

Ovwww.ohioportauthorities.com

History and Powers of Ports

Port History

Port authorities were originally created in response to the opening of the St. Lawrence Seaway. The first port authority established in Ohio was the Toledo-Lucas County Port Authority but they were soon joined by Ashtabula, Cleveland Cuyahoga County, Conneaut, Huron and Lorain Counties. While transportation and water craft trade are still an important aspect of port authorities our roles have expanded to be more involved in economic development programs and now port authorities are not required to be next to a body of water. In fact, most of our members are not bordered by navigable bodies of water at all!

Port Powers

Port Authorities derive their authority from Chapter 4582 of the Ohio Revised Code. Ohio law allows for both old (in existence before July 9 1982) and new (established after July 9 1982) but both have similar powers and are required to "foster and encourage the participation of private enterprise in development of port authority facilities to the fullest extent it considers feasible." Most of the port authorities in Ohio are considered 'new' port authorities either because of when they were established or they have taken action as a port to convert to the new legal framework.

Link to the Old vs. New sections of ORC from County Commissioner Assoc Handbook

<https://www.ccao.org/userfiles/Chapter%2079%20Port%20Authorities%2003%2006%2014%2016.pdf>

Port Authorities are created by local units of government but are independent from the body that created them. For example, if your county commissioners created a port authority by resolution, they have the right to do so but once a board is appointed the board is not legally required to answer to the commissioners, even though they made the ports existence possible.

Port authorities can be sued, are not immune from liability and are considered bodies politic and corporate. Since Ohio law gives port authorities tax exempt status port can pass on these savings to facilitate economic development projects. To help create quality of life improvements or attract new jobs and investment the Ohio Revised Code allows for a broad array of powers for port authorities. Some of these powers include:

- Ports may issue bonds and other gap financing techniques to help bring economic development projects to completion
- Acquiring and improving real property to later sell or lease to private companies
- Own land (such as industrial parks) or clean up environmentally contaminated land (brownfields)
- Participate in residential, educational and cultural facilities including parks like the Cleveland Lakefront Nature Preserve or putting on festivals like the Lorain Rockin on the River concert series
- Ports may receive and apply for state and federal grants and loans

- Hold title to new facilities for off balance sheet transactions and to shield projects from sales and use taxes
- Use property assessed clean energy bonds to help companies become more energy efficient and save money
- Operate transit systems, parking garages and even ferry services
- Manage foreign trade zones for the U.S. Department of Commerce
- Dredging rivers, restoring local waterways and docks for maritime trade
- Receive property from other local governments so it does not go to public bid
- Ports are government units exempt from having to use the prevailing wage structure for construction projects
- Shielded from public records laws that normally applies to public sector economic development offices (until an employer commits in writing to proceed with the relocation/expansion/improvement/etc. of the company)
- **Ports may levy taxes on property for up to 1 mill for a 5-year period if the registered voters in the jurisdiction approve the tax and the revenue can be used for any stated purpose**
- Port authorities may employ their own police force for property the port owns
- Ports may establish a linked deposit program where the port partners with local banks with certificates of deposit to provide below market rates on loans
- Some ports have the power of eminent domain
- Operate railroads and other transportation infrastructure

Did you know?

- Columbiana County Port Authority not only owns industrial parks but also barge cargo transfer sites along the Ohio River, as well as a 260 mile sonnet fiber optic network in Mahoning and Columbiana Counties
- Clinton County Port Authority owns the Wilmington Air Park (formerly the DHL airport) with two runways and nearly 3 million square feet of office, warehouse and hangar space on the airport property.
- The Cleveland-Europe Express, operated out of the Cleveland-Cuyahoga County Port Authority, is the only direct, scheduled vessel services that moves cargo between the Great Lakes and Europe.
- The West Central Ohio Port Authority (Champaign, Clark and Fayette Counties) owns 94 miles of railroad track in Champaign, Clark, Fayette, Logan and Madison Counties