

City of Niles, Ohio

SPONSORED BY: COUNCIL AS A WHOLE Amended DRAFT NO. 138-25
AUTHORIZED BY: ALL MEMBERS

ORDINANCE NO. 112-25

AN ORDINANCE IMPLEMENTING SECTIONS 3735.65 THROUGH 3735.70 OF THE OHIO REVISED CODE, ESTABLISHING AND DESCRIBING THE BOUNDARIES OF THE NILES COMMUNITY REINVESTMENT AREA IN THE CITY OF NILES, DESIGNATING A HOUSING OFFICER TO ADMINISTER THE PROGRAM, CREATING A COMMUNITY REINVESTMENT HOUSING COUNCIL; REPEALING ORDINANCE 04-06; AND DECLARING AN EMERGENCY

WHEREAS, the Ohio Community Reinvestment Area Act, under Section 3735.65 through Section 3735.70 of the Ohio Revised Code (collectively, the "Act"), authorizes cities to designate areas as Community Reinvestment Areas; and

WHEREAS, the City Council of the City of Niles (hereinafter "Council") desires to pursue all reasonable and legitimate incentive measures to assist and encourage development in areas of the City of Niles that have not enjoyed reinvestment from remodeling or new construction; and

WHEREAS, a survey of housing, a copy of which is on file in the office of the City Clerk, as required by Ohio Revised Code Section 3735.66 has been prepared for the area to be included in the proposed Community Reinvestment Area; and

WHEREAS, the survey of housing shows the facts and conditions relating to existing housing and commercial facilities and undeveloped areas, including, among other things, evidence of deterioration and lack of new construction or repair or rehabilitation of substantial portions of the proposed Community Reinvestment Area; and

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

NOW THEREFORE BE IT ORDAINED BY THE CITY OF NILES, TRUMBULL COUNTY, OHIO AS FOLLOWS:

SECTION 1: Designation of Community Reinvestment Area. The area designated as the Niles Community Reinvestment Area constitutes an area in which housing facilities are located, and in which new construction or repair of existing facilities has been discouraged.

SECTION 2: Establishment of Community Reinvestment Area. Pursuant to Section 3735.66 of the Ohio Revised Code, the Niles Community Reinvestment Area, is hereby established to include all parcels within the City of Niles municipal corporation limits.

SECTION 3: Eligible Parcels. The entire area within the existing parcels identified in Section 2 as being within the designated Community Reinvestment Area are eligible for this incentive.

SECTION 4: Duration and Percentage of Tax Exemption. Within the Niles Community Reinvestment Area, the percentage of the tax exemption on the increase in the assessed valuation resulting from improvements to commercial 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 the Section 3765.67 of the Ohio Revised Code. The results of the negotiation will be set in writing in a Community Reinvestment Area Agreement as outlined in Section 3735.671 of the Ohio Revised Code. All Community Reinvestment Area Agreements shall be approved by City Council. For residential property, a tax exemption on the increase in the assessed valuation resulting from the improvements as described in ORC Section 3735.67 shall be granted upon application by the property owner, certification thereof by the designated Housing Officer, and approved by Council for the following periods:

- a. Up to and including, fifteen (15) years, for the construction of every residential dwelling unit as described in ORC Section 3735.67, with such exemption being up to one hundred percent (100%) of the assessed value of the new structure for each of the fifteen (15) years as negotiated on a case by case basis and approved in accordance with this section.
- b. Up to and including, fifteen (15) years, for the remodeling of every residential dwelling unit upon which the cost of remodeling is at least \$5,000, as described in ORC Section 3735.67, and with such exemption being up to (100%) of the increased assessed value of the existing structure after remodeling began for each of the fifteen (15) years as negotiated on a case by case basis and approved in accordance with this section.
- c. Up to, and including, fifteen (15) years, and up to, and including, one hundred percent (100%) of the increased assessed value of the existing structure after remodeling began for the remodeling of existing commercial, industrial, and mixed-use facilities and upon which the cost of remodeling is at least \$5,000, as described in ORC Section 3735.67, the term and percentage of which shall be negotiated on a case-by-case basis in advance of remodeling occurring.
- d. Up to, and including, fifteen (15) years, and up to, and including, one hundred percent (100%) of the assessed value of the new structure for the construction of new commercial, industrial and mixed-use 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 Niles Community Reinvestment Area, structures exclusively used for residential purposes, owner-occupied, and composed of two or fewer units contained therein, 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 5. Appointment of Housing Officer. To administer and implement the provisions of this Ordinance, the Mayor or his/her designee, is designated as the Housing Officer as described in the Act.

SECTION 6. Creation of Housing Council. That this Council shall cause a Housing Council as described in Section 3735.69 of the Ohio Revised Code composed of seven members to be appointed: two members appointed by the Mayor, two members appointed

by this Council, and one member appointed by the planning commission of the municipal corporation. The majority of the foregoing members shall then appoint two additional members who shall be residents of the City of Niles.

SECTION 7. Duties of Housing Council. The Housing Council shall make an annual inspection of the properties within the district for which an exemption has been granted under Section 3735.67 of the ORC. The Housing Council shall also hear appeals under Section 3735.70 of the ORC.

SECTION 8. Creation of Tax Incentive Review Council. The Tax Incentive Review Council shall be established by the Council of the City to review the compliance of all other agreements involving the Community Reinvestment Area and shall annually review the compliance of agreements involving the granting of exemptions for commercial or industrial real property improvements under the Ordinance and make written recommendations to this Council as to continuing, modifying to terminating those agreements based upon the performance of the agreement. A Tax Incentive Review Council shall be established pursuant to Section 5709.85(A)(2) of the Ohio Revised Code and shall consist of the following members: three members appointed by the Board of County Commissioners of Trumbull County; two members from the City of Niles appointed by the Mayor with the concurrence of the Council; two members of each township to which the instrument or agreement granting the tax exemption applies, appointed by the board of township trustees of the respective townships; the county auditor or the county auditor's designee; and an individual appointed by the board of education of each city, local, exempted village, and joint vocational school district to which the instrument or agreement granting the tax exemption applies. At least two members of the council shall be residents of the City of Niles or townships to which the instrument or agreement granting the tax exemption applies.

The Tax Incentive Review Council shall review annually the compliance of all CRA 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 as to continuing, modifying or terminating said CRA agreements based upon the performance of the terms and conditions of said agreements.

SECTION 9. Open Meetings. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this ordinance were taken in an open meeting of this Council and any of its committees, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including Section 121.22 of the Ohio Revised Code.

SECTION 10. Further Authorizations. This Council directs the Clerk of Council to cause notice of this legislation to be published in accordance with section 3735.66 of the Ohio Revised Code and for a copy of this legislation and a map of the Niles Community Reinvestment Area to be sent via certified mail to the director of the Ohio Department of Development. No exemption from taxation under section 3735.67 of the Ohio Revised Code shall be granted until the director assigns a unique designation by which the area shall be identified for purposes of sections 3735.65 to 3735.70 of the Ohio Revised Code.

SECTION 11. Non-Discriminatory Hiring Policy. In accordance with Section 5709.832 of the Ohio Revised Code, this Council hereby determines that no employer located upon any Parcel shall deny any individual employment based solely on the basis of race, religion, sex, disability, color, national origin or ancestry.

SECTION 12: This Ordinance repeals and replaces Niles Codified Ordinance 04-06.

SECTION 13: This ordinance is hereby declared to be an emergency measure necessary for the preservation of public peace, health and safety of the inhabitants of the City of Niles, Ohio. Said emergency exists by reason of the fact, and, as such, this ordinance shall take effect immediately upon its passage and approval by the Mayor.

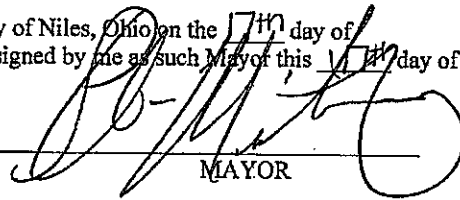


PRESIDENT OF COUNCIL

PASSED: September 17, 2025

ATTEST: Ally Hurdle
CLERK OF COUNCIL

Filed with the Mayor of the City of Niles, Ohio on the 17th day of September, 2025 and signed by me as such Mayor this 17th day of September, 2025.



MAYOR