

American Association of Port Authorities

Alliance of the Ports of Canada, the Caribbean, Latin America and the United States

Seaports Prosperity

April 12, 2016

The Honorable Anthony Foxx Secretary U.S. Department of Transportation 1200 New Jersey Avenue, SE Washington DC 20590

Dear Secretary Foxx:

The American Association of Port Authorities (AAPA) is writing to express its strong support for public seaports' applications for this year's TIGER awards. AAPA has been a strong advocate for the program since its inception in 2009. TIGER has made real improvements in our nation's maritime transportation system and needed investments in our freight infrastructure.

Founded in 1912, AAPA is the unified and collective voice of the seaport industry in the Americas. AAPA empowers port authorities, maritime industry partners and service providers to serve their global customers and create economic and social value for their communities. Our activities, resources and partnerships connect, inform and unify seaport leaders and maritime professionals in all segments of the industry around the western hemisphere. Our letter today is on behalf of our U.S. members.

Last year, AAPA released its freight infrastructure report, the "<u>State of Freight</u>," which outlined the essential role that TIGER has played in integrating ports into the planning process, and helping to facilitate U.S. ports' contributions in developing the freight network. More than 95 percent responded to the survey, and 71 percent of AAPA member ports indicated they are working with their state governments on state freight plans, and 63 percent are members of freight advisory committees. Ports eligibility for TIGER funding has driven this engagement.

One of the continued values of TIGER from a maritime perspective is that it leverages considerable private, state and local investments in seaport infrastructure. Since 2009, TIGER grants have leveraged over \$700 million in maritime projects alone. Ports are the cornerstone for public-private partnerships and the combination of tools and the availability of TIGER funding will allow our nation's ports to facilitate and finance projects that might otherwise lay dormant. For example, these grants have helped fund seaport intermodal connectors and facilities (including rail, road and short sea shipping); wharf and dock rehabilitation and expansion; improvements in yards, piers, breakwaters and cranes; and improvements overall to rail movements throughout the U.S. to improve freight mobility.

American seaports and their private-sector partners annually spend more than \$30 billion collectively in marine terminal capital improvements that help handle freight and cruise passengers more efficiently. TIGER grant investments in port projects move these projects forward.

The governments of Canada and Mexico are making large investments in their freight transportation systems, including their seaports. Goods imported and exported do not need to go through U.S. ports. If we do not maintain our infrastructure, more freight will flow through neighboring countries. In order to keep these important maritime jobs at home, the U.S. government must make significant investments in seaport infrastructure. The "State of Freight" survey identified \$28.9 billion in needed freight landside infrastructure investments by 2025. TIGER is the primary tool the federal government has in helping ports make landside improvements.

As the Department of Transportation begins to evaluate applications for the eighth round of TIGER grants, we urge you to provide 25 percent or more in funding for seaports' freight-related projects. These projects will help maintain and expand the maritime infrastructure that is so critical to U.S. exports and imports, which are vital to our nation's economy, standard of living and U.S. jobs.

Sincerely,

Kurt J. Nagle President and CEO