

**RESOLUTIONS ADOPTED
December 19, 2018**

2018-134 RESOLUTION CREATING AN INCENTIVE DISTRICT, DECLARING THE IMPROVEMENTS TO THOSE PARCELS WITHIN THE DISTRICT TO BE A PUBLIC PURPOSE, REQUIRING THE OWNERS OF THOSE PARCELS TO MAKE SERVICE PAYMENTS IN LIEU OF TAXES, AND ESTABLISHING A TAX INCREMENT EQUIVALENT FUND

MINUTES

The Board of Painesville Township Trustees met for a special meeting at 4:30 P.M. on Wednesday, December 19, 2018 at 55 Nye Road. The meeting was called to order at 4:34 P.M. by Chairman Cicconetti. Present: Trustees Gabe Cicconetti, Chuck Hillier, Josh Pennock, Administrator Michael Manary, Legal Advisor Matt Lallo, Fiscal Officer Michael Patriarca .

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Resolved, We the Painesville Township Board of Trustees, hereby create an incentive district, declaring the improvements to those parcels within the district to be a public purpose, requiring the owners of those parcels to make service payments in lieu of taxes, and establishing a tax increment equivalent fund.

(See Exhibit A for resolution)

Gabe Cicconetti made a motion to close the meeting at 4:36 P.M., seconded by Chuck passed unanimously.

ADJOURNMENT



Gabe Cicconetti, Chairman



Michael Patriarca, Fiscal Officer

Painesville Township

Established
1800



Resolution

2018-134 RESOLUTION CREATING AN INCENTIVE DISTRICT, DECLARING THE IMPROVEMENTS TO THOSE PARCELS WITHIN THE DISTRICT TO BE A PUBLIC PURPOSE, REQUIRING THE OWNERS OF THOSE PARCELS TO MAKE SERVICE PAYMENTS IN LIEU OF TAXES, AND ESTABLISHING A TAX INCREMENT EQUIVALENT FUND.

WHEREAS, Ohio Revised Code Sections 5709.40 and 5709.73 through 5709.75 (the "Act") provide that this Board may (i) establish an incentive district in which a project is being, or will be, undertaken, (ii) declare that the improvements to parcels within the incentive district are a public purpose, (iii) provide for the making of service payments in lieu of taxes by the owners of specified parcels within the district, and (iv) establish a public improvement tax increment equivalent fund into which such service payments shall be deposited; and

WHEREAS, the engineer for the Township has certified in the attached "Exhibit A" hereto that the public infrastructure serving the parcels described on "Exhibit B" (hereinafter referred to as the "Property") hereto is inadequate to meet the development needs of the Property as evidenced by the Township's Comprehensive Plan.

WHEREAS, the Township has determined that the public infrastructure improvement project described in "Exhibit C" hereto if undertaken, or caused to be undertaken, by the Township will directly benefit the Property and attract retail development in the area; and

WHEREAS, the Township has declared through its Comprehensive Plan that the use of tax increment financing ("TIF") districts may be established to fund improvements to attract retail development through infrastructure improvements; and

WHEREAS, the Township has determined that it is necessary, appropriate, and in the best interests of the Township to provide for service payments in lieu of taxes with respect to the Property pursuant to the Act; and

WHEREAS, the Property is located in the Riverside Local School District and the Auburn Career Center Joint Vocational School District, and the Boards of Education of those School Districts have received the notice of this Resolution as required by Ohio Revised Code Section 5709.83;

NOW, THEREFORE BE IT RESOLVED, by the Board of Trustees of Painesville Township, Lake County, Ohio, that:

Section 1. Pursuant to and in accordance with the provisions of the Act, and, in particular, Ohio Revised Code Sections 5709.40 and 5709.73, the Board hereby creates an incentive district, including in it the parcels listed in "Exhibit B" attached hereto and declares the improvements to those parcels within said district to be a public purpose. The Board hereby accepts its engineer's certification that the public infrastructure serving the district is inadequate to meet the development needs of the district as evidenced by the Township's Comprehensive Plan.

Section 2. The Board specifically declares that the recent and upcoming development of the Fairway Pines neighborhood and corresponding commercial property will place additional demands on the public infrastructure in the area. The public infrastructure improvement project as described in "Exhibit C" that is intended to be taken, or caused to be undertaken, by the Township, is hereby declared to be for a public purpose that will directly benefit the parcels in the district, is necessary to meet the development needs of the district, and will also attract retail development in the area.

Section 3. Pursuant to Ohio Revised Code Section 5709.73(C), this Board hereby finds and determines that 100% of the increase in assessed value of the Property that would first appear on the tax list and duplicate of real and public utility property after the effective date of this Resolution were it not for the exemption granted by this resolution (which increase in assessed value is hereinafter referred to as the "Improvements" as defined in Ohio Revised Code Section 5709.73) is a public purpose, and 75% of the Improvements are hereby declared to be a public purpose for a period of 10 years and exempt from taxation, commencing with tax year 2019 and ending on the earlier of (1) the date the Improvements have been exempted from taxation for a period of 10 years or (2) the date on which the Township has collected into the Fund established in "Section 5" hereof, which is a total amount of payments in lieu of taxes available for and sufficient to pay the costs provided in "Section 5" hereof.

Section 4. As provided in Section 5709.911 of the Ohio Revised Code, the Township hereby makes application for an exemption on behalf of the property owners listed in the Property as found in "Exhibit B". Pursuant to and in accordance with Ohio Revised Code Section 5709.74, the owner or owners of the Improvements are hereby required to, and shall make, service payments in lieu of taxes to the Lake County Treasurer on or before the final dates for payment of real property taxes, which service payments shall be deposited in the Fund Established in "Section 5" hereof. This Board hereby authorizes and directs any member of this Board, the Township Administrator, the Township Fiscal Officer, or other appropriate officers of the Township to make such arrangements as are

necessary and proper for the collection from the owner of said service payments in lieu of taxes and to provide such information and certifications, and execute and deliver or accept delivery of such instruments, as are necessary and incidental to receiving payment of said service payments in lieu of taxes.

Section 5. This Board hereby establishes pursuant to and in accordance with the provisions of Section 5709.75 of the Ohio Revised Code, the **Fairway Pines Regional Detention Basin** Public Improvement Tax Increment Equivalent Fund (the "Fund"), into which shall be deposited all of the service payments in lieu of taxes distributed to the Township with respect to the Improvements on the Property by or on behalf of the County Treasurer as provided in Section 5709.74 of the Ohio Revised Code, and hereby provides that all of the moneys deposited in the Fund shall be used solely for 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 all costs described in Ohio Revised Code Section 133.15(B);
- (b) To pay the principal, interest, and premium, if any, on bonds or notes or other obligations issued under division (H) of Section 5709.73 of the Ohio Revised Code or on other obligations issued or loans entered into by the Township or other governmental entity at the request of the Township to finance the Public Infrastructure Improvements, including refunding or additional bonds or notes or other obligations, and to pay trustee and other costs related to servicing those obligations and providing and replenishing a reserve fund and to pay any costs charged by the lender or issuer of those obligations (if other than the Township); and
- (c) To reimburse the Township or other governmental entity for any funds used by the Township or other governmental entity at the request of the Township to pay costs of the Public Infrastructure Improvements, or to pay interest or principal, or premium, on any of the aforesaid notes, bonds, or loans, prior to receipt of service payments in lieu of taxes as described in "Section 4" hereof.

The Fund shall remain in existence so long as such service payments are collected and used for the aforesaid purposes, after which said Fund shall be dissolved in accordance with said Section 5709.75.

Section 6. Pursuant to Section 5709.73 of the Ohio Revised Code, the Township Fiscal Officer of this Board is hereby directed to deliver a copy of the Resolution to the Director of the Department of Development of the State of Ohio within fifteen days after its adoption. On or before March 31st of each year that the exemption set forth in "Section 3" hereof remains in effect, the Township Administrator or other authorized officer of this Township shall prepare and submit to the Director of the Department of

Development of the State of Ohio the status report required under Section 5709.73 of the Ohio Revised Code.

Section 7. This Board finds and determines that all formal actions of this Board concerning and relating to the adoption of this Resolution were taken in an open meeting of this Board and that all deliberations of this Board that resulted in those formal actions were in meetings open to the public in compliance with the law, including Section 121.22 of the Ohio Revised Code.

Section 8. This Resolution shall be in full force and effect from and immediately after its adoption.

I hereby certify that the above is a true and accurate copy of the Resolution adopted by the Painesville Township Board of Trustees at a special Trustees Meeting on the 19th day of December, 2018.



Fiscal Officer

12/19/18
Date