



## Ohio Revised Code

### Section 307.671 Cooperative agreement for sales tax levy and bond issuance for port authority educational and cultural facility.

Effective: April 7, 2009

Legislation: Senate Bill 353 - 127th General Assembly

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(A) As used in this section:

(1) "Bonds" means, as the context requires: general obligation bonds of the county, or notes in anticipation thereof, described in division (B)(1)(b) of this section; revenue bonds of the port authority described in division (B)(2)(a) of this section; and urban renewal bonds, or notes in anticipation thereof, of the host municipal corporation described in division (B)(3)(a) of this section.

(2) "Corporation" means a nonprofit corporation that is organized under the laws of this state and that includes within the purposes for which it is incorporated the authorization to lease and operate facilities such as a port authority educational and cultural facility.

(3) "Debt service charges" means, for any period or payable at any time, the principal of and interest and any premium due on bonds for that period or payable at that time whether due at maturity or upon mandatory redemption, together with any required deposits to reserves for the payment of principal of and interest on such bonds, and includes any payments required by the port authority to satisfy any of its obligations arising from any guaranty agreements, reimbursement agreements, or other credit enhancement agreements described in division (C) of this section.

(4) "Host municipal corporation" means the municipal corporation within the boundaries of which the port authority educational and cultural facility is located.

(5) "Port authority" means a port authority created pursuant to the authority of section 4582.02 of the Revised Code by a county and a host municipal corporation.

(6) "Port authority educational and cultural facility" means a facility located within an urban



renewal area that may consist of a museum, archives, library, hall of fame, center for contemporary music, or other facilities necessary to provide programs of an educational and cultural nature, together with all parking facilities, walkways, and other auxiliary facilities, real and personal property, property rights, easements, and interests that may be appropriate for, or used in connection with, the operation of the facility.

(7) "Urban renewal area" means an area of a host municipal corporation that the legislative authority of the host municipal corporation has, at any time, designated as appropriate for an urban renewal project pursuant to Chapter 725. of the Revised Code.

(B) The board of county commissioners of a county, a port authority, and a host municipal corporation may enter into a cooperative agreement with a corporation, under which:

(1) The board of county commissioners agrees to do all of the following:

(a) Levy a tax under division (D) of section 5739.09 of the Revised Code exclusively for the purposes described in divisions (B)(1)(c) and (d) of this section;

(b) Issue general obligation bonds of the county, or notes in anticipation thereof, pursuant to Chapter 133. of the Revised Code, for the purpose of acquiring, constructing, and equipping the port authority educational and cultural facility and contribute the proceeds from the issuance to the port authority for such purpose. The cooperative agreement may provide that such proceeds be deposited with and administered by the trustee pursuant to the trust agreement provided for in division (C) of this section.

(c) Following the issuance, sale, and delivery of the port authority revenue bonds provided for in division (B)(2)(a) of this section, and prior to the date certain stated in the cooperative agreement which shall be the date estimated for the completion of construction of the port authority educational and cultural facility, pledge and contribute to the port authority revenue from the tax levied pursuant to division (B)(1)(a) of this section, together with any investment earnings on that revenue, to pay a portion of the costs of acquiring, constructing, and equipping the port authority educational and cultural facility;



(d) Following such date certain, pledge and contribute to the corporation all or such portion as provided for in the cooperative agreement of the revenue from the tax, together with any investment earnings on that revenue, to pay a portion of the costs of the corporation of leasing the port authority educational and cultural facility from the port authority.

(2) The port authority agrees to do all of the following:

(a) Issue revenue bonds of the port authority pursuant to Chapter 4582. of the Revised Code for the purpose of acquiring, constructing, and equipping the port authority educational and cultural facility;

(b) Construct the port authority educational and cultural facility;

(c) Lease the port authority educational and cultural facility to the corporation;

(d) To the extent provided for in the cooperative agreement or the lease to the corporation, authorize the corporation to administer on behalf of the port authority the contracts for acquiring, constructing, or equipping a port authority educational and cultural facility;

(e) Use the revenue derived from the lease of the port authority educational and cultural facility to the corporation solely to pay debt service charges on the revenue bonds of the port authority described in division (B)(2)(a) of this section.

(3) The host municipal corporation agrees to do both of the following:

(a) Issue urban renewal bonds of the host municipal corporation, or notes in anticipation thereof, pursuant to Chapter 725. of the Revised Code for the purpose of acquiring and constructing the port authority educational and cultural facility and contribute the proceeds from the issuance to the port authority for such purpose. The cooperative agreement may provide that such proceeds be deposited with and administered by the trustee pursuant to the trust agreement provided for in division (C) of this section.

(b) To the extent provided for in the cooperative agreement, contribute to the county, for use by



the county to pay debt service charges on the bonds of the county, or notes in anticipation thereof, described in division (B)(1)(b) of this section, any excess urban renewal service payments pledged by the host municipal corporation to the urban renewal bonds described in division (B)(3)(a) of this section and not required on an annual basis to pay debt service charges on the urban renewal bonds.

(4) The corporation agrees to do all of the following:

(a) Lease the port authority educational and cultural facility from the port authority;

(b) Operate and maintain the port authority educational and cultural facility pursuant to the lease;

(c) To the extent provided for in the cooperative agreement or the lease from the port authority, administer on behalf of the port authority the contracts for acquiring, constructing, or equipping a port authority educational and cultural facility.

(C) The pledges and contributions described in divisions (B)(1)(c) and (d) of this section and provided for in the cooperative agreement shall be for the period stated in the cooperative agreement, but shall not be in excess of the period necessary to provide for the final retirement of the port authority revenue bonds provided for in division (B)(2)(a) of this section and any bonds issued by the port authority to refund such bonds, and for the satisfaction by the port authority of any of its obligations arising from any guaranty agreements, reimbursement agreements, or other credit enhancement agreements relating to such bonds or to the revenues pledged to such bonds. The cooperative agreement shall provide for the termination of the cooperative agreement including the pledges and contributions described in divisions (B)(1)(c) and (d) of this section if the port authority revenue bonds provided for in division (B)(2)(a) of this section have not been issued, sold, and delivered within two years of the effective date of the cooperative agreement.

The cooperative agreement shall provide that any revenue bonds of the port authority shall be secured by a trust agreement between the port authority and a corporate trustee that is a trust company or bank having the powers of a trust company within or outside the state. The county may be a party to such trust agreement for the purpose of securing the pledge by the county of its contribution to the corporation pursuant to division (B)(1)(d) of this section. A tax levied pursuant



to division (B)(1)(a) of this section is not subject to diminution by initiative or referendum or diminution by statute, unless provision is made therein for an adequate substitute therefor reasonably satisfactory to the trustee under the trust agreement that secures the revenue bonds of the port authority.

(D) A pledge of money by a county under this section shall not be net indebtedness of the county for purposes of section 133.07 of the Revised Code.

(E) If the terms of the cooperative agreement so provide, any contract for the acquisition, construction, or equipping of a port authority educational and cultural facility shall be made in such manner as is determined by the board of directors of the port authority, and unless the cooperative agreement provides otherwise, such a contract is not subject to division (A) of section 4582.12 of the Revised Code. The port authority may take the assignment of and assume any contracts for the acquisition, construction, and equipping of a port authority educational and cultural facility that previously have been authorized by either or both the host municipal corporation or the corporation. Such contracts likewise are not subject to division (A) of section 4582.12 of the Revised Code.

Any contract for the acquisition, construction, or equipping of a port authority educational and cultural facility entered into, assigned, or assumed pursuant to this division shall provide that all laborers and mechanics employed for the acquisition, construction, or equipping of the port authority educational and cultural facility shall be paid at the prevailing rates of wages of laborers and mechanics for the class of work called for by the port authority educational and cultural facility, which wages shall be determined in accordance with the requirements of Chapter 4115. of the Revised Code for the determination of prevailing wage rates.