

1 RESOLUTION NO. 2020-407

Late Filing

2  
3 SPONSOR Executive Shapiro

4  
5 DATE December 7, 2020

COMMITTEE Planning

6  
7 **A Resolution declaring improvements to certain real property within the County to be a**  
8 **public purpose; describing the public infrastructure improvements made or to be made to**  
9 **directly benefit such parcel; exempting such improvements from ad valorem real property**  
10 **taxation; requiring the owner of the real property that includes the improvements to make**  
11 **service payments in lieu of ad valorem real property taxes; establishing a redevelopment tax**  
12 **equivalent fund for the deposit of the service payments in lieu of ad valorem property taxes,**  
13 **all pursuant to Sections 5709.77, 5709.78, 5709.79 and 5709.80 of the Ohio Revised Code;**  
14 **authorizing the County Executive to execute and deliver a Tax Increment Financing**  
15 **Agreement; and authorizing the County Executive to execute and deliver a Development**  
16 **Agreement related to the construction of the public infrastructure improvements, for the**  
17 **Executive's Department of Community and Economic Development, and declaring an**  
18 **emergency.**

19  
20 WHEREAS, Sections 5709.77, 5709.78, 5709.79 and 5709.80 of the Ohio Revised Code  
21 (together, the "Act") provide that this Council may (i) declare to be a public purpose any public  
22 infrastructure improvements made that are necessary for the development of certain parcels of land  
23 located in the unincorporated area of the County, (ii) exempt from real property taxation  
24 "improvements" (as defined in Section 5709.77(D) of the Ohio Revised Code) as being the increase  
25 in the assessed value of real property that would first appear on the tax list and duplicate of real and  
26 public utility property after the effective date of this Resolution were it not for the exemption  
27 granted by this Resolution) (the "Improvements") to a parcel of land located in the County that  
28 directly benefits from such public infrastructure improvements for a period of time, (iii) provide for  
29 the making of service payments in lieu of ad valorem real property taxes by the owner of such  
30 parcel, and (iv) establish a redevelopment tax equivalent fund into which such service payments  
31 shall be deposited; and

32  
33 WHEREAS, J.J.J. Properties, LLC, an Ohio limited liability company (the "Developer")  
34 intends to develop approximately seventy-nine (79) acres of unimproved land identified by  
35 Permanent Parcel Number 4802159 and situated in Richfield Township (the "Township"), Summit  
36 County, Ohio, as more particularly described in Exhibit A, attached hereto and incorporated herein,  
37 (the "TIF Parcel") and to develop such TIF Parcel as a commercial distribution facility and offices  
38 and related improvements (the "Development"); and

39  
40 WHEREAS, the presence of the Development in the County will benefit the County and its  
41 residents by creating economic opportunities, increasing local employment opportunities, enlarging  
42 the property tax base, and stimulating collateral development in the County; and

43  
44 WHEREAS, this Council has determined that it is necessary and appropriate and in the best  
45 interests of the County to provide for service payments in lieu of ad valorem real property taxes  
46 with respect to the improvements of the TIF Parcel, pursuant to Section 5709.79 of the Ohio  
47 Revised Code, to pay or reimburse the costs of constructing and financing certain public  
48 infrastructure improvements; and

49  
50 WHEREAS, the County Executive desires to execute and enter into (i) a Tax Increment  
51 Financing Agreement (the "TIF Agreement"), with Becknell Industrial, LLC, as property owner of  
52 the TIF Parcel, and the Developer, substantially in the form of the agreement attached hereto as

3  
4 Exhibit B, (ii) a Development Agreement (“Development Agreement”) with the Developer,  
5 Township and Village of Richfield (the “Village”) substantially in the form of the agreement  
6 attached hereto as Exhibit C, and (iii) any other related agreements and documents to facilitate the  
7 successful financing and completion of the public infrastructure improvements; and  
8

9 WHEREAS, notice of this Council’s intention to declare the Improvements exempt from  
10 real property taxes and to adopt this Resolution has been delivered to the Board of Education of the  
11 Revere Local School District (“Board”) and the Cuyahoga Valley Career Center in accordance with  
12 Section 5709.83 of the Ohio Revised Code, and this Council ratifies and affirms the delivery of such  
13 notices; and  
14

15 WHEREAS, no compensation payments are required to be made to the Board under  
16 Sections 5709.78(C) and 5709.82 of the Ohio Revised Code; and  
17

18 WHEREAS, this Council finds and determines, after reviewing all pertinent information, that it is  
19 necessary and in the best interest of the County to undertake the aforementioned actions and  
20 transactions.

21 NOW, THEREFORE, BE IT RESOLVED by the Council of the County of Summit, State  
22 of Ohio, that:

23  
24 SECTION 1

25  
26 The public infrastructure improvements made or to be made and further described in Exhibit  
27 D hereto (the “Public Infrastructure Improvements”) are hereby declared to be a public purpose, and  
28 directly benefit and are necessary for the development of the TIF Parcel.  
29

30 SECTION 2

31  
32 Pursuant to, and in accordance with, the provisions of Section 5709.78 of the Ohio Revised  
33 Code, this Council hereby finds and declares that fifty percent (50%) of the Improvements (defined  
34 above) to the TIF Parcel shall be exempt from real property taxation, for a period not to exceed ten  
35 (10) years, commencing, in accordance with Section 5709.78(F) of the Ohio Revised Code, with the  
36 tax year following the year in which the distribution center and office space constituting the  
37 Development are completed as evidenced by the County’s issuance of a certificate of occupancy  
38 (January 1 of such year being the “Commencement Date”), and ending on the earlier of (i) the date  
39 the Improvements have been exempted from taxation for a period of ten (10) years or (ii) the date  
40 on which the County has collected into the Fund (established and defined in Section 4 below) a total  
41 amount of Service Payments (as defined below) available for and sufficient to pay the costs  
42 provided in Section 4 (such period, the “Exemption Period”).  
43

44 SECTION 3

45  
46 As provided in Section 5709.79 of the Ohio Revised Code, the owner of the TIF Parcel is  
47 hereby required to and shall pay the service payments in lieu of ad valorem real property taxes to the  
48 County Fiscal Office, Treasurer Division (unless otherwise authorized and directed in writing by the  
49 County) on or before the final dates for payment of real property taxes, which service payments in  
50 lieu of ad valorem real property taxes, together with any associated rollback payments, shall be  
51 deposited in the Fund (defined below in Section 4). Any late payments of service payments in lieu  
52

3  
4 of ad valorem real property taxes shall be subject to penalty and bear interest at the then current rate  
5 established under Sections 323.121(B)(1) and 5703.47 of the Ohio Revised Code, as may  
6 hereinafter be amended, or any successor provisions thereto (the late payments together with the  
7 service payments in lieu of ad valorem real property taxes and rollback payments are referred to  
8 collectively as the "Service Payments"). The Service Payments shall be allocated and distributed to  
9 or at the direction of the Developer or its assigns to pay or reimburse Permitted Costs as defined in  
10 Section 4. This Council hereby authorizes the County Executive, the County Fiscal Officer, and  
11 other appropriate officers of the County, to provide such information and certifications, and execute  
12 and deliver or accept delivery of such instruments, as are necessary or incidental to collect those  
13 Service Payments, and to make such arrangements as are necessary and proper for payment of the  
14 Service Payments.

15  
16 SECTION 4

17  
18 This Council hereby (i) establishes, pursuant to, and in accordance with, the provisions of  
19 Section 5709.80 of the Ohio Revised Code, the Richfield Township Project Redevelopment Tax  
20 Equivalent Fund (the "Fund") into which there shall be deposited all of the Service Payments and  
21 any interest or late fees assessed thereon with respect to the Improvements on the TIF Parcel, as  
22 provided in Section 5709.80 of the Ohio Revised Code and the TIF Agreement, and (ii) agrees that  
23 moneys in the Fund shall be used solely for the purposes authorized in the Act, including for any or  
24 all of the following purposes (collectively, "Permitted Costs"):

25 (i) to pay any and all planning, engineering, acquisition, construction, installation, financing  
26 costs, and any and all other direct and indirect costs of the Public Infrastructure Improvements,  
27 including those costs set forth in Section 133.15(B) of the Ohio Revised Code, and interest on  
28 amounts advanced for payments of all such costs; and

29 (ii) to pay the interest and any premium on, and principal of, any loans entered into to finance  
30 costs of the Public Infrastructure Improvements (including any amendment, replacement,  
31 refinancing, extension of such loans) until such loans are paid in full, and to pay any administrative  
32 and other costs related to servicing any such loans.

33 The Fund shall be maintained in the custody of the County and shall receive all distributions  
34 of Service Payments, interest and late fees required to be made to the County. The Fund shall  
35 remain in existence so long as the Service Payments are collected and used for the aforesaid  
36 purposes, after which said Fund shall be dissolved in accordance with Section 5709.80(D) of the  
37 Ohio Revised Code.

38  
39 SECTION 5

40  
41 The County Executive is hereby authorized to execute the TIF Agreement on behalf of the  
42 County, which shall provide for, among other things, the payment of Service Payments with respect  
43 to the TIF Parcel and the use of the monies deposited in the Fund, together with such revisions or  
44 additions thereto as approved by the County Executive and consistent with the objectives and  
45 requirements of this Resolution, which approval shall be conclusively evidenced by the signing of  
46 the TIF Agreement. The County Executive, County Fiscal Officer and other appropriate County  
47 officials are further authorized to provide such information and to execute, certify or furnish such  
48 other documents, and to do all other things as are necessary for, and incidental to, carrying out the  
49 provisions of the TIF Agreement.  
50

3  
4 SECTION 6

5  
6 This Council further hereby authorizes and directs the County Executive to execute the  
7 Development Agreement on behalf of the County, which shall provide for the design, construction,  
8 dedication and acceptance of the public infrastructure improvements. The County Executive and  
9 other appropriate County officials are further authorized to provide such information and to execute,  
10 certify or furnish such other documents, and to do all other things that are necessary for, and  
11 incidental to, carrying out the provisions of the TIF Agreement.

12  
13 SECTION 7

14  
15 This Council further hereby authorizes and directs the County Executive, the County Fiscal  
16 Officer, or other appropriate officers of the County to sign and execute all such additional  
17 agreements, documents and make such arrangements as are necessary and proper for collection of  
18 the Service Payments, which are to be deposited in the Fund, and to implement the transactions  
19 described or contemplated by this Resolution.

20  
21 SECTION 8

22  
23 In accordance with Section 5709.832 of the Ohio Revised Code, this Council shall require in  
24 the TIF Agreement that the Developer or the then-owner of the TIF Parcel, and its successors or  
25 assigns in interest to the property tax exemption authorized herein, develop non-discriminatory  
26 hiring practices in its operations as to this Development, shall not deny employment to any  
27 individual based solely on the basis of race, religion, sex, disability, color, national origin, or  
28 ancestry.

29  
30 SECTION 9

31  
32 Pursuant to the requirements of Section 5709.85 of the Ohio Revised Code, this Council  
33 hereby creates the Richfield Township Project Tax Incentive Review Council ("TIRC"), to include  
34 the membership of the TIRC constituted in accordance with Section 5709.85 of the Ohio Revised  
35 Code. The TIRC shall, in accordance with Section 5709.85 of the Ohio Revised Code, review  
36 annually all exemptions from taxation resulting from the declarations set forth in this Resolution and  
37 any other such matters as may properly come before the TIRC, all in accordance with Section  
38 5709.85 of the Ohio Revised Code. This Council hereby directs the County Executive to cooperate  
39 with the Township and the School District in appointing the required members of the TIRC.

40  
41 SECTION 10

42  
43 Pursuant to Section 5709.78(H) of the Ohio Revised Code, the County Executive is hereby  
44 directed to deliver or cause to be delivered a copy of this Resolution to the Director of the Ohio  
45 Development Services Agency (the "Director") within 15 days after its adoption. On or before  
46 March 31 of each year that the exemption set forth in Section 2 remains in effect, the County  
47 Executive or other authorized officer of the County shall prepare and submit to the Director the  
48 status report required under Section 5709.78(H) of the Ohio Revised Code.

1 RESOLUTION NO. 2020-407

2 PAGE FIVE

3  
4 SECTION 11

5  
6 This Resolution is hereby declared an emergency in the interest of the health, safety and  
7 welfare of the residents of the County of Summit, and for the further reason that it is required to be  
8 immediately effective in order to enable the County to provide for the real property tax exemption,  
9 the Service Payments, and the related objectives provided for herein that are needed to benefit the  
10 County, the Township and their residents by creating economic opportunities, enlarging the  
11 property tax base, and stimulating collateral development within the County.

12  
13 SECTION 12

14  
15 Provided this Resolution receives the affirmative vote of eight members, it shall take effect  
16 immediately upon its adoption and approval by the Executive; otherwise, it shall take effect and be  
17 in force at the earliest time provided by law.


18  
19 SECTION 13

20  
21 It is found and determined that all formal actions of this Council concerning and relating to  
22 the adoption of this Resolution were adopted in an open meeting of this Council, and that all  
23 deliberations of this Council and of any of its committees that resulted in such formal action, were  
24 in meetings open to the public, in compliance with all legal requirements, including Section 121.22  
25 of the Ohio Revised Code.

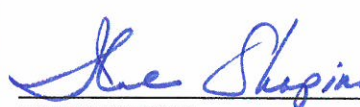
26  
27 INTRODUCED November 23, 2020

28  
29 ADOPTED December 7, 2020

30  
31   
32 \_\_\_\_\_  
33 CLERK OF COUNCIL

34  
35   
36 \_\_\_\_\_  
37 PRESIDENT OF COUNCIL

38  
39 APPROVED December 8, 2020

40  
41   
42 \_\_\_\_\_  
43 EXECUTIVE

44  
45 ENACTED EFFECTIVE December 8, 2020

Voice Vote: YES: 11-0 Dickinson, Donofrio, Feeman, Koehler,  
McKenney, Prentice, Rodgers, Schmidt, Sims, Walters, Wilhite