



**Senate Ways & Means Committee
Interested Party Testimony, House Bill 123 (Fraizer-Cross)
Jason Warner – Director of Strategic Engagement, Greater Ohio Policy Center
Tuesday, February 15, 2022**

Chair Blessing, Ranking Member Williams and members of the Senate Ways and Means Committee, thank you for the opportunity to share Interested Party Testimony regarding House Bill 123, legislation addressing the Community Reinvestment Area (CRA) program.

Greater Ohio Policy Center (GOPC) is a statewide non-profit organization that champions revitalization and sustainable growth in Ohio's cities and metros. GOPC is highly respected for its data-driven, nonpartisan policy analysis, research expertise, and policy development, and regularly provides expert analyses to public, private and nonprofit leaders at the local, state and national level. Our mission is to improve the communities of Ohio through smart growth strategies and research for a revitalized Ohio.

The CRA program is a valuable economic development tool for the communities of Ohio. We recognize the work and considerable amount of thought that the bill's sponsors have put into the development of HB123, and for beginning an important discussion about how best to streamline and update the program to ensure that it is being as responsive to the needs of Ohio's cities and counties. However, there are several outstanding issues with HB123 which GOPC believes the Senate should address before moving forward with the bill.

- **Reduced timeline to apply between tax exempt programs.** Retention of this provision is important as a means of helping to minimize "poaching" of economic development projects between Ohio communities. GOPC believes that the current 5-year relocation provision has served communities well and should be maintained.
- **Repeal of relocation notices.** GOPC views the removal of this provision as a loss of public transparency that could encourage a "poaching" behavior that is destructive to statewide and regional economic development cooperative efforts and should therefore be removed from the bill.
- **The removal of the administrative fees that are currently in the mandatory agreement.** These fees help to defray the administrative costs of oversight and current law allows these fees to be waived or reduced by the local legislative authority. GOPC sees no need to upend a system that by all outward appearances is working and not unduly burdening businesses.
- **Increasing CRA exemption not subject to school district approval.** GOPC believes that you cannot build strong communities without strong schools. Having strong schools is important to ensuring access to a strong workforce which is an essential element to economic development. Removing school districts from the process will have an adverse impact and we believe the current 50% review threshold should be retained.

GOPC believes that these changes will help to preserve the accountability and transparency of the CRA program while also bringing about the important and necessary reforms the sponsors of HB123 have set out to enact through the introduction of this legislation. We strongly encourage the Senate to address these issues as it continues its work on HB123.

Thank you for your consideration of our thoughts on House Bill 123.

A handwritten signature in blue ink, appearing to read "Jason Warner", with a large, stylized initial "J" that loops around the first part of the name.

Jason Warner
Director of Strategic Engagement
Greater Ohio Policy Center