



NoPort News

A newsletter of the North Carolina International Terminal

All the news that prints to fit.

September 1, 2010

*The property of the Authority shall not be subject to any taxes or assessments thereon.
North Carolina Statutes § 143B-454.*

A Hidden Cost

The North Carolina State Ports Authority does not pay real estate taxes on its properties, including the 600-acre site for the North Carolina International Terminal in Brunswick County and the site of the Port of Wilmington in New Hanover County.

Nor does the State Ports Authority make any payments in lieu of taxes, as do many tax exempt institutions that recognize the burden on the host communities for law enforcement and emergency response and other public services.

So long as the 600-acre terminal site remains undeveloped, the burden on Brunswick County is not substantial. An undeveloped site does not generate any need for public services. The taxes on the site would be about \$101,000, at current rates. The annual salaries of a couple of teachers or Sheriff's deputies are all that represents. That cost is just shifted to the other taxpayers in the County, about a dollar for every person in the County.

But if the North Carolina International Terminal project comes to fruition, the burden becomes very substantial. \$1.4 billion in improved property would go untaxed. That would be \$4,270,000 per year in lost taxes at current rates.

And a working terminal generating 4400 truck trips per day will generate substantial public costs: Law enforcement—it would take many deputies and many Dodge Chargers to keep 4400 trucks under control. Emergency response—remember the fire on the *SSG Edward A Carter, Jr.*, at Sunny Point in 2001 and the PETN spill at Morehead City in 2010? Such calamities are not the business of volunteers, but paid firefighters with special equipment.



The Virginia legislature faced this issue some time ago, and the Virginia Code provides a mechanism for host communities to bill the Virginia Ports Authority for services provided the ports. But the Mayor of Norfolk believes the system inadequate. Full compensation for services in fiscal year 2009 would have required a payment of \$11.6 million, but the City received only \$1.1 million.

But the North Carolina State Ports Authority doesn't pay anything at all.

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