

**As Reported by the Senate Local Government Committee**

**135th General Assembly**

**Regular Session**

**2023-2024**

**Am. S. B. No. 75**

**Senator Blessing**

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**A BILL**

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

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

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

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

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

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

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

another municipal corporation water, sewer, electric, or other 19  
utility services necessary to the public health, safety, and 20  
welfare. 21

(4) "Business" means a sole proprietorship, a corporation 22  
for profit, a pass-through entity as defined in section 5733.04 23  
of the Revised Code, the federal government, the state, the 24  
state's political subdivisions, a nonprofit organization, or a 25  
school district. 26

(5) "Owner" means a partner of a partnership, a member of 27  
a limited liability company, a majority shareholder of an S 28  
corporation, a person with a majority ownership interest in a 29  
pass-through entity, or any officer, employee, or agent with 30  
authority to make decisions legally binding upon a business. 31

(6) "Record owner" means the person or persons in whose 32  
name a parcel is listed on the tax list or exempt list compiled 33  
by the county auditor under section 319.28 or 5713.08 of the 34  
Revised Code. 35

(7) A business "operates within" a district if the net 36  
profits of the business or the income of employees of the 37  
business would be subject to an income tax levied within the 38  
district. 39

(8) An employee is "employed within" a district if any 40  
portion of the employee's income would be subject to an income 41  
tax levied within the district. 42

(9) "Mixed-use development" means a real estate project 43  
that tends to mitigate traffic and sprawl by integrating some 44  
combination of retail, office, residential, hotel, recreation, 45  
and other functions in a pedestrian-oriented environment that 46  
maximizes the use of available space by allowing members of the 47

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

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

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

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

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

(B) This section provides alternative procedures and 67  
requirements to those set forth in sections 715.70 and 715.71 of 68  
the Revised Code for creating and operating a joint economic 69  
development district. This Subject to division (C) (1) (b) of this 70  
section, this section applies to municipal corporations and 71  
townships that are located in the same county or in adjacent 72  
counties. 73

(C) ~~One or more municipal corporations, one or more~~ 74  
~~townships, and, under division~~ Subject to divisions (C) and (D) 75  
of this section, ~~one two or more counties contracting parties~~ 76

may enter into a contract pursuant to which ~~they~~ the contracting 77  
parties designate one or more areas as a joint economic 78  
development district for the purpose of facilitating economic 79  
development and redevelopment, to create or preserve jobs and 80  
employment opportunities, and to improve the economic welfare of 81  
the people in this state and in the area of the contracting 82  
parties. 83

(1) Except as otherwise provided in division (C) (2) of 84  
this section, ~~the~~ : 85

(a) If at least one of the contracting parties is a 86  
township or county, the territory of each of the contracting 87  
parties shall be contiguous to the territory of at least one 88  
other contracting party, or contiguous to the territory of a 89  
township, municipal corporation, or county that is contiguous to 90  
another contracting party, even if the intervening township or 91  
municipal corporation is not a contracting party. 92

(b) If all of the contracting parties are municipal 93  
corporations, the territory of each contracting party shall be 94  
partially or wholly located in the same county and contiguous to 95  
the territory of at least one other contracting party or 96  
contiguous to a township that is contiguous to another 97  
contracting party. 98

(2) Contracting parties that have entered into a contract 99  
under section 715.70 or 715.71 of the Revised Code creating a 100  
joint economic development district prior to November 15, 1995, 101  
may enter into a contract under this section even if the 102  
territory of each of the contracting parties is not contiguous 103  
to the territory of at least one other contracting party, or 104  
contiguous to the territory of a township or municipal 105  
corporation that is contiguous to another contracting party as 106

otherwise required under division (C)(1) of this section. The 107  
contract and district shall meet the requirements of this 108  
section. 109

(3) At least one of the contracting parties shall be a 110  
municipal corporation, and at least one of the contracting 111  
parties shall be either of the following: 112

(a) A township; 113

(b) A municipal corporation in which part or all of the 114  
area or areas to be included in the joint economic development 115  
district is or are located, provided that each such area in that 116  
municipal corporation has at least two of the characteristics 117  
described in divisions (A)(1)(a) to (h) of section 5709.61 of 118  
the Revised Code, pursuant to the rules adopted by the director 119  
of development under division (A)(1) of that section. 120

(D) If, on or after December 30, 2008, but on or before 121  
June 30, 2009, one or more municipal corporations and one or 122  
more townships enter into a contract or amend an existing 123  
contract under this section, one or more counties in which all 124  
of those municipal corporations or townships are located also 125  
may enter into the contract as a contracting party or parties. 126

(E)(1) The area or areas to be included in a joint 127  
economic development district shall meet all of the following 128  
criteria: 129

(a) The area or areas shall be located within the 130  
territory of one or more of the contracting parties and may 131  
consist of all of the territory of any or all of the contracting 132  
parties. 133

(b) No electors, except those residing in a mixed-use 134  
development, shall reside within the area or areas on the 135

effective date of the contract creating the district.	136
(c) The area or areas shall not include any parcel of land	137
owned in fee by or leased to a municipal corporation or	138
township, unless the municipal corporation or township is a	139
contracting party or has given its consent to have the parcel of	140
land included in the district by the adoption of an ordinance or	141
resolution.	142
(d) The area or areas shall not include any parcel of land	143
excluded pursuant to division (J) (2) of this section.	144
(2) The contracting parties may designate excluded parcels	145
within the boundaries of the joint economic development	146
district. Excluded parcels are not part of the district and	147
persons employed or residing on such parcels shall not be	148
subject to any income tax imposed within the district under	149
division (F) (5) of this section.	150
(F) (1) The contract creating a joint economic development	151
district shall provide for the amount or nature of the	152
contribution of each contracting party to the development and	153
operation of the district and may provide for the sharing of the	154
costs of the operation of and improvements for the district. The	155
contributions may be in any form to which the contracting	156
parties agree and may include, but are not limited to, the	157
provision of services, money, real or personal property,	158
facilities, or equipment.	159
(2) The contract may provide for the contracting parties	160
to share revenue from taxes levied by one or more of the	161
contracting parties if those revenues may lawfully be applied to	162
that purpose under the legislation by which those taxes are	163
levied.	164

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

(4) The contract shall enumerate the specific powers, duties, and functions of the board of directors of the district described under division (P) of this section and shall designate procedures consistent with that division for appointing members to the board. The contract shall enumerate rules to govern the board in carrying out its business under this section.

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

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

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

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

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

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

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

(7) The contract may designate property as a community entertainment district, or may be amended to designate property as a community entertainment district, as prescribed in division (D) of section 4301.80 of the Revised Code. A contract or amendment designating a community entertainment district shall



include all information and documentation described in divisions 225  
(B) (1) to (6) of section 4301.80 of the Revised Code. The public 226  
notice required under division (I) of this section shall specify 227  
that the contract designates a community entertainment district 228  
and describe the location of that district. Except as provided 229  
in division (F) of section 4301.80 of the Revised Code, an area 230  
designated as a community entertainment district under a joint 231  
economic development district contract shall not lose its 232  
designation even if the contract is canceled or terminated. 233

(8) If any part of the district is located either within 234  
one-half of one mile of a non-contracting municipal corporation 235  
or within an area covered by or subject to a water or sewer 236  
service plan or agreement, the contract shall include all of the 237  
following: 238

(a) A preliminary estimate of the costs of providing 239  
public utility services, facilities, and improvements to the 240  
district, prepared by a professional engineer; 241

(b) An analysis of the anticipated sources for funding the 242  
costs of the public utilities infrastructure needed to serve the 243  
district and a projection of when such funds will be available 244  
and when such costs are likely to be incurred; 245

(c) Evidence or estimates indicating that the construction 246  
of the public utility infrastructure needed to serve at least 247  
some portion of the district will be completed within five years 248  
after the creation of the district. 249

(G) The contract creating a joint economic development 250  
district shall continue in existence throughout its term and 251  
shall be binding on the contracting parties and on any parties 252  
succeeding to the contracting parties, whether by annexation, 253

merger, or consolidation. Except as provided in division (H) of 254  
this section, the contract may be amended, renewed, or 255  
terminated with the approval of the contracting parties or any 256  
parties succeeding to the contracting parties. If the contract 257  
is amended to add or remove an area to or from an existing 258  
district, the amendment shall be adopted in the manner 259  
prescribed under division (L) of this section. 260

(H) If two or more contracting parties previously have 261  
entered into a separate contract for utility services, then 262  
amendment, renewal, or termination of the separate contract for 263  
utility services shall not constitute any part of the 264  
consideration for the contract creating a joint economic 265  
development district. A contract creating a joint economic 266  
development district shall be rebuttably presumed to violate 267  
this division if it is entered into within two years prior or 268  
five years subsequent to the amendment, renewal, or termination 269  
of a separate contract for utility services that two or more 270  
contracting parties previously have entered into. The 271  
presumption stated in this division may be rebutted by clear and 272  
convincing evidence of both of the following: 273

(1) That other substantial consideration existed to 274  
support the contract creating a joint economic development 275  
district; 276

(2) That the contracting parties entered into the contract 277  
creating a joint economic development district freely and 278  
without duress or coercion related to the amendment, renewal, or 279  
termination of the separate contract for utility services. 280

A contract creating a joint economic development district 281  
that violates this division is void and unenforceable. 282

(I) (1) Before the legislative authority of any of the 283  
contracting parties adopts an ordinance or resolution approving 284  
a contract to create a district, the legislative authority of 285  
each of the contracting parties shall hold a public hearing 286  
concerning the contract and district. Each legislative authority 287  
shall provide at least thirty days' public notice of the time 288  
and place of the public hearing in a newspaper of general 289  
circulation in the municipal corporation, township, or county, 290  
as applicable. During the thirty-day period prior to the public 291  
hearing and until the date that an ordinance or resolution is 292  
adopted under division (K) of this section to approve the joint 293  
economic development district contract, all of the following 294  
documents shall be available for public inspection in the office 295  
of the clerk of the legislative authority of a municipal 296  
corporation and county that is a contracting party and in the 297  
office of the fiscal officer of a township that is a contracting 298  
party: 299

(a) A copy of the contract creating the district, 300  
including the economic development plan for the district and the 301  
schedule for the provision of new, expanded, or additional 302  
services, facilities, or improvements described in division (F) 303  
(3) of this section; 304

(b) A description of the area or areas to be included in 305  
the district, including a map in sufficient detail to denote the 306  
specific boundaries of the area or areas and to indicate any 307  
zoning restrictions applicable to the area or areas, and the 308  
parcel number, provided for under section 319.28 of the Revised 309  
Code, of any parcel located within the boundaries of the joint 310  
economic development district and excluded from the district 311  
under division (E) (2) of this section; 312

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

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

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

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

A contracting party may send written notice of the 343  
petitions by certified mail with return receipt requested to the 344  
last known mailing addresses of any or all of the record owners 345  
of real property located within the proposed district or the 346  
owners of businesses operating within the proposed district. The 347  
contracting parties shall equally share the costs of complying 348  
with this division. 349

(2) If any portion of property located within the proposed 350  
joint economic development district is also either located 351  
within one-half of one mile of a non-contracting municipal 352  
corporation or covered by or subject to a water or sewer service 353  
plan or agreement under which a non-contracting municipal 354  
corporation is identified as a future provider of water or sewer 355  
services to all or part of the proposed district, then that 356  
property and any property contiguous to that property if owned 357  
by the same person shall be excluded from the joint economic 358  
development district unless the owner of the property signs the 359  
petition. 360

(K) (1) After the public hearings required under division 361  
(I) of this section have been held and the petitions described 362  
in division (J) of this section have been signed by the majority 363  
of the record owners of real property located within the 364  
proposed joint economic development district and by a majority 365  
of the owners of businesses, if any, operating within the 366  
proposed district, each contracting party may adopt an ordinance 367  
or resolution approving the contract to create a joint economic 368  
development district. Not later than ten days after all of the 369  
contracting parties have adopted ordinances or resolutions 370  
approving the district contract, each contracting party shall 371  
give notice of the proposed district to all of the following: 372

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

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

(2) Such notices shall be given by certified mail and shall specify that the property or business is located within an area to be included in the district and that all of the documents described in divisions (I) (1) (a) to (c) of this section are available for public inspection in the office of the clerk of the legislative authority of each municipal corporation and county that is a contracting party or the office of the fiscal officer of each township that is a contracting party. The contracting parties shall equally share the costs of complying with division (K) of this section.

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

(2) An amendment adding an area to a district, removing an area from the district, or excluding one or more parcels from the district may be approved only by a resolution or ordinance adopted by each of the contracting parties. The contracting

parties shall conduct public hearings on the amendment and 403  
provide notice in the manner required under division (I) of this 404  
section for original contracts. The contracting parties shall 405  
make available for public inspection a copy of the amendment, a 406  
description of the area to be added, removed, or excluded to or 407  
from the district, and a map of that area in sufficient detail 408  
to denote the specific boundaries of the area and to indicate 409  
any zoning restrictions applicable to the area. 410

(3) Before adopting a resolution or ordinance approving 411  
the addition of an area to the district, the contracting parties 412  
shall circulate petitions to the record owners of real property 413  
located within the proposed addition to the district and owners 414  
of businesses operating within the proposed addition to the 415  
district in the same manner required under division (J) of this 416  
section for original contracts. The contracting parties may 417  
notify such record owners of real property and owners of 418  
businesses that the petitions are available for signing in the 419  
same manner provided by that division. The contracting parties 420  
shall equally share the costs of complying with this division. 421

(4) The contracting parties to a joint economic 422  
development district may vote to approve an amendment to the 423  
district contract under this division after the public hearings 424  
required under division (L) (2) of this section are completed 425  
and, if the amendment adds an area or areas to the district, the 426  
petitions required under division (L) (3) of this section have 427  
been signed by the majority of record owners of real property 428  
located within the area or areas added to the district and by a 429  
majority of the owners of businesses, if any, operating within 430  
the proposed addition to the district. 431

(5) Not later than ten days after all of the contracting 432

parties have adopted ordinances or resolutions approving an 433  
amendment adding one or more areas to the district, each 434  
contracting party shall give notice of the addition to all of 435  
the following: 436

(a) Each record owner of real property to be included in 437  
the addition to the district and in the territory of that 438  
contracting party who did not sign the petitions described in 439  
division (L) (3) of this section; 440

(b) An owner of each business operating within the 441  
addition to the district and in the territory of that 442  
contracting party no owner of which signed the petitions 443  
described in division (L) (3) of this section. 444

The contracting parties shall equally share the costs of 445  
complying with division (L) (5) of this section. 446

(M) (1) Except as provided in division (M) (2) of this 447  
section, the designation of a joint economic development 448  
district is subject to elector approval in each contracting 449  
party that is a township or, if none of the contracting parties 450  
are townships, a municipal corporation within which all or part 451  
of the territory of the district is located and that does not 452  
levy an income tax in accordance with Chapter 718. of the 453  
Revised Code at a rate exceeding one per cent. 454

(2) A board of township trustees that is a party to a 455  
contract creating a joint economic development district of a 456  
township or the legislative authority of a municipal corporation 457  
described in division (M) (1) of this section may choose not to 458  
submit its ordinance or resolution approving the joint economic 459  
development district contract to the electors of the township or 460  
municipal corporation, respectively, if all of the following 461



conditions are satisfied: 462

(a) The ordinance or resolution has been approved by a 463  
unanimous vote of the members of the board ~~of township trustees~~ 464  
or legislative authority, or, if a county is one of the 465  
contracting parties under division (D) of this section, the 466  
resolution has been approved by a majority vote of the members 467  
of the board ~~of township trustees~~or legislative authority; 468

(b) The contracting parties have circulated petitions as 469  
required under division (J) of this section and obtained the 470  
signatures required under division ~~(L)~~(K) of this section; 471

(c) The territory to be included in the proposed district 472  
is zoned in a manner appropriate to the function of the 473  
district. 474

~~(2)~~(3) If the ~~a~~ board of ~~township trustees~~ has of a 475  
township or the legislative authority of a municipal corporation 476  
described in division (M) (1) of this section chooses not invoked 477  
to invoke its authority under division ~~(M) (1)~~(M) (2) of this 478  
section, or if the conditions described by that division are not 479  
satisfied, the board or legislative authority, at least ninety 480  
days before the date of the election, shall file its ordinance 481  
or resolution approving the district contract with the board of 482  
elections for submission to the electors of the township or 483  
municipal corporation, respectively, for approval at the next 484  
succeeding general, primary, or special election. 485

~~(3)~~(4) Any contract creating a district in which a ~~board~~ 486  
~~of township trustees~~ or municipal corporation described in 487  
division (M) (1) of this section is a party shall provide that 488  
the contract is not effective before the thirty-first day after 489  
its approval, including approval by the electors of the township 490

or municipal corporation, if required by this section. 491

~~(4)~~ (5) If the a board of township trustees of a township 492  
or the legislative authority of a municipal corporation 493  
described in division (M)(1) of this section invokes its 494  
authority under division ~~(M)(1)~~ (M)(2) of this section and does 495  
not submit the district contract to the electors for approval, 496  
the ordinance or resolution of the board of township trustees 497  
approving the contract is subject to a referendum of the 498  
electors of the township or municipal corporation when requested 499  
through a petition. When signed by ten per cent of the number of 500  
electors in the township or municipal corporation who voted for 501  
the office of governor at the most recent general election, a 502  
referendum petition asking that the ordinance or resolution be 503  
submitted to the electors ~~of the township~~ may be presented to 504  
the board of township trustees or the legislative authority of 505  
the municipal corporation. Such a petition shall be presented 506  
within thirty days after the board ~~of township trustees or~~ 507  
legislative authority adopts the ordinance or resolution 508  
approving the district contract. The board ~~of township trustees~~ 509  
or legislative authority shall, not later than four p.m. of the 510  
tenth day after receipt of the petition, certify the text of the 511  
ordinance or resolution to the board of elections. The board of 512  
elections shall submit the resolution to the electors of the 513  
township or municipal corporation for their approval or 514  
rejection at the next general, primary, or special election 515  
occurring at least ninety days after certification of the 516  
ordinance or resolution. 517

(N) The ballot respecting ~~a~~ an ordinance or resolution to 518  
create a district or a referendum of such a resolution shall be 519  
in the following form: 520

"Shall the ~~resolution~~\_\_\_\_\_ (ordinance or resolution) 521  
of \_\_\_\_\_ (here insert name of the ~~board of township~~ 522  
~~trustees or municipal corporation~~) approving the contract with 523  
.....\_\_\_\_\_ (here insert name of every other 524  
contracting party) for the creation of a joint economic 525  
development district (JEDD) be approved? 526

FOR THE ~~RESOLUTION AND~~ JEDD CONTRACT 527

AGAINST THE ~~RESOLUTION AND~~ JEDD CONTRACT" 528

If a majority of the electors of the township or municipal 529  
corporation voting on the issue vote for the ~~resolution and~~ 530  
joint economic development district contract, the ordinance or 531  
resolution shall become effective immediately and the contract 532  
shall go into effect on the thirty-first day after the election 533  
or thereafter in accordance with terms of the contract. 534

(O) Upon the creation of a district under this section, 535  
one of the contracting parties shall file a copy of each of the 536  
following documents with the director of development: 537

(1) All of the documents described in divisions (I) (1) (a) 538  
to (c) of this section; 539

(2) Certified copies of the ordinances and resolutions of 540  
the contracting parties relating to the contract and district; 541

(3) Documentation from each contracting party that the 542  
public hearings required by division (I) of this section have 543  
been held, the date of the hearings, and evidence that notice of 544  
the hearings was published as required by that division; 545

(4) A copy of the signed petitions required under 546  
divisions (J) and (K) of this section. 547

(P) A board of directors shall govern each district 548

created under this section. 549

(1) If there are businesses operating and persons employed 550  
within the district, the board shall be composed of the 551  
following members: 552

(a) One member representing the municipal corporations 553  
that are contracting parties; 554

(b) One member representing the townships that are 555  
contracting parties, or, if no contracting party is a township, 556  
a second member representing the municipal corporations that are 557  
contracting parties; 558

(c) One member representing the owners of businesses 559  
operating within the district; 560

(d) One member representing the persons employed within 561  
the district; 562

(e) One member representing the counties that are 563  
contracting parties, or, if no contracting party is a county, 564  
one member selected by the members described in divisions (P) (1) 565  
(a) to (d) of this section. 566

The members of the board shall be appointed as provided in 567  
the district contract. Of the members initially appointed to the 568  
board, the member described in division (P) (1) (a) of this 569  
section shall serve a term of one year; the member described in 570  
division (P) (1) (b) of this section shall serve a term of two 571  
years; the member described in division (P) (1) (c) of this 572  
section shall serve a term of three years; and the members 573  
described in divisions (P) (1) (d) and (e) of this section shall 574  
serve terms of four years. Thereafter, terms for each member 575  
shall be for four years, each term ending on the same day of the 576  
same month of the year as did the term that it succeeds. A 577

member may be reappointed to the board, but no member shall 578  
serve more than two consecutive terms on the board. 579

The member described in division (P) (1) (e) of this section 580  
shall serve as chairperson of the board described under division 581  
(P) (1) of this section. 582

(2) If there are no businesses operating or persons 583  
employed within the district, the board shall be composed of the 584  
following members: 585

(a) One member representing the municipal corporations 586  
that are contracting parties; 587

(b) One member representing the townships that are 588  
contracting parties, or, if no contracting party is a township, 589  
a second member representing the municipal corporations that are 590  
contracting parties; 591

(c) One member representing the counties that are 592  
contracting parties, or if no contracting party is a county, one 593  
member selected by the members described in divisions (P) (2) (a) 594  
and (b) of this section. 595

The members of the board shall be appointed as provided in 596  
the district contract. Of the members initially appointed to the 597  
board, the member described in division (P) (2) (a) of this 598  
section shall serve a term of one year; the member described in 599  
division (P) (2) (b) of this section shall serve a term of two 600  
years; and the member described in division (P) (2) (c) of this 601  
section shall serve a term of three years. Thereafter, terms for 602  
each member shall be for four years, each term ending on the 603  
same day of the same month of the year as did the term that it 604  
succeeds. A member may be reappointed to the board, but no 605  
member shall serve more than two consecutive terms on the board. 606

The member described in division (P) (2) (c) of this section 607  
shall serve as chairperson of a board described under division 608  
(P) (2) of this section. 609

(3) A board described under division (P) (1) or (2) of this 610  
section has no powers except as described in this section and in 611  
the contract creating the district. 612

(4) Membership on the board of directors of a joint 613  
economic development district created under this section is not 614  
the holding of a public office or employment within the meaning 615  
of any section of the Revised Code prohibiting the holding of 616  
other public office or employment. Membership on such a board is 617  
not a direct or indirect interest in a contract or expenditure 618  
of money by a municipal corporation, township, county, or other 619  
political subdivision with which a member may be affiliated. 620  
Notwithstanding any provision of law to the contrary, no member 621  
of a board of directors of a joint economic development district 622  
shall forfeit or be disqualified from holding any public office 623  
or employment by reason of membership on the board. 624

(5) The board of directors of a joint economic development 625  
district is a public body for the purposes of section 121.22 of 626  
the Revised Code. Chapter 2744. of the Revised Code applies to 627  
such a board and the district. 628

(Q) (1) On or before the date occurring six months after 629  
the effective date of the district contract, an owner of a 630  
business operating within the district may, on behalf of the 631  
business and its employees, file a complaint with the court of 632  
common pleas of the county in which the majority of the 633  
territory of the district is located requesting exemption from 634  
any income tax imposed by the board of directors of the district 635  
under division (F) (5) of this section if all of the following 636

apply: 637

(a) The business operated within an unincorporated area of 638  
the district before the effective date of the district contract; 639

(b) No owner of the business signed a petition described 640  
in division (J) of this section; 641

(c) Neither the business nor its employees has derived or 642  
will derive any material benefit from the new, expanded, or 643  
additional services, facilities, or improvements described in 644  
the economic development plan for the district, or the material 645  
benefit that has, or will be, derived is negligible in 646  
comparison to the income tax revenue generated from the net 647  
profits of the business and the income of employees of the 648  
business. 649

The legislative authority of each contracting party shall 650  
be made a party to the proceedings and the business owner filing 651  
the complaint shall serve notice of the complaint by certified 652  
mail to each such contracting party. The court shall not accept 653  
any complaint filed more than six months after the effective 654  
date of the district contract. 655

(2) Any or all of the contracting parties may submit a 656  
written answer to the complaint submitted under division (Q) (1) 657  
of this section to the court within thirty days after notice of 658  
the complaint was served upon them. Such a contracting party 659  
shall submit to the court, along with the answer, documentation 660  
sufficient to prove that the contracting party sent copies of 661  
the answer to the owner of the business who filed the complaint. 662

(3) The court shall review each complaint submitted by a 663  
business owner under division (Q) (1) of this section and each 664  
answer submitted by a contracting party under division (Q) (2) of 665

this section. The court may make a determination on the record 666  
and the evidence thus submitted, or it may conduct a hearing and 667  
request the presence of the business owner and the contracting 668  
parties to present evidence relevant to the complaint. The court 669  
shall make a determination on the complaint not sooner than 670  
thirty days but not later than sixty days after the complaint is 671  
filed by the business owner. The court may make a determination 672  
more than sixty days after the complaint is filed if the 673  
business owner and all contracting parties to the district 674  
consent. 675

(4) The court shall grant the exemption requested in the 676  
complaint if all of the criteria described in divisions (Q) (1) 677  
(a) to (c) of this section are met. 678

(5) If all the criteria described in divisions (Q) (1) (a) 679  
to (c) of this section are not met, the court shall deny the 680  
complaint and the exemption. 681

(6) The court shall send notice of the determination with 682  
respect to the complaint to the owner of the business and each 683  
contracting party. If the court grants the exemption, the net 684  
profits of the business from operations within the district and 685  
the income of its employees from employment within the district 686  
are exempt from any income tax imposed by the board of directors 687  
of the district. If the court denies the exemption, the net 688  
profits of the business and the income of its employees shall be 689  
taxed according to the terms of the district contract and any 690  
taxes, penalties, and interest accrued before the date of the 691  
court's determination shall be paid in full. In addition, no 692  
owner of the business may submit another complaint under 693  
division (Q) (1) of this section for the same district contract. 694  
The court's determination on a complaint filed under division 695



(Q) of this section is final. 696

(7) Chapter 2506. of the Revised Code does not apply to 697  
the proceedings described in division (Q) of this section. 698

(R) (1) No proceeding pursuant to Chapter 709. of the 699  
Revised Code that proposes the annexation to, merger of, or 700  
consolidation with a municipal corporation of any unincorporated 701  
territory within a joint economic development district may be 702  
commenced at any time between the effective date of the contract 703  
creating the district and the date the contract expires, 704  
terminates, or is otherwise rendered unenforceable. This 705  
division does not apply if each board of township trustees whose 706  
territory is included within the district and whose territory is 707  
proposed to be annexed, merged, or consolidated adopts a 708  
resolution consenting to the commencement of the proceeding. 709  
Each such board of township trustees shall file a copy of the 710  
resolution with the clerk of the legislative authority of each 711  
county within which a contracting party is located. 712

(2) The contract creating a joint economic development 713  
district may prohibit any annexation proceeding by a contracting 714  
municipal corporation of any unincorporated territory within the 715  
district or zone beyond the period described in division (R) (1) 716  
of this section. 717

(3) No contracting party is divested or relieved of its 718  
rights or obligations under the contract creating a joint 719  
economic development district because of annexation, merger, or 720  
consolidation. 721

(S) Contracting parties may enter into agreements pursuant 722  
to the contract creating a joint economic development district 723  
with respect to the substance and administration of zoning and 724

other land use regulations, building codes, permanent public 725  
improvements, and other regulatory and proprietary matters 726  
determined to be for a public purpose. No contract, however, 727  
shall exempt the territory within the district from the 728  
procedures of land use regulation applicable pursuant to 729  
municipal corporation, township, and county regulations, 730  
including, but not limited to, zoning procedures. 731

(T) The powers granted under this section are in addition 732  
to and not in the derogation of all other powers possessed by or 733  
granted to municipal corporations, townships, and counties 734  
pursuant to law. 735

(1) When exercising a power or performing a function or 736  
duty under a contract entered into under this section, a 737  
municipal corporation may exercise all the powers of a municipal 738  
corporation, and may perform all the functions and duties of a 739  
municipal corporation, within the district, pursuant to and to 740  
the extent consistent with the contract. 741

(2) When exercising a power or performing a function or 742  
duty under a contract entered into under division (D) of this 743  
section, a county may exercise all of the powers of a county, 744  
and may perform all the functions and duties of a county, within 745  
the district pursuant to and to the extent consistent with the 746  
contract. 747

(3) When exercising a power or performing a function or 748  
duty under a contract entered into under this section, a 749  
township may exercise all the powers of a township, and may 750  
perform all the functions and duties of a township, within the 751  
district, pursuant to and to the extent consistent with the 752  
contract. 753

(U) No political subdivision shall grant any tax exemption 754  
under Chapter 1728. or section 3735.67, 5709.62, 5709.63, or 755  
5709.632 of the Revised Code on any property located within the 756  
district without the consent of all the contracting parties. The 757  
prohibition against granting a tax exemption under this section 758  
does not apply to any exemption filed, pending, or approved 759  
before the effective date of the contract entered into under 760  
this section. 761

**Section 2.** That existing section 715.72 of the Revised 762  
Code is hereby repealed. 763