

CITY OF KIRTLAND

ORDINANCE NUMBER 17-O-25

AN ORDINANCE IMPLEMENTING SECTIONS 3735.65 THROUGH 3735.70 OF THE OHIO REVISED CODE, ESTABLISHING AND DESCRIBING THE BOUNDARIES OF THE NORTH ROUTE 306 CORRIDOR COMMUNITY REINVESTMENT AREA IN THE CITY OF KIRTLAND, OHIO, DESIGNATING A HOUSING OFFICER TO ADMINISTER THE PROGRAM AND CREATING A COMMUNITY REINVESTMENT HOUSING COUNCIL AND A TAX INCENTIVE REVIEW COUNCIL.

WHEREAS, the Council of the City of Kirtland Ohio, (hereinafter referred to as “City Council”) desires to pursue all reasonable and legitimate incentive measures to assist and encourage development in specific areas of the City of Kirtland that have not enjoyed reinvestment from remodeling or new construction;

WHEREAS, a Survey of Housing, a copy of which is on file in the office of the Mayor of the City of Kirtland, as required by the Ohio Revised Code (ORC) Section 3735.66 has been prepared for the area to be included in the proposed Community Reinvestment Area;

WHEREAS, the maintenance of existing 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 THE CITY OF KIRTLAND, LAKE COUNTY OHIO, THAT:

SECTION I: The area designated as the North Route 306 Corridor Community Reinvestment Area (the Route 306 Historic Town Center Corridor extending from just north of Route 615 to Eagle Road) constitutes the area in which housing facilities or structures of historical significance are located, and in which new construction or repair of existing facilities has been discouraged.

SECTION II: Pursuant to ORC Section 3735.66 the North Route 306 Corridor Community Reinvestment Area (the Route 306 Historic Town Center Corridor extending from just north of Route 615 to Eagle Road) is hereby established to include all parcel numbers listed in Exhibit “A” attached hereto and by this reference incorporated herein.

The Community Reinvestment Area described herein is approximately depicted as the designated area on the map identified as proposed CRA #1 and attached to this Ordinance as Exhibit "B" and by this reference incorporated herein.

Only residential, commercial and/or industrial properties consistent with the applicable zoning regulations within the designated Community Reinvestment Area and of the type specified in Section IV will be eligible for exemptions under this Program.

SECTION III: All properties of the type specified in Section IV and identified in Exhibit "A" as being within the designated Community Reinvestment Area are eligible for this incentive. This proposal is a public/private partnership intended to promote and expand conforming uses in the designated area. As part of the project, the City of Kirtland intends to undertake supporting public improvements in the designated area.

SECTION IV: Within the 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 terms of those exemptions shall be negotiated on a case-by-case basis (in accordance with the limitations described in subsection (a) and (b) below) in advance of construction or remodeling occurring according to the rules outlined in the ORC Section 3735.67. The results of the negotiation as approved by this Council will be set in writing in a Community Reinvestment Area Agreement as outlined in ORC Section 3735.671. Residential facilities that include six (6) or more housing units shall be treated as commercial structures for the purpose of this Ordinance.

a. Up to, and including, twelve (12) years, and up to, and including one hundred percent (100%) for the remodeling of existing commercial and industrial facilities and upon which the cost of remodeling is at least twenty-five thousand dollars (\$25,000), as described in ORC Section 3735.67, the term and percentage of which shall be negotiated on a case-by-case basis in advance of remodeling occurring.

b. Up to, and including, fifteen (15) years, and up to, and including one hundred percent (100%) for the construction of new commercial or industrial facilities, the term and percentage of which shall be negotiated on a case-by-case basis in advance of construction occurring.

If remodeling qualifies for an exemption, during the period of the exemption, the exempted percentage of the dollar amount of the increase in market value of the structure 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 V: 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 1% of the amount of taxes exempted under the agreement - a minimum of \$500 up to a maximum of \$2500 annually unless waived.

SECTION VI: To administer and implement the provisions of this ordinance, the City Zoning Inspector is designated as the Housing Officer as described in ORC Sections 3735.65 through 3735.70.

SECTION VII: That a "Community Reinvestment Housing Council" shall be created, consisting of two members appointed by the Mayor of City of Kirtland, two members appointed by the Council of the City of Kirtland and one member appointed by the Planning Commission of the City of Kirtland. The majority of members shall then appoint two additional members. All members of the Community Reinvestment Housing Council shall be residents of the City of Kirtland. Terms of the members of the Community Reinvestment Housing Council shall be for three years. An unexpired term resulting from a vacancy in the Community Reinvestment Housing Council shall be filled in the same manner as initial appointment was made. The Community Reinvestment Housing Council shall make an annual inspection of the properties within the district for which an exemption has been granted under ORC Section 3735.67. The Community Reinvestment Housing Council shall also hear appeals under ORC Section 3735.70.

SECTION VIII: That a Tax Incentive Review Council shall be established pursuant to ORC Section 5709.85 and shall consist of three representatives appointed by the Board of County Commissioners, two representatives of the City of Kirtland, appointed by the Mayor with City Council concurrence, the Lake County Auditor or designee and a representative of each affected Board of Education. At least two of the members of the Tax Incentive Review Council must be residents of the City of Kirtland. 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 ORC Section 3735.671, and make written recommendations to the City Council of Kirtland, Ohio, on or before October 31st of each year as to continuing, modifying or terminating each said agreement based upon the performance of each agreement.

SECTION IX: The City Council of Kirtland, Ohio reserves the right to reevaluate the North Route 306 Corridor Community Reinvestment Area after December 31, 2018, and annually thereafter, at which time the City Council of Kirtland, Ohio, may direct the Housing Officer not to accept any new applications for exemptions as described in ORC Section 3735.67.

SECTION X: The City Council of Kirtland, Ohio, hereby finds and determines that all formal actions relative to the passage of this Ordinance were taken in an open meeting of this City Council, that all deliberations of this City 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 ORC Section 121.22.

SECTION XI: This ordinance shall take effect and be in force from and after the earliest period allowed by law and upon confirmation of the Director of Ohio Development Services Agency of the findings in this Ordinance.

SECTION XII: The Mayor of the City of Kirtland is hereby directed and authorized to petition the Director of Ohio Development Services Agency to confirm the findings contained within this Ordinance.

First Reading: June 19, 2017
Second Reading: October 16, 2017
Third Reading: Waived

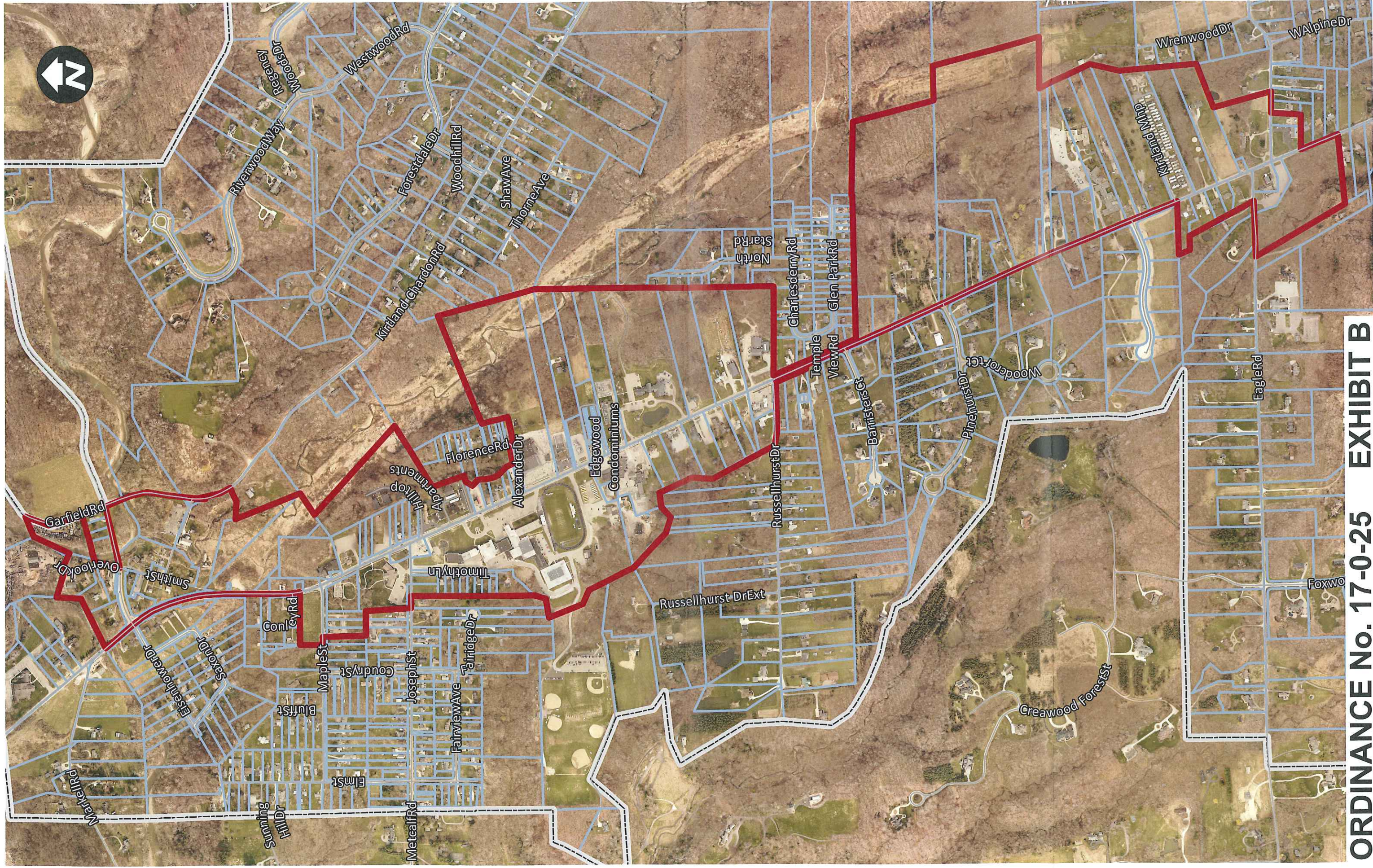
DATE PASSED: October 16, 2017

Submitted to the Mayor for his approval on this 17th day of October, 2017.

Approved by the Mayor this 17th day of October, 2017.

ORD. No. 17-O-25**EXHIBIT A****CRA #1**

20-A-002-0-00-022-0	20-A-006-F-00-010-0	20-A-006-P-00-016-0
20-A-002-A-01-001-0	20-A-006-F-00-011-0	20-A-006-P-00-017-0
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20-A-002-A-01-003-0	20-A-006-F-00-013-0	20-A-006-P-00-019-0
20-A-002-A-01-008-0	20-A-006-F-00-014-0	20-A-006-P-00-020-0
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20-A-006-F-00-008-0	20-A-006-P-00-015-0	



ORDINANCE No. 17-0-25 EXHIBIT B
PROPOSED CRA # 1