



Ohio Revised Code

Section 4582.06 Port authority powers and duties.

Effective: March 31, 2021

Legislation: House Bill 312 - 133rd General Assembly

(A) A port authority created in accordance with section 4582.02 of the Revised Code may:

(1) Acquire, construct, furnish, equip, maintain, repair, sell, exchange, lease to or from, lease with an option to purchase, convey other interests in, or operate real or personal property, or any combination thereof, related to, useful for, or in furtherance of any authorized purpose, and make charges for the use of any port authority facility, which shall be not less than the charges established for the same services furnished by a public utility or common carrier in the jurisdiction of the particular port authority;

(2) Straighten, deepen, and improve any canal, channel, river, stream, or other water course or way that may be necessary or proper in the development of the facilities of the port authority;

(3) Issue bonds or notes for the acquisition, construction, furnishing, or equipping of any real or personal property, or any combination thereof, related to, useful for, or in furtherance of any authorized purpose, in compliance with Chapter 133. of the Revised Code, except that the bonds or notes only may be issued pursuant to a vote of the electors residing within the territory of the port authority. The net indebtedness incurred by a port authority shall never exceed two per cent of the total value of all property within the territory comprising the authority as listed and assessed for taxation.

(4) By resolution of its board of directors, issue revenue bonds beyond the limit of bonded indebtedness provided by law, for the acquisition, construction, furnishing, or equipping of any real or personal property, or any combination thereof, related to, useful for, or in furtherance of any authorized purpose, including all costs in connection with or incidental thereto.

The revenue bonds of the port authority shall be secured only by a pledge of and a lien on the revenues of the port authority derived from those loan payments, rentals, fees, charges, or other revenues that are designated in the resolution, including, but not limited to, any property to be



acquired, constructed, furnished, or equipped with the proceeds of the bond issue, after provision only for the reasonable cost of operating, maintaining, and repairing the property of the port authority so designated. The bonds may further be secured by the covenant of the port authority to maintain rates or charges that will produce revenues sufficient to meet the costs of operating, maintaining, and repairing such property and to meet the interest and principal requirements of the bonds and to establish and maintain reserves for the foregoing purposes. The board of directors, by resolution, may provide for the issuance of additional revenue bonds from time to time, to be secured equally and ratably, without preference, priority, or distinction, with outstanding revenue bonds, but subject to the terms and limitations of any trust agreement described in this section, and of any resolution authorizing bonds then outstanding. The board of directors, by resolution, may designate additional property of the port authority, the revenues of which shall be pledged and be subject to a lien for the payment of the debt charges on revenue bonds theretofore authorized by resolution of the board of directors, to the same extent as the revenues above described.

In the discretion of the board of directors, the revenue bonds of the port authority may be secured by a trust agreement between the board of directors on behalf of the port authority and a corporate trustee, that may be any trust company or bank having powers of a trust company, within or without the state.

The trust agreement may provide for the pledge or assignment of the revenues to be received, but shall not pledge the general credit and taxing power of the port authority. A trust agreement securing revenue bonds issued to acquire, construct, furnish, or equip real property, plants, factories, offices, and other structures and facilities for authorized purposes consistent with Section 13 or 16 of Article VIII, Ohio Constitution, may mortgage the real or personal property, or a combination thereof, to be acquired, constructed, furnished, or equipped from the proceeds of such revenue bonds, as further security for the bonds. The trust agreement or the resolution providing for the issuance of revenue bonds may set forth the rights and remedies of the bondholders and trustee, and may contain other provisions for protecting and enforcing their rights and remedies that are determined in the discretion of the board of directors to be reasonable and proper. The agreement or resolution may provide for the custody, investment, and disbursement of all moneys derived from the sale of such bonds, or from the revenues of the port authority, other than those moneys received from taxes levied pursuant to section 4582.14 of the Revised Code, and may provide for the deposit of such funds without regard to section 4582.15 of the Revised Code.



All bonds issued under authority of this chapter, regardless of form or terms and regardless of any other law to the contrary, shall have all qualities and incidents of negotiable instruments, subject to provisions for registration, and may be issued in coupon, fully registered, or other form, or any combination thereof, as the board of directors determines. Provision may be made for the registration of any coupon bonds as to principal alone or as to both principal and interest, and for the conversion into coupon bonds of any fully registered bonds or bonds registered as to both principal and interest.

The revenue bonds shall bear interest at such rate or rates, shall bear such date or dates, and shall mature within forty-five years following the date of issuance and in such amount, at such time or times, and in such number of installments, as may be provided in or pursuant to the resolution authorizing their issuance. The final maturity of any original issue of revenue bonds shall not be later than forty-five years from their date of issue. Such resolution also shall provide for the execution of the bonds, which may be by facsimile signatures unless prohibited by the resolution, and the manner of sale of the bonds. The resolution shall provide for, or provide for the determination of, any other terms and conditions relative to the issuance, sale, and retirement of the bonds that the board of directors in its discretion determines to be reasonable and proper.

Whenever a port authority considers it expedient, it may issue renewal notes and refund any bonds, whether the bonds to be refunded have or have not matured. The final maturity of any notes, including any renewal notes, shall not be later than five years from the date of issue of the original issue of notes. The final maturity of any refunding bonds shall not be later than the later of forty-five years from the date of issue of the original issue of bonds. The refunding bonds shall be sold and the proceeds applied to the purchase, redemption, or payment of the bonds to be refunded and the costs of issuance of the refunding bonds. The bonds and notes issued under this chapter, their transfer, and the income therefrom, shall at all times be free from taxation within the state.

(5) Do any of the following, in regard to any interests in any real or personal property, or any combination thereof, including, without limitation, machinery, equipment, plants, factories, offices, and other structures and facilities related to, useful for, or in furtherance of any authorized purpose, for such consideration and in such manner, consistent with Article VIII, Ohio Constitution, as the board in its sole discretion may determine:



(a) Loan moneys to any person or governmental entity for the acquisition, construction, furnishing, and equipping of the property;

(b) Acquire, construct, maintain, repair, furnish, and equip the property;

(c) Sell to, exchange with, lease, convey other interests in, or lease with an option to purchase the same or any lesser interest in the property to the same or any other person or governmental entity;

(d) Guarantee the obligations of any person or governmental entity.

A port authority may accept and hold as consideration for the conveyance of property or any interest therein such property or interests therein as the board in its discretion may determine, notwithstanding any restrictions that apply to the investment of funds by a port authority.

(6) Construct, maintain, repair, furnish, equip, sell, exchange, lease, or lease with an option to purchase, any property that it is authorized to acquire. A port authority that is subject to this section also may operate any property in connection with transportation, recreational, governmental operations, or cultural activities.

(a) Any purchase, exchange, sale, lease, lease with an option to purchase, conveyance of other interests in, or other contract with a person or governmental entity that pertains to the acquisition, construction, maintenance, repair, furnishing, equipping, or operation of any real or personal property, or any combination thereof, related to, useful for, or in furtherance of an activity contemplated by Section 13 or 16 of Article VIII, Ohio Constitution, shall be made in such manner and subject to such terms and conditions as may be determined by the board of directors in its discretion.

(b) Division (A)(6)(a) of this section applies to all contracts that are subject to the division, notwithstanding any other provision of law that might otherwise apply, including, without limitation, any requirement of notice, any requirement of competitive bidding or selection, or any requirement for the provision of security.

(c) Divisions (A)(6)(a) and (b) of this section do not apply to either of the following:



(i) Any contract secured by or to be paid from moneys raised by taxation or the proceeds of obligations secured by a pledge of moneys raised by taxation;

(ii) Any contract secured exclusively by or to be paid exclusively from the general revenues of the port authority. For the purposes of this section, any revenues derived by the port authority under a lease or other agreement that, by its terms, contemplates the use of amounts payable under the agreement either to pay the costs of the improvement that is the subject of the contract or to secure obligations of the port authority issued to finance costs of such improvement, are excluded from general revenues.

(7) Apply to the proper authorities of the United States pursuant to appropriate law for the right to establish, operate, and maintain foreign trade zones and to establish, operate, and maintain foreign trade zones; and to acquire land or property therefor, in a manner consistent with section 4582.17 of the Revised Code;

(8) Exercise the right of eminent domain to appropriate any land, rights, rights-of-way, franchises, easements, or other property, necessary or proper for any authorized purpose, pursuant to the procedure provided in sections 163.01 to 163.22 of the Revised Code, if funds equal to the appraised value of the property to be acquired as a result of such proceedings are available for that purpose, except that nothing contained in sections 4582.01 to 4582.20 of the Revised Code shall authorize a port authority to take or disturb property or facilities belonging to any agency or political subdivision of this state, public utility, or common carrier, which property or facilities are necessary and convenient in the operation of the agency or political subdivision, public utility, or common carrier, unless provision is made for the restoration, relocation, or duplication of the property or facilities, or upon the election of the agency or political subdivision, public utility, or common carrier, for the payment of compensation, if any, at the sole cost of the port authority, provided that:

(a) If any restoration or duplication proposed to be made pursuant to this section involves a relocation of such property or facilities, the new facilities and location shall be of at least comparable utilitarian value and effectiveness, and the relocation shall not impair the ability of the public utility or common carrier to compete in its original area of operation.



(b) If any restoration or duplication made pursuant to this section involves a relocation of such property or facilities, the port authority shall acquire no interest or right in or to the appropriated property or facilities, except as provided in division (A)(11) of this section, until the relocated property or facilities are available for use and until marketable title thereto has been transferred to the public utility or common carrier.

(c) Provisions for restoration or duplication shall be described in detail in the resolution for appropriation passed by the port authority.

(9) Enjoy and possess the same rights, privileges, and powers granted municipal corporations under sections 721.04 to 721.11 of the Revised Code;

(10) Maintain such funds as it considers necessary;

(11) Direct its agents or employees, when properly identified in writing, and after at least five days' written notice, to enter upon lands within the confines of its jurisdiction in order to make surveys and examinations preliminary to location and construction of works for the purposes of the port authority, without liability of the port authority or its agents or employees except for actual damage done;

(12) Sell, lease, or convey other interests in real and personal property and grant easements or rights-of-way over property of the port authority. The board of directors shall specify the consideration and any terms thereof for the sale, lease, or conveyance of other interests in real and personal property. Any determinations made by the board of directors under this division shall be conclusive. The sale, lease, or conveyance may be made without advertising and the receipt of bids.

(13) Promote, advertise, and publicize the port authority facilities and its authorized purposes, provide information to persons with an interest in transportation and other port authority activities, and appear before rate-making authorities to represent and promote the interests of the port authority and its authorized purposes;

(14) Adopt rules, not in conflict with general law, governing the use of and the safeguarding of its property, grounds, buildings, equipment, and facilities, safeguarding persons and their property



located on or in port authority property, and governing the conduct of its employees and the public, in order to promote the public safety and convenience in and about its terminals and grounds, and to maintain order. Any such regulation shall be posted at no less than five public places in the port authority, as determined by the board of directors, for a period of not fewer than fifteen days, and shall be available for public inspection at the principal office of the port authority during regular business hours. No person shall violate any lawful regulation adopted and posted as provided in this division.

(15) Establish and administer one or more payment card programs for purposes of paying expenses related to port authority business. Any obligation incurred as a result of the use of such a payment card shall be paid from port authority funds.

(16) Act as a portal operator for purposes of an OhioInvests offering under sections 1707.05 to 1707.058 of the Revised Code;

(17) Do all acts necessary or appropriate to carry out its authorized purposes. The port authority shall have the powers and rights granted to other subdivisions under section 9.20 of the Revised Code.

(B) Any instrument by which real property is acquired pursuant to this section shall identify the agency of the state that has the use and benefit of the real property as specified in section 5301.012 of the Revised Code.

(C) Whoever violates division (A)(14) of this section is guilty of a minor misdemeanor.