

**ORDINANCE 05-2016**

**AN ORDINANCE IMPLEMENTING SECTIONS 3735.65 THROUGH 3735.70 OF THE OHIO REVISED CODE, ESTABLISHING AND DESCRIBING THE BOUNDARIES OF COMMUNITY REINVESTMENT AREA IN OAK HARBOR DESIGNATING A HOUSING OFFICER TO ADMINISTER THE PROGRAM, CREATING A COMMUNITY REINVESTMENT HOUSING COUNCIL AND AUTHORIZING USE OF THE EXISTING COUNTY TAX INCENTIVE REVIEW COUNCIL**

**WHEREAS**, the Village of Oak Harbor, Ottawa County, Ohio (hereafter referred to as “VILLAGE”) desire to pursue all reasonable and legitimate incentive measures to assist and encourage development in the Village in areas 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 Village Administrator 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;

**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 COUNCIL, OAK HARBOR, OHIO, THAT:**

**Section 1:**

The area designated as the Village of Oak Harbor Community Reinvestment Area constitutes an 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 2:**

Pursuant to ORC Section 3735.66, the Village of Oak Harbor Community Reinvestment Area, is hereby established in the following described area:

The Village Corporate Boundaries as of March 21, 2016.

The Community Reinvestment Area is approximately depicted as the bounded area on the map attached to this Ordinance (see Exhibit A) and by this reference incorporated herein.

Only 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 commercial and/or industrial properties 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 Village of Oak Harbor 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 3765.67. The results of the negotiation as approved by the Council will be set in writing in a Community Reinvestment Area Agreement as outlined in ORC Section 3735.671.

- 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 \$5,000, 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.

For the purposes of the above described Community Reinvestment Area, structures exclusively used for residential purposes, no matter how many units, shall be classified as residential structures and not eligible for abatement.

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 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 determined by the Village's Administrator.

**Section 6:**

To administer and implement the provisions of this Ordinance, the Village Administrator is designated as the Housing Officer as described in Sections 3735.65 through 3735.70.

**Section 7:**

That a "Community Reinvestment Area Housing Council" shall be created, consisting of the Village Housing Officer, the superintendent of the affected school district (treasurer as alternate); superintendent of the affected joint vocational school district (treasurer as alternate); the Mayor of Oak Harbor, and one member of Council of the Village of Oak Harbor. The majority of the members may 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 Housing Council shall be filled in the same manner as the initial appointment was made. The Community Reinvestment Area Council shall make an annual inspection of the properties within the district for which an exemption has been granted under Section 3735.67 of the ORC. The Council shall also hear appeals under Section 3735.70 of the ORC.

A local Tax Incentive Review Council has been established pursuant to ORC Section 5709.85 by the County. 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 Village reserves the right to re-evaluate the designation of the Village of Oak Harbor Community Reinvestment Area after December 31, 2016 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 Housing Officer shall make an annual inspection of the properties within the district for which an exemption has been granted under Section 3735.67 of the ORC. The Housing Council shall hear appeals under 3735.70 of the ORC.

**Section 10:**

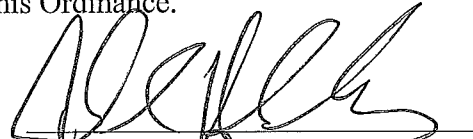
The Council hereby finds and determines that all formal actions relative to the passage of this Ordinance were taken in an open meeting of the Village Council, that all deliberations of the Council and of its committees, if any, which resulted in formal action were taken in meetings open to the public,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

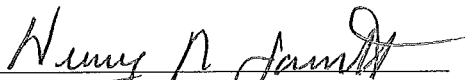
**Section 11:**

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

**Section 12:**

The Mayor, Village of Oak Harbor, is hereby directed and authorized to sign below and provide said Ordinance for the Village's Petition to the Director of the Ohio Development Services Agency to confirm the findings contained within this Ordinance.

  
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Joseph W. Helle, Mayor

Attest:   
Henry R. Jarrett, Fiscal Officer

First Reading: March 21, 2016

Second Reading: April 4, 2016

Third Reading: April 18, 2016

Passed: Apr. 18, 2016