RESOLUTION NO. R-02-25

A RESOLUTION SUBMITTING TO THE ELECTORS OF THE CITY, PURSUANT TO ARTICLE IV, SECTION 17 OF THE AVON CITY CHARTER AND CHAPTER 718 OF THE OHIO REVISED CODE, THE QUESTION OF AMENDING SECTIONS 881.01, 881.03, AND 881.04 OF THE CODIFIED ORDINANCES OF THE CITY TO INCREASE THE CITY'S MUNICIPAL INCOME TAX RATE FROM 1.75% TO 1.95% FOR THE PURPOSE OF PROVIDING FUNDS FOR CAPITAL AND OPERATING EXPENDITURES OF THE POLICE AND FIRE DEPARTMENTS OF THE CITY OF AVON AND TO AMEND SECTION 881.06 OF THE CODIFIED ORDINANCES OF THE CITY TO INCREASE THE CREDIT FOR MUNICIPAL INCOME TAXES PAID BY RESIDENTS OF THE CITY TO ANOTHER MUNICIPALITY FROM 1.50% TO 1.70%; AND DECLARING AN EMERGENCY

WHEREAS, the City of Avon, Ohio (the "City") currently levies a municipal income tax at the rate of 1.75% on all persons residing in, or earning or receiving income in, the City; and

WHEREAS, the City has experienced significant growth over the past 25 years, including increases in population and the rapid expansion of residential, industrial, and commercial development within the City; and

WHEREAS, the City's significant growth has increased the need for additional safety services and resources in the City in order to rapidly respond to emergencies within the City and to assist with emergencies in neighboring municipalities; and

WHEREAS, considering the dramatic increase in population and growth in residential, industrial and commercial development within the City these past 25 years, Council desires to place on the ballot a proposed increase in the City's municipal income tax rate from 1.75% to 1.95% with such 0.20% increase in the municipal income tax rate being used for the purpose of providing funds for the construction, renovation or improvement of safety department facilities, including the purchase or lease of real property for said facilities; the purchase or lease of safety vehicles and equipment and the other operating expenses of the police and fire departments, including the payment of acquisition, engineering and legal costs and the payment of principal and interest on bond, notes or other obligations incurred to finance such expenditures; and

WHEREAS, in tandem with the proposed municipal income tax increase, this Council desires to increase the credit for income taxes paid by residents of the City to other municipalities from 1.50% to 1.70%; and

WHEREAS, the City would like to reduce the property tax burden of residents by not renewing or replacing the following levies upon their expiration if the proposed income tax increase is approved by the voters: 1984 Police Operating Levy of 2.0 mills, 2007 Police Equipment Levy of 0.50 mills and the 2017 Fire Equipment Levy of 0.50 mills; and

WHEREAS, Article IV, Section 17 of the City Charter provides that Council may not adopt any ordinance or resolution that changes the municipal income tax rate for persons having income taxable within the City, or changing the percentage of credit allowable to residents of the

City having income taxable in another municipality, unless such ordinance or resolution has first been submitted to the electors of the City and approved by a majority of the electors voting thereon at any general, regular, or special election; and

WHEREAS, Section 718.04(C)(2), Ohio Revised Code, provides that no municipal corporation shall levy a tax on income at a rate in excess of one percent without having obtained the approval of the excess by a majority of the electors of the municipality voting on the question at a general, primary, or special election; and

WHEREAS, Council deems it in the best interest of the health, safety and welfare of the citizens of Avon that the issue of an income tax increase be placed on the May 6th, 2025 ballot for consideration by the electors of the City.

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

Section 1. There shall be submitted to the electors of the City, pursuant to Article IV, Section 17 of the Charter of the City and Chapter 718 of the Ohio Revised Code, at the next special election to be held May 6th, 2025 at the regular places of voting between the hours of 6:30 A.M. and 7:30 P.M., the question of approving the passage of an ordinance to amend certain sections of Chapter 881 of the City's Codified Ordinances to:

(a) provide for an increase in the City's municipal income tax rate from 1.75% to 1.95% beginning January 1, 2026 for the purpose of providing funds for the construction, renovation or improvement of safety department facilities, including the purchase or lease of real property for said facilities; the purchase or lease of safety department vehicles and equipment; and the other operating expenditures of the police and fire departments, including the payment of acquisition, engineering, and legal costs, and the payment of the principal and interest on bonds, notes or other obligations incurred to finance such expenditures.

(b) increase the tax credit provided to residents of the City on income tax paid to other municipalities from 1.50% to 1.70% of the taxable income earned attributable to the municipality of employment or business activity effective January 1, 2026.

Section 2. The proposed Ordinance to be submitted to the electors of the City for their approval under this Resolution is attached as ***Exhibit A*** (the "Income Tax Ordinance"), which is incorporated in this Resolution by reference and shall be a part of this Resolution.

Section 3. The increased income tax revenue received by the City generated by the approval of the Income Tax Ordinance by the electors shall be paid into the Special Revenue Funds of the Police and Fire Departments (already in existence) and used to provide funds for the construction, renovation or improvement of safety department facilities, including the purchasing or leasing of real property for said facilities, the purchase or lease of safety department vehicles and equipment; and other operating expenditures of the police and fire departments, including the payment of acquisition, engineering, and legal costs, and the payment of the principal of, and interest and any premium on, any bonds, notes, or other obligations incurred issued for any of those purposes.

Section 4. The ballot for the May 6th, 2025 election shall be entitled "Amendments of Ordinances Relating to Taxable Income" and the question to be submitted on the ballot shall be:

> Shall the Ordinance providing for an increase in the municipal income tax rate from the rate of 1.75% to 1.95% beginning January 1, 2026 for the purpose of providing funds for the construction, renovation or improvement of safety department facilities, including the purchase or lease of real property for said facilities, the purchase or lease of safety department vehicles and equipment; and other operating expenditures of the police and fire departments, including the payment of acquisition, engineering, and legal costs, and the payment of the principal and interest on any bonds, notes, or other obligations incurred to finance such expenditures and amending the tax credit allowed to residents on income tax paid to other municipalities to be set at 1.70% beginning January 1, 2026 be passed?

FOR THE INCOME TAX	
AGAINST THE INCOME TAX	

The Mayor and the Director of Law, with the advice of the City's outside legal counsel, are each authorized to further or differently summarize the language of the proposed amendment for purposes of creating an appropriate ballot if requested or required by the Lorain County Board of Elections, the Ohio Secretary of State, or others.

Section 5. That the Clerk of Council is directed to certify a copy of this Resolution and the Income Tax Ordinance to the Board of Elections of Lorain County before the close of business on February 5, 2025. The Clerk of Council is further directed to take all other action required by law relative to the submission of the proposed ballot issue at that election.

Section 6. If the electors should fail to approve the passage of the Income Tax Ordinance at the election on May 6th, 2025, such failure shall not in any way affect any rights or obligations of the City, any taxpayer, or any other person, official, or entity with respect to the existing 1.75% municipal income tax or the 1.50% credit for income taxes paid by City residents to other municipalities authorized by Chapter 881 of the City's Codified Ordinances.

Section 7. If the electors should approve the passage of the Income Tax Ordinance at the election on May 6th, 2025, City Council shall forthwith pass legislation to provide for the non-renewal or replacement of the following levies: 1984 Police Operating Levy of 2.0 mills, 2007 Police Equipment Levy of 0.50 mills and the 2017 Fire Equipment Levy of 0.50 mills.

Section 8. That it is found and determined that all formal actions of this Council concerning and relating to the passage of this Resolution were adopted in an open meeting of this 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.

Section 9. That this Resolution is hereby declared to be an emergency measure necessary for the preservation of the public peace, health, safety, and welfare of the citizens of the City, and for the further reason that this Resolution must be immediately effective so that this Resolution can be timely filed with the Lorain County Board of Elections on or before February 5, 2025 in order that this issue be submitted to the electors of the City at the May 6th, 2025 election; therefore, this Resolution shall be in full force and effect immediately upon its adoption and approval by the Mayor.

PASSED: ______________________________ DATE SIGNED:_______________________

By: _____________________________________
Brian Fischer, Council President

DATE APPROVED BY THE MAYOR ____________________

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Bryan K. Jensen, Mayor

APPROVED AS TO FORM:

____
John A. Gasior, Law Director

ATTEST:

____
Barbara Brooks, Clerk of Council

POSTED:
In Five Places as
Provided by Council

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