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## Do valuation, taxes on your property still reflect reality?

Cincinnati lawyer Tom Tepe Jr. has some advice for people who spent big bucks on real estate during the boom years and now want to cut expenses. Hire a good lawyer, find a reputable appraiser and appeal the valuation that determines how much real estate tax you pay.

It's not quite that simple, of course, but it's something to think about. For high-priced homes and large-scale commercial properties, the tax savings might be considerable.

"I've been doing a ton of them," said Tepe, a real estate lawyer with Keating Muething & Klekamp downtown. "When people purchased property in '04, '05 and '06, even early '07, they paid really high prices based on a really low capitalization rate. Times were good."

### TAX TIP

**Valuations on many commercial and residential properties have fallen.**

**Owners can ask for a re-evaluation.**

**Often, that will lower taxes, but it could raise them.**

Since then, however, values have fallen significantly. The market is depressed, and the shoe is now on the other foot, he said. More important, the boards that consider such appeals have been receptive to the idea that the market has changed substantially.

Tepe recently handled an appeal by the owners of the

former Terrace Hotel on Sixth Street. Its valuation was dialed back to \$9.7 million from more than \$32 million. He also handled the Fourth & Walnut Center, where the valuation was reduced from \$31 million to \$24 million. Each reduction of \$1 million in valuation translates into an annual tax savings of about \$22,000, he said.

"If it's a property that was purchased in that heyday time frame, more than likely it's overvalued," Tepe said.

The issue for property owners is, how much is the property overvalued, and how much can they reasonably expect to get it reduced.

Barry Barnhorn, owner of Barnhorn Appraisal Services in Hartwell, said residential appraisers also have been deluged by people seeking to have their home valuation reduced. Demand is higher this year because everybody knows real estate values have come down, he said.

In Hamilton County, valuations were last es-

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## Lobbying, even for little guy

### Get legislators to hear your concerns

BY JON NEWBERRY  
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MARK BEALER | COURIER

*'Hostility will never change somebody's mind.'*

Amy Showalter  
lobbying consultant

The merits of its position aside, GE Aviation's recent efforts to win continued federal funding for its Joint Strike Fighter engine clearly demonstrate the power of effective lobbying.

Despite opposition from its own customer – the Pentagon – and a highly publicized threat by President Obama last spring to veto any additional money for the F136 engine, GE still managed to persuade Congress to authorize more than a half-billion dollars to keep the alternate engine project going for another year. And the president signed it.

No doubt many members of Congress believe strongly that an alternate engine would be good for national security, cheaper in the long run, and also good for jobs in their districts. GE spent millions lobbying those points over the past year.

Strictly speaking, a lobbyist is someone who represents the interests of an outside group or organization. But whether people are trying to influence public officials on their own behalf or working for someone else, the process is much the same.

While few organizations have any-

thing comparable to General Electric Co.'s vast resources at their disposal, smaller businesses can "lobby" effectively at their own levels, with or without a professional lobbyist. Robert Klafky, president of Columbus-based Van Meter, Ashbrook & Associates, said one of the first things he tells prospective clients is, they don't need him.

"Anything I do as a lobbyist, any individual can do. I don't have any magic wand," he said. Lobbying in Columbus, he said, is "kind of what we learned in civics class, but probably more complex."

Klafky advises people to start by contacting their locally elected officials and making sure they clearly understand how a law or regulation is going to affect their business. With hundreds of bills introduced every year, and three or four sides to each issue, what's obvious to you might not be to them. Klafky said.

According to Cincinnati lobbying consultant Amy Showalter, being smaller is better in certain circumstances, maybe even better than being as big as GE.

"I call it the advantage of being disadvantaged. It's a good thing to be small," she said. "People want to

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## LOBBYING: Most successful advocates take time to first build relationships, interests with lawmakers

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help the little guy.”

Showalter, president of the Showalter Group, is finishing up a book on lobbying for which she interviewed dozens of retired members of Congress and other legislative bodies. She talked with them about instances when they had changed their minds, and how that outcome came about.

“The main thing is, this is a business that takes grit, perseverance,” she said.

Showalter cited the example of a lobbyist she knows who worked for the repeal

of the Wright Amendment, a bit of federal law that restricted airline flights into and out of Love Field in Dallas. Her target was a key member of Congress. The lobbyist found out that the congressman had special concerns about Asian-American children, a topic that she also was concerned about as she was of Asian-American descent, Showalter said.

So the lobbyist began building a relationship with the congressman around that issue. “She found something in common and started funneling information that had nothing to do with the Wright Amendment,”

Showalter said.

Later when she eventually raised the issue of the Wright Amendment with him, it took several months to bring him around, but she’d been building a foundation for more than a year.

“They’re not asking for anything in the beginning. They wait a long time before they ask,” Showalter said.

### INVITE THEM FOR COFFEE

Klaffky said people unfamiliar with the legislative process often get frustrated because things move slowly. But it’s probably

better that way because it minimizes the risk of big mistakes, he said. Much of lobbying is an educational process. Legislators deal with so many issues, and they have more trust in people they know. He urges people to call them, meet them for coffee, offer to give them a tour of their plant.

“Let’s face it, legislators love to meet voters,” he said.

In addition to perseverance, another key to successful lobbying is being nice, because “hostility will never change somebody’s mind,” Showalter said. During her interviews, virtually every legislator cited lobbyists’ personal characteristics as a reason for their effectiveness.

A common misconception that Showalter tries to dispel is that lobbyists, in order to be effective, must be passionate about the issue they are advocating. On the contrary, passion often works to a lobbyist’s disadvantage, she said. Being nice, courteous and trustworthy are more important.

Many retired officials she interviewed told her of their encounters with people who were overly passionate. “They can’t hear you. They just want to tell you what they think,” Showalter said.

Far more important are credibility and reputation.

“Your reputation does precede you, so be careful,” she said. “What you’re doing now can have an effect five years from now.”

Reputation acts as kind of a filter. Legislators have scores of people constantly trying to pull them one way or another on issues, often very subjective issues that are not clearly

### EASY DOES IT

A common misconception is that lobbyists, in order to be effective, must be passionate about the issue they are advocating.

But passion often works to a lobbyist’s disadvantage, according to experts.

Sometimes the person trying to sway the legislator can’t look beyond their passion or hear what the other person is saying.

delineated by ideology. Reputation helps them decide why they should listen to one person and not another. The key is to be in a position where a decision-maker will give you the benefit of the doubt, she said.

“They’re dealing with a myriad of concerns. Find ways to help lawmakers. Provide information. Give to get,” she said.

### FORM A COALITION

Since locally elected officials often will not be in key positions to influence a particular bill, Klaffky advises people to find similarly situated individuals or groups to get the attention of key committee members or legislative leaders. Trade groups, labor unions and chambers of commerce can all help. If no groups are available, “start your own, even among your own competitors,” he said. Banks, insurance companies, public utilities and cable operators do it all the time, and very effectively, he said.

Klaffky stressed that an individual can bring about change. Tom Van Meter, his firm’s namesake who served in the Ohio Senate in the 1970s, used to tell the story of a neighbor who knocked on his door one morning with an idea. The neighbor had bought a gas station and wanted to turn it into a self-service station, but that wasn’t permitted. Van Meter drafted a bill to legalize self-service stations, introduced it in the Senate, and it passed and became law.

“Sometimes the best ideas are the ideas that are brought to them,” Klaffky said.

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10:00 - 11:00 ~ Program

11:00 - 11:15 ~ Q&A

11:30 ~ Registration for Fast 55

### PANELISTS



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