



TESTIMONY TO THE HOUSE WAYS AND MEANS COMMITTEE

PROPONENT TESTIMONY SB 121

November 10, 2020

Chair Merrin, Vice Chair LaRe, Ranking Member Rogers, and members of the House Ways and Means Committee, my name is Ashley Ringle and I am the Director of Communications for the Ohio Municipal League. On behalf of our 700 members, thank you for the opportunity to testify in support of SB 212.

SB 212 would provide municipalities a permissive tool to incentivize development and revitalization within its neighborhoods by designating all or part of its jurisdiction as a Neighborhood Development Area, or NDA. Within an NDA, an existing owner-occupied home would be eligible for a 70% property tax exemption for 5 years for home improvements of \$10,000 or more. Additionally, a new home construction would be eligible for a 70% property tax exemption for the homebuilder and, after it is sold, for the homeowner for 10 years.

The bill also allows a municipality to request that a school district located within the NDA approve a 100% property tax exemption in the event the municipality and the school district come to a mutual agreement within 60 days. If not, the property tax exemption would revert to 70%.

In order to establish an NDA, a municipality would be required under the bill to issue findings demonstrating a lack of adequate housing within their jurisdiction and that the NDA will serve to encourage the development of adequate affordable housing that would not otherwise occur without the NDA. The municipality would also have to show projections that the NDA would result in enhanced property values and increased property tax revenues.

NDAs would be a valuable tool that cities and villages could use to incentivize the revitalization and creation of neighborhoods within their communities, and we want to thank Sen. Schuring for recognizing the need for this legislation.

Thank you for your consideration, and we urge for your favorable passage of this bill. I would be happy to try to answer any questions you may have.