



175 S. Third St.
Suite 510
Columbus, OH 43215
(614) 2221-4349
jbrown@omlohio.org

March 28, 2017

TO: Chairman Marlene Anielski
Ohio House State and Local Government Committee

RE: Interested Party Testimony on House Bill 69

Dear Chairman Anielski,

We are writing today to offer comments on House Bill 69, which would require reimbursement of certain township fire and emergency medical service levy revenue forgone because of the creation of a municipal tax increment financing district. The bill was introduced by Representative Bob Cupp (R-Lima).

The League has not taken a position on the bill but does have some comments. First, to the extent that this adds another exemption from TIF financing, it has the potential to reduce the efficacy of a TIF. Concerns have been expressed that this proposal could make TIF's a less attractive economic development incentive. Secondly, there is concern that the proposal has the potential to change the dynamics of future negotiations with townships involved in such economic development agreements by provided representatives of an unincorporated area greater leverage in the process of creating TIF's, because the Township has a choice whether to accept or refuse the reimbursement; i.e., it gives them another chip to bargain with.

Generally, we are not sure how significant this is in isolation. However, it is part of a trend that continues to a point of concern for our members where the state gives certain preferences to empower unincorporated areas over municipalities, despite the fact that municipalities are the primary public engine for Ohio's economic development past, present and future.

I appreciate the committee taking our member's concerns into consideration as you deliberate on this important piece of legislation.

Thank you,

Kent Scarrett
Executive Director
Ohio Municipal League