

# California Inland Port System

## Project Briefing

August 2022



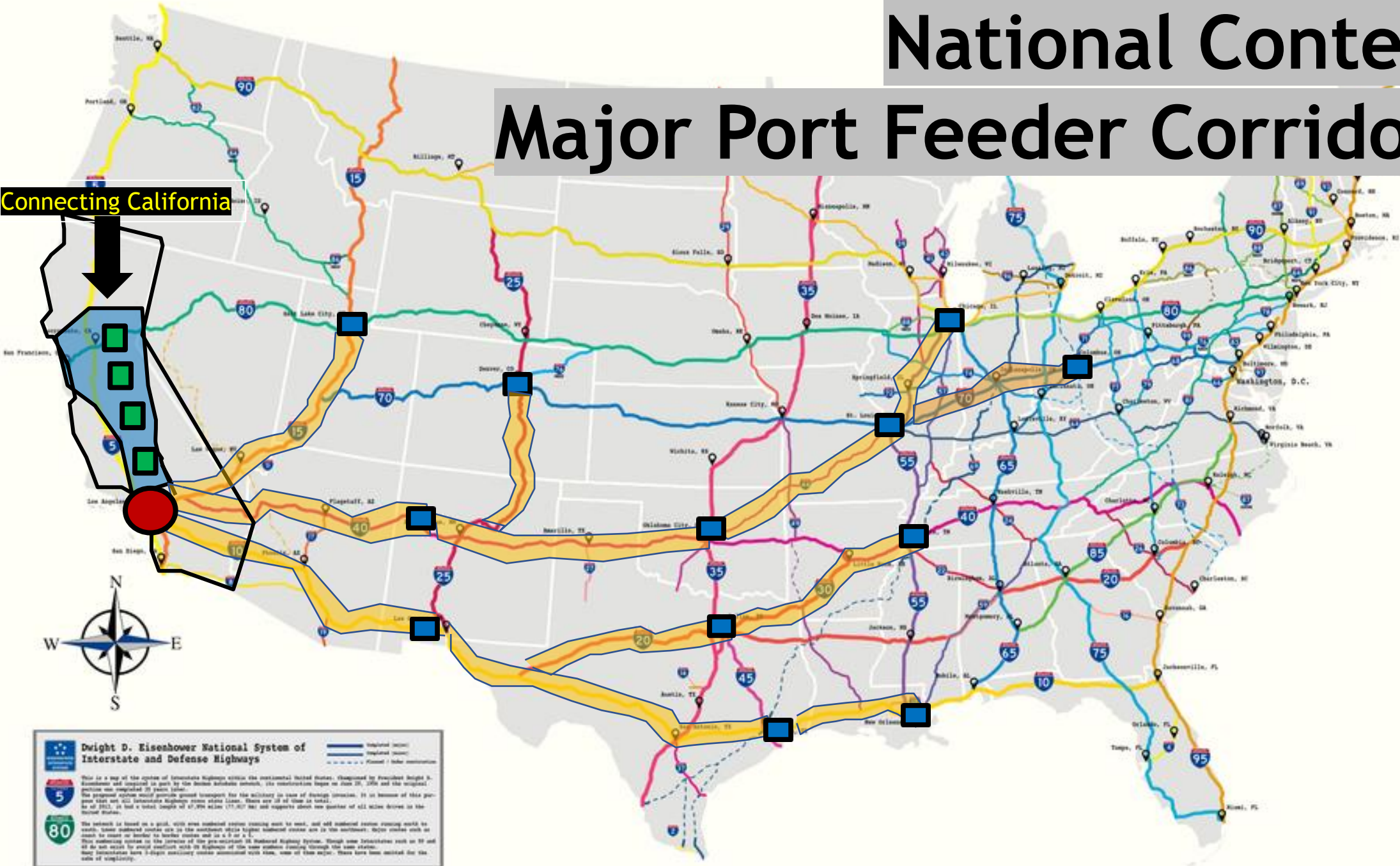
# Understanding Of An “Inland Port”

- Common use of the term indicates a facility that is located away from traditional water ports that facilitates international trade through investments in multi-modal transportation assets and promotes value-added services as goods move through the supply chain.
- The idea behind the California Inland Port System is to take these common facilities and integrate not just the efficient movement of goods, but catalyze an intersection between economic development, sustainable platforms, and next-generation technologies that produce a more resilient and stronger supply chain.
  - Creating a system that is multi-dimensional and seamlessly functions as an extension of a seaport.
  - Serves the 5<sup>th</sup> largest economy in the world.

# National Context

# Major Port Feeder Corridors

Connecting California



**Dwight D. Eisenhower National System of Interstate and Defense Highways**

This is a map of the system of Interstate Highways within the continental United States, inaugurated by President Dwight D. Eisenhower and completed in part by the Federal Aid in National Defense Act, the construction began on June 25, 1956 and the original portion was completed 21 years later.

The program system would provide general transportation for the military in case of foreign invasion. It is because of this program that not all Interstate Highways were state roads. There are still 18 of them in total.

As of 2012, it had a total length of 47,879 miles (77,007 km) and supports about one quarter of all miles driven in the United States.

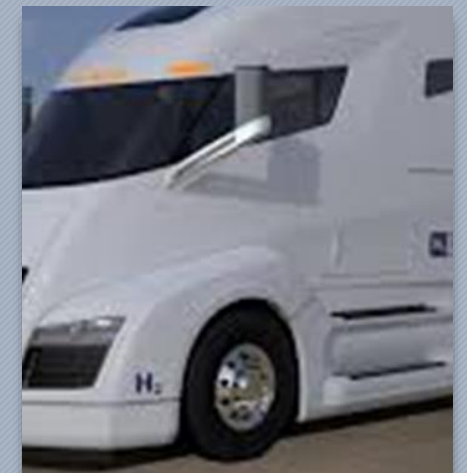
The network is based on a grid, with one national system running north to south, and one national system running east to west. Some national routes are in the southern states (e.g. Interstate 10) and the original portion was completed 21 years later.

This national system is the forerunner of the present-day Interstate Highway System. Though some Interstates such as I-5 and I-80 do not exist for their entire length in all states of the same system (running through the same states), they are still part of the system. Some Interstates have 3-digit auxiliary routes (e.g. I-10/10A), these have been created for the sake of simplicity.

Legend:  
— Original route  
— Original route  
— Original route / later construction

# Project Background

- Formally Launched in 2019
- Consists of an Integrated Rail/Truck Logistics, Economic Development, and Clean Energy System
- Estimated \$30B Total Investment, Almost All Private
- Creation of 100,000 New High-Quality Jobs in California's Disadvantaged Central Valley



# Participants/Partners

## Public

- State of California
- US Government
- Air Quality Districts - South Coast (LA), San Joaquin Valley, Sacramento
- MPOs/RTPAs - Eight; From Sacramento Through Bakersfield
- Ports
  - Ocean: Los Angeles, Long Beach
  - Inland: Stockton

## Private

- Shippers
  - Including Inbound Retail and Industrial Supply Chains to Outbound Agriculture
- Rail/Truck/Clean Energy Companies/Infrastructure Risk Capital

# Project Overview

**Will Be Largest and Most Sophisticated Logistics Corridor in the World**

- **Integrated Multimodal Cargo Transport and Hubs**
  - Intermodal Truck and Rail Spine: Seaports to Markets
  - Replaces All-Truck Conditions Currently
- **TradePort Investment Districts**
  - Concentrated Centers For Economic Development Along Rail/Truck Spine
- **Highly Efficient Cargo Movement**
  - Technology At The Center
- **Clean Propulsion Platform**
  - Built Around Electric/Hydrogen Platform
  - Catalyze The Shift

# Project Foundations

## Seamless and Integrated System Solution

Logistics  
Connectivity

Development of  
TradePorts

Clean Energy  
Platform

Modern  
Industrial  
Development

Economic  
Development  
Competitiveness

# Project Objectives

## Public Objectives:

1. Contribute to a More Efficient National Supply Chain System
2. Substantially Reduce GHG and Air Criteria Pollutants in California, Build Sustainability In At Project Core
3. Significantly Increase Economic Competitiveness and Opportunity; Especially in Rural/Challenged Areas
4. Reduce VMT, Road Congestion, and Maintenance Costs, Increase Traffic Safety Through Mode Shift
5. Build Around Social Equity and Environmental Justice Needs
6. Promote Collaboration and Partnership Across The Public and Private Sectors



# Environmental Benefits

- Analysis performed by the San Joaquin Valley Air Pollution Control District shows a significant reduction in annual emissions if all truck cargo was moved to rail or zero-emission trucks.
- NOx Emissions would be reduced by up to 84% while Greenhouse Gas emissions would be reduced by up to 93%
- Reduction of truck congestion around San Pedro Bay Port Complex and Port communities (emission reductions not modeled)

Pollutant	Reduction (tons)	Reduction (%)
NOx	960.88	84.13%
SOx	2.22	92.25%
VOC	18.42	79.47%
PM10	6.94	70.31%
CO	4.16	8.15%
CO2	215,229.49	93.01%
CH4	0.55	55.80%
N2O	35.04	96.35%
CO2e	225,686.51	93.16%

# Requires An Engineered Integration of Project Development Across Modes

- System Strategy (Defined in RIA Process)
- Coordinated Public & Private Investments Are Critical
- Extension of Seaport Logistics Hub Integrates:
  - Rail Infrastructure
  - Truck Mobility Complex's
  - Air Cargo Hub Access
  - Highway/Road Investments



# Local & Trade Press



**THE LOADSTAR**  
MAKING SENSE OF THE SUPPLY CHAIN

News / **California inland port project a blueprint for a re-engineered US supply chain**

**Proposed California inland port project to relieve port congestion**

American Journal of Transportation



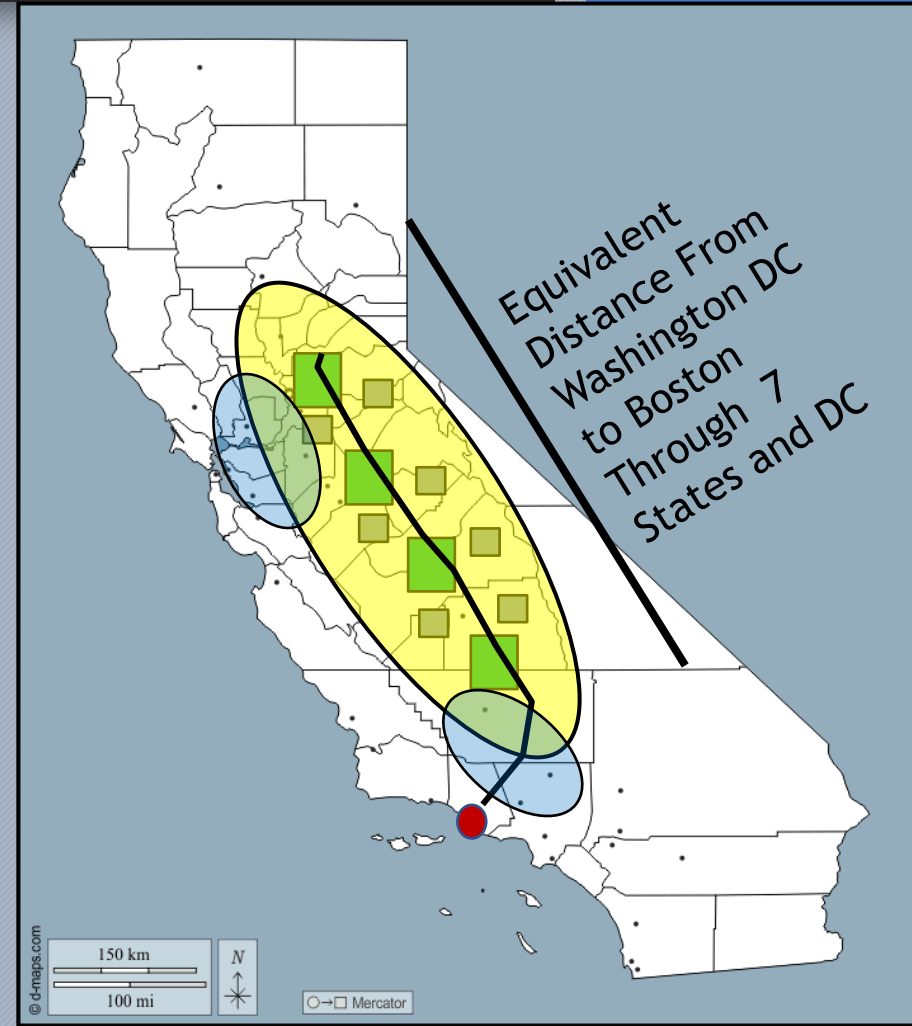
**Inland Port concept to flow more trade to Central Valley, cut pollution**

  
By John Lindt  
8:15 pm, April 26, 2022

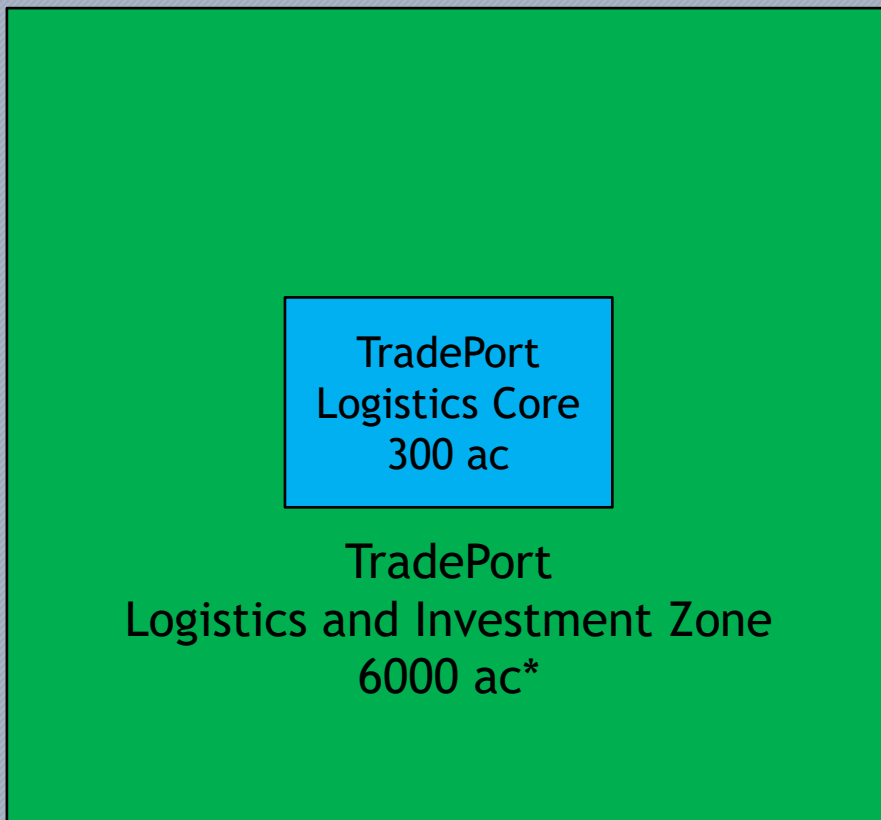


# California Inland Port Market Zone

- 14m In-Zone Population; Including Bay Area
- 31m Including Los Angeles
- 1.1m TEUs Moving Annually; All Via Truck
- 425 Mile-Long Zone
- UP & BNSF Rail Tracks Parallel Road Corridor
- Central Valley Hubs Serve Bay Area & LA Markets
- Inbound: Consumer Goods
- Outbound: Agricultural Products
- 74% of Containerized Cargo Moves Via LA Region Ports



# California Inland Port TradePort Hubs

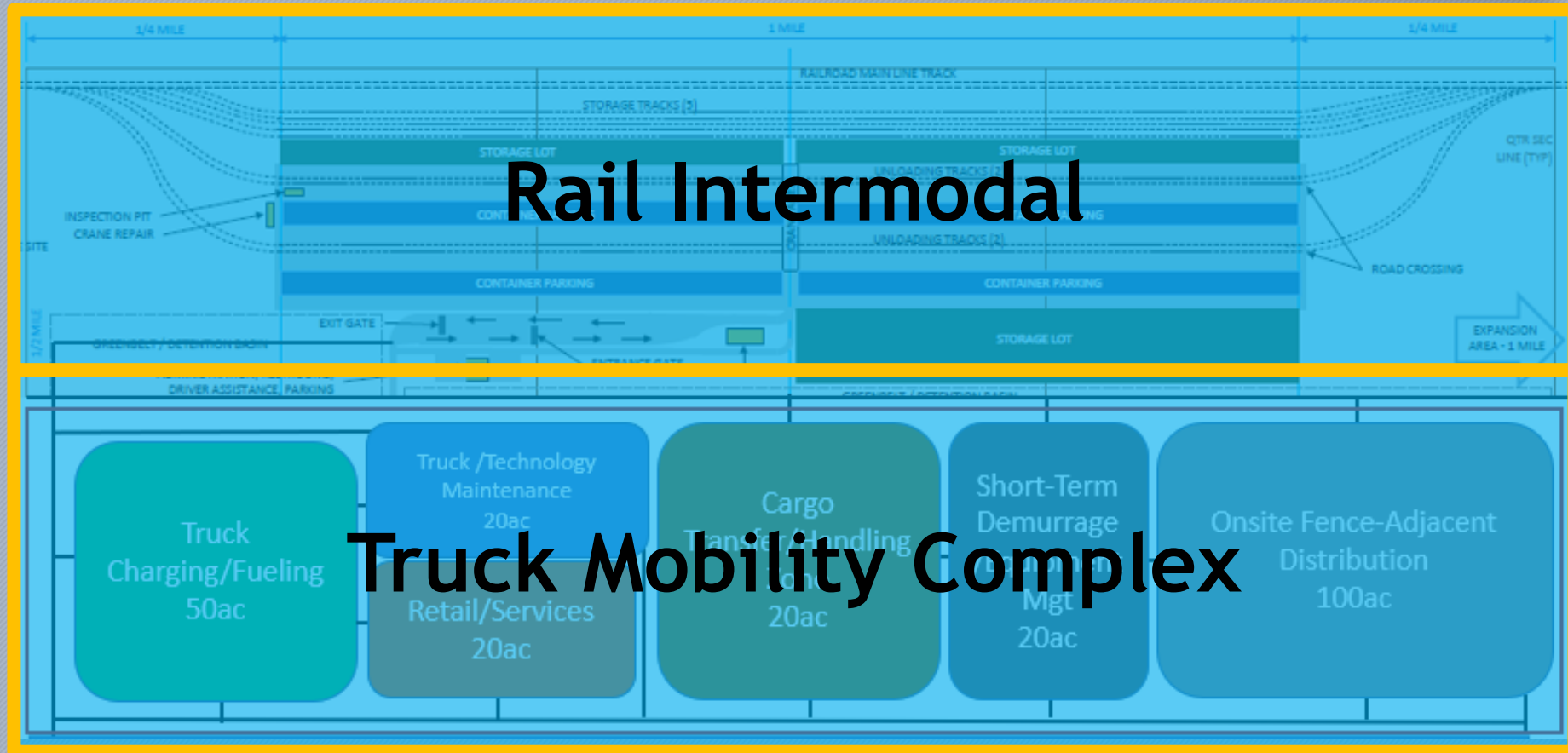


Satellite  
TradePorts

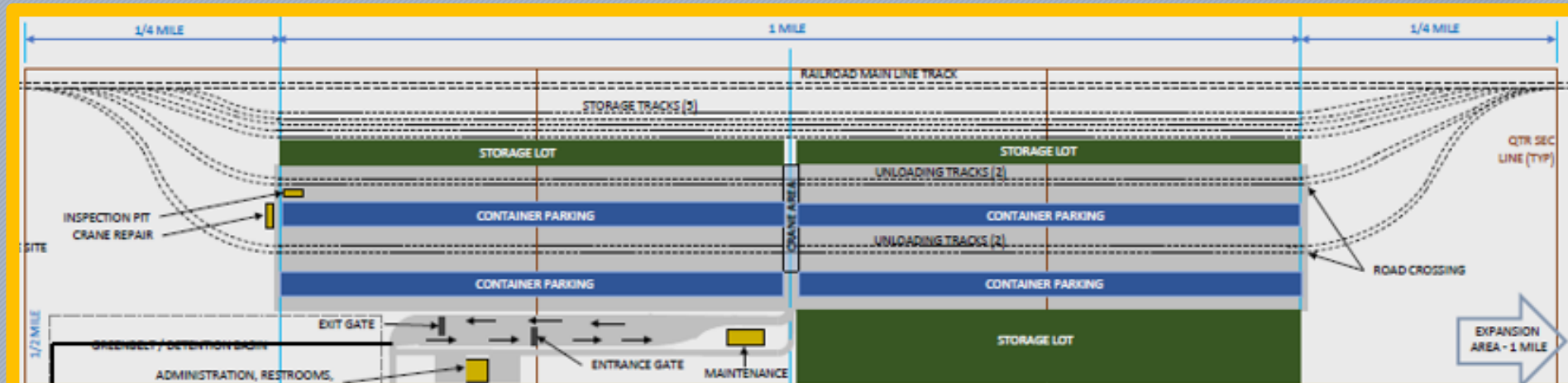
\*Depending on location

Confidential

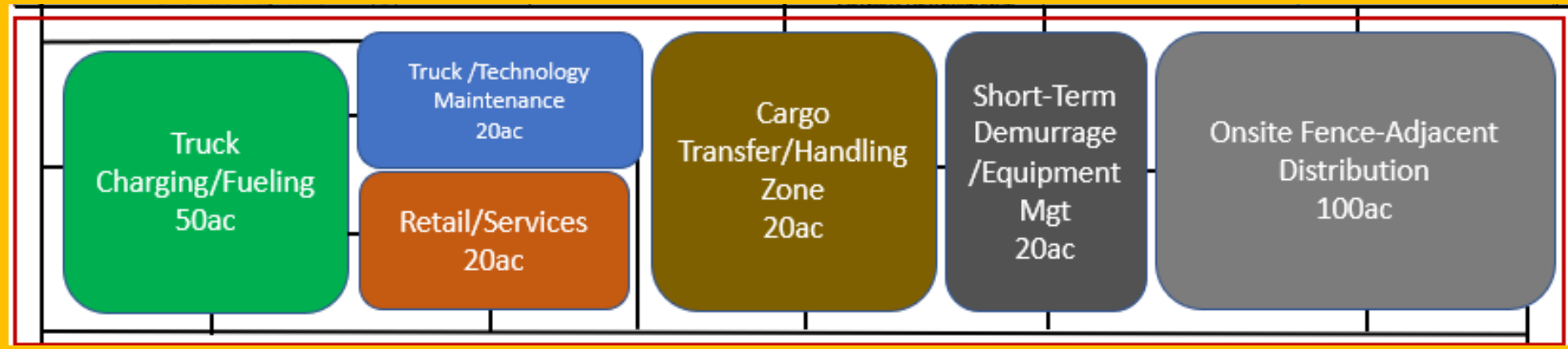
# TradePort Logistics Core



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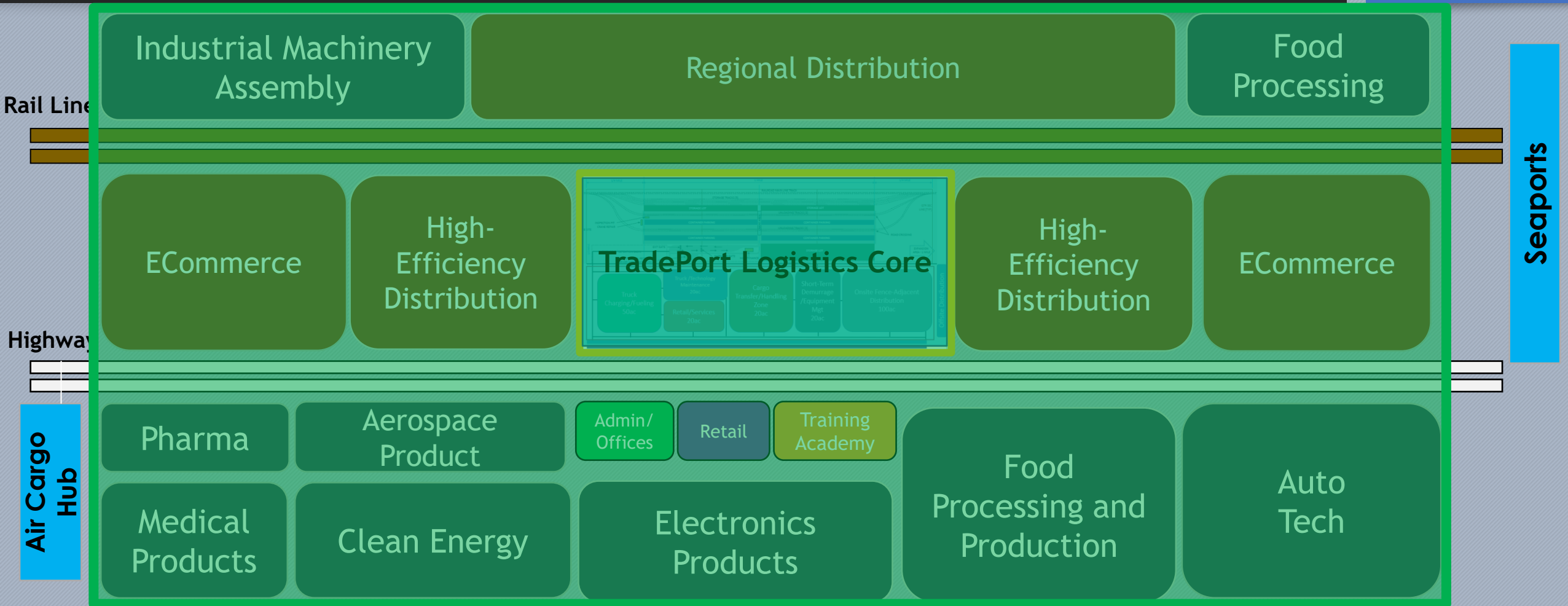


Rail Intermodal



Truck Mobility Complex

# TradePort Asset Investment Diagram





# Bipartisan Support

- Co-Authored Op-Ed by Congressmen Costa (D) and Valadao (R)
- *“Seldom do we see a project with so many benefits for the Valley, the state and the nation. We should approach with a sense of urgency.”*
- *“Not just as a comprehensive north-south goods movement system, but also as an economic game-changer.”*

## The Fresno Bee



OPINION AND  
COMMENTARY

Editorials and other Opinion content offer perspectives on issues important to our community and are independent from the work of our newsroom reporters.

VALLEY VOICES

### *A trade port in the San Joaquin Valley means 100K new jobs, cleaner air, better shipping*

BY CONGRESSMEN JIM COSTA AND DAVID VALADAO

APRIL 02, 2022 5:00 AM



John Beghin, of the Long Beach Container Terminal at the Port of Long Beach, watches a crane unload a ship.  
RICK LOOMIS/LOS ANGELES TIMES TNS

The California Inland Port is a project that enjoys bipartisan support — something rare in these hyperpartisan times. It is a global model for supply chain efficiency, clean logistics and economic development. This project would mean cleaner air, less greenhouse gas emissions (GHGs), reduced traffic, and 100,000 new jobs in the San

# CA Inland Port System Delivery Team



Public Sector Manager and Coordinator



PM: Econ Dev/Clean Energy/P3/Logistics



Engineering, Planning, Clean Energy



Rail System Planning and Infrastructure



Telecom/Data Infrastructure



Legal/Public-Private Partnerships



Hydrogen Policy/Infrastructure



Truck Manufacturer/Clean Powertrain

# California Inland Port System and the USDOT

- Project Development Began In 2019
- Project Designated a Regional Infrastructure Accelerator by USDOT in Fall 2021
- Partnership with Build America Bureau
- Development of a Public-Private Financing Structure



# California Inland Port System and the USDOT

## RIA Process Will Specifically Look At:

### 1. Development of an Organizational Entity

- Legal And Regulatory Analysis
- Defining Governance Structure
- Establishing Organization Policies/Procedures

### 2. Development of the Project Pipeline

- Defining Investment Criteria And Strategy For Projects
- Defining Risk Management For Organization
- Outlining Strategies For Leveraging Private Funds
- Completing Project Design, Prelim Engineering
- Cost Estimations



# Project Going Forward

2022

Finalize Organizational/Delivery Entity, Site Selection Begun, Financing Structure Development, Establish Partners

2023

Acquire Sites, First TradePorts Under Construction, Clean Energy Deals In-Place, Risk Capital Investment Partners, Shipper/Partners Announced

2024

All TradePort Sites Under Control, Operations Begun, Initial Development of Investment Districts

# Project Contact

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