

CITY OF BEDFORD, OHIO

ORDINANCE NO. 9981-22

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO EXECUTE AND DELIVER AN AGREEMENT WITH THE BEDFORD CITY SCHOOL DISTRICT TO PAY CERTAIN SUMS TO THE DISTRICT TO PROMOTE THE HEALTH, SAFETY AND WELFARE OF THE CITIZENS OF THE CITY AND THE SCHOOL DISTRICT AND DECLARING AN EMERGENCY.

WHEREAS, the City of Bedford (“City”) has authority under Ohio law to abate taxes on property to promote economic development in the City; and

WHEREAS, in order to promote economic development and create and retain jobs within the City, the City is considering a grant of tax abatement of a portion of the assessed value certain additional property (“Abated Properties”), in the City to be acquired and constructed by **APEC Holdings, Inc.** which is also within the boundaries of the Bedford City School District (“School District”); and

WHEREAS, the City recognizes that a quality school system is essential to the health, safety, and welfare of the citizens of the City; and

WHEREAS, the City intends to compensate the District for its loss of revenues as a result of the **APEC Holdings, Inc.** Abatements, and to evidence that intention proposes that the City and the District enter into an Abatement Compensation Agreement, whereby the City would pay to the District a portion of the income tax revenues withheld by and paid to the City as a result of **APEC Holdings, Inc.** acquisition and construction of the Abated Properties; and

WHEREAS, this Council has determined that such compensation to the School District will facilitate economic development in the City, improve the quality of the school system serving all of the citizens of the City, enhance property values and City revenues, and improve the quality of the City’s services, among other benefits, all of which will promote the health, safety, and welfare of the citizens of the City.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Bedford, County of Cuyahoga, and the State of Ohio:

Section 1. The City Manager is hereby authorized to enter into an Abatement Compensation Agreement between the City and the School District in substantially the form now on file with the Clerk of this Council, with such changes, not materially adverse to the City as may be authorized by the City Manager and approved by the Director of Law; provided that in no event shall the compensation paid to the District pursuant to the Abatement Agreement exceed the lesser of the. (a) 15 percent (15%) of the Additional Withholding Income Tax Revenues of **APEC Holdings, Inc. payroll amount exceeding \$2,160,000.00** (as defined in the Agreement) which the City derives from the Abated Properties pursuant to its income tax ordinance, including all subsequent amendments thereto or (b) an amount equal to the portion of property tax revenues the School District would have otherwise annually received from the Abated Properties but for the tax abatement granted by the City. In no event shall payments by the City to the School District in any year exceed the amount of property tax revenue the School District would otherwise have derived from the Abated Properties but for the tax abatement granted by the City.

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Section 2. This legislative authority hereby finds and determines that the execution, delivery and performance of the Agreement is a proper public purpose for the promotion of the health, safety and welfare of the citizens of the City.

Section 3. Council further finds and determines that all formal actions of this Council concerning and relating to the adoption of this Ordinance occurred in an open meeting of this Council and that all deliberations of this Council and 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 4. This Ordinance is declared to be an emergency measure, for the immediate preservation of the public peace, health, safety or welfare of this City and for the further reason that this ordinance is required to be immediately effective to facilitate the implementation of the improvements and projects which are the subject of the contemplated abatement, which improvements and projects are necessary to create jobs and improve the economic welfare of the people of the City, and provided that it receives the affirmative vote of at least five (5) members elected to Council shall take effect and be in full force and effect immediately upon its passage and approval by the City Manager; otherwise it shall take effect and be in force after the earliest period allowed by law.

WHEREFORE, this Ordinance shall take effect and be in force from and after the earliest date permitted by law.

Stanley C. Koci, Mayor-President of Council

Tracy M. Simons, Clerk of Council

Prepared and approved as to legal content by: _____
John J. Montello, Law Director

PASSED: June 6, 2022

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I, Tracy M. Simons, Clerk of Council of the City of Bedford, Ohio, do hereby certify that this is a true and correct copy of Ordinance No. **9981-22** passed on the **6th** day of **June 2022** by said Council.

Tracy M. Simons, Clerk of Council

CERTIFIED: June 7, 2022