



Legislation Text

File #: O-417-20, **Version:** 1

Enterprise Zone for Secor Senior Lofts Project
Department of Economic Development
B. Sehlhorst (x1692)

Approving an Enterprise Zone real property tax exemption for Secor Senior Lofts, LLC for the construction of a 58-unit affordable senior independent living facility within the Toledo Enterprise Zone; making certain findings and determinations in connection therewith; approving and authorizing the execution of an agreement and other documents, which grant real property tax exemptions; and declaring an emergency.

SUMMARY & BACKGROUND:

Secor Senior Lofts, LLC (“Applicant”) is proposing to construct a 55,767 square foot affordable senior independent-living facility on a 2.6-acre parcel located at 3839 Secor Road (“Project”). The 58-unit facility will provide 40 one-bedroom and 18 two-bedroom units that will cater to the senior population. The Project will provide an affordable housing option to seniors seeking to age in place in an area of the City that is currently underserved with senior housing. All 58-units will be affordable to a minimum of 70% Area Median Gross Income (“AMGI”). The \$13,000,000 Project is estimated to create two (2) new part-time job positions. Currently, there are zero (0) existing full-and-part-time jobs at the site.

The city of Toledo has reviewed the Applicant’s application and proforma and has determined the enterprise zone real property tax exemption is necessary for the project to move forward. Therefore, the City is proposing to grant a one hundred percent (100%) real property tax exemption for fifteen (15) years on the increase in the assessed valuation of the Project after it is complete. The Applicant will enter into a Service Payment Agreement with the Washington Local School District (“District”) in an amount equal to one hundred percent (100%) of what the District would have received if not for the real property tax exemption. The Enterprise Zone Agreement will only be executed by the City upon execution of the Service Payment Agreement, to include a waiver and release by the Washington Local Board of Education of any and all rights it may have pursuant to Ohio Revised Code section 5709.82 or otherwise to share in the increased income tax revenue collected by the City of Toledo and resulting from the Project.

This project is in conformance with the Toledo’s Enterprise Zone Tax Exemption Policy as established by Ord. 94-95 and Ohio Revised Code section 5709.62. Washington Local School District Board of Education was notified of the application on September 30, 2020.

The fiscal impact of this ordinance is as follows:

- The amount of funds requested: Not Applicable
- The expenditure budget line item: Not Applicable
- New revenue generated (operational revenue, grants, if any): Not Applicable
- Revenue budget line item (if any): Not Applicable
- Are funds budgeted in the current fiscal year (yes/no)??: Not Applicable
- Is this a capital project (yes/no)? No

- If yes, is it new or existing (new/existing)? Not Applicable
- What section of the City's Strategic Plan does this support:
 - o Excellence in Basic Services (yes/no) No
 - o Quality Community Investment (Livable City, Development) (yes/no) Yes
 - o Workplace Culture & Customer Service (yes/no) No
 - o Environment (yes/no) No

NOW, THEREFORE, Be it ordained by the Council of the City of Toledo:

SECTION 1. That based upon the investigation of the Applicant's Project, supporting information, and recommendations, this Council hereby finds and approves an enterprise zone tax exemption for the new investments in real property created by Secor Senior Lofts, LLC at their Toledo property located in the City of Toledo.

SECTION 2. That pursuant to Ordinance No. 94-95, passed February 28, 1995, by Ordinance No. 326-85, passed May 7, 1985, by Resolution No. 250-87, adopted Nov. 10, 1987, and by Resolution 160-91, passed December 31, 1991, the city of Toledo designated an area described therein as an "Urban Jobs and Enterprise Zone" under Chapter 5709 of the Ohio Revised Code (herein called the "Toledo Enterprise Zone"), declared that incentives for business will enhance efforts to promote the viable and diverse economic activity necessary for the rejuvenation of the Toledo Enterprise Zone, and declared a policy relative to eligibility for tax incentives in connection therewith. For the purpose defining a facility under Ohio Revised Code section 5709.61, the city of Toledo is designated as an impacted city under Ohio Revised Code section 1729.01. The city of Toledo Enterprise Zone Policy was amended by Ordinance No. 735-96, passed October 22, 1996, Ordinance No. 87-01, passed January 23, 2001, Ordinance No. 794-01, passed October 2, 2001, by Ordinance No. 307-03, passed April 29, 2003, and by Ordinance No. 57-06, passed January 31, 2006.

SECTION 3. That Council specifically approves a tax exemption for real property pursuant to Section 5709.62(D) of the Ohio Revised Code, as further set forth in the Agreement, which Agreement is marked with the same number as this Ordinance and is on file in the Office of the Clerk of Council, and that, as specified in the Agreement, said exemption shall consist of a one hundred percent (100%) tax exemption for fifteen (15) years of the increase in the assessed valuation of the Project real property after completion.

SECTION 4. That Council specifically approves the form and content of the Agreement, which Agreement is incorporated herein by reference and made a part hereof as if fully rewritten herein, and the mayor is authorized to execute the aforesaid Agreement on behalf of the city with Applicant.

SECTION 5. That Council waives the policy provision of the Toledo Enterprise Zone guidelines that the Proposal should obtain a recommendation from the Industrial Development Committee ("IDC") for the reasons that the Proposal is time sensitive and, as there have been no other Enterprise Zone applications in approximately a decade, there is no presently constituted IDC.

SECTION 6. That the Mayor, Director of Economic Development, Director of Law, and other appropriate city officials are authorized to execute such other agreements, instruments, documents, and certifications, and to take such other actions as may be necessary or appropriate in connection with the full implementation of the Proposal and the Agreement in order to further evidence the approvals and consents of the city of Toledo to the various matters and actions approved and authorized herein.

SECTION 7. That it is found and determined that all formal actions of Council concerning and relating to the passage of this Ordinance were taken in an open meeting of Council, and that all deliberations of Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including those of Section 121.11 of the Ohio Revised Code.

SECTION 8. That this Ordinance is declared to be an emergency measure and shall be in force and effect from and after its passage. The reason for the emergency lies in the fact that same is necessary for the immediate preservation of the public peace, health, safety, and property, and for the further reason that the Ordinance must be immediately effective in order to enable the City to expedite the redevelopment of the Toledo Enterprise Zone, and to eliminate and prevent the recurrence of blighted conditions therein.

Vote on emergency clause: yeas _____, nays _____.

Passed: _____, as an emergency measure: yeas _____, nays _____.

Attest: _____
Clerk of Council

President of Council

Approved: _____

Mayor

I hereby certify that the above is a true and correct copy of an Ordinance passed by Council

_____.

Attest: _____
Clerk of Council