

Sub. H. B. No. 96

As Passed by the Senate

TAXCD87, TAXCD120, OBMCD51

_____ moved to amend as follows:

In line 7554, delete "municipal"

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Delete lines 7555 through 7560 and insert "transformational major sports facility mixed-use project district as defined in section 123.28 of the Revised Code."

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In line 23375, strike through "a" and insert "either of the following:

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(a) A"

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In line 23381, after "corporation" insert ";

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(b) A new community authority as defined in section 349.01 of the Revised Code"

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After line 129691, insert:

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"Sec. 5709.081. (A) Real and tangible personal property owned by a political subdivision that is a public recreational facility for athletic events shall be exempt from taxation if all of the following apply:

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(1) The property is controlled and managed by a political

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subdivision or a county-related corporation or by a similar 17
corporation under the direct control of a political subdivision 18
and whose members and trustees are chosen or appointed by the 19
subdivision; 20

(2) All revenues and receipts derived by the subdivision 21
or corporation that controls and manages the property, after 22
deducting amounts needed to pay necessary expenses for the 23
operation and management of the property, accrue to the 24
political subdivision owning the property; 25

(3) The property is not occupied and used for more than 26
seven days in any calendar month by any private entity for 27
profit or for more than a total of fifteen days in any calendar 28
month by all such private entities for profit; 29

(4) The property is under the direction and control of the 30
political subdivision or managing corporation whenever it is 31
being used by a private entity for profit; 32

(5) The primary user or users of the property, if such a 33
primary user exists, are controlled and managed by the political 34
subdivision or corporation that controls and manages the 35
property. 36

(B) Tangible personal property, and all buildings, 37
structures, fixtures, and improvements of any kind to the land, 38
that are constructed or, in the case of personal property, 39
acquired after March 2, 1992, and are part of or used in a 40
public recreational facility used by a major league professional 41
athletic team or a class A to class AAA minor league affiliate 42
of a major league baseball team for a significant portion of its 43
home schedule, and land acquired by a political subdivision in 44
1999 for such purposes or originally leased from a political 45

subdivision, such political subdivision qualifying as such 46
pursuant to division (H) of this section, in 1998 for such 47
purposes, are declared to be public property used for a public 48
purpose and are exempt from taxation, if all of the following 49
apply: 50

(1) Such property, or the land upon which such property is 51
located if such land was originally leased in 1998 from a 52
political subdivision that qualifies as such pursuant to 53
division (H) of this section, is owned by ~~one~~ either of the 54
following: 55

(a) One or more political subdivisions ~~or by a~~, which may 56
include a new community authority as defined in section 349.01 57
of the Revised Code; 58

(b) A corporation controlled by such a subdivision or 59
subdivisions. 60

(2) Such property was or is any of the following: 61

(a) Constructed or, in the case of personal property, 62
acquired pursuant to an agreement with a municipal corporation 63
to implement a development, redevelopment, or renewal plan for 64
an area declared by the municipal corporation to be a slum or 65
blighted area, as those terms are defined in section 725.01 of 66
the Revised Code; 67

(b) Financed in whole or in part with public obligations 68
as defined in section 5709.76 of the Revised Code or otherwise 69
paid for in whole or in part by one or more political 70
subdivisions; 71

(c) An improvement or addition to property defined in 72
division (B) (2) (a) or (b) of this section. 73

(3) Such property is controlled and managed by either of	74
the following:	75
(a) One or more of the political subdivisions or the	76
corporation that owns it;	77
(b) A designee, tenant, or agent of such political	78
subdivision or subdivisions or corporation pursuant to a	79
management, lease, or similar written agreement.	80
(4) The primary user or users of such property, if a	81
primary user or primary users exist, either:	82
(a) Are controlled and managed by one or more of the	83
political subdivisions or the corporation that owns the	84
property; or	85
(b) Operate under leases, licenses, management agreements,	86
or similar arrangements with, and providing for the payment of	87
rents, revenues, or other remuneration to, one or more of the	88
political subdivisions or the corporation that owns the	89
property.	90
(5) Any residual cash accrues to the political subdivision	91
or subdivisions that own the property or that control the	92
corporation that owns the property, and is used for the public	93
purposes of the subdivision or subdivisions. As used in division	94
(B) (5) of this section, "residual cash" means any revenue and	95
receipts derived from the property by the political subdivision	96
or subdivisions or corporation that owns the property and that	97
are available for unencumbered use by the political subdivision	98
or subdivisions or corporation, after deducting amounts needed	99
to make necessary expenditures, pay debt service, and provide	100
for working capital related to the ownership, management,	101
operation, and use of the property, including payments of taxes	102

on the taxable part of the public recreational facility, 103
contractually obligated payments or deposits into reserves or 104
otherwise, and service payments under section 307.699 of the 105
Revised Code. 106

(C) The exemption provided in division (B) of this section 107
also applies to both of the following: 108

(1) The property during its construction or, in the case 109
of tangible personal property, acquisition during the 110
construction period, if the owner meets the condition of 111
division (B)(1) of this section and has agreements that provide 112
for the satisfaction of all other conditions of division (B) of 113
this section upon the completion of the construction; 114

(2) Any improvement or addition made after March 2, 1992, 115
to a public recreational facility that was constructed before 116
March 2, 1992, as long as all other conditions in division (B) 117
of this section are met. 118

(D) A corporation that owns property exempt from taxation 119
under division (B) of this section is a public body for the 120
purposes of section 121.22 of the Revised Code. The 121
corporation's records are public records for the purposes of 122
section 149.43 of the Revised Code, except records related to 123
matters set forth in division (G) of section 121.22 of the 124
Revised Code and records related to negotiations that are not 125
yet completed for financing, leases, or other agreements. 126

(E) The exemption under division (B) of this section 127
applies to property that is owned by the political subdivision 128
or subdivisions or the corporation that owns the public 129
recreational facility. Tangible personal property owned by 130
users, managers, or lessees of the facility is taxable when used 131

in the public recreational facility. 132

(F) All real property constituting a public recreational 133
facility, including the land on which the facility is situated, 134
that is owned by a municipal corporation and used primarily by 135
an independent professional minor league baseball team for a 136
significant portion of its home schedule is declared to be 137
public property used for a public purpose, and is exempt from 138
taxation, if the facility is constructed in 2008 or thereafter, 139
the team operates at the facility under a lease, license, 140
management agreement, or similar arrangement with the municipal 141
corporation that requires the team to pay rent, revenue, or 142
other remuneration to the municipal corporation, and any 143
residual cash, as defined in division (B) (5) of this section, 144
that accrues to the municipal corporation is used for the public 145
purposes of the municipal corporation. 146

For the purposes of this division, an independent 147
professional minor league baseball team is a baseball team that 148
employs professional players and that is a member of an 149
established league composed of teams that are not affiliated 150
with a constituent member club of the association known as major 151
league baseball. 152

(G) Nothing in this section or in any other section of the 153
Revised Code prohibits or otherwise precludes an agreement 154
between a political subdivision, or a corporation controlled by 155
a political subdivision, that owns or operates a public 156
recreational facility that is exempted from taxation under 157
division (A), (B), or (F) of this section and the board of 158
education of a school district or the legislative authority of a 159
municipal corporation, or both, in which all or a part of that 160
facility is located, providing for payments to the school 161

district or municipal corporation, or both, in lieu of taxes 162
 that otherwise would be charged against real and tangible 163
 personal property exempted from taxation under this section, for 164
 a period of time and under such terms and conditions as the 165
 legislative authority of the political subdivision and the board 166
 of education or municipal legislative authority, or both, may 167
 agree, which agreements are hereby specifically authorized. 168

(H) As used in this section, "political subdivision" 169
 includes the state or an agency of the state if the city, local, 170
 or exempted village school district in which the property is 171
 situated expressly consents to exempting the property from 172
 taxation." 173

Update the title, amend, enact, or repeal clauses accordingly 174

The motion was _____ agreed to.

SYNOPSIS

Stadium project provisions

R.C. 122.09, 307.696, and 5709.081

Removes a provision, added by the Senate, that excludes 178
 projects located in a municipal corporation with a population of 179
 between 15,000 and 20,000 and that contains or is located within 180
 2,000 feet of a NASA research facility and an airport with at 181
 least two runways that are each at least 9,000 feet from 182
 eligibility for the transformational mixed use development tax 183
 credit. 184

Excludes projects located in transformational major sports 185

facility mixed-use project districts, which the bill creates, 186
from eligibility for the transformational mixed use development 187
tax credit. 188

Includes new community authorities in the definition of 189
"corporation" for purposes of the continuing law allowing a 190
contract between a county and a corporation for the corporation 191
to build and operate a sports facility funded by sales tax 192
backed bonds. 193

Provides that a new community authority is a political 194
subdivision for purposes of a property tax exemption available 195
for certain political-subdivision-owned sports facilities. 196