



Introduced: 10/2/2023
Revised:
Adopted:
Effective:

CITY OF PATASKALA

ORDINANCE 2023-4455

AN ORDINANCE CREATING THE PATASKALA TAX INCREMENT FINANCING INCENTIVE DISTRICT 1; DECLARING IMPROVEMENTS TO THE PARCELS WITHIN THE INCENTIVE DISTRICT TO BE A PUBLIC PURPOSE AND EXEMPT FROM REAL PROPERTY TAXATION; REQUIRING THE OWNERS OF THOSE PARCELS TO MAKE SERVICE PAYMENTS IN LIEU OF TAXES; ESTABLISHING A MUNICIPAL PUBLIC IMPROVEMENT TAX INCREMENT EQUIVALENT FUND FOR THE DEPOSIT OF THOSE SERVICE PAYMENTS; AND SPECIFYING THE PUBLIC INFRASTRUCTURE IMPROVEMENTS TO BE MADE THAT DIRECTLY BENEFIT THE PARCELS

WHEREAS, R.C. 5709.40, 5709.42 and 5709.43 (collectively, the "Tax Increment Financing TIF Statutes") authorize a City Council, by ordinance, to declare the improvement to each parcel of real property to be a public purpose and exempt from taxation, require the owner of each parcel to make service payments in lieu of taxes, establish a redevelopment tax equivalent fund for the deposit of those service payments to be used to make payments to school districts affected by that exemption from taxation or to pay costs of constructing or repairing the public infrastructure improvements benefiting the parcels subject to that exemption from taxation, and specify public infrastructure improvements made or to be made or in the process of being made that directly benefit, or that once made will directly benefit, each parcel; and

WHEREAS, R.C. 5709.40 (A) (5) permits a municipal corporation to adopt a TIF ordinance in an "Incentive district", which means an area not more than three hundred acres in size enclosed by a continuous boundary in which a project is being, or will be, undertaken, and as certified by the engineer for the political subdivision, the public infrastructure serving the district is inadequate to meet the development needs of the district as evidenced by a written economic development plan or urban renewal plan for the district that has been adopted by the legislative authority of the subdivision; and

WHEREAS, R.C. 5709.40 (C)(1) permits the legislative authority of a municipal corporation to adopt an ordinance creating an incentive district, delineate the boundary of the proposed district and specifically identify each parcel within the district, and declaring improvements to parcels within the district to be a public purpose unless the population of the municipal corporation exceeds twenty-five thousand, as shown by the most recent federal decennial census or includes a

parcel that has been exempted from taxation under R.C. 5709.40 (B) or that is or has been within another district created under this division, and permits the municipal corporation to adopt an ordinance that creates an incentive district if the sum of the taxable value of real property in the proposed district for the preceding tax year and the taxable value of all real property in the municipal corporation that would have been taxable in the preceding year were it not for the fact that the property was in an existing incentive district and therefore exempt from taxation exceeds twenty-five per cent of the taxable value of real property in the municipal corporation for the preceding tax year; and

WHEREAS, Council for the City of Pataskala has determined to create the Pataskala Tax Incentive District 1 (the “Incentive District 1”) the boundaries of which will be coextensive with the boundaries of, and will include, the parcels of real property specifically identified and depicted in Exhibit A attached hereto and incorporated herein by reference (as currently or subsequently configured, the “Parcels”, with each of those parcels referred to herein individually as a “Parcel”); and

WHEREAS, the City Engineer has certified to the City of Pataskala that Incentive District 1 is less than 300 acres in size and enclosed by a contiguous boundary; and

WHEREAS, County for the City of Pataskala has determined to provide for the construction of the public infrastructure improvements described in Exhibit B attached hereto and incorporated herein by reference (the "Public Infrastructure Improvements"), which, once made, will directly benefit the Property; and

WHEREAS, Council for the City of Pataskala has passed an economic development plan for Incentive District 1 attached hereto as Exhibit C and incorporated herein by reference; and

WHEREAS, notice of this proposed Ordinance has been delivered to the Board of Education of the Southwest Licking Local School District (the “School District”) and the Career and Technical Centers of Licking County (the "JVSD") in accordance with and within the time period prescribed in R.C. 5709.83, or such notice has been waived; and

WHEREAS, notice of this proposed Ordinance has been delivered to the Board of County Commissioners of Licking County (the “County”) in accordance with and within the time period prescribed in R.C. 5709.40(E)(1), and the County has not objected to or failed to object to the exemption within thirty days after receipt of the notice; and

WHEREAS, the City of Pataskala conducted a public hearing on October 2, 2023 on this proposed ordinance, and notice has been given of the public hearing and the proposed ordinance by first class mail to every real property owner whose property is located within the boundaries of the proposed incentive district that is the subject of the proposed ordinance pursuant to R.C. 5709.40(C)(2)(a); and

WHEREAS, Council for the City of Pataskala has determined that payments in lieu of taxes shall be paid to the School District and JVSD pursuant to R.C. 5709.42 in the amount of the real property

taxes that the School District and JVSD would have received if such increase in the assessed value of the Property had not been exempted from real property taxes pursuant to this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF PATASKALA, COUNTY OF LICKING, STATE OF OHIO, A MAJORITY OF ALL MEMBERS ELECTED OR APPOINTED THERETO CONCURRING, THAT:

Section 1: Creation of Incentive District. Council for the City of Pataskala hereby finds and determines that forthcoming construction projects, including the construction of residential properties by M/I Homes will place additional demand on the Public Infrastructure Improvements. These residential plans will significantly expand the City's infrastructure needs and necessitate the construction of sewer and water facilities. This Council further finds that the sum of the taxable value of real property in Incentive District 1 for tax year 2022 and the taxable value of all real property in the City that would have been taxable in tax year 2022 were it not for the fact that the property was in an existing incentive district and therefore exemption from taxation, does not exceed twenty-five percent of the taxable value of real property within the City for tax year 2022. Pursuant to the TIF Statutes, this Council creates Incentive District 1, the boundaries of which are coextensive with the boundaries of, and include, the Parcels specifically identified and depicted in Exhibit A.

Section 2: Public Infrastructure Improvements. Council for the City of Pataskala hereby designates the Public Infrastructure Improvements described in Exhibit B, 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 benefit or serve, or that once made will benefit or serve, the Parcels.

Section 3: Authorization of Tax Exemption: Life of Incentive District. Pursuant to and in accordance with the provisions of R.C. 5709.40(C)(1), Council for the City of Pataskala hereby declares 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 R.C. 5709.40(A)) is a public purpose and exempt from taxation for a period coextensive with the life of Incentive District 1. The life of Incentive District 1 commences with the first tax year that begins after the effective date of this Ordinance and in which an Improvement attributable to a new structure would first appear on the tax list and duplicate of real and public utility property for any Parcel within Incentive District 1 were it not for the exemption granted in this Ordinance and ends on the earlier of (a) 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 Statutes.

Section 4: Service Payments and Property Tax Rollback Payments. Pursuant to R.C. 5709.42, the owner of each Parcel is hereby required to make annual service payments in lieu of taxes with respect to the Improvement to that Parcel to the Treasurer of Licking County, Ohio (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 for real property taxes (collectively, the "Service Payments"), will 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 3 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 R.C. 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”), will be deposited and distributed in accordance with Section 6 of this Ordinance.

Section 5: **TIF Fund.** Council for the City of Pataskala hereby establishes, pursuant to and in accordance with R.C. 5709.43, the Pataskala Incentive District Municipal Public Improvement Tax Increment Equivalent Fund (the “TIF Fund”). The TIF Fund 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 R.C. 5709.42 shall be used solely for the purposes authorized in the TIF Statutes or this Ordinance (as it may be amended or supplemented). 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 incidental surplus funds remaining therein transferred to the City's General Fund, all in accordance with R.C. 5709.43.

Section 6: **Distribution of Service Payments and Property Tax Rollback Payments.** The County Treasurer shall make semi-annual payments to the School District and JVSD, solely from the Service Payments, collectively in the amount equal to the property tax payments that the School District and JVSD would otherwise have received from the Improvements had the Improvements not been exempted pursuant to this Ordinance. The County Treasurer shall remit all remaining Service Payments to the City for deposit in the Fund established in Section 5 hereof. Pursuant to the TIF Statutes, the County Treasurer is requested to distribute the Service Payments and the Property Tax Rollback Payments to the City for deposit into the TIF Fund to be used to pay costs of the Public Infrastructure Improvements. All distributions required under this Section 6 are to be made at the same time and in the same manner as real property tax distributions.

Section 7: **Non-Discriminatory Hiring Policy.** In accordance with R.C. 5709.823, Council for the City of Pataskala hereby determines that no employer located upon the Parcel shall deny any individual employment based solely on the basis of race, religion, sex, disability, color, national origin or ancestry.

Section 8: **Further Authorizations.** Council for the City of Pataskala hereby authorizes and directs any of the Administrator, Safety-Service Director, Law Director and Finance Director or other appropriate officers of the City, to make such arrangements as are necessary and proper for collection of the Service Payments. Council further hereby authorizes and directs the Administrator, Safety-Service Director, Law Director and Finance Director or other appropriate officers of the City to prepare and sign all agreements and instruments and to take any other actions as may be appropriate to implement this Ordinance.

Section 9: **Filings with Ohio Department of Development.** Pursuant to R.C. 5709.40(I), the (interim) Clerk of Council is hereby directed to deliver a copy of this Ordinance to the Director of the Ohio Department of Development within fifteen (15) days after its effective date. Further, and on or before March 31 of each year that the Exemption set forth in this Ordinance remains in effect,

an authorized officer of the City shall prepare and submit to the Director of Development of the State of Ohio the status report required under R.C. 5709.40(I).

Section 10: **Tax Incentive Review Council.** The Tax Incentive Review Council established by the County shall review annually all exemptions from taxation resulting from the declarations set forth in this Ordinance and any other such matters as may properly come before that Council, all in accordance with R.C. 5709.85.

Section 12: It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of Council and that all deliberations of the Council and any of the decision-making bodies of the City of Pataskala which resulted in such formal actions were in meetings open to the public in compliance with all legal requirements of the State of Ohio.

Section 13: This Ordinance shall take effect at the earliest time allowed by the Charter of the City of Pataskala.

ATTEST:

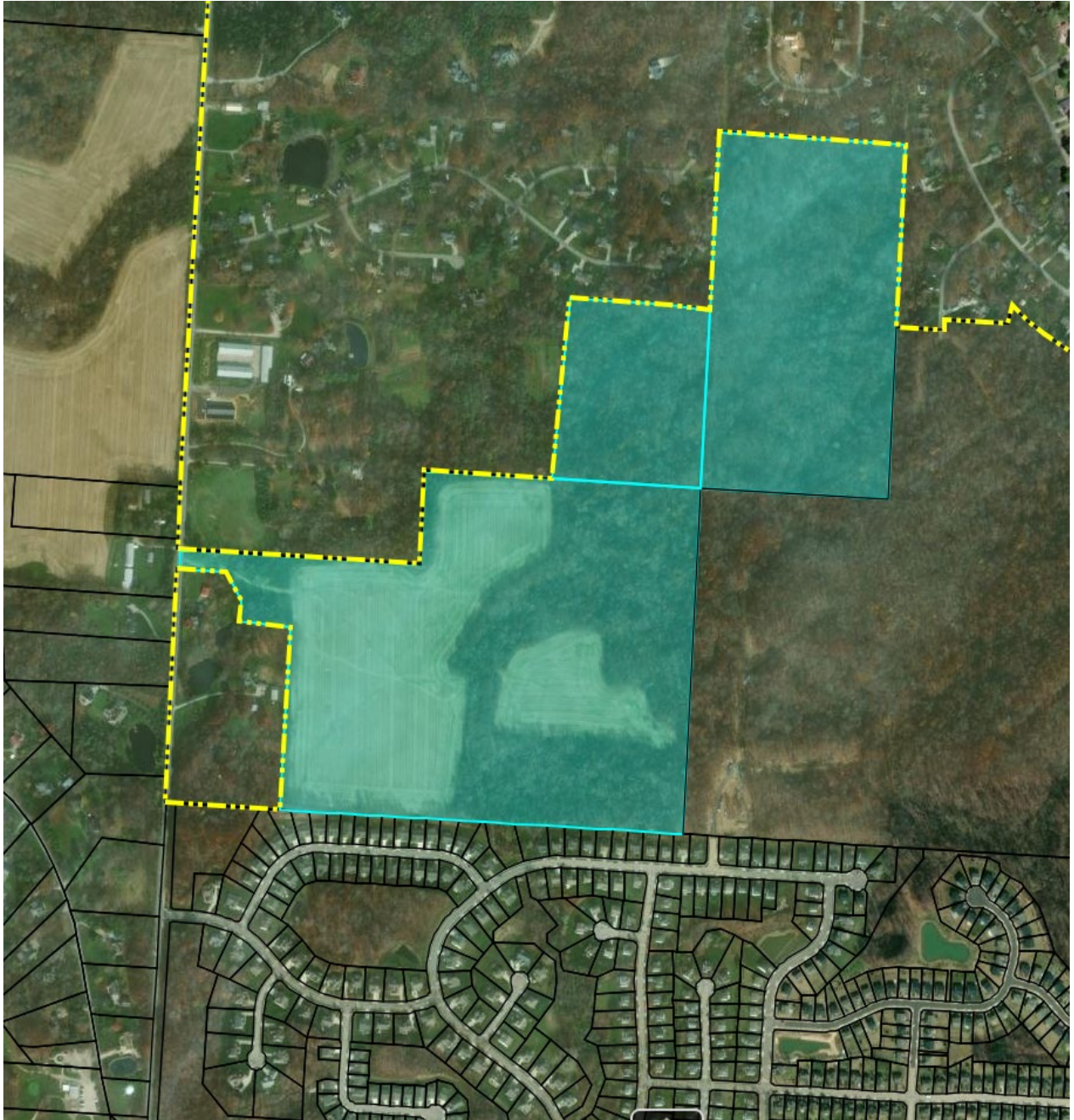
Jessica Cumbo, Interim Clerk of Council

Michael W. Compton, Mayor

Approved as to form:

Brian M. Zets, Law Director

**EXHIBIT A
IDENTIFICATION AND MAP OF TIF DISTRICT 1 PARCELS**



TIF DISTRICT 1 PARCELS

DESCRIPTION OF PARCELS AFFECTED BY THE IMPROVEMENT

The Project Site is the real estate situated in the City of Pataskala, County of Licking and State of Ohio consisting of the tax year 2022 parcel number(s) listed below (and including any subsequent combinations and/or subdivisions of the current parcel numbers), depicted on the map and attached hereto:

255-069072-00.000, 255-067746-00.000

EXHIBIT B
TAX INCREMENT FINANCING DISTRICT
PUBLIC INFRASTRUCTURE IMPROVEMENTS

The Public Infrastructure Improvements include, but are not limited to, any or all of the following improvements that will directly benefit the Property and all related costs of permanent improvements (including, but not limited to, those costs listed in R.C. Section 133.15(B)):

- Construction, reconstruction, extension, opening, improving, widening, grading, draining, curbing or changing of the lines and traffic patterns of, 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.
- Signage, artwork, sculpture and other related items that enhance, compliment and beautify the Project Area and the Public Infrastructure Improvements located in the public right-of-way or within public easements.
- Construction, reconstruction, extension, opening, improving, widening, grading, draining or curbing of walking and/or multipurpose paths.
- Construction, reconstruction, or installation of public utility improvements (including any underground municipally owned utilities), storm and sanitary sewers (including necessary site grading therefor), water and fire protection systems, including, but not limited to, tap, capacity and connection improvements for accessing the water, storm and sanitary sewers, or fire protection systems, and all appurtenances thereto.
- Construction, reconstruction or installation of gas, electric and communication service facilities (including any underground lines or other facilities), and all appurtenances thereto.
- Construction, reconstruction and installation of stormwater and flood remediation projects and facilities, including such projects and facilities on private property when determined to be necessary for public health, safety, and welfare.
- Continued and ongoing maintenance, paving, repaving, striping, grading and related work on roads, highways, streets, water, and sewer lines constructed as part of the Public Infrastructure Improvements.
- Construction or installation of streetscape and landscape improvements including trees, tree grates, signage, curbs, sidewalks, scenic fencing, street and sidewalk lighting, trash receptacles, benches, newspaper racks, burial of overhead utility lines and related improvements, together with all appurtenances thereto, including, but not limited to streetscape improvements in conjunction with and along the roadway improvements described above.

- Acquisition of real estate or interests in real estate (including easements) (a) necessary to accomplish any of the foregoing Public Infrastructure Improvements or (b) in aid of industry, commerce, distribution or research, including, but not limited to, any acquisition of land in connection with the City's taking title to any Public Infrastructure Improvements.
- Any other public infrastructure improvements constructed or maintained by or on behalf of the City that are determined by the City to benefit the Property.

**EXHIBIT C
INCENTIVE DISTRICT 1
ECONOMIC DEVELOPMENT PLAN**