

**ORDINANCE NO. 86-2022**

**TITLE: COMMUNITY REINVESTMENT AREA (CRA)  
TRUCEN FARM**

**AN ORDINANCE IMPLEMENTING SECTIONS 3735.65 THROUGH 3735.70 OF THE OHIO REVISED CODE, ESTABLISHING AND DESCRIBING THE BOUNDARIES OF A COMMUNITY REINVESTMENT AREA IN THE CITY OF BARBERTON, OHIO, AND DESIGNATING A HOUSING OFFICER TO ADMINISTER THE PROGRAM, AND DECLARING AN EMERGENCY.**

**WHEREAS**, the City of Barberton, Ohio (the “City”) desires to pursue all reasonable and legitimate incentive measures to assist and encourage development in specific areas of the City that have not enjoyed reinvestment from remodeling or new construction; and

**WHEREAS**, a survey of housing (the “Housing Survey”) of the area described and depicted in Exhibit A, attached hereto and incorporated herein by this reference (the “Area”), has been prepared as required by Ohio Revised Code (“R.C.”) Section 3735.66, a copy of which survey is on file with the City; and

**WHEREAS**, as noted in the Housing Survey, the Area is one in which housing facilities or structures of historical significance are located and new housing construction and repair of existing facilities or structures are discouraged; and

**WHEREAS**, this Council has determined that the construction of new structures and the remodeling of existing structures in the Area is a public purpose, and would encourage the creation and retention of housing and employment opportunities and would benefit the overall economic health of the City; and

**WHEREAS**, the City desires to designate the Area as the “Barberton Community Reinvestment Area No. 4” (the “CRA”) pursuant to R.C. Sections 3735.65 through 3735.70 (the “Act”) to encourage such development; and

**NOW, THEREFORE, BE IT ORDAINED** by the City Council for the City of Barberton, Summit County, Ohio, that:

**SECTION 1.** The CRA constitutes an area in which housing facilities or structures of historical significance are located, and in which new construction or repair of existing facilities has been discouraged.

**SECTION 2.** This Council hereby establishes the CRA pursuant to the Act, with boundaries as described and depicted in Exhibit A. Only residential, commercial and/or industrial properties consistent with the applicable zoning regulations within the designated CRA will be eligible for exemptions pursuant to this Ordinance.

**SECTION 3.** Within the CRA, the percentage of the tax exemption on the increase in the assessed valuation resulting from improvements to commercial and industrial real property and the term of those exemptions shall be negotiated on a case-by-case basis in advance of construction or remodeling occurring pursuant to R.C. Section 3735.67. The results of the negotiation as approved by this Council will be set in writing in a CRA Agreement as outlined in R.C. Section 3735.671. For residential property, a tax exemption on the increase in the assessed value resulting from the improvements as described in R.C. Section 3735.67 shall be granted upon application by the property owner and certification thereof by the designated Housing Officer (as defined herein) for the following periods.

- a. fifteen (15) years, for the remodeling of every residential dwelling unit containing not more than two housing units and upon which the cost of remodeling is at least \$2,500, as described in R.C. Section 3735.67, and with such exemption being one hundred percent (100%) for each of the fifteen (15) years.
- b. fifteen (15) years, for the remodeling of every residential dwelling unit containing more than two housing units and upon which the cost of remodeling is at least \$5,000, as described in R.C. Section 3735.67, with such exemption being one hundred percent (100%) for each of the fifteen (15) years.
- c. fifteen (15) years, for the construction of dwellings, as described in R.C. Section 3735.67, with such exemption being one hundred percent (100%) for each of the fifteen (15) years.
- d. Up to, and including, fifteen (15) years, and up to, and including, one hundred percent (100%) for the remodeling of existing commercial and industrial facilities and upon which the cost of remodeling is at least \$5,000, as described in R.C. Section 3735.67, the term and percentage of which shall be negotiated on a case-by-case basis in advance of remodeling occurring.
- e. Up to, and including, fifteen (15) years, and up to, and including, one hundred percent (100%) for the construction of new commercial or industrial facilities, the term and percentage of which shall be negotiated on a case-by-case basis in advance of construction occurring.

For the purposes of the above described CRA, structures exclusively used for residential purposes shall be classified as residential structures.

If remodeling qualifies for an exemption, during the period of the exemption, the exempted percentage of the dollar amount of the increase in market value of the structure shall be exempt from real property taxation. If new construction qualifies for an exemption, during the period of the exemption, the exempted percentage of the structure shall not be considered to be an improvement on the land on which it is located for the purpose of real property taxation.

**SECTION 4.** All commercial and industrial projects are required to comply with the state application fee requirements of R.C. Section 3735.672(C) and the local annual monitoring fee of one percent of the amount of taxes exempted under the agreement – a minimum of \$500 up to a maximum of \$2500 annually unless waived.

**SECTION 5.** To administer and implement the provisions of this Ordinance, the Director of Planning and Community Development is designated as the Housing Officer as described in the Act.

**SECTION 6.** The Community Reinvestment Area Housing Council (the “Housing Council”) previously designated and constituted by this Council in the ordinances creating prior CRAs within the City shall make an annual inspection of the properties within the CRA for which an exemption has been granted under R.C. Section 3735.67. The Housing Council shall also hear appeals under R.C. Section 3735.70.

The Tax Incentive Review Council (the “TIRC”) previously designated and constituted by this Council in the ordinances creating prior CRAs within the City, or by such other appropriate ordinance, shall review annually the compliance of all agreements involving the granting of exemptions for commercial or industrial real property improvements under R.C. Section 3735.671 and make written recommendations to the Council as to continuing, modifying or terminating said agreement based upon the performance of the agreement.

**SECTION 7.** The Mayor is hereby directed and authorized to petition the Director of the Ohio Department of Development to confirm the findings contained in this Ordinance, as required by R.C. Section 3735.66. The Mayor is also hereby authorized to take any and all actions required by the Act for the establishment of the CRA consistent with the requirements of the Act and this Ordinance.

**SECTION 8.** The Council hereby finds and determines that all formal actions relative to the passage of this Ordinance were taken in an open meeting of this Council, that all deliberations of this Council and of its committees, if any, which resulted in formal action were taken in meetings open to the public, in full compliance with the applicable legal requirements, including R.C. Section 121.22.

**SECTION 9.** This Ordinance is hereby declared to be an emergency measure for the purpose of establishing the CRA pursuant to the Act as quickly as possible to provide for the development of the Area and the creation and retention of jobs, all of which improve the health, safety and welfare of the residents of the City, and shall be effective immediately upon signature by the Mayor.

Passed                      JULY 25, 2022

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Clerk of Council

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President of Council

Approved \_\_\_\_\_ 2022

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Mayor