

JOBS, ECONOMIC DEVELOPMENT & INFRASTRUCTURE

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Counties are partners with the state in facilitating economic development by creating an environment which is conducive to job creation. Counties are actively engaged in constructing and maintaining infrastructure, providing a trained workforce that meets employers' needs, and developing community assets and energy that provide a quality of life that is attractive to employers.

COMMITTEE PRIORITIES

INFRASTRUCTURE

The quality and maintenance of Ohio's infrastructure has a tremendous impact on encouraging economic development throughout the state. Yet, our aging infrastructure in its current state as it relates to county roads, bridges and public utilities significantly impedes economic development. Project costs to repair, replace or install necessary infrastructure far exceed the current capability of our counties.

Where environmental regulations are concerned, local governments have a critical need for clarity, predictability, and consistency; for policies that reflect scientific consensus; for common sense enforcement; and for careful cost-benefit analysis as part of the policy making process. At the same time, CCAO understands that fair and reasonable environmental regulations must be balanced with responsible stewardship of our natural resources.

Funding for Infrastructure

The quality of Ohio's infrastructure has a tremendous impact on economic development. Providing proper funding levels and revenue mechanisms to be used for infrastructure must be revisited by the state. Factors to be considered include: allocating additional public works bonding capacity; making adjustments to highway user fees; and providing additional grants, loans and subsidies for the capital costs of local utility

infrastructure. The state last adjusted the motor vehicle fuel tax in 2005, the state motor vehicle license fee for the benefit of local governments in 1980, and the permissive local motor vehicle license fee authority in 1987.

CCAO has additional positions relative to infrastructure funding that can be found under the **Taxation and Finance** section of this document.

THE QUALITY OF OHIO'S INFRASTRUCTURE HAS A TREMENDOUS IMPACT ON ECONOMIC DEVELOPMENT. COUNTIES ASK THE STATE TO ALLOCATE ADDITIONAL PUBLIC WORKS BONDING, MAKE ADJUSTMENTS TO HIGHWAY USER FEES AND PROVIDE ADDITIONAL GRANTS FOR INFRASTRUCTURE.

Environmental Regulation of Infrastructure

Agencies and communities are being hampered by a prescriptive approach to setting permit limits for nutrients, storm water and for TMDL-derived parameters. U.S. EPA admits that many remaining water quality issues are caused primarily by non-point sources, such as residential, agricultural and local development practices. CCAO is encouraged by the state's emphasis on controlling non-point sources through the development of Nutrient Management Strategies and the work of the Ohio Lake Erie State Phosphorous Task Force.

Agencies and communities are also being hampered by a prescriptive approach to evaluation of local financial capability used by enforcement officials of the federal government. The federal regulatory framework is being applied in a way that fails to adequately consider local economic conditions and the need for effective prioritization and scheduling of significant

water quality investment. This federal approach has already produced, and, if unchecked, will continue to produce unprecedented wastewater rate increases across Ohio. It will also yield significant community disruption from construction programs and, in many cases, limited incremental improvement in overall water quality. Given current economic conditions, these programs could have a devastating effect on the state's economic development goals.

Local Financial Capability to Provide Infrastructure

Financial capability assessments for Ohio's local governments should be based on the basic principles reflected in EPA guidance, but should further evaluate appropriate unique local conditions that apply to the community by quantifying all relevant economic factors impacting financial capability, including: housing burden, state and local tax burden, impacts on business competitiveness, projected population and employment trends, poverty and low income populations, community construction impacts, availability of local contractors, construction inflation and historical water quality investments.

Local financial impacts are best evaluated by local officials, not the federal government. The framework for evaluation of local financial capability should be a joint state-federal framework that assigns primary responsibility for defining water quality investment implementation schedules to Ohio wastewater agencies and their local and state officials, who can base schedules on their assessments on the financial capabilities of, and implementation impacts on, the communities they serve.

Ultimately, project costs far exceed the financial capability of counties and local governments to incur these obligations. The state must find ways to address the ability of counties, local governments and residents to afford financially the undertaking of necessary water and sewer projects. Counties ask the state to consider allocating public works bonding capacity to these projects, reestablish the Ohio water and sewer rotary commission, and provide significantly

greater funding support for governments and citizens confronted with EPA findings and orders to install water and sewer systems.

A CORNERSTONE OF PROVIDING WATER AND SEWER TO UNINCORPORATED PARTS OF THE STATE IS THE LONGSTANDING PUBLIC HEALTH POLICY TO REQUIRE HOMEOWNERS TO CONNECT TO PUBLIC SEWERS WHEN THEY BECOME AVAILABLE.

Structures with an existing septic system are required to connect if it is within 200 feet of the public sewer. The state should consider extending this requirement. Historically, septic systems have been looked at as temporary systems. This has been the policy of the state of Ohio since 1977. Eliminating connection requirements for on-lot systems could destroy the financial feasibility of sanitary sewer projects under construction today or planned for the future. Important projects which promote the public's health and the protection of our rivers and streams could be jeopardized and may not be constructed. CCAO asks that the state maintain this public health policy.

WORKFORCE DEVELOPMENT

Ensuring Ohio has a qualified, job-ready workforce is a critical component of economic development success in any part of the state. County government in Ohio has played a critical role in local economic development initiatives and implementing human services programs aimed at helping residents obtain, maintain or improve their employment. Tools that counties utilize in this task include the federal workforce program known as the Workforce Innovation and Opportunity Act (WIOA) and strong partnerships with the state's OhioMeansJobs centers. Some counties also use dollars from the federal Temporary Assistance for Needy Families (TANF) block grant, delivered through the county JFS, to invest in the local workforce infrastructure.

Commissioners caution against a one-size-fits-all approach to workforce development policy

in Ohio. The success of county-level workforce development programs is dependent on the degree to which those programs are employer-led and employer-centric at the local level. The programs must, first and foremost, address the specific needs of that business community as defined by the businesses themselves which in turn creates opportunities for job placements within the business community.

Federal Partnerships

WIOA is the latest iteration of the federal government's approach to workforce programming. It is a locally-driven system under the direction and control of elected local officials and aims to provide better alignment between programs and more flexible funding. This locally driven policy approach should be recognized as the state implements the new workforce law because local officials are in the best position to understand the pressing workforce development needs of both businesses and individuals in their communities.

Commissioners encourage the state to invest discretionary workforce dollars into the existing local workforce infrastructure, provided they have proven results. Any discretionary funding set aside from Ohio's WIOA allocation or Rapid Response dollars should remain as flexible as possible to allow the state to best meet businesses' needs identified at the local level as they arise, rather than being put into a specific program with additional restrictions.

Furthermore, county TANF allocations should be maintained and initiatives such as the Ohio Works Incentive Program and TANF Summer Youth Program should continue.

State Partnerships

OhioMeansJobs Centers (also known as one-stops) are a partnership between the state and local agencies to deliver workforce services to job seekers and employers. Commissioners believe that many one-stops are working efficiently and competently with local businesses to respond to their needs and get people back to work. As the state develops its workforce development success

measures to gauge both statewide and county-wide performance in workforce programs like WIOA, counties encourage a comprehensive look at the best practices driving success on the local level.

Local Authority

State-led changes to the workforce system should not undermine the positive working relationships that many one-stops have built with their local business communities, nor should they undermine the relationships and collaborations many counties have created with one another.

One-stops and workforce investment areas must continue to have the flexibility to partner with different counties and areas who fall outside arbitrary, bureaucratic boundaries and instead work across systems to meet both local and regional needs.

Given the vast differences in both the economies of and effective strategies within the various counties of Ohio, a locally-driven, state-monitored approach to workforce development activities truly is common sense. Commissioners ask that, rather than create state policy in reaction to one or two workforce areas or even one-stops that may be noncompliant or failing to succeed according to performance measures, the state should use its capacity to look at options like performance improvement plans as well share best practices and replicable examples of successful strategies to assist those areas.

COMMITTEE RECOMMENDATIONS

SOLID WASTE

CCAO supports giving solid waste districts maximum flexibility to meet the requirements of the state solid waste management plan through locally directed and approved plans with minimal state oversight.

SOLID WASTE DISTRICTS SHOULD BE GIVEN MAXIMUM FLEXIBILITY TO MEET THE REQUIREMENTS OF THE STATE SOLID WASTE MANAGEMENT PLAN THROUGH LOCALLY DIRECTED AND APPROVED PLANS WITH MINIMUM STATE OVERSIGHT.

Local control of solid waste planning

Under broad goals and guidelines established by state law and the state solid waste plan, CCAO supports local self-determination in the number and composition of districts. CCAO believes that adoption of disposal, generation and contract fees should remain local choices approved by local officials. Flow control must be preserved for local officials to finance public facilities and to implement the purposes of a locally approved solid waste management plan. CCAO supports retention of the authority of solid waste districts to adopt solid waste rules that govern the following:

- The maintenance, protection and use of all solid waste collection and disposal facilities.
- The receipt of out of district waste.
- The application of zoning to solid waste facilities.
- The implementation of a program for the inspection of out of state waste.

CCAO believes that district programs must reflect local needs, demographics and waste management conditions and that a one size fits all approach to local solid waste planning is not in the long term best interest of the state or its citizens.

Flexibility in solid waste governance

CCAO supports local flexibility for each district to determine whether to have a board of directors or to establish a regional solid waste authority for governance purposes. For solid waste districts that choose to retain the board of directors/solid waste policy committee governing structure, the law should be amended to permit districts to

reduce policy committee quorum requirements and to reconfigure policy committees to reduce the sheer size of multi-county district policy committees. Districts with two or more counties should be able to participate in meetings via electronic video conferencing, and districts with three or more counties should have the ability to establish a non-statutory membership composition.

Streamlining of the planning process

CCAO supports streamlining the planning process by requiring each district/authority to prepare a plan every 10 years instead of every 3 1/3 years, provided the district is meeting goals laid out in the plan. CCAO believes that plan components should be less prescriptive than they are currently, that the format should be general and serve as a guidance document, and the format should not be a one-size-fits-all template. In general, CCAO supports putting more resources into plan implementation and devoting less time to continuous updates and revisions of the plans. Other changes to the planning process that CCAO supports include the following:

- **Fee modification process** – Reduction in district generation and disposal fees should not require ratification of the solid waste plan, rather such changes should only require two hearings and a resolution.
- **Plan components** – Remove burden of inventory data collection from districts and require brokers and haulers to submit data to the state.
- **Plan ratification process** – Maintain the 60 percent approval for ratification and remove large city veto.
- **Plan ratification process** – Failure by a political subdivision to vote removes that political subdivision from the calculation needed for approval.

In order to promote fiscal accountability, CCAO supports allowing districts to discontinue service where the costs for providing service exceed the

economic value without re-ratification of the plan. In order to reduce fund balances, CCAO also supports permitting districts that levy disposal fees to reduce the \$1 dollar per ton minimum disposal fee.

If county commissioners are to make full use of existing facilities, programs and services, it is essential that local officials have the power to:

- Have self-determination relative to the composition of each solid waste district.
- Establish funding mechanisms to carry out district solid waste plans.
- Adopt rules to make sure that solid waste facilities are properly utilized.
- Implement designation and debt financed flow control to make sure that facility debt may be retired and that solid waste plans may be fully implemented.

PROPER DISPOSAL OF SCRAP TIRES

Legislation regulating the sale, disposal and transportation of scrap tires in Ohio was adopted in 1993 (House Bill 165). Since the adoption of this worthwhile legislation, there is evidence of increased open dumping of scrap tires leading to public health hazards and a high cost to taxpayers in remediating tire dumps. Given that it has been over 20 years since the adoption of the original law regulating disposal of scrap tires, CCAO believes it is time to revisit the law so as to close loopholes leading to the improper disposal of scrap tires. CCAO supports changes to the law and administrative code to:

- Redefine “open dumping” and “scrap tire” so as to close loopholes allowing unscrupulous haulers to dispose of scrap tires in abandoned buildings, as an example.
- Increase Ohio EPA registration requirements on scrap tire transporters to require them to maintain and be able to show proof of a valid contract with an appropriate scrap tire disposal facility or recycling facility, and require all drivers to have a valid driver’s license.

- Increase the amount of financial assurance that registered scrap tire transporters are required to maintain.
- Require scrap tire storage facilities to secure tires from theft and limit the number of tires stored in a building or covered area, enclosed container, trailer or installation.
- Exclude any political subdivision or any state agency conducting a roadside or public property litter cleanup operation or a community tire collection event from needing to register as a scrap tire collection facility, provided they meet certain criteria.
- Increase the penalty for any scrap tire generator who hires a hauler to remove tires that is not an Ohio EPA registered scrap tire transporter.

PERMISSION FOR HEALTH DISTRICTS TO REQUIRE SEWER CONNECTIONS FOR STRUCTURES LESS THAN 400 FEET FROM COUNTY SEWER LINE

CCAO seeks to enable general health districts to require property owners with a residence or facilities with a septic system within 400 feet of a county sanitary sewer line to connect to the county sewer line.

Even the courts have ruled on this subject. In 1984 the Ohio Supreme Court ruled in the case of *DeMoise v. Dowell*, that “individual household sewage disposal systems are inherently more dangerous to the public health than sanitary sewerage systems and must be replaced when possible.”

ENERGY

The availability of reliable energy is a critical component to economic development and quality of life for Ohioans. Efforts should be made to assure that power supplies are sufficient throughout all regions of the state.

CCAO encourages exploration of and support for more alternative sources of energy, including bio-

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energy, solar, geothermal and wind energy, as well as support for enhanced traditional sources such as clean coal technology.

The technological advances in harnessing new energy sources have offered great opportunities to Ohio. CCAO supports state policies, such as renewable portfolio standards, to encourage the use of alternative and renewable energy resources. However, CCAO believes the decision to incentivize such technologies with local tax abatements should remain with local political subdivisions.

In addition, CCAO supports developing and expanding the applicable uses of domestic energy sources. For example, the state, in conjunction with local governments, should continue to review and analyze the economic feasibility, technology, and infrastructure opportunities and challenges regarding the potential conversion of vehicle fleets to natural gas-fueled vehicles (NGVs).

CCAO believes that as Ohio joins the race to embrace new energy technologies, the state should commit to including local governments in developing applicable state policies, particularly given the potential siting, infrastructure, taxation and community impacts.

The movement of drilling equipment coupled with the large amounts of material, in particular water, to and from both drilling sites and injection well sites will cause much distress to our roadways. CCAO advocated for and was disappointed with the refusal of policymakers to require a road use and maintenance agreement (RUMA) be in place with the appropriate local political subdivision as a condition to a permit to drill, particularly given the mandatory nature of such agreements with regards to the development of alternative energy sources. Although recent changes require a “good faith” effort by drillers to achieve a RUMA, CCAO anxiously awaits the review of a task force charged with analyzing the effectiveness of this “good faith” requirement.

In addition to requiring a RUMA for oil and gas exploration, CCAO supports a requirement for a RUMA in cases of natural gas and other pipelines which trench road rights of way and other public

infrastructure. It is important that public roads be protected from damage by pipeline transportation companies and a mandatory RUMA will go a long way to protecting the public investment in highway infrastructure.

LAND USE REGULATION AUTHORITY

County commissioners have limited authority to effectively regulate even the simplest land use problems in the county. CCAO proposes that boards of county commissioners be given the following additional authority and tools to regulate land use:

- Authority to impose impact fees on new development to assure the general taxpayer does not pay for the entire cost of expanded infrastructure needed as a result of new development.
- Authority to enact zoning for the purpose of promoting the general welfare and to encourage the preservation of agriculture and agribusiness.
- Authority to approve transfer of development rights (TDR) in both zoned and unzoned areas in order to promote preservation of open space and farmland. In the event a property owner is compensated in conjunction with a TDR, no public funds may be granted to the owner for an agricultural or conservation easement.

TAX ABATEMENT / COMMISSIONER APPROVAL

CCAO supports legislation requiring notification and consent of each board of county commissioners affected by property tax abatement or tax increment financing that a township or municipal corporation grants within a county. CCAO recognizes the value of tax abatement as an economic development tool and supports retention of county authority to provide tax abatement under a revised statutory format necessitated by the elimination of the tangible personal property tax.

BUILDING PERMITS

Counties should be authorized to issue citations for building permit offenses, compound or increase building permit fees for unresolved violations, and link separate building code violations and separate sites for violations involving the same owner or contractor that continues to violate the law. CCAO also seeks authority for a “one stop shop” for permitting and inspecting construction occurring within the unincorporated areas of the county, including the same authority that municipalities currently have to do plumbing inspections without the acquiescence of the county health department.

COMMERCIAL BUILDING PERMIT PLANS REVIEW

The Ohio Commercial Building Code requires that building departments review commercial applications for building permits in the order in which they are received. CCAO believes counties should be provided specific legislative flexibility to review plans in a manner which allows for expedited review of projects that have significant local and/or economic development impacts.

ENFORCEMENT OF FLOOD PLAIN REGULATIONS

CCAO supports legislation permitting a county to levy fines and issue stop work orders to enforce county flood plain regulations.

LOCAL GOVERNMENT REQUEST FOR PUBLIC HEARING ON PERMITS FOR BRINE INJECTION WELLS

Under current law, the Division of Mineral Resources at the Department of Natural Resources is not required to hold a public hearing on applications for permits for an oil and gas well or a brine injection well, even if the division receives timely comments and a request for a hearing. This is different than the law on concentrated animal feeding operations and wind farms. CCAO supports a change in law that requires public hearings on applications for oil and gas well permits and brine injection well permits

if requested by a board of township trustees or municipal legislative authority if the proposed location is within that township or municipality, or by a board of county commissioners if located in the county. The Division would continue to have discretion on hearings requested by other parties but would be required by state law to conduct a hearing if requested by local governments.

CCAO has additional positions relative to the taxation of oil and gas that can be found under the **Taxation and Finance** section of this document.

ZONING OF CELLULAR TOWERS

Existing law limits the authority of county and township zoning to regulate cellular towers to residential zones. CCAO supports legislation granting authority to regulate cellular towers in all zoning districts under reasonable standards that recognize the need for cellular service.

LAND REUTILIZATION PROGRAM / LAND BANKS

CCAO supports amendments to the land reutilization program to accomplish all of the following:

- Allow counties to form multi-county land banking programs.
- Allow a board of revision to process tax foreclosures as opposed to the courts.
- Permit electing political subdivisions to acquire delinquent properties without the requirement of waiting for the property to be offered for sale at two sheriff sales.
- Allow the county to retain their own legal counsel to prosecute tax delinquencies instead of being required to use the prosecutor.
- Require property owners to pay all back taxes and assessments within one year of delinquency and not be able to enter into a payment program to avoid foreclosure. However, a special provision should be

included to allow payment plans for senior citizens on limited incomes and for the properties that are delinquent and taxes have not been paid as a result of a death and final disposition of the estate has not occurred.

- Allow counties to sell property acquired through this process to be sold for less than fair market value.

INCREASE PREVAILING WAGE THRESHOLD TO \$5 MILLION FOR NEW CONSTRUCTION

Every effort should be made by legislative or administrative means to simplify the reporting requirements of complying with the prevailing wage law. In addition, the law should be modified to conform with federal law providing that the prevailing wage rate as included in the bid package shall remain in effect throughout the entire period of the project. This modification would eliminate the cost to the county for contractor's estimates of anticipated rate changes as well as the administrative cost related to providing rate increase notifications.

CCAO also asks that the current statutory monetary thresholds for determining when the Prevailing Wage Law applies to public improvements for "vertical" construction projects (which are those projects other than roads, sewers, ditches and other related projects) be increased from \$250,000 to \$5 million for new construction and from \$75,000 to \$250,000 for reconstruction, enlargement, alteration, repair, remodeling, renovation or painting and then be adjusted biennially, but not to exceed a 3 percent variance for any year, to new threshold levels based upon the construction price index. Both of these thresholds were increased to their present levels over a three-year period under provisions of House Bill 153, the FY 12/13 biennial budget bill. House Bill 153 as introduced would have increased both thresholds to \$5 million.

GOVERNANCE OF CONSERVANCY DISTRICTS

The governance structure of conservancy districts should be revised by removing common pleas

judges as the appointing authority for the board of directors of the district. Advisory Opinion 2003-9, issued by the Board of Commissioners on Grievances and Discipline, poses the possibility that this role of appointing authority may be in conflict with the Ohio Code of Judicial Conduct. The boards of county commissioners from each county within a conservancy district should appoint either a commissioner or other qualified person to the board of directors of the district.

EMBRACING THE ECONOMIC GARDENING MODEL

Economic gardening is a development approach which focuses on supporting innovative companies and entrepreneurs that are growth oriented to become larger. Economic gardening concentrates on strategic issues like penetrating new markets, refining business models, developing management teams, and providing information and decision-making assistance to these companies. These companies tend to have national or global markets and consequently bring outside dollars into their community.

Development initiatives should be crafted to support the unique needs of this segment of the economy which is poised for guaranteed growth. By targeting dollars to provide seed money for these businesses and with state and local agencies providing oversight and technical assistance, these businesses can use dollars for innovation and growth, and truly create positive results for Ohio.

REDEVELOPMENT AND REHABILITATION OF VACANT BUILDINGS

Throughout Ohio there are vacant buildings that have outlived their usefulness as currently configured. While these structures are sound, their conversion to fit modern day applications is costly. Current zoning codes don't contemplate revitalization, and building code compliance is cost-prohibitive. The state should develop a program that makes the re-use and restoration of these structures competitive with the option of new construction. Components of this program targeted to redevelop and re-use existing sites

should include eminent domain and industrial/commercial land banking, consolidation of parcels, as well as preferential land use and zoning provisions and building code provisions. These should take safety into consideration without demanding compliance with current code provisions that contemplate new construction. We recommend a companion program to “shovel ready” sites that supports the transformation to “occupant-ready” sites.

BOND POOLS FOR ECONOMIC DEVELOPMENT

CCAO requests broader authority for county government to use its taxing authority for bond pools for economic development.

FORCE ACCOUNT

CCAO supports indexing thresholds for the performance of force account work to increases in the construction price index so that force account limits will keep pace with inflation. CCAO also supports permitting a sanitary engineer with funds appropriated by the commissioners for this purpose to use county personnel and equipment to undertake water and sewer projects instead of having to contract for all such improvements.

ROAD AND BRIDGE IMPACTS

CCAO supports providing counties with additional authority to classify roads according to use and designate haul routes for heavy truck traffic.

TRANSPORTATION IMPROVEMENT AUTHORITIES

CCAO supports the enactment of legislation to allow local governments, with the consent of each of the participating local governments’ legislative authorities, to create transportation improvement authorities.

AIRPORT FUNDING

CCAO supports legislation that would establish a trust fund comprised of all state sales tax revenue from the sale of aviation fuel (approximately \$6

million per year). Ohio has 97 general aviation grant-eligible airports. An aviation study prepared for ODOT in 1999 estimates that it would take \$8 million per year over a 20-year period to rehabilitate these airports. The sales tax from aviation fuel dedicated to safety and runway improvements would go a long way toward providing the level of funding recommended in the ODOT study.

RAILROAD GRADE SEPARATION FUND

CCAO supports legislation that would continue the nearly completed Railroad Grade Separation Program initiated in 2001 with a state commitment of \$200 million that funded 28 high priority grade separation projects across Ohio. Of the 28 major grade separation projects undertaken with this program, only two grade separation projects remain and are in the process of being completed. Grade separation projects at critical rail highway intersections promote economic development and public safety while relieving highway traffic congestion.

FIBER OPTIC SYSTEMS

CCAO supports providing counties with specific statutory authority to own and operate fiber optic systems for telecommunication purposes. CCAO supports programs that encourage greater Internet and broadband accessibility statewide.

AIR QUALITY

The US EPA revised ozone standard of 70 parts per billion (ppb) became effective October 2015, and Ohio EPA has identified the urban areas of Cleveland, Columbus and Cincinnati to be in non-attainment. Because of the substantial costs of potential programs required to meet such attainment standards and the regional nature of their application, CCAO strongly recommends that responsibility for implementing air pollution controls remain with the state. CCAO encourages the state to work with local air pollution control agencies, local governing bodies, MPO’s, regional councils of government, and businesses to use opportunities to utilize land use law and regulations to meet the Clean Air attainment

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standards. As the state tackles air quality regulations, the association urges reasonable practices that minimize adverse impacts on citizens and the economy of Ohio.