

THE COALITION OF OHIO REGIONAL DISTRICTS (CORD)

We have completed the formation of the **Coalition of Ohio Regional Districts, or "CORD,"** a non-profit organization created to further and protect the interests of regional water and sewer districts ("6119 Districts").

Initially, the focus of CORD's efforts will be legislative in nature. Every year, bills are introduced in the Ohio General Assembly which have potentially negative consequences for regional districts (*see HB 304 on reverse*). Likewise, multiple amendments to the Ohio Revised Code are needed to clarify or strengthen the law as it pertains to districts. Unfortunately, the interests of districts are not always the same as those of other political subdivisions. We believe a focused effort is needed to protect and advance districts. That is why we have created CORD.

We also hope CORD becomes a consolidated resource which meets the information needs of Districts. CORD will also advance the interests of Districts with such state and federal agencies as the Ohio Environmental Protection Agency, the Ohio Water Development Authority, and USDA Rural Development.

CORD is NOT intended to replace any other association or entity. Our intent is not to replace the functions of other groups, only supplement them. While we certainly encourage all "6119" districts to join CORD, we also encourage membership in the Ohio Rural Water Association and other related groups. CORD is intended to act solely as an active and consistent voice, working exclusively on behalf of regional districts statewide. We will provide information about our initial meeting as soon as it is available. **CORD will also be accepting associate memberships from other political subdivisions and professionals who work with districts. Please call CORD at 614-464-2244 if you'd like to discuss membership in the Association.**

One of the first formal actions of CORD was to endorse the "Jobs For Ohio" issue that will be before Ohio voters this Fall. This is a very broad package which includes a renewal of "Issue 2" funding, an important source of financing for local water & sewer projects.

CORD will be working with the lobbyists from *Governmental Policy Group* (GPG) on all legislative matters. GPG is a well respected firm which represents numerous clients, including the Ohio Township Association. We look forward to a long and successful partnership with GPG.

Keep an eye on your mail for more information about CORD membership, service on its Board and upcoming meetings.

Legal Issues

UNITED STATES SUP. CT. ON EMINENT DOMAIN

A recent United States Supreme Court ruling has confirmed the use of eminent domain for economic development purposes. In *Kelo v. City of New London*, the Supreme Court held that governments may seize property to make room for private development projects, so long as those projects are for a “public purpose.” In *Kelo*, the city approved a development plan that had been submitted by the development agent. The plan called for the construction of a waterfront hotel, restaurants, retail stores, residences, and office space; also, portions of the development area were to be used for marinas and for support services. The city authorized the agent to purchase property in the development area or to acquire it by eminent domain. The agent purchased most of the required property, but nine owners refused to sell. The Court found that the development plan served a public purpose and therefore constituted a public use under the Takings Clause of the Fifth Amendment. The plan was not adopted to benefit a particular class of identifiable individuals. Although the owners' properties were not blighted, the city's determination that a program of economic rejuvenation was justified was entitled to deference. There was no reason to exempt economic development from the broad definition of “public purpose.” The Court declined to require a reasonable certainty that the expected public benefits would accrue, nor was it proper to second-guess the City's determination of the boundary of the development area.

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Look for our newly designed website in the next few weeks. For previous issues of our newsletter, please visit the Albers and Albers website at www.alberslaw.com.

RECENTLY INTRODUCED LEGISLATION

Several bills affecting Regional Water & Sewer Districts are pending before the Ohio General Assembly:

- **House Bill 304** would limit the ability of Districts to certify delinquent charges to the County Auditor. Under the proposal, a District could only certify if it also provided a certification that the owner of the property also occupied the property. Clearly, this bill is intended to protect landlords when renters are delinquent. As many of you know, tenants frequently leave town with no notice or forwarding address. Water & sewer service providers are now forced to collect from the landlord or lose those outstanding charges. This bill would effectively eliminate the ability of providers to collect money due to them because the renters are gone and there is no way to force the owner to pay. We think this is a bad idea and bad public policy. **Please contact your local representatives to voice your concern. Both Albers and Albers and CORD will be working hard to defeat this effort.**
- **House Bill 277** would allow Regional Water and Sewer Districts (“6119 Districts”), to establish police departments. This is a significant expansion of the rights of Districts.
- **House Bill 215** would allow Districts to provide a senior citizen discount on water and/or sewer services.

JOINT ECONOMIC DEVELOPMENT DISTRICTS (JEDDs)

Ohio Revised Code sections 715.72 through 715.83 allow for one or more municipal corporations and one or more townships to form a contract for the purpose of facilitating economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in the area of the contracting parties. Joint Economic Development Districts (“JEDDs”) provide a unique opportunity for townships and municipalities to cooperate to provide the best solution for provision of services to the people of the area and share tax revenues, including the municipal income tax. We have worked on numerous JEDD agreements recently as many townships and cities begin to realize their benefits. John Albers will be speaking on JEDDs at the Winter Convention of the Ohio Township Association. If you have any questions regarding JEDDs or think it would be right for your area, please contact us.

EMINENT DOMAIN ISSUES FRONT AND CENTER

As a result of the *Kelo* case (*see article at left*), Senate Bill 167 has been introduced in the Ohio General Assembly. SB 167 would impose a two year moratorium on eminent domain efforts which take private property for the types of economic development purposes at issue in *Kelo*. The Bill also creates a twenty four member task force to study eminent domain in the state. Presumably, the debate will center around whether to continue to permit eminent domain for economic development purposes. We will watch this Bill closely because certain groups are already pushing to expand the moratorium to ALL eminent domain takings, including those for water & sewer projects. While it's hard to believe that effort could succeed, emotions are running very high on this issue. The Bill will move quickly and some version is expected to be adopted this Fall.