

AN ORDINANCE DECLARING IMPROVEMENTS TO CERTAIN PROPERTIES IN THE VILLAGE TO BE A PUBLIC PURPOSE, DESCRIBING THE PUBLIC INFRASTRUCTURE IMPROVEMENTS TO BENEFIT SAID PROPERTIES, EXEMPTING SUCH IMPROVEMENTS TO THE PROPERTIES FROM REAL PROPERTY TAXATION, AUTHORIZING THE EXECUTION OF SUCH OTHER DOCUMENTS AS MAY BECOME NECESSARY, AND ESTABLISHING A TAX INCREMENT EQUIVALENT FUND FOR THE DEPOSIT OF SUCH SERVICE PAYMENTS AND RELATED AUTHORIZATIONS PURSUANT TO OHIO REVISED CODE SECTIONS 5709.40, 5709.42 AND 5709.43

WHEREAS, Ohio Revised Code Sections 5709.40, 5709.42 and 5709.43 (the “Act”) provide that this Council may declare certain improvements to properties within the Village to be a public purpose, thereby authorizing the exemption of those improvements from real property taxation for a period of time, and provide for the making of service payments in lieu of taxes by the owners of such parcels for the purpose of paying for public infrastructure improvements which directly benefit the properties for which the improvements were declared to be a public purpose and establish a municipal public improvement tax increment equivalent fund into which such service payments shall be deposited; and

WHEREAS, this Council desires to make the public infrastructure improvements in the Village described in Exhibit “A” hereto (the “Public Infrastructure Improvements”) that once made will benefit or serve the properties known as Permanent Parcel Nos. 500318 and 500319 (each parcel is described in Exhibit “B,” attached hereto and all are hereinafter referred to collectively as the “Properties”), the improvements to which are declared to be a public purpose; and

WHEREAS, the Village has determined that it is necessary and appropriate and in the best interests of the Village to provide for service payments in lieu of taxes with respect to the Properties (the “Service Payments”) pursuant to Section 5709.42 of the Ohio Revised Code; and

WHEREAS, the Village wishes to enter into an agreement with Sam Petros (“Owner”) to make Service Payments for the Public Infrastructure Improvements (the “Development Agreement”) attached hereto as Exhibit “C”; and

WHEREAS, the Properties are located in the Revere Local School District and the Board of Education of the Revere Local School District has been provided notice in accordance with Section 5709.83 of the Ohio Revised Code; and

WHEREAS, the Properties are also located in the Cuyahoga Valley Joint Vocational School District and the Board of Education of the Cuyahoga Valley Joint Vocational School District has been provided notice in accordance with Section 5709.83 of the Ohio Revised Code; and

WHEREAS, the Revere Local School District and the Cuyahoga Valley Joint are not required pursuant to the provisions of the Act to approve such TIF Exemption.

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

- SECTION 1. The Council hereby designates and confirms that the improvements to the Properties known as Permanent Parcel Nos. 500318 and 500319, currently owned by Owner, as described in Exhibit “B”, are determined to be a public purpose.
- SECTION 2. The Public Infrastructure Improvements described in Exhibit “A” are hereby designated as those Public Infrastructure Improvements that benefit or serve directly the Properties, are necessary for the public health, safety and welfare of the People of the Village, create and preserve jobs and employment opportunities, and improve the economic welfare of the people of the Village.
- SECTION 3. Pursuant to and in accordance with the provisions of Ohio Revised Code Section 5709.40, this Council hereby finds and determines that 75% of the increase in the assessed value of the Properties that would first appear on the tax list and duplicate of real and public utility property after the effective date of this Ordinance (which increase in assessed value is herein referred to as the “Improvement” or “Improvements” as defined in Section 5709.40) is a public purpose, and 100% of said Improvements is hereby declared to be a public purpose for a period of ten (10) years and exempt from taxation commencing with the tax year in which the Improvements first appear on the tax list and duplicate of real and public utility property after the effective date of this Ordinance and ending on the earlier of (1) the date the Improvements have been exempted from taxation for a period of ten (10) years or (2) the date on which the Village has collected into the Fund established in Section 5 hereof a total amount of Service Payments available for and sufficient (i) to pay costs of the Public Infrastructure Improvements, (ii) to pay the principal, interest and premium, if any, on financing for such costs of the Public Improvements, or (iii) to reimburse the Village for other Village funds used by the Village to pay such costs or such principal, interest or premium, prior to receipt of Service Payments, all as further provided in Section 5 hereof.
- SECTION 4. As provided in Section 5709.42 of the Revised Code and as more specifically provided in the Development Agreement, the owners of the Properties are hereby required to, and shall make, annual Service Payments to the County Fiscal Officer, Treasurer’s Division on or before the final dates for payment of real property taxes, which Service Payments shall be deposited in the Farnam Manor Public Improvements Tax Increment Equivalent Fund established in Section 5 hereof. This Council hereby authorizes the Village Mayor, the Finance Director and the Village Law Director, and other appropriate officers of the Village, to provide such information and certifications, and execute and deliver or accept delivery of such instruments, as are necessary and incidental to collect those Service Payments, and to make such arrangements as are necessary and proper for payment of said Service Payments and to enter into a Development Agreement substantially in accordance

with the Agreement attached hereto as Exhibit "D," the terms of which Development Agreement are hereby approved.

SECTION 5. This Council hereby establishes pursuant to and in accordance with the provisions of Section 5709.43 of the Ohio Revised Code, the Farnam Manor Improvements Tax Increment Equivalent Fund (the "Fund"), into which shall be deposited all of the Service Payments distributed to the Village with respect to the Improvements on the Properties, by or on behalf of the County Fiscal Officer, Treasurer's Division as provided in Section 5709.42 of the Ohio Revised Code, and hereby provides that all of the moneys deposited in the Fund shall be used for any or all of the following purposes (it being understood that pursuant to Section 5709.42 of the Ohio Revised Code, the County Fiscal Officer shall pay the Revere Local School District and the Cuyahoga Valley Joint Vocational School District directly the amounts those districts would have otherwise received as taxes consistent with Section 5709.40(D)(1) of the Ohio Revised Code):

(i) to pay any and all acquisition, construction, installation, financing costs, and any and all other direct and indirect costs of the Public Infrastructure Improvements, including those costs set forth in Ohio Revised Code Section 133.15(B);

(ii) to pay the interest on, principal of, and any premium on bonds or notes or other obligations, including refunding bonds or notes or other obligations, issued by the Village to finance costs of the Public Infrastructure Improvements until such notes or bonds or other obligations are paid in full; and

(iii) to reimburse the Village for any funds used by the Village to pay costs of the Public Infrastructure Improvements, or to pay interest, principal, or premium on any of the aforesaid notes, bonds, loans or other obligations, prior to receipt of Service Payments.

The Fund shall remain in existence so long as Service Payments are collected and used for the aforesaid purposes, after which said Fund shall be dissolved in accordance with said Section 5709.43.

SECTION 6. Pursuant to Section 5709.40 of the Ohio Revised Code, the Clerk of Council is hereby directed to deliver a copy of this Ordinance to the Director of the Department of Development of the State of Ohio within fifteen days after its passage. On or before March 31 of each year that the exemption set forth in Section 2 hereof remains in effect, the Mayor of the Village or other authorized officer of this Village shall prepare and submit to the Director of the Department of Development of the State of Ohio the status report required under Section 5709.40(I) of the Ohio Revised Code.

SECTION 7. This Council finds and determines that all formal actions of this Council concerning and relating to the passage of this Ordinance were taken in an open meeting of this


Council, and that all deliberations of this Council and of any of its committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

SECTION 8. This Ordinance is declared to be an emergency measure necessity for the immediate preservation of the public peace, health and safety of this Village, and for the further reason that this Ordinance is required to be immediately effective to allow for the Village's undertaking of the Improvements, which are necessary to the continued economic vitality of the Village, at the earliest possible time; wherefore, this Ordinance shall be in full force and effect immediately upon its passage, provided it receives the affirmative vote of five members of Council elected thereto or six affirmative votes if all members of Council are present at the meeting at which it is passed; otherwise it shall be in full force and effect after the earliest period allowed by law.

PASSED: 3-16-2021



President of Council



Mayor

ATTEST:


Clerk of Council

Dated: 3/20/2021