



Ohio Revised Code

Section 701.07 Cooperative economic development agreements.

Effective: April 3, 2025

Legislation: House Bill 315 - 135th General Assembly

(A) The legislative authority of one or more municipal corporations, by ordinance or resolution, and the board of township trustees of one or more townships, by resolution, may enter into a cooperative economic development agreement under this section. The board of county commissioners of one or more counties may become a party to a cooperative economic development agreement upon the written consent of the legislative authority of each municipal corporation and the board of township trustees of each township that is a party to the agreement.

Before entering into a cooperative economic development agreement pursuant to this section, the parties to the agreement shall jointly hold a public hearing concerning the agreement. The parties shall provide to residents of the territory affected by the agreement at least thirty days' public notice of the time and place of the public hearing in one or more newspapers of general circulation in that territory. During the thirty-day period prior to the public hearing, each party to the agreement, except the state or any state agency or any person or private entity that becomes a party to the agreement under division (C)(10) or (F) of this section, shall make available for public inspection a copy of the proposed agreement.

(B) A cooperative economic development agreement may be amended at any time in the same manner as it was initially authorized. A cooperative economic development agreement shall designate the territory the agreement covers.

(C) A cooperative economic development agreement may provide for any of the following:

- (1) The provision of joint services and permanent improvements within incorporated or unincorporated areas;
- (2) The provision of services and improvements by a municipal corporation in unincorporated areas. As used in division (C)(2) of this section, "improvements" includes, but is not limited to, sewers, roadways, public utilities, and the acquisition of land.



- (3) The provision of services and improvements by a county or township within the territory of a municipal corporation;
- (4) The payment of service fees to a municipal corporation by a township or county;
- (5) The payment of service fees to a township or a county by a municipal corporation;
- (6) The issuance of notes and bonds and other debt obligations by a municipal corporation, county, or township for public purposes authorized by or under a cooperative economic development agreement and provision for the allocation of the payment of the principal of, interest on, and other charges and costs of issuing and servicing the repayment of the debt;
- (7) The issuance of industrial development notes, bonds, and debt obligations by a municipal corporation to finance projects in territory located outside the municipal corporation but located within the territory covered by a cooperative economic development agreement and provision for the allocation of the payment of the principal of, interest on, and other charges and costs of issuing and servicing the repayment of the debt. To implement division (C)(10) of this section, a municipal corporation may undertake projects under Chapter 165., 761., or 902. of the Revised Code even though the project is in territory located outside the municipal corporation.
- (8) The territory to be annexed to a municipal corporation when agreed to by the municipal corporation to which annexation is proposed and the township in which the territory to be annexed is located;
- (9) Any periods of time during which no annexations will occur and any areas that will not be annexed during the period when agreed to by the municipal corporation and township affected by the annexation moratorium;
- (10) Agreements by a municipal corporation and a township, or by a municipal corporation and a county, with landowners or developers of land that is to be annexed, or with both such landowners and land developers, concerning the provision of public services, facilities, and permanent improvements. Any person or other private entity described in division (C)(10) of this section that



enters into an agreement with a municipal corporation and a township, or with a municipal corporation and a county, pursuant to this division shall be considered to be a party to the agreement.

(11) The application of tax abatement statutes within the territory covered by the cooperative economic development agreement;

(12) Changing township boundaries under Chapter 503. of the Revised Code to exclude newly annexed territory from the original township and providing services to that territory;

(13) The earmarking by a municipal corporation for its general revenue fund of a portion of the utility charges it collects in territory located outside the municipal corporation but located within the territory covered by a cooperative economic development agreement, but only if the cooperative economic development agreement does not cover any matters relating to annexation;

(14) Payments in lieu of taxes, if any, to be paid to a township by a municipal corporation. These payments may be in addition to or in lieu of other payments required by law to be made to the township by that municipal corporation;

(15) Any other matter pertaining to the annexation or development of territory, whether the territory is owned by a governmental entity or a person or private entity;

(16) Agreements by one or more cities as defined under section 703.01 of the Revised Code, and one or more townships located in a county having a population of at least one hundred sixty thousand but not more than one hundred eighty thousand as determined by the most recent federal decennial census published by the United States census bureau before the execution of the cooperative economic development agreement and having a county planning commission operating pursuant to section 713.22 of the Revised Code as of the last day of the year to which such census applies, all of which shall be contiguous, subjecting all or part of the territory that is subject to the cooperative economic development agreement that qualifies as a megaproject supporting site to the substance of ordinances, resolutions, or other regulations of one or more of the political subdivisions party to the agreement related to the permitting, engineering, and construction of public and private improvements and other regulatory and proprietary matters determined to be for a public purpose under building codes, subdivision and other regulations as contemplated in Chapter 711. of the



Revised Code, and regulations concerning construction and maintenance of new roads and streets, but excluding regulations related to zoning, public water infrastructure and services, public sanitary sewer infrastructure and services, bridges, existing roads and streets, stormwater management, floodplain management, or soil erosion control. Such regulations shall apply within the designated territory and shall prevail over regulations that would otherwise be applicable, as specified in the agreements, including regulations of a political subdivision that is not party to the cooperative economic development agreement. A county wherein a political subdivision that is party to the cooperative economic development agreement is located, or a county contiguous to a political subdivision that is party to the cooperative economic development agreement, may become a party to any of the agreements under this division upon the written consent of the legislative authority of each city and the board of township trustees of each township that is a party to the cooperative economic development agreement. An agreement under this division is effective upon written approval of the legislative authority of each city, the board of township trustees of each township, and, as applicable, the board of county commissioners of each county that is party to the agreement. The political subdivision whose regulations the designated territory is subject to shall be responsible for administering and processing the regulations within the designated territory and may be compensated for such services as specified in the agreement. All public improvements that are constructed pursuant to such regulations shall be required to be owned and maintained by one or more of the parties to the cooperative economic development agreement as specified in any agreement permitted under this division and shall not be required, without its consent, to be owned or maintained by any political subdivision whose regulations have been superseded, and that political subdivision shall not, without its consent, have any obligations or liabilities relating thereto.

Before executing a cooperative economic development agreement that includes any agreements under this division, a township that is party to the proposed cooperative economic development agreement shall deliver, by certified mail, written notice to the clerk of the board of commissioners of the county in which affected property is located and to the proposed other party or parties to the cooperative economic development agreement indicating its intent to include, within the proposed cooperative economic development agreement, agreements that are permissible under this division. The notice shall identify which ordinances, resolutions, or other regulations are to be addressed in the permissible agreements and the territory to which the agreements will apply. The township and the county have ninety days from the clerk's receipt of the notice to negotiate their own agreement concerning procedures to achieve the efficient administration of those county regulations over which



the regulations of another political subdivision would prevail under the agreements permitted under this division including, without limitation, definitive timing requirements for completing related administrative actions. The township and county may, by mutual agreement, extend the ninety-day period for up to an additional thirty days.

The notice may include an election by the township to require the county to process and review all applications related to the permitting, engineering, and construction of public and private improvements that must be filed, processed, and approved by the county, its engineer, agencies, or departments in accordance with the same timing requirements as would apply to the processing and approval of similar applications if they were instead permitted to be filed under similar regulations adopted by the city that is a party to the cooperative economic development agreement. This election shall be binding upon the county regardless of whether the township and the county enter into an agreement as provided in this division, unless otherwise provided in such an agreement. If the election is made and is not otherwise altered in an agreement between the township and the county, and an application requires review by any committee, commission, or board of the county, then the application shall be placed on the agenda of the first regular meeting of such committee, commission, or board that occurs on or after the date that is fifteen days after the date the application was filed, and if no decision on the application is made at the initial meeting of the relevant committee, commission, or board, the application shall be considered at subsequent meetings of the relevant committee, commission, or board not less frequently than once every thirty days thereafter until the relevant committee, commission, or board issues a decision on the application. The timing requirements of this division apply to the exclusion of those that are provided elsewhere in the Revised Code or in county regulations.

If an agreement between the township and county is not duly executed by both the township and the county before the expiration of the ninety-day period, as may be extended, then the parties to the cooperative economic development agreement may approve and execute any agreements permitted under this division. If an agreement between the township and county is duly executed by both the township and the county within that period, then during all times while the agreement between the township and county remains effective the agreements contemplated in this division shall not be included in a cooperative economic development agreement. Should an agreement between the township and county later terminate or expire, then the agreements contemplated in this division may be included in a cooperative economic agreement without the requirement to again follow the



procedures contained in this division.

As used in division (C)(16) of this section, "megaproject supporting site" means real property that satisfies all of the following:

- (a) It is subject to a cooperative economic development agreement that becomes effective not later than June 30, 2025. Amendments to or modifications of a cooperative economic development agreement effective by that date, including amendments to include or modifications of agreements permitted under division (C)(16) of this section, are permitted, even if made after that date, without affecting compliance with this division.
- (b) It is no greater than six hundred acres in size.
- (c) It is zoned by the applicable governmental authority to allow for the development, operation, and construction of one thousand or more residential dwelling units in addition to nonresidential uses.
- (d) Any portion of the real property's perimeter boundary is located within five miles of real property on which a megaproject, as defined in section 122.17 of the Revised Code, is located, is under construction, or is planned to be constructed, as such megaproject real property is identified in a fully executed agreement with the tax credit authority as contemplated in division (D) of section 122.17 of the Revised Code.
- (D) Cooperative economic development agreements shall not be in derogation of the powers granted to municipal corporations by Article XVIII, Ohio Constitution, or any other provisions of the Ohio Constitution or of a municipal charter, nor shall municipal corporations and townships, or municipal corporations and counties, agree to share proceeds of any tax levy, although such proceeds may be used to make payments authorized in a cooperative economic development agreement.
- (E) If any party to a cooperative economic development agreement believes any other party has failed to perform its part of any provision of the agreement, including the failure to make any payment of moneys due under the agreement, the complaining party shall give notice to the other party clearly stating what breach the complaining party believes has occurred. The party receiving the notice has ninety days from the receipt of that notice to cure the breach. If the breach has not



been cured within that ninety-day period, the complaining party may sue for the recovery of the money due under the agreement, sue for specific enforcement of the agreement, or terminate the agreement by giving notice of termination to all other parties.

(F) In order to assist economic development or to provide appropriate state functions and services to any part of the state, the state or any state agency may become a party to a cooperative economic development agreement upon the approval of the governor and the written consent of the legislative authority or governing board of each government entity that is a party to the agreement and upon the approval of each person or private entity described in division (C)(10) of this section that is party to the agreement.

(G) A cooperative economic development agreement entered into under this section is in addition to any other agreements authorized by law between municipal corporations and counties or between municipal corporations and townships.

(H) The powers and authorizations provided for under this section and under any cooperative economic development agreement entered into pursuant to this section shall be liberally construed to allow parties to enter into cooperative economic development agreements and to carry out such an agreement by providing government improvements and facilities and services including road and bridge improvements and regulations, by promoting and supporting economic development, by creating and preserving employment opportunities, and by allowing for the sharing by counties and townships in the benefits of economic development even if the economic development does not occur in an unincorporated area.

(I) Nothing in this section expands or diminishes the exception of public utilities from certain regulations.