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3
4 CITY OF CUYAHOGA FALLS

5
6 ORDINANCE NO. 104 - 2021
7

8 AN ORDINANCE TO CREATE A TAX INCREMENT FINANCING
9 AREA ENCOMPASSING CERTAIN PARCELS OF REAL PROPERTY
10 IN THE AREA GENERALLY LOCATED ALONG FRONT STREET
11 AND 2ND STREET EACH BETWEEN CHESTNUT BOULEVARD
12 AND SACKETT AVENUE; TO DECLARE IMPROVEMENTS TO
13 THOSE PARCELS TO BE A PUBLIC PURPOSE AND EXEMPT
14 FROM REAL PROPERTY TAXATION; TO REQUIRE THE OWNERS
15 OF THOSE PARCELS TO MAKE SERVICE PAYMENTS IN LIEU OF
16 TAXES; TO ESTABLISH A TAX INCREMENT EQUIVALENT FUND
17 FOR THE DEPOSIT OF THE REMAINDER OF THOSE SERVICE
18 PAYMENTS; AUTHORIZING SCHOOL COMPENSATION
19 PAYMENTS; AND TO DECLARE AN EMERGENCY.
20
21

22 WHEREAS, the City has determined to facilitate the redevelopment of the parcels of real
23 property generally located along Front Street and 2nd Street each between Chestnut Boulevard
24 and Sackett Avenue (collectively, the "Project"), all located in the City, and has entered into an
25 Development Agreement with the Summit County Land Reutilization Corporation (the
26 "Developer") for the Project, by which the City agreed to establish tax increment financing ("TIF")
27 areas on those parcels pursuant to Section 5709.40(B) of the Ohio Revised Code; and
28

29 WHEREAS, in support of the redevelopment plan for the Project established in the
30 Development Agreement, the City desires to establish a TIF area that includes the Parcels (as
31 defined in Section 1) on which the Project will be developed; and
32

33 WHEREAS, Ohio Revised Code Sections ("ORC") 5709.40, 5709.42, and 5709.43
34 (collectively, the "TIF Act") authorize this Council, by ordinance, to declare the improvement to
35 parcels of real property located within the City to be a public purpose and exempt from
36 taxation, require the owner of each parcel to make service payments in lieu of taxes, establish a
37 municipal public improvement tax increment equivalent fund for the deposit of those service
38 payments, and specify the purposes for which money in that fund will be expended; and
39

40 WHEREAS, since a portion of the Parcels will be used for residential purposes as defined by
41 ORC 5709.40, and in order to declare residential improvements to be a public purpose under
42 that ORC 5709.40, such Parcels must be located in a "blighted area" of an "impacted city",
43 each as defined in ORC 1.08 and 1728.01; and
44

45 WHEREAS, the Department of Community Development has conducted a blight
46 assessment and study of the Parcels, which assessment and study is dated November 16,
47 2021 (the "Blight Study"), which study concluded that the parcels are a "blighted area" as that
48 term is defined in ORC 1.08 and 1728.01, and that assessment and study and those findings
49 have been reviewed and accepted by the City and submitted to this Council; and
50

51 WHEREAS, the Director of the Ohio Department of Development has certified Cuyahoga
52 Falls to be an "impacted city" within the meaning of ORC 5709.41 and 1728.01, and that
53 certification remains in effect; and

54 WHEREAS, to facilitate the desired redevelopment of the Parcels, this Council has
55 determined that it is necessary and appropriate and in the best interest of the City to exempt
56 from taxation one hundred percent (100%) of the improvement to each Parcel as permitted and
57 provided in ORC 5709.40(B), as applicable, for up to thirty (30) years and to simultaneously
58 direct and require the current and future owners of each Parcel (each individually an "Owner"
59 and collectively the "Owners") to make annual Service Payments (as defined in Section 5 of this
60 Ordinance) in lieu of real property tax payments, in the same amount as they would have made
61 real property tax payments except for the exemption provided by this Ordinance; and
62

63 WHEREAS, notice of this proposed ordinance has been delivered to the Boards of
64 Education of the Cuyahoga Falls City School District and the Six District Educational Compact
65 (collectively, the "School District") in accordance with and within the time periods prescribed in
66 ORC Sections 5709.40 and 5709.83; and
67

68 WHEREAS, the City has determined that a portion of the Service Payments shall be paid
69 directly to the School Districts in an amount equal to the real property taxes that each school
70 district would have been paid if the improvement to each Parcel located within those school
71 districts had not been exempt from taxation pursuant to this Ordinance.
72

73 NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Cuyahoga Falls, Summit
74 County, Ohio, that:
75

76 Section 1. Parcels. The real property subject to this ordinance is identified and depicted on
77 Exhibit A (as currently or subsequently configured, the "Parcels", with each individual parcel a
78 "Parcel").
79

80 Section 2. Blight and Impacted City. On the basis of the Blight Study, this Council hereby
81 finds that (i) the Parcels are within a "blighted area" within the meaning of ORC 1.08, 1728.01
82 and 5709.40, and (ii) the City is an "impacted city" within the meaning of ORC 1728.01.
83

84 Section 3. Public Infrastructure Improvements. This Council hereby designates the public
85 infrastructure improvements described in Exhibit B (the "Public Infrastructure Improvements")
86 and any other public infrastructure improvements hereafter designated by ordinance as public
87 infrastructure improvements made, to be made or in the process of being made by the City that
88 benefit or serve, or that once made will benefit or serve, the Parcels.
89

90 Section 4. Exemption. This Council hereby finds and determines that one hundred percent
91 (100%) of the increase in assessed value of each Parcel subsequent to the effective date of this
92 ordinance (which increase in assessed value is hereinafter referred to as the "Improvement" as
93 defined in ORC 5709.40(A)) is hereby declared to be a public purpose and exempt from taxation
94 for a period commencing on the date an Improvement to that Parcel first appears on the tax list
95 and duplicate were it not for the exemption granted by this ordinance, which shall commence no
96 earlier than tax year 2023, and ending on the earlier of (a) thirty (30) years after such
97 commencement or (b) the date on which the City can no longer require service payments in lieu
98 of taxes, all in accordance with the requirements of the TIF Act.
99

100 Section 5. Service Payments. As provided in ORC 5709.42, the owner of each Parcel is
101 hereby required to make service payments in lieu of taxes with respect to the Improvement
102 allocable to each Parcel to the Summit County Fiscal Officer on or before the final dates for
103 payment of real property taxes. The service payments in lieu of taxes will be charged and
104 collected in the same manner and in the same amount as the real property taxes that would have
105 been charged and collected against that Improvement if it were not exempt from taxation
106 pursuant to Section 4, including any penalties and interest (collectively, the "Service Payments").
107 The Service Payments, and any other payments with respect to each Improvement that are

108 received in connection with the reduction required by ORC 319.302, 321.24, 323.152 and
109 323.156, as the same may be amended from time to time, or any successor provisions thereto as
110 the same may be amended from time to time (the "Property Tax Rollback Payments"), will be
111 deposited and distributed in accordance with Section 7.
112

113 Section 6. TIF Fund. This Council establishes, pursuant to and in accordance with the
114 provisions of ORC 5709.43, the South Front Street Public Improvement Tax Increment
115 Equivalent Fund (the "TIF Fund"), into which the Service Payments and Property Tax Rollback
116 Payments collected with respect to the Parcels will be deposited. The TIF Fund will be
117 maintained in the custody of the City. The City may use amounts deposited into the TIF Fund
118 only for the purposes authorized in the TIF Act and this ordinance (as it may be amended). The
119 TIF Fund will remain in existence so long as the Service Payments and Property Tax Rollback
120 Payments are collected and used for the aforesaid purposes, after which time the TIF Fund will
121 be dissolved and any surplus funds remaining therein transferred to the City's General Fund, all
122 in accordance with ORC 5709.43.
123

124 Section 7. Distributions; Payment of Costs. Pursuant to the TIF Act, the Summit County
125 Fiscal Officer is requested to distribute the Service Payments and Property Tax Rollback
126 Payments as follows:
127

128 (a) To each School District, an amount equal to the amount the School District would
129 otherwise receive as real property tax payments (including the applicable portion of any Property
130 Tax Rollback Payments) derived from the Improvement to each Parcel if the Improvement had not
131 been exempt from taxation pursuant to this ordinance.
132

133 (b) To the City, all remaining amounts for further deposit into the TIF Fund for
134 payment of costs of the Public Infrastructure Improvements, including, without limitation, debt
135 charges on any notes or bonds issued to pay or reimburse finance costs or costs of those Public
136 Infrastructure Improvements.
137

138 All distributions required under this Section are requested to be made at the same time
139 and in the same manner as real property tax distributions. The City shall make any
140 distributions to the extent not made by the Summit County Fiscal Officer.
141

142 Section 8. Further Authorizations. This Council hereby authorizes and directs the Mayor,
143 the Director of Law, the Director of Finance, and the Community Development Director, or
144 other appropriate officers of the City to deliver a copy of this ordinance to the Ohio Department
145 of Development and to make such arrangements as are necessary and proper for collection of
146 the Service Payments. This Council further authorizes the Mayor, the Director of Law, the
147 Director of Finance and the Community Development Director, or other appropriate officers of
148 the City to prepare and sign all agreements and instruments and to take any other actions as
149 may be appropriate to implement this ordinance.
150

151 Section 9. Effective Date. This ordinance is declared to be an emergency measure
152 necessary for the immediate preservation of the public peace, health and safety, and for the
153 further reason that this ordinance is required to be immediately effective in order to enable the
154 City to timely enter into contracts related to the timely redevelopment of the Parcels and related
155 Public Infrastructure Improvements; wherefore, this ordinance shall be in full force and effect
156 immediately upon its passage.
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Passed: 12-13, 2021

Approved: 12-13-2021, 2021



President of Council



Clerk of Council



Mayor

11/22/21
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.40(B).DOCX

EXHIBIT A

IDENTIFICATION AND MAP OF THE PARCELS

The following parcels of real estate situated in the City of Cuyahoga Falls are identified and depicted on the following map and constitute part of this Exhibit A. The parcel numbers are as of October 20, 2021, and are included for ease of reference only:

02-04691
02-04667
02-04666
02-04665
02-04668
02-04818
02-04819
02-04817

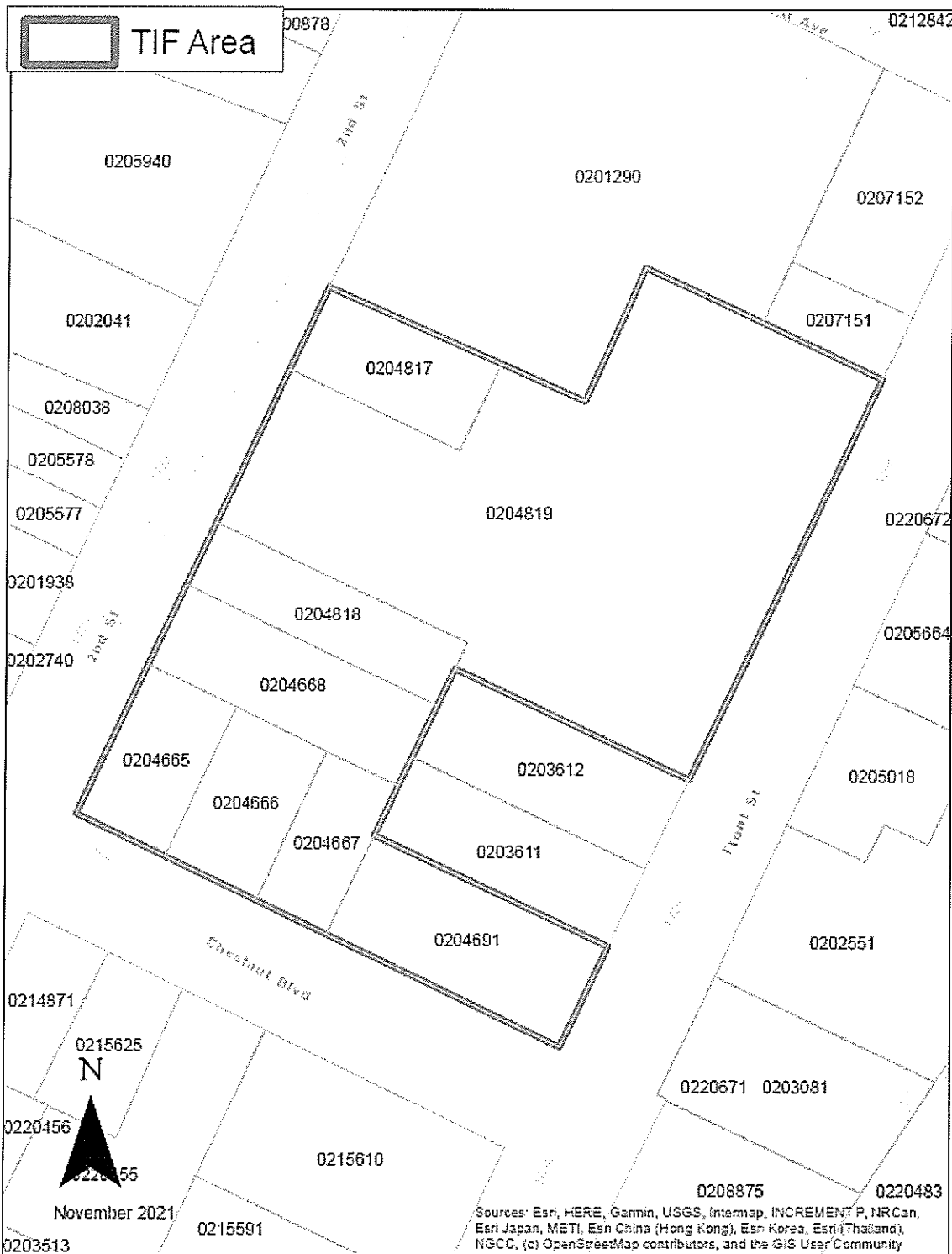


EXHIBIT B
PUBLIC INFRASTRUCTURE IMPROVEMENTS

The Public Infrastructure Improvements consist of any “public infrastructure improvement” defined under Section 5709.40(A)(7) of the Ohio Revised Code and that directly benefits or serves the Parcels and specifically include, but are not limited to, any of the following improvements that will benefit or serve the Parcels and all related costs of those permanent improvements (including, but not limited to, those costs listed in Section 133.15(B) of the Ohio Revised Code):

- **Stormwater.** 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, including but not limited to the construction and installation of storm water sewers throughout the proposed development including the public roads to be constructed throughout the development;
- **Parks.** Construction or reconstruction of one or more public parks, including grading, trees and other park plantings, park accessories and related improvements, multi-use trails and bridges, together with all appurtenances thereto, including, without limitation, improvements to parkland and multi-use trails within or proximate to the TIF area;
- **Roadways.** Construction, reconstruction, extension, opening, improving, widening, grading, draining, curbing or changing of the lines and traffic patterns of roads, 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, including but not limited to the construction, reconstruction, improving, grading, draining and resurfacing of, and installation of sidewalks along Front Street, 2nd Street, Chestnut Boulevard, Sackett Avenue, and along the public roads to be constructed throughout the development;
- **Water/Sewer.** Construction, reconstruction or installation of public utility improvements (including any underground municipally owned utilities), storm and sanitary sewers (including necessary site grading therefore), water and fire protection systems, and all appurtenances thereto, including but not limited to construction and installation of sanitary sewers along Front Street, 2nd Street, Chestnut Boulevard, Sackett Avenue, and along the public roads to be constructed throughout the development;
- **Environmental/Health.** Implementation of environmental remediation measures necessary to enable the Project and the construction of public health, including but not limited to preservation of wetlands and flood plain management in the areas around the proposed development and along Front Street, 2nd Street, Chestnut Boulevard and Sackett Avenue, dam modifications and improvements, any dredging of waterways in the TIF area, streambank erosion protection and renovation and related environmental studies and remediation;
- **Utilities.** Construction, reconstruction or installation of gas, electric and communication service facilities and all appurtenances thereto;

- **Demolition.** Demolition, including demolition on private property when determined to be necessary for public health, safety and welfare;
- **Streetscape/Landscape.** 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 in “Roadways” above, and including but not limited to lighting along Front Street, 2nd Street, Chestnut Boulevard, Sackett Avenue, and the other new streets to be constructed throughout the development;
- **Real Estate.** Acquisition of real estate or interests in real estate (including easements) (a) necessary to accomplish any of the foregoing improvements, or (b) in aid of industry, commerce, distribution or research; including, but not limited to, the purchase of parkland; and
- **Professional Services.** Engineering, consulting, legal, administrative, and other professional services associated with the planning, design, acquisition, construction and installation of the foregoing improvements and real estate.