



Ohio Revised Code

Section 307.678 Tourism development facility or project cooperative agreements.

Effective: September 15, 2014

Legislation: House Bill 483 - 130th General Assembly

(A) As used in this section:

(1) "Stadium" means an open-air structure designed and developed to provide a venue for public entertainment, cultural activities and recreation, or any combination thereof, including concerts, athletic and sporting events, and other events and exhibitions, together with concession, locker room, parking, restroom, and storage facilities, walkways, and other auxiliary facilities, whether included within or separate from the structure, and all real and personal property and interests therein related to the use of the structure for those purposes.

(2) "Bureau" means a nonprofit corporation that is organized under the laws of this state that is, or has among its functions acting as, a convention and visitors' bureau, and that currently receives revenue from existing lodging taxes.

(3) "Cooperating parties" means the parties to a cooperative agreement.

(4) "Cooperative agreement" means an agreement entered into pursuant to division (B) of this section.

(5) "Corporation" means a nonprofit corporation that is organized under the laws of this state and has corporate authority under its organizational instruments to acquire, construct, reconstruct, equip, finance, furnish, otherwise improve, own, lease, or operate a stadium.

(6) "Debt charges" has the same meaning as in section 133.01 of the Revised Code, except that "obligations" shall be substituted for "securities" wherever "securities" appears in that section.

(7) "Eligible county" means a county having a population of at least three hundred seventy-five thousand, but not more than four hundred thousand, according to the most recent federal decennial



census.

(8) "Existing lodging taxes" means taxes levied by a board of county commissioners of an eligible county under division (A) of section 5739.09 of the Revised Code.

(9) "Financing costs" means all costs and expenses relating to the authorization, including any required election, issuance, sale, delivery, authentication, deposit, custody, clearing, registration, transfer, exchange, fractionalization, replacement, payment, and servicing, of obligations, including, without limitation, costs and expenses for or relating to publication and printing, postage, delivery, preliminary and final official statements, offering circulars, and informational statements, travel and transportation, underwriters, placement agents, investment bankers, paying agents, registrars, authenticating agents, remarketing agents, custodians, clearing agencies or corporations, securities depositories, financial advisory services, certifications, audits, federal or state regulatory agencies, accounting and computation services, legal services and obtaining approving legal opinions and other legal opinions, credit ratings, redemption premiums, and credit enhancement facilities. Financing costs may be paid from any money available for the purpose, including, unless otherwise provided in the proceedings, from the proceeds of the obligations to which they relate and, as to future financing costs, from the same sources from which debt charges on the obligations are paid and as though debt charges.

(10) "Host municipal corporation" means a municipal corporation, having a population of at least seventy thousand but not more than eighty thousand according to the most recent federal decennial census, within the boundaries of which a stadium is located.

(11) "Host school district" means the school district within the boundaries of which a stadium is located.

(12) "Issuer" means any issuer, as defined in section 133.01 of the Revised Code, and any corporation.

(13) "Obligations" means obligations that are issued or incurred by an issuer pursuant to Chapter 133. or 4582. of the Revised Code, or otherwise, for the purpose of funding or paying, or reimbursing persons for the funding or payment of, project costs, and that evidence the issuer's



obligation to repay borrowed money, including interest thereon, or to pay other money obligations of the issuer at any future time, including, without limitation, bonds, notes, anticipatory securities as defined in section 133.01 of the Revised Code, certificates of indebtedness, commercial paper, or installment sale, lease, lease-purchase, or similar agreements.

(14) "Port authority" means a port authority created under Chapter 4582. of the Revised Code.

(15) "Project" means acquiring, constructing, reconstructing, rehabilitating, remodeling, renovating, enlarging, equipping, furnishing, or otherwise improving a stadium or any component or element thereof.

(16) "Project cost" means the cost of acquiring, constructing, reconstructing, rehabilitating, remodeling, renovating, enlarging, equipping, financing, refinancing, furnishing, or otherwise improving a project, including, without limitation, financing costs; the cost of architectural, engineering, and other professional services, designs, plans, specifications, surveys, and estimates of costs; financing or refinancing obligations issued by, or reimbursing money advanced by, any cooperating party or any other person, where the proceeds of the obligations or money advanced was used to pay any other cost described in this division; inspections and testing; any indemnity or surety bond or premium related to insurance pertaining to development of the project; all related direct and indirect administrative costs; fees and expenses of trustees, escrow agents, depositories, and paying agents for any obligations; interest on obligations during the planning, design, and development of a project and for up to eighteen months thereafter; funding of reserves for the payment of debt charges on any obligations; and all other expenses necessary or incident to planning, or determining the feasibility or practicability of, a project, including, without limitation, advocating the enactment of legislation to facilitate the development and financing of a project.

(B) On or before December 31, 2015, the board of county commissioners of an eligible county, a host municipal corporation, the board of education of a host school district, a port authority, a bureau, and a corporation, or any combination thereof, may enter into a cooperative agreement under which:

(1) The board of county commissioners and the bureau agree to make available to a cooperating party or any other person proceeds of an existing lodging tax, not to exceed five hundred thousand



dollars each year, to pay project costs or debt charges on obligations issued by a cooperating party to fund, finance, or refinance the payment of project costs;

(2) The cooperating parties agree, subject to any conditions or limitations provided in the cooperative agreement, to each of the following:

(a) The conveyance, grant, or transfer to a cooperating party or any other person of ownership of, property interests in, and rights to use a stadium, either as the stadium exists at the time of the agreement or as it may be improved by a project;

(b) The respective responsibilities of each cooperating party for the management, operation, maintenance, repair, and replacement of a stadium, including any project undertaken with respect to the stadium, which may include authorization for a cooperating party to contract with any other person for any such purpose;

(c) The respective responsibilities of each cooperating party for the development and financing of a project, including, without limitation, the cooperating party or parties that shall be responsible for contracting for the development of a project and administering contracts into which the party or parties enter into for that purpose;

(d) The respective responsibilities of each cooperating party to provide money, whether by issuing obligations or otherwise, for the funding, payment, financing, or refinancing, or reimbursement to a cooperating party or other person for the funding, payment, financing, or refinancing, of project costs;

(e) The respective responsibilities of each cooperating party, or any other person, to provide money or other security for the payment of debt charges on obligations.

(C) Any conveyance, grant, or transfer of ownership of, property interests in, or rights to use a stadium, and any contract for the development, management, operation, maintenance, repair, or replacement of a stadium, including any project undertaken with respect to an existing stadium, that is contemplated by a cooperative agreement may be made or entered into by a cooperating party, in such manner and upon such terms as the cooperating parties may agree, without any requirement of



bidding and without regard to ownership of the stadium, notwithstanding any other provision of law that may otherwise apply. A project constitutes a "port authority facility" within the meaning of division (D) of section 4582.01 and division (E) of section 4582.21 of the Revised Code and shall be considered a permanent improvement for one purpose under Chapter 133. of the Revised Code.

(D) Notwithstanding any other provision of law, and after deducting the real and actual costs of administering an existing lodging tax and any portion of such tax required to be returned to any municipal corporation or township as provided in division (A)(1) of section 5739.09 of the Revised Code, the board of county commissioners of an eligible county and a bureau may agree to make available, and a cooperating party or other person may use, proceeds of an existing lodging tax for the funding or payment of project costs, including, without limitation, the payment of debt charges on obligations. Either the board or the bureau, or both, may pledge proceeds of an existing lodging tax to the payment of debt charges on obligations. The total amount of existing lodging tax proceeds made available for such use or so pledged each year shall not exceed five hundred thousand dollars. The lien of any such pledge shall be effective against all persons when it is made, without the requirement for the filing of any notice, and any proceeds of an existing lodging tax so pledged and required to be used to pay debt charges on obligations shall be paid by the county or bureau at the times, in the amounts, and to such payee, including, without limitation, a corporate trustee or paying agent, required for such obligations. The board of county commissioners may amend any previously adopted resolution providing for the levy of an existing lodging tax to permit the use of the proceeds of the existing lodging tax as provided in this division.

(E) A board of county commissioners shall not repeal, rescind, or reduce the levy of an existing lodging tax to the extent its proceeds are pledged to the payment of debt charges on obligations, and any such lodging tax shall not be subject to repeal, rescission, or reduction by initiative, referendum, or subsequent enactment of legislation by the general assembly, so long as there remain outstanding any obligations as to which the payment of debt charges is secured by a pledge of the existing lodging tax.

(F) A pledge of the proceeds of an existing lodging tax under division (D) of this section shall not constitute indebtedness of the eligible county for the purposes of Chapter 133. of the Revised Code.

(G) The authority provided by this section is supplemental to, and is not intended to limit in any



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way, any legal authority that a cooperating party may have under any other provision of law.