

NOTICE OF PROCEEDINGS
City Council of the City of Defiance, Ohio
Charles D. Beard Council Chambers
City Hall, 631 Perry Street, Defiance, OH 43512

REGULAR MEETING OF COUNCIL
TUESDAY FEBRUARY 13, 2018
OPENING COMMENTS – 7:00 P.M.

STATE OF THE CITY ADDRESS

SPECIAL GUEST: NONE
PUBLIC HEARING: NONE

FIRST READING: AN ORDINANCE DECLARING IMPROVEMENTS TO CERTAIN PARCLES OF REAL PROPERTY TO BE A PUBLIC PURPOSE, DESCRIBING THE PUBLIC IMPROVEMENTS TO BE MADE TO DIRECTLY BENEFIT SUCH PARCELS, REQUIRING THE OWNER OF THE IMPROVEMENTS ON SUCH PARCELS TO MAKE SERVICE PAYMENTS IN LIEU OF TAXES, ESTABLISHING A MUNICIPAL PUBLIC IMPROVEMENT 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, AND DECLARING AN EMERGENCY

CITIZEN CONCERNS: PLEASE STATE NAME & ADDRESS FOR THE RECORD

STUDY SESSION: NONE

LIAISON ASSIGNMENTS	TIME	DATE	AGENDA
♣SEWER: LUNDBERG	7:00 P.M.	Tuesday - FEBRUARY 2018	NO MEETING
♣STREETS & SIDEWALK: HANCOCK	7:00 P.M.	Tuesday - FEBRUARY 2018	NO MEETING
♣UTILITIES, GAS & LIGHTS: PLANT	7:00 P.M.	Tuesday - FEBRUARY 2018	NO MEETING
♣POLICE & FIRE: WAXLER	7:00 P.M.	Tuesday - FEBRUARY 2018	NO MEETING
♣TRAFFIC COMMISSION: LEONARD, Mayor, Cereghin, Shafer, Wilkins, Warner, Waxler, Eureste, Krutsch	6:00 P.M.	Tuesday - FEBRUARY 2018	NO MEETING
♣FINANCE: LUNDBERG	7:00 P.M.	Tuesday - FEBRUARY 2018	NO MEETING
♣BUILDING AND LANDS: ENGEL	7:00 P.M.	Tuesday - FEBRUARY 2018	NO MEETING
♣WATER: KRUTSCH	7:00 P.M.	Tuesday - FEBRUARY 2018	NO MEETING
♣ECONOMIC DEVELOPMENT: EURESTE	7:00 P.M.	Tuesday - FEBRUARY 2018	NO MEETING
♣COMMUNITY INTERACTION:	7:00 P.M.	Tuesday - FEBRUARY 2018	NO MEETING
♣BOARD OF CONTROL MEETING: MAYOR, Leonard, Williams, Lehner	1:30 P.M. MONDAY 9:00 A.M. THURSDAY	MONDAY and THURSDAY	POSTED AT 631 PERRY STREET MEETINGS IN FRONT CONFERENCE ROOM

ORDINANCE NO. _____

AN ORDINANCE DECLARING IMPROVEMENTS TO CERTAIN PARCELS OF REAL PROPERTY TO BE A PUBLIC PURPOSE, DESCRIBING THE PUBLIC IMPROVEMENTS TO BE MADE TO DIRECTLY BENEFIT SUCH PARCELS, REQUIRING THE OWNER OF THE IMPROVEMENTS ON SUCH PARCELS TO MAKE SERVICE PAYMENTS IN LIEU OF TAXES, ESTABLISHING A MUNICIPAL PUBLIC IMPROVEMENT 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, AND DECLARING AN EMERGENCY.

WHEREAS, Ohio Revised Code Sections 5709.40, 5709.42 and 5709.43 (the “Act”) provide that this Council may describe public improvements to be made which directly benefit certain parcels, declare improvements with respect to such parcels of real property located in the City of Defiance (the “City”) 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 owner of such parcels, and establish a municipal public improvement tax increment equivalent fund into which such service payments shall be deposited; and

WHEREAS, the City desires to implement a tax increment financing program on the Parcels (as defined in Section 1) pursuant to the Act to enable the City to make or cause to be made public infrastructure improvements that will directly benefit the Parcels; and

WHEREAS, each of the Northeastern Local School District and Four County Joint Vocational School District has been notified of this Ordinance consistent with Ohio Revised Code Section 5709.83;

NOW, THEREFORE, BE IT ENACTED by the Council of the Municipality of Defiance, Ohio that:

Section 1. Parcels. The real property subject to this Ordinance is identified and depicted on Exhibit A (that area, as the parcels therein are consolidated or subdivided, is hereinafter referred to as the “Parcels”, with each individual parcel a “Parcel”, excluding the portions thereof to be part of public streets and other public improvements otherwise exempt from property taxation for their governmental use).

Section 2. Public Improvements. This Council hereby designates the public infrastructure improvements described in Exhibit B (the “Public 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 Parcels.

Section 3. Property Tax Exemption. This Council hereby finds and determines that 75% 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 ORC 5709.40) is hereby declared to be a public purpose and will be exempt from taxation for a period commencing on the date an Improvement valued at a minimum of \$100,000 on that Parcel first appears on the tax list and duplicate were it not for the exemption granted in this Ordinance and ending on the earlier of (a) 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 Act.

Section 4. Service Payments. As provided in ORC 5709.42, the owner of each Parcel is hereby required to make service payments in lieu of taxes with respect to the Improvement allocable to each Parcel to the County Treasurer on or before the final dates for payment of real property taxes. The service payments in lieu of taxes 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 collected against

that Improvement if it were not exempt from taxation pursuant to Section 3, including any penalties and interest (collectively, the “Service Payments”), which Service Payments shall be deposited in the municipal public improvement tax increment equivalent fund established in Section 5 hereof. This Council authorizes the City Administrator, Finance Director, and Law Director, and other appropriate officers of the City, 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 the Service Payments.

Section 5. Tax Increment Equivalent Fund. This Council hereby establishes pursuant to and in accordance with the provisions of Section 5709.43 of the Ohio Revised Code, the Commerce Drive 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 Parcels, 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:

- (i) to pay any and all planning, engineering, acquisition, construction, installation, financing costs, and any and all other direct and indirect costs of the Public Improvements, including those costs set forth in Ohio Revised Code Section 133.15(B);
- (ii) 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 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
- (iii) 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 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. Filing and Reporting to State. 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 Development Services Agency 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 3 hereof remains in effect, the Finance Director or any other appropriate official of this City shall prepare and submit to the Director of the Development Services Agency the status report required under Section 5709.40 of the Ohio Revised Code.

Section 7. Further Authorizations. The City Administrator is hereby authorized to enter into an agreement with the appropriate school district in accordance with Ohio Revised Code Section 5709.82 if the City Administrator and Law Director determine such an agreement to be consistent with the purposes and requirements of this Ordinance and otherwise in the best interests of the City, all of which shall be conclusively evidenced by the signing of the such agreement by those officials. The City Administrator, the Finance Director or other appropriate officer of the City is authorized and directed to prepare and sign all agreements and instruments and to take any other actions as may be appropriate to implement this Ordinance.

Section 8. Compliance with Open Meeting Requirements. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the enactment of this Ordinance were taken in an open meeting of this Council or 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.

Section 9. Captions and Headings. The captions and headings in this Ordinance are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Sections, subsections, paragraphs, subparagraphs or clauses hereof. Reference to a Section means a section of this Ordinance unless otherwise indicated.

Section 10. Declaration of Emergency; Effective Date. This Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the City, and for the further reason that this Ordinance is required to be immediately effective in order to induce the redevelopment of the Parcels and the construction of needed Public Improvements; wherefore, this Ordinance shall be in full force and effect immediately upon its enactment and approval by the Mayor.

Enacted: _____

President of Council

Approved: _____

Attest: _____
Clerk of Council

Mayor

EXHIBIT A

The Parcels as defined in this Ordinance consist of the following parcels (or, with respect to Permanent Parcel Number J050018000600, the portion of such parcel located south of U.S. 24), each located in the City of Defiance, Defiance County, Ohio, and all as further depicted as the area outlined in yellow on the attached map:

Permanent Parcel Numbers

J120018001700

J120018000902

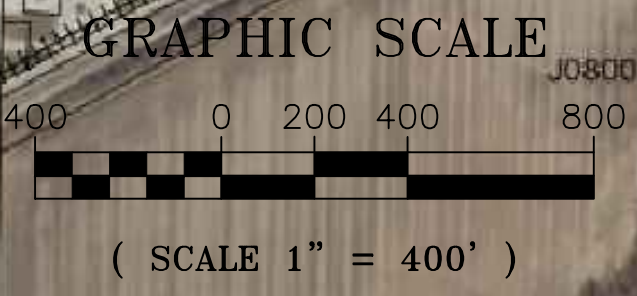
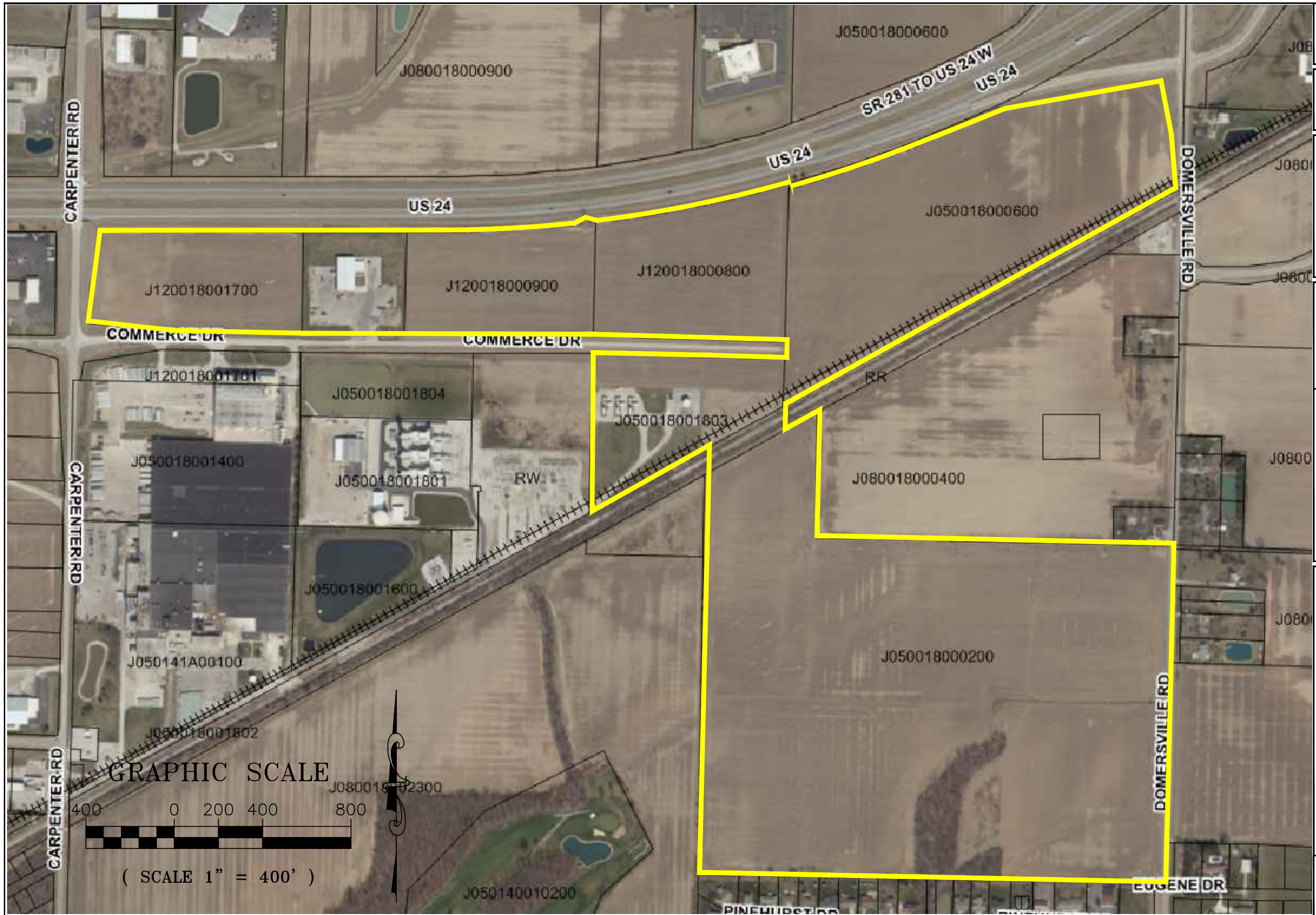
J120018000900

J120018000800

J050018000200

J080018000700

J050018000600



MSB	01-26-16
DATE	
BY	
CHK'D BY	
DATE	
APPROVED BY	
DATE	

REVISION DATE	REVISION DATE	REVISION DATE	REVISION DATE
1	2	3	4



City of Defiance
 Engineering Division
 Defiance, Ohio 43512
 Phone: 419-784-2249
 Fax: 419-784-5443
 www.cityofdefiance.com

COMMERCE DRIVE - EAST
 T.I.F. EXHIBIT

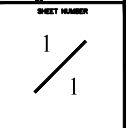


EXHIBIT B

DESCRIPTION OF THE PUBLIC IMPROVEMENTS

The Public Improvements consist of the following:

- The construction of an extension of Commerce Drive, together with all water and sewer lines, utilities (including the provision of gas, electric and communication services), sidewalks, lighting and all other related improvements, including any intersection improvements and traffic signalization and signage.
- Continued maintenance of those streets and water and sewer lines;
- Land acquisition of the property (in aid of industry and commerce) and of any property or interests in property needed for Public Improvements.
- Storm water management and flood remediation improvements on public and private property.
- All other public street, park, walkway, parking and utility improvements in and around the Parcels.