



Legislation Text

File #: O-626-22, **Version:** 1

Termination of Community Reinvestment Area Incentive for 5685 Benore Rd.
Department of Economic Development
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Authorizing the Mayor to terminate a Community Reinvestment Area real property tax exemption with Holland Hospitality LLC for property located at 5685 Benore Rd., Toledo, OH 43612 (Parcel ID 22-75657); making certain findings and determinations in connection therewith; and declaring an emergency.

SUMMARY & BACKGROUND:

On October 8, 2008, the City entered into a Community Reinvestment Area (“CRA”) Agreement with Holland Hospitality LLC (“Owner”) for purposes of providing a real property tax exemption for the development of 5685 Benore Rd., Toledo, OH 43612. The property is located in the Northwest Toledo CRA established pursuant to Ord. 564-91 as amended by ordinances 523-98 and 80-05. The Owner committed to invest \$4,250,000 to construct a 55,000 square foot hotel. The Agreement provides for 100 percent of the assessed new building improvement valuation of real property to be exempted from valuation for a period of fifteen years. The agreement is binding on the Owner and its successors.

As a condition of the CRA Agreement, the Owner entered into a School District Payment Agreement with the Washington Local School District. The School District Payment Agreement requires the Owner to make 15 annual payments to the Washington Local School District in exchange for the real property tax exemption.

The Ohio Revised Code requires all real property tax exemptions granted by a municipality be reviewed annually by a Tax Incentive Review Council (“TIRC”). On September 29, 2022, the City’s annual TIRC meeting was held to evaluate and review compliance for all active community reinvestment area, enterprise zone and tax increment financing incentives granted the City of Toledo. Minutes for the TIRC meeting are provided in Exhibit A.

The TIRC unanimously voted to recommend termination of the CRA real property tax exemption for Holland Hospitality LLC and its successor Benore Lodge LLC due to lack of payment to the Washington Local School District, as required by the CRA Agreement. Despite multiple attempts by the City and Washington Local School District to resolve the issue, the Owner has been unresponsive and not fulfilled his contractual obligation to pay the school district.

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

SECTION 1. That the Mayor is authorized to terminate a Community Reinvestment Area Tax Exemption Agreement with Holland Hospitality LLC and/or its successors and assigns; and the Mayor, Director of Law, Director of Economic Development and the Real Estate Division and other appropriate City officials are authorized to execute such notices, agreements, instruments, documents, and certifications, and take such other actions as may be necessary or appropriate to terminate the above authorized Community Reinvestment

Area real property tax exemption.

SECTION 2. 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 3. 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 terminate a tax exemption for this property.

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