
Detailed Fiscal Analysis

Eligibility to create a Joint Economic Development District (JEDD)

The bill removes the limitation that only four types of municipal corporations and townships may create a Joint Economic Development District (JEDD). Under current law, only municipal corporations and townships within a charter county, or municipal corporations and townships creating a JEDD comprised entirely of real property owned by a municipal corporation are permitted to create a JEDD. The bill would expand this ability to all townships and municipal corporations. The bill limits to 20% the amount of residential property that can comprise a JEDD. Political subdivisions that create JEDDs will likely share in the delivery of services as well as the tax base of that area. Such an arrangement could potentially decrease the costs of providing those services as currently provided to that area. Sharing the tax base of that area could also increase revenues for the political subdivisions participating in the JEDD.

Ways a JEDD may be created

The bill also alters the way in which a JEDD can be formed. Under current law, to form a JEDD, both the property owners of any land and the business owners in that area must sign a petition to do so. Current law also permits a JEDD to be created if the issue is put on a township ballot. However, this is restricted to townships in charter counties, of which there is only one, Summit County. The bill removes this restriction. The bill permits a JEDD to be created by either using the petition process or by placing the issue directly on a township ballot. This change could potentially result in the creation of JEDDs that may not have been created given the restriction in current law.

New notification requirements

The bill requires the legislative authority of any political subdivision wishing to create a JEDD to give notice in a newspaper of general circulation, at least once a week for three weeks, of the time and place of a public hearing concerning the JEDD contract. Additionally, the bill requires written notice be sent by regular mail to all property owners in the proposed JEDD at least 30 days before the public hearing. There will be some costs associated with these notification requirements; however, these costs are likely to be minimal.

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