

**As Reported by the House Local Government and Townships  
Committee**

**124th General Assembly  
Regular Session  
2001-2002**

**Sub. S. B. No. 5**

**SENATORS Wachtmann, Harris, Robert Gardner, Carnes, Blessing  
REPRESENTATIVES Roman, Driehaus, Coates, Distel, Carano, Sferra,  
Schmidt, Flowers**

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**A B I L L**

To amend sections 505.62, 709.02, 709.03, 709.032,	1
709.033, 709.04, 709.13, 709.14, 709.15, 709.19,	2
709.21, 929.02, and 5705.31; to enact new sections	3
709.031, 709.07, 709.11, and 709.16 and sections	4
709.013, 709.014, 709.015, 709.021, 709.022,	5
709.023, 709.024, 709.192, and 5705.315; and to	6
repeal sections 709.031, 709.07, 709.08, 709.09,	7
709.11, 709.16, 709.17, and 709.18 of the Revised	8
Code to revise the laws governing municipal	9
annexations.	10

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

<b>Section 1.</b> That sections 505.62, 709.02, 709.03, 709.032,	11
709.033, 709.04, 709.13, 709.14, 709.15, 709.19, 709.21, 929.02,	12
and 5705.31 be amended and new sections 709.031, 709.07, 709.11,	13
and 709.16 and sections 709.013, 709.014, 709.015, 709.021,	14
709.022, 709.023, 709.024, 709.192, and 5705.315 of the Revised	15
Code be enacted to read as follows:	16

<b>Sec. 505.62.</b> A board of township trustees may enter into a	17
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contract with, and may appropriate township general revenue fund  
moneys for the services of, an attorney to represent the township  
~~at annexation hearings before the board of county commissioners~~  
~~and upon any appeal of the board's decision pursuant to section~~  
~~709.07 or Chapter 2506. of the Revised Code.~~

~~The board of township trustees of a township that includes~~  
~~territory that is proposed to be annexed has standing in any~~  
~~appeal of the board of county commissioners' decision on the~~  
~~annexation of township territory that is taken pursuant to section~~  
~~709.07 or Chapter 2506. of the Revised Code, if the board of~~  
~~township trustees was represented at the annexation hearing before~~  
~~the board of county commissioners, expert witnesses, and other~~  
consultants as the board determines are necessary for any  
potential or pending annexation action, including proceedings  
before a board of county commissioners or any court. The board  
also may appropriate general revenue fund moneys for any other  
expenses it considers necessary that are related to any potential  
or pending annexation actions.

**Sec. 709.013.** (A) If, after a petition for annexation is  
filed with the board of county commissioners, one or more other  
petitions are filed containing all or a part of the territory  
contained in the first petition, the board shall hear and decide  
the petitions in the order in which they were filed.

(B) The effect of granting any petition under division (A) of  
this section shall be to delete from any subsequently filed  
petition any territory contained in the petition that was granted.

(C) If two or more petitions for annexation are filed seeking  
to annex part or all of the same territory and appeals are  
subsequently filed under section 709.07 of the Revised Code, each  
court shall decide the appeal on the first-filed petition before  
considering the appeal in any subsequently filed petition.

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Sec. 709.014. (A) The board of county commissioners may establish a reasonable fee or schedule of fees to cover its costs incurred in any annexation proceedings that take place under this chapter. The board also may require an initial deposit to be paid at the time a petition for annexation is filed under sections 709.02 to 709.21 of the Revised Code or promptly after that time. The clerk of the board shall maintain an accurate and detailed accounting of all funds received and expended in the processing of a petition for annexation filed under sections 709.02 to 709.21 of the Revised Code.

(B) Notwithstanding anything to the contrary in division (E) of section 709.024 and division (A) of section 709.03 of the Revised Code, the board of county commissioners, by resolution, may appoint the clerk of the board or the county administrator to set the date, time, and place for hearings, and to provide associated notices to the agent for the petitioners, required under those divisions instead of the board.

Sec. 709.015. The procedural requirements set forth in sections 709.02 to 709.21 of the Revised Code are directory in nature. Substantial compliance with the procedural requirements of those sections is sufficient to grant the board of county commissioners jurisdiction to hear and render its decision on a petition for annexation filed under those sections. The board shall cure a procedural defect and shall not deny a petition for annexation solely upon the basis of procedural defects.

Sec. 709.02. (A) The owners of real estate adjacent contiguous to a municipal corporation may, at their option, cause such territory to be annexed thereto, petition for annexation to a municipal corporation in the manner provided by sections 709.03 to 709.11 of the Revised Code. Application

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(B) Application for such annexation shall be made by a 79  
petition, addressed to filed with the clerk of the board of county 80  
commissioners of the county in which the territory is located, and 81  
signed by a majority of the owners of real estate in such 82  
territory. Such 83

(C) The petition required by this section shall contain the 84  
following: 85

(A) A full (1) The signatures of a majority of the owners of 86  
real estate in the territory proposed for annexation. The person 87  
who signs or the circulator of the petition also shall write the 88  
date the signature was made next to the owner's name. No signature 89  
obtained more than one hundred eighty days before the date on 90  
which the petition is filed shall be counted in determining the 91  
number of signers of the petition. Any owner who signed the 92  
petition may have the signature removed before the document is 93  
filed by delivering a signed statement to the agent for the 94  
petitioners expressing the owner's wish to have the signature 95  
removed. Upon receiving a signed statement, the agent for the 96  
petitioners shall strike through the signature, causing the 97  
signature to be deleted from the petition. 98

(2) An accurate legal description of the perimeter and an 99  
accurate map or plat of the territory sought to be annexed 100  
proposed for annexation; 101

(B) A statement of the number of owners of real estate in the 102  
territory sought to be annexed; 103

(C)(3) The name of a person or persons to act as agent for 104  
the petitioners. The agent for the petitioners may be an official, 105  
employee, or agent of the municipal corporation to which 106  
annexation is proposed. 107

(D) At the time of filing the petition for annexation, the 108  
agent for the petitioners also shall file with the clerk of the 109

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board a list of all tracts, lots, or parcels in the territory  
proposed for annexation, and all tracts, lots, or parcels located  
adjacent to that territory or directly across the road from it  
when the road is adjacent to it, including the name and mailing  
address of the owner of each tract, lot, or parcel, and the  
permanent parcel number from the county auditor's permanent parcel  
numbering system established under section 319.28 of the Revised  
Code for each tract, lot, or parcel. This list shall not be  
considered to be a part of the petition for annexation, and any  
error on the list shall not affect the validity of the petition.

(E) As used in sections 709.02 to 709.21 and, 709.38, and  
709.39 of the Revised Code, "owner" or "owners" means any adult  
individual ~~seized of a freehold estate in land~~ who is legally  
competent, the state or any political subdivision as defined in  
section 5713.081 of the Revised Code, and any firm, trustee, or  
private corporation ~~that, any of which~~ is seized of a freehold  
estate in land; except that ~~individuals, firms, and corporations~~  
~~holding~~ easements ~~and any railroad, utility, street, and highway~~  
~~rights-of-way~~ held in fee, by easement, or by dedication and  
acceptance are not included within ~~such those~~ meanings; and no  
person, firm, trustee, or private corporation, the state, or any  
political subdivision, that has become an owner of real estate by  
a conveyance, the primary purpose of which is to affect the number  
of owners required to sign ~~an annexation~~ a petition ~~for~~  
~~annexation~~, is included within ~~such those~~ meanings. ~~For purposes~~  
of sections 709.02 to 709.21, 709.38, and 709.39 of the Revised  
Code, the state or any political subdivision shall not be  
considered an owner and shall not be included in determining the  
number of owners needed to sign a petition unless an authorized  
agent of the state or the political subdivision signs the  
petition. The authorized agent for the state shall be the director  
of administrative services.

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An owner is determined as of the date the petition is filed 142  
with the board of county commissioners. If the owner is a 143  
corporation, partnership, business trust, estate, trust, 144  
organization, association, group, institution, society, state, or 145  
political subdivision, the petition shall be signed by a person 146  
who is authorized to sign for that entity. A person who owns more 147  
than one parcel of real estate, either individually or as a tenant 148  
in common or by survivorship tenancy, shall be counted as one 149  
owner for purposes of this chapter. 150

**Sec. 709.021.** (A) When a petition signed by all of the owners 151  
of real estate in the unincorporated territory of a township 152  
proposed for annexation requests the annexation of that territory 153  
to a municipal corporation contiguous to that territory under one 154  
of the special procedures provided for annexation in sections 155  
709.022, 709.023, and 709.024 of the Revised Code, the annexation 156  
proceedings shall be conducted under those sections to the 157  
exclusion of any other provisions of this chapter unless otherwise 158  
provided in this section or the special procedure section chosen. 159

(B) Application for annexation shall be made by a petition 161  
filed with the clerk of the board of county commissioners of the 162  
county in which the territory is located, and the procedures 163  
contained in divisions (C), (D), and (E) of section 709.02 of the 164  
Revised Code shall be followed, except that all owners, not just a 165  
majority of owners, shall sign the petition. To be valid, each 166  
petition circulated for the special procedure in section 709.022 167  
or 709.023 of the Revised Code shall contain the notice provided 168  
for in division (B) of section 709.022 or division (A) of section 169  
709.023 of the Revised Code, whichever is applicable. 170

(C) Except as otherwise provided in this section, only this 171  
section and sections 709.014, 709.015, 709.04, 709.10, 709.11, 172

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709.12, 709.192, 709.20, and 709.21 of the Revised Code apply to  
the granting of an annexation described in this section.

(D) As used in sections 709.022 and 709.024 of the Revised  
Code, "party" or "parties" means the municipal corporation to  
which annexation is proposed, each township any portion of which  
is included within the territory proposed for annexation, and the  
agent for the petitioners.

**Sec. 709.022.** (A) A petition filed under section 709.021 of  
the Revised Code that requests to follow this section is for the  
special procedure of annexing land with the consent of all  
parties. The petition shall be accompanied by a certified copy of  
an annexation agreement provided for in section 709.192 of the  
Revised Code or of a cooperative economic development agreement  
provided for in section 701.07 of the Revised Code, that is  
entered into by the municipal corporation and each township any  
portion of which is included within the territory proposed for  
annexation. Upon the receipt of the petition and the applicable  
agreement, the board of county commissioners, at the board's next  
regular session, shall enter upon its journal a resolution  
granting the annexation, without holding a hearing.

(B) Owners who sign a petition requesting that the special  
procedure in this section be followed expressly waive their right  
to appeal any action taken by the board of county commissioners  
under this section. There is no appeal from the board's decision  
under this section in law or in equity.

The petition circulated to collect signatures for the special  
procedure in this section shall contain in boldface capital  
letters immediately above the heading of the place for signatures  
on each part of the petition the following: "WHOEVER SIGNS THIS  
PETITION EXPRESSLY WAIVES THEIR RIGHT TO APPEAL ANY ACTION ON THE  
PETITION TAKEN BY THE BOARD OF COUNTY COMMISSIONERS. THERE ALSO IS

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NO APPEAL FROM THE BOARD'S DECISION IN THIS MATTER IN LAW OR IN EQUITY."

(C) After the board of county commissioners grants the petition for annexation, the clerk of the board shall deliver a certified copy of the entire record of the annexation proceedings, including all resolutions of the board, signed by a majority of the members of the board, the petition, map, and all other papers on file, and the recording of the proceedings, if a copy is available, to the auditor or clerk of the municipal corporation to which annexation is proposed.

**Sec. 709.023.** (A) A petition filed under section 709.021 of the Revised Code that requests to follow this section is for the special procedure of annexing land into a municipal corporation when, subject to division (H) of this section, the land also is not to be excluded from the township under section 503.07 of the Revised Code. The owners who sign this petition by their signature expressly waive their right to appeal in law or equity from the board of county commissioners' entry of any resolution under this section, waive any rights they may have to sue on any issue relating to a municipal corporation requiring a buffer as provided in this section, and waive any rights to seek a variance that would relieve or exempt them from that buffer requirement.

The petition circulated to collect signatures for the special procedure in this section shall contain in boldface capital letters immediately above the heading of the place for signatures on each part of the petition the following: "WHOEVER SIGNS THIS PETITION EXPRESSLY WAIVES THEIR RIGHT TO APPEAL IN LAW OR EQUITY FROM THE BOARD OF COUNTY COMMISSIONERS' ENTRY OF ANY RESOLUTION PERTAINING TO THIS SPECIAL ANNEXATION PROCEDURE, ALTHOUGH A WRIT OF MANDAMUS MAY BE SOUGHT TO COMPEL THE BOARD TO PERFORM ITS



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DUTIES REQUIRED BY LAW FOR THIS SPECIAL ANNEXATION PROCEDURE."

(B) Upon the filing of the petition in the office of the  
clerk of the board of county commissioners, the clerk shall cause  
the petition to be entered upon the board's journal at its next  
regular session. This entry shall be the first official act of the  
board on the petition. Within five days after the filing of the  
petition, the agent for the petitioners shall notify in the manner  
and form specified in this division the clerk of the legislative  
authority of the municipal corporation to which annexation is  
proposed, the clerk of each township any portion of which is  
included within the territory proposed for annexation, the clerk  
of the board of county commissioners of each county in which the  
territory proposed for annexation is located other than the county  
in which the petition is filed, and the owners of property  
adjacent to the territory proposed for annexation or adjacent to a  
road that is adjacent to that territory and located directly  
across that road from that territory. The notice shall be given by  
certified mail, return receipt requested, or by causing the notice  
to be personally served on the appropriate governmental officer or  
property owner, with proof of service being by affidavit of the  
person who delivered the notice. The notice shall refer to the  
time and date when the petition was filed and the county in which  
it was filed and shall have attached or shall be accompanied by a  
copy of the petition and any attachments or documents accompanying  
the petition as filed. The proof of service of the notice shall be  
filed with the board of county commissioners with which the  
petition was filed.

(C) Within twenty days after the date that the petition is  
filed, the legislative authority of the municipal corporation to  
which annexation is proposed shall adopt an ordinance or  
resolution stating what services the municipal corporation will  
provide, and an approximate date by which it will provide them, to

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the territory proposed for annexation, upon annexation. The  
municipal corporation is entitled in its sole discretion to  
provide to the territory proposed for annexation, upon annexation,  
services in addition to the services described in that ordinance  
or resolution.

If the territory proposed for annexation is subject to zoning  
regulations adopted under either Chapter 303. or 519. of the  
Revised Code at the time the petition is filed, the legislative  
authority of the municipal corporation also shall adopt an  
ordinance or resolution stating that, if the territory is annexed  
and becomes subject to zoning by the municipal corporation and  
that municipal zoning permits uses in the annexed territory that  
the municipal corporation determines are clearly incompatible with  
the uses permitted under current county or township zoning  
regulations in the adjacent land remaining within the township  
from which the territory was annexed, the legislative authority of  
the municipal corporation will require, in the zoning ordinance  
permitting the incompatible uses, the owner of the annexed  
territory to provide a buffer separating the use of the annexed  
territory and the adjacent land remaining within the township. For  
the purposes of this section, "buffer" includes open space,  
landscaping, fences, walls, and other structured elements; streets  
and street rights-of-way; and bicycle and pedestrian paths and  
sidewalks.

The clerk of the legislative authority of the municipal  
corporation to which annexation is proposed shall file the  
ordinances or resolutions adopted under this division with the  
board of county commissioners within twenty days following the  
date that the petition is filed. The board shall make these  
ordinances or resolutions available for public inspection.

(D) Within twenty-five days after the date that the petition  
is filed, the legislative authority of the municipal corporation

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to which annexation is proposed and each township any portion of  
which is included within the territory proposed for annexation may  
adopt and file with the board of county commissioners an ordinance  
or resolution consenting or objecting to the proposed annexation.  
An objection to the proposed annexation shall be based solely upon  
the petition's failure to meet the conditions specified in  
division (E) of this section.

If the municipal corporation and each of those townships  
timely files an ordinance or resolution consenting to the proposed  
annexation, the board at its next regular session shall enter upon  
its journal a resolution granting the proposed annexation. If,  
instead, the municipal corporation or any of those townships files  
an ordinance or resolution that objects to the proposed  
annexation, the board of county commissioners shall proceed as  
provided in division (E) of this section. Failure of the municipal  
corporation or any of those townships to timely file an ordinance  
or resolution consenting or objecting to the proposed annexation  
shall be deemed to constitute consent by that municipal  
corporation or township to the proposed annexation.

(E) Unless the petition is granted under division (D) of this  
section, not less than thirty or more than forty-five days after  
the date that the petition is filed, the board of county  
commissioners shall review it to determine if each of the  
following conditions has been met:

(1) The petition meets all the requirements set forth in, and  
was filed in the manner provided in, section 709.021 of the  
Revised Code.

(2) The persons who signed the petition are owners of the  
real estate located in the territory proposed for annexation and  
constitute all of the owners of real estate in that territory.

(3) The territory proposed for annexation does not exceed

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five hundred acres.

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(4) The territory proposed for annexation shares a contiguous boundary with the municipal corporation to which annexation is proposed for a continuous length of at least five per cent of the perimeter of the territory proposed for annexation.

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(5) The annexation will not create an unincorporated area of the township that is completely surrounded by the territory proposed for annexation.

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(6) The municipal corporation to which annexation is proposed has agreed to provide to the territory proposed for annexation the services specified in the relevant ordinance or resolution adopted under division (C) of this section.

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(7) If a street or highway will be divided or segmented by the boundary line between the township and the municipal corporation as to create a road maintenance problem, the municipal corporation to which annexation is proposed has agreed as a condition of the annexation to assume the maintenance of that street or highway or to otherwise correct the problem. As used in this section, "street" or "highway" has the same meaning as in section 4511.01 of the Revised Code.

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(F) Not less than thirty or more than forty-five days after the date that the petition is filed, if the petition is not granted under division (D) of this section, the board of county commissioners, if it finds that each of the conditions specified in division (E) of this section has been met, shall enter upon its journal a resolution granting the annexation. If the board of county commissioners finds that one or more of the conditions specified in division (E) of this section have not been met, it shall enter upon its journal a resolution that states which of those conditions the board finds have not been met and that denies the petition.

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(G) If a petition is granted under division (D) or (F) of this section, the clerk of the board of county commissioners shall proceed as provided in division (C)(1) of section 709.033 of the Revised Code, except that no recording or hearing exhibits would be involved. There is no appeal in law or equity from the board's entry of any resolution under this section, but any party may seek a writ of mandamus to compel the board of county commissioners to perform its duties under this section.

(H) Notwithstanding anything to the contrary in section 503.07 of the Revised Code, unless otherwise provided in an annexation agreement entered into pursuant to section 709.192 of the Revised Code or in a cooperative economic development agreement entered into pursuant to section 701.07 of the Revised Code, territory annexed into a municipal corporation pursuant to this section shall not at any time be excluded from the township under section 503.07 of the Revised Code and, thus, remains subject to the township's real property taxes.

(I) Any owner of land that remains within a township and that is adjacent to territory annexed pursuant to this section who is directly affected by the failure of the annexing municipal corporation to enforce compliance with any zoning ordinance it adopts under division (C) of this section requiring the owner of the annexed territory to provide a buffer zone, may commence in the court of common pleas a civil action against that owner to enforce compliance with that buffer requirement whenever the required buffer is not in place before any development of the annexed territory begins.

**Sec. 709.024.** (A) A petition filed under section 709.021 of the Revised Code that requests to follow this section is for the special procedure of annexing land into a municipal corporation for the purpose of undertaking a significant economic development

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project. As used in this section, "significant economic 392  
development project" means one or more economic development 393  
projects that can be classified as industrial, distribution, high 394  
technology, research and development, or commercial, which 395  
projects may include ancillary residential and retail uses and 396  
which projects shall satisfy all of the following: 397

(1) Total private real and personal property investment in a 398  
project shall be in excess of ten million dollars through land and 399  
infrastructure, new construction, reconstruction, installation of 400  
fixtures and equipment, or the addition of inventory, excluding 401  
investment solely related to the ancillary residential and retail 402  
elements, if any, of the project. As used in this division, 403  
"private real and personal property investment" does not include 404  
payments in lieu of taxes, however characterized, under Chapter 405  
725. or 1728. or sections 5709.40 to 5709.43, 5709.73 to 5709.75, 406  
or 5709.78 to 5709.81 of the Revised Code. 407

(2) There shall be created by the project an additional 408  
annual payroll in excess of one million dollars, excluding payroll 409  
arising solely out of the retail elements, if any, of the project. 410

(3) The project has been certified by the state director of 411  
development as meeting the requirements of divisions (A)(1) and 412  
(2) of this section. 413

(B) Upon the filing of the petition under section 709.021 of 414  
the Revised Code in the office of the clerk of the board of county 415  
commissioners, the clerk shall cause the petition to be entered 416  
upon the journal of the board at its next regular session. This 417  
entry shall be the first official act of the board on the 418  
petition. Within five days after the filing of the petition, the 419  
agent for the petitioners shall notify in the manner and form 420  
specified in this division the clerk of the legislative authority 421  
of the municipal corporation to which annexation is proposed, the 422

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clerk of each township any portion of which is included within the  
territory proposed for annexation, the clerk of the board of  
county commissioners of each county in which the territory  
proposed for annexation is located other than the county in which  
the petition is filed, and the owners of property adjacent to the  
territory proposed for annexation or adjacent to a road that is  
adjacent to that territory and located directly across that road  
from that territory. The notice shall be given by certified mail,  
return receipt requested, or by causing the notice to be  
personally served on the appropriate governmental officer or  
property owner, with proof of service being by affidavit of the  
person who delivered the notice. The notice shall refer to the  
time and date when the petition was filed and the county in which  
it was filed and shall have attached or shall be accompanied by a  
copy of the petition and any attachments or documents accompanying  
the petition as filed. The proof of service of the notice shall be  
filed with the board of county commissioners with which the  
petition was filed.

(C)(1) Within thirty days after the petition is filed, the  
legislative authority of the municipal corporation to which  
annexation is proposed and each township any portion of which is  
included within the territory proposed for annexation may adopt  
and file with the board of county commissioners an ordinance or  
resolution consenting or objecting to the proposed annexation. An  
objection to the proposed annexation shall be based solely upon  
the petition's failure to meet the conditions specified in  
division (F) of this section. Failure of the municipal corporation  
or any of those townships to timely file an ordinance or  
resolution consenting or objecting to the proposed annexation  
shall be deemed to constitute consent by that municipal  
corporation or township to the proposed annexation.

(2) Within twenty days after receiving the notice required by

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division (B) of this section, the legislative authority of the  
municipal corporation shall adopt, by ordinance or resolution, a  
statement indicating what services the municipal corporation will  
provide or cause to be provided, and an approximate date by which  
it will provide or cause them to be provided, to the territory  
proposed for annexation, upon annexation. If a hearing is to be  
conducted under division (E) of this section, the legislative  
authority shall file the statement with the clerk of the board of  
county commissioners at least twenty days before the date of the  
hearing.

(D) If all parties to the annexation proceedings entitled to  
notice under division (B) of this section consent to the proposed  
annexation, a hearing shall not be held, and the board, at its  
next regular session, shall enter upon its journal a resolution  
granting the annexation. There is no appeal in law or in equity  
from the board's entry of a resolution under this division. The  
clerk of the board shall proceed as provided in division (C)(1) of  
section 709.033 of the Revised Code.

(E) Unless the petition is granted under division (D) of this  
section, a hearing shall be held on the petition. The board of  
county commissioners shall hear the petition at its next regular  
session and shall notify the agent for the petitioners of the  
hearing's date, time, and place. The agent for the petitioners  
shall give notice to the parties entitled to notice under division  
(B) of this section of the date, time, and place of the hearing.  
At the hearing, those parties and any owner of real estate within  
the territory proposed to be annexed are entitled to appear for  
the purposes described in division (C) of section 709.032 of the  
Revised Code.

(F) Within thirty days after a hearing under division (E) of  
this section, the board of county commissioners shall enter upon  
its journal a resolution granting or denying the proposed



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annexation. The resolution shall include specific findings of fact as to whether or not each of the conditions listed in this division has been met. If the board grants the annexation, the clerk of the board shall proceed as provided in division (C)(1) of section 709.033 of the Revised Code.

The board shall enter a resolution granting the annexation if it finds, based upon a preponderance of the substantial, reliable, and probative evidence on the whole record, that each of the following conditions has been met:

(1) The petition meets all the requirements set forth in, and was filed in the manner provided in, section 709.021 of the Revised Code.

(2) The persons who signed the petition are owners of real estate located in the territory proposed to be annexed in the petition and constitute all of the owners of real estate in that territory.

(3) No street or highway will be divided or segmented by the boundary line between a township and the municipal corporation as to create a road maintenance problem, or if the street or highway will be so divided or segmented, the municipal corporation has agreed, as a condition of the annexation, that it will assume the maintenance of that street or highway. For the purposes of this division, "street" or "highway" has the same meaning as in section 4511.01 of the Revised Code.

(4) The municipal corporation to which the territory is proposed to be annexed has adopted an ordinance or resolution as required by division (C)(2) of this section.

(5) The state director of development has certified that the project meets the requirements of divisions (A)(1) and (2) of this section and thereby qualifies as a significant economic development project. The director's certification is binding on

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the board of county commissioners.

(G) An owner who signed the petition may appeal a decision of the board of county commissioners denying the proposed annexation under section 709.07 of the Revised Code. No other person has standing to appeal the board's decision in law or in equity. If the board grants the annexation, there shall be no appeal in law or in equity.

(H) Notwithstanding anything to the contrary in section 503.07 of the Revised Code, unless otherwise provided in an annexation agreement entered into pursuant to section 709.192 of the Revised Code or in a cooperative economic development agreement entered into pursuant to section 701.07 of the Revised Code, territory annexed into a municipal corporation pursuant to this section shall not at any time be excluded from the township under section 503.07 of the Revised Code and, thus, remains subject to the township's real property taxes.

(I) A municipal corporation to which annexation is proposed is entitled in its sole discretion to provide to the territory proposed for annexation, upon annexation, services in addition to the services described in the ordinance or resolution adopted by the legislative authority of the municipal corporation under division (C)(2) of this section.

**Sec. 709.03.** ~~The~~ (A) Once a petition required by described in section 709.02 of the Revised Code ~~shall be~~ is filed in, the office clerk of the board of county commissioners ~~and the clerk~~ shall cause the petition to be entered upon the ~~record of proceedings journal~~ of the board, which at its next regular session. This entry shall be the first official act of the board on the annexation petition, and shall cause the petition to be filed in the office of the county auditor, where it shall be subject to the inspection of any interested person. The agent for

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~~the petitioners shall cause written notice of the filing of the~~ 549  
~~petition with the board of county commissioners and the date of~~ 550  
~~such filing to be delivered to the clerk of the legislative~~ 551  
~~authority of the municipal corporation to which annexation is~~ 552  
~~proposed and to the clerk of each township any portion of which is~~ 553  
~~included within the territory sought to be annexed. Any person.~~ 554  
Within five days after the filing of the petition, the board shall 555  
set the date, time, and place for the hearing on the petition and 556  
shall notify the agent for the petitioners. The date for the 557  
hearing shall be not less than sixty or more than ninety days 558  
after the petition is filed with the clerk of the board. 559

(B) Upon being notified of the date of the hearing, the agent 560  
for the petitioners shall do all of the following: 561

(1) Within five days cause written notice of the filing of 562  
the petition with the board of county commissioners, the date and 563  
time of the filing, and the date, time, and place of the hearing, 564  
to be delivered to the clerk of the legislative authority of the 565  
municipal corporation to which annexation is proposed, to the 566  
clerk of each township any portion of which is included within the 567  
territory proposed for annexation, and to the clerk of the board 568  
of county commissioners of each county in which the territory 569  
proposed for annexation is located other than the county in which 570  
the petition is filed. The notice shall state the date and time 571  
when the petition was filed and the county in which it was filed 572  
and shall have attached or shall be accompanied by a copy of the 573  
petition and any attachments or documents accompanying the 574  
petition as filed. The notice shall be given by certified mail, 575  
return receipt requested, or by causing the notice to be 576  
personally served on the appropriate governmental officer, with 577  
proof of service being by affidavit of the person who delivered 578  
the notice. Within ten days after the date of completion of 579  
service, the agent for the petitioners shall file proof of service 580

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of the notice with the board of county commissioners with which  
the petition was filed.

(2) Within ten days send by regular mail a copy of the notice  
of the board of county commissioners of the hearing to all owners  
of property within the territory proposed to be annexed, and to  
all owners of property adjacent to the territory proposed to be  
annexed or adjacent to a road that is adjacent to that territory  
and located directly across that road from that territory, whose  
names were provided by the agent for the petitioners under  
division (D) of section 709.02 of the Revised Code, along with a  
map of the territory proposed to be annexed and a statement  
indicating where the full petition for annexation can be reviewed.  
The notice also shall include a statement that any owner who  
signed the petition may remove the owner's signature by filing  
with the clerk of the board of county commissioners a written  
notice of withdrawal of the owner's signature within twenty-one  
days after the date the agent mails the notice; the agent shall  
include with each mailed notice a certification of the date of its  
mailing for this purpose. Within ten days after the mailing of the  
notices, the agent shall file with the board of county  
commissioners with which the petition was filed, a notarized  
affidavit that a notice was sent by regular mail to these property  
owners.

(3) Cause a notice containing the substance of the petition,  
and the date, time, and place of the hearing, to be published at  
least once and at least seven days prior to the date fixed for the  
hearing, in a newspaper of general circulation in each county in  
which territory proposed for annexation is situated. Within ten  
days after the date of completion of the publication or at the  
hearing, whichever comes first, the agent for the petitioners  
shall file proof of publication of the notice with the board of  
county commissioners with which the petition was filed.

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(C) Any owner who signed the petition for annexation may  
remove ~~his~~ that signature by filing with the clerk of the board of  
county commissioners a written notice of withdrawal of ~~his~~ the  
owner's signature within ~~twenty~~ twenty-one days after ~~such a~~  
~~notice of filing is delivered to the clerk of the township in~~  
~~which he resides~~ the date the agent for the petitioners mailed the  
notice of the hearing to the owner as provided in division (B)(2)  
of this section. Thereafter, signatures may be withdrawn or  
removed only in the manner authorized by section 709.032 of the  
Revised Code.

(D) Upon receiving the notice described in division (B)(1) of  
this section, the legislative authority of the municipal  
corporation shall adopt, by ordinance or resolution, a statement  
indicating what services the municipal corporation will provide,  
and an approximate date by which it will provide them, to the  
territory proposed for annexation, upon annexation. The statement  
shall be filed with the board of county commissioners at least  
twenty days before the date of the hearing. The municipal  
corporation is entitled in its sole discretion to provide to the  
territory proposed for annexation, upon annexation, services in  
addition to the services described in the ordinance or resolution  
it adopts under this division.

**Sec. 709.031.** (A) Within five days after the petition for  
annexation is filed with the board of county commissioners, the  
clerk of the board shall refer the legal description of the  
perimeter and the map or plat of the territory proposed to be  
annexed to the county engineer for a report upon the accuracy of  
the legal description of the perimeter, map, or plat. Upon  
receiving these items, the county engineer shall file, at least  
twenty-five days before the hearing, a written report with the  
board based on the engineer's findings, which shall not be  
conclusive upon the board. Failure of the engineer to make the

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report shall not affect the jurisdiction or duty of the board to  
proceed.

(B) The petition may be amended without further notice by  
leave of the board of county commissioners and with the consent of  
the agent for the petitioners if the amendment does not add to the  
territory embraced in the original petition and is made at least  
fifteen days before the date of the hearing. The board may rerefer  
the legal description of the perimeter, map, or plat to the county  
engineer if revisions are made in them, for a report on their  
accuracy. Upon receiving these items, the county engineer shall  
file, on or before the date of the hearing, a written report with  
the board based on the engineer's findings, which shall not be  
conclusive upon the board. Failure of the engineer to make the  
report shall not affect the jurisdiction or duty of the board to  
proceed.

(C) The board of township trustees of any township containing  
any territory proposed for annexation and any owners of real  
estate in the territory proposed for annexation may request that  
reasonable proof be presented of the authority of a person signing  
the petition on behalf of any person other than a natural being,  
the state, or a political subdivision of the state. The request  
shall be in writing and be filed with the board of county  
commissioners and with the agent for the petitioners at least  
fifteen days prior to the hearing on the petition. When such a  
request is filed, the agent for the petitioners shall present to  
the board of county commissioners at the hearing held under  
section 709.032 of the Revised Code sufficient evidence by  
affidavit or testimony to establish that the owner is a person  
other than a natural being, the state, or a political subdivision  
of the state and that the owner authorized the person whose  
signature is on the petition to sign the petition on its behalf.  
If the board does not find the evidence sufficient to establish

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this authority, it shall remove the signature from the petition.

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**Sec. 709.032.** (A) As used in this section, "necessary party" means the municipal corporation to which annexation is proposed, each township any portion of which is included within the territory proposed for annexation, and the agent for the petitioners.

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(B) The hearing provided for in section ~~709.031~~ 709.03 of the Revised Code shall be public. Any The board of county commissioners may, or at the request of any necessary party shall, issue subpoenas for witnesses or for books, papers, correspondence, memoranda, agreements, or other documents or records relevant or material to the petition, directed to the sheriff of each county where the witnesses or documents or records are found, which subpoenas shall be served and returned in the same manner as those allowed by the court of common pleas in criminal cases. The fees and mileage of sheriffs and witnesses shall be the same as those allowed by the court of common pleas in criminal cases. The fee and mileage expenses incurred at the request of a party shall be paid in advance by the party, and the remainder of the expenses shall be paid out of fees charged by the board for the annexation proceedings. In case of disobedience or neglect of any subpoena served on any person, or the refusal of any witness to testify to any matter regarding which the witness may be lawfully interrogated, the court of common pleas of the county in which the disobedience, neglect, or refusal occurs, or any judge of that court, on application of the board, any member of the board, or a necessary party, may compel obedience by attachment proceedings for contempt as in the case of disobedience of the requirements of a subpoena issued from the court or a refusal to testify in the court. An owner of a company, firm, partnership, association, or corporation that is subpoenaed may have an agent or attorney appear before the board on that owner's

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behalf in response to the subpoena. 709

The board of county commissioners shall make, by electronic 710  
means or some other suitable method, a record of the hearing. If a 711  
request, accompanied by a deposit to pay the costs, is filed with 712  
the board not later than seven days before the hearing, the board 713  
shall provide an official court reporter to record the hearing. 714  
The record of the hearing need not be transcribed unless a 715  
request, accompanied by an amount to cover the cost of 716  
transcribing the record, is filed with the board. 717

(C) Any person may appear, in person or by attorney, and, 718  
after being sworn, may support or contest the granting of the 719  
prayer of the petition provided for by section 709.02 of the 720  
Revised Code. Affidavits presented in support of or against the 721  
prayer of such petition shall be considered by the board, but only 722  
if the affidavits are filed with the board and served as provided 723  
in the Rules of Civil Procedure upon the necessary parties to the 724  
annexation proceedings at least fifteen days before the date of 725  
the hearing; provided that the board shall accept an affidavit 726  
after the fifteen-day period if the purpose of the affidavit is 727  
only to establish the affiant's authority to sign the petition on 728  
behalf of the entity for which the affiant signed. Necessary 729  
parties or their representatives are entitled to present evidence, 730  
examine and cross-examine witnesses, and comment on all evidence, 731  
including any affidavits presented to the board under this 732  
division. 733

(D) At the hearing, any owner who signed the petition for 734  
annexation may appear, and, after being sworn as provided by 735  
section 305.21 of the Revised Code, testify orally that his the 736  
owner's signature was obtained by fraud, duress, 737  
misrepresentation, including any misrepresentation relating to the 738  
provision of municipal services to the territory proposed to be 739  
annexed, or undue influence. Any person may testify orally after 740



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being so sworn in support of or rebuttal to ~~such the~~ prior 741  
testimony by the owner. ~~The commissioners, the agent for the~~ 742  
~~petitioners or his attorney, and such owner or his attorney may~~ 743  
~~examine such witnesses, including the owner~~ Any witnesses and 744  
owners who testify shall be subject to cross-examination by the 745  
necessary parties to the annexation proceedings. If a majority of 746  
the county commissioners find that ~~such the~~ owner's signature was 747  
obtained under circumstances that did constitute fraud, duress, 748  
misrepresentation, or undue influence, they shall find the 749  
signature to be void, and shall order it removed from the petition 750  
as of the time the petition was filed. 751

~~The petition may be amended without further notice by leave~~ 752  
~~of the county commissioners with the consent of the agent for the~~ 753  
~~petitioners where such amendment does not add to the territory~~ 754  
~~embraced in the original petition. If any amendment is permitted,~~ 755  
~~whereby territory not before embraced is added, the board shall~~ 756  
~~appoint another time for the hearing, of which notice shall be~~ 757  
~~given as specified in section 709.031 of the Revised Code.~~ 758

**Sec. 709.033.** (A) After the hearing on a petition to ~~annex~~ 759  
for annexation, the board of county commissioners shall enter ~~an~~ 760  
~~order~~ upon its journal allowing a resolution granting the 761  
annexation if it finds, based upon a preponderance of the 762  
substantial, reliable, and probative evidence on the whole record, 763  
that each of the following conditions has been met: 764

~~(A)(1)~~ The petition ~~contains all matter required in~~ meets all 765  
the requirements set forth in, and was filed in the manner 766  
provided in, section 709.02 of the Revised Code. 767

~~(B)~~ Notice has been published as required by section ~~709.031~~ 768  
~~of the Revised Code.~~ 769

~~(C)(2)~~ The persons ~~whose names are subscribed to~~ who signed 770  
the petition are owners of real estate located in the territory 771

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proposed to be annexed in the petition, and, as of the time the petition was filed with the board of county commissioners, the number of valid signatures on the petition constituted a majority of the owners of real estate in the that territory ~~proposed to be annexed~~.

~~(D)~~(3) The municipal corporation to which the territory is proposed to be annexed has complied with division ~~(B)~~(D) of section ~~709.031~~ 709.03 of the Revised Code.

~~(E)~~(4) The territory ~~included in the annexation petition~~ proposed to be annexed is not unreasonably large; ~~the map or plat is accurate; and.~~

(5) On balance, the general good of the territory sought 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 petition is granted. As used in division (A)(5) of this section, "surrounding area" means the territory within the unincorporated area of any township located one-half mile or less from any of the territory proposed to be annexed.

(6) No street or highway will be divided or segmented by the boundary line between a township and the municipal corporation as to create a road maintenance problem, or, if a street or highway will be so divided or segmented, the municipal corporation has agreed, as a condition of the annexation, that it will assume the maintenance of that street or highway. For the purposes of this division, "street" or "highway" has the same meaning as in section 4511.01 of the Revised Code.

(B) The board of county commissioners shall ~~grant~~ enter upon its journal a resolution granting or ~~deny~~ denying the petition for annexation within ~~ninety~~ thirty days after the hearing set pursuant to provided for in section ~~709.031~~ 709.032 of the Revised

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Code. The resolution shall include specific findings of fact as to whether each of the conditions listed in divisions (A)(1) to (6) of this section has been met. Upon journalization of the resolution, the clerk of the board shall send a certified copy of it to the agent for the petitioners, the clerk of the legislative authority of the municipal corporation to which annexation is proposed, the clerk of each township in which the territory proposed for annexation is located, and the clerk of the board of county commissioners of each county in which the territory proposed for annexation is located other than the county in which the petition is filed. The clerk of the board shall take no further action until the expiration of thirty days after the date of journalization.

(C) After the expiration of that thirty-day period, if no appeal has been timely filed under section 709.07 of the Revised Code, the clerk of the board of county commissioners shall take one of the following actions:

(1) If the board of county commissioners grants granted the petition for annexation it, the clerk shall enter on its journal all the orders of the board relating to the annexation and deliver a certified transcript of copy of the entire record of the annexation proceedings, including all orders resolutions of the board, signed by a majority of the members of the board, the petition, map, and all other papers on file, the recording of the proceedings, if a copy is available, and exhibits presented at the hearing relating to the annexation proceedings, to the auditor or clerk of the municipal corporation to which annexation is proposed.

(2) If the board of county commissioners denies denied the petition for annexation, it the clerk shall send a certified copy of its order resolution denying the annexation to the agent for the petitioners and to the clerk of the municipal corporation to

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which the annexation was proposed. If, on any appeal of any such 836  
annexation denial, a court holds that the board's denial was 837  
contrary to law, and if the court orders the clerk of the board of 838  
county commissioners to enter on the journal of the board an order 839  
approving the annexation, then the clerk shall enter the order. 840

(D) If an appeal is filed in a timely manner under section 841  
709.07 of the Revised Code from the determination of the board of 842  
county commissioners granting or denying the petition for 843  
annexation, the clerk of the board shall take further action only 844  
in accordance with that section. 845

**Sec. 709.04.** At the next regular session of the legislative 846  
authority of the municipal corporation to which annexation is 847  
proposed, after the expiration of sixty days from the date of 848  
filing with him as the delivery required by division (C) of 849  
section 709.022 or division (C)(1) of section 709.033 of the 850  
Revised Code, the auditor or clerk of ~~such~~ that municipal 851  
corporation shall lay the ~~transcript~~ resolution of the board 852  
granting the petition and the accompanying map or plat and 853  
petition ~~required by such section~~ before the legislative 854  
authority. ~~Thereupon the~~ The legislative authority, by resolution 855  
or ordinance, then shall accept or reject the ~~application~~ petition 856  
for annexation. If the legislative authority fails to pass an 857  
ordinance or resolution accepting the ~~application~~ petition 858  
for annexation within a period of one hundred twenty days after ~~the 859~~  
~~transcript is~~ those documents are laid before it by the auditor or 860  
clerk, the ~~application~~ petition for annexation shall be ~~deemed 861~~  
considered rejected by the legislative authority, ~~unless it has 862~~  
~~been prevented from acting by a temporary restraining order, a 863~~  
~~temporary injunction, or some other order of a court. 864~~

**Sec. 709.07.** (A) The agent for the petitioners, any owner of 865  
real estate in the territory proposed for annexation, any township 866

in which territory proposed for annexation is located, and the  
municipal corporation to which the territory is proposed to be  
annexed may file an appeal under Chapter 2506. of the Revised Code  
from a resolution of the board of county commissioners granting or  
denying the petition. The agent for the petitioners, any township  
in which the territory proposed for annexation is located, and any  
municipal corporation to which the territory is proposed to be  
annexed are necessary parties in an appeal. The filing of a notice  
of appeal with the clerk of the board of county commissioners  
shall operate as a stay of execution upon that clerk and all  
parties to the appeal, which stay shall not be lifted until the  
court having jurisdiction over the proceedings enters a final  
order affirming or reversing the decision of the board of county  
commissioners and the time limits for an appeal of that final  
order have passed without a notice of appeal being filed.

(B) Any party filing an appeal from the court of common pleas  
or court of appeals decision in an annexation matter shall serve  
on the clerk of the board of county commissioners a time-stamped  
copy of the notice of appeal. Upon issuance of a final order of  
any court regarding an annexation appeal, the clerk of the court  
shall forward a certified copy of the court's order to the clerk  
of the board of county commissioners that rendered the annexation  
decision that was appealed.

(C) If, after all appeals have been exhausted, the final  
determination of the court is that the petition for annexation  
should be granted, the board of county commissioners shall enter  
on its journal a resolution granting the annexation, if such a  
resolution has not already been journalized, and the clerk of the  
board shall deliver a certified copy of that journal entry and of  
the entire record of the annexation proceedings, including all  
resolutions of the board, signed by a majority of the members of  
the board, the petition, map, and all other papers on file, the

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transcript of the proceedings, and exhibits presented at the  
hearing relating to the annexation proceedings, to the auditor or  
clerk of the municipal corporation to which annexation is  
proposed. The municipal auditor or clerk shall lay these certified  
papers, along with the copy of the court's order, before the  
legislative authority at its next regular meeting. The legislative  
authority then shall proceed to accept or reject the petition for  
annexation as provided under section 709.04 of the Revised Code.

(D) If, after all appeals have been exhausted, the final  
determination of the court is that the petition for annexation  
should be denied, the board of county commissioners shall enter on  
its journal a resolution denying the annexation, if such a  
resolution has not already been journalized.

Sec. 709.11. If the territory proposed for annexation under  
this chapter is situated in more than one county, the annexation  
proceedings shall be in the county in which the majority of  
acreage of the territory proposed for annexation is situated.

Sec. 709.13. The inhabitants, generally, of a municipal  
corporation may enlarge the limits of ~~such~~ the municipal  
corporation by the annexation of contiguous territory in the  
manner provided by sections 709.14 to ~~709.21, inclusive,~~ 709.16 of  
the Revised Code.

Sec. 709.14. The legislative authority of a municipal  
corporation ~~which~~ that proposes to annex contiguous territory  
shall pass, by a vote of not less than a majority of the members  
elected ~~thereto~~ to the legislative authority, pass an ordinance  
authorizing the annexation to be made, and directing the village  
solicitor or city director of law of the municipal corporation, or  
~~some one~~ someone to be named in the ordinance, to prosecute the

proceedings necessary to effect it.

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**Sec. 709.15.** The application of a municipal corporation to the board of county commissioners requesting the annexation of contiguous territory under section 709.16 of the Revised Code shall be by a petition, setting forth that, under an ordinance of the legislative authority of the municipal corporation, the territory described in the petition was authorized to be annexed to the municipal corporation. The petition shall contain an accurate legal description of the ~~territory~~ perimeter and shall be accompanied by an accurate map or plat ~~thereof of the territory~~ proposed for annexation.

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**Sec. 709.16.** (A) A municipal corporation may petition the board of county commissioners to annex contiguous territory owned only by the municipal corporation, a county, or the state. The clerk of the board shall cause the petition to be entered upon the board's journal at its next regular session. This entry shall be the first official act of the board upon the petition. Proceedings on the petition shall be conducted under this section to the exclusion of any other provisions of this chapter except for sections 709.014, 709.14, 709.15, 709.20, and 709.21 of the Revised Code.

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(B) If the only territory to be annexed is contiguous territory owned by a municipal corporation, the board of county commissioners, by resolution, shall grant the annexation. The annexation shall be complete upon the entry upon the journal of the board of the resolution granting the annexation.

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(C) If the only territory to be annexed is contiguous territory owned by a county, the board of county commissioners, by resolution, may grant or deny the annexation. The annexation shall be complete upon the entry upon the journal of the board of a

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resolution granting the annexation.

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(D) If the only territory to be annexed is contiguous territory owned by the state and the director of administrative services has filed a written consent to the granting of the annexation with the board of county commissioners, the board, by resolution, shall grant the annexation. The annexation shall be complete upon the entry upon the journal of the board of a resolution granting the annexation.

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(E) The board of county commissioners shall act upon a petition for annexation filed under this section within thirty days after receipt of the petition.

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(F) No appeal in law or in equity shall be allowed from the granting of an annexation under this section.

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(G) When a municipal corporation purchases real property below an appraised fair market value and sells or agrees to sell the property back to the person that sold it to the municipal corporation, an annexation of that property completed under this section shall be void, and the annexed property shall become part of the township from which it was annexed, if it still exists. If the township no longer exists, the board of county commissioners shall attach the annexed territory to another township.

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(H) Territory annexed under this section shall not be excluded from the township under section 503.07 of the Revised Code.

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**Sec. 709.19.** (A) As used in this section:

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~~(1) "Annexation period" means a period of one, two, or three consecutive twelve-month periods, whichever is less, during which one or more municipal corporations annex territory of a township that includes at least fifteen per cent but less than one hundred per cent of the total taxable value of the real, public utility,~~

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~~and tangible personal property subject to taxation in that~~ 989  
~~township in the base year. No annexation period shall include a~~ 990  
~~month that is part of another annexation period.~~ 991

~~(2) "Base year" means the calendar year immediately preceding~~ 992  
~~an annexation period.~~ 993

~~(3) "Taxes" means the real and public utility property taxes~~ 994  
~~charged by a township in the base year or, in an annexation under~~ 995  
~~division (F) of this section, the real, public utility, and~~ 996  
~~tangible personal property taxes that would have been charged by~~ 997  
~~the township, if no annexation had occurred, in the year~~ 998  
~~immediately preceding the year in which the payment is made, and~~ 999  
~~payable after the reduction required by section 319.301 of the~~ 1000  
~~Revised Code but prior to the reduction required by section~~ 1001  
~~319.302 of the Revised Code, and the taxes levied for such year by~~ 1002  
~~the township against tangible personal property. "Taxes" excludes~~ 1003  
~~taxes for the payment of debt charges.~~ 1004

~~(4) "Township taxes in the annexed territory" means the taxes~~ 1005  
~~against the real, public utility, and tangible personal property~~ 1006  
~~subject to taxation in the base year in territory annexed from the~~ 1007  
~~township to a municipal corporation during an annexation period~~ 1008  
~~or, in an annexation under division (F) of this section, the taxes~~ 1009  
~~against the real, public utility, and tangible personal property~~ 1010  
~~that would have been subject to taxation in the annexed territory~~ 1011  
~~in the year immediately preceding the year in which the payment is~~ 1012  
~~to be made, if no annexation had occurred.~~ 1013

~~(5) "International airport" means any airport that is:~~ 1014

~~(a) Designated as an international airport or a landing~~ 1015  
~~rights airport by the United States secretary of the treasury;~~ 1016

~~(b) Owned and operated by a municipal corporation;~~ 1017

~~(c) An unincorporated area not contiguous to the municipal~~ 1018  
~~corporation that owns it.~~ 1019

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(2) "Commercial," "industrial," "residential," and "retail," 1020  
in relation to property, mean property classified as such by the 1021  
tax commissioner for the purposes of valuing property for 1022  
taxation, except that "commercial," in relation to property, does 1023  
not include any property classified as "retail." 1024

~~(B) If the annexation of territory of any township by one or~~ 1025  
~~more municipal corporations under this chapter constitutes an~~ 1026  
~~annexation period of twelve consecutive months, except as provided~~ 1027  
~~in division (G) of this section, each municipal corporation that~~ 1028  
~~annexed territory of that township during that annexation period~~ 1029  
~~shall pay the township during each of the seven years following~~ 1030  
~~the annexation period:~~ 1031

~~(1) In each of the first three years, one hundred per cent of~~ 1032  
~~the township taxes in the annexed territory;~~ 1033

~~(2) In the fourth year, eighty per cent of the township taxes~~ 1034  
~~in the annexed territory;~~ 1035

~~(3) In the fifth year, sixty per cent of the township taxes~~ 1036  
~~in the annexed territory;~~ 1037

~~(4) In the sixth year, forty per cent of the township taxes~~ 1038  
~~in the annexed territory;~~ 1039

~~(5) In the seventh year, twenty per cent of the township~~ 1040  
~~taxes in the annexed territory.~~ 1041

~~(C) If the annexation of territory of any township by one or~~ 1042  
~~more municipal corporations under this chapter constitutes an~~ 1043  
~~annexation period of thirteen to twenty-four consecutive months,~~ 1044  
~~except as provided in division (G) of this section, each municipal~~ 1045  
~~corporation that annexed territory of that township during that~~ 1046  
~~annexation period shall pay the township during each of the six~~ 1047  
~~years following the annexation period:~~ 1048

~~(1) In each of the first two years, one hundred per cent of~~ 1049

## As Reported by the House Local Government and Townships Committee

<del>the township taxes in the annexed territory;</del>	1050
<del>(2) In the third year, eighty per cent of the township taxes</del>	1051
<del>in the annexed territory;</del>	1052
<del>(3) In the fourth year, sixty per cent of the township taxes</del>	1053
<del>in the annexed territory;</del>	1054
<del>(4) In the fifth year, forty per cent of the township taxes</del>	1055
<del>in the annexed territory;</del>	1056
<del>(5) In the sixth year, twenty per cent of the township taxes</del>	1057
<del>in the annexed territory.</del>	1058
<del>(D) If the annexation of territory of any township by one or</del>	1059
<del>more municipal corporations under this chapter constitutes an</del>	1060
<del>annexation period of twenty five to thirty six consecutive months,</del>	1061
<del>except as provided in division (G) of this section, each municipal</del>	1062
<del>corporation that annexed territory of that township during that</del>	1063
<del>annexation period shall pay the township during each of the five</del>	1064
<del>years following the annexation period;</del>	1065
<del>(1) In the first year, one hundred per cent of the township</del>	1066
<del>taxes in the annexed territory;</del>	1067
<del>(2) In the second year, eighty per cent of the township taxes</del>	1068
<del>in the annexed territory;</del>	1069
<del>(3) In the third year, sixty per cent of the township taxes</del>	1070
<del>in the annexed territory;</del>	1071
<del>(4) In the fourth year, forty per cent of the township taxes</del>	1072
<del>in the annexed territory;</del>	1073
<del>(5) In the fifth year, twenty per cent of the township taxes</del>	1074
<del>in the annexed territory</del> <u>unincorporated territory is annexed to a</u>	1075
<u>municipal corporation and excluded from a township under section</u>	1076
<u>503.07 of the Revised Code, upon exclusion of that territory, the</u>	1077
<u>municipal corporation that annexed the territory shall make</u>	1078
<u>payments to the township from which the territory was annexed only</u>	1079

## As Reported by the House Local Government and Townships Committee

as provided in this section, except that, if the legislative 1080  
authority of the municipal corporation enters into an agreement 1081  
under section 701.07, 709.191, or 709.192 of the Revised Code with 1082  
the township from which the territory was annexed that makes 1083  
alternate provisions regarding payments by the municipal 1084  
corporation, then the payment provisions in that agreement shall 1085  
apply in lieu of the provisions of this section. 1086

(C)(1) Except as provided in division (C)(2) of this section, 1087  
the municipal corporation that annexed the territory shall make 1088  
the following payments to the township from which the territory 1089  
was annexed with respect to commercial and industrial real, 1090  
personal, and public utility property taxes using the property 1091  
valuation for the year that the payment is due: 1092

(a) In the first through third years following the annexation 1093  
and exclusion of the territory from the township, eighty per cent 1094  
of the township taxes in the annexed territory that would have 1095  
been due the township for commercial and industrial real, 1096  
personal, and public utility property taxes if no annexation had 1097  
occurred; 1098

(b) In the fourth and fifth years following the annexation 1099  
and the exclusion of the territory from the township, sixty-seven 1100  
and one-half per cent of the township taxes in the annexed 1101  
territory that would have been due the township for commercial and 1102  
industrial real, personal, and public utility property taxes if no 1103  
annexation had occurred; 1104

(c) In the sixth and seventh years following the annexation 1105  
and exclusion of the territory from the township, sixty-two and 1106  
one-half per cent of the township taxes in the annexed territory 1107  
that would have been due the township for commercial and 1108  
industrial real, personal, and public utility property taxes if no 1109  
annexation had occurred; 1110

(d) In the eighth and ninth years following the annexation 1111

## As Reported by the House Local Government and Townships Committee

and exclusion of the territory from the township, fifty-seven and 1112  
one-half per cent of the township taxes in the annexed territory 1113  
that would have been due the township for commercial and 1114  
industrial real, personal, and public utility property taxes if no 1115  
annexation had occurred; 1116

(e) In the tenth through twelfth years following the 1117  
annexation and exclusion of the territory from the township, 1118  
forty-two and one-half per cent of the township taxes in the 1119  
annexed territory that would have been due the township for 1120  
commercial and industrial real, personal, and public utility 1121  
property taxes if no annexation had occurred. 1122

(2) If there has been an exemption by the municipal 1123  
corporation of commercial and industrial real, personal, or public 1124  
utility property taxes pursuant to section 725.02, 1728.10, 1125  
3735.67, 5709.40, 5709.41, 5709.62, or 5709.88 of the Revised 1126  
Code, there shall be no reduction in the payments owed to the 1127  
township due to that exemption. The municipal corporation shall 1128  
make payments to the township under division (C)(1) of this 1129  
section, calculated as if the exemption had not occurred. 1130

(D) The municipal corporation that annexed the territory 1131  
shall make the following payments to the township from which the 1132  
territory was annexed with respect to residential and retail real 1133  
property taxes using the property valuation for the year that the 1134  
payment is due: 1135

(1) In the first through third years following the annexation 1136  
and exclusion of the territory from the township, eighty per cent 1137  
of the township taxes in the annexed territory that would have 1138  
been due the township for residential and retail real property 1139  
taxes if no annexation had occurred; 1140

(2) In the fourth and fifth years following the annexation 1141  
and exclusion of the territory from the township, fifty-two and 1142

## As Reported by the House Local Government and Townships Committee

one-half per cent of the township taxes in the annexed territory 1143  
that would have been due the township for residential and retail 1144  
real property taxes if no annexation had occurred; 1145

(3) In the sixth through tenth years following the annexation 1146  
and exclusion of the territory from the township, forty per cent 1147  
of the township taxes in the annexed territory that would have 1148  
been due the township for residential and retail real property 1149  
taxes if no annexation had occurred; 1150

(4) In the eleventh and twelfth years following the 1151  
annexation and exclusion of the territory from the township, 1152  
twenty-seven and one-half per cent of the township taxes in the 1153  
annexed territory that would have been due the township for 1154  
residential and retail real property taxes if no annexation had 1155  
occurred. 1156

(E) If, pursuant to division (F) of this section, a municipal 1157  
corporation annexes an international airport that it owns, the 1158  
municipal corporation shall pay the township one hundred per cent 1159  
of the township taxes in the annexed territory that would have 1160  
been due the township, if no annexation had occurred, for each of 1161  
the twenty-five years following the annexation. 1162

(F)(1) Notwithstanding any other provision of this chapter, a 1163  
board of county commissioners may authorize a municipal 1164  
corporation to annex an international airport that the municipal 1165  
corporation owns. Unless a contract is entered into pursuant to 1166  
division (F)(2) of this section, any municipal corporation that 1167  
annexes an international airport under this division shall make 1168  
payments to the township from which the international airport is 1169  
annexed, in the manner provided in division (E) of this section. 1170  
No territory annexed pursuant to this division shall be considered 1171  
part of the municipal corporation for the purposes of subsequent 1172  
annexation, except that the board of county commissioners may 1173  
authorize subsequent annexation under this division if the board 1174

## As Reported by the House Local Government and Townships Committee

determines that ~~such~~ subsequent annexation is necessary to the continued operation of the international airport.

(2) The chief executive of a municipal corporation that annexes territory pursuant to this division may enter into a contract with the board of township trustees of the township that loses the territory whereby the township agrees to provide the annexed territory with police, fire, or other services it is authorized to provide in exchange for specified consideration as agreed upon by the board of township trustees and the chief executive. In no instance shall the consideration received by the township be less than the payments that would be required under division (F)(1) of this section if no contract were entered into.

~~(G) If after an annexation period for which payments are being made or are to be made to a township by one or more municipal corporations under division (B), (C), or (D) of this section, the remainder of the unincorporated territory of the township is annexed to another municipal corporation or incorporates as a municipal corporation, the balance of the payments due the township under division (B), (C), or (D) of this section shall be made to the municipal corporation to which the remainder of the township territory was annexed or to the municipal corporation incorporated from the remainder of the township territory.~~

~~No payment shall be made to a municipal corporation pursuant to this division unless the remainder of the unincorporated territory of the township referred to in this division constitutes at least fifty per cent of the area of the unincorporated area of the township prior to the annexation period.~~

~~(H) After consultation with the chief executive officer of the municipal corporation and the board of township trustees, the county auditor shall determine by which of the following methods the municipal corporations that annexed township territory shall~~

## As Reported by the House Local Government and Townships Committee

pay the township the amounts prescribed in divisions (B) to (F) of 1207  
this section, except that if the payments are made pursuant to 1208  
division (G) of this section, they shall be made by the first 1209  
method listed below: 1210

(1) The county auditor shall issue a warrant semiannually 1211  
against the taxes charged and payable against real and public 1212  
utility property located in the municipal corporation and the 1213  
taxes levied against tangible personal property located in the 1214  
municipal corporation, and the county treasurer shall distribute 1215  
such amount to the township or, pursuant to division (G) of this 1216  
section, to the municipal corporation to which the remainder of 1217  
the township territory was annexed or to the municipal corporation 1218  
incorporated from the remainder of the township territory; or 1219

(2) The county budget commission shall pay such amounts to 1220  
the township from the amount apportioned to the municipal 1221  
corporations from the undivided local government fund. The payment 1222  
shall be over and above the amount apportioned to the township 1223  
pursuant to section 5747.51 or 5747.53 of the Revised Code, and 1224  
the apportionment of the municipal corporations shall be reduced 1225  
by like amounts. 1226

(I) Upon written notification to the county auditor and the 1227  
chief executive officer of each municipal corporation that annexes 1228  
township territory during an annexation period, a board of 1229  
township trustees may decline to accept the payments required 1230  
under divisions (B), (C), (D), and (F) of this section, and a 1231  
municipal corporation may decline to accept the payments required 1232  
under division (G) of this section. 1233

A municipal corporation need not make any payment required by 1234  
this section if its legislative authority enters into an agreement 1235  
under section 709.191 of the Revised Code. 1236

**Sec. 709.192.** (A) The legislative authority of one municipal 1237



## As Reported by the House Local Government and Townships Committee

corporation, by ordinance or resolution, and the board of township 1238  
trustees of one or more townships, by resolution, may enter into 1239  
annexation agreements under this section. 1240

(B) An annexation agreement may be entered into for any 1241  
period of time and may be amended at any time in the same manner 1242  
as it was initially authorized. 1243

(C) Annexation agreements may provide for any of the 1244  
following: 1245

(1) The territory to be annexed; 1246

(2) Any periods of time during which no annexations will be 1247  
made and any areas that will not be annexed; 1248

(3) Land use planning matters; 1249

(4) The provision of joint services and permanent 1250  
improvements within incorporated or unincorporated areas; 1251

(5) The provision of services and improvements by a municipal 1252  
corporation in the unincorporated areas; 1253

(6) The provision of services and improvements by a township 1254  
within the territory of a municipal corporation; 1255

(7) The payment of service fees to a municipal corporation by 1256  
a township; 1257

(8) The payment of service fees to a township by a municipal 1258  
corporation; 1259

(9) The reallocation of the minimum mandated levies 1260  
established pursuant to section 5705.31 of the Revised Code 1261  
between a municipal corporation and a township in areas annexed 1262  
after the effective date of this section; 1263

(10) The issuance of notes and bonds and other debt 1264  
obligations by a municipal corporation or township for public 1265

## As Reported by the House Local Government and Townships Committee

purposes authorized by or under an annexation agreement and 1266  
provision for the allocation of the payment of the principal of, 1267  
interest on, and other charges and costs of issuing and servicing 1268  
the repayment of the debt; 1269

(11) Agreements by a municipal corporation and township, with 1270  
owners or developers of land to be annexed, or with both those 1271  
landowners and land developers, concerning the provision of public 1272  
services, facilities, and permanent improvements; 1273

(12) The application of tax abatement statutes within the 1274  
territory covered by the annexation agreement subsequent to its 1275  
execution; 1276

(13) Changing township boundaries under Chapter 503. of the 1277  
Revised Code to exclude newly annexed territory from the original 1278  
township and providing services to that territory; 1279

(14) Payments in lieu of taxes, if any, to be paid to a 1280  
township by a municipal corporation, which payments may be in 1281  
addition to or in lieu of other payments required by law to be 1282  
made to the township by that municipal corporation; 1283

(15) Any other matter pertaining to the annexation or 1284  
development of publicly or privately owned territory. 1285

(D) Annexation agreements shall not be in derogation of the 1286  
powers granted to municipal corporations by Article XVIII, Ohio 1287  
Constitution, by any other provisions of the Ohio Constitution, or 1288  
by the provisions of a municipal charter, nor shall municipal 1289  
corporations and townships agree to share proceeds of any tax 1290  
levy, although those proceeds may be used to make payments 1291  
authorized in an annexation agreement. 1292

(E) If any party to an annexation agreement believes another 1293  
party has failed to perform its part of any provision of that 1294  
agreement, including the failure to make any payment of moneys due 1295  
under the agreement, that party shall give notice to the other 1296

## As Reported by the House Local Government and Townships Committee

party clearly stating what breach has occurred. The party  
receiving the notice has ninety days from the receipt of that  
notice to cure the breach. If the breach has not been cured within  
that ninety-day period, the party that sent the notice may sue for  
recovery of the money due under the agreement, sue for specific  
enforcement of the agreement, or terminate the agreement upon  
giving notice of termination to all the other parties.

(F) In order to promote economic development or to provide  
appropriate state functions and services to any part of the state,  
the state may become a party to an annexation agreement upon the  
approval of the director of development and with the written  
consent of the legislative authority of the municipal corporation  
and each of the boards of township trustees that are parties to  
the agreement.

(G) The board of county commissioners, by resolution, or any  
person, upon request, may become a party to an annexation  
agreement, but only upon the approval of the legislative authority  
of the municipal corporation and each of the boards of township  
trustees that are parties to the agreement, except that, if the  
state is a party to the agreement, the director of development is  
responsible for giving the approval.

(H) The powers granted by this section and any annexation  
agreement entered into under this section shall be liberally  
construed to allow parties to these agreements to carry out the  
agreements' provisions relevant to government improvements,  
facilities, and services, and to promote and support economic  
development and the creation and preservation of economic  
opportunities.

**Sec. 709.21.** No error, irregularity, or defect in the  
proceedings under sections 709.01 to 709.20, inclusive, of the  
Revised Code, shall render them invalid, if once annexation has

## As Reported by the House Local Government and Townships Committee

become final and the annexed territory has been recognized as a 1328  
part of the annexing municipal corporation, ~~and~~ taxes levied upon 1329  
it as such have been paid, and it has been subjected to the 1330  
authority of the legislative authority of ~~such~~ the annexing 1331  
municipal corporation, ~~without objection from the inhabitants of~~ 1332  
~~such territory.~~ 1333

**Sec. 929.02.** (A) Any person who owns agricultural land may 1334  
file an application with the county auditor to place the land in 1335  
an agricultural district for five years if, during the three 1336  
calendar years prior to the year in which that person files the 1337  
application, the land has been devoted exclusively to agricultural 1338  
production or devoted to and qualified for payments or other 1339  
compensation under a land retirement or conservation program under 1340  
an agreement with an agency of the federal government and if: 1341

(1) The land is composed of tracts, lots, or parcels that 1342  
total not less than ten acres; or 1343

(2) The activities conducted on the land produced an average 1344  
yearly gross income of at least twenty-five hundred dollars during 1345  
that three-year period or the owner has evidence of an anticipated 1346  
gross income of that amount from those activities. The owner shall 1347  
submit with the application proof that the owner's land meets the 1348  
requirements established under this division. If the county 1349  
auditor determines that the application does not meet the 1350  
requirements of this section, the county auditor shall deny the 1351  
application and notify the applicant by certified mail, return 1352  
receipt requested, within thirty days of the filing of the 1353  
application. The applicant may appeal the denial of the 1354  
application to the court of common pleas of the county in which 1355  
the application was filed within thirty days of the receipt of the 1356  
notice. If the county auditor determines that the application 1357  
meets the requirements of this section, the county auditor shall 1358

## As Reported by the House Local Government and Townships Committee

approve the application and notify the applicant within thirty  
days of the filing of the application. An application that is not  
denied shall be deemed to be approved. The county auditor shall  
provide an applicant with a copy of an approved application within  
thirty days of the filing of the application. An application that  
is approved is effective upon the date of the filing of the  
application.

The county auditor shall keep a record of all land in the  
county that is within an agricultural district, including a copy  
of the final action taken by a legislative body regarding  
applications modified by a legislative body pursuant to division  
(B) of this section.

(B) If the land of a person who files an application under  
division (A) of this section is within a municipal corporation or  
if an annexation petition that includes the land has been filed  
with the board of county commissioners under section ~~709.03~~ 709.02  
of the Revised Code at the time of the filing, the owner also  
shall file a copy of the application for inclusion in an  
agricultural district with the clerk of the legislative body of  
the municipal corporation. No later than thirty days after the  
filing of an application, or, in the case of an annexation  
petition filed pursuant to section ~~709.03~~ 709.02 of the Revised  
Code, no later than thirty days after the petition has been  
granted, the legislative body shall conduct a public hearing on  
the application. The clerk of the legislative body shall cause a  
notice containing the substance of the application and the time  
and place where it will be heard to be published in a newspaper of  
general circulation in the county in which the application or  
annexation petition is filed no later than seven days prior to the  
time fixed for the hearing. The clerk of the legislative body also  
shall notify the applicant of the time and place of the hearing by  
certified mail sent no later than ten days prior to the hearing.

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Any interested person or representative of an interested person 1391  
may appear in support of or to contest the granting of the 1392  
application. Affidavits presented in support of or against the 1393  
application shall be considered by the legislative body. Within 1394  
thirty days of the hearing, the legislative body may approve the 1395  
application, modify the application and approve the application as 1396  
modified, or reject the application. An application that is not 1397  
modified or rejected by a majority vote of the members of the 1398  
legislative body shall be deemed to be approved. Prior to 1399  
rejecting an application, the legislative body shall make every 1400  
effort to modify the application. Modifications may include the 1401  
length of time during which land is considered to be within an 1402  
agricultural district, size of the agricultural district ~~as well~~ 1403  
~~as, and~~ any provisions of sections 929.03 to 929.05 of the Revised 1404  
Code. If the applicant disapproves of the modifications made by 1405  
the legislative body, the applicant may withdraw the application 1406  
to place the land in an agricultural district. In rejecting or 1407  
modifying an application to place land in an agricultural 1408  
district, the legislative body shall demonstrate that the 1409  
rejection or modification is necessary to prevent a substantial, 1410  
adverse effect on the provision of municipal services within the 1411  
municipal corporation, efficient use of land within the municipal 1412  
corporation, the orderly growth and development of the municipal 1413  
corporation, or the public health, safety, or welfare. 1414

If an annexation petition is denied under section ~~709.03~~ 1415  
709.033 of the Revised Code, ~~or~~ if a legislative body fails to 1416  
conduct a hearing in the time prescribed by this section, or if an 1417  
application is approved, the application shall be deemed to have 1418  
been approved and shall become effective as of the date the 1419  
application was filed. An application approved with modifications 1420  
shall become effective as of the date the application was filed 1421  
unless the modification provides otherwise. 1422

## As Reported by the House Local Government and Townships Committee

The clerk of the legislative body shall notify the applicant 1423  
by certified mail, return receipt requested, sent within five days 1424  
of the decision to approve, modify, or reject an application for 1425  
inclusion of land in an agricultural district. The clerk of the 1426  
legislative body shall also transmit a copy of the decision to 1427  
approve, modify, or reject an application to the county auditor. 1428  
An applicant may appeal a decision to modify or reject an 1429  
application to the court of common pleas of the county in which 1430  
the application was filed within thirty days of the receipt of the 1431  
notice of modification or rejection. 1432

(C) At any time after the first Monday in January and prior 1433  
to the first Monday in March of the year during which an 1434  
agricultural district terminates, the owner of land in the 1435  
agricultural district may file a renewal application to continue 1436  
the inclusion of all or part of the owner's land in an 1437  
agricultural district for a period of time ending on the first 1438  
Monday in April of the fifth year following the renewal 1439  
application. The requirements for continued inclusion in the 1440  
agricultural district and the renewal application procedure shall 1441  
be the same as those required for the original application for 1442  
placing land in an agricultural district. The county auditor shall 1443  
notify owners of land in agricultural districts eligible to file a 1444  
renewal application for continued inclusion in an agricultural 1445  
district on or prior to the first Monday in February or the date 1446  
upon which the county auditor notifies owners of land valued at 1447  
agricultural use value for real property tax purposes of the 1448  
necessity of filing a renewal application to continue valuing the 1449  
land at agricultural use value. On or before the second Tuesday 1450  
after the first Monday in March, the county auditor shall 1451  
determine whether the owner of any land in an agricultural 1452  
district eligible to file a renewal application failed to file a 1453  
renewal application with respect to ~~such~~ that land and shall 1454

## As Reported by the House Local Government and Townships Committee

forthwith notify each ~~such~~ owner of the land by certified mail 1455  
that unless a renewal application is filed prior to the first 1456  
Monday in April, the land will be removed from the agricultural 1457  
district upon its termination date. An approved renewal 1458  
application is effective on the termination date of the preceding 1459  
agricultural district. Failure of an owner to file a renewal 1460  
application prior to the first Monday in April of the year during 1461  
which the owner's agricultural district terminates shall not 1462  
prevent the owner from filing an application to include the 1463  
owner's land in an agricultural district. 1464

Land that is transferred to a new owner during the period in 1465  
which the land is an agricultural district shall continue in the 1466  
agricultural district under the terms of the existing district 1467  
unless the new owner elects to discontinue inclusion in the 1468  
agricultural district and files the election with the county 1469  
auditor within sixty days after the transfer. Failure of the new 1470  
owner to continue inclusion in the agricultural district for the 1471  
duration of the period in which the land is in the agricultural 1472  
district is withdrawal from an agricultural district subject to 1473  
penalty. 1474

(D) If, at any time during which land is in an agricultural 1475  
district, the owner withdraws the land from the district, the 1476  
owner shall notify the county auditor of the withdrawal and shall 1477  
pay to the county auditor a withdrawal penalty calculated as 1478  
follows: 1479

(1) If the owner's action also disqualifies the owner's land 1480  
for any tax savings that it had been receiving under sections 1481  
5713.30 to 5713.38 of the Revised Code, the owner shall pay a 1482  
percentage of the amount charged under section 5713.34 of the 1483  
Revised Code that is equal to the average bank prime rate at the 1484  
time the amount charged under that section is required to be paid. 1485  
The withdrawal penalty shall be in addition to the amount charged 1486



## As Reported by the House Local Government and Townships Committee

under that section.

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(2) If the land had not been receiving any tax savings under those sections, or if the owner's action does not disqualify the land for tax savings under them, the owner shall pay a percentage of the amount that would have been charged under section 5713.34 of the Revised Code if the owner's land had been receiving tax savings and became disqualified for them in an amount that is equal to the average bank prime rate at the time the amount that would have been charged under that section would have been required to be paid.

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For the purposes of divisions (D)(1) and (2) of this section, the county auditor shall determine the average bank prime rate using statistical release H.15, "selected interest rates," a weekly publication of the federal reserve board, or any successor publication. If the statistical release H.15, or its successor, ceases to contain the bank prime rate information or ceases to be published, the county auditor shall request a written statement of the average bank prime rate from the federal reserve bank of Cleveland or the federal reserve board.

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The county auditor shall calculate the amount of the withdrawal penalty that is due and shall notify the owner of it. The auditor also shall note the withdrawal in the auditor's records.

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The county auditor shall distribute the moneys collected under division (D) of this section in the manner provided in section 5713.35 of the Revised Code for moneys that the county auditor collects under that section.

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(E) Land that is included in an agricultural district under this section and that is subsequently annexed by a municipal corporation shall not be subject to division (B) of this section either at the time of annexation or at the time of any subsequent

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application or renewal application for inclusion in the district 1518  
if, at the time of annexation, its owner did not sign a petition 1519  
favoring annexation under section 709.02 of the Revised Code ~~or~~ 1520  
~~vote for annexation in an election held in accordance with section~~ 1521  
~~709.17 of the Revised Code.~~ If its owner did sign a petition 1522  
favoring annexation ~~or vote for annexation~~, as provided in those 1523  
~~sections~~ that section, or if the owner who opposed annexation has 1524  
sold or transferred the land to another person who is keeping the 1525  
land in the agricultural district, the land shall be subject to 1526  
division (B) of this section at the time of any subsequent 1527  
application or renewal application for inclusion in the district. 1528

(F) The director of agriculture shall prescribe the 1529  
application and renewal forms required under this section and 1530  
shall furnish them to county auditors. In prescribing the forms, 1531  
the director shall consult with the tax commissioner to determine 1532  
if a single form can be developed for the purposes of this section 1533  
and section 5713.31 of the Revised Code. 1534

**Sec. 5705.31.** The county auditor shall present to the county 1535  
budget commission the annual tax budgets submitted ~~to him~~ under 1536  
sections 5705.01 to 5705.47 of the Revised Code, together with an 1537  
estimate prepared by ~~such~~ the auditor of the amount of any state 1538  
levy, the rate of any school tax levy as previously determined, 1539  
the tax commissioner's estimate of the amount to be received in 1540  
the county library and local government support fund, and such 1541  
other information as the commission requests or the tax 1542  
commissioner prescribes. The budget commission shall examine such 1543  
budget and ascertain the total amount proposed to be raised in the 1544  
county for the purposes of each subdivision and other taxing units 1545  
therein in the county. 1546

The commission shall ascertain that the following levies have 1547  
been properly authorized and, if so authorized, shall approve them 1548

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without modification: 1549

(A) All levies in excess of the ten-mill limitation; 1550

(B) All levies for debt charges not provided for by levies in 1551  
excess of the ten-mill limitation, including levies necessary to 1552  
pay notes issued for emergency purposes; 1553

(C) The levies prescribed by division (B) of sections 742.33 1554  
and 742.34 of the Revised Code; 1555

(D) A Except as otherwise provided in this division, a 1556  
minimum levy within the ten-mill limitation for the current 1557  
expense and debt service of each subdivision or taxing unit, which 1558  
shall equal two-thirds of the average levy for current expenses 1559  
and debt service allotted within the fifteen-mill limitation to 1560  
such subdivision or taxing unit during the last five years the 1561  
fifteen-mill limitation was in effect unless such subdivision or 1562  
taxing unit requests an amount requiring a lower rate. Except as 1563  
provided in section 5705.312 of the Revised Code, if the levies 1564  
required in divisions (B) and (C) of this section for the 1565  
subdivision or taxing unit equal or exceed the entire minimum levy 1566  
of the subdivision as fixed, the minimum levies of the other 1567  
subdivisions or taxing units shall be reduced by the commission to 1568  
provide for the levies and an operating levy for the subdivision. 1569  
Such additional levy shall be deducted from the minimum levies of 1570  
each of the other subdivisions or taxing units, but the operating 1571  
levy for a school district shall not be reduced below a figure 1572  
equivalent to forty-five per cent of the millage available within 1573  
the ten-mill limitation after all the levies in divisions (B) and 1574  
(C) of this section have been provided for. 1575

If a municipal corporation and a township have entered into 1576  
an annexation agreement under section 709.192 of the Revised Code 1577  
in which they agree to reallocate their shares of the minimum 1578  
levies established under this division and if that annexation 1579

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agreement is submitted along with the annual tax budget of both 1580  
the township and the municipal corporation, then, when determining 1581  
the minimum levy under this division, the auditor shall allocate, 1582  
to the extent possible, the minimum levy for that municipal 1583  
corporation and township in accordance with their annexation 1584  
agreement. 1585

(E) The levies prescribed by section 3709.29 of the Revised 1586  
Code. 1587

Divisions (A) to (E) of this section are mandatory and 1588  
commissions shall be without discretion to reduce such minimum 1589  
levies except as provided in such divisions. 1590

If any debt charge is omitted from the budget, the commission 1591  
shall include it therein. 1592

Sec. 5705.315. With respect to annexations granted on or 1593  
after the effective date of this section and during any tax year 1594  
or years within which any territory annexed to a municipal 1595  
corporation is part of a township, the minimum levy for the 1596  
municipal corporation and township under section 5705.31 of the 1597  
Revised Code shall not be diminished, except that in the annexed 1598  
territory and only during those tax year or years, and in order to 1599  
preserve the minimum levies of overlapping subdivisions under 1600  
section 5705.31 of the Revised Code so that the full amount of 1601  
taxes within the ten-mill limitation may be levied to the extent 1602  
possible, the minimum levy of the municipal corporation or 1603  
township shall be the lowest of the following amounts: 1604

(A) An amount that when added to the minimum levies of the 1605  
other overlapping subdivisions equals ten mills; 1606

(B) An amount equal to the minimum levy of the municipal 1607  
corporation or township, provided the total minimum levy does not 1608  
exceed ten mills. 1609

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The municipal corporation and the township may enter into an 1610  
agreement to determine the municipal corporation's and the 1611  
township's minimum levy under this section. If it cannot be 1612  
determined what minimum levy is available to each and no agreement 1613  
has been entered into by the municipal corporation and township, 1614  
the municipal corporation and township shall each receive one-half 1615  
of the millage available for use within the portion of the 1616  
territory annexed to the municipal corporation that remains part 1617  
of the township. 1618

**Section 2.** That existing sections 505.62, 709.02, 709.03, 1619  
709.032, 709.033, 709.04, 709.13, 709.14, 709.15, 709.19, 709.21, 1620  
929.02, and 5705.31 and sections 709.031, 709.07, 709.08, 709.09, 1621  
709.11, 709.16, 709.17, and 709.18 of the Revised Code are hereby 1622  
repealed. 1623

**Section 3.** The provisions of Section 1 of this act shall 1624  
apply only to annexation petitions filed on or after the effective 1625  
date of this act. All annexation petitions filed before the 1626  
effective date of this act shall be processed under the provisions 1627  
of Chapter 709. of the Revised Code in effect at the time a 1628  
particular petition was filed. 1629