

RECORD OF ORDINANCES

GOVERNMENT FORMS & SUPPLIES (844) 224-3338 FORM NO. 30043

Ordinance No. 11-2022Passed MAY 2, 2022

VILLAGE OF NAVARRE
STARK COUNTY, OHIO
ORDINANCE NO. 11-2022

AN ORDINANCE ESTABLISHING "MID'S PASTA SAUCE NON JOINT FIRE DISTRICT TIF," AUTHORIZING FINANCING OF PUBLIC INFRASTRUCTURE IMPROVEMENTS UNDER SECTIONS 5709.40, ET. SEQ., OF THE OHIO REVISED CODE

Whereas, the Village of Navarre, Ohio, (the "Village") to assist in creation or preservation of jobs and employment opportunities and facilitate the construction of public infrastructure improvements within the Village, desires to contract for and finance upgrade and expansion of capacity at its wastewater treatment plant, which is "the public infrastructure improvement" that is the subject of this Ordinance; and

Whereas, Village Council, by separate ordinance, anticipates entering into contracts for and becoming responsible for costs and expenses associated with an upgrade and expansion of capacity at the public infrastructure improvement; and

Whereas, the Village will need and require funds beyond what are presently available in order to complete construction of the public infrastructure improvements deemed necessary to facilitate and serve industrial development and job creation on Stark County tax parcels 1201027, 1201028, 1201035, 1201036, 1201037, 1201038, 1201039, 1201040, 1201041, 1201227, and 1201228; and

Whereas, the Village proposes to establish a tax increment financing ("TIF") area pursuant to Section 5709.40(B) of the Ohio Revised Code for Stark County tax parcels 1201027, 1201028, 1201035, 1201036, 1201037, 1201038, 1201039, 1201040, 1201041, 1201227, and 1201228; and

Whereas, the Mid's Pasta Sauce Non Joint Fire District TIF shall include the entirety of the certain parcels of real property located in the Village, as identified in the two above paragraphs and depicted in "Exhibit A" (Parcel List & Map) attached hereto (with the current parcels of such real property referred to herein as the "TIF Parcels"); and

Whereas, Village Council has determined that the proposed public infrastructure improvement will directly benefit the TIF Parcels; and

Whereas, this Ordinance shall establish the Mid's Pasta Sauce Non Joint Fire District TIF and provides for a seventy-five percent (75%) exemption from real property taxation on all nonresidential development on the TIF Parcels for a period of not more than ten (10) years. The Navarre-Bethlehem Joint Fire District (Joint Fire District") will receive, in the same manner as usual, all amounts that the Joint Fire District would have received in real property taxes had the tax exemption not been granted. Annual service payments in lieu of taxes will be made with respect to new private nonresidential development on the TIF Parcels. The applicable portion of those service payments will be distributed directly to the Joint Fire District, with the remaining non-joint fire district portion of those service payments paid to the Village for deposit into the TIF fund established pursuant to this Ordinance to be used to reimburse for the public infrastructure improvement benefiting the TIF Parcels; and

Whereas, no funding is required for this legislation, the Village is foregoing real property tax revenue that it would have received with respect to development on the TIF Parcels. Instead, the non-fire district portion of that revenue will be diverted to the specified TIF fund to be used to reimburse the cost of the public infrastructure improvements benefiting the TIF Parcels; and

Whereas, Sections 5709.40, 5709.41, 5709.42 and 5709.43 of the Ohio Revised Code (collectively, the "TIF Statutes") authorize the legislative authority of a municipal corporation, by ordinance, to declare the improvement to certain parcels of real property

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located within the municipal corporation to be a public purpose and exempt from taxation, require the owner of each parcel to make service payments in lieu of taxes, provide for the distribution of the applicable portion of such service payments to the municipal corporation, establish a municipal public improvement tax increment equivalent fund for the deposit of the remainder of such service payments 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, this Council has determined that it is necessary and appropriate and in the best interest of the Village to exempt from taxation seventy-five percent (75%) of the Improvement to the TIF Parcels as permitted and provided in Section 5709.40(B) of the Ohio Revised Code for up to ten (10) years (the "TIF Exemption"), with said ten (10) year term to commence upon the specific incremental increase in taxes as a result of building(s) and other taxable improvements being assessed for the TIF Parcels, and to simultaneously direct and require the current and future owner(s) of the TIF Parcels (each such owner individually, an "Owner," and collectively, the "Owners") to make annual Service Payments (as later defined in Section 2 of this Ordinance) in lieu of real property tax payments, in the same amount as they would have made real property tax payments except for the exemption provided by this Ordinance; provided that the TIF Exemption and the obligation to make Service Payments are subject and subordinate to any tax exemption applicable to the Improvement pursuant to Section 140.08 or Sections 5709.12 and 5709.121 or under Sections 3735.65 through 3735.70 or 5709.61 through 5709.69 of the Ohio Revised Code; and

Whereas, the Village has determined that a portion of the Service Payments shall be paid directly to the Joint Fire District in an amount equal to the real property taxes that the Joint Fire District would have been paid if the Improvement to the TIF Parcels located within that Joint Fire District had not been exempt from taxation pursuant to this Ordinance; and

Whereas, pursuant to Section 5709.43(A) of the Ohio Revised Code, Village Council has determined to establish a village public improvement tax increment equivalent fund in which there shall be deposited the remaining Service Payments distributed to the Village as provided herein; and

Whereas, Village Council has determined to provide for the construction of the public infrastructure improvements described in "Exhibit B" attached hereto (the "Public Infrastructure Improvements"), which Public Infrastructure Improvements, once made, will directly benefit the TIF Parcel; and

Whereas, notice of this proposed Ordinance has been delivered to the Board of Education of the School Districts in accordance with and within the time periods prescribed in Sections 5709.40 and 5709.83 of the Ohio Revised Code; and

Whereas, an emergency exists in that this Ordinance is required to be immediately effective in order to facilitate the development of the TIF Parcels, such immediate action being necessary for the preservation of the public health, peace, property and safety

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF NAVARRE:

Section 1. Authorization of Tax Exemption. Pursuant to and in accordance with the provisions of Section 5709.40(B) of the Ohio Revised Code, Village Council hereby finds and determines that seventy-five percent (75%) of the increase in assessed value of the TIF Parcels subsequent to the effective date of this Ordinance (which increase in assessed value is hereinafter referred to as the "Improvement," as defined in Section 5709.40(A) of the Ohio Revised Code) is hereby declared to be a public purpose and shall be exempt from taxation for a period commencing with the first tax year that begins after the effective date of this Ordinance and in which an Improvement first appears on the tax list and duplicate of real and public utility property and ending on the earlier of (a) a ten (10) year term to commence upon the specific incremental increase in taxes as a result of building(s) and other taxable improvements

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being assessed for the TIF Parcels or (b) the date on which the Village can no longer require service payments in lieu of taxes, all in accordance with the requirements of the TIF Statutes.

The TIF Exemption granted pursuant to this Section 2 and the payment obligations established pursuant to Section 3 of this Ordinance are subject and subordinate to any tax exemption applicable to the Improvement pursuant to Section 140.08 or Sections 5709.12 and 5709.121 or under Sections 3735.65 through 3735.70 or 5709.61 through 5709.69 of the Ohio Revised Code.

Section 2. Service Payments and Property Tax Rollback Payments.

Subject to any tax exemption applicable to the Improvement pursuant to Section 5709.12 or under Sections 3735.65 through 3735.70 or 5709.61 through 5709.69 of the Ohio Revised Code, and pursuant to Section 5709.42 of the Ohio Revised Code, this Council hereby directs and requires the Owner of the TIF Parcels it owns to make annual Service Payments (as defined herein) in lieu of taxes with respect to the Improvement allocable thereto to the Stark County Treasurer (the "County Treasurer") on or before the final dates for payment of real property taxes. Each service payment in lieu of taxes, including any penalties and interest at the then current rate established under Sections 323.121(B)(1) and 5703.47 of the Ohio Revised Code (collectively, the "Service Payments"), 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 payable against the Improvement if it were not exempt from taxation pursuant to Section 2 of this Ordinance. 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 Sections 319.302, 321.24, 323.152 and 323.156 of the Ohio Revised Code, 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 and distributed in accordance with Section 5 of this Ordinance. Village Council further hereby authorizes and directs appropriate officers of the Village to make such arrangements as are necessary and proper for collection of the Service Payments from the Owners, including the preparation and filing of any necessary exemption applications.

Section 3. 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 Wastewater Treatment Plant Public Improvement Tax Increment Equivalent Fund (the "TIF Fund"), into which the County Treasurer shall deposit the Service Payments collected from the TIF Parcels not required to be distributed to the Joint Fire District pursuant to this Ordinance. That TIF Fund shall be maintained in the custody of the Village and shall receive the distributions to be made to the Village pursuant to this Ordinance. Those Service Payments and Property Tax Rollback Payments received by the Village with respect to the Improvement of the TIF Parcels and so deposited pursuant to Sections 5709.42 and 5709.43 of the Ohio Revised Code shall be used solely for the purposes authorized in the TIF Statutes and this Ordinance. The TIF Fund 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 Fund shall be dissolved and any surplus funds remaining therein transferred to the Village's General Fund, all in accordance with Section 5709.43 of the Ohio Revised Code.

Section 4. Distribution of Funds. Pursuant to the TIF Statutes, the County Treasurer is requested to distribute the Service Payments and the Property Tax Rollback Payments as follows:

(i) to the Joint Fire District, an amount equal to the amount the Joint Fire District would otherwise have received as real property tax payments (including the applicable portion of any Property Tax Rollback Payments) derived from the Improvement to the TIF Parcels located within the Joint Fire District if the Improvement had not been exempt from taxation pursuant to this Ordinance; and

(ii) to the Village, all remaining amounts for further deposit into the TIF Fund for payment of costs of the Public Infrastructure Improvements, either by payment to the Village or by reimbursing such party as may be authorized by a TIF Agreement,

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for those costs.

All distributions required under this Section 4 are requested to be made at the same time and in the same manner as real property tax distributions.

Section 5. Public Infrastructure Improvements. This Council hereby designates the Public Infrastructure Improvements described in "Exhibit B" attached hereto, which may include land purchases that will aid in the efficient development of public infrastructure improvements benefiting the TIF Parcels, and any other public infrastructure improvements hereafter designated by ordinance as public infrastructure improvements, as public infrastructure improvements made, to be made or in the process of being made by the Village and/or its instrumentality, that directly benefit, or that once made will directly benefit, the TIF Parcels.

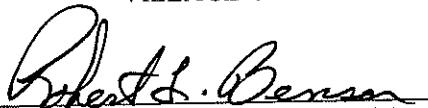
Section 6. Further Authorizations. Village Council ratifies the delivery of the notice of this Ordinance to the affected School Districts and hereby authorizes and directs the Village Administrator, the Village Clerk or other appropriate officers of the Village to make such arrangements as are necessary and proper for collection from the Owners of the Service Payments. Village Council further authorizes that the Village Administrator or Mayor are authorized to execute such other agreements and instruments, subject to approval by the Village Solicitor as to form and legality, and to take all actions necessary to implement this Ordinance.

Section 7. Filings with Ohio Department of Development. Pursuant to Section 5709.40(I) of the Ohio Revised Code, the Clerk-Treasurer is hereby directed to deliver a copy of this Ordinance to the Director of Development of the State of Ohio within fifteen (15) days after its effective date. Further, on or before March 31 of each year the exemption set forth in Section 2 of this Ordinance remains in effect, the Village Administrator or Clerk-Treasurer or other authorized officer of the Village shall prepare and submit to the Director of Development of the State of Ohio the status report required under Section 5709.40(I) of the Ohio Revised Code.

Section 8. Tax Incentive Review by Village Council. The Village's Village Council shall function as a Village Tax Incentive Review Council and shall review annually all exemptions from taxation resulting from the declarations set forth in this Ordinance and any other matters as may properly come before Village Council, all in accordance with Section 5709.85 of the Ohio Revised Code.

Section 9. Effective Date. Whereas, this Ordinance shall take effect and be in full force immediately upon its adoption by Village Council and approval by the Mayor. Further, Village Council declares that this ordinance, being reasonably necessary for the health, welfare, and safety of the Village of Navarre, particularly as it permits Public Infrastructure Improvement to commence on the wastewater treatment plant as early as possible, which will improve the prospects for the creation of new jobs and employment opportunities within the Village, and should therefore be passed as an EMERGENCY, with the number of votes necessary to waive the three readings rule and adopt this measure as an EMERGENCY.

VILLAGE OF NAVARRE

APPROVED: 
ROBERT L. BENSON, MAYOR

DATE: May 2, 2022

ADOPTED as an EMERGENCY, with the number of votes necessary to waive the customary rules of passage and to pass as an EMERGENCY:

AYES: 5 NAYS: 0

ATTEST: 
ANNE L. JOHNSON, CLERK/TREASURER

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EXHIBIT A

(Parcel list and map)

The initial territory included within the Mid's Pasta Sauce Non Joint Fire District TIF shall consist of Stark County (2022) tax parcels #1201027, 1201028, 1201035, 1201036, 1201037, 1201038, 1201039, 1201040, 1201041, 1201227, and 1201228, as depicted on the attached map from the Stark County GIS map.

EXHIBIT B

(Description of Public Infrastructure Improvements)

The Public Infrastructure Improvements covered by the Mid's Pasta Sauce Non Joint Fire District TIF include but are not limited to any of the following improvements that will directly benefit the TIF Parcels, together with all related costs of those permanent improvements (including, but not limited to, those costs listed in Ohio Revised Code, Sec. 133.15(B)):

(A) Construction and reconstruction of additional capacity to and other upgrades to the Navarre wastewater treatment plant, and construction and relocation of all sanitary sewer transmission lines leading to said plant, and all appurtenances thereto.

(B) Construction, reconstruction, installation or relocation of gas, electric, and communication service facilities, and relocation and burial of overhead utility lines, and all appurtenances thereto, as required as part of construction of additional capacity to and other upgrades to the Navarre wastewater treatment plant.

(C) Construction, reconstruction, installation, improvement, or relocation of public and private roadways and access roads, bridges (roadway or pedestrian), public parking spaces and structures, streetscape improvements, curbs, gutters, sidewalks with sidewalk lighting, bikeways, medians and viaducts, roadway lighting systems, signals, signs and other traffic control structures and devices (including site grading for all the foregoing), and all appurtenances thereto, as required as part of construction of additional capacity to and other upgrades to the Navarre wastewater treatment plant.

(D) Construction and installation of landscape improvements, including trees and other plantings, to include screening required by applicable zoning regulations, together with tree grates, signage, curbs, irrigation systems, and all appurtenances thereto, as required as part of construction of additional capacity to and other upgrades to the Navarre wastewater treatment plant.

(E) Storm water and flood remediation, and all appurtenances thereto, environmental remediation in connection with the development of the TIF Parcels, engineering, architectural, design, and inspection costs in connection with the development of the Public Infrastructure Improvements (i.e., construction of additional capacity to and other upgrades to the Navarre wastewater treatment plant).

(F) Demolition and excavation, including on private property, when determined to be necessary for economic development purposes, required for construction of additional capacity to and upgrades to the Navarre Wastewater treatment plant.

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I, Anne L. Johnson, Clerk-Treasurer for the Village of Navarre, Ohio, do hereby certify that the forgoing is a true copy of Ordinance 11-2022 duly passed and adopted by the Council of the Village of Navarre on the 2nd day of May, 2022 as compared by me with the original on file in my office.

Anne L. Johnson

I, Anne L. Johnson, Clerk- Treasurer for the Village of Navarre, Ohio, do hereby certify that there is no newspaper in said Village and that publication of the above Ordinance was duly made by posting one copy thereof at the Village of Navarre's website, the Navarre Post Office and the Village Clean Laundromat and that said Ordinance will remain posted for at least fifteen days thereafter.

Anne L. Johnson