

ORDINANCE NO. 2021.52

AUDITOR
DELAWARE COUNTY, OHIO
FILED

2021 DEC -3 AM 11:08

GEORGE KAITSA
AUDITOR

AN ORDINANCE DECLARING THE IMPROVEMENT TO A CERTAIN PARCEL OF REAL PROPERTY TO BE A PUBLIC PURPOSE AND EXEMPT FROM TAXATION; ESTABLISHING A MUNICIPAL PUBLIC IMPROVEMENT TAX INCREMENT EQUIVALENT FUND AND PROVIDING FOR THE COLLECTION AND DEPOSIT OF SERVICE PAYMENTS INTO THAT FUND; SPECIFYING THE PUBLIC INFRASTRUCTURE IMPROVEMENTS DIRECTLY BENEFITING THE PARCEL; AND DECLARING AN EMERGENCY.

WHEREAS, Ohio Revised Code Sections 5709.40 to 5709.43 (collectively, the “*TIF Statutes*”) authorize the legislative authority of a municipal corporation, by ordinance, to declare the improvement to 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, 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 that once made will directly benefit, those parcels; and

WHEREAS, this City Council has determined to declare the improvements to a certain parcel of real property, which parcel is further described in Section 1, to be a public purpose; and

WHEREAS, this City Council desires to provide for the construction and/or installation of the public infrastructure improvements described in Section 2; and

WHEREAS, notice of this proposed Ordinance has been delivered to the Boards of Education of the Big Walnut Local School District and the Delaware Area Career Center in accordance with and within the time period prescribed in Ohio Revised Code Sections 5709.40 and 5709.83;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Sunbury, Delaware County, Ohio, that:

Section 1. Parcel of Real Property. The parcel of real property subject to the exemption granted by this Ordinance is identified and depicted in **EXHIBIT A** attached hereto (the “*Parcel*”).

Section 2. Public Infrastructure Improvements. This City Council hereby designates the public infrastructure improvements described in **EXHIBIT B** attached hereto (the “*Public Infrastructure Improvements*”) and any other public infrastructure improvements hereafter designated by ordinance as public infrastructure improvements made, to be made or in the process of being made by the City that directly benefit, or that once made will directly benefit, the Parcel.

Section 3. Authorization of Tax Exemption. This City Council hereby finds and determines that 75% of the increase in assessed value of the Parcel subsequent to the effective date

of this Ordinance (which increase in assessed value is hereinafter referred to as the "Improvement" as defined in Ohio Revised Code Section 5709.40(A)) is hereby declared to be a public purpose and shall be exempt from taxation in accordance with Ohio Revised Code Section 5709.40(B) for a period commencing for the Parcel with the first tax year that begins after the effective date of this Ordinance and in which an Improvement attributable to a new structure on the Parcel first appears on the tax list and duplicate of real and public utility property were it not for the exemption granted by this Ordinance and ending on the earlier of (a) ten (10) years after such commencement or (b) the date on which the City can no longer require service payments in lieu of taxes, all in accordance with the requirements of the TIF Statutes.

If the Parcel is subdivided subsequent to the effective date of this Ordinance but prior to the filing of an exemption application (i.e. Form DTE 24) in respect of the Parcel, then the tax exemption authorized by this Section 3 shall apply separately to each respective subdivided parcel.

Section 4. Service Payments. Pursuant to Ohio Revised Code Section 5709.42, the owner of the Parcel is hereby required to and shall make service payments in lieu of taxes with respect to the Improvement allocable thereto to the Treasurer of Delaware County, Ohio (the "County Treasurer") on or before the final dates for payment of real property taxes. The service payments in lieu of taxes 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 collected against that Improvement if it were not exempt from taxation pursuant to Section 3 of this Ordinance, including any penalties and interest (collectively, the "Service Payments"). The Service Payments, and any other payments with respect to each Improvement that are received by the County Treasurer in connection with the reductions 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"), shall be allocated, distributed and deposited in accordance with Section 6 of this Ordinance.

Section 5. TIF Fund. This City Council hereby establishes pursuant to and in accordance with the provisions of Section 5709.43 of the Ohio Revised Code, the 208 Public Improvement Tax Increment Equivalent Fund (the "Fund"), into which shall be deposited all of the Service Payments and any associated rollback payments and related interest and penalty payments distributed to the City with respect to the Improvements on the Parcel, by or on behalf of the County Treasurer 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:

(a) to pay any and all planning, engineering, 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);

(b) to pay the interest on and principal of bonds or notes, and premium, if any, including refunding or additional bonds or notes or other obligations issued or loans entered into by the City, or other governmental entity to finance costs of the Public Infrastructure Improvements until such notes or bonds or other obligations or loans are paid in full, and to

pay trustee and other costs related to servicing the obligations and providing and replenishing a reserve fund and to pay costs charged by the issuer of the obligations; and

(c) to reimburse the City, the State of Ohio or other governmental entity, or a private entity under contract with the City, for any funds used to pay costs of the Public Infrastructure Improvements, or to pay interest, principal, or premium, and related costs 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 the 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. Further Authorizations. This City Council hereby authorizes and directs the Mayor, the Administrator, the Director of Law, the Director of Finance or other appropriate officers of the City to make such arrangements as are necessary and proper for collection of the Service Payments and the Property Tax Rollback Payments. This City Council further hereby authorizes and directs the Mayor, the Administrator, the Director of Law, the Director of Finance or other appropriate officers of the City to prepare and sign all documents and instruments and to take any other actions as may be appropriate to implement this Ordinance.

Section 7. Tax Incentive Review Council. The applicable Tax Incentive Review Council, with the membership of that Council to be constituted in accordance with Section 5709.85 of the Ohio Revised Code, shall, in accordance with Section 5709.85 of the Ohio Revised Code, review annually all exemptions from real property taxation granted by this Ordinance and any other such matters as may properly come before that Council, all in accordance with Ohio Revised Code Section 5709.85.

Section 8. Filings with Ohio Development Services Agency. Pursuant to Ohio Revised Code Section 5709.40(I), the Clerk of Council is hereby directed to deliver a copy of this Ordinance to the Director of the Ohio Development of Development 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 remains in effect, the Administrator or other authorized officer of the City 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. Open Meetings. This City Council finds and determines that all formal actions of this City Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this City Council or any of its committees and that all deliberations of this City 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 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 to be immediately effective in order to

induce the development of the Parcel and the construction of needed Public Infrastructure Improvements; wherefore, this Ordinance shall be in full force and effect immediately upon its enactment and approval by the Mayor.

	YEAS	NAYS
VOTE ON ORDINANCE NO. 2021.52	<u>6</u>	<u>0</u>

PASSED: December 1, 2021



Joe St. John, Mayor

ATTEST:



Kathy Belcher, Clerk of Council

CERTIFICATE

I hereby certify on this 1 day of December, 2021, that the foregoing is a true and accurate copy of the Ordinance passed at the meeting held on December 1, 2021, at the City of Sunbury, County of Delaware, State of Ohio.



Kathy Belcher, Clerk of Council

EXHIBIT A

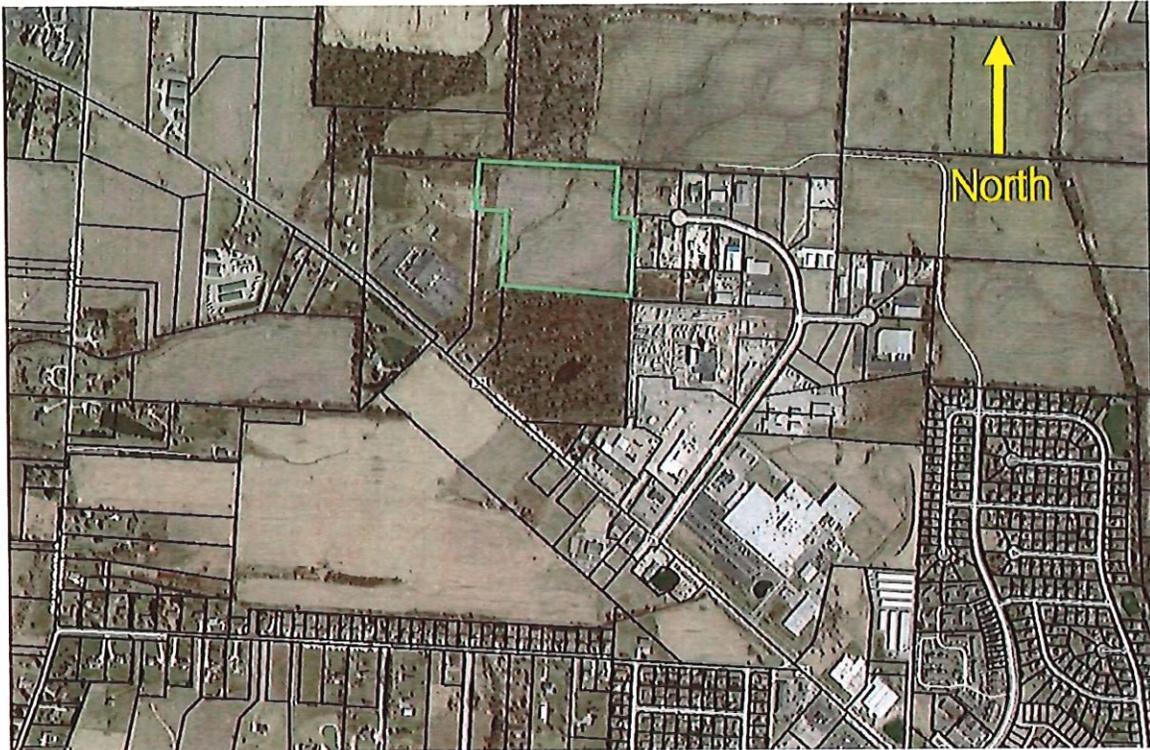
IDENTIFICATION AND MAP OF THE PARCEL

The shaded area on the following map specifically identifies and depicts the Parcel and constitutes part of this EXHIBIT A. The Parcel includes tax parcel 417-131-01-007-005 (as it exists in the County Auditor's records on November 2, 2021).

EXHIBIT "A"

The parcel of real property subject to the exemption granted by this Ordinance
(the "TIF Property")

Parcel No. 417-131-01-007-005



No Scale

EXHIBIT B

PUBLIC INFRASTRUCTURE IMPROVEMENTS

The Public Infrastructure Improvements include the construction of the following improvements on or near the Parcel that will directly benefit the Parcel 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):

- Cherry/Miller intersection improvements,
- Cherry/S.R. 3 intersection improvements,
- Cherry/Kintner intersection improvements,
- Miller/S.R. 3 intersection improvements,
- S.R. 3/S.R. 61 intersection improvements,
- The future “East-West” Road that extends across the Schools’ properties and other properties from SR 61 to the roadway’s ultimate terminus to the west,
- S.R. 61 improvements,
- N. Miller Drive improvements,
- Sunbury Parkway improvements,
- Kintner Parkway improvements, and
- LWCI sewer improvements, and sanitary sewer extensions therefrom,

and in each case, all other costs and improvements necessary and appurtenant thereto, and together with constructing and installing curbs and gutters, public utilities which include water mains, fire hydrants, sanitary sewer, storm sewer and water improvements, lighting, burial of utility lines, gas, electric and communications service facilities (including fiber optics), street lighting and signs, medians, viaducts, sidewalks, bikeways, and landscaping (including scenic fencing and irrigation),

traffic signs and signalization, and including design and other related costs, any right-of-way or real estate acquisition, erosion and sediment control measures, grading, drainage and other related work, survey work, soil engineering, inspection fees and construction staking, any other necessary site improvements, and in each case, all other costs and improvements necessary and appurtenant thereto.

November 9, 2021

To: Board of Education of the Delaware Area Career Center

Subject: Notice of Ohio Revised Code Section 5709.40(B)
Proposed Tax Increment Financing

This letter constitutes seconded revised notice to the Board of Education of the Delaware Area Career Center (the "School District") of the intent of the City of Sunbury, Ohio (the "City") to declare the Improvement (as defined in the attached Proposed TIF Ordinance) to certain parcels of real property in the City to be a public purpose under Ohio Revised Code Section 5709.40(B). The following information is provided pursuant to Ohio Revised Code Sections 5709.40 and 5709.83:

Description of Parcels to be Exempt: See Exhibit A of the attached Proposed TIF Ordinance.

Estimate of the True Value in Money of the Improvements: \$2,300,000.00.

Period for Which the Improvement to Each Parcel Will be Exempt from Taxation: The Improvement to each Parcel will be exempt for a period commencing with the first tax year that begins after the effective date of the Proposed TIF Ordinance and in which an Improvement attributable to a new structure on the Parcel first appears on the tax list and duplicate of real and public utility property for that Parcel and ending on the earlier of (a) ten (10) years after such exemption commenced or (b) the date on which the City can no longer require service payments in lieu of taxes, all in accordance with the requirements of Ohio Revised Code Sections 5709.40, 5709.42 and 5709.43 and all as further described in the attached Proposed TIF Ordinance.

Percentage of the Improvement to each Parcel to be Exempt: Seventy-five percent (75%).

The City Council intends to adopt the Proposed TIF Ordinance on: December 1, 2021.

Sincerely,

By: 

Name: Steven R. Pyles

Title: Administrator

Receipt Acknowledged by the
Delaware Area Career Center:

By: 

Name: Christopher Bell

Title: Treasurer

Attachment: Proposed TIF Ordinance (Revised)

November 10, 2021

To: Board of Education of the Big Walnut Local School District

Subject: Notice of Ohio Revised Code Section 5709.40(B)
Proposed Tax Increment Financing

This letter constitutes a second revised notice to the Board of Education of the Big Walnut Local School District (the "*School District*") of the intent of the City of Sunbury, Ohio (the "*City*") to declare the Improvement (as defined in the attached Proposed TIF Ordinance) to certain parcels of real property in the City to be a public purpose under Ohio Revised Code Section 5709.40(B). The following information is provided pursuant to Ohio Revised Code Sections 5709.40 and 5709.83:

Description of Parcels to be Exempt: See Exhibit A of the attached Proposed TIF Ordinance.

Estimate of the True Value in Money of the Improvements: \$2,300,000.00.

Period for Which the Improvement to Each Parcel Will be Exempt from Taxation: The Improvement to each Parcel will be exempt for a period commencing with the first tax year that begins after the effective date of the Proposed TIF Ordinance and in which an Improvement attributable to a new structure on the Parcel first appears on the tax list and duplicate of real and public utility property for that Parcel and ending on the earlier of (a) ten (10) years after such exemption commenced or (b) the date on which the City can no longer require service payments in lieu of taxes, all in accordance with the requirements of Ohio Revised Code Sections 5709.40, 5709.42 and 5709.43 and all as further described in the attached Proposed TIF Ordinance.

Percentage of the Improvement to each Parcel to be Exempt: Seventy-five percent (75%).

The City Council intends to adopt the Proposed TIF Ordinance on: December 1, 2021.

Sincerely,

By:  _____

Name: STEVEN R. PYLES

Title: Administrator

Receipt Acknowledged by the
Big Walnut Local School District:

By:  _____

Name: Jeremy J. Bostirk

Title: Treasurer

Attachment: Proposed TIF Ordinance (Revised)