Geauga County Erosion Control Special Improvement District

A New Tool to Fund Erosion Control Projects

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Geauga County Erosion SID

- Purpose: Develop and implement plans for shoreline improvement projects in Geauga.
- An erosion control improvement project means acquiring, constructing, installing, equipping, improving, maintaining or repairing property necessary or useful for making improvements to abate erosion along an inland waterway or Lake Erie. Example:







Typical stream channel











- Boundaries: Limits of participating political subdivisions in the county. All properties within SID on which an erosion control project can be constructed are eligible.
- Benefits: Cost-effective way of creating economies of scale for these projects by placing the up-front engineering, construction, legal costs on the tax duplicate for 15-20 years.



- Benefits (cont'd): We can find institutional lenders eager to finance erosion control projects on terms favorable to property owners.
- All participation is voluntary. Costs are borne by each owner; shared costs divided equitably.
- Requires establishment of SID board (at least 5, including municipal/township officials) and coordination with subdivisions.



Steps to formation:

1. Property owners petition local governments to form a district (initial interest and petition forms already developed). Plan should include cost estimates, assessment method and length, obligation to maintain improvements, etc.

2. We create nonprofit entity with board to run the SID; each subdivision must approve of SID plan.



Steps to formation (cont'd):

3. Once each subdivision approves of initial petitions and nonprofit, entity is formed with state.

4. Final assessment petition is circulated, signed and submitted to each subdivision for a vote.

5. Once approved, assessments against property may occur after projects are financed. Owners or SID board may bid out and contract for work.



How the money moves:

- 1. Lending institution chosen by SID board.
- 2. Bonds backed by assessments issued, here likely by county or development authority.

3. Proceeds come to SID, distributable to individual owners in order to pay their contractors and to SID advisers (e.g., legal fees, any common engineering costs).



- Considerations and thoughts:
- Governing docs allow for new owners and projects to be added to SID over time.
- Assessment methodology should be uniform. Should be calculated based on cost of project rather than value. May use "in proportion to the benefits" or "foot front" methodology.



- Considerations and thoughts (cont'd):
- Participation: Petitioner may not withdraw petition for assessment once final petition has been signed. (OK to withdraw earlier.)
- Retroactivity: Someone who's already paid for improvements may seek reimbursement (but note tax-exemption issues); need buy-in as early as possible and SID board can decide.



- Considerations and thoughts (cont'd):
- **Financing**: Partial assessments would be possible if projects involve more than erosion.
- Construction methods, means, materials, design etc.: SID board should have final approval and can provide for variance.
- Contractors: SID board may be bidding authority but owners may choose to go it alone.



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