

ORDINANCE NO. 2018-64

INTRODUCED BY: MAYOR MICHAEL DYLAN BRENNAN

**AN ORDINANCE MODIFYING THE GEOGRAPHIC AREA FOR
THE CITY'S PROPOSED COMMUNITY REINVESTMENT AREA,
AND DECLARING AN EMERGENCY.**

WHEREAS, the City previously passed Ordinance 2018-33 for the purpose of creating a Community Reinvestment Area so that the City can offer tax incentives for new construction and new development throughout the City;

WHEREAS, the City has requested that Cuyahoga County remove certain special assessments as a lien against certain parcels of property comprising a portion of the University Square Shopping Commons development, since those special assessments were for the sole benefit of institutional bondholders that now own the subject parcels;

WHEREAS, much of the University Square Shopping Commons has been vacant for an extended period of time, and the University Square Shopping Commons is in need of redevelopment so that the various parcels comprising that areas can be put back to productive use;

WHEREAS, it is possible that another Tax Increment Financing ("TIF") model could be utilized to finance any sale or redevelopment of the University Square Shopping Commons, with funds raised from that TIF used to satisfy amounts owed to the current bondholders/owners of the subject parcels comprising a portion of the University Square Shopping Commons;

WHEREAS, the TIF financing model relies on real estate tax revenues generated from parcels of property comprising a given TIF development project, and eligibility for tax exemption of any such parcels would, as a practical matter, preclude utilization of the TIF model for financing, and could thereby serve as an impediment to redevelopment of the University Square Shopping Commons; and

WHEREAS, the City wishes to promote redevelopment of the University Square Shopping Commons by excluding certain parcels from the proposed community reinvestment area and thereby allowing use of another TIF.

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF UNIVERSITY HEIGHTS, CUYAHOGA COUNTY, OHIO, THAT:

Section 1: Pursuant to ORC Section 3735.66, the University Heights Community Reinvestment Area, is hereby modified and/or established to be comprised of following described area:

Each and every parcel located within the municipal boundaries of the City of University Heights, Cuyahoga County, Ohio, except the following parcels which are hereby excluded:

Parcel No. 721-01-001

Parcel No. 721-01-003

Parcel No. 721-01-147

Section 2: To the extent inconsistent with the community reinvestment area defined in Section 1 hereof, Section 2 of City Ordinance 2018-33 is hereby repealed, provided however that the remaining provisions of City Ordinance 2018-33, including those provisions in Section 2 thereof not inconsistent with this ordinance, shall remain in full force and effect as of the date of passage of Ordinance 2018-33.

Section 3: All properties identified in Exhibit A as being within the designated Community Reinvestment Area are eligible for this incentive (the City may determine that all or any combination of project types – residential, commercial and industrial as eligible). This proposal is a public/private partnership intended to promote and expand conforming uses in the designated area. As part of the project, the City of University Heights intends to undertake supporting public improvements in the designated area.

Section 4: The City’s Administration is hereby authorized to take any and all necessary steps to modify its application to the Ohio Development Services Agency for approval of the City’s Community Reinvestment Area so that said application is consistent with the provisions of this ordinance.

Section 5: For purposes of determining the eligibility of any particular parcel for tax exemption, the City’s Community Reinvestment Area shall be deemed to have been created upon the passage of City Ordinance 2018-33.

Section 6: The council reserves the right to re-evaluate the designation of the University Heights Community Reinvestment Area after December 31, 2019, 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 7: 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 results 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 8: That this ordinance shall take effect and be enforced from and after the earliest period allowed by law and upon confirmation by the Director of the Ohio Development Services Agency of the findings in this Ordinance.

CITY OF UNIVERSITY HEIGHTS, OHIO



MICHAEL DYLAN BRENNAN, MAYOR

FIRST READING: 09/17/2018

PASSED: 10/03/2018

ATTEST:



KELLY M. THOMAS, CLERK OF COUNCIL

APPROVED AS TO FORM:



LUKE F. MCCONVILLE, LAW DIRECTOR