

# Downtown Redevelopment Districts: Overview and Implementation Strategies

October 1, 2016

Originally published as a co-authored article in *Development Incentives Quarterly*, a Vorys publication

---

In this article, the authors explain the key provisions of Ohio's Amended Substitute House Bill 233, which became effective on Aug. 5, 2016, establishing a procedure for creating "downtown redevelopment districts" and "innovation districts" made up of properties that enjoy certain tax exemption privileges.

The demonstrate the conditions for obtaining a 70 percent tax exemption from increases in assessed value due to improvements, noting that such exemptions can last for up to 10 or 30 years, depending on certain qualifications. They also clarify that revenue from specified service payments in lieu of taxes can be used for a wide variety of purposes, including public infrastructure improvement, loans or grants to owners of historic buildings, or contributions to qualified entities that redevelop historic buildings.

Under the bill's provisions, so-called downtown redevelopment districts must be created to promote historic rehabilitation, create jobs, and encourage economic development. But innovation districts can be created for the purpose of attracting and growing specified businesses engaged in research and development, tech transfer, biotech, information technology, or the application of new technology developed through research or tech transfers.