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Township Administrator  
Sugarcreek Township, Greene County

PLANNING TO PRESERVE YOUR TOWNSHIP  
(and Prevent Annexation)

PROPERTY IS SECOND ONLY TO FAMILY  
WHEN IT COMES TO EMOTION.

ANNEXATION IN THE NEWS

September-October year-end review

Canton council approves Mahoning golf course annexation

Kensa-CBU annexation: County commission will appeal to Ohio Supreme Court
WHAT ARE THE INCENTIVES TO ANNEX?

• Tax Incentives – TIF’s or other forms of tax abatement that will benefit the property owner/developer by utilizing property taxes for “public” improvements for the property.
• Density – The city will allow the property to develop at a higher density that results in a higher profit for the developer and a higher price paid to the owner per acre. In addition, higher density means more income taxpayers for the city.
• Access to Water and/or Sewer – County or Township water is not available to the site and the city is holding the property owner “hostage” for the provision of services.
• Relationships – They have a better relationship with the city officials than they do with the Township.
• Because the city is willing to use the tools available to them.

TAX INCENTIVES

• TIF’s – Tax Increment Financing
• JEDD’s – Joint Economic Development Districts
• EZ’s – Enterprise Zones
• CRA’s – Community Reinvestment Acts
• PACE Financing

TIF’S - HOW DO WE PLAN AGAINST THEM?

• Analyze your Township and identify properties that abut the municipalities and may be susceptible to annexation.
• Don’t get stuck on your Land Use Plan. The city may have other ideas so look at their Land Use Plan also and adjust yours accordingly.
• Implement a 10 year, Non-Consent, Springing TIF on each parcel. That may be at risk on the perimeter of your Township. This is a proactive move. Property cannot be exempted twice, so your TIF will take precedence over any action of the city therefore disincentivizing the city to annex if they can’t use everyone else’s money.
• The TIF demonstrates your willingness to the property owners to help fund public infrastructure for development.
10 YEAR, NON-CONSENT, SPRINGING TIF’S

- ORC 5709.73(B)
- The TIF remains on the property until increased valuation through improvements are made, which starts the 10 year clock on each parcel, one parcel at a time.
- Notice to the school district is required, but not their consent.
- No notification to the property owner is required but may be advisable.
- First exemption prevails.
- Must be a unanimous vote of the Township Trustees.

DENSITY

- Apartments – The more renters, the higher the rent revenue, the higher the income tax received by the city. Apartments are considered commercial for the purposes of a TIF.
- Residential Single Family – Smaller lots means more homes, more residents, more income tax for the city, and a higher return on the dollar invested for infrastructure by the developer.

DENSITY (CONT’D)

- Analyze your zoning map and identify the parcels that the city may be willing to offer more density.
- Update your Comprehensive Land Use Plan to identify planning areas with those conditions and add language that recognizes the proximity to the adjacent municipality that may be subject to annexation and therefore density will be considered on a case by case basis.
- This will promote a PUD process for the property where the density can be determined as appropriate for the area demand for the area to demonstrate to the owner and developer that you are willing to work with them.
This remains a priority for the OTA and CLOUT to see legislation passed that prohibits the withholding of services to force an annexation. Very difficult to overcome once in play.

- Relationship building is key.
- Discussions of incentives in advance and proactively analyzing how you can assist in development are appropriate. Look to partner with the city if possible, in a JEDD or other revenue sharing.

- May be the most important part of planning to preserve your community.
- Be open and upfront with the planning processes. Don’t plan property without the involvement of the owner and involve them early.
- Relationships with the city are important also. Keep your friends close and don’t see the city as an enemy. Your mindset regarding the city will be perceived as positive or negative, your choice. Remember, people talk.
- Be knowledgeable. Are utilities available to a property? What is the Township’s position on assisting with development costs for infrastructure? What tools do I have to meet the competition?
- Be involved at a county level and make sure those relationships are positive.
- Make sure the contact your staff has with the public is always positive. Your public image is paramount to maintain the borders of the Township.

Let us never negotiate out of fear. But let us never fear to negotiate.

JOHN F. KENNEDY