

# Cuyahoga Falls City Council

## Minutes of the Community Development Committee Meeting

### June 21, 2004

Chairman: Ken Barnhart; Vice Chair: Doug Flinn; Member: Debbie Ritzinger.

Mr. Flinn brought the Community Development Committee Meeting to order at 7:42 p.m. The meeting minutes of June 7, 2004 were approved as submitted.

**Scheduled legislation (third reading):**

A-91	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 Cuyahoga Falls and designating a Housing Officer to administer the program and creating a Community Reinvestment Housing Council and a Tax Incentive Review Council, and declaring an emergency.
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Mrs. Truby indicates from the June 7 discussion, we attempted to consolidate and adjust the grid from all the suggestions of council members. We lowered the minimum investment to \$10,000 to help make improvements. Historic Owner/Occupied was increased to 10 years with 100% abatement. The minimum was also changed to \$10,000. On the commercial side, there was no change. 10 years at 75% abatement with the minimum to qualify at \$125,000. There was significant concern with Kemmpel Point. The map has been submitted to HUD and is almost impossible to change it according to Mrs. Truby. After reviewing the charrette summaries, Sue feels these incentives conform to the resident's requests.

Ken thanks Sue for taking another look at this. Mr. Walters asks how the abatement works on a tear down value of \$60,000 that is replaced with a home of \$160,000. Liz indicates you do not get a break for tearing down the structure, so basically the value of the property plus tear down costs now set the value of the land. In this situation, the new structure would only cost \$100,000 and it would be short the \$25,000 for the abatement. Sue distributed the County Auditors guidelines for home improvements. The Auditor's Office is the ultimate decision maker to identify value increases. George feels that waterproofing a home can be a substantial amount of money and the grid provided by the County Auditors needs to be adjusted for these purposes. Since the county is identifying the value increases, it is hard to change according to Liz. However, there is room under the foundation repair to work with situations such as these. Kathy Hummel indicates she agrees with the remodeling & remodeling of the historic area changes, but feels the new construction, single family owner occupied has not changed and we cannot allow a family to not pay their fair share of property taxes to the schools, along with the police/fire/city services. A business owner who attended several charities approached Mrs. Hummel and agreed with her position. Not paying property taxes along a street where everyone else is paying their fair share is not what the tax abatements were envisioned for. Sue indicates the commercial multi-family unit is now at \$250,000 to qualify for the abatements. The tax abatements only go to the owner, not the developer. Fred Guerra indicates in the charettes we talked about issues and solutions. We mentioned different incentives to the residents to promote new housing and they encouraged it. Debbie Ritzinger agrees with the minimum being reduced to \$10,000 and asks if a restriction on the legislation could be placed that excluded properties that are demolished and rebuilt. Sue indicates with Kemmpel Point, there were only a couple, maybe 3, houses that were taken down so this would not eliminate Kemmpel Point. Sue states we could change the date for one year and re-evaluate it. We could also change the term of abatement to 5-7 years. Ken feels that this change would help. Tim indicates he needs to know answers from Liz on these new single-family dwellings to make a good decision. He feels they must pay something to live in this city. Sue has looked at many ways to cut out Kemmpel Pointe however remodeling abatements are available for *all* residents. If we limit this to 2005, I don't feel we will have enough time to give it a chance. We can change the term of the abatement to

5-7 years. We are open to that. Mary Ellen indicates the one side of 7<sup>th</sup> street will be eligible for abatements while the other side will not. The line had to be drawn somewhere and it has been submitted to HUD. Carol questions Kathy Hummel on her reservations over this legislation. Carol makes sure Kathy realizes that people will still pay taxes on the land and with the percentages changed, this will also generate taxes. We need to sacrifice a little for the long-term quality of our city. With the new changes, there is a 75% change on the abatement. Carol indicates the Habitat for Humanity would love to come in here with the projected abatements. We need to think about the long-term factors of this quality of life that this will bring to this area. We want to attract good families that will be grounded. The length of years and the percentages will reflect the future of our city. We need to look past the 18 houses at Kemmpel Pointe. Tim indicates we all want new homes in our city, but we need to be careful about the final version. I want to work together about this legislation and not make it divisive. Kathy indicates she is concerned about attracting families to our area and I feel we do that now. Families who send their children to our schools & use our city services should pay their share of taxes. Our schools are suffering financially since the state has neglected to correct funding issues and these abatements affect them. Kathy spoke with Mr. Schmidt asking about the map for the Cuyahoga River District. Kathy asks if the map can be modified yet Sue states the map has been sent into HUD and it should not be changed. Many statistics have gone into defining this area. Mr. Schmidt asked Kathy if a couple of streets in Ward I could be added and after hearing the way the map was defined, Kathy feels would be an enormous task. Fred indicates the housing inspectors added several areas of Ward I. Ken asks if the school superintendent supports this? Dr. Holland was very favorable with this proposal and did his dissertation on enterprise zones and CRA's. They are burdened with transient students, and this would assist these types of students in the school system. They are in favor of it. Mary Ellen asks what streets Mr. Schmidt wanted to add? Mrs. Hummel stated it was an Indian named street not where his lot is off of Dwight. Mayor Robart indicates the school is on board and feels there will be a long-term benefit. This will be an evolution over time for this area. Kemmpel Pointe is a small housing unit that shouldn't hold up this legislation. There are incentives for our residents. We have to be sensitive to areas that need assistance. The Mayor feels we have to create the long-term horizon for our community and for the areas that need it. Ken would like to shorten the term of the abatement to bring it out for a vote. One line 134 we are looking to change it to 2005, Liz will confirm the county tax numbers and we will amend the legislation next week based on our findings. Don Walters asks if we can put a restriction on a replacement structure to avoid the horseshoeing of homes. Tim would like to see the term of the abatement to 7 years. People who are currently remodeling will be eligible for this abatement as soon as the Mayor signs the legislation. Doug feels changing the year to 2005 is not sufficient. Lets leave it at 2007. Tim feels we should review it every year and leave it at 2005. Tim asks how we police the owner occupancy? Liz will review utilities and verify owner occupancy. On line 95 Ken will change it from 10 years to 7 years.

Tom Sullivan, 447 Tallmadge Rd, indicates there are many homes that haven't paid taxes and this will allow owner/occupied people to get into these and make the improvements. This is a blessing to bring a neighborhood up. We need more people that will get incentives to rehabilitate these areas.

Karen Nelsch, North Haven Blvd., the one-year business doesn't give the people the time, architect, and financing to accomplish this project. A year doesn't seem like enough time. Some type of guarantee that this program will be in effect for more than a year would help the residents.

Don Nelsch, North Haven Blvd., indicates the school is in favor this program and has indicated their support. No one on city council should be against this since the schools have acknowledged their support.

Sue indicates there will be an annual accounting of the information and feels the 2005 date should remain 2007.

*The committee recommended bringing out Sub. Temp. Ord. A-91.*

**Held legislation:**

The Community Development Committee Meeting was adjourned at 8:10 p.m.