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**Ohio Manufactured Homes Association**

**Proponent Testimony – HB 126**

**House Ways and Means Committee**

**March 2, 2021**

Chairman Merrin, Vice Chairman Riedel, and Ranking Member Sobecki, thank you for the opportunity to testify in support of House Bill 126. Since 1947 the Ohio Manufactured Homes Association (OMHA) has represented all segments of the manufactured housing industry including manufactured homes communities (MHC) that provide affordable housing. Over 900,000 Ohioans live in manufactured homes.

House Bill 126 proposes that local governments, including school boards, must notify property owners by certified mail in a notice postmarked at least 14 days prior to any adoption of the resolution. The notice provided to the property owner indicates the intent to adopt a resolution and the basis for the tax complaint. The public body may pass a formal authorizing resolution when these public bodies contest property valuations. The public body's complaint (or counter-complaint) concerning property value would be filed with the county board of revision no later than 30 days after the last day the complaint or counter-complaint against the property may be filed. Counter-complaint filings have a different deadline.

The members of OMHA support this provision because as significant property taxpayers, we would like to be informed of any public body's resolution before a complaint was issued challenging property tax valuations. It is particularly interesting how this law is applied to MHCs. In manufactured home parks there are a few scenarios that can occur.

1. Residents who own the home, but rent the lot.
2. Residents who rent the home and rent the lot.



It would be rare for a person to own the lot, but rent the home. However, given the arrangements outlined above, the main target for increased property valuation is the MHC itself. As facilities with sometimes large footprints in communities, manufactured home parks have multiple lots within its boundaries. Our industry is experiencing a trend of older parks selling to larger and better capitalized entities with the intent of replacing older homes with newer home models. Additionally, new park owners are investing capital dollars to upgrade infrastructure to complement the new housing stock. In these parks, where a new owner is replacing homes, a home owner who owns an older home, but rents the lot, may find themselves with higher tax bills simply by living in a park being upgraded. These higher taxes may become a burden for the homeowner and they may not have the ability to fight the increases.

We agree that these improvements will improve the valuation of the property and may lead to a new taxation level. However, for a local entity to prey on these improvements for the express intent of adding to the owner's tax base, we believe will have a chilling effect on new investment in parks, because park owners know major improvements will trigger an automatic tax battle with local entities including large attorney bills to fight the increases.

We appreciate that House Bill 126 seeks to protect the due process rights of property owners and public bodies by still allowing complaints and counter complaints regarding property taxation. OMHA views the bill as fair and taxpayer friendly and we urge your support for the bill.

Thank you, Chairman Merrin and members of the committee for the opportunity to provide comments in support of House Bill 126.