

## VILLAGE OF RIO GRANDE CRA LEGISLATION – 9/19/2024

A RESOLUTION IMPLEMENTING SECTIONS 3735.65 THROUGH 3735.70 OF THE OHIO REVISED CODE, ESTABLISHING AND DESCRIBING THE BOUNDARIES OF A COMMUNITY REINVESTMENT AREA IN THE VILLAGE OF RIO GRANDE, GALLIA COUNTY, DESIGNATING A HOUSING OFFICER TO ADMINISTER THE PROGRAM, AND CREATING A COMMUNITY REINVESTMENT HOUSING COUNCIL AND A TAX INCENTIVE REVIEW COUNCIL.

WHEREAS, the Village Council of Rio Grande, Ohio (hereinafter the “Council”) desires to pursue all reasonable and legitimate incentive measures to assist and encourage development in specific areas of the Village of Rio Grande (the “Village”) that have not benefited from reinvestment through remodeling or new construction; and,

WHEREAS, the Village specifically desires to encourage development and redevelopment in the Village; and,

WHEREAS, in an effort to encourage such development and redevelopment, the Village desires to offer real property tax exemption benefits through the creation of a Community Reinvestment Area (CRA); and,

WHEREAS, the Village has made a survey of housing as specified in Ohio Revised Code Section (“R.C.”) 3735.66, the findings of which are hereby incorporated into this Resolution; and,

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

WHEREAS, the remodeling of existing structures or the construction of new structures in this CRA constitute a public purpose for which real property exemptions may be granted; and

WHEREAS, the CRA is intended to encompass all incorporated areas of the Village, and is further described in the map attached hereto as Exhibit A.

NOW THEREFORE, BE IT RESOLVED BY THE VILLAGE OF RIO GRANDE, OHIO, THAT:

Section 1: The area designated as the **Rio Grande Community Reinvestment Area (the “Rio Grande CRA”)** has successfully met the criteria for designation as a CRA as defined by Ohio Revised Code Chapter 3735.

Section 2: Pursuant to R.C. 3735.66, the Rio Grande CRA is hereby established in the following described area: all incorporated areas within the Village of Rio Grande, Ohio.

Section 3: New housing construction and repair of existing facilities or structures has been discouraged in the subject area and the subject area has met the conditions described under R.C. 3735.65(B).

Section 4: All commercial, industrial, and residential properties within the Rio Grande CRA are eligible to apply for the tax abatement hereunder, subject to certain restrictions and eligibility thresholds as described.

Section 5: This proposal is a public/private partnership intended to promote and expand job-creating projects, workforce housing, and commercial operations that improve quality of life for local residents in the designated area.

Section 6: Within the Rio Grande CRA, the percentage of any 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, all according to the provisions set forth in R.C. 3765.67. Such required negotiation will be undertaken by a designated negotiation committee, which shall include, at a minimum, the Mayor, one representative of the impacted school district, and the County Auditor of Gallia County (the “County Auditor”) (the “Negotiation Committee”). Results of the negotiation

as approved by Council will be set out in writing in a Community Reinvestment Area Agreement as outlined in R.C. 3735.671, per the following benefit levels:

a. 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. 3735.67, the term and percentage of which shall be negotiated on a case-by-case basis in advance of remodeling occurring.

b. 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.

Section 7: For **residential real property**, a tax exemption on the increase in the assessed valuation resulting from the improvements as described in R.C. 3735.67 shall be granted upon application by the property owner and certification thereof by the designated Housing Officer per the following benefit levels:

c. Ten (10) 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. 3735.67, and with such exemption being seventy-five percent (75%) for each of the ten (10) years applied to the first \$265,000 in improvement value. Improvement value over the \$265,000 threshold will be fully taxed (i.e., as if there is no abatement of such excess amount of value).

d. Ten (10) years, for the remodeling of every residential dwelling unit containing more than two housing units and not more than four housing units, upon which the cost of remodeling is at least \$5,000, as described in R.C. 3735.67, and with such exemption being seventy-five percent (75%) for each of the ten (10) years applied to the first \$265,000 in improvement value. Improvement value over the \$265,000 threshold will be fully taxed (i.e., as if there is no abatement of such excess amount of value).

e. Ten (10) years, for the construction of dwellings containing not more than four (4) housing units, as described in R.C. 3735.67, with such exemption being seventy-five percent (75%) for each of the ten (10) years applied to the first \$265,000 in improvement value. Improvement value over the \$265,000 threshold will be fully taxed (i.e., as if there is no abatement of such excess amount of value).

For the purposes of the Rio Grande CRA, structures exclusively used for residential purposes and composed of four (4) and fewer units 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 8: All commercial and industrial projects are required to pay a one-time administrative fee of a minimum of One Thousand Dollars (\$1,000.00). After total projected project costs exceed One-Million Dollars (\$1,000,000.00), the fee will be equivalent to .1% of total projected project cost.

All residential projects are required to pay a one-time administrative fee of a minimum of One Hundred Dollars (\$100.00). After total construction/renovation costs exceed One Hundred Thousand Dollars (\$100,000.00), the fee will be equivalent to .1% of total construction/renovation costs, not to exceed Two Hundred Sixty-Five Dollars (\$265.00).

Section 9: For commercial and industrial projects that receive an exemption and create at least two million (\$2,000,000.00) in new payroll within the Village, the Village shall share income tax revenues with the impacted school district(s) as described in R.C. 5709.82.

Section 10: To administer and implement the provisions of this Resolution, the Village Administrator is hereby designated as the Housing Officer as described in R.C. 3735.65 through R.C. 3735.70.

Section 11: A “Community Reinvestment Area Housing Council” is hereby established with members to be appointed as prescribed in R.C. 3735.69(A)(3). The Community Reinvestment Area Housing Council shall make an annual inspection of the properties within the

area for which an exemption has been granted under R.C. 3735.67. The Council shall also hear appeals under R.C. 3735.70.

Section 12: A Tax Incentive Review Council (TIRC) is hereby created with members to be appointed as prescribed in R.C. 5709.85. The TIRC shall review annually the compliance of all agreements involving the granting of exemptions for commercial or industrial real property improvements under R.C. 3735.671 and make written recommendations to Council as to continuing, modifying or terminating each such agreement based upon performance reported thereunder.

Section 13: Council reserves the right to re-evaluate the designation of the Rio Grande CRA after December 31, 2027, at which time Council may direct the Housing Officer not to accept any new applications for exemptions as described in R.C. 3735.67.

Section 14: The Community Reinvestment Area Housing Council shall make an annual inspection of the properties within the district for which an exemption has been granted under R.C. 3735.67. Said council shall also hear appeals under R.C. 3735.70.

Section 15: A copy of this Resolution will be forwarded to the County Auditor by Council for information and reference and will be published in a newspaper of general circulation once a week for two consecutive weeks following its passage and approval.

Section 16: Pursuant to R.C. 3735.66, Council will send by certified mail to the Director of the Ohio Department of Development a copy of this Resolution including the map attached as Exhibit A, which provides sufficient detail to denote the specific boundaries of the area.

Section 17: Council hereby finds and determines that all formal actions relative to the passage of this Resolution were taken in an open meeting of this Council, that all deliberations of this Council which resulted in formal action were taken in meetings open to the public, in full compliance with the applicable legal requirements, including R.C. 121.22.

Section 18: That this Resolution shall take effect and be enforced from and after the earliest period allowed by law.

Passed:

*Sept 19, 2024*

*Janette P. Ward*  
President, Rio Grande Village Council

Attest:

*Deborah L. Smith*  
Clerk, Rio Grande Village Council

## EXHIBIT A

## CRA Boundaries

The Rio Grande Community Reinvestment Area is comprised of all incorporated areas of the Village of Rio Grande, Ohio, represented by the shaded red area in the image below.

For reference purposes, the following map is provided.

