

As Introduced

**127th General Assembly
Regular Session
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S. B. No. 261

Senator Stivers

Cosponsor: Senator Goodman

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A B I L L

To amend section 755.14 and to enact section 755.141 1
of the Revised Code to authorize a joint 2
recreation district operating on the site of the 3
United States Christopher Columbus Quincentenary 4
Jubilee to issue revenue bonds, maintain lines of 5
credit, and enter into lease purchase agreements 6
for property; to expand the district's powers with 7
respect to its own property; and to make certain 8
appointments to the district's board permissive 9
rather than mandatory. 10

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 755.14 be amended and section 755.141 11
of the Revised Code be enacted to read as follows: 12

Sec. 755.14. (A) If the legislative authority of a municipal 13
corporation determines that the power to equip, operate, and 14
maintain parks, playgrounds, playfields, gymnasiums, public baths, 15
swimming pools, or recreation centers shall be exercised by a 16
recreation board, it may establish such a board, which shall 17
possess all the powers and be subject to all the responsibilities 18
of the respective local authorities under sections 755.12 to 19

755.18 of the Revised Code. The board shall consist of five 20
persons, two of whom shall be members of the board of education of 21
the city or village school district or shall be appointed by that 22
board of education. The other members of the recreation board 23
shall be appointed by the mayor or manager as executive of such 24
municipal corporation with the consent of its council. The members 25
who are board of education members and members appointed by a 26
board of education shall be residents of the school district 27
making the appointment but need not be residents of the municipal 28
corporation. All other members of the board shall be residents of 29
the municipal corporation. All members of the board shall serve 30
for terms of five years, except that the members first appointed 31
shall be appointed for such terms that the term of one member 32
shall expire annually thereafter. Members of the board shall serve 33
without pay. Vacancies in the board, occurring otherwise than by 34
expiration of term, shall be for the unexpired term and shall be 35
filled in the same manner as original appointments. 36

(B)~~(1)~~ The legislative authorities of the municipal 37
corporations, boards of township trustees of the townships, boards 38
of township park commissioners, boards of county commissioners of 39
the counties, and boards of education of the school districts 40
joined in the operation and maintenance of parks or recreation 41
facilities under section 755.16 of the Revised Code may, by 42
resolution, establish a joint recreation board which may possess 43
all the powers and be subject to all the responsibilities of the 44
respective local authorities under sections 755.12 to 755.18 of 45
the Revised Code. The resolutions shall specify the number of 46
members of the joint recreation board, other than any members who 47
may be appointed under division (B)(2) of this section, and the 48
method of appointing members and filling vacancies. Members of the 49
board shall serve without pay. 50

~~(2) If a park or recreational facility owned, operated, or 51~~

~~maintained by a joint recreation board created under division 52
(B)(1) of this section is the site where an exhibition sanctioned 53
by the United States Christopher Columbus quincenary jubilee 54
commission is being or has been held and the exhibition is or was 55
sponsored by an organization that is also sponsoring or has 56
sponsored an exhibition sanctioned by the international 57
association of horticulture producers, then the governor, speaker 58
of the house of representatives, and president of the senate shall 59
each appoint one member to the board. The members appointed by the 60
speaker of the house of representatives and the president of the 61
senate may be members of the general assembly, but any members of 62
the general assembly appointed to the board shall be nonvoting 63
members and shall serve only while they remain members of the 64
general assembly. Members appointed under division (B)(2) of this 65
section shall serve terms of three years and serve without pay, 66
and all vacancies in their positions on the board, whether for an 67
unexpired term or at the end of a term, shall be filled in the 68
same manner as the original appointments. 69~~

(C) The legislative authorities of the several subdivisions 70
joined in the operation and maintenance of recreation facilities 71
under section 755.16 of the Revised Code may, by resolution, 72
establish a joint recreation district, consisting of all the 73
territory of the subdivisions so joined. The joint recreation 74
district board of trustees shall be the governing body of a 75
district and shall possess all the powers of a legislative 76
authority of an individual subdivision under sections 755.12 to 77
755.18 of the Revised Code. The Subject to section 755.141 of the 78
Revised Code, the number of trustees shall be fixed by the 79
resolutions creating the district and may be any number so long as 80
there is representation of all participating subdivisions. 81

Sec. 755.141. If a park or recreational facility owned, 82
operated, or maintained by a joint recreation district created 83

under division (C) of section 755.14 of the Revised Code is the 84
site where an exhibition sanctioned by the United States 85
Christopher Columbus quincentenary jubilee commission is being or 86
has been held and the exhibition is or was sponsored by the 87
organization that is also sponsoring or has sponsored an 88
exhibition sanctioned by the international association of 89
horticulture producers, the following provisions shall apply, in 90
addition to the provisions of sections 755.12 to 755.18 of the 91
Revised Code: 92

(A) The governor, speaker of the house of representatives, 93
and president of the senate may each appoint one member to the 94
board of trustees of the district. These members may be members of 95
the general assembly, but any members of the general assembly 96
appointed to the board of trustees shall be nonvoting members and 97
shall serve only while they remain members of the general 98
assembly. Members appointed under this division shall serve terms 99
of three years and serve without pay, and all vacancies in their 100
positions on the board, whether for an unexpired term or at the 101
end of a term, shall be filled in the same manner as the original 102
appointments. 103

(B) The board of trustees of a joint recreation district may 104
designate the amounts and forms of property and casualty insurance 105
protection to be provided. The expense of providing the protection 106
shall be paid from operating funds of the joint recreation 107
district. 108

(C) The board of trustees of a joint recreation district may 109
acquire, construct, maintain, and operate horticultural 110
facilities, public banquet facilities, greenhouses, and such other 111
facilities as are authorized in section 755.16 of the Revised 112
Code. 113

(D)(1) By resolution of its board of trustees, the joint 114
recreation district may issue revenue bonds beyond the limit of 115

bonded indebtedness provided by law, for the acquisition, 116
construction, furnishing, or equipping of any real or personal 117
property, or any combination thereof which it is authorized to 118
acquire, construct, furnish, or equip, including all costs in 119
connection with or incidental thereto. 120

(2) The revenue bonds of the joint recreation district shall 121
be secured only by a pledge of and a lien on the revenues of the 122
joint recreation revenues that are designated in the resolution, 123
including, but not limited to, any property to be acquired, 124
constructed, furnished, or equipped with the proceeds of the bond 125
issue, after provision only for the reasonable cost of operating, 126
maintaining, and repairing the property of the joint recreation 127
district so designated. The bonds may further be secured by the 128
covenant of the joint recreation district to maintain rates or 129
charges that will produce revenues sufficient to meet the costs of 130
operating, maintaining, and repairing such property and to meet 131
the interest and principal requirements of the bonds and to 132
establish and maintain reserves for the foregoing purposes. The 133
board of trustees of the joint recreation district, by resolution, 134
may provide for the issuance of additional revenue bonds from time 135
to time, to be secured equally and ratably, without preference, 136
priority, or distinction, with outstanding revenue bonds, but 137
subject to the terms and limitations of any trust agreement 138
described in this section, and of any resolution authorizing bonds 139
then outstanding, The board of trustees, by resolution, may 140
designate additional property of the district, the revenues of 141
which shall be pledged and be subject to a lien for the payment of 142
the debt charges on revenue bonds theretofore authorized by 143
resolution of the board of trustees, to the same extent as the 144
revenues above described. 145

(3) In the discretion of the board of trustees, the revenue 146
bonds of the district may be secured by a trust agreement between 147

the joint recreation district and a corporate trustee, that may be 148
any trust company or bank having powers of a trust company, within 149
or without the state. 150

(4) The trust agreement may provide for the pledge or 151
assignment of the revenues to be received, but shall not pledge 152
the general credit and taxing power of the joint recreation 153
district. The trust agreement or the resolution providing for the 154
issuance of revenue bonds may set forth the rights and remedies of 155
the bondholders and trustees, and may contain other provisions for 156
protecting and enforcing their rights and remedies that are 157
determined in the discretion of the board of trustees to be 158
reasonable and proper. The agreement or resolution may provide for 159
the custody, investment, and disbursement of all moneys derived 160
from the sale of such bonds, or from the revenues of the joint 161
recreation district, other than those moneys received from taxes 162
levied pursuant to section 755.171 of the Revised Code, and may 163
provide for the deposit of such funds without regard to Chapter 164
135. of the Revised Code. 165

(5) All bonds issued under authority of this section, 166
regardless of form or terms and regardless of any other law to the 167
contrary, shall have all qualities and incidents of negotiable 168
instruments, subject to provisions for registration, and may be 169
issued in coupon, fully registered, or other form, or any 170
combination thereof, as the board of trustees determines. 171
Provision may be made for the registration of any coupon bonds as 172
to principal alone or as to both principal and interest, and for 173
the conversion into coupon bonds of any fully registered bonds or 174
bonds registered as to both principal and interest. 175

(6) The revenue bonds shall bear interest at such rate or 176
rates, shall bear such date or dates, and shall mature within 177
thirty years following the date of issuance and in such amount, at 178
such time or times, and in such number of installments, as may be 179

provided in or pursuant to the resolution authorizing their 180
issuance. Any original issue of revenue bonds shall mature not 181
later than thirty years from their date of issue. Such resolution 182
also shall provide for the execution of the bonds, which may be by 183
facsimile signatures unless prohibited by the resolution, and the 184
manner of sale of the bonds. The resolution shall provide for, or 185
provide for the determination of, any other terms and conditions 186
relative to the issuance, sale, and retirement of the bonds that 187
the board of trustees in its discretion determines to be 188
reasonable and proper. 189

(7) Whenever a joint recreation district considers it 190
expedient, it may issue renewal notes and refund any bonds, 191
whether the bonds to be refunded have or have not matured. The 192
final maturity of any notes, including any renewal notes, shall 193
not be later than five years from the date of issue of the 194
original issue of notes. The final maturity of any refunding bonds 195
shall not be later than the later of thirty years from the date of 196
issue of the original issue of bonds or the date by which it is 197
expected, at the time of issuance of the refunding bonds, that the 198
useful life of all of the property, other than interests in land, 199
refinanced with proceeds of the bonds will have expired. The 200
refunding bonds shall be sold and the proceeds applied to the 201
purchase, redemption, or payment of the bonds to be refunded and 202
the costs of issuance of the refunding bonds. The bonds and notes 203
issued under this section, their transfer, and the income 204
therefrom, shall at all times be free from taxation within the 205
state. 206

(E) A joint recreation district described in this section may 207
do all of the following: 208

(1) Operate or appoint agents to operate, or otherwise 209
provide for the operation of, its properties and its facilities, 210
activities, and programs and to enter into agreements and 211

arrangements related thereto, and to receive and apply the net 212
proceeds thereof solely to the management, operation, development, 213
maintenance, and repair of its properties, its buildings, 214
facilities, improvements, and grounds; 215

(2) Impose and collect a charge for admission for selective 216
events, exhibits, and facilities; 217

(3) Offer memberships of various denominations for selective 218
activities or facilities; 219

(4) Form advisory and other support committees to the board 220
of trustees to provide counsel and assistance to the board in the 221
management, operation, and development of its properties, 222
buildings, facilities, improvements, and grounds; 223

(5) Grant licenses, or enter into leases or contracts, for 224
the use of any part of its properties, facilities, buildings, and 225
grounds for such length of time and upon such terms and conditions 226
as the board of trustees deems appropriate and necessary, and 227
grant easements in, through, or over its property; 228

(6) Receive and accept from any federal, state, county, 229
municipal, or local government or agency, any grant or 230
contribution of money, property, labor, or other things of value, 231
to be held, used, and applied for the purpose for which such 232
grants and contributions are made; and 233

(7) Accept and expend gifts, grants, devises, and bequests of 234
money and property on behalf of the board of trustees and hold, 235
use, and apply such gifts, grants, devises, and bequests according 236
to the terms thereof. 237

(F)(1) For purposes of division (F)(2) of this section: 238

(a) "Bank" has the same meaning as in section 1101.01 of the 239
Revised Code. 240

(b) "Savings and loan association" has the same meaning as in 241

section 1151.01 of the Revised Code. 242

(c) "Savings bank" has the same meaning as in section 1161.01 243
of the Revised Code. 244

(2) The board of trustees may enter into a contract for a 245
secured line of credit with a bank, savings and loan association, 246
or savings bank if the contract meets all of the following 247
requirements: 248

(a) The term of the contract does not exceed one year, except 249
that the contract may provide for the automatic renewal of the 250
contract for up to four additional one-year periods. 251

(b) The contract provides that the bank, savings and loan 252
association, or savings bank shall not commence a civil action 253
against the board, any member of the board, or the county or the 254
municipal corporation to recover the principal, interest, or any 255
charges or other amounts that remain outstanding on the secured 256
line of credit at the time of any default by the board. 257

(c) The contract provides that no assets other than those of 258
the joint recreation district can be used to secure the line of 259
credit. 260

(d) The terms and conditions of the contract comply with all 261
state and federal statutes and rules governing the extension of a 262
secured line of credit. 263

(3) Any obligation incurred by a board of trustees of a joint 264
recreation district pursuant to division (B) of this section is an 265
obligation of that board only and not a general obligation of the 266
board of county commissioners, the county, or the municipal 267
corporation within the meaning of division (O) of section 133.01 268
of the Revised Code. 269

(G)(1) For purposes of division (G)(2) of this section: 270

(a) "Lease-purchase agreement" has the same meaning as a 271

lease with an option to purchase. 272

(b) "Public obligation" has the same meaning as in section 273
133.01 of the Revised Code. 274

(2) For any purpose for which a board of trustees of a joint 275
recreation district described in this section is authorized to 276
acquire real or personal property, that board may enter into a 277
lease-purchase agreement in accordance with this section to 278
acquire the property. 279

The lease-purchase agreement shall provide for a series of 280
terms in which no term extends beyond the end of the fiscal year 281
of the joint recreation district in which that term commences. In 282
total, the terms provided for in the agreement shall be for not 283
more than the useful life of the real or personal property that is 284
the subject of the agreement. A property's useful life shall be 285
determined either by the maximum number of installment payments 286
permitted under the statute that authorizes the board to acquire 287
the property or, if there is no such provision, by the maximum 288
number of years to maturity provided for the issuance of bonds in 289
division (B) of section 133.20 of the Revised Code if bonds were 290
to be issued by a subdivision under that section to finance such 291
facilities. If the useful life cannot be determined under either 292
of those statutes, it shall be estimated as provided in division 293
(C) of section 133.20 of the Revised Code. 294

The lease-purchase agreement shall provide that, at the end 295
of the final term in the agreement, if all obligations of the 296
joint recreation district have been satisfied, the title to the 297
leased property shall vest in the joint recreation district if 298
that title has not vested in the joint recreation district before 299
or during the lease terms; except that the lease-purchase 300
agreement may require the joint recreation district to pay an 301
additional lump sum payment as a condition of obtaining that 302
title. 303

(3) A board of trustees of a joint recreation district that enters into a lease-purchase agreement under this section may do any of the following with the property that is the subject of the agreement: 304
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(a) If the property is personal property, assign the board's rights to that property; 308
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(b) Grant the lessor a security interest in the property; 310

(c) If the property is real property, grant leases, easements, or licenses for underlying land or facilities under the board's control for terms not exceeding five years beyond the final term of the lease-purchase agreement. 311
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(4) The authority granted in division (G) of this section is in addition to and not in derogation of, any other financing authority provided by law. 315
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(H) The board of trustees of a joint recreation district described in this section may exercise such other powers as shall have been granted to it in the agreement between the municipal corporation and the board of county commissioners establishing the joint recreation district entered into pursuant to division (C) of section 755.14 of the Revised Code. 318
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Section 2. That existing section 755.14 of the Revised Code is hereby repealed. 324
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