

e-Development Digest

Port Authority Adds Linked Deposit Capability

State Senator Jay Hottinger successfully inserted an amendment into a housing finance agency bill late last year that gives port authorities the ability to offer linked deposits. Am. Sub. HB431 was signed into law by Gov. Taft earlier this month and takes effect this Summer.

The law change was requested by the Heath-Newark-Licking County Port Authority as a way to add to its economic development tool box and create a competitive advantage for Licking County in the business development arena. The Port Authority aims to become the first port authority in Ohio to create a linked deposit program.

Anticipating the law change, the Port Authority set aside \$500,000 in reserves in its FY05 budget as a starting point. As early as June, the Port Authority hopes to have a formal program in place.

The program will be similar to the State Treasurer's linked deposit program in how it works. We want it to be as simple and streamlined as possible. Banks must be eligible depositories with the port authority and companies must meet certain criteria to receive assistance under the program.

We also hope to make the program different from the state so as to compliment its efforts. Some strategies under consideration:

- Target "high tech" deals only.
- Unlike the state, permit deposits for construction and working capital financing.
- Piggyback with the state linked deposit program for an extra, Licking County incentive.

Look for more on this program this Summer.

[See News Clips](#)

Asking Financial Experts to Weigh In

We're listening. No one knows more about linked deposits than banks. What can the Port Authority do to truly deliver on its hope for a competitive edge for Licking County?

We want your opinions to help shape this new program.

We invite your questions and comments. Respond to this e-mail or call Port Authority Director Rick Platt at 740-788-5500 ext. 35.

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The Port Authority, created in 1995 by Heath, Newark, and Licking County to serve as property manager of the former Newark Air Force Base, is getting known for what it does "outside the gates."

FAQ

Q: Why do this?

A: Many port authorities and economic development groups in Ohio have created low-interest loan programs to aid in development. Our Port Authority has not taken that path and, instead, has focused on linked deposits as a way of leveraging private-issue financing.

Q: What does this have to do with managing a former Air Force Base?

A: One primary goal of our program will be creating job opportunities for the region's workforce that are consistent with the type of workforce employed at The Base.

Q: How do I get started?

A: Stand ready. The Port Authority is soliciting opinions on how best to organize this effort. We'll roll out the program this Summer and our first target market is commercial loan officers.