



OHIO LEGISLATIVE SERVICE COMMISSION

Tom Wert

Fiscal Note & Local Impact Statement

Bill: S.B. 51 of the 132nd G.A.

Status: As Passed by the Senate

Sponsor: Sens. Skindell and Eklund

Local Impact Statement Procedure Required: No

Subject: Authorizes creation of Lake Erie shoreline special improvement districts

Local Fiscal Highlights

- The additional costs that political subdivisions along Lake Erie might incur for reviewing shoreline improvement project development plans and performing other oversight functions would at least be partially offset by development review fees, construction permit fees, or inspection fees related to these projects.

Detailed Fiscal Analysis

The bill allows for the creation of a special improvement district to develop and implement shoreline improvement projects to abate erosion along Lake Erie. As with other types of special improvement districts, participating political subdivisions could pay for shoreline erosion abatement projects by levying a special assessment upon property owners in one of three ways or a combination thereof: (1) by a percentage of the tax value of the property assessed, (2) in proportion to the benefits that may result from the improvement, or (3) by the front foot of the property bounding and abutting upon the improvement. The levy can be for up to 30 years. Note that the bill allows special improvement districts created for a shoreline improvement project to include property held by the state in trust. Unlike other property owners located in the district, this will have no fiscal effect on the state since state property is exempt from taxation.

Political subdivisions along the Lake Erie shoreline could incur some costs to review the development plans for shoreline improvement projects and oversee the special improvement districts. These costs could include the review and approval of special improvement district boundaries, articles of incorporation, plan of services, and the petition to create the district. Additionally, the municipal corporation is responsible for the disbursement of funds to the special improvement district. Assessment funds are collected by the county auditor's office and are forwarded to the municipal corporation, which in turn disburses those funds to the district. The costs that a political subdivision incurs could at least be partially offset by development review fees, construction permit fees, or inspection fees that would result from development occurring in these districts.