America, the Port will actively pursue carriers calling South America, Europe, the Mediterranean Basin and Asia.

The vision of the Port of Gulfport is to serve as the port of choice, so that when we deal with customers for imports or exports, we can communicate to them that we want to make "Gulfport, Your Port."

COMMERCIAL DEVELOPMENT

Ports throughout the world have been active in pursuing revenue-generating opportunities that are non-maritime based. The Port of Gulfport receives more than 50 percent of its annual income from non-maritime operations, though this is from only one tenant, the Island View Casino.

With such a prominent location on the Mississippi Sound and a distinct lack of available retail and mixed-use development in downtown Gulfport, the Port is evaluating a number of scenarios for mixed-use and commercial development that benefit the community, complement the area's economy and create jobs and economic opportunities at the port.

"...GULFPORT, YOUR PORT"

While the "Your Port" component of cargo development is simplistic in its application, we also want to engage in a program where the citizens of the state of Mississippi and the city of Gulfport realize that we are their port, or, essentially, "Your Port." That can be accomplished by softening the transition between the industrial port and the community in a way that is both visual and inclusive.

The visual aspect is presently being researched further as we look into how we can utilize different materials and plantings to provide a vegetative screen of the port facilities which will enhance the public's view from U.S. 90 and the Island View Casino. This will minimize the physical barrier that exists between the port and the city of Gulfport, while still being mindful of the U.S. Department of Homeland Security's security requirements as stipulated in the Port's Security Facility Plan.

More difficult to define, but even more important, is the determination of how we become more a part of the collective mindset within the state and the city. We are taking proactive steps to educate the public by holding public tours of the port site, meeting with community and religious leaders, developing an aggressive public awareness campaign and conducting outreach to a wide array of public stakeholders. We also are considering new ways to increase our engagement with the community.

I am proud to be a part of this incredible restoration project. We have a strong team in place, and we are making significant strides and picking up momentum. Our efforts will have a profound and long-lasting impact on the Port, on Gulfport and the Mississippi Gulf Coast region and on our state as a whole. I am confident that great things await us, and I am gratified that we are taking steps today that will strongly position us to meet our full potential and take advantage of new opportunities in the years ahead.