

## **Ohio Revised Code (ORC)**

### **§ 715.72. Definitions; alternative procedures and requirements for joint economic development district.**

(A) As used in [sections 715.72](#) to [715.81](#) of the Revised Code:

(1) "Contracting parties" means one or more municipal corporations and one or more townships that have entered into a contract under this section to create a joint economic development district.

(2) "District" means a joint economic development district created under [sections 715.72](#) to [715.81](#) of the Revised Code.

(3) "Contract for utility services" means a contract under which a municipal corporation agrees to provide to a township or another municipal corporation water, sewer, electric, or other utility services necessary to the public health, safety, and welfare.

(B) [Sections 715.72](#) to [715.81](#) of the Revised Code provide alternative procedures and requirements to those set forth in [sections 715.70](#) and [715.71](#) of the Revised Code for creating and operating a joint economic development district. [Sections 715.72](#) to [715.81](#) of the Revised Code apply to municipal corporations and townships that are located in the same county or in adjacent counties.

(C) One or more municipal corporations and one or more townships may enter into a contract pursuant to which they create as a joint economic development district one or more areas for the purpose of facilitating economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in this state and in the area of the contracting parties.

(1) Except as otherwise provided in division (C)(2) of this section, the territory of each of the contracting parties shall be contiguous to the territory of at least one other contracting party, or contiguous to the territory of a township or municipal corporation that is contiguous to another contracting party, even if the intervening township or municipal corporation is not a contracting party.

(2) Contracting parties that have entered into a contract under [section 715.70](#) or [715.71](#) of the Revised Code creating a joint economic development district prior to November 15, 1995, may enter into a contract under this section even if the territory of each of the contracting parties is not contiguous to the territory of at least one other contracting party, or contiguous to the territory of a township or municipal corporation that is contiguous to another contracting party as otherwise required under division (C)(1) of this section. The contract and district shall meet the requirements of [sections 715.72](#) to [715.81](#) of the Revised Code.

### **§ 715.73. Criteria for inclusion of area or areas.**

The area or areas to be included in a joint economic development district shall meet all of the following criteria:

(A) The area or areas shall be located within the territory of one or more of the contracting parties and may consist of all of that territory.

(B) No electors shall reside within the area or areas and no part of the area or areas shall be zoned for residential use.

(C) The area or areas shall not include any parcel of land owned in fee by or leased to a municipal corporation or township, unless the municipal corporation or township is a contracting party or has given its consent to have the parcel of land included in the district by the adoption of an ordinance or resolution.

**§ 715.74. Provisions of contract; invalidity due to separate contract for utility services.**

(A) The contract creating a joint economic development district shall provide for the amount or nature of the contribution of each contracting party to the development and operation of the district and may provide for the sharing of the costs of the operation of and improvements for the district. The contributions may be in any form to which the contracting parties agree and may include, but are not limited to, the provision of services, money, real or personal property, facilities, or equipment. The contract may provide for the contracting parties to share revenue from taxes levied on property by one or more of the contracting parties if those revenues may lawfully be applied to that purpose under the legislation by which those taxes are levied. The contract shall specify and provide for new, expanded, or additional services, facilities, or improvements. The contract may provide for expanded or additional capacity for or other enhancement of existing services, facilities, or improvements.

(B) The contract shall enumerate the specific powers, duties, and functions of the board of directors of the district described under [section 715.78](#) of the Revised Code and shall provide for the determination of procedures that are to govern the board.

(C) (1) The contract may grant to the board the power to adopt a resolution to levy an income tax within the district and the contract may designate certain portions of the district where such an income tax may be levied. The income tax shall be used for the purposes of the district or any portion of the district in which the contract authorizes an income tax and for the purposes of the contracting parties pursuant to the contract. The income tax may be levied in the district based on income earned by persons working within the district and based on the net profits of businesses located in the district. The income tax of the district shall follow the provisions of [Chapter 718](#) of the Revised Code, except that no vote shall be required. The rate of the income tax shall be no higher than the highest rate being levied by a municipal corporation that is a contracting party.

(2) If the board adopts a resolution to levy an income tax, it shall enter into an agreement with a municipal corporation that is a contracting party to administer, collect, and enforce the income tax on behalf of the district.

(3) A resolution levying an income tax under this section shall require the contracting parties to annually set aside a percentage, to be stated in the resolution, of the amount of the income tax collected for the long-term maintenance of the district.

(4) An income tax levied under this section shall apply in the district or any portion of the district in which the contract authorizes an income tax throughout the term of the contract creating the district, notwithstanding that all or a portion of the district becomes subject to annexation, merger, or consolidation.

(D) The contract creating a joint economic development district shall continue in existence throughout its term and shall be binding on the contracting parties and on any parties succeeding to the contracting parties, whether by annexation, merger, or consolidation. Except as provided in division (E) of this section, the contract may be amended, renewed, or terminated with the approval of the contracting parties or any parties succeeding to the contracting parties. If the contract is amended to add area to an existing district, the amendment shall be adopted in the manner prescribed under [section 715.761](#) [715.76.1] of the Revised Code.

(E) If two or more contracting parties previously have entered into a separate contract for utility services, then amendment, renewal, or termination of the separate contract for utility services shall not constitute any part of the consideration for the contract creating a joint economic development district. A contract creating a joint economic development district shall be rebuttably presumed to violate this division if it is entered into within two years prior or five years subsequent to the amendment, renewal, or termination of a separate contract for utility services that two or more contracting parties previously have entered into. The presumption

stated in this division may be rebutted by clear and convincing evidence of both of the following:

- (1) That other substantial consideration existed to support the contract creating a joint economic development district;
  - (2) That the contracting parties entered into the contract creating a joint economic development district freely and without duress or coercion related to the amendment, renewal, or termination of the separate contract for utility services.
- (F) A contract creating a joint economic development district that violates division (E) of this section is void and unenforceable.

**§ 715.75. Public hearings and inspection of documents prior to approval of contract;**

Before the legislative authority of any of the contracting parties adopts an ordinance or resolution approving a contract to create a joint economic development district, the legislative authority of each of the contracting parties shall hold a public hearing concerning the contract and district. Each such legislative authority shall provide at least thirty days' public notice of the time and place of the public hearing in a newspaper of general circulation in the municipal corporation or township, as applicable. During the thirty-day period prior to the public hearing and until the filing is made under [section 715.76](#) of the Revised Code, all of the following documents shall be available for public inspection in the office of the clerk of the legislative authority of each of the contracting parties:

- (A) A copy of the contract creating the district;
- (B) A description of the area or areas to be included in the district, including a map in sufficient detail to denote the specific boundaries of the area or areas and to indicate any zoning restrictions applicable to the area or areas;
- (C) An economic development plan for the district that consists of both of the following schedules:
  - (1) A schedule for the provision of the new, expanded, or additional services, facilities, or improvements described in division (A) of [section 715.74](#) of the Revised Code;
  - (2) A schedule for the collection of an income tax levied under division (C) of [section 715.74](#) of the Revised Code.

A public hearing held under this section shall allow for public comment and recommendations on the contract and district. The contracting parties may include in the contract any of those recommendations prior to approval of the contract.

Before any of the contracting parties approves a contract under [section 715.76](#) of the Revised Code, the contracting parties shall deliver a copy of the contract to the board of county commissioners of each county in which a contracting party is located. Any such county may enter into an agreement with the contracting parties regarding the provision of services by the county within the proposed district and may enter into an agreement with the contracting parties to extend services to the area or areas to be included in the district.

**§ 715.76. Adoption of ordinances or resolutions approving contract; filing of documents; county resolution of disapproval.**

After the public hearings required under [section 715.75](#) of the Revised Code have been held, each contracting party may adopt an ordinance or resolution approving the contract to create a joint economic development district. After each contracting party has adopted such an ordinance or resolution, the contracting parties jointly shall file with the legislative authority of each county within which a contracting party is located all of the following documents:

- (A) A signed copy of the contract;

(B) A description of the area or areas to be included in the district, including a map in sufficient detail to denote the specific boundaries of the area or areas and to indicate any zoning restrictions applicable to the area or areas;

(C) The economic development plan described in division (C) of [section 715.75](#) of the Revised Code;

(D) Certified copies of the ordinances and resolutions of the contracting parties relating to the contract and district;

(E) A certificate of each contracting party that the public hearings required by [section 715.75](#) of the Revised Code have been held, the date of the hearings, and evidence of publication of the notice of the hearings;

(F) A petition signed by a majority of the owners of property located within the area or areas to be included in the district;

(G) A petition signed by a majority of the owners of businesses, if any, located within the area or areas to be included in the district.

The petitions described in divisions (F) and (G) of this section shall specify that all of the documents described in divisions (A) through (C) of [section 715.75](#) of the Revised Code are available for public inspection in the office of the clerk of the legislative authority of each municipal corporation that is a contracting party or the office of the township clerk of each township that is a contracting party.

Not later than ten days after all of the documents described in divisions (A) to (G) of this section have been filed, each contracting party shall give notice to those owners of property within the area or areas to be included in the district who did not sign the petition described in division (F) of this section and whose property is located within the boundaries of that contracting party and to those owners of businesses, if any, within the area or areas to be included in the district who did not sign the petition described in division (G) of this section and whose property is located within the boundaries of that contracting party. Notice shall be given by certified mail and shall specify that the owners of property and businesses are located within the area or areas to be included in the district and that all of the documents described in divisions (A) to (C) of [section 715.75](#) of the Revised Code are available for public inspection in the office of the clerk of the legislative authority of each municipal corporation that is a contracting party or the office of the township clerk of each township that is a contracting party. The contracting parties shall equally bear the cost of providing notice under this section.

If the contracting parties do not file all of the documents described in divisions (A) through (G) of this section, the legislative authority of a county within which a contracting party is located may adopt a resolution disapproving the creation of the joint economic development district. In addition, the legislative authority of such a county may adopt a resolution disapproving the creation of the district if it determines, in written findings of fact, that each contracting party did not enter into the contract freely and without duress or coercion

**[§ 715.76.1] § 715.761. Amendment adding area to district.**

(A) The contracting parties may amend the contract to add to a joint economic development district any area that was not originally included in the district when the contract took effect. Area may be added only if the area satisfies the criteria prescribed under [section 715.73](#) of the Revised Code.

(B) An amendment adding area to a district shall be approved by a resolution or ordinance adopted by each of the contracting parties. The contracting parties shall conduct public hearings on the amendment, provide notice, and deliver a copy of the amendment to the legislative authority of the county in which the added area is located in the manner required under [section 715.75](#) of the Revised Code for original contracts. The contracting parties shall make available

for public inspection a copy of the amendment, a description of the area to be added to the district, and a map of that area in sufficient detail to denote the specific boundaries of the area and to indicate any zoning restrictions applicable to the area.

(C) After adopting resolutions or ordinances approving the addition of the area, the contracting parties jointly shall file with the legislative authority of the county in which the added area is located the documents required to be filed under [section 715.76](#) of the Revised Code, except that:

(1) A copy of the amendment to the contract shall be filed in lieu of a copy of the contract.

(2) The description and map shall be of the area to be added instead of the entire area of the district.

(3) The economic development plan need not be filed.

(4) Certified copies of the resolutions and ordinances approving the amendment shall be filed.

(5) The certificates otherwise required under division (E) of [section 715.76](#) of the Revised Code shall certify that the hearings required under division (B) of this section have been held, shall indicate the date of those hearings, and shall include evidence that notice of the hearings was published.

(6) The petition otherwise required under division (F) of [section 715.76](#) of the Revised Code shall be signed by a majority of the owners of property located in the area to be added to the district, the petition otherwise required under division (G) of that section shall be signed by a majority of the owners of businesses, if any, located in the area to be added to the district, and the petitions shall specify that the documents described in division (B) of this section are available for public inspection as otherwise required under [section 715.75](#) of the Revised Code.

(D) The resolution of a board of township trustees approving an amendment adding area to an existing joint economic development district is not required to be submitted to the electors of the township.

### **§ 715.77. Election on approval of contract.**

(A) (1) A board of township trustees that is a party to a contract creating a joint economic development district pursuant to [sections 715.72](#) to [715.82](#) of the Revised Code may choose to not submit its resolution approving the contract to the electors of the township if all of the following conditions are satisfied:

(a) The resolution has been approved by a unanimous vote of the members of the board of township trustees;

(b) The creation of the joint economic development district is proposed at the request of a majority of the owners of land included within the proposed district;

(c) The territory to be included in the proposed joint economic development district is zoned in a manner appropriate to the function of the proposed district.

(2) Unless the legislative authority of a county adopts a resolution under [section 715.76](#) of the Revised Code disapproving the creation of a joint economic development district within thirty days after the filing made under that section, the legislative authority of each such county shall adopt a resolution acknowledging the receipt of the required documents, approving the creation of the joint economic development district, and, if the board of township trustees has not invoked its authority under division (A)(1) of this section, directing that the resolution of the board of township trustees approving the contract creating the joint economic development district be submitted to the electors of the township for approval at the next succeeding general, primary, or special election. If the board of township trustees chooses to submit approval of the contract to the electors of the township, the legislative authority of the county shall file with the board of elections at least seventy-five days before the day of the election a copy of the resolution of the board of township trustees approving the contract. The resolution of the legislative authority of

the county also shall specify the date the election is to be held and shall direct the board of elections to conduct the election in the township.

(3) If the resolution of the legislative authority of the county is not adopted within the thirty-day period after the filing made under [section 715.76](#) of the Revised Code, the joint economic development district shall be deemed approved by the county legislative authority and, if the board of township trustees has not invoked its authority under division (A)(1) of this section, the board of township trustees shall file its resolution with the board of elections for submission to the electors of the township for approval at the next succeeding general, primary, or special election. In such case, the board of township trustees shall file the resolution at least seventy-five days before the specified date the election is to be held and shall direct the board of elections to conduct the election in the township.

(4) Any contract creating a joint economic development district in which a board of township trustees is a party shall provide that the contract is not effective earlier than the thirty-first day after its approval, including any approval by electors required in this section.

If the board of township trustees chooses pursuant to division (A)(1) of this section not to submit the approval of the contract to the electors, the resolution of the board of township trustees approving the contract is subject to a referendum of the electors of the township when requested through a petition. When signed by ten per cent of the number of electors in the township who voted for the office of governor at the most recent general election, a referendum petition asking that the resolution be submitted to the electors of the township may be presented to the board of township trustees. Such a petition shall be presented within thirty days after the board of township trustees adopts the resolution. The board of township trustees shall, not later than four p.m. of the tenth day after receipt of the petition, certify the text of the resolution to the board of elections. The board of elections shall submit the resolution to the electors of the township for their approval or rejection at the next general, primary, or special election occurring at least seventy-five days after such certification.

(B) The ballot shall be in the following form:

"Shall the resolution of the board of township trustees approving the contract with .....  
(here insert name of each municipal corporation and other township that is a contracting party) for the creation of a joint economic development district be approved?"

FOR THE RESOLUTION AND CONTRACT  
AGAINST THE RESOLUTION AND CONTRACT

If a majority of the electors of the township voting on the issue vote for the resolution and contract, the resolution shall become effective immediately and the contract shall go into effect on the thirty-first day after this election or thereafter in accordance with terms of the contract.

**[§ 715.77.1] § 715.771. Filing of documents with development director.**

Upon the creation of a joint economic development district under [section 715.72](#) of the Revised Code, one of the contracting parties shall file a copy of each of the documents described in divisions (A) to (G) of [section 715.76](#) of the Revised Code with the director of development.

**§ 715.78. Board of directors.**

(A) A board of directors shall govern each joint economic development district created under [section 715.72](#) of the Revised Code.

(1) If there are businesses located and persons working within the area or areas to be included in the district, the board shall be composed of the following members:

- (a) One member representing the municipal corporations that are contracting parties;
- (b) One member representing the townships that are contracting parties;
- (c) One member representing the owners of businesses located within the district;

(d) One member representing the persons working within the district;

(e) One member selected by the members described in divisions (A)(1)(a) to (d) of this section.

The members of the board shall be appointed as provided in the contract. Of the members initially appointed to the board, the member described in division (A)(1)(a) of this section shall serve a term of one year; the member described in division (A)(1)(b) of this section shall serve a term of two years; the member described in division (A)(1)(c) of this section shall serve a term of three years; and the members described in divisions (A)(1)(d) and (e) of this section shall serve terms of four years. Thereafter, terms for each member shall be for four years, each term ending on the same day of the same month of the year as did the term that it succeeds. A member may be reappointed to the board, but no member shall serve more than two consecutive terms on the board.

The member described in division (A)(1)(e) of this section shall serve as chairperson of a board described under division (A)(1) of this section.

(2) If there are no businesses located or persons working within the area or areas to be included in the district, the board shall be composed of the following members:

(a) One member representing the municipal corporations that are contracting parties;

(b) One member representing the townships that are contracting parties;

(c) One member selected by the members described in divisions (A)(2)(a) and (b) of this section.

The members of the board shall be appointed as provided in the contract. Of the members initially appointed to the board, the member described in division (A)(2)(a) of this section shall serve a term of one year; the member described in division (A)(2)(b) of this section shall serve a term of two years; and the member described in division (A)(2)(c) of this section shall serve a term of three years. Thereafter, terms for each member shall be for four years, each term ending on the same day of the same month of the year as did the term that it succeeds. A member may be reappointed to the board, but no member shall serve more than two consecutive terms on the board.

The member described in division (A)(2)(c) of this section shall serve as chairperson of a board described under division (A)(2) of this section.

(B) A board described under division (A)(1) or (2) of this section has no powers except as described in [sections 715.72 to 715.81](#) of the Revised Code and in the contract creating the joint economic development district.

(C) Membership on the board of directors of a joint economic development district is not the holding of a public office or employment within the meaning of any section of the Revised Code or any charter provision prohibiting the holding of other public office or employment. Membership on such a board is not a direct or indirect interest in a contract or expenditure of money by a municipal corporation, township, county, or other political subdivision with which a member may be affiliated. Notwithstanding any provision of law or a charter to the contrary, no member of a board of directors of a joint economic development district shall forfeit or be disqualified from holding any public office or employment by reason of membership on the board.

(D) The board of directors of a joint economic development district is a public body for the purposes of [section 121.22](#) of the Revised Code. [Chapter 2744.](#) of the Revised Code applies to such a board and the district.

### **§ 715.79. Annexation, merger, or consolidation proceedings.**

(A) No annexation proceeding pursuant to [Chapter 709.](#) of the Revised Code that proposes the annexation to, merger of, or consolidation with a municipal corporation of any unincorporated territory within a joint economic development district, or joint economic development zone that

is subject to division (I)(2) of [section 715.691](#) [715.69.1] of the Revised Code, shall be commenced for a period of three years after the contract creating the district or zone is approved by the majority of the electors under [section 715.77](#) or [715.691](#) [715.69.1] of the Revised Code. This division does not apply if the contract is terminated during this period or if each board of township trustees whose territory is included within the district or zone and whose territory is proposed to be annexed, merged, or consolidated adopts a resolution consenting to the commencement of the proceeding. Each such board of township trustees shall file a copy of the resolution with the clerk of the legislative authority of each county within which a contracting party is located.

(B) The contract creating a joint economic development district, or joint economic development zone that is subject to division (I)(2) of [section 715.691](#) [715.69.1] of the Revised Code, may prohibit any annexation proceeding by a contracting municipal corporation of any unincorporated territory within the district or zone beyond the three-year period described in division (A) of this section.

(C) No contracting party is divested or relieved of its rights or obligations under the contract creating a joint economic development district, or joint economic development zone that is subject to division (I)(2) of [section 715.691](#) [715.69.1] of the Revised Code, because of annexation, merger, or consolidation.

#### **§ 715.80. Agreements concerning zoning, other regulatory and proprietary matters.**

Contracting parties may enter into binding agreements pursuant to the contract creating a joint economic development district, or joint economic development zone that is subject to division (I)(2) of [section 715.691](#) [715.69.1] of the Revised Code, with respect to the substance and administration of zoning and other land-use regulations, building codes, permanent public improvements, and other regulatory and proprietary matters determined to be for a public purpose. No contract, however, shall exempt the territory within the district or zone from the procedures of land use regulation applicable pursuant to municipal corporation, township, and county regulations, including, but not limited to, zoning procedures.

#### **§ 715.81. Municipal and township authority; tax exemptions.**

The powers granted under [sections 715.72](#) to [715.81](#) of the Revised Code are in addition to and not in the derogation of all other powers granted to municipal corporations and townships pursuant to law. When exercising a power or performing a function or duty under a contract entered into under [section 715.72](#) of the Revised Code, a municipal corporation may exercise all of the powers of a municipal corporation, and may perform all the functions and duties of a municipal corporation, within the joint economic development district, pursuant to and to the extent consistent with the contract. When exercising a power or performing a function or duty under a contract entered into under either [section 715.72](#) or [section 715.691](#) [715.69.1] of the Revised Code, a township may exercise all of the powers of a township, and may perform all the functions and duties of a township, within the joint economic development district, or joint economic development zone that is subject to division (I)(2) of [section 715.691](#) [715.69.1] of the Revised Code, pursuant to and to the extent consistent with the contract. No political subdivision shall grant any tax exemption under Chapter 1728. or section 3735.67, 5709.62, 5709.63, or 5709.632 [5709.63.2] of the Revised Code on any property located within the district, or zone that is subject to division (I)(2) of [section 715.691](#) [715.69.1] of the Revised Code, except that a political subdivision that is a contracting party may grant a tax exemption under [section 5709.62](#), [5709.63](#), or [5709.632](#) [5709.63.2] of the Revised Code on property located within the district, or zone that is subject to division (I)(2) of [section 715.691](#) [715.69.1] of the Revised Code, with the consent of the other contracting parties. The prohibition against granting a tax exemption under

this section does not apply to any exemption filed, pending, or approved before the effective date of the contract entered into under either [section 715.72](#) or [section 715.691](#) [715.69.1] of the Revised Code.

**§ 715.82. Issuance of industrial development bonds.**

A municipal corporation may issue bonds and exercise all other powers under [Chapter 165](#) of the Revised Code for one or more projects or parts thereof located in a joint economic development district created pursuant to a contract entered into under section 715.70, 715.71, or 715.72 to 715.82 of the Revised Code to which the municipal corporation is a party, or in a township adjacent to that municipal corporation, if the legislative authority of the municipal corporation determines that the project is in furtherance of the public purposes of the state to create or preserve jobs and employment opportunities and to improve the economic welfare of the people of the municipal corporation and the township. As used in this section, "project" has the same meaning as in division (H) of [section 165.01](#) of the Revised Code, except that a project described in this section is not required to be located within the territorial boundaries of the municipal corporation.

**§ 715.83. Eligibility of unincorporated area or township for certain projects.**

If any unincorporated area or township is a party to a joint economic development district created pursuant to a contract entered into under section 715.70, 715.71, or 715.72 to 715.82 of the Revised Code that also includes as a party a municipal corporation that is an eligible area as defined in division (A)(2) of section 122.16 or division (A)(9) of [section 5733.33](#) of the Revised Code, then any project located anywhere within the unincorporated area or township contained within the joint economic development district is eligible for any state assistance under [Chapter 122](#) or [section 5733.33](#) of the Revised Code for which designation as an eligible area is a criterion.