

Bond Case Briefs

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PREJUDGMENT INTEREST - OHIO

Vandercar, L.L.C. v. Port of Greater Cincinnati Development Authority

Supreme Court of Ohio - April 23, 2024 - N.E.3d - 2024 WL 1723420 - 2024-Ohio-1501

Purchaser of hotel brought action against assignee of purchaser's interest in hotel, which was city port authority, for breach of contract arising out of assignee's failure to pay purchaser redevelopment fee, under assignment agreement.

The Court of Common Pleas granted purchaser's motion for summary judgment but denied its motion for prejudgment interest. Both parties appealed. The First District Court of Appeals affirmed. Purchaser appealed, and the Supreme Court accepted jurisdiction.

The Supreme Court held that port authority, as assignee of purchaser's interest in hotel, was liable to pay prejudgment interest to purchaser for breach of redevelopment agreement, abrogating *Beifuss v. Westerville Bd. of Edn.*, 37 Ohio St.3d 187, 525 N.E.2d 20, State ex rel. *Brown v. Milton-Union Exempted Village Bd. of Edn.*, 40 Ohio St.3d 21, 531 N.E.2d 1297, and State ex rel. *Stacy v. Batavia Local School Dist. Bd. of Edn.*, 105 Ohio St.3d 476, 829 N.E.2d 298.

Port authority, as assignee in assignment agreement, was liable to pay prejudgment interest to assignor, for port authority's breach of agreement by failing to pay redevelopment fee as required under agreement, although port authority argued that, because it was state actor, it was immune from liability for prejudgment interest; statutes governing immunity from liability for port authorities did not include immunity for prejudgment interest, and no exception to application of prejudgment interest for judgments requiring payment of money arising out of a contract existed.

Where a statute does not expressly exempt a subordinate political subdivision from its operation, the exemption therefrom does not exist; abrogating *Beifuss v. Westerville Bd. of Edn.*, 37 Ohio St.3d 187, 525 N.E.2d 20, State ex rel. *Brown v. Milton-Union Exempted Village Bd. of Edn.*, 40 Ohio St.3d 21, 531 N.E.2d 1297, and State ex rel. *Stacy v. Batavia Local School Dist. Bd. of Edn.*, 105 Ohio St.3d 476, 829 N.E.2d 298.