

**JOINT ECONOMIC DEVELOPMENT DISTRICT (JEDD)  
R.C. SECTION 715.72 to 715.83**

- 1. Which Entities May Form A JEDD?** One or more municipal corporations and one or more townships. Counties may also be parties to a JEDD agreement.
  - 1.1. Contiguity - No more than one intervening township or municipality.
- 2. Purpose Of A JEDD.** To facilitate economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in Ohio and in the area of the contracting parties.
- 3. Territory To Be Included In A JEDD.**
  - 3.1. No electors may reside within territory of the JEDD, and no part of the territory shall be zoned for residential use.
  - 3.2. The JEDD may include all or a part of the territory of the contracting parties.
  - 3.3. Not to include territory owned by the township or municipality without its consent.
- 4. Provisions Of The JEDD Agreement (the “contract”).**
  - 4.1. Annexation. Annexation of territory from the JEDD District is prohibited for three years, or longer if the parties agree. Annexation can occur at any time with the consent of both parties.
  - 4.2. Contribution Of Parties, Share Tax Revenue, Joint Construction Of Projects. The contract shall state the amount or nature of the contribution of each contracting party to the development and operation of the District and may provide for the sharing of the costs of the operation of and improvements for the District. Contribution may be in any form to which the contracting parties agree and may include, but are not limited to, the provision of services, money, real or personal property, facilities or equipment. The contract may provide for the contracting parties to share revenue from the taxes levied on property by one or more of the contracting parties if those revenues may lawfully be applied to that purpose under the legislation by which those taxes are levied. The contract shall specify and provide for new, expanded or additional services, facilities, or improvements. The contract may provide for expanded or additional capacity for or other enhancement of existing services, facilities, or improvements.
  - 4.3. Duties Of Board Of Directors. The contract shall enumerate the specific powers, duties and functions of the Board of Directors of the District.
  - 4.4. Income Tax, Sharing Of Income Tax. The contract must determine whether an income tax shall be levied within the JEDD District. If levied, it will apply against the income earned by persons working within the

District and on the net profits of businesses located in the District. The income tax shall be used for the purposes of the District or any portion of the District in which the contract authorizes an income tax, and for the purposes of the contracting parties pursuant to the contract.

4.4.1. The rate of the income tax shall be no higher than the highest rate being levied by municipal corporations that is a contracting party.

4.4.2. Municipal corporation to administer.

4.4.3. Income tax to apply regardless of annexation.

4.5. Term Of Agreement, Renewal. A JEDD agreement shall have a stated term and may be amended, renewed or terminated with approval of the parties. If territory is added abbreviated form of adoption process required.

4.6. Contract For Utility Services. The amendment, renewal or termination of separate contract for utility services shall not constitute any part of the consideration for creating the JEDD.

4.6.1. Rebuttable presumption.

- Other substantial consideration
- No duress or coercion.

4.7. Zoning, Land Use. The contract shall determine which entity's zoning, land use regulations, building codes, shall apply and which entity's permanent public improvements and other regulatory and proprietary matter shall govern.

4.8. Tax Exemptions. Neither party may grant certain tax exemptions without the consent of the other party.

## **5. Procedure To Create JEDD District.**

5.1. Each entity to hold separate hearing on proposed JEDD agreement.

5.2. Thirty days notice in a newspaper of general circulation.

5.3. Documents available for public inspection, including:

5.3.1. Copy of JEDD Agreement.

5.3.2. Description of area to be included.

5.3.3. Economic development plan with a schedule for additional services, facilities or improvements, a schedule for collection of income tax to be levied.

- 5.4. A copy of proposed JEDD Agreement must be delivered to county commissioners before it is signed. County may enter into agreement with the contracting party to provide any county services.
- 5.5. After both hearings are completed, each entity may adopt an ordinance or resolution approving the contract. Upon adoption of the same, the parties shall deliver to the county commissioners the following documents:
  - 5.5.1. A signed copy of the JEDD Agreement.
  - 5.5.2. A description of the territory of the JEDD.
  - 5.5.3. The economic development plan.
  - 5.5.4. Certified copies of the ordinance and resolution of the contracting parties adopting the JEDD Agreement.
  - 5.5.5. A certificate that the public hearings were held.
  - 5.5.6. A petition signed by a majority of the owners of property located within the area or areas to be included in the District.
  - 5.5.7. A petition signed by a majority of the owners of businesses, if any, located within the area or areas to be included in the District.
- 5.6. Notice given to property owners and business owners who did not sign the petition by certified mail that their land shall be included within the JEDD area and that all documents are available for public inspection in the office of the clerk of the municipal corporation and clerk of the township.
- 5.7. If all documents are not filed as required, or if the county determines that the JEDD agreement was not entered into freely and without duress or coercion, it may adopt a resolution disapproving the creation of the JEDD district.
- 5.8. Unless it makes a determination disapproving the creation of the district, the county commissioners, within thirty days, must adopt a resolution approving the creation of the district.
- 5.9. Thereafter, the matter must be submitted to a vote of the electorate of the township unless all three of the following criteria are met:
  - 5.9.1. The resolution was approved by unanimous vote by the board of township trustees.
  - 5.9.2. The creation of the JEDD is proposed at the request of a majority of the owners of land included within the proposed district.
  - 5.9.3. The territory to be included in the proposed JEDD is zoned in a manner appropriate to the function of the proposed district.

- 5.10. If said criteria are not met, the matter must be submitted to vote of the electorate of the township at the next succeeding general, primary or special election.
- 5.11. The JEDD is effective thirty-one days after approval of the township trustees, or, if a vote is required or utilized, thirty-one days after approval by electors of the township. Such approval is subject to referendum petition.
- 5.12. All documents must be filed with the Director of Development of the State of Ohio.

**6. Board Of Directors.** The Board of Directors of the district shall be either a five person or three person board, depending upon whether there are businesses located and persons working within the area to be included in the district.

- 6.1. If there are such businesses and persons, the Board is comprised of five members, as follows:
  - 6.1.1. One member appointed by the municipal corporation.
  - 6.1.2. One member appointed by the township trustees.
  - 6.1.3. One member appointed by the owners of the businesses.
  - 6.1.4. One member appointed by the persons working within the district.
  - 6.1.5. One member selected by the members described above.
- 6.2. Persons serve staggered terms of four years, and no more than two consecutive terms.
- 6.3. If there are no businesses or persons working within the area included in the district, the Board shall be composed of three members, as follows:
  - 6.3.1. One member appointed by the municipal corporation.
  - 6.3.2. One member appointed by the township trustees.
  - 6.3.3. One member selected by the above-referenced members.
- 6.4. The district board is subject to the Sunshine Law of the State of Ohio, R.C. 121.22, but is not considered to hold public office or employment.

**7. When To Use A JEDD District, Distinguishing JEDDs From Cooperative Economic Development Districts (CEDAs) And Annexation Agreements.** See handout “Comparative Analysis of JEDDs, CEDAs, and Annexation Agreements”.

# **JOINT ECONOMIC DEVELOPMENT DISTRICTS (JEDD)**

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