



Ohio Revised Code

Section 307.673 Cooperative agreement for sales tax levy and bond issuance for construction or renovation of professional sports facilities.

Effective: September 29, 2013

Legislation: House Bill 59 - 130th General Assembly

This section applies only in a county in which a tax is levied under section 307.697, 4301.421, 5743.024, or 5743.323 of the Revised Code on July 19, 1995.

(A) As used in this section:

(1) "County taxes" means taxes levied by a board of county commissioners under division (D) of section 307.697, division (B) of section 4301.421, division (C) of section 5743.024, and section 5743.323 of the Revised Code.

(2) "Corporation" means a nonprofit corporation organized under the laws of this state and that includes among the purposes for which it is incorporated the authority to acquire, construct, renovate, repair, equip, lease, manage, or operate a sports facility.

(3) "Cooperative agreement" means an agreement entered into pursuant to this section.

(4) "Cost of a sports facility" means the cost of acquiring, constructing, renovating, repairing, equipping, or improving one or more sports facilities, including reconstructing, rehabilitating, remodeling, and enlarging; the cost of equipping and furnishing such a facility; and all financing costs pertaining thereto, including the cost of engineering, architectural, and other professional services, designs, plans, specifications and surveys, and estimates of costs; the costs of refinancing obligations issued by, or reimbursement of money advanced by, the parties to the cooperative agreement or other persons, the proceeds of which obligations were used to pay the costs of the sports facility; the cost of tests and inspections; the cost of any indemnity or surety bonds and premiums on insurance, all related direct and administrative costs pertaining thereto, fees and expenses of trustees, depositories, and paying agents for the obligations, capitalized interest on the obligations, amounts necessary to establish reserves as required by the obligation proceedings, the reimbursement of money advanced or applied by the parties to the cooperative agreement or other



persons for the payment of any item of costs of the sports facility, and all other expenses necessary or incident to planning or determining the feasibility or practicability with respect to the sports facility; and any other such expenses as may be necessary or incident to the acquisition, construction, reconstruction, rehabilitation, remodeling, renovation, repair, enlargement, improvement, equipping, and furnishing of the sports facility, the financing of the sports facility, placing the sports facility in use and operation, including any one, part of, or combination of such classes of costs and expenses.

(5) "Financing costs" has the same meaning as in section 133.01 of the Revised Code.

(6) "Obligations" means obligations issued or incurred to pay the cost of a sports facility, including bonds, notes, certificates of indebtedness, commercial paper, and other instruments in writing, anticipatory securities as defined in section 133.01 of the Revised Code, issued or incurred by an issuer pursuant to Chapter 133. or 4582. of the Revised Code or this section, or otherwise, to evidence the issuer's obligation to repay borrowed money, or to pay interest, by, or to pay at any future time other money obligations of, the issuer of the obligations, including obligations of an issuer or lessee to make payments under an installment sale, lease, lease-purchase, or similar agreement.

(7) "Owner" means any person that owns or operates a professional athletic or sports team, that is party to a cooperative agreement, or that has a lease or other agreement with a party to a cooperative agreement, and that commits to use the sports facility that is the subject of the cooperative agreement for all of the team's home games for the period specified in that agreement.

(8) "Payments," when used with reference to obligations, means payments of the principal, including any mandatory sinking fund deposits and mandatory redemption payments, interest and any redemption premium, and lease rentals, lease-purchase payments and other amounts payable under obligations in the form of installment sale, lease, lease-purchase, or similar agreements.

(9) "Person" has the same meaning as defined in section 133.01 of the Revised Code.

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



(11) "Sports facility" means a facility, including a stadium, that is intended to house or provide a site for one or more major league professional athletic or sports teams or activities, together with all spectator facilities, parking facilities, walkways, and auxiliary facilities, real and personal property, property rights, easements, leasehold estates, and interests that may be appropriate for, or used in connection with, the operation of the sports facility.

(B) The board of county commissioners of a county, the legislative authority of a municipal corporation, a port authority, a corporation, and an owner, or any combination thereof, may enter into one or more cooperative agreements under which the parties enter into one or more of the agreements described in divisions (B)(1) to (5) of this section.

(1) The board of county commissioners agrees to do one or more of the following:

(a) Levy a tax under division (D) of section 307.697, division (B) of section 4301.421, division (C) of section 5743.024, and section 5743.323 of the Revised Code and make available all or a portion of the revenue from those taxes for the payment of the cost of the sports facility or to make payments on obligations;

(b) Issue or incur obligations of the county pursuant to Chapter 133. of the Revised Code or this section;

(c) Make available all or a portion of the revenue from those taxes or of the proceeds from the issuance of those obligations to the municipal corporation, port authority, corporation, or otherwise for the payment of the cost of a sports facility or the payment of obligations;

(d) Acquire, construct, renovate, repair, equip, lease to or from another person, and operate, directly or by a lease or management contract with another person, one or more sports facilities;

(e) To the extent provided in the cooperative agreement or a lease with respect to a sports facility, authorize the municipal corporation, port authority, corporation, or owner to administer contracts for designing, planning, acquiring, constructing, renovating, repairing, or equipping a sports facility.

(2) The port authority agrees to do one or more of the following:



- (a) Issue or incur obligations of the port authority pursuant to Chapter 133. or 4582. of the Revised Code or this section;
 - (b) Make available all or a portion of the proceeds from the issuance of those obligations to the municipal corporation, county, or corporation for the payment of the cost of a sports facility or the payment of obligations;
 - (c) Acquire, construct, renovate, repair, equip, lease to or from another person, and operate, directly or by a lease or management contract with another person, one or more sports facilities;
 - (d) To the extent provided in the cooperative agreement or a lease with respect to a sports facility, authorize the municipal corporation, county, corporation, or owner to administer contracts for designing, planning, acquiring, constructing, renovating, repairing, or equipping a sports facility.
- (3) The legislative authority of the municipal corporation agrees to do one or more of the following:
- (a) Make available the revenue from taxes levied by the legislative authority for the payment of the cost of a sports facility or to make payments on obligations;
 - (b) Issue or incur obligations of the municipal corporation pursuant to Chapter 133. of the Revised Code or otherwise;
 - (c) Make available all or a portion of the proceeds from the issuance of those obligations to the county, port authority, corporation, or otherwise for the payment of the cost of a sports facility or the payment of obligations;
 - (d) Acquire, construct, renovate, repair, equip, lease to or from another person, and operate, directly or by a lease or management contract with another person, one or more sports facilities;
 - (e) To the extent provided in the cooperative agreement or a lease with respect to a sports facility, authorize the county, port authority, corporation, or owner to administer contracts for designing, planning, acquiring, constructing, renovating, repairing, or equipping a sports facility.



- (4) The corporation agrees to do one or more of the following:
- (a) Issue or incur obligations;
 - (b) Make available all or a portion of the proceeds from the issuance of those obligations to the county, port authority, municipal corporation, or otherwise for the payment of the cost of a sports facility or the payment of obligations;
 - (c) Acquire, construct, renovate, repair, equip, lease to or from another person, and operate, directly or by a lease or management contract with another person, one or more sports facilities;
 - (d) To the extent provided in the cooperative agreement or a lease with respect to a sports facility, agree that the corporation will administer contracts for designing, planning, acquiring, constructing, renovating, repairing, or equipping a sports facility.
- (5) The owner agrees to do one or more of the following:
- (a) Use the sports facility that is the subject of the cooperative agreement for all of the home games of the owner's professional athletic or sports team for a specified period;
 - (b) Administer contracts for designing, planning, acquiring, constructing, renovating, repairing, or equipping a sports facility.
- (C) Any obligations may be secured by a trust agreement between the issuer of obligations and a corporate trustee that is a trust company or bank having the powers of a trust company in or outside this state and authorized to exercise corporate trust powers in this state. Proceeds from the issuance of any obligations or the taxes levied and collected by any party to the cooperative agreement may be deposited with and administered by a trustee pursuant to the trust agreement.
- (D) Any contract for the acquisition, construction, renovation, repair, or equipping of a sports facility entered into, assigned, or assumed under this section shall provide that all laborers and mechanics employed in the acquisition, construction, renovation, repair, or equipping of the sports



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facility shall be paid at the prevailing rates of wages of laborers and mechanics for the class of work called for, as those wages are determined in accordance with Chapter 4115. of the Revised Code.