

North Canton City Council
Community and Economic Development Committee

Ordinance No. 66 - 2016

An ordinance revoking the designation of all City of North Canton Community Reinvestment Areas ("CRA"), terminating the City's CRA program for new residential, commercial, and industrial tax exemption applications for new structures, rehabilitation, and remodeling, as may be permitted under Ohio law, specifically Ohio Revised Code ("R.C.") Sections 3735.65 through 3735.70, thereby repealing all local legislative provisions inconsistent herewith, as may be described in North Canton Ordinances 22-99, 106-00, 71-04, 107-09, and 5-10, and declaring the same to be an emergency.

WHEREAS, at the behest of North Canton's Board of Education, see Exhibit A attached hereto and incorporated herein, and those residents in accordance therewith, this Council declares the City's current CRA program no longer constitutes a public purpose for which new applications for real property exemptions may be granted. Council enacted the CRA program to provide incentives for residential, commercial, and industrial new construction, remodeling, and rehabilitation with the expectation that the program would increase economic stability by maintaining real property values and generating new employment opportunities. However, in its current statutory form, the CRA program, albeit temporarily, significantly reduces potential tax benefits that may accrue to the City school system's benefit, and therefore, no longer constitutes a public purpose for which real property exemptions may be granted; and

WHEREAS, in accordance with Ohio law, provided the applicants continue to comply with the terms, conditions, and obligations of their applications, and agreements, this ordinance shall not diminish real property tax exemptions previously granted or available under the CRA program; and

WHEREAS, pursuant to past CRA legislation, residential applicants shall have up to six months from construction, rehabilitation, or remodeling completion to file a tax exemption application with the Housing Officer—the Director of Economic Development—therefore, the Housing Officer shall continue to receive residential applications for a period of six months from the date this ordinance becomes law. The Housing Officer shall deny, however, residential CRA applications filed more than six months from the date this ordinance becomes law, and deny any commercial or residential application beginning the date this ordinance becomes law, for those relating to the legislation described above. Accordingly, beginning the date this ordinance becomes law, City Council shall not enter into any CRA agreements with those applying for commercial or industrial CRA applications relating to the legislation described above; and

WHEREAS, so that it is made aware of new applications, City Council requires the Housing Officer to provide its members with prompt notice of the approval or denial of residential CRA applications.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF NORTH CANTON, COUNTY OF STARK, AND STATE OF OHIO, THAT:

Section 1. Because City Council believes that Community Reinvestment Area program, in its current statutory form, significantly reduce potential tax benefits that may accrue to area school systems, it hereby finds and determines its current CRA

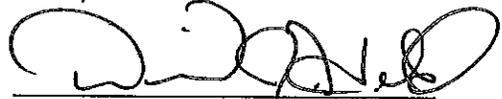
program no longer constitutes a public purpose for which real property exemptions may be granted.

- Section 2. This ordinance revokes the designation of all North Canton Community Reinvestment Areas, thus terminating the City's CRA program for new residential, commercial, and industrial tax exemption applications for new structures, rehabilitation, and remodeling, as may be permitted under Ohio law, specifically R.C. Sections 3735.65 through 3735.70, and thereby repeals all local legislative provisions inconsistent herewith, as may be described in North Canton Ordinances 22-99, 106-00, 71-04, 107-09, and 5-10.
- Section 3. This ordinance shall not diminish real property tax exemptions previously granted under a CRA program provided the applicants continue to comply with the terms, conditions, and obligations of their applications, and agreements.
- Section 4. Pursuant to past CRA legislation, residential applicants shall have up to six months from construction, rehabilitation, or remodeling completion to file a tax exemption application with the Housing Officer; therefore, the Housing Officer shall continue to accept residential applications for a period of six months from the date this ordinance becomes law. The Housing Officer shall deny residential CRA applications filed more than six months from the date this ordinance becomes law, and deny any commercial or residential application beginning the date this ordinance becomes law for those applications relating to the legislation described above. Accordingly, beginning the date this ordinance becomes law, City Council shall not enter into any CRA agreements with those applying for commercial or industrial CRA applications relating to the legislation described above.
- Section 5. To administer the winding up of North Canton's CRA program, the Housing Officer is authorized and directed to continue to receive applications and grant real property tax exemptions only as strictly described herein, and is further authorized and directed to continue to conduct annual inspections of properties until those tax exemption periods have been completed, and which proper exemptions have been granted, to continue to keep the Housing Council and Tax Incentive Review Council ("TIRC") apprised of any revocations of CRA tax exemptions made for lack of adequate property maintenance or compliance with a CRA agreement in accordance with R.C. 3735.68, and to provide City Council with prompt notice of the approval or denial of residential applications.
- Section 6. The North Canton Community Reinvestment Area Housing Council (the "Housing Council") shall continue as established heretofore, consisting of two members appointed by the Mayor, two members appointed by City Council, one member appointed by the Planning Commission, and two City residents, appointed by a majority of the first five members, which appointments are hereby authorized to be made. Terms of the members of the Housing Council shall be for three years. An unexpired term resulting from a vacancy in the Housing Council shall be filled in the same manner in which the initial appointment was made. The Mayor, City Council, and Planning Commission are hereby authorized and directed to continue to make their respective appointments to the Housing Council and those five appointed members are authorized to appoint the final two members. The Housing Council shall continue to make an annual inspection of the properties within the CRAs for which an exemption has been granted and shall hear appeals under R.C.

3735.70 from property owners whose CRA applications have been denied or tax exemptions revoked by the Housing Officer.

- Section 7. The TIRC shall continue to consist of three representatives appointed by the Board of County Commissioners, two representatives appointed by the Mayor with concurrence of City Council, the County Auditor (or designee) and a representative of each affected board of education located in the CRAs. At least two members of the TIRC shall be residents of the City. The TIRC shall continue to review annually the compliance of all agreements involving the grant of exemptions for commercial or industrial real property improvements under R.C. 3735.67, et seq., and shall continue make written recommendations to City Council as to the continuation, modification, or termination of said agreements based upon the performance of those agreements.
- Section 8. A copy of this ordinance shall be sent to the Stark County Auditor and be published in a newspaper of general circulation in the City once a week for two consecutive weeks immediately following its enactment.
- Section 9. It is found and determined that all formal actions of this City Council and of any of its committees concerning and relation to the passage of this ordinance were adopted in an open meeting of Council, or of any of its committees, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements, including R.C. Section 121.22.
- Section 10. That this ordinance is hereby declared to be an emergency measure necessary for the preservation of the health, safety and peace of the City of North Canton, and further necessary for the timely rescission of the City's CRA program under the legislation and conditions described above, which significantly reduces potential tax benefits that may accrue to the City school system's benefit; wherefore, provided it receives the affirmative vote of six or more members of Council elected thereto, this ordinance shall take effect and be in full force immediately upon its adoption by Council and approval by the Mayor. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

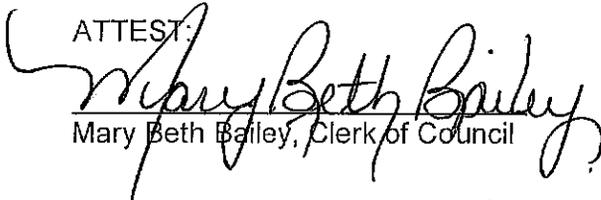
Passed in Council this 24th day of October 2016



David Held, Mayor

Signed: 10/24, 2016

ATTEST:



Mary Beth Bailey, Clerk of Council