

ORDINANCE 24-103

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 MIDDLEFIELD AND A TAX INCENTIVE REVIEW COUNCIL, AND DECLARING AN EMERGENCY

WHEREAS, the council of the Village of Middlefield (hereinafter "Council") desires to pursue all reasonable and legitimate incentive measures to assist and encourage development in specific areas of the Village of Middlefield 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 economic development 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 MIDDLEFIELD, GEAUGA COUNTY, OHIO, THAT:

Section 1: The area designated as the Middlefield Village Tare Creek Parkway 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, Middlefield Village Tare Creek Parkway Community Reinvestment Area, is hereby established in the following described area:

18-084900 (annexation acceptance 3-14-2024)	19-706167	19-706209
18-084600 (annexation acceptance 3-14-2024)	19-706207	19-706151
19-072865	19-706100	19-033200
19-072866	19-701500	19-071275
19-072867	19-706406	19-024100
19-072829	19-091083	19-046800
19-706212	19-091084	19-020170
		19-024000

The Community Reinvestment Area is approximately depicted as the highlighted area on the map attached to this Ordinance (see Exhibit A) 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 (the village may determine that all or any combination of project types - residential, commercial and industrial as eligible). The creation of the Middlefield Village Tare Creek Parkway Community Reinvestment Area will result in public/private partnership intended to promote and expand conforming uses in the designated area. As part of the creation of the Middlefield Village Tare Creek Parkway Community Reinvestment Area, the Village of Middlefield 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 described in ORC Section 3735.67 shall be granted upon application by the property owner and certification thereof by the designated Housing Officer for the following periods.

- a. Three (3) 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 one hundred percent (100 %) for each of the three (3) years.

- b. Six (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 one hundred percent (100 %) for each of the six (6) years.
- c. Six (6) years, for the construction of dwellings containing not more than three (3) housing units, as described in ORC Section 3735.67, with such exemption being one hundred percent (100%) for each of the six (6) years.
- d. Up to, and including, fifteen (15) 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.
- e. 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 and composed of three (3) and fewer units shall be classified as residential structures.

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 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 Economic Development Director is designated as the Housing Officer as described in Sections 3735.65 through 3735.70.

Section 7: That the "Community Reinvestment Area Housing Council" shall continue to consist of two members appointed by the Mayor of Middlefield Village two members appointed by the Council of the Village of Middlefield and one member appointed by the Planning Commission of Middlefield Village. 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 Middlefield. 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 Middlefield Village Tare Creek Parkway Community Reinvestment Area after December 31 of year, 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: The Mayor of the Village of Middlefield is hereby directed and authorized to petition the Director of the Ohio Department of Development with this ordinance.

Section 12: That this ordinance hereby declared to be an emergency measure necessary
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for the immediate preservation of the public peace, health and safety of the residents of the Village, due to the need to make this request for confirmation by the Director of the Ohio Department of Development. Therefore, this Ordinance shall take effect immediately upon its passage.

PASSED this 14 day of March, 2024.



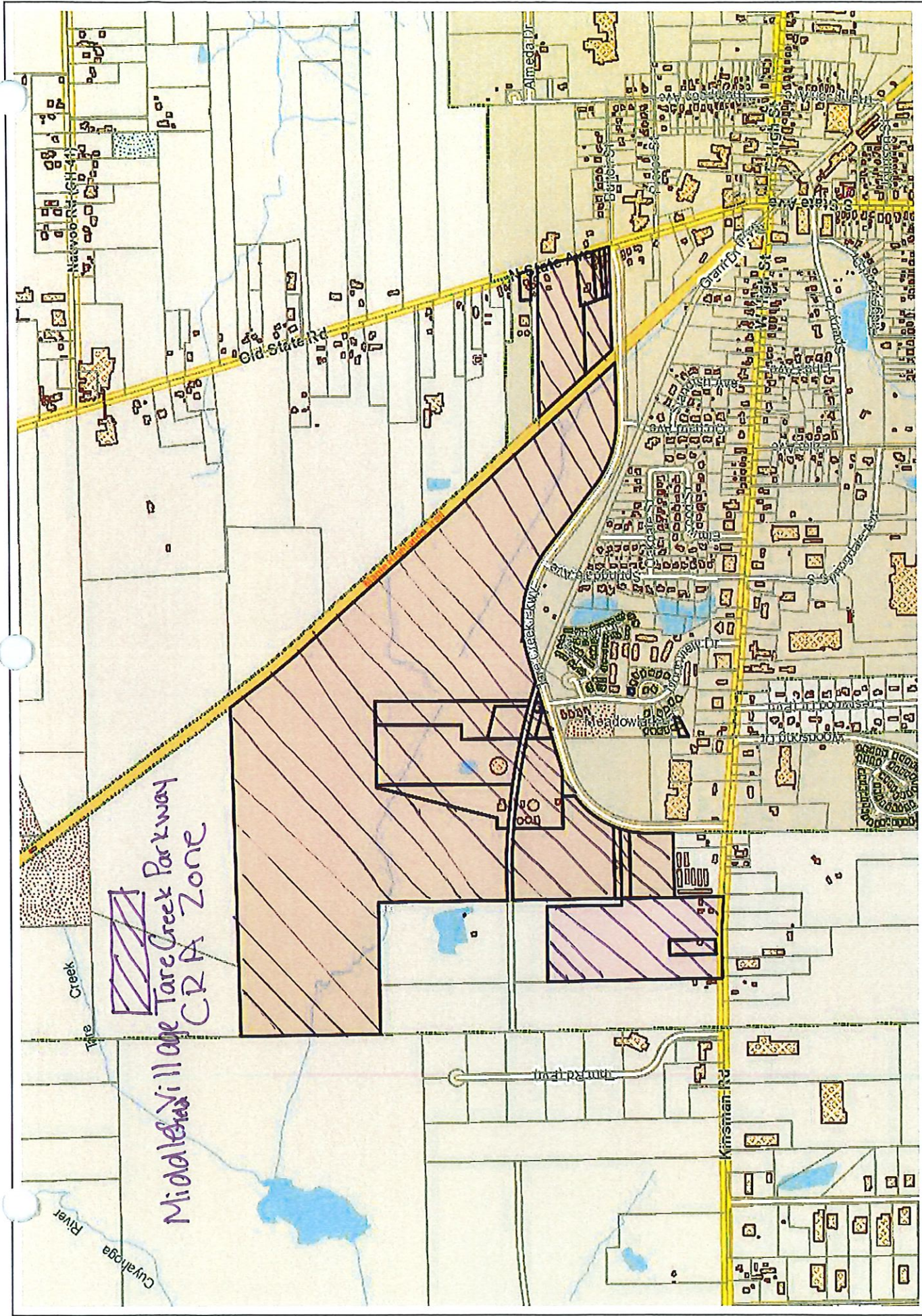
MAYOR

PRESIDENT PRO-TEMPORE

ATTEST:



FISCAL OFFICER



1 Inch = 1,113.29 Feet | Scale: 13,360

This map was prepared by Geauga County GIS in accordance with Section 5713.02 of the O.R.C. Geauga County digital data is a representation of recorder plats, surveys, deeds, and other collected information for use with the Geographic Information System. Geauga County assumes no legal responsibility for the information, defining land ownership or use. www.auditor.co.geauga.oh.us



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