

RESOLUTION NO. R-31-16

**A RESOLUTION OPPOSING THE PASSAGE OF SB 235 DEALING WITH PROPERTY
TAX EXEMPTIONS FOR INDUSTRIAL AND COMMERCIAL DEVELOPMENT
WHICH MAY RESULT IN POTENTIAL LOSS OF
SUBSTANTIAL PROPERTY TAX REVENUES FOR LOCAL GOVERNMENTS
AND DECLARING AN EMERGENCY**

WHEREAS, SB 235 would exempt from property taxes the increased value of property on which industrial or commercial development is planned until completion of the new or redeveloped facilities; and

WHEREAS, SB 235 proposes to remove any local control and would provide any commercial and industrial property owner with tax relief if they file for a tax exemption with the county auditor; and

WHEREAS, the City of Avon and other political subdivisions in Lorain County need assurance that viable business will be joining their communities and have been able to use local incentives to help assure them that investments will be made and jobs created; and

WHEREAS, there are concerns about the 10 year duration of the valuation freeze in the bill, which impacts the counties, schools, municipal corporations, and township which will lose inside millage property tax revenue growth; and

WHEREAS, this would eliminate the historical ability of local governments to direct development to enterprise zones, community reinvestment authorities (CRAs), and tax increment financing (TIF) districts, using local criteria, zoning, and land use plans, and other factors; and

WHEREAS, the tax exemption or freeze in value has the potential to reduce property taxes for local governments and schools and, in some cases, require other taxpayers to pay more than their fair share. When one commercial property is undervalued, the other commercial properties in the taxing unit must make up the difference.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF AVON, COUNTY OF LORAIN AND STATE OF OHIO:

Section 1 - The City of Avon, by and through its Council, and for the reasons set forth above, strongly opposes the passage of SB 235 currently pending before the Ohio Legislature. The City of Avon cannot have loss of foregone property tax revenue; this is like an unfunded mandate, which the City general fund cannot absorb.

Section 2 - The Clerk of Council is hereby directed, forthwith, to submit a copy of this Resolution to representatives from Avon's House and Senate Districts and to the Governor's Office, Cliff Rosenberg, Speaker of the House, Ryan Smith, Finance Chair, and Craig Snodgrass, Lorain County Auditor.

Section 3 - That it is found and determined that all formal actions of the Council of the City of Avon concerning and relating to the adoption of this Resolution were taken in an open meeting

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of the Council of the City of Avon and that all deliberations of this City's Council and any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 4 - That this Resolution is hereby declared to be an emergency measure immediately necessary for the preservation of the public health, safety and welfare of the citizens of the City of Avon, the immediate emergency being the necessity to express strong opposition to passage of SB 235; therefore, this Resolution shall be in full force and effect immediately upon its passage and approval by the Mayor.

PASSED: _____ DATE SIGNED: _____

By: _____
Craig L. Witherspoon, Council President

DATE APPROVED BY THE MAYOR: _____

Bryan K. Jensen, Mayor

APPROVED AS TO FORM:

John A. Gasior, Law Director

ATTEST:

Barbara J. Brooks
Clerk of Council

Posted: _____
In Five Places as
Provided by Council

Prepared By:
John A. Gasior, Esq.
Law Director