



MENTOR COMMUNITY REINVESTMENT AREA (CRA) GUIDELINES FOR COMMERCIAL & INDUSTRIAL PROJECTS

In 1977 the Ohio Legislature passed enabling legislation permitting municipalities to create Community Reinvestment Areas (CRAs). The law allows the City to create one or more "community reinvestment areas" in which real property tax abatement can be granted for any increased property valuation resulting from new construction or remodeling of existing structures. The program has since been revised (1994) creating two types of CRAs; those created prior to July 1, 1994 and those after. The CRAs in Mentor were created prior to 1994 and therefore are "grandfathered" under the amended law. One includes the Great Lakes Mall which was created in 1988, while a second was created in 1984 (and has subsequently been added to) and roughly includes the Industrial Corridor south of SR-2 and east of Hopkins Road. Real property abatements are for 100% of the real property improvement for five (5) years in duration.

PROGRAM JUSTIFICATION

The Community Reinvestment Area (CRA) enables the City of Mentor to target private investment where without the abatement, the investment might not take place. The real property tax abatement would be a temporary deferment in increased property value; the City would continue to receive municipal income tax.

NOTE: If the business is anticipated to generate a new annual payroll in excess of \$1 million; the applicant must provide a written explanation documenting the anticipated level of payroll during the deferment period.

APPLICATION PROCEDURE

Contact the Economic & Community Development Department at (440-974-5740) or commdev@cityofmentor.com for an application once a Certificate of Occupancy has been issued by the Mentor Building/Engineering Department. Complete the application (including a legal description of the property) and return it to the Economic & Community Development Department, 8500 Civic Center Boulevard, Mentor, Ohio 44060. Per the Ohio Revised Code requirement, the Mentor Village Exempted Board of Education will be notified by the Economic & Community Development Department of an application having been submitted for CRA abatement. The Department will file the application with the Lake County Auditor's Office fourteen (14) days after the Board of Education notification.

Abatements begin on January 1st of the year following the filing.