

NORWICH TOWNSHIP - FRANKLIN COUNTY
LARRY J. EARMAN, CPA - TRUSTEE NORWICH TOWNSHIP

PROPONENT TESTIMONY
SEPTEMBER 20, 2017

I am Larry Earman, and I have been a trustee in Norwich Township in Franklin County for the past twelve years. Norwich Township provides Fire and EMS services to the unincorporated area of Norwich Township, the City of Hilliard, and Brown Township. We employ 90 firefighters and paramedics.

I provide this testimony today in support of House Bill 69, which is long overdue.

Over the past several years the City of Hilliard has used Tax Increment Financing Districts extensively. A total of 48 TIF districts have been created, which is the second highest in Franklin County, second only to Columbus.

The total real estate taxes in Hilliard diverted from various real estate tax levies is \$7,995,262 of which \$1,061,846 is Norwich Township's real estate tax levy assessments for the tax collection year of 2016. Total parcels for which a TIF is used by Hilliard is 464, broken down as follows:

	Parcels	Total TIF Taxes	Norwich TIF Taxes
Commercial	62	\$3,303,042	\$442,286
Nursing Homes	2	\$359,834	\$48,183
Apartments and Senior Living	6	\$2,390,984	\$320,159
Residential	394	\$1,941,402	\$251,218
	<u>464</u>	<u>\$7,995,262</u>	<u>\$1,061,846</u>

Norwich Township real estate tax collections have been virtually flat (no increase) over the last 10 years, except for an additional permanent fire levy passed in 2013 of 4 mills which brings in an additional \$4 million dollars for the fire department. The need for this levy was in part caused by the granting of TIFs, loss of personal property taxes, decrease in local government funding and the elimination of the estate tax.

The use of TIFs for apartment complexes, senior citizen living complexes, and residential homes is one of our biggest issues. When the TIF is created for these residential parcels Norwich Township does not receive any additional real estate tax revenue, but Norwich Township Fire and EMS must serve these properties. We have one of the best Fire Departments in the state of Ohio as confirmed by the insurance rating agency which classifies Norwich as class 2. There are only two class 1 Departments in Ohio.

Our main concern is to maintain our level of service and not compromise on our ability to get to the resident in need of fire or EMS services in a timely manner. With the additional load of the new developments this is becoming more and more difficult. One answer is to add an additional EMS squad to shorten the time between 911 call and arrival of our people. The cost to purchase the squad vehicle and staff it would be in excess of \$1 million per year. But, we can not currently afford to do this. Interestingly the amount needed is about the same as the current revenue lost to TIFs.

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The problem with residential TIFs came to a head in August of 2015 when the City of Hilliard TIF'd a 218 unit apartment development now under construction in order to build a \$4 million road to the apartments. Both the TIF and the rezoning were done by City Council via emergency legislation, which prevented the residents from using a referendum to stop it.

A group of two school board members, one councilman, one resident, and myself formed a committee and obtained the necessary signatures to put two charter amendments on the ballot in March of 2016. The Franklin County Board of Elections certified the petitions to the City of Hilliard, however, the City Council refused to place the issue on the ballot. Thus we were forced to sue the City of Hilliard in the Ohio Supreme Court. By a vote of 7 to 0 the Supreme Court ordered the City of Hilliard to put the issue on the ballot. Many voters in Hilliard were upset with the City for not listening to their protests, the voters were not happy with the City for using THEIR Fire and EMS real estate taxes to do City projects. By a vote of 72% the charter changes passed.

Thus there will be no more residential TIFs in Hilliard.

However, there are currently 718 apartments under construction that have been placed in a TIF by the City of Hilliard.

I would hope that no other community needs to go through the same hassle and loss of valuable time and money to fight to stop TIFs, We all have better things to do.

HB 69 will go a long way towards creating fairness for townships that service municipalities for Fire and EMS services

I encourage your support of this bill.