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Senate Bill 329 – Sponsor Testimony
Senate Finance Committee
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Chairman Dolan, Vice Chair Gavarone, Ranking Member Sykes and members of the Finance Committee thank you for the opportunity to give sponsor testimony on SB 329.

Senate Bill 329 will establish a tool for municipalities and townships to address housing shortages by incentivizing affordable and workforce housing through new home construction and home improvement.

Under the bill, townships and municipalities are given the permissive authority to establish a Neighborhood Development Area (NDA) within their boundaries. To establish a NDA the municipality or township must first adopt a resolution stating that the NDA serves a public purpose of encouraging the development of adequate affordable and/or workforce housing that will meet housing demands that would not likely occur without the NDA. The bill also stipulates that the NDA will actually generate more new property taxes after the exemptions in the NDA expire.

To that end, the property tax exemptions under the legislation is 100% with local school board approval and 70% without it. For existing owner occupied dwellings, the property exemption is for 5 years for improvements of \$10,000 or more. For new home construction, the homebuilder receives a property tax exemption for the period from when the construction begins until the time the new home is sold. The new home owner who occupies the new home subsequently receives a 10 year exemption.

In my opinion, this legislation will incentivize new home construction in areas that need new housing because of workforce demands and opportunities for population growth. It also will improve many existing neighborhoods that have fallen into disrepair and are in need of refurbishment and accordingly, will improve the housing market.

A great example of the need for this legislation is the recent announcement of the Intel location in Ohio with 3,000 high paying jobs. Those employees will need housing that is currently not available because of lack of housing in the marketplace. This legislation will assist all Ohio's communities in growing the affordable and workforce housing inventory and also improving the overall quality of life in our communities.

By the way, Senate Bill 329 is this Session's version of SB 212 from last Session. Senate Bill 212 passed in the Senate Ways and Means committee by a 10-1 margin and on the Senate floor by a 29-1 vote. It then went to the House and was passed unanimously in the House Ways and Means Committee. It was scheduled for a floor vote in the House on the last day of Session but unfortunately ran out of time.

Thank you again for allowing me to give sponsor testimony. At this time, I would be glad to entertain any questions you may have.