

ORDINANCE NO. 21-69

BY: Tres Roeder

Amending Section 173.05 of the Administrative Code of the Codified Ordinances of the City of Shaker Heights, the Transit Village Community Reinvestment Area, to modify the period of tax exemption for eligible property owners and update the boundaries of the Area to reflect current parcel numbers.

WHEREAS, Chapter 173 of the Codified Ordinances was enacted by Ordinance 04-11, on February 9, 2004, establishing a Housing Council and the position of Housing Officer to implement the provisions of the Ohio Revised Code authorizing the designation of Community Reinvestment Areas (CRAs) in municipalities in the State; and

WHEREAS, Chapter 173 was amended in Ordinance 06-92 on October 23, 2006, Ordinance 06-113 on November 13, 2006, and Ordinance 10-68 on May 24, 2010; and

WHEREAS, in Ordinance 14-97, adopted on February 23, 2015, this Council enacted Section 173.11 of the Administrative Code of the Codified Ordinances to create the Transit Village Community Reinvestment Area (CRA), and Section 173.11 was revised and renumbered to 173.05 in Ordinance 16-33, enacted on March 28, 2016; and

WHEREAS, Ohio Revised Code Section 3735.65 *et seq.* authorizes municipalities to designate CRAs in which certain real property tax exemptions may be permitted when certain criteria have been met in accordance with State law in order to promote significant investment in such areas by property owners; and municipalities may stipulate as to the terms of any such exemption, including amount of exemption and period of exemption, pursuant to State law; and

WHEREAS, this Council agrees with the findings of the new, 2021 "Transit Village Community Reinvestment Area Housing Survey", a copy of which is on file in the office of the Director of Planning, as required by Ohio Revised Code 3735.66, along with the revised Transit Village CRA Map, which Map is attached to this ordinance as *Exhibit A* and incorporated herein; and

WHEREAS, as a result of the 2021 Transit Village Community Reinvestment Area Housing Survey, this Council has determined that the area of the City encompassing the parcels listed in the Housing Survey, and which are contained in the list attached to this ordinance as *Exhibit B* and incorporated herein, contains housing facilities or structures of historical significance, and new housing construction and repair of existing facilities or structures are discouraged by market conditions and, therefore, under Ohio Revised Code Sections 3735.65 and 3735.66, said area is appropriate for designation as a CRA; and

WHEREAS, the City finds that the construction of new single family homes in the Transit Village CRA would serve to encourage neighborhood stability, investment in housing, and maintain real property values, and constitutes a public purpose for which real property exemptions may be granted; and an appropriate exemption period for such properties is a period of fifteen (15) years, as is allowed pursuant to Ohio Revised Code 3735.67; and

WHEREAS, owners of real property within the Transit Village CRA that have already applied for and received the exemption are eligible for the extended exemption period, thereby increasing said exemption period to a total maximum period of fifteen years, so long as said applicants continue to meet eligibility requirements per program guidelines as established by ordinance and City regulations.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Shaker Heights, State of Ohio:

Section 1. That Section 173.05 of the Administrative Code of the Codified Ordinances as heretofore enacted is hereby repealed.

Section 2. That Section 173.05 of the Administrative Code of the Codified Ordinances is hereby amended and enacted as follows:

173.05 TRANSIT VILLAGE COMMUNITY REINVESTMENT AREA

(a) Council finds that the area designated as the Transit Village Community Reinvestment Area ("CRA") within the boundaries described in this Section, which area is illustrated in the "Map of Transit Village CRA" and includes the parcels listed in the "Statement of Findings" on file with the Housing Officer and in the 2021 Transit Village Community Reinvestment Area Housing Survey, constitutes an area within which housing facilities or structures of historical significance are located and within which new housing construction or repair of existing facilities or structures has been discouraged by market conditions.

(b) The Transit Village CRA shall be defined as the area in the City that includes: all parcels on Sutton Road; all parcels on Sutton Place, not including those properties that front onto Westbury and Colwyn Roads; the properties on the south side of Milverton Road from the southeast corner of Milverton and Sutton Roads, at Parcel No. 735-14-012, north and west to the City border with Cleveland, at Parcel No. 731-14-016; the properties on the north side of Milverton Road from Parcel No. 735-14-018 on the south east to the City border, at Parcel No. 731-18-~~028~~031; and the parcels at the corner of Onaway Road, Van Aken Boulevard and Sutton Road from Parcel No. ~~731-18-021 on the west to 731-18-028 on the east~~731-18-034 and 731-18-035, to the south, and then continuing northwest to include parcels 731-18-301 through 731-18-312.

(c) Pursuant to Ohio Revised Code Section 3735.66, the Transit Village ~~CRA Community Reinvestment Area~~, as defined in this Section, is hereby established.

(d) Properties within the Transit Village ~~CRA Community Reinvestment Area~~ on which new construction of residential-only, for-sale, single family homes occurs, with a minimum investment of \$125,000, are eligible for tax exemption. A tax exemption of 100% of the increase in the assessed valuation of the property resulting from new construction, as defined in Ohio Revised Code Section 3735.67 and in this Chapter, shall be granted for a period of ~~ten~~fifteen years, upon proper application by the property owner and certification of such application thereof by the Housing Officer. The initial sale of any new single family home must be to an owner occupant. Applications

must be filed with the Housing Officer no later than six months after completion of the new construction. The Housing Officer shall determine whether an application meets the requirements of this Chapter, State law and the rules and regulations for the implementation of this Chapter.

Section 3. Properties which have been granted an exemption pursuant to the Transit Village CRA program existing prior to the enactment of this Ordinance are eligible to extend their initial period of exemption pursuant to Section 173(d), as amended in this Ordinance. The owners of such properties that continue to meet the City's eligibility requirements, may request to have their original exemption period extended by no more than five (5) additional years, for a total exemption period of no more than fifteen (15) years. The City's Housing Officer shall review all such requests, approve the appropriate extension period, and facilitate such requests with the County Fiscal Office.

Section 4. This 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, which resulted in formal action were taken in meetings open to the public, in full compliance with the applicable legal requirements, including the City's Charter and Chapter 115 of the City's Codified Ordinances.

Section 5. A summary of this Ordinance shall be published by the Department of Planning in a newspaper of general circulation in the City for two consecutive weeks as soon as practicable following its adoption.

Section 6. Upon passage by this Council, a copy of this ordinance shall be transmitted by the Department of Planning to the Director of the Ohio Development Services Agency for his or her determination in accordance with the provisions set forth at Ohio Revised Code Section 3735.66.

Section 7. This Ordinance shall take effect from and after the earliest time allowed by law.

Enacted July 26, 2021.

Approved this ____ day of _____, 2021.

DAVID WEISS, Mayor

Attest:

JERI E. CHAIKIN
Clerk of Council

Coun21/0722Section173.05-transitvillageCRA-CODORDAMEND