

**As Reported by the Senate Finance and Financial Institutions
Committee**

**125th General Assembly
Regular Session
2003-2004**

Sub. S. B. No. 206

Senator Austria

A B I L L

To amend sections 122.65, 5709.62, 5709.63, 5709.631, 1
5709.632, and 5709.73 and to enact sections 2
1333.32, 1333.33, 1333.34, 5709.91, 5709.911, 3
5709.912, and 5709.92 of the Revised Code and to 4
amend Sections 38 and 38.20 of Am. Sub. H.B. 95 of 5
the 125th General Assembly to increase from 10 to 6
15 the number of years enterprise zones or urban 7
jobs and enterprise zone agreements may exempt 8
property from taxation, subject to school board 9
approval; to create the Job Development 10
Initiatives Fund and transfer up to \$25.8 million 11
of unclaimed funds to it; to address priority, 12
enforcement, reporting, and other issues 13
concerning tax increment financing and related 14
programs; to broaden the definition of 15
"brownfield" for purposes of the Clean Ohio 16
Brownfield Revitalization Program; to establish a 17
lien for a moldbuilder in the plastic or metal 18
forming industries; to establish a minimum 19
population requirement for a single county to be 20
considered a local area under the workforce 21
development system; to authorize the conveyance of 22
state-owned real estate in Hamilton County to the 23
Board of County Commissioners of Hamilton County; 24

to make appropriations; and to declare an 25
emergency. 26

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

Section 1. That sections 122.65, 5709.62, 5709.63, 5709.631, 27
5709.632, and 5709.73 be amended and sections 1333.32, 1333.33, 28
1333.34, 5709.91, 5709.911, 5709.912, and 5709.92 of the Revised 29
Code be enacted to read as follows: 30

Sec. 122.65. As used in sections 122.65 to 122.659 of the 31
Revised Code: 32

(A) "Applicable cleanup standards" means either of the 33
following: 34

(1) For property to which Chapter 3734. of the Revised Code 35
and rules adopted under it apply, the requirements for closure or 36
corrective action established in rules adopted under section 37
3734.12 of the Revised Code; 38

(2) For property to which Chapter 3746. of the Revised Code 39
and rules adopted under it apply, the cleanup standards that are 40
established in rules adopted under section 3746.04 of the Revised 41
Code. 42

(B) "Applicant" means a county, township, municipal 43
corporation, port authority, or conservancy district or a park 44
district, other similar park authority, nonprofit organization, or 45
organization for profit that has entered into an agreement with a 46
county, township, municipal corporation, port authority, or 47
conservancy district to work in conjunction with that county, 48
township, municipal corporation, port authority, or conservancy 49
district for the purposes of sections 122.65 to 122.658 of the 50
Revised Code. 51

(C) "Assessment" means a phase I and phase II property assessment conducted in accordance with section 3746.04 of the Revised Code and rules adopted under that section.

(D) "Brownfield" means an abandoned, idled, or under-used industrial ~~or~~, commercial, or institutional property where expansion or redevelopment is complicated by known or potential releases of hazardous substances or petroleum.

(E) "Certified professional," "hazardous substance," "petroleum," and "release" have the same meanings as in section 3746.01 of the Revised Code.

(F) "Cleanup or remediation" means any action to contain, remove, or dispose of hazardous substances or petroleum at a brownfield. "Cleanup or remediation" includes the acquisition of a brownfield, demolition performed at a brownfield, and the installation or upgrade of the minimum amount of infrastructure that is necessary to make a brownfield operational for economic development activity.

(G) "Distressed area" means either a municipal corporation with a population of at least fifty thousand or a county that meets any two of the following criteria:

(1) Its average rate of unemployment, during the most recent five-year period for which data are available, is equal to at least one hundred twenty-five per cent of the average rate of unemployment for the United States for the same period.

(2) It has a per capita income equal to or below eighty per cent of the median county per capita income of the United States as determined by the most recently available figures from the United States census bureau.

(3)(a) In the case of a municipal corporation, at least twenty per cent of the residents have a total income for the most

recent census year that is below the official poverty line.	82
(b) In the case of a county, in intercensal years, the county	83
has a ratio of transfer payment income to total county income	84
equal to or greater than twenty-five per cent.	85
"Distressed area" includes a municipal corporation the	86
majority of the population of which is situated in a county that	87
is a distressed area.	88
(H) "Eligible area" means a distressed area, an inner city	89
area, a labor surplus area, or a situational distress area.	90
(I) "Inner city area" means an area in a municipal	91
corporation that has a population of at least one hundred	92
thousand, is not a labor surplus area, and is a targeted	93
investment area established by the municipal corporation that is	94
comprised of block tracts identified in the most recently	95
available figures from the United States census bureau in which at	96
least twenty per cent of the population in the area is at or below	97
the official poverty line or of contiguous block tracts meeting	98
those criteria.	99
(J) <u>"Institutional property" means property currently or</u>	100
<u>formerly owned or controlled by a public entity or charitable</u>	101
<u>organization that is or was used for a public or charitable</u>	102
<u>purpose. However, "institutional property" does not mean property</u>	103
<u>that is or was used for educational purposes.</u>	104
(K) "Integrating committee" means a district public works	105
integrating committee established under section 164.04 of the	106
Revised Code.	107
(K) (L) "Labor surplus area" means an area designated as a	108
labor surplus area by the United States department of labor.	109
(L) (M) "Loan" includes credit enhancement.	110
(M) (N) "No further action letter" means a letter that is	111

prepared by a certified professional when, on the basis of the 112
best knowledge, information, and belief of the certified 113
professional, the certified professional concludes that the 114
cleanup or remediation of a brownfield meets the applicable 115
cleanup standards and that contains all of the information 116
specified in rules adopted under division (B)(7) of section 117
3746.04 of the Revised Code. 118

~~(N)~~(O) "Nonprofit organization" means a corporation, 119
association, group, institution, society, or other organization 120
that is exempt from federal income taxation under section 121
501(c)(3) of the "Internal Revenue Code of 1986," 100 Stat. 2085, 122
26 U.S.C. 501(c)(3), as amended. 123

~~(O)~~(P) "Property" means any parcel of real property, or 124
portion of such a parcel, and any improvements to it. 125

~~(P)~~(O) "Public health project" means the cleanup or 126
remediation of a release or threatened release of hazardous 127
substances or petroleum at a property where little or no economic 128
redevelopment potential exists. 129

~~(O)~~(R) "Official poverty line" has the same meaning as in 130
section 3923.51 of the Revised Code. 131

~~(R)~~(S) "Situational distress area" means a county or a 132
municipal corporation that has experienced or is experiencing a 133
closing or downsizing of a major employer that will adversely 134
affect the county or municipal corporation's economy and that has 135
applied to the director of development to be designated as a 136
situational distress area for not more than thirty months by 137
demonstrating all of the following: 138

(1) The number of jobs lost by the closing or downsizing; 139

(2) The impact that the job loss has on the county or 140
municipal corporation's unemployment rate as measured by the 141
director of job and family services; 142

(3) The annual payroll associated with the job loss;	143
(4) The amount of state and local taxes associated with the job loss;	144 145
(5) The impact that the closing or downsizing has on suppliers located in the county or municipal corporation.	146 147
<u>Sec. 1333.32. For purposes of sections 1333.32 to 1333.34 of the Revised Code, all of the following apply:</u>	148 149
<u>(A) "Customer" means a person that causes a moldbuilder to fabricate, cut, cast, or design molds.</u>	150 151
<u>(B) "Mold" means molds, dies, forms, tools, and parts, for the plastic industry or for the metal forming industry.</u>	152 153
<u>(C) "Moldbuilder" means a person, including but not limited to, a model maker, patternmaker, die maker, jig and fixture builder, die sinker, mold designer, mold programmer, and mold engineer, that fabricates, cuts, casts, or designs molds for the plastic industry or for the metal forming industry. "Moldbuilder" does not include a person described in division (A)(2) of section 1333.29 of the Revised Code, unless the person also engages in the activities described in this division.</u>	154 155 156 157 158 159 160 161
<u>(D) "Molder" has the same definition as in division (A) of section 1333.29 of the Revised Code, but does not include a moldbuilder.</u>	162 163 164
<u>(E) "Person" means an individual, firm, partnership, association, corporation, limited liability company, or other legal entity.</u>	165 166 167
<u>Sec. 1333.33. (A)(1) A moldbuilder has a lien on all molds produced by it and on all proceeds from the assignment, sale, transfer, exchange, or other disposition of the molds produced by it until the moldbuilder is paid in full all amounts due the</u>	168 169 170 171

moldbuilder for the production of the mold or these proceeds. The 172
lien described in this division attaches when the mold is 173
delivered from the moldbuilder to the customer. 174

(2) The amount of the lien described in division (A)(1) of 175
this section is the amount that a customer or molder owes the 176
moldbuilder for the fabrication, repair, or modification of the 177
mold. 178

(3) The moldbuilder retains the lien described in division 179
(A)(1) of this section even if the moldbuilder is not in 180
possession of the mold for which the lien is claimed. 181

(B) A moldbuilder perfects a lien described in division (A) 182
of this section by filing a financing statement in accordance with 183
the requirements of section 1309.502 of the Revised Code, which 184
filing constitutes constructive notice of the lien described in 185
division (A) of this section. 186

(C) The perfected lien described in division (B) of this 187
section remains valid until all of the following occur: 188

(1) The moldbuilder receives the full amount due it for the 189
mold. 190

(2) The customer receives a verified statement from the 191
molder that the molder has paid the amount for which the lien is 192
claimed. 193

(3) The financing statement is terminated. 194

(D) The priority of a perfected lien described in division 195
(B) of this section on the same mold shall be determined based on 196
the time that the lien attaches. The first lien that attaches 197
pursuant to division (A)(1) of this section has priority over 198
liens that attach subsequent to the first lien. 199

(E)(1) Any provision of a contract that waives a 200

moldbuilder's right or an obligation of a person established by 201
sections 1333.32 to 1333.34 of the Revised Code is void and 202
unenforceable as against public policy. Division (E)(1) of this 203
section does not affect the validity of other provisions of the 204
contract or of a related document, policy, or agreement that can 205
be given effect without the voided provision. 206

(2) Any provision of a contract requiring the application of 207
the law of another state rather than sections 1333.32 to 1333.34 208
of the Revised Code is void and unenforceable as against public 209
policy. 210

Sec. 1333.34. (A) To enforce a moldbuilder's lien attached 211
pursuant to section 1333.33 of the Revised Code, the moldbuilder 212
shall give written notice to the customer and molder stating that 213
a lien is claimed; the amount that the moldbuilder claims is owed 214
for fabrication, repair, or modification of the mold; and a demand 215
for payment. The written notice described in this division shall 216
be given by hand delivery or certified mail, return receipt 217
requested, to the last known address of the customer and to the 218
last known address of the molder. 219

(B) If the moldbuilder has not been paid the amount claimed 220
in the notice described in division (A) of this section within 221
ninety days after that notice is received by the customer and by 222
the molder, the moldbuilder has a right to possession of the mold 223
and may do the following: 224

(1) Enforce the right to possession of the mold by judgment, 225
foreclosure, or any available judicial procedure; 226

(2) Commence a civil action described in division (D) of this 227
section in a court of common pleas to enforce the lien, including 228
by obtaining a judgment for the amounts owed that are described in 229
division (A) of this section and a judgment permitting the mold to 230

<u>be sold at an execution sale;</u>	231
<u>(3) One or more of the following:</u>	232
<u>(a) Take possession of the mold, if possession without</u>	233
<u>judicial process can be done without breach of the peace;</u>	234
<u>(b) Sell the mold in a public auction.</u>	235
<u>(C) A sale pursuant to this section shall not be made or</u>	236
<u>possession shall not be obtained pursuant to division (B) of this</u>	237
<u>section, if it violates a right of the customer or molder under</u>	238
<u>federal patent, bankruptcy, or copyright laws.</u>	239
<u>(D) A moldbuilder that suffers damages because of a violation</u>	240
<u>of sections 1333.32 to 1333.34 of the Revised Code may obtain</u>	241
<u>appropriate legal and equitable relief, including damages, in a</u>	242
<u>civil action.</u>	243
<u>(E) In any action by a moldbuilder to enforce a perfected</u>	244
<u>lien described in section 1333.33 of the Revised Code, the court</u>	245
<u>shall award the moldbuilder that is the prevailing party</u>	246
<u>reasonable attorney fees, court costs, and expenses related to</u>	247
<u>enforcement of the lien.</u>	248
Sec. 5709.62. (A) In any municipal corporation that is	249
defined by the United States office of management and budget as a	250
central <u>principal</u> city of a metropolitan statistical area, or in a	251
city designated as an urban cluster in a rural statistical area,	252
the legislative authority of the municipal corporation may	253
designate one or more areas within its municipal corporation as	254
proposed enterprise zones. Upon designating an area, the	255
legislative authority shall petition the director of development	256
for certification of the area as having the characteristics set	257
forth in division (A)(1) of section 5709.61 of the Revised Code as	258
amended by Substitute Senate Bill No. 19 of the 120th general	259
assembly. Except as otherwise provided in division (E) of this	260

section, on and after July 1, 1994, legislative authorities shall 261
not enter into agreements under this section unless the 262
legislative authority has petitioned the director and the director 263
has certified the zone under this section as amended by that act; 264
however, all agreements entered into under this section as it 265
existed prior to July 1, 1994, and the incentives granted under 266
those agreements shall remain in effect for the period agreed to 267
under those agreements. Within sixty days after receiving such a 268
petition, the director shall determine whether the area has the 269
characteristics set forth in division (A)(1) of section 5709.61 of 270
the Revised Code, and shall forward the findings to the 271
legislative authority of the municipal corporation. If the 272
director certifies the area as having those characteristics, and 273
thereby certifies it as a zone, the legislative authority may 274
enter into an agreement with an enterprise under division (C) of 275
this section. 276

(B) Any enterprise that wishes to enter into an agreement 277
with a municipal corporation under division (C) of this section 278
shall submit a proposal to the legislative authority of the 279
municipal corporation on a form prescribed by the director of 280
development, together with the application fee established under 281
section 5709.68 of the Revised Code. The form shall require the 282
following information: 283

(1) An estimate of the number of new employees whom the 284
enterprise intends to hire, or of the number of employees whom the 285
enterprise intends to retain, within the zone at a facility that 286
is a project site, and an estimate of the amount of payroll of the 287
enterprise attributable to these employees; 288

(2) An estimate of the amount to be invested by the 289
enterprise to establish, expand, renovate, or occupy a facility, 290
including investment in new buildings, additions or improvements 291

to existing buildings, machinery, equipment, furniture, fixtures, 292
and inventory; 293

(3) A listing of the enterprise's current investment, if any, 294
in a facility as of the date of the proposal's submission. 295

The enterprise shall review and update the listings required 296
under this division to reflect material changes, and any agreement 297
entered into under division (C) of this section shall set forth 298
final estimates and listings as of the time the agreement is 299
entered into. The legislative authority may, on a separate form 300
and at any time, require any additional information necessary to 301
determine whether an enterprise is in compliance with an agreement 302
and to collect the information required to be reported under 303
section 5709.68 of the Revised Code. 304

(C) Upon receipt and investigation of a proposal under 305
division (B) of this section, if the legislative authority finds 306
that the enterprise submitting the proposal is qualified by 307
financial responsibility and business experience to create and 308
preserve employment opportunities in the zone and improve the 309
economic climate of the municipal corporation, the legislative 310
authority, on or before October 15, 2009, may do one of the 311
following: 312

(1) Enter into an agreement with the enterprise under which 313
the enterprise agrees to establish, expand, renovate, or occupy a 314
facility and hire new employees, or preserve employment 315
opportunities for existing employees, in return for one or more of 316
the following incentives: 317

(a) Exemption for a specified number of years, not to exceed 318
~~ten~~ fifteen, of a specified portion, up to seventy-five per cent, 319
of the assessed value of tangible personal property first used in 320
business at the project site as a result of the agreement. If an 321
exemption for inventory is specifically granted in the agreement 322

pursuant to this division, the exemption applies to inventory 323
required to be listed pursuant to sections 5711.15 and 5711.16 of 324
the Revised Code, except that, in the instance of an expansion or 325
other situations in which an enterprise was in business at the 326
facility prior to the establishment of the zone, the inventory 327
that is exempt is that amount or value of inventory in excess of 328
the amount or value of inventory required to be listed in the 329
personal property tax return of the enterprise in the return for 330
the tax year in which the agreement is entered into. 331

(b) Exemption for a specified number of years, not to exceed 332
~~ten~~ fifteen, of a specified portion, up to seventy-five per cent, 333
of the increase in the assessed valuation of real property 334
constituting the project site subsequent to formal approval of the 335
agreement by the legislative authority; 336

(c) Provision for a specified number of years, not to exceed 337
~~ten~~ fifteen, of any optional services or assistance that the 338
municipal corporation is authorized to provide with regard to the 339
project site. 340

(2) Enter into an agreement under which the enterprise agrees 341
to remediate an environmentally contaminated facility, to spend an 342
amount equal to at least two hundred fifty per cent of the true 343
value in money of the real property of the facility prior to 344
remediation as determined for the purposes of property taxation to 345
establish, expand, renovate, or occupy the remediated facility, 346
and to hire new employees or preserve employment opportunities for 347
existing employees at the remediated facility, in return for one 348
or more of the following incentives: 349

(a) Exemption for a specified number of years, not to exceed 350
~~ten~~ fifteen, of a specified portion, not to exceed fifty per cent, 351
of the assessed valuation of the real property of the facility 352
prior to remediation; 353

(b) Exemption for a specified number of years, not to exceed 354
~~ten~~ fifteen, of a specified portion, not to exceed one hundred per 355
cent, of the increase in the assessed valuation of the real 356
property of the facility during or after remediation; 357

(c) The incentive under division (C)(1)(a) of this section, 358
except that the percentage of the assessed value of such property 359
exempted from taxation shall not exceed one hundred per cent; 360

(d) The incentive under division (C)(1)(c) of this section. 361

(3) Enter into an agreement with an enterprise that plans to 362
purchase and operate a large manufacturing facility that has 363
ceased operation or announced its intention to cease operation, in 364
return for exemption for a specified number of years, not to 365
exceed ~~ten~~ fifteen, of a specified portion, up to one hundred per 366
cent, of the assessed value of tangible personal property used in 367
business at the project site as a result of the agreement, or of 368
the assessed valuation of real property constituting the project 369
site, or both. 370

(D)(1) Notwithstanding divisions (C)(1)(a) and (b) of this 371
section, the portion of the assessed value of tangible personal 372
property or of the increase in the assessed valuation of real 373
property exempted from taxation under those divisions may exceed 374
seventy-five per cent in any year for which that portion is 375
exempted if the average percentage exempted for all years in which 376
the agreement is in effect does not exceed sixty per cent, or if 377
the board of education of the city, local, or exempted village 378
school district within the territory of which the property is or 379
will be located approves a percentage in excess of seventy-five 380
per cent. 381

(2) Notwithstanding any provision of the Revised Code to the 382
contrary, the exemptions described in divisions (C)(1)(a), (b), 383
and (c), (C)(2)(a), (b), and (c), and (C)(3) of this section may 384

be for up to fifteen years if the board of education of the city, 385
local, or exempted village school district within the territory ~~in~~ 386
of which the property is or will be located approves a number of 387
years in excess of ten, ~~but only if the project that is part of~~ 388
~~the agreement includes a fixed asset investment of at least one~~ 389
~~hundred million dollars or the director of development determines~~ 390
~~there are extraordinary circumstances, and only if the project~~ 391
~~involves the enrichment and commercialization of uranium or~~ 392
~~uranium products or the research and development activities~~ 393
~~related to that enrichment or commercialization.~~ 394

(3) For the purpose of obtaining the approval of a city, 395
local, or exempted village school district under division (D)(1) 396
or (2) of this section, the legislative authority shall deliver to 397
the board of education a notice not later than forty-five days 398
prior to approving the agreement, excluding Saturdays, Sundays, 399
and legal holidays as defined in section 1.14 of the Revised Code. 400
The notice shall state the percentage to be exempted, an estimate 401
of the true value of the property to be exempted, and the number 402
of years the property is to be exempted. The board of education, 403
by resolution adopted by a majority of the board, shall approve or 404
disapprove the agreement and certify a copy of the resolution to 405
the legislative authority not later than fourteen days prior to 406
the date stipulated by the legislative authority as the date upon 407
which approval of the agreement is to be formally considered by 408
the legislative authority. The board of education may include in 409
the resolution conditions under which the board would approve the 410
agreement, including the execution of an agreement to compensate 411
the school district under division (B) of section 5709.82 of the 412
Revised Code. The legislative authority may approve the agreement 413
at any time after the board of education certifies its resolution 414
approving the agreement to the legislative authority, or, if the 415
board approves the agreement conditionally, at any time after the 416

conditions are agreed to by the board and the legislative authority. 417
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If a board of education has adopted a resolution waiving its right to approve agreements and the resolution remains in effect, approval of an agreement by the board is not required under this division. If a board of education has adopted a resolution allowing a legislative authority to deliver the notice required under this division fewer than forty-five business days prior to the legislative authority's approval of the agreement, the legislative authority shall deliver the notice to the board not later than the number of days prior to such approval as prescribed by the board in its resolution. If a board of education adopts a resolution waiving its right to approve agreements or shortening the notification period, the board shall certify a copy of the resolution to the legislative authority. If the board of education rescinds such a resolution, it shall certify notice of the rescission to the legislative authority. 419
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(4) The legislative authority shall comply with section 5709.83 of the Revised Code unless the board of education has adopted a resolution under that section waiving its right to receive such notice. 434
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(E) This division applies to zones certified by the director of development under this section prior to July 22, 1994. 438
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On or before October 15, 2009, the legislative authority that designated a zone to which this division applies may enter into an agreement with an enterprise if the legislative authority ~~makes~~ finds ~~the finding required under that division and determines~~ that the enterprise satisfies one of the criteria described in divisions (E)(1) to (5) of this section: 440
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(1) The enterprise currently has no operations in this state and, subject to approval of the agreement, intends to establish 446
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operations in the zone; 448

(2) The enterprise currently has operations in this state 449
and, subject to approval of the agreement, intends to establish 450
operations at a new location in the zone that would not result in 451
a reduction in the number of employee positions at any of the 452
enterprise's other locations in this state; 453

(3) The enterprise, subject to approval of the agreement, 454
intends to relocate operations, currently located in another 455
state, to the zone; 456

(4) The enterprise, subject to approval of the agreement, 457
intends to expand operations at an existing site in the zone that 458
the enterprise currently operates; 459

(5) The enterprise, subject to approval of the agreement, 460
intends to relocate operations, currently located in this state, 461
to the zone, and the director of development has issued a waiver 462
for the enterprise under division (B) of section 5709.633 of the 463
Revised Code. 464

The agreement shall require the enterprise to agree to 465
establish, expand, renovate, or occupy a facility in the zone and 466
hire new employees, or preserve employment opportunities for 467
existing employees, in return for one or more of the incentives 468
described in division (C) of this section. 469

(F) All agreements entered into under this section shall be 470
in the form prescribed under section 5709.631 of the Revised Code. 471
After an agreement is entered into under this ~~division~~ section, if 472
the legislative authority revokes its designation of a zone, or if 473
the director of development revokes ~~the~~ a zone's certification, 474
any entitlements granted under the agreement shall continue for 475
the number of years specified in the agreement. 476

(G) Except as otherwise provided in this division, an 477
agreement entered into under this section shall require that the 478

enterprise pay an annual fee equal to the greater of one per cent 479
of the dollar value of incentives offered under the agreement or 480
five hundred dollars; provided, however, that if the value of the 481
incentives exceeds two hundred fifty thousand dollars, the fee 482
shall not exceed two thousand five hundred dollars. The fee shall 483
be payable to the legislative authority once per year for each 484
year the agreement is effective on the days and in the form 485
specified in the agreement. Fees paid shall be deposited in a 486
special fund created for such purpose by the legislative authority 487
and shall be used by the legislative authority exclusively for the 488
purpose of complying with section 5709.68 of the Revised Code and 489
by the tax incentive review council created under section 5709.85 490
of the Revised Code exclusively for the purposes of performing the 491
duties prescribed under that section. The legislative authority 492
may waive or reduce the amount of the fee charged against an 493
enterprise, but such a waiver or reduction does not affect the 494
obligations of the legislative authority or the tax incentive 495
review council to comply with section 5709.68 or 5709.85 of the 496
Revised Code. 497

(H) When an agreement is entered into pursuant to this 498
section, the legislative authority authorizing the agreement shall 499
forward a copy of the agreement to the director of development and 500
to the tax commissioner within fifteen days after the agreement is 501
entered into. If any agreement includes terms not provided for in 502
section 5709.631 of the Revised Code affecting the revenue of a 503
city, local, or exempted village school district or causing 504
revenue to be foregone by the district, including any compensation 505
to be paid to the school district pursuant to section 5709.82 of 506
the Revised Code, those terms also shall be forwarded in writing 507
to the director of development along with the copy of the 508
agreement forwarded under this division. 509

(I) After an agreement is entered into, the enterprise shall 510

file with each personal property tax return required to be filed, 511
or annual report required to be filed under section 5727.08 of the 512
Revised Code, while the agreement is in effect, an informational 513
return, on a form prescribed by the tax commissioner for that 514
purpose, setting forth separately the property, and related costs 515
and values, exempted from taxation under the agreement. 516

(J) Enterprises may agree to give preference to residents of 517
the zone within which the agreement applies relative to residents 518
of this state who do not reside in the zone when hiring new 519
employees under the agreement. 520

(K) An agreement entered into under this section may include 521
a provision requiring the enterprise to create one or more 522
temporary internship positions for students enrolled in a course 523
of study at a school or other educational institution in the 524
vicinity, and to create a scholarship or provide another form of 525
educational financial assistance for students holding such a 526
position in exchange for the student's commitment to work for the 527
enterprise at the completion of the internship. 528

(L) The tax commissioner's authority in determining the 529
accuracy of any exemption granted by an agreement entered into 530
under this section is limited to divisions (C)(1)(a) and (b), 531
(C)(2)(a), (b), and (c), (C)(3), (D), and (I) of this section and 532
divisions (B)(1) to (10) of section 5709.631 of the Revised Code 533
and, as authorized by law, to enforcing any modification to, or 534
revocation of, that agreement by the legislative authority of a 535
municipal corporation or the director of development. 536

Sec. 5709.63. (A) With the consent of the legislative 537
authority of each affected municipal corporation or of a board of 538
township trustees, a board of county commissioners may, in the 539
manner set forth in section 5709.62 of the Revised Code, designate 540
one or more areas in one or more municipal corporations or in 541

unincorporated areas of the county as proposed enterprise zones. A 542
board of county commissioners may designate no more than one area 543
within a township, or within adjacent townships, as a proposed 544
enterprise zone. The board shall petition the director of 545
development for certification of the area as having the 546
characteristics set forth in division (A)(1) or (2) of section 547
5709.61 of the Revised Code as amended by Substitute Senate Bill 548
No. 19 of the 120th general assembly. Except as otherwise provided 549
in division (D) of this section, on and after July 1, 1994, boards 550
of county commissioners shall not enter into agreements under this 551
section unless the board has petitioned the director and the 552
director has certified the zone under this section as amended by 553
that act; however, all agreements entered into under this section 554
as it existed prior to July 1, 1994, and the incentives granted 555
under those agreements shall remain in effect for the period 556
agreed to under those agreements. The director shall make the 557
determination in the manner provided under section 5709.62 of the 558
Revised Code. ~~Any~~ 559

Any enterprise wishing to enter into an agreement with the 560
board under division (B) or (D) of this section shall submit a 561
proposal to the board on the form and accompanied by the 562
application fee prescribed under division (B) of section 5709.62 563
of the Revised Code. The enterprise shall review and update the 564
estimates and listings required by the form in the manner required 565
under that division. The board may, on a separate form and at any 566
time, require any additional information necessary to determine 567
whether an enterprise is in compliance with an agreement and to 568
collect the information required to be reported under section 569
5709.68 of the Revised Code. 570

(B) If the board of county commissioners finds that an 571
enterprise submitting a proposal is qualified by financial 572
responsibility and business experience to create and preserve 573

employment opportunities in the zone and to improve the economic 574
climate of the municipal corporation or municipal corporations or 575
the unincorporated areas in which the zone is located and to which 576
the proposal applies, the board, on or before October 15, 2009, 577
and with the consent of the legislative authority of each affected 578
municipal corporation or of the board of township trustees may do 579
either of the following: 580

(1) Enter into an agreement with the enterprise under which 581
the enterprise agrees to establish, expand, renovate, or occupy a 582
facility in the zone and hire new employees, or preserve 583
employment opportunities for existing employees, in return for the 584
following incentives: 585

(a) When the facility is located in a municipal corporation, 586
the board may enter into an agreement for one or more of the 587
incentives provided in division (C) of section 5709.62 of the 588
Revised Code, subject to division (D) of that section; 589

(b) When the facility is located in an unincorporated area, 590
the board may enter into an agreement for one or more of the 591
following incentives: 592

(i) Exemption for a specified number of years, not to exceed 593
~~ten~~ fifteen, of a specified portion, up to sixty per cent, of the 594
assessed value of tangible personal property first used in 595
business at a project site as a result of the agreement. If an 596
exemption for inventory is specifically granted in the agreement 597
pursuant to this division, the exemption applies to inventory 598
required to be listed pursuant to sections 5711.15 and 5711.16 of 599
the Revised Code, except, in the instance of an expansion or other 600
situations in which an enterprise was in business at the facility 601
prior to the establishment of the zone, the inventory that is 602
exempt is that amount or value of inventory in excess of the 603
amount or value of inventory required to be listed in the personal 604
property tax return of the enterprise in the return for the tax 605

year in which the agreement is entered into. 606

(ii) Exemption for a specified number of years, not to exceed 607
~~ten~~ fifteen, of a specified portion, up to sixty per cent, of the 608
increase in the assessed valuation of real property constituting 609
the project site subsequent to formal approval of the agreement by 610
the board; 611

(iii) Provision for a specified number of years, not to 612
exceed ~~ten~~ fifteen, of any optional services or assistance the 613
board is authorized to provide with regard to the project site; 614

(iv) The incentive described in division (C)(2) of section 615
5709.62 of the Revised Code. 616

(2) Enter into an agreement with an enterprise that plans to 617
purchase and operate a large manufacturing facility that has 618
ceased operation or has announced its intention to cease 619
operation, in return for exemption for a specified number of 620
years, not to exceed ~~ten~~ fifteen, of a specified portion, up to 621
one hundred per cent, of tangible personal property used in 622
business at the project site as a result of the agreement, or of 623
real property constituting the project site, or both. 624

(C)(1)(a) Notwithstanding divisions (B)(1)(b)(i) and (ii) of 625
this section, the portion of the assessed value of tangible 626
personal property or of the increase in the assessed valuation of 627
real property exempted from taxation under those divisions may 628
exceed sixty per cent in any year for which that portion is 629
exempted if the average percentage exempted for all years in which 630
the agreement is in effect does not exceed fifty per cent, or if 631
the board of education of the city, local, or exempted village 632
school district within the territory of which the property is or 633
will be located approves a percentage in excess of sixty per cent. 634

(b) Notwithstanding any provision of the Revised Code to the 635
contrary, the exemptions described in divisions (B)(1)(b)(i), 636

(ii), (iii), and (iv) and (B)(2) of this section may be for up to
fifteen years if the board of education of the city, local, or
exempted village school district within the territory ~~in~~ of which
the property is or will be located approves a number of years in
excess of ten, ~~but only if the project that is part of the~~
~~agreement includes a fixed asset investment of at least one~~
~~hundred million dollars or the director of development determines~~
~~there are extraordinary circumstances, and only if the project~~
~~involves the enrichment and commercialization of uranium or~~
~~uranium products or the research and development activities~~
~~related to that enrichment or commercialization.~~

(c) For the purpose of obtaining the approval of a city,
local, or exempted village school district under division
(C)(1)(a) or (b) of this section, the board of county
commissioners shall deliver to the board of education a notice not
later than forty-five days prior to approving the agreement,
excluding Saturdays, Sundays, and legal holidays as defined in
section 1.14 of the Revised Code. The notice shall state the
percentage to be exempted, an estimate of the true value of the
property to be exempted, and the number of years the property is
to be exempted. The board of education, by resolution adopted by a
majority of the board, shall approve or disapprove the agreement
and certify a copy of the resolution to the board of county
commissioners not later than fourteen days prior to the date
stipulated by the board of county commissioners as the date upon
which approval of the agreement is to be formally considered by
the board of county commissioners. The board of education may
include in the resolution conditions under which the board would
approve the agreement, including the execution of an agreement to
compensate the school district under division (B) of section
5709.82 of the Revised Code. The board of county commissioners may
approve the agreement at any time after the board of education

certifies its resolution approving the agreement to the board of 669
county commissioners, or, if the board of education approves the 670
agreement conditionally, at any time after the conditions are 671
agreed to by the board of education and the board of county 672
commissioners. 673

If a board of education has adopted a resolution waiving its 674
right to approve agreements and the resolution remains in effect, 675
approval of an agreement by the board of education is not required 676
under division (C) of this section. If a board of education has 677
adopted a resolution allowing a board of county commissioners to 678
deliver the notice required under this division fewer than 679
forty-five business days prior to approval of the agreement by the 680
board of county commissioners, the board of county commissioners 681
shall deliver the notice to the board of education not later than 682
the number of days prior to such approval as prescribed by the 683
board of education in its resolution. If a board of education 684
adopts a resolution waiving its right to approve agreements or 685
shortening the notification period, the board of education shall 686
certify a copy of the resolution to the board of county 687
commissioners. If the board of education rescinds such a 688
resolution, it shall certify notice of the rescission to the board 689
of county commissioners. 690

(2) The board of county commissioners shall comply with 691
section 5709.83 of the Revised Code unless the board of education 692
has adopted a resolution under that section waiving its right to 693
receive such notice. 694

(D) This division applies to zones certified by the director 695
of development under this section prior to July 22, 1994. 696

On or before October 15, 2009, and with the consent of the 697
legislative authority of each affected municipal corporation or 698
board of township trustees of each affected township, the board of 699
county commissioners that designated a zone to which this division 700

applies may enter into an agreement with an enterprise if the 701
board ~~makes the finding required under that division and~~ 702
~~determines~~ finds that the enterprise satisfies one of the criteria 703
described in divisions (D)(1) to (5) of this section: 704

(1) The enterprise currently has no operations in this state 705
and, subject to approval of the agreement, intends to establish 706
operations in the zone; 707

(2) The enterprise currently has operations in this state 708
and, subject to approval of the agreement, intends to establish 709
operations at a new location in the zone that would not result in 710
a reduction in the number of employee positions at any of the 711
enterprise's other locations in this state; 712

(3) The enterprise, subject to approval of the agreement, 713
intends to relocate operations, currently located in another 714
state, to the zone; 715

(4) The enterprise, subject to approval of the agreement, 716
intends to expand operations at an existing site in the zone that 717
the enterprise currently operates; 718

(5) The enterprise, subject to approval of the agreement, 719
intends to relocate operations, currently located in this state, 720
to the zone, and the director of development has issued a waiver 721
for the enterprise under division (B) of section 5709.633 of the 722
Revised Code. 723

The agreement shall require the enterprise to agree to 724
establish, expand, renovate, or occupy a facility in the zone and 725
hire new employees, or preserve employment opportunities for 726
existing employees, in return for one or more of the incentives 727
described in division (B) of this section. 728

(E) All agreements entered into under this section shall be 729
in the form prescribed under section 5709.631 of the Revised Code. 730
After an agreement under this section is entered into, if the 731

board of county commissioners revokes its designation of ~~the~~ a 732
zone, or if the director of development revokes ~~the~~ a zone's 733
certification, any entitlements granted under the agreement shall 734
continue for the number of years specified in the agreement. 735

(F) Except as otherwise provided in this ~~paragraph~~ division, 736
an agreement entered into under this section shall require that 737
the enterprise pay an annual fee equal to the greater of one per 738
cent of the dollar value of incentives offered under the agreement 739
or five hundred dollars; provided, however, that if the value of 740
the incentives exceeds two hundred fifty thousand dollars, the fee 741
shall not exceed two thousand five hundred dollars. The fee shall 742
be payable to the board of county commissioners once per year for 743
each year the agreement is effective on the days and in the form 744
specified in the agreement. Fees paid shall be deposited in a 745
special fund created for such purpose by the board and shall be 746
used by the board exclusively for the purpose of complying with 747
section 5709.68 of the Revised Code and by the tax incentive 748
review council created under section 5709.85 of the Revised Code 749
exclusively for the purposes of performing the duties prescribed 750
under that section. The board may waive or reduce the amount of 751
the fee charged against an enterprise, but such waiver or 752
reduction does not affect the obligations of the board or the tax 753
incentive review council to comply with section 5709.68 or 5709.85 754
of the Revised Code, respectively. 755

(G) With the approval of the legislative authority of a 756
municipal corporation or the board of township trustees of a 757
township in which a zone is designated under division (A) of this 758
section, the board of county commissioners may delegate to that 759
legislative authority or board any powers and duties of the board 760
of county commissioners to negotiate and administer agreements 761
with regard to that zone under this section. 762

(H) When an agreement is entered into pursuant to this 763

section, the ~~legislative authority~~ board of county commissioners 764
authorizing the agreement or the legislative authority or board of 765
township trustees that negotiates and administers the agreement 766
shall forward a copy of the agreement to the director of 767
development and to the tax commissioner within fifteen days after 768
the agreement is entered into. If any agreement includes terms not 769
provided for in section 5709.631 of the Revised Code affecting the 770
revenue of a city, local, or exempted village school district or 771
causing revenue to be foregone by the district, including any 772
compensation to be paid to the school district pursuant to section 773
5709.82 of the Revised Code, those terms also shall be forwarded 774
in writing to the director of development along with the copy of 775
the agreement forwarded under this division. 776

(I) After an agreement is entered into, the enterprise shall 777
file with each personal property tax return required to be filed, 778
or annual report that is required to be filed under section 779
5727.08 of the Revised Code, while the agreement is in effect, an 780
informational return, on a form prescribed by the tax commissioner 781
for that purpose, setting forth separately the property, and 782
related costs and values, exempted from taxation under the 783
agreement. 784

(J) Enterprises may agree to give preference to residents of 785
the zone within which the agreement applies relative to residents 786
of this state who do not reside in the zone when hiring new 787
employees under the agreement. 788

(K) An agreement entered into under this section may include 789
a provision requiring the enterprise to create one or more 790
temporary internship positions for students enrolled in a course 791
of study at a school or other educational institution in the 792
vicinity, and to create a scholarship or provide another form of 793
educational financial assistance for students holding such a 794
position in exchange for the student's commitment to work for the 795

enterprise at the completion of the internship. 796

(L) The tax commissioner's authority in determining the 797
accuracy of any exemption granted by an agreement entered into 798
under this section is limited to divisions (B)(1)(b)(i) and (ii), 799
(B)(2), (C), and (I) of this section, division (B)(1)(b)(iv) of 800
this section as it pertains to divisions (C)(2)(a), (b), and (c) 801
of section 5709.62 of the Revised Code, and divisions (B)(1) to 802
(10) of section 5709.631 of the Revised Code and, as authorized by 803
law, to enforcing any modification to, or revocation of, that 804
agreement by the board of county commissioners or the director of 805
development or, if the board's powers and duties are delegated 806
under division (G) of this section, by the legislative authority 807
of a municipal corporation or board of township trustees. 808

Sec. 5709.631. Each agreement entered into under sections 809
5709.62, 5709.63, and 5709.632 of the Revised Code on or after 810
April 1, 1994, shall be in writing and shall include all of the 811
information and statements prescribed by this section. Agreements 812
may include terms not prescribed by this section, but such terms 813
shall in no way derogate from the information and statements 814
prescribed by this section. 815

(A) Each agreement shall include the following information: 816

(1) The names of all parties to the agreement; 817

(2) A description of the investments to be made by the 818
applicant enterprise or by another party at the facility whether 819
or not the investments are exempted from taxation, including 820
existing or new building size and cost thereof; the value of 821
machinery, equipment, furniture, and fixtures, including an 822
itemization of the value of machinery, equipment, furniture, and 823
fixtures used at another location in this state prior to the 824
agreement and relocated or to be relocated from that location to 825
the facility and the value of machinery, equipment, furniture, and 826

fixtures at the facility prior to the execution of the agreement 827
that will not be exempted from taxation; the value of inventory at 828
the facility, including an itemization of the value of inventory 829
held at another location in this state prior to the agreement and 830
relocated or to be relocated from that location to the facility, 831
and the value of inventory held at the facility prior to the 832
execution of the agreement that will not be exempted from 833
taxation; 834

(3) The scheduled starting and completion dates of 835
investments made in building, machinery, equipment, furniture, 836
fixtures, and inventory; 837

(4) Estimates of the number of employee positions to be 838
created each year of the agreement and of the number of employee 839
positions retained by the applicant enterprise due to the project, 840
itemized as to the number of full-time, part-time, permanent, and 841
temporary positions; 842

(5) Estimates of the dollar amount of payroll attributable to 843
the positions set forth in division (A)(4) of this section, 844
similarly itemized; 845

(6) The number of employee positions, if any, at the project 846
site and at any other location in the state at the time the 847
agreement is executed, itemized as to the number of full-time, 848
part-time, permanent, and temporary positions. 849

(B) Each agreement shall set forth the following information 850
and incorporate the following statements: 851

(1) A description of real property to be exempted from 852
taxation under the agreement, the percentage of the assessed 853
valuation of the real property exempted from taxation, and the 854
period for which the exemption is granted, accompanied by the 855
statement: "The exemption commences the first year for which the 856
real property would first be taxable were that property not 857

exempted from taxation. No exemption shall commence after 858
..... (insert date) nor extend beyond (insert 859
date)." The tax commissioner shall adopt rules prescribing the 860
form the description of such property shall assume to ensure that 861
the property to be exempted from taxation under the agreement is 862
distinguishable from property that is not to be exempted under 863
that agreement. 864

(2) A description of tangible personal property to be 865
exempted from taxation under the agreement, the percentage of the 866
assessed value of the tangible personal property exempted from 867
taxation, and the period for which the exemption is granted, 868
accompanied by the statement: "The minimum investment for tangible 869
personal property to qualify for the exemption is \$..... 870
(insert dollar amount) to purchase machinery and equipment first 871
used in business at the facility as a result of the project, 872
\$..... (insert dollar amount) for furniture and fixtures and 873
other noninventory personal property first used in business at the 874
facility as a result of the project, and \$..... (insert 875
dollar amount) for new inventory. The maximum investment for 876
tangible personal property to qualify for the exemption is 877
\$..... (insert dollar amount) to purchase machinery and 878
equipment first used in business at the facility as a result of 879
the project, \$..... (insert dollar amount) for furniture and 880
fixtures and other noninventory personal property first used in 881
business at the facility as a result of the project, and 882
\$..... (insert dollar amount) for new inventory. The 883
exemption commences the first year for which the tangible personal 884
property would first be taxable were that property not exempted 885
from taxation. No exemption shall commence after tax return year 886
..... (insert year) nor extend beyond tax return year 887
..... (insert year). In no instance shall any tangible 888
personal property be exempted from taxation for more than ten 889
return years unless ~~the project that is part of the agreement~~ 890

~~involves the enrichment and commercialization of uranium or~~ 891
~~uranium products or the research and development activities~~ 892
~~related to that enrichment or commercialization, under division~~ 893
~~(D)(2) of section 5709.62 or under division (C)(1)(b) of section~~ 894
~~5709.63 of the Revised Code, the board of education approves~~ 895
~~exemption for a number of years in excess of ten, in which case~~ 896
the tangible personal property may be exempted from taxation for 897
~~up to that number of years, not to exceed fifteen return years."~~ 898
No exemption shall be allowed for any type of tangible personal 899
property if the total investment is less than the minimum dollar 900
amount specified for that type of property. If, for a type of 901
tangible personal property, there are no minimum or maximum 902
investment dollar amounts specified in the statement or the dollar 903
amounts are designated in the statement as not applicable, the 904
exemption shall apply to the total cost of that type of tangible 905
personal property first used in business at the facility as a 906
result of the project. The tax commissioner shall adopt rules 907
prescribing the form the description of such property shall assume 908
to ensure that the property to be exempted from taxation under the 909
agreement is distinguishable from property that is not to be 910
exempted under that agreement. 911

(3) "..... (insert name of enterprise) shall pay such 912
real and tangible personal property taxes as are not exempted 913
under this agreement and are charged against such property and 914
shall file all tax reports and returns as required by law. If 915
..... (insert name of enterprise) fails to pay such taxes or 916
file such returns and reports, all incentives granted under this 917
agreement are rescinded beginning with the year for which such 918
taxes are charged or such reports or returns are required to be 919
filed and thereafter." 920

(4) "..... (insert name of enterprise) hereby certifies 921
that at the time this agreement is executed, (insert 922

name of enterprise) does not owe any delinquent real or tangible 923
personal property taxes to any taxing authority of the State of 924
Ohio, and does not owe delinquent taxes for which 925
(insert name of enterprise) is liable under Chapter 5727., 5733., 926
5735., 5739., 5741., 5743., 5747., or 5753. of the Revised Code, 927
or, if such delinquent taxes are owed, (insert name of 928
enterprise) currently is paying the delinquent taxes pursuant to a 929
delinquent tax contract enforceable by the State of Ohio or an 930
agent or instrumentality thereof, has filed a petition in 931
bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition has 932
been filed against (insert name of enterprise). For the 933
purposes of the certification, delinquent taxes are taxes that 934
remain unpaid on the latest day prescribed for payment without 935
penalty under the chapter of the Revised Code governing payment of 936
those taxes." 937

(5) "..... (insert name of municipal corporation or 938
county) shall perform such acts as are reasonably necessary or 939
appropriate to effect, claim, reserve, and maintain exemptions 940
from taxation granted under this agreement including, without 941
limitation, joining in the execution of all documentation and 942
providing any necessary certificates required in connection with 943
such exemptions." 944

(6) "If for any reason the enterprise zone designation 945
expires, the Director of the Ohio Department of Development 946
revokes certification of the zone, or (insert name of 947
municipal corporation or county) revokes the designation of the 948
zone, entitlements granted under this agreement shall continue for 949
the number of years specified under this agreement, unless 950
..... (insert name of enterprise) materially fails to fulfill 951
its obligations under this agreement and (insert name 952
of municipal corporation or county) terminates or modifies the 953
exemptions from taxation granted under this agreement." 954

(7) "If (insert name of enterprise) materially 955
fails to fulfill its obligations under this agreement, or if 956
..... (insert name of municipal corporation or county) 957
determines that the certification as to delinquent taxes required 958
by this agreement is fraudulent, (insert name of 959
municipal corporation or county) may terminate or modify the 960
exemptions from taxation granted under this agreement." 961

(8) "..... (insert name of enterprise) shall provide to 962
the proper tax incentive review council any information reasonably 963
required by the council to evaluate the enterprise's compliance 964
with the agreement, including returns or annual reports filed 965
pursuant to section 5711.02 or 5727.08 of the Ohio Revised Code if 966
requested by the council." 967

(9) "..... (insert name of enterprise) and 968
(insert name of municipal corporation or county) acknowledge that 969
this agreement must be approved by formal action of the 970
legislative authority of (insert name of municipal 971
corporation or county) as a condition for the agreement to take 972
effect. This agreement takes effect upon such approval." 973

(10) "This agreement is not transferable or assignable 974
without the express, written approval of (insert name 975
of municipal corporation or county)." 976

(11) "Exemptions from taxation granted under this agreement 977
shall be revoked if it is determined that (insert 978
name of enterprise), any successor enterprise, or any related 979
member (as those terms are defined in section 5709.61 of the Ohio 980
Revised Code) has violated the prohibition against entering into 981
this agreement under division (E) of section 3735.671 or section 982
5709.62, 5709.63, or 5709.632 of the Ohio Revised Code prior to 983
the time prescribed by that division or either of those sections." 984

The statement described in division (B)(7) of this section 985

may include the following statement, appended at the end of the 986
statement: "and may require the repayment of the amount of taxes 987
that would have been payable had the property not been exempted 988
from taxation under this agreement." 989

(C) If the director of development had to issue a waiver 990
under section 5709.633 of the Revised Code as a condition for the 991
agreement to be executed, the agreement shall include the 992
following statement: 993

"Continuation of this agreement is subject to the validity of 994
the circumstance upon which (insert name of enterprise) 995
applied for, and the Director of the Ohio Department of 996
Development issued, the waiver pursuant to section 5709.633 of the 997
Ohio Revised Code. If, after formal approval of this agreement by 998
..... (insert name of municipal corporation or county), the 999
Director or (insert name of municipal corporation or 1000
county) discovers that such a circumstance did not exist, 1001
..... (insert name of enterprise) shall be deemed to have 1002
materially failed to comply with this agreement." 1003

If the director issued a waiver on the basis of the 1004
circumstance described in division (B)(3) of section 5709.633 of 1005
the Ohio Revised Code, the conditions enumerated in divisions 1006
(B)(3)(a)(i) and (ii) or divisions (B)(3)(b)(i) and (ii) of that 1007
section shall be incorporated in the information described in 1008
divisions (A)(2), (3), and (4) of this section. 1009

Sec. 5709.632. (A)(1) The legislative authority of a 1010
municipal corporation defined by the United States office of 1011
management and budget as a ~~central~~ principal city of a 1012
metropolitan statistical area or designated as an urban cluster in 1013
a rural statistical area may, in the manner set forth in section 1014
5709.62 of the Revised Code, designate one or more areas in the 1015
municipal corporation as a proposed enterprise zone. 1016

(2) With the consent of the legislative authority of each 1017
affected municipal corporation or of a board of township trustees, 1018
a board of county commissioners may, in the manner set forth in 1019
section 5709.62 of the Revised Code, designate one or more areas 1020
in one or more municipal corporations or in unincorporated areas 1021
of the county as proposed urban jobs and enterprise zones, except 1022
that a board of county commissioners may designate no more than 1023
one area within a township, or within adjacent townships, as a 1024
proposed urban jobs and enterprise zone. 1025

(3)(a) The legislative authority or board of county 1026
commissioners may petition the director of development for 1027
certification of the area as having the characteristics set forth 1028
in division (A)(3) of section 5709.61 of the Revised Code. Within 1029
sixty days after receiving such a petition, the director shall 1030
determine whether the area has the characteristics set forth in 1031
that division and forward the findings to the legislative 1032
authority or board of county commissioners. If the director 1033
certifies the area as having those characteristics and thereby 1034
certifies it as a zone, the legislative authority or board may 1035
enter into agreements with enterprises under division (B) of this 1036
section. Any enterprise wishing to enter into an agreement with a 1037
legislative authority or board of commissioners under this section 1038
and satisfying one of the criteria described in divisions (B)(1) 1039
to (5) of this section shall submit a proposal to the legislative 1040
authority or board on the form prescribed under division (B) of 1041
section 5709.62 of the Revised Code and shall review and update 1042
the estimates and listings required by the form in the manner 1043
required under that division. The legislative authority or board 1044
may, on a separate form and at any time, require any additional 1045
information necessary to determine whether an enterprise is in 1046
compliance with an agreement and to collect the information 1047
required to be reported under section 5709.68 of the Revised Code. 1048

(b) The legislative authority of a city designated as an urban cluster in a rural statistical area that has, pursuant to this section, as amended by Am. Sub. H.B. 95 of the 125th general assembly, designated one or more areas in the city as a proposed enterprise zone, shall not enter into an agreement under this section unless it has petitioned the director and the director has certified the proposed enterprise zone under division (A)(3)(a) of this section.

(B) Prior to entering into an agreement with an enterprise, the legislative authority or board of county commissioners shall determine whether the enterprise submitting the proposal is qualified by financial responsibility and business experience to create and preserve employment opportunities in the zone and to improve the economic climate of the municipal corporation or municipal corporations or the unincorporated areas in which the zone is located and to which the proposal applies, and whether the enterprise satisfies one of the following criteria:

(1) The enterprise currently has no operations in this state and, subject to approval of the agreement, intends to establish operations in the zone;

(2) The enterprise currently has operations in this state and, subject to approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the enterprise's other locations in this state;

(3) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in another state, to the zone;

(4) The enterprise, subject to approval of the agreement, intends to expand operations at an existing site in the zone that the enterprise currently operates;

(5) The enterprise, subject to approval of the agreement, 1080
intends to relocate operations, currently located in this state, 1081
to the zone, and the director of development has issued a waiver 1082
for the enterprise under division (B) of section 5709.633 of the 1083
Revised Code. 1084

(C) If the legislative authority or board determines that the 1085
enterprise is so qualified and satisfies one of the criteria 1086
described in divisions (B)(1) to (5) of this section, the 1087
legislative authority or board may, after complying with section 1088
5709.83 of the Revised Code and on or before October 15, 2009, 1089
and, in the case of a board of commissioners, with the consent of 1090
the legislative authority of each affected municipal corporation 1091
or of the board of township trustees, enter into an agreement with 1092
the enterprise under which the enterprise agrees to establish, 1093
expand, renovate, or occupy a facility in the zone and hire new 1094
employees, or preserve employment opportunities for existing 1095
employees, in return for the following incentives: 1096

(1) When the facility is located in a municipal corporation, 1097
a legislative authority or board of commissioners may enter into 1098
an agreement for one or more of the incentives provided in 1099
division (C) of section 5709.62 of the Revised Code, subject to 1100
division (D) of that section; 1101

(2) When the facility is located in an unincorporated area, a 1102
board of commissioners may enter into an agreement for one or more 1103
of the incentives provided in divisions (B)(1)(b), (B)(2), and 1104
(B)(3) of section 5709.63 of the Revised Code, subject to division 1105
(C) of that section. 1106

(D) All agreements entered into under this section shall be 1107
in the form prescribed under section 5709.631 of the Revised Code. 1108
After an agreement under this section is entered into, if the 1109
legislative authority or board of county commissioners revokes its 1110

designation of the zone, or if the director of development revokes 1111
the zone's certification, any entitlements granted under the 1112
agreement shall continue for the number of years specified in the 1113
agreement. 1114

(E) Except as otherwise provided in this division, an 1115
agreement entered into under this section shall require that the 1116
enterprise pay an annual fee equal to the greater of one per cent 1117
of the dollar value of incentives offered under the agreement or 1118
five hundred dollars; provided, however, that if the value of the 1119
incentives exceeds two hundred fifty thousand dollars, the fee 1120
shall not exceed two thousand five hundred dollars. The fee shall 1121
be payable to the legislative authority or board of commissioners 1122
once per year for each year the agreement is effective on the days 1123
and in the form specified in the agreement. Fees paid shall be 1124
deposited in a special fund created for such purpose by the 1125
legislative authority or board and shall be used by the 1126
legislative authority or board exclusively for the purpose of 1127
complying with section 5709.68 of the Revised Code and by the tax 1128
incentive review council created under section 5709.85 of the 1129
Revised Code exclusively for the purposes of performing the duties 1130
prescribed under that section. The legislative authority or board 1131
may waive or reduce the amount of the fee charged against an 1132
enterprise, but such waiver or reduction does not affect the 1133
obligations of the legislative authority or board or the tax 1134
incentive review council to comply with section 5709.68 or 5709.85 1135
of the Revised Code, respectively. 1136

(F) With the approval of the legislative authority of a 1137
municipal corporation or the board of township trustees of a 1138
township in which a zone is designated under division (A)(2) of 1139
this section, the board of county commissioners may delegate to 1140
that legislative authority or board any powers and duties of the 1141
board to negotiate and administer agreements with regard to that 1142

zone under this section. 1143

(G) When an agreement is entered into pursuant to this 1144
section, the legislative authority or board of commissioners 1145
authorizing the agreement shall forward a copy of the agreement to 1146
the director of development and to the tax commissioner within 1147
fifteen days after the agreement is entered into. If any agreement 1148
includes terms not provided for in section 5709.631 of the Revised 1149
Code affecting the revenue of a city, local, or exempted village 1150
school district or causing revenue to be foregone by the district, 1151
including any compensation to be paid to the school district 1152
pursuant to section 5709.82 of the Revised Code, those terms also 1153
shall be forwarded in writing to the director of development along 1154
with the copy of the agreement forwarded under this division. 1155

(H) After an agreement is entered into, the enterprise shall 1156
file with each personal property tax return required to be filed 1157
while the agreement is in effect, an informational return, on a 1158
form prescribed by the tax commissioner for that purpose, setting 1159
forth separately the property, and related costs and values, 1160
exempted from taxation under the agreement. 1161

(I) An agreement entered into under this section may include 1162
a provision requiring the enterprise to create one or more 1163
temporary internship positions for students enrolled in a course 1164
of study at a school or other educational institution in the 1165
vicinity, and to create a scholarship or provide another form of 1166
educational financial assistance for students holding such a 1167
position in exchange for the student's commitment to work for the 1168
enterprise at the completion of the internship. 1169

Sec. 5709.73. (A) As used in this section and section 5709.74 1170
of the Revised Code: 1171

(1) "Business day" means a day of the week excluding 1172
Saturday, Sunday, and a legal holiday as defined in section 1.14 1173

of the Revised Code. 1174

(2) "Further improvements" or "improvements" means the 1175
increase in the true value of a parcel of real property that would 1176
first appear on the tax list and duplicate of real and public 1177
utility property after the effective date of a resolution adopted 1178
under this section were it not for the exemption granted by that 1179
resolution. For purposes of division (B) of this section, 1180
"improvements" do not include any property used or to be used for 1181
residential purposes. 1182

(3) "Housing renovation" means a project carried out for 1183
residential purposes. 1184

(4) "Incentive district" has the same meaning as in section 1185
5709.40 of the Revised Code, except that a blighted area is in the 1186
unincorporated area of a township. 1187

(5) "Project" and "public infrastructure improvement" have 1188
the same meanings as in section 5709.40 of the Revised Code. 1189

(B) A board of township trustees may, by unanimous vote, 1190
adopt a resolution that declares to be a public purpose any public 1191
infrastructure improvements made that are necessary for the 1192
development of certain parcels of land located in the 1193
unincorporated area of the township. Except as otherwise provided 1194
in division (D) of this section, the resolution may exempt from 1195
real property taxation not more than seventy-five per cent of 1196
further improvements to a parcel of land which directly benefits 1197
from such public infrastructure improvements; the percentage 1198
exempted shall not, except as otherwise provided in division (D) 1199
of this section, exceed the estimated percentage of the 1200
incremental demand placed on the public infrastructure 1201
improvements that is directly attributable to the exempted 1202
improvement. For the purposes of this division, a public 1203
infrastructure improvement directly benefits a parcel of land only 1204

if a project on the parcel places direct, additional demand on the public infrastructure improvement, or, if the public infrastructure improvement has not yet been constructed, will place direct, additional demand on the public infrastructure improvement when completed. The resolution shall specify the percentage of the further improvements to be exempted.

(C) A board of township trustees may adopt, by unanimous vote, a resolution creating an incentive district and declaring improvements to parcels within the district to be a public purpose and exempt from taxation as provided in this section. The district shall be located within the unincorporated area of the township and shall not include any territory that is included within a district created under division (B) of section 5709.78 of the Revised Code. The resolution shall delineate the boundary of the district and specifically identify each parcel within the district. A district may not include any parcel that is or has been exempted from taxation under division (B) of this section or that is or has been within another district created under this division. A resolution may create more than one such district, and more than one resolution may be adopted under this division.

A resolution under this division shall specify the life of the district and the percentage of the improvements to be exempted and shall designate the public infrastructure improvements made or to be made that benefit or serve parcels in the district.

A resolution adopted under this division may authorize the use of service payments provided for in section 5709.74 of the Revised Code for the purpose of housing renovations within the district, provided that the resolution also designates public infrastructure improvements that benefit or serve the district, and that a project within the district places real property in use for commercial or industrial purposes. Service payments may be used to finance or support loans, deferred loans, and grants to

persons for the purpose of housing renovations within the 1237
district. The resolution shall designate the parcels within the 1238
district that are eligible for housing renovations. The resolution 1239
shall state separately the amount or the percentages of the 1240
expected aggregate service payments that are designated for each 1241
public infrastructure improvement and for the purpose of housing 1242
renovations. 1243

Except with the approval of the board of education of each 1244
city, local, or exempted village school district within the 1245
territory of which the district is or will be located, the life of 1246
a district shall not exceed ten years, and the percentage of 1247
improvements to be exempted shall not exceed seventy-five per 1248
cent. With such approval, the life of a district may be not more 1249
than thirty years, and the percentage of improvements to be 1250
exempted may be not more than one hundred per cent. 1251

Approval of a board of education shall be obtained in the 1252
manner provided in division (D) of this section for exemptions 1253
under division (B) of this section, except that the notice to the 1254
board of education shall delineate the boundaries of the district, 1255
specifically identify each parcel within the district, identify 1256
each anticipated improvement in the district, provide an estimate 1257
of the true value in money of each such improvement, specify the 1258
life of the district and the percentage of improvements that would 1259
be exempted, and indicate the date on which the board of township 1260
trustees intends to adopt the resolution. 1261

A board of township trustees shall not adopt a resolution 1262
under this division after June 30, 2007. 1263

(D) Improvements with respect to a parcel may be exempted 1264
from taxation under division (B) of this section for up to ten 1265
years or, with the approval of the board of education of the city, 1266
local, or exempted village school district within which the parcel 1267
is located, for up to thirty years. The percentage of the 1268

improvements exempted from taxation may, with such approval, 1269
exceed seventy-five per cent, but shall not exceed one hundred per 1270
cent. Not later than forty-five business days prior to adopting a 1271
resolution under this section declaring improvements to be a 1272
public purpose, the board of trustees shall deliver to the board 1273
of education a notice stating its intent to adopt a resolution 1274
making that declaration. The notice shall identify the parcels for 1275
which improvements are to be exempted from taxation, provide an 1276
estimate of the true value in money of the improvements, specify 1277
the period for which the improvements would be exempted from 1278
taxation and the percentage of the improvements that would be 1279
exempted, and indicate the date on which the board of trustees 1280
intends to adopt the resolution. The board of education, by 1281
resolution adopted by a majority of the board, may approve the 1282
exemption for the period or for the exemption percentage specified 1283
in the notice, may disapprove the exemption for the number of 1284
years in excess of ten, may disapprove the exemption for the 1285
percentage of the improvements to be exempted in excess of 1286
seventy-five per cent, or both, or may approve the exemption on 1287
the condition that the board of trustees and the board of 1288
education negotiate an agreement providing for compensation to the 1289
school district equal in value to a percentage of the amount of 1290
taxes exempted in the eleventh and subsequent years of the 1291
exemption period or, in the case of exemption percentages in 1292
excess of seventy-five per cent, compensation equal in value to a 1293
percentage of the taxes that would be payable on the portion of 1294
the improvements in excess of seventy-five per cent were that 1295
portion to be subject to taxation. The board of education shall 1296
certify its resolution to the board of trustees not later than 1297
fourteen days prior to the date the board of trustees intends to 1298
adopt the resolution as indicated in the notice. If the board of 1299
education approves the exemption on the condition that a 1300
compensation agreement be negotiated, the board of education in 1301

its resolution shall propose a compensation percentage. If the 1302
board of education and the board of trustees negotiate a mutually 1303
acceptable compensation agreement, the resolution may declare the 1304
improvements a public purpose for the number of years specified in 1305
the resolution or, in the case of exemption percentages in excess 1306
of seventy-five per cent, for the exemption percentage specified 1307
in the resolution. In either case, if the board of education and 1308
the board of trustees fail to negotiate a mutually acceptable 1309
compensation agreement, the resolution may declare the 1310
improvements a public purpose for not more than ten years, but 1311
shall not exempt more than seventy-five per cent of the 1312
improvements from taxation, or, in the case of a resolution 1313
adopted under division (B) of this section, not more than the 1314
estimated percentage of the incremental demand as otherwise 1315
prescribed by division (B) of this section if that percentage is 1316
less than seventy-five per cent. If the board of education fails 1317
to certify a resolution to the board of trustees within the time 1318
prescribed by this section, the board of trustees thereupon may 1319
adopt the resolution and may declare the improvements a public 1320
purpose for up to thirty years or, in the case of exemption 1321
percentages proposed in excess of seventy-five per cent, for the 1322
exemption percentage specified in the resolution. The board of 1323
township trustees may adopt the resolution at any time after the 1324
board of education certifies its resolution approving the 1325
exemption to the board of township trustees, or, if the board of 1326
education approves the exemption on the condition that a mutually 1327
acceptable compensation agreement be negotiated, at any time after 1328
the compensation agreement is agreed to by the board of education 1329
and the board of township trustees. 1330

If a board of education has adopted a resolution waiving its 1331
right to approve exemptions from taxation and the resolution 1332
remains in effect, approval of such exemptions by the board of 1333
education is not required under this division. If a board of 1334

education has adopted a resolution allowing a board of township 1335
trustees to deliver the notice required under this division fewer 1336
than forty-five business days prior to adoption of the resolution 1337
by the board of township trustees, the board of township trustees 1338
shall deliver the notice to the board of education not later than 1339
the number of days prior to such adoption as prescribed by the 1340
board of education in its resolution. If a board of education 1341
adopts a resolution waiving its right to approve exemptions or 1342
shortening the notification period, the board of education shall 1343
certify a copy of the resolution to the board of township 1344
trustees. If the board of education rescinds such a resolution, it 1345
shall certify notice of the rescission to the board of township 1346
trustees. 1347

If the board of trustees is not required by this division to 1348
notify the board of education of the board of trustees' intent to 1349
declare improvements to be a public purpose, the board of trustees 1350
shall comply with the notice requirements imposed under section 1351
5709.83 of the Revised Code before taking formal action to adopt 1352
the resolution making that declaration, unless the board of 1353
education has adopted a resolution under that section waiving its 1354
right to receive such a notice. 1355

(E) An exemption from taxation granted under this section 1356
commences with the tax year in which an improvement first appears 1357
on the tax list and duplicate of real and public utility property 1358
and that begins after the effective date of the resolution. Except 1359
as otherwise provided in this division, the exemption ends on the 1360
date specified in the resolution as the date the improvement 1361
ceases to be a public purpose or the incentive district expires, 1362
or ends on the date on which the public infrastructure 1363
improvements and housing renovations are paid in full from the 1364
township public improvement tax increment equivalent fund 1365
established under section 5709.75 of the Revised Code, whichever 1366

occurs first. The exemption of an improvement with respect to a 1367
parcel may end on a later date, as specified in the resolution, if 1368
the board of township trustees and the board of education of the 1369
city, local, or exempted village school district within which the 1370
parcel is located have entered into a compensation agreement under 1371
section 5709.82 of the Revised Code with respect to the 1372
improvement or district and the board of education has approved 1373
the term of the exemption under division (D) of this section, but 1374
in no case shall the improvement be exempted from taxation for 1375
more than thirty years. The board of township trustees may, by 1376
majority vote, adopt a resolution permitting the township to enter 1377
into such agreements as the board finds necessary or appropriate 1378
to provide for the construction or undertaking of public 1379
infrastructure improvements and housing renovations. Any exemption 1380
shall be claimed and allowed in the same or a similar manner as in 1381
the case of other real property exemptions. If an exemption status 1382
changes during a tax year, the procedure for the apportionment of 1383
the taxes for that year is the same as in the case of other 1384
changes in tax exemption status during the year. 1385

(F) The board of township trustees may issue the notes of the 1386
township to finance all costs pertaining to the construction or 1387
undertaking of public infrastructure improvements and housing 1388
renovations made pursuant to this section. The notes shall be 1389
signed by the board and attested by the signature of the township 1390
clerk, shall bear interest not to exceed the rate provided in 1391
section 9.95 of the Revised Code, and are not subject to Chapter 1392
133. of the Revised Code. The resolution authorizing the issuance 1393
of the notes shall pledge the funds of the township public 1394
improvement tax increment equivalent fund established pursuant to 1395
section 5709.75 of the Revised Code to pay the interest on and 1396
principal of the notes. The notes, which may contain a clause 1397
permitting prepayment at the option of the board, shall be offered 1398
for sale on the open market or given to the vendor or contractor 1399

if no sale is made. 1400

(G) The township, not later than fifteen days after the 1401
adoption of a resolution under this section, shall submit to the 1402
director of development a copy of the resolution. On or before the 1403
thirty-first day of March of each year, the township shall submit 1404
a status report to the director of development. The report shall 1405
indicate, in the manner prescribed by the director, the progress 1406
of the project during each year that the exemption remains in 1407
effect, including a summary of the receipts from service payments 1408
in lieu of taxes; expenditures of money from funds created under 1409
section 5709.75 of the Revised Code; a description of the public 1410
infrastructure improvements and housing renovations financed with 1411
such expenditures; and a quantitative summary of changes in 1412
~~employment and~~ private investment resulting from each project. 1413

(H) Nothing in this section shall be construed to prohibit a 1414
board of township trustees from declaring to be a public purpose 1415
improvements with respect to more than one parcel. 1416

(I) A board of township trustees that adopted a resolution 1417
under this section prior to July 21, 1994, may amend that 1418
resolution to include any additional public infrastructure 1419
improvement. A board of township trustees that seeks by such an 1420
amendment to utilize money from its township public improvement 1421
tax increment equivalent fund for land acquisition in aid of 1422
industry, commerce, distribution, or research, demolition on 1423
private property, or stormwater and flood remediation projects may 1424
do so provided that the board currently is a party to a 1425
hold-harmless agreement with the board of education of the city, 1426
local, or exempted village school district within the territory of 1427
which are located the parcels that are subject to an exemption. 1428
For the purposes of this division, a "hold-harmless agreement" 1429
means an agreement under which the board of township trustees 1430
agrees to compensate the school district for one hundred per cent 1431

of the tax revenue that the school district would have received 1432
from further improvements to parcels designated in the resolution 1433
were it not for the exemption granted by the resolution. 1434

Sec. 5709.91. Service payments in lieu of taxes required 1435
under sections 725.04, 5709.42, 5709.74, and 5709.79 of the 1436
Revised Code, and service charges in lieu of taxes required under 1437
sections 1728.11 and 1728.111 of the Revised Code, shall be 1438
treated in the same manner as taxes for all purposes of the lien 1439
described in section 323.11 of the Revised Code, including but not 1440
limited to, the priority and enforcement of the lien and the 1441
collection of the service payments or service charges secured by 1442
the lien. 1443

Sec. 5709.911. (A)(1) A municipal corporation, township, or 1444
county that has enacted an ordinance or resolution under section 1445
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code or that 1446
has entered into an agreement referred to in section 725.02 or 1447
1728.07 of the Revised Code may file an application for exemption 1448
under those sections in the same manner as other real property tax 1449
exemptions, notwithstanding the indication in division (A) of 1450
section 5715.27 of the Revised Code that the owner of the property 1451
may file the application. 1452

(2) Except as provided in division (B) of this section, if 1453
the application for exemption under section 725.02, 1728.10, 1454
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code is filed 1455
by a municipal corporation, township, or county and more than one 1456
real property tax exemption applies by law to the property or a 1457
portion of the property, both of the following apply: 1458

(a) An exemption granted under section 725.02, 1728.10, 1459
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code shall be 1460
subordinate to an exemption with respect to the property or 1461

portion of the property granted under any other provision of the 1462
Revised Code. 1463

(b) Neither service payments in lieu of taxes under section 1464
725.04, 5709.42, 5709.74, or 5709.79 of the Revised Code, nor 1465
service charges in lieu of taxes under section 1728.11 or 1728.111 1466
of the Revised Code, shall be required with respect to the 1467
property or portion of the property that is exempt from real 1468
property taxes under that other provision of the Revised Code 1469
during the effective period of the exemption. 1470

(B)(1) If the application for exemption under section 725.02, 1471
1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code 1472
is filed by the owner of the property or by a municipal 1473
corporation, township, or county with the owner's written consent 1474
attached to the application, and if more than one real property 1475
tax exemption applies by law to the property or a portion of the 1476
property, no other exemption shall be granted for the portion of 1477
the property already exempt under section 725.02, 1728.10, 1478
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code unless 1479
the municipal corporation, township, or county that enacted the 1480
authorizing ordinance or resolution for the earlier exemption 1481
provides its duly authorized written consent to the subsequent 1482
exemption by means of a duly enacted ordinance or resolution. 1483

(2) If the application for exemption under section 725.02, 1484
1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code 1485
is filed by a municipal corporation, township, or county and 1486
approved by the tax commissioner, if the owner of the property 1487
subsequently provides written consent to the exemption and the 1488
consent is filed with the tax commissioner, and if more than one 1489
real property tax exemption applies by law to the property or a 1490
portion of the property, no other exemption shall be granted for 1491
the portion of the property already exempt under section 725.02, 1492
1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code 1493

unless the municipal corporation, township, or county that enacted 1494
the authorizing ordinance or resolution for the earlier exemption 1495
provides its duly authorized written consent to the subsequent 1496
exemption by means of a duly enacted ordinance or resolution. 1497

(C)(1) After the tax commissioner has approved or partially 1498
approved an application for exemption filed by or with the consent 1499
of a property owner under the circumstances described in division 1500
(B)(1) of this section, the municipal corporation, township, 1501
county, or property owner shall file a notice with the county 1502
recorder for the county in which the property is located that 1503
clearly identifies the property and states that the property, 1504
regardless of future use or ownership, remains liable for any 1505
service payments or service charges required by the exemption 1506
until the terms of the exemption have been satisfied, unless the 1507
municipal corporation, township, or county consents to the 1508
subsequent exemption and relinquishes its right to collect the 1509
service payments or service charges as provided in division (B)(1) 1510
of this section. The county recorder's office shall charge a fee 1511
of fourteen dollars to record the notice. 1512

(2) If a property owner subsequently provides written consent 1513
to an exemption under the circumstances described in division 1514
(B)(2) of this section, the municipal corporation, township, 1515
county, or property owner shall file notice with the county 1516
recorder for the county in which the property is located that 1517
clearly identifies the property and states that the property, 1518
regardless of future use or ownership, remains liable for any 1519
service payments or service charges required by the exemption 1520
until the terms of the exemption have been satisfied, unless the 1521
municipal corporation, township, or county consents to the 1522
subsequent exemption and relinquishes its right to collect the 1523
service payments or service charges as provided in division (B)(2) 1524
of this section. The county recorder's office shall charge a fee 1525

of fourteen dollars to record the notice. 1526

(D) Upon filing of the notice with the county recorder, the 1527
provisions of division (B) of this section are binding on all 1528
future owners of the property or portion of the property, 1529
regardless of how the property is used. Failure to file the notice 1530
with the county recorder relieves future owners of the property 1531
from the obligation to make service payments in lieu of taxes 1532
under section 725.04, 5709.42, 5709.74, or 5709.79 of the Revised 1533
Code or service charges in lieu of taxes under section 1728.11 or 1534
1728.111 of the Revised Code, if the property or a portion of the 1535
property later qualifies for exemption under any other provision 1536
of the Revised Code. Failure to file the notice does not, however, 1537
relieve the owner of the property, at the time the application for 1538
exemption is filed, from making those payments or charges. 1539

Sec. 5709.912. The tax commissioner may, in accordance with 1540
section 5703.14 of the Revised Code, adopt rules to implement 1541
sections 5709.91 and 5709.911 of the Revised Code. 1542

Sec. 5709.92. If, prior to enacting an ordinance under 1543
section 5709.40 or 5709.41 of the Revised Code or entering into an 1544
agreement referred to in section 725.02 or 1728.07 of the Revised 1545
Code, a municipal corporation adopted a resolution establishing a 1546
community reinvestment area pursuant to section 3735.66 of the 1547
Revised Code, an exemption from taxation granted to a property 1548
owner under section 3735.67 of the Revised Code shall take 1549
precedence over any exemption granted under section 752.02, 1550
1728.10, 5709.40, or 5709.41 of the Revised Code whether the 1551
exemption under section 3735.67 of the Revised Code is applied for 1552
prior to or after the exemption under section 725.02, 1728.10, 1553
5709.40, or 5709.41 of the Revised Code is granted. 1554

Section 2. That existing sections 122.65, 5709.62, 5709.63, 1555

5709.631, 5709.632, and 5709.73 of the Revised Code are hereby 1556
repealed. 1557

Section 3. That Sections 38 and 38.20 of Am. Sub. H.B. 95 of 1558
the 125th General Assembly be amended to read as follows: 1559

Sec. 38. DEV DEPARTMENT OF DEVELOPMENT 1560

General Revenue Fund 1561

GRF 195-321 Operating Expenses \$ 2,695,236 \$ 3,020,115 1562

GRF 195-401 Thomas Edison Program \$ 16,634,934 \$ 16,334,934 1563

GRF 195-404 Small Business \$ 1,740,722 \$ 1,740,722 1564
Development

GRF 195-405 Minority Business \$ 1,620,755 \$ 1,669,378 1565
Development Division

GRF 195-407 Travel and Tourism \$ 6,049,345 \$ 7,049,345 1566

GRF 195-410 Defense Conversion \$ 1,500,000 \$ 0 1567
Assistance

GRF 195-412 Business Development \$ 8,905,530 \$ 8,905,530 1568
Grants

GRF 195-414 First Frontier Match \$ 389,987 \$ 389,987 1569

GRF 195-415 Economic Development \$ 5,594,975 \$ 5,594,975 1570
Division and Regional
Offices

GRF 195-416 Governor's Office of \$ 4,372,324 \$ 4,372,324 1571
Appalachia

GRF 195-417 Urban/Rural Initiative \$ 589,390 \$ 589,390 1572

GRF 195-422 Third Frontier Action \$ 16,790,000 \$ 16,790,000 1573
Fund

GRF 195-426 Clean Ohio \$ 518,730 \$ 518,730 1574
Administration

GRF 195-432 International Trade \$ 4,492,713 \$ 4,492,713 1575

GRF 195-434 Investment in Training \$ 12,227,500 \$ 12,227,500 1576

	Grants				
GRF 195-436	Labor/Management	\$	811,869	\$ 811,869	1577
	Cooperation				
GRF 195-497	CDBG Operating Match	\$	1,107,400	\$ 1,107,400	1578
GRF 195-498	State Energy Match	\$	100,000	\$ 100,000	1579
GRF 195-501	Appalachian Local	\$	380,080	\$ 380,080	1580
	Development Districts				
GRF 195-502	Appalachian Regional	\$	238,274	\$ 246,803	1581
	Commission Dues				
GRF 195-507	Travel and Tourism	\$	1,025,000	\$ 1,025,000	1582
	Grants				
GRF 195-515	Economic Development	\$	10,000,000	\$ 10,000,000	1583
	Contingency				
GRF 195-516	Shovel Ready Sites	\$	2,500,000	\$ 2,500,000	1584
GRF 195-905	Third Frontier	\$	0	\$ 7,360,000	1585
	Research &				
	Commercialization				
	General Obligation				
	Debt Service				
TOTAL GRF	General Revenue Fund	\$	100,284,764	\$ 107,226,795	1586
	General Services Fund Group				1587
135 195-605	Supportive Services	\$	7,417,068	\$ 7,539,686	1588
136 195-621	International Trade	\$	24,915	\$ 24,915	1589
685 195-636	General Reimbursements	\$	1,316,012	\$ 1,232,530	1590
TOTAL GSF	General Services Fund				1591
Group		\$	8,757,995	\$ 8,797,131	1592
	Federal Special Revenue Fund Group				1593
3K8 195-613	Community Development	\$	65,000,000	\$ 65,000,000	1594
	Block Grant				
3K9 195-611	Home Energy Assistance	\$	85,036,000	\$ 85,036,000	1595
	Block Grant				
3K9 195-614	HEAP Weatherization	\$	16,219,479	\$ 16,219,479	1596

3L0	195-612	Community Services Block Grant	\$	25,235,000	\$	25,235,000	1597
3V1	195-601	HOME Program	\$	40,000,000	\$	40,000,000	1598
308	195-602	Appalachian Regional Commission	\$	350,200	\$	350,200	1599
308	195-603	Housing and Urban Development	\$	5,000,000	\$	5,000,000	1600
308	195-605	Federal Projects	\$	15,300,248	\$	15,300,248	1601
308	195-609	Small Business Administration	\$	4,196,381	\$	4,296,381	1602
308	195-618	Energy Federal Grants	\$	3,397,659	\$	3,397,659	1603
335	195-610	Oil Overcharge	\$	8,500,000	\$	8,500,000	1604
380	195-622	Housing Development Operating	\$	5,606,080	\$	5,667,627	1605
TOTAL FED Federal Special Revenue							1606
Fund Group			\$	273,841,047	\$	274,002,594	1607
State Special Revenue Fund Group							1608
4F2	195-639	State Special Projects	\$	540,183	\$	290,183	1609
4H4	195-641	First Frontier	\$	500,000	\$	500,000	1610
4S0	195-630	Enterprise Zone Operating	\$	211,900	\$	211,900	1611
4S1	195-634	Job Creation Tax Credit Operating	\$	375,800	\$	375,800	1612
4W1	195-646	Minority Business Enterprise Loan	\$	2,580,597	\$	2,580,597	1613
444	195-607	Water and Sewer Commission Loans	\$	523,775	\$	523,775	1614
445	195-617	Housing Finance Operating	\$	5,040,843	\$	4,983,738	1615
450	195-624	Minority Business Bonding Program Administration	\$	13,563	\$	13,563	1616
451	195-625	Economic Development	\$	2,358,310	\$	2,358,310	1617

		Financing Operating				
5M4	195-659	Universal Service	\$	170,000,000	\$	170,000,000 1618
5M5	195-660	Energy Efficiency	\$	12,000,000	\$	12,000,000 1619
		Revolving Loan				
611	195-631	Water and Sewer	\$	15,713	\$	15,713 1620
		Administration				
617	195-654	Volume Cap	\$	200,000	\$	200,000 1621
		Administration				
646	195-638	Low and Moderate	\$	40,000,000	\$	40,000,000 1622
		Income Housing Trust				
		Fund				
TOTAL SSR		State Special Revenue				1623
Fund Group			\$	234,360,684	\$	234,053,579 1624
		Facilities Establishment Fund Group				1625
009	195-664	Innovation Ohio	\$	50,000,000	\$	55,000,000 1626
037	195-615	Facilities	\$	63,931,149	\$	63,931,149 1627
		Establishment				
4Z6	195-647	Rural Industrial Park	\$	5,000,000	\$	5,000,000 1628
		Loan				
5D2	195-650	Urban Redevelopment	\$	10,475,000	\$	10,475,000 1629
		Loans				
5H1	195-652	Family Farm Loan	\$	1,500,000	\$	1,500,000 1630
		Guarantee				
5S8	195-627	Rural Development	\$	5,000,000	\$	5,000,000 1631
		Initiative				
5S9	195-628	Capital Access Loan	\$	3,000,000	\$	3,000,000 1632
		Program				
TOTAL 037		Facilities				1633
Establishment		Fund Group	\$	138,906,149	\$	143,906,149 1634
		Clean Ohio Revitalization Fund				1635
003	195-663	Clean Ohio Operating	\$	150,000	\$	150,000 1636
TOTAL 003		Clean Ohio Revitalization	\$	150,000	\$	150,000 1637

Fund

<u>Job Development Initiatives Fund</u>				1638
<u>5AD 195-667 Investment in Training</u>	\$	0	\$ 12,800,000	1639
<u>Expansion</u>				
<u>5AD 195-668 Worker Guarantee</u>	\$	0	\$ 3,000,000	1640
<u>Program</u>				
<u>5AD 195-669 Wright Operating</u>	\$	0	\$ 10,000,000	1641
<u>Grants</u>				
<u>TOTAL 5AD Job Development</u>	\$	0	\$ 25,800,000	1642
<u>Initiatives Fund</u>				
<u>TOTAL ALL BUDGET FUND GROUPS</u>	\$	756,300,639	\$ 768,136,248	1643
			<u>793,936,248</u>	1644

Sec. 38.20. CLEAN OHIO OPERATING EXPENSES 1646

The foregoing appropriation item 195-663, Clean Ohio 1647
Operating, shall be used by the Department of Development in 1648
administering sections 122.65 to 122.658 of the Revised Code. 1649

INVESTMENT IN TRAINING EXPANSION 1650

The foregoing appropriation item 195-667, Investment in 1651
Training Expansion, shall be used for the same purposes and in the 1652
same manner as specified in Section 38.09 of Am. Sub. H.B. 95 of 1653
the 125th General Assembly. 1654

WORKER GUARANTEE PROGRAM 1655

The foregoing appropriation item 195-668, Worker Guarantee 1656
Program, shall be used for the Worker Guarantee Program. 1657

Benefited employers must create at least 100 high-paying, 1658
full-time jobs over a three-year period and must demonstrate prior 1659
to the commitment of state funds that the availability of those 1660
skilled workers is a major factor in the employer's decision to 1661
locate or expand in Ohio. Activities eligible for funding through 1662
the Worker Guarantee Program include job assessment services, 1663

screening and testing of potential employees, customized training 1664
activities, and any other training or related service determined 1665
by the Director. 1666

A local workforce development service provider may include, 1667
but is not limited to, a community college, technical or 1668
vocational school, one-stop center, or any other entity designated 1669
by the Director of Development, to provide services under the 1670
program. 1671

State matching funds totaling one-third of a project's cost 1672
shall be provided for each approved project when an employer and 1673
any local workforce development service provider, in conjunction 1674
with the local community, contracts with the Department of 1675
Development to provide services under the program. The employer 1676
and the local community each shall provide matching funds totaling 1677
one-third of a project's cost, and each portion of the matching 1678
funds shall be equal to state funding, which also shall be 1679
one-third of a project's cost. 1680

The state shall count in-kind contributions when determining 1681
a contribution from entities associated with the local community. 1682

The Director of Development, in accordance with Chapter 119, 1683
of the Revised Code, shall adopt, and may amend or rescind, rules 1684
the Director finds necessary for the implementation and successful 1685
operation of the Worker Guarantee Program. 1686

WRIGHT OPERATING GRANTS 1687

The foregoing appropriation item 195-669, Wright Operating 1688
Grants, shall be used to provide support to the 1689
nonbioscience-oriented Wright Centers and Wright Capital Projects 1690
funded by the Board of Regents appropriation item CAP-068, Third 1691
Frontier, created by Am. Sub. S.B. 261 of the 124th General 1692
Assembly. Funding shall be awarded based on criteria established 1693
by the Department of Development consistent with the intent of the 1694

program. Prior to release of funds from appropriation item 1695
195-669, Wright Operating Grants, each grant award shall have been 1696
recommended for funding by the Third Frontier Commission and shall 1697
have obtained approval from the Controlling Board. 1698

Section 4. That existing Sections 38 and 38.20 of Am. Sub. 1699
H.B. 95 of the 125th General Assembly are hereby repealed. 1700

Section 5. Notwithstanding division (A) of section 169.05 of 1701
the Revised Code, upon the request of the Director of Budget and 1702
Management, the Director of Commerce, prior to June 30, 2005, 1703
shall transfer to the Job Development Initiatives Fund (Fund 5AD) 1704
up to \$25,800,000 of the unclaimed funds that have been reported 1705
by the holders of unclaimed funds as provided by section 169.05 of 1706
the Revised Code, irrespective of the allocation of the unclaimed 1707
funds under that section. 1708

Section 6. (A) Sections 5709.91, 5709.911, and 5709.912 of 1709
the Revised Code, as enacted by this act, apply to applications 1710
for exemption that are pending on, or are filed on or after, the 1711
effective date of this section. 1712

(B) Any application for exemption under section 725.02, 1713
1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code 1714
that was approved prior to the effective date of this section 1715
shall be considered to have been granted subject to the 1716
limitations set forth in division (A) of section 5709.911 of the 1717
Revised Code, as enacted by this act. These applications may, but 1718
are not required to, be re-filed with the tax commissioner within 1719
ninety days after the effective date of this section, although the 1720
failure to re-file an application does not affect the continuing 1721
validity of the exemption. Upon receipt of any such application, 1722
the tax commissioner shall expeditiously approve the application 1723
in accordance with sections 5709.91, 5709.911, and 5709.912 of the 1724

Revised Code, as enacted by this act. The tax commissioner's 1725
review of these applications shall be ministerial and shall have 1726
the same effect and effective date as the original approval, 1727
subject to divisions (A)(2), (B), (C), and (D) of section 5709.911 1728
of the Revised Code, as enacted by this act. 1729

If an application for exemption under section 725.02, 1730
1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code 1731
was filed by the owner of the property and approved prior to the 1732
effective date of this section, the municipal corporation, 1733
township, county, or current owner of the property may file the 1734
notice described in division (C) of section 5709.911 of the 1735
Revised Code, as enacted by this act. Upon filing of the notice 1736
with the county recorder, the property remains liable for any 1737
service payments or service charges required by the exemption 1738
until the terms of the exemption have been satisfied, unless the 1739
municipal corporation, township, or county consents to a 1740
subsequent exemption and relinquishes its right to collect the 1741
service payments or service charges as provided in division (B)(1) 1742
of section 5709.911 of the Revised Code, as enacted by this act. 1743

Section 7. (A) Until June 30, 2005, a single county shall be 1744
designated a local area for purposes of Chapter 6301. of the 1745
Revised Code if the county satisfies all of the following 1746
criteria: 1747

(1) The board of county commissioners requests designation as 1748
a local area under Chapter 6301. of the Revised Code. 1749

(2) The county has a minimum population of one hundred 1750
seventy-five thousand, based on the most recent decennial census. 1751

(3) Prior to the effective date of this section, the county 1752
had not entered into partnership with another political 1753
subdivision for the purpose of being designated a local area under 1754
Chapter 6301. of the Revised Code. 1755

(B) The Department of Job and Family Services and the State Workforce Policy Board shall make adjustments as necessary in order to effectuate the provisions of this section.

Section 8. (A) The Governor is hereby authorized to execute a deed in the name of the state, conveying to the Board of County Commissioners of Hamilton County and its successors and assigns all of the state's right, title, and interest in the following described real estate:

1916 Central Parkway, Cincinnati, Ohio.

(B) Consideration for the conveyance of the real estate described in division (A) of this section is the purchase price of three hundred thousand dollars.

(C) Upon payment of the purchase price, the Auditor of State, with the assistance of the Attorney General, shall prepare a deed to the real estate described in division (A) of this section. The deed shall state the consideration. The deed shall be executed by the Governor in the name of the state, countersigned by the Secretary of State, sealed with the Great Seal of the State, presented in the Office of the Auditor of State for recording, and delivered to the Board of County Commissioners of Hamilton County. The Board of Commissioners of Hamilton County shall present the deed for recording in the office of the Hamilton County Recorder.

(D) Notwithstanding sections 4141.11 and 4141.31 of the Revised Code, the net proceeds of the conveyance of the real estate described in division (A) of this section shall be deposited into the state treasury to the credit of the Unemployment Compensation fund created by division (A) of section 4141.09 of the Revised Code.

(E) The Hamilton County Board of County Commissioners shall pay the costs of the conveyance of the real estate described in

division (A) of this section. 1786

(F) This section shall expire one year after its effective 1787
date. 1788

Section 9. Sections 5709.62 and 5709.63 of the Revised Code 1789
are presented in this act as a composite of those sections as 1790
amended by both Sub. H.B. 127 and Am. Sub. S.B. 82 of the 125th 1791
General Assembly. The General Assembly, applying the principle 1792
stated in division (B) of section 1.52 of the Revised Code that 1793
amendments are to be harmonized if reasonably capable of 1794
simultaneous operation, finds that the composites are the 1795
resulting versions of the sections in effect prior to the 1796
effective date of the sections as presented in this act. 1797

Section 10. This act is hereby declared to be an emergency 1798
measure necessary for the immediate preservation of the public 1799
peace, health, and safety. The reason for such necessity is that 1800
immediate action is required to promote and ensure a positive 1801
economy for the citizens of this state. Therefore this act shall 1802
go into immediate effect. 1803