

2026 Galveston Economic Development Summit

Presentation by Brett Milutin

Deputy Port Director/COO

GALVESTON WHARVES

MARITIME A MAJOR REGIONAL ECONOMIC ENGINE

GALVESTON WHARVES BY THE NUMBERS

$7.3 Billion
Economic Impact of Galveston Harbor

23,683
Direct and Indirect Cruise & Cargo Jobs

4 Million
Cruise Passenger Movements A Year

3 Million
Cargo Tons A Year at Port of Galveston

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PORT'S ECONOMIC IMPACT

- Major Texas seaport with diverse business – cruise, cargo, commercial
- Channel ranked 40th in U.S. for cargo
- 4th most popular cruise homeport in North America
- $2.1 billion state economic impact
- Generate 14,103 jobs
- $923 million in wages and expenditures statewide
- $73 million in state and local tax revenues

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PORT OF GALVESTON'S PROPERTY



840 acres on Galveston and Pelican islands for cruise, cargo, commercial, industrial and shipbuilding tenants.

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PORT'S CRUISE INDUSTRY

- Unprecedented interest by cruise lines and passengers
- 4 cruise terminals with proposed 5th
- Carnival, Royal Caribbean, Disney, Norwegian and MSC cruise lines. Margaritaville at Sea in 2027
- 415 sailings and 3.56 million passengers in 2025
- 445 sailings and forecasted 4 million passengers in 2026
- Growth in local jobs, expenditures, sales tax revenues, tourism revenues

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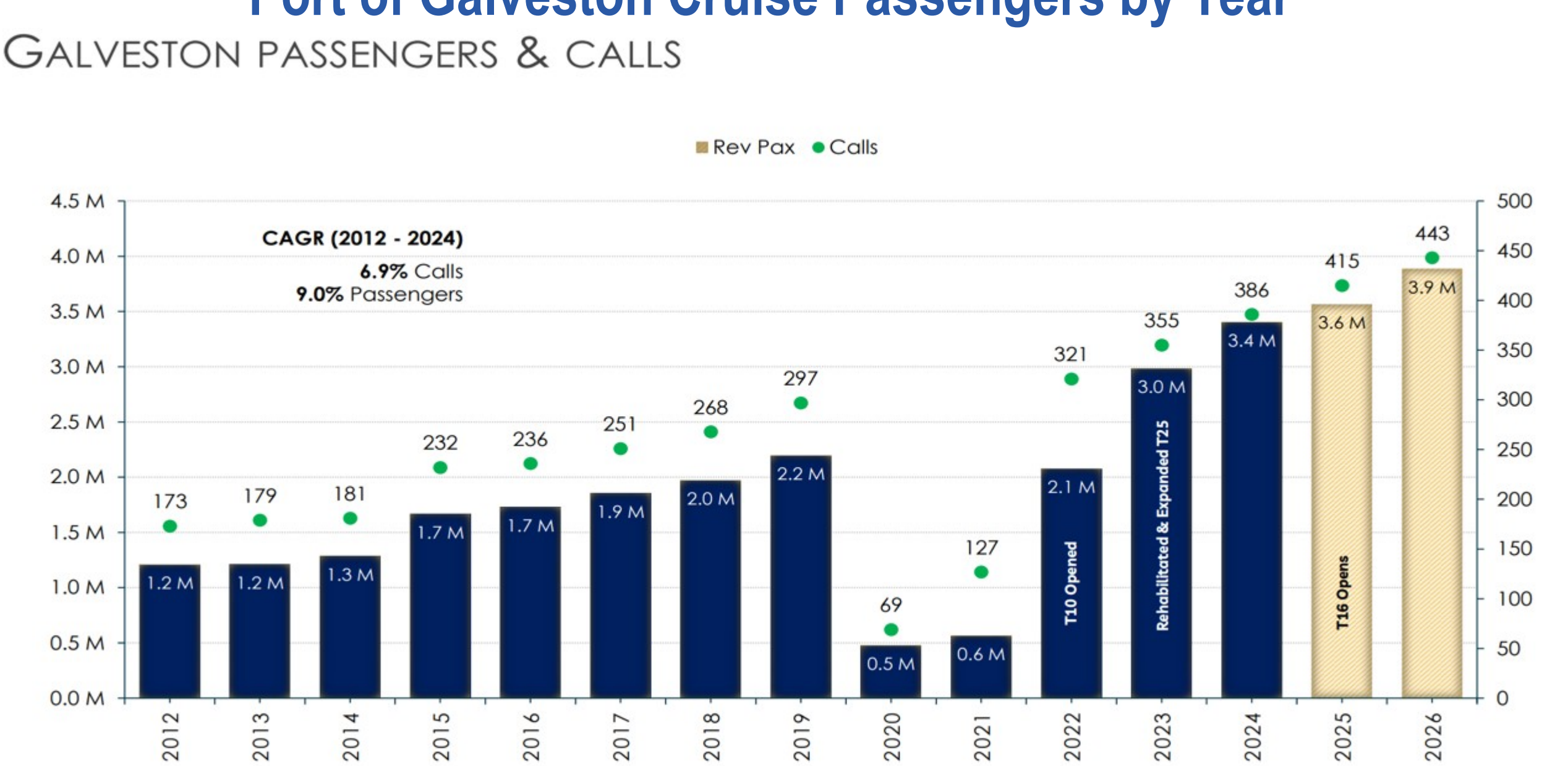
CRUISE SECTOR

- Generates 65% of port revenues to fund critical cargo and other infrastructure
- Major jobs generator (ILA, shore services, ship pilots, shuttle drivers etc.)
- 4th cruise terminal in 2025 has elevated the port's national standing as a premier cruise homeport and spotlighted the city as a national tourist destination
- Potential to add a 5th terminal by 2028/29



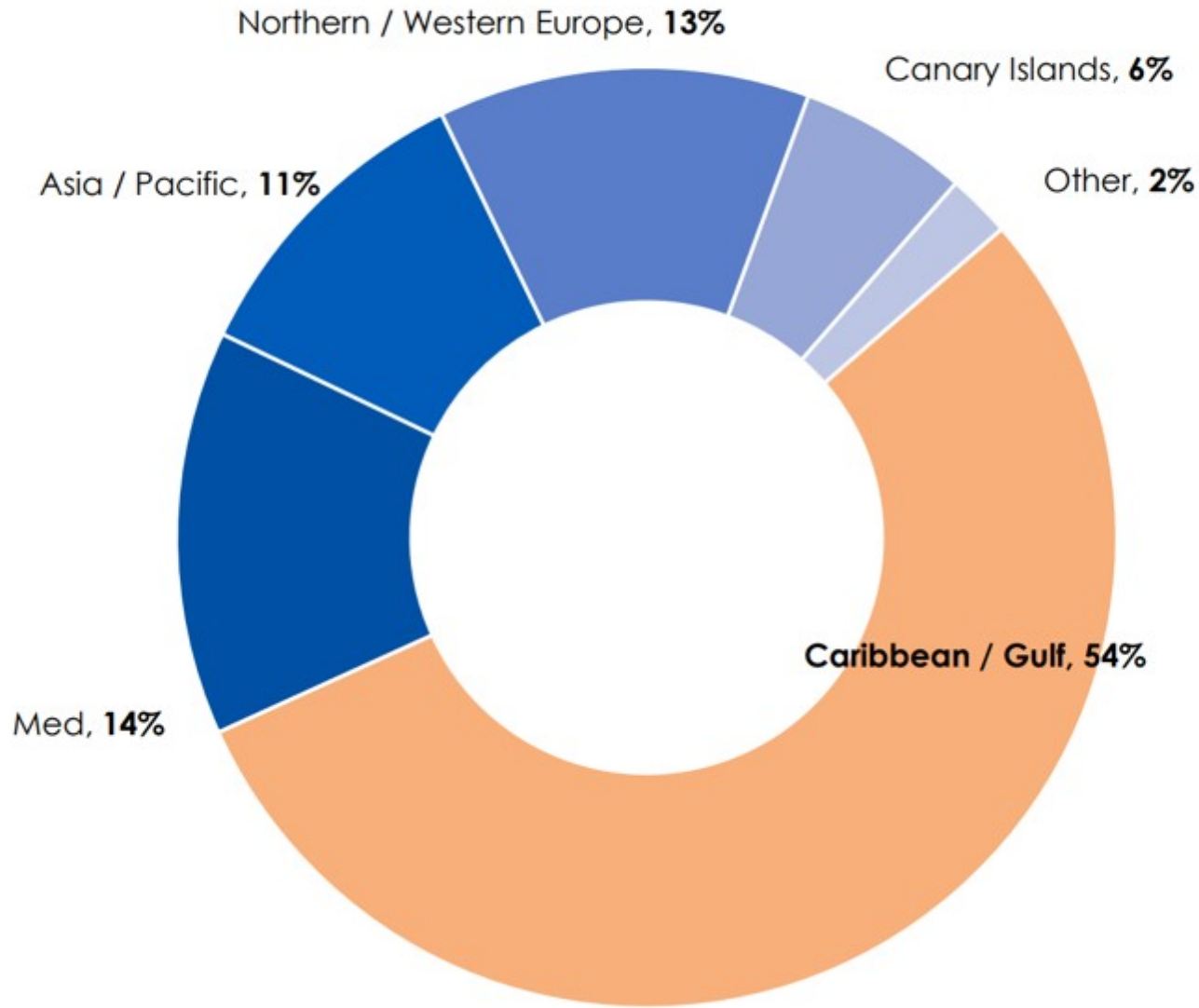
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Port of Galveston Cruise Passengers by Year

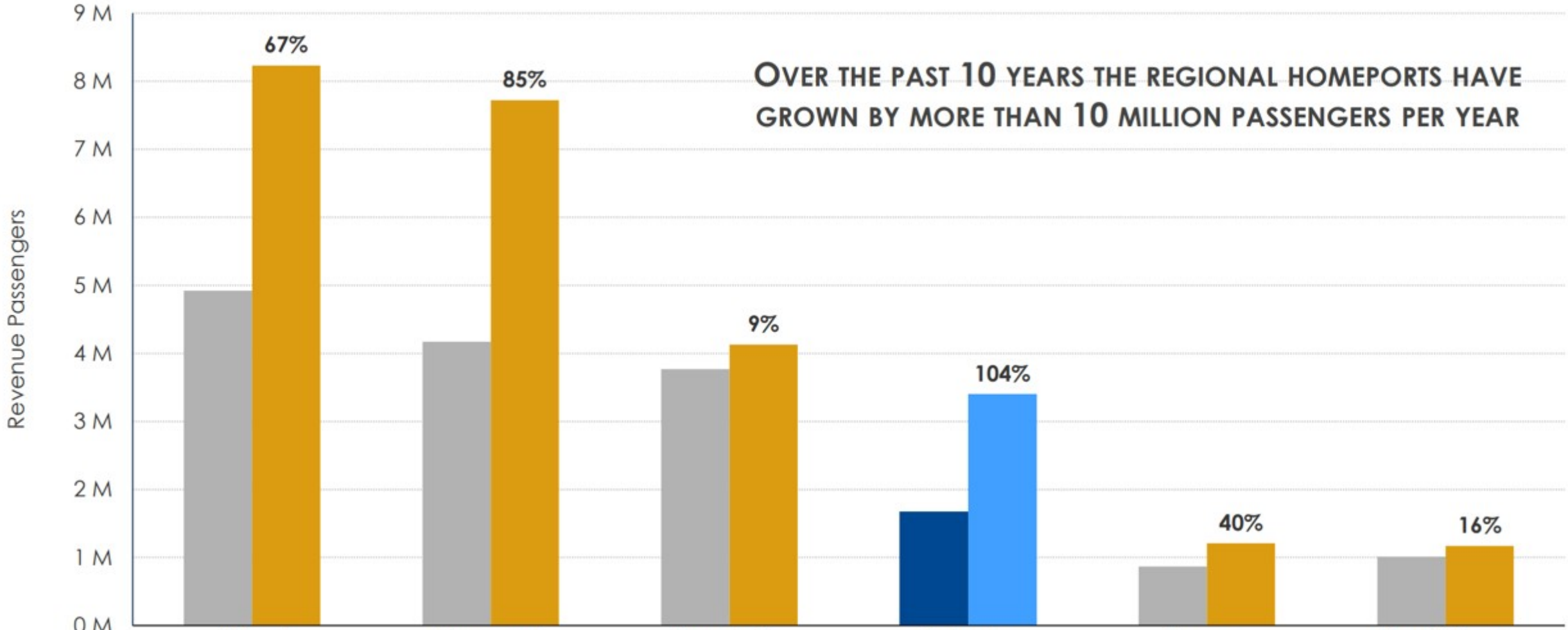


ANNOUNCED DESTINATION OF NEW SHIPS

Deployment data from 2023 to 2025 indicates that the Caribbean / Gulf will receive 54% of all new berths - nearly four times more than the next closest region, the Mediterranean.

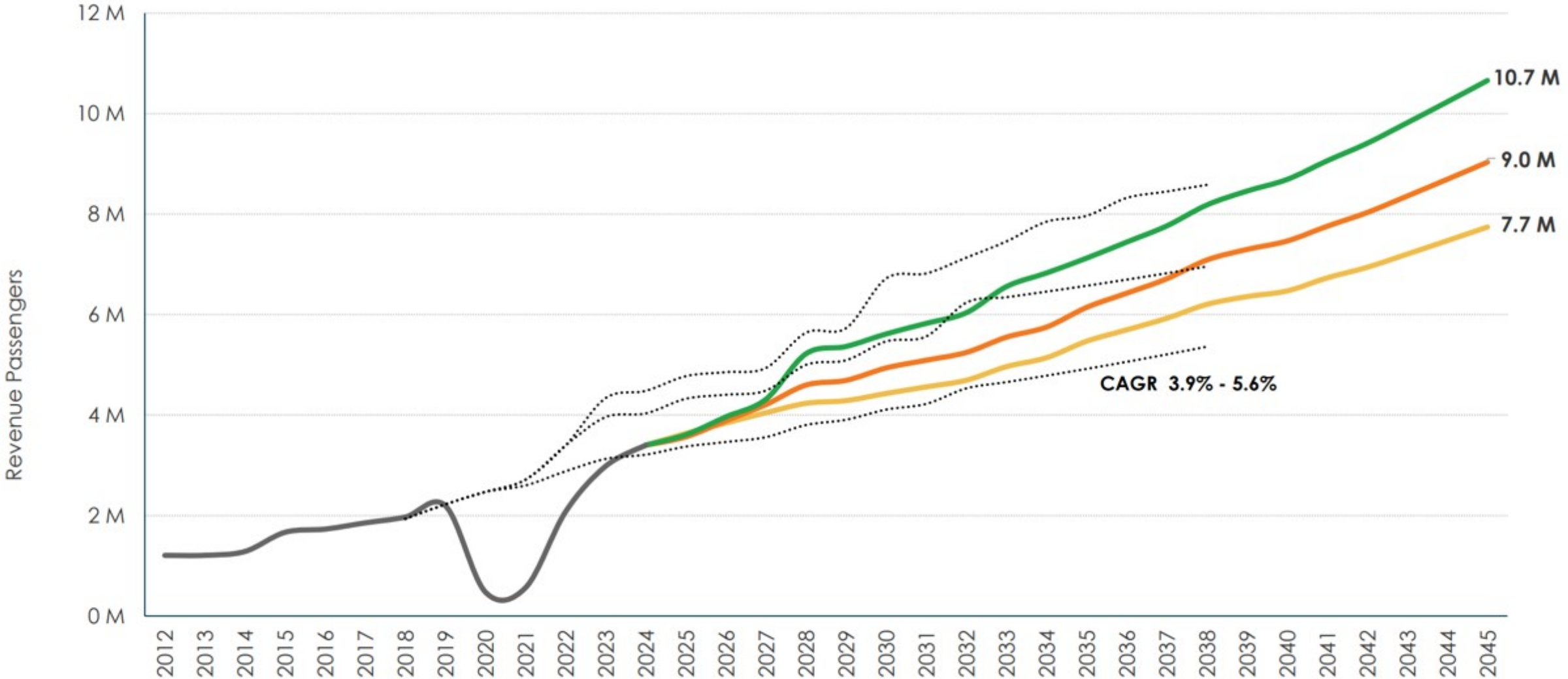


REGIONAL HOMEPORTS



	Miami	Canaveral	Everglades	Galveston	Tampa	New Orleans
2015	4,920,000	4,170,000	3,770,000	1,670,000	867,000	1,010,000
2024	8,230,000	7,720,000	4,130,000	3,400,000	1,210,000	1,170,000
Change:	3.3 M	3.6 M	360 K	1.7 M	343 K	160 K

GALVESTON MARKET CAPTURE FORECAST



WHY CRUISE FROM GALVESTON

- A drive-to destination
- 445 cruise sailings a year
- 45-minute sailing time to open water
- 2 major international airports within 1.5 hours

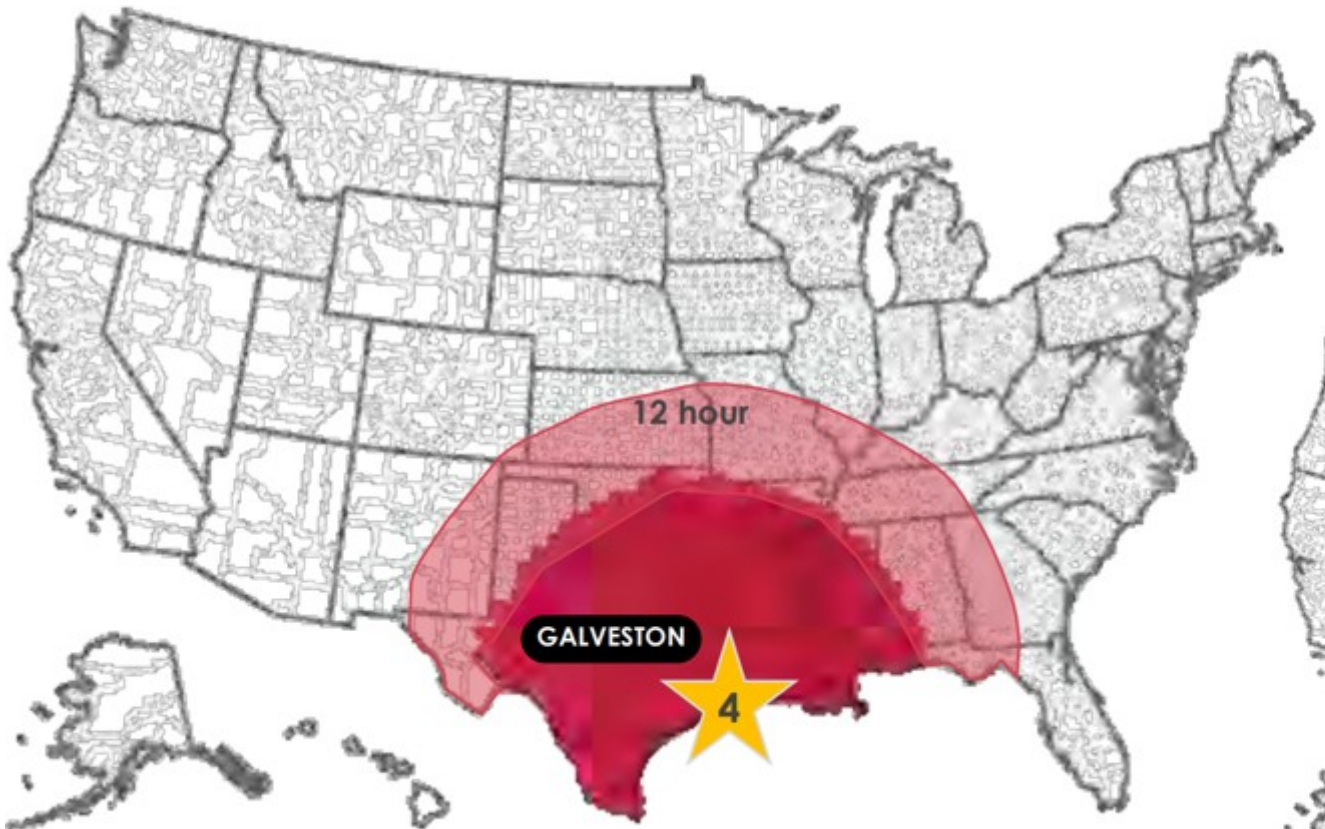


OPPORTUNITY - DRIVE GUEST MARKET

Success Breeds New Opportunities

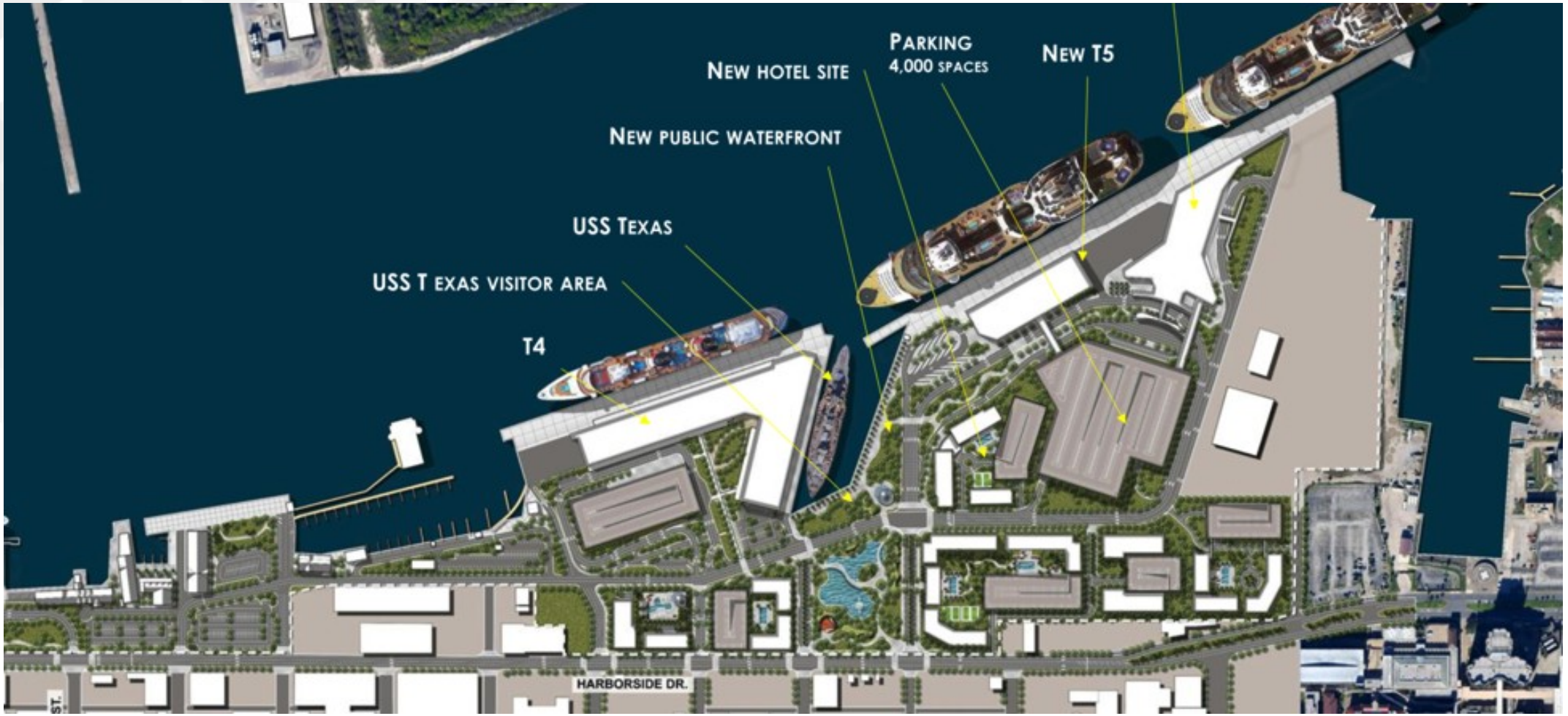
Drive Market (500 Miles / 8 Hours)

Port	Population	10 Yr Growth
Miami	26 M	16.5%
Canaveral	46 M	14.5%
Everglades	27 M	16.4%
Galveston	**46 M**	**11.1%**
Tampa	47 M	13.6%
New Orleans	63 M	11.8%





OPPORTUNITIES OVERVIEW



EAST – Cruise facilities, parking garage, USS Texas facility, commercial development, retail, hotel, multi-family, greenspace, pedestrian access.

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CRUISE SUMMARY

- Galveston could exceed 10 million cruise passengers by 2045
- Galveston is on track to become 3rd largest cruise homeport in the U.S. >2028
- To meet demand, we would need a 5th and 6th terminal
- Space could be planned to have a 7th terminal
- Flex berth design to serve cargo needs



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FROM CAR TO SEA: CRUISES IN GALVESTON

- Port operates 8 parking sites including two parking garages
- Over 8,800 parking spaces
- Up to 1,834 vehicles parked on a 4-ship cruise day
- 231,000 vehicles parked in 2025
- 60% percent of vehicles parked by port compared to private lots
- YOY 5% growth rate of total vehicles parked
- 2026 estimated revenue of $36 million of the est. $85 million



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DIRECT BENEFITS TO CITY, 2025

$3.1 million paid including

$894,000 – Port payment to city for additional passenger charge
$1.3 million – Port payment for long-term parking fee
$674,000 – Local sales tax



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OUR MISSION

To generate and reinvest port revenues to benefit the Galveston community with economic growth, jobs and sales tax revenues.



ECONOMIC GROWTH



JOBS



SALES TAX REVENUES

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CARGO



Lesson learned: Without diversity of business lines, revenues and jobs are endangered

- Cargo and lay-ship dockage revenue ensured port's economic survival during 15-month cruise industry suspension
- Cargo generates 350,000-plus union labor hours annually (Estimated 650,000 + total)
- West End Cargo Complex generates $8 million-$9 million annually
- Need infrastructure improvements for continued economic growth – especially cargo

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$106M WEST PORT CARGO EXPANSION

- 2 slips enclosed and 1 filled to add 6 acres
- New 1,410-foot berth
- Laydown areas repaved
- Grain elevator demolished
- Almost 30 acres added to 60-acre facility for cargo and job growth
- Internal Cargo Roadway
- Plans to increase from 90 acres to 130 acres



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$106M WEST PORT CARGO EXPANSION

BEFORE



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$106M WEST PORT CARGO EXPANSION

AFTER



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PELICAN ISLAND INFRASTRUCTURE

- Potential to replace old bridge with land bridge and rail
- New port-owned berth to serve shipbuilding, LNG bunkering and expanded cargo operations
- New roadways and utilities

The port is a major landowner on this largely undeveloped island on Galveston Harbor.



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OPPORTUNITIES OVERVIEW



PELICAN ISLAND – Industrial development on port's 357 acres including shipbuilding, LNG bunkering, cargo handling. Need roadways, berth, new connection to Pelican Island.

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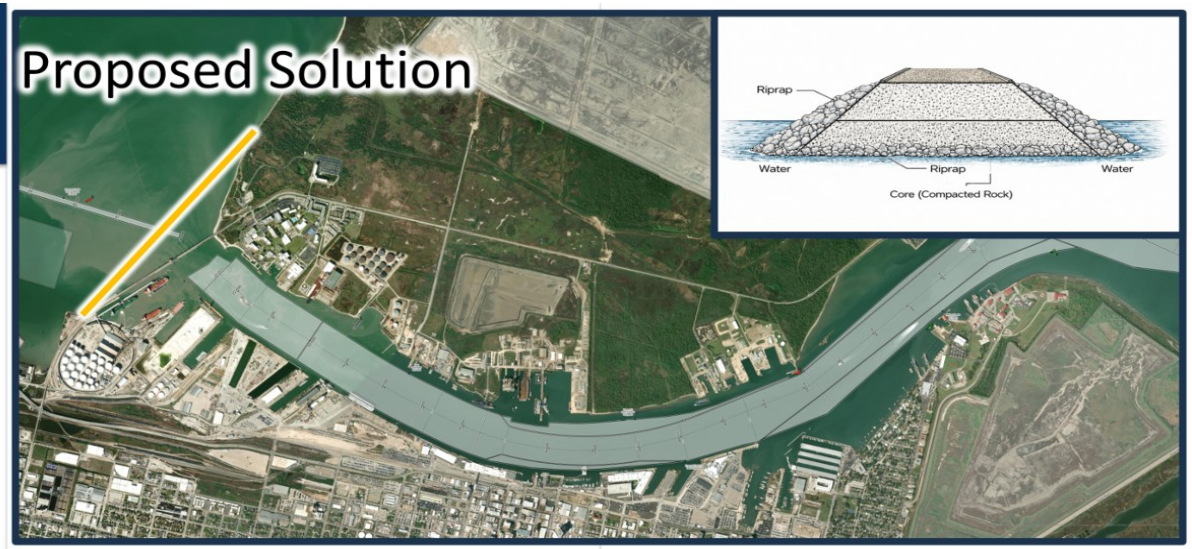
Galveston Harbor & Channel, TX Modification Study Section 216 Authority

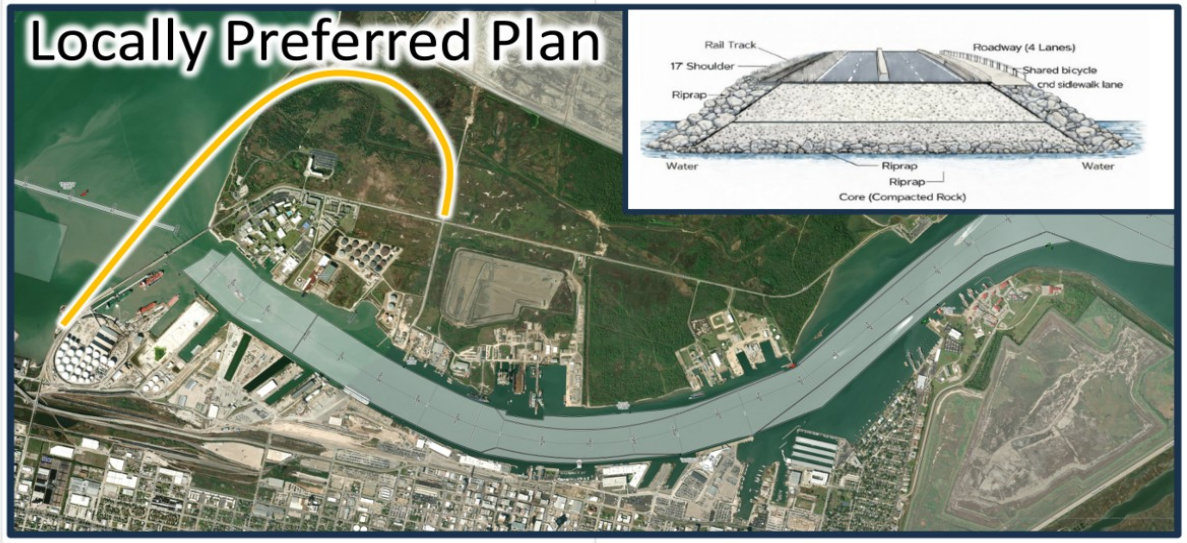
EXECUTIVE SUMMARY

The Section 216 Feasibility Study, conducted under Section 203 authority, will evaluate the feasibility of constructing a training structure (General Navigation Feature) within the Galveston Harbor and Channel Project to reduce sedimentation, improve navigation conditions, and lower long-term federal operations and maintenance costs. The primary purpose of the feature is to create a more stable, still-water navigation corridor within the harbor, reducing the deposition of sediments that currently drive recurring maintenance dredging requirements. By reducing channel currents and improving depth reliability, the project is expected to enhance navigation safety, operational efficiency, and overall reliability for commercial vessel traffic transiting the harbor.

In addition to its federal navigation benefits, a Locally Preferred Plan (LPP) will be evaluated that would enhance the training structure to serve as a reliable intermodal transportation connection to Pelican Island. This dual-purpose approach would improve access to existing deep-water marine terminals, support future port-related development opportunities, and unlock the economic potential of currently undeveloped lands on Pelican Island. The resulting increase in terminal efficiency, cargo throughput, and future industrial development is anticipated to generate additional tonnage moving through the Galveston Harbor and Channel Project, further strengthening the region's maritime economy.

The study will assess engineering, navigation, environmental, economic, and operational considerations associated with the proposed feature and its alternatives. Through detailed technical investigations, stakeholder coordination, environmental compliance, and federal review, the study will identify and recommend a technically sound, environmentally responsible, and economically justified plan. The ultimate objective is to develop a comprehensive feasibility and environmental documentation package that supports informed federal decision-making and provides a pathway toward implementation of a project that delivers both navigation and regional economic development benefits.





TEXAS INTERNATIONAL TERMINALS

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MAYBE ONE DAY?



Approved Master Plan by Bermello, Ajamil
Final design may vary

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