



Port of Grays Harbor

On Washington's Pacific Coast

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For Immediate Release

Port designates first Tax Increment Area in Grays Harbor County to help fund Terminal 4 Expansion Project

ABERDEEN, WASH. – On Wednesday, the Port of Grays Harbor Commission designated the first Tax Increment Area (TIA) in Grays Harbor County that will help fund critical infrastructure improvements for the Terminal 4 Redevelopment and Expansion Project which will leverage additional private investment in the community by the Port's largest customer, AGP.

The designation of the TIA is an important step in the Tax Increment Financing (TIF) process. TIF is a new financing tool available to ports, cities and counties, in which public infrastructure vital to private economic development projects can be funded by allocating some of the property taxes paid by development in the TIA for up to 25 years. Property taxes paid by the new development in the TIA would not occur but for the public infrastructure funded by the TIF. State and local school bonds and levies are not impacted by the use of TIF.

For the Port, TIF will be used to pay a portion of the \$46.85 million needed to construct the Terminal 4 Expansion and Redevelopment Project necessary to support AGP's \$123 million investment in a second soymeal export facility at Terminal 4B. The Port's portion of the project includes the addition of 50,000 feet of rail and associated rail improvements in the Port's Marine Terminal Complex; replacement of the Terminal 4 fendering and stormwater systems; and repurposing the 50-acre former pontoon construction site into a cargo laydown area to support future break bulk opportunities at Terminal 4A. The TIF funding, along with the \$3.5 million secured this past session in State Capital Budget funds, and Port funds, will go toward

the local match for the \$25.5 million MARAD Port Infrastructure Development Program grant the Port was awarded last fall.

“TIF is a great new tool for ports, cities, and counties to help growth, pay for growth,” explained Port of Grays Harbor Finance Director Mike Folkers. “Right now, there is no property tax revenue being generated within the TIA, and there wouldn’t be without the Port making the necessary public infrastructure investments for AGP to make their improvements that will ultimately result in jobs, additional investment and increased cargo exports for our entire community. Local taxing authorities, including the City of Aberdeen, will still realize the sales tax generated on the construction of the Port’s projects and AGP’s new facility.”

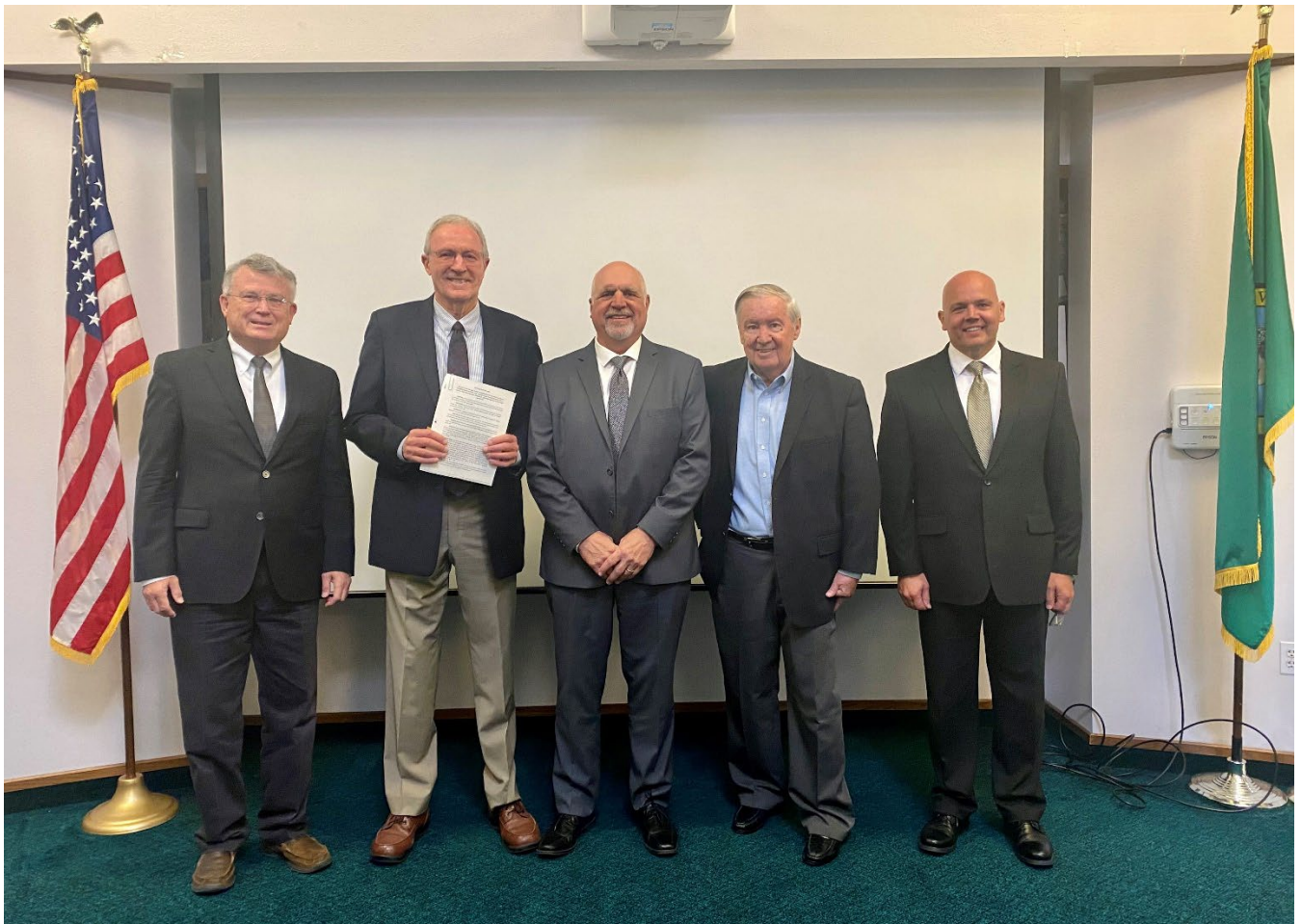
“We appreciate and commend the work, including the outreach, that has gone into this process,” stated Port Commission President Tom Quigg. “The positive feedback from our partners at the City and County are a testament to the community support for this transformational project.”

For more information on the Port’s Terminal 4 Expansion and Redevelopment Project visit, [www.https://www.portofgraysharbor.com/t4-project](https://www.portofgraysharbor.com/t4-project).

Founded in 1911, the Port of Grays Harbor is one of Washington State’s oldest port districts and Washington’s only deep-water port located directly on the Pacific Ocean. The Port of Grays Harbor operates 4 deep-water marine terminals, the Westport Marina, Bowerman Airport, Grays Harbor ship assist services, numerous public waterfront access facilities, in addition to industrial and business parks throughout the County. The addition of Satsop Business Park increased the Port’s properties to more than 1,000 acres of industrial properties and an additional 1,200 acres of sustainably managed forestland. Strategically located midway between Seattle and Portland and less than 1 ½ hours from open sea, the Port of Grays Harbor provides businesses a diverse portfolio of facilities. More information on the Port of Grays Harbor’s facilities and operations is available at portofgraysharbor.com or satsop.com.



This schematic shows both the public improvements the Port will be making and the private improvements to be made by AGP (shown in pink). The Tax Increment Area (TIA) was created around AGP's improvements at Terminal 4B.



Port legal counsel Art Blauvelt joins Port Commissioners Tom Quigg, Phil Papac, and Stan Pinnick along with Director of Finance and Administration Mike Folkers to commemorate the formation of the Port's first-ever Tax Increment Area.