



Ohio Revised Code

Section 5709.48 Transportation financing districts; creation.

Effective: September 29, 2017

Legislation: House Bill 49 - 132nd General Assembly

(A) As used in this section, "regional transportation improvement project" has the same meaning as in section 5595.01 of the Revised Code.

(B) For the purposes described in division (A) of section 5595.06 of the Revised Code, the boards of county commissioners of one or more counties that are participants in a regional transportation improvement project may, by resolution, create a transportation financing district and declare improvements to parcels within the district to be a public purpose and exempt from taxation.

(C) A transportation financing district may include territory in more than one county as long as each such county is a party to the resolution creating the district and a participant in the regional transportation improvement project funded by the district. A district shall not include areas used exclusively for residential purposes. A district shall not include any parcel that is or has been exempted from taxation under this section or section 5709.40, 5709.41, 5709.45, 5709.73, or 5709.77 of the Revised Code. Counties may designate parcels within the boundaries of a district that are not included in the district. Counties may designate noncontiguous parcels located outside the boundaries of the district that are included in the district.

Counties may adopt more than one resolution under division (B) of this section. A single such resolution may create more than one transportation financing district.

(D) A resolution creating a transportation financing district shall specify all of the following:

- (1) A description of the territory included in the district;
- (2) The county treasurer's permanent parcel number associated with each parcel included in the district;
- (3) The percentage of improvements to be exempted from taxation and the duration of the



exemption, which shall not exceed the remaining number of years the cooperative agreement for the regional transportation improvement district, described under section 5595.03 of the Revised Code, is in effect;

(4) A plan for the district that describes the principal purposes and goals to be served by the district and explains how the use of service payments provided for by section 5709.49 of the Revised Code will economically benefit owners of property within the district.

(E)(1) Before adopting a resolution under division (B) of this section, the board or boards of county commissioners of the participating counties shall notify and obtain the approval of each subdivision and taxing unit that levies a property tax within the territory of the proposed transportation financing district. A subdivision or taxing unit's approval or disapproval of the proposed district shall be in the form of an ordinance or resolution. The board or boards may negotiate an agreement with a subdivision or taxing unit providing for compensation equal in value to a percentage of the amount of taxes exempted or some other mutually agreeable compensation.

(2) A subdivision or taxing unit may adopt an ordinance or resolution waiving its right to approve or receive notice of transportation financing districts proposed under this section. If a subdivision or taxing unit has adopted such an ordinance or resolution, the terms of that ordinance or resolution supersede the requirements of division (E)(1) of this section. One or more boards of county commissioners may negotiate an agreement with a subdivision or taxing unit providing for some mutually agreeable compensation in exchange for the subdivision or taxing unit adopting such an ordinance or resolution. If a subdivision or taxing unit has adopted such an ordinance or resolution, it shall certify a copy to the board of county commissioners of the county or counties in which the subdivision or taxing unit is located. If the subdivision or taxing unit rescinds such an ordinance or resolution, it shall certify notice of the rescission to the same board or boards.

(F) After notifying and obtaining the approval of each subdivision and taxing unit that levies a property tax within the territory of the proposed transportation financing district as required under division (E) of this section, the boards of county commissioners of the participating counties shall notify and obtain the approval of every real property owner whose property is included in the proposed district.



(G)(1) If the resolution creating the transportation financing district is approved by the board of county commissioners of each county in which the district is located, one of the counties shall send a copy of the resolution and documentation sufficient to prove that the requirements of divisions (E) and (F) of this section have been met to the director of development services. The director shall evaluate the resolution and documentation to determine if the counties have fully complied with the requirements of this section. If the director approves the resolution, the director shall send notice of approval to each county that is a party to the resolution. If the director does not approve the resolution, the director shall send notice of denial to each county that is a party to the resolution. The notice of denial shall include the reason or reasons for the denial. If the director does not make a determination within ninety days after receiving a resolution under this section, the director is deemed to have approved the resolution. No resolution creating a transportation financing district is effective without actual or constructive approval by the director under this section.

(2) An exemption from taxation granted under this section commences with the tax year specified in the resolution so long as the year specified in the resolution commences after the effective date of the resolution. If the resolution 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 that commences after the effective date of the resolution. In lieu of stating a specific year, the resolution 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 resolution.

(3) Except as otherwise provided in this division, the exemption ends on the date specified in the resolution as the date the improvement ceases to be a public purpose or the regional transportation improvement project funded by the service payments dissolves under section 5595.13 of the Revised Code, whichever occurs first. Exemptions shall be claimed and allowed in the same manner as in the case of other real property exemptions. If an exemption status changes during a year, the procedure for the apportionment of the taxes for that year is the same as in the case of other changes in tax exemption status during the year.

(H) Service payments in lieu of taxes that are attributable to any amount by which the effective tax rate of either a renewal levy with an increase or a replacement levy exceeds the effective tax rate of



the levy renewed or replaced, or that are attributable to an additional levy, for a levy authorized by the voters for any of the following purposes on or after January 1, 2006, and which are provided pursuant to a resolution creating a transportation financing district under this section shall be distributed to the appropriate taxing authority as required under division (C) of section 5709.49 of the Revised Code in an amount equal to the amount of taxes from that additional levy or from the increase in the effective tax rate of such renewal or replacement levy that would have been payable to that taxing authority from the following levies were it not for the exemption authorized under this section:

- (1) A tax levied under division (L) of section 5705.19 or section 5705.191 of the Revised Code for community mental retardation and developmental disabilities programs and services pursuant to Chapter 5126. of the Revised Code;
- (2) A tax levied under division (Y) of section 5705.19 of the Revised Code for providing or maintaining senior citizens services or facilities;
- (3) A tax levied under section 5705.22 of the Revised Code for county hospitals;
- (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;
- (5) A tax levied under section 5705.23 of the Revised Code for library purposes;
- (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;
- (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;
- (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;
- (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;

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

(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;

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

(I) The resolution creating a transportation financing district may be amended at any time by majority vote of the boards of county commissioners of each county in which the district is located and with the approval of the director of development services obtained in the same manner as approval of the original resolution.