



FOR IMMEDIATE RELEASE

Contact: Tricia Vela, Public Affairs Assistant
Phone: (979) 233-2667 ext. 4330
Email: vela@portfreeport.com

PORT COMMISSION ADOPTS A ZERO TAX RATE A SELF-RELIANT START TO THE NEXT CENTURY

FREEPORT, TX (September 12, 2024) - On September 12th, in a historic milestone for Port Freeport, the Port Commission voted to adopt a ZERO tax rate. This is the first time in Port Freeport's history that it will be self-reliant, and no taxes will be assessed.

The Brazoria County voters approved the creation of the Brazos River Harbor Navigation District of Brazoria County, Texas (now Port Freeport) in December 1925 and approved the issuance of \$1 million in bonds for the purpose of engaging with the U.S. Army Corps of Engineers to divert the Brazos River. What an amazing impact that decision, made almost 100 years ago, has had on the economic development and prosperity of the area. To honor those that took on that challenge and bore the cost so future generations could prosper, it was time for Port Freeport to become tax independent.

Reflecting on the historic significance of this moment, Chairman Ravi Singhania remarked, "This achievement represents the culmination of dedication and vision from both current and past commissioners and employees. It all began with the visionary decision of Brazoria County voters in 1925, who laid the groundwork for the creation of Port Freeport. The steadfast trust and commitment of taxpayers, combined with tireless efforts, have fueled growth and opportunity in the region for decades, and we look forward to even more in the future. We are immensely proud to be part of this moment and to have achieved this together."

The first bonds were issued in 1927, and a tax rate of \$0.35 was adopted. The assessed taxable value at that time was \$29.6 million. Today, the taxable value for the Port Navigation District is \$23.5 billion and growing.

In 2023, the Port Commission voted to take the M&O rate to Zero. Setting the M&O rate at zero meant that voter approval would be required before any M&O tax could be resurrected. Now the Port Commission has voted for a Zero I&S rate and has encumbered port operating revenues to cover the fiscal year 2025 debt payments for the bonds approved by the district voters in 2018 for the channel widening and deepening project. Until the voter approved bonds are fully repaid, the Port Commission will annually have to encumber port revenues for each year's debt service payments.

“The recent growth at the Port has greatly bolstered our operating revenues, enabling the Port to fully sustain operations while meeting the debt service requirements on all outstanding bonds, including voter-approved issues. We are very thankful to the taxpayers who have supported the Port for nearly 100 years, but we will take it from here” stated Vice Chairman and Finance Committee Chair, Rob Giesecke.

“This is a proud and transformative moment for the entire community and a reminder of the incredible legacy and responsibility we carry,” said Phyllis Saathoff, Port Freeport's Executive Director and CEO. The Freeport Harbor Channel is a gateway for global trade that will continue to fuel growth and prosperity for future generations."

Information on the tax rate and budget, as well as the Freeport Harbor Channel Improvement Project and the 2018 Bond Referendum, can be found on the Port website at www.portfreeport.com.

Port Freeport is a leading port in the export of crude oil and natural gas liquids and ranks nationally as 6th in chemicals, 15th in total foreign waterborne tonnage, and 26th in containers. A 2022 Economic Impact Study by Texas A&M Transportation Institute revealed that, nationally, the Freeport Harbor Channel generates 266,300 jobs and has a total economic output of \$157.3 billion. Port Freeport serves Alliera, Atlantic Container Lines, AMPORTS, BASF, Chiquita Fresh N.A., Dole Fresh Fruit, The Dow Chemical Company, Enterprise Products Partners, ExxonMobil, Freeport LNG, Fresh Del Monte Produce Inc., Ford Motor Company, General Motors, Glovis, Grimaldi Lines, Hoegh Autoliners, Kirby Marine, Liberty Global Logistics, Linde, MEGlobal, NYK RORO, Phillips 66, Riviana Foods, Inc., Sallalum Lines, Tenaris, U.S Department of Energy, Volkswagen Group of America, and Vulcan Materials Company.



1100 CHERRY ST. • FREEPORT, TX 77541
(979) 233-2667 • 1 (800) 362-5743 • FAX: (979) 373-0023
WWW.PORTFREEPORT.COM

Port Freeport is committed to keeping the local community informed of our operations and results. If you have questions or comments about this announcement, please email or call Tricia Vela, Public Affairs Assistant.

- # # # -



PHOTO CUTLINE: Port Freeport Commissioners and Executive Director/CEO pose for photo opportunity upon signing of the Tax Rate Adoption Resolution.