



## Ports Authority halts work on international port by Southport

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N.C. State Ports Authority officials said Wednesday they were putting the proposed megaport near Southport on hold, but the development of an international port in the state – perhaps in Brunswick County – remains a possibility.

Carl Stewart Jr., chairman of the Ports Authority Board of Directors, said the board would take a fresh look at port prospects in North Carolina in light of recent events. That could mean eyeing new properties along the coast, expanding existing ports at Morehead City or Wilmington or again considering the Brunswick County location.

“We are certainly not going to abandon the site,” Stewart said in a phone interview of the 600 acres near Southport that the Ports Authority purchased and has been studying as a site for a huge shipping container terminal, known as the N.C. International Terminal.

“Will we look at other sites? Certainly,” Stewart said.

Stewart, recently reappointed by Gov. Beverly Perdue to a six-year term as authority board chairman, said many hours and millions of dollars spent investigating the tract on the Cape Fear River near Southport showed it was an “excellent site.”

“And that belief has not changed,” he said.

But Stewart said political realities in 2010 – the failure of the N.C. General Assembly to pay for a feasibility study for the megaport and the opposition of U.S. Rep. Mike McIntyre, D-Lumberton – led the authority to Wednesday’s announcement that it was putting the port project on indefinite hold.

“You cannot build a \$2 billion to \$2.5 billion port in a congressional district where the resident member of congress is opposed to it, nor can you do it if you have substantial concerns at the state leadership level, that is, within the General Assembly,” Stewart said.

So at least for now, the Ports Authority will direct its energies elsewhere.

“It’s not a very happy position to be in for me,” Stewart said.

Wednesday morning, authority officials said in a prepared statement that the agency respects the concerns about the project expressed by Brunswick County communities and elected officials. Town boards in several Brunswick County municipalities, as well as various environmental groups, have come out against the project, citing a host of environmental and quality of life concerns. McIntyre, who faces Republican Ilario Pantano in the November election, recently announced his opposition to the proposed terminal.

But Ports Authority officials, in Wednesday’s statement, left the door open to expanding cargo ports in the state.

“Together, in concert with residents and elected officials, the N.C. State Ports Authority will examine how to keep North Carolina’s ports competitive and continue its mission to enhance the economy of the entire state,” the authority said. “We believe that access to a deepwater port is important to keeping North Carolina globally competitive. We will examine all options beyond the NCIT.”

During the five years since the project’s inception, the authority has spent roughly \$10.2 million on it, including planning, engineering technical reports, debt service on the property, and legal and financial fees, ports officials have said.

They also have spread out across the state touting potential economic benefits of the \$2 billion to \$3 billion container terminal that would occupy 600 acres on the Cape Fear River just north of Southport. According to one study, the project would create more than 16,500 jobs and support 477,000 jobs statewide, as well as generate \$1.1 billion a year in state and local tax revenue when complete.

But as the economy struggles, previous projections for port traffic may not be realized as quickly as once thought, and other states and port operators on the East Coast are reconsidering expansion plans as well.

Authority officials had said recently that they were re-evaluating the project after the denial of funding for a port feasibility study by state lawmakers and McIntyre’s opposition.

McIntyre sent out a statement Wednesday saying the decision to back off the project was a “positive step forward.”

“I applaud the leadership at the ports for listening to the communities that will be most affected by this project and deciding to focus on immediate ways we can make the Wilmington Port stronger and create more jobs right now,” he said. “Working together, we can and will make the Wilmington Port the crown jewel of the East Coast and help the citizens and communities of Southeastern North Carolina.”

Toby Bronstein, a spokeswoman for No Port Southport, the main port opposition group, said the group was “delighted” that the Ports Authority acknowledged problems with the project, but vowed to keep an eye on the agency.

“Until that land is sold, or put to more appropriate use, the citizens of Brunswick County, town governments and state and federal legislators must continue to be vigilant in their opposition,” Bronstein wrote in an e-mail.

Stewart said the authority board hadn’t evaluated recent events surrounding the NCIT project, nor had it heard details from authority staff. That could come in a teleconference meeting Friday.

“I think there are, even in our minds, many unanswered questions,” he said.

But Stewart made it clear that the Ports Authority, which purchased the Brunswick County land in 2006, didn’t plan to take any immediate action with the property.

“If it is determined that that site has no future, then obviously there would be no reason to keep it,” he said, adding that it’s a valuable industrial site that would garner great interest if put on the market.

Stewart said the Port of Wilmington, on the Cape Fear River south of downtown Wilmington, doesn’t have enough space to accommodate the type of expansion envisioned by the international port plan.

And the board hasn’t looked seriously at the Port of Morehead City as an international port location, he said.

“But in developing the long-range strategy for the ports if that site is worthy of examination we will do it,” he said.

Shannon Moody, a port spokeswoman, said Tom Eagar, authority chief executive officer, was out of the state Wednesday but that he would be available for an interview with the StarNews Thursday morning.

The embattled ports leader, who has been criticized for comments to the media about the project and its opponents, gave an interview with The State Port Pilot of Southport.

Eagar wanted to directly address the communities in the center of the controversy, Moody said.

“We’re going to really go back to ground zero and start the analysis from the very beginning,” Eagar told the Southport newspaper. “I think we need to take a look at the markets, we need to take a look at the economic impact that is available to the authority through a deepwater port, and the demand for it.”

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