

# Greenfield Louisiana

2021 Port Infrastructure Development Program (PIDP)

**July 30, 2021**



## Application Snapshot

**Project Title:** Greenfield Louisiana

**Applicant:** Port of South Louisiana

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### Location of Non-Confidential Supplemental Materials

The Project application webpage with a copy of the application and supporting and referenced documents is located at: <https://portsl.com/pidg-greenfield-louisiana/>



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### NARRATIVE

#### i. PROJECT DESCRIPTION

The Board of Commissioners of the **Port of South Louisiana (“POSL”)** requests funding from the U.S. Department of Transportation under the 2021 Port Infrastructure Development Program (“PIDP”) Maritime Discretionary Grants program for a **berth improvement project, Greenfield Louisiana (“the Project”)**. The funding will be used for the construction of a **new barge unloading and vessel loading dock (“the Dock”)**, which will provide barge access to a \$478 M newbuild grain export elevator being constructed through a public-private partnership in St. John the Baptist Parish, Louisiana.

This new, state-of-the-art grain elevator and accompanying dock will facilitate the movement of agricultural goods from both local and national farmers in the U.S. to end users throughout the world. With multimodal connectivity in the form of a Post-Panamax sized deep-water dock, a tie-in to the main-line of the Union Pacific railway, and access to local roads and state and interstate highways, the Project will serve to **increase the efficiency, reduce the overall environmental impact, and bolster the reliability and resiliency of the U.S. agricultural supply chain, all of which will allow U.S. farmers to better compete in the global economy in a sustainable manner.** The Project has strong support from the local community, local and state agencies, elected local and state officials, national trade organizations, and the private sector. The PIDP funds, along with significant committed private sector investment, will help fund the construction of this Project.

The POSL is a deep-water coastal seaport situated in the immediate vicinity of the Gulf of Mexico, near major roadways and three railways. As the largest grain port in the United States, grain elevators within the POSL currently handle over 50% of all U.S. grain exports annually. These exports in 2020 included 24.9 million short tons of Soybean, 21.4 million short tons of Maize, 2.1 million short tons of Animal feed, 1.5 million short tons of Wheat, and over 407 thousand short tons of other grain such as Milo (Sorghum) and Rice. The Project will be the eighth grain elevator in the POSL, and the first one built since 1979. With the USDA forecasting increasing US grain exports for years to come and increased international trade, increased elevator capacity will be needed to facilitate the movement of grain from U.S. farmers to end consumers, both domestic and international.

The Project meets all the Selection Criteria. Key benefits of the Project include: (1) economic development in both a **rural area and Qualified Opportunity Zone**; (2) creation of **500+ immediate construction jobs, including 80 - 100 high-paying, long term jobs in a diverse, economically distressed parish (county) with a history of barriers to access to middle class opportunities**; (3) an innovative **public-private partnership** between the POSL and the private sector to develop the **\$478 million project**; (4) **reduced carbon emissions and promotes energy efficiency** through new technology and more efficient transportation methods; (5) compact facility design allows for a smaller overall footprint of the facility; (6) State of the Art facility designed



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for 50 year useful life, allowing for employment opportunities for the future and (7) a BCA ratio of **1.87** and **\$382 million** in net benefits utilizing a discount rate of 7%.

### *Benefitting Rural and Underserved Communities*

The proposed Project will directly and indirectly benefit rural communities in a variety of ways. It is **located within a U.S. consensus deemed rural area** and **within a Qualified Opportunity Zone**. As part of developing a newbuild facility, the Project will create **500+ jobs during peak construction** time and **80 - 100 local, long-term, high paying jobs** once operational. All jobs resulting from this Project will be new jobs, as the site is currently un-developed.

The Project will have significant investment in local infrastructure to make the supply processes easier and more efficient for regional and national farmers, as well as investments in the people of the local community. As stated above, the Project will create jobs that will be considered high paying for the region and the state of Louisiana and offer competitive benefits to the workers. The Project will help to strengthen the community by providing greater economic stability to individuals and families. The population of the region is more diverse than the United States or Louisiana as a whole. Most of the jobs at this facility will be sourced locally, thus, the jobs provided will result in employment opportunities for underserved and minority groups. The Project will depend on the productivity of the neighboring communities and the region, which is why the Project will also invest in secondary and post-secondary education and training. These educational opportunities will be critical to the area in terms of its sustainable development.

The fundamental service the Project helps to provide is an outlet for both local and national U.S. farmers to sell their agriculture products (primarily corn, wheat, and soybeans) to demand sources around the world. This Project will help to create additional demand for U.S. agriculture products by decreasing transportation costs, thus potentially increasing the price to U.S. farmers, and requiring additional agriculture supply to meet this demand. The Project will also help to improve the environmental impact of the industry by reducing global deforestation and reducing the overall carbon footprint. Consequently, in addition to the Project's location in a deemed rural area, it **directly benefits U.S. farmers who are overwhelmingly located in rural areas throughout the United States.**

### *Public-Private Partnership*

The Project will employ innovative financing through a **public-private partnership of the Board of Commissioners of the POSL and Greenfield Louisiana, LLC ("Greenfield")**, a **wholly owned portfolio company of Medlock Investments**. PIDP grant funds will be leveraged with private investment to optimize Project financing.

Medlock has a long-standing business relationship with the POSL, having previously constructed a bulk terminal and deep-water dock project in Mt. Airy, Louisiana called Pin Oak Terminals (Pin Oak Mt. Airy). Pin Oak Mt. Airy was a \$300+ million (\$600+ million with full expansion) development beginning in 2012 and successfully operating today.

### *Environmental Benefits*



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The Project's inherent nature and underlying design provide notable environmental benefits. From a design perspective, the facility has been designed to minimize the usage of trucks, including during the construction phase of the Project. Once operational, the Project will primarily use river barges to deliver agricultural products to the facility in lieu of trucks or rail, which is significantly more efficient. Not only does it take 70 trucks to carry the same load as a one river barge (1,750 tons), but a river barge can travel 514 miles per gallon of fuel versus 59 miles for a truck, **helping limit carbon and other greenhouse gas emissions in the grain supply chain**. Second, based upon current design and the air permit application under preparation, the Project expects to reduce grain dust emissions (PM-2.5) by 80% from average existing grain elevator emissions based on a new design and state of the art safety measures. Lastly, the Project is designing a solar facility on its existing acreage footprint to provide 10MKV of power to the facility, reducing the need for electricity from traditional fossil fuel sources.

In addition to its specific design characteristics, there are two notable environmental benefits related to the Project itself. One, the Project will be bringing non-fossil fuel linked jobs into a state and region extremely reliant upon jobs from fossil fuels. With a history of major energy production dating back to the turn of the twentieth century, Louisiana currently is in the top five states in natural gas production and accounted for 9% of U.S. total marketed gas production in 2020. The state's 17 oil refineries account for nearly 20% of the nation's refining capacity. Locally, a recent Louisiana Workforce Commission study found that over 1,400 of the nearly 15,000 jobs in St. John the Baptist Parish were involved in oil and gas industry, including extraction, refining, and related infrastructure.

Additionally, the Project will serve to increase the competitiveness of US grown bushels of grain. The main competitor to the US in the global grain market is Brazil. Brazil's history of deforestation is well documented with a 19% decrease in forest cover in the Amazon since 1970, with much of that deforestation attributable to agriculture. Increasing the competitiveness of the U.S. farmer will serve to decrease the relative competitiveness of Brazilian grown grain.

### Project Summary

Greenfield Louisiana is an export grain elevator which will be constructed to move 11.0+ million metric tons annually of U.S. grown agriculture products, primarily corn, wheat, and soybeans with some throughput from other locally grown specialty crops, to the domestic and international export markets. Products will principally be transported via barge on the Mississippi River or the inland waterway system to the grain elevator, where it will be unloaded, stored, cleaned, and then loaded onto an ocean-going vessel for export. **The PIDP funds will be used to help fund construction of the Dock.** With its multimodal connectivity, the Project will also source volumes via the Union Pacific railway to service farmers throughout the U.S. and via trucks serving locally grown production and load those volumes onto ocean-going vessels.

The POSL has identified ~1,300 acres on a strategic marine site to support the Project. The Project site is currently undeveloped with no improvements having been commenced as of the date of this application. The estimated cost of the overall Project is \$478 million, with the Dock comprising about \$66 million of that total cost. The overall Project will consist of storage bins, enclosed

conveyor belts, scales, grain pits, loading spouts, loading sheds, dust collectors, state of the art dust mitigation systems, bucket elevators and other operational and safety systems and equipment needed to operate a grain elevator. The grain terminal will have 54 silos connected to the Dock with the ability to berth two Post-Panamax bulk carrier vessels when fully built out.

**Image 1 - Project Site**



### **Summary Design Overview**

The Dock will be 820 feet in length with the ability to berth one Post-Panamax bulk carrier vessel with a maximum capacity of 240,000 bushels per hour. The three major components of the Dock include the Ship Loading Dock, the Barge Unloading Dock and the Access Trestle from Levee to Dock. See Section v (a) for summary spend and construction timing across the three major components of the Dock.

A subsequent phase can expand the Dock to 1,640 feet in length and with the Project site comprising of 3,400 feet of river frontage, there will be an ability to simultaneously berth two Post-Panamax bulk carriers, with a maximum capacity of 480,000 bushels per hour. For clarity, the initial budget and PIDP funds requested are for the initial phase of construction of the Dock only, which will support the movement of 11.0+ million metric tons of annual throughput capacity onto ocean going vessels into the international markets.



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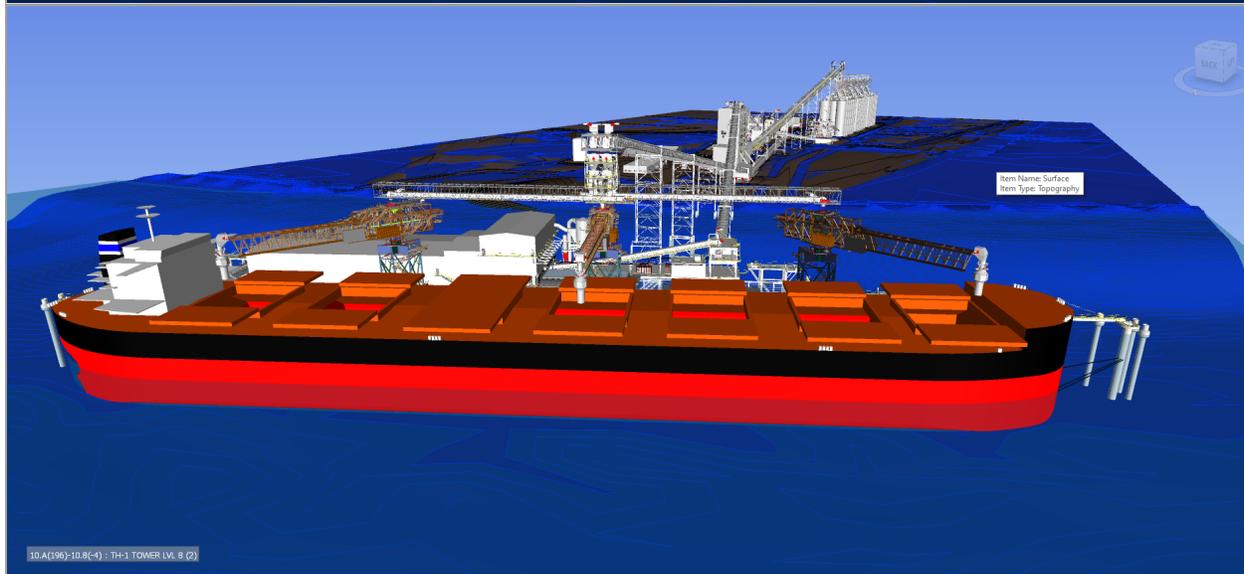
The safety of both the workers and of the surrounding communities is paramount to the Project. Use of personal protective equipment will be vital, and the Project will provide personal protective equipment (“PPE”) to the workers for their safety. Filtered face coverings will be provided and the employees have the option to wear them. The Project will have a Respiratory Protection Program, the below referenced dust control measures, as well as the use of PPE, to provide a safe environment for workers. The Project has also designed the following engineering control methods into the facility:

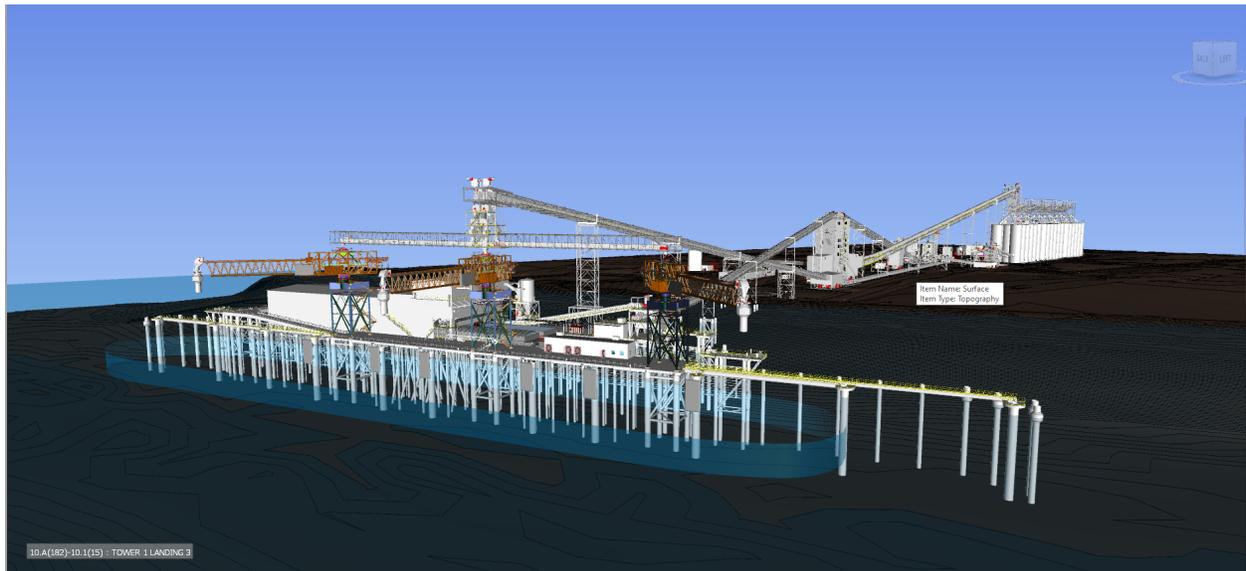
- Barge unloading operations will be controlled with pneumatic dust conveyance systems with dedicated dust collectors. Barge unloading marine leg will be equipped with state-of-the-art aspirated filters located along the trunking of the leg and transitions.
- Rail unloading will also be controlled with pneumatic dust conveyance with dedicated dust collectors.
- Grain conveyor systems are enclosed and vented to a baghouse or point source dust filters.
- Ship loading operations are designed with loading spouts equipped with skirts that conform to the top of the grain pile; spouts are equipped with internal cones to control emissions.

In addition to these measures, the proposed Project will be designed utilizing the latest technology resulting in market leading safety and efficiency rates:

- Reduced marine and rail congestion by decreasing boat loading time by 40%+.
- Fully enclosed conveyor systems.
- Utilizing state of the art conveyors and distributions to reduce the footprint of the facility and to increase operating efficiency to reduce power requirements to operate the facility.
- Hazard monitoring systems in excess of National Fire Prevention Association requirements.
- Maximize operational capacity with loading arms able to rotate and shuttle in and out allowing full loading coverage of the ship without the need to reposition the ship midway through the loading operation.
- Optimal lighting will allow workers on the dock, ship loading arms and conveyor bridges to safely perform loading operations through the night.
- Project site requires minimal dredging to allow ship berthing, saving time and reducing interruptions to operations.

Images 2 - 5. Renderings of Dock & Grain Elevator





**Image 6. Summary Site Layout**



### **Challenges & Solutions**

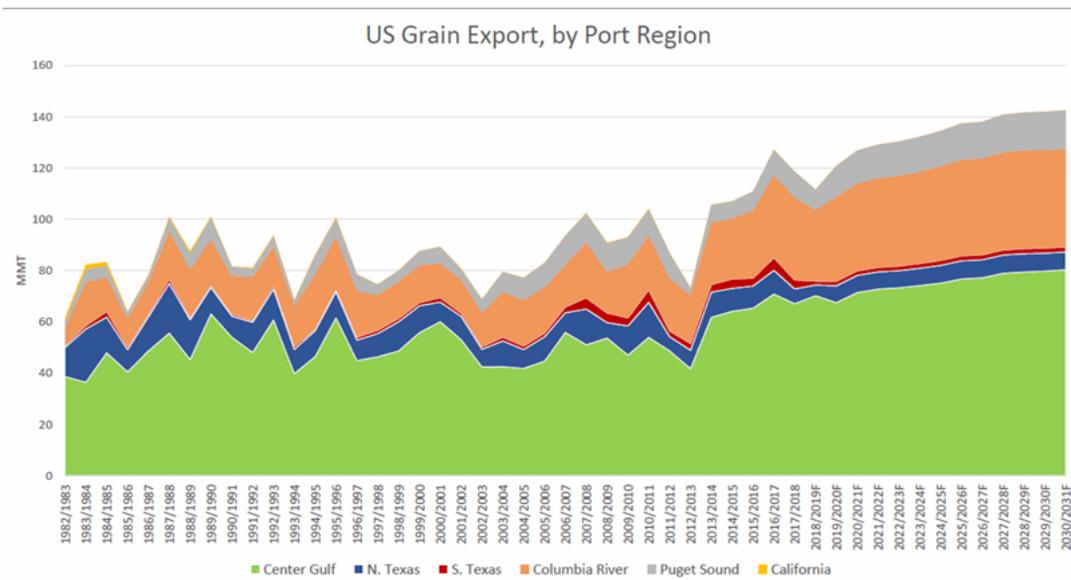
Ensuring the reliability and bolstering the efficiency of the U.S. agricultural supply chain is critical to maintaining the competitiveness of U.S. grown bushels in the global market and improving the economic opportunities for U.S. farmers and the many rural communities across the U.S, which also improves the environmental impact of the agriculture industry. The export market provides a critical demand outlet for U.S. grown crops, particularly corn and soybeans. The U.S. annually exports ~15% of corn and ~50% of soybean production with ~50% of that total export volume moving through the POSL. The agricultural market is a global market with the ability to transport products around the world. As such, U.S. farmers are competing against other producing countries to sell production each year and an improved transportation network will allow them to better compete with potentially improved margins.

Greenfield Louisiana, as a newbuild facility, will serve two important functions in the supply of these products. One, it will increase available elevator capacity in the market, which will be important as grain production and exports continue to grow in the coming years as forecasted by

the United States Department of Agriculture. Two, as a brand-new facility with best-in-class design, Greenfield Louisiana is expected to be amongst the most efficient grain elevators operating in the POSL, which will result in decreased transportation costs throughout the supply chain and reduced environmental footprint. Decreased transportation costs will only serve to increase the competitiveness of U.S. grown corn, wheat, and soybean bushels in the global market. With 11% of total U.S. employment related to the agriculture and food sectors<sup>1</sup> and family farms comprising 99% of America’s 2.1 million farms<sup>2</sup>, Greenfield Louisiana will be supporting and advancing critical components of the U.S. economy and family-owned small businesses for decades to come while helping to reduce deforestation and global carbon footprint.

As depicted in the graph below, global market demand for US grain exports is steadily increasing. The demand has increased across all US port regions over the last ten years and is projected to continue a steady upward trend over the next ten years, with US grain exports totaling approximately 90 million metric tons in 2010 and projected at approximately 145 million metric tons in 2031. Furthermore, the largest share of the market is in the Gulf port region, at over 50% for current and projected markets. In 2020, this region exported 70.215 million metric tons of grain, over 50% of the U.S. total 139.548 million metric tons. Greenfield proposes to service this growing market in the POSL region, where the need is greatest.

## US Grain Export, by Port Regions, Crop Year



<sup>1</sup> Ag and Food Sectors and the Economy, USDA <https://www.ers.usda.gov/data-products/ag-and-food-statistics-charting-the-essentials/ag-and-food-sectors-and-the-economy/>

<sup>2</sup> Diverse Family Farms are Important to U.S. Agriculture, USDA, Bob Hoppe, July 27, 2017 <https://www.usda.gov/media/blog/2017/07/20/diverse-family-farms-are-important-us-agriculture>



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Locally, the economic impact of the POSL on the local region cannot be overstated. The combination of POSL companies' capital spending and operational spending in 2013 supported 41% of all personal income and a notable 63% of all jobs in the region.<sup>3</sup> With its tremendous growth, the POSL has an ever-increasing need for infrastructure improvements. PIDP funds will allow the POSL to meet industry demands in an environmentally sustainable manner and continue to serve as a major economic driver of the region.

Established by U.S. Congress in the 2017 Tax Cuts and Jobs Act, Qualified Opportunity Zones are designed to spur economic development and job creation in distressed communities throughout the country. In choosing a site along the Lower Mississippi River to develop Greenfield Louisiana, POSL and its private sector partner have purposely selected a site located in a Qualified Opportunity Zone. The Project fits squarely with the overarching goals set by U.S. Congress in the form of up to \$500 million of initial investment, along with significant job creation and economic activity not just during construction, but also for the operation of the facility for decades to come.

### **ii. PROJECT LOCATION**

Greenfield Louisiana is located in the POSL in southeast Louisiana on the Mississippi River with Lake Pontchartrain on the northeast and the Gulf of Mexico to the south, latitude 30.027589 N, longitude -90.656577 W. The POSL meets the definition of a Coastal Seaport.

The proposed project will make the most of existing transportation infrastructure available within the 54-mile jurisdiction of the POSL, which extends along the Mississippi River in southeast Louisiana across three parishes: St. Charles, St. John the Baptist, and St. James.

The U. S. Census Bureau classifies the area as rural. The project is in Census Tract 711 which is a certified Opportunity Zone.

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<sup>3</sup> Loren C. Scott & Associates, Inc., Economic Powerhouse on the River: The Economic Impact of Industries within the Port of South Louisiana Jurisdiction on the Louisiana and PSL Regional Economies, 2015



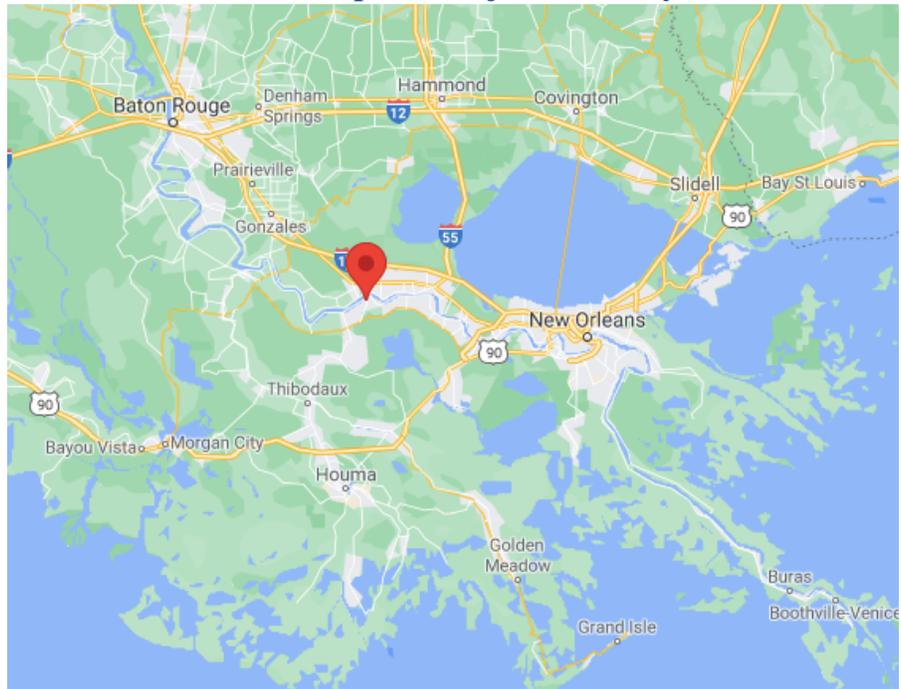
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### Map. 1. Project Vicinity

POSL offers deep-draft marine access with seven grain elevators, multiple mid-stream operations, more than 40 liquid and dry bulk terminals, and an intermodal terminal.

The POSL is serviced by three trunk-line railroads, the Canadian National, Kansas City Southern and Union Pacific. The proposed Project will be utilizing the Union Pacific Railroad.

The POSL is centrally located near Louisiana's



vast state and interstate systems. Major arteries include Interstates 10, 310, and 55, U.S. Highways 61, and 90, and Louisiana Highways 51, 44, 18, 3127, and 3125. The proposed project site is 6 miles from I-10, 3 miles from US 61, 2 miles from LA 641, 0.5 miles from LA 3127 and located directly on LA 18.

Passengers and air cargo bound for the POSL can be accommodated at the Louis Armstrong International Airport in nearby New Orleans, Louisiana. Small private or corporate aircraft can be accommodated at the POSL's Executive Regional Airport.

### iii. GRANT FUNDS, SOURCES AND USES OF ALL PROJECT FUNDING

The port is requesting PIDP funds in the amount of \$20 million for this project.

**Table 1 – Dock Costs and Funding Sources**

*Please refer to our separate document containing confidential business information.*

#### Project Costs

*Please refer to our separate document containing confidential business information.*

**Table 2 – Total Elevator Construction Costs**

*Please refer to our separate document containing confidential business information.*



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### Funding Sources & Amounts

*Please refer to our separate document containing confidential business information.*

#### Table 3 – Funding Sources and Amounts

*Please refer to our separate document containing confidential business information.*

#### Table 4 – Matching Funds by Component

*Please refer to our separate document containing confidential business information.*

### iv. SELECTION CRITERIA

#### (1). Primary Selection Criteria

##### (a). Achieving Safety, Efficiency, or Reliability Improvements

The movement of agricultural goods via water-borne means through the U.S. inter-waterways, particularly the Mississippi River network, is a well-established commercial transportation system. Once constructed, Greenfield Louisiana will help to enable additional water-borne and rail transportation of agriculture products to the international export market. This transportation system provides significant safety advantages compared to the available alternative of trucks on the road. Reducing the number of trucks on the road directly translates to improved safety outcomes and reduced carbon emissions. Further, the Project is in a relatively less congested area of the Mississippi River where the ship and barge dock will not be impacted by passing vessel traffic.

For the agriculture products sourced from local Louisiana farmers, the Project will reduce truck transportation of grain grown in Louisiana and not shipped by rail or barge by an estimated 40 miles round trip as the Project is located closer to Louisiana production than other exporting grain elevators. Reducing truck transportation will decrease the number of traffic accidents, highway rail grade crossings as well as a reduction in carbon emissions.

Per our Cost/Benefit Analysis, this Project will result in over \$771,000,000 in transportation costs savings alone.

**Project Operations & Hazardous Materials:** The goods moved through the facility are agricultural goods (corn, soybean, wheat), which are not deemed as hazardous materials. Facilitating this movement, the Dock’s design will be best-in-class to enable efficient and safe loading and unloading. For example, state-of-the-art loading spouts, along with a fully enclosed ship conveyor system, will be a part of the Project’s design and build. In support of operations, a hazard monitoring program in excess of National Fire Protection Association (“NFPA”) requirements will be installed. The private sector team assembled to lead the development and operate the facility has an engrained safety culture and significant experience operating grain



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export elevators at large, established corporations, including large scale elevators operating in the POSL today.

### (b). Supporting Economic Vitality and the National and Regional Level

The Project will have wide ranging contributions to long-term U.S. economic growth, nationally and locally, by advancing the reliability, efficiency, and competitiveness of the U.S. agriculture supply chain. Per our Cost/Benefit Analysis, **the Project provides \$822 million in benefits— from lowering transportation costs and emissions reductions—**over the analysis period, (2024 – 2054) using a 7 percent discount rate. **The net benefits of the Project are \$382 million in 2019\$.** **The BCA results in a BCA ratio of 1.87** when discounted at a rate of 7 percent. Table 6 below summarizes those findings, and more detailed information on the BCA can be found in the attachments.

**Table 5 – Benefits/Cost Analysis**

BCA Summary	7% Discount Rate
Docks Cost	\$57,139
Grain Elevator Cost	\$344,348
Land Purchase	\$38,846
<b>Total Costs Present Value</b>	<b>\$440,334</b>
Achieving Safety, Efficiency, and Reliability Improvements	
Transportation Cost Savings	\$771,048
Residual Value (Docks)	\$2,258
Residual Value (Grain Elevator)	\$8,865
Residual Value (Property)	\$4,166
Congestion Reduction (Trucks)	Qualitative
Reduced Roadway Fatalities and Crashes (Trucks)	Qualitative
Lighting during Night Hours	Qualitative
<i>Sub-Total</i>	<b>\$786,336</b>
Addressing Climate Change and Environmental Justice Impacts	
Emissions Reduction (Dust)	\$43,716
Emissions Reduction (Trucks)	Qualitative
<i>Sub-Total</i>	<b>\$43,716</b>
Advancing Racial Equity and Reducing Barriers to Opportunity	
Training	Qualitative
Operations and Maintenance Cost	
	\$7,920
<b>Total Benefits Present Value</b>	<b>\$822,132</b>
<b>Net Benefits Present Value</b>	<b>\$381,798</b>
<b>Benefit-Cost Ratio</b>	<b>1.87</b>

**Increased U.S. Competitiveness in the Global Economy:** The importance of investment in U.S. agriculture infrastructure is underscored by the following quotes from a 2019 U.S. Department of Agriculture (“USDA”) commissioned study:

“The U.S. is in direct competition with Brazil for agricultural export business, particularly for corn and soybeans—two of our largest exports, therefore,



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**infrastructure investments can have a tremendous impact upon a farmer's profitability,"** said Ken Eriksen, senior vice president of Agribusiness Intelligence's consulting business and lead author of the study.

"Multinational corporations, including Chinese companies, are making significant investments in the Brazilian grain and soybean transportation and handling systems," Erickson said. **"If not addressed, U.S. infrastructure problems will make U.S. grain and soybeans less competitive in global markets."**

Although U.S. production and exports of grains have increased over the past 40 years, the overall worldwide market share of the U.S. has declined on a relative basis due to the rapidly increasing grain exports from countries such as Brazil and Argentina. These countries have made large investments in transportation, including port facilities and channel deepening, to support their respective agriculture industries.

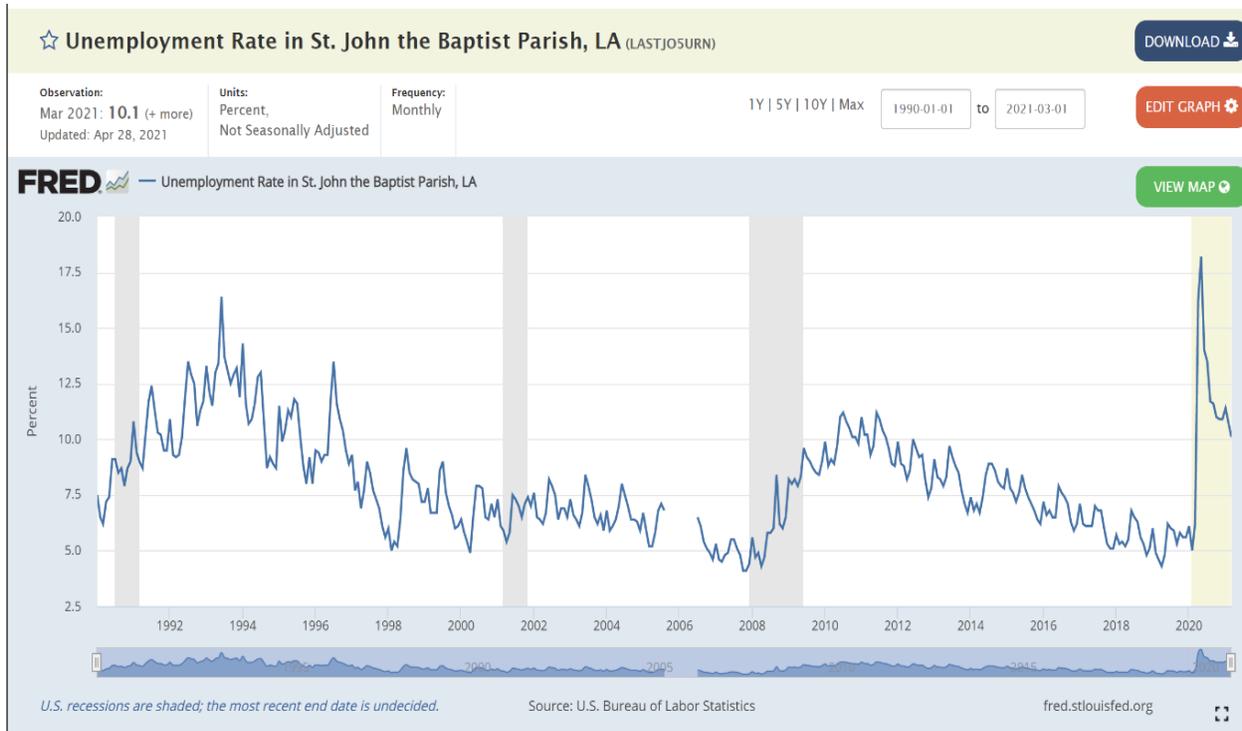
The cost efficient and reliable movement of those crops is critical to maintaining the export market as a demand outlet for both local and national farmers. The lower Mississippi River is the primary export point for the U.S. agriculture industry with about 50% of those exports moving through the POSL each year. The development of Greenfield Louisiana brings new and efficient storage and throughput capacity to the POSL, which will reduce the cost of exporting grain to foreign markets. The Project will reduce shipping costs by allowing the use of larger bulk carriers, reducing lay time in the Mississippi River and more efficiently storing and transferring grain between delivery to the POSL via barges, rail cars and trucks onto bulk carriers by way of an export elevator. **By virtue of the Project lowering the transportation costs of U.S. farmers' products, it is directly increasing U.S. competitiveness in the global economy.** Further, the last new grain elevator built on the lower Mississippi River was completed in 1979. A new-build, state-of-the-art facility will only serve to improve the reliability and resiliency of the supply chain.

To help maintain the competitive position of U.S. agriculture, the Army Corps of Engineers has started deepening the lower Mississippi River from 47 ft. to 50 ft, which will allow larger, more efficient bulk carriers to load U.S. grain for export. The Dock design and construction by Greenfield Louisiana and POSL specifically takes this deepening into account.

**Increased Economic Productivity of Land:** The \$478 million Project will be developed in a Qualified Opportunity Zone in a rural area of St. John the Baptist Parish on the West Bank of the Mississippi River. The site is a previously undeveloped piece of land, significantly increasing the economic productivity of the land and the surrounding area.

**Job Creation:** The project creates high-value economic activity for the local and rural economy in the form of over 500 construction jobs and 80 - 100 high-paying, long-term jobs once operating. Greenfield has committed to allowing the local workforce determine whether they will unionize at the facility, and Greenfield has an Environmental, Social, and Governance ("ESG") policy in place to ensure that the workers at the facility represent the community where it will operate.

Current data for the workforce in the region demonstrates that the needed labor force should be available, and the development of the proposed grain terminal will be beneficial for the surrounding community. As shown by Federal Reserve Economic Data (“FRED”) for St. John the Baptist Parish in the image below, the unemployment rate in the proposed project area exceeded 10% in and around 2011 but experienced a decline to about 5% in early 2020. However, likely due to the COVID-19 pandemic and other economic reasons, the unemployment rate in the region spiked to 17% or more in early 2021.



**Indirect Long-Term Economic Impacts:** The disbursement of the direct economic benefits noted above, including wages, taxes and other benefits paid to contractors, employees, local and state governments, will in turn generate a multiplier or indirect effect on the economy, such as increased spending in the local economy, increased income tax payments, and increased jobs in local services and related businesses. According to a 2017 overview by the United States Department of Agriculture (“USDA”) Economic Research Service<sup>4</sup>, in 2017, each dollar of U.S. agricultural exports stimulated another \$1.30 in business activity. For bulk grain exports specifically, the ERS Agricultural Trade Multipliers model estimates \$2.47 of total economic output for every dollar of export value.<sup>5</sup>

Regarding the ripple effect on job creation, a recent Economic Policy Institute article reports that for the Major Industry Group including Agriculture, 228.5 indirect jobs are created for every 100

<sup>4</sup> *Effects of Trade on the U.S. Economy, Agricultural Trade Multipliers: Data Product, 2017 Data Overview*, Suresh Persaud, Economic Research Service, USDA, <https://www.ers.usda.gov/data-products/agricultural-trade-multipliers/effects-of-trade-on-the-us-economy/>

<sup>5</sup> Agricultural Trade Multipliers Calculator, USDA ERS, <https://data.ers.usda.gov/ATM.aspx>

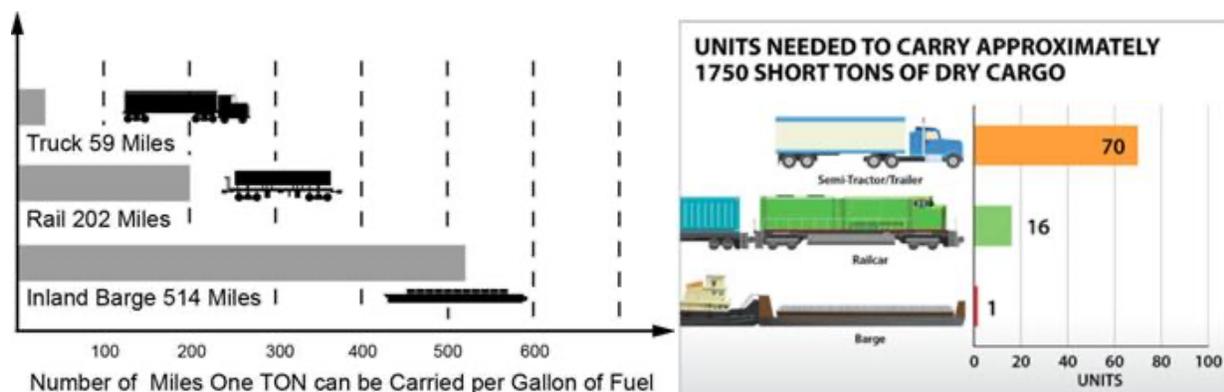
direct jobs.<sup>6</sup> Applying this multiplier to the 100 full-time direct jobs anticipated for the Greenfield Louisiana Terminal leads to an estimate of 229 indirect jobs, for a total of 329 projected full-time jobs resulting from the project.

### (c). Addressing Climate Change and Environmental Justice Impacts

The principal environmental benefit associated with constructing Greenfield Louisiana is the increase in movement of agriculture products via river/water-borne means and on rail, keeping trucks off the road and thereby reducing emissions and congestion. The facility is designed for the efficient loading and offloading of materials with a goal to reduce idle time and improve operational performance. At the site itself, an Environmental Assessment done on the property and found the Project will have minimal impacts on air quality and no impact anticipated on local endangered species. Additionally, the potential for impacts to water quality and wetlands is minimal. A U.S. Army Corps of Engineers Jurisdictional Determination, which was approved on June 3, 2021, determined that no areas on the site, outside of the Batture, were jurisdictional wetlands. The Project is also electing to construct solar panels on its existing acreage to provide ongoing renewable power generation to the facility, reducing the need for fossil fuel generated power.

The Project has been designed to minimize the usage of trucks, including during the construction phase of the Project. The Project is planning on using an on-site concrete batch plant during construction, which will provide most of the concrete during construction and will significantly reduce the number of the trucks required during this period.

The Project will primarily use barges to deliver the agricultural products to the facility in lieu of trucks or rail. As illustrated in the graphs below, one barge can carry 1,750 short tons of dry cargo, whereas it would require sixteen (16) railcars and seventy (70) trucks to carry the same load. In terms of carbon emissions, inland barges are significantly more efficient with fuel usage. The Project has been designed to maximize the use of inland barges, including an efficient loading system which will significantly reduce the load time.



<sup>6</sup> Updated Employment Multipliers for the U.S. Economy, Economic Policy Institute Report by Josh Bivens, January 23, 2019

<https://www.epi.org/publication/updated-employment-multipliers-for-the-u-s-economy/>



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**Dust Emissions:** Managing dust emissions is an inherent fact of operating a grain elevator. Based upon current design and received air permits, Greenfield Louisiana is expected to reduce grain dust emissions (PM-2.5) by 80% from average existing grain elevator emissions based on a new design and state of the art safety measures. Some of these measures include but are not limited to:

- Barge unloading operations that will be controlled with pneumatic dust conveyance systems with dedicated dust collectors. The barge unloading marine leg will be equipped with state-of-the-art aspirated filters located along the trunking of the leg and transitions.
- Rail unloading will also be controlled with pneumatic dust conveyance with dedicated dust collectors.
- Grain conveyor systems are enclosed and vented to a baghouse or point source dust filters.
- Ship loading operations are designed with loading spouts equipped with skirts that conform to the top of the grain pile; spouts are equipped with internal cones to control emissions.

Grain elevators constructed prior to August 1978 were not subject to environmental design and performance standards for dust control. EPA established New Source Performance Standards for grain elevators constructed or modified/expanded after August 1978, which have not been updated since that time. Greenfield Louisiana will be engineered and constructed to meet EPA's 2014 proposed, updated New Source Performance Standards, which include more stringent design and performance requirements, such as: 1) enclosure and aspiration to dust control for each barge and ship unloading leg; 2) increased monitoring, annual opacity testing and increased frequency for stack testing; and 3) opacity and emission standards that apply during periods of startup, shutdown and malfunctions.

**Stormwater Mitigation:** St. John the Baptist Parish reviews flood zone designations and compliance with flood zone related building codes as part of the building permit review process. Portions of the site are within the 100-year floodplain and included within the Special Flood Hazard Area ("SFHA"). The remainder of the property is located within the 0.2 percent annual chance flood hazard and is not considered a SFHA.

Greenfield Louisiana will implement stormwater discharge controls to prevent contributing to localized flooding, will construct the facility in accordance with all applicable St. John the Baptist Parish floodplain regulations, and will obtain necessary development permits prior to construction. Such stormwater mitigation efforts are in concert with the Louisiana Master Plan for a Sustainable Coast ("The Master Plan"). The Master Plan is a series of wetland flood projects and flood protection and mitigation recommendations to protect the coastal communities like those in St. John the Baptist from the dangers of coastal erosion and rising sea levels caused by climate change. In 2020, Louisiana Governor John Bel Edwards created the Climate Initiatives Task Force, an effort to lower greenhouse gases in the state, which is designed to work alongside the Master Plan.



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The public comment period for the draft report from the Climate Initiatives Task Force closed on April 30, 2021, as the Task Force works on their final action plan report.

### **(d). Advancing Racial Equity and Reducing Barriers to Opportunity**

The identified site for the Greenfield Louisiana facility is in a Qualified Opportunity Zone in a rural area within a part of the U.S. that has seen a significant reduction in local jobs and business. Prior to the COVID-19 pandemic, the region's unemployment rate was over 5%, compared to ~3.9% nationally, with St. John Parish at ~5.5% and neighboring St. James Parish near 6%. Following the pandemic, the unemployment rate in the region reached over 17% in early 2021. Within the census area, nearly 27% of people live below the poverty line, and the median household income of \$34,224 is only two-thirds of the amount of the rest of the state.

As stated earlier, the Greenfield Louisiana Project will create a significant number of new jobs, both during construction and then once the site is operational, providing needed and welcomed additional economic activity within St. John the Baptist Parish and surrounding areas. Further, the Project will create non-fossil fuel linked jobs, creating a more diversified local economy and add a highly sustainable business to the region.

- Over 500 jobs during peak construction time
- 80 to 100 local, long-term, high paying jobs once operational
- Estimated annual payroll of over \$10 M
- All jobs resulting from this project will be new jobs, as the site is currently un-developed

Most of the jobs at this facility will be sourced locally, thus providing employment opportunities for underserved and minority populations. 58.4% of the population of St. John the Baptist Parish is African American, and minority groups make up a total of about two-thirds of the population<sup>7</sup>. African Americans make up 48.8% of nearby St. James Parish<sup>8</sup>.

Greenfield has an Environmental, Social, and Governance (“ESG”) policy in place to ensure that the workers at the facility represent the community where it will operate. Greenfield is committed to the principles of equal employment. Greenfield is committed to complying with all federal, state, and local laws providing equal employment opportunities, and all other employment laws and regulations. **Greenfield will maintain a work environment that is free of discrimination because of age (40 and older), race, color, national origin, ancestry, religion, sex, sexual orientation (including transgender status, gender identity or expression), pregnancy (including childbirth, lactation, and related medical conditions), physical or mental disability, genetic information (including testing and characteristics), sickle cell trait, veteran status, uniformed servicemember status, or any other status protected by federal, state, or local laws. The Company is dedicated to the fulfillment of this policy regarding all aspects of employment, including but not limited to recruiting,**

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<sup>7</sup> U.S. Census Bureau, Quick Facts St. John the Baptist Parish, <https://www.census.gov/quickfacts/stjohnthebaptistparishlouisiana>

<sup>8</sup> U.S. Census Bureau, Quick Facts St. James Parish, <https://www.census.gov/quickfacts/fact/table/stjamesparishlouisiana/PST045219>



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### **hiring, placement, transfer, training, promotion, rates of pay, and other compensation.**

In addition to the social benefits that flow from the specific economic benefits outlined above, Greenfield plans to become heavily involved in the local community and is already making strides towards this goal. Greenfield, through its personnel, is and will continue to be an active participant in local philanthropic organizations. In addition, Greenfield plans to implement its own social responsibility program.

As an example, Greenfield has established a local scholarship program, making the first award to a West St. John High School graduating senior to attend the nearby River Parish Vocational Technical School in Reserve, Louisiana. Through this program Greenfield intends to award two to five scholarships annually. Through Greenfield's "Local First" policy, Greenfield will also provide the following community development and partnership opportunities:

- Hosting job fairs and in-house training programs on the St. John the Baptist West Bank to train both job candidates and employees;
- Developing partnerships with local farmers to improve access to global markets;
- Sponsoring community events; and,
- Developing partnerships with local restaurants for catering opportunities.

Some of Greenfield and its personnel's current activities in the region include involvement the following organizations and activities:

- West Bank Civic Association;
- LaPlace Lions Club;
- New Orleans Trade for River Activities;
- Assistance with charity holiday events in St. John the Baptist Parish;
- Assistance with elderly during hurricane advisory periods; and,
- Church donation and distribution for homebound and elderly for holidays.

Alongside the steady income created for its employees, the healthcare and benefits offered will be highly competitive for the area, providing for increased essential services and better healthcare outcomes for those living in the rural community. The Project will improve connectivity to residents in the region to education, quality employment, and health care through the programs referenced above.

### **(e). Leveraging Federal Funds to Attract Non-Federal Sources of Infrastructure Investment**

Backed by significant upfront capital commitments, the Project will be a brand new, long-lived asset that will serve to bolster the reliability and available capacity of the POSL.

The Project will be developed, financed, and operated under a public-private partnership between the Board of Commissioners of the POSL and Greenfield Louisiana, LLC (Greenfield), a wholly owned portfolio company of Medlock. Medlock has a long-standing business relationship with the



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POSL, having previously constructed a bulk terminal and deep-water dock project in Mt. Airy, Louisiana called Pin Oak Terminals (Pin Oak Mt. Airy). Pin Oak Mt. Airy was a \$300+ million (\$600+ million with full expansion) development beginning in 2012 and successfully operating today.

Under the agreement, Greenfield will provide capital and have operational control of the property to develop, construct and operate the site under strong health, safety, and environmental guidelines. The POSL will take ownership of the land and lease it back to Greenfield under a long-term lease. Medlock has a proven track record of development in the POSL and is committed to providing the capital necessary to develop Greenfield Louisiana.

Medlock has been successful in developing, constructing, and operating numerous infrastructure development projects, and actively evaluates opportunities throughout the agriculture, healthcare, industrial, technology, and energy sectors.

POSL will partner with private terminal operators, United States Department of Transportation, Louisiana Department of Transportation, and the Regional Planning Commission to complete the proposed Project successfully and attract foreign and domestic commodities to increase international commerce at the port.

### v. PROJECT READINESS (a). Technical Capacity

#### Funding Management

POSL has extensive experience in successfully managing every aspect of federal grants. **Table 6** lists the past federal grants successfully completed by POSL, including projects as well as those still in progress.

**Table 6 – Federal Grants Successfully Managed**

Award	Amount (\$)	Description	Completed
Economic Development Administration (EDA) Grant	\$446,890	Globalplex southside property rail project	05/1997
Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG)	\$988,785	Internal roadway	12/2003
EDA Grant	\$900,000	Rail spur north property, phase I and switch	09/2005
2006 Federal Emergency Management Agency (FEMA) Port Security Grant Program (PSGP)	\$92,238	Security patrol vehicle; communication surveillance	2008



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2007 FEMA PSGP	\$1,300,000	Maritime security operations center and installation of computer servers	05/2012
2009 FEMA PSGP	\$1,695,189	Communication towers and mariner software	2012
2010 FEMA PSGP	\$618,589	Barge and response staging site	2013
2011 FEMA PSGP	\$3,500,000	Fire boat	06/2015
2012 FEMA PSGP	\$1,142,000	Communications upgrades	06/2015
2013 FEMA PSGP	\$416,448	Security cameras and software	06/2015
FEMA	\$175,287	Scale house	07/2013
2009 Federal Aviation Administration (FAA) Airport Improvement Program (AIP) Grant #13	\$611,784	Rehabilitate runway 17/35 lighting	2010
2010 FAA AIP Grant #14	\$161,500	Conduct airport action plan	12/2015
2014 FAA AIP Grant #15	\$270,000	Update airport layout plan; conduct approach study	12/2015
EDA Grant	\$250,000	Container strategic planning and market study	1/2017
2017 FEMA PSGP	\$665,199	Transportation worker identification credential (TWIC) reader, cyber security and sustaining systems	-
2018 FEMA PSGP	\$55,512	Communications equipment purchase (portable radios)	Fiscal Year 2018
2019 FEMA PSGP	\$478,950	Continued sustainment of the Maritime Staff Operators Course (MSOC)	Ongoing
2019 Port Infrastructure Development Grant	\$13,400,000	Globalplex dock and access bridge enhancements	Ongoing
2020 EDA Grant	\$1,500,000	Globalplex access road improvements	Ongoing

### Project Schedule

The Project will begin immediately upon award of the PIDP grant fund. The final permit application was submitted on June 4<sup>th</sup>, 2021, with final permits expected within 9-10 months after and construction completed 24 months after commencing. The Project will be ready to commence at the time permits are expected to be received. With that timeline there will not be a problem obligating the requested grant amounts prior to September 30, 2024 or expending the funds prior to September 30, 2029. No property or right-of-way issues exist, as POSL will own the Greenfield Louisiana property.

### Project Schedule by Phase:

Activities	Timeline
Design Finalization	Months 0-5
Local Permitting and Environmental Approvals	Months 1-7
U.S. Army Corps of Engineers	Months 6-12
Construction Bidding	Months 12-18



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Project Construction	Months 14-38
Substantial Completion	January 2024

### Assessment of Project Readiness Risks and Mitigation Strategies

The POSL and Greenfield Louisiana LLC have assessed the Project risks and built contingencies into the project budget as well as the project schedule. The Project will be constructed on Port-owned property, and will be adjacent to recently constructed projects, as well as active industrial activity. POSL does not anticipate environmental uncertainties, challenges regarding the non-federal match, or lack of permitting approval. As a result, Project risk and the need for mitigation strategies is minimal.

The Project has had initial conversations with relevant stakeholders involved in local government and industry and the Project team is working with a permitting consultant to ensure that all deadlines are met for Local, State and Federal permitting and approval requirements.

Although not active partners, many other agencies and individuals are in strong support of this project. Several members of the Congressional and State Legislative Delegations, as well as the Chamber of Commerce, Parish Presidents, local industries, American Association of Port Authorities (“AAPA”), and other ports in Louisiana have provided letters of support for this Project. The Project has also received strong support from industry groups including the New Orleans-Baton Rouge Steamship Pilots Association, Maritime Navigation Safety Association (“MNSA”) Board and the Soybean Transportation Coalition.

#### (b). Environmental Risk

##### i. NEPA Status

The NEPA review process for this project will run concurrently with the final design of the Project. The Port will put out public bids for engineering firms to complete NEPA for the port as soon as funding is in place to begin.

##### ii. Environmental Permits and Reviews

The Project has received certain needed permits and is in the process of obtaining all necessary environmental permits and approvals to begin and complete construction. The site is already zoned industrial, so no incremental approvals will be needed.

Regarding Section 106 of the National Historical Preservation Act, Greenfield is coordinating with the LA State Historic Preservation Office (SHPO) and will take all appropriate measures to comply with all applicable provisions of the National Historic Preservation Act (NHPA) and related federal regulations. Greenfield contracted with Gulf South Research Corporation (GSRC), who conducted a review of existing information related to cultural and historical resources for the site and the nearby surrounding area and performed an extensive Phase I Cultural Resources Assessment (CRA) field survey of the areas of the property proposed to be developed, implementing a research design plan approved by SHPO. To reflect the updated site layout, GSRC has subsequently performed additional CRA investigatory fieldwork. When completed, the updated CRA report will be provided to SHPO for review. Based on the results of the CRA, Greenfield will consult with



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SHPO as necessary to determine the need for further investigation, consultation, or implementation of avoidance measures regarding any nearby historic or cultural resources of potential significance or any onsite resources of potential significance identified.

Greenfield conducted a review of the site for the occurrence of listed species and critical habitat under Section 7 of the Endangered Species Act. Based on the US Fish and Wildlife Service (USFWS) Information for Planning and Consultation (IPaC) system determination on June 25, 2020, the proposed project activities are consistent with the determination of “no effect” or “may affect, but not likely to adversely affect” (NLAA) for the West Indian Manatee (*Trichechus manatus*) and Pallid Sturgeon (*Scaphirhynchus albus*). Additionally, the Louisiana Department of Wildlife and Fisheries (LDWF) noted in a June 26, 2020 response that “no impacts to rare, threatened, or endangered species or critical habitats are anticipated for the proposed project.” In addition to the review for threatened and endangered species and habitat, the LDWF consultation includes a review of known nest sites within 1,000 feet of project activities for the protected species bald eagles (*Haliaeetus leucocephalus*). While bald eagles are known to nest in the general area of the Lower Mississippi River, the LDWF did not identify any known nests within the project area or nearby vicinity. Additionally, professional biologists conducting site assessment activities throughout the area did not identify any bald eagle nesting sites in or around the project area. See consistency letters from LDWF and USFWS in the attachments.

The longest expected lead-time item is related to the U.S. Army Corps of Engineers and the Department of the Army Clean Water Act §404, which is required prior to starting construction and related to any work involving grading, excavating, filling, construction in jurisdictional wetlands, obstructions or structures in navigable waters, or dredge or fill impacting jurisdictional waters. The Project fully expects to work with the U.S. Army Corps of Engineers and obtain the permit in a timely manner.

Air permits from Environmental Protection Agency and Louisiana Department of Environmental Quality have been received. Greenfield Louisiana Terminal only required a minor source air permit application due to it being a throughput facility, therefore an Environmental Assessment Statement (EAS) was not required under Louisiana Law. Nonetheless, Greenfield Louisiana developed and submitted an EAS as a supplement to the LDEQ minor source air permit application.

### iii. State and Local Approvals

On the local level, the Project will need to receive a building permit from St. John Parish. Under the 2019 revised St. John the Baptist Parish Code of Ordinances, Subpart B Land Development Regulations, the Greenfield Louisiana site is designated as “I-3 Industrial District 3” for majority of the property, with “I-1 Industrial District One” buffering the property boundaries, and “the river bature portion classified as “B-2 – Industrial Bature District.” St. John the Baptist Parish will review the land use prior to issuance of the Parish building permits. Greenfield Louisiana will meet all applicable requirements of the Parish Ordinance and will obtain any necessary approvals and permits prior to site development.

### iv. Environmental Reviews, Approvals, and Permits by Other Agencies



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The Air Permit application was received on August 3, 2020. The Project will also need to acquire a Coastal Use Permit from the Louisiana Department of Natural Resources. Greenfield Louisiana and POSL do not anticipate any issues receiving approvals in a timely manner.

Upon notice of funds received, the Port will begin process of ensuring designs and plans follow LADOTD and DOT guidance.

The Project is incorporated into the overall Port of South Louisiana Master Plan. Any roadway improvements will be incorporated into the Regional Planning Commission's Long-Range Transportation Plan and, should PIDP funding be granted, the roadway improvements associated with this project will be considered for incorporation into the State Transportation Investment Plan.

### v. U.S. Army Corps of Engineers Activities

The Project is not dependent on, or affected by, U.S. Army Corps of Engineers investment and planned activities at this time.

### vi. Environmental Studies and Other Documents

In April 2020, an environmental impact assessment was conducted for the site and proposed project and found minimal environmental impact. A summary of the findings is below. The full report can be found with other attachments here: <https://portsl.com/pidg-greenfield-louisiana/>

- **Air Quality** – The Project equipment is designed and will be operated to meet or out-perform all applicable emission standards. Truck, barge, ship and railcar loading and unloading, grain dryers, and all grain handling operations will be designed and constructed to meet EPA's 2014 proposed updated New Source Performance Standards, so as to comply with the updated standards upon facility startup or effective date, as applicable. All grain handling and storage sources will be equipped with baghouses and/or filter vents and will be inspected as required by rule and the air permit. In addition to the application of control technology and work practices to minimize emissions, Greenfield Louisiana has evaluated the potential ambient air quality impacts of the proposed facility to assure ambient concentrations of criteria pollutants that are projected to result from the Project will not cause or contribute to exceedances of the NAAQS. Based on these evaluations, proposed emissions are at levels that assure no adverse impacts will occur.
- **Waste Management** – Operation of the Terminal will be managed to minimize the generation of waste and to assure proper handling and disposal of wastes that are generated. The Terminal will not operate as a hazardous waste treatment, storage, or disposal facility.
- **Water Use and Quality** – Terminal will not cause any significant impact to water resources or water quality.
- **Wetlands and Waters of the U.S. Coastal Protection** – The potential for any permanent impacts to wetlands or other waters of the U.S. is minimal based on the site selected and the terminal design layout. A wetland delineation was performed in July 2020 in order to determine if portions of the property met the criteria of jurisdictional wetlands or waters based on USACE criteria. This evaluation included the bature area, terminal area, and the southern portion of the site, where the rail loop and spur will be located. The wetland



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boundaries were determined based on the extent of hydrophytic vegetation, hydric soils, and hydrologic indicators of wetland conditions as described in the *1987 USACE Wetland Delineation Manual* and the *Interim Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Atlantic and Gulf Coastal Plain Region*. The wetland delineation was submitted to the USACE on July 31, 2020 for an Approved JD. The USACE provided an Approved Jurisdictional Determination; MVN-2020-00838-SK, dated June 2, 2021. Greenfield designed the terminal and overall Project layout with the intent to avoid impacts to the wetland areas as identified by the USACE Jurisdictional Determination as much as practicable.

- **Noise and Odor** – Standard operational procedures will be implemented to minimize any noise resulting from railcar coupling and decoupling, and other operations at the Terminal that could result in noise. No offensive odors are anticipated in connection with the operation of the facility.

### vi. DOMESTIC PREFERENCE

Greenfield Louisiana will not require an exception/waiver of the Buy America provisions. The gains that will be used by this facility will be from American farmers to be shipped abroad. Equipment and materials used to build the dock and facility will be sourced domestically.

### vii. DETERMINATIONS

Project Determinations	
<p>1. The project improves the safety, efficiency, or reliability of the movement of goods through a port or intermodal connection to the port.</p>	<p>This new, state-of-the-art grain elevator and accompanying dock will facilitate the movement of agricultural goods from both local and national farmers in the U.S. to end users throughout the world.</p> <p>Once constructed, Greenfield Louisiana will help to enable additional water-borne and rail transportation of agriculture products to the international export market. This transportation system provides significant safety advantages compared to the available alternative of trucks on the road. Reducing the number of trucks on the road directly translates to improved safety outcomes and reduced carbon emissions.</p> <p>With multimodal connectivity in the form of a Post-Panamax sized deep-water dock, a tie-in to the main-line of the Union Pacific railway, and access to local roads and state and interstate highways, the Project will serve to increase the efficiency, reduce the overall environmental impact, and bolster the reliability and resiliency of the U.S. agricultural</p>



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	<p>supply chain. All the above benefits will allow U.S. farmers to better compete in the global economy in a sustainable manner.</p>
<p>2. The project is cost effective</p>	<p>The Project provides benefits for a wide variety of parties, including but not limited to U.S. farmers, the food and agriculture supply chain, and the general public. It will also provide a source of non-federal revenue for the Port of South Louisiana. The Project benefits cover the key benefit categories: safety, state of good repair, economic competitiveness, and environmental sustainability.</p> <p>Taken in total, the Project provides \$822 million in benefits—from lowering transportation costs and emissions reductions—over the analysis period, (2024 – 2054) using a 7 percent discount rate. The net benefits of the Project are \$382 million in 2019\$. The BCA results in a BCA ratio of <b>1.87</b> when discounted at a rate of 7 percent.</p>
<p>3. The eligible applicant has the authority to carry out the project.</p>	<p>The Port of South Louisiana was created in 1960 by the Louisiana Legislature under R.S. 34:2471. Its purpose is to “Stimulate commerce and industrial development throughout the three Parishes (St. James, St. John the Baptist and St. Charles) which make up the Port Jurisdiction.” The Port is a political sub-division of the State of Louisiana, and therefore an eligible applicant. The Project will be constructed on Port owned property.</p>
<p>4. The eligible applicant has sufficient funding available to meet the matching requirements.</p>	<p>The Project will be developed, financed, and operated under a public-private partnership between the Board of Commissioners of the POSL and Greenfield Louisiana, LLC (Greenfield), a wholly owned portfolio company of Medlock. Medlock has a long-standing business relationship with the POSL, having previously constructed a bulk terminal and deep-water dock project in Mt. Airy, Louisiana called Pin Oak Terminals (Pin Oak Mt. Airy). Pin Oak Mt. Airy was a \$300+ million (\$600+ million with full expansion) development beginning in 2012 and successfully operating today.</p> <p>Under the agreement, Greenfield will provide capital and have operational control of the property to develop, construct and operate the site under strong health, safety and environmental guidelines. The POSL will take ownership of the land and lease it back to Greenfield under a long-term lease. Medlock has a proven track record of development in the POSL and is committed to providing the capital necessary to develop Greenfield Louisiana.</p> <p>A letter of commitment from Greenfield Louisiana LLC can be found in the attachments.</p>



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<p>5. The project will be completed without unreasonable delay.</p>	<p>The Project will begin immediately upon award of the PIDP grant fund. The final permit application was submitted on June 4<sup>th</sup>, 2021, with final permits expected within 9-10 months after and construction completed 24 months after commencing. The Project will be ready to commence at the time permits are expected to be received. With that timeline there will not be a problem obligating the requested grant amounts prior to September 30, 2024 or expending the funds prior to September 30, 2029. No property or right-of-way issues exist, as POSL will own the Greenfield Louisiana property.</p>
<p>6. The project cannot be easily and efficiently completed without Federal funding or financial assistance available to the project sponsor.</p>	<p>The Project has been designed with the current Capital structure and applicable grants built in. Should the Project not receive PIDP (or other Federal) funds, the Parties would need to revisit the Project design to ensure it was fit for purpose considering the capital available.</p> <p>Furthermore, the schedule could be delayed given that the Parties would have to secure additional Capital for the Project start up and execution. The overall costs for the Project would increase due to the increased cost of Capital due to any inflationary effects of the delay as discussed above.</p>