

ORDINANCE NO.: 2021-20
SPONSOR: MAYOR NEUGEBAUER
INTRODUCED: AUGUST 24, 2021 **ASSIGNED TO:** _____

AN ORDINANCE CREATING A TAX INCREMENT FINANCING INCENTIVE DISTRICT PURSUANT TO SECTIONS 5709.40, 5709.42 AND 5709.43 OF THE OHIO REVISED CODE, AND DECLARING AN EMERGENCY.

WHEREAS, to facilitate development of certain real property within the City of Green, and to pay the costs of public infrastructure improvements that will benefit the same real property, the administration has determined to create the Southwood Extension Incentive District (the “Incentive District”) pursuant to Sections Ohio 5709.40, 5709.42 and 5709.43 of the Ohio Revised Code (collectively, the “TIF Act”), the boundaries of which shall mirror the boundaries of, and will include, the parcels of real property within the Incentive District as specifically identified and depicted in Exhibit “A”, a copy of which is attached (as currently or subsequently configured, the “TIF Parcels”, with each of those parcels referred to herein individually as a “TIF Parcel”); and

WHEREAS, Green City Council, by its Ordinance No. 2021-13, with anticipated passage on September 14, 2021, approved a written economic development plan pursuant to ORC Section 5709.40(A)(5)(f) (the “Economic Development Plan”), which Economic Development Plan is on file in the Clerk of Council’s Office at the Central Administration Building, 1755 Town Park Boulevard, Green, Ohio; and

WHEREAS, in accordance with the requirements of the TIF Act, the City Engineer has certified to Council that; (i), the Incentive District is less than three hundred (300) acres in size and enclosed by a contiguous boundary; and, (ii) the public infrastructure serving the Incentive District is inadequate to meet the development needs of the Incentive District as evidenced by the Economic Development Plan; and

WHEREAS, in order to successfully develop the TIF Parcels, it is necessary to construct or to cause to be constructed certain public infrastructure improvements as defined in Section 5709.40(A)(7) of the Ohio Revised Code, and as further described in Exhibit “B”, a copy of which is attached (the “Public Infrastructure Improvements”) that will directly benefit the TIF Parcels; and

WHEREAS, the Public Infrastructure Improvements are a public purpose of the City, and provide the conditions necessary to permit the City to lawfully exempt the TIF Site from real property taxation as authorized herein; and

WHEREAS, the development of the TIF Parcels will benefit the City and its residents by creating economic opportunities, increasing local employment opportunities, enlarging the property tax and income tax bases, and stimulate collateral development in the City; and

WHEREAS, the City has determined that it is necessary and appropriate and in the best interests of the City to provide for service payments in lieu of taxes with respect to the Improvement of the TIF Site, pursuant to Section 5709.42 of the Revised Code, to pay costs of the Public Infrastructure Improvements; and

WHEREAS, notice of this proposed Ordinance has been delivered to the Summit County Council in accordance with and within the time periods prescribed in Section 5709.40(E)(1) of the Ohio Revised Code; and

WHEREAS, notice to all owners of real property located within the Incentive District has been delivered pursuant to Section 5709.40 of the Ohio Revised Code, and Council has conducted the public hearing required by Section 5709.40; and

WHEREAS, the City has delivered to the Green Local School District (the "School District") the written notification of this Ordinance required by Sections 5709.40, 5709.83 and 5715.27 of the Ohio Revised Code and the current Compensation Agreement with the School District.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GREEN, COUNTY OF SUMMIT, AND STATE OF OHIO, THAT:

SECTION ONE:

Green City Council finds and determines that the development of the TIF Parcels will place additional demand on the Public Infrastructure Improvements. Pursuant to the TIF Act, Council shall create the Incentive District, the boundaries of which are coextensive with the boundaries of, and include, the TIF Parcels as specifically identified and depicted in Exhibit "A".

SECTION TWO:

Green City Council designates the Public Infrastructure Improvements described in Exhibit "B", a copy of which is attached. Public Infrastructure Improvements completed or to be completed by the city shall directly benefit or serve the TIF Parcels in the Incentive District.

SECTION THREE:

Pursuant to and in accordance with the provisions of Section 5709.40(C) of the Ohio Revised Code, Green City Council declares that one hundred percent (100%) of the increase in assessed value of each TIF Parcel subsequent to the effective date of this Ordinance (which increase in assessed value is hereinafter referred to as the "Improvement," as defined in Section 5709.40(A) of the Ohio Revised Code) is a public purpose and exempt from taxation for a period coextensive with the life of the Incentive District. The life of the Incentive District commences with the first tax year that begins after the effective date of this Ordinance and in which an Improvement attributable to a new structure would first appear on the tax list and duplicate of real and public utility property for any TIF Parcel within that Incentive District were it not for the exemption granted in this Ordinance and ends on the earlier of; (a) 30 years after such commencement, or (b) the date on which the City can no longer require service payments in lieu of taxes (the "Exemption Period"), all in accordance with the requirements of the TIF Act.

SECTION FOUR:

Pursuant to Ohio Revised Code Section 5709.42, the owner (each, an "Owner") of each TIF Parcel is hereby required to make annual service payments in lieu of taxes with respect to the

Improvement to that TIF Parcel to the Summit County Fiscal Officer on or before the final dates for payment of real property taxes. Each service payment in lieu of taxes, including any penalties and interest at the then current rate established for real property taxes (collectively, the “Service Payments”), will be charged, and collected in the same manner and in the same amount as the real property taxes that would have been charged and payable against the Improvement if it were not exempt from taxation pursuant to Section 3 of this Ordinance. The Service Payments, and any other payments with respect to each Improvement that are received by each Summit County Fiscal Officer in connection with the reduction required by ORC Sections 319.302, 321.24, 323.152 and 323.156, as the same may be amended from time to time, or any successor provisions thereto as the same may be amended from time to time (the “Property Tax Rollback Payments”), will be deposited and distributed in accordance with Section 6 of this Ordinance.

SECTION FIVE:

Green City Council, establishes, pursuant to and in accordance with the provisions of Section 5709.43 of the Ohio Revised Code, the Southwood Extension Public Improvement Tax Increment Equivalent Fund (the “TIF Fund”), into which the Service Payments and the Property Tax Rollback Payments received from the Summit County Fiscal Officer shall be deposited. The TIF Fund will be maintained in the custody of the City and separate accounts within the TIF Fund for the Incentive District shall be created as determined by the Director of Finance. The City may use amounts deposited into the TIF Fund only for the purposes authorized in the TIF Act and this Ordinance. The TIF Fund will exist so long as such Service Payments and Property Tax Rollback Payments are collected and used for the aforesaid purposes, after which time the TIF Fund will be dissolved and any surplus funds remaining therein transferred to the City's General Fund, all in accordance with the TIF Act.

SECTION SIX:

The TIF Fund shall be used solely for the following purposes and in the following order:

- (i) First to the School District, a portion of the Service Payments received by the City pursuant to the currently standing compensation agreement which equals 85% of what the School District would have received less the emergency bonds and levies if the Improvements had not been exempted from taxation by this Ordinance (the “School District Payments”); and
- (ii) To pay all City costs related to the planning, engineering, acquisition, construction, installation, maintenance, financing costs, and all other direct and indirect costs of the Public Infrastructure Improvements, including those costs set forth in Section 133.15(B) of the Ohio Revised Code; and
- (iii) To pay the interest and any premium on, and principal of, any loans entered into or bonds or notes or other obligations issued or by the City or any other governmental entity to finance costs of the Public Infrastructure Improvements, including any amendment, replacement, refinancing, extension of such loans, bonds, notes or other obligations, until such notes or bonds or other obligations or loans are paid in full, and to pay any trustee, administrative and other costs related to servicing the obligations and providing and replenishing a reserve fund and to pay any costs charged by the issuer of the obligations.

SECTION SEVEN:

Green City Council further hereby authorizes and directs the Mayor, the Director of Finance, the Law Director, the Clerk of Council or other appropriate officers of the City to sign and execute all documents and make such arrangements as are necessary and proper for (i) collection of the Service Payments to be deposited in the TIF Fund, (ii) payment of the School District Payments and (iii) carrying out the provisions of this Ordinance.

SECTION EIGHT:

Pursuant to Section 5709.40(I) of the Ohio Revised Code, the Clerk of Council is hereby directed to deliver or cause to be delivered a copy of this Ordinance to the Director of the Ohio Department of Development (the "Director") within fifteen (15) days after its passage. On or before March 31 of each year that the exemption set forth in Section 2 remains in effect, the Mayor, the Mayor's designee or other authorized officer of this City shall prepare and submit to the Director the status report required under Section 5709.40(I).

SECTION NINE:

Green City Council finds and determines that all formal actions of this Council and of any of its committees concerning and relating to the passage of this Ordinance were taken, and that all deliberations of this Council and of any committees that resulted in those formal actions were held, in meetings open to the public in compliance with the law.

SECTION TEN:

This Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the City, and for the further reason that this Ordinance is required to be immediately effective in order to enable the City to provide for the real property tax exemption, the Service Payments, and the related objectives provided for herein that are needed to benefit the City and its residents by creating economic opportunities, enlarging the property tax and income tax bases, and stimulating collateral development within the City; and provided it receives the approval of two-thirds of the members of Council, this Ordinance shall take effect and be in full force and effect immediately upon its passage and approval by the Mayor; otherwise, it shall take effect and be in force at the earliest period allowed by law.

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ADOPTED: _____

Nichole Messner, Clerk of Council

Rocco Yeargin, Council President

APPROVED: _____, 2021

Gerard M. Neugebauer, Mayor

ENACTED EFFECTIVE: _____, 2021

ON ROLL CALL: Babbitt Brandenburg DeVitis France
 Meager Shaughnessy Yeargin

Suburbanite publication on _____ and _____

Nichole Messner, Clerk of Council

08/19/2021 Approved as to form and content by Lisa Carey Dean, Director of Law _____