

ORDINANCE NO. 03-51 AC CMS

AN ORDINANCE IMPLEMENTING SECTIONS 3735.65 THROUGH 3735.70 OF THE OHIO REVISED CODE, ESTABLISHING AND DESCRIBING THE BOUNDARIES OF THE DOWNTOWN DISTRICT COMMUNITY REINVESTMENT AREA IN THE CITY OF OBERLIN, OHIO AND RELATED MATTERS AND DECLARING AN EMERGENCY

WHEREAS, the General Assembly of the State of Ohio, by the enactment of Ohio Revised Code (ORC) 3735.65 - 3735.70 (herein sometimes referred to as the "Community Reinvestment Area Program") has heretofore authorized municipal corporations to designate Community Reinvestment Areas ("CRA's") within the State to provide an incentive for new residential, commercial or industrial development and/or rehabilitation in such areas, by making available real property tax exemptions for such new development or rehabilitation; and

WHEREAS, there has been prepared and submitted to this City Council a housing survey, attached hereto as Exhibit A, covering the proposed CRA located in the City of Oberlin, which proposed CRA is designated and described herein and called the Downtown District Community Reinvestment Area (the "Downtown CRA") and which survey shows the facts and conditions relating to existing structures, including structures of historical significance in the Downtown CRA, including among other things, evidence of deterioration and lack of new construction or repair or rehabilitation of substantial portions of the area; and

WHEREAS, there has been recommended to this City Council the approval of the designation of the Downtown CRA described in Exhibit A as a Community Reinvestment Area, and this City Council has been apprised of such housing survey, and the facts and conditions relating to the Downtown CRA; and this City Council has determined that the new construction and rehabilitation in such Area would serve to encourage economic stability, maintain real property values, and generate new employment opportunities, and would be in the best interests of the City; and

WHEREAS, the remodeling of existing structures and the construction of new structures in the Downtown CRA constitute a public purpose for which real property exemptions may be granted.

NOW THEREFORE, BE IT ORDAINED by the Council of the City of Oberlin, County of Lorain, State of Ohio, five-sevenths (5/7ths) of all members elected thereto concurring:

SECTION 1. Based upon the aforesaid recommendations and upon the housing survey, and upon this City Council's own knowledge of the facts and conditions existing in the Downtown CRA, this City Council hereby finds and determines that the Downtown CRA 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 have been discouraged.

SECTION 2. Pursuant to Section 3735.66 of the Ohio Revised Code, the Downtown CRA is hereby established and designated as a Community Reinvestment Area meeting the requirements of Ohio Revised Code Section 3735.65-3735.70, and said Downtown CRA is hereby established and designated in the area described as follows:

Commencing at the intersection of the center lines of Professor and College Streets; thence east along the centerline of College Street to its intersection with Pleasant Street; thence south along the centerline of Pleasant Street to its intersection with Groveland Street; thence west along the centerline of Groveland Street to its intersection with South Main Street; thence north along the centerline of South Main Street to its intersection with Vine Street; thence west along the centerline of West Vine Street to its intersection with South Professor Street; thence north along the centerline of South Professor Street to the point of beginning.

The Downtown CRA is approximately depicted on the maps attached to this Ordinance as Exhibit B and incorporated herein by reference.

SECTION 3. Within the Downtown CRA, new construction and remodeling of residential, commercial and industrial structures are hereby declared to be a public purpose and eligible for exemption from real property taxation. Only residential, commercial and industrial improvements consistent with all applicable zoning regulations within the Downtown CRA, including building codes and applicable approvals by the City's Design Review Board, will be eligible for real property tax exemptions under this program.

Section 4. Within the Downtown CRA, the percentage of tax exemption on the increase in assessed valuation resulting from improvements to commercial and industrial real property and the period of those exemptions shall be negotiated on a case-by-case basis in advance of the commencement of construction or remodeling consistent with ORC 3735.67. The results of such negotiations as approved by this City Council will be set forth in writing in Community Reinvestment Area Agreements as outlined in ORC 3735.671. Construction or remodeling of a facility containing six (6) or more dwelling units, and any improvements or construction involving a mixture of housing and commercial uses shall be treated as a commercial facility for purposes of this Ordinance. Abatement is granted only on the increase in assessed valuation in excess of baseline. Baseline is defined as the appraised value of real property improvements as set forth on the current Lorain County Auditor's tax duplicate as of the date the application for a building permit for the new construction or remodeling is filed with the City.

SECTION 5. For residential property, a tax exemption is hereby authorized on the increase in the assessed valuation resulting from improvements as described in ORC 3735.67 and shall be granted upon the proper application by the property owner and certification thereof by the City's designated Director of Planning & Zoning. Residential applications must be filed with the Housing Officer no later than twelve (12) months after completion of construction. Abatement is granted only on the increase in assessed valuation in excess of baseline. Baseline is defined as the appraised value of real property improvements as set forth in the current Lorain County Auditor's tax duplicate as of the date the application for a building permit for the new construction or remodeling is filed with the City. The following percentages and periods of real property tax exemption shall apply to all residential property:

(a) 50% for Ten (10) Years for new construction or remodeling of dwellings containing not more than two (2) housing units, provided that the cost of the new construction or remodeling is at least \$2,500, as described in ORC Section 3735.67(D)(1).

(b) 50% for Ten (10) Years for new construction or remodeling of dwellings containing more than two (2) housing units and fewer than six (6) units, provided that the cost of the new construction or remodeling is at least \$5,000, all as described in ORC 3735.67(D)(2) and 3735.67(D)(3).

SECTION 6: All commercial and industrial projects are required to comply with the then-applicable state application fee requirements of ORC Section 3735.672 (C) and the local annual monitoring fee to be determined on a case-by-case basis by the City's Tax Incentive Negotiating Committee and approved by the City Council, but not to exceed with respect to each agreement \$2,500 annually.

SECTION 7: To administer and implement the provisions of this Ordinance, the Director of Planning & Zoning is designated as the Housing Officer as described in Sections 3735.65 through 3735.70 of the Ohio Revised Code. The Housing Officer is authorized and directed to receive applications and grant real property tax exemptions for new structures or remodeling completed after the date of passage of this Ordinance, and is further authorized and directed to make annual inspections of properties within the Downtown CRA for which the exemptions have been granted, and to keep the Housing Council and the Tax Incentive Review Council apprised of any revocations of CRA tax exemption made for lack of adequate property maintenance or compliance with the CRA agreement in accordance with ORC 3735.68.

SECTION 8: A Community Reinvestment Area Housing Council (the "Housing Council") shall be established, consisting of two (2) members appointed by Chair of Council of the City, two (2) members appointed by the Council of the City, one (1) member appointed by the Planning Commission of

the City, and two (2) residents of the City, appointed by a majority of the first five (5) members, which appointees are hereby authorized to be made. Terms of the members 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 in which the initial appointment was made.

The Chair of Council of the City, the City Council and Planning Commission are hereby authorized and directed to make their respective appointments to the Housing Council and those five (5) appointed members are authorized to appoint the final two (2) members. The Housing Council shall make an annual inspection of the properties within the CRA for which an exemption has been granted, and shall hear appeals under ORC 3735.70 from property owners whose CRA applications have been denied or tax exemptions revoked by the Housing Officer.

SECTION 9. The City has by previous legislation established a Tax Incentive Review Council (the "TIRC") pursuant to ORC 5709.85. The TIRC shall annually review the compliance of all agreements involving the granting of exemption for commercial or industrial real property improvements under ORC 3735.671 and shall make written recommendations to the City Council as to the continuation, modification or termination of said agreements based upon the performance of those agreements.

SECTION 10: City Council reserves the right to re-evaluate the designation of the Downtown CRA after December 31, 2005 and on an annual basis thereafter, at which time this Council may direct the Housing Officer not to accept any new applications for exemptions as described in ORC Section 3735.67, with respect to any additional construction or remodeling thereafter commenced.

SECTION 11: The City Manager of the City is hereby authorized and directed to petition the Director of Development to confirm the findings contained within this Ordinance.

SECTION 12: A copy of this Ordinance shall be forwarded to the Lorain County Auditor, and a copy of this Ordinance shall be published in a newspaper of general circulation in the City once a week for two (2) consecutive weeks immediately following its passage.

SECTION 13: It is hereby found and determined that all formal actions of this City Council concerning or related to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

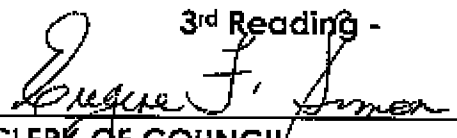
SECTION 14: That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public, peace, health or safety of the citizens of the City of Oberlin, Ohio, or to provide for the usual daily operation of a municipal department, to wit:

"in order to immediately encourage proposed development in the City's downtown areas and to eliminate and prevent the recurrence or spread of conditions of blight and deterioration therein", and shall take effect immediately upon passage.

PASSED: 1st Reading -- July 14, 2003

2nd Reading -- August 18, 2003 (E)

3rd Reading -

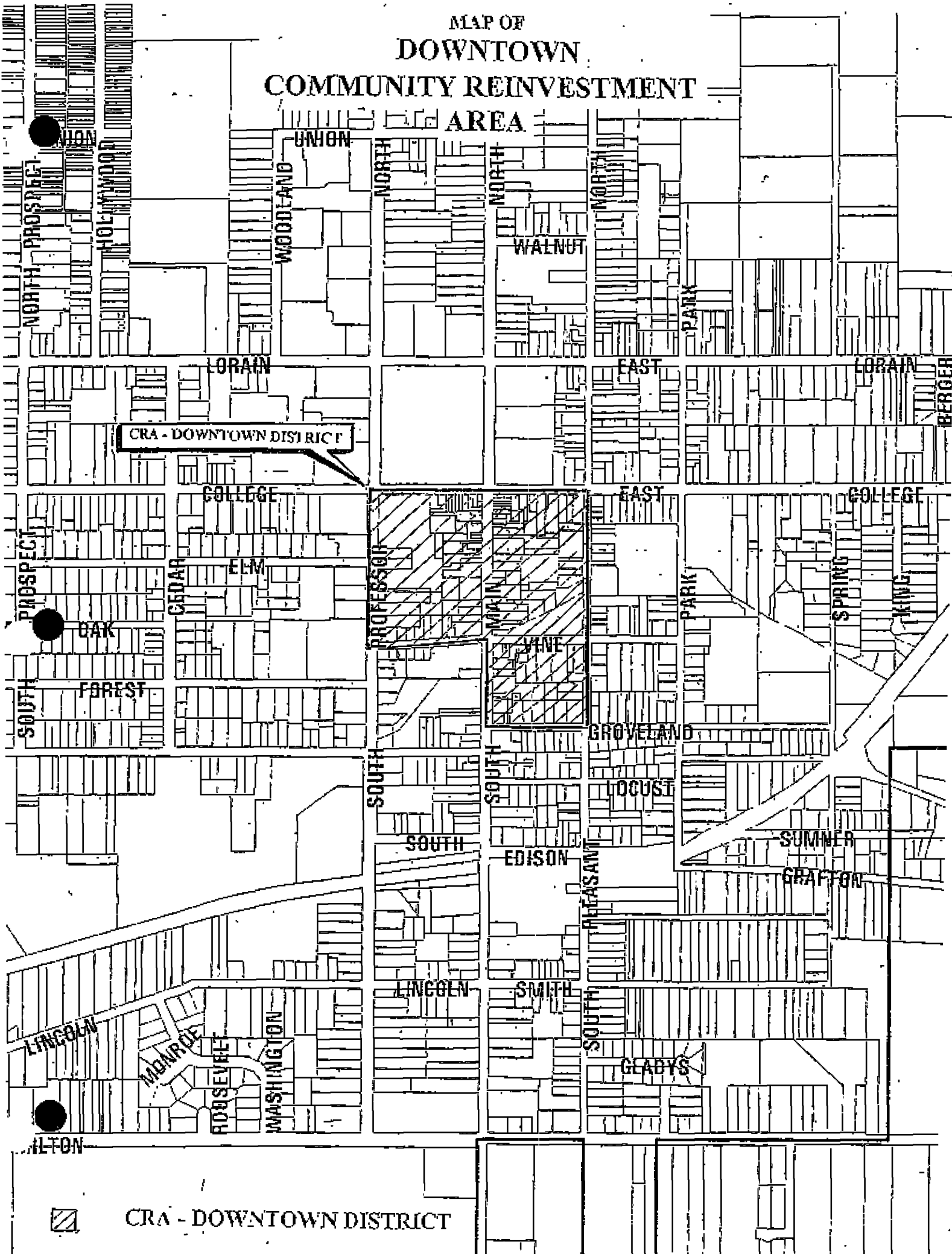

CLERK OF COUNCIL


CHAIR OF COUNCIL

POSTED: August 19, 2003

EFFECTIVE DATE: August 19, 2003

MAP OF
DOWNTOWN
COMMUNITY REINVESTMENT
AREA



CRA - DOWNTOWN DISTRICT

CRA - DOWNTOWN DISTRICT



OHIO DEPARTMENT OF DEVELOPMENT

Bob Taft
Governor

Bruce Johnson
Director

For Council's information.
-Rob

October 29, 2003

Robert DiSpirito, City Manager
City of Oberlin
85 South Main Street
Oberlin, Ohio 44074

Dear Mr. DiSpirito:

Please find enclosed confirmation of certification for Ohio's Community Reinvestment Area (CRA) Program, pursuant to Ohio Revised Code Section 3735.66. The confirmed area includes the area within the city of Oberlin designated as the Downtown CRA. The certification was effective October 28, 2003.

Please contact me at (614) 728-6778 with any questions.

Sincerely,

Traci A. MacNealy, Tax Incentives Specialist
Office of Tax Incentives

Enclosure

C: Mark Stewart, Lorain County Auditor
Beverly Reep, Oberlin City Schools
William R. Randall, Lorain County JVS
Gary Boyle, City of Oberlin
Jeffrey Armbruster, Ohio Senate
Joseph Koziura, Ohio House of Representatives



OHIO DEPARTMENT OF DEVELOPMENT

Bob Taft
Governor

Bruce Johnson
Director

OHIO'S COMMUNITY REINVESTMENT AREA PROGRAM

CITY OF OBERLIN DOWNTOWN COMMUNITY REINVESTMENT AREA

CONFIRMATION – Area No. 09357834-01

Upon examination of (a) the "Petition for Area Confirmation" of the City of Oberlin Downtown Community Reinvestment Area authorized by the City Manager of Oberlin on September 29, 2003; (b) a certified copy of Community Reinvestment Area Ordinance No. 03-51 adopted by the Oberlin City Council on August 19, 2003, (c) a survey of the housing conditions existing in the proposed area; (d) the written description of the City of Oberlin designated Downtown Community Reinvestment Area, (e) a map of the proposed area; (f) the zoning standards currently in place within the proposed area; and (g) a review of the findings of the staff of this Department, I have determined that the area so designated meets the requirements of Ohio Revised Code Section 3735.66.

Accordingly, pursuant to Ohio Revised Code Section 3735.66, I hereby confirm the findings of the City of Oberlin to be valid and consistent with applicable legislative requirements. The area designated as the City of Oberlin Downtown Community Reinvestment Area by the City of Oberlin within the aforementioned "Petition for Area Confirmation" is determined to be a Community Reinvestment Area.

Executed at Columbus, Ohio, this 28th day of October 2003.

Bruce Johnson, Director
Ohio Department of Development

SEP 12 03 AM '10:42

WITNESS my hand and Official Seal at Elyria, Ohio on this 9TH day of September 2003.


County Auditor in and for Lorain, County Ohio