

ORDINANCE NO. 7992

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: March 6, 2018

David McMaster
President of Council

Attest: Lisa Elders

Approved: March 6, 2018

Michael McCann
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

J050018001803

J050018000600

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.

Abstract of
City of Defiance, Ohio
Ordinance No. 7992

This is a summary of Ordinance No. 7992 (the Ordinance), enacted by the Council of the City of Defiance (the Council) on March 7, 2018, describing public improvements to be made which directly benefit certain parcels of real property, declaring improvements with respect to such parcels of real property located in the City of Defiance to be a public purpose, authorizing the exemption of those improvements from real property taxation for a period of time, and providing for the making of service payments in lieu of taxes by the owner of such parcels.

Council found and determined that 75% of the increase in assessed value of each parcel of property described in the Ordinance subsequent to the effective date of the Ordinance (which increase in assessed value is the "Improvement" as defined in Ohio Revised Code Section 5709.40 et seq. (the Act)) was 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 a parcel first appears on the tax list and duplicate were it not for the exemption granted in the 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

The owner of each parcel is required to make service payments in lieu of taxes with respect to the Improvement allocable to each parcel to the Defiance 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 the Ordinance, including any penalties and interest, which payments shall be deposited in the municipal public improvement tax increment equivalent fund (the Fund) established in the Ordinance. Amounts in the Fund shall be used to pay for the cost of public improvements as described in the Ordinance.

The complete text of the ordinance may be obtained or viewed at the office of the Clerk of Council. The ordinance was declared to be an emergency measure.

ORDINANCE NO. 7993

AN ORDINANCE AUTHORIZING A CONTRACT WITH STEEL TANK AND FABRICATING CORPORATION FOR THE PURCHASE OF NEW FUEL TANKS AND DECLARING AN EMERGENCY

WHEREAS, the City fuel tanks are not in compliance with State of Ohio inspection standards; and,

WHEREAS, Council finds that safe and functioning fuel tanks are necessary for the welfare of the City; and,

WHEREAS, the City Administration solicited bids for the purchase and construction of the fuel tanks and Steel Tank and Fabricating Corporation submitted the lowest responsive and responsible bid in the amount of \$31,539.01;

Now therefore, be it enacted by the Council of the Municipality of Defiance, Ohio, that:

Section 1: The City Administrator is directed to enter into a contract with Steel Tank and Fabricating Corporation to furnish new fuel tanks and supporting equipment for the vehicle fleet at the price and on the terms of service established by the accepted bid.

Section 2: The Finance Director is authorized to pay the sum of \$31,539.01 and such incidental expenses as may be incurred in accordance with the authorized contract from Lines 403.901.5.2.963.000, 204.446.5.2.936.004, and 591.538.5.2.727.010 of the 2018 annual budget.

Section 3: It is found and determined that all legislative actions pertaining to the adoption of this Ordinance were taken in Public Session and that all deliberations that affected or influenced any such legislative act, including all deliberations in Committee, were conducted in Public Session or in Executive Session duly convened in accordance with law.

Section 4: This Ordinance is declared to be an emergency measure necessary to preserve the health, safety or welfare of the community for the reason that the State of Ohio permit for the current fuel tanks expires after May 1, 2018. Construction of the new fuel tanks that comply with state requirements will take up to eight weeks. As such, this Ordinance shall be effective immediately upon passage by an affirmative vote of not less than five Members of Council and approval of the Mayor.

Passed: March 6, 2018 David McMaster
President of Council

Votes in Favor of Adoption: 7
Votes Opposed to Adoption: 0

Attest: Lisa Elders, Clerk

Approved: March 6, 2018 Michael McCann
Mayor

ORDINANCE NO. 7994

AN ORDINANCE AWARDING A CONTRACT TO VORTEX U.S.A., INC. FOR PHASE II OF THE SPLASH PARK CONSTRUCTION AND DECLARING AN EMERGENCY

WHEREAS, Council passed Ordinance 7958 on October 31, 2017 authorizing a contract with Vortex U.S.A., Inc. for the underground work, site work, and concrete work designated as "Phase I" of the project; and,

WHEREAS, the next phase of the project is for drain installation, installation of the splash park equipment, attachment of concrete decking, start-up of the system, training of Parks Department personnel on operation of the equipment, and site clean-up; and,

WHEREAS, Vortex U.S.A., Inc. is a member of the National Purchasing Partners inter-governmental purchasing program which does not require competitive bidding by the City; and,

WHEREAS, Council finds that it is in the best interest of the City to continue to use Vortex U.S.A., Inc. for the second and final phase of the project;

Now therefore, be it enacted by the Council of the Municipality of Defiance, Ohio, that:

Section 1: The City Administrator is authorized to execute and deliver the proposed contract between the City of Defiance and Vortex U.S.A., Inc. on file in the office of the Law Director and pertaining to the construction of improvements designated as "Phase II" improvements by the plans and specifications on file in the office of the City Engineer.

Section 2: The Finance Director is authorized to pay the contract price of \$230,101.67 from Line 405-901-5-2-980.880 of the 2018 annual budget.

Section 3: It is found and determined that all legislative actions pertaining to the adoption of this Ordinance were taken in Public Session and that all deliberations that affected or influenced any such legislative act, including all deliberations in Committee, were conducted in Public Session or in Executive Session duly convened in accordance with law.

Section 4: This Ordinance is declared to be an emergency measure necessary to preserve the health, safety or welfare of the community for the reason that the City desires to complete the work prior to the Memorial Day Weekend target opening date. As such, this Ordinance shall be effective immediately upon passage by an affirmative vote of not less than five Members of Council and approval of the Mayor.

Passed: March 6, 2018

David McMaster
President of Council

Votes in Favor of Adoption: 7

Votes Opposed to Adoption: 0

Attest: Lisa Elders, Clerk

Approved: March 6, 2018

Michael McCann
Mayor

ORDINANCE NO. 7995

AN ORDINANCE AUTHORIZING PAYMENT TO TOLEDO EDISON TO RELOCATE OVERHEAD UTILITY LINES AROUND BRONSON PARK AND DECLARING AN EMERGENCY

WHEREAS, the City is constructing a splash park at Bronson Park that includes multiple water features; and,

WHEREAS, overhead utility lines are located directly behind the planned splash park site; and,

WHEREAS, Council finds that rerouting the overhead utility lines is necessary for the health and safety of residents who use the splash park; and,

WHEREAS, Toledo Edison is willing to reroute the overhead utility lines at a cost to the City of \$31,849.15;

Now therefore, be it enacted by the Council of the Municipality of Defiance, Ohio, that:

Section 1: The City Administrator is authorized to formulate a plan with Toledo Edison and to enter into any necessary agreement for the relocation of the existing overhead utility lines to an area that provides safe clearance from the proposed water features according to the proposal dated January 4, 2018.

Section 2: The Finance Director is authorized to pay the relocation premium to Toledo Edison at the quoted price of \$31,849.15 from Line 403-901-5-2-963.000 of the 2018 annual budget.

Section 3: It is found and determined that all legislative actions pertaining to the adoption of this Ordinance were taken in Public Session and that all deliberations that affected or influenced any such legislative act, including all deliberations in Committee, were conducted in Public Session or in Executive Session duly convened in accordance with law.

Section 4: This Ordinance is declared to be an emergency measure necessary to preserve the health, safety or welfare of the community for the reason that the City seeks the relocation of the overhead utility lines prior to the Memorial Day Weekend target opening date. As such, this Ordinance shall be effective immediately upon passage by an affirmative vote of not less than five Members of Council and approval of the Mayor.

Passed: March 6, 2018

David McMaster
President of Council

Votes in Favor of Adoption: 7

Votes Opposed to Adoption: 0

Attest: Lisa Elders, Clerk

Approved: March 6, 2018

Michael McCann
Mayor

ORDINANCE NO. 7996

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO CONTRACT FOR THE SEALING OF CRACKS IN STREET PAVEMENTS AND DECLARING AN EMERGENCY

WHEREAS, annual sealing of pavement cracks to minimize water intrusion and subsequent ice damage has proven to be a cost effective means to prolong the service life of asphalt pavements; and,

WHEREAS, the priority list for 2018 was established by the City Engineer and Street Superintendent and proposals were solicited to perform the necessary work; and,

WHEREAS, the lowest cost proposal was submitted by Bituminous Pavement Systems of Columbus, Ohio;

Now therefore, be it enacted by the Council of the Municipality of Defiance, Ohio, that:

Section 1: The City Administrator is authorized to award a contract to Bituminous Pavement Systems to seal pavement cracks at the locations and in conformity with the methods and materials established by the proposal dated February 13, 2018, and at the quoted price of \$33,187.95.

Section 2: The Finance Director is authorized to pay the costs of the contract authorized by Section 1 from Line 403-901-5-2-980.008 of the 2018 annual budget.

Section 3: It is found and determined that all legislative actions pertaining to the adoption of this Ordinance were taken in Public Session and that all deliberations that affected or influenced any such legislative act, including all deliberations in Committee, were conducted in Public Session or in Executive Session duly convened in accordance with law.

Section 4: This Ordinance is declared to be an emergency measure necessary to preserve the health, safety, or welfare of the community and to allow the contractor to begin crack seal operations as early as March 30, 2018, in order for the cracks to be filled during cooler weather conditions while the cracks are more open allowing the crack sealing program to be more effective. As such, this Ordinance shall be effective immediately upon passage by an affirmative vote of not less than five Members of Council and approval of the Mayor.

Passed: March 6, 2018

David McMaster
President of Council

Votes in Favor of Adoption: 7

Votes Opposed to Adoption: 0

Attest: Lisa Elders, Clerk

Approved: March 6, 2018

Michael McCann
Mayor

ORDINANCE NO. 7997

AN ORDINANCE AUTHORIZING THE PURCHASE AND INSTALLATION OF PLAYGROUND EQUIPMENT FOR THE BRONSON PARK SPLASH PARK AND DECLARING AN EMERGENCY

WHEREAS, the City plans to install a playground for children aged 5 to 12 to consist of a large climbing structure as part of the Bronson Park Splash Park project; and,

WHEREAS, the City selected DWA Recreation, Inc. as the best supplier of this playground equipment based on design and price;

Now therefore, be it enacted by the Council of the Municipality of Defiance, Ohio, that:

Section 1: The City Administrator is directed to purchase the playground equipment detailed in the proposal dated February 20, 2018 from DWA Recreation, Inc. at the quoted price of \$98,133.93.

Section 2: The Finance Director is authorized to pay the purchase price from appropriated funds allocated for expenditure by Line 405-901-52-980880 of the 2018 annual budget.

Section 3: It is found and determined that all legislative actions pertaining to the adoption of this Ordinance were taken in Public Session and that all deliberations that affected or influenced any such legislative act, including all deliberations in Committee, were conducted in Public Session or in Executive Session duly convened in accordance with law.

Section 4: This Ordinance is declared to be an emergency measure necessary to preserve the health, safety or welfare of the community for the reason that the City Administration must order this playground equipment as soon as possible in order to meet the Memorial Day Weekend target opening date. As such, this Ordinance shall be effective immediately upon passage by an affirmative vote of not less than 5 Members of Council and approval of the Mayor.

Passed: March 6, 2018

David McMaster
President of Council

Votes in Favor of Adoption: 7

Votes Opposed to Adoption: 0

Attest: Lisa Elders, Clerk

Approved: March 6, 2018

Michael McCann
Mayor