



Legislation Text

File #: O-493-19, Version: 1

DNBD-CRA-InternUnionEng.Local-18
Development/ Real Estate
B. Sehlhorst ext. 1692 /cew

Approving a Community Reinvestment Area real property tax exemption for International Union of Operating Engineers Local 18, 3515 Prospect Avenue, Cleveland, OH 44115, for the construction of a new union hall facility located at 2412 S. Reynolds Road, Toledo, Ohio 43614, property in the Hawthorne Hills Community Reinvestment Area; 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. 111-17, enacted on April 18, 2017, designated the “Hawthorne Hills Community Reinvestment Area”, pursuant to Sections 3735.67 through 3725.671 of the Ohio Revised Code, and declared that these tax exemption incentives promote and expand conforming use in the designated area. This area was subsequently certified by the Ohio Department of Development as Community Reinvestment Area (“CRA”) effective May 18, 2017.

International Union of Operating Engineers Local 18 (the “Owner”) has submitted an application and agreement for a CRA real property tax exemption. The exemption is requested for the construction of a new union hall facility located at 2412 S. Reynolds Road, Toledo, Ohio 43614. This facility sits on approximately **1.5761 acres** of land. The Owner proposes to construct this **7,790 sq ft** facility at an estimated investment cost of **\$3,500,000**.

This proposed project is in conformance with Toledo’s Hawthorne Hills Community Reinvestment Area requirements as established by the above referenced ordinances. The Toledo Public School District was notified and has approved the granting of a fifteen (15) year tax exemption, and has entered into a School District Payment Agreement with International Union of Operating Engineers Local 18 for an annual payment in lieu of taxes. This Ordinance is required to authorize a 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: N/A
- The expenditure budget line item: N/A
- New revenue generated (operational revenue, grants, if any): N/A
- 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:

- Excellence in Basic Services (yes/no) N/A
- Quality Community Investment (Livable City, Development) (yes/no) yes
- Workplace Culture & Customer Service (yes/no) no
- 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. 111-17, a Community Reinvestment Area real property tax exemption of 100 percent of the increase in the assessed valuation of real property resulting from the new construction by the International Union of Operating Engineers Local 18 on property located at 2412 S. Reynolds Road, Toledo, Ohio, within the Hawthorne Hills 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 property improvements, 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 International Union of Operating Engineers Local 18 and the Mayor, Director of Law, Director of Neighborhoods and Business Development and the Real Estate Division and other appropriate City officials 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 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 4. 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 enable the City to approve tax exemption for this redevelopment in Toledo's Hawthorne Hills Community Reinvestment Area.

Vote on emergency clause: yeas 12, nays 0.

Passed: October 15, 2019, as an emergency measure: yeas 12, nays 0.

Attest:

Gerald E. Dendinger
Clerk of Council

Matt Cherry
President of Council

Approved:

October 15, 2019
Wade Kapszukiewicz
Mayor