

AMENDED ORDINANCE #350

ORDINANCE # 351 (06-03)

MUNICIPAL CRA LEGISLATION AMENDING ORDINANCE #350.

AN ORDINANCE IMPLEMENTING SECTIONS 3735.65 THROUGH 3735.70 OF THE OHIO REVISED CODE, ESTABLISHING AND DESCRIBING THE BOUNDARIES OF COMMUNITY REINVESTMENT AREA IN THE VILLAGE OF OTTOVILLE AND DESIGNATING A HOUSING OFFICER TO ADMINISTER THE PROGRAM CREATING A COMMUNITY REINVESTMENT COUNCIL AND A TAX INCENTIVIES REVIEW COUNCIL.

WHEREAS, the Council of the Village of Ottoville desires to pursue all reasonable and legitimate incentive measures to assist and encourage development in specific areas of the Village of Ottoville that have not enjoyed reinvestment from remodeling or new construction;

WHEREAS, a survey of housing (see Exhibit A) 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 VILLAGE OF OTTOVILLE OF PUTNAM COUNTY, OHIO, THAT:

Section 1: The area designated as the Ottoville Community Reinvestment Area constitutes an area in which housing facilities or structures of significance are located, and in which new construction or repair of existing facilities has been discouraged:

Section 2: Pursuant to ORC Section 3735.66, Ottoville Community Reinvestment Area is hereby established in the following described area:

The boundaries of the Ottoville Community Reinvestment Area shall be the same as the political boundaries of the Village, as of March 14, 2006, as depicted on the map attached to this Ordinance, marked 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 will be eligible for exemptions under this program.

Section 3: All properties identified in Exhibit B as being within the designated Community Reinvestment Area are eligible for this incentive. This CRA proposal is a public/private partnership intended to promote and expand conforming uses in the designated area. As part of the project, the Village of Ottoville intends to undertake supporting public improvements in the designated area.

Section 4: 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 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 3735.67. The results of the negotiation as approved by the Village Council will be set in writing in a Community Reinvestment Area Agreement as outlined in Section 3735.671 of the ORC. For residential property, a tax exemption 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 following periods. Residential applications must be filed with the Housing Officer no later than six months after construction completion.

The following rates and terms apply to real property tax abatement:

For the purposes of this Ordinance, "Appraised Value" shall mean:

1. For remodeling, the difference between the value of the property after the improvement and the value of the property before the improvement, as determined by the Putnam County Auditors Office.
 2. For new construction, the difference between the value of the completed construction project and the value of the lot, as determined by the Putnam County Auditors Office.
- (a) Abatement will be one hundred percent (100%) for ten (10) years for the remodeling of a single family dwelling and for which the cost of remodeling is at least \$10,000, as described in ORC Section 3735.67. All residential remodeling projects will be subject to a one-time \$30 application fee.

<u>Appraised Value</u>	<u>Yearly Fee</u>
\$10,000 – 20,000	\$ 75.00
\$20,001 – 40,000	\$150.00
\$40,001 – 60,000	\$250.00
\$60,001 – 80,000	\$350.00
\$80,000 – 100,000	\$450.00

- (b) Abatement will be one hundred percent (100%) for twelve (12) years for the remodeling of residential dwellings containing two (2) units and for which the cost of remodeling is at least \$10,000 as described in ORC Section 3735.67. (Apartment complexes of three (3) or more units will be considered commercial structures for the CRA program). All Residential remodeling projects will be subject to a one-time \$30 application fee.

<u>Appraised Value</u>	<u>Yearly Fee</u>
\$10,000 – 20,000	\$ 75.00
\$20,001 – 40,000	\$150.00
\$40,001 – 60,000	\$250.00
\$60,001 – 80,000	\$350.00
\$80,000 – 100,000	\$450.00

- (c) Abatement will be one hundred percent (100%) for fifteen (15) years for the new construction of a single family residential dwelling as described in ORC Section 3735.67. All new residential projects will be subject to a one-time \$50 application fee.

<u>Appraised Value</u>	<u>Yearly Fee</u>
\$100,000 – 150,000	\$ 625.00
\$150,001 – 200,000	\$ 875.00
\$200,001 – 250,000	\$ 1,125.00
\$250,001 – 300,000	\$ 1,375.00
\$350,001 – 400,000	\$ 1,875.00
\$400,000 – 450,000	\$ 2,375.00

- (d) Abatement can be up to 100% for up to fifteen (15) years for new or existing retail or commercial facilities and shall be negotiated on a case-by-case basis in advance of construction occurring. The cost shall not be less than \$50,000.
- (e) Abatement can be up to 100% for up to fifteen (15) years for an industrial facility and shall be negotiated on a case-by-case basis in advance of construction occurring. The cost shall not be less than \$200,000.

If remodeling qualifies for an exemption, the dollar amount of the increase in market value of the structure during the period of the exemption shall be exempt from real property taxation. If new construction qualifies for an exemption, 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 during the period of the exemption.

Section 5: All commercial and industrial projects are required to comply with the State application fee requirements of ORC Section 3735.672 (C): \$750 to the Ohio Department of Development 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, (at the discretion of the Village).

Section 6: To administer and implement the provisions of this Ordinance, the Village's Fiscal Officer is designated as the Housing Officer as described in Sections 3735.65 through 3735.70.

Section 7: A "Community Reinvestment Area Housing Council" consisting of seven (7) members shall be created as outlined in ORC Section 3735.69. The Housing Council shall consist of residents of the Village of Ottoville of which two members shall be appointed by the Village Council, two (2) members by the Mayor, and one member appointed by the Ottoville School Board. The majority of the members shall then appoint two additional members. Terms of the members of Council shall be for three years. An un-expired term resulting from a vacancy in the Housing Council shall be filled in the same manner as the initial appointment was made. The original committee appointments shall include three one year terms and four three year terms, to insure overlapping terms. The Mayor, Village Council, and the Housing Council shall each appoint one member to a three year term.

A Tax Incentive Review Council (TIRC) 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 municipal corporation, appointed by the Mayor with Council concurrence, the County Auditor or designee, and a representative of each effected board of education. At least two members must be residents of the Village of Ottoville. The Tax Incentive Review Council (TIRC) 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 Village Council as to continuing, modifying or terminating said agreement based upon the performance of the agreement. (The existing TIRC may be used.)

Section 8: The Village Council reserves the right to re-evaluate the Ottoville Community Reinvestment Area annually after March 14, 2006, at which time Village 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 Housing Council shall make an annual inspection of properties within the CRA for which an exemption has been granted under Section 3735.67 of the ORC. The Housing Council shall also hear appeals under 3735.70 or the ORC.

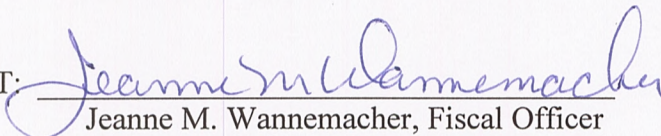
Section 10: The Village Council hereby finds and determines that all formal actions relative to the passage of this Ordinance were taken in an open meeting of the Village Council, that all deliberation of this Village Council and of its committees, if any, which resulted in formal action were taken in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

Section 11: This Ordinance is hereby declared to be an emergency measure, and that this Ordinance shall take effect and be in force from and after the earliest period allowed by law and upon confirmation by the Ohio Director of Development of the findings in this Ordinance.

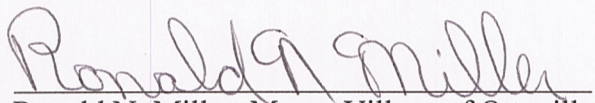
Section 12: The Mayor of the Village of Ottoville is hereby authorized to petition the Director of Development to confirm the findings contained within this Ordinance.

Passed this 19th day of June, 2006.

ATTEST:


Jeanne M. Wannemacher, Fiscal Officer

APPROVED:


Ronald N. Miller, Mayor Village of Ottoville