

As Introduced

**135th General Assembly
Regular Session
2023-2024**

S. B. No. 75

Senator Blessing

A BILL

To amend section 715.72 of the Revised Code to 1
allow two or more municipalities to create a 2
joint economic development district without 3
involving a township. 4

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

Section 1. That section 715.72 of the Revised Code be 5
amended to read as follows: 6

Sec. 715.72. (A) As used in this section: 7

(1) "Contracting ~~parties~~party" means ~~one or more a~~ 8
municipal ~~corporations, one corporation or more townships, and,~~ 9
~~under division (D) of this section, one or more counties~~ 10
township that have has entered or is in the process of entering 11
into a contract under this section to create a joint economic 12
development district or a county that has entered such a 13
contract under division (D) of this section. 14

(2) "District" means a joint economic development district 15
created under this section. 16

(3) "Contract for utility services" means a contract under 17
which a municipal corporation agrees to provide to a township or 18

another municipal corporation water, sewer, electric, or other utility services necessary to the public health, safety, and welfare.

(4) "Business" means a sole proprietorship, a corporation for profit, a pass-through entity as defined in section 5733.04 of the Revised Code, the federal government, the state, the state's political subdivisions, a nonprofit organization, or a school district.

(5) "Owner" means a partner of a partnership, a member of a limited liability company, a majority shareholder of an S corporation, a person with a majority ownership interest in a pass-through entity, or any officer, employee, or agent with authority to make decisions legally binding upon a business.

(6) "Record owner" means the person or persons in whose name a parcel is listed on the tax list or exempt list compiled by the county auditor under section 319.28 or 5713.08 of the Revised Code.

(7) A business "operates within" a district if the net profits of the business or the income of employees of the business would be subject to an income tax levied within the district.

(8) An employee is "employed within" a district if any portion of the employee's income would be subject to an income tax levied within the district.

(9) "Mixed-use development" means a real estate project that tends to mitigate traffic and sprawl by integrating some combination of retail, office, residential, hotel, recreation, and other functions in a pedestrian-oriented environment that maximizes the use of available space by allowing members of the

community to live, work, and play in one architecturally 48
expressive area with multiple amenities. 49

(10) "Water or sewer service plan or agreement" means 50
either of the following: 51

(a) A state water quality management plan adopted by the 52
Ohio environmental protection agency or another authorized 53
planning agency pursuant to 33 U.S.C. 1288 and 1313 that 54
contemplates that a non-contracting municipal corporation will 55
provide sanitary sewer disposal services to an area within a 56
proposed joint economic development district; 57

(b) A binding agreement between a municipal corporation 58
and a third-party water or sanitary sewer services provider, 59
including another municipal corporation or other public or 60
private provider, that provides that a non-contracting municipal 61
corporation or another provider that is not a contracting party 62
will provide water or sanitary sewer services to an area within 63
a proposed joint economic development district. 64

(11) "Non-contracting municipal corporation" means a 65
municipal corporation that is not a contracting party. 66

(B) This section provides alternative procedures and 67
requirements to those set forth in sections 715.70 and 715.71 of 68
the Revised Code for creating and operating a joint economic 69
development district. This section applies to municipal 70
corporations and townships that are located in the same county 71
or in adjacent counties. 72

(C) ~~One or more municipal corporations, one or more~~ 73
~~townships, and, under division~~ Subject to divisions (C) and (D) 74
of this section, ~~one two~~ or more ~~counties~~ contracting parties 75
may enter into a contract pursuant to which ~~they~~ the contracting 76

parties designate one or more areas as a joint economic 77
development district for the purpose of facilitating economic 78
development and redevelopment, to create or preserve jobs and 79
employment opportunities, and to improve the economic welfare of 80
the people in this state and in the area of the contracting 81
parties. 82

(1) Except as otherwise provided in division (C) (2) of 83
this section, the territory of each of the contracting parties 84
shall be contiguous to the territory of at least one other 85
contracting party, or contiguous to the territory of a township, 86
municipal corporation, or county that is contiguous to another 87
contracting party, even if the intervening township or municipal 88
corporation is not a contracting party. 89

(2) Contracting parties that have entered into a contract 90
under section 715.70 or 715.71 of the Revised Code creating a 91
joint economic development district prior to November 15, 1995, 92
may enter into a contract under this section even if the 93
territory of each of the contracting parties is not contiguous 94
to the territory of at least one other contracting party, or 95
contiguous to the territory of a township or municipal 96
corporation that is contiguous to another contracting party as 97
otherwise required under division (C) (1) of this section. The 98
contract and district shall meet the requirements of this 99
section. 100

(3) At least one of the contracting parties shall be a 101
municipal corporation, and at least one of the contracting 102
parties shall be either of the following: 103

(a) A township; 104

(b) A municipal corporation that has at least two of the 105

characteristics described in divisions (A) (1) (a) to (h) of 106
section 5709.61 of the Revised Code, pursuant to the rules 107
adopted by the director of development under division (A) (1) of 108
that section. 109

(D) If, on or after December 30, 2008, but on or before 110
June 30, 2009, one or more municipal corporations and one or 111
more townships enter into a contract or amend an existing 112
contract under this section, one or more counties in which all 113
of those municipal corporations or townships are located also 114
may enter into the contract as a contracting party or parties. 115

(E) (1) The area or areas to be included in a joint 116
economic development district shall meet all of the following 117
criteria: 118

(a) The area or areas shall be located within the 119
territory of one or more of the contracting parties and may 120
consist of all of the territory of any or all of the contracting 121
parties. 122

(b) No electors, except those residing in a mixed-use 123
development, shall reside within the area or areas on the 124
effective date of the contract creating the district. 125

(c) The area or areas shall not include any parcel of land 126
owned in fee by or leased to a municipal corporation or 127
township, unless the municipal corporation or township is a 128
contracting party or has given its consent to have the parcel of 129
land included in the district by the adoption of an ordinance or 130
resolution. 131

(d) The area or areas shall not include any parcel of land 132
excluded pursuant to division (J) (2) of this section. 133

(2) The contracting parties may designate excluded parcels 134

within the boundaries of the joint economic development 135
district. Excluded parcels are not part of the district and 136
persons employed or residing on such parcels shall not be 137
subject to any income tax imposed within the district under 138
division (F) (5) of this section. 139

(F) (1) The contract creating a joint economic development 140
district shall provide for the amount or nature of the 141
contribution of each contracting party to the development and 142
operation of the district and may provide for the sharing of the 143
costs of the operation of and improvements for the district. The 144
contributions may be in any form to which the contracting 145
parties agree and may include, but are not limited to, the 146
provision of services, money, real or personal property, 147
facilities, or equipment. 148

(2) The contract may provide for the contracting parties 149
to share revenue from taxes levied by one or more of the 150
contracting parties if those revenues may lawfully be applied to 151
that purpose under the legislation by which those taxes are 152
levied. 153

(3) The contract shall include an economic development 154
plan for the district that consists of a schedule for the 155
provision of new, expanded, or additional services, facilities, 156
or improvements. The contract may provide for expanded or 157
additional capacity for or other enhancement of existing 158
services, facilities, or improvements. 159

(4) The contract shall enumerate the specific powers, 160
duties, and functions of the board of directors of the district 161
described under division (P) of this section and shall designate 162
procedures consistent with that division for appointing members 163
to the board. The contract shall enumerate rules to govern the 164

board in carrying out its business under this section. 165

(5) (a) The contract may grant to the board the power to 166
adopt a resolution to levy an income tax within the entire 167
district or within portions of the district designated by the 168
contract. The income tax shall be used to carry out the economic 169
development plan for the district or the portion of the district 170
in which the tax is levied and for any other lawful purpose of 171
the contracting parties pursuant to the contract, including the 172
provision of utility services by one or more of the contracting 173
parties. 174

(b) An income tax levied under this section shall be based 175
on both the income earned by persons employed or residing within 176
the district and the net profit of businesses operating within 177
the district. 178

Except as provided in this section, the income tax levied 179
within the district is subject to Chapter 718. of the Revised 180
Code, except that no vote shall be required. The rate of the 181
income tax shall be no higher than the highest rate being levied 182
by a municipal corporation that is a contracting party. 183

(c) If the board adopts a resolution to levy an income 184
tax, it shall enter into an agreement with a municipal 185
corporation that is a contracting party to administer, collect, 186
and enforce the income tax on behalf of the district. 187

(d) A resolution levying an income tax under this section 188
shall require the contracting parties to annually set aside a 189
percentage, to be stated in the resolution, of the amount of the 190
income tax collected for the long-term maintenance of the 191
district. 192

(e) An income tax levied under this section shall apply in 193

the district or the portion of the district in which the 194
contract authorizes an income tax throughout the term of the 195
contract creating the district. The tax shall not apply to any 196
persons employed or residing on a parcel excluded from the 197
district under division (E)(2) of this section. 198

(6) If there is unincorporated territory in the district, 199
the contract shall specify that restrictions on annexation 200
proceedings under division (R) of this section apply to such 201
unincorporated territory. The contract may prohibit proceedings 202
under Chapter 709. of the Revised Code proposing the annexation 203
to, merger of, or consolidation with a municipal corporation 204
that is a contracting party of any unincorporated territory 205
within a township that is a contracting party during the term of 206
the contract regardless of whether that territory is located 207
within the district. 208

(7) The contract may designate property as a community 209
entertainment district, or may be amended to designate property 210
as a community entertainment district, as prescribed in division 211
(D) of section 4301.80 of the Revised Code. A contract or 212
amendment designating a community entertainment district shall 213
include all information and documentation described in divisions 214
(B)(1) to (6) of section 4301.80 of the Revised Code. The public 215
notice required under division (I) of this section shall specify 216
that the contract designates a community entertainment district 217
and describe the location of that district. Except as provided 218
in division (F) of section 4301.80 of the Revised Code, an area 219
designated as a community entertainment district under a joint 220
economic development district contract shall not lose its 221
designation even if the contract is canceled or terminated. 222

(8) If any part of the district is located either within 223

one-half of one mile of a non-contracting municipal corporation	224
or within an area covered by or subject to a water or sewer	225
service plan or agreement, the contract shall include all of the	226
following:	227
(a) A preliminary estimate of the costs of providing	228
public utility services, facilities, and improvements to the	229
district, prepared by a professional engineer;	230
(b) An analysis of the anticipated sources for funding the	231
costs of the public utilities infrastructure needed to serve the	232
district and a projection of when such funds will be available	233
and when such costs are likely to be incurred;	234
(c) Evidence or estimates indicating that the construction	235
of the public utility infrastructure needed to serve at least	236
some portion of the district will be completed within five years	237
after the creation of the district.	238
(G) The contract creating a joint economic development	239
district shall continue in existence throughout its term and	240
shall be binding on the contracting parties and on any parties	241
succeeding to the contracting parties, whether by annexation,	242
merger, or consolidation. Except as provided in division (H) of	243
this section, the contract may be amended, renewed, or	244
terminated with the approval of the contracting parties or any	245
parties succeeding to the contracting parties. If the contract	246
is amended to add or remove an area to or from an existing	247
district, the amendment shall be adopted in the manner	248
prescribed under division (L) of this section.	249
(H) If two or more contracting parties previously have	250
entered into a separate contract for utility services, then	251
amendment, renewal, or termination of the separate contract for	252

utility services shall not constitute any part of the 253
consideration for the contract creating a joint economic 254
development district. A contract creating a joint economic 255
development district shall be rebuttably presumed to violate 256
this division if it is entered into within two years prior or 257
five years subsequent to the amendment, renewal, or termination 258
of a separate contract for utility services that two or more 259
contracting parties previously have entered into. The 260
presumption stated in this division may be rebutted by clear and 261
convincing evidence of both of the following: 262

(1) That other substantial consideration existed to 263
support the contract creating a joint economic development 264
district; 265

(2) That the contracting parties entered into the contract 266
creating a joint economic development district freely and 267
without duress or coercion related to the amendment, renewal, or 268
termination of the separate contract for utility services. 269

A contract creating a joint economic development district 270
that violates this division is void and unenforceable. 271

(I) (1) Before the legislative authority of any of the 272
contracting parties adopts an ordinance or resolution approving 273
a contract to create a district, the legislative authority of 274
each of the contracting parties shall hold a public hearing 275
concerning the contract and district. Each legislative authority 276
shall provide at least thirty days' public notice of the time 277
and place of the public hearing in a newspaper of general 278
circulation in the municipal corporation, township, or county, 279
as applicable. During the thirty-day period prior to the public 280
hearing and until the date that an ordinance or resolution is 281
adopted under division (K) of this section to approve the joint 282

economic development district contract, all of the following 283
documents shall be available for public inspection in the office 284
of the clerk of the legislative authority of a municipal 285
corporation and county that is a contracting party and in the 286
office of the fiscal officer of a township that is a contracting 287
party: 288

(a) A copy of the contract creating the district, 289
including the economic development plan for the district and the 290
schedule for the provision of new, expanded, or additional 291
services, facilities, or improvements described in division (F) 292
(3) of this section; 293

(b) A description of the area or areas to be included in 294
the district, including a map in sufficient detail to denote the 295
specific boundaries of the area or areas and to indicate any 296
zoning restrictions applicable to the area or areas, and the 297
parcel number, provided for under section 319.28 of the Revised 298
Code, of any parcel located within the boundaries of the joint 299
economic development district and excluded from the district 300
under division (E) (2) of this section; 301

(c) If the contract authorizes the board of directors of 302
the district to adopt a resolution to levy an income tax within 303
the district or within portions of the district, a schedule for 304
the collection of the tax. 305

(2) At least thirty days before the first public hearing 306
is to be held by one or more legislative authorities on a 307
proposed district, notice shall be sent in writing to each non- 308
contracting municipal corporation that is located within one- 309
half of one mile of the proposed district or that is identified 310
in a water or sewer service plan or agreement as a future 311
provider of water or sewer services to all or part of the 312

proposed district. 313

(3) A public hearing held under this division shall allow 314
for public comment and recommendations on the contract and 315
district. The contracting parties may include in the contract 316
any of those recommendations prior to approval of the contract. 317

(J) (1) Before any of the contracting parties approves a 318
contract under division (K) of this section, the contracting 319
parties shall circulate one or more petitions to record owners 320
of real property located within the proposed joint economic 321
development district and owners of businesses operating within 322
the proposed district. The petitions shall state that all of the 323
documents described in divisions (I) (1) (a) to (c) of this 324
section are available for public inspection in the office of the 325
clerk of the legislative authority of each municipal corporation 326
and county that is a contracting party or the office of the 327
fiscal officer of each township that is a contracting party. The 328
petitions shall clearly indicate that, by signing the petition, 329
the record owner or owner consents to the proposed joint 330
economic development district. 331

A contracting party may send written notice of the 332
petitions by certified mail with return receipt requested to the 333
last known mailing addresses of any or all of the record owners 334
of real property located within the proposed district or the 335
owners of businesses operating within the proposed district. The 336
contracting parties shall equally share the costs of complying 337
with this division. 338

(2) If any portion of property located within the proposed 339
joint economic development district is also either located 340
within one-half of one mile of a non-contracting municipal 341
corporation or covered by or subject to a water or sewer service 342

plan or agreement under which a non-contracting municipal 343
corporation is identified as a future provider of water or sewer 344
services to all or part of the proposed district, then that 345
property and any property contiguous to that property if owned 346
by the same person shall be excluded from the joint economic 347
development district unless the owner of the property signs the 348
petition. 349

(K) (1) After the public hearings required under division 350
(I) of this section have been held and the petitions described 351
in division (J) of this section have been signed by the majority 352
of the record owners of real property located within the 353
proposed joint economic development district and by a majority 354
of the owners of businesses, if any, operating within the 355
proposed district, each contracting party may adopt an ordinance 356
or resolution approving the contract to create a joint economic 357
development district. Not later than ten days after all of the 358
contracting parties have adopted ordinances or resolutions 359
approving the district contract, each contracting party shall 360
give notice of the proposed district to all of the following: 361

(a) Each record owner of real property to be included in 362
the district and in the territory of that contracting party who 363
did not sign the petitions described in division (J) of this 364
section; 365

(b) An owner of each business operating within the 366
district and in the territory of that contracting party no owner 367
of which signed the petitions described in division (J) of this 368
section. 369

(2) Such notices shall be given by certified mail and 370
shall specify that the property or business is located within an 371
area to be included in the district and that all of the 372

documents described in divisions (I) (1) (a) to (c) of this 373
section are available for public inspection in the office of the 374
clerk of the legislative authority of each municipal corporation 375
and county that is a contracting party or the office of the 376
fiscal officer of each township that is a contracting party. The 377
contracting parties shall equally share the costs of complying 378
with division (K) of this section. 379

(L) (1) The contracting parties may amend the joint 380
economic development district contract to add any area that was 381
not originally included in the district if the area satisfies 382
the criteria prescribed under division (E) of this section. The 383
contracting parties may also amend the district contract to 384
remove any area originally included in the district or exclude 385
one or more parcels located within the district pursuant to 386
division (E) (2) of this section. 387

(2) An amendment adding an area to a district, removing an 388
area from the district, or excluding one or more parcels from 389
the district may be approved only by a resolution or ordinance 390
adopted by each of the contracting parties. The contracting 391
parties shall conduct public hearings on the amendment and 392
provide notice in the manner required under division (I) of this 393
section for original contracts. The contracting parties shall 394
make available for public inspection a copy of the amendment, a 395
description of the area to be added, removed, or excluded to or 396
from the district, and a map of that area in sufficient detail 397
to denote the specific boundaries of the area and to indicate 398
any zoning restrictions applicable to the area. 399

(3) Before adopting a resolution or ordinance approving 400
the addition of an area to the district, the contracting parties 401
shall circulate petitions to the record owners of real property 402

located within the proposed addition to the district and owners 403
of businesses operating within the proposed addition to the 404
district in the same manner required under division (J) of this 405
section for original contracts. The contracting parties may 406
notify such record owners of real property and owners of 407
businesses that the petitions are available for signing in the 408
same manner provided by that division. The contracting parties 409
shall equally share the costs of complying with this division. 410

(4) The contracting parties to a joint economic 411
development district may vote to approve an amendment to the 412
district contract under this division after the public hearings 413
required under division (L)(2) of this section are completed 414
and, if the amendment adds an area or areas to the district, the 415
petitions required under division (L)(3) of this section have 416
been signed by the majority of record owners of real property 417
located within the area or areas added to the district and by a 418
majority of the owners of businesses, if any, operating within 419
the proposed addition to the district. 420

(5) Not later than ten days after all of the contracting 421
parties have adopted ordinances or resolutions approving an 422
amendment adding one or more areas to the district, each 423
contracting party shall give notice of the addition to all of 424
the following: 425

(a) Each record owner of real property to be included in 426
the addition to the district and in the territory of that 427
contracting party who did not sign the petitions described in 428
division (L)(3) of this section; 429

(b) An owner of each business operating within the 430
addition to the district and in the territory of that 431
contracting party no owner of which signed the petitions 432

described in division (L)(3) of this section. 433

The contracting parties shall equally share the costs of 434
complying with division (L)(5) of this section. 435

(M)(1) Except as provided in division (M)(2) of this 436
section, the designation of a joint economic development 437
district is subject to elector approval in each contracting 438
party that is a township or, if none of the contracting parties 439
are townships, a municipal corporation within which all or part 440
of the territory of the district is located and that does not 441
levy an income tax in accordance with Chapter 718. of the 442
Revised Code at a rate exceeding one per cent. 443

(2) A board of township trustees that is a party to a 444
contract creating a joint economic development district of a 445
township or the legislative authority of a municipal corporation 446
described in division (M)(1) of this section may choose not to 447
submit its ordinance or resolution approving the joint economic 448
development district contract to the electors of the township or 449
municipal corporation, respectively, if all of the following 450
conditions are satisfied: 451

(a) The ordinance or resolution has been approved by a 452
unanimous vote of the members of the board ~~of township trustees~~ 453
or legislative authority, or, if a county is one of the 454
contracting parties under division (D) of this section, the 455
resolution has been approved by a majority vote of the members 456
of the board ~~of township trustees~~ or legislative authority; 457

(b) The contracting parties have circulated petitions as 458
required under division (J) of this section and obtained the 459
signatures required under division (L) of this section; 460

(c) The territory to be included in the proposed district 461

is zoned in a manner appropriate to the function of the 462
district. 463

~~(2)~~ (3) If the a board of township trustees has of a 464
township or the legislative authority of a municipal corporation 465
described in division (M) (1) of this section chooses not invoked 466
to invoke its authority under division ~~(M) (1)~~ (M) (2) of this 467
section, or if the conditions described by that division are not 468
satisfied, the board or legislative authority, at least ninety 469
days before the date of the election, shall file its ordinance 470
or resolution approving the district contract with the board of 471
elections for submission to the electors of the township or 472
municipal corporation, respectively, for approval at the next 473
succeeding general, primary, or special election. 474

~~(3)~~ (4) Any contract creating a district in which a board 475
of township trustees or municipal corporation described in 476
division (M) (1) of this section is a party shall provide that 477
the contract is not effective before the thirty-first day after 478
its approval, including approval by the electors of the township 479
or municipal corporation, if required by this section. 480

~~(4)~~ (5) If the a board of township trustees of a township 481
or the legislative authority of a municipal corporation 482
described in division (M) (1) of this section invokes its 483
authority under division ~~(M) (1)~~ (M) (2) of this section and does 484
not submit the district contract to the electors for approval, 485
the ordinance or resolution of the board of township trustees 486
approving the contract is subject to a referendum of the 487
electors of the township or municipal corporation when requested 488
through a petition. When signed by ten per cent of the number of 489
electors in the township or municipal corporation who voted for 490
the office of governor at the most recent general election, a 491

referendum petition asking that the ordinance or resolution be 492
submitted to the electors ~~of the township~~ may be presented to 493
the board of township trustees or the legislative authority of 494
the municipal corporation. Such a petition shall be presented 495
within thirty days after the board ~~of township trustees or~~ 496
legislative authority adopts the ordinance or resolution 497
approving the district contract. The board ~~of township trustees-~~ 498
or legislative authority shall, not later than four p.m. of the 499
tenth day after receipt of the petition, certify the text of the 500
ordinance or resolution to the board of elections. The board of 501
elections shall submit the resolution to the electors of the 502
township or municipal corporation for their approval or 503
rejection at the next general, primary, or special election 504
occurring at least ninety days after certification of the 505
ordinance or resolution. 506

(N) The ballot respecting ~~a~~ an ordinance or resolution to 507
create a district or a referendum of such a resolution shall be 508
in the following form: 509

"Shall the ~~resolution~~ _____ (ordinance or resolution) 510
of _____ (here insert name of the ~~board of township~~ 511
~~trustees or municipal corporation~~) approving the contract with 512
..... _____ (here insert name of every other 513
contracting party) for the creation of a joint economic 514
development district (JEDD) be approved? 515

FOR THE ~~RESOLUTION AND~~ JEDD CONTRACT 516

AGAINST THE ~~RESOLUTION AND~~ JEDD CONTRACT" 517

If a majority of the electors of the township or municipal 518
corporation voting on the issue vote for the ~~resolution and-~~ 519
joint economic development district contract, the ordinance or 520

resolution shall become effective immediately and the contract 521
shall go into effect on the thirty-first day after the election 522
or thereafter in accordance with terms of the contract. 523

(O) Upon the creation of a district under this section, 524
one of the contracting parties shall file a copy of each of the 525
following documents with the director of development: 526

(1) All of the documents described in divisions (I) (1) (a) 527
to (c) of this section; 528

(2) Certified copies of the ordinances and resolutions of 529
the contracting parties relating to the contract and district; 530

(3) Documentation from each contracting party that the 531
public hearings required by division (I) of this section have 532
been held, the date of the hearings, and evidence that notice of 533
the hearings was published as required by that division; 534

(4) A copy of the signed petitions required under 535
divisions (J) and (K) of this section. 536

(P) A board of directors shall govern each district 537
created under this section. 538

(1) If there are businesses operating and persons employed 539
within the district, the board shall be composed of the 540
following members: 541

(a) One member representing the municipal corporations 542
that are contracting parties; 543

(b) One member representing the townships that are 544
contracting parties, or, if no contracting party is a township, 545
a second member representing the municipal corporations that are 546
contracting parties; 547

(c) One member representing the owners of businesses 548
operating within the district; 549

(d) One member representing the persons employed within 550
the district; 551

(e) One member representing the counties that are 552
contracting parties, or, if no contracting party is a county, 553
one member selected by the members described in divisions (P) (1) 554
(a) to (d) of this section. 555

The members of the board shall be appointed as provided in 556
the district contract. Of the members initially appointed to the 557
board, the member described in division (P) (1) (a) of this 558
section shall serve a term of one year; the member described in 559
division (P) (1) (b) of this section shall serve a term of two 560
years; the member described in division (P) (1) (c) of this 561
section shall serve a term of three years; and the members 562
described in divisions (P) (1) (d) and (e) of this section shall 563
serve terms of four years. Thereafter, terms for each member 564
shall be for four years, each term ending on the same day of the 565
same month of the year as did the term that it succeeds. A 566
member may be reappointed to the board, but no member shall 567
serve more than two consecutive terms on the board. 568

The member described in division (P) (1) (e) of this section 569
shall serve as chairperson of the board described under division 570
(P) (1) of this section. 571

(2) If there are no businesses operating or persons 572
employed within the district, the board shall be composed of the 573
following members: 574

(a) One member representing the municipal corporations 575
that are contracting parties; 576

(b) One member representing the townships that are 577
contracting parties, or, if no contracting party is a township, 578
a second member representing the municipal corporations that are 579
contracting parties; 580

(c) One member representing the counties that are 581
contracting parties, or if no contracting party is a county, one 582
member selected by the members described in divisions (P) (2) (a) 583
and (b) of this section. 584

The members of the board shall be appointed as provided in 585
the district contract. Of the members initially appointed to the 586
board, the member described in division (P) (2) (a) of this 587
section shall serve a term of one year; the member described in 588
division (P) (2) (b) of this section shall serve a term of two 589
years; and the member described in division (P) (2) (c) of this 590
section shall serve a term of three years. Thereafter, terms for 591
each member shall be for four years, each term ending on the 592
same day of the same month of the year as did the term that it 593
succeeds. A member may be reappointed to the board, but no 594
member shall serve more than two consecutive terms on the board. 595

The member described in division (P) (2) (c) of this section 596
shall serve as chairperson of a board described under division 597
(P) (2) of this section. 598

(3) A board described under division (P) (1) or (2) of this 599
section has no powers except as described in this section and in 600
the contract creating the district. 601

(4) Membership on the board of directors of a joint 602
economic development district created under this section is not 603
the holding of a public office or employment within the meaning 604
of any section of the Revised Code prohibiting the holding of 605

other public office or employment. Membership on such a board is 606
not a direct or indirect interest in a contract or expenditure 607
of money by a municipal corporation, township, county, or other 608
political subdivision with which a member may be affiliated. 609
Notwithstanding any provision of law to the contrary, no member 610
of a board of directors of a joint economic development district 611
shall forfeit or be disqualified from holding any public office 612
or employment by reason of membership on the board. 613

(5) The board of directors of a joint economic development 614
district is a public body for the purposes of section 121.22 of 615
the Revised Code. Chapter 2744. of the Revised Code applies to 616
such a board and the district. 617

(Q) (1) On or before the date occurring six months after 618
the effective date of the district contract, an owner of a 619
business operating within the district may, on behalf of the 620
business and its employees, file a complaint with the court of 621
common pleas of the county in which the majority of the 622
territory of the district is located requesting exemption from 623
any income tax imposed by the board of directors of the district 624
under division (F) (5) of this section if all of the following 625
apply: 626

(a) The business operated within an unincorporated area of 627
the district before the effective date of the district contract; 628

(b) No owner of the business signed a petition described 629
in division (J) of this section; 630

(c) Neither the business nor its employees has derived or 631
will derive any material benefit from the new, expanded, or 632
additional services, facilities, or improvements described in 633
the economic development plan for the district, or the material 634

benefit that has, or will be, derived is negligible in 635
comparison to the income tax revenue generated from the net 636
profits of the business and the income of employees of the 637
business. 638

The legislative authority of each contracting party shall 639
be made a party to the proceedings and the business owner filing 640
the complaint shall serve notice of the complaint by certified 641
mail to each such contracting party. The court shall not accept 642
any complaint filed more than six months after the effective 643
date of the district contract. 644

(2) Any or all of the contracting parties may submit a 645
written answer to the complaint submitted under division (Q) (1) 646
of this section to the court within thirty days after notice of 647
the complaint was served upon them. Such a contracting party 648
shall submit to the court, along with the answer, documentation 649
sufficient to prove that the contracting party sent copies of 650
the answer to the owner of the business who filed the complaint. 651

(3) The court shall review each complaint submitted by a 652
business owner under division (Q) (1) of this section and each 653
answer submitted by a contracting party under division (Q) (2) of 654
this section. The court may make a determination on the record 655
and the evidence thus submitted, or it may conduct a hearing and 656
request the presence of the business owner and the contracting 657
parties to present evidence relevant to the complaint. The court 658
shall make a determination on the complaint not sooner than 659
thirty days but not later than sixty days after the complaint is 660
filed by the business owner. The court may make a determination 661
more than sixty days after the complaint is filed if the 662
business owner and all contracting parties to the district 663
consent. 664

(4) The court shall grant the exemption requested in the 665
complaint if all of the criteria described in divisions (Q) (1) 666
(a) to (c) of this section are met. 667

(5) If all the criteria described in divisions (Q) (1) (a) 668
to (c) of this section are not met, the court shall deny the 669
complaint and the exemption. 670

(6) The court shall send notice of the determination with 671
respect to the complaint to the owner of the business and each 672
contracting party. If the court grants the exemption, the net 673
profits of the business from operations within the district and 674
the income of its employees from employment within the district 675
are exempt from any income tax imposed by the board of directors 676
of the district. If the court denies the exemption, the net 677
profits of the business and the income of its employees shall be 678
taxed according to the terms of the district contract and any 679
taxes, penalties, and interest accrued before the date of the 680
court's determination shall be paid in full. In addition, no 681
owner of the business may submit another complaint under 682
division (Q) (1) of this section for the same district contract. 683
The court's determination on a complaint filed under division 684
(Q) of this section is final. 685

(7) Chapter 2506. of the Revised Code does not apply to 686
the proceedings described in division (Q) of this section. 687

(R) (1) No proceeding pursuant to Chapter 709. of the 688
Revised Code that proposes the annexation to, merger of, or 689
consolidation with a municipal corporation of any unincorporated 690
territory within a joint economic development district may be 691
commenced at any time between the effective date of the contract 692
creating the district and the date the contract expires, 693
terminates, or is otherwise rendered unenforceable. This 694

division does not apply if each board of township trustees whose territory is included within the district and whose territory is proposed to be annexed, merged, or consolidated adopts a resolution consenting to the commencement of the proceeding. Each such board of township trustees shall file a copy of the resolution with the clerk of the legislative authority of each county within which a contracting party is located.

(2) The contract creating a joint economic development district may prohibit any annexation proceeding by a contracting municipal corporation of any unincorporated territory within the district or zone beyond the period described in division (R)(1) of this section.

(3) No contracting party is divested or relieved of its rights or obligations under the contract creating a joint economic development district because of annexation, merger, or consolidation.

(S) Contracting parties may enter into agreements pursuant to the contract creating a joint economic development district with respect to the substance and administration of zoning and other land use regulations, building codes, permanent public improvements, and other regulatory and proprietary matters determined to be for a public purpose. No contract, however, shall exempt the territory within the district from the procedures of land use regulation applicable pursuant to municipal corporation, township, and county regulations, including, but not limited to, zoning procedures.

(T) The powers granted under this section are in addition to and not in the derogation of all other powers possessed by or granted to municipal corporations, townships, and counties pursuant to law.

(1) When exercising a power or performing a function or duty under a contract entered into under this section, a municipal corporation may exercise all the powers of a municipal corporation, and may perform all the functions and duties of a municipal corporation, within the district, pursuant to and to the extent consistent with the contract.

(2) When exercising a power or performing a function or duty under a contract entered into under division (D) of this section, a county may exercise all of the powers of a county, and may perform all the functions and duties of a county, within the district pursuant to and to the extent consistent with the contract.

(3) When exercising a power or performing a function or duty under a contract entered into under this section, a township may exercise all the powers of a township, and may perform all the functions and duties of a township, within the district, pursuant to and to the extent consistent with the contract.

(U) No political subdivision shall grant any tax exemption under Chapter 1728. or section 3735.67, 5709.62, 5709.63, or 5709.632 of the Revised Code on any property located within the district without the consent of all the contracting parties. The prohibition against granting a tax exemption under this section does not apply to any exemption filed, pending, or approved before the effective date of the contract entered into under this section.

Section 2. That existing section 715.72 of the Revised Code is hereby repealed.