

House Ways and Means Committee

Opposition Testimony: House Bill 540

Bill Stanley, State Director for The Nature Conservancy in Ohio

November 19, 2025

Dear Chairman Roemer, Vice Chair Thomas and members of the House Ways & Means Committee,

Thank you for the opportunity to testify in opposition to HB 540 and to share our concerns about implications for Adams County, The Nature Conservancy, and tax-exempt organizations more broadly.

The Nature Conservancy is a global organization, founded in Washington, DC in 1951, with chapters in all 50 states and projects in over 80 countries. Ohio played an important role in the origin of The Nature Conservancy (TNC), with the first discussions of the need for the organization occurring during a meeting of ecologists at The Ohio State University in 1950.

In Ohio today, TNC has over 70 staff working throughout the state to improve water quality, help farmers with edge-of-field and other conservation practices, guide the management of family forest owners, and to restore animal habitat. More than 65,000 Ohioans are Nature Conservancy supporters. And while we are a large nonprofit, much of our work in Ohio is local and community based. Every day my dedicated team works collaboratively with businesses, farmers, sportsmen groups, governments, and local communities to develop pragmatic solutions to conservation challenges.

We understand that Adams County faces fiscal challenges and remain committed to working collaboratively toward a solution that is both sustainable and mutually beneficial. Our goal is to ensure that The Nature Conservancy can continue advancing our mission “...to conserve the lands and waters on which all life depends,” while supporting the county’s priorities.

I want to start by again acknowledging that Adams County is faced with significant fiscal pressures and needs. But The Nature Conservancy (TNC) believes that the proposed legislation offers the wrong path related to our role in addressing the fiscal pressures faced by the community. We feel strongly that an agreement that considers specific local circumstances, rather than an approach that targets tax exempt organizations through legislation, is more appropriate and will be more effective. TNC has been, and will continue

to be, an active and willing participant in local conversations about these fiscal issues. However, state legislation that targets a single tax-exempt organization is not an effective or appropriate course of action.

Current Contributions

Though we are not required to pay taxes, we have been making annual voluntary contributions to townships for many years. For example, TNC provided a total of \$17,111 in annual voluntary payments to seven Adams County townships in 2024. More information on the dollar amounts we provide to each township is attached.

In addition, after securing aligned funding, we were able to launch the Edge of Appalachia Adams County Community Fund in 2024. In its second year, 2025, TNC awarded \$100,000 in grants and scholarships through this fund. Information about the 2024-2025 recipients and the operation of the fund is attached to my remarks.

Together, these two voluntary categories of payment total over \$117,000 of annual support.

In addition to these voluntary contributions, over many years TNC has provided support to the Adams County Travel & Visitors Bureau with a total of approximately \$50,000 for local projects and has provided for many other needs in the community including, but not limited to, donating land for a cemetery, helping with a county branding campaign and buying uniforms for a school basketball team. TNC also pays income tax for its six employees in Adams County and taxes on several properties with structures.

Since the introduction of HB 540, targeting TNC, we have been working to get more clarity on the amount of taxes we would pay if our conservation holdings were taxed and we were treated like other private, but taxed, landholders. To do this we must use accurate assumptions related to our land uses and how they would be treated from a tax perspective. It is also important to understand how our existing work and ongoing voluntary support currently contribute financially to the needs of the townships and the county, reduce expenses to local governments, and provide for larger community values and needs.

Based on our initial assessments, we believe that the estimates that have been included in sponsor and proponent testimony overstate the tax amounts that we would be liable to cover if we were not tax exempt. First, to set some context, previous testimony seemed to suggest that we own around 20% of Adams County. Our actual ownership amounts to less than 5%. And we believe that a large portion of the 15,515 tax exempt acres identified by the Legislative Services Committee in Adams County that are owned by TNC would be assessed as Current Agricultural Use Value (CAUV) woodland.

By visiting the Adams County Auditor's website, we found that an Adams County landowner who qualified their land as CAUV forest paid just \$2.77 per acre in taxes in the latest year of record, which was 2024. This is because Ohio tax law sets the CAUV forest land value at just \$230 per acre. At the rate paid under this example, our total tax liability, assuming the 15,515 acres of land in Adams County were all eligible for CAUV, would be approximately \$43,000 per year. The recent estimates from the Adams County tax auditor presented in proponent testimony suggest that, *without* taking potential CAUV into account, our tax payments would be on the order of \$332,440 without tax exemption. There is no reason to think that a significant portion of the TNC land currently held tax exempt would not fully qualify for the CAUV as outlined in the Ohio Revised Code.

This is important information for the record, but what is more important is the amount we would be required to pay should HB 540 be enacted into law. The determination of how much we would owe is a complicated calculation done by the county tax auditor. The LSC analysis done for the research request was based on the former version of the bill, and we do not have the expertise to calculate the new amount. We assume that the LSC estimate would be different based on the tax auditor data and the new version of the bill.

Community Benefit

While the details above demonstrate that HB 540 is confusing from a practical perspective, that is not the primary reason we vehemently oppose the adoption of the legislation. Our opposition is more fundamental. Property tax exemptions for charitable organizations, as detailed in federal and state law are granted on the basis that the organizations provide significant benefit to the public. This principle is key to the operation of not only our organization, but all tax-exempt organizations.

Whether for religion, health, community welfare, environmental protection, or education, there is a long history and legal basis for granting tax exemptions to non-profit organizations. TNC has over 1 million members, including 65,000 supporters in Ohio, that feel strongly that our work as a charitable non-profit 501(c)3 with a mission to conserve the lands and waters on which all life depends has considerable value and benefit. If the bill were to pass, this would challenge the societal norm of tax exemption not only for our organization, but for charitable organizations more broadly.

TNC is a benefit to Ohio and Adams County. The natural beauty, trails, and other nature-oriented attractions are a key driver of economic growth and tax revenue statewide and especially in places as beautiful as Adams County where ecotourism has been growing at a rate of about 8% per year in dollars spent. In the attached report from TourismOhio you can see that Adams County tourism accounts for \$1.5 million in local tax revenues, and \$330

per household in tax burden relief. Visitor activity in Adams County sustained 732 jobs, accounting for 6.4% of all jobs in the county.

The Edge of Appalachia Preserve plays a key role in making Adams County a tourism destination, offering 27 miles of hiking trails, a site for back country camping, two boat access sites, other attractions, and a picnic pavilion for free public use. Approximately 13,000 visitors use the Edge of Appalachia trails each year, with more than 2,000 visitors in October 2025 alone. Additionally, TNC provides 2,400 acres and 100 free hunting permits reserved for only Adams County residents, with additional permits open on a first-come, first-served basis.

We regularly participate in community events, host a monthly radio show on the local country station to discuss a broad range of topics, and host educational programs with local schools and organizations in partnership with the Cincinnati Museum Center.

TNC has approximately 190 acres available for free hay lease agreements with local farmers. Farmers can cut the hay – with some timing limitations for safe nesting of grassland birds – then keep the hay bales produced without charge. TNC pays property taxes on two parcels of land that include these hay lease agreements.

In response to a combination of ecological need and local interest, TNC has recently begun ecologically minded timber sales at the Edge of Appalachia. Local loggers have successfully bid on the sales. This provides ecologically appropriate forest management that delivers material for local milling and value-added processing while also protecting the environment.

While we acknowledge the fiscal challenges facing Adams County, studies show that rising municipal costs are typically attributable to the demand for public services (e.g. police, fire, schools, roads, etc.) and from developed land uses (houses and other uses). Cost of Community Services research, like the American Farmland Trust study attached to our testimony, has also consistently shown that land, like agricultural and conservation land that is open and undeveloped, requires fewer public service investments and therefore lessens the cost burden on municipalities relative to alternative land uses.

Restrictions on Private Contributions

As we work toward a lasting solution, it is also important to keep in mind that, as a public charity, funds for our activities are restricted based on the decisions of our donors. Ethical considerations and laws require that we utilize funds in ways that match their intent.

Private funds we raise in Ohio are generally restricted to specific projects, places or activities where the donors have an interest and designate the funding. And sometimes

donors from Ohio designate funds for work outside of our state, or internationally. This is not unlike how many churches support missions in Africa or other parts of the world. For example, during sponsor testimony a \$5 million contribution from Arhaus Furniture was given as a justification for charging TNC a new property tax. While the funds raised came from this Ohio-based business, the funds were for [the preservation of rainforests in Borneo](#).

TNC, and by extension the Edge of Appalachia, is not a business. It makes no profit, and hence cannot simply raise prices, or reallocate donations, to pay new taxes levied by the state.

Conclusion

In summary, we acknowledge that Adams County's, and many other communities' fiscal problems, are real. And, given TNC's existing investment and footprint in Adams County, including our preserve, donations to local government, a community-led grant program, protection of water resources, air, wildlife, aesthetic beauty, recreational and educational opportunities, hunting access, and others, we have a role in the solution. That said, local conversations and agreements are the best path forward. And we hope that any solution to the fiscal challenges facing Ohio's local governments will recognize and acknowledge the contributions (both monetary and non-monetary) that TNC and other nonprofits make to their communities.

We are planning meetings now with Adams County leaders to discuss concerns in detail, working toward a mutually agreed upon resolution. And we are open to adjusting to our approach, including some revised form of payment in lieu of taxes (PILOT), to help address the issues underlying this bill. We strongly believe that we can arrive at a *non-legislative* remedy that will be mutually acceptable and beneficial to TNC, to Adams County elected and appointed leaders and, most importantly, to the people who live in the county.

Sincerely,

Bill Stanley
State Director
The Nature Conservancy Ohio
Dublin, Ohio

The Nature Conservancy 2024 Adams County Contributions

	No. of Acres	2024 Donation Amounts
Bratton Township	373	\$ 268
Brush Creek Township	5,933	\$ 3,263
Franklin Township	362	\$ 398
Green Township	7,990	\$ 11,036
Jefferson Township	997	\$ 837
Monroe Township	426	\$ 477
Tiffin Township	1,479	\$ 832
<i>Edge of Appalachia Adams County Fund*</i>		\$ 100,000
Total	17,559	\$ 117,111

* In the 2024-2025 grant cycle the Edge of Appalachia Adams County Fund grant recipients included the Adams County Commissioners, Adams County Ohio Valley Local Schools, and Manchester Local Schools, among others.



PARTNERSHIP UPDATE

Edge of Appalachia – Adams County Fund

The Foundation for Appalachian Ohio (FAO) is grateful for the partnership of The Nature Conservancy (TNC) through the **Edge of Appalachia – Adams County Fund**. TNC's partnership is creating opportunities across Adams County, supporting local people, organizations and communities to ensure Adams is a place **where children can thrive, businesses can flourish and visitors have a memorable experience**. To date:

\$192,000+

in grants and scholarships awarded

15 Grants

totaling \$167,000+

6 Scholarships

Totaling \$25,000

GRANTS are reviewed by a local committee of Adams County residents who recommend both grant and scholarship awards annually. Grants support a variety of projects, including educational programs that emphasize hands-on learning and reflection, or that reduce disparities, i.e. programs that improve food security, educational achievement or medical care for groups disproportionately impacted because of their race, income level, gender, religion, sexual orientation, mental health, veteran status, or physical or developmental disability. **Grant highlights include:**

- sign installation and informational materials at the new **Adams County Welcome Center**
- STEM Family Nights reached **200+ students; 400 attendees**
- **300 residents** gained internet access with hotspot lending through the library
- **49 youth** participated in outdoor learning & family nature hikes
- ongoing and new enrollment of children in the Dolly Parton Imagination Library
- expanded access to a **charitable pharmacy** to help **decrease prescription costs**
- remodeled **Adams County Homeless Shelter** kitchen



SCHOLARSHIPS support Adams County students pursuing studies in ecology, forestry, wildlife ecology or related natural resource fields; programs in fields that contribute to energy efficiency, agriculture, land stewardship, rural and public health, or environmental studies; and in programs fostering cultural understanding and community engagement. **Current recipients are pursuing studies** in agronomy, agricultural business & education, math & science education, engineering with an emphasis on sustainability, and occupational therapy.

APPLY TODAY! 2025 application open through **December 9, 2025**, with \$100,000 available!

2024-2025 Edge of Appalachia - Adams County Foundation Awards

Grantee	Project Name	Award Amount
Adams County Agricultural Society	Shade Tree Park Nature Walk	\$25,000.00
<i>Adams County Ohio Valley Local Schools - West Union Elementary</i>	<i>STEM Sprouts</i>	\$3,896.00
<i>Adams County Travel & Visitors Bureau</i>	<i>Serpent Mound/Ohio Brush Creek Canoe Improvements</i>	\$10,000.00
Adams County Homeless Shelter	Kitchen Remodel	\$10,000.00
Manchester Local Schools	Adams County Rockstars: Hands on Geology in the Field	\$7,000.00
<i>Adams County Public Library</i>	<i>Broadband Equity Assistance in Adams County</i>	\$5,000.00
Buckeye Trail Association	Appalachian Foothills BT Fresh Look	\$9,700.00
Leadership Adams County	Growing and Protecting Literacy in Adams County	\$5,000.00

Adams County Commissioners	Kirker Covered Bridge Restoration Project	\$9,404.00
St. Vincent de Paul Charitable Pharmacy	SVDP Charitable Pharmacy Expanding Access in Adams County	\$5,000.00
Student Scholarship	North Adams	\$2,500.00
Student Scholarship	Peebles	\$2,500.00
Student Scholarship	Peebles	\$5,000.00
	Total Awarded	\$100,000.00

2023-2024 Edge of Appalachia - Adams County Fund Awards

Grantee	Project Name	Amount Awarded
Adams County Public Library	Broadband Equity Assistance	\$21,672.00
Adams County Travel and Visitors Bureau	New Adams County Welcome Center	\$25,000.00
Green Township	Green Township Historical Cemetery Relocation	\$9,850.00
Adams County 4-H Advisory Committee	Explore Adams	\$6,343.00
West Union Elementary School	Family STEM Night	\$15,000.00
Student Scholarship	North Adams	\$5,000.00
Student Scholarship	Peebles	\$5,000.00
Student Scholarship	North Adams	\$5,000.00
	Total Awarded	\$92,865.00
Overall Awarded		\$192,865.00

Amended
**Nature Conservancy and Cincinnati Museum of Nature History
Real Property Taxes Not Charged in Adams County for 2024 Tax Year
Due to Property Being Exempt**

<u>Taxing Authority</u>	<u>Nature Conservancy</u>	<u>Cincinnati Museum of Natural History</u>	<u>2024 TY Revenue Loss</u>
Adams County Funds	\$ 91,397	\$ 16,743	\$ 108,140
Adams County Public Library	\$ 6,325	\$ 1,159	\$ 7,484
Bratton Twp	\$ 1,529	\$ -	\$ 1,529
Brush Creek Twp	\$ 4,228	\$ 352	\$ 4,580
Franklin Twp	\$ 1,507	\$ -	\$ 1,507
Green Twp	\$ 16,655	\$ 4,670	\$ 21,325
Jefferson Twp	\$ 1,987	\$ -	\$ 1,987
Monroe Twp	\$ 594	\$ 31	\$ 625
Tiffin Twp	\$ 1,460	\$ -	\$ 1,460
Adams Co/Ohio Valley Local SD	\$ 155,148	\$ 19,496	\$ 174,644
Manchester Local SD	\$ 51,610	\$ 16,705	\$ 68,315
Total 2024 Tax Year Revenue Loss	\$ 332,440	\$ 59,156	\$ 391,596



David Gifford
Adams County Auditor

November 3, 2025

The Ohio Visitor Economy

Adams County 2023



June 2024

Prepared for: TourismOhio





CONTENTS

Introduction Methodology & data sources	03
Key Findings Adams County Summary economic & fiscal impacts	04
Ohio Summary	05
Ohio Regional Summary	09
Southwest Region Summary	11
Adams County Tables Business sales, jobs, and labor income impacts	13
Appendix Definitions and methodology	18
About Tourism Economics	20

ADAMS COUNTY SUMMARY ECONOMIC IMPACTS

Direct visitor spending of \$29.3 million generated tourism's total economic impact of \$50.5 million, including 732 total jobs (including full-time and part-time jobs) with associated labor income of \$21.1 million in 2023.



\$50.5M

Total Economic Impact



\$29.3M

Direct Visitor Spending



\$21.1M

Total Labor Income Impact



732

Total Jobs Impact



FISCAL IMPACTS TAX REVENUES

The economic impacts attributable to tourism generated significant fiscal (tax) impacts as they cycled through the county economy. Overall, tourism generated \$6.7 million in tax revenues in 2023.



\$6.7M

Total Tax Revenues



\$3.4M

State & Local Tax Revenues



\$1.5M

Local Tax Revenues



\$330

Per household in tax burden relief



INTRODUCTION PROJECT BACKGROUND

The travel sector is an integral part of the Ohio's economy. Visitors generate significant economic benefits to households, businesses, and government alike and represent a critical driver of the state's future. In 2021, visitor activity supported 1-in-11 jobs in the state and generated \$4.6 billion in state and local tax revenues.

By monitoring the visitor economy, policymakers can inform decisions regarding the funding and prioritization of the sector's development. They can also carefully monitor its successes and future needs.

METHODOLOGY AND DATA SOURCES

An IMPLAN input-output model was constructed for the state of Ohio. The model traces the flow of visitor-related expenditures through the state's economy and their effects on employment, wages, and taxes. IMPLAN also quantifies the indirect (supplier) and induced (income) impacts of tourism. Tourism Economics then cross-checked these findings with employment and wage data for each sector to ensure the findings are within reasonable ranges.

Visitors included those who stayed in overnight accommodations or those who came from a distance greater than 50 miles and deviated from their normal routine.

The primary source of the employment and wage data is the Regional Economic Information System (REIS), maintained by the Bureau of Economic Analysis.

This is particularly true for Ohio as its visitor economy rebounds. By establishing a timeline of economic impacts, the industry can track its progress.

To quantify the significance of the visitor economy in Ohio, Tourism Economics developed a comprehensive model detailing the far-reaching impacts arising from visitor spending. The results of this study show the scope of the visitor economy in terms of direct visitor spending, along with total economic impacts, jobs, and fiscal (tax) impacts in the broader economy.

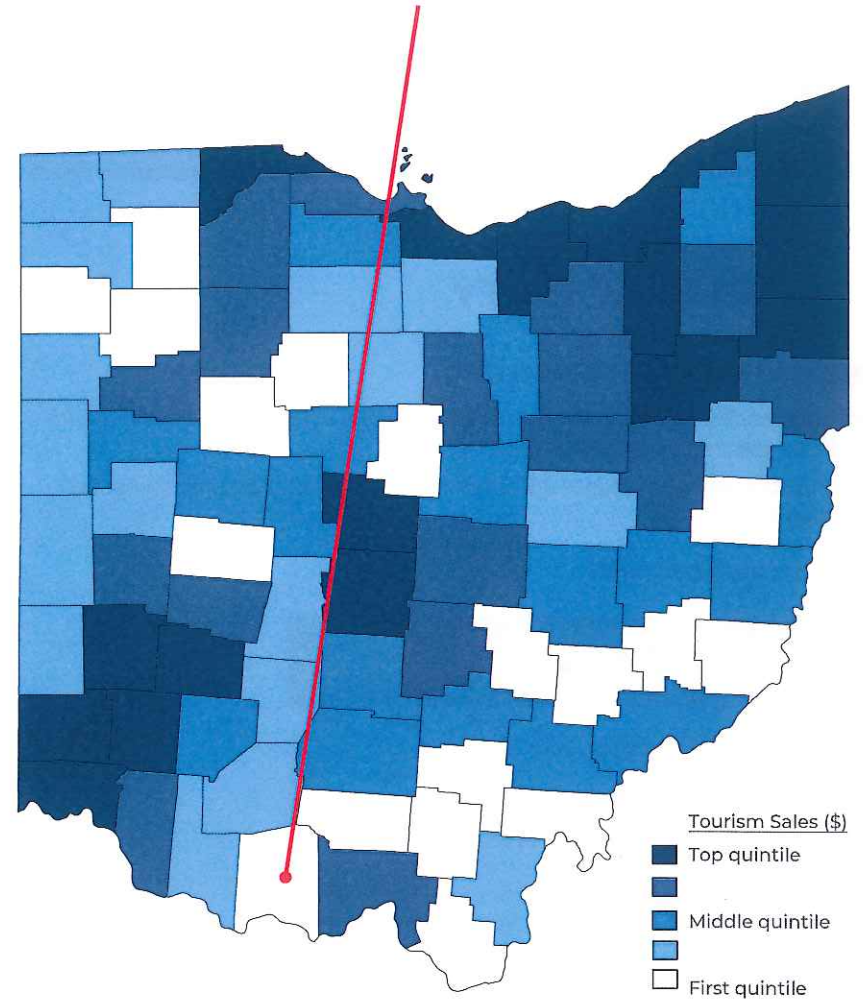
This is more comprehensive than Bureau of Labor Statistics (ES202/QCEW) data because sole-proprietors do not require unemployment insurance and are not counted in the ES202 data. The analysis draws on the following data sources:

- Longwoods International: survey data, including spending and visitor profile characteristics for visitors to Ohio
- Bureau of Economic Analysis and Bureau of Labor Statistics: employment and wage data, by industry
- STR lodging performance data, including room demand, room rates, occupancy, and room revenue, for hotels and short-term rentals.
- Tax collections: Lodging and sales tax receipts
- Tourism Economics: international travel data for overseas, Canadian, and Mexican travel to Ohio based on aviation, survey, and credit card information

ECONOMIC IMPACTS

ADAMS COUNTY TABLES

ADAMS COUNTY





ECONOMIC IMPACT ADAMS COUNTY

BUSINESS SALES IMPACTS

Visitors contributed a direct impact of **\$29.3 million** in 2023 in Adams County, which included spending by day and overnight visitors.

This direct spending generated **\$50.5 million** in total impact, including indirect and induced impacts.

Tourism business trends

Recent Trends in Tourism Sales (Output)

	2021	2022	2023
Adams County direct sales trends:			
Sales volume (\$mils)	27.5	29.8	29.3
Sales growth, % change	14.6%	8.3%	-1.7%
Wider region and state direct sales trends:			
Southwest Ohio sales growth, % change	20.1%	15.0%	7.8%
Ohio sales growth, % change	21.6%	15.5%	5.5%

Business sales impacts by industry (2023)

Amounts in millions of nominal dollars

	Direct Business Sales	Indirect Business Sales	Induced Business Sales	Total Business Sales
Total, all industries	\$ 29.29	\$ 11.23	\$ 9.95	\$ 50.47
Retail trade	\$ 8.29	\$ 2.51	\$ 0.87	\$ 11.66
Food & beverage	\$ 8.55	\$ 0.29	\$ 0.69	\$ 9.53
Other transport	\$ 5.80	\$ 0.99	\$ 0.32	\$ 7.11
FIRE	\$ -	\$ 2.03	\$ 2.71	\$ 4.74
Recreation and entertainment	\$ 3.47	\$ 0.22	\$ 0.18	\$ 3.87
Lodging	\$ 3.18	\$ 0.00	\$ 0.00	\$ 3.18
Business services	\$ -	\$ 2.18	\$ 0.88	\$ 3.05
Education and healthcare	\$ -	\$ 0.03	\$ 1.84	\$ 1.87
Construction and utilities	\$ -	\$ 0.74	\$ 0.34	\$ 1.08
Manufacturing	\$ -	\$ 0.64	\$ 0.43	\$ 1.07
Wholesale trade	\$ -	\$ 0.47	\$ 0.55	\$ 1.02
Personal services	\$ -	\$ 0.35	\$ 0.58	\$ 0.94
Communications	\$ -	\$ 0.53	\$ 0.36	\$ 0.89
Government	\$ -	\$ 0.14	\$ 0.10	\$ 0.24
Agriculture, fishing, mining	\$ -	\$ 0.09	\$ 0.06	\$ 0.15
Air transport	\$ -	\$ 0.03	\$ 0.04	\$ 0.07

Source: Tourism Economics

Tourism business sales impacts by industry (2023)

Amounts in millions of nominal dollars



Source: Tourism Economics

JOB IMPACTS

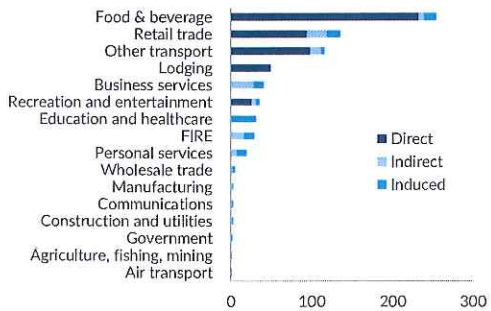
Visitor activity sustained **500 direct** jobs and an additional **232 indirect and induced jobs** in Adams County.

The **total 732 jobs** in the County supported by visitor spending accounts for **6.4%** of all jobs in the county.



Tourism Job Impacts by industry (2023)

Amounts in thousands of full-time and part-time jobs



Source: Tourism Economics

Summary Job impacts by industry (2023)

Amounts in number of full-time and part-time jobs

Amounts in number of jobs	Direct Jobs	Indirect Jobs	Induced Jobs	Total Jobs
Total, all industries	500	114	118	732
Food & beverage	232	7	15	255
Retail trade	94	24	17	135
Other transport	98	13	4	115
Lodging	49	0	0	49
Business services	-	29	12	41
Recreation and entertainment	26	6	4	36
Education and healthcare	-	1	31	32
FIRE	-	16	13	30
Personal services	-	7	12	20
Wholesale trade	-	3	3	5
Manufacturing	-	2	1	4
Communications	-	2	1	3
Construction and utilities	-	2	1	3
Government	-	1	1	2
Agriculture, fishing, mining	-	1	1	1
Air transport	-	0	0	0

Source: Tourism Economics

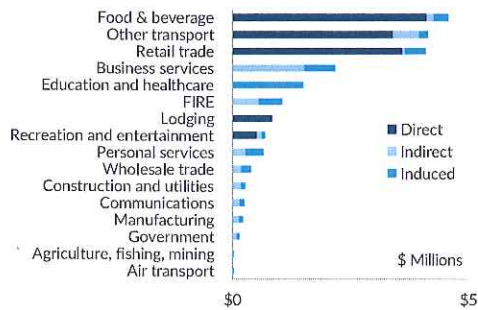
LABOR INCOME IMPACTS

Visitor activity generated **\$12.4 million** in direct household income and a total of **\$21.1 million** including indirect and induced impacts.



Tourism labor income Impacts by Industry (2023)

Amounts in billions of nominal dollars



Source: Tourism Economics

Summary labor income impacts (2023)

Amounts in millions of nominal dollars

	Direct Labor Income	Indirect Labor Income	Induced Labor Income	Total Labor Income
Total, all industries	\$ 12.44	\$ 4.05	\$ 4.65	\$ 21.15
Food & beverage	\$ 4.11	\$ 0.15	\$ 0.33	\$ 4.58
Other transport	\$ 3.40	\$ 0.55	\$ 0.19	\$ 4.14
Retail trade	\$ 3.59	\$ 0.07	\$ 0.43	\$ 4.09
Business services	\$ -	\$ 1.53	\$ 0.64	\$ 2.17
Education and healthcare	\$ -	\$ 0.02	\$ 1.49	\$ 1.51
FIRE	\$ -	\$ 0.56	\$ 0.50	\$ 1.06
Lodging	\$ 0.84	\$ 0.00	\$ 0.00	\$ 0.84
Recreation and entertainment	\$ 0.52	\$ 0.10	\$ 0.08	\$ 0.70
Personal services	\$ -	\$ 0.28	\$ 0.38	\$ 0.66
Wholesale trade	\$ -	\$ 0.19	\$ 0.22	\$ 0.41
Construction and utilities	\$ -	\$ 0.18	\$ 0.10	\$ 0.28
Communications	\$ -	\$ 0.15	\$ 0.11	\$ 0.26
Manufacturing	\$ -	\$ 0.14	\$ 0.09	\$ 0.23
Government	\$ -	\$ 0.09	\$ 0.06	\$ 0.15
Agriculture, fishing, mining	\$ -	\$ 0.02	\$ 0.02	\$ 0.03
Air transport	\$ -	\$ 0.02	\$ 0.02	\$ 0.03

Source: Tourism Economics

ECONOMIC IMPACT FINDINGS

FISCAL (TAX) IMPACTS

Visitor spending, visitor supported jobs, and business sales generated **\$6.7 million** in government revenues.

State and local taxes alone tallied **\$3.4 million** in Adams County in 2023.

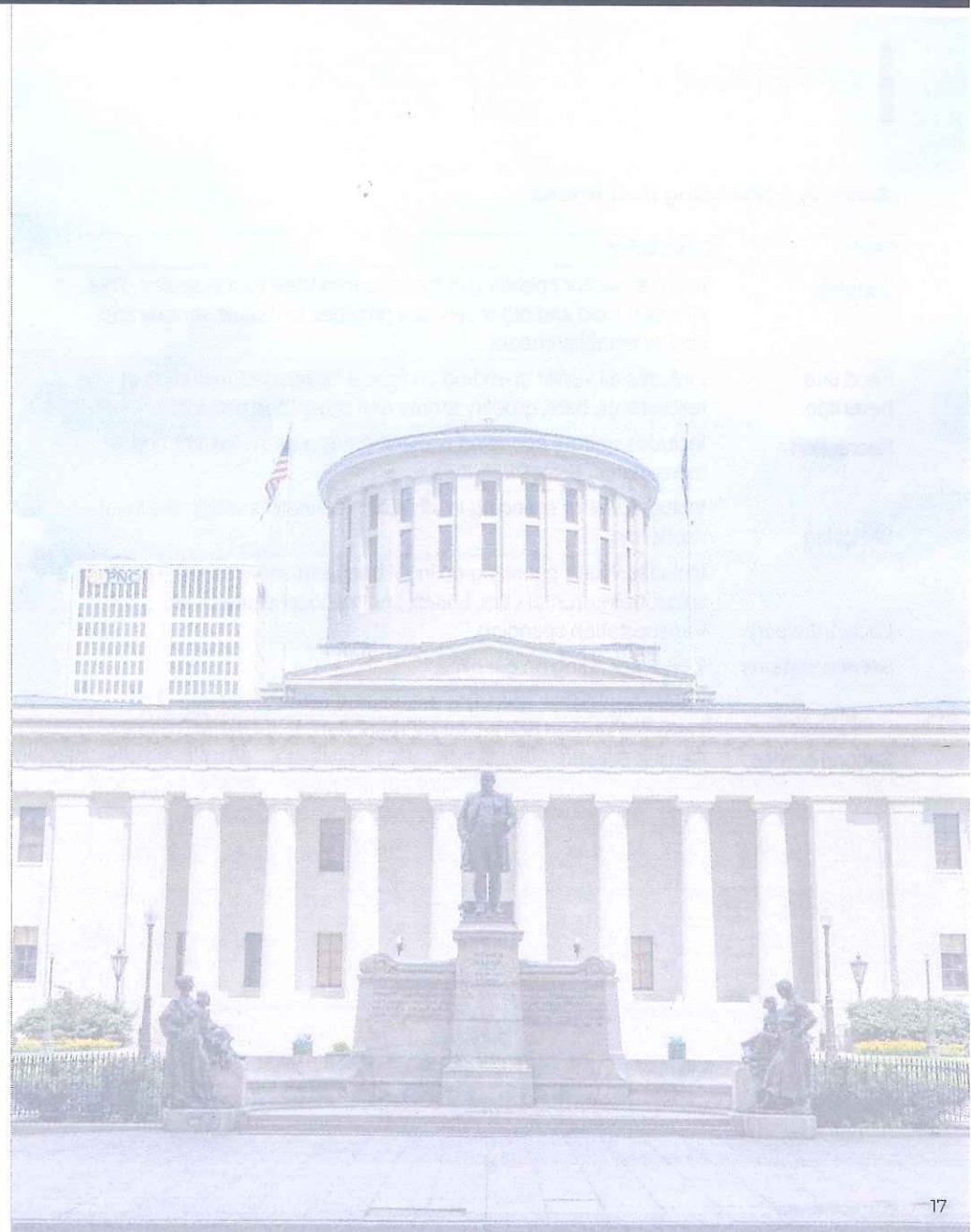
Each household in the county would need to be taxed an additional **\$330** to replace the visitor-generated taxes received by state and local governments in 2023.

Fiscal (tax) impacts

Amounts in nominal dollars

	Total Taxes
Total tax revenues	\$6.7
Federal Taxes	\$3.4
State Taxes	\$1.9
Local Taxes	\$1.5
State/Local Tax Savings Per Household	\$330

Source: Tourism Economics



APPENDIX

Glossary – Spending Definitions

Term	Description
Lodging	Includes visitor spending in the accommodation sub-sector. This includes food and other services provided by hotels, rentals and similar establishments.
Food and beverage	Includes all visitor spending on food & beverages, including at restaurants, bars, grocery stores and other food providers.
Recreation	Includes visitors spending within the arts, entertainment and recreation sub-sector.
Shopping	Includes visitor spending in all retail sub-sectors within the local economy.
Local transport	Includes visitor spending on local transport services such as taxis, limos, trains, rental cars, buses, and the local share of air transportation spending.
Service stations	Visitor spending on gasoline.
Second homes	Where applicable, spending associated with the upkeep of seasonal second homes for recreational use as defined by the Census Bureau.

Glossary – Economic Impact Definitions

Term	Description
Direct Impact	Impacts (business sales, jobs, income, and taxes) created directly from spending by visitors to a destination within a discreet group of tourism-related sectors (e.g. recreation, transportation, lodging).
Indirect Impact	Impacts created from purchase of goods and services used as inputs (e.g. food wholesalers, utilities, business services) into production by the directly affected tourism-related sectors (i.e. economic effects stemming from business-to-business purchases in the supply chain).
Induced Impact	Impacts created from spending in the local economy by employees whose wages are generated either directly or indirectly by visitor spending.
Employment	Employment is measured by the Bureau of Economic Analysis (BEA) and Bureau of Labor Statistics (BLS) definitions, and captures full time and part time jobs, which includes salary and wage employees and proprietors.
Labor income	Income (wages, salaries, proprietor income and benefits) supported by visitor spending.
Value Added (GDP)	The economic enhancement a company gives its products or services before offering them to customers.
Local Taxes	City and County taxes generated by visitor spending. This includes any local sales, income, bed, usage fees, licenses and other revenues streams of local governmental authorities – from transportation to sanitation to general government.
State Taxes	State tax revenues generated by visitor spending. This will include sales, income, corporate, usage fees and other assessments of state governments.



ECONOMIC IMPACT METHODOLOGY

Our analysis of the Ohio visitor economy begins with direct visitor spending and analyzes the downstream effects of this spending on the broader economy. To determine total economic impact, we input direct spending into a model of the Ohio economy, constructed using an IMPLAN input-output (I-O) model. The model traces the full extent of industry impacts as dollars flow through the local economy.

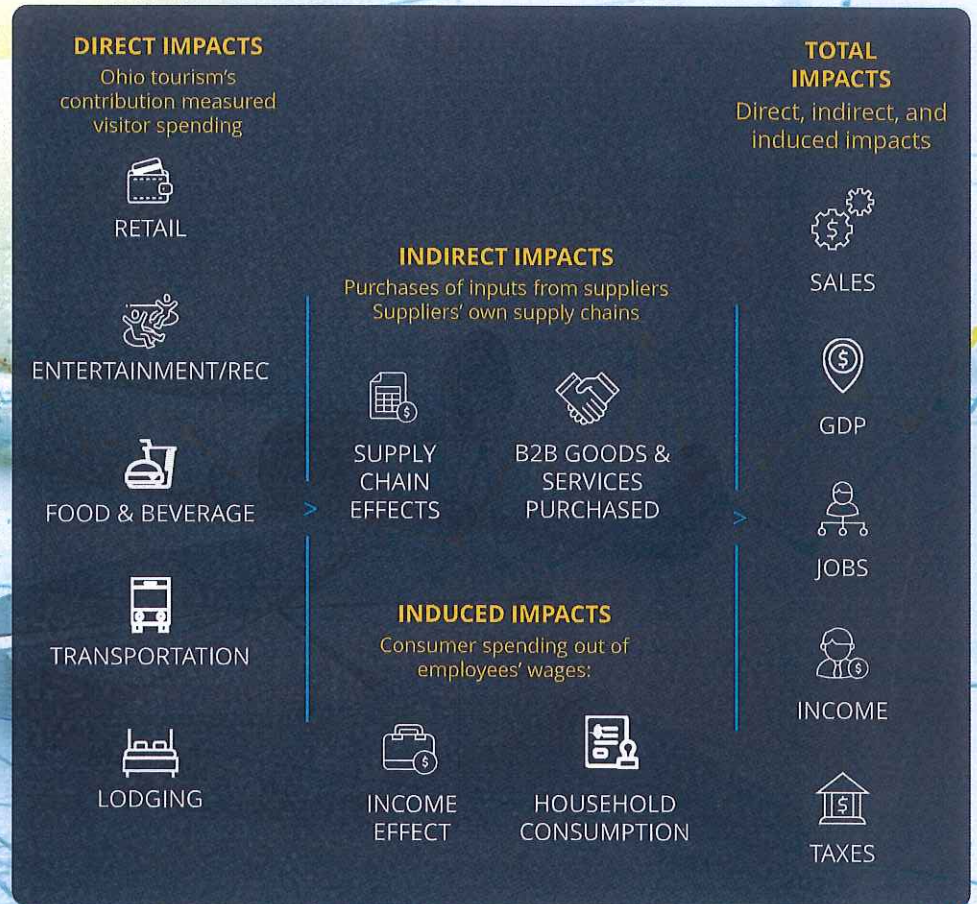
An I-O model represents a profile of an economy by measuring the relationships among industries and consumers and quantifies three levels of impact:

- 1. Direct impacts:** Visitor spending creates direct economic value within a discrete group of sectors (such as recreation and transportation). This supports a relative proportion of spending, jobs, wages, and taxes within each sector.
- 2. Indirect impacts:** Each directly affected sector also purchases goods and services as inputs (e.g. food wholesalers, utilities) into production. These impacts are called indirect impacts or supply-chain effects.
- 3. Induced impacts:** Lastly, the induced impact is generated when employees whose wages are generated either directly or indirectly by visitor spending spend those wages in the local economy. This is called the induced impact or income effect.

The Tourism Economics model calculates these three levels of impact - direct, indirect and induced - for a broad set of indicators, including:

- Spending
- Wages
- Employment
- Federal Taxes
- State Taxes
- Local Taxes

ECONOMIC IMPACT FRAMEWORK



ABOUT TOURISM ECONOMICS

Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of the travel sector with proven economic tools to answer the most important questions facing our clients. More than 500 companies, associations, and destination work with Tourism Economics every year as a research partner. We bring decades of experience to every engagement to help our clients make better marketing, investment, and policy decisions. Our team of highly-specialized economists deliver:

- Global travel data-sets with the broadest set of country, city, and state coverage available
- Travel forecasts that are directly linked to the economic and demographic outlook for origins and destinations
- Economic impact analysis that highlights the value of visitors, events, developments, and industry segments
- Policy analysis that informs critical funding, taxation, and travel facilitation decisions
- Market assessments that define market allocation and investment decisions

Tourism Economics operates out of regional headquarters in Philadelphia and Oxford, with offices in Belfast, London, Frankfurt, Ontario, and Sydney.

Oxford Economics is one of the world's foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact. Headquartered in Oxford, England, with regional centers in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, San Francisco, and Washington DC, we employ over 400 full-time staff, including 300 professional economists, industry experts and business editors—one of the largest teams of macroeconomists and thought leadership specialists.

For more information:

admin@tourismeconomics.com

COST OF COMMUNITY SERVICES STUDIES

Cost of Community Services (COCS) studies are a case study approach used to determine the fiscal contribution of existing local land uses. A subset of the much larger field of fiscal analysis, COCS studies have emerged as an inexpensive and reliable tool to measure direct fiscal relationships. Their particular niche is to evaluate working and open lands on equal ground with residential, commercial and industrial land uses.

COCS studies are a snapshot in time of costs versus revenues for each type of land use. They do not predict future costs or revenues or the impact of future growth. They do provide a baseline of current information to help local officials and citizens make informed land use and policy decisions.

Methodology

In a COCS study, researchers organize financial records to assign the cost of municipal services to working and open lands, as well as to residential, commercial and industrial development. Researchers meet with local sponsors to define the scope of the project and identify land use categories to study. For example, working lands may include farm, forest and/or ranch lands. Residential development includes all housing, including rentals, but if there is a migrant agricultural work force, temporary housing for these workers would be considered part of agricultural land use. Often in rural communities, commercial and industrial land uses are combined. COCS studies findings are displayed as a set of ratios that compare annual revenues to annual expenditures for a community's unique mix of land uses.

COCS studies involve three basic steps:

1. Collect data on local revenues and expenditures.
2. Group revenues and expenditures and allocate them to the community's major land use categories.
3. Analyze the data and calculate revenue-to-expenditure ratios for each land use category.

The process is straightforward, but ensuring reliable figures requires local oversight. The most complicated task is interpreting existing records to reflect COCS land use categories. Allocating revenues and expenses requires a significant amount of research, including extensive interviews with financial officers and public administrators.

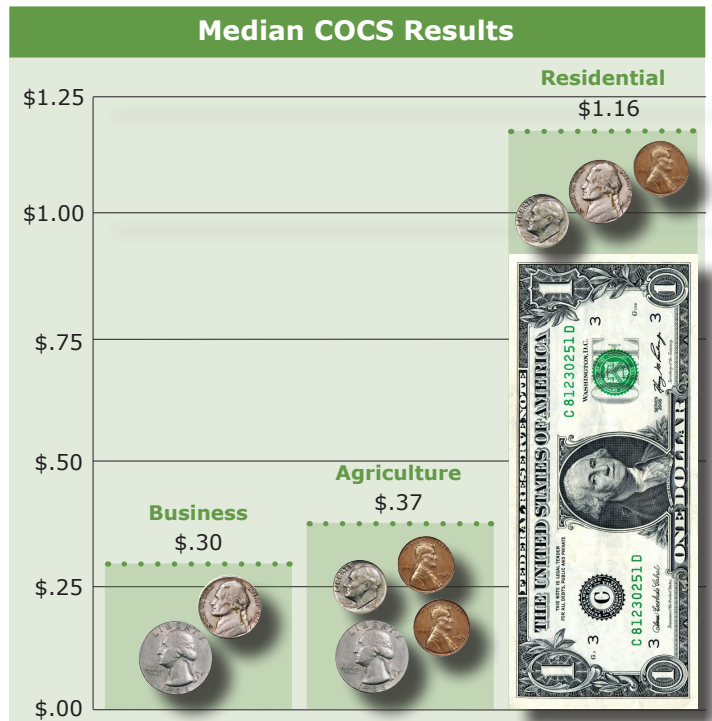
History

Communities often evaluate the impact of growth on local budgets by conducting or commissioning fiscal impact analyses. Fiscal impact studies project public costs and revenues from different land development patterns. They generally show that residential development is a net fiscal loss for communities and recommend commercial and industrial development as a strategy to balance local budgets.

Rural towns and counties that would benefit from fiscal impact analysis may not have the expertise or resources to conduct a study. Also, fiscal impact analyses rarely consider the contribution of working and other open lands, which is very important to rural economies.

American Farmland Trust (AFT) developed COCS studies in the mid-1980s to provide communities with a straightforward and inexpensive way to measure the contribution of agricultural lands to the local tax base. Since then, COCS studies have been conducted in at least 151 communities in the United States.

CONTINUED ON PAGE 6



Median cost to provide public services for each dollar of revenue raised.

SUMMARY OF COST OF COMMUNITY SERVICES STUDIES

Community	Residential including farm houses	Commercial & Industrial	Working & Open Land	Source
Colorado				
Custer County	1 : 1.16	1 : 0.71	1 : 0.54	Haggerty, 2000
Saguauche County	1 : 1.17	1 : 0.53	1 : 0.35	Dirt, Inc., 2001
Connecticut				
Bolton	1 : 1.05	1 : 0.23	1 : 0.50	Geisler, 1998
Brooklyn	1 : 1.09	1 : 0.17	1 : 0.30	Green Valley Institute, 2002
Colchester	1 : 1.14	1 : 0.18	1 : 0.18	Stahl, 2013
Coventry	1 : 1.06	1 : 0.25	1 : 0.25	Green Valley Institute, 2008
Durham	1 : 1.07	1 : 0.27	1 : 0.23	Southern New England Forest Consortium, 1995
Farmington	1 : 1.33	1 : 0.32	1 : 0.31	Southern New England Forest Consortium, 1995
Hebron	1 : 1.06	1 : 0.47	1 : 0.43	American Farmland Trust, 1986
Lebanon	1 : 1.12	1 : 0.16	1 : 0.17	Green Valley Institute, 2007
Litchfield	1 : 1.11	1 : 0.34	1 : 0.34	Southern New England Forest Consortium, 1995
Pomfret	1 : 1.06	1 : 0.27	1 : 0.86	Southern New England Forest Consortium, 1995
Windham	1 : 1.15	1 : 0.24	1 : 0.19	Green Valley Institute, 2002
Florida				
Leon County	1 : 1.39	1 : 0.36	1 : 0.42	Dorfman, 2004
Georgia				
Appling County	1 : 2.27	1 : 0.17	1 : 0.35	Dorfman, 2004
Athens-Clarke County	1 : 1.39	1 : 0.41	1 : 2.04	Dorfman, 2004
Brooks County	1 : 1.56	1 : 0.42	1 : 0.39	Dorfman, 2004
Carroll County	1 : 1.29	1 : 0.37	1 : 0.55	Dorfman and Black, 2002
Cherokee County	1 : 1.59	1 : 0.12	1 : 0.20	Dorfman, 2004
Colquitt County	1 : 1.28	1 : 0.45	1 : 0.80	Dorfman, 2004
Columbia County	1 : 1.16	1 : 0.48	1 : 0.52	Dorfman, 2006
Dooly County	1 : 2.04	1 : 0.50	1 : 0.27	Dorfman, 2004
Grady County	1 : 1.72	1 : 0.10	1 : 0.38	Dorfman, 2003
Hall County	1 : 1.25	1 : 0.66	1 : 0.22	Dorfman, 2004
Jackson County	1 : 1.28	1 : 0.58	1 : 0.15	Dorfman, 2008
Jones County	1 : 1.23	1 : 0.65	1 : 0.35	Dorfman, 2004
Miller County	1 : 1.54	1 : 0.52	1 : 0.53	Dorfman, 2004
Mitchell County	1 : 1.39	1 : 0.46	1 : 0.60	Dorfman, 2004
Morgan County	1 : 1.42	1 : 0.25	1 : 0.38	Dorfman, 2008
Thomas County	1 : 1.64	1 : 0.38	1 : 0.67	Dorfman, 2003
Union County	1 : 1.13	1 : 0.43	1 : 0.72	Dorfman and Lavigno, 2006
Indiana				
See chart on page 6 for details.				
Idaho				
Booneville County	1 : 1.06	1 : 0.84	1 : 0.23	Hartsmans and Meyer, 1997
Canyon County	1 : 1.08	1 : 0.79	1 : 0.54	Hartsmans and Meyer, 1997
Cassia County	1 : 1.19	1 : 0.87	1 : 0.41	Hartsmans and Meyer, 1997
Kootenai County	1 : 1.09	1 : 0.86	1 : 0.28	Hartsmans and Meyer, 1997
Kentucky				
Campbell County	1 : 1.21	1 : 0.30	1 : 0.38	American Farmland Trust, 2005
Kenton County	1 : 1.19	1 : 0.19	1 : 0.51	American Farmland Trust, 2005
Lexington-Fayette County	1 : 1.64	1 : 0.22	1 : 0.93	American Farmland Trust, 1999
Oldham County	1 : 1.05	1 : 0.29	1 : 0.44	American Farmland Trust, 2003
Shelby County	1 : 1.21	1 : 0.24	1 : 0.41	American Farmland Trust, 2005

REVENUE-TO-EXPENDITURE RATIOS IN DOLLARS

Community	Residential including farm houses	Commercial & Industrial	Working & Open Land	Source
Maine				
Bethel	1 : 1.29	1 : 0.59	1 : 0.06	Good, 1994
Maryland				
Carroll County	1 : 1.15	1 : 0.48	1 : 0.45	Carroll County Dept. of Management & Budget, 1994
Cecil County	1 : 1.17	1 : 0.34	1 : 0.66	American Farmland Trust, 2001
Cecil County	1 : 1.12	1 : 0.28	1 : 0.37	Cecil County Office of Economic Development
Frederick County	1 : 1.14	1 : 0.50	1 : 0.53	American Farmland Trust, 1997
Harford County	1 : 1.11	1 : 0.40	1 : 0.91	American Farmland Trust, 2003
Kent County	1 : 1.05	1 : 0.64	1 : 0.42	American Farmland Trust, 2002
Wicomico County	1 : 1.21	1 : 0.33	1 : 0.96	American Farmland Trust, 2001
Massachusetts				
Agawam	1 : 1.05	1 : 0.44	1 : 0.31	American Farmland Trust, 1992
Becket	1 : 1.02	1 : 0.83	1 : 0.72	Southern New England Forest Consortium, 1995
Dartmouth	1 : 1.14	1 : 0.51	1 : 0.26	American Farmland Trust, 2009
Deerfield	1 : 1.16	1 : 0.38	1 : 0.29	American Farmland Trust, 1992
Deerfield	1 : 1.14	1 : 0.51	1 : 0.33	American Farmland Trust, 2009
Franklin	1 : 1.02	1 : 0.58	1 : 0.40	Southern New England Forest Consortium, 1995
Gill	1 : 1.15	1 : 0.43	1 : 0.38	American Farmland Trust, 1992
Leverett	1 : 1.15	1 : 0.29	1 : 0.25	Southern New England Forest Consortium, 1995
Middleboro	1 : 1.08	1 : 0.47	1 : 0.70	American Farmland Trust, 2001
Southborough	1 : 1.03	1 : 0.26	1 : 0.45	Adams and Hines, 1997
Sterling	1 : 1.09	1 : 0.26	1 : 0.34	American Farmland Trust, 2009
Westford	1 : 1.15	1 : 0.53	1 : 0.39	Southern New England Forest Consortium, 1995
Williamstown	1 : 1.11	1 : 0.34	1 : 0.40	Hazler et al., 1992
Michigan				
Marshall Township, Calhoun County	1 : 1.47	1 : 0.20	1 : 0.27	American Farmland Trust, 2001
Newton Township, Calhoun County	1 : 1.20	1 : 0.25	1 : 0.24	American Farmland Trust, 2001
Scio Township, Washtenaw County	1 : 1.40	1 : 0.28	1 : 0.62	University of Michigan, 1994
Minnesota				
Farmington	1 : 1.02	1 : 0.79	1 : 0.77	American Farmland Trust, 1994
Independence	1 : 1.03	1 : 0.19	1 : 0.47	American Farmland Trust, 1994
Lake Elmo	1 : 1.07	1 : 0.20	1 : 0.27	American Farmland Trust, 1994
Montana				
Carbon County	1 : 1.60	1 : 0.21	1 : 0.34	Prinzing, 1997
Flathead County	1 : 1.23	1 : 0.26	1 : 0.34	Citizens for a Better Flathead, 1999
Gallatin County	1 : 1.45	1 : 0.16	1 : 0.25	Haggerty, 1996
New Hampshire				
Brentwood	1 : 1.17	1 : 0.24	1 : 0.83	Brentwood Open Space Task Force, 2002
Deerfield	1 : 1.15	1 : 0.22	1 : 0.35	Auger, 1994
Dover	1 : 1.15	1 : 0.63	1 : 0.94	Kingsley, et al., 1993
Exeter	1 : 1.07	1 : 0.40	1 : 0.82	Niebling, 1997
Fremont	1 : 1.04	1 : 0.94	1 : 0.36	Auger, 1994
Groton	1 : 1.01	1 : 0.12	1 : 0.88	New Hampshire Wildlife Federation, 2001
Hookset	1 : 1.16	1 : 0.43	1 : 0.55	Innovative Natural Resource Solutions, 2008
Lyme	1 : 1.05	1 : 0.28	1 : 0.23	Pickard, 2000
Milton	1 : 1.30	1 : 0.35	1 : 0.72	Innovative Natural Resource Solutions, 2005
Mont Vernon	1 : 1.03	1 : 0.04	1 : 0.08	Innovative Natural Resource Solutions, 2002
Stratham	1 : 1.15	1 : 0.19	1 : 0.40	Auger, 1994

SUMMARY OF COST OF COMMUNITY SERVICES STUDIES

Community	Residential including farm houses	Commercial & Industrial	Working & Open Land	Source
New Jersey				
Freehold Township	1 : 1.51	1 : 0.17	1 : 0.33	American Farmland Trust, 1998
Holmdel Township	1 : 1.38	1 : 0.21	1 : 0.66	American Farmland Trust, 1998
Middletown Township	1 : 1.14	1 : 0.34	1 : 0.36	American Farmland Trust, 1998
Upper Freehold Township	1 : 1.18	1 : 0.20	1 : 0.35	American Farmland Trust, 1998
Wall Township	1 : 1.28	1 : 0.30	1 : 0.54	American Farmland Trust, 1998
New York				
Amenia	1 : 1.23	1 : 0.25	1 : 0.17	Bucknall, 1989
Beekman	1 : 1.12	1 : 0.18	1 : 0.48	American Farmland Trust, 1989
Dix	1 : 1.51	1 : 0.27	1 : 0.31	Schuyler County League of Women Voters, 1993
Farmington	1 : 1.22	1 : 0.27	1 : 0.72	Kinsman et al., 1991
Fishkill	1 : 1.23	1 : 0.31	1 : 0.74	Bucknall, 1989
Hector	1 : 1.30	1 : 0.15	1 : 0.28	Schuyler County League of Women Voters, 1993
Kinderhook	1 : 1.05	1 : 0.21	1 : 0.17	Concerned Citizens of Kinderhook, 1996
Montour	1 : 1.50	1 : 0.28	1 : 0.29	Schuyler County League of Women Voters, 1992
North East	1 : 1.36	1 : 0.29	1 : 0.21	American Farmland Trust, 1989
Reading	1 : 1.88	1 : 0.26	1 : 0.32	Schuyler County League of Women Voters, 1992
Red Hook	1 : 1.11	1 : 0.20	1 : 0.22	Bucknall, 1989
Rochester	1 : 1.27	1 : 0.18	1 : 0.18	Bonner and Gray, 2005
North Carolina				
Alamance County	1 : 1.46	1 : 0.23	1 : 0.59	Renkow, 2006
Catawba County	1 : 1.23	1 : 0.54	1 : 0.75	Renkow, 2013
Chatham County	1 : 1.14	1 : 0.33	1 : 0.58	Renkow, 2007
Davie County	1 : 1.14	1 : 0.50	1 : 0.67	Renkow, 2014
Durham County	1 : 1.15	1 : 0.33	1 : 0.59	Renkow, 2010
Franklin County	1 : 1.12	1 : 0.53	1 : 0.77	Renkow, 2009
Gaston County	1 : 1.23	1 : 0.41	1 : 0.89	Renkow, 2008
Guilford County	1 : 1.35	1 : 0.29	1 : 0.62	Renkow, 2010
Henderson County	1 : 1.16	1 : 0.40	1 : 0.97	Renkow, 2008
Iredalell County	1 : 1.35	1 : 0.30	1 : 0.47	Renkow, 2015
Orange County	1 : 1.31	1 : 0.24	1 : 0.72	Renkow, 2006
Pitt County	1 : 1.29	1 : 0.36	1 : 0.62	Renkow, 2013
Union County	1 : 1.30	1 : 0.41	1 : 0.24	Dorfman, 2004
Wake County	1 : 1.54	1 : 0.18	1 : 0.49	Renkow, 2001
Yadkin County	1 : 1.12	1 : 0.38	1 : 0.61	Renkow, 2011
Ohio				
Butler County	1 : 1.12	1 : 0.45	1 : 0.49	American Farmland Trust, 2003
Clark County	1 : 1.11	1 : 0.38	1 : 0.30	American Farmland Trust, 2003
Hocking Township	1 : 1.10	1 : 0.27	1 : 0.17	Prindle, 2002
Knox County	1 : 1.05	1 : 0.38	1 : 0.29	American Farmland Trust, 2003
Liberty Township	1 : 1.15	1 : 0.51	1 : 0.05	Prindle, 2002
Madison Village, Lake County	1 : 1.67	1 : 0.20	1 : 0.38	American Farmland Trust, 1993
Madison Township, Lake County	1 : 1.40	1 : 0.25	1 : 0.30	American Farmland Trust, 1993
Madison Village, Lake County	1 : 1.16	1 : 0.32	1 : 0.37	American Farmland Trust, 2008
Madison Township, Lake County	1 : 1.24	1 : 0.33	1 : 0.30	American Farmland Trust, 2008
Shalersville Township	1 : 1.58	1 : 0.17	1 : 0.31	Postage County Regional Planning Commission, 1997
Pennsylvania				
Allegheny Township, Westmoreland County	1 : 1.06	1 : 0.14	1 : 0.13	Kelsey, 1997
Bedminster Township, Bucks County	1 : 1.12	1 : 0.05	1 : 0.04	Kelsey, 1997

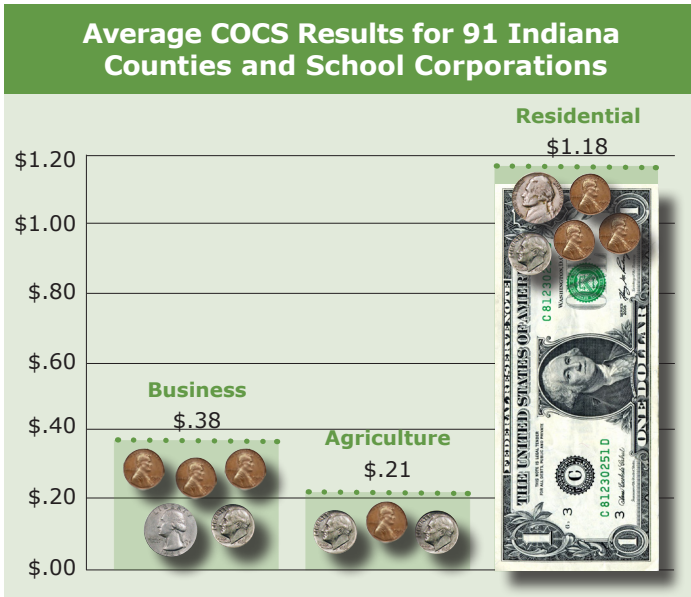
REVENUE-TO-EXPENDITURE RATIOS IN DOLLARS

Community	Residential including farm houses	Commercial & Industrial	Working & Open Land	Source
Pennsylvania (continued)				
Bethel Township, Lebanon County	1 : 1.08	1 : 0.17	1 : 0.06	Kelsey, 1992
Bingham Township, Potter County	1 : 1.56	1 : 0.16	1 : 0.15	Kelsey, 1994
Buckingham Township, Bucks County	1 : 1.04	1 : 0.15	1 : 0.08	Kelsey, 1996
Carroll Township, Perry County	1 : 1.03	1 : 0.06	1 : 0.02	Kelsey, 1992
Hopewell Township, York County	1 : 1.27	1 : 0.32	1 : 0.59	The South Central Assembly for Effective Government, 2002
Kelly, Township, Pike County	1 : 1.48	1 : 0.07	1 : 0.07	Kelsey, 2006
Lehman Township, Pike County	1 : 0.94	1 : 0.20	1 : 0.27	Kelsey, 2006
Maiden Creek Township, Berks County	1 : 1.28	1 : 0.11	1 : 0.06	Kelsey, 1998
Richmond Township, Berks County	1 : 1.24	1 : 0.09	1 : 0.04	Kelsey, 1998
Shrewsbury Township, York County	1 : 1.22	1 : 0.15	1 : 0.17	The South Central Assembly for Effective Government, 2002
Stewarson Township, Potter County	1 : 2.11	1 : 0.23	1 : 0.31	Kelsey, 1994
Straban Township, Adams County	1 : 1.10	1 : 0.16	1 : 0.06	Kelsey, 1992
Sweden Township, Potter County	1 : 1.38	1 : 0.07	1 : 0.08	Kelsey, 1994
Rhode Island				
Hopkinton	1 : 1.08	1 ; 0.31	1 : 0.31	Southern New England Forest Consortium, 1995
Little Compton	1 : 1.05	1 : 0.56	1 : 0.37	Southern New England Forest consortium, 1995
West Greenwich	1 : 1.46	1 : 0.40	1 : 0.46	Southern New England Forest Consortium, 1995
Tennessee				
Blount County	1 : 1.23	1 : 0.25	1 : 0.41	American Farmland Trust, 2006
Robertson County	1 : 1.13	1 : 0.22	1 : 0.57	American Farmland Trust, 2006
Tipton County	1 : 1.07	1 : 0.32	1 : 0.57	American Farmland Trust, 2006
Texas				
Bandera County	1 : 1.10	1 : 0.26	1 : 0.26	American Farmland Trust, 2002
Bexar County	1 : 1.15	1 : 0.20	1 : 0.18	American Farmland Trust, 2004
Hays County	1 : 1.26	1 : 0.30	1 : 0.33	American Farmland Trust, 2000
Utah				
Cache County	1 : 1.27	1 : 0.25	1 : 0.57	Snyder and Ferguson, 1994
Sevier County	1 : 1.11	1 : 0.31	1 : 0.99	Snyder and Ferguson, 1994
Utah County	1 : 1.23	1 : 0.26	1 : 0.82	Snyder and Ferguson, 1994
Virginia				
August County	1 : 1.22	1 : 0.20	1 : 0.80	Valley Conservation Council, 1997
Bedford County	1 : 1.07	1 : 0.40	1 : 0.25	American Farmland Trust, 2005
Clarke County	1 : 1.26	1 : 0.21	1 : 0.15	Piedmont Environmental Trust, 1994
Culpepper County	1 : 1.22	1 : 0.41	1 : 0.32	American Farmland Trust, 2003
Frederick County	1 : 1.19	1 : 0.23	1 : 0.33	American Farmland Trust, 2003
Northampton County	1 : 1.13	1 : 0.97	1 : 0.23	American Farmland Trust, 1999
Washington				
Okanogan County	1 : 1.06	1 : 0.59	1 : 0.56	American Farmland Trust, 2007
Skagit County	1 : 1.25	1 : 0.30	1 : 0.51	American Farmland Trust, 1999
Wisconsin				
Dunn	1 : 1.02	1 : 0.55	1 : 0.15	Wisconsin Land Use Research Program, 1999
Perry	1 : 1.20	1 : 1.04	1 : 0.41	Wisconsin Land Use Research Program, 1999
Westport	1 : 1.11	1 : 0.31	1 : 0.13	Wisconsin Land Use Research Program, 1999

Note: Some studies break out land uses into more than three distinct categories. For these studies, AFT requested data from the researcher and recalculated the final ratios for the land use categories listed in this table. The Okanogan County, Wash., study is unique in that it analyzed the fiscal contribution of tax-exempt state, federal and tribal lands.

American Farmland Trust's Farmland Information Center acts as a clearinghouse for information about Cost of Community Services studies. Inclusion in this table does not necessarily signify review or endorsement by American Farmland Trust.

CONTINUED FROM PAGE 1



Average cost, using standard assumptions, to provide public services for each dollar of revenue raised. The [full study](#), including alternate assumptions, is posted on the FIC website.

Functions and Purposes

Communities pay a high price for unplanned growth. Scattered development frequently causes traffic congestion, air and water pollution, loss of open space and increased demand for costly public services. This is why it is important for citizens and local leaders to understand the relationships between residential and commercial growth, agricultural land use, conservation and their community's bottom line.

COCS studies help address three misperceptions that are commonly made in rural or suburban communities facing growth pressures:

1. Open lands—including productive farms and forests—are an interim land use that should be developed to their "highest and best use."
2. Agricultural land gets an unfair tax break when it is assessed at its current use value for farming or ranching instead of at its potential use value for residential or commercial development.
3. Residential development will lower property taxes by increasing the tax base.

While it is true that an acre of land with a new house generates more total revenue than an acre of hay or corn, this tells us little about a community's bottom line. In areas

where agriculture or forestry are major industries, it is especially important to consider the real property tax contribution of privately owned working lands. Working and other open lands may generate less revenue than residential, commercial or industrial properties, but they require little public infrastructure and few services.

COCS studies conducted over the last 30 years show working lands generate more public revenues than they receive back in public services. Their impact on community coffers is similar to that of other commercial and industrial land uses. On average, because residential land uses do not cover their costs, they must be subsidized by other community land uses. Converting agricultural land to residential land use should not be seen as a way to balance local budgets.

The findings of COCS studies are consistent with those of conventional fiscal impact analyses, which document the high cost of residential development and recommend commercial and industrial development to help balance local budgets. What is unique about COCS studies is that they show that agricultural land is similar to other commercial and industrial uses. In nearly every community studied, farmland has generated a fiscal surplus to help offset the shortfall created by residential demand for public services. This is true even when the land is assessed at its current, agricultural use. However as more communities invest in agriculture this tendency may change. For example, if a community creates a purchase of agricultural conservation easement program, the local government may spend more on working and open lands than these lands generate in revenue.

Communities need reliable information to help them see the full picture of their land uses. COCS studies are an inexpensive way to evaluate the net contribution of working and open lands. They can help local leaders discard the notion that natural resources must be converted to other uses to ensure fiscal stability. They also dispel the myths that residential development leads to lower taxes, that differential assessment programs give landowners an "unfair" tax break and that farmland is an interim land use just waiting around for development.

One type of land use is not intrinsically better than another, and COCS studies are not meant to judge the overall public good or long-term merits of any land use or taxing structure. It is up to communities to balance goals such as maintaining affordable housing, creating jobs and conserving land. With good planning, these goals can complement rather than compete with each other. COCS studies give communities another tool to make decisions about their futures.

© September 2016

For more information on COCS, see the [COCS publications](#) on the Farmland Information Center (FIC) website. The FIC is a clearinghouse for information about farmland protection and stewardship. The FIC is a public/private partnership between the USDA Natural Resources Conservation Service and American Farmland Trust.