

# ORDINANCE 2006-35

## CRA LEGISLATION

### **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 NEW RICHMOND, 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 Village of New Richmond (hereinafter "Council") desires to pursue all reasonable and legitimate incentive measures to assist and encourage development in specific areas of the Village of New Richmond that have not enjoyed reinvestment from remodeling or new construction;

WHEREAS, a survey of housing (see Exhibit A) 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 VILLAGE OF NEW RICHMOND, CLERMONT COUNTY, OHIO, THAT:

Section 1: The area designated as the Village of New Richmond 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, New Richmond Community Reinvestment Area, is hereby established in the following described area:

Beginning at a point in the Village limits which is Southeastern intersection with the center line of New U.S. 52, thence in a Northwestern direction along the center line of New U.S. 52 to a point which is the intersection of New U.S. 52 and Front Street (a.k.a. Old U.S. 52), thence in a Southeastern direction along the center line of Front Street to a point which is the intersection of Front Street and the proposed (paper) Mill Street, thence in a Southwestern direction along the center line of the proposed (paper) Mill Street to the center line of Water Street, thence in a Southeastern direction along Water Street to the Village limits of the place of beginning.

The Community Reinvestment Area is approximately depicted as the crosshatched area on the map attached to this Ordinance (see 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 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 New Richmond 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 this Council will be set in writing in a Community Reinvestment Area Agreement as outlined in ORC Section 3735.671. For residential property, a tax exemption on the increase in the assessed valuation resulting from the improvements as describe din ORC Section 3735.67 shall be granted application by the property owner and certification thereof b the designated Housing Officer for the following periods.

(a) 4 years, for the remodeling of every residential dwelling unit containing not more than two housing units and upon which the cost of remodeling is at least \$2,500, as described in ORC Section 3735.67, and with such exemption being 100 percent (100%) for each of the four (4) years.

(b) 6 years, for the remodeling of every residential dwelling unit containing more than two housing units and upon which the cost of remodeling is at least \$5,000, as described in ORC Section 3735.67, and with such exemption being 100 percent (100 %) for each of the six (6) years.

(c) 5 years, for the construction of dwellings containing not more than three housing units, as described in ORC Section 3735.67, with such exemption being 100 percent (100 %) for each of the five (5) years.

(d) Up to 6 years, and up to 100 percent (100 %) for the remodeling of existing commercial and industrial facilities, the term and percentage of which shall be negotiated on a case-by-case basis in advance of remodeling occurring.

(e) Up to 5 years, and up to 100 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 5: All commercial and industrial projects are required to comply with the state application fee requirements of ORC Section 373 5.672 (C) 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 \$2500 annually unless waived.

Section 6: To administer and implement the provisions of this Ordinance, the Village Administrator or his authorized agent 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 two members appointed by the Mayor of New Richmond, two members appointed by the Council of the Village of New Richmond and one member appointed by the Planning Commission of New Richmond. The majority of the members shall then 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 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 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 municipal corporation, appointed by the Municipal CEO with Council concurrence, the county auditor or designee and a representative of each affected Board of Education. At least two members must be residents of the Village of New Richmond. 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 council reserves the right to re-evaluate the designation of the New Richmond Community Reinvestment Area after December 31, 2006, 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 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 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 this Council, that all deliberations of this 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 enforce from and after the earliest period allowed by land and upon confirmation by the Director of Development of the findings in this Resolution.

Section 12: The Mayor of the Village of New Richmond is hereby directed and authorized to petition the Director of Development to confirm the findings contained within this Resolution.

**Adopted: 10-24-2006**