



Real People. Real Possibilities.

City
Council

Legislative Bulletin

An Official Publication of the Hilliard City Council

Publication Date: June 17, 2016

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ORDINANCES

The following Ordinance was passed by Hilliard City Council on June 13, 2016

16-20 DECLARING IMPROVEMENTS TO CERTAIN REAL PROPERTY TO BE A PUBLIC PURPOSE; DESCRIBING THE PUBLIC INFRASTRUCTURE IMPROVEMENTS MADE OR TO BE MADE TO BENEFIT THE PARCEL; REQUIRING THE OWNER THEREOF TO MAKE SERVICE PAYMENTS IN LIEU OF TAXES; PROVIDING FOR THE FRANKLIN COUNTY TREASURER TO DISTRIBUTE SERVICE PAYMENTS TO THE HILLIARD CITY SCHOOL DISTRICT AND TO THE TOLLES CAREER CENTER IN THE AMOUNT OF REAL ESTATE TAXES THE SCHOOL DISTRICT AND CAREER CENTER WOULD HAVE RECEIVED IF NOT FOR THE EXEMPTION; AND ESTABLISHING A MUNICIPAL PUBLIC IMPROVEMENT TAX INCREMENT EQUIVALENT FUND FOR THE DEPOSIT OF SUCH SERVICE PAYMENTS (Bo Jackson Elite Sports Facility).

WHEREAS, the development of commercial properties in the City of Hilliard will benefit the City and its residents by creating economic opportunities, enlarging the property tax base, enhancing income tax revenues, and stimulating collateral development in the City; and

WHEREAS, by providing Public Infrastructure Improvements (as that term is defined in Section 5709.40(A)(7) of the Ohio Revised Code), including access road construction and related improvements, the City may facilitate the development of commercial properties; and

WHEREAS, Hilliard Real Estate Holdings, LLC (the "Developer") owns, or has under its control, approximately 7 ± acres of real property, identified as part of Parcel No.050-009807-00 by the Franklin County Auditor's Office, as more specifically described on Exhibit "A", attached hereto and incorporated herein (the "Property", which shall undergo a lot split prior to or at the time of closing), and has made or is in the process of making certain improvements (as defined in Section 5709.40(A)(4) of the Ohio Revised Code, hereinafter referred to as the "Improvements"), to the real property described in Exhibit "A" located in the City, and that such Improvements would first appear on the tax list and duplicate of real and public utility property subsequent to the effective date of this Ordinance, were it not for the exemption specified herein; and

WHEREAS, Ohio Revised Code Sections 5709.40, 5709.42, and 5709.43 provide for the use of municipal tax increment financing to finance the construction of Public Infrastructure Improvements which will benefit new commercial development in the City; and

WHEREAS, to benefit the Parcels this Council expects to cause to be made the public infrastructure improvements described on Exhibit B attached hereto, that once made will directly benefit the Property as identified therein; and

WHEREAS, Ohio Revised Code Sections 5709.40, 5709.42 and 5709.43 provide that this Council may declare Improvements to one or more parcels of real property located in the City to be a public purpose, thereby exempting those Improvements from real property taxation for a period of time, specify public infrastructure improvements made or to be made to benefit one or more of those Parcels, provide for the making of service payments in lieu of taxes by the Owners thereof, provide for the distribution of the applicable portion of those service payments to the Hilliard City School District, and establish municipal public improvement tax increment equivalent funds into which such service payments shall be deposited that are derived from the Property; and

City of Hilliard Legislative Bulletin
an Official Publication of the Hilliard City Council

ORDINANCES

16-20 (continued)

WHEREAS, as used herein, the term "Improvement" or "Improvements" means, consistent with the definition in Section 5709.40(A)(4) of the Revised Code, the entire increase in the assessed value of any parcel of the Property that would first appear on the tax list and duplicate of real and public utility property after the effective date of this Ordinance if not for the exemption granted by this Ordinance, which Improvement(s) this Council has determined to be a public purpose under Section 5709.40(B) of the Revised Code; and

WHEREAS, this Council has determined that it is necessary and appropriate and in the best interest of the City to exempt from taxation one hundred percent (100%) of the Improvement constructed and located in the Property, as identified in Exhibit "A", attached hereto and incorporated herein (the "Exempted Property"), for a period not to exceed thirty (30) years, as permitted and provided in Section 5709.40(B) of the Ohio Revised Code, and to simultaneously direct and require the current and future owner(s) of land within the Exempted Property (each individually an "Owner" and collectively the "Owners") to make annual service payments in lieu of real property taxes with respect to the Exempted Improvement (as defined below) in the same amount as the real property tax payments they would have made but for the exemption provided by this Ordinance (the "Service Payments", as further defined below), which Service Payments shall be made to the Franklin County Treasurer on or before the final due dates for the payment of real property taxes; and

WHEREAS, the City has determined that it is necessary and appropriate and in the best interests of the City to provide for service payments in lieu of taxes with respect to the Parcels pursuant to Section 5709.42 of the Ohio Revised Code; and

WHEREAS, the City has determined that a portion of the service payments shall be paid to the Hilliard City School District in an amount equal to the real property taxes that the Hilliard City School District and would have received if the Improvement to the Property located in the Hilliard City School District had not been exempted from taxation pursuant to this Ordinance; and

WHEREAS, the City has determined that a portion of the service payments shall be paid to the Tolles Career Center in an amount equal to the real property taxes that the Tolles Career Center and would have received if the Improvement to the Property had not been exempted from taxation pursuant to this Ordinance; and

WHEREAS, this Council finds and determines that notice of this proposed Ordinance has been delivered to all affected school districts in accordance with Sections 5709.40 and 5709.83 of the Ohio Revised Code and hereby ratifies the giving of that notice.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Hilliard, Ohio that:

SECTION 1. Tax Exemption. Pursuant to and in accordance with the provisions of Ohio Revised Code Section 5709.40, this Council hereby finds and determines that 100% of the increase in assessed value of the Property (as identified in Exhibit "A" **attached** hereto) subsequent to the effective date of this Ordinance (which increase in assessed value is hereinafter referred to as an "Improvement", as defined in Ohio Revised Code Section 5709.40(A)(4)), 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) thirty (30) years after such exemption commenced 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 Sections 5709.40 and 5709.42 of the Ohio Revised Code. The

SECTION 2. Payment of Service Payments. As provided in Ohio Revised Code Section 5709.42, the owner of the Property is hereby required to, and shall make, service payments in lieu of taxes with respect to the Improvement(s) allocable thereto to the Treasurer of Franklin County, Ohio (the "County Treasurer") on or before the final dates for payment of real property taxes. Each service payment in lieu of taxes 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 that Parcel if it were not exempt from taxation pursuant to Section 1 above. Any late payments shall be subject to penalty and bear interest at the then current rate established under Ohio Revised Code Sections 323.121(B)(1) and 5703.47, 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 payment of penalties and interest are collectively referred to herein with the service payments in lieu of taxes as the "Service Payments"). The Service Payments, and any other payments in respect of each Parcel which are received by the County Treasurer in connection with the reduction required by Ohio Revised Section 319.302, 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 3 of this Ordinance.

SECTION 3. Public Infrastructure Improvements. The public infrastructure improvements, set forth in Exhibit "B" **attached** hereto, which are made or to be made by or on behalf of the City, are hereby designated as those public infrastructure improvements that directly benefit the Property (the "Public Infrastructure Improvements").

City of Hilliard Legislative Bulletin
an Official Publication of the Hilliard City Council

ORDINANCES

16-20 (continued)

SECTION 4. Distribution of Payments to School District and City. The County Treasurer shall distribute the Service Payments and the Property Tax Rollback Payments as follows:

- (a) to the Hilliard City School District, an amount equal to the amount the Hilliard City School District would have received as real property tax payments (including the applicable portion of any Property Tax Rollback Payments) derived from the Improvement on the Property located within the Hilliard School District in the City of Hilliard, if not for the exemption(s) provided herein, and to the Tolles Career Center, an amount equal to the amount the Tolles Career Center would have received as real property tax payments (including the applicable portion of the Property Tax Rollback Payments) derived from the Improvement on the Property located in the City of Hilliard, if not for the exemption(s) provided hereunder; and
- (b) to the City, all remaining amounts for further deposit into the appropriate Municipal Improvement Property Tax Increment Equivalent Fund (as defined below). The City will use the Service Payments and Property Tax Rollback Payments for the costs of constructing, or causing construction of, public infrastructure improvements as identified in Exhibit "B", **attached** hereto and incorporated.

All distributions required under this Section 3 shall be made at the same time and in the same manner as real property tax distributions.

SECTION 5. Creation of TIF Funds. This Council hereby establishes, pursuant to and in accordance with the provisions of Ohio Revised Code Section 5709.43, a Municipal Public Improvement Tax Increment Equivalent Fund (the "Bo Jackson Tax Increment Equivalent Fund") for the Property. The Fund shall be maintained in the custody of the City and shall receive all distributions required to be made to the City, after providing for certain payments to the Hilliard City School District pursuant to Section 4 above. Those Service Payments and Property Tax Rollback Payments received by the City with respect to the Improvement(s) on a Parcel(s), so deposited and distributed pursuant to law as provided in Ohio Revised Code Section 5709.42, shall be used solely for the purposes authorized in Ohio Revised Code Sections 5709.40, 5709.42 and 5709.43, including, but not limited to, paying debt service on any City securities issued to finance the Public Infrastructure Improvements (as defined in Section 5 below) and paying any costs of the Public Infrastructure Improvements, in a manner which is consistent with this Ordinance. For purposes of this Ordinance, "costs" of the Public Infrastructure Improvements payable from each Fund shall also include the items of "costs of permanent improvements" set forth in Section 133.15(B) of the Ohio Revised Code, and incurred with respect to the Public Infrastructure Improvements. Each 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 each Fund shall be dissolved and any surplus funds remaining therein transferred to the City's General Fund, all in accordance with Ohio Revised Code Section 5709.43.

SECTION 6. Application for Real Property Tax Exemption and Remission. This Council further authorizes and directs the City Finance Director, the City Law Director or City Economic Development Director, or other appropriate officers of the City, to make such arrangements as are necessary and proper for collection of said Service Payments from the Owner or Owners of the Property; to make payment of the payments in lieu of taxes to the City of Hilliard to be deposited into the Bo Jackson Tax Increment Equivalent Fund; and to prepare and sign all agreements and instruments as may be necessary and to take other actions as may be appropriate to implement provisions and intent of this Ordinance. The Developer shall have obtained a lot split of parcel 050-009807-00 prior to, or as a result of, the purchase of the Property. The DTE form required by the Franklin County Auditor's Office shall contain the parcel number of the Property assigned by that office resulting from purchase and lot split.

SECTION 7. Notification of Passage. Pursuant to Ohio Revised Code Section 5709.40, the Clerk of Council is hereby directed to deliver a copy of this Ordinance to the Director of the Ohio Development Services Agency (ODAS) within fifteen days after its adoption. On or before March 31 of each year that an exemption set forth in Section 1 hereof remains in effect, the Finance Director or other authorized officer of this City shall prepare and submit to the Director of ODAS the status report required under Section 5709.40(G) of the Ohio Revised Code.

SECTION 8. Tax Incentive Review Council. The City hereby creates the Hilliard Tax Incentive Review Council, with the membership of that Council to be constituted in accordance with Section 5709.85 of the Ohio Revised Code. That Council shall, in accordance with Section 5709.85 of the Ohio Revised Code, 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 Ohio Revised Code Section 5709.85.

City of Hilliard Legislative Bulletin
an Official Publication of the Hilliard City Council

ORDINANCES

16-20 (continued)

SECTION 9. Open Meetings. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including Section 121.22 of the Revised Code.

SECTION 10. This Ordinance shall be effective from and after the earliest time provided by law.

RESOLUTIONS

The following Resolution was adopted by Hilliard City Council on June 17, 2016.

16-R-47 AUTHORIZING THE DIRECTOR OF INFORMATION TECHNOLOGY AND COMMUNICATIONS TO PURCHASE MOBILE POLICE EQUIPMENT THROUGH THE FEDERAL GENERAL SERVICES ADMINISTRATION PROGRAM.

WHEREAS, it is necessary for the health, safety, and welfare of the citizens of Hilliard, Ohio that the City's Division of Police equip its police cruisers with mobile technology for the efficient operations of the Division; and

WHEREAS, the Director of Information Technology ("IT") and Communications ("Director") has determined that police data technology, including mobile data terminals and camera systems for police vehicles ("mobile police equipment"), are needed to perform necessary police work while on patrol; and

WHEREAS, it is proposed that the purchase of the mobile police equipment be made pursuant to the Federal General Services Administration Program ("GSA"), eliminating the time and expense of competitive bidding, as the same has been conducted by the GSA; and

WHEREAS, in accordance with Ohio R.C. Section 9.25, the City is permitted to purchase surplus commodities from the federal government; and

WHEREAS, Hubb Systems, LLC, dba "Data 911", is a vendor selected by the GSA to sell mobile police equipment based on competitive pricing; and

WHEREAS, the Director desires to purchase the mobile police equipment from Data 911 in an amount not to exceed \$65,000; and

WHEREAS, funding for this purchase was appropriated in the 2016 Capital Improvement Budget by the passage of Ordinance No. 15-55, effective January 1, 2016, and pursuant to Section 3.10 of the Charter of the City, authorization for this purchase is established by resolution of Council.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Hilliard, Ohio, that:

SECTION 1. An expenditure is authorized in an amount not to exceed \$65,000 from Fund 304, Object 55 to purchase the mobile police equipment.

SECTION 2. The Director of IT and Communications is authorized to purchase the mobile police equipment from Hubb Systems, LLC dba "Data 911", an approved vendor with the Federal General Services Administration Program, in an amount not to exceed \$65,000.

SECTION 3. The Director is authorized to sign and execute any and all documents or agreements necessary to effectuate the purchase of mobile police equipment as authorized hereunder.

City of Hilliard Legislative Bulletin

an Official Publication of the Hilliard City Council

RESOLUTIONS

16-R-47 (continued)

SECTION 4. The Finance Director is authorized to make any accounting changes to revise the funding source for any contract or contract modification associated with expenditure of the funds.

SECTION 5. This Resolution is effective upon its adoption.

REMAINING 2016 MEETING DATES OF HILLIARD CITY COUNCIL

(All meetings begin at 7:00 p.m., unless otherwise noted)

June 27
July 11
August 22
September 12
September 26
October 24
November 14
November 28
December 12

To confirm meeting dates and times please check the calendar on the City's website.

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