

AN ORDINANCE DECLARING IMPROVEMENTS TO CERTAIN PARCELS OF REAL PROPERTY TO BE A PUBLIC PURPOSE AND EXEMPT FROM TAXATION, DESCRIBING THE PUBLIC IMPROVEMENTS TO BE MADE TO DIRECTLY BENEFIT SUCH PARCELS, REQUIRING THE OWNERS OF THE IMPROVEMENTS ON SUCH PARCELS TO MAKE SERVICE PAYMENTS IN LIEU OF TAXES 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 “TIF Act”) provide that this Council may declare Improvements (as defined in Ohio Revised Code Section 5709.40) with respect to such parcels of real property located in 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, provide for the distribution of a portion of such service payments to the Brecksville - Broadview Heights City School District and the Cuyahoga Valley Career Center, 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, the Brecksville-Broadview Heights City School District and the Cuyahoga Valley Career Center have been notified of this Ordinance consistent with Ohio Revised Code Sections 5709.40 and 5709.83;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Brecksville, Cuyahoga County, Ohio, that:

Section 1. The real property subject to this ordinance is identified and depicted on Exhibit A to this ordinance (as currently or subsequently configured, the “Parcels”, with each individual parcel a “Parcel”).

Section 2. This Council hereby designates the public infrastructure improvements described in Exhibit B to this ordinance (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 Parcels.

Section 3. This Council hereby finds and determines 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 Ohio Revised Code Section 5709.40(A)) is hereby declared to be a public purpose and exempt from taxation in accordance with Ohio Revised Code Section 5709.40(B) for a period commencing for each separate Parcel on the January 1 of the tax year in which an Improvement would appear on the tax list and duplicate for such tax year for such Parcel (it being the intent that each Parcel be exempt for separate 30 year periods) were it not for the exemption granted by this ordinance, and ending on the earlier of (a) thirty (30) 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 Act.

Section 4. Pursuant to Ohio Revised Code Section 5709.42, the owner of each Parcel is hereby required to and shall make service payments in lieu of taxes with respect to the Improvement allocable thereto to 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 reduction 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. On August 18, 2020 this City Council adopted Ordinance No. 5336, pursuant to and in accordance with the provisions of Ohio Revised Code Section 5709.43, to establish the Brecksville Municipal Improvement Tax Increment Equivalent Fund, and further required the Finance Director to create an account within said fund for each TIF Ordinance adopted by this City Council pursuant to Ohio Revised Code 5709.40(B), which account for this Ordinance shall be designated the South End TIF Account (the "TIF Account"). The TIF Account shall be maintained in the custody of the City and shall receive all distributions to be made to the City pursuant to Section 6 of this Ordinance. Those Service Payments and Property Tax Rollback Payments received by the City with respect to the Improvement of each Parcel and so deposited pursuant to Ohio Revised Code Section 5709.42 shall be used solely for the purposes authorized in the TIF Act or this Ordinance. The TIF Account shall remain in existence so long as such Service Payments and Property Tax Rollback Payments are collected and used for the aforesaid purposes, after which time the TIF Account shall be dissolved and any incidental surplus funds remaining therein transferred to the City's General Fund, all in accordance with Ohio Revised Code Section 5709.43.

Section 6. Pursuant to the TIF Act, the County Fiscal Officer is requested to distribute the Service Payments to the Brecksville - Broadview Heights City School District and the Cuyahoga Valley Career Center in an amount equal to the amount each school district would otherwise have received as real property tax payments derived from the Improvement to that Parcel if the Improvement had not been exempt from taxation pursuant to this ordinance. The County Fiscal Officer is requested to distribute all remaining Service Payments to the City for further deposit into the TIF Account for payment of costs of the Public Infrastructure Improvements, including, without limitation, debt charges on any securities of the City heretofore or hereafter issued to pay or reimburse financing costs or costs of those Public Infrastructure Improvements and any other lawful purpose.

Section 7. This City Council hereby authorizes and directs the Mayor, the Finance Director, the Law Director, the Clerk of Council 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 Council further hereby authorizes and directs the Mayor, the Finance Director, the Law Director, the Clerk of Council 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 8. 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 Department 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 Director of Development or other authorized officer of the City is directed to prepare and submit to the Director of the Ohio Department of Development the status report required under Ohio Revised Code Section 5709.40(I).

Section 9. This Council determines that all formal actions of this Council concerning and relating to the passage of this Ordinance were passed in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action

were in meetings open to the public in compliance with all legal requirements including Section 121.22 of the Ohio Revised Code.

Section 10. This Council declares this Ordinance to be an emergency measure necessary for the immediate preservation of the public peace, health, safety and welfare. The reason for the emergency is to permit the construction improvements necessary for the redevelopment of the Parcels and create construction and permanent jobs in the City without delay; therefore, this ordinance shall be in full force and effect immediately upon its adoption by this Council and approval by the Mayor, otherwise, from and after the earliest period allowed by law.

PASSED: _____, 2022

First Reading: _____

APPROVED: _____, 2022

Second Reading: _____

Third Reading: _____

MAYOR

CLERK OF COUNCIL

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EXHIBIT A

Parcels

The Parcels consist of the real property within the area outlined in black on the map on the following page.

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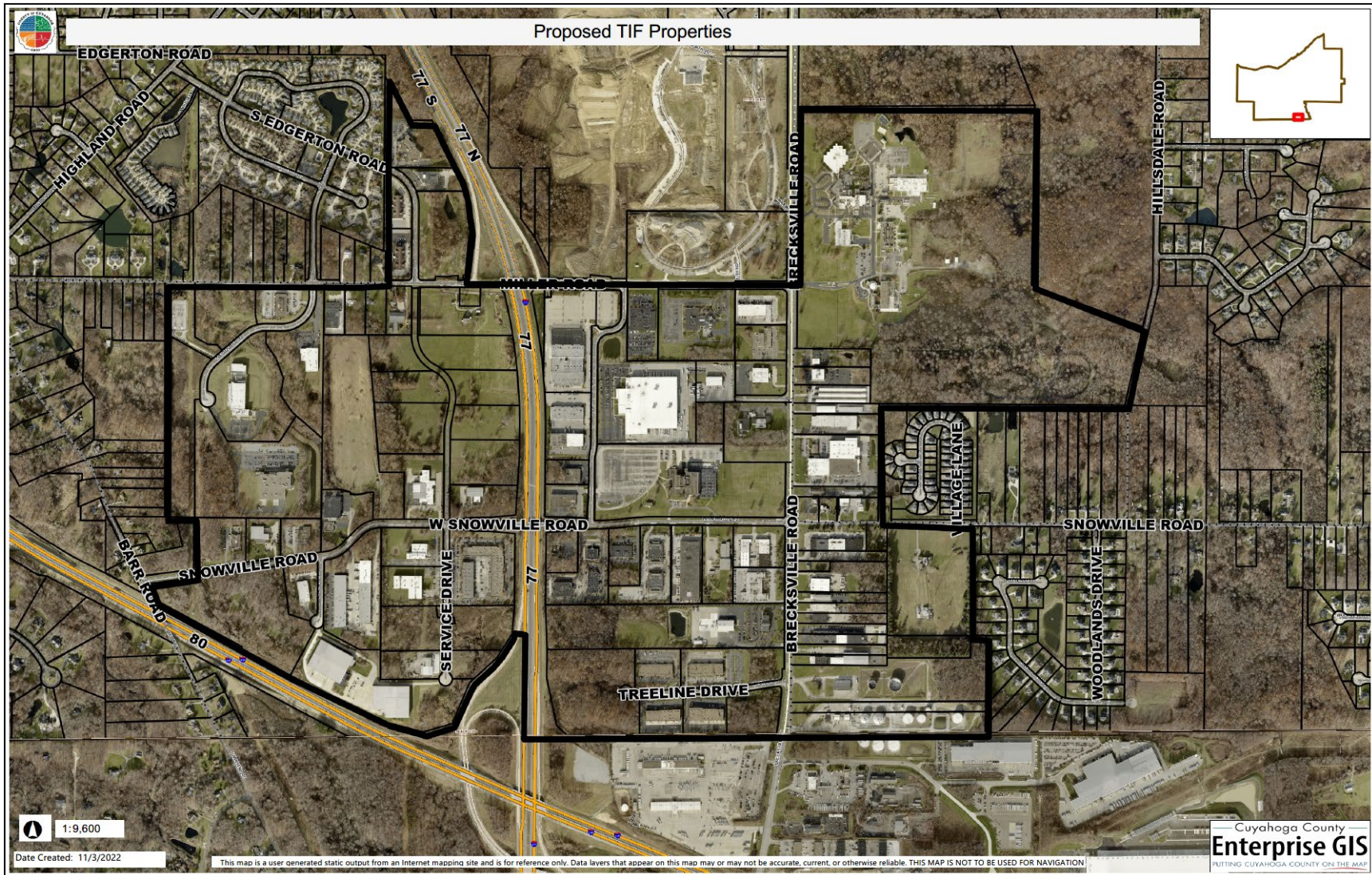


EXHIBIT B**Public Infrastructure Improvements**

The Public Infrastructure Improvements consist of any “public infrastructure improvement” defined under ORC 5709.40(A)(8) and that directly benefits the Parcels and specifically include, but are not limited to, the following improvements that will directly benefit the Parcels and all related costs of those permanent improvements (including, but not limited to, those costs listed in ORC 133.15(B)):

- **Roadways.** Construction, reconstruction, extension, opening, improving, maintaining, 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, including but not limited to, support of the I-77 interchange project, upgrades to Miller Road, including, but not limited to, widening Miller Road (including the bridge over I-77) and the installation of a signalized full movement left turn lane across from SouthPoint Parkway.
- **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.
- **Utilities.** Construction, reconstruction, burial or installation of gas, electric and communication service facilities and all appurtenances thereto, including, but not limited to those associated with improvements described in “Roadways” above.
- **Stormwater.** Construction, reconstruction, relocation, modification and installation of stormwater and flood remediation projects and facilities, both for storm water quantity and quality, including the payment and reimbursement for such projects and facilities on private property when determined to be necessary for public health, safety and welfare.
- **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, including acquisition of interests in the Parcels.
- **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.

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