

# County Council of Cuyahoga County, Ohio

## Ordinance No. O2011-0041

Sponsored by: <b>Councilmembers Brady, Miller, Connally, Jones, Rogers, Simon, Conwell and Germana</b>	<b>An Ordinance</b> authorizing, enacting and designating an additional five percent of all collections of delinquent real property, personal property, and manufactured and mobile home taxes and assessments to be deposited in the delinquent tax and assessment collection fund for the use of and appropriating such amount to the use of the Cuyahoga County Land Reutilization Corporation.
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WHEREAS, the Treasurer of Cuyahoga County, Ohio (the "County Treasurer"), pursuant to and in accordance with Section 321.341 of the Ohio Revised Code, has heretofore made the special tax advances authorized in Section 321.341 of the Ohio Revised Code (the "Special Tax Advances") from the collections of current late and delinquent taxes and the proceeds of current year delinquent tax collection anticipation notes (the "DTANs") to provide base funding to the Cuyahoga County Land Reutilization Corporation (respectively, the "Base Funding" and the "Corporation") in the form of the penalties and interest on such current late and delinquent taxes and assessments upon their collection (the "P&I Collections") and in an annual estimated amount of, but not exceeding in any event, \$7,000,000.00 (the "Maximum Base Funding Amount");

WHEREAS, in order to (i) more accurately estimate, more efficiently provide and more economically collect and distribute Base Funding to the Corporation, up to, but not exceeding, the Maximum Base Funding Amount for its fiscal years 2011 and 2012, (ii) eliminate the need for the issuance by Cuyahoga County, Ohio (the "County") of DTANs and (iii) save the Corporation the costs of issuance of the DTANs and the payment of interest thereon by the Corporation, the Corporation has asked that the County Treasurer, pursuant to division (B) of Section 321.261 of the Ohio Revised Code, request that this County Council, upon consultation with the County Executive, authorize, enact and designate pursuant to division (B) of Section 321.261 of the Ohio Revised Code an additional five percent (5%) deduction from all collections of delinquent real property, personal property and manufactured and mobile home taxes and assessments (hereafter, the "Additional DTAC Fee") to be deposited in the delinquent tax and assessment collection fund (the "DTAC Fund") and, subject to the limitation hereinafter provided through the Maximum Base Funding Amount, transferred in part or in whole to the Corporation as part of its Base Funding in lieu of P&I Collections otherwise generated from the Special Tax Advances made with DTAN Proceeds; provided, however, that the aggregate amount

transferred to the Corporation in any fiscal year from the DTAC Fund and the county land reutilization fund created and maintained under Section 321.263 of the Ohio Revised Code (the “County Land Reutilization Fund”) shall not exceed the Maximum Base Funding Amount;

WHEREAS, pursuant to subdivision (B) of Section 321.261 of the Ohio Revised Code, the County Treasurer has communicated to one or more members of this Council a request from the Corporation that this Council consider the authorization, enactment and designation of the Additional DTAC Fee; and

WHEREAS, this Council acknowledges and finds that continuing provision through the County of the annual Base Funding of the Corporation in an amount equal to, but not exceeding, the Maximum Base Funding Amount is in the best interests of the County and is necessary for the Corporation to continue to achieve its mission and public purposes of, among others, alleviating the slum and blight of vacant, abandoned and foreclosed properties within the County and the negative consequences which certain national real estate practices and the recent recession have inflicted on the local real estate markets, and therefore this Council desires to authorize, enact and designate the Additional DTAC Fee in lieu of P&I Collections otherwise generated from the Special Tax Advances made with DTAN Proceeds, subject to the provisions of this Ordinance;

**NOW, THEREFORE, BE IT ENACTED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:**

**SECTION 1. Additional DTAC Fee.** Pursuant to and in accordance with Section 321.261(B) of the Ohio Revised Code and subject to the other provisions of this Ordinance, this Council hereby authorizes, enacts and designates the Additional DTAC Fee in the amount of five percent (5%) to be applied on all collections of delinquent real property, personal property and manufactured and mobile home taxes and assessments solely for the use of the Corporation as part of its Base Funding, commencing immediately upon the effective date of this Ordinance and continuing through December 31, 2012.

**SECTION 2. Maximum Base Funding.** Notwithstanding the provisions of Section 1 of this Ordinance, the aggregate amount transferred to the Corporation from the DTAC Fund and the County Land Reutilization Fund in any single fiscal year of the Corporation shall not exceed **\$7,000,000.00** (the “Maximum Base Funding Amount”).

**SECTION 3. Deposit and Appropriation of Additional DTAC Fee.** All amounts constituting the Additional DTAC Fee shall be deposited in the DTAC Fund, and such amounts upon their deposit in such fund, subject to the provisions of Section 2 hereof, are hereby appropriated for the sole use of the Corporation and shall be disbursed to the Corporation upon warrant of the Fiscal Officer of the County (the “Fiscal Officer”).

**SECTION 4. Delivery to County Treasurer and Fiscal Officer.** The Clerk of Council is hereby instructed to transmit a copy of this Ordinance upon its execution by the County Council President, the County Executive and the Clerk of Council to the Fiscal Officer and the County Treasurer.

**SECTION 5. Replacement of DTAN.** The issuance of DTAC funds under this Ordinance shall be contingent upon the County Treasurer not electing to recommend issuance of DTAN advances pursuant to Sections 321.341 and 133.082 of the Ohio Revised Code. Should DTAN advances be issued, the additional 5% DTAC fee under this Ordinance shall no longer be applied.

**SECTION 6. Open Meeting Determination.** It is found and determined that all formal actions of this Council meeting and relating to the adoption of this Ordinance were adopted in an open meeting of the Council, and that all deliberations of this Council and of any of its committees that resulted in such formal actions were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

On a motion by Mr. Miller, seconded by Mr. Jones, the foregoing Ordinance was duly enacted.

Yeas: Conwell, Jones, Rogers, Simon, Miller, Brady, Germana, Schron and Connally

Nays: Greenspan and Gallagher

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County Council President      Date

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County Executive      Date

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Clerk of Council      Date

First Reading/Referred to Committee: August 23, 2011  
Committee(s) Assigned: Finance & Budgeting

Second Reading/Referred to Committee: September 13, 2011  
Committee(s) Assigned: Finance & Budgeting

Additional Sponsorship Requested on the Floor: September 13, 2011

Additional Sponsorship Requested: November 4, 2011

Amended on the Floor: November 9, 2011

Additional Sponsorship Requested on the Floor: November 9, 2011

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