



RAY FOGG CORPORATE PROPERTIES, LLC

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Chair King, Vice Chair Kishman, Ranking Member Sims, and Members of the House Local Government Committee, thank you for the opportunity to provide testimony in opposition to House Bill 113 on behalf of Ray Fogg Corporate Properties, LLC.

My name is Raymon B. Fogg, Jr., and I serve as the President of over 50 companies engaged in industrial real estate development, investment, management and construction in Ohio. Our company has been doing such business in the state for over 60 years. The developments we have created have housed hundreds of thousands of jobs. Much of this has been possible due to competitive economic development policies that encourage growth. However, House Bill 113 would hinder that progress by making economic development more difficult and adding unnecessary steps that would weaken Ohio's ability to compete for new businesses, jobs, and investments statewide.

In addition, as a private citizen, I oppose granting any additional discretion to only a handful of county commissioners allowing them to override the desires of property owners and municipalities throughout the State of Ohio.

The bill's annexation restrictions would put in jeopardy the attraction of job-creating companies looking to expand in Ohio at a time when Ohio needs to be most competitive. By placing boards of county commissioners to determine whether the "general good" is being served by a proposed annexation of land, will put too much power in too few hands to stand in the way of the rights of property owners to bring the best use of their property and municipalities to create economic growth. The objectivity and reliability in the annexation process under current law will be removed and replaced with a "general good" standard which is too vague and invites inconsistent unpredictable outcomes.

When making decisions on where to locate and invest, businesses seek to avoid such unnecessary risks. Additionally, the requirement that annexed properties remain subject to township taxation removes a critical financial incentive for development, which is critical for a site to be competitive for economic development purposes. Such changes will discourage business expansion and make Ohio less attractive for investment compared to other states. The bottom line is that complexity, time, risk and cost kills deals. House Bill 113 would introduce multiple layers of complexity, delay approvals, add cost and reduce flexibility for municipalities to attract and accommodate growth. Businesses making expansion and relocation decisions need to move quickly, particularly in this uncertain economic period.

House Bill 113 would add further complexity by including new school board approval requirements for Community Reinvestment Area (CRA) tax exemptions that would bring

unnecessary and uncertain risk into business investment decisions. By requiring school boards to approve abatements over 75%, HB 113 removes the ability of municipalities to independently incentivize development when and where they determine it is needed most.

I can speak from first-hand experience. Such CRA tax exemptions have been critical to the many job creating developments that my companies have been successful delivering in Ohio. Without such exemptions, most of the projects would not have gone forward and the job growth created by our developments would have been slowed to a snail's pace.

House Bill 113 would undercut this progress by discouraging business expansion and creating barriers for development. And in my mind it is inherently unfair to the rights of property owners when desiring annexation. For those reasons, I respectfully oppose House Bill 113.

Thank you again for the opportunity to provide testimony. I will be pleased to discuss this matter further at your convenience.

Respectfully,

A handwritten signature in blue ink, appearing to read 'RF', with a long horizontal flourish extending to the right.

Raymon B. Fogg, Jr.
President