



## **OHIO TOWNSHIP ASSOCIATION**

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### **HB 123 – CRAs Proponent Testimony April 13, 2021 House Ways & Means Committee**

Good afternoon Chairman Merrin, Vice Chair Riedel, Ranking Member Sobecki, and members of the House Ways and Means Committee. My name is Marisa Myers, and I am the Director of Governmental Affairs for the Ohio Township Association. On behalf of the Ohio Township Association (OTA), I appreciate the opportunity to testify as a proponent of House Bill 123, primarily on the ability of limited home rule townships to use community reinvestment areas (CRAs) under the substitute bill.

There are two types of townships under the Ohio Revised Code: statutory, which encompasses the vast majority of Ohio townships, and limited home rule. While statutory townships are only able to exercise powers expressly granted under the ORC, limited home rule townships organized under Chapter 504 are able to enact any legislation not specifically prohibited. Limited home rule has been an option for townships for almost 30 years (HB 77, 119<sup>th</sup> General Assembly).

To adopt limited home rule, townships must have a population of at least 2,500 in the unincorporated area; although in practice, limited home rule townships tend to be larger in population. Generally, there are three categories of requirements for adopting limited home rule based on population categories: 1.) 2,500-4,999, 2.) 5,000-14,999, and 3.) 15,000 and above. There are additional requirements for the smallest population category. Townships between 2,500 and 5,000 that would like to adopt limited home rule must also have budget of at least \$3.5 million and employ a township administrator.

There are currently 34 townships in Ohio that have adopted the limit home rule form of government. There is also a designation for “urban” township in the ORC, which is a township that has adopted limited home rule and is over 15,000 in unincorporated population. Of the 34 limited home rule townships, 27 fit this description. It’s also worth noting that not all large townships have adopted limited home rule. The Coalition of Large Ohio Urban Townships (CLOUT) is an affiliate group of the OTA for townships with an unincorporated population of 15,000 or more and/or a budget of at least \$3 million. There are approximately 130 townships that meet one or both of these conditions.

As noted, there are different requirements for adopting limited home rule based on the township’s size, but all are required to hire a law director and provide police protection (both may be accomplished through contract). Limited home rule townships also often have township administrators, zoning inspectors, finance departments, and economic development departments. Many are capable of implementing an economic development strategy, including the use of CRAs, in their current framework without additional, significant strain to resources.

Giving townships equitable access to available economic development tools is essential for their growth. Under current law, only counties and municipal corporations can approve a CRA, which gives them a competitive advantage over townships. While the OTA believes all townships should have access to economic development tools, we appreciate the sponsors’ willingness to include this authority for limited home rule townships at this time.

The Ohio Township Association supports HB 123, and we strongly encourage your support as well. Mr. Chairman, thank you for the opportunity to testify before you this afternoon. I would be happy to answer any questions you or the committee members may have.