

**As Re-referred by the House Rules and Reference Committee**

**130th General Assembly**

**Regular Session**

**2013-2014**

**Am. H. B. No. 198**

**Representatives Butler, Burkley**

**Cosponsors: Representatives Adams, J., Boose, Brenner, Ruhl, Perales,**

**Henne**

**—**

**A B I L L**

To amend sections 5709.40, 5709.73, 5709.78, and 1  
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 adopting the 7  
TIF resolution, and to permit such owners to 8  
exclude their parcels from the incentive district 9  
by submitting a written response. 10

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

**Section 1.** That sections 5709.40, 5709.73, 5709.78, and 11  
5709.911 of the Revised Code be amended to read as follows: 12

**Sec. 5709.40.** (A) As used in this section: 13

(1) "Blighted area" and "impacted city" have the same 14  
meanings as in section 1728.01 of the Revised Code. 15

(2) "Business day" means a day of the week excluding 16  
Saturday, Sunday, and a legal holiday as defined under section 17  
1.14 of the Revised Code. 18

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

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

(5) "Incentive district" means an area of not more than three hundred acres in size that is a square, or that is a rectangle having two longer sides that are not more than twice the length of the two shorter sides, and that is enclosed by a continuous boundary in which a project is being, or will be, undertaken and having one or more of the following distress characteristics:

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

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

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

(d) The district is a blighted area.

(e) The district is in a situational distress area as designated by the director of development under division (F) of section 122.23 of the Revised Code.

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

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

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

(7) "Public infrastructure improvement" includes, but is not limited to, public roads and highways; water and sewer lines; environmental remediation; land acquisition, including acquisition in aid of industry, commerce, distribution, or research; demolition, including demolition on private property when determined to be necessary for economic development purposes; stormwater and flood remediation projects, including such projects on private property when determined to be necessary for public health, safety, and welfare; the provision of gas, electric, and communications service facilities; and the enhancement of public waterways through improvements that allow for greater public access.

(B) The legislative authority of a municipal corporation, by ordinance, may declare improvements to certain parcels of real property located in the municipal corporation to be a public purpose. Improvements with respect to a parcel that is used or to be used for residential purposes may be declared a public purpose under this division only if the parcel is located in a blighted

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

An ordinance adopted or amended under this division shall 96  
designate the specific public infrastructure improvements made, to 97  
be made, or in the process of being made by the municipal 98  
corporation that directly benefit, or that once made will directly 99  
benefit, the parcels for which improvements are declared to be a 100  
public purpose. The service payments provided for in section 101  
5709.42 of the Revised Code shall be used to finance the public 102  
infrastructure improvements designated in the ordinance, for the 103  
purpose described in division (D)(1) of this section or as 104  
provided in section 5709.43 of the Revised Code. 105

(C)(1) The legislative authority of a municipal corporation 106  
may adopt an ordinance creating an incentive district and 107  
declaring improvements to all of the parcels within the district 108  
to be a public purpose and, except as provided in division 109  
~~(F)~~(C)(2) of this section, exempt from taxation as provided in 110  
this section, but no legislative authority of a municipal 111  
corporation that has a population that exceeds twenty-five 112  
thousand, as shown by the most recent federal decennial census, 113

shall adopt an ordinance that creates an incentive district if the sum of the taxable value of real property in the proposed district for the preceding tax year and the taxable value of all real property in the municipal corporation that would have been taxable in the preceding year were it not for the fact that the property was in an existing incentive district and therefore exempt from taxation exceeds twenty-five per cent of the taxable value of real property in the municipal corporation for the preceding tax year. The ordinance shall delineate the boundary of the proposed district and specifically identify each parcel within the district. A proposed district may not include any parcel that is or has been exempted from taxation under division (B) of this section or that is or has been within another district created under this division. An ordinance may create more than one such district, and more than one ordinance may be adopted under division (C)(1) of this section.

(2)(a) Not later than thirty days prior to adopting an ordinance under division (C)(1) of this section, if the municipal corporation intends to apply for exemptions from taxation under section 5709.911 of the Revised Code on behalf of owners of real property located within the proposed incentive district, the legislative authority of a municipal corporation shall conduct a public hearing on the proposed ordinance. Not later than thirty days prior to the public hearing, the legislative authority shall give notice of the public hearing and the proposed ordinance by first class mail to every real property owner whose property is located within the boundaries of the proposed incentive district that is the subject of the proposed ordinance. The notice shall inform the property owner of the owner's right to exclude the owner's property from the incentive district if the owner's entire parcel of property will not be located within the boundaries of the district, by submitting a written response in accordance with division (C)(2)(b) of this section. The notice also shall include

information detailing the required contents of the response, the 147  
address to which the response may be mailed, and the deadline for 148  
submitting the response. 149

(b) Any owner of real property located within the boundaries 150  
of an incentive district proposed under division (C)(1) of this 151  
section may exclude the property from the proposed incentive 152  
district by submitting a written response to the legislative 153  
authority of the municipal corporation not later than forty-five 154  
days after the postmark date on the notice required under division 155  
(C)(2)(a) of this section. The response shall be sent by first 156  
class mail or delivered in person at a public hearing held by the 157  
legislative authority under division (C)(2)(a) of this section. 158  
The response shall conform to any content requirements that may be 159  
established by the municipal corporation and included in the 160  
notice provided under division (C)(2)(a) of this section. In the 161  
response, property owners may identify a parcel by street address, 162  
by the manner in which it is identified in the ordinance, or by 163  
other means allowing the identity of the parcel to be ascertained. 164

(c) Before adopting an ordinance under division (C)(1) of 165  
this section, the legislative authority of a municipal corporation 166  
shall amend the ordinance to exclude any parcel for which a 167  
written response has been submitted under division (C)(2)(b) of 168  
this section. A municipal corporation shall not apply for 169  
exemptions from taxation under section 5709.911 of the Revised 170  
Code for any parcel of property for which a written response has 171  
been submitted under division (C)(2)(b) of this section, and 172  
service payments may not be required from the owner of the parcel. 173  
Improvements to a parcel excluded from an incentive district under 174  
this division may be exempted from taxation under division (B) of 175  
this section pursuant to an ordinance adopted under that division 176  
or under any other section of the Revised Code under which the 177  
parcel qualifies. 178

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

An ordinance adopted under division (C)(1) of this section on or after March 30, 2006, shall not designate police or fire equipment as public infrastructure improvements, and no service payment provided for in section 5709.42 of the Revised Code and received by the municipal corporation under the ordinance shall be used for police or fire equipment.

(b) An ordinance adopted under division (C)(1) of this section may authorize the use of service payments provided for in section 5709.42 of the Revised Code for the purpose of housing renovations within the incentive district, provided that the ordinance also designates public infrastructure improvements that benefit or serve the district, and that a project within the district places real property in use for commercial or industrial purposes. Service payments may be used to finance or support loans, deferred loans, and grants to persons for the purpose of

housing renovations within the district. The ordinance shall 211  
designate the parcels within the district that are eligible for 212  
housing renovation. The ordinance shall state separately the 213  
amounts or the percentages of the expected aggregate service 214  
payments that are designated for each public infrastructure 215  
improvement and for the general purpose of housing renovations. 216

(4) Except with the approval of the board of education of 217  
each city, local, or exempted village school district within the 218  
territory of which the incentive district is or will be located, 219  
and subject to division (E) of this section, the life of an 220  
incentive district shall not exceed ten years, and the percentage 221  
of improvements to be exempted shall not exceed seventy-five per 222  
cent. With approval of the board of education, the life of a 223  
district may be not more than thirty years, and the percentage of 224  
improvements to be exempted may be not more than one hundred per 225  
cent. The approval of a board of education shall be obtained in 226  
the manner provided in division (D) of this section. 227

(D)(1) If the ordinance declaring improvements to a parcel to 228  
be a public purpose or creating an incentive district specifies 229  
that payments in lieu of taxes provided for in section 5709.42 of 230  
the Revised Code shall be paid to the city, local, or exempted 231  
village, and joint vocational school district in which the parcel 232  
or incentive district is located in the amount of the taxes that 233  
would have been payable to the school district if the improvements 234  
had not been exempted from taxation, the percentage of the 235  
improvement that may be exempted from taxation may exceed 236  
seventy-five per cent, and the exemption may be granted for up to 237  
thirty years, without the approval of the board of education as 238  
otherwise required under division (D)(2) of this section. 239

(2) Improvements with respect to a parcel may be exempted 240  
from taxation under division (B) of this section, and improvements 241  
to parcels within an incentive district may be exempted from 242



taxation under division (C) of this section, for up to ten years 243  
or, with the approval under this paragraph of the board of 244  
education of the city, local, or exempted village school district 245  
within which the parcel or district is located, for up to thirty 246  
years. The percentage of the improvement exempted from taxation 247  
may, with such approval, exceed seventy-five per cent, but shall 248  
not exceed one hundred per cent. Not later than forty-five 249  
business days prior to adopting an ordinance under this section 250  
declaring improvements to be a public purpose that is subject to 251  
approval by a board of education under this division, the 252  
legislative authority shall deliver to the board of education a 253  
notice stating its intent to adopt an ordinance making that 254  
declaration. The notice regarding improvements with respect to a 255  
parcel under division (B) of this section shall identify the 256  
parcels for which improvements are to be exempted from taxation, 257  
provide an estimate of the true value in money of the 258  
improvements, specify the period for which the improvements would 259  
be exempted from taxation and the percentage of the improvement 260  
that would be exempted, and indicate the date on which the 261  
legislative authority intends to adopt the ordinance. The notice 262  
regarding improvements to parcels within an incentive district 263  
under division (C) of this section shall delineate the boundaries 264  
of the district, specifically identify each parcel within the 265  
district, identify each anticipated improvement in the district, 266  
provide an estimate of the true value in money of each such 267  
improvement, specify the life of the district and the percentage 268  
of improvements that would be exempted, and indicate the date on 269  
which the legislative authority intends to adopt the ordinance. 270  
The board of education, by resolution adopted by a majority of the 271  
board, may approve the exemption for the period or for the 272  
exemption percentage specified in the notice; may disapprove the 273  
exemption for the number of years in excess of ten, may disapprove 274  
the exemption for the percentage of the improvement to be exempted 275

in excess of seventy-five per cent, or both; or may approve the 276  
exemption on the condition that the legislative authority and the 277  
board negotiate an agreement providing for compensation to the 278  
school district equal in value to a percentage of the amount of 279  
taxes exempted in the eleventh and subsequent years of the 280  
exemption period or, in the case of exemption percentages in 281  
excess of seventy-five per cent, compensation equal in value to a 282  
percentage of the taxes that would be payable on the portion of 283  
the improvement in excess of seventy-five per cent were that 284  
portion to be subject to taxation, or other mutually agreeable 285  
compensation. If an agreement is negotiated between the 286  
legislative authority and the board to compensate the school 287  
district for all or part of the taxes exempted, including 288  
agreements for payments in lieu of taxes under section 5709.42 of 289  
the Revised Code, the legislative authority shall compensate the 290  
joint vocational school district within which the parcel or 291  
district is located at the same rate and under the same terms 292  
received by the city, local, or exempted village school district. 293

(3) The board of education shall certify its resolution to 294  
the legislative authority not later than fourteen days prior to 295  
the date the legislative authority intends to adopt the ordinance 296  
as indicated in the notice. If the board of education and the 297  
legislative authority negotiate a mutually acceptable compensation 298  
agreement, the ordinance may declare the improvements a public 299  
purpose for the number of years specified in the ordinance or, in 300  
the case of exemption percentages in excess of seventy-five per 301  
cent, for the exemption percentage specified in the ordinance. In 302  
either case, if the board and the legislative authority fail to 303  
negotiate a mutually acceptable compensation agreement, the 304  
ordinance may declare the improvements a public purpose for not 305  
more than ten years, and shall not exempt more than seventy-five 306  
per cent of the improvements from taxation. If the board fails to 307  
certify a resolution to the legislative authority within the time 308

prescribed by this division, the legislative authority thereupon 309  
may adopt the ordinance and may declare the improvements a public 310  
purpose for up to thirty years, or, in the case of exemption 311  
percentages proposed in excess of seventy-five per cent, for the 312  
exemption percentage specified in the ordinance. The legislative 313  
authority may adopt the ordinance at any time after the board of 314  
education certifies its resolution approving the exemption to the 315  
legislative authority, or, if the board approves the exemption on 316  
the condition that a mutually acceptable compensation agreement be 317  
negotiated, at any time after the compensation agreement is agreed 318  
to by the board and the legislative authority. 319

(4) If a board of education has adopted a resolution waiving 320  
its right to approve exemptions from taxation under this section 321  
and the resolution remains in effect, approval of exemptions by 322  
the board is not required under division (D) of this section. If a 323  
board of education has adopted a resolution allowing a legislative 324  
authority to deliver the notice required under division (D) of 325  
this section fewer than forty-five business days prior to the 326  
legislative authority's adoption of the ordinance, the legislative 327  
authority shall deliver the notice to the board not later than the 328  
number of days prior to such adoption as prescribed by the board 329  
in its resolution. If a board of education adopts a resolution 330  
waiving its right to approve agreements or shortening the 331  
notification period, the board shall certify a copy of the 332  
resolution to the legislative authority. If the board of education 333  
rescinds such a resolution, it shall certify notice of the 334  
rescission to the legislative authority. 335

(5) If the legislative authority is not required by division 336  
(D) of this section to notify the board of education of the 337  
legislative authority's intent to declare improvements to be a 338  
public purpose, the legislative authority shall comply with the 339  
notice requirements imposed under section 5709.83 of the Revised 340

Code, unless the board has adopted a resolution under that section 341  
waiving its right to receive such a notice. 342

(E)(1) If a proposed ordinance under division (C)(1) of this 343  
section exempts improvements with respect to a parcel within an 344  
incentive district for more than ten years, or the percentage of 345  
the improvement exempted from taxation exceeds seventy-five per 346  
cent, not later than forty-five business days prior to adopting 347  
the ordinance the legislative authority of the municipal 348  
corporation shall deliver to the board of county commissioners of 349  
the county within which the incentive district will be located a 350  
notice that states its intent to adopt an ordinance creating an 351  
incentive district. The notice shall include a copy of the 352  
proposed ordinance, identify the parcels for which improvements 353  
are to be exempted from taxation, provide an estimate of the true 354  
value in money of the improvements, specify the period of time for 355  
which the improvements would be exempted from taxation, specify 356  
the percentage of the improvements that would be exempted from 357  
taxation, and indicate the date on which the legislative authority 358  
intends to adopt the ordinance. 359

(2) The board of county commissioners, by resolution adopted 360  
by a majority of the board, may object to the exemption for the 361  
number of years in excess of ten, may object to the exemption for 362  
the percentage of the improvement to be exempted in excess of 363  
seventy-five per cent, or both. If the board of county 364  
commissioners objects, the board may negotiate a mutually 365  
acceptable compensation agreement with the legislative authority. 366  
In no case shall the compensation provided to the board exceed the 367  
property taxes forgone due to the exemption. If the board of 368  
county commissioners objects, and the board and legislative 369  
authority fail to negotiate a mutually acceptable compensation 370  
agreement, the ordinance adopted under division (C)(1) of this 371  
section shall provide to the board compensation in the eleventh 372

and subsequent years of the exemption period equal in value to not 373  
more than fifty per cent of the taxes that would be payable to the 374  
county or, if the board's objection includes an objection to an 375  
exemption percentage in excess of seventy-five per cent, 376  
compensation equal in value to not more than fifty per cent of the 377  
taxes that would be payable to the county, on the portion of the 378  
improvement in excess of seventy-five per cent, were that portion 379  
to be subject to taxation. The board of county commissioners shall 380  
certify its resolution to the legislative authority not later than 381  
thirty days after receipt of the notice. 382

(3) If the board of county commissioners does not object or 383  
fails to certify its resolution objecting to an exemption within 384  
thirty days after receipt of the notice, the legislative authority 385  
may adopt the ordinance, and no compensation shall be provided to 386  
the board of county commissioners. If the board timely certifies 387  
its resolution objecting to the ordinance, the legislative 388  
authority may adopt the ordinance at any time after a mutually 389  
acceptable compensation agreement is agreed to by the board and 390  
the legislative authority, or, if no compensation agreement is 391  
negotiated, at any time after the legislative authority agrees in 392  
the proposed ordinance to provide compensation to the board of 393  
fifty per cent of the taxes that would be payable to the county in 394  
the eleventh and subsequent years of the exemption period or on 395  
the portion of the improvement in excess of seventy-five per cent, 396  
were that portion to be subject to taxation. 397

(F) Service payments in lieu of taxes that are attributable 398  
to any amount by which the effective tax rate of either a renewal 399  
levy with an increase or a replacement levy exceeds the effective 400  
tax rate of the levy renewed or replaced, or that are attributable 401  
to an additional levy, for a levy authorized by the voters for any 402  
of the following purposes on or after January 1, 2006, and which 403  
are provided pursuant to an ordinance creating an incentive 404

district under division (C)(1) of this section that is adopted on 405  
or after January 1, 2006, shall be distributed to the appropriate 406  
taxing authority as required under division (C) of section 5709.42 407  
of the Revised Code in an amount equal to the amount of taxes from 408  
that additional levy or from the increase in the effective tax 409  
rate of such renewal or replacement levy that would have been 410  
payable to that taxing authority from the following levies were it 411  
not for the exemption authorized under division (C) of this 412  
section: 413

(1) A tax levied under division (L) of section 5705.19 or 414  
section 5705.191 of the Revised Code for community mental 415  
retardation and developmental disabilities programs and services 416  
pursuant to Chapter 5126. of the Revised Code; 417

(2) A tax levied under division (Y) of section 5705.19 of the 418  
Revised Code for providing or maintaining senior citizens services 419  
or facilities; 420

(3) A tax levied under section 5705.22 of the Revised Code 421  
for county hospitals; 422

(4) A tax levied by a joint-county district or by a county 423  
under section 5705.19, 5705.191, or 5705.221 of the Revised Code 424  
for alcohol, drug addiction, and mental health services or 425  
facilities; 426

(5) A tax levied under section 5705.23 of the Revised Code 427  
for library purposes; 428

(6) A tax levied under section 5705.24 of the Revised Code 429  
for the support of children services and the placement and care of 430  
children; 431

(7) A tax levied under division (Z) of section 5705.19 of the 432  
Revised Code for the provision and maintenance of zoological park 433  
services and facilities under section 307.76 of the Revised Code; 434

(8) A tax levied under section 511.27 or division (H) of 435  
section 5705.19 of the Revised Code for the support of township 436  
park districts; 437

(9) A tax levied under division (A), (F), or (H) of section 438  
5705.19 of the Revised Code for parks and recreational purposes of 439  
a joint recreation district organized pursuant to division (B) of 440  
section 755.14 of the Revised Code; 441

(10) A tax levied under section 1545.20 or 1545.21 of the 442  
Revised Code for park district purposes; 443

(11) A tax levied under section 5705.191 of the Revised Code 444  
for the purpose of making appropriations for public assistance; 445  
human or social services; public relief; public welfare; public 446  
health and hospitalization; and support of general hospitals; 447

(12) A tax levied under section 3709.29 of the Revised Code 448  
for a general health district program. 449

(G) An exemption from taxation granted under this section 450  
commences with the tax year specified in the ordinance so long as 451  
the year specified in the ordinance commences after the effective 452  
date of the ordinance. If the ordinance specifies a year 453  
commencing before the effective date of the resolution or 454  
specifies no year whatsoever, the exemption commences with the tax 455  
year in which an exempted improvement first appears on the tax 456  
list and duplicate of real and public utility property and that 457  
commences after the effective date of the ordinance. Except as 458  
otherwise provided in this division, the exemption ends on the 459  
date specified in the ordinance as the date the improvement ceases 460  
to be a public purpose or the incentive district expires, or ends 461  
on the date on which the public infrastructure improvements and 462  
housing renovations are paid in full from the municipal public 463  
improvement tax increment equivalent fund established under 464  
division (A) of section 5709.43 of the Revised Code, whichever 465

occurs first. The exemption of an improvement with respect to a 466  
parcel or within an incentive district may end on a later date, as 467  
specified in the ordinance, if the legislative authority and the 468  
board of education of the city, local, or exempted village school 469  
district within which the parcel or district is located have 470  
entered into a compensation agreement under section 5709.82 of the 471  
Revised Code with respect to the improvement, and the board of 472  
education has approved the term of the exemption under division 473  
(D)(2) of this section, but in no case shall the improvement be 474  
exempted from taxation for more than thirty years. Exemptions 475  
shall be claimed and allowed in the same manner as in the case of 476  
other real property exemptions. If an exemption status changes 477  
during a year, the procedure for the apportionment of the taxes 478  
for that year is the same as in the case of other changes in tax 479  
exemption status during the year. 480

(H) Additional municipal financing of public infrastructure 481  
improvements and housing renovations may be provided by any 482  
methods that the municipal corporation may otherwise use for 483  
financing such improvements or renovations. If the municipal 484  
corporation issues bonds or notes to finance the public 485  
infrastructure improvements and housing renovations and pledges 486  
money from the municipal public improvement tax increment 487  
equivalent fund to pay the interest on and principal of the bonds 488  
or notes, the bonds or notes are not subject to Chapter 133. of 489  
the Revised Code. 490

(I) The municipal corporation, not later than fifteen days 491  
after the adoption of an ordinance under this section, shall 492  
submit to the director of development services a copy of the 493  
ordinance. On or before the thirty-first day of March of each 494  
year, the municipal corporation shall submit a status report to 495  
the director of development services. The report shall indicate, 496  
in the manner prescribed by the director, the progress of the 497



project during each year that an exemption remains in effect, 498  
including a summary of the receipts from service payments in lieu 499  
of taxes; expenditures of money from the funds created under 500  
section 5709.43 of the Revised Code; a description of the public 501  
infrastructure improvements and housing renovations financed with 502  
such expenditures; and a quantitative summary of changes in 503  
employment and private investment resulting from each project. 504

(J) Nothing in this section shall be construed to prohibit a 505  
legislative authority from declaring to be a public purpose 506  
improvements with respect to more than one parcel. 507

(K) If a parcel is located in a new community district in 508  
which the new community authority imposes a community development 509  
charge on the basis of rentals received from leases of real 510  
property as described in division (L)(2) of section 349.01 of the 511  
Revised Code, the parcel may not be exempted from taxation under 512  
this section. 513

**Sec. 5709.73.** (A) As used in this section and section 5709.74 514  
of the Revised Code: 515

(1) "Business day" means a day of the week excluding 516  
Saturday, Sunday, and a legal holiday as defined in section 1.14 517  
of the Revised Code. 518

(2) "Further improvements" or "improvements" means the 519  
increase in the assessed value of real property that would first 520  
appear on the tax list and duplicate of real and public utility 521  
property after the effective date of a resolution adopted under 522  
this section were it not for the exemption granted by that 523  
resolution. For purposes of division (B) of this section, 524  
"improvements" do not include any property used or to be used for 525  
residential purposes. For this purpose, "property that is used or 526  
to be used for residential purposes" means property that, as 527  
improved, is used or to be used for purposes that would cause the 528

tax commissioner to classify the property as residential property 529  
in accordance with rules adopted by the commissioner under section 530  
5713.041 of the Revised Code. 531

(3) "Housing renovation" means a project carried out for 532  
residential purposes. 533

(4) "Incentive district" has the same meaning as in section 534  
5709.40 of the Revised Code, except that a blighted area is in the 535  
unincorporated area of a township. 536

(5) "Project" and "public infrastructure improvement" have 537  
the same meanings as in section 5709.40 of the Revised Code. 538

(B) A board of township trustees may, by unanimous vote, 539  
adopt a resolution that declares to be a public purpose any public 540  
infrastructure improvements made that are necessary for the 541  
development of certain parcels of land located in the 542  
unincorporated area of the township. Except with the approval 543  
under division (D) of this section of the board of education of 544  
each city, local, or exempted village school district within which 545  
the improvements are located, the resolution may exempt from real 546  
property taxation not more than seventy-five per cent of further 547  
improvements to a parcel of land that directly benefits from the 548  
public infrastructure improvements, for a period of not more than 549  
ten years. The resolution shall specify the percentage of the 550  
further improvements to be exempted and the life of the exemption. 551

(C)(1) A board of township trustees may adopt, by unanimous 552  
vote, a resolution creating an incentive district and declaring 553  
improvements to all of the parcels within the district to be a 554  
public purpose and, except as provided in division ~~(F)~~(C)(2) of 555  
this section, exempt from taxation as provided in this section, 556  
but no board of township trustees of a township that has a 557  
population that exceeds twenty-five thousand, as shown by the most 558  
recent federal decennial census, shall adopt a resolution that 559

creates an incentive district if the sum of the taxable value of 560  
real property in the proposed district for the preceding tax year 561  
and the taxable value of all real property in the township that 562  
would have been taxable in the preceding year were it not for the 563  
fact that the property was in an existing incentive district and 564  
therefore exempt from taxation exceeds twenty-five per cent of the 565  
taxable value of real property in the township for the preceding 566  
tax year. The district shall be located within the unincorporated 567  
area of the township and shall not include any territory that is 568  
included within a district created under division (B) of section 569  
5709.78 of the Revised Code. The resolution shall delineate the 570  
boundary of the proposed district and specifically identify each 571  
parcel within the district. A proposed district may not include 572  
any parcel that is or has been exempted from taxation under 573  
division (B) of this section or that is or has been within another 574  
district created under this division. A resolution may create more 575  
than one such district, and more than one resolution may be 576  
adopted under division (C)(1) of this section. 577

(2)(a) Not later than thirty days prior to adopting a 578  
resolution under division (C)(1) of this section, if the township 579  
intends to apply for exemptions from taxation under section 580  
5709.911 of the Revised Code on behalf of owners of real property 581  
located within the proposed incentive district, the board shall 582  
conduct a public hearing on the proposed resolution. Not later 583  
than thirty days prior to the public hearing, the board shall give 584  
notice of the public hearing and the proposed resolution by first 585  
class mail to every real property owner whose property is located 586  
within the boundaries of the proposed incentive district that is 587  
the subject of the proposed resolution. The notice shall inform 588  
the property owner of the owner's right to exclude the owner's 589  
property from the incentive district if the owner's entire parcel 590  
of property will not be located within the boundaries of the 591  
district, by submitting a written response in accordance with 592

division (C)(2)(b) of this section. The notice also shall include 593  
information detailing the required contents of the response, the 594  
address to which the response may be mailed, and the deadline for 595  
submitting the response. 596

(b) Any owner of real property located within the boundaries 597  
of an incentive district proposed under division (C)(1) of this 598  
section may exclude the property from the proposed incentive 599  
district by submitting a written response to the board not later 600  
than forty-five days after the postmark date on the notice 601  
required under division (C)(2)(a) of this section. The response 602  
shall be sent by first class mail or delivered in person at a 603  
public hearing held by the board under division (C)(2)(a) of this 604  
section. The response shall conform to any content requirements 605  
that may be established by the board and included in the notice 606  
provided under division (C)(2)(a) of this section. In the 607  
response, property owners may identify a parcel by street address, 608  
by the manner in which it is identified in the resolution, or by 609  
other means allowing the identity of the parcel to be ascertained. 610

(c) Before adopting a resolution under division (C)(1) of 611  
this section, the board shall amend the resolution to exclude any 612  
parcel for which a written response has been submitted under 613  
division (C)(2)(b) of this section. A township shall not apply for 614  
exemptions from taxation under section 5709.911 of the Revised 615  
Code for any property for which a written response has been 616  
submitted under division (C)(2)(b) of this section, and service 617  
payments may not be required from the owner of the parcel. 618  
Improvements to a parcel excluded from an incentive district under 619  
this division may be exempted from taxation under division (B) of 620  
this section pursuant to an ordinance adopted under that division 621  
or under any other section of the Revised Code under which the 622  
parcel qualifies. 623

(3)(a) A resolution adopted under division (C)(1) of this 624

section shall specify the life of the incentive district and the 625  
percentage of the improvements to be exempted, shall designate the 626  
public infrastructure improvements made, to be made, or in the 627  
process of being made, that benefit or serve, or, once made, will 628  
benefit or serve all of the parcels in the district. The 629  
resolution also shall identify one or more specific projects 630  
being, or to be, undertaken in the district that place additional 631  
demand on the public infrastructure improvements designated in the 632  
resolution. The project identified may, but need not be, the 633  
project under division (C)(3)(b) of this section that places real 634  
property in use for commercial or industrial purposes. 635

A resolution adopted under division (C)(1) of this section on 636  
or after March 30, 2006, shall not designate police or fire 637  
equipment as public infrastructure improvements, and no service 638  
payment provided for in section 5709.74 of the Revised Code and 639  
received by the township under the resolution shall be used for 640  
police or fire equipment. 641

(b) A resolution adopted under division (C)(1) of this 642  
section may authorize the use of service payments provided for in 643  
section 5709.74 of the Revised Code for the purpose of housing 644  
renovations within the incentive district, provided that the 645  
resolution also designates public infrastructure improvements that 646  
benefit or serve the district, and that a project within the 647  
district places real property in use for commercial or industrial 648  
purposes. Service payments may be used to finance or support 649  
loans, deferred loans, and grants to persons for the purpose of 650  
housing renovations within the district. The resolution shall 651  
designate the parcels within the district that are eligible for 652  
housing renovations. The resolution shall state separately the 653  
amount or the percentages of the expected aggregate service 654  
payments that are designated for each public infrastructure 655  
improvement and for the purpose of housing renovations. 656

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

(D) Improvements with respect to a parcel may be exempted from taxation under division (B) of this section, and improvements to parcels within an incentive district may be exempted from taxation under division (C) of this section, for up to ten years or, with the approval of the board of education of the city, local, or exempted village school district within which the parcel or district is located, for up to thirty years. The percentage of the improvements exempted from taxation may, with such approval, exceed seventy-five per cent, but shall not exceed one hundred per cent. Not later than forty-five business days prior to adopting a resolution under this section declaring improvements to be a public purpose that is subject to approval by a board of education under this division, the board of township trustees shall deliver to the board of education a notice stating its intent to adopt a resolution making that declaration. The notice regarding improvements with respect to a parcel under division (B) of this section shall identify the parcels for which improvements are to be exempted from taxation, provide an estimate of the true value in money of the improvements, specify the period for which the improvements would be exempted from taxation and the percentage of the improvements that would be exempted, and indicate the date on which the board of township trustees intends to adopt the

resolution. The notice regarding improvements made under division 690  
(C) of this section to parcels within an incentive district shall 691  
delineate the boundaries of the district, specifically identify 692  
each parcel within the district, identify each anticipated 693  
improvement in the district, provide an estimate of the true value 694  
in money of each such improvement, specify the life of the 695  
district and the percentage of improvements that would be 696  
exempted, and indicate the date on which the board of township 697  
trustees intends to adopt the resolution. The board of education, 698  
by resolution adopted by a majority of the board, may approve the 699  
exemption for the period or for the exemption percentage specified 700  
in the notice; may disapprove the exemption for the number of 701  
years in excess of ten, may disapprove the exemption for the 702  
percentage of the improvements to be exempted in excess of 703  
seventy-five per cent, or both; or may approve the exemption on 704  
the condition that the board of township trustees and the board of 705  
education negotiate an agreement providing for compensation to the 706  
school district equal in value to a percentage of the amount of 707  
taxes exempted in the eleventh and subsequent years of the 708  
exemption period or, in the case of exemption percentages in 709  
excess of seventy-five per cent, compensation equal in value to a 710  
percentage of the taxes that would be payable on the portion of 711  
the improvements in excess of seventy-five per cent were that 712  
portion to be subject to taxation, or other mutually agreeable 713  
compensation. 714

The board of education shall certify its resolution to the 715  
board of township trustees not later than fourteen days prior to 716  
the date the board of township trustees intends to adopt the 717  
resolution as indicated in the notice. If the board of education 718  
and the board of township trustees negotiate a mutually acceptable 719  
compensation agreement, the resolution may declare the 720  
improvements a public purpose for the number of years specified in 721  
the resolution or, in the case of exemption percentages in excess 722

of seventy-five per cent, for the exemption percentage specified 723  
in the resolution. In either case, if the board of education and 724  
the board of township trustees fail to negotiate a mutually 725  
acceptable compensation agreement, the resolution may declare the 726  
improvements a public purpose for not more than ten years, and 727  
shall not exempt more than seventy-five per cent of the 728  
improvements from taxation. If the board of education fails to 729  
certify a resolution to the board of township trustees within the 730  
time prescribed by this section, the board of township trustees 731  
thereupon may adopt the resolution and may declare the 732  
improvements a public purpose for up to thirty years or, in the 733  
case of exemption percentages proposed in excess of seventy-five 734  
per cent, for the exemption percentage specified in the 735  
resolution. The board of township trustees may adopt the 736  
resolution at any time after the board of education certifies its 737  
resolution approving the exemption to the board of township 738  
trustees, or, if the board of education approves the exemption on 739  
the condition that a mutually acceptable compensation agreement be 740  
negotiated, at any time after the compensation agreement is agreed 741  
to by the board of education and the board of township trustees. 742  
If a mutually acceptable compensation agreement is negotiated 743  
between the board of township trustees and the board of education, 744  
including agreements for payments in lieu of taxes under section 745  
5709.74 of the Revised Code, the board of township trustees shall 746  
compensate the joint vocational school district within which the 747  
parcel or district is located at the same rate and under the same 748  
terms received by the city, local, or exempted village school 749  
district. 750

If a board of education has adopted a resolution waiving its 751  
right to approve exemptions from taxation under this section and 752  
the resolution remains in effect, approval of such exemptions by 753  
the board of education is not required under division (D) of this 754  
section. If a board of education has adopted a resolution allowing 755



a board of township trustees to deliver the notice required under 756  
division (D) of this section fewer than forty-five business days 757  
prior to adoption of the resolution by the board of township 758  
trustees, the board of township trustees shall deliver the notice 759  
to the board of education not later than the number of days prior 760  
to the adoption as prescribed by the board of education in its 761  
resolution. If a board of education adopts a resolution waiving 762  
its right to approve exemptions or shortening the notification 763  
period, the board of education shall certify a copy of the 764  
resolution to the board of township trustees. If the board of 765  
education rescinds the resolution, it shall certify notice of the 766  
rescission to the board of township trustees. 767

If the board of township trustees is not required by division 768  
(D) of this section to notify the board of education of the board 769  
of township trustees' intent to declare improvements to be a 770  
public purpose, the board of township trustees shall comply with 771  
the notice requirements imposed under section 5709.83 of the 772  
Revised Code before taking formal action to adopt the resolution 773  
making that declaration, unless the board of education has adopted 774  
a resolution under that section waiving its right to receive the 775  
notice. 776

(E)(1) If a proposed resolution under division (C)(1) of this 777  
section exempts improvements with respect to a parcel within an 778  
incentive district for more than ten years, or the percentage of 779  
the improvement exempted from taxation exceeds seventy-five per 780  
cent, not later than forty-five business days prior to adopting 781  
the resolution the board of township trustees shall deliver to the 782  
board of county commissioners of the county within which the 783  
incentive district is or will be located a notice that states its 784  
intent to adopt a resolution creating an incentive district. The 785  
notice shall include a copy of the proposed resolution, identify 786  
the parcels for which improvements are to be exempted from 787

taxation, provide an estimate of the true value in money of the 788  
improvements, specify the period of time for which the 789  
improvements would be exempted from taxation, specify the 790  
percentage of the improvements that would be exempted from 791  
taxation, and indicate the date on which the board of township 792  
trustees intends to adopt the resolution. 793

(2) The board of county commissioners, by resolution adopted 794  
by a majority of the board, may object to the exemption for the 795  
number of years in excess of ten, may object to the exemption for 796  
the percentage of the improvement to be exempted in excess of 797  
seventy-five per cent, or both. If the board of county 798  
commissioners objects, the board may negotiate a mutually 799  
acceptable compensation agreement with the board of township 800  
trustees. In no case shall the compensation provided to the board 801  
of county commissioners exceed the property taxes foregone due to 802  
the exemption. If the board of county commissioners objects, and 803  
the board of county commissioners and board of township trustees 804  
fail to negotiate a mutually acceptable compensation agreement, 805  
the resolution adopted under division (C)(1) of this section shall 806  
provide to the board of county commissioners compensation in the 807  
eleventh and subsequent years of the exemption period equal in 808  
value to not more than fifty per cent of the taxes that would be 809  
payable to the county or, if the board of county commissioner's 810  
objection includes an objection to an exemption percentage in 811  
excess of seventy-five per cent, compensation equal in value to 812  
not more than fifty per cent of the taxes that would be payable to 813  
the county, on the portion of the improvement in excess of 814  
seventy-five per cent, were that portion to be subject to 815  
taxation. The board of county commissioners shall certify its 816  
resolution to the board of township trustees not later than thirty 817  
days after receipt of the notice. 818

(3) If the board of county commissioners does not object or 819

fails to certify its resolution objecting to an exemption within 820  
thirty days after receipt of the notice, the board of township 821  
trustees may adopt its resolution, and no compensation shall be 822  
provided to the board of county commissioners. If the board of 823  
county commissioners timely certifies its resolution objecting to 824  
the trustees' resolution, the board of township trustees may adopt 825  
its resolution at any time after a mutually acceptable 826  
compensation agreement is agreed to by the board of county 827  
commissioners and the board of township trustees, or, if no 828  
compensation agreement is negotiated, at any time after the board 829  
of township trustees agrees in the proposed resolution to provide 830  
compensation to the board of county commissioners of fifty per 831  
cent of the taxes that would be payable to the county in the 832  
eleventh and subsequent years of the exemption period or on the 833  
portion of the improvement in excess of seventy-five per cent, 834  
were that portion to be subject to taxation. 835

(F) Service payments in lieu of taxes that are attributable 836  
to any amount by which the effective tax rate of either a renewal 837  
levy with an increase or a replacement levy exceeds the effective 838  
tax rate of the levy renewed or replaced, or that are attributable 839  
to an additional levy, for a levy authorized by the voters for any 840  
of the following purposes on or after January 1, 2006, and which 841  
are provided pursuant to a resolution creating an incentive 842  
district under division (C)(1) of this section that is adopted on 843  
or after January 1, 2006, shall be distributed to the appropriate 844  
taxing authority as required under division (C) of section 5709.74 845  
of the Revised Code in an amount equal to the amount of taxes from 846  
that additional levy or from the increase in the effective tax 847  
rate of such renewal or replacement levy that would have been 848  
payable to that taxing authority from the following levies were it 849  
not for the exemption authorized under division (C) of this 850  
section: 851

(1) A tax levied under division (L) of section 5705.19 or	852
section 5705.191 of the Revised Code for community mental	853
retardation and developmental disabilities programs and services	854
pursuant to Chapter 5126. of the Revised Code;	855
(2) A tax levied under division (Y) of section 5705.19 of the	856
Revised Code for providing or maintaining senior citizens services	857
or facilities;	858
(3) A tax levied under section 5705.22 of the Revised Code	859
for county hospitals;	860
(4) A tax levied by a joint-county district or by a county	861
under section 5705.19, 5705.191, or 5705.221 of the Revised Code	862
for alcohol, drug addiction, and mental health services or	863
families;	864
(5) A tax levied under section 5705.23 of the Revised Code	865
for library purposes;	866
(6) A tax levied under section 5705.24 of the Revised Code	867
for the support of children services and the placement and care of	868
children;	869
(7) A tax levied under division (Z) of section 5705.19 of the	870
Revised Code for the provision and maintenance of zoological park	871
services and facilities under section 307.76 of the Revised Code;	872
(8) A tax levied under section 511.27 or division (H) of	873
section 5705.19 of the Revised Code for the support of township	874
park districts;	875
(9) A tax levied under division (A), (F), or (H) of section	876
5705.19 of the Revised Code for parks and recreational purposes of	877
a joint recreation district organized pursuant to division (B) of	878
section 755.14 of the Revised Code;	879
(10) A tax levied under section 1545.20 or 1545.21 of the	880
Revised Code for park district purposes;	881

(11) A tax levied under section 5705.191 of the Revised Code 882  
for the purpose of making appropriations for public assistance; 883  
human or social services; public relief; public welfare; public 884  
health and hospitalization; and support of general hospitals; 885

(12) A tax levied under section 3709.29 of the Revised Code 886  
for a general health district program. 887

(G) An exemption from taxation granted under this section 888  
commences with the tax year specified in the resolution so long as 889  
the year specified in the resolution commences after the effective 890  
date of the resolution. If the resolution specifies a year 891  
commencing before the effective date of the resolution or 892  
specifies no year whatsoever, the exemption commences with the tax 893  
year in which an exempted improvement first appears on the tax 894  
list and duplicate of real and public utility property and that 895  
commences after the effective date of the resolution. Except as 896  
otherwise provided in this division, the exemption ends on the 897  
date specified in the resolution as the date the improvement 898  
ceases to be a public purpose or the incentive district expires, 899  
or ends on the date on which the public infrastructure 900  
improvements and housing renovations are paid in full from the 901  
township public improvement tax increment equivalent fund 902  
established under section 5709.75 of the Revised Code, whichever 903  
occurs first. The exemption of an improvement with respect to a 904  
parcel or within an incentive district may end on a later date, as 905  
specified in the resolution, if the board of township trustees and 906  
the board of education of the city, local, or exempted village 907  
school district within which the parcel or district is located 908  
have entered into a compensation agreement under section 5709.82 909  
of the Revised Code with respect to the improvement and the board 910  
of education has approved the term of the exemption under division 911  
(D) of this section, but in no case shall the improvement be 912  
exempted from taxation for more than thirty years. The board of 913

township trustees may, by majority vote, adopt a resolution 914  
permitting the township to enter into such agreements as the board 915  
finds necessary or appropriate to provide for the construction or 916  
undertaking of public infrastructure improvements and housing 917  
renovations. Any exemption shall be claimed and allowed in the 918  
same or a similar manner as in the case of other real property 919  
exemptions. If an exemption status changes during a tax year, the 920  
procedure for the apportionment of the taxes for that year is the 921  
same as in the case of other changes in tax exemption status 922  
during the year. 923

(H) The board of township trustees may issue the notes of the 924  
township to finance all costs pertaining to the construction or 925  
undertaking of public infrastructure improvements and housing 926  
renovations made pursuant to this section. The notes shall be 927  
signed by the board and attested by the signature of the township 928  
fiscal officer, shall bear interest not to exceed the rate 929  
provided in section 9.95 of the Revised Code, and are not subject 930  
to Chapter 133. of the Revised Code. The resolution authorizing 931  
the issuance of the notes shall pledge the funds of the township 932  
public improvement tax increment equivalent fund established 933  
pursuant to section 5709.75 of the Revised Code to pay the 934  
interest on and principal of the notes. The notes, which may 935  
contain a clause permitting prepayment at the option of the board, 936  
shall be offered for sale on the open market or given to the 937  
vendor or contractor if no sale is made. 938

(I) The township, not later than fifteen days after the 939  
adoption of a resolution under this section, shall submit to the 940  
director of development services a copy of the resolution. On or 941  
before the thirty-first day of March of each year, the township 942  
shall submit a status report to the director of development 943  
services. The report shall indicate, in the manner prescribed by 944  
the director, the progress of the project during each year that 945

the exemption remains in effect, including a summary of the 946  
receipts from service payments in lieu of taxes; expenditures of 947  
money from the fund created under section 5709.75 of the Revised 948  
Code; a description of the public infrastructure improvements and 949  
housing renovations financed with the expenditures; and a 950  
quantitative summary of changes in private investment resulting 951  
from each project. 952

(J) Nothing in this section shall be construed to prohibit a 953  
board of township trustees from declaring to be a public purpose 954  
improvements with respect to more than one parcel. 955

If a parcel is located in a new community district in which 956  
the new community authority imposes a community development charge 957  
on the basis of rentals received from leases of real property as 958  
described in division (L)(2) of section 349.01 of the Revised 959  
Code, the parcel may not be exempted from taxation under this 960  
section. 961

(K) A board of township trustees that adopted a resolution 962  
under this section prior to July 21, 1994, may amend that 963  
resolution to include any additional public infrastructure 964  
improvement. A board of township trustees that seeks by the 965  
amendment to utilize money from its township public improvement 966  
tax increment equivalent fund for land acquisition in aid of 967  
industry, commerce, distribution, or research, demolition on 968  
private property, or stormwater and flood remediation projects may 969  
do so provided that the board currently is a party to a 970  
hold-harmless agreement with the board of education of the city, 971  
local, or exempted village school district within the territory of 972  
which are located the parcels that are subject to an exemption. 973  
For the purposes of this division, a "hold-harmless agreement" 974  
means an agreement under which the board of township trustees 975  
agrees to compensate the school district for one hundred per cent 976  
of the tax revenue that the school district would have received 977

from further improvements to parcels designated in the resolution 978  
were it not for the exemption granted by the resolution. 979

**Sec. 5709.78.** (A) A board of county commissioners may, by 980  
resolution, declare improvements to certain parcels of real 981  
property located in the unincorporated territory of the county to 982  
be a public purpose. Except with the approval under division (C) 983  
of this section of the board of education of each city, local, or 984  
exempted village school district within which the improvements are 985  
located, not more than seventy-five per cent of an improvement 986  
thus declared to be a public purpose may be exempted from real 987  
property taxation, for a period of not more than ten years. The 988  
resolution shall specify the percentage of the improvement to be 989  
exempted and the life of the exemption. 990

A resolution adopted under this division shall designate the 991  
specific public infrastructure improvements made, to be made, or 992  
in the process of being made by the county that directly benefit, 993  
or that once made will directly benefit, the parcels for which 994  
improvements are declared to be a public purpose. The service 995  
payments provided for in section 5709.79 of the Revised Code shall 996  
be used to finance the public infrastructure improvements 997  
designated in the resolution, or as provided in section 5709.80 of 998  
the Revised Code. 999

(B)(1) A board of county commissioners may adopt a resolution 1000  
creating an incentive district and declaring improvements to all 1001  
of the parcels within the district to be a public purpose and, 1002  
except as provided in division ~~(E)~~(B)(2) of this section, exempt 1003  
from taxation as provided in this section, but no board of county 1004  
commissioners of a county that has a population that exceeds 1005  
twenty-five thousand, as shown by the most recent federal 1006  
decennial census, shall adopt a resolution that creates an 1007  
incentive district if the sum of the taxable value of real 1008



property in the proposed district for the preceding tax year and 1009  
the taxable value of all real property in the county that would 1010  
have been taxable in the preceding year were it not for the fact 1011  
that the property was in an existing incentive district and 1012  
therefore exempt from taxation exceeds twenty-five per cent of the 1013  
taxable value of real property in the county for the preceding tax 1014  
year. The district shall be located within the unincorporated 1015  
territory of the county and shall not include any territory that 1016  
is included within a district created under division (C) of 1017  
section 5709.73 of the Revised Code. The resolution shall 1018  
delineate the boundary of the proposed district and specifically 1019  
identify each parcel within the district. A proposed district may 1020  
not include any parcel that is or has been exempted from taxation 1021  
under division (A) of this section or that is or has been within 1022  
another district created under this division. A resolution may 1023  
create more than one such district, and more than one resolution 1024  
may be adopted under division (B)(1) of this section. 1025

(2)(a) Not later than thirty days prior to adopting a 1026  
resolution under division (B)(1) of this section, if the county 1027  
intends to apply for exemptions from taxation under section 1028  
5709.911 of the Revised Code on behalf of owners of real property 1029  
located within the proposed incentive district, the board of 1030  
county commissioners shall conduct a public hearing on the 1031  
proposed resolution. Not later than thirty days prior to the 1032  
public hearing, the board shall give notice of the public hearing 1033  
and the proposed resolution by first class mail to every real 1034  
property owner whose property is located within the boundaries of 1035  
the proposed incentive district that is the subject of the 1036  
proposed resolution. The board also shall provide the notice by 1037  
first class mail to the clerk of each township in which the 1038  
proposed incentive district will be located. The notice shall 1039  
inform property owners of the owner's right to exclude the owner's 1040  
property from the incentive district if the owner's entire parcel 1041

of property will not be located within the boundaries of the 1042  
district, by submitting a written response in accordance with 1043  
division (B)(2)(b) of this section. The notice also shall include 1044  
information detailing the required contents of the response, the 1045  
address to which the response may be mailed, and the deadline for 1046  
submitting the response. 1047

(b) Any owner of real property located within the boundaries 1048  
of an incentive district proposed under division (B)(1) of this 1049  
section may exclude the property from the proposed incentive 1050  
district by submitting a written response to the board not later 1051  
than forty-five days after the postmark date on the notice 1052  
required under division (B)(2)(a) of this section. The response 1053  
shall be sent by first class mail or delivered in person at a 1054  
public hearing held by the board under division (B)(2)(a) of this 1055  
section. The response shall conform to any content requirements 1056  
that may be established by the board and included in the notice 1057  
provided under division (B)(2)(a) of this section. In the 1058  
response, property owners may identify a parcel by street address, 1059  
by the manner in which it is identified in the resolution, or by 1060  
other means allowing the identity of the parcel to be ascertained. 1061

(c) Before adopting a resolution under division (B)(1) of 1062  
this section, the board shall amend the resolution to exclude any 1063  
parcel for which a written response has been submitted under 1064  
division (B)(2)(b) of this section. A county shall not apply for 1065  
exemptions from taxation under section 5709.911 of the Revised 1066  
Code for any property for which a written response has been 1067  
submitted under division (B)(2)(b) of this section, and service 1068  
payments may not be required from the owner of the parcel. 1069  
Improvements to a parcel excluded from an incentive district under 1070  
this division may be exempted from taxation under division (A) of 1071  
this section pursuant to an ordinance adopted under that division 1072  
or under any other section of the Revised Code under which the 1073

parcel qualifies. 1074

(3)(a) A resolution adopted under division (B)(1) of this 1075  
section shall specify the life of the incentive district and the 1076  
percentage of the improvements to be exempted, shall designate the 1077  
public infrastructure improvements made, to be made, or in the 1078  
process of being made, that benefit or serve, or, once made, will 1079  
benefit or serve all of the parcels in the district. The 1080  
resolution also shall identify one or more specific projects 1081  
being, or to be, undertaken in the district that place additional 1082  
demand on the public infrastructure improvements designated in the 1083  
resolution. The project identified may, but need not be, the 1084  
project under division (B)(3)(b) of this section that places real 1085  
property in use for commercial or industrial purposes. 1086

A resolution adopted under division (B)(1) of this section on 1087  
or after March 30, 2006, shall not designate police or fire 1088  
equipment as public infrastructure improvements, and no service 1089  
payment provided for in section 5709.79 of the Revised Code and 1090  
received by the county under the resolution shall be used for 1091  
police or fire equipment. 1092

(b) A resolution adopted under division (B)(1) of this 1093  
section may authorize the use of service payments provided for in 1094  
section 5709.79 of the Revised Code for the purpose of housing 1095  
renovations within the incentive district, provided that the 1096  
resolution also designates public infrastructure improvements that 1097  
benefit or serve the district, and that a project within the 1098  
district places real property in use for commercial or industrial 1099  
purposes. Service payments may be used to finance or support 1100  
loans, deferred loans, and grants to persons for the purpose of 1101  
housing renovations within the district. The resolution shall 1102  
designate the parcels within the district that are eligible for 1103  
housing renovations. The resolution shall state separately the 1104  
amount or the percentages of the expected aggregate service 1105

payments that are designated for each public infrastructure 1106  
improvement and for the purpose of housing renovations. 1107

(4) Except with the approval of the board of education of 1108  
each city, local, or exempted village school district within the 1109  
territory of which the incentive district is or will be located, 1110  
and subject to division (D) of this section, the life of an 1111  
incentive district shall not exceed ten years, and the percentage 1112  
of improvements to be exempted shall not exceed seventy-five per 1113  
cent. With approval of the board of education, the life of a 1114  
district may be not more than thirty years, and the percentage of 1115  
improvements to be exempted may be not more than one hundred per 1116  
cent. The approval of a board of education shall be obtained in 1117  
the manner provided in division (C) of this section. 1118

(C)(1) Improvements with respect to a parcel may be exempted 1119  
from taxation under division (A) of this section, and improvements 1120  
to parcels within an incentive district may be exempted from 1121  
taxation under division (B) of this section, for up to ten years 1122  
or, with the approval of the board of education of each city, 1123  
local, or exempted village school district within which the parcel 1124  
or district is located, for up to thirty years. The percentage of 1125  
the improvements exempted from taxation may, with such approval, 1126  
exceed seventy-five per cent, but shall not exceed one hundred per 1127  
cent. Not later than forty-five business days prior to adopting a 1128  
resolution under this section declaring improvements to be a 1129  
public purpose that is subject to the approval of a board of 1130  
education under this division, the board of county commissioners 1131  
shall deliver to the board of education a notice stating its 1132  
intent to adopt a resolution making that declaration. The notice 1133  
regarding improvements with respect to a parcel under division (A) 1134  
of this section shall identify the parcels for which improvements 1135  
are to be exempted from taxation, provide an estimate of the true 1136  
value in money of the improvements, specify the period for which 1137

the improvements would be exempted from taxation and the 1138  
percentage of the improvements that would be exempted, and 1139  
indicate the date on which the board of county commissioners 1140  
intends to adopt the resolution. The notice regarding improvements 1141  
to parcels within an incentive district under division (B) of this 1142  
section shall delineate the boundaries of the district, 1143  
specifically identify each parcel within the district, identify 1144  
each anticipated improvement in the district, provide an estimate 1145  
of the true value in money of each such improvement, specify the 1146  
life of the district and the percentage of improvements that would 1147  
be exempted, and indicate the date on which the board of county 1148  
commissioners intends to adopt the resolution. The board of 1149  
education, by resolution adopted by a majority of the board, may 1150  
approve the exemption for the period or for the exemption 1151  
percentage specified in the notice; may disapprove the exemption 1152  
for the number of years in excess of ten, may disapprove the 1153  
exemption for the percentage of the improvements to be exempted in 1154  
excess of seventy-five per cent, or both; or may approve the 1155  
exemption on the condition that the board of county commissioners 1156  
and the board of education negotiate an agreement providing for 1157  
compensation to the school district equal in value to a percentage 1158  
of the amount of taxes exempted in the eleventh and subsequent 1159  
years of the exemption period or, in the case of exemption 1160  
percentages in excess of seventy-five per cent, compensation equal 1161  
in value to a percentage of the taxes that would be payable on the 1162  
portion of the improvements in excess of seventy-five per cent 1163  
were that portion to be subject to taxation, or other mutually 1164  
agreeable compensation. 1165

(2) The board of education shall certify its resolution to 1166  
the board of county commissioners not later than fourteen days 1167  
prior to the date the board of county commissioners intends to 1168  
adopt its resolution as indicated in the notice. If the board of 1169  
education and the board of county commissioners negotiate a 1170

mutually acceptable compensation agreement, the resolution of the 1171  
board of county commissioners may declare the improvements a 1172  
public purpose for the number of years specified in that 1173  
resolution or, in the case of exemption percentages in excess of 1174  
seventy-five per cent, for the exemption percentage specified in 1175  
the resolution. In either case, if the board of education and the 1176  
board of county commissioners fail to negotiate a mutually 1177  
acceptable compensation agreement, the resolution may declare the 1178  
improvements a public purpose for not more than ten years, and 1179  
shall not exempt more than seventy-five per cent of the 1180  
improvements from taxation. If the board of education fails to 1181  
certify a resolution to the board of county commissioners within 1182  
the time prescribed by this section, the board of county 1183  
commissioners thereupon may adopt the resolution and may declare 1184  
the improvements a public purpose for up to thirty years or, in 1185  
the case of exemption percentages proposed in excess of 1186  
seventy-five per cent, for the exemption percentage specified in 1187  
the resolution. The board of county commissioners may adopt the 1188  
resolution at any time after the board of education certifies its 1189  
resolution approving the exemption to the board of county 1190  
commissioners, or, if the board of education approves the 1191  
exemption on the condition that a mutually acceptable compensation 1192  
agreement be negotiated, at any time after the compensation 1193  
agreement is agreed to by the board of education and the board of 1194  
county commissioners. If a mutually acceptable compensation 1195  
agreement is negotiated between the board of county commissioners 1196  
and the board of education, including agreements for payments in 1197  
lieu of taxes under section 5709.79 of the Revised Code, the board 1198  
of county commissioners shall compensate the joint vocational 1199  
school district within which the parcel or district is located at 1200  
the same rate and under the same terms received by the city, 1201  
local, or exempted village school district. 1202

(3) If a board of education has adopted a resolution waiving 1203

its right to approve exemptions from taxation under this section 1204  
and the resolution remains in effect, approval of such exemptions 1205  
by the board of education is not required under division (C) of 1206  
this section. If a board of education has adopted a resolution 1207  
allowing a board of county commissioners to deliver the notice 1208  
required under division (C) of this section fewer than forty-five 1209  
business days prior to approval of the resolution by the board of 1210  
county commissioners, the board of county commissioners shall 1211  
deliver the notice to the board of education not later than the 1212  
number of days prior to such approval as prescribed by the board 1213  
of education in its resolution. If a board of education adopts a 1214  
resolution waiving its right to approve exemptions or shortening 1215  
the notification period, the board of education shall certify a 1216  
copy of the resolution to the board of county commissioners. If 1217  
the board of education rescinds such a resolution, it shall 1218  
certify notice of the rescission to the board of county 1219  
commissioners. 1220

(D)(1) If a proposed resolution under division (B)(1) of this 1221  
section exempts improvements with respect to a parcel within an 1222  
incentive district for more than ten years, or the percentage of 1223  
the improvement exempted from taxation exceeds seventy-five per 1224  
cent, not later than forty-five business days prior to adopting 1225  
the resolution the board of county commissioners shall deliver to 1226  
the board of township trustees of any township within which the 1227  
incentive district is or will be located a notice that states its 1228  
intent to adopt a resolution creating an incentive district. The 1229  
notice shall include a copy of the proposed resolution, identify 1230  
the parcels for which improvements are to be exempted from 1231  
taxation, provide an estimate of the true value in money of the 1232  
improvements, specify the period of time for which the 1233  
improvements would be exempted from taxation, specify the 1234  
percentage of the improvements that would be exempted from 1235  
taxation, and indicate the date on which the board intends to 1236

adopt the resolution. 1237

(2) The board of township trustees, by resolution adopted by 1238  
a majority of the board, may object to the exemption for the 1239  
number of years in excess of ten, may object to the exemption for 1240  
the percentage of the improvement to be exempted in excess of 1241  
seventy-five per cent, or both. If the board of township trustees 1242  
objects, the board of township trustees may negotiate a mutually 1243  
acceptable compensation agreement with the board of county 1244  
commissioners. In no case shall the compensation provided to the 1245  
board of township trustees exceed the property taxes forgone due 1246  
to the exemption. If the board of township trustees objects, and 1247  
the board of township trustees and the board of county 1248  
commissioners fail to negotiate a mutually acceptable compensation 1249  
agreement, the resolution adopted under division (B)(1) of this 1250  
section shall provide to the board of township trustees 1251  
compensation in the eleventh and subsequent years of the exemption 1252  
period equal in value to not more than fifty per cent of the taxes 1253  
that would be payable to the township or, if the board of township 1254  
trustee's objection includes an objection to an exemption 1255  
percentage in excess of seventy-five per cent, compensation equal 1256  
in value to not more than fifty per cent of the taxes that would 1257  
be payable to the township on the portion of the improvement in 1258  
excess of seventy-five per cent, were that portion to be subject 1259  
to taxation. The board of township trustees shall certify its 1260  
resolution to the board of county commissioners not later than 1261  
thirty days after receipt of the notice. 1262

(3) If the board of township trustees does not object or 1263  
fails to certify a resolution objecting to an exemption within 1264  
thirty days after receipt of the notice, the board of county 1265  
commissioners may adopt its resolution, and no compensation shall 1266  
be provided to the board of township trustees. If the board of 1267  
township trustees certifies its resolution objecting to the 1268



commissioners' resolution, the board of county commissioners may 1269  
adopt its resolution at any time after a mutually acceptable 1270  
compensation agreement is agreed to by the board of county 1271  
commissioners and the board of township trustees. If the board of 1272  
township trustees certifies a resolution objecting to the 1273  
commissioners' resolution, the board of county commissioners may 1274  
adopt its resolution at any time after a mutually acceptable 1275  
compensation agreement is agreed to by the board of county 1276  
commissioners and the board of township trustees, or, if no 1277  
compensation agreement is negotiated, at any time after the board 1278  
of county commissioners in the proposed resolution to provide 1279  
compensation to the board of township trustees of fifty per cent 1280  
of the taxes that would be payable to the township in the eleventh 1281  
and subsequent years of the exemption period or on the portion of 1282  
the improvement in excess of seventy-five per cent, were that 1283  
portion to be subject to taxation. 1284

(E) Service payments in lieu of taxes that are attributable 1285  
to any amount by which the effective tax rate of either a renewal 1286  
levy with an increase or a replacement levy exceeds the effective 1287  
tax rate of the levy renewed or replaced, or that are attributable 1288  
to an additional levy, for a levy authorized by the voters for any 1289  
of the following purposes on or after January 1, 2006, and which 1290  
are provided pursuant to a resolution creating an incentive 1291  
district under division (B)(1) of this section that is adopted on 1292  
or after January 1, 2006, shall be distributed to the appropriate 1293  
taxing authority as required under division (D) of section 5709.79 1294  
of the Revised Code in an amount equal to the amount of taxes from 1295  
that additional levy or from the increase in the effective tax 1296  
rate of such renewal or replacement levy that would have been 1297  
payable to that taxing authority from the following levies were it 1298  
not for the exemption authorized under division (B) of this 1299  
section: 1300

(1) A tax levied under division (L) of section 5705.19 or	1301
section 5705.191 of the Revised Code for community mental	1302
retardation and developmental disabilities programs and services	1303
pursuant to Chapter 5126. of the Revised Code;	1304
(2) A tax levied under division (Y) of section 5705.19 of the	1305
Revised Code for providing or maintaining senior citizens services	1306
or facilities;	1307
(3) A tax levied under section 5705.22 of the Revised Code	1308
for county hospitals;	1309
(4) A tax levied by a joint-county district or by a county	1310
under section 5705.19, 5705.191, or 5705.221 of the Revised Code	1311
for alcohol, drug addiction, and mental health services or	1312
facilities;	1313
(5) A tax levied under section 5705.23 of the Revised Code	1314
for library purposes;	1315
(6) A tax levied under section 5705.24 of the Revised Code	1316
for the support of children services and the placement and care of	1317
children;	1318
(7) A tax levied under division (Z) of section 5705.19 of the	1319
Revised Code for the provision and maintenance of zoological park	1320
services and facilities under section 307.76 of the Revised Code;	1321
(8) A tax levied under section 511.27 or division (H) of	1322
section 5705.19 of the Revised Code for the support of township	1323
park districts;	1324
(9) A tax levied under division (A), (F), or (H) of section	1325
5705.19 of the Revised Code for parks and recreational purposes of	1326
a joint recreation district organized pursuant to division (B) of	1327
section 755.14 of the Revised Code;	1328
(10) A tax levied under section 1545.20 or 1545.21 of the	1329
Revised Code for park district purposes;	1330

(11) A tax levied under section 5705.191 of the Revised Code 1331  
for the purpose of making appropriations for public assistance; 1332  
human or social services; public relief; public welfare; public 1333  
health and hospitalization; and support of general hospitals; 1334

(12) A tax levied under section 3709.29 of the Revised Code 1335  
for a general health district program. 1336

(F) An exemption from taxation granted under this section 1337  
commences with the tax year specified in the resolution so long as 1338  
the year specified in the resolution commences after the effective 1339  
date of the resolution. If the resolution specifies a year 1340  
commencing before the effective date of the resolution or 1341  
specifies no year whatsoever, the exemption commences with the tax 1342  
year in which an exempted improvement first appears on the tax 1343  
list and duplicate of real and public utility property and that 1344  
commences after the effective date of the resolution. Except as 1345  
otherwise provided in this division, the exemption ends on the 1346  
date specified in the resolution as the date the improvement 1347  
ceases to be a public purpose or the incentive district expires, 1348  
or ends on the date on which the county can no longer require 1349  
annual service payments in lieu of taxes under section 5709.79 of 1350  
the Revised Code, whichever occurs first. The exemption of an 1351  
improvement with respect to a parcel or within an incentive 1352  
district may end on a later date, as specified in the resolution, 1353  
if the board of commissioners and the board of education of the 1354  
city, local, or exempted village school district within which the 1355  
parcel or district is located have entered into a compensation 1356  
agreement under section 5709.82 of the Revised Code with respect 1357  
to the improvement, and the board of education has approved the 1358  
term of the exemption under division (C)(1) of this section, but 1359  
in no case shall the improvement be exempted from taxation for 1360  
more than thirty years. Exemptions shall be claimed and allowed in 1361  
the same or a similar manner as in the case of other real property 1362

exemptions. If an exemption status changes during a tax year, the 1363  
procedure for the apportionment of the taxes for that year is the 1364  
same as in the case of other changes in tax exemption status 1365  
during the year. 1366

(G) If the board of county commissioners is not required by 1367  
this section to notify the board of education of the board of 1368  
county commissioners' intent to declare improvements to be a 1369  
public purpose, the board of county commissioners shall comply 1370  
with the notice requirements imposed under section 5709.83 of the 1371  
Revised Code before taking formal action to adopt the resolution 1372  
making that declaration, unless the board of education has adopted 1373  
a resolution under that section waiving its right to receive such 1374  
a notice. 1375

(H) The county, not later than fifteen days after the 1376  
adoption of a resolution under this section, shall submit to the 1377  
director of development services a copy of the resolution. On or 1378  
before the thirty-first day of March of each year, the county 1379  
shall submit a status report to the director of development 1380  
services. The report shall indicate, in the manner prescribed by 1381  
the director, the progress of the project during each year that an 1382  
exemption remains in effect, including a summary of the receipts 1383  
from service payments in lieu of taxes; expenditures of money from 1384  
the fund created under section 5709.80 of the Revised Code; a 1385  
description of the public infrastructure improvements and housing 1386  
renovations financed with such expenditures; and a quantitative 1387  
summary of changes in employment and private investment resulting 1388  
from each project. 1389

(I) Nothing in this section shall be construed to prohibit a 1390  
board of county commissioners from declaring to be a public 1391  
purpose improvements with respect to more than one parcel. 1392

(J) If a parcel is located in a new community district in 1393  
which the new community authority imposes a community development 1394

charge on the basis of rentals received from leases of real 1395  
property as described in division (L)(2) of section 349.01 of the 1396  
Revised Code, the parcel may not be exempted from taxation under 1397  
this section. 1398

**Sec. 5709.911.** (A)(1) A municipal corporation, township, or 1399  
county that has enacted an ordinance or resolution under section 1400  
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code or that 1401  
has entered into an agreement referred to in section 725.02 or 1402  
1728.07 of the Revised Code may file an application for exemption 1403  
under those sections in the same manner as other real property tax 1404  
exemptions, notwithstanding the indication in division (A) of 1405  
section 5715.27 of the Revised Code that the owner of the property 1406  
may file the application. An application for exemption may not be 1407  
filed by a municipal corporation, township, or county for an 1408  
exemption of a parcel under section 5709.40, 5709.73, or 5709.78 1409  
of the Revised Code if the property owner excludes the property 1410  
from such exemption as provided in that section. 1411

(2) Except as provided in division (B) of this section, if 1412  
the application for exemption under section 725.02, 1728.10, 1413  
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code is filed 1414  
by a municipal corporation, township, or county and more than one 1415  
real property tax exemption applies by law to the property or a 1416  
portion of the property, both of the following apply: 1417

(a) An exemption granted under section 725.02, 1728.10, 1418  
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code shall be 1419  
subordinate to an exemption with respect to the property or 1420  
portion of the property granted under any other provision of the 1421  
Revised Code. 1422

(b) Neither service payments in lieu of taxes under section 1423  
725.04, 5709.42, 5709.74, or 5709.79 of the Revised Code, nor 1424  
service charges in lieu of taxes under section 1728.11 or 1728.111 1425

of the Revised Code, shall be required with respect to the 1426  
property or portion of the property that is exempt from real 1427  
property taxes under that other provision of the Revised Code 1428  
during the effective period of the exemption. 1429

(B)(1) If the application for exemption under section 725.02, 1430  
1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code 1431  
is filed by the owner of the property or by a municipal 1432  
corporation, township, or county with the owner's written consent 1433  
attached to the application, and if more than one real property 1434  
tax exemption applies by law to the property or a portion of the 1435  
property, no other exemption shall be granted for the portion of 1436  
the property already exempt under section 725.02, 1728.10, 1437  
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code unless 1438  
the municipal corporation, township, or county that enacted the 1439  
authorizing ordinance or resolution for the earlier exemption 1440  
provides its duly authorized written consent to the subsequent 1441  
exemption by means of a duly enacted ordinance or resolution. 1442

(2) If the application for exemption under section 725.02, 1443  
1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code 1444  
is filed by a municipal corporation, township, or county and 1445  
approved by the tax commissioner, if the owner of the property 1446  
subsequently provides written consent to the exemption and the 1447  
consent is filed with the tax commissioner, and if more than one 1448  
real property tax exemption applies by law to the property or a 1449  
portion of the property, no other exemption shall be granted for 1450  
the portion of the property already exempt under section 725.02, 1451  
1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code 1452  
unless the municipal corporation, township, or county that enacted 1453  
the authorizing ordinance or resolution for the earlier exemption 1454  
provides its duly authorized written consent to the subsequent 1455  
exemption by means of a duly enacted ordinance or resolution. 1456

(C)(1) After the tax commissioner has approved or partially 1457

approved an application for exemption filed by or with the consent 1458  
of a property owner under the circumstances described in division 1459  
(B)(1) of this section, the municipal corporation, township, 1460  
county, or property owner shall file a notice with the county 1461  
recorder for the county in which the property is located that 1462  
clearly identifies the property and the owner of the property and 1463  
states that the property, regardless of future use or ownership, 1464  
remains liable for any service payments or service charges 1465  
required by the exemption until the terms of the exemption have 1466  
been satisfied, unless the municipal corporation, township, or 1467  
county consents to the subsequent exemption and relinquishes its 1468  
right to collect the service payments or service charges as 1469  
provided in division (B)(1) of this section. The county recorder's 1470  
office shall charge a fee of fourteen dollars to record the 1471  
notice, the proceeds of which shall be retained by the county. 1472

(2) If a property owner subsequently provides written consent 1473  
to an exemption under the circumstances described in division 1474  
(B)(2) of this section, the municipal corporation, township, 1475  
county, or property owner shall file notice with the county 1476  
recorder for the county in which the property is located that 1477  
clearly identifies the property and the owner of the property and 1478  
states that the property, regardless of future use or ownership, 1479  
remains liable for any service payments or service charges 1480  
required by the exemption until the terms of the exemption have 1481  
been satisfied, unless the municipal corporation, township, or 1482  
county consents to the subsequent exemption and relinquishes its 1483  
right to collect the service payments or service charges as 1484  
provided in division (B)(2) of this section. The county recorder's 1485  
office shall charge a fee of fourteen dollars to record the 1486  
notice, the proceeds of which shall be retained by the county. 1487

(D) Upon filing of the notice with the county recorder, the 1488  
provisions of division (B) of this section are binding on all 1489

future owners of the property or portion of the property, 1490  
regardless of how the property is used. Failure to file the notice 1491  
with the county recorder relieves future owners of the property 1492  
from the obligation to make service payments in lieu of taxes 1493  
under section 725.04, 5709.42, 5709.74, or 5709.79 of the Revised 1494  
Code or service charges in lieu of taxes under section 1728.11 or 1495  
1728.111 of the Revised Code, if the property or a portion of the 1496  
property later qualifies for exemption under any other provision 1497  
of the Revised Code. Failure to file the notice does not, however, 1498  
relieve the owner of the property, at the time the application for 1499  
exemption is filed, from making those payments or charges. 1500

**Section 2.** That existing sections 5709.40, 5709.73, 5709.78, 1501  
and 5709.911 of the Revised Code are hereby repealed. 1502

**Section 3.** Sections 5709.40 and 5709.73 of the Revised Code 1503  
are presented in this act as composites of the sections as amended 1504  
by both Am. Sub. H.B. 508 and Am. Sub. H.B. 509 of the 129th 1505  
General Assembly. The General Assembly, applying the principle 1506  
stated in division (B) of section 1.52 of the Revised Code that 1507  
amendments are to be harmonized if reasonably capable of 1508  
simultaneous operation, finds that the composites are the 1509  
resulting versions of those sections in effect prior to the 1510  
effective date of the sections as presented in this act. 1511