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Tax district's fairness argued

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Trustees say it's only way to pay for better roads

WEST CHESTER TWP. — Is it fair to take 1 percent or 1.5 percent of a retail store or restaurant worker's paycheck to pay for an expanded highway exit in another township, or for road improvements needed to build a \$200 million hospital?

Is it fair for a handful of

property owners to get a vote on such a tax, but not the workers themselves?

These and other questions are emerging about a proposal floated last week to create a special income tax district that would cover about 300 acres on both sides of Cox Road between Tylersville and

Hamilton-Mason roads.

The idea is to raise several million dollars a year to help pay for the Liberty interchange off Interstate 75 and Ohio 129. Proponents say the expanded interchange, which could cost \$30 million to \$50 million, could ease congestion on Cox and Tylersville

roads.

Money from the new tax district also would improve access to a new community hospital at University Pointe off Cox Road. Work on the hospital, which could employ 650 to as many as 1,300 people, could start this summer. The exact borders of the

proposed district, the exact amount of the tax and other details have not been determined. One option could be that the district also would extend down Tylersville Road, west to Interstate 75, township leaders say.

They say the special tax district is the only way they

can think of to generate money needed. Discussion about establishing the tax district is set to resume at the township's Feb. 14 trustee meeting.

But some residents and workers contend the tax is unfair. They say new developments that create public costs should pay their own way.

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Fairness: Tax district issue

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It isn't yet known whether the tax would apply to just workers in the tax district area or also to the property owners who collect rent from tenants, township officials say.

"I think we pay enough in property taxes where we shouldn't be taxed again," says West Chester resident Yvonne Dudley.

She inherited 2 acres of prime land along Tylersville Road just west of Cox Road over the summer. The land is part of the Dudley Farms Shopping Center, which includes Caribou Coffee, Help-U-Sell and other small businesses.

Two of her brothers inherited another 9 acres to the west, where an unoccupied farmhouse still stands. That parcel is expected to be developed.

James Urling, chairman of the anti-tax group Coalition Opposed to Additional Spending and Taxes, said he is studying how such tax districts work. But at first glance, he's skeptical about the proposal.

"It smells, definitely," he said. "It sounds like some more taxation without representation."

Townships in Ohio cannot directly impose an income tax as cities can. Instead, they must partner with a city - in this case Hamilton -

to create a limited tax district called a joint economic development district. Such districts require approval from a majority of property owners in the affected area, but not from workers who would actually pay the tax.

West Chester Township Trustee George Lang says he supports creating the tax district. But even he questions its fairness. Lang says he doesn't like that the district could impose a new tax on some West Chester residents who already pay for growth costs via property taxes.

Lang says Ohio law should be changed so townships can impose an earnings tax on just workers who live outside the township.

"Out of the 50,000 daytime workers in West Chester, about 38,000 do not live here," Lang said. "They are coming in using our roads and police and fire and are not helping to pay the cost of that."

Trustee Catherine Stoker says if Lang wants that, West Chester should just incorporate as a city.

There are no organized movements, however, to do that. Voters have rejected incorporation attempts here three times since 1988, most recently in 1993. But since 2002, some township leaders have predicted another attempt will happen someday.

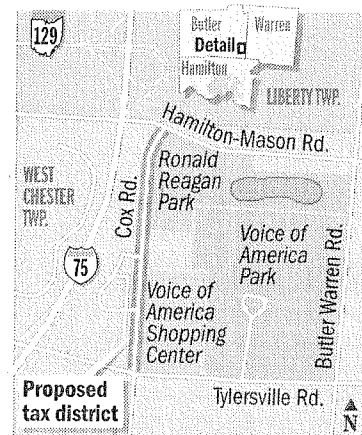
"I think that it may be time for West Chester to seriously consider becoming a city," Stoker said. "It would allow us more funds for parks and roads. We've reached a size where our service is comparable to a city but our revenues aren't."

In recent years, traffic from new subdivisions, stores and restaurants has turned Tylersville and Cox roads into one of the worst quagmires in Greater Cincinnati. County officials have been saying for years that traffic back-ups would be eased by an expanded interchange just up I-75 in adjacent Liberty Township. The project also would open more land for more development.

In Liberty Township, just north of the expanded exit, a similar tax district proposed charging income taxes to current and future workers in 685 mostly undeveloped acres near the expanded interchange. The district is projected to raise \$147 million over 40 years - assuming the land is fully developed into commercial and industrial parks.

For helping establish the Liberty Township district, Mason would collect about \$27 million and Middletown would get about \$3.5 million.

The West Chester district would address areas south of the expand-



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ed interchange. Hamilton would get a yet-to-be-determined share. Hamilton City Council is open to the idea, said City Manager Mike Samoviski.

It's not clear whether property owners in West Chester's proposed tax district endorse the plan.

A representative of the Health Alliance, which would operate the new hospital, said West Chester leaders just mentioned the tax district to them last week. The hospital's employees likely would have to pay the income tax.

"We have to investigate even what that means and how it would work," said Robert Herrick, senior vice president of planning and corporate development for the Health Alliance.

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