

ORDINANCE NO. 2020-18

INTRODUCED BY MAYOR AND COUNCIL AS A WHOLE

**AN EMERGENCY ORDINANCE DETERMINING THE
PERIOD OF TAX EXEMPTION FOR AN IMPROVEMENT
TO REAL PROPERTY OWNED BY FEDERAL METAL CO.
LOCATED IN OAKWOOD COMMUNITY
REINVESTMENT AREA NO. 1**

Introduced by	<u>Mayor</u>
Motioned by	_____
Seconded by	_____
1st Reading	<u>3-3-2020</u>
2nd Reading	_____
Third Reading	_____

WHEREAS, The Mayor, as Housing Officer, certifies that the improvement to the commercial property in Oakwood Community Reinvestment Area No. 1 owned by Federal Metal Co. qualifies for real property tax exemption under Ordinance 1991-72 as amended by Ordinances 1996-61 and 2001-22; and

WHEREAS, Council must determine the period of such exemption:

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Oakwood, County of Cuyahoga, and State of Ohio, that:

SECTION 1. The Federal Metal Company intends to renovate the interior of their existing building 7,225 addition and to expand the parking lot by 17,750 SF at an estimated cost of \$650,000.00.

SECTION 2. To the extent that the improvements to the real properties located at 7250 & 7299 Division Street, also known as Permanent Parcel Numbers 795-47-032 & 795-48-020, which is within the Village of Oakwood and within Oakwood Community Reinvestment Area No. 1, and owned by Federal Metal Co. or its successor(s) in interest, increase the market value of the real property improvements, such amount shall be and hereby is, exempt from real property taxation pursuant to Ordinance 1991-72, as amended by Ordinances 1996-61 and 2001-22, and Section 3735.67(D)(3) of the Ohio Revised Code for a period of fifteen (15) years, beginning in the year following the calendar year of certification of the above to the County Auditor by the Village Housing Officer after the completion of each building. Said exemption shall cover forty nine percent (49%) of the dollar amount by which the improvements increase the market values of the real property improvements. Any additional development on the balance of Permanent Parcel Numbers 795-47-032 & 795-48-020, similar in nature to that presently proposed, will be granted similar incentives provided such development occurs within five (5) years of the adoption of this Ordinance. In addition, all tap-in, permit and review fees as well as the abatement application fee shall be waived for the construction of these facilities and items related thereto as and for additional economic incentive to Federal Metal Co. for its project within the Village of Oakwood, Ohio.

SECTION 3. The period of said exemption shall terminate before the end of fifteen (15) years or at any time after the first year of exemption if the Housing Officer finds and certifies delinquency in a payment of property taxes for the subject property or that the subject property has not been maintained or repaired due to the negligence of the owner.

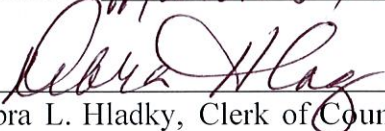
SECTION 4. In the event Federal Metal Co., or its successor(s) in interest, fail to reconstruct the buildings indicated in its application, which application is attached hereto and expressly made a part hereof by reference and marked Exhibit "A", within eighteen months of the date of this Ordinance this exemption shall become null and void. If Federal Metal Co. or its successor(s) in interest shall, for any reason, cease operation of the buildings contemplated hereunder, it shall reimburse to the County Auditor for proper distribution an amount equal to 100% of the tax incentive dollars it has saved as a result of this Ordinance to the point operations have ceased.

SECTION 5. In the event the real property tax, as it is presently constituted, is eliminated by the State of Ohio and if a new tax, in whatever form, replaces said real property tax and in the further event abatement from the payment of the new tax is permitted by applicable law, the Village of Oakwood agrees to allow for the substitution of this abatement for an abatement of the new tax in the same proportion and for the remaining duration of the existing abatement provided such substitution is approved by any governmental entity having jurisdiction over such matters including, but not limited to, the local School Board.

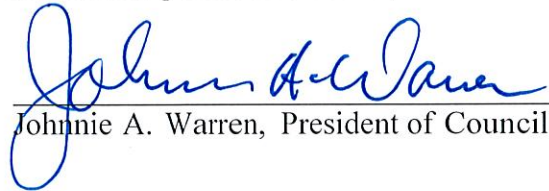
SECTION 6. This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety and welfare of the inhabitants of the Village, the reason for the emergency being that the same relates to the daily operation of a municipal department and the provision of economic development and opportunities beneficial to the citizens of the Village of Oakwood, therefore, provided it receives two-thirds (2/3) of the vote of all members of Council elected thereto, said Ordinance shall be in full force and effect immediately upon its adoption by this Council and approval by the Mayor, otherwise from and after the earliest period allowed by law.

PASSED:

March 24, 2020



Debra L. Hladky, Clerk of Council



Johnnie A. Warren, President of Council

Presented to the

Mayor March 24, 2020

Approved: March 24, 2020



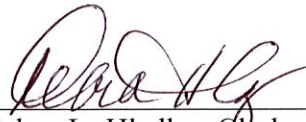
Mayor, Gary V. Gottschalk

I, Debra L. Hladky, Clerk of Council of the Village of Oakwood, County of Cuyahoga and State of Ohio, do hereby certify that the foregoing Ordinance No. 2020- 18 was duly and regularly passed by this Council at the meeting held on the 24 day of March, 2020.


Debra L. Hladky, Clerk of Council

POSTING CERTIFICATE

I, Debra L. Hladky, Clerk of Council of the Village of Oakwood, County of Cuyahoga and State of Ohio, do hereby certify that Ordinance No. 2020 - 18 was duly posted on the 25th day of March, 2020, and will remain posted for a period of fifteen (15) days thereafter in the Council Chambers and in not less than five (5) of the most public places in the municipality as determined by the Council of the said Village.


Debra L. Hladky, Clerk of Council

DATED: March 25 - 2020

VILLAGE OF OAKWOOD

**Application for the
Community Reinvestment Area Program**

EXHIBIT A