

As Passed by the House

**130th General Assembly
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Sub. H. B. No. 198

Representatives Butler, Burkley

**Cosponsors: Representatives Adams, J., Boose, Brenner, Ruhl, Perales,
Henne, Anielski, Beck, Blessing, Buchy, Conditt, Terhar, Winburn
Speaker Batchelder**

—

A B I L L

To amend sections 5709.40, 5709.73, 5709.77, 5709.78, 1
and 5709.911 of the Revised Code to establish a 2
procedure by which political subdivisions 3
proposing a tax increment financing (TIF) 4
incentive district are required to provide notice 5
to the record owner of each parcel within the 6
proposed incentive district before creating the 7
district, and to permit such owners, under 8
specific conditions, to exclude their parcels from 9
the incentive district by submitting a written 10
response. 11

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

Section 1. That sections 5709.40, 5709.73, 5709.77, 5709.78, 12
and 5709.911 of the Revised Code be amended to read as follows: 13

Sec. 5709.40. (A) As used in this section: 14

(1) "Blighted area" and "impacted city" have the same 15
meanings as in section 1728.01 of the Revised Code. 16

(2) "Business day" means a day of the week excluding 17
Saturday, Sunday, and a legal holiday as defined under section 18
1.14 of the Revised Code. 19

(3) "Housing renovation" means a project carried out for 20
residential purposes. 21

(4) "Improvement" means the increase in the assessed value of 22
any real property that would first appear on the tax list and 23
duplicate of real and public utility property after the effective 24
date of an ordinance adopted under this section were it not for 25
the exemption granted by that ordinance. 26

(5) "Incentive district" means an area of not more than three 27
hundred acres in size enclosed by a continuous boundary in which a 28
project is being, or will be, undertaken and having one or more of 29
the following distress characteristics: 30

(a) At least fifty-one per cent of the residents of the 31
district have incomes of less than eighty per cent of the median 32
income of residents of the political subdivision in which the 33
district is located, as determined in the same manner specified 34
under section 119(b) of the "Housing and Community Development Act 35
of 1974," 88 Stat. 633, 42 U.S.C. 5318, as amended; 36

(b) The average rate of unemployment in the district during 37
the most recent twelve-month period for which data are available 38
is equal to at least one hundred fifty per cent of the average 39
rate of unemployment for this state for the same period. 40

(c) At least twenty per cent of the people residing in the 41
district live at or below the poverty level as defined in the 42
federal Housing and Community Development Act of 1974, 42 U.S.C. 43
5301, as amended, and regulations adopted pursuant to that act. 44

(d) The district is a blighted area. 45

(e) The district is in a situational distress area as 46

designated by the director of development services under division 47
(F) of section 122.23 of the Revised Code. 48

(f) As certified by the engineer for the political 49
subdivision, the public infrastructure serving the district is 50
inadequate to meet the development needs of the district as 51
evidenced by a written economic development plan or urban renewal 52
plan for the district that has been adopted by the legislative 53
authority of the subdivision. 54

(g) The district is comprised entirely of unimproved land 55
that is located in a distressed area as defined in section 122.23 56
of the Revised Code. 57

(6) "Overlay" means an area of not more than three hundred 58
acres that is a square, or that is a rectangle having two longer 59
sides that are not more than twice the length of the two shorter 60
sides, that the legislative authority of a municipal corporation 61
delineates on a map of a proposed incentive district. 62

(7) "Project" means development activities undertaken on one 63
or more parcels, including, but not limited to, construction, 64
expansion, and alteration of buildings or structures, demolition, 65
remediation, and site development, and any building or structure 66
that results from those activities. 67

~~(7)~~(8) "Public infrastructure improvement" includes, but is 68
not limited to, public roads and highways; water and sewer lines; 69
environmental remediation; land acquisition, including acquisition 70
in aid of industry, commerce, distribution, or research; 71
demolition, including demolition on private property when 72
determined to be necessary for economic development purposes; 73
stormwater and flood remediation projects, including such projects 74
on private property when determined to be necessary for public 75
health, safety, and welfare; the provision of gas, electric, and 76
communications service facilities; and the enhancement of public 77

waterways through improvements that allow for greater public 78
access. 79

(B) The legislative authority of a municipal corporation, by 80
ordinance, may declare improvements to certain parcels of real 81
property located in the municipal corporation to be a public 82
purpose. Improvements with respect to a parcel that is used or to 83
be used for residential purposes may be declared a public purpose 84
under this division only if the parcel is located in a blighted 85
area of an impacted city. For this purpose, "parcel that is used 86
or to be used for residential purposes" means a parcel that, as 87
improved, is used or to be used for purposes that would cause the 88
tax commissioner to classify the parcel as residential property in 89
accordance with rules adopted by the commissioner under section 90
5713.041 of the Revised Code. Except with the approval under 91
division (D) of this section of the board of education of each 92
city, local, or exempted village school district within which the 93
improvements are located, not more than seventy-five per cent of 94
an improvement thus declared to be a public purpose may be 95
exempted from real property taxation for a period of not more than 96
ten years. The ordinance shall specify the percentage of the 97
improvement to be exempted from taxation and the life of the 98
exemption. 99

An ordinance adopted or amended under this division shall 100
designate the specific public infrastructure improvements made, to 101
be made, or in the process of being made by the municipal 102
corporation that directly benefit, or that once made will directly 103
benefit, the parcels for which improvements are declared to be a 104
public purpose. The service payments provided for in section 105
5709.42 of the Revised Code shall be used to finance the public 106
infrastructure improvements designated in the ordinance, for the 107
purpose described in division (D)(1) of this section or as 108
provided in section 5709.43 of the Revised Code. 109

(C)(1) The legislative authority of a municipal corporation 110
may adopt an ordinance creating an incentive district and 111
declaring improvements to parcels within the district to be a 112
public purpose and, except as provided in division ~~(F)~~(C)(2) of 113
this section, exempt from taxation as provided in this section, 114
but no legislative authority of a municipal corporation that has a 115
population that exceeds twenty-five thousand, as shown by the most 116
recent federal decennial census, shall adopt an ordinance that 117
creates an incentive district if the sum of the taxable value of 118
real property in the proposed district for the preceding tax year 119
and the taxable value of all real property in the municipal 120
corporation that would have been taxable in the preceding year 121
were it not for the fact that the property was in an existing 122
incentive district and therefore exempt from taxation exceeds 123
twenty-five per cent of the taxable value of real property in the 124
municipal corporation for the preceding tax year. The ordinance 125
shall delineate the boundary of the proposed district and 126
specifically identify each parcel within the district. A proposed 127
district may not include any parcel that is or has been exempted 128
from taxation under division (B) of this section or that is or has 129
been within another district created under this division. An 130
ordinance may create more than one such district, and more than 131
one ordinance may be adopted under division (C)(1) of this 132
section. 133

(2)(a) Not later than thirty days prior to adopting an 134
ordinance under division (C)(1) of this section, if the municipal 135
corporation intends to apply for exemptions from taxation under 136
section 5709.911 of the Revised Code on behalf of owners of real 137
property located within the proposed incentive district, the 138
legislative authority of a the municipal corporation shall conduct 139
a public hearing on the proposed ordinance. Not later than thirty 140
days prior to the public hearing, the legislative authority shall 141
give notice of the public hearing and the proposed ordinance by 142

first class mail to every real property owner whose property is 143
located within the boundaries of the proposed incentive district 144
that is the subject of the proposed ordinance. The notice shall 145
include a map of the proposed incentive district on which the 146
legislative authority of the municipal corporation shall have 147
delineated an overlay. The notice shall inform the property owner 148
of the owner's right to exclude the owner's property from the 149
incentive district if the owner's entire parcel of property will 150
not be located within the overlay, by submitting a written 151
response in accordance with division (C)(2)(b) of this section. 152
The notice also shall include information detailing the required 153
contents of the response, the address to which the response may be 154
mailed, and the deadline for submitting the response. 155

(b) Any owner of real property located within the boundaries 156
of an incentive district proposed under division (C)(1) of this 157
section whose entire parcel of property is not located within the 158
overlay may exclude the property from the proposed incentive 159
district by submitting a written response to the legislative 160
authority of the municipal corporation not later than forty-five 161
days after the postmark date on the notice required under division 162
(C)(2)(a) of this section. The response shall be sent by first 163
class mail or delivered in person at a public hearing held by the 164
legislative authority under division (C)(2)(a) of this section. 165
The response shall conform to any content requirements that may be 166
established by the municipal corporation and included in the 167
notice provided under division (C)(2)(a) of this section. In the 168
response, property owners may identify a parcel by street address, 169
by the manner in which it is identified in the ordinance, or by 170
other means allowing the identity of the parcel to be ascertained. 171

(c) Before adopting an ordinance under division (C)(1) of 172
this section, the legislative authority of a municipal corporation 173
shall amend the ordinance to exclude any parcel for which a 174

written response has been submitted under division (C)(2)(b) of 175
this section. A municipal corporation shall not apply for 176
exemptions from taxation under section 5709.911 of the Revised 177
Code for any parcel of property for which a written response has 178
been submitted under division (C)(2)(b) of this section, and 179
service payments may not be required from the owner of the parcel. 180
Improvements to a parcel excluded from an incentive district under 181
this division may be exempted from taxation under division (B) of 182
this section pursuant to an ordinance adopted under that division 183
or under any other section of the Revised Code under which the 184
parcel qualifies. 185

(3)(a) An ordinance adopted under division (C)(1) of this 186
section shall specify the life of the incentive district and the 187
percentage of the improvements to be exempted, shall designate the 188
public infrastructure improvements made, to be made, or in the 189
process of being made, that benefit or serve, or, once made, will 190
benefit or serve parcels in the district. The ordinance also shall 191
identify one or more specific projects being, or to be, undertaken 192
in the district that place additional demand on the public 193
infrastructure improvements designated in the ordinance. The 194
project identified may, but need not be, the project under 195
division (C)(3)(b) of this section that places real property in 196
use for commercial or industrial purposes. Except as otherwise 197
permitted under that division, the service payments provided for 198
in section 5709.42 of the Revised Code shall be used to finance 199
the designated public infrastructure improvements, for the purpose 200
described in division (D)(1) ~~or~~, (E), or (F) of this section, or 201
as provided in section 5709.43 of the Revised Code. 202

An ordinance adopted under division (C)(1) of this section on 203
or after March 30, 2006, shall not designate police or fire 204
equipment as public infrastructure improvements, and no service 205
payment provided for in section 5709.42 of the Revised Code and 206

received by the municipal corporation under the ordinance shall be 207
used for police or fire equipment. 208

(b) An ordinance adopted under division (C)(1) of this 209
section may authorize the use of service payments provided for in 210
section 5709.42 of the Revised Code for the purpose of housing 211
renovations within the incentive district, provided that the 212
ordinance also designates public infrastructure improvements that 213
benefit or serve the district, and that a project within the 214
district places real property in use for commercial or industrial 215
purposes. Service payments may be used to finance or support 216
loans, deferred loans, and grants to persons for the purpose of 217
housing renovations within the district. The ordinance shall 218
designate the parcels within the district that are eligible for 219
housing renovation. The ordinance shall state separately the 220
amounts or the percentages of the expected aggregate service 221
payments that are designated for each public infrastructure 222
improvement and for the general purpose of housing renovations. 223

(4) Except with the approval of the board of education of 224
each city, local, or exempted village school district within the 225
territory of which the incentive district is or will be located, 226
and subject to division (E) of this section, the life of an 227
incentive district shall not exceed ten years, and the percentage 228
of improvements to be exempted shall not exceed seventy-five per 229
cent. With approval of the board of education, the life of a 230
district may be not more than thirty years, and the percentage of 231
improvements to be exempted may be not more than one hundred per 232
cent. The approval of a board of education shall be obtained in 233
the manner provided in division (D) of this section. 234

(D)(1) If the ordinance declaring improvements to a parcel to 235
be a public purpose or creating an incentive district specifies 236
that payments in lieu of taxes provided for in section 5709.42 of 237
the Revised Code shall be paid to the city, local, or exempted 238

village, and joint vocational school district in which the parcel 239
or incentive district is located in the amount of the taxes that 240
would have been payable to the school district if the improvements 241
had not been exempted from taxation, the percentage of the 242
improvement that may be exempted from taxation may exceed 243
seventy-five per cent, and the exemption may be granted for up to 244
thirty years, without the approval of the board of education as 245
otherwise required under division (D)(2) of this section. 246

(2) Improvements with respect to a parcel may be exempted 247
from taxation under division (B) of this section, and improvements 248
to parcels within an incentive district may be exempted from 249
taxation under division (C) of this section, for up to ten years 250
or, with the approval under this paragraph of the board of 251
education of the city, local, or exempted village school district 252
within which the parcel or district is located, for up to thirty 253
years. The percentage of the improvement exempted from taxation 254
may, with such approval, exceed seventy-five per cent, but shall 255
not exceed one hundred per cent. Not later than forty-five 256
business days prior to adopting an ordinance under this section 257
declaring improvements to be a public purpose that is subject to 258
approval by a board of education under this division, the 259
legislative authority shall deliver to the board of education a 260
notice stating its intent to adopt an ordinance making that 261
declaration. The notice regarding improvements with respect to a 262
parcel under division (B) of this section shall identify the 263
parcels for which improvements are to be exempted from taxation, 264
provide an estimate of the true value in money of the 265
improvements, specify the period for which the improvements would 266
be exempted from taxation and the percentage of the improvement 267
that would be exempted, and indicate the date on which the 268
legislative authority intends to adopt the ordinance. The notice 269
regarding improvements to parcels within an incentive district 270
under division (C) of this section shall delineate the boundaries 271

of the district, specifically identify each parcel within the 272
district, identify each anticipated improvement in the district, 273
provide an estimate of the true value in money of each such 274
improvement, specify the life of the district and the percentage 275
of improvements that would be exempted, and indicate the date on 276
which the legislative authority intends to adopt the ordinance. 277
The board of education, by resolution adopted by a majority of the 278
board, may approve the exemption for the period or for the 279
exemption percentage specified in the notice; may disapprove the 280
exemption for the number of years in excess of ten, may disapprove 281
the exemption for the percentage of the improvement to be exempted 282
in excess of seventy-five per cent, or both; or may approve the 283
exemption on the condition that the legislative authority and the 284
board negotiate an agreement providing for compensation to the 285
school district equal in value to a percentage of the amount of 286
taxes exempted in the eleventh and subsequent years of the 287
exemption period or, in the case of exemption percentages in 288
excess of seventy-five per cent, compensation equal in value to a 289
percentage of the taxes that would be payable on the portion of 290
the improvement in excess of seventy-five per cent were that 291
portion to be subject to taxation, or other mutually agreeable 292
compensation. If an agreement is negotiated between the 293
legislative authority and the board to compensate the school 294
district for all or part of the taxes exempted, including 295
agreements for payments in lieu of taxes under section 5709.42 of 296
the Revised Code, the legislative authority shall compensate the 297
joint vocational school district within which the parcel or 298
district is located at the same rate and under the same terms 299
received by the city, local, or exempted village school district. 300

(3) The board of education shall certify its resolution to 301
the legislative authority not later than fourteen days prior to 302
the date the legislative authority intends to adopt the ordinance 303
as indicated in the notice. If the board of education and the 304

legislative authority negotiate a mutually acceptable compensation 305
agreement, the ordinance may declare the improvements a public 306
purpose for the number of years specified in the ordinance or, in 307
the case of exemption percentages in excess of seventy-five per 308
cent, for the exemption percentage specified in the ordinance. In 309
either case, if the board and the legislative authority fail to 310
negotiate a mutually acceptable compensation agreement, the 311
ordinance may declare the improvements a public purpose for not 312
more than ten years, and shall not exempt more than seventy-five 313
per cent of the improvements from taxation. If the board fails to 314
certify a resolution to the legislative authority within the time 315
prescribed by this division, the legislative authority thereupon 316
may adopt the ordinance and may declare the improvements a public 317
purpose for up to thirty years, or, in the case of exemption 318
percentages proposed in excess of seventy-five per cent, for the 319
exemption percentage specified in the ordinance. The legislative 320
authority may adopt the ordinance at any time after the board of 321
education certifies its resolution approving the exemption to the 322
legislative authority, or, if the board approves the exemption on 323
the condition that a mutually acceptable compensation agreement be 324
negotiated, at any time after the compensation agreement is agreed 325
to by the board and the legislative authority. 326

(4) If a board of education has adopted a resolution waiving 327
its right to approve exemptions from taxation under this section 328
and the resolution remains in effect, approval of exemptions by 329
the board is not required under division (D) of this section. If a 330
board of education has adopted a resolution allowing a legislative 331
authority to deliver the notice required under division (D) of 332
this section fewer than forty-five business days prior to the 333
legislative authority's adoption of the ordinance, the legislative 334
authority shall deliver the notice to the board not later than the 335
number of days prior to such adoption as prescribed by the board 336
in its resolution. If a board of education adopts a resolution 337

waiving its right to approve agreements or shortening the 338
notification period, the board shall certify a copy of the 339
resolution to the legislative authority. If the board of education 340
rescinds such a resolution, it shall certify notice of the 341
rescission to the legislative authority. 342

(5) If the legislative authority is not required by division 343
(D) of this section to notify the board of education of the 344
legislative authority's intent to declare improvements to be a 345
public purpose, the legislative authority shall comply with the 346
notice requirements imposed under section 5709.83 of the Revised 347
Code, unless the board has adopted a resolution under that section 348
waiving its right to receive such a notice. 349

(E)(1) If a proposed ordinance under division (C)(1) of this 350
section exempts improvements with respect to a parcel within an 351
incentive district for more than ten years, or the percentage of 352
the improvement exempted from taxation exceeds seventy-five per 353
cent, not later than forty-five business days prior to adopting 354
the ordinance the legislative authority of the municipal 355
corporation shall deliver to the board of county commissioners of 356
the county within which the incentive district will be located a 357
notice that states its intent to adopt an ordinance creating an 358
incentive district. The notice shall include a copy of the 359
proposed ordinance, identify the parcels for which improvements 360
are to be exempted from taxation, provide an estimate of the true 361
value in money of the improvements, specify the period of time for 362
which the improvements would be exempted from taxation, specify 363
the percentage of the improvements that would be exempted from 364
taxation, and indicate the date on which the legislative authority 365
intends to adopt the ordinance. 366

(2) The board of county commissioners, by resolution adopted 367
by a majority of the board, may object to the exemption for the 368
number of years in excess of ten, may object to the exemption for 369

the percentage of the improvement to be exempted in excess of 370
seventy-five per cent, or both. If the board of county 371
commissioners objects, the board may negotiate a mutually 372
acceptable compensation agreement with the legislative authority. 373
In no case shall the compensation provided to the board exceed the 374
property taxes forgone due to the exemption. If the board of 375
county commissioners objects, and the board and legislative 376
authority fail to negotiate a mutually acceptable compensation 377
agreement, the ordinance adopted under division (C)(1) of this 378
section shall provide to the board compensation in the eleventh 379
and subsequent years of the exemption period equal in value to not 380
more than fifty per cent of the taxes that would be payable to the 381
county or, if the board's objection includes an objection to an 382
exemption percentage in excess of seventy-five per cent, 383
compensation equal in value to not more than fifty per cent of the 384
taxes that would be payable to the county, on the portion of the 385
improvement in excess of seventy-five per cent, were that portion 386
to be subject to taxation. The board of county commissioners shall 387
certify its resolution to the legislative authority not later than 388
thirty days after receipt of the notice. 389

(3) If the board of county commissioners does not object or 390
fails to certify its resolution objecting to an exemption within 391
thirty days after receipt of the notice, the legislative authority 392
may adopt the ordinance, and no compensation shall be provided to 393
the board of county commissioners. If the board timely certifies 394
its resolution objecting to the ordinance, the legislative 395
authority may adopt the ordinance at any time after a mutually 396
acceptable compensation agreement is agreed to by the board and 397
the legislative authority, or, if no compensation agreement is 398
negotiated, at any time after the legislative authority agrees in 399
the proposed ordinance to provide compensation to the board of 400
fifty per cent of the taxes that would be payable to the county in 401
the eleventh and subsequent years of the exemption period or on 402

the portion of the improvement in excess of seventy-five per cent, 403
were that portion to be subject to taxation. 404

(F) Service payments in lieu of taxes that are attributable 405
to any amount by which the effective tax rate of either a renewal 406
levy with an increase or a replacement levy exceeds the effective 407
tax rate of the levy renewed or replaced, or that are attributable 408
to an additional levy, for a levy authorized by the voters for any 409
of the following purposes on or after January 1, 2006, and which 410
are provided pursuant to an ordinance creating an incentive 411
district under division (C)(1) of this section that is adopted on 412
or after January 1, 2006, shall be distributed to the appropriate 413
taxing authority as required under division (C) of section 5709.42 414
of the Revised Code in an amount equal to the amount of taxes from 415
that additional levy or from the increase in the effective tax 416
rate of such renewal or replacement levy that would have been 417
payable to that taxing authority from the following levies were it 418
not for the exemption authorized under division (C) of this 419
section: 420

(1) A tax levied under division (L) of section 5705.19 or 421
section 5705.191 of the Revised Code for community mental 422
retardation and developmental disabilities programs and services 423
pursuant to Chapter 5126. of the Revised Code; 424

(2) A tax levied under division (Y) of section 5705.19 of the 425
Revised Code for providing or maintaining senior citizens services 426
or facilities; 427

(3) A tax levied under section 5705.22 of the Revised Code 428
for county hospitals; 429

(4) A tax levied by a joint-county district or by a county 430
under section 5705.19, 5705.191, or 5705.221 of the Revised Code 431
for alcohol, drug addiction, and mental health services or 432
facilities; 433

(5) A tax levied under section 5705.23 of the Revised Code	434
for library purposes;	435
(6) A tax levied under section 5705.24 of the Revised Code	436
for the support of children services and the placement and care of	437
children;	438
(7) A tax levied under division (Z) of section 5705.19 of the	439
Revised Code for the provision and maintenance of zoological park	440
services and facilities under section 307.76 of the Revised Code;	441
(8) A tax levied under section 511.27 or division (H) of	442
section 5705.19 of the Revised Code for the support of township	443
park districts;	444
(9) A tax levied under division (A), (F), or (H) of section	445
5705.19 of the Revised Code for parks and recreational purposes of	446
a joint recreation district organized pursuant to division (B) of	447
section 755.14 of the Revised Code;	448
(10) A tax levied under section 1545.20 or 1545.21 of the	449
Revised Code for park district purposes;	450
(11) A tax levied under section 5705.191 of the Revised Code	451
for the purpose of making appropriations for public assistance;	452
human or social services; public relief; public welfare; public	453
health and hospitalization; and support of general hospitals;	454
(12) A tax levied under section 3709.29 of the Revised Code	455
for a general health district program.	456
(G) An exemption from taxation granted under this section	457
commences with the tax year specified in the ordinance so long as	458
the year specified in the ordinance commences after the effective	459
date of the ordinance. If the ordinance specifies a year	460
commencing before the effective date of the resolution or	461
specifies no year whatsoever, the exemption commences with the tax	462
year in which an exempted improvement first appears on the tax	463

list and duplicate of real and public utility property and that 464
commences after the effective date of the ordinance. In lieu of 465
stating a specific year, the ordinance may provide that the 466
exemption commences in the tax year in which the value of an 467
improvement exceeds a specified amount or in which the 468
construction of one or more improvements is completed, provided 469
that such tax year commences after the effective date of the 470
ordinance. With respect to the exemption of improvements to 471
parcels under division (B) of this section, the ordinance may 472
allow for the exemption to commence in different tax years on a 473
parcel-by-parcel basis, with a separate exemption term specified 474
for each parcel. 475

Except as otherwise provided in this division, the exemption 476
ends on the date specified in the ordinance as the date the 477
improvement ceases to be a public purpose or the incentive 478
district expires, or ends on the date on which the public 479
infrastructure improvements and housing renovations are paid in 480
full from the municipal public improvement tax increment 481
equivalent fund established under division (A) of section 5709.43 482
of the Revised Code, whichever occurs first. The exemption of an 483
improvement with respect to a parcel or within an incentive 484
district may end on a later date, as specified in the ordinance, 485
if the legislative authority and the board of education of the 486
city, local, or exempted village school district within which the 487
parcel or district is located have entered into a compensation 488
agreement under section 5709.82 of the Revised Code with respect 489
to the improvement, and the board of education has approved the 490
term of the exemption under division (D)(2) of this section, but 491
in no case shall the improvement be exempted from taxation for 492
more than thirty years. Exemptions shall be claimed and allowed in 493
the same manner as in the case of other real property exemptions. 494
If an exemption status changes during a year, the procedure for 495
the apportionment of the taxes for that year is the same as in the 496

case of other changes in tax exemption status during the year. 497

(H) Additional municipal financing of public infrastructure 498
improvements and housing renovations may be provided by any 499
methods that the municipal corporation may otherwise use for 500
financing such improvements or renovations. If the municipal 501
corporation issues bonds or notes to finance the public 502
infrastructure improvements and housing renovations and pledges 503
money from the municipal public improvement tax increment 504
equivalent fund to pay the interest on and principal of the bonds 505
or notes, the bonds or notes are not subject to Chapter 133. of 506
the Revised Code. 507

(I) The municipal corporation, not later than fifteen days 508
after the adoption of an ordinance under this section, shall 509
submit to the director of development services a copy of the 510
ordinance. On or before the thirty-first day of March of each 511
year, the municipal corporation shall submit a status report to 512
the director of development services. The report shall indicate, 513
in the manner prescribed by the director, the progress of the 514
project during each year that an exemption remains in effect, 515
including a summary of the receipts from service payments in lieu 516
of taxes; expenditures of money from the funds created under 517
section 5709.43 of the Revised Code; a description of the public 518
infrastructure improvements and housing renovations financed with 519
such expenditures; and a quantitative summary of changes in 520
employment and private investment resulting from each project. 521

(J) Nothing in this section shall be construed to prohibit a 522
legislative authority from declaring to be a public purpose 523
improvements with respect to more than one parcel. 524

(K) If a parcel is located in a new community district in 525
which the new community authority imposes a community development 526
charge on the basis of rentals received from leases of real 527
property as described in division (L)(2) of section 349.01 of the 528

Revised Code, the parcel may not be exempted from taxation under 529
this section. 530

Sec. 5709.73. (A) As used in this section and section 5709.74 531
of the Revised Code: 532

(1) "Business day" means a day of the week excluding 533
Saturday, Sunday, and a legal holiday as defined in section 1.14 534
of the Revised Code. 535

(2) "Further improvements" or "improvements" means the 536
increase in the assessed value of real property that would first 537
appear on the tax list and duplicate of real and public utility 538
property after the effective date of a resolution adopted under 539
this section were it not for the exemption granted by that 540
resolution. For purposes of division (B) of this section, 541
"improvements" do not include any property used or to be used for 542
residential purposes. For this purpose, "property that is used or 543
to be used for residential purposes" means property that, as 544
improved, is used or to be used for purposes that would cause the 545
tax commissioner to classify the property as residential property 546
in accordance with rules adopted by the commissioner under section 547
5713.041 of the Revised Code. 548

(3) "Housing renovation" means a project carried out for 549
residential purposes. 550

(4) "Incentive district" has the same meaning as in section 551
5709.40 of the Revised Code, except that a blighted area is in the 552
unincorporated area of a township. 553

(5) "Overlay" has the meaning defined in section 5709.40 of 554
the Revised Code, except that the overlay is delineated by the 555
board of township trustees. 556

(6) "Project" and "public infrastructure improvement" have 557
the same meanings as in section 5709.40 of the Revised Code. 558

(B) A board of township trustees may, by unanimous vote, 559
adopt a resolution that declares to be a public purpose any public 560
infrastructure improvements made that are necessary for the 561
development of certain parcels of land located in the 562
unincorporated area of the township. Except with the approval 563
under division (D) of this section of the board of education of 564
each city, local, or exempted village school district within which 565
the improvements are located, the resolution may exempt from real 566
property taxation not more than seventy-five per cent of further 567
improvements to a parcel of land that directly benefits from the 568
public infrastructure improvements, for a period of not more than 569
ten years. The resolution shall specify the percentage of the 570
further improvements to be exempted and the life of the exemption. 571

(C)(1) A board of township trustees may adopt, by unanimous 572
vote, a resolution creating an incentive district and declaring 573
improvements to parcels within the district to be a public purpose 574
and, except as provided in division ~~(F)~~(C)(2) of this section, 575
exempt from taxation as provided in this section, but no board of 576
township trustees of a township that has a population that exceeds 577
twenty-five thousand, as shown by the most recent federal 578
decennial census, shall adopt a resolution that creates an 579
incentive district if the sum of the taxable value of real 580
property in the proposed district for the preceding tax year and 581
the taxable value of all real property in the township that would 582
have been taxable in the preceding year were it not for the fact 583
that the property was in an existing incentive district and 584
therefore exempt from taxation exceeds twenty-five per cent of the 585
taxable value of real property in the township for the preceding 586
tax year. The district shall be located within the unincorporated 587
area of the township and shall not include any territory that is 588
included within a district created under division (B) of section 589
5709.78 of the Revised Code. The resolution shall delineate the 590
boundary of the proposed district and specifically identify each 591

parcel within the district. A proposed district may not include 592
any parcel that is or has been exempted from taxation under 593
division (B) of this section or that is or has been within another 594
district created under this division. A resolution may create more 595
than one such district, and more than one resolution may be 596
adopted under division (C)(1) of this section. 597

(2)(a) Not later than thirty days prior to adopting a 598
resolution under division (C)(1) of this section, if the township 599
intends to apply for exemptions from taxation under section 600
5709.911 of the Revised Code on behalf of owners of real property 601
located within the proposed incentive district, the board shall 602
conduct a public hearing on the proposed resolution. Not later 603
than thirty days prior to the public hearing, the board shall give 604
notice of the public hearing and the proposed resolution by first 605
class mail to every real property owner whose property is located 606
within the boundaries of the proposed incentive district that is 607
the subject of the proposed resolution. The notice shall include a 608
map of the proposed incentive district on which the board of 609
township trustees shall have delineated an overlay. The notice 610
shall inform the property owner of the owner's right to exclude 611
the owner's property from the incentive district if the owner's 612
entire parcel of property will not be located within the overlay, 613
by submitting a written response in accordance with division 614
(C)(2)(b) of this section. The notice also shall include 615
information detailing the required contents of the response, the 616
address to which the response may be mailed, and the deadline for 617
submitting the response. 618

(b) Any owner of real property located within the boundaries 619
of an incentive district proposed under division (C)(1) of this 620
section whose entire parcel of property is not located within the 621
overlay may exclude the property from the proposed incentive 622
district by submitting a written response to the board not later 623

than forty-five days after the postmark date on the notice 624
required under division (C)(2)(a) of this section. The response 625
shall be sent by first class mail or delivered in person at a 626
public hearing held by the board under division (C)(2)(a) of this 627
section. The response shall conform to any content requirements 628
that may be established by the board and included in the notice 629
provided under division (C)(2)(a) of this section. In the 630
response, property owners may identify a parcel by street address, 631
by the manner in which it is identified in the resolution, or by 632
other means allowing the identity of the parcel to be ascertained. 633

(c) Before adopting a resolution under division (C)(1) of 634
this section, the board shall amend the resolution to exclude any 635
parcel for which a written response has been submitted under 636
division (C)(2)(b) of this section. A township shall not apply for 637
exemptions from taxation under section 5709.911 of the Revised 638
Code for any property for which a written response has been 639
submitted under division (C)(2)(b) of this section, and service 640
payments may not be required from the owner of the parcel. 641
Improvements to a parcel excluded from an incentive district under 642
this division may be exempted from taxation under division (B) of 643
this section pursuant to an ordinance adopted under that division 644
or under any other section of the Revised Code under which the 645
parcel qualifies. 646

(3)(a) A resolution adopted under division (C)(1) of this 647
section shall specify the life of the incentive district and the 648
percentage of the improvements to be exempted, shall designate the 649
public infrastructure improvements made, to be made, or in the 650
process of being made, that benefit or serve, or, once made, will 651
benefit or serve parcels in the district. The resolution also 652
shall identify one or more specific projects being, or to be, 653
undertaken in the district that place additional demand on the 654
public infrastructure improvements designated in the resolution. 655

The project identified may, but need not be, the project under 656
division (C)(3)(b) of this section that places real property in 657
use for commercial or industrial purposes. 658

A resolution adopted under division (C)(1) of this section on 659
or after March 30, 2006, shall not designate police or fire 660
equipment as public infrastructure improvements, and no service 661
payment provided for in section 5709.74 of the Revised Code and 662
received by the township under the resolution shall be used for 663
police or fire equipment. 664

(b) A resolution adopted under division (C)(1) of this 665
section may authorize the use of service payments provided for in 666
section 5709.74 of the Revised Code for the purpose of housing 667
renovations within the incentive district, provided that the 668
resolution also designates public infrastructure improvements that 669
benefit or serve the district, and that a project within the 670
district places real property in use for commercial or industrial 671
purposes. Service payments may be used to finance or support 672
loans, deferred loans, and grants to persons for the purpose of 673
housing renovations within the district. The resolution shall 674
designate the parcels within the district that are eligible for 675
housing renovations. The resolution shall state separately the 676
amount or the percentages of the expected aggregate service 677
payments that are designated for each public infrastructure 678
improvement and for the purpose of housing renovations. 679

(4) Except with the approval of the board of education of 680
each city, local, or exempted village school district within the 681
territory of which the incentive district is or will be located, 682
and subject to division (E) of this section, the life of an 683
incentive district shall not exceed ten years, and the percentage 684
of improvements to be exempted shall not exceed seventy-five per 685
cent. With approval of the board of education, the life of a 686
district may be not more than thirty years, and the percentage of 687

improvements to be exempted may be not more than one hundred per 688
cent. The approval of a board of education shall be obtained in 689
the manner provided in division (D) of this section. 690

(D) Improvements with respect to a parcel may be exempted 691
from taxation under division (B) of this section, and improvements 692
to parcels within an incentive district may be exempted from 693
taxation under division (C) of this section, for up to ten years 694
or, with the approval of the board of education of the city, 695
local, or exempted village school district within which the parcel 696
or district is located, for up to thirty years. The percentage of 697
the improvements exempted from taxation may, with such approval, 698
exceed seventy-five per cent, but shall not exceed one hundred per 699
cent. Not later than forty-five business days prior to adopting a 700
resolution under this section declaring improvements to be a 701
public purpose that is subject to approval by a board of education 702
under this division, the board of township trustees shall deliver 703
to the board of education a notice stating its intent to adopt a 704
resolution making that declaration. The notice regarding 705
improvements with respect to a parcel under division (B) of this 706
section shall identify the parcels for which improvements are to 707
be exempted from taxation, provide an estimate of the true value 708
in money of the improvements, specify the period for which the 709
improvements would be exempted from taxation and the percentage of 710
the improvements that would be exempted, and indicate the date on 711
which the board of township trustees intends to adopt the 712
resolution. The notice regarding improvements made under division 713
(C) of this section to parcels within an incentive district shall 714
delineate the boundaries of the district, specifically identify 715
each parcel within the district, identify each anticipated 716
improvement in the district, provide an estimate of the true value 717
in money of each such improvement, specify the life of the 718
district and the percentage of improvements that would be 719
exempted, and indicate the date on which the board of township 720

trustees intends to adopt the resolution. The board of education, 721
by resolution adopted by a majority of the board, may approve the 722
exemption for the period or for the exemption percentage specified 723
in the notice; may disapprove the exemption for the number of 724
years in excess of ten, may disapprove the exemption for the 725
percentage of the improvements to be exempted in excess of 726
seventy-five per cent, or both; or may approve the exemption on 727
the condition that the board of township trustees and the board of 728
education negotiate an agreement providing for compensation to the 729
school district equal in value to a percentage of the amount of 730
taxes exempted in the eleventh and subsequent years of the 731
exemption period or, in the case of exemption percentages in 732
excess of seventy-five per cent, compensation equal in value to a 733
percentage of the taxes that would be payable on the portion of 734
the improvements in excess of seventy-five per cent were that 735
portion to be subject to taxation, or other mutually agreeable 736
compensation. 737

The board of education shall certify its resolution to the 738
board of township trustees not later than fourteen days prior to 739
the date the board of township trustees intends to adopt the 740
resolution as indicated in the notice. If the board of education 741
and the board of township trustees negotiate a mutually acceptable 742
compensation agreement, the resolution may declare the 743
improvements a public purpose for the number of years specified in 744
the resolution or, in the case of exemption percentages in excess 745
of seventy-five per cent, for the exemption percentage specified 746
in the resolution. In either case, if the board of education and 747
the board of township trustees fail to negotiate a mutually 748
acceptable compensation agreement, the resolution may declare the 749
improvements a public purpose for not more than ten years, and 750
shall not exempt more than seventy-five per cent of the 751
improvements from taxation. If the board of education fails to 752
certify a resolution to the board of township trustees within the 753

time prescribed by this section, the board of township trustees 754
thereupon may adopt the resolution and may declare the 755
improvements a public purpose for up to thirty years or, in the 756
case of exemption percentages proposed in excess of seventy-five 757
per cent, for the exemption percentage specified in the 758
resolution. The board of township trustees may adopt the 759
resolution at any time after the board of education certifies its 760
resolution approving the exemption to the board of township 761
trustees, or, if the board of education approves the exemption on 762
the condition that a mutually acceptable compensation agreement be 763
negotiated, at any time after the compensation agreement is agreed 764
to by the board of education and the board of township trustees. 765
If a mutually acceptable compensation agreement is negotiated 766
between the board of township trustees and the board of education, 767
including agreements for payments in lieu of taxes under section 768
5709.74 of the Revised Code, the board of township trustees shall 769
compensate the joint vocational school district within which the 770
parcel or district is located at the same rate and under the same 771
terms received by the city, local, or exempted village school 772
district. 773

If a board of education has adopted a resolution waiving its 774
right to approve exemptions from taxation under this section and 775
the resolution remains in effect, approval of such exemptions by 776
the board of education is not required under division (D) of this 777
section. If a board of education has adopted a resolution allowing 778
a board of township trustees to deliver the notice required under 779
division (D) of this section fewer than forty-five business days 780
prior to adoption of the resolution by the board of township 781
trustees, the board of township trustees shall deliver the notice 782
to the board of education not later than the number of days prior 783
to the adoption as prescribed by the board of education in its 784
resolution. If a board of education adopts a resolution waiving 785
its right to approve exemptions or shortening the notification 786

period, the board of education shall certify a copy of the 787
resolution to the board of township trustees. If the board of 788
education rescinds the resolution, it shall certify notice of the 789
rescission to the board of township trustees. 790

If the board of township trustees is not required by division 791
(D) of this section to notify the board of education of the board 792
of township trustees' intent to declare improvements to be a 793
public purpose, the board of township trustees shall comply with 794
the notice requirements imposed under section 5709.83 of the 795
Revised Code before taking formal action to adopt the resolution 796
making that declaration, unless the board of education has adopted 797
a resolution under that section waiving its right to receive the 798
notice. 799

(E)(1) If a proposed resolution under division (C)(1) of this 800
section exempts improvements with respect to a parcel within an 801
incentive district for more than ten years, or the percentage of 802
the improvement exempted from taxation exceeds seventy-five per 803
cent, not later than forty-five business days prior to adopting 804
the resolution the board of township trustees shall deliver to the 805
board of county commissioners of the county within which the 806
incentive district is or will be located a notice that states its 807
intent to adopt a resolution creating an incentive district. The 808
notice shall include a copy of the proposed resolution, identify 809
the parcels for which improvements are to be exempted from 810
taxation, provide an estimate of the true value in money of the 811
improvements, specify the period of time for which the 812
improvements would be exempted from taxation, specify the 813
percentage of the improvements that would be exempted from 814
taxation, and indicate the date on which the board of township 815
trustees intends to adopt the resolution. 816

(2) The board of county commissioners, by resolution adopted 817
by a majority of the board, may object to the exemption for the 818

number of years in excess of ten, may object to the exemption for 819
the percentage of the improvement to be exempted in excess of 820
seventy-five per cent, or both. If the board of county 821
commissioners objects, the board may negotiate a mutually 822
acceptable compensation agreement with the board of township 823
trustees. In no case shall the compensation provided to the board 824
of county commissioners exceed the property taxes foregone due to 825
the exemption. If the board of county commissioners objects, and 826
the board of county commissioners and board of township trustees 827
fail to negotiate a mutually acceptable compensation agreement, 828
the resolution adopted under division (C)(1) of this section shall 829
provide to the board of county commissioners compensation in the 830
eleventh and subsequent years of the exemption period equal in 831
value to not more than fifty per cent of the taxes that would be 832
payable to the county or, if the board of county commissioner's 833
objection includes an objection to an exemption percentage in 834
excess of seventy-five per cent, compensation equal in value to 835
not more than fifty per cent of the taxes that would be payable to 836
the county, on the portion of the improvement in excess of 837
seventy-five per cent, were that portion to be subject to 838
taxation. The board of county commissioners shall certify its 839
resolution to the board of township trustees not later than thirty 840
days after receipt of the notice. 841

(3) If the board of county commissioners does not object or 842
fails to certify its resolution objecting to an exemption within 843
thirty days after receipt of the notice, the board of township 844
trustees may adopt its resolution, and no compensation shall be 845
provided to the board of county commissioners. If the board of 846
county commissioners timely certifies its resolution objecting to 847
the trustees' resolution, the board of township trustees may adopt 848
its resolution at any time after a mutually acceptable 849
compensation agreement is agreed to by the board of county 850
commissioners and the board of township trustees, or, if no 851

compensation agreement is negotiated, at any time after the board 852
of township trustees agrees in the proposed resolution to provide 853
compensation to the board of county commissioners of fifty per 854
cent of the taxes that would be payable to the county in the 855
eleventh and subsequent years of the exemption period or on the 856
portion of the improvement in excess of seventy-five per cent, 857
were that portion to be subject to taxation. 858

(F) Service payments in lieu of taxes that are attributable 859
to any amount by which the effective tax rate of either a renewal 860
levy with an increase or a replacement levy exceeds the effective 861
tax rate of the levy renewed or replaced, or that are attributable 862
to an additional levy, for a levy authorized by the voters for any 863
of the following purposes on or after January 1, 2006, and which 864
are provided pursuant to a resolution creating an incentive 865
district under division (C)(1) of this section that is adopted on 866
or after January 1, 2006, shall be distributed to the appropriate 867
taxing authority as required under division (C) of section 5709.74 868
of the Revised Code in an amount equal to the amount of taxes from 869
that additional levy or from the increase in the effective tax 870
rate of such renewal or replacement levy that would have been 871
payable to that taxing authority from the following levies were it 872
not for the exemption authorized under division (C) of this 873
section: 874

(1) A tax levied under division (L) of section 5705.19 or 875
section 5705.191 of the Revised Code for community mental 876
retardation and developmental disabilities programs and services 877
pursuant to Chapter 5126. of the Revised Code; 878

(2) A tax levied under division (Y) of section 5705.19 of the 879
Revised Code for providing or maintaining senior citizens services 880
or facilities; 881

(3) A tax levied under section 5705.22 of the Revised Code 882
for county hospitals; 883

(4) A tax levied by a joint-county district or by a county	884
under section 5705.19, 5705.191, or 5705.221 of the Revised Code	885
for alcohol, drug addiction, and mental health services or	886
families;	887
(5) A tax levied under section 5705.23 of the Revised Code	888
for library purposes;	889
(6) A tax levied under section 5705.24 of the Revised Code	890
for the support of children services and the placement and care of	891
children;	892
(7) A tax levied under division (Z) of section 5705.19 of the	893
Revised Code for the provision and maintenance of zoological park	894
services and facilities under section 307.76 of the Revised Code;	895
(8) A tax levied under section 511.27 or division (H) of	896
section 5705.19 of the Revised Code for the support of township	897
park districts;	898
(9) A tax levied under division (A), (F), or (H) of section	899
5705.19 of the Revised Code for parks and recreational purposes of	900
a joint recreation district organized pursuant to division (B) of	901
section 755.14 of the Revised Code;	902
(10) A tax levied under section 1545.20 or 1545.21 of the	903
Revised Code for park district purposes;	904
(11) A tax levied under section 5705.191 of the Revised Code	905
for the purpose of making appropriations for public assistance;	906
human or social services; public relief; public welfare; public	907
health and hospitalization; and support of general hospitals;	908
(12) A tax levied under section 3709.29 of the Revised Code	909
for a general health district program.	910
(G) An exemption from taxation granted under this section	911
commences with the tax year specified in the resolution so long as	912
the year specified in the resolution commences after the effective	913

date of the resolution. If the resolution specifies a year 914
commencing before the effective date of the resolution or 915
specifies no year whatsoever, the exemption commences with the tax 916
year in which an exempted improvement first appears on the tax 917
list and duplicate of real and public utility property and that 918
commences after the effective date of the resolution. In lieu of 919
stating a specific year, the resolution may provide that the 920
exemption commences in the tax year in which the value of an 921
improvement exceeds a specified amount or in which the 922
construction of one or more improvements is completed, provided 923
that such tax year commences after the effective date of the 924
resolution. With respect to the exemption of improvements to 925
parcels under division (B) of this section, the resolution may 926
allow for the exemption to commence in different tax years on a 927
parcel-by-parcel basis, with a separate exemption term specified 928
for each parcel. 929

Except as otherwise provided in this division, the exemption 930
ends on the date specified in the resolution as the date the 931
improvement ceases to be a public purpose or the incentive 932
district expires, or ends on the date on which the public 933
infrastructure improvements and housing renovations are paid in 934
full from the township public improvement tax increment equivalent 935
fund established under section 5709.75 of the Revised Code, 936
whichever occurs first. The exemption of an improvement with 937
respect to a parcel or within an incentive district may end on a 938
later date, as specified in the resolution, if the board of 939
township trustees and the board of education of the city, local, 940
or exempted village school district within which the parcel or 941
district is located have entered into a compensation agreement 942
under section 5709.82 of the Revised Code with respect to the 943
improvement and the board of education has approved the term of 944
the exemption under division (D) of this section, but in no case 945
shall the improvement be exempted from taxation for more than 946

thirty years. The board of township trustees may, by majority 947
vote, adopt a resolution permitting the township to enter into 948
such agreements as the board finds necessary or appropriate to 949
provide for the construction or undertaking of public 950
infrastructure improvements and housing renovations. Any exemption 951
shall be claimed and allowed in the same or a similar manner as in 952
the case of other real property exemptions. If an exemption status 953
changes during a tax year, the procedure for the apportionment of 954
the taxes for that year is the same as in the case of other 955
changes in tax exemption status during the year. 956

(H) The board of township trustees may issue the notes of the 957
township to finance all costs pertaining to the construction or 958
undertaking of public infrastructure improvements and housing 959
renovations made pursuant to this section. The notes shall be 960
signed by the board and attested by the signature of the township 961
fiscal officer, shall bear interest not to exceed the rate 962
provided in section 9.95 of the Revised Code, and are not subject 963
to Chapter 133. of the Revised Code. The resolution authorizing 964
the issuance of the notes shall pledge the funds of the township 965
public improvement tax increment equivalent fund established 966
pursuant to section 5709.75 of the Revised Code to pay the 967
interest on and principal of the notes. The notes, which may 968
contain a clause permitting prepayment at the option of the board, 969
shall be offered for sale on the open market or given to the 970
vendor or contractor if no sale is made. 971

(I) The township, not later than fifteen days after the 972
adoption of a resolution under this section, shall submit to the 973
director of development services a copy of the resolution. On or 974
before the thirty-first day of March of each year, the township 975
shall submit a status report to the director of development 976
services. The report shall indicate, in the manner prescribed by 977
the director, the progress of the project during each year that 978

the exemption remains in effect, including a summary of the 979
receipts from service payments in lieu of taxes; expenditures of 980
money from the fund created under section 5709.75 of the Revised 981
Code; a description of the public infrastructure improvements and 982
housing renovations financed with the expenditures; and a 983
quantitative summary of changes in private investment resulting 984
from each project. 985

(J) Nothing in this section shall be construed to prohibit a 986
board of township trustees from declaring to be a public purpose 987
improvements with respect to more than one parcel. 988

If a parcel is located in a new community district in which 989
the new community authority imposes a community development charge 990
on the basis of rentals received from leases of real property as 991
described in division (L)(2) of section 349.01 of the Revised 992
Code, the parcel may not be exempted from taxation under this 993
section. 994

(K) A board of township trustees that adopted a resolution 995
under this section prior to July 21, 1994, may amend that 996
resolution to include any additional public infrastructure 997
improvement. A board of township trustees that seeks by the 998
amendment to utilize money from its township public improvement 999
tax increment equivalent fund for land acquisition in aid of 1000
industry, commerce, distribution, or research, demolition on 1001
private property, or stormwater and flood remediation projects may 1002
do so provided that the board currently is a party to a 1003
hold-harmless agreement with the board of education of the city, 1004
local, or exempted village school district within the territory of 1005
which are located the parcels that are subject to an exemption. 1006
For the purposes of this division, a "hold-harmless agreement" 1007
means an agreement under which the board of township trustees 1008
agrees to compensate the school district for one hundred per cent 1009
of the tax revenue that the school district would have received 1010

from further improvements to parcels designated in the resolution 1011
were it not for the exemption granted by the resolution. 1012

Sec. 5709.77. As used in sections 5709.77 to 5709.81 of the 1013
Revised Code: 1014

(A) "Business day" means a day of the week excluding 1015
Saturday, Sunday, and a legal holiday as defined in section 1.14 1016
of the Revised Code. 1017

(B) "Fund" means to provide for the payment of the debt 1018
service on and the expenses relating to an outstanding obligation 1019
of the county. 1020

(C) "Housing renovation" means a project carried out for 1021
residential purposes. 1022

(D) "Improvement" means the increase in the assessed value of 1023
real property that would first appear on the tax list and 1024
duplicate of real and public utility property after the effective 1025
date of a resolution adopted under section 5709.78 of the Revised 1026
Code were it not for the exemption granted by that resolution. For 1027
purposes of division (A) of section 5709.78 of the Revised Code, 1028
"improvement" does not include any property used or to be used for 1029
residential purposes. For this purpose, "property that is used or 1030
to be used for residential purposes" means property that, as 1031
improved, is used or to be used for purposes that would cause the 1032
tax commissioner to classify the property as residential property 1033
in accordance with rules adopted by the commissioner under section 1034
5713.041 of the Revised Code. 1035

(E) "Incentive district" has the same meaning as in section 1036
5709.40 of the Revised Code, except that a blighted area is in the 1037
unincorporated territory of a county. 1038

(F) "Refund" means to fund and retire an outstanding 1039
obligation of the county. 1040

(G) "Overlay" has the meaning defined in section 5709.40 of 1041
the Revised Code, except that the overlay is delineated by the 1042
board of county commissioners. 1043

(H) "Project" and "public infrastructure improvement" have 1044
the same meanings as in section 5709.40 of the Revised Code. 1045

Sec. 5709.78. (A) A board of county commissioners may, by 1046
resolution, declare improvements to certain parcels of real 1047
property located in the unincorporated territory of the county to 1048
be a public purpose. Except with the approval under division (C) 1049
of this section of the board of education of each city, local, or 1050
exempted village school district within which the improvements are 1051
located, not more than seventy-five per cent of an improvement 1052
thus declared to be a public purpose may be exempted from real 1053
property taxation, for a period of not more than ten years. The 1054
resolution shall specify the percentage of the improvement to be 1055
exempted and the life of the exemption. 1056

A resolution adopted under this division shall designate the 1057
specific public infrastructure improvements made, to be made, or 1058
in the process of being made by the county that directly benefit, 1059
or that once made will directly benefit, the parcels for which 1060
improvements are declared to be a public purpose. The service 1061
payments provided for in section 5709.79 of the Revised Code shall 1062
be used to finance the public infrastructure improvements 1063
designated in the resolution, or as provided in section 5709.80 of 1064
the Revised Code. 1065

(B)(1) A board of county commissioners may adopt a resolution 1066
creating an incentive district and declaring improvements to 1067
parcels within the district to be a public purpose and, except as 1068
provided in division ~~(E)~~(B)(2) of this section, exempt from 1069
taxation as provided in this section, but no board of county 1070
commissioners of a county that has a population that exceeds 1071

twenty-five thousand, as shown by the most recent federal 1072
decennial census, shall adopt a resolution that creates an 1073
incentive district if the sum of the taxable value of real 1074
property in the proposed district for the preceding tax year and 1075
the taxable value of all real property in the county that would 1076
have been taxable in the preceding year were it not for the fact 1077
that the property was in an existing incentive district and 1078
therefore exempt from taxation exceeds twenty-five per cent of the 1079
taxable value of real property in the county for the preceding tax 1080
year. The district shall be located within the unincorporated 1081
territory of the county and shall not include any territory that 1082
is included within a district created under division (C) of 1083
section 5709.73 of the Revised Code. The resolution shall 1084
delineate the boundary of the proposed district and specifically 1085
identify each parcel within the district. A proposed district may 1086
not include any parcel that is or has been exempted from taxation 1087
under division (A) of this section or that is or has been within 1088
another district created under this division. A resolution may 1089
create more than one such district, and more than one resolution 1090
may be adopted under division (B)(1) of this section. 1091

(2)(a) Not later than thirty days prior to adopting a 1092
resolution under division (B)(1) of this section, if the county 1093
intends to apply for exemptions from taxation under section 1094
5709.911 of the Revised Code on behalf of owners of real property 1095
located within the proposed incentive district, the board of 1096
county commissioners shall conduct a public hearing on the 1097
proposed resolution. Not later than thirty days prior to the 1098
public hearing, the board shall give notice of the public hearing 1099
and the proposed resolution by first class mail to every real 1100
property owner whose property is located within the boundaries of 1101
the proposed incentive district that is the subject of the 1102
proposed resolution. The board also shall provide the notice by 1103
first class mail to the clerk of each township in which the 1104

proposed incentive district will be located. The notice shall 1105
include a map of the proposed incentive district on which the 1106
board of county commissioners shall have delineated an overlay. 1107
The notice shall inform property owners of the owner's right to 1108
exclude the owner's property from the incentive district if the 1109
owner's entire parcel of property will not be located within the 1110
overlay, by submitting a written response in accordance with 1111
division (B)(2)(b) of this section. The notice also shall include 1112
information detailing the required contents of the response, the 1113
address to which the response may be mailed, and the deadline for 1114
submitting the response. 1115

(b) Any owner of real property located within the boundaries 1116
of an incentive district proposed under division (B)(1) of this 1117
section whose entire parcel of property is not located within the 1118
overlay may exclude the property from the proposed incentive 1119
district by submitting a written response to the board not later 1120
than forty-five days after the postmark date on the notice 1121
required under division (B)(2)(a) of this section. The response 1122
shall be sent by first class mail or delivered in person at a 1123
public hearing held by the board under division (B)(2)(a) of this 1124
section. The response shall conform to any content requirements 1125
that may be established by the board and included in the notice 1126
provided under division (B)(2)(a) of this section. In the 1127
response, property owners may identify a parcel by street address, 1128
by the manner in which it is identified in the resolution, or by 1129
other means allowing the identity of the parcel to be ascertained. 1130

(c) Before adopting a resolution under division (B)(1) of 1131
this section, the board shall amend the resolution to exclude any 1132
parcel for which a written response has been submitted under 1133
division (B)(2)(b) of this section. A county shall not apply for 1134
exemptions from taxation under section 5709.911 of the Revised 1135
Code for any property for which a written response has been 1136

submitted under division (B)(2)(b) of this section, and service 1137
payments may not be required from the owner of the parcel. 1138
Improvements to a parcel excluded from an incentive district under 1139
this division may be exempted from taxation under division (A) of 1140
this section pursuant to an ordinance adopted under that division 1141
or under any other section of the Revised Code under which the 1142
parcel qualifies. 1143

(3)(a) A resolution adopted under division (B)(1) of this 1144
section shall specify the life of the incentive district and the 1145
percentage of the improvements to be exempted, shall designate the 1146
public infrastructure improvements made, to be made, or in the 1147
process of being made, that benefit or serve, or, once made, will 1148
benefit or serve parcels in the district. The resolution also 1149
shall identify one or more specific projects being, or to be, 1150
undertaken in the district that place additional demand on the 1151
public infrastructure improvements designated in the resolution. 1152
The project identified may, but need not be, the project under 1153
division (B)(3)(b) of this section that places real property in 1154
use for commercial or industrial purposes. 1155

A resolution adopted under division (B)(1) of this section on 1156
or after March 30, 2006, shall not designate police or fire 1157
equipment as public infrastructure improvements, and no service 1158
payment provided for in section 5709.79 of the Revised Code and 1159
received by the county under the resolution shall be used for 1160
police or fire equipment. 1161

(b) A resolution adopted under division (B)(1) of this 1162
section may authorize the use of service payments provided for in 1163
section 5709.79 of the Revised Code for the purpose of housing 1164
renovations within the incentive district, provided that the 1165
resolution also designates public infrastructure improvements that 1166
benefit or serve the district, and that a project within the 1167
district places real property in use for commercial or industrial 1168

purposes. Service payments may be used to finance or support 1169
loans, deferred loans, and grants to persons for the purpose of 1170
housing renovations within the district. The resolution shall 1171
designate the parcels within the district that are eligible for 1172
housing renovations. The resolution shall state separately the 1173
amount or the percentages of the expected aggregate service 1174
payments that are designated for each public infrastructure 1175
improvement and for the purpose of housing renovations. 1176

(4) Except with the approval of the board of education of 1177
each city, local, or exempted village school district within the 1178
territory of which the incentive district is or will be located, 1179
and subject to division (D) of this section, the life of an 1180
incentive district shall not exceed ten years, and the percentage 1181
of improvements to be exempted shall not exceed seventy-five per 1182
cent. With approval of the board of education, the life of a 1183
district may be not more than thirty years, and the percentage of 1184
improvements to be exempted may be not more than one hundred per 1185
cent. The approval of a board of education shall be obtained in 1186
the manner provided in division (C) of this section. 1187

(C)(1) Improvements with respect to a parcel may be exempted 1188
from taxation under division (A) of this section, and improvements 1189
to parcels within an incentive district may be exempted from 1190
taxation under division (B) of this section, for up to ten years 1191
or, with the approval of the board of education of each city, 1192
local, or exempted village school district within which the parcel 1193
or district is located, for up to thirty years. The percentage of 1194
the improvements exempted from taxation may, with such approval, 1195
exceed seventy-five per cent, but shall not exceed one hundred per 1196
cent. Not later than forty-five business days prior to adopting a 1197
resolution under this section declaring improvements to be a 1198
public purpose that is subject to the approval of a board of 1199
education under this division, the board of county commissioners 1200

shall deliver to the board of education a notice stating its 1201
intent to adopt a resolution making that declaration. The notice 1202
regarding improvements with respect to a parcel under division (A) 1203
of this section shall identify the parcels for which improvements 1204
are to be exempted from taxation, provide an estimate of the true 1205
value in money of the improvements, specify the period for which 1206
the improvements would be exempted from taxation and the 1207
percentage of the improvements that would be exempted, and 1208
indicate the date on which the board of county commissioners 1209
intends to adopt the resolution. The notice regarding improvements 1210
to parcels within an incentive district under division (B) of this 1211
section shall delineate the boundaries of the district, 1212
specifically identify each parcel within the district, identify 1213
each anticipated improvement in the district, provide an estimate 1214
of the true value in money of each such improvement, specify the 1215
life of the district and the percentage of improvements that would 1216
be exempted, and indicate the date on which the board of county 1217
commissioners intends to adopt the resolution. The board of 1218
education, by resolution adopted by a majority of the board, may 1219
approve the exemption for the period or for the exemption 1220
percentage specified in the notice; may disapprove the exemption 1221
for the number of years in excess of ten, may disapprove the 1222
exemption for the percentage of the improvements to be exempted in 1223
excess of seventy-five per cent, or both; or may approve the 1224
exemption on the condition that the board of county commissioners 1225
and the board of education negotiate an agreement providing for 1226
compensation to the school district equal in value to a percentage 1227
of the amount of taxes exempted in the eleventh and subsequent 1228
years of the exemption period or, in the case of exemption 1229
percentages in excess of seventy-five per cent, compensation equal 1230
in value to a percentage of the taxes that would be payable on the 1231
portion of the improvements in excess of seventy-five per cent 1232
were that portion to be subject to taxation, or other mutually 1233

agreeable compensation. 1234

(2) The board of education shall certify its resolution to 1235
the board of county commissioners not later than fourteen days 1236
prior to the date the board of county commissioners intends to 1237
adopt its resolution as indicated in the notice. If the board of 1238
education and the board of county commissioners negotiate a 1239
mutually acceptable compensation agreement, the resolution of the 1240
board of county commissioners may declare the improvements a 1241
public purpose for the number of years specified in that 1242
resolution or, in the case of exemption percentages in excess of 1243
seventy-five per cent, for the exemption percentage specified in 1244
the resolution. In either case, if the board of education and the 1245
board of county commissioners fail to negotiate a mutually 1246
acceptable compensation agreement, the resolution may declare the 1247
improvements a public purpose for not more than ten years, and 1248
shall not exempt more than seventy-five per cent of the 1249
improvements from taxation. If the board of education fails to 1250
certify a resolution to the board of county commissioners within 1251
the time prescribed by this section, the board of county 1252
commissioners thereupon may adopt the resolution and may declare 1253
the improvements a public purpose for up to thirty years or, in 1254
the case of exemption percentages proposed in excess of 1255
seventy-five per cent, for the exemption percentage specified in 1256
the resolution. The board of county commissioners may adopt the 1257
resolution at any time after the board of education certifies its 1258
resolution approving the exemption to the board of county 1259
commissioners, or, if the board of education approves the 1260
exemption on the condition that a mutually acceptable compensation 1261
agreement be negotiated, at any time after the compensation 1262
agreement is agreed to by the board of education and the board of 1263
county commissioners. If a mutually acceptable compensation 1264
agreement is negotiated between the board of county commissioners 1265
and the board of education, including agreements for payments in 1266

lieu of taxes under section 5709.79 of the Revised Code, the board 1267
of county commissioners shall compensate the joint vocational 1268
school district within which the parcel or district is located at 1269
the same rate and under the same terms received by the city, 1270
local, or exempted village school district. 1271

(3) If a board of education has adopted a resolution waiving 1272
its right to approve exemptions from taxation under this section 1273
and the resolution remains in effect, approval of such exemptions 1274
by the board of education is not required under division (C) of 1275
this section. If a board of education has adopted a resolution 1276
allowing a board of county commissioners to deliver the notice 1277
required under division (C) of this section fewer than forty-five 1278
business days prior to approval of the resolution by the board of 1279
county commissioners, the board of county commissioners shall 1280
deliver the notice to the board of education not later than the 1281
number of days prior to such approval as prescribed by the board 1282
of education in its resolution. If a board of education adopts a 1283
resolution waiving its right to approve exemptions or shortening 1284
the notification period, the board of education shall certify a 1285
copy of the resolution to the board of county commissioners. If 1286
the board of education rescinds such a resolution, it shall 1287
certify notice of the rescission to the board of county 1288
commissioners. 1289

(D)(1) If a proposed resolution under division (B)(1) of this 1290
section exempts improvements with respect to a parcel within an 1291
incentive district for more than ten years, or the percentage of 1292
the improvement exempted from taxation exceeds seventy-five per 1293
cent, not later than forty-five business days prior to adopting 1294
the resolution the board of county commissioners shall deliver to 1295
the board of township trustees of any township within which the 1296
incentive district is or will be located a notice that states its 1297
intent to adopt a resolution creating an incentive district. The 1298

notice shall include a copy of the proposed resolution, identify 1299
the parcels for which improvements are to be exempted from 1300
taxation, provide an estimate of the true value in money of the 1301
improvements, specify the period of time for which the 1302
improvements would be exempted from taxation, specify the 1303
percentage of the improvements that would be exempted from 1304
taxation, and indicate the date on which the board intends to 1305
adopt the resolution. 1306

(2) The board of township trustees, by resolution adopted by 1307
a majority of the board, may object to the exemption for the 1308
number of years in excess of ten, may object to the exemption for 1309
the percentage of the improvement to be exempted in excess of 1310
seventy-five per cent, or both. If the board of township trustees 1311
objects, the board of township trustees may negotiate a mutually 1312
acceptable compensation agreement with the board of county 1313
commissioners. In no case shall the compensation provided to the 1314
board of township trustees exceed the property taxes forgone due 1315
to the exemption. If the board of township trustees objects, and 1316
the board of township trustees and the board of county 1317
commissioners fail to negotiate a mutually acceptable compensation 1318
agreement, the resolution adopted under division (B)(1) of this 1319
section shall provide to the board of township trustees 1320
compensation in the eleventh and subsequent years of the exemption 1321
period equal in value to not more than fifty per cent of the taxes 1322
that would be payable to the township or, if the board of township 1323
trustee's objection includes an objection to an exemption 1324
percentage in excess of seventy-five per cent, compensation equal 1325
in value to not more than fifty per cent of the taxes that would 1326
be payable to the township on the portion of the improvement in 1327
excess of seventy-five per cent, were that portion to be subject 1328
to taxation. The board of township trustees shall certify its 1329
resolution to the board of county commissioners not later than 1330
thirty days after receipt of the notice. 1331

(3) If the board of township trustees does not object or 1332
fails to certify a resolution objecting to an exemption within 1333
thirty days after receipt of the notice, the board of county 1334
commissioners may adopt its resolution, and no compensation shall 1335
be provided to the board of township trustees. If the board of 1336
township trustees certifies its resolution objecting to the 1337
commissioners' resolution, the board of county commissioners may 1338
adopt its resolution at any time after a mutually acceptable 1339
compensation agreement is agreed to by the board of county 1340
commissioners and the board of township trustees. If the board of 1341
township trustees certifies a resolution objecting to the 1342
commissioners' resolution, the board of county commissioners may 1343
adopt its resolution at any time after a mutually acceptable 1344
compensation agreement is agreed to by the board of county 1345
commissioners and the board of township trustees, or, if no 1346
compensation agreement is negotiated, at any time after the board 1347
of county commissioners in the proposed resolution to provide 1348
compensation to the board of township trustees of fifty per cent 1349
of the taxes that would be payable to the township in the eleventh 1350
and subsequent years of the exemption period or on the portion of 1351
the improvement in excess of seventy-five per cent, were that 1352
portion to be subject to taxation. 1353

(E) Service payments in lieu of taxes that are attributable 1354
to any amount by which the effective tax rate of either a renewal 1355
levy with an increase or a replacement levy exceeds the effective 1356
tax rate of the levy renewed or replaced, or that are attributable 1357
to an additional levy, for a levy authorized by the voters for any 1358
of the following purposes on or after January 1, 2006, and which 1359
are provided pursuant to a resolution creating an incentive 1360
district under division (B)(1) of this section that is adopted on 1361
or after January 1, 2006, shall be distributed to the appropriate 1362
taxing authority as required under division (D) of section 5709.79 1363
of the Revised Code in an amount equal to the amount of taxes from 1364

that additional levy or from the increase in the effective tax 1365
rate of such renewal or replacement levy that would have been 1366
payable to that taxing authority from the following levies were it 1367
not for the exemption authorized under division (B) of this 1368
section: 1369

(1) A tax levied under division (L) of section 5705.19 or 1370
section 5705.191 of the Revised Code for community mental 1371
retardation and developmental disabilities programs and services 1372
pursuant to Chapter 5126. of the Revised Code; 1373

(2) A tax levied under division (Y) of section 5705.19 of the 1374
Revised Code for providing or maintaining senior citizens services 1375
or facilities; 1376

(3) A tax levied under section 5705.22 of the Revised Code 1377
for county hospitals; 1378

(4) A tax levied by a joint-county district or by a county 1379
under section 5705.19, 5705.191, or 5705.221 of the Revised Code 1380
for alcohol, drug addiction, and mental health services or 1381
facilities; 1382

(5) A tax levied under section 5705.23 of the Revised Code 1383
for library purposes; 1384

(6) A tax levied under section 5705.24 of the Revised Code 1385
for the support of children services and the placement and care of 1386
children; 1387

(7) A tax levied under division (Z) of section 5705.19 of the 1388
Revised Code for the provision and maintenance of zoological park 1389
services and facilities under section 307.76 of the Revised Code; 1390

(8) A tax levied under section 511.27 or division (H) of 1391
section 5705.19 of the Revised Code for the support of township 1392
park districts; 1393

(9) A tax levied under division (A), (F), or (H) of section 1394

5705.19 of the Revised Code for parks and recreational purposes of 1395
a joint recreation district organized pursuant to division (B) of 1396
section 755.14 of the Revised Code; 1397

(10) A tax levied under section 1545.20 or 1545.21 of the 1398
Revised Code for park district purposes; 1399

(11) A tax levied under section 5705.191 of the Revised Code 1400
for the purpose of making appropriations for public assistance; 1401
human or social services; public relief; public welfare; public 1402
health and hospitalization; and support of general hospitals; 1403

(12) A tax levied under section 3709.29 of the Revised Code 1404
for a general health district program. 1405

(F) An exemption from taxation granted under this section 1406
commences with the tax year specified in the resolution so long as 1407
the year specified in the resolution commences after the effective 1408
date of the resolution. If the resolution specifies a year 1409
commencing before the effective date of the resolution or 1410
specifies no year whatsoever, the exemption commences with the tax 1411
year in which an exempted improvement first appears on the tax 1412
list and duplicate of real and public utility property and that 1413
commences after the effective date of the resolution. In lieu of 1414
stating a specific year, the resolution may provide that the 1415
exemption commences in the tax year in which the value of an 1416
improvement exceeds a specified amount or in which the 1417
construction of one or more improvements is completed, provided 1418
that such tax year commences after the effective date of the 1419
resolution. With respect to the exemption of improvements to 1420
parcels under division (A) of this section, the resolution may 1421
allow for the exemption to commence in different tax years on a 1422
parcel-by-parcel basis, with a separate exemption term specified 1423
for each parcel. 1424

Except as otherwise provided in this division, the exemption 1425

ends on the date specified in the resolution as the date the 1426
improvement ceases to be a public purpose or the incentive 1427
district expires, or ends on the date on which the county can no 1428
longer require annual service payments in lieu of taxes under 1429
section 5709.79 of the Revised Code, whichever occurs first. The 1430
exemption of an improvement with respect to a parcel or within an 1431
incentive district may end on a later date, as specified in the 1432
resolution, if the board of commissioners and the board of 1433
education of the city, local, or exempted village school district 1434
within which the parcel or district is located have entered into a 1435
compensation agreement under section 5709.82 of the Revised Code 1436
with respect to the improvement, and the board of education has 1437
approved the term of the exemption under division (C)(1) of this 1438
section, but in no case shall the improvement be exempted from 1439
taxation for more than thirty years. Exemptions shall be claimed 1440
and allowed in the same or a similar manner as in the case of 1441
other real property exemptions. If an exemption status changes 1442
during a tax year, the procedure for the apportionment of the 1443
taxes for that year is the same as in the case of other changes in 1444
tax exemption status during the year. 1445

(G) If the board of county commissioners is not required by 1446
this section to notify the board of education of the board of 1447
county commissioners' intent to declare improvements to be a 1448
public purpose, the board of county commissioners shall comply 1449
with the notice requirements imposed under section 5709.83 of the 1450
Revised Code before taking formal action to adopt the resolution 1451
making that declaration, unless the board of education has adopted 1452
a resolution under that section waiving its right to receive such 1453
a notice. 1454

(H) The county, not later than fifteen days after the 1455
adoption of a resolution under this section, shall submit to the 1456
director of development services a copy of the resolution. On or 1457

before the thirty-first day of March of each year, the county 1458
shall submit a status report to the director of development 1459
services. The report shall indicate, in the manner prescribed by 1460
the director, the progress of the project during each year that an 1461
exemption remains in effect, including a summary of the receipts 1462
from service payments in lieu of taxes; expenditures of money from 1463
the fund created under section 5709.80 of the Revised Code; a 1464
description of the public infrastructure improvements and housing 1465
renovations financed with such expenditures; and a quantitative 1466
summary of changes in employment and private investment resulting 1467
from each project. 1468

(I) Nothing in this section shall be construed to prohibit a 1469
board of county commissioners from declaring to be a public 1470
purpose improvements with respect to more than one parcel. 1471

(J) If a parcel is located in a new community district in 1472
which the new community authority imposes a community development 1473
charge on the basis of rentals received from leases of real 1474
property as described in division (L)(2) of section 349.01 of the 1475
Revised Code, the parcel may not be exempted from taxation under 1476
this section. 1477

Sec. 5709.911. (A)(1) A municipal corporation, township, or 1478
county that has enacted an ordinance or resolution under section 1479
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code or that 1480
has entered into an agreement referred to in section 725.02 or 1481
1728.07 of the Revised Code may file an application for exemption 1482
under those sections in the same manner as other real property tax 1483
exemptions, notwithstanding the indication in division (A) of 1484
section 5715.27 of the Revised Code that the owner of the property 1485
may file the application. An application for exemption may not be 1486
filed by a municipal corporation, township, or county for an 1487
exemption of a parcel under section 5709.40, 5709.73, or 5709.78 1488

of the Revised Code if the property owner excludes the property 1489
from such exemption as provided in that section. 1490

(2) Except as provided in division (B) of this section, if 1491
the application for exemption under section 725.02, 1728.10, 1492
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code is filed 1493
by a municipal corporation, township, or county and more than one 1494
real property tax exemption applies by law to the property or a 1495
portion of the property, both of the following apply: 1496

(a) An exemption granted under section 725.02, 1728.10, 1497
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code shall be 1498
subordinate to an exemption with respect to the property or 1499
portion of the property granted under any other provision of the 1500
Revised Code. 1501

(b) Neither service payments in lieu of taxes under section 1502
725.04, 5709.42, 5709.74, or 5709.79 of the Revised Code, nor 1503
service charges in lieu of taxes under section 1728.11 or 1728.111 1504
of the Revised Code, shall be required with respect to the 1505
property or portion of the property that is exempt from real 1506
property taxes under that other provision of the Revised Code 1507
during the effective period of the exemption. 1508

(B)(1) If the application for exemption under section 725.02, 1509
1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code 1510
is filed by the owner of the property or by a municipal 1511
corporation, township, or county with the owner's written consent 1512
attached to the application, and if more than one real property 1513
tax exemption applies by law to the property or a portion of the 1514
property, no other exemption shall be granted for the portion of 1515
the property already exempt under section 725.02, 1728.10, 1516
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code unless 1517
the municipal corporation, township, or county that enacted the 1518
authorizing ordinance or resolution for the earlier exemption 1519

provides its duly authorized written consent to the subsequent 1520
exemption by means of a duly enacted ordinance or resolution. 1521

(2) If the application for exemption under section 725.02, 1522
1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code 1523
is filed by a municipal corporation, township, or county and 1524
approved by the tax commissioner, if the owner of the property 1525
subsequently provides written consent to the exemption and the 1526
consent is filed with the tax commissioner, and if more than one 1527
real property tax exemption applies by law to the property or a 1528
portion of the property, no other exemption shall be granted for 1529
the portion of the property already exempt under section 725.02, 1530
1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code 1531
unless the municipal corporation, township, or county that enacted 1532
the authorizing ordinance or resolution for the earlier exemption 1533
provides its duly authorized written consent to the subsequent 1534
exemption by means of a duly enacted ordinance or resolution. 1535

(C)(1) After the tax commissioner has approved or partially 1536
approved an application for exemption filed by or with the consent 1537
of a property owner under the circumstances described in division 1538
(B)(1) of this section, the municipal corporation, township, 1539
county, or property owner shall file a notice with the county 1540
recorder for the county in which the property is located that 1541
clearly identifies the property and the owner of the property and 1542
states that the property, regardless of future use or ownership, 1543
remains liable for any service payments or service charges 1544
required by the exemption until the terms of the exemption have 1545
been satisfied, unless the municipal corporation, township, or 1546
county consents to the subsequent exemption and relinquishes its 1547
right to collect the service payments or service charges as 1548
provided in division (B)(1) of this section. The county recorder's 1549
office shall charge a fee of fourteen dollars to record the 1550
notice, the proceeds of which shall be retained by the county. 1551

(2) If a property owner subsequently provides written consent 1552
to an exemption under the circumstances described in division 1553
(B)(2) of this section, the municipal corporation, township, 1554
county, or property owner shall file notice with the county 1555
recorder for the county in which the property is located that 1556
clearly identifies the property and the owner of the property and 1557
states that the property, regardless of future use or ownership, 1558
remains liable for any service payments or service charges 1559
required by the exemption until the terms of the exemption have 1560
been satisfied, unless the municipal corporation, township, or 1561
county consents to the subsequent exemption and relinquishes its 1562
right to collect the service payments or service charges as 1563
provided in division (B)(2) of this section. The county recorder's 1564
office shall charge a fee of fourteen dollars to record the 1565
notice, the proceeds of which shall be retained by the county. 1566

(D) Upon filing of the notice with the county recorder, the 1567
provisions of division (B) of this section are binding on all 1568
future owners of the property or portion of the property, 1569
regardless of how the property is used. Failure to file the notice 1570
with the county recorder relieves future owners of the property 1571
from the obligation to make service payments in lieu of taxes 1572
under section 725.04, 5709.42, 5709.74, or 5709.79 of the Revised 1573
Code or service charges in lieu of taxes under section 1728.11 or 1574
1728.111 of the Revised Code, if the property or a portion of the 1575
property later qualifies for exemption under any other provision 1576
of the Revised Code. Failure to file the notice does not, however, 1577
relieve the owner of the property, at the time the application for 1578
exemption is filed, from making those payments or charges. 1579

Section 2. That existing sections 5709.40, 5709.73, 5709.77, 1580
5709.78, and 5709.911 of the Revised Code are hereby repealed. 1581