

As Introduced

**136th General Assembly
Regular Session
2025-2026**

S. B. No. 424

Senators Reynolds, Lang

To amend section 349.01 of the Revised Code 1
regarding new community authorities. 2

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

Section 1. That section 349.01 of the Revised Code be 3
amended to read as follows: 4

Sec. 349.01. As used in this chapter: 5

(A) "New community" means a community or development of 6
property in relation to an existing community planned so that 7
the resulting community includes facilities for the conduct of 8
industrial, commercial, residential, cultural, educational, and 9
recreational activities, and designed in accordance with 10
planning concepts for the placement of utility, open space, and 11
other supportive facilities. 12

(B) "New community development program" means a program 13
for the development of a new community characterized by well- 14
balanced and diversified land use patterns and which includes 15
land acquisition and land development, the acquisition, 16
construction, operation, and maintenance of community 17
facilities, and the provision of services authorized in this 18
chapter. 19

A new community development program may take into account 20

any existing community in relation to which a new community is 21
developed for purposes of being characterized by well-balanced 22
and diversified land use patterns. 23

(C) "New community district" means the area of land 24
described by the developer in the petition as set forth in 25
division (A) of section 349.03 of the Revised Code for 26
development as a new community and any lands added to the 27
district by amendment of the resolution establishing the 28
community authority. 29

(D) "New community authority" means a body corporate and 30
politic in this state, established pursuant to section 349.03 of 31
the Revised Code and governed by a board of trustees as provided 32
in section 349.04 of the Revised Code. 33

(E) "Developer" means any person, organized for carrying 34
out a new community development program who owns or controls, 35
through leases of at least seventy-five years' duration, 36
options, or contracts to purchase, the land within a new 37
community district, or any municipal corporation, township, 38
county, or port authority that owns the land within a new 39
community district, or has the ability to acquire such land, 40
either by voluntary acquisition or condemnation in order to 41
eliminate slum, blighted, and deteriorated or deteriorating 42
areas and to prevent the recurrence thereof. "Developer" may 43
also mean a person, municipal corporation, township, county, or 44
port authority that controls land within a new community 45
district through leases of at least seventy-five years' 46
duration. "Developer" includes a lessor that continues to own 47
and control land for purposes of this chapter pursuant to leases 48
with a ninety-nine-year renewable term, so long as both of the 49
following apply: 50

(1) The developer's new community district consists of at least five leases described in this section.	51 52
(2) The leases are subject to forfeiture for all of the following:	53 54
(a) Failing to pay taxes and assessments;	55
(b) Failing to pay an annual fee of up to one per cent of rent for sanitary purposes and improvements made to streets;	56 57
(c) Failing to keep the premises as required by sanitary and police regulations of the developer.	58 59
(F) "Organizational board of commissioners" means any of the following:	60 61
(1) For a new community district that is located in only one county, the board of county commissioners of that county;	62 63
(2) For a new community district that is located in more than one county, a board consisting of the members of the board of county commissioners of each of the counties in which the district is located, provided that action of the board shall require a majority vote of the members of each separate board of county commissioners;	64 65 66 67 68 69
(3) For a new community district that is located entirely within the boundaries of a municipal corporation or for a new community district where more than half of the new community district is located within the boundaries of the most populous municipal corporation of a county, the legislative authority of the municipal corporation;	70 71 72 73 74 75
(4) For a new community district that is comprised entirely of unincorporated territory within the boundaries of a township with a population of at least five thousand, and which	76 77 78

is located in a county with a population of at least two hundred 79
thousand and not more than four hundred thousand, or located 80
within the boundaries of a limited home rule township that 81
adopted a resolution under section 5709.73 of the Revised Code 82
before January 1, 1995, and which is located in a county with a 83
population of more than four hundred thousand, the board of 84
township trustees of the township; 85

(5) In the event that more than one body meets the 86
definitions set forth in divisions (F) (1) to (4) of this 87
section, "organizational board of commissioners" means the 88
organizational board of commissioners with which the original 89
petition was filed or another body meeting the definitions set 90
forth in divisions (F) (1) to (4) of this section appointed in a 91
resolution adopted by the organizational board of commissioners 92
with which the original petition was filed. 93

(G) "Land acquisition" means the acquisition of real 94
property and interests in real property as part of a new 95
community development program. 96

(H) "Land development" means the process of clearing and 97
grading land, making, installing, or constructing water 98
distribution systems, sewers, sewage collection systems, steam, 99
gas, and electric lines, roads, streets, curbs, gutters, 100
sidewalks, storm drainage facilities, and other installations or 101
work, whether within or without the new community district, and 102
the construction of community facilities. 103

(I) "Community facilities" means all real property, 104
buildings, structures, or other facilities, including related 105
fixtures, equipment, and furnishings, to be owned, operated, 106
financed, constructed, and maintained under this chapter or in 107
furtherance of community activities, whether within or without 108

the new community district, including public, community,	109
village, neighborhood, or town buildings, centers and plazas,	110
auditoriums, child care centers, recreation halls, educational	111
facilities, health care facilities including hospital facilities	112
as defined in section 140.01 of the Revised Code,	113
telecommunications facilities, including all facilities	114
necessary to provide telecommunications service as defined in	115
section 4927.01 of the Revised Code, recreational facilities,	116
natural resource facilities, including parks and other open	117
space land, lakes and streams, cultural facilities, community	118
streets and off-street parking facilities, pathway and bikeway	119
systems, pedestrian underpasses and overpasses, lighting	120
facilities, design amenities, <u>multi-family rental housing,</u>	121
<u>office buildings, hotel and hospitality facilities, retail</u>	122
<u>buildings and facilities,</u> or other community facilities, and	123
buildings needed in connection with water supply or sewage	124
disposal installations, or energy facilities including those for	125
renewable or sustainable energy sources, and steam, gas, or	126
electric lines or installation.	127
(J) "Cost" as applied to a new community development	128
program means all costs related to land acquisition and land	129
development, the acquisition, construction, maintenance, and	130
operation of community facilities and offices of the community	131
authority, and of providing furnishings and equipment therefor,	132
financing charges including interest prior to and during	133
construction and for the duration of the new community	134
development program, planning expenses, engineering expenses,	135
administrative expenses including working capital, and all other	136
expenses necessary and incident to the carrying forward of the	137
new community development program.	138
(K) "Income source" means any and all sources of income to	139

the community authority, including community development charges 140
of which the new community authority is the beneficiary as 141
provided in section 349.07 of the Revised Code, rentals, user 142
fees and other charges received by the new community authority, 143
any gift or grant received, any moneys received from any funds 144
invested by or on behalf of the new community authority, and 145
proceeds from the sale or lease of land and community 146
facilities. 147

(L) "Community development charge" means: 148

(1) A dollar amount which shall be determined on the basis 149
of the assessed valuation of real property or interests in real 150
property in a new community district, the income of the 151
residents of such property subject to such charge under section 152
349.07 of the Revised Code, if such property is devoted to 153
residential uses or to the profits, gross receipts, or other 154
revenues of any business including, but not limited to, rentals 155
received from leases of real property located in the district, a 156
uniform or other fee on each parcel of such real property in a 157
new community district, or any combination of the foregoing 158
bases. 159

(2) If a new community authority imposes a community 160
development charge determined on the basis of rentals received 161
from leases of real property, improvements of any real property 162
located in the new community district and subject to that charge 163
may not be exempted from taxation under section 5709.40, 164
5709.41, 5709.45, 5709.48, 5709.73, or 5709.78 of the Revised 165
Code. 166

(M) "Proximate community" means the following: 167

(1) For a new community district other than a new 168

community district described in division (M) (2), (3), or (4) of 169
this section, any city that, as of the date of filing of the 170
petition under section 349.03 of the Revised Code, is the city 171
with the greatest population located in the county in which the 172
proposed new community district is located, is the city with the 173
greatest population located in an adjoining county if any 174
portion of such city is within five miles of any part of the 175
boundaries of such district, or exercises extraterritorial 176
subdivision authority under section 711.09 of the Revised Code 177
with respect to any part of such district. 178

(2) A municipal corporation in which, at the time of 179
filing the petition under section 349.03 of the Revised Code, 180
any portion of the proposed new community district is located. 181

(3) For a new community district other than a new 182
community district described in division (M) (2) or (4) of this 183
section, if at the time of filing the petition under section 184
349.03 of the Revised Code, more than one-half of the proposed 185
district is contained within a joint economic development 186
district created under sections 715.70 to 715.83 of the Revised 187
Code, the township containing the greatest portion of the 188
territory of the joint economic development district. 189

(4) For a new community district other than a new 190
community district described in division (M) (2) or (3) of this 191
section, if at the time of filing the petition under section 192
349.03 of the Revised Code the proposed new community district 193
is comprised entirely of unincorporated territory within the 194
boundaries of a township with a population of at least five 195
thousand, and which is located in a county with a population of 196
at least two hundred thousand and not more than four hundred 197
thousand, or located within the boundaries of a limited home 198

rule township that adopted a resolution under section 5709.73 of 199
the Revised Code before January 1, 1995, and which is located in 200
a county with a population of more than four hundred thousand, 201
the township in which the proposed new community district is 202
located. 203

(N) "Community activities" means cultural, educational, 204
governmental, recreational, residential, industrial, commercial, 205
distribution and research activities, or any combination 206
thereof. 207

Section 2. That existing section 349.01 of the Revised 208
Code is hereby repealed. 209