



Ohio Revised Code

Section 3318.61 Alternative to participation in college-preparatory boarding school facilities program; Leasing of facilities to person or entity; Agreement.

Effective: December 21, 2011

Legislation: House Bill 157 - 129th General Assembly

(A) In lieu of participating in the college-preparatory boarding school facilities program under section 3318.60 of the Revised Code, if the board of trustees of a college-preparatory boarding school established under Chapter 3328. of the Revised Code has leased, purchased, or otherwise acquired a site for the school, the board of trustees may request approval from the Ohio school facilities commission for the board of trustees and the commission to enter into an agreement with a person or entity for the development of the site, under which agreement all of the following shall occur:

(1) The board of trustees will lease the site and any facilities located on that site to the person or entity for the purpose of enabling the person or entity to provide the campus facilities needed for the school's programs and operations by constructing new facilities on the site; reconstructing, repairing, or making additions to the existing facilities on the site; or both.

(2) The person or entity will lease the site and any new or existing facilities located on that site back to the board of trustees for use by the school.

(3) The commission will pay the board of trustees state funds for the cost of acquisition of classroom facilities on the site and the board of trustees will use those funds to make rent payments on the lease provided by the person or entity. As agreed to by the commission and the board of trustees, the commission may pay the state funds to the board of trustees in periodic installments or as one lump sum in an amount equal to the outstanding balance on the lease for classroom facilities.

(B) The commission shall approve the request of the board of trustees under division (A) of this section only if the following conditions are satisfied:

(1) The person or entity that would be party to the agreement submits to the board of trustees and the commission a plan for developing the site that includes the following:



- (a) Provision for installation of site utilities that meet the requirements of all applicable laws;
 - (b) A description of the facilities that will be constructed, reconstructed, repaired, or added to and their total square footage;
 - (c) A description of how the facilities will enable the board of trustees to provide the educational program described in section 3328.22 of the Revised Code;
 - (d) Provision for securing property and liability insurance for the facilities;
 - (e) A description of how the development of the site will be financed by the person or entity;
 - (f) The length of the lease that the person or entity will offer the board of trustees, which shall not exceed forty years, and the monthly rent that will be owed to the person or entity for that lease.
- (2) The commission determines that the plan submitted under division (B)(1) of this section is satisfactory and will meet the needs of the students enrolled in the school and that the classroom facilities described in the plan do not exceed the construction and design standards established by the commission.
- (3) The person or entity that would be party to the agreement has demonstrated financial responsibility to the satisfaction of the commission.
- (4) The commission, in consultation with the board of trustees, determines that it is in the best interest of the school for the board of trustees and the commission to enter into the agreement.
- (C) Upon approval of the commission, the board of trustees and the commission may enter into an agreement with the person or entity for development of the site in accordance with this section. The agreement shall include the following:
- (1) A requirement that development of the site begin not later than eighteen months after the agreement is executed and proceed according to a schedule specified in the agreement;



(2) A stipulation that failure of the person or entity developing the site to comply with the schedule shall be grounds for termination of the agreement;

(3) A provision specifying which party to the agreement owns the facilities located on the site if the school closes prior to the expiration of the agreement and a provision indicating the period of time after the school's closure, if any, during which rent payments will continue to be paid to the person or entity developing the site.