

_____ moved the adoption of the following

RESOLUTION # 18 -14
RESOLUTION
FOR
SCHOOL COMPENSATION AGREEMENT FOR ONTARIO PROPERTIES

This School Compensation Agreement (this "Agreement") is made and entered into as of _____, 2014 by and between the City of Ontario, Ohio (the "City") a municipal corporation and political subdivision organized and existing under the Constitution and the State of Ohio (the "State") and the Pioneer Career and Technology Center (the "School District"), a joint vocational school district and political subdivision organized and existing under the laws of the State, under the following circumstances:

WHEREAS, THE City of Ontario desires to construct public infrastructure improvements that would benefit the real property described and depicted on Exhibits A, B and C hereto (collectively, the 5709.40 Property) and the City desires to construct public infrastructure improvements that would benefit the real property described and depicted on Exhibit D hereto (the 5907.41 Property) and the City desires that a hotel be constructed on the 4709.41 Property; **AND**

WHEREAS, the City desires to declare the increase in the value of the 5709.40 Property to be public purpose (such increase value being the 5709.40 Improvement) and (ii) exempt 100% of the 5709.40 Improvement from real property taxes for a period commencing with the tax the year and the 5709.40 Improvement first appears on the tax list and duplicate of real and public utility property and ending on the earlier of (a) 30 years after such date or (b) the date on which the City can no longer require service (payments in lieu of taxes), all in accordance with the Ohio Revised Code Sections 5709.40, 4709.42 and 5709.43 (the "TIF Statutes"); **AND**

WHEREAS, the City desires to declare the increase value of the 5709.41 Property resulting from the construction of a hotel on the 5709.41 Property (such increase value being the "5709.41 Improvement") and exempt 75% of the 4709.41 Improvement from real property taxes commencing with the tax year 5709.41 Improvement first appears on the tax list and duplicate of real and public utility property and ending on the earlier of (a) 10 years after such date or 9b) the date on which the City can no longer require service payments in lieu of taxes, all in accordance with the Ohio Revised Code Sections 5709.41, 5709.42 and 5709.43; **AND**

WHEREAS, Ohio Revised code Sections 5709.40, 5709.41 and 5709.83 require the City to give notices to the School District prior to enacting any legislation authorized by the Ohio Revised Code Sections unless such notices are waived; **AND**

WHEREAS, pursuant to Ohio Revised Code Section 5709.82, since the City has or will enter a school compensation agreement with the (the "School Compensation Agreement") regarding the exemption of the 5709.40 Improvement and the 5709.41 Improvement (collectively, the "Improvements") the City is required to enter into a school compensation agreement with the School District; **AND**

WHEREAS, the City desires that the School District waive notice of any proposed exemption of the Improvements; **AND**

WHEREAS, the City is proposing that the School District enter into this Agreement for purposes of satisfying the requirement of Ohio Revised Code Section 5709.82; **AND**

WHEREAS, the School District is willing to enter into this Agreement to satisfy the requirements of Ohio Revised Code Section 5709.82;

THEREFORE, BE IT RESOLVED, in consideration of the premises and agreement contained herein, the City and the School District agree as follows:

Section 1. Compensation Payment. The City agrees to make the following compensation payments to the School District:

- (a) By December 31 of each year the City receives service payments in lieu of taxes (the "Service Payments") related to the 5709.40 Improvement, an amount equal to the sum of (i) on the first \$35,000,000 of the true value (\$12,250,000 of assessed value) of the 5709.40 Improvement, an amount equal to the amount of taxes that the School District would have received in that year on that value if the exemption of real property taxes of the 5709.40 Improvements on the 5709.40 Property had not been granted in accordance with the Ohio Revised Code Section 5709.40 and (II) on the true value of the 5709.40 Improvement in excess of \$35,000,000 (\$12,250,000 of assessed value) of the 5709.40 Improvement, if any, an amount equal to 100% of the amount of taxes that the School District would have received in that year on that value if the exemption of real property taxes of the 5709.40 Improvement on the 5709.40 Property had not been granted in accordance with the Ohio Revised Code Section 5709.40.
- (b) By December 31 of each year the City receives Service Payments related to the 5709.40 Improvement, the amount of \$3,516 if after payment described in (a) above and all payments due pursuant to the School Compensation Agreement have been made the remaining Service Payments received by the City in that year equal or exceeds \$3,516.

Section 2. Waiver of Notices. The School District waives all requirements of Ohio Revised Code Sections 5709.40, 5709.41 and 5709.83 for notices from the City regarding proposed City legislation providing for the exemption of the Improvements on the 5709.40 Property and the 5709.41 Property from real property taxes.

Section 3. Satisfaction of Agreement. This Agreement satisfies the requirements of Ohio Revised Code Section 5709.82 for a compensation agreement.

Section 4. Waiver of Other Compensation. Other than the compensation to the School District provided in Section 1, the School District waives any and all other

compensation from the City for the real property taxes the School District will forego as a result the exemption of the Improvements from real property taxes, including specifically any compensation that would have required but for this waiver by the Ohio Revised Code Sections 5709.40, 5709.41 and 5709.82.

Section 5. Entire Agreement. This Agreement sets forth the entire agreement and understanding between the City and the School District as to the subject matter hereof and supersedes all prior discussions, agreements and understandings between the City and the School District with regard to the subject matter of this Agreement.

Section 6. Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument.

_____ seconded the motion.

VOTE: **YEAS;**
NAYS;

Adopted this 20th day of October 2014

CITY OF ONTARIO, OHIO

DATE: _____, 2014

Mayor

PIONEER CAREER & TECHNOLOGY
CENTER

DATE: _____, 2014

Superintendent

Treasurer

Pioneer Superintendent