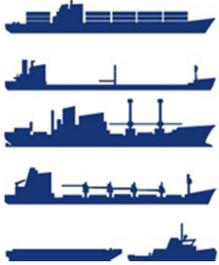




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Seaport Infrastructure Financing Districts Created in California

SB 63 (Hall) Signed by Gov. Brown Allows New Financing Tools For Seaport Terminal & Environmental Infrastructure

SACRAMENTO, CA – The Pacific Merchant Shipping Association (PMSA) applauds Governor Brown for his signature on Senate Bill 63 yesterday. SB 63, authored by Senator Isadore Hall, will promote the continued competitiveness of California ports by providing a new tax-increment financing mechanism for seaport infrastructure.

A Seaport Infrastructure Financing District will have the authority to fund both traditional transportation as well as environmental improvement infrastructure at seaports. SB 63 was supported by PMSA, which represents ocean carriers and marine terminal operators which do business at all of California's public ports, and other maritime interests.

“California's public ports continue to lead the nation in overall trade volumes, job creation, and infrastructure investments, and have worked with their private maritime industry partners to achieve monumental, unprecedented reductions in the environmental impacts,” said Mike Jacob, PMSA Vice President & General Counsel. “Now, our Ports must pay for new investments in the next generation of infrastructure and environmental quality improvements. With SB 63, the state is providing new financing options to our ports and looking towards adding new cargo capacity and pursuing the next generation of air quality improvement projects.”

Under the provisions of SB 63, seaports may now work with local cities and counties to create local Seaport Infrastructure Financing Districts, which can underwrite revenue bonds in anticipation of future tax revenues generated from growth in the flow of cargo through California's seaports. In recent legislative sessions, the Legislature and Governor have recognized the importance of restoring local tax increment financing opportunities lost by the elimination of redevelopment by creating enhanced infrastructure financing districts. SB 63 now gives seaports a specific enhanced infrastructure financing district category.

“Financing new investments in California's seaports is crucial not just to the overall economic health of the state but also to the bottom lines of local cities and counties,” added PMSA's Jacob. “Seaport infrastructure districts should create win-win investments in our seaports, where we can improve our competitiveness, grow cargo volumes, while also investing in the environment.”

“PMSA would like to thank Senator Hall for authoring this bill and commend Governor Brown for his signature. This new legislation will give California's ports one more financing tool to help continue these investments in more jobs and a cleaner environment.”

For more on SB 63: http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160SB63

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