LA port terminal getting \$52 million for on-dock rail

Feds, state and port financing upgrade project

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Pier 300, Port of Los Angeles. (Photo: Port of Los Angeles)

The U.S. container port arms race is moving by rail.

The Los Angeles Harbor Commission on Thursday said it has approved a lease amendment that finalizes plans for \$52 million to improve the on-dock rail capacity at the Port of Los Angeles Pier 300.

Pier 300, the second-largest terminal at Los Angeles, is owned by CMA CGM Group of Marseille and operated by subsidiary Fenix Marine Services (FMS). Construction is expected to begin in 2025, the port said in a release, and will add five loading/unloading tracks in the intermodal yard.

"This project enhances cargo capacity and efficiency while improving the sustainability of port operations," said Los Angeles Harbor Commission President Lucille Roybal-Allard in the announcement. "It's yet another step forward toward both our productivity and clean air goals."

The terminal currently has eight on-dock rail tracks with overall capacity of 64 five-well double-stack railcars, and adjacent storage for 74 railcars. It is accessible to both BNSF and Union Pacific railroads. Annual capacity is over 1 million lifts.

"Fewer transfers of cargo results in cleaner operations and more fluidity on our container terminals," said Port of Los Angeles Executive Director Gene Seroka. "This project will make us more competitive and add to our ability to pursue more discretionary cargo headed for the interior of the United States."

Other improvements include grading and paving, fire protection, electrical improvements, striping and signage, and additional storm drain design elements for Low Impact Development compliance.

"This investment ensures that there is adequate on-dock intermodal capacity to accommodate future volume growth, enabling POLA and FMS to further compete for discretionary cargo in an environmentally and community-responsible way," said George Goldman, president and CEO of CMA CGM (America), in the announcement.

Pier 300 is the latest in a series of rail improvement projects aimed at ensuring the Los Angeles-Long Beach port complex remains the top gateway for U.S.-bound containerized imports. In July the port completed a \$73 million on-dock expansion at LA's Pier 400, and Long Beach broke ground on a \$1.56 billion upgrade that will triple its on-dock TEU capacity and more than double the number daily double-stack train departures.

Grant funding for the project includes approximately \$18 million from the U.S. Department of Transportation Maritime Administration and \$19 million from California's Trade Corridor Enhancement Program. The port will provide the balance of the funding.

In January 2022, CMA CGM reacquired Fenix Marine Services for \$2.3 billion. Pier 300 accounts for more than 2.5 million twenty-foot equivalent units, or 20%, of the port's total volume.