



Ohio Revised Code Section 715.84 Cost sharing agreements.

Effective: June 5, 2014

Legislation: House Bill 289 - 130th General Assembly

(A) As used in this section:

- (1) "Contracting party" means a municipal corporation that has entered into a municipal utility district contract or any party succeeding to such a municipal corporation.
- (2) "Contract for utility services" means a contract under which a municipal corporation agrees to provide to another municipal corporation water, sewer, electric, or other utility services necessary to the public health, safety, and welfare.
- (3) "Municipal utility district contract" means a contract described in and entered into under division (B) of this section.
- (4) "District" means a municipal utility district designated under this section.

(B) Two or more municipal corporations may enter into a contract whereby they agree to share in the costs of improvements for an area or areas located in one or more of the contracting parties that they designate as a municipal utility district for the purpose of facilitating new or expanded growth for commercial or economic development in the state. Except as otherwise provided in division (I) of this section, the contract and district shall meet the requirements of divisions (B) to (H) of this section.

(C) The contract shall set forth each contracting party's contribution to the municipal utility district. The contributions may be in any form that the contracting parties agree to, subject to divisions (G) and (I) of this section, and may include, but are not limited to, the provision of services, money, or equipment. The contract may provide for the contracting parties to distribute among themselves, in the manner they agree to, any municipal income tax revenues derived from the income earned by persons employed by businesses that locate within the district after it is designated by the contracting parties and from the net profits of such businesses. Except as provided in divisions (G) and (I) of this



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section, the contract may be amended, renewed, or terminated with the consent of the contracting parties.

(D) Before the legislative authority of any of the contracting parties enacts an ordinance approving a contract to designate a municipal utility district, the legislative authority of each of the contracting parties shall hold a public hearing concerning the contract and district. Each such legislative authority shall provide at least thirty days' public notice of the time and place of the public hearing in a newspaper of general circulation in the municipal corporation. During the thirty-day period prior to the public hearing, all of the following documents shall be available for public inspection in the office of the clerk of the legislative authority of each of the contracting parties:

- (1) A copy of the contract designating the district;
- (2) A description of the area or areas to be included in the district, including a map in sufficient detail to denote the specific boundaries of the area or areas;
- (3) An economic development plan for the district that includes a schedule for the provision of any new, expanded, or additional services, facilities, or improvements.

A public hearing held under division (D) of this section shall allow for public comment and recommendations on the contract and district. The contracting parties may include in the contract any of those recommendations prior to approval of the contract.

(E) After the public hearings required under division (D) of this section have been held, each contracting party may enact an ordinance approving the contract to designate a municipal utility district. After each contracting party has enacted such an ordinance, the clerk of the legislative authority of each contracting party shall file with the board of elections of each county within which a contracting party is located a copy of the ordinance approving the contract and shall direct the board of elections to submit the ordinance to the electors of the contracting party on the day of the next general, primary, or special election occurring at least ninety days after the ordinance is filed with the board of elections.

(F) The ballot shall be in the following form:



"Shall the ordinance of the legislative authority of the (city or village) of (name of contracting party) approving the contract with (name of each other contracting party) for the designation of a municipal utility district be approved?

FOR THE ORDINANCE AND CONTRACT	
AGAINST THE ORDINANCE AND CONTRACT	

"

If a majority of the electors of each contracting party voting on the issue vote for the ordinance and contract, the ordinance shall become effective immediately and the contract shall go into effect immediately or in accordance with its terms.

(G) If two or more contracting parties previously have entered into a separate contract for utility services, then amendment, renewal, or termination of the separate contract for utility services shall not constitute a part of the consideration for a municipal utility district contract unless the legislative authority of each contracting party determines all of the following:

- (1) That the creation of the municipal utility district will facilitate new or expanded growth for commercial or economic development in this state;
- (2) That substantial consideration exists to support the municipal utility district contract;
- (3) That the contracting parties are entering into the municipal utility district contract freely and without duress or coercion related to the amendment, renewal, or termination of the separate contract for utility services.

(H) A municipal utility district contract that does not satisfy division (G) of this section is void and unenforceable. If the contract provides for the extension of utility service or the provision of utility service at a lower rate than is currently in effect, any action claiming duress or coercion relating to a municipal utility district contract may be brought only by a contracting party, and must be brought before the contracting parties enter into the municipal utility district contract. The signing of the



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municipal utility district contract as authorized by the contracting parties is conclusive evidence as to the determinations set forth under division (G) of this section.

- (I) If one of the contracting parties is an impacted city as defined in division (C) of section 1728.01 of the Revised Code, then divisions (D) to (F) of this section shall not apply to the municipal utility district contract or to the municipal utility district to which that contract relates unless the contracting parties agree that those divisions shall apply.
- (J) Joint economic development zones created under section 715.69 of the Revised Code as that section existed before its repeal by H.B. 289 of the 130th general assembly shall henceforth be known as municipal utility districts and shall be subject to this section without any action of the contracting parties to such a joint economic development zone contract. The contracting parties to a joint economic development zone contract that is pending a public hearing or approval of electors under section 715.69 of the Revised Code on the effective date of H.B. 289 of the 130th general assembly may continue the process of approving the contract as provided in this section with the same force and effect as if the proceedings were conducted pursuant to section 715.69 of the Revised Code.