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Jill Snitcher, Esq.
Executive Director
jill@cbalaw.org

LEGAL EXPERTISE FOR THE BUSINESS COMMUNITY

OCTOBER 13 - 19, 2023

PREPARE TO BE APPRAISED! COLUMBUS MSA VALUES ARE SKYROCKETING

Just as sure as every Saturday after Thanksgiving is the OSU v. Michigan game, every six years the County Auditors throughout Ohio will reevaluate property values. Data released by those counties shows that commercial and industrial properties are being hit the hardest and values are skyrocketing.



BY: GINA MOLINARI

Each of the 88 counties in Ohio is on a different six-year cycle and values are evaluated one year in retrospect. While the Auditor takes an overarching look at property values every year, there are only two deeper-dive milestones: a triennial check-in (midway through the six-year period) and the official six-year (sexennial) reappraisal. For Tax Year 2023, there are 28 counties amid their county-wide reappraisal including Franklin, Delaware, Morrow, Licking, Perry,

and Pickaway. That means that the bulk of the Columbus MSA (Metropolitan Statistical Area) will be receiving letters this December from their respective County Auditor with a final determination.

What this mass appraisal process does not take into account is information about property that is not collectible by a hovering drone or public record data. A significant hike in value may not be warranted. Luckily, each County allows the opportunity to contest these new values.

Each County is on a different schedule, but each county's process to file a complaint is the same. Beginning January 1st through the end of March each year, a property owner (or agent on behalf of the owner) is permitted to file a formal complaint. Once the complaint is processed, a hearing with

the County's Board of Revision (BOR) will be held to review evidence and hear testimony supporting a change in value from what the Auditor has determined is accurate. This Board will then review the case and come up with a final determined estimate of value based on the information provided.

It sounds simple... You should be able to walk into this hearing with a handful of comparable sales and prove your point. What you may not be thinking about is who you are up against at this hearing: the local school district. The Board of Education and other public agencies will be represented by a legal team attending that same hearing armed with their own evidence, such as a well-prepared appraisal report, to ensure owners aren't taking advantage of the system unjustly.

Yes, our schools and communities deserve our tax money. But if a property is in a state

of disrepair or a recent sale isn't a true reflection of an open market transaction, then it can feel as though a property owner is being penalized and put under unreasonable financial strain.

The question is: how do you know if your property value is accurate or not before you go through all that bother? Understanding the process and enlisting the right support is a great start.

Join Melissa Speert, President of the Appraisal Division at The Robert Weiler Company on Wed October 23, 2023 to learn more about this process. In a one-hour virtual seminar, she will further discuss the process of contesting property values, the impact of new legislation on complaints from school districts, and share statistics about the recent revaluations in Franklin, Delaware, and Licking Counties. Register at <https://www.cbalaw.org/Education/CLE>. ■

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MEDIATION ISN'T ALWAYS ABOUT MONEY

Two corporations entered into a contract to do business together. They were excited and expected the relationship to be profitable and beneficial. But, almost immediately, the agreement dissolved into disagreements, a growing dispute and, ultimately, a federal lawsuit.

At the beginning, each side, as usual, was convinced that they were right and could not lose.

First of all, in a lawsuit, it is axiomatic that you can lose. How many times have you said or heard someone say to an attorney, "I would rather pay you than pay them a nickel." When I was in private practice my answer always was "you may end up paying both!"

At the request of the federal judge, I was invited to mediate the case.

It quickly became apparent that my mediation efforts were best spent trying not to settle the lawsuit, but to fix the original agreement that was causing so much ill will between the two companies.

As I told both parties at the onset, if this case is



BY: CHARLES SCHNEIDER & JILL SNITCHER

about money, we might as well go home because it will never be settled. The two sides were millions of dollars apart, and one company was offering nothing. That gap could never be bridged, in my opinion.

While all cases are not about millions of dollars – money is always relative. What amount of money would not hurt one company, that same amount could be devastating to another.

Plus, business is about relationships and reputation.

I pointed out that, obviously, they once wanted to work together – so why not revisit the original agreement and figure out what was wrong with it? If we could fix the agreement, the two companies could (1) work together as they originally envisioned and, (2) avoid hundreds of thousands of dollars in legal fees should they proceed with the litigation.

What followed was a one-day, 10-hour mediation marathon in which we literally went paragraph by paragraph through the original agreement. I asked executives and lawyers from each side to identify the paragraphs that needed no adjustment; the paragraphs that just needed some language adjustment; and the paragraphs that were causing

the problem.

The first two areas identified did not take much time to fix. They also helped establish a working relationship and level of trust that had vanished and was not present at the beginning of the day.

By the end of the day, we had produced a new term sheet incorporating the revised and agreed-upon paragraphs. We still had a third bucket of paragraphs which both sides agreed needed a substantive change. Eventually we were down to one paragraph that needed some major work. One paragraph out of an entire agreement was a real accomplishment. If that paragraph could be worked out, the whole federal lawsuit would go away.

It took some additional time but the attorneys, building on the trust that had been reestablished and a genuine desire on all parties to reach a resolution, a new agreement was reached and the two businesses are back in business together, making money and avoiding what would have been a protracted lawsuit with legal costs exceeding seven figures – not to mention no guarantees of a favorable result.

Equally important, the businesses maintained a positive reputation in the community in which they were doing business. Neither was "bad mouthing" the other. Reputation is very important whether your

business is big or small; local or regional; or national. Reputation is the key to staying in business.

Needless to say, I was very pleased with the outcome and so are the parties. It proved that sometimes mediation is about more than money. It's also about common sense, identifying problems and their solutions, good faith and, most of all, what's best for your business.

While mediation may not work in every situation, it can work in even the most difficult of situations. It just takes a trained mediator to evaluate the facts, circumstances, and underlying complexities to come at it with a fresh perspective. Willing participants are an important part of the process. That does not mean they have to agree to everything, but they have to listen and be constructive participants."

It's easy for the parties involved to be so determined about their individual view of what success should look like. By bringing in a third-party neutral, you have an opportunity to re-evaluate the underlying issues and how to resolve them. This is not to say that every party to the action will walk away happy, but in my experience, the likelihood of an amicable resolution is far more likely in business disputes. This can ultimately allow each of the parties to save time and money; allowing each to move on with their real business, which is not litigation, far more quickly and satisfied. ■



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