Charles Hall, Commissioner, Board President Steve Stolte, Commissioner, Board Vice President Christiane Schmenk, Commissioner



Tim Hansley, County Administrator Letitia Rayl, Assistant County Administrator/ Budget Officer Kelly Higgins, Clerk to the Board/Office Assistant

County Office Building 233 West Sixth Street Marysville, Ohio 43040-1526 www.unioncountyohio.gov

Tel. 937-645-3012 Fax 937-645-3002

commissioners@unioncountvohio.gov

## OHIO HOUSE WAYS AND MEANS COMMITTEE

Senate Bill 212 - Interested Party Testimony (written only)

November 18, 2020

Steve Stolte Union County Commissioner

Chairman Merrin, Vice Chair LaRe, Ranking Member Rogers and Members of the House Ways and Means Committee. My name is Steve Stolte: a 10-year Union County Commissioner, a former 24-year Union County Engineer and soon to be voluntarily retired. Thank you for this opportunity to share my concerns about Substitute SB212.

I've had the pleasure to work with property owners and land developers since the early 1970s. In recent years in Central Ohio, we've seen the demand for housing increase and at the same time the cost of housing increase markedly. Cost of land is at an all-time high and material prices continue to escalate. At the same time, the expansion of government regulations and the delays built into the development process also drive up the cost of housing.

We've learned that local governments must streamline their development processes and modify regulations to reduce the cost of development. Counties, cities and townships must plan better and work with their planning commissions to increase allowable densities, permit smaller homes, allow smaller lots, reduce street widths and reduce street right-of-way widths. That is how we can reduce housing costs and make housing more affordable.

We've also learned that in general we shouldn't incentivize residential development and certainly not in high growth areas such as Central Ohio. Residential development creates service demands on counties and county agencies. People create the need for services. People have mental health issues. People have drug problems. People call 911. People create public health issues. People need medics. People call for fire and police personnel. People have children with developmental disabilities. It costs money to provide those services.

Counties and county agencies rely in part on property taxes to cover the costs of providing services, and those services are people driven. Exempting residential property from taxation eliminates revenue necessary to meet people's needs. Any legislation should require County Commissioner approval for such tax abatements.

Affordable housing is certainly an issue. The need for affordable housing varies from county to county. Who will determine the need for affordable housing? Who will define what is affordable in a county? What is affordable in a Central Ohio community may not be affordable in southeast Ohio. If taxes are exempted on a development, will the entire development be tax exempt? If only a portion of a development has affordable housing, will only that portion of the development be tax exempt? The legislation provides no guidance or maximum limits to define what is affordable.

This legislation takes us down a slippery slope. We're already on that slope with TIF districts benefiting residential developments.

