



Ohio Revised Code

Section 3313.375 Lease-purchase agreement for building or improvements to building.

Effective: September 29, 2015

Legislation: House Bill 64 - 131st General Assembly

The board of education of a city, local, exempted village, or joint vocational school district, the governing board of an educational service center, or the governing authority of a community school may enter into a lease-purchase agreement providing for construction; enlarging or other improvement, furnishing, and equipping; lease; and eventual acquisition of facilities or improvements to facilities, including but not limited to buildings, playgrounds, parking lots, athletic facilities, and safety enhancements for any school district, educational service center, or community school purpose. The agreement shall provide for a lease for a series of one-year renewable lease terms totaling not more than the number of years equivalent to the useful life of the asset and in no event more than thirty years. The agreement shall provide that at the end of the series of lease terms provided for in the agreement the title to the leased property shall be vested in the school district or educational service center, if all obligations of the school district, educational service center, or community school provided for in the agreement have been satisfied. The agreement may, in addition to the rental payments, require the school district, educational service center, or community school to pay the lessor a lump-sum amount as a condition of obtaining title to the leased property. In conjunction with the agreement, a school district board of education, an educational service center governing board, or a governing authority of a community school may grant leases, easements, or licenses for underlying land or facilities under the board's control for terms not exceeding five years beyond the final renewal term of the lease-purchase agreement entered into pursuant to this section. Payments under the agreement may be deemed to be, and paid as, current operating expenses.

The obligations under a lease-purchase agreement entered into pursuant to this section shall not be considered to be net indebtedness of a school district under section 133.06 of the Revised Code.