

HB 444 – Township Omnibus Bill Proponent Written Testimony December 8, 2020

Ohio Senate Local Government, Public Safety and Veterans Affairs Committee

Good afternoon Chairman Manning, Vice Chair Brenner, Ranking Member Maharath, and members of the Ohio Senate's Local Government, Public Safety and Veterans Affairs 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 my fellow trustees, I appreciate the opportunity to testify in writing as a proponent of House Bill 444, the township omnibus bill. I will concentrate on *Industrial Development Bonds* and another item on CLOUT's priority list, *Continuous Safety Services* (*Police/Fire*) *Levy*.

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 residents 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 and Research Center, The Christ Hospital, several outpatient 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.

Industrial Development Bonds

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.

Continuous Safety Services (Police/Fire) Levy

Originally in HB444, the Continuous Safety Services (Police/Fire) Levy language was removed in House Committee. I feel there are special circumstances whereby the larger Ohio urban townships and their residents and businesses would appreciate this option.

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)).

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

As an example, West Chester Township, Butler County, (the largest township in Ohio with over 64,000 residents and thousands of businesses) has their own dispatch center that handles the calls for both police and fire. Over the past several years, they have investigated how to upgrade/replace their 21-year old system with one that will address today's needs. Cost to do so are close to \$1M along with training and future maintenance and upkeep will have to be accounted for.

Currently, funding comes from each of their police and fire levies. It can be somewhat of a challenge from an accounting perspective in allocating those funds and when going out for a

levy. Let's say the Fire Levy passes and the Police Levy fails, it becomes an interesting situation on how to pay for the much needed service for both – the Dispatch Center. For this reason, it makes logistical sense for a township, such as West Chester have the ability to ask their residents to passing a continuing safety services levy. This would help to insure they are providing the best possible service to over 64,000 residents, thousands of daily visitors, and the multitude of businesses/employees that rely upon the accurate and speedy dispatch of police and fire personnel when needed. As the township immediately to the north of West Chester, Liberty Township has reciprocal agreements with them for safety services, thus the impact is felt not just in West Chester, but to the surrounding communities.

Streamlining safety service funding into one levy makes sense for our townships. If this is added back into HB444, it would allow for the option of a continuous safety service levy to be placed before the voters.

Liberty Township, Butler County, supports HB 444 and this possible amendment would like to thank Representatives Baldridge and Abrams for sponsoring and addressing these issues.

Chairman Manning, Vice Chair Brenner, Ranking Member Maharath, and members of the Ohio Senate's Local Government, Public Safety and Veterans Affairs Committee thank you for the opportunity to provide written testimony on HB444. On behalf Liberty Township, Butler County, I strongly encourage your support in passing and amending HB444 to include the option for Continuous Safety Services (Police/Fire) Levy.

Sincerely,

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