

DEVELOPMENT TAXATION STRATEGIES

Smart tools for smart planning

After determining that development was likely and with the expertise of a tax consultant from Bradley Payne Advisors and a tax specialist attorney from Frost Brown Todd, LLC, the Board of Trustees began studying various tax strategies to best position the Township for future costs increases which follow growth in the community. The Board of Education for the Ross Local School District was included in those early discussions. Future cost increases for governmental services were analyzed and considered during the process. The services considered included not only Ross police, fire, road maintenance, zoning and administration departments, but also considered the cost of administering and operating the school district through this future growth.

It is the intent of both Boards to use available tax strategies to best assure that the cost for additional services related to growth through development is paid for through those developments. This is the only way that townships in Ohio can grow without levying the cost for that growth onto the existing property owners in Ross. They feel that this is the fairest way to pay for growth in Ross Township and the least costly for the existing taxpayers. Fortunately, Ross is looking at development at a time when the Ohio State Legislature has given townships some tools critical to achieving that task.

Some, but not all of the strategies are listed and described below:

Strategy Type	Definitions
Tax Increment Financing (TIF) or Tax Increment Financing Fund (TIFF)	TIF is an economic development mechanism available to aid in financing public infrastructure improvements. Ross Trustees and the Ross School Board must jointly determine how best to administer a TIFF and exercise its powers to encourage targeted development or redevelopment. Execution of TIF does not raise taxes on existing Ross residents.
Joint Economic Development Districts (JEDD)	A JEDD is an arrangement where one or more municipalities and a township agree to work together to develop township land for commercial or industrial purposes. The benefit to the municipality is that they get a portion of the taxes levied in the JEDD without having to annex it. It creates a partnership between a municipality and a township in which each property within the JEDD district has an income tax placed on to it. Execution of a JEDD does not raise taxes on existing Ross residents.
New Community Authority (NCA)	A NCA is a separate public body governed by a board of trustees that may oversee, coordinate, construct and finance public infrastructure improvements and community facilities and beautification projects. The Authority develops procedures for forming and governing an NCA. Formation of an NCA is initiated by a petition signed by the property owners within the NCA area. Taxes collected through the NCA are typically accrued through business and resident income or through levied property or both and are in effect so long

	as the accompanying JEDD is in effect. Creation of the NCA does not raise taxes on existing Ross residents.
Special Improvement District (SID)	A SID is created and managed through the Township Board of Trustees (not a separate body). It is like a New Community Authority in that taxes collected through the SID are typically accrued through business and resident income or through levied property or both. However, taxes accrued through the SID are only collected until the development no longer has debt associated with it. Creation of a SID does not raise taxes on existing Ross residents.

If you have questions or comments regarding these strategies, please feel free to contact Bob Bass, Ross Township Development Specialist at rbass@rosstwp.org, the members of the Board of Trustees; or call the Administrator at (513) 863-2337 ext. 111.