

**AN ORDINANCE CREATING A TAX INCREMENT FINANCING INCENTIVE DISTRICT; DECLARING IMPROVEMENTS TO THE PARCELS WITHIN THE INCENTIVE DISTRICT TO BE A PUBLIC PURPOSE AND EXEMPT FROM REAL PROPERTY TAXATION; REQUIRING THE OWNERS OF THOSE PARCELS TO MAKE SERVICE PAYMENTS IN LIEU OF TAXES; ESTABLISHING A MUNICIPAL PUBLIC IMPROVEMENT TAX INCREMENT EQUIVALENT FUND FOR THE DEPOSIT OF THOSE SERVICE PAYMENTS; AND SPECIFYING THE PUBLIC INFRASTRUCTURE IMPROVEMENTS THAT BENEFIT OR SERVE PARCELS IN THE INCENTIVE DISTRICT**

WHEREAS, this Council desires to facilitate the development and construction of commercial businesses in the following proposed incentive district for economic development purposes and an approximately 127-acre residential subdivision to include not more than 130 single-family homes as the Briarwood Estates Subdivision in order to increase the Village’s tax base and provide available housing options within the Village (the “Project”);

WHEREAS, in order to develop the Project, it is necessary to construct certain public infrastructure improvements at this time which will also serve commercial development within the incentive district in the future;

WHEREAS, to facilitate the current development of the Project, and pay the associated costs of the public infrastructure improvements referenced below, this Council has determined to create the Brecksville Road/State Route 303 Incentive District (the “Incentive District”) pursuant to Sections 5709.40, 5709.42 and 5709.43 of the Ohio Revised Code (collectively, the “TIF Act”), the boundaries of which shall be coextensive with the boundaries of, and will include, the parcels of real property specifically identified and depicted in Exhibit “A”, attached hereto, as currently or subsequently configured, including any subdivisions or consolidations (the “Parcels”, with each such parcel referred to herein individually as a “Parcel”).

NOW, THEREFORE, BE IT ORDAINED by the Council of the Village of Richfield, County of Summit, State of Ohio that:

SECTION 1. This Council hereby: (i) adopts the Economic Development Plan for the Incentive District now on file with the Clerk of the City Council, (ii) accepts and adopts the Village Engineer’s certification to this Council and the Village Engineer’s findings set forth therein: (a) that 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 (b) that the Incentive District is less than 300 acres in size and enclosed by a contiguous boundary, (iii) finds and determines that the Project will place additional demand on the Public Infrastructure Improvements, (iv) finds and determines that the Village sent written notice of the public hearing regarding this Ordinance by first class mail to each owner of real property within the proposed Incentive District at least thirty

(30) days prior to such hearing, which notice included a map of the proposed Incentive District as well as the overlay area required by Section 5709.40(C)(2) of the Ohio Revised Code, (v) finds and determines that this Council has not received a request from the owner of any real property within the proposed Incentive District to exclude that owner's property from the Incentive District, (vi) finds and determines that notice of this Ordinance has been delivered to the Boards of Education of the Revere Local School District and the Cuyahoga Valley Career Center in accordance with and within the time periods prescribed in Sections 5709.40 and 5709.83 of the Ohio Revised Code. Pursuant to the TIF Act, this Council creates the Incentive District, the boundaries of which are coextensive with the boundaries of, and include, the Parcels specifically identified and depicted in Exhibit "A", attached hereto and expressly incorporated by reference herein.

SECTION 2. This Council designates the following public infrastructure improvements, together with any public infrastructure improvements hereafter designated by ordinance, as public infrastructure improvements made, to be made or in the process of being made by or on behalf of the Village, or caused to be made by the Village, that benefit or serve, or that once made will benefit or serve, the Parcels in the Incentive District, including, but not limited to: (i) the Offsite Water Improvements, including the Water Main; (ii) the State Route 303 Improvements, including, but not limited to, the Road Lowering and Road Widening; (iii) the Bridge Cost Difference; (iv) the New Sanitary System (Briarwood Sanitary Sewer Extension and New Briarwood Sanitary Sewer Extension); and (v) rehabilitation/replacement of the existing Briarwood sanitary sewer collection lines, as more fully described in Exhibit "B", attached hereto and expressly incorporated by reference herein, (the "Public Infrastructure Improvements"). The costs of the improvements include but are not limited to, those costs listed in Ohio Revised Code Section 133.15(B).

SECTION 3. Pursuant to and in accordance with the provisions of Section 5709.40(C) of the Ohio Revised Code, this Council hereby declares that seventy-five percent (75%) of the increase in assessed value of each Parcel (which increase in assessed value is hereinafter referred to as the "Improvement," as defined in Section 5709.40(A)) during the "Exemption Period" as hereinafter defined is a public purpose and exempt from taxation. The Exemption Period shall be determined on a parcel by parcel basis for each Parcel within the Incentive District and shall commence 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 such Parcel within the Incentive District, but not later than tax year 20-- and ends on the earlier of: (a) ten (10) years after such commencement, or (b) the date on which the Village can no longer require service payments in lieu of taxes, all in accordance with the requirements of the TIF Act.

SECTION 4. Pursuant to Section 5709.42 of the Ohio Revised Code, the owner of each Parcel is hereby required to make annual service payments in lieu of taxes with respect to the Improvement to that Parcel during the Exemption Period to the Summit County Treasurer (the “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 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 the County Treasurer during the Exemption Period in connection with the reduction required by Ohio Revised Code 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 5. This Council hereby establishes the Brecksville Road/State Route 303 Incentive District Municipal Public Improvement Tax Increment Equivalent Fund (the “TIF Fund”). The TIF Fund shall be maintained in the custody of the Village and shall receive all distributions to be made to the Village pursuant to Section 6 of this Ordinance. Those Service Payments and Property Tax Rollback Payments received by the Village with respect to the Improvement of each Parcel during the Exemption Period and so deposited pursuant to the TIF Act shall be used solely for the purposes authorized in the TIF Act or this Ordinance (as it may be amended or supplemented). 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 incidental surplus funds remaining therein transferred to the Village’s General Fund, all in accordance with the TIF Act.

SECTION 6. Pursuant to the TIF Act, the County Treasurer is requested to distribute the Service Payments and Property Tax Rollbacks Payments during the Exemption Period to the Village for further deposit into the TIF Fund for payment of costs of the Public Infrastructure Improvements and the costs incurred in connection with financing for those improvements. All distributions required under this Section are requested to be made at the same time and in the same manner as real property tax distributions.

SECTION 7. This Council hereby authorizes and directs the Mayor, the Director of Finance, the Director of Law, the Clerk of Council, or other appropriate officers of the Village to make such arrangements as are necessary and proper for collection of the Service Payments and the Property Tax Rollback Payments. This Council further hereby authorizes and directs the Mayor, the Director of Finance, and

Director of Law of the Village to prepare and sign all documents and instruments and to take any other actions as may be appropriate to implement this Ordinance.

SECTION 8. Pursuant to 5709.40(I) of the Ohio Revised Code, the Clerk of Council is hereby directed to deliver a copy of this Ordinance to the Director of the Ohio Development Services Agency within fifteen days after its effective date. Further, and on or before March 31 of each year that the tax exemption authorized by Section 3 hereof remains in effect, the Director of Finance or other authorized officer of the Village is directed to prepare and submit to the Director of the Ohio Development Services Agency the status report required under Ohio Revised Code Section 5709.40(I).

SECTION 9. It is found and determined that all formal actions of this Council concerning and relating to adoption of this Ordinance were adopted in an open meeting of this Council, and that the all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with legal requirements, including Section 121.22 of the Ohio Revised Code.

SECTION 10. This Ordinance shall take effect and be in force from and after the earliest period allowed by law.

PASSED: \_\_\_\_\_

\_\_\_\_\_  
Council President

\_\_\_\_\_  
Mayor

Date: \_\_\_\_\_

ATTEST

\_\_\_\_\_  
Clerk of Council

**EXHIBIT "A"**

**List of Parcels**

**EXHIBIT "B"**

**Public Improvements**