

ORDINANCE NO. 20-058

AN ORDINANCE TO CREATE A TIF AREA PURSUANT TO SECTION 5709.40(B) OF THE OHIO REVISED CODE; DECLARE IMPROVEMENTS TO CERTAIN PARCELS OF REAL PROPERTY LOCATED IN THE TIF AREA TO BE A PUBLIC PURPOSE; EXEMPT FROM REAL PROPERTY TAXATION 100% OF THOSE IMPROVEMENTS; REQUIRE THE OWNERS OF THOSE PARCELS TO MAKE SERVICE PAYMENTS IN LIEU OF TAXES; PROVIDE FOR THE DISTRIBUTION OF THE APPLICABLE PORTION OF THOSE SERVICE PAYMENTS TO THE CANAL WINCHESTER LOCAL SCHOOL DISTRICT AND EASTLAND-FAIRFIELD CAREER CENTER; ESTABLISH A MUNICIPAL PUBLIC IMPROVEMENT TAX INCREMENT EQUIVALENT FUND FOR THE DEPOSIT OF THE REMAINDER OF THOSE SERVICE PAYMENTS; SPECIFY THE PUBLIC INFRASTRUCTURE IMPROVEMENTS TO BE MADE WITHIN THE TIF AREA THAT DIRECTLY BENEFIT THOSE PARCELS; AND DECLARE AN EMERGENCY

WHEREAS, Sections 5709.40(B), 5709.42 and 5709.43 of the Ohio Revised Code (collectively, the "TIF Statutes") authorize the legislative authority of a municipal corporation, by ordinance, to declare the improvement to certain parcels of real property located within the municipal corporation to be a public purpose and exempt from taxation, require the owner of each parcel to make service payments in lieu of taxes, provide for the distribution of the applicable portion of such service payments to the city, local or exempted village school district, establish a municipal public improvement tax increment equivalent fund for the deposit of the remainder of such service payments and specify public infrastructure improvements made, to be made or in the process of being made that directly benefit, or that once made will directly benefit, those parcels; and

WHEREAS, the parcels of real property identified and depicted in Exhibit A attached hereto (each such parcel individually, the "Parcel") are located in the City of Canal Winchester, Ohio (collectively, the "Property"), and this Council has determined to declare the Improvements (as defined in Section 1 of this Ordinance) to the Property to be a public purpose; and

WHEREAS, this Council has determined that it is necessary and appropriate and in the best interest of the City of Canal Winchester, Ohio (the "City"), to exempt from taxation one hundred percent (100%) of the Improvement to the Property as permitted and provided in Section 5709.40(B) of the Ohio Revised Code for up to thirty (30) years (the "TIF Exemption") and to simultaneously direct and require the current and future owner(s) of parcels (each such owner individually, an "Owner," and collectively, the "Owners") of the Property to make annual Service Payments (as defined in Section 2 of this Ordinance) with respect to the Property in lieu of the real property tax payments, and in the same amount as they would have made real property tax payments except for the exemption provided by this Ordinance; and

WHEREAS, the City has determined that a portion of the Service Payments shall be paid directly to the Canal Winchester School District (the "School District") in an amount equal to the real property taxes that the School District would have been paid if the Improvement to the Property located in the School District had not been exempt from taxation pursuant to this Ordinance; and

WHEREAS, the City has determined that a portion of the Service Payments shall be paid directly to the Eastland-Fairfield Career Center (the "JVSD") in an amount equal to the real property taxes that the JVSD would have been paid if the Improvement to the Property located in the JVSD had not been exempt from taxation pursuant to this Ordinance; and

WHEREAS, pursuant to Section 5709.40(D)(1) of the Ohio Revised Code, the approval of the board of education otherwise required by Section 5709.40(D)(2) of the Ohio Revised Code is not required if the ordinance declaring improvements to a parcel to be a public purpose and exempting such improvements from taxation specifies that payments in lieu of taxes shall be paid to the school district and joint vocational school district in which the parcel is located in the amount of taxes that would have been payable to the school district if the improvements had not been exempted from taxation; and

WHEREAS, pursuant to Section 5709.43(A) of the Ohio Revised Code, this Council has determined to establish a municipal public improvement tax increment equivalent fund for the Property, in which there shall

be deposited the remaining Service Payments distributed to the City; and

WHEREAS, this Council has determined to provide for the construction of the public infrastructure improvements described in Exhibit B attached hereto (the "Public Infrastructure Improvements") which, once made, will directly benefit the Property; and

WHEREAS, notice of this proposed Ordinance has been delivered to the respective Boards of Education of the School District and the JVSD in accordance with and within the time periods described in Sections 5709.40 and 5709.83 of the Ohio Revised Code;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CANAL WINCHESTER, OHIO, THAT:

Section 1. Authorization of Tax Exemption. Pursuant to and in accordance with the provisions of Section 5709.40(B) of the Ohio Revised Code, this Council hereby finds and determines that one hundred percent (100%) of the increase in assessed value of the Property 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 hereby declared to be a public purpose and shall be exempt from taxation for a period commencing, for each Parcel comprising the Property, with the first tax year that begins after the effective date of this Ordinance and in which an Improvement attributable to a new structure first appears on the tax list and duplicate of real and public utility property for said Parcel, and ending on the earlier of (a) thirty (30) years after such commencement for said Parcel, or (b) the date on which the City can no longer require service payments in lieu of taxes for said Parcel, all in accordance with the requirements of the TIF Statutes. Pursuant to Section 5709.40(G) of the Ohio Revised Code, it is expressly the intent of this Ordinance that the exemptions of Improvements to Parcels authorized herein may commence in different tax years on a Parcel-by-Parcel basis, with a separate exemption term for each. Further, the exemptions authorized herein shall be subordinate to the exemption provided for in Ordinance 18-017 creating the Route 33 North Community Reinvestment Area, in which the Property is located.

Section 2. Service Payments and Property Tax Rollback Payments. Pursuant to Section 5709.42 of the Ohio Revised Code, this Council hereby directs and requires the Owner(s) of the Property to make annual Service Payments (as defined herein) in lieu of taxes with respect to the Improvement allowable thereto to the Franklin County Treasurer 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 under Sections 323.121(B)(1) and 5703.47 of the Ohio Revised Code (collectively, the "Service Payments"), shall 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 1 of this Ordinance. The Service Payments, and any other payments with respect to the Improvement that are received by the Franklin County Treasurer in connection with the reduction required by Sections 319.302, 321.24, 323.152, and 323.156 of the Ohio Revised Code, 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"), shall be allocated and distributed in accordance with Section 4 of this Ordinance. This Council further hereby authorizes and directs appropriate officers of the City to make such arrangements as are necessary and proper for collection of the Service Payments from the Owners, including the preparation and filing of any necessary exemption applications.

Section 3. Tax Increment Equivalent Fund. This Council hereby establishes, pursuant to and in accordance with the provisions of Section 5709.43 of the Ohio Revised Code, the Bixby Road Public Improvement Tax Increment Equivalent Fund (the "TIF Fund"). The TIF Fund shall be maintained in the custody of the City and shall receive all distributions to be made to the City pursuant to Section 2 of this Ordinance. Those Service Payments and Property Tax Rollback Payments received by the City with respect to the Improvement of the Property and so deposited pursuant to Section 5709.42 of the Ohio Revised Code shall be used solely for the purposes authorized in the TIF Statutes or this Ordinance. The TIF Fund shall remain in existence 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 shall be dissolved and any

surplus funds remaining therein transferred to the City's General Fund, all in accordance with Section 5709.43 of the Ohio Revised Code.

Section 4. Distribution of Funds. Pursuant to the TIF Statutes, the Franklin County Treasurer is requested to distribute the Service Payments and the Property Tax Rollback Payments as follows:

- (i) To the School District, an amount equal to the amounts the School District would otherwise have received as real property tax payments (including the applicable portion of any Property Tax Rollback Payments) derived from the Improvement to the Property located within the School District's boundaries if the Improvement had not been exempt from taxation pursuant to this Ordinance; and
- (ii) To the JVSD, an amount equal to the amounts the JVSD would otherwise have received as real property tax payments (including the applicable portion of any Property Tax Rollback Payments) derived from the Improvement to the Property located within the JVSD's boundaries if the Improvement had not been exempt from taxation pursuant to this Ordinance; and
- (iii) To the City, all remaining amounts for further deposit in the TIF Fund for payment of costs of the Public Infrastructure Improvements, including debt service on any securities issued to finance those costs.

Section 5. Public Infrastructure Improvements. This Council hereby designates the Public Infrastructure Improvements described in **Exhibit B** attached hereto, and any other public infrastructure improvements hereafter designated by ordinance as public infrastructure improvements, as public infrastructure improvements made, to be made or constructed, or in the process of being made or constructed, by the City or other entity approved by the City that directly benefit, or that once made will benefit, the Property.

Section 6. Non-Discriminatory Hiring Policy. In accordance with Section 5709.832 of the Ohio Revised Code, this Council hereby determines that no employer located upon the Property shall deny any individual employment based solely on the basis of race, religion, sex, disability, color, national origin, or ancestry.

Section 7. Further Authorizations. This Council hereby authorizes and directs the Mayor, Development Director, Finance Director, Law Director, and other appropriate officers of the City to make such arrangements as are necessary and proper for collection of the Service Payments. This Council further authorizes the Mayor, Development Director, Finance Director, Law Director, and other appropriate officers of the City to prepare and sign all agreements and instruments and to take any other actions as may be appropriate to implement this Ordinance.


Section 8. Filings with the Ohio Department of Development. Pursuant to Section 5709.40(I) of the Ohio Revised Code, the Development Director or other appropriate officer of the City is hereby directed to deliver a copy of this Ordinance to the Director of Development Services for the State of Ohio within fifteen (15) days after its adoption. Further, on or before March 31 of each year that the exemption set forth in Section 1 of this Ordinance remains in effect, the Development Director or other authorized officer of the City shall prepare and submit to the Director of Development Services of the State of Ohio the status report required under Section 5709.40(I) of the Ohio Revised Code.

Section 9. Effective Date. This Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety, or welfare of the City and for the further reason that this Ordinance is required in order that the City can timely and properly incentivize economic development within the City; wherefore this Ordinance shall take effect and be in force immediately upon its passage.

DATE PASSED: 12/21/2020

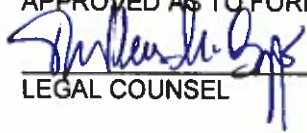

PRESIDENT OF COUNCIL

ATTEST 
CLERK OF COUNCIL


MAYOR

DATE APPROVED: 12-22-2020

APPROVED AS TO FORM:


LEGAL COUNSEL

I hereby certify that the Ordinance as set forth above was published for a period of not less than fifteen (15) days after passage by the Council, by posting a copy thereof in not less than three (3) public places in the municipal corporation, as determined by this Council and as set for the in the Canal Winchester Charter.


CLERK OF COUNCIL

EXHIBIT A

The discrete parcels comprising the TIF Area depicted on the attached map are as follows:

- 184-003446
- 184-003447
- 184-003448
- 184-003669
- 184-003368
- 184-003512
- 184-000953
- 184-000829
- 184-000828
- 184-000879

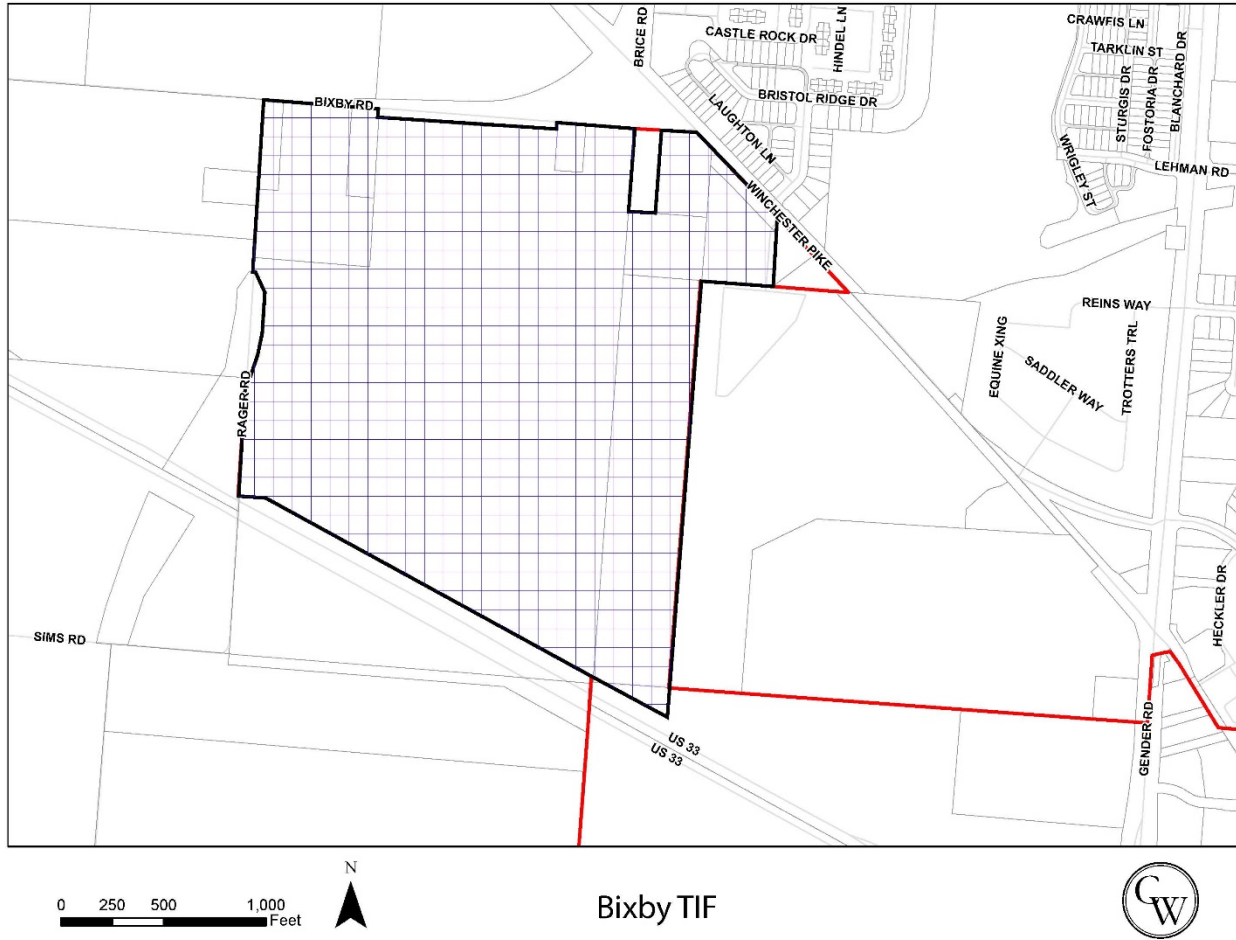


Exhibit B

PUBLIC INFRASTRUCTURE IMPROVEMENTS

The Public Infrastructure Improvements include the construction of the following improvements and all related costs of permanent improvements (including, but not limited to, those costs listed in Section 133.15(B) of the Ohio Revised Code):

- Construction, reconstruction, extension, opening, improving, widening, grading, draining, curbing or changing of the lines and traffic patterns of roads, highways, streets, bridges (both roadway and pedestrian), sidewalks, bikeways, medians, and viaducts accessible to and serving the public, and providing lighting systems, signalization, and traffic controls, and all other appurtenances thereto, including but not limited to such activities with respect to a Bixby Road/US 33 interchange servicing traffic to and from the Property and benefiting the Property;
- Construction, reconstruction or installation of public utility improvements (including any underground municipally owned utilities), storm and sanitary sewers (including necessary site grading therefore), water and fire protection systems, and all appurtenances thereto;
- Construction, reconstruction or installation of gas, electric, and communication service facilities and all appurtenances thereto;
- Construction or installation of streetscape and landscape improvements including trees, tree grates, signage, curbs, sidewalks, street and sidewalk lighting, trash receptacles, benches, newspaper racks, burial of overhead utility lines, and related improvements, together with all appurtenances related thereto;
- Demolition and excavation, including demolition and excavation on private property when determined to be necessary for economic development purposes; and
- Acquisition of real estate or interests in real estate (including easement(s)) necessary for any of the above-referenced improvements.

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