December 2, 2016

Members of the House Finance Committee in re SB 235,

SB 235 would provide for tax relief in an attempt to stimulate development. However, while the Ohio Home Builders Association (OHBA) agrees it would, indeed, provide relief, SB 235 is deficient. The bill ignores roughly half of the development dollars spent in Ohio: the stimulus provided with residential development. Regrettably, all forms of residential development are specifically prohibited from the relief sought in the bill.

Most residential development is privately funded and intends to serve the future housing needs of Ohioans. This need has been heightened by the decade long housing depression. There is clearly a shortage of developed residential lots to meet future demand. Such a shortage will only then exacerbate the shortage of affordable housing.

Additionally, many cities are trying to lure new residents into our core urban areas. Often times, this need is fulfilled with mixed use development. However, the bill excludes any development which involves any residential dwelling units. Clearly, this is an obstacle to cities in their revival efforts to promote in-city housing.

We find this obvious bias against residential housing development regrettable. There is no factual or rational basis to exempt residential development in favor of other types of development. For this reason alone, we suggest you simply insert the term "residential" along with commercial and industrial development. Then, and only then, will you be equitably apportioning assistance to the needs of all Ohioans.

Sincerely,

Vince Squillace, Executive Vice President