

Senate Ways and Means Committee

TESTIMONY OF MARK A. WAGENBRENNER IN SUPPORT OF HB 469

November 14, 2018

Chairman Eklund, Vice Chairman Terhar, Ranking Member Williams, and members of the Ways and Means Committee:

My name is Mark Wagenbrenner and I am the President of Wagenbrenner Development here in Columbus, Ohio and am here to offer testimony in support of HB 469. My company is the third generation of what started with my grandfather building homes, churches and schools here in Central Ohio and my father and uncles developing the stores, offices and apartments along Grandview Avenue.

In 2002, when we started Wagenbrenner Development, we purposely focused on the redevelopment of blighted and under-utilized areas that had been left behind in Central Ohio. Since that time, using tools like the Clean Ohio Fund, low interest loans from the Ohio Water Development Authority and Tax Increment Financing, we have re-developed former factories, landfills and other brownfield sites, creating more than a thousand new jobs and hundreds of new homes and apartments. Current projects include the redevelopment of the former Jeffrey Mining Company property, the former Dublin Road landfill straddling Columbus and Grandview Heights, and the former Marble Cliff Quarry.

The Weinland Park neighborhood, just East of OSU's main campus in Columbus, is a prime example of how the elimination of blighted properties can be transformative of the surrounding community. When we starting working in Weinland Park in 2006, it was the poorest neighborhood in Columbus, known for its gang violence and dilapidated housing. A planning study of the neighborhood showed that two abandoned former factory sites were significant blighting influences on the community. Using two \$3M Clean Ohio grants, we worked with the City of Columbus and The Ohio State University to clean-up these properties and ready them for new housing and other uses. This was catalytic for the investment of several hundred million dollars of public and private funding in the neighborhood, resulting in the construction of a new school, early child development center, a new police station and the construction and renovation of hundreds of homes and apartments.

The tax credits provided by HB 469 will be another tool for the redevelopment of neighborhoods like Weinland Park, where the loss of jobs from the closing of factories and other businesses have resulted in blight and poverty. The re-development of such areas, like Weinland Park and the West Franklinton area of Columbus, are particularly challenging due to the reluctance of banks and other financial institutions to provide financing for projects in what the perceive to be "risky" neighborhoods. These projects can take years to find the necessary

financing, and must be done on a much smaller scale, without something to buffer the perceived risk. The tax credits created by HB 469 will provide much-needed comfort to prospective lenders, as additional equity for the project and by demonstrating the State of Ohio's recognition of the transformative value of the project to the surrounding community.

We are currently looking to take on the redevelopment of an area of West Franklinton where the construction of the type of mixed-use project envisioned by HB 469 would be expected to attract significant additional investment to that community, just as our projects did in Weinland Park and other areas of Central Ohio.

In summary, House Bill 469 will provide the needed stimulus for important, indeed "transformational" development projects that would otherwise happen years later, or perhaps never. I therefore urge your support for the bill.

At this time, Mr. Chairman, I would be happy to answer any questions.