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DAVID A. REICHEL
Vice President of Council

VICTORIA ANN SAVAGE, CMC
Clerk of Council

City of Willoughby Hills

Council
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NANCY E. FELLOWS
FRANK A. GERMANO
RAYMOND C. SOMICH

ORDINANCE NO. 2010 – 27

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE ELECTORS OF THE CITY OF WILLOUGHBY HILLS A PROPOSED AMENDMENT TO THE CHARTER OF THE CITY TO PROVIDE ADDITIONAL FUNDS FOR THE SAFETY FORCES OF THE CITY THROUGH AN INCREASE IN THE RATE OF THE MUNICIPAL INCOME TAX TO 2% AND FURTHER PROVIDE A TAX CREDIT OF 100% WITH SAID CREDIT LIMIT TO BE EQUAL TO 1.50% AND DECLARING AN EMERGENCY.

WHEREAS, pursuant to the Charter of the City and the Constitution of the State of Ohio, the Council has determined to authorize and direct the submission to the electors of the City of Willoughby Hills of the proposed Charter amendment hereinafter set forth, at a General Election to be held on November 2, 2010 which election is not less than 60 days nor more than 120 days from the date of passage of this Ordinance; and

WHEREAS, any income derived from said amendment above 1.50% up to 2.00% of income tax paid on income earned within the City and net profits shall be exclusively used to support the City's Safety Forces only; and

WHEREAS, approximately 86% of City residents who have paid city income tax in the past worked in cities whose income tax rate is 1.5% higher; and

WHEREAS, the maximum income tax paid to the City of Willoughby Hills by a resident of the City of Willoughby Hills whose income is subject to taxation at a rate of 1% or higher by the City where the resident works is currently ½ percent; and

WHEREAS, if the proposed amendment to the City's Charter is approved by the voters the maximum income tax paid to the City of Willoughby Hills by a resident of the City of Willoughby Hills whose income is subject to taxation at a rate of 1.5% or higher by the City where the resident works will remain unchanged at ½ percent; and

WHEREAS, despite reducing expenditures through layoffs of employees, eliminating recreation programming such as the annual Cornfest, delaying capital expenditures and reducing support of the street maintenance program by 50%, the City's General Fund is projected to end 2010 with a balance of approximately \$43,000, an amount equal to 0.7% of the City's operating budget.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF WILLOUGHBY HILLS, LAKE COUNTY, OHIO THAT:

SECTION 1. This Council hereby authorizes and directs the submission to the electors of the City of Willoughby Hills at the time of the General Election to be held at the usual places of voting in said City on Tuesday, November 2, 2010, of the following proposal to amend the Charter of the City:

Existing Section 7.4 of the Charter be amended to read as follows:

"SECTION 7.4 PROHIBITION OF EXCESSIVE INCOME TAX

No income tax shall be imposed by Council which shall be in excess of two percent (2 %).

The Council shall, by ordinance, impose an income tax at a rate of two percent (2%) on all incomes which are now or may hereafter be subject to taxation by the municipality of Willoughby Hills under the Constitution and laws of the State of Ohio. The income tax required to be imposed by this section shall remain in effect until repealed by amendment of this Charter by a vote of the electors of Willoughby Hills.

Any and all income tax above one and one-half percent (1.50%) up to two percent 2.00% of income tax paid on income earned within the City and net profits shall be exclusively used to support the City's Safety Forces only.

By the terms of said ordinance the Council shall amend existing Sections 185.0501, 185.0502 and 185.1302 of the Codified Ordinances of the municipality so that the rate of the municipal income tax shall be increased from one and one-half percent (1.50%) to two percent (2%) per annum, effective January 1, 2011. Section 185.1902 shall be amended to reflect a tax credit of one hundred percent (100%); such credit limit shall be equal to one and one-half percent (1.50%). The credit and limits by this section shall remain in effect until repealed by amendment of this Charter by a vote of the electors of Willoughby Hills."

SECTION 2. The form of ballot to be cast at the election for the proposed Charter amendment contained in Section 1 shall read and provide as follows:

<p>"PROPOSED CHARTER AMENDMENT A majority affirmative vote is necessary for passage.</p>
<p>Shall the Charter of the City of Willoughby Hills be amended to provide an income tax of 2%, and further provide for a tax credit of 100% with said credit limit to be equal to 1.50% that shall remain in effect until repealed by amendment of the Charter by a vote of the electors of Willoughby Hills?"</p>
<p>YES</p>
<p>NO</p>

SECTION 3. If such amendment is approved by a majority of the electors voting thereon at such election, it shall become effective from and after the time of its approval by the electors.

SECTION 4. The Clerk of Council is hereby authorized and directed to cause copies of said proposed Charter amendment to be mailed at least thirty (30) days prior to said election to each elector of the City whose name appears upon the registration book of the last regular or General Election held in the City; provided, however, that in lieu of such mailing and to the extent provided by law, the Clerk of Council is hereby authorized to cause a copy of the proposed Charter amendment to be published in such manner as may be authorized by law.

SECTION 5. The Clerk of this Council be and hereby is authorized and directed to forward a certified copy of this Ordinance to the Board of Elections of Lake County on or before July 31, 2010.

SECTION 6. The Board of Elections is hereby requested to cause appropriate notice of such election to be duly given in accordance with law.

