



Ohio Revised Code

Section 122.45 Loans to political subdivisions.

Effective: July 14, 1983

Legislation: Senate Bill 227 - 115th General Assembly

The director of development, with controlling board approval, may lend funds to any county, municipal corporation, or township or any other political subdivision of the state for the purpose of expediting the creation, location, or expansion of industrial, distribution, commercial, or research facilities in the state by the construction or installation of streets, sidewalks, storm sewers, sanitary sewers and sewage disposal works, water lines, and water supply facilities which such subdivisions are authorized by law to construct or install, and the acquisition of lands or easements for such purposes, if the director finds that:

(A) A plan for the use of the money so loaned in connection with the creation, location, or expansion of such a facility is economically sound and will benefit the people of the state by increasing opportunities for employment and strengthening the economy;

(B) The proposed borrower is unable to procure the money for the aforesaid use within the time required in order to secure the desired creation, location, or expansion of such facilities;

(C) An agreement for repayment of the money loaned with interest thereon has been made by such subdivision evidenced by its notes, bonds, or by written contract, payable, however, only from moneys payable to such subdivision by a community improvement corporation, an Ohio development corporation, or other corporation, partnership, or person, or any combination thereof;

(D) There is adequate assurance that the moneys payable by such corporation or person to such subdivision will be paid as they fall due and will be payable at such times as are necessary to provide such subdivision with moneys sufficient to pay its loan to the director as it falls due.

The rates of interest and times of payment of interest and principal and other terms, conditions, and provisions of the loans shall be such as the director determines to be appropriate and in furtherance of the purpose for which the loans are made. The funds used in making such loans shall be disbursed upon order of the director.



Any subdivision intending to borrow funds from the director pursuant to this section may agree with a community improvement corporation, an Ohio development corporation, partnership, or other corporation or person, or any combination thereof, to construct any one or more of the improvements for which such funds are to be borrowed in return for a commitment, satisfactory to both such subdivision and the director, to make available to such subdivision sufficient moneys to discharge its loan from the director as it falls due.

Any subdivision to which such a loan is made may issue to the director its notes or bonds for the repayment of such loan, or may by written contract agree to repay such loan provided that the obligation to pay is limited to the moneys received by the subdivision from such corporation, partnership, or person and is not an obligation for which the faith or credit or taxing power of the subdivision is pledged.

Any subdivision receiving such a loan may construct or cause to be constructed the improvements for which such loan is made in the manner provided by law or charter for the making of contracts for such improvements, and may, if no special assessments are to be levied against benefited properties, dispense with all notices to the public or to property owners and all hearings otherwise required with respect to the making of such improvements, and in such case no resolution or order determining to make the improvement shall be subject to any appeal.