

Comparative Analysis:
Cooperative Economic Development Agreement (CEDA)
Joint Economic Development Districts (JEDD)
Senate Bill 5 Annexation Agreements

Prepared by:

**John Albers
and
Eric Luckage**

April 25, 2001

**The Law Firm of
Albers and Albers**

**88 North Fifth St.
Columbus, Ohio 43215
(614) 464-4414 (VOICE)
(614) 464-0604 (FACSIMILE)**

John.Albers@Alberslaw.com

Eric.Luckage@Alberslaw.com

	CEDA ORC §701.07	JEDD ORC§715.72-715.83	Annex. Agreements
Who may enter into Agreement?	<ol style="list-style-type: none"> 1. Municipal Corp(s). 2. Township(s) 3. County/counties w/ approval of 1&2 4. Person or private entity (#10 below) 5. State or State Agency – upon approval of Governor and other parties to agreement. 	<ol style="list-style-type: none"> 1. Municipal Corp(s) 2. Township(s) <ul style="list-style-type: none"> ➤ Not necessarily contiguous to one another, but max of one intervening muni. corp. or twp. ➤ Creates special purpose district. 	<ol style="list-style-type: none"> 1. Municipal Corp. 2. Township(s) 3. State – only to promote economic development or provide state functions or services, and only with approval of Director of Deveopment and other parties to the agreement. 4. Bd. of County Commissioners upon approval of parties to contract. 5. Any Person – upon approval of parties to contract.
What can it contain?	<ol style="list-style-type: none"> 1. CEDA area identified. 2. Provision of Joint Services/Permanent Improvements in incorporated or unincorporated areas. 3. Provision of services/improvements by municipality in unincorporated areas. 4. Provision of services/improvements by twp. or county in municipality. 5. Service fees from twp/county to muni. 6. Service fees from muni. to twp/county. 7. Issuance of notes and bonds by either party for purposes in the CEDA. 8. Muni. industrial development notes, bonds, debt obligations for project in unincorporated area. 9. Agreed territory to be annexed. 10. Time specific annexation prohibition. 11. Public service, facility or improvement agreements with landowners or developers. 12. Apply tax abatement statutes in CEDA area. 13. Change twp. boundaries under ORC 503 to exclude annexed area from old twp. and provide services in area. 	<ol style="list-style-type: none"> 1. JEDD District area identified. 2. Property tax revenue in District may be shared. 3. JEDD Bd. may levy an income tax on employees employed and businesses operating in JEDD, and it may be shared. 4. If contracting parties have previous utilities contract, modifying that contract may not constitute consideration for signing the JEDD contract. 5. Grant tax exemption under Enterprise Zone Law on property in JEDD. 6. Cannot include territory with electors residing in it or zoned residential. 7. Annexation of territory within JEDD prohibited for three years after contract signed, and beyond three years if contract specifies. 8. Muni. corp may issue industrial development bonds for projects in JEDD, or in twp adjacent to the muni. corp. 	<ol style="list-style-type: none"> 1. Identify the territory to be annexed. 2. Any periods of time during which no annexations will be made and any areas that will not be annexed. 3. Land use planning matters 4. Provision of joint services and permanent improvements within incorporated and unincorporated areas. 5. Provision of services and improvements by muni. corp. in unincorporated areas. 6. Provision of services and improvements by twp. in territory of muni. corp. 7. Payment of service fees to muni. corp. by twp. 8. Payment of service fees to twp. by muni. corp. 9. Reallocation of minimum mandated levies established under Tax Levy Law between a muni. corp. and a twp. in areas annexed after the bill's effective date. 10. Issuance of notes, bonds and other obligations by muni.corp. or twp. for purposes authorized under an annexation agreement. 11. Agreements by muni. corp. and twp., with owners or developers of land to be annexed concerning provision of services, facilities, and permanent improvements. 12. Application of tax abatement

	<p>14. Muni. may earmark to its general fund, a portion of utility charges collected from outside muni. but in CEDA – if the CEDA does not cover annexation matters.</p> <p>15. Payments in lieu of taxes to a twp from a muni.</p> <p>16. Any other matter regarding annexation territory or development.</p>		<p>statutes within the territory covered by the annexation agreement subsequent to its execution.</p> <p>13. Exclusion of newly annexed territory from the original twp. and provision of services to that territory.</p> <p>14. Payments in lieu of taxes, if any, to a twp. by a muni. corp.</p> <p>15. Any other matter concerning annexation or development of publicly or privately owned territory.</p>
Sharing of Tax revenue	Muni. may NOT share proceeds of tax levies, but such proceeds may be used to make payments authorized under CEDA to Twp.	Expressly permits sharing of property tax revenue for territory within JEDD district between the township and municipal corporation.	Twp and muni. corp may NOT agree to share proceeds of tax levy, but may be used to make payments authorized in annexation agreement.
Public Approval	Public Hearing required before entering agreement. Copies of agreement open to public for 30 days prior to hearing.	Submitted to electors for vote in some cases. Bd's approval of contract subject to referendum.	None required. Only municipal resolution or ordinance and township resolution necessary.
Changes	CEDA may be amended at any time in same manner as initially authorized.	May expand area later in same manner as initially authorized, but approval of township electors not required.	May be amended at any time in same manner as initially authorized.