



Mid-Ohio Regional  
Planning Commission

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**Ohio House Ways and Means Committee  
House Bill 371  
Written Opponent Testimony  
William Murdock, MORPC Executive Director  
November 28, 2017**

Chair Schaffer, Vice Chair Scherer, and Ranking Member Rogers and members of the Ohio House Ways and Means Committee, thank you for the opportunity to submit written opponent testimony on House Bill 371 (HB 371). While the Mid-Ohio Regional Planning Commission (MORPC) appreciates the interest in providing more tools for the development of residential property, we write to express our concerns with HB 371.

My name is William Murdock and I am the Executive Director of MORPC. MORPC is a voluntary association of over 60 Central Ohio local governments. We are Central Ohio's regional council and provide programs, services, and funding related to transportation, energy, data, land use, and economic growth. We are committed to collaborating and creating new strategies that continue to enhance the region and state.

**Local Government Impact**

HB 371 proposes a property tax exemption for increased value of unimproved land subdivided for residential development from the time that the land is subdivided to the time that either residential construction begins, or the land is sold. This exemption is expected to create an incentive for developers to retain and develop land and promote an increase in residential development in the state.

Local governments need predictability and this lag in time from subdividing the land, to the start of construction leads to uncertainty. Furthermore, local governments will be unduly affected since there is no incentive for developers to begin construction, especially in a market downturn. Most importantly the loss of revenue will negatively impact our local governments and school districts.

In the previous General Assembly, MORPC opposed a similar bill (Senate Bill 235) related to commercial development. MORPC ended up dropping its opposition due to the inclusion of an amendment to the bill that gave local governments the authority to approve or disapprove the incentive.

**Regional Growth**

We understand and respect the intent of HB 371; to spur housing construction, bolster jobs, and boost the population growth in the state. However, over the past 40 years, more than 400,000 housing units were constructed in Central Ohio and over 625,000 jobs were added. Very importantly, all of this residential construction and job growth happened without this particular incentive.

MORPC serves the fastest-growing region in Ohio, which is expected to increase by up to one million people by 2050. In order to prepare for that growth, MORPC partnered with Columbus2020 and the Columbus District Council of the Urban Land Institute to create Insight2050. Insight2050 is a collaborative initiative among public and private partners designed to help communities proactively plan for development and population growth over the next 30+ years that is expected to be dramatically

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different from the past. The initiative is designed to provide local and regional policy makers, business leaders, developers, and public stakeholders with a clear and objective understanding of the impacts of varying growth and public investment decisions. Our goal is to arm decision makers and stakeholders with solid and defensible information about the fiscal, mobility, environmental, and public health impacts of development and investment choices. An incentive designed simply to spur construction does not take into account other important aspects of growth, such as costs of building, operating, and maintaining infrastructure like roads, utilities, and schools.

In short, construction for construction's sake will not improve the state's long term economic viability. If we want sustainable communities we must be mindful of market demand today and tomorrow. For example, we learned through Insight2050 that there are already enough single family homes in Central Ohio to meet projected demand from population growth until 2050. In addition, from 2010 to 2015 the region saw significant growth in multi-family housing. Of the 36,000 new housing units constructed in this time, more than one out of two were multi-family. In addition, the population over 65 is expected to double, which will further drive the market toward housing needed for seniors. Both are consistent with the household characteristics considered in Insight2050 and is an example of how communities are responding to market preferences. Residents are seeking more housing options, including smaller attached homes, senior options, and a range of affordable workforce housing options. Any incentive should be mindful of the increasingly diverse housing needs of our residents.

Thank you for the opportunity to express our concerns with the HB371. In addition, we thank Representative Merrin for convening an interested party meeting earlier this month. We look forward to continuing to our work together in order to improve HB371.

Please do not hesitate to contact me, at 614-233-4101 or at [wmurdock@morpc.org](mailto:wmurdock@morpc.org), with any questions or whenever I can be of service.

Kind Regards,

A handwritten signature in blue ink that reads "William Murdock". The signature is fluid and cursive, with the first name being more prominent than the last.

William Murdock  
Executive Director  
Mid-Ohio Regional Planning Commission