

## HB 444 – Township Omnibus Bill Proponent Testimony May 5, 2020 House State and Local Government Committee

Good afternoon Chairman Wiggam, Vice Chair Stephens, Ranking Member Kelly, and members of the House State and Local Government Committee. I am Christine Matacic, Liberty Township Trustee in Butler County, and Chair of the Coalition of Large Ohio Urban Townships (CLOUT) Executive Committee (Ohio Township Association). On behalf of CLOUT and my fellow trustees, I appreciate the opportunity to testify as a proponent of House Bill 444, the township omnibus bill. I will concentrate my time on two aspects on CLOUT's priority list – Industrial Development Bonds and Continuous Police/Fire Levies.

Liberty Township, according to the 2010 census, has a population of 37,259. We have been a leader in our region in new single family housing permits for the last 7 years. Based upon these permits, we conservatively estimate an additional 800-900 resident's move into our community each year and should be at 44,000 residents when the 2020 census is completed. This is one of the reasons we have attracted several large health care facilities over the last 15 years — Cincinnati Children's Hospital and their Proton Therapy Research Center, The Christ Hospital, several out-patient medical centers - Mercy Hospital, UC Health, and Premier Health, and other medical offices. Liberty Township and Butler County have a strong workforce due to being positioned in the center of the fast-growing Cincinnati-Dayton region with a population of 2.8 million.

Liberty Township and other larger townships throughout Ohio, having the ability to attract commercial developments because we have open, available land for development. Townships encompass 35%\* of Ohio's population, but have jurisdiction over an estimated 91% of Ohio's land area based upon the 2010 US Census data (municipalities – 7% and villages – 2%). Unfortunately, we are at a significant disadvantage when it comes to economic development. I realize Ohio has taken several steps to make the State of Ohio more business friendly, but we will have more opportunities by granting Ohio Townships the ability to utilize Industrial Development Bonds. In Liberty Township, this would help us attract and retain support services in light manufacturers of health care supplies, offices, flex spaces, and venture capital investments for the over 1,400 acres available for development. Think of the additional jobs for Ohio this could mean.

Industrial Development Bonds are a unique type of revenue bond organized by state and local governments. The bonds are sponsored by a government entity, but the proceeds are directed

to a private, for-profit business. They are used as economic development tools. They can be limited in nature. What I mean by this is that we could place restrictions on the amount of assistances and/or based upon the type of business we are trying to attract, the jobs that come along with the development, and the impact they have to support local needs. This gives a community some flexibility in their negotiations to insure we are not giving more away than what make sense to our community's sustainable development.

Senator Tim Schaffer spoke on this topic October 1, 2019 before the Senate Finance Committee as part of SB 180 – "This bill adheres to Article VII Section 13 of the Ohio Constitution which sets forth guidelines that allow for potential interaction between a public body and a private entity. As long as this arrangement results in the creation or preservation of jobs and employment opportunities, the state or its political subdivision can issue bonds to provide money for the project. In this language, a "political subdivision" is not defined and does not articulate which subdivisions are eligible to issue these bonds for economic development. However, it is generally agreed that the bond issuing authority authorized by Section 13 was implemented by the enactment of ORC Chapter 165, which excludes townships from the definition of issuers of these bonds."

This legislation will allow for townships to utilize these bonds similar to cities and counties. This would open more land in the State of Ohio to compete with surrounding States to attract and retain a more business friendly atmosphere that in turn means more Ohio jobs.

The second part of HB 444 I would like to address briefly is the Continuous Police/Fire Levy. I will not go into too much detail as West Chester Township Administrator, Larry Burks will be speaking with you shortly.

Unlike police levies and fire levies, a joint police and fire levy cannot be continuous and must be voted on every 5 years (ORC 5705.19 (AAA)(3)(a)). This legislation allows for the option of continuous joint police and fire levies as well.

As a larger township and representing CLOUT, our needs for safety service is a high priority for our residents and businesses. Unlike cities who have an income tax that supports their services, townships rely primarily on property taxes through levies to support these services.

When looking at safety service levies in Liberty Township over the years, our Police Levies have passed more easily than our Fire.

Police – Fire/EMS –

November, 2019 – 80.74%/19.26% November, 2017 – 56.86%/43.14%

May, 2014 – 73.13%/26.87% November, 2010 – 58.67%/41.33%

November, 2009 – 62.7%/37.3% November, 2006 – 59.58%/40.42%

Additionally, streamlining safety service funding into one levy may make logistical sense for many townships. Mr. Burks will have additional information to share on why this is important to the largest township in the State of Ohio, West Chester Township.

Liberty Township, Butler County and CLOUT support HB 444 and would like to thank Representatives Baldridge and Abrams for addressing these issues.

Chairman Wiggam, thank you for the opportunity to testify before you this afternoon. On behalf of CLOUT and Liberty Township, I strongly encourage your support. I would be happy to answer any questions you or committee members may have.

Sincerely,

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<sup>\*</sup> Ohio's Townships: Spending Taxing & Borrowing Less; A research report by Wendell Cox; July, 2019