



Legislation Text

File #: O-189-20, **Version:** 1

CRA - Toledo Colony Apartments, LLC
Department of Economic Development
B. Sehlhorst (x1692)
(Revised)

Approving a Community Reinvestment Area real property tax exemption for Toledo Colony Apartments, LLC for the construction of a mixed multi-family residential and commercial development at 1901 and 2061 W. Central Avenue, 2918-2951 Jermain Drive (14 lots), 2820-2835 Rathbun Drive (3 lots), and 3860 Monroe Street; authorizing the execution of an agreement and other documents related thereto; making certain findings and determinations in connection therewith; and declaring an emergency.

SUMMARY & BACKGROUND:

Ordinance No. 63-19, passed on February 5, 2019, Toledo City Council (the “Ordinance”) created the “West Toledo Community Reinvestment Area” pursuant to Sections 3735.65 through 3735.70 of the Ohio Revised Code. This area was subsequently confirmed as Community Reinvestment Area No. 095-04265-03 by the Ohio Development Services Agency on April 12, 2019.

Toledo Colony Apartment, LLC (the “Owner”) has submitted an application and agreement for a CRA real property tax exemption as prescribed by Ohio Revised Code Sections 3735.67 and 3725.671. The exemption is requested for the construction of a new mixed-use development consisting of multi-unit residential with 262 apartments in multiple buildings with commercial space for a community center, restaurant and retail space. The development will construct approximately 120,000 square feet of new building. The estimated investment cost is \$30,000,000 (the “Project”).

This Project is in conformance with Toledo’s West Toledo Community Reinvestment Area requirements as established by the above referenced ordinance. The Toledo Public School District has been notified pursuant to Ohio Revised Code Section 5709.83 of the granting of a one hundred percent (100%) fifteen (15) year tax exemption. The Toledo Public School District Board has approved the terms of the CRA Agreement and has entered into a school compensation agreement with the applicant. This Ordinance is required to authorize a one hundred percent (100%) real property tax exemption for fifteen (15) years for taxes that would otherwise be generated due to the increase in the assessed valuation of the real property at the project site.

The fiscal impact of this ordinance is as follows:

- The amount of funds requested: \$0
- The expenditure budget line item: N/A
- New revenue generated (operational revenue, grants, if any): \$0
- Revenue budget line item (if any): N/A
- Are funds budgeted in the current fiscal year (yes/no)? N/A
- Is this a capital project (yes/no)? No
- If yes, is it new or existing (new/existing)? N/A

- 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 pursuant to Ohio Revised Code section 3735.67 and City of Toledo Ord. No. 63-19, a Community Reinvestment Area real property tax exemption of one hundred percent (100%) of the increase in the assessed valuation of real property resulting from new construction by the Toledo Colony Apartments, LLC or its assign(s) on property located at 1901 and 2061 W. Central Avenue, 2918-2951 Jermain Drive (14 lots), 2820-2835 Rathbun Drive (3 lots), and 3860 Monroe Street, Toledo, Ohio (as listed by address and parcel on Exhibit A) within the West Toledo Community Reinvestment Area is approved; and further said exemption shall be for a period of fifteen (15) years and said period shall commence as of the first year in which, but for that exemption, the specified building construction, or portion thereof, would otherwise become taxable.

SECTION 2. That the mayor is authorized to enter into a Community Reinvestment Area Tax Exemption Agreement with Toledo Colony Apartments, LLC, as provided in substantial final form in the attached Exhibit B, subject to terms and conditions as approved by the Director of Law, Director of Economic Development; and City officials as appropriate are authorized to execute such other agreements, instruments, documents, and certifications, and take such other actions as may be necessary or appropriate to effectuate the above authorized Community Reinvestment Area exemption.

SECTION 3. That it is found and determined by this Council that proper notice has been given to the impacted school district and a compensation agreement has been entered into, pursuant to Ohio Revised Code Section 5709.82.

SECTION 4. That it is found and determined that all formal actions of City Council concerning and relating to the passage of this Ordinance were taken in an open meeting of City Council, and that all deliberations of City 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 Sections 121.11 and 121.22 of the Ohio Revised Code.

SECTION 5. 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 the 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 facilitate the start of the development of the project, to meet construction schedules and deadlines and to support the redevelopment of this site for the benefit of the surrounding area and to reduce any public inconvenience from extended construction timeframes should the project be delayed.

