

ORDINANCE NO. 24-030

AN ORDINANCE AMENDING ORDINANCE NO. 18-088, PASSED ON APRIL 23, 2018; IMPLEMENTING SECTIONS 3735.65 THROUGH 3735.70 OF THE OHIO REVISED CODE TO IMPLEMENT AN EXPANDED COMMUNITY REINVESTMENT AREA IN THE CITY OF SANDUSKY, OHIO, AND RELATED MATTERS, AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, the General Assembly of the State of Ohio, by the enactment of Ohio Revised Code (“ORC”) §§3735.65-70 (herein sometimes referred to as the “Community Reinvestment Area Program”) has heretofore authorized municipal corporations to designate Community Reinvestment Areas (“CRAs”) 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, by Ordinance No. 03-109, passed June 23, 2003, this City Commission established a CRA in the downtown area of the City (the “Downtown CRA”); and

WHEREAS, there was prepared and submitted to this City Commission, in connection with the passage of Ordinance No. 03-109, a housing survey covering the then-proposed CRA located in the City of Sandusky, which was designated and described therein and called the Downtown Community Reinvestment Area (the “Downtown CRA”) and which survey showed the facts and conditions relating to then-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 proposed a CRA for residential property to be located throughout the City of Sandusky, which proposed CRA is designated and described herein and called the City Residential Community Reinvestment Area (the “City Residential CRA”); and

WHEREAS, there has been prepared and submitted to this City Commission the Sandusky Property Inventory Report dated April 2015, which provides a parcel by parcel survey and general inventory of the housing stock throughout the City, and which survey shows the facts and conditions relating to existing structures in the City, including among other things, evidence of deterioration, all leading to lack of new construction or repair or rehabilitation of substantial portions of the City; and

WHEREAS, there has been recommended to this City Commission the approval of the designation of the City Residential CRA as a Community Reinvestment Area, and this City Commission has been apprised of the housing surveys, and the facts and conditions relating to the City Residential CRA; and this City Commission has determined that new construction and rehabilitation in such area would serve to encourage economic stability, maintain real property values, and would be in the best interests of the City; and

WHEREAS, the remodeling of existing structures or the construction of residential structures in the City constitutes a public purpose for which real property exemptions may be granted; and

WHEREAS, the City desires to remove the language that applications must be filed with the Housing Officer no later than 12 months after completion of the construction as stated in Section 5 of this Ordinance and will implement the City’s Residential Community Reinvestment Area Program in accordance with the Ohio Revised Code Section 3735.67(F) which states the applicant “may file an application for an exemption after the year the construction first became subject to taxation”; and

WHEREAS, an emergency exists in that, for the immediate preservation of the public peace, property, health and safety, it is necessary that this Ordinance be immediately effective in order to encourage development to promptly occur in the City to eliminate and prevent the recurrence or spread of conditions of blight and deterioration, and by reason thereof, this Ordinance shall take effect forthwith upon its passage, NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, that:

Section 1. This City Commission hereby amends Ordinance No. 18-088, passed on April 23, 2018.

Section 2. Based upon the aforesaid recommendations and upon said housing surveys, and on this City Commission's own knowledge of the facts and conditions existing in the City, this City Commission hereby finds and determines that the entire area of the City 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 or structures are discouraged.

Section 3. Pursuant to Section 3735.66 of the Ohio Revised Code, the City Residential 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 City Residential CRA is hereby established and designated as the entire area of the City.

Section 4. Within the City, new construction and remodeling of existing residential, structures are hereby declared to be a public purpose and eligible for an exemption from real property taxation. Only residential improvements consistent with the applicable zoning regulations within the City, including building codes and any applicable approvals by the City's Downtown Design Review Board or Landmark Commission, will be eligible for exemptions.

Section 5. For residential property consisting of three units or less ("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 proper application by the property owner and certification thereof by the City's designated Housing Officer. ~~Residential applications must be filed with the Housing Officer no later than 12 months after completion of construction.~~ The following tax exemption percentages and periods of real property tax exemption shall apply to all residential property:

(a) 75% for ten years for the construction or remodeling of dwellings containing not more than two units, and upon which the cost of remodeling is at least \$2,500.

(b) 75% for ten years for the construction or remodeling of dwellings containing three units, and, in the case of remodeling, upon which the cost of remodeling is at least \$5,000.

If remodeling qualifies for an exemption, during the period of the exemption, the dollar amount of the increase in market value of the structure shall be exempt from real property taxation. If the new construction qualifies for an exemption, during the period of the exemption the structure shall not be considered to be an improvement of the land on which it is located for the purpose of real property taxation.

Section 6. To administer and implement the provisions of this Ordinance, the City's Director of Community Development is hereby confirmed as the Housing Officer as described in ORC Sections 3735.65 through 3735.70. 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 City for which exemptions have been granted, and to keep the Housing Council apprised of any revocations of CRA tax exemption made for lack of adequate property maintenance in accordance with ORC §3735.68.

Section 7. The City has by previous legislation established a Community Reinvestment Area Housing Council (the "Housing Council"). 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 8. This City Commission reserves the right to re-evaluate the designation of the City Residential CRA after December 31, 2028 and every five years thereafter, at which time this City Commission may direct the Housing Officer not to accept any new applications for exemptions as described in ORC §3735.67, with respect to any additional construction or remodeling thereafter commenced.

Section 9. The City Manager of the City is hereby authorized and directed to petition the Director of the Ohio Development Services Agency to confirm the findings contained within this Ordinance.

Section 10. A copy of this Ordinance shall be forwarded to the Erie County Auditor; and a copy of this Ordinance shall also be published in a newspaper of general circulation in the City once a week for two consecutive weeks immediately following its passage.

Section 11. The Downtown CRA shall be terminated effective upon the certification of the City Residential CRA by the Ohio Development Services Agency; provided that any exemptions granted in the Downtown CRA under authority of Ordinance No. 03-109 shall remain in effect under the terms provided therein.

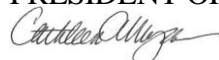
Section 12. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 13. That it is found and determined that all formal actions of the City Commission of the City of Sandusky concerning and relating to the adoption of this Ordinance were taken in an open meeting of the City Commission of the City of Sandusky and that all deliberations of this City's Commission and any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements.

Section 14. For the reasons set forth in the last preamble hereto, this Ordinance is hereby declared to be an emergency measure in accordance with Section 14 of the City Charter and shall take effect immediately upon its passage and due authentication by the President and the Clerk of the City Commission.



RICHARD R. BRADY.
PRESIDENT OF THE CITY COMMISSION



ATTEST:

CATHLEEN A. MYERS
CLERK OF THE CITY COMMISSION