

An Ever-Widening Role

By Brett Downer



he Port of Lake Charles has anchored the Southwest Louisiana economy for nearly a century. That mission continues in 2019.

The Port has come a long way since, say, 1950, when rice was king. Today, it has a far-reaching vision — with a wide-ranging capital projects plan to meet its needs for, say, 2050.

The Port — more formally, the Lake Charles Harbor and Terminal District and its environs — accounts for a large percentage of local economic revenue and more than \$34 million in annual Lake Charles tax revenue.

The District is more than just the port facilities that might first come to mind, such as the main entrance, rail trail and administrative offices situated at the end of West Sallier Street. It actually covers more than 200 square miles in Calcasieu Parish and operates 5,400-plus acres.

Among the Port-related operations up and down the waterway are two jewel boxes that provide thousands of jobs and millions of dollars in economic impact: L'Auberge Casino Resort and Golden Nugget Lake Charles. Both stand on leased waterside property. The Port is literally the landlord.

Cargo and industrial facilitation, however, are the daily meat-and-potatoes work of the Port team.

The key to global Port access is the Calcasieu Ship Channel, which offers a world-class route to and from the Gulf of Mexico.

"We work hard to make sure our facilities and our services make economic sense for companies wanting to move cargo through an efficient transportation hub on the U.S. Gulf Coast," Port Executive Director Bill Rase has said.

To accomplish that, Rase and the Port team are looking to the future to meet new challenges in the coming generation.

1950 Versus 2050

"Southwest Louisiana booms with room to grow and move product," Business Facilities reports. The magazine cites the Port and Ship Channel as among the reasons

To understand where things are, it's telling to see where things used to be. Let's revisit the Port's 1950 scenario, for example.

That year, the Port handled more than two-thirds of the rice harvested in mid-20th-century America. Today, the

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port handles a much wider variety of cargoes — for industrial and commercial purposes, not just local agricultural yields. Global trade vessels once earned local headlines for the novelty of their visits; today, they're commonplace visitors. Rice, though, remains a very important cargo even as the Port handles a more diversified cargo base that it did in the 1950s.

Business and industry needs have changed. The Port has evolved with the changing times — and the value of capital improvement projects that were completed a half-century ago helped make the Port the economic facilitator it is today.

Further, Rase said, The Port is looking ahead with plans that make the 2050 version of the Port far different from the one of 1950.

The keys, he says, are capital improvement projects that accommodate more diverse cargoes, new transport processes and even the sheer weight-load

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With its current volume, coupled with its ambitious multi-year plan of substantial capital improvements, the Port hopes to push the number even higher.

capacity of docks, which Rase says must be multiple times stronger to meet new demands.

Optimism Anchored by Fact

There's an unprecedented industrial boom in Southwest Louisiana, as everyone knows.

The Port is right in the thick of it.

The formal term is "industrial announcements," used in places like the economic forecasts of longtime Louisiana economist Loren Scott. But even Scott translates that into the real result: "Jobs." His most recent look at the area notes that the five-parish Southwest Louisiana region "has garnered an astounding \$116.8 billion in industrial announcements since 2012 ... and is expected to continue in its role as the fastest growing (market) in the state, adding 4,000 jobs (+3.3 percent) in 2019 and another 5,300 jobs (+4.3 percent) in 2020."





Those projects include billions of dollars in expansion and new construction by industries who intend to build — or have already gone vertical — along the Calcasieu Ship Channel and at the Port of Lake Charles. The bulk of this work is ethylene plants and liquefied natural gas, or LNG. That's how the Port and Ship Channel facilitate major industrial announcements that build the over dollar figure at what Scott describes as "an unheard-of number."

In Southwest Louisiana, "LNG" is three-letter shorthand for part of the boom. So is "gas" in general.

Various natural gas enterprises in Texas and Louisiana have "roared back to life," the Houston Chronicle reported, "thanks to higher natural gas prices and a slew of new liquefied natural gas export terminals coming online along the Gulf Coast." The Calcasieu Ship Channel is a major component in this trend.

Cargo, Cargo, Cargo

The Lake Charles Harbor and Terminal District is the 12th-busiest port in the nation, based on tonnage, says the U.S. Army Corps of Engineers.



In addition to the 56 million tons of cargo (inbound and outbound) handled along the ship channel, another five million tons of cargo are loaded and unloaded yearly at these Port of Lake Charles terminals:

- The City Docks, which can accommodate up to a dozen ships at a time.
- The Automated Terminal at the City Docks, with machinery connected to a 189,000-square-foot warehouse.
- Bulk Terminal No. 1, which handles more than 3.1 million metric tons of dry bulk material annually.
- Terminal BT-4, which specializes in aggregate and moves 1 million metric tons each year.

More could be coming.

The multipurpose shipping market — which includes breakbulk cargo, like the kinds handled at the Port — will show improvement in 2019, researchers for Drewry are forecasting. Maritime Executive reports that the new year "has started with renewed optimism … we believe a steady growth of around 2 to 3 percent per year is possible."

Natural gas pipeline projects are cited as one of the reasons for the optimism.

The Crystal Ball

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