



# ORDINANCE 2022-08

## OF THE VILLAGE OF ASHVILLE



AN EMERGENCY ORDINANCE DECLARING THE IMPROVEMENT OF CERTAIN REAL PROPERTY LOCATED IN THE VILLAGE OF ASHVILLE, PICKAWAY COUNTY, OHIO TO BE A PUBLIC PURPOSE; DECLARING SUCH PROPERTY TO BE EXEMPT FROM REAL PROPERTY TAXATION; DESIGNATING SPECIFIC PUBLIC INFRASTRUCTURE IMPROVEMENTS THAT, ONCE MADE, WILL DIRECTLY BENEFIT THE PARCELS FOR WHICH IMPROVEMENT IS DECLARED TO BE A PUBLIC PURPOSE; REQUIRING ANNUAL SERVICE PAYMENTS IN LIEU OF TAXES; ESTABLISHING A MUNICIPAL PUBLIC IMPROVEMENT TAX INCREMENT EQUIVALENT FUND; AUTHORIZING THE EXECUTION OF A TIF AGREEMENT; PROVIDING RELATED AUTHORIZATION PURSUANT TO OHIO REVISED CODE SECTIONS 5709.40(B), 5709.42, 5709.43, 5709.82 AND 5709.83; AND DECLARING AN EMERGENCY.

WHEREAS, Ohio Revised Code (“R.C.”) Section 5709.40(B) provides that this Council may, under certain circumstances, (i) declare improvement to parcels of real property located in the Village of Ashville (the “Village”) to be a public purpose, thereby granting to that improvement an exemption from real property taxation, and (ii) designate specific public infrastructure improvements made, to be made, or in the process of being made that directly benefit, or that once made will directly benefit, the parcels for which improvement is declared to be a public purpose; and

WHEREAS, pursuant to R.C. Section 5709.40(D), said exemption may be for up to one hundred percent (100%) of such improvement for up to thirty (30) years with either (i) the approval of the Board of Education of the Teays Valley Local School District (the “School District”); or (ii) if payments in lieu of taxes, as provided for in R.C. Section 5709.42, are made to the School District and the Eastland-Fairfield Career and Technical Schools (the “JVSD”) in an amount equal to the real property taxes that the School District and JVSD would have received if the improvement to each parcel located within the School District and JVSD had not been exempted from taxation under this ordinance (this “TIF Ordinance”); and

WHEREAS, the real property shown in Exhibit A hereto and incorporated herein by reference (the “Property”) is located in the State of Ohio (the “State”), County of Pickaway (the “County”), and the Village, with each parcel of the Property referred to herein as a “Parcel” (whether as presently appearing on County tax duplicates or as subdivided or combined and appearing on future tax duplicates);

Prepared: 03/18/2022  
Revised Date: 05/18/2022  
Review Date:

### CERTIFICATE OF RECORDING OFFICER

I, the undersigned, hereby certify, that the foregoing is a true and correct copy of the ordinance adopted by the Village of Ashville Council held on 24<sup>th</sup> day of May 2022, and that I am duly authorized to execute this certificate.

(Original signature of April D. Grube)

Clerk-Fiscal Officer  
(TITLE)



WHEREAS, the current and future owners of the Property (each an “Owner” and collectively the “Owners”) wish to develop the Property by constructing distribution, warehousing, logistics and other commercial operations facilities over multiple phases together with related site improvements thereon and otherwise improving the Property (the “Project”), provided that the appropriate development incentives are available to support this development; and

WHEREAS, by separate ordinance, this Council is authorizing the execution of a Community Reinvestment Area Agreement (the “CRA Agreement”) by and among the Village and Exel Inc., a Massachusetts corporation, d/b/a DHL Supply Chain (USA) (the “Company”) to provide the Owners with one hundred percent (100%) real property tax exemptions for fifteen (15) years for the assessed value of structures constructed at the Property and one hundred percent (100%) real property tax exemptions for fifteen (15) years for the increase in assessed value attributable to remodeling at the Property; and

WHEREAS, this Council has determined that it is necessary and appropriate and in the best interests of the Village to provide for service payments in lieu of real property taxes (“Service Payments”) with respect to the Property pursuant to R.C. Section 5709.42; and

WHEREAS, this Council has determined that it is in the Village’s best interest to enter into a tax increment financing agreement (the “TIF Agreement”, a draft of which is on file with the Village Administrator) with the Company pursuant to which the Company would construct or cause to be constructed certain public infrastructure improvements identified in Exhibit C attached hereto and incorporated herein by reference (the “Public Improvements”), and (ii) the Company would be reimbursed for its costs incurred with respect to the Public Improvements; and

WHEREAS, notice of this proposed TIF Ordinance has been delivered to the Boards of Education of the School District and the JVSD, or such notice has been waived, in accordance with and within the time period prescribed in R.C. Sections 5709.40(D) and 5709.83; and

WHEREAS, in connection with the hereinafter described payments to be made to the School District and JVSD, the Board of Education of the School District, pursuant to a Resolution dated [March 28, 2022], has approved this TIF Ordinance and the exemptions provided herein;

WHEREAS, the Village and the Company intend for the CRA Agreement exemptions to take priority over the exemptions provided for in this TIF Ordinance; and

WHEREAS, an emergency exists in the usual daily operations of the Village in that it is immediately necessary to approve tax exemptions for the Property for the preservation of the public health, peace, property and safety, that preservation being related to the need to proceed with public infrastructure improvements that directly benefit the Property immediately;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF ASHVILLE, COUNTY OF PICKAWAY, STATE OF OHIO THAT:

**SECTION I - Public Improvements and TIF Agreement.**

The Public Improvements described in Exhibit C hereto intended to be made or caused to be made by the Company are hereby designated as public infrastructure improvements that, once made, will directly benefit the Property. The TIF Agreement between the Village and the Company providing for, among other things, construction of the Public Improvements by or on behalf of the Company and use of the Service Payments, including, but not limited to, for reimbursement to the Company for its costs associated with the Public Improvements, is hereby approved, and the Village Administrator and Village Fiscal Officer are hereby authorized and directed to execute said TIF Agreement on behalf of the Village in substantially the same form on file with the Village Administrator, together with such revisions or additions thereto as approved by the Mayor as consistent with the objectives and requirements of this TIF Ordinance, which approval shall be conclusively evidenced by the signing of said TIF Agreement. The Mayor and other appropriate Village officials are further authorized to provide such information and to execute, certify or furnish such other documents, and to do all other things as are necessary for and incidental to carrying out the provisions of the TIF Agreement.

**SECTION II - Property Tax Exemption.**

Pursuant to and in accordance with the provisions of R.C. Section 5709.40, and, in particular, R.C. Section 5709.40(B), this Council hereby finds and determines that 100% of the increase in the assessed value of the Property that would first appear on the tax list and duplicate of real property after the effective date of this TIF Ordinance (which increase in assessed value is herein referred to as the "Improvement" or "Improvements" as defined in said R.C. Section 5709.40) is a public purpose, and 100% of said Improvement is hereby declared to be a public purpose for a period of 30 years and exempt from taxation commencing for each Parcel the earlier of the first day of (i) the first tax year in which an Improvement of no less than \$35,000 in assessed value (i.e., \$100,000 of true value) to the Parcel (as it may then be combined and/or subdivided) would first appear on the tax list and duplicate of real and public utility property after the effective date of this TIF Ordinance were it not for the exemption granted by this TIF Ordinance, or (ii) tax year 2036, and ending for each Parcel thirty (30) years after such date. The exemption for each Improvement shall be subordinate to any exemption provided under the CRA Agreement, irrespective of who files the exemption application under R.C. Section 5709.911.

**SECTION III - Service Payments.**

As provided in R.C. Section 5709.42, the Owner or Owners of any Parcel are hereby required to and shall pay the Service Payments to the Pickaway County Treasurer (the "County Treasurer") on or before the final dates for payment of real property taxes. The Service Payments that are not required to be distributed to the School District and the JVSD pursuant to Section 4 of this TIF Ordinance, shall be deposited by the County Treasurer in the [Ashville] Municipal Public Improvement Tax Increment Equivalent Fund (the "Fund") established in Section 5 hereof. This Council hereby authorizes the Village Administrator, Fiscal Officer, and other appropriate officers of the Village to provide such information and certifications, and execute and deliver or accept delivery of such instruments, as are necessary and incidental to collect those Service Payments, and to make such arrangements as are necessary and proper for payment of the Service Payments. The Service Payments shall be allocated and deposited in accordance with Sections 4 and 5 of this TIF Ordinance.

No Owner shall, under any circumstances, be required for any tax year to both pay Service Payments with respect to an Improvement and reimburse local taxing authorities for the amount of real property taxes that would have been payable to local taxing authorities had the Improvement not been exempted from taxation pursuant to this TIF Ordinance.

**SECTION IV - Payments to School District and JVSD.**

The County Treasurer shall make semi-annual payments to the School District, solely from the Service Payments, collectively in the amount equal to the property tax payments that the School District would otherwise have received from the Improvements had the Improvements not been exempted pursuant to this Ordinance. Pursuant to R.C. Section 5709.40(D)(1), the Village is required to compensate the JVSD at the same rate and under the same terms received by the School District. Thus, the County Treasurer also shall make semi-annual payments to the JVSD, solely from the Service Payments, collectively in the amount equal to the property tax payments that the JVSD would otherwise have received from the Improvements had the Improvements not been exempted pursuant to this Ordinance. No such payments to the School District or the JVSD shall be made with respect to the Improvements exempted from real property taxation under the CRA Agreement for the period and to the extent that the Improvements are exempt under the CRA Agreement. The County Treasurer shall remit all remaining Service Payments to the Village for deposit in the Fund established in Section 5 hereof.

**SECTION V - Tax Increment Equivalent Fund.**

This Council hereby establishes, pursuant to and in accordance with the provisions of R.C. Section 5709.43, the Fund, into which shall be deposited all of the Service Payments distributed to the Village with respect to the Improvements to Parcels of the Property by or on behalf of the County Treasurer, as provided in R.C. Section 5709.42, except for amounts paid directly to the School District and the JVSD as provided in Section 4 hereof, and hereby appropriates all of the moneys deposited in the Fund from time to time to pay any costs associated with the Public Infrastructure Improvements approved by the Village, including, but not limited to, the "costs of permanent improvements" described in R.C. Section 133.15(B).

The Fund shall remain in existence so long as Service Payments are collected and used for the aforesaid purposes, subject to the limits set forth in Section 2 hereof, after which said Fund shall be dissolved in accordance with R.C. Section 5709.43(D). Upon dissolution, any incidental surplus money remaining in the Fund shall be transferred to the Village general fund as provided in R.C. Section 5709.43(D).

**SECTION VI - Filing and Reporting to State.**

Pursuant to R.C. Section 5709.40, the Village Clerk is hereby directed to deliver a copy of this TIF Ordinance to the Director of the Department of Development of the State of Ohio within fifteen days after its passage. On or before March 31 of each year that the exemption set forth in Section 2 hereof remains in effect, the Village Administrator or other authorized officer of this Village shall prepare and submit to the Director of the Department of Development of the State of Ohio the status report required under R.C. Section 5709.40(I).

**SECTION VII - Implementation of Exemptions and TIF Ordinance.**

This Council hereby authorizes the Village Administrator, Fiscal Officer or other appropriate officers of the Village to take such actions as are necessary or appropriate to implement the transactions contemplated by this TIF Ordinance, including the filing of one or more applications for exemption and any related forms in accordance with R.C. Section 5709.911. The Village Administrator, or any other official, as appropriate, are each authorized and directed to sign any other documents, instruments or certificates and to take such actions as are necessary or appropriate to consummate or implement the actions described herein or contemplated by this TIF Ordinance.

**SECTION VIII - Open Meeting.**

It is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this TIF Ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and any decision making bodies of the Village that resulted in such formal actions were in meetings open to the public and in compliance with all legal requirements.

**SECTION IX - Effective Date.**


This TIF Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the Village, and for the further reason that this TIF Ordinance is required to be immediately effective in order to enable the construction of the Public Improvements to proceed, thereby addressing critical infrastructure needs in the Village; wherefore, this TIF Ordinance shall be in full force and effect immediately upon its passage by Council.

Wherefore, provided this Ordinance receives the required affirmative votes of Council, this Ordinance shall take effect and be in force immediately upon passage by Council and approval by the Mayor.

Offered by: Nelson R. Embrey  
Seconded to the Motion Offered by: Matt Scholl

Upon roll call on the adoption of the ordinance, the vote was as follow:

Council Member Yes No Council Member Yes No Council Member Yes No Council Member Yes No Council Member Yes No Council Member Yes No  
Roger L. Clark   Nelson R. Embrey   Randy S. Loveless   R. David Rainey   Matt Scholl   Steve Welsh

PASSED THIS 24<sup>TH</sup> DAY OF MAY, 2022  
ATTEST:  
  
April D. Grube, Clerk-Fiscal Officer

DATE: 5/25/2022

APPROVED:  
  
Charles K. Wise, Mayor

DATE: 25 MAY 2022

**EXHIBIT A to TIF Ordinance**

**DESCRIPTION OF PARCELS AFFECTED BY THE IMPROVEMENT**

The Property is the real estate situated in the Village of Ashville, County of Pickaway and State of Ohio consisting of the parcel numbers listed below, but which property shall not include (i) any parcels that are used or to be used for residential purposes as shown in the land use records maintained by the Pickaway County Auditor, or (ii) any parcels that are valued at their current agricultural use value (“CAUV”) until such time as those parcels are removed from the CAUV program as described in R.C. Sections 5713.30 through 5713.37.

Parcel Numbers:

D1300050002100  
D1300270004200  
D1300350000100

## **EXHIBIT B to TIF Ordinance**

### **DESCRIPTION OF THE PUBLIC IMPROVEMENTS**

The Public Improvements may include, but are not limited to, the following:

Construction of public roads, including a public road providing access to State Route 752 and State Route 23; construction of projects to improve the infrastructure of the Village; sewer and water system improvements; landscaping; acquisition of land for rights of way (if any); extension of natural gas, water, storm and sanitary sewer lines, street lighting; sidewalks and/or bike paths; acquisition of land for park purposes; acquisition and installation of equipment in parks; construction of other park improvements; construction of roads and all related appurtenances, including turn lanes on State Route 752; costs incurred by the Company from ODOT associated with ODOT-required improvements (if any); traffic signs and signals; engineering and other professional services secured in connection with the Public Improvements including legal, planning, citizen participation, environmental studies and remediation; streetscape and other improvements including, but not limited to, grading, draining, curbing, paving, resurfacing, constructing or reconstructing storm sewers, storm water basins and retention ponds, sanitary sewers, water mains, sidewalks, driveway approaches and aprons, public parking spaces and structures; electrical lighting; removal and placement of overhead utilities underground; installation of the desired conduit; environmental remediation; land acquisition; demolition; traffic control devices, including traffic lights, signs and other markings; installing public benches, seating areas and trash receptacles; and planting trees, shrubbery and other landscaping materials, together with all other necessary and appropriate appurtenances.