



Legislation Text

File #: O-165-20, **Version:** 1

All Council Members

Amending the ordinances previously passed which created the Toledo Area Regional Transit Authority (TARTA) by: (1) adding Lucas County as a member of TARTA; (2) eliminating TARTA's 2.5 mill property taxes and substituting a .5% sales and use tax and (3) allocating monies from the sales and use tax collected to TARTA to directly fund its operations and allocate monies from the sales and use tax collected to other local governmental entities for the installation, maintenance and improvement of mass transit related infrastructure; provided that such changes are contingent upon voter approval of the new TARTA funding system at the November 3, 2020 General Election; and declaring an emergency.

WHEREAS, the Toledo Area Regional Transit Authority (TARTA) exists as a political subdivision under the laws of the State of Ohio and is operated in the following jurisdictions (Member Communities): the City of Toledo, the City of Maumee, the City of Sylvania, the City of Rossford, the Village of Ottawa Hills, the City of Waterville and the Township of Sylvania; and

WHEREAS, TARTA provides transit services within the areas of the Member Communities which are within portions of Lucas and Wood County; and

WHEREAS, TARTA currently derives funding from two ad valorem property taxes (one 1.0 mill levy and one 1.5 mill levy) for a total of 2.5 mills paid by the property owners within the area of TARTA; and

WHEREAS, several other Regional Transit Authorities in Ohio utilize a sales and use tax to fund operations, which funding system is viewed as a preferable method of funding because it is paid by nonresidents as well as residents; and

WHEREAS, a sales and use tax funding system requires the addition of Lucas County as one of TARTA's Member Communities; and

WHEREAS, the Board of Trustees of TARTA has approved pursuing changes to TARTA's organizational and funding system which would: (1) expand mass transit service throughout Lucas County by adding Lucas County as a Member Community; (2) eliminate the current 2.5 mill property tax levies and substitute a .5% sales and use tax and (3) allocate monies from the sales and use tax collected to TARTA to directly fund its operations and allocate monies from the sales and use tax collected to other local governmental entities for the installation, maintenance and improvement of mass transit related infrastructure; and

WHEREAS, the proposed changes require the consent of all current TARTA Member Communities and the consent of the proposed new Member Community, Lucas County, in a timely manner so that the TARTA Board of Trustees may take action to place an issue onto the November 3, 2020 ballot.

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

SECTION 1. That Toledo City Council hereby consents to and approves of the addition of Lucas County as a Member Community of TARTA pursuant to the Ohio Revised Code Section 306.321 and the expansion of the territorial boundaries of TARTA to be coextensive with the boundaries of TARTA's Member Communities as now or hereinafter exist.

SECTION 2. That Toledo City Council hereby consents to and approves of replacing TARTA's existing 2.5 mill property tax levies with sales and use taxes, contingent upon and subject to voter approval of a .5% sales and use tax at the November 3, 2020 general election, in accordance with all provisions of law for transitioning from a property tax funding system to a sales and use tax funding system as described in Ohio Revised Code Section 306.321 and as further provided and agreed to by the Member Communities. Toledo City Council consents to and approves of the placement of the sales and use tax question on the November 3, 2020 ballot. The tax, which is authorized by Ohio Revised Code Sections 5739.023 and 5741.022, shall be in effect for a period of ten (10) years. In accordance with Ohio Revised Code Section 5739.023, the tax shall become effective on the first day of the calendar quarter next following the 65th day following the date the Tax Commissioner receives from the board of elections the certification of the results of the election on the question of the tax.

SECTION 3. That if the described sales and use tax is approved by the voters, the monies derived therefrom will be utilized in accordance with Ohio Revised Code Section 306.35, and after application of Section 306.321, certain of these sums collected are to be expended for public infrastructure projects described in Ohio Revised Code Section 306.353 to assist other local governmental entities in the TARTA service area in funding installation, maintenance and improvement of transit related infrastructure so that the roads, sidewalks, bridges, bus stops, bus shelters, signage and associated improvements are adequate to allow TARTA to operate its vehicles and serve its passengers in the Member Communities, with annual payments as follows: City of Toledo \$300,000; City of Maumee \$90,000; Village of Ottawa Hills \$90,000; City of Rossford \$90,000; City of Sylvania \$90,000; Sylvania Township \$90,000 and City of Waterville \$90,000.

SECTION 4. That Toledo City Council hereby consents to and approves of a revised composition of the TARTA Board of Trustees to reflect its expanded geographical boundaries, as follows:

- A. Four members, who shall have terms of three years, shall be appointed by the Mayor of the City of Toledo, with the advice and consent of the Council of the City of Toledo;
- B. Three members, who shall have terms of three years, shall be appointed by the Board of County Commissioners for Lucas County;
- C. One member, who shall have a term of three years, shall be appointed by the City of Maumee, with the advice and consent of the Council of the City of Maumee;
- D. One member, who shall have a term of three years, shall be appointed by the Mayor of the Village of Ottawa Hills, with the advice and consent of the Council of the Village;
- E. One member, who shall have a term of three years, shall be appointed by the Mayor the City of Rossford, with the advice and consent of the Council of the City of Rossford;
- F. One member, who shall have a term of three years, shall be appointed by the Mayor of the City of Sylvania, with the advice and consent of the Council of the City of Sylvania;

G. One member, who shall have a term of three years, shall be appointed by the Board of Trustees of Sylvania Township;

H. One member, who shall have a term of three years, shall be appointed by the Mayor of the City of Waterville, with the advice and consent of the Council of the City of Waterville

Any vacancy occurring in the position of a member of the Board of Trustees shall be filled for the unexpired term in the manner provided for an initial appointment.

SECTION 5. That the Board of Trustees of TARTA shall adopt its resolution providing for the submission of the question of the imposition of an additional .5% sales and use tax to the electors of TARTA, as enlarged, not later than ten (10) days following the filing of the ordinance and resolutions of the Member Communities, all as provided in Ohio Revised Code Section 306.321.

SECTION 6. That Toledo City Council consent and approval of the foregoing is expressly contingent upon other existing Member Communities of TARTA consenting to the admission of Lucas County as a Member Community and the approval of ordinances or resolutions substantially similar to this ordinance authorizing the changes described herein. In accordance with Ohio Revised Code Section 306.321, in the event the sales and use tax is not approved, Lucas County shall not be included as a Member Community of TARTA and the geographical boundaries of TARTA shall be the same as they were prior to the date Lucas County was admitted as a Member Community.

SECTION 7. That all prior ordinances passed by Toledo City Council with respect to TARTA are amended and superseded to the extent they are inconsistent with the provisions of this ordinance.

SECTION 8. That it is found and determined that all formal actions of Toledo City Council concerning and relating to the adoption of this ordinance were passed in an open meeting in compliance with all legal requirements, including Ohio Revised Code Section 121.22.

SECTION 9. That this ordinance is hereby declared to be an emergency and shall be effective immediately upon its passage. The reason for the emergency is that this measure is necessary for the immediate preservation of the public peace, health, safety and welfare and also because it is necessary to immediately inform other TARTA Member Communities of Toledo City Council desire and intention to consent to the reorganization of TARTA in the manner described herein and permit an orderly and timely process to proceed by which Member Communities may consider and adopt similar ordinances and resolutions.

Vote on emergency clause: yeas 11, nays 0.

Passed: May 20, 2020, as an emergency measure: yeas 11, nays 0.

Attest:

Gerald E. Dendinger
Clerk of Council

Matt Cherry
President of Council

Approved:

May 21, 2020
Wade Kapszukiewicz
Mayor

