

## ORDINANCE 2016-12

CREATING A RESIDENTIAL TAX INCREMENT FINANCING INCENTIVE DISTRICT ENCOMPASSING CERTAIN PARCELS OF REAL PROPERTY; 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; SPECIFYING THE PUBLIC INFRASTRUCTURE IMPROVEMENTS TO BE MADE THAT BENEFIT OR SERVE PARCELS IN THE INCENTIVE DISTRICT; AUTHORIZING MAKE-WHOLE COMPENSATION PAYMENTS TO THE TEAYS VALLEY LOCAL SCHOOL DISTRICT AND EASTLAND JOINT VOCATIONAL SCHOOL DISTRICT; APPROVING AND AUTHORIZING THE EXECUTION OF A TAX INCREMENT FINANCING AGREEMENT; AND DECLARING AN EMERGENCY

**WHEREAS**, Sections 5709.40, 5709.42 and 5709.43 of the Ohio Revised Code (collectively, the “TIF Statutes”) authorize this Council, by ordinance, to create an incentive district within the corporate boundaries of the Village of Commercial Point, Ohio (the “Village”), and declare the improvement to each parcel of real property located within the incentive district to be a public purpose and exempt from taxation, require the owner of each parcel to make service payments in lieu of taxes, establish a municipal public improvement tax increment equivalent fund for the deposit of those service payments, and specify public infrastructure improvements made, to be made or in the process of being made that directly benefit or serve, or that once made will directly benefit or serve, parcels in the incentive district; and

**WHEREAS**, this Council has determined to create the Commercial Point Residential Incentive District, a residential incentive district (the “Incentive District”), the boundaries of which will be coextensive with the boundaries of, and will include, the parcels of real property specifically identified and depicted in Exhibit A attached hereto (with each of those parcels referred to herein individually as a “Parcel” and collectively as the “Parcels”); and

**WHEREAS**, the Village anticipates that approximately 147 new single-family homes will be constructed within the Incentive District (collectively, the “Project”); and

**WHEREAS**, by Village Resolution Number 2015-18, passed on December 14, 2015, this Council approved a preliminary development plan and rezoning (the “Preliminary Development Plan”) with respect to the Incentive District; and

**WHEREAS**, by Village Resolution Number 2016-02, passed on February 8, 2016, this Council accepted the petition for annexation of the real property within the District and approved the amended zoning map with respect to the Incentive District (the “Annexation and Rezoning Plan”); and

**WHEREAS**, by Village Resolution Number 2016-03, passed on February 8, 2016, this Council approved the Water Infrastructure Improvement, Water Tap Reimbursement and Sewer Tap Purchase Agreement in order to provide utility services necessary to construct the Project (together with the Preliminary Development Plan and the Annexation and Rezoning Plan, the "Economic Development Plan");

**WHEREAS**, the engineer for the Village has certified to this Council that (i) the Incentive District is less than 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**, this Council has determined to provide for the construction of public infrastructure improvements described in Exhibit B attached hereto (the "Public Infrastructure Improvements"), as further provided in the Tax Increment Financing Agreement authorized herein, which Public Infrastructure Improvements, once made, will directly benefit or serve the Parcels; and

**WHEREAS**, notice of this proposed ordinance has been delivered to the Board of Education of Teays Valley Local School District and Eastland Joint Vocational School District in accordance with and within the time period prescribed in Section 5709.83 of the Ohio Revised Code.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the Village of Commercial Point, County of Pickaway, Ohio, that:

**SECTION 1.** Incentive District Projects; Creation of Incentive District. This Council finds and determines that the Project will place additional demand on the Public Infrastructure Improvements. Pursuant to the TIF Statutes, 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.

**SECTION 2.** Public Infrastructure Improvements. This Council 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 in the process of being made by the Village that directly benefit or serve, or that once made will benefit or serve, parcels in the Incentive District.

**SECTION 3.** Authorization of Tax Exemption; Life of Incentive District. Pursuant to and in accordance with the provisions of Section 5709.40(C) of the Ohio Revised Code, this Council declares that one-hundred percent (100%) of the increase in assessed value of each 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, which life 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 Parcel within the Incentive District were it not for the exemption granted in this ordinance and ends on the earlier of (a) thirty (30) 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 Statutes.

**SECTION 4. Service Payments and Property Tax Rollback Payments.** Pursuant to Section 5709.42 of the Ohio Revised Code, this Council directs and requires the owner of each Parcel to make annual service payments in lieu of taxes with respect to the Improvement allocable thereto to the Pickaway 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 under Sections 323.121 and 5703.47 of the Ohio Revised Code (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 subject to the exemption granted in this ordinance. The Service Payments, and any other payments with respect to each Improvement that are received by the 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"), will be allocated and distributed in accordance with Section 6 of this ordinance.

**SECTION 5. Tax Increment Equivalent Fund.** This Council establishes, pursuant to and in accordance with the provisions of Section 5709.43 of the Ohio Revised Code, the Commercial Point Municipal Public Improvement Tax Increment Equivalent Fund (the "TIF Fund"), into which the County Treasurer will deposit the Service Payments and Property Tax Rollback Payments collected with respect to the Parcels and not required to be distributed to the Teays Valley Local School District pursuant to Section 6 of this ordinance. The TIF Fund will be maintained in the custody of the Village. The Village may use amounts deposited into the TIF Fund only for the purposes authorized in the TIF Statutes 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 Village's General Fund, all in accordance with Section 5709.43 of the Ohio Revised Code.

**SECTION 6. Distribution of Funds.** Pursuant to the TIF Statutes, the County Treasurer is requested to distribute the Service Payments and the Property Tax Rollback Payments as follows:

(i) to each of the Teays Valley Local School District and the Eastland Joint Vocational School District, an amount equal to the amount the Teays Valley Local School District and the Eastland Joint Vocational 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 each such school district's boundaries if the Improvement had not been exempt from taxation pursuant to this Ordinance; and

(ii) to the Village, all remaining amounts for further deposit into TIF Fund for payment of costs of the Public Infrastructure Improvements, including debt service on any securities issued to finance those costs.

**SECTION 7. Tax Increment Financing Agreement.** The form of Tax Increment Financing Agreement (the "TIF Agreement") presently on file with the Clerk of Council is hereby approved and authorized with changes and completions thereto that are not inconsistent with this ordinance, not substantially adverse to the Village and approved by the Mayor and the Village Solicitor. The Mayor, for and in the name of the Village, is hereby authorized to execute and deliver the TIF Agreement in substantially that form along with any changes or completions thereto, provided that the approval of such changes and completions thereto by the Mayor, and the character of those changes and completions as not being substantially adverse to the Village, will be evidenced conclusively by the Mayor's execution thereof.

**SECTION 8. Further Authorizations.** This Council authorizes and directs the Mayor, the Fiscal Officer, the Village Solicitor, 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 from the owner of each Parcel. This Council further authorizes and directs those officers or other appropriate officers of the Village to prepare and sign all agreements and instruments and to take any other actions as may be appropriate to implement this ordinance and the TIF Agreement.

**SECTION 9. Open Meetings.** This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this ordinance were taken in an open meeting of this Council and any of its committees, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in

meetings open to the public, all in compliance with the law including Section 121.22 of the Ohio Revised Code.

**SECTION 10. Effective Date.** This ordinance is hereby declared to be an emergency measure necessary for the preservation of the public peace, health and safety of the Village and its inhabitants for the reason that this Ordinance must be immediately effective so that the work can begin on the construction of the Public Infrastructure Improvements, wherefore, this Ordinance shall take effect and be in force from and immediately after its adoption.

Vote on Passage of the Ordinance and declaring it an emergency:

Motion by: Scott O'Neil 2<sup>nd</sup> Brad Laxton

Roll Call:

Yes Mark Geiger  
Yes David Sadler

Yes Ben Townsend  
Yes Brad Laxton

Yes Scott O'Neil  
    Nicole Evans

**CERTIFIED AS ADOPTED, this 7 day of November, 2016.**

  
\_\_\_\_\_  
Gary Joiner, Mayor

  
\_\_\_\_\_  
Wendy Hastings, Fiscal Officer

**APPROVED AS TO FORM**  
  
\_\_\_\_\_  
Mike Hess, Solicitor

EXHIBIT A

IDENTIFICATION AND MAP OF THE PARCELS

The outlined area on the following map specifically identifies and depicts the Parcels and the boundaries of the Incentive District, and constitutes part of this Exhibit A. The tax parcel numbers are:

L2700010061700

as of November 7, 2016, and are included for ease of reference only.

## EXHIBIT B

### PUBLIC INFRASTRUCTURE IMPROVEMENTS

The Public Infrastructure Improvements consist of any “public infrastructure improvement” defined under Section 5709.40(A)(7) of the Ohio Revised Code and that directly benefits or serves parcels in the Incentive District and specifically include, but are not limited to, the “Public Infrastructure Improvements” described in the TIF Agreement (as may be amended from time to time) and any of the following improvements that will benefit or serve parcels in the Incentive District and all related costs of those permanent improvements (including, but not limited to, those costs listed in Section 133.15(B) of the Ohio Revised Code):

- **Parks.** Construction or reconstruction of one or more public parks, including grading, trees and other park plantings, park accessories and related improvements, together with all appurtenances thereto;
- **Roadways.** Construction, reconstruction, extension, opening, improving, widening, grading, draining, curbing or changing of the lines and traffic patterns of roads, highways, streets, intersections, bridges (both roadway and pedestrian), sidewalks, bikeways, medians and viaducts accessible to and serving the public, and providing signage (including traffic signage and informational/promotional signage), lighting systems, signalization, and traffic controls, and all other appurtenances thereto;
- **Streetscape/Landscape.** Construction or installation of streetscape and landscape improvements including trees, tree grates, signage, curbs, sidewalks, scenic fencing, street and sidewalk lighting, trash receptacles, benches, newspaper racks, burial of overhead utility lines and related improvements, together with all appurtenances thereto, including, but not limited to streetscape improvements in conjunction with and along the roadway improvements described in “Roadways” above;
- **Water/Sewer.** 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;
- **Stormwater.** Construction, reconstruction and installation of stormwater and flood remediation projects and facilities, including such projects and facilities on private property when determined to be necessary for public health, safety and welfare, including the following:
- **Real Estate.** Acquisition of real estate or interests in real estate (including easements) (a) necessary to accomplish any of the foregoing improvements or (b) in aid of industry, commerce, distribution or research; and
- **Professional Services.** Engineering, consulting, legal, administrative, and other professional services associated with the planning, design, acquisition, construction and installation of the foregoing improvements and real estate.

Pursuant to the terms and conditions of the TIF Agreement, Westport Homes, Inc. shall construct certain of these Public Infrastructure Improvements (hereinafter referred to as the "Westport Public Infrastructure Improvements"). The Westport Public Infrastructure Improvements specifically include the improvements described below and all related costs of those permanent improvements (including, but not limited to, those costs listed in O.R.C. Section 133.15(B)): (i) open spaces to be transferred to the Village, (ii) park space to be transferred to the Village, (iii) public roads constructed to serve the Project and associated intersection improvements, (iv) rights-of-way to be transferred to the Village, (v) sewer infrastructure, including necessary rehabilitation to the sewer main located on the Project site, (vi) storm water infrastructure, (vii) water infrastructure, and (viii) the Costs of the foregoing.

0133995.0637485 4841-6493-4454v1  
8/12/2016 11:11 am