



## Ohio Revised Code

### Section 307.695 Agreement for sales tax levy and bond issuance to construct and equip a convention center.

Effective: March 27, 2020

Legislation: House Bill 197 - 133rd General Assembly

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(A) As used in this section:

(1) "Arena" means any structure designed and constructed for the purpose of providing a venue for public entertainment and recreation by the presentation of concerts, sporting and athletic events, and other events and exhibitions, including facilities intended to house or provide a site for one or more athletic or sports teams or activities, 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 arena.

(2) "Convention center" means any structure expressly designed and constructed for the purposes of presenting conventions, public meetings, and exhibitions and includes parking facilities that serve the center and any personal property used in connection with any such structure or facilities.

(3) "Eligible county" means a county having a population of at least four hundred thousand but not more than eight hundred thousand according to the 2000 federal decennial census and that directly borders the geographic boundaries of another state.

(4) "Entity" means a nonprofit corporation, a municipal corporation, a port authority created under Chapter 4582. of the Revised Code, or a convention facilities authority created under Chapter 351. of the Revised Code.

(5) "Lodging taxes" means excise taxes levied under division (A), (B), or (M) of section 5739.09 of the Revised Code and the revenues arising therefrom.

(6) "Nonprofit 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 convention center or an arena or a combination of an arena and



convention center.

(7) "Project" means acquiring, constructing, reconstructing, renovating, rehabilitating, expanding, adding to, equipping, furnishing or otherwise improving an arena, a convention center, or a combination of an arena and convention center. For purposes of this section, a project is a permanent improvement for one purpose under Chapter 133. of the Revised Code.

(8) "Project revenues" means money received by a county with a population greater than four hundred thousand wherein the population of the largest city comprises more than one-third of that county's population, other than money from taxes or from the proceeds of securities secured by taxes, in connection with, derived from, related to, or resulting from a project, including, but not limited to, rentals and other payments received under a lease or agreement with respect to the project, ticket charges or surcharges for admission to events at a project, charges or surcharges for parking for events at a project, charges for the use of a project or any portion of a project, including suites and seating rights, the sale of naming rights for the project or a portion of the project, unexpended proceeds of any county revenue bonds issued for the project, and any income and profit from the investment of the proceeds of any such revenue bonds or any project revenues.

(9) "Chapter 133. securities," "debt charges," "general obligation," "legislation," "one purpose," "outstanding," "permanent improvement," "person," and "securities" have the meanings given to those terms in section 133.01 of the Revised Code.

(B) A board of county commissioners may enter into an agreement with a convention and visitors' bureau operating in the county under which:

(1) The bureau agrees to construct and equip a convention center in the county and to pledge and contribute from the tax revenues received by it under division (A) of section 5739.09 of the Revised Code, not more than such portion thereof that it is authorized to pledge and contribute for the purpose described in division (C) of this section; and

(2) The board agrees to levy a tax under division (M) of section 5739.09 of the Revised Code and pledge and contribute the revenues therefrom for the purpose described in division (C) of this section.



(C) The purpose of the pledges and contributions described in divisions (B)(1) and (2) of this section is payment of principal, interest, and premium, if any, on bonds and notes issued by or for the benefit of the bureau to finance the construction and equipping of a convention center. The pledges and contributions provided for in the agreement shall be for the period stated in the agreement. Revenues determined from time to time by the board to be needed to cover the real and actual costs of administering the tax imposed under division (M) of section 5739.09 of the Revised Code may not be pledged or contributed. The agreement shall provide that any such bonds and notes shall be secured by a trust agreement between the bureau or other issuer acting for the benefit of the bureau and a corporate trustee that is a trust company or bank having the powers of a trust company within or without the state, and the trust agreement shall pledge or assign to the retirement of the bonds or notes, all moneys paid by the county under this section. A tax the revenues from which are pledged under an agreement entered into by a board of county commissioners under this section shall not be 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 bonds and notes.

(D) A pledge of money by a county under division (B) of this section shall not be indebtedness of the county for purposes of Chapter 133. of the Revised Code.

(E) If the terms of the agreement so provide, the board of county commissioners may acquire and lease real property to the convention bureau as the site of the convention center. The lease shall be on such terms as are set forth in the agreement. The purchase and lease are not subject to the limitations of sections 307.02 and 307.09 of the Revised Code.

(F) In addition to the authority granted to a board of county commissioners under divisions (B) to (E) of this section, a board of county commissioners in a county with a population of one million two hundred thousand or more, or a county with a population greater than four hundred thousand wherein the population of the largest city comprises more than one-third of that county's population, may purchase, for cash or by installment payments, enter into lease-purchase agreements for, lease with an option to purchase, lease, construct, enlarge, improve, rebuild, equip, or furnish a convention center.



(G) The board of county commissioners of a county with a population greater than four hundred thousand wherein the population of the largest city comprises more than one-third of that county's population may undertake, finance, operate, and maintain a project. The board may lease a project to an entity on terms that the board determines to be in the best interest of the county and in furtherance of the public purpose of the project; the lease may be for a term of thirty-five years or less and may provide for an option of the entity to renew the lease for a term of thirty-five years or less. The board may enter into an agreement with an entity with respect to a project on terms that the board determines to be in the best interest of the county and in furtherance of the public purpose of the project. To the extent provided for in an agreement or a lease with an entity, the board may authorize the entity to administer on behalf of the board any contracts for the project. The board may enter into an agreement providing for the sale to a person of naming rights to a project or portion of a project, for a period, for consideration, and on other terms and conditions that the board determines to be in the best interest of the county and in furtherance of the public purpose of the project. The board may enter into an agreement with a person owning or operating a professional athletic or sports team providing for the use by that person of a project or portion of a project for that team's offices, training, practices, and home games for a period, for consideration, and on other terms and conditions that the board determines to be in the best interest of the county and in furtherance of the public purpose of the project. The board may establish ticket charges or surcharges for admission to events at a project, charges or surcharges for parking for events at a project, and charges for the use of a project or any portion of a project, including suites and seating rights, and may, as necessary, enter into agreements related thereto with persons for a period, for consideration, and on other terms and conditions that the board determines to be in the best interest of the county and in furtherance of the public purpose of the project. A lease or agreement authorized by this division is not subject to sections 307.02, 307.09, and 307.12 of the Revised Code.

(H) Notwithstanding any contrary provision in Chapter 5739. of the Revised Code, after adopting a resolution declaring it to be in the best interest of the county to undertake a project as described in division (G) of this section, the board of county commissioners of an eligible county may adopt a resolution enacting or increasing any lodging taxes within the limits specified in Chapter 5739. of the Revised Code with respect to those lodging taxes and amending any prior resolution under which any of its lodging taxes have been imposed in order to provide that those taxes, after deducting the real and actual costs of administering the taxes and any portion of the taxes returned to any municipal corporation or township as provided in division (A) of section 5739.09 of the Revised



Code, shall be used by the board for the purposes of undertaking, financing, operating, and maintaining the project, including paying debt charges on any securities issued by the board under division (I) of this section, or to make contributions to the convention and visitors' bureau operating within the county, or to promote, advertise, and market the region in which the county is located, all as the board may determine and make appropriations for from time to time, subject to the terms of any pledge to the payment of debt charges on outstanding general obligation securities or special obligation securities authorized under division (I) of this section. A resolution adopted under division (H) of this section shall be adopted not earlier than January 15, 2007, and not later than January 15, 2008.

A resolution adopted under division (H) of this section may direct the board of elections to submit the question of enacting or increasing lodging taxes, as the case may be, to the electors of the county at a special election held on the date specified by the board in the resolution, provided that the election occurs not less than ninety days after a certified copy of the resolution is transmitted to the board of elections and no later than January 15, 2008. A resolution submitted to the electors under this division shall not go into effect unless it is approved by a majority of those voting upon it. A resolution adopted under division (H) of this section that is not submitted to the electors of the county for their approval or disapproval is subject to a referendum as provided in sections 305.31 to 305.41 of the Revised Code.

A resolution adopted under division (H) of this section takes effect upon its adoption, unless the resolution is submitted to the electors of the county for their approval or disapproval, in which case the resolution takes effect on the date the board of county commissioners receives notification from the board of elections of the affirmative vote. Lodging taxes received after the effective date of the resolution may be used for the purposes described in division (H) of this section, except that lodging taxes that have been pledged to the payment of debt charges on any bonds or notes issued by or for the benefit of a convention and visitors' bureau under division (C) of this section shall be used exclusively for that purpose until such time as the bonds or notes are no longer outstanding under the trust agreement securing those bonds or notes.

(I)(1) The board of county commissioners of a county with a population greater than four hundred thousand wherein the population of the largest city comprises more than one-third of that county's population may issue the following securities of the county for the purpose of paying costs of the



project, refunding any outstanding county securities issued for that purpose, refunding any outstanding bonds or notes issued by or for the benefit of the bureau under division (C) of this section, or for any combination of those purposes:

(a) General obligation securities issued under Chapter 133. of the Revised Code. The resolution authorizing these securities may include covenants to appropriate annually from lawfully available lodging taxes, and to continue to levy and collect those lodging taxes in, amounts necessary to meet the debt charges on those securities.

(b) Special obligation securities issued under Chapter 133. of the Revised Code that are secured only by lawfully available lodging taxes and any other taxes and revenues pledged to pay the debt charges on those securities, except ad valorem property taxes. The resolution authorizing those securities shall include a pledge of and covenants to appropriate annually from lawfully available lodging taxes and any other taxes and revenues pledged for such purpose, and to continue to collect any of those revenues pledged for such purpose and to levy and collect those lodging taxes and any other taxes pledged for such purpose, in amounts necessary to meet the debt charges on those securities. The pledge is valid and binding from the time the pledge is made, and the lodging taxes so pledged and thereafter received by the county are immediately subject to the lien of the pledge without any physical delivery of the lodging taxes or further act. The lien of any pledge is valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the county, regardless of whether such parties have notice of the lien. Neither the resolution nor any trust agreement by which a pledge is created or further evidenced is required to be filed or recorded except in the records of the board. The special obligation securities shall contain a statement on their face to the effect that they are not general obligation securities, and, unless paid from other sources, are payable from the pledged lodging taxes.

(c) Revenue securities authorized under section 133.08 of the Revised Code and issued under Chapter 133. of the Revised Code that are secured only by lawfully available project revenues pledged to pay the debt charges on those securities.

(2) The securities described in division (I)(1) of this section are subject to Chapter 133. of the Revised Code.



(3) Section 133.34 of the Revised Code, except for division (A) of that section, applies to the issuance of any refunding securities authorized under this division. In lieu of division (A) of section 133.34 of the Revised Code, the board of county commissioners shall establish the maturity date or dates, the interest payable on, and other terms of refunding securities as it considers necessary or appropriate for their issuance, provided that the final maturity of refunding securities shall not exceed by more than ten years the final maturity of any bonds refunded by refunding securities.

(4) The board may not repeal, rescind, or reduce all or any portion of any lodging taxes pledged to the payment of debt charges on any outstanding special obligation securities authorized under this division, and no portion of any lodging taxes that is pledged, or that the board has covenanted to levy, collect, and appropriate annually to pay debt charges on any outstanding securities authorized under this division is subject to repeal, rescission, or reduction by the electorate of the county.