

House Financial Institutions Committee

TESTIMONY OF MARK A. WAGENBRENNER AS AN INTERESTED PARTY REGARDING HB 133

March 9, 2021

Chairman Jordan, Vice Chairman Ferguson, Ranking Member Crossman, and members of the House Financial Institutions Committee:

My name is Mark Wagenbrenner and I am the President of Thrive Companies and Wagenbrenner Development here in Columbus, Ohio and I am presenting this written testimony regarding HB 133. In particular, I strongly support the provisions of the bill which would provide for a limited COVID-related property tax complaint filing limitation waiver in temporary, uncodified law. I represent the third generation of developers that started with my grandfather building homes, churches and schools in Central Ohio and my father and uncles developing the stores, offices and apartments along Grandview Avenue. Never before have we faced such daunting times as we battle against the carnage caused by the COVID Pandemic.

We have seen about one third of the restaurants and many retailers go out of business already, including well known establishments like Matt the Miller and Spagios, which had anchored Grandview Avenue for nearly 50 years. We suspect more permanent closings are imminent as the recent COVID surge has already caused steep drops in sales heading into the most critical holiday season for many struggling small businesses. We have worked with nearly all of our tenants to restructure rent and in many cases grant permanent rent forgiveness.

We also have seen major shifts in the office market. Pre-pandemic we had two large users looking at our 130,000 square foot spec office building at our Grandview Crossing project. Both companies delayed signing negotiated leases initially because of the shock and fear of the pandemic. Now both tenants are starting their searches over again. We face steep drops in rent as they now have new options, and we are forced to compete against space being dumped as large users are subletting spaces they now no longer need in a post pandemic world.

For many real estate industry sectors to survive they need every possible tool to combat this brutal pandemic. One such tool is the COVID valuation complaint mechanism included in HB 133. It gives property owners the flexibility to seek temporary relief of lower property taxes caused by the blatant impacts to property values caused by COVID. If taxes were to be temporarily lowered, consistent with the temporary impact to property values, it would give property owners a bridge to get over the pandemic. Hopefully this will prevent fire sales and foreclosures that historically cause huge

disruptions in inventory, inventory that will be needed in 2021 as the vaccines are distributed and we return to a new normal world.

I urge the committee to take immediate action to pass HB 133 so we can get urgent relief. In many counties and in particular Franklin, due to the triennial property tax review cycle, this bill has to be passed very quickly so 2020 values due in 2021 can be contested consistent with the upcoming March 31 filing deadline.

Please let me know if I can do anything to aid in the passage of this critical bill.