

**As Introduced**

**131st General Assembly  
Regular Session  
2015-2016**

**H. B. No. 12**

**Representatives Butler, Burkley**

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**A BILL**

To amend sections 5709.40, 5709.73, 5709.77,  
5709.78, and 5709.911 of the Revised Code to  
establish a procedure by which political  
subdivisions proposing a tax increment financing  
(TIF) incentive district are required to provide  
notice to the record owner of each parcel within  
the proposed incentive district before creating  
the district, and to permit such owners, under  
specific conditions, to exclude their parcels  
from the incentive district by submitting a  
written response.

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

**Section 1.** That sections 5709.40, 5709.73, 5709.77,  
5709.78, and 5709.911 of the Revised Code be amended to read as  
follows:

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

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

(2) "Business day" means a day of the week excluding  
Saturday, Sunday, and a legal holiday as defined under section

1.14 of the Revised Code.	20
(3) "Housing renovation" means a project carried out for residential purposes.	21 22
(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.	23 24 25 26 27
(5) "Incentive district" means an area not more than three hundred acres in size 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:	28 29 30 31
(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;	32 33 34 35 36 37
(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.	38 39 40 41
(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.	42 43 44 45
(d) The district is a blighted area.	46
(e) The district is in a situational distress area as	47

designated by the director of development services under 48  
division (F) of section 122.23 of the Revised Code. 49

(f) As certified by the engineer for the political 50  
subdivision, the public infrastructure serving the district is 51  
inadequate to meet the development needs of the district as 52  
evidenced by a written economic development plan or urban 53  
renewal plan for the district that has been adopted by the 54  
legislative authority of the subdivision. 55

(g) The district is comprised entirely of unimproved land 56  
that is located in a distressed area as defined in section 57  
122.23 of the Revised Code. 58

(6) "Overlay" means an area of not more than three hundred 59  
acres that is a square, or that is a rectangle having two longer 60  
sides that are not more than twice the length of the two shorter 61  
sides, that the legislative authority of a municipal corporation 62  
delineates on a map of a proposed incentive district. 63

(7) "Project" means development activities undertaken on 64  
one or more parcels, including, but not limited to, 65  
construction, expansion, and alteration of buildings or 66  
structures, demolition, remediation, and site development, and 67  
any building or structure that results from those activities. 68

~~(7)~~(8) "Public infrastructure improvement" includes, but 69  
is not limited to, public roads and highways; water and sewer 70  
lines; environmental remediation; land acquisition, including 71  
acquisition in aid of industry, commerce, distribution, or 72  
research; demolition, including demolition on private property 73  
when determined to be necessary for economic development 74  
purposes; stormwater and flood remediation projects, including 75  
such projects on private property when determined to be 76

necessary for public health, safety, and welfare; the provision 77  
of gas, electric, and communications service facilities, 78  
including the provision of gas or electric service facilities 79  
owned by nongovernmental entities when such improvements are 80  
determined to be necessary for economic development purposes; 81  
and the enhancement of public waterways through improvements 82  
that allow for greater public access. 83

(B) The legislative authority of a municipal corporation, 84  
by ordinance, may declare improvements to certain parcels of 85  
real property located in the municipal corporation to be a 86  
public purpose. Improvements with respect to a parcel that is 87  
used or to be used for residential purposes may be declared a 88  
public purpose under this division only if the parcel is located 89  
in a blighted area of an impacted city. For this purpose, 90  
"parcel that is used or to be used for residential purposes" 91  
means a parcel that, as improved, is used or to be used for 92  
purposes that would cause the tax commissioner to classify the 93  
parcel as residential property in accordance with rules adopted 94  
by the commissioner under section 5713.041 of the Revised Code. 95  
Except with the approval under division (D) of this section of 96  
the board of education of each city, local, or exempted village 97  
school district within which the improvements are located, not 98  
more than seventy-five per cent of an improvement thus declared 99  
to be a public purpose may be exempted from real property 100  
taxation for a period of not more than ten years. The ordinance 101  
shall specify the percentage of the improvement to be exempted 102  
from taxation and the life of the exemption. 103

An ordinance adopted or amended under this division shall 104  
designate the specific public infrastructure improvements made, 105  
to be made, or in the process of being made by the municipal 106  
corporation that directly benefit, or that once made will 107

directly benefit, the parcels for which improvements are 108  
declared to be a public purpose. The service payments provided 109  
for in section 5709.42 of the Revised Code shall be used to 110  
finance the public infrastructure improvements designated in the 111  
ordinance, for the purpose described in division (D) (1) of this 112  
section or as provided in section 5709.43 of the Revised Code. 113

(C) (1) The legislative authority of a municipal 114  
corporation may adopt an ordinance creating an incentive 115  
district and declaring improvements to parcels within the 116  
district to be a public purpose and, except as provided in 117  
division ~~(F)~~ (C) (2) of this section, exempt from taxation as 118  
provided in this section, but no legislative authority of a 119  
municipal corporation that has a population that exceeds twenty- 120  
five thousand, as shown by the most recent federal decennial 121  
census, shall adopt an ordinance that creates an incentive 122  
district if the sum of the taxable value of real property in the 123  
proposed district for the preceding tax year and the taxable 124  
value of all real property in the municipal corporation that 125  
would have been taxable in the preceding year were it not for 126  
the fact that the property was in an existing incentive district 127  
and therefore exempt from taxation exceeds twenty-five per cent 128  
of the taxable value of real property in the municipal 129  
corporation for the preceding tax year. The ordinance shall 130  
delineate the boundary of the proposed district and specifically 131  
identify each parcel within the district. A proposed district 132  
may not include any parcel that is or has been exempted from 133  
taxation under division (B) of this section or that is or has 134  
been within another district created under this division. An 135  
ordinance may create more than one such district, and more than 136  
one ordinance may be adopted under division (C) (1) of this 137  
section. 138

(2) (a) Not later than thirty days prior to adopting an 139  
ordinance under division (C) (1) of this section, if the 140  
municipal corporation intends to apply for exemptions from 141  
taxation under section 5709.911 of the Revised Code on behalf of 142  
owners of real property located within the proposed incentive 143  
district, the legislative authority of ~~a~~ the municipal 144  
corporation shall conduct a public hearing on the proposed 145  
ordinance. Not later than thirty days prior to the public 146  
hearing, the legislative authority shall give notice of the 147  
public hearing and the proposed ordinance by first class mail to 148  
every real property owner whose property is located within the 149  
boundaries of the proposed incentive district that is the 150  
subject of the proposed ordinance. The notice shall include a 151  
map of the proposed incentive district on which the legislative 152  
authority of the municipal corporation shall have delineated an 153  
overlay. The notice shall inform the property owner of the 154  
owner's right to exclude the owner's property from the incentive 155  
district if the owner's entire parcel of property will not be 156  
located within the overlay, by submitting a written response in 157  
accordance with division (C) (2) (b) of this section. The notice 158  
also shall include information detailing the required contents 159  
of the response, the address to which the response may be 160  
mailed, and the deadline for submitting the response. 161

(b) Any owner of real property located within the 162  
boundaries of an incentive district proposed under division (C) 163  
(1) of this section whose entire parcel of property is not 164  
located within the overlay may exclude the property from the 165  
proposed incentive district by submitting a written response to 166  
the legislative authority of the municipal corporation not later 167  
than forty-five days after the postmark date on the notice 168  
required under division (C) (2) (a) of this section. The response 169

shall be sent by first class mail or delivered in person at a 170  
public hearing held by the legislative authority under division 171  
(C) (2) (a) of this section. The response shall conform to any 172  
content requirements that may be established by the municipal 173  
corporation and included in the notice provided under division 174  
(C) (2) (a) of this section. In the response, property owners may 175  
identify a parcel by street address, by the manner in which it 176  
is identified in the ordinance, or by other means allowing the 177  
identity of the parcel to be ascertained. 178

(c) Before adopting an ordinance under division (C) (1) of 179  
this section, the legislative authority of a municipal 180  
corporation shall amend the ordinance to exclude any parcel for 181  
which a written response has been submitted under division (C) 182  
(2) (b) of this section. A municipal corporation shall not apply 183  
for exemptions from taxation under section 5709.911 of the 184  
Revised Code for any parcel of property for which a written 185  
response has been submitted under division (C) (2) (b) of this 186  
section, and service payments may not be required from the owner 187  
of the parcel. Improvements to a parcel excluded from an 188  
incentive district under this division may be exempted from 189  
taxation under division (B) of this section pursuant to an 190  
ordinance adopted under that division or under any other section 191  
of the Revised Code under which the parcel qualifies. 192

(3) (a) An ordinance adopted under division (C) (1) of this 193  
section shall specify the life of the incentive district and the 194  
percentage of the improvements to be exempted, shall designate 195  
the public infrastructure improvements made, to be made, or in 196  
the process of being made, that benefit or serve, or, once made, 197  
will benefit or serve parcels in the district. The ordinance 198  
also shall identify one or more specific projects being, or to 199  
be, undertaken in the district that place additional demand on 200

the public infrastructure improvements designated in the 201  
ordinance. The project identified may, but need not be, the 202  
project under division (C) (3) (b) of this section that places 203  
real property in use for commercial or industrial purposes. 204  
Except as otherwise permitted under that division, the service 205  
payments provided for in section 5709.42 of the Revised Code 206  
shall be used to finance the designated public infrastructure 207  
improvements, for the purpose described in division (D) (1) ~~or~~, 208  
(E), or (F) of this section, or as provided in section 5709.43 209  
of the Revised Code. 210

An ordinance adopted under division (C) (1) of this section 211  
on or after March 30, 2006, shall not designate police or fire 212  
equipment as public infrastructure improvements, and no service 213  
payment provided for in section 5709.42 of the Revised Code and 214  
received by the municipal corporation under the ordinance shall 215  
be used for police or fire equipment. 216

(b) An ordinance adopted under division (C) (1) of this 217  
section may authorize the use of service payments provided for 218  
in section 5709.42 of the Revised Code for the purpose of 219  
housing renovations within the incentive district, provided that 220  
the ordinance also designates public infrastructure improvements 221  
that benefit or serve the district, and that a project within 222  
the district places real property in use for commercial or 223  
industrial purposes. Service payments may be used to finance or 224  
support loans, deferred loans, and grants to persons for the 225  
purpose of housing renovations within the district. The 226  
ordinance shall designate the parcels within the district that 227  
are eligible for housing renovation. The ordinance shall state 228  
separately the amounts or the percentages of the expected 229  
aggregate service payments that are designated for each public 230  
infrastructure improvement and for the general purpose of 231

housing renovations. 232

(4) Except with the approval of the board of education of 233  
each city, local, or exempted village school district within the 234  
territory of which the incentive district is or will be located, 235  
and subject to division (E) of this section, the life of an 236  
incentive district shall not exceed ten years, and the 237  
percentage of improvements to be exempted shall not exceed 238  
seventy-five per cent. With approval of the board of education, 239  
the life of a district may be not more than thirty years, and 240  
the percentage of improvements to be exempted may be not more 241  
than one hundred per cent. The approval of a board of education 242  
shall be obtained in the manner provided in division (D) of this 243  
section. 244

(D) (1) If the ordinance declaring improvements to a parcel 245  
to be a public purpose or creating an incentive district 246  
specifies that payments in lieu of taxes provided for in section 247  
5709.42 of the Revised Code shall be paid to the city, local, or 248  
exempted village, and joint vocational school district in which 249  
the parcel or incentive district is located in the amount of the 250  
taxes that would have been payable to the school district if the 251  
improvements had not been exempted from taxation, the percentage 252  
of the improvement that may be exempted from taxation may exceed 253  
seventy-five per cent, and the exemption may be granted for up 254  
to thirty years, without the approval of the board of education 255  
as otherwise required under division (D) (2) of this section. 256

(2) Improvements with respect to a parcel may be exempted 257  
from taxation under division (B) of this section, and 258  
improvements to parcels within an incentive district may be 259  
exempted from taxation under division (C) of this section, for 260  
up to ten years or, with the approval under this paragraph of 261

the board of education of the city, local, or exempted village 262  
school district within which the parcel or district is located, 263  
for up to thirty years. The percentage of the improvement 264  
exempted from taxation may, with such approval, exceed seventy- 265  
five per cent, but shall not exceed one hundred per cent. Not 266  
later than forty-five business days prior to adopting an 267  
ordinance under this section declaring improvements to be a 268  
public purpose that is subject to approval by a board of 269  
education under this division, the legislative authority shall 270  
deliver to the board of education a notice stating its intent to 271  
adopt an ordinance making that declaration. The notice regarding 272  
improvements with respect to a parcel under division (B) of this 273  
section shall identify the parcels for which improvements are to 274  
be exempted from taxation, provide an estimate of the true value 275  
in money of the improvements, specify the period for which the 276  
improvements would be exempted from taxation and the percentage 277  
of the improvement that would be exempted, and indicate the date 278  
on which the legislative authority intends to adopt the 279  
ordinance. The notice regarding improvements to parcels within 280  
an incentive district under division (C) of this section shall 281  
delineate the boundaries of the district, specifically identify 282  
each parcel within the district, identify each anticipated 283  
improvement in the district, provide an estimate of the true 284  
value in money of each such improvement, specify the life of the 285  
district and the percentage of improvements that would be 286  
exempted, and indicate the date on which the legislative 287  
authority intends to adopt the ordinance. The board of 288  
education, by resolution adopted by a majority of the board, may 289  
approve the exemption for the period or for the exemption 290  
percentage specified in the notice; may disapprove the exemption 291  
for the number of years in excess of ten, may disapprove the 292  
exemption for the percentage of the improvement to be exempted 293

in excess of seventy-five per cent, or both; or may approve the 294  
exemption on the condition that the legislative authority and 295  
the board negotiate an agreement providing for compensation to 296  
the school district equal in value to a percentage of the amount 297  
of taxes exempted in the eleventh and subsequent years of the 298  
exemption period or, in the case of exemption percentages in 299  
excess of seventy-five per cent, compensation equal in value to 300  
a percentage of the taxes that would be payable on the portion 301  
of the improvement in excess of seventy-five per cent were that 302  
portion to be subject to taxation, or other mutually agreeable 303  
compensation. If an agreement is negotiated between the 304  
legislative authority and the board to compensate the school 305  
district for all or part of the taxes exempted, including 306  
agreements for payments in lieu of taxes under section 5709.42 307  
of the Revised Code, the legislative authority shall compensate 308  
the joint vocational school district within which the parcel or 309  
district is located at the same rate and under the same terms 310  
received by the city, local, or exempted village school 311  
district. 312

(3) The board of education shall certify its resolution to 313  
the legislative authority not later than fourteen days prior to 314  
the date the legislative authority intends to adopt the 315  
ordinance as indicated in the notice. If the board of education 316  
and the legislative authority negotiate a mutually acceptable 317  
compensation agreement, the ordinance may declare the 318  
improvements a public purpose for the number of years specified 319  
in the ordinance or, in the case of exemption percentages in 320  
excess of seventy-five per cent, for the exemption percentage 321  
specified in the ordinance. In either case, if the board and the 322  
legislative authority fail to negotiate a mutually acceptable 323  
compensation agreement, the ordinance may declare the 324

improvements a public purpose for not more than ten years, and 325  
shall not exempt more than seventy-five per cent of the 326  
improvements from taxation. If the board fails to certify a 327  
resolution to the legislative authority within the time 328  
prescribed by this division, the legislative authority thereupon 329  
may adopt the ordinance and may declare the improvements a 330  
public purpose for up to thirty years, or, in the case of 331  
exemption percentages proposed in excess of seventy-five per 332  
cent, for the exemption percentage specified in the ordinance. 333  
The legislative authority may adopt the ordinance at any time 334  
after the board of education certifies its resolution approving 335  
the exemption to the legislative authority, or, if the board 336  
approves the exemption on the condition that a mutually 337  
acceptable compensation agreement be negotiated, at any time 338  
after the compensation agreement is agreed to by the board and 339  
the legislative authority. 340

(4) If a board of education has adopted a resolution 341  
waiving its right to approve exemptions from taxation under this 342  
section and the resolution remains in effect, approval of 343  
exemptions by the board is not required under division (D) of 344  
this section. If a board of education has adopted a resolution 345  
allowing a legislative authority to deliver the notice required 346  
under division (D) of this section fewer than forty-five 347  
business days prior to the legislative authority's adoption of 348  
the ordinance, the legislative authority shall deliver the 349  
notice to the board not later than the number of days prior to 350  
such adoption as prescribed by the board in its resolution. If a 351  
board of education adopts a resolution waiving its right to 352  
approve agreements or shortening the notification period, the 353  
board shall certify a copy of the resolution to the legislative 354  
authority. If the board of education rescinds such a resolution, 355

it shall certify notice of the rescission to the legislative authority. 356  
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(5) If the legislative authority is not required by 358  
division (D) of this section to notify the board of education of 359  
the legislative authority's intent to declare improvements to be 360  
a public purpose, the legislative authority shall comply with 361  
the notice requirements imposed under section 5709.83 of the 362  
Revised Code, unless the board has adopted a resolution under 363  
that section waiving its right to receive such a notice. 364

(E) (1) If a proposed ordinance under division (C) (1) of 365  
this section exempts improvements with respect to a parcel 366  
within an incentive district for more than ten years, or the 367  
percentage of the improvement exempted from taxation exceeds 368  
seventy-five per cent, not later than forty-five business days 369  
prior to adopting the ordinance the legislative authority of the 370  
municipal corporation shall deliver to the board of county 371  
commissioners of the county within which the incentive district 372  
will be located a notice that states its intent to adopt an 373  
ordinance creating an incentive district. The notice shall 374  
include a copy of the proposed ordinance, identify the parcels 375  
for which improvements are to be exempted from taxation, provide 376  
an estimate of the true value in money of the improvements, 377  
specify the period of time for which the improvements would be 378  
exempted from taxation, specify the percentage of the 379  
improvements that would be exempted from taxation, and indicate 380  
the date on which the legislative authority intends to adopt the 381  
ordinance. 382

(2) The board of county commissioners, by resolution 383  
adopted by a majority of the board, may object to the exemption 384  
for the number of years in excess of ten, may object to the 385

exemption for the percentage of the improvement to be exempted 386  
in excess of seventy-five per cent, or both. If the board of 387  
county commissioners objects, the board may negotiate a mutually 388  
acceptable compensation agreement with the legislative 389  
authority. In no case shall the compensation provided to the 390  
board exceed the property taxes forgone due to the exemption. If 391  
the board of county commissioners objects, and the board and 392  
legislative authority fail to negotiate a mutually acceptable 393  
compensation agreement, the ordinance adopted under division (C) 394  
(1) of this section shall provide to the board compensation in 395  
the eleventh and subsequent years of the exemption period equal 396  
in value to not more than fifty per cent of the taxes that would 397  
be payable to the county or, if the board's objection includes 398  
an objection to an exemption percentage in excess of seventy- 399  
five per cent, compensation equal in value to not more than 400  
fifty per cent of the taxes that would be payable to the county, 401  
on the portion of the improvement in excess of seventy-five per 402  
cent, were that portion to be subject to taxation. The board of 403  
county commissioners shall certify its resolution to the 404  
legislative authority not later than thirty days after receipt 405  
of the notice. 406

(3) If the board of county commissioners does not object 407  
or fails to certify its resolution objecting to an exemption 408  
within thirty days after receipt of the notice, the legislative 409  
authority may adopt the ordinance, and no compensation shall be 410  
provided to the board of county commissioners. If the board 411  
timely certifies its resolution objecting to the ordinance, the 412  
legislative authority may adopt the ordinance at any time after 413  
a mutually acceptable compensation agreement is agreed to by the 414  
board and the legislative authority, or, if no compensation 415  
agreement is negotiated, at any time after the legislative 416

authority agrees in the proposed ordinance to provide 417  
compensation to the board of fifty per cent of the taxes that 418  
would be payable to the county in the eleventh and subsequent 419  
years of the exemption period or on the portion of the 420  
improvement in excess of seventy-five per cent, were that 421  
portion to be subject to taxation. 422

(F) Service payments in lieu of taxes that are 423  
attributable to any amount by which the effective tax rate of 424  
either a renewal levy with an increase or a replacement levy 425  
exceeds the effective tax rate of the levy renewed or replaced, 426  
or that are attributable to an additional levy, for a levy 427  
authorized by the voters for any of the following purposes on or 428  
after January 1, 2006, and which are provided pursuant to an 429  
ordinance creating an incentive district under division (C) (1) 430  
of this section that is adopted on or after January 1, 2006, 431  
shall be distributed to the appropriate taxing authority as 432  
required under division (C) of section 5709.42 of the Revised 433  
Code in an amount equal to the amount of taxes from that 434  
additional levy or from the increase in the effective tax rate 435  
of such renewal or replacement levy that would have been payable 436  
to that taxing authority from the following levies were it not 437  
for the exemption authorized under division (C) of this section: 438

(1) A tax levied under division (L) of section 5705.19 or 439  
section 5705.191 of the Revised Code for community mental 440  
retardation and developmental disabilities programs and services 441  
pursuant to Chapter 5126. of the Revised Code; 442

(2) A tax levied under division (Y) of section 5705.19 of 443  
the Revised Code for providing or maintaining senior citizens 444  
services or facilities; 445

(3) A tax levied under section 5705.22 of the Revised Code 446

for county hospitals;	447
(4) A tax levied by a joint-county district or by a county under section 5705.19, 5705.191, or 5705.221 of the Revised Code for alcohol, drug addiction, and mental health services or facilities;	448 449 450 451
(5) A tax levied under section 5705.23 of the Revised Code for library purposes;	452 453
(6) A tax levied under section 5705.24 of the Revised Code for the support of children services and the placement and care of children;	454 455 456
(7) A tax levied under division (Z) of section 5705.19 of the Revised Code for the provision and maintenance of zoological park services and facilities under section 307.76 of the Revised Code;	457 458 459 460
(8) A tax levied under section 511.27 or division (H) of section 5705.19 of the Revised Code for the support of township park districts;	461 462 463
(9) A tax levied under division (A), (F), or (H) of section 5705.19 of the Revised Code for parks and recreational purposes of a joint recreation district organized pursuant to division (B) of section 755.14 of the Revised Code;	464 465 466 467
(10) A tax levied under section 1545.20 or 1545.21 of the Revised Code for park district purposes;	468 469
(11) A tax levied under section 5705.191 of the Revised Code for the purpose of making appropriations for public assistance; human or social services; public relief; public welfare; public health and hospitalization; and support of general hospitals;	470 471 472 473 474

(12) A tax levied under section 3709.29 of the Revised Code for a general health district program. 475  
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(G) An exemption from taxation granted under this section commences with the tax year specified in the ordinance so long as the year specified in the ordinance commences after the effective date of the ordinance. If the ordinance specifies a year commencing before the effective date of the resolution or specifies no year whatsoever, the exemption commences with the tax year in which an exempted improvement first appears on the tax list and duplicate of real and public utility property and that commences after the effective date of the ordinance. In lieu of stating a specific year, the ordinance may provide that the exemption commences in the tax year in which the value of an improvement exceeds a specified amount or in which the construction of one or more improvements is completed, provided that such tax year commences after the effective date of the ordinance. With respect to the exemption of improvements to parcels under division (B) of this section, the ordinance may allow for the exemption to commence in different tax years on a parcel-by-parcel basis, with a separate exemption term specified for each parcel. 477  
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Except as otherwise provided in this division, the exemption ends on the date specified in the ordinance as the date the improvement ceases to be a public purpose or the incentive district expires, or ends on the date on which the public infrastructure improvements and housing renovations are paid in full from the municipal public improvement tax increment equivalent fund established under division (A) of section 5709.43 of the Revised Code, whichever occurs first. The exemption of an improvement with respect to a parcel or within an incentive district may end on a later date, as specified in 496  
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the ordinance, if the legislative authority and the board of 506  
education of the city, local, or exempted village school 507  
district within which the parcel or district is located have 508  
entered into a compensation agreement under section 5709.82 of 509  
the Revised Code with respect to the improvement, and the board 510  
of education has approved the term of the exemption under 511  
division (D)(2) of this section, but in no case shall the 512  
improvement be exempted from taxation for more than thirty 513  
years. Exemptions shall be claimed and allowed in the same 514  
manner as in the case of other real property exemptions. If an 515  
exemption status changes during a year, the procedure for the 516  
apportionment of the taxes for that year is the same as in the 517  
case of other changes in tax exemption status during the year. 518

(H) Additional municipal financing of public 519  
infrastructure improvements and housing renovations may be 520  
provided by any methods that the municipal corporation may 521  
otherwise use for financing such improvements or renovations. If 522  
the municipal corporation issues bonds or notes to finance the 523  
public infrastructure improvements and housing renovations and 524  
pledges money from the municipal public improvement tax 525  
increment equivalent fund to pay the interest on and principal 526  
of the bonds or notes, the bonds or notes are not subject to 527  
Chapter 133. of the Revised Code. 528

(I) The municipal corporation, not later than fifteen days 529  
after the adoption of an ordinance under this section, shall 530  
submit to the director of development services a copy of the 531  
ordinance. On or before the thirty-first day of March of each 532  
year, the municipal corporation shall submit a status report to 533  
the director of development services. The report shall indicate, 534  
in the manner prescribed by the director, the progress of the 535  
project during each year that an exemption remains in effect, 536

including a summary of the receipts from service payments in 537  
lieu of taxes; expenditures of money from the funds created 538  
under section 5709.43 of the Revised Code; a description of the 539  
public infrastructure improvements and housing renovations 540  
financed with such expenditures; and a quantitative summary of 541  
changes in employment and private investment resulting from each 542  
project. 543

(J) Nothing in this section shall be construed to prohibit 544  
a legislative authority from declaring to be a public purpose 545  
improvements with respect to more than one parcel. 546

(K) If a parcel is located in a new community district in 547  
which the new community authority imposes a community 548  
development charge on the basis of rentals received from leases 549  
of real property as described in division (L) (2) of section 550  
349.01 of the Revised Code, the parcel may not be exempted from 551  
taxation under this section. 552

**Sec. 5709.73.** (A) As used in this section and section 553  
5709.74 of the Revised Code: 554

(1) "Business day" means a day of the week excluding 555  
Saturday, Sunday, and a legal holiday as defined in section 1.14 556  
of the Revised Code. 557

(2) "Further improvements" or "improvements" means the 558  
increase in the assessed value of real property that would first 559  
appear on the tax list and duplicate of real and public utility 560  
property after the effective date of a resolution adopted under 561  
this section were it not for the exemption granted by that 562  
resolution. For purposes of division (B) of this section, 563  
"improvements" do not include any property used or to be used 564  
for residential purposes. For this purpose, "property that is 565

used or to be used for residential purposes" means property 566  
that, as improved, is used or to be used for purposes that would 567  
cause the tax commissioner to classify the property as 568  
residential property in accordance with rules adopted by the 569  
commissioner under section 5713.041 of the Revised Code. 570

(3) "Housing renovation" means a project carried out for 571  
residential purposes. 572

(4) "Incentive district" has the same meaning as in 573  
section 5709.40 of the Revised Code, except that a blighted area 574  
is in the unincorporated area of a township. 575

(5) "Overlay" has the meaning defined in section 5709.40 576  
of the Revised Code, except that the overlay is delineated by 577  
the board of township trustees. 578

(6) "Project" and "public infrastructure improvement" have 579  
the same meanings as in section 5709.40 of the Revised Code. 580

(B) A board of township trustees may, by unanimous vote, 581  
adopt a resolution that declares to be a public purpose any 582  
public infrastructure improvements made that are necessary for 583  
the development of certain parcels of land located in the 584  
unincorporated area of the township. Except with the approval 585  
under division (D) of this section of the board of education of 586  
each city, local, or exempted village school district within 587  
which the improvements are located, the resolution may exempt 588  
from real property taxation not more than seventy-five per cent 589  
of further improvements to a parcel of land that directly 590  
benefits from the public infrastructure improvements, for a 591  
period of not more than ten years. The resolution shall specify 592  
the percentage of the further improvements to be exempted and 593  
the life of the exemption. 594

(C) (1) A board of township trustees may adopt, by 595  
unanimous vote, a resolution creating an incentive district and 596  
declaring improvements to parcels within the district to be a 597  
public purpose and, except as provided in division ~~(F)~~ (C) (2) of 598  
this section, exempt from taxation as provided in this section, 599  
but no board of township trustees of a township that has a 600  
population that exceeds twenty-five thousand, as shown by the 601  
most recent federal decennial census, shall adopt a resolution 602  
that creates an incentive district if the sum of the taxable 603  
value of real property in the proposed district for the 604  
preceding tax year and the taxable value of all real property in 605  
the township that would have been taxable in the preceding year 606  
were it not for the fact that the property was in an existing 607  
incentive district and therefore exempt from taxation exceeds 608  
twenty-five per cent of the taxable value of real property in 609  
the township for the preceding tax year. The district shall be 610  
located within the unincorporated area of the township and shall 611  
not include any territory that is included within a district 612  
created under division (B) of section 5709.78 of the Revised 613  
Code. The resolution shall delineate the boundary of the 614  
proposed district and specifically identify each parcel within 615  
the district. A proposed district may not include any parcel 616  
that is or has been exempted from taxation under division (B) of 617  
this section or that is or has been within another district 618  
created under this division. A resolution may create more than 619  
one such district, and more than one resolution may be adopted 620  
under division (C) (1) of this section. 621

(2) (a) Not later than thirty days prior to adopting a 622  
resolution under division (C) (1) of this section, if the 623  
township intends to apply for exemptions from taxation under 624  
section 5709.911 of the Revised Code on behalf of owners of real 625

property located within the proposed incentive district, the board shall conduct a public hearing on the proposed resolution. Not later than thirty days prior to the public hearing, the board shall give notice of the public hearing and the proposed resolution 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 resolution. The notice shall include a map of the proposed incentive district on which the board of township trustees shall have delineated an overlay. 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 overlay, 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 address to which the response may be mailed, and the deadline for submitting the response.

(b) Any owner of real property located within the boundaries of an incentive district proposed under division (C)(1) of this section whose entire parcel of property is not located within the overlay may exclude the property from the proposed incentive district by submitting a written response to the board not later than forty-five days after the postmark date on the notice required under division (C)(2)(a) of this section. The response shall be sent by first class mail or delivered in person at a public hearing held by the board under division (C)(2)(a) of this section. The response shall conform to any content requirements that may be established by the board and included in the notice provided under division (C)(2)(a) of this section. In the response, property owners may identify a parcel by street address, by the manner in which it is identified in

the resolution, or by other means allowing the identity of the 657  
parcel to be ascertained. 658

(c) Before adopting a resolution under division (C) (1) of 659  
this section, the board shall amend the resolution to exclude 660  
any parcel for which a written response has been submitted under 661  
division (C) (2) (b) of this section. A township shall not apply 662  
for exemptions from taxation under section 5709.911 of the 663  
Revised Code for any property for which a written response has 664  
been submitted under division (C) (2) (b) of this section, and 665  
service payments may not be required from the owner of the 666  
parcel. Improvements to a parcel excluded from an incentive 667  
district under this division may be exempted from taxation under 668  
division (B) of this section pursuant to an ordinance adopted 669  
under that division or under any other section of the Revised 670  
Code under which the parcel qualifies. 671

(3) (a) A resolution adopted under division (C) (1) of this 672  
section shall specify the life of the incentive district and the 673  
percentage of the improvements to be exempted, shall designate 674  
the public infrastructure improvements made, to be made, or in 675  
the process of being made, that benefit or serve, or, once made, 676  
will benefit or serve parcels in the district. The resolution 677  
also shall identify one or more specific projects being, or to 678  
be, undertaken in the district that place additional demand on 679  
the public infrastructure improvements designated in the 680  
resolution. The project identified may, but need not be, the 681  
project under division (C) (3) (b) of this section that places 682  
real property in use for commercial or industrial purposes. 683

A resolution adopted under division (C) (1) of this section 684  
on or after March 30, 2006, shall not designate police or fire 685  
equipment as public infrastructure improvements, and no service 686

payment provided for in section 5709.74 of the Revised Code and 687  
received by the township under the resolution shall be used for 688  
police or fire equipment. 689

(b) A resolution adopted under division (C)(1) of this 690  
section may authorize the use of service payments provided for 691  
in section 5709.74 of the Revised Code for the purpose of 692  
housing renovations within the incentive district, provided that 693  
the resolution also designates public infrastructure 694  
improvements that benefit or serve the district, and that a 695  
project within the district places real property in use for 696  
commercial or industrial purposes. Service payments may be used 697  
to finance or support loans, deferred loans, and grants to 698  
persons for the purpose of housing renovations within the 699  
district. The resolution shall designate the parcels within the 700  
district that are eligible for housing renovations. The 701  
resolution shall state separately the amount or the percentages 702  
of the expected aggregate service payments that are designated 703  
for each public infrastructure improvement and for the purpose 704  
of housing renovations. 705

(4) Except with the approval of the board of education of 706  
each city, local, or exempted village school district within the 707  
territory of which the incentive district is or will be located, 708  
and subject to division (E) of this section, the life of an 709  
incentive district shall not exceed ten years, and the 710  
percentage of improvements to be exempted shall not exceed 711  
seventy-five per cent. With approval of the board of education, 712  
the life of a district may be not more than thirty years, and 713  
the percentage of improvements to be exempted may be not more 714  
than one hundred per cent. The approval of a board of education 715  
shall be obtained in the manner provided in division (D) of this 716  
section. 717

(D) Improvements with respect to a parcel may be exempted 718  
from taxation under division (B) of this section, and 719  
improvements to parcels within an incentive district may be 720  
exempted from taxation under division (C) of this section, for 721  
up to ten years or, with the approval of the board of education 722  
of the city, local, or exempted village school district within 723  
which the parcel or district is located, for up to thirty years. 724  
The percentage of the improvements exempted from taxation may, 725  
with such approval, exceed seventy-five per cent, but shall not 726  
exceed one hundred per cent. Not later than forty-five business 727  
days prior to adopting a resolution under this section declaring 728  
improvements to be a public purpose that is subject to approval 729  
by a board of education under this division, the board of 730  
township trustees shall deliver to the board of education a 731  
notice stating its intent to adopt a resolution making that 732  
declaration. The notice regarding improvements with respect to a 733  
parcel under division (B) of this section shall identify the 734  
parcels for which improvements are to be exempted from taxation, 735  
provide an estimate of the true value in money of the 736  
improvements, specify the period for which the improvements 737  
would be exempted from taxation and the percentage of the 738  
improvements that would be exempted, and indicate the date on 739  
which the board of township trustees intends to adopt the 740  
resolution. The notice regarding improvements made under 741  
division (C) of this section to parcels within an incentive 742  
district shall delineate the boundaries of the district, 743  
specifically identify each parcel within the district, identify 744  
each anticipated improvement in the district, provide an 745  
estimate of the true value in money of each such improvement, 746  
specify the life of the district and the percentage of 747  
improvements that would be exempted, and indicate the date on 748  
which the board of township trustees intends to adopt the 749

resolution. The board of education, by resolution adopted by a majority of the board, may approve the exemption for the period or for the exemption percentage specified in the notice; may disapprove the exemption for the number of years in excess of ten, may disapprove the exemption for the percentage of the improvements to be exempted in excess of seventy-five per cent, or both; or may approve the exemption on the condition that the board of township trustees and the board of education negotiate an agreement providing for compensation to the school district equal in value to a percentage of the amount of taxes exempted in the eleventh and subsequent years of the exemption period or, in the case of exemption percentages in excess of seventy-five per cent, compensation equal in value to a percentage of the taxes that would be payable on the portion of the improvements in excess of seventy-five per cent were that portion to be subject to taxation, or other mutually agreeable compensation.

The board of education shall certify its resolution to the board of township trustees not later than fourteen days prior to the date the board of township trustees intends to adopt the resolution as indicated in the notice. If the board of education and the board of township trustees negotiate a mutually acceptable compensation agreement, the resolution may declare the improvements a public purpose for the number of years specified in the resolution or, in the case of exemption percentages in excess of seventy-five per cent, for the exemption percentage specified in the resolution. In either case, if the board of education and the board of township trustees fail to negotiate a mutually acceptable compensation agreement, the resolution may declare the improvements a public purpose for not more than ten years, and shall not exempt more than seventy-five per cent of the improvements from taxation. If

the board of education fails to certify a resolution to the 781  
board of township trustees within the time prescribed by this 782  
section, the board of township trustees thereupon may adopt the 783  
resolution and may declare the improvements a public purpose for 784  
up to thirty years or, in the case of exemption percentages 785  
proposed in excess of seventy-five per cent, for the exemption 786  
percentage specified in the resolution. The board of township 787  
trustees may adopt the resolution at any time after the board of 788  
education certifies its resolution approving the exemption to 789  
the board of township trustees, or, if the board of education 790  
approves the exemption on the condition that a mutually 791  
acceptable compensation agreement be negotiated, at any time 792  
after the compensation agreement is agreed to by the board of 793  
education and the board of township trustees. If a mutually 794  
acceptable compensation agreement is negotiated between the 795  
board of township trustees and the board of education, including 796  
agreements for payments in lieu of taxes under section 5709.74 797  
of the Revised Code, the board of township trustees shall 798  
compensate the joint vocational school district within which the 799  
parcel or district is located at the same rate and under the 800  
same terms received by the city, local, or exempted village 801  
school district. 802

If a board of education has adopted a resolution waiving 803  
its right to approve exemptions from taxation under this section 804  
and the resolution remains in effect, approval of such 805  
exemptions by the board of education is not required under 806  
division (D) of this section. If a board of education has 807  
adopted a resolution allowing a board of township trustees to 808  
deliver the notice required under division (D) of this section 809  
fewer than forty-five business days prior to adoption of the 810  
resolution by the board of township trustees, the board of 811

township trustees shall deliver the notice to the board of 812  
education not later than the number of days prior to the 813  
adoption as prescribed by the board of education in its 814  
resolution. If a board of education adopts a resolution waiving 815  
its right to approve exemptions or shortening the notification 816  
period, the board of education shall certify a copy of the 817  
resolution to the board of township trustees. If the board of 818  
education rescinds the resolution, it shall certify notice of 819  
the rescission to the board of township trustees. 820

If the board of township trustees is not required by 821  
division (D) of this section to notify the board of education of 822  
the board of township trustees' intent to declare improvements 823  
to be a public purpose, the board of township trustees shall 824  
comply with the notice requirements imposed under section 825  
5709.83 of the Revised Code before taking formal action to adopt 826  
the resolution making that declaration, unless the board of 827  
education has adopted a resolution under that section waiving 828  
its right to receive the notice. 829

(E) (1) If a proposed resolution under division (C) (1) of 830  
this section exempts improvements with respect to a parcel 831  
within an incentive district for more than ten years, or the 832  
percentage of the improvement exempted from taxation exceeds 833  
seventy-five per cent, not later than forty-five business days 834  
prior to adopting the resolution the board of township trustees 835  
shall deliver to the board of county commissioners of the county 836  
within which the incentive district is or will be located a 837  
notice that states its intent to adopt a resolution creating an 838  
incentive district. The notice shall include a copy of the 839  
proposed resolution, identify the parcels for which improvements 840  
are to be exempted from taxation, provide an estimate of the 841  
true value in money of the improvements, specify the period of 842

time for which the improvements would be exempted from taxation, 843  
specify the percentage of the improvements that would be 844  
exempted from taxation, and indicate the date on which the board 845  
of township trustees intends to adopt the resolution. 846

(2) The board of county commissioners, by resolution 847  
adopted by a majority of the board, may object to the exemption 848  
for the number of years in excess of ten, may object to the 849  
exemption for the percentage of the improvement to be exempted 850  
in excess of seventy-five per cent, or both. If the board of 851  
county commissioners objects, the board may negotiate a mutually 852  
acceptable compensation agreement with the board of township 853  
trustees. In no case shall the compensation provided to the 854  
board of county commissioners exceed the property taxes foregone 855  
due to the exemption. If the board of county commissioners 856  
objects, and the board of county commissioners and board of 857  
township trustees fail to negotiate a mutually acceptable 858  
compensation agreement, the resolution adopted under division 859  
(C) (1) of this section shall provide to the board of county 860  
commissioners compensation in the eleventh and subsequent years 861  
of the exemption period equal in value to not more than fifty 862  
per cent of the taxes that would be payable to the county or, if 863  
the board of county commissioner's objection includes an 864  
objection to an exemption percentage in excess of seventy-five 865  
per cent, compensation equal in value to not more than fifty per 866  
cent of the taxes that would be payable to the county, on the 867  
portion of the improvement in excess of seventy-five per cent, 868  
were that portion to be subject to taxation. The board of county 869  
commissioners shall certify its resolution to the board of 870  
township trustees not later than thirty days after receipt of 871  
the notice. 872

(3) If the board of county commissioners does not object 873

or fails to certify its resolution objecting to an exemption 874  
within thirty days after receipt of the notice, the board of 875  
township trustees may adopt its resolution, and no compensation 876  
shall be provided to the board of county commissioners. If the 877  
board of county commissioners timely certifies its resolution 878  
objecting to the trustees' resolution, the board of township 879  
trustees may adopt its resolution at any time after a mutually 880  
acceptable compensation agreement is agreed to by the board of 881  
county commissioners and the board of township trustees, or, if 882  
no compensation agreement is negotiated, at any time after the 883  
board of township trustees agrees in the proposed resolution to 884  
provide compensation to the board of county commissioners of 885  
fifty per cent of the taxes that would be payable to the county 886  
in the eleventh and subsequent years of the exemption period or 887  
on the portion of the improvement in excess of seventy-five per 888  
cent, were that portion to be subject to taxation. 889

(F) Service payments in lieu of taxes that are 890  
attributable to any amount by which the effective tax rate of 891  
either a renewal levy with an increase or a replacement levy 892  
exceeds the effective tax rate of the levy renewed or replaced, 893  
or that are attributable to an additional levy, for a levy 894  
authorized by the voters for any of the following purposes on or 895  
after January 1, 2006, and which are provided pursuant to a 896  
resolution creating an incentive district under division (C)(1) 897  
of this section that is adopted on or after January 1, 2006, 898  
shall be distributed to the appropriate taxing authority as 899  
required under division (C) of section 5709.74 of the Revised 900  
Code in an amount equal to the amount of taxes from that 901  
additional levy or from the increase in the effective tax rate 902  
of such renewal or replacement levy that would have been payable 903  
to that taxing authority from the following levies were it not 904

for the exemption authorized under division (C) of this section:	905
(1) A tax levied under division (L) of section 5705.19 or	906
section 5705.191 of the Revised Code for community mental	907
retardation and developmental disabilities programs and services	908
pursuant to Chapter 5126. of the Revised Code;	909
(2) A tax levied under division (Y) of section 5705.19 of	910
the Revised Code for providing or maintaining senior citizens	911
services or facilities;	912
(3) A tax levied under section 5705.22 of the Revised Code	913
for county hospitals;	914
(4) A tax levied by a joint-county district or by a county	915
under section 5705.19, 5705.191, or 5705.221 of the Revised Code	916
for alcohol, drug addiction, and mental health services or	917
families;	918
(5) A tax levied under section 5705.23 of the Revised Code	919
for library purposes;	920
(6) A tax levied under section 5705.24 of the Revised Code	921
for the support of children services and the placement and care	922
of children;	923
(7) A tax levied under division (Z) of section 5705.19 of	924
the Revised Code for the provision and maintenance of zoological	925
park services and facilities under section 307.76 of the Revised	926
Code;	927
(8) A tax levied under section 511.27 or division (H) of	928
section 5705.19 of the Revised Code for the support of township	929
park districts;	930
(9) A tax levied under division (A), (F), or (H) of	931
section 5705.19 of the Revised Code for parks and recreational	932

purposes of a joint recreation district organized pursuant to 933  
division (B) of section 755.14 of the Revised Code; 934

(10) A tax levied under section 1545.20 or 1545.21 of the 935  
Revised Code for park district purposes; 936

(11) A tax levied under section 5705.191 of the Revised 937  
Code for the purpose of making appropriations for public 938  
assistance; human or social services; public relief; public 939  
welfare; public health and hospitalization; and support of 940  
general hospitals; 941

(12) A tax levied under section 3709.29 of the Revised 942  
Code for a general health district program. 943

(G) An exemption from taxation granted under this section 944  
commences with the tax year specified in the resolution so long 945  
as the year specified in the resolution commences after the 946  
effective date of the resolution. If the resolution specifies a 947  
year commencing before the effective date of the resolution or 948  
specifies no year whatsoever, the exemption commences with the 949  
tax year in which an exempted improvement first appears on the 950  
tax list and duplicate of real and public utility property and 951  
that commences after the effective date of the resolution. In 952  
lieu of stating a specific year, the resolution may provide that 953  
the exemption commences in the tax year in which the value of an 954  
improvement exceeds a specified amount or in which the 955  
construction of one or more improvements is completed, provided 956  
that such tax year commences after the effective date of the 957  
resolution. With respect to the exemption of improvements to 958  
parcels under division (B) of this section, the resolution may 959  
allow for the exemption to commence in different tax years on a 960  
parcel-by-parcel basis, with a separate exemption term specified 961  
for each parcel. 962

Except as otherwise provided in this division, the 963  
exemption ends on the date specified in the resolution as the 964  
date the improvement ceases to be a public purpose or the 965  
incentive district expires, or ends on the date on which the 966  
public infrastructure improvements and housing renovations are 967  
paid in full from the township public improvement tax increment 968  
equivalent fund established under section 5709.75 of the Revised 969  
Code, whichever occurs first. The exemption of an improvement 970  
with respect to a parcel or within an incentive district may end 971  
on a later date, as specified in the resolution, if the board of 972  
township trustees and the board of education of the city, local, 973  
or exempted village school district within which the parcel or 974  
district is located have entered into a compensation agreement 975  
under section 5709.82 of the Revised Code with respect to the 976  
improvement and the board of education has approved the term of 977  
the exemption under division (D) of this section, but in no case 978  
shall the improvement be exempted from taxation for more than 979  
thirty years. The board of township trustees may, by majority 980  
vote, adopt a resolution permitting the township to enter into 981  
such agreements as the board finds necessary or appropriate to 982  
provide for the construction or undertaking of public 983  
infrastructure improvements and housing renovations. Any 984  
exemption shall be claimed and allowed in the same or a similar 985  
manner as in the case of other real property exemptions. If an 986  
exemption status changes during a tax year, the procedure for 987  
the apportionment of the taxes for that year is the same as in 988  
the case of other changes in tax exemption status during the 989  
year. 990

(H) The board of township trustees may issue the notes of 991  
the township to finance all costs pertaining to the construction 992  
or undertaking of public infrastructure improvements and housing 993

renovations made pursuant to this section. The notes shall be 994  
signed by the board and attested by the signature of the 995  
township fiscal officer, shall bear interest not to exceed the 996  
rate provided in section 9.95 of the Revised Code, and are not 997  
subject to Chapter 133. of the Revised Code. The resolution 998  
authorizing the issuance of the notes shall pledge the funds of 999  
the township public improvement tax increment equivalent fund 1000  
established pursuant to section 5709.75 of the Revised Code to 1001  
pay the interest on and principal of the notes. The notes, which 1002  
may contain a clause permitting prepayment at the option of the 1003  
board, shall be offered for sale on the open market or given to 1004  
the vendor or contractor if no sale is made. 1005

(I) The township, not later than fifteen days after the 1006  
adoption of a resolution under this section, shall submit to the 1007  
director of development services a copy of the resolution. On or 1008  
before the thirty-first day of March of each year, the township 1009  
shall submit a status report to the director of development 1010  
services. The report shall indicate, in the manner prescribed by 1011  
the director, the progress of the project during each year that 1012  
the exemption remains in effect, including a summary of the 1013  
receipts from service payments in lieu of taxes; expenditures of 1014  
money from the fund created under section 5709.75 of the Revised 1015  
Code; a description of the public infrastructure improvements 1016  
and housing renovations financed with the expenditures; and a 1017  
quantitative summary of changes in private investment resulting 1018  
from each project. 1019

(J) Nothing in this section shall be construed to prohibit 1020  
a board of township trustees from declaring to be a public 1021  
purpose improvements with respect to more than one parcel. 1022

If a parcel is located in a new community district in 1023

which the new community authority imposes a community 1024  
development charge on the basis of rentals received from leases 1025  
of real property as described in division (L) (2) of section 1026  
349.01 of the Revised Code, the parcel may not be exempted from 1027  
taxation under this section. 1028

(K) A board of township trustees that adopted a resolution 1029  
under this section prior to July 21, 1994, may amend that 1030  
resolution to include any additional public infrastructure 1031  
improvement. A board of township trustees that seeks by the 1032  
amendment to utilize money from its township public improvement 1033  
tax increment equivalent fund for land acquisition in aid of 1034  
industry, commerce, distribution, or research, demolition on 1035  
private property, or stormwater and flood remediation projects 1036  
may do so provided that the board currently is a party to a 1037  
hold-harmless agreement with the board of education of the city, 1038  
local, or exempted village school district within the territory 1039  
of which are located the parcels that are subject to an 1040  
exemption. For the purposes of this division, a "hold-harmless 1041  
agreement" means an agreement under which the board of township 1042  
trustees agrees to compensate the school district for one 1043  
hundred per cent of the tax revenue that the school district 1044  
would have received from further improvements to parcels 1045  
designated in the resolution were it not for the exemption 1046  
granted by the resolution. 1047

**Sec. 5709.77.** As used in sections 5709.77 to 5709.81 of 1048  
the Revised Code: 1049

(A) "Business day" means a day of the week excluding 1050  
Saturday, Sunday, and a legal holiday as defined in section 1.14 1051  
of the Revised Code. 1052

(B) "Fund" means to provide for the payment of the debt 1053

service on and the expenses relating to an outstanding 1054  
obligation of the county. 1055

(C) "Housing renovation" means a project carried out for 1056  
residential purposes. 1057

(D) "Improvement" means the increase in the assessed value 1058  
of real property that would first appear on the tax list and 1059  
duplicate of real and public utility property after the 1060  
effective date of a resolution adopted under section 5709.78 of 1061  
the Revised Code were it not for the exemption granted by that 1062  
resolution. For purposes of division (A) of section 5709.78 of 1063  
the Revised Code, "improvement" does not include any property 1064  
used or to be used for residential purposes. For this purpose, 1065  
"property that is used or to be used for residential purposes" 1066  
means property that, as improved, is used or to be used for 1067  
purposes that would cause the tax commissioner to classify the 1068  
property as residential property in accordance with rules 1069  
adopted by the commissioner under section 5713.041 of the 1070  
Revised Code. 1071

(E) "Incentive district" has the same meaning as in 1072  
section 5709.40 of the Revised Code, except that a blighted area 1073  
is in the unincorporated territory of a county. 1074

(F) "Refund" means to fund and retire an outstanding 1075  
obligation of the county. 1076

(G) "Overlay" has the meaning defined in section 5709.40 1077  
of the Revised Code, except that the overlay is delineated by 1078  
the board of county commissioners. 1079

(H) "Project" and "public infrastructure improvement" have 1080  
the same meanings as in section 5709.40 of the Revised Code. 1081

**Sec. 5709.78.** (A) A board of county commissioners may, by 1082

resolution, declare improvements to certain parcels of real 1083  
property located in the unincorporated territory of the county 1084  
to be a public purpose. Except with the approval under division 1085  
(C) of this section of the board of education of each city, 1086  
local, or exempted village school district within which the 1087  
improvements are located, not more than seventy-five per cent of 1088  
an improvement thus declared to be a public purpose may be 1089  
exempted from real property taxation, for a period of not more 1090  
than ten years. The resolution shall specify the percentage of 1091  
the improvement to be exempted and the life of the exemption. 1092

A resolution adopted under this division shall designate 1093  
the specific public infrastructure improvements made, to be 1094  
made, or in the process of being made by the county that 1095  
directly benefit, or that once made will directly benefit, the 1096  
parcels for which improvements are declared to be a public 1097  
purpose. The service payments provided for in section 5709.79 of 1098  
the Revised Code shall be used to finance the public 1099  
infrastructure improvements designated in the resolution, or as 1100  
provided in section 5709.80 of the Revised Code. 1101

(B) (1) A board of county commissioners may adopt a 1102  
resolution creating an incentive district and declaring 1103  
improvements to parcels within the district to be a public 1104  
purpose and, except as provided in division ~~(E)~~ (B) (2) of this 1105  
section, exempt from taxation as provided in this section, but 1106  
no board of county commissioners of a county that has a 1107  
population that exceeds twenty-five thousand, as shown by the 1108  
most recent federal decennial census, shall adopt a resolution 1109  
that creates an incentive district if the sum of the taxable 1110  
value of real property in the proposed district for the 1111  
preceding tax year and the taxable value of all real property in 1112  
the county that would have been taxable in the preceding year 1113

were it not for the fact that the property was in an existing 1114  
incentive district and therefore exempt from taxation exceeds 1115  
twenty-five per cent of the taxable value of real property in 1116  
the county for the preceding tax year. The district shall be 1117  
located within the unincorporated territory of the county and 1118  
shall not include any territory that is included within a 1119  
district created under division (C) of section 5709.73 of the 1120  
Revised Code. The resolution shall delineate the boundary of the 1121  
proposed district and specifically identify each parcel within 1122  
the district. A proposed district may not include any parcel 1123  
that is or has been exempted from taxation under division (A) of 1124  
this section or that is or has been within another district 1125  
created under this division. A resolution may create more than 1126  
one such district, and more than one resolution may be adopted 1127  
under division (B) (1) of this section. 1128

(2) (a) Not later than thirty days prior to adopting a 1129  
resolution under division (B) (1) of this section, if the county 1130  
intends to apply for exemptions from taxation under section 1131  
5709.911 of the Revised Code on behalf of owners of real 1132  
property located within the proposed incentive district, the 1133  
board of county commissioners shall conduct a public hearing on 1134  
the proposed resolution. Not later than thirty days prior to the 1135  
public hearing, the board shall give notice of the public 1136  
hearing and the proposed resolution by first class mail to every 1137  
real property owner whose property is located within the 1138  
boundaries of the proposed incentive district that is the 1139  
subject of the proposed resolution. The board also shall provide 1140  
the notice by first class mail to the clerk of each township in 1141  
which the proposed incentive district will be located. The 1142  
notice shall include a map of the proposed incentive district on 1143  
which the board of county commissioners shall have delineated an 1144

overlay. The notice shall inform property owners of the owner's 1145  
right to exclude the owner's property from the incentive 1146  
district if the owner's entire parcel of property will not be 1147  
located within the overlay, by submitting a written response in 1148  
accordance with division (B)(2)(b) of this section. The notice 1149  
also shall include information detailing the required contents 1150  
of the response, the address to which the response may be 1151  
mailed, and the deadline for submitting the response. 1152

(b) Any owner of real property located within the 1153  
boundaries of an incentive district proposed under division (B) 1154  
(1) of this section whose entire parcel of property is not 1155  
located within the overlay may exclude the property from the 1156  
proposed incentive district by submitting a written response to 1157  
the board not later than forty-five days after the postmark date 1158  
on the notice required under division (B)(2)(a) of this section. 1159  
The response shall be sent by first class mail or delivered in 1160  
person at a public hearing held by the board under division (B) 1161  
(2)(a) of this section. The response shall conform to any 1162  
content requirements that may be established by the board and 1163  
included in the notice provided under division (B)(2)(a) of this 1164  
section. In the response, property owners may identify a parcel 1165  
by street address, by the manner in which it is identified in 1166  
the resolution, or by other means allowing the identity of the 1167  
parcel to be ascertained. 1168

(c) Before adopting a resolution under division (B)(1) of 1169  
this section, the board shall amend the resolution to exclude 1170  
any parcel for which a written response has been submitted under 1171  
division (B)(2)(b) of this section. A county shall not apply for 1172  
exemptions from taxation under section 5709.911 of the Revised 1173  
Code for any property for which a written response has been 1174  
submitted under division (B)(2)(b) of this section, and service 1175

payments may not be required from the owner of the parcel. 1176  
Improvements to a parcel excluded from an incentive district 1177  
under this division may be exempted from taxation under division 1178  
(A) of this section pursuant to an ordinance adopted under that 1179  
division or under any other section of the Revised Code under 1180  
which the parcel qualifies. 1181

(3) (a) A resolution adopted under division (B) (1) of this 1182  
section shall specify the life of the incentive district and the 1183  
percentage of the improvements to be exempted, shall designate 1184  
the public infrastructure improvements made, to be made, or in 1185  
the process of being made, that benefit or serve, or, once made, 1186  
will benefit or serve parcels in the district. The resolution 1187  
also shall identify one or more specific projects being, or to 1188  
be, undertaken in the district that place additional demand on 1189  
the public infrastructure improvements designated in the 1190  
resolution. The project identified may, but need not be, the 1191  
project under division (B) (3) (b) of this section that places 1192  
real property in use for commercial or industrial purposes. 1193

A resolution adopted under division (B) (1) of this section 1194  
on or after March 30, 2006, shall not designate police or fire 1195  
equipment as public infrastructure improvements, and no service 1196  
payment provided for in section 5709.79 of the Revised Code and 1197  
received by the county under the resolution shall be used for 1198  
police or fire equipment. 1199

(b) A resolution adopted under division (B) (1) of this 1200  
section may authorize the use of service payments provided for 1201  
in section 5709.79 of the Revised Code for the purpose of 1202  
housing renovations within the incentive district, provided that 1203  
the resolution also designates public infrastructure 1204  
improvements that benefit or serve the district, and that a 1205

project within the district places real property in use for 1206  
commercial or industrial purposes. Service payments may be used 1207  
to finance or support loans, deferred loans, and grants to 1208  
persons for the purpose of housing renovations within the 1209  
district. The resolution shall designate the parcels within the 1210  
district that are eligible for housing renovations. The 1211  
resolution shall state separately the amount or the percentages 1212  
of the expected aggregate service payments that are designated 1213  
for each public infrastructure improvement and for the purpose 1214  
of housing renovations. 1215

(4) Except with the approval of the board of education of 1216  
each city, local, or exempted village school district within the 1217  
territory of which the incentive district is or will be located, 1218  
and subject to division (D) of this section, the life of an 1219  
incentive district shall not exceed ten years, and the 1220  
percentage of improvements to be exempted shall not exceed 1221  
seventy-five per cent. With approval of the board of education, 1222  
the life of a district may be not more than thirty years, and 1223  
the percentage of improvements to be exempted may be not more 1224  
than one hundred per cent. The approval of a board of education 1225  
shall be obtained in the manner provided in division (C) of this 1226  
section. 1227

(C) (1) Improvements with respect to a parcel may be 1228  
exempted from taxation under division (A) of this section, and 1229  
improvements to parcels within an incentive district may be 1230  
exempted from taxation under division (B) of this section, for 1231  
up to ten years or, with the approval of the board of education 1232  
of each city, local, or exempted village school district within 1233  
which the parcel or district is located, for up to thirty years. 1234  
The percentage of the improvements exempted from taxation may, 1235  
with such approval, exceed seventy-five per cent, but shall not 1236

exceed one hundred per cent. Not later than forty-five business 1237  
days prior to adopting a resolution under this section declaring 1238  
improvements to be a public purpose that is subject to the 1239  
approval of a board of education under this division, the board 1240  
of county commissioners shall deliver to the board of education 1241  
a notice stating its intent to adopt a resolution making that 1242  
declaration. The notice regarding improvements with respect to a 1243  
parcel under division (A) of this section shall identify the 1244  
parcels for which improvements are to be exempted from taxation, 1245  
provide an estimate of the true value in money of the 1246  
improvements, specify the period for which the improvements 1247  
would be exempted from taxation and the percentage of the 1248  
improvements that would be exempted, and indicate the date on 1249  
which the board of county commissioners intends to adopt the 1250  
resolution. The notice regarding improvements to parcels within 1251  
an incentive district under division (B) of this section shall 1252  
delineate the boundaries of the district, specifically identify 1253  
each parcel within the district, identify each anticipated 1254  
improvement in the district, provide an estimate of the true 1255  
value in money of each such improvement, specify the life of the 1256  
district and the percentage of improvements that would be 1257  
exempted, and indicate the date on which the board of county 1258  
commissioners intends to adopt the resolution. The board of 1259  
education, by resolution adopted by a majority of the board, may 1260  
approve the exemption for the period or for the exemption 1261  
percentage specified in the notice; may disapprove the exemption 1262  
for the number of years in excess of ten, may disapprove the 1263  
exemption for the percentage of the improvements to be exempted 1264  
in excess of seventy-five per cent, or both; or may approve the 1265  
exemption on the condition that the board of county 1266  
commissioners and the board of education negotiate an agreement 1267  
providing for compensation to the school district equal in value 1268

to a percentage of the amount of taxes exempted in the eleventh 1269  
and subsequent years of the exemption period or, in the case of 1270  
exemption percentages in excess of seventy-five per cent, 1271  
compensation equal in value to a percentage of the taxes that 1272  
would be payable on the portion of the improvements in excess of 1273  
seventy-five per cent were that portion to be subject to 1274  
taxation, or other mutually agreeable compensation. 1275

(2) The board of education shall certify its resolution to 1276  
the board of county commissioners not later than fourteen days 1277  
prior to the date the board of county commissioners intends to 1278  
adopt its resolution as indicated in the notice. If the board of 1279  
education and the board of county commissioners negotiate a 1280  
mutually acceptable compensation agreement, the resolution of 1281  
the board of county commissioners may declare the improvements a 1282  
public purpose for the number of years specified in that 1283  
resolution or, in the case of exemption percentages in excess of 1284  
seventy-five per cent, for the exemption percentage specified in 1285  
the resolution. In either case, if the board of education and 1286  
the board of county commissioners fail to negotiate a mutually 1287  
acceptable compensation agreement, the resolution may declare 1288  
the improvements a public purpose for not more than ten years, 1289  
and shall not exempt more than seventy-five per cent of the 1290  
improvements from taxation. If the board of education fails to 1291  
certify a resolution to the board of county commissioners within 1292  
the time prescribed by this section, the board of county 1293  
commissioners thereupon may adopt the resolution and may declare 1294  
the improvements a public purpose for up to thirty years or, in 1295  
the case of exemption percentages proposed in excess of seventy- 1296  
five per cent, for the exemption percentage specified in the 1297  
resolution. The board of county commissioners may adopt the 1298  
resolution at any time after the board of education certifies 1299

its resolution approving the exemption to the board of county 1300  
commissioners, or, if the board of education approves the 1301  
exemption on the condition that a mutually acceptable 1302  
compensation agreement be negotiated, at any time after the 1303  
compensation agreement is agreed to by the board of education 1304  
and the board of county commissioners. If a mutually acceptable 1305  
compensation agreement is negotiated between the board of county 1306  
commissioners and the board of education, including agreements 1307  
for payments in lieu of taxes under section 5709.79 of the 1308  
Revised Code, the board of county commissioners shall compensate 1309  
the joint vocational school district within which the parcel or 1310  
district is located at the same rate and under the same terms 1311  
received by the city, local, or exempted village school 1312  
district. 1313

(3) If a board of education has adopted a resolution 1314  
waiving its right to approve exemptions from taxation under this 1315  
section and the resolution remains in effect, approval of such 1316  
exemptions by the board of education is not required under 1317  
division (C) of this section. If a board of education has 1318  
adopted a resolution allowing a board of county commissioners to 1319  
deliver the notice required under division (C) of this section 1320  
fewer than forty-five business days prior to approval of the 1321  
resolution by the board of county commissioners, the board of 1322  
county commissioners shall deliver the notice to the board of 1323  
education not later than the number of days prior to such 1324  
approval as prescribed by the board of education in its 1325  
resolution. If a board of education adopts a resolution waiving 1326  
its right to approve exemptions or shortening the notification 1327  
period, the board of education shall certify a copy of the 1328  
resolution to the board of county commissioners. If the board of 1329  
education rescinds such a resolution, it shall certify notice of 1330

the rescission to the board of county commissioners. 1331

(D) (1) If a proposed resolution under division (B) (1) of 1332  
this section exempts improvements with respect to a parcel 1333  
within an incentive district for more than ten years, or the 1334  
percentage of the improvement exempted from taxation exceeds 1335  
seventy-five per cent, not later than forty-five business days 1336  
prior to adopting the resolution the board of county 1337  
commissioners shall deliver to the board of township trustees of 1338  
any township within which the incentive district is or will be 1339  
located a notice that states its intent to adopt a resolution 1340  
creating an incentive district. The notice shall include a copy 1341  
of the proposed resolution, identify the parcels for which 1342  
improvements are to be exempted from taxation, provide an 1343  
estimate of the true value in money of the improvements, specify 1344  
the period of time for which the improvements would be exempted 1345  
from taxation, specify the percentage of the improvements that 1346  
would be exempted from taxation, and indicate the date on which 1347  
the board intends to adopt the resolution. 1348

(2) The board of township trustees, by resolution adopted 1349  
by a majority of the board, may object to the exemption for the 1350  
number of years in excess of ten, may object to the exemption 1351  
for the percentage of the improvement to be exempted in excess 1352  
of seventy-five per cent, or both. If the board of township 1353  
trustees objects, the board of township trustees may negotiate a 1354  
mutually acceptable compensation agreement with the board of 1355  
county commissioners. In no case shall the compensation provided 1356  
to the board of township trustees exceed the property taxes 1357  
forgone due to the exemption. If the board of township trustees 1358  
objects, and the board of township trustees and the board of 1359  
county commissioners fail to negotiate a mutually acceptable 1360  
compensation agreement, the resolution adopted under division 1361

(B) (1) of this section shall provide to the board of township trustees compensation in the eleventh and subsequent years of the exemption period equal in value to not more than fifty per cent of the taxes that would be payable to the township or, if the board of township trustee's objection includes an objection to an exemption percentage in excess of seventy-five per cent, compensation equal in value to not more than fifty per cent of the taxes that would be payable to the township on the portion of the improvement in excess of seventy-five per cent, were that portion to be subject to taxation. The board of township trustees shall certify its resolution to the board of county commissioners not later than thirty days after receipt of the notice.

(3) If the board of township trustees does not object or fails to certify a resolution objecting to an exemption within thirty days after receipt of the notice, the board of county commissioners may adopt its resolution, and no compensation shall be provided to the board of township trustees. If the board of township trustees certifies its resolution objecting to the commissioners' resolution, the board of county commissioners may adopt its resolution at any time after a mutually acceptable compensation agreement is agreed to by the board of county commissioners and the board of township trustees. If the board of township trustees certifies a resolution objecting to the commissioners' resolution, the board of county commissioners may adopt its resolution at any time after a mutually acceptable compensation agreement is agreed to by the board of county commissioners and the board of township trustees, or, if no compensation agreement is negotiated, at any time after the board of county commissioners in the proposed resolution to provide compensation to the board of township trustees of fifty

per cent of the taxes that would be payable to the township in 1393  
the eleventh and subsequent years of the exemption period or on 1394  
the portion of the improvement in excess of seventy-five per 1395  
cent, were that portion to be subject to taxation. 1396

(E) Service payments in lieu of taxes that are 1397  
attributable to any amount by which the effective tax rate of 1398  
either a renewal levy with an increase or a replacement levy 1399  
exceeds the effective tax rate of the levy renewed or replaced, 1400  
or that are attributable to an additional levy, for a levy 1401  
authorized by the voters for any of the following purposes on or 1402  
after January 1, 2006, and which are provided pursuant to a 1403  
resolution creating an incentive district under division (B)(1) 1404  
of this section that is adopted on or after January 1, 2006, 1405  
shall be distributed to the appropriate taxing authority as 1406  
required under division (D) of section 5709.79 of the Revised 1407  
Code in an amount equal to the amount of taxes from that 1408  
additional levy or from the increase in the effective tax rate 1409  
of such renewal or replacement levy that would have been payable 1410  
to that taxing authority from the following levies were it not 1411  
for the exemption authorized under division (B) of this section: 1412

(1) A tax levied under division (L) of section 5705.19 or 1413  
section 5705.191 of the Revised Code for community mental 1414  
retardation and developmental disabilities programs and services 1415  
pursuant to Chapter 5126. of the Revised Code; 1416

(2) A tax levied under division (Y) of section 5705.19 of 1417  
the Revised Code for providing or maintaining senior citizens 1418  
services or facilities; 1419

(3) A tax levied under section 5705.22 of the Revised Code 1420  
for county hospitals; 1421

(4) A tax levied by a joint-county district or by a county	1422
under section 5705.19, 5705.191, or 5705.221 of the Revised Code	1423
for alcohol, drug addiction, and mental health services or	1424
facilities;	1425
(5) A tax levied under section 5705.23 of the Revised Code	1426
for library purposes;	1427
(6) A tax levied under section 5705.24 of the Revised Code	1428
for the support of children services and the placement and care	1429
of children;	1430
(7) A tax levied under division (Z) of section 5705.19 of	1431
the Revised Code for the provision and maintenance of zoological	1432
park services and facilities under section 307.76 of the Revised	1433
Code;	1434
(8) A tax levied under section 511.27 or division (H) of	1435
section 5705.19 of the Revised Code for the support of township	1436
park districts;	1437
(9) A tax levied under division (A), (F), or (H) of	1438
section 5705.19 of the Revised Code for parks and recreational	1439
purposes of a joint recreation district organized pursuant to	1440
division (B) of section 755.14 of the Revised Code;	1441
(10) A tax levied under section 1545.20 or 1545.21 of the	1442
Revised Code for park district purposes;	1443
(11) A tax levied under section 5705.191 of the Revised	1444
Code for the purpose of making appropriations for public	1445
assistance; human or social services; public relief; public	1446
welfare; public health and hospitalization; and support of	1447
general hospitals;	1448
(12) A tax levied under section 3709.29 of the Revised	1449

Code for a general health district program. 1450

(F) An exemption from taxation granted under this section 1451  
commences with the tax year specified in the resolution so long 1452  
as the year specified in the resolution commences after the 1453  
effective date of the resolution. If the resolution specifies a 1454  
year commencing before the effective date of the resolution or 1455  
specifies no year whatsoever, the exemption commences with the 1456  
tax year in which an exempted improvement first appears on the 1457  
tax list and duplicate of real and public utility property and 1458  
that commences after the effective date of the resolution. In 1459  
lieu of stating a specific year, the resolution may provide that 1460  
the exemption commences in the tax year in which the value of an 1461  
improvement exceeds a specified amount or in which the 1462  
construction of one or more improvements is completed, provided 1463  
that such tax year commences after the effective date of the 1464  
resolution. With respect to the exemption of improvements to 1465  
parcels under division (A) of this section, the resolution may 1466  
allow for the exemption to commence in different tax years on a 1467  
parcel-by-parcel basis, with a separate exemption term specified 1468  
for each parcel. 1469

Except as otherwise provided in this division, the 1470  
exemption ends on the date specified in the resolution as the 1471  
date the improvement ceases to be a public purpose or the 1472  
incentive district expires, or ends on the date on which the 1473  
county can no longer require annual service payments in lieu of 1474  
taxes under section 5709.79 of the Revised Code, whichever 1475  
occurs first. The exemption of an improvement with respect to a 1476  
parcel or within an incentive district may end on a later date, 1477  
as specified in the resolution, if the board of commissioners 1478  
and the board of education of the city, local, or exempted 1479  
village school district within which the parcel or district is 1480

located have entered into a compensation agreement under section 1481  
5709.82 of the Revised Code with respect to the improvement, and 1482  
the board of education has approved the term of the exemption 1483  
under division (C) (1) of this section, but in no case shall the 1484  
improvement be exempted from taxation for more than thirty 1485  
years. Exemptions shall be claimed and allowed in the same or a 1486  
similar manner as in the case of other real property exemptions. 1487  
If an exemption status changes during a tax year, the procedure 1488  
for the apportionment of the taxes for that year is the same as 1489  
in the case of other changes in tax exemption status during the 1490  
year. 1491

(G) If the board of county commissioners is not required 1492  
by this section to notify the board of education of the board of 1493  
county commissioners' intent to declare improvements to be a 1494  
public purpose, the board of county commissioners shall comply 1495  
with the notice requirements imposed under section 5709.83 of 1496  
the Revised Code before taking formal action to adopt the 1497  
resolution making that declaration, unless the board of 1498  
education has adopted a resolution under that section waiving 1499  
its right to receive such a notice. 1500

(H) The county, not later than fifteen days after the 1501  
adoption of a resolution under this section, shall submit to the 1502  
director of development services a copy of the resolution. On or 1503  
before the thirty-first day of March of each year, the county 1504  
shall submit a status report to the director of development 1505  
services. The report shall indicate, in the manner prescribed by 1506  
the director, the progress of the project during each year that 1507  
an exemption remains in effect, including a summary of the 1508  
receipts from service payments in lieu of taxes; expenditures of 1509  
money from the fund created under section 5709.80 of the Revised 1510  
Code; a description of the public infrastructure improvements 1511

and housing renovations financed with such expenditures; and a 1512  
quantitative summary of changes in employment and private 1513  
investment resulting from each project. 1514

(I) Nothing in this section shall be construed to prohibit 1515  
a board of county commissioners from declaring to be a public 1516  
purpose improvements with respect to more than one parcel. 1517

(J) If a parcel is located in a new community district in 1518  
which the new community authority imposes a community 1519  
development charge on the basis of rentals received from leases 1520  
of real property as described in division (L) (2) of section 1521  
349.01 of the Revised Code, the parcel may not be exempted from 1522  
taxation under this section. 1523

**Sec. 5709.911.** (A) (1) A municipal corporation, township, 1524  
or county that has enacted an ordinance or resolution under 1525  
section 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised 1526  
Code or that has entered into an agreement referred to in 1527  
section 725.02 or 1728.07 of the Revised Code may file an 1528  
application for exemption under those sections in the same 1529  
manner as other real property tax exemptions, notwithstanding 1530  
the indication in division (A) of section 5715.27 of the Revised 1531  
Code that the owner of the property may file the application. An 1532  
application for exemption may not be filed by a municipal 1533  
corporation, township, or county for an exemption of a parcel 1534  
under section 5709.40, 5709.73, or 5709.78 of the Revised Code 1535  
if the property owner excludes the property from such exemption 1536  
as provided in that section. 1537

(2) Except as provided in division (B) of this section, if 1538  
the application for exemption under section 725.02, 1728.10, 1539  
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code is 1540  
filed by a municipal corporation, township, or county and more 1541

than one real property tax exemption applies by law to the 1542  
property or a portion of the property, both of the following 1543  
apply: 1544

(a) An exemption granted under section 725.02, 1728.10, 1545  
5709.40, 5709.41, 5709.73, or 5709.78 of the Revised Code shall 1546  
be subordinate to an exemption with respect to the property or 1547  
portion of the property granted under any other provision of the 1548  
Revised Code. 1549

(b) Neither service payments in lieu of taxes under 1550  
section 725.04, 5709.42, 5709.74, or 5709.79 of the Revised 1551  
Code, nor service charges in lieu of taxes under section 1728.11 1552  
or 1728.111 of the Revised Code, shall be required with respect 1553  
to the property or portion of the property that is exempt from 1554  
real property taxes under that other provision of the Revised 1555  
Code during the effective period of the exemption. 1556

(B) (1) If the application for exemption under section 1557  
725.02, 1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the 1558  
Revised Code is filed by the owner of the property or by a 1559  
municipal corporation, township, or county with the owner's 1560  
written consent attached to the application, and if more than 1561  
one real property tax exemption applies by law to the property 1562  
or a portion of the property, no other exemption shall be 1563  
granted for the portion of the property already exempt under 1564  
section 725.02, 1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 1565  
of the Revised Code unless the municipal corporation, township, 1566  
or county that enacted the authorizing ordinance or resolution 1567  
for the earlier exemption provides its duly authorized written 1568  
consent to the subsequent exemption by means of a duly enacted 1569  
ordinance or resolution. 1570

(2) If the application for exemption under section 725.02, 1571

1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 of the Revised 1572  
Code is filed by a municipal corporation, township, or county 1573  
and approved by the tax commissioner, if the owner of the 1574  
property subsequently provides written consent to the exemption 1575  
and the consent is filed with the tax commissioner, and if more 1576  
than one real property tax exemption applies by law to the 1577  
property or a portion of the property, no other exemption shall 1578  
be granted for the portion of the property already exempt under 1579  
section 725.02, 1728.10, 5709.40, 5709.41, 5709.73, or 5709.78 1580  
of the Revised Code unless the municipal corporation, township, 1581  
or county that enacted the authorizing ordinance or resolution 1582  
for the earlier exemption provides its duly authorized written 1583  
consent to the subsequent exemption by means of a duly enacted 1584  
ordinance or resolution. 1585

(C) (1) After the tax commissioner has approved or 1586  
partially approved an application for exemption filed by or with 1587  
the consent of a property owner under the circumstances 1588  
described in division (B) (1) of this section, the municipal 1589  
corporation, township, county, or property owner shall file a 1590  
notice with the county recorder for the county in which the 1591  
property is located that clearly identifies the property and the 1592  
owner of the property and states that the property, regardless 1593  
of future use or ownership, remains liable for any service 1594  
payments or service charges required by the exemption until the 1595  
terms of the exemption have been satisfied, unless the municipal 1596  
corporation, township, or county consents to the subsequent 1597  
exemption and relinquishes its right to collect the service 1598  
payments or service charges as provided in division (B) (1) of 1599  
this section. The county recorder's office shall charge a fee of 1600  
fourteen dollars to record the notice, the proceeds of which 1601  
shall be retained by the county. 1602

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

(D) Upon filing of the notice with the county recorder, the provisions of division (B) of this section are binding on all future owners of the property or portion of the property, regardless of how the property is used. Failure to file the notice with the county recorder relieves future owners of the property from the obligation to make service payments in lieu of taxes under section 725.04, 5709.42, 5709.74, or 5709.79 of the Revised Code or service charges in lieu of taxes under section 1728.11 or 1728.111 of the Revised Code, if the property or a portion of the property later qualifies for exemption under any other provision of the Revised Code. Failure to file the notice does not, however, relieve the owner of the property, at the time the application for exemption is filed, from making those payments or charges.

**Section 2.** That existing sections 5709.40, 5709.73,

5709.77, 5709.78, and 5709.911 of the Revised Code are hereby  
repealed.

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