



Legislation Text

File #: O-159-20, **Version:** 1

DEBD-CRAOlympicRealEstateGp(5355Southwyck)
Department of Development
B. Sehlhorst (x1692)
(Revised)

Approving a Community Reinvestment Area real property tax exemption for Olympic Real Estate Group, LLC, 7551 Olympic Parkway, Sylvania, Ohio 43560, for the remodeling of a new accounting office facility, located at 5355 Southwyck Boulevard., Toledo, Ohio 43614, property in the Hawthorne Hills Community Reinvestment Area (HH); 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, passed on April 18, 2017, Toledo City Council (the “Ordinance”) created the “Hawthorne Hills (HH) 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. 095-77000-170 by the Ohio Department of Development on May 18, 2017.

Olympic Real Estate Group, 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 remodeling of an approximately 19,904 square foot existing commercial building for the establishment of an accounting office. The estimated investment cost is \$519,582.00 (the “Project”).

Pursuant to Ordinance No. 393-17, the City sold this property to Olympic Real Estate Groups, LLC in 2018. The City acquired the property in 2015 from the Lucas County Land Reutilization Corporation and had been marketing it for redevelopment for several years. As part of the agreement to sell the property, the City agreed to Community Reinvestment Area real property tax exemption for the project.

Olympic Real Estate Group LLC redeveloped the building as its commercial office space for its sister company Rahe & Company CPA’s LLC dba Financial Express and Payroll Express LLC. These related businesses have been providing accounting and tax services in Toledo for the last 25 years. The company had three offices locations scattered throughout the City of Toledo that it consolidated into this new location, thus retaining 17 full-time and 16 part-time employees. The company has added several new employees as a result of this new location.

This Project is in conformance with Toledo’s Hawthorne Hills 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%) twelve (12) 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 twelve (12) years for taxes that would otherwise be

generated due to the increase in the assessed valuation of the real property at the project site.

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 one hundred percent (100%) of the increase in the assessed valuation of real property resulting from new construction by the Olympic Real Estate Group LLC on property located at 5355 Southwyck Blvd., Toledo, Ohio within the Hawthorne Hills Community Reinvestment Area is approved; and further said exemption shall be for a period of twelve (12) 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 Olympic Real Estate Group LLC as provided in substantial final form in the attached Exhibit A 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 and Toledo City School District Resolution 304-2015.

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 enable the City to approve tax exemption for this business expansion in Toledo's Hawthorne Hills Community Reinvestment Area.

Vote on emergency clause: yeas _____, nays _____.

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

Attest: _____
Clerk of Council

President of Council

Approved: _____

Mayor