

FIRST READING – December 30, 2014 COUNCIL NO. 061
SECOND READING – January 13, 2015 SPONSOR: Law Director
THIRD READING – January 27, 2015 RESOLUTION NO. **3-15**
EMERGENCY

REVISED

A RESOLUTION ESTABLISHING AND DESCRIBING THE BOUNDARIES OF A COMMUNITY REINVESTMENT AREA, AND DESIGNATING A HOUSING OFFICER AND THE DECLARING OF AN EMERGENCY

WHEREAS, the City of Sheffield Lake has prepared a survey of the housing within the municipal corporation; and

WHEREAS, the aforementioned survey has shown that the throughout the City of Sheffield Lake housing facilities or structures of historical significance are located and new housing construction and repair of existing facilities or structures has been discouraged; and,

WHEREAS, it is in the best interest of the City of Sheffield Lake to designate the entire incorporated area of the City of Sheffield Lake as a Community Reinvestment Area so as to enable the City to offer real property tax exemptions on new commercial and industrial construction or expansion.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SHEFFIELD LAKE, STATE OF OHIO:

- Section 1. That for the purposes of fulfilling the requirements set forth under Section 3735.65 to 3735.70, inclusive, of the Ohio Revised Code, the City Council hereby establishes “Community Reinvestment Area No. 1”.
- Section 2. That the boundaries of Community Reinvestment Area No. 1 are as follows: the entire incorporated area of the City of Sheffield Lake, inclusive.
- Section 3. That the incentives granted hereunder shall run with the land and shall extend to the land for the duration granted hereunder even if the City program instituted hereby is terminated.
- Section 4. That within “Community Reinvestment Area No. 1”, tax incentives may be granted only on investments to real property which is zoned either “Commercial” or “Industrial”.

Section 5. That such territory which is zoned for commercial or industrial use be described as follows:

a) Commercial: All territory currently zoned B1, B2, B3, B4, or B5 and all territory that may become so zoned in the future, and/or any territory that may be zoned for commercialization by classifications not currently codified.

b) Industrial: The territory currently zoned I. This includes all territory zoned for industrialization, or light industrialization, now, or in the future.

Section 6. That within “Community Reinvestment Area No. 1”, tax exemptions for investments (improvements) to real property as described in Section 3735.65 of the Ohio Revised Code may be granted for the following periods, and with the following percentages of exempted tax valuation:

a) Commercial:
New Construction: Maximum 15 years; Maximum 75% exemption

Expansion: Maximum 12 years; Maximum 50% exemption
Minimum investment to be at least \$5,000.00

b) Industrial:
New Construction: Maximum 15 years; Maximum 100% exemption

Expansion: Maximum 12 years; Maximum 75% exemption
Minimum investment to be at least \$10,000.00

(Phase out of exemptions is permitted.)

Section 7 Any exemption granted hereunder shall remain in effect for any subdivided parcel of property for which an exemption was originally granted. However, if a parcel of property is subdivided in such a way that a building is alienated from the rest of the parcel, the abatement shall extend only to such parcel as that which the building stands upon and shall not extend to the other subdivided parcels.

Section 8 In no instance shall a tax exemption be granted on a parcel where a building permit(s) has not been granted. Furthermore, an applicant is

required to apply and be granted an exemption before a project is commenced; no exemption will be granted on projects which have been completed at the time of the application.

- Section 9 Exemption is eligible for expansion projects only upon which the scope of the project(s) is major in nature (including, but not limited to: Alteration of exterior and bearing walls, floors, roofs, foundations, etc., and additions to structures) as determined by the Housing Officer.
- Section 10 Exemption is eligible and intended for structures and buildings only containing “roof cover” and not for such items as driveways, sidewalks, landscaping, etc., except when such construction is part of an overall new or expansion plan.
- Section 11 Taxes eligible for exemption under this Resolution within the defined “Community Reinvestment Area No. 1” shall only be those taxes assessed against real property, and only upon that real property added to, or expanded upon a given premise under a legally binding tax incentive agreement between the City of Sheffield Lake and any unrelated party to such a tax incentive agreement.
- Section 12 Land, as defined and assessed for taxation by the County of Lorain, State of Ohio, is not, and shall not be eligible for tax incentives under this Resolution.
- Section 13 Tax exemption granted under this Resolution shall only be applicable to those improvements to real property as defined hereunder and mutually agreed to under a legally binding tax incentive agreement between the City of Sheffield Lake and any unrelated party to such a tax incentive agreement.
- Section 14 Under no circumstances shall tax incentives under this Resolution apply to any taxes other than real property taxation.
- Section 15 The City Council of the City of Sheffield Lake shall determine and require an applicant for tax abatement to submit financial and/or other relevant business information for review by the City in order for the City to consider a request for tax incentives hereunder.
- Section 16 In the event that any Applicant/Recipient of tax incentive available in the Community Reinvestment Area, prior to the expiration of the term of which the application was granted, vacates the project site, or

moves, relocates any material portion of its operation, or cease operations within the City of Sheffield lake as contemplated in its application for incentives, then, in that even, any and all tax incentives granted hereunder shall immediately cease. In addition thereto, the Applicant/Recipient may be required to repay any and all tax incentives received pursuant to its designation as an entity entitled to the benefits of the Community Reinvestment Area. In the event the City pursues remedies under this Section, the City may record a certificate of Non-Compliance with the Lorain County Recorder's Office which shall serve, in addition to other remedies which may be available at law or in equity, as a lien or charge against the property until repayment of taxes has been made in full.

- Section 17 That to administer and implement the provisions of this Resolution, the Housing Officer as described in Section 3735.65, 66 of the Ohio Revised Code shall be the Mayor, or his/her designee.
- Section 18 That a Community Reinvestment Area Housing Council is hereby created consisting of seven (7) members who shall be residents of the City of Sheffield Lake. Two (2) members shall be appointed by the Mayor, two (2) members shall be appointed by City Council and one (1) member shall be appointed by the Planning Commission. The majority of the foregoing members shall then appoint two (2) additional members who shall also be residents of the City.
- Section 19 Terms of the member of the Housing Council shall be for three (3) years. An unexpired term resulting from a vacancy in the Housing Council shall be filled in the same manner as the initial was made.
- Section 20 The Housing Council shall make an annual inspection of the properties within "Community Reinvestment Area No. 1" as described under Section 3735.67 of the Ohio Revised Code and shall also hear appeals under Section 3735.70.
- Section 21 Any project approved for tax incentives must be commenced within thirty (30) days of the commencement date as set forth in the Agreement.
- Section 22 That a copy of this Resolution will be forwarded to the Lorain County Auditor by the Clerk of Council for information and reference.
- Section 23 That City Council finds that the area included within the foregoing description of "Community Reinvestment Area No. 1" is one in

which housing facilities or structures of historical and/or architectural significance are located and new construction and repair of existing facilities or structures has been discouraged.

Section 24 This Resolution shall be reviewed by City Council every four (4) years thereafter to determine whether to renew, modify or abolish the CRA program.

Section 25 That it is found and determined that all formal actions of this Council concerning and relating to the adoption of the Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees which results in such formal actions, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 on the Ohio Revised Code.

Section 26. That this Resolution is hereby declared to be an emergency measure made necessary for the preservation of the public peace, health, safety and welfare of the City of Sheffield Lake, Ohio, the emergency being the immediate necessity of establishing a Community Reinvestment Area Program and designating a Housing Officer for the City of Sheffield Lake.

PASSED 27 OF JANUARY, 2015.

	Yea	Nay	NV
Kerry McCullough	<u>X</u>	_____	_____
Leanna Stark	<u>X</u>	_____	_____
Mark Cizl	<u>X</u>	_____	_____
Steve Kovach	<u>X</u>	_____	_____
Mark Erdei	<u>X</u>	_____	_____
Alan Smith	<u>X</u>	_____	_____
Bill Wtulich	<u>X</u>	_____	_____

MAYOR
Dennis Bring

PRESIDENT OF COUNCIL
Rick Rosso

and/or

I, Kay Fantauzzi, duly appointed Clerk of Council of Sheffield Lake DO HEREBY CERTIFY that this is a true and exact copy of **Resolution#3-15**.

PASSED January 27, 2015.

COUNCIL PRO TEM
Alan Smith

CLERK OF COUNCIL
Kay Fantauzzi