# CITY OF NORWOOD Community Reinvestment Area Commercial Application

\*Please contact the City of Norwood and HCDC Economic Development prior to submitting your application.\* Clint McIntosh: <u>cmcintosh@hcdc.com</u> Tom Perry: tperry@norwoodohio.gov

> Applications to be submitted to: **Norwood Building Department** 4645 Montgomery Road Norwood, OH 45212 Phone: (513) 458-4510 Email: <u>ctown@norwoodohio.gov</u>

Proposal for a Community Reinvestment Area Agreement between the City of Norwood and

(Name of Enterprise)

1. Name of enterprise requesting incentives: \_\_\_\_\_\_

Current mailing address: \_\_\_\_\_

Contact person/title: \_\_\_\_\_\_

Email address:

Telephone number: \_\_\_\_\_

2. Address where property improvements will occur:

**3.** Parcel ID(s) of property where improvements will occur:

4.	Will the enterprise requesting incentives own or lease the real property? Own Lease
	If lease, name of entity(s) that will own the real property during the term of an agreement:
	What is the term of the lease?
5.	The real property investment will begin approximately (month), (year) and
	be completed by (month), (year) assuming a tax exemption is provided.
6.	Current market value of the project site and/or facility as determined for local property taxation. (This
	information can be found on the Hamilton County Auditor's Office using the property address or parcel ID -
	https://wedge1.hcauditor.org/): \$
7.	Current real property tax bill at the project site (This information can be found on the Hamilton County Auditor's
	Office using the property address or parcel ID - <u>https://wedge1.hcauditor.org/</u> ): \$
8.	Nature of enterprise (manufacturing, warehousing, wholesale, service or other) that will be operating on
	the project site:
9.	List the primary 6-digit North American Industry Classification System (NAICS) #
10.	Form of enterprise (corporation, partnership proprietorship, or other).

**11.** Name of principal owners or officers of business:

\_\_\_\_\_

**12.** Detailed project description (attach separate sheet if necessary):

**13.** Will the redevelopment or new construction include any energy efficiency improvements?

\_\_\_\_\_ Yes \_\_\_\_\_ No

- 14. Will the project involve the relocation of employment positions or assets from one Ohio location to another?
  - \_\_\_\_\_ Yes \_\_\_\_\_ No

If yes, list the location(s) and the corresponding number of employees to be relocated from each site:

**15.** Project employment data: (FTP = full-time employees permanent; PTP = part-time employees permanent;

FTT = full-time employees temporary; PTT = part-time employees temporary)

Please state existing or relocated employment and payroll.

	Existing Positions		Relocated	
	Employees	Payroll	Employees	Payroll
FTP				
FTT				
РТР				
PTT				
TOTAL				

# Please estimate new employment and payroll at the proposed facility over the next three years.

	Year 1	Year 2	Year 3	TOTAL
FTP				
FTT				
РТР				
РТТ				
Estimated annual payroll for new employees	\$	\$	\$	\$

# **16.** Estimate the amount to be invested by the enterprise(s) in:

Total New Project Investment:		\$
f.	Inventory*	\$
e.	Furniture & Fixtures	\$
d.	Machinery & Equipment*	\$
с.	Improvements to Existing Buildings:	\$
b.	Additions/New Construction:	\$
a.	Acquisition of Land and/or Buildings*:	\$

(\* not eligible for exemptions)

If project is an expansion, what is the enterprise's total current investment in the facility as of the proposal's submission?

18. What was the company's tangible personal property tax bill for your last fiscal year (if applicable)?

\$ \_\_\_\_\_

## **19.** Identify EXISTING assets and/or assets TO BE RELOCATED to the project site as part of project:

	Existing at Project Site	To Be Relocated to Project Site	
Machinery/Equipment	\$	\$	From
Furniture/Fixtures	\$	\$	From
Inventory	\$	\$	From
TOTAL	\$	\$	

**20.** Enterprise's reasons for requesting tax incentives (be quantitatively specific):

21. Is the business and/or the property owner in compliance with all local, state and federal regulations?

(EPA, MSD, etc.) \_\_\_\_\_ Yes \_\_\_\_\_ No

If no, please attach a brief description of non-compliance and an explanation of how the issue(s) will be

resolved. Please be aware that this information will be verified.

**22.** Does the business owe any other money to the State, a State agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not?

\_\_\_\_\_Yes \_\_\_\_\_No

If yes, please attach a brief description of non-compliance and an explanation of how the issue(s) will be

resolved. Please be aware that this information will be verified.

23. Has the company ever received Ohio tax exemptions or any other tax incentives? \_\_\_\_\_ Yes \_\_\_\_\_ No

24. Does the project site have any historical structures? \_\_\_\_\_ Yes \_\_\_\_\_ No

By signing this application, applicant is committing to following non-discriminating hiring practices acknowledging that no individual may be denied employment solely on the basis of race, creed, sex, age, disability, color, national origin or ancestry.

Applicant acknowledges that a Community Reinvestment Area Application and any subsequent agreement are public information and are, therefore, subject to review by any entity requesting information related to the Community Reinvestment Area program. Applicant agrees to supply additional information upon request.

The applicant affirmatively covenants that the information contained in and submitted with this application is complete and correct and is aware of Ohio Revised Code sections 9.66 (C)(1) and 2931.13 (D)(1) penalties for falsification which could result in the forfeiture of all current and future economic development assistance benefits as well as a fine of not more than \$1,000 and/or term of imprisonment of not more than six (6) months.

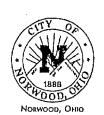
Date

Signature/Title

Enterprise

A \$750.00 agreement fee (check payable to Ohio Development Services Agency) must be submitted with this application to the Norwood Building Department. Pursuant to the Ohio Revised Code, upon execution of a CRA agreement, the company shall pay annually the greater of one percent of the dollar value of incentives offered under the Agreement or \$500.00, up to a maximum of \$2,500, for each year during the term of the agreement. This fee is used to offset the administrative costs associated with monitoring of this agreement.

\*\*This application will be attached to the final agreement as "Attachment A."



Ordinance No. 20 09

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 NORWOOD, OHIO, DESIGNATING A HOUSING OFFICER TO ADMINISTER THE PROGRAM, AND CREATING A COMMUNITY REINVESTMENT HOUSING COUNCIL AND TAX INCENTIVE REVIEW COUNCIL, AND MAKING CERTAIN FINDINGS AND DETERMINATIONS IN CONNECTION WITH THE COMMUNITY REINVESTMENT AREA, AND DECLARING AN EMERGENCY.

WHEREAS, Ohio Revised Code Sections 3735.65 et. seq. authorizes municipalities to designate Community Reinvestment Areas where certain criteria have been met; and,

WHEREAS, the City of Norwood, Ohio, is an area in which housing facilities or structures of historical significance are located and new construction and repair of existing facilities or structures are discouraged; and,

WHEREAS, a survey of housing, a copy of which is on file in the Building Department as required by Ohio Revised Code Section 3765.66, has been prepared for the area to be included within the proposed Community Reinvestment Area; and,

WHEREAS, the maintenance of existing structures and construction of new structures in such area would serve to encourage economic stability, maintain real property values, and generate new employment opportunities; and,

WHEREAS, the Ohio Constitution Article VIII, Section 16, recognizes housing to be a proper public purpose and programs to promote housing to be in the public interest; and,

WHEREAS, the remodeling of existing structures or the construction of new structures in the Community Reinvestment Area constitutes a public purpose for which real property exemptions may be granted; now therefore,

BE IT ORDAINED by the Council of the City of Norwood, State of Ohio, that:

SECTION 1. The area designated as the City of Norwood Community Reinvestment Area constitutes an area in which housing facilities or structures of historical significance are located and new construction and repair of existing facilities or structures are discouraged.

SECTION 2. Pursuant to Ohio Revised Code Section 3735.66, the City of Norwood Community Reinvestment Area is hereby established in the following described area: all areas within the municipal boundaries as depicted on the area boundary map attached hereto and incorporated herein as Exhibit "A". The findings of the Community Reinvestment Area Survey of Housing are adopted and incorporated herein by reference as Exhibit "B".

SECTION 3. The Community Reinvestment Area Program is a public/private partnership intended to promote and expand certain uses in a designated area. Only those residential, commercial, and/or industrial properties listed in Sections 4 and 5 of this Ordinance and consistent with the applicable zoning regulations within the Community Reinvestment Area shall be eligible for exemptions under this program. Legal nonconforming uses are not eligible for this program. SECTION 4. For residential property, a tax exemption on the increased assessed valuation resulting from the improvement as described in Ohio Revised Code Section 3735.67 shall be granted upon application by the property owner and certification thereof by the designated Housing Officer. All residential projects must be attached to the primary dwelling in order to qualify for the exemption. Residential remodeling applications must be accompanied by expense receipts no more than one (1) year old that meet the cost requirement specified in this section. Residential applications on new construction projects must be filed with the Housing Officer no later than six (6) months after receiving an occupancy permit. Remodeling or new construction begun prior to the adoption of this Ordinance is not eligible for abatement under the Community Reinvestment Area Program.

The applicable residential exemptions are as follows:

(a) Residential Remodeling (1-2 units): Residential remodeling of owner-occupied dwellings with no more than two (2) housing units that results in at least ten thousand dollars (\$10,000) of allowable expenses shall be eligible for an exemption of one hundred percent (100%) of the added value of the structure for ten (10) years.

(b) Residential Remodeling (3 or more units): Residential remodeling of dwellings with three or more units and are condominium owner occupied that result in at least ten thousand dollars (\$10,000) of allowable expenses shall be eligible for an exemption of one hundred percent (100%) of the added value of the structure for ten (10) years.

(c) Residential New Construction (1-2 units): Residential new construction of owner occupied dwellings with no more than two housing units, for which the cost of construction, excluding the cost of the land and the pre-construction improvements to the land, exceeds one hundred twenty-five thousand dollars (\$125,000) shall be eligible for an exemption of one hundred percent (100%) of the added value of the property for ten (10) years.

(d) Residential New Construction (3 or more units): Residential new construction of dwellings with three or more units and are condominium owned for which the cost of construction, excluding the cost of the land and the pre-construction improvements, exceeds one hundred and twenty-five thousand dollars (\$125,000) shall be eligible for an exemption of one hundred percent (100%) of the added value of the property for ten (10) years.

(c) Residential Remodeling/New Construction (3 or more units): Residential dwellings with three or more housing units and are not condominium owned shall be considered commercial or industrial property and subject to the requirements of the applicable commercial/industrial provisions of this program.

(f) The ten (10) year period for exemption for a residential remodeling project may be extended for up to an additional ten (10) years if the structure is of historic or architectural significance, is a certified historic structure that has been subject to a federal tax treatment under 26 U.S.C. 47 and 170(h), and the units within the structure have been leased to individual tenants for five consecutive years.

(g) "Owner occupancy" as herein used means that an owner of the property resides in the building not less than six (6) months of every year to which the exemption applies.

(h) "Condominium owned" as herein used means a form of real property ownership in which a declaration has been filed submitting the property to the condominium form of ownership pursuant to Sections 5311.04 and 5311.05 of the Ohio Revised Code. Each owner shall have an individual ownership interest in the unit with the right to exclusive possession of that unit and an undivided ownership interest with other unit owners in the common elements of the condominium property. (i) "Remodeling" as herein used means any change made in a structure for the purpose of making it structurally sound, more habitable, or for the purpose of improving its appearance. "Remodeling" does not mean the division of any existing residential building to produce more dwelling units in that building. Such activity shall be ineligible for exemption under this program.

SECTION 5. (a) Within the Community Reinvestment Area, the percentage of tax exemption on the increase in the assessed valuation resulting from improvements to commercial, mixed-use, 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 according to the rules outlined in Ohio Revised Code Section 3765.67. The result of the negotiation as approved by this Council will be set out in writing in a Community Reinvestment Area Agreement as outlined in Ohio Revised Code Section 3735.671. Mixed-use structures where residential, commercial, and/or industrial uses coexist shall be considered as solely commercial or industrial uses for the purposes of determining project eligibility and negotiating any exemption, if appropriate, under the City of Norwood Community Reinvestment Area Program.

(b) All cligible projects shall be reviewed and approved by the Community Development and Small Business Committee prior to entering into an agreement.

(c) The applicable commercial and industrial exemption guidelines are as follows:

(1) Commercial or Industrial Remodeling: A commercial or industrial remodeling project that results in at least seventy-five thousand dollars (\$75,000) of allowable expenses shall be eligible for an exemption of up to and including forty-nine percent (49%) on the added value of the structure for up to and including twelve (12) years. The specific terms of each project's exemption shall be negotiated on a case-by-case basis and committed to writing in advance of the construction occurring.

(2) Commercial or Industrial New Construction: A commercial or industrial new construction project in which the cost of new construction, excluding the cost of land and the pre-construction improvements, exceeds two hundred and fifty thousand dollars (\$250,000) shall be eligible for an exemption of up to and including forty-nine percent (49%) of the added value of the property for up to and including fifteen (15) years. The specific terms of each project's exemption shall be negotiated on a case-by-case basis and committed to writing in advance of the construction occurring.

(d) Additional abatement over forty-nine (49) percent may be negotiated with the City of Norwood on a case-by-case basis. Such agreement shall be approved by the Norwood City School District. The specific terms of each project's exemption shall be committed to writing in advance of the construction occurring.

(c) The twelve (12) year period for exemption for a remodeling project of a structure containing three or more dwelling units may be extended for up to an additional ten (10) years if the structure is of historic or architectural significance, is a certified historic structure that has been subject to a federal tax treatment under 26 U.S.C. 47 and 170(h), and the units within the structure have been leased to individual tenants for five consecutive years.

(f) Among the factors that the City of Norwood may consider in reviewing exemption application include but are not limited to:

- (1.) Brownfield clean-up;
- (2.) Excellence in architecture, materials, and construction;
- (3.) Quality of landscaping and inclusion of usable greenspace;
- (4.) Quality of the public spaces created by the project;

(5.) Elimination of blight or public nuisances;

(6.) Job creation or retention;

(7.) Positive impact on the surrounding neighborhood;

(8.) Provision of types of housing not already available in the City of Norwood;

(9.) Impact on City Services;

(10.) Provision of office space;

(11.) Location of the project along Montgomery Road;

(12.) Preservation or restoration of historic structures; and/or

(13.) Utilization of LEED and/or LEED-ND design principles.

(g) An agreement between the City of Norwood and the commercial/industrial project applicant shall not be approved until the Norwood City School District approves the agreement by resolution submitted to the City of Norwood. Council for the City of Norwood shall certify a copy of the proposed agreement to the Norwood City School District no later than forty-five (45) days prior to approving the agreement. Approval by the Norwood City School District shall not be required for commercial/industrial projects where the exemption is forty-nine percent (49%) or less of the added value of the property.

(h) Prior Council's approval of an agreement between the City of Norwood and the commercial/industrial project applicant, the City of Norwood shall enter into an agreement to provide for compensation owed to the Norwood City School District as required by Ohio Revised Code Section 5709.82 et seq. The Applicant shall be a party in negotiating this agreement. The agreement shall provide that the applicant shall be responsible for any compensation owed to the school district as required by Ohio Revised Code Section 5709.82 and the School District shall waive any compensation owed by the City to the School District. Such an agreement is not required when the new payroll of the commercial or industrial project is less than one million (1,000,000.00) dollars per year.

(i) Council for the City of Norwood shall not approve any agreement where the City of Norwood is obligated to provide compensation through sharing of personal or corporate income taxes or other revenue to the Norwood City School District pursuant to Ohio Revised Code Section 5709.82.2

SECTION 6. All commercial and industrial projects that are granted an exemption under the City of Norwood Community Reinvestment Area Program are required to comply with the state application fee requirements of ORC Section 3735.672(C) and the local annual monitoring fee of one percent (1%) of the amount of taxes exempted under the Agreement – a minimum of five hundred dollars (\$500) up to a maximum of two thousand five hundred dollars (\$2,500) annually. Said fee shall be made payable to the City of Norwood and shall be deposited in the COMMUNITY REINVESTMENT AREA FUND. All applicants for commercial and industrial projects that are granted exemption shall complete all necessary tax exemption forms and file them with the appropriate taxing agency.

SECTION 7. For all projects, 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 8. To administer and implement the provisions of this Ordinance, the City of Norwood Council shall designate the Building Commissioner as the "Housing Officer" as described in ORC Sections 3735.65 to 3735.70.

SECTION 9. The Housing Officer shall notify the Norwood City School Board of any applications for abatement under the Community Reinvestment Area Program. The notice shall include a copy of the instrument or application. The Housing Officer shall deliver the notice no later than fourteen days prior to the day the Council takes formal action to adopt or enter into an agreement or not later than fourteen days prior to the days prior to the day the Housing Officer forwards the residential application to the Hamilton County Auditor. This Section shall not apply if the Norwood City School Board has adopted a resolution waiving its right to receive such notice and the resolution remains in effect.

**SECTION 10.** A "Community Reinvestment Area Housing Council" is hereby created, consisting of two (2) members appointed by the Mayor of Norwood, Ohio; two (2) members appointed by the Council of Norwood, Ohio; and one (1) member appointed by the Planning Commission of the City of Norwood, Ohio. The majority of the Housing Council members shall then appoint two (2) additional members who shall be residents of the area. Terms of the members of the Housing Council shall be for three (3) years. An unexpired term resulting from a vacancy in the Housing Council shall be filled in the same manner as the initial appointment was made. The Community Reinvestment Area Housing Council shall make an annual inspection of properties within the district for which an exemption has been granted under ORC Section 3735.67. The Housing Council shall also hear appeals under ORC Section 3735.70.

SECTION 11. A Tax Incentive Review Council shall be established pursuant to Ohio Revised Code Section 5709.85 and shall consist of three (3) representatives appointed by the Board of County Commissioners for Hamilton County, Ohio; two representatives of the City of Norwood, Ohio, appointed by the Mayor with Council concurrence; the Hamilton County Auditor or designce; and a representative of each affected Boards of Education. At least two members shall be residents of the City of Norwood. The Tax Incentive Review Council shall review annually the compliance of all agreements involving the granting of exemptions for commercial or industrial real property improvements under Section 3735.671 of the Ohio Revised Code and make written recommendations to the Council for the City of Norwood as to continuing, modifying, or terminating said agreement based upon the performance of the agreement.

SECTION 12. Pursuant to Ohio Revised Code Section 3735.68, the City may terminate the tax exemption after the first year if the Housing Officer finds the property taxes have become delinquent; the Housing Officer finds that the property is not being properly maintained or repaired according to the applicable Norwood Ordinances due to the neglect of the owner; or the Housing Officer finds that the property does not have a valid required residential rental certificate. Once terminated the Housing Officer shall not reinstate the tax exemption. The Housing Officer shall include this requirement on the application for tax exemption signed by the applicant.

SECTION 13. The Building Commissioner is hereby authorized to complete a petition for Community Reinvestment Area certification and to complete all forms necessary from the Ohio Department of Development to implement the Community Reinvestment Area Program.

SECTION 14. All applications for the Community Reinvestment Program must be received by December 31, 2015. No new applications shall be accepted or processed after January 1, 2016. Council may extend the application period by amendment of this ordinance.

SECTION 15. If any section, subsection, paragraph, sentence, clause or phrase of this Ordinance shall be declared invalid for any reason whatsoever, such decision shall not affect the remaining portions of this Ordinance which shall continue in full force and effect, and the provisions of this Ordinance are hereby declared to be severable. SECTION 16. This Ordinance is hereby declared an emergency. The reason for said emergency is to implement an economic development tool during a nation-wide economic depression. This ordinance shall go into effect immediately upon passage and approval by the Mayor.

PASSED <u>4-14-09</u> Date

Jane M. Grote President of Council

#### ATTEST:

J. Brian Mumper, the duly appointed Clerk of Council, attests that this ordinance was passed at a regular/special meeting of Norwood City Council on the  $|4|^{H}$  day of  $A \rho_{L} \rho_{L}$ , 2009 in compliance with the rules of Norwood City Council and the laws of the State of Ohio. The foregoing ordinance was submitted to the Mayor of the City of Norwood, Ohio for his signature on the 20 day of  $A \rho_{L} \eta_{L}$ , 2009.

J. Brian Mumper Clerk of Council

APPROVED

Thomas F. Williams Mayor



# <u>CERTIFICATION</u>

I. <u>Kenneth J. UAWAOA</u> Clerk of Council Service with the service of the service

Ordinance No.

# Box of/Council

### ORDINANCE AMENDING SECTION 14 OF ORDINANCE 18-2009 TO EXTEND THE DURATION OF THE COMMUNITY REINVESTMENT AREA PROGRAM UNDER OHIO REVISED CODE SECTIONS 3735.65 THROUGH 3735.70 AND DECLARING AN EMERGENCY.

WHEREAS, Council adopted Ordinance No 18-2009 establishing a Community Reinvestment Area program within the City of Norwood; and,

WHEREAS, the Community Reinvestment Area program is set to expire on January 1, 2016; and,

WHEREAS, projects utilizing the Community Reinvestment Area program has brought significant economic and housing development to the City of Norwood; and,

WHEREAS, Section 14 of Ordinance 18-2009 permits Council to extend the duration of the Community Reinvestment Area program; and

WHEREAS, it is the desire of Council to continue the Community Reinvestment Area program; now therefore,

BE IT ORDAINED by the Council of the City of Norwood, State of Ohio, that:

SECTION 1. Section 14 of Ordinance 18-2009 entitled "Ordinance Implementing Sections 3735.65 Through 3735.70 of the Ohio Revised Code, Establishing and Describing the Boundaries of the Community Reinvestment Area, Designating a Housing Officer to Administer the Program, and Creating a Community Reinvestment Housing Council and Tax Incentive Review Council, and Making Certain Findings and Determinations in Connection with the Community Reinvestment Area, and Declaring an Emergency" is hereby amended to read as follows:

SECTION 14. The Community Reinvestment Program shall remain in effect until repealed by Council.

SECTION 2. All other sections and provisions of Ordinance No. 18-2009 shall remain in full force and effect.

**SECTION 3.** This Ordinance is hereby declared to be an emergency ordinance necessary for the immediate preservation of the public peace, health, safety, and welfare of the inhabitants of the City of Norwood and shall take effect immediately upon its adoption. The reason for said emergency is to continue an economic development program during a period of nationwide-economic uncertainty.

PASSED March 10, 2015 Date

M. Jaake

Donna M. Laake President of Council

#### ATTEST:

Kenneth J. Crawford, the duly appointed Clerk of Council, attests that this ordinance was passed at a regular/special meeting of Norwood City Council on the  $\underline{IO}$  day of  $\underline{March}$ , 2015, in compliance with the rules of Norwood City Council and the laws of the State of Ohio. The foregoing ordinance was submitted to the Mayor of the City of Norwood, Ohio for his signature on the  $\underline{II}$  day of  $\underline{March}$ , 2015.

Kenneth J. Crawford Clerk of Council

APPROVED Date

Thomas F. Williams

Mayor CERTIFICATION OF PUBLICATION: Kenneth Crawford, the duly appointed Clerk of Council, attests that this Ordinance was published in

the <u>Cincinnati Enquirer</u> on <u>03/16/15</u> and <u>03/23/15</u>. (Name of Newspaper) (date) (date)

Kenneth Grawford

Clerk of Council

ORDINANCE READINGS

1<sup>st</sup> Reading\_\_\_\_\_ Date

2<sup>nd</sup> Reading

Date

3<sup>rd</sup> Reading \_\_\_\_\_\_ Date

10 All 3 Readings

just general **Date** 

Tabled \_\_\_\_\_\_Date

Vetoed Date

2月17日1月1日日