

2007 Bond Facts

Port of Houston Authority



PORT OF HOUSTON AUTHORITY

Port of Houston

- 1st in U.S. in foreign tonnage
- 2nd in overall tonnage
- 2nd largest petrochemical complex in world
- 10th largest port in world
- 7,057 ships & 150,000 barges calls
- 215 million tons of cargo
- 150 public & private terminals



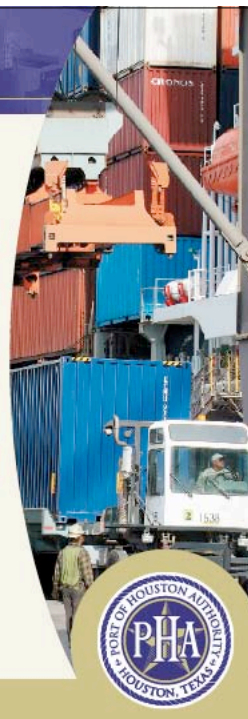
Port of Houston Economic Impact

- 785,049 jobs in Texas
- \$117.6 billion of total Texas economy
- \$39 billion in personal income
- \$3.7 billion in state & local taxes



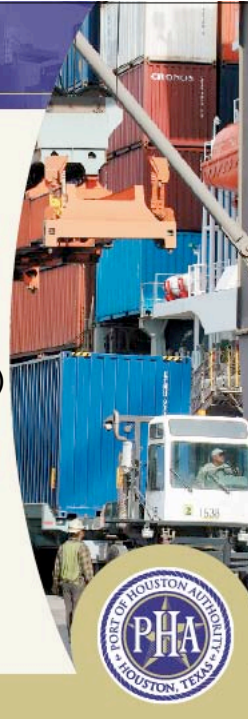
Port of Houston Authority

- Own 12 public terminals
- Sponsor of 53-mile Houston Ship Channel
- Chartered to create job growth & economic development
- Generates approx. 393,000 jobs at its terminals



Port of Houston Authority

- Handle 40 million tons of cargo annually
- PHA handles diverse cargoes:
 - Container
 - Break-bulk (steel, forest products, cars, etc.)
 - Dry bulk (grain, pet coke, etc.)



PHA Small Business Development

- 35% participation goal
- Race & gender neutral program
- 5 year anniversary
- 1,048 small business registered
- \$202 million in contracts awarded
- Exceeded goal every year since inception



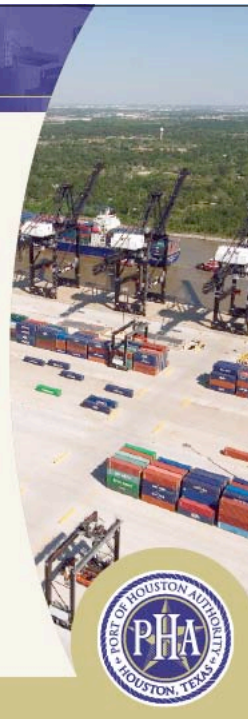
PHA Container Business

- Received first container shipment in world 1956
- Opened Barbours Cut container terminal 1970s
- Balanced import & export trade
- Handles 73% of containers in U.S. Gulf
- Double digit growth for past 10 years
- Handled record 1.6 million TEUs



PHA Bayport Container Terminal

- 1st phase opened in February 2007
- 15-year build out plan
- 7 container berths
- 378-acre container yard
- 2.3 million TEU capacity design



PHA Bayport Cruise Terminal

- 1st cruise berth to open Spring 2008
- 3 cruise berths at buildout
- 40-acres of co-development
- Enhance tourism & economic development
- 3,000 jobs at buildout
- \$700 million economic impact



PHA Capital Improvement Program

- \$1.7 billion 9-year capital improvement plan
- Facilities, infrastructure, security & environment
- PHA revenues fund 67% of capital improvements
- General obligation bond financing needed to meet:
 - market demand;
 - shipping route opportunities;
 - job creation potential; and,
 - economic development



PHA \$250 Bond Request

- \$250 million general obligation bonds
- Bayport container & cruise terminals
- Other facilities, transportation & infrastructure
- Security infrastructure & environmental projects
- Maintain job creation & economic development
- No tax rate increase
- Bond funds are only used for capital improvement projects not operating expenses



PHA Sample Bond Language

The issuance of \$250,000,000 Port of Houston Authority bonds for port improvements (including related transportation facilities, security facilities and environmental enhancements) to provide economic development and the levying of the tax in payment thereof.



When to Vote

Early Voting

- October 22 – November 2, 2007

Election Day

- Tuesday, November 6, 2007
- 7 am until 7 pm

