

ORDINANCE NO. 21-049

AN ORDINANCE AUTHORIZING THE CITY OF CANAL WINCHESTER TO ENTER INTO A COMMUNITY REINVESTMENT AREA AGREEMENT WITH MOLTO CANAL POINT, L.L.C., PURSUANT TO SECTION 3735.671 OF THE OHIO REVISED CODE; AUTHORIZING THE CITY OF CANAL WINCHESTER TO ENTER INTO A RELATED SCHOOL COMPENSATION AGREEMENT WITH THE CANAL WINCHESTER LOCAL SCHOOL DISTRICT AND MOLTO CANAL POINT, L.L.C.;

WHEREAS, the City desires to pursue all reasonable and legitimate incentive measures to assist, encourage and stimulate development in specific areas of the City that have not enjoyed sufficient reinvestment from remodeling or new construction; and

WHEREAS, the City, by Resolution No. 20-016 adopted by the Council on December 21, 2020 (the "Resolution"), designated the area specified in the Resolution as the Route 33 Community Reinvestment Area (the "CRA") pursuant to Ohio Revised Code ("R.C.") Sections 3735.65 through 3735.70 (the "CRA Act"), and authorized a real property tax exemption for the construction of new structures and the remodeling of existing structures in the CRA in accordance with the CRA Act; and

WHEREAS, Molto Canal Point, L.L.C., an Ohio limited liability company (the "Developer") is in contract to purchase the real property contained within the City and the CRA, described in Exhibit A attached hereto (the "Project Site") and is expected to own initially the buildings on the Project Site; and

WHEREAS, the Developer wishes to enter into a community reinvestment area agreement ("CRA Agreement"), pursuant to Section 4 of Resolution No. 18-017, to receive an exemption from taxation for a commercial or industrial development project consisting of an estimated \$26,000,000.00 investment in the construction of approximately 374,467 square feet of commercial or industrial space, estimated to create approximately 80 full-time jobs and a \$3,000,000.00 payroll; and

WHEREAS, the City and Developer have negotiated terms for the CRA Agreement, the proposed draft of which is attached hereto and labeled Exhibit B, subject to City Council providing the Mayor authority to execute the CRA Agreement; and

WHEREAS, the Project Site is located in the Canal Winchester Local School District (the "Local School District") and the Eastland-Fairfield Joint Vocational School District, and the board of education of each school district has been notified of the proposed approval of this Agreement in accordance with R.C. Sections 3735.671 and 5709.83, or has waived such notice, and has been given a copy of the draft CRA Agreement; and

WHEREAS, pursuant to R.C. Section 3735.671, the Board of Education of the Canal Winchester Local School District has (i) approved the terms of the CRA Agreement, including the one hundred

percent (100%) real property tax exemption for fifteen (15) years for the assessed value of new structures and the fifty percent (50%) real property tax exemption for ten (10) years for the increase in the assessed value attributable to remodeling for which the cost is at least \$100,000.00 at the Project Site; (ii) waived its rights to receive the forty-five (45) day and fourteen (14) day notices under R.C. Sections 3735.671 and 5709.83; (iii) consented to the approval and execution of this Agreement; and (iv) authorized the execution, on behalf of the School District, of a School Compensation Agreement between the City, the School District, and the Developer, the proposed draft of which is attached hereto and identified as Exhibit C;

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

Section 1. The Mayor is hereby authorized to enter into the CRA Agreements with the Developer, in substantially the form of the draft CRA Agreements attached and identified in Exhibit B, which is incorporated herein. The approval of changes to the form and the character of those changes as not being substantial shall be evidenced conclusively by the execution of the CRA Agreement by the Mayor.

Section 2. The Mayor is hereby authorized to enter into a School Compensation Agreement with the Canal Winchester Local School District and the Developer, in substantially the form of the draft School Compensation Agreement attached and identified as Exhibit C, which is incorporated herein. The approval of changes to the form and the character of those changes as not being substantial shall be evidenced conclusively by the execution of the School Compensation Agreement by the Mayor.

Section 3. The Mayor, or his designees, and the Clerk of Council, or her designees, are hereby authorized and directed to take such actions as are necessary and are consistent with this Ordinance, the terms of the CRA Agreement, and the terms of the School Compensation Agreement, to prepare, execute, and file such additional documents or instruments as are necessary to effectuate the CRA Agreement, the School Compensation Agreement, and the exemption from real property taxation authorized thereby.

Section 4. The Council hereby finds that all formal actions and deliberations related to the passage of this Ordinance have occurred in an open meeting of the Council, or in lawfully convened executive session, in compliance with Section 121.22 of the Ohio Revised Code.

Section 5. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

DATE PASSED 11-1-2021


PRESIDENT OF COUNCIL

ATTEST 
CLERK OF COUNCIL


MAYOR

DATE APPROVED 11-2-21

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 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 Council and as set forth in the Canal Winchester Charter.


CLERK OF COUNCIL