

One Island, One Government

Information from Jim Duffy:

This study is an informative read only. The numbers and statistics are from 2001 and require updating to assure validity.

Pages of interest are 33, 37, 38 and 39.

Happy reading!

**STUDY OF
OPTIONS & ALTERNATIVES
IN GOVERNANCE
FOR
PUT-IN-BAY TOWNSHIP
AND
THE VILLAGE OF PUT-IN-BAY, OHIO**

**PREPARED FOR
PUT-IN-BAY PROPERTY OWNERS ASSOCIATION
SEPTEMBER 2001**

Center for  **Policy Analysis
& Public Service
at Bowling Green State University**

STUDY OF OPTIONS & ALTERNATIVES IN GOVERNANCE
FOR PUT-IN-BAY TOWNSHIP AND
THE VILLAGE OF PUT-IN-BAY, OHIO

CENTER FOR POLICY ANALYSIS & PUBLIC SERVICE
BOWLING GREEN STATE UNIVERSITY

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Table Of Contents

TABLE OF CONTENTS..... I

LIST OF FIGURES II

PREFACE III

EXECUTIVE SUMMARYIV

CHAPTER 1 - INTRODUCTION AND OVERVIEW..... 1

CHAPTER 2 – HISTORIC, GEOGRAPHIC, AND DEMOGRAPHIC CONTEXT..... 3

CHAPTER 3 – STUDY METHOD 11

CHAPTER 4 – THE ENVIRONMENT 14

CHAPTER 5 - PLANNING AND LAND USE..... 18

CHAPTER 6 - PUBLIC SERVICES AND FINANCE..... 22

CHAPTER 7 - GOVERNANCE 30

CHAPTER 8 - CONCLUSIONS..... 37

APPENDIX 1 – ALTERNATIVES – INTERLOCAL COOPERATION..... 40

APPENDIX 2 – ALTERNATIVES – SPECIAL DISTRICTS..... 41

APPENDIX 3 – ALTERNATIVES – ANNEXATION 57

List of Figures

Table 2.1 Land Area of the Major Bass Islands 3

Figure 2.1 Put-in-Bay Township and Village of Put-in-Bay 4

Table 2.2 Population of Inhabited Islands in Put-in-Bay Township, 1990 5

Table 2.3 Percent Change in Population, 1990-2000 5

Figure 2.2 Census Blocks 6

Table 2.4 Age Distribution of Put-in-Bay Residents, 2000 7

Table 2.5 General Housing Characteristics, 1990 and 2000 8

Table 2.6 Election Statistics for March Primary and November General Election, 2000 9

Table 2.7 Enrollment Figures for Local School Districts, 2000-2001 10

Table 4.1 Water & Sewer – Put-in-Bay Township & Village 14

Table 4.2 Village and Township Water and Sewer Services 16

Table 5.1 Land-use Factors 19

Table 6.1 Village and Township Public Services 23

Table 6.2 Receipts/Expenditures Ratio 1996 – 2000 24

Table 6.3 Year 2000 Revenues and Expenditures 25

Table 6.4 Government Expenditures Compared 25

Table 6.6 2000 Tax Rates in Mills 26

Table 6.7 2000 Assessed Value for Real Estate Taxes 27

Table 6.8 2000 Property Tax Duplicates 27

Table 6.9 Seasonal, Recreational & Occasional Housing Units as a Percent of Total Housing
Units, 2000 28

Table 6.10 Grants and Intergovernmental Aid 28

Figure 7.1 Options & Alternatives Available Under ORC July 31, 2001 31

Preface

August 2001

The Center for Policy Analysis and Public Service (CPA&PS) at Bowling Green State University (BGSU) is an interdisciplinary research unit. It provides policy research, technical assistance, and public service. It is a focal point for developing applied research in such areas as economic development, local government, environmental policy, and workforce development. As a part of Ohio's Rural Universities Program, CPA&PS has responsibilities related to local and regional issues. The Center's goal is to provide timely, objective, relevant, and useful information to policymakers regionally and nationally.

In November 2000, the Put-in-Bay Property Owners Association, Inc. (PIBPOA) commissioned CPA&PS to study options and alternatives for governance of Put-in-Bay Township and the Village of Put-in-Bay. The PIBPOA request was prompted by concerns regarding quality-of-life issues, including water supply, sewer, land-use planning and zoning, and public safety. The focus of the study was defined by discussion between PIBPOA and CPA&PS. This report provides information that will help local people make informed choices about governance options.

Preliminary research included interviews with a representative sample of state and local officials involved with Put-in-Bay Township (the Township) and the Village of Put-in-Bay (the Village). The purpose of these interviews was to ensure that the study did not overlook important governmental issues or problems. Those officials provided their perspectives concerning the issues facing the community that needed to be considered in our study.

The principal investigator was Dr. Beth Walter Honadle, Director of CPA&PS and Professor of Political Science at BGSU. Dr. Karen D. Johnson-Webb, Assistant Professor of Geography in CPA&PS, wrote Chapter 2. Robin R. Weirauch, Assistant Director of CPA&PS, managed the project and led the writing of the report. Barbara I. Billmaier collected and analyzed data, conducted interviews, and drafted sections of the report as the project's research assistant. Richard A. Edwards, Senior Associate in CPA&PS, contributed information about options for governance and wrote the executive summary. Dr. David M. Stott, Assistant Professor of Accounting and Faculty Research Associate for CPA&PS, assisted with financial analysis. Patricia Sherman, CPA&PS secretary, provided technical assistance in the production of the final publication.

EXECUTIVE SUMMARY

In November 2000, the Put-in-Bay Property Owners Association, Inc. commissioned the Center for Policy Analysis and Public Service at Bowling Green State University to study the governance of the Village of Put-in-Bay and Put-in-Bay Township.

The study process, including interviews with a representative sample of state and local officials, focused on four broad public policy areas: the Environment, Planning and Land Use, Public Services and Finance, and Governance. Our findings are as follows:

The Environment

Among the critical issues identified were the availability of water, access to sewage treatment, and the water quality of the beach areas. At present, the Township and the Village have separate water and sewer systems, and neither is within the Ottawa County Water and Sewer District. The lack of contiguous boundaries within the Township complicates delivery of public services. For example, in the recent past access to water from the Village was restricted to Township properties adjacent to the Village that qualified for annexation. A Village ordinance passed in July 2001 permits the sale of water and sewer services into the Township by request of the property owners.

Planning and Land Use

There is a lack of consensus over planning and land-use issues. At present, there is no formal joint planning between the Township and the Village, although both jurisdictions are under the Ottawa County Comprehensive Plan. The process of planning is further complicated by the existence of multiple jurisdictions (i.e., Federal, State, County, Township, and Village, as well as the Lake Erie Coastal Management Plan) and the fact that the Township consists of islands.

Public Services and Finance

The most pressing public service and finance issues affecting Township-Village relations are driven by the seasonal shifts in population and the fluctuating demand for services. In terms of safety services, the Village has a police department, and the Township receives police services on a fee-for-service basis. The Township provides fire and emergency medical services for the Village and for all of the Bass Islands. The St. Vincent Medical Center in Toledo provides supplemental medical services on a fee-for-service basis.

Options and Alternatives for Governance

The alternatives in this report range from relatively informal forms of cooperation between the Village and Township, to more radical options such as the dissolving of a unit of government, or the total merger of the Village and Township. Beyond keeping the status quo, i.e., "no change," the various alternatives in this report may be categorized into three basic options: 1) cooperate interlocally, 2) create special districts, and 3) initiate annexation or merger.

Within these options, there are numerous alternatives. Any choice among these various alternatives would entail different procedures and might yield very different consequences.

The study found that there were two alternatives that could potentially address all of the issues that surfaced in the interviews. They were merger and the creation of a Cooperative Economic Development Agreement.

Limitations of the Study

The purpose of this research was to explore options and alternatives for restructuring government on the Bass Islands. Some of the governmental concerns of Islands' residents cannot be addressed by redrawing jurisdictional boundaries through annexation or merger, or engaging in more intergovernmental (interlocal) cooperation to provide services. For example, some part-time residents are frustrated that they live in the Put-in-Bay area part of the year and own property there, but have no representation in the local governments that control such things as land use, ordinances, local service levels, and taxation. Their desire to be heard on issues that affect their quality of life on the Islands is stymied by the fact that they vote elsewhere, cannot run for elected office in the Islands, and are paying local taxes without representation. It is not uncommon for people to own property outside of where they live, vote, or can run for office. However, the situation here is unusual because of the magnitude of the difference between permanent and part-time resident populations. This population disparity is a separate issue from those surrounding local government structure options.

Conclusion

The Bass Islands present a very unusual situation for local governance. It is a cluster of small islands that are primarily accessible by boat and are relatively inaccessible in winter. The Islands have a tiny population, according to the official U.S. Census. However, these facts do not tell the whole story. The Village and Township both have more registered voters than permanent residents. In addition, there are many more housing units than population counted in the U.S. Census. This is partly because there are many second homes on the Islands and also because some properties are rented to tourists. Many people who own property and pay property taxes to local governments on the Islands are not registered to vote in local elections. This raises representation issues for nonresident taxpayers.

The extraordinary influx of tourists who visit the Islands during the summer months dramatically affect the demand for public services – from public safety, to water, to sewage treatment. On one hand, the tourists are a boon to the local economy and help support the provision of public services; on the other hand, the need for high levels of public services for a short period of the year is a direct result of the influx of tourists. Since a major reason for why tourists flock to the South Bass Islands is the consumption of alcohol, it makes the maintenance of orderly conduct and the provision of sanitary services of paramount importance. All of these factors combine to make island governance a very complex subject.

Each issue area studied (i.e., the environment, planning and land use, public services and finance, and governance) can be addressed through formal and informal governmental

agreements and altering political jurisdictions. The complexity of multiple levels of government, the physical nature of island communities, and the small *permanent* population base (according to the U.S. Census) make some of the options and alternatives in governance more feasible than others.

The recent signing of annexation reform legislation in Ohio could be of potential benefit to Township-Village relationships. The reformed legislation will take effect in October 2001. Another recent development in Ohio law that could be helpful in the working relations between the Township and the Village is the Cooperative Economic Development Agreement, which was adopted by the Ohio General Assembly in 1999.

The collective decision as to the best options for the Bass Islands community depends largely, if not entirely, on the goals of the citizens. Is the goal to save money, improve services, improve the quality of life for the residents (i.e., better control over tourism), provide all Bass Islands residents with a say in the use of land and economic growth of the area? Until there is some degree of consensus about the goals for the area, any one option will likely be met by formidable opposition. Thus, to reach a reasonable level of consensus, open and fully inclusive discussions need to be initiated before an appropriate option is chosen.

CHAPTER 1 - INTRODUCTION AND OVERVIEW

The *Study of Options and Alternatives in Governance for Put-in-Bay Township and the Village of Put-in-Bay, Ohio* was in response to particular questions of interest by the Put-in-Bay Property Owners Association. Those questions concerned such things as alternatives and approaches to unified government, processes entailed in changing local governmental structures, public services, tax issues, differential impacts on the various Bass Islands, and the role of Ottawa County in any potential changes. The research is presented in terms of critical issues surrounding four (4) broad areas of focus:

- The Environment
- Planning and Land Use
- Public Services and Finance
- Options and Alternatives in Governance

These four(4) areas framed the research. The study presents a variety of alternatives for governance of the Village and Township and likely consequences associated with each alternative. The purpose of this report is to supply information that will help local citizens make informed choices.

Goals And Objectives

The scope of work for *The Study of Options and Alternatives for Governance of Put-in-Bay Township and the Village of Put-in-Bay, Ohio* is as follows:

Environmental Issues

- Study environmental concerns relative to water and sewage services.
- Evaluate the effects of changes in the local government structure on water and sewage services.
- Present conclusions regarding the impact of government structure change on environmental issues.

Planning and Land Use

- Examine current approaches to comprehensive planning, land-use planning, and zoning.
- Analyze the effectiveness of existing structures and procedures for ensuring coordinated and compatible land uses in adjacent areas.
- Present conclusions regarding the impact of government structure change on planning and land use issues.

What's in a name?

Within this study, the incorporated Village of Put-in-Bay is referred to as **the Village**

Put-in-Bay Township is called **the Township** in this study and is referring to all the Bass Islands and the Village unless otherwise specified.

When this study refers to the unincorporated areas of the entire Township outside the Village, the term **unincorporated Township** will be used.

Public Services and Finance

- Analyze trends in revenues and expenditures for the Village and Township.
- Examine types of public services offered by both jurisdictions.
- Review existing intergovernmental cooperation between the Village and Township.
- Estimate the capacity of current infrastructure to accommodate additional users.
- Identify sources of revenue available within the jurisdictions.
- Present conclusions regarding the impact of government structure change on public services and finance issues.

Alternatives for Governance

- Comprehensively consider options for restructuring government on the Bass Islands.
- Present available options under the Ohio Revised Code for governing the area.
- Present conclusions regarding the impact or consequences of the available options.
- Present information on the enabling legislation, steps required, and potential consequences of the change for each option and alternative (Appendices 1-3).

CHAPTER 2 – HISTORIC, GEOGRAPHIC, AND DEMOGRAPHIC CONTEXT

The Township is located in western Lake Erie and is part of Ottawa County, Ohio. It contains the Bass Islands. The largest of these, in terms of land area, are North Bass Island (locally known as Isle St. George), Middle Bass Island, and South Bass Island, on which the Village of Put-in-Bay is located. Six additional islands, four of which are uninhabited, are also included in the land area of the township. These are from north to south: Sugar Island, Rattlesnake Island (and the tiny Rattles Islands), Ballast Island, Gibraltar Island (in the bay called Put-in-Bay), Green Island, and Starve Island (Figure 2.1).

The Battle of Lake Erie during the War of 1812 was fought just west of Put-in-Bay and was won by Commodore Perry who turned the British back. One of the popular historical attractions at Put-in-Bay Village is the Perry's Victory & International Peace Memorial. Throngs of tourists also visit the wineries that are located in Put-in-Bay Township. The Village is also regionally renowned for its many drinking establishments.

Physical Geography

The Township is located at approximately 41.65°N latitude, 82.60°W longitude and sits at 577 feet above sea level. The Lake Erie Islands, of which the Bass Islands are a part, are made of limestone rock that was shaped by glacial action. The channels between the Islands are of various depths, but are relatively shallow. The Township has an average temperature of 49.5° F with an annual average range of 23.4° to 73.8°F. Average yearly precipitation is 30.2 inches.¹

The Township is 6.11 square miles in area. Land mass accounts for 4.5 square miles of the area, however, 1.61 square miles of it are water and submerged lands.² The land area of each of the major islands in the Township is shown in Table 2.1. South Bass Island has the largest land area of the Islands.

These geographic features affect the demand for services, as well as the cost and delivery of those services. Obviously, it is a relatively small, isolated area. The cold winters and precipitation necessitate certain types of expenditures, such as for snow removal. And, delivering services in a jurisdiction where the land is separated by water presents special challenges.

Table 2.1 Land Area of the Major Bass Islands

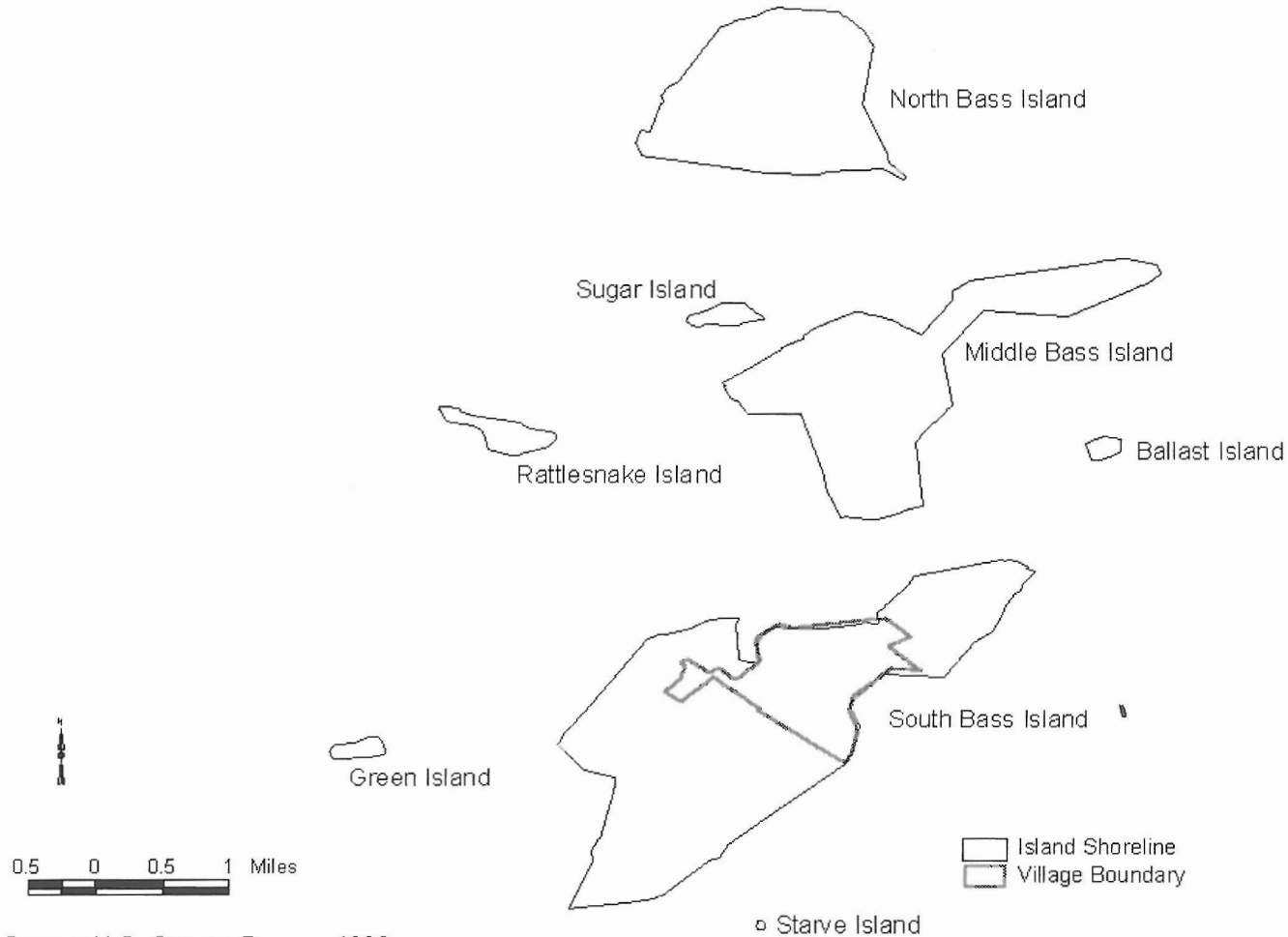
<u>Name</u>	<u>Square Miles</u>	<u>Acres</u>	<u>Shoreline Mileage</u>
South Bass Island	2.45	1,568	10.7
Middle Bass Island	1.27	813	7.7
North Bass island	1.10	704	5.2

Source: Cooper, L. C. & C. E. Herdendorf, *Resources of the Lake Erie Island Region*, Columbus, OH: Center for Lake Erie Research, OSU, 1977, cited in Drennen and Gesell, 1987.

¹ WorldClimate, ©1996-2000, Buttle and Tuttle Ltd. <http://www.worldclimate.com>

² Ottawa County Engineer's Office, 2001.

Figure 2.1. Put-in-Bay Township and Village of Put-in-Bay



Source: U.S. Census Bureau, 1990.

Produced by: Center for Policy Analysis & Public Service, Bowling Green State University, 2001.

Note: Gibraltar Island not shown in census map files.

Demographics

The Village is located in the middle of South Bass Island, occupying one third of its land area.³ The Township is part of Census Tract 0501 and is further partitioned into two census block groups.⁴ According to the Census Bureau, 556 people resided in the Township in 1990.⁵ Of all the Bass Islands, South Bass Island had the largest population: 87.2% of the Township population resided there (Table 2.2). Figure 2.2 shows the 1990 data mapped by census block group.

Table 2.2 Population of Inhabited Islands in Put-in-Bay Township, 1990

Name	Population	% of Township Population
North Bass Island	38	6.8
Middle Bass Island	32	5.8
Rattlesnake Island	1	0.2
South Bass Island	485	87.2

Source: Census of Population and Housing, 1990, U.S. Census Bureau. (2000 U.S. Census Bureau figures not available for census blocks at the time of this writing).

The newly released 2000 Census data indicates that the Township population grew more rapidly (37.2%) than the State of Ohio (4.7%), Ottawa County (2.4%), and Village populations (-9.2%). The unincorporated Township grew by 53.0%, however, the Village declined in population between 1990 and 2000, by 9.2%. In 2000, 635 people were enumerated in the unincorporated Township and 128 in the Village, for a total of 763. All of the Village residents are white except for one person who self-identified as more than one race. The unincorporated Township has 2 black residents, one American Indian resident, and 3 who self-identified as Other Race.⁶

Table 2.3 Percent Change in Population, 1990-2000

Name	1990	2000	% Change
Ohio	10,847,115	11,353,141	4.7%
Ottawa County	40,029	40,985	2.4%
Township	556	763	37.2%
Village	141	128	-9.2%
Unincorporated Twp.	415	635	53.0%

Source: U.S. Department of Commerce, Census Bureau, 2000, Redistricting Data (Public Law 94-171) Summary File, Matrices PL1, PL2, PL3, PL4; 1990, Census of Population and Housing. Prepared by Ohio Department of Development, Office of Strategic Research.

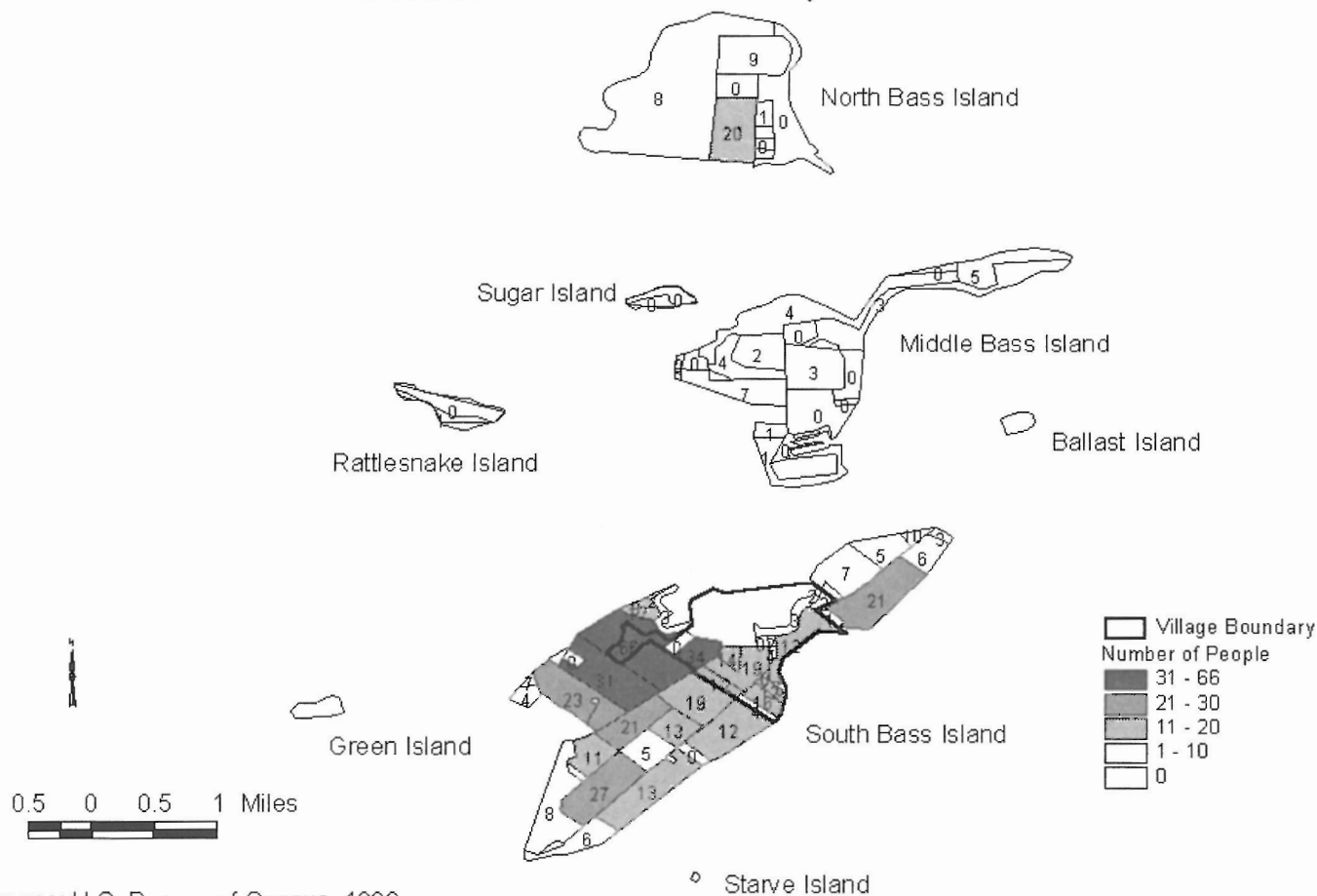
³ Cooper, L. C. & C. E. Herdendorf, *Resources of the Lake Erie Island Region*, Columbus, OH: Center for Lake Erie Research, OSU, 1977, cited in Drennen and Gesell, 1987.

⁴ Census blocks are small sub-areas of census tracts. A geographic block group is a cluster of blocks and generally contains between 250 and 550 housing units, with the ideal size being 400 housing units.

⁵ U.S. Census Bureau, 1990 (2000 Census information census blocks not available at time of this writing).

⁶ Source: U.S. Census Bureau, 2000, Redistricting Data (Public Law 94-171) Summary File, Matrices PL1, PL2, PL3, PL4.

Figure 2.2. Put-in-Bay Township and Village of Put-in-Bay Census Blocks with Number of Residents, 1990



Source: U.S. Bureau of Census, 1990.

Produced by: Center for Policy Analysis & Public Service, Bowling Green State University, 2001.

Note: Gibraltar Island not shown in census map files.

Most Township residents are adults. Compared to the State as a whole and to Ottawa County in particular, the unincorporated Township and Village each have a larger proportion of adults in its population. Adults make up 84.4% of Village residents. The unincorporated Township has a slightly lower, but still high, proportion of adult population, 81.7%.

Table 2.4 Age Distribution of Put-in-Bay Residents, 2000

Place	Total Population	Population aged 18 +	% of Population aged 18+
Ohio	11,353,141	8,464,801	74.6%
Ottawa County	40,985	31,443	76.7%
Township	763	627	82.2%
Village	128	108	84.4%
Unincorporated Township	635	519	81.7%

Source: U.S. Department of Commerce, Census Bureau, 2000, Redistricting Data (Public Law 94-171) Summary File, Matrices PL1, PL2, PL3, PL4. Prepared by Ohio Department of Development, Office of Strategic Research.

Economy

Four industries dominate the employment of residents aged 16 years and older in the Township. Data from the 1990 Census indicate that of 207 employed residents, 19.8% were engaged in retail trade, 18.4% in educational services, 18.4% in transportation, and 9.2% in agriculture.⁷ The Village was on par with the Township in the distribution of employment, except that no Village residents were engaged in agriculture. The median household income for the Township in 1990 was \$21,736. The median household income for the Village in 1990 was \$34,688.

The economy of the Township is dominated by tourism. The Bass Islands are located in Lake Erie in close proximity to several large population centers including, Cleveland, Sandusky, Toledo, and Detroit. The peak tourist season begins just before Memorial Day and ends two weeks after Labor Day. South Bass Island attracts the largest share of tourists.

Precise data on the number of tourists are not readily available. Estimates of the number of tourists that visit the Islands each year vary widely. Different sources estimate weekday visitation during the tourist season at 2,400 to 3,000 with those figures rising to 12,000 to 15,000 daily on the weekend,⁸ and one source reported that nearly 4.2 million tourists visit the historic attractions in the Township each year.⁹

⁷ 1990 U.S. Census of Population and Housing, C90STF3A. www.census.gov/main/www/access.html

⁸ Interviews with local officials, 2001.

⁹ "Opportunities in Brief: Historic Winery for Sale," *Entertainment Specialty Projects*, August, 1999. <http://www.specialtyretail.net/issues/august99/opportunities.htm>

Housing

In 2000, the unincorporated Township had 1085 housing units (Table 2.5). Of these, 288 (26.5%) were occupied and 797 (73.5%) were vacant (749 of these were classified by the Census Bureau as being used for seasonal, recreational or occasional use).¹⁰ Of the 288 occupied units, 233 (80.9%) were owner-occupied and 55 (19.1%) were renter-occupied. Median value of owner-occupied housing units in the Township was \$102,100.

In 2000, the Village had 179 housing units (Table 2.5). Of these, 67 (37.4%) were occupied and 112 (62.6%) were vacant (102 of these were classified by the Census Bureau as being used for seasonal, recreational or occasional use). Of the 67 occupied units, 48 (71.6%) were owner-occupied and 19 (28.4%) were renter-occupied. The median value of owner-occupied housing units in the Village was \$117,200.

Table 2.5 General Housing Characteristics, 1990 and 2000

Occupancy Status	1990			2000		
	Unincorporated Township	Village	Total	Unincorporated Township	Village	Total
Total Housing Units	797	171	968	1085	179	1264
Occupied	172	59	231	288	67	355
Vacant	625	112	737	797	112	909
Tenure						
Occupied Housing Units	172	59	231	288	67	355
Owner-occupied	132	40	172	233	48	281
Renter-occupied	40	19	59	55	19	74
Vacancy Status						
Vacant Housing Units	625	112	737	797	112	909
Seasonal, recreational, & occasional	607	111	718	749	102	851

Source: QT-HT General Housing Characteristics: 2000, Census 2000, Summary File 1; 1990 U.S. Census of Population and Housing, C90STF3A, <http://www.census.gov/main/www/access.html>. See 1990 Decennial Census Lookup.

Political Representation

The Township is part of the 5th Congressional District (Rep. Paul E. Gillmor). Township residents who were registered to vote in the November 2000 general election totaled 761.¹¹ There are four precincts in the Township: two on South Bass Island, and one each on North Bass and Middle Bass Islands. Table 2.6 shows the breakdown of Township voters.

^{10A} Housing unit is vacant if no one is living in it at the time of the interview, unless its occupants are only temporarily absent. In addition, a vacant unit may be one which is entirely occupied by persons who have a usual residence elsewhere (U.S. Census Bureau, 1990).

¹¹ Ottawa County Elections Board, 2001.

Table 2.6 Election Statistics for March Primary and November General Election, 2000

		Precinct 1	Precinct 2	Precinct 3	Precinct 4	Unincorp.
March Primary	Twp.	(Village)	(N. Bass)	(M. Bass)	(Twp. pt. of S. Bass)	Twp.
Total Registered	750	159	19	112	460	591
Total Voting	248	55	10	40	143	193
# of Absentee Ballots	65	10	2	16	37	55
% Voting Absentee	26.2	18.2	20.0	40.0	25.9	28.5
November General Election						
Total Registered	761	165	15	112	469	596
Total Voting	535	110	11	75	339	425
# of Absentee Ballots	160	38	2	32	88	122
% Voting Absentee	30.0	34.5	18.2	42.7	26.0	28.7

Source: Ottawa County Elections Board, 2001.

The number and proportion of absentee votes is notable. Absentee votes are a significant part of the election process, both in the unincorporated Township (28.7% voting absentee) and the Village (34.5%). Another interesting finding is that in November 2000, there were 761 registered voters, but only 627 people aged 18 and over were enumerated in the 2000 Census (see Table 2.4). Officials at the Ottawa County Board of Elections attribute this disparity to the fact that those who reside in the Township for voting purposes, may not reside there for census purposes.¹²

Government and Education

The Township is administered by a clerk and three trustees (all elected). The Village has a mayor, a clerk-treasurer and a council of six members, all of whom are elected. The Township is served by three local school districts, the Put-in-Bay Local, the North Bass Local, and the Middle Bass Local School Districts. The Put-in-Bay Local School District is administered by a superintendent (who serves all of the local districts in the Township) and a board of five members. Middle Bass Local District is administered by a board of five and North Bass by a board of two.¹³

North Bass Elementary School is a one-room schoolhouse serving grades K-8. Three students are enrolled there for the 2000-2001 school year. Middle Bass Elementary School once served grades K-8 but the two students who are currently enrolled there are flown to Put-in-Bay Village and pay tuition to attend school in that district. Put-in-Bay School (K-12) has a current enrollment of 97. All students of high school age who live on other islands (who are not home schooled) in the Bass Islands are

¹² See the Rules for Residency, ORC 3503.02.

¹³ Source: Ottawa County Board of Elections Website, <http://www.co.ottawa.oh.us/OCBoardofElections/BOEElectedOfficials.htm>.

either flown or taken by water taxi to Put-in-Bay School.¹⁴ Per pupil spending is \$12,559.99, and the graduation rate is 100.0%.¹⁵ Table 2.7 lists the two schools in these districts and their enrollment.

Table 2.7 Enrollment Figures for Local School Districts, 2000-2001

<u>Name of School</u>	<u>Location</u>	<u>Enrollment 2000-2001</u>
Put-in-Bay School (K-12)	Put-in-Bay Village	97
N. Bass Elementary School (K-8)	Isle St. George	3

Source: Ottawa-Erie-Huron Counties Educational Service Center, 2001.

Transportation

Transportation to the Islands is predominately by ferry. Two privately owned ferry services serve Put-in-Bay Village and Middle Bass Island. It takes about twenty minutes to reach the Village from Port Clinton on the mainland. The Put-in-Bay Township Port Authority operates a year-round airport on South Bass Island. The island is served by airlines from Sandusky and Port Clinton. Landing and departure at the airfield are prohibited from dusk to dawn because the runway is not illuminated. There are also landing strips on North Bass Island, Middle Bass Island, and Rattlesnake Island.

Conclusion

Put-in-Bay Township presents a unique geographical setting for local governance. It is a cluster of small islands that are primarily accessible by boat and are relatively inaccessible in winter. The Islands have a small population, according to the official U.S. Census. All of these factors combine to make governance on the Islands a very complex undertaking.

¹⁴ Ottawa-Erie-Huron Counties Educational Service Center, 2001, first week in October, 2000 student count.

¹⁵ *Port Clinton News Herald.com*. 2000, "School District Profile," www.portclintonnewsheald.com/communities/districts/Put-in-Bay.html.

CHAPTER 3 – STUDY METHOD

The Study of Options and Alternatives for Governance for Put-in-Bay Township and the Village of Put-in-Bay, Ohio involved collection and analysis of information from numerous sources, including:

- U.S. Census data.
- Financial summaries accessed through the Village and the State of Ohio Auditor’s Office.
- The Ohio Revised Code.
- *The Put-in-Bay Gazette*.
- The Internet, including some websites for the community, Ottawa County, the Ohio Department of Development (*Tourism Hot Spots*), the Put-in-Bay Chamber of Commerce, and other commercial sites.
- A literature review of alternatives and options in governance of other communities.
- Resource materials from various state agencies, including the Ohio Department of Development, the Ohio Department of Natural Resources, and the Ohio Liquor Control Office.
- Interviews conducted with local, county, and state officials, and employees knowledgeable about the Put-in-Bay area.

The questions for the informational interviews were:

1. From your perspective, what are some of the issues surrounding these study areas that you believe would have particular relevance to options for governance? Please explain why these surrounding issues are important or relevant.
2. Should there be any additional study areas? Please describe and explain why this study area should be included.
3. What information or data could you supply relative to this study?
4. May CPA&PS contact you for additional information as the study progresses?
5. Can you suggest any persons or information resources that would be helpful for the study?

The following resources contributed to this study:

Websites

A Smart Growth Agenda for Ohio: EcoCity
Cleveland www.ecocleveland.org/smartgrowth/

Economic Policy Institute
www.epinet.org/

Great Lakes National Program
www.epa.gov/glnpo/lakeerie/lamp2000/

Lake Erie Lakewide Management Plan
www.epa.gov/glnpo/lakeerie/lamp2000/

Land-Based Classification Standards: American
Planning Association www.planning.org/

National Conference of State Legislatures:
Economic and Tourism Development
www.ncsl.org/programs/econ/et.htm

Ohio Coastal Management Program
www.dnr.state.oh.us/odnr/coastal/

Ohio Department of Development
www.odod.state.oh.us/

Ohio Electric Choice
www.ohioelectricchoice.com/

Resource Ohio
www.resourceohio.com/

World Travel and Tourism Tax Policy Center
www.traveltax.msu.edu/

Offices & Agencies:

Clerk-Treasurer's Office, Village of Put-in-Bay

Community Improvement Corporation of
Ottawa County

County Commissioner's Association of Ohio

International Code Council

Mayor's Office, Village of Put-in-Bay

Office of Ohio Representative Chris Redfern

Office of Ohio Senator Randall Gardner

Office of US Representative Paul E. Gillmor

Office of Water United States Environmental
Protection Agency

Ohio Auditor's Office

Ohio Department of Development

Ohio Department of Liquor Control

Ohio Municipal League

Ohio Township Association

Ottawa County Administrator's Office

Ottawa County Auditor's Office

Ottawa County Board of Elections

Ottawa County Building Inspection Department

Ottawa County Engineer's Office

Ottawa County Health Services

Ottawa County Prosecutor's Office

Ottawa County Recorder's Office

Ottawa County Sanitary Engineer's Office

Ottawa County Sheriff's Department

Ottawa County Visitors Bureau

Ottawa-Erie-Huron Counties Educational
Services Center

Put-in-Bay Chamber of Commerce

Put-in-Bay School Superintendent's Office

Put-in-Bay Township Clerk-Treasurer's Office

Put-in-Bay Township Emergency Medical Service

Put-in-Bay Township Port Authority

Put-in-Bay Township Trustees

St. Vincent Medical Center Life Flight

Toledo Metropolitan Area Council
Of Governments

United States Census Bureau

Village of Put-in-Bay Council Members

Village of Put-in-Bay Police Department

Village of Put-in-Bay Utilities Department

Reports and Miscellaneous Resources:

A Governmental and Quality of Life Study For Lake Erie's Bass Islands: April 1987

Good Start Report to the Community: Prepared for Village of Put-in-Bay December 1998

Interlocal Options for NAPA Community Governance

Lake Erie Protection and Restoration Plan

Merger of the Borough of Homestead into the City of Pittsburgh

Municipal Government and Economic Development: A Source Book

Ohio Coastal Management Plan

Ohio County Government – Reinventing Public Service for Ohio's 3rd Century

Ohio Revised Code

Ohio Sea Grant Strategic Plan 2000-05 & Implementation Plan 2000-02

Ohio Township Handbook: Ohio Auditor's Office

Ohio Village Handbook: Ohio Auditor's Office

Participatory Research for Public Issues Education: A Strategic Approach to a Municipal Consolidation Study

Power Structures Community Leadership and Social Action

Studying a Controversial Local Issue

The Ohio State University Extension Development Series

CHAPTER 4 – THE ENVIRONMENT

Chapter 4 focuses on water and sewer services to the Village and Township. The interviews with a representative group of officials familiar with the area revealed the following relevant issues: availability of water, access to sewage treatment, public beach water quality, and public health concerns. Because coastal waters surround the Bass Islands, there is limited discussion included in this study relevant to environmental issues pertaining to the Lake Erie Coastal Management Program.

The Village and Township have different sources of water and sewer service. Table 4.1 compares these two systems.

Table 4.1 Water & Sewer – Put-in-Bay Township & Village

	Water Source	Water Demand	Water Capacity	Sewer Source and Capacity
Put-in-Bay Township	Private Wells	Private usage – unknown	Unknown	Private residential septic systems
	Commercial Treatment Units	Commercial requirements set by Ohio Environmental Protection Agency (OEPA)	Commercial requirements set by OEPA	Commercial treatment units size and capacity set by OEPA
Village of Put-in-Bay	Municipal: Water Treatment Plant	Peak summer demand 180,000 – 200,000 gal/day Average winter use 3000 gal/day	300,000 gal/day 370,000 gal/day peak	Municipal: Batch Reactor Sewage Treatment Summer waste water rate: 250,000 gal/day (peak of 500,000 gal/day)

Compiled by Center for Policy Analysis & Public Service with information from the Township and the Village, 2001.

Water

According to Village officials, a new water treatment facility has been fully operational since August 2000. However, some property owners in the Village have chosen not to tap into the service but continue to use private systems. Current system capacity is adequate for present demand. The Village bases future water demand on actual usage trends. In anticipation of future development in the area, the Village has applied to the Ohio Environmental Protection Agency (OEPA) for approval to expand water treatment capabilities. Township property owners (residential or commercial) may access the Village's public water service through annexation of property into the Village or purchase of water and sewer services from the Village. Beyond South Bass Island, submerged pipes would be needed to provide services between various land areas.

Township officials report that water quantity or taste is not an issue for most township residents. Ottawa County Health Services (OCHS) reports that wells dating prior to 1970 are more likely to become contaminated and that new wells are sealed to make contamination less likely. Township property owners still use wells dating prior to 1970. OCHS provides water testing on request. In 2000, OCHS analyzed water in the Township and found contaminated wells. OCHS requires permits for drilling new wells and for old well abandonment. Township officials report that drilling new wells is complex and potentially expensive because of the nearness and number of township septic systems, as well as the proximity of the lake shoreline.

Sewer

The Village Utilities Superintendent reports that total demand for wastewater and sewer services varies widely with the season. While larger capacity treatment plants may seem ideal for the peak season, to operate effectively these plants may require a level of usage that does not occur during the remainder of the year. To address the issue of varying loads, the Village uses a sequencing batch reactor to handle the fluxuating amounts of sewage that result from seasonal population shifts within the Village. Seasonally, wastewater increases to approximately 250,000 gal/day with a peak of 500,000 gal/day. As with water, the Village bases future sewer needs on actual usage trends. In anticipation of future growth, it has applied to the OEPA for approval to expand sewer treatment capabilities. Such expansion must be approved by OEPA.

OCHS reports that several package sewage treatment plants, as required for commercial sites, are in use in the Township. New commercial septic systems require OEPA permits and inspections. Commercial expansion into the Township is contingent upon available water and sewer as well as appropriate zoning. OCHS reports that, because of the closeness of the bedrock to the ground surface, it is not uncommon for septic systems in the Township to fail test standards for ground contamination. Those septic systems in place prior to 1970 are more likely to cause ground contamination. OCHS requires new residential septic system permits and supervises the abandonment of old residential septic systems.

Multiple Jurisdictions

Ottawa County has a Water and Sewer District, however the Bass Islands were not included in the original district. Village, Township, and Ottawa County officials indicate that discussions regarding water and sewer services to the area are ongoing. Table 4.2 summarizes the multiple jurisdictions that influence water and sewer issues within the Bass Islands.

Table 4.2 Village and Township Water and Sewer Services

	Water Service Provision	Sewer Service Provision
Village of Put-in-Bay	<ul style="list-style-type: none"> • Village enterprise 	<ul style="list-style-type: none"> • Village enterprise
Put-in-Bay Township	<ul style="list-style-type: none"> • No current public service provided by the Township. • Village will sell water service outside the incorporated area. 	<ul style="list-style-type: none"> • No current public service provided by the Township. • Village will sell sewer service outside the incorporated area.
Ottawa County Health Service (OCHS)	<ul style="list-style-type: none"> • Regulatory responsibilities for water services to 1, 2 and 3 family dwellings. Requires permits for new private well in either township or village. • Supervises capping of old wells. • Offers voluntary water analysis. • Supervises abandonment of septic systems. 	
Ohio Environmental Protection Agency (OEPA)	<ul style="list-style-type: none"> • Approval for new commercial systems and for residential units housing more than 3 family dwelling units. • Tests commercial sites. • Approves expansion of public services. 	
Ottawa County Water and Sewer District	<ul style="list-style-type: none"> • All Bass Island areas are outside current service area (June 2001). 	
Ohio Department of Health (ODH)	<ul style="list-style-type: none"> • Required to test water quality of all public beaches twice weekly starting Memorial Day Week and ending Labor Day week. • If contaminated, beach advisories are posted stating that "waters are unsafe for recreation." 	
Toledo Metropolitan Area Council of Governments (TMACOG)	<ul style="list-style-type: none"> • Facilitates planning of public water systems. TMACOG is the Water Quality Planning Agency under Section 208 of the Clean Water Act of 1972 for water and sewer services to Ottawa County including Put-in-Bay Township and the Village of Put-in-Bay. 	
Ohio Coastal Management Law (ORC 1506)	<ul style="list-style-type: none"> • Stipulates that no project or activity that would directly affect the coastal area may be approved or implemented without the ODNR director determining whether it is consistent with OCMP policies. • Requires coordination of state and local policies and programs related to the Lake Erie water quality, toxic pollution control, resource protection, recommendation of policies consistent with the Great Lakes Water Quality Agreement and the Great Lakes Toxic Substances Control Agreement. • Declares that the waters and submerged lands of Lake Erie belong to the state. 	

Compiled by Center for Policy Analysis & Public Service with information provided by municipal, township, county and state agencies, 2001.

There is an associated water quality and jurisdictional issue pertaining to coastal beach waters that surround the Bass Islands. Public beaches are located near the Perry Victory and International Peace Monument in the Village and at the South Bass Island

State Park in the Township. Sampling of public beach water quality is mandated in Ohio. If beach water is contaminated, advisories are posted that state “waters unsafe for recreation.”

The Ohio Coastal Management Law (ORC 1506) stipulates that no project or activity that would directly affect the coastal area may be approved or implemented without the Ohio Department of Natural Resources (ODNR) director determining whether it is consistent with Ohio Coastal Management Program (OCMP) policies. OCMP requires coordination of state and local policies and programs related to the Lake Erie water quality, toxic pollution control, resource protection, and recommendation of policies consistent with the Great Lakes Water Quality Agreement and the Great Lakes Toxic Substances Control Agreement. According to Ohio law, the waters and submerged lands of Lake Erie belong to the state.¹⁶

Conclusion

The Ohio Revised Code (ORC) allows municipalities and townships to provide water and sewer services throughout their jurisdiction. Municipalities and townships may contract for services from other political subdivisions or form a joint water and/or sewer district.

From a governance perspective, dealing with water and sewer issues involves coordination and cooperation between and among jurisdictions. Until recently, the only way for Township property owners to connect to the Village water supply and sewer service was through annexation to the Village. This was a viable option for properties contiguous to the Village, but not for nonadjacent properties. The Village recently passed an ordinance to extend public water and sewer service to residents in the Township. However, water delivery and sewer services remain complex, because multiple jurisdictions (including the Township, Village, County, a water and sewer district, the State’s Environmental Protection Agency, and private individuals) are all involved in regulating and/or delivering water.

The availability and quality of water affect business expansion and economic development of the Bass Islands and vice versa. Coordinated service delivery may avoid costly duplication of services while providing continued access to water and sewer services and meeting any regulatory requirements. There is an ongoing need to deliver good quality and quantities of safe water and septic handling as a matter of good governance. Thus, in choosing any future governance options, the Bass Islands community will need to examine the degree to which the options under consideration address this issue while facilitating a democratic process and fostering intergovernmental cooperation.

¹⁶ Ohio Coastal Management Program (2001) www.dnr.state.oh.us/odnr/coastal/.

CHAPTER 5 - PLANNING AND LAND USE

Chapter 5 discusses planning and land-use in the Village and Township and presents brief information about how economic development influences land-use patterns within the Bass Islands.

The Ohio Revised Code (ORC) allows both municipalities (ORC 713.07) and townships (ORC 519.01) to establish local zoning based on a comprehensive plan.

Put-in-Bay Township is comprised of islands with small landmasses spread over a larger geographic area. Because of this geographic challenge, planning and land use become significant issues surrounding expansion and economic development of the Bass Islands, as well as service delivery to the area.

Planning and Land-Use Issues

Preliminary interviews with a broad sample of knowledgeable individuals revealed the following planning and land-use issues: conflicts over land-use patterns, and a lack of consensus about community and economic development goals (e.g., open space, quality of life, and nuisance abatement).

Pertinent information gathered includes:

- The Township and Village plan separately.
- The Township and Village are under the Ottawa County Comprehensive Plan.
- Multiple jurisdictions impact land use (Federal, State, County, Township, Village, Lake Erie Coastal Management Plan)
- The Township does not have contiguous boundaries.
- Ohio Department of Development promotes tourism to the Bass Islands.

Table 5.1 (next page) provides information relative to the various influences on planning and land use within the Bass Islands.

Zoning

Zoning practices include the use of a comprehensive plan or land-use document, a zoning inspector, zoning commission, and zoning appeals board.

Zoning:

- Is a tool for future development and cannot change past practices.
- Provides for orderly development and compatible land-uses.
- Is not a building code but indicates the use of the land.

Table 5.1 Land-use Factors

Village	Zoning Adjacent jurisdictions Residential Commercial	Public Municipal Area DeRivera Park Trust Perry Monument
Township	Zoning Adjacent jurisdictions Public Township areas Residential	Commercial Cooper's Woods State Park
County	Ottawa County Regional Planning – coordinates the planning process within the region.	
State	Ohio Coastal Management Law (ORC 1506) – regulates any project that may impact the coastal waters. Ohio Department of Development – promotes tourism to Bass Islands on a regional, national and international level. Ohio Department of Liquor Control – regulates liquor sales. Ohio Department of Natural Resources - State Park Areas.	
Federal	Perry Victory and International Peace Monument – Federal land located within the municipal boundaries.	
Private	DeRivera Park Trust – private land trust managing the DeRivera Park and Cooper's Woods. Lake Erie Chapter of the Black Swamp Conservancy –.promotes use of private conservation easements as method of preserving natural and agricultural land on Bass Islands. Conversation Easements - ORC 5301.68 conservation easements provide legally binding restrictions on the current and future use of the land.	

Compiled by Center for Policy Analysis & Public Service with information provided by Municipal, Township, County, State agencies and private organizations, e.g., DeRivera Land Trust and the Lake Erie Chapter of the Black Swamp Conservancy, 2001.

Two Planning Systems

The Village and Township each have planning and land-use documents. The Village recently completed a final draft for 2000 – 2005, and the Township is working on a ten-year plan to be completed by the end of 2001. Both areas have zoning inspectors. The Village has the bulk of the commercial zoning, and the majority of the Township is residential. The Ottawa County Building Inspection Department reports combined new construction for 1999-2000 for both the Village and Township of six (6) commercial permits and eight (8) residential permits.

According to Ottawa County Regional Planning, the current Ottawa County Comprehensive Plan is in progress and was started several years ago at the western edge of the county. It is scheduled to be finished with the Lake Erie Bass Islands area by the end of 2001. Efforts by the regional, township, and municipal planners involved with the new Ottawa County plan focus on coordinating procedures to ensure compatible land use in adjacent areas. Planners encourage similar or at least compatible land-use at adjoining boundaries for adjacent zones. Previous plans did not address green space, but green space will be a consideration in the new comprehensive plan and local zoning documents.

According to local officials, the location of future resort building, hotels/motels, and the possibility of a convention center are among the land-use and planning questions being addressed in the comprehensive plan. Development of new commercial areas in the Township would be contingent on the availability of water and sewer, as well as OEPA approval of commercial onsite water systems.

The DeRivera Park Trust, a private land-trust organization, manages the five-acre park in the Village and the eighteen acres known as Cooper's Woods on South Bass Island. There is a Lake Erie Islands Chapter of the Black Swamp Conservancy. The Conservancy is a private voluntary organization that promotes the preservation of natural and agricultural lands through conservation easements (ORC 5301.68). Conservation easements provide legally binding restrictions on the current and future use of the land and are initiated by individual property owners.

Tourism

Tourism on the Bass Islands is actively promoted in a variety of ways by private and public organizations and agencies. Ohio Department of Development takes a very active role in promoting tourism on a regional, national, and international level. However, consistently recorded data on numbers of tourists is not available on the local, regional, or state levels. On the Bass Islands the peak tourist season begins just before Memorial Day and ends two weeks after Labor Day. Village officials estimate during this time period, weekday visits average 2400-3000 persons daily. Weekday tourists tend to visit the monument and are more likely to be families with children. Tourists increase in numbers beginning late Friday afternoons and continuing through the weekend when approximately 12,000 –15,000 persons daily come to the Islands. Weekend guests are more likely to visit food and entertainment establishments that sell alcoholic beverages. Off-season tourism occurs for winter events and ice fishing, depending on the weather conditions.

The location and development of lodging, entertainment and food establishments is influenced by local land-use plans and the availability of liquor licenses. Liquor licenses are a complex issue governed by the ORC Chapter 4303. The Ohio Department of Liquor Control (ODLC) regulates liquor licenses and the sale of alcohol. Licenses may be available based on local population (quota licenses), level of government, and specific land-use classifications. According to the ODLC, at the present time the Bass Islands have a total of 31 quota liquor licenses. Liquor permits can also be issued to

charter fishing vessels that meet the criteria of operating across jurisdictional waters. Special events can receive a local permit for the limited sale of alcohol.

Conclusions

Local planning efforts are coordinated both regionally and locally to provide for compatible land uses in adjacent areas. However, the landmass on Bass Islands is limited and, while zoning addresses the various land uses, zoning alone does not control nuisance issues such as noise levels and tourist traffic. Furthermore, zoning plans do not imply consensus on the potential land use or mandate goals for expansion or economic growth. Coordinated efforts to more accurately count visitors to the Bass Islands would aid in the development of trending information needed for land-use planning and also for delivery of public services such as water and sewer.

Separate planning efforts by the Village and the Township may lead to separate and potentially conflicting goals. Therefore, the Township and Village communities could benefit from efforts to reach consensus on a vision for the future of the area and specific measurable goals along the way. Local planning and land use decisions could be enhanced by a regional approach, i.e., a local government structure option that fosters regionalism.

CHAPTER 6 - PUBLIC SERVICES AND FINANCE

Chapter 6 focuses on public services and finance. Brief definitions of frequently used financial terms and information from the Auditor of the State of Ohio (Auditor) regarding financial ratio analysis are included. Financial records from 1998-2000 as reported to the Auditor were used to compare Township and Village revenues and expenditures and their trends.

Public services to the Bass Islands include police, fire and emergency medical services. Other areas of public service are water, sewer, road/street services, zoning and public buildings. All services need to adjust for seasonal population shifts that drastically increase demand for services. Extra police services are essential with the large weekend crowds and issues surrounding alcohol consumption. Table 6.1 lists public services within the area and the entities having jurisdiction over those services. This table excludes water and sewer, which were addressed in Table 4.1.

Sources of revenue include taxes, charges for services, and intergovernmental receipts. Taxes are collected in the form of property (real estate) taxes, income taxes, and special taxes such as resort area excise tax and sales tax. Charges for services include revenue from any contracted services to other areas. Intergovernmental funds are those amounts disbursed from Federal, State, and local governments for specific mandated functions. For example, a percentage of the State's motor vehicle fuel tax is returned to local governments. Special assessments may cover improvement projects such as installment of sewer hook-ups, walkways, or business district improvements. Types of permits may include zoning and special events. Charges for services may include contracted services such as police. Licenses include marriage licenses. Interest may accumulate on fund balances.

Terms & Definitions

Frequently used terms and brief definitions from the State of Ohio Auditor's Office that relate to township and municipal finances are:

Taxes: these include real estate, personal property, and locally levied taxes.

Special Assessments: amounts limited to a specific project, example sidewalk assessment.

Charges for Services: amounts charged for contracted services to other jurisdictions or organizations.

Intergovernmental Receipts: these include state and federal grants, as well as shared taxes from motor vehicles and gasoline.

All Other Receipts: charges for items such as fees, permits, fines, and licenses.

General Government Expenditures: costs of legislative and executive branches (for municipalities this is the mayor, clerk, council, and possibly an administrator; for townships it is the trustees and clerk).

Public Safety/Security: fire, police and emergency services as provided by the jurisdiction.

Public Works: costs of services related to roadways, and possibly water and sewer services.

Capital Outlay: amounts used for fixed assets such as land, buildings, and equipment.

Debt Service Expenditures: amounts paid for principal, interest, bonds, and notes.

Table 6.1 Village and Township Public Services

	Village	Township
Police	Village police department	Township purchases police service from village
Fire/Emergency Medical Services	Village as part of the Township receives these services	Township originates services
Street Lighting	Village service	ORC allows Township to provide lighting
Cemetery	Located in the Township	Township has cemeteries on North Bass, Middle Bass and South Bass
Roads/Streets Snow & ice removal Maintenance/repair Construction	Within Village boundaries	Township has cooperative arrangement with County for county and township roads
Storm sewer and drains	Within Village boundaries	ORC allows Township to provide
Justice system	Some cases may appear in mayor's court, depending on case type others go to county	County
Land and buildings	Village has land and buildings	Township has land and buildings

Compiled by Center for Policy Analysis & Public Service with information provided by Put-in-Bay Township and the Village of Put-in-Bay, 2001.

The Township and the Village have very limited permanent population bases. This makes the ability to “export” the cost of public services both directly and indirectly to tourists a way of helping to shift the costs of providing public services to nonresidents. On the other hand, the demand for services, particularly during the summer months, is driven by the swell in seasonal population.

The State Auditor provides ratio analyses as a method of benchmarking financial summaries.¹⁷ Ratios compared over time can aid in financial planning and informed budget decisions. Ratios give a quick look at the financial stability of an area. Complete financial ratios are offered by the Auditor with comparison of financial ratios for townships and municipalities to other townships and municipalities in the same county and area, as well as those similar in size and income.

Instead of comparing the Township to other Ohio townships of similar population base or comparing the Village to other Ohio villages, the *Receipts to Expenditures* ratio is used. *Receipts to Expenditures* is a measure of operating strength of local governments used by the State Auditor's Office. If the ratio is greater than 1.00, then a positive

¹⁷ The authors thank Dr. David M. Stott, Assistant Professor of Accounting and Faculty Research Associate in CPA&PS, for substantial contributions to the fiscal analysis contained in this chapter.

balance exists, indicating that receipts exceed expenditures. If this ratio is less than 1.00, there will be no remaining balance from that year, and a deficit may occur if there are no reserve funds from the previous year(s). Trending ratios over several years is a useful tool for local governments in planning for the future. Ratios will generally begin to decline prior to major deficits occurring. The five-year average for the Township is 1.0054 and for the Village is 1.0756. Table 6.2 presents the ratios for calendar years 1996-2000 for the Township and the Village.

Table 6.2 Receipts/Expenditures Ratio 1996 – 2000

Jurisdiction	Ratio 1996	Ratio 1997	Ratio 1998	Ratio 1999	Ratio 2000
Put-in-Bay Township	1.31	.87	1.048	.85	.9488
Village of Put-in-Bay	1.076	1.184	1.018	1.25	.85

Compiled by Center for Policy Analysis & Public Service with information from the Auditor of the State of Ohio, 2001.

Table 6.3 shows Year 2000 revenues and expenditure categories as well as the percentage of total revenue or expenditure for each category. Expenditures are for general government, public safety and public works. General government expenditures are related to legislative and executive branches of the government. In the Township, these are salaries of the elected positions of clerk and township trustees. In the Village, general government expenditures are salaries of the elected positions of the clerk-treasurer, council members, mayor, and the appointed position of village administrator.

Percentages

As a tool for understanding, percentages offer additional information about the sources of gross receipts and cost of services. For instance if two governments each require 25% of total operating expenses for police service, it is assumed that if these governments combined, the cost of police service would remain at 25% of total operating expenses.

The public safety expenditures shown in Table 6.3 are expenses for police wages, benefits, transportation, equipment, office expenses and any other charges associated with police services. The Township handles fire protection expenses (and revenue) through a special revenue fund. The cost of public safety for the calendar year 2000 by percentage of total expenditures was 49% for the Township and 35% for the Village.

By definition, public works are expenditures related to roadways, and public water and sewer. In Table 6.3, the Township's public works expenditures include roadways only. The Village's public works expenditures in Table 6.3 include streets only, because water and sewer are handled through enterprise funds. Enterprise funds are a common method of accounting for public utilities and are not listed within the general fund revenues and expenditures.

Table 6.3 Year 2000 Revenues and Expenditures

Year 2000 Revenues	Township		Village	
Local Taxes	\$ 86,463	42%	\$ 352,900	25%
Intergovernmental Revenues	\$ 96,190	47%	\$ 144,612	10%
Special Assessments	\$ -	0%	\$ -	0%
Charges for Services	\$ -	0%	\$ 555,905	40%
Fines, Permits, Licenses	\$ 21,785	11%	\$ 101,296	7%
Interest	\$ 1,176	1%	\$ 27,019	2%
Other*	\$ -		\$ 207,818	15%
	\$ 205,614	100%	\$ 1,389,550	100%
Year 2000 Expenditures				
Public Safety	\$ 152,013	49%	\$ 465,704	35%
Public Works	\$ 17,543	6%	\$ 53,832	4%
General Government	\$ 139,761	45%	\$ 197,635	15%
Capital Outlay	\$ -	0%	\$ 214,160	16%
Debt Service	\$ -	0%	\$ 127,589	10%
Leisure Activities & All Other**	\$ -	0%	\$ 276,707	21%
	\$ 309,317	100%	\$ 1,335,628	100%

Compiled by Center for Policy Analysis & Public Service using data from the Ohio Auditor's Office, 2001.

*Other (\$207,818) is the amount of the Dept. of Justice grant and miscellaneous revenues.

**Leisure Activities & All Other (\$276,707) is comprised of operational costs related to parks, docks and town hall.

The budgets for the two current governments are compared and an aggregate amount is provided in Table 6.4. The aggregate amount represents the combined total amount of expenditures for the Township and the Village.

Table 6.4 Government Expenditures Compared

Year 2000 Expenditures	Put-in-Bay Township		Village of Put-in-Bay		Total Combined	
Public Safety	\$ 152,013		\$ 465,704		\$ 617,717	
Public Works	\$ 17,543		\$ 53,832		\$ 71,375	
General Government	\$ 139,761	45%	\$ 197,635	15%	\$ 337,396	21%
Capital Outlay	\$ -		\$ 214,160		\$ 214,160	
Debt Service	\$ -		\$ 127,589		\$ 127,589	
All Other	\$ -		\$ 276,707		\$ 276,707	
	\$ 309,317		\$ 1,335,627		\$ 1,644,944	

Compiled by Center for Policy Analysis & Public Service with data from the Ohio Auditor Office, 2001

Table 6.5 is a line-item breakdown of actual general government expenditures, which includes salaries, benefits, costs of building operations, supplies and all other costs. Percentages and amounts are given for 2000. Tables 6.4 and 6.5 illustrate those expenditures related to the operation of two separate governments. Table 6.5 reveals that salaries and fringe benefits represent 47% of both Township and Village general government expenditures, respectively.

Table 6.5 Line-items of 2000 General Government Expenditures

Year 2000 Expenditures General Government	Put-in-Bay Township		Village of Put-in-Bay	
Salaries	\$ 39,702	28%	\$ 80,174	41%
Benefits	\$ 26,319	19%	\$ 12,057	6%
All other including building operations and supplies	\$ 73,740	53%	\$ 105,404	53%
	\$ 139,761	100%	\$ 197,635	100%

Compiled by Center for Policy Analysis & Public Service with data from the Ohio Auditor Office, 2001

In the Township, three trustees and a clerk receive a total of \$39,702. In the Village, six council members, a clerk-treasurer and mayor receive a total of \$80,174. Building operations, including all utilities (heating, cooling, phone, etc.), and supplies represent the majority of expenditures related to general government. This amount is listed as "All other including building operations and supplies." Based on 2000 expenditures, if a single government replaced the current two governments, some costs of general government related to salaries and benefits might be eliminated.

Tax Revenues

The State Auditor reports that in Ohio, property taxes in the form of residential real estate taxes represent the most common method of local tax collection. Levies are set on the valuation of the property at the time the tax is approved by voters. The Ohio Constitution requires voter approval for any additional tax whenever the total property tax exceeds \$10 per \$1000 of property valuation. Ohio real estate taxes are based on thirty-five percent (35%) of the appraised value or the most recent sale price of a property. Ohio real estate reappraisals are mandated every six(6) years with a mid-cycle review and possible adjustment at three years. A complex formula exists to allow Ohio County Budget Commissions to determine bond rates and adjustments to real estate taxes annually.

Table 6.6 2000 Tax Rates in Mills

	2000 Tax Rates by Mills			
	Village of Put-in-Bay	South Bass	Middle Bass	North Bass
School Tax Total	29.30	29.30	4.80	28.60
Ottawa Co. General	5.70	5.70	5.70	5.70
Township Rate	13.80	19.00	33.20	23.20
Municipal Rate	3.30	0.00	0.00	0.00
Total Rates	52.10	54.00	43.70	57.50

1 Mill = \$1/\$1000 value

Compiled by Center for Policy Analysis & Public Service with information from Ottawa County Auditor, 2001.

Table 6.6 shows the actual 2000 tax rates by mills for the Bass Island areas of the Village, South Bass, Middle Bass and North Bass areas within the township. The total assessed value of property by amount and percentage for the 2000 tax assessments is in Table 6.7. The 2000 tax assessments are collected in 2001. Percentages show the distribution of property values across Put-in-Bay Township: the Village of Put-in-Bay contains 24% of the assessed property value, South Bass outside the Village contains 52%, and Middle Bass has 24%, while North Bass contains slightly less than 1% of the total assessed property value.

Table 6.7 2000 Assessed Value for Real Estate Taxes

Put-in-Bay Township			
North Bass	\$	880,780	0.96%
Middle Bass	\$	21,735,130	23.72%
South Bass	\$	47,187,803	51.51%
Village of Put-in-Bay		\$21,813,060	23.81%
Total		\$91,616,773	100.00%

Compiled by Center for Policy Analysis & Public Service with information from Ottawa County Auditor, 2001.

Table 6.8 shows the distribution of tax duplicates within the Village corporation and the remaining area of the Township. While a total of 1217 residential properties are in the Township and 246 are in the Village for a total of 1463 residential properties, the 2000 Census reports 635 Township residents outside the Village and 128 Village residents, for a total permanent population of 763 people. It is interesting to note that there are almost twice as many (192%) property tax duplicates for the Village as residents; the same can be said for the Township. This is because so many people live there part of the year, but are not counted as residents by the Census.

Table 6.8 2000 Property Tax Duplicates

2000 Property Tax Duplicates	Agricultural	Commercial	Residential	Exempt	Utilities	Total
Put-in-Bay Township (unincorporated)	11	58	1217	48	4	1338
Village of Put-in-Bay	4	80	246	23	9	362
Total	15	138	1463	71	13	1700

Compiled by Center for Policy Analysis & Public Service with information from Ottawa County Auditor, 2001.

While the tourism industry places increased demands on public services, it also generates significant revenues to the Bass Islands. The Township and the Village receive revenue both directly and indirectly from tourism. Direct funds include revenues from dock areas. Indirect sources include the Resort Area Excise Tax. This tax is based on the gross receipts of local businesses. It is available to a local government when at least 62% of their housing units are classified by the U.S. Census Bureau as being either seasonally occupied, recreational, or occasionally used. The 1990 Census reported that all local areas (Township, Village and combined Township and Village) contained at least 62% housing units classified as seasonal, recreational, and occasional use. The

recently released 2000 Census information regarding seasonal housing units is found in Table 6.9. The information indicates that at the time of the 2000 Census, the Village is now at 57% seasonal housing units, while the unincorporated areas of the Township and the total Township remain at greater than 62%.

Table 6.9 Seasonal, Recreational & Occasional Housing Units as a Percent of Total Housing Units, 2000

Housing Units	Seasonal	Total	Percentage of Total
Unincorporated Township	749	1085	69.0
Village	102	179	57.0
Entire Township	851	1264	67.3

Source: QT-HT General Housing Characteristics: 2000, Census 2000, Summary File 1

Taxes collected by the State (e.g., gasoline, excise tax, state sales, income tax, etc.) are in most cases distributed through prescribed formulas to townships and municipalities with different percentages for each. The Ohio Local Government Fund (OLGF) contains a pool of money from public utilities excise, corporation franchise, sales and Ohio income taxes. According to the Ohio State University, the “local government fund is distributed to townships, municipalities, park districts and the county either by a formula based on need or another method agreed upon by local governments.”¹⁸ Intergovernmental revenues include the local share of state collected taxes and the OLGf.

Table 6.10 Grants and Intergovernmental Aid

Source	Recipient	Amount	Year	Designation
Ferry –boat Discretionary dollars	Middle Bass	\$439,000	1999-2000	Improvement of Middle Bass docks
Dept of Transportation	Put-in-Bay Airport	\$18,000	1999	Upgrades & snow removal equipment
Dept of Transportation	North Bass Island Airport	\$34,000	1999	Upgrades to the master plan
Budget Appropriation	Perry’s Monument	\$1,700,000	1999	Tourist Center
Dept of Justice	Put-in-Bay Police	\$40,217	2000	Support staff
Budget Appropriation	Perry’s Monument	\$200,000	2000	Tourist Center
Federal Aviation Grant	Middle Bass Island Airport	\$3,990,000	2000	Runway, site work, wetland regulations

Compiled by Center for Policy Analysis & Public Service with information from local and state agencies, 2001.

¹⁸ Ohio Local Government Structure and Finance Bulletin 835-98. p 4. The Ohio State University (1998)

Conclusion

The Village and the Township both require similar types of public services, and in some areas, there is a common method for providing that service, such as police, fire and emergency medical services. The potential exists for combining delivery of services. A combined service may be better able to address seasonal changes than either single jurisdiction.

Although the amount of tax revenue would change with a new government, it is difficult to assign a dollar amount. Additionally, it would be difficult to speculate on how unification might affect the receipt of future grants or appropriations to the islands. The formulas for availability of, eligibility criteria for, and purposes of intergovernmental aids change unpredictably.

Currently, total property tax rates range from 43.7 mills (Middle Bass) to 57.50 mills (North Bass). This range is small enough that unification of Island governments would not have a major effect on property taxes. A change in government structure for the Village and the Township would not affect State aid to local schools since school districts are independent units of government.

There are few known cost savings and efficiencies from consolidating governments. In the short-run, there are cost savings in two areas. Because both the Village and the Township have expenditures for general government (regardless of the services offered), the elimination of one governing body and other expenditures associated with general government would save some money.

There would also be some potential cost savings from not having to execute and implement intergovernmental service agreements. That is, if the Village no longer had to administer an agreement with another unit of government for providing police services to the other unit of government, then the transaction costs associated with having that agreement would go away.

However, in the short-run there would be some temporary, one-time costs associated with merging the two units (e.g., special elections, blending staff, merging computer systems, etc.). Historically, local government consolidations result in higher costs in the long run for two reasons. The newly formed larger entity adds staff that commands higher salaries to manage a larger area than either of the previous entities. And, the demand for more and better services usually ensues because the larger base of population and area make the unit cost of services more efficient.

CHAPTER 7 - GOVERNANCE

Unique challenges face the Township and the Village. The areas are geographically isolated from the mainland by water. The year-round residential population is relatively low, but seasonal tourists add to the summer population. There are many residences inhabited by seasonal dwellers.

The previous chapters provided information on issues associated with these unique characteristics. This chapter presents the options and alternatives in governance that are available to the local governments that may mitigate the adverse impact of some of the problems while enhancing desirable outcomes. It will be up to local leaders to decide what methods best suit the community's needs.

Two governance issues surfaced in this study. First, multiple levels of government place high demands for public service on a small adult population base. That is, numerous elected and appointed positions have to be filled from a rather small adult population pool. Second, non-village residents in the Township are affected by what goes on in the Village, yet they have no decision-making authority or representation in the Village government.

The remainder of Chapter 7 presents diagrams and brief descriptions of the various options and alternatives. The overview diagram (Figure 7.1) lists options and alternatives from no change to complete dissolution of government and creation of a new government.

The various alternatives are categorized by three basic options:

- Cooperate interlocally
- Create special districts
- Initiate annexation or merger

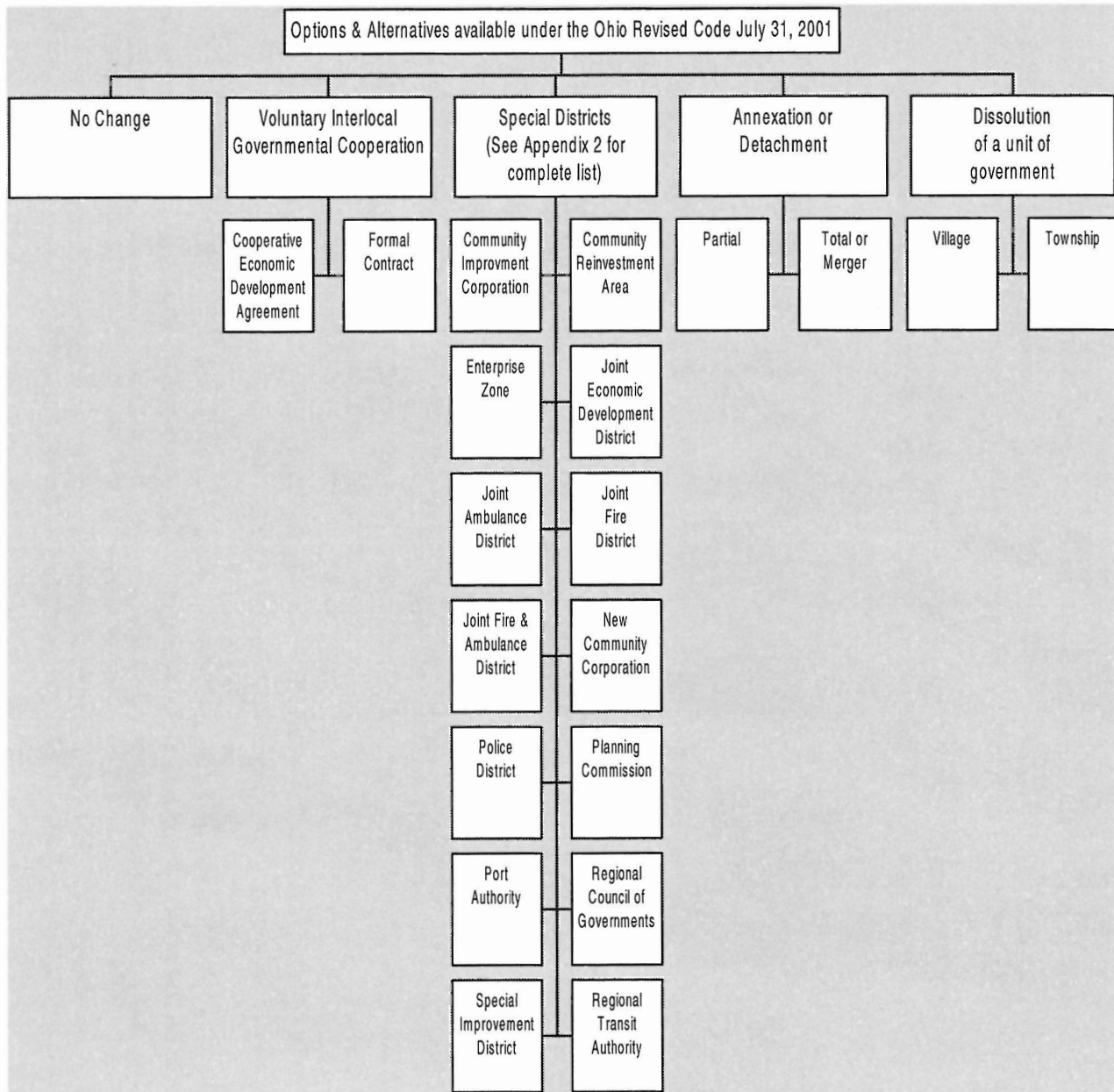
Alternatives exist under each of these options. In addition to this chapter's discussion of these options, Appendices 1-3 contain references to the enabling legislation for the alternative, the ORC steps to accomplish the alternative locally, and the known or likely consequences of such actions. It is noted that the conclusions regarding these options and alternatives are based on the CPA&PS analysts' findings and are not intended to be legal advice or recommendations for the Put-in-Bay community.

What is the difference?

Options describe categories of various methods to achieve an objective. For example: two municipalities may use the option of cooperation to provide emergency medical services.

Alternatives are the specific methods used to achieve the objective. For example: a joint fire district formed by two municipalities.

Figure 7.1 Options & Alternatives Available Under ORC July 31, 2001



Compiled by Center for Policy Analysis & Public Service with information from the ORC, 2001.

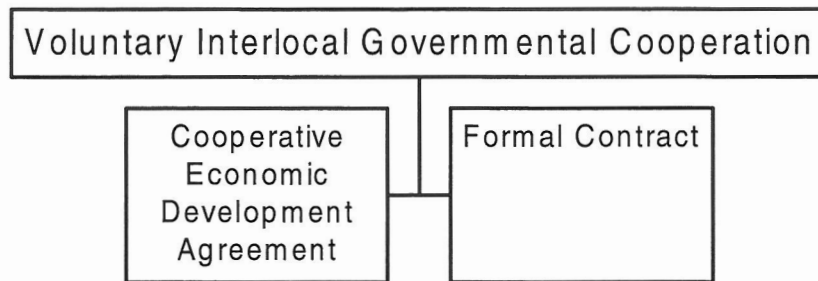
Overview of Options

The choice of leaving the governmental structure and current arrangements for cooperation between the Village and Township unchanged is titled “no change.” It is as valid as any of the other options delineated in this report. After reviewing the issues that are driving a consideration of new ways of doing business, local leaders may decide that there is no preferable way of restructuring the Village and Township given the consequences of all of the alternatives available.

Voluntary interlocal governmental cooperation is a term that refers to various ways that two or more local governments can work together on common problems. It can range from very informal sharing of information or coordination of activities to make it easier for each other; the sharing of resources such as buildings, space, or personnel; or more formal, written agreements and contracts for services and joint action.

Special districts are governmental units that are created to perform a particular function within a specific area. Examples are fire districts, park districts, and port authorities. They are distinct units of government *in addition to* the Village and the Township. There are advantages and disadvantages to any alternative, and the perception of pluses and minuses usually depends on one's perspective. One obstacle to creating more special districts in Put-In-Bay is the small size of the adult population base that is eligible to serve in public office. The more governmental units on the islands, the more elected and appointed officials needed. Not only would it be difficult to recruit enough qualified candidates for the necessary positions, but also the potential for conflicts of interests rises with each new office because of the proximity and therefore connectedness of potential officeholders to businesses and other interests. As the number of special districts increases, the complexity of overlapping jurisdictions and duplication may cause confusion over jurisdictional authority.

In **annexation or detachment**, territory could be moved from one jurisdiction and added to the other. Depending on how much territory is involved, this could be either a partial annexation or a total merger.



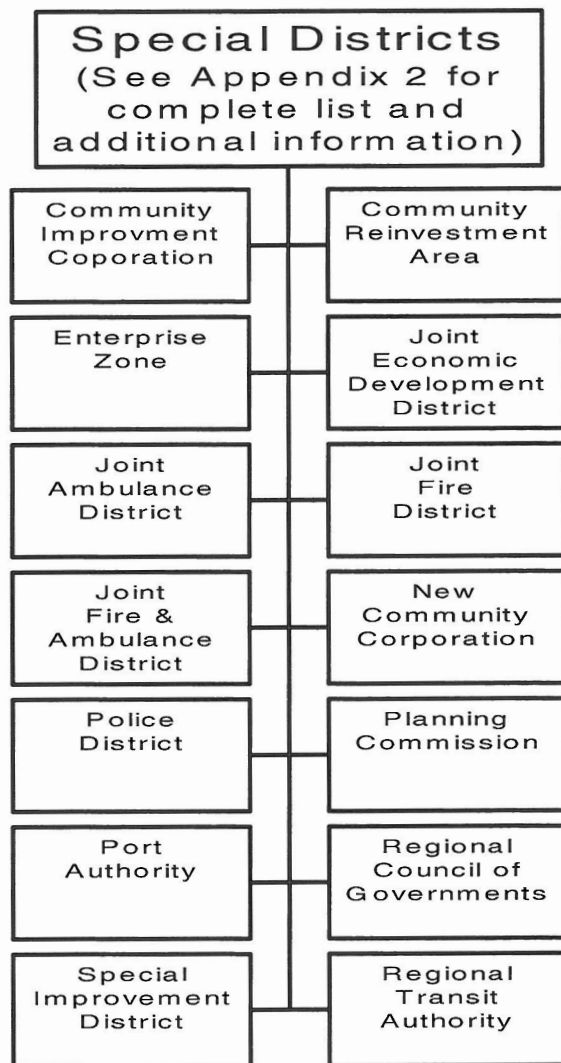
Voluntary interlocal governmental cooperation is a general descriptive term not found in the Ohio Revised Code. This option may take several forms, but the key is that it is a voluntary agreement between two or more governments. Within this option there are varying degrees of cooperation. The exact nature of the cooperation ranges from very informal arrangements such as sharing of space within a public building, to more complex agreements such as contracts covering multiple service arrangements.

Voluntary interlocal governmental cooperation agreements may cover limited items or multiple areas. Cooperation for a given service may be longstanding, while other service areas may continue to be provided independently. With interlocal cooperation, the units of government do not change. Legally binding, *formal* contracts are written, and the agreements include the transfer of funds from one government to another. Examples include the local contract between the Village and the Township for police services. Key considerations with intergovernmental service agreements include

the cost of the service to the government paying another unit of government to provide it. Another common issue is oversight control of the service that is being provided by another governmental entity.

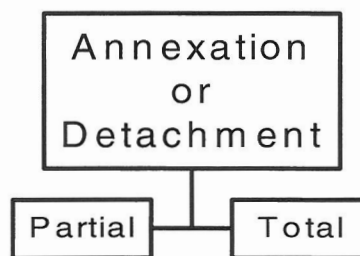


The Ohio General Assembly created a special mechanism for interlocal cooperation (ORC 701.07) in 1999 called a Cooperative Economic Development Agreement (CEDA). A CEDA allows existing governments to provide government improvements and services, to promote economic development, to create and preserve employment opportunities, and to enjoy the mutual benefits of economic development without the creation of additional government. No new level of government is created – existing officeholders perform the necessary functions. A CEDA also provides a prescribed method of recourse if one or more parties fail to live up to the agreement. It also provides broad latitude to the parties to customize their agreements. A CEDA is given special recognition within the reformed annexation laws (signed into law July 27, 2001) allowing expedited annexation. Two examples of local governments using a CEDA are Springfield City and Springfield Township area (Clark County), and the City of Chagrin Falls and Chagrin Falls Township (Cuyahoga County).



The Ohio Revised Code provides for the creation of special districts that may address areas of economic growth and development, public health and safety, planning, transportation, and other special purposes that aid local and regional governments in the State. Special districts provide a means of customizing a district to include only those who benefit from the district's purpose. Jurisdictions must meet the prescribed requirements for the specific special district as defined in the ORC. See Appendix 2 for a detailed description of the various special district alternatives as they exist within the Ohio Revised Code.

Most districts add one more level of government and have their own governing board. Any increase in the number of governments on the islands presents a challenge since more officials would be needed to govern them. The Ohio Ethics Law is very clear about conflicts of interest associated with public servants, their family members, and business interests. The Ohio Ethics Board Opinions has written opinions addressing the voting powers of elected or appointed officials and conflicts regarding personal or family business interests. It may be difficult to find individuals who are unrelated, without any business interest on the islands, and who are full-time residents and also willing to serve in a public capacity. This may be especially true if an option is exclusive to either jurisdiction. For example if the Village, with a 2000 U.S. Census population of 128, decides to create a new organization for economic development and needs 12 to 15 persons to serve, locating persons of voting age, who are not currently serving or earning a living from local business may be challenging. In addition a proliferation of special districts could be confusing for local voters.

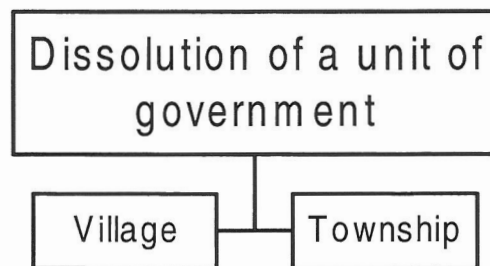


Territory may be annexed to or detached from a municipal corporation. Annexation may be initiated by property owners for individual private property. Annexation must start with properties adjacent to the municipality's boundary for individual properties. It may also be initiated by groups of property owners for larger areas containing more than one property. Where larger areas are involved, a majority of the property owners must petition and support the proposed annexation. While annexation benefits may be perceived differently by each jurisdiction, annexation is a method of extending services into areas not previously receiving municipal services.

The term used by the ORC for total annexation is *merger*.¹⁹ ORC 709.45 allows municipalities and unincorporated areas or townships to merge following a 2-step process of voting. The first vote is regarding the formation of a merger commission to study and recommend a merger plan. If created, the merger commission has one year to create the plan. If the merger plan is created within this prescribed period, it is placed on the next ballot for the voters to accept or reject (ORC 709.45-709.47). The merger plan determines the conditions of the merger, including but not limited to how and when the merger will occur. It may also provide for the election of new officers prior to the merger. See Appendix 3 for additional information.

Reformed annexation laws will take effect in October 2001 due to the passage of S.B. 5. Reforms to the current methods of annexation include, but are not limited to:

- The commissioners shall grant the annexation petition if "on balance the general good of the territory proposed to be annexed will be served," and if the benefits to the territory proposed to be annexed and the surrounding area will outweigh the detriments to those same areas (709.033).
- Townships will share property tax revenue with municipalities.
- Townships and municipalities may enter into annexation agreements for any period of time. The agreements can stipulate what territory is to be annexed, the period of time during which no annexations will be made, land-use planning matters, provision for joint services and permanent improvements, payment of service fees, payments in lieu of taxes, and other matters (new ORC Section 709.192).
- Annexation proceedings are expedited by the existence of a Cooperative Economic Development Agreement.



A township would be abolished or dissolved if the limits of a municipal corporation became identical with those of the township (ORC 703.22). All township offices would be abolished, and their duties would be turned over to the corresponding officers of the municipal corporation. Further, all property, moneys, credits, books, records, and documents of the township are delivered to the legislative authority of the municipal corporation. All rights, interests, or claims in favor of or against the township may be enforced by or against the municipal corporation.

¹⁹ See ORC 709.43. Informally, total annexation may be thought of as consolidation, merger or unification.

A municipality can dissolve through the surrender of corporate powers. When at least forty per cent of the electors who voted at the last regular municipal election petition the legislative authority of the village, the question is put to the voters at the next election. See Appendix 3 for more details and ORC references.

The dissolution of the Village of Put-In-Bay would result in the loss of any home rule authority (i.e., the ability to pass ordinances, etc.) on the Bass Islands. The Township cannot obtain home rule because its population is too small to qualify as a limited home rule township (minimum population of 5000 is required).

CHAPTER 8 - CONCLUSIONS

This chapter is intended as a platform for community discussion and informed decisions regarding the selection of options or alternatives in governance for the Township and Village. Ultimately, the people in Put-in-Bay Township and Village will decide the direction of the area. State laws concerning local government options, and the needs and desires of the community will shape their choices.

This study has focused on options and alternatives contained in the Ohio Revised Code. Although on occasion special legislation has been enacted in Ohio to address unique situations, it was beyond the scope of this study to suggest special legislation as an approach. Generally, special legislation is only supported when a compelling need is demonstrated that is not otherwise addressed by existing legislation.

The Bass Islands have several characteristics and conditions that combine to make for a rather unique context in which to consider options for local governance:

- The area is a group of islands
- The permanent resident population is very small (763), according to the 2000 U.S. Census
- The number of seasonal, part-time residents is large relative to the permanent population
- Many of the people who live in the Put-in-Bay area part of the year and pay property taxes there are not registered to vote there
- A great number of tourists visit the islands during the summer months; according to area officials, the weekend crowds swell to 12,000 to 15,000 on a busy Saturday or Sunday
- Most of the bars that cater to throngs of tourists seeking a party atmosphere are in the Village
- The majority of the Islands' dwellers (seasonal and full-time) are in the Township
- Multiple jurisdictions govern the Bass Islands.

These factors have enormous implications for the delivery, cost, and financing of public services. For example, the separation of the landmasses by water means that ordinary delivery of common township services like road maintenance, fire protection and snow removal have to be modified. Each inhabited island has to be equipped to put out fires, adding to the cost of service delivery.

Several interests have a stake in the Put-in-Bay area. There are those who want to maintain the islands as a peaceful haven, a getaway destination, or retreat. At the opposite end of the spectrum are tourists seeking a place for revelry. The partying crowd and the people seeking peace and quiet are naturally in conflict. The amenities that draw the revelers are primarily in the Village, while many Township residents are subjected to unwanted noise and rowdy behavior. Because the Village is also part of the Township,

Village voters can vote for both Village and Township officers and influence Township policies, but people who live in the Township have no say in Village government.

From a local government perspective, the main industry, tourism, is a two-edged sword. On one side, the tourists provide revenues for local government coffers. To the extent that tourism income subsidizes the provision of public services through the resort area excise taxes (paid by businesses) and fees, the voting residents who pay taxes benefit. On the other side, the demand for public services would not be nearly as great were it not for the heavy influx of tourists in the summer months. Added police security, water, sewage treatment, and emergency medical services are but some of the services that are in high demand because of the tourists. Even the lumpiness of the population (low in the winter, high in the summer, peaks on holiday weekends) affects service delivery. The sewage treatment system has to be able to handle a large amount of waste at times, but the small amount in the off-season is inadequate for some public systems. Accommodations for these kinds of fluctuations in service demand have to be made.

The State of Ohio and the Federal government promote tourism on the islands. Encouraging more tourism is an integral part of the State's economic development policy and the Bass Islands figure prominently into that plan. The Federal government operates the Perry Victory and International Peace Monument that draws substantial numbers of tourists to South Bass Island. The State has purchased the Lonz Winery on Middle Bass, and the Governor recently announced plans to develop the site for tourism. These efforts add to the pressure on the Islands to receive tourists. In addition, the Ohio Environmental Protection Agency, Ottawa County Health Service, and the Ohio Department of Health are just a few of the state and county agencies that regulate public services in Put-in-Bay area.

This context sets the stage for considering local government options for dealing with public issues such as conflicts over land use, water quality and quantity, sewage treatment, and public safety. The State of Ohio's Revised Code affords a wide range of options that communities can use to provide government services under many different circumstances. Basically, these approaches boil down to three main options. First, there is interlocal cooperation, which means that two or more separate governmental entities may decide to work together on shared problems. One intergovernmental agreement already in place is police protection whereby the Township pays the Village for this service. Second, a host of special district alternatives exist. For example the Township and the Village currently cooperate in the South Bass Fire District. With these two alternatives the Village and Township remain intact. In the case of interlocal cooperation, the two governments reach agreement on how they will work together. In the case of special districts the Village and Township remain unchanged, but additional units of government are created to perform specific functions.

The third option involves fundamentally altering the general-purpose government of the Islands. Through annexation, all or part of the Township could become part of the Village. This option results in actually redrawing the boundaries between the Township and the Village or erasing them entirely. One of the consequences of total annexation or

merger would be one government only, and everyone on the Islands would have the same voting rights. All voters would have the same ability to elect officials or run for office themselves regardless of where on the Islands they lived.

However, none of the governance options address some of the controversial issues identified in our research. Even if people who now live in the Township were not prevented from voting on Village matters, only *registered voters* are eligible to cast ballots. Since there are many more property owners than registered voters in the Township, we can assume that there would still be a lot of people who would feel disenfranchised even after a merger. Short of these property owners changing their permanent place of residence for a majority of the year to the Bass Islands, it is unlikely that any change in governmental structure would give them the representation and influence they would like to have over the Islands' government.

Regardless of the details of state laws about changing governance and voting rights, there are bound to be conflicts over differing ways of life, land use, and visions for development versus preservation as the multiple stakeholders (with sometimes competing interests in the Bass Islands) continue to pursue their goals within whatever form of government exists. Even so, people need information about options and alternatives and what difference they mean in terms of representation, cost of services, and so forth. The information about options and steps for pursuing them are the heart of this report. This report also provides information about the implications of those options if they were implemented. However, there are so many variables and unknown factors that could affect the outcome of a merger that there remain a lot of unanswered questions. For example, no one can predict what will happen to taxes for a given property after unification. It would depend on such things as the services provided by the new government, changes in the property tax base, adjustments in intergovernmental aid, etc.

Finally, conditions and options continually change. As of July, the Village has an ordinance enabling the sale of water and sewer service to the Township. The State's annexation law has been reformed by the legislature and was signed by the Governor on July 27, 2001. The new legislation becomes effective in October 2001. As of the final date of this report, the material is current. At the time that the community decides to make a change in how it is governed, it will be essential to revisit the options available.

The collective decision concerning the best options for the Bass Islands community depends largely, if not entirely, on the goals of the citizens. Is the goal to save money, improve services, improve the quality of life for the residents (i.e., better control over tourism), and provide all Bass Islands residents with a say about the use land of and economic growth of the area? Until there is some degree of consensus on the goals for the area, any one option will likely be met by formidable opposition. Thus, to reach a reasonable level of consensus, open and fully inclusive discussions need to be initiated before an appropriate option is chosen.

APPENDIX 1 – ALTERNATIVES – Interlocal Cooperation

Formal Contracts – Written documents that generally include an exchange of funds. An example is the police service contracted from the Village of Put-in-Bay to the Put-in-Bay Township. Contracted mutual aid agreements that cover costs of service and extent of aid rendered would be another example of formal contracts.

Enabling legislation: ORC general powers of either townships or municipalities permits this action

ORC Steps:

- Legally binding documents
- Prepared with legal counsel

Consequences:

- Contracts need to be re-negotiated
 - Negotiations may be time consuming
 - Limited direct control with service provided
 - May be expensive
-

Cooperative Economic Development Agreement – Formalized agreement available under Ohio law that allows parties to provide government improvements and services, promote economic development, create and preserve employment opportunities, and to allow for shared economic development benefits.

Enabling legislation: ORC 701.07 (Effective 3-22-99)

ORC Steps:

- One or more municipal corporations, by ordinance or resolution, and the board of township trustees of one or more townships, by resolution, may enter into a cooperative economic development agreement (CEDA).
- The CEDA shall designate the territory covered by the agreement.
- The intended agreement partners develop the proposed agreement.
- Jointly hold a public hearing. (Must provide residents with at least thirty days public notice of the time and place of the public hearing in one or more newspapers of general circulation).
- During the 30 period, the principal parties shall make a copy of the proposed agreement available for public inspection.
- Legislative authorities of the township and/or municipality pass an ordinance or resolution to enter into a CEDA after the 30-day comment period and public hearing.
- Board of county commissioners may become a party to such agreement upon the written consent of the legislative authority of each municipal corporation.

Consequences:

- Provides parties with broad latitude, e.g., one of the 15 enumerated matters the agreement can cover includes "any other matter pertaining to the annexation or development of territory."
 - The agreement may be amended at any time.
 - Includes a built-in mechanism for remedying "failure to perform" by any party.
 - Can gain assistance from the state or any state agency to "assist economic development or to provide appropriate state functions and services."
 - Does not preclude other or existing agreements
 - Allows counties and townships to benefit from economic development even if the economic development does not occur in the unincorporated area and therefore fosters regional thinking and cooperation.
 - Maintains autonomy of local governments while addressing issues of mutual concern.
 - Existing governments and office holders perform the necessary functions.
-

APPENDIX 2 – ALTERNATIVES – Special Districts

Community Improvement Corporation (two types)

Type 1: Nonprofit corporation organized for the sole purpose of advancing, encouraging, and promoting the industrial, economic, commercial, and civic development of a community or area (Section 1724.01).

Enabling legislation: (Type 1) ORC 1724.01

ORC Steps:

- The CIC is organized as a nonprofit corporation as provided in ORC 1702.04 (filing articles of incorporation with the Secretary of State).

Consequences:

The nonprofit CIC has powers including but not limited to (see ORC 1724.02 for more detail)

- Borrow money; issue its bonds; make loans to any person, firm; purchase, receive, hold, lease, or otherwise acquire and to sell, convey, transfer, lease, sublease, or otherwise dispose of real and personal property; to acquire, subscribe for, own, hold, sell, assign, transfer, mortgage, pledge, or otherwise dispose of the stock, shares, bonds, debentures, notes; mortgage, pledge or otherwise encumber any property acquired within its powers; and "do all acts and things necessary or convenient to carry out the powers especially created in Chapter 1724 of the Revised Code."

Community Improvement Corporation (two types continued)

Type 2: Agency of one or more political subdivisions, created for industrial, commercial, distribution, and research development in such political subdivision(s).

Enabling legislation: (Type 2) ORC 1724.10

ORC Steps:

- May be designated by a county, one or more townships, one or more municipal corporations, two or more adjoining counties, or any combination. When the legislative authority of such political subdivision has determined that as a matter of policy, it will promote the health, safety, morals, and general welfare of its inhabitants through the designation of a community improvement corporation.
- Designation shall be made by the legislative authority of the political subdivision by resolution or ordinance (Section 1724.10).
- Annual reports and audits are required (Section 1724.05).

Consequences:

- Any of the designating political subdivisions may enter into an agreement with this type of CIC to provide any one or more of the following:
- A plan for the political subdivision of industrial, commercial, distribution, and research development. This plan will present the extent to which the CIC will participate in the execution of the plan. (see 1724.10 (A) for more detail).
 - Authorization for the CIC to sell or lease (for the political subdivision) any lands or interests owned by the political subdivision(s) to be used to promote the welfare of the people, stabilize the economy, provide employment, and assist in the development of industrial, commercial, distribution and research activities to the benefit of the people. (see 1724.10 (B) for more detail).
 - Conveyance of certain lands and interests in lands owned by the political subdivision to the CIC to promote the welfare of the people, etc., as above. Further the CIC may acquire additional lands from others for the same purpose. (See 1724.10(C) for details on proceeds from sale of these lands by the CIC).
 - CIC cannot offer public services such a police, fire or EMS medical services.
 - A CIC could address the tourism issues.
 - Certain information must be kept confidential and some meetings or portions of meetings are not required to be public (see 1724.11).
-

Community Reinvestment Area - Area within a municipal corporation or unincorporated area of a county created by resolution under section 3735.66 in which housing facilities or structures of historical significance are located and new housing construction and repair of existing facilities or structures are discouraged.

"Structure of historical or architectural significance" means those designated as such by resolution of the legislative authority of a municipal corporation, for those located in a municipal corporation, or the county, for those located in the unincorporated area of the county based on age, rarity, architectural quality, or because of a previous designation by a historical society, association, or agency (3735.65(D)).

Enabling legislation: ORC 3735.65 – 3735.70

ORC Steps:

- The legislative authorities of municipal corporations and counties may survey the housing within their jurisdictions and, after the survey, may adopt resolutions describing the boundaries of qualifying community reinvestment areas.
- The resolution adopted pursuant to this section shall be published in a newspaper of general circulation in the municipal corporation (a county must publish it in a county newspaper of general circulation, once a week for two consecutive weeks) immediately following the adoption.
- A housing officer must be designated.
- A community reinvestment area housing council shall be appointed for each community reinvestment area. (see ORC 3735.69).
- Annual status reports are required.

Consequences:

- Tax exemptions encourage investment in areas that might not otherwise be improved; this can help prevent sprawl.
 - Some loss of real estate tax income into the area will result depending on the percentage and length of time for the tax exemption.
-

Enterprise Zone – Offers tax relief incentives to increase and maintain economic base of the area.

Enabling legislation: ORC 5709.61 – 5709.69

ORC Steps:

- Minimal requirements include population base of 4000 or more for municipalities.
- Townships and unincorporated areas are eligible through declaration of County Commissioners, if other requirements are met.
- Levels of unemployment, poverty levels, abandoned residential areas and population declines are all requirements for establishing enterprise zones.
- No more than one enterprise zone can exist within a township.

Consequences:

- It is highly unlikely that the Village or the Township would meet the characteristics for an enterprise zone.

Joint Economic Development District – One or more municipal corporations and one or more townships may enter into a contract pursuant to which they create, as a joint economic development district one or more areas 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 this state and in the area of the contracting parties.

Enabling legislation: ORC 715.70 – 715.80 (Alternate method is provided in ORC 715.72)

ORC Steps:

- The new district must be within the boundaries of one or more of the areas and cannot be zoned residential or have any residents.
- Municipality and township must each hold a public hearing (with 30 days public notice).
- Related documents must be on file for public inspection and comment and recommendations for the 30 days prior to the public hearing.
- Municipality and Township then adopts an ordinance and resolution approving a contract to create a JEDD if they wish to proceed.
- Municipality and Township jointly file with the County Commissioners a signed copy of the contract (and maps/plans related to or part of the contract), certified copies of the ordinances and resolutions of the contracting parties, and a certificate of each contracting party that proving that the public hearing was held, its date, and evidence of publication of the required notice for the hearing.
- Within 30 days after filing the above, the County shall pass a resolution acknowledging receipt of the appropriate documentation and approving the JEDD.
- Within another 75 days the county shall forward copies of the resolution to the board of elections, specify the date of the election and direct the board of elections to conduct the election with the Township. (Failure by the commissioners to act within 35 days results in automatic approval and the Township deals with the Board of elections directly in setting up the election).
- The resolution of the Township be submitted to the voters of the Township for approval at the next succeeding general, primary or special election (and becomes effective immediately upon voter approval).

Consequences:

- The parties involved share the development costs, and as a result may share the income tax revenues generated from the area.
- To create a joint economic development district coordinated efforts with planning and zoning would be required. The small landmass of the Bass Islands and increased seasonal residents would restrict areas available for the JED.
- The contract may grant to the districts board the power to adopt a resolution to levy an income tax with the district, and no vote is required by the electors residing in the district (715.71(G)).
- The contract may prohibit any annexation of unincorporated territory within the district to the participating municipal corporation.
- The contract may provide for the contracting parties to share revenue from taxes levied on property by one or more of the parties if those revenues may lawfully be applied to that purpose under the legislation by which those taxes are levied.
- According to ORC 715.83. If the area meets certain indicators such as high unemployment, it may qualify for state assistance.

Township Fire District – Formed by the board of township trustees of any township, by resolution, whenever it is expedient and necessary to guard against the occurrence of fires or to protect the property and lives of the citizens against damages resulting from their occurrence.

Enabling legislation: ORC 505.37 (Township Fire District) and 505.371 (Joint Fire District)

ORC Steps:

▪ A **Township Fire District** is formed by resolution of the Township Trustees, and may consist of any portions of the township that are considered necessary.

Consequences:

▪ The board of Trustees may purchase or otherwise provide any fire apparatus, appliances, materials, fire hydrants, and water supply for fire-fighting purposes, or may contract for the fire protection for the fire district as provided in section 9.60 of the ORC.

▪ The board may establish reasonable charges for the use of ambulance or emergency medical services (allowed to charge different rates for residents and non-residents – and may waive at its discretion, all or part of the charge for any resident of the district.

Joint Fire District - The boards of township trustees of one or more townships and the legislative authorities of one or more municipal corporations, or the legislative authorities of two or more municipal corporations, or the boards of township trustees of two or more townships, may, by adoption of a joint resolution by a majority of the members of each board of township trustees and by a majority of the members of the legislative authority of each municipal corporation, create a joint fire district comprising the municipal corporations and all or any portions of the townships as are mutually agreed upon.

Enabling legislation: ORC 505.37 (Township Fire District) and 505.371 (Joint Fire District)

ORC Steps:

▪ **Joint Fire District** is governed by a board of fire district trustees (one trustee from each participating Township and, one representative from the legislative authority of each participating municipality. Fire district board members may be compensated (within limits).

▪ This board has the same power granted to Township Trustees in 505.37 to 505.45 including but not limited to the power to levy a tax upon all taxable property in the fire district as provided in section 505.39.

▪ The board shall employ a clerk of the board of fire district trustees.

Consequences:

▪ The resolution creating the district may provide that any of the participating political subdivisions will pick up all or part of the charges for their residents and not charge those residents for use of the services but residents will have to pay if their political subdivision has not so agreed to pay the fees.

▪ Charges collected shall be kept in a separate fund designated as the ambulance or EMS fund and shall be appropriated and administered by the board to pay for costs of management, maintenance, and operation of these services in the district.

▪ Any municipal corporation or township (or part of them) may join an existing joint fire district through resolution requesting membership and upon approval of the board of the fire district. Withdrawal can occur by resolution ordering withdrawal.

Joint Ambulance District – Comprised of one or more townships and one or more municipal corporations, or two or more townships, or two or more municipal corporations that have formed by resolution a district comprising the municipal corporations and all or any portions of the townships as are mutually agreed upon, except that no portion of a township or corporation being served by a joint emergency medical services district shall be part of a joint ambulance district.

Enabling legislation: ORC 505.71

ORC Steps:

- Created by a joint resolution passed by the majority of members of each participating board or council (except that no portion of a township or municipal corporation being served by a joint emergency medical services district shall be part of a joint ambulance district.)
- Governed by a board of ambulance district trustees (one trustee from each participating Township and, one representative from the legislative authority of each participating municipality. Ambulance district board members may be compensated (within limits).
- The board shall employ a clerk. Before entering upon the duties of his office, the clerk of the board of trustees of a joint ambulance district shall execute a bond, in the amount and with surety to be approved by the board, payable to the state, conditioned for the faithful performance of all the official duties required. Such bond shall be deposited with the presiding officer of the board, and certified copies thereof, shall be filed with the county auditor of each county with a subdivision included in the district.

Consequences:

- The board may levy taxes, subject to Chapter 5705. of the Revised Code, and issue bonds and other evidences of indebtedness, subject to Chapter 133. of the Revised Code, after submitting the question of such issuance to the electors of the district in the manner provided by Chapter 133. of the Revised Code. The district may purchase, lease, maintain, and use all materials, equipment, vehicles, buildings, and land necessary to perform its duties.
- Any municipal corporation or township (or part of them) may join an existing joint ambulance district through resolution requesting membership and upon approval of the board of the ambulance district. Withdrawal can occur by resolution ordering withdrawal.
- The board of trustees of a joint ambulance district shall provide for the employment of such employees, as it considers best, and shall fix their compensation. (See ORC 505.72 for more detail).
- ORC 505.72 authorizes the district to contract with another entity (private or public) to provide ambulance and EMS services.
- May be licensed by the Ohio ambulance licensing board (the sole supervisory body regarding the licensing of private ambulance service organizations in this state).

Joint Fire and Ambulance District - The board of a joint ambulance district created under section 505.71 of the Revised Code and the board of a joint fire district created under section 505.371 [505.37.1] of the Revised Code may negotiate in accordance with this section to combine their two joint districts into a single district, called a fire and ambulance district, for the delivery of both fire and ambulance services, if the geographic area covered by the combining joint districts is exactly the same.

Enabling legislation: ORC 505.375

ORC Steps:

- Both boards shall adopt a joint resolution ratifying the agreement and setting a date on which the fire and ambulance district shall come into being.

Consequences:

- See ORC 505.375 for more details.

New Community Organization – Community or an addition to an existing community planned pursuant to this chapter so that it includes facilities for the conduct of industrial, commercial, residential, cultural, educational, and recreational activities, and designed in accordance with planning concepts for the placement of utility, open space, and other supportive facilities.

Enabling legislation: ORC 349.01

ORC Steps:

- Proceedings for the organization of a new community authority shall be initiated by a petition filed by the developer in the office of the clerk of the board of county commissioners of one of the counties in which all or part of the proposed new community district is located. Such petition shall be signed by the developer and may be signed by each proximate city.

Consequences:

- According to ORC 349.02, the chapter relating to new community organizations "is enacted for the purposes of encouraging the orderly development of well-planned, diversified, and economically sound new communities and of encouraging the initiative and participation of private enterprise in such undertakings; and encouraging co-operation between the developer and the community authority to carry out a new community development program."
 - Municipality or township may have a new community area to eliminate blighted or slum areas.

Park District – Park districts may be created to include all or a part of the territory within a county, and may be initiated by the electors residing in the proposed area, or by resolution of the Township or the Village.

Enabling legislation: ORC 1545.01-1545.

ORC Steps:

- Application for the creation of a park district shall be made to the probate judge of the county within which the district is to be located.
- Has a board of commissioners.
- Such application shall either be signed by a majority of the electors residing within the proposed district as determined by the number of electors voting at the most recent general election within such territory, or, in lieu thereof, shall be authorized by resolution adopted by the board of county commissioners, any board of township trustees, or legislative authority of any municipal corporation within such proposed district.
- Such application shall state the name of the proposed district, shall contain an accurate description of the territory to be included, and shall be accompanied with an accurate map or plat thereof.
- The boundary lines of such district shall be so drawn as not to divide any existing township or municipal corporation within such county.

Consequences:

- May levy tax for operation of the park district.
- Has police power.
- May cooperate with other jurisdictions on common projects.

Port Authority – Corporate and politic body that has powers to acquire and manage facilities that can be used for economic development.

Enabling legislation: ORC 4582.22

ORC Steps:

- Any municipal corporation, township, county, or any combination of a municipal corporation, municipal corporations, township, may create a port authority, as a body corporate and politic which may sue and be sued, plead and be impleaded, with the powers and jurisdiction enumerated in the Revised Code (Section 4582.02).
- A port authority shall be governed by a board of directors, whose number shall be determined by agreement between such political subdivisions (Section 4582.03).
- The board of directors of a port authority shall prepare a plan for the future development, construction, and improvement of the port and its facilities, to be given in each county where there is a political subdivision participating in the creation of the port authority (Section 4582.07).
- The port authority shall foster and encourage the participation of private enterprise in the development of port authority facilities to the fullest extent it considers practicable in the interest of limiting the necessity of construction and operation of such facilities by the port authority (Section 4582.10).
- The board of directors of a port authority shall annually prepare a budget for the port authority.

Consequences:

- Rents and charges received shall be used for the general expenses and to pay interest, amortization, and retirement charges on money borrowed (Section 4582.13).
- With voter approval, the port authority may levy property tax within its jurisdiction not to exceed one mill annually for up to five years (Section 4582.14).
- A port authority shall be exempt from taxes on property (Section 4582.20).
- A port authority may be dissolved by the subdivision or subdivisions creating it, and in such event the properties of the port authority shall be transferred to the subdivisions creating it in such manner as may be agreed upon between such subdivisions (Section 4582.023).
- After a port authority has been created, any municipal corporation, township, or county, which is contiguous to such port authority, may join such port authority and thereupon the jurisdiction and territory of such port authority shall include such municipal corporation, county, or township (Section 4582.024).
- The purpose of creating a port authority is economic development. Put-in-Bay Township Port Authority currently exists. Another port authority may be developed. Organization and operation would require start-up energies and finances.

Regional Arts and Cultural Districts – Created for the purpose of applying for arts and humanities grants for the area creating the district.

Enabling legislation: ORC 3381.02 – 3381.22

ORC Steps:

- Created by resolution of the governing bodies of one or more counties, townships or municipalities for the purpose of applying for grants.
- Has appointed board a bond of trustees.

Consequences:

- Assets are nontaxable.
- May bring special grant funds into the area for specific cultural projects.

Regional Council of Government – Has broad powers for planning public facility projects affecting the development of the area, and to promote cooperative arrangements and coordinate action among its members and between its members and other agencies of local governments, whether or not within Ohio, and the federal government.

Enabling legislation: ORC 167.01

ORC Steps:

- The governing bodies of any two or more counties, municipal corporations, townships, special districts, school districts, or other political subdivisions may enter into an agreement with each other, or with the governing bodies of any counties, municipal corporations, townships, special districts, school districts or other political subdivisions of any other state to the extent that laws of such other state permit, for establishment of a regional council consisting of such political subdivisions.
 - Membership in the regional council shall be the counties, municipal corporations, townships, special districts, school districts, and other political subdivisions entering into the agreement establishing the council or admitted to membership subsequently pursuant to the agreement establishing the council or the bylaws of the council. Representation on the council may be in the manner as provided in the agreement establishing the council.
 - If the agreement establishing the council does not set forth the manner for determining representation on the council, such representation shall consist of one representative from each county, municipal corporation, township, special district, school district, or other political subdivision entering into the agreement, or subsequently admitted to membership in the council.
-

Consequences:

The council shall have the power to:

- Study such area governmental problems common to two or more members of the council as it deems appropriate, including but not limited to matters affecting health, safety, welfare, education, economic conditions, and regional development;
- Promote cooperative arrangements and coordinate action among its members, and between its members and other agencies of local or state governments, whether or not within Ohio, and the federal government.
- Toledo Area Metropolitan Council of Governments a Regional Council of Governments currently exists and is the water/sewer planning agency for Put-in-Bay Township, the Village of Put-in-Bay and Ottawa County.
- It is possible to create another council of governments, the major function would be planning and coordination of agencies and governments.

Regional Planning Commission – Makes studies, maps, plans, recommendations and reports concerning the physical, environmental, social, economic, and governmental characteristics, functions, services, and other aspects of the region or county, respectively. It may do so regarding areas outside the region or county concerning the physical, environmental, social, economic, and governmental characteristics, functions, services, and other aspects which affect the development and welfare of the region or county respectively, as a whole or as more than one political unit within the region or county.

Enabling legislation: ORC 713.21 – 713.27

ORC Steps:

- The planning commission of any municipal corporation or group of municipal corporations, any board of township trustees, and the board of county commissioners of any county in which such municipal corporation or group of municipal corporations is located or of any adjoining county may co-operate in the creation of a regional planning commission, for any region defined as agreed upon by the planning commissions and boards, exclusive of any territory within the limits of a municipal corporation not having a planning commission.
- The number of members, how they are appointed and the division of costs is determined by a majority of the planning commissions and boards.

Consequences:

- After creation of a regional planning commission, school districts, special districts, authorities, and any other units of local government may participate in the regional planning commission, upon such terms as may be agreed upon by the planning commissions and boards.
- Any member of a regional planning commission may hold any other public office and may serve as a member of a city, village, and a county planning commission, except as otherwise provided in the charter of any city or village.

Regional Transit Authorities – One or more counties, municipalities, townships with contiguous territory may join together to create a transit authority with the purpose of providing transportation service for the movement of persons within, from, or to that municipal corporation, township, or county, to make payments or transfer real estate or interests in consideration of the board providing those transportation services.

Enabling legislation: ORC 306.30 – 306.70

ORC Steps:

- Created by resolution of the participating governments.
- Has a governing board and is a political subdivision and corporate body.
- It can serve any one or more of the following purposes: acquiring, constructing, operating, maintaining, replacing, improving, and extending transit facilities; controlling and administering the public utilities franchise of such transit facilities; entering into and supervising franchise agreements; accepting assignment of and then supervising an existing franchise agreement; and accepting assignment of and exercising a right to purchase a transit system in accordance with the acquisition terms of an existing franchise agreement.

Consequences:

- May levy tax.
- Has police powers.

Regional Water and Sewer Districts and Authorities – Any unincorporated part of one or more contiguous counties or in one or more municipal corporations, or both, may be organized as a regional water and sewer district to supply water to users within and without the district; to provide for the collection, treatment, and disposal of waste water within and without the district.

Enabling legislation: ORC 6119.01 – 6119.09

ORC Steps:

- Initiated only by a petition filed in the office of the clerk of the court of common pleas of one of the counties all or part of which lies within the proposed district. The petition shall be signed by one or more municipal corporations, one or more counties, or one or more townships, or by any combination of them, after having been authorized by the legislative authority of the political subdivision.
- Under direction of a board of trustees.

Consequences:

- Levy taxes and special assessments for operations and improvements. Issue bonds. Receive grants.

Sanitary Districts – May be created as a political subdivision of the state and a body corporate upon petition for purpose of addressing stream pollution, sewage and other liquid wastes, provide a water supply (and incidental provisions), reduce biting arthropod populations, collect and dispose of garbage or any other refuse that may become a menace to public health.

Enabling legislation: ORC 6115.01 – 6115.14

ORC Steps:

- Petition shall be filed in the office of the clerk of the County Common Pleas Court, signed by five hundred freeholders, or by a majority of the freeholders, or by the owners of more than half of the property, in either acreage or value, within the limits of the territory proposed to be organized into a district.
- Such a petition may be signed by the governing body of any public corporation lying wholly or partly within the proposed district. The petition may also be signed by railroads and other corporations owning lands.
- A bond shall be filed, with security approved by the court, sufficient to pay all the expenses connected with the proceedings in case the court refuses to organize the sanitary district.
- Public notice of the pendency of the petition and the time and place of the forthcoming hearing on the matter.
- The clerk shall send notice by certified mail to the director of environmental protection and shall provide personal notification to the clerk of each political subdivision within the proposed district.
- Upon hearing the matter, Common Pleas Judge determines if the district shall be organized.
- The board of directors or advisory council (depending on the purpose of the district) is appointed upon approval of the district.

Consequences:

- The district possesses all powers of a corporation, and shall have perpetual existence.
- Power to sue and be sued, to incur debts, liabilities, and obligations.
- May exercise the right of eminent domain and of taxation and assessment as provided in such sections.
- May issue bonds, and to do all acts necessary and proper for the carrying out the districts purposes and powers.

Special Improvement District – Public agency created for the purpose of developing and implementing plans for public improvements and public services.

Enabling legislation: ORC 1710.01 – 1710.13

ORC Steps:

- May be created within the boundaries of any one municipal corporation, any one township, or any combination of contiguous municipal corporations and townships by a petition of property owners within the district
 - The district shall be considered a "public agency," and shall be governed by the board of trustees of a nonprofit corporation (to be organized according to Chapter 1702).
 - Articles of incorporation must include the reason for creating the district, plus an explanation of how the district will be conducive to the public health, safety, peace, convenience, and welfare of the district.
 - The board of directors may develop and adopt written plans for public improvements that benefit the district, identify the area to be provided, specify the method of assessment to be used, the period of time the assessments are to be levied for the improvements and services and, the period of time the services are to remain in effect, including the planning, design, construction, reconstruction, enlargement, or alteration of any public improvements and the acquisition of land for the improvements.
 - The board of trustees shall submit the plan to the legislative authority of each participating political subdivision.
 - Each participating political subdivision shall levy a special assessment upon specially benefited property located within the district, the costs of any public improvements or public services plan contained in a petition approved by the participating political subdivisions (Section 1710.06).
-

Consequences:

- Can be a mechanism to provide ongoing maintenance not only in central business district, but also in other areas of a community.
- No special improvement district shall include any church property, or property of the federal or state government or a county, township, or municipal corporation, unless the church or the county, township, or municipal corporation specifically requests in writing that the property be included within the district.
- More than one district may be created within a participating political subdivision, but no real property may be included within more than one district unless the owner of the property files a written consent with the clerk of the legislative authority or the village clerk, as appropriate. The area of each district shall be contiguous.
- Special Improvement Districts offer opportunities to improve local areas but may not be restrictive in their locations and may not be substituted for any services offered by the jurisdictions forming the district.
- Coordination with local planning and zoning would be essential to this option.

Township Park District – Created to maintain or improve park properties in the township.

Enabling legislation: ORC 511.18

ORC Steps:

- Created by court of common pleas by petition of the voters to Township Trustees.
- Has a board of commissioners.

Consequences:

- May levy tax, and issue bonds.
 - May have law enforcement officers.
 - May join another park district.
 - May join other jurisdictions to in common projects.
-

Township Police District – Created to comprise all or a portion of the unincorporated territory of the township.

Enabling legislation: ORC 505.48

ORC Steps:

- Created by resolution of the Township Trustees (2/3 majority required).
- If the district does not include all of the unincorporated territory of the township, the resolution creating the township police district must contain a complete and accurate description of the district's territory.
- May impose a tax upon the residents of the district (new territory added to the district must be afforded the opportunity to vote on being included, with knowledge of the existence of a tax).

Consequences:

- Township police district territory may be altered by 2/3 vote of the township trustees.
-

Township Waste Disposal District – Created by the township for the purpose of operating facilities for the collection, transfer, and disposal of solid wastes.

Enabling legislation: ORC 505.28

ORC Steps:

- Created by unanimous vote of the trustees with notice by publication in two newspapers of general circulation in the township. If no protest petition, the district is created.

Consequences:

- May create a 10-mill levy to support the district.
 - May issue bonds.
-

APPENDIX 3 – ALTERNATIVES – Annexation

Annexation or detachment: Partial annexation may be initiated by property holders. Total annexation is initiated by petition to elect a merger commission.

Enabling legislation: 709.01-709.50

709.02 Annexation of adjacent territory, 709.43 "Merger" defined

S.B. 5, which was signed into law on July 27, 2001 makes numerous reforms to the annexation process. These reforms become effective in late October 2001. New and amended ORC sections should be consulted after October 2001.

ORC Steps:

PARTIAL ANNEXATION (709.03-709.11)

APPLICATION OF CITIZEN:

- Petition presented to the Co. Commissioners signed by the majority of owners of the territory to be annexed.
- Public notice requirements must be fulfilled
- Hearing date is set by commissioners
- Municipality shall by ordinance or resolution adopt a statement of what services, if any, it will provide the territory in question.
- After the hearing, the commissioners attest that the proper procedures were followed, that the territory is not unreasonably large, that any map or plat is accurate, and that the general good of the territory sought to be annexed would be served if the annexation is granted.
- Commissioners must decide within 90 days.
- The municipality then accepts or rejects the annexation.
- If rejected, the petitioners can try again.

▪ 709.14-709.21 APPLICATION OF CORPORATION (When property to be annexed is owned by the municipality or the county).

MERGER (TOTAL ANNEXATION):

- As used in sections 709.43 to 709.48 of the Revised Code, "merger" means the annexation, one to another, of existing municipal corporations or of the unincorporated area of a township with one or more municipal corporations.
- Municipalities and unincorporated areas or townships can merge by first filing a joint or separate petitions with the board of elections proposing the merger and naming not less than five electors each, from the Township and Village, nominated to serve as commissioners over the merger.

Consequences:

- Partial annexation from the township into the village reduces the operating revenues of the township.
- Annexation may not be reversible
- Annexation applications are currently considered in terms of the general good of the territory to be annexed, but under new annexation law which will go into effect in October 2001, county commissioners shall consider whether "On balance, the general good of the territory proposed to be annexed will be served and the benefits to the territory proposed to be annexed and the surrounding area will outweigh the detriments to the territory proposed to be annexed and the surrounding area if the annexation is granted."
- If granted annexation may still be appealed by the township or by the non-majority property owners.

- Township government would no longer exist.
- All areas of the Bass Islands would be within the municipal incorporation.

▪ The petition(s) must also include the signatures of no less than 10% of the Township residents who voted in the last Gubernatorial election, and no less than 10% of the Village residents who voted in the last Gubernatorial election. If the board of elections finds the petitions to be sufficient, the question "Shall a commission be chosen to draw up a statement of conditions for merger of the political subdivisions of _____ and _____?" will be submitted to the electors of each political subdivision at the next general election, in any year, occurring subsequent to the period ending seventy-five days after the filing of such petitions with the board (ORC 709.45-709.47).

▪ If the merger commissioners are elected in both political subdivisions, no petition for the annexation of any part of the unincorporated territory of the township shall be filed with a board of county commissioners until: (1) The question of forming a merger commission is defeated at the election by a majority of the electors of any one of the municipal corporations or the unincorporated territory of the township in which the election is held;(2) The merger commission fails to reach agreement on conditions of merger no later than the seventy-fifth day prior to the next general election after the commission was elected; or (3) The conditions of merger agreed upon by the merger commission are defeated by a majority of the electors in either the municipal corporation or the unincorporated territory of the township in which the election on the conditions is held.

▪ The merger commission determines the conditions of merger for presentation to the voters. The conditions may provide for the election of new officers (prior to the merger) to govern the municipal corporation. The conditions of merger may also provide that the municipal corporation into which the other political subdivisions are to be merged shall amend its existing charter to include specified provisions and may state that the merger, if approved, shall not become effective until the date on which that municipal charter includes the required provisions.

-
- In the case of a merger of a township with a single municipal corporation, the merger conditions may also provide for the annexation of a school district located wholly within the township to the school district of the municipal corporation.
 - As soon as the conditions have been agreed upon by a majority of the members of the commission from each political subdivision (but not later than 75 days prior to the next general election), this fact shall be reported to the board of elections and the question shall be submitted to the voters at the next general election occurring after the commission is elected. (If they fail to come to agreement by the 75th day prior to the next general election, the commission shall cease to exist.)
 - The conditions must be approved by a majority of those voting on them in each political subdivision for the merger to occur.
-

Dissolution of the township – Occurs when township property has been annexed to a municipality to the extent that the boundaries have become identical.

Enabling legislation: 703.22 Identical boundaries

ORC Steps for the ORC:

- When the limits of a municipal corporation become identical with those of a township, all township offices shall be abolished, and the duties thereof shall be performed by the corresponding officers of the municipal corporation. All property, moneys, credits, books, records, and documents of such township shall be delivered to the legislative authority of such municipal corporation. All rights, interests, or claims in favor of or against the township may be enforced by or against such municipal corporation.

Consequences:

- Township losses governing body.
- Legal obligations of the township are assumed by the village.
 - May not be reversible (i.e., the township could not be reconstituted because of 503.03 which states "Except as provided in section 503.09 of the Revised Code, no new township shall be laid off containing less than twenty-two square miles, but the boundaries of a township may be changed so as to reduce its territory below that quantity."
 - When a township is altered, diminished, or changed in any way by the formation of new townships, additions to other townships, or otherwise, such original township and all portions thereof shall remain liable to the same extent on contracts, engagements, or liabilities contracted by such township prior to the change as if no such alteration, diminution, or change had taken place (ORC 503.17).

Dissolution of the Village – Corporate powers are surrendered with all village territory becoming part of the township

Enabling legislation: ORC 703.20 Surrender of corporate power by villages

ORC Steps:

- Villages may surrender their corporate powers upon the petition to the legislative authority of the village of at least forty per cent of the electors thereof, to be determined by the number voting at the last regular municipal election.
- If the result of the election is in favor of such surrender, the corporate powers of such village shall cease.

Consequences:

- Surrender of corporate powers may not be reversible. (Per ORC 707.02 a new municipality must have a population of at least 800 people –among other things).
- Loss of home rule (the township would not have a high enough population to obtain limited home rule – ORC 504.01).
- Legal obligations of the village area assumed by the township.
- Does not affect vested rights or accrued liabilities of the village, or the power to settle claims, dispose of property, or levy and collect taxes to pay existing obligations.
- Dues and unpaid taxes may be collected after the surrender, and all moneys or property remaining after the surrender belongs to the township or townships located wholly or partly within the village.

New Township excluding incorporated area – Erected upon petition of property owners when a township contains a municipal corporation (either in whole or in part).

Enabling legislation: ORC 503.09

ORC Steps from the ORC:

- Freehold electors owning land in the portion of such a township outside the municipal corporation's corporate limits, petitions, with a map accurately setting forth such territory, praying to have such territory erected into a new township, and excluding the territory within the municipal corporation.
- The board of county commissioners shall enter an order erecting such territory into a new township, the boundaries of which need not include twenty-two square miles of territory.

Consequences:

- The Village would belong to no Township.
- Smaller pool of potential candidates for Township positions.
- The new Township population would be even less than the former Township's population base – which has an impact on the provision of services and availability of office holders.