

ORDINANCE NO. 27-2019

INTRODUCED BY: MAYOR JAMES. P. GRAVEN AND COUNCIL AS A WHOLE

AN ORDINANCE ADOPTING PROVISIONS OF SECTIONS 3735.65 THROUGH 3735.70 OF THE OHIO REVISED CODE TO ESTABLISH AND DESCRIBE THE BOUNDARIES OF A COMMUNITY REINVESTMENT AREA IN THE CITY OF OLMSTED FALLS, DESIGNATING A HOUSING OFFICER TO ADMINISTER THE PROGRAM, CREATING A COMMUNITY REINVESTMENT HOUSING COUNCIL, AND A TAX INCENTIVES REVIEW COUNCIL, AND DECLARING AN EMERGENCY.

WHEREAS, the Council of City of Olmsted Falls desires to pursue all reasonable and legitimate incentive measures to assist and encourage development in the area of the corporate boundaries of the City of Olmsted Falls which has not enjoyed reinvestment from remodeling or new construction; and

WHEREAS, a survey of housing within the corporate boundaries of the City, attached hereto as Exhibit A, as required by Ohio Revised Code (ORC) Section 3735.66 has been prepared for the area to be included in the proposed Community Reinvestment Area; and

WHEREAS, the maintenance of existing structures and construction of new structures in such area would serve to encourage economic stability, maintain real property values, and generate new employment opportunities; and

WHEREAS, the remodeling of existing structures or the construction of new structures in this Community Reinvestment Area constitutes a public purpose for which real property exemptions may be granted.

NOW THEREFORE, BE IT ORDAINED BY CITY OF OLMSTED FALLS, CUYAHOGA COUNTY, OHIO, THAT:

SECTION 1. Pursuant to ORC Section 3735.66, the Olmsted Falls Community Reinvestment Area, is hereby established and shall consist of all parcels of land within the corporate limits of the City, as depicted in the outlined area on the map attached hereto as Exhibit B and incorporated herein by reference. Wherein only residential, commercial and/or industrial properties consistent with applicable zoning regulations within the Olmsted Falls Community Reinvestment Area will be eligible for exemptions hereunder.

SECTION 2. The area designated as the Olmsted Falls Community Reinvestment Area constitutes an area in which housing facilities or structures of historical significance are located, and in which new housing construction and repair of existing facilities or structures are discouraged.

SECTION 3. All properties identified in Exhibit B as being within the designated Olmsted Falls Community Reinvestment Area are eligible for this incentive (the City may determine all or any combination of project types - residential, commercial and industrial as eligible). This proposal is a public/private partnership intended to promote and expand conforming uses in the designated area.

SECTION 4. Within the Olmsted Falls Community Reinvestment Area, the percentage of the tax exemption on the increase in the assessed valuation resulting from improvements to commercial and industrial real property and the term of those exemptions shall be negotiated on a case-by-case basis in advance of construction or remodeling occurring according to the rules outlined in the ORC Section 3765.67. The results of the negotiation as approved by Council will be set in writing in a Community Reinvestment Area Agreement as outlined in ORC Section 3735.671. For residential-property, a tax exemption, in the fixed percentage of 50%, on the increase in the assessed valuation resulting from improvements as described in ORC Section 3735.67 shall be granted upon proper application by the property owner and certification thereof by the designated housing officer for the periods set forth below. Residential applications must be filed with the Housing Officer (defined below) no later than six months after construction completion. The exemptions shall not exceed the following limits:

(a) Ten (10) years, (term the same for all) for the remodeling of dwellings and upon which the cost of remodeling is at least \$2,500, in the case of a dwelling containing not more than two (2) family units, or at least \$5,000, in the case of all other dwellings as described in ORC Section 3735.67.

(b) Fifteen (15) years, (negotiated - up to 15 years) for existing commercial and industrial facilities, and upon which the cost of any remodeling is at least \$5,000, shall be negotiated on a case-by-case basis in advance of construction or remodeling occurring.

(c) Fifteen (15) years, (negotiated - up to 15 years) for new commercial or industrial facilities shall be negotiated on a case-by-case basis in advance of construction occurring.

(d) Ten (10) years (term the same for all) for the construction of new dwellings.

If remodeling qualifies for an exemption, during the period of the exemption, the dollar amount of the increase in market value of the remodeled structures shall be exempt from real property taxation. If new construction qualifies for an exemption, during the period of the exemption, the exempted percentage of the structure shall not be considered to be an improvement on the land on which it is located for the purpose of real property taxation.

SECTION 5. All commercial and industrial projects are required to comply with the state application fee requirements of ORC Section 3735.672 (C) and the local annual monitoring fee of one percent of the amount of taxes exempted under the agreement - a minimum of \$500 up to a maximum of \$2,500 annually (the monitoring fee is a local option and may be waived by the City).

SECTION 6. To administer and implement the provisions of this Ordinance, the Mayor is designated as the Housing Officer as described in sections 3735.65 through 3735.70 (the “Housing Officer”). The Mayor may delegate said duties to his designee as he finds necessary.

SECTION 7. That a “Community Reinvestment Area Housing Council” shall be created, consisting of two members appointed by the Mayor of City of Olmsted Falls, two members appointed by the Council of City of Olmsted Falls, and one member appointed by the Planning Commission of City of Olmsted Falls. The majority of the members shall then appoint two additional members who shall be residents within the area. Terms of the members of the council shall be for three years. An unexpired term resulting from a vacancy in the council shall be filled in the same manner as the initial appointment was made.

A Tax Incentive Review Council shall be established pursuant to ORC Section 5709.85, and shall consist of three representatives appointed by the County Executive, two representatives of the municipal corporation, appointed by the Mayor, with Council concurrence, the County Fiscal Officer or designee, and a representative of each affected board of education. At least two members must be residents of City of Olmsted Falls. The Tax Incentive Review Council shall review annually the compliance of all agreements involving the granting of exemptions for commercial or industrial real property improvements under Section 3735.671, of the ORC and make written recommendations to the Council as to continuing, modifying or terminating said agreement based upon the performance of the agreement.

SECTION 8. The City Council reserves the right to re-evaluate the designation of the Olmsted Falls Community Reinvestment Area after December 31, 2020, at which time the Council may direct the Housing Officer not to accept any new applications for exemptions as described in Section 3735.67 of the ORC.

SECTION 9. The Community Reinvestment Area Council shall make an annual inspection of the properties within the City for which an exemption has been granted under Section 3735.67 of the ORC. The council shall also hear appeals under 3735.70 of the ORC.

SECTION 10. Council hereby finds and determines that all formal actions relative to the passage of this Ordinance were taken in an open meeting of this Council, that all deliberations of this Council and of its committees, if any, which resulted in formal action were taken in meetings open to the public, in full compliance with the applicable legal requirements, including Section 121.22 of the ORC.

SECTION 11. That notice of the adoption of this resolution shall be published in a newspaper of general circulation in this municipal corporation once a week for two consecutive weeks according to Section 7.16 of the Ohio Revised Code.

SECTION 12. The Mayor of City of Olmsted Falls is hereby directed and authorized to petition the Director of Development Services to confirm the findings contained within this Ordinance.

SECTION 13. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the City and to meet a situation affecting health, property and the public peace, and for the further reason that it is necessary to immediately designate the Olmsted Falls Community Reinvestment Area, in order to improve housing stock, and to provide for creation of jobs and economic opportunities in the City, which are vitally needed in order to enhance job opportunities, to enhance vitally needed income tax and other revenues for the City, and to improve the economic welfare of the citizens of the City; wherefore, this Ordinance shall be in full force and effect immediately upon its passage by not less than five affirmative votes of Council and approval by the Mayor, and upon confirmation by the Director of Development Services of the findings in this Ordinance.

PASSED: _____
Paul Stibich, Council President

APPROVED BY: _____
James Patrick Graven, Mayor _____
Date

APPROVED AS TO FORM: _____
Andrew D. Bemer, Law Director

ATTEST: _____
Angela Mancini, Clerk of Council

First Reading: _____

Second Reading: _____

Third Reading: _____

	Yea	Nay
Stibich	_____	_____
Haviland	_____	_____
Jones	_____	_____
Gorski	_____	_____
Nicolay	_____	_____
Duncan	_____	_____
Fenrich	_____	_____