
GNO, Inc. Annual Luncheon 2023
Presentation Overview – GNO UNITED

Michael Hecht, President and CEO of GNO, Inc., welcomes all to the 2023 Annual Luncheon and presents *the 2022 Year in Review*:

A Tale of Two Cities: When people ask how things are going in Greater New Orleans, I often revert to Charles Dickens: *It was the best of times, it was the worst of times*. Meaning, I truly believe that our region possesses more opportunity than ever, even compared to the post-Katrina reconstruction. But our challenges are perhaps greater than we have seen in years. It's up to us to determine which way the story ends.

Offense and Defense: With all the opportunities and challenges of 2022 in mind, I often felt that we had to play both sides of the ball, both offense and defense. Offensively, to take advantage and capitalize on the opportunities present; defensively, to prevent bad or worsening outcomes. In that spirit, I have chosen to organize the 2022 Year in review along this structure. First, we will discuss the GNO, Inc. offensive work, where we proactively grew the region's economy and improved its quality of life.

Offense: I would be remiss if I did not begin by congratulating President Fitts of Tulane University and Coach Fritz of the Green Wave football team on their historic season. If you look at the picture on the slide, you may notice that the Quarterback's tattoo says "believe," as in "Can you believe the Green Wave ended the year ranked in the Top Ten in the nation?" This shows us that truly anything is possible.

- *President Fitts, Patrick Norton, Sharon Courtney, and many others from Tulane are recognized at this moment for their championship year, including their partnership made with LCMC.*

H₂ the Future: One of our biggest wins on offense at GNO, Inc. was being awarded \$75 million by the Department of Commerce for H₂ the Future, our plan to develop a clean hydrogen cluster in South Louisiana. Our coalition, comprised of 25 organizations from across South Louisiana, submitted a grant that was ranked in the top 5% of the nations – one of only 21 recipients from a pool of 523 applicants – ranking nearly as high as Tulane in football. With H₂ the Future, we seize the opportunity to preserve our industrial jobs while reducing economy-wide carbon emissions by up to 70%. There are multiple components of H₂ the Future, including the opening of NEXUS, the New Energy Center of the United States, at UNO and the construction of the first-in-America zero-emission tugboat facility at the Port of South Louisiana.

International Trade: GNO, Inc. also played strong offense in International Trade this year. We started with a merger – *like when the NBA merged with the ABA* – when the World Trade Center New Orleans, the first in the world, merged with GNO, Inc. to form the World Trade Center New Orleans at GNO, Inc. The result will be a revitalized World Trade Center, including trade missions, new member programming, and a focused effort to bring in distribution and cargo facilities for job creation. Additionally, for GNO, Inc., we now have a dedicated International Trade department.

Louisiana International Terminal: Perhaps no bigger offensive play was made this year in international trade – or in economic development – than the announcement by Governor John Bel Edwards of a historic partnership between the State, PONO, and maritime industry leaders to build a \$2 billion state-of-the-art container facility on the Lower Mississippi River. The new Louisiana International Terminal in St. Bernard will create 17,000 new jobs, allow us to receive the biggest ships coming through the Panama Canal, and put Louisiana back in the lead for international trade.

- I would also like to address the big news that was released yesterday: that the Port of South Louisiana is purchasing Avondale. This \$500 million of investment in the West Bank of Jefferson Parish is significant, as is the prospect of sustaining Avondale, which all of us – including our partners in Jefferson Parish, the State, and at the Federal level – fought so hard to keep open.

- The fact is, combined with the Louisiana International Terminal, the nearly \$2.5 billion of investment on the Lower Mississippi River is outstanding!
- However, this announcement underscores how critical it is for us to develop a coordinated Port strategy, and for all four ports to work together. No matter what, our strategic sights must be collectively set on how we collaborate, to outperform the competition, particularly in Mobile.

Energy Sector: Switching to the energy sector, here at GNO, Inc. we take an “all of the above” approach to energy production and development in the state. We support the transition to cleaner energy, but we feel at GNO, Inc. that it should be done in a responsible, balanced way.

Venture Global LNG: With this in mind, a massive win this year for the region is the Venture Global LNG project in Plaquemines Parish, which GNO, Inc. is actively supporting. *How massive is this development?* This \$13.2 billion investment is the largest project financing in the World for 2022. Here at home, it will create 4,000 construction jobs and 1,200 permanent direct jobs. Overseas, it will provide natural gas to help Europe wean itself off Russian gas, enhancing global stability.

GNOwind Alliance: Also in the energy sector, South Louisiana has established itself as a leader in offshore wind. Our GNOwind Alliance now has over 250 members and is pursuing 3 strategies: First, Louisiana will provide the designers, builders, installers, and services for offshore wind farms across the country, as we have already done for the Block Island Wind Farm in Rhode Island. Second, offshore wind will be used for industrial use, particularly to produce clean energy as described in H₂ the Future. Finally, we expect offshore wind energy generation to integrate in the State’s energy portfolio as soon as 2026.

- *By the way, in case you can’t read it from the slide, the slogan of the GNOwind Alliance is “Laissez Le Bon Vent Souffler,” or “Let the Good Wind Blow.”*

Technology Business Development: We also had some big offensive scores with technology, working with NOLABA. Washington D.C. firm Excella opened a 150-person tech-hub in New Orleans with an annual payroll of over \$21 million – *you do the math there*. Additionally, General Dynamics Information Technology opened a new 50-person office at The Beach at UNO.

Food and Beverage: Every year is a big year for the food and beverage industry in Greater New Orleans, but 2022 was especially big. We announced the opening of the Healthy School Food Collaborative in St. Tammany – advocated for with St. Tammany Corp – with nearly 80 jobs created. In collaboration with Tangipahoa Economic Development, Niagara Water Bottling announced a \$160 million investment in a facility in Tangipahoa Parish. *But don’t worry, it wasn’t all healthy food this year!* GNO, Inc. also helped Faubourg Brewing with their 75-person expansion in New Orleans East. And Hubig’s Pies re-opened after a decade since the fire in Jefferson Parish. NOLABA and JEDCO respectively were instrumental in helping us with these two offensive plays.

USL Champions League: Speaking of playing offense, how about soccer? In 2022, GNO, Inc. worked with the USL Champions League, the largest pro-soccer league in the nation – with 27 teams – to start playing in Greater New Orleans. They are currently finalizing the stadium location and look to start playing by 2025. *I suggested the New Orleans Bounce for the name, but that name was unfortunately rejected.*

Calucem Business Development: After working with our partners at NOLABA, LED, and Entergy, the Spanish company Calucem announced a \$35 million facility in New Orleans, which continues the focus to bring jobs and industry to that region of the city.

MSY Airport: With the airport and international flights, in 2022 we returned from a defensive stance during COVID to an offensive stance. Working with the team at MSY, our advocacy resulted in British Airways resuming flights soon to be five times a week, Air Canada introducing a new direct flight to Montreal, Breeze maintaining up to 11

total flights and an operational hub, and even a successful “test flight trial” on Air France from New Orleans to Paris.

Economic Mobility: GNO, Inc. also stayed on offense with our economic mobility work in 2022, with successful programs including paid internships for students enrolled in HBCUs with both startups and STEM companies, work with returning citizens through our support of Project Rebirth with LPP and the City of New Orleans to deepen the re-entry workforce, and a continuing push to advanced STEM with WISE Women – Women in the STEM Economy.

- *Here on the slide, you can see the WISE Women program on a fieldtrip to NASA Michoud.*

Public Policy: In terms of public policy, GNO, Inc. offensive work focused on federal infrastructure funding, including working closely with the state Infrastructure Czar to support applications for funding. In fact, we supported projects that aided in Louisiana receiving close to \$4 billion in Year 1 funding. At the State level, our policy wins included helping secure \$84 million for early childhood education, securing \$8 million in funding for statewide economic development, and increasing the acreage for offshore wind leases in state waters.

GNOu: Finally, our award-winning GNOu program continued to stay on offense in 2022 with 21 subjects, including our next Mechatronics Advanced Manufacturing apprenticeship cohort, MIC'D UP music industry fellowship, and Project POWER at River Parishes Community College. Anticipated GNOu projects for 2023 include Wind Energy programs at UNO and Nunez, a NeuroNOLA workforce program, and a Brewing and Distilling training program to support craft brewers.

Defense: But, as I said, it wasn't all offense. Sometimes, we had to play defense, either to dig out a win or make a save...

Flood Insurance: One of the places where GNO, Inc. has been playing defense for a good while is flood insurance. We have brought out national coalition, the Coalition for Sustainable Flood Insurance, back together to fight FEMA's Risk Rating 2.0. Pictured in the slide is our meeting with FEMA Administrator Maurstad, where we explained the problems with the ne system. Working with our Congressional delegation, and our region's Parish presidents, we will continue to fight for South Louisiana and all of coastal America.

Protecting Industry: In 2022, industry came under increasing attack, and GNO, Inc. came to its defense. GNO, Inc. ensured the continued and reasonable application of ITEP, the extension of key incentive programs such as Quality Jobs, and the passing of tax simplification measures. An even greater concern was the amount of time spent defending industry against attacks from organizations outside of Louisiana. In 2023, this defense will need only to ramp up, as there are large and wealthy groups spending tens of millions of dollars to shut down Louisiana industries with no regard for economic or social impacts.

NASA Michoud: GNO, Inc. learned back in 2010 that the Space Shuttle program would end, and along with it our NASA Facility. Our team banded together with our state and federal delegation to keep it open. Now in 2022 our NASA Facility employs over 2,000 individuals and has constructed the *largest rocket in human history*. This rocket will put the first woman and person of color on the moon by 2025 and the first human on Mars by the 2030s. NASA Michoud is also responsible for constructing the longest windmill blade in history.

Coastal Restoration: Defending the coast of Louisiana continues to be a top priority for GNO, Inc. In 2022 we advocated for the State's largest single-year investment into the Coastal Master Plan – totaling \$1.35 billion – and the passage of 2022 Annual Plan, which will support over 8,000 jobs across the state with over a \$500 million in income. Our work in this sector is about protecting our coast, protecting our way of life, and developing a model of resilience for the world.

NOLA Coalition: But without a doubt, the place where we found ourselves playing the most urgent defense in 2022 was public safety. After a historic low in murders as recently as 2019, we saw our city tragically lead the

nation this past year. This violence was augmented by an increase in car jackings and property crimes, all of which have contributed to a palpable sense of fear in our community. This is an issue first-and-foremost about lives – it is morally indefensible to lose so many of our children and friends. But public safety in New Orleans is also an issue about livelihoods: the city and region will lose businesses, tourists, and conventions if safety remains an issue. Public safety is definitively a *regional* issue, because crime and its impact does not respect Parish lines.

Faced with this loss of life and livelihood, GNO, Inc. convened and created the NOLA Coalition. At first, we thought that a couple dozen groups would join; now we have reached close to 500 organizations, representing tens of thousands of concerned employees and citizens. The NOLA Coalition is one of the most diverse and inclusive groups ever assembled: black and white, Democrat and Republic, Uptown, New Orleans East, Lakeview, Central City, big business, small non-profits, and faith-based organizations. We are all united by one thing: a love of our City and our children.

In just a few months, working with Mayor Cantrell, the City Council, New Orleans Police Department, and many partners, the NOLA Coalition has become a significant force and has driven change in the following ways: Regarding Plank 1 [depicted in the slide], support, institutional change, and funding for NOPD continue to be adopted by City Hall. Regarding Plank 2 [depicted in the slide], we have already raised well over \$5 million towards the \$15 million three-year goal, which funding will support nearly 30 high-impact youth service organizations.

But clearly, our work is far from done. Our top priorities for 2023 are as follows:

- Pursuing a national search for NOPD Chief
- Supporting recruiting and retention efforts
- Focusing on violence prevention
- Ensuring the system works as a whole with fairness and accountability
- Advocating for tools for first responders and citizens
- Investing millions more into Youth Service Programs

The NOLA Coalition is committed to an inclusive, transparent, and impactful process. If you would like to learn more or join the coalition, please visit NOLACoalition.info.

We know from experience that if we play UNITED, on both offense and defense, we can be champions. But what exactly does it mean to be **GNO UNITED**? The answer is simple: it means that we are stronger together than apart, that the region as a whole is even greater than the sum of our parts. Finally, it means that if we come together, we can be world-beaters.

The idea and mission of **GNO UNITED** possesses certain key principles:

- Common Purpose to secure the future of GNO, Inc. for our kids and grandchildren
- Action grounded in principle
- Respecting and celebrating our differences
- A bias for action, producing more light than heat
- **A love of Greater New Orleans** – for the people, the place, and the culture

What separates these principles from embellished terms found in a corporate textbook? Greater New Orleans can write our own book and create a thriving and inclusive economy, because we have been here before. We have overcome tragedy by remaining united as a region. A united regional front enabled us to rebuild in the aftermath of the Deep Water Horizon Oil Spill, after the tragedy of Hurricane Katrina, in efforts to advocate for fair flood insurance prices, while recruiting and retaining an NBA team, and in securing the first international flights from MSY since 1984. Few places in this country and world can come together like Greater New Orleans can.

We are all we got. This quote was said to me by a member of the NOLA Coalition. And as I look around, I can't help but think how true this statement is. I can envision two potentials for Greater New Orleans. The first is what I

would call the “Nashville” outcome: with a thriving combination of economy and culture, Nashville leads the nation in number of cranes in the sky. The second is what I would call the “Key West” outcome: transforming into an economic and geographic archipelago, still loved but attracting only destination weddings and bachelor parties. *So, which is it going to be?* This decision is up to us. As I look around the room, I would put this group, pound for pound, against any other region in the country in terms of talent, energy, and commitment. *We are all we got, and it is enough.* As long as we remain UNITED.

The opportunities we possess are real, but so are the challenges that we face in this year and decade [opportunities and challenges listed on slide]. But how do we accomplish this? We must imagine a better future, and help create that vision for others. We must demand excellence, and never accept mediocrity. We must think structural change – we must change the game. And we need to sustain our effort – it is a marathon, not a sprint – this is generational change!

This is what it means to work together

This is what it means to play both offense, and defense, as a team

*This is what it means to be **GNO UNITED***