

**Cuyahoga Falls City Council
Minutes of the Community Development Committee**

January 3, 2023

Members: Brian Ashton, Chair
Michael Brillhart
Adam Miller

Mr. Ashton called the meeting to order at 7:08 p.m. Mr. Miller was absent.

Legislation Discussed:

Temp. Ord. A-161

Temp. Ord. A-162

Temp. Ord. A-163

Discussion:

Temp. Ord. A-161

An ordinance authorizing the termination of the 2020 Enterprise Zone Agreement with Kyocera SGS Precision Tools, Inc., and declaring an emergency.

Ms. Diana Colavecchio, Community Development Director, presented Temporary Ordinance A-161 to Council. The City of Cuyahoga Falls passed Ordinance Nos. 129-1995 and 26-1996 to authorize the City's participation in the County's Enterprise Zone Program. The City of Cuyahoga Falls has been certified by the State of Ohio, Department of Development, as an Enterprise Zone establishing it to exempt certain taxes imposed on industry provided said industry creates or retains jobs and makes a significant investment within the certified zone.

The City passed Ordinance 7-2020, authorizing the Mayor to enter into an Enterprise Zone Agreement with the County of Summit and Kyocera SGS Precision Tools, Inc. for the renovation of the real property located at 238 Marc Drive, Cuyahoga Falls, Ohio 44223 (Parcel Numbers 35-00311 and 35-04028). County Council passed Resolution 2020-035, authorizing the County Executive to enter into an Enterprise Zone Agreement with the City of Cuyahoga Falls and Kyocera SGS Precision Tools, Inc. for the renovation of the real property located at 238 Marc Drive, Cuyahoga Falls, Ohio 44223 (Parcel Numbers 35-00311 and 35-04028). The County Fiscal Office determined during the reappraisal of the real property located at 238 Marc Drive, Cuyahoga Falls, Ohio 44223 (Parcel Numbers 35-00311 and 35-04028) that the improvements did not increase the overall appraised and taxable value to warrant a tax abatement pursuant to the Enterprise Zone Agreement.

For the reason set forth above, Kyocera SGS Precision Tools, Inc., has not met the investment terms outlined in the Enterprise Zone Agreement. The County's Tax Incentive Review Council met in 2021, and based on all of the above, voted to recommend the termination of the Enterprise Zone Agreement. This Council passed Ordinance 84-2021 recommending the termination of the 2020 Enterprise Zone Agreement with Kyocera SGS Precision Tools, Inc. County Council passed Resolution 2022-359 authorizing the County Executive to terminate the 2020 Enterprise Zone

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Agreement with Kyocera SGS Precision Tools, Inc. The City authorizes the County Executive to terminate the 2020 Enterprise Zone with Kyocera SGS Precision Tools, Inc.

The Mayor will be given permission to authorize the County Executive to terminate the 2020 Enterprise Zone Agreement with Kyocera SGS Precision Tools, Inc., as the improvements made to the real property located at 238 Marc Drive, Cuyahoga Falls, Ohio 44223 (Parcel Numbers 35-00311 and 35-04028) did not increase the overall appraised and taxable value to warrant a tax abatement pursuant to the Enterprise Zone Agreement. Council will further authorize the Mayor, Director of Finance, Director of Community Development, Director of Law and any other city officials, individually and/or collectively as may be appropriate, to prepare and execute such other documents and do other things as are necessary for and incidental to carrying out the requirements of this legislation.

Ms. Colavecchio stated that an Enterprise Zone was established on behalf of Kyocera SGS Precision Tools when they were preparing to move their headquarters from Munroe Falls to Cuyahoga Falls. Once the move was made, it had little or no effect on the value of the real estate where the new headquarters was located, eliminating the need for an Enterprise Zone agreement.

Mr. Balthis asked if this move was subject to the income tax sharing agreement and non-poaching agreement. Ms. Colavecchio stated that it was subject to the revenue-sharing agreement with Munroe Falls. The agreement provides for an annual true-up of what the real dollars are and the job dollars are. They will have to revisit the terms of the sharing agreement and see how that would be affected.

Mr. Brillhart moved to bring out Temp. Ord. A-161 with a favorable recommendation, second by Mr. Ashton. Motion passed (2-0).

Temp. Ord. A-162

An ordinance adopting and implementing the procedures set forth in Sections 5722.02 through 5722.15 of the Ohio Revised Code to facilitate the effective reutilization of nonproductive land in the City of Cuyahoga Falls, and declaring an emergency.

Ms. Janet Ciotola, Law Director, presented Temporary Ordinance A-162 to Council. Section 5722.02(A) of the Ohio Revised Code enables Council to adopt and implement procedures to facilitate the effective reutilization of nonproductive land in the City. Per Section 5722.02(A) of the Ohio Revised Code, Council finds that the existence of nonproductive land in the City is such as to necessitate the implementation of a land reutilization program to foster either the return of such nonproductive land to tax revenue generating status or the devotion of such land to public use. Council will adopt and implement the procedures set forth in Sections 5722.02 through 5722.15, inclusive, of the Ohio Revised Code to facilitate the effective reutilization of nonproductive land in the City. Pursuant to Ohio Revised Code Section 5722.02(C), the Clerk of Council will be directed to forward a certified copy of this ordinance to the Summit County Fiscal

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Officer's Auditor's Division, the Summit County Fiscal Officer's Treasurer's Division, and the Summit County Prosecutor's Office.

Ms. Ciotola stated that this legislation is to identify vacant and tax delinquent properties which are a blight to the community and return them to productive use. The City will be able to request the County Fiscal Office to assist in an initiated tax foreclosure.

Mr. Gorbach asked if once a property was determined to fall into the category set forth by the ORC, would that be determined through City Council or would the Administration unilaterally make that determination. Ms. Ciotola stated that they would contact the County Prosecutor's office, because they initiate tax foreclosure actions. They would indicated that the City would like to acquire this property, because it is blighted, it is tax delinquent, it is vacant and a nuisance to the community.

Mr. Gorbach asked if it would require further approval by City Council. Ms. Ciotola stated that it would not. He stated that once this process starts, he would like Council to be aware of what is happening while it is going on. He inquired if there is something that could be added if there is not a mechanism in the legislation as it is now, so that Council could be aware when this process takes place. He stated that he is not suggesting that it needs further approval by Council to continue, but that there at least be some type of notice to ensure that Council is aware that the action is beginning to happen on some piece of property in the city. Ms. Ciotola stated that if Mr. Gorbach is requesting a modification of the ordinance, she could look into drafting something.

Mr. Ashton asked if Ms. Ciotola could define what a vacant property means in this situation. Ms. Ciotola stated that it is defined in Ohio Revised Code Section 3722.01, and then proceeded to read the list of criteria for Council. Mr. Ashton asked if there were terms to locate or identify the owners of the property before this process can go forward. Ms. Ciotola stated that in the foreclosure process, the County sends numerous notices and attempts to get owners to bring taxes current and makes offers to enter agreements or payment plans. Mr. Ashton asked if there are tools such as service and publications in place to try to identify those individuals. Ms. Ciotola stated that she is not 100 percent sure, but before a foreclosure, it is a requirement.

Ms. Colavecchio asked if the concern is that a Council member may get a call from a property owner stating that they received a foreclosure lawsuit served against them and wants to know if the City is somehow involved and why they did not receive a courtesy call. Mr. Gorbach stated that is correct. As a Council member, he would like to be notified that some action is being taken on a property in Cuyahoga Falls of this nature. Ms. Colavecchio stated that they can easily do that. When properties go into delinquency tax status in the City, those proceed to foreclosure with the Fiscal Office without the City knowing about it. In this case, these are properties the City has identified and requested that the Fiscal Office pursue foreclosure for a variety of reasons, such as having an assessment for clean-up expenses they want to recoup or it is a commercial property in a corridor where the owner is not doing anything or not marketing it, and, if the City had an ownership right, they could market it. Procedurally, they would collect perhaps five different

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parcels throughout the city and type a letter to the Fiscal Office asking them to pursue foreclosure. On that letter, the Council member of the ward the parcel is located in could be copied. The Fiscal Office will not take these cases to foreclosure with the City as the end user without this ordinance.

Mr. Gorbach asked if the property owners will have the same opportunity to stop or stall the foreclosure. Ms. Colavecchio stated that the property owner could bring their taxes current and it would be dismissed, or they could file bankruptcy. It is the same process as foreclosure, but, at the end, when the property goes to Sheriff's sale because the owner has not done anything to stop it, the City is the buyer at Sheriff's sale.

Mr. Gorbach asked what value is placed to purchase the property. Ms. Colavecchio stated that the Fiscal Office is obligated to have them appraised as part of the foreclosure lawsuit, and then, whatever that appraisal figure is, they have to sell it for two-thirds the value of the appraisal price. With vacant land, they are not going to come in too high.

Mr. Brillhart stated that this is an absolutely outstanding ordinance, and he fully supports it. As someone who had previously been involved in many foreclosures and legal actions on properties, he understand how things can be delayed. It is unfair to the residents in the neighborhood who pay their taxes and do everything appropriately when there is somebody who does not. This is an excellent tool to improve neighborhoods.

Mr. Stams stated that he would like the purchase price or the mandated selling price that the Fiscal Office puts to the price of the land be the bottom line at which the City of Cuyahoga Falls will sell the property, so if the Cuyahoga Falls purchases it for \$200,000, it cannot be sold for anything less than \$200,000. Ms. Ciotola stated that all of those concerns are addressed in this lengthy ordinance about resale. If the City were to sell a property, they would have to come to Council for that. It would be on a case-by-case basis.

Ms. Nichols-Rhodes asked if this is the same way the Land Bank operates. Ms. Colavecchio stated that it is similar, but not identical. The Land Bank, without an ordinance in place, takes a list from the City of properties it would like them to pursue that are tax delinquent and they can be an end user in those arrangements.

Mrs. Penta stated that she would like to be in the loop as to what is happening in her ward and in the city, because residents do come to them with questions, and it would be nice to have that information beforehand. She asked if it is just vacant land that is delinquent on taxes. Ms. Ciotola stated that it is vacant or it is described as abandoned, nonproductive land, no buildings or structures, or may be an unoccupied, dilapidated building or structure that the City is seeking to demolish because of an insecure or unsafe structure condition.

Mr. Balthis stated that there are certain environmental liability protections from a statutory perspective. He asked if the City were to acquire property, would there be those same

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environmental protections. Ms. Ciotola stated that she would look at it again, but did not see anything about EPA covenants.

Mr. Brillhart moved to bring out Temp. Ord. A-162 with a favorable recommendation, second by Mr. Ashton. Motion passed (2-0).

Temp. Ord. A-163

An ordinance amending Appendix C of Title 5 of the General Development Code, and declaring an emergency.

Mr. Rob Kurtz, Planning Director, presented Temporary Ordinance A-163 to Council. City Council may establish fees for planning and zoning applications according to Section 1111.11 of the Cuyahoga Falls General Development Code. The Department of Development has reviewed the schedule of fees considering the Department's current application procedures and practices and determined that they should be updated. The Department of Development has also reviewed the schedule of fees of other jurisdictions and have determined that the proposed amended schedule of fees is within the current standard practice. The table of Appendix C of Title 5 of the General Development Code will be amended as depicted on Exhibit A of this ordinance. Any ordinances or resolutions or portions of ordinances and resolutions inconsistent herewith be and the same are hereby repealed, but any ordinances and resolutions not inconsistent herewith and which have not previously been repealed are hereby ratified and confirmed. It is found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were taken in an open meeting of this Council and that all deliberations of this Council and of any committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements including Chapter 107 of the Codified Ordinances.

According to Section 1111.11 of the Cuyahoga Falls General Development Code (CFDC), Council has the authority to establish the fees for applications in the CFDC. The fee schedule was last amended by City Council in 2007. The proposed amendments can be categorized in the following way: Clarifications to the schedule that are intended to further inform staff/resident, and not substantive in regard to the actual fees; Amendments intended to simplify the schedule for the benefit of both applicants and staff and also eliminate unnecessary distinctions; and New or increased fees that we believe are warranted based on our current application procedures, work activities, and within the standard practice of other local jurisdictions.

Mr. Kurtz stated that this legislation will affect the section of the General Development Code that pertains to fees and definitions of some of the services provided by the City to residents and developers that was last revised in 2007. The changes are commensurate with the fees charged for similar services by local communities the size of Cuyahoga Falls.

Mr. Brillhart moved to bring out Temp. Ord. A-163 with a favorable recommendation, second by Mr. Ashton. Motion passed (2-0).

The meeting adjourned at 7:40 p.m.