

As Introduced

**133rd General Assembly
Regular Session
2019-2020**

S. B. No. 212

Senator Schuring

A BILL

To enact section 5709.58 of the Revised Code to 1
authorize townships and municipal corporations 2
to designate areas within which new homes and 3
improvements to existing homes are wholly or 4
partially exempted from property taxation. 5

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

Section 1. That section 5709.58 of the Revised Code be 6
enacted to read as follows: 7

Sec. 5709.58. (A) As used in this section: 8

(1) "Residential neighborhood development property" means 9
a parcel of real property that has been subdivided by a 10
residential developer for the purpose of constructing a single- 11
family dwelling thereon. 12

(2) "Residential developer" means a person that owns 13
residential neighborhood development property upon which the 14
person causes a single-family dwelling to be constructed that 15
the person does not intend to occupy. 16

(3) "New residential neighborhood" means an area 17
encompassing at least ten adjacent parcels of residential 18

neighborhood development property. 19

(4) "School district" means a city, local, or exempted 20
village school district. 21

(B) (1) The legislative authority of a municipal 22
corporation or the board of trustees of a township may adopt an 23
ordinance or resolution designating all or one or more portions 24
of the territory of the municipal corporation, or of the 25
unincorporated territory of the township, respectively, as a 26
neighborhood development area for the public purpose of 27
encouraging development of adequate housing in the municipal 28
corporation or township. The resolution or ordinance shall 29
include all of the following: 30

(a) A description of the boundaries of the neighborhood 31
development area; 32

(b) Identification of the municipal or township officer or 33
employee who will accept applications under division (D) of this 34
section; 35

(c) Findings to demonstrate that the designation of the 36
area will encourage the construction of new single-family 37
 dwellings, or the improvement of existing single-family 38
 dwellings, that in either case would be unlikely to occur in the 39
 absence of such a designation; 40

(d) The number of years during which the area will be 41
designated as a neighborhood development area or that the area 42
will be designated as such for a continuing period of time; 43

(e) A description of how the designation of the 44
neighborhood development area would (i) improve the overall 45
quality of life in the township or municipal corporation and 46
(ii) cause additional property tax revenue to be generated once 47

exemptions described in division (C) of this section no longer 48
apply than if the area had not been designated; 49

(f) The percentage of value that will be exempt from 50
taxation under division (C) of this section, which shall be 51
seventy per cent of assessed value or, if the approval of the 52
board of education of each school district within which parcels 53
in the area are located is obtained pursuant to division (B)(2) 54
of this section, one hundred per cent. 55

The legislative authority or board may not include in a 56
neighborhood development area any parcel that is subject to an 57
exemption authorized under section 3735.67, 5709.40, 5709.41, 58
5709.73, or 5709.78 of the Revised Code. 59

(2) If the legislative authority or board intends to adopt 60
a resolution or ordinance under division (B)(1) of this section 61
that prescribes a percentage of value under division (B)(1)(f) 62
of this section of one hundred per cent, the legislative 63
authority or board shall certify to the board of education of 64
each school district within which parcels in the proposed 65
neighborhood development area would be located a notice stating 66
its intent to adopt a resolution or ordinance designating the 67
parcels as a neighborhood development area. The notice shall 68
describe the boundaries of the proposed neighborhood development 69
area and the date on which the legislative authority or board 70
intends to adopt the resolution or ordinance. 71

A board of education receiving that notice, by resolution, 72
may approve or disapprove the designation of the neighborhood 73
development area. The board of education shall certify its 74
resolution to the legislative authority or board of township 75
trustees not later than fourteen days prior to the date the 76
legislative authority or board intends to adopt the resolution 77

as indicated in the notice. If the board of education fails to 78
timely certify a resolution to the board of township trustees or 79
the legislative authority of the municipal corporation, the 80
board of education shall be considered to have approved of the 81
designation of the neighborhood development area. If and only if 82
all boards of education that receive notice under this division 83
approve the designation of the neighborhood development area may 84
the board of township trustees or legislative authority of the 85
municipal corporation adopt a resolution or ordinance 86
prescribing a percentage of value under division (B) (1) (f) of 87
this section of one hundred per cent. 88

(3) The legislative authority or board shall certify a 89
copy of any resolution or ordinance adopted under division (B) 90
(1) of this section to the tax commissioner within ten days 91
after its adoption. 92

(C) Subject to division (D) of this section: 93

(1) The percentage designated under division (B) (1) (f) of 94
this section of the assessed valuation of neighborhood 95
development property within a new residential neighborhood 96
located wholly within a neighborhood development area shall be 97
exempt from taxation beginning with the tax year after the tax 98
year in which construction of a single-family dwelling commences 99
on such property and continuing until and including the tax year 100
in which the dwelling is first occupied. 101

(2) If a single-family dwelling located on residential 102
neighborhood development property that qualifies or would 103
qualify for the exemption authorized in division (C) (1) of this 104
section is occupied, the percentage designated under division 105
(B) (1) (f) of this section of the assessed valuation of the 106
parcel upon which the dwelling is situated shall be exempt from 107

taxation beginning with the tax year after the first tax year in 108
which the dwelling is occupied and for the nine succeeding tax 109
years. 110

(3) The percentage designated under division (B) (1) (f) of 111
this section of the increased assessed valuation of a parcel 112
located in a neighborhood development area and on which is 113
situated a single-family dwelling that is remodeled shall be 114
exempt from taxation for the tax year after the tax year in 115
which the remodeling began and the succeeding four tax years, 116
provided the cost of the remodeling is at least ten thousand 117
dollars. The increased assessed valuation shall equal the 118
assessed valuation of the parcel in the tax year for which the 119
exemption applies minus the assessed valuation of the parcel in 120
the tax year in which the remodeling began. 121

(D) To obtain an exemption authorized under division (C) 122
of this section for a tax year, an owner of real property shall 123
file an annual application for the exemption with the officer or 124
employee designated under division (B) (2) of this section. That 125
officer or employee shall verify that all requirements of this 126
section for the exemption are satisfied. If the officer or 127
employee determines that such requirements are satisfied, the 128
officer or employee shall submit, on behalf of the property 129
owner, an exemption application to the tax commissioner under 130
section 5715.27 of the Revised Code for the applicable exemption 131
authorized under division (C) of this section, notwithstanding 132
the requirement in division (A) of section 5715.27 of the 133
Revised Code that the owner of the property file the 134
application. If the term of the designation of the neighborhood 135
development area expires, that officer or employee shall 136
continue to accept and submit applications from owners first 137
eligible for an exemption under division (C) of this section for 138

a tax year occurring during the period the area was so
designated.

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