

**Jenny Spencer** COUNCIL MEMBER, WARD 15

**COMMITTEES:** Utilities - *Vice Chair* • Development, Planning & Sustainability • Finance, Diversity, Equity & Inclusion  
Workforce, Education, Training & Youth Development

**Testimony to the Ohio Senate Committee on Ways and Means**  
Senate Bill 244 – Proponent Testimony

Tuesday, June 25, 2024

Chairman Blessing, Vice Chair Roegner, Ranking Member Smith, and members of the Committee:

Thank you for inviting proponent testimony on Senate Bill 244. My name is Jenny Spencer, and I have served Ward 15 on Cleveland’s Near West Side for over fifteen years – first at our local community development corporation, and now as a member of Cleveland City Council.

The neighborhoods I represent are some of the most socio-economically diverse in the city, which provides lots of opportunity for all residents, but those opportunities are at risk. Property values in my neighborhoods have grown high enough and swiftly enough to cause significant displacement pressures. This is especially true as Cuyahoga County prepares to send updated values to homeowners for its 2024 sexennial reappraisal. I’ve been concerned about this issue for years, and there are so many homeowners in my ward who are dreading what those new updated numbers will mean for their property tax bills – and I know this is true for other homeowners throughout Cleveland and throughout the State of Ohio.

Joining me today is my friend and constituent Phyllis Bambeck. Phyllis is 83 years old, is a retired school teacher, and has lived in her home on West 71<sup>st</sup> Street since she bought it in 1971. That’s over 50 years. Phyllis was featured in a June 2022 *Crain’s Cleveland Business* article (“[Longtime homeowners, advocates seek relief from property-tax squeeze](#)”). She raised her two children in the 1970s and 80s as a single mother on a parochial school salary. She is active in her parish and helped plan this year’s Lenten fish fry dinners. Phyllis is a fixture on her street; she looks out for her fellow neighbors and they look out for her.

And yet, Phyllis is facing the frightening question of whether she will be able to stay in her home, because property values have quadrupled over the past ten years. Phyllis does not have air conditioning. She does not have an updated bathroom or kitchen. She gets by thanks to her monthly Social Security checks and a small pension. She was recently able to save her home by challenging triennial and sexennial reappraisals at the Board of Revisions, a stressful process which she carried out with community assistance. Phyllis prevailed, for now. But why should she have to fight so hard, so late in life, just to stay in her home?

Phyllis’s is just one of innumerable stories in my community, and her experience is backed up by data. In my written testimony, I have included a map which shows changing gradients (from blue to green to yellow to orange to red) representing the percentage change in property values during Cuyahoga County’s last sexennial reappraisal in 2018, and includes all residential parcels with one-, two-, or three-units. Any parcels in blue or green lost value in this cycle. Parcels shaded in yellow barely showed growth in value. And parcels in orange and red – and especially in red – had the hottest increases of all.

As this map demonstrates, a majority of residential housing in Cleveland lost value in the 2018 sexennial reappraisal cycle. And only in a few concentrated places – including in Cleveland’s Near West Side and University Circle – did we see hot real estate markets.

In just a few weeks, Cuyahoga County will begin mailing letters to residents telling what their new home values are, under the 2024 sexennial reappraisal. We have already heard that the average increase across Cuyahoga County will be approximately 35% - and we also know that some homes in the neighborhoods I represent will be increase 100% in value this cycle.

In neighborhoods that attract investment and new residents, what happens to longtime homeowners when their mortgages are a fixed amount – and have been for years – or their homes are paid off, but their property taxes go up faster than their income? First, those increased costs take away from the homeowner’s ability to pay for utilities, buy food, or take care of other basic needs. Second, it reduces their ability to invest in basic maintenance and repairs of their home. That deferred maintenance can drag down property values and lead to housing code violations. Third, that financial stress can force people to sell and leave their neighborhoods, which is antithetical to building strong neighborhoods, or – worse – they might outright abandon their home and default on their mortgage. In that worst case scenario, a homeowner has lost their home, tanked their credit score, and no longer pays property taxes at all.

I do not pretend to be an expert in property tax calculations. One aspect I do understand is that when a property tax levy is designed to raise a specific amount of money, the loss of value in one place increases the burden in other places – places that are stable, and those with rising values.

Chairman Blessing and members of the committee, I am committed to strengthening the city of Cleveland by enacting policies that increase the quality of life for residents, that provide safe and healthy places to call home, and that attract good jobs. I want all of our neighborhoods to grow in ways that meet the needs and dreams of residents, and in ways that invite new investments and new residents. I want Cleveland to grow and thrive, just like we all want Ohio to grow and thrive.

What I do not want is for longtime residents to be forced out of their homes, feel unwelcome, or feel like they need to advocate against investment because they are scared it would hurt them.

That is why I am here today with Phyllis to offer testimony in support of Senate Bill 244. It would empower Ohio’s cities to craft targeted programs to help longtime, low-income homeowners, while working within state-mandated guidelines. Senate Bill 244 would empower us to enact and tailor programs that meet our constituents’ needs, while still generating the taxes necessary to support schools, libraries, and other public services. Years ago, the General Assembly entrusted Ohio’s cities with the power to enact tax abatement to spur new investment. Senate Bill 244 was modeled on Ohio’s existing law on tax abatement, and the Residential Stability Zones authorized by Senate Bill 244 would be tax abatement’s partner.

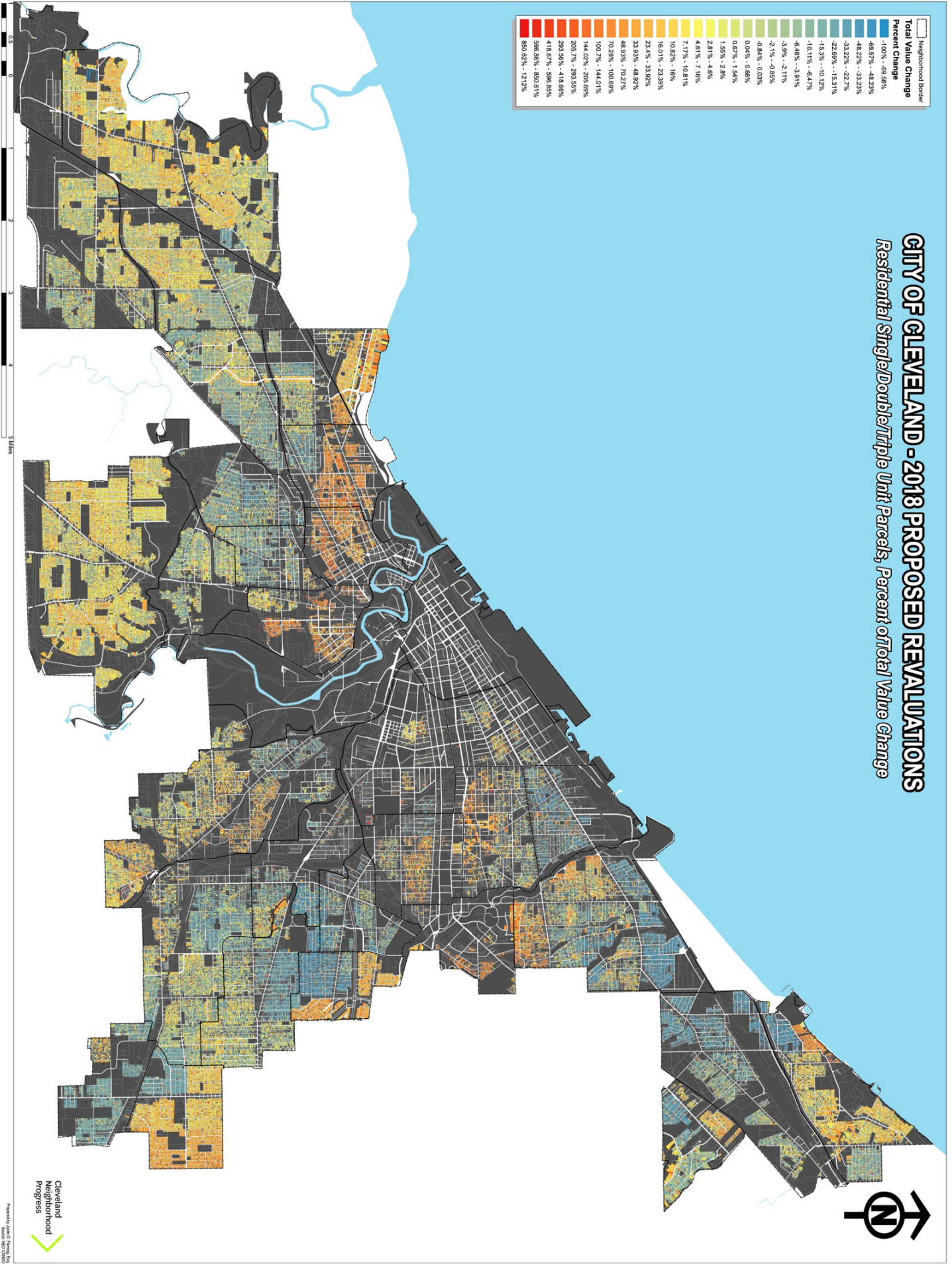
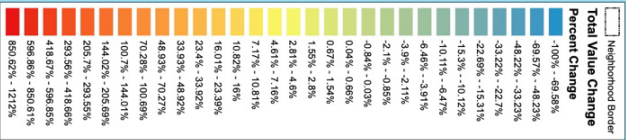
Chairman Blessing, Vice Chair Roegner, Ranking Member Smith, and members of the Committee: As you consider this bill, I would ask you to also consider amending this legislation to help its benefits reach homeowners like Phyllis faster. If you and the General Assembly were to pass this legislation into law today, I wouldn’t be able to work with my colleagues on Cleveland City Council fast enough to

implement a program to help Phyllis. That program would have to work with the new 2024 valuations that Cuyahoga County will be mailing out in just a few days. You could amend Senate Bill 244 to allow a short-term window in which cities could implement programs that use either the most recent triennial or sexennial home values, thereby giving longtime, low-income homeowners an opportunity to hold their values and taxes steady where they are *today*, instead of the new, higher numbers that will be coming out very soon.

Thank you for this opportunity to testify in support of Senate Bill 244. If you don't mind, I'd like to have Phyllis provide her testimony, and then we would welcome any questions you might have for us.

# CITY OF CLEVELAND - 2018 PROPOSED REEVALUATIONS

## Residential Single/Double/Triple Unit Parcels, Percent of Total Value Change



Cleveland  
Neighborhood  
Progress

Prepared by: JAMES D. BIRNEY, LLC  
Map Date: 8/15/2017